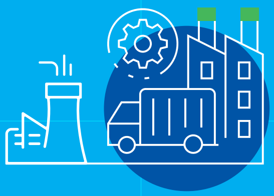
# TATA PROJECTS LIMITED

43rd Annual Report 2021-2022

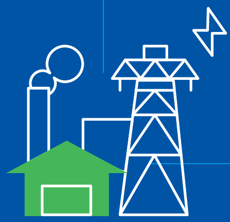
TATA

MODERN INFRASTRUCTURE

TRANSPORTATION INFRASTRUCTURE

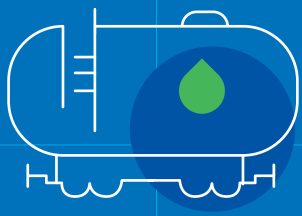


NEW AGE FACTORIES



POWER

CLEAN ENVIRONMENT



CLEAN ENERGY

# TRANSFORMING INDIA

# Contents

04

MANAGING DIRECTOR'S MESSAGE

16

BUSINESS IN FOCUS

31

OUR PEOPLE, OUR PRIDE

34

MANAGEMENT DISCUSSION AND ANALYSIS



Online version can be viewed here

https://www.tataprojects.com

## Key Highlights FY 2021-22

**FINANCIAL**

₹13,531 Cr.
Revenue

₹(67) Cr.
EBITDA

₹(768) Cr.
Profit Before Tax

**OPERATIONAL**

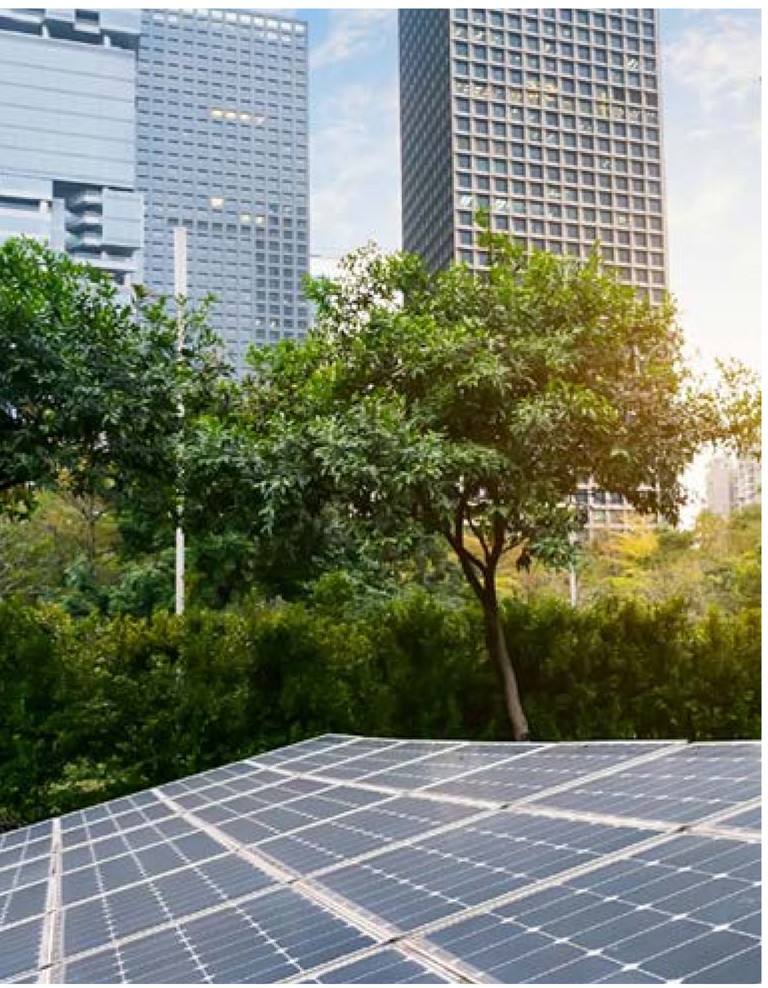
₹52,536 Cr.
Order Backlog

₹14,800 Cr.
Order Secured

# Indian Infrastructure

## 25 years Transformation

**Indian infrastructure has witnessed an epic transformation over last 25 years. Starting with National Highway Development Program in 1998, India has witnessed multi-trillion dollar investments to across power, highways, ports, airports, telecom etc. This has spurred further investment into industrial infrastructure.**



Our nation's infrastructure has witnessed an epic transformation over last 25 years. This focus on infrastructure investment kicked off with National Highway Development Program in 1998. Since then, India has witnessed multi-trillion dollar investment across power, highways, ports, airports etc. India's economic liberalisation plan in 1991, expanding role for private and foreign investment provided the foundation for this journey.

As we entered this millennium, India had about 49 million registered vehicles. Today the number of registered vehicles nationwide is predicted to be more than 300 million and expected to rise further in the years ahead. This growth has taken place at the back of aggressive development of highways and expressways by NHAI and State PWDs. With better equipment and resources, we are building more than 30 kms of world class highway every day.

In 1996-97, India's per capita consumption of electricity was merely 338 Kwh with installed generation capacity at 85 GW. Private sector contribution to generation capacity was 6%. During last 25 years, there has been significant investment by private sector in power sector. As we enter 2022-23, the per capita power consumption is expected to be more than 1,200 Kwh with installed generation capacity at 402 GW. Private sector contributes almost half of this capacity and its focus on renewable power is key to meeting our decarbonisation commitment. The generation capacity increase has in turn necessitated large investment in transmission & distribution.

During introduction of Open Sky policy in mid-1990s – India had merely 37 million air passengers with no world class airport. During last 25 years, there has been an explosion in air travel to make India now world's third largest civil aviation market. Before Covid disruption, India's air passenger traffic had already grown to 342 million. We also now have several world class airports developed by private sector in India and many more to come.

India has also improved the quality of life of its citizens substantially over last 2 decades with massive investments to provide better housing, hospitals, water and wastewater linkages, river rejuvenation, commercial and industrial buildings, metro and long-distance rail lines etc.

With the improved infrastructure, India now is also prioritising industrial investment under 'Make in India' program. This investment is helping create new age factories, data centers etc to deliver world class products and services.

These Investments into building infrastructure have given impetus to India's growth story and made construction sector an important element of India's economy. The construction sector has emerged as second largest employer in India providing employment to 52 million people and contributing 9% to India's GDP.

As India invests further to improve its infrastructure backbone, easing supply chain bottlenecks, providing electricity, water, sanitation and healthcare to all, we look at road travelled so far, capabilities built within India and large opportunity ahead to build new India.

**37%**
Global energy related $CO_2$ emissions due to construction

**7 billion**
Urban population by 2050

**$22.6 trillion**
Investment in water infrastructure by 2050

## Managing Director’s Message

# Accelerating India’s Progress

**“Our trusted name and execution expertise combined with a well-diversified presence leaves us well-positioned to take advantage of future opportunities.”**

Dear Shareholders,

My journey with Tata Projects started a decade ago to diversify from a narrowly focused industrial EPC company to a well-diversified business today. Our business mix today looks significantly different from its earlier avatar. Urban Infrastructure business, which was set up from scratch, today commands a major part of the backlog and revenue. We have established ourselves with customer recognition in multiple segments like rail, metro, buildings, power, oil & gas etc. We are proud to be the preferred partner to many of our clients for on-time delivery.

This has been done at the back of large investment into building organisation capacity. The scale and sophistication of some of our delivery vectors like global procurement, human resource development, digital dashboards & MIS and capital sourcing have helped fuel our business needs.

Many of the projects we have done during these years have been challenging. We have worked on projects with tight timelines such as the New Parliament Building, Tata Electronics factory or commercial buildings for TCS. We are constructing large scale projects being done for the first time in India like the dedicated freight corridors. We have established leadership in segments like underground metro and high-rise buildings. I am proud that we are working on complex projects of national importance like Barmer refinery, Nava-Sheva Sealink and projects for NPCIL and ISRO. Despite these challenging assignments, our teams remain confident of delivering projects on-schedule meeting quality standards.

Our journey has not been without turbulence. We have had our share of learning-curves and working capital challenges. This has been in the face of industry-wide headwinds last few years on account of commodity prices, stress in MSME vendor base and Covid-19 challenges. Our shareholders helped us tide over these issues by injecting capital into the company last year.

During the year 2021-22, we continued to get projects such as Pune Metro, Chennai Underground Metro Line, National Maritime Heritage Complex, Chennai Peripheral Ring Road Project and others in India. On the international arena, we secured a 120-km transmission line project in Bangladesh as well as multiple T&D projects across Africa.

We are also proud to have constructed the nation’s first two smog towers in Delhi, thereby bringing this technological solution to India. This solution will hopefully improve the air quality of Delhi and become replicable across urban centres which face air pollution.

During the year, COVID-19 wave unfolded unprecedented challenges globally as also to our company. We actively met those challenges to protect our employees, workforce and kept our projects up and running. Our remote and modified ways of working continued to hold and deliver even in the most challenging times. This testifies to our tremendous organisational flexibility, with our employees rising to the challenges with great adaptability. Unfortunately lost some colleagues to the pandemic, our prayers are with their friends and family.

As we start handing over many of these first-time projects over the next few quarters, we should take a moment to pause and reflect on our achievements. As one of the most admired infrastructure companies in India, we have an enormous responsibility to society. The company has huge potential, and to fully leverage our vast expertise and experience we would need to continue to innovate and transform ourselves.

Our trusted name and execution expertise combined with a well-diversified presence leaves us well-positioned to take advantage of future opportunities. Based on our strong order book and tender pipeline, the fundamental outlook remains positive.

As I step off and hand over the reins of this company, I wish each one of you better days ahead that allows everyone to grow and attain their true potential

**Vinayak K Deshpande**

Managing Director

## CEO's Message

# Tata Projects Tomorrow

**"I expect technology to play a core role in our project selection, delivery and supervision."**

Dear Shareholders,

For over four decades, Tata Projects has been delivering complex projects and changing the world for the better. Our segments of presence are particularly well suited to the challenges faced by society i.e., mobility, housing, energy efficiency and ecological transition.

Successful delivery of any project hinges on a talented and capable team. In the projects that we work on, our employees, sub-contractors & suppliers make a difference by forging relationships and offering solutions that help our clients plan for tomorrow. As I join Tata Projects, I am proud to be associated with this iconic brand and look forward to driving the company towards profitable growth.

It is my firm belief that we derive license to do business by keeping our employees and workforce safe and being an ethical organisation tethered firmly to the Tata Code of Conduct. During the year, your company took several actions to reinforce zero tolerance with respect to safety and ethics violations. We would continue to take actions as necessary to ensure that all our actions are aligned with our moral compass.

I also believe that we need to take firm actions to make the company more inclusive. The construction sector has traditionally been male-dominated and it would require concentrated effort to break out of it. It is but logical that the merit quotient in the company would improve once half the population gets an equal chance to participate and perform. To that extent, Tata Projects is proud that an all-woman team is building the new Ginger hotel at Santacruz, Mumbai. In the coming years, you will see more women representation at various levels in our company, including in its leadership.

As I examine the opportunities for the EPC industry in India it becomes clear that the infrastructure sector remains a key driver of the Indian economy. India's economy is big and getting bigger and the sector has and will continue to be responsible for propelling India's overall development. The Government has announced various initiatives over the years to attract investment for greenfield projects as well as provide monetisation opportunities to asset owners. These initiatives to promote infrastructure spells opportunities for EPC companies. Private capital expenditure has picked up pace as well and the outlook for the next few years remains bright. Nearly all infrastructure sectors present excellent opportunities, and our company is well poised to take advantage. We believe that it is imperative that infrastructure development occurs sustainably and that we are firmly established as a credible partner to customers across segments.

As such, the macro environment in terms of market opportunity is expected to remain favourable during years to come. It however is critical that we are selective in identifying business prospects that help us deliver profitable growth and which involve higher application of technology. I expect technology to play a core role in our project selection, delivery and supervision. This would mean we would need to reimagine ourselves as also form technology partnerships.

For our journey ahead, we would need to transform ourselves to be focused, diligent, credible and a leader in what we do. We would be looking at our businesses to select the future focus segments basis risk-reward matrix, we would need to look at resources required to deliver and map our current capabilities, we would need to improve our processes to be agile and responsible and finally, we would need to reimagine our digital framework to reduce project delivery costs and improved time to construct with better quality, higher safety, and effortless collaboration.

To drive these multiple streams and bring requisite organisational focus to the efforts, we have also set up a Transformation Office. I strongly believe that we should measure success by the quality of our delivery, our ability to keep our employees and workforce safe, our integrity and ethical behaviour, the relationships we build with our clients & community, and the positive impact we have on society. As I take over the reins of this company, I am confident that the company would touch new heights and establish benchmarks in the industry.

**Vinayak Pai**

CEO

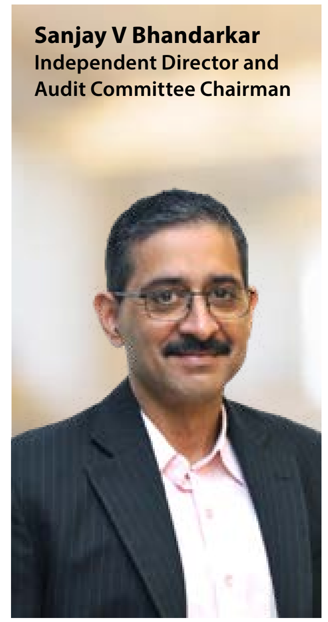
# Board of Directors

As on June 30, 2022


**Banmali Agrawala**
Chairman


**Vinayak K Deshpande**
Managing Director


**Vinayak Pai**
Executive Director & MD Designate


**Sanjay V Bhandarkar**
Independent Director and Audit Committee Chairman


**Neera Saggi**
Independent Director and NRC Chairperson


**Sanjay K Banga**
Non-Independent Director

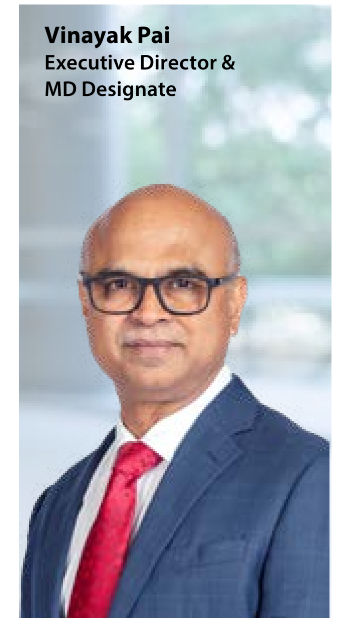

**Mr. Ritesh Mandot**
Nominee Director


**Sanjeev Churiwala**
Non-independent, Non-executive Director

# Leadership Team

As on June 30, 2022

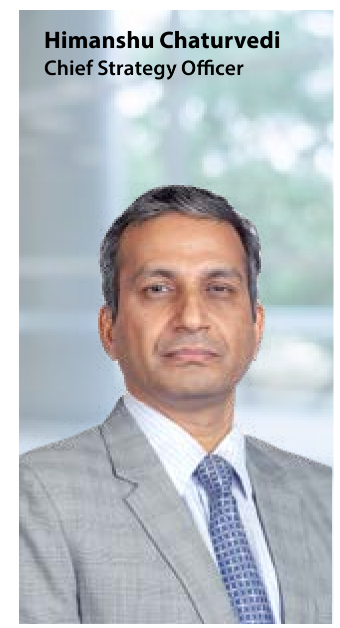

**Vinayak K Deshpande**
Managing Director


**Vinayak Pai**
Executive Director & MD Designate


**Sanjay Sharma**
Chief Financial Officer


**Rahul Shah**
COO – SBG (Urban Infra)


**Ganesh Chandan**
Chief Human Resource Officer


**Himanshu Chaturvedi**
Chief Strategy Officer


**Ms. Apeksha Balan**
Head Transformation

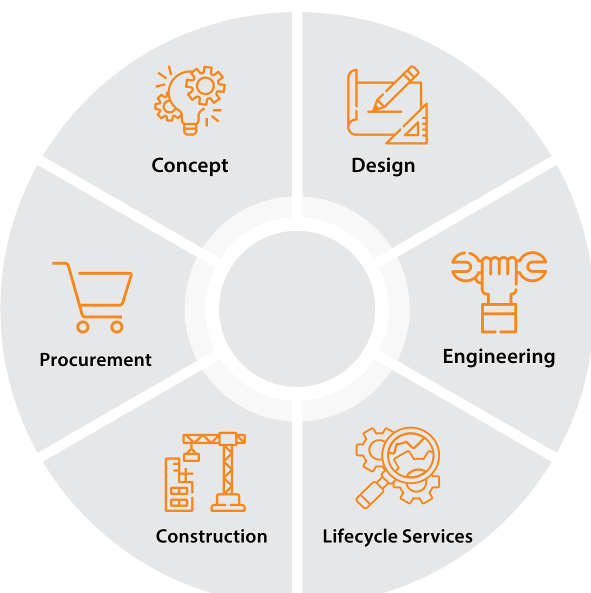
# Corporate Identity

Tata Projects has emerged as one of India's diversified Engineering, Procurement and Construction companies and a preferred partner in executing large and complex industrial and urban infrastructure projects.

We offer ready-to-deploy solutions for refineries, roads, bridges, integrated rail and metro systems, commercial buildings, airports, power generation, transmission and distribution systems, chemical process plants, water and waste management, and mining and metal purification systems, as well as third-party testing, inspection, and certification services.

Our technical competence, powerful technology platforms, supply chain prowess, and construction management enable us to execute great projects on schedule while adhering to our unwavering safety and sustainability standards.

## Presence across the value chain

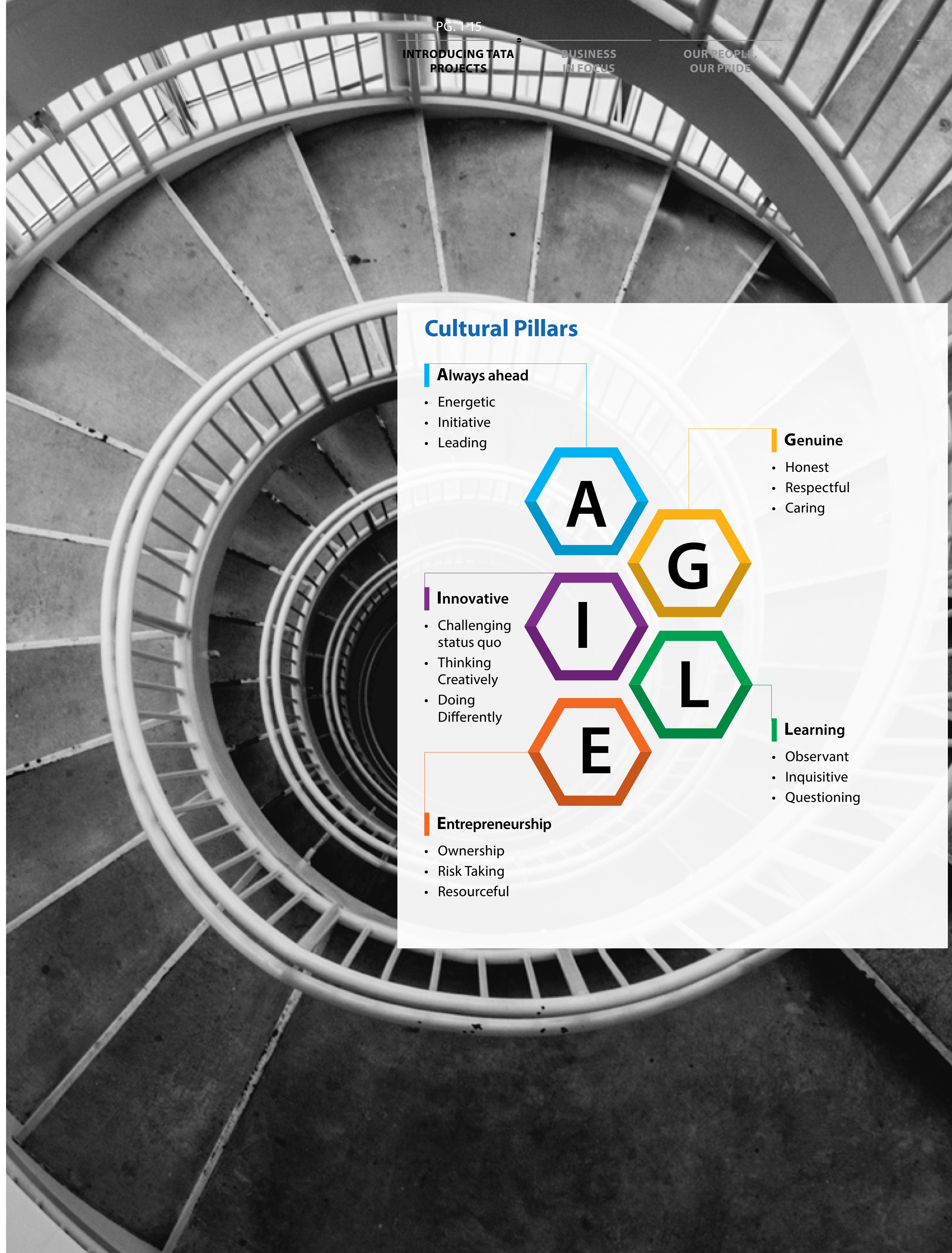



## Key Numbers

**>5,300**
Employees

**>220**
Ongoing Projects

**>60,000**
Site Workers



## Cultural Pillars



**Always ahead**
- Energetic
- Initiative
- Leading

**Genuine**
- Honest
- Respectful
- Caring

**Innovative**
- Challenging status quo
- Thinking Creatively
- Doing Differently

**Learning**
- Observant
- Inquisitive
- Questioning

**Entrepreneurship**
- Ownership
- Risk Taking
- Resourceful

## Our ethos

### Mission
To make the world a more efficient, prosperous and safer place by providing sustainable Engineering and Construction Projects and Technology Services

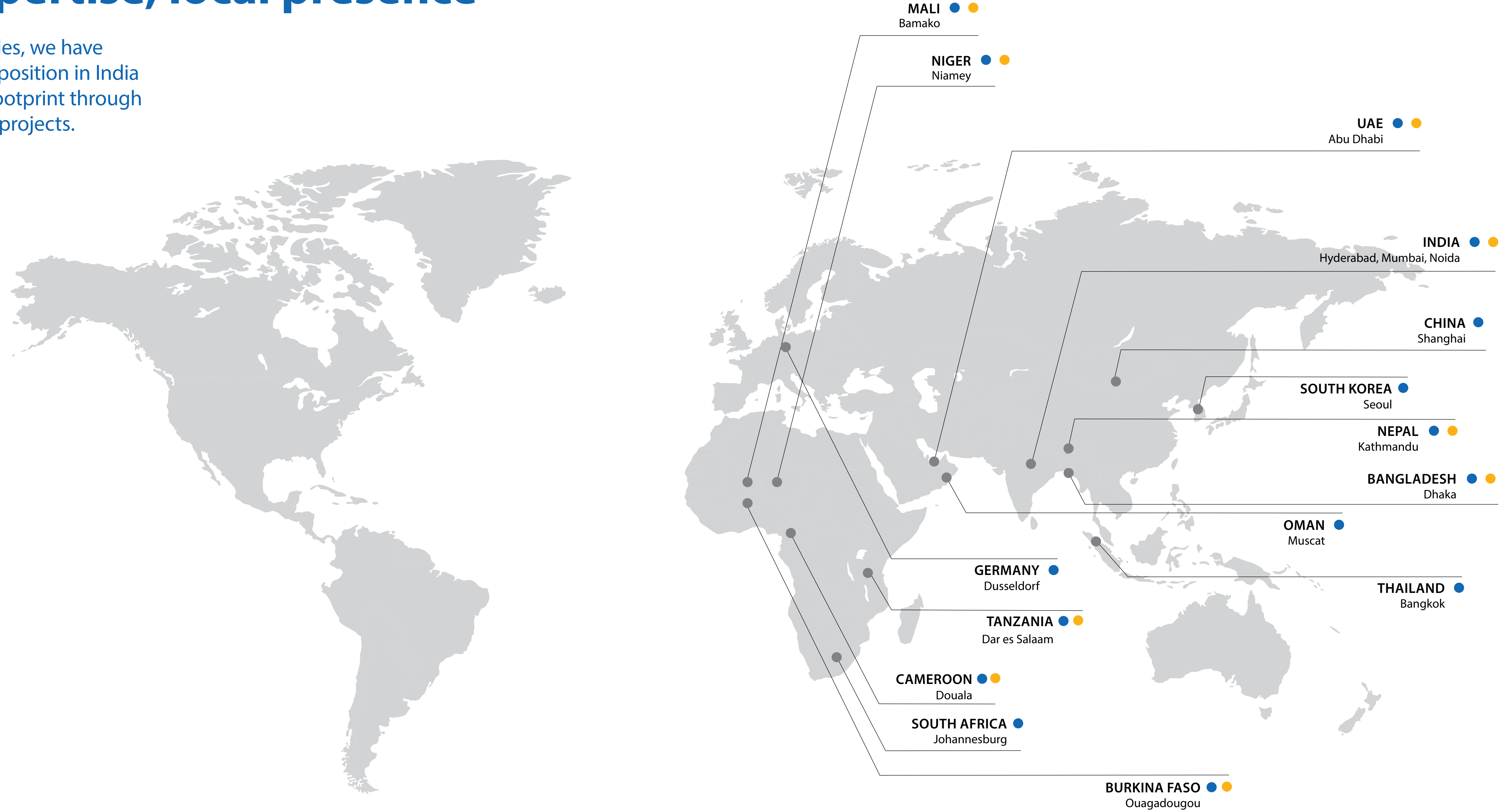
### Vision
Among the top 50 global infrastructure companies (on-time always, responsible, caring, admired, respected)

### Values
Integrity
Pioneering
Unity
Responsiblity
Excellence

## Delivering world-class projects across the globe

# Global expertise, local presence

Over the last four decades, we have established our market position in India and grown our global footprint through marquee infrastructure projects.



# Key Differentiators

## Customer-first

We delight our customers through our end-to-end turnkey solutions delivered on time and within budget.

## Diversified footprint

We have expertise in delivering world-class projects a variety of industries, including power, water, metals and minerals, space and nuclear, transportation, urban infrastructure, oil and gas, and industrial.

## Simplifying complexities

We provide simple and innovation solutions to deliver complex projects through skilled talent and global best practices in technology and process.

## Digital Infrastructure

Our digital capabilities, partnerships and use of cutting-edge technology in construction and project management enable quick delivery, higher productivity, lower costs, and greater control over the project execution lifecycle.

## Global Supply Chain

Our long-standing relationships with suppliers across the world via our JVs and subsidiaries have led to successful projects in India, South Asia, Southeast Asia, the Middle East, and Africa, among other places.

We strategically collaborate with the technology leaders to ensure that we are able to execute world-class projects and our clients have best-in-class services.

# Urban infrastructure

## Overview

Tata Projects is executing projects in commercial and mixed-use building sectors, including data centers, hotels, warehouses, factories, hospitals, airports, smart cities and iconic structures. Our strength lies in providing EPC solutions for large and complex projects. In the residential buildings sector, we have projects in mass housing and premium high-rise buildings segments.

We are working on more than 60 construction projects across India, including marquee projects such as the New Parliament Building, Tata Electronics' Factory in Hosur, mega-scale data centers, BDD Worli redevelopment project, and Hiranandani Fortune City in Panvel. We recently won the National Maritime Heritage Complex project in Lothal, where project execution has already commenced.

In the data centres sector, we have built world-class Data Centres of varied specifications across India.

## Key highlights FY 2021-22

- Tata Projects to build the National Maritime Heritage Complex (NMHC) in Lothal region, Gujarat. The NMHC will be dedicated to the maritime heritage of India and shall showcase the nation's rich and diverse maritime glory
- The company successfully set-up India's first two smog control towers in Delhi
- The all-new Ginger hotel at Santacruz, Mumbai is being built by an all-woman team.

Hiranandani Panvel

New Parliament Building

# Oil & Gas

## Overview

We offer state of the art solutions in Oil, Gas, and Hydrocarbons to the Indian and Middle Eastern markets. We have strong capabilities across the value chain with product offerings including onshore oil field development, Refinery, 2G bio-ethanol refineries, fertilisers, gas compression stations, LNG re-gasification, Onshore Oil Processing Units, utilities and offsite facilities.

We undertake the establishment of crude oil storage terminals and handling facilities, EPC of refinery process units and petrochemical projects. We also have a strong service offering in this sector including repairs and refurbishment solutions, inspection and expediting services, vendor assessments, and others. Some of other clients include ONGC, HPCL, BPCL, Cairn Energy, ADNOC, and EGPC among others.

## Key Highlights FY 2021-22

- We are currently setting up a crude distillation unit and vacuum distillation unit, vacuum gas oil hydrotreating unit and delayed coker unit for the Rajasthan refinery of Hindustan Petroleum Corporation Limited.

EPC of Gas Processing and Compression Facilities in Rajahmundry

HPCL Rajasthan Refinery Ltd. (HRRL)

# Transportation

## Overview

We have a strong track record in providing solutions for airports, expressways, highways, railway corridors and elevated and underground metros, bridges, tunnels, inland waterways, and ports. Our focus areas are airports, niche road projects including expressways and Railway infrastructure including mass rapid transit systems.

### Airports

We have been a leading player in Airport construction and have a strong track record of delivering projects on time. In June 2022, we were awarded a contract to construct the terminal, runway, airside infrastructure, landside facilities and other ancillary buildings and utilities at the Noida International Airport.

### Railways / Metros

We have proficiency in designing and executing complex rail projects and integrated mass rapid transit systems such as elevated and underground metros. We have successfully constructed stations, tunnels, track works, Mechanical, Electrical and Plumbing (MEP) works, overhead electrification, substations, signalling and telecommunication works.

### Roads / Bridges /Highways

We have expertise in providing EPC solutions for highways and expressways, bridges, tunnels and associated structures. The segment is aligned to tap market opportunities and the overall focus remains on acquiring niche and high-value projects with AAA clients to drive profitable growth.

## Key Highlights FY 2021-22

- Uchit Expressway: This 94km expressway project in the states of Rajasthan received commercial operation certificate in April 2022
- Karimnagar Cable Stayed Bridge received completion certificate in June 2021
- Dharamshala Ropeway is complete and handover has started
- Chennai Metro - Phase-II - CMRL (Recently commenced project)
- Ramban to Banihal Section – Package 1 - NHAI (Recently commenced project)
- Chennai Peripheral Ring Road -TNRDC (Recently commenced project)
- Mumbai Trans Harbour Link Package 2 has achieved major feat by completion of all piling works as well as erection of the first span (70m) of the 'orthotropic steel deck' deploying high-end technology equipment and global best practices.

Dharmshala Ropeway

Uchit expressway

Karimnagar Cable Stayed Bridge

# Space & Nuclear

## Overview

We have contributed to India's space and nuclear programmes at Indian Space Research Organisation (ISRO), Bhabha Atomic Research Centre (BARC), and Nuclear Power Corporation of India Limited (NPCIL), for whom we develop complex structures and offer on-site integration services.

Our Space sector building capabilities include semi-cryogenic and cryogenic engine testing facilities, a Trisonic Wind Tunnel, and space launchpads.

Integrated Cryogenic Engine and Stage Testing Facility

Cryogenic Fuel Storage Facility


# Metal & Minerals

## Overview

We provide end-to-end, customised solutions for Ferrous and Non-Ferrous industries using cutting-edge technology. In addition to EPC and assurance services, we have a strong service offering of Operations, repair and maintenance (O+R&M) solutions for the metals and minerals sector.

## Key Highlights FY 2021-22

- Secured new order from Tata Steel for balance supply of building structure, civil works, and electromechanical services in commissioning services for 6 MTPA iron ore processing plant at Noamundi Iron Mines
- Completed performance guarantee test in Bhilai Steel Plant water package
- Successfully commissioned coal circuit in RINL COB #5 project at Vizag.

CHP NTPC Darlipali – 2X800 MW

RINL- Coke and Coal Handling plant

# Power

## Overview

We service the entire value chain in the power sector, including power generation, transmission, last mile distribution, smart grid solutions and inspections. We have expertise in coal and gas based super critical technologies and have established global supply chain and relationships with leading global technology providers. We are preferred by customers due to our proven track record of delivering projects with adherence to safety and quality. We are currently executing flue-gas desulfurisation projects for more than 9,000 MW power capacity of NTPC and Tata Power.

International Business has strengthened its footprint in Africa with new orders totalling US$ 323 million. It accomplished its first milestone by commissioning the Sikasso Sub-Station in March 2022.

## Key Highlights FY 2021-22

- Achieved a major milestone of successfully charging NDCT for continuous seawater application at 1 X 800 MW SDTPS Krishnapatnam Stage II project
- Successfully commissioned DM water plant and CW Pumps in NTPC Ramagundam
- Successful completion of 150m high RCC chimney within record time of 71 days in NTPC Talcher Flue Gas Desulphurisation project.
- Completed 765 kV double circuit Loop In Loop Out Fatehgarh-Bhadla Transmission Line of 78-km in Rajasthan
- New Butwal 220/132 kV substation was inaugurated in Nepal.

220 kV Kushma Substation Nepal

Sea Water Outfall - Offshore Pipeline, Krishnapatnam

Sub-station project in Mali

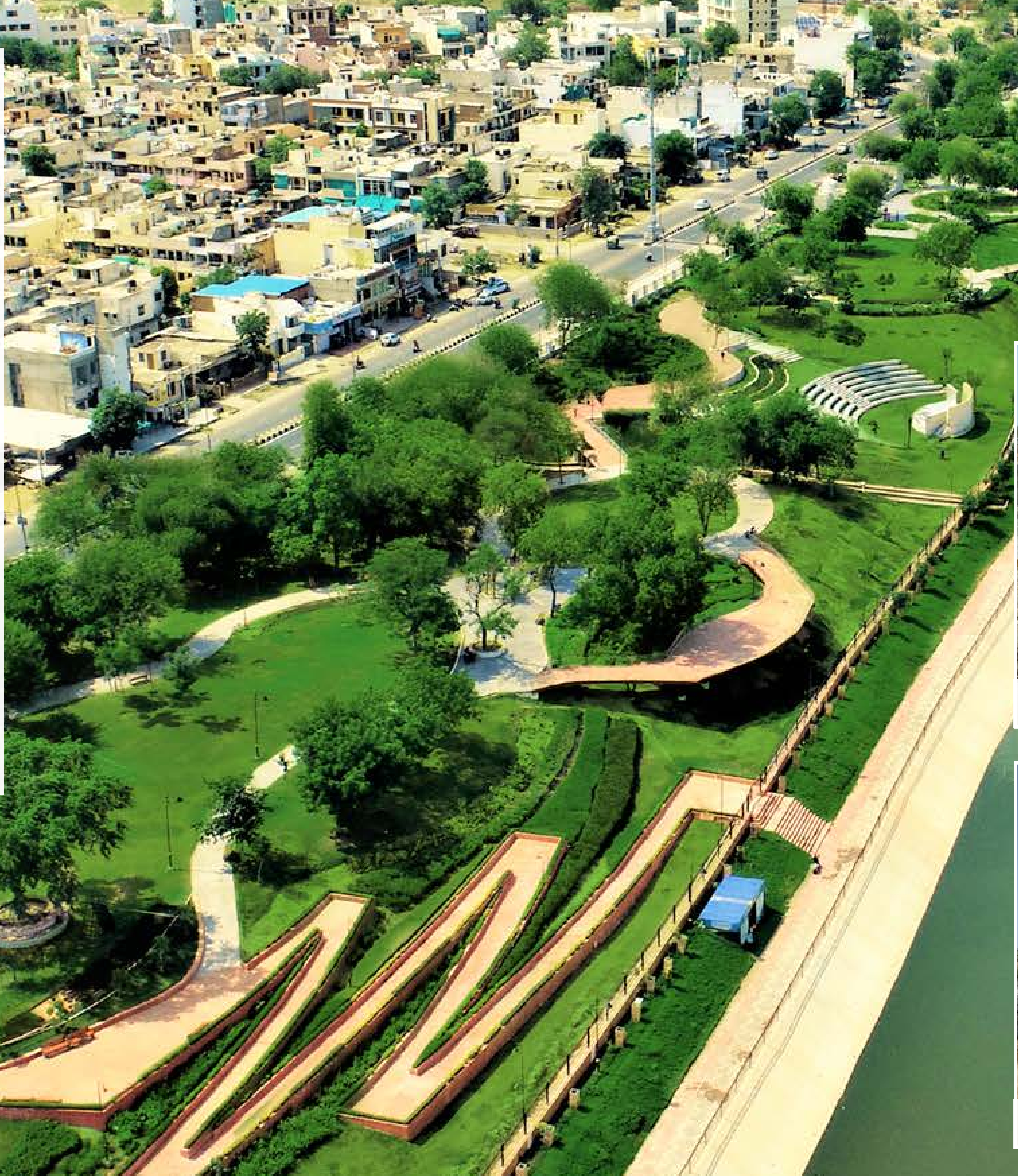
# Water

## Overview

We provide comprehensive industrial and municipal water treatment solutions, including river rejuvenation, water supply systems, sewage systems, water desalination, and wastewater treatment plants. In addition, we build river water and ocean intake systems.

To execute various projects in this area, we use our in-house design, technological collaborations, and real-time project monitoring. We also emphasise the circular economy and provide one-of-a-kind solutions to varied clients for turning wastewater to drinkable and industrial water. We supply packaged reverse osmosis (RO) water purification systems in rural locations with capacities ranging from 200 to 10,000 litres per hour.

Our current ongoing projects include Hanota and Banda Dam, water supply projects at Bhind, Sagar and Bhopal, STPs in Bhubaneshwar and Dravyavati river rejuvenation project. Additionally, there are opportunities in some of the key government water initiatives such as Jal Jeevan Mission, AMRUT 2.0, Swachh Bharat Mission – Urban 2.0, Namami Gange, river linking project.



Concrete Dam Construction, Banda

MLD Sewerage Treatment Plant, Ujjain

# Marketing and Branding initiatives

## Creating Awareness

### Target Audience

Top 500 corporates, Government departments, engineering fraternity, common public

### Messaging

Tata Projects is an environment conscious, leading engineering and construction company.

Our continuous media engagements led to 457 Proactive News Articles across print, online and electronic, covering 30 cities across India. Our social media reach is more than 100 million across the world. We crossed over one million followers on LinkedIn.

## Sustaining Business & Protecting Reputation

Timely interventions involves robust media tracking mechanisms and social media monitoring to gauge upcoming issues and tackle it at a nascent stage itself.

## Enabling Business

In an endeavour to enable business, the Team created corporate presentations, videos and project videos. In addition, business teams were supported by assisting them through branding creatives at events and client presentations. To support business teams to strengthen bonds with clients, events with media and branding management were executed such as inauguration of Balasaheb Thackeray National Memorial project and Bhumipujan of BDD Chawl Redevelopment Project.

Several Key Project wins such as for National Maritime Museum, and transmission projects in Africa and South East Asia were amplified geographically to garner more business.

Several trade events, where our potential clients could be targeted using their 'Ecosystem' such as architects and infrastructure investors, were targeted and sponsored.

## Building the Brand

With co-sponsorship of #TataLitLive, and several Classical Music and Dance Festivals, Tata Projects undertook a full-fledged social media campaign that put forth the messaging which positioned the brand as a 'Cultural' and "Intellectual Thought Leader" – beyond its regular connection to construction, infrastructure & projects.

Green Thumb Initiative: Messaging was weaved and amplified through various platforms and campaigns thereby portraying Tata Projects as an environmentally conscious brand which has an earnest desire to help restore India's depleting green coverage. Over one million clicks were garnered for the initiative.

Independence Day campaign: Our brand campaign 'Accelerating India's Progress' used the narrative 'technological and competitive prowess' that enabled good nationwide visibility.

Television interviews on the Parliament Project and MTHL, along with News snippets were plugged during important timelines such as Union Budget announcement and various other national and industry policy pronouncements.

The Company undertook a novel co-branding route where our customers highlighted our brand via tag lines such as "Constructed by Tata Projects."

## Green Thumb Initiative

The 5th edition of the annual Green Thumb campaign was flagged off across the nation by planting saplings and trees at various project sites of the company. Under this initiative, 1500+ trees/saplings were planted across various cities.


# Our People, Our Pride

We are focused on providing a high-performing and inclusive work environment to our people. Our efforts are directed around capacity building, talent management, diversity and inclusion, and employee engagement to build a future-ready organisation.

### Building Organisational Capability – For Present and Future

To strengthen organisational capability at various levels, Corporate L&D offers programs related to Technical, Behavioural, Managerial and Leadership aspects of project management and execution. Other programs also include training on Internal Processes, IT Tools such as EPM, ERP, Primavera, and MS Project amongst others.

In responding to emerging business opportunities and skill requirements, programs are designed, customised to meet the talent needs of various projects and enabling functions. Flagship programs are Construction Project Management, Contract and Claims Management, Building Information Modelling (BIM), Safety, Quality, Tata Culture and Values and many projects specific learning and development interventions.

We continue to leverage technology solutions to make learning available on leading technology platforms, anywhere and all the time, drive learning without boundaries. Today, we have enabled employees can access all learning content available online and learn using any web and mobile enabled handheld devices. Our objective is to make boundary less learning a great experience for every employee.

As Authorised Training Partner (ATP) for PMI®, USA, our programs also enable PMP® certified participants with Professional Development Unit (PDU) credits for the programs. Our LMS also provides employees access to much larger learning eco-system - Tata Tomorrow University (TTU). This option has enabled access to TTU learning platforms for all employees irrespective of their nature of employment. Highlights during the year include:

1. 300 sessions conducted
2. Monthly average of 976 employees
3. 2073 Hours of training
4. 9000+ employees provided LMS access
5. Digital classrooms for high quality delivery of programs [one in Mumbai & other one in Hyderabad].

## Talent Management

The Talent Management function is focused on building high quality talent pool for the organisation. This is achieved through 1) hiring of high-quality talent at entry levels and 2) identifying and developing high potential employees' basis their past performance and potential assessment.

## Key Highlights

**Future Leader Development Program [FLDP]:** FLDP is dedicated to building a pool of young leaders for future business leadership opportunities. The screening and selection process is entirely conducted by IIM, Ahmedabad without any inputs from our end. This unbiased process is focused on identifying the brightest minds with the organisation. FLDP is a program of many firsts – 1) 1200+ applications, 2) 592 appearances for the entrance test 3) 120 personal interviews and 4) 40 final participants for the first batch. Complimenting FLDP are a series of integrated events such HOGAN Personality Assessment, Executive Coaching, and many subject specific training interventions. Attractive rewards are offered, from the qualification stage to successful completion of the program. The critical outcome of FLDP is movement of the participants to much larger roles beyond their present function and offer them challenging opportunities.

**Fresh Talent – Hiring & Onboarding:** Since its launch in 2019, with a view to build talent pool hired from the best technical institutions in the country. We hire from various IITs as well as from leading NITs of the country on the basis of their academic performance, scores in technical tests and personal interviews. We provide comprehensive onboarding and on-the-job training at project site locations to give them in-depth practical experience to the challenges of project execution and stakeholder management. As a part of our brand building initiatives, we support many programs including sponsorship of tech-fest at IIT Madras, Kharagpur and Bombay.

Executive Coaching: Executive Coaching Program enables our senior leadership team members to move beyond their area of comfort and strengthen their leadership journey. 69 senior leaders are undergoing one-on-one executive coaching sessions by qualified professionals from Coachwork. We have redesigned the program to ensure better alignment between our employees and the leadership requirements with respect to program objectives.

**Individual Development Plans [IDP]:** Complementing our leadership development and coaching programs are development of IDP for all our high potential employees. This year we partnered with Right Management Consultants to have career conversations and develop detailed reports - 41 high potential employees were covered. The development plans capture the short-term and long-term career aspirations along with the specific gaps identified for the success of the aspiring roles.

## Diversity & Inclusion

We have a well-established Gender Diversity Framework, which has four pillars 1) Recruitment, 2) Gender sensitisation, 3) Infrastructure, and 4) Mentoring. We focus on enhancing gender diversity and inclusion through better infrastructure at sites, hiring of more women candidates with specific focus on senior levels, developing and retention of talent, gender sensitivity training and enabling a more inclusive workplace.

Our Human Resource policy framework, including Maternity Leave Policy, Crèche facility, Work from Home policy, and Flexible Timings, helps women employees establish a healthy work-life balance. The Company employed 6% permanent women employees as of FY 2021-22 and has made significant changes to its performance assessment process to support returning mothers. We have also introduced mentorship programs for women employees, in association with Tata Sons, for holistic talent development.

## Employee Engagement

Employee Engagement is important to driving business excellence and productivity. Various events and activities are conducted all through the year, such as sessions on people management and leadership, skill for successful remote working, annual sports day events, celebrations at the workplace, and employee wellbeing initiatives to drive employee engagement at TPL.

Townhall meetings are conducted at office locations and project sites, offering many employees an opportunity to interact with the leadership team and understand many aspects of our business. We continue to revise our people policies, such as Annual leave, Paternity leave, PMS, and Employee Wellness, in line with the industry's emerging trends and best practices.

# Management discussion and analysis

## Economy

India's real GDP growth for FY22 was 8.7%, which is amongst the highest in leading economies, as the Indian economy bounced back during the year exhibiting resilience during the pandemic. As the year progressed, most of the economic indicators such as GST collection, IIP, Exports and UPI transactions saw an uptick, indicating a steady recovery from the lows of the first quarter of FY22. However, with escalations in recent months between Russia – Ukraine prices of key commodities (e.g., crude oil, Food grains) have shot up and have started to have unpredictable and undesired implications on the global financial system and economy. Higher fuel and fertiliser costs will reduce government revenues and capital expenditure in turn. India's underlying economic fundamentals however remain strong. Despite the short-term volatility, the long-term prospects for the Indian economy remain intact. We expect increased spending on infrastructure from the current year leading to a multiplier effect on income and jobs, higher productivity and efficiency —all leading to accelerated economic growth.

The next few months will be critical for India's economy as the government and the central bank work at balancing inflation, growth, exchange rates and fiscal deficit. We believe that India is one of the most resilient growing economies and is in great shape to withstand the ongoing disturbances.

## Industry

### Buoyant demand environment

The share of investments in the economy rose to 32.5% of GDP in FY22, from 30.5% in FY21. As per CRISIL, this has largely been government-led, through a focus on infrastructure capex. In FY22 the central government undertook capex of ₹5.93 lakh Cr. This is budgeted to rise 26.5% to ₹7.5 lakh crore in FY23.

Private sector investment, which has been declining over the past few years, is expected to rebound on the back of improved balance sheets, higher capacity utilisation and an improved demand outlook. Utilisation levels in infra-linked sectors such as steel and cement have rebounded strongly, especially with the top players in each sector who are at the forefront of capacity expansions (both organic & inorganic).

The production-linked incentive scheme is expected to further support private capex. It is likely to generate ₹2.5-3.0 lakh Cr of capex across 14 manufacturing sectors over the medium term.

Key policy initiatives announced by the Government, namely National Infrastructure Pipeline and National Monetisation Pipeline are starting to bear fruits. NIP, an exercise to support infrastructure growth by focusing on improved preparation, monitoring & delivery support, is boosting investor confidence. The program has now been expanded to 9,335 projects. Whereas the NMP has paved a way for infrastructure financing. Further, in Union Budget for FY23 there was a high focus was on GatiShakti - National Master Plan for multimodal connectivity to economic zones. One of the main bottlenecks in the infrastructure sector is the multiplicity of approvals and delayed clearances which this initiative will help overcome to a large extent. This initiative's multiplier effects will lead to faster implementation of projects and keeping costs under control. Everything, from roads to trains, from aviation to agriculture, as well as many ministries and departments, will be integrated under the PM GatiShakti National Master Plan.

## Outlook & Opportunities

### Sustainable Future

Energy transition: there is a growing demand for energy both Globally and in India. This coupled with decarbonisation targets is creating a large opportunity for the near future. While traditional Renewable Energy sources like Solar, Wind, and Hydro have scaled significantly over the last decade, there will be a need for a quantum jump in capacity addition going forward. Further, to achieve net-zero a multi-pronged approach will be required. In the near future, we would need breakthrough innovations & scale-up of solutions in the space of Energy Storage, Round-The-Clock (RTC) energy projects, Green Hydrogen, Green Ammonia, Syn-gases, Carbon Capture Utilisation & Storage (CCUS) etc. We at Tata Projects are actively preparing for the energy transition with a key focus on developing the capacity to cater to our customers' requirements of energy security and decarbonisation goals.

Transportation Infrastructure: Ineffective logistical systems not only hurt the economy, but they also emit excess greenhouse gas (GHG). India is constructing massive transportation infrastructure to speed up economic growth, generate employment, and clear traffic jams. These initiatives will enable the effective transportation of raw materials and finished goods throughout the nation. In addition to bringing development to newer areas, initiatives like the Dedicated Freight Corridor (DFC) and highways/expressways will relieve congestion on the existing infrastructure. Similar to this, metro systems in urban areas boost not only economic activity but also improve quality of life and reduce congestion. Such projects are essential for lowering our carbon footprint and increasing the efficiency of our scarce resources.

Sustainable construction: with net-zero initiatives gaining traction there is an increased focus on sustainable construction. The primary areas of focus are reduction of energy & water consumption and the use of sustainable and locally sourced materials. We have engaged with key industry stakeholders to build an action plan for enabling the decarbonisation of the construction value chain. Through these engagements, we are hopeful that the Steel & Cement (which contributes ~15% of India's $CO_2$ emissions) manufacturers will focus on accelerating the development of low-carbon products.

### Innovation & improving constructability

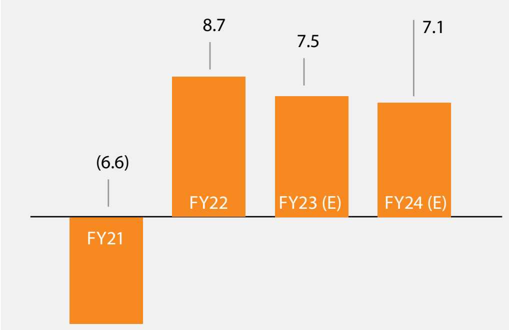
Customers expect more complex projects delivered in a faster timeframe. This requires solving some of the greatest engineering, technology, and logistics problems. There is a growing need to have high standardisation & replicability of basic design, involvement of EPC partners at the concept/initiation stage, agile and deeply integrated supply chains, parallel execution workstreams, to list a few. We at TPL are engaging with both public & private sector customers on bringing to India the global best practices for adoption.

### Digital transformation

To improve operational efficiency & site productivity new digital technologies will be leveraged. Building information modelling (BIM) is the digital tool of the future for executing projects. Various customers are now requesting that BIM be used in the design and construction of projects. Solutions from fields such as Artificial Intelligence and Data Analytics will also be utilised to better coordinate activities across the entire lifecycle. The company will be evaluating these technologies and making them widely available to its employees.

## Outlook

India GDP growth rate (%)




Source: World Bank, June 2022

## Risks / Areas of concern

### Commodity price volatility

With shifting global trade balances and a sharp increase in raw material demand in the post covid era we are continuing to see volatility in commodity prices. This continues to exert pressure on project margins into the next fiscal as well.

While part of the order backlog does not get impacted due to price variation provisions there could be an impact due to lag between indices and purchase prices as well as on contracts that do not have pass-through clauses. The company continues to maintain a close watch on the commodity prices and has started fixing higher escalation safeguards for new projects.

### Inflation

Overall, the broad-based surge in global commodity prices is putting pressure on core inflation in India. As per CRISIL elevated prices of crude and other energy products will put pressure on fuel inflation. Delayed pass-through from fiscal 2022, coupled with the surge in prices in this fiscal, will also lead to higher core inflation. RBI surveys of the manufacturing, services and infrastructure sectors corroborate expectations of a further rise in input and output prices going forward.

### Logistics

The global logistics sector continues to batter one shock after another. Supply chain disruptions due to the pandemic and Suez Canal blockage were unprecedented, but as things were limping back to normal the conflict between Russia and Ukraine has brought the recovery to a grinding halt. As many shipping routes have become unserviceable and trade relationships between countries changed, the logistics industry has struggled to adapt; customers continue to face delays and higher spot rates.

# Financial Performance overview

The Company's strategy of diversifying its order book and growing its Urban Infrastructure (UI) order base is playing out well. As of Mar-22, about 60% of the order backlog is from the UI vertical.

Despite Covid-19 disruptions in the first quarter of FY22, the company showcased strong operational performance during the fiscal year. Operating revenue grew by about 12% year-on-year to ₹13,471 Cr in FY22. The strong rebound in operating revenues to pre-covid levels demonstrates the strong resilience of the company and its vendor ecosystem.

There was a loss of ₹631 Cr in FY22 compared to a profit after tax of ₹125 Cr in FY21 primarily due to a sharp increase in input prices (commodity and energy), Covid-related disruptions and associated cost increases. During the year we critically reviewed slow-moving assets from certain projects, especially where there were delays in timely resolutions with customers. To support the working capital requirements for ongoing projects our Shareholders infused ₹1,200 Cr via a rights issue.

## Health and Safety

TPL is committed to provide consistent safe workplace and protect the environment. To achieve it, HSE considerations are integrated in the overall management systems and operations.

To ensure continuous improvement in safe and healthy work environment, we incorporate incident data analysis, feedback from stakeholders, changes in relevant laws and rules as well as business requirements, and adopt global best practices.

We have undertaken several initiatives during the year, including:

- **TQDigi'lytics:** A complete digital platform for Safety Work Management.
- **QR Code based online reporting:** An auto generated digital Safety MIS for concerned stakeholders
- **Leadership Session for Project Leaders:** Boot camps for fear-less safety leadership and impactful communication
- **Collective learning session by leadership:** Live sessions by operational leaders to to convey the learnings from an incident to avoid recurrence
- **Interactive session with top leaders (MD & CEO):** Session to convey the expectations and way forward
- **Competency building of EHS professionals:** Participation in Internationally recognised certification course (IOSH Level-II by British Safety Council)
- **Focused Risk Reduction plan:** Initiative for minimising the risk based on the previous incident analysis (e.g. - Monsoon Safety)
- **Safety Triggers:** Release of Safety Triggers across organisation on regular basis to improve awareness.
- **Felt leadership:** Focused site safety visit and feedback on overall site safety condition by senior leaders
- **OCPs:** Review and upgradation of OCPs and activity monitoring formats /checklists.

### Road Safety Week campaign

We carried out Road Safety Campaign across all sites from 11th to 17th January 2022, in line with guidelines from The Ministry of Road Transport & Highways. We continue to make a positive difference in our local community where we operate and for our customers, partners and colleagues.

2000+ **Touch points @ community awareness** programs

800+ man-hours of **Customer engagement** during campaign

500+ **Training sessions** conducted

462 Contractor **workers rewarded**

187 **Road Shows** organized

20 **Skits**/*Nukkad Natak* performed by group of workers

12000+ **Man-hours of Awareness**

153 **Projects participated**

### National Safety Week campaign

We celebrated the 51st National Safety Week from 4th to 10th March 2022 across the company to strengthen our safety culture and enhance EHS Awareness

10000+ workers and employees **kick started the campaign** across all sites & offices

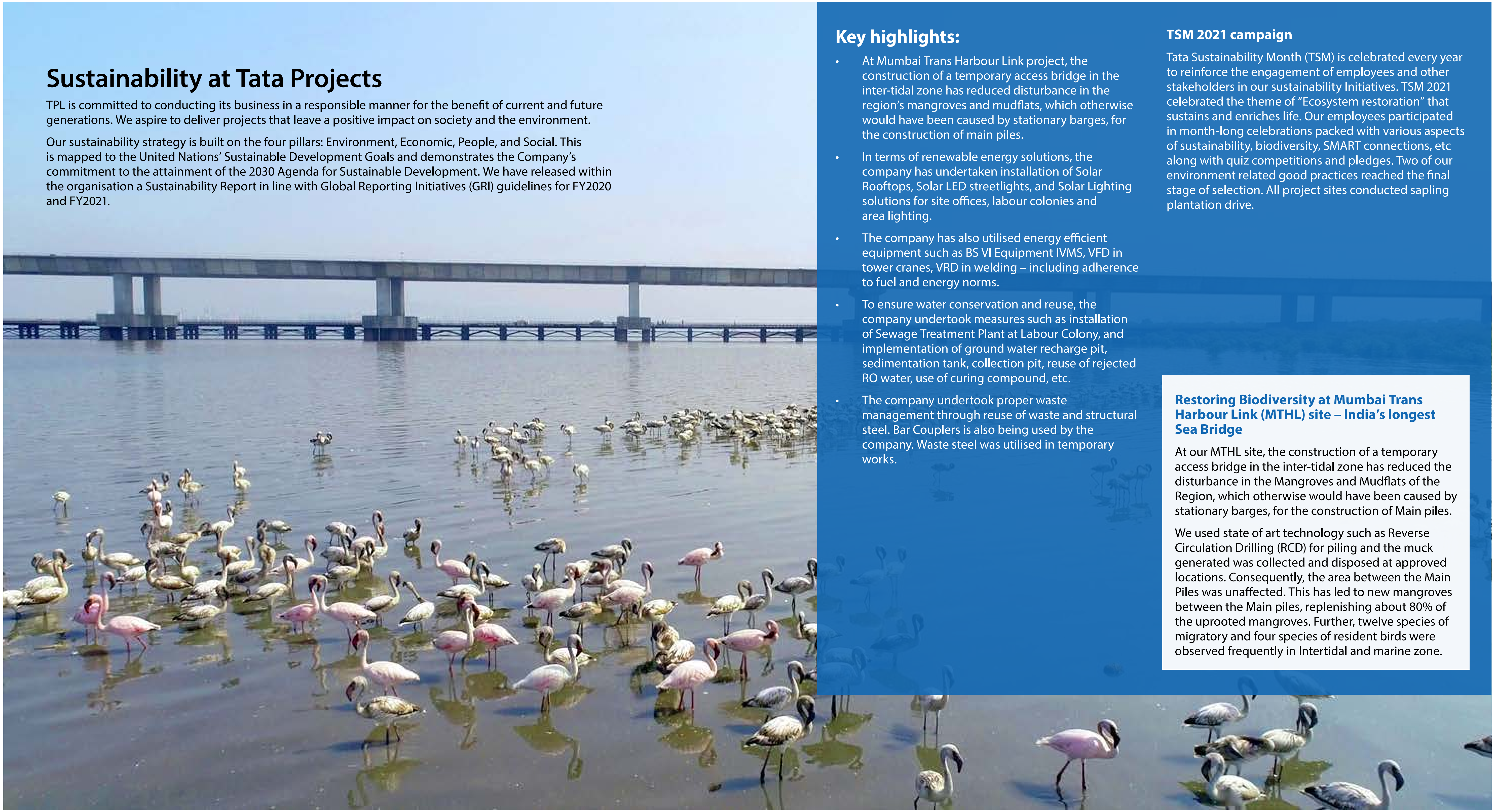
5400+ Employees & contractor **workers rewarded**

2900+ man-hours of **Customer engagement** during campaign

1500+ **Training sessions** conducted

143000+ **Man-hours of Awareness**

187 **Projects participated**



# Sustainability at Tata Projects

TPL is committed to conducting its business in a responsible manner for the benefit of current and future generations. We aspire to deliver projects that leave a positive impact on society and the environment.

Our sustainability strategy is built on the four pillars: Environment, Economic, People, and Social. This is mapped to the United Nations' Sustainable Development Goals and demonstrates the Company's commitment to the attainment of the 2030 Agenda for Sustainable Development. We have released within the organisation a Sustainability Report in line with Global Reporting Initiatives (GRI) guidelines for FY2020 and FY2021.

## Key highlights:

- At Mumbai Trans Harbour Link project, the construction of a temporary access bridge in the inter-tidal zone has reduced disturbance in the region's mangroves and mudflats, which otherwise would have been caused by stationary barges, for the construction of main piles.
- In terms of renewable energy solutions, the company has undertaken installation of Solar Rooftops, Solar LED streetlights, and Solar Lighting solutions for site offices, labour colonies and area lighting.
- The company has also utilised energy efficient equipment such as BS VI Equipment IVMS, VFD in tower cranes, VRD in welding – including adherence to fuel and energy norms.
- To ensure water conservation and reuse, the company undertook measures such as installation of Sewage Treatment Plant at Labour Colony, and implementation of ground water recharge pit, sedimentation tank, collection pit, reuse of rejected RO water, use of curing compound, etc.
- The company undertook proper waste management through reuse of waste and structural steel. Bar Couplers is also being used by the company. Waste steel was utilised in temporary works.

### TSM 2021 campaign

Tata Sustainability Month (TSM) is celebrated every year to reinforce the engagement of employees and other stakeholders in our sustainability Initiatives. TSM 2021 celebrated the theme of "Ecosystem restoration" that sustains and enriches life. Our employees participated in month-long celebrations packed with various aspects of sustainability, biodiversity, SMART connections, etc along with quiz competitions and pledges. Two of our environment related good practices reached the final stage of selection. All project sites conducted sapling plantation drive.

### Restoring Biodiversity at Mumbai Trans Harbour Link (MTHL) site – India's longest Sea Bridge

At our MTHL site, the construction of a temporary access bridge in the inter-tidal zone has reduced the disturbance in the Mangroves and Mudflats of the Region, which otherwise would have been caused by stationary barges, for the construction of Main piles.

We used state of art technology such as Reverse Circulation Drilling (RCD) for piling and the muck generated was collected and disposed at approved locations. Consequently, the area between the Main Piles was unaffected. This has led to new mangroves between the Main piles, replenishing about 80% of the uprooted mangroves. Further, twelve species of migratory and four species of resident birds were observed frequently in Intertidal and marine zone.

## Supply Chain

Our well-integrated supply chain system is backed by a robust network of bankable vendors and sub-contractors developed over the years.

### Key highlights

- We consolidated our vendor pool under our strategy of "Deeper with Fewer" in order to develop long standing relationship and synergy with trusted vendors. This was evident in key projects where procurement strategy was realigned to curtail the number of contractors to Tier-1
- We aligned new vendor identification in line with Tata Affirmative Action Programme to employ personnel from historically disadvantaged communities
- Supply chain disruptions arising due to lockdowns, price volatility and impacts of Russia-Ukraine conflict was efficiently managed through advanced planning and proactive actions to ensure uninterrupted supplies to project sites. Dynamic rates and payment terms were also introduced for the first time in the industry to ensure highest efficiency from vendors and sub-contractors
- This year high emphasis was also placed on post-order monitoring of orders and performance of sub-contractors through a dedicated Post Order Monitoring Group to support the project team in ensuring timely completion of project milestones
- A special thrust was given to onboarding vendors on invoice discounting platforms and other financial arrangements to improve liquidity
- We have taken new steps in identifying and implementing process changes and digital initiatives to reduce process time and inefficiencies in the procure to pay cycle to ensure a more sustainable, agile and transparent supply chain





## Technology

We have integrated best-in-class technology for efficient construction at our sites.

**Trench Cutter for Diaphragm Wall Excavation**

Introduced Bauer Trench Cutter for Diaphragm Wall Excavation in Hard Rock at CMRL project. The machine has capability to handle very hard rock up to 180 Mpa and up to a depth of 50m with 2.8m x 1.0m bite size with precise vertical control.

**Tower Erection using Heli Crane**

Tower erection by helicrane in extremely tough climatic conditions in hilly terrains of J&K. The helicrane operations was done at an altitude of more than 12000 ft.
The transmission line execution was completed ahead of its original schedule by using modern technology in execution.

**Reverse Circulation Drill (RCD) rig**

For the first time in Indian construction industry, 3 meter diameter off-shore pile using Reverse Circulation Drill (RCD) rig done successfully. The rig is capable of handling 2-3 meters diameter pile up to a depth of 50 meters

**Integrated Anti-Collision System between Tower Crane and Gantry Crane**

For the first time in Indian construction industry, Tata Projects implemented integrated anti-collision aystem between Tower Crane and Gantry Crane at casting yard. This system has synchronised the Tower Crane with four Gantry Cranes in real-time basis. This anti-collision mechanism was established between circular as well as linear motion of Tower Crane as well as Gantry Crane.

# Awards

India's Fastest Growing Construction Company (Large Category - 2021)
Construction World

Construction Contractor of the Year Award – 2021
Construction Week

International Safety Awards for Lakadia Vadodara Transmission Line
British Safety Council Award

Gold Award on Environment Preservation to Pune UG Metro and Mumbai Elevated Metro
Ministry of Environment and Forest- Uttarakhand

Platinum Award for Pune UG Metro Project
Sustainable Development Foundation

OHSSAI 6th Annual HSE Excellence & Sustainability Awards 2021 (Losari Machavaram Road Project)
OHSSAI OH&S Award

Achievement Award for Construction Health, Safety & Environment (LOT-301, CTP-11, CTP-13 project)
Construction Industry Development Council

GRIHA Award - Prayagraj Airport Project
Ministry of Environment, Forest and Climate Change

Silver Award in HSE Excellence (CMRL TU-01 project)
ASSP India Chapter

RoSPA Bronze award for Health & Safety Performance (CTP-11 project)

# Board Report

All amounts are ₹ lakh unless otherwise stated

To
The Members,
**Tata Projects Limited**

The Directors present the Annual Report of Tata Projects Limited ("the Company" or "TPL") along with the audited financial statements for the financial year ended March 31, 2022. The consolidated performance of the Company and its subsidiaries has been referred to wherever required.

## Financial Results

**Summary of Financial Highlights**

| Particulars | Standalone | | Consolidated | |
|---|---|---|---|---|
| | 2021-22 | 2020-21 | 2021-22 | 2020-21 |
| Gross Income | 13,471.09 | 12,011.26 | 13,679.37 | 12,187.38 |
| Operating expenditure | 13,612.63 | 11,243.60 | 13,785.80 | 11,392.33 |
| **Operating Profit (PBDIT)** | **-141.54** | **767.66** | **-106.42** | **795.05** |
| Other Income | 60.06 | 91.38 | 79.50 | 101.79 |
| Interest & Depreciation | 687.47 | 625.60 | 723.89 | 657.82 |
| Share of profit of Joint venture/associate | - | - | -1.48 | -2.69 |
| **Profit Before Tax (PBT)** | **-768.95** | **233.45** | **-752.29** | **236.33** |
| Provision for taxes | -137.57 | 108.14 | -131.83 | 111.80 |
| **Profit After Tax (PAT)** | **-631.38** | **125.31** | **-620.46** | **124.53** |
| Minority interest | - | - | -0.53 | -1.17 |
| **Profit attributable to owners** | -631.38 | 125.31 | -619.93 | 125.70 |
| Other Comprehensive Income | 13.30 | -21.66 | 14.50 | -21.45 |
| **Total Comprehensive Income attributable to owners** | **-618.09** | **103.65** | **-605.43** | **104.25** |
| Balance brought forward | 963.65 | 910.85 | 9.39 | 886.18 |
| Impact of Ind AS 115 | | | | |
| Impact due to change in profit sharing percentage in jointly controlled operations | - | -0.86 | - | -0.86 |
| **Amount available for appropriations** | **345.56** | **1,013.65** | **-596.03** | **989.56** |
| (-) Appropriations | - | - | - | - |
| Dividend paid and Tax thereon | - | - | - | - |
| Foreign currency translation reserve | - | - | 1.19 | 0.15 |
| General Reserve | - | - | - | - |
| Debenture Redemption reserve | 110.00 | 50.00 | 110.00 | 50.00 |
| Legal Reserve | - | - | 0.27 | 0.12 |
| Reversal of retained earnings on impairment of investments in subsidiaries | - | - | 0.68 | - |
| **Balance carried to Balance Sheet** | **235.56** | **963.65** | **221.72** | **939.29** |

## Performance Analysis

During the year, order booking of your company aggregated to **₹14,800** Crore (previous year: ₹8,860 crore) resulting in the total order backlog of ₹44,997 crore. Secured L1 position of orders worth **₹1,691** crore. Total income of your company aggregated to ₹13,477 crore (previous year: ₹12,011 crore) registering an increase of about ₹1,466 crore.

The Services revenue during the year was **₹380 crore** (previous year: ₹**319 crore**)

The operating profit of the Company was **₹(142) Crore** (previous year: **₹768 Crore**) resulting in a profit before tax of ₹ (769) crore (previous year: ₹ 233 crore).



All amounts are ₹ lakh unless otherwise stated

## Dividend

Considering the financial stress on the Company, the Board decided not to recommend any dividend for the year ended March 31, 2022. (previous year : NIL).

## Share Capital

The paid-up equity share capital of the Company as on March 31, 2022 was INR 82,96,62,750/-. During the year under review, the Shareholders approved split of Shares from Face Value of INR 100/- per share to the revised Face Value of INR 5/- per share. Further, Company has also issued Bonus shares to the shareholders of the Company in the ratio of 2:1. Your Company also made Rights issue to the existing shareholders of the Company in the ratio of 3657:10000. During the year under review, your company has not made any buy back of shares, nor issued any sweat equity shares or ESOP.

## Transfer to Reserves

During the year, amount transferred to Debenture Redemption Reserve (DRR) is INR 110 crore (previous year: 50 Crore); and to General Reserve Nil (previous year: Nil). Thus, the total comprehensive income attributable to owners i.e. 284.67 crore is transferred to Retained Earnings of Balance Sheet.

## Consolidated Financial Statements

In compliance with the provisions of Section 129(3) and other applicable provisions of the Act and the Indian Accounting Standards Ind AS-110 and other applicable Accounting Standards, the consolidated financial statements for the financial year ended March 31, 2022 are attached, which forms part of the annual report.

## Business Profile

**Subsidiary Companies**

The Company has 10 subsidiaries, 4 associates and 2 joint venture companies as on March 31, 2022. There has been no material change in the nature of the business carried on by the subsidiaries and JV.

During the year under review, your Company has entered into Share Purchase Agreement with Asara Group PTY Ltd, South Africa on December 13, 2021, to divest its stake in TPL-TQA Quality Services South Africa (Proprietary) Limited. Further, the Company has also entered into Share Purchase Agreement with Nesma Telecom & Technology Co. Ltd. on September 20, 2021, to divest its stake in Nesma Tata Projects Limited.

The process of winding up of another Subsidiary i.e. TQ Services Mauritius Pty. Ltd. was completed and its name has been removed from the Register of Companies, Corporate and Business Registration Department, Mauritius w.e.f. April 15, 2022. Other than this, no other company has become or ceased to be subsidiary, joint venture or associate of your Company during the year under review.

Pursuant to the provisions of Section 129(3) of the Act, a statement containing the salient features of financial statements of the Company's subsidiaries in Form AOC-1 is attached to the financial statements of the Company.

Further, pursuant to the provisions of Section 136 of the Act, the financial statements of the Company, consolidated financial statements along with relevant documents are available on the website of the Company at https://www.tataprojects.com/investor-relation.php.

## Change in Nature of Business

There is no change in the nature of business carried on by the Company during the year under review.

## Directors' Responsibility Statement

Based on the framework of internal financial controls and compliance systems established and maintained by the Company, the work performed by the internal, statutory and secretarial auditors and external consultants, including the audit of internal financial controls over financial reporting by the statutory auditors and the reviews performed by management and the relevant board committees, including the audit committee, the Board is of the opinion that the Company's internal financial controls were adequate and effective during FY 22.

Pursuant to Section 134(5) of the Act, the Board of Directors, to the best of its knowledge and ability, confirm that:

i) In the preparation of the annual accounts, the applicable accounting standards have been followed and there are no material departures;

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

iii) they have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding

# Board Report

All amounts are ₹ lakh unless otherwise stated

the assets of the Company and for preventing and detecting fraud and other irregularities;

iv) they have prepared the annual accounts on a going concern basis;

v) they have laid down internal financial controls to be followed by the Company and such internal financial controls are adequate and operating effectively;

vi) they have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems are adequate and operating effectively.

## Directors and Key Managerial Personnel

Mr. Bobby Pauly has resigned from the position of Nominee Director effective from October 19, 2021. Mr. Ritesh Mandot was appointed as an Additional Investor Representative Director with effect from October 22, 2021 by the Board. Mr. Banmali Agrawala (DIN no. 00120029), retires by rotation and being eligible, offers himself for re-appointment. A resolution seeking shareholders' approval for their re-appointment forms part of the Notice.

Mr. Nipun Aggarwal and Mr. Ramesh N Subramanyam resigned as directors w.e.f. April 18, 2022 and June 1, 2022, respectively. Mr. Sanjeev Churiwala has been appointed as director w.e.f. June 9, 2022. Further Mr. Amar Jyothi Barua has resigned from the position of Chief Financial Officer effective from August 10, 2021 and Mr. Sanjay Sharma has been appointed as a Chief Financial Officer of the Company effective from December 1, 2021. Mr. Vinayak Pai was appointed as a Chief Executive Officer and MD Designate effective from February 1, 2022. He has been inducted as Additional Director and Executive Director & MD Designate w.e.f. May 12, 2022. Further, he has been appointed as Managing Director w.e.f. July 22, 2022, subject to approval of shareholders at the ensuing annual general meeting.

Pursuant to the provisions of Section 149 of the Act, the independent directors have submitted declarations that each of them meet the criteria of independence as provided in Section 149(6) of the Act along with Rules framed thereunder and Regulation 16(1)(b) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations"). There has been no change in the circumstances affecting their status as independent directors of the Company. In terms of Regulation 25(8) of SEBI Listing Regulations, they have confirmed that they are not aware of any circumstance or situation which exists or may be reasonably anticipated that could impair or impact their ability to discharge their duties.

During the year under review, the non-executive directors of the Company had no pecuniary relationship or transactions with the Company, other than sitting fees, commission and reimbursement of expenses incurred by them for the purpose of attending meetings of the Board/Committee of the Company.

The sitting fee and commission payable to investor representative director (i.e. Mr. Ritesh Mandot) is paid to Omega TC Holdings Pte. Ltd. No sitting fee is payable to the directors representing The Tata Power Company Limited as per the decision of that Company. Further, as per Group Guidelines, no commission is payable to directors (Mr. Banmali Agrawala, Mr. Nipun Aggarwal, Mr. Ramesh N Subramanyam and Mr. Sanjay Kumar Banga) who are in full time employment of any of the Tata Group companies.

Pursuant to the provisions of Section 203 of the Act, the Key Managerial Personnel of the Company as on March 31, 2021 are Mr. Vinayak Deshpande, Managing Director, Mr. Sanjay Sharma, Chief Financial Officer and Mr. Bhaskar BS, Company Secretary.

## Meetings of the Board of Directors and Committees

Details of the Meeting of the Board of Directors and various Committees of the Board held during FY 2020-21 are given below.

| Meeting of | Date of Meetings |
|---|---|
| Board Meeting | April 28, July 30, September 9, October 5, October 19, October 22, 2021, January 10, January 27, February 1, March 29, 2022<br>(Time gap between two consecutive Board meetings was not more than 4 months) |
| Audit Committee | April 16, April 28, July 30, August 11, September 23, October 22, December 12, 2021 and January 27, 2022 |
| Nomination & Remuneration Committee | April 28, May 18, September 9, October 4, December 12, 2021 |
| Corporate Social Responsibility Committee | June 30, 2021 |
| Projects Review Committee | April 16, May 10, June 15, July 21, August 27, September 23, October 25, November 23, December 28, 2021, January 18, February 16, March 17, March 29, 2022 |

## Board Evaluation

The Board of Directors has carried out an annual evaluation of its own performance, board committees, and individual directors pursuant to the provisions of the Act and SEBI Listing Regulations. The performance of the board was evaluated by the board after seeking inputs from all the directors on the basis of criteria such as the board composition and structure, effectiveness of board processes, information and functioning, etc.

The performance of the committees was evaluated by the board after seeking inputs from the committee members on the basis of criteria such as the composition of committees, effectiveness of committee meetings, etc.

In a separate meeting of independent directors, performance of non-independent directors, the board as a whole and the Chairman of the Company was evaluated, taking into account the views of executive directors and nonexecutive directors.

The Board and the Nomination and Remuneration Committee reviewed the performance of individual directors on the basis of criteria such as the contribution of the individual director to the board and committee meetings like preparedness on the issues to be discussed, meaningful and constructive contribution and inputs in meetings, etc.

In the board meeting that followed the meeting of the independent directors and meeting of Nomination and Remuneration Committee, the performance of the board, its committees, and individual directors was also discussed. Performance evaluation of independent directors was done by the entire board, excluding the independent director being evaluated.

## Policy on Directors' Appointment and Remuneration and other Details

Pursuant to Section 178 (3) of the Act, based on the recommendation of Nomination and Remuneration Committee, the Board had adopted Group Guidelines on the Remuneration Policy for determining qualification, positive attributes and independence of a director and the remuneration for the directors, key managerial personnel and other employees.

## Internal Financial Control Systems and their Adequacy

The Company's internal control systems are commensurate with the nature of its business, the size and complexity of its operations and such internal financial controls with reference to the Financial Statements are adequate.

## Committees of the Board

**Audit Committee**

The Audit Committee comprising of Mr. Sanjay Bhandarkar, Chairman, Ms. Neera Saggi and Mr. Ramesh Subrahmanyam as members. All the recommendations made by the Audit Committee were approved by the Board.

**NRC Committee**

The Nomination & Remuneration Committee comprising of Ms. Neera Saggi, Chairperson and Mr. Sanjay Bhandarkar Mr. Banmali Agrawala as members. All the recommendations made by the NRC Committee were approved by the Board.

**CSR Committee**

The Corporate Social Responsibility Committee comprising of Ms. Neera Saggi, Chairperson and Mr. Sanjay Bhandarkar Mr. Vinayak Deshpande as members.

**Risk Management Committee**

During the year under review, your Company has formed a Risk Management Committee Comprising Mr. Sanjay Bhandarkar, Chairman and Mr. Ritesh Mandot and Mr. Sanjay Sharma as members. No Risk Management Committee meeting were held during the year under review.

**Stakeholders Relationship Committee**

During the year under review, your Company has formed a Stakeholders Relationship Committee Comprising Ms. Neera Saggi, Chairperson and Mr. Ramesh Subrahmanyam and Mr. Ritesh Mandot as members. No SRC Committee meeting were held during the year under review.

## Auditors

**Statutory Auditor**

At the 38th AGM held on June 23, 2017 the Members approved appointment of M/s. Price Waterhouse & Co., Chartered Accountants, LLP, Hyderabad (Firm Regd. No. 304026E / E-300009) as Statutory Auditors of the Company to hold office for a period of five years from the conclusion of 38th AGM till the conclusion of the 43rd AGM. M/s. Price Waterhouse & Co., Chartered Accountants, LLP are eligible for re-appointment for a further period of 5 years. M/s. Price Waterhouse & Co., Chartered Accountants, LLP have given their consent for their re-appointment as Statutory Auditors of the Company and has issued certificate confirming that their re-appointment, if made, will be within the limits prescribed under the provisions of Section 139 of the Companies Act, 2013 ('the Act') and the rules made thereunder.

Based on the recommendation of the Audit Committee, the Board of Directors have recommended the appointment of M/s. Price Waterhouse & Co., Chartered Accountants, LLP, Hyderabad (Firm Regd. No. 304026E/E-300009) as the Statutory

# Board Report

All amounts are ₹ lakh unless otherwise stated

Auditors of the Company to hold office from the conclusion of this 43rd Annual General Meeting until the conclusion of the 48th Annual General Meeting of the shareholders of the Company subject to the approval by the shareholders. A resolution seeking approval of the shareholders for the re-appointment of Statutory Auditors is included in the Notice convening the ensuing Annual General Meeting.

The Auditor's Report given by Price Waterhouse & Co., Chartered Accountants, LLP on the financial statements of the Company for the year ended March 31, 2022 forms part of the Annual Report. The Auditor's Report does not contain any qualification, reservation or adverse remark. During the year under review, the Auditors had not reported any matter under Section 143(12) of the Act. Therefore no disclosure is required in terms of Section 134(3)(ca) of the Act.

**Secretarial Auditor**

As per the provisions of Section 204 of the Act, the Company appointed M/s. Shalini Deendayal & Co., Practicing Company Secretaries to conduct secretarial audit of the records and documents of the Company for the FY 2021-22. The Secretarial Audit Report in Form No. MR-3 is attached to this Report as Annexure – I. The Secretarial Audit Report does not contain any qualification, reservation or adverse remark.

**Cost Auditors**

In compliance with the provisions of Section 148 of the Act, the Board of Directors of the Company at its meeting held on April 29, 2021 appointed M/s Nageswara Rao & Co, Cost Accountants (Firm Regd. No. 000332) as Cost Auditors of the Company for the FY 2021-22. In terms of the provisions of Section 148(3) of the Companies Act, 2013 read with Rule 14(a)(ii) of the Companies (Audit and Auditors) Rules, 2014, the remuneration of the Cost Auditors has to be ratified by the Members. Accordingly, necessary resolution is proposed at the ensuing AGM for ratification of the remuneration payable to the Cost Auditors for the FY 2022-23.

## POLICIES

**Risk Assessment Policy**

Your Company has developed and adopted a Risk Management Policy, which inter alia covers identification of elements of risks. There is a formally devised risk reporting system in place. The Committee comprises of Managing Director and senior officials of the Company. It has been entrusted with the responsibility to assist the Board in a) overseeing and approving the Company's enterprise wide risk management framework and b) overseeing that all risks that the organisation faces such as strategic, financial, credit, market, liquidity, security, property, IT, legal, regulatory, reputational and other risks have been identified and assessed. There is an adequate risk management mechanism. Board and Audit Committee reviews major risks regularly.

Your Company monitors and reports on principal risks and uncertainties that can impact its ability to achieve its strategic objectives, company's management systems, organisational structures, processes, standards and code of conduct and also monitors the way the business of your Company is conducted and associated risks are managed.

