TATA PROJECTS LIMITED

POWER GENERATION

TRANSMISSION & DISTRIBUTION

WATER & WASTE WATER

OIL, GAS & HYDROCARBONS

RAILWAYS

METALS & MINERALS

QUALITY SERVICES

Meeting the Challenges of Time and Technology

32nd Annual Report

2010–2011

TATA PROJECTS LIMITED

VISION

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

MISSION

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

VALUES

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

QUALITY POLICY

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

Contents

TATA PROJECTS LIMITED

Mr. F. K. Kavarana
Chairman

Mr. A. J. Engineer
Director

Mr. H. H. Malgham
Director

Mr. Prasad R. Menon
Director

Mr. P. N. Dhume
Director

Mr. Banmali Agrawala
Director

Mr. K.P. Singh
Director

Mr. A.K. Mathur
Executive Director

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

TATA PROJECTS LIMITED

Board of Directors

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

Offices in India

Registered Office
Mithona Towers-1,
1-7-80 to 87,
Opp.Wesley Co-Ed.Jr. College,
Prenderghast Road,
SECUNDERABAD-500 003

SBU-Quality Services
2nd Floor,
Varun Towers-1,
Begumpet,
HYDERABAD-500 016

Mumbai
2nd Floor, Rang Udyan,
Sitla Devi Temple Road,
Mahim (West),
MUMBAI-400 016

Kolkata
"Amarjyoti",
Ground to 3rd Floors,
10 Belvedere Road,
KOLKATA-700 027

New Delhi
2nd and 6th Floors,
Prem Dohil Sadan,
11, Rajendra Place,
NEW DELHI –110 008

Overseas Offices

UAE
Flat No.209, 1st Floor
Al Yamama Tower
P.O. Box No.47662
Zayed II Street (Electra Street)
Nr.El Dorado Cinema, Abu Dhabi, UAE

SOUTH KOREA
Room-1132
Doosan We've Pavilion Building
58, Susong-dong
Jongno-gu Seoul,
KOREA-110-858

CHINA
918, Huai Hai Middle Road
15th Floor
Unit F2, Shanghai
CHINA-200020

Manufacturing Units

Tower Manufacturing Unit
Plot No.D1, Krupa Nagar, MIDC, Umred
Nagpur-441 203, Maharashtra

Water Purification Plant Development Centre
2-69/2, Kandlakoya, Medchal Mandal
R.R. Dist. - 501401, Andhra Pradesh

Bankers

State Bank of Hyderabad
Corporation Bank

Canara Bank
State Bank of Travancore
Bank of Baroda

Indian Overseas Bank
Abu Dhabi Commercial Bank

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

Auditors
M/s. Deloitte Haskins & Sells
Chartered Accountants

Internal Auditors
M/s. PKF Sreedhar & Santhanam
Chartered Accountants

TATA PROJECTS LIMITED

Management Team

(Corporate Executive Committee)
(as on 9th May 2011)

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

Mr. A. K. Mathur
Executive Director

A K Sharma
Executive Vice President &
Business Head-
Power Generation

KK Gupta
Vice President &
Business Head-
Quality Services

A Venkateshwar
Vice President-
Corporate Affairs

SC Jha
Vice President &
Business Head-
Transmission & Distribution
& EIC* - Northern Region

KP Mishra
Vice President &
Business Head–
Metals & Minerals
& EIC*-Eastern Region

SAA Irfan
Senior General Manager &
Business Head-Railways

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

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

KR Ramamoorthy
Senior General Manager &
Head-Supply Chain
Management

KVR Chary
Senior General Manager &
Senior Project Director-PG

K Krishna Rao
Senior General Manager &
Head-Erection Services

KS Krishnan
Senior General Manager &
Head-Accounts

R Ravi Sankar
Senior General Manager &
Head-
Human Resources Development

A Vidyasagar
Senior General Manager &
Head-Engineering

Vikramjeet Singh
Senior General Manager &
Head-Contracts

A K Das Sharma
General Manager
Supply Chain Management

Tuhin Roy
Corporate Quality Head &
General Manager &
Senior Project Director-W&WW

K Satyenarayana
General Manager &
Head-Civil

* Executive In-Charge (EIC)

TATA PROJECTS LIMITED
Report of the Board of Directors

To
THE MEMBERS

Your Directors are pleased to present their Thirty Second Annual Report and the audited statements of accounts of the Company for the year ended 31st March 2011.

FINANCIAL RESULTS

The financial results of the Company for the year ended 31st March 2011 are summarized below:

(Rupees in Crore)

Particulars	**2010-2011**	2009-2010
Income from Contracts, Services and Sale of goods	**3,067.02**	2,756.76
Less: Indirect Taxes and Duties	**42.01**	45.78
Total	**3,025.01**	2,710.98
Other Income	**29.59**	23.39
Total Income	**3,054.60**	2,734.37
Operating Expenditure	**2,751.17**	2,498.29
Operating Profit (PBDIT)	**303.43**	236.08
Interest	**14.72**	13.84
Depreciation	**23.07**	18.17
Profit Before Tax (PBT)	**265.64**	204.07
Provision for Taxes	**86.13**	71.39
Profit After Tax(PAT)	**179.51**	132.68
Balance brought forward from previous year	**180.88**	79.24
Amount available for appropriations	**360.39**	211.92
Appropriations		
Proposed Dividend	**20.25**	15.19
Tax on Proposed Dividend	**3.29**	2.58
Reversal of excess provision of tax on Dividend of earlier years	**(0.06)**	—
General Reserve	**25.00**	13.27
Balance carried to Balance Sheet	**311.91**	180.88

DIVIDEND

The Board of Directors recommend the payment of a dividend of Rs.100/- per share (100%) for the year ended 31st March 2011 [Previous year Rs.75/- per share (75%)], subject to approval by the Members at the Annual General Meeting.

OPERATIONS

The Total Income for the year aggregated Rs.3,054.60 Crore as against Rs. 2,734.37 Crore for the previous year, representing a 11.71% increase. The Company anticipates that this growth momentum would be sustained and would continue in the coming years.

The Operating Profit increased to Rs.303.43 Crore from Rs.236.08 Crore during the previous year, representing a 28.53 % increase. Profit Before Tax (PBT) Rs. 265.64 Crore was higher by 30.17% as compared to Rs. 204.07 Crore for the previous year.

STRATEGIC BUSINESS UNITS (SBUs)

1 Power Generation (PG)

During the year, two Engineering, Procurement and Construction (EPC) – Erection projects (Sepco-III Electric Power Construction Corporation, Independent Power Producer(IPP) - 600MW, Jharsaguda, Sepco Electrical & Instrumentation, Jharsaguda) and one EPC–Balance of Plant (BoP) project (2x80 MW Captive Power Plant, Hindustan Zinc Ltd, Dariba) were successfully completed / commissioned. Progress of the Country's largest EPC–BoP 2x800 MW Supercritical Thermal Power Plant at Krishnapatnam (Andhra Pradesh Power Development Corporation Ltd.,) is on schedule in spite of several design and civil engineering challenges encountered in the first of its type coastline project. The EPC-BoP project for Maharashtra State Power Generation Company Ltd's 2x500 MW Thermal Power Plant at Bhusawal is in an advanced stage of completion and is scheduled for coal firing in June 2011. The SBU also completed a project for site establishment works at The Tata Power Company Ltd's Ultra Mega Power Project, Mundra.

The SBU has entered the gas based power plant sector with a strategic alliance with a reputed global partner for execution of total EPC projects and is awaiting its first major order.

2 Transmission & Distribution (T&D)

This year, the SBU achieved an all-time record in the order booking of transmission lines and sub-station projects aggregating to more than Rs.1,500 crores, which include for the first time two projects for a 765 KV Double Circuit Transmission Line with Hex-bundle conductors. Your Company has the distinction of having commissioned during the year, the first 765 KV single circuit transmission line (Seoni-Bina) and five 400 KV sub-stations for Power Grid Corporation of India. The SBU is currently executing over 3,400 CkKM of 400/765/800 kV transmission lines across the country at twenty three project sites.

The Tower Manufacturing Unit (TMU) at Nagpur achieved 97% (21,800 M.T) of its targeted production as against 93% last year and is geared up to fully meet the requirements of the SBU projects.

The SBU is also equipping itself as an EPC Contractor to execute Build, Own, Operate and Transfer (BOOT) projects through strategic tie-ups with developers. In view of the safety risk associated with T&D projects, special emphasis has been laid on creating awareness and inculcating a strong culture of safety amongst employees and workers of sub-contractors.

3 Water & Waste Water (W&WW)

During the year the SBU, besides execution of various contracts of water treatment packages for Rashtriya Ispat Nigam Ltd.,(RINL), Visakhapatnam and Tata Steel Limited, has focused on building competencies for establishing Sea Water Desalination Plants in Develop, Build, Own, Operate and Transfer (DBOOT) mode. The Company has signed a Memorandum of Understanding (MoU) with the Government of Gujarat for setting up of a 300 MLD Sea Water Desalination Plant at Dahej SEZ, Gujarat.

4 Oil, Gas & Hydrocarbon (OG&H)

During the year, the SBU successfully completed and commissioned 2 EPC projects (i) at Cairn Energy India Pty Ltd., Radhanpur's crude oil blending terminal which receives crude oil from its onshore oil fields in Rajasthan and (ii) at Bharat Petroleum Corporation Ltd., Kochi Part-A mechanical works for Vacuum Gas Oil/Hydro-desulphurisation Units and Part–B mechanical works for Naphtha Hydro-treating/Catalytic Cracking Regeneration and Reformer/Fluidized Catalytic Cracking Units. The SBU also achieved mechanical completion of Oil and Natural Gas Corporation's project of its Liquefied Petroleum Gas processing and compression facilities at Rajahmundry, Andhra Pradesh. Expansion of Petroleum Products Storage and Distribution Terminal at Fujairah at UAE for Emirates General Petroleum Corporation (EMARAT) is also on schedule and likely to be completed by July 2011. During the year, the SBU has been actively pursuing other business opportunities in Abu Dhabi and other Middle East Countries.

5 Railways

The SBU continues to operate in the market segments of Railway Electrification (RE) and Railway Infrastructure Composite Projects (involving civil, electrical and signaling and telecommunication works). In addition, Metro Electrification and Dedicated Freight Corridor have been identified as emerging market segments. During the year, the SBU successfully completed Railway Electrification (Conversion from DC to AC) of the Karjat-Lonavala Section of Central Railway. New orders secured during the year include extension of a Railway siding for GMR Kamalanga Energy Ltd., EMCO Railway Siding at Warora in Maharashtra for GMR, Railway Electrification of Allahabad-Varanasi Section and modification to existing Railway Electrification arrangements at Tambaram, Arakkonam and Korukkupet sections of Indian Railways.

6 Metals & Minerals (M&M)

Having secured the EPC contract for one of the largest blast furnaces in India (2.5 mtpa) for Steel Authority of India's Rourkela Steel Plant, your Company is now one of the leading EPC players in the steel sector. The SBU has executed projects in the areas of coke ovens and continuous casting for the public and private sector clients. It entered into a new line of business in the area of Pellet Plant by bagging a contract, against stiff competition for 1.2 mtpa Pellet plant at Donimalai, Karnataka for National Mineral Development Corporation Ltd., (NMDC). Your Company has just been selected for award of another large EPC contract for a 3 mtpa Blast Furnace project of NMDC at Nagarnar, Chhattisgarh, the Country's largest project, which it will execute in consortium with Danieli Corus, Netherlands.

With tie-ups with some of the best global technology providers in the Metals and Minerals segment, the SBU is poised for significant growth in the coming years.

7 Quality Services (QS)

SBU-QS is a leading third party inspection agency in India and has now the experience of providing inspection services in 32 countries, which contributes 44% of its revenues. It is steadily growing in the field of Inspection in Power (Thermal & Wind), Oil & Gas, Cement and Metals & Minerals Sectors.

During the year, the SBU was awarded an inspection services contract for the first time in the port sector, a new line of business, as an Independent Engineer (IE), for Visakhapatnam Port Trust. A new separate division viz., TQ Services was formed to provide Management System Certification services and inspection services covered under ISO 17020. TQ Services, also became the first private sector inspection agency to receive accreditation from Quality Council of India (QCI) and Warehouse Development and Regulatory Authority (WDRA) for certification of warehouses, which has a large business potential.

SUBSIDIARIES AND JOINT VENTURE COMPANIES

Artson Engineering Limited

Artson Engineering Limited (AEL), reported total income of Rs.136.02 Crore for the Financial Year ended 31st March 2011 (Previous year Rs.132.08 Crore) and a Profit After Tax of Rs. 4.54 Crore (Previous year Rs.6.22 Crore). With a healthy order book AEL may turn its net worth positive by 31st March 2012.

Al-Tawleed for Energy & Power Company LLC

This Joint Venture Company with M/s Abdullah Ibrahim Al-Towaijiri & Partners Co (Al Mashrik Contracting Company) was formed in the year 2006 for execution of power, infrastructure and industrial projects in the Kingdom of Saudi Arabia (KSA). It had completed an erection contract for Siemens in May 2009. However, in view of a number of contentious issues in the JV partnership it has been considered appropriate to wind up the JV, which is in process.

TEIL Projects Limited

This Joint Venture Company with Engineers India Ltd.,(EIL) continued its efforts to explore and secure opportunities in specialized EPC projects in the power sector (Waste Heat Recovery Systems, PV Solar power and biomass plants) and the oil & gas sector (oil jetties, 3D modeling & supervisory manpower outsourcing services etc).The JV Company has set itself ambitious targets for the financial year 2011-12 and will leverage competencies of your Company and EIL in fulfilling them through strategy plan drawn up in consultation with the promoter companies.

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

The businesses of TPL-TQA Quality Services South Africa (Pty) Limited and TPL-TQA Quality Services (Mauritius)

Pty Limited are growing steadily as per a business plan drawn up based on the projections made by the client, Eskom Holdings Ltd., South Africa.

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

Your Company has complied with the General Circular No. 2/2011 dated 8th February 2011 issued by the Ministry of Corporate Affairs, which exempts the Company from attaching a copy of the Balance Sheet, Profit and Loss Account, Directors' Report and Auditors' Report of its subsidiary companies, subject to certain conditions. As required under such circular, the consolidated financial statement of the subsidiary companies is published in the Annual Report. Further, the Annual Accounts of the subsidiary companies and related information shall be made available to members of the holding and subsidiary companies seeking such information. The annual accounts of the subsidiary companies will be kept open for inspection by any member at the Company's Registered Office and the Company will make available/furnish a hard copy of details of accounts of subsidiaries on demand.

INTERNAL SYSTEMS

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

CORPORATE SUSTAINABILITY (CS)

Your Company continued its thrust on corporate sustainability initiatives in focused areas and organized over 212 events in various areas across the organization. Some of them were:

Employability Skills Training: Underprivileged/disadvantaged students, who were identified through various Non Government Organizations (NGOs) and employees at project sites, were trained in Industrial Training Institutes all over the Country and over 98% of the trainees have been employed with the Company's channel partners.

Training in tower erection of transmission lines at Tower Manufacturing Unit, Nagpur and placement of the trainees with our subcontractors is being facilitated at some of the SBU-T&D sites.

For the benefit of the communities in and around the project sites/offices, Livelihood Skill Training (Aasha Kiran) in basic computers and tailoring courses were organized through NGOs.

Primary Education: Infrastructure, uniforms, books and sponsoring of remedial classes for slow learners were provided at primary schools adopted by the Company. "Volunteers 2 Teach" (an initiative wherein employee volunteers undertake coaching classes) has been extended to LABS (Livelihood Advance Business School) conducted by Dr. Reddy's Foundation.

Safe Drinking Water: Reverse Osmosis drinking water purification plants manufactured by your Company were gifted to 13 villages during the year.

Community Based Initiatives: Medical camps at project sites for contract labour, blood donation camps, tree plantations, awareness programs on climate change and visits to Home for the aged and orphanages and patients at cancer hospital on Rose Day, were some of the other initiatives undertaken by volunteers of the Company.

Flood Relief: Employees of the Company contributed a day's salary amounting to Rs. 10 lac to Tata Relief Committee towards Leh Devastation Relief.

Affirmative Action: Your Company adopted the Group's Affirmative Action Policy in the Year 2007 and is continuing its thrust in deploying the employability skill training and education support amongst the disadvantaged community. It has trained 100 underprivileged students in the skills of welding, tower erection, basic computers and tailoring. It has also supported 32 students for pursuing high school and has provided scholarship for 5 students for pursuing engineering.

CREDIT RATING

Your Company has been offering itself to be rated by rating agencies for the following:

A. Fund-based and non-fund based limits in line with BASEL–II Guidelines.
   Fitch Ratings has re-affirmed the National Long Term Rating for the Company at "AA-" with a "Stable" outlook and have also re-affirmed the Company's previous year's ratings at (a) "AA-" for fund based limits and (b) "AA-(ind)" / "F1+(ind)" for its Non-fund based limits.

B. Non-convertible Debentures issued in the year 2006.
   ICRA Ltd., upgraded the rating for the Company's Debentures to "LAA" from "LAA-". Fitch has re-affirmed the rating of "AA-" for the Company's Debentures.

C. Rating of the Company by Dun & Bradstreet.
   Dun & Bradstreet re-affirmed the Rating of 5A1 for the second consecutive year, which indicates a "Strong" condition of the Company.

ENVIRONMENT, HEALTH AND SAFETY (EHS)

Against a target of 550, your Company recorded a Safety Assurance Index(SAI) of 443, improving on its SAI of 1000 in 2009-10. Six million safe man hours of work were completed at the Krishnapatnam, Andhra Pradesh project site and 4.6 million safe man hours of work were completed at the Rourkela project site by the end of the year. Out of a total of 41 active project sites, 37 sites reported "Zero fatality working" in the year. The Company continues to impart safety refresher training and awareness programmes keeping in view the Group's emphasis on the safety and commitment of the management to provide safe and healthy work environment for the entire workforce at our project sites.

HUMAN RESOURCES DEVELOPMENT INITIATIVES

Reorganization of its Civil and Erection Services resources into separate Support Departments and setting up of Specialist Verticals in SBU-PG, have helped your Company to improve seamless transferability and ensure optimum deployment of its human skill set across projects. The attrition rate remained well below the Industry trend in spite of challenges in talent acquisition. Your Company has been able to attract critical talent, especially niche skills for supporting new lines of business.

Systems for statutory compliance are in place and industrial relations at all the project sites remain cordial and harmonious.

CIVIL DEPARTMENT

SSD-Civil is mandated to focus on building in-house construction capability to execute civil works at optimum costs with safety, quality and on time. It has acquired adequate competence in construction of RCC Chimneys as well as Natural Draft Cooling Towers.

This SSD is now adequately geared up with appropriate manpower skills, plant and equipment to take-up large size civil works in projects.

CORPORATE GOVERNANCE

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

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

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

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

AWARDS

For the fourth successive year, your Company was rated amongst India's Most Admired Construction Companies by Construction World–NICMAR and emerged as the Third Fastest Growing Construction Company (Large Category) based on 2009-2010 results. At the Confederation of Indian Industry's 7th National Award for Excellence in Water Management 2010, your Company was awarded a Merit Certificate under the category 'Beyond the Fence' for its Water Efficient Reverse Osmosis Water Purification Unit.

