



DAEWOO-TPL JV

CONTRACT AGREEMENT

between

MUMBAI METROPOLITAN REGION DEVELOPMENT AUTHORITY

and

**DAEWOO - TPL JOINT VENTURE
(M/s DAEWOO ENGINEERING & CONSTRUCTION Co. Ltd. &
M/s TATA PROJECTS Ltd.)**

MUMBAI TRANS HARBOUR LINK PROJECT (MTHL)

PACKAGE-2

**Procurement of Mumbai Trans Harbour Link Project (Package 2)
Construction of 7.807 km Long Bridge Section (CH 10+380 – CH
18+187) Across the Mumbai Bay Including Shivaji Nagar
Interchange**

(JICA LOAN: Mumbai Trans-Harbour Link Project (I) ID-P255)

MADE ON 19TH JANUARY 2018

VOLUME - XVI of XXVI

PAGES 5310 TO 5609

Package-2 DAEWOO – TPL Joint Venture

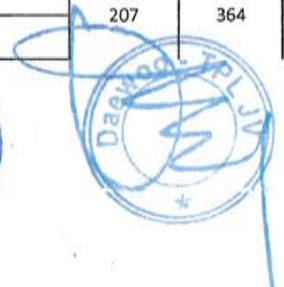
Index

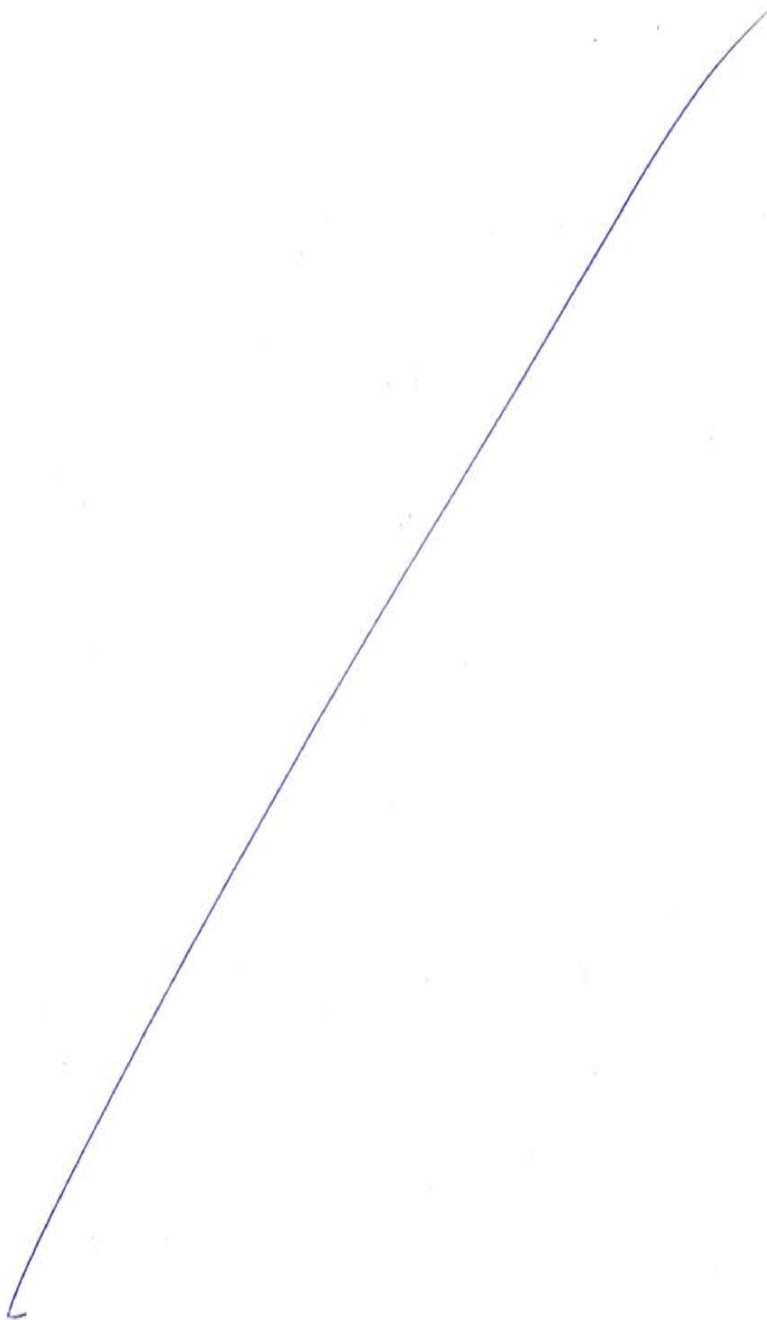
Volume No.	Contents	Page No.
Volume-I	The Contract Agreement (CA)	0001 - 0168
	Performance Security	
	Power of Attorney	
	The Letter of Acceptance (LOA)	
	Letters of Clarifications (LoC)	
	The Letters of Bid (Technical & Financial)	
Volume-II	The Addenda including Attachments (Numbers 1 to 5)	0169 - 0452
Volume-III	Geotechnical Investigation Report R1 (Addendum 1 – Attachment 12)	0453 - 1474
Volume-IV	The Particular Conditions	1475 – 1768
	The General Conditions	
	The Employer's Requirements	
Volume-V	Tender Drawings	1769 - 2038
Volume-VI	Geotechnical Investigation Report (Bid Document)	2039 - 2496
Volume-VII	The Completed/Corrected Schedules	2497 - 2522
Volume-VIII	The Contractor's Proposal Volume-1	2523 - 2895
Volume-IX	The Contractor's Proposal Volume-2	2896 - 3319
Volume-X	The Contractor's Proposal Volume-3	3320 - 3657
Volume-XI	The Contractor's Proposal Volume-4	3658 - 4037
Volume-XII	The Contractor's Proposal Volume-5	4038 – 4313
Volume-XIII	The Contractor's Proposal Volume-6	4314 – 4765
Volume-XIV	The Contractor's Proposal Volume-7	4766 – 5121
Volume-XV	The Contractor's Proposal Volume-8	5122 – 5309
Volume-XVI	The Contractor's Proposal Volume-9	5310 – 5609
Volume-XVII	The Contractor's Proposal Volume-10	5610 – 5971
Volume-XVIII	The Contractor's Proposal Volume-11	5972 - 6215
Volume-XIX	The Contractor's Proposal Volume-12	6216 - 6651
Volume-XX	The Contractor's Proposal Volume-13	6652 – 6936
Volume-XXI	The Contractor's Proposal Volume-14	6937 – 7291
Volume-XXII	The Contractor's Proposal Volume-15	7292 – 7808
Volume- XXIII	The Contractor's Proposal Volume-16	7809 – 8276
Volume- XXIV	The Contractor's Proposal Volume-17	8277 – 8936
Volume- XXV	The Contractor's Proposal Price Bid	8937 – 9060
Volume- XXVI	The Acknowledgement of Compliance with Guidelines for Procurement under Japanese ODA Loans and any other documents forming part of the Contract	9061 – 9070