**Directors' appointment and remuneration Policy**

Pursuant to Section 178 (3) of the Act, based on the recommendation of Nomination and Remuneration Committee, the Board had adopted Group Guidelines on the Remuneration Policy for determining qualification, positive attributes and independence of a director and the remuneration for the directors, key managerial personnel and other employees.

**Whistle Blower Policy or Vigil Mechanism**

Pursuant to Section 177 of the Act, your Company has established a mechanism through which all the stakeholders can report the suspected frauds and genuine grievances to the appropriate authority. The Whistle Blower Policy, which has been approved by the Board of Directors of the Company, is also placed on the website of the Company at https://www.tataprojects.com/images/policies-aboutus/Whistle_Blower_Policy.pdf.

**Corporate Social Responsibility Policy**

The brief outline of the Corporate Social Responsibility (CSR) policy of the Company and the initiatives undertaken by the Company on CSR activities during the year under review are set out in Annexure II of this report in the format prescribed in the Companies (Corporate Social Responsibility Policy) Rules, 2014. The Impact Assessment Report for the year under review is also provided in Annexure II. The CSR policy is available on the website of the company at https://www.tataprojects.com/images/Tata-Projects-CSR-Policy-2021.pdf.

**POSH Policy**

The Company has formulated a Policy on Prevention of Sexual Harassment of Women at workplace in accordance with the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013. During the financial year ended March 31, 2022, the Company has not received any complaints pertaining to sexual harassment. The POSH Policy is available on the website of the Company at https://www.tataprojects.com/images/policies-aboutus/POSH_Policy.pdf.

All amounts are ₹ lakh unless otherwise stated

**Particulars of Loans, Guarantees or Investments**

Details of loans, guarantees and investments as at March 31, 2022 under the provisions of Section 186 of the Act read with Companies (Meetings of Board and its Powers) Rules, 2014 form part of the Notes to the financial statements provided in this annual report.

**Related Party Transactions**

In line with the requirements of the Act and the Listing Regulations, the Company has formulated a Policy on Related Party Transactions and the same can be accessed on the Company's website at https://www.tataprojects.com/investor-relation.php. There were no related party transactions entered by the Company during the year with directors, key managerial personnel or other persons, which may have a potential conflict with the interests of the Company.

Since all related party transactions entered into by the Company were in the ordinary course of business and at arm's length basis, the requirement of furnishing the requisite details in Form No. AOC-2 is not applicable to the Company.

**Annual Return**

As per Section 92(3) of the Act and Rules framed thereunder, the Annual Return in Form MGT-7 for FY 2021-22 is given in Annexure-III of this Report.

**Particulars of Employees**

Information required under Section 197(12) of the Companies Act 2013 read with Rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules 2014, wherever applicable, are available for inspection at the registered office of your Company during working hours and any Member interested in obtaining such information may write to the Company Secretary

**Compliance with the Secretarial Standards**

The Company has complied with applicable provisions of the Secretarial Standards issued by the Institute of Company Secretaries of India and approved by the Central Government under Section 118(10) of the Companies Act, 2013.

**Deposits from Public**

The Company has not accepted any deposits from public and as such, no amount on account of principal or interest on deposits from public was outstanding as on the date of the balance sheet.

**Particulars of Energy Conservation, Technology Absorption and Foreign Exchange Earnings and Outgo [Pursuant to Companies (Accounts) Rules, 2014]**

Particulars prescribed under Section 134 (m) of the Act read with Rule 8(3) of Companies (Accounts) Rules, 2014 relating to conservation of energy, technology absorption, foreign exchange earnings and outgo are given in Annexure – IV and forms part of this Report.

**Material changes and commitments affecting the Financial Position of the Company**

There are no material changes and commitments affecting the financial position of the Company, which occurred between the end of the financial year to which the financial statements relate and the date of this Report.

**Particulars of Significant and Material Orders**

During the year under review, there were no significant and/ or material orders passed by any Regulator/ Court/Tribunals which could impact the going concern status of your Company and its operations in future.

**Acknowledgement**

The Directors thank the Company's employees, customers, vendors, investors and academic partners for their continuous support. The Directors also thank the Government of India, Governments of various states in India, Governments of various countries and concerned Government departments and agencies for their co-operation.

The Directors appreciate and value the contribution made by every member of the TPL family.

The Directors regret the loss of life due to COVID-19 pandemic and are deeply grateful and have immense respect for every person who risked their life and safety to fight this pandemic

The Directors appreciate and value the contributions made by all our employees and their families for making the Company what it is. On behalf of the Board of Directors

**Banmali Agrawala**
Chairman
DIN No. :- 00120029

Place:- Mumbai
Date:- July 20, 2022

## Board Report

All amounts are ₹ lakh unless otherwise stated

**Annexure – I**

### Form No. MR-3

### Secretarial Audit Report

**For the Financial year ended 31st March, 2022**

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

To
The Members
**Tata Projects Limited**
Mithona Towers -1,
1-7-80 to 87
Prenderghast Road
Secunderabad-500003
Telangana

We have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by Tata Projects Limited (hereinafter called the Company). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

Based on our verification of the books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by its officers, agents and authorized representatives during the conduct of secretarial audit; we hereby report that in our opinion, the Company has, during the audit period ended on 31st March, 2022, complied with the statutory provisions listed hereunder and also that the Company has proper Board processes and compliance mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minutes books, forms, returns filed and other records maintained by the Company for the financial year ended on 31st March, 2022 according to the provisions of:

1. The Companies Act, 2013 (the Act) and the Rules made thereunder;
2. The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
3. SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015
4. SEBI (Issue and Listing of Debt Securities) Regulations, 2008
5. Foreign Exchange Management Act, 1999 and the Rules and Regulations made thereunder to the extent of Overseas Direct Investment;
6. Following other laws applicable to the Company:
    - i. The Factories Act, 1948 & Factory Rules
    - ii. Minimum Wages Act, 1948& Central rules 1950
    - iii. Payment of Wages Act, 1936
    - iv. Equal Remuneration Act, 1976
    - v. Employees' State Insurance Act, 1948, Central Rules 1950 & General regulations 1950
    - vi. Employees' Provident Funds and Miscellaneous Provisions Act, 1952
    - vii. Payment of Bonus Act, 1965
    - viii. Employment Exchanges (Compulsory Notification of Vacancies) Act, 1959
    - ix. Payment of Gratuity Act, 1972& Central rules, 1972
    - x. Workmen's Compensation Act, 1923 & Central Rules 1924
    - xi. Contract Labour (Regulation and Abolition) Act, 1970Maternity Benefit Act,1961
    - xii. The Child Labour (Prohibition and Regulation) Act, 1986
    - xiii. Industrial Employment (Standing Orders) Act, 1946& Central Rules 1946
    - xiv. Industrial Disputes Act, 1947& Rules 1957
    - xv. Indian Trade Union Act, 1926
    - xvi. The Inter state migrant Workmen (Regulation of Employment & condition of Service) Act, 1979 and Central Rules, 1980
    - xvii. The Building and other Construction Works (Regulation of Employment & condition of Service) Act 1996 & Central Rules, 1998
    - xviii. The Building and other Construction Works (Regulation of Employment & condition of Service) Cess Act, 1996
    - xix. The Shop & Establishments Acts of concerned States



All amounts are ₹ lakh unless otherwise stated

    - xx. The explosives Act, 1884 & Rules 2008
    - xxi. The Air (Prevention & Control of Pollution) Act 1981 & Rules 1983
    - xxii. The Water (Prevention & Control of Pollution) Act 1974 & Rules 1975
    - xxiii. The Noise Pollution (Control & Regulation) Rules 2000 with Diesel generation Rules
    - xxiv. The Environment Protection Act & Rules 1986
    - xxv. The Energy Conservation Act, 2003
    - xxvi. The Andhra Pradesh Fire Service Act, 1999 and Andhra Pradesh Fire Emergency & Operation and Levy of Fee Rules 2006
    - xxvii. The Motor Vehicles Act, 1988 & Rules
    - xxviii. The Public Liability Insurance Act, 1991
    - xxix. The Electricity Act, 2003

    The applicability of the above mentioned laws is based on the confirmation received from the Company's management.

    Due to COVID-19 outbreak and lockdown situation prevailing in the country, we were not able to verify the physical documents. However, the documents were provided to us online for verification. We have conducted online verification and examination of records, as facilitated by the Tata Projects Limited for the purpose of issuing this Report.

We have also examined compliance with the applicable clauses of the secretarial standards issued by The Institute of Company Secretaries of India.

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

We further report that

1) The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.
2) Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.
3) Majority decision is carried through while the dissenting members' views are captured and recorded as part of the minutes.
4) There are adequate systems and processes in the company commensurate with the size and operations of the company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

For **Shalini Deen Dayal & Associates**

**Shalini Deen Dayal**
FCS 3533
C. P No: 2452
UDIN: F003533D000232531

Date: 28th April, 2022
Place: Secunderabad

All amounts are ₹ lakh unless otherwise stated

## ANNEXURE-A

To
The Members
**Tata Projects Limited**
Mithona Towers-1, 1-7-80 to 87,
Prenderghast Road,
Secunderabad-500003 Telangana

Our report for the even date to be read with the following Letter:

i. Maintenance of secretarial record is the responsibility of the management of the company. Our responsibility is to express an opinion on these secretarial records based on our audit.

ii. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices, we followed provide a reasonable basis for our opinion.

iii. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the company.

iv. Wherever required, we have obtained the Management representation about the compliance of laws, rules and regulations and happening of events etc.

v. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. Our examination was limited to the verification of procedures on test basis.

vi. The Secretarial Audit report is neither an assurance as to the future viability of the company nor of the efficacy or effectiveness with which the management has conducted the affairs of the company.

For **Shalini Deen Dayal & Associates**

**Shalini Deen Dayal**
FCS 3533
C. P No: 2452
UDIN: F003533D000232531

Date: 28th April, 2022
Place: Secunderabad



All amounts are ₹ lakh unless otherwise stated

**Annexure –II**

## THE ANNUAL REPORT ON CSR ACTIVITIES FOR FINANCIAL YEAR COMMENCING ON OR AFTER 1ST DAY OF APRIL, 2021

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

In the year FY 21, Tata Projects Limited (TPL) CSR strategy was revisited to align itself to the evolving CSR norms and requirements. The company consolidated its geographical focus to four states in which it would support sustainable CSR initiatives, they are Telangana, Maharashtra, Andhra Pradesh and Odisha based on social needs and our development objectives. The objective is to support projects that deliver sustainable impact for marginalized communities with focus on Affirmative Action. The year marked the unprecedented Covid 19 pandemic and in response the company focused on Health and Hygiene as one its four CSR focus areas. The company focused on four areas of development 1) Education 2) Water 3) Skill Building and Livelihood and 4) Health and Hygiene and Covid 19 support. The company's board approved the revised CSR policy which incorporated these changes along with the approach and direction in line with the new CSR rules and amendments. All these programmes were rolled out by Tata Projects Community Development Trust (TPCDT), the CSR arm of TPL.

From FY 2021-22 onwards, Tata Projects CSR was created as a separate functional department and it got directly engaged with the implementing partners and continued to monitor the project deliverables periodically without creating any vacuum in programme space. The company working as a funding organization partnered with implementing agencies with relevant expertise and experience on implementing CSR projects. The total CSR fund was spent under three heads- Ongoing Projects, one time projects and Admin costs. While there was continuation of ongoing projects with the same identified implementing partners, the one time projects were identified and supported as per the need emerged from the community. On the basis of well-defined criteria, reputed and well-established developmental organizations were identified, project proposals were sought, received and evaluated, and funding and partnerships were finalized. The projects witnessed two major Covid 19 waves, which slowed down the tempo of projects, however the programmes continued to reach the targeted beneficiaries. The CSR programmes covered 8 states this year namely Maharashtra, Andhra Pradesh, Odisha, Telangana, New Delhi, Haryana, Rajasthan and Karnataka.

The Company also conducted an Impact Assessment study of the ongoing programmes through an external reputed organisation to understand the reach of programmes, the areas that needs to be improved and the activities/ strategies those can be replicated in subsequent years. Basically, the assessment was on the process followed, strategies undertaken and the reach. The recommendations and suggestions were then incorporated in the next financial years proposal.

**Highlights of CSR Interventions:**

1. **Education:**
Under the thematic area of Education, the holistic education project continued to promote school-based education through mainstreaming adolescent children, providing academic support and career awareness sessions. The main feature of the programme included the component of Financial and Numerical Literacy, which is aimed to increase the ability of the students of higher classes to be at their respective standards. The programme continued in the states of Andhra Pradesh, Telangana, Maharashtra and Odisha in partnership with Magic Bus India Foundation for this initiative covering 7383 students.

   Under the one time grant, TPL had partnered with Magic Bus India Foundation in the state of Andhra Pradesh, Telangana, Maharashtra and Odisha to support 100 needy girls by providing scholarships. Besides this, the company also partnered with Vidhyaprathisthan to benefit 873 students through upgradation of science and computer lab in the state of Maharashtra.

2. **Water:**
This is an ongoing project on Water and climate change adaptation which was initiated to promote land treatment through soil and water conservation, development of water harvesting structures and promoting water

## Board Report

All amounts are ₹ lakh unless otherwise stated

conservation practices for improved irrigation and agricultural yield in semi-arid agro-climatic region of Bhum block of Osmanabad district (Maharashtra). TPL has partnered with Watershed Organization Trust (WOTR) and rolled out the initiatives to support 3712 community members. Major components of the programme were construction of Gabion Structures, Loose Boulder structures, check dams, promotion of organic manure, farm bunding and some social development initiatives. The major outcomes were significant as the area of irrigated land increased, the availability of water for drinking and irrigation increased, there is an increase in the income of the farmers due to the increase in number of crops cultivated in year, the productivity of the land increased etc.

Besides, as one time grant, TPL provided the funds for the supply and installation of two units of 250 LPH RO+ UV water ATM unit at Tadoba Andhari Tiger Reserve (Maharashtra) to initiate firm action towards making Tadoba Andhari Tiger Reserve, a no single use plastic zone. The single use mineral water bottles were identified as the largest source of plastic being used by tourists visiting the Tiger Reserve and hence this project was proposed to lessen the use of plastic bottles.

3. **Skill Building and Livelihood:**
As an ongoing programme, the Sustainable Livelihood Project continued with Magic Bus India Foundation on farm and non-farm-based skills in the states of Andhra Pradesh, Telangana, Maharashtra and Odisha covering 4559 community members in the year. The objective was to enhance the skills and link the community to various livelihood opportunities/ Government social security schemes for sustainable income levels amidst Covid19 challenges. The project showed a substantial increase in the income level of the beneficiaries after Covid19 lockdown. In addition, as part of one time grant, TPL partnered with CREDAI CSR foundation and undertook skilling targeting the youth covering the states of Maharashtra, Odisha, Telangana and Delhi. 1215 youth were skilled in the areas of bar bending, shuttering carpentry and masonry.

4. **Health & Hygiene:**
As an ongoing programme, the Integrated Maternal, Child Health and Adolescent Project was undertaken in collaboration with Care India to strengthen the health facilities and build awareness at community level for improved maternal child and adolescent health care in the states of Odisha and Telangana state covering 4849 community members in the year. The major components of the programme were refurbishment of Anganwadi Centers and Health Centers along and construction of Multi purpose centers for the ANCs / PNCs. In a step towards curbing Gender Based Violence, TPL also constructed a Multi purpose hall in Sakhi Centers for the victims of Gender Based Violence. It has provided not only a shelter to come and stay safe, it has given the victims a space to discuss about their case with their lawyers, relatives and administration.

5. **Covid 19 response initiatives**
In response to the Covid 19 pandemic, the company undertook long term impactful initiatives. The second wave of pandemic shook the health infrastructure of our country and costed us thousands of lives due to unavailability of oxygen concentrators, beds, infrastructural facilities etc. Oxygen shortage emerged as huge problem not only in cities, but in the small towns and villages as well, where the health infrastructure was already weak. TPL partnered with Magic Bus India Foundation to provide 12 oxygen concentrators to strengthen 6 Government Hospitals in Mandya (Karnataka) and Keonjhar (Odisha), which helped hundreds of patients during the pandemic to fight against COVID19 and will continue to help many more patients in the coming years.

Besides this, one time grant was given to a staff of WOTR organisation, to meet exigencies due to Covid 19. TPL also supported 119 field staffs of the NGO partners to get both the doses of COVID 19.

All amounts are ₹ lakh unless otherwise stated

**CSR Programmes approved by the Board of the Company for the Financial Year 2021-22**

| S. No. | Name of the Programmes | Item from list of activities in Schedule VII to Companies Act, | Amount in Cr. |
|---|---|---|---|
| 1. | Promoting Health care including preventive healthcare through infrastructure & services (Health + Covid care) | Item no. (i) & (xii) | 1.0 |
| 2. | Promoting Health care including preventive healthcare through sanitation projects (Water) | Item no. (iv)&(x) | 1.0 |
| 3. | Promote and improve quality of Education and support for School Infrastructure (Education) | Item no. (ii) | 1.97 |
| 4. | Livelihood generation through skill building, agriculture related capacity building and reducing inequality faced by socially and economically backward group. (Skill Building & Livelihood) | Item no. (ii)+ (iii) | 1.03 |

### 2. Composition of CSR Committee:

| Sl. No. | Name of Director (Identity of the Chairman) | Designation / Nature of Directorship | Number of meetings of CSR Committee held during the year | Number of meetings of CSR Committee attended during the year |
|---|---|---|---|---|
| 01 | Ms. Neera Saggi | Chairperson and Independent Director | 1 | 1 |
| 02 | Mr Sanjay Bhandarkar | Independent Director | 1 | 1 |
| 03 | Mr. Vinayak K Deshpande | Managing Director | 1 | 1 |

### 3. Web-link where Composition of CSR committee, CSR Policy and CSR projects approved by the board are disclosed on the website of the company.

| | |
|---|---|
| Composition of CSR committee | https://www.tataprojects.com/touching-lives.pdf |
| CSR Policy | https://www.tataprojects.com/images/Tata-Projects-CSR-Policy-2021.pdf |
| CSR projects approved by the board | In the process of updation |

### 4. Impact assessment of CSR projects carried out in pursuance of sub-rule (3) of rule 8 of the Companies (Corporate Social Responsibility Policy) Rules, 2014, if applicable (attach the report).

**As per the MCA guideline its not applicable however, the company has conducted Impact Assessment of the CSR programs through an external agency and key points were:**

**KPMG Impact Assessment**

| | | Outcomes | Areas of Improvements |
|---|---|---|---|
| 1 | Health | • 17% Increase in institutional deliveries<br>• Helped Initiation of Village health & nutrition day in anganwadi at various villages | • More involvement of PRI members and influential men for awareness on WASH, contraception, ANC & PNC Care.<br>• District Mineral Fund should be leveraged in all target villages in Odisha |
| 2 | Water | • 70% Farmers witnessed increase in productivity/ fertility of soil.<br>• Drastic improvement of water supply from 55LPCD Every 2-3 days to an hour a day. | • Greater Convergence with government schemes and departments.<br>• More engagement required through Programme design from small and marginal farmers |
| 3 | Skill Development & Livelihood | • Majority of beneficiaries indicated MGNREGA, Linkage to pension schemes, tendu leave cultivation and kitchen garden support as cushion during COVID- 19.<br>• 30.5 % HH Interviewed received financial benefits from applied schemes. | • Revival of SHGs, Farmers group would be effective in sustainable livelihood.<br>• Visakhapatnam falls under SEZ category and thus, relevant livelihood opportunities can be tapped under the program in Andhra Pradesh. |
| 4 | Education | • 99% students interviewed were able to solve the basic numeracy problem.<br>• 92% students interviewed were able to identify 9 to 10 statements out of 10 statements in gender awareness assessment. | • To increase effectiveness of LSE sessions across locations (specifically Maharashtra), revision sessions on the same needs to be incorporated as part of curriculum to ensure the learnings are hard-wired in students. |

# Board Report

All amounts are ₹ lakh unless otherwise stated

**5. Details of the amount available for set off in pursuance of sub-rule (3) of rule 7 of the Companies (Corporate Social Responsibility Policy) Rules, 2014 and amount required for set off for the financial year, if any**

| Sl. No. | Name of Director (Identity of the Chairman) | Number of meetings of CSR Committee held during the year | Number of meetings of CSR Committee attended during the year |
|---|---|---|---|
| 1 | 2018-19 | Nil | Nil |
| 2 | 2019-20 | Nil | Nil |
| 3 | 2020-21 | 0.08 | Nil |
| | **TOTAL** | **0.08** | **Nil** |

**6. Average net profit of the company as per section 135(5).: (Finance Team to report these figs).**

**7.** (a) Two percent of average net profit of the company as per section 135(5) - ₹ 5,15,00,000

(b) Surplus arising out of the CSR projects or programmes or activities of the previous financial years – ₹ 52,890

(c) Amount required to be set off for the financial year, if any – ₹ 8,00,000

(d) Total CSR obligation for the financial year (7a+7b-7c) – ₹ 5,07,52,890

**8. (a) CSR amount spent or unspent for the financial year:**

| Total Amount Spent for the Financial Year (in ₹) | Name of Directors | | | | |
|---|---|---|---|---|---|
| | Total Amount transferred to Unspent CSR Account as per section 135(6) | | Amount transferred to any fund specified under Schedule VII as per second provision to section 135(5) | | |
| | Amount | Date of transfer | Name of the Fund | Amount | Date of transfer |
| ₹ 5.20 Cr | 1.09 Cr. | 28-04-2022 | NA | NA | NA |

All amounts are ₹ lakh unless otherwise stated

**(b) Details of CSR amount spent against ongoing projects for the financial year:**

| (1) Sl. No | (2) Name of the Project. | (3) Item from the list of activities in Schedule VII to the Act. | (4) Local area (Yes/ No). | (5) Location of the project. State | District | (6) Project duration. | (7) Amount allocated for the project (in ₹) | (8) Amount spent in the current financial Year (in ₹). | (9) Amount transferred to Unspent CSR Account for the project as per Section 135(6) (in ₹). | (10) Mode of Implementation - Direct (Yes/No) | (11) Mode of Implementation - Through Implementing Agency: Name. | CSR registration number |
|---|---|---|---|---|---|---|---|---|---|---|---|---|
| 1 | Skill Building & Livelihood | Employment Enhancing Vocational Skills | No | Odisha, Telangana, Andhra Pradesh | Gadchiroli Keonjhar R.Reddy and Visakhapatnam | 3 Years | 38,67,791 | 23,36,364 | 15,31,427 | No | Magic Bus India Foundation | CSR00001330 |
| 2 | Water | Promoting Health Care including preventive Health Care & Sanitation | No | Maharashtra. | Osmanabad | 3 Years | 83,45,966 | 73,00,000 | 10,45,966 | No | Water Shed Organisation Trust (WOTR) | CSR00000518 |
| 3 | Education | Promoting Education, including special education & employment enhancing vocation skills | No | Telangana, Odisha, Maharastra and Andhra Pradesh | Visakhapatnam, R.Reddy, Gadchiroli and Keonjhar | 3 Years | 1,17,79,230 | 94,08,547 | 23,70,683 | No | Magic Bus India Foundation | CSR00001330 |
| 4 | Health | Eradicating Hunger, poverty and malnutrition, promotion of health care including Preventive health Care | No | Odisha and Telangana | Kalahandi, Mulugu Asifabad, and Rangareddy | 3 Years | 86,38,534 | 33,00,000 | 53,38,534 | No | Care India Solutions for Sustainable Development | CSR00000786 |
| **Total** | | | | | | | **3,26,31,521** | **2,23,44,911** | **1,02,86,610** | | | |

## Board Report

All amounts are ₹ lakh unless otherwise stated

### (c) Details of Un Audited CSR amount spent against other than ongoing projects for the financial year:

| (1) | (2) | (3) | (4) | (5) | | (6) | (7) | (8) | |
|---|---|---|---|---|---|---|---|---|---|
| Sl. No | Name of the Project. | Item from the list of activities in Schedule VII to the Act. | Local area (Yes/No). | Location of the project. | | Amount spent for the project (in ₹). | Mode of implementation - Direct (Yes/No) | Mode of Implementation - Through Implementing Agency | |
| | | | | State | District | | | Name. | CSR registration number |
| 1 | Skill Building & Livelihood | Employment Enhancing Vocational Skills | No | New Delhi<br>Maharashtra<br>Telangana<br>Odisha<br>Haryana<br>Rajasthan<br>Andhra Pradesh | Delhi,<br>Pune, Mumbai,<br>Hyderabad,<br>Keonjhar,<br>Kalinganagar<br>Fatehabad<br>Barmar<br>Vizag | 64,90,000 | No | CREDAI CSR Foundation | CSR00002313 |
| 2 | Water | Promoting Health Care including preventive Health Care & Sanitation | No | Maharashtra | Chandrapur | 15,40,000 | No | Tadoba Andhari Tiger Reserve Conservation Foundation | CSR00002388 |
| 3 | Education | Promoting Education, including special education & employment enhancing vocation skills | No | Maharashtra | Baramati (Pune) | 50,00,000 | No | Vidya Pratishthan | CSR00002546 |
| 4 | COVID 19 | | No | Karnataka<br>Odisha | Mandya<br>Keonjhar | 11,25,000 | No | Magic Bus India Foundation | CSR00001330 |
| | | | | Maharashtra | Osmanabad | 2,00,000 | No | Water Shed Organisation Trust (WOTR) | CSR00000518 |
| | **Total** | | | | | **1,73,55,000** | | | |

### (d) Amount spent in Administrative Overheads – 4,59,004

### (e) Amount spent on Impact Assessment, if applicable – 15,56,000

### (f) Total amount spent for the Financial Year (8b+8c+8d+8e) – 5,20,01,525

### (g) Excess amount for set off, if any

| Sl. No. | Particulars | Amount (in ₹) |
|---|---|---|
| 01 | Chairperson and Independent Director | 1 |
| 02 | Independent Director | 1 |
| 03 | Managing Director | 1 |



All amounts are ₹ lakh unless otherwise stated

**9. (a) Details of Unspent CSR amount for the preceding three financial years:**

| Sl. No | Preceding Financial Year | Amount transferred to Unspent CSR Account under section 135 (6) (in ₹) | Amount spent in the reporting Financial Year (in ₹) | Amount transferred to any fund specified under Schedule VII as per section 135(6), if any. | | | Amount remaining to be spent in succeeding financial years. (in ₹) |
|---|---|---|---|---|---|---|---|
| | | | | Name of the Fund | Amount (in ₹) | Date of transfer | |
| 01 | 2019-20 | | 2.52 Cr. | | | | Nil |
| 02 | 2020-21 | 2.44 Cr. | 2.44 Cr. | | | | Nil |
| | **Total** | **2.44 Cr.** | **4.96 Cr** | | | | **Nil** |

**(b) Details of CSR amount spent in the financial year for ongoing projects of the preceding financial year(s):**

| (1) | (2) | (3) | (4) | (5) | (6) | (7) | (8) | (9) |
|---|---|---|---|---|---|---|---|---|
| Sl. No | Project ID | Name of the Project | Financial Year in which the project was commenced. | Project duration | Total amount allocated for the project (in ₹). | Amount spent on the project in the reporting Financial Year (in ₹). | Cumulative amount spent at the end of reporting Financial Year. (in ₹) | Status of the project - Completed / Ongoing. |
| 01 | | Skill Building & Livelihood | 20-21 | 3 Years | 74,52,148 | 36,34,873 | 74,52,148 | Completed |
| 02 | | Water | 20-21 | 3 Years | 1,17,96,000 | 67,96,000 | 1,17,96,000 | Completed |
| 03 | | Education | 20-21 | 3 Years | 1,21,50,891 | 67,79,616 | 1,21,50,891 | Completed |
| 04 | | Health | 20-21 | 3 Years | 1,32,00,000 | 72,00,000 | 1,32,00,000 | Completed |
| | | **Total:** | | | **4,45,99,039** | **2,44,00,000** | **4,45,99,039** | |

**10. In case of creation or acquisition of capital asset, furnish the details relating to the asset so created or acquired through CSR spent in the financial year (asset-wise details).**

**(a) Date of creation or acquisition of the capital asset(s).** - No

**(b) Amount of CSR spent for creation or acquisition of capital Asset** - No

**(c) Details of the entity or public authority or beneficiary under whose name such capital asset is registered, their address etc.** - No

**(d) Provide details of the capital asset(s) created or acquired (including complete address and location of the capital asset).** - No

**11. Specify the reason(s), if the company has failed to spend two per cent of the average net profit as per section 135(5).**

Due to the Covid 19 second and third wave restrictions, some of the program activities could not happen as per the action plan.

There are basic two factors for transfer of amount to Unspent account this year. The implementations partners could not submit the Audited utilisation certificates before 31st of Mar.'22 hence, the balance funds payable to the partners were ₹ 1.03 Cr. against their utilisation. Secondly, the fee for Impact Assessment was ₹ 0.06 Cr. and was not paid by 31st of Mar.'22, therefore the total became ₹ 1.09 Cr. This amount was transferred to Unspent CSR Account as per the MCA guidelines and the same will be paid in the month of May 2022 accordingly.

| | |
|---|---|
| Sd/- | Sd/- |
| Managing Director | (Chairman CSR Committee). |

Board Report

All amounts are ₹ lakh unless otherwise stated

**Annexure – III**

## FORM MGT – 09

**Extract of Annual Return as on the financial year ended on 31st March 2022**

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

## I. REGISTRATION AND OTHER DETAILS

| | | |
|---|---|---|
| i. | Company Identification Number (CIN) | U45203TG1979PLC057431 |
| ii. | Registration Date | 20th February 1979 |
| iii. | Name of the Company | Tata Projects Limited |
| iv. | Category I Sub-Category of the Company | Indian, Non-Government Company Limited by Shares |
| v. | Address of the Registered office and contact details | Mithona Towers-1, 1-7-80 to 87, Prender Ghast Road, Secunderabad – 500003 040-6623 8801 |
| vi. | Whether listed Company (Yes/No) | No |
| vii. | Name, Address and Contact details of Registrar and Transfer Agent, if any | TSR Consultants Pvt. Ltd., C-101, 1st Floor, 247 Park, Lal Bahadur Shastri Marg, Vikhroli (West), Mumbai – 400 083. Tel 91-22-66568484 Fax 91- 22-66568494, Web : www.tcplindia.co.in |

## II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

All business activities contributing 10% or more of total turnover of Company shall be stated Company operates its business through Four Strategic Business Groups (SBGs) Viz., Industrial Systems, Core Infra, Urban Infrastructure and Quality Services.

| Sl. No. | Name and Description of main products I services | NIC Code of the Product/ service -2008 | %to total turnover of the Company |
|---|---|---|---|
| 1. | Industrial Infrastructure | 331,360,410,421,422,429 , 711,712 and 854 | 97% |

## III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES

| Sl. No. | Name and Address of the Company | CIN/GLN (Global Location Number) | Holding/ Subsidiary/ Associate | % of shares Held | Applicable section |
|---|---|---|---|---|---|
| 1. | Artson Engineering Limited 2nd Floor, Transocean House, Lake Boulevard Road, Hiranandani Business Park, Powai, Mumbai – 400076 | L27290MH1978PLC020644 | Subsidiary | 75 | 2(87) |
| 2. | TEIL Projects Ltd (under Liquidation) Engineers India Bhawan-1, Bhikaiji Cama Place, New Delhi – 110066 | U74140DL2008PLC180897 | Associate | 50 | 2(6) |
| 3. | Ujjwal Pune Limited Room No 2, GF, Mithona Towers-1, 1-7-80 to 87, P G Road, Secunderabad - 500003, Telangana | U45200TG2013PLC088608 | Subsidiary | 100 | 2(87) |
| 4. | TQ Cert Services Private Limited Room No 3, 4th Floor, Mithona Towers-1, 1-7-80 to 87, P G Road, Secunderabad - 500003, Telangana | U74220TG2003PTC040523 | Subsidiary | 100 | 2(87) |
| 5. | TQ Services Mauritius Pty Ltd * Sanne House, Bank Street, Twenty Eight Cybercity, Ebene 72201, Republic of Mauritius | 083234C1/GBL | Subsidiary | 100 | 2(87) |
| 6. | TQ Services Europe GmbH, Germany Fritz-Vomfelde Strasse 34, D-40547 DUsseldorf, Germany | HRB 68170 | Subsidiary | 100 | 2(87) |



All amounts are ₹ lakh unless otherwise stated

| Sl. No. | Name and Address of the Company | CIN/GLN (Global Location Number) | Holding/ Subsidiary/ Associate | % of shares Held | Applicable section |
|---|---|---|---|---|---|
| 7. | TPL-Asara Engineering South Africa (Proprietary) Limited 2nd Floor, Suite 201 Convention, 125 Florence, Nzama Street, Durban – 4001 | 2014/193249/07 | Subsidiary | 70 | 2(87) |
| 8. | Al-Tawleed for Energy & Power Co., LLC (under Liquidation) | 1010216298 | Associate | 30 | 2(6) |
| 9. | Industrial Quality Services LLC, Oman A 16, 5th Floor, Building No. I I A/30, Muscat Grand Mall, Al Khuwair, Muscat, Sultanate of Oman | 1229852 | Subsidiary | 70 | 2(87) |
| 10. | Nesma Tata Projects Limited Co (Mixed LLC), Jeddah, Saudi Arabia | 4030291761 | Associate | 50 | 2(6) |
| 11. | Ind Project Engineering (Shanghai) Co Ltd Room 1006, No. 3, Lane 58, East Xin Jian Road, Min Hang District, Shanghai, China – China – 201199 | 9131 OOOOMA 1FP33B6J | Subsidiary | 100 | 2(87) |
| 12. | Arth Design Build India Private Limited 3. Plot No.564-A-26-III, Road No.92, Jubilee Hills, Hyderabad – 500033 | U74900TG2014PTC095476 | Associate | 27.5 | 2(6) |
| 13. | TP Luminaire Private Limited H. NO 1-7-80 TO 87, P G Road Secunderabad-500003, Telangana | U45309TG2018PTC128877 | Subsidiary | 100 | 2(87) |
| 14. | TPL Infra Projects (Brazil) Ltda R FRADIQUE COUTINHO, 1267, SALA 7, PISO T, CAIXA V016, PINHEIROS, SÃO PAULO-SP, ZIP CODE 5416-011. | 35235404844 | Subsidiary | 100 | 2(87) |
| 15. | TCC Construction Private Limited 10th floor, Sun Paradise Business Plaza, Senapati Bapat Marg, Lower Parel, Mumbai – 400013 | U45202MH2018PTC314429 | Associate | 36.9 | 2(87) |
| 16. | TPL-CIL Construction LLP 10th floor, Sun Paradise Business Plaza, Senapati Bapat Marg, Lower Parel, Mumbai – 400013 | AAN-3823 | Subsidiary | 60 | 2(87) |

* struck off effective from 15.04.2022

## Board Report

All amounts are ₹ lakh unless otherwise stated

## IV. SHARE HOLDING PATTERN (Equity Share Capital Breakup as percentage of total Equity}

### i} Category-wise Share Holding

| Category of Shareholders | No. of Shares held at the beginning of the year | | | | No. of Shares held at the end of the year | | | | % Change during the year |
|---|---|---|---|---|---|---|---|---|---|
| | Demat | Physical | Total | %of Total Shares | Demat | Physical | Total | % of Total Shares | |
| **A. Promoters** | | | | | | | | | |
| **(1) Indian** | - | - | - | - | - | - | - | - | - |
| a) Individual I HUF | - | - | - | - | - | - | - | - | - |
| b) Central Government | - | - | - | - | - | - | - | - | - |
| c) State Government | - | - | - | - | - | - | - | - | - |
| d) Bodies corporate | - | - | - | - | - | - | - | - | - |
| e) Bank/ Financial Institutions | - | - | - | - | - | - | - | - | - |
| f) any other | - | - | - | - | - | - | - | - | - |
| **Sub-total (A) (1)** | - | - | - | - | - | - | - | - | - |
| **(2) Foreign** | | | | | | | | | |
| a) NRIs· individuals | - | - | - | - | - | - | - | - | - |
| b) Other- Individuals | - | - | - | - | - | - | - | - | - |
| c) Bodies corp. | - | - | - | - | - | - | - | - | - |
| d) Banks/FI | - | - | - | - | - | - | - | - | - |
| e) Any other | - | - | - | - | - | - | - | - | - |
| **Sub-total (A) (2)** | **-** | **-** | **-** | **-** | **-** | **-** | **-** | **-** | **-** |
| **Total Shareholding of Promoters (AJ=(A}( 1}+(A}(2}** | **-** | **-** | **-** | **-** | **-** | **-** | **-** | **-** | **-** |
| **B. Public Shareholding** | | | | | | | | | |
| **1• Institutions** | | | | | | | | | |
| a) Mutual Funds | - | - | - | - | - | - | - | - | - |
| b) Banks/ Financial Institutions | - | - | - | - | - | - | - | - | - |
| c) Central Government | - | - | - | - | - | - | - | - | - |
| d) State Government | - | - | - | - | - | - | - | - | - |
| e) Venture Capital Funds | - | - | - | - | - | - | - | - | - |
| f) Insurance Companies | - | - | - | - | - | - | - | - | - |
| g) FIIs | - | - | - | - | - | - | - | - | - |
| h) Foreign Venture Capital Funds | - | - | - | - | - | - | - | - | - |
| I) Others (specify) | - | - | - | - | - | - | - | - | - |
| **Sub-total (8)(1}** | **-** | **-** | **-** | **-** | **-** | **-** | **-** | **-** | **-** |
| **2. Non-Institutions** | | | | | | | | | |
| a) Bodies Corporate | 1536560 | - | 1536560 | 75.88 | 136626150 | - | 136626150 | 82.34 | 6.46 |
| i) Indian | | | | | | | | | |
| ii) Overseas | 488440 | - | 488440 | 24.12 | 29306400 | - | 29306400 | 17.66 | (6.46) |
| b) Individuals | | | | | | | | | |
| I) Individual Shareholders holding nominal share capital up to ₹ 1 Lakh | - | - | - | - | - | - | - | - | - |
| ii) Individual Shareholders holding nominal share capital in excess of ₹ 1 Lakh | - | - | - | - | - | - | - | - | - |

All amounts are ₹ lakh unless otherwise stated

| Category of Shareholders | No. of Shares held at the beginning of the year | | | | No. of Shares held at the end of the year | | | | % Change during the year |
|---|---|---|---|---|---|---|---|---|---|
| | Demat | Physical | Total | %of Total Shares | Demat | Physical | Total | % of Total Shares | |
| c) Others (specify) | | | | | | | | | |
| I. Non-Resident Individual | - | - | - | - | - | - | - | - | - |
| **Sub-total (B)(2)** | **2025000** | **-** | **2025000** | **100** | **165932550** | **-** | **165932550** | **100** | **-** |
| **Total Public Shareholding (B)=(B)(1)+(B)(2)** | **2025000** | **-** | **2025000** | **100** | **165932550** | **-** | **165932550** | **100** | **-** |
| **C. Shares held by Custodian for GDR & ADR** | - | - | - | - | - | - | - | - | - |
| **Grand Total (A+B+C)** | **2025000** | **-** | **2025000** | **100** | **165932550** | **-** | **165932550** | **100** | **-** |

### (ii) Shareholding of Promoters

| Sl. No. | Shareholder's Name | Shareholding at the beginning of the year | | | Shareholding at the end of the year | | | % change in share holding during the year |
|---|---|---|---|---|---|---|---|---|
| | | No. of Shares | % of total Shares of the Company | % of Shares Pledged/ encumbered to total shares | No. of Shares | % of total Shares of the Company | % of Shares Pledged/ encumbered to total shares | |
| | A. Promoters | | | | | | | |

### (iii) Change in Promoters' Shareholding (please specify, if there is no change)

| Sl. No. | For Each of the Directors and KMP | Shareholding at the beginning of the year | | Cumulative Shareholding during the year | |
|---|---|---|---|---|---|
| | | No. of shares | % of total shares of the Company | No. of shares | % of total shares of the Company |
| 1 | At the beginning of the year | - | - | - | - |
| | Date wise Increase / Decrease during the year | - | - | - | - |
| 2 | At the End of the year | - | - | - | - |

### (iv) Shareholding Pattern of top ten Shareholders (other than Directors, Promoters and Holders of GDR and ADR)

| Sl. No. | For each of the top 10 shareholders | Shareholding at the beginning of the year | | Date wise increase / decrease in shareholding during the year specifying reasons for increase / decrease | | | Cumulative Shareholding during the year | |
|---|---|---|---|---|---|---|---|---|
| | | No. of shares | % of total shares | Date | No. of shares | Increase / Decrease | No. of shares | % of total shares |
| 1 | The Tata Power Company Limited | 967500 | 47.78 | 01/02/2022 | 19350000 | Split | 19350000 | 47.78 |
| | | | | | 38700000 | Bonus | 58050000 | 47.78 |
| | | | | 30/03/2022 | 21228886 | Rights Issue | 79278886 | 47.78 |
| 2 | Omega TC Holdings PTE LTD | 488440 | 24.12 | 01/02/2022 | 9768800 | Split | 9768800 | 24.12 |
| | | | | | 19537600 | Bonus | 29306400 | 24.12 |
| | | | | 30/03/2022 | - | Rights Issue | 29306400 | 17.66 |
| 3 | Tata Chemicals Limited | 193500 | 9.56 | 01/02/2022 | 3870000 | Split | 3870000 | 9.56 |
| | | | | | 7740000 | Bonus | 11610000 | 9.56 |
| | | | | 30/03/2022 | 4245777 | Rights Issue | 15855777 | 9.56 |
| 4 | Tata Sons Limited | 135000 | 6.67 | 01/02/2022 | 2700000 | Split | 2700000 | 6.67 |
| | | | | | 5400000 | Bonus | 8100000 | 6.67 |
| | | | | 30/03/2022 | 15012496 | Rights Issue | 23112496 | 13.93 |
| 5 | Voltas Limited | 135000 | 6.67 | 01/02/2022 | 2700000 | Split | 2700000 | 6.67 |
| | | | | | 5400000 | Bonus | 8100000 | 6.67 |
| | | | | 30/03/2022 | 2962170 | Rights Issue | 11062170 | 6.67 |

# Board Report

All amounts are ₹ lakh unless otherwise stated

| Sl. No. | For each of the top 10 shareholders | Shareholding at the beginning of the year | | Date wise increase / decrease in shareholding during the year specifying reasons for increase / decrease | | | Cumulative Shareholding during the year | |
|---|---|---|---|---|---|---|---|---|
| | | No. of shares | % of total shares | Date | No. of shares | Increase / Decrease | No. of shares | % of total shares |
| 6 | Tata Industries Limited | 60750 | 3.00 | 01/02/2022 | 1215000 | Split | 1215000 | 3.00 |
| | | | | | 2430000 | Bonus | 3645000 | 3.00 |
| | | | | | - | Rights Issue | 3645000 | 2.20 |
| 7 | Tata Capital Limited | 44810 | 2.21 | 01/02/2022 | 896200 | Split | 896200 | 2.21 |
| | | | | | 1792400 | Bonus | 2688600 | 2.21 |
| | | | | 30/03/2022 | 983221 | Rights Issue | 3671821 | 2.21 |

### iv) Shareholding of Directors and Key Managerial Personnel (KMP)

| Sl. No. | For each of the top 10 shareholders | Shareholding at the beginning of the year | | Cumulative Shareholding during the year | |
|---|---|---|---|---|---|
| | | No. of shares | % of total shares of the Company | No. of shares | % of total shares of the Company |
| 1 | At the beginning of the year | - | - | - | - |
| | Date wise Increase / Decrease during the year | - | - | - | - |
| 2 | At the End of the year | - | - | - | - |

## V. INDEBTEDNESS

### Indebtedness of the Company including interest outstanding/accrued but not due for payment

| | Particulars | Secured loans excluding deposits | Unsecured Loans | Deposits | Total Indebtedness |
|---|---|---|---|---|---|
| **Indebtedness at the beginning of the financial year** | | | | | |
| i) | Principal Amount | 32,536.69 | 2,33,482.35 | - | 2,66,019.04 |
| ii) | Interest due but not paid | - | - | - | - |
| iii) | Interest accrued but not due | 241.99 | 3,016.92 | - | 3,258.91 |
| | **Total (i + ii +iii)** | **32,778.68** | **2,36,499.27** | **-** | **2,69,277.95** |
| | Addition | -146.46 | 87,825.89 | - | 87,679.43 |
| | Reduction | 23,036.70 | - | - | 23,036.70 |
| | Net Change | -23,183.16 | 87,825.89 | - | 64,642.73 |
| i) | Principal Amount | 9,500.00 | 3,21,406.98 | - | 3,30,906.98 |
| ii) | Interest due but not paid | - | - | - | - |
| iii) | Interest accrued but not due | 95.53 | 2,918.18 | - | 3,013.71 |
| | **Total (i+ii+iii)** | **9,595.53** | **3,24,325.16** | **-** | **3,33,920.69** |



All amounts are ₹ lakh unless otherwise stated

## VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

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

| Sl. No. | Particulars of Remuneration | Mr. Vinayak K Deshpande |
|---|---|---|
| 1 | Gross Salary | |
| | (a) Salary as per provisions contained in Section 17(1) of the Income Tax Act, 1961 | 1,21,20,000 |
| | (b) Value of perquisites u/s 17(2) of the Income Tax Act 1961 | 2,16,75,676- |
| | (c) Profits in lieu of salary u/s 17(3) of the Income Tax Act 1961 | - |
| 2 | Stock Option | - |
| 3 | Sweat Equity | - |
| 4 | Commission – as a % of profit | - |
| | - Others, specify | |
| 5 | Others, please specify (Royalty) | - |
| | **Total** | **3,37,95,676** |
| | Ceiling as per the Act | |

### B Remuneration to other Directors

| Sl. No. | Particulars of Remuneration | Name of Directors | | | | | |
|---|---|---|---|---|---|---|---|
| | | Neera Saggi | Sanjay Vijay Bhandarkar | Banmali Agrawala | Nipun Aggarwal | Bobby Pauly# | Ritesh Mandot* |
| | | Independent Directors | | | Non-Independent, Non-Executive Directors | | |
| 1 | Sitting fee for attending Board/ committee meetings and Independent Directors meeting | 8,80,000 | 9,00,000 | 8,00,000 | 7,20,000 | 6,40,000 | 5,40,000 |
| 2 | Commission | - | - | - | - | - | - |
| | **Total** | **8,80,000** | **9,00,000** | **8,00,000** | **7,20,000** | **6,40,000** | **5,40,000** |
| | Overall Ceiling as per the Act | For sitting fee ₹ 1,00,000/- per meeting<br>For Commission (1% of net profits) | | | | | |

* appointed effective from October 22, 2021 and to be paid to Omega TC Holdings PTE LTD

# Resigned effective from October 19, 2021 and to be paid to Omega TC Holdings PTE LTD

### C Remuneration To Key Managerial Personnel Other Than MD/Manager/WTD

| Sl. No. | Particulars of Remuneration | Key Managerial Personnel | |
|---|---|---|---|
| | | Mr. Amar Jyothi Barua Chief Financial Officer | Mr. Sanjay Sharma Chief Financial Officer |
| | | May 17, 2021 to August 20, 2021 | Since October 22, 2021 |
| 1. | Gross Salary | | |
| | a. Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961 | 79,69,649 | 75,20,928 |
| | b. Value of perquisites u/s 17(2) Income-tax Act,1961 | 5,39,670 | 5,22,240 |
| | c. Profits in lieu of salary under section 17(3) Income tax Act, 1961 | - | |
| 2 | Stock Option | - | |
| 3 | Sweat Equity | - | |
| 4 | Commission as a % of profit others, specify | - | |
| 5 | Other, please specify | - | |
| | **Total (A)** | | |

Board Report

All amounts are ₹ lakh unless otherwise stated

## VII. PENALTIES/PUNISHMENT/COMPOUNDING OF OFFENCES

| Type | Section of the Companies Act | Brief Description | Details of Penalty/ Punishment/ Compounding fees imposed | Authority [RD/ NCLT/ COURT] | Appeal made, if any (give Details) |
|---|---|---|---|---|---|
| **A. Company** | | | | | |
| Penalty | Nil | - | - | - | - |
| Punishment | Nil | - | - | - | - |
| Compounding | Nil | - | - | - | - |
| **B. Directors** | | | | | |
| Penalty | Nil | - | - | - | - |
| Punishment | Nil | - | - | - | - |
| Compounding | Nil | - | - | - | - |
| **C. Other Officers in Default** | | | | | |
| Penalty | Nil | - | - | - | - |
| Punishment | Nil | - | - | - | - |
| Compounding | Nil | - | - | - | - |

**Banmali Agrawala**
Chairman
DIN: 00120029



All amounts are ₹ lakh unless otherwise stated

**Annexure – IV**

## Conservation of Energy, Technology Absorption and Foreign Exchange Earnings and Outgo

(Pursuant to Section 134 of the Companies Act, 2013 read with Companies (Accounts) Rules, 2014)

### A. Conservation of Energy

The Company is engaged in construction and engineering of infrastructure projects, which does not consume power, except for usage of machines, equipment, and vehicles. However, continuous initiatives and efforts are being taken to reduce the consumption of fuels and electricity through the following measures:

- Use VFD on two EOT Cranes for Long and Cross Travel of Fabrication Shop in Tower Manufacturing Unit (TMU).
- Use of VFD operated 37 KW Air Compressor for plant operation, by replacing three numbers of old 15 KW compressors. Cost of energy saving due to lowering of KW rating in the tune of ₹4, 81, 075/-.
- Use of Cyclic timer for Lighting in Parking Sheds, which works on auto-mode with no manual intervention.
- Installation of Solar Generation system of 990KWP. Put to operation on 04-JAN-2022. Since installation, 294121 KWH was generated until 31 March 2022, which cost ₹ 20,47,075/-. Consumption of KWH after deducting banking KWH , it comes to 288238.6 KWH, final reduction in Power Bill ₹ 20,06,141/-.
- Total Renewable energy consumption (Rooftop Solar + Solar LED) - 5,80,882 KWH across the Project Site (Major contribution of Renewable energy consumption @TMU – 2,88,396 KWH & @MTHL site – 271950 KWH)
- Use 100% LED Lights installed at Corporate, registered, Regional offices, Tower Manufacturing Unit (TMU), and 82% at Project Sites.
- 11.2% of procurement is done from Green Vendors, who implement conservation of energy initiatives.
- Electric Four wheelers (01 no each) deployed at Ramagundam & Mundra site on pilot basis shall be implemented at new sites.
- 60% of concrete is made using M sand
- 45% of concrete made with Fly Ash instead of cement
- 77% of shuttering material was made using steel instead of plywood
- 8% of concreting used for making precast members
- 35,241 tree saplings were planted across various Project sites

**Technology Absorption**

- Commissioned 20 KLD of Sewage Treatment Plant (STP) for treating sewage generated in TMU & different capacities at newly started sites where ever labour colony is available
- Use VFD for LT Motion in EOT Cranes in a Fabrication shop for better control of long travel motion and thereby reduce Break Down Time.
- Use compressed air to remove excess molten Zinc from the surfaces of the galvanizing materials after taking them out from the hot-dip zinc bath.
- Use of hand-held Plasma Cutting System during non-availability of oxygen in COVID period.
- TMU Material Testing Lab has acquired NABL accreditation, which will enhance customer satisfaction.
- Reduction in Zinc consumption / MT of finished goods from 3.63% to 3.61% compared to FY 20-21, resulting in a saving of 5MT of Zinc.
- Reduction in MS Wire consumption from 3.7kg/MT to 3.59 kg /MT of galvanized items produced by making modifications in material hanging & racking fixtures for immersion process in hot-dip galvanizing bath. Total savings of MS wire has appeared @ 2861 kg in terms of Amount ₹1, 71, 664/-.
- We have been proactively taking steps towards installing energy-efficient equipment within our processes (Reduction in energy consumption through % BS-IV Equipment are – 58% % VFD

Board Report

All amounts are ₹ lakh unless otherwise stated

Equipment are – 61%, % VRD Equipment are – 79%). In FY 2021- 22, material/passenger hoists and gantry cranes in our tower cranes had VFDs. The VFDs have controlled operating speed and acceleration; this resulted in reduced energy consumption, thus also minimizing the emissions. Welding machines fitted with VRD reduce the maximum unloaded open-circuit voltage across the output terminal of the welder to safe voltage. Complying with the latest emission standard for the vehicle.

- Complying with the latest emission standard for vehicles & Installed In-Vehicle Monitoring System (IVMS) for our vehicles that use a GPS tracking system for monitoring working hours & diesel consumption.
- 100% projects using BIMS or other 3D software wherever Engineering is in the scope of TPL.

### B. Foreign Exchange Earnings and Outgo

₹ in Cr.

| Earnings / Outgo | Year ended 31, March 2022 | Year ended 31, March 2021 |
|---|---|---|
| Earnings | 414.97 | 834.62 |
| Outgo | 840.82 | 960.42 |

Sd/-
**Banmali Agrawala**
**Chairman**
DIN No.:00120029

# Corporate Governance Report

All amounts are ₹ lakh unless otherwise stated

## 1. Company's Philosophy on Corporate Governance

Being a premier infrastructure company in India and contributing to the Nation Building, Tata Projects is committed to its role as a corporate citizen and endeavours to adopt the best practices and the highest standards of corporate governance through transparency in its business operations, accountability to its customers, investors, regulators and other stakeholders. The Company's activities are carried out in accordance with good corporate practices and the Company is constantly striving to better these practices by adopting best practices.

The Company believes that governance practices enable the Management to direct and control the affairs of the Company in an efficient manner and to achieve the Company's goal of maximising value for all its stakeholders. The Company will continue to focus its resources, strengths and strategies to achieve its vision, while upholding the core values of transparency, integrity, honesty and accountability, which are fundamental to Tata companies.

As a part of the Tata Group, the Company has a strong legacy of fair, transparent and ethical governance practices. The Corporate Governance philosophy is further strengthened with the adherence to the Tata Business Excellence Model (TBEM) as a means to drive excellence.

The Company has adopted the Tata Code of Conduct (TCoC) for Executive Directors, Senior Management Personnel and other Executives and Employees, which is available on the website of the Company at www.tataprojects.com. The Company has received confirmations from the EDs as well as Senior Management Personnel regarding compliance of the Code during the year under review. The Company has also adopted the Code of Conduct for Non-Executive Directors of the Company which includes the Code of Conduct of Independent Directors, which suitably incorporates the duties of Independent Directors as laid down in the Companies Act, 2013.

In addition, the Company has also adopted a Vigil Mechanism, a Fair Practices Code, an Affirmative Action Policy, a Policy against Sexual Harassment at the Workplace, Governance Guidelines for Board Effectiveness, an Occupational Health and Safety Management System, Anti-Bribery and Anti-Corruption Policy and Whistle Blower Policy. The Company signed the Tata Brand Equity and Business Promotion ("BEBP") Agreement with Tata Sons Private Limited for subscribing to the TATA BEBP Scheme. The Company abides by the TCoC and the norms for using the Tata Brand.

## 2. Board of Directors

As on March 31, 2022, the Company had 8 (eight) Directors. Out of whom, 2 (two) were Independent, including a Woman Director; 4 (four) were Non-Independent, Non-Executive Directors; 1 (one) Investor Representative Director and 1 (one) a Managing Director. (Table A) The composition of the Board of Directors of the Company is in compliance with the Companies Act, 2013 ("Act"). In compliance with Regulation 17 (1) (b) of SEBI (LODR) Regulations, 2015 amended vide SEBI Notification No.: SEBI/LAD-NRO/GN/2021/47 dated September 7, 2021, composition of the Board of Directors needs to be reconstituted. However, vide Regulation 15 (1A), second proviso, the Company, being a 'high-value debt listed entity' requires compliance with Regulation 17 on or before March 31, 2023 on a 'comply or explain' basis.

As on June 30, 2022, 2 (two) were Independent, including a Woman Director; 3 (three) were Non-Independent, Non-Executive Directors; 1 (one) Investor Representative Director; 1 (one) a Managing Director and 1 (one) Executive Director & MD Designate (Table B).

The profiles of Directors can be found on the Company's website www.tataprojects.com

The composition of the Board is in conformity with Section 149 and Section 152 of the Act. During the year under review and as on date of this Report, none of our Directors serve as Director or as IDs in more than seven listed companies and none of the EDs serve as IDs on any listed company. Further, none of our IDs serve as Non-Independent Director of any company on the board of which any of our Non-Independent Director is an ID. Independent Directors are non-executive directors as defined under Regulation 16(1)(b) of the SEBI Listing Regulations read with Section 149(6) of the Act along with rules framed thereunder.

In terms of Regulation 25(8) of SEBI Listing Regulations, they have confirmed that they are not aware of any circumstance or situation which exists or may reasonably be anticipated that could impair or impact their ability

## Corporate Governance Report

All amounts are ₹ lakh unless otherwise stated

to discharge their duties. Based on the declarations received from the Independent Directors, the Board of Directors has confirmed that they meet the criteria of independence as mentioned under Section 149 of the Act and Regulation 16(1)(b) of the SEBI Listing Regulations and that they are independent of the Management. Further, the IDs have in terms of Section 150 of the Act read with Rule 6 of the Companies (Appointment & Qualification of Directors) Rules, 2014, confirmed that they have enrolled themselves in the Independent Directors' Databank maintained with the Indian Institute of Corporate Affairs.

During FY 2021-22, none of the Directors acted as Member in more than 10 Committees or as Chairperson in more than 5 Committees across all listed entities where they serve as Directors. For determining limit of the Board Committees, chairpersonship and membership of the Audit Committee and Stakeholders' Relationship Committee have been considered as per Regulation 26(1)(b) of SEBI Listing Regulations. Further, there are no inter-se relationships between our Board Members. None of the directors hold any shares in the Company.

Ten Board Meetings were held during the FY 21-22 with less than 120 days between any two consecutive meetings. The dates of meetings are: April 28, 2021, July 30, 2021, September 9, 2021, October 5, 2021, October 19, 2021, October 22, 2021, January 10, 2022, January 27, 2022, February 1, 2022 and March 29 & 30, 2022.

**Table A: Composition of Board as on March 31, 2022**

| Director | Category | Attendance at | | Other Directorship | | Board Committees | | Name of Listed Company |
|---|---|---|---|---|---|---|---|---|
| | | BM | AGM | Chairman | Member | Chairman | Member | |
| Mr. Banmali Agrawala | NE & NI | 10 | Yes | 4 | 8 | 1 | 2 | 1. The Tata Power Company Ltd.<br>2. Tata Housing and Development Company Ltd. (Debt Listed)<br>3. Tata Realty and Infrastructure Ltd. (Debt Listed) |
| Mr. Sanjay Bhandarkar | Independent | 10 | Yes | - | 7 | 4 | 6 | 1. The Tata Power Company Ltd.<br>2. Chemplast Sanmar Ltd. |
| Mr. Neera Saggi | Independent | 10 | Yes | - | 5 | - | 8 | 1. GE T&D Ltd.<br>2. Swaraj Engines Ltd.<br>3. Honeywell Automation India Ltd. |
| Mr. Nipun Aggarwal | NE & NI | 10 | No | - | 10 | - | 1 | 1. Tata Housing and Development Company Ltd. (Debt Listed) |
| Mr. Ramesh N Subramanyam | NE & NI | 8 | No | - | 1 | 1 | 3 | Nil |
| Mr. Ritesh Mandot | IRD | 10 | Yes | - | - | - | 1 | Nil |
| Mr. Sanjay Banga | NE & NI | 8 | No | - | 7 | - | 3 | Nil |
| Mr. Vinayak K Deshpande | Managing Director | 10 | Yes | - | 6 | - | 3 | 1. Voltas Ltd.<br>2. Artson Engineering Ltd.<br>3. Kennametal India Ltd. |

a) NE & NI: Non-Executive & Non-Independent; IRD: Investor Representative Director

b) In terms of Regulation 26(1)(b) of the SEBI Listing Regulations, the disclosure includes chairmanship/ membership of only the Audit Committee and Stakeholders' Relationship Committee in other Indian Public companies (listed and unlisted) including Tata Projects Limited. Membership includes positions as Chairperson of Committees.

All amounts are ₹ lakh unless otherwise stated

**Table B: Composition of Board as on June 30, 2022**

| Director | Status | Skill, expertise and competencies | Other Directorship | | Board Committees | | Name of Listed Company |
|---|---|---|---|---|---|---|---|
| | | | Chairman | Member | Chairman | Member | |
| Mr. Banmali Agrawala | NE & NI | L, S, O, T, F, G, R | 4 | 8 | 1 | 2 | 1. The Tata Power Company Ltd.<br>2. Tata Housing and Development Company Ltd. (Debt Listed)<br>3. Tata Realty and Infrastructure Ltd. (Debt Listed) |
| Mr. Sanjay Bhandarkar | Independent | L, S, F, G, R | - | 7 | 4 | 6 | 1. The Tata Power Company Ltd.<br>2. Chemplast Sanmar Ltd. |
| Mr. Neera Saggi | Independent | L, S, F, G, R | - | 4 | - | 8 | 1. GE T&D Ltd.<br>2. Swaraj Engines Ltd.<br>3. Honeywell Automation India Ltd. |
| Mr. Sanjeev Churiwala | NE & NI | L, S, O, F,G,R | - | 5 | - | - | Nil |
| Mr. Ritesh Mandot | IRD | L, S, O, T, F, G, R | - | - | - | 1 | Shriram Properties Ltd. |
| Mr. Sanjay Banga | NE & NI | L, S, O, T, G, R | | | | | Nil |
| Mr. Vinayak Pai | ED & MD Designate | L, S, O, T, F, G, R | - | - | - | - | Nil |
| Mr. Vinayak K Deshpande | Managing Director | L, S, O, T, F, G, R | - | 6 | - | 3 | 1. Voltas Ltd.<br>2. Artson Engineering Ltd.<br>3. Kennametal India Ltd. |

L = Leadership; S = Strategy; O = Operations; T = Technology; F = Finance; G = Governance; R = Regulatory Affairs

### 3. Committees of the Board

The Board constituted Committees with specific terms of reference to focus on specific areas. These include: Audit Committee, Nomination and Remuneration Committee, Risk Management Committee, Corporate Social Responsibility Committee, the Stakeholders Relationship Committee and Project Review Committee.

The Company Secretary is the Secretary of all the aforementioned Committees. The Board of Directors and the Committees also take decisions by Resolutions passed through circulation, which are noted by the Board/respective Committees of the Board at their next meetings. The Minutes and the gist of minutes of meetings of all Committees of the Board are circulated to the Board of Directors for noting.

#### A) Audit Committee

The primary objective of the Audit Committee is to monitor and provide an effective supervision of the Management's financial reporting process, to ensure accurate and timely disclosures, with the highest levels of transparency, integrity and quality of financial reporting. The Committee oversees the work carried out in the financial reporting process by the Management, the internal auditor, the statutory auditor and the cost auditor and notes the processes and safeguards employed by each of them. The Committee further reviews the processes and controls including compliance with laws, Tata Code of Conduct, Whistle Blower Policies and related cases thereto.

## Corporate Governance Report

All amounts are ₹ lakh unless otherwise stated

All amounts are ₹ lakh unless otherwise stated

The Board of Directors of the Company adopted the Audit Committee Charter (which includes terms of reference as provided under the Act on April 29, 2016. The Company Secretary acts as the Secretary to the Committee.

The Managing Director and Senior Management of the Company also attend the meetings as invitees. 9 (Nine) meetings of the Audit Committee were held during the financial year ended March 31, 2022. These meetings were held on April 16, 2021, April 28, 2021, July 30, 2021, August 11, 2021, September 23, 2021, October 22, 2021, December 16, 2021, January 27, 2022 and March 30, 2022. The requisite quorum was present for all the meetings. All the decisions at the Audit Committee meetings were taken unanimously.

**The details of Audit Committee Members and attendance at Meetings held during FY 21-22:**

| Member | Category | No. Meetings | Number of meetings of Audit Committee attended during the year |
|---|---|---|---|
| Sanjay Bhandarkar | ID | 9 | 9 |
| Neera Saggi | ID | 9 | 9 |
| Ramesh Subramanyam | NE & NI | 9 | 9 |
| Bobby Pauly | IRD & Special Invitee | 9 | 6 |
| Ritesh Mandot | | | 3 |
| Vinayak K Deshpande | MD | 9 | 9 |

1. ID: Independent Director; NE & NI: Non-Executive & Non-Independent; IRD: Investor Representative Director; MD: Managing Director
2. Mr. Sanjay Bhandarkar, Chairman of the Committee attended the AGM held during 2021

**B) Nomination and Remuneration Committee**

The purpose of the Nomination and Remuneration Committee ('NRC') is to oversee the Company's nomination process including succession planning for the senior management and the Board and specifically to assist the Board in identifying, screening and reviewing individuals qualified to serve as Executive Directors, Non-Executive Directors and determine the role and capabilities required for Independent Directors consistent with the criteria as stated in the Governance Guidelines for Tata Companies on Board Effectiveness. The NRC and the Board periodically reviews the succession planning process of the Company and is satisfied that the Company has adequate process for orderly succession of Board Members and Members of the Senior Management.

The Board adopted the NRC Charter in March 2014 (which includes terms of reference as provided under the Act for the functioning of the NRC. The NRC also assists the Board in discharging its responsibilities relating to compensation of the Company's Executive Directors and Senior Management. The NRC has the overall responsibility of approving and evaluating the compensation plans, policies and programmes for Executive Directors and the Senior Management. The NRC reviews and recommends to the Board for its approval, the base salary, incentives/commission, other benefits, compensation or arrangements and executive employment agreements for the Executive Directors.

6 (Six) meetings of the NRC were held during the FY 21-22, on April 28, 2021, May 18, 2021, September 9, 2021, October 4, 2021, December 16, 2021 and March 30, 2022. The requisite quorum was present for all the meetings.

**The details of NRC Members and attendance at Meetings held during FY 21-22:**

| Member | Category | No. Meetings | Number of meetings of NRC Committee attended during the year |
|---|---|---|---|
| Neera Saggi | ID | 6 | 6 |
| Sanjay Bhandarkar | ID | 6 | 6 |
| Banmali Agrawala | NE & NI | 6 | 6 |
| Ritesh Mandot | IRD & Special Invitee | 6 | 6 |
| Vinayak K Deshpande | MD | 6 | 6 |

1. ID: Independent Director; NE & NI: Non-Executive & Non-Independent; IRD: Investor Representative Director; MD: Managing Director
2. Ms. Neera Saggi, Chairperson of the Committee attended the AGM held during 2021

**C) Corporate Social Responsibility, Safety & Sustainability Committee**

The purpose of our Corporate Social Responsibility, Safety and Sustainability ('CSR&SS') Committee is to formulate and recommend to the Board, a Corporate Social Responsibility Policy, which shall indicate the initiatives to be undertaken by the Company, recommend the amount of expenditure the Company should incur on Corporate Social Responsibility activities and to monitor from time to time the CSR activities. The Committee provides guidance in formulation of CSR strategy and its implementation. The revised CSR Policy of the Company has been approved during February 2021.

The CSR policy is available on our website at www.tataprojects.com One meeting of the CSR&S Committee was held on June 30m 2021. The requisite quorum was present for all the meetings. Ms. Neera Saggi and Mr. Sanjay Bhandarkar are Members of the Committee.

**D) Stakeholders Relationship Committee**

The Committee was constituted by the Board on October 22, 2021 in compliance with SEBI Notification dated September 7, 2021. The Members of the Committee are: Ms. Neera Saggi, Mr. Ramesh N Subramanyam and Mr. Ritesh Mandot as Members. No complaints were received neither from Members nor from Debenture Holders / Debenture Trustee during the FY 21-22.

**E) Risk Management Committee**

The Committee was constituted by the Board on October 22, 2021 in compliance with SEBI Notification dated September 7, 2021. The Members of the Committee are: Mr. Sanjay Bhandarkar, Mr. Ritesh Mandot and Mr. Sanjay Sharma, CFO as Members and Ms. Neera Saggi as permanent invitee. No formal meeting was held during the FY 21-22.

**F) Project Review Committee**

The purpose of the Committee is to review and approve/disapprove bid proposals having a value of ₹1,000 crore and above. The Committee also reviews the performance of major projects under execution in terms of project execution challenges, variation in costs, margins etc. as compared to estimated, budgeted and approved parameters. Mr. Banmali Agrawala, Mr. Nipun Aggarwal and Mr. Ritesh Mandot are the Members of the Committee. Meetings are held atleast once in every month; and as such 14 meetings were held during FY 21-22.

**G) Securities Allotment Committee**

The Board Sub Committee for Issuance of Non-Convertible Debentures constituted during 2018 was renamed as Securities Allotment Committee. The Members of the Committee are Mr. Nipun Aggarwal, Mr. Ramesh Subramanyam and Mr. Vinayak K Deshpande. During the FY 21-22, the Committee approved issue of listed non-convertible debentures.

All amounts are ₹ lakh unless otherwise stated

### 4. Remuneration of Directors

#### A) Non-Executive Directors

The Company paid Sitting fees to Non-Executive, Non-Independent Directors ("NEDs") and Independent Directors ("IDs") for attending meetings of the Board and the Committees of the Board, except to Mr. Ramesh Subramanyam and Mr. Sanjay Banga who were appointed by The Tata Power Company Limited as per its Board's recommendation. The sitting fee of Mr. Ritesh Mandot, the Investor Representative Director has been paid to Omega TC Holdings Pte., as per Shareholders Agreement. The directors are not entitled for any commission for the FY 21-22 due to loss.

| Director | Category | Sitting fee paid during FY 21-22 |
|---|---|---|
| Banmali Agrawala | NE & NI | ₹8,00,000 |
| Sanjay Bhandarkar | ID | ₹9,00,000 |
| Neera Saggi | ID | ₹8,80,000 |
| Nipun Aggarwal | NE & NI | ₹7,20,000 |
| Bobby Pauly & Ritesh Mandot (to Omega) | IRD | ₹10,80,000 |

NE & NI: Non-Executive & Non-Independent; IRD: Investor Representative Director

#### B) Managing Director

Terms of appointment of Mr. Vinayak K Deshpande, Managing Director

| | |
|---|---|
| Tenure of appointment | July 1, 2020 to July 21, 2022 |
| Salary | ₹1,21,20,000/- p.a. |
| Allowances | ₹1,17,43,276/- p.a. |
| Perquisites | ₹ 66,60,000/- p.a. |
| Retiral Benefits | ₹ 32,72,400 p.a. |
| ESOPs | -- |
| Severance Fee | -- |

### 5. General Body Meetings

#### A) Annual General Meetings

| FY ended | Date | Time | Venue | Special Resolutions |
|---|---|---|---|---|
| March 31, 2021 | July 6, 2021 | 10:00 a.m. | Video Conference or other audio-visual means (Through Microsoft TEAMS Application) | 1. Issue of debentures upto ₹1,000 crore |
| March 31, 2020 | August 7, 2020 | 12:30 p.m. | | 1. Reappointment of Ms. Neera Saggi as Independent Director<br>2. Enhancement borrowing powers u/s 180 (1)(c) upto ₹23,500 crore<br>3. Creation of charge on movable and immovable properties u/s 180 (1)(a)<br>4. Issue of debentures upto ₹500 crore |
| March 31, 2019 | July 18, 2019 | 3:00 p.m. | Meeting Room # 301, 3rd Floor, Bombay House, 24 Homi Mody Street, Fort, Mumbai – 400 001 | 1. Enhancement borrowing powers u/s 180 (1)(c) upto ₹22,900 crore<br>2. Amendment to Articles of Association by inclusion of Article 28A |



All amounts are ₹ lakh unless otherwise stated

#### B) Extra-Ordinary General Meetings

| FY ended | Date | Time | Venue | Special Resolutions |
|---|---|---|---|---|
| March 31, 2022 | December 10, 2021 | 3:00 p.m. | Video Conference or other audio-visual means (Through Microsoft TEAMS Application) | 1. Enhancement borrowing powers u/s 180 (1)(c) upto ₹24,000 crore<br>2. Creation of charge on movable and immovable properties u/s 180 (1)(a) |
| March 31, 2022 | February 1, 2022 | 10:30 a.m. | | 1. Alteration to Articles of Association with respect to Article 2<br>2. To issue bonus shares in the proportion of two equity shares for every one share held<br>3. Shifting of Registered Office from Hyderabad to Mumbai |

None of the above special resolutions approved at the above mentioned annual and extra-ordinary general meetings were passed through postal ballot. The resolutions were approved unanimously by way of show of hands.

### 6. Means of Communication

The quarterly, half yearly and annual financial results and the annual reports, including the Notice convening the annual general meeting and the periodical/event based intimations submitted to National Stock Exchange are placed on website of the Company @ www.tataprojects.com. The contact details of compliance officer and person responsible for addressing investor grievances are also placed on website @ www.tataprojects.com. The financial results are normally published in Business Standard (English) and 'Mana Telangana' (in Telugu)

### 7. General Shareholders Information

**A)** Annual General Meeting

Date: August 5, 2022

Time: 12.00 noon

Venue: Through Microsoft TEAMS Application

**B)** Financial Year: April 1st of a year to March 31st of the subsequent year

**C)** Dividend Payment Date: Not Applicable as no dividend is proposed

**D)** Listing and Fee Details: The equity shares of the Company are not listed on any Stock Exchange (NSE). However, the Non-Convertible Debentures issued by the Company are listed with National Stock Exchange. The applicable listing fee for the FY 21-22 and 22-23 has been paid to NSE.

**E)** Stock Code: Not Applicable

**F)** Market Price Data: Not Applicable

**G)** Performance in comparison to broad-based indices such as BSE/NSE or CRISIL Index etc.: Not Applicable

**H)** Securities Trading suspension details: Not Applicable

**I)** Registrar and Share Transfer Agents: TSR Consultants Pvt. Ltd., C-101, 1st Floor, 247 Park, Lal Bahadur Shastri Marg, Vikhroli (West), Mumbai – 400 083. Tel 91-22- 66568484 Fax 91- 22-66568494, Web : www.tcplindia.co.in

**J)** Share Transfer System: The Company has seven corporate shareholders; and all the equity shares have been dematerialized. Any transfer of shares will have to happen in demat mode.

**K)** Distribution of Shareholding: The Shareholding of the Company as on March 31, 2022 was:

| No. | Name of the Shareholder | No. of Shares held | % of Holding |
|---|---|---|---|
| 1 | The Tata Power Company Ltd. | 7,92,78,886 | 47.78 |
| 2 | Omega TC Holdings Pte Ltd., | 2,93,06,400 | 17.66 |
| 3 | Tata Sons Private Ltd., | 2,31,12,496 | 13.93 |
| 4 | Tata Chemicals Ltd. | 1,58,55,777 | 9.56 |
| 5 | Voltas Ltd. | 1,10,62,170 | 6.67 |
| 6 | Tata Capital Ltd., | 36,71,821 | 2.20 |
| 7 | Tata Industries Ltd. | 36,45,000 | 2.20 |
| | Total Shares | 16,59,32,550 | 100:00 |

**L)** Dematerialization of shares and liquidity:

All the Equity shares of the Company are in dematerialized form as on March 31, 2022. Under the Depository System, the International Securities

# Corporate Governance Report

All amounts are ₹ lakh unless otherwise stated

Identification Number ("ISIN") allotted to the Company's equity shares is INE725H01027.

**M)** Outstanding Global depository receipts or American depository receipts or warrants or any convertible instruments, conversion date and likely impact on equity: Nil

**N)** Commodity price risk or foreign exchange risk and hedging activities

The Company is exposed to foreign currency exchange rate fluctuation risk for its imports and exports. The Company hedges its foreign currency exposure as per Board approved Policy. The Company is also exposed to commodity price risk and is governed by Board approved Policy.

**O)** Plant Locations: Dhurkheda Village, Umred Taluk, Nagpur

**P)** Address for correspondence: TATA PROJECTS LIMITED, Registered Office, Mithona Towers, 1-7-80 to 87. Prenderghast Road, Secunderabad -500003, India

**Q)** List of all credit ratings obtained by the entity along with any revisions thereto during the relevant financial year, for all debt instruments of such entity or any fixed deposit programme or any scheme or proposal

| Rating Agency | Facility Rated | Amount (₹ Crores) | Rating | Definition |
|---|---|---|---|---|
| India Rating | Long Term Rating | | IND AA/ Stable | **ND AA** Instruments with this rating are considered to have high degree of safety regarding timely servicing of financial obligations. Such instruments carry very low credit risk. **IND A1** Instruments with this rating are considered to have very strong degree of safety regarding timely payment of financial obligations. Such instruments carry lowest credit risk. |
| India Rating | NCD | 2500 | IND AA/ Stable | |
| India Rating | Fund Based Working Capital | 1995 | IND AA/ Stable/Ind A1+ | |
| India Rating | Non Fund Based Working Capital Limits | 16921 | Ind AA/ Stable/Ind A1+ | |
| India Rating | Commercial Paper | 1400 | IND A1+ | |
| CRISIL | Commercial Paper | 1400 | CRISIL A1+ | **CRISIL A1+** Instruments with this rating are considered to have very strong degree of safety regarding timely payment of financial obligations. Such instruments carry lowest credit risk. |

**8. Other Information**

**A)** Disclosures on materially significant related party transactions that may have potential conflict with the interests of listed entity at large

There were no material related party transactions during the year under review that have a conflict with the interest of the Company

**B)** details of non-compliance by the listed entity, penalties, strictures imposed on the listed entity by stock exchange(s) or the board or any statutory authority, on any matter related to capital markets, during the last three years: Nil

**C)** details of establishment of vigil mechanism, whistle blower policy and affirmation that no personnel has been denied access to the audit committee

The Company has a Whistle Blower Policy and has established necessary Vigil Mechanism for Directors and employees to report concerns about unethical behaviour. No person has been denied access to the Audit Committee.

**D)** details of compliance with mandatory requirements and adoption of the non-mandatory requirements

**Compliance with mandatory requirements:** The Company is in compliance with corporate governance requirements specified in Regulations 17 to 27 and clauses (a) to (i) of Regulation 62(1A) of SEBI Listing Regulations, except certain additional disclosures on website.

**Adoption of non-mandatory requirements:** As on March 31, 2022, the Company is in compliance with all the mandatory requirements specified in Regulation 17 to 27 of SEBI Listing Regulations which have become applicable to the Company as a High Value Debt Listed Entity effective September 7, 2021 on a 'comply or explain' basis until March 31, 2023. The Company has provided the necessary explanation in the quarterly compliance report on Corporate Governance submitted to the Stock Exchanges under Regulation 27(2)(a) of SEBI Listing Regulations for the quarters ended September 30, 2021, December 31, 2021, March 31, 2022 and June 30, 2022.

All amounts are ₹ lakh unless otherwise stated

**E)** Web link where policy for determining 'material' subsidiaries is disclosed

www.tataprojects.com

**F)** web link where policy on dealing with related party transactions

www.tataprojects.com

**G)** disclosure of commodity price risks and commodity hedging activities.

**H)** Details of utilization of funds raised through preferential allotment or qualified institutions placement as specified under Regulation 32 (7A): Not Applicable

**I)** A certificate from a company secretary in practice that none of the directors on the board of the company have been debarred or disqualified from being appointed or continuing as directors of companies by the Board/Ministry of Corporate Affairs or any such statutory authority.

The Company has obtained certificate from M/s. Shalini Deendayal & Company, Practising Company Secretaries that none of the Directors on the Board of the Company have been debarred or disqualified from being appointed or continuing as directors of companies by the Board/Ministry of Corporate Affairs or any such statutory authority. The same is reproduced at the end of this report and marked as **Annexure I**.

**J)** where the board had not accepted any recommendation of any committee of the board which is mandatorily required, in the relevant financial year, the same to be disclosed along with reasons thereof:

During FY 2021-22, all the recommendations of the various Committees of the Board were accepted by the Board.

**K)** Total fees for all services paid by the listed entity and its subsidiaries, on a consolidated basis, to the statutory auditor and all entities in the network firm/ network entity of which the statutory auditor is a part Price Waterhouse & Co Chartered Accountants LLP (Firm Registration Number: 304026E/E-300000) are the statutory auditors of the Company and its subsidiaries. Particulars of fee paid to the statutory auditors, including out-of-pocket expenses, travelling and GST, during the FY 21-22 is as follows:

| | | |
|---|---|---|
| i) | Statutory audit fee (including quarterly, half-yearly and annual audits): | ₹ 84.09 lacs |
| ii) | Tax Audit: | ₹ 07.74 lacs |
| iii) | Certification services: | ₹ 62.71 lacs |
| **iv)** | **TOTAL fee paid during FY 21-22** | **₹ 154.54 lacs** |

**L)** disclosures in relation to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013:

**a)** number of complaints filed during the financial year

**b)** number of complaints disposed of during the financial year

**c)** number of complaints pending as on end of the financial year

| Number of complaints filed during the financial year | Number of complaints disposed of during the financial year | Number of complaints pending as on end of the financial year |
|---|---|---|
| Nil | Nil | Nil |

**M)** Disclosure by listed entity and its subsidiaries of 'Loans and advances in the nature of loans to firms/ companies in which directors are interested by name and amount': NIL

**9.** Non-compliance of any requirement of corporate governance report of sub-paras (2) to (8) above, with reasons thereof shall be disclosed:

There is no non-compliance of any requirement of corporate governance, except to the extent of disclosures made in the quarterly corporate governance report submitted to the stock exchange under Regulation 27(2)(a), on 'comply or explain' basis until March 31, 2023.

**10.** The corporate governance report shall also disclose the extent to which the discretionary requirements as specified in Part E of Schedule II have been adopted. Not yet adopted.