PARTICULARS OF EMPLOYEES

The information required under section 217(2A) of the Companies Act 1956(the Act) read with the Companies (Particulars of Employees) Rules 1975 is given in **Annexure-1**.

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

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

DIRECTORS' RESPONSIBILITY STATEMENT

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

(i) in the preparation of the annual accounts, the applicable accounting standards have been followed and that there are no material departures.

(ii) in the selection of the accounting policies, it has consulted the Statutory Auditors and have applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit of the Company for that period.

(iii) it has taken proper and sufficient care, to the best of its knowledge and ability, for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act 1956, for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities.

(iv) it has prepared the annual accounts on a going concern basis.

DIRECTORS

Mr F K Kavarana and Mr K P Singh Directors of the Company, retire by rotation at the 32nd Annual General Meeting and are eligible for re-appointment.

MANAGING DIRECTOR

At the meeting of the Board of Directors held on 9th May 2011, the Directors approved the recommendations of the Remuneration Committee for the appointment of Mr Vinayak K Deshpande as the Managing Director of the Company effective 1st July 2011, subject to the approval of the Members at the Annual General Meeting. Your attention is invited to item Nos. 6 and 7 of the Notice convening the 32nd Annual General Meeting of the Company and the Explanatory Statement thereto.

AUDITORS

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

ACKNOWLEDGEMENT

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

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

On behalf of the Board of Directors

Place : Mumbai
Date : 9th May 2011

F K Kavarana
Chairman

ANNEXURE - 1 CAN BE SUPPLIED ON REQUEST

ANNEXURE - 2

Information as per Section 217(1) (e) of the Companies Act, 1956 read with Companies (Disclosure of Particulars in the Report of Board of Directors) Rules, 1988 forming part of the Directors' Report for the accounting year ended March 31, 2011.

A. Conservation of Energy: Tower Manufacturing Unit, Nagpur

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

i. Received incentive for maintaining unity Power Factor (PF) throughout the year.

ii. Timely switching On and Off the machine reduced the power consumption per ton by 10 % when compared to the last year consumption.

B. Technology Absorption

i. Adoption of a modified Hoist Trolley in the EOT Crane of Galvanizing shop has resulted in saving of 25 KWh per day.

ii. Adoption of a Radio remote system for operation of EOT Crane in fabrication shop reduced unwanted movement of crane and resulted in a saving of 20KWh per day.

iii. Usage of 55 KW VFD Drive for white fume extraction system resulted in a saving of 460KWh per day.

C. Foreign Exchange Earnings and Outgo

Rs. in Crore

Earnings/Outgo	**Year ended 31st March 2011**	Year ended 31st March 2010
Earnings	**130.83**	86.51
Outgo	**128.82**	138.02

Financial Report

AUDITORS' REPORT

To The Members of Tata Projects Limited

1. We have audited the attached Balance Sheet of **TATA Projects Limited** ("the Company") as at 31st March 2011, the Profit and Loss Account and the Cash Flow Statement of the Company for the year ended on that date, both annexed thereto. These financial statements are the responsibility of the Company's Management. Our responsibility is to express an opinion on these financial statements based on our audit.
2. We conducted our audit in accordance with the auditing standards generally accepted in India. Those Standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatements. An audit includes examining, on a test basis, evidence supporting the amounts and the disclosures in the financial statements. An audit also includes assessing the accounting principles used and the significant estimates made by the Management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.
3. As required by the Companies (Auditor's Report) Order, 2003 (CARO) issued by the Central Government in terms of Section 227(4A) of the Companies Act 1956, we enclose in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the said Order.
4. Further to our comments in the Annexure referred to in paragraph 3 above, we report as follows:
   (a) we have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;
   (b) in our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;
   (c) the Balance Sheet, the Profit and Loss Account and the Cash Flow Statement dealt with by this report are in agreement with the books of account;
   (d) in our opinion, the Balance Sheet, the Profit and Loss Account and the Cash Flow Statement dealt with by this report are in compliance with the Accounting Standards referred to in Section 211(3C) of the Companies Act 1956;
   (e) in our opinion and to the best of our information and according to the explanations given to us, the said accounts give the information required by the Companies Act 1956 in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India:
      i) in the case of the Balance Sheet, of the state of affairs of the Company as at 31st March 2011;
      ii) in the case of the Profit and Loss Account, of the profit of the Company for the year ended on that date and
      iii) in the case of the Cash Flow Statement, of the cash flows of the Company for the year ended on that date.
5. On the basis of the written representations received from the Directors as on 31st March 2011 taken on record by the Board of Directors, we report that none of the Directors is disqualified as on 31st March 2011 from being appointed as a director in terms of Section 274(1)(g) of the Companies Act 1956.

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

Place : Mumbai
Date : May 9, 2011

K.Rajasekhar
Partner
(Membership No.23341)

Annexure to the Auditors' Report

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

(i) Having regard to the nature of the Company's business/activities/result, clauses (vi), (viii), (x), (xii), (xiii), (xiv), (xviii) and (xx) of CARO are not applicable.

(ii) In respect of its fixed assets:

(a) The Company has maintained proper records showing full particulars, including quantitative details and situation of the fixed assets.

(b) The fixed assets were physically verified during the year by the Management in accordance with a regular programme of verification which, in our opinion, provides for physical verification of all the fixed assets at reasonable intervals. According to the information and explanation given to us, no material discrepancies were noticed on such verification.

(c) The fixed assets disposed off during the year, in our opinion, do not constitute a substantial part of the fixed assets of the Company and such disposal has, in our opinion, not affected the going concern status of the Company.

(iii) In respect of its inventory:

(a) As explained to us, the inventories were physically verified during the year by the Management at reasonable intervals.

(b) In our opinion and according to the information and explanation given to us, the procedures of physical verification of inventories followed by the Management were reasonable and adequate in relation to the size of the Company and the nature of its business.

(c) In our opinion and according to the information and explanations given to us, the Company has maintained proper records of its inventories and no material discrepancies were noticed on physical verification.

(iv) The Company has neither granted nor taken any loans, secured or unsecured, to/ from companies, firms or other parties listed in the Register maintained under Section 301 of the Companies Act 1956.

(v) In our opinion and according to the information and explanations given to us, there is an adequate internal control system commensurate with the size of the Company and the nature of its business with regard to purchases of inventory and fixed assets and the sale of goods and services. During the course of our audit, we have not observed any major weakness in such internal control system.

(vi) (a) In our opinion and according to the information and explanations given to us, there are no contracts or arrangements that need to be entered into the Register maintained under Section 301 of the Companies Act 1956.

(b) In our opinion and according to the information and explanations given to us, as there are no contracts or arrangements that need to be entered into the Register maintained under Section 301 of the Companies Act 1956, Clause (v) (b) of the Order is not applicable.

(vii) In our opinion, the internal audit functions carried out during the year by the Management and by a firm of Chartered Accountants appointed by the Management have been commensurate with the size of the Company and the nature of its business.

(viii) According to the information and explanations given to us in respect of statutory dues:

(a) The Company has generally been regular in depositing undisputed dues, including Provident Fund, Investor Education and Protection Fund, Employees' State Insurance, Income-tax, Sales Tax, Wealth Tax, Service Tax, Custom Duty, Excise Duty, Cess and other material statutory dues applicable to it with the appropriate authorities.

(b) There were no undisputed amounts payable in respect of Income-tax, Wealth Tax, Custom Duty, Excise Duty, Cess and other material statutory dues in arrears as at 31st March 2011 for a period of more than six months from the date they became payable.

(c) Details of dues of Sales Tax which have not been deposited as on 31st March 2011 on account of disputes are given below:

Statute	Nature of Dues	Forum where Dispute is pending	Period to which the amount relates	Amount involved (Rs. in Lac)
Sales Tax Laws	Sales Tax	Sales Tax Appellate Tribunal	1999-2000 to 2004-05, 2006-07	212.96
Sales Tax Laws	Sales Tax	First Appellate Authority	2003-04	13.81
Sales Tax Laws	Sales Tax	High Court	2008-09	228.83

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

(ix) In our opinion and according to the information and explanations given to us, the Company has not defaulted in the repayment of dues to banks, financial institutions and debenture holders.

(x) In our opinion and according to the information and explanations given to us, the terms and conditions of the guarantee given by the Company for loans taken by the Company's subsidiary and joint venture from banks are not *prima facie* prejudicial to the interests of the Company.

(xi) 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.

(xii) In our opinion and according to the information and explanations given to us and on an overall examination of the Balance Sheet, we report that funds raised on short-term basis have not been used during the year for long- term investment.

(xiii) The Company has created security in respect of the debentures issued.

(xiv) To the best of our knowledge and according to the information and explanations given to us, no fraud by the Company and no material fraud on the Company has been noticed or reported during the year.

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

Place : Mumbai
Date : May 9, 2011

K Rajasekhar
Partner
(Membership No.23341)

Balance Sheet as at March 31, 2011

	Schedule	As on March 31, 2011 Rs. in Lac	As on March 31, 2010 Rs. in Lac
I. Sources of Funds			
Shareholders' Funds			
Capital	1	**2,025.00**	2,025.00
Reserves and Surplus	2	**47,501.44**	31,898.34
		49,526.44	33,923.34
Loan Funds			
Secured Loans	3	**2,250.00**	4,282.56
Unsecured Loans	3A	**66.99**	52.68
Total		**51,843.43**	38,258.58
II Application of Funds			
Fixed Assets			
Gross Block		**23,231.76**	19,770.55
Less:Depreciation		**10,808.70**	8,656.55
Net Block	4	**12,423.06**	11,114.00
Capital Work in Progress, including capital advances of Rs.73.75 lac (31.03.2010:Rs.4.47 lac)		**1,032.66**	210.89
		13,455.72	11,324.89
Investments	5	**24,335.55**	26,626.81
Deferred Tax Asset (Net)		**1,497.50**	1,750.42
Current Assets, Loans and Advances			
Interest accrued on Investments		**14.87**	14.87
Inventories and Contracts-in-progress	6	**8,184.16**	7,634.80
Sundry Debtors	7	**191,754.19**	145,600.94
Cash and Bank Balances	8	**15,173.14**	11,011.19
Other Current Assets	9	**4,213.95**	2,487.79
Loans and Advances	10	**48,453.84**	43,578.30
		267,794.15	210,327.89
Less:			
Current Liabilities and Provisions	11		
Current Liabilities		**251,025.15**	205,622.92
Provisions		**4,214.34**	6,148.51
		255,239.49	211,771.43
Net Current Assets		**12,554.66**	(1,443.54)
Total		**51,843.43**	38,258.58
Notes attached hereto form an integral part of these financial statements	18		

In terms of our report attached

for Deloitte Haskins & Sells
Chartered Accountants

K Rajasekhar
Partner

Place : Mumbai
Date : May 9, 2011

For and on behalf of the Board

K S Krishnan
Senior General Manager & Head-Accounts

Dr A Raja Mogili
Company Secretary

F K Kavarana
Chairman

H H Malgham
Director

A K Misra
Executive Director & Chief Operating Officer

Profit and Loss Account for the year ended March 31, 2011

	Schedule	Year ended March 31, 2011 Rs. in Lac	Year ended March 31, 2010 Rs. in Lac
I. Income			
Income from Contracts, Services and Sale of Goods		**306,702.21**	275,675.98
Less: Indirect Taxes and Duties		**4,200.76**	4,577.97
Net Income from Contracts, Services and Sale of Goods		**302,501.45**	271,098.01
Other Income	12	**2,958.35**	2,338.50
		305,459.80	273,436.51
II. Expenditure			
Project Execution Expenses	13	**238,813.70**	218,046.65
Raw materials consumed		**9,221.82**	6,914.76
Employee Cost	14	**17,042.89**	13,857.39
Operations, Establishment and Other Expenses	15	**9,936.83**	12,720.54
(Increase)/Decrease in Inventories and Contracts in Progress	16	**101.74**	(1,710.08)
Interest	17	**1,472.17**	1,383.57
Depreciation and Amortisation		**2,307.06**	1,816.96
		278,896.21	253,029.79
III. Profit before Taxation		**26,563.59**	20,406.72
Provision for Income Tax :			
Current		**8,555.08**	8,327.59
Deferred		**252.92**	(1,188.37)
Taxation of earlier years		**(195.16)**	-
		8,612.84	7,139.22
IV. Profit after Taxation		**17,950.75**	13,267.50
Balance brought forward from previous year		**18,088.02**	7,924.13
Amount available for appropriation		**36,038.77**	21,191.63
V. Appropriations			
Proposed Dividend		**2,025.00**	1,518.75
Tax on Dividend		**328.51**	258.11
Reversal of excess provision of Tax on Dividend of earlier years		**(5.86)**	-
General Reserve		**2,500.00**	1,326.75
Balance Carried to Balance Sheet		**31,191.12**	18,088.02
Earnings Per Share (Rs.)-Basic and Diluted (Face value Rs.100)		**886**	655
Notes attached hereto form an integral part of these financial statements	18		

In terms of our report attached

for Deloitte Haskins & Sells
Chartered Accountants

K Rajasekhar
Partner

Place : Mumbai
Date : May 9, 2011

For and on behalf of the Board

K S Krishnan
Senior General Manager & Head-Accounts

Dr A Raja Mogili
Company Secretary

F K Kavarana
Chairman

H H Malgham
Director

A K Misra
Executive Director &
Chief Operating Officer

Cash Flow Statement for the year ended March 31, 2011

	Year ended March 31, 2011 Rs. in Lac		Year ended March 31, 2010 Rs. in Lac	
A. Cash Flow from Operating Activities				
Net Profit/(Loss) before Taxation		26,563.59		20,406.72
Adjustments for :				
Depreciation	2,307.06		1,816.96	
Interest Expenditure	1,472.17		1,383.57	
Interest Income	(988.17)		(1,152.01)	
Dividend from Subsidiary	(144.51)		-	
Dividend from current investments	(1,001.86)		(502.01)	
Provision for diminution in value of investments (including Premium amortised on purchase of investments)	75.84		0.24	
Provision for Warranties	-		256.00	
Unrealised Exchange Loss / (Gain) (Net)	(183.01)		728.87	
Profit on sale of fixed assets	(9.06)		(12.30)	
Profit on sale of long term investments	-		(119.01)	
		1,528.46		2,400.31
Operating profit before working capital changes		28,092.05		22,807.03
Adjustments for :				
(Increase)/Decrease in Inventories	(549.36)		(2,818.12)	
(Increase)/Decrease in Sundry Debtors	(46,147.02)		(44,672.40)	
(Increase)/Decrease in Loans and Advances	4,398.84		(13,106.51)	
(Increase)/Decrease in Other Current Assets	(1,661.24)		242.86	
Increase/(Decrease) in Trade and Other Payables	45,271.28		48,625.09	
		1,312.50		(11,729.08)
Cash generated from / (used in) Operations		29,404.55		11,077.95
Income Tax paid (net of refund)		(11,025.22)		(4,845.07)
Fringe Benefit Tax paid		-		(39.89)
Net Cash Flows from Operating Activities		18,379.33		6,192.99
B. Cash Flow from Investing Activities				
Purchase of Fixed Assets	(4,480.46)		(3,677.13)	
Proceeds from sale of fixed assets	51.63		34.38	
Inter Corporate Loan Given	(20,500.00)		(4,600.00)	
Inter Corporate Loan Repaid	12,000.00		14,600.00	
Investment in Mutual Funds	(60,960.07)		(53,007.70)	
Sale of Mutual Funds	64,298.01		36,582.19	
Investment in Subsidiary including Share Application Money	(9.34)		(11.37)	
Investment in Joint Venture including Share Application Money	(100.00)		(102.98)	
Sale of Long Term Investments	-		230.16	
Loan to Subsidiary	(1,344.65)		(229.00)	
Loan repaid by Subsidiary	558.94		-	
Dividend from Subsidiary	144.51		-	
Income from Investments (Dividend)	-		6.93	
Interest income received	923.25		1,356.82	
Net Cash flows used in Investing Activities		(9,418.18)		(8,817.70)

Cash Flow Statement for the year ended March 31, 2011

	Year ended March 31, 2011 Rs. in Lac		Year ended March 31, 2010 Rs. in Lac	
C. Cash Flow from Financing Activities				
Repayment of Debenture	**(1,125.00)**		-	
Proceeds fom Long - term borrowings	**(893.25)**		901.04	
Proceeds fom Short - term borrowings	**-**		(4,947.88)	
Payment of Dividend including Dividend Tax	**(1,771.00)**		(710.74)	
Interest expenses	**(1,186.74)**		(1,261.49)	
Net Cash used in Financing Activities		**(4,975.99)**		(6,019.07)
Net decrease in cash and cash equivalents		**3,985.16**		(8,643.78)
Cash and Cash equivalents at the beginning of the period		**11,108.41**		19,752.19
Cash and Cash equivalents at the end of the period		**15,093.57**		11,108.41

Note:

	31.03.2011	31.03.2010
Cash and Cash Equivalents consist of:		
Cash and Bank Balances	**15,173.14**	11,011.19
Add/(Less): Unrealised loss/(Gain) included in Cash and Cash Equivalents	**(79.57)**	97.22
	15,093.57	11,108.41

In terms of our report attached

for Deloitte Haskins & Sells
Chartered Accountants

K Rajasekhar
Partner

Place : Mumbai
Date : May 9, 2011

For and on behalf of the Board

K S Krishnan
Senior General Manager & Head-Accounts

Dr A Raja Mogili
Company Secretary

F K Kavarana
Chairman

H H Malgham
Director

A K Misra
Executive Director &
Chief Operating Officer

Schedules annexed to and forming part of the Accounts

	As on March 31, 2011 Rs. in Lac	As on March 31, 2010 Rs. in Lac
Schedule - 1		
Capital		
Authorised		
25,00,000 Equity Shares of Rs.100 each	**2,500.00**	2,500.00
Issued, Subscribed and paid-up		
20,25,000 Equity Shares of Rs.100 each	**2,025.00**	2,025.00
	2,025.00	2,025.00
Of the above - 17,62,500 Equity Shares of Rs.100 each issued as bonus shares by capitalising securities premium.		
Schedule - 2		
Reserves and Surplus		
Securities Premium		
Balance as per last Balance Sheet	**4,987.50**	4,987.50
Debentures Redemption Reserve		
Balance as per last Balance Sheet	**843.75**	843.75
General Reserve		
Balance as per last Balance Sheet	**7,979.07**	6,652.32
Add:- Transfer from Profit and Loss Account	**2,500.00**	1,326.75
	10,479.07	7,979.07
Balance in Profit & Loss Account	**31,191.12**	18,088.02
	47,501.44	31,898.34