Mumbai Trans Harbour Link Project (Package - 02)				
Sr. No.	Description/ Document	Doc. Belongs To	Page No.	
			From	To
Cover - A - Technical Bid				
1	Covering Letter	JV	1	2
2	Letter of Technical Bid	JV	3	5
3	Bid Security - Bank Guarantee (Copy)	JV	6	10
4	Tender Fee Receipt and Tender Processing Fees Receipt	JV	11	13
5	Authorization Letter to TPL for Online Bid Submission	JV	14	15
6	Form ACK	JV	16	18
7	Joint Venture Agreement and Addendum	JV	19	27
8	Power of Attorney For Signing Bid	JV	28	31
9	Power of Attorney (Daewoo)	Daewoo	32	35
10	Power of Attorney (TPL)	TPL	36	45
Bidder's Qualification				
11	Form EIL -1 Bidder Information	Daewoo	46	49
	Joint Venture Agreement (Copy)	Daewoo	50	58
	Power of Attorney for Signing Bid & Board Resolution (Copy)	Daewoo	59	61
12	Form ELI - 2: Bidder's Party Information	Daewoo	62	64
	Article of Incorporation	Daewoo	65	108
	Certificate of Business Registration	Daewoo	109	113
	Certificate of all matters of Corporate Register	Daewoo	114	130
	Organizational Chart	Daewoo	131	132
	List of Board of Directors	Daewoo	133	134
	Details of the beneficial Ownership	Daewoo	135	136
13	Form ELI - 2: Bidder's Party Information	TPL	137	138
	Memorandum and Articles of Association along with Incorporation Certificate	TPL	139	140
	Organization Chart	TPL	141	142
	List of Board of Directors	TPL	143	144
	Details of the beneficial Ownership	TPL	145	146
	List of Bankers	TPL	147	148
14	Form EXP - 4.2 (a) - Specific Construction Experience	Daewoo	149	157
	Form Exp - 4.2 (b) - PQ Key Activity No. 02	Daewoo	158	160/2
	Experience Certificates	Daewoo	161	203
15	Applicant Party (Specialized Subcontractor) Form	JFE	204	204
	Form ELI - 2: Bidder's Party Information	JFE	205	206
	Form Exp - 4.2 (b) - PQ Key Activity No. 01	JFE		
	Form Exp - 4.2 (b) - PQ Key Activity No. 02	JFE		
	Form Exp - 4.2 (b) - PQ Key Activity No. 03	JFE		
	Form Exp - 4.2 (b) - Subcontractor Key Activity No. 04	JFE	207	364



Daewoo-TPL JV



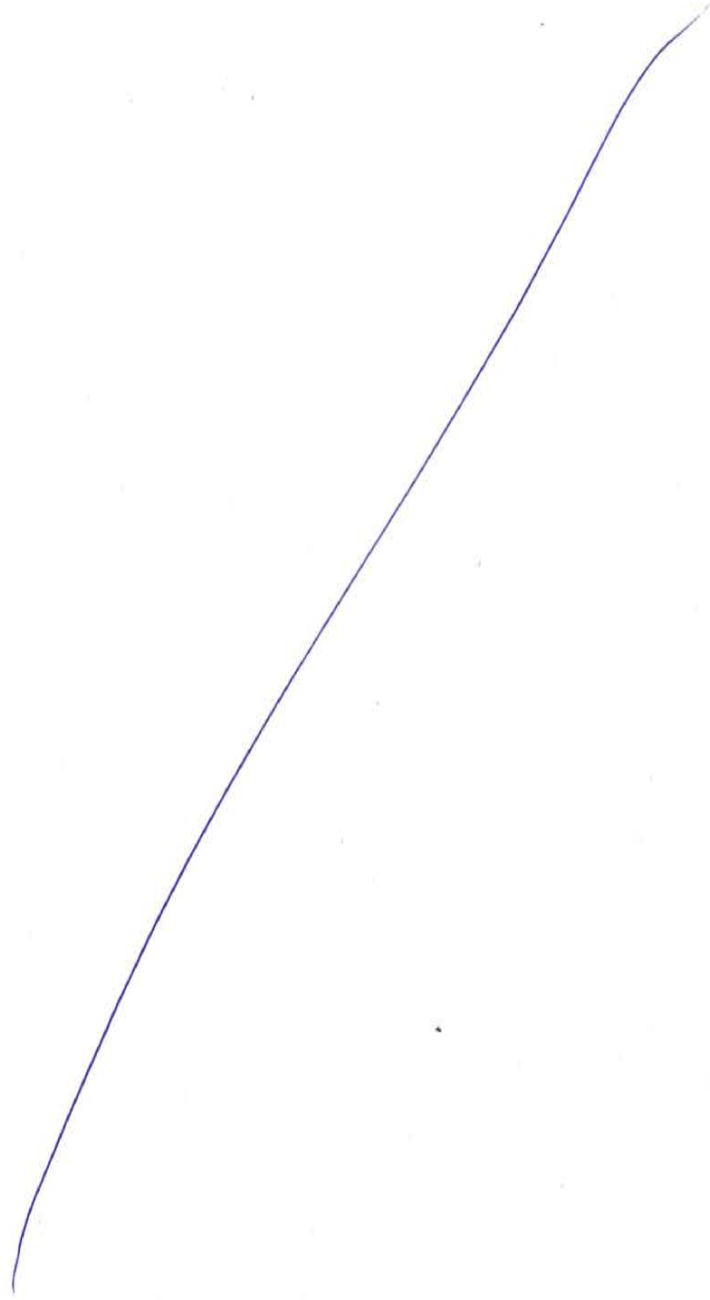


Mumbai Trans Harbour Link Project (Package - 02)				
Sr. No.	Description/ Document	Doc. Belongs To	Page No.	
			From	To
	Form Exp - 4.2 (b) - Subcontractor Key Activity No. 02	JFE		
	Qualifying Certificates from Subcontractor	JFE		
16	Form Exp - 4.2 (b) - PQ Key Activity No. 02	M/s VSL	365	457
	Qualifying Certificates from Subcontractor	M/s VSL		
17	Form Exp - 4.2 (b) - Subcontractor Key Activity No. 03	M/s VSL	458	503
	Qualifying Certificates from Subcontractor	M/s VSL		
18	Form Exp - 4.2 (b) - Subcontractor Key Activity No. 04	M/s Shah & Parikh	504	532
	Qualifying Certificates from Subcontractor	M/s Shah & Parikh		
19	Form Exp - 4.2 (b) - Subcontractor Key Activity No. 05	M/s Nina	533	604
	Qualifying Certificates from Subcontractor	M/s Nina		
20	Form Exp - 4.2 (b) - Subcontractor Key Activity No. 06	M/s Bauar	605	719
	Qualifying Certificates from Subcontractor	M/s Bauar		
21	Form CON: Historical Contract Non- Performance	Daewoo	720	723
22	Form CON: Historical Contract Non- Performance	TPL	724	729
23	Form FIN-1 Financial Situation	Daewoo	730	732
	Audited balance sheets of last 5 years.	Daewoo	733	1189
24	Form FIN-1 Financial Situation	TPL	1190	1193
	Audited balance sheets of last 5 years.	TPL	1194	1366
25	Form FIN-2 Average Annual Turnover	Daewoo	1367	1368
26	Form FIN-2 Average Annual Turnover	TPL	1369	1370
27	Form FIR - 1: Financial Resources	Daewoo	1371	1372
	Bank Reference Letter	Daewoo	1373	1376
28	Form FIR - 1: Financial Resources	TPL	1377	1378
	Bank Reference Letter	TPL	1379	1381
29	Form FIR - 2: Current Contract Commitments	Daewoo	1382	1402
30	Form FIR - 2: Current Contract Commitments	TPL	1403	1430
31	Forms PER -1 : Details of proposed personnel	Daewoo	1431	1432
32	Forms PER -2 : Resume of Proposed Personnels	Daewoo	1433	1448
33	Forms PER -1 : Details of proposed personnel	TPL	1449	1450
34	Forms PER -2 : Resume of Proposed Personnels	TPL	1451	1483
35	Declaration for Proposed Personnel	JV	1484	1485
36	Form SOG - Schedule of Guarantee	JV	1486	1487
37	Form MAN - Manufacturer's Authorisation for Item No.1 (Heavy duty anti corrosive)	M/s Osnar paint	1488	1508
38	Form MAN - Manufacturer's Authorisation for Item No.2 (Expansion Joints)	M/s Mageba	1509	1511
39	Form MAN - Manufacturer's Authorisation for Item No.3 (Bridge Bearing / Shoes)	M/s Mageba	1512	1514
40	Form MAN - Manufacturer's Authorisation for Item No.4 (Waterproofing)	M/s Nina	1515	1541
41	Form MAN - Manufacturer's Authorisation for Item No.5 (View Barriers & Noise Barriers)	M/s Envirotech	1542	1590
42	Form MAN - Manufacturer's Authorisation for Item No.6 (PC Cable / Wire Tensioning)	M/s Mitsui	1591	1611