## Corporate Governance Report

All amounts are ₹ lakh unless otherwise stated

### CEO/CFO Certification in respect of Financial Statements and Cash Flow Statement

(pursuant to regulation 17 (8) of SEBI (Listing Obligations & Disclosure Requirements), Regulations, 2015 For the Financial Year ended March 31, 2022

We have reviewed the Financial Statements and the Cash Flow Statement for the year ended 31st March 2022 and we hereby certify and confirm to the best of our knowledge and belief the following:

a. The Financial Statements and Cash Flow statement do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading.

b. The Financial Statements and the Cash Flow Statement together present a true and fair view of the affairs of the Company and are in compliance with existing accounting standards, applicable laws and regulations.

c. There are no transactions entered in to by the Company during the year ended 31st March 2022 which are fraudulent, illegal or violative of Company's Code of Conduct.

d. We accept responsibility for establishing and maintaining internal controls for Financial Reporting and we have evaluated the effectiveness of these internal control systems of the Company pertaining to financial reporting. Deficiencies noted, if any, are discussed with the Auditors and Audit Committee, as appropriate, and suitable actions are taken to rectify the same.

e. There have been no significant changes in the above-mentioned internal controls over financial reporting during the relevant period.

f. That there have been no significant changes in the accounting policies during the relevant period.

g. We have not noticed any significant fraud particularly those involving the, management or an employee having a significant role in the Company's internal control system over Financial Reporting.

**Vinayak Deshpande**
Managing Director
DIN : 00036827

**Sanjay Sharma**
Chief Financial Officer

Place : Mumbai
Date : 29/04/2022

All amounts are ₹ lakh unless otherwise stated

## CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS

(Pursuant to Regulation 34(3) and Schedule V Para C clause (10)(i) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015)

To,
The Members of
**TATA PROJECTS LIMITED**
Mithona Towers-1, 1-7-80 to 87,
Prenderghast Road,
Secunderabad, Hyderabad,
Telangana- 500003 India

We have examined the relevant registers, records, forms, returns and disclosures received from the Directors of TATA PROJECTS LIMITED having CIN : U45203TG1979PLC057431 and having registered office at Mithona Towers-1, 1-7-80 to 87, Prenderghast Road, Secunderabad, Hyderabad, Telangana 500003, India (hereinafter referred to as 'the Company'), produced before us by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Schedule V Para-C Sub clause 10(i) of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In our opinion and to the best of our information and according to the verifications (including Directors Identification Number (DIN) status at the portal www.mca.gov.in) as considered necessary and explanations furnished to us by the Company & its officers and considering the relaxations granted by the Ministry of Corporate Affairs and Securities and Exchange Board of India warranted due to the spread of the COVID-19 pandemic, We hereby certify that none of the Directors on the Board of the Company as stated below for the Financial Year ending on 31st March, 2022 have been debarred or disqualified from being appointed or continuing as Directors of companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs or any such other Statutory Authority.

| S. No | Name of Director | DIN | Date of Appointment in Company* |
|---|---|---|---|
| 1. | Banmali Agrawala | 00120029 | 03/02/2018 |
| 2. | Neera Saggi | 00501029 | 05/12/2014 |
| 3. | Sanjay Vijay Bhandarkar | 01260274 | 09/03/2021 |
| 4. | Mandot Ritesh Kantilal | 02090270 | 22/10/2021 |
| 5. | Vinayak Kashinath Deshpande | 00036827 | 01/07/2011 |
| 6. | Sanjay Kumar Banga | 07785948 | 01/12/2019 |
| 7. | Ramesh Narayanswamy Subramanyam | 02421481 | 08/02/2019<br>Date of Cessation: 01/06/2022 |
| 8. | Nipun Aggarwal | 08094159 | 08/02/2019<br>Date of Cessation: 18/04/2022 |
| 9. | Vinayak Ratnakar Pai | 03637894 | 12/05/2022 |
| 10. | Sanjeev Churiwala | 00489556 | 09/06/2022 |

**the date of appointment is as per the MCA Portal.

Ensuring the eligibility of for the appointment / continuity of every Director on the Board is the responsibility of the management of the Company. Our responsibility is to express an opinion on these based on our verification. This certificate is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.

For Shalini Deen Dayal & Associates

**Shalini Deen Dayal**
**Practising Company Secretary**
FCS No: 3533
CP No.: 2452

Place: Secunderabad
Date: 11/07/2022

Corporate Governance Report

All amounts are ₹ lakh unless otherwise stated

### PRACTISING COMPANY SECRETARIES CERTIFICATE ON CORPORATE GOVERNANCE

TO THE MEMBERS OF
**TATA PROJECTS LIMITED**

We have examined the compliance of the conditions of Corporate Governance by Tata Projects Limited ('the Company') for the year ended on March 31, 2022, as stipulated under Regulations 17 to 27, clauses (a) to (i) of sub-regulation (1A) of Regulation 62 and para C, D & E of Schedule V of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations") and as made applicable to the Company effective September 7, 2021 on a comply or explain basis until March 31, 2023, and the necessary explanation in the quarterly compliance report on Corporate Governance submitted to the Stock Exchange under Regulation 27(2)(a) of SEBI Listing Regulations.

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

In our opinion and to the best of our information and according to the explanations given to us, and the representations made by the Directors and the Management and considering the relaxations granted by the Ministry of Corporate Affairs and Securities and Exchange Board of India warranted due to the spread of the COVID-19 pandemic and as disclosed in the Corporate Governance report, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the SEBI Listing Regulations for the year ended on March 31, 2022.

We further state that such compliance is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.

For Shalini Deen Dayal & Associates

**Shalini Deen Dayal**
**Practicing Company Secretary**
FCS No: 3533
CP No.: 2452
UDIN: F003533D000648815

Place: Secunderabad
Date: 19/07/2022





# Independent Auditor's Report

All amounts are ₹ lakh unless otherwise stated

To
the Members of
**Tata Projects Limited**

## Report on the Audit of the Standalone financial statements

**Opinion**

1. We have audited the accompanying standalone financial statements of Tata Projects Limited ("the Company"), which comprise the Standalone Balance Sheet as at March 31, 2022, the Standalone Statement of Profit and Loss (including Other Comprehensive Income), the Standalone Statement of Changes in Equity and the Standalone Statement of Cash Flows for the year then ended and notes to the standalone financial statements, including a summary of significant accounting policies and other explanatory information (in which are included the financial information for the year ended on that date of the Company's Jointly Controlled Operations).

2. In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2022, total comprehensive income (comprising of loss and other comprehensive income), changes in equity and its cash flows for the year then ended.

**Basis for Opinion**

3. We conducted our audit in accordance with the Standards on Auditing (SAs) specified under Section 143(10) of the Act. Our responsibilities under those Standards are further described in the "Auditor's responsibilities for the audit of the standalone financial statements" section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the standalone financial statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

**Key audit matters**

4. Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the standalone financial statements of the current period. These matters were addressed in the context of our audit of the standalone financial statements as a whole and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

| Key audit matter | How our audit addressed the key audit matter |
|---|---|
| **Estimation of construction contract revenue and related costs**<br>(Refer Note 34 and 25 to the standalone financial statements)<br>The Company enters into engineering, procurement and construction contracts, which generally extend over a period 0f 2 to 5 years. The contract prices are usually fixed, but they also include an element of variable consideration, including variations and claims net of assessed value of liquidated damages. Variable consideration is recognized when its recovery is assessed to be highly probable.<br>Based on contractual tenability of the claims/variations, status of the discussions/negotiations with the customers, management expert's assessment and legal opinion, wherever considered necessary, Management periodically assesses the recoverability of the claims/variations.<br>Estimated costs are determined based on techno-commercial assessment of the work to be performed that includes certain cost contingencies and cost savings which take into account specific circumstances of each contract. | Our procedures included the following:<br>• Understood and evaluated the design and tested the operating effectiveness of controls around estimation of construction contract costs and contract price including the reviews and approvals thereof and controls around assessing the recoverability of unbilled revenue relating to claims/variations;<br>• Assessed the appropriateness of the revenue recognition accounting policies in line with Ind AS 115 "Revenue from Contracts with Customers".<br>• Inspected minutes of apex committee meetings with appropriate participation by those charged with governance in relation to estimates and status of the project;<br>• For selected contracts, performed the following procedures;<br>a) Obtained and examined project related source documents such as contract agreements and variation orders;<br>b) Evaluated the management's probability assessment of recovery of variations/claims that contributes towards estimation of construction contract revenue and levy of liquidated damages by reference to contractual terms, expert's assessment and legal advice, wherever considered necessary;<br>c) Evaluated the management's assessment of recoverability of unbilled revenue relating to claims/variations by reference to contractual terms, expert's assessment including auditor's expert's assessment and legal advice; |

# Independent Auditor's Report

All amounts are ₹ lakh unless otherwise stated

| Key audit matter | How our audit addressed the key audit matter |
|---|---|
| Contract revenue is measured based on the proportion of contract costs incurred for work performed until the balance sheet date, relative to the estimated total contract costs. The recognition of revenue and profit/loss, therefore, rely on estimates in relation to total estimated costs and estimated contract price of each contract.<br>Therefore, we considered these estimates of revenue recognised and related costs recorded as a key audit matter given the complexities involved and the significance of the amounts to the standalone financial statements. | d) Assessed the basis for determining the total costs including changes made over period by reference to supporting documents and estimates made in relation to cost-to-complete the projects;<br>e) Tested the calculation of percentage of completion under Input method including the testing of costs incurred and recorded against the contracts;<br>f) Evaluated the reasonableness of key assumptions included in the estimates in relation to revenue recognised and related costs.<br>Based on the procedures performed above, no significant exceptions were noted in estimates of construction contract revenue, related costs and disclosures made. |
| **Assessment of litigations and related disclosure under contingent liabilities**<br>(Refer Note 3.12, Note 34.01 and Note 34.02 to the standalone financial statements)<br>As at March 31, 2022, the Company has exposure towards litigations relating to various matters including direct tax, indirect tax and claims from vendors/customers as set out in the aforementioned note.<br>The Company's tax/legal team performs an assessment of such matters to determine the probability of occurrence of material outflow of economic resources and whether a provision should be recognized or a disclosure should be made. These assessments are also supported with external legal advice in certain cases as considered appropriate.<br>As the ultimate outcome of the matters are uncertain and the positions taken are based on the application of the best judgment of Management, related legal advice including those relating to interpretation of laws/regulations, it is considered to be a key audit matter. | Our procedures included the following:<br>• Understood and evaluated the design and tested the operating effectiveness of controls in relation to assessment of litigations including those relating to the laws and regulations;<br>• Inquired with Company's tax/legal team, the recent developments and the status of the material litigations, which were also reviewed and noted by the Audit Committee;<br>• Circularised and obtained letters directly from Company's external legal counsel, wherever considered necessary, to understand the merits and current status of the litigation matters. We assessed the independence, objectivity and competence of the Company's external legal counsel;<br>• Verified recent orders and/or communication received and submissions/responses made by the Company against ongoing matters to understand and evaluate the grounds of such matters;<br>• Verified the legal and professional charges and payments made to consultants, verified the minutes of the meetings of Board and Audit Committee, enquiries with the Company's legal counsel to ensure completeness of the litigations;<br>• Evaluated the Company's tax/legal team's assessment by reference to precedents set in similar cases, reliability of the past estimates and involved auditor's experts, wherever considered necessary;<br>• Assessed the adequacy of the Company's disclosures and evaluated the Company's tax/legal team's assessment around those matters that are not disclosed as contingent liability.<br>Based on the above work performed, the Company's tax/legal team's assessment in respect of litigations and related disclosures under contingent liabilities in the standalone financial statements are considered to be reasonable. |
| **Recoverability of retention money receivables**<br>(Refer Note 8 to the standalone financial statements)<br>The Company's trade receivables include ₹ 29,206.51 lakhs as at March 31, 2022, pertaining to retention monies that are due, which are yet to be realized. The carrying value of these receivables are assessed by the management based on specific assessment for the respective project with reference to completion of performance obligations, contractual rights and legal tenability of claims.<br>Given the relative significance of these retention receivables to the standalone financial statements and the nature/ extent of audit procedures involved to assess the recoverability of such receivables, we determined this to be a key audit matter. | Our procedures included the following:<br>• Understood and evaluated the design and tested the operating effectiveness of controls over the assessment of recoverability of retention money receivables;<br>• We made enquiries with the management, its business and accounts team and gained an understanding of each of the related contractual terms, collection history, basis of their assessment of collectability, realization plan, verified the carrying value of retention money receivable and assessed estimates of loss provision in relation to uncertainties in recovery/delays in recovery of the retention money balances.<br>• We examined the correspondence between the Company and their customers, past experience, subsequent realization, source document verification and legal advice obtained by the management, wherever considered relevant.<br>Based upon the audit procedures performed, we did not come across any exceptions in the management's assessment of the recoverability of retention money receivables. |



All amounts are ₹ lakh unless otherwise stated

**Other Information**

5. The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Board report, but does not include the standalone financial statements and our auditor's report thereon.

   Our opinion on the standalone financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

   In connection with our audit of the standalone financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the standalone financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

   We have nothing to report in this regard.

**Responsibilities of management and those charged with governance for the standalone financial statements**

6. The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Act with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

7. In preparing the standalone financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so. Those Board of Directors are also responsible for overseeing the Company's financial reporting process.

**Auditor's responsibilities for the audit of the standalone financial statements**

8. Our objectives are to obtain reasonable assurance about whether the standalone financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these standalone financial statements.

9. As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

   - Identify and assess the risks of material misstatement of the standalone financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
   - Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under Section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls.

## Independent Auditor's Report

All amounts are ₹ lakh unless otherwise stated

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the standalone financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the standalone financial statements, including the disclosures, and whether the standalone financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

10. We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.
11. We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.
12. From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the standalone financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

**Other Matters**

13. We did not audit the financial statements of one jointly controlled operation whose financial statements reflect total assets of ₹ 15,153.37 lakhs and net assets of ₹ 1,358.67 lakhs as at March 31, 2022, total revenue of ₹ 12,814.79 lakhs, total comprehensive income (comprising of profit and other comprehensive income) of ₹ 1,928.60 lakhs and net cash inflows amounting to ₹ 1,659.36 lakhs for the year ended on that date, as considered in the standalone financial statements. These financial statements have been audited by other auditors whose report has been furnished to us by the Management, and our opinion on the standalone financial statements including other information insofar as it relates to the amounts and disclosures included in respect of this jointly controlled operation and our report in terms of sub-section (3) of Section 143 of the Act including report on Other Information in so far as it relates to the aforesaid jointly controlled operation, is based solely on the report of the other auditors. This report does not include the report on internal financial controls with reference to financial statements under Section 143(3)(i) and statement on the matters specified in paragraphs 3 and 4 of the Companies (Auditor's Report) Order, 2020 ("the Order"), as reporting on internal financial controls with reference to financial statements and reporting under section 143(11) is not applicable to this jointly controlled operation.
14. We did not audit the financial statements of two jointly controlled operations included in the standalone financial statements of the Company, which constitute total assets of ₹ 85.91 lakhs and net assets of ₹ 84.93 lakhs as at March 31, 2022, total revenue of Nil, total comprehensive income (comprising of profit/loss and other comprehensive income) of Nil and net cash outflows amounting to ₹ 15.62 lakhs for the year then ended. The unaudited financial information has been provided to us by the management, and our opinion on the standalone financial statements of the Company to the extent they relate to these jointly controlled operations are based solely on such unaudited financial information furnished to us, on which reporting under Section 143(3)(i) on internal financial controls with reference to financial statements and under section 143(11), on the Companies (Auditor's Report) Order, 2020 is not applicable to these joint controlled operations. In our opinion and information and explanations provided to us by the management, these financial statements are not material to the Company.

All amounts are ₹ lakh unless otherwise stated

15. The standalone financial statements include financial statements of twenty-two jointly controlled operations whose financial statements reflect total assets of ₹ 143,485.72 lakhs and net assets of ₹ (11,216.72) lakhs as at March 31, 2022, total revenue of ₹ 192,014.66 lakhs, total comprehensive income (comprising of loss and other comprehensive income) of ₹ 12,878.43 lakhs and net cash inflows amounting to ₹ 19,935.23 lakhs for the year ended on that date, as considered in the standalone financial statements, was audited by us, on which reporting under Section 143(3)(i) on internal financial controls with reference to financial statements and under section 143(11), on the Companies (Auditor's Report) Order, 2020 is not applicable.

Our opinion is not modified in respect of above matters

**Report on other legal and regulatory requirements**

16. As required by the Companies (Auditor's Report) Order, 2020 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of Section 143 of the Act, we give in the Annexure B a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
17. As required by Section 143(3) of the Act, we report that:
    (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
    (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
    (c) The Standalone Balance Sheet, the Standalone Statement of Profit and Loss (including other comprehensive income), the Standalone Statement of Changes in Equity and the Standalone Statement of Cash Flows dealt with by this Report are in agreement with the books of account.
    (d) In our opinion, the aforesaid standalone financial statements comply with the Accounting Standards specified under Section 133 of the Act.
    (e) On the basis of the written representations received from the directors as on March 31, 2022 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2022 from being appointed as a director in terms of Section 164(2) of the Act.
    (f) With respect to the adequacy of the internal financial controls with reference to financial statements of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure A".
    (g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014 (as amended), in our opinion and to the best of our information and according to the explanations given to us:
        i. The Company has disclosed the impact of pending litigations on its financial position in its standalone financial statements – Refer Note 34.01 and 34.02 to the standalone financial statements;
        ii. The Company has made provision as at March 31, 2022, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts - Refer Note 24 to the standalone financial statements. The Company has long-term derivative contracts for which there are no material foreseeable losses as at March 31, 2022;
        iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company during the year ended March 31, 2022.
        iv. (a) The management has represented that, to the best of its knowledge and belief, as disclosed in the notes to the accounts, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources

## Independent Auditor's Report

All amounts are ₹ lakh unless otherwise stated

or kind of funds) by the Company to or in any other persons or entities, including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries (Refer Note 34.27 to the standalone financial statements);

(b) The management has represented that, to the best of its knowledge and belief, as disclosed in the notes to the accounts, no funds have been received by the Company from any persons or entities, including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries (Refer Note 34.28 to the standalone financial statements); and

(c) Based on such audit procedures that we considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (a) and (b) contain any material misstatement.

v. The Company has not declared or paid any dividend during the year.

18. The Company has paid/ provided for managerial remuneration in accordance with the requisite approvals mandated by the provisions of Section 197 read with Schedule V to the Act.

**For Price Waterhouse & Co Chartered Accountants LLP**
Firm Registration Number: 304026E/E-300009

**Sunit Kumar Basu**
**Partner**

Place: Hyderabad
Date: April 29, 2022

Membership Number: 55000
UDIN: 22055000AICZQM8044

# Annexure A to Independent Auditor's Report

All amounts are ₹ lakh unless otherwise stated

**Referred to in paragraph 17(f) of the Independent Auditor's Report of even date to the members of Tata Projects Limited on the standalone financial statements for the year ended March 31, 2022. Also refer Other Matter paragraphs 13, 14 and 15 of our main audit report of even date.**

### Report on the Internal Financial Controls with reference to Financial Statements under clause (i) of sub-section 3 of Section 143 of the Act

1. We have audited the internal financial controls with reference to financial statements of Tata Projects Limited ("the Company") as of March 31, 2022 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

### Management's Responsibility for Internal Financial Controls

2. The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting ("the Guidance Note") issued by the Institute of Chartered Accountants of India ("ICAI"). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

### Auditor's Responsibility

3. Our responsibility is to express an opinion on the Company's internal financial controls with reference to financial statements based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing deemed to be prescribed under Section 143(10) of the Act to the extent applicable to an audit of internal financial controls, both applicable to an audit of internal financial controls and both issued by the ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to financial statements was established and maintained and if such controls operated effectively in all material respects.

4. Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system with reference to financial statements and their operating effectiveness. Our audit of internal financial controls with reference to financial statements included obtaining an understanding of internal financial controls with reference to financial statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the standalone financial statements, whether due to fraud or error.

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

### Meaning of Internal Financial Controls with reference to financial statements

6. A company's internal financial controls with reference to financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of standalone financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial controls with reference to financial statements includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of standalone financial statements in accordance with generally accepted

All amounts are ₹ lakh unless otherwise stated

accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the standalone financial statements.

### Inherent Limitations of Internal Financial Controls with reference to financial statements

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

### Opinion

8. In our opinion, the Company has, in all material respects, an adequate internal financial controls system with reference to financial statements and such internal financial controls with reference to financial statements were operating effectively as at March 31, 2022, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note issued by ICAI.

**For Price Waterhouse & Co Chartered Accountants LLP**
Firm Registration Number: 304026E/E-300009

**Sunit Kumar Basu**
**Partner**

Place: Hyderabad
Date: April 29, 2022

Membership Number: 55000
UDIN: 22055000AICZQM8044

# Annexure B to Independent Auditors' Report

All amounts are ₹ lakh unless otherwise stated

**Referred to in paragraph 16 of the Independent Auditors' Report of even date to the members of Tata Projects Limited on the standalone financial statements as of and for the year ended March 31, 2022. Also refer Other Matter paragraphs 13, 14 and 15 of our main audit report of even date.**

i. (a) (A) The Company is maintaining proper records showing full particulars, including quantitative details and situation, of Property, Plant and Equipment.

(B) The Company is maintaining proper records showing full particulars of Intangible Assets.

(b) The Property, Plant and Equipment are physically verified by the Management according to a phased programme designed to cover all the items over a period of three years which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. Pursuant to the programme, a portion of the Property, Plant and Equipment has been physically verified by the Management during the year and no material discrepancies have been noticed on such verification.

(c) The title deeds of all the immovable properties (other than properties where the Company is the lessee and the lease agreements are duly executed in favour of the lessee), as disclosed in Note 4 to the standalone financial statements, are held in the name of the Company.

(d) The Company has chosen cost model for its Property, Plant and Equipment (including Right of Use assets) and intangible assets. Consequently, the question of our commenting on whether the revaluation is based on the valuation by a Registered Valuer, or specifying the amount of change, if the change is 10% or more in the aggregate of the net carrying value of each class of Property, Plant and Equipment (including Right of Use assets) or intangible assets does not arise.

(e) Based on the information and explanations furnished to us, no proceedings have been initiated on or are pending against the Company for holding benami property under the Prohibition of Benami Property Transactions Act, 1988 (as amended in 2016) (formerly the Benami Transactions (Prohibition) Act, 1988 (45 of 1988)) and Rules made thereunder, and therefore the question of our commenting on whether the Company has appropriately disclosed the details in its standalone financial statements does not arise.

ii. (a) The physical verification of inventory has been conducted at reasonable intervals by the Management during the year and, in our opinion, the coverage and procedure of such verification by Management is appropriate. The discrepancies noticed on physical verification of inventory as compared to book records were not 10% or more in aggregate for each class of inventory.

(b) During the year, the Company has been sanctioned working capital limits in excess of ₹ 5 crores, in aggregate, from banks on the basis of security of current assets. The Company has filed revised quarterly returns or statements with such banks, which are in agreement with the unaudited books of account. Further, the Company is yet to submit the quarterly returns for March 31, 2022 to the Bank and hence reporting to this extent under clause 3(ii)(b) of the Order is not applicable to the Company. (Refer Note 34.20 to the standalone financial statements).

iii. (a) The Company has granted secured loans to one subsidiary company, stood guarantee to four jointly controlled operations and four subsidiaries. The aggregate amount during the year, and balance outstanding at the balance sheet date with respect to such loans and guarantees to subsidiaries, joint controlled entities are as per the table given below:

| | Guarantees | Security | Loans (Gross amount) | Advances in nature of loans |
|---|---|---|---|---|
| Aggregate amount granted/ provided during the year<br>- Subsidiaries<br>- Jointly controlled operations | ₹ 200 lakhs<br>₹ 18,630.59 lakhs | Nil<br>Nil | ₹ 1,000 lakhs<br>Nil | Nil<br>Nil |
| Balance outstanding as at balance sheet date in respect of the above case<br>- Subsidiaries<br>- Jointly controlled operations | ₹ 59,669.51 lakhs<br>₹ 42,716.58 lakhs | Nil<br>Nil | ₹ 5,030 lakhs<br>Nil | Nil<br>Nil |

All amounts are ₹ lakh unless otherwise stated

Transactions and balances mentioned in the table above relating to the jointly controlled operations do not include amounts in proportion to the company's interest in such jointly controlled operations of the Company, as these are eliminated while preparing the standalone financial statements of the Company. (Also refer Note 34.22 to the standalone financial statements).

(b) In respect of the aforesaid guarantees and loans, the terms and conditions under which such loans were granted, guarantees provided are not prejudicial to the Company's interest.

(c) In respect of the loans to Artson Engineering Limited (subsidiary), no schedule for repayment of principal and payment of interest has been stipulated by the Company. Therefore, in the absence of stipulation of repayment terms, we are unable to comment on the regularity of repayment of principal and payment of interest.

(d) In respect of the aforesaid loans, there is no amount which is overdue for more than ninety days. Refer clause iii (c) above.

(e) There were no loans which fell due during the year and were renewed/extended. Further, no fresh loans were granted to same parties to settle the existing overdue loans.

(f) Following loans were granted during the year, including to related parties under Section 2(76), where no schedule for repayment of principal and payment of interest has been stipulated by the Company.

| | All Parties | Promoters | Related Parties |
|---|---|---|---|
| Aggregate of loans<br>- Repayable on demand | Nil | Nil | Nil |
| - Agreement does not specify any terms or period of repayment | ₹ 1,000 lakhs | Nil | ₹ 1,000 lakhs |
| Percentage of loans to the total loans | 100% | Nil | 100% |

iv. In our opinion, and according to the information and explanations given to us, the Company has complied with the provisions of Sections 185 and 186 of the Companies Act, 2013 in respect of the loans and investments made and guarantees and security provided by it.

v. The Company has not accepted any deposits or amounts which are deemed to be deposits within the meaning of Sections 73, 74, 75 and 76 of the Act and the Rules framed there under to the extent notified.

vi. Pursuant to the rules made by the Central Government of India, the Company is required to maintain cost records as specified under Section 148(1) of the Act in respect of its products. We have broadly reviewed the same and are of the opinion that, prima facie, the prescribed accounts and records have been made and maintained. We have not, however, made a detailed examination of the records with a view to determine whether they are accurate or complete.

vii. (a) According to the information and explanations given to us and the records of the Company examined by us, in our opinion, the Company is generally regular in depositing undisputed statutory dues in respect of professional tax and employees' state insurance, though there has been a slight delay in a few cases, and is regular in depositing undisputed statutory dues, including provident fund, sales tax, income tax, service tax, duty of customs, duty of excise, value added tax, cess, goods and services tax, entry tax and other material statutory dues, as applicable, with the appropriate authorities.

(b) According to the information and explanations given to us and the records of the Company examined by us, the particulars of statutory dues referred to in sub-clause (a) as at March 31, 2022 which have not been deposited on account of a dispute, are as follows:

All amounts are ₹ lakh unless otherwise stated

| Name of the statute | Nature of dues | Gross Amount* (₹ In lakhs) | Period to which the amount relates | Forum where the dispute is pending |
|---|---|---|---|---|
| Finance Act, 1994 | Service Tax | 63,976.95 | 2006-07, 2010-11 to 2014-15 | Customs, Excise and Service Tax Appellate Tribunal |
| Entry Tax | Entry Tax | 57.95 | 2000-01, 2001-02 and 2012-13 | Appellate Tribunal of the State of Odisha and Madhya Pradesh |
| | Entry Tax | 64.44 | 2008-09 and 2014-15 | First Appellate Authority of the State of Rajasthan and Uttar Pradesh |
| Sales Tax | Sales Tax | 882.57 | 1999-2000 to 2003-04, 2004-05, 2006-07 and 2007-08 | Appellate Tribunal of the State of Odisha and Rajasthan |
| | Sales Tax | 105.27 | 2003-04 and 2017-18 | First Appellate Authority of the State of Maharashtra and Odisha |
| | Sales Tax | 411.34 | 2001-02, 2002-03 and 2008-09 | Hon'ble High Court of Andhra Pradesh and Telangana |
| | Sales Tax | 291.75 | 2015-16 | The Commissioner of Commercial Tax, Jharkhand |
| Value Added Tax | Value Added Tax | 757.19 | 2006-07 to 2010-11 | Appellate Tribunal of the State of Rajasthan |
| | Value Added Tax | 20.99 | 2011-12 | First Appellate Authority of the State of Rajasthan |
| | Value Added Tax | 278.91 | 2009-10 to 2011-12 | The Deputy Commissioner of Commercial Tax, Kerala |
| Value Added Tax and Sales Tax Act | Value Added Tax and Sales Tax Act | 3,308.29 | 2009-10 to 2012-13, 2014-15, 2016-17 and 2017-18 | First Appellate Authority of the State of Bihar, Gujarat and Uttar Pradesh |
| Income Tax Act, 1961 | Income Tax | 7,465.05 | A.Y. 2012-13 to 2016-17 | Commissioner Income Tax Appeals - Mumbai |
| Income Tax Act, 1961 | Income Tax | 616.95 | A.Y. 2017-18 | Commissioner Income Tax Appeals - Hyderabad |

* Amount paid under protest of ₹ 1,493.01 lakhs for Income tax related dues and ₹ 2,442.11 lakhs for other dues. Also refer note 12 and 13 to the standalone financial statements.

viii. According to the information and explanations given to us and the records of the Company examined by us, there are no transactions in the books of account that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961, that has not been recorded in the books of account.

ix. (a) According to the records of the Company examined by us and the information and explanation given to us, the Company has not defaulted in repayment of loans or other borrowings or in the payment of interest to any lender during the year.

(b) According to the information and explanations given to us and on the basis of our audit procedures, we report that the Company has not been declared Wilful Defaulter by any bank or financial institution or government or any government authority.

(c) In our opinion, and according to the information and explanations given to us, the term loans have been applied for the purposes for which they were obtained. Also refer Note 18 to the standalone financial statements.

(d) According to the information and explanations given to us, and the procedures performed by us, and on an overall examination of the standalone financial statements of the Company, we report that no funds raised on short-term basis have been used for long-term purposes by the Company.

(e) According to the information and explanations given to us and on an overall examination of the standalone financial statements of the Company, we report that the Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries, associates or joint ventures.

(f) According to the information and explanations given to us and procedures performed by us, we report that the Company has not raised loans during the year on the pledge of securities held in its subsidiaries, joint ventures or associate companies.

x. (a) The Company has not raised any money by way of initial public offer or further public offer (including debt instruments) during the year. Accordingly, the reporting under clause 3(x)(a) of the Order is not applicable to the Company.

(b) The Company has not made any preferential allotment or private placement of shares or fully or partially or optionally convertible debentures during the year. Accordingly, the reporting under clause 3(x)(b) of the Order is not applicable to the Company.

All amounts are ₹ lakh unless otherwise stated

xi. (a) During the course of our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanations given to us, we have neither come across any instance of material fraud by the Company or on the Company, noticed or reported during the year, nor have we been informed of any such case by the Management.

(b) During the course of our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanations given to us, a report under Section 143(12) of the Act, in Form ADT-4, as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 was not required to be filed with the Central Government. Accordingly, the reporting under clause 3(xi)(b) of the Order is not applicable to the Company.

(c) During the course of our examination of the books and records of the Company carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanations given to us, the Company has received whistle-blower complaints during the year, which have been considered by us for any bearing on our audit and reporting. For whistle-blower complaints in respect of which investigations are on-going, the impact cannot be determined. Refer note 34.24 to the standalone financial statements.

xii. As the Company is not a Nidhi Company and the Nidhi Rules, 2014 are not applicable to it, the reporting under clause 3(xii) of the Order is not applicable to the Company.

xiii. The Company has entered into transactions with related parties in compliance with the provisions of Sections 177 and 188 of the Act. The details of such related party transactions have been disclosed in the standalone financial statements as required under Indian Accounting Standard 24 "Related Party Disclosures" specified under Section 133 of the Act.

Disclosure of transactions and balances, relating to jointly controlled operations, in the standalone financial statements do not include amounts in proportion to the company's interest in such jointly controlled operations, as these are eliminated while preparing the standalone financial statements of the Company. Refer note 34.22 to the standalone financial statements.

xiv. (a) In our opinion and according to the information and explanation given to us, the Company has an internal audit system commensurate with the size and nature of its business.

(b) The reports of the Internal Auditor for the period under audit have been considered by us.

xv. The Company has not entered into any non-cash transactions with its directors or persons connected with him. Accordingly, the reporting on compliance with the provisions of Section 192 of the Act under clause 3(xv) of the Order is not applicable to the Company.

xvi. (a) The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, the reporting under clause 3(xvi)(a) of the Order is not applicable to the Company.

(b) The Company has not conducted non-banking financial / housing finance activities during the year. Accordingly, the reporting under clause 3(xvi)(b) of the Order is not applicable to the Company.

(c) The Company is not a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India. Accordingly, the reporting under clause 3(xvi)(c) of the Order is not applicable to the Company.

(d) Based on the information and explanations provided by the management of the Company, the Group has six CICs as part of the Group as detailed in note 34.21 to the standalone financial statements. We have not, however, separately evaluated whether the information provided by the management is accurate and complete.

xvii. The Company has incurred cash losses of ₹ 48,823.50 lakhs in the financial year and had not incurred cash losses in the immediately preceding financial year.

xviii. There has been no resignation of the statutory auditors during the year and accordingly the reporting under clause (xviii) is not applicable.

xix. According to the information and explanations given to us and on the basis of the financial ratios (Also refer Note 34.30 to the standalone financial statements), ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information accompanying the standalone financial statements, our knowledge of the Board of Directors and management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our



All amounts are ₹ lakh unless otherwise stated

attention, which causes us to believe that any material uncertainty exists as on the date of the audit report that Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date will get discharged by the Company as and when they fall due.

xx. (a) The Company has transferred the amount of Corporate Social Responsibility remaining unspent under sub-section (5) of Section 135 of the Act pursuant to ongoing projects to a special account in compliance with the provision of sub-section (6) of Section 135 of the Act. Details are as given below:

| Financial year* | Amount to be spent in accordance with section 135(5) | Amount remaining unspent as at the year-end to be transferred special account u/s 135(6) | Amount transferred to Special Bank Account u/s 135(6), within 30 days from end of financial year (or till the date of audit report, if that is earlier) | Amount transferred to Special Bank Account u/s 135(6), after a period of 30 days from end of financial year (till the date of audit report) | Amount not transferred to Special Bank Account u/s 135(6), till the date of audit report |
|---|---|---|---|---|---|
| (a) | (b) | (c) | (d) | (e) | (f) |
| 2021-22 | ₹ 515.00 lakhs | ₹ 108.93 lakhs | ₹ 108.93 lakhs | NA | NA |

(Also refer Note 34.11 to the standalone financial statements)

xxi. The reporting under clause 3(xxi) of the Order is not applicable in respect of audit of Standalone Financial Statements. Accordingly, no comment in respect of the said clause has been included in this report.

**For Price Waterhouse & Co Chartered Accountants LLP**
Firm Registration Number: 304026E/E-300009

**Sunit Kumar Basu**
**Partner**

Place: Hyderabad
Date: April 29, 2022

Membership Number: 55000
UDIN: 22055000AICZQM8044

# Standalone Balance Sheet as at March 31, 2022

All amounts are ₹ lakh unless otherwise stated

| | Note No. | As at 31-Mar-22 | As at 31-Mar-21 |
|---|---|---|---|
| **ASSETS** | | | |
| **Non-current assets** | | | |
| (A) Property, plant and equipment | 4 | 60,515.75 | 52,889.23 |
| (B) Capital work-in-progress | 4 | 628.12 | 741.22 |
| (C) Intangible assets | 5(a) | 1,899.50 | 1,859.75 |
| (D) Intangible assets under development | 5(a) | - | 190.95 |
| (E) Right-of-use assets | 5(b) | 10,381.30 | 19,606.28 |
| (F) Financial assets | | | |
| (i) Investments | | | |
| a) Investments in joint ventures | 6 | - | 220.47 |
| b) Other investments | 7(a) | 12,460.17 | 11,471.49 |
| (ii) Trade receivables | 8 | 2,729.73 | 3,275.41 |
| (iii) Loans | 9 | 687.78 | 374.98 |
| (iv) Other financial assets | 10 | 1,647.61 | 1,572.32 |
| (G) Deferred tax assets (net) | 11 | 24,402.29 | 9,220.54 |
| (H) Non-current tax assets (net) | 12 | 29,917.37 | 18,519.03 |
| (I) Other non-current assets | 13 | 4,286.11 | 4,314.24 |
| **Total non-current assets** | | **149,555.73** | **124,255.91** |
| **Current assets** | | | |
| (A) Inventories | 14 | 76,258.51 | 56,978.38 |
| (B) Financial assets | | | |
| (i) Investments | 7(b) | 20,002.46 | - |
| (ii) Trade receivables | 8 | 607,650.61 | 646,681.29 |
| (iii) Cash and cash equivalents | 15 | 134,787.71 | 35,596.51 |
| (iv) Bank balances other than (iii) above | 15 | 6,563.41 | 5,510.63 |
| (v) Loans | 9 | - | 18.50 |
| (vi) Other financial assets | 10 | 549,956.14 | 487,009.22 |
| (C) Other current assets | 13 | 231,348.85 | 199,486.20 |
| (D) Assets classified as held for sale | 4 | 988.98 | - |
| **Total current assets** | | **1,627,556.67** | **1,431,280.73** |
| **Total Assets** | | **1,777,112.40** | **1,555,536.64** |
| **EQUITY AND LIABILITIES** | | | |
| **Equity** | | | |
| (A) Equity share capital | 16 | 8,296.63 | 2,025.00 |
| (B) Other equity | 17 | 194,586.14 | 140,394.75 |
| **Total equity** | | **202,882.77** | **142,419.75** |
| **Liabilities** | | | |
| **Non-current liabilities** | | | |
| (A) Financial liabilities | | | |
| (i) Borrowings | 18 | 102,326.10 | 162,068.68 |
| (ii) Lease liabilities | 22 | 2,648.93 | 4,261.96 |
| (B) Provisions | 19 | 4,111.70 | 3,976.98 |
| **Total non-current liabilities** | | **109,086.73** | **170,307.62** |
| Current liabilities | | | |
| (A) Financial liabilities | | | |
| (i) Borrowings | 20 | 231,594.59 | 107,209.27 |
| (ii) Trade payables | 21 | | |
| (a) total outstanding dues of micro and small enterprises | | 121,315.07 | 104,185.18 |
| (b) total outstanding dues other than (ii) (a) above | | 533,949.67 | 467,469.32 |
| (ii) Lease liabilities | 22 | 9,154.22 | 16,920.99 |
| (iii) Other financial liabilities | 23 | 11,109.90 | 6,917.30 |
| (B) Provisions | 19 | 4,900.60 | 7,943.99 |
| (C) Current tax liabilities (net) | 12 | 3,081.05 | 4,883.46 |
| (D) Other current liabilities | 24 | 550,037.80 | 527,279.76 |
| **Total current liabilities** | | **1,465,142.90** | **1,242,809.27** |
| **Total liabilities** | | **1,574,229.63** | **1,413,116.89** |
| **Total Equity and Liabilities** | | **1,777,112.40** | **1,555,536.64** |
| **See accompanying notes forming part of the standalone Ind AS financial statements** | **1 - 34.32** | | |

This is the Balance Sheet referred to in our report of even date

**For Price Waterhouse & Co Chartered Accountants LLP**
Firm Registration Number : 304026E/E-300009

**Sunit Kumar Basu**
Partner
Membership Number: 55000
Place: Hyderabad

Date: April 29, 2022

**For and on behalf of the Board of Directors**

**Banmali Agrawala**
Chairman
DIN: 00120029
Place: Mumbai

**Vinayak K Deshpande**
Managing Director
DIN: 00036827
Place: Mumbai

**Sanjay Sharma**
Chief Financial Officer
Place: Mumbai

**B S Bhaskar**
Company Secretary
Place: Hyderabad

Date: April 29, 2022

# Standalone Statement of Profit and Loss for the year ended March 31, 2022

All amounts are ₹ lakh unless otherwise stated

| | Particulars | Note No. | For the year ended March 31, 2022 | For the year ended March 31, 2021 |
|---|---|---|---|---|
| **I** | **Revenue from operations** | 25 | 1,347,109.41 | 1,201,126.39 |
| **II** | Other income | 26 | 6,006.33 | 9,137.79 |
| **III** | **Total Income (I + II)** | | **1,353,115.74** | **1,210,264.18** |
| **IV** | **Expenses** | | | |
| | (a) Contract execution expenses | 27 | 1,224,833.42 | 1,008,375.01 |
| | (b) Changes in inventories of finished goods and work-in-progress | 28 | 302.86 | (122.92) |
| | (c) Employee benefits expense | 29 | 85,294.95 | 71,373.04 |
| | (d) Finance costs | 30 | 47,150.83 | 39,050.83 |
| | (e) Depreciation and amortisation expense | 31 | 21,596.49 | 23,508.74 |
| | (f) Other expenses | 32 | 50,832.22 | 44,734.96 |
| | **Total expenses (IV)** | | **1,430,010.77** | **1,186,919.66** |
| **V** | **Profit/(Loss) before tax (III - IV)** | | **(76,895.03)** | **23,344.52** |
| **VI** | **Tax expense** | 33 | | |
| | (a) Current tax expense | | 4,367.94 | 10,124.20 |
| | (b) Tax - earlier years | | (1,578.79) | (1,366.91) |
| | (c) Deferred tax expense/(credit) | | (16,546.00) | 2,056.52 |
| | **Total tax expense (VI)** | | **(13,756.85)** | **10,813.81** |
| **VII** | **Profit/(Loss) for the year (V-VI)** | | **(63,138.18)** | **12,530.71** |
| **VIII** | **Other comprehensive income** | | | |
| | Items that will not be reclassified subsequently to the statement of profit and loss | | | |
| | - Re-measurements of the defined benefit plans | | 1,778.52 | (2,165.56) |
| | - Income tax relating to these items | | (448.94) | - |
| | **Total other comprehensive income (VIII)** | | **1,329.58** | **(2,165.56)** |
| **IX** | **Total comprehensive income/(loss) for the year (VII + VIII)** | | **(61,808.60)** | **10,365.15** |
| | **Earnings per equity share (of ₹5 each)** | 34.07 | | |
| | Basic (₹) | | (51.86) | 10.31 |
| | Diluted (₹) | | (51.86) | 10.31 |
| | **See accompanying notes forming part of the standalone Ind AS financial statements** | **1 - 34.32** | | |

Statement of Profit and Loss

**For Price Waterhouse & Co Chartered Accountants LLP**
Firm Registration Number : 304026E/E-300009

**Sunit Kumar Basu**
Partner
Membership Number: 55000
Place: Hyderabad

Date: April 29, 2022

**For and on behalf of the Board of Directors**

**Banmali Agrawala**
Chairman
DIN: 00120029
Place: Mumbai

**Vinayak K Deshpande**
Managing Director
DIN: 00036827
Place: Mumbai

**Sanjay Sharma**
Chief Financial Officer
Place: Mumbai

**B S Bhaskar**
Company Secretary
Place: Hyderabad

Date: April 29, 2022

# Standalone Statement of Cash Flows for the year ended March 31, 2022

All amounts are ₹ lakh unless otherwise stated

| Particulars | Year ended 31-Mar-22 | Year ended 31-Mar-21 |
|---|---|---|
| **Cash flows from operating activities** | | |
| **Profit/(Loss) before tax** | **(76,895.03)** | **23,344.52** |
| Adjustments for : | | |
| Finance costs recognised in the statement of profit and loss | 47,150.83 | 39,050.83 |
| Interest income recognised in the statement of profit and loss | (1,939.87) | (2,270.75) |
| Interest Income from Statutory Authorities | (179.63) | (2,402.30) |
| Dividend from equity investments | - | (147.47) |
| Loss on disposal of property, plant and equipment | 206.42 | 195.55 |
| Gain recognised on cancellation of Leases | (122.70) | (396.67) |
| Provision for diminution in the value of investments | 301.31 | - |
| Depreciation and amortisation expense | 21,596.49 | 23,508.74 |
| Provision for future foreseeable losses on contracts | 5,042.83 | 282.62 |
| Advances written off | 17.64 | 7.10 |
| Bad debts | - | 5,481.78 |
| Expected credit loss allowance (net of reversals) | 5,375.73 | 5,466.68 |
| Provision for doubtful advances (net of reversals) | - | (12.88) |
| Liabilities no longer required written back | (2,143.80) | (3,306.96) |
| Provision for CSR expenses | 108.93 | 244.00 |
| Effect of Ind AS adjustments on discounting of Financial assets | 44.90 | 44.84 |
| Net foreign exchange (gain)/loss - unrealised | (145.04) | 541.65 |
| | **(1,580.99)** | **89,631.28** |
| **Movements in working capital** | | |
| (Increase)/decrease in trade receivables | 35,312.27 | (65,140.06) |
| Increase in inventories | (19,280.13) | (8,141.16) |
| Increase in other assets | (95,203.31) | (112,734.91) |
| Increase in trade payables | 81,727.08 | 105,359.23 |
| Increase in other liabilities | 16,409.08 | 44,102.08 |
| **Cash generated from operations** | **17,384.00** | **53,076.46** |
| Income taxes (paid)/refund | (15,743.34) | 12,169.60 |
| **Net cash generated from operating activities** | **1,640.66** | **65,246.06** |
| **Cash flows from investing activities** | | |
| Interest received | 844.98 | 1,482.52 |
| Loan repaid by subsidiary and jointly controlled operations | 18.50 | 476.50 |
| Payments for property, plant and equipment | (20,686.91) | (12,790.09) |
| Proceeds from disposal of property, plant and equipment | 3,914.33 | 2,358.50 |
| (Increase)/decrease in other bank balances | (1,052.78) | 4,428.18 |
| Payments for purchase of investments | (20,051.70) | (3,333.47) |
| **Net cash used in investing activities** | **(37,013.58)** | **(7,377.86)** |



# Standalone Statement of Cash Flows for the year ended March 31, 2022

All amounts are ₹ lakh unless otherwise stated

| Particulars | Year ended 31-Mar-22 | Year ended 31-Mar-21 |
|---|---|---|
| **Cash flows from financing activities** | | |
| Proceeds from issue of equity shares | 119,985.66 | - |
| Proceeds / (repayments) from Current borrowings - net | 31,999.86 | (44,999.86) |
| Proceeds from Non Current borrowings -net | 99,300.00 | 24,967.03 |
| Repayments of Non Current borrowings -net | (65,000.00) | - |
| Payment of lease liabilities | (11,212.65) | (12,754.60) |
| Finance cost paid | (40,414.82) | (36,218.56) |
| **Net cash generated from/(used in) financing activities** | **134,658.05** | **(69,005.99)** |
| **Net increase/(decrease) in cash and cash equivalents** | **99,285.13** | **(11,137.79)** |
| **Cash and cash equivalents at the beginning of the year (Refer note 15)** | **35,559.83** | **46,754.60** |
| Effects of exchange rate changes on the balance of cash and cash equivalents held in foreign currencies | (57.25) | (56.98) |
| **Cash and cash equivalents at the end of the year (Refer note 15)** | **134,787.71** | **35,559.83** |

This is the Statement of Cash Flows referred to in our report of even date

**For Price Waterhouse & Co Chartered Accountants LLP**
Firm Registration Number : 304026E/E-300009

**Sunit Kumar Basu**
Partner
Membership Number: 55000
Place: Hyderabad

Date: April 29, 2022

**For and on behalf of the Board of Directors**

**Banmali Agrawala**
Chairman
DIN: 00120029
Place: Mumbai

**Vinayak K Deshpande**
Managing Director
DIN: 00036827
Place: Mumbai

**Sanjay Sharma**
Chief Financial Officer
Place: Mumbai

**B S Bhaskar**
Company Secretary
Place: Hyderabad

Date: April 29, 2022

# Standalone Statement of Changes in Equity for the year ended March 31, 2022

All amounts are ₹ lakh unless otherwise stated

## A. Equity share capital

### (1) Balance as at March 31, 2022

| Balance as at April 01, 2021 | Changes in equity share capital during the current year | Balance as at March 31, 2022 |
|---|---|---|
| 2,025.00 | 6,271.63 | 8,296.63 |

### (2) Balance as at March 31, 2021

| Balance as at April 01, 2020 | Changes in equity share capital during the current year | Balance as at April 01, 2021 |
|---|---|---|
| 2,025.00 | - | 2,025.00 |

## B. Other equity

### 1) Balance as at March 31, 2022

| Particulars | Reserves and Surplus | | | | Equity component of compound financial instruments | Other comprehensive Income | Total |
|---|---|---|---|---|---|---|---|
| | Securities premium reserve | General reserve | Retained earnings | Debenture redemption reserve | | | |
| **Balance as at April 1, 2021** | **4,987.50** | **29,042.70** | **1,02,605.78** | **10,000.00** | **-** | **(6,241.23)** | **1,40,394.75** |
| Loss for the year | - | - | (63,138.18) | - | - | - | (63,138.18) |
| Other comprehensive income for the year | - | - | - | - | - | 1,329.58 | 1,329.58 |
| Transfer to debenture redemption reserve | - | - | (11,000.00) | 11,000.00 | - | - | - |
| Utilised for Bonus issue | (4,050.00) | - | - | - | - | - | (4,050.00) |
| Premium received on Rights issue | 1,17,764.03 | - | - | - | - | - | 1,17,764.03 |
| Equity portion of compound financial instruments issued during the year | - | - | - | - | 3,054.79 | - | 3,054.79 |
| Deferred tax liability on Equity component of Compound financial instrument | - | - | - | - | (768.83) | - | (768.83) |
| **Balance as at March 31, 2022** | **1,18,701.53** | **29,042.70** | **28,467.60** | **21,000.00** | **2,285.96** | **(4,911.65)** | **1,94,586.14** |

### 2) Balance as at March 31, 2021

| Particulars | Reserves and Surplus | | | | Equity component of compound financial instruments | Other comprehensive Income | Total |
|---|---|---|---|---|---|---|---|
| | Securities premium reserve | General reserve | Retained earnings | Debenture redemption reserve | | | |
| **Balance as at April 1, 2020** | **4,987.50** | **29,042.70** | **95,161.09** | **5,000.00** | **-** | **(4,075.67)** | **1,30,115.62** |
| Profit for the year | - | - | 12,530.71 | - | - | - | 12,530.71 |
| Other comprehensive income for the year | - | - | - | - | - | (2,165.56) | (2,165.56) |
| Impact due to change in profit sharing percentage in jointly controlled operations (retrospectively) | - | - | (86.02) | - | - | - | (86.02) |
| Transfer to debenture redemption reserve | - | - | (5,000.00) | 5,000.00 | - | - | - |
| **Balance as at March 31, 2021** | **4,987.50** | **29,042.70** | **1,02,605.78** | **10,000.00** | **-** | **(6,241.23)** | **1,40,394.75** |

This is the Statement of Changes in Equity referred to in our report of even date

**For Price Waterhouse & Co Chartered Accountants LLP**
Firm Registration Number : 304026E/E-300009

**Sunit Kumar Basu**
Partner
Membership Number: 55000
Place: Hyderabad

Date: April 29, 2022

**For and on behalf of the Board of Directors**

**Banmali Agrawala**
Chairman
DIN: 00120029
Place: Mumbai

**Vinayak K Deshpande**
Managing Director
DIN: 00036827
Place: Mumbai

**Sanjay Sharma**
Chief Financial Officer
Place: Mumbai

**B S Bhaskar**
Company Secretary
Place: Hyderabad

Date: April 29, 2022

# Notes forming part of Standalone Ind AS Financial Statements for the year ended March 31, 2022

All amounts are ₹ lakh unless otherwise stated

## 1. General Information:

Tata Projects Limited is a limited Company incorporated in India in 1979. The address of its registered office is Mithona Towers 1, 1-7-80 to 87, Prenderghast Road, Secunderabad - 500003 and principal place of business, being project sites are spread across India and abroad. The Company operates through 4 Strategic Business Groups (SBG'S) – Industrial System, Core Infra, Urban Infrastructure and services and provides turnkey end to end project implementing services in these verticals. "

## 2. New and amended standards adopted by the Company:

The Company has applied the following amendments to Ind AS for the first time for their annual reporting period commencing April 01, 2021:

- Extension of COVID-19 related concessions – amendments to Ind AS 116
- Interest rate benchmark reform – amendments to Ind AS 109, Financial Instruments, Ind AS 107, Financial Instruments: Disclosures, Ind AS 104, Insurance Contracts and Ind AS 116, Leases.

The amendments listed above did not have any impact on the amounts recognised in prior periods and are not expected to significantly affect the current or future periods.

**New amendments issued but not effective**

The Ministry of Corporate Affairs has vide notification dated March 23, 2022 notified Companies (Indian Accounting Standards) Amendment Rules, 2022 which amends certain accounting standards, and are effective April 01, 2022. These amendments are not expected to have a material impact on the Company in the current or future reporting periods and on foreseeable future transactions.

**Reclassifications consequent to amendments to Schedule III**

The Ministry of Corporate Affairs amended the Schedule III to the Companies Act, 2013 on March 24, 2021 to increase the transparency and provide additional disclosures to users of financial statements. These amendments are effective from April 01, 2021.

Consequent to above, the Company has changed the classification/presentation of (i) current maturities of long-term debt (ii) Lease liabilities (iii) Interest accrued on trade payables (MSME) (iv) Liability towards corporate social responsibility (v) Interest accrued but not due (current and non current), in the current year.

The current maturities of long-term debt including interest accrued but not due (current portion) has now been included in the "Current borrowings" line item. Additionally, interest accrued but not due on borrowings (non current portion) has been disclosed under non-current borrowings. Previously, current maturities of non-current borrowings and interest accrued were included in 'other financial liabilities' line item.

The lease liabilities (current & non current) has now been shown as a separate line item. Previously, lease liabilities (current & non current) were included in "other financial liabilities (current & non current).

The Interest accrued on trade payables (MSME) has now been included in the "Trade payables - Total outstanding dues of micro and small enterprises" line item. Previously, interest accrued on trade payables (MSME) was included in "other financial liabilities" line item.

Liability towards corporate social responsibility has now been shown as a separate line item in "Other current liabilities - other payables". Previously, Liability towards corporate social responsibility was included in "Trade payables" line item.

The Company has reclassified comparative amounts to conform with current year presentation as per the requirements of Ind AS 1. The impact of such classifications is summarised below:

| Balance Sheet (extract) | March 31, 2021 (as previously reported) | Increase/ (Decrease) | March 31, 2021 (restated) |
|---|---|---|---|
| Non Current borrowings | 1,59,394.92 | 2,673.76 | 1,62,068.68 |
| Other financial liabilities (Non current) | 4,261.96 | (4,261.96) | - |
| Lease liabilities (Non current) | - | 4,261.96 | 4,261.96 |
| Current borrowings | 91,666.62 | 15,542.65 | 1,07,209.27 |
| Trade payables - total outstanding dues of micro and small enterprises | 1,01,706.15 | 2,479.03 | 1,04,185.18 |
| Trade payables - total outstanding dues other than above | 4,67,713.32 | (244.00) | 4,67,469.32 |
| Lease liabilities (Current) | - | 16,920.99 | 16,920.99 |
| Other financial liabilities (current) | 57,588.46 | (50,671.16) | 6,917.30 |

# Notes forming part of Standalone Ind AS Financial Statements for the year ended March 31, 2022

All amounts are ₹ lakh unless otherwise stated

| | | | |
|---|---|---|---|
| Other current liabilities | 5,13,981.03 | 13,298.73 | 5,27,279.76 |

## 3. Significant Accounting Policies :

### 3.1 Statement of compliance

The standalone financial statements comply in all material aspects with Indian Accounting Standard (Ind AS) notified under the Section 133 of the Companies Act, 2013 (the Act), Companies (Indian Accounting Standards) Rules, 2015 and other relevant provisions of the Act.

### 3.2 Basis of preparation and presentation

The standalone financial statements have been prepared on the historical cost basis except for certain finanical assets and liabilities (including derivatives), defined benefit plans, subordinated debts that are measured at fair values at the end of each reporting period, as explained in the accounting policies below.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or a liability, the Company takes into account the characteristics of the asset or liability if market participants would take those characteristics into account when pricing the asset or liability at the measurement date. Fair value for measurement and/or disclosure purposes in these financial statements is determined on such a basis, except for leasing transactions that are within the scope of Ind AS 116, and measurements that have some similarities to fair value but are not fair value, such as net realizable value in Ind AS 2 or value in use in Ind AS 36.

In addition, for financial reporting purposes, fair value measurements are categorized into Level 1, 2 or 3 based on the degree to which the inputs to the fair value measurements are observable and the significance of the inputs to the fair value measurement in its entirety, which are described as follows:

- **Level 1** inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date;
- **Level 2** inputs are inputs, other than quoted prices included within Level 1, that are observable for the asset or liability, either directly or indirectly; and
- **Level 3** inputs are unobservable inputs for the asset or liability.

### 3.3 Estimates

The preparation of the standalone financial statements in conformity with Ind AS requires management to make estimates, judgments and assumptions. These estimates, judgments and assumptions affect the application of accounting policies and the reported amounts of assets and liabilities, the disclosures of contingent assets and liabilities at the date of the financial statements and reported amounts of revenues and expenses during the period. Application of accounting policies that require critical accounting estimates involving complex and subjective judgments and the use of assumptions in these financial statements have been disclosed. Significant estimates like Contract estimates are made by way of project budgets in respect of each project to compute project profitability with various assumptions and judgements. Accounting estimates could change from period to period. Actual results could differ from those estimates. Appropriate changes in estimates are made as management becomes aware of changes in circumstances surrounding the estimates. Changes in estimates are reflected in the financial statements in the period in which changes are made and, if material, their effects are disclosed in the notes to the financial statements.

#### Critical estimates and judgements

The areas involving critical estimates or judgements are:

- estimation of current tax expense and current tax payable – refer note 3.9
- estimations used for useful lifes & impairment of property, plant and equipments and intangible asset – refer note 3.10
- estimation of defined benefit obligation – refer note 3.6
- recognition of revenue and estimation of construction contract revenue and related costs – refer note 3.4
- recognition of deferred tax assets for carried forward tax losses – refer note 3.9
- impairment of trade receivables – refer note 3.13 & 3.18
- determination of lease term and estimation of amount payable under residual value guarantees – refer note 3.8
- estimation of fair values of contingent liabilities - refer note 3.12

Estimates and judgements are continually evaluated. They are based on historical experience and other factors,



# Notes forming part of Standalone Ind AS Financial Statements for the year ended March 31, 2022

All amounts are ₹ lakh unless otherwise stated

including expectations of future events that may have a financial impact on the Company and that are believed to be reasonable under the circumstances.

### 3.4 Revenue Recognition

The Company recognises revenue on satisfaction of performance obligation to its customer. Revenue is measured based on the consideration specified in a contract with a customer and excludes taxes collected on behalf of the government authorities.

#### Determination of transaction price and its subsequent assessment:

The Company assesses the transaction price considering the contract price as agreed with the customer in the contract document, that includes Letter of Acceptance/ Intent or any document evidencing the contractual arrangement. Where consideration is not specified within the contract and is variable , the Company estimates the amount of consideration to be received from its customer. The consideration recognised is the amount which the company assesses to be highly probable not to result in a significant reversal in future years.

Modification(s) to an existing contract, if any, are assessed to be either a separate performance obligation or an extension of existing scope and transaction price is determined accordingly. The Company considers the retention moneys held by customer to be protection money in the hands of the customers and hence are not subjected to discounting pursuant to para 61 and 62(c) of Ind AS 115. The mobilisation advances received, free of interest, from customers, also are not subjected to discounting, as the Company considers the objective behind the transaction to be that of ensuring and protecting timely execution of the project and not deriving financial benefit in the nature of interest.

Company deploys revenue recognition both as (a) over a period of time, and (b) at a point of time, as considered appropriate to the nature of product/service delivered to the customer.

#### Revenue from operations:

(i) Revenue from construction and services activities is recognised over a period of time and the Company uses the input method to measure progress of delivery."

(ii) Revenue from manufacturing activities or sale of goods is recognised at a point in time when title has passed to the customer.

(iii) Revenue from services rendered is recognised in the accounting period in which the services are rendered based on the arrangements/ agreements with the concerned parties.

#### Revenue from other sources :

i) Interest income is accrued on a time basis using the effective interest method by reference to the principal outstanding and the effective interest rate, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to that asset's net carrying amount.

(ii) Dividend income is recognised when the equity holder's right to receive payment is established.

#### Performance obligations in a contract with customer

Company determines the performance obligations, considering the nature and scope of each contract.

#### Measuring Progress of a construction contract

When the outcome of individual contracts can be estimated reliably, contract revenue and contract costs are recognised as revenue and expenses respectively by reference to the stage of completion as at the reporting date.

No profit is recognized till a minimum of 10% progress is achieved on all the projects except in case of selected projects as identified by management and duly approved by Audit Committee. At present, no profit is recognized, till a minimum of 25% progress is achieved in case of DFCC Projects, till a minimum of 30% progress in the case of KUAIII project (TPL-HGIEPL Joint Venture) and in case of MTHL Project (Daewoo-TPL JV), no profit is recognized till a minimum of 20% of billing is achieved. As there is no Profit recognition in the Projects till achieving the aforesaid %, revenue is recognized to the extent of recoverable costs incurred with reference to the percentage of completion.

Costs are recognised as incurred and revenue is recognised on the basis of the proportion of total actual costs as at the reporting date, to the estimated total costs of the contract. The Company adjusts the impact of significant uninstalled material (the material whose purchase cost is greater than 20% of the budgeted contract costs and which remain uninstalled for a period greater than 20% of the contract execution period) from the contract value, budgeted costs and costs incurred to measure the percentage of completion. The revenue on

# Notes forming part of Standalone Ind AS Financial Statements for the year ended March 31, 2022

All amounts are ₹ lakh unless otherwise stated

such items is recognised equal to the cost incurred on such items.

Provision is made for all known or expected losses on individual contracts once such losses are foreseen subject to negotiation of related claims with customers within a cure period of three years. Revenue in respect of variations to contracts and incentive payments is recognised when it is probable it will be agreed by the customer.

**3.5 Foreign Currencies**

**Functional and presentation currency:**

Items included in the financial statements of the Company are measured using the currency of the primary economic environment in which the entity operates. The functional currency of the Company is Indian Rupee.

Transactions in foreign currency are recorded at the exchange rates prevailing on the date of transaction. Foreign currency monetary items outstanding at the balance sheet date are restated at the prevailing year end rates. The resultant gain / loss upon such restatement along with gain / loss on account of foreign currency transactions are accounted in the Statement of Profit and Loss.

Forward exchange contracts are fair valued to Mark to Market ("MTM") at every reporting date till the date of settlement. MTM variances are accounted through Statement of Profit and Loss which are finally written off or written back as the case may be on settlement.

In respect of financial statements of integral foreign operations of foreign branches, Assets and Liabilities are reported using the exchange rates on the date of balance sheet, income and expenses are translated at the quarterly average rates of exchange. The resultant exchange gains / losses are recognized in the Statement of Profit and Loss.

**3.6 Employee Benefits**

Employee benefits include provident fund, superannuation fund, gratuity fund, compensated absences and post retirement medical benefits.

**Defined contribution plans**

The company's contribution to superannuation fund, considered as defined contribution plans are charged as an expense in the Statement of Profit and Loss based on the amount of contribution required to be made and when services are rendered by the employees and also the company pays pension fund contributions to publicly administered pension funds as per local regulations.

**Defined benefit plans**

The Company's contribution to provident fund trust (administered by the Company), Gratuity are considered as defined retirement benefit plans. The cost of providing benefits is determined using the projected unit credit method, with actuarial valuations being carried out at the end of each annual reporting period. Remeasurement, comprising actuarial gains and losses, the effect of the changes to the asset ceiling (if applicable) and the return on plan assets (excluding net interest), is reflected immediately in the balance sheet with a charge or credit recognised in other comprehensive income in the period in which they occur. Remeasurement recognised in other comprehensive income is reflected immediately in retained earnings and is not reclassified to profit or loss. Past service cost is recognised in profit or loss in the period of a plan amendment. Net interest is calculated by applying the discount rate at the beginning of the period to the net defined benefit liability or asset.

**Defined benefit costs are categorized as follows:**

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

The Company presents the first two components of defined benefit costs in profit or loss in the line item ‘Employee benefits expense’. Curtailment gains and losses are accounted for as past service costs.

The retirement benefit obligation recognised in the Balance Sheet represents the actual deficit or surplus in the Company’s defined benefit plans. Any surplus resulting from this calculation is limited to the present value of any economic benefits available in the form reductions in future contributions to the plans. (refer note 34.09).

**Short term employee benefits**

A liability is recognised for benefits accruing to employees in respect of wages and salaries and annual leave in the period the related service is rendered at the undiscounted amount of the benefits expected to be paid in exchange for that service.

Liabilities recognised in respect of short-term employee benefits are measured at the undiscounted amount of the benefits expected to be paid in exchange for the related service.



# Notes forming part of Standalone Ind AS Financial Statements for the year ended March 31, 2022

All amounts are ₹ lakh unless otherwise stated

**Other long term employee benefits**

Other Long term employee benefit comprise of Leave encashment which is provided for based on the actuarial valuation carried out as at the end of the year.

Provision for pension and medical benefits payable to retired Managing Directors is made on the basis of an actuarial valuation as at the end of the year.

Liabilities recognised in respect of other long-term employee benefits are measured at the present value of the estimated future cash outflows expected to be made by the Company in respect of services provided by employees up to the reporting date.

**3.7 Earnings Per Share**

The Company presents basic and diluted earnings per share (“EPS”) data for its equity shares. Basic EPS is calculated by dividing the profit or loss attributable to equity shareholders by the weighted average number of equity shares outstanding during the year. Diluted EPS is determined by adjusting the profit or loss attributable to equity shareholders and the weighted average number of equity shares outstanding for the effects of all dilutive potential equity shares. Refer Note No 34.07

**3.8 Leasing**

Leases are recognised as a right-of-use asset and a corresponding liability at the date at which the leased asset is available for use by the company. Contracts may contain both lease and non-lease components. The company allocates the consideration in the contract to the lease and non-lease components based on their relative stand-alone prices. However, for leases of real estate for which the company is a lessee, it has elected not to separate lease and non-lease components and instead accounts for these as a single lease component.

Assets and liabilities arising from a lease are initially measured on a present value basis. Lease liabilities include the net present value of the following lease payments:

- fixed payments (including in-substance fixed payments), less any lease incentives receivable
- amounts expected to be payable by the company under residual value guarantees
- the exercise price of a purchase option if the company is reasonably certain to exercise that option, and
- payments of penalties for terminating the lease, if the lease term reflects the company exercising that option.

Lease payments to be made under reasonably certain extension options are also included in the measurement of the liability. The lease payments are discounted using the interest rate implicit in the lease. If that rate cannot be readily determined, which is generally the case for leases in the company, the lessee’s incremental borrowing rate is used, being the rate that the individual lessee would have to pay to borrow the funds necessary to obtain an asset of similar value to the right-of-use asset in a similar economic environment with similar terms, security and conditions.

Lease payments are allocated between principal and finance cost. The finance cost is charged to profit or loss over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability for each period.

Right-of-use assets are measured at cost comprising the following:

- the amount of the initial measurement of lease liability
- any lease payments made at or before the commencement date less any lease incentives received
- any initial direct costs, and
- restoration costs.

Right-of-use assets are generally depreciated over the shorter of the asset's useful life and the lease term on a straight-line basis. If the company is reasonably certain to exercise a purchase option, the right-of-use asset is depreciated over the underlying asset’s useful life.

Payments associated with short-term leases of equipment and all leases of low-value assets are recognised on a straight-line basis as an expense in profit or loss. Short-term leases are leases with a lease term of 12 months or less. Low-value assets comprise IT equipment and small items of office furniture.

Extension and termination options are included in a number of property and equipment leases across the Company. These are used to maximise operational flexibility in terms of managing the assets used in the Company’s operations. The majority of extension and termination options held are exercisable only by the Company and not by the respective lessor.

In determining the lease term, management considers all facts and circumstances that create an economic incentive to exercise an extension option, or not exercise a termination option. Extension options (or periods after termination

# Notes forming part of Standalone Ind AS Financial Statements for the year ended March 31, 2022

All amounts are ₹ lakh unless otherwise stated

options) are only included in the lease term if the lease is reasonably certain to be extended (or not terminated).

The lease term is reassessed if an option is actually exercised (or not exercised) or the Company becomes obliged to exercise (or not exercise) it. The assessment of reasonable certainty is only revised if a significant event or a significant change in circumstances occurs, which affects this assessment, and that is within the control of the lessee.

### 3.9 Taxation

Income tax expense represents the sum of the tax currently payable and deferred tax.

#### 3.9.1 Current tax

Current tax expense comprises taxes on income from operations in India and foreign tax jurisdictions. Tax expense related to India is determined on the basis of the Income Tax Act, 1961 and quantified at the amount expected to be paid to the taxation authorities using the applicable tax rates. Tax expense relating to overseas operations is determined in accordance with the tax laws applicable in countries where such operations are domiciled.

The current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the end of the reporting period in the countries where the company operates and generates taxable income. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation and considers whether it is probable that a taxation authority will accept an uncertain tax treatment. The Company measures its tax balances either based on the most likely amount or the expected value, depending on which method provides a better prediction of the resolution of the uncertainty.

#### 3.9.2 Deferred tax

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are generally recognised for all taxable temporary differences. Deferred tax assets are generally recognised for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilized. Such deferred tax assets and liabilities are not recognised if the temporary difference arises from the initial recognition (other than in a business combination) of assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit.

The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

Deferred tax liabilities and assets are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realized, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.

**Current and deferred tax for the year:**

Current and deferred tax are recognised in profit or loss, except when they relate to items that are recognised in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognised in other comprehensive income or directly in equity respectively. Where current tax or deferred tax arises from the initial accounting for a business combination, the tax effect is included in the accounting for the business combination."

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets and liabilities and when the deferred tax balances relate to the same taxation authority. Current tax assets and tax liabilities are offset where the entity has a legally enforceable right to offset and intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

### 3.10. Property plant and equipment & Intangible Assets

Property, plant and equipment are carried at cost less accumulated depreciation / amortization and impairment losses, if any. The cost of property, plant and equipment comprises its purchase price and other attributable expenditure incurred in making the asset ready for its intended use and interest on borrowings attributable to acquisition of qualifying property, plant and equipment up to the date the asset is ready for its intended use. Property, plant and equipment retired from active use and held for sale are stated at the lower of their net book value and net realisable value and are disclosed separately.



# Notes forming part of Standalone Ind AS Financial Statements for the year ended March 31, 2022

All amounts are ₹ lakh unless otherwise stated

**Intangible Assets**

**Intangible assets comprises of :**

i) **Technical Know-How:** Developement cast of Technical Know-How is shown at historical cost. It has a finite useful life and are subsequently carried at cost less accumulated amortisation and impairment losses.

ii) **Software:** The application and other software procured through perpetual licences. The intangible assets are capitalised on implementation of such software and comprises of the prices paid for procuring the licence and implementation cost of such software."

**Depreciation and amortisation, impairment**

Depreciation has been provided on the straight line method considering the useful life prescribed in Schedule II of the Companies Act, 2013 except in respect of following assets, in which case, life of the assets has been assessed as under, based on technical advice, taking into account the nature of asset, the estimated usage of the asset, the operating conditions of the asset etc.

| | |
|---|---|
| Scaffolding materials | 5 years |
| Wire ropes and slings | 2 years |
| Motor cars under car policy for executives | 4 years |
| Tunnel Form work equipment | 2 years 2 months |

Leasehold improvements are amortized over the duration of the lease.

Assets costing less than ₹10,000 are fully depreciated in the year of capitalization.

For the assets owned by jointly controlled operations (JCOs), depreciation has been provided on the straight line method considering the useful life as prescribed in Schedule II of the Companies Act, 2013 except for:

a) TPL-SUCG Consortium, TPL-JBTPL Joint Venture, GYT-TPL Joint Venture, GULERMAK - TPL Joint Venture, TPL-HGIEPL Joint Venture, TPL-SSGIPL JV, TPL-KIPL Joint Venture, JV of TATA Projects Ltd and Chint Electric Co. Ltd and Angelique -TPL JV where, duration of project is considered as useful life.

b) CEC-ITD Cem-TPL Joint Venture where, the useful life of the these assets have been considered as lower of economic life of the asset or expected period of its usage/project period. Further, in respect of assets where the economic life is more than the project period, the residual values are estimated depending on the balance economic life of the asset beyond the useful life. These estimates of useful lives of asset and the residual values are determined by the management and are supported by internal technical assessments. These are reviewed and adjusted, if appropriate, at the end of each financial year end.

| Asset category | Economic life | Expected period of usage |
|---|---|---|
| Plant and machinery- Tunnel Boring Machine | 12 years | Until March 31, 2021 |
| Plant and machinery- Others* | 12 years | Until June 30, 2023 |
| Furniture and fixtures* | 10 years | Until June 30, 2023 |
| Office equipment* | 5 years | Until June 30, 2023 |
| Computers* | 3 years | Until June 30, 2023 |
| Intangible assets (Computer Software)* | 3 years | Until June 30, 2023 |

*The expected period of usage was extended from December 31, 2022 to June 30, 2023 by the Joint Venture during the year ended March 31, 2022. Refer note 34.13.

c) Tata Projects Brookfield Multiplex JV where, depreciation has been provided on the written down value method as per the useful life as prescribed in Schedule II to the Companies Act, 2013.

d) DAEWOO-TPL JV where, depreciation in respect of following assets, in which case, life of the assets has been assessed as under, based on technical advice, taking into account the nature of asset, the estimated usage of the asset, the operating conditions of the asset etc.

| | |
|---|---|
| Temporary structure(purchased till March 31, 2019) | 2.78 years |
| General Plant and Machinery | 12 years |
| Lab Equipment (Cube Mould) | 10 years |
| Concrete Equipment | 9 years |

Assets costing less than ₹100,000 are fully depreciated in the year of capitalization.

Temporary structures(purchased after April 01, 2019), formwork & shuttering material, casting cell, heavy tools & tackles and launching girder are charged off in the year of purchase.

All property, plant and equipment are tested for impairment at the end of each financial year. The

# Notes forming part of Standalone Ind AS Financial Statements for the year ended March 31, 2022

All amounts are ₹ lakh unless otherwise stated

impairment loss being the excess of carrying value over the recoverable value of the assets, if any, is charged to the statement of Profit and Loss in the respective financial year. The impairment loss recognized in prior years is reversed in cases where the recoverable value exceeds the carrying value, upon reassessment in the subsequent years.

**Asset Classified as held of sale:**

Non-current assets or disposal group are classified as held for sale if their carrying amount will be recovered principally through a sale transaction rather than through continuing use. This condition is regarded as met only when the asset or disposal group is available for immediate sale in its present condition subject only to terms that are usual and customary for sale of such asset or disposal group and its sale is highly probable. Management must be committed to the sale, which should be expected to qualify for recognition as a completed sale within one year from the date of classification. As at each balance sheet date, the management reviews the appropriateness of such classification.

Non-current assets or disposal group classified as held for sale are measured at the lower of their carrying amount and fair value less costs to sell. Property, plant and equipments and intangible assets once classified as held for sale are not depreciated or amortised."

**3.11 Inventories**

Raw materials and Stores and spares are valued at lower of cost and net realisable value. Cost comprises cost of materials.

Work-in-progress and Finished goods are valued at lower of cost and net realisable values. Cost comprises cost of materials and applicable manufacturing overheads, the latter being allocated on the basis of normal operating capacity.

Cost is ascertained on the basis of "weighted average" method. Net realisable value is the estimated selling price in the ordinary course of business less the estimated costs of completion.

**3.12 Provisions, contingent liabilities and contingent assets**

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

Contingent liabilities are disclosed for (i) possible obligation which will be confirmed only by future events not wholly within the control of the Company or (ii) present obligations arising from past events where it is not probable that an outflow of resources will be required to settle the obligation or a reliable estimate of the amount of the obligation cannot be made. Contingent assets are not recognised in the financial statements.

Contingent liabilities are not disclosed if the possibility of an outflow of resources embodying economic benefits is remote.

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

**3.13 Financial Instruments**

Financial assets and financial liabilities are recognised when the Company becomes a party to the contractual provisions of the instruments.

Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognised immediately in profit or loss.

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

**(ii) Financial assets at fair value through other comprehensive income:** Financial assets are measured at fair value through other comprehensive income if these financial assets are held within a business whose objective is achieved by both collecting contractual cash flows that give rise on specified dates to solely payments of principal and interest on the principal amount outstanding and by selling financial assets.

The Company has made an irrevocable election to present in other comprehensive income subsequent changes in the fair value of equity investments not held for trading.

**(iii) Financial assets at fair value through profit or loss:** Financial assets are measured at fair value through profit or loss unless it is measured at amortised cost or at fair value through other comprehensive income on initial recognition. The transaction costs directly attributable to the acquisition of financial assets and liabilities at fair value through profit or loss are immediately recognised in profit or loss.

**(iv) Financial liabilities:**

**a. Borrowings:**

Borrowings are initially recognized at fair value, net of transaction costs incurred. Borrowings are subsequently measured at amortized cost. Any difference between the proceeds (net of transaction costs) and the redemption amount is recognized in profit or loss over the period of the borrowings using the effective interest method.

Borrowings are removed from the balance sheet when the obligation specified in the contract is discharged, cancelled or expired. The difference between the carrying amount of a financial liability that has been extinguished or transferred to another party and the consideration paid, including any non-cash assets transferred or liabilities assumed, is recognized in profit or loss as other gains/(losses).

Borrowings are classified as current liabilities unless the Company has an unconditional right to defer settlement of the liability for at least 12 months after the reporting period. Where there is a breach of a material provision of a long-term loan arrangement on or before the end of the reporting period with the effect that the liability becomes payable on demand on the reporting date, the Company does not classify the liability as current, if the lender agreed, after the reporting period and before the approval of the financial statements for issue, not to demand payment as a consequence of the breach.

**b. Compound financial instruments:**

The fair value of the liability portion of an compound financial instruments is determined using a market interest rate for an equivalent compound financial instruments. This amount is recorded as a liability on an amortised cost basis until extinguished on conversion or redemption of the instrument. The remainder of the proceeds is attributable to the equity portion of the compound instrument. This is recognised and included in shareholders' equity, net of income tax effects, and not subsequently remeasured.

**(v) Investment in subsidiaries, Joint Ventures and Associates:**

On initial recognition, these investments are recognized at fair value plus any directly attributable transaction cost. Subsequently, they are measured at cost.

**Impairment of Financial Assets**

The Company applies the expected credit loss model for recognising impairment loss on financial assets measured at amortised cost i.e., trade receivables, other contractual rights to receive cash or other financial asset.

For trade receivables or any contractual right to receive cash or another financial asset that result from transactions that are within the scope of Ind AS 115, the Company always measures the loss allowance at an amount equal to lifetime expected credit losses. Further, for the purpose of measuring lifetime expected credit loss allowance for financial assets, the Company has used a practical expedient as permitted under Ind AS 109. This expected credit loss allowance is computed based on a provision matrix which takes into account historical credit loss experience and adjusted for forward-looking information.

**Derecognition of Financial Assets**

A financial asset is derecognized only when

1. The Company has transferred the rights to receive cash flows from the financial asset or
2. retains the contractual rights to receive the cash flows of the financial asset, but assumes a contractual obligation to pay the cash flows to one or more recipients.

# Notes forming part of Standalone Ind AS Financial Statements for the year ended March 31, 2022

All amounts are ₹ lakh unless otherwise stated

Where the Company has transferred an asset, the Company evaluates whether it has transferred substantially all risks and rewards of ownership of the financial asset. In such cases, the financial asset is derecognized. Where the Company has not transferred substantially all risks and rewards of ownership of the financial asset, the financial asset is not derecognized.

Where the Company has neither transferred a financial asset nor retains substantially all risks and rewards of ownership of the financial asset, the financial asset is derecognized if the Company has not retained control of the financial asset. Where the Company retains control of the financial asset, the asset is continued to be recognized to the extent of continuing involvement in the financial asset.

**Offsetting financial instruments:**

Financial Assets and Liabilities are offset and the net amount is reported in the Balance Sheet where there is a legally enforceable right to offset the recognized amounts and there is an intention to settle on net basis or realize the asset and settle the liability simultaneously. The legally enforceable right must not be contingent on future events and must be enforceable in the normal course of business and in the event of default, insolvency or bankruptcy of the Company or the counterparty.

**Derivatives:**

Derivatives are only used for economic hedging purposes and not as speculative investments. However, where derivatives do not meet the hedge accounting criteria, they are classified as 'held for trading' for accounting purposes and are accounted for at FVPL. They are presented as current assets or liabilities to the extent they are expected to be settled within 12 months after the end of the reporting period.

Derivatives are initially recognised at fair value on the date a derivative contract is entered into and are subsequently re-measured to their fair value at the end of each reporting period. The accounting for subsequent changes in fair value depends on whether the derivative is designated as a hedging instrument, and if so, the nature of the item being hedged.

**3.14 Jointly controlled operations**

The accounts of the Company reflect its share of the Assets, Liabilities, Income and Expenditure of the jointly controlled operations which are accounted on the basis of the audited accounts of the jointly controlled operations, except in the case of two jointly controlled operations (Tata Projects Balfour Beatty JV & LEC-TPL UJV) which have been accounted for based on Management accounts, on line-by-line basis with similar items in the Company's accounts in proportion to its interest in such Joint Venture Agreements (refer note: 34.22).