Schedules annexed to and forming part of the Accounts

	As on March 31, 2011 Rs. in Lac	As on March 31, 2010 Rs. in Lac
Schedule - 3		
Secured Loans		
From Banks		
Bank Overdraft	**-**	-
i) In case of consortium banks, by first charge on book debts, stocks in process and other current assets ranking pari-pasu;		
ii) in case of Commercial Bank, Qatar, by assignment of contract revenue and project assets of Qatar, which is pending creation of charge;		
iii) in case of BNP Paribas, Hyderabad, exclusive first charge over movable properties and assets relating to project undertaken at Dubai including all movable assets, book debts present and future.		
8% Partly Convertible Debentures (non-convertible portion)	**2,250.00**	3,375.00
(Issued on 29th August 2006, redeemable at par in 3 equal annual installments commencing at the end of 4th year from the date of allotment)		
(Secured by way of		
i) First paripassu equitable mortgage of all immovable properties of the Company located in Hyderabad, Andhra Pradesh ranking with other lenders of the Company		
ii) First charge by way of hypothecation of all movable properties / fixed assets, and		
iii) Second charge by way of floating charge on current assets, loans & advances, subject to first charge of Company's bankers, and / or working capital lenders)		
Other Loans		
Financial Institutions		
- from EXIM Bank	**-**	897.85
Others	-	9.71
(Secured by Hypothecation / Pari Passu Pledge of Fixed Assets, in case of loan from HDFC Ltd. - Secured by equitable Mortgage of House Properties of Employees, and in case of Vehicle loans by hypothecation of vehicle in respect of which the loan is taken)		
	2,250.00	4,282.56
Schedule - 3A		
Unsecured Loans		
Loan from Banks	**66.99**	52.68
	66.99	52.68

Schedules annexed to and forming part of the Accounts

Schedule- 4 - Fixed Assets

Rs. in Lac

S.No	Particulars	Cost				Depreciation				Net Book Value	
		As on March 31, 2010	Additions	Deductions	As on March 31, 2011	As on March 31, 2010	For the year	On Deductions	As on March 31, 2011	As on March 31, 2011	As on March 31, 2010
I	**Tangible Assets :**										
	Land			-	-			-	-		
	Freehold	322.32	-	-	**322.32**	-	-	-	-	**322.32**	322.32
	Leasehold	51.98	-	-	**51.98**	2.11	0.55	-	**2.66**	**49.32**	49.87
	Buildings	819.53	-	-	**819.53**	152.43	62.44	-	**214.87**	**604.66**	667.10
	Leasehold Improvements	468.80	-	-	**468.80**	111.32	52.09	-	**163.41**	**305.39**	357.48
	Plant and Machinery (including Erection/ Construction Machinery)	12,308.47	3,269.41	-	**15,577.88**	4,439.33	1,599.65	-	**6,038.98**	**9,538.90**	7,869.14
	Furnitures & Fixtures	570.64	58.85	6.26	**623.23**	287.95	97.23	5.26	**379.92**	**243.31**	282.69
	Vehicles*	704.92	136.61	177.51	**664.02**	431.59	89.86	139.48	**381.97**	**282.05**	273.33
	Office Equipment	738.39	65.28	11.51	**792.16**	305.49	93.54	7.97	**391.06**	**401.10**	432.90
	Computers	870.97	128.41	2.20	**997.18**	635.57	144.93	2.20	**778.30**	**218.88**	235.40
	R&D-Capital Mobile Desalination Plant	40.24	-	-	**40.24**	21.69	2.58	-	**24.27**	**15.97**	18.55
		16,896.26	3,658.56	197.48	20,357.34	6,387.48	2,142.87	154.91	8,375.44	11,981.90	10,508.78
II	**Intangible Assets :**										
	Software	741.72	0.13	-	**741.85**	136.50	164.19	-	**300.69**	**441.16**	605.22
	Goodwill	2,132.57	-	-	**2,132.57**	2,132.57	-	-	**2,132.57**	**-**	-
		2,874.29	0.13	-	2,874.42	2,269.07	164.19	-	2,433.26	441.16	605.22
	Grand Total	**19,770.55**	**3,658.69**	**197.48**	**23,231.76**	**8,656.55**	**2,307.06**	**154.91**	**10,808.70**	**12,423.06**	
	Previous Year	15,902.16	3,999.29	130.90	19,770.55	6,948.41	1,816.96	108.82	8,656.55		11,114.00

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

	As on March 31, 2011 Rs. in Lac	As on March 31, 2010 Rs. in Lac
Schedule - 5		
Investments		
Long Term (at cost less provision for diminution in value)		
A. TRADE INVESTMENTS - Unquoted		
Virendra Garments Manufacturers Pvt Limited # 1,200 Equity Shares of Rs.100 each, fully paid	1.20	1.20
Al-Tawleed for Energy & Power Co. # 300 Cash Shares of Saudi Arabian Rials (SAR) 2000 per share equivalent to SAR 6,00,000 fully paid (under Liquidation)	75.60	75.60
TEIL Projects Limited 24,997 Equity Shares of Rs.10 each & 49,75,000 share @Rs.5.98 partly paid (31.03.2010 : 24,997 Equity Shares of Rs.10 each and 49,75,000 Equity Shares of Rs.3.97 partly paid)	300.00	200.00
B. INVESTMENTS IN SUBSIDIARY COMPANY		
Artson Engineering Limited - (Quoted) 2,76,90,000 Equity Shares of Re.1 each, fully paid	276.90	276.90
TPL - TQA Quality Services (Mauritius) Pty Limited - (Unquoted) 16,800 Ordinary Share of EUR 1 each fully paid subscribed (31.03.2010:70 Ordinary Share of EUR 1 each fully paid subscribed)	11.37	0.05
TPL - TQA Quality Services South Africa (Pty) Limited-(Unquoted) 1,50,000 Ordinary Shares of ZAR 1 each fully paid (Acquired during the year)	9.34	-
C. INVESTMENT IN CAPITAL OF PARTNERSHIP FIRM		
Tata Dilworth Secord Meagher & Associates #	1.80	1.80
D. OTHER INVESTMENTS - Unquoted		
Exim Bank 3 Nos.6.35% Exim Bond - 2013 of Rs.100 lac each fully paid #	302.35	302.35
Current Investments (at lower of cost and fair value)		
In Units of Mutual Funds - Unquoted		
Birla Sun Life Savings Fund-Institutional-Daily Dividend-Reinvestment 1,45,94,686.104 (2009-10:2,27,41,039.513) Units of Rs.10 each (3,98,21,028.769 Units purchased and 4,79,67,382.178 Units sold during the year)	1,460.46	2,275.65
Tata Floater Fund - Daily Dividend 4.26,76,582.117 (2009-10:5,01,72,726.547) Units of Rs.10 each (9,71,31,381.579 Units purchased and 10,46,27,526.009 Units sold during the year)	4,282.85	5,035.13
UTI Treasury Advantage Fund - Institutional Plan (Daily Dividend Option) - Re investment 1,74,311.922 (2009-10:2,27,485.634) Units of Rs.1,000 each (5,01,707.485 Units purchased and 5,54,881.197 Units sold during the year)	1,743.49	2,275.34

Schedules annexed to and forming part of the Accounts

	As on March 31, 2011 Rs. in Lac	As on March 31, 2010 Rs. in Lac
... Continued Schedule - 5		
Templeton India Ultra Short Bond Fund Super Insitutional Plan - Daily Dividend Reinvestment 1,52,72,979.684 (2009-10:2,26,17,054.310) Units of Rs.10 each (4,74,79,150.933 Units purchased and 5,48,23,225.559 Units sold during the year)	**1,529.07**	2,264.33
HDFC Cash Management Fund-Treasury Advantage Plan-Wholesale-Daily Dividend*, Option : Reinvest 1,02,38,305.165 (2009-10:2,25,05,820.452) Units of Rs.10 each (3,20,92,749.878 Units purchased and 4,43,60,265.165 Units sold during the year)	**1,027.06**	2,257.67
ICICI Prudential - Flexible Income Plan Premium - Daily Dividend Nil (2009-10 : 20,27,079.363) Units of Rs.100 each (34,71,687.074 Units Purchased and 54,98,766.437 Units sold during the year)	**-**	2,143.33
JM Money Manager Fund Super Plus Plan - Daily Dividend (171) 1,51,83,043.208 (2009-10:1,94,96,623.924) Units of Rs.10 each (4,26,61,522.483 Units purchased and 4,69,75,103.199 Units sold during the year)	**1,519.11**	1,950.70
IDFC Money Manager Fund - TP - Super Inst Plan C- Daily Dividend 1,53,51,262.181 (2009-10:2,10,82,691.599) Units of Rs.10 each (4,12,61,521.645 Units purchased and 4,69,92,951.063 Units sold during the year)	**1,535.36**	2,108.59
Kotak Floater Long Term - Daily Dividend 1,79,36,355.045 (2009-10:1,59,33,493.800) Units Rs.10 each (3,62,29,730.819 Units purchased and 3,42,26,869.574 Units sold during the year)	**1,807.95**	1,606.06
SBI - SHF- Ultra Short Term Fund - Insitutional Plan-Daily Dividend 1,74,05,663.583 (2009-10:85,34,502.747) Units of Rs.10 each (3,94,24,659.766 Units purchased and 3,05,53,498.930 Units sold during the year)	**1,741.61**	853.96
UTI Fixed income Interval Fund - Monthly Interval Plan Series-I-Institutional Dividend Plan - Re-investment Nil (2009-10 :3,00,00,000) Units of Rs.10 each (1,53,67,532.638 Units purchased and 4,53,67,532.638 sold during the year)	**-**	3,002.73
DSP Blackrock Money Manager Fund-Insitutional Plan-Daily Dividend 1,04,208.920 (2009-10 :Nil) Units of Rs. 1,000 each (3,24,033.061 Units purchased and 2,19,824.141 Units sold during the year)	**1,042.92**	-
Tata Fixed Income Portfolio Fund Scheme C2 Inst Monthly Dividend 2,02,58,407.278 (2009-10:Nil) Units of Rs. 10 each (2,02,58,408.278 Units purchased during the year)	**2,026.98**	-

Schedules annexed to and forming part of the Accounts

	As on March 31, 2011 Rs. in Lac	As on March 31, 2010 Rs. in Lac
... Continued Schedule - 5		
HSBC Floating Rate-Long Term Plan-Institutional Option-Weekly Dividend 63,12,327.439 (2009-10 : Nil) Units of Rs. 10 each (89,82,039.556 Units purchased and 26,69,712.117 Units sold during the year)	**708.86**	-
ICICI Prudential Interval Fund-Monthly Interval Plan-I Institutional Dividend 10,00,00,000.000 (2009-10 : Nil) Units of Rs.10 each (10,00,00,00.000 Units purchased during the year)	**1,004.83**	-
Tata Fixed Income Portfolio Fund Scheme A3 Institutional Monthly Dividend 1,99,94,001.787 (2009-10 : Nil) Units of Rs.10 each (1,99,94,001.787 Units purchased during the year)	**2,006.86**	-
	24,415.97	26,631.39
# Less : Provision for diminution in value of investments {Including premium amortised Rs.1.82 lac (31.03.2010:Rs.1.58 lac)}	**80.42**	4.58
	24,335.55	26,626.81
Notes:-		
i) Aggregate of Quoted Investments		
Cost	**276.90**	276.90
Market Value	**13,637.33**	13,235.82
ii) Aggregate of Unquoted Investments (Cost)	**24,058.65**	26,349.91

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

	No of Units	Face Value (Rs.in Lac)	Purchase Cost (Rs.in Lac)
1 HDFC FMP 35D August 2010(1) - Dividend -Series XIV*, Option: Payout	12,000,000.000	1,200.00	1,205.46
2 JM Money Manager Fund Super Plus Plan- Daily Dividend (169)	15,082,861.130	1,508.29	1,510.07
3 SBI Debt Fund Series - 90 Days -36-Dividend	20,000,000.000	2,000.00	2,035.76

Schedules annexed to and forming part of the Accounts

	As on March 31, 2011 Rs. in Lac	As on March 31, 2010 Rs. in Lac
Schedule - 6		
Inventories and Contracts-in-progress		
Contracts-in-progress	5,849.58	6,029.91
Inventories :		
Stores & Spares	18.02	15.09
Raw Materials	2,033.75	1,385.58
Work in Progress	282.81	204.22
	8,184.16	7,634.80
Schedule - 7		
Sundry Debtors - Unsecured		
A. Considered good		
Outstanding for more than six months *	71,835.49	48,146.14
Other Debts **	119,918.70 #	97,454.80
(A)	191,754.19	145,600.94
B. Considered Doubtful		
Outstanding for more than six months	3,480.03	3,952.62
Other debts	-	-
	3,480.03	3,952.62
Less : Provision for Doubtful debts	3,480.03	3,952.62
(B)	-	-
(A + B)	191,754.19	145,600.94
* includes retention money not due Rs. 52,486.35 lac (31.03.2010 : Rs.40,999.80 lac)		
** includes retention money not due Rs.22,919.47 lac (31.03.2010 : Rs.21,093.08 lac)		
# includes Rs.121.65 lac (31.03.2010:Rs.271.07 lac) receivable from Subsidiary Companies		
Schedule - 8		
Cash and Bank Balances		
Cash on hand	17.63	19.03
Balance with Scheduled Banks		
On Current Account	7,187.06	9,918.86
On Deposits	7,000.00	-
With other Banks (Non-Scheduled banks)		
- **On Current Account**		
Citibank N.A, Singapore (Maximum balance outstanding during the year Rs 28.54 lac (2009-10 Rs.39.74 lac))	6.70	28.54
Abu Dhabi Commercial Bank, Abu Dhabi (Maximum balance outstanding during the year Rs 330.45 lac (2009-10 Rs.410.55 lac))	2.72	330.45
BNP Paribas, Dubai (Maximum balance outstanding during the year Rs 1,300.24 lac (2009-10 Rs.1,515.88 lac))	422.02	349.89

Schedules annexed to and forming part of the Accounts

	As on March 31, 2011 Rs. in Lac		As on March 31, 2010 Rs. in Lac	
... Continued Schedule - 8				
Indian Overseas Bank - Seoul (Maximum balance outstanding during the year Rs 70.89 lac (2009-10 Rs.50.56 lac))		**70.89**		49.47
National Bank - Fujairah (Maximum balance outstanding during the year Rs 63.14 lac (2009-10 Rs.217.85 lac))		**17.84**		49.22
Commercial Bank - Qatar (Maximum balance outstanding during the year Rs 702.09 lac (2009-10 Rs.437.61 lac))		**332.60**		265.73
BNP Paribas, Abu Dhabi (Maximum balance outstanding during the year Rs 31.77 lac (2009-10 Rs.Nil))		**10.39**		-
Bank of Baroda, Dubai (Maximum balance outstanding during the year Rs 636.57 lac (2009-10 Rs.Nil))		**12.89**		-
First Gulf Bank - Fujairah (Maximum balance outstanding during the year Rs 125.07 lac (2009-10 Rs.Nil))		**92.40**		-
		15,173.14		11,011.19
Schedule - 9				
Other Current Assets				
Work done but not billed		**4,058.41**		2,397.17
Interest accrued on loans and advances		**155.54**		90.62
		4,213.95		2,487.79
Schedule - 10				
Loans and Advances				
(Unsecured considered good unless otherwise specified)				
Loans and Advances				
- Subsidiary		**3,313.46**		2,726.41
- Others		**8,500.00**		-
Advances recoverable in cash or in kind or for value to be received				
- Secured		**82.54**		73.41
- Unsecured	**12,556.11**		10,887.79	
Less: Provision for Doubtful Advances	**573.67**		400.00	
		11,982.44		10,487.79
Advance to Contractors		**23,996.69**		29,744.36
Advance towards Share Application money		**-**		11.32
Advance payment of Fringe Benefit Tax [Net of provisions Rs.197.23 lac (31.03.2010 :Rs.197.23 lac)]		**26.28**		26.28
Balance with excise authorities etc.		**552.43**		508.73
		48,453.84		43,578.30

Schedules annexed to and forming part of the Accounts

	As on March 31, 2011 Rs. in Lac	As on March 31, 2010 Rs. in Lac
Schedule - 11		
Current Liabilities and Provisions		
Liabilities		
Sundry Creditors - Total outstanding due to Micro and Small Enterprises (Refer note 20)	**407.74**	218.28
Sundry Creditors - Total outstanding due to creditors other than Micro and Small Enterprises*	**103,742.57**	71,470.31
Advance from customers	**49,794.81**	58,656.43
Advance Billing	**-**	156.30
Other Liabilities	**109.83**	172.05
Interest accrued but not due		
- on Loans	**95.42**	141.29
- on Others	**360.83**	44.73
Contract expenses	**96,513.95**	74,763.53
	251,025.15	205,622.92
Notes:		
1. There is no amount due and outstanding to be credited to Investor Education and Protection Fund.		
*2. Includes Rs.Nil (31.03.2010 Rs.42.41 lac) payable to Subsidiary		
Provisions		
Retirement Benefits	**689.35**	615.17
Provision for Warranty	**256.00**	256.00
Taxation [Net of Advance payment of taxes Rs.25,116.04 lac (31.03.2010 : Rs.14,113.89 lac)]	**915.48**	3,500.48
Proposed Dividend	**2,025.00**	1,518.75
Tax on Dividend	**328.51**	258.11
	4,214.34	6,148.51

	Year ended March 31, 2011 Rs. in lac	Year ended March 31, 2010 Rs. in lac
Schedule - 12		
Other Income		
Interest		
- from Banks (Tax deducted at source Rs. Nil (2009-10 : Rs. 1.19 lac))	**3.95**	10.50
- from long term investment	**19.05**	19.05
- on Loans and Advances (Tax deducted at source Rs.76.81 lac (2009-10:Rs.169.79 lac))	**895.08**	1,122.46
- on Tax	**70.09**	-
Dividend from Subsidiary	**144.51**	-
Dividend from current investments	**1,001.86**	502.01
Hire Charges	**217.04**	242.81
Miscellaneous Income	**597.71**	310.36
Profit on sale of fixed assets (net)	**9.06**	12.30
Profit on sale of long term investments	**-**	119.01
	2,958.35	2,338.50

Schedules annexed to and forming part of the Accounts

		Year ended March 31, 2011 Rs. in Lac		Year ended March 31, 2010 Rs. in Lac
Schedule - 13				
Project Execution Expenses				
Cost of Supplies/Erection and Civil Works		**233,283.22**		213,357.55
Engineering Fees		**3,385.42**		1,811.73
Insurance Premuim		**686.32**		1,400.39
Bank Guarantee and Letter of credit charges		**1,458.74**		1,476.98
		238,813.70		218,046.65
Schedule - 14				
Employee Cost				
Salaries		**13,971.35**		11,559.79
Contribution to Provident Fund / Pension fund		**595.30**		449.69
Gratuity		**351.19**		155.32
Superannuation		**483.88**		374.79
Staff Welfare		**734.14**		650.69
Overseas Living Allowance		**907.03**		667.11
		17,042.89		13,857.39
Schedule - 15				
Operations, Establishment & Other Expenses				
Rent		**1,217.84**		1,216.57
Repairs & Maintenance				
(a) Plant and Machinery including Erection and Construction Equipment		**161.48**		193.34
(b) Building		**2.88**		1.89
(c) Others		**285.15**		151.68
Processing Charges		**314.29**		239.99
Power and Fuel		**455.13**		359.97
Stores & Spares consumed		**157.77**		105.50
Increase / (decrease) in excise duty on finished goods		**-**		2.01
Rates and Taxes		**122.08**		84.77
Insurance		**94.02**		39.18
Motor Vehicle Expenses		**1,240.85**		932.66
Travelling Expenses		**1,496.73**		1,398.08
Professional and Legal Charges		**742.77**		603.31
Postage, Telephone, Telegram & Telex		**382.97**		397.72
Printing and Stationery		**200.18**		218.84
Staff Recruitment/Training expenses		**45.60**		78.78
Business Development Expenditure		**116.65**		119.58
Amortisation of Premium/provision for diminution in the value of investments		**75.84**		0.24
Bad debts	**766.24**		11.53	
Provision for Doubtful Debts	**212.44**		3,780.93	
	978.68		3,792.46	
Less: Provision for Doubtful Debts reversed	**685.04**		182.94	
		293.64		3,609.52
Bad Advances		**60.10**		-
Provision for Doubtful Advances / Claims		**173.67**		-
Difference in Exchange Rate (net)		**179.28**		807.60
Agency Commission		**-**		124.58
Brand Equity Contribution		**756.25**		677.74
Miscellaneous expenses		**1,361.66**		1,356.99
		9,936.83		12,720.54

