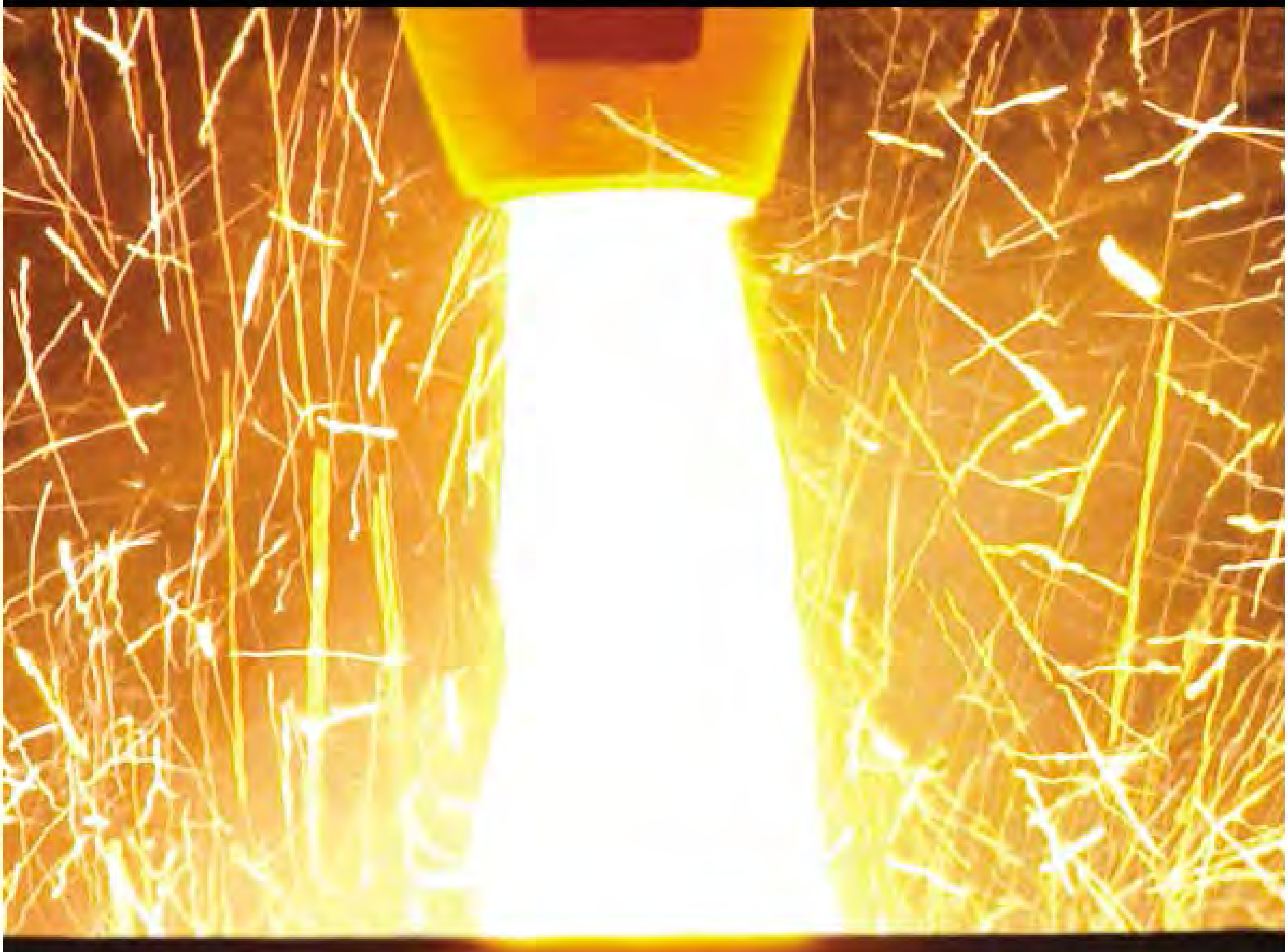
TATA PROJECTS LIMITED



34th Annual Report 2012 -13

TATA PROJECTS LIMITED

34th Annual Report 2012 -13

TATA PROJECTS
Simplify.Create

The cover picture commemorates one of India's largest blast furnaces set up by Tata Projects at SAIL's Rourkela Steel Plant. As the furnace starts producing steel, we take pride in the fact that our achievement will continue to accelerate the nation's progress.

Contents

TATA PROJECTS LIMITED

Board of Directors

Chairman	Mr F K Kavarana
Directors	Mr H H Malgham (upto 28th September 2012)
	Mr A J Engineer (upto 28th September 2012)
	Mr Prasad R Menon
	Mr P N Dhume
	Mr K P Singh (upto 29th September 2012)
	Mr S Ramakrishnan
Managing Director	Mr Vinayak K Deshpande
Company Secretary & Head - Legal	Dr A Raja Mogili

Offices in India

Registered Office
Mithona Towers-1,
1-7-80 to 87,
Prenderghast Road,
SECUNDERABAD-500 003

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

Mumbai Office
Hiranandani
Knowledge Park, 11th Floor,
Technology Street,
Powai,
MUMBAI-400 076

Kolkata Office
P S Srijan Tech Park,
11th Floor, DN 52
Salt Lake, Sector V
KOLKATA-700 091

New Delhi Office
Ground Floor, Tower-B,
Green Boulevard,
Plot No. B-9/A,
Sector-62,
NOIDA-201307 (U.P.)

Overseas Offices

UAE
Flat No.209, 2nd Floor
Al Yamama Tower
P.O.Box No.47662
Zayed II Street (Electra Street)
Nr.El Dorado Cinema,
Abu Dhabi, UAE

CHINA
Unit 17A
918, Huai Hai Middle Road,
Shanghai - 200020
CHINA

KENYA
Unit No.-D-8, 2nd Floor,
Krishna Centre,
Woodvale Grove,
P.O.Box-13746-00800,
Westlands, Nairobi,
KENYA

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 Sridhar & Santhanam
Chartered Accountants

TATA PROJECTS LIMITED

Management Teams

(During FY 2012-13 and upto 22nd May 2013)

Vinayak K Deshpande
Managing Director

Corporate Leadership Council

A K Sharma
Business Head-Power Generation

K P Mishra
Business Head-Metals & Minerals

R Ravi Sankar
Chief Human Resources Officer
(upto 2nd August 2012)

Vivek Gautam
Business Head-Transmission & Distribution (w.e.f 1st May 2013)

A Venkateshwar
Chief-Corporate Affairs

S C Jha
Business Head- Transmission & Distribution
(upto 30th April 2013)

B Sudhakar
Chief Human Resources Officer & CQSH
(w.e.f. 3rd August 2012)

K K Gupta
Business Head-Quality Services

Manzoor ul Ameen
Chief Strategy Officer

Rajgopal Swami
Chief Financial Officer
(w.e.f 14th June 2012)

Business Leadership Council

A K Sharma
Business Head- Power Generation

Pralhad Pawar
Business Head-Oil, Gas & Hydrocarbon
(w.e.f. 4th June 2012)

Dipankar Chatterjee
Business Head-Water & Waste Water

B Sudhakar
Chief Human Resources Officer & CQSH
(w.e.f. 3rd August 2012)

A Vidyasagar
Head-Engineering

K Satyanarayana
Head-Construction Services

Dr A Raja Mogili
Company Secretary & Head - Legal

K K Gupta
Business Head-Quality Services

S C Jha
Business Head-Transmission & Distribution
(upto 30th April 2013)

A Venkateshwar
Chief–Corporate Affairs

Rajgopal Swami
Chief Financial Officer
(w.e.f 14th June 2012)

K R Ramamoorthy
Head-Supply Chain Management
(Upto 30th September 2012)

Vivek Gautam
Business Head-Transmission & Distribution
(w.e.f 1st May 2013)

K P Mishra
Business Head-Metals & Minerals

S A A Irfan
Business Head-Railways

Manzoor ul Ameen
Chief Strategy Officer

Rajeev Sunu
Head-International Business

R Ravi Sankar
Head-Supply Chain Management
(w.e.f 1st October 2012)

Dr Deb Prasanna Choudhury
Head-Contracts & Risk

TATA PROJECTS LIMITED
REPORT OF THE BOARD OF DIRECTORS

To

The Members

Your Directors are pleased to present their Thirty Fourth Annual Report and the audited statements of accounts of the Company for the year ended 31st March 2013.

FINANCIAL RESULTS

The financial results of the Company for the year ended 31st March 2013 are summarized below.

(₹ in crore)

Particulars	2012-13	2011-12(PY)
Income from contracts, services and sale of goods	**3,590.10**	3,076.58
Less: Indirect Taxes and Duties	**109.56**	58.62
Total	**3,480.54**	3,017.97
Other Income	**61.10**	52.25
Total Income	**3,541.64**	3,070.22
Operating Expenditure	**3,359.22**	2,796.40
Operating Profit (PBDIT)	**182.42**	273.82
Interest	**30.17**	22.07
Depreciation	**36.96**	27.92
Profit Before Tax (PBT)	**115.29**	223.83
Provision for Taxes	**30.41**	69.13
Profit After Tax (PAT)	**84.88**	154.70
Balance brought forward from previous year	**427.60**	311.91
Amount transferred from debenture redemption reserve	**8.44**	-
Amount available for appropriations	**520.92**	466.61
Appropriations		
Proposed Dividend	**10.13**	20.25
Tax on Proposed Dividend	**1.72**	3.29
General Reserve	**8.48**	15.47
Balance carried to Balance Sheet	**500.59**	427.60

DIVIDEND

The Board of Directors recommends payment of dividend of ₹ 50/- per share (50 %) for the year ended 31st March 2013 [PY ₹100/- per share (100%)], subject to approval by the Members at the Annual General Meeting.

OPERATIONS

The total income for the year aggregated ₹ 3541.64 crore (PY: ₹ 3070.22 crore). The operating profit for the year was ₹182.42 crore (PY: ₹ 273.82 crore) resulting in a Profit Before Tax (PBT) of ₹ 115.29 crore (PY: ₹ 223.83 crore). The reduction in profit is mainly attributable to cost overruns in some projects, claims not materializing and change in the provisioning policy for old receivables.

EPC-STRATEGIC BUSINESS UNITS (SBUs)

1. Power Generation (PG)

Order Booking: Despite sluggish growth in the power generation sector, the power generation SBU booked fresh orders worth ₹ 6,512 crore during the year. With this the SBU order backlog at the end of year stands ₹ 6,969 crore.

NSL Nagapatnam Power & Infratech Pvt. Ltd. (NPIPL) awarded contract for execution of total thermal plant (2x660MW at Angul District, Odisha) on EPC basis. It marks the entry of your Company into total EPC of Thermal Power Plant. NPIPL also awarded a contract for development of infrastructure and external works for this project.

Another new contract has been received from Industrial Energy Limited (IEL), a Joint Venture of Tata Power Company Limited and Tata Steel Limited for execution of blast furnace gas based power plant (3x67.5MW at Kalinganagar, Odisha) on EPC basis. The project is taken up for execution and progressing as per schedule.

Project Operations: India's largest BoP project for Andhra Pradesh Power Development Corporation Limited (2x800 MW Supercritical Thermal Power Plant, Krishnapatnam) is progressing well and is due for commissioning in the year 2013-14.

The work on the gas based (1x388 MW) Combined Cycle Power Plant, Raigarh, Maharashtra on EPC basis for Pioneer Gas Power Limited (PGPL) commenced in February 2012 and is scheduled to be completed in 24 months. The works are progressing well as per schedule.

Works for BoP [2x80MW Captive Power Plant, Tuticorin] have been successfully completed. One unit is under commercial operation while the 2nd unit is getting ready for synchronization.

2. Transmission & Distribution (T&D)

Order Booking: This business unit started the financial year 2012-13 with a healthy order backlog position of ₹ 3,540 Crore. Due to very high order intake in the previous year based on certain criteria introduced by Power Grid Corporation of India Ltd (PGCIL), to limit the number of projects being awarded to a single contractor, several bids submitted during the year by your Company were not opened. The Company has therefore, decided to execute the works in an accelerated manner and reduce the order backlog rapidly to PGCIL threshold value. Your Company has also started bidding T&D projects in Africa in line with the SBU Strategic plan. To this effect tenders are submitted for Egyptian Electricity Transmission Company (EETC), Egypt, International Pre-Qualification tenders for Electricity Authority of Burundi and for Electricity Authority of Mozambique.

Your Company also entered into an alliance agreement with Balfour Beatty Group, United Kingdom to explore business opportunities in urban infrastructure sector.

Project Operations: During the year, this SBU achieved the highest ever turnover of ₹ 1,600 Crore (PY: ₹ 888 Crore) and commissioned a very critical LILO line [400 kV Simhapuri-Nellore (7.2 kms)] in a record time of one month enabling PGCIL to capitalize Rs. 800 Crore by end of the financial year. Your Company is also executing 39 projects involving more than 6118 circuit kms of extra high-voltage transmission lines.

The Tower Manufacturing Unit (TMU) at Nagpur produced tower parts for T&D Projects achieving 99% of its rated capacity.

3. Water & Waste Water (W&WW)

The recirculation water system for Thin Slab Caster and Rolling (TSCR) mill for Tata Steel Limited, Jamshedpur was successfully completed and has been handed over to the client. The SBU also made substantial progress on implementation of process water systems for HSM plant of Kalinganagar.

Your Company also submitted various bids in the segments of process water treatment, desalination and effluent treatment, which are at various stages of evaluation. With growing industrialization, urbanization and environmental consciousness, water projects are poised to grow and your Company is optimistic to be part of this growth.

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

Order Booking: Your Company secured an EPC contract from Cairn India Limited (for establishment of Storage Tanks and Export System, Mangala Processing Terminal, Barmer) during the year. This business unit has entered into project specific technology tie ups for the Central Polymer Facility project of Cairn India Limited. Also association with Saipem SpA, Italy has been entered into for the Babrala II Fertilizer Complex expansion project of Tata Chemicals.

Project Operations: Execution of first ever Well Pads' contract, for Cairn Aishwarya field development, is progressing well despite local issues and hindrances. The major milestone of first oil extraction was achieved on 23rd March 2012. Execution of other two contracts viz., fire water network project at ONGC, Uran plant and storage tanks and export system at Cairn Mangala processing terminal, are also progressing as per schedule.

5. Railways

Order Booking: This Business Unit has secured 2 major contracts i.e., one from Central Organization of Railway Electrification (CORE) between Chhapra Kacheri-Gorakhpur and the other from Alwar-Rewari section for railway electrification including traction substation and Supervisory Control and Data Acquisition (SCADA) works.

Your Company in partnership with ALDESA Construcciones, Spain bagged the prestigious order for first three lots of World Bank funded, Eastern Dedicated Freight Corridor from Dedicated Freight Corridor Corporation of India Ltd (DFCCIL) under Ministry of Indian Railways. This is a spectacular and land mark success for the SBU and enables the Company with a new and unique pre-qualification to bid for such projects in India. The SBU is bidding for similar lots in the Western Corridor.

Project Operations: The 14 projects in the area of railway electrification, railway composite infrastructure projects involving civil, electrical and signal and telecommunication are progressing as per schedule.

During the year, your Company commissioned 73 Track Kilometers (TKM) between Tadipatri-Kondapuram section for Rail Vikas Nigam Limited (RVNL) and 109 TKM between Khurja-Meerut section & 64 TKM between Nagarcoil to Sengulam for CORE.

6. Metals & Minerals (M&M)

Order Booking: Due to slowdown in economy, the project award in the M&M industry during the year was very poor as several high value bids are under evaluation and would fructify to build a healthy business backlog. With increasing project execution experience and technology tie-ups in several new areas, your company is now better poised to make fresh in-roads in the entire value chain of the iron and steel making industry. New relationships were entered into with Bateman for crushing, screening, washing and beneficiation plant, Kobeleco for re-bar mill, Nippon for rebuilding of blast furnace, acre for coke oven by-product plant and coke dry quenching system and METSO for pellet plant of straight grate technology .

Project Operations: The 2.5 MT Per Annum blast furnaces at Rourkela Steel Plant of Steel Authority of India Limited (SAIL) has reached commissioning stage, while the blast furnace and pellet plants of National Mineral Development Corporation Ltd., (NMDC) are steadily progressing towards completion.

QUALITY SERVICES (QS)

This function is acting as a leading inspection agency in India and overseas (in 35 countries) and more than half of the revenues of this function come from overseas operations.

During the year your Company bagged another order from Vizag Port Trust (VPT), thus increasing the presence in port sector as Independent Engineer (IE). It also bagged several orders in the field of solar power and consolidating its position in renewable energy sector.

Your Company has also launched training and certification programmes, which have been well received by the Industry and gaining momentum.

TQ Services Division expanded its scope of accreditation in several areas in certification business as per ISO 17021 and in inspection services business as per ISO 17020. It also secured several orders from oil majors for audit of Emergency Response Disaster Management Plans (ERDMP) under Petroleum & Natural Gas Regulatory Board (PNGRB) regulations criteria. During the year a subsidiary company (TQ Services Europe GmbH) was registered in Germany to establish presence and carryout business in Europe.

INTERNATIONAL BUSINESS (IB)

Your Company is vigorously pursuing the opportunities in international business and has established a business development office adjacent to project execution office in Nairobi, Kenya, with focus on power sector businesses in East African markets.

SBU ENABLING SERVICES

1. Engineering

The Engineering department is stationed in three locations (Hyderabad, Kolkata and Mumbai) and provides in-house and review engineering services to all SBUs. The Hyderabad center caters to the needs of SBUs- Power Generation & Railways and Substations, whereas Mumbai center serves SBUs - OGH and W&WW. The engineering center at Kolkata serves the SBU-M&M.

The required modern software tools for engineering are available on central server and can be accessed by any of the three engineering centers for concurrent use. STAAD Pro for structural design, STAAD Foundation for foundation design, CAESER-II for piping stress analysis, smart plant-3D review, ETAP for electrical system studies are some of the software available on central server.

2. Construction Services

During the year, this function achieved remarkable success by accomplishing many milestones in its operations. It has developed robust planning and monitoring systems and process due to which, many construction works were completed ahead of schedule with highest quality and safety standards.

With in-house resources and construction expertise, your Company completed four RCC Chimneys within the stipulated time. Having acquired expertise in “Slipform” technology, it has started constructing the 65 metres high water tank at Nagarnar blast furnace project using “Slipform” technology to reduce construction time and cost. An innovative “Telescopic Suspended Platform” developed in-house promises higher safety performance against other conventional systems in the industry. At Krishnapatnam Power Project, 4505 MT of bunker was erected in 105 days by pre assembling of parts, which reduced construction time by more than 50%.

As part of operational excellence, the Company developed new construction methodologies based on industry best practices to reduce the construction time and improve the quality and safety performance at sites. 275 MT Gas Turbine Generator and 250 MT Gas Turbine were erected safely on foundation using strand jack arrangement in a day, which resulted in reduction of construction time by four weeks against conventional method. This function achieved another breakthrough in project execution by completing 7505 cubic metres of mass concrete in 5 days, using in-house resources and innovative use of chiller systems against existing system of using ice. Articulated Man-lift was introduced in Cairn Aishwarya project for Over Head Electrification works to impart better safety working environment.

To enhance its in-house capability, construction of 172.5 metres high NDCT at Krishnapatnam project using in-house resources and importing State-of-the-Art Jump Form technology from Doka, Austria was taken up. As part of standardization, your Company developed "Method Statements" for all the major activities. In order to strengthen construction monitoring and make the planning robust; developed automated alert systems and project management dashboards.

3. Supply Chain Management (SCM)

During the year, this function was restructured and major revamping of sourcing processes was carried out to leverage the advantages of consolidation, forecasting, aggregation and disaggregation (Engineered Packages). The entire procurement of materials/services has now been categorized into four groups viz., a) Bulk commodities; b) OEM items; c) Engineered packages and d) Sub-contracting.

Master Purchase Agreements (MPAs)/MOUs were entered into with major steel suppliers to leverage the advantage of aggregation of Company's demand requirements with the production plans as well as optimize costs on account of turnover discount. Similar agreements would be entered into with major cement suppliers.

The general purchase conditions are being revised to dovetail customer's back to back or better terms to ensure positive cash flows to the organisation.

Procurement competencies were re-visited through a competency assessment exercise and action plans have been drawn up to explore the possibility of sourcing from China.

4. Human Resources Development

With a view to reduce the cost to serve and to increase the productivity, organisation restructuring was rolled out for supply chain management, international business, engineering, human resources development, finance and accounts functions.

Your Company initiated competency mapping in the organisation with supply chain management and human resource departments as a pilot. Work level study (Rich Jobs) has been initiated with the help of Tata Group HR. Conducted the Employee Engagement Survey and the engagement score stood at 3.98 on a 5 point scale. With a view to build internal capability in the organisation and enhance the human capital, your Company launched the Engineering Procurement and Construction (EPC) Academy. Your Company is reviewing key HR and people processes to prepare the organisation to keep abreast of the international markets. As a part of this, your Company established office at Kenya and consciously, enhanced manpower in the area of boiler, turbine and generator in the organisation.

Overall attrition level continues to remain below the industry trend.

Manpower requirements in non-critical operations that are cyclical in nature were met through temporary hiring/outsourcing. Special emphasis was placed on succession planning during the year and key vacancies were filled up.

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

Subsidiaries and Joint Venture Companies

A Subsidiaries

Artson Engineering Limited (AEL)

AEL reported a total income of ₹ 58.99 Crore for the financial year ended 31st March 2013 (previous year ₹ 60.88 Crore) and a loss of ₹ 39.40 Crore (previous year loss of ₹ 13.30 Crore). Performance of this subsidiary was severely affected as (a) the clients who awarded the contracts to AEL have subsequently either suspended these projects indefinitely or terminated them owing to their financial difficulties and (b) AEL was not able to book any major order during the year under review. Head of OGH operations of your Company was inducted as a Director in AEL with a view to synergize AEL's operations with those of your Company's business. Under the guidance of your Company's management, AEL is completely revamping/ restructuring its operations and has finalised a strategy and business plan to overcome the difficulties in operations.

TPL-TQA Quality Services South Africa (Proprietary) Limited; and

TPL-TQA Quality Services (Mauritius) Pty Limited

These two subsidiary companies are growing as per planned projections. The client had expressed satisfaction with the services provided by both the companies. This year the subsidiary at South Africa was awarded the contract for construction management services at client's 6x800MW Medupi Thermal Power Plant site.

Both these subsidiaries are generating adequate return on the investments made and have again reported profits for the year.

TQ-Services Europe GmbH, Germany

To enable the global inspection agency with substantial presence in all Continents by the year 2025, a Limited Liability Company (TQ Services Europe GmbH) was registered in Germany, being the geographic and economic center of Europe.

B Joint Venture Companies

Al-Tawleed for Energy & Power Company LLC

This Joint Venture (JV) Company with M/s Abdullah Ibrahim Al-Towaijiri & Partners Co (Al Mashrik Contracting Company) formed in 2006 for execution of power, infrastructure and industrial projects in the Kingdom of Saudi Arabia (KSA) proved to be no longer viable and hence considered appropriate to wind up the JV, which is in process.

TEIL Projects Limited

TEIL Projects Ltd., (TEIL), the joint venture Company with Engineers India Ltd, participated as an EPC contractor in bidding for projects in power and refinery sectors. During the year, the JV posted a turnover of ₹ 3.34 Crore with closing order book of ₹ 2.94 Crore. Though it posted a loss of ₹ 1.18 Crore during the year (previous year ₹ 2.13 Crore), it reported a positive profit before tax in the fourth quarter.