**3.15 Segment reporting**

The Company, based on the "Management Approach" as defined in Ind AS 108, the Chief Operating Decision Maker (CODM) evaluates the Company's performance and allocates resources based on the analysis of various performance indicators by business segments and geographic segments. Accordingly, information has been presented both along business segments and geographic segments.

The accounting policies adopted for segment reporting are in line with the accounting policies of the Company. Segment revenue, segment expenses, segment assets and segment liabilities have been identified to segments on the basis of their relationship to the operating activities of the segment.

Inter-segment revenue is accounted on the basis of transactions which are primarily determined based on market/fair value factors.

Revenue, expenses, assets and liabilities which relate to the Company as a whole and not allocable to segments on reasonable basis have been included under "unallocated revenue/expenses/assets/liabilities".

**3.16 Operating cycle**

The Company's activities (primarily construction activities) have an operating cycle that exceeds a year of twelve months. The Company has selected the duration of the individual contracts as its operating cycle, wherever appropriate, for classification of its assets and liabilities as current and non-current.

**3.17 Cash and cash equivalents**

For the purpose of presentation in the Statement of cash flows, cash and cash equivalents includes cash on hand, deposits held at call with financial institutions, other short-term, highly liquid investments with original maturities of three months or less that are readily



# Notes forming part of Standalone Ind AS Financial Statements for the year ended March 31, 2022

All amounts are ₹ lakh unless otherwise stated

convertible to known amounts of cash and which are subject to an insignificant risk of changes in value, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities in the Balance Sheet.

**3.18 Trade Receivables**

Trade receivables are amounts due from customers for goods sold or services performed in the ordinary course of business. Trade receivables are recognized initially at the amount of consideration that is unconditional unless they contain significant financing components, when they are recognized at fair value. The Company holds the trade receivables with the objective to collect the contractual cash flows and therefore measures them subsequently at amortised cost using the effective interest method, less loss allowance.

**3.19 Trade and Other Payables**

Trade payables and other payables: These amounts represent liabilities for goods and services provided to the Company prior to the end of financial year which are unpaid. Trade and other payables are presented as current liabilities unless payment is not due within operating cycle of the Company. They are subsequently measured at amortized cost using the effective interest method.

**3.20 Borrowing Costs**

General and specific borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying asset are capitalized during the period of time that is required to complete and prepare the asset for its intended use or sale. Qualifying assets are assets that necessarily take a substantial period of time to get ready for their intended use or sale.

Investment income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalization.

Other borrowing costs are expensed in the period in which they are incurred.

**3.21 Rounding of amounts**

All amounts disclosed in the financial statements and notes have been rounded off to the nearest lakhs as per the requirement of Schedule III, unless otherwise stated.

## 4. Property, plant and equipment and capital work-in progress

| Particulars | As at March 31, 2022 | As at March 31, 2021 |
|---|---|---|
| **Carrying amounts :** | | |
| Freehold land | 112.60 | 112.60 |
| Buildings | 1,967.10 | 1,526.83 |
| Leasehold improvements | 318.47 | 1,082.90 |
| Plant and equipments | 50,955.38 | 44,987.89 |
| Furniture & fixtures | 735.78 | 775.44 |
| Vehicles | 353.95 | 503.91 |
| Office equipments | 3,705.72 | 2,770.65 |
| Computers | 2,364.75 | 1,127.01 |
| Capital mobile desalination plant | 2.00 | 2.00 |

| | | |
|---|---|---|
| Sub-total | 60,515.75 | 52,889.23 |
| Capital work-in-progress | 628.12 | 741.22 |
| | 61,143.87 | 53,630.45 |

# Notes forming part of Standalone Ind AS Financial Statements for the year ended March 31, 2022

All amounts are ₹ lakh unless otherwise stated

| Particulars | Freehold land | Buildings | Leasehold improvements | Plant and equipments | Furniture & fixtures | Vehicles | Office equipments | Computers | Capital mobile desalination plant | Total | Capital work-in-progress |
|---|---|---|---|---|---|---|---|---|---|---|---|
| **Cost** | | | | | | | | | | | |
| **Balance as at March 31, 2020** | **112.60** | **2,977.92** | **2,242.37** | **99,722.44** | **3,360.08** | **1,802.08** | **9,901.61** | **5,438.70** | **40.24** | **1,25,598.04** | **2,542.35** |
| Additions | - | 225.18 | 125.66 | 10,079.26 | 77.40 | 27.14 | 755.36 | 282.76 | - | 11,572.76 | 3,583.95 |
| Reclassification/Transfer | - | - | - | - | - | - | - | - | - | - | (5,385.08) |
| Disposals | - | (29.46) | - | (8,921.00) | (328.85) | (284.40) | (504.89) | (50.32) | - | (10,118.92) | - |
| **Balance as at March 31, 2021** | **112.60** | **3,173.64** | **2,368.03** | **1,00,880.70** | **3,108.63** | **1,544.82** | **10,152.08** | **5,671.14** | **40.24** | **1,27,051.88** | **741.22** |
| Additions | - | 166.04 | 54.13 | 18,831.40 | 243.04 | 17.53 | 1,977.86 | 2,002.60 | - | 23,292.60 | 1,652.18 |
| Assets classified as held for sale (refer note 4.10) | - | - | - | (5,067.39) | - | - | - | - | - | (5,067.39) | - |
| Reclassification/Transfer | - | 665.90 | (613.46) | 19.62 | (52.44) | - | (19.62) | - | - | - | (1,765.28) |
| Disposals | - | (8.29) | - | (9,711.90) | (276.93) | (230.28) | (703.22) | (57.70) | - | (10,988.32) | - |
| **Balance as at March 31, 2022** | **112.60** | **3,997.29** | **1,808.70** | **1,04,952.43** | **3,022.30** | **1,332.07** | **11,407.10** | **7,616.04** | **40.24** | **1,34,288.77** | **628.12** |
| **Accumulated depreciation** | | | | | | | | | | | |
| **Balance as at March 31, 2020** | **-** | **(1,238.39)** | **(1,033.74)** | **(54,360.93)** | **(2,413.21)** | **(1,099.01)** | **(7,009.79)** | **(3,852.73)** | **(38.22)** | **(71,046.02)** | **-** |
| Disposals | - | 25.00 | - | 6,649.65 | 262.66 | 195.20 | 445.13 | 48.40 | - | 7,626.04 | - |
| Depreciation charge for the year | - | (433.42) | (251.39) | (8,181.53) | (182.64) | (137.10) | (816.77) | (739.80) | (0.02) | (10,742.67) | - |
| **Balance as at March 31, 2021** | **-** | **(1,646.81)** | **(1,285.13)** | **(55,892.81)** | **(2,333.19)** | **(1,040.91)** | **(7,381.43)** | **(4,544.13)** | **(38.24)** | **(74,162.65)** | **-** |
| Disposals | - | 7.87 | - | 5,747.70 | 216.96 | 164.38 | 678.49 | 52.64 | - | 6,868.04 | - |
| Assets classified as held for sale (refer note 4.10) | - | - | - | 4,078.41 | - | - | - | - | - | 4,078.41 | - |
| Reclassification/Transfer | - | (57.90) | 49.20 | (5.15) | 8.70 | - | 5.15 | - | - | - | - |
| Depreciation charge for the year | - | (333.35) | (254.30) | (7,925.20) | (178.99) | (101.59) | (1,003.59) | (759.80) | - | (10,556.82) | - |
| **Balance as at March 31, 2022** | **-** | **(2,030.19)** | **(1,490.23)** | **(53,997.05)** | **(2,286.52)** | **(978.12)** | **(7,701.38)** | **(5,251.29)** | **(38.24)** | **(73,773.02)** | **-** |
| **Net Carrying amount as at March 31, 2021** | **112.60** | **1,526.83** | **1,082.90** | **44,987.89** | **775.44** | **503.91** | **2,770.65** | **1,127.01** | **2.00** | **52,889.23** | **741.22** |
| **Net Carrying amount as at March 31, 2022** | **112.60** | **1,967.10** | **318.47** | **50,955.38** | **735.78** | **353.95** | **3,705.72** | **2,364.75** | **2.00** | **60,515.75** | **628.12** |

4.1 No impairment Losses recognised during the year (March 31, 2021 : Nil)





# Notes forming part of Standalone Ind AS Financial Statements for the year ended March 31, 2022

All amounts are ₹ lakh unless otherwise stated

4.2 The company carries out physical verification of it's property, plant and equipment, in a phased manner over a period of three years. Assets whose working life has expired, would be retired from the books after due approvals, as per the Schedule of Powers. Assets which are not in working condition are assesed and are retired on annual basis as per Schedule of Powers ("SOP"). Assets in working condition are deployed at project sites and are leveraged among multiple projects in its useful life.

4.3 None of the property, plant and equipments are pledged as security during the current year and previous year

4.4 Refer note no 34.01(ii) for disclosure of contractual commitments for the acquisition of property plant and equipment.

4.5 Buildings asset class includes buildings on leasehold land whose lease rights are in the name of the Company. The net carrying amount as at March 31, 2022 of these assets is ₹1,752.36 (March 31,2021: ₹1,045.82)

4.6 Capital Work in Progress (CWIP) ageing schedule for the year ended March 31, 2022

| Capital Work in Progress (CWIP) | Amount in Capital Work in Progress for a period of | | | | Total |
|---|---|---|---|---|---|
| | Less than 1 Year | 1-2 years | 2-3 years | More than 3 years | |
| Projects in progress | 588.80 | 9.44 | 29.88 | - | 628.12 |

Capital work in progress (CWIP) ageing schedule for the year ended March 31, 2021

| Capital Work in Progress | Amount in Capital Work in Progress for a period of | | | | Total |
|---|---|---|---|---|---|
| | Less than 1 Year | 1-2 years | 2-3 years | More than 3 years | |
| Projects in progress | 690.56 | 50.66 | - | - | 741.22 |

4.7 Capital Work in Progress (CWIP) consists of plant & machinery items which are pending installation and buildings under construction during the current and previous years.

4.8 During the Current year and previous year, the Company does not have projects in Capital work in progress whose completion is overdue or projects whose cost has exceeded its costs as per its original plan .

4.9 All title deeds of immovable properties are in the name of the Company.

4.10 During the current year, CEC-ITD Cem-TPL Joint Venture has entered into an agreement for sale of three Tunnel Boring Machine ('TBM') to ITD Cementation India Limited (Joint venture partner) for a consideration of ₹2,995 and the sale is expected to be completed by June 2022. Since the proposed sale qualifies as a 'highly probable sale' transaction in accordance with Ind AS 105 - Non-current Assets Held for Sale and Discontinued Operations, these assets are measured at the lower of carrying amount or fair value less costs to sell, amounting to ₹2,472.45 (the company share of the net asset of ₹988.98) and have been considered as a 'Non-current assets classified as held for sale'.

# Notes forming part of Standalone Ind AS Financial Statements for the year ended March 31, 2022

All amounts are ₹ lakh unless otherwise stated

### 5 (a) Intangible assets and Intangible assets under development

| Particulars | As at March 31, 2022 | As at March 31, 2021 |
|---|---|---|
| **Carrying amounts of :** | | |
| Computer Software (Refer note 5.1 below) | 1,452.34 | 1,293.20 |
| Technical Know-How (Refer note 5.2 below) | 447.16 | 566.55 |
| | **1,899.50** | **1,859.75** |
| Intangible assets under development | - | 190.95 |
| | **-** | **190.95** |
| **Total** | **1,899.50** | **2,050.70** |

| Particulars | Technical Know-How | Computer Software | Total | Intangible assets under development |
|---|---|---|---|---|
| **Cost** | | | | |
| **Balance as at March 31, 2020** | **-** | **7,495.33** | **7,495.33** | **662.84** |
| Additions | 596.97 | 272.87 | 869.84 | 190.95 |
| Disposals/Transfers | - | (97.29) | (97.29) | (662.84) |
| **Balance as at March 31, 2021** | **596.97** | **7,670.91** | **8,267.88** | **190.95** |
| Additions | - | 1,159.25 | 1,159.25 | 90.46 |
| Disposals/Transfers | - | (9.48) | (9.48) | (281.41) |
| **Balance as at March 31, 2022** | **596.97** | **8,820.68** | **9,417.65** | **-** |
| | | | | |
| **Accumulated amortisation** | | | | |
| **Balance as at March 31, 2020** | **-** | **(5,397.71)** | **(5,397.71)** | **-** |
| Amortisation | (30.42) | (1,016.12) | (1,046.54) | - |
| Disposals | - | 36.12 | 36.12 | - |
| **Balance as at March 31, 2021** | **(30.42)** | **(6,377.71)** | **(6,408.13)** | **-** |
| Amortisation | (119.39) | (999.64) | (1,119.03) | - |
| Disposals | - | 9.01 | 9.01 | - |
| **Balance as at March 31, 2022** | **(149.81)** | **(7,368.34)** | **(7,518.15)** | **-** |
| | | | | |
| **Net Carrying amount as at March 31, 2021** | **566.55** | **1,293.20** | **1,859.75** | **190.95** |
| **Net Carrying amount as at March 31, 2022** | **447.16** | **1,452.34** | **1,899.50** | **-** |

**Significant Intangible assets**

**5.1 Computer Software**

Computer Software comprises of licenses held for accounting, engineering and other technical softwares. The carrying amount of computer software as at March 31, 2022 is ₹1,452.34 (March 31, 2021 : ₹1,293.20).

**5.2 Technical Know-How**

The Technical Know-How comprises of water purification technology developed in collobaration with MIT - USA. The carrying amount of Technical Know-How as at March 31, 2022 is ₹447.16 (March 31, 2021 : ₹566.55).

**5.3** The Company does not have any Intangible assets under development as at March 31, 2022

**Intangible assets under development ageing schedule for the year ended March 31, 2021**

| Intangible assets under development | Amount in Capital Intangible assets under development for a period of | | | | Total |
|---|---|---|---|---|---|
| | Less than 1 Year | 1-2 years | 2-3 years | More than 3 years | |
| Projects in progress | 190.95 | - | - | - | 190.95 |

**5.4** During the current year and previous year, the Company did not have projects in intangible assets under development whose completion was overdue or projects whose cost had exceeded its costs as per its original plan.



# Notes forming part of Standalone Ind AS Financial Statements for the year ended March 31, 2022

All amounts are ₹ lakh unless otherwise stated

### 5 (b). Right-of-use assets

| Particulars | As at March 31, 2022 | As at March 31, 2021 |
|---|---|---|
| **Carrying amounts of :** | | |
| Plant and Machinery | 6,486.49 | 13,674.33 |
| Land | 14.82 | 34.35 |
| Buildings | 3,879.99 | 5,897.60 |
| **Total** | **10,381.30** | **19,606.28** |

| Particulars | Plant and Machinery | Land | Buildings | Total |
|---|---|---|---|---|
| **Cost** | | | | |
| **Balance as at March 31, 2020** | **31,691.18** | **55.73** | **11,022.07** | **42,768.98** |
| Additions | 6,816.28 | 16.36 | 3.39 | 6,836.03 |
| Disposals | (12,879.36) | - | (706.23) | (13,585.59) |
| **Balance as at March 31, 2021** | **25,628.10** | **72.09** | **10,319.23** | **36,019.42** |
| Additions | 561.05 | - | 806.97 | 1,368.02 |
| Disposals | (405.66) | - | (734.24) | (1,139.90) |
| **Balance as at March 31, 2022** | **25,783.49** | **72.09** | **10,391.96** | **36,247.54** |
| | | | | |
| **Accumulated depreciation** | | | | |
| **Balance as at March 31, 2020** | **(8,607.92)** | **(18.61)** | **(2,287.47)** | **(10,914.00)** |
| Depreciation | (9,285.64) | (19.13) | (2,414.76) | (11,719.53) |
| Disposals | 5,939.79 | - | 280.60 | 6,220.39 |
| **Balance as at March 31, 2021** | **(11,953.77)** | **(37.74)** | **(4,421.63)** | **(16,413.14)** |
| Depreciation | (7,574.03) | (19.53) | (2,327.08) | (9,920.64) |
| Disposals | 230.80 | - | 236.74 | 467.54 |
| **Balance as at March 31, 2022** | **(19,297.00)** | **(57.27)** | **(6,511.97)** | **(25,866.24)** |
| | | | | |
| **Net Carrying amount as at March 31, 2021** | **13,674.33** | **34.35** | **5,897.60** | **19,606.28** |
| **Net Carrying amount as at March 31, 2022** | **6,486.49** | **14.82** | **3,879.99** | **10,381.30** |

**5(b)(i)** Refer to note no 22 for disclosure related to Lease liabilities.

**5(b)(ii)** Refer to note no 30 for disclosure related to finance cost on lease liabilities

**5(b)(iii)** Refer to note no 31 for disclosures related to depreciation charge on right-of-use of assets

**5(b)(iv)** The total cash outflow for leases for the year was ₹11,212.65 (March 31, 2021: ₹12,754.60)

# Notes forming part of Standalone Ind AS Financial Statements for the year ended March 31, 2022

All amounts are ₹ lakh unless otherwise stated

## 6. Investments in joint ventures

| | As at March 31, 2022 | | As at March 31, 2021 | |
|---|---|---|---|---|
| | Qty. | Amount | Qty. | Amount |
| **Investments at amortised cost** | | | | |
| **Unquoted Investments (all fully paid)** | | | | |
| Investments in Equity Instruments | | | | |
| i) Al-Tawleed for Energy & Power Company (under liquidation) SAR 2,000 per share equivalent to SAR 600,000 fully paid-up | 300 | 75.60 | 300 | 75.60 |
| ii) Nesma Tata Projects Limited (Equity Contribution)(refer note below) | - | 269.71 | - | 220.47 |
| **Total aggregate unquoted investments** | | **345.31** | | **296.07** |
| **Less: Aggregate amount of impairment in value of investments in joint ventures** | | **(345.31)** | | **(75.60)** |
| **Net carrying value of unquoted investments** | | **-** | | **220.47** |

**Note:**

Nesma Tata Projects Limited has been continuously incurring operating losses and it had incurred a loss during the current year. Accordingly, the company has created a provision for impairment for the investment of Nesma Tata Projects Limited during the current year.

## 7. Other Investments

### 7 (a) Non-current

| | As at March 31, 2022 | | As at March 31, 2021 | |
|---|---|---|---|---|
| | Qty. | Amount | Qty. | Amount |
| **Investments at amortised cost** | | | | |
| **(i) Investments in Equity Instruments** | | | | |
| **Subsidiaries** | | | | |
| **A) Quoted Investments - fully paid (A)** | | | | |
| Artson Engineering Limited (equity shares of ₹1 each) (refer note 7.2 & 7.3 below) | 2,76,90,000 | 5,785.18 | 2,76,90,000 | 4,890.78 |
| **Total Aggregate Quoted Investments (A)** | | **5,785.18** | | **4,890.78** |
| **B) Unquoted Investments - fully paid (B)** | | | | |
| TQ Services Mauritius Pty Ltd - Face value of EUR 1 each | 24,000 | 22.26 | 24,000 | 22.26 |
| TPL - TQA Quality Services (South Africa) Pty Ltd - Face value of ZAR 1 each | 1,50,000 | 9.34 | 1,50,000 | 9.34 |
| TQ Services Europe GmbH - Face value of EUR 1 each | 1,25,000 | 99.81 | 1,25,000 | 99.81 |
| Ujjwal Pune Limited - Face value of ₹10 each (refer note no 7.4 below) | 86,20,000 | 1,020.67 | 86,20,000 | 990.68 |
| TQ Cert Services Private Limited - Face value of ₹10 each | 16,38,600 | 110.00 | 16,38,600 | 110.00 |
| Industrial Quality Services LLC - Face value of OMR 1 each | 1,75,000 | 303.73 | 1,75,000 | 303.73 |
| Ind Project Engineering (Shanghai) Co. Ltd | - | 27.34 | - | 27.34 |
| TP Luminaire Private Limited - Face value of ₹10 each (refer note no 7.5 below) | 50,00,000 | 595.89 | 50,00,000 | 500.00 |
| TCC Construction Private Limited- Face value of ₹1 each | 36,90,000 | 36.90 | 36,90,000 | 36.90 |
| **Total Aggregate Unquoted Investments (B)** | | **2,225.94** | | **2,100.06** |
| **Associate** | | | | |
| **Unquoted Investments - fully paid** | | | | |
| Arth Designbuild India Private Limited - equity shares of ₹10 each fully paid-up with premium of ₹18,626 per share (refer note no 34.23) | 5,807 | 1,082.18 | 5,807 | 1,082.18 |
| **Total investments in Equity instruments (i)** | | **9,093.30** | | **8,073.02** |



# Notes forming part of Standalone Ind AS Financial Statements for the year ended March 31, 2022

All amounts are ₹ lakh unless otherwise stated

| | | As at March 31, 2022 | | As at March 31, 2021 | |
|---|---|---|---|---|---|
| | | Qty. | Amount | Qty. | Amount |
| **(ii)** | **Investments in Debentures** | | | | |
| | **Subsidiary - Unquoted** | | | | |
| | TP Luminaire Private Limited -15% unsecured optionally convertible debentures face value of ₹1,00,000 each | 3,333 | 3,333.47 | 3,333 | 3,333.47 |
| | **Total investments in Debentures (ii)** | | **3,333.47** | | **3,333.47** |
| **(iii)** | **Investments in Limited Liability Partnership** | | | | |
| | **Subsidiary - Unquoted** | | | | |
| | TPL-CIL Construction LLP (Equity Contribution) | - | 65.00 | - | 65.00 |
| | **Total investments in Limited Liability Partnership (iii)** | | **65.00** | | **65.00** |
| **(iv)** | **Investments in Partnership** | | | | |
| | Tata Dilworth Secord Meagher & Associates (refer note 7.1 below) | | - | | 1.80 |
| | **Total investments in in Partnership (iv)** | | **-** | | **1.80** |
| **Total Non Current Investments (i)+(ii)+(iii)+(iv)** | | | **12,491.77** | | **11,473.29** |
| **Less: Aggregate amount of impairment in value of investments** | | | (31.60) | | (1.80) |
| **Carrying Value of total non current investments** | | | **12,460.17** | | **11,471.49** |
| **Aggregate book value of quoted investments** | | | 5,785.18 | | 4,890.78 |
| **Aggregate market value of quoted investments** | | | 32,743.43 | | 10,896.02 |
| **Aggregate carrying value of unquoted investments** | | | 6,674.99 | | 6,580.71 |
| **Aggregate amount of impairment in value of investments** | | | (31.60) | | (1.80) |

**Notes:**

### 7.1 Other details relating to investment in partnership firm

| Name of the firm | Name of partner in the firm | As at March 31, 2022 Share of Capital | As at March 31, 2022 Share of each partner in the profits of the firm | As at March 31, 2021 Share of Capital | As at March 31, 2021 Share of each partner in the profits of the firm |
|---|---|---|---|---|---|
| Tata Dilworth Secord, Meagher & Associates | (i) Tata Projects Limited | - | - | 1.80 | 60% |
| | (ii) Dilworth Secord, Meagher & Associates | - | - | 1.20 | 40% |

# During the year ended March 31, 2022, Investment in Tata Dilworth Secord, Meagher & Associates was written off as per the board resolution dated July 30, 2021

7.2 Includes investment of ₹911.59 (March 31, 2021: ₹790.59), on account of fair valuation of Corporate Guarantee given by the Company on behalf of Artson Engineering Limited.

7.3 During the year ended March 31, 2017, the company has revised the terms of the term loan of ₹1,930.39 and Inter corporate deposits of ₹2,100 given to Artson Engineering Limited (Artson), a subsidiary company. As per the revised terms, the loan aggregating to ₹4,030.39 is interest free and repayable after 20 years. Further, Artson will not declare or pay any dividend prior to the repayment of loan. The loan, being a financial asset, has been discounted to present value amounting to ₹207.10 as at March 31,2017. The balance of ₹3,823.29 (March 31, 2021 : ₹3,823.29) has been included under investments in 7(a) above.

As at June 30, 2021, the company has revised the terms of the reimbursable expenses of ₹1,000.00 incurred on behalf of Artson. As per the revised terms, these receivables of ₹1,000.00 are converted into an interest free loan and repayable after 10 years. Further, Artson will not declare or pay any dividend prior to the repayment of loan. The loan, being a financial asset, has been discounted to present value amounting to ₹226.60 as at June 30, 2021. The balance of ₹773.40 has been included under investments in 7(a) above.

The present value of these loans as at March 31, 2022 is ₹687.78 (March 31, 2021 : ₹374.98).

7.4 Includes investment of ₹158.81 (March 31, 2021: ₹128.82) on account of fair valuation of Corporate Guarantee given by the Company on behalf of Ujjwal Pune Limited.

7.5 Includes investment of ₹95.89 (March 31, 2021: ₹Nil)on account of fair valuation of Corporate Guarantee given by the Company on behalf of TP Luminaire Private Limited.

# Notes forming part of Standalone Ind AS Financial Statements for the year ended March 31, 2022

All amounts are ₹ lakh unless otherwise stated

**7 (b) Current**

| | As at March 31, 2022 | As at March 31, 2021 |
|---|---|---|
| **Investments at fair value through profit or loss (FVTPL)** | | |
| **(i) Investments in mutual funds** | | |
| **Quoted** | | |
| Tata Liquid Fund Direct Plan-Growth - 2,97,639.237 units (March 31,2021: Nil) | 10,002.02 | - |
| Tata Overnight Fund-Direct Plan-Growth- 8,91,749.012 units (March 31,2021: Nil) | 10,000.44 | - |
| Total Aggregate Quoted Investments | 20,002.46 | - |
| **Aggregate market value of quoted investments** | 20,002.46 | - |
| **Aggregate amount of impairment in value of investments** | - | - |

## 8. Trade receivables

| Particulars | As at March 31, 2022 | As at March 31, 2021 |
|---|---|---|
| **Non-current** | | |
| Trade receivables | | |
| Unsecured, considered good | 2,743.45 | 3,291.87 |
| Allowance for doubtful debts (expected credit loss allowance) (refer notes 8.1 to 8.3 below) | (13.72) | (16.46) |
| **Total** | **2,729.73** | **3,275.41** |
| Current | | |
| Trade receivables | | |
| Unsecured, considered good | 6,26,867.62 | 6,60,835.16 |
| Allowance for doubtful debts (expected credit loss allowance)(refer notes 8.1 to 8.3 below) | (19,217.01) | (14,153.87) |
| **Total** | **6,07,650.61** | **6,46,681.29** |

**8.1 Trade Receivables**

The average credit period allowed to customers is between 30 days to 60 days. The credit period is considered from the date of Invoice. Further, a specified amount of bill is held back by the customer as retention money, which is payable as per the credit period, from the date such retention becomes due. The retention monies held by customers become payable on completion of a specified milestone or after the Defect Liability Period of the project, which is normally 1 year after the completion of the project, as per terms of respective contract. No Interest is payable by the customers for the delay in payments of the amounts over due.

The Company evaluates, the financial health, market reputation, credit rating of the customer, before entering into the contract. The company's customers comprise of public sector undertakings as well as private entities.

**8.2 Expected credit loss allowance on receivables**

The company computes the Expected Credit Loss Allowance ("ECLA") by applying the percentages determined on historical basis over past 4 years, for each Business Unit and determined the percentage of such allowance over the turnover of each Business Unit and moderated for current and envisaged future businesses including time based provisions and also taking into account the conditions referred to in note no. 34.12. Expected Credit Loss Allowance is determined on the closing balances of all applicable financial assets as at each reporting date, at the average rates ranging from 0.25% to 1.50%.



Notes forming part of Standalone Ind AS Financial Statements for the year ended March 31, 2022

All amounts are ₹ lakh unless otherwise stated

**8.3 Movement in the expected credit loss allowance**

| Particulars | For the Year ended March 31, 2022 | For the Year ended March 31, 2021 |
|---|---|---|
| Balance at the beginning of the year | 14,170.33 | 9,002.52 |
| Movement in expected credit loss allowance | 5,375.73 | 5,466.68 |
| | **19,546.06** | **14,469.20** |
| Less: Expected credit loss related to unbilled revenue, contractual reimbursable expenses, insurance and other claims receivable (Refer Note 10) | (315.33) | (297.19) |
| Other adjustments | - | (1.68) |
| **Balance at the end of the year** | **19,230.73** | **14,170.33** |

The concentration of credit risk is low due to the fact that the customer base is large and unrelated.

**8.4** Trade receivables consists of retention receivables of ₹2,59,180.18 (March 31, 2021 : ₹2,71,664.28), of which ₹29,206.51 (March 31, 2021 : ₹45,750.17) are due and yet to be realised.

**8.5 Trade receivables Ageing Schedule**

**a. Non-current Trade receivables ageing schedule for the year ended March 31 ,2022**

| Particulars | | Outstanding for following periods from due date of payment | | | | | Total |
|---|---|---|---|---|---|---|---|
| | Not due | Less than 6 months | 6 months - 1 Year | 1-2 years | 2-3 years | More than 3 years | |
| (i) Undisputed Trade receivables – considered good | 2,743.45 | - | - | - | - | - | 2,743.45 |
| (ii) Undisputed Trade Receivables – which have significant increase in credit risk | - | - | - | - | - | - | - |
| (iii) Undisputed Trade Receivables – credit impaired | - | - | - | - | - | - | - |
| (iv) Disputed Trade Receivables–considered good | - | - | - | - | - | - | - |
| (v) Disputed Trade Receivables – which have significant increase in credit risk | - | - | - | - | - | - | - |
| (vi) Disputed Trade Receivables – credit impaired | - | - | - | - | - | - | - |
| (vii) Allowance for doubtful debts (expected credit loss allowance) | - | - | - | - | - | - | (13.72) |
| **Total** | **2743.45** | | | | | | **2,729.73** |

**b. Current trade receivables ageing schedule for the year ended March 31 ,2022**

| Particulars | | Outstanding for following periods from due date of payment | | | | | Total |
|---|---|---|---|---|---|---|---|
| | Not due | Less than 6 months | 6 months - 1 Year | 1-2 years | 2-3 years | More than 3 years | |
| (i) Undisputed Trade receivables – considered good | 4,14,470.18 | 82,515.35 | 31,581.19 | 29,607.05 | 6,104.85 | 1,689.10 | 5,65,967.72 |
| (ii) Undisputed Trade Receivables – which have significant increase in credit risk | - | - | - | 1,494.58 | 16,202.84 | 4,658.35 | 22,355.77 |
| (iii) Undisputed Trade Receivables – credit impaired | - | - | - | - | - | - | - |
| (iv) Disputed Trade Receivables–considered good | 19,834.98 | 60.00 | 417.07 | 1,698.23 | 484.49 | 2,135.43 | 24,630.20 |
| (v) Disputed Trade Receivables – which have significant increase in credit risk | - | - | - | - | 9,548.37 | 4,365.56 | 13,913.93 |
| (vi) Disputed Trade Receivables – credit impaired | - | - | - | - | - | - | - |
| (vii) Allowance for doubtful debts (expected credit loss allowance) | - | - | - | - | - | - | (19,217.01) |
| **Total** | **4,34,305.16** | **82,575.35** | **31,998.26** | **32,799.86** | **32,340.55** | **12,848.44** | **6,07,650.61** |

# Notes forming part of Standalone Ind AS Financial Statements for the year ended March 31, 2022

All amounts are ₹ lakh unless otherwise stated

### c. Non-current Trade receivables ageing schedule for the year ended March 31 ,2021

| Particulars | Outstanding for following periods from due date of payment | | | | | | Total |
|---|---|---|---|---|---|---|---|
| | Not due | Less than 6 months | 6 months - 1 Year | 1-2 years | 2-3 years | More than 3 years | |
| (i) Undisputed Trade receivables – considered good | 3291.87 | - | - | - | - | - | 3,291.87 |
| (ii) Undisputed Trade Receivables – which have significant increase in credit risk | - | - | - | - | - | - | - |
| (iii) Undisputed Trade Receivables – credit impaired | - | - | - | - | - | - | - |
| (iv) Disputed Trade Receivables–considered good | - | - | - | - | - | - | - |
| (v) Disputed Trade Receivables – which have significant increase in credit risk | - | - | - | - | - | - | - |
| (vi) Disputed Trade Receivables – credit impaired | - | - | - | - | - | - | - |
| (vii) Allowance for doubtful debts (expected credit loss allowance) | - | - | - | - | - | - | (16.46) |
| **Total** | **3,291.87** | | | | | | **3,275.41** |

### d. Current trade receivables ageing schedule for the year ended March 31 ,2021

| Particulars | Outstanding for following periods from due date of payment | | | | | | Total |
|---|---|---|---|---|---|---|---|
| | Not due | Less than 6 months | 6 months - 1 Year | 1-2 years | 2-3 years | More than 3 years | |
| (i) Undisputed Trade receivables – considered good | 4,27,118.10 | 88,830.21 | 37,002.13 | 34,593.59 | 1,390.87 | 169.02 | 5,89,103.92 |
| (ii) Undisputed Trade Receivables – which have significant increase in credit risk | - | - | - | 6,418.15 | 5,902.17 | 2,191.55 | 14,511.87 |
| (iii) Undisputed Trade Receivables – credit impaired | - | - | - | - | - | - | - |
| (iv) Disputed Trade Receivables–considered good | 37,096.37 | 603.30 | 1,541.52 | 2,350.40 | 98.28 | 2,149.81 | 43,839.68 |
| (v) Disputed Trade Receivables – which have significant increase in credit risk | - | - | - | 7,293.80 | 2,079.18 | 4,006.71 | 13,379.69 |
| (vi) Disputed Trade Receivables – credit impaired | - | - | - | - | - | - | - |
| (vii) Allowance for doubtful debts (expected credit loss allowance) | - | - | - | - | - | - | (14,153.87) |
| **Total** | **4,64,214.47** | **89,433.51** | **38,543.65** | **50,655.94** | **9,470.50** | **8,517.09** | **6,46,681.29** |

## 9. Loans

| Particulars | As at March 31, 2022 | As at March 31, 2021 |
|---|---|---|
| **Non-current** | | |
| **a) Loans to related parties at amortised cost** | | |
| Unsecured, considered good | | |
| **Loans to subsidiaries** | | |
| Artson Engineering Limited (Refer Note 7.3) | 687.78 | 374.98 |
| **Total** | **687.78** | **374.98** |
| **Current** | | |
| **a) Loans to related parties at amortised cost** | | |
| Unsecured, considered good | | |
| **Loans to jointly controlled operations** | - | - |
| Angelique-TPL JV | - | 18.50 |
| **Total** | **-** | **18.50** |

**9.1** The Company has provided financial supportto its subsidiaries and jointly controlled operations by way of loans for their operational needs. Hence, these loans are not considered to be prejudicial to the Company's interest.



# Notes forming part of Standalone Ind AS Financial Statements for the year ended March 31, 2022

All amounts are ₹ lakh unless otherwise stated

**9.2** Details of loans granted to related parties:

| Particulars | As at March 31, 2022 | | As at March 31, 2021 | |
|---|---|---|---|---|
| | Gross amount outstanding | Percentage to the total loans | Gross amount outstanding | Percentage to the total loans |
| Artson Engineering Limited (Refer Note 7.3) | 5,030.39 | 100% | 4,030.39 | 99.54% |
| Angelique-TPL JV | - | - | 18.50 | 0.46% |
| **Total** | **5,030.39** | **100%** | **4,048.89** | **100%** |

## 10. Other financial assets

| Particulars | As at March 31, 2022 | As at March 31, 2021 |
|---|---|---|
| **Non-current** | | |
| Security deposits | 1,636.67 | 1,554.00 |
| Loans and advances to employees | 10.94 | 18.32 |
| **Total** | **1,647.61** | **1,572.32** |
| **Current** | | |
| Security deposits | 10,699.64 | 10,796.03 |
| Unbilled revenue (refer note no.10.1 & 10.2 below) | | |
| Unsecured, considered good | 5,35,681.69 | 4,75,660.72 |
| Less: Expected credit loss allowance | (2,621.71) | (2,326.65) |
| | **5,33,059.98** | **4,73,334.07** |
| Contractual reimbursable expenses | | |
| Unsecured, considered good | 5,277.36 | 2,428.15 |
| Less: Expected credit loss allowance | (29.77) | (9.53) |
| | **5,247.59** | **2,418.62** |
| Insurance and other claims receivable | | |
| Unsecured, considered good | 34.39 | 30.80 |
| Less: Expected credit loss allowance | (0.23) | (0.20) |
| | **34.16** | **30.60** |
| Interest accruals | | |
| (i) Interest accrued on deposits | 76.71 | 88.42 |
| (ii) Interest accrued on Investments in Debentures - Subsidaries | 829.73 | 339.84 |
| (iii) Interest accrued on mobilisation advance given | 8.33 | 1.64 |
| | **914.77** | **429.90** |
| **Total** | **5,49,956.14** | **4,87,009.22** |

**Note:**

**10.1** Unbilled revenue include ₹2,22,588 as at March 31, 2022 (March 31, 2021: ₹2,08,174), representing customer related claims raised by the management in respect of various projects substantially completed/in progress. These are based on terms and conditions implicit in the contract in respect of additional cost incurred on such projects on account of prolongation, scope variation and price variation, which the management based on external/internal evaluation, assesses to be claimable from customers. Currently, these are at various stages of negotiation/discussion with customers or under arbitration/litigation. Management is confident of recovery of these receivables at this stage.

**10.2** Disputed and undisputed Unbilled Revenue as at March 31, 2022 and March 31, 2021

| Particulars | As at March 31, 2022 | As at March 31, 2021 |
|---|---|---|
| Disputed unbilled revenue- considered good | 2,22,588.00 | 2,08,174.00 |
| Undisputed unbilled revenue- considered good | 3,13,093.69 | 2,67,486.72 |
| Less: Expected credit loss allowance | (2,621.71) | (2,326.65) |
| | **5,33,059.98** | **4,73,334.07** |

# Notes forming part of Standalone Ind AS Financial Statements for the year ended March 31, 2022

All amounts are ₹ lakh unless otherwise stated

## 11. Deferred tax assets (net)

| Particulars | As at March 31, 2022 | As at March 31, 2021 |
|---|---|---|
| Deferred tax assets | 25,669.88 | 9,577.08 |
| Deferred tax liabilities | (1,267.59) | (356.54) |
| **Total** | **24,402.29** | **9,220.54** |

| 2021-22 | Opening balance | Other adjustments | Recognised in statement of profit and loss | Recognised in other comprehensive income | Equity component in Compound financial instruments | Closing balance |
|---|---|---|---|---|---|---|
| **Deferred tax (liabilities) / assets in relation to** | | | | | | |
| Property, plant and equipment | 3,055.27 | - | (622.78) | - | - | 2,432.49 |
| Provisions for retirement benefits | 2,956.42 | - | (93.64) | (595.42) | - | 2,267.36 |
| Carry forward losses and unabsorbed depreciation | 62.88 | - | 16,768.23 | - | - | 16,831.11 |
| Allowance for doubtful debts | 2,576.28 | - | 910.45 | - | - | 3,486.73 |
| Disallowance under section 43B | 380.87 | - | (247.48) | - | - | 133.39 |
| FVTPL financial assets | (101.83) | - | (77.76) | - | - | (179.59) |
| Derecognition of corporate guarantee liability | (254.71) | - | (64.46) | - | - | (319.17) |
| Equity component of compound financial instruments | - | - | - | - | (768.83) | (768.83) |
| Right-of-use assets | 545.36 | - | (26.56) | - | - | 518.80 |
| | **9,220.54** | **-** | **16,546.00** | **(595.42)** | **(768.83)** | **24,402.29** |

| 2020-21 | Opening balance | Other adjustments | Recognised in statement of profit and loss | Recognised in other comprehensive income | Equity component in Compound financial instruments | Closing balance |
|---|---|---|---|---|---|---|
| **Deferred tax (liabilities) / assets in relation to** | | | | | | |
| Property, plant and equipment | 4,573.96 | - | (1,518.69) | - | - | 3,055.27 |
| Provisions for retirement benefits | 2,771.18 | - | (271.69) | 456.93 | - | 2,956.42 |
| Carry forward losses and unabsorbed depreciation | - | - | 62.88 | - | - | 62.88 |
| Allowance for doubtful debts | 2,925.94 | (0.91) | (348.75) | - | - | 2,576.28 |
| Disallowance under section 43B | 413.99 | - | (33.12) | - | - | 380.87 |
| Others | 16.73 | - | (16.73) | - | - | - |
| FVTPL financial assets | (4.67) | - | (97.16) | - | - | (101.83) |
| Derecognition of corporate guarantee liability | (213.01) | - | (41.70) | - | - | (254.71) |
| Right-of-use assets | 336.92 | - | 208.44 | - | - | 545.36 |
| | **10,821.04** | **(0.91)** | **(2,056.52)** | **456.93** | **-** | **9,220.54** |

**Note:**
The deferred tax asset (net) includes Company's share of net deferred tax asset in jointly controlled operations amounting to ₹536.85 (March 31, 2021: ₹1,266.01).



# Notes forming part of Standalone Ind AS Financial Statements for the year ended March 31, 2022

All amounts are ₹ lakh unless otherwise stated

## 12. Non-current tax assets (net) and current tax liabilities (net)

| Particulars | As at March 31, 2022 | As at March 31, 2021 |
|---|---|---|
| Non-current tax assets (net) (Refer notes 1 and 3 below) | 29,917.37 | 18,519.03 |
| **Total** | **29,917.37** | **18,519.03** |
| Current tax liabilities (net) (Refer note 2 below) | 3,081.05 | 4,883.46 |
| **Total** | **3,081.05** | **4,883.46** |

**Notes:**
1. Represents Company's net current tax position from standalone activities which includes few of the jointly controlled operations.
2. Represents Company's share of net current tax position of jointly controlled operations.
3. Includes amount paid under protest towards Income tax of ₹1,607.53 (March 31, 2021: ₹1,607.53), of which an amount of ₹114.52 (March 31, 2021: ₹114.52) pertains to jointly controlled operations.

## 13. Other assets

| Particulars | As at March 31, 2022 | As at March 31, 2021 |
|---|---|---|
| **Non-current** | | |
| Capital advances | 133.46 | 52.49 |
| Others | | |
| - Deposits with government authorities (Refer Note No 13.1) | 4,054.68 | 4,140.44 |
| - Prepaid expenses | 97.97 | 121.31 |
| **Total** | **4,286.11** | **4,314.24** |
| **Current** | | |
| Mobilisation advances | 65,745.40 | 71,778.01 |
| Others | | |
| - Balances with government authorities | | |
| CENVAT credit receivable | 53.71 | 53.71 |
| VAT credit receivable | 3,959.99 | 4,444.45 |
| Sales tax deducted at source | 8,879.60 | 10,745.18 |
| GST Credit receivable | 79,424.50 | 58,597.34 |
| GST Refund receivable | 857.40 | 1,691.96 |
| Export Incentive | 154.38 | - |
| - Loans and advances to employees | 267.16 | 590.81 |
| - Prepaid expenses | 1,694.32 | 1,819.23 |
| - Project related advances to related parties | | |
| Artson Engineering Limited | 877.50 | 668.80 |
| - Project related advances to others | | |
| Unsecured, considered good | 69,434.89 | 49,096.71 |
| Doubtful | 24.08 | 24.08 |
| | **69,458.97** | **49,120.79** |
| Less: Provision for doubtful advances | (24.08) | (24.08) |
| | **69,434.89** | **49,096.71** |
| **Total** | **2,31,348.85** | **1,99,486.20** |

**Notes:**
**13.1** Includes amount paid under protest towards Service tax and Sales Tax of ₹2,442.11(March 31, 2021: ₹2,432.66).

# Notes forming part of Standalone Ind AS Financial Statements for the year ended March 31, 2022

All amounts are ₹ lakh unless otherwise stated

## 14. Inventories

| Particulars | As at March 31, 2022 | As at March 31, 2021 |
|---|---|---|
| Inventories (lower of cost or realisable value) | | |
| Raw materials | 75,894.20 | 56,484.28 |
| Work-in-progress | 17.12 | 319.98 |
| Finished goods | 2.54 | 2.54 |
| Stores and spares | 344.65 | 171.58 |
| **Total** | **76,258.51** | **56,978.38** |

## 15. Cash and cash equivalents

| Particulars | As at March 31, 2022 | As at March 31, 2021 |
|---|---|---|
| Balances with Banks | | |
| - In current accounts | 91,794.30 | 23,079.97 |
| - In EEFC accounts | 8,703.98 | 6,181.67 |
| Cash on hand | 86.14 | 73.86 |
| Deposits with maturity of less than three months | 34,203.29 | 6,261.01 |
| **Cash and cash equivalents as per balance sheet (a)** | 1,34,787.71 | 35,596.51 |
| **Other bank balances** | | |
| Deposits with maturity of more than 3 months and less than 12 months (Refer note below 15.1) | 6,563.41 | 5,510.63 |
| **Total of other bank balances (b)** | 6,563.41 | 5,510.63 |
| Bank overdrafts (Refer note below 15.2) (c) | - | (36.68) |
| **Cash and cash equivalents as per standalone statement of cash flows (a)+(b)** | **1,34,787.71** | **35,559.83** |

**Note :**

**15.1** Deposits with maturity of more than 3 months and less than 12 months includes

- deposits with banks to the extent held as margin money against bank guarantee of ₹917.56 (March 31, 2021: ₹1,515.81)
- deposits with banks to the extent held as security with third party ₹38.75 (March 31, 2021: ₹75.10)

**15.2** Bank overdrafts presented separately under current borrowings (Refer note no. 20) have been netted off from "cash and cash equivalents in Balance Sheet" to match with the reconciliation of "cash and cash equivalents as per the statement of cash flows". Bank overdrafts represents secured amount of ₹Nil (March 31, 2021 : secured overdraft of ₹36.68).

## 16. Equity share capital

| | As at March 31, 2022 | | As at March 31, 2021 | |
|---|---|---|---|---|
| | Number of shares | Amount | Number of shares | Amount |
| **Authorised share capital** | | | | |
| Equity shares of ₹5 each (March 31, 2021 : ₹100 each) with voting rights | 20,00,00,000 | 10,000.00 | 25,00,000 | 2,500.00 |
| **Issued, subscribed and fully paid-up** | | | | |
| Equity shares of ₹5 each (March 31, 2021 : ₹100 each) with voting rights | 16,59,32,550 | 8,296.63 | 20,25,000 | 2,025.00 |
| **Total** | **16,59,32,550** | **8,296.63** | **20,25,000** | **2,025.00** |



# Notes forming part of Standalone Ind AS Financial Statements for the year ended March 31, 2022

All amounts are ₹ lakh unless otherwise stated

**Notes:**

**(i) Reconciliation of the number of shares and amount outstanding at the beginning and at the end of the year**

**Equity shares with voting rights**

| | As at March 31, 2022 | | As at March 31, 2021 | |
|---|---|---|---|---|
| | Number of shares | Amount | Number of shares | Amount |
| Balance at the beginning of the year | 20,25,000 | 2,025.00 | 20,25,000 | 2,025.00 |
| Change in par value of share from ₹100 per share to ₹5 per share (Refer Note No(vi) below) | 3,84,75,000 | - | - | - |
| Bonus Issue during the year (Refer Note No(vii) below) | 8,10,00,000 | 4,050.00 | - | - |
| Rights Issue during the year (Refer Note No(viii) below) | 4,44,32,550 | 2,221.63 | - | - |
| Balance at the end of the year | **16,59,32,550** | **8,296.63** | **20,25,000** | **2,025.00** |

**(ii) Rights, preferences and restrictions attached to the equity shares**

The Company has only one class of equity shares having a par value of ₹5 each per share (March 31, 2021: ₹100 each per share). Each holder of equity shares is entitled to one vote per share. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting. In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders. Every holder of equity shares present at a meeting in person or by proxy is entitled to one vote, and upon a poll each share is entitled to one vote.

**(iii) Shareholders holding more than 5% of the equity shares**

| | As at March 31, 2022 | | As at March 31, 2021 | |
|---|---|---|---|---|
| | Number of shares | % | Number of shares | % |
| **Equity shares of ₹5 each (as at March 31, 2021: ₹100 each) with voting rights** | | | | |
| The Tata Power Company Limited | 7,92,78,886 | 47.78 | 9,67,500 | 47.78 |
| Omega TC Holdings Pte Limited | 2,93,06,400 | 17.66 | 4,88,440 | 24.12 |
| Tata Sons Private Limited | 2,31,12,496 | 13.93 | 1,35,000 | 6.67 |
| Tata Chemicals Limited | 1,58,55,777 | 9.56 | 1,93,500 | 9.56 |
| Voltas Limited | 1,10,62,170 | 6.67 | 1,35,000 | 6.67 |

**(iv) Aggregate number of shares issued for consideration other than cash**

| Particulars | Number of shares | |
|---|---|---|
| | As at March 31, 2022 | As at March 31, 2021 |
| Change in number of shares due to change in par value of share from ₹100 per share to ₹5 per share | 3,84,75,000 | - |
| Bonus Issue during the year (Refer Note No(vii) below) | 8,10,00,000 | - |
| | **11,94,75,000** | **-** |

**(v)** There are no shares reserved for issue under options.

**(vi)** During the year ended March 31, 2022 the Company has split the equity shares from ₹100 per share to ₹5 per share i.e., 20:1 equity shares.

**(vii)** During the year ended March 31, 2022 the Company has issued 8,10,00,000 Bonus Shares, having a par value of ₹5 each per share, to the existing shareholders in the ratio of 2:1 by utilising the Securities Premium reserve aggregating to ₹4,050.

**(viii)** During the year March 31, 2022, the Company has issued 4,44,32,550 shares amounting ₹2,221.63 under Rights issue to the existing shareholders of the company at an issue price of ₹270.04 each per share (₹265.04 each per share towards securities premium and ₹5 each per share towards paid up capital). All the existing shareholders were offered 3,657 equity shares for every 10,000 shares held by them as a part of the Rights issue.

**(ix)** None of the Shareholders during the year are considered as Promoters of the company.

# Notes forming part of Standalone Ind AS Financial Statements for the year ended March 31, 2022

All amounts are ₹ lakh unless otherwise stated

## 17. Other equity

| Particulars | As at March 31, 2022 | As at March 31, 2021 |
|---|---|---|
| Equity component of compound financial instruments | 2,285.96 | - |
| Reserves & Surplus | | |
| a) General reserve | 29,042.70 | 29,042.70 |
| b) Securities premium reserve | 1,18,701.53 | 4,987.50 |
| c) Debenture redemption reserve | 21,000.00 | 10,000.00 |
| d) Retained earnings | 28,467.60 | 1,02,605.78 |
| Other comprehensive income | (4,911.65) | (6,241.23) |
| **Total** | **1,94,586.14** | **1,40,394.75** |

### 17.1 Equity component of compound financial instruments

| | For the Year ended March 31, 2022 | For the Year ended March 31, 2021 |
|---|---|---|
| Balance at the beginning of the year | - | - |
| Add: Equity portion of compound financial instruments issued during the year (refer note below) | 3,054.79 | - |
| Less: Deferred tax liability on Equity component of Compound financial instruments | (768.83) | - |
| **Balance at the end of the year** | **2,285.96** | **-** |

During the year, the company issued non convertible debentures aggregating to ₹50,000 with a transaction cost of ₹700. These debentures are in the nature of subordinated debt. As per Ind AS, the company determined the liability portion of these debentures i.e, at amortised cost to be ₹46,245.21. The difference between the liability portion determined using effective interest method and the issued amount i.e, ₹3,054.79 has been recognised and included in shareholders' equity, net of income tax effects, and not subsequently remeasured.

### 17.2 General reserve

| | For the Year ended March 31, 2022 | For the Year ended March 31, 2021 |
|---|---|---|
| Balance at the beginning of the year | 29,042.70 | 29,042.70 |
| Movements during the year | - | - |
| **Balance at the end of the year** | **29,042.70** | **29,042.70** |

General reserve represents transfers from retained earnings and is proposed to be used for appropriation purposes.. As the general reserve is created by a transfer from one component of equity to another and is not an item of other comprehensive income, items included in the general reserve will not be reclassified subsequently to profit or loss.

### 17.3 Securities premium reserve

| | For the Year ended March 31, 2022 | For the Year ended March 31, 2021 |
|---|---|---|
| Balance at the beginning of the year | 4,987.50 | 4,987.50 |
| Less: Utilised for Bonus issue (Refer Note No 16.(vii)) | (4,050.00) | - |
| Add: Premium received on Rights issue(Refer Note No 16.(viii)) | 1,17,764.03 | - |
| **Balance at the end of the year** | **1,18,701.53** | **4,987.50** |

Securities premium is used to record the premium on issue of shares. The reserve is utilised in accordance with the provisions of the Act.



Notes forming part of Standalone Ind AS Financial Statements for the year ended March 31, 2022

All amounts are ₹ lakh unless otherwise stated

### 17.4 Debenture redemption reserve

| | For the Year ended March 31, 2022 | For the Year ended March 31, 2021 |
|---|---|---|
| Balance at the beginning of the year | 10,000.00 | 5,000.00 |
| Appropriations during the year | 11,000.00 | 5,000.00 |
| **Balance at the end of the year** | **21,000.00** | **10,000.00** |

Debenture redemption reserve is created out of the profits for the purpose of redemption of debentures.

### 17.5 Retained earnings

| Particulars | For the Year ended March 31, 2022 | For the Year ended March 31, 2021 |
|---|---|---|
| Balance at the beginning of the year | 1,02,605.78 | 95,161.09 |
| (Loss)/profit attributable to owners of the Company | (63,138.18) | 12,530.71 |
| Impact due to change in profit sharing percentage in jointly controlled operations (retrospectively) | - | (86.02) |
| Transfer to debenture redemption reserve | (11,000.00) | (5,000.00) |
| **Balance at the end of the year** | **28,467.60** | **1,02,605.78** |

### 17.6 Other Comprehensive Income*

| Particulars | For the Year ended March 31, 2022 | For the Year ended March 31, 2021 |
|---|---|---|
| Balance at the beginning of the year | (6,241.23) | (4,075.67) |
| Remeasurement of defined benefit obligation net of income tax | 1,329.58 | (2,165.56) |
| **Balance at the end of the year** | **(4,911.65)** | **(6,241.23)** |

*Other comprehensive income consists of re-measurements of the defined benefit plans

## 18. Non current borrowings

| Particulars | As at March 31, 2022 | As at March 31, 2021 |
|---|---|---|
| Debentures (Refer Note No 18.(i)) | 1,59,559.49 | 1,74,352.42 |
| Less: Current maturities of borrowings disclosed under Note 20(c) - Current borrowings | (59,903.53) | (14,957.50) |
| | **99,655.96** | **1,59,394.92** |
| Debentures - Liability component of compound financial instruments (Refer Note No 18(ii)) | 47,539.81 | - |
| Less: Current maturities of borrowings disclosed under Note 20(c) - Current borrowings | (47,539.81) | - |
| | - | - |
| Interest accrued but not due on borrowings | 2,670.14 | 2,673.76 |
| **Total** | **1,02,326.10** | **1,62,068.68** |

**Note:**

**18. (i) Unsecured, redeemable, non-convertible, fixed rate debentures:**

| Sl. No. | Series | Face Value per debenture (in ₹) | No. of Debentures | Date of Allotment | As at 31-Mar-22 (₹ in Lakhs) | Interest rate for the year 2021-22 | Terms of repayment for debentures outstanding as at 31.03.2022 |
|---|---|---|---|---|---|---|---|
| 1 | H | 10,00,000 | 2,500 | January 31, 2022 | 24,872.78 | 6.65% payable annually | Redeemable at face value on January 24, 2025 |
| 2 | G | 10,00,000 | 2,500 | January 31, 2022 | 24,999.72 | 6.65% payable annually | Redeemable at face value on Dec 18, 2024 |
| 3 | E | 10,00,000 | 2,500 | January 14, 2021 | 24,794.05 | 6.25% payable annually | Redeemable at face value on January 12, 2024 |
| 4 | D | 10,00,000 | 2,500 | March 12, 2020 | 24,989.41 | 8.30% payable annually | Redeemable at face value on August 30, 2023 |
| 5 | B | 10,00,000 | 3,500 | December 19, 2019 | 34,929.27 | 8.75% payable annually | Redeemable at face value on January 11, 2023 |
| 6 | C | 10,00,000 | 2,500 | March 12, 2020 | 24,974.26 | 8.10% payable annually | Redeemable at face value on August 30, 2022 |

# Notes forming part of Standalone Ind AS Financial Statements for the year ended March 31, 2022

All amounts are ₹ lakh unless otherwise stated

**18. (ii) Terms of Debentures - Liability component of Compound Financial Instruments :**

| Sl. No. | Series | Face Value per debenture (in ₹) | No. of Debentures | Date of Allotment | Current Borrowings (Refer Note No 17.1,18(iii)) | Interest rate for the year 2021-22 | Terms of repayment for debentures outstanding as at 31.03.2022 |
|---|---|---|---|---|---|---|---|
| 1 | F | 10,00,000 | 5,000 | November 24, 2021 | 47,539.81 | 6.50% payable annually | Redeemable at face value on May 24, 2028 |

18 (iii) The Company intends to repay series F debentures before March 31, 2023.Hence, the same has been disclosed under current borrowings.

18 (iv) Non convertible debentures received during the current year and previous year were utilised for the purposes for which they were received. There are no defaults in repayment of borrowings and payment of interest during the current year and previous year.

18 (v) With Respect to Series B, Series C, Series D and Series E Non -convertible debenture issued by the Company, the Company has obtained waiver for testing of one of the financial covenant i.e. "Net Debts to EBDITA" for financial year ended March 31, 2022. The Debenture Trustee issued waiver letters dated April 19, 2022 and April 25, 2022.

## 19. Provisions

| | As at March 31, 2022 | As at March 31, 2021 |
|---|---|---|
| **Employee benefits** | | |
| Non-current | | |
| Compensated absences | 3,604.75 | 3,423.84 |
| Post retirement medical benefits | 55.25 | 60.18 |
| Pension | 451.70 | 492.96 |
| **Sub-Total** | **4,111.70** | **3,976.98** |
| Current | | |
| Compensated absences | 1,100.10 | 928.06 |
| Gratuity | 2,039.61 | 2,126.52 |
| Post retirement medical benefits | 5.00 | 5.00 |
| Pension | 51.23 | 51.23 |
| Provident fund | 1,704.66 | 4,833.18 |
| **Sub-Total** | **4,900.60** | **7,943.99** |
| **Total** | **9,012.30** | **11,920.97** |

## 20. Current borrowings

| Particulars | As at March 31, 2022 | As at March 31, 2021 |
|---|---|---|
| **Unsecured - at amortised cost** | | |
| **a) From banks** | | |
| - Working capital demand loans | 50,000.00 | 25,000.13 |
| **b) From others** | | |
| - Commercial paper | 64,307.68 | 34,129.80 |
| c) Current maturities of long-term debt | 1,07,443.34 | 14,957.50 |
| d) Interest accrued but not due on current borrowings | 343.57 | 585.15 |
| **Secured - at amortised cost** | | |
| **a) From banks** | | |
| - Overdraft facilities | - | 36.68 |
| - Working capital demand loans | 9,500.00 | 32,500.01 |
| **Total** | **2,31,594.59** | **1,07,209.27** |



# Notes forming part of Standalone Ind AS Financial Statements for the year ended March 31, 2022

All amounts are ₹ lakh unless otherwise stated

**Notes :**

I Overdraft facilities and Working capital demand loans are secured by:

(a) a first charge on the book debts, inventories and other current assets ranking pari-passu.

(b) an exclusive charge on the entire receivables and current assets relating to the project being undertaken at Ethiopia and Ivory Coast.

II Overdraft (OD) with interest rates linked to Base rate/MCLR were availed. The current weighted average effective interest rate on overdrafts is 7.12% p.a. (March 31, 2021: 8.04% p.a.).

III Commercial Paper with variable interest rate were issued. These are repayable within 12 days to 353 days. The current weighted average effective interest rate on Commercial Paper is 4.70% p.a. (March 31, 2021: 6.55% p.a.)

IV Fixed rate loans in the form of Working Capital Demand Loans (WCDL) was raised for a tenor not exceeding 360 days. The weighted average effective interest rate is 5.79% p.a.(March 31, 2021: 6.99% p.a.).

V Borrowings received during the current year and previous year were utilised for the purposes for which they were received.

VI There are no defaults in repayment of borrowings and payment of interest during the current and previous year.

**Net Debt Reconciliation**

This section sets out the changes in liabilities arising from financing activities in the statement of cash flows:

| Particulars | As at March 31, 2022 | As at March 31, 2021 |
|---|---|---|
| Opening balance (Current and Non-Current borrowings): | 2,68,679.77 | 2,88,500.44 |
| Add: Cash flows (Net) | 66,299.86 | (20,032.83) |
| Add: Interest expense | 27,724.14 | 24,871.20 |
| Less: Interest paid | (27,969.34) | (24,659.04) |
| **Closing balance** | **3,34,734.43** | **2,68,679.77** |

**Note:**

Bank overdraft balances are not included above as it is considered as cash and cash equivalents.

## 21. Trade payables

| Particulars | As at March 31, 2022 | As at March 31, 2021 |
|---|---|---|
| **Trade payables** | | |
| (a) total outstanding dues of micro and small enterprises | 1,21,315.07 | 1,04,185.18 |
| (b) total outstanding dues other than (a) above | | |
| (i) Acceptances | 1,48,274.25 | 70,034.44 |
| (ii) Others | 3,85,675.42 | 3,97,434.88 |
| **Total** | **6,55,264.74** | **5,71,654.50** |

The average credit period ranges from 30 days to 90 days, depending on the nature of the item or work. The work orders include element of retention, which would be payable on completion of a milestone, completion of the contract or after a specified period from completion of the work. The terms also would include back to back arrangement wherein, certain amounts are payable on realisation of corresponding amounts by the company from the customer. No interest is payable for delay in payments, unless otherwise specifically agreed in the order or as required by a legislation, like Micro, Small and Medium Enterprises Development Act ("MSMED Act"). The company has a well defined process for ensuring regular payments to the vendors.

# Notes forming part of Standalone Ind AS Financial Statements for the year ended March 31, 2022

All amounts are ₹ lakh unless otherwise stated

**Note:**

Disclosure under Section 22 of the Micro, Small and Medium Enterprises Development Act, 2006 #

| Particulars | | As at March 31, 2022 | As at March 31, 2021 |
|---|---|---|---|
| (a) | Principal amount remaining unpaid to any supplier as at the end of the accounting year | 1,18,056.97 | 1,01,706.15 |
| (b) | Interest due thereon remaining unpaid to any supplier as at the end of the accounting year | 779.07 | 692.20 |
| (c) | The amount of interest paid by the buyer in terms of section 16 of MSMED Act, along with the amounts of the payment made to the supplier beyond the appointed day | - | - |
| (d) | The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under the MSMED Act | - | - |
| (e) | The amount of interest accrued and remaining unpaid at the end of the accounting year | 3,258.10 | 2,479.03 |
| (f) | The amount of further interest due and payable even in the succeeding year, until such date when the interest dues as above are actually paid to the small enterprise, for the purpose of disallowance as a deductible expenditure under section 23 of MSMED Act | 3,258.10 | 2,479.03 |

# amounts unpaid to micro and small enterprises on account of retention money has not been considered for the purpose of interest calculations.

Dues to Micro and Small Enterprises have been determined to the extent such parties have been identified on the basis of information collected by the Management.

### Trade Payables ageing schedule for the year ended March 31 ,2022

| Particulars | | Outstanding for following periods from accounting date | | | | | |
|---|---|---|---|---|---|---|---|
| | Unbilled due | Less than 6 months | 6 months - 1 Year | 1-2 years | 2-3 years | More than 3 years | Total |
| **Undisputed** | | | | | | | |
| Micro and small enterprises | 4,598.99 | 76,438.01 | 10,900.69 | 11,752.71 | 6,024.21 | 8,191.56 | 1,17,906.17 |
| Others | 39,298.76 | 3,51,571.92 | 30,885.19 | 28,430.61 | 25,657.92 | 55,951.52 | 5,31,795.92 |
| **Disputed** | | | | | | | |
| Micro and small enterprises | - | 2,996.94 | 68.27 | 38.16 | 54.85 | 250.68 | 3,408.90 |
| Others | - | 330.00 | 9.18 | 2.16 | 20.01 | 1,792.40 | 2,153.75 |
| **Total** | **43,897.75** | **4,31,336.87** | **41,863.33** | **40,223.64** | **31,756.99** | **66,186.16** | **6,55,264.74** |

### Trade Payables ageing schedule for the year ended March 31 ,2021

| Particulars | | Outstanding for following periods from accounting date | | | | | |
|---|---|---|---|---|---|---|---|
| | Unbilled due | Less than 6 months | 6 months - 1 Year | 1-2 years | 2-3 years | More than 3 years | Total |
| **Undisputed** | | | | | | | |
| Micro and small enterprises | 2,479.03 | 82,458.64 | 7,346.35 | 7,145.10 | 630.65 | 997.39 | 1,01,057.16 |
| Others | 43,268.63 | 2,80,023.00 | 37,926.25 | 43,740.09 | 33,068.02 | 26,817.71 | 4,64,843.70 |
| **Disputed** | | | | | | | |
| Micro and small enterprises | - | 197.16 | 336.89 | 363.08 | 2,075.16 | 155.73 | 3,128.02 |
| Others | - | 133.84 | 15.89 | 600.00 | 87.93 | 1,787.96 | 2,625.62 |
| **Total** | **45,747.66** | **3,62,812.64** | **45,625.38** | **51,848.27** | **35,861.76** | **29,758.79** | **5,71,654.50** |



# Notes forming part of Standalone Ind AS Financial Statements for the year ended March 31, 2022

All amounts are ₹ lakh unless otherwise stated

## 22. Lease liabilities

| Particulars | As at March 31, 2022 | As at March 31, 2021 |
|---|---|---|
| **Non-Current** | | |
| Lease Liabilities | 2,648.93 | 4,261.96 |
| **Total** | **2,648.93** | **4,261.96** |
| **Current** | | |
| Lease Liabilities | 9,154.22 | 16,920.99 |
| **Total** | **9,154.22** | **16,920.99** |

## 23. Other financial liabilities

| Particulars | | As at March 31, 2022 | As at March 31, 2021 |
|---|---|---|---|
| **Current** | | | |
| a) | Interest accrued on mobilisation advance received | 4,743.08 | 4,092.34 |
| b) | Payables towards purchase of property, plant and equipment | 6,366.82 | 2,824.96 |
| **Total** | | **11,109.90** | **6,917.30** |

## 24. Other current liabilities

| Particulars | | As at March 31, 2022 | As at March 31, 2021 |
|---|---|---|---|
| a) | Advance billing to customers | 1,50,947.02 | 1,67,623.26 |
| b) | Advances from customers including mobilisation advances | 3,72,544.83 | 3,34,127.52 |
| c) | Employee benefits payable | 10,126.19 | 13,054.73 |
| d) | Others | | |
| | i) Other payables | | |
| | - Statutory remittances | 4,504.94 | 4,331.10 |
| | - Liability towards corporate social responsibility | 108.93 | 244.00 |
| | - Security deposits received | 73.05 | 71.01 |
| | - Others | 10.26 | 1,225.34 |
| | ii) Provision for future foreseeable losses on contracts | 11,570.48 | 6,527.65 |
| | iii) Guarantee obligation | 152.10 | 75.15 |
| **Total** | | **5,50,037.80** | **5,27,279.76** |

# Notes forming part of Standalone Ind AS Financial Statements for the year ended March 31, 2022

All amounts are ₹ lakh unless otherwise stated

## 25. Revenue from operations

| | Particulars | For the Year ended March 31, 2022 | For the Year ended March 31, 2021 |
|---|---|---|---|
| (a) | Income from contracts (refer note (i) below) | 13,06,652.50 | 11,67,131.46 |
| (b) | Income from services (refer note (ii) below) | 36,035.11 | 28,573.90 |
| (c) | Income from sale of goods (refer note (iii) below) | 1,933.84 | 3,286.21 |
| (d) | Other operating revenues (refer note (iv) below) | 2,487.96 | 2,134.82 |
| | **Total** | **13,47,109.41** | **12,01,126.39** |
| | **Notes:** | | |
| | **Disaggregated revenue information:** The Company has disaggregated the revenue basis on the nature of work performed. | | |
| (i) | Income from contracts comprises : | | |
| | - Supply of contract equipment and materials | 3,84,048.32 | 3,28,031.64 |
| | - Civil and erection works | 9,22,226.31 | 8,38,248.70 |
| | - Technical Fee | 377.87 | 851.12 |
| | **Total** | **13,06,652.50** | **11,67,131.46** |
| (ii) | Income from services comprises : | | |
| | - Quality inspection services | 36,035.11 | 28,573.90 |
| | **Total** | **36,035.11** | **28,573.90** |
| (iii) | Income from sale of goods comprises : | | |
| | - Sale of BWRO units | 1,933.84 | 3,286.21 |
| | **Total** | **1,933.84** | **3,286.21** |
| (iv) | Other operating revenues comprises : | | |
| | - Sale of scrap | 2,205.49 | 1,452.78 |
| | - Duty drawback | 282.47 | 682.04 |
| | **Total** | **2,487.96** | **2,134.82** |

Unsatisfied performance obligation: Management expects that the transaction price allocated to partially or fully unsatisfied performance obligation of ₹44,99,664.00 (March 31, 2021: ₹40,93,300.00) will be recognized as revenue over the project life cycle.

**Revenue recognized during the year that was included in the contract liabilities balance at the beginning of the year :**

- Advance billing to customers ₹73,301.55 (March 31, 2021: ₹49,020.56)
- Advances from customers including mobilisation advances ₹2,18,268.84 (March 31, 2021: ₹1,40,706.43)

**Reconciliation of revenue recognised with contract price:**
Revenue from operations consists of duty drawback as mentioned above which is over and above the contract price.

**Critical estimates while determining the Revenue from construction activities:**

**(i)** **Estimated Total Costs –** Management determines the Estimated Total Costs for the project, which is used to determine the stage of completion of the contract. These estimates may depend on the outcome of future events and may need to be reassessed at the end of each reporting period.

**(ii)** **Contract Price -** The contract prices are usually fixed, but they also include an element of variable consideration, including variations and claims net of assessed value of liquidated damages. Variable consideration is recognized when its recovery is assessed to be highly probable.

Refer Note 3.4 for the accounting policy on Revenue from Construction activities.



# Notes forming part of Standalone Ind AS Financial Statements for the year ended March 31, 2022

All amounts are ₹ lakh unless otherwise stated

## 26. Other income

| | Particulars | For the Year ended March 31, 2022 | For the Year ended March 31, 2021 |
|---|---|---|---|
| **(a)** | **Interest income from financial assets carried at amortised cost** | | |
| | Bank deposits | 313.09 | 690.94 |
| | Debentures | 500.02 | 361.23 |
| | Other financial assets | 626.37 | 778.76 |
| | | **1,439.48** | **1,830.93** |
| **(b)** | **Dividend income** | | |
| | Dividend from equity investments | - | 147.47 |
| | | - | **147.47** |
| **(c)** | **Other non-operating income (net of expenses directly attributable to such Income)** | | |
| | Interest on mobilisation advances given | 500.39 | 439.82 |
| | Interest Income from Statutory Authorities | 179.63 | 2,402.30 |
| | Hire charges | 140.41 | 69.34 |
| | Liabilities/Provisions no longer required written back | 2,143.80 | 3,306.96 |
| | Miscellaneous Income | 1,602.62 | 940.97 |
| | | **4,566.85** | **7,159.39** |
| | **Total** | **6,006.33** | **9,137.79** |

## 27. Contract execution expenses

| | Particulars | For the Year ended March 31, 2022 | For the Year ended March 31, 2021 |
|---|---|---|---|
| (a) | Cost of supplies/erection and civil works * | 11,89,145.56 | 9,71,750.68 |
| (b) | Engineering fees | 19,876.76 | 21,361.12 |
| (c) | Insurance premium | 6,813.21 | 5,702.93 |
| (d) | Bank guarantee and letter of credit charges | 8,997.89 | 9,560.28 |
| | **Total** | **12,24,833.42** | **10,08,375.01** |

* Raw materials consumption is being considered under cost of supplies/erection and civil works

## 28. Changes in inventories of finished goods and work-in-progress

| Particulars | For the Year ended March 31, 2022 | For the Year ended March 31, 2021 |
|---|---|---|
| **Inventories at the end of the year** | | |
| Finished goods | 2.54 | 2.54 |
| Work-in-progress | 17.12 | 319.98 |
| | 19.66 | 322.52 |
| **Inventories at the beginning of the year** | | |
| Finished goods | 2.54 | 3.02 |
| Work-in-progress | 319.98 | 196.58 |
| | 322.52 | 199.60 |
| **Net (increase)/decrease** | **302.86** | **(122.92)** |

# Notes forming part of Standalone Ind AS Financial Statements for the year ended March 31, 2022

All amounts are ₹ lakh unless otherwise stated

## 29. Employee benefits expense

| Particulars | | For the Year ended March 31, 2022 | For the Year ended March 31, 2021 |
|---|---|---|---|
| (a) | Salaries and wages | 75,135.74 | 61,894.63 |
| (b) | Contribution to provident fund (refer note no 34.09) | 4,099.86 | 2,484.14 |
| (c) | Post-employment pension benefits (refer note no 34.09) | 32.41 | 30.52 |
| (d) | Gratuity (refer note no 34.09) | 1,247.48 | 902.71 |
| (e) | Superannuation (refer note no. 34.09) | 594.64 | 1,856.67 |
| (f) | Leave compensation (refer note no 34.09) | 1,489.74 | 2,126.13 |
| (g) | Post-employment medical benefits (refer note no 34.09) | 3.92 | 4.17 |
| (h) | Staff welfare expenses | 2,691.16 | 2,074.07 |
| | **Total** | **85,294.95** | **71,373.04** |

## 30. Finance costs

| Particulars | | For the Year ended March 31, 2022 | For the Year ended March 31, 2021 |
|---|---|---|---|
| Interest expense on | | | |
| (i) | Bank overdrafts and loans | 9,741.48 | 10,739.60 |
| (i) | Debentures | 16,392.70 | 13,703.30 |
| (ii) | Mobilisation advance received | 13,308.53 | 9,201.58 |
| (iii) | Delayed payment of income tax | 79.55 | 24.14 |
| (iv) | Lease Liabilities | 1,313.27 | 2,159.22 |
| Other borrowing costs (Refer Note No 30.(i)) | | 6,315.30 | 3,222.99 |
| **Total** | | **47,150.83** | **39,050.83** |

**Notes**

**30.(i)** Other borrowing costs includes Factoring costs, Interest on Vendor payables , Interest on MSME payables and Interest on LCs

## 31. Depreciation and amortisation expense

| Particulars | | For the Year ended March 31, 2022 | For the Year ended March 31, 2021 |
|---|---|---|---|
| (i) | Depreciation of property, plant and equipment (Refer Note No 4) | 10,556.82 | 10,742.67 |
| (ii) | Amortisation of intangible assets (Refer Note No 5a) | 1,119.03 | 1,046.54 |
| (iii) | Depreciation of Right-of-use assets (Refer Note No 5b) | 9,920.64 | 11,719.53 |
| **Total** | | **21,596.49** | **23,508.74** |



# Notes forming part of Standalone Ind AS Financial Statements for the year ended March 31, 2022

All amounts are ₹ lakh unless otherwise stated

## 32. Other expenses

| Particulars | For the Year ended March 31, 2022 | For the Year ended March 31, 2021 |
|---|---|---|
| Rent | 7,784.82 | 6,421.78 |
| Repairs and maintenance | | |
| - Building | 90.79 | 20.77 |
| - Machinery | 1,689.53 | 859.98 |
| - Others | 3,648.62 | 2,595.29 |
| Power, fuel and utility expenses | 6,458.77 | 3,865.55 |
| Rates and taxes | 1,263.74 | 491.74 |
| Insurance | 438.65 | 387.57 |
| Motor vehicle expenses | 6,192.36 | 3,865.24 |
| Travelling and conveyance | 2,579.98 | 1,960.22 |
| Legal and professional | 7,897.12 | 4,948.10 |
| Payment to auditors (Refer note below) | 154.54 | 193.06 |
| Communication expenses | 1,182.77 | 1,330.54 |
| Printing and stationery | 550.63 | 386.29 |
| Staff recruitment and training expenses | 565.64 | 164.09 |
| Business development expenditure | 267.54 | 288.10 |
| Bank charges | 734.38 | 528.19 |
| Freight and handling charges | 318.28 | 196.22 |
| Provision for diminution in the value of investments | 301.31 | - |
| Bad debts | - | 5,481.78 |
| Expected credit loss allowance | 8,021.66 | 10,956.31 |
| Less: Expected credit loss allowance reversed | (2,645.93) | (5,489.63) |
| Advances written off | 17.64 | 7.10 |
| Less: Provision for doubtful loans and advances reversed | - | (12.88) |
| Brand equity contribution | - | 1,229.00 |
| Loss on disposal of property , plant & equipment | 206.42 | 195.55 |
| Net foreign exchange loss | 453.23 | 1,969.82 |
| Contribution towards Corporate Social responsibility | 520.12 | 829.00 |
| Miscellaneous expenses | 2,139.61 | 1,066.18 |
| **Total** | **50,832.22** | **44,734.96** |
| | | |
| **Note:** | | |
| Payment to auditors comprises | | |
| To statutory auditors | | |
| Audit fees (includes ₹42.04 (March 31, 2021 : ₹.40.04) relating to Jointly controlled operations) | 74.69 | 64.19 |
| Tax audit fees (includes ₹5.24 (March 31, 2021 : ₹.4.99) relating to Jointly controlled operations) | 7.74 | 7.49 |
| Limited review fees (includes ₹0.40 (March 31, 2021 : ₹0.40) relating to Jointly controlled operations) | 9.40 | 6.40 |
| Fees for other services including for certificates which are mandatorily required to be obtained from statutory auditor | 59.60 | 109.00 |
| Reimbursement of expenses | 3.11 | 5.98 |
| **Total** | **154.54** | **193.06** |

# Notes forming part of Standalone Ind AS Financial Statements for the year ended March 31, 2022

All amounts are ₹ lakh unless otherwise stated

## 33. Tax expense

### 33.1 Income taxes recognised in statement of profit and loss

| Particulars | For the Year ended March 31, 2022 | For the Year ended March 31, 2021 |
|---|---|---|
| **Current tax** | | |
| Current tax | 4,367.94 | 10,124.20 |
| Adjustments for current tax of prior periods | (1,578.79) | (1,366.91) |
| | **2,789.15** | **8,757.29** |
| **Deferred tax** | | |
| Decrease/(increase) in deferred tax assets | (16,546.00) | 2,056.52 |
| | **(16,546.00)** | **2,056.52** |
| **Total income tax expense recognised in the current year relating to continuing operations** | **(13,756.85)** | **10,813.81** |

### 33.2 The income tax expense for the year can be reconciled to the accounting profit as follows:

| Particulars | For the Year ended March 31, 2022 | For the Year ended March 31, 2021 |
|---|---|---|
| **Profit/(Loss) before tax** | **(76,895.03)** | **23,344.52** |
| Income tax expense calculated* | (19,352.94) | 5,875.35 |
| Effect of expenses that are not deductible in determining taxable profit | 474.87 | 393.81 |
| Effect of differential tax rates on income | 1,936.00 | 2,097.44 |
| Effect of expenses for which no deferred income tax was recognised | 648.88 | 3,682.25 |
| Effect of unused tax losses and tax offsets not recognised as deferred tax assets | 4,206.36 | - |
| Effect of reversal of earlier years tax provisions | (1,578.79) | (1,366.91) |
| Others | (91.23) | 131.87 |
| **Income tax expense recognised in statement of profit and loss (relating to continuing operations)** | **(13,756.85)** | **10,813.81** |

*The tax rate used for the years 2021-2022 and 2020-2021 reconciliations above is the corporate tax rate of 25.168% (including surcharge and education cess) payable by corporate entities in India on taxable profits under the Indian tax law.