Schedules annexed to and forming part of the Accounts

	Year ended March 31, 2011 Rs. in Lac	Year ended March 31, 2010 Rs. in Lac
Schedule - 16		
(Increase)/Decrease in Inventories and Contracts-in-progress		
Inventories and Contracts-in-progress as at 31st March 2010		
Finished goods	-	50.46
Work-in-progress	204.22	202.69
Contracts-in-progress	6,029.91	4,270.90
	6,234.13	4,524.05
Inventories and Contracts-in-progress as at 31st March 2011		
Finished goods	-	-
Work-in-progress	282.81	204.22
Contracts-in-progress	5,849.58	6,029.91
	6,132.39	6,234.13
Net (Increase)/Decrease in Inventories and Contract-in-progress	101.74	(1,710.08)
Schedule - 17		
Interest		
On Debentures	216.99	270.00
On Fixed Loans	8.61	5.06
On Buyer's Credit	-	51.03
Others	1,246.57	1,057.48
	1,472.17	1,383.57

Schedule - 18

Notes to the financial statements for the year ended March 31, 2011

1. Significant Accounting Policies

a. Basis of preparation

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

b. Use of estimates

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

c. Fixed Assets

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

d. Depreciation/Amortisation on Fixed Assets

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

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

e. Investments

i) Long Term Investments

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

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

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

f. Revenue recognition

i) Income from Contracts

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

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

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

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

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

g. Contracts-in-progress

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

h. Inventories

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

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

i. Work done but not billed

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

j. Foreign Exchange Transactions

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

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

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

k. Retirement benefits

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

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

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

l. Income Tax

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

Deferred tax is recognized, subject to consideration of prudence, on timing differences, being the difference between taxable income and accounting income that originate in one period and are capable of reversal in one or more subsequent periods. Deferred tax assets arising on account of unabsorbed depreciation of carry forward of tax losses are recognized only to the extent that there is virtual certainty supported by convincing evidence that sufficient future tax income will be available against which such deferred tax assets can be realized.

m. Provisions, Contingent liabilities and contingent assets

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

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

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

(Previous year figures given in brackets)

Sl. No.		Quantitative Denomination	Capacity		Opening Stock		Production Units	Turnover / Income		Closing Stock		Purchase of Finished Goods	
			Licensed	Installed	Units	Rs. in Lac		Units	Rs. in Lac	Units	Rs. in Lac	Unit	Rs. in Lac
1	Transmission line towers and other fabricated structural products	Metric Tonne (MT)	24,000 (24,000)	24,000 (24,000)	- (64)	- (50.46)	21827 (18.639)	14.50 (99)	13.60 (83.79)	- (-)	- (-)	- (-)	- (-)
2	Income from Supply of project equipment and materials								1,59,052.65 (1,42,243.87)				
3	Income from Erection Engineering and Quality Inspection Services								1,47,635.97 (1,33,348.32)				
									3,06,702.21 (2,75,675.98)		- (-)		

Notes:

(a) The facility to manufacture transmission line towers and other fabricated structural products as indicated in item 1 above [Tower Manufacturing unit at Nagpur] commenced commercial production on March 20, 2008.

(b) Installed capacity is as certified by the Management and accepted by the auditors, this being a technical matter.

(c) Production shown under item 1 includes captive consumption for projects.

(d) Quantity / value of stocks shown above is after adjustment of shortage / excess found on physical count.

(e) The Company's main business activity of execution of projects involves procurement and supply of equipment and materials along with rendering of services. The equipment and materials procured by the Company are directly delivered to the project sites and the cost of which is included under the head "Cost of Supplies / Erection and Civil works" (Schedule 13 to the Accounts). Such equipment and materials are specific for each project and numerous in quantity. Hence, in the view of the Company, it is not possible to give quantitative details of purchase and sale of such equipment and materials.

(f) The Company has developed technology for purifying the water by Defluoridation process known as Brackish Water Reverse Osmosis Plant (BWRO). During the year, the Company has sold 59 units (Previous Year: 62 units) of BWRO Plant for Rs.202.08 (Previous year Rs.175.17 lac) and is included under item 2 above.

	2010-11		2009-10	
	Quantity (MT)	**Value (Rs. in Lac)**	Quantity (MT)	Value (Rs. in Lac)
3 Raw materials consumed				
Steel	**22,588.50**	**8,262.28**	*18,914.55*	*6,061.11*
Zinc	**852.56**	**931.60**	*736.67*	*835.46*
Others	–	**27.94**	–	*18.19*
Total		**9,221.82**		*6,914.76*
The consumption figures shown above are after adjustment of excess and shortages found on physical verification.				

	2010-11		2009-10	
	Value (Rs. in Lac)	**%**	Value (Rs. in Lac)	%
4 Consumption of Imported and Indigenous raw-material, stores and spare parts and the percentage of each to total consumption				
Raw material :				
Indigenous	**9,221.82**	**100**	6,914.76	100
Stores & Spares Consumed				
Indigenous	**157.77**	**100**	*105.50*	*100*

		2010-11 (Rs. in Lac)	2009-10 (Rs. in Lac)
5	**Value of Import on CIF Basis**		
	Projects related equipment and Materials	**1,282.53**	*2,962.29*
	Capital Goods	**1,598.61**	*2,266.53*
6	**Expenditure in Foreign Currency**		
	a) Expenditure incurred on foreign projects	**9,156.83**	*7,680.45*
	b) Travel	**436.28**	306.00
	c) Technical Fees	**331.63**	329.50
	d) Income Tax	**65.07**	*102.59*
	e) Interest	**11.39**	*154.13*
7	**Earnings in Foreign Currency**		
	Erection and Engineering Services & Quality Inspection Services	**13,082.46**	8,649.33
	Interest	**0.87**	1.89
8	**Auditors' Remuneration**		
	Audit Fees	**15.00**	11.00
	Tax Audit Fees	**2.00**	2.00
	Other Matters	**8.00**	7.00
	Out of Pocket Expenses	**1.16**	0.89
9	**Contingent Liabilities** (not provided for):		
	i) Bank Guarantees/Standby Letters of Credit issued by the Bank on behalf of the Company (these are generally backed by bank guarantees obtained by the Company from its suppliers/sub-contractors).	**257,578.04**	243,537.52
	ii) Corporate Guarantees issued to clients under various contracts	**3,006.38**	3,638.29
	iii) Claim against the company not acknowledged as debts.	**5,692.00**	800.00
	iv) Bank/Corporate Guarantees given on behalf Subsidiary/ Joint Venture	**8,314.79**	1,000
	v) Sales Tax	**355.00**	_
	vi) Liquidated damages	**Amounts Indeterminate**	Amounts Indeterminate

10. (a) Capital Commitments

Estimated amount of contracts remaining to be executed on capital account and not provided for [net of advance Rs.73.75 lac (31.03.2010: Rs. 4.47 lac)] Rs. 581.17 lac (31.03.2010: Rs. 1,753.93 lac)

(b) Uncalled liability on partly paid shares in TEIL Projects Limited Rs.200.00 lac (31.03.2010: Rs. 300.00 lac)

11. Derivativestransaction

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

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

Year Ended March 31, 2011				*Year Ended March 31, 2010*			
Currency	**Amount (in Million)**	**Buy/Sell**	**Cross Currency**	*Currency*	*Amount (in Million)*	*Buy/Sell*	*Cross Currency*
Euro	**1.15**	**Buy**	**USD**	*Euro*	*1.80*	*Buy*	*Indian Rupees*
USD	**1.06**	**Buy**	**GBP**	*USD*	*7.16*	*Buy*	*Indian Rupees*
Euro	**-**	**-**	**-**	*Euro*	*4.88*	*Buy*	*USD*

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

	2010-11		*2009-10*	
	Foreign Currency (In Million)	**Rs. in Lac**	Foreign Currency (In Million)	Rs. in Lac
1. Receivables in respect of				
(a) Income from Contracts	QAR 20.82 AED 15.72	2,538.23 1,900.94	QAR 42.29 AED 2.15	5,222.98 263.77
(b) Income from services	SGD 0.02 SAR 0.71 USD 1.35 ZAR 6.56 EURO 0.10	05.32 83.69 597.30 60.70 60.95	SGD 0.01 - - - -	02.87 - - - -
2. Payables in respect of				
(a) Supply / Erection	QAR 10.88 AED 26.82	1,326.06 3,242.19	QAR 26.15 AED 0.38	3,229.93 48.46
(b) Other Expenses	QAR 0.10 SGD 0.006 AED 0.05	12.19 01.99 06.05	QAR 1.56 - -	193.13 - -
3. Loan / Overdraft Facilities	-	-	USD 2.00	897.85
4. Bank Balances	QAR 2.73 SGD 0.02 AED 3.50 USD 0.31	332.79 6.70 423.07 136.63	QAR 2.15 SGD 0.09 AED 5.96 USD 0.11	265.73 28.54 729.56 49.47
5. Interest Payable	-	-	QAR 0.05	6.74

c) The net difference in foreign exchange debited to the Profit & Loss Account is Rs. 179.28 lac [31.03.2010: Rs.807.60 lac (Loss)]. The premium / discount arising in respect of outstanding forward exchange contracts, to be recognized in the Profit and Loss Account in the subsequent accounting period is Rs. Nil (31.03.2010: Rs. Nil)

d) Consequent to the announcement issued by the Institute of Chartered Accountants of India dated 29th March 2008 on Accounting for Derivative, the company has marked to market the outstanding derivative contracts as at March 31, 2011 and accordingly the loss is Rs. Nil (31.03.2011: Rs.398.01 lac) has been recognized in the profit and loss account.

12. Managerial remuneration

	2010-11 Rs. in Lac	2009-10 Rs. in Lac
Salaries including contribution to Provident Fund and Superannuation Fund	**68.44**	59.47
Commission	**140.00**	*100.00*
Benefits	**36.26**	*23.94*
Sitting Fees	**5.71**	*7.35*
Commission to non-whole time Directors	**85.00**	*75.00*
	335.41	265.76

The above include the following which are subject to members' approval at the forthcoming Annual General Meeting-

a) the terms of appointment of two whole time directors of the Company;

b) the related remuneration of Rs.104.43 lac for the period November 1, 2010 to March 31, 2011.

Note:- The above figures do not include certain retirement benefits, that is gratuity and long term compensated absences, as separate figures are not available.

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

	2010-11 Rs. in Lac		2009-10 Rs. in Lac	
Profit before Taxation		**26,563.59**		*20,406.72*
Add:				
Depreciation/Amortization	2,307.06		*1,816.96*	
Managerial Remuneration	329.70		*258.41*	
Directors Sitting Fees	5.71		*7.35*	
Provision for Doubtful Debts	212.44		*3780.93*	
Provision for Doubtful Advance	100.42		-	
Provision for diminution in value of investments	75.84		*0.24*	
Loss of sale on assets	-		-	
		3,031.17		*5,863.89*
		29,594.76		*26,270.61*
Less:				
Depreciation u/s 350 of the Companies Act 1961	2,240.47		*1,718.15*	
Profit on sale of Assets	9.06		*12.48*	
Profit on sale of Long term Investment	-		*119.01*	
Bad debts	685.04		*182.94*	
		2,934.57		*2032.58*
Net Profit as per the section 309(5) of the Companies Act 1956		**26,660.19**		*24,238.03*
Commission Payable to whole time Directors		140.00		*100.00*
Commission payable to non-whole time director-1% of the net profit, restricted to		85.00		*75.00*

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

Rs. in Lac

	2010-11	2009-10
Contract revenue recognised as revenue during the year	**3,00,145.79**	2,69,946.24
Aggregate amount of contract costs incurred in respect of on going contracts net of recognised profits (less recognized losses) upto the reporting date	**9,41,353.09**	*7,21,033.67*
Advance payments received (net of recoveries from progressive bills)	**49,701.95**	*58,625.35*
Retention amount	**75,405.82**	*62,079.83*
Gross amount due from customers for contract work	**1,17,833.00**	*88,033.67*
For the Method used to determine the contract revenue recognised and the stage of completion of contract in progress, refer note 1(f)(i) above		

14. In line with accepted practice in Construction Business, certain revisions to costs and billing of previous years which have crystallized during the year have been dealt with in the current year. The Profit and Loss Account for the year include credits aggregating to Rs.5,237.32 lac (31.03.2010: Rs. 5,028.33 lac) on account of changes in estimates.

15. Deferred tax Asset / (Liability) [Net] as at March 31, 2011 comprises of:

Rs. in Lac

	2010-11	2009-10
Deferred Tax Assets :		
Arising on account of timing differences in:		
Provision for doubtful debts and advances	**1,291.45**	*1,445.9*
Provision for foreseeable losses	**-**	-
Provision of Leave Encashment and Gratuity etc.	**223.66**	*204.36*
Disallowance of under section 43B	**63.59**	*96.34*
Others	**16.12**	*160.88*
Total (A)	**1,594.82**	*1,907.52*
Deferred Tax Liability :		
Arising on account of timing differences in: Depreciation	**(97.32)**	*(157.10)*
Total (B)	**(97.32)**	*(157.10)*
Net Deferred Tax Asset/(Liability) (A) – (B)	**1,497.50**	*1,750.42*

16. Related Party Disclosures

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

Rs. in Lac

Name of the related party	Relationship	Nature of transaction	2010-11	2009-10
Tata Power Company Limited	Entity holding more than 20%	Income from Contract services	**4,985.87**	*4,487.38*
		Interest on Debentures	**180.82**	*225.00*
		Dividend paid	**725.63**	*290.25*
		Receivables and Loans & Advance outstanding at year end	**3,495.43**	*3,408.87*
		Advance Billing outstanding at year end	**-**	*43.48*
		Payables, Advance against Services outstanding at year end	**874.56**	*1,256.11*
		Guarantees given and outstanding at year end	**2,503.63**	*3,638.29*
		Work done but not billed	**508.63**	*-*
		Interest accrued but not due-Debenture	**79.52**	*119.28*
Virendra Garments Manufacturers Private Limited	Associate	-	**-**	*-*
Artson Engineering Limited	Subsidiary	Income from Contract Services	**13.84**	*-*
		Interest Income	**236.50**	*210.96*
		Cost of Erection	**106.56**	*623.13*
		Loan and advance given to subsidiary	**1,538.83**	*844.69*
		Loans and Advances repaid	**951.77**	*633.86*
		Payables at year end	**-**	*42.14*
		Receivables outstanding at year end	**8.76**	*-*
		Loan & Advance outstanding as at year end	**3,313.46**	*2,726.41*
		Expenses recovered	**118.46**	*10.66*
		Interest Receivable	**8.32**	*-*
		Guarantees given and outstanding at year end	**8,279.79**	*3,279.79*
TPL-TQA Quality Services (Mauritius) Pty Limited	Subsidiary	Income from Contract services	**380.51**	*270.89*
		Dividend Income	**133.78**	*-*
		Investment	**-**	*11.37*
		Receivable outstanding at year end	**60.95**	*271.07*
		Share application money	**-**	*11.32*
TPL-TQA Quality Services South Africa (Proprietary) Limited	Subsidiary (w.e.f. January 14, 2011)	Income from Contract services	**394.39**	*-*
		Dividend Income	**10.73**	*-*
		Investment	**9.34**	*-*
		Receivable outstanding at year end	**60.70**	*-*
Al Tawleed For Energy & Power Co	Joint Venture	Income from Services	**-**	*87.22*
		Expenses Recovered	**-**	*57.77*
		Receivable outstanding at year end	**83.69**	*84.11*
		Loan & Advance outstanding as at year end	**-**	*38.04*
		Payable at year end	**34.39**	*72.43*
TEIL Projects Limited	Joint Venture	Expenses Recovered	**15.97**	*5.92*
		Investment	**100.00**	*102.98*
		Guarantees given and outstanding at year end	**35.00**	*5.92*
Tata Dilworth, Secord Meagher & Associates (TDSMA)	Associate	-	**-**	*-*
Mr.A.K. Misra, Executive Director	Key Management personnel	Managerial remuneration	**137.51**	*106.13*
Mr.A.K. Mathur, Executive Director	Key Management personnel	Managerial remuneration	**107.19**	*77.28*

17. Segment Information

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

Accordingly the Primary Segments of the Company are:

1. Energy Sector
2. Services
3. Others

and Secondary Segments of the Company are:

1. Domestic
2. Overseas

17.2 Reporting for Business Sector is on the following basis:

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

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

17.3 Segment Results

Rs. in Lac

	A. PRIMARY SEGMENT	Energy Sector		Services		Others		Eliminations		Consolidated Total	
		March 31, 2011	March 31, 2010	**March 31, 2011**	March 31, 2010	**March 31, 2011**	March 31, 2010	**March 31, 2011**	March 31, 2010	**March 31, 2011**	March 31, 2010
	Segment Revenue										
	External Sales	**199,603.80**	204,977.00	**6,525.07**	5,627.12	**96,372.58**	60,493.89		-	**302,501.45**	271,098.01
	Inter Segment Revenue			**244.47**	226.61			**244.47**	226.61	**-**	-
1	**Segment Revenue**	**199,603.80**	204,977.00	**6,769.54**	5,853.73	**96,372.58**	60,493.89	**244.47**	226.61	**302,501.45**	271,098.01
2	**Segment Result**	**23,322.52**	20,878.86	**1,693.77**	1,740.94	**6,545.75**	4,387.79	**-**	-	**31,562.04**	27,007.59
3	Unallocated Corporate Expenses									**6,484.63**	7,555.80
4	Interest Expenses									**1,472.17**	1,383.57
5	Operating Profits (2-3-4)									**23,605.24**	18,068.22
6	Interest / Dividend Income									**2,134.54**	1,654.02
7	Other Income									**823.81**	684.48
8	**Net Profit/(Loss) Before Tax (5+6+7)**									**26,563.59**	20,406.72
9	Income Tax									**8,555.08**	8,327.59
10	Deferred tax									**252.92**	(1,188.37)
11	Taxation of earlier years									**(195.16)**	-
12	**Net Profit/(Loss) after Tax (8-9-10)**									**17,950.75**	13,267.50
	OTHER INFORMATION										
	Segment Asset	**172,781.32**	158,465.02	**1,896.36**	2,582.15	**79,412.71**	47,727.70			**254,090.39**	208,774.87
	Unallocated Corporate Assets									**52,992.53**	41,255.14
	Total Assets									**307,082.92**	250,030.01
	Segment Liabilities	**189,974.30**	170,021.67	**679.24**	581.27	**56,498.82**	31,493.01			**247,152.36**	202,095.95
	Unallocated Corporate Liabilities									**10,404.12**	14,010.72
	Total Liabilities									**257,556.48**	216,106.67
	Capital Expenditure	**2,030.46**	1,461.75	**-**	3.68	**1,227.66**	1,577.36			**3,258.12**	3,042.79
	Unallocable Capital Expenditure									**400.57**	634.34
	Depreciation	**1,058.60**	962.00	**0.45**	19.80	**329.56**	208.25			**1,388.61**	1,190.05
	Unallocable Depreciation									**918.45**	626.91
	Non-cash Expenses										
	Other than Depreciation										

B. GEOGRAPHICAL SEGMENT	Domestic		Overseas		Consolidated Total	
	March 31, 2011	March 31, 2010	**March 31, 2011**	March 31, 2010	**Mar 31, 2011**	March 31, 2010
Segment Revenue						
External sales	**289,419.04**	262,448.68	**13,082.41**	8,649.33	**302,501.45**	271,098.01
Segment Asset	**246,678.22**	201,925.41	**7,412.17**	6,849.46	**254,090.39**	208,774.87
Unallocable asset					**52,992.53**	41,255.14
Total Asset					**307,082.92**	250,030.01
Capital Expenditure	**3,241.78**	3,038.62	**16.34**	4.17	**3,258.12**	3,042.79
unallocable Capital Expenditure					**400.57**	634.34

18. Disclosure as required by Accounting Standard 19, "Leases" are given below

Operating Lease:

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

ii) The company has taken certain properties under non-cancellable leases.