Regional Offices

To cater to the growth plans, the regional offices at Kolkata, Mumbai and Delhi have been relocated to more appropriate locations, within those cities.

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 direct reporting of internal auditors to 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. Your Company started implementing Enterprise Risk Management during the year.

CORPORATE SUSTAINABILITY

Affirmative Action (AA)

Your Company continued its corporate sustainability initiatives in identified focused areas (education, employability, safe drinking water and community based projects) across various project sites. Your Company has been working on affirmative action since the year 2007 and has adopted the Tata Group's Affirmative Action Policy and is working in the areas of entrepreneurship, employability, aid in education and employment.

Employability: Your Company focused on employability skills and livelihood skill training in the trades of welding, fitter and electrician to the Scheduled Castes/Scheduled Tribe (SC/ST) youth identified through various Non-Government Organizations (NGOs) and employees at project sites. The training was imparted through training partners. 90% trainees have been employed with various companies.

Education Support: Your Company supported 800 students through its Head Office (HO) and Tower Manufacturing Unit (TMU) and about 2000 students at project sites. The support included scholarships, provision of books, sponsoring of remedial classes for slow learners and infrastructure support. Your Company adopted 54 SC/ST students at Hyderabad to support them to continue higher education.

Your Company provided scholarships to five SC/ST students for professional courses through Foundation for Academic Excellence and Access (FAEA), a Tata Group Level initiative. It has adopted a residential school near TMU Umred consisting of 400 Affirmative Action children and also adopted an Industrial Training Institution (ITI) in partnership with Government of Andhra Pradesh. Adoption of few more ITIs are in progress

Entrepreneurship: Your Company continued to work on entrepreneurship through entrepreneurship development program. The candidates were trained in the essentials of conceiving, planning, initiating and launching an economic activity or an enterprise. 30 participants from the first batch have become successful entrepreneurs.

Safe Drinking Water: Reverse Osmosis (RO) drinking water purification plants manufactured by your Company were installed at 5 locations during the year to provide safe drinking water to the community.

Community Based Initiatives: Your Company continued to support community based activities such as medical and blood donation camps, visit to home for the aged, orphanage and cancer hospital.

Some of the major activities: Your Company has participated in the Tata Deep Dive Collaborative Benchmarking study on 'Corporate Social Responsibility' (CSR). In the process of building a database of CSR supported vendors; and your Company's promising practices titled as “social entrepreneurs for access to safe drinking” has been shortlisted.

TAAP (Tata Affirmative Action Program): Your Company participated in the Tata Group Affirmative Action Assessment and was placed in the Band of 40-50; a band shift from last year.

Above all, Tata Projects Community Development Trust was formed during the year to act as a nodal agency, to take up affirmative action plans in a more focused manner.

Business Excellence

Your Company has crossed the milestone of 500 points in Tata Business Excellence Model (TBEM) assessment and was awarded 'Active Promotion' award. Around 50 process improvement projects have been completed during the year under TAKE UP Improvement Initiative.

Your Company has designed, developed and deployed 'Toll Gate Methodology' for efficient execution of projects.

At the Quality Circle Forum of India (QCFI) Chapter Conventions, 15 teams from your Company participated and won prizes (9 Gold and 6 Silver) by showcasing the continual improvement projects that have been done at work area. One of the projects from Tower Manufacturing Unit (TMU), Nagpur won 'Sunflag Rolling Trophy' for presenting the best case study.

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.

India Ratings and Research Pvt. Ltd., (formerly known as Fitch Ratings) has re-affirmed the rating of "IND AA-" for fund based limits and "IND AA-/ IND A1+" for non fund based working capital limits.

B Rating of the Company by Dun & Bradstreet

M/s Dun & Bradstreet has rated your Company at 5A2 which indicates overall status of the Company as "good".

C Non-convertible Debentures issued in the year 2006

During the year, Non-Convertible Debentures were fully redeemed. Till redemption, the rating was affirmed at "IND AA-" (indicating "Stable") by India Ratings and Research Pvt. Ltd., (formerly known as Fitch Ratings) and at "(ICRA) AA" by ICRA Ltd.

ENVIRONMENT, HEALTH AND SAFETY (EHS)

During the year, your Company achieved a Safety Assurance Index (SAI) of 275.72, substantially improving on its SAI of 391 in the previous year. The Krishnapatnam Power Generation project site crossed 32 million safe man hours of work and Tuticorin project site crossed 10 million safe man hours of work since project inception. Out of a total of 60 active project sites, 57 sites reported "Zero fatality working" in the year. Your Company has initiated the "Permit-To-Work" (PTW) systems to ensure hazard free work environment and also introduced an animation film based induction program to workforce, on safety to train and sensitize to construction work hazards. These measures are expected to augment safety management systems to achieve your Company's goal of "Zero Harm".

42nd National Safety Day was celebrated across all project sites and offices to create the safety awareness among workforce. The management initiated weekly teleconference with Resident Construction Managers to discuss and resolve the site safety issues arising from the weekly safety observation reports sent by safety officers. In order to improve effective communication and to correct on the spot unsafe acts/unsafe conditions in Transmission & Distribution (T&D) project sites, mega phone system has been introduced to alert/address the workman working on various activities like tower erection, stringing etc. To enhance the monitoring of the work activities at all T&D locations, execution supervisor has been identified from team and the same has been implemented to ensure the safe execution of work activities at sites. These execution supervisors have been issued high visibility reflective jackets for easy identification. To prevent materials falling off while working at height, tool kit bags were specially designed and issued to all fitters at T&D sites to carry the hand tools like nut and bolts, spanners.

CORPORATE GOVERNANCE

Your Company has always followed good Corporate Governance practices in pursuit of its objective of growth with excellence.

The Audit Committee comprising of Mr H H Malgham (until his retirement as a Director), Mr S Ramakrishnan, Mr P N Dhume and Mr Prasad R Menon (from the date of his induction as member of the Audit Committee) continued to provide valuable advice and guidance in the areas of costing, finance and internal controls. During the year, five (5) meetings of the Audit Committee were held.

During the year seven (7) meetings of the Board of Directors were held.

The Remuneration Committee, comprising of Mr F K Kavarana and Mr Prasad R Menon and Mr A J Engineer (until his retirement as Director) continued to provide valuable guidance in matters relating to personnel.

AWARDS

For the sixth consecutive year, your Company has been rated 'Most Admired Construction Company' by Construction World. Also, your Company has been recognized with two awards viz., 'Infrastructure Company of the Year' and 'Emerging Company of the Year' from the Construction Week, a renowned infrastructure journal.

Your Company received 'Best Contractor in Construction Safety' award from Tata Steel for clocking several safe million man hours of working at Krishnapatnam project.

Your Company also won the 'Active Promotion' award from TQMS.

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 *Annexure-1* to this Report.

PARTICULARS OF EMPLOYEES

The information required under section 217(2A) of the Companies Act 1956 read with the Companies (Particulars of Employees) Rules 1975 is given in *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 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 assets of Company and for preventing and detecting fraud and other irregularities; and

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

DIRECTORS

Consequent to adoption of the TATA Group Guidelines on Composition of Board of Directors, Committees and Retirement Age of Directors, Mr H H Malgham, Mr A J Engineer and Mr K P Singh stepped down at the conclusion of the 33rd Annual General Meeting.

Mr H H Malgham retired after a long tenure of over 11 years as Non-Executive Director, Chairman of the Audit Committee and on other Committees of the Board of the Company since March 2001. The Board placed on record its grateful appreciation of his invaluable overall contribution and guidance to the Company, particularly in the areas of finance, law and corporate governance.

Mr A J Engineer retired after a long tenure of over 11 years as Non-Executive Director, member of Remuneration and Business Review Committees since June 2001. The Board placed on record its grateful appreciation of his invaluable overall contribution and guidance to the Company, particularly in the areas of engineering, construction and excellence in project execution.

Mr K P Singh resigned as Non-Executive Director after nearly 4 years on the Board of the Company. The Board placed on record its keen appreciation of his invaluable services to the deliberations of the Board and his sound leadership and achievements during his earlier role as Managing Director of the Company for nearly 7 years.

Mr P N Dhume and Mr Prasad R Menon, Directors retire by rotation as Directors at the 34th Annual General Meeting and being eligible offer themselves for re-appointment.

AUDITORS

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

ACKNOWLEDGEMENT

The Directors wish to place on record their sincere appreciation for the continued support received during the year from the shareholders, customers both in India and abroad, suppliers and vendors, banks, financial institutions, Tata companies, business associates, joint venture partners and other authorities.

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

Place : Mumbai
Date : 22nd May 2013

on behalf of the Board of Directors

F K Kavarana
Chairman

ANNEXURE - 1

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 31st March 2013.

A Conservation of Energy:

Tower Manufacturing Unit, Nagpur is conscious of the need for energy conservation and striving to explore the possibilities of reducing energy consumption. Some of the measures taken are as under.

a. Received an incentive of ₹6,47,000/- towards maintaining unit Power Factor (PF) throughout the year.

b. Developed single lift hanger arrangement for all galvanizing bath cover to reduce heat loss resulting in saving of Ignite Oil of 300 litre per day and enhance the throughput without adding input.

c. Saved ignite oil by 3.44 % in bending furnace by developing Universal Bending Dye to reduce the tool changing time.

B. Technology Absorption :

1. Tower Manufacturing Unit (TMU)

Some of the measures taken are as under:-

a. Adopted advanced latest Model of CNC Angle Heel Milling machine for faster and economical heel cutting operation, which totally avoided gas cutting and heel removing by angle grinder.

b. Adopted Broach Cutting Machine for performing hole after Bend operation which reduced the manual fatigue while handling material and also requires less floor space for operation.

c. Adopted battery operated material transfer trolley for faster and safe movement of material from raw material yard to fabrication shop and from fabrication to galvanizing shop.

d. Adopted CNC Gussets punching and high speed drilling rpm which is doing both the punching and drilling in the same work place. Use of this machine also enhances the faster completion of gussets with improved quality and productivity.

2. Manufacturing of Reverse Osmosis (RO) Water Purification Plants at Water Purification Development Centre (WPPDC), Medchal, Hyderabad.

In continuation of its efforts to introduce innovative models in R.O.Water purification units for community service, WPPDC designed, developed and tested a fully automated R.O.Unit with remote monitoring system. The model enables controlling the operation of the several units from a remotely located single system utilizing GSM cellular technology and has facility to communicate alerts on R.O.Plant operation parameters to three users on their mobile phones. The model reduces manual intervention in operation of community based R.O.plants and facilitates timely intervention in controlling the operation.

C. Foreign Exchange Earnings and Outgo.

(₹ in crore)

Earnings/Outgo	Year ended 31st March 2013	Year ended 31st March 2012
Earnings	**59.12**	200.00
Outgo	**319.13**	242.10

Standalone Financial Statements

INDEPENDENT AUDITORS' REPORT

TO THE MEMBERS OF TATA PROJECTS LIMITED

Report on the Financial Statements

We have audited the accompanying financial statements of **TATA PROJECTS LIMITED** ("the Company"), which comprise the Balance Sheet as at March 31, 2013, the Statement of Profit and Loss and the Cash Flow Statement for the year then ended, and a summary of the significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

The Company's Management is responsible for the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the Accounting Standards referred to in Section 211(3C) of the Companies Act, 1956 ("the Act") and in accordance with the accounting principles generally accepted in India. This responsibility includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

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

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

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

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India:

(a) in the case of the Balance Sheet, of the state of affairs of the Company as at March 31, 2013;

(b) in the case of the Statement of Profit and Loss, of the profit of the Company for the year ended on that date; and

(c) in the case of the Cash Flow Statement, of the cash flows of the Company for the year ended on that date.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2003("the Order") issued by the Central Government in terms of Section 227(4A) of the Act, we give in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the Order.

2. As required by Section 227(3) of the Act, we report that:

   (a) We have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.

   (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.

   (c) The Balance Sheet, the Statement of Profit and Loss, 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 Statement of Profit and Loss, and the Cash Flow Statement comply with the Accounting Standards referred to in Section 211(3C) of the Act.

   (e) On the basis of the written representations received from the directors as on March 31, 2013 taken on record by the Board of Directors, none of the directors are disqualified as on March 31, 2013 from being appointed as a director in terms of Section 274(1)(g) of the Act.

For DELOITTE HASKINS & SELLS
Chartered Accountants
(Firm Registration No.008072S)

K Rajasekhar
Partner
(Membership No.23341)

Place : Secunderabad
Date : May 22, 2013

ANNEXURE TO THE INDEPENDENT AUDITORS' REPORT

(Referred to in paragraph 1 under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

Having regard to the nature of the Company's business/activities/results during the year, clauses (vi), (x), (xii), (xiii), (xiv), (xviii) and (xx) of paragraph 4 of the Order are not applicable to the Company.

(i) 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) Some of the fixed assets were physically verified during the year by the Management in accordance with a programme of verification, which, in our opinion, provides for physical verification of all the fixed assets at reasonable intervals. According to the information and explanations 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.

(ii) 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 explanations given to us, having regard to the nature of inventory, the procedures of physical verification by way of physical count, site visits by the Management and certification of extent of work completion by competent persons, are 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.

(iii) 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.

(iv) 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.

(v) To the best of our knowledge and belief and according to the information and explanations given to us, there were no contracts or arrangements, particulars of which needed to be entered in the Register maintained under Section 301 of the Companies Act, 1956.

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

(vii) We have broadly reviewed the cost records maintained by the Company pursuant to the Companies (Cost Accounting Records) Rules, 2011 prescribed by the Central Government under Section 209(1)(d) of the Companies Act, 1956 and are of the opinion that, *prima facie*, the prescribed cost records have been maintained. We have, however, not made a detailed examination of the cost records with a view to determine whether they are accurate or complete.

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

(a) The Company has been regular in depositing undisputed statutory 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 Provident Fund, Investor Education and Protection Fund, Employees' State Insurance, Income-tax, Sales Tax, Wealth Tax, Service Tax, Customs Duty, Excise Duty, Cess and other material statutory dues in arrears as at March 31, 2013 for a period of more than six months from the date they became payable.

(c) Details of dues of Income-tax, Sales Tax, Wealth Tax, Service Tax, Customs Duty, Excise Duty and Cess which have not been deposited as on March 31, 2013 on account of disputes are given below:

Statute	Nature of Dues	Forum where Dispute is pending	Period to which the amount relates	Amount involved (₹ in lakhs)
Sales Tax Laws	Sales Tax	Sales Tax Appellate Tribunal	1999-2000 to 2004-05, 2008-09	513.40
Sales Tax Laws	Sales Tax	First Appellate Authority	2003-04, 2006-07 to 2009-10	1,417.52
Sales Tax Laws	Sales Tax	High Court	2001-02, 2002-03, 2006-07 to 2011-12	2,534.49
Income Tax Laws	Income Tax	Commissioner of Income Tax Appeals	2008-09	30.94

(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 financial institutions, banks and debenture holders.

(x) In our opinion and according to the information and explanations given to us, the terms and conditions of the guarantees given by the Company for loans taken by the Company's subsidiary 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 of the Company, we report that funds raised on short-term basis have, *prima facie,* 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 fraud on the Company has been noticed or reported during the year.

For DELOITTE HASKINS & SELLS
Chartered Accountants
(Firm Registration No.008072S)

K Rajasekhar
Partner
(Membership No.23341)

Place : Secunderabad
Date : May 22, 2013

Balance Sheet as at 31st March 2013

	Note No.	As at March 31, 2013 ₹ in lac	As at March 31, 2012 ₹ in lac
A. EQUITY AND LIABILITIES			
1 Shareholders' funds			
(a) Share capital	3	2,025.00	2,025.00
(b) Reserves and surplus	4	67,921.38	60,618.34
		69,946.38	62,643.34
2 Non-current liabilities			
(a) Long-term borrowings	5	48.85	60.70
(b) Other long-term liabilities	6	883.55	894.06
(c) Long-term provisions	7	1,643.32	845.84
		2,575.72	1,800.60
3 Current liabilities			
(a) Short-term borrowings	8	3,829.35	117.34
(b) Trade payables	9	221,747.81	203,000.67
(c) Other current liabilities	10	97,578.12	73,565.49
(d) Short-term provisions	11	2,082.90	4,089.64
		325,238.18	280,773.14
Total		**397,760.28**	**345,217.08**
B ASSETS			
1 Non-current assets			
(a) Fixed assets			
Tangible assets	12	20,740.06	14,240.76
Intangible assets	13	169.91	284.10
Capital work-in-progress		1,474.31	803.73
(b) Non-current investments	14	1,114.99	1,097.90
(c) Deferred tax assets (net)	15	3,569.67	1,949.05
(d) Long-term loans and advances	16	5,924.39	2,328.10
(e) Other non-current assets	17	1,363.26	1,274.70
		34,356.59	21,978.34
2 Current assets			
(a) Current investments	18	3,770.22	13,443.09
(b) Inventories	19	23,923.56	10,596.00
(c) Trade receivables	20	228,011.16	190,262.21
(d) Cash and cash equivalents	21	9,072.56	49,253.90
(e) Short-term loans and advances	22	94,866.00	50,595.28
(f) Other current assets	23	3,760.19	9,088.26
		363,403.69	323,238.74
Total		**397,760.28**	**345,217.08**
Corporate information	1		
Significant accounting policies	2		
See accompanying notes forming part of the financial statements			

In terms of our report attached

For and on behalf of the Board of Directors

For Deloitte Haskins & Sells
Chartered Accountants

K Rajasekhar
Partner

Place : Secunderabad
Date : May 22, 2013

Prasad R Menon
Director

Vinayak K Deshpande
Managing Director

Rajgopal Swami
Chief Financial Officer

Dr A Raja Mogili
Company Secretary

Place : Mumbai
Date : May 22, 2013

Statement of Profit and Loss for the year ended 31st March 2013

		Note No.	**For the year ended March 31, 2013 ₹ in lac**	For the year ended March 31, 2012 ₹ in lac
1	Revenue from operations (gross)		359,010.57	307,658.45
	Less: Indirect taxes and duties		10,955.95	5,861.80
	Revenue from operations (net)	24	**348,054.62**	**301,796.65**
2	**Expenses**			
	(a) Contract execution expenses	26	290,500.35	239,877.38
	(b) Cost of materials consumed (refer Note 31.6)		18,442.35	10,242.60
	(c) Changes in inventories of finished goods, work-in-process and contracts-in-progress	27	(14,292.42)	(1,774.27)
	(d) Employee benefits expense	28	24,200.45	20,291.28
	(e) Other expenses	29	17,071.46	11,003.20
	Total		**335,922.19**	**279,640.19**
3	**Earnings before interest, tax, depreciation and amortisation (EBITDA) (1-2)**		**12,132.43**	**22,156.46**
4	Finance costs	30	3,016.75	2,207.01
5	Depreciation and amortisation expense	12, 13	3,696.13	2,791.74
6	Other income	25	6,109.76	5,225.29
7	**Profit before tax (3-4-5+6)**		**11,529.31**	**22,383.00**
8	**Tax expense**			
	(a) Current tax		4,925.30	7,364.14
	(b) Taxation of earlier years		(262.98)	-
	(c) Deferred tax		(1,620.62)	(451.55)
	Net tax expense		**3,041.70**	**6,912.59**
9	**Profit for the year (7-8)**		**8,487.61**	**15,470.41**
	Earnings per equity share (of ₹ 100 each)			
	Basic and diluted (₹) (refer Note 31.17)		419.14	763.97
	Corporate information	1		
	Significant accounting policies	2		
	See accompanying notes forming part of the financial statements			

In terms of our report attached

For Deloitte Haskins & Sells
Chartered Accountants

K Rajasekhar
Partner

Place : Secunderabad
Date : May 22, 2013

For and on behalf of the Board of Directors

Prasad R Menon
Director

Vinayak K Deshpande
Managing Director

Rajgopal Swami
Chief Financial Officer

Dr A Raja Mogili
Company Secretary

Place : Mumbai
Date : May 22, 2013

Cash flow statement for the year ended 31st March 2013

	For the Year Ended March 31, 2013 ₹ in lac		For the Year Ended March 31, 2012 ₹ in lac	
A. Cash Flow from Operating Activities				
Profit before tax		11,529.31		22,383.00
Adjustments for:				
Depreciation and amortisation expense	3,696.13		2,791.74	
Finance costs	3,016.75		2,207.01	
Interest income	(3,851.43)		(2,516.58)	
Dividend income from subsidiary	(248.79)		(243.98)	
Dividend income from current investments	(1,096.66)		(1,465.56)	
Amortisation of premium and provision for diminution in the value of investments	0.24		0.24	
Provision for foreseeable losses on contracts	(29.09)		606.85	
Loss on sale of fixed assets	19.00		47.52	
Liabilities no longer required written back	(223.14)		-	
Net unrealised exchange (gain)/loss	13.80		(86.23)	
		1,296.81		1,341.01
Operating profit before working capital changes		12,826.12		23,724.01
Changes in working capital:				
Adjustments for (increase)/decrease in Operating Assets:				
- Trade receivables	(37,842.38)		313.81	
- Loans and advances	(36,002.39)		(1,030.87)	
- Other assets	4,778.90		(3,687.91)	
- Inventories	(13,327.56)		(2,411.84)	
Adjustments for increase/(decrease) in Operating Liabilities:				
- Trade payables, Other liabilities and Provisions	45,160.83		25,327.73	
		(37,232.60)		18,510.92
Cash (used in) / generated from operations		(24,406.48)		42,234.93
Net income tax paid		(5,950.46)		(7,279.49)
Net cash flows (used in) / from operating activities		**(30,356.94)**		**34,955.44**
B. Cash flow from investing activities				
Capital expenditure on fixed assets including capital advances	(10,697.17)		(4,902.99)	
Proceeds from sale of fixed assets	42.73		66.47	
Purchase of current investments	(62,727.06)		(79,914.31)	
Proceeds from redemption of current investments	73,496.59		91,374.19	
Investments in subsidiaries/joint ventures	(17.33)		(200.00)	
Interest received	4,400.61		1,980.77	
Inter-corporate deposits given	(18,050.00)		(9,000.00)	
Inter-corporate deposits repaid	6,550.00		5,500.00	
Loan to subsidiaries	(200.00)		(600.00)	
Loan realised from subsidiaries	-		150.00	
Dividend income from subsidiary	248.79		243.98	
Net cash flows (used in) / from investing activities		**(6,952.84)**		**4,698.11**

Cash Flow Statement for the year ended 31st March 2013

	For the Year Ended March 31, 2013 ₹ in lac	For the Year Ended March 31, 2012 ₹ in lac
C. Cash flow from financing activities		
Repayment of debentures	(1,125.00)	(1,125.00)
Repayment of long-term borrowings	(7.15)	-
Proceeds from short-term borrowings	3,712.01	118.05
Finance costs	(3,088.98)	(2,202.03)
Dividends paid including tax on dividend	(2,353.51)	(2,353.51)
Net cash flows used in financing activities	**(2,862.63)**	**(5,562.49)**
Net increase in Cash and cash equivalents (A+B+C)	**(40,172.41)**	**34,091.06**
Cash and cash equivalents at the beginning of the year	**49,253.90**	**15,173.14**
Effect of exchange differences on restatement of foreign currency Cash and cash equivalents	(8.93)	(10.30)
Cash and cash equivalents at the end of the year (refer Note 2 below)	**9,072.56**	**49,253.90**

Note:

1 The above cash flow statement has been prepared under the "Indirect Method" as set out in the Accounting Standard - 3 (AS 3) on Cash Flow Statements.