Daewoo-TPL JV





Mumbai Trans Harbour Link Project (Package - 02)				
Sr. No.	Description/ Document	Doc. Belongs To	Page No.	
			From	To
43	Form MAN - Manufacturer's Authorisation for Item No.7 (PC Cable / Wire Tensioning)	M/s Shinko	1612	1617
44	Form EQU : Equipment	JV	1618	1665
	Declaration for Key Equipment	JV	1666	1667
45	Form SUB - Proposed Sub Contractors	JV	1668	1670
46	Acknowledgement to Tender documents, Addendum and Pre-bid replies	JV	1671	1672
47	Acknowledgement to Addendum No. 1, 2, 3, 4 and 5	JV	1673	1678
48	Form CHK - Check Sheet for Technical Bid	JV	1679	1682
49	Other Documents			
	ISO 14001 : 2004, OHSAS 18001:2007 & ISO 9001 : 2008	Daewoo	1683	1687
	ISO 14001 : 2004, OHSAS 18001:2008 & ISO 9001 : 2008	TPL	1688	1693
	Change of Daewoo - TPL JV Representative	JV	1694	1697
	Bank details for Refund	JV	1698	1700
	Technical Proposal			
50	Site Organization Chart	JV	1701	1702
51	Mobilization Schedule	JV	1703	1704
52	Safety Plan	JV	1705	1805
53	Environment Management Plan	JV	1806	1840
54	Health Plan	JV	1841	1869
55	Quality Assurance Plan	JV	1870	1920
56	Designer's details	M/s Ramboll	1921	2015
57	Independent Checker for Concrete Design	M/s Ch2M, M/s ARUP	2016	2270
58	Method Statement	JV	2271	2491
59	Construction Schedule	JV	2492	2494
60	Preliminary / Bidding Design	JV	2495	2824
COVER -B - Financial Bid				
1	Letter of Price Bid	JV	Enclosed In Financial Bid	
2	Schedule of Price Adjustment	JV		
3	Price Schedule	JV		
4	Proposed Schedule of Rates for Variation	JV		
5	Others as per ITB 11.3	JV		
6	Form CHK - Check Sheet for Price Bid	JV		

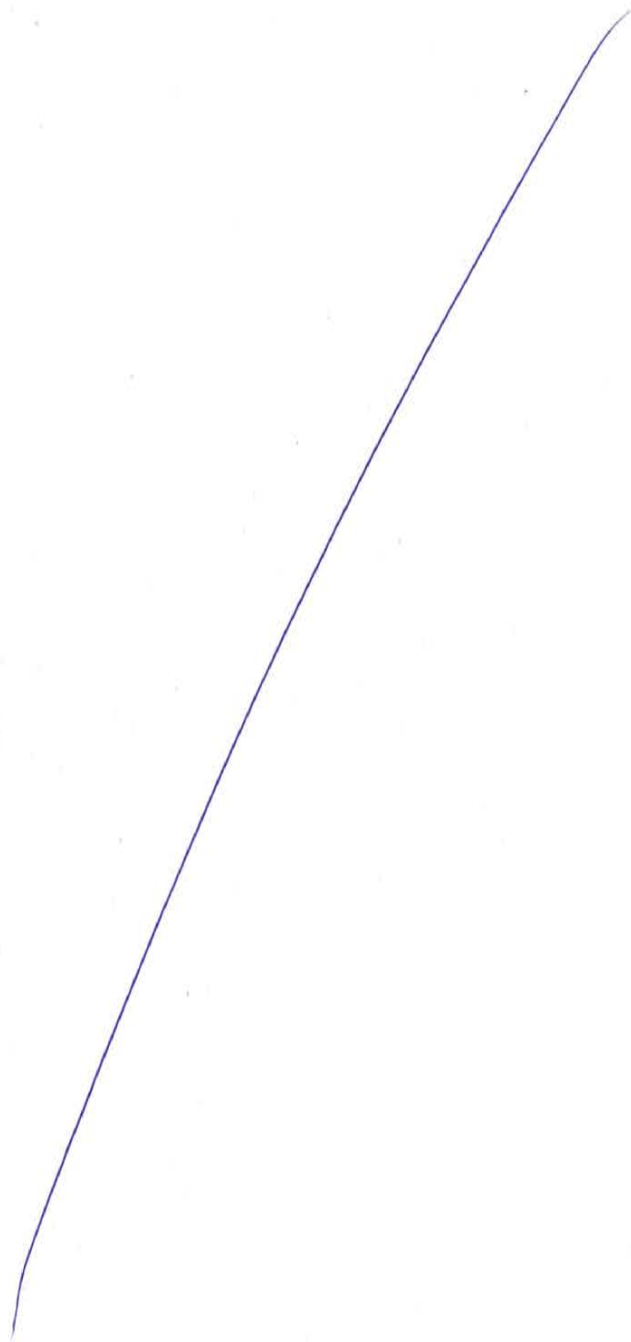


Daewoo-TPL JV



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TATA PROJECTS LIMITED



37th Annual Report 2015 - 16





TATA PROJECTS

Simplify.Create

The cover visual depicts Mechanized Rail Track Laying Machine in operation at the Eastern Dedicated Freight Corridor project in northern India. The Transportation Business Unit of Tata Projects Limited is constructing a portion of the Eastern Dedicated Freight Corridor and has recently won the contract to construct a portion of the Western Dedicated Freight Corridor. These projects will change the way freight is transported in India and help accelerate India's progress.



Contents

	Pg Nos.
Board of Directors	2
Corporate Leadership Council	2
Offices in India, Overseas & Manufacturing Units	3
Bankers & Auditors	3
Directors' Report	4
Standalone Financial Statements	33
Auditors' Report	35
Balance Sheet	41
Statement of Profit and Loss	42
Cash Flow Statement	43
Notes forming part of the Standalone Financial Statements	45
Financial Statistics	82
Consolidated Financial Statements	83
Auditors' Report	85
Balance Sheet	90
Statement of Profit and Loss	91
Cash Flow Statement	92
Notes forming part of the Consolidated Financial Statements	94
Artson Engineering Limited	135
Financial Statements	
TPL-TQA Quality Services (Mauritius) Pty Limited	193
Financial Statements	
TPL-TQA Quality Services South Africa (Proprietary) Limited	211
Financial Statements	
TQ Services Europe GmbH, Germany	227
Financial Statements	
Tata Projects Infrastructure Limited	235
Financial Statements	
FoodCert India Private Limited	255
Financial Statements	
Industrial Quality Services L.L.C.	281
Financial Statements	
Gist of the Financial Performance of the Subsidiary Companies	291
Glossary	292

Annual General Meeting

Date : Tuesday, 28th June, 2016

Time : 2.30 p.m.