### 33.3 Income tax expenses recognised in other comprehensive income

| Particulars | For the Year ended March 31, 2022 | For the Year ended March 31, 2021 |
|---|---|---|
| **Current tax** | | |
| Remeasurements of defined benefit obligation | 146.48 | (456.93) |
| **Deferred tax** | | |
| Remeasurements of defined benefit obligation | (595.42) | 456.93 |
| **Total income tax recognised in other comprehensive income** | **(448.94)** | - |



# Notes forming part of Standalone Ind AS Financial Statements for the year ended March 31, 2022

All amounts are ₹ lakh unless otherwise stated

## 34 Additional information to the financial statements

### 34.01 Contingent liabilities and commitments (to the extent not provided for)

| Particulars | As at March 31, 2022 | As at March 31, 2021 |
|---|---|---|
| **(i) Contingent liabilities:** | | |
| (a) Claims against the Company not acknowledged as debts | | |
| Matters under dispute: | | |
| Sales tax / VAT | 6,148.07 | 6,148.07 |
| Service tax | 814.23 | 814.23 |
| Income tax | 9,378.34 | 8,037.66 |
| Property tax | 1,988.66 | 1,634.66 |
| Third party claims from disputes relating to contracts | 31,236.15 | 35,021.66 |
| Future cash outflows in respect of the matters in (a) above are determinable only on receipt of judgements/decisions pending at various forums/authorities | | |
| | | |
| (b) Guarantees: | | |
| Performance and bank guarantees issued by banks on behalf of the Subsidiaries (refer note 1 below) | 32,740.99 | 33,139.97 |
| Corporate guarantees (refer note 2 below) | 26,928.51 | 65,017.20 |
| | | |
| **Note:** | | |
| 1. Bank guarantees does not include Performance and Advance bank guarantees (net) issued by banks on behalf of the Company (including jointly controlled operations) - ₹10,05,572.91 (March 31, 2021 - ₹9,77,089.19) | | |
| 2. Includes following guarantees given by the Company: | | |
| On behalf of its subsidiaries, associate and joint venture (disclosed to the extent of loan availed): | | |
| (a) Artson Engineering Limited - ₹8,909.51 (March 31, 2021 : ₹9,824.99) | | |
| (b) Ujjwal Pune Limited - ₹8,092.00 (March 31, 2021 : ₹6,550.00) | | |
| (c) Nesma Tata Projects Limited-₹ Nil (March 31, 2021 : ₹5,194.88) | | |
| (d) TP Luminaire Private Limited-₹9,927 (March 31, 2021: 12,343.60) | | |
| On its own behalf: | | |
| (a) IRCON International Limited - ₹Nil (March 31, 2021 : ₹2,603.73) | | |
| (b) Saudi Aramco - ₹ Nil (March 31, 2021 : ₹28,500.00) | | |
| (ii) Commitments | | |
| Estimated amount of contracts remaining to be executed on capital account and not provided for [net of advance ₹133.46 (March 31, 2021 : ₹52.49)] | 34,336.43 | 5,254.87 |

**34.02** Based on favourable orders received by the company in similar cases for other years, external/internal legal counsel's assessment of the merits in the disputes or claims raised by third parties, as applicable, the company assessed the probability of the demands/claims to be remote in the following matters and accordingly provision in the books of accounts/ disclosure as contingent liabilities is not considered required:

| Particulars | As at March 31, 2022 | As at March 31, 2021 |
|---|---|---|
| Service tax | 63,162.73 | 63,162.73 |
| Third party claims from disputes relating to contracts | 7,23,997.86 | 3,84,434.96 |

**34.03** In line with accepted practice in construction business, certain revision to costs due to increase in raw material price and billing of previous years which have crystallised during the year have been dealt with in the year. The Statement of Profit and Loss for the year includes charge (net) aggregating ₹94,317.75 [March 31, 2021 : ₹3,058.38 - charge (net)] on account of changes in estimates.

# Notes forming part of Standalone Ind AS Financial Statements for the year ended March 31, 2022

All amounts are ₹ lakh unless otherwise stated

**34.04** In the year 2007-08, the company had acquired 75% stake in Artson Engineering Limited ("Artson"), a sick company under BIFR scheme, listed on BSE.

The Company had extended as part of the scheme, loans and ICD's aggregating to ₹4,030.39 repayable in 5 instalments. The repayment dates were extended from time to time considering Artson's financial position. During the year 2016-17, the company has revised the terms of the term loan of ₹1,930.39 and inter- corporate deposit of ₹2,100. As per the revised terms, the total loan granted is repayable in a single installment at the end of 20 years and does not bear any interest. As per the requirements of Ind AS 109, the loan given by the Company was recorded at its fair value of ₹207.10 as at 31st March, 2017 and the difference of ₹3,823.29 between the loan granted by the Company of ₹4,030.39 and the fair value of the loan, was taken to investment. The loan is secured by mortgage of leasehold land of Artson at Nashik.

During the current year, the Company has revised the terms of the reimbursable expenses of ₹1,000.00 incurred on behalf of Artson Engineering Limited. As per the revised terms, these receivables of ₹1,000.00 are converted into an interest free loan and repayable after 10 years. Further, Artson will not declare or pay any dividend prior to the repayment of loan. The loan, being a financial asset, has been discounted to present value amounting to ₹226.60 as at June 30, 2021. The balance of ₹773.40 has been considered as investment as at June 30, 2021 (Refer Note 7.3).

Considering Artson's results and Order position, the Company does not anticipate any provision to be made with regard to the loans extended. The present value as at March 31, 2022 of the above mentioned loans is ₹687.78 (March 31, 2021 : ₹374.98) and has been included under Loans to related party in Note No 9.

**34.05 Segment Information**

The Company broadly has two segments of operations - EPC and Services. The EPC business is further subdivided into three Strategic Business Groups – Industrial System, Core Infra, Urban Infrastructure and provides end to end project implementation services in these Strategic Business Groups. The projects are executed both in India and abroad. Based on the "Management Approach" as defined in Ind AS 108, the Chief Operating Decision Maker (CODM) evaluates the Company's performance and allocates resources based on the analysis of various performance indicators by business segments and geographic segments. Accordingly, information has been presented both along business segments and geographic segments. The accounting principles used in the preparation of the financial statements are consistently applied to record revenue and expenditure in individual segments, and are as set out in the significant accounting policies.

Accordingly the business segments of the Company are:

(i) EPC

(ii) Services

and geographic segments of the Company are:

(i) Domestic

(ii) Overseas

**Reporting for business segment is on the following basis:**

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

The accounting policies of the reportable segments are the same as the company's accounting policies described in note 3.15. Segment profit represents the profit before tax earned by each segment without allocation of central administration costs and directors' salaries, share of profit of joint ventures, other income, as well as finance costs. This is the measure reported to the chief operating decision maker for the purposes of resource allocation and assessment of segment performance.

For the purpose of monitoring segment performance and allocating resources between segments:



# Notes forming part of Standalone Ind AS Financial Statements for the year ended March 31, 2022

All amounts are ₹ lakh unless otherwise stated

Property, plant and equipments employed in the specific project are allocated to the segment to which the project relates. The depreciation on the corresponding assets is charged to respective segments.

All other assets are allocated to reportable segments other than investments in associates, investments in joint ventures, other investments, loans, and current and deferred tax assets.

All liabilities are allocated to reportable segments other than borrowings, current and deferred tax liabilities.

(i) Segment revenues and results

The following is an analysis of the Company's revenue and results from continuing operations by reportable segment.

| | Segment Revenue | | Segment profit | |
|---|---|---|---|---|
| | For the Year ended March 31, 2022 | For the Year ended March 31, 2021 | For the Year ended March 31, 2022 | For the Year ended March 31, 2021 |
| Engineering, Procurement and Construction (EPC) | 13,09,140.44 | 11,69,266.28 | (16,235.66) | 68,656.59 |
| Services | 40,156.58 | 33,731.32 | 88.05 | 1,339.73 |
| Less : Inter segment revenue-Services | (2,187.61) | (1,871.21) | - | - |
| **Total** | **13,47,109.41** | **12,01,126.39** | **(16,147.61)** | **69,996.32** |
| Other income | | | 6,006.33 | 9,137.79 |
| Unallocable expenses (net) | | | (19,602.92) | (16,738.76) |
| Finance costs | | | (47,150.83) | (39,050.83) |
| **Total** | | | **(76,895.03)** | **23,344.52** |

(ii) Segment assets and liabilities

| | As at March 31, 2022 | As at March 31, 2021 |
|---|---|---|
| **Segment Assets** | | |
| Engineering, Procurement and Construction | 15,62,994.28 | 14,50,943.09 |
| Services | 26,445.77 | 26,833.87 |
| **Total segment assets** | **15,89,440.05** | **14,77,776.96** |
| Unallocated | 1,87,672.35 | 77,759.68 |
| **Total** | **17,77,112.40** | **15,55,536.64** |
| | | |
| **Segment Liabilities** | | |
| Engineering, Procurement and Construction | 12,10,884.73 | 10,92,548.03 |
| Services | 4,054.43 | 2,747.99 |
| **Total segment liabilities** | **12,14,939.16** | **10,95,296.02** |
| Unallocated | 3,59,290.47 | 3,17,820.87 |
| **Total** | **15,74,229.63** | **14,13,116.89** |

(iii) Other segment information

| | Depreciation and amortisation | | Additions to non-current assets* | |
|---|---|---|---|---|
| | For the Year ended March 31, 2022 | For the Year ended March 31, 2021 | For the Year ended March 31, 2022 | For the Year ended March 31, 2021 |
| Engineering, Procurement and Construction | 17,500.08 | 14,786.75 | 22,596.75 | 9,862.06 |
| Services | 172.25 | 95.69 | 15.52 | 7.26 |
| **Total** | **17,672.33** | **14,882.44** | **22,612.27** | **9,869.32** |
| Unallocated | 3,924.16 | 8,626.30 | 5,031.20 | 7,125.30 |
| **Total** | **21,596.49** | **23,508.74** | **27,643.47** | **16,994.62** |

*Additions to non-current assets include property, plant and equipment, capital work in progress, intangible assets and intangible assets under development and ROU assets and capital advance

# Notes forming part of Standalone Ind AS Financial Statements for the year ended March 31, 2022

All amounts are ₹ lakh unless otherwise stated

(iv) **Geographical information**

The Company is executing projects across multiple geographies with India being country of domicile, the details of revenue and non-current assets are as follows:

| | Revenue from external customers | | Non-current assets* | |
|---|---|---|---|---|
| | For the Year ended March 31, 2022 | For the Year ended March 31, 2021 | For the Year ended March 31, 2022 | For the Year ended March 31, 2021 |
| India | 13,05,612.42 | 11,17,664.69 | 1,07,156.74 | 97,581.45 |
| Asia Other than India | 8,383.66 | 6,470.75 | 43.84 | 132.93 |
| Middle East | 7,514.40 | 15,678.50 | 72.05 | 87.48 |
| Africa | 24,842.17 | 60,669.73 | 355.52 | 318.84 |
| Europe | 264.79 | 124.73 | - | - |
| North America | 296.99 | 58.26 | - | - |
| South America | 193.61 | 458.26 | - | - |
| Australia | 1.37 | 1.47 | - | - |
| **Total** | **13,47,109.41** | **12,01,126.39** | **1,07,628.15** | **98,120.70** |

*Non-current assets do not include financial assets and deferred tax assets.

(v) **Revenue from major customers (generally more than 10% of turnover)**

| | For the Year ended March 31, 2022 | For the Year ended March 31, 2021 |
|---|---|---|
| HPCL Rajasthan Refinery Limited(during the previous year turnover was less than 10%) | 1,74,240.96 | 1,00,940.89 |
| Dedicated Freight Corridor Corporation of India Limited(during the year turnover was less 10%) | 1,11,714.86 | 1,26,373.87 |

## 34.06 Financial Instruments

### (i) Capital Management

The Company's business model is working capital centric. The company manages its working capital needs and long term capital expenditure, through a balanced mix of capital (including retained earnings), short term debt and long tem debt.

The capital structure of the company comprises of net debt (borrowings reduced by cash and bank balances) and equity.

The company is not subject to any externally imposed capital requirements.

The Company reviews its capital requirements on an annual basis, in the form of Annual Operating Plan(AOP). The AOP of the company aggregates the capital required for execution of projects identified and the financing mechanism of such requirements is determined as part of AOP. The Company budgeted the gearing ratio for the year 2021-22 about 127%. The gearing ratio as at March 31, 2022 was 96% (March 31, 2021 : 160%).

### (ii) Gearing Ratio

The gearing ratio at the end of the reporting period was as follows:

| Particulars | As at March 31, 2022 | As at March 31, 2021 |
|---|---|---|
| Total Borrowings (Current and Non-Current) | 3,33,920.69 | 2,69,277.95 |
| Less: Cash and bank balances (Cash and cash equivalents and other bank balances) | 1,41,351.12 | 41,107.14 |
| **Adjusted net debt** | **1,92,569.57** | **2,28,170.81** |
| **Total Equity (Equity share capital+Other equity-Equity component of compound financial instruments)** | 2,00,596.81 | 1,42,419.75 |
| **Adjusted net debt to adjusted equity ratio** | 96% | 160% |





# Notes forming part of Standalone Ind AS Financial Statements for the year ended March 31, 2022

All amounts are ₹ lakh unless otherwise stated

### (iii) Categories of Financial instruments

| | As at March 31, 2022 | As at March 31, 2021 |
|---|---|---|
| **Non current** | | |
| Investments in joint Ventures | - | 220.47 |
| Other investments | 12,460.17 | 11,471.49 |
| Trade receivables | 2,729.73 | 3,275.41 |
| Loans* | 687.78 | 374.98 |
| Other financial assets | 1,647.61 | 1,572.32 |
| **Current** | | |
| Investments | 20,002.46 | - |
| Trade receivables | 6,07,650.61 | 6,46,681.29 |
| Cash and cash equivalents | 1,34,787.71 | 35,596.51 |
| Bank balances other than those mentioned above | 6,563.41 | 5,510.63 |
| Loans | - | 18.50 |
| Other financial assets | 5,49,956.14 | 4,87,009.22 |
| | **13,36,485.62** | **11,91,730.82** |

* Considered as financial asset amounting to (a) ₹207.10 as at March 31, 2017 as the terms of the loan are modified to a 20 year loan from that of a loan with convertible option to equity in the earlier periods (b) ₹226.60 as at March 31, 2022 as the company has revised terms of the reimbursable expenses into a interet free loan of 10 years.

| Particulars | As at March 31, 2022 | As at March 31, 2021 |
|---|---|---|
| **Financial Liabilities** | | |
| **Non current** | | |
| Borrowings | 1,02,326.10 | 1,62,068.68 |
| Lease liabilities | 2,648.93 | 4,261.96 |
| **Current** | | |
| Borrowings | 2,31,594.59 | 1,07,209.27 |
| Trade payables | 6,55,264.74 | 5,71,654.50 |
| Lease liabilities | 9,154.22 | 16,920.99 |
| Other financial liabilities | 11,109.90 | 6,917.30 |
| | **10,12,098.48** | **8,69,032.70** |

### (iv) Financial Risk Management Objectives

The Company's Corporate Treasury function provides services to the business, co-ordinates access to domestic and international markets, monitors and manages the financial risks relating to the operations of the company through internal risk reports which analyse exposures by degree and magnitude of risks. These risks include market risk (including currency risk, interest rate and other price risk), credit risk and liquidity risk.

The company seeks to minimise the effects of these risks by using derivative financial instruments to hedge risk exposures. The use of financial derivatives is governed by the Company's policies approved by the board of directors, which provide written principles on foreign exchange risk, interest rate risk, credit risk, the use of financial instruments, and the investment of excess liquidity. Compliance with policies and exposure limits is reviewed by the internal auditors on a periodic basis. The Company does not enter into or trade financial instruments, including derivative financial instruments, for a speculative purposes.

The Corporate treasury function reports monthly to the CFO/Head-Finance & Accounts and quarterly to the Board of Directors, who monitor risks and policies implemented to mitigate risk exposures.

# Notes forming part of Standalone Ind AS Financial Statements for the year ended March 31, 2022

All amounts are ₹ lakh unless otherwise stated

**(v) Market risk**

The Company's activities expose it primarily to the financial risks of changes in foreign currency exchange rates and interest rates. The company enters into derivative financial instruments to manage its exposure to foreign currency risk and interest rate risk, which includes, forward foreign exchange contracts to hedge the exchange rate risk arising on the import of goods and services overseas.

**(vi) Foreign Currency risk management**

The Company undertakes transactions denominated in foreign currencies; consequently, exposures to exchange rate fluctuations arise. Exchange rate exposures are managed within approved policy parameters utilising forward foreign exchange contracts.

The carrying amounts of the company's foreign currency denominated monetary assets and monetary liabilities at the end of the reporting period are as follows:

| Particulars | Currency | Liabilities | | Assets | |
|---|---|---|---|---|---|
| | | As at March 31, 2022 | As at March 31, 2021 | As at March 31, 2022 | As at March 31, 2021 |
| United Arab Emirates | AED | 3,287.57 | 4,362.76 | 11,748.75 | 10,333.77 |
| Kenyan Shilling | KES | 23.56 | 23.28 | 29.21 | 64.18 |
| South Korean Won | KRW | - | - | 50.58 | 1,147.94 |
| Euro | EUR | 3,596.96 | 3,323.80 | 1,344.44 | 1,455.15 |
| Saudi Riyal | SAR | 1.20 | - | - | - |
| US Dollar | USD | 21,437.95 | 16,959.32 | 37,440.68 | 44,652.82 |
| Ethiopian Birr | ETB | 262.77 | 1,086.38 | 1,616.04 | 2,616.69 |
| Chinese Yuan Renminbi | CNY | - | - | - | 5.68 |
| Thai Baht | THB | 143.26 | 422.51 | 1,819.48 | 2,996.30 |
| Nepalese Rupee | NPR | 1,533.41 | 1,892.04 | 3,409.74 | 3,575.23 |
| Japanese Yen | JPY | 685.70 | 13,503.22 | 2,174.87 | 2,954.05 |
| Great Britain Pound | GBP | 273.36 | 424.24 | - | - |
| Canadian Dollar | CAD | 440.83 | 81.23 | - | - |
| Singapore Dollar | SGD | 0.52 | 5.35 | - | - |
| Sierra Leonean Leone | SLL | 41.67 | 94.62 | 16.77 | 25.69 |
| West African CFA franc | XOF | 117.64 | - | 5,906.39 | 18.09 |
| Bangladeshi Taka | BDT | 156.11 | - | 15.65 | - |
| Tanzanian Shilling | TZS | - | - | 35.91 | - |

# Notes forming part of Standalone Ind AS Financial Statements for the year ended March 31, 2022

All amounts are ₹ lakh unless otherwise stated

**(vii) Foreign Currency sensitivity analysis**

The above exposures when subjected to a sensitivity of 5% have the following impact:

| Particulars | Currency | Impact on profit after tax with increase in rate by 5%* | | Impact on profit after tax with decrease in rate by 5%* | |
|---|---|---|---|---|---|
| | | As at March 31, 2022 | As at March 31, 2021 | As at March 31, 2022 | As at March 31, 2021 |
| United Arab Emirates | AED | 423.06 | 298.55 | (423.06) | (298.55) |
| Kenyan Shilling | KES | 0.28 | 2.05 | (0.28) | (2.05) |
| South Korean Won | KRW | 2.53 | 57.40 | (2.53) | (57.40) |
| Euro | EUR | (112.63) | (93.43) | 112.63 | 93.43 |
| Saudi Riyal | SAR | (0.06) | - | 0.06 | - |
| US Dollar | USD | 800.14 | 1,384.68 | (800.14) | (1,384.68) |
| Ethiopian Birr | ETB | 67.66 | 76.52 | (67.66) | (76.52) |
| Chinese Yuan Renminbi | CNY | - | 0.28 | - | (0.28) |
| Thai Baht | THB | 83.81 | 128.69 | (83.81) | (128.69) |
| Nepalese Rupee | NPR | 93.82 | 84.16 | (93.82) | (84.16) |
| Japanese Yen | JPY | 74.46 | (527.46) | (74.46) | 527.46 |
| Great Britain Pound | GBP | (13.67) | (21.21) | 13.67 | 21.21 |
| Canadian Dollar | CAD | (22.04) | (4.06) | 22.04 | 4.06 |
| Singapore Dollar | SGD | (0.03) | (0.27) | 0.03 | 0.27 |
| Sierra Leonean leone | SLL | (1.25) | (3.45) | 1.25 | 3.45 |
| Australian dollar | AUD | - | - | - | - |
| West African CFA franc | XOF | 289.44 | 0.90 | (289.44) | (0.90) |
| Bangladeshi Taka | BDT | (7.02) | - | 7.02 | - |
| Tanzanian Shilling | TZS | 1.80 | - | (1.80) | - |

*Holding all other variables constant

**(viii) Forward Foreign Exchange contracts**

The following table details the Company's liquidity analysis for its derivative financial instruments. The table has been drawn up based on the undiscounted contractual net outflows on derivative instruments that settle on a net basis.

| Particulars | Less than 1 month | 1-3 months | 3 months to 1 year | more than 1 year |
|---|---|---|---|---|
| **March 31, 2022** | | | | |
| Foreign exchange forward contracts (Payable) | - | 8,022 | 13,954 | - |
| Foreign exchange forward contracts (Receivable) | - | 40,510 | 24,948 | 43,214 |
| **March 31, 2021** | | | | |
| Foreign exchange forward contracts (Payable) | 3,926.51 | 11,864.07 | 8,334.31 | - |
| Foreign exchange forward contracts (Receivable) | - | - | - | - |

**(ix) Interest rate risk management**

The Company is exposed to interest rate risk because of its borrowing at both fixed and floating interest rates. The risk is managed by the Company by maintaining appropriate mix between fixed and floating rate borrowings. Company regularly swaps between conventional working capital borrowings with Commercial Paper, thus reducing the interest cost. Hedging activities are evaluated regularly to align with interest rate views and defined risk appetite, ensuring the most cost-effective hedging strategies are applied.

**(x) Interest rate sensitivity analysis**

The sensitivity analysis below have been determined based on the exposure to interest rates for non derivative instruments at the end of the reporting period, as the company does not transact in any derivative instruments. For floating rate

# Notes forming part of Standalone Ind AS Financial Statements for the year ended March 31, 2022

All amounts are ₹ lakh unless otherwise stated

liabilities, the analysis is prepared assuming the amount of the liability outstanding at the end of the reporting period was outstanding for the whole year. A 50 basis point increase or decrease is used when reporting interest rate risk internally to key management personnel and represents management's assessment of the reasonably possible change in interest rates.

If interest rates had been 50 basis points higher/lower and all other variables were held constant, the Company's:

a) Loss for the year ended March 31, 2022 would decrease/increase by ₹1,306.71 (for the year ended March 31, 2021: decrease/increase by ₹782.71). This is mainly attributable to Company's exposure to interest rates on its variable rate borrowings; and

b) There being no debt instrument passing through FVTOCI, there would not be any impact of such change in interest rate, on OCI.

The company's sensitivity to interest rates has increased during the current year mainly due to the structure financial products negotiated by the company with the lenders and also due to the increase in the prime lending rates of the lenders in general.

**(xi) Other price risks**

Company's investments in equity instruments are restricted to its investment in its subsidiaries and associates which are held for strategic purposes rather than for trading. The Company, as on the reporting date of March 31, 2022 has 11 subsidiaries, 2 Joint ventures and one associate, which include companies incorporated in India and abroad. All the subsidiaries are closely held companies and unlisted, except Artson Engineering Limited, which is listed on BSE in which Company holds 75% of the stake. However the purpose of all such investments being strategic rather than for trading, as mentioned above, the Company does not recognise any impact of sensitivity in the equity prices

**(xii) Credit Risk Management**

The credit risk to the company arises from three sources:

a) Customers, who default on their contractual obligations, thus resulting in financial loss to the company

b) Non certification by the customers, either in part or in full, the works billed as per the contract, being non claimable cost as per the terms of the contract with the customer

c) Subsidiaries, Associates or Jointly controlled operations, on whose behalf, the company has provided guarantees, both bank and corporate, in the event of invocation of such guarantees by the beneficiaries."

**a) Customers:**

Company evaluates the credentials of a customer at a very early stage of the bid. Company has adopted a policy of 3 tier verification before participating for any bid. The first step of such verification includes verification of customer credentials. The company, as part of verification of the customer credentials, ensures the compliance with the following criterion,

(i) Customer's financial health by examining the audited financial statements

(ii) Whether the Customer has achieved the financial closure for the work for which the company is bidding

(iii) Where the customer is a private entity, the rating of the customer by a reputed agency.

(iv) Brand and market reputation of the customer

(v) Details of other contractors working with the customer

(vi) Where the customer is Public Sector Undertaking, sanction and availability of adequate financial resources for the proposed work.

Company makes provision on it's financial assets, on every reporting period, as per Expected Credit Loss Method. The provision is made separately for each financial assets of each business line. The percentage at which the provision is



Notes forming part of Standalone Ind AS Financial Statements for the year ended March 31, 2022

All amounts are ₹ lakh unless otherwise stated

made, is determined on the basis of historical experience of such provisions, modified to the current and prospective business and customer profile.

Trade receivables consist of large number of customers, spread across diverse industries and geographical areas. Majority of the customers of the company comprise of Public Sector Undertakings, with whom the company does not perceive any credit risk. As regards the customers from private sector, company carries out financial evaluation on regular basis and provides for any amount perceived as non realisable, in the books of accounts.

**b) Non certification of works billed**

The Company has contract claims from customers including costs on account of delays / changes in scope / design by them etc. which are at various stages of discussions / negotiations or under arbitrations. The realisability of these claims are estimated based on contractual terms, historical experience with similar claims as well as legal opinion obtained from internal and external experts, wherever necessary. Changes in facts of the case or the legal framework may impact realisability of these claims.

**c) Guarantees:**

Company provides guarantees, both from its line of credit and as a corporate, on behalf of it's subsidiaries, associates and Jointly controlled operations. These guarantees are provided to customers of the said entities. Company does not perceive any credit risk in respect of any of such guarantees issued.

**(xiii) Liquidity Risk Management**

Company being an EPC contractor, has a constant liquidity pressures to meet the project requirements. These requirements are met by a balanced mix of borrowings and project cash flows. Cash flow forecast is made for all projects on monthly basis and the same are tracked for actual performance on daily basis. Shortfall in cash flows are matched through short term borrowings and other strategic financing means. The daily project requirements are met by allocating the daily aggregated cash flows among the projects. Company has established practice of prioritising the site level payments and regulatory payments above other requirements

**(xiv) Financing facilities**

| Particulars | As at March 31, 2022 | As at March 31, 2021 |
|---|---|---|
| Unsecured fund based facilities, reviewed annually and payable at call | | |
| amount used | 50,000.00 | 25,000.00 |
| amount unused | 15,000.00 | 2,500.00 |
| | 65,000.00 | 27,500.00 |
| Unsecured non- fund based facilities, reviewed annually | | |
| amount used | 1,48,039.28 | 2,64,443.32 |
| amount unused | 1,14,960.72 | 1,01,681.68 |
| | 2,63,000.00 | 3,66,125.00 |
| Secured fund based facilities, reviewed annually and payable at call | | |
| amount used | 9,500.00 | 32,536.82 |
| amount unused | 1,62,000.00 | 1,26,463.18 |
| | 1,71,500.00 | 1,59,000.00 |
| Secured non- fund based facilities, reviewed annually | | |
| amount used | 12,69,004.67 | 11,23,535.31 |
| amount unused | 2,06,295.33 | 2,73,114.69 |
| | **14,75,300.00** | **13,96,650.00** |

# Notes forming part of Standalone Ind AS Financial Statements for the year ended March 31, 2022

All amounts are ₹ lakh unless otherwise stated

**(xv) Fair value measurements**

**Fair value of financial assets and liabilities measured at amortised cost.**

Trade receivables, cash and cash equivalents, other bank balances, loans and other financial assets are at carrying values that approximate fair value. Borrowings, trade payables and other financial liabilities are at carrying values that approximate fair value. If measured at fair value in the financial statements, these financial instruments would be classified as Level 3 in the fair value hierarchy.

**Fair value of financial assets measured at fair value through profit or loss (FVTPL).**

Investments in mutual funds are carried at fair value through profit or loss in financial assets. If measured at fair value in the financial statements, these financial instruments would be classified as Level 1 in the fair value hierarchy.

**34.07 Earnings per share**

| Particulars | | For the Year ended March 31, 2022 | For the Year ended March 31, 2021 |
|---|---|---|---|
| Profit/(Loss) after tax | A | (63,138.18) | 12,530.71 |
| **Basic and Diluted** | | | |
| Weighted average number of equity shares of ₹5/- each outstanding during the year | B | 1,217.43 | 1,215.00 |
| **Earnings per share (face value of ₹5/- each)** | | | |
| **Earnings per share - Basic and Diluted** | **A/B** | **(51.86)** | **10.31** |

| Particulars | As at March 31, 2022 Number of shares | As at March 31, 2021 Number of shares |
|---|---|---|
| **Weighted average number of equity shares used as the denominator in calculating earnings per share** | | |
| Shares before split | 20,25,000 | 20,25,000 |
| Change in par value of share from ₹100 per share to ₹5 per share | 3,84,75,000 | 3,84,75,000 |
| Bonus issue during the year (Refer Note 1 below) | 8,10,00,000 | 8,10,00,000 |
| Rights issue during the year (Refer Note 2 below) | 2,43,466 | - |
| Weighted average number of equity shares used as the denominator in calculating Basic and Diluted earnings per share | **12,17,43,466** | **12,15,00,000** |

**Notes:**

1. During the year ended March 31, 2022, the Company has split the equity shares from ₹100 per share to ₹5 per share i.e., 20:1 equity shares

   Also the company has issued Bonus Shares to its existing shareholders in the ratio of 2:1 by utilising Securities Premium reserve. Hence, for the purpose of disclosure of EPS, the company has restated the previous period EPS to give effect for these transactions.

2. Additionally, during the year ended March 31, 2022, the Company has issued 4,44,32,550 shares amounting ₹2,221.63 under Rights issue to the existing shareholders of the company at a issue price of ₹270.04 each per share (₹265.04 each per share towards securities premium and ₹5 each per share towards paid up capital). All the existing shareholders were offered 3,657 equity shares for every 10,000 shares held by them as a part of the Rights issue.





# Notes forming part of Standalone Ind AS Financial Statements for the year ended March 31, 2022

All amounts are ₹ lakh unless otherwise stated

**34.08 Related party transactions**

**Details of related parties:**

| Description of relationship | Names of related parties |
|---|---|
| **(i) Entity holding more than 20%** | The Tata Power Company Limited |
| | Omega TC Holdings PTE Limited (up to March 30, 2022) |
| **(ii) Subsidiary of Entity holding more than 20%** | Coastal Gujarat Power Ltd |
| | Industrial Energy Ltd |
| | Maithon Power Limited |
| | Tata Power Delhi Distribution Limited |
| | Tata Power Solar Systems Ltd. |
| | TP Central Odisha Distribution Limited |
| | TP Northern Odisha Distribution Limited |
| | TP Western Odisha Distribution Limited(TPWODL) |
| **(iii) Subsidiaries** | Artson Engineering Limited (AEL) |
| | TQ Services (Mauritius) Pty Limited |
| | TPL-TQA Quality Services South Africa Pty Limited (till Decemeber 13, 2021) |
| | TQ Services Europe GmbH |
| | Ujjwal Pune Limited |
| | TQ Cert Services Private Limited |
| | Industrial Quality Services, LLC |
| | Ind Project Engineering (Shanghai) Co . Ltd |
| | TPL-CIL Construction LLP |
| | TCC Construction Private Limited |
| | TP Luminaire Private Limited |
| | TPL-Asara Engineering South Africa (Proprietary) Limited |
| | TPL Infra Projects (Brazil) Limited |
| **(iv) Jointly controlled operations (JCO)** | Refer Note no: 34.10 for list of Jointly controlled operations |
| **(v) Jointly controlled entities (JCE)** | Al Tawleed for Energy & Power Company |
| | NESMA Tata Projects Limited |
| **(vi) Associates** | Arth Designbuild India Private Limited |
| **(vii) Key Management Personnel (KMP)** | Mr. Banmali Agrawala, Chairman |
| | Mr. Samir K Barua, Independent Director(up to March 21, 2021) |
| | Ms. Neera Saggi, Independent Director |
| | Mr. Sanjay Vijay Bhandarkar , Independent Director (w.e.f March 09, 2021) |
| | Mr. Nipun Aggarwal, Director (up to April 18, 2022) |
| | Mr. Ramesh N Subramanyam, Director |
| | Mr. Sanjay Kumar Banga, Additonal Director |
| | Mr. Ritesh Mandot, Additonal Director (from October 22, 2021) |
| | Mr. Bobby Pauly, Additonal Director (up to October 19, 2021) |
| | Mr. Vinayak K Deshpande, Managing Director |
| | Mr. Bhaskar Subramanya Bandru, Company Secretary |
| | Mr. Arvind Chokhany, Chief Financial Officer (up to March 31, 2021) |
| | Mr. Amarjyoti Barua, Chief Financial Officer (May 17, 2021 to August 20, 2021) |
| | Mr. Sanjay Sharma, Chief Financial Officer (from December 01, 2021) |

# Notes forming part of Standalone Ind AS Financial Statements for the year ended March 31, 2022

All amounts are ₹ lakh unless otherwise stated

| Nature of relation with the entity | Particulars | Transactions during the year | | Balances outstanding at the end of the year | |
|---|---|---|---|---|---|
| | | As at March 31, 2022 | As at March 31, 2021 | As at March 31, 2022 | As at March 31, 2021 |
| Entity holding more than 20% | **The Tata Power Company limited** | | | | |
| | Revenue from operations (net of reversals) | 6,967.49 | 451.08 | - | - |
| | Contract execution expenses | 257.50 | 298.19 | - | - |
| | Trade receivables | - | - | 4,564.93 | 316.74 |
| | Advances received | - | - | 3,436.30 | - |
| | Trade payables | - | - | 206.04 | 112.54 |
| | Contractual reimbursable expenses | - | - | 1.14 | 1.15 |
| Subsidiary of Entity holding more than 20% | **Coastal Gujarat Power Ltd** | | | | |
| | Revenue from operations | 16,444.17 | 573.86 | - | - |
| | Trade receivables | - | - | 10,151.67 | 127.02 |
| | Advances received | - | - | 12,932.58 | 8,712.67 |
| Subsidiary of Entity holding more than 20% | **Industrial Energy Ltd** | | | | |
| | Revenue from operations | 411.46 | 3.45 | - | - |
| | Trade receivables | - | - | 889.08 | 708.71 |
| | Advances received | - | - | 832.73 | 87.39 |
| Subsidiary of Entity holding more than 20% | **Maithon Power Limited** | | | | |
| | Revenue from operations | 3.37 | 0.20 | - | - |
| | Trade receivables | - | - | 0.45 | 0.23 |
| Subsidiary of Entity holding more than 20% | **Tata Power Delhi Distribution Limited** | | | | |
| | Contract execution expenses | 149.27 | 23.00 | - | - |
| Subsidiary of Entity holding more than 20% | **Tata Power Solar Systems Ltd.** | | | | |
| | Revenue from operations | 355.05 | 270.46 | - | - |
| | Contract execution expenses | - | 276.18 | - | - |
| | Trade receivables | - | - | 172.29 | 200.85 |
| | Advances received | - | - | 0.44 | 0.44 |
| | Advances given | - | - | - | 10.50 |
| | Trade payables | - | - | 139.92 | 322.71 |
| Subsidiary of Entity holding more than 20% | **TP Central Odisha Distribution Limited** | | | | |
| | Contract execution expenses | 5.01 | 2.21 | - | - |
| | Trade payables | - | - | 0.05 | 0.50 |
| Subsidiary of Entity holding more than 20% | **TP Northern Odisha Distribution Limited** | | | | |
| | Contract execution expenses | 9.84 | - | - | - |
| | Trade payables | - | - | 0.11 | - |
| Subsidiary of Entity holding more than 20% | **TP Western Odisha Distribution limited (TPWODL)** | | | | |
| | Contract execution expenses | 19.07 | - | - | - |
| Associate | **Arth Design build India Private Limited** | | | | |
| | Contract execution expenses | 11.63 | 16.46 | - | - |
| | Advances given | - | - | 15.34 | 11.63 |
| | Trade payables | - | - | 41.18 | 41.11 |
| Subsidiary | **Artson Engineering Limited** | | | | |
| | Guarantee commission on corporate guarantee given | 139.12 | 107.52 | - | - |
| | Interest income on loan given | 86.20 | 51.72 | - | - |
| | Revenue from operations | 57.22 | 53.77 | - | - |
| | Reimbursement of expenses by subsidiary | 319.86 | 171.37 | - | - |



# Notes forming part of Standalone Ind AS Financial Statements for the year ended March 31, 2022

All amounts are ₹ lakh unless otherwise stated

| Nature of relation with the entity | Particulars | Transactions during the year | | Balances outstanding at the end of the year | |
|---|---|---|---|---|---|
| | | As at March 31, 2022 | As at March 31, 2021 | As at March 31, 2022 | As at March 31, 2021 |
| | Contract execution expenses | 8,621.42 | 8,139.93 | - | - |
| | Loans | 1,000.00 | - | 687.79 | 374.98 |
| | Trade receivables | - | - | 7.89 | 0.73 |
| | Contractual reimbursable expenses | - | - | 506.28 | 1,040.31 |
| | Project related advances | - | - | 877.50 | 668.80 |
| | Trade payables | - | - | 2,286.31 | 3,047.80 |
| | Guarantee obligation | - | - | 38.29 | 56.41 |
| | Bank guarantee limits utilised by subsidiary | - | - | 1,242.53 | 1,841.50 |
| | Letter of Credit Limits utilised | - | - | - | 2,686.56 |
| | Corporate guarantees received | - | - | 1,004.22 | 1,092.89 |
| | Corporate guarantees given | - | - | 8,909.51 | 9,824.99 |
| Subsidiary | **TQ Services Europe Gmbh** | | | | |
| | Revenue from operations | 15.42 | 64.77 | - | - |
| | Contract execution expenses | 152.32 | 386.42 | - | - |
| | Trade receivables | - | - | 40.56 | 68.88 |
| | Contractual reimbursable expenses | - | - | 57.98 | 57.98 |
| | Trade payables | - | - | 136.39 | 227.39 |
| Subsidiary | **TQ Cert Services Private Limited** | | | | |
| | Revenue from operations | 42.00 | - | - | - |
| | Contract execution expenses | 601.73 | 302.55 | - | - |
| | Dividend income | - | 147.47 | - | - |
| | Trade receivables | - | - | 49.56 | - |
| | Contractual reimbursable expenses | - | - | 423.17 | 49.68 |
| | Dividend receivable | - | - | - | 136.41 |
| | Trade payables | - | - | 430.14 | 151.44 |
| Subsidiary | **Ujjwal Pune Limited** | | | | |
| | Guarantee commission on corporate guarantee given | 17.72 | 6.42 | - | - |
| | Contract execution expenses | 2,630.59 | - | - | - |
| | Contractual reimbursable expenses | - | - | 0.99 | 0.19 |
| | Trade payables | - | - | 3,216.21 | 120.00 |
| | Guarantee obligation | - | - | 31.02 | 18.74 |
| | Corporate guarantees given | - | - | 8,092.00 | 6,550.00 |
| Subsidiary | **Industrial Quality Services LLC Oman** | | | | |
| | Revenue from operations | 3.75 | 26.58 | - | - |
| | Contract execution expenses | 231.68 | 753.78 | - | - |
| | Trade receivables | - | - | 5.90 | 18.41 |
| | Contractual reimbursable expenses | - | - | 244.48 | 50.00 |
| | Trade payables | - | - | 216.88 | 187.10 |
| Subsidiary | **IND Project Engineering (Shanghai) Co. Ltd.** | | | | |
| | Revenue from operations | 15.30 | 11.00 | - | - |
| | Contract execution expenses | 617.48 | 961.31 | - | - |
| | Trade receivables | - | - | 39.76 | 11.05 |
| | Contractual reimbursable expenses | - | - | 127.98 | 127.98 |
| | Trade payables | - | - | 986.90 | 915.98 |

# Notes forming part of Standalone Ind AS Financial Statements for the year ended March 31, 2022

All amounts are ₹ lakh unless otherwise stated

| Nature of relation with the entity | Particulars | Transactions during the year | | Balances outstanding at the end of the year | |
|---|---|---|---|---|---|
| | | As at March 31, 2022 | As at March 31, 2021 | As at March 31, 2022 | As at March 31, 2021 |
| Subsidiary | **TPL - CIL Construction LLP** | | | | |
| | Contractual reimbursable expenses | - | - | - | 4.75 |
| | Income from technical fees | 377.87 | 349.25 | - | - |
| | Trade receivables | - | - | 544.95 | 128.64 |
| | Bank guarantee given | - | - | 31,298.46 | 31,298.46 |
| Subsidiary | **TP Luminaire Private Limited** | | | | |
| | Guarantee commission on corporate guarantee given | 13.08 | - | - | - |
| | Revenue from Operations | 191.94 | 8,200.77 | - | - |
| | Interest Income | 500.02 | 361.23 | - | - |
| | Contract execution expenses | - | 294.99 | - | - |
| | Investment in optional convertible debentures | - | 3,333.47 | - | - |
| | Trade receivables | - | - | 322.46 | 1,423.04 |
| | Trade payables | - | - | 213.08 | 213.08 |
| | Contractual reimbursable expenses | - | - | 434.44 | 77.90 |
| | Interest accrued | - | - | 829.73 | 339.84 |
| | Guarantee obligation | - | - | 82.81 | - |
| | Corporate guarantees given | - | - | 9,927.00 | 12,343.60 |
| | Bank guarantee given | - | - | 200.00 | - |
| Jointly controlled entities (JCE) | **NESMA Tata Projects Limited** | | | | |
| | Revenue from operations | - | 2.68 | - | - |
| | Trade Receivables | - | - | - | 0.35 |
| | Corporate guarantees given | - | - | - | 5,194.88 |
| Jointly controlled operations (JCO) | **Tata Projects Brookfield Multiplex Joint Venture** | | | | |
| | Employee benefit expenses | - | 225.67 | - | - |
| | Withdrawal of share of profit | 80.00 | - | - | - |
| Jointly controlled operations (JCO) | **CEC-ITD Cem-TPL Joint Venture** | | | | |
| | Revenue from operations | 2,489.37 | 2,242.72 | - | - |
| | Contractual reimbursable expenses | - | - | 37.33 | 48.27 |
| | Trade receivables | - | - | 1,384.25 | - |
| | Withdrawal of share of profit | 896.91 | 2,125.07 | - | - |
| | Advances received | - | - | 680.69 | 726.00 |
| | Bank guarantee given | - | - | 10,188.36 | 11,320.40 |
| Jointly controlled operations (JCO) | **ANGELIQUE -TPL JV** | | | | |
| | Other Income | 59.49 | - | - | - |
| | Contractual reimbursable expenses | - | - | 92.45 | 67.41 |
| | Revenue from operation | 72.20 | 641.81 | - | - |
| | Trade Receivables | - | - | 270.33 | 254.35 |
| | Advances received | - | - | 235.68 | 318.24 |
| | Loans given | - | - | - | 18.50 |
| | Bank guarantee given | - | - | 1,185.95 | 1,846.41 |



# Notes forming part of Standalone Ind AS Financial Statements for the year ended March 31, 2022

All amounts are ₹ lakh unless otherwise stated

| Nature of relation with the entity | Particulars | Transactions during the year | | Balances outstanding at the end of the year | |
|---|---|---|---|---|---|
| | | As at March 31, 2022 | As at March 31, 2021 | As at March 31, 2022 | As at March 31, 2021 |
| Jointly controlled operations (JCO) | **Daewoo-TPL JV** | | | | |
| | Other Income | 8.40 | 32.51 | - | - |
| | Contractual reimbursable expenses | - | - | 1,953.50 | 690.44 |
| | Trade receivables | - | - | - | 13.54 |
| | Bank guarantee given | - | - | 24,682.43 | 33,385.92 |
| Jointly controlled operations (JCO) | **Gulermak - TPL Pune Metro Joint Venture** | | | | |
| | Revenue from operations | 3,839.89 | - | - | - |
| | Purchase of Inventory | 40.18 | - | - | - |
| | Contract execution expenses | 689.77 | 11.13 | - | - |
| | Other Income | 1.83 | 5.54 | - | - |
| | Contractual reimbursable expenses | - | - | 39.24 | 165.54 |
| | Trade receivables | - | - | 2,535.34 | - |
| | Trade payable | - | - | 215.77 | 7.41 |
| | Advances received | - | - | 183.40 | - |
| | Bank guarantee given | - | - | 6,659.84 | 9,141.78 |
| KMP | **Key Management Personnel** | | | | |
| | Short term employee benefits | 630.70 | 875.14 | - | - |
| | Post employment benefits | 36.70 | 40.08 | - | - |
| | Directors sitting fees | 39.80 | 44.40 | - | - |
| | Commission to Non-Executive Directors | 100.00 | 101.00 | - | - |

**Note:** Contractual reimbursable expenses represent expenditure incurred on behalf of the entities and are recoverable in nature.

**34.09 Employee benefit plan**

**(i) Defined contribution plan**

In respect of defined contribution plan i.e. superannuation plan, an amount of ₹594.64 (March 31, 2021: ₹1,856.67) has been recognised as expense in the Statement of Profit and Loss during the year.

**(ii) Defined benefit plans**

a) Provident Fund

Employees of the Company receive benefits from a provident fund, which is a defined benefit plan. Both, the employees and the Company make monthly contributions to the provident fund plan equal to a specified percentage of the covered employee's salary. The Company contributes to the Tata Projects Provident Fund Trust except in Gulermak TPL Pune Metro JV, where contribution is made to The Employees' Provident Fund Organisation(EPFO) administered by government. The trust invests a portion in specific designated instruments as permitted by Indian Law. The remaining portion is contributed to the government administered pension fund. The rate at which the annual interest is payable to the beneficiaries by the trust is administered by the government. The Company has an obligation to make good the shortfall, if any, between the return from the investments of the trust and the administered interest rate.

The actuary has provided a valuation for provident fund liabilities and based on the valuation, there is a shortfall as at March 31, 2022 and as at March 31, 2021.

# Notes forming part of Standalone Ind AS Financial Statements for the year ended March 31, 2022

All amounts are ₹ lakh unless otherwise stated

Amount recognized in Balance Sheet:

| Particulars | As at March 31, 2022 | As at March 31, 2021 |
|---|---|---|
| Plan assets at year end, at fair value* | 64,140.46 | 49,051.26 |
| Present value of benefit obligation at year end | 65,845.12 | 53,884.44 |
| Asset/(liability) recognized in Balance Sheet | **(1,704.66)** | **(4,833.18)** |

*The plan assets have been primarily invested in the following categories:

| Particulars | As at March 31, 2022 | As at March 31, 2021 |
|---|---|---|
| Government debt instruments | 39,521.72 | 7,540.29 |
| Other debt instruments | 21,095.40 | 22,585.85 |
| Others | 3,523.33 | 18,925.12 |
| **Total** | **64,140.45** | **49,051.26** |

**The principal assumptions used for the purposes of the actuarial valuations were as follows:**

| Particulars | As at March 31, 2022 | As at March 31, 2021 |
|---|---|---|
| Discount rate (%) | 6.70 | 6.25 |
| Future derived return on assets (%) | 8.55 | 9.01 |
| Average historic yield on the investment portfolio (%) | 8.03 | 8.41 |
| Guaranteed rate of return (%) | 8.10 | 8.50 |

The Company contributed ₹4,099.86 and ₹2,484.14 during the years ended March 31, 2022 and March 31, 2021 respectively and the same has been recognized in the Statement of Profit and Loss under the head employee benefit expense(refer note 29).

The Company reversed the provision of ₹3,430.59 and created a provision of ₹350.18 during the years ended March 31, 2022 and March 31, 2021 respectively and the same has been recognised in the other comprehensive income.

The expected contribution payable to the plan next year is ₹3,712.70

b) Gratuity, Pension and Post retirement Benefits

The following tables set out the funded status of Gratuity and the amounts of Gratuity, Pension and Post retirement medical benefits recognized in the Company's financial statements as at March 31, 2022 and March 31, 2021.

| Change in Defined Benefit Obligation (DBO) during the year | For the Year ended March 31, 2022 | | | For the Year ended March 31, 2021 | | |
|---|---|---|---|---|---|---|
| | Gratuity | Pension | Post Retirement Medical Benefits | Gratuity | Pension | Post Retirement Medical Benefits |
| Opening defined benefit obligations | 8,301.04 | 544.19 | 65.18 | 6,191.44 | 496.01 | 67.22 |
| Current service cost | 1,150.51 | - | - | 874.84 | - | - |
| Interest cost | 479.04 | 32.41 | 3.92 | 372.66 | 30.52 | 4.17 |
| Actuarial (Gains) arising from changes in demographic assumptions | (12.41) | - | - | - | - | - |
| Actuarial (Gains)/losses arising from changes in financial assumptions | 941.90 | (13.56) | (1.91) | 101.17 | 6.76 | 0.94 |
| Actuarial (Gains)/losses arising from experience assumptions | 373.76 | (8.05) | (6.47) | 1,705.49 | 61.39 | (4.74) |
| Benefits paid | (1,284.24) | (52.06) | (0.47) | (944.56) | (50.49) | (2.41) |
| **Closing defined benefit obligation** | **9,949.60** | **502.93** | **60.25** | **8,301.04** | **544.19** | **65.18** |





# Notes forming part of Standalone Ind AS Financial Statements for the year ended March 31, 2022

All amounts are ₹ lakh unless otherwise stated

| Change in fair value of plan assets during the year | For the Year ended March 31, 2022 | | | For the Year ended March 31, 2021 | | |
|---|---|---|---|---|---|---|
| | Gratuity | Pension | Post Retirement Medical Benefits | Gratuity | Pension | Post Retirement Medical Benefits |
| Opening fair value of plan assets | 6,174.52 | - | - | 5,522.35 | - | - |
| Interest income | 382.07 | - | - | 344.79 | - | - |
| Return on plan assets (excluding amounts included in net interest expense) | 195.83 | - | - | 51.94 | - | - |
| Contribution from the employer | 2,441.81 | 52.06 | 0.47 | 1,200.00 | 50.49 | 2.41 |
| Benefits paid | (1,284.24) | (52.06) | (0.47) | (944.56) | (50.49) | (2.41) |
| **Closing fair value of plan assets** | **7,909.99** | **-** | **-** | **6,174.52** | **-** | **-** |

| Amount recognised in Balance sheet | For the Year ended March 31, 2022 | | | For the Year ended March 31, 2021 | | |
|---|---|---|---|---|---|---|
| | Gratuity | Pension | Post Retirement Medical Benefits | Gratuity | Pension | Post Retirement Medical Benefits |
| Present value of funded defined benefit obligation | 9,949.60 | - | - | 8,301.04 | - | - |
| Fair value of plan assets | 7,909.99 | - | - | 6,174.52 | - | - |
| **Funded status** | **2,039.61** | **-** | **-** | **2,126.52** | **-** | **-** |
| Present value of unfunded defined benefit obligation | | 502.93 | 60.25 | - | 544.19 | 65.18 |
| **Net liability arising from defined benefit obligation** | **2,039.61** | **502.93** | **60.25** | **2,126.52** | **544.19** | **65.18** |
| Net Defined benefit obligation bifurcated as follows: | | | | | | |
| Current (refer note 19) | 2,039.61 | 51.23 | 5.00 | 2,126.52 | 51.23 | 5.00 |
| Non-Current (refer note 19) | | 451.70 | 55.25 | - | 492.96 | 60.18 |
| **Total** | **2,039.61** | **502.93** | **60.25** | **2,126.52** | **544.19** | **65.18** |

| Components of employer expense | For the Year ended March 31, 2022 | | | For the Year ended March 31, 2021 | | |
|---|---|---|---|---|---|---|
| | Gratuity | Pension | Post Retirement Medical Benefits | Gratuity | Pension | Post Retirement Medical Benefits |
| Current service cost | 1,150.51 | - | - | 874.84 | - | - |
| Interest Cost on net defined benefit liability | - | 32.41 | 3.92 | - | 30.52 | 4.17 |
| Net interest expense | 96.97 | - | - | 27.87 | - | - |
| **Components of defined benefit costs recognised in statement of profit and loss** | **1,247.48** | **32.41** | **3.92** | **902.71** | **30.52** | **4.17** |
| **Remeasurements:** | | | | | | |
| Return on plan assets | (195.83) | - | - | (51.94) | - | - |
| Actuarial (Gains)/losses arising from changes in demographic assumptions | (12.41) | - | - | - | - | - |
| Actuarial (Gains)/losses arising from changes in financial assumptions | 941.90 | (13.56) | (1.91) | 101.17 | 6.76 | 0.94 |
| Actuarial (Gains)/losses arising from experience assumptions | 373.76 | (8.05) | (6.47) | 1,705.49 | 61.39 | (4.74) |
| **Components of defined benefit costs recognised in other comprehensive income** | **1,107.42** | **(21.61)** | **(8.38)** | **1,754.72** | **68.15** | **(3.80)** |

The remeasurement of the net defined liability is included in other comprehensive income.

The trustees of the gratuity plan have outsourced the investment management of the fund to Life Insurance Corporation (LIC). The insurance company in turn manages gratuity fund as per the mandate provided to them by the trustees and the asset allocation which is within the permissible limits prescribed in the insurance regulations.

# Notes forming part of Standalone Ind AS Financial Statements for the year ended March 31, 2022

All amounts are ₹ lakh unless otherwise stated

**The principal assumptions used for the purposes of the actuarial valuations were as follows:**

| Change in fair value of plan assets during the year | For the Year ended March 31, 2022 | | | For the Year ended March 31, 2021 | | |
|---|---|---|---|---|---|---|
| | Gratuity | Pension | Post Retirement Medical Benefits | Gratuity | Pension | Post Retirement Medical Benefits |
| Discount rate | 6.70% | 6.70% | 6.70% | 6.25% | 6.25% | 6.25% |
| Expected rate of salary increase | 8.00% | - | - | 6.00% | - | - |
| Expected rate of pension increase | - | 5.00% | - | - | 5.00% | - |
| Medical inflation rate | - | - | 5.00% | - | - | 5.00% |
| Retirement Age* | 60yrs. | 60yrs. | - | 60yrs. | 60yrs. | - |
| Average leaving service | 12.50% | - | - | 11.75% | - | - |

* Mortality (applicable to Gratuity): Published rates under the Indian Assured Lives Mortality (2012-14) Ult table.

| Sensitivity Analysis | For the Year ended March 31, 2022 | | | For the Year ended March 31, 2021 | | |
|---|---|---|---|---|---|---|
| | Gratuity | Pension | Post Retirement Medical Benefits | Gratuity | Pension | Post Retirement Medical Benefits |
| **Discount rate** | | | | | | |
| Impact of increase in 50 bps on DBO | -3.22% | -2.85% | -3.33% | -2.98% | -3.05% | -3.55% |
| Impact of decrease in 50 bps on DBO | 3.42% | 3.00% | 3.53% | 3.15% | 3.23% | 3.78% |
| **Life Expectancy** | | | | | | |
| Life Expectancy 1 year decrease | - | -8.36% | -6.59% | - | -7.99% | -6.35% |
| Life Expectancy 1 year increase | - | 8.08% | 6.39% | - | 7.76% | 6.18% |
| **Salary Escalation Rate** | | | | | | |
| Impact of increase in 50 bps on DBO | 3.36% | - | - | 3.15% | - | - |
| Impact of decrease in 50 bps on DBO | -3.19% | - | - | -3.00% | - | - |
| **Pension Increase Rate** | | | | | | |
| Impact of increase in 100 bps on DBO | - | 6.22% | - | - | 6.67% | - |
| Impact of decrease in 100 bps on DBO | - | -5.69% | - | - | -6.06% | - |
| **Medical Inflation Rate** | | | | | | |
| Impact of increase in 100 bps on DBO | - | - | 7.33% | - | - | 7.83% |
| Impact of decrease in 100 bps on DBO | - | - | -6.62% | - | - | -7.04% |

**Projected Plan Cash Flow**

**The expected cash flow profile of the benefits to be paid to the current membership of the plan, are as follows:**

| Change in fair value of plan assets during the year | For the Year ended March 31, 2022 | | | For the Year ended March 31, 2021 | | |
|---|---|---|---|---|---|---|
| | Gratuity | Pension | Post Retirement Medical Benefits | Gratuity | Pension | Post Retirement Medical Benefits |
| Expected Benefits for year 1 | 1,740.41 | 51.23 | 5.00 | 1,322.70 | 51.23 | 5.00 |
| Expected Benefits for year 2 | 1,036.71 | 51.76 | 5.14 | 1,220.15 | 51.98 | 5.16 |
| Expected Benefits for year 3 | 1,046.03 | 51.99 | 5.28 | 919.44 | 52.46 | 5.30 |
| Expected Benefits for year 4 | 1,075.74 | 51.89 | 5.39 | 879.00 | 52.65 | 5.44 |
| Expected Benefits for year 5 | 1,006.83 | 51.43 | 5.49 | 997.22 | 52.51 | 5.56 |
| Expected Benefits for year 6 | 901.19 | 50.61 | 5.56 | 794.86 | 52.04 | 5.65 |
| Expected Benefits for year 7 | 959.63 | 49.42 | 5.61 | 666.16 | 51.20 | 5.73 |
| Expected Benefits for year 8 | 983.03 | 47.86 | 5.62 | 679.44 | 49.99 | 5.78 |
| Expected Benefits for year 9 | 813.80 | 45.94 | 5.60 | 707.22 | 48.43 | 5.79 |
| Expected Benefits for year 10 and above | 7,672.82 | 348.71 | 55.27 | 5,009.15 | 401.65 | 62.51 |
| Weighted average duration to the payment of these cash flows | 6.64 Years | 5.85 Year | 6.85 Years | 6.15 Years | 6.28 Years | 7.33 Years |



# Notes forming part of Standalone Ind AS Financial Statements for the year ended March 31, 2022

All amounts are ₹ lakh unless otherwise stated

Gratuity: The expected contribution payable to the gratuity plan next year is ₹ 2,500.

c) Employee benefits expense includes expenditure in relation to compensated absences (privileged and sick leave) aggregating to ₹ 1,489.74 (March 31, 2021 - ₹ 2,126.13)

The leave obligations cover the compani's liability for earned leave which are classified as other long-term benefits.

The company does not have an unconditional right to defer settlement of any of these obligations. However, based on past experience, the group does not expect all employees to avail the full amount of accrued leave or require payment for such leave within the next 12 months.

| Particulars | As at March 31, 2022 | As at March 31, 2021 |
|---|---|---|
| Leave obligations not expected to be settled within the next 12 months | 3,604.75 | 3,423.84 |

**34.10 Jointly Controlled Operations - TPL's Share**

The Company along with the Joint operators enters into contracts with the customers for execution of the projects. The Company's share as per such contracts is listed below. However, the Company as a Joint operator, recognizes assets, liabilities, income and expenditure held/incurred jointly with other partners in proportion to its interest in such joint arrangements in compliance with applicable accounting standards taking into account the related rights and obligations applicable in the respective jointly controlled operations.

| S.No | Name of the Jointly Controlled Operations | As at March 31, 2022 | As at March 31, 2021 |
|---|---|---|---|
| 1 | SIBMOST-TATA Projects (JV) | 49.00% | 49.00% |
| 2 | TATA-ALDESA (JV) | 50.00% | 50.00% |
| 3 | GIL-TPL (JV) | 50.00% | 50.00% |
| 4 | TPL-SUCG Consortium | 85.00% | 85.00% |
| 5 | TPL- JBTPL Joint Venture | 75.00% | 75.00% |
| 6 | Tata Projects - Balfour Beatty JV | 100.00% | 100.00% |
| 7 | GYT-TPL Joint Venture | 49.00% | 49.00% |
| 8 | GULERMAK - TPL Joint Venture | 70.00% | 70.00% |
| 9 | CEC-ITD Cem-TPL Joint Venture | 20.00% | 20.00% |
| 10 | CCECC -TPL JV | 49.00% | 49.00% |
| 11 | TPL-HGIEPL Joint Venture | 74.00% | 74.00% |
| 12 | Tata Projects Brookfield Multiplex Joint Venture | 50.00% | 50.00% |
| 13 | JV of Tata Projects Limited and CHINT Electric Company Limited | 95.00% | 95.00% |
| 14 | TPL-SSGIPL Joint Venture | 80.00% | 80.00% |
| 15 | TPL - KIPL Joint Venture | 75.00% | 75.00% |
| 16 | TPL Gulermak Karimnagar JV | 60.00% | 60.00% |
| 17 | Daewoo-TPL JV | 40.00% | 40.00% |
| 18 | ANGELIQUE - TPL JV | 41.94% | 41.94% |
| 19 | Joint Venture of Tata Projects Limited & Raghava Constructions | 50.00% | 50.00% |
| 20 | CHEC-TPL LINE 4 Joint Venture | 60.00% | 60.00% |
| 21 | Gulermak-TPL Pune Metro Joint Venture | 49.00% | 49.00% |
| 22 | TPL-AGE HIRAKUD JV | 70.00% | 70.00% |
| 23 | TPL-PCIPL Joint Venture | 80.00% | 80.00% |
| 24 | LEC-TPL UJV | 75.00% | 75.00% |
| 25 | TPL-IAV VOZ CPRR Joint venture | 80.00% | - |

# Notes forming part of Standalone Ind AS Financial Statements for the year ended March 31, 2022

All amounts are ₹ lakh unless otherwise stated

### 34.11 Disclosures in relation to corporate social responsibility expenditure

| Particulars | For the Year ended March 31, 2022 | For the Year ended March 31, 2021 |
|---|---|---|
| Contribution to Tata Projects Community Development Trust | - | 585.00 |
| Contribution to various programmes (refer notes below) | 411.19 | - |
| Accrual towards unspent obligations in relation to: | | |
| Ongoing project | 108.93 | 244.00 |
| Other than ongoing projects | - | - |
| **Total** | **520.12** | **829.00** |
| Amount required to be spent as per Section 135 of the Act | 515.00 | 576.74 |
| Amount spent during the year on | | |
| (i) Construction/acquisition of an asset | - | - |
| (ii) On purposes other than (i) above | 655.19 | 585.00 |

### Details of ongoing corporate social responsibility (CSR) projects under Section 135(6) of the Act

| Balance unspent as at April 1, 2021 | | Amount required to be spent during the year (Inclusive of additional provision) | Amount spent during the year | | Balance unspent as at March 31, 2022 | |
|---|---|---|---|---|---|---|
| With the Company | In Separate CSR Unspent account** | | From the Company's bank account | From Separate CSR Unspent account** | With the Company | In Separate CSR Unspent account |
| - | 244.00 | 326.42 | 217.49 | 244.00 | - | 108.93 |

**Unspent amount of CSR ₹ 108.93 (March 31, 2021 : ₹ 244) had been deposited in a separate CSR unspent corporate social responsibility account on April 26, 2022 (March 31, 2021: April 27, 2021). Amount outstanding from previous year has been spent during the year ended March 31, 2022 and amount outstanding for the year ended March 31, 2022 would be spent in financial year 2022-23.

Details of CSR expenditure under Section 135(5) of the Act in respect of other than ongoing projects

| Balance unspent as at 1 April 2021 | Amount deposited in specified fund of Schedule VII of the Act within 6 months | Amount required to be spent during the year | Amount spent during the year | Balance unspent as at 31 March 2022 |
|---|---|---|---|---|
| - | - | 193.70 | 193.70 | - |

### Movement in Accrual towards unspent obligations

| Opening balance as at April 01, 2021 | Amounts spent from opening Accruals | Accrual towards unspent obligation during the year | Closing balance as at March 31, 2022 |
|---|---|---|---|
| 244.00 | 244.00 | 108.93 | 108.93 |

**Notes :**

a) During the previous year ended March 31, 2021, the Company had unspent CSR expenses as at the year ends due to Covid-19 lock down restrictions imposed by the Government, thus the implementation partners were not able to expend on various CSR initiatives.

b) During the current year ended March 31, 2022, the implementation partner have incurred cost and submitted reimbursement claim to the Company. The Company has recognised a provision and is in the process of reviewing the claim. The same will be reimbursed in subsequent months.

c) As per CSR policy of the Company, the following activities has been undertaken as part of CSR activities through the implementation partners during the current year ended March 31, 2022.

| CSR activities | Amount spent pertaining to Current year | Amount spent pertaining to previous year |
|---|---|---|
| a. Skill Building & Livelihood | 102.46 | 36.35 |
| b. Water | 88.40 | 67.96 |
| c. Education | 174.08 | 67.69 |
| d. Health | 46.25 | 72.00 |
| **Total** | **411.19** | **244.00** |



# Notes forming part of Standalone Ind AS Financial Statements for the year ended March 31, 2022

All amounts are ₹ lakh unless otherwise stated

**34.12 Impact assessment of the global health pandemic- COVID-19 and related estimation uncertainty**
The Company has taken into account all the possible impacts of COVID-19 in preparation of these standalone financial statements, including but not limited to its assessment of, liquidity and going concern assumption, recoverable values of its financial and non-financial assets, impact on revenue recognition owing to changes in cost budgets of fixed price contracts and impact on leases. The Company has carried out this assessment based on available internal and external sources of information up to the date of approval of these standalone financial statements and believes that the impact of COVID-19 is not material to these standalone financial statements and expects to recover the carrying amount of its assets. The impact of COVID-19 on the standalone financial statements may differ from that estimated as at the date of approval of these standalone financial statements owing to the nature and duration of COVID-19.

**34.13** During the year ended March 31, 2022, one of the Jointly Controlled Operations (JCO) (i.e. CEC-ITD Cem-TPL Joint Venture) had changed the useful lives of Property, plant and equipment (other than "Plant and machinery- Tunnel Boring Machine") by extending the expected period of usage from December 31, 2022 to June 30, 2023 to reflect the expected pattern of consumption of the future economic benefits based on internal technical and commercial assessment. These changes have resulted in decrease in depreciation expense amounting to ₹22.15 for the year ended March 31, 2022.

**34.14** The Company has no transactions with the companies struck off under Companies Act, 2013 or Companies Act, 1956.

**34.15** There is no income surrendered or disclosed as income during the current and previous year in the tax assessments under Income Tax Act, 1961, that has not been recorded in the books of account.

**34.16** During the current year, there are no charges or satisfaction of charges which are yet to be registered with the Registrar of Companies beyond the statutory period. Charge created on assets of the Company in favour of Grindlays Bank for ₹15 on October 5, 1982 could not be satisfied as the Bank has wound up its operations in India and no longer exists.

**34.17** No proceedings have been initiated on or are pending against the Company for holding any benami property under the Prohibition of Benami Transactions (Prohibition) Act, 1988 (as amended in 2016) (formerly Benami Transactions (Prohibition) Act, 1988) (45 of 1988) and Rules made thereunder.

**34.18** The Company has not been declared wilful defaulter by any bank or financial Institution or government or any government authority during the current year and previous year.

**34.19** The Company has not traded or invested in crypto currency or virtual currency during the current and previous year.

**34.20** The Company has borrowings from banks which are secured by a charge on the current assets of the Company. As per the terms of the sanction letters, the Company has filed the quarterly statements containing the financial details based on the draft financial results after the end of each quarter. Hence, the Company has filed the revised quarterly statements containing the financial details based on the Board adopted financial results subsequent to the year end. The revised quarterly returns or statements of current assets filed by the Company with banks are in agreement with the books of accounts. Further, the Company is yet to submit the quarterly returns for March 31, 2022 to the Banks.

**34.21** The Company is a part of the TATA Group (the "Group"). The Group includes the following Core Investment Company (CIC) in its structure:

a) Tata Capital Limited

b) Tata Industries Limited

c) Tata Sons Private Limited

d) Panatone Finvest Limited

e) TMF Holdings Limited

f) T S Investments

**34.22** The Company has Inter-entity transactions, balances (including Loans given) and unrealised gains on transactions between the company and the jointly controlled operations which are eliminated to the extent of the company's interest

# Notes forming part of Standalone Ind AS Financial Statements for the year ended March 31, 2022

All amounts are ₹ lakh unless otherwise stated

in such Jointly Controlled Operations. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the transferred asset.

**34.23** Arth DesignBuild Private Limited ('Arth'), an associate of the company incurred a net loss of ₹537.85 and the entity had accumulated losses of ₹2,705.06 as at March 31, 2022. The loss during the year was attributable to the products business of the entity. Arth entered into a Business Transfer Agreement on March 31, 2022 whereby they would be offloading the products business. Arth would be focusing on its profitable services business in the next financial year and they already have a strong services business order book of ₹6,100. Considering the order book and considering the EBITDA margins of the services business for the current year, Arth expects to earn profits in the next financial year.

Based on the above mentioned assessment, the Management did not recognize any impairment charge during the year.

**34.24** The Company has received whistleblower complaints during the year and of those there are still some matters in respect of which investigations are on-going. Based on management's initial review of ongoing investigations, they do not consider the impact of these matters to be material to the financial statements.

**34.25** The Company has complied with the number of layers prescribed under clause (87) of section 2 of the Companies Act, 2013, read with companies (Restriction on number of Layers) Rules 2017, and there are no Companies beyond the specified layers.

**34.26** The Company has not entered into any scheme of arrangement which has an accounting impact on current and previous financial year.

**34.27** The Company has not advanced or loaned or invested funds to any other persons or entities, including foreign entities (Intermediaries) with the understanding that the Intermediary shall:

a. directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company (Ultimate Beneficiaries) or

b. provide any guarantee, security or the like to or on behalf of the ultimate beneficiaries.

**34.28** The Company has not received any fund from any persons or entities, including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Company shall:

a. directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or

b. provide any guarantee, security or the like on behalf of the ultimate beneficiaries.

**34.29** The Company has not revalued its property, plant and equipment (including right-of-use assets) or intangible assets or both during the current and previous year.





Notes forming part of Standalone Ind AS Financial Statements for the year ended March 31, 2022

All amounts are ₹ lakh unless otherwise stated

**34.30 Key Financial ratios**

The ratios for the year ended March 31, 2022 and March 31, 2021 are as follows:

| Particulars | Numerator | Denominator | As at March 31, 2022 | As at March 31, 2021 | Variance % |
|---|---|---|---|---|---|
| Current Ratio (no of times) | Total current assets | Total current liabilities | 1.11 | 1.15 | -3% |
| Debt Equity ratio (no of times) | Borrowings (Current + Non -current) | Equity Share capital+Other Equity (Equity component of compound financial instruments) | 1.66 | 1.89 | -12% |
| Debt service coverage ratio (no of times) | Profit after tax+Interest on Borrowings+Depreciation and amortisation expense+Expected credit loss allowance (net of reversals)-Liabilities no longer required written back+Provision for future foreseeable losses on contracts +other non cash items as included in the statement of cash flows | Interest on Borrowings+Principle Repayments | (0.07) | 2.82 | -102%*** |
| Return on Equity Ratio (%) | Profit/(loss) for the year | Average Shareholders equity | (36.81) | 9.13 | -503%** |
| Inventory turnover ratio (no of times) | Contract execution expenses and changes in inventories of finished goods and work-in-progress for the year ended | Average Inventories | 18.39 | 19.06 | -4% |
| Trade Receivables turnover ratio (no of times) | Revenue from operations for the year ended | Average trade receivables (Non current & Current) | 2.14 | 1.93 | 11% |
| Trade payables turnover ratio (no of times) | Contract execution expenses+Other expenses-Contribution towards Corporate social responsibility | Average trade payables | 2.08 | 2.03 | 3% |
| Net capital turnover ratio (no of times) | Revenue from operations | Average working capital*** | 7.68 | 7.90 | -3% |
| Net profit ratio (%) | Profit/(loss) for the year | Revenue from operations | (4.69) | 1.04 | -551%** |
| Return on Capital employed (%) | Profit/(loss) before tax+Interest on bank overdraft and loans+Interest on debentures | Tangible networth# + Total Debt | (9.58) | 11.76 | -182%** |
| Return on investment (%) | Earning before Interest and Tax | Average Total assets | (3.05) | 3.19 | -195%** |

* Share holders equity = Equity share capital + Other equity - Equity component of compound financial instruments

#Tangible networth = Networth - Intangible assets - Intangible assets under development

Networth = Equity share capital+Other equity(excluding debenture redemption reserve and Equity component in compound financial instruments)

**The reason for decrease in ratio is due to Loss incurred during year

***Working capital = Total Current assets - Total Current liabilities

**34.31 Approval of financial statements**

The financial statements were approved for issue by the Board of Directors on April 29, 2022

# Notes forming part of Standalone Ind AS Financial Statements for the year ended March 31, 2022

All amounts are ₹ lakh unless otherwise stated

**34.32** The financial statements have been prepared and presented in accordance with the amended Division II of Schedule III to the Companies Act, 2013 issued vide notification dated March 24, 2021 (the "Notification"). Certain category of assets and liabilities have been regrouped / reclassified based on the requirements of the notification. Accordingly, previous year's figures have been regrouped / reclassified wherever required to make their classification comparable with that of the current year.

**For Price Waterhouse & Co Chartered Accountants LLP**
Firm Registration Number : 304026E/E-300009

**Sunit Kumar Basu**
Partner
Membership Number: 55000
Place: Hyderabad

Date: April 29, 2022

**For and on behalf of the Board of Directors**

**Banmali Agrawala**
Chairman
DIN: 00120029
Place: Mumbai

**Vinayak K Deshpande**
Managing Director
DIN: 00036827
Place: Mumbai

**Sanjay Sharma**
Chief Financial Officer
Place: Mumbai

**B S Bhaskar**
Company Secretary
Place: Hyderabad

Date: April 29, 2022

# Independent Auditor's Report

All amounts are ₹ lakh unless otherwise stated

To
the Members of
**Tata Projects Limited**

## Report on the Audit of the Consolidated Financial Statements

### Opinion

1. We have audited the accompanying consolidated financial statements of Tata Projects Limited (hereinafter referred to as the "Holding Company") and its subsidiaries, jointly controlled operations (Holding Company, its subsidiaries and its jointly controlled operations together referred to as "the Group"), its associate company and jointly controlled entity (refer Note 3.3 to the attached consolidated financial statements), which comprise the Consolidated Balance Sheet as at March 31, 2022, the Consolidated Statement of Profit and Loss (including Other Comprehensive Income), the Consolidated Statement of Changes in Equity and the Consolidated Statement of Cash Flows for the year then ended and notes to the consolidated financial statements, including a summary of significant accounting policies and other explanatory information (hereinafter referred to as "the consolidated financial statements").

2. In our opinion and to the best of our information and according to the explanations given to us, the aforesaid consolidated financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the consolidated state of affairs of the Group, its associate company and jointly controlled entity as at March 31, 2022, of consolidated total comprehensive income (comprising of loss and other comprehensive income), consolidated changes in equity and its consolidated cash flows for the year then ended.

### Basis for Opinion

3. We conducted our audit in accordance with the Standards on Auditing (SAs) specified under Section 143(10) of the Act. Our responsibilities under those Standards are further described in the "Auditor's Responsibilities for the Audit of the Consolidated Financial Statements" section of our report. We are independent of the Group, its associate company and jointly controlled entity in accordance with the ethical requirements that are relevant to our audit of the consolidated financial statements in India in terms of the Code of Ethics issued by the Institute of Chartered Accountants of India and the relevant provisions of the Act, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained and the audit evidence obtained by the other auditors in terms of their reports referred to in sub-paragraphs 15, 18 and 19 of the Other Matters section below, other than the unaudited financial statements/ financial information as certified by the management and referred to in sub-paragraphs 16 and 20 of the Other Matters section below, is sufficient and appropriate to provide a basis for our opinion.

### Material Uncertainty Related to Going Concern

4. We draw your attention to Note 36.13 to the consolidated financial statements, regarding the preparation of the financial statements of one of the subsidiary company (Artson Engineering Limited) on a going concern basis. The subsidiary company has incurred a net loss of ₹ 502.89 lakhs during the year ended March 31, 2022 and, as of that date, the subsidiary company's accumulated losses (including other comprehensive income) and net worth stood at ₹ 5,215.89 lakhs and ₹ 49.54 lakhs respectively. These factors indicate the existence of a material uncertainty that may cast significant doubt about the subsidiary company's ability to continue as a going concern. However, based on the detailed assessment shared by the management and other factors mentioned in the aforementioned Note, the financial statements of the subsidiary company have been prepared on a going concern basis and no adjustment has been made to the carrying value of the assets and liabilities of the subsidiary company as at the reporting date.

   Our opinion is not modified in respect of this matter.

### Key Audit Matters

5. Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. In addition to the matter described in the Material Uncertainty Related to Going Concern section, we have determined the matters described below to be the key audit matters to be communicated in our report.

# Independent Auditor's Report

All amounts are ₹ lakh unless otherwise stated

| Key audit matter | How our audit addressed the key audit matter |
|---|---|
| **Estimation of construction contract revenue and related costs**<br>(Refer Note 3.5 and 27 to the consolidated financial statements)<br>The Holding Company enters into engineering, procurement and construction contracts, which generally extend over a period 0f 2 to 5 years. The contract prices are usually fixed, but they also include an element of variable consideration, including variations and claims net of assessed value of liquidated damages. Variable consideration is recognized when its recovery is assessed to be highly probable.<br>Based on contractual tenability of the claims/variations, status of the discussions/negotiations with the customers, management expert's assessment and legal opinion, wherever considered necessary, Management periodically assesses the recoverability of the claims/variations.<br>Estimated costs are determined based on techno-commercial assessment of the work to be performed that includes certain cost contingencies and cost savings which take into account specific circumstances of each contract.<br>Contract revenue is measured based on the proportion of contract costs incurred for work performed until the balance sheet date, relative to the estimated total contract costs. The recognition of revenue and profit/loss, therefore, rely on estimates in relation to total estimated costs and estimated contract price of each contract.<br>Therefore, we considered these estimates of revenue recognised and related costs recorded as a key audit matter given the complexities involved and the significance of the amounts to the consolidated financial statements. | Our procedures included the following:<br>• Understood and evaluated the design and tested the operating effectiveness of controls around estimation of construction contract costs and contract price including the reviews and approvals thereof and controls around assessing the recoverability of unbilled revenue relating to claims/variations;<br>• Assessed the appropriateness of the revenue recognition accounting policies in line with Ind AS 115 "Revenue from Contracts with Customers".<br>• Inspected minutes of apex committee meetings with appropriate participation by those charged with governance in relation to estimates and status of the project;<br>• For selected contracts, performed the following procedures;<br>a) Obtained and examined project related source documents such as contract agreements and variation orders;<br>b) Evaluated the management's probability assessment of recovery of variations/ claims that contributes towards estimation of construction contract revenue and levy of liquidated damages by reference to contractual terms, expert's assessment and legal advice, wherever considered necessary;<br>c) Evaluated the management's assessment of recoverability of unbilled revenue relating to claims/variations by reference to contractual terms, expert's assessment including auditor's expert's assessment and legal advice;<br>d) Assessed the basis for determining the total costs including changes made over period by reference to supporting documents and estimates made in relation to cost-to-complete the projects;<br>e) Tested the calculation of percentage of completion under Input method including the testing of costs incurred and recorded against the contracts;<br>f) Evaluated the reasonableness of key assumptions included in the estimates in relation to revenue recognised and related costs.<br>Based on the procedures performed above, no significant exceptions were noted in estimates of construction contract revenue, related costs and disclosures made. |
| **Assessment of litigations and related disclosure under contingent liabilities**<br>(Refer Note 3.13, Note 36.01 and Note 36.02 to the consolidated financial statements)<br>As at March 31, 2022, the Holding Company has exposure towards litigations relating to various matters including direct tax, indirect tax and claims from vendors/ customers as set out in the aforementioned note.<br>The Holding Company's tax/legal team performs an assessment of such matters to determine the probability of occurrence of material outflow of economic resources and whether a provision should be recognized or a disclosure should be made. These assessments are also supported with external legal advice in certain cases as considered appropriate.<br>As the ultimate outcome of the matters are uncertain and the positions taken are based on the application of the best judgment of Management, related legal advice including those relating to interpretation of laws/ regulations, it is considered to be a key audit matter. | Our procedures included the following:<br>• Understood and evaluated the design and tested the operating effectiveness of controls in relation to assessment of litigations including those relating to the laws and regulations;<br>• Inquired with Holding Company's tax/legal team, the recent developments and the status of the material litigations, which were also reviewed and noted by the Audit Committee;<br>• Circularised and obtained letters directly from Holding Company's external legal counsel, wherever considered necessary, to understand the merits and current status of the litigation matters. We assessed the independence, objectivity and competence of the Holding Company's external legal counsel;<br>• Verified recent orders and/or communication received and submissions/responses made by the Holding Company against ongoing matters to understand and evaluate the grounds of such matters;<br>• Verified the legal and professional charges and payments made to consultants, verified the minutes of the meetings of Board and Audit Committee, enquiries with the Holding Company's legal counsel to ensure completeness of the litigations;<br>• Evaluated the Holding Company's tax/legal team's assessment by reference to precedents set in similar cases, reliability of the past estimates and involved auditor's experts, wherever considered necessary;<br>• Assessed the adequacy of the Holding Company's disclosures and evaluated the Holding Company's tax/legal team's assessment around those matters that are not disclosed as contingent liability.<br>Based on the above work performed, the Holding Company's tax/legal team's assessment in respect of litigations and related disclosures under contingent liabilities in the consolidated financial statements are considered to be reasonable. |



All amounts are ₹ lakh unless otherwise stated

| Key audit matter | How our audit addressed the key audit matter |
|---|---|
| **Recoverability of retention money receivables**<br>(Refer Note 9 to the consolidated financial statements)<br>The Holding Company's trade receivables include ₹ 29,206.51 lakhs as at March 31, 2022, pertaining to retention monies that are due, which are yet to be realized. The carrying value of these receivables are assessed by the management based on specific assessment for the respective project with reference to completion of performance obligations, contractual rights and legal tenability of claims.<br>Given the relative significance of these retention receivables to the consolidated financial statements and the nature/ extent of audit procedures involved to assess the recoverability of such receivables, we determined this to be a key audit matter. | Our procedures included the following:<br>• Understood and evaluated the design and tested the operating effectiveness of controls over the assessment of recoverability of retention money receivables;<br>• We made enquiries with the management, its business and accounts team and gained an understanding of each of the related contractual terms, collection history, basis of their assessment of collectability, realization plan, verified the carrying value of retention money receivable and assessed estimates of loss provision in relation to uncertainties in recovery/delays in recovery of the retention money balances.<br>• We examined the correspondence between the Holding Company and their customers, past experience, subsequent realization, source document verification and legal advice obtained by the management, wherever considered relevant.<br>Based upon the audit procedures performed, we did not come across any exceptions in the management's assessment of the recoverability of retention money receivables. |
| **Estimation of construction contract revenue and related costs**<br>(Refer Note 36.14 to the consolidated financial statements)<br>For all of its construction contracts, one of the subsidiary company (Artson Engineering Limited) enters into engineering, procurement and construction contracts, which generally extend over a period of 1-2 years. Contract prices are usually fixed, but they also include an element of variable consideration, including variations and claims net of assessed value of liquidated damages. Variable consideration is recognised when its recovery is assessed to be highly probable.<br>Estimated costs are determined based on techno commercial assessment of the work to be performed that includes certain cost contingencies and cost savings which take into account specific circumstances in each contract.<br>Contract revenue is measured based on the proportion of contract costs incurred for work performed until the balance sheet date, relative to the estimated total contract costs.<br>For recognition of revenue and profit/loss, therefore, the subsidiary company uses estimates in relation to total estimated costs and estimated contract price of each contract. Therefore, we considered these estimates of revenue and related costs recorded as a key audit matter given the complexities involved and the significance of the amounts to the financial statements. | Our procedures included the following:<br>• Understood and evaluated the design and tested the operating effectiveness of controls around estimation of construction contract costs and contract price including the reviews and approvals thereof;<br>• Inspected minutes of project review meetings of the subsidiary company with appropriate participation by those charged with governance in relation to estimates and status of the project;<br>• For a sample of contracts, performed the following procedures;<br>a) Obtained and examined project related source documents such as contract agreements and variation orders;<br>b) Evaluated the business team's probability assessment of recovery of variations/ claims that contributes towards estimation of construction contract revenue and levy of liquidated damages by reference to contractual terms;<br>c) Obtained and examined the expert's assessment and legal advice while carrying out the aforesaid evaluation, wherever considered necessary;<br>d) Assessed the basis for determining the total costs including changes made over a period of time by reference to supporting documentation and estimates made in relation to cost to complete the projects;<br>e) Tested the calculation of percentage of completion under Input method including the testing of costs incurred and recorded against the contract;<br>f) Evaluated the reasonableness of key assumptions included in the estimates in relation to revenue recognised and related costs; and<br>g) Assessed the appropriateness of the revenue recognition accounting policies in line with Ind AS 115 "Revenue from Contracts with Customers."<br>Based on the procedures performed above, no significant exceptions were noted in estimates of construction contract revenue, related costs and disclosures made. |

## Other Information

6. The Holding Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Board report but does not include the consolidated financial statements and our auditor's report thereon.