	March 31, 2011 (Rs. in lac)				March 31, 2010 (Rs. in Lac)			
	Total	**Payments not later than one year**	**Payments later than one year but not later than five years**	**Payments more than five years**	Total	Payments not later than one year	Payments later than one year but not later than five years	Payments more than five years
Total of future minimum lease payments at the balance sheet date	**1097.83**	**268.45**	**829.38**	**-**	*1,361.21*	*263.39*	*1,064.23*	*33.59*

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

Name of the Joint Venture Company	M/s Al-Tawleed For Energy & Power Co. (under liquidation)	M/s TEIL Projects Limited
Nature of Joint Venture	Jointly controlled entity	Jointly controlled entity
Percentage of Holding	30%	50%
Country of Incorporation	Kingdom of Saudi Arabia	India
Proportionate share	As per Management Accounts as on December 31, 2010	As per Audited Accounts as on March 31, 2011
Principal Activity	Engineering, Procuring and Construction contract	

(Previous year's figures are in Italics)

	Rs. in Lac		*Rs. in Lac*	
A Assets:				
Fixed Assets (Net)	**3.47**	7.78	**20.65**	*24.37*
Net Current Assets	**(290.49)**	*(65.97)*	**9.83**	*29.94*
Total Assets	**(287.02)**	*(58.18)*	**30.48**	*54.31*
B Liabilities:				
Shareholder's Funds	**(287.02)**	*(58.18)*	**30.48**	*54.31*
Loan Funds	**-**	-	**-**	-
Total Liabilities	**(287.02)**	*(58.18)*	**30.48**	*54.31*
C Total Income	**(5.83)**	*647.67*	**3.94**	-
D Total Expenditure	**231.91**	*790.38*	**127.38**	*93.72*
E Capital Commitment	**-**	-	**-**	**-**
F Contingent Liabilities	**-**	*1672.49*	**-**	-

20. Sundry Creditors – Dues to Micro and Small Enterprises

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

Rs. in Lac

		2010-11	2009-10
(a)	Principal amount remaining unpaid as on 31st March	**407.74**	*218.28*
(b)	Interest due thereon as on 31st March	**6.96**	*2.24*
(c)	Interest paid by the Company in terms of Section 16 of Micro, Small and Medium Enterprises Development Act 2006, along with the amount of the payment made to the supplier beyond the appointed day during the year.	**Nil**	*Nil*
(d)	Interest due and payable for the period of delay in making payment (which have been paid out but beyond the appointed day during the year) but without adding the interest specified under Micro, Small and Medium Enterprises Development Act 2006.	**Nil**	*Nil*
(e)	Interest accrued and remaining unpaid as at 31st March	**18.07**	*11.11*
(f)	Further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise.	**18.07**	*11.11*

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

Partners	2010-11		2009-10	
	Share	Capital Rs.in Lac	Share	Capital Rs.in Lac
Tata Projects Limited	**60%**	**1.80**	*60%*	*1.80*
Dilworth, Secord, Meagher & Associates	**40%**	**1.20**	*40%*	*1.20*

22. Earnings Per Share (EPS)

	2010-11 Rs. in Lac (except number of shares)	2009-10 Rs. in Lac (except number of shares)
a) Weighted Average number of Equity Shares of Rs.100 each outstanding during the year	**20,25,000**	*20,25,000*
b) Net Profit after Tax as per the Profit and Loss account	**17,950.75**	*13,267.50*
c) Basic and Diluted Earnings Per Share (Rupees)	**886**	*655*

23. Employee Benefits

Defined Benefit Plans / Long Term Compensated Absences - As per Actuarial Valuations as on March 31, 2011 and recognised in the financial statements in respect of Employee Benefit Schemes:

(Rs. in Lac)

	2010-11		*2009-10*	
	Gratuity Funded	**Pension Unfunded**	*Gratuity Funded*	*Pension Unfunded*
I Components of Employer Expense				
1 Current Service Cost	122.11	-	*136.00*	-
2 Interest Cost	73.03	7.07	*52.67*	*6.81*
3 Expected Return on Plan Assets	(73.15)	-	*(31.92)*	-
4 Curtailment Cost/(Credit)	-	-	-	-
5 Settlement Cost/(Credit)	-	-	-	-
6 Past Service Cost	-	-	-	-
7 Actuarial Losses/(Gains)	226.53	23.04	*(46.94)*	*3.70*
8 Total expense recognized in the Statement of Profit & Loss Account	348.52	30.11	*109.81*	*10.51*
II 1 Present Value of Defined Benefit Obligation	1,175.28	(106.86)	*885.22*	*94.27*
2 Fair Value on Plan Assets	1,191.27	-	*885.22*	-
3 Status [Surplus/(Deficit)]	15.99	(106.86)	-	*(94.27)*
4 Unrecognised Past Service Cost	-	-	-	-
5 **Net Asset/(Liability) recognised in Balance Sheet**	15.99	(106.86)	-	*(94.27)*
III Change in Defined Benefit Obligations (DBO)				
1 Present Value of DBO at Beginning of Year	885.22	94.27	*752.60*	*97.80*
2 Current Service Cost	122.11	-	*136.00*	-
3 Interest Cost	73.03	7.07	*52.67*	*6.81*
4 Curtailment Cost/(Credit)	-	-	-	-
5 Settlement Cost/(Credit)	-	-	-	-
6 Plan Amendments	-	-	-	-
7 Acquisitions	-	-	-	-
8 Actuarial (Gains)/Losses	201.60	23.04	*(56.05)*	*3.70*
9 Benefits Paid	(106.68)	(17.52)	-	*(14.04)*
10 Present Value of DBO at the end of the year	1,175.28	106.86	*885.22*	*94.27*
IV The major categories of plan assets as a percentage of total plan				
Funded with Tata AIG Life Insurance Co. Ltd.	1,191.27	-	*885.22*	-
V Actuarial Assumptions				
1 Discount Rate	8.25%	8.25%	*8.25%*	*7.50%*
2 Expected Rate of Return on Plan Assets	8.25%		*8.25%*	
3 Mortality	LIC(1994-96) Ultimate		*LIC(1994-96) Ultimate*	
4 Turnover Rate	10.00%		*10.00%*	

VI	Basis used to determine the Expected Rate of Return of Plan Assets	As the detailed list of investments is not available, expected return is assumed to be earned on risk free investments like ppf.
	The expected rate of return on plan assets is based on the current portfolio of assets, investment strategy and market scenario. In order to protect the capital and optimise returns within acceptable risk parameters, the plan assets are well diversified.	8.25%

		2010-11 (Rs. in Lac)		2009-10 (Rs. in Lac)		2008-09 (Rs. in Lac)		2007-08 (Rs. in Lac)	
		Pension	Gratuity	Pension	Gratuity	Pension	Gratuity	Pension	Gratuity
VII	Net Asset/(Liability) recognised in Balance Sheet (including experience adjustment impact)	(106.86)	15.98	(94.27)	-	(97.80)	(305.29)	(51.74)	(162.59)
1	Present Value of Defined Benefit Obligation	106.86	1,175.28	94.77	885.22	97.80	752.60	51.74	413.85
2	Fair Value of Plan Assets	-	1,191.27	-	885.22	-	456.31	-	251.26
3	Status [Surplus/(Deficit)]	(106.86)	15.99	(94.77)	-	(97.80)	305.29	(51.74)	162.59
4	Experience Adjustment of Plan Assets [Gain/(Loss)]	-	(10.39)	-	(9.10)	-	7.54	-	4.17
5	Experience Adjustment of obligation [Gain/(Loss)]	34.00	201.60	7.00	50.57	59.00	328.20	NA	117.43

24. (i) In the year 2007-08, under a sanctioned scheme of the Board for Industrial and Financial Reconstruction (BIFR), the Company became a strategic investor in Artson Engineering Limited (Artson), a Public Limited Company listed on the Bombay Stock Exchange by acquiring 75% of the equity share capital of Artson. In terms of the rehabilitation scheme sanctioned by BIFR, the Company is exempt from the provisions of Section 58A and 372A and relevant provision of the Companies Act 1956 and the regulation thereunder for the purpose of providing loan and guarantees and subscribing to the equity capital of Artson.

(ii) The Company has investment of Rs. 276.90 lac in Artson and has advanced amounts aggregating to Rs.3313.46 lac which are outstanding as on March 31, 2011. Although Artson's net worth has been fully eroded, in view of the long term involvement of the Company in Artson as detailed in paragraph 24 (i) above, management is of the view that no provision is required on this account at this stage.

25. Loans & Advance-Schedule 10 includes Rs. 610.00 lac (31.03.2010 Rs. 610.00 lac) on account of taxes deducted at source on inter state supplies under applicable Value Added Tax Acts. The Company has contested the deduction in the applicable judicial forum and management is confident of a favorable outcome in the matter.

26. The Company's tower manufacturing facility located at Nagpur is entitled to certain incentives under "Package Scheme of Incentives-2007" which includes, Industrial Promotion Subsidy (IPS) equivalent of 30% of eligible investments, limited to Rs. 384.93 lac, which will be sanctioned and disbursed as per modalities to be determined by Government of Maharashtra. Benefit will be accounted on such final determination.

27. Provision for taxation includes Rs. 65.07 lac (31.03.2010 : Rs.102.59 lac) paid/payable in other countries.

28. Previous year's figures have been regrouped and restated wherever necessary.

For and on behalf of the Board

K S Krishnan
Senior General Manager & Head-Accounts

Dr A Raja Mogili
Company Secretary

F K Kavarana
Chairman

H H Malgham
Director

A K Misra
Executive Director &
Chief Operating Officer

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

I. Registration	
Registration No.	U45203AP1979PLC057431
State Code	01
Balance Sheet Date	31st March, 2011
II. Capital raised during the year	
Public Issue	-
Rights Issue	-
Private Placement	-
Bonus Issue	-
III. Position of Mobilisation and Deployment of Funds	
(Rupees in lac)	
Total Liabilities	51,843.43
Total Assets	51,843.43
Sources of Funds	
Paid-up Capital	2,025.00
Reserves & Surplus	47,501.44
Secured Loans	2,250.00
Unsecured Loans	66.99
Deferred tax liability	-
Application of Funds	
Net Fixed Assets	12,423.06
Capital Work-in-progress	1,032.66
Investments	24,335.55
Net Current Assets	12,554.66
Deferred tax Asset	1,497.50
Misc. Expenditure	-
Accumulated Losses	-
IV. Performance of the Company	
Turnover including other Income	305,459.80
Total Expenditure	278,896.21
Profit Before Tax	26,563.59
Profit After Tax	17,950.75
Earnings Per Share (in Rupees)	886
Dividend Rate	100%
V. Generic Names of Principal Products/Services of the Company	
Erection & Turnkey Contracts including supply of Materials and providing technical services.	

For and on behalf of the Board

K S Krishnan
Senior General Manager & Head-Accounts

Dr A Raja Mogili
Company Secretary

F K Kavarana
Chairman

H H Malgham
Director

A K Misra
Executive Director &
Chief Operating Officer

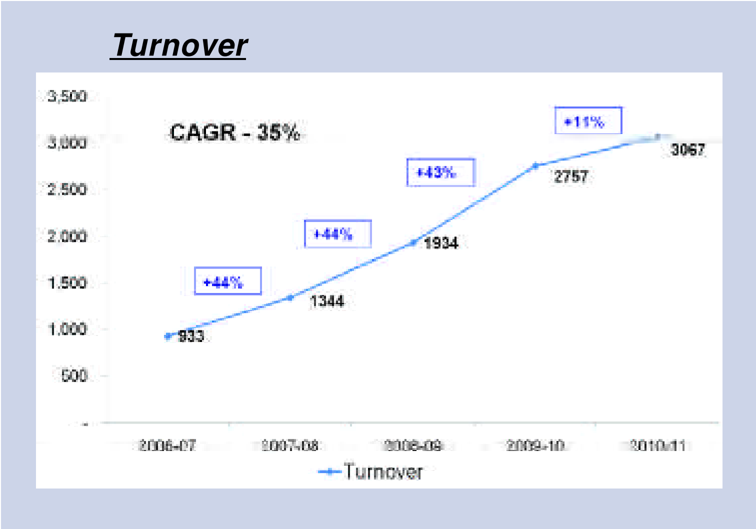
Financial Statistics

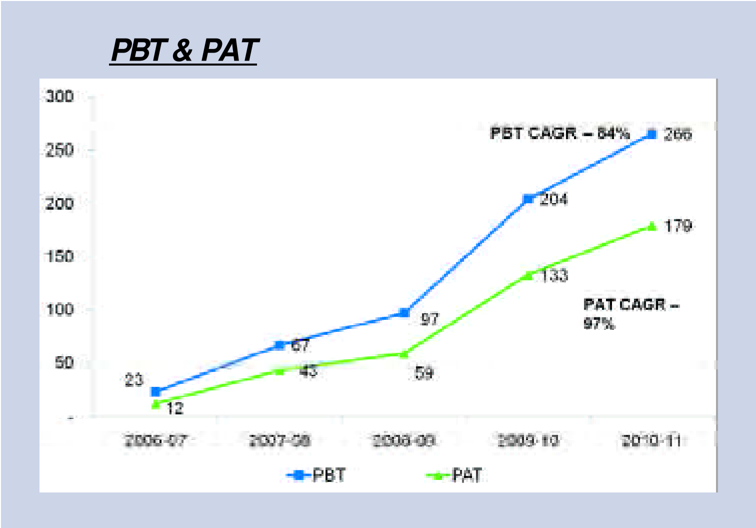
(Rs. in Lac)

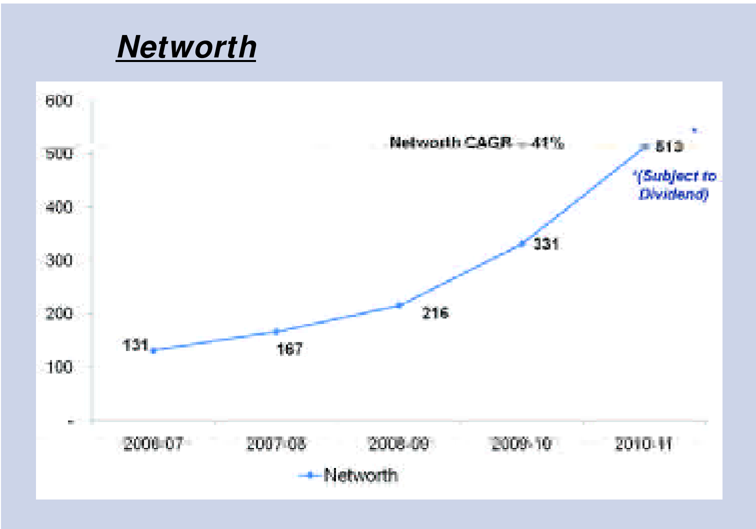
		2005-06	2006-07	2007-08	2008-09	2009-10	2010-11
1	Gross Income from Contracts, Services and Sale of Goods	47,310.45	93,319.24	134,395.47	193,408.58	275,675.98	306,702.21
2	Operating Expenditure (Incl. Indirect Taxes and Duties)	44,460.04	89,677.40	128,046.85	182,341.38	254,407.23	279,317.74
3	Operating Profit	2,850.41	3,641.84	6,348.62	11,067.20	21,268.75	27,384.47
4	Other Income	220.40	528.39	2,692.20	1,756.62	2,338.50	2,958.35
5	Interest	208.17	426.33	696.02	1,152.08	1,383.57	1,472.17
6	Depreciation and Amortisation	641.58	1,417.58	1,672.68	1,985.78	1,816.96	2,307.06
7	Profit before Taxation	2,221.06	2,326.32	6,672.12	9,685.96	20,406.72	26,563.59
8	Profit after Taxation	1,430.81	1,194.31	4,323.66	5,906.45	13,267.50	17,950.75
9	Earning Per Share (EPS) - Rs./- shares	636	411	1,281	292	655	886
10	Dividend per share (%)	70%	100%	125%	30%	75%	100%
11	Dividend Pay-out Ratio (%)	13%	33%	11%	12%	13%	13%
12	Return On Capital Employed (ROCE) %	29%	18%	27%	29%	43%	40%
13	Return On Net Worth (RONW) %	24%	9%	26%	27%	40%	35%
14	Long Term Debts / Equity	0.13	0.28	0.20	0.15	0.10	0.04
15	Total Debts / Equity	0.31	0.28	0.46	0.39	0.13	0.05
16	Capital	225.00	337.50	337.50	2,025.00	2,025.00	2,025.00
17	Shareholder's Reserves	5,804.16	12,788.18	16,336.99	19,563.95	31,054.59	48,682.69
18	Debenture Redemption Reserve	-	281.25	562.50	843.75	843.75	843.75
19	Borrowings	1,872.79	3,716.89	7,646.48	8,382.08	4,335.24	2,316.99
20	Gross Block (incl. Capital WIP)	7,348.84	9,792.70	14,281.54	16,435.21	19,981.44	24,264.42
21	Depreciation	2,115.71	3,454.86	5,088.91	6,948.41	8,656.55	10,808.70
22	Net Block	5,233.13	6,337.84	9,192.63	9,486.80	11,324.89	13,455.72

Standalone Results

Graphical Presentation of Turnover, PBT & PAT and Networth







Consolidated Financial Statements

AUDITORS' REPORT

To The Board of Directors of
Tata Projects Limited

1. We have audited the attached Consolidated Balance Sheet of **TATA PROJECTS LIMITED** ("the Company"), its subsidiaries and jointly controlled entities (the Company, its subsidiaries and jointly controlled entities constitute "the Group") as at 31st March 2011 the Consolidated Profit and Loss Account and the Consolidated Cash Flow Statement of the Group for the year ended on that date, both annexed thereto. The Consolidated Financial Statements include investments in an associate accounted on the equity method in accordance with Accounting Standard 23 (Accounting for Investments in Associates in Consolidated Financial Statements) and the jointly controlled entities accounted in accordance with Accounting Standard 27 (Financial Reporting of Interests in Joint Ventures) as notified under the Companies (Accounting Standards) Rules, 2006. These financial statements are the responsibility of the Company's Management and have been prepared on the basis of the separate financial statements and other financial information regarding components. Our responsibility is to express an opinion on these Consolidated Financial Statements based on our audit.
2. We conducted our audit in accordance with the auditing standards generally accepted in India. Those Standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatements. An audit includes examining, on a test basis, evidence supporting the amounts and the disclosures in the financial statements. An audit also includes assessing the accounting principles used and the significant estimates made by the Management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.
3. (a) We did not audit the financial statements of the subsidiaries and joint ventures, whose financial statements reflect total assets of Rs.11,302.36 lac as at 31st March 2011, total revenues of Rs.13,965.14 lac and net cash inflows amounting to Rs.150.24 lac for the year ended on that date as considered in the Consolidated Financial Statements. These financial statements have been audited by other auditors whose reports have been furnished to us and our opinion in so far as it relates to the amounts included in respect of these subsidiaries and joint ventures is based solely on the reports of the other auditors.