Venue : Mithona Towers 1, 1-7-80 to 87,
Prenderghast Road, Secunderabad - 500 003 (Registered Office)



TATA PROJECTS37th Annual Report 2015-2016**TATA PROJECTS LIMITED****BOARD OF DIRECTORS**

Chairman	Mr Prasad R Menon (upto 28-01-2016) Mr S Ramakrishnan (w.e.f. 29-01-2016)
Directors	Mr Pradeep N Dhume Mr Parashuram Ganesh Date Mr Padmanabh Sinha (w.e.f. 03-08-2015) Mr Rajit H Desai (w.e.f. 04-03-2016)
Independent Directors	Mrs Neera Saggi Mr Samir Kumar Barua
Managing Director	Mr Vinayak K Deshpande
Observer	Mr Bobby Pauly
Company Secretary & Head Legal	Dr A Raja Mogili

CORPORATE LEADERSHIP COUNCIL(During FY 2015-16 and upto 10th May 2016)

Vinayak K Deshpande
Managing Director

Arabinda Guha
Chief Operating Officer
Industrial Infrastructure



Vivek Singhal
Chief Operating Officer
Urban Infrastructure



Tenny Koshy Cherian
Chief Operating Officer
Quality Services

N Sudhakara Moorthy
Head - Human Resource



Anil Khandelwal
Chief Financial Officer





OFFICES IN INDIA

Registered Office	SBU-Quality Services	Mumbai	Noida
Mithona Towers-1, 1-7-80 to 87, Prenderghast Road, Secunderabad-500 003	Splendid Towers, H.No.1-8-437,438,364 & 445 S.P.Road, Begumpet Hyderabad-500 003	Hiranandani Knowledge Park, 11 th Floor, Technology Street, Powai, Mumbai-400 076	Ground Floor, Tower-B, Green Boulevard, Plot No.-B-9/A, Sector-62, Noida-201307 (U.P.)

OVERSEAS OFFICES

UAE	CHINA	KENYA
Flat No. 209, 2 nd Floor, Al Yamama Tower, P.O. Box No. 47662, Zayed II Street (Electra Street), Nr.El Dorado Cinema, Abu Dhabi, UAE	Unit 17A 918, Huai Hai Middle Road, Shanghai - 200020 CHINA	Unit No.-D-8, 2 nd 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 -501 401
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BANKERS

State Bank of Hyderabad Corporation Bank State Bank of India	Canara Bank State Bank of Travancore Bank of Baroda	Indian overseas Bank Abu Dhabi Commercial Bank
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SOLICITORS

M/s Mulla & Mulla &
Craigie Blunt & Caroe

Vakils Associated

Parekh & Co.

AUDITORS

M/s. Deloitte Haskins & Sells
Chartered Accountants

INTERNAL AUDITORS

M/s Ernst & Young LLP
Chartered Accountants



TATA PROJECTS37th Annual Report 2015-2016

TATA PROJECTS LIMITED
REPORT OF THE BOARD OF DIRECTORS

To

The Members

Your Directors are pleased to present their Thirty Seventh (37th) Annual Report and audited statements of accounts of your Company for the financial year ended 31st March 2016.

FINANCIAL RESULTS

Financial results of your Company for year ended 31st March 2016 are summarized below:

(₹ in Crore)

Particulars	2015-16	2014-15
Net income & other income	4257.24	3364.45
Operating expenditure	3968.23	3110.17
Operating Profit (PBDIT)	289.01	254.28
Interest & Depreciation	178.21	151.04
Profit Before Tax and exceptional items	110.80	103.24
(+) Exceptional items	-	40.30
Profit Before Tax (PBT)	110.80	143.54
Provision for taxes	48.95	49.85
Profit After Tax (PAT)	61.85	93.70
Balance brought forward from previous year	651.05	578.61
Adjustment on account of depreciation	-	(1.27)
Transfer from debenture redemption reserve	-	-
Amount available for appropriations	712.90	671.04
(-) Appropriations		
Proposed Dividend & Tax thereon	12.27	10.62
General Reserve	49.58	9.37
Balance carried to Balance Sheet	651.05	651.05

DIVIDEND

Board of Directors recommend payment of dividend of ₹ 50 per share (50%) for year ended 31st March 2016 [PY: ₹ 50/- per share (50%)], subject to approval of members at the 37th Annual General Meeting (AGM).

OPERATING STRUCTURE

Your Company operates its business through Four (4) Strategic Business Units (SBUs) viz., 1. Industrial Infrastructure (II); 2. Urban Infrastructure (UI); 3. Quality Services (QS); and 4. Utility Services (US) which are supported by Enabling Services viz., Corporate Support Functions and Corporate Services.

SBU-Industrial Infrastructure consisting of Four (4) Business Units (BUs) viz., (A) Engineering, Procurement and Construction (EPC) Cluster consisting of Power Generation (PG); Metals & Minerals (M&M); Oil, Gas & Hydrocarbon (O,G&H);

(B) Transmission & Distribution (T&D); (C) Transportation; and (D) Construction & Environment (C&E).

SBU-Urban Infrastructure consists of Two (2) Business Units (BUs) viz., (A) Buildings & Airports; and (B) Transport & Hydro. Eyeing opportunities in Smart City segment, a dedicated Smart City Business Unit was incubated during the year.





SBU-QS is a leading Inspection and Certification agency with Pan India presence with offices in China, Korea and UAE and experience in providing services in more than 40 countries. This SBU has strengthened its service model by introducing Hub and Spoke delivery model for effective customer management. New service offerings such as Integrated Project Quality Management Services (IPQMS) for realty sector, Lender's Independent Engineer (LIE) services for renewable energy sector and Asset Integrity Management (AIM) for industrial sector are starting to show traction and SBU signed up its initial set of customers.

SBU-US deals with Reverse Osmosis (RO), Ultra filtration (UF) and desalination of water systems of different capacities for community segments and started a joint research project to develop solar powered desalination plants in collaboration with Massachusetts Institute of Technology (MIT).

OPERATIONAL PERFORMANCE

Total income of your Company aggregated to ₹ 4257 Crore as compared to ₹ 3364Crore of previous year. Major portion of income was from SBU-Industrial Infra which stood at ₹ 3794Crore (PY: 3229Crore). SBU Urban Infra generated income of ₹ 315Crore during its second year of operation (PY: ₹ 18 Crore). SBU Quality Services generated income of ₹ 133Crore (PY: ₹ 84Crore).

Income from SBU Industrial Infra increased by about ₹ 565Crore with strategic diversification into Non-EPC business of Construction and Environment, yielding encouraging results. Income from SBU Urban Infra increased by about ₹ 300Crore. Income from SBU Quality Services increased by ₹ 49 Crore delivering a growth of 48% over previous year. Non-Operating Income increased by about 7 Crore. However income from SBU-Utility Services reduced by 12 Crore.

The operating profit of the Company was ₹ 289 Crore as compared to ₹ 254Crore in the last year resulting in a Profit Before Tax (PBT) of ₹ 111 Crore as compared to ₹ 144 Crore last year. Profit before Tax in the previous year was inclusive of exceptional item of ₹ 40.30 Crore, arising out of profit on sale of land. Thereby, excluding the exceptional item, the PBT for current year recorded a growth of about 7% over last year. The PBT could have been higher, but for under absorption of overheads, as your Company has invested in resources for futuristic business growth envisaged.

During the year Order Booking of your Company aggregated to ₹ 9937 Crore as compared to ₹ 7566 Crore last year, resulting in the total order backlog of ₹ 18641Crore. Major orders during the year were booked by SBU-Industrial Infra which amounted to ₹ 9469 Crore (PY: ₹ 5628 Crore) and also secured L1 position in projects worth ₹ 5716 Crore. SBU Urban Infra booked orders amounting to ₹ 325Crore (PY: ₹ 1492Crore) and also secured L1 position in projects worth ₹ 1965 Crore.