   Our opinion on the consolidated financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

   In connection with our audit of the consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed and the reports of the other auditors as furnished to us (Refer paragraphs 15, 18 and 19 below), we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

## Independent Auditor's Report

All amounts are ₹ lakh unless otherwise stated

**Responsibilities of Management and Those Charged with Governance for the Consolidated Financial Statements**

7. The Holding Company's Board of Directors is responsible for the preparation and presentation of these consolidated financial statements in term of the requirements of the Act that give a true and fair view of the consolidated financial position, consolidated financial performance and consolidated cash flows, and changes in equity of the Group including its associate company and jointly controlled entity in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act. The respective Board of Directors of the companies included in the Group and of its associate company and jointly controlled entity are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring accuracy and completeness of the accounting records, relevant to the preparation and presentation of the consolidated financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated financial statements by the Directors of the Holding Company, as aforesaid.

8. In preparing the consolidated financial statements, the respective Board of Directors of the companies included in the Group and of its associate company and jointly controlled entity are responsible for assessing the ability of the Group and of its associate company and jointly controlled entity to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

9. The respective Board of Directors of the companies included in the Group and of its associate company and jointly controlled entity are responsible for overseeing the financial reporting process of the Group and of its associate company and jointly controlled entity.

**Auditor's Responsibilities for the Audit of the Consolidated Financial Statements**

10. Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

11. As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

    - Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
    - Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under Section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Holding company has adequate internal financial controls with reference to consolidated financial statements in place and the operating effectiveness of such controls.
    - Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
    - Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the Group and its associate company and jointly controlled entity to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group and its associate company and jointly controlled entity to cease to continue as a going concern.
    - Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
    - Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group and its associate company and jointly controlled entity to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the audit of the financial statements of such entities included in the consolidated financial statements of which we are the independent auditors. For the other entities included in the consolidated financial statements, which have been audited by other auditors, such other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion.

12. We communicate with those charged with governance of the Holding Company and such other entities included in the consolidated financial statements of which we are the independent auditors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

13. We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

14. From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

**Other Matters**

15. We did not audit the financial statements of one jointly controlled operation located in India whose financial statements reflect total assets of ₹ 15,153.37 lakhs and net assets of ₹ 1,358.67 lakhs as at March 31, 2022, total revenue of ₹ 12,814.79 lakhs, total comprehensive income (comprising of profit and other comprehensive income) of ₹ 1,928.60 lakhs and net cash inflows amounting to ₹ 1,659.36 lakhs for the year ended on that date, as considered in the consolidated financial statements. These financial statements have been audited by other auditors whose report have been furnished to us by the Management, and our opinion on the consolidated financial statements including other information insofar as it relates to the amounts and disclosures included in respect of this jointly controlled operation and our report in terms of sub-section (3) of Section 143 of the Act including report on Other Information insofar as it relates to the aforesaid jointly controlled operation is based solely on the reports of the other auditors. This report does not include the report on internal financial controls with reference to financial statements under section 143(3)(i) and statement on the matters specified in paragraphs 3 and 4 of the Companies (Auditor's Report) Order, 2020 ("the Order"), as reporting on internal financial controls with reference to financial statements and reporting under section 143(11) is not applicable to this jointly controlled operation.

16. We did not audit the financial statements of two jointly controlled operations located in India whose financial statements reflect total assets of ₹ 85.91 lakhs and net assets of ₹ 84.93 lakhs as at March 31, 2022, total revenue of Nil, total comprehensive income (comprising of profit/loss and other comprehensive income) of Nil and net cash outflows amounting to ₹ 15.62 lakhs for the year ended on that date, as considered in the consolidated financial statements. These financial statements are unaudited and have been furnished to us by the Management, and our opinion on the consolidated financial statements insofar as it relates to the amounts and disclosures included in respect of these jointly controlled operations and our report in terms of sub-section (3) of Section 143 of the Act including report on Other Information insofar as it relates to the aforesaid jointly controlled operations, is based solely on such unaudited financial statements. In our opinion and according to the information and explanations given

## Independent Auditor's Report

All amounts are ₹ lakh unless otherwise stated

to us by the Management, these financial statements are not material to the Group. This report does not include the report on internal financial controls with reference to financial statements under section 143(3)(i) and statement on the matters specified in paragraphs 3 and 4 of the Companies (Auditor's Report) Order, 2020("the Order"), as reporting on internal financial controls with reference to financial statements and reporting under section 143(11) is not applicable to these jointly controlled operations.

17. The consolidated financial statements include financial statements of twenty-two jointly controlled operations whose financial statements reflect total assets of ₹ 143,485.72 lakhs and net assets of ₹ (11,216.72) lakhs as at March 31, 2022, total revenue of ₹ 192,014.66 lakhs, total comprehensive income (comprising of loss and other comprehensive income) of ₹ 12,878.43 lakhs and net cash inflows amounting to ₹ 19,935.23 lakhs for the year ended on that date, as considered in the consolidated financial statements, was audited by us, on which reporting under Section 143(3)(i) on internal financial controls with reference to financial statements and under section 143(11), on the Companies (Auditor's Report) Order, 2020 is not applicable.

18. We did not audit the financial statements of one associate company located in India whose financial statements also include the Group's share of total comprehensive income (comprising of loss and other comprehensive income) of ₹ 147.76 lakhs for the year ended March 31, 2022 as considered in the consolidated financial statements. These financial statements have been audited by other auditors whose report have been furnished to us by the Management, and our opinion on the consolidated financial statements insofar as it relates to the amounts and disclosures included in respect of this associate company and our report in terms of sub-section (3) of Section 143 of the Act including report on Other Information insofar as it relates to the aforesaid associate company, is based solely on the reports of the other auditors.

19. The financial statements of two subsidiaries located outside India, included in the consolidated financial statements, which constitute total assets of ₹ 3,125.22 lakhs and net assets of ₹ 2,574.96 lakhs as at March 31, 2022, total revenue of ₹ 3,975.99 lakhs, total comprehensive income (comprising of profit and other comprehensive income) of ₹ 345.78 lakhs and net cash inflows amounting to ₹ 638.11 lakhs for the year then ended; have been prepared in accordance with accounting principles generally accepted in their respective countries and have been audited by other auditors under generally accepted auditing standards applicable in their respective countries. The Company's management has converted the financial statements of such subsidiaries located outside India from the accounting principles generally accepted in their respective countries to the accounting principles generally accepted in India. We have audited these conversion adjustments made by the Company's management. Our opinion in so far as it relates to the balances and affairs of such subsidiaries located outside India, including other information, is based on the report of other auditors and the conversion adjustments prepared by the management of the Company and audited by us.

20. We did not audit the financial statements/financial information of five subsidiaries and one jointly controlled entity whose financial statements/ financial information reflect total assets of ₹ 240.41 lakhs and net assets of ₹ 87.99 lakhs as at March 31, 2022, total revenue of ₹ 215.61 lakhs, total comprehensive income (comprising of profit and other comprehensive income) of ₹ 8.53 lakhs and net cash outflows amounting to ₹ 0.97 lakhs for the year ended on that date, as considered in the consolidated financial statements. The consolidated financial statements also include the Group's share of total comprehensive income (comprising of profit/ loss and other comprehensive income) of Nil whose financial statements/ financial information have not been audited by us. These financial statements/ financial information are unaudited and have been furnished to us by the Management, and our opinion on the consolidated financial statements insofar as it relates to the amounts and disclosures included in respect of these subsidiaries and jointly controlled entity and our report in terms of sub-section (3) of Section 143 of the Act including report on Other Information insofar as it relates to the aforesaid subsidiaries and joint controlled entity, is based solely on such unaudited financial statements/ financial information. In our opinion and according to the information and explanations given to us by the Management, these financial statements/ financial information are not material to the Group.

21. The following paragraph on Other Matter was included in the audit report dated April 10, 2022, containing an unmodified audit opinion on the financial statements of Industrial Quality Services LLC, a subsidiary of the Holding Company issued by an independent firm of Chartered Accountants reproduced by us as under:

All amounts are ₹ lakh unless otherwise stated

The financial statements of Industrial Quality Services LLC for the year ended March 31, 2021, were audited by another auditor who expressed an unmodified opinion on those statements on April 15, 2021.

22. Our opinion on the consolidated financial statements, and our report on Other Legal and Regulatory Requirements below, is not modified in respect of the above matters with respect to our reliance on the work done and the reports of the other auditors and the financial statements/ financial information certified by the Management.

**Report on Other Legal and Regulatory Requirements**

23. As required by the Companies (Auditor's Report) Order, 2020 ("CARO 2020"), issued by the Central Government of India in terms of sub-section (11) of Section 143 of the Act, we give in the Annexure B, a statement on the matter specified in paragraph 3(xxi) of CARO 2020.

24. As required by Section 143(3) of the Act, we report, to the extent applicable, that:

(a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid consolidated financial statements.

(b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books and the reports of the other auditors.

(c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss (including other comprehensive income), the Consolidated Statement of Changes in Equity and the Consolidated Statement of Cash Flows dealt with by this Report are in agreement with the relevant books of account and records maintained for the purpose of preparation of the consolidated financial statements.

(d) In our opinion, the aforesaid consolidated financial statements comply with the Accounting Standards specified under Section 133 of the Act.

(e) The matters described in Material Uncertainty Related to Going Concern paragraph above, in our opinion, may have an adverse effect on the functioning of the Company.

(f) On the basis of the written representations received from the directors of the Holding Company as on March 31, 2022 taken on record by the Board of Directors of the Holding Company and the reports of the statutory auditors of its subsidiary companies, associate company incorporated in India, none of the directors of the Group companies and its associate company incorporated in India is disqualified as on March 31, 2022 from being appointed as a director in terms of Section 164(2) of the Act.

(g) With respect to the adequacy of internal financial controls with reference to consolidated financial statements of the Group and the operating effectiveness of such controls, refer to our separate report in Annexure A.

(h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditor's) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:

i. The consolidated financial statements disclose the impact, if any, of pending litigations on the consolidated financial position of the Group, its associate company and jointly controlled entity– Refer Note 36.01 and 36.02 to the consolidated financial statements.

ii. Provision has been made in the consolidated financial statements, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts as at March 31, 2022– Refer (a) Note 26 to the consolidated financial statements in respect of such items as it relates to the Group, its associate company and jointly controlled entity. The Group has long-term derivative contracts for which there are no material foreseeable losses as at March 31, 2022.

iii. During the year ended March 31, 2022, there were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Holding Company, and its subsidiary companies and associate company incorporated in India.

## Independent Auditor's Report

All amounts are ₹ lakh unless otherwise stated

iv. (a) The respective Managements of the Holding Company, its subsidiaries and associate company which are companies incorporated in India whose financial statements have been audited under the Act have represented to us and the other auditors of such subsidiaries and associate company respectively that, to the best of their knowledge and belief, as disclosed in the notes to the accounts, no funds (which are material either individually or in the aggregate) have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Holding Company or any of such subsidiaries and associate company to or in any other persons or entities, including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Holding Company or any of such subsidiaries and associate company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

(b) The respective Managements of the Holding Company, its subsidiaries and associate company which are companies incorporated in India whose financial statements have been audited under the Act have represented to us and the other auditors of such subsidiaries and associate company respectively that, to the best of their knowledge and belief, as disclosed in the notes to the accounts, no funds (which are material either individually or in the aggregate) have been received by the Holding Company or any of such subsidiaries and associate company from any persons or entities, including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Holding Company or any of such subsidiaries and associate company shall, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

(c) Based on the audit procedures, that has been considered reasonable and appropriate in the circumstances, performed by us and those performed by the auditors of the subsidiaries and associate company which are companies incorporated in India whose financial statements have been audited under the Act, nothing has come to our or other auditor's notice that has caused us or the other auditors to believe that the representations under sub-clause (i) and (ii) of Rule 11(e) contain any material misstatement.

v. The Holding Company, its subsidiary companies, associate company and jointly controlled entity, has not declared or paid any dividend during the year.

25. The Group and its associate company have paid/ provided for managerial remuneration in accordance with the requisite approvals mandated by the provisions of Section 197 read with Schedule V to the Act.

**For Price Waterhouse & Co Chartered Accountants LLP**
Firm Registration Number: 304026E/E-300009

**Sunit Kumar Basu**
**Partner**

Place: Hyderabad
Date: April 29, 2022

Membership Number: 55000
UDIN: 22055000AICYUI6412



# Annexure A to Independent Auditor's Report

All amounts are ₹ lakh unless otherwise stated

**Referred to in paragraph 24(g) of the Independent Auditor's Report of even date to the members of Tata Projects Limited on the consolidated financial statements for the year ended March 31, 2022. Also refer Other Matter paragraphs 15, 16 and 17 of our main audit report of even date.**

### Report on the Internal Financial Controls with reference to Consolidated Financial Statements under clause (i) of sub-section 3 of Section 143 of the Act

1. In conjunction with our audit of the consolidated financial statements of the Company as of and for the year ended March 31, 2022, we have audited the internal financial controls with reference to financial statements of Tata Projects Limited (hereinafter referred to as "the Holding Company"), its subsidiary companies and its associate company, which are companies incorporated in India, as of that date.

### Management's Responsibility for Internal Financial Controls

2. The respective Board of Directors of the Holding Company, its subsidiary companies and its associate company, to whom reporting under clause (i) of sub section 3 of Section 143 of the Act in respect of the adequacy of the internal financial controls with reference to financial statements is applicable, which are companies incorporated in India, are responsible for establishing and maintaining internal financial controls based on internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting ("the Guidance Note") issued by the Institute of Chartered Accountants of India ("ICAI"). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the respective company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

### Auditor's Responsibility

3. Our responsibility is to express an opinion on the Company's internal financial controls with reference to financial statements based on our audit. We conducted our audit in accordance with the Guidance Note issued by the ICAI and the Standards on Auditing deemed to be prescribed under Section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of internal financial controls and both issued by the ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to financial statements was established and maintained and if such controls operated effectively in all material respects.

4. Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system with reference to financial statements and their operating effectiveness. Our audit of internal financial controls with reference to financial statements included obtaining an understanding of internal financial controls with reference to financial statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error.

5. We believe that the audit evidence we have obtained and the audit evidence obtained by the other auditors in terms of their reports referred to in the Other Matters paragraph below is sufficient and appropriate to provide a basis for our audit opinion on the Holding Company's internal financial controls system with reference to consolidated financial statements.

### Meaning of Internal Financial Controls with reference to financial statements

6. A company's internal financial control with reference to financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control with reference to financial statements includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of consolidated financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures

All amounts are ₹ lakh unless otherwise stated

of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the consolidated financial statements.

### Inherent Limitations of Internal Financial Controls with reference to financial statements

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

### Opinion

8. In our opinion, the Holding Company, its subsidiary companies and its associate company, which are companies incorporated in India, have, in all material respects, an adequate internal financial controls system with reference to financial statements and such internal financial controls with reference to financial statements were operating effectively as at March 31, 2022, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note issued by the ICAI.

### Other Matters

9. Our aforesaid reports under Section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal financial controls with reference to financial statements insofar as it relates to one associate company, which is a company incorporated in India, is based on the corresponding reports of the auditors of such companies incorporated in India. Our opinion is not modified in respect of this matter.

**For Price Waterhouse & Co Chartered Accountants LLP**
Firm Registration Number: 304026E/E-300009

**Sunit Kumar Basu**
**Partner**

Place: Hyderabad
Date: April 29, 2022

Membership Number: 55000
UDIN: 22055000AICYUI6412





# Annexure B to Independent Auditors' Report

All amounts are ₹ lakh unless otherwise stated

**Referred to in paragraph 23 of the Independent Auditors' Report of even date to the members of Tata Projects Limited on the Consolidated Financial Statements as of and for the year ended March 31, 2022. Also refer Other Matter paragraphs 15, 16 and 17 of our main audit report of even date.**

As required by paragraph 3(xxi) of the CARO 2020, we report that the auditors of the following companies have given qualification or adverse remarks in their CARO report on the standalone/consolidated financial statements of the respective companies included in the Consolidated Financial Statements of the Holding Company:

| S. No. | Name of the Company | CIN | Relationship with the Holding Company | Date of the respective auditors' report | Paragraph number and comment in the respective CARO report reproduced below |
|---|---|---|---|---|---|
| 1. | TCC Construction Private Limited | U45202MH2018PTC314429 | Subsidiary | April 28, 2022 | (vii) (a) According to the information and explanations given to us and the records of the Company examined by us, in our opinion, the Company is generally regular in depositing undisputed statutory dues in respect of income tax though there has been a slight delay in a few cases, and is regular in depositing undisputed statutory dues, including provident fund, employees' state insurance, sales tax, service tax, duty of customs, duty of excise, value added tax, cess, goods and services tax and other material statutory dues, as applicable, with the appropriate authorities. |
| 2. | TCC Construction Private Limited | U45202MH2018PTC314429 | Subsidiary | April 28, 2022 | (xvii) The Company has incurred cash losses of ₹ 7.24 lakhs in the financial year and of ₹ 0.25 lakhs in the immediately preceding financial year. |
| 3. | TP Luminaire Private Limited | U45309TG2018PTC128877 | Subsidiary | April 28, 2022 | (xvii) The Company has not incurred any cash losses in the financial year and had incurred cash losses of ₹ 338.39 lakhs in the immediately preceding financial year. |
| 4. | TQ Cert Services Private Limited | U74220TG2003PTC040523 | Subsidiary | April 28, 2022 | (vii) (a) According to the information and explanations given to us and the records of the Company examined by us, in our opinion, the Company is generally regular in depositing undisputed statutory dues in respect of income tax though there has been a slight delay in a few cases, and is regular in depositing undisputed statutory dues, including provident fund, employees' state insurance, sales tax, service tax, duty of customs, duty of excise, value added tax, cess, goods and services tax and other material statutory dues, as applicable, with the appropriate authorities. |
| 5. | Artson Engineering Limited | L27290MH1978PLC020644 | Subsidiary | April 25, 2022 | (ii) (b) During the year, the Company has been sanctioned working capital limits in excess of ₹ 5 crores, in aggregate, from banks on the basis of security of current assets. The Company has filed revised quarterly returns or statements with such banks, which are in agreement with the unaudited books of account. Further, the Company is yet to submit the quarterly returns for March 31, 2022 to the Bank and hence reporting to this extent under clause 3(ii)(b) of the Order is not applicable to the Company. |
| 6. | Artson Engineering Limited | L27290MH1978PLC020644 | Subsidiary | April 25, 2022 | (vii) (a) According to the information and explanations given to us and the records of the Company examined by us, in our opinion, the Company is generally regular in depositing undisputed statutory dues in respect of income tax, provident fund, professional tax, employees' state insurance and goods and services tax, though there has been a slight delay in a few cases, and is regular in depositing undisputed statutory dues, including sales tax, service tax, duty of customs, duty of excise, value added tax, cess, and other material statutory dues, as applicable, with the appropriate authorities. |
| 7. | Artson Engineering Limited | L27290MH1978PLC020644 | Subsidiary | April 25, 2022 | (xvii) The Company has incurred cash losses of ₹ 88.48 Lakhs in the financial year and of ₹ 338.23 Lakhs in the immediately preceding financial year. |

All amounts are ₹ lakh unless otherwise stated

| S. No. | Name of the Company | CIN | Relationship with the Holding Company | Date of the respective auditors' report | Paragraph number and comment in the respective CARO report reproduced below |
|---|---|---|---|---|---|
| 8. | Artson Engineering Limited | L27290MH1978PLC020644 | Subsidiary | April 25, 2022 | (xix) On the basis of the financial ratios, ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information accompanying the financial statements, our knowledge of the Board of Directors and management plans, in our opinion and according to the information and explanations given to us, a material uncertainty exists as on the date of the audit report that the Company is capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. |
| 9. | Tata Projects Limited | U45203TG1979PLC057431 | Holding Company | April 29, 2022 | (ii) (b) During the year, the Company has been sanctioned working capital limits in excess of ₹ 5 crores, in aggregate, from banks on the basis of security of current assets. The Company has filed revised quarterly returns or statements with such banks, which are in agreement with the unaudited books of account. Further, the Company is yet to submit the quarterly returns for March 31, 2022 to the Bank and hence reporting to this extent under clause 3(ii)(b) of the Order is not applicable to the Company. |
| 10. | Tata Projects Limited | U45203TG1979PLC057431 | Holding Company | April 29, 2022 | (iii) (c) In respect of the loans to Artson Engineering Limited (subsidiary), no schedule for repayment of principal and payment of interest has been stipulated by the Company. Therefore, in the absence of stipulation of repayment terms, we are unable to comment on the regularity of repayment of principal and payment of interest. |
| 11. | Tata Projects Limited | U45203TG1979PLC057431 | Holding Company | April 29, 2022 | (iii) (f) Following loans were granted during the year, including to related parties under Section 2(76), where no schedule for repayment of principal and payment of interest has been stipulated by the Company.<br>Refer Annexure I below. |
| 12. | Tata Projects Limited | U45203TG1979PLC057431 | Holding Company | April 29, 2022 | (vii) (a) According to the information and explanations given to us and the records of the Company examined by us, in our opinion, the Company is generally regular in depositing undisputed statutory dues in respect of professional tax and employees' state insurance, though there has been a slight delay in a few cases, and is regular in depositing undisputed statutory dues, including provident fund, sales tax, income tax, service tax, duty of customs, duty of excise, value added tax, cess, goods and services tax, entry tax and other material statutory dues, as applicable, with the appropriate authorities. |
| 13. | Tata Projects Limited | U45203TG1979PLC057431 | Holding Company | April 29, 2022 | (xi) (c) During the course of our examination of the books and records of the Company carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanations given to us, the Company has received whistle-blower complaints during the year, which have been considered by us for any bearing on our audit and reporting. For whistle-blower complaints in respect of which investigations are on-going, the impact cannot be determined. |
| 14. | Tata Projects Limited | U45203TG1979PLC057431 | Holding Company | April 29, 2022 | (xvii) The Company has incurred cash losses of ₹ 48,823.50 lakhs in the financial year and had not incurred cash losses in the immediately preceding financial year. |
| 15. | Arth Designbuild India Private Limited | U74900TG2014PTC095476 | Associate | April 23, 2022 | (vi) Statutory dues: According to the information and explanations given to us and on the basis of our examination of the records of the Company, amounts deducted/accrued in the books of account in respect of undisputed statutory dues including provident fund, employees' state insurance, income-tax, sales tax, service tax, value added tax, cess and other statutory dues have been generally not regularly deposited during the year by the Company with the appropriate authorities and there have been serious delays in few cases. |

All amounts are ₹ lakh unless otherwise stated

| S. No. | Name of the Company | CIN | Relationship with the Holding Company | Date of the respective auditors' report | Paragraph number and comment in the respective CARO report reproduced below |
|---|---|---|---|---|---|
| 16. | Arth Designbuild India Private Limited | U74900TG2014PTC095476 | Associate | April 23, 2022 | (vii) Undisputed statutory dues: According to the information and explanations given to us, the following undisputed amounts payable in respect of provident fund, income- tax and GST, the payments of which were in arrears as at 31 March 2022 for a period of more than six months from the date they became payable.<br>Refer Annexure II below. |
| 17. | Arth Designbuild India Private Limited | U74900TG2014PTC095476 | Associate | April 23, 2022 | (xvii) The company has incurred cash losses of ₹ 2,58,66,917 (Two crore fifty-eight lakhs sixty-six Thousand Nine hundred seventeen) in the financial year 2021-22 and a cash loss of ₹ 6,08,17,733 (Six crores Eight lakhs seventeen thousand seven hundred and thirty-three) in the preceding financial year i.e. 2020-21. |

**Annexure I:**

| | All Parties | Promoters | Related Parties |
|---|---|---|---|
| Aggregate of loans<br>- Repayable on demand | Nil | Nil | Nil |
| - Agreement does not specify any terms or period of repayment | ₹ 1,000 lakhs | Nil | ₹ 1,000 lakhs |
| Percentage of loans to the total loans | 100% | Nil | 100% |

**Annexure II:**

| Name of the statute | Nature of dues | Amount (₹) | Period to which the amount relates | Est. date of Payment |
|---|---|---|---|---|
| Employees Provident Fund | Employer & Employee contributions | 9,11,995 | Oct'21 to Mar'22 | June'22 |
| TDS payable | Salaries | 5,53,422 | Dec'21 to Mar'22 | July'22 |
| TDS payable | Consultants | 13,81,298 | Apr'21 to Mar'22 | Aug'22 |

**For Price Waterhouse & Co Chartered Accountants LLP**

Firm Registration Number: 304026E/E-300009

**Sunit Kumar Basu**

**Partner**

Membership Number: 55000

UDIN: 22055000AICYUI6412

Place: Hyderabad

Date: April 29, 2022

# Consolidated Balance Sheet as at March 31, 2022

All amounts are ₹ lakh unless otherwise stated

| | Note No. | As at 31-Mar-22 | As at 31-Mar-21 |
|---|---|---|---|
| **ASSETS** | | | |
| **Non-current assets** | | | |
| (A) Property, plant and equipment | 4 | 61,655.94 | 53,818.24 |
| (B) Capital work-in-progress | 4 | 1,416.01 | 768.18 |
| (C) Goodwill on consolidation | 5 | 389.74 | 391.68 |
| (D) Intangible assets | 6(a) | 1,915.65 | 1,884.43 |
| (E) Intangible assets under development | 6(a) | - | 190.95 |
| (F) Right-of-use assets | 6(b) | 10,381.30 | 19,606.28 |
| (G) Financial assets | | | |
| (i) Investments | 7 | 592.47 | 740.23 |
| (ii) Trade receivables | 9 | 3,115.08 | 3,502.37 |
| (iii) Other financial assets | 10 | 14,849.69 | 17,226.11 |
| (H) Deferred tax assets (net) | 11 | 23,967.39 | 9,210.36 |
| (I) Non-current tax assets (net) | 12 | 30,596.90 | 19,162.81 |
| (J) Other non-current assets | 13 | 4,507.48 | 4,558.34 |
| **Total non-current assets** | | **153,387.65** | **131,059.98** |
| **Current assets** | | | |
| (A) Inventories | 14 | 77,726.63 | 58,745.03 |
| (B) Financial assets | | | |
| (i) Investments | 8 | 20,002.46 | - |
| (ii) Trade receivables | 9 | 612,897.98 | 651,600.91 |
| (iii) Cash and cash equivalents | 15 | 142,508.79 | 39,065.39 |
| (iv) Bank balances other than (iii) above | 15 | 6,652.55 | 5,642.45 |
| (v) Loans | 16 | - | 18.50 |
| (vi) Other financial assets | 10 | 568,109.30 | 508,609.23 |
| (C) Other current assets | 13 | 234,736.90 | 204,612.31 |
| (D) Assets classified as held for sale | 4 | 988.98 | - |
| **Total current assets** | | **1,663,623.59** | **1,468,293.82** |
| **Total Assets** | | **1,817,011.24** | **1,599,353.80** |
| **EQUITY AND LIABILITIES** | | | |
| **Equity** | | | |
| (A) Equity share capital | 17 | 8,296.63 | 2,025.00 |
| (B) Other equity | 18 | 193,529.41 | 138,049.78 |
| **Equity attributable to owners of the Parent Company** | | **201,826.04** | **140,074.78** |
| Non-controlling interests | 19 | 892.43 | 932.62 |
| **Total equity** | | **202,718.47** | **141,007.40** |
| **Liabilities** | | | |
| **Non-current liabilities** | | | |
| (A) Financial liabilities | | | |
| (i) Borrowings | 20 | 116,909.16 | 177,925.22 |
| (ii) Lease liabilities | 24 | 2,648.93 | 4,261.96 |
| (B) Provisions | 21 | 4,174.79 | 4,035.86 |
| **Total non-current liabilities** | | **123,732.88** | **186,223.04** |
| **Current liabilities** | | | |
| (A) Financial liabilities | | | |
| (i) Borrowings | 22 | 239,692.15 | 114,711.42 |
| (ii) Trade payables | 23 | | |
| (a) total outstanding dues of micro and small enterprises | | 122,163.43 | 104,452.01 |
| (b) total outstanding dues other than (ii) (a) above | | 534,016.95 | 471,940.74 |
| (iii) Lease liabilities | 24 | 9,154.22 | 16,920.99 |
| (iv) Other financial liabilities | 25 | 13,963.69 | 9,117.15 |
| (B) Provisions | 21 | 4,950.34 | 7,975.70 |
| (C) Current tax liabilities (net) | 12 | 3,179.24 | 4,947.56 |
| (D) Other current liabilities | 26 | 563,439.87 | 542,057.79 |
| **Total current liabilities** | | **1,490,559.89** | **1,272,123.36** |
| **Total liabilities** | | **1,614,292.77** | **1,458,346.40** |
| **Total Equity and Liabilities** | | **1,817,011.24** | **1,599,353.80** |
| **See accompanying notes forming part of the consolidated Ind AS financial statements** | 1 - 36.32 | | |

This is the Consolidated balance sheet referred to in our report of even date

**For Price Waterhouse & Co Chartered Accountants LLP**
Firm Registration Number : 304026E/E-300009

**Sunit Kumar Basu**
Partner
Membership Number: 55000
Place: Hyderabad

Date: April 29, 2022

**For and on behalf of the Board of Directors**

**Banmali Agrawala**
Chairman
DIN: 00120029
Place: Mumbai

**Vinayak K Deshpande**
Managing Director
DIN: 00036827
Place: Mumbai

**Sanjay Sharma**
Chief Financial Officer
Place: Mumbai

**B S Bhaskar**
Company Secretary
Place: Hyderabad

Date: April 29, 2022

# Consolidated Statement of Profit and Loss for the year ended March 31, 2022

All amounts are ₹ lakh unless otherwise stated

| | | Note No. | For the year ended March 31, 2022 | For the year ended March 31, 2021 |
|---|---|---|---|---|
| I | Revenue from operations | 27 | 1,367,937.16 | 1,218,737.95 |
| II | Other income | 28 | 7,949.98 | 10,178.78 |
| **III** | **Total Income (I + II)** | | **1,375,887.14** | **1,228,916.73** |
| **IV** | **Expenses** | | | |
| | (a) Contract execution expenses | 29 | 1,234,733.91 | 1,016,478.35 |
| | (b) Changes in inventories of finished goods and work-in-progress | 30 | 374.25 | 436.53 |
| | (c) Employee benefits expense | 31 | 89,482.43 | 75,822.20 |
| | (d) Finance costs | 32 | 50,687.88 | 42,166.81 |
| | (e) Depreciation and amortisation expense | 33 | 21,701.13 | 23,615.35 |
| | (f) Other expenses | 34 | 53,989.06 | 46,496.34 |
| | **Total expenses (IV)** | | **1,450,968.66** | **1,205,015.58** |
| **V** | Share of net loss of associates and joint ventures accounted for using the equity method | | (147.76) | (268.55) |
| **VI** | **Profit /(Loss) before tax (III-IV+V)** | | **(75,229.28)** | **23,632.60** |
| **VII** | **Tax expense:** | | | |
| | (i) Current tax expense | 35 | 4,517.55 | 10,292.11 |
| | (ii) Tax - earlier years | | (1,578.79) | (1,366.91) |
| | (iii) Deferred tax expense/(credit) | | (16,121.92) | 2,254.34 |
| | **Total tax expense (VII)** | | **(13,183.16)** | **11,179.54** |
| **VIII** | **Profit/(Loss) for the year (VI-VII)** | | **(62,046.12)** | **12,453.06** |
| **IX** | **Other comprehensive income** | | | |
| | A (i) Items that will not be reclassified subsequently to the statement of profit and loss | | | |
| | (a) Re-measurements of the defined benefit plans | | 1,780.73 | (2,155.77) |
| | (b) Income tax relating to these items | | (449.55) | (2.72) |
| | | | **1,331.18** | **(2,158.49)** |
| | B (i) Items that may be reclassified subsequently to the statement of profit and loss | | | |
| | (a) Exchange differences in translating the financial statements of foreign operations | | 132.25 | 5.97 |
| | **Total other comprehensive income [(A(i) + B(i))] (IX)** | | **1,463.43** | **(2,152.52)** |
| **X** | **Total comprehensive income/(loss) for the year (VIII + IX)** | | **(60,582.69)** | **10,300.54** |
| | Profit/(Loss) for the year attributable to: | | | |
| | - Owners of the Parent Company | | (61,992.76) | 12,569.97 |
| | - Non-controlling interests | | (53.36) | (116.91) |
| | | | (62,046.12) | 12,453.06 |
| | Other Comprehensive income for the year attributable to: | | | |
| | - Owners of the Parent Company | | 1,450.26 | (2,145.37) |
| | - Non-controlling interests | | 13.17 | (7.15) |
| | | | 1,463.43 | (2,152.52) |
| | Total Comprehensive income/(loss) for the year attributable to: | | | |
| | - Owners of the Parent Company | | (60,542.50) | 10,424.60 |
| | - Non-controlling interests | | (40.19) | (124.06) |
| | | | (60,582.69) | 10,300.54 |
| | **Earnings per equity share (of ₹ 5 each)** | 36.06 | | |
| | Basic (₹) | | (50.92) | 10.35 |
| | Diluted (₹) | | (50.92) | 10.35 |
| | **See accompanying notes forming part of the consolidated Ind AS financial statements 1 - 36.32** | | | |

This is the Consolidated Statement of Profit and Loss referred to in our report of even date

**For Price Waterhouse & Co Chartered Accountants LLP**
Firm Registration Number : 304026E/E-300009

**Sunit Kumar Basu**
Partner
Membership Number: 55000
Place: Hyderabad

Date: April 29, 2022

**For and on behalf of the Board of Directors**

**Banmali Agrawala**
Chairman
DIN: 00120029
Place: Mumbai

**Vinayak K Deshpande**
Managing Director
DIN: 00036827
Place: Mumbai

**Sanjay Sharma**
Chief Financial Officer
Place: Mumbai

**B S Bhaskar**
Company Secretary
Place: Hyderabad

Date: April 29, 2022

# Consolidated Statement of Cash Flows for the year ended March 31, 2022

All amounts are ₹ lakh unless otherwise stated

| Particulars | For the year ended March 31, 2022 | For the year ended March 31, 2021 |
|---|---|---|
| **Cash flows from operating activities** | | |
| **Profit/(Loss) before tax** | **(75,229.28)** | **23,632.60** |
| Adjustments for : | | |
| Finance costs recognised in the statement of profit and loss | 50,687.88 | 42,166.81 |
| Interest income recognised in statement of profit and loss | (3,815.88) | (3,251.29) |
| Interest income from statutory authorities | (185.84) | (2,481.41) |
| Loss on disposal of property, plant and equipment | 206.42 | 200.24 |
| Gain recognised on cancellation of Leases | (122.70) | (396.67) |
| Depreciation and amortisation expense | 21,701.13 | 23,615.35 |
| Provision for future foreseeable losses on contracts | 5,051.05 | 288.63 |
| Advances written off | 17.64 | 7.10 |
| Share of losses of associates and joint ventures | 147.76 | 268.55 |
| Provision for diminution in value of investment | 80.84 | - |
| Bad debts | - | 5,491.72 |
| Expected credit loss allowance (net of reversals) | 5,428.15 | 5,625.98 |
| Provision for doubtful advances (net of reversals) | - | (12.88) |
| Liabilities no longer required written back | (2,180.15) | (3,413.80) |
| Reversal of capital reserve on disposal of investment | (63.60) | - |
| Reversal of Goodwill on disposal of investment | 1.90 | - |
| Provision for CSR expenses | 108.93 | 244.00 |
| Effect of Ind AS adjustments on discounting of financial assets | 44.90 | 44.84 |
| Net foreign exchange loss/(gain)- unrealised | (145.04) | 541.50 |
| | **1,734.11** | **92,571.27** |
| **Movements in working capital** | | |
| (Increase)/decrease in trade receivables | 33,163.50 | (72,895.56) |
| Increase in inventories | (18,981.60) | (7,237.34) |
| Increase in other assets | (87,219.30) | (125,432.56) |
| Increase in trade payables | 81,713.57 | 107,500.07 |
| Increase in other liabilities | 15,266.40 | 44,759.88 |
| **Cash generated from operations** | **25,676.68** | **39,265.76** |
| Income taxes (paid)/refund | (15,895.57) | 12,834.33 |
| **Net cash generated from operating activities** | **9,781.11** | **52,100.09** |
| **Cash flows from investing activities** | | |
| Interest received | 3,425.07 | 2,943.64 |
| Loans repaid by /(given to) jointly controlled operations | 18.50 | (18.50) |
| Payments for property, plant and equipment | (21,755.12) | (13,030.74) |
| Proceeds from disposal of property, plant and equipment | 3,914.33 | 2,358.50 |
| (Increase)/decrease in other bank balances | (768.25) | 4,585.35 |
| Payments for purchase of investments | (20,002.46) | - |
| **Net cash used in investing activities** | **(35,167.93)** | **(3,161.75)** |



# Consolidated Statement of Cash Flows for the year ended March 31, 2022

All amounts are ₹ lakh unless otherwise stated

| Particulars | For the year ended March 31, 2022 | For the year ended March 31, 2021 |
|---|---|---|
| **Cash flows from financing activities** | | |
| Proceeds from issue of equity shares | 119,985.66 | - |
| Proceeds / (repayments ) from Current borrowings - net | 31,758.28 | (42,814.71) |
| Proceeds from Non Current borrowings - net | 98,454.74 | 35,945.98 |
| Repayments of Non Current borrowings | (65,000.00) | - |
| Payment of lease liabilities | (11,212.65) | (12,754.60) |
| Finance cost paid | (45,413.44) | (38,333.43) |
| **Net cash generated from / (used in) financing activities** | **128,572.59** | **(57,956.76)** |
| **Net increase/(decrease) in cash and cash equivalents** | **103,185.77** | **(9,018.42)** |
| **Cash and cash equivalents at the beginning of the year (Refer note 15)** | **37,200.92** | **46,276.32** |
| Effects of exchange rate changes on the balance of cash and cash equivalents held in foreign currencies | (57.19) | (56.98) |
| **Cash and cash equivalents at the end of the year (Refer note 15)** | **140,329.50** | **37,200.92** |

This is the Consolidated Statement of Cash flows referred to in our report of even date

**For Price Waterhouse & Co Chartered Accountants LLP**
Firm Registration Number : 304026E/E-300009

**Sunit Kumar Basu**
Partner
Membership Number: 55000
Place: Hyderabad

Date: April 29, 2022

**For and on behalf of the Board of Directors**

**Banmali Agrawala**
Chairman
DIN: 00120029
Place: Mumbai

**Vinayak K Deshpande**
Managing Director
DIN: 00036827
Place: Mumbai

**Sanjay Sharma**
Chief Financial Officer
Place: Mumbai

**B S Bhaskar**
Company Secretary
Place: Hyderabad

Date: April 29, 2022

# Standalone Statement of Changes in Equity for the year ended March 31, 2022

All amounts are ₹ lakh unless otherwise stated

## A. Equity share capital

### (1) Balance as at March 31, 2022

| Balance as at April 01, 2021 | Changes in equity share capital during the current year | Balance as at March 31, 2022 |
|---|---|---|
| 2,025.00 | 6,271.63 | 8,296.63 |

### (2) Balance as at March 31, 2021

| Balance as at April 01, 2020 | Changes in equity share capital during the current year | Balance as at April 01, 2021 |
|---|---|---|
| 2,025.00 | - | 2,025.00 |

## B. Other equity

### 1) Balance as at March 31, 2022

| Particulars | Reserves and Surplus | | | | | | | Other Comprehensive Income | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|
| | Securities premium reserve | General reserve | Retained earnings | Legal reserve | Capital reserve on consolidation | Debenture redemption reserve | Equity component of compound financial instruments | Other Comprehensive Income - Foreign exchange translation reserve | Other Comprehensive Income - others | Non-Controlling Interest | Total |
| **Balance as at April 1, 2021** | **4,987.50** | **29,042.70** | **100,144.51** | **51.30** | **67.56** | **10,000.00** | **-** | **(28.18)** | **(6,215.61)** | **932.62** | **138,982.40** |
| Loss for the year | - | - | (61,992.76) | - | - | - | - | - | - | (53.36) | (62,046.12) |
| Movement during the year | - | - | - | - | (3.96) | - | - | - | - | - | (3.96) |
| Utilised for bonus issue | (4,050.00) | - | - | - | - | - | - | - | - | - | (4,050.00) |
| Premium received on rights issue | 117,764.03 | - | - | - | - | - | - | - | - | - | 117,764.03 |
| Equity portion of compound financial instruments issued during the year | - | - | - | - | - | - | 3,054.79 | - | - | - | 3,054.79 |
| Deferred tax liability on Equity component of compound financial instruments | - | - | - | - | - | - | (768.83) | - | - | - | (768.83) |
| Other comprehensive income for the year | - | - | - | - | - | - | | 119.48 | 1,330.78 | 13.17 | 1,463.43 |
| **Total comprehensive income for the year** | **113,714.03** | **-** | **(61,992.76)** | **-** | **(3.96)** | **-** | **2,285.96** | **119.48** | **1,330.78** | **(40.19)** | **55,413.34** |
| Amount transferred to legal reserve | - | - | (26.89) | 26.89 | - | - | - | - | - | - | - |
| Transfer to debenture redemption reserve | - | - | (11,000.00) | - | - | 11,000.00 | - | - | - | - | - |
| Reversal of balances in reserves & FCTR on impairment of investments in subsidiaries | - | - | (67.87) | - | (63.60) | - | - | 157.57 | - | - | 26.10 |
| **Balance as at March 31, 2022** | **118,701.53** | **29,042.70** | **27,056.99** | **78.19** | **-** | **21,000.00** | **2,285.96** | **248.87** | **(4,884.83)** | **892.43** | **194,421.84** |

### 2) Balance as at March 31, 2021

| Particulars | Reserves and Surplus | | | | | | Other Comprehensive Income | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|
| | Securities premium reserve | General reserve | Retained earnings | Legal reserve | Capital reserve on consolidation | Debenture redemption reserve | Equity component of compound financial instruments | Other Comprehensive Income - Foreign exchange translation reserve | Other Comprehensive Income - others | Non-Controlling Interest | Total |
| **Balance as at April 1, 2020** | 4,987.50 | 29,042.70 | 92,672.97 | 38.89 | 57.87 | 5,000.00 | - | (43.07) | (4,055.35) | 1,056.68 | 128,758.19 |
| Profit for the year | - | - | 12,569.97 | - | - | - | - | - | - | (116.91) | 12,453.06 |
| Movement during the year | - | - | - | - | 9.69 | - | - | - | - | - | 9.69 |
| Impact due to change in profit sharing percentage in jointly controlled operations (retrospectively) | - | - | (86.02) | - | - | - | - | - | - | - | (86.02) |
| Other comprehensive income for the year | - | - | - | - | - | - | - | 14.89 | (2,160.26) | (7.15) | (2,152.52) |
| **Total comprehensive income for the year** | **-** | **-** | **12,483.95** | **-** | **9.69** | **-** | **-** | **14.89** | **(2,160.26)** | **(124.06)** | **10,224.21** |
| Amount transferred to legal reserve | - | - | (12.41) | 12.41 | - | - | - | - | - | - | - |
| Transfer to debenture redemption reserve | - | - | (5,000.00) | - | - | 5,000.00 | - | - | - | - | - |
| **Balance as at March 31, 2021** | **4,987.50** | **29,042.70** | **100,144.51** | **51.30** | **67.56** | **10,000.00** | **-** | **(28.18)** | **(6,215.61)** | **932.62** | **138,982.40** |

This is the Consolidated Statement of changes in equity referred to in our report of even date

**For Price Waterhouse & Co Chartered Accountants LLP**
Firm Registration Number : 304026E/E-300009

**Sunit Kumar Basu**
Partner
Membership Number: 55000
Place: Hyderabad

Date: April 29, 2022

**For and on behalf of the Board of Directors**

**Banmali Agrawala**
Chairman
DIN: 00120029
Place: Mumbai

**Vinayak K Deshpande**
Managing Director
DIN: 00036827
Place: Mumbai

**Sanjay Sharma**
Chief Financial Officer
Place: Mumbai

**B S Bhaskar**
Company Secretary
Place: Hyderabad

Date: April 29, 2022

# Notes forming part of Consolidated Ind AS Financial Statements for the year ended March 31, 2022

All amounts are ₹ lakh unless otherwise stated

## 1. General Information:

Tata Projects Limited (the 'Parent Company'), its subsidiaries and jointly controlled operations (together the 'Group'), associates and joint ventures/jointly controlled entities are in the business of providing turnkey end to end project implementing services through 4 Strategic Business Groups (SBG'S) – Industrial System, Core Infra, Urban Infrastructure and Services.

## 2. New and amended standards adopted by the Group:

The Group has applied the following amendments to Ind AS for the first time for their annual reporting period commencing April 01, 2021:

- Extension of COVID-19 related concessions – amendments to Ind AS 116
- Interest rate benchmark reform – amendments to Ind AS 109, Financial Instruments, Ind AS 107, Financial Instruments: Disclosures, Ind AS 104, Insurance Contracts and Ind AS 116, Leases.

The amendments listed above did not have any impact on the amounts recognised in prior periods and are not expected to significantly affect the current or future periods.

**New amendments issued but not effective**

The Ministry of Corporate Affairs has vide notification dated March 23, 2022 notified Companies (Indian Accounting Standards) Amendment Rules, 2022 which amends certain accounting standards, and are effective April 01, 2022. These amendments are not expected to have a material impact on the group in the current or future reporting periods and on foreseeable future transactions.

**Reclassifications consequent to amendments to Schedule III**

The Ministry of Corporate Affairs amended the Schedule III to the Companies Act, 2013 on March 24, 2021 to increase the transparency and provide additional disclosures to users of financial statements. These amendments are effective from April 01, 2021.

Consequent to above, the Group has changed the classification/presentation of (i) current maturities of long-term debt (ii) Lease liabilities (iii) Interest accrued on trade payables (MSME) (iv) Liability towards corporate social responsibility (v) Interest accrued but not due (current and non current), in the current year

The current maturities of long-term debt (including interest accrued but not due (current portion)) has now been included in the “Current borrowings” line item. Additionally, interest accrued but not due on borrowings (non current portion) has been disclosed under non-current borrowings. Previously, current maturities of non-current borrowings and interest accrued were included in ‘other financial liabilities’ line item.

The lease liabilities (current & non current) has now been shown as a separate line item. Previously, lease liabilities (current & non current) were included in ""other financial liabilities (current & non current)

Liability towards corporate social responsibility has now been shown as a separate line item in “Other current liabilities - other payables”. Previously, Liability towards corporate social responsibility was included in “Trade payables” line item.

The Interest accrued on trade payables (MSME) has now been included in the “Trade payables - Total outstanding dues of micro and small enterprises” line item. Previously, interest accrued on trade payables (MSME) was included in “other financial liabilities” line item.

The Group has reclassified comparative amounts to conform with current year presentation as per the requirements of Ind AS 1. The impact of such classifications is summarised below:

| Balance Sheet (extract) | March 31, 2021 (as previously reported) | Increase/ (Decrease) | March 31, 2021 (restated) |
|---|---|---|---|
| Non-current borrowings | 175,184.20 | 2,741.02 | 177,925.22 |
| Other financial liabilities (Non-current) | 4,261.96 | (4,261.96) | - |
| Lease liabilities (Non-current) | - | 4,261.96 | 4,261.96 |
| Current borrowings | 95,094.41 | 19,617.01 | 114,711.42 |
| Trade payables - total outstanding dues of micro and small enterprises | 102,216.98 | 2,235.03 | 104,452.01 |
| Trade payables - total outstanding dues other than above | 472,184.74 | (244.00) | 471,940.74 |
| Lease liabilities (Current) | - | 16,920.99 | 16,920.99 |
| Other financial liabilities (Current) | 64,143.92 | (55,026.77) | 9,117.15 |
| Other current liabilities | 528,301.07 | 13,756.72 | 542,057.79 |



# Notes forming part of Consolidated Ind AS Financial Statements for the year ended March 31, 2022

All amounts are ₹ lakh unless otherwise stated

## 3. Significant Accounting Policies :

### 3.1 Statement of compliance

The consolidated financial statements comply in all material aspects with Indian Accounting Standard (Ind AS) notified under the Section 133 of the Companies Act, 2013 (the Act), Companies (Indian Accounting Standards) Rules, 2015 and other relevant provisions of the Act.

### 3.2 Basis of preparation and presentation

The consolidated financial statements have been prepared on the historical cost basis except for certain finanical assets and liabilities (including derivatives), defined benefit plans, subordinated debts that are measured at fair values at the end of each reporting period, as explained in the accounting policies below :

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or a liability, the Group takes into account the characteristics of the asset or liability if market participants would take those characteristics into account when pricing the asset or liability at the measurement date. Fair value for measurement and/or disclosure purposes in these consolidated financial statements is determined on such a basis, leasing transactions that are within the scope of Ind AS 116, and measurements that have some similarities to fair value but are not fair value, such as net realizable value in Ind AS 2 or value in use in Ind AS 36.

In addition, for financial reporting purposes, fair value measurements are categorized into Level 1, 2, or 3 based on the degree to which the inputs to the fair value measurements are observable and the significance of the inputs to the fair value measurement in its entirety, which are described as follows:

- Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date;
- Level 2 inputs are inputs, other than quoted prices included within Level 1, that are observable for the asset or liability, either directly or indirectly; and
- Level 3 inputs are unobservable inputs for the asset or liability.

### 3.3 Basis of consolidation

The consolidated financial statements relating to Tata Projects Limited, its subsidiary companies and jointly controlled operations ( the "Group"), associates and joint ventures/jointly controlled entities have been prepared on the following basis:

(a) The financial statements of the subsidiary companies and jointly controlled entities used in the consolidation are drawn up to the same reporting date as that of the Parent Company i.e., March 31, 2022.

(b) The consolidated financial statements of the Group have been combined on a line-by-line basis by adding together like items of assets, liabilities, income and expenses, after elimination of intra-group balances, intra group transactions and resulting unrealised profits or losses.

(c) Share of profit/loss, assets and liabilities in the joint ventures/jointly controlled entities and associates, which are not subsidiaries, have been consolidated on equity method by recognising profit proportionate to the extent of the Group's equity interest in such entity as per Ind AS 28 Investments in Associates and Joint Ventures.

The excess of cost to the group of its investments in the subsidiary companies over its share of equity of the subsidiary companies, at the dates on which the investments in the subsidiary companies were made, is recognised as ‘Goodwill’ being an asset in the consolidated financial statements and is tested for impairment on an annual basis. On the other hand, where the share of equity in the subsidiary companies as on the date of investment is in excess of cost of investments of the group, it is recognised as ‘Capital Reserve’ and shown under the head ‘Reserves and surplus’, in the consolidated financial statements. The ‘Goodwill’ / ‘Capital Reserve’ is determined separately for each subsidiary company and such amounts are not set off between different entities.

Non-controlling interests in the net assets of the consolidated subsidiaries consist of the amount of equity attributable to the minority shareholders at the date on which investments in the subsidiary companies were made and further movements in their share in the equity, subsequent to the dates of investments. Net profit / loss for the year of the subsidiaries attributable to Non-controlling interest is identified and adjusted against the profit/loss after tax of the Group in order to arrive at the income attributable to shareholders of Tata Projects Limited ("the Parent Company").

# Notes forming part of Consolidated Ind AS Financial Statements for the year ended March 31, 2022

All amounts are ₹ lakh unless otherwise stated

Following subsidiary companies, associates and jointly controlled entities have been considered in the preparation of the consolidated financial statements:

The subsidiaries considered in the preparation of these consolidated financial statements are:

| Name of the subsidiary | Country of incorporation | Percentage of ownership interest | |
|---|---|---|---|
| | | As at March 31, 2022 | As at March 31, 2021 |
| Artson Engineering Limited | India | 75 | 75 |
| TQ Services (Mauritius) Pty Limited | Mauritius | 100 | 100 |
| TPL-TQA Quality Services South Africa (Pty) Limited | South Africa | 60 | 60 |
| TQ Services Europe GmbH | Germany | 100 | 100 |
| Ujjwal Pune Limited | India | 100 | 100 |
| TQ Cert Services Private Limited | India | 100 | 100 |
| Industrial Quality Services LLC | Oman | 70 | 70 |
| Ind Project Engineering (Shanghai) Co. Ltd | China | 100 | 100 |
| TPL-CIL Construction LLP* | India | 65 | 65 |
| TCC Construction Private Limited* | India | 36.9 | 36.9 |
| TP Luminaire Private Limited | India | 100 | 100 |
| TPL-Asara Engineering South Africa (Proprietary) Limited# | South Africa | 70 | 70 |
| TPL Infra Projects (Brazil) Limited# | South Africa | 100 | 100 |

*The Group is consolidating these subsidiaries based on control of the composition of members of the Board of Directors.

#There are no operations in these companies and hence not considered for consolidation

Interest in Joint ventures/Jointly controlled entities:

| Name of the Joint venture | Country of incorporation | Percentage holding | |
|---|---|---|---|
| | | As at March 31, 2022 | As at March 31, 2021 |
| Al Tawleed For Energy & Power Company* | Kingdom of Saudi Arabia | 30 | 30 |
| NESMA Tata Projects Limited# | Kingdom of Saudi Arabia | 50 | 50 |

* The financial statements of the jointly controlled entity are not available and hence not considered for consolidation. Also, the entity is currently under the process of liquidation.

#Nesma Tata Projects Limited has been incurring continuous operating losses. During the current year, the parent company has impaired the value of investments in Nesma Tata Projects Limited.

The group's associates are:

| Name of the company | Country of incorporation | Percentage of Ownership Interest | |
|---|---|---|---|
| | | As at March 31, 2022 | As at March 31, 2021 |
| Arth Designbuild India Private Limited | India | 27.47 | 27.47 |

The consolidation of the following subsidiaries, joint venture and associate have been done on the basis of audited financial statements

- Artson Engineering Limited
- Ujjwal Pune Limited
- TQ Cert Services Private Limited
- Industrial Quality Services LLC, Oman
- Ind Project Engineering (Shanghai) Co Ltd
- Arth Design build India Private Limited





Notes forming part of Consolidated Ind AS Financial Statements for the year ended March 31, 2022

All amounts are ₹ lakh unless otherwise stated

- TPL-CIL Construction LLP
- TCC Construction Private Limited
- TP Luminaire Private Limited

The consolidation of the following subsidiaries and has been done on the basis of unaudited financial statements certified by the Management

- TQ Services Europe GmbH
- TQ Services (Mauritius) Pty Limited*
- TPL-TQA Quality Services South Africa (Pty) Limited*
- TPL-Asara Engineering South Africa (Proprietary) Limited
- TPL Infra Projects (Brazil) Limited
- NESMA Tata Projects Limited

### 3.3.1 Changes in the Group's ownership interests in existing subsidiaries

Changes in the Group's ownership interests in subsidiaries that do not result in the Group losing control over the subsidiaries are accounted for as equity transactions. The carrying amounts of the Group's interests and the non-controlling interests are adjusted to reflect the changes in their relative interests in the subsidiaries. Any difference between the amount by which the non-controlling interests are adjusted and the fair value of the consideration paid or received is recognised directly in equity and attributed to owners of the Group.

When the Group loses control of a subsidiary, a gain or loss is recognised in profit or loss and is calculated as the difference between (i) the aggregate of the fair value of the consideration received and the fair value of any retained interest and (ii) the previous carrying amount of the assets (including goodwill), and liabilities of the subsidiary and any non-controlling interests. All amounts previously recognised in other comprehensive income in relation to that subsidiary are accounted for as if the Group had directly disposed off the related assets or liabilities of the subsidiary (i.e. reclassified to profit or loss or transferred to another category of equity as specified/permitted by applicable Ind AS). The fair value of any investment retained in the former subsidiary at the date when control is lost is regarded as the fair value on initial recognition for subsequent accounting under Ind AS 109, or, when applicable, the cost on initial recognition of an investment in an associate or a joint venture.

### 3.3.2 Goodwill

Goodwill arising on an acquisition of a business is carried at cost as established at the date of acquisition of the business less accumulated impairment losses, if any. Goodwill arising on consolidation is not amortised but tested for impairment.

### 3.3.3 Investments in associates and joint ventures

An associate is an entity over which the Group has significant influence. Significant influence is the power to participate in the financial and operating policy decisions of the investee but is not control or joint control over those policies.

A jointly controlled operation is a joint arrangement whereby the parties that have joint control of the arrangement have rights to the net assets of the joint arrangement. Joint control is the contractually agreed sharing of control of an arrangement, which exists only when decisions about the relevant activities require unanimous consent of the parties sharing control.

The results and assets and liabilities of associates or joint ventures are incorporated in these consolidated financial statements using the equity method of accounting.

An investment in an associate or a joint venture/jointly controlled entity is accounted for using the equity method from the date on which the investee becomes an associate or a joint venture. On acquisition of the investment in an associate or a joint venture/jointly controlled entity, any excess of the cost of the investment over the Group's share of the net fair value of the identifiable assets and liabilities of the investee is recognised as goodwill, which is included within the carrying amount

# Notes forming part of Consolidated Ind AS Financial Statements for the year ended March 31, 2022

All amounts are ₹ lakh unless otherwise stated

of the investment. Any excess of the Group's share of the net fair value of the identifiable assets and liabilities over the cost of the investment, after reassessment, is recognised directly in equity as capital reserve in the period in which the investment is acquired.

When a group entity transacts with an associate or a joint venture of the Group, profits and losses resulting from the transactions with the associate or joint venture are recognised in the Group's consolidated financial statements only to the extent of interests in the associate or joint venture that are not related to the Group.

**3.4 Estimates**

The preparation of the consolidated financial statements in conformity with Ind AS requires management to make estimates, judgments and assumptions. These estimates, judgments and assumptions affect the application of accounting policies and the reported amounts of assets and liabilities, the disclosures of contingent assets and liabilities at the date of the consolidated financial statements and reported amounts of revenues and expenses during the period. Application of accounting policies that require critical accounting estimates involving complex and subjective judgments and the use of assumptions in these consolidated financial statements have been disclosed. Significant estimates like Contract estimates are made by way of project budgets in respect of each project to compute project profitability with various assumptions and judgments. Accounting estimates could change from period to period. Actual results could differ from those estimates. Appropriate changes in estimates are made as management becomes aware of changes in circumstances surrounding the estimates. Changes in estimates are reflected in the consolidated financial statements in the period in which changes are made and, if material, their effects are disclosed in the notes to the consolidated financial statements.

**Critical estimates and judgements**

The areas involving critical estimates or judgements are:

- estimation of current tax expense and current tax payable – refer note 3.10
- estimations used for useful life & impairment of property, plant and equipments and intangible asset – refer note 3.11
- estimation of defined benefit obligation – refer note 3.7
- recognition of revenue and estimation of construction contract revenue and related costs – refer note 3.5
- recognition of deferred tax assets for carried forward tax losses – refer note 3.10
- impairment of trade receivables – refer note 3.14 and 3.19
- determination of lease term and estimation of amount payable under residual value guarantees – refer note 3.9
- estimation of fair values of contingent liabilities - refer note 3.13

Estimates and judgements are continually evaluated. They are based on historical experience and other factors, including expectations of future events that may have a financial impact on the Group and that are believed to be reasonable under the circumstances.

**3.5 Revenue Recognition**

The Group recognises revenue on satisfaction of performance obligation to its customer. Revenue is measured based on the consideration specified in a contract with a customer and excludes taxes collected on behalf of the government authorities.

**Determination of transaction price and its subsequent assessment:**

The Group assesses the transaction price considering the contract price as agreed with the customer in the contract document, that includes Letter of Acceptance/ Intent or any document evidencing the contractual arrangement. Where consideration is not specified within the contract and is variable, the Group estimates the amount of consideration to be received from its customer. The consideration recognised is the amount which the Group assesses to be highly probable not to result in a significant reversal in future periods.

Modification(s) to an existing contract, if any, are assessed to be either a separate performance obligation or an extension of existing scope and transaction price is determined accordingly. The Group considers the retention moneys held by customer to be protection money in the hands of the customers and hence are not subjected to discounting pursuant to para 61 and 62(c) of Ind AS 115. The mobilisation advances received, free of interest, from customers, also are not subjected to discounting, as the Group considers the objective behind the transaction to be that of ensuring and protecting timely execution of the project and not deriving financial benefit in the nature of interest.

The Group deploys revenue recognition both as (a) over a period of time, and (b) at a point of time, as considered



# Notes forming part of Consolidated Ind AS Financial Statements for the year ended March 31, 2022

All amounts are ₹ lakh unless otherwise stated

appropriate to the nature of product/service delivered to the customer.

**Revenue from operations:**

(i) Revenue from construction and services activities is recognised over a period of time and the Group uses the input method to measure progress of delivery."

(ii) Income from Construction Contract- Service concession arrangement:

Revenue related to construction services provided under service concession arrangement is recognized as per the agreement with the grantor relating to the construction period. The Group recognizes a financial asset arising from the service concession agreement when it has an unconditional contractual right to receive cash or another financial asset from or at the direction of the grantor of the concession for the construction provided. Such financial assets are measured at fair value upon initial recognition. Subsequent to initial recognition, such financial assets are measured at amortised cost. The amount initially recognised plus the cumulative interest on that amount is calculated using the effective interest method.

(iii) Revenue from manufacturing activities or sale of goods is recognised at a point in time when title has passed to the customer.

(iv) Revenue from services (including operation and maintenance) rendered is recognised in the accounting period in which the services are rendered based on the arrangements/agreements with the concerned parties.

**Revenue from other sources :**

(i) Interest income is accrued on a time basis using the effective interest method by reference to the principal outstanding and the effective interest rate, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to that asset's net carrying amount.

(ii) Dividend income is recognised when the equity holder's right to receive payment is established.

**Performance obligations in a contract with customer**

The Group determines the performance obligations, considering the nature and scope of each contract.

**Measuring Progress of a construction contract**

When the outcome of individual contracts can be estimated reliably, contract revenue and contract costs are recognised as revenue and expenses respectively by reference to the stage of completion as at the reporting date.

No profit is recognized till a minimum of 10% progress is achieved on all the projects except in case of selected projects as identified by management and duly approved by Audit Committee. At present, no profit is recognized, till a minimum of 25% progress is achieved in case of DFCC Projects, till a minimum of 30% progress in the case of KUAIII project (TPL-HGIEPL Joint Venture) and in case of MTHL Project (Daewoo-TPL JV), no profit is recognized till a minimum of 20% of billing is achieved. As there is no Profit recognition in the Projects till achieving the aforesaid %, revenue is recognized to the extent of recoverable costs incurred with reference to the percentage of completion.

Costs are recognised as incurred and revenue is recognised on the basis of the proportion of total actual costs as at the reporting date, to the estimated total costs of the contract. The Group adjusts the impact of significant uninstalled material (the material whose purchase cost is greater than 20% of the budgeted contract costs and which remain uninstalled for a period greater than 20% of the contract execution period) from the contract value, budgeted costs and costs incurred to measure the percentage of completion. The revenue on such items is recognised equal to the cost incurred on such items.

Provision is made for all known or expected losses on individual contracts once such losses are foreseen subject to negotiation of related claims with customers within a cure period of three years. Revenue in respect of variations to contracts and incentive payments is recognised when it is probable it will be agreed by the customer.

**3.6 Foreign Currencies**

**Functional and presentation currency:**

Items included in the consolidated financial statements of the Group are measured using the currency of the primary economic environment in which the entities operate. The functional currency of the Group is Indian Rupee.

Transactions in foreign currency are recorded at the exchange rates prevailing on the date of transaction. Foreign currency monetary items outstanding at the

# Notes forming part of Consolidated Ind AS Financial Statements for the year ended March 31, 2022

All amounts are ₹ lakh unless otherwise stated

balance sheet date are restated at the prevailing year end rates. The resultant gain/loss upon such restatement along with gain / loss on account of foreign currency transactions are accounted in the Statement of Profit and Loss.

Forward exchange contracts are fair valued to Mark to Market ("MTM") at every reporting date till the date of settlement. MTM variances are accounted through Statement of Profit and Loss which are finally written off or written back as the case may be on settlement.

In respect of consolidated financial statements of integral foreign operations of foreign branches, assets and liabilities are reported using the exchange rates on the date of balance sheet, income and expenses are translated at the yearly average rates of exchange. The resultant exchange gains / losses are recognized in the Statement of Profit and Loss.

**3.7 Employee Benefits**

Employee benefits include provident fund, superannuation fund, gratuity fund, compensated absences and post retirement medical benefits.

**Defined contribution plans**

The Group's contribution to superannuation fund, considered as defined contribution plans are charged as an expense in the Statement of Profit and Loss based on the amount of contribution required to be made as and when services are rendered by the employees and also the Group pays pension fund contributions to publicly administered pension funds as per local regulations.

In the case of Artson Engineering Limited (AEL), the subsidiary company, contributions are made to provident fund for employees at the rate of 12% of basic salary as per regulations. The contributions are made to registered provident fund administered by the Government.

**Defined benefit plans**

The Group's contribution to provident fund trust (administered by the Holding company), other than AEL, Gratuity are considered as defined retirement benefit plans. The cost of providing benefits is determined using the projected unit credit method, with actuarial valuations being carried out at the end of each annual reporting period. Remeasurement, comprising actuarial gains and losses, the effect of the changes to the asset ceiling (if applicable) and the return on plan assets (excluding net interest), is reflected immediately in the balance sheet with a charge or credit recognised in other comprehensive income in the period in which they occur. Remeasurement recognised in other comprehensive income is reflected immediately in retained earnings and is not reclassified to profit or loss. Past service cost is recognised in profit or loss in the period of a plan amendment. Net interest is calculated by applying the discount rate at the beginning of the period to the net defined benefit liability or asset.

**Defined benefit costs are categorized as follows:**

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

The Group presents the first two components of defined benefit costs in profit or loss in the line item 'Employee benefits expense'. Curtailment gains and losses are accounted for as past service costs.

The retirement benefit obligation recognised in the balance sheet represents the actual deficit or surplus in the Group's defined benefit plans. Any surplus resulting from this calculation is limited to the present value of any economic benefits available in the form reductions in future contributions to the plans.

**Short term employee benefits**

A liability is recognised for benefits accruing to employees in respect of wages and salaries and annual leave in the period the related service is rendered at the undiscounted amount of the benefits expected to be paid in exchange for that service.

Liabilities recognised in respect of short-term employee benefits are measured at the undiscounted amount of the benefits expected to be paid in exchange for the related service.
(refer note 36.08).

**Other long term employee benefits**

Other Long term employee benefit comprise of leave encashment which is provided for based on the actuarial valuation carried out as at the end of the year.

Provision for pension and medical benefits payable to retired Managing Directors is made on the basis of an actuarial valuation as at the end of the year.



# Notes forming part of Consolidated Ind AS Financial Statements for the year ended March 31, 2022

All amounts are ₹ lakh unless otherwise stated

Liabilities recognised in respect of other long-term employee benefits are measured at the present value of the estimated future cash outflows expected to be made by the Group in respect of the services provided by employees up to the reporting date.

**3.8 Earnings Per Share**

The Group presents basic and diluted earnings per share ("EPS") data for its equity shares. Basic EPS is calculated by dividing the profit or loss attributable to equity shareholders by the weighted average number of equity shares outstanding during the year. Diluted EPS is determined by adjusting the profit or loss attributable to equity shareholders and the weighted average number of equity shares outstanding for the effects of all dilutive potential equity shares. Refer note 36.06.

**3.9 Leasing**

Leases are recognised as a right-of-use asset and a corresponding liability at the date at which the leased asset is available for use by the company. Contracts may contain both lease and non-lease components. The Group allocates the consideration in the contract to the lease and non-lease components based on their relative stand-alone prices. However, for leases of real estate for which the Group is a lessee, it has elected not to separate lease and non-lease components and instead accounts for these as a single lease component.

Assets and liabilities arising from a lease are initially measured on a present value basis. Lease liabilities include the net present value of the following lease payments:

- fixed payments (including in-substance fixed payments), less any lease incentives receivable
- amounts expected to be payable by the Group under residual value guarantees
- the exercise price of a purchase option if the Group is reasonably certain to exercise that option, and
- payments of penalties for terminating the lease, if the lease term reflects the Group exercising that option."

Lease payments to be made under reasonably certain extension options are also included in the measurement of the liability. The lease payments are discounted using the interest rate implicit in the lease. If that rate cannot be readily determined, which is generally the case for leases in the Group, the lessee's incremental borrowing rate is used, being the rate that the individual lessee would have to pay to borrow the funds necessary to obtain an asset of similar value to the right-of-use asset in a similar economic environment with similar terms, security and conditions.

Lease payments are allocated between principal and finance cost. The finance cost is charged to profit or loss over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability for each period.

Right-of-use assets are measured at cost comprising the following:

- the amount of the initial measurement of lease liability
- any lease payments made at or before the commencement date less any lease incentives received
- any initial direct costs, and
- restoration costs.

Right-of-use assets are generally depreciated over the shorter of the asset's useful life and the lease term on a straight-line basis. If the group is reasonably certain to exercise a purchase option, the right-of-use asset is depreciated over the underlying asset's useful life.

Payments associated with short-term leases of equipment and all leases of low-value assets are recognised on a straight-line basis as an expense in profit or loss. Short-term leases are leases with a lease term of 12 months or less. Low-value assets comprise IT equipment and small items of office furniture.

Extension and termination options are included in a number of property and equipment leases across the Group. These are used to maximise operational flexibility in terms of managing the assets used in the Group's operations. The majority of extension and termination options held are exercisable only by the group and not by the respective lessor.

In determining the lease term, management considers all facts and circumstances that create an economic incentive to exercise an extension option, or not exercise a termination option. Extension options (or periods after termination options) are only included in the lease term if the lease is reasonably certain to be extended (or not terminated).

The lease term is reassessed if an option is actually exercised (or not exercised) or the group becomes obliged to exercise (or not exercise) it. The assessment of reasonable certainty is only revised if a significant event or a significant change in circumstances occurs, which

# Notes forming part of Consolidated Ind AS Financial Statements for the year ended March 31, 2022

All amounts are ₹ lakh unless otherwise stated

affects this assessment, and that is within the control of the lessee.

**3.10 Taxation**

Income tax expense represents the sum of the tax currently payable and deferred tax.

**3.10.1 Current tax**

Current tax expense comprises taxes on income from operations in India and foreign tax jurisdictions. Tax expense related to India is determined on the basis of the Income Tax Act, 1961 and quantified at the amount expected to be paid to the taxation authorities using the applicable tax rates. Tax expense relating to overseas operations is determined in accordance with the tax laws applicable in countries where such operations are domiciled.

The current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the end of the reporting period in the countries where the company and its subsidiaries and associates operate and generate taxable income. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation and considers whether it is probable that a taxation authority will accept an uncertain tax treatment. The group measures its tax balances either based on the most likely amount or the expected value, depending on which method provides a better prediction of the resolution of the uncertainty.

**3.10.2 Deferred tax**

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the consolidated financial statements and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are generally recognised for all taxable temporary differences. Deferred tax assets are generally recognised for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilized. Such deferred tax assets and liabilities are not recognised if the temporary difference arises from the initial recognition (other than in a business combination) of assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit.

The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

Deferred tax liabilities and assets are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realized, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.

**Current and deferred tax for the year:**

Current and deferred tax are recognised in profit or loss, except when they relate to items that are recognised in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognised in other comprehensive income or directly in equity respectively. Where current tax or deferred tax arises from the initial accounting for a business combination, the tax effect is included in the accounting for the business combination."

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets and liabilities and when the deferred tax balances relate to the same taxation authority. Current tax assets and tax liabilities are offset where the entity has a legally enforceable right to offset and intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

**3.11. Property, plant and equipment & Intangible Assets**

Property, plant and equipment are carried at cost less accumulated depreciation / amortisation and impairment losses, if any. The cost of property, plant and equipment comprises its purchase price and other attributable expenditure incurred in making the asset ready for its intended use and interest on borrowings attributable to acquisition of qualifying property, plant and equipment up to the date the asset is ready for its intended use.

Property, plant and equipment retired from active use and held for sale are stated at the lower of their net book value and net realisable value and are disclosed separately.

**Intangible Assets**

Intangible assets comprises of :

i) Technical Know-How: Developement cast of Technical Know-How is shown at historical cost. It has a finite useful life and are subsequently carried at cost less accumulated amortisation and impairment losses.



# Notes forming part of Consolidated Ind AS Financial Statements for the year ended March 31, 2022

All amounts are ₹ lakh unless otherwise stated

ii) Software: The application and other software procured through perpetual licences. The intangible assets are capitalised on implementation of such software and comprises of the prices paid for procuring the licence and implementation cost of such software.

**Depreciation and amortisation, impairment**

Depreciation has been provided on the straight line method considering the useful life prescribed in Schedule II of the Companies Act, 2013 except in respect of following assets, in which case, life of the assets has been assessed as under, based on technical advice, taking into account the nature of asset, the estimated usage of the asset, the operating conditions of the asset etc.

| | |
|---|---|
| Scaffolding materials | 5 years |
| Wire ropes and slings | 2 years |
| Motor cars under car policy for executives | 4 years |
| Tunnel Formwork equipment | 2 years 2 months |
| Working support structure relating to Artson Engineering Limited (subsidiary) | 15 years |
| Leasehold improvements are amortized over the duration of the lease. | |
| Assets costing less than ₹ 10,000 are fully depreciated in the year of capitalization. | |

For the assets owned by jointly controlled operations (JCOs), depreciation has been provided on the straight line method considering the useful life as prescribed in Schedule II of the Companies Act, 2013 except for:

a) TPL-SUCG Consortium, TPL-JBTPL Joint Venture, GYT-TPL Joint Venture, GULERMAK - TPL Joint Venture, TPL-HGIEPL Joint Venture, TPL-SSGIPL JV, TPL-KIPL Joint Venture, JV of TATA Projects Ltd and Chint Electric Co. Ltd and Angelique -TPL JV where, duration of project is considered as useful life.

b) CEC-ITD Cem-TPL Joint Venture where, the useful life of the these assets have been considered as lower of economic life of the asset or expected period of its usage/project period. Further, in respect of assets where the economic life is more than the project period, the residual values are estimated depending on the balance economic life of the asset beyond the useful life. These estimates of useful lives of asset and the residual values are determined by the management and are supported by internal technical assessments. These are reviewed and adjusted, if appropriate, at the end of each financial year end.

| Asset category | Economic life | Expected period of usage |
|---|---|---|
| Plant and machinery- Tunnel Boring Machine | 12 years | Until March 31, 2021 |
| Plant and machinery- Others* | 12 years | Until June 30, 2023 |
| Furniture and fixtures* | 10 years | Until June 30, 2023 |
| Office equipment* | 5 years | Until June 30, 2023 |
| Computers* | 3 years | Until June 30, 2023 |
| Intangible assets (Computer Software)* | 3 years | Until June 30, 2023 |

*The expected period of usage was extended from December 31, 2022 to June 30, 2023 by the Joint Venture during the year ended March 31, 2022. Refer to note 36.15.

c) Tata projects Brookfield multiplex JV where, depreciation has been provided on the written down value method as per the useful life as prescribed in Schedule II to the Companies Act, 2013.

d) DAEWOO-TPL JV where, depreciation in respect of following assets, in which case, life of the assets has been assessed as under, based on technical advice, taking into account the nature of asset, the estimated usage of the asset, the operating conditions of the asset etc.

| | |
|---|---|
| Temporary structure (purchased till March 31, 2019) | 2.78 years |
| General Plant and Machinery | 12 years |
| Lab Equipment (Cube Mould) | 10 years |
| Concrete Equipment | 9 years |

Assets costing less than ₹ 100,000 are fully depreciated in the year of capitalization.

Temporary structures(purchased after April 01, 2019), formwork & shuttering material, casting cell, heavy tools & tackles and launching girder are charged off in the year of purchase.

All property, plant and equipment are tested for impairment at the end of each financial year. The impairment loss being the excess of carrying value over the recoverable value of the assets, if any, is charged to the statement of Profit and Loss in the respective financial year. The impairment loss recognized in prior years is reversed in cases where the recoverable value exceeds the carrying value, upon reassessment in the subsequent years.

# Notes forming part of Consolidated Ind AS Financial Statements for the year ended March 31, 2022

All amounts are ₹ lakh unless otherwise stated

**Asset Classified as held of sale:**

Non-current assets or disposal group are classified as held for sale if their carrying amount will be recovered principally through a sale transaction rather than through continuing use. This condition is regarded as met only when the asset or disposal group is available for immediate sale in its present condition subject only to terms that are usual and customary for sale of such asset or disposal group and its sale is highly probable. Management must be committed to the sale, which should be expected to qualify for recognition as a completed sale within one year from the date of classification. As at each balance sheet date, the management reviews the appropriateness of such classification.

Non-current assets or disposal group classified as held for sale are measured at the lower of their carrying amount and fair value less costs to sell. Property, plant and equipments and intangible assets once classified as held for sale are not depreciated or amortised.

**3.12 Inventories**

Raw materials and Stores and spares are valued at lower of cost and net realisable value. Cost comprises cost of materials.

Work-in-progress and Finished goods are valued at lower of cost and net realisable values. Cost comprises cost of materials and applicable manufacturing overheads, the latter being allocated on the basis of normal operating capacity.

Cost is ascertained on the basis of "weighted average" method. Net realisable value is the estimated selling price in the ordinary course of business less the estimated costs of completion.

**3.13 Provisions, contingent liabilities and contingent assets**

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

Contingent liabilities are disclosed for (i) possible obligation which will be confirmed only by future events not wholly within the control of the Group or (ii) present obligations arising from past events where it is not probable that an outflow of resources will be required to settle the obligation or a reliable estimate of the amount of the obligation cannot be made. Contingent assets are not recognised in the consolidated financial statements.

Contingent liabilities are not disclosed if the possibility of an outflow of resources embodying economic benefits is remote.

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

**3.14 Financial Instruments**

Financial assets and financial liabilities are recognised when the Group becomes a party to the contractual provisions of the instruments.

Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognised immediately in profit or loss.

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

**(ii) Financial assets at fair value through other comprehensive income:** Financial assets are measured at fair value through other comprehensive income if these financial assets are held within a business model whose objective is achieved by both collecting contractual cash flows that give rise on specified dates to solely payments of principal and interest on the principal amount outstanding and by selling financial assets.

The Group has made an irrevocable election to present in other comprehensive income subsequent changes in the fair value of equity investments not held for trading.

**(iii) Financial assets at fair value through profit or loss:** Financial assets are measured at fair value through profit or loss unless it is measured at amortised cost or at fair value through other comprehensive income on initial recognition. The transaction costs directly attributable to the acquisition of financial assets and liabilities at fair value through profit or loss are immediately recognised in profit or loss.

**(iv) Financial liabilities :-**

**a. Borrowings:**

Borrowings are initially recognized at fair value, net of transaction costs incurred. Borrowings are subsequently measured at amortized cost. Any difference between the proceeds (net of transaction costs) and the redemption amount is recognized in profit or loss over the period of the borrowings using the effective interest method.

Borrowings are removed from the balance sheet when the obligation specified in the contract is discharged, cancelled or expired. The difference between the carrying amount of a financial liability that has been extinguished or transferred to another party and the consideration paid, including any non-cash assets transferred or liabilities assumed, is recognized in profit or loss as other gains/ (losses).

Borrowings are classified as current liabilities unless the Group has an unconditional right to defer settlement of the liability for at least 12 months after the reporting period. Where there is a breach of a material provision of a long-term loan arrangement on or before the end of the reporting period with the effect that the liability becomes payable on demand on the reporting date, the Group does not classify the liability as current, if the lender agreed, after the reporting period and before the approval of the financial statements for issue, not to demand payment as a consequence of the breach.