2 Cash and cash equivalents comprise:

	As at March 31, 2013 ₹ in lac	As at March 31, 2012 ₹ in lac
(i) Cash	23.15	22.88
(ii) Balance with banks		
- in current accounts	8,645.81	13,362.66
- in EEFC account	61.20	668.36
- in deposit accounts	342.40	35,200.00
Cash and cash equivalents included in Note 21	9,072.56	49,253.90

3 Comparative figures of the previous year have been regrouped wherever necessary to compare with those of current year.

In terms of our report attached

For Deloitte Haskins & Sells
Chartered Accountants

K Rajasekhar
Partner

Place : Secunderabad
Date : May 22, 2013

For and on behalf of the Board of Directors

Prasad R Menon
Director

Vinayak K Deshpande
Managing Director

Rajgopal Swami
Chief Financial Officer

Dr A Raja Mogili
Company Secretary

Place : Mumbai
Date : May 22, 2013

Notes forming part of the financial statements

Note 1 Corporate Information

Tata Projects Limited (TPL) was established in 1979 and is in the business of executing Engineering, Procurement and Construction (EPC) contracts in various infrastructure fields, comprising power generation, transmission, distribution and related ancillary services including manufacturing activity, telecommunications, civil construction and other allied engineering and quality services.

Note 2 Significant Accounting Policies

2.1 Basis of accounting and preparation of financial statements

The financial statements have been prepared under the historical cost convention, on an accrual basis, to comply with the Generally Accepted Accounting Principles in India ("Indian GAAP"), the Accounting Standards notified under the Companies (Accounting Standards) Rules, 2006 (as amended) and the relevant provisions of the Companies Act, 1956.

The accounting policies adopted in the preparation of financial statements are consistent with those followed in the previous year.

2.2 Use of estimates

The preparation of the financial statements in conformity with Indian GAAP requires the management to make estimates and assumptions that affect the reported amounts of assets and liabilities, disclosures relating to contingent liabilities at the date of the financial statements and reported amounts of revenues 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 tangible and intangible fixed assets. The management believes that the estimates used in preparation of the financial statements are prudent and reasonable. Future results could differ from these estimates and the difference between the actual results and the estimates are recognised in the periods in which the results are known / materialize.

2.3 Fixed Assets

Fixed Assets are carried at cost less accumulated depreciation / amortization. The cost of fixed assets comprises its purchase price and other attributable expenditure incurred in making the asset ready for its intended use and interest on borrowings attributable to acquisition of qualifying fixed assets up to the date the asset is ready for its intended use.

2.4 Depreciation and amortisation, impairment

Depreciation has been provided on the written down value method as per the rates prescribed in Schedule XIV to the Companies Act, 1956 except in respect of following assets, in whose case depreciation is provided on the straight-line method (SLM), basis the life of the assets which has been assessed as under:

Scaffolding materials	5 years
Wire ropes and slings	2 years
Computer including software	4 years
Motor cars under car policy for executives	4 years

Leasehold land and leasehold improvements are amortized over the duration of the lease.

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

All fixed assets are assessed for any indication of impairment at the end of each financial year. On such indication, the impairment loss being the excess of carrying value over the recoverable value of the assets is charged to the Statement of Profit and Loss in the respective financial years. The impairment loss recognized in prior years is reversed in cases where the recoverable value exceeds the carrying value, upon reassessment in the subsequent years.

Notes forming part of the financial statements

2.5 Investments

Long-term investments are carried individually at cost less provision for diminution, other than temporary, in the value of such investments. Premium paid on investments acquired to hold till maturity is amortised over the holding period.

Current Investments are carried individually, at the lower of cost and fair value.

2.6 Inventories

Raw materials are valued at lower of cost, ascertained on "weighted average" method and net realisable value.

Finished goods are valued at lower of cost and net realisable values. Cost comprises, material and applicable manufacturing overheads and excise duty.

Stores and spares are valued at cost or below on weighted average basis.

Goods-in-transit are valued at cost or below.

2.7 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 the 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 and upon transfer of property in the goods to customers and at the time of rendering of services respectively. Sales includes excise duty and other indirect taxes but excludes indirect taxes collected from customers.

2.8 Unbilled revenues

Unbilled revenue represents value of work executed, billed subsequent to the Balance Sheet date and is valued at contract price.

2.9 Foreign Exchange Transactions

(i) Transactions in foreign currency are recorded at the exchange rates prevailing on the date of transaction. Monetary assets and liabilities denominated in foreign currency are restated at the prevailing year end rates. The resultant gain / loss upon such restatement along with gain / loss on account of foreign currency transactions are accounted in the statement of profit and loss.

(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 statement of profit and loss.

(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 statement of profit and loss.

Notes forming part of the financial statements

2.10 Retirement benefits

Defined contribution plans

The company's contribution to provident fund and superannuation fund, considered as defined contribution plans are charged as an expense in the statement of profit and loss based on the amount of contribution required to be made.

Defined benefit plans

The defined benefit plans comprises gratuity and post retirement medical benefits. Gratuity is covered under a scheme administrated by Tata AIG Life Insurance Company Limited. The liability as at Balance Sheet date is provided based on actuarial valuation carried out by an independent actuary, in accordance with Accounting Standard 15 on 'Employee Benefits' (AS 15).

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

Other long term employee benefits

Other long term employee benefits comprise compensated absences which is provided based on an actuarial valuation carried out in accordance with AS 15 as at the Balance Sheet date.

2.11 Taxes on income

Current tax is determined based on the amount of tax payable in respect of taxable income for the year. Deferred tax is recognised on timing differences, being the difference between the taxable income and accounting income that originate in one period and are capable of reversal in one or more subsequent periods subject to consideration of prudence. Deferred tax assets on unabsorbed depreciation and carry forward of losses are not recognised unless there is a virtual certainty that there will be sufficient future taxable income available to realise such assets. Deferred tax assets and liabilities have been measured using the tax rates and tax laws that have been enacted or substantially enacted by the Balance Sheet date.

2.12 Earnings per share

The earnings considered in ascertaining the company’s Earnings Per Share (EPS) comprise net profit after tax (and includes the post tax effect of any extra ordinary items). The number of shares used in computing Basic EPS is the weighted average number of shares outstanding during the year.

Dilutive potential equity shares are deemed to be converted as of the beginning of the year, unless they have been issued at a later date. The number of shares used for computing the diluted EPS is the weighted average number of shares outstanding during the year after considering the dilutive potential equity shares.

2.13 Segment reporting

The Company identifies primary segments based on the dominant source, nature of risks and returns and the internal organisation and management structure. The operating segments are the segments for which separate financial information is available and for which operating profit/(loss) amounts are evaluated regularly by the executive Management in deciding how to allocate resources and in assessing performance.

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

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

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

Notes forming part of the financial statements

2.14 Provisions and Contingencies

A provision is recognized when the Company has a present obligation as a result of past events and it is probable that an outflow of resources embodying economic benefit will be required to settle the obligation in respect of which a reliable estimate can be made. Provisions (excluding retirement benefits) are not discounted to their present value and are determined based on the best estimate required to settle the obligation at the Balance sheet date. These are reviewed at each Balance Sheet date and adjusted to reflect the current best estimates. Contingent liabilities are disclosed in the notes.

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.

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

2.15 Operating cycle

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

Notes forming part of the financial statements

Note 3 Share Capital

	As at March 31, 2013		As at March 31, 2012	
	Number of Shares	₹ in lac	Number of Shares	₹ in lac
Authorised				
Equity shares of ₹ 100/- each with voting rights	2,500,000	2,500.00	2,500,000	2,500.00
Issued, Subscribed and Paid-up				
Equity shares of ₹ 100/- each with voting rights	2,025,000	2,025.00	2,025,000	2,025.00
Total	**2,025,000**	**2,025.00**	**2,025,000**	**2,025.00**

Notes: **(i) Reconciliation of the number of shares and amount outstanding at the beginning and at the end of the year**

Equity shares with voting rights

	Year ended March 31, 2013		Year ended March 31, 2012	
	Number of shares	Amount (₹ in lac)	Number of shares	Amount (₹ in lac)
As at beginning of the year	**2,025,000**	**2,025.00**	**2,025,000**	**2,025.00**
Changes during the year	-	-	-	-
At the end of the year	**2,025,000**	**2,025.00**	**2,025,000**	**2,025.00**

(ii) Rights, preferences and restrictions attached to the equity shares

The Company has only one class of equity shares having a par value of ₹ 100 each per share. Each holder of equity shares is entitled to one vote per share. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting. In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

During the year ended March 31, 2013, the amount of per share dividend recognised as distribution to equity shareholders was ₹ 50 (March 31, 2012 : ₹ 100)

(iii) Shareholders holding more than 5% of the equity shares

	As at March 31, 2013		As at Year ended March 31, 2012	
	Number of shares	%	Number of shares	%
Equity shares of ₹100 each with voting rights				
The Tata Power Company Limited	967,500	47.78	967,500	47.78
Tata Chemicals Limited	193,500	9.56	193,500	9.56
Tata Sons Limited	135,000	6.67	135,000	6.67
Voltas Limited	135,000	6.67	135,000	6.67
Tata Motors Limited	135,000	6.67	135,000	6.67

(iv) Aggregate number of bonus shares Issued as fully paid up pursuant to contract without payment being received in cash during the period of five years immediately preceding the Balance Sheet date:

	Aggregate number of shares	
	As at March 31, 2013	As at March 31, 2012
Equity shares allotted as fully paid Bonus shares in 2008-09 by capitalisation of securities premium account.	1,687,500	1,687,500

Notes forming part of the financial statements

Note 4 Reserves and Surplus

		As at March 31, 2013 ₹ in lac	As at March 31, 2012 ₹ in lac
(a)	**Securities premium account**	4,987.50	4,987.50
(b)	**Debenture redemption reserve**		
	Opening balance	843.75	843.75
	Less: transferred to surplus in the statement of profit and loss on redemption of 8% partly convertible debentures (non convertible portion)	(843.75)	-
	Closing balance	-	843.75
(c)	**General reserve**		
	Opening balance	12,026.12	10,479.07
	Add: transferred from surplus in statement of profit and loss	848.76	1,547.05
	Closing balance	12,874.88	12,026.12
(d)	**Surplus in statement of profit and loss**		
	Opening balance	42,760.97	31,191.12
	Add: Profit for the year	8,487.61	15,470.41
	Amount transferred from debenture redemption reserve	843.75	-
	Less: Dividend proposed to be distributed to equity shareholders [₹ 50 per share (March 31,2012 ₹100/- per share)]	(1,012.50)	(2,025.00)
	Tax on dividend	(172.07)	(328.51)
	Transferred to general reserve	(848.76)	(1,547.05)
	Closing balance	50,059.00	42,760.97
	Total	**67,921.38**	**60,618.34**

Notes forming part of the financial statements

Note 5 Long-term borrowings

	As at March 31, 2013 ₹ in lac	As at March 31, 2012 ₹ in lac
Debentures (Secured)		
Nil (March 31, 2012: 112,500) 8% partly convertible debentures (non convertible portion)	-	1,125.00
Less: Current maturities of long-term borrowings disclosed under Note 10 - Other current liabilities	-	1,125.00
	-	-
Term loan (unsecured)		
From banks	59.83	66.98
Less: Current maturities of long-term borrowings disclosed under Note 10 - Other current liabilities	10.98	6.28
	48.85	60.70
Total	**48.85**	**60.70**

Notes:

(I) 8% partly convertible debentures (non convertible portion) of ₹ 3,000 each issued on August 29, 2006 has been redeemed at par in 3 equal annual installments commencing at the end of 4th year from the date of allotment and secured by way of :

a) First pari-passu equitable mortgage of all immovable properties of the Company located in Hyderabad, Andhra Pradesh ranking on par with other lenders of the Company.

b) First charge by way of hypothecation of all movable properties / fixed assets, and

c) Floating charge on current assets and loans and advances, subject to first charge being in favour of the Company's bankers and / or working capital lenders.

(ii) Term loan from banks are repayable in equal periodic installments upto a 10 year period from the date of respective loan and carry an interest of 14.1% p.a.

Note 6 Other long-term liabilities

	As at March 31, 2013 ₹ in lac	As at March 31, 2012 ₹ in lac
Trade payables *	883.55	894.06
Total	**883.55**	**894.06**

* comprises retention money payable beyond the normal operating cycle.

Note 7 Long-term provisions

	As at March 31, 2013 ₹ in lac	As at March 31, 2012 ₹ in lac
Provision for employee benefits		
(i) Compensated absences	1,274.21	647.16
(ii) Gratuity	101.33	-
(iii) Post retirement medical benefits	25.95	17.71
(iv) Pension	241.83	180.97
Total	**1,643.32**	**845.84**

Notes forming part of the financial statements

Note 8 Short-term borrowings

	As at March 31, 2013 ₹ in lac	As at March 31, 2012 ₹ in lac
Loans repayable on demand from banks (secured)		
Overdraft facilities (refer Note (i) below)	800.29	117.34
Buyer's credit (refer Note (ii) below)	3,029.06	-
Total	**3,829.35**	**117.34**

Notes:

(i) Overdraft facilities are secured by:

(a) a first charge on the book debts, inventories and other current assets ranking pari-passu.

(b) an exclusive charge on the entire receivables, fixed assets and current assets relating to the project being undertaken at Dubai.

(ii) Buyer's credit are secured by a first charge on all the current assets including inventories, receivables and other moveable assets of the Company both present and future.

Note 9 Trade payables

	As at March 31, 2013 ₹ in lac	As at March 31, 2012 ₹ in lac
Other than Acceptances * (refer note below for details of dues to Micro and Small enterprises)	221,747.81	203,000.67
Total	**221,747.81**	**203,000.67**

* includes provision for contract execution expenses ₹ 56,749.99 lac (March 31, 2012: ₹ 87,826.56 lac)

Note: Disclosure under Section 22 of the Micro, Small and Medium Enterprises Development Act, 2006 *

	As at March 31, 2013 ₹ in lac	As at March 31, 2012 ₹ in lac
(a) Principal amount remaining unpaid as at the end of the accounting year	1,994.74	499.05
(b) Interest due thereon remaining unpaid as at the end of the accounting year	49.84	2.54
(c) The amount of Interest paid along with the amounts of payment made to the supplier beyond the appointed day	-	-
(d) The amount of interest due and payable for the year	-	-
(e) The amount of Interest accrued and remaining unpaid at the end of the accounting year	70.44	20.61
(f) The amount of further interest due and payable even in the succeeding years, until such date when the interest dues as above are actually paid	70.44	20.61
*amounts unpaid to micro and small enterprises on account of retention money has not been considered for the purpose of interest calculation.		

Dues to Micro and Small enterprises have been determined to the extent such parties have been identified on the basis of information collected by the Management. This has been relied upon by the Auditors.

Notes forming part of the financial statements

Note 10 Other Current Liabilities

	As at March 31, 2013 ₹ in lac	As at March 31, 2012 ₹ in lac
(a) Current maturities of long-term borrowings (refer Note 5 - Long-term borrowings)	10.98	1,131.28
(b) Interest accrued and due on borrowings	1.47	0.80
(c) Income received in advance (advance billing)	154.08	207.32
(d) Other payables :		
(i) Statutory remittances	3,098.88	2,121.68
(ii) Payables on purchase of fixed assets	933.87	380.12
(iii) Interest accrued on trade payables and mobilisation advance received	388.25	461.15
(iv) Security deposits received	388.65	306.34
(v) Mobilisation advances from customers	92,566.32	68,927.22
(vi) Others	35.62	29.58
Total	**97,578.12**	**73,565.49**

Note 11 Short-term provisions

	As at March 31, 2013 ₹ in lac	As at March 31, 2012 ₹ in lac
(a) Provision for employee benefits:		
(i) Compensated absences	285.77	81.72
(ii) Gratuity	-	0.27
(iii) Post retirement medical benefits	3.00	10.00
(iv) Pension	31.80	30.16
	320.57	122.15
(b) Provisions - Others:		
(i) Taxation (net of advance tax ₹ Nil (March 31, 2012 : ₹ 31,491.93 lac))	-	1,007.13
(ii) Foreseeable losses on contracts (refer Note 31.19)	577.76	606.85
(iii) Proposed dividend	1,012.50	2,025.00
(iv) Tax on proposed dividend	172.07	328.51
	1,762.33	3,967.49
Total	**2,082.90**	**4,089.64**

Notes forming part of the financial statements

Note 12 Tangible assets

₹ in lac

Particulars	GROSS BLOCK				DEPRECIATION / AMORTISATION				NET BLOCK	
	As at 31st March, 2012	Additions	Deductions	As at 31st March, 2013	As at 31st March, 2012	For the year	On deductions	As at 31st March, 2013	As at 31st March, 2013	As at 31st March, 2012
Freehold Land	322.32	-	-	322.32	-	-	-	-	322.32	322.32
	(322.32)	-	-	(322.32)	-	-	-	-		
Leasehold Land	51.98	-	-	51.98	3.21	0.55	-	3.76	48.22	48.77
	(51.98)	-	-	(51.98)	(2.66)	(0.55)	-	(3.21)		
Buildings	819.53	-	-	819.53	271.28	50.97	-	322.25	497.28	548.25
	(819.53)	-	-	(819.53)	(214.87)	(56.41)	-	(271.28)		
Leasehold Improvements	460.09	419.70	-	879.79	211.49	82.84	-	294.33	585.46	248.60
	(468.80)	-	(8.71)	(460.09)	(163.41)	(48.08)	-	(211.49)		
Plant and Machinery (including Erection/ Construction Machinery)	19,264.26	8,232.42	35.08	27,461.60	7,607.36	2,857.56	31.27	10,433.65	17,027.95	11,656.90
	(15,577.88)	(4,307.68)	(621.30)	(19,264.26)	(6,038.98)	(2,117.46)	(549.08)	(7,607.36)		
Furnitures & Fixtures	634.82	331.22	68.21	897.83	432.08	95.50	47.52	480.06	417.77	202.74
	(623.23)	(33.19)	(21.60)	(634.82)	(379.92)	(66.30)	(14.14)	(432.08)		
Vehicles *	890.46	421.52	101.34	1,210.64	446.87	190.03	79.94	556.96	653.68	443.59
	(664.02)	(311.76)	(85.32)	(890.46)	(381.97)	(127.40)	(62.50)	(446.87)		
Office Equipment	1,003.14	467.81	41.46	1,429.49	477.33	128.41	26.29	579.45	850.04	525.81
	(792.16)	(224.74)	(13.76)	(1,003.14)	(391.06)	(97.31)	(11.04)	(477.33)		
Computers	1,035.40	228.49	27.43	1,236.46	805.37	132.36	26.77	910.96	325.50	230.03
	(997.18)	(130.16)	(91.94)	(1,035.40)	(778.30)	(118.95)	(91.88)	(805.37)		
R & D - Capital Mobile Desalination Plant	40.24	-	-	40.24	26.49	1.91	-	28.40	11.84	13.75
	(40.24)	-	-	(40.24)	(24.27)	(2.22)	-	(26.49)		
Total	**24,522.24**	**10,101.16**	**273.52**	**34,349.88**	**10,281.48**	**3,540.13**	**211.79**	**13,609.82**	**20,740.06**	
Previous year	20,357.34	5,007.53	842.63	24,522.24	8,375.44	2,634.68	728.64	10,281.48		14,240.76

* includes heavy vehicles viz. tractors, trailers, tippers
Amounts in brackets represent previous year numbers.

Note 13 Intangible assets

₹ in lac

Particulars	GROSS BLOCK				DEPRECIATION / AMORTISATION				NET BLOCK	
	As at 31st March, 2012	Additions	Deductions	As at 31st March, 2013	As at 31st March, 2012	For the Year	On deductions	As at 31st March, 2013	As at 31st March, 2013	As at 31st March, 2012
Software	741.85	41.81	-	783.66	457.75	156.00	-	613.75	169.91	284.10
	(741.85)	-	-	(741.85)	(300.69)	(157.06)	-	(457.75)		
Goodwill	2,132.57	-	-	2,132.57	2,132.57	-	-	2,132.57	-	-
	(2,132.57)	-	-	(2,132.57)	(2,132.57)	-	-	(2,132.57)	-	-
Total	**2,874.42**	**41.81**	**-**	**2,916.23**	**2,590.32**	**156.00**	**-**	**2,746.32**	**169.91**	
Previous year	2,874.42	-	-	2,874.42	2,433.26	157.06	-	2,590.32		284.10

Amounts in brackets represent previous year numbers

Notes forming part of the financial statements
Note 14 Non-current investments

	As at March 31, 2013 ₹ in lac	As at March 31, 2012 ₹ in lac
Investments (At cost unless stated otherwise)		
A. Trade		
a) Investment in equity instruments		
(i) of subsidiaries		
Artson Engineering Limited 2,76,90,000 (March 31, 2012: 2,76,90,000) equity shares of ₹ 1 each fully paid	276.90	276.90
TPL-TQA Quality Services (Mauritius) Pty Limited 16,800 (March 31, 2012: 16,800) equity shares of EUR 1 each fully paid-up	11.37	11.37
TPL-TQA Quality Services South Africa (Pty) Limited 150,000 (March 31, 2012: 150,000) equity shares of ZAR 1 each fully paid-up	9.34	9.34
TQ Services Europe GmbH 25,000 (March 31, 2012: Nil) shares of EUR 1 each fully paid	17.33	-
(ii) of joint ventures - jointly controlled entities		
Al-Tawleed for Energy & Power Company (under liquidation) 300 (March 31, 2012: 300) cash shares of Saudi Arabian Rials (SAR) 2000 per share equivalent to SAR 6,00,000 fully paid	75.60	75.60
Less: Provision for diminution in value of investments	(75.60)	(75.60)
	-	-
TEIL Projects Limited 49,99,997 (March 31, 2012: 49,99,997) equity shares of ₹ 10 each fully paid	500.00	500.00
(iii) of associates		
Virendra Garments Manufacturing Private Limited 1,200 (March 31, 2012: 1,200) shares of ₹100 each fully paid	1.20	1.20
Less: Provision for diminution in value of investments	(1.20)	(1.20)
	-	-
b) Investment in partnership firms		
Tata Dilworth Secord Meagher & Associates (Refer note below)	1.80	1.80
Less: Provision for diminution in value of investments	(1.80)	(1.80)
	-	-
	814.94	797.61

Notes forming part of the financial statements

Note 14 Non-current investments (Contd...)