Key projects completed/ commissioned during the year

EPC Cluster

Both units of 2X800 Mega Watt (MW) Balance of Plant (BOP) Krishnapatnam projects of Andhra Pradesh Power Development Company Limited (APPDCL) achieved Commercial Operations Date (COD) and were dedicated to the Nation by the Chief Minister of Andhra Pradesh.

Commissioned Combined Cycle Power Plant of 388 MW Gas based power station of Pioneer Gas Power Limited (PGPL) at Raigarh, Maharashtra on turnkey basis.

Performance Guarantee (PG) test completed for 4060m³ blast furnace of 4.2 Million Tons Per Annum (MTPA) steel plant, Rourkela project of Steel Authority of India Limited (SAIL).

Commissioned interplant piping project for 2.5 MTPA steel plant, Indian Iron and Steel Company (IISCO) Steel Plant of SAIL, Burnpur.

Completed shutdown works in Ruwais petroleum refinery, 4 days in advance including replacement of flare tip and installation of Pressure Safety Valves (PSVs) and piping in crude distillation unit.

Transmission & Distribution Business Unit

Fourteen (14) projects completed, highest ever in a year, which includes two International Projects - one in Kenya and another in Nepal.



TATA PROJECTS

37th Annual Report 2015-2016

Completed a project of Andhra Pradesh Transmission Corporation (AP Transco) ahead of schedule and created a record in AP Transco State Utility. Also completed 800kV High Voltage Direct Current (HVDC) Tangla-Barabisa project in Assam - one of the critical and challenging project.

Contributed 525km works accomplishment out of 1720km in India's first 800kV HVDC line with completion of Barabisa-Islampur, Saharsa Gopalganj, Tangla-Barabisa and Islampur-Saharsa line. And also commissioned 400kV line outside home Country at Indo-Nepal Cross-Border, inaugurated by Honourable Prime Ministers of both Countries.

Transportation Business Unit

In Bhaupur - Khurja section of Eastern Dedicated Freight Corridor (EDFC) Project, out of the total 351 kms of scope, 313 kms of land is handed over (89.17%). Your Company has completed formation in 228 kms by executing 1.8 Crore Cu.M quantity of earthwork (72.84% of the land handed over) and completed track laying of 65 Route kms by automatic track laying machine being used in India for the first time.

Civil & Environment Business Unit

Completed major portion of Jindal Steel and Power Limited (JSPL) Angul mechanical works. The project experienced highest erection done in a Month viz., 3034 Metric Ton (MT) which is a landmark in Industry.

Major Contracts awarded during the year are as follows

Secured contract from private developer "Sterlite" for 765 KV transmission line in Jammu & Kashmir. Your Company will pioneer use of Helicrane in tower erection with technical support from American Consultant Burns & Mc Donnell and Erickson (contract value ₹ 445 Crore).

Secured Two Packages from Telangana State Transmission Corporation (TS Transco) of value of ₹133 Crore and ₹123 Crore.

Secured L1 position in first ever overseas supply contract of tower/ Line Hardware Fittings (LHF)/ Optical Ground Wire (OPGW)/ insulator supply contract worth ₹183 Crore, from Kenya Power and Lighting Company (KPLC) of Kenya. Your Company also secured L1 position in Ethiopia for a transmission line project worth ₹ 915 Crore.

Received Letter of Acceptance (LOA) for Two packages of Western Dedicated Freight Corridor Corporation of India Limited (WDFCCIL) in Joint Venture (JV) with Ircon International Limited and MITSUI & Co., Ltd. for a total value of ₹ 4328 Crore (Your Company's share is ₹ 2157 Crore) for - construction of 324 kms of twin track system.

Secured three road projects in JV with SIBMOST (Joint Stock Company of Russia) from Ministry of Road Transport & Highways for a total value of ₹ 676 Crore (Your Company's share is ₹ 332 Crore).

Secured contract rejuvenation of Dravyavati River project from Jaipur Development Authority (JDA), Rajasthan. Project envisages set up of 8 Sewage Treatment Plants (STPs), 47.5 kms of river channel construction and area development works (contract value ₹ 1677 Crore).

Fuel complex project from Indira Gandhi Center for Atomic Research (IGCAR) in nuclear segment was Secured for set up civil and structural works for fast reactor fuel complex (contract value ₹ 373 Crore).

Secured NBCC (National Building Construction Corporation) craft museum, a project of National importance, monitored by Prime Minister's Office (PMO) (contract value ₹ 213 Crore).

Received orders for construction of Jaunpur Allopathic Hospital of ₹ 334 Crore and also super specialty Hospital for Medanta of ₹ 205 Crore, which marks your Company's entry in to Hospital Segment.

Secured Purvankara group building project of ₹ 442 Crore, including Mechanical Electrical and Piping (MEP) and finishing works a premium residential project in Hyderabad.

Secured L1 position in Mega underground metro project of North South Corridor of Lucknow of ₹ 1190 Crore (Your Company's share is ₹ 833 Crore) and also secured L1 position in Mass Rapid Transport System (MRTS) project of ₹ 2830 Crore (Your Company's share is ₹ 1132 Crore) along with JV partners.

Received order for constructing high rise towers for a premium residential project, INCOR Central Park in Hyderabad valued ₹ 176 Crore and Mantri Arena Mall, Bangalore valued ₹ 136 Crore





SUBSIDIARIES AND JOINT VENTURE COMPANIES

Pursuant to AS-21 issued by the Institute of Chartered Accountants of India, Consolidated Financial Statements presented by the Company include the financial information of subsidiary companies. As per the requirement of section 129(3) of the Companies Act 2013, a separate statement containing the salient features of the financial statements of subsidiaries/ joint ventures in prescribed form AOC-1 is attached to the financial statements of the Company.

Performance and other details of subsidiaries/ Joint Venture Companies are given below:

Artson Engineering Limited (AEL): A subsidiary of the Company reported a total income of ₹110.49 Crore for the financial year ended 31st March 2016 (PY: ₹ 64.72 Crore) with a profit of ₹ 2.85 Crore (PY: Loss of ₹ 1.99 Crore). The Company has booked approximately ₹128.75 Crore worth of orders and a total order backlog for the year was at ₹ 72.75 Crore. Company has improved project executions during the year under review, thereby turned profitable in Financial Year 2015-16.

Tata Projects Infrastructure Limited (TPIL): A wholly owned subsidiary was incorporated to support your Company's foray into development projects in select sectors. It is proposed that the development projects won under Public Private Partnerships (PPP) or Build, Own and Operate (BOO) format in future will be executed through this subsidiary.

FoodCert India Private Limited (FCI): A wholly owned subsidiary of your Company, is an inspection and certification Company focused on food sector, which is an upcoming business with large potential in India. During the year the Company, earned a profit before tax of ₹ 0.17 Crore. Recent initiatives by Food Safety and Standards Authority of India (FSSAI) expected to have significant positive impact on this business. This Company has several approvals and accreditations valid across India.

TPL-TQA Quality Services South Africa (Proprietary) Limited & TPL-TQA Quality Services (Mauritius) Pty Limited: Both these JV Companies were incorporated to create a strategic business base, to explore the opportunities in third party inspection business in the geographies of Middle East and Africa. The subsidiaries have entered into third party inspection contract with Eskom Holdings Limited (Eskom), for their projects in Africa and overseas, and the existing contract with Eskom was concluded, as a result, during the year, the South African JV registered a loss of ₹7.97 Crore and Mauritius JV registered a loss of ₹0.07 Crore. Regarding the new contract your Company is pursuing a dialogue with the Eskom Procurement Department/ authorities to continue in the same areas of business. Simultaneously, the JVs are also exploring possibilities of identifying new customers and service segments in these markets.