**b. Compound financial instrument**

The fair value of the liability portion of an compound financial instruments is determined using a market interest rate for an equivalent compound financial instruments. This amount is recorded as a liability on an amortised cost basis until extinguished on conversion or redemption of the instrument. The remainder of the proceeds is attributable to the equity portion of the compound instrument. This is recognised and included in shareholders' equity, net of income tax effects, and not subsequently remeasured.

c. Financial liabilities other than Compound financial instruments are measured at amortized cost using the effective interest method.

**(v) Investment in Joint Ventures and Associates:**

On initial recognition, these investments are recognized at fair value plus any directly attributable transaction cost. Subsequently, they are measured at cost.

**Impairment of Financial Assets**

The Group applies the expected credit loss model for recognising impairment loss on financial assets measured at amortised cost i.e., trade receivables, other contractual rights to receive cash or other financial asset.

For trade receivables or any contractual right to receive cash or another financial asset that result from transactions that are within the scope of Ind AS 115, the Group always measures the loss allowance at an amount equal to lifetime expected credit losses.

Further, for the purpose of measuring lifetime expected credit loss allowance for financial assets, the Group has used a practical expedient as permitted under Ind AS 109. This expected credit loss allowance is computed based on a provision matrix which takes into account historical credit loss experience and adjusted for forward-looking information.

# Notes forming part of Consolidated Ind AS Financial Statements for the year ended March 31, 2022

All amounts are ₹ lakh unless otherwise stated

**Derecognition of Financial Assets**

**A financial asset is derecognized only when**

1. The Group has transferred the rights to receive cash flows from the financial asset or
2. retains the contractual rights to receive the cash flows of the financial asset, but assumes a contractual obligation to pay the cash flows to one or more recipients.

Where the Group has transferred an asset, the Group evaluates whether it has transferred substantially all risks and rewards of ownership of the financial asset. In such cases, the financial asset is derecognized. Where the Group has not transferred substantially all risks and rewards of ownership of the financial asset, the financial asset is not derecognized.

Where the Group has neither transferred a financial asset nor retains substantially all risks and rewards of ownership of the financial asset, the financial asset is derecognized if the Group has not retained control of the financial asset. Where the Group retains control of the financial asset, the asset is continued to be recognized to the extent of continuing involvement in the financial asset.

**Offsetting financial instruments:**

Financial Assets and Liabilities are offset and the net amount is reported in the Balance Sheet where there is a legally enforceable right to offset the recognized amounts and there is an intention to settle on net basis or realize the asset and settle the liability simultaneously. The legally enforceable right must not be contingent on future events and must be enforceable in the normal course of business and in the event of default, insolvency or bankruptcy of the Company or the counterparty.

**Derivatives :**

Derivatives are only used for economic hedging purposes and not as speculative investments. However, where derivatives do not meet the hedge accounting criteria, they are classified as 'held for trading' for accounting purposes and are accounted for at FVPL. They are presented as current assets or liabilities to the extent they are expected to be settled within 12 months after the end of the reporting period.

Derivatives are initially recognised at fair value on the date a derivative contract is entered into and are subsequently re-measured to their fair value at the end of each reporting period. The accounting for subsequent changes in fair value depends on whether the derivative is designated as a hedging instrument, and if so, the nature of the item being hedged.

**3.15 Jointly controlled operations**

The accounts of the Parent Company's reflect its share of the Assets, Liabilities, Income and Expenditure of the jointly controlled operations which are accounted on the basis of the audited accounts of the jointly controlled operations, except in the case of two jointly controlled operation (Tata Projects Balfour Beatty JV & LEC TPL JV) which have been accounted for based on Management accounts, on line-by-line basis with similar items in the Parent Company accounts in proportion to its interest in such Joint Venture Agreements (refer note: 36.24).

**3.16 Segment reporting**

The Group, based on the "Management Approach" as defined in Ind AS 108, the Chief Operating Decision Maker (CODM) evaluates the Group's performance and allocates resources based on the analysis of various performance indicators by business segments and geographic segments. Accordingly, information has been presented both along business segments and geographic segments.

The accounting policies adopted for segment reporting are in line with the accounting policies of the Group. Segment revenue, segment expenses, segment assets and segment liabilities have been identified to segments on the basis of their relationship to the operating activities of the segment.

Inter-segment revenue is accounted on the basis of transactions which are primarily determined based on market/fair value factors.

Revenue, expenses, assets and liabilities which relate to the Group as a whole and not allocable to segments on reasonable basis have been included under "unallocated revenue/expenses/assets/liabilities".

**3.17 Operating cycle**

The Group's activities (primarily construction activities) have an operating cycle that exceeds a year of twelve months. The Group has selected the duration of the individual contracts as its operating cycle, wherever appropriate, for classification of its assets and liabilities as current and non-current.



# Notes forming part of Consolidated Ind AS Financial Statements for the year ended March 31, 2022

All amounts are ₹ lakh unless otherwise stated

**3.18 Cash and cash equivalents**

For the purpose of presentation in the Statement of cash flows, cash and cash equivalents includes cash on hand, deposits held at call with financial institutions, other short-term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities in the Balance Sheet.

**3.19 Trade Receivables**

Trade receivables are amounts due from customers for goods sold or services performed in the ordinary course of business. Trade receivables are recognized initially at the amount of consideration that is unconditional unless they contain significant financing components, when they are recognized at fair value. The Group holds the trade receivables with the objective to collect the contractual cash flows and therefore measures them subsequently at amortised cost using the effective interest method, less loss allowance.

**3.20 Trade and Other Payables**

**Trade payables and other payables:** These amounts represent liabilities for goods and services provided to the Group prior to the end of financial year which are unpaid. Trade and other payables are presented as current liabilities unless payment is not due within operating cycle of the Group. They are subsequently measured at amortized cost using the effective interest method.

**3.21 Borrowing Costs**

General and specific borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying asset are capitalized during the period of time that is required to complete and prepare the asset for its intended use or sale. Qualifying assets are assets that necessarily take a substantial period of time to get ready for their intended use or sale.

Investment income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalization.

Other borrowing costs are expensed in the period in which they are incurred.

**3.22 Rounding of amounts**

All amounts disclosed in the financial statements and notes have been rounded off to the nearest lakhs as per the requirement of Schedule III, unless otherwise stated.

# Notes forming part of Consolidated Ind AS Financial Statements for the year ended March 31, 2022

All amounts are ₹ lakh unless otherwise stated

## 4. Property, plant and equipment and capital work-in progress

| Particulars | As at March 31, 2022 | As at March 31, 2021 |
|---|---|---|
| **Carrying amounts :** | | |
| Freehold Land | 112.60 | 112.60 |
| Buildings | 2,106.34 | 1,580.39 |
| Leasehold Improvements | 342.95 | 1,107.38 |
| Plant and equipment | 51,756.19 | 45,712.59 |
| Furniture & fixtures | 767.55 | 801.86 |
| Vehicles | 354.54 | 504.57 |
| Office equipment | 3,809.76 | 2,840.60 |
| Computers | 2,404.01 | 1,156.25 |
| Capital mobile desalination plant | 2.00 | 2.00 |
| **Sub-total** | **61,655.94** | **53,818.24** |
| Capital work-in-progress | 1,416.01 | 768.18 |
| | **63,071.95** | **54,586.42** |

| Particulars | Freehold Land | Buildings | Leasehold improvements | Plant and equipment | Furniture & fixtures | Vehicles | Office equipment | Computers | Capital mobile desalination Plant | Total | Capital work-in-progress |
|---|---|---|---|---|---|---|---|---|---|---|---|
| **Cost** | | | | | | | | | | | |
| **Balance as at March 31, 2020** | **112.60** | **3,179.18** | **2,269.39** | **1,01,168.60** | **3,467.05** | **1,836.62** | **10,080.98** | **5,563.00** | **40.24** | **1,27,717.66** | **2,571.64** |
| Additions | - | 225.18 | 132.66 | 10,150.73 | 77.40 | 27.14 | 775.71 | 297.91 | - | 11,686.73 | 3,583.95 |
| Reclassification/ Transfers | - | - | - | - | - | - | - | - | - | - | (5,387.41) |
| Disposals | - | (29.46) | - | (8,931.82) | (328.87) | (284.40) | (505.73) | (58.59) | - | (10,138.87) | - |
| **Balance as at March 31, 2021** | **112.60** | **3,374.90** | **2,402.05** | **1,02,387.51** | **3,215.58** | **1,579.36** | **10,350.96** | **5,802.32** | **40.24** | **1,29,265.52** | **768.18** |
| Additions | - | 256.03 | 54.13 | 18,971.47 | 252.13 | 17.53 | 2,023.56 | 2,025.06 | - | 23,599.91 | 2,440.07 |
| Assets classified as held for sale (refer note 4.9) | - | - | - | (5,067.39) | - | - | - | - | - | (5,067.39) | - |
| Reclassification/ Transfers | - | 665.90 | (613.46) | 19.62 | (52.44) | - | (19.62) | - | - | - | (1,792.24) |
| Disposals | - | (8.29) | - | (9,711.90) | (276.93) | (230.28) | (703.22) | (57.70) | - | (10,988.32) | - |
| **Balance as at March 31, 2022** | **112.60** | **4,288.54** | **1,842.72** | **1,06,599.31** | **3,138.34** | **1,366.61** | **11,651.68** | **7,769.68** | **40.24** | **1,36,809.72** | **1,416.01** |
| **Accumulated depreciation** | | | | | | | | | | | |
| **Balance as at March 31, 2020** | **-** | **(1,386.09)** | **(1,040.18)** | **(55,093.73)** | **(2,490.39)** | **(1,132.85)** | **(7,125.07)** | **(3,948.26)** | **(38.22)** | **(72,254.79)** | **-** |
| Disposals | - | 25.00 | - | 6,656.60 | 262.67 | 195.20 | 445.87 | 55.96 | - | 7,641.30 | - |
| Depreciation charge for the year | - | (433.42) | (254.49) | (8,237.79) | (186.00) | (137.14) | (831.16) | (753.77) | (0.02) | (10,833.79) | - |
| **Balance as at March 31, 2021** | **-** | **(1,794.51)** | **(1,294.67)** | **(56,674.92)** | **(2,413.72)** | **(1,074.79)** | **(7,510.36)** | **(4,646.07)** | **(38.24)** | **(75,447.28)** | **-** |
| Disposals | - | 7.87 | - | 5,747.70 | 216.96 | 164.38 | 678.49 | 52.64 | - | 6,868.04 | - |
| Assets classified as held for sale (refer note 4.9) | - | - | - | 4,078.41 | - | - | - | - | - | 4,078.41 | - |
| Reclassification/ Transfers | - | (57.90) | 49.20 | (5.15) | 8.70 | - | 5.15 | - | - | - | - |
| Depreciation charge for the year | - | (337.66) | (254.30) | (7,989.16) | (182.73) | (101.66) | (1,015.20) | (772.24) | - | (10,652.95) | - |
| **Balance as at March 31, 2022** | **-** | **(2,182.20)** | **(1,499.77)** | **(54,843.12)** | **(2,370.79)** | **(1,012.07)** | **(7,841.92)** | **(5,365.67)** | **(38.24)** | **(75,153.78)** | **-** |
| **Net Carrying amount as at March 31, 2021** | 112.60 | 1,580.39 | 1,107.38 | 45,712.59 | 801.86 | 504.57 | 2,840.60 | 1,156.25 | 2.00 | 53,818.24 | 768.18 |
| **Net Carrying amount as at March 31, 2022** | 112.60 | 2,106.34 | 342.95 | 51,756.19 | 767.55 | 354.54 | 3,809.76 | 2,404.01 | 2.00 | 61,655.94 | 1,416.01 |





# Notes forming part of Consolidated Ind AS Financial Statements for the year ended March 31, 2022

All amounts are ₹ lakh unless otherwise stated

4.1 No impairment Losses recognised during the year (March 31, 2021 : Nil).

4.2 The Group carries out physical verification of its property, plant and equipment, in a phased manner over a period of three years. Assets whose working life has expired, would be retired from the books after due approvals, as per the Schedule of Powers. Assets which are not in working condition are assessed and are retired on annual basis as per Schedule of Powers ("SOP"). Assets in working condition are deployed at project sites and are leveraged among multiple projects during its useful life.

4.3 None of the property, plant and equipments are pledged as security during the year ended March 31, 2022 except

(i) Property, plant and equipment relating to Artson Engineering Limited (subsidiary of the Parent Company) and TP Luminaire Private Limited (subsidiary of the Parent Company) (refer to note - 20).

4.4 Refer note no 36.01(ii) for disclosure of contractual commitments for the acquisition of property plant and equipment.

4.5 Buildings asset class includes buildings on leasehold land whose lease rights are in the name of the group. The net carrying amount as at March 31, 2022 of these assets is ₹ 1,752.36 (March 31,2021: ₹ 1,045.82)

4.6 Capital Work in Progress (CWIP) ageing schedule for the year ended March 31, 2022

| Capital Work in Progress (CWIP) | Amount in Capital Work in Progress for a period of | | | | Total |
|---|---|---|---|---|---|
| | Less than 1 Year | 1-2 years | 2-3 years | More than 3 years | |
| Projects in progress | 1,376.69 | 9.44 | 29.88 | - | 1,416.01 |

Capital Work in Progress (CWIP) ageing schedule for the year ended March 31, 2021

| Capital Work in Progress (CWIP) | Amount in Capital Work in Progress for a period of | | | | Total |
|---|---|---|---|---|---|
| | Less than 1 Year | 1-2 years | 2-3 years | More than 3 years | |
| Projects in progress | 717.52 | 50.66 | - | - | 768.18 |

4.7 Capital Work in Progress (CWIP) consists of Plant & Machinery pending installation and buildings under construction during the current and previous years.

4.8 During the current year and previous year, the Group does not have projects in Capital work in progress whose completion is overdue or projects whose cost has exceeded its costs as per its original plan.

4.9 During the current year, CEC-ITD Cem-TPL Joint Venture has entered into an agreement for sale of three Tunnel Boring Machine ('TBM') to ITD Cementation India Limited (Joint venture partner) for a consideration of ₹ 2,995 and the sale is expected to be completed by June 2022. Since the proposed sale qualifies as a 'highly probable sale' transaction in accordance with Ind AS 105 - Non-current Assets Held for Sale and Discontinued Operations, these assets are measured at the lower of carrying amount or fair value less costs to sell amounting to ₹ 2,472.45 (the company share of the net asset of 988.98) and have been classified as a 'Non-current assets classified as held for sale'.

# Notes forming part of Consolidated Ind AS Financial Statements for the year ended March 31, 2022

All amounts are ₹ lakh unless otherwise stated

## 5. Goodwill on consolidation

| Particulars | As at March 31, 2022 | As at March 31, 2021 |
|---|---|---|
| Cost | | |
| Goodwill | 389.74 | 391.68 |
| | **389.74** | **391.68** |

| Particulars | For the year ended March 31, 2022 | For the year ended March 31, 2021 |
|---|---|---|
| **Balance at the beginning of the year** | 391.68 | 391.62 |
| Impairment of investments in subsidiary (refer note below) | (1.90) | - |
| Effect of foreign currency exchange differences | (0.04) | 0.06 |
| **Balance at the end of the year** | **389.74** | **391.68** |

The carrying value predominantly relates to the goodwill that arose on the acquisition of subsidiaries (Artson Engineering Limited, TQ Cert Services Private Limited and TQ Services (Mauritius) Pty Limited) and same has been tested annually for impairment.

During the current year, the goodwill on consolidation pertaining to one of the foreign subsidiary, TQ Services (Mauritius) Pty Limited, which has been incurring continuous operating losses, was impaired in the Consolidated financial statements.

## 6 (a). Intangible assets, Intangible assets under development

| Particulars | As at March 31, 2022 | As at March 31, 2021 |
|---|---|---|
| **Carrying amounts of :** | | |
| Computer Software (Refer note 6.1 below) | 1,468.49 | 1,317.88 |
| Technical Know-How (Refer note 6.2 below) | 447.16 | 566.55 |
| **Sub-total** | **1,915.65** | **1,884.43** |
| Intangible assets under development | - | 190.95 |
| | - | **190.95** |
| **Total** | **1,915.65** | **2,075.38** |

| Particulars | Technical Know-How | Computer Software | Goodwill | Total | Intangible assets under development |
|---|---|---|---|---|---|
| **Cost** | | | | | |
| **Balance as at March 31, 2020** | **-** | **7,550.68** | **10.30** | **7,560.98** | **662.84** |
| Additions | 596.97 | 289.01 | - | 885.98 | 190.95 |
| Disposals/ Transfers | - | (97.29) | - | (97.29) | (662.84) |
| **Balance as at March 31, 2021** | **596.97** | **7,742.40** | **10.30** | **8,349.67** | **190.95** |
| Additions | - | 1,159.23 | - | 1,159.23 | 90.46 |
| Disposals/ Transfers | - | (9.48) | - | (9.48) | (281.41) |
| **Balance as at March 31, 2022** | **596.97** | **8,892.15** | **10.30** | **9,499.42** | **-** |
| | | | | | |
| **Accumulated amortisation** | | | | | |
| **Balance as at March 31, 2020** | **-** | **(5,437.27)** | **(2.06)** | **(5,439.33)** | **-** |
| Amortisation | (30.42) | (1,023.37) | (8.24) | (1,062.03) | - |
| Disposals/ Transfers | - | 36.12 | - | 36.12 | - |
| **Balance as at March 31, 2021** | **(30.42)** | **(6,424.52)** | **(10.30)** | **(6,465.24)** | **-** |
| Amortisation | (119.39) | (1,008.15) | - | (1,127.54) | - |
| Disposals/ Transfers | - | 9.01 | - | 9.01 | - |
| **Balance as at March 31, 2022** | **(149.81)** | **(7,423.66)** | **(10.30)** | **(7,583.77)** | **-** |
| | | | | | |
| **Net Carrying amount as at March 31, 2021** | **566.55** | **1,317.88** | **-** | **1,884.43** | **190.95** |
| **Net Carrying amount as at March 31, 2022** | **447.16** | **1,468.49** | **-** | **1,915.65** | **-** |





# Notes forming part of Consolidated Ind AS Financial Statements for the year ended March 31, 2022

All amounts are ₹ lakh unless otherwise stated

**Significant Intangible assets**

**6.1 Computer Software**

Computer Software comprises of licenses held for accounting, engineering and other technical softwares. The carrying amount of Computer Software as at March 31, 2022 is ₹ 1,468.49 (March 31, 2021: ₹ 1,317.88).

**6.2 Technical Know-How**

The Technical Know-How comprises of water purification technology developed in collaboration with MIT - USA. The carrying amount of Technical Know-How as at March 31, 2022 is ₹ 447.16 (March 31, 2021: ₹ 566.55).

**6.3 The Company does not have any Intangible assets under development as at March 31, 2022.**
**Intangible assets under development ageing schedule for the year ended March 31, 2021**

| Intangible assets under development | Amount in Intangible assets under development for a period of | | | | Total |
|---|---|---|---|---|---|
| | Less than 1 Year | 1-2 years | 2-3 years | More than 3 years | |
| Projects in progress | 190.95 | - | - | - | 190.95 |

**6.4** During the current year and previous year, the Group did not have projects in Intangible assets under development whose completion was overdue or projects whose cost had exceeded its costs as per its original plan.

## 6 (b). Right-of-use assets

| Particulars | As at March 31, 2022 | As at March 31, 2021 |
|---|---|---|
| **Carrying amounts of :** | | |
| Plant and Machinery | 6,486.49 | 13,674.33 |
| Land | 14.82 | 34.35 |
| Buildings | 3,879.99 | 5,897.60 |
| **Total** | **10,381.30** | **19,606.28** |

| Particulars | Plant and Machinery | Land | Buildings | Total |
|---|---|---|---|---|
| **Cost** | | | | |
| **Balance as at March 31, 2020** | **31,691.18** | **55.73** | **11,022.07** | **42,768.98** |
| Additions | 6,816.28 | 16.36 | 3.39 | 6,836.03 |
| Disposals | (12,879.36) | - | (706.23) | (13,585.59) |
| **Balance as at March 31, 2021** | **25,628.10** | **72.09** | **10,319.23** | **36,019.42** |
| Additions | 561.05 | - | 806.97 | 1,368.02 |
| Disposals | (405.66) | - | (734.24) | (1,139.90) |
| **Balance as at March 31, 2022** | **25,783.49** | **72.09** | **10,391.96** | **36,247.54** |
| | | | | |
| **Accumulated depreciation** | | | | |
| **Balance as at March 31, 2020** | **(8,607.92)** | **(18.61)** | **(2,287.47)** | **(10,914.00)** |
| Depreciation | (9,285.64) | (19.13) | (2,414.76) | (11,719.53) |
| Disposals | 5,939.79 | - | 280.60 | 6,220.39 |
| **Balance as at March 31, 2021** | **(11,953.77)** | **(37.74)** | **(4,421.63)** | **(16,413.14)** |
| Depreciation | (7,574.03) | (19.53) | (2,327.08) | (9,920.64) |
| Disposals | 230.80 | - | 236.74 | 467.54 |
| **Balance as at March 31, 2022** | **(19,297.00)** | **(57.27)** | **(6,511.97)** | **(25,866.24)** |
| | | | | |
| **Net Carrying amount as at March 31, 2021** | **13,674.33** | **34.35** | **5,897.60** | **19,606.28** |
| **Net Carrying amount as at March 31, 2022** | **6,486.49** | **14.82** | **3,879.99** | **10,381.30** |

**6 (b) (i) Refer to note no 24 for disclosure related to lease liabilities.**

**6 (b) (ii) Refer to note no 32 for disclosure related to finance cost on lease liabilities.**

**6 (b) (iii) Refer to note no 33 for disclosures related to depreciation charge on right of use assets.**

**6 (b) (iv) The total cash outflow for leases for the year was ₹11,212.65 (March 31, 2021: ₹ 12,754.60)**

# Notes forming part of Consolidated Ind AS Financial Statements for the year ended March 31, 2022

All amounts are ₹ lakh unless otherwise stated

## 7. Investments

| | | As at March 31, 2022 | | As at March 31, 2021 | |
|---|---|---|---|---|---|
| | | Qty. | Amount | Qty. | Amount |
| **Non-current** | | | | | |
| **Investments at amortised cost** | | | | | |
| **a)** | **Investments in Equity Instruments** | | | | |
| | **Joint Ventures/ Jointly controlled entities - unquoted** | | | | |
| | **Unquoted Investments (all fully paid)** | | | | |
| | i) Al-Tawleed for Energy & Power Company (under liquidation) SAR 2,000 per share equivalent to SAR 600,000 fully paid | 300 | 75.60 | 300 | 75.60 |
| | ii) Nesma Tata Projects Limited (Equity Contribution) (refer note 7.1(a) below) | - | - | - | - |
| | **Total Aggregate Unquoted Investments** | | **75.60** | | **75.60** |
| | Less: Aggregate amount of impairment in value of investments in joint ventures/ jointly controlled entities | | (75.60) | | (75.60) |
| | **Net carrying value of unquoted investments (A)** | | **-** | | **-** |
| | **Associate - Unquoted** | | | | |
| | Arth Designbuild India Private Limited - equity shares of ₹ 10 each fully paid-up with premium of ₹ 18,626 per share (Equity Contribution) (refer note 7.1(b) below) | 5,807 | 592.47 | 5,807 | 740.23 |
| | **Aggregate value of unquoted investments** | | **592.47** | | **740.23** |
| | Aggregate amount of impairment in value of investments in Associates | | - | | - |
| | **Net carrying value of unquoted investments (B)** | | **592.47** | | **740.23** |
| **(b)** | **Investments in Partnership Firms** | | | | |
| | Tata Dilworth Secord Meagher & Associates | | - | | 1.80 |
| | Aggregate value of unquoted investments | | - | | 1.80 |
| | Aggregate amount of impairment in value of investments in Partnership Firms | | - | | **(1.80)** |
| | **Net carrying value of unquoted investments (C)** | | - | | - |
| | **Aggregate value of investments** | | **668.07** | | **817.63** |
| | Less: Aggregate amount of impairment in value of investments | | (75.60) | | (77.40) |
| | **Carrying Value of total non current investments (A)+(B)+( C)** | | **592.47** | | **740.23** |

**Notes**

**Investments accounted under equity method**

**(a) Investments in joint ventures:**

Nesma Tata Projects Limited has been incurring continuous operating losses. Hence during the current year, the parent company has impaired the value of investments in Nesma Tata Projects Limited.

Share of unrecognised losses in respect of equity accounted joint ventures amounted to ₹ 19.16 for the year ended March 31, 2022 (March 31, 2021: ₹ 509.76). Cumulative share of unrecognised losses in respect of equity accounted joint ventures as at March 31, 2022 amounted to ₹ 958.84 (March 31, 2021: ₹ 939.68).

**(b) Investments in Associates**

| Particulars | As at March 31, 2022 | As at March 31, 2021 |
|---|---|---|
| Carrying value of the Group's interest in Arth Designbuild India Private Limited | 592.47 | 740.23 |

| Particulars | For the year ended March 31, 2022 | For the year ended March 31, 2021 |
|---|---|---|
| Group's share in loss for the year | (147.76) | (268.55) |
| Group's share in other comprehensive income for the year | - | - |
| **Group's share in total comprehensive income for the year** | **(147.76)** | **(268.55)** |



# Notes forming part of Consolidated Ind AS Financial Statements for the year ended March 31, 2022

All amounts are ₹ lakh unless otherwise stated

### 7.2 Other details relating to investment in partnership firm

| Name of the firm | Name of partner in the firm | As at March 31, 2022 | | As at March 31, 2021 | |
|---|---|---|---|---|---|
| | | Share of Capital | Share of each partner in the profits of the firm | Share of Capital | Share of each partner in the profits of the firm |
| Tata Dilworth Secord, Meagher & Associates[#] | (i) Tata Projects Limited | - | - | 1.80 | 60% |
| | (ii) Dilworth Secord, Meagher & Associates | - | - | 1.20 | 40% |

[#] During the year ended March 31, 2022, Investment in Tata Dilworth Secord, Meagher & Associates was written off as per the board resolution dated July 30, 2021.

## 8. Investments

| | As at March 31, 2022 | As at March 31, 2021 |
|---|---|---|
| **Current** | | |
| **Investments at fair value through profit or Loss (FVTPL)** | | |
| | | |
| **(i) (i) Investments in Mutual funds** | | |
| **Quoted** | | |
| Tata Liquid Fund Direct Plan-Growth - 2,97,639.237 units (March 31, 2021: Nil) | 10,002.02 | - |
| Tata Overnight Fund-Direct Plan-Growth- 8,91,749.012 units (March 31, 2021: Nil) | 10,000.44 | - |
| **Total Aggregate Quoted Investments** | **20,002.46** | **-** |
| **Aggregate market value of quoted investments** | 20,002.46 | - |
| **Aggregate amount of impairment in value of investments** | - | - |

## 9. Trade receivables

| Particulars | As at March 31, 2022 | As at March 31, 2021 |
|---|---|---|
| **Non-current** | | |
| Trade receivables | | |
| Unsecured, considered good | 3,208.22 | 3,587.08 |
| Allowance for doubtful debts (expected credit loss allowance) (refer notes 9.1 to 9.3 below) | (93.14) | (84.71) |
| **Total** | **3,115.08** | **3,502.37** |
| **Current** | | |
| Trade receivables | | |
| Unsecured, considered good | 6,32,377.19 | 6,65,958.14 |
| Allowance for doubtful debts (expected credit loss allowance) (refer notes 9.1 to 9.3 below) | (19,479.21) | (14,357.23) |
| **Total** | **6,12,897.98** | **6,51,600.91** |

### 9.1 Trade receivables

The average credit period allowed to customers is between 30 days to 60 days. The credit period is considered from the date of Invoice. Further, a specified amount of bill is held back by the customer as retention money, which is payable as per the credit period, from the date such retention becomes due. The retention monies held by customers become payable on completion of a specified milestone or after the Defect Liability Period of the project, which is normally one year after the completion of the project, as per the terms of respective contracts. No interest is payable by the customers for the delay in payments of the amounts overdue.

The group evaluates, the financial health, market reputation and credit rating of the customer, before entering into the contract. The group's customers comprise of public sector undertakings as well as private entities.

# Notes forming part of Consolidated Ind AS Financial Statements for the year ended March 31, 2022

All amounts are ₹ lakh unless otherwise stated

**9.2 Expected credit loss allowance on receivables**

The group computes the Expected Credit Loss Allowance ("ECLA") by applying the percentages determined on historical basis over the past 4 years, for each Business Unit and determined the percentage of such allowance over the turnover of each Business Unit and moderated for current and envisaged future businesses including time based provisions and also taking into account the conditions referred to in note no. 36.12. Expected Credit Loss Allowance is determined on the closing balances of all applicable financial assets as at each reporting date, at the average rates ranging from 0.25% to 1.50%.

**9.3 Movement in the expected credit loss allowance**

| Particulars | For the year ended March 31, 2022 | For the year ended March 31, 2021 |
|---|---|---|
| Balance at the beginning of the year | 14,441.94 | 9,177.39 |
| Movement in expected credit loss allowance | 5,428.15 | 5,625.98 |
| | **19,870.09** | **14,803.37** |
| Less: Movement in expected credit loss related to Security Deposits, Construction revenue receivable, unbilled revenue and Contractual reimbursable expenses, insurance and other claims receivable (refer note 10) | (297.74) | (359.75) |
| Other adjustments | - | (1.68) |
| **Balance at the end of the year** | **19,572.35** | **14,441.94** |

The concentration of credit risk is low due to the fact that the customer base is large and unrelated.

**9.4** Trade receivables consists of retention receivables of ₹ 2,59,180.88 (March 31, 2021 : ₹ 2,71,690.27), of which ₹ 29,206.51 (March 31, 2021 : ₹ 45,750.17) are due and yet to be realised.

**9.5 Trade receivables Ageing Schedule**

**a. Non-current Trade receivables ageing schedule for the year ended March 31, 2022**

| Particulars | Outstanding for following periods from due date of payment | | | | | | Total |
|---|---|---|---|---|---|---|---|
| | Not due | Less than 6 months | 6 months - 1 Year | 1-2 years | 2-3 years | More than 3 years | |
| (i) Undisputed Trade receivables – considered good | 2,743.45 | 114.53 | 72.45 | 164.46 | - | - | 3,094.89 |
| (ii) Undisputed Trade Receivables – which have significant increase in credit risk | - | - | - | - | 33.91 | 79.42 | 113.33 |
| (iii) Undisputed Trade Receivables – credit impaired | - | - | - | - | - | - | - |
| (iv) Disputed Trade Receivables–considered good | - | - | - | - | - | - | - |
| (v) Disputed Trade Receivables – which have significant increase in credit risk | - | - | - | - | - | - | - |
| (vi) Disputed Trade Receivables – credit impaired | - | - | - | - | - | - | - |
| (vii) Allowance for doubtful debts (expected credit loss allowance) | - | - | - | - | - | - | (93.14) |
| **Total** | **2,743.45** | **114.53** | **72.45** | **164.46** | **33.91** | **79.42** | **3,115.08** |





# Notes forming part of Consolidated Ind AS Financial Statements for the year ended March 31, 2022

All amounts are ₹ lakh unless otherwise stated

**b. Current trade receivables ageing schedule for the year ended March 31, 2022**

| Particulars | Outstanding for following periods from due date of payment | | | | | | Total |
|---|---|---|---|---|---|---|---|
| | Not due | Less than 6 months | 6 months - 1 Year | 1-2 years | 2-3 years | More than 3 years | |
| (i) Undisputed Trade receivables – considered good | 4,18,900.58 | 83,102.75 | 31,779.02 | 29,701.70 | 6,110.76 | 1,706.74 | 5,71,301.55 |
| (ii) Undisputed Trade Receivables – which have significant increase in credit risk | - | - | 39.98 | 1,515.28 | 16,231.23 | 4,730.37 | 22,516.86 |
| (iii) Undisputed Trade Receivables – credit impaired | - | - | - | - | - | - | - |
| (iv) Disputed Trade Receivables–considered good | 19,834.98 | 60.00 | 417.07 | 1,698.23 | 484.49 | 2,135.43 | 24,630.20 |
| (v) Disputed Trade Receivables – which have significant increase in credit risk | - | - | - | 14.65 | 9,548.37 | 4,365.56 | 13,928.58 |
| (vi) Disputed Trade Receivables – credit impaired | - | - | - | - | - | - | - |
| (vii) Allowance for doubtful debts (expected credit loss allowance) | - | - | - | - | - | - | (19,479.21) |
| **Total** | **4,38,735.56** | **83,162.75** | **32,236.07** | **32,929.86** | **32,374.85** | **12,938.10** | **6,12,897.98** |

**c. Non current Trade receivables ageing schedule for the year ended March 31, 2021**

| Particulars | Outstanding for following periods from due date of payment | | | | | | Total |
|---|---|---|---|---|---|---|---|
| | Not due | Less than 6 months | 6 months - 1 Year | 1-2 years | 2-3 years | More than 3 years | |
| (i) Undisputed Trade receivables – considered good | 3,312.77 | 81.64 | 69.42 | 55.00 | - | - | 3,518.83 |
| (ii) Undisputed Trade Receivables – which have significant increase in credit risk | - | - | - | - | - | 68.25 | 68.25 |
| (iii) Undisputed Trade Receivables – credit impaired | - | - | - | - | - | - | - |
| (iv) Disputed Trade Receivables–considered good | - | - | - | - | - | - | - |
| (v) Disputed Trade Receivables – which have significant increase in credit risk | - | - | - | - | - | - | - |
| (vi) Disputed Trade Receivables – credit impaired | - | - | - | - | - | - | - |
| (vii) Allowance for doubtful debts (expected credit loss allowance) | - | - | - | - | - | - | (84.71) |
| **Total** | **3,312.77** | **81.64** | **69.42** | **55.00** | **-** | **68.25** | **3,502.37** |

**d. Current trade receivables ageing schedule for the year ended March 31, 2021**

| Particulars | Outstanding for following periods from due date of payment | | | | | | Total |
|---|---|---|---|---|---|---|---|
| | Not due | Less than 6 months | 6 months - 1 Year | 1-2 years | 2-3 years | More than 3 years | |
| (i) Undisputed Trade receivables – considered good | 4,32,214.65 | 88,685.82 | 36,552.99 | 35,021.61 | 1,429.55 | 170.26 | 5,94,074.88 |
| (ii) Undisputed Trade Receivables – which have significant increase in credit risk | - | - | 12.08 | 6,446.52 | 5,941.24 | 2,229.45 | 14,629.29 |
| (iii) Undisputed Trade Receivables – credit impaired | - | - | - | - | - | - | - |
| (iv) Disputed Trade Receivables–considered good | 37,096.37 | 603.30 | 1,541.52 | 2,350.40 | 98.28 | 2,149.81 | 43,839.68 |
| (v) Disputed Trade Receivables – which have significant increase in credit risk | - | - | 14.65 | 7,313.75 | 2,079.18 | 4,006.71 | 13,414.29 |
| (vi) Disputed Trade Receivables – credit impaired | - | - | - | - | - | - | - |
| (vii) Allowance for doubtful debts (expected credit loss allowance) | - | - | - | - | - | - | (14,357.23) |
| **Total** | **4,69,311.02** | **89,289.12** | **38,121.24** | **51,132.28** | **9,548.25** | **8,556.23** | **6,51,600.91** |

# Notes forming part of Consolidated Ind AS Financial Statements for the year ended March 31, 2022

All amounts are ₹ lakh unless otherwise stated

## 10. Other financial assets

| Particulars | As at March 31, 2022 | As at March 31, 2021 |
|---|---|---|
| **Non-Current** | | |
| Security deposits | | |
| Unsecured, considered good | 1,645.20 | 1,562.53 |
| Doubtful | 199.00 | 199.00 |
| Less: Provision for doubtful deposits | (199.00) | (199.00) |
| | **1,645.20** | **1,562.53** |
| Loans and advances to employees | 10.94 | 18.32 |
| In deposit accounts with banks remaining maturity for more than 12 months | 25.00 | 241.85 |
| Construction revenue receivable | 13,234.72 | 15,480.81 |
| Less: Expected credit loss allowance | (66.17) | (77.40) |
| **Total** | **14,849.69** | **17,226.11** |
| **Current** | | |
| Security deposits | 10,887.04 | 10,932.92 |
| Unbilled revenue (refer note 10.1 & 10.2 below) | | |
| Unsecured, considered good | 5,52,465.24 | 4,94,323.74 |
| Less: Expected credit loss allowance | (2,701.94) | (2,408.27) |
| | **5,49,763.30** | **4,91,915.47** |
| Contractual reimbursable expenses | | |
| Unsecured, considered good | 3,794.92 | 1,312.50 |
| Less: Expected credit loss allowance | (42.81) | (22.57) |
| | **3,752.11** | **1,289.93** |
| Construction revenue receivable | | |
| Unsecured, considered good | 3,334.44 | 4,143.94 |
| Less: Expected credit loss allowance | (15.75) | (20.72) |
| | **3,318.69** | **4,123.22** |
| Insurance and other claims receivable | | |
| Unsecured, considered good | 34.39 | 30.80 |
| Less: Expected credit loss allowance | (0.23) | (0.20) |
| | **34.16** | **30.60** |
| Interest accruals | | |
| (i) Interest accrued on deposits | 345.67 | 315.45 |
| (ii) Interest accrued on mobilisation advance given | 8.33 | 1.64 |
| | **354.00** | **317.09** |
| **Total** | **5,68,109.30** | **5,08,609.23** |

**Note:**

**10.1** Unbilled revenue includes ₹ 2,22,588 as at March 31, 2022 (March 31, 2021: ₹ 2,08,316), representing customer related claims raised by the management in respect of various projects substantially completed/in progress. These are based on terms and conditions implicit in the contract in respect of additional cost incurred on such projects on account of prolongation, scope variation and price variation, which the management based on external/internal evaluation, assesses to be claimable from customers. Currently, these are at various stages of negotiation/discussion with customers or under arbitration/litigation. Management is confident of recovery of these receivables at this stage.

# Notes forming part of Consolidated Ind AS Financial Statements for the year ended March 31, 2022

All amounts are ₹ lakh unless otherwise stated

**10.2** Disputed and undisputed Unbilled Revenue as at March 31, 2022 and March 31, 2021

| Particulars | As at March 31, 2022 | As at March 31, 2021 |
|---|---|---|
| Disputed unbilled revenue- considered good | 2,22,588.00 | 2,08,316.00 |
| Undisputed unbilled revenue- considered good | 3,29,877.24 | 2,86,007.74 |
| Less: Expected credit loss allowance | (2,701.94) | (2,408.27) |
| | **5,49,763.30** | **4,91,915.47** |

## 11. Deferred tax assets (net)

| Particulars | As at March 31, 2022 | As at March 31, 2021 |
|---|---|---|
| Deferred tax assets | 29,362.98 | 14,485.93 |
| Deferred tax liabilities | (5,395.59) | (5,275.57) |
| **Total** | **23,967.39** | **9,210.36** |

| 2021-22 | Opening balance | Other adjustments | Recognised in statement of profit and loss | Recognised in other comprehensive income | Equity component in Compound financial instruments | Closing balance |
|---|---|---|---|---|---|---|
| **Deferred tax (liabilities) / assets in relation to** | | | | | | |
| Property, plant and equipment | 3,096.89 | - | (647.30) | - | - | 2,449.59 |
| Provisions for retirement benefits | 2,982.25 | - | (88.85) | (596.06) | - | 2,297.34 |
| Allowance for doubtful debts | 2,759.51 | - | 924.12 | - | - | 3,683.63 |
| Disallowance under section 43B | 395.51 | - | (249.11) | - | - | 146.40 |
| Carry forward losses and unabsorbed depreciation | 4,706.41 | - | 15,560.81 | - | - | 20,267.22 |
| FVTPL financial assets | (5,054.56) | - | 697.32 | - | - | (4,357.24) |
| On Undistributed profits of subsidiaries | (221.01) | - | (48.51) | - | - | (269.52) |
| Equity component of compound financial instruments | - | - | - | - | (768.83) | (768.83) |
| Right-of-use assets | 545.36 | - | (26.56) | - | - | 518.80 |
| **Total** | **9,210.36** | **-** | **16,121.92** | **(596.06)** | **(768.83)** | **23,967.39** |

| 2020-21 | Opening balance | Other adjustments | Recognised in statement of profit and loss | Recognised in other comprehensive income | Equity component in Compound financial instruments | Closing balance |
|---|---|---|---|---|---|---|
| **Deferred tax (liabilities) / assets in relation to** | | | | | | |
| Property, plant and equipment | 4,641.00 | - | (1,544.11) | - | - | 3,096.89 |
| Provisions for retirement benefits | 2,817.16 | - | (289.12) | 454.21 | - | 2,982.25 |
| Allowance for doubtful debts | 3,067.52 | (0.91) | (307.10) | - | - | 2,759.51 |
| Disallowance under section 43B | 232.34 | - | 163.17 | - | - | 395.51 |
| Carry forward losses and unabsorbed depreciation | 1,842.46 | - | 2,863.95 | - | - | 4,706.41 |
| Others | (30.55) | - | 30.55 | - | - | - |
| FVTPL financial assets | (1,737.89) | - | (3,316.67) | - | - | (5,054.56) |
| On Undistributed profits of subsidiaries | (157.56) | - | (63.45) | - | - | (221.01) |
| Right-of-use assets | 336.92 | - | 208.44 | - | - | 545.36 |
| **Total** | **11,011.40** | **(0.91)** | **(2,254.34)** | **454.21** | **-** | **9,210.36** |

**Note:**

The deferred tax asset (net) includes Group's share of net deferred tax asset in jointly controlled operations and subsidiaries amounting to ₹ 101.95 (March 31, 2021: ₹ 1,255.83).

# Notes forming part of Consolidated Ind AS Financial Statements for the year ended March 31, 2022

All amounts are ₹ lakh unless otherwise stated

## 12. Non-current tax assets (net) and current tax liabilities (net)

| Particulars | As at March 31, 2022 | As at March 31, 2021 |
|---|---|---|
| Non-current tax assets (net) (refer notes 1 and 3 below) | 30,596.90 | 19,162.81 |
| **Total** | **30,596.90** | **19,162.81** |
| Current tax liabilities (net) (refer note 2 below) | 3,179.24 | 4,947.56 |
| **Total** | **3,179.24** | **4,947.56** |

**Notes:**

1. Represents Group's net current tax position from standalone activities and also includes net current tax position of certain subsidiaries and jointly controlled operations.
2. Represents Group's share of net current tax position of certain subsidiaries and jointly controlled operations.
3. Includes an amount paid under protest towards Income tax of ₹ 1,607.53 (March 31, 2021: ₹ 1,607.53), of which an amount of ₹ 114.52 (March 31, 2021: ₹ 114.52) pertains to jointly controlled operations.

## 13. Other assets

| Particulars | As at March 31, 2022 | As at March 31, 2021 |
|---|---|---|
| **Non-current** | | |
| Capital advances | 133.46 | 52.49 |
| Others | | |
| - Deposits with government authorities (refer note 13.1 below) | 4,269.44 | 4,381.97 |
| - Prepaid expenses | 104.58 | 123.88 |
| **Total** | **4,507.48** | **4,558.34** |
| **Current** | | |
| Mobilisation advances | 65,745.40 | 71,778.01 |
| Others | | |
| - Balances with government authorities | | |
| CENVAT credit receivable | 53.71 | 53.85 |
| VAT credit receivable | 3,964.14 | 4,493.04 |
| Sales tax deducted at source | 8,879.60 | 10,745.18 |
| GST Credit receivable | 82,743.83 | 62,762.50 |
| GST Refund receivable | 857.40 | 1,691.96 |
| Export Incentive | 154.38 | - |
| - Loans and advances to employees | 290.47 | 621.91 |
| - Prepaid expenses | 1,765.90 | 1,884.49 |
| - Project related advances | | |
| Unsecured, considered good | 70,282.07 | 50,581.37 |
| Doubtful | 24.08 | 24.08 |
| | **70,306.15** | **50,605.45** |
| Less: Provision for doubtful advances | (24.08) | (24.08) |
| | **70,282.07** | **50,581.37** |
| **Total** | **2,34,736.90** | **2,04,612.31** |

**Notes:**

**13.1** Includes amount paid under protest towards Service tax and Sales Tax of ₹ 2,442.11 (March 31, 2021: ₹ 2,432.66).



Notes forming part of Consolidated Ind AS Financial Statements for the year ended March 31, 2022

All amounts are ₹ lakh unless otherwise stated

## 14. Inventories

| Particulars | As at March 31, 2022 | As at March 31, 2021 |
|---|---|---|
| Inventories (lower of cost or realisable value) | | |
| Raw materials | 77,237.28 | 58,048.77 |
| Work-in-progress | 122.89 | 497.14 |
| Finished goods | 2.54 | 2.54 |
| Stores and spares | 363.92 | 196.58 |
| **Total** | **77,726.63** | **58,745.03** |

## 15. Cash and cash equivalents

| Particulars | As at March 31, 2022 | As at March 31, 2021 |
|---|---|---|
| **Cash and cash equivalents** | | |
| Balances with Banks | | |
| - In current accounts | 97,712.49 | 26,340.97 |
| - In EEFC accounts | 8,703.98 | 6,181.67 |
| Cash on hand | 92.56 | 81.74 |
| Deposits with maturity of less than three months | 35,999.76 | 6,461.01 |
| **Cash and cash equivalents as per balance sheet (a)** | **1,42,508.79** | **39,065.39** |
| **Other bank balances** | | |
| Deposits with maturity of more than 3 months and less than 12 months (Refer note 15.1 below) | 6,652.55 | 5,642.45 |
| **Total of other bank balances (b)** | **6,652.55** | **5,642.45** |
| Bank Overdrafts (Refer note 15.2 below) (c) | (2,179.29) | (1,864.47) |
| **Cash and cash equivalents as per consolidated statement of cash flows (a)+(c)** | **1,40,329.50** | **37,200.92** |

**Note :**

**15.1** Deposits with maturity of more than 3 months and less than 12 months includes

- deposits with banks to the extent held as margin money against bank guarantee of ₹ 1,006.70 (March 31, 2021: ₹ 1,647.63)
- deposits with banks to the extent held as security with third party ₹ 38.75 (March 31, 2021: ₹ 75.10)

**15.2** Bank overdrafts presented separately under current borrowings (Refer note no. 22) have been netted off from "cash and cash equivalents in Balance Sheet" to match with the reconciliation of "cash and cash equivalents as per the consolidated statement of cash flows". Bank overdrafts represents secured amount of ₹ 2,179.29 (March 31, 2021: secured overdraft of ₹ 1,864.47).

## 16. Loans

| Particulars | As at March 31, 2022 | As at March 31, 2021 |
|---|---|---|
| **Current** | | |
| a) Loans to related parties at amortised cost | | |
| Unsecured, considered good | | |
| Loan to joint controlled operations | | |
| Angelique-TPL JV | - | 18.50 |
| **Total** | | **18.50** |

# Notes forming part of Consolidated Ind AS Financial Statements for the year ended March 31, 2022

All amounts are ₹ lakh unless otherwise stated

**16.1** The Parent company has provided financial support for their operational needs to its jointly controlled operations by way of Loans. Hence, these loans are not considered to be prejudicial to the parent company's interest.

**16.2** Details of loans granted to related parties:

| Particulars | As at March 31, 2022 | | As at March 31, 2021 | |
|---|---|---|---|---|
| | Gross amount outstanding | Percentage to the total loans | Gross amount outstanding | Percentage to the total loans |
| **Amounts repayable on demand** | | | | |
| Angelique-TPL JV | - | - | 18.50 | 100% |
| **Total** | **-** | **-** | **18.50** | **100%** |

## 17. Equity share capital

| | As at March 31, 2022 | | As at March 31, 2021 | |
|---|---|---|---|---|
| | Number of shares | Amount | Number of shares | Amount |
| **Authorised share capital** | | | | |
| Equity shares of ₹ 5 each (March 31, 2021 : ₹ 100 each) with voting rights | 20,00,00,000 | 10,000.00 | 25,00,000 | 2,500.00 |
| **Issued, subscribed and paid-up** | | | | |
| Equity shares of ₹ 5 each (March 31, 2021 : ₹ 100 each) with voting rights | 16,59,32,550 | 8,296.63 | 20,25,000 | 2,025.00 |
| **Total** | **16,59,32,550** | **8,296.63** | **20,25,000** | **2,025.00** |

**Notes:**

**(i) Reconciliation of the number of shares and amount outstanding at the beginning and at the end of the year**

**Equity shares with voting rights**

| | As at March 31, 2022 | | As at March 31, 2021 | |
|---|---|---|---|---|
| | Number of shares | Amount | Number of shares | Amount |
| Balance at the beginning of the year | 20,25,000 | 2,025.00 | 20,25,000 | 2,025.00 |
| Change in par value of share from ₹ 100 per share to ₹ 5 per share (refer note (vi) below) | 3,84,75,000 | - | - | - |
| Bonus issue during the year (refer note (vii) below) | 8,10,00,000 | 4,050.00 | - | - |
| Rights issue during the year (refer note (viii) below) | 4,44,32,550 | 2,221.63 | - | - |
| Balance at the end of the year | **16,59,32,550** | **8,296.63** | **20,25,000** | **2,025.00** |

**(ii) Rights, preferences and restrictions attached to the equity shares**

The Parent company has only one class of equity shares having a par value of ₹ 5 each per share (March 31, 2021: ₹ 100 each per share). Each holder of equity shares is entitled to one vote per share. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting. In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders. Every holder of equity shares present at a meeting in person or by proxy is entitled to one vote, and upon a poll each share is entitled to one vote.



# Notes forming part of Consolidated Ind AS Financial Statements for the year ended March 31, 2022

All amounts are ₹ lakh unless otherwise stated

**(iii) Shareholders holding more than 5% of the equity shares**

| | As at March 31, 2022 | | As at March 31, 2021 | |
|---|---|---|---|---|
| | Number of shares | % | Number of shares | % |
| **Equity shares of ₹ 5 each (as at March 31, 2021: ₹ 100) each with voting rights** | | | | |
| The Tata Power Company Limited | 7,92,78,886 | 47.78 | 9,67,500 | 47.78 |
| Omega TC Holdings Pte Limited | 2,93,06,400 | 17.66 | 4,88,440 | 24.12 |
| Tata Sons Private Limited | 2,31,12,496 | 13.93 | 1,35,000 | 6.67 |
| Tata Chemicals Limited | 1,58,55,777 | 9.56 | 1,93,500 | 9.56 |
| Voltas Limited | 1,10,62,170 | 6.67 | 1,35,000 | 6.67 |

**(iv) Aggregate number of shares issued for consideration other than cash**

| Particulars | Number of shares | |
|---|---|---|
| | As at March 31, 2022 | As at March 31, 2021 |
| Change in number of shares due to change in par value of share from ₹ 100 per share to ₹ 5 per share | 3,84,75,000 | - |
| Bonus shares issued to existing share holders (refer note (vii) below) | 8,10,00,000 | - |
| | **11,94,75,000** | - |

**(v)** There are no shares reserved for issue under options.

**(vi)** During the year ended March 31, 2022, the Parent company has split the equity shares from ₹ 100 per share to ₹ 5 per share i.e., 20:1 equity shares.

**(vii)** During the year ended March 31, 2022, the Parent company has issued 81,000,000 Bonus Shares, having a par value of ₹ 5 each per share to the existing shareholders in the ratio of 2:1 by utilising Securities Premium reserve aggregating to ₹ 4,050.

**(viii)** During the year ended March 31, 2022, the Parent company has issued 44,432,550 shares amounting to ₹ 2,221.63 under Rights issue to the existing shareholders of the Parent company at an issue price of ₹ 270.04 each per share (₹ 265.04 each per share towards securities premium and ₹ 5 each per share towards paid up capital). All the existing shareholders were offered 3,657 equity shares for every 10,000 shares held by them as a part of the rights issue.

**(ix)** None of the Shareholders of Parent Company during the year are considered as Promoters of the company.

## 18. Other equity

| Particulars | As at March 31, 2022 | As at March 31, 2021 |
|---|---|---|
| Equity component of compound financial instruments | 2,285.96 | - |
| Reserves & Surplus | | |
| a) General reserve | 29,042.70 | 29,042.70 |
| b) Securities premium reserve | 1,18,701.53 | 4,987.50 |
| c) Debenture redemption reserve | 21,000.00 | 10,000.00 |
| d) Retained earnings | 27,056.99 | 1,00,144.51 |
| e) Capital reserve on consolidation | - | 67.56 |
| f) Legal reserve | 78.19 | 51.30 |
| Other comprehensive income | | |
| a) Foreign currency translation reserve | 248.87 | (28.18) |
| b) Others | (4,884.83) | (6,215.61) |
| **Total** | **1,93,529.41** | **1,38,049.78** |

# Notes forming part of Consolidated Ind AS Financial Statements for the year ended March 31, 2022

All amounts are ₹ lakh unless otherwise stated

### 18.1 Equity component of compound financial instruments

| Particulars | For the year ended March 31, 2022 | For the year ended March 31, 2021 |
|---|---|---|
| Balance at the beginning of the year | - | - |
| Add: Equity portion of compound financial instruments issued during the year (refer note below) | 3,054.79 | - |
| Less: Deferred tax liability on Equity component of compound financial instruments | (768.83) | - |
| **Balance at the end of the year** | **2,285.96** | **-** |

**Note :**

During the year, the parent company issued non convertible debentures aggregating to ₹ 50,000 with a transaction cost of ₹ 700. These debentures are in the nature of subordinated debt. As per Ind AS, the parent company determined the liability portion of these debentures i.e, at amortised cost to be ₹ 46,245.21. The difference between the liability portion determined using effective interest method and the issued amount i.e, ₹ 3,054.79 has been recognised and included in shareholders' equity, net of income tax effects, and not subsequently remeasured.

### 18.2 General reserve

| Particulars | For the year ended March 31, 2022 | For the year ended March 31, 2021 |
|---|---|---|
| Balance at the beginning of the year | 29,042.70 | 29,042.70 |
| Movements during the year | - | - |
| **Balance at the end of the year** | **29,042.70** | **29,042.70** |

General reserve represents transfers from retained earnings and is proposed to be used for appropriation purposes. As the general reserve is created by a transfer from one component of equity to another and is not an item of other comprehensive income, items included in the general reserve will not be reclassified subsequently to profit or loss.

### 18.3 Securities premium reserve

| Particulars | For the year ended March 31, 2022 | For the year ended March 31, 2021 |
|---|---|---|
| Balance at the beginning of the year | 4,987.50 | 4,987.50 |
| Less:- Utilised for bonus issue (refer to 17(vii)) | (4,050.00) | - |
| Add:- Premium received on rights issue (refer to 17(viii)) | 1,17,764.03 | - |
| **Balance at the end of the year** | **1,18,701.53** | **4,987.50** |

Securities premium is used to record the premium on issue of shares. The reserve is utilised in accordance with the provisions of the Act.

### 18.4 Debenture redemption reserve

| Particulars | For the year ended March 31, 2022 | For the year ended March 31, 2021 |
|---|---|---|
| Balance at the beginning of the year | 10,000.00 | 5,000.00 |
| Appropriations during the year | 11,000.00 | 5,000.00 |
| **Balance at the end of the year** | **21,000.00** | **10,000.00** |

Debenture redemption reserve is created out of the profits for the purpose of redemption of debentures.



# Notes forming part of Consolidated Ind AS Financial Statements for the year ended March 31, 2022

All amounts are ₹ lakh unless otherwise stated

### 18.5 Retained earnings

| Particulars | For the year ended March 31, 2022 | For the year ended March 31, 2021 |
|---|---|---|
| Balance at the beginning of the year | 1,00,144.51 | 92,672.97 |
| (Loss)/Profit attributable to owners of the Group | (61,992.76) | 12,569.97 |
| Impact due to change in profit sharing percentage in jointly controlled operations (retrospectively) | - | (86.02) |
| Reversal of balances in reserves on impairment of investments in subsidiaries | (67.87) | - |
| Transfer to debenture redemption reserve | (11,000.00) | (5,000.00) |
| Transfer to legal reserve | (26.89) | (12.41) |
| **Balance at the end of the year** | **27,056.99** | **1,00,144.51** |

### 18.6 Capital Reserve on consolidation

| Particulars | For the year ended March 31, 2022 | For the year ended March 31, 2021 |
|---|---|---|
| Balance at the beginning of the year | 67.56 | 57.87 |
| Movements during the year | (3.96) | 9.69 |
| Reversal of balances in reserves on impairment of investments in subsidiary | (63.60) | - |
| **Balance at the end of the year** | **-** | **67.56** |

### 18.7 Legal Reserve

| Particulars | For the year ended March 31, 2022 | For the year ended March 31, 2021 |
|---|---|---|
| Balance at the beginning of the year | 51.30 | 38.89 |
| Movements during the year | 26.89 | 12.41 |
| **Balance at the end of the year** | **78.19** | **51.30** |

Legal reserve is created by Industrial Quality Services LLC (Subsidiary) at the rate of 10% of the net profit for the year as required by Article 132 of the Promulgating the Commercial companies law of Oman, 2019. The subsidiary has an option to discontinue such annual transfers when the reserve totals 33.33% of the paid up share capital. The reserve is not available for distribution.

### 18.8 Other Comprehensive Income - Foreign currency translation reserve

| Particulars | For the year ended March 31, 2022 | For the year ended March 31, 2021 |
|---|---|---|
| Balance at the beginning of the year | (28.18) | (43.07) |
| Exchange differences arising on translating the foreign operations | 119.48 | 14.89 |
| Reversal of balances in foreign currency translation reserve on impairment of investments in subsidiaries | 157.57 | - |
| **Balance at the end of the year** | **248.87** | **(28.18)** |

Exchange differences relating to the translation of the results and net assets of the group's foreign operations from their functional currencies to the group's presentation currency are recognised directly in other comprehensive income and accumulated in the foreign currency translation reserve. Exchange differences previously accumulated in the foreign currency translation reserve (in respect of translating both the net assets of foreign operations and hedges of foreign operations) are reclassified to the statement of profit and loss on the disposal of the foreign operation.

### 18.9 Other Comprehensive Income - Others*

| Particulars | For the year ended March 31, 2022 | For the year ended March 31, 2021 |
|---|---|---|
| Balance at the beginning of the year | (6,215.61) | (4,055.35) |
| Other comprehensive income for the year | 1,450.26 | (2,145.37) |
| Transfer to foreign currency translation reserve | (119.48) | (14.89) |
| **Balance at the end of the year** | **(4,884.83)** | **(6,215.61)** |

*Other comprehensive income - others consists of re-measurements of the defined benefit plans.

# Notes forming part of Consolidated Ind AS Financial Statements for the year ended March 31, 2022

All amounts are ₹ lakh unless otherwise stated

## 19. Non-controlling interests

| Particulars | As at March 31, 2022 | As at March 31, 2021 |
|---|---|---|
| Balance at the beginning of the year | 932.62 | 1,056.68 |
| Share of profit/(loss) for the year | (52.96) | (115.14) |
| Effect of exchange fluctuation in opening Non-controlling interest | 11.23 | (8.36) |
| Effect of exchange fluctuation income/(loss) for the year | 1.54 | (0.56) |
| **Balance at the end of the year** | **892.43** | **932.62** |

| Name of subsidiary | Place of incorporation and principal place of business | Proportion of ownership rights and voting rights held by non-controlling interests | | Profit / (Loss) allocated to non-controlling interests | | Accumulated non-controlling interests | |
|---|---|---|---|---|---|---|---|
| | | As at 31-Mar-22 | As at 31-Mar-21 | As at 31-Mar-22 | As at 31-Mar-21 | As at 31-Mar-22 | As at 31-Mar-21 |
| Artson Engineering Limited | India | 25% | 25% | (125.32) | (140.20) | 458.69 | 584.01 |
| TPL-TQA Quality Services South Africa (Pty) Limited | South Africa | 40% | 40% | 0.05 | (0.02) | - | (0.05) |
| Industrial Quality services LLC | Oman | 30% | 30% | 93.38 | 28.33 | 390.54 | 297.16 |
| TPL-CIL Construction LLP | India | 35% | 35% | (4.44) | (0.43) | 19.83 | 24.27 |
| TCC Construction Private Limited | India | 63% | 63% | (3.86) | (11.74) | 23.37 | 27.23 |
| **Total** | | | | **(40.19)** | **(124.06)** | **892.43** | **932.62** |

## 20. Non current borrowings

| Particulars | As at March 31, 2022 | As at March 31, 2021 |
|---|---|---|
| Debentures (refer note 20(i)) | 1,59,559.49 | 1,74,352.42 |
| Less: Current maturities of borrowings disclosed under note 22 (A) (c) - Current borrowings | (59,903.53) | (14,957.50) |
| Debentures - Liability component of compound financial instruments (refer note 20(ii)) | 47,539.81 | - |
| Less: Current maturities of borrowings disclosed under note 22 (A) (c) - Current borrowings | (47,539.81) | - |
| | **99,655.96** | **1,59,394.92** |
| **Term loan (secured) at amortised cost** | | |
| From banks (refer notes 20(v) ,20(vi) ,20(vii)& 20(viii)) | 18,776.77 | 19,863.64 |
| Less: Current maturities of borrowings disclosed under note 22 (B) (b) - Current borrowings | (4,318.27) | (4,074.36) |
| | **14,458.50** | **15,789.28** |
| Interest accrued but not due on borrowings | 2,794.70 | 2,741.02 |
| **Total** | **1,16,909.16** | **1,77,925.22** |

**Notes:**

### 20. (i) Unsecured, redeemable, non-convertible, fixed rate debentures:

| Sl. No. | Series | Face Value per debenture (in ₹) | No. of Debentures | Date of Allotment | As at 31-Mar-22 (₹ in Lakhs) | Interest rate for the year 2021-22 | Terms of repayment for debentures outstanding as at 31.03.2022 |
|---|---|---|---|---|---|---|---|
| 1 | H | 10,00,000 | 2,500 | January 31, 2022 | 24,872.78 | 6.65% payable annually | Redeemable at face value on January 24, 2025 |
| 2 | G | 10,00,000 | 2,500 | January 31, 2022 | 24,999.72 | 6.65% payable annually | Redeemable at face value on Dec 18, 2024 |
| 3 | E | 10,00,000 | 2,500 | January 14, 2021 | 24,794.05 | 6.25% payable annually | Redeemable at face value on January 12, 2024 |
| 4 | D | 10,00,000 | 2,500 | March 12, 2020 | 24,989.41 | 8.30% payable annually | Redeemable at face value on August 30, 2023 |
| 5 | B | 10,00,000 | 3,500 | December 19, 2019 | 34,929.27 | 8.75% payable annually | Redeemable at face value on January 11, 2023 |
| 6 | C | 10,00,000 | 2,500 | March 12, 2020 | 24,974.26 | 8.10% payable annually | Redeemable at face value on August 30, 2022 |



# Notes forming part of Consolidated Ind AS Financial Statements for the year ended March 31, 2022

All amounts are ₹ lakh unless otherwise stated

### 20. (ii) Terms of Debentures - Liability component of Compound Financial Instruments:

| Sl. No. | Series | Face Value per debenture (in ₹) | No. of Debentures | Date of Allotment | Current Borrowings (Refer Note No 17.1,18(iii)) | Interest rate for the year 2021-22 | Terms of repayment for debentures outstanding as at 31.03.2022 |
|---|---|---|---|---|---|---|---|
| 1 | F | 10,00,000 | 5,000 | November 24, 2021 | 47,539.81 | 6.50% payable annually | Redeemable at face value on May 24, 2028 |

**20. (iii)** The Parent company intends to repay series F debentures before March 31, 2023. Hence the same are disclosed under Current borrowings.

**20. (iv)** Non convertible debentures received during the year were utilised for the purposes for which they were received. There are no defaults in repayment of borrowings and payment of interest during the current year and previous year.

**20. (v)** Term loan of Artson Engineering Limited (subsidiary) amounting to ₹ 757.43 (March 31, 2021 : ₹ 1,500.72 ) taken from a bank was secured by first pari passu charge on movable fixed and current assets of the subsidiary, both present and future. The loan is repayable in four equal instalments commencing from the date of first disbursement of the facility i.e., 27th Sep 2019 and carries an interest rate of 12 months MCLR plus 1.20% per annum i.e. 8.70% per annum, currently. Additionally, the term loan from bank is guaranteed unconditionally with irrevocable corporate guarantee by the Parent Company. As the loan is repayable within the next 12 months (i.e. by 30th September, 2022), the same has been regrouped to Current borrowings as Current maturities of long term debt under Note 22(B)(b) as at March 31, 2022.

**20. (vi)** Ujjwal Pune Limited (subsidiary) has availed a long term loan from Kotak Mahindra Bank, amount outstanding as on March 31, 2022 is ₹ 5,200.00 (March 31, 2021 : ₹ 6,100.00). The loan carries interest rate of 6 months MCLR plus 25 basis points i.e. 7.80 % p.a currently and it is secured by (a) First and exclusive hypothecation charge on all existing and future receivables including payment reserve account which is opened with the bank and (b) Corporate guarantee from the Parent Company.

**Repayment schedule of total loan sanction amount (Ujjwal Pune Limited)-** Quarterly Repayment shall begin from 90th day from end of moratorium period of 2 years

| Year | Repayment amount |
|---|---|
| FY 22-23 | 900.00 |
| FY 23-24 | 1,075.00 |
| FY 24-25 | 1,075.00 |
| FY 25-26 | 1,075.00 |
| FY 26-27 | 1,075.00 |

**20. (vii)** Ujjwal Pune Limited (subsidiary) has availed a Working capital term loan from Kotak Mahindra Bank, amount outstanding as on March 31, 2022 is ₹ 2,892.00 (March 31, 2021: Nil).The loan carries interest rate of 7.25 % p.a currently and it is secured by (a) First and exclusive charge on all existing and future receivables including trust and retention account of the borrower and (b) Corporate guarantee from the Parent Company. The loan is repayable in 4 equal quarterly installments after 2 years moratorium from first disbursement.

**Repayment schedule**

| Financial Year | Kotak Mahindra Bank |
|---|---|
| FY 23-24 | 2,169.00 |
| FY 24-25 | 723.00 |

# Notes forming part of Consolidated Ind AS Financial Statements for the year ended March 31, 2022

All amounts are ₹ lakh unless otherwise stated

**20. (viii)** TP Luminaire Private Limited (subsidiary) has availed long term loan- floating from Kotak Mahendra Bank, amount outstanding as on March 31, 2022 is ₹ 9,927.34 (March 31, 2021: Nill). The loan carries interest rate of 7.15% p.a currently and it is secured by (a) First and exclusive hypothecation charge on all existing and future project assets (including current and future project receivables, current assets and other moveable assets / moveable fixed assets) (b) First and exclusive hypothecation charge over project escrow account and escrow receivables. (c) Corporate guarantee from the Parent Company, the revolving corporate guarantee covers the principal and the interest due for the next 6 months and is on auto reinstatement basis. The loan is repayable by way of quarterly installments.

**Repayment schedule**

| Financial Year | Kotak Mahendra Bank |
|---|---|
| FY 22-23 | 2,660.84 |
| FY 23-24 | 2,966.10 |
| FY 24-25 | 2,777.23 |
| FY 25-26 | 1,360.26 |
| FY 26-27 | 162.90 |

**20. (ix)** With Respect to Series B, Series C, Series D and Series E Non-convertible debentures issued by the Parent company, the Parent company has obtained waiver for testing of one of the financial covenant i.e. "Net Debts to EBDITA" for financial year ended March 31, 2022. The Debenture Trustee issued waiver letters dated April 19, 2022 and April 25, 2022.

## 21. Provisions

| Particulars | As at March 31, 2022 | As at March 31, 2021 |
|---|---|---|
| **Employee benefits** | | |
| Non-current | | |
| Compensated absences | 3,667.15 | 3,482.30 |
| Gratuity | 0.69 | 0.42 |
| Post retirement medical benefits | 55.25 | 60.18 |
| Pension | 451.70 | 492.96 |
| **Sub-Total** | **4,174.79** | **4,035.86** |
| Current | | |
| Compensated absences | 1,128.58 | 950.02 |
| Gratuity | 2,060.87 | 2,136.27 |
| Post retirement medical benefits | 5.00 | 5.00 |
| Pension | 51.23 | 51.23 |
| Provident Fund | 1,704.66 | 4,833.18 |
| **Sub-Total** | **4,950.34** | **7,975.70** |
| **Total** | **9,125.13** | **12,011.56** |





# Notes forming part of Consolidated Ind AS Financial Statements for the year ended March 31, 2022

All amounts are ₹ lakh unless otherwise stated

## 22. Current borrowings

| Particulars | | As at March 31, 2022 | As at March 31, 2021 |
|---|---|---|---|
| **A.** | **Unsecured - at amortised cost** | | |
| **a)** | **From banks** | | |
| | - Working capital demand loans | 50,000.00 | 25,000.13 |
| **b)** | **From others** | | |
| | - Commercial paper | 64,307.68 | 34,129.80 |
| c) | Current maturities of long-term debt | 1,07,443.34 | 14,957.50 |
| d) | Interest accrued but not due on current borrowings | 343.57 | 585.15 |
| **B.** | **Secured - at amortised cost** | | |
| **a)** | **From banks** | | |
| | - Overdraft facilities | 2,179.29 | 1,864.47 |
| | - Working capital demand loans | 11,100.00 | 34,100.01 |
| b) | Current maturities of long-term debt | 4,318.27 | 4,074.36 |
| | **Total** | **2,39,692.15** | **1,14,711.42** |

**Notes :**

(I) Overdraft facilities and Working capital demand loans are secured by:

(a) a first charge on the book debts, inventories and other current assets ranking pari-passu.

(b) an exclusive charge on the entire receivables and current assets relating to the project being undertaken at Ethiopia and Ivory Coast.

(II) Overdraft facilities and WCDL facilities in Artson Engineering Limited (subsidiary) amounting to ₹ 3,779.29 (March 31, 2021 ₹ 3,427.79) taken from bank carry an interest rate ranging from 9.00% to 9.50% per annum. Additionally, the overdraft facilities and working capital loans aggregating to ₹ 2,791.63 lakhs (March 31, 2021 - ₹ 2,437.01 lakhs) from banks is guaranteed unconditionally with irrevocable corporate guarantee from the Parent Company.

(III) Overdraft (OD) in parent company with interest rates linked to Base rate/MCLR were availed. The current weighted average effective interest rate on overdrafts is 7.12% p.a. (March 31, 2021: 8.04% p.a.).

(IV) Parent company issued commercial paper with variable interest rate. These are repayable with in 12 days to 353 days. The current weighted average effective interest rate on Commercial Paper is 4.70% p.a. (March 31, 2021: 6.55% p.a.)

(V) Fixed rate loans in the form of Working Capital Demand Loans (WCDL) were raised for the parent company for a tenor of not exceeding 360 days. The weighted average effective interest rate is 5.79% p.a. (March 31, 2021: 6.99% p.a.).

(VI) Borrowings received by the group during the current year and previous year were utilised for the purposes for which they were received.

(VII) There are no defaults in repayment of borrowings and payment of interest by the group during the current and previous year.

# Notes forming part of Consolidated Ind AS Financial Statements for the year ended March 31, 2022

All amounts are ₹ lakh unless otherwise stated

**Net Debt Reconciliation**

This section sets out the changes in liabilities arising from financing activities in the statement of cash flows:

| Particulars | As at March 31, 2022 | As at March 31, 2021 |
|---|---|---|
| Opening balance (Current and Non-Current borrowings): | 2,90,210.67 | 2,96,878.94 |
| Add: Cash flows (Net) | 65,213.02 | (6,868.73) |
| Add: Interest expense | 33,982.15 | 29,366.24 |
| Less: Interest paid | (34,170.08) | (29,165.78) |
| **Closing balance** | **3,55,235.76** | **2,90,210.67** |

**Note:**

Bank overdraft balances are not included above as it is considered as cash and cash equivalents.

## 23. Trade payables

| Particulars | As at March 31, 2022 | As at March 31, 2021 |
|---|---|---|
| **Trade payables** | | |
| (a) total outstanding dues of micro and small enterprises | 1,22,163.43 | 1,04,452.01 |
| (b) total outstanding dues other than (a) above | | |
| (i) Acceptances | 1,48,274.25 | 70,034.44 |
| (ii) Others | 3,85,742.70 | 4,01,906.30 |
| **Total** | **6,56,180.38** | **5,76,392.75** |

The average credit period ranges from 30 days to 90 days, depending on the nature of the item or work. The work orders include element of retention, which would be payable on completion of a milestone, completion of the contract or after a specified period from completion of the work. The terms also would include back to back arrangement wherein certain amounts are payable on realisation of corresponding amounts by the Group from the customer. No interest is payable for delay in payments, unless otherwise specifically agreed in the order or as required by a legislation, like Micro, Small and Medium Enterprises Development Act ("MSMED Act"). The Group has a well defined process for ensuring regular payments to the vendors.

**Trade Payables ageing schedule for the year ended March 31, 2022**

| Particulars | Outstanding for following periods from accounting date | | | | | | |
|---|---|---|---|---|---|---|---|
| | Unbilled Dues | Less than 6 months | 6 months - 1 Year | 1-2 years | 2-3 years | More than 3 years | Total |
| **Undisputed** | | | | | | | |
| Micro and Small enterprises | 4,598.99 | 77,165.52 | 10,933.37 | 11,808.34 | 6,052.13 | 8,196.18 | 1,18,754.53 |
| Others | 37,158.21 | 3,54,177.91 | 30,952.35 | 27,686.90 | 25,739.90 | 56,097.93 | 5,31,813.20 |
| **Disputed** | | | | | | | |
| Micro and Small enterprises | - | 2,996.94 | 68.27 | 38.16 | 54.85 | 250.68 | 3,408.90 |
| Others | 50.00 | 330.00 | 9.18 | 2.16 | 20.01 | 1,792.40 | 2,203.75 |
| **Total** | **41,807.20** | **4,34,670.37** | **41,963.17** | **39,535.56** | **31,866.89** | **66,337.19** | **6,56,180.38** |



# Notes forming part of Consolidated Ind AS Financial Statements for the year ended March 31, 2022

All amounts are ₹ lakh unless otherwise stated

**Trade Payables ageing schedule for the year ended March 31, 2021**

| Particulars | Outstanding for following periods from accounting date | | | | | | |
|---|---|---|---|---|---|---|---|
| | Unbilled Dues | Less than 6 months | 6 months - 1 Year | 1-2 years | 2-3 years | More than 3 years | Total |
| **Undisputed** | | | | | | | |
| Micro and Small enterprises | 2,479.03 | 82,637.68 | 7,426.39 | 7,148.24 | 635.26 | 997.39 | 1,01,323.99 |
| Others | 42,610.52 | 2,85,020.33 | 37,213.10 | 43,762.29 | 33,313.93 | 27,344.95 | 4,69,265.12 |
| **Disputed** | | | | | | | |
| Micro and Small enterprises | - | 197.16 | 336.89 | 363.08 | 2,075.16 | 155.73 | 3,128.02 |
| Others | 50.00 | 133.84 | 15.89 | 600.00 | 87.93 | 1,787.96 | 2,675.62 |
| **Total** | **45,139.55** | **3,67,989.01** | **44,992.27** | **51,873.61** | **36,112.28** | **30,286.03** | **5,76,392.75** |

## 24. Lease liabilities

| Particulars | As at March 31, 2022 | As at March 31, 2021 |
|---|---|---|
| **Non-current** | | |
| Lease Liabilities | 2,648.93 | 4,261.96 |
| **Total** | **2,648.93** | **4,261.96** |
| **Current** | | |
| Lease Liabilities | 9,154.22 | 16,920.99 |
| **Total** | **9,154.22** | **16,920.99** |

## 25. Other financial liabilities

| Particulars | As at March 31, 2022 | As at March 31, 2021 |
|---|---|---|
| **Current** | | |
| a) Interest accrued on mobilisation advance received | 7,565.20 | 6,292.19 |
| b) Payables towards purchase of property, plant and equipment | 6,366.82 | 2,824.96 |
| c) Others | 31.67 | - |
| **Total** | **13,963.69** | **9,117.15** |

## 26. Other current liabilities

| Particulars | As at March 31, 2022 | As at March 31, 2021 |
|---|---|---|
| (a) Advance billing to customers | 1,51,024.97 | 1,67,633.34 |
| (b) Advances from customers including mobilisation advances | 3,85,225.34 | 3,48,183.37 |
| (c) Employee benefits payable | 10,592.42 | 13,512.72 |
| (d) Others | | |
| i) Other payables | | |
| - Statutory remittances | 4,800.10 | 4,654.35 |
| - Liability towards corporate social responsibility | 108.93 | 244.00 |
| - Security deposits received | 73.05 | 71.01 |
| - Others | 30.35 | 1,225.34 |
| ii) Provision for future foreseeable losses on contracts | 11,584.71 | 6,533.66 |
| **Total** | **5,63,439.87** | **5,42,057.79** |

# Notes forming part of Consolidated Ind AS Financial Statements for the year ended March 31, 2022

All amounts are ₹ lakh unless otherwise stated

## 27. Revenue from Operations

| | Particulars | For the Year ended March 31, 2022 | For the Year ended March 31, 2021 |
|---|---|---|---|
| (a) | Income from contracts (refer note (i) below) | 13,19,878.27 | 11,78,135.47 |
| (b) | Income from services (refer note (ii) below) | 41,847.89 | 33,818.80 |
| (c) | Income from sale of goods (refer note (iii) below) | 3,475.07 | 4,512.93 |
| (d) | Other operating revenues (refer note (iv) below) | 2,735.93 | 2,270.75 |
| | **Total** | **13,67,937.16** | **12,18,737.95** |
| | **Notes:** | | |
| | **Disaggregate revenue information:** The Company has disaggregated the revenue basis on the nature of work performed. | | |
| (i) | Income from contracts comprises : | | |
| | - Supply of contract equipment and materials | 3,84,048.32 | 3,28,056.20 |
| | - Civil and erection works | 9,32,308.90 | 8,47,285.35 |
| | - Operation and maintenance works | 3,521.05 | 2,292.05 |
| | - Technical Fee | - | 501.87 |
| | **Total** | **13,19,878.27** | **11,78,135.47** |
| (ii) | Income from services comprises : | | |
| | - Quality inspection services | 40,501.70 | 32,636.18 |
| | - Fabrication activities | 1,346.19 | 1,182.62 |
| | **Total** | **41,847.89** | **33,818.80** |
| (iii) | Income from sale of goods comprises : | | |
| | - Sale of BWRO units | 1,933.84 | 3,286.21 |
| | - Sale of fabricated units | 1,541.23 | 1,226.72 |
| | **Total** | **3,475.07** | **4,512.93** |
| (iv) | Other operating revenues comprises : | | |
| | - Sale of scrap | 2,453.46 | 1,588.71 |
| | - Duty drawback | 282.47 | 682.04 |
| | **Total** | **2,735.93** | **2,270.75** |

**Unsatisfied performance obligation:** Management expects that the transaction price allocated to partially or fully unsatisfied performance obligation of ₹ 57,12,173.73 (March 31, 2021: ₹ 60,70,214.96) will be recognized as revenue over the project life cycle.

**Revenue recognized during the year that was included in the contract liabilities balance at the beginning of the year :**

- Advance billing to customers ₹ 75,982.51 (March 31, 2021: ₹ 49,030.64)
- Advances from customers including mobilisation advances ₹ 2,19,089.10 (March 31, 2021: ₹ 1,42,294.45)

**Reconciliation of revenue recognised with contract price:** Revenue from operation consists of duty drawback as mentioned above which is over and above of contract price.

**Critical estimates while determining the Revenue from construction activities:**

(i) Estimated Total Costs – Management determines the estimated total costs for the project, which is used to determine the stage of completion of the contract. These estimates may depend on the outcome of future events and may need to be reassessed at the end of each reporting period.

(ii) Contract Price - The contract prices are usually fixed, but they also include an element of variable consideration, including variations and claims net of assessed value of liquidated damages. Variable consideration is recognized when its recovery is assessed to be highly probable.

(iii) Others - Additional estimates are involved with respect to service concession agreements in two subsidiaries of the parent company - Ujjwal Pune Limited and TP Luminaire Private Limited, for the estimation of interest income considering the discount rate on the financial asset which is based on the projected cash flows of the individual projects over the concession period.

Refer note 3.5 for the accounting policy on Revenue from Construction activities.