	As at March 31, 2013 ₹ in lac	As at March 31, 2012 ₹ in lac
B. Other investments		
(i) Government securities		
Investments in Exim Bank		
3 Nos.(March 31, 2012: 3 Nos.) 6.35% Exim Bond - 2013 of ₹ 100 lac each fully paid	302.35	302.35
Less: Amortisation of premium	(2.30)	(2.06)
	300.05	300.29
Total	**1,114.99**	**1,097.90**
Aggregate amount of listed and quoted Investments	276.90	276.90
Aggregate market value of listed and quoted investments	4,471.94	7,240.94
Aggregate amount of unquoted investments	838.09	821.00

Note: Other details relating to investment in partnership firm

	As at March 31, 2013			As at March 31, 2012		
Name of the firm	Name of partner in the firm	Share of Capital	Share of each partner in the profits of the firm	Name of partner in the firm	Share of Capital	Share of each partner in the profits of the firm
Tata Dilworth Secord,	(i) Tata Projects Limited	1.80	60%	(i) Tata Projects Limited	1.80	60%
Meagher & Associates	(ii) Dilworth Secord, Meagher & Associates	1.20	40%	(ii) Dilworth Secord, Meagher & Associates	1.20	40%

Note 15 Deferred tax assets (net)

	March 31, 2013 ₹ in lac	March 31, 2012 ₹ in lac
A. Tax effect of items constituting deferred tax liability	-	-
B. Tax effect of items constituting deferred tax assets		
Depreciation	171.81	20.17
Provision for doubtful debts and advances	2,457.55	1,357.55
Provision for foreseeable losses	196.38	196.89
Provision of compensated absences and gratuity	657.68	305.07
Disallowance under section 43B	61.18	55.16
Others	25.07	14.21
Deferred tax assets (net)	**3,569.67**	**1,949.05**

Notes forming part of the financial statements

Note 16 Long-term loans and advances (unsecured, considered good)

	As at March 31, 2013 ₹ in lac	As at March 31, 2012 ₹ in lac
(a) Capital Advances	8.01	124.39
(b) Loan and advances to related parties (refer Note 31.15)		
- Subsidiary company Artson Engineering Limited		
- Inter Corporate Deposit	1,800.00	-
- Loans	1,930.39	1,040.20
	3,730.39	1,040.20
(c) Security deposits	1,012.52	717.50
(d) Deposits with government authorities	767.23	335.20
(e) Loans and advances to employees	57.49	66.76
(f) Prepaid expenses	34.46	17.77
(g) Advance income tax [net of provision for tax ₹ 37,164.97 lac (March 31, 2012 : ₹ Nil)]	288.01	-
(h) Advance payment of fringe benefit tax (net)	26.28	26.28
Total	**5,924.39**	**2,328.10**

Note 17 Other non-current assets

	As at March 31, 2013 ₹ in lac	As at March 31, 2012 ₹ in lac
Long-term trade receivables *	1,363.26	1,274.70
Total	**1,363.26**	**1,274.70**

* comprises retention money receivable beyond the normal operating cycle.

Notes forming part of the financial statements

Note 18 Current investments (at lower of cost and fair value)

	As at March 31, 2013 ₹ in lac	As at March 31, 2012 ₹ in lac
Investments in mutual funds		
TATA Floater Fund - Daily Dividend Nil (March 31, 2012: 3,93,74,068.299) Units of ₹ 10 each	-	3,951.42
UTI Treasury Advantage Fund - Institutional Plan - Daily Dividend Option- Reinvestment 32,165.526 (March 31, 2012: 1,23,869.480) Units of ₹ 1,000 each	321.72	1,238.96
HDFC Cash Management Fund - Treasury Advantage Plan - Wholesale - Daily Dividend, Option : Reinvest Nil (March 31, 2012: 50,11,118.389) Units of ₹ 10 each	-	502.69
IDFC Money Manager Fund - TP - Super Inst Plan C - Daily Dividend Nil (March 31, 2012: 53,75,534.500) Units of ₹ 10 each	-	537.63
Kotak Floater Long Term - Daily Dividend 31,30,268.264 (March 31, 2012: 94,27,142.889) Units of ₹ 10 each	315.52	950.24
DSP Blackrock Money Manager Fund - Institutional Plan - Daily Dividend Nil (March 31, 2012: 43,094.562) Units of ₹ 1,000 each	-	431.29
HSBC Floating Rate-Long Term Plan - Weekly Dividend 14,26,706.190 (March 31, 2012: Nil) Units of ₹ 10 each	160.23	-
JM Money Manager Fund - Super Plan - Daily Dividend - Reinvest 22,47,307.451 (March 31, 2012: 1,18,21,099.319) units of ₹ 10 each	224.93	1,183.50
Templeton India Ultra Short Bond Fund Institutional Plan - Daily Dividend Reinvestment Nil (March 31, 2012: 1,13,30,265.817) Units of ₹ 10 each	-	1,134.28
Birla Sun Life Savings Fund - Daily Dividend - Regular Plan - Reinvestment 336,743.244 (March 31, 2012: 12,48,401.681) Units of ₹ 100 each	337.06	1,249.25
SBI - SHF - Ultra Short Term Fund - Institutional Plan - Daily Dividend Nil (March 31, 2012: 98,856.181) Units of ₹ 1,000 each	-	989.15
ICICI Prudential Flexible Income - Regular Plan - Daily Dividend 3,38,417.886 (March 31, 2012: 12,05,538.270) Units of ₹ 100 each	357.83	1,274.68
Tata Floater Fund - Plan A- Daily Dividend - Reinvestment 1,00,568.831 (March 31, 2012: Nil) Units of ₹ 1,000 each	1,009.27	-
HDFC Liquid Fund - Dividend - Daily Reinvestment 30,48,798.054 (March 31, 2012: Nil) Units of ₹ 10 each	310.92	-
Templeton India Ultra Short Bond Fund Super Institutional Daily Dividend Plan 37,21,020.496 (March 31, 2012: Nil) Units of ₹ 10 each	372.77	-
DSP BlackRock Money Manager Fund-Regular-Daily Dividend Reinvest 12,578.639 (March 31, 2012: Nil) Units of ₹ 1,000 each	127.88	-
SBI Ultra Short Term Debt Fund – Regular Plan - Daily Dividend 21,405.554 (March 31, 2012: Nil) Units of ₹ 1,000 each	214.33	-
IDFC Money Manager Fund - Treasury Plan - Daily Dividend-(Regular Plan) 1,76,337.294 (March 31, 2012: Nil) Units of ₹ 10 each	17.76	-
Total	**3,770.22**	**13,443.09**

Notes forming part of the financial statements

Note 19 Inventories (valued at lower of cost and net realisable value)

	As at March 31, 2013 ₹ in lac	As at March 31, 2012 ₹ in lac
(a) Raw materials	1,692.19	2,677.84
(b) Work-in-process	302.19	548.55
(c) Finished goods	69.02	78.92
(d) Stores and spares	32.29	11.50
(e) Contracts-in-progress *	21,827.87	7,279.19
Total	**23,923.56**	**10,596.00**
* includes Goods-in-transit	2,979.20	-

Note 20 Trade receivables

	As at March 31, 2013 ₹ in lac	As at March 31, 2012 ₹ in lac
Trade receivables outstanding for a period exceeding six months from the date they were due for payment		
Unsecured, considered good	19,777.08	22,307.69
Doubtful	6,697.19	3,784.17
	26,474.27	26,091.86
Less: Provision for doubtful trade receivables	(6,697.19)	(3,784.17)
	19,777.08	22,307.69
Other Trade receivables		
Unsecured, considered good #	208,234.08	167,954.52
Total	**228,011.16**	**190,262.21**

includes retention money receivable ₹ 99,340.63 lac (March 31, 2012 : ₹ 83,666.89 lac)

Note 21 Cash and cash equivalents

	As at March 31, 2013 ₹ in lac	As at March 31, 2012 ₹ in lac
(a) Cash on hand	23.15	22.88
(b) Balances with banks:		
- In current accounts	8,645.81	13,362.66
- In EEFC accounts	61.20	668.36
- In demand deposit accounts (refer Note below)	342.40	35,200.00
Total	**9,072.56**	**49,253.90**

Note:

Deposit accounts include ₹ Nil (March 31, 2012 : ₹ Nil) demand deposits with remaining maturity of more than 12 months from the balance sheet date.

Notes forming part of the financial statements

Note 22 Short-term loans and advances (Unsecured, considered good unless otherwise stated)

	As at March 31, 2013 ₹ in lac	As at March 31, 2012 ₹ in lac
(a) Loan and advances to related parties (refer Note 31.15)		
- Subsidiary company		
Artson Engineering Limited		
- Inter-corporate deposits	-	1,600.00
- Loans	-	890.20
- Project related advances	1,126.80	138.35
	1,126.80	2,628.55
(b) Security deposits	574.63	420.84
(c) Loans and advances to employees	175.89	161.81
(d) Prepaid expenses	640.13	454.03
(e) Balances with government authorities		
CENVAT credit receivable	29.21	146.26
VAT credit receivable	597.24	400.97
Sales tax deducted at source	6,590.15	4,718.23
Customs duty refund receivable	1,169.41	-
	8,386.01	5,265.46
(f) Inter-corporate deposits	23,500.00	12,000.00
(g) Mobilisation advance	46,666.00	25,486.18
(h) Other project related advances		
Unsecured, considered good	13,796.54	4,178.41
Doubtful	400.00	400.00
	14,196.54	4,578.41
Less: Provision for doubtful advances	(400.00)	(400.00)
	13,796.54	4,178.41
Total	**94,866.00**	**50,595.28**

Notes forming part of the financial statements

Note 23 Other current assets (unsecured, considered good unless otherwise stated)

	As at March 31, 2013 ₹ in lac	As at March 31, 2012 ₹ in lac
(a) Unbilled revenue	**1,743.28**	**7,169.63**
(b) Accruals :		
(i) Interest accrued on deposits	5.52	191.89
(ii) Interest accrued on investments	14.87	14.87
(iii) Interest accrued on inter corporate deposits	56.19	221.01
(iv) Interest accrued on loans to subsidiary		
- unsecured, considered good	-	193.16
- doubtful	133.02	-
(v) Interest accrued on mobilisation advance given	80.48	85.30
	290.08	706.23
Less: Provision for doubtful interest accrued on loans to subsidiary	(133.02)	-
	157.06	**706.23**
(c) Others		
(i) Insurance and other claims receivables		
Unsecured, considered good	32.34	19.66
Doubtful	73.25	73.25
	105.59	92.91
Less: Provision for doubtful claims	(73.25)	(73.25)
	32.34	19.66
(ii) Contractually reimbursable expenses	1,827.51	1,192.74
	1,859.85	**1,212.40**
Total	**3,760.19**	**9,088.26**

Notes forming part of the financial statements

Note 24 Revenue from operations

	For the year ended March 31, 2013 ₹ in lac	For the year ended March 31, 2012 ₹ in lac
(a) Income from contracts (refer note (i) below)	349,959.48	298,582.88
(b) Income from services (refer note (ii) below)	8,353.51	8,633.85
(c) Income from sale of goods (refer note (iii) below)	235.81	214.70
(d) Other operating revenues (refer note (iv) below)	461.77	227.02
Revenue from operations (Gross)	**359,010.57**	**307,658.45**
Less: Indirect taxes and duties	10,955.95	5,861.80
Total	**348,054.62**	**301,796.65**
Notes:		
(i) Income from contracts comprises :		
- Supply of contract equipment and materials	223,024.04	196,442.67
- Civil and erection works	126,935.44	102,140.21
Total	**349,959.48**	**298,582.88**
(ii) Income from services comprises :		
- Quality inspection services	8,330.49	8,592.66
- Manpower services	23.02	41.19
Total	**8,353.51**	**8,633.85**
(iii) Income from sale of goods comprises :		
- Sale of BWRO units	235.81	214.70
Total	**235.81**	**214.70**
(iv) Other operating revenues comprises :		
- Sale of scrap	461.77	227.02
Total	**461.77**	**227.02**

Notes forming part of the financial statements

Note 25 Other income

	For the year ended March 31, 2013 ₹ in lac	For the year ended March 31, 2012 ₹ in lac
(a) Interest income (refer Note (i) below)	3,851.43	2,516.58
(b) Dividend income :		
from current investments		
- mutual funds	1,096.66	1,465.56
from long-term investments		
- subsidiaries	248.79	243.98
(c) Net gain on foreign currency transactions and translations	220.59	580.98
(d) Other non-operating income (refer Note (ii) below)	692.29	418.19
Total	**6,109.76**	**5,225.29**
Notes:		
(i) Interest Income comprises :		
- Interest from banks on deposits	681.84	689.54
- Interest on inter corporate deposits	2,144.35	1,103.66
- Interest income from long-term investments	19.05	19.05
- Interest income on mobilisation advance given	816.11	315.61
- Interest on loans to subsidiary	86.96	334.58
- Other interest	103.12	54.14
Total	**3,851.43**	**2,516.58**
(ii) Other non-operating income comprises :		
- Hire charges	353.87	182.77
- Liabilities no longer required written back	223.14	-
- Miscellaneous income	115.28	235.42
Total	**692.29**	**418.19**

Note 26 Contract execution expenses

	For the year ended March 31, 2013 ₹ in lac	For the year ended March 31, 2012 ₹ in lac
(a) Cost of supplies/erection and civil works *	285,052.59	235,491.01
(b) Engineering fees	2,160.17	1,395.90
(c) Insurance premium	1,826.16	1,326.17
(d) Bank guarantee and letter of credit charges	1,461.43	1,664.30
Total	**290,500.35**	**239,877.38**

* includes increase / (decrease) in excise duty of ₹ 4.84 lac (previous year: (₹ 2.60 lac)) on finished goods

Notes forming part of the financial statements

Note 27 Changes in inventories of finished goods, work-in-process and contracts-in-progress

	For the year ended March 31, 2013 ₹ in lac	For the year ended March 31, 2012 ₹ in lac
Inventories at the end of the year		
Finished goods	69.02	78.92
Work-in-process	302.19	548.55
Contracts-in-progress	21,827.87	7,279.19
	22,199.08	**7,906.66**
Inventories at the beginning of the year		
Finished goods	78.92	51.36
Work-in-process	548.55	282.81
Contracts-in-progress	7,279.19	5,798.22
	7,906.66	**6,132.39**
Net (increase)/decrease	**(14,292.42)**	**(1,774.27)**

Note 28 Employee benefits expense

	For the year ended March 31, 2013 ₹ in lac	For the year ended March 31, 2012 ₹ in lac
(a) Salaries and wages	20,940.70	17,775.21
(b) Contribution to provident and other funds	2,203.97	1,650.93
(c) Staff welfare expenses	1,055.78	865.14
Total	**24,200.45**	**20,291.28**

Notes forming part of the financial statements

Note 29 Other expenses

		For the year ended March 31, 2013 ₹ in lac		For the year ended March 31, 2012 ₹ in lac
Consumption of stores and spare parts		291.84		139.87
Rent		2,003.76		1,480.62
Repairs and maintenance				
- Building		1.87		134.45
- Machinery		297.29		208.35
- Others		538.90		374.19
Processing charges		765.55		326.62
Power and fuel		776.63		572.01
Rates and taxes		168.52		105.97
Insurance		71.41		74.46
Motor vehicle expenses		2,022.37		1,459.94
Traveling and conveyance		2,187.45		1,762.92
Legal and professional		1,450.47		1,163.28
Payment to auditors (refer note below)		37.40		26.70
Communication expenses		482.35		415.62
Printing and stationery		261.71		201.60
Staff recruitment and training expenses		156.32		92.76
Business development expenditure		176.14		299.74
Bank charges		50.92		92.81
Freight and handling charges		393.43		158.27
Amortisation of premium and provision for diminution in the value of investments		0.24		0.24
Bad debts	-		13.97	
Provision for doubtful trade receivables	3,364.65		437.87	
	3,364.65		451.84	
Less: Provision for doubtful trade receivables reversed	(451.63)		(133.73)	
		2,913.02		318.11
Advances written off	254.41		-	
Provision for doubtful loans and advances	133.02		-	
	387.43		-	
Less: Provision for doubtful loans and advances reversed	-		(100.42)	
		387.43		(100.42)
Agency commission		49.84		45.18
Brand equity contribution		576.47		753.92
Loss on sale of fixed assets (net)		19.00		47.52
Miscellaneous expenses		991.13		848.47
Total		**17,071.46**		**11,003.20**
Note:				
Payment to auditors comprises (net of service tax)				
(a) To Statutory auditors				
Audit fees		20.00		15.00
Tax audit fees		2.00		2.00
Limited review fees		6.00		6.00
Other services		6.18		3.52
Reimbursement of expenses		0.59		0.18
(b) To Cost auditor for cost audit		2.63		-
Total		**37.40**		**26.70**

Notes forming part of the financial statements

Note 30 Finance costs

	For the year ended March 31, 2013 ₹ in lac	For the year ended March 31, 2012 ₹ in lac
(a) Interest expense on :		
(i) Borrowings	124.11	177.11
(ii) Mobilisation advance received	2,693.86	2,023.33
(iii) Others	162.97	6.57
(b) Other borrowing costs	35.81	-
Total	**3,016.75**	**2,207.01**

Note 31 Additional notes to the financial statements

31.1 Contingent liabilities and commitments (to the extent not provided for)

	For the year ended March 31, 2013 ₹ in lac	For the year ended March 31, 2012 ₹ in lac
(i) Contingent liabilities:		
(a) Claim against the Company not acknowledged as debt		
Sales tax matters under dispute	4,883.17	3,958.78
Third party claims from disputes relating to contracts	60.00	830.00
(b) Guarantees		
Performance and other bank guarantees issued by banks on behalf of the Company	353,138.76	330,033.22
Corporate guarantees (refer note below)	19,929.12	16,600.93
(c) Others - liquidated damages	Amounts indeterminate	Amounts indeterminate
(d) Bills discounted	460.48	-
Note: Includes ₹ 6,000 lac (March 31, 2012 : ₹ 6,000 lac) given on behalf of its subsidiary, Artson Engineering Limited and remaining outstanding as at March 31, 2013.		
(ii) Commitments		
Estimated amount of contracts remaining to be executed on capital account and not provided for [net of advance ₹ 8.01 lac (March 31, 2012 : ₹ 124.39 lac)]	69.73	497.16

Notes forming part of the financial statements

31.2 Details on derivative instruments and unhedged foreign currency exposures

a) Outstanding forward exchange contracts entered into by the Company as on March 31, 2013

Currency	Amount (in Million)	Buy/Sell	Cross Currency
Euro	1.28	Buy	Rupees
	(-)	(-)	(-)
USD	0.52	Buy	Rupees
	(-)	(-)	(-)

Amounts in brackets represent previous year numbers

b) The year end foreign currency exposures that have not been hedged by a derivative instrument or otherwise are given below:

		As at March 31, 2013			As at March 31, 2012	
		Currency	Foreign Currency (In Million)	₹ in lac	Foreign Currency (In Million)	₹ in lac
1	Short term borrowings	USD	1.05	569.77	-	-
		EUR	1.73	1,205.37	-	-
		AED	5.41	800.29	0.85	117.34
2	Receivables	AED	24.67	3,645.50	31.56	4,370.47
		KES	23.06	146.43	-	-
		WON	85.14	41.72	10.79	4.86
		QAR	0.37	54.72	0.14	20.19
		EUR	0.10	69.61	0.08	51.96
		ZAR	2.43	142.93	0.42	27.86
		SAR	0.57	83.69	0.59	83.69
		SGD	-	-	0.02	7.28
3	Payables	QAR	0.002	0.26	0.19	27.23
		AED	12.52	1,850.38	23.69	3,281.60
		SGD	0.07	29.66	0.001	0.47
		SAR	0.24	34.39	0.24	34.39
		WON	28.56	14.00	-	-
		KES	300.22	210.02	-	-
4	Interest accrued on buyer's credit	USD	0.002	1.33	-	-
		EUR	0.004	2.56	-	-
5	Cash and cash equivalents	QAR	0.02	3.16	0.37	51.27
		SGD	0.01	4.95	0.02	7.27
		AED	2.38	351.96	3.78	522.91
		USD	0.42	228.87	1.00	528.71
		WON	294.92	143.98	188.69	84.91
		KES	214.15	1,359.86	-	-

c) The net difference in foreign exchange credited to the Statement of Profit and Loss is ₹ 220.59 lac (March 31, 2012 : ₹ 580.98 lac).

Notes forming part of the financial statements

31.3 Value of imports on CIF basis:

	For the year ended March 31, 2013 ₹ in lac	For the year ended March 31, 2012 ₹ in lac
(i) Project related equipment and materials	24,930.11	5,494.07
(ii) Capital goods	3,697.09	1,443.43

31.4 Expenditure in foreign currency:

(i) Expenditure incurred on foreign projects (including professional and consultancy fees)	2,402.03	16,756.02
(ii) Travel	813.84	412.57
(iii) Interest	64.84	39.98
(iv) Income Tax	5.31	64.14

31.5 Earnings in foreign exchange:

(i) Erection and engineering services	5,652.75	19,755.54
(ii) Interest	6.75	-
(iii) Dividend	248.79	243.98
(iv) Miscellaneous income	3.92	-

31.6 Raw materials consumed

(i) Steel	16,584.38	9,091.57
(ii) Zinc	1,676.32	967.45
(iii) Others	181.65	183.58
Total	**18,442.35**	**10,242.60**

The consumption figures shown above are after adjustment of excess and shortages found on physical verification.

31.7 Details of consumption of imported and indigenous items:

	As at March 31, 2013	
	₹ in lac	%
a) **Imported**	-	-
b) **Indigenous**		
(i) Raw Materials	18,442.35	100
	(10,242.60)	(100)
(ii) Spare parts	291.84	100
	(139.87)	(100)

Amounts in brackets represent previous year numbers

Notes forming part of the financial statements

31.8 (i) Disclosures required to be made under Accounting Standard (AS-7) Construction Contracts

	For the year ended March 31, 2013 ₹ in lac	For the year ended March 31, 2012 ₹ in lac
Contract revenue recognised during the year	349,959.48	298,582.88
Aggregate of contract costs incurred and recognised profits (less recognized losses) upto the reporting date	1,510,641.68	1,243,679.00
Advances received for contracts-in-progress	92,457.78	68,941.31
Retention money for contracts-in-progress	100,703.89	84,941.59
Gross amount due from customers for contract work	20,591.95	14,448.82

(ii) 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 Statement of Profit and Loss for the year includes debits aggregating ₹ 2,139.50 lac (March 31, 2012 : ₹ 2,717.57 lac - credits) on account of changes in estimates.

31.9 (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 there under for the purpose of providing loan and guarantees and subscribing to the equity capital of Artson. Artson is in the process of making an application to the BIFR seeking an extention of the sanctioned scheme of rehabilitation.

(ii) The Company has an investment of ₹ 276.90 lac in Artson, has loaned amounts aggregating ₹3,730.39 lac which are outstanding as on March 31, 2013 and given project related advances aggregating ₹1,126.80 lac. The management has extended the moratorium for repayment of loans for a further period, with repayments falling due in five installments commencing March 31, 2017. Although Artson's net worth has been fully eroded, in view of the continued operational support extended by the Company to Artson, Management is of the view that no provision is required on this account at this stage.

(iii) In view of the foregoing, as a prudent measure, interest income in respect of loans given to Artson aggregating ₹ 282.79 lac has not been recognised in the Statement of Profit and Loss.

31.10 Note 22 -Short-term loans and advances includes ₹ 610.00 lac (March 31, 2012 ₹ 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 is confident of a favorable outcome in the matter.

31.11 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 ₹ 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.