   (b) The financial statements of a joint venture whose financial statements reflect total assets of Rs.1,379.34 lac as at March 31, 2011, total revenues of Rs. Nil and net cash inflows amounting to Rs.74.61 lac for the year ended on that date are based on management's estimates and are not audited by its auditor (refer note 1.3 of Schedule 19 to the Consolidated Financial Statements).
4. The accounts of an associate valued at Re.1 in the financial statements of the Company have not been considered in the preparation of the Consolidated Financial Statements as the financial statements as at March 31, 2011 are not available.
5. We report that the Consolidated Financial Statements have been prepared by the Company in accordance with the requirements of Accounting Standard 21 (Consolidated Financial Statements), Accounting Standard 23 (Accounting for Investment in Associates in Consolidated Financial Statements) and Accounting Standard 27 (Financial Reporting of Interests in Joint Ventures) as notified under the Companies (Accounting Standards) Rules, 2006.
6. Subject to paragraph 3(b) and 4 above, based on our audit and on consideration of the separate audit report on individual financial statements of the Company, and the aforesaid subsidiaries and joint ventures and associate, and to the best of our information and according to the explanations given to us, in our opinion, the Consolidated Financial Statements give a true and fair view in conformity with the accounting principles generally accepted in India:

   (i) in the case of the Consolidated Balance Sheet, of the state of affairs of the Group as at March 31, 2011;

   (ii) in the case of the Consolidated Profit and Loss Account, of the profit of the Group for the year ended on that date and

   (iii) in the case of the Consolidated Cash Flow Statement, of the cash flows of the Group for the year ended on that date.

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

K Rajasekhar
Partner
(Membership No.23341)

Place : Mumbai
Date : May 9, 2011

Consolidated Balance Sheet as at March 31, 2011

	Schedule	As on March 31, 2011 Rs. in Lac	As on March 31, 2010 Rs. in Lac
I. Sources of Funds			
Shareholders' Funds			
Capital	1	**2,025.00**	2,025.00
Reserves and Surplus	2	**47,031.68**	31,130.40
		49,056.68	33,155.40
Minority Interest		**137.03**	50.92
Loan Funds			
Secured Loans	3	**3,986.73**	5,344.19
Unsecured Loans	4	**113.40**	101.76
Total		**53,293.84**	38,652.27
II Application of Funds			
Goodwill on Consolidation		**343.62**	343.57
Fixed Assets			
Gross Block		**26,074.04**	22,048.77
Less:Depreciation		**12,323.22**	9,997.16
Net Block	5	**13,750.82**	12,051.61
Capital Work in Progress, including capital advances of Rs.73.75 lac (31.03.2010 : Rs.11.05 lac)		**1,032.66**	364.43
		14,783.48	12,416.04
Investments	6	**23,674.96**	26,074.26
Deferred Tax Asset (Net)		**1,477.41**	1,702.09
Current Assets, Loans and Advances			
Interest accrued on Investments		**14.87**	14.87
Inventories and Contracts-in-progress	7	**9,058.12**	8,003.08
Sundry Debtors	8	**196,371.33**	149,387.51
Cash and Bank Balances	9	**15,484.06**	11,246.48
Other Current Assets	10	**7,189.46**	3,905.86
Loans and Advances	11	**47,410.66**	42,849.32
		275,528.50	215,407.12
Less:			
Current Liabilities and Provisions	12		
Current Liabilities		**258,307.63**	211,196.99
Provisions		**4,206.50**	6,093.82
		262,514.13	217,290.81
Net Current Assets		**13,014.37**	(1,883.69)
Total		**53,293.84**	38,652.27
Notes attached hereto form an integral part of these financial statements	19		

In terms of our report attached
for Deloitte Haskins & Sells
Chartered Accountants

K Rajasekhar
Partner

For and on behalf of the Board

K S Krishnan
Senior General Manager & Head-Accounts

Dr A Raja Mogili
Company Secretary

F K Kavarana
Chairman

H H Malgham
Director

A K Misra
Executive Director &
Chief Operating Officer

Place : Mumbai
Date : May 9, 2011

Consolidated Profit and Loss Account for the year ended March 31, 2011

	Schedule	Year ended March 31, 2011 Rs. in Lac	Year ended March 31, 2010 Rs. in Lac
I. Income			
Income from Contracts, Services and Sale of Goods [includes share of joint ventures Rs.3.59 lac (31.03.2010 : Rs.648.38 lac)]		**320,147.32**	289,046.79
Less: Indirect Taxes and Duties		**4,503.48**	4,928.00
Net Income from Contracts, Services and Sale of Goods		**315,643.84**	284,118.79
Other Income	13	**2,610.67**	2,177.89
		318,254.51	286,296.68
II. Expenditure			
Project Execution Expenses	14	**249,736.90**	228,106.24
Raw materials consumed		**9,426.23**	6,914.76
Employee Cost	15	**17,905.71**	15,038.39
Operations, Establishment and Other Expenses	16	**10,755.27**	13,588.94
(Increase)/Decrease in Inventories and Contracts in Progress	17	**(373.93)**	(1,710.08)
Interest	18	**1,559.47**	1,404.19
Depreciation and Amortisation		**2,481.38**	1,966.31
		291,491.03	265,308.75
III. Profit before Taxation, Appropriation & Minority Interest		**26,763.48**	20,987.93
Provision for Income Tax :			
Current		**8,602.14**	8,333.18
Deferred		**224.67**	(1,187.09)
Taxation of earlier years		**(195.16)**	-
		8,631.65	7,146.09
IV. Profit after Taxation and before Appropriation and Minority Interest		**18,131.83**	13,841.84
Share of Minority Interest		**(77.39)**	(56.72)
Profit after Minority Interest		**18,054.44**	13,785.12
Balance brought forward from previous year		**17,278.81**	6,597.30
Available for appropriation		**35,333.25**	20,382.42
V. Appropriations			
Proposed Dividend		**2,025.00**	1,518.75
Tax on Dividend		**328.51**	258.11
Reversal of excess provision of Tax on Dividend of earlier years		**(5.86)**	-
General Reserve		**2,500.00**	1,326.75
Share of Revenue Reserves of Joint Ventures carried forward		**(645.27)**	(283.69)
Balance Carried to Balance Sheet		**31,130.87**	17,562.50
		35,333.25	20,382.42
Earning Per Share (Rs.) - Basic and Diluted (Face value Rs.100)		**892**	681

In terms of our report attached

For and on behalf of the Board

for Deloitte Haskins & Sells
Chartered Accountants

K Rajasekhar
Partner

K S Krishnan
Senior General Manager & Head-Accounts

Dr A Raja Mogili
Company Secretary

F K Kavarana
Chairman

H H Malgham
Director

A K Misra
Executive Director &
Chief Operating Officer

Place : Mumbai
Date : May 9, 2011

Consolidated Cash Flow Statement for the year ended March 31, 2011

	Year ended March 31, 2011 Rs. in Lac		Year ended March 31, 2010 Rs. in Lac	
A. Cash Flow from Operating Activities				
Net Profit before Taxation		**26,763.48**		20,987.93
Adjustments for :				
Depreciation	**2,481.38**		1,966.31	
Interest Expenditure	**1,559.47**		1,404.19	
Interest Income	**(760.04)**		(948.75)	
Dividend from current investments	**(1,001.86)**		(508.22)	
Provision for diminution in value of investments (including Premium amortised on purchase of investments)	**75.84**		0.24	
Provision for Warranty	**-**		256.00	
Unrealised Exchange Loss / (Gain) (Net)	**(183.01)**		728.87	
(Profit) / Loss on sale of asset	**(9.06)**		14.03	
Loss on Assets Discarded	**-**		11.12	
Profit on sale of Long Term Investment	**-**		(119.01)	
		2,162.72		2,804.78
Operating profit before working capital changes		**28,926.20**		23,792.71
Adjustments for :				
(Increase)/Decrease in Inventories	**(1,055.04)**		(3,001.55)	
(Increase)/Decrease in Sundry Debtors (net of provisions/write offs)	**(46,977.59)**		(46,842.00)	
(Increase)/Decrease in Loans and Advances (net of provisions)	**5,475.67**		(14,931.70)	
(Increase)/Decrease in Other Current Assets	**(3,227.80)**		(672.26)	
Increase/(Decrease) in Trade & Other Payables	**47,190.95**		51,777.15	
		1,406.19		(13,670.36)
Cash generated from / (used in) Operations		**30,332.39**		10,122.35
Income Tax paid (net of refund)		**(11,033.48)**		(4,860.91)
Fringe Benefit Tax paid		**(6.40)**		(39.89)
Net Cash flows from Operating Activities		**19,292.51**		5,221.55
B. Cash Flow from Investing Activities				
Purchase of Fixed Assets	**(4,892.52)**		(4,392.49)	
Proceeds from sale of fixed assets	**52.71**		61.07	
Inter Corporate Loan Given	**(22,030.61)**		(4,600.00)	
Inter Corporate Loan Repaid	**12,000.00**		14,600.00	
Investment in Mutual Funds	**(60,972.69)**		(55,107.70)	
Sale of Mutual Fund	**64,298.01**		38,682.19	
Sale of Long Term Investment	**-**		230.16	
Income from Investments (Dividend)	**-**		13.14	
Interest income received	**704.24**		956.62	
Net Cash flows used in Investing Activities		**(10,840.86)**		(9,557.01)

Consolidated Cash Flow Statement for the year ended March 31, 2011

	Year ended March 31, 2011 Rs. in Lac		Year ended March 31, 2010 Rs. in Lac	
C. Cash Flow from Financing Activities				
Repayment of Debenture	(1,125.00)		-	
Proceeds from / Repayment of long - term borrowings	(895.92)		903.71	
Proceeds from / Repayment of short - term borrowings	675.10		(3,886.25)	
Payment of Dividend including Dividend Tax	(1,771.00)		(710.74)	
Interest expenses paid	(1,274.04)		(1,282.11)	
Net Cash used in financing activities		(4,390.86)		(4,975.39)
Net decrease in cash and cash equivalents		4,060.79		(9,310.85)
Cash and Cash equivalents at the beginning of the year		11,343.70		20,654.55
Cash and Cash equivalents at the end of the year		15,404.49		11,343.70

Note:	As at 31-03-2011	As at 31-03-2010
Cash and Cash Equivalents consist of:		
Cash and Bank Balances	15,484.06	11,246.48
Add/(Less): Unrealised loss/(gain) included in Cash and Cash Equivalents	(79.57)	97.22
	15,404.49	11,343.70

In terms of our report attached
for Deloitte Haskins & Sells
Chartered Accountants

K Rajasekhar
Partner

For and on behalf of the Board

K S Krishnan
Senior General Manager & Head-Accounts

Dr A Raja Mogili
Company Secretary

F K Kavarana
Chairman

H H Malgham
Director

A K Misra
Executive Director &
Chief Operating Officer

Place : Mumbai
Date : May 9, 2011

Schedules annexed to and forming part of the Consolidated Accounts

	As on March 31, 2011 Rs. in Lac	As on March 31, 2010 Rs. in Lac
Schedule - 1		
Capital		
Authorised		
25,00,000 Equity Shares of Rs.100 each	**2,500.00**	2,500.00
Issued, Subscribed and paid-up		
20,25,000 Equity Shares of Rs.100 each	**2,025.00**	2,025.00
	2,025.00	2,025.00
Of the above - 17,62,500 Equity Shares of Rs.100 each issued as bonus shares by capitalising securities premium.		
Schedule - 2		
Reserves and Surplus		
Securities Premium		
Balance as per last Balance Sheet	**4,987.50**	4,987.50
Debentures Redemption Reserve		
Balance as per last Balance Sheet	**843.75**	843.75
Capital Reserve on Consolidation	**89.53**	-
General Reserve		
Balance as per last Balance Sheet	**7,979.07**	6,652.32
Add: Transfer from Profit and Loss Account	**2,500.00**	1,326.75
	10,479.07	7,979.07
Foreign Currency Translation Reserve	**146.23**	41.27
Balance in Profit & Loss Account	**31,130.87**	17,562.50
Share of Joint Venture		
- Revenue Reserve	**(645.27)**	(283.69)
	47,031.68	31,130.40

Schedules annexed to and forming part of the Consolidated Accounts

	As on March 31, 2011 Rs. in Lac	As on March 31, 2010 Rs. in Lac
Schedule - 3		
Secured Loans		
From Banks		
Bank Overdraft	-	-
i) In case of consortium banks, by first charge on book debts, stocks in process and other current assets ranking pari-pasu;		
ii) in case of Commercial Bank, Qatar, by assignment of contract revenue and project assets of Qatar, which is pending creation of charge;		
iii) in case of BNP Paribas, Hyderabad, exclusive first charge over movable properties and assets relating to project undertaken at Dubai including all movable assets, book debts present and future.		
Working Capital Loan from Bank	1,460.00	131.74
(First Charge by way of hypothecation on Inventories, Book Debts and Other Current Assets)		
8% Partly Convertible Debentures (non-convertible portion)	2,250.00	3,375.00
(Issued on 29th August 2006, redeemable at par in 3 equal annual installments commencing at the end of 4th year from the date of allotment)		
(Secured by way of		
i) First paripassu equitable mortgage of all immovable properties of the Company located in Hyderabad, Andhra Pradesh ranking with other lenders of the Company		
ii) First charge by way of hypothecation of all movable properties / fixed assets, and		
iii) Second charge by way of floating charge on current assets, loans & advances, subject to first charge of Company's bankers, and / or working capital lenders)		
Other Loans		
Financial Institutions :		
- from EXIM Bank	-	897.85
Others	-	9.71
(Secured by Hypothecation / Pari Passu Pledge of Fixed Assets, in case of Loan from HDFC Ltd. - Secured by equitable Mortgage of House Properties of Employees under the HDFC Employees Housing Loan Scheme and in case of Vehicle loans by hypothecation of vehicle in respect of which the loan is taken)		
	3,710.00	4,414.30
Share of Joint Venture	276.73	929.89
	3,986.73	5,344.19
Schedule - 4		
Unsecured Loans		
Loan from Banks	66.99	52.68
Loan from Shareholders	-	2.67
Long Term		
- Sales Tax Deferment Loan (SICOM)	46.41	46.41
	113.40	101.76
Share of Joint Venture	-	-
	113.40	101.76

Schedule- 5 - Fixed Assets

Rs. in Lac

S.No Particulars	Cost					Depreciation					Net Book Value	
	As at March 31, 2010	Additions	Deductions	Currency Realignment	**As at March 31, 2011**	As at March 31, 2010	For the year	On deduction	Currency Realignment	**As at March 31, 2011**	**As on March 31, 2011**	As at March 31, 2010
I Tangible Assets												
Land												
Freehold	326.61	-	-	-	**326.61**	-	-	-	-	**-**	**326.61**	326.61
Leasehold	51.98	-	-	-	**51.98**	2.11	0.55	-	-	**2.66**	**49.32**	49.87
Buildings	933.95	77.92	-	-	**1,011.87**	208.99	69.46	-	-	**278.45**	**733.42**	724.96
Leasehold Improvements	468.80	64.86	-	-	**533.66**	111.32	55.06	-	-	**166.38**	**367.28**	357.48
Plant and Machinery (including Erection/ Construction Machinery)	14,088.95	3,544.18	-	-	**17,633.13**	5,451.61	1,727.47	-	-	**7,179.08**	**10,454.05**	8,637.34
Furnitures & Fixtures	655.89	98.58	6.26	-	**748.21**	349.89	106.24	5.26	-	**450.87**	**297.34**	306.00
Vehicles *	748.43	149.66	177.51	-	**720.58**	468.43	93.73	139.48	-	**422.68**	**297.90**	280.00
Office Equipment, Air Conditioners & Electrical Installation	835.13	149.59	11.51	-	**973.21**	372.36	102.03	7.97	-	**466.42**	**506.79**	462.77
Computers	975.36	138.22	2.20	-	**1,111.38**	724.73	152.00	2.20	-	**874.53**	**236.85**	250.63
R & D - Capital Mobile Desalination Plant	40.24	-	-	-	**40.24**	21.69	2.58	-	-	**24.27**	**15.97**	18.55
	19,125.34	4,223.01	197.48	-	23,150.87	7,711.13	2,309.12	154.91	-	9,865.34	13,285.53	11,414.21
II Intangible Assets												
Software	741.72	0.13	-	-	**741.85**	136.50	164.19	-	-	**300.69**	**441.16**	605.22
Goodwill	2,132.57	-	-	-	**2,132.57**	2,132.57	-	-	-	**2,132.57**	**-**	-
	2,874.29	0.13	-	-	2,874.42	2,269.07	164.19	-	-	2,433.26	441.16	605.22
Total	**21,999.63**	**4,223.14**	**197.48**	-	**26,025.29**	**9,980.20**	**2,473.31**	**154.91**	-	**12,298.60**	**13,726.69**	**12,019.43**
Share of Joint Venture	**49.14**	**1.26**	**1.11**	**(0.54)**	**48.75**	**16.96**	**8.07**	**0.03**	**(0.38)**	**24.62**	**24.13**	32.18
Grand Total	**22,048.77**	**4,224.40**	**198.59**	**(0.54)**	**26,074.04**	**9,997.16**	**2,481.38**	**154.94**	**(0.38)**	**12,323.22**	**13,750.82**	
Previous Year	17,743.75	4,561.21	255.01	(1.18)	22,048.77	8,200.09	1,966.31	168.79	(0.45)	**9,997.16**		12,051.61