TQ Services Europe GmbH, Germany: A wholly owned subsidiary which is a Quality Services Company focusing on penetrating into the European markets. During the year the Company, earned a profit before tax of ₹ 0.06 Crore. The Company has secured new contracts for inspection as per Indian Boilers Regulations (IBR) and is further exploring new business opportunities in this region.

TPL-Asara Engineering South Africa Proprietary Ltd.: This JV Company was incorporated during the year 2014-15, mainly for taking up works of Eskom's Power Transmission Projects in South Africa. To enable taking up such works, empanelment with Eskom and registration with Construction and Infrastructure Development Board (CIDB) of South Africa are mandatory. In pursuance of this, the Company is now qualified and empanelled with Eskom to take up Power Transmission Projects of capacity up to 765 KV.

Industrial Quality Service LLC., Oman: This JV Company with Al-Siraj Holdings LLC was incorporated during the year under review, mainly for taking up Quality Services business in Oman. This Company secured new contracts in inspection business and is also foraying into emerging professional training services market of the country.

Al-Tawleed for Energy & Power Company, LLC: This JV Company with M/s Abdullah Ibrahim Al-Towajjiri & Partners Company (Al Mashrik Contracting Company) was incorporated in the year 2006 for execution of power, infrastructure and industrial projects in the Kingdom of Saudi Arabia (KSA). However, in view of a number of contentious issues in the JV partnership, it has been considered appropriate to wind up the JV, which is in progress.



TATA PROJECTS

37th Annual Report 2015-2016

TEIL Projects Limited (TEIL): This JV Company with Engineers India Limited (EIL) participated in contracts for providing engineering consultancy services such as design and engineering, procurement assistance and construction supervision, besides small EPC projects in manufacturing and infrastructure sectors. During the year, the JV Company has written back ₹ 2.20 Crore in respect of outstanding amount payable. The JV posted a turnover of ₹ 3.18 Crore (PY: ₹ 1.99 Crore) with a Profit of ₹ 0.04 Crore (PY: loss of ₹ 1.29 Crore) and has completed all its ongoing projects. JV has accumulated losses of ₹ 10.90 Crore and its net worth is fully eroded.

The JV proved to be no longer viable and hence it was considered appropriate to wind up. The process of winding up is in progress.

DETAILS OF SUBSIDIARIES AND JOINT VENTURE COMPANIES (JVCs) CEASED AND ACQUIRED DURING THE YEAR

During the year under review none of the existing Subsidiaries and JVCs ceased to be Subsidiaries and JVCs. However, in addition to existing Subsidiaries and JVCs, Industrial Quality Services Oman LLC was incorporated with 70% share of your Company.

AWARDS & RECOGNITIONS

Your Company won following awards during the year

- Awarded "India's 3rd Fastest Growing Construction Company Award (Large Scale Category)" by Construction World;
- National Award for "Excellence in CSR & Sustainability" for Social Entrepreneurship Model from World CSR Congress;
- Awarded "Greentech CSR Gold Award 2015" for outstanding achievement in Corporate Social Responsibility by Greentech Foundation;
- Awarded certificate for best safety performance by Ketraco Kenya;
- Received 1st prize for Best Safety performance from National Thermal Power Corporation (NTPC) in Darlipali Power Project.
- Awarded Certificate of Appreciation from Power Grid Corporation of India Limited (PGCIL) for adopting high standard of safety practices and for achieving One Million Safe Man Hours;
- Awarded Certificate of Appreciation by Power Transmission Company of Nepal for achieving 3 Lac Safe Man Hours;
- Received 4 Gold, 2 Silver Awards and one Rolling Trophy in 'Kaizen' in various categories from Quality Circle Forum of India (QCFI), Nagpur and Hyderabad Chapter;
- Received Vishwakarma Safety Award from Construction Industry Development Council (CIDC) for construction of Mahindra Life Space Homes, Luminare Gurgaon; and
- Received Vishwakarma Safety Award from Construction Industry Development Council (CIDC) for Aurangabad City Water Utility Company Limited.

Human Resource Development

In order to keep pace with business growth, this function has strategized itself in terms of 4Cs - Capacity augmentation, Competency development, Culture building and Cost effectiveness. In terms of augmentation of capacity, your Company grew from 2,950 to 3,302 during the year with an increase of 12% in terms of manpower strength.

In terms of Competency development, your Company achieved 2965 man-days of training for management and supervisory staff. The focus on project management capability continued during the year as well. A programme on "Foundations of Project Management" has been launched for Project Managers, Resident Construction Managers, Planning Engineers and Commercial Managers under the aegis of EPC Academy. The critical position holders have been nominated to external training programmes to update and enhance their functional capability.

In terms of Culture building, your Company has revisited the Mission, Vision and Values. It has also evolved "AGILE" as its Cultural Pillars - A Visual Campaign has been started during the end of the year. This will be taken forward in the next year through 'face-to-face' programmes to create total awareness and understanding amongst employees. All senior management employees have been covered under a Programme - "Tata Culture Integration Labs" in our





effort to build a strong and aligned Culture. Employee engagement survey score of your Company stood at 4.02 (for the year 2016) as against previous engagement score of 3.98 (for the year 2015) on a 5 point scale.

Manpower productivity during the year increased to ₹ 1.30 Crore from ₹1.16 Crore during the previous year. The wages as a percentage of turnover during the year reduced to 8.1% from 8.8% in previous year. Overall attrition level was 9% during the year while the industry average was around 11.53%. Processes to ensure statutory compliances are in place. Industrial relations at all project sites remained cordial and harmonious during the year.

SUPPLY CHAIN MANAGEMENT (SCM)

During the year SCM embarked upon several initiatives towards improving value creation. These include availability of price trends on intranet for commodity items (Steel & Cement), aggregation and demand forecast for commodities for cost effective procurement and other Strategy Deployment Matrix (SDM) projects towards functional/process improvements.

The disaggregation philosophy of engineered packages in identified areas viz., Coal Handling plants for National Thermal Power Corporation (NTPC), Rail Ispat Nigam Limited (RINL), Tata Steel Limited (TSL) Khondbond projects were institutionalized and Company is able to derive cost benefits through this initiative.

Rate Contracts / Frame Agreements have been entered into with vendors for repeat purchases as well as transporters. Quality of security agencies for watch and ward at project sites has been improved.

Item codification initiative started yielding results for creation of price database, supporting cost estimation as well as with price references before negotiation with suppliers.

Commercial closure process with vendors for completed projects is improving value creation at the project level. SCM Management Information System (MIS) through pre-defined metrics has substantially improved effective inventory management and enabling the buy decisions more effectively.

In the area of vendor management, capability evaluation of vendor at pre-order stage and performance evaluation at order completion stage have been strengthened. Feedback from vendor satisfaction survey has been analysed and actions for improvement are being implemented.

Standard Operating Procedures of Supply Chain Function have been revisited and rolled out in EPM Manual.

Towards capability building, SCM team is mandated to get involved in understanding the technical specifications at Request for Qualification (RFQ) stage, engagement with projects and engineering departments during technical evaluation of the product. During the year, SCM employees were nominated to project management course run by EPC Academy, attended Tata Business Excellence Model (TBEM) Certification program beside visits to vendors' works for improving the product knowledge.

Business Excellence (BE)

Your Company participated in Tata Business Excellence Model (TBEM) external assessment during the year and was placed in band of 451-550 with a score of 524. The key actions identified, were presented to Board and are being implemented across organization. Out of seven key action areas, three actions (Customer, Safety and Technology) have been completed and rest are being completed. More than 90% of the Enterprise Process Manual (EPM) Processes have been mapped and rolled out. In order to continuously monitor the maturity of processes, a new 'Process Maturity Rating' system has been developed and deployed. Your Company is re-certified by Indian Standards Organization (ISO) as ISO 9001:2008 (Quality Management System). SBU Urban Infra make it uniform and BU Utility Services have been newly added in the scope of ISO 9001:2008.