31.12 Provision for taxation includes ₹ 5.31 lac (March 31, 2012 : ₹ 64.14 lac) paid / payable in other countries.

Notes forming part of the financial statements

31.13 Employee benefits

a) Defined Benefit Plans

The following table sets out the status of the defined benefit schemes and the amounts recognised in the financial statements:

(₹ In lac)

Particulars	Year ended March 31 2013			Year ended March 31 2012		
	Gratuity	Pension	Post retirement medical benefits	Gratuity	Pension	Post retirement medical benefits
	Funded	Unfunded	Unfunded	Funded	Unfunded	Unfunded
I Components of employer's expense						
Current service cost	217.69	-	-	178.72	-	-
Interest cost	141.58	16.60	2.36	96.96	8.82	-
Expected return on plan assets	(123.06)	-	-	(98.28)	-	-
Past service cost	-	-	-	-	93.16	27.71
Actuarial losses / gains	360.91	83.70	(0.66)	206.50	22.66	-
Total expense recognized in the Statement of Profit and Loss	**597.12**	**100.30**	**1.70**	**383.90**	**124.64**	**27.71**
II Net asset / (liability) recognised in the Balance Sheet						
Present value of defined benefit obligation	2,020.65	273.63	28.95	1,447.99	211.13	27.71
Fair value on plan assets	(1,919.32)	-	-	(1,447.72)	-	-
Status / (Deficit)	(101.33)	(273.63)	(28.95)	(0.27)	(211.13)	(27.71)
Unrecognised past service cost	-	-	-	-	-	-
Net asset/(liability) recognised in the Balance Sheet	**(101.33)**	**(273.63)**	**(28.95)**	**(0.27)**	**(211.13)**	**(27.71)**
III Change in defined benefit obligation (DBO) during the year						
Present value of DBO at beginning of the year	1,447.99	211.13	27.71	1,175.28	106.86	-
Current service cost	217.69	-	-	178.72	93.16	27.71
Interest cost	141.58	16.60	2.36	96.96	8.82	-
Actuarial (gains)/losses	395.53	83.70	(0.66)	215.55	22.66	-
Benefits paid	(182.14)	(37.80)	(0.46)	(218.52)	(20.37)	-
Present value of DBO at the end of the year	**2,020.65**	**273.63**	**28.95**	**1,447.99**	**211.13**	**27.71**

Notes forming part of the financial statements

31.13 Employee benefits (Contd...)

(₹ In lac)

Particulars	Year ended March 31 2013			Year ended March 31 2012		
	Gratuity	Pension	Post retirement medical benefits	Gratuity	Pension	Post retirement medical benefits
	Funded	Unfunded	Unfunded	Funded	Unfunded	Unfunded
IV Change in fair values of assets during the year						
Plan assets at beginning of the year	1,447.72	-	-	1,191.27	-	-
Expected return on plan assets	123.06	-	-	98.28	-	-
Actual company contributions	496.06	37.80	0.46	367.64	20.37	-
Actuarial gain / (loss)	34.63	-	-	9.05	-	-
Benefits paid	(182.14)	(37.80)	(0.46)	(218.52)	(20.37)	-
Plan assets at the end of the year	1,919.32	-	-	1,447.72	-	-
Actual return on plan assets	157.68	-	-	107.33	-	-
V The major categories of plan assets						
Funded with Tata AIG Life Insurance Co. Ltd.	1,919.32	-	-	1,447.72	-	-
VI Actuarial assumptions						
Discount rate	8.00%	8.00%	8.00%	8.50%	8.50%	8.50%
Expected rate of return on plan assets	8.00%	-	-	8.50%	-	-
Salary escalation	5.00%	-	-	5.00%	-	-
Attrition	10%	-	-	10%	-	-
Mortality	Indian Assured Lives Mortality (2006-08) ULT Table			LIC (1994-96) Ultimate		

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.

31.13 Employee benefits (contd..)

VII Experience adjustments

(₹ In lac)

	2012-13			2011-12			2010-11			2009-10		
	Gratuity	Pension	Post retirement medical benefits	Gratuity	Pension	Post retirement medical benefits	Gratuity	Pension	Post retirement medical benefits	Gratuity	Pension	Post retirement medical benefits
Present value of DBO	2,020.65	273.63	28.95	1,447.99	211.13	27.71	1,175.28	106.86	-	885.22	94.77	-
Fair value of plan assets	1,919.32	-	-	1,447.72	-	-	1,191.27	-	-	885.22	-	-
Status [Surplus/(Deficit)]	(101.33)	(273.63)	(28.95)	(0.27)	(211.13)	(27.71)	15.99	(106.86)	-	-	(94.77)	-
Experience adjustment on plan assets [gain/(loss)]	34.63	-	-	9.05	-	-	(10.39)	-	-	(9.10)	-	-
Experience adjustment on plan liabilities [gain/(loss)]	199.02	74.92	(1.69)	200.96	25.02	-	201.60	33.72	-	50.57	6.96	-

b) Defined contribution plan

In respect of the defined contribution plans, an amount of ₹ 1,606.88 lac (March 31, 2012: ₹ 955.29 lac) has been recognised as an expense in the statement of profit and loss during the year.

Notes forming part of the financial statements

31.14 Segment Information

1 The Company is in the business of executing Engineering, Procurement and Construction (EPC) contracts in various infrastructure fields, comprising 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:

(I) EPC
(ii) Services
(iii) Other

and secondary segments of the Company are:

1 Domestic
2 Overseas

2 Reporting for business segment is on the following basis:

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

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.

Notes forming part of the financial statements

31.14 Segment information (contd...)

(₹ In lac)

Particulars	Business segments				Total
	EPC	Services	Others	Eliminations	
1 Revenue	339,505.85 (292,989.61)	8,313.32 (8,592.34)	235.45 (214.70)	- -	348,054.62 (301,796.65)
2 Inter segment revenue		470.50 (283.67)		470.50 (283.67)	- -
	339,505.85 (292,989.61)	8,783.82 (8,876.01)	235.45 (214.70)	470.50 (283.67)	348,054.62 (301,796.65)
4 Segment result	17,145.85 (23,671.38)	2,168.56 (2,768.79)	6.81 (1.34)	- -	19,321.22 (26,441.51)
5 Unallocable expenses (net)					10,884.92 (7,076.79)
6 Finance costs					3,016.75 (2,207.01)
7 Operating income (4-5-6)					5,419.55 (17,157.71)
8 Other income (net)					6,109.76 (5,225.29)
9 Profit before taxes (7+8)					**11,529.31** **(22,383.00)**
10 Tax expense					3,041.70 (6,912.59)
11 Profit for the year (9-10)					**8,487.61** **(15,470.41)**
Segment assets	348,983.30 (266,935.60)	3,129.98 (3,143.84)	152.47 (93.24)		352,265.75 (270,172.68)
Unallocable assets					45,494.53 (75,044.40)
Total assets					**397,760.28** **(345,217.08)**
Segment liabilities	321,303.82 (273,379.51)	366.15 (558.96)	41.49 (13.34)		321,711.46 (273,951.81)
Unallocable liabilities					6,102.44 (8,621.93)
Total liabilities					**327,813.90** **(282,573.74)**
<u>Other information</u>					
Capital expenditure (allocable)	8,226.36 (4,267.67)	- -	- -		8,226.36 (4,267.67)
Capital expenditure (unallocable)					2,470.81 (635.32)
Depreciation and amortisation (allocable)	2,869.92 (2,046.31)	21.49 (2.75)	- (0.05)		2,891.41 (2,049.11)
Depreciation and amortisation (unallocable)					804.72 (742.63)

Notes forming part of the financial statements

31.14 Segment information (contd...)

(₹ In lac)

Geographical segment	Revenue - for the year ended March 31, 2013	Segment assets as at March 31, 2013	Capital expenditure incurred during the year ended March 31, 2013
Domestic (allocable)	342,401.87	345,830.75	8,100.30
	(282,227.46)	(264,308.11)	(4,264.13)
Domestic (unallocable)	-	45,494.53	2,470.81
	-	(75,044.40)	(635.32)
Overseas	5,652.75	6,435.00	126.06
	(19,569.19)	(5,864.57)	(3.54)
Total	**348,054.62**	**397,760.28**	**10,697.17**
	(301,796.65)	**(345,217.08)**	**(4,902.99)**

Amounts in brackets represents previous year numbers.

31.15 Related party transactions

Details of related parties:

Description of relationship	**Names of related parties**
(i) Entity holding more than 20%	The Tata Power Company Limited
(ii) Subsidiaries	Artson Engineering Limited
	TPL-TQA Quality Services (Mauritius) Pty Limited
	TPL-TQA Quality Services South Africa (Proprietary) Limited
	TQ Services Europe GmbH
(iii) Jointly controlled entities (JCE)	Al Tawleed for Energy & Power Company
	TEIL Projects Limited
(iv) Associates	Virendra Garments Manufacturing Private Limited
(v) Key Management Personnel (KMP)	Mr. Vinayak K Deshpande, Managing Director (w.e.f. July 1, 2011)
	Mr A K Misra, Executive Director and Chief Operating Officer (upto September 30, 2011)
	Mr A K Mathur, Executive Director (upto September 30, 2011)

Notes forming part of the financial statements

31.15 Related party transactions (Contd...)

Details of related parties:

Details of related party transactions during the year ended March 31, 2013 and balances outstanding as at March 31, 2013

₹ in lac

Particulars	Entity holding more than 20%	Subsidiaries	JCE	KMP	Total
Contract execution expenses	- (-)	1,425.14 (463.57)	- (-)	- (-)	1,425.14 (463.57)
Revenue from operations	1,994.64 (1,652.79)	889.36 (620.75)	- (-)	(-)	2,884.00 (2,273.54)
Interest received	- (-)	86.96 (334.58)	- (-)	- (-)	86.96 (334.58)
Interest expenses on borrowings	30.82 (106.03)	- (-)	- (-)	- (-)	30.82 (106.03)
Dividend received	- (-)	248.79 (243.98)	- (-)	- (-)	248.79 (243.98)
Proposed dividend	483.75 (967.50)	- (-)	- (-)	- (-)	483.75 (967.50)
Investments	- (-)	17.33 (-)	- (200.00)	- (-)	17.33 (200.00)
Loan and advance given to subsidiary (net)	- (-)	1,188.45 (355.28)	- (-)	- (-)	1,188.45 (355.28)
Provision for doubtful loans and advances	- (-)	133.02 (-)	- (-)	- (-)	133.02 (-)
Redemption of Debentures	937.50 (937.50)	- (-)	- (-)	- (-)	937.50 (937.50)
Contractually reimbursable expenses	- (-)	239.62 (170.41)	40.63 (5.80)	- (-)	280.25 (176.21)
Remuneration	- (-)	- (-)	- (-)	293.93 (341.71)	293.93 (341.71)
Guarantees given	4,156.80 (-)	- (-)	(-)	- (-)	4,156.80 (-)

Notes forming part of the financial statements

31.15 Related party transactions (Contd...)

Details of related party transactions during the year ended March 31, 2013 and balances outstanding as at March 31, 2013

₹ in lac

Particulars	Entity holding more than 20%	Subsidiaries	JCE	KMP	Total
Balances outstanding at the end of the year					
Trade receivables	2,692.66 (2,615.97)	209.12 (95.57)	83.69 (83.69)	- (-)	2,985.47 (2,795.23)
Loans and advances	- (-)	4,857.19 (3,668.74)	- (-)	- (-)	4,857.19 (3,668.74)
Trade payables	423.93 (608.27)	932.30 (63.63)	34.39 (34.39)	- (-)	1,390.62 (706.29)
Contractually reimbursable expenses	- (-)	239.62 (170.41)	40.63 (5.80)	- (-)	280.25 (176.21)
Provision for doubtful loans and advances	- (-)	133.02 (-)	- (-)	- (-)	133.02 (-)
Unbilled revenue	2.96 (-)	- (-)	- (-)	- (-)	2.96 (-)
Interest accrued on loans to subsidiary	- (-)	- (193.16)	- (-)	- (-)	- (193.16)
Interest accrued on trade payables and mobilisation advance received	- (39.95)	- (-)	- (-)	- (-)	(-) (39.95)
Proposed Dividend	483.75 (967.50)	- (-)	- (-)	- (-)	483.75 (967.50)
Commission payable	- (-)	- (-)	- (-)	150.00 (180.00)	150.00 (180.00)
Guarantees	2,004.56 (2,439.93)	6,000.00 (6,000.00)	- (-)	(-) (-)	8,004.56 (8,439.93)

Amounts in brackets represents previous year numbers.

Notes forming part of the financial statements

31.16 Details of leasing arrangements

Operating lease : As lessee

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 9 years or longer and are usually renewable by mutual consent on mutually agreeable terms. The aggregate lease rents payable are recognized in the Statement of Profit and Loss for the year as Rent under Note 29 - Other expenses.

ii) With regard to certain other non-cancellable operating leases for premises, the future minimum lease rental are as follows.

	As at March 31, 2013 ₹ in lac	As at March 31, 2012 ₹ in lac
Not later than one year	666.03	194.71
Later than one year and not later than five years	1,537.85	634.67
Later than five years	419.24	-
	2,623.12	**829.38**

31.17 Earnings per Share (EPS):

₹ in lac

	For the year ended March 31, 2013	For the year ended March 31, 2012
a) Profit for the year (₹ in lac)	8,487.61	15,470.41
b) Weighted Average number of Equity Shares of ₹ 100 each outstanding during the year (No's)	2,025,000	2,025,000
Earning per share		
c) Basic and diluted (₹) (a/b)	419.14	763.97

31.18 Interest In joint ventures

The Company has interests in the following joint ventures - Jointly controlled entities (JCE)

₹ in lac

Name of joint venture and country of incorporation	% of interest	Amount of interest based on accounts for the year ended March 31, 2013					
		Assets	Liabilities	Income	Expenditure	Contingent Liabilities	Capital Commitment
TEIL Projects Limited	50%	140.18	140.18	167.20	226.26	-	-
India		(150.60)	(150.60)	(54.40)	(160.90)	(-)	(-)
As per Audited Accounts as on March 31, 2013							
M/s Al-Tawleed for Energy & Power Co. (under liquidation)	30%	1,705.58	1,705.58	-	-	-	-
Kingdom of Saudi Arabia		(1,649.63)	(1,649.63)	(-)	(-)	(-)	(-)
As per Management Accounts as on December 31, 2012							

Amounts in brackets represents previous year numbers.

Notes forming part of the financial statements

31.19 Details of provisions

The Company has made provisions for various contractual obligations and disputed liabilities based on its assessment of the amount it estimates to incur to meet such obligations, details of which are given below:

₹ in lac

Particulars	As at April 1, 2012	Additions	Utilisation	Reversal (withdrawn as no longer required)	**As at March 31, 2013**
Provision for warranty	-	-	-	-	-
	(256.00)	(-)	(-)	(256.00)	(-)
Provision for foreseeable losses on contracts	606.85	496.09	525.18	-	577.76
	(-)	(606.85)	(-)	(-)	(606.85)
Total	**606.85**	**496.09**	**525.18**	**-**	**577.76**
	(256.00)	**(606.85)**	**(-)**	**(256.00)**	**(606.85)**

Amounts in brackets represents previous year numbers.

31.20 Previous year's figures have been regrouped / reclassified wherever necessary to correspond with the current year's classification / disclosure.

For and on behalf of the Board of Directors

Prasad R Menon
Director

Vinayak K Deshpande
Managing Director

Place : Mumbai
Date : May 22, 2013

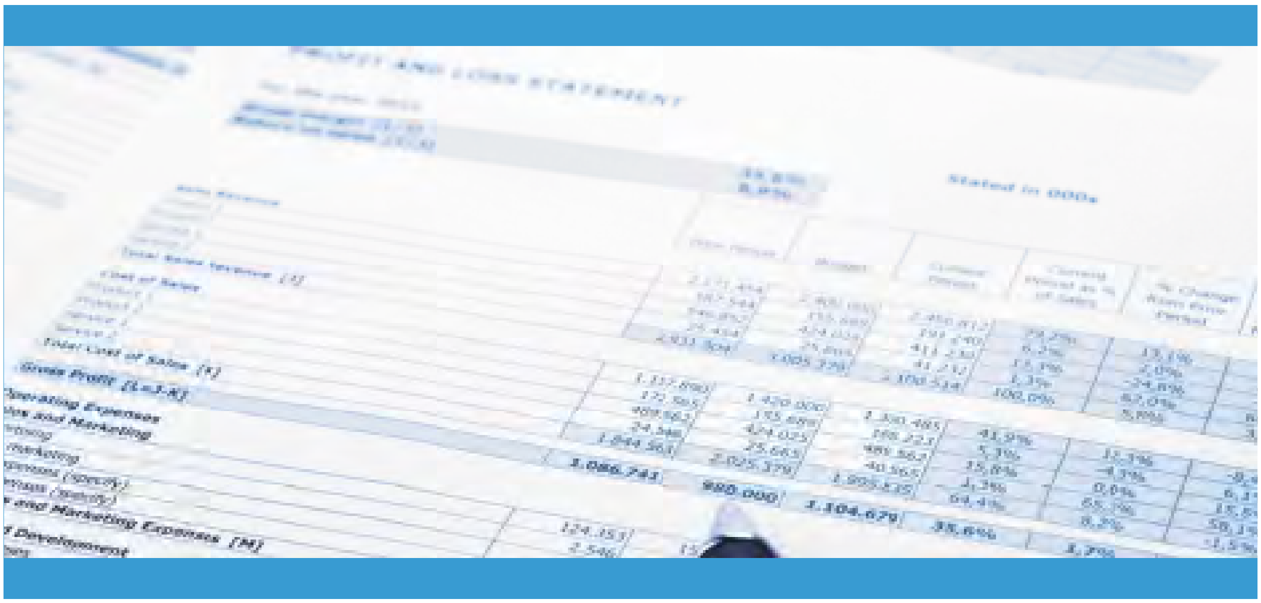
Rajgopal Swami
Chief Financial Officer

Dr A Raja Mogili
Company Secretary

Financial Statistics

(₹ In lac)

		2005-06	2006-07	2007-08	2008-09	2009-10	2010-11	2011-12	2012-13
1	Gross Revenue from Operations	47,310.45	93,319.24	134,395.47	193,408.58	275,675.98	306,702.21	307,431.43	359,010.57
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	285,501.99	346,878.14
3	Operating Profit	2,850.41	3,641.84	6,348.62	11,067.20	21,268.75	27,384.47	21,929.44	12,132.43
4	Other Income	220.40	528.39	2,692.20	1,756.62	2,338.50	2,958.35	5,452.31	6,109.76
5	Interest	208.17	426.33	696.02	1,152.08	1,383.57	1,472.17	2,207.01	3,016.75
6	Depreciation and Amortisation	641.58	1,417.58	1,672.68	1,985.78	1,816.96	2,307.06	2,791.74	3,696.13
7	Profit before Taxation	2,221.06	2,326.32	6,672.12	9,685.96	20,406.72	26,563.59	22,383.00	11,529.31
8	Profit after Taxation	1,430.81	1,194.31	4,323.66	5,906.45	13,267.50	17,950.75	15,470.41	8,487.61
9	Earning Per Share (EPS) - Rs./ shares	636	411	1,281	292	655	886	764	419
10	Dividend per share (%)	70%	100%	125%	30%	75%	100%	100%	50%
11	Dividend Pay-out Ratio (%)	13%	33%	11%	12%	13%	13%	15%	14%
12	Return On Capital Employed (ROCE) %	29%	18%	27%	29%	43%	42%	32%	21%
13	Return On Net Worth (RONW) %	24%	9%	26%	27%	40%	37%	25%	12%
14	Long Term Debts / Equity	0.13	0.28	0.20	0.15	0.10	0.05	0.02	0.06
15	Total Debts / Equity	0.31	0.28	0.46	0.39	0.13	0.05	0.02	0.06
16	Capital	225.00	337.50	337.50	2,025.00	2,025.00	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	46,657.69	59,774.59	67,921.38
18	Debenture Redemption Reserve	-	281.25	562.50	843.75	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	1,309.32	3,889.18
20	Gross Block (incl. Capital WIP)	7,348.84	9,792.70	14,281.54	16,435.21	19,981.44	24,264.42	28,200.39	38,740.42
21	Depreciation	2,115.71	3,454.86	5,088.91	6,948.41	8,656.55	10,808.70	12,871.80	16,356.14
22	Net Block	5,233.13	6,337.84	9,192.63	9,486.80	11,324.89	13,455.72	15,328.59	22,384.28



Consolidated Financial Statements

INDEPENDENT AUDITORS' REPORT

TO THE BOARD OF DIRECTORS OF TATA PROJECTS LIMITED

Report on the Consolidated Financial Statements

1. We have audited the accompanying consolidated financial statements of **TATA PROJECTS LIMITED** (the "Company"), its subsidiaries and jointly controlled entities (the Company, its subsidiaries and jointly controlled entities constitute "the Group"), which comprise the Consolidated Balance Sheet as at March 31, 2013, the Consolidated Statement of Profit and Loss and the Consolidated Cash Flow Statement for the year then ended, and a summary of the significant accounting policies and other explanatory information.

Management's Responsibility for the Consolidated Financial Statements

2. The Company's Management is responsible for the preparation of these consolidated financial statements that give a true and fair view of the consolidated financial position, consolidated financial performance and consolidated cash flows of the Group in accordance with the accounting principles generally accepted in India. This responsibility includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the consolidated financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

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

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

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

Opinion

4. In our opinion and to the best of our information and according to the explanations given to us, and based on the consideration of the reports of the other auditors on the financial statements / financial information of subsidiaries and a jointly controlled entity and read with comments in respect of certain entities referred to in paragraphs 6 and 7 below , respectively, the aforesaid consolidated financial statements give a true and fair view in conformity with the accounting principles generally accepted in India:

   (a) in the case of the Consolidated Balance Sheet, of the state of affairs of the Group as at March 31, 2013;

(b) in the case of the Consolidated Statement of Profit and Loss, of the profit of the Group for the year ended on that date; and

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

Emphasis of Matter

5. The consolidated financial statements do not include the Group's share of net profit/loss in respect of an Associate [Refer Note 2.2 (d)], which could not be determined, as the Management has not obtained the financial statements of this Associate. The value of investment in such Associate has been fully provided for in the consolidated financial statements of the Company. Based on the explanations provided by Management, it is expected that there would be no material impact on the consolidated financial statements consequent to any possible adjustments in respect of the aforesaid entities where no financial statements are available, since the size of these entities in the context of the Group is not material.

   Our opinion is not qualified in respect of this matter.

Other Matter

6. We did not audit the financial statements / financial information of three subsidiaries and a jointly controlled entity, whose financial statements / financial information reflect total assets (net) of ₹ 10,206.16 lac as at March 31, 2013, total revenues of ₹ 12,767.97 lac and net cash inflows amounting to ₹ 1,444.04 lac for the year ended on that date, as considered in the consolidated financial statements. These financial statements / financial information have been audited by other auditors whose reports have been furnished to us by the Management and our opinion, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries, jointly controlled entities and associates, is based solely on the reports of the other auditors.

7. The consolidated financial statements include the unaudited financial statements/financial information of a subsidiary and a jointly controlled entity, whose financial statements/financial information reflect total assets (net) of ₹ 1,716.19 lac as at March 31, 2013, total revenues of ₹ 14.39 lac and net cash inflows amounting to ₹ 6.17 lac for the year ended on that date, as considered in the consolidated financial statements. Our opinion, in so far as it relates to the amounts included in respect of the subsidiary and jointly controlled entity, is based solely on such unaudited financial statements/financial information.

   Based on the explanations provided by Management, it is expected that there would be no material impact on the consolidated financial statements consequent to any possible adjustments in respect of the aforesaid entities where unaudited financial statements are available, since the size of these entities in the context of the Group is not material.

   Our opinion is not qualified in respect of these matters.