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

Schedules annexed to and forming part of the Consolidated Accounts

	As on March 31, 2011 Rs. in Lac	As on March 31, 2010 Rs. in Lac
Schedule - 6		
Investments		
Long Term (at cost less provision for diminution in value)		
A. TRADE INVESTMENTS - Unquoted		
Associate		
Virendra Garments Manufacturers Pvt Limited #		
1,200 Equity Shares of Rs.100 each, fully paid	**1.20**	1.20
B. INVESTMENT IN CAPITAL OF PARTNERSHIP FIRM		
Tata Dilworth Secord Meagher & Associates #	**1.80**	1.80
C. OTHER INVESTMENTS (Non-Trade) - Unquoted		
Exim Bank		
3 Nos. 6.35% Exim Bond - 2013 of Rs.100 lac each fully paid #	**302.35**	302.35
Current Investment (at lower of cost and fair value)		
In Mutual Funds - Unquoted		
Birla Sun Life Savings Fund - Institutional - Daily Dividend-Reinvestment 1,45,94,686.104 (2009-10 : 2,27,41,039.513) Units of Rs.10 each (3,98,21,028.769 Units purchased and 4,79,67,382.178 Units sold during the year)	**1,460.46**	2,275.65
Tata Floater Fund - Daily Dividend 4,26,76,582.117 (2009-10 : 5,01,72,726.547) Units of Rs.10 each (9,71,31,381.579 Units purchased and 10,46,27,526.009 Units sold during the year)	**4,282.85**	5,035.13
UTI Treasury Advantage Fund-Institutional Plan (Daily Dividend Option)-Reinvestment 1,74,311.922 (2009-10 : 2,27,485.634) Units of Rs.1,000 each (5,01,707.485 Units purchased and 5,54,881.197 Units sold during the year)	**1,743.49**	2,275.34
Templeton India Ultra Short Bond Fund Super Insitutional Plan - Daily Dividend Reinvestment 1,52,72,979.684 (2009-10 : 2,26,17,054.310) Units of Rs.10 each (4,74,79,150.933 Units purchased and 5,48,23,225.559 Units sold during the year)	**1,529.07**	2,264.33
HDFC Cash Management Fund - Treasury Advantage Plan-Wholesale - Daily Dividend*, Option : Reinvest 1,02,38,305.165 (2009-10 : 2,25,05,820.452) Units of Rs.10 each (3,20,92,749.878 Units purchased and 4,43,60,265.165 Units sold during the year)	**1,027.06**	2,257.67
ICICI Prudential - Flexible Income Plan Premium - Daily Dividend Nil (2009-10 : 20,27,079.363) Units of Rs.100 each (34,71,687.074 Units Purchased and 54,98,766.437 Units sold during the year)	**-**	2,143.33
JM Money Manager Fund Super Plus Plan - Daily Dividend (171) 1,51,83,043.208 (2009-10 : 1,94,96,623.924) Units of Rs. 10 each (4,26,61,522.483 Units purchased and 4,69,75,103.199 Units sold during the year)	**1,519.11**	1,950.70
IDFC Money Manager Fund - TP - Super Inst Plan C-Daily Dividend 1,53,51,262.181 (2009-10 : 2,10,82,691.599) Units of Rs.10 each (4,12,61,521.645 Units purchased and 4,69,92,951.063 Units sold during the year)	**1,535.36**	2,108.59

Schedules annexed to and forming part of the Consolidated Accounts

	As on March 31, 2011 Rs. in Lac	As on March 31, 2010 Rs. in Lac
Kotak Floater Long Term - Daily Dividend 1,79,36,355.045 (2009-10 : 1,59,33,493.800) Units Rs. 10 each (3,62,29,730.819 Units purchased and 3,42,26,869.574 Units sold during the year)	**1,807.95**	1,606.06
SBI - SHF - Ultra Short Term Fund - Insitutional Plan - Daily Dividend 1,74,05,663.583 (2009-10 : 85,34,502.747) Units of Rs.10 each (3,94,24,659.766 Units purchased and 3,05,53,498.930 Units sold during the year)	**1,741.61**	853.96
UTI Fixed income Interval Fund - Monthly Interval Plan Series-I-Institutional Dividend Plan - Re-investment Nil (2009-10 : 3,00,00,000) Units of Rs.10 each (1,53,67,532.638 Units purchased and 4,53,67,532.638 sold during the year)	**-**	3,002.73
DSP Blackrock Money Manager Fund - Insitutional Plan-Daily Dividend 1,04,208.920 (2009-10 : Nil) Units of Rs. 1,000 each (3,24,033.061 Units purchased and 2,19,824.141 Units sold during the year)	**1,042.92**	-
Tata Fixed Income Portfolio Fund Scheme C2 Inst Monthly Dividend 2,02,58,407.278 (2009-10 : Nil) Units of Rs. 10 each (2,02,58,408.278 Units purchased during the year)	**2,026.98**	-
HSBC Floating Rate-Long Term Plan-Institutional Option-Weekly Dividend 63,12,327.439 (2009-10 : Nil) Units of Rs. 10 each (89,82,039.556 Units purchased and 26,69,712.117 Units sold during the year)	**708.86**	-
ICICI Prudential Interval Fund-Monthly Interval Plan-I Institutional Dividend 10,00,00,000.000 (2009-10 : Nil) Units of Rs. 10 each (10,00,00,00.000 Units purchased during the year)	**1,004.83**	-
Tata Fixed Income Portfolio Fund Scheme A3 Institutional Monthly Dividend 1,99,94,001.787 (2009-10 : Nil) Units of Rs.10 each (1,99,94,001.787 Units purchased during the year)	**2,006.86**	-
	23,742.76	26,078.84
Share of Joint Venture	**12.62**	-
	23,755.38	26,078.84
# Less : Provision for diminution in value of investments {Including premium amortised Rs.1.82 lac (31.03.2010 : Rs.1.58 lac)}	**80.42**	4.58
	23,674.96	26,074.26
Notes:-		
i) Aggregate of Quoted Investments (Cost)	**-**	-
ii) Aggregate of Unquoted Investments (Cost)	**23,674.96**	26,074.26
Schedule - 7		
Inventories and Contracts-in-progress		
Contracts-in-progress	**6,059.73**	6,029.91
Inventories :		
Stores & Spares	**18.02**	383.37
Raw Materials	**2,432.05**	1,385.58
Work in Progress	**548.32**	204.22
	9,058.12	8,003.08
Share of Joint Venture	-	-
	9,058.12	8,003.08

Schedules annexed to and forming part of the Consolidated Accounts

	As on March 31, 2011 Rs. in Lac	As on March 31, 2010 Rs. in Lac
Schedule - 8		
Sundry Debtors - Unsecured		
A. Considered good		
Outstanding for more than six months*	72,953.34	48,370.37
Other Debts**	122,888.17	100,576.75
(A)	195,841.51	148,947.12
B. Considered Doubtful		
Outstanding for more than six months	3,580.03	3,952.62
Other debts	-	-
	3,580.03	3,952.62
Less : Provision for Doubtful debts	3,580.03	3,952.62
(B)	-	-
(A + B)	195,841.51	148,947.12
Share of Joint Venture ***	529.82	440.39
	196,371.33	149,387.51
* includes retention money not due Rs.52,864.13 lac (31.03.2010 : Rs.40,999.80 lac)		
** includes retention money not due Rs.23,021.52 lac (31.03.2010 : Rs.21,093.08 lac)		
*** Includes retention money not due Rs.266.08 lac (31.03.2010 : Rs.256.62 lac)		
Schedule - 9		
Cash and Bank Balances		
Cash on hand	25.85	46.50
Balance with Scheduled Banks		
On Current Account	7,368.19	9,932.71
On Deposit Account	7,098.78	58.18
With other Banks (Non-Scheduled banks)		
- On Current Account		
Citibank N.A, Singapore (Maximum balance outstanding during the year Rs 28.54 lac (2009-10 Rs.39.74 lac))	6.70	28.54
Abu Dhabi Commercial Bank, Abu Dhabi (Maximum balance outstanding during the year Rs 330.45 lac (2009-10 Rs.410.55 lac))	2.72	330.45
BNP Paribas, Dubai (Maximum balance outstanding during the year Rs 1,300.24 lac (2009-10 Rs.1,515.88 lac))	422.02	349.89
Indian Overseas Bank - Seoul (Maximum balance outstanding during the year Rs 70.89 lac (2009-10 Rs.50.56 lac))	70.89	49.47
National Bank - Fujairah (Maximum balance outstanding during the year Rs 63.14 lac (2009-10 Rs.217.85 lac))	17.84	49.22

Schedules annexed to and forming part of the Consolidated Accounts

	As on March 31, 2011 Rs. in Lac	As on March 31, 2010 Rs. in Lac
Commercial Bank - Qatar (Maximum balance outstanding during the year Rs 702.09 lac (2009-10 Rs.437.61 lac))	**332.60**	265.73
BNP Paribas, Abu Dhabi (Maximum balance outstanding during the year Rs 31.77 lac (2009-10 Rs.Nil))	**10.39**	-
Bank of Baroda, Dubai (Maximum balance outstanding during the year Rs 636.57 lac (2009-10 Rs.Nil))	**12.89**	-
First Gulf Bank - Fujairah (Maximum balance outstanding during the year Rs 125.07 lac (2009-10 Rs.Nil))	**92.40**	-
Gulf Bank, Kuwait (Maximum balance outstanding during the year Rs 37.84 lac (2009-10 Rs.111.10 lac))	**10.84**	21.34
	15,472.11	11,132.03
Share of Joint Venture	**11.95**	114.45
	15,484.06	11,246.48

Schedule - 10

Other Current Assets

	As on March 31, 2011 Rs. in Lac	As on March 31, 2010 Rs. in Lac
Work done but not billed	**7,042.24**	3,677.38
Interest accrued on loans and advances	**147.22**	91.42
Dividend Receivable	**-**	-
	7,189.46	3,768.80
Share of Joint Venture	**-**	137.06
	7,189.46	3,905.86

Schedules annexed to and forming part of the Consolidated Accounts

		As on March 31, 2011 Rs. in Lac		As on March 31, 2010 Rs. in Lac
Schedule - 11				
Loans and Advances				
(Unsecured considered good unless otherwise specified)				
Loans to Companies		10,030.61		-
Advances recoverable in cash or in kind or for value to be received				
- Secured		82.54		73.41
- Unsecured	12,441.79		11,326.71	
Less: Provision for Doubtful Advances	573.67	11,868.12	400.00	10,926.71
Advance to Contractors		23,996.69		29,744.36
Fringe Benefit Tax (Net)		26.28		19.88
Balance with excise authorities etc.		552.43		933.25
		46,556.67		41,697.61
Share of Joint Venture		853.99		1,151.71
		47,410.66		42,849.32
Schedule - 12				
Current Liabilities and Provisions				
Liabilities				
Sundry Creditors - Total outstanding due to Micro and Small Enterprises		422.82		261.23
Sundry Creditors-Total outstanding due to creditors other than Micro and Small Enterprises*		105,670.83		73,787.07
Advance from customers		50,714.35		59,948.74
Advance Billing		-		156.30
Other Liabilities		1,199.30		1,233.51
Interest accrued but not due				
- on Loans		95.42		141.29
- on Others		360.83		44.73
Contract expenses		98,597.49		74,763.53
		257,061.04		210,336.40
Share of Joint Venture		1,246.59		860.59
		258,307.63		211,196.99
Notes				
There is no amount due and outstanding to be credited to Investor Education and Protection Fund.				
Provisions				
Retirement Benefits		706.47		622.50
Provision for Warranty		256.00		256.00
Taxation (Net)		887.56		3,433.76
Proposed Dividend		2,025.00		1,518.75
Tax on Dividend		328.51		258.11
		4,203.54		6,089.12
Share of Joint Venture		2.96		4.70
		4,206.50		6,093.82

Schedules annexed to and forming part of the Consolidated Accounts

	Year ended March 31, 2011 Rs. in Lac	Year ended March 31, 2010 Rs. in Lac
Schedule - 13		
Other Income		
Interest		
- from Banks (Tax deducted at source Rs.0.56 lac (2009-10 : Rs.1.53 lac))	**9.72**	15.50
- from long term investment Interest	**19.05**	19.05
- On loans and advances (Tax deducted at source Rs.78.81 lac (2009-10 : Rs. 169.79 lac))	**661.18**	914.20
- on Tax	**70.09**	-
Dividends from current investments	**1,001.86**	508.22
Hire Charges	**217.04**	242.81
Award money received in respect of loss of profit	**-**	62.13
Miscellaneous Income	**622.65**	311.00
Profit on Sale of Fixed Assets (Net)	**9.06**	12.30
Profit on Sale of Long Term Investment	**-**	119.01
	2,610.65	2,204.22
Share of Joint Venture	**0.02**	(26.33)
	2,610.67	2,177.89
Schedule - 14		
Project Execution Expenses		
Cost of Supplies/Erection and Civil Works	**244,083.12**	222,737.80
Engineering Fees	**3,385.42**	1,811.73
Insurance Premuim	**713.22**	1,424.37
Bank Guarantee and Letter of credit charges	**1,515.20**	1,519.68
	249,696.96	227,493.58
Share of Joint Venture	**39.94**	612.66
	249,736.90	228,106.24
Schedule - 15		
Employee Cost		
Salaries	**14,686.78**	12,423.53
Contribution to Provident Fund/Pension fund	**613.92**	465.61
Gratuity	**354.01**	172.26
Superannuation	**483.88**	374.79
Staff Welfare	**756.35**	821.39
Overseas Living Allowance	**907.03**	667.11
	17,801.97	14,924.69
Share of Joint Venture	**103.74**	113.70
	17,905.71	15,038.39

Schedules annexed to and forming part of the Consolidated Accounts

		Year ended March 31, 2011 Rs. in Lac		Year ended March 31, 2010 Rs. in Lac
Schedule - 16				
Operations, Establishment and Other Expenses				
Rent		1,289.97		1,302.11
Repairs & Maintenance				
(a) Plant and Machinery including Erection and Construction Equipment		187.60		209.04
(b) Building		2.88		1.89
(c) Others		285.15		155.97
Processing Charges		325.54		239.99
Power and Fuel		455.13		411.85
Stores & Spares consumed		157.77		105.50
Increase / (decrease) in excise duty on finished goods		-		2.01
Rates and Taxes		126.07		86.30
Insurance		94.02		39.18
Motor Vehicle Expenses		1,245.84		935.58
Travelling Expenses		1,598.95		1,602.19
Professional and Legal Charges		856.12		677.56
Postage, Telephone, Telegram & Telex		416.86		426.55
Printing and Stationery		222.02		239.87
Staff Recruitment/Training expenses		45.60		80.75
Business Development Expenditure		132.41		122.91
Amortisation of Premium/provision for diminution in the value of investments		75.84		0.24
Bad Debts	766.24		11.53	
Provision for Doubtful Debts	312.44		3,780.93	
	1,078.68		3,792.46	
Less: Provision for Doubtful Debts reversed	685.04		182.94	
		393.64		3,609.52
Bad Advances		60.10		-
Provision for Doubtful Advances / Claims		173.67		-
Difference in Exchange Rate (net)		187.50		977.28
Agency Commission		-		124.58
Loss on Assets Discarded		-		11.12
Brand Equity Contribution		756.25		677.74
Miscelleaneous Expenses		1,453.24		1,462.25
		10,542.17		13,501.98
Share of Joint Venture		213.09		86.96
		10,755.26		13,588.94

Schedules annexed to and forming part of the Consolidated Accounts

	Year ended March 31, 2011 Rs. in Lac	Year ended March 31, 2010 Rs. in Lac
Schedule - 17		
(Increase)/Decrease in Inventories and Contract-in-progress		
Inventories and Contracts-in-progress - Opening		
Finished goods	-	50.46
Work-in-progress	204.22	202.69
Contracts-in-progress	6,029.91	4,270.90
	6,234.13	4,524.05
Inventories and Contracts-in-progress - Closing		
Finished goods	-	-
Work-in-progress	548.32	204.22
Contracts-in-progress	6,059.74	6,029.91
	6,608.06	6,234.13
Net (Increase)/Decrease in Inventories and Contract-in-progress	(373.93)	(1,710.08)
Share of Joint Venture	-	-
	(373.93)	(1,710.08)
Schedule - 18		
Interest		
On Debentures	216.99	270.00
On Fixed Loans	8.61	5.06
On Buyer's Credit	-	51.03
Others	1,333.87	1,077.44
	1,559.47	1,403.53
Share of Joint Venture	-	0.66
	1,559.47	1,404.19

Schedule - 19

Notes to Accounts on the consolidated financial statements for the year ended March 31, 2011

1.0 Principles of consolidation

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

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

Name	Country of Incorporation	Percentage of ownership interest as at March 31, 2011	Percentage of ownership interest as at March 31, 2010
Artson Engineering Limited (AEL)	India	75	75
TPL-TQA Quality Services (Mauritius) Pty Ltd (w.e.f. 2nd July 2009)	Mauritius	70	70
TPL-TQA Quality Services South Africa (Proprietary) Limited (w.e.f.14th Jan 2011)	South Africa	60	-

1.2 Interests in Joint Venture:

Name of the Joint Venture	Al Tawleed For Energy & Power Co. Jointly controlled entity	TEIL Projects Limited Jointly controlled entity
Percentage of Holding		
31.03.11	**30**	**50**
31.03.10	30	50 (w.e.f. 15th July 2008)
Country of Incorporation	Kingdom of Saudi Arabia	India

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

1.3 The financial statement of M/s Al Tawleed For Energy & Power Co. is based on management accounts drawn for the period from January1, 2010 to December 31, 2010. The Company is in liquidation.

1.4 The group's associate is:-

Name of the Company	**Country of Incorporation**	**Percentage of ownership interest as at March 31, 2011**	Percentage of ownership interest as at March 31, 2010
Virendra Garments Manufacturers Private Limited	India	24	24

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

2. Significant Accounting Policies

a. Use of estimates

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

b. Fixed Assets

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

c. Depreciation/Amortisation on Fixed Assets

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

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

d. Goodwill on Consolidation

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

e. Investments

i) Long Term Investments

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

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

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

iii) Interest in Joint Ventures

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

f. Revenue recognition

i) Income from Contracts

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

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

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

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

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

g. Contracts-in-progress

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

h. Inventories

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

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

i. Work done but not billed

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

j. Foreign Exchange Transactions

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

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

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

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

k. Retirement benefits

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

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

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

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

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

l. Income Tax

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

Deferred tax is recognized, subject to consideration of prudence, on timing differences, being the difference between taxable income and accounting income that originate in one period and are capable of reversal in one or more subsequent periods. Deferred tax assets arising on account of unabsorbed depreciation of carry forward of tax losses are recognized only to the extent that there is virtual certainty supported by convincing evidence that sufficient future tax income will be available against which such deferred tax assets can be realized.

m. Provisions, Contingent liabilities and contingent assets

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

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

3. Contingent Liabilities (not provided for)

	Year ended March 31, 2011 (Rs. in Lac)	*Year ended March 31, 2010 (Rs. in Lac)*
i) Bank Guarantees/Standby Letters of Credit issued by the bank on behalf of the company (these are generally backed by bank guarantees obtained by the company from its suppliers/sub-contractors).	**2,59,272.64**	2,45,799.66
ii) Corporate Guarantees issued to clients under various contracts	**3,006.38**	3,638.29
iii) Other Corporate Guarantee	**8,314.79**	1,000.00
iv) Claim against the company not acknowledged as debts.	**5,692.00**	800.00
v) Sales Tax (Works Contract Tax) for which appeals are pending	**377.31**	47.08

4. (a) Capital Commitments

Estimated amount of contracts remaining to be executed on Capital Account and not provided for (net of advance) Rs. 582.74 lac (31.03.2010 – Rs. 1753.93 lac).

(b) Uncalled liability on partly paid shares Rs.200.00 lac (31.03.2010: Rs. 300.00 lac)

5. (a) Managerial Remuneration

	2010-11 Rs.in Lac	2009-10 Rs.in Lac
Salaries including contribution to PF & Superannuation	68.44	*59.47*
Commission	140.00	*100.00*
Benefits	36.26	*23.94*
Sitting Fees	5.71	*7.35*
Commission to non-whole time Directors	85.00	*75.00*
	335.41	*265.76*

The above include the following which are subject to members' approval at the forthcoming Annual General Meeting-

a) the terms of appointment of two whole time directors of the Company;

b) the related remuneration of Rs.104.43 lac for the period November 1, 2010 to March 31, 2011.

Note:-

a) 1. The above figures do not include certain retirement benefits, that is gratuity and long term compensated absences, as separate figures are not available.