# Notes forming part of Consolidated Ind AS Financial Statements for the year ended March 31, 2022

All amounts are ₹ lakh unless otherwise stated

## 28. Other Income

| | Particulars | For the year ended March 31, 2022 | For the year ended March 31, 2021 |
|---|---|---|---|
| **(a)** | **Interest income from financial assets carried at amortised cost** | | |
| | Bank deposits | 344.73 | 768.32 |
| | Other financial assets carried at amortised cost | 2,970.76 | 2,043.15 |
| | **Total** | **3,315.49** | **2,811.47** |
| **(b)** | **Other non-operating income (net of expenses directly attributable to such income)** | | |
| | Interest on mobilisation advances given | 500.39 | 439.82 |
| | Interest income from statutory authorities | 225.06 | 2,481.41 |
| | Hire charges | 140.41 | 69.34 |
| | Liabilities/provisions no longer required written back | 2,180.15 | 3,413.80 |
| | Miscellaneous Income | 1,588.48 | 962.94 |
| | **Total** | **4,634.49** | **7,367.31** |
| | **Total** | **7,949.98** | **10,178.78** |

## 29. Contract execution expenses

| | Particulars | For the year ended March 31, 2022 | For the year ended March 31, 2021 |
|---|---|---|---|
| (a) | Cost of supplies/erection and civil works* | 11,97,696.89 | 9,78,744.54 |
| (b) | Engineering fees | 21,015.36 | 22,260.81 |
| (c) | Insurance premium | 6,902.06 | 5,850.56 |
| (d) | Bank guarantee and letter of credit charges | 9,119.60 | 9,622.44 |
| | **Total** | **12,34,733.91** | **10,16,478.35** |

*Raw materials consumption is being considered under cost of supplies/erection and civil works

## 30. Changes in inventories of finished goods and work-in-progress

| Particulars | For the year ended March 31, 2022 | For the year ended March 31, 2021 |
|---|---|---|
| **Inventories at the end of the year** | | |
| Finished goods | 2.54 | 2.54 |
| Work-in-progress | 122.89 | 497.14 |
| | **125.43** | **499.68** |
| **Inventories at the beginning of the year** | | |
| Finished goods | 2.54 | 3.02 |
| Work-in-progress | 497.14 | 933.19 |
| | **499.68** | **936.21** |
| **Net (increase)/decrease** | **374.25** | **436.53** |

# Notes forming part of Consolidated Ind AS Financial Statements for the year ended March 31, 2022

All amounts are ₹ lakh unless otherwise stated

## 31. Employee benefit expense

| Particulars | | For the year ended March 31, 2022 | For the year ended March 31, 2021 |
|---|---|---|---|
| (a) | Salaries and wages | 79,166.90 | 66,200.20 |
| (b) | Contribution to provident fund | 4,165.89 | 2,543.17 |
| (c) | Post-employment pension benefits (refer note 36.08) | 32.41 | 30.52 |
| (d) | Gratuity (refer note 36.08) | 1,274.84 | 925.55 |
| (e) | Superannuation | 595.71 | 1,867.61 |
| (f) | Leave compensation (refer note 36.08) | 1,506.99 | 2,151.61 |
| (g) | Post-employment medical benefits (refer note 36.08) | 3.92 | 4.17 |
| (h) | Staff welfare expenses | 2,735.77 | 2,099.37 |
| | **Total** | **89,482.43** | **75,822.20** |

## 32. Finance costs

| Particulars | | For the year ended March 31, 2022 | For the year ended March 31, 2021 |
|---|---|---|---|
| Interest expense on | | | |
| (i) | Bank overdrafts and loans | 11,957.92 | 12,601.29 |
| (ii) | Debentures | 16,392.70 | 13,703.30 |
| (iii) | Mobilisation advance received | 14,359.78 | 10,257.94 |
| (iv) | Delayed payment of income tax | 86.72 | 33.34 |
| (v) | Lease Liabilities | 1,313.27 | 2,159.22 |
| Other borrowing costs (refer note 32 (i)) | | 6,577.49 | 3,411.72 |
| **Total** | | **50,687.88** | **42,166.81** |

Notes

32 (i) Other borrowing costs includes Factoring costs, Interest on Vendor payables , Interest on MSME payables and Interest on LCs

## 33. Depreciation and amortisation expense

| Particulars | | For the year ended March 31, 2022 | For the year ended March 31, 2021 |
|---|---|---|---|
| (i) | Depreciation of property, plant and equipment (refer note 4) | 10,652.95 | 10,833.79 |
| (ii) | Amortisation of intangible assets (refer note 6(a)) | 1,127.54 | 1,062.03 |
| (iii) | Depreciation of Right-of-use assets (refer note 6(b)) | 9,920.64 | 11,719.53 |
| | **Total** | **21,701.13** | **23,615.35** |



# Notes forming part of Consolidated Ind AS Financial Statements for the year ended March 31, 2022

All amounts are ₹ lakh unless otherwise stated

## 34. Other expenses

| Particulars | For the year ended March 31, 2022 | For the year ended March 31, 2021 |
|---|---|---|
| Rent expense | 8,113.34 | 6,792.06 |
| Repairs and maintenance | | |
| - Building | 90.79 | 20.77 |
| - Machinery | 1,692.78 | 872.64 |
| - Others | 3,670.09 | 2,622.93 |
| Power, fuel and utility expenses | 6,745.45 | 3,872.32 |
| Rates and taxes | 1,344.00 | 526.58 |
| Insurance | 440.40 | 397.59 |
| Motor vehicle expenses | 6,282.44 | 3,992.64 |
| Travelling and conveyance | 2,916.70 | 2,225.25 |
| Legal and professional | 9,696.41 | 5,226.54 |
| Payment to auditors (refer note below) | 183.03 | 220.01 |
| Communication expenses | 1,230.75 | 1,369.89 |
| Printing and stationery | 576.79 | 412.25 |
| Staff recruitment and training expenses | 565.64 | 164.09 |
| Business development expenditure | 280.18 | 295.49 |
| Bank charges | 776.66 | 537.46 |
| Freight and handling charges | 321.73 | 197.15 |
| Provision for diminution in the value of investments | 80.84 | - |
| Bad debts | - | 5,491.72 |
| Expected credit loss allowance | 8,094.03 | 11,116.79 |
| Less: Expected credit loss allowance reversed | (2,665.88) | (5,490.81) |
| Advances written off | 17.64 | 7.10 |
| Less: Provision for doubtful loans and advances reversed | - | (12.88) |
| Brand equity contribution | - | 1,229.00 |
| Loss on disposal of property, plant and equipment | 206.42 | 200.24 |
| Net foreign exchange loss | 515.37 | 2,088.84 |
| Contribution towards Corporate social responsibility | 524.32 | 836.90 |
| Miscellaneous expenses | 2,289.14 | 1,283.78 |
| **Total** | **53,989.06** | **46,496.34** |

## 35. Tax expense

### 35.1 Income taxes recognised in statement of profit and loss

| Particulars | For the year ended March 31, 2022 | For the year ended March 31, 2021 |
|---|---|---|
| **Current tax** | | |
| Current tax | 4,517.55 | 10,292.11 |
| Adjustments for current tax of prior periods | (1,578.79) | (1,366.91) |
| | **2,938.76** | **8,925.20** |
| **Deferred tax** | | |
| Decrease/(Increase) in deferred tax assets | (16,121.92) | 2,254.34 |
| | **(16,121.92)** | **2,254.34** |
| **Total income tax expense recognised in the current year relating to continuing operations** | **(13,183.16)** | **11,179.54** |

# Notes forming part of Consolidated Ind AS Financial Statements for the year ended March 31, 2022

All amounts are ₹ lakh unless otherwise stated

### 35.2 The income tax expense for the year can be reconciled to the accounting profit as follows:

| Particulars | For the year ended March 31, 2022 | For the year ended March 31, 2021 |
|---|---|---|
| **Profit/(Loss) before tax** | **(75,229.28)** | **23,632.60** |
| Income tax expense calculated* | (18,933.70) | 5,947.85 |
| Effect of expenses that are not deductible in determining taxable profit | 487.31 | 412.72 |
| Effect of unused tax losses and tax offsets not recognised as deferred tax assets | 4,206.36 | - |
| Effect of differential tax rates in Income | 2,100.92 | 2,225.77 |
| Effect of different tax rates of subsidiaries operating in other jurisdictions | (75.58) | 19.09 |
| Effect of deferred tax on undistributed profits in subsidiaries | 48.51 | 63.45 |
| Effect of expenses for which no deferred income tax was recognised | 652.71 | 3,745.70 |
| Effect of reversal of earlier years tax provisions | (1,578.79) | (1,366.91) |
| Others | (90.90) | 131.87 |
| **Income tax expense recognised in statement of profit and loss (relating to continuing operations)** | **(13,183.16)** | **11,179.54** |

*The tax rate used for the years 2021-2022 and 2020-2021 reconciliations above is the corporate tax rate of 25.168 % (including surcharge and education cess) payable by corporate entities in India on taxable profits under the Indian tax law.

### 35.3 Income tax recognised in other comprehensive income

| Particulars | For the year ended March 31, 2022 | For the year ended March 31, 2021 |
|---|---|---|
| **Current tax** | | |
| Remeasurements of defined benefit obligation | 146.51 | (456.93) |
| **Deferred tax** | | |
| Remeasurements of defined benefit obligation | (596.06) | 454.21 |
| **Total income tax recognised in other comprehensive income** | **(449.55)** | **(2.72)** |

## 36 Additional information to the financial statements

### 36.01 Contingent liabilities and commitments (to the extent not provided for)

| | Particulars | As at March 31, 2022 | As at March 31, 2021 |
|---|---|---|---|
| **(i)** | **Contingent liabilities:** | | |
| (a) | Claims against the group not acknowledged as debts | | |
| | Matters under dispute: | | |
| | Sales tax / VAT | 6,192.39 | 6,192.39 |
| | Service tax | 814.23 | 814.23 |
| | Income tax | 9,378.34 | 8,037.66 |
| | Property tax | 1,988.66 | 1,634.66 |
| | Third party claims from disputes relating to contracts | 31,341.47 | 35,087.98 |
| | Future cash outflows in respect of the matters in (a) above are determinable only on receipt of judgements/decisions pending at various forums/authorities. | | |
| (b) | Guarantees:* | | |
| | Corporate guarantees (refer note 1 below) | - | 36,298.61 |
| **Note:** | | | |
| | 1. Includes following guarantees given by the Group : | | |
| | On behalf of its joint ventures/jointly controlled entities (disclosed to the extent of loan availed): | | |
| | (a) Nesma Tata Projects Limited-₹ Nil (March 31,2021 : ₹ 5,194.88) | | |
| | On its own behalf: | | |
| | (a) IRCON International Limited - ₹ Nil (March 31, 2021 : ₹ 2,603.73) | | |
| | (b) Saudi Aramco-₹ Nil(March 31, 2021 : ₹ 28,500.00 ) | | |



# Notes forming part of Consolidated Ind AS Financial Statements for the year ended March 31, 2022

All amounts are ₹ lakh unless otherwise stated

| | Particulars | As at March 31, 2022 | As at March 31, 2021 |
|---|---|---|---|
| | * Bank guarantees does not include Performance and Advance bank guarantees (net) issued by banks on behalf of the Group - ₹ 10,27,019.64 (March 31, 2021 - ₹ 10,00,024.89) | | |
| (ii) | Commitments | | |
| | Estimated amount of contracts remaining to be executed on capital account and not provided for [net of advance ₹ 133.46 (March 31, 2021 : ₹ 52.49)] | 34,443.43 | 5,254.87 |

36.02 Based on favourable orders received by the Group in similar cases for other years, external/internal legal counsel's assessment of the merits in the disputes or claims raised by third parties, as applicable, the group assessed the probability of the demands/claims to be remote in the following matters and accordingly provision in the books of accounts/ disclosure as contingent liabilities is not considered required:

| Particulars | As at March 31, 2022 | As at March 31, 2021 |
|---|---|---|
| Service tax | 63,162.73 | 63,162.73 |
| Third party claims from disputes relating to contracts | 7,23,997.86 | 3,84,434.96 |

36.03 In line with accepted practice in construction business, certain revision to costs due to increase in raw material price and billing of previous years which have crystallised during the year have been dealt with in the year. The Statement of Profit and Loss for the year includes charge (net) aggregating ₹ 95,264.84 [March 31, 2021 : ₹ 2,919.89 - charge (net)] on account of changes in estimates.

**36.04 Segment Information**

The Group broadly has two segments of operations - EPC and Services. The EPC business is further subdivided into three Strategic Business Groups – Industrial System, Core Infra, Urban Infrastructure and provides end to end project implementation services in these Strategic Business Groups. The projects are executed both in India and abroad. Based on the "Management Approach" as defined in Ind AS 108, the Chief Operating Decision Maker (CODM) evaluates the Group's performance and allocates resources based on the analysis of various performance indicators by business segments and geographic segments. Accordingly, information has been presented both along business segments and geographic segments. The accounting principles used in the preparation of the financial statements are consistently applied to record revenue and expenditure in individual segments, and are as set out in the significant accounting policies.

Accordingly the business segments of the group are:

(i) EPC

(ii) Services

and geographic segments of the group are:

(i) Domestic

(ii) Overseas

Reporting for business segment is on the following basis:

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

The accounting policies of the reportable segments are the same as the group's accounting policies described in note 3.16. Segment profit represents the profit before tax earned by each segment without allocation of central administration costs and directors' salaries, share of profit of joint ventures, other income, as well as finance costs. This is the measure reported to the chief operating decision maker for the purposes of resource allocation and assessment of segment performance.

For the purpose of monitoring segment performance and allocating resources between segments:

# Notes forming part of Consolidated Ind AS Financial Statements for the year ended March 31, 2022

All amounts are ₹ lakh unless otherwise stated

Property, plant and equipment employed in the specific project are allocated to the segment to which the project relates. The depreciation on the corresponding assets is charged to respective segments.

All other assets are allocated to reportable segments other than investments in associates, investments in joint ventures, other investments, loans, and current and deferred tax assets.

All liabilities are allocated to reportable segments other than borrowings, current and deferred tax liabilities.

**(i) Segment revenues and results**

The following is an analysis of the Group's revenue and results from continuing operations by reportable segment

| | Segment Revenue | | Segment profit | |
|---|---|---|---|---|
| | For the year ended March 31, 2022 | For the year ended March 31, 2021 | For the year ended March 31, 2022 | For the year ended March 31, 2021 |
| Engineering, Procurement and Construction (EPC) | 13,25,501.66 | 11,82,815.56 | (11,996.89) | 74,792.53 |
| Services | 44,874.88 | 37,793.60 | (743.86) | (2,164.41) |
| Less : Inter segment revenue-Services | (2,439.38) | (1,871.21) | - | - |
| Total | 13,67,937.16 | 12,18,737.95 | (12,740.75) | 72,628.12 |
| Other income | | | 7,949.98 | 10,178.78 |
| Unallocable expenses (net) | | | (19,750.63) | (17,007.49) |
| Finance costs | | | (50,687.88) | (42,166.81) |
| **Total** | | | **(75,229.28)** | **23,632.60** |

**(ii) Segment assets and liabilities**

| | As at March 31, 2022 | As at March 31, 2021 |
|---|---|---|
| **Segment Assets** | | |
| Engineering, Procurement and Construction | 16,11,951.79 | 15,04,085.61 |
| Services | 29,802.17 | 28,529.73 |
| **Total segment assets** | **16,41,753.96** | **15,32,615.34** |
| Unallocated | 1,75,257.28 | 66,738.46 |
| **Total** | **18,17,011.24** | **15,99,353.80** |
| **Segment Liabilities** | | |
| Engineering, Procurement and Construction | 12,51,512.22 | 11,37,920.41 |
| Services | 3,490.02 | 2,680.25 |
| **Total segment liabilities** | **12,55,002.24** | **11,40,600.66** |
| Unallocated | 3,59,290.53 | 3,17,745.74 |
| **Total** | **16,14,292.77** | **14,58,346.40** |

**(iii) Other segment information**

| | Depreciation and amortisation | | Additions to non-current assets* | |
|---|---|---|---|---|
| | For the year ended March 31, 2022 | For the year ended March 31, 2021 | For the year ended March 31, 2022 | For the year ended March 31, 2021 |
| Engineering, Procurement and Construction | 17,603.86 | 14,883.99 | 23,692.45 | 9,959.62 |
| Services | 173.11 | 105.06 | 15.81 | 35.80 |
| **Total** | **17,776.97** | **14,989.05** | **23,708.26** | **9,995.42** |
| Unallocated | 3,924.16 | 8,626.30 | 5,030.40 | 7,126.98 |
| **Total** | **21,701.13** | **23,615.35** | **28,738.66** | **17,122.40** |

*Additions to non-current assets include property, plant and equipment, capital work in progress, intangible assets and intangible assets under development and ROU assets and capital advance.



# Notes forming part of Consolidated Ind AS Financial Statements for the year ended March 31, 2022

All amounts are ₹ lakh unless otherwise stated

**(iv) Geographical information**

The Group is executing projects across multiple geographies with India being country of domicile. The details of revenue and non-current assets are as follows:

| | Depreciation and amortisation | | Additions to non-current assets* | |
|---|---|---|---|---|
| | For the year ended March 31, 2022 | For the year ended March 31, 2021 | For the year ended March 31, 2022 | For the year ended March 31, 2021 |
| India | 13,23,250.04 | 11,32,291.32 | 1,10,397.00 | 99,841.66 |
| Asia other than India | 8,598.64 | 6,892.03 | 47.24 | 132.93 |
| Middle East | 10,426.26 | 18,023.31 | 75.54 | 87.48 |
| Africa | 24,842.17 | 60,721.63 | 343.24 | 318.84 |
| Europe | 328.08 | 291.67 | - | - |
| North America | 296.99 | 58.26 | - | - |
| South America | 193.61 | 458.26 | - | - |
| Australia | 1.37 | 1.47 | - | - |
| **Total** | **13,67,937.16** | **12,18,737.95** | **1,10,863.02** | **1,00,380.91** |

*Non-current assets other than financial assets and deferred tax assets.

**(v) Revenue from major customers (generally more than 10% of turnover)**

| Particulars | For the year ended March 31, 2022 | For the year ended March 31, 2021 |
|---|---|---|
| HPCL Rajasthan Refinery Limited(during the previous year turnover was less than 10%) | 1,74,240.96 | 1,00,940.89 |
| Dedicated Freight Corridor Corporation of India Limited(during the year turnover was less than 10%) | 1,11,714.86 | 1,26,373.87 |

**36.05 Financial Instruments**

**(i) Capital Management**

The Group's business model is working capital centric. The group manages its working capital needs and long term capital expenditure, through a balanced mix of capital (including retained earnings), short term debt and long term debt.

The capital structure of the group comprises of net debt (borrowings reduced by cash and bank balances) and equity.

The group is not subject to any externally imposed capital requirements.

The Group reviews its capital requirements on an annual basis, in the form of Annual Operating Plan (AOP). The AOP of the group aggregates the capital required for execution of projects identified and the financing mechanism of such requirements is determined as part of AOP. The Group budgeted the gearing ratio for the year 2021-22 at about 127%. The gearing ratio as at March 31, 2022 was 104% (March 31, 2021 : 177%).

**(ii) Gearing Ratio**

The gearing ratio at the end of the reporting period was as follows:

| Particulars | As at March 31, 2022 | As at March 31, 2021 |
|---|---|---|
| Total Borrowings (Current and Non-Current) | 3,56,601.31 | 2,92,636.64 |
| Less: Cash and bank balances (Cash and cash equivalents and other bank balances) | 1,49,161.34 | 44,707.84 |
| **Adjusted net debt** | **2,07,439.97** | **2,47,928.80** |
| **Total Equity (Equity share capital+Other equity-Equity component of compound financial instruments)** | 1,99,540.08 | 1,40,074.78 |
| **Adjusted net debt to adjusted equity ratio** | 104% | 177% |

# Notes forming part of Consolidated Ind AS Financial Statements for the year ended March 31, 2022

All amounts are ₹ lakh unless otherwise stated

**(iii) Categories of Financial instruments**

| | As at March 31, 2022 | As at March 31, 2021 |
|---|---|---|
| **Non-current** | | |
| Investments | 592.47 | 740.23 |
| Trade receivables | 3,115.08 | 3,502.37 |
| Other financial assets | 14,849.69 | 17,226.11 |
| **Current** | | |
| Investments | 20,002.46 | - |
| Trade receivables | 6,12,897.98 | 6,51,600.91 |
| Cash and cash equivalents | 1,42,508.79 | 39,065.39 |
| Bank balances other than those mentioned above | 6,652.55 | 5,642.45 |
| Loans | - | 18.50 |
| Other financial assets | 5,68,109.30 | 5,08,609.23 |
| | **13,68,728.32** | **12,26,405.19** |

| Particulars | As at March 31, 2022 | As at March 31, 2021 |
|---|---|---|
| **Financial liabilities** | | |
| **Non-current** | | |
| Borrowings | 1,16,909.16 | 1,77,925.22 |
| Lease liabilities | 2,648.93 | 4,261.96 |
| **Current** | | |
| Borrowings | 2,39,692.15 | 1,14,711.42 |
| Trade payables | 6,56,180.38 | 5,76,392.75 |
| Lease liabilities | 9,154.22 | 16,920.99 |
| Other financial liabilities | 13,963.69 | 9,117.15 |
| | **10,38,548.53** | **8,99,329.49** |

**(iv) Financial risk management objectives**

The Group's Corporate Treasury function provides services to the business, co-ordinates access to domestic and international markets, monitors and manages the financial risks relating to the operations of the Group through internal risk reports which analyse exposures by degree and magnitude of risks. These risks include market risk (including currency risk, interest rate and other price risk), credit risk and liquidity risk.

The Group seeks to minimise the effects of these risks by using derivative financial instruments to hedge risk exposures. The use of financial derivatives is governed by the Group's policies approved by the board of directors, which provide written principles on foreign exchange risk, interest rate risk, credit risk, the use of financial instruments and the investment of excess liquidity. Compliance with policies and exposure limits is reviewed by the internal auditors on a periodic basis. The Group does not enter into or trade financial instruments, including derivative financial instruments, for speculative purposes.

The Corporate treasury function reports monthly to the Chief Financial Officer and quarterly to the Board of Directors, who monitor risks and policies implemented to mitigate risk exposures

**(v) Market risk**

The Group's activities expose it primarily to the financial risks of changes in foreign currency exchange rates and interest rates. The Group enters into derivative financial instruments to manage its exposure to foreign currency risk and interest rate risk, which includes, forward foreign exchange contracts to hedge the exchange rate risk arising on the import of goods and services overseas.



# Notes forming part of Consolidated Ind AS Financial Statements for the year ended March 31, 2022

All amounts are ₹ lakh unless otherwise stated

**(vi) Foreign currency risk management**

The Group undertakes transactions denominated in foreign currencies; consequently, exposures to exchange rate fluctuations arise. Exchange rate exposures are managed within approved policy parameters utilising forward foreign exchange contracts.

The carrying amounts of the Group's foreign currency denominated monetary assets and monetary liabilities at the end of the reporting period are as follows:

| Particulars | Currency | Liabilities | | Assets | |
|---|---|---|---|---|---|
| | | As at March 31, 2022 | As at March 31, 2021 | As at March 31, 2022 | As at March 31, 2021 |
| Arab Emirates Dirham | AED | 3,287.57 | 4,362.76 | 11,748.75 | 10,333.77 |
| Kenyan Shilling | KES | 23.56 | 23.28 | 29.21 | 64.18 |
| South Korean Won | KRW | - | - | 50.58 | 1,147.94 |
| Euro | EUR | 3,652.67 | 3,434.24 | 1,488.92 | 1,595.55 |
| South African Rand | ZAR | 0.41 | 0.44 | 0.31 | 0.33 |
| Saudi Riyal | SAR | 1.20 | - | - | - |
| US Dollar | USD | 21,437.95 | 16,959.32 | 37,469.21 | 44,703.26 |
| Ethiopian Birr | ETB | 262.77 | 1,086.38 | 1,616.04 | 2,616.69 |
| Chinese Yuan Renminbi | CNY | 42.64 | 78.56 | 1,341.88 | 1,208.22 |
| Thai Baht | THB | 143.26 | 422.51 | 1,819.48 | 2,996.30 |
| Nepalese Rupee | NPR | 1,533.41 | 1,892.04 | 3,409.74 | 3,575.23 |
| Japanese Yen | JPY | 685.70 | 13,503.22 | 2,174.87 | 2,954.05 |
| Great Britain Pound | GBP | 273.36 | 424.24 | - | - |
| Canadian Dollar | CAD | 440.83 | 81.23 | - | - |
| Singapore Dollar | SGD | 0.52 | 5.35 | - | - |
| Sierra Leonean Leone | SLL | 41.67 | 94.62 | 16.77 | 25.69 |
| West African CFA franc | XOF | 117.64 | - | 5,906.39 | 18.09 |
| Bangladeshi Taka | BDT | 156.11 | - | 15.65 | - |
| Tanzanian Shilling | TZS | - | - | 35.91 | - |
| Omani Rial | OMR | 19.83 | 409.31 | 1,701.56 | 1,031.64 |
| Kuwait Dinar | KWD | - | - | 0.21 | 0.21 |

**(vii) Foreign currency sensitivity analysis**

The above exposures when subjected to a sensitivity of 5% have the following impact:

| Particulars | Currency | Impact on profit after tax with increase in rate by 5%* | | Impact on profit after tax with decrease in rate by 5%* | |
|---|---|---|---|---|---|
| | | As at March 31, 2022 | As at March 31, 2021 | As at March 31, 2022 | As at March 31, 2021 |
| Arab Emirates Dirham | AED | 423.06 | 298.55 | (423.06) | (298.55) |
| Kenyan Shilling | KES | 0.28 | 2.05 | (0.28) | (2.05) |
| South Korean Won | KRW | 2.53 | 57.40 | (2.53) | (57.40) |
| Euro | EUR | (108.19) | (91.93) | 108.19 | 91.93 |
| South African Rand | ZAR | (0.01) | (0.01) | 0.01 | 0.01 |
| Saudi Riyal | SAR | (0.06) | - | 0.06 | - |
| US Dollar | USD | 801.56 | 1,387.20 | (801.56) | (1,387.20) |
| Ethiopian Birr | ETB | 67.66 | 76.52 | (67.66) | (76.52) |
| Chinese Yuan Renminbi | CNY | 64.96 | 56.48 | (64.96) | (56.48) |
| Thai Baht | THB | 83.81 | 128.69 | (83.81) | (128.69) |
| Nepalese Rupee | NPR | 93.82 | 84.16 | (93.82) | (84.16) |

# Notes forming part of Consolidated Ind AS Financial Statements for the year ended March 31, 2022

All amounts are ₹ lakh unless otherwise stated

| Particulars | Currency | Impact on profit after tax with increase in rate by 5%* | | Impact on profit after tax with decrease in rate by 5%* | |
|---|---|---|---|---|---|
| | | As at March 31, 2022 | As at March 31, 2021 | As at March 31, 2022 | As at March 31, 2021 |
| Japanese Yen | JPY | 74.46 | (527.46) | (74.46) | 527.46 |
| Great Britain Pound | GBP | (13.67) | (21.21) | 13.67 | 21.21 |
| Canadian Dollar | CAD | (22.04) | (4.06) | 22.04 | 4.06 |
| Singapore Dollar | SGD | (0.03) | (0.27) | 0.03 | 0.27 |
| Sierra Leonean leone | SLL | (1.25) | (3.45) | 1.25 | 3.45 |
| West African CFA franc | XOF | 289.44 | 0.90 | (289.44) | (0.90) |
| Bangladeshi Taka | BDT | (7.02) | - | 7.02 | - |
| Tanzanian Shilling | TZS | 1.80 | - | (1.80) | - |
| Omani Rial | OMR | 84.09 | 31.12 | (84.09) | (31.12) |
| Kuwait Dinar | KWD | 0.01 | 0.01 | (0.01) | (0.01) |

*Holding all other variables constant

**(viii) Forward Foreign Exchange contracts**

The following table details the Group's liquidity analysis for its derivative financial instruments. The table has been drawn up based on the undiscounted contractual net outflows on derivative instruments that settle on a net basis.

| Particulars | Less than 1 month | 1-3 months | 3 months to 1 year | more than 1 year |
|---|---|---|---|---|
| **March 31, 2022** | | | | |
| Foreign exchange forward contracts (Payable) | | 6,47,223.49 | 1,26,024.45 | - |
| Foreign exchange forward contracts (Receivable) | | 7,61,586.97 | 4,91,118.54 | 79,490.07 |
| **March 31, 2021** | | | | |
| Foreign exchange forward contracts (Payable) | 3,926.51 | 11,864.07 | 8,334.31 | - |
| Foreign exchange forward contracts (Receivable) | - | - | - | - |

**(ix) Interest rate risk management**

The Group is exposed to interest rate risk because of its borrowing at both fixed and floating interest rates. The risk is managed by the Group by maintaining appropriate mix between fixed and floating rate borrowings. Group regularly swaps between conventional working capital borrowings with Commercial Paper, thus reducing the interest cost. Hedging activities are evaluated regularly to align with interest rate views and defined risk appetite, ensuring the most cost-effective hedging strategies are applied.

**(x) Interest rate sensitivity analysis**

The sensitivity analysis below have been determined based on the exposure to interest rates for non derivative instruments at the end of the reporting period. For floating rate liabilities, the analysis is prepared assuming the amount of the liability outstanding at the end of the reporting period was outstanding for the whole year. A 50 basis point increase or decrease is used when reporting interest rate risk internally to key management personnel and represents management's assessment of the reasonably possible change in interest rates.

If interest rates had been 50 basis points higher/lower and all other variables were held constant, the Group's:

a) Loss for the year ended March 31, 2022 would increase/decrease by ₹ 1,417.53 (Profit for the year ended March 31, 2021: decrease/increase by ₹ 801.91). This is mainly attributable to the Group's exposure to interest rates on its variable rate borrowings; and

b) There being no debt instrument passing through FVTOCI, there would not be any impact of such change in interest rate, on OCI



Notes forming part of Consolidated Ind AS Financial Statements for the year ended March 31, 2022

All amounts are ₹ lakh unless otherwise stated

The Group's sensitivity to interest rates has increased during the current year mainly due to the structure financial products negotiated by the Group with the lenders and also due to the increase in the prime lending rates of the lenders in general.

**(xi) Other price risks**

The Parent Company's investments in equity instruments are restricted to its investment in its subsidiaries and associates which are held for strategic purposes rather than for trading. The Parent Company, as on the reporting date of March 31, 2022 has 11 subsidiaries, 2 Joint ventures and one associate, which include companies incorporated in India and abroad. All the subsidiaries are closely held companies and unlisted, except Artson Engineering Limited, which is listed on BSE in which the Parent Company holds 75% of the stake. However the purpose of all such investments being strategic rather than for trading, as mentioned above, the Parent Company does not recognise any impact of sensitivity in the equity prices.

**(xii) Credit Risk Management**

The credit risk to the group arises from three sources:

a) Customers, who default on their contractual obligations, thus resulting in financial loss to the Group.

b) Non certification by the customers, either in part or in full, the works billed as per the contract, being non claimable cost as per the terms of the contract with the customer.

c) Subsidiaries, Associates or Jointly controlled operations, on whose behalf, the Group has provided guarantees, both bank and corporate, in the event of invocation of such guarantees by the beneficiaries.

**a) Customers:**

Group evaluates the credentials of a customer at a very early stage of the bid. Group has adopted a policy of 3 tier verification before participating for any bid. The first step of such verification includes verification of customer credentials. The Group, as part of verification of the customer credentials, ensures the compliance with the following criterion,

(i) Customer's financial health by examining the audited financial statements

(ii) Whether the customer has achieved the financial closure for the work for which the group is bidding

(iii) Where the customer is a private entity, the rating of the customer by a reputed agency.

(iv) Brand and market reputation of the customer

(v) Details of other contractors working with the customer

(vi) Where the customer is a Public Sector Undertaking, sanction and availability of adequate financial resources for the proposed work.

Group makes provision on its financial assets, on every reporting period, as per Expected Credit Loss Method. The provision is made separately for each financial assets of each business line. The percentage at which the provision is made, is determined on the basis of historical experience of such provisions, modified to the current and prospective business and customer profile.

Trade receivables consist of large number of customers, spread across diverse industries and geographical areas. Majority of the customers of the Group comprise of Public Sector Undertakings, with whom the Group does not perceive any credit risk. As regards the customers from private sector, Group carries out financial evaluation on regular basis and provides for any amount perceived as non realisable, in the books of accounts.

# Notes forming part of Consolidated Ind AS Financial Statements for the year ended March 31, 2022

All amounts are ₹ lakh unless otherwise stated

b) **Non certification of works billed**

The Group has contract claims from customers including costs on account of account of delays / changes in scope / design by them etc. which are at various stages of discussions / negotiations or under arbitrations. The realisability of these claims are estimated based on contractual terms, historical experience with similar claims as well as legal opinion obtained from internal and external experts, wherever necessary. Changes in facts of the case or the legal framework may impact realisability of these claims.

c) **Guarantees:**

Group provides guarantees, both from its line of credit and as a corporate, on behalf of its subsidiaries, associates and Jointly controlled operations. These guarantees are provided to customers of the said entities. While these guarantees are disclosed as contingent liabilities in the financial statements, the Group does not perceive any credit risk in respect of any of such guarantees issued.

**(xiii) Liquidity Risk Management**

Group being an EPC contractor, has constant liquidity pressures to meet the project requirements. These requirements are met by a balanced mix of borrowings and project cash flows. Cash flow forecast is made for all projects on monthly basis and the same are tracked for actual performance on daily basis. Shortfall in cash flows are matched through short term borrowings and other strategic financing means. The daily project requirements are met by allocating the daily aggregated cash flows among the projects. The Group has an established practice of prioritising the site level payments and regulatory payments above other requirements

**(xiv) Financing facilities**

| Particulars | As at March 31, 2022 | As at March 31, 2021 |
|---|---|---|
| Unsecured fund based facilities, reviewed annually and payable at call | | |
| amount used | 50,000.00 | 25,000.00 |
| amount unused | 15,000.00 | 2,500.00 |
| | 65,000.00 | 27,500.00 |
| Unsecured non- fund based facilities, reviewed annually | | |
| amount used | 1,48,039.28 | 2,64,443.32 |
| amount unused | 1,14,960.72 | 1,01,681.68 |
| | 2,63,000.00 | 3,66,125.00 |
| Secured fund based facilities, reviewed annually and payable at call | | |
| amount used | 32,048.34 | 55,908.93 |
| amount unused | 1,69,901.66 | 1,32,841.07 |
| | 2,01,950.00 | 1,88,750.00 |
| Secured non- fund based facilities, reviewed annually | | |
| amount used | 12,75,914.67 | 11,30,751.31 |
| amount unused | 2,07,885.33 | 2,74,398.69 |
| | **14,83,800.00** | **14,05,150.00** |

**(xv) Fair value measurements**

**Fair value of financial assets and liabilities measured at amortised cost.**

Trade receivables, cash and cash equivalents, other bank balances, loans and other financial assets are at carrying values that approximate fair value. Borrowings, trade payables and other financial liabilities are at carrying values that approximate fair value. If measured at fair value in the financial statements, these financial instruments would be classified as Level 3 in the fair value hierarchy.





# Notes forming part of Consolidated Ind AS Financial Statements for the year ended March 31, 2022

All amounts are ₹ lakh unless otherwise stated

**Fair value of financial assets measured at fair value through profit or loss (FVTPL).**

Investments in mutual funds are carried at fair value through profit or loss in financial assets. If measured at fair value in the financial statements, these financial instruments would be classified as Level 1 in the fair value hierarchy.

**36.06 Earnings per share**

| Particulars | | For the Year ended March 31, 2022 | For the Year ended March 31, 2021 |
|---|---|---|---|
| Profit/(Loss) attributable to the owners of the Parent Company | A | (61,992.76) | 12,569.97 |
| **Basic and Diluted** | | | |
| Weighted average number of equity shares of ₹ 5/- each outstanding during the year | B | 1,217.43 | 1,215.00 |
| **Earnings per share (face value of ₹ 5/- each)** | | | |
| **Earnings per share - Basic and Diluted** | **A/B** | **(50.92)** | **10.35** |

| Particulars | As at March 31, 2022 Number of shares | As at March 31, 2021 Number of shares |
|---|---|---|
| **Weighted average number of equity shares used as the denominator in calculating earnings per share** | | |
| Shares before split | 20,25,000 | 20,25,000 |
| Change in par value of share from ₹ 100 per share to ₹ 5 per share | 3,84,75,000 | 3,84,75,000 |
| Bonus issue during the year (Refer Note 1 below) | 8,10,00,000 | 8,10,00,000 |
| Rights issue during the year (Refer Note 2 below) | 2,43,466 | - |
| | | |
| Weighted average number of equity shares used as the denominator in calculating Basic and Diluted earnings per share | **12,17,43,466** | **12,15,00,000** |

**Notes:**

1. During the year ended March 31, 2022, the Parent company has split the equity shares from ₹ 100 per share to ₹ 5 per share i.e., 20:1 equity shares

   Also the parent company has issued Bonus Shares to its existing shareholders in the ratio of 2:1 by utilising Securities Premium reserve. Hence, for the purpose of disclosure of EPS, the parent company has restated the previous period EPS to give effect for these transactions.

2. Additionally, during the year ended March 31, 2022, the Parent company has issued 44,432,550 shares amounting ₹ 2,221.63 under Rights issue to the existing shareholders of the parent company at a issue price of ₹ 270.04 each per share (₹ 265.04 each per share towards securities premium and ₹ 5 each per share towards paid up capital). All the existing shareholders were offered 3,657 equity shares for every 10,000 shares held by them as a part of the Rights issue.

# Notes forming part of Consolidated Ind AS Financial Statements for the year ended March 31, 2022

All amounts are ₹ lakh unless otherwise stated

### 36.07 Related party transactions

Details of related parties:

| Description of relationship | Names of related parties |
|---|---|
| **(i) Entity holding more than 20%** | The Tata Power Company Limited |
| | Omega TC Holdings PTE Limited (up to March 30, 2022) |
| **(ii) Subsidiary of Entity holding more than 20%** | Coastal Gujarat Power Ltd |
| | Industrial Energy Ltd |
| | Maithon Power Limited |
| | Tata Power Delhi Distribution Limited |
| | Tata Power Solar Systems Ltd. |
| | TP Central Odisha Distribution Limited |
| | TP Northern Odisha Distribution Limited |
| | TP Western Odisha Distribution Limited(TPWODL) |
| **(iii) Jointly controlled operations (JCO)** | Refer Note no: 36.09 for list of Jointly controlled operations |
| **(iv) Jointly controlled entities/Joint Ventures (JCE)** | Al Tawleed for Energy & Power Company |
| | NESMA Tata Projects Limited |
| **(v) Associates** | Arth Designbuild India Private Limited |
| **(vi) Key Management Personnel (KMP)** | Mr. Banmali Agrawala, Chairman |
| | Mr. Samir K Barua, Independent Director (up to March 21, 2021) |
| | Ms. Neera Saggi, Independent Director |
| | Mr. Sanjay Vijay Bhandarkar, Independent Director (w.e.f March 09, 2021) |
| | Mr. Nipun Aggarwal, Director (up to April 18, 2022) |
| | Mr. Ramesh N Subramanyam, Director |
| | Mr. Sanjay Kumar Banga, Additional Director |
| | Mr. Ritesh Mandot, Additonal Director (from October 22, 2021) |
| | Mr. Bobby Pauly, Additonal Director (up to October 19, 2021) |
| | Mr. Vinayak K Deshpande, Managing Director |
| | Mr. Bhaskar Subramanya Bandru, Company Secretary |
| | Mr. Arvind Chokhany, Chief Financial Officer (up to March 31, 2021) |
| | Mr. Amarjyoti Barua, Chief Financial Officer (May 17, 2021 to August 20, 2021) |
| | Mr. Sanjay Sharma, Chief Financial Officer (from December 01, 2021) |

### 36.07 Related party transactions (Continued)

| Nature of relation with the entity | Particulars | Transactions during the year | | Balances outstanding at the end of the year | |
|---|---|---|---|---|---|
| | | As at March 31, 2022 | As at March 31, 2021 | As at March 31, 2022 | As at March 31, 2021 |
| **Entity holding more than 20%** | **The Tata Power Company limited** | | | | |
| | Revenue from operations (net of reversals) | 6,967.49 | 451.08 | - | - |
| | Contract execution expenses | 694.29 | 587.40 | - | - |
| | Trade receivables | - | - | 4,564.93 | 316.74 |
| | Advances received | - | - | 3,436.30 | - |
| | Trade payables | - | - | 432.70 | 443.18 |
| | Contractual reimbursable expenses | - | - | 1.14 | 1.15 |
| **Subsidiary of Entity holding more than 20%** | **Coastal Gujarat Power Ltd** | | | | |
| | Revenue from operations | 16,444.17 | 573.86 | - | - |
| | Trade receivables | - | - | 10,151.67 | 127.02 |
| | Advances received | - | - | 12,932.58 | 8,712.67 |





# Notes forming part of Consolidated Ind AS Financial Statements for the year ended March 31, 2022

All amounts are ₹ lakh unless otherwise stated

| Nature of relation with the entity | Particulars | Transactions during the year | | Balances outstanding at the end of the year | |
|---|---|---|---|---|---|
| | | As at March 31, 2022 | As at March 31, 2021 | As at March 31, 2022 | As at March 31, 2021 |
| **Subsidiary of Entity holding more than 20%** | **Industrial Energy Ltd** | | | | |
| | Revenue from operations | 411.46 | 3.45 | - | - |
| | Trade receivables | - | - | 889.08 | 708.71 |
| | Advances received | - | - | 832.73 | 87.39 |
| **Subsidiary of Entity holding more than 20%** | **Maithon Power Limited** | | | | |
| | Revenue from operations | 3.37 | 0.20 | - | - |
| | Trade receivables | - | - | 0.45 | 0.23 |
| **Subsidiary of Entity holding more than 20%** | **Tata Power Delhi Distribution Limited** | | | | |
| | Contract execution expenses | 149.27 | 23.00 | - | - |
| **Subsidiary of Entity holding more than 20%** | **Tata Power Solar Systems Ltd.** | | | | |
| | Revenue from operations | 355.05 | 270.46 | - | - |
| | Contract execution expenses | - | 276.18 | - | - |
| | Trade receivables | - | - | 172.29 | 200.85 |
| | Advances received | - | - | 0.44 | 0.44 |
| | Advances given | - | - | - | 10.50 |
| | Trade payables | - | - | 139.92 | 322.71 |
| **Subsidiary of Entity holding more than 20%** | **TP Central Odisha Distribution Limited** | | | | |
| | Contract execution expenses | 5.01 | 2.21 | - | - |
| | Trade payables | - | - | 0.05 | 0.50 |
| **Subsidiary of Entity holding more than 20%** | **TP Northern Odisha Distribution Limited** | | | | |
| | Contract execution expenses | 9.84 | - | - | - |
| | Trade payables | - | - | 0.11 | - |
| **Subsidiary of Entity holding more than 20%** | **TP Western Odisha Distribution limited (TPWODL)** | | | | |
| | Contract execution expenses | 19.07 | - | - | - |
| **Associate** | **Arth Designbuild India Private Limited** | | | | |
| | Contract execution expenses | 11.63 | 16.46 | - | - |
| | Advances given | - | - | 15.34 | 11.63 |
| | Trade payables | - | - | 41.18 | 41.11 |
| **Jointly controlled entities (JCE)** | **NESMA Tata Projects Limited** | | | | |
| | Revenue from operations | - | 2.68 | - | - |
| | Trade receivables | - | - | - | 0.35 |
| | Corporate guarantees given | - | - | - | 5,194.88 |
| **Jointly controlled operations (JCO)** | **Tata Projects Brookfield Multiplex Joint Venture** | | | | |
| | Employee benefit expenses | - | 225.67 | - | - |
| | Withdrawal of share of profit | 80.00 | - | - | - |
| **Jointly controlled operations (JCO)** | **CEC-ITD Cem-TPL Joint Venture** | | | | |
| | Revenue from operations | 2,489.37 | 2,242.72 | - | - |
| | Contractual reimbursable expenses | - | - | 37.33 | 48.27 |
| | Trade receivables | - | - | 1,384.25 | - |
| | Withdrawal of share of profit | 896.91 | 2,125.07 | - | - |
| | Advances received | - | - | 680.69 | 726.00 |
| | Bank guarantee given | - | - | 10,188.36 | 11,320.40 |

# Notes forming part of Consolidated Ind AS Financial Statements for the year ended March 31, 2022

All amounts are ₹ lakh unless otherwise stated

| Nature of relation with the entity | Particulars | Transactions during the year | | Balances outstanding at the end of the year | |
|---|---|---|---|---|---|
| | | As at March 31, 2022 | As at March 31, 2021 | As at March 31, 2022 | As at March 31, 2021 |
| **Jointly controlled operations (JCO)** | **ANGELIQUE -TPL JV** | | | | |
| | Other Income | 59.49 | - | - | - |
| | Contractual reimbursable expenses | - | - | 92.45 | 67.41 |
| | Revenue from operations | 72.20 | 641.81 | - | - |
| | Trade Receivables | - | - | 270.33 | 254.35 |
| | Advances received | - | - | 235.68 | 318.24 |
| | Loans given | - | - | - | 18.50 |
| | Bank guarantee given | - | - | 1,185.95 | 1,846.41 |
| **Jointly controlled operations (JCO)** | **Daewoo-TPL JV** | | | | |
| | Other Income | 8.40 | 32.51 | - | - |
| | Contractual reimbursable expenses | - | - | 1,953.50 | 690.44 |
| | Trade receivables | - | - | - | 13.54 |
| | Bank guarantee given | - | - | 24,682.43 | 33,385.92 |
| **Jointly controlled operations (JCO)** | **Gulermak - TPL Pune Metro Joint Venture** | | | | |
| | Revenue from operations | 3,839.89 | - | - | - |
| | Other income | 1.83 | 5.54 | - | - |
| | Contract execution expenses | 689.77 | 11.13 | - | - |
| | Purchase of Inventory | 40.18 | - | - | - |
| | Contractual reimbursable expenses | - | - | 39.24 | 165.54 |
| | Trade receivable | - | - | 2,535.34 | - |
| | Trade payables | - | - | 215.77 | 7.41 |
| | Advances received | - | - | 183.40 | - |
| | Bank guarantee given | - | - | 6,659.84 | 9,141.78 |
| **KMP** | **Key Management Personnel** | | | | |
| | Short term employee benefits | 630.70 | 875.14 | - | - |
| | Post employment benefits | 36.70 | 40.08 | - | - |
| | Directors sitting fees | 39.80 | 44.40 | - | - |
| | Commission to Non-Executive Directors | 100.00 | 101.00 | - | - |

Note: Contractual reimbursable expenses represent expenditure incurred on behalf of the entities and are recoverable in nature.

## 36.08 Employee benefit plan

### (i) Defined contribution plan

In respect of defined contribution plan, an amount of ₹ 648.86 (March 31, 2021: ₹ 1,922.01 ) has been recognised as expense in the Statement of Profit and Loss during the year.

### (ii) Defined benefit plans

a) Provident Fund

Employees of the Parent Company receive benefits from a provident fund, which is a defined benefit plan. Both, the employees and the Parent Company make monthly contributions to the provident fund plan equal to a specified percentage of the covered employee's salary. The Parent Company contributes to the Tata Projects Provident Fund Trust except in Gulermak TPL Pune Metro JV, where contribution is made to The Employees' Provident Fund Organisation(EPFO) administered by government. The trust invests a portion in specific designated instruments as permitted by Indian Law. The remaining portion is contributed to the government administered pension fund. The rate at which the annual interest is payable to the beneficiaries by the trust is administered by the government. The Parent Company has an obligation to make good the shortfall, if any, between the return from the investments of the trust and the administered interest rate.



# Notes forming part of Consolidated Ind AS Financial Statements for the year ended March 31, 2022

All amounts are ₹ lakh unless otherwise stated

The actuary has provided a valuation for provident fund liabilities and based on the valuation, there is a shortfall as at March 31, 2022 and March 31, 2021.

Amount recognized in Balance Sheet:

| Particulars | As at March 31, 2022 | As at March 31, 2021 |
|---|---|---|
| Plan assets at period end, at fair value* | 64,140.46 | 49,051.26 |
| Present value of benefit obligation at year end | 65,845.12 | 53,884.44 |
| **Asset/(Liability) recognized in Balance Sheet** | **(1,704.66)** | **(4,833.18)** |

*The plan assets have been primarily invested in the following categories

| Particulars | As at March 31, 2022 | As at March 31, 2021 |
|---|---|---|
| Government debt instruments | 39,521.72 | 7,540.29 |
| Other debt instruments | 21,095.40 | 22,585.85 |
| Others | 3,523.34 | 18,925.12 |
| **Total** | **64,140.46** | **49,051.26** |

**The principal assumptions used for the purposes of the actuarial valuations were as follows:**

| Particulars | As at March 31, 2022 | As at March 31, 2021 |
|---|---|---|
| Discount rate (%) | 6.70 | 6.25 |
| Future derived return on assets (%) | 8.55 | 9.01 |
| Average historic yield on the investment portfolio (%) | 8.03 | 8.41 |
| Guaranteed rate of return (%) | 8.10 | 8.50 |

The Parent Company contributed ₹ 4,099.86 and ₹ 2,484.14 during the years ended March 31, 2022 and March 31, 2021 respectively and the same has been recognized in the Statement of Profit and Loss under the head employee benefit expense.

The Parent Company reversed the provision of ₹ 3,430.59 and created a provision of ₹ 350.18 during the years ended March 31, 2022 and March 31, 2021 respectively and the same has been recognised in the other comprehensive income.

The expected contribution payable to the plan next year is ₹ 3,712.70

b) Gratuity, Pension and Post retirement Benefits

The following tables set out the funded status of Gratuity and the amounts of Gratuity, Pension and Postretirement medical benefits recognized in the Group's financial statements as at March 31, 2022 and March 31, 2021.

| Change in Defined Benefit Obligation (DBO) during the year | For the Year ended March 31, 2022 | | | For the Year ended March 31, 2021 | | |
|---|---|---|---|---|---|---|
| | Gratuity | Pension | Post Retirement Medical Benefits | Gratuity | Pension | Post Retirement Medical Benefits |
| Opening defined benefit obligations | 8,373.33 | 544.19 | 65.18 | 6,250.68 | 496.01 | 67.22 |
| Current service cost | 1,178.34 | - | - | 897.60 | - | - |
| Interest Cost | 483.13 | 32.41 | 3.92 | 376.38 | 30.52 | 4.17 |
| Actuarial (Gains)/losses arising from changes in demographic assumptions | (12.41) | - | - | - | - | - |
| Actuarial (Gains)/losses arising from changes in financial assumptions | 939.10 | (13.56) | (1.91) | 102.17 | 6.76 | 0.94 |
| Actuarial (Gains)/losses arising from experience assumptions | 372.82 | (8.05) | (6.47) | 1,691.06 | 61.39 | (4.74) |
| Benefits paid | (1,288.96) | (52.06) | (0.47) | (944.56) | (50.49) | (2.41) |
| **Closing defined benefit obligation** | **10,045.35** | **502.93** | **60.25** | **8,373.33** | **544.19** | **65.18** |

# Notes forming part of Consolidated Ind AS Financial Statements for the year ended March 31, 2022

All amounts are ₹ lakh unless otherwise stated

| Change in fair value of plan assets during the year | For the Year ended March 31, 2022 | | | For the Year ended March 31, 2021 | | |
|---|---|---|---|---|---|---|
| | Gratuity | Pension | Post Retirement Medical Benefits | Gratuity | Pension | Post Retirement Medical Benefits |
| Opening fair value of plan assets | 6,236.64 | - | - | 5,571.57 | - | - |
| Interest income | 386.63 | - | - | 348.43 | - | - |
| Return on plan assets (excluding amounts included in net interest expense) | 197.72 | - | - | 48.30 | - | - |
| Contribution from the employer | 2,451.76 | 52.06 | 0.47 | 1,212.90 | 50.49 | 2.41 |
| Benefits paid | (1,288.96) | (52.06) | (0.47) | (944.56) | (50.49) | (2.41) |
| **Closing fair value of plan assets** | **7,983.79** | **-** | **-** | **6,236.64** | **-** | **-** |

| Amount recognised in Balance sheet | For the Year ended March 31, 2022 | | | For the Year ended March 31, 2021 | | |
|---|---|---|---|---|---|---|
| | Gratuity | Pension | Post Retirement Medical Benefits | Gratuity | Pension | Post Retirement Medical Benefits |
| Present value of funded defined benefit obligation | 10,045.35 | - | - | 8,373.33 | - | - |
| Fair value of plan assets | 7,983.79 | - | - | 6,236.64 | - | - |
| **Funded status** | **2,061.56** | **-** | **-** | **2,136.69** | **-** | **-** |
| Present value of unfunded defined benefit obligation | - | 502.93 | 60.25 | - | 544.19 | 65.18 |
| **Net liability arising from defined benefit obligation** | **2,061.56** | **502.93** | **60.25** | **2,136.69** | **544.19** | **65.18** |
| Net Defined benefit obligation bifurcated as follows | | | | | | |
| Current (refer note 21) | 2,060.87 | 51.23 | 5.00 | 2,136.27 | 51.23 | 5.00 |
| Non-Current (refer note 21) | 0.69 | 451.70 | 55.25 | 0.42 | 492.96 | 60.18 |
| **Total** | **2,061.56** | **502.93** | **60.25** | **2,136.69** | **544.19** | **65.18** |

| Components of employer expense | For the Year ended March 31, 2022 | | | For the Year ended March 31, 2021 | | |
|---|---|---|---|---|---|---|
| | Gratuity | Pension | Post Retirement Medical Benefits | Gratuity | Pension | Post Retirement Medical Benefits |
| Current service cost | 1,178.34 | - | - | 897.60 | - | - |
| Interest Cost on net defined benefit liability | - | 32.41 | 3.92 | - | 30.52 | 4.17 |
| Net interest expense | 96.50 | - | - | 27.95 | - | - |
| **Components of defined benefit costs recognised in statement of profit and loss** | **1,274.84** | **32.41** | **3.92** | **925.55** | **30.52** | **4.17** |
| | | | | | | |
| **Remeasurement:** | | | | | | |
| Expected return on plan assets | (197.72) | - | - | (48.30) | - | - |
| Actuarial (Gains)/losses arising from changes in demographic assumptions | (12.41) | - | - | - | - | - |
| Actuarial (Gains)/losses arising from changes in financial assumptions | 939.10 | (13.56) | (1.91) | 102.17 | 6.76 | 0.94 |
| Actuarial (Gains)/losses arising from experience assumptions | 372.82 | (8.05) | (6.47) | 1,691.06 | 61.39 | (4.74) |
| **Components of defined benefit costs recognised in other comprehensive income** | **1,101.79** | **(21.61)** | **(8.38)** | **1,744.93** | **68.15** | **(3.80)** |

The remeasurement of the net defined liability is included in other comprehensive income

The trustees of the gratuity plan have outsourced the investment management of the fund to Life Insurance Corporation (LIC). The insurance company in turn manages gratuity fund as per the mandate provided to them by the trustees and the asset allocation which is within the permissible limits prescribed in the insurance regulations.



# Notes forming part of Consolidated Ind AS Financial Statements for the year ended March 31, 2022

All amounts are ₹ lakh unless otherwise stated

**The principal assumptions used for the purposes of the actuarial valuations in parent company were as follows:**

| | For the Year ended March 31, 2022 | | | For the Year ended March 31, 2021 | | |
|---|---|---|---|---|---|---|
| | Gratuity | Pension | Post Retirement Medical Benefits | Gratuity | Pension | Post Retirement Medical Benefits |
| Discount rate | 6.70% | 6.70% | 6.70% | 6.25% | 6.25% | 6.25% |
| Expected rate of salary increase | 8.00% | - | - | 6.00% | - | - |
| Expected rate of pension increase | - | 5.00% | - | - | 5.00% | - |
| Medical Inflation rate | - | - | 5.00% | - | - | 5.00% |
| Retirement Age* | 60 yrs. | 60 yrs. | - | 60 yrs. | 60 yrs. | - |
| Average leaving service | 12.50% | - | - | 11.75% | - | - |

* Mortality (applicable to Gratuity): Published rates under the Indian Assured Lives Mortality (2012-14) Ult table.

**The principal assumptions used for the purposes of the actuarial valuations in one of the subsidiary company - Artson Engineering Limited ('AEL'/'Artson') were as follows:**

| Particulars | For the year ended March 31, 2022 | For the year ended March 31, 2021 |
|---|---|---|
| | Gratuity | Gratuity |
| Discount rate | 6.78% | 6.31% |
| Expected rate of salary increase | 8.00% | 8.00% |

**Sensitivity Analysis of Holding Company**

| | For the Year ended March 31, 2022 | | | For the Year ended March 31, 2021 | | |
|---|---|---|---|---|---|---|
| | Gratuity | Pension | Post Retirement Medical Benefits | Gratuity | Pension | Post Retirement Medical Benefits |
| **Discount rate** | | | | | | |
| Impact of increase in 50 bps on DBO | -3.22% | -2.85% | -3.33% | -2.98% | -3.05% | -3.55% |
| Impact of decrease in 50 bps on DBO | 3.42% | 3.00% | 3.53% | 3.15% | 3.23% | 3.78% |
| **Life Expectancy** | | | | | | |
| Life Expectancy 1 year decrease | - | -8.36% | -6.59% | - | -7.99% | -6.35% |
| Life Expectancy 1 year increase | - | 8.08% | 6.39% | - | 7.76% | 6.18% |
| **Salary Escalation Rate** | | | | | | |
| Impact of increase in 50 bps on DBO | 3.36% | - | - | 3.15% | - | - |
| Impact of decrease in 50 bps on DBO | -3.19% | - | - | -3.00% | - | - |
| **Pension Increase Rate** | | | | | | |
| Impact of increase in 100 bps on DBO | - | 6.22% | - | - | 6.67% | - |
| Impact of decrease in 100 bps on DBO | - | -5.69% | - | - | -6.06% | - |
| **Medical Inflation Rate** | | | | | | |
| Impact of increase in 100 bps on DBO | - | - | 7.33% | - | - | 7.83% |
| Impact of decrease in 100 bps on DBO | - | - | -6.62% | - | - | -7.04% |

**Sensitivity Analysis of Artson Engineering Limited:**

| Particulars | For the year ended March 31, 2022 | For the year ended March 31, 2021 |
|---|---|---|
| | Gratuity | Gratuity |
| Discount rate | | |
| Impact of 1% increase to the defined benefit obligation | -5.46 | -4.77 |
| Impact of 1% decrease to the defined benefit obligation | 6.18 | 5.44 |
| Salary escalation rate | | |
| Impact of 1% increase to the defined benefit obligation | 5.75 | 5.05 |
| Impact of 1% decrease to the defined benefit obligation | -5.19 | -4.52 |

# Notes forming part of Consolidated Ind AS Financial Statements for the year ended March 31, 2022

All amounts are ₹ lakh unless otherwise stated

**Projected Plan Cash Flow**

**The expected cash flow profile of the benefits to be paid to the current membership of the plan, are as follows:**

| Maturity Profile | For the Year ended March 31, 2022 | | | For the Year ended March 31, 2021 | | |
|---|---|---|---|---|---|---|
| | Gratuity | Pension | Post Retirement Medical Benefits | Gratuity | Pension | Post Retirement Medical Benefits |
| Expected Benefits for year 1 | 1,746.68 | 51.23 | 5.00 | 1,327.22 | 51.23 | 5.00 |
| Expected Benefits for year 2 | 1,043.96 | 51.76 | 5.14 | 1,225.29 | 51.98 | 5.16 |
| Expected Benefits for year 3 | 1,053.41 | 51.99 | 5.28 | 926.00 | 52.46 | 5.30 |
| Expected Benefits for year 4 | 1,087.05 | 51.89 | 5.39 | 884.91 | 52.65 | 5.44 |
| Expected Benefits for year 5 | 1,014.34 | 51.43 | 5.49 | 1,007.42 | 52.51 | 5.56 |
| Expected Benefits for year 6* | 938.50 | 50.61 | 5.56 | 825.07 | 52.04 | 5.65 |
| Expected Benefits for year 7* | 996.94 | 49.42 | 5.61 | 696.37 | 51.20 | 5.73 |
| Expected Benefits for year 8* | 1,020.34 | 47.86 | 5.62 | 709.65 | 49.99 | 5.78 |
| Expected Benefits for year 9* | 851.11 | 45.94 | 5.60 | 737.43 | 48.43 | 5.79 |
| Expected Benefits for year 10 and above* | 7,710.13 | 348.71 | 55.27 | 5,039.36 | 401.65 | 62.51 |
| Weighted average duration to the payment of these cash flows for parent company | 6.64 Years | 5.85 Year | 6.85 Years | 6.15 Years | 6.28 Years | 7.33 Years |
| Weighted average duration to the payment of these cash flows for subsidiary company (AEL) | 6.57 Years | | | 6.64 Years | | |

Expected benefit for the years 6 and above included ₹ 37.31 (March 31, 2021: ₹ 30.21) every year relating to Artson Engineering Limited

**Gratuity:** The expected contribution payable to the gratuity plan next year is ₹ 2,500.

Expected contribution to be made to plan assets in the Financial Year 2022-23 includes ₹ 6.27 lakhs (March 31, 2021: ₹ 4.52 lakhs) relating to Artson Engineering Limited

c) Employee benefits expense includes expenditure in relation to compensated absences (privileged and sick leave) aggregating to ₹ 1,506.99 (March 31, 2021 - ₹ 2,151.61)

The leave obligations cover the company's liability for earned leave which are classified as other long-term benefits.

The company does not have an unconditional right to defer settlement of any of these obligations. However, based on past experience, the group does not expect all employees to avail the full amount of accrued leave or require payment for such leave within the next 12 months.

| Particulars | For the year ended March 31, 2022 | For the year ended March 31, 2021 |
|---|---|---|
| Leave obligations not expected to be settled within the next 12 months | 3,667.15 | 3,482.30 |

# Notes forming part of Consolidated Ind AS Financial Statements for the year ended March 31, 2022

All amounts are ₹ lakh unless otherwise stated

**36.09. Jointly Controlled Operations-Share of Parent Company**

The Parent Company along with the Joint operators enters into contracts with the customers for execution of the projects. The Parent Company's share as per such contracts is listed below. However, the Parent Company as a Joint operator, recognizes assets, liabilities, income and expenditure held/incurred jointly with other partners in proportion to its interest in such joint arrangements in compliance with applicable accounting standards taking into account the related rights and obligations applicable in the respective Jointly Controlled Operations.

| S.No | Name of the Jointly Controlled Operations | As at March 31, 2022 | As at March 31, 2021 |
|---|---|---|---|
| 1 | SIBMOST-TATA Projects (JV) | 49.00% | 49.00% |
| 2 | TATA-ALDESA (JV) | 50.00% | 50.00% |
| 3 | GIL-TPL (JV) | 50.00% | 50.00% |
| 4 | TPL-SUCG Consortium | 85.00% | 85.00% |
| 5 | TPL- JBTPL Joint Venture | 75.00% | 75.00% |
| 6 | Tata Projects - Balfour Beatty JV | 100.00% | 100.00% |
| 7 | GYT-TPL Joint Venture | 49.00% | 49.00% |
| 8 | GULERMAK - TPL Joint Venture | 70.00% | 70.00% |
| 9 | CEC-ITD Cem-TPL Joint Venture | 20.00% | 20.00% |
| 10 | CCECC -TPL JV | 49.00% | 49.00% |
| 11 | TPL-HGIEPL Joint Venture | 74.00% | 74.00% |
| 12 | Tata Projects Brookfield Multiplex Joint Venture | 50.00% | 50.00% |
| 13 | JV of Tata Projects Limited and CHINT Electric Company Limited | 95.00% | 95.00% |
| 14 | TPL-SSGIPL Joint Venture | 80.00% | 80.00% |
| 15 | TPL - KIPL Joint Venture | 75.00% | 75.00% |
| 16 | TPL Gulermak Karimnagar JV | 60.00% | 60.00% |
| 17 | Daewoo-TPL JV | 40.00% | 40.00% |
| 18 | ANGELIQUE - TPL JV | 41.94% | 41.94% |
| 19 | Joint Venture of Tata Projects Limited & Raghava Constructions | 50.00% | 50.00% |
| 20 | CHEC-TPL LINE 4 Joint Venture | 60.00% | 60.00% |
| 21 | Gulermak-TPL Pune Metro Joint Venture | 49.00% | 49.00% |
| 22 | TPL-AGE HIRAKUD JV | 70.00% | 70.00% |
| 23 | TPL-PCIPL Joint Venture | 80.00% | 80.00% |
| 24 | LEC-TPL UJV | 75.00% | 75.00% |
| 25 | TPL-IAV VOZ CPRR Joint venture | 80.00% | - |

# Notes forming part of Consolidated Ind AS Financial Statements for the year ended March 31, 2022

All amounts are ₹ lakh unless otherwise stated

### 36.10 Disclosure of additional information as required by the Schedule III in respect of subsidiaries, associates and Joint ventures :

#### (a) As at and for the year ended March 31, 2022

| Name of the entity in the Group | Net assets, i.e., total assets minus total liabilities | | Share of profit or loss | | Share in other comprehensive income | | Share in total comprehensive income | |
|---|---|---|---|---|---|---|---|---|
| | As % of consolidated net assets | Amount (in ₹ lakhs) | As % of consolidated profit or loss | Amount (in ₹ lakhs) | As % of other comprehensive income | Amount (in ₹ lakhs) | As % of total comprehensive income | Amount (in ₹ lakhs) |
| **Parent** | | | | | | | | |
| Tata Projects Limited | 95.51% | 1,93,635.91 | 83.07% | (51,552.11) | 90.86% | 1,329.58 | 82.90% | (50,222.53) |
| **Indian** | | | | | | | | |
| **Subsidiaries** | | | | | | | | |
| 1. Artson Engineering Limited | 0.25% | 516.71 | 14.00% | (8,686.07) | 0.08% | 1.20 | 14.34% | (8,684.87) |
| 2. Ujjwal Pune Limited | -0.04% | (89.47) | 3.15% | (1,953.57) | - | - | 3.22% | (1,953.57) |
| 3. TQ Cert Services Private Limited | 0.46% | 940.64 | 0.45% | (277.00) | - | - | 0.46% | (277.00) |
| 4. TP Luminaire Private Limited | 2.60% | 5,266.84 | -1.60% | 994.24 | - | - | -1.64% | 994.24 |
| 5. TCC Construction Private Limited | 0.06% | 113.22 | -7.73% | 4,797.75 | - | - | -7.92% | 4,797.75 |
| 6. TPL-CIL Construction LLP | 0.24% | 482.20 | 7.14% | (4,430.39) | - | - | 7.31% | (4,430.39) |
| **Associate** | | | | | | | | |
| 1. Arth Designbuild India Private Limited | -0.24% | (489.71) | 0.24% | (147.76) | - | - | 0.24% | (147.76) |
| **Foreign Subsidiaries** | | | | | | | | |
| 1. TQ Services (Mauritius) Pty Limited | - | - | -0.01% | 3.31 | 0.14% | 2.04 | -0.01% | 5.35 |
| 2. TPL-TQA Quality Services South Africa (Pty) Limited | - | - | - | - | 0.43% | 6.31 | -0.01% | 6.31 |
| 3. TQ Services Europe, GmbH | 0.03% | 50.94 | 0.21% | (129.84) | -0.13% | (1.85) | 0.22% | (131.69) |
| 4. Industrial Quality Services LLC Oman | 0.47% | 944.95 | 0.12% | (72.55) | 2.04% | 29.81 | 0.07% | (42.74) |
| 5. Ind Projects Engineering (Shanghai) Co., Ltd | 0.22% | 453.81 | 0.87% | (538.77) | 5.68% | 83.17 | 0.75% | (455.60) |
| 6. TPL-Asara Engineering South Africa (Proprietary) Limited | - | - | - | - | - | - | - | - |
| 7. TPL Infra Projects (Brazil) Limited | - | - | - | - | - | - | - | - |
| **Joint Venture** | | | | | | | | |
| 1. NESMA Tata Projects Limited | - | - | - | - | - | - | - | - |
| **Minority Interests in all subsidiaries** | 0.44% | 892.43 | 0.09% | (53.36) | 0.90% | 13.17 | 0.07% | (40.19) |
| **Total** | **100%** | **2,02,718.47** | **100%** | **(62,046.12)** | **100%** | **1,463.43** | **100%** | **(60,582.69)** |



# Notes forming part of Consolidated Ind AS Financial Statements for the year ended March 31, 2022

All amounts are ₹ lakh unless otherwise stated

#### (b) As at and for the year ended March 31, 2021

| Name of the entity in the Group | Net assets, i.e., total assets minus total liabilities | | Share of profit or loss | | Share in other comprehensive income | | Share in total comprehensive income | |
|---|---|---|---|---|---|---|---|---|
| | As % of consolidated net assets | Amount (in ₹ lakhs) | As % of consolidated profit or loss | Amount (in ₹ lakhs) | As % of other comprehensive income | Amount (in ₹ lakhs) | As % of total comprehensive income | Amount (in ₹ lakhs) |
| **Parent** | | | | | | | | |
| Tata Projects Limited | 93.71% | 1,32,131.88 | 112.44% | 14,002.55 | 100.61% | (2,165.56) | 114.92% | 11,836.99 |
| **Indian** | | | | | | | | |
| **Subsidiaries** | | | | | | | | |
| 1. Artson Engineering Limited | -0.58% | (807.65) | -66.82% | (8,320.62) | -0.25% | 5.30 | -80.73% | (8,315.32) |
| 2. Ujjwal Pune Limited | 1.66% | 2,336.47 | 4.83% | 601.57 | - | - | 5.84% | 601.57 |
| 3. TQ Cert Services Private Limited | 0.46% | 649.98 | -0.51% | (63.73) | - | - | -0.62% | (63.73) |
| 4. TP Luminaire Private Limited | 3.72% | 5,242.85 | 64.05% | 7,976.64 | - | - | 77.44% | 7,976.64 |
| 5. TCC Construction Private Limited | 5.59% | 7,887.05 | 32.40% | 4,034.21 | - | - | 39.17% | 4,034.21 |
| 6. TPL-CIL Construction LLP | -5.46% | (7,692.69) | -29.65% | (3,692.64) | - | - | -35.85% | (3,692.64) |
| **Associate** | | | | | | | | |
| 1. Arth Designbuild India Private Limited | -0.24% | (341.95) | -2.16% | (268.55) | - | - | -2.61% | (268.55) |
| **Foreign Subsidiaries** | | | | | | | | |
| 1. TQ Services (Mauritius) Pty Limited | 0.00% | (2.86) | 0.02% | 2.76 | 0.01% | (0.23) | 0.02% | 2.53 |
| 2. TPL-TQA Quality Services South Africa (Pty) Limited | 0.00% | (0.06) | 0.00% | (0.01) | 0.45% | (9.69) | -0.09% | (9.70) |
| 3. TQ Services Europe, GmbH | -0.01% | (18.44) | -2.21% | (275.29) | -0.01% | 0.27 | -2.67% | (275.02) |
| 4. Industrial Quality Services LLC Oman | 0.41% | 574.66 | -5.26% | (655.49) | 0.97% | (20.80) | -6.57% | (676.29) |
| 5. Ind Projects Engineering (Shanghai) Co., Ltd | 0.24% | 336.01 | -6.19% | (771.43) | -2.11% | 45.34 | -7.05% | (726.09) |
| **Joint Venture** | | | | | | | | |
| 1. NESMA Tata Projects Limited | -0.16% | (220.47) | - | - | - | - | - | - |
| **Minority Interests in all subsidiaries** | 0.66% | 932.62 | -0.94% | (116.91) | 0.33% | (7.15) | -1.20% | (124.06) |
| **Total** | **100%** | **1,41,007.40** | **100%** | **12,453.06** | **100%** | **(2,152.52)** | **100%** | **10,300.54** |

#### (c) Unrecognised share of losses of joint ventures

| Particulars | For the year ended March 31, 2022 | For the year ended March 31, 2021 |
|---|---|---|
| **Unrecognised share of losses of joint ventures for the year** | | |
| Al-Tawleed for Energy & Power Company | 9.01 | (7.37) |
| Nesma Tata Projects Limited | 10.15 | 517.13 |
| | **19.16** | **509.76** |

#### Cumulative share of loss of joint ventures

| Particulars | As at 31-Mar-2022 | As at 31-Mar-2021 |
|---|---|---|
| Al-Tawleed for Energy & Power Company | 249.55 | 240.54 |
| Nesma Tata Projects Limited | 709.29 | 699.14 |
| | **958.84** | **939.68** |

**36.11** The Group has not revalued its property, plant and equipment (including right-of-use assets) or intangible assets or both during the current and previous year.

**36.12** Impact assessment of the global health pandemic- COVID-19 and related estimation uncertainty

The Group has taken into account all the possible impacts of COVID-19 in preparation of these consolidated financial statements, including but not limited to its assessment of, liquidity and going concern assumption, recoverable values

# Notes forming part of Consolidated Ind AS Financial Statements for the year ended March 31, 2022

All amounts are ₹ lakh unless otherwise stated

of its financial and non-financial assets, impact on revenue recognition owing to changes in cost budgets of fixed price contracts and impact on leases. The Group has carried out this assessment based on available internal and external sources of information up to the date of approval of these consolidated financial statements and believes that the impact of COVID-19 is not material to these consolidated financial statements and expects to recover the carrying amount of its assets. The impact of COVID-19 on the consolidated financial statements may differ from that estimated as at the date of approval of these consolidated financial statements owing to the nature and duration of COVID-19.

**36.13** The accumulated losses (including other comprehensive income) of Artson Engineering Limited (AEL), subsidiary company as at March 31, 2022 stood at ₹ 5,215.89 Lakhs.

On account of the operating losses during the current year and the previous year and other indicators, the Management, including the Board of Directors of the subsidiary company (AEL), has performed an assessment on the subsidiary company (AEL)'s ability to continue as a going concern. The Board of Directors based on its review of the approved business plan and the future cash flow projections prepared for the next twelve months from the date of the financial statements has assessed that the subsidiary company (AEL) would be able to meet its cash flow requirements for the next twelve months from the date of financial results considering the following reasons:

a) The subsidiary company (AEL) expects growth in the business, improvement in the operating margins and improvement in the Cash flows in the future by focusing on the following:

   i. The subsidiary company (AEL) has a pending order book for around ₹ 20,057.79 Lakhs as at March 31, 2022. Additionally, the subsidiary company (AEL) is hopeful of receiving some orders for which it has already submitted its bids.

   ii. The subsidiary company (AEL) is in the process of bidding for multiple projects for Tata Projects Limited ('TPL'), Parent Company and it is hopeful of receiving orders from TPL in the coming quarters based on competitive bidding and Arm's Length Pricing norms.

   iii. The subsidiary company (AEL) plans to successfully pursue for customer claims in the next quarters, which would significantly improve it's operating margins as well as its cash flows.

   iv. Some of the major projects of the subsidiary company (AEL) are in the final stages of completion and the subsidiary company (AEL) plans to complete the pending milestones for these projects in the next couple of quarters. This would reduce the unbilled revenue amount which in turn would improve the working capital/ Cash flow situation of the subsidiary company (AEL).

   v. During the quarter ended June 30, 2021, the subsidiary company (AEL) converted its Payables to Parent Company amounting to ₹ 1,000 Lakhs into an Interest Free Loan for a period of 10 years. This has improved the overall working capital situation of the subsidiary company (AEL). Additionally as per the requirements of Ind AS 109, the subsidiary company (AEL) has computed the deemed financial benefit on the interest free borrowing availed and the said benefit has been taken to Other Equity which has improved its net worth position.

b) As at March 31, 2022 there are two Directors nominated by TPL on the Board of the subsidiary company (AEL), which demonstrates its continuous operational and business support.

Based on the assessment performed above, subsidiary company's (AEL) management has prepared the financial statements for the year ended March 31, 2022 on a going concern basis.

**36.14 Significant estimates - Artson Engineering Limited, Subsidiary**

**Critical judgements in recognising revenue**

In the Subsidiary Company (AEL), following are the critical estimates while determining the Revenue from construction activities: Estimated Total Costs – Management determines the Estimated Total Costs for the project, which is used to determine the stage of completion of the contract. These estimates may depend on the outcome of future events and may need to be reassessed at the end of each reporting period.

Refer Note 3.5 for the accounting policy on Revenue from Construction activities.



Notes forming part of Consolidated Ind AS Financial Statements for the year ended March 31, 2022

All amounts are ₹ lakh unless otherwise stated

**36.15** During the year ended March 31, 2022, one of the Jointly Controlled Operations (JCO) (i.e. CEC-ITD Cem-TPL Joint Venture) had changed the useful lives of Property, plant and equipment (other than "Plant and machinery- Tunnel Boring Machine") by extending the expected period of usage from December 31, 2022 to June 30, 2023 to reflect the expected pattern of consumption of the future economic benefits based on internal technical and commercial assessment. These changes have resulted in decrease in depreciation expense amounting to ₹ 22.15 for the year ended March 31, 2022.

**36.16** The Group has no transactions with the companies struck off under Companies Act, 2013 or Companies Act, 1956.

**36.17** The Group has no income surrendered or disclosed as income during the current and previous year in the tax assessments under Income Tax Act, 1961, that has not been recorded in the books of account.

**36.18** During the current year, the group has no charges or satisfaction of charges which are yet to be registered with the Registrar of Companies beyond the statutory period. Charge created on assets of the Parent company in favour of Grindlays Bank for ₹ 15 on October 5, 1982 could not be satisfied as the Bank has wound up its operations in India and no longer exists.

**36.19** No proceedings have been initiated on or are pending against the Group for holding any benami property under the Prohibition of Benami Transactions (Prohibition) Act, 1988 (as amended in 2016) (formerly Benami Transactions (Prohibition) Act, 1988) (45 of 1988) and Rules made thereunder.

**36.20** None of the entities in the group have been declared wilful defaulter by any bank or financial institution or government or any government authority during the current year and previous year.

**36.21** The Group has not traded or invested in crypto currency or virtual currency during the current and previous year.

**36.22** The Group has borrowings from banks which are secured by a charge on the current assets of the Group. As per the terms of the sanction letters, the Group has filed the quarterly statements containing the financial details based on the draft financial results after the end of each quarter. Hence, the Group has file the revised quarterly statements containing the financial details based on the Board adopted financial results subsequent to the year end. The revised quarterly returns or statements of current assets filed by the Group with banks are in agreement with the books of accounts. Further, the Group is yet to submit the quarterly returns for March 31, 2022 to the Banks.

**36.23** The Parent company and its subsidiaries are part of the TATA Group. The TATA Group includes the following companies as Core Investment Companies (CIC) in its structure:

a) Tata Capital Limited

b) Tata Industries Limited

c) Tata Sons Private Limited

d) Panatone Finvest Limited

e) TMF Holdings Limited

f) T S Investments

**36.24** The Parent Company has some inter entity transactions with the jointly controlled operations. These transactions and the unrealised gains on these transactions are eliminated to the extent of the parent company's interest in such Jointly Controlled Operations. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the transferred asset.

**36.25** Arth DesignBuild Private Limited ('Arth'), an associate company of the Group incurred a net loss of ₹ 537.85 and the entity had accumulated losses of ₹ 2,705.06 as at March 31, 2022. The loss during the year was attributable to the products business of the entity. Arth entered into a Business Transfer Agreement on March 31, 2022 whereby they would be offloading the products business. Arth would be focusing on its profitable services business in the next financial year and they already have a strong services business order book of ₹ 6,100. Considering the order book and considering the EBITDA margins of the services business for the current year, Arth expects to earn profits in the next financial year

Based on the above mentioned assessment, the management of Parent company did not recognize any impairment charge during the year.

# Notes forming part of Consolidated Ind AS Financial Statements for the year ended March 31, 2022

All amounts are ₹ lakh unless otherwise stated

**36.26** The Group has received whistle blower complaints during the year and of those there are still some matters in respect of which investigations are on-going. Based on management's initial review of ongoing investigations, they do not consider the impact of these matters to be material to the financial statements

**36.27** The Group has complied with the number of layers prescribed under clause (87) of section 2 of the Companies Act, 2013, read with companies (Restriction on number of Layers) Rules 2017, and there are no Companies beyond the specified layers.

**36.28** The Group has not entered into any scheme of arrangement which has an accounting impact on current and previous financial year.

**36.29** The Group has not advanced or given loans or invested funds to any other persons or entities, including foreign entities (Intermediaries) with the understanding that the Intermediary shall:

a. directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Group (Ultimate Beneficiaries) or

b. provide any guarantee, security or the like to or on behalf of the ultimate beneficiaries.

**36.30** The Group has not received any fund from any persons or entities, including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Group shall:

a. directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or

b. provide any guarantee, security or the like on behalf of the ultimate beneficiaries.

**36.31 Approval of financial statements**

The financial statements were approved for issue by the Board of Directors on April 29, 2022

**36.32** The financial statements have been prepared and presented in accordance with the amended Division II of Schedule III to the Companies Act, 2013 issued vide notification dated March 24, 2021 (the "Notification"). Certain category of assets and liabilities have been regrouped / reclassified based on the requirements of the notification. Accordingly, previous year's figures have been regrouped / reclassified wherever required to make their classification comparable with that of the current year.

**For Price Waterhouse & Co Chartered Accountants LLP**
Firm Registration Number : 304026E/E-300009

**Sunit Kumar Basu**
Partner
Membership Number: 55000
Place: Hyderabad

Date: April 29, 2022

**For and on behalf of the Board of Directors**

**Banmali Agrawala**
Chairman
DIN: 00120029
Place: Mumbai

**Vinayak K Deshpande**
Managing Director
DIN: 00036827
Place: Mumbai

**Sanjay Sharma**
Chief Financial Officer
Place: Mumbai

**B S Bhaskar**
Company Secretary
Place: Hyderabad

Date: April 29, 2022



# Notes

## Notes

**TATA PROJECTS LIMITED**

**Registered Office:**
"Mithona Towers -1", # 1-7-80 to 87, Prenderghast Road,
Secunderabad - 500003, T.S., India

**EPABX**:
+91-40-6623 8801, Fax: +91-40-6617 2535,
CIN: U45203TG1979PLC057431

**Corporate Office:**
One Boulevard, 2nd , 3rd & 4th Floor, Lake Boulevard Street,
Powai, Mumbai, Maharashtra 400076.
E-mail: tpl@tataprojects.com, cstpl@tataprojects.com,
Website: www.tataprojects.com



/Concept, content and design at AICL (hello@aicl.in)