For DELOITTE HASKINS & SELLS
Chartered Accountants
(Firm Registration No.008072S)

K Rajasekhar
Partner
(Membership No.23341)

Place : Secunderabad
Date : May 22, 2013

Consolidated Balance Sheet as at 31st March 2013

	Note No.	**As at March 31, 2013 ₹ in lac**	As at March 31, 2012 ₹ in lac
A. EQUITY AND LIABILITIES			
1 Shareholders' funds			
(a) Share capital	3	2,025.00	2,025.00
(b) Reserves and surplus	4	63,938.58	59,035.13
		65,963.58	61,060.13
2 Minority interest		1,048.50	293.77
3 Non-current liabilities			
(a) Long-term borrowings	5	48.85	97.86
(b) Other long-term liabilities	6	1,096.78	1,135.40
(c) Long-term provisions	7	1,674.83	846.08
		2,820.46	2,079.34
4 Current liabilities			
(a) Short-term borrowings	8	6,996.85	2,478.32
(b) Trade payables	9	226,130.92	207,529.40
(c) Other current liabilities	10	98,561.10	74,215.84
(d) Short-term provisions	11	2,338.69	4,096.26
		334,027.56	288,319.82
Total		**403,860.10**	**351,753.06**
B ASSETS			
1 Non-current assets			
(a) Fixed assets			
Tangible assets	12	21,771.54	15,472.37
Intangible assets	13	171.88	287.39
Capital work-in-progress		1,474.31	803.73
(b) Goodwill on consolidation (Refer Note 31.14)		343.77	343.73
(c) Non-current investments	14	300.05	300.29
(d) Deferred tax assets (net)	15	3,569.67	1,947.85
(e) Long-term loans and advances	16	2,629.07	1,414.73
(f) Other non-current assets	17	2,035.21	1,434.79
		32,295.50	22,004.88
2 Current assets			
(a) Current investments	18	3,785.78	13,541.93
(b) Inventories	19	24,939.54	11,568.27
(c) Trade receivables	20	231,634.76	195,374.79
(d) Cash and cash equivalents	21	11,233.43	49,964.56
(e) Short-term loans and advances	22	95,871.83	49,813.16
(f) Other current assets	23	4,099.26	9,485.47
		371,564.60	329,748.18
Total		**403,860.10**	**351,753.06**
Corporate information	1		
Basis of consolidation and significant accounting policies	2		

See accompanying notes forming part of the consolidated financial statements

In terms of our report attached

For and on behalf of the Board of Directors

For Deloitte Haskins & Sells
Chartered Accountants

K Rajasekhar
Partner

Place : Secunderabad
Date : May 22, 2013

Prasad R Menon
Director

Vinayak K Deshpande
Managing Director

Rajgopal Swami
Chief Financial Officer

Dr A Raja Mogili
Company Secretary

Place : Mumbai
Date : May 22, 2013

Consolidated Statement of Profit and Loss for the year ended 31st March 2013

		Note No.	For the year ended March 31, 2013 ₹ in lac	For the year ended March 31, 2012 ₹ in lac
1	Revenue from operations (gross)		371,265.28	314,977.65
	Less: Indirect taxes and duties		11,317.66	6,237.48
	Revenue from operations (net)	**24**	**359,947.62**	**308,740.17**
2	**Expenses**			
	(a) Contract execution expenses	26	296,616.70	243,689.65
	(b) Cost of materials consumed (refer Note 31.2)		21,037.96	11,255.60
	(c) Changes in inventories of finished goods, work-in-process and contracts-in-progress	27	(14,425.47)	(1,793.60)
	(d) Employee benefits expense	28	25,227.91	21,440.50
	(e) Other expenses	29	18,903.77	11,645.44
	Total		**347,360.87**	**286,237.59**
3	**Earnings before interest, tax, depreciation and amortisation (EBITDA) (1-2)**		12,586.75	22,502.58
4	Finance costs	30	3,375.00	2,426.31
5	Depreciation and amortisation expense	12, 13	3,885.10	3,012.21
6	Other income	25	5,803.02	4,704.06
7	**Profit before tax (3-4-5+6)**		**11,129.67**	**21,768.12**
8	**Tax expense**			
	(a) Current tax		5,810.79	7,585.95
	(b) Taxation of earlier years		(262.98)	-
	(c) Deferred tax		(1,621.82)	(470.44)
	Net tax expense		**3,925.99**	**7,115.51**
9	**Profit after tax and before minority interest (7-8)**		**7,203.68**	**14,652.61**
10	**Minority interest**		**989.61**	**286.08**
11	**Profit for the year (9-10)**		**6,214.07**	**14,366.53**
	Earnings per equity share (of ₹ 100 each)			
	Basic and diluted (₹) (refer Note 31.13)		306.87	709.46
	Corporate information	1		
	Basis of consolidation and significant accounting policies	2		
	See accompanying notes forming part of the consolidated financial statements			

In terms of our report attached

For and on behalf of the Board of Directors

For Deloitte Haskins & Sells
Chartered Accountants

K Rajasekhar
Partner

Place : Secunderabad
Date : May 22, 2013

Prasad R Menon
Director

Vinayak K Deshpande
Managing Director

Rajgopal Swami
Chief Financial Officer

Dr A Raja Mogili
Company Secretary

Place : Mumbai
Date : May 22, 2013

Consolidated Cash flow statement for the year ended 31st March 2013

	For the year ended March 31, 2013 ₹ in lac		For the year ended March 31, 2012 ₹ in lac	
A. Cash Flow from Operating Activities				
Profit before tax		11,129.67		21,768.12
Adjustments for:				
Depreciation and amortisation expense	3,885.10		3,012.21	
Finance costs	3,375.00		2,426.31	
Interest Income	(3,780.22)		(2,190.59)	
Dividend income from current investments	(1,099.65)		(1,470.87)	
Amortisation of premium and provision for diminution in the value of investments	0.24		(75.36)	
Provision for foreseeable losses on contracts	(29.09)		606.85	
Loss on sale of fixed assets	79.04		55.78	
Liabilities no longer required written back	(223.14)		-	
Net unrealised exchange (gain) / loss	13.80		(86.23)	
		2,221.08		2,278.10
Operating profit before working capital changes		13,350.75		24,046.22
Changes in working capital:				
Adjustments for (increase)/decrease in Operating Assets:				
- Trade receivables	(36,564.36)		53.79	
- Loans and advances	(35,395.92)		(1,100.95)	
- Other assets	4,730.94		(1,411.46)	
- Inventories	(13,371.27)		(2,510.14)	
Adjustments for increase/(decrease) in Operating Liabilities:				
- Trade payables, Other liabilties and Provisions	44,955.40		23,347.72	
		(35,645.21)		18,378.96
Cash (used in) / generated from operations		(22,294.46)		42,425.18
Net income tax paid		(6,783.05)		(7,498.65)
Net cash flows (used in) / from operating activities		(29,077.51)		34,926.53
B. Cash flow from investing activities				
Capital expenditure on fixed assets including capital advances	(10,787.16)		(5,063.95)	
Proceeds from sale of fixed assets	85.12		91.45	
Purchase of current investments	(62,727.06)		(80,000.53)	
Proceeds from redemption of current investments	73,582.86		91,379.50	
Interest received	4,134.59		1,833.49	
Inter-corporate deposits given	(18,050.00)		(9,000.00)	
Inter-corporate deposits repaid	6,550.00		5,500.00	
Net cash flows (used in)/from investing activities		**(7,211.65)**		**4,739.96**

Consolidated Cash flow statement for the year ended 31st March 2013

	For the year ended March 31, 2013 ₹ in lac		For the year ended March 31, 2012 ₹ in lac	
C. Cash Flow from Financing Activities				
Repayment of debenture	(1,125.00)		(1,125.00)	
Repayment of long-term borrowings	(26.15)		(9.12)	
Proceeds from short-term borrowings	4,518.53		741.59	
Finance costs	(3,446.91)		(2,429.65)	
Dividend paid including tax on dividend	(2,353.51)		(2,353.51)	
Net cash flows from/(used in) financing activities		(2,433.04)		(5,175.69)
Net increase in cash and cash equivalents (A+B+C)		(38,722.20)		34,490.80
Cash and cash equivalents at the beginning of the year		49,964.56		15,484.06
Effect of exchange differences on restatement of foreign cess on restatement of foreign currency Cash and cash equivalents		(8.93)		(10.30)
Cash and cash equivalents at the end of the year (refer Note 2 below)		11,233.43		49,964.56

Note:

1 The above cash flow statement has been prepared under the "Indirect Method" as set out in the Accounting Standard - 3 (AS 3) on Cash Flow Statements.

2 Cash and cash equivalents comprise:

	As at March 31, 2013 ₹ in lac	As at March 31, 2012 ₹ in lac
(i) Cash	43.51	28.18
(ii) Balance with banks		
- in current accounts	10,684.40	13,955.91
- in EEFC account	61.20	668.36
- in deposit accounts	444.32	35,312.11
Cash and cash equivalents included in Note 21	11,233.43	49,964.56

3. Comparative figures of the previous year have been regrouped wherever necessary to compare with those of current year.

In terms of our report attached

For Deloitte Haskins & Sells
Chartered Accountants

K Rajasekhar
Partner

Place : Secunderabad
Date : May 22, 2013

For and on behalf of the Board of Directors

Prasad R Menon
Director

Vinayak K Deshpande
Managing Director

Rajgopal Swami
Chief Financial Officer

Dr A Raja Mogili
Company Secretary

Place : Mumbai
Date : May 22, 2013

Notes forming part of the consolidated financial statements

Note 1 Corporate information

Tata Projects Limited (the Parent Company) and its subsidiaries and jointly controlled entities (together the 'Group') are in the business of executing Engineering, Procurement and Construction (EPC) contracts in various infrastructure fields, comprising power generation, transmission, distribution and related ancillary services including manufacturing activity, telecommunications, civil construction and other allied engineering and quality services.

Note 2 Significant Accounting Policies

2.1 Basis of accounting and preparation of consolidated financial statements

The consolidated financial statements of the Group have been prepared in accordance with the Generally Accepted Accounting Principles in India (Indian GAAP) to comply with the Accounting Standards notified under the Companies (Accounting Standard) Rules, 2006 (as amended) and the relevant provisions of the Companies Act, 1956. The consolidated financial statements have been prepared on accrual basis under the historical cost convention. The accounting policies adopted in the preparation of the consolidated financial statements are consistent with those followed in the previous year.

2.2 Principles of consolidation

a) 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.

The subsidiaries considered in the preparation of these consolidated financial statements are:

Name of the subsidiary	Country of Incorporation	Percentage of ownership interest	
		As at March 31, 2013	As at March 31, 2012
Artson Engineering Limited	India	**75**	75
TPL-TQA Quality Services (Mauritius) Pty Limited	Mauritius	**70**	70
TPL-TQA Quality Services South Africa (Proprietary) Limited	South Africa	**60**	60
TQ Services Europe GmbH (with effect from May 23, 2012)	Germany	**100**	-

b) Interest in Joint Ventures - Jointly controlled entities

Name of the Joint Venture	Country of Incorporation	Percentage Holding	
		As at March 31, 2013	As at March 31, 2012
Al Tawleed For Energy & Power Co. Jointly controlled entity	Kingdom of Saudi Arabia	**30**	30
TEIL Projects Limited	India	**50**	50

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

Notes forming part of the consolidated financial statements

Note 2 Significant Accounting Policies(Contd...)

c) (i) The consolidation of the following subsidiary/ joint venture has been done on the basis of unaudited financial statements certified by the management

- TQ Services Europe GmbH
- Al Tawleed for Energy and Power Company.

(ii) The financial statements of Al Tawleed for Energy and Power Company considered in the consolidated financial statements is based on management accounts drawn for the period from January 1, 2012 to December 31, 2012. The Company is under liquidation.

d) The group's associate is:-

Name of the Company	Country of Incorporation	Percentage of ownership interest	
		As at **March 31, 2013**	As at March 31, 2012
Virendra Garments Manufacturers Private Limited	India	**24**	24

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

2.3 Use of estimates

The preparation of the consolidated financial statements in conformity with Indian GAAP requires the Management to make estimates and assumptions that affect the reported amounts of assets and liabilities, disclosure of contingent liabilities as at the date of the consolidated financial statements and the reported amounts of revenues and expenses during the year. The Management believes that the estimates used in preparation of the consolidated financial statements are prudent and reasonable. Future results could differ from those estimates and the difference between the actual results and the estimates are recognized in the periods in which the results are known / materialise.

2.4 Fixed Assets

Fixed Assets are carried at cost less accumulated depreciation / amortization. The cost of fixed assets comprises its purchase price and other attributable expenditure incurred in making the asset ready for its intended use and interest on borrowings attributable to acquisition of qualifying fixed assets up to the date the asset is ready for its intended use.

2.5 Depreciation and amortisation, impairment

Depreciation has been provided on the written down value method as per the rates prescribed in Schedule XIV to the Companies Act, 1956 except in respect of following assets, in whose case depreciation is provided on the straight-line method (SLM), basis the life of the assets which has been assessed as under:

Scaffolding Materials	5 years
Wire Ropes and Slings	2 years
Computer including Software	4 years
Motor Cars under car policy for executives	4 years

Leasehold land and leasehold improvements are amortized over the duration of the lease.

Notes forming part of the consolidated financial statements

In respect of parent company, fixed assets costing less than ₹ 10,000 each are fully depreciated in the year of capitalisation. In respect of subsidiary company, assets costing less than ₹ 5,000 each are fully depreciated in the year of acquisition.

All fixed assets are assessed for any indication of impairment at the end of each financial year. On such indication, the impairment loss being the excess of carrying value over the recoverable value of the assets is charged to the Statement of Profit and Loss in the respective financial years. The impairment loss recognized in prior years is reversed in cases where the recoverable value exceeds the carrying value, upon reassessment in the subsequent years.

2.6 Goodwill on Consolidation

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

2.7 Investments

Long-term investments are carried individually at cost less provision for diminution, other than temporary, in the value of such investments. Premium paid on investments acquired to hold till maturity is amortised over the holding period.

Current Investments are carried individually, at the lower of cost and fair value.

2.8 Inventories

Raw materials are valued at lower of cost, ascertained on "weighted average" method and net realisable value.

Finished goods are valued at lower of cost and net realisable values. Cost comprises, material and applicable manufacturing overheads and excise duty.

Stores and spares are valued at cost or below on weighted average basis.

Goods-in-transit are valued at cost or below.

2.9 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 the Balance Sheet as contracts in progress and advance billing respectively.

(ii) Revenue from sale of goods and services is recognized on dispatch of goods and upon transfer of property in the goods to customers and at the time of rendering of services respectively. Sales includes excise duty and other indirect taxes but excludes indirect taxes collected from customers.

2.10 Unbilled revenues

Unbilled revenue represents value of work executed, billed subsequent to the Balance Sheet date and is valued at contract price.

2.11 Foreign Exchange Transactions

(i) Transactions in foreign currency are recorded at the exchange rates prevailing on the date of transaction. Monetary assets and liabilities denominated in foreign currency are restated at the prevailing year end rates. The resultant gain / loss upon such restatement along with gain / loss on account of foreign currency transactions are accounted in the statement of profit and loss.

(ii) In respect of items covered by forward exchange contracts, the premium or discount arising at the

Notes forming part of the consolidated financial statements

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 statement of profit and loss.

(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 statement of profit and loss.

2.12 Retirement benefits

Defined contribution plans

The Group's contribution to provident fund and superannuation fund, considered as defined contribution plans are charged as an expense in the statement of profit and loss based on the amount of contribution required to be made.

Defined benefit plans

The defined benefit plans comprises gratuity and post retirement medical benefits. Gratuity is funded and the liability as at Balance Sheet date is provided based on actuarial valuation carried out by an independent actuary, in accordance with Accounting Standard 15 on 'Employee Benefits' (AS 15).

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

Other long term employee benefits

Other long term employee benefits comprise compensated absences which is provided based on an actuarial valuation carried out in accordance with AS 15 as at the Balance Sheet date.

In respect of Al Tawleed For Energy and Power Company, the provision for end of service benefit is provided as per regulatory requirements of its country of incorporation.

2.13 Taxes on income

Current tax is determined based on the amount of tax payable in respect of taxable income for the year. Deferred tax is recognised on timing differences, being the difference between the taxable income and accounting income that originate in one period and are capable of reversal in one or more subsequent periods subject to consideration of prudence. Deferred tax assets on unabsorbed depreciation and carry forward of losses are not recognised unless there is a virtual certainty that there will be sufficient future taxable income available to realise such assets. Deferred tax assets and liabilities have been measured using the tax rates and tax laws that have been enacted or substantially enacted by the Balance Sheet date.

2.14 Earning per share

The earnings considered in ascertaining the Group's Earnings Per Share (EPS) comprises net profit after tax (and includes the post tax effect of any extra ordinary items). The number of shares used in computing Basic EPS is the weighted average number of shares outstanding during the year.

Dilutive potential equity shares are deemed to be converted as of the beginning of the year, unless they have been issued at a later date. The number of shares used for computing the diluted EPS is the weighted average number of shares outstanding during the year after considering the dilutive potential equity shares.

Notes forming part of the financial statements

2.15 Segment reporting

The group identifies primary segments based on the dominant source, nature of risks and returns and the internal organisation and management structure. The operating segments are the segments for which separate financial information is available and for which operating profit/(loss) amounts are evaluated regularly by the executive Management in deciding how to allocate resources and in assessing performance.

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

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

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

2.16 Provisions and Contingencies

A provision is recognized when the Group has a present obligation as a result of past events and it is probable that an outflow of resources embodying economic benefit will be required to settle the obligation in respect of which a reliable estimate can be made. Provisions (excluding retirement benefits) are not discounted to their present value and are determined based on the best estimate required to settle the obligation at the Balance sheet date. These are reviewed at each Balance Sheet date and adjusted to reflect the current best estimates. Contingent liabilities are disclosed in the notes.

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.

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

2.17 Operating cycle

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

Notes forming part of the consolidated financial statements

Note 3 Share Capital

	As at March 31, 2013		As at March 31, 2012	
Authorised	**No. of shares**	**₹ in lac**	No. of shares	₹ in lac
Equity shares of ₹ 100/- each with voting rights	2,500,000	2,500.00	2,500,000	2,500.00
Issued, Subscribed and Paid-up				
Equity shares of ₹ 100/- each with voting rights	2,025,000	2,025.00	2,025,000	2,025.00
Total	**2,025,000**	**2,025.00**	**2,025,000**	**2,025.00**

Notes:

(i) Reconciliation of the number of shares and amount outstanding at the beginning and at the end of the year

Equity shares with voting rights

	Year Ended March 31, 2013		Year Ended March 31, 2012	
	No. of shares	**Amount ₹ in lac**	No. of shares	Amount ₹ in lac
As at beginning of the year	2,025,000	2,025.00	2,025,000	2,025.00
Changes during the year	-	-	-	-
At the end of the year	**2,025,000**	**2,025.00**	**2,025,000**	**2,025.00**

(ii) Rights, preferences and restrictions attached to the equity shares

The Company has only one class of equity shares having a par value of ₹ 100 each per share. Each holder of equity shares is entitled to one vote per share. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting. In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

During the year ended March 31, 2013, the amount of per share dividend recognised as distribution to equity shareholders was ₹ 50 (March 31, 2012: ₹ 100)

(iii) Shareholders holding more than 5% of the equity shares

	As at March 31, 2013		As at March 31, 2012	
Equity shares of ₹ 100/- each with voting rights	**No. of shares**	**%**	No. of shares	%
The Tata Power Company Limited	967,500	47.78	967,500	47.78
Tata Chemicals Limited	193,500	9.56	193,500	9.56
Tata Sons Limited	135,000	6.67	135,000	6.67
Voltas Limited	135,000	6.67	135,000	6.67
Tata Motors Limited	135,000	6.67	135,000	6.67

(iv) Aggregate number of bonus shares issued as fully paid up pursuant to contract without payment being received in cash during the period of five years immediately preceding the balance sheet date:

	Aggregate number of shares	
	As at March 31, 2013	As at March 31, 2012
Equity shares allotted as fully paid Bonus shares in 2008-09 by capitalistion of securities premium account	**1,687,500**	1,687,500

Notes forming part of the consolidated financial statements

Note 4 Reserves and surplus

	As at March 31, 2013 ₹ in lac	As at March 31, 2012 ₹ in lac
(a) Securities premium account	4,987.50	4,987.50
(b) Debenture redemption reserve		
Opening balance	843.75	843.75
Less: transferred to surplus in the consolidated statement of profit and loss on redemption of 8% partly convertible debentures (non convertible portion)	(843.75)	-
Closing balance	-	843.75
(c) General reserve		
Opening balance	12,026.12	10,479.07
Add: transferred from surplus in the consolidated statement of profit and loss	848.76	1,547.05
Closing balance	12,874.88	12,026.12
(d) Foreign currency translation reserve		
Opening balance	135.70	146.23
Add/(Less): effect of foreign exchange rate variations during the year	(115.82)	(10.53)
Closing balance	19.88	135.70
(e) Capital reserve on consolidation	80.25	90.48
(f) Surplus in consolidated statement of profit and loss		
Opening balance	40,951.58	30,485.61
Add: Profit for the year	6,214.07	14,366.53
Amount tranferred from debenture redemption reserve	843.75	-
Less: Dividend proposed to be distributed to equity shareholders [₹ 50 per share (March 31, 2012: ₹100/- per share)]	(1,012.50)	(2,025.00)
Tax on dividend	(172.07)	(328.51)
Transferred to general reserve	(848.76)	(1,547.05)
Closing balance *	45,976.07	40,951.58
Total	**63,938.58**	**59,035.13**

* includes Group share of loss in joint ventures ₹ 811.10 lac (March 31, 2012: ₹ 752.05 lac)

Notes forming part of the consolidated financial statements

Note 5 Long-term borrowings

	As at March 31, 2013 ₹ in lac	As at March 31, 2012 ₹ in lac
Debentures (secured)		
Nil (March 31, 2012: 112,500) 8% partly convertible debentures (non convertible portion)	-	1,125.00
Less : Current maturities of long-term borrowings disclosed under Note 10 - Other current liabilities	-	1,125.00
	-	-
Term loan		
From banks		
- secured	0.90	4.28
- unsecured	59.83	66.98
	60.73	71.26
Less : Current maturities of long-term borrowings disclosed under Note 10 - Other current liabilities	11.88	9.67
	48.85	61.59
Sales tax deferment loan	24.01	39.63
Less : Current maturities of long-term borrowings disclosed under Note 10 - Other current liabilities	24.01	3.36
	-	36.27
	48.85	97.86
Share of joint ventures	-	-
Total	**48.85**	**97.86**

Notes :

(i) 8% partly convertible debentures (non convertible portion) of ₹ 3,000 each issued on August 29, 2006 has been redeemed at par in 3 equal annual installments commencing at the end of 4th year from the date of allotment and secured by way of :

a) First pari-passu equitable mortgage of all immovable properties of the Company located in Hyderabad, Andhra Pradesh ranking on par with other lenders of the Company

b) First charge by way of hypothecation of all movable properties / fixed assets, and

c) Floating charge on current assets and loans and advances, subject to first charge being in favour of the Company's bankers and / or working capital lenders.

(ii) Term loans from banks are repayable in equal periodic installments upto a 10 year period from the date of respective loan and carry an interest of 14.1% p.a.

Note 6 Other long-term liabilities

₹ in lac

a) Trade payables *	1,085.09	1,135.40
b) Security deposit received	11.69	-
	1,096.78	1,135.40
Share of joint ventures	-	-
Total	**1,096.78**	**1,135.40**

* comprises retention money payable beyond the normal operating cycle.

Notes forming part of the consolidated financial statements

Note 7 Long-term provisions

	As at March 31, 2013 ₹ in lac	As at March 31, 2012 ₹ in lac
Provision for employee benefits		
(i) Compensated absences	1,305.12	647.16
(ii) Gratuity	101.33	-
(iii) Post retirement medical benefits	25.95	17.71
(iv) Pension	241.83	180.97
	1,674.23	845.84
Share of joint ventures	0.60	0.24
Total	**1,674.83**	**846.08**

Note 8 Short-term borrowings

	As at March 31, 2013 ₹ in lac	As at March 31, 2012 ₹ in lac
Loans repayable on demand from banks		
- Secured		
Overdraft facilities (refer Note (i) below)	800.29	117.34
Buyer's credit (refer Note (ii) below)	3,029.06	-
Working capital (refer Note (iii) below)	2,527.48	2,032.48
- Unsecured		
Overdraft facilities	300.37	-
	6,657.20	2,149.82
Share of joint ventures	339.65	328.50
Total	**6,996.85**	**2,478.32**

Notes :

(i) Overdraft facilities are secured by:

(a) a first charge on the book debts, inventories and other current assets ranking pari-passu.