2. The Shareholders of TEIL Projects Limited have appointed a whole time director with effect from August 12, 2008 in their Annual General Meeting, held on September 12, 2009 subject to the approval of the Central Government. The Company has filed an application dated April 9, 2010 under section 310, 198/309 and other applicable provisions of the Companies Act 1956 with the Central Government seeking approval for remuneration of Rs.22.15 lac paid to the director for the year ended March 31, 2010, which is in excess of the limit specified in Schedule XIII to the Companies Act 1956 by Rs.10.15 lac. The management is confident of getting the necessary approval and accordingly has expensed the amount of remuneration paid.
3. In respect of Artson Engineering Limited
   (i) Necessary approvals of the Members and the Central Government pursuant to the provisions of the Companies Act 1956 read with the Schedule XIII thereto are being obtained for payment of reimbursement of medical expenses of Rs.1.76 lac incurred by Mr. P.S. Chopde, Executive Director-Manufacturing.
   (ii) Filed an application pursuant to the provisions of the Companies Act 1956 read with the Schedule XIII thereto, with the Central Government seeking its approval for payment of excess remuneration to the extent of Rs.4.92 lac in respect of payment of remuneration.

b) In respect of TEIL Projects Limited, total amount of Rs. 654915/- is booked as provision for Director Remuneration payable to Director Finance for FY 2010-11. The Shareholders of the company have appointed a whole time director with effect from August 12, 2008 to August 11,2010. In their Annual General Meeting held on September 12, 2009 subject to approval of the Central Government. The Company has filed an application dated April 9, 2010 under section 310,198/309 and other applicable provisions of the Companies Act 1956 with the Central Government seeking approval for remuneration paid to director in excess of provision of schedule XIII of the companies Act 1956. MCA vide their reference No.A82530080/1/2010-CL.vii dt 02.12.2010 has informed that the proposal of the company is non-maintainable and hence the application has been closed and filed.

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

	2010-11 Rs. in Lac	2009-10 Rs. in Lac
Contract revenue recognised as revenue during the year	**3,11,994.41**	*2,82,048.96*
Aggregate amount of contract costs incurred in respect of on going contracts net of recognised profits (less recognised losses) upto the reporting date	**9,41,353.09**	*7,37,406.49*
Advance payments received (net of recoveries from progressive bills)	**50,580.15**	*60,351.51*
Retention amount	**75,885.65**	*62,286.56*
Gross amount due from customers for contract work *	**1,21,264.51**	*91,045.96*
For the Method used to determine the contract revenue recognised and the stage of completion of contract in progress, refer note 2(f)(i) above		

7. In line with accepted practice in Construction Business, certain revisions to costs and billing of previous years which have crystallized during the year have been dealt with in the current year. The Profit and Loss Account for the year include credits aggregating to Rs. 5,237.32 lac (31.03.2010: Rs. 5,028.33 lac) on account of changes in estimates.

8. (a) Deferred tax Asset / (Liability) [Net] as at 31st March, 2011 comprises of:

	2010-11 Rs. in Lac	2009-10 Rs. in Lac
Deferred Tax Assets:		
Arising on account of timing differences in:		
Provision for doubtful debts and advances	**1,291.45**	1,445.94
Provision for foreseeable losses	**-**	-
Provision of leave encashment and gratuity etc.	**229.48**	205.66
Disallowance of under section 43B	**67.75**	96.34
Others	**16.12**	160.89
Total (A)	**1,604.80**	1,908.82
Deferred Tax Liability :		
Arising on account of timing differences in:		
Depreciation	**(127.38)**	(206.73)
Total (B)	**(127.38)**	(206.73)
Net Deferred Tax Asset /(Liability) (A) – (B)	**1,477.42**	1,702.09

(b) The Draft Rehabilitation Scheme proposed by the Subsidiary Company (Artson Engineering Limited) was sanctioned by the Board for Industrial and Financial Reconstruction (BIFR) on 18th December 2007 and accordingly the Scheme was given effect in the financial statements prior to the Parent Company acquiring a stake. The Subsidiary Company has filed an appeal with Appellate Authority for Industrial and Financial Reconstruction (AAIFR), with reference to sanctioned scheme in respect of Income Tax matters, exemption from applicability of Clause 49 of the listing agreement, from property / house rent tax by Nasik Municipal Corporation, etc. The company has received an order from AAIFR dated 1st January 2009 specifying waivers of the above mentioned taxes and penalties and accordingly the effect has been given in the financial statements.

(c) The Company had received the BIFR order dated 18th December 2007 which is being implemented. The Company had preferred an appeal to the AAIFR with reference to the above order in respect of issues relating to Tax matters i.e. Income Tax & Service Tax, application of SEBI guidelines, exemptions from Clause 49 of the Listing Agreement with the BSE and property/house rent tax by Nasik Municipal Corporation during operation of the Scheme. Company has received an Order from AAIFR dated 1st January 2009 specifying waivers of the above mentioned taxes and penalties and accordingly the Company has given the effects. The company has also received an order dated 3rd December 2009 from the BIFR where by the company has been granted exemption upto 31st March 2011 from complying with clause 49 of the listing agreement with the BSE. Further the said exemption has been extended upto 31st March 2012 vide BIFR's order dated 1st April 2011.

9. Related Party Disclosures:

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

Name of the related party	Relationship	Nature of transaction	2010-11 Rs.in Lac	2009-10 Rs. in Lac
Tata Power Company Limited	Entity holding more than 20%	Income from Contract services	4,985.87	4,487.38
		Interest on Debentures	180.82	225.00
		Dividend paid	725.63	290.25
		Receivables, Loans and advances outstanding at year end	3495.43	3408.87
		Advance Billing outstanding at year end	-	43.48
		Payables, Advance against Services outstanding at year end	874.56	1256.11
		Guarantees given and outstanding at year end	2503.63	3,638.29
		Work done but not billed	508.63	-
		Interest accrued but not due-Debenture	79.52	119.28
Virendra Garments Manufacturers Private Limited	Associate	-	-	-
Al Tawleed For Energy & Power Co	Joint Venture	Income from Services	-	87.22
		Expenses Recovered	-	57.77
		Receivable outstanding at year end	83.69	84.11
		Loan & Advance outstanding as at year end	-	38.04
		Payable at year end	34.39	72.43
TEIL Projects Limited	Joint Venture	Expenses Recovered	15.97	5.92
		Investment	100.00	102.98
		Guarantees given and outstanding at year end	35.00	5.92
Tata Dilworth, Secord Meagher & Associates (TDSMA)	Associate	-		
Mr.A.K.Misra, Executive Director	Key Management personnel	Managerial remuneration	57.51	106.13
Mr.A.K.Mathur, Executive Director	Key Management personnel (w.e.f.1-Nov-07)	Managerial remuneration	47.19	77.28

10. Segment Information

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

Accordingly the Primary Segment of the Group are:

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

and Secondary Segment of the Group are :

1. Domestic
2. Overseas

Reporting for Business Sector is on the following basis :

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

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

10. Segment Results

Rs. in Lac

A. PRIMARY SEGMENT	Energy Sector		Services		Others(Infra.&Others)		Eliminations		Consolidated Total	
	2010-11	2009-10	2010-11	2009-10	2010-11	2009-10	2010-11	2009-10	2010-11	2009-10
1 Segment Revenue	199,603.80	205,623.38	7,537.36	6,366.95	109,642.45	73,275.26	(1,139.77)	(1,146.80)	315,643.84	284,118.79
2 Segment Result	23,085.45	20,763.15	1,973.11	1,935.58	7,138.35	5,071.30	-	-	32,196.91	27,770.02
3 Unallocated Corporate Expenses									6,484.63	7,555.80
4 Interest Expense									1,559.47	1,404.19
5 Operating Profits (2-3-4)									24,152.81	18,810.03
6 Interest/Dividend Income									2,142.91	1,456.97
7 Other Income									467.76	720.92
8 Net Profit/(Loss) Before Tax (5+6+7)									26,763.48	20,987.92
9 Provision for Taxation									8,602.14	8,333.18
10 Deferred tax									224.67	(1,187.09)
11 Taxation of earlier years									(195.16)	-
12 Net Profit/(Loss) after Tax (8-9-10-11)									18,131.83	13,841.83
OTHER INFORMATION										
Segment Asset	170,546.34	160,097.84	2,525.73	2,778.94	89,743.37	54,002.61	-	-	262,815.44	216,879.40
Unallocated Assets									52,992.53	39,063.69
Total Assets	170,546.34	160,097.84	2,525.73	2,778.94	89,743.37	54,002.61			315,807.97	255,943.09
Segment Liabilities	191,475.55	171,828.92	824.20	620.31	63,910.39	38,648.69	-	-	256,210.14	211,097.92
Unallocated Liabilities									10,404.12	11,638.84
Total Liabilities	191,475.55	171,828.92	824.20	620.31	63,910.39	38,648.69			266,614.26	222,736.76
Capital Expenditure	2,030.46	1,461.75	-	3.68	1,793.37	2,137.05	-	-	3,823.83	3,602.48
Unallocable Capital Expenditure									400.57	634.34
Depreciation	1,062.09	973.34	0.45	19.80	500.39	346.26	-	-	1,562.93	1,339.40
Unallocable Depreciation									918.45	626.91
Non-cash expenses other than depreciation									-	-

B. GEOGRAPHICAL SEGMENT	Domestic		Overseas		Elimination		Consolidated Total	
	2010-11	2009-10	2010-11	2009-10	2010-11	2009-10	2010-11	2009-10
Segment Revenue								
External sales	302,933.38	275,192.78	13,850.23	10,072.81	(1,139.77)	(1,146.80)	315,643.84	284,118.79
Segment Asset	253,606.07	207,875.27	9,209.37	9,004.11			262,815.44	216,879.38
Unallocable asset							52,992.53	39,063.69
Total Asset	253,606.07	207,875.27	9,209.37	9,004.11			315,807.97	255,943.07
Capital Expenditure	3,807.49	3,598.31	16.34	4.17			3,823.83	3,602.48
unallocable Capital Expenditure							400.57	634.34

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

Operating Lease :

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

ii) The group has taken certain properties under non-cancellable leases.

	March 31, 2011 (Rs. in Lac)				March 31, 2010 (Rs. in Lac)			
	Total	**Payments not later than one year**	**Payments later than one year but not later than five years**	**Payments more than five years**	Total	Payments not later than one year	Payments later than one year but not later than five years	Payments more than five years
Total of future minimum lease payments at the balance sheet date	**1,226.93**	**397.55**	**829.38**	-	1,361.21	263.39	1,064.23	33.59

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

Partners	**2010-11**		2009-10	
	Share	**Capital Rs. in Lac**	Share	Capital Rs. in Lac
Tata Projects Limited	60%	1.80	*60%*	*1.80*
Dilworth, Secord, Meagher & Associates	40%	1.20	*40%*	*1.20*

13. Earnings Per Share (EPS)

	2010-11 Rs. in Lac (except number of shares)	2009-10 Rs. in Lac (except number of shares)
a) Weighted Average number of Equity Shares of Rs. 100 each outstanding during the year	**20,25,000**	20,25,000
b) Net Profit after Tax as per the Profit and Loss account	**18,054.44**	13,785.12
c) Basic and Diluted Earnings per share (Rupees)	**892**	681

14. Employee Benefits

Defined Benefit Plans / Long Term Compensated Absences - As per Actuarial Valuations as on March 31, 2011 and recognised in the financial statements in respect of Employee Benefit Schemes:

	2010-11 Rs. in Lac			*2009-10 Rs. in Lac*		
	Gratuity Funded	**Leave Encashment Unfunded**	***Pension* Unfunded**	Gratuity Funded	Leave Encashment Unfunded	Pension Unfunded
I Components of Employer Expense						
1 Current Service Cost	122.50	14.08	-	*136.00*	*8.23*	-
2 Interest Cost	74.12	0.24	7.07	*52.68*	*0.18*	*6.81*
3 Expected Return on Plan Assets	(75.64)	-	-	*(31.93)*	-	-
4 Curtailment Cost/(Credit)	-	-	-	-	-	-
5 Settlement Cost/(Credit)	-	-	-	-	-	-
6 Past Service Cost	-	-	-	-	-	-
7 Actuarial Losses/(Gains)	235.27	(0.56)	23.04	*(46.94)*	*(5.66)*	*3.70*
8 Total expense recognized in the Statement of Profit & Loss Account	359.25	13.75	30.11	*109.81*	*2.75*	*10.51*
II Actual Returns						
III 1 Present Value of Defined Benefit Obligation	1,204.59	15.95	(106.86)	*885.22*	*3.82*	*94.27*
2 Fair Value on Plan Assets	1,214.44	-	-	*885.22*	-	-
3 Status [Surplus/(Deficit)]	9.75	(15.95)	(106.86)	-	*(3.82)*	*(94.27)*
4 Unrecognised Past Service Cost	-	-	-	-	-	-
5 **Net Asset/(Liability) recognised in Balance Sheet**	9.75	(15.95)	(106.86)	-	*(3.82)*	*(94.27)*
IV Change in Defined Benefit Obligations (DBO)						
1 Present Value of DBO at Beginning of Year	898.89	3.82	94.27	*752.60*	*4.11*	*97.80*
2 Current Service Cost	125.50	14.08	-	*136.00*	*8.23*	-
3 Interest Cost	74.12	0.24	7.07	*52.68*	*0.18*	*6.81*
4 Curtailment Cost/(Credit)	-	-	-	-	-	-
5 Settlement Cost/(Credit)	-	-	-	-	-	-
6 Plan Amendments	-	-	-	-	-	-
7 Acquisitions	-	-	-	-	-	-
8 Actuarial (Gains)/Losses	210.34	(0.56)	23.04	*(56.05)*	*(5.66)*	*3.70*
9 Benefits Paid	(110.41)	(1.63)	(17.52)	-	*(3.04)*	*(14.04)*
10 Present value of DBO at the year end	1,198.44	15.95	106.86	*885.23*	*3.82*	*94.27*

V Basis used to determine the Expected Rate of Return of Plan Assets	**As the detailed list of investments is not available, expected return is assumed to be earned on risk free investments like ppf.**
The expected rate of return on plan assets is based on the current portfolio of assets, investment strategy and market scenario. In order to protect the capital and optimise returns within acceptable risk parameters, the plan assets are well diversified.	**8.25%**

	2010-11 (Rs. in Lac)			2009-10 (Rs. in Lac)			2008-09 (Rs. in Lac)			2007-08 (Rs. in Lac)		
	Pension	Gratuity	Leave Encash-ment	Pension	Gratuity	Leave Encash-ment	Pension	Gratuity	Leave Encash-ment	Pension	Gratuity	Leave Encash-ment
VI Net Asset/(Liability) recognised in Balance Sheet (including experience adjustment impact)												
1 Present Value of Defined Benefit Obligation	106.86	1205.97	15.95	94.77	900.70	3.82	97.80	783.77	4.11	51.74	413.85	-
2 Fair Value of Plan Assets	-	1220.68	-	-	913.44	-	-	481.49	--	251.26	-	
3 Status [Surplus/(Deficit)]	(106.86)	14.71	(15.95)	(94.77)	12.74	(3.82)	(97.80)	299.31	(4.11)	(51.74)	162.59	-
4 Experience Adjustment of Plan Assets [Gain/(Loss)]	-	(10.42)	-	-	(8.88)	-	-	7.40	--	4.17	-	
5 Experience Adjustment of obligation [Gain/(Loss)]	34.00	197.34	0.56	7.00	63.93	5.66	59.00	300.61	4.74	NA	117.43	-

	2010-11 Rs. in Lac			*2009-10 Rs. in Lac*		
	Gratuity Funded	**Leave Encashment Unfunded**	**Pension Unfunded**	Gratuity Funded	Leave Encashment Unfunded	Pension Unfunded
VII The major categories of plan assets as a percentage of total plan						
Funded with LIC & Tata AIG	1214.44	-	-	*885.22*	-	-
VIII Actuarial Assumptions						
1 Discount Rate	8.25%	8.00%	8.25%	*8.25%*	*7.00%*	*7.50%*
2 Expected Rate of Return on Plan Assets	8.25%	-		*8.25%*	*7.00%*	
3 Mortality	LIC (1994-96) Ultimate	LIC (1994-96) Ultimate		LIC *(1994-96) Ultimate*	LIC *(1994-96) Ultimate*	
4 Turnover Rate	10.00%	10.00%		*10.00%*	*10.00%*	

15. Loans & Advance – Schedule 11 includes Rs.610.00 Lac (31.03.2009 Rs.610.00 Lac) on account of taxes deducted at source on inter state supplies under applicable Value Added Tax Acts. The Parent Company has contested the deduction in the applicable judicial forum and management is confident of a favorable outcome in the matter.

16. The Company's tower manufacturing facility located at Nagpur is entitled to certain incentives under "Package Scheme of Incentives - 2007" which includes, Industrial Promotion Subsidy (IPS) equivalent of 30% of eligible investments, limited to Rs. 384.93 Lac, which will be sanctioned and disbursed as per modalities to be determined by Government of Maharashtra. Benefit will be accounted on such final determination.

17. Previous year's/period's figures have been regrouped and restated wherever necessary.

For and on behalf of the Board

K S Krishnan
Senior General Manager & Head-Accounts

F K Kavarana
Chairman

Dr A Raja Mogili
Company Secretary

H H Malgham
Director

A K Misra
Executive Director &
Chief Operating Officer

Gist of the Financial Performance for the year 2010-11 of the Subsidiary Companies

Rs. in Lac

S.No	Name of the Subsidiary	Capital	Reserves and Surplus	Total Assets @	Total Liabilities #	Investments	Turnover ##	Profit before taxation	Provision for taxation	Profit after taxation	Proposed dividend
1	Artson Engineering Limited	369.20	(637.57)	10,641.93	10,910.30	-	13,602.15	454.80	-	454.80	-
2	TPL - TQA Quality Services (Mauritus) Pty Limited	15.12	141.80	244.80	87.88	-	454.79	160.35	4.81	155.54	-
3	TPL - TQA Quality Services South Africa Pty Limited	16.40	137.47	403.57	249.70		807.14	18.63	0.54	18.09	69.36

@ Total Assets = Fixed Assets + Current Assets + Miscellaenous Expenditure

Total Liabilities = Debts + Current Liabilities + Deferred Tax Liabilities

Turnover inclueds Other Income

Exchange rate as on 31.03.2011 - Rs. 62.99 / EUR

Exchange rate as on 31.03.2011 - Rs. 6.56 / ZAR

Gist prepared as per individual Subsidiary Companies Final Accounts. For Consolidated results, please refer to Consoliated Financial Statements and Notes appearing thereon.

TPL received Awards for featuring in the Top Ten Most Admired Construction Companies and emerging as the 3rd Fastest Growing Construction Company in 2009-10.

Mr. AK Misra, ED&COO, TPL, receiving the award for 2009-10 from His Excellency, Governor of Maharashtra, Mr. Sankaranarayanan in Mumbai in October 2010.

TATA PROJECTS LIMITED

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CII
Confederation of Indian Industry
Since 1895

National Award for
Excellence in Water Management 2010

This is to certify that

TATA PROJECTS LIMITED, SECUNDERABAD

Has been awarded for "Water Management Initiative – Beyond the fence"

This is being given on completion of the National Competition for
Excellence in Water Management held on 10 - 11 December 2010 at Hyderabad.

RANGANATH N K

L S GANAPATI