The sustainability report based on Global Reporting Initiative (GRI) G3.1 guidelines has been released for internal circulation. Innovays initiative received close to 500 entries, which demonstrated high levels of employee engagement and culture of improvement in your Company. As a part of TBEM action planning, technology and innovation forum has been revamped and took a target of adopting two new technologies by half year ending of financial year 2016-17. As a part of capability building, 32 employees were trained on ISO and 28 employees were trained on Problem Solving Tools. 18 Senior Executives participated in TBEM Senior Business Leaders Program organized by Tata Business Excellence Group (TBExG).



TATA PROJECTS

37th Annual Report 2015-2016

ENVIRONMENT HEALTH AND SAFETY (EHS)

During the year total 80.91 million safe man hours were achieved, out of which 26.5 million safe man hours were in Transmission & Distribution business. Application of retractable fall arrestor, vertical life line with fall arrestor during ascending/ descending movement, safety net and horizontal life line were implemented, which are innovative ways of providing safe working conditions while working at heights and allowing movement on towers during erection and stringing activity. Use of power winches in place of tractors was implemented for heavy lifting works in remote areas. Sensitization of Site Teams has been significantly increased by safety walk down, cross functional team audit and weekly safety review meeting at each site and escalation of critical issues with senior management. Use of F-15 cranes was also inducted progressively to eliminate the use of hydras in lifting operations. More than 14.5 million safe man hours were achieved in prestigious Eastern Dedicated Freight Corridor project of BU Transportation, since inception. More than 25.17 million man hours were achieved in BU-C&E projects by systematically practicing site safety induction, Hazard Identification and Risk Assessment (HIRA) and other safe operation procedures including on site job demonstrations. Four projects of SBU Urban Infra viz., Tata Medical Centre, Kolkata, Tata Consultancy Services, Indore, Mantri Serenity, Bangalore and Delhi Metro Rail Corporation (DMRC) crossed 1 Million Safe Hours and received certificate of appreciation from the Client.

During the year, your Company achieved an Accident Severity Rate (ASR) of 22.874, which is an improvement (PY: 217.67). All projects (101) achieved "Zero fatality" during the year. Your Company has been implementing "Permit-To-Work" (PTW) system, "Lock Out Tag Out" (LOTO) system to ensure hazard free working environment and also introduced an animation film, to explain the workforce at the time of induction on safety and sensitize construction work hazard. Detailed hazard identification and risk assessment was carried out for all critical activities along with Method Statement. Site job safety demonstrations were organized across project sites mainly in the transmission and distribution sites.

Awareness for Safety: Total ₹1.45 lac number of Tool Box Talks (TBT) were conducted and Training Man hours clocked was 1.96 lac hours.

INFORMATION TECHNOLOGY (IT) - INITIATIVES

Your Company focused on defining IT transformation road map and enterprise architecture to align its business. In this direction Tata Consultancy Services (TCS) was selected as your Company's strategic partner to manage operations and to ensure the transformation road map. This will enable your Company's growth potential, improve effectiveness of business processes, reduces lead time for new technology adoption, experimentation with emerging technologies for business growth. During the year your Company upgraded its servers, storage and firewall to match the business needs. Further your Company focused on improving the business controls, reports in the solution from the recommendations of various statutory audits. ERP solution was also rolled out for some of the Joint Venture Companies like Tata Aidesa, TPL-GYT etc.

Going forward your Company proposes to take up other key IT initiatives viz., improving business process efficiencies of Enterprise Resource Platform (ERP) and SCM, Integrated project management and project controls, enhancing project collaboration, digitization and digitalization (Social Mobile Analytics Cloud (SMAC) and Inter of Things (IoT)) of various business processes.

CREDIT RATING

Credit rating as per the external agencies was as follows

- Fund-based and non-fund based limits are in line with BASEL-II Guidelines. India Ratings and Research Private Limited (formerly known as Fitch Ratings) has reaffirmed the rating of "IND AA-" for fund based limits and "IND AA- (Long-Term)/IND A1+" (Short-Term) for non-fund based working capital limits;
- Dun and Bradstreet rated your Company at 5A2, which indicates overall status of the Company as "Good";
- Credit Rating Information Services of India Limited (CRISIL's) rating on short term debt programme of your Company is "CRISIL A1+", which is highest in the category";
- Rating for Short Term Debt Programme (carved out of Working Capital limits) by India Ratings & Research Private Limited is "IND A1+", which is highest in the category.





CORPORATE GOVERNANCE

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

A. Board and Committees of the Board

During the financial year under review, Eleven (11) Meetings of Board; Nine (9) Meetings of Audit Committee; Nine (9) Meetings of Nomination & Remuneration Committee; One (1) Meeting of CSR, Safety and Sustainability Committee; Two (2) Meetings of Independent Directors; and Two (2) Meetings of Project Review Committee were held.

Audit Committee was re-constituted in terms of Section 177 of Companies Act 2013 comprising of Mr Samir Kumar Barua (Independent Director) as Chairman, Ms Neera Saggi (Independent Director) and Mr Sowmyan Ramakrishnan as members. Mr Parashuram Ganesh Date and Mr Bobby Pauly are the observers to Audit Committee Meetings. Board of Directors have approved the charter for Audit Committee, which inter alia lays down the good governance practices. The Board has accepted the recommendations made by the Audit Committee from time to time.

Nomination and Remuneration Committee (NRC) was re-constituted with Ms Neera Saggi (Independent Director) as Chairperson, Mr Samir Kumar Barua (Independent Director), Mr Sowmyan Ramakrishnan and Mr Padmanabh Sinha as members of Committee, which continues to provide valuable guidance in matters relating to Human Resources.

Corporate Social Responsibility (CSR), Safety and Sustainability Committee was re-constituted with Mr Sowmyan Ramakrishnan as Chairman, Ms Neera Saggi (Independent Director) and Mr Vinayak Kashinath Deshpande as members. Company carries out its CSR activities directly and also through Tata Projects Community Development Trust. Your Company has spent the amount required as per the provision of Section 135 (5) of the Companies Act 2013 and there was no shortfall in spending the required amount.

Board also constituted a Committee to review the Projects, comprising of Mr Sowmyan Ramakrishnan as Chairman; Mr Pradeep Nilkanth Dhume and Mr Parashuram Ganesh Date as members. Mr Bobby Pauly is observer to the Project Review Committee Meetings

During the year Mr Anil Khandelwal was appointed as Chief Financial Officer (CFO) of Company effective 17th November 2015 in place of Mr Rajgopal Swami who resigned as CFO effective 7th November 2015.

B. Directors

During the financial year under review, Mr Prasad R Menon resigned on 28th January 2016 from the Board as per Tata group guidelines concerning retirement of Non-Independent, Non-Executive Directors and Mr S Ramakrishnan took over as the Chairman with effect from 29th January 2016.

Board placed on record its grateful appreciation of the invaluable contribution and guidance of Mr Prasad R Menon to the Company and also the outstanding leadership provided by him to make step change in Safety, Strategy, Corporate Governance, Corporate Social Responsibility and culture of the Company during his tenure of 12 years as Director and member of other committees. Board also placed on record warm appreciation of insightful leadership provided by Mr Menon in various deliberations of Board, during his tenure as Chairman, significantly contributing to growth of your Company both in India and abroad.

Based on recommendations of Nomination and Remuneration Committee, Mr Rajit H Desai was appointed as Additional Director (Non-Executive, Non-Independent) effective 3rd March 2016. Board is of opinion that Mr Desai possesses requisite skills and knowledge and it would be in the interests of Company to appoint him as Director of your Company.