(b) an exclusive charge on the entire receivables, fixed assets and current assets relating to the project being undertaken at Dubai.

(ii) Buyer's credit are secured by a first charge on all the current assets including inventories, receivables and other moveable assets of the Company both present and future.

(iii) Working capital loan is secured by a first charge on inventories, receivables and other current assets.

Note 9 Trade payables

	As at March 31, 2013 ₹ in lac	As at March 31, 2012 ₹ in lac
Other than Acceptances *	224,606.05	206,099.77
	224,606.05	206,099.77
Share of joint ventures	1,524.87	1,429.63
Total	**226,130.92**	**207,529.40**

* includes provision for contract execution expenses ₹ 56,990.71 lac (March 31, 2012: ₹ 88,054.34 lac)

Notes forming part of the consolidated financial statements

Note 10 Other current liabilities

	As at March 31, 2013 ₹ in lac	As at March 31, 2012 ₹ in lac
(a) Current maturities of long-term borrowings (refer Note 5 - Long-term borrowings)	35.89	1,138.03
(b) Interest accrued and due on borrowings	1.79	0.80
(c) Income received in advance (advance billing)	164.59	207.32
(d) Other payables :		
(i) Statutory remittances	3,548.72	2,292.44
(ii) Payables on purchase of fixed assets	933.87	380.12
(iii) Interest accrued on trade payables and mobilisation advance received	388.25	461.15
(iv) Security deposits received	388.65	306.34
(v) Mobilisation advances from customers	93,008.00	69,330.49
(vi) Others	43.91	38.33
	98,513.67	74,155.02
Share of joint ventures	47.43	60.82
Total	**98,561.10**	**74,215.84**

Note 11 Short-term provisions

	As at March 31, 2013 ₹ in lac	As at March 31, 2012 ₹ in lac
(a) Provision for employee benefits:		
(i) Compensated absences	297.04	109.35
(ii) Gratuity	0.84	0.65
(iii) Post retirement medical benefits	3.00	10.00
(iv) Pension	31.80	30.16
	332.68	150.16
(b) Provisions - Others:		
(i) Taxation (net)	240.09	981.86
(ii) Foreseeable losses on contracts (refer Note 31.15)	577.76	606.85
(iii) Proposed dividend	1,012.50	2,025.00
(iv) Tax on proposed dividend	172.07	328.51
	2,002.42	3,942.22
	2,335.10	4,092.38
Share of joint ventures	3.59	3.88
Total	**2,338.69**	**4,096.26**

Note 12 Tangible Assets

₹ in lac

Particulars	GROSS BLOCK					DEPRECIATION / AMORTISATION					NET BLOCK	
	As at March, 31 2012	Additions	Deductions	Currency Realignement	As at March, 31 2013	As at March, 31 2012	For the year	On Deductions	Currency Realignement	As at March, 31 2013	As at March, 31 2013	As at March, 31 2012
Freehold Land	326.61	-	-		326.61	-	-	-		-	326.61	326.61
	(326.61)	-	-		(326.61)	-	-	-		-		
Leasehold Land	51.98	-	-		51.98	3.21	0.55	-		3.76	48.22	48.77
	(51.98)	-	-		(51.98)	(2.66)	(0.55)	-		(3.21)		
Buildings	1,020.78	-	-		1,020.78	348.36	63.38	-		411.74	609.04	672.42
	(1,011.87)	(8.91)	-		(1,020.78)	(278.45)	(69.91)	-		(348.36)		
Leasehold Improvements	512.12	419.70	52.03		879.79	223.25	92.69	21.61		294.33	585.46	288.87
	(533.66)	(6.51)	(28.05)		(512.12)	(166.38)	(62.18)	(5.31)		(223.25)		
Plant and Machinery (including erection/ construction machinery)	21,364.56	8,304.86	80.95		29,588.47	8,872.20	2,977.69	46.56		11,803.33	17,785.14	12,492.36
	(17,633.13)	(4,376.29)	(644.86)		(21,364.56)	(7,179.08)	(2,250.53)	(557.41)		(8,872.20)		
Furnitures & Fixtures	798.75	333.94	69.04		1,063.65	523.78	109.80	48.35		585.23	478.42	274.97
	(748.21)	(74.78)	(24.24)		(798.75)	(450.87)	(87.88)	(14.97)		(523.78)		
Vehicles *	947.02	421.66	101.34		1,267.34	491.68	193.21	79.94		604.95	662.39	455.34
	(720.58)	(311.76)	(85.32)		(947.02)	(422.68)	(131.50)	(62.50)		(491.68)		
Office Equipment	1,201.93	472.73	84.27		1,590.39	570.92	144.89	39.49		676.32	914.07	631.01
	(973.21)	(245.55)	(16.83)		(1,201.93)	(466.42)	(116.44)	(11.94)		(570.92)		
Computers	1,156.06	236.56	27.43		1,365.19	910.62	139.95	26.77		1,023.80	341.39	245.44
	(1,111.16)	(136.84)	(91.94)		(1,156.06)	(874.46)	(128.04)	(91.88)		(910.62)		
R & D - Capital Mobile Desalination Plant	40.24	-	-		40.24	26.49	1.91	-		28.40	11.84	13.75
	(40.24)	-	-		(40.24)	(24.27)	(2.22)	-		(26.49)		
	27,420.05	10,189.45	415.06	-	37,194.44	11,970.51	3,724.07	262.72		15,431.86	21,762.58	15,449.54
	(23,150.65)	(5,160.64)	(891.24)	-	(27,420.05)	(9,865.27)	(2,849.25)	(744.01)		(11,970.51)	-	-
Share of joint ventures	53.68	1.17	26.40	0.57	29.02	30.85	3.36	14.58	0.43	20.06	8.96	22.83
	(48.75)	(2.29)	-	(2.64)	(53.68)	(24.62)	(4.24)	-	(1.99)	(30.85)		
Total	**27,473.73**	**10,190.62**	**441.46**	**0.57**	**37,223.46**	**12,001.36**	**3,727.43**	**277.30**	**0.43**	**15,451.92**	**21,771.54**	
Previous year	23,199.40	5,162.93	891.24	2.64	27,473.73	9,889.89	2,853.49	744.01	1.99	12,001.36	-	15,472.37

* includes heavy vehicles viz. tractors, trailers and tippers
Amounts in brackets represent previous year numbers.

Notes forming part of the consolidated financial statements

Note 13 Intangible assets

₹ in lac

Particulars	GROSS BLOCK					DEPRECIATION / AMORTISATION					NET BLOCK	
	As at March, 31 2012	Additions	Deductions	Currency Realignement	As at March, 31 2013	As at March, 31 2012	For the year	On Deductions	Currency Realignement	As at March, 31 2013	As at March, 31 2013	As at March, 31 2012
Software	746.17	41.81	-	-	787.98	458.78	157.32	-		616.10	171.88	287.39
	(742.07)	(4.10)	-	-	(746.17)	(300.76)	(158.02)	-		(458.78)		
Goodwill	2,132.57	-	-	-	2,132.57	2,132.57	-	-		2,132.57	-	-
	(2,132.57)	-	-	-	(2,132.57)	(2,132.57)	-	-		(2,132.57)	-	-
	2,878.74	41.81	-	-	2,920.55	2,591.35	157.32	-	-	2,748.67	171.88	287.39
	(2,874.64)	(4.10)	-	-	(2,878.74)	(2,433.33)	(158.02)	-	-	(2,591.35)		
Share of joint ventures	0.70	0.35	-	-	1.05	0.70	0.35	-		1.05	-	-
	-	(0.70)	-	-	(0.70)	-	(0.70)			(0.70)	-	-
Total	**2,879.44**	**42.16**	**-**	**-**	**2,921.60**	**2,592.05**	**157.67**	**-**	**-**	**2,749.72**	**171.88**	
Previous year	2,874.64	4.80	-	-	2,879.44	2,433.33	158.72	-	-	2,592.05	-	287.39

Amounts in brackets represent previous year numbers

Notes forming part of the consolidated financial statements

Note 14 Non-current investments

	As at March 31, 2013 ₹ in lac	As at March 31, 2012 ₹ in lac
Investments (At cost unless stated otherwise)		
A. Trade (unquoted)		
a) Investment in equity instruments		
Virendra Garments Manufacturing Private Limited		
1,200 (March 31, 2012: 1,200) shares of ₹ 100 each fully paid	1.20	1.20
Less: Provision for diminution in value of investments	(1.20)	(1.20)
	-	-
b) Investment in partnership firms		
Tata Dilworth Secord Meagher & Associates		
(Refer note below)	1.80	1.80
Less: Provision for diminution in value of investments	(1.80)	(1.80)
	-	-
	-	-
B. Other investments (unquoted)		
(i) Government securities		
Investments in Exim Bank		
3 Nos.(March 31, 2012: 3 Nos.) 6.35% Exim Bond - 2013		
of ₹ 100 lac each fully paid	302.35	302.35
Less: Amortisation of premium	(2.30)	(2.06)
	300.05	300.29
Share of joint ventures	-	-
Total	**300.05**	**300.29**

Note: Other details relating to investment in partnership firm

Name of the firm	As at March 31, 2013			As at March 31, 2012		
	Name of partner in the firm	Share of Capital	Share of each partner in the profits of the firm	Name of partner in the firm	Share of Capital	Share of each partner in the profits of the firm
Tata Dilworth Secord, Meagher & Associates	(i) Tata Projects Limited	1.80	60%	(i) Tata Projects Limited	1.80	60%
	(ii) Dilworth Secord, Meagher & Associates	1.20	40%	(ii) Dilworth Secord, Meagher & Associates	1.20	40%

Notes forming part of the consolidated financial statements

Note 15 Deferred tax assets (net)

	As at March 31, 2013 ₹ in lac	As at March 31, 2012 ₹ in lac
A. Tax effect of items constituting deferred tax liability	-	-
B. Tax effect of items constituting deferred tax assets		
Depreciation	171.81	3.52
Provision for doubtful debts and advances	2,457.55	1,357.55
Provision for foreseeable losses	196.38	196.89
Provision of compensated absences and gratuity	657.68	314.58
Disallowance under section 43B	61.18	61.10
Others	25.07	14.21
	3,569.67	**1,947.85**
Share of joint ventures	-	-
Deferred tax assets (net)	**3,569.67**	**1,947.85**

Note 16 Long-term loans and advances

(unsecured, considered good, unless otherwise stated)

	As at March 31, 2013 ₹ in lac	As at March 31, 2012 ₹ in lac
(a) Capital Advances	8.01	124.39
(b) Security deposits		
Unsecured, considered good	1,108.51	820.18
Doubtful	199.00	-
	1,307.51	820.18
Less: Provision for doubtful deposits	(199.00)	-
	1,108.51	820.18
(c) Deposits with government authorities	767.23	355.20
(d) Loans and advances to employees	57.49	66.76
(e) Prepaid expenses	34.46	17.77
(f) Advance income tax (net)	500.47	-
(g) Advance payment of fringe benefit tax (net)	26.28	26.28
(h) Other project related advances	104.03	-
	2,606.48	1,410.58
Share of joint ventures	22.59	4.15
Total	**2,629.07**	**1,414.73**

Note 17 Other non-current assets

	As at March 31, 2013 ₹ in lac	As at March 31, 2012 ₹ in lac
(a) Long-term trade receivables *	1,734.31	1,434.79
(b) Insurance and other claims receivable	300.90	-
	2,035.21	1,434.79
Share of joint ventures	-	-
Total	**2,035.21**	**1,434.79**

* comprises retention money receivable beyond the normal operating cycle.

Notes forming part of the consolidated financial statements

Note 18 Current investments (at lower of cost and fair value)

	As at March 31, 2013 ₹ in lac	As at March 31, 2012 ₹ in lac
Investments in mutual funds		
TATA Floater Fund - Daily Dividend Nil (March 31, 2012: 3,93,74,068.299) Units of ₹ 10 each	-	3,951.42
UTI Treasury Advantage Fund - Institutional Plan - Daily Dividend Option- Reinvestment 32,165.526 (March 31, 2012: 1,23,869.480) Units of ₹ 1,000 each	321.72	1,238.96
HDFC Cash Management Fund - Treasury Advantage Plan - Wholesale - Daily Dividend, Option : Reinvest Nil (March 31, 2012: 50,11,118.389) Units of ₹ 10 each	-	502.69
IDFC Money Manager Fund - TP - Super Inst Plan C - Daily Dividend Nil (March 31, 2012: 53,75,534.500) Units of ₹ 10 each	-	537.63
Kotak Floater Long Term - Daily Dividend 31,30,268.264 (March 31, 2012: 94,27,142.889) Units of ₹ 10 each	315.52	950.24
DSP Blackrock Money Manager Fund- Institutional Plan-Daily Dividend Nil (March 31, 2012: 43,094.562) Units of ₹ 1,000 each	-	431.29
HSBC Floating Rate-Long Term Plan - Weekly Dividend 14,26,706.190 (March 31, 2012: Nil) Units of ₹ 10 each	160.23	-
JM Money Manager Fund - Super Plan - Daily Dividend - Reinvest 22,47,307.451 (March 31, 2012: 1,18,21,099.319) units of ₹ 10 each	224.93	1,183.50
Templeton India Ultra Short Bond Fund Institutional Plan - Daily Dividend Reinvestment Nil (March 31, 2012: 1,13,30,265.817) Units of ₹ 10 each	-	1,134.28
Birla Sun Life Savings Fund - Daily Dividend - Regular Plan - Reinvestment 336,743.244 (March 31, 2012: 12,48,401.681) Units of ₹ 100 each	337.06	1,249.25
SBI - SHF - Ultra Short Term Fund - Institutional Plan - Daily Dividend Nil (March 31, 2012: 98,856.181) Units of ₹ 1,000 each	-	989.15
ICICI Prudential Flexible Income - Regular Plan - Daily Dividend 3,38,417.886 (March 31, 2012: 12,05,538.270) Units of ₹ 100 each	357.83	1,274.68
Tata Floater Fund - Plan A- Daily Dividend - Reinvestment 1,00,568.831 (March 31, 2012: Nil) Units of ₹ 1,000 each	1,009.27	-

Notes forming part of the consolidated financial statements

Note 18 Current investments (at lower of cost and fair value) (Contd..)

	As at March 31, 2013 ₹ in lac	As at March 31, 2012 ₹ in lac
HDFC Liquid Fund - Dividend - Daily Reinvestment 30,48,798.054 (March 31, 2012: Nil) Units of ₹ 10 each	310.92	-
Templeton India Ultra Short Bond Fund Super Institutional Daily Dividend Plan 37,21,020.496 (March 31, 2012: Nil) Units of ₹ 10 each	372.77	-
DSP BlackRock Money Manager Fund-Regular-Daily Dividend Reinvest 12,578.639 (March 31, 2012: Nil) Units of ₹ 1,000 each	127.88	-
SBI Ultra Short Term Debt Fund – Regular Plan - Daily Dividend 21,405.554 (March 31, 2012: Nil) Units of ₹ 1,000 each	214.33	-
IDFC Money Manager Fund - Treasury Plan - Daily Dividend - (Regular Plan) 1,76,337.294 (March 31, 2012: Nil) Units of ₹ 10 each	17.76	-
	3,770.22	13,443.09
Share of joint venture	15.56	98.84
Total	**3,785.78**	**13,541.93**

Note 19 Inventories (valued at lower of cost and net realisable value)

	As at March 31, 2013 ₹ in lac	As at March 31, 2012 ₹ in lac
(a) Raw materials	2,080.12	3,155.09
(b) Work-in-process	507.27	585.95
(c) Finished goods #	245.02	78.92
(d) Stores and spares	32.29	11.53
(e) Contracts-in-progress *	22,074.84	7,735.79
	24,939.54	11,567.28
Share of joint ventures	-	0.99
Total	**24,939.54**	**11,568.27**
# includes Goods-in-transit	176.00	-
* includes Goods-in-transit	2,979.20	-

Notes forming part of the consolidated financial statements

Note 20 Trade receivables

	As at March 31, 2013 ₹ in lac	As at March 31, 2012 ₹ in lac
Trade receivables outstanding for a period exceeding six months from the date they were due for payment		
Unsecured, considered good	19,373.71	23,567.00
Doubtful	6,875.19	3,884.17
	26,248.90	27,451.17
Less: Provision for doubtful trade receivables	(6,875.19)	(3,884.17)
	19,373.71	23,567.00
Other Trade receivables		
Unsecured, considered good #	211,575.63	171,177.78
	230,949.34	194,744.78
Share of joint ventures	685.42	630.01
Total	**231,634.76**	**195,374.79**

includes retention money receivable ₹ 99,340.63 lac (March 31, 2012 : ₹ 83,666.89 lac)

Note 21 Cash and cash equivalents

	As at March 31, 2013 ₹ in lac	As at March 31, 2012 ₹ in lac
(a) Cash on hand	43.51	28.18
(b) Balances with banks:		
- In current accounts	10,670.30	13,940.92
- In EEFC accounts	61.20	668.36
- In demand deposit accounts (refer Note below)	444.32	35,312.11
	11,219.33	49,949.57
Share of joint ventures	14.10	14.99
Total	**11,233.43**	**49,964.56**

Note:

Deposit accounts include ₹ Nil (March 31, 2012 : ₹ Nil) demand deposits which have an original maturity of more than 12 months from the balance sheet date.

Notes forming part of the consolidated financial statements

Note 22 Short-term loans and advances
(Unsecured, considered good unless otherwise stated)

	As at March 31, 2013 ₹ in lac	As at March 31, 2012 ₹ in lac
(a) Security deposits	574.63	440.21
(b) Loans and advances to employees	260.63	161.81
(c) Prepaid expenses	670.83	486.12
(d) Balances with government authorities		
CENVAT credit receivable	29.21	146.71
VAT credit receivable	1,329.70	740.69
Sales tax deducted at source	6,590.15	4,984.13
Customs duty refund receivable	1,169.41	-
	9,118.47	5,871.53
(e) Inter-corporate deposits	23,500.00	12,000.00
(f) Mobilisation advances	46,787.76	25,535.52
(g) Other project related advances		
Unsecured, considered good	13,900.92	4,299.83
Doubtful	400.00	400.00
	14,300.92	4,699.83
Less: Provision for doubtful advances	(400.00)	(400.00)
	13,900.92	4,299.83
	94,813.24	48,795.02
Share of joint ventures	1,058.59	1,018.14
Total	**95,871.83**	**49,813.16**

Note 23 Other current assets
(Unsecured, considered good unless otherwise stated)

	As at March 31, 2013 ₹ in lac	As at March 31, 2012 ₹ in lac
(a) Unbilled revenue	2,300.99	7,923.88
(b) Accruals :		
(i) Interest accrued on deposits	16.59	201.32
(ii) Interest accrued on investments	14.87	14.87
(iii) Interest accrued on inter corporate deposits	56.19	221.01
(iv) Interest accrued on mobilisation advance given	80.48	85.30
	168.13	522.50
(c) Others		
(i) Insurance and other claims receivables		
Unsecured, considered good	32.34	19.66
Doubtful	73.25	73.25
	105.59	92.91
Less: Provision for doubtful claims	(73.25)	(73.25)
	32.34	19.66
(ii) Contractually reimbursable expenses	1,567.57	1,019.43
	1,599.91	1,039.09
	4,069.03	9,485.47
Share of joint ventures	30.23	-
Total	**4,099.26**	**9,485.47**

Notes forming part of the consolidated financial statements

Note 24 Revenue from operations

	For the year ended March 31, 2013 ₹ in lac	For the year ended March 31, 2012 ₹ in lac
(a) Income from contracts (refer Note (i) below)	352,779.47	305,738.72
(b) Income from services (refer Note (ii) below)	16,172.53	8,236.93
(c) Income from sale of goods (refer Note (iii) below)	1,541.17	693.75
(d) Other operating revenues (refer Note (iv) below)	614.65	259.19
	371,107.82	314,928.59
Share of joint ventures	157.46	49.06
Revenue from operations (Gross)	**371,265.28**	**314,977.65**
Less: Indirect taxes and duties	11,317.66	6,237.48
Total	**359,947.62**	**308,740.17**
Notes:		
(i) Income from contracts comprises :		
- Supply of contract equipment and materials	225,844.03	203,598.51
- Civil and erection works	126,935.44	102,140.21
Total	**352,779.47**	**305,738.72**
(ii) Income from services comprises :		
- Quality inspection services	15,800.37	7,971.91
- Manpower services	372.16	265.02
Total	**16,172.53**	**8,236.93**
(iii) Income from sale of goods comprises :		
- Sale of BWRO units	235.81	214.70
- Sale of pressure vessels and air receivers	1,305.36	479.05
Total	**1,541.17**	**693.75**
(iv) Other operating revenues comprises :		
- Sale of scrap	614.65	259.19
Total	**614.65**	**259.19**

Notes forming part of the consolidated financial statements

Note 25 Other income

		For the year ended March 31, 2013 ₹ in lac	For the year ended March 31, 2012 ₹ in lac
(a)	Interest income (refer Note (i) below)	3,780.22	2,190.59
(b)	Dividend income :		
	from current investments		
	- mutual funds	1,096.66	1,465.56
(c)	Net gain on foreign currency transactions and translations	213.73	621.33
(d)	Other non operating income (refer Note (ii) below)	702.67	421.25
		5,793.28	4,698.73
	Share of joint ventures	9.74	5.33
	Total	**5,803.02**	**4,704.06**
Notes:			
(i)	Interest Income comprises :		
	- Interest from banks on deposits	697.08	698.01
	- Interest on inter corporate deposits	2,144.35	1,103.66
	- Interest income from long-term investments	19.05	19.05
	- Interest income on mobilisation advance given	816.11	315.73
	- Other interest	103.63	54.14
	Total	**3,780.22**	**2,190.59**
(ii)	Other non operating income comprises :		
	- Hire charges	364.21	182.88
	- Liabilities no longer required written back	223.14	-
	- Miscellaneous income	115.32	238.37
	Total	**702.67**	**421.25**

Note 26 Contract execution expenses

		For the year ended March 31, 2013 ₹ in lac	For the year ended March 31, 2012 ₹ in lac
(a)	Cost of supplies/erection and civil works *	288,056.36	238,712.06
(b)	Technical and engineering fees	5,089.97	1,862.13
(c)	Insurance premium	1,857.65	1,368.66
(d)	Bank guarantee and letter of credit charges	1,515.56	1,712.06
		296,519.54	243,654.91
	Share of joint ventures	97.16	34.74
	Total	**296,616.70**	**243,689.65**

* includes increase / (decrease) in excise duty of ₹ 4.84 lac (previous year: (₹ 2.60 lac)) on finished goods

Notes forming part of the consolidated financial statements

Note 27 Changes in inventories of finished goods, work-in-process and contracts-in-progress

	For the year ended March 31, 2013 ₹ in lac	For the year ended March 31, 2012 ₹ in lac
Inventories at the end of the year		
Finished goods	245.02	78.92
Work-in-process	507.27	585.95
Contracts-in-progress	22,074.84	7,736.79
	22,827.13	**8,401.66**
Inventories at the beginning of the year		
Finished goods	78.92	51.36
Work-in-process	585.95	548.32
Contracts-in-progress	7,736.79	6,008.38
	8,401.66	**6,608.06**
	(14,425.47)	**(1,793.60)**
Share of joint ventures	-	-
Net (increase)/decrease	**(14,425.47)**	**(1,793.60)**

Note 28 Employee benefits expense

	For the year ended March 31, 2013 ₹ in lac	For the year ended March 31, 2012 ₹ in lac
(a) Salaries and wages	21,852.78	18,790.66
(b) Contribution to provident and other funds	2,242.70	1,684.89
(c) Staff welfare expenses	1,059.61	888.08
	25,155.09	21,363.63
Share of joint ventures	72.82	76.87
Total	**25,227.91**	**21,440.50**

Notes forming part of the consolidated financial statements

Note 29 Other expenses

	For the year ended March 31, 2013 ₹ in lac		For the year ended March 31, 2012 ₹ in lac	
Consumption of stores and spare parts		291.84		139.87
Rent		2,099.69		1,554.29
Repairs and maintenance				
- Building		1.87		134.45
- Machinery		297.29		208.35
- Others		538.90		375.49
Processing charges		765.55		326.62
Power and fuel		788.53		583.06
Rates and taxes		239.72		122.58
Insurance		71.50		74.46
Motor vehicle expenses		2,031.10		1,466.48
Traveling and conveyance		3,232.00		2,026.75
Legal and professional		1,587.63		1,275.12
Payment to auditors (refer Note below)		59.23		42.28
Communication expenses		526.02		454.69
Printing and stationery		277.19		225.69
Staff recruitment and training expenses		165.63		92.76
Business development expenditure		178.63		312.44
Bank charges		53.61		92.81
Freight and handling charges		393.43		158.27
Amortisation of premium and provision for diminution in the value of investments		0.24		(75.36)
Bad debts	36.06		13.97	
Provision for doubtful trade receivables	3,442.65		437.87	
	3,478.71		451.84	
Less: Provision for doubtful trade receivables reversed	(451.63)		(133.73)	
		3,027.08		318.11
Advances written off	254.41		-	
Provision for doubtful loans and advances	199.00		-	
	453.41		-	
Less: Provision for doubtful loans and advances	-		(100.42)	
		453.41		(100.42)

Notes forming part of the consolidated financial statements

Note 29 Other expenses (Contd...)

	For the year ended March 31, 2013 ₹ in lac	For the year ended March 31, 2012 ₹ in lac
Agency commission	49.84	45.18
Brand equity contribution	576.47	753.92
Loss on sale of fixed assets (net)	79.04	55.78
Miscellaneous expenses	1,066.76	936.17
	18,852.20	11,599.84
Share of joint ventures	51.57	45.60
Total	**18,903.77**	**11,645.44**
Note:		
Payment to auditors comprises (net of service tax)		
(a) To Statutory auditors		
Audit fees	38.66	27.92
Tax audit fees	3.12	3.10
Limited review fees	7.68	7.54
Other services	6.18	3.52
Reimbursement of expenses	0.96	0.20
(b) To Cost auditor for cost audit	2.63	-
Total	**59.23**	**42.28**

Note 30 Finance costs

	For the year ended March 31, 2013 ₹ in lac	For the year ended March 31, 2012 ₹ in lac
(a) Interest expense on :		
(I) Borrowings	467.54	375.65
(ii) Mobilisation advance received	2,693.86	2,033.00
(iii) Others	166.52	6.57
(b) Other borrowing costs	47.08	11.09
	3,375.00	2,426.31
Share of joint ventures	-	-
Total	**3,375.00**	**2,426.31**

Notes forming part of the consolidated financial statements

Note 31 Additional notes to the consolidated financial statements

	For the year ended March 31, 2013 ₹ in lac	For the year ended March 31, 2012 ₹ in lac
31.1 Contingent liabilities and commitments (to the extent not provided for)		
(i) Contingent liabilities:		
(a) Claim against the Company not acknowledged as debt		
Sales tax matters under dispute	4,905.48	4,008.09
Income tax matters under dispute	227.26	333.79
Third party claims from disputes relating to contracts	1,594.99	830.00
(b) Guarantees		
Performance and other bank guarantees issued by banks on behalf of the Company	354,226.70	331,400.25
Corporate guarantees	19,929.12	16,600.93
(c) Others - liquidated damages	Amounts indeterminate	Amounts indeterminate
(d) Bills discounted	460.48	-
(ii) Commitments Estimated amount of contracts remaining to be executed on capital account and not provided for [net of advance ₹ 8.01 lac (March 31, 2012 : ₹ 124.39 lac)]	69.73	497.57
31.2 Raw materials consumed		
Steel / Plates	17,639.55	9,114.51
Zinc	1,676.32	967.45
Others (including lead, pipes and paints)	1,722.09	1,173.64
Total	**21,037.96**	**11,255.60**

The consumption figures shown above are after adjustment of excess and shortages found on physical verification.

31.3 Details on derivative instruments and unhedged foreign currency exposures

a) Outstanding forward exchange contracts entered into by the Company as on March 31, 2013

Currency	Amount (in Million)	Buy/Sell	Cross currency
EUR	1.28	Buy	Rupees
	(-)	(-)	(-)
USD	0.52	Buy	Rupees
	(-)	(-)	(-)

Amounts in brackets represent previous year numbers

Notes forming part of the consolidated financial statements

31.3 Details on derivative instruments and unhedged foreign currency exposures (Contd...)

b) The year end foreign currency exposures that have not been hedged by a derivative instrument or otherwise are given below:

	Currency	**As at March 31, 2013**		As at March 31, 2012	
		Foreign currency (in Million)	**₹ in lac**	Foreign currency (in Million)	₹ in lac
1 Short term borrowings	USD	1.05	569.77	-	-
	EUR	1.73	1,205.37	-	-
	AED	5.41	800.29	0.85	117.34
2 Receivables	AED	24.67	3,645.50	31.56	4,370.47
	KES	23.06	146.43	-	-
	WON	85.14	41.72	10.79	4.86
	QAR	0.37	54.72	0.14	20.19
	EUR	0.32	220.68	0.37	251.77
	ZAR	40.77	2,397.26	4.30	284.98
	SAR	11.94	1,746.37	11.95	1,691.00
	SGD	-	-	0.02	7.28
3 Payables	QAR	0.002	0.26	0.09	27.23
	AED	12.52	1,850.38	23.69	3,281.60
	SGD	0.07	29.66	0.001	0.47
	EUR	0.14	95.74	0.12	80.86
	ZAR	29.15	1,713.92	2.80	185.71
	SAR	13.06	1,910.12	13.06	1,848.24
	WON	28.56	14.00	-	-
	KES	300.22	210.02	-	-
4 Interest accrued on buyer's credit	USD	0.002	1.33	-	-
	EUR	0.004	2.56	-	-
5 Cash and cash equivalents	QAR	0.02	3.16	0.37	51.27
	SGD	0.01	4.95	0.02	7.27
	AED	2.38	351.96	3.78	522.91
	USD	0.42	228.87	1.00	528.71
	WON	294.92	143.98	188.69	84.91
	KES	214.15	1,359.86	–	–
	EUR	0.66	456.03	0.21	145.39
	ZAR	25.74	1,513.27	6.00	397.94
	SAR	0.09	13.54	0.09	13.10

c) The net difference in foreign exchange credited to the Statement of Profit and Loss is ₹ 213.73 lac (March 31, 2012 : ₹ 621.33 Lac).

Notes forming part of the consolidated financial statements

Note 31 Additional Information to the financial statements (Contd.)

31.4 Note 22 - Short-term loans and advances includes ₹ 610.00 lac (March 31, 2012: ₹ 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 is confident of a favorable outcome in the matter.

31.5 The Parent 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 ₹ 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.

31.6 The Draft Rehabilitation Scheme proposed by the subsidiary company (Artson Engineering Limited) was sanctioned by the Board for Industrial and Financial Reconstruction (BIFR) on December 18, 2007 and accordingly the scheme was given effect to in the financial statements prior to the Parent Company acquiring the stake. The subsidiary company is in the process of making an application to the BIFR seeking an extension of the sanctioned scheme of rehabilitation. Based on the current order book position and continuing operational and financial support of the Parent Company, the Management is confident about the subsidiary company's ability to continue as a going concern.

The subsidiary company has filed an appeal with Appellate Authority for Industrial and Financial Reconstruction (AAIFR) with reference to the 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 subsidiary company has received an order from AAIFR dated January 1, 2009 specifying waivers of the above mentioned taxes and penalties and accordingly the effect has been given in the consolidated financial statements.

31.7 **Disclosures required to be made under Accounting Standard (AS-7) Construction Contracts**

	For the year ended March 31, 2013 ₹ in lac	For the year ended March 31, 2012 ₹ in lac
Contract revenue recognised during the year	352,779.47	305,738.72
Aggregate of contract costs incurred and recognised profits (less recognized losses) upto the reporting date	1,542,110.05	1,291,254.31
Advances received for contracts-in-progress	92,899.46	69,251.18
Retention money for contracts-in-progress	101,074.94	85,101.68
Gross amount due from customers for contract work	22,451.57	17,937.42

31.8 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 Statement of Profit and Loss for the year includes debits aggregating ₹ 2,139.50 lac (March 31, 2012 : ₹ 2,717.57 lac - credits) on account of changes in estimates.

Notes forming part of the consolidated financial statements

31.9 Employee benefits

a) Defined benefit plans

The following table sets out the status of the defined benefit schemes and the amounts recognised in the financial statements:

₹ in lac

Particulars	Year ended March 31, 2013			Year ended March 31, 2012		
	Gratuity	Pension	Post retirement medical benefits	Gratuity	Pension	Post retirement medical benefits
	Funded	Unfunded	Unfunded	Funded	Unfunded	Unfunded
I Components of employer's expense						
Current service cost	225.58	-	-	184.24	-	-
Interest cost	144.24	16.60	2.36	98.81	8.82	-
Expected return on plan assets	(126.33)	-	-	(101.16)	-	-
Past service cost	-	-	-	-	93.16	27.71
Actuarial losses / gains	359.29	83.70	(0.66)	207.54	22.66	-
Total expense recognized in the Statement of Profit and Loss	**602.78**	**100.30**	**1.70**	**389.43**	**124.64**	**27.71**
II Net asset / (liability recognised in the Balance Sheet						
Present value of defined benefit obligation	2,062.56	273.63	28.95	1,478.78	211.13	27.71
Fair value on plan assets	(1,960.39)	-	-	(1,481.66)	-	-
Status [Deficit]	(102.17)	(273.63)	(28.95)	2.88	(211.13)	(27.71)
Unrecognised past service cost	-	-	-	-	-	-
Net asset/(liability) recognised in the Balance Sheet	**(102.17)**	**(273.63)**	**(28.95)**	**2.88**	**(211.13)**	**(27.71)**
III Change in defined benefit obligation (DBO) during the year						
Present value of DBO at beginning of the year	1,481.93	211.13	27.71	1,198.45	106.86	-
Current service cost	225.58	-	-	184.24	93.16	27.71
Interest cost	144.24	16.60	2.36	98.81	8.82	-
Actuarial (gains)/losses	394.16	83.70	(0.66)	216.59	22.66	-
Benefits paid	(183.35)	(37.80)	(0.46)	(219.31)	(20.37)	-
Present value of DBO at the end of the year	**2,062.57**	**273.63**	**28.95**	**1,478.78**	**211.13**	**27.71**

Notes forming part of the consolidated financial statements

31.9 Employee benefits (Contd...)

₹ in lac

Particulars	Year ended March 31, 2013			Year ended March 31, 2012		
	Gratuity	Pension	Post retirement medical benefits	Gratuity	Pension	Post retirement medical benefits
	Funded	Unfunded	Unfunded	Funded	Unfunded	Unfunded
IV Change in fair values of assets during the year						
Plan assets at beginning of the year	1,481.66	-	-	1,217.66	-	-
Expected return on plan assets	126.57	-	-	101.79	-	-
Actual company contributions	500.89	37.80	0.46	372.47	20.37	-
Actuarial gain / (loss)	34.62	-	-	9.05	-	-
Benefits paid	(183.35)	(37.80)	(0.46)	(219.31)	(20.37)	-
Plan assets at the end of the year	1,960.38	-	-	1,481.66	-	-
Actual return on plan assets	157.68	-	-	107.33	-	-
V The major categories of plan assets						
Funded with Tata AIG Life Insurance Company Limited and Life Insurance Corporation of India	1,960.38	-	-	1,481.66	-	-
VI Actuarial assumptions						
Discount rate	8.00%	8.00%	8.00%	8.50%	8.50%	8.50%
Expected rate of return on plan assets	8.00%	-	-	8.50%	-	-
Salary escalation	5.00%	-	-	5.00%	-	-
Attrition	10%	-	-	10%	-	-
Mortality	Indian Assured Lives Mortality (2006-08) ULT Table			LIC (1994-96) Ultimate		

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.

31.9 Employee benefits (Contd...)

VII. Experience adjustments

₹ in lac

	2012-13			2011-12			2010-11			2009-10		
	Gratuity	Pension	Post retirement medical benefits	Gratuity	Pension	Post retirement medical benefits	Gratuity	Pension	Post retirement medical benefits	Gratuity	Pension	Post retirement medical benefits
Present value of DBO	2,062.57	273.63	28.95	1,478.78	211.13	27.71	1,198.44	106.86	-	900.70	94.77	-
Fair value of plan assets	1,960.39	-	-	1,481.66	-	-	1,220.68	-	-	913.44	-	-
Status [Surplus/(Deficit)]	(102.18)	(273.63)	(28.95)	2.88	(211.13)	(27.71)	22.24	(106.86)	-	12.74	(94.77)	-
Experience adjustment on plan assets [gain/(loss)]	34.62	-	-	9.05	-	-	(10.42)	-	-	(8.88)	-	
Experience adjustment on plan liabilities [gain/(loss)]	199.02	74.92	(1.69)	200.96	25.02	-	197.34	33.72	-	63.93	6.96	-

b) Defined contribution plan

In respect of the defined contribution plans, an amount of ₹ 1,645.61 lac (March 31, 2012: ₹ 990.67 lac) has been recognised as an expense in the statement of profit and loss during the year.

Notes forming part of the consolidated financial statements

31.10 Segment Information

1 The Group is in the business of executing Engineering, Procurement and Construction (EPC) contracts in various infrastructure fields, comprising 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, the primary segment is business segment and secondary segment is geographical segment.

Accordingly the primary segments of the Company are:

1 EPC
2 Services
3 Others

and secondary segments of the Company are:

1 Domestic
2 Overseas

2 Reporting for business segment is on the following basis:

Revenue relating to individual segment is recorded in accordance with accounting policies followed by the Group. All expenditure, which is directly attributable to a project, is charged to the project and included in the respective segment to which the project 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.

Notes forming part of the consolidated financial statements

3 Segment Reults

₹ in lac

Particulars	Business segments			Eliminations	Total
	EPC	Services	Others		
Revenue	343,389.27 (298,180.53)	17,179.16 (11,681.51)	1,693.69 (246.87)	2,314.50 (1,368.74)	359,947.62 (308,740.17)
Inter segment revenue	- -	470.50 (283.67)	- -	470.50 (283.67)	- -
1 Segment revenue	343,389.27 (298,180.53)	17,649.66 (11,965.18)	1,693.69 (246.87)	2,785.00 (1,652.41)	359,947.62 (308,740.17)
2 Segment result	12,090.26 (22,309.72)	5,898.24 (4,148.33)	1,465.05 (33.51)	- -	19,453.55 (26,491.56)
3 Unallocable expenses (net)					10,751.90 (7,001.19)
4 Finance costs					3,375.00 (2,426.31)
5 Operating income (2-3-4)					5,326.65 (17,064.06)
6 Other income (net)					5,803.02 (4,704.06)
7 Profit before taxes (5+6)					**11,129.67** **(21,768.12)**
8 Tax expense					3,925.99 (7,115.51)
9 Profit for the year (7-8)					**7,203.68** **(14,652.61)**
Segment assets	354,690.71 (276,483.71)	7,837.44 (4,275.71)	152.47 (93.24)	- -	362,680.62 (280,852.66)
Unallocable assets					41,179.48 (70,900.40)
Total assets					**403,860.10** **(351,753.06)**
Segment liabilities	325,908.65 (279,057.84)	1,726.60 (694.56)	41.49 (13.34)	- -	327,676.74 (279,765.74)
Unallocable liabilities					9,171.28 (10,633.42)
Total liabilities					**336,848.02** **(290,399.16)**

Notes forming part of the consolidated financial statements

3 Segment Reults (Contd...)

(₹ In lac)

Particulars	Business segments			Eliminations	Total
	EPC	Services	Others		
Other information					
Capital expenditure (allocable)	8,314.83	1.52	-		8,316.35
	(4,424.53)	(4.10)	-		(4,428.63)
Capital expenditure (unallocable)					2,470.81
					(635.32)
Depreciation and amortisation (allocable)	3,055.18	25.20	-		3,080.38
	(2,261.84)	(7.69)	(0.05)		(2,269.58)
Depreciation and amortisation (unallocable)					804.72
					(742.63)

(₹ In lac)

Geographical segment	Revenue - for the year ended March 31, 2013	Segment assets as at March 31, 2013	Capital expenditure incurred during the year ended March 31, 2013
Domestic (allocable)	346,499.60	350,176.63	8,190.29
	(287,357.02)	(272,348.51)	(4,425.09)
Domestic (unallocable)	-	41,179.48	2,470.81
	-	(70,900.40)	(635.32)
Overseas	13,448.02	12,503.99	126.06
	(21,383.15)	(8,504.15)	(3.54)
Total	**359,947.62**	**403,860.10**	**10,787.16**
	(308,740.17)	**(351,753.06)**	**(5,063.95)**

Amounts in brackets represent previous year numbers

Notes forming part of the consolidated financial statements

31.11 Related party transactions

Details of related parties:

Description of relationship	Names of related parties
(i) Entity holding more than 20%	The Tata Power Company Limited
(ii) Jointly controlled entities (JCE)	Al Tawleed for Energy & Power Company TEIL Projects Limited
(iii) Associates	Virendra Garments Manufacturing Private Limited
(iv) Key Management Personnel (KMP)	Mr. Vinayak K Deshpande, Managing Director (w.e.f. July 1, 2011) Mr. A.K.Misra, Executive Director & Chief Operating Officer (upto September 30, 2011) Mr. A.K.Mathur, Executive Director (upto September 30, 2011)

Details of related party transactions during the year ended March 31, 2013 and balances outstanding as at March 31, 2013

₹ in lac

Particulars	Entity holding more than 20%	JCE	KMP	Total
Revenue from operations	1,994.64 (1,652.79)	- (-)	- (-)	1,994.64 (1,652.79)
Interest expenses on borrowings	30.82 (106.03)	- (-)	- (-)	30.82 (106.03)
Proposed dividend	483.75 (967.50)	- (-)	- (-)	483.75 (967.50)
Redemption of Debentures	937.50 (937.50)	- (-)	- (-)	937.50 (937.50)
Contractually reimbursable expenses	- (-)	20.32 (2.90)	- (-)	20.32 (2.90)
Remuneration	- (-)	- (-)	293.93 (341.71)	293.93 (341.71)
Guarantees given	4,156.80 (-)	- (-)	- (-)	4,156.80 (-)
Balances outstanding at the end of the year				
Trade receivables	2,692.66 (2,615.97)	58.58 (58.58)	- (-)	2,751.24 (2,674.55)
Trade payables	423.93 (608.27)	24.07 (24.07)	- (-)	448.00 (632.34)
Contractually reimbursable expenses	- (-)	20.32 (2.90)	- (-)	20.32 (2.90)
Unbilled revenue	2.96 (-)	- (-)	- (-)	2.96 (-)
Interest accrued on trade payables and mobilisation advance received	- (39.95)	- (-)	- (-)	- (39.95)
Proposed Dividend	483.75 (967.50)	- (-)	- (-)	483.75 (967.50)
Commission payable	- (-)	- (-)	150.00 (180.00)	150.00 (180.00)
Guarantees	2,004.56 (2,439.93)	- (-)	- (-)	2,004.56 (2,439.93)

Amount in brackets represents previous year numbers.

Notes forming part of the consolidated financial statements

31.12 Details of leasing arrangements

Operating lease: As lessee

(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 9 years or longer and are usually renewable by mutual consent on mutually agreeable terms. The aggregate lease rents payable are recognized in the Statement of Profit and Loss for the year as Rent under Note 29 - Other expenses..

(ii) With regard to certain other non-cancellable operating leases for premises, the future minimum lease rental are as follows:

₹ in lac

	As at March 31, 2013	As at March 31, 2012
Not later than one year	1,178.69	432.07
Later than one year and not later than five years	1,537.85	634.67
Later than five years	419.24	-
	3,135.78	**1,066.74**

31.13 Earnings per Share (EPS)

		For the year ended March 31, 2013	For the year ended March 31, 2012
a)	Profit for the year (₹ in lac)	6,214.07	14,366.53
b)	Weighted Average number of Equity Shares of ₹ 100 each outstanding during the year (No's)	2,025,000	2,025,000
	Earning per share		
c)	Basic and diluted (₹) (a/b)	306.87	709.46

31.14 Goodwill on consolidation

₹ in lac

	For the year ended March 31, 2013	For the year ended March 31, 2012
Opening Balance	343.73	343.62
Add: Exchange difference during the year on translation of Goodwill of foreign subsidiaries	0.04	0.11
Total	**343.77**	**343.73**

Notes forming part of the consolidated financial statements

31.15 Details of provisions

The Company has made provisions for various contractual obligations and disputed liabilities based on its assessment of the amount it estimates to incur to meet such obligations, details of which are given below:

₹ in lac

Particulars	As at April 1, 2012	Additions	Utilisation	Reversal (withdrawn as no longer required)	As at March 31, 2013
Provision for warranty	-	-	-	-	-
	(256.00)	(-)	(-)	(256.00)	(-)
Provision for foreseeable losses on contracts	606.85	496.09	525.18	-	577.76
	(-)	(606.85)	(-)	(-)	(606.85)
Total	**606.85**	**496.09**	**525.18**	**-**	**577.76**
	(256.00)	(606.85)	(-)	(256.00)	(606.85)

Amounts in brackets represents previous year numbers.

31.16 Previous year's figures have been regrouped / reclassified wherever necessary to correspond with the current year's classification / disclosure.

For and on behalf of the Board of Directors

Prasad R Menon
Director

Vinayak K Deshpande
Managing Director

Rajgopal Swami
Chief Financial Officer

Dr A Raja Mogili
Company Secretary

Place : Mumbai
Date : May 22, 2013

Gist of the Financial Performance for the year 2012-13 of the Subsidiary Companies

₹ 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	(5,907.26)	6,434.57	11,972.63	-	5,924.75	(3,941.01)	(1.20)	(3,939.81)	-
2	TPL - TQA Quality Services (Mauritus) Pty. Limited	16.71	549.46	653.09	86.92	-	772.99	392.68	11.77	380.91	-
3	TPL - TQA Quality Services South Africa (Proprietary) Limited	14.70	2,181.92	3,910.54	1,713.92	-	7,572.37	3,062.08	873.72	2,188.36	-
4	TQ Services Europe GmbH	17.40	(5.31)	20.92	8.83	-	14.39	(5.36)	-	(5.36)	-

@ Total Assets = Non Current Assets + Current Assets + Miscellaneous Expenditure

Total Liabilities = Non Current Liabilities + Current Liabilities + Deferred Tax Liabilities

Turnover includes Other Income

Exchange rate as on 31.03.2013 - ₹ 69.61 / EUR

Exchange rate as on 31.03.2013 - ₹ 5.88 / ZAR

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

TATA PROJECTS LIMITED

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