Pursuant to Section 161 of Companies Act 2013 Mr Rajit H Desai holds office, as Additional Director up to the date of ensuing Annual General Meeting and is eligible for re-appointment. Company had received notice in writing from a Member proposing his candidature for office of Director of your Company. Accordingly, proposal for his appointment as Director (who shall be liable to retire by rotation) is being placed before the Shareholders for approval at ensuing AGM.

Further pursuant to Section 149(7) of Companies Act 2013, Independent Directors have given declarations that they



TATA PROJECTS

37th Annual Report 2015-2016

meet the criteria of independence as specified under section 149 (6) of the Act and Board was also satisfied that they meet the criteria for independence as laid down in Companies Act 2013.

As per the provisions of Companies Act 2013 and Articles of Association of Company, Mr Pradeep Nilkanth Dhume and Mr Parshuram Ganesh Date retire by rotation and being eligible, offer themselves for re-appointment.

None of the Directors of your Company are in receipt of commission from any of the subsidiary Companies and your Company doesn't have a holding Company. Further, none of the Directors of your Company is the Managing or whole time Director of any subsidiary Company.

C. Policies

(a) Disclosure as per the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013

Company had adopted a policy on prevention, prohibition and Redressal of sexual harassment at workplace in line with provisions of Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act 2013 and rules thereunder. The Company has not received any written complaint on sexual harassment during the financial year.

(b) Vigil Mechanism

Your Company has adopted a Whistle Blower Policy as required under Section 177(9) of the Companies Act 2013. The Policy has been formulated with a view to provide mechanism for Directors and employees of the Company to approach the Ethics Counsellor / Chairman of Audit Committee of the Company in case of any concern. The Whistle Blower Policy may be accessed on the Company's Website.

(c) Risk Management Policy

Your Company has developed and adopted a Risk Management Policy which inter alia covers identification of elements of risks. There is a formally devised risk reporting system in place. Risk Management Committee has also been constituted comprising of Director and senior officials of the Company.

Risk Management Committee has been entrusted with the responsibility to assist the Board in (a) Overseeing and approving the Company's enterprise wide risk management framework; and (b) Overseeing that all risks that the organization faces such as strategic, financial, credit, market, liquidity, security, property, IT, legal, regulatory, reputational and other risks have been identified and assessed. There is an adequate risk management infrastructure in place capable of addressing the risks. Board and Audit Committee reviews the Major risks.

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

D. Internal Systems

(a) Internal Audit

Your Company's internal control systems comprises of audit and compliance reporting by an in-house internal audit team and also by an external audit firm, M/s Ernst & Young (EY) Chartered Accountants. The internal auditors independently evaluate the adequacy of internal systems, controls and audit majority of the transactions in value terms and systems, from a process and compliance perspective.

Internal Auditors and Statutory Auditors are also invited for the Meetings. Independence of audit and compliance is ensured by direct reporting of internal auditors to Audit Committee of the Board, which provides valuable guidance to improve internal controls.

Your Company continued "Project plus Process" based internal audit from financial year 2014-15 onwards to establish the robustness of critical risk prone business processes across all business units and ensure uniformity/standardization and sharing of best practices.





(b) Internal Financial Controls

Your Company has adopted policies and procedures for ensuring orderly and efficient conduct of business, including adherence to Company's policies, safeguarding of its assets, prevention and detection of frauds and errors. Statutory auditors of your Company have studied the adequacy of controls and reported that your Company is having adequate control systems

DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to Sections 134 (3)(c) and 134 (5) of Companies Act 2013, for the year ended 31st March 2016, based on controls and compliance systems established and maintained by Company, reports by internal, statutory, cost and secretarial auditors and external consultant(s); reviews performed by management and relevant Board Committees, including Audit Committee, Board is of opinion that your Company's controls were adequate and effective during financial year 2015-16.

Accordingly, Board of Directors, to the best of their knowledge and ability, confirm that

- i. In preparation of annual accounts, applicable accounting standards have been followed and that there are no material departures;
- ii. In selection of accounting policies, Directors have consulted statutory auditors and have applied policies consistently, made judgments and estimates that are reasonable and prudent so as to give a true and fair view of state of affairs of Company at the end of financial year and of the profit of Company for that period;
- iii. Directors have taken proper and sufficient care, to the best of their knowledge and ability, for maintenance of adequate accounting records in accordance with provisions of Companies Act 2013, for safeguarding the assets of Company and for preventing, detecting fraud and other irregularities;
- iv. Directors have prepared annual accounts on a going concern basis;
- v. Directors had laid down Internal Financial Controls (IFC) to be followed by the Company and that such internal financial controls are adequate and were operating effectively; and
- vi. Directors have devised proper systems to ensure compliance with provisions of all applicable laws and that such systems were adequate and operating effectively.

REMUNERATION POLICY

Based on recommendations of Nomination and Remuneration Committee (NRC), The Board has adopted the Remuneration Policy for Directors, Key Managerial Personnel and other employees as required under Section 178 (3) of the Companies Act, 2013.

ANNUAL EVALUATION OF THE BOARD

Pursuant to the provisions of Companies Act, Board carried out an Annual evaluation of its own performance, performance of Directors individually as well as the evaluation of its Committees.

Feedback was sought from each Director about their views on performance of Board and other Directors covering various aspects of Board's functioning such as degree of fulfilment of key responsibilities, Board structure and composition, establishment and delineation of responsibilities to various Committees, effectiveness of Board related information and functioning, Board culture and dynamics, quality of relationship between the Board and Management and efficacy of communication with external stakeholders.

Nomination and Remuneration Committee (NRC) then discussed the above feedback received from all Directors.

Based on inputs received, Chairman of NRC also made a presentation at Independent Directors meeting summarising the inputs received from the Directors as regards Board performance as a whole and Chairman. Performance of non-independent, non-executive and the Board was also reviewed by them.

Post the meeting of Independent Directors, their collective feedback on performance of Board (as a whole) was discussed by Chairman of NRC with Chairman of Board. It has also been presented to the Board of Directors.

Every statutorily mandated committee of the Board conducted a self-assessment of its performance and these assessments were also presented to the Board for consideration. Areas on which Committees of the Board were assessed included degree of fulfilment of key responsibilities, adequacy of Committee composition and effectiveness of meetings.



TATA PROJECTS

37th Annual Report 2015-2016

Board then reviewed the performance of all Directors (including Independent Directors), as a whole and of its various Committees.

PARTICULARS OF THE EMPLOYEES

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

CORPORATE SOCIAL RESPONSIBILITY (CSR) AND AFFIRMATIVE ACTION

Your Company formulated CSR Policy. The initiatives and identified areas include skill development, safe drinking water and clean sanitation and education. Your Company successfully trained youth in construction skills, tower erection and RO plant technicians. During the year about 2100 students benefitted by way of support through training and scholarship.

The Candidates trained under entrepreneurship development program from affirmative action communities have successfully set up businesses and developed social entrepreneurs to provide safe drinking water to rural community on a sustainability model. During the year 102 social entrepreneurs were developed, impacting 3,26,758 people through safe drinking water, connecting RO reject water to tribal school toilets impacting 29,275 students and awareness on clean sanitation in 39 villages impacting 5,60,615 people. Your Company has done exceptional work by providing safe drinking water and volunteering in the relief and rehabilitation exercise during floods in Chennai.

Implementation and monitoring of CSR policy is in compliance with the CSR objectives and policy of your Company. Annual Report on CSR activities is given in **Annexure - 1** and forms part of this report.

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

Particulars prescribed under Section 134(3)(m) of the Companies Act 2013 and read with Rule 8(3) of Companies (Accounts) Rules 2014 relating to conservation of energy, technology absorption, foreign exchange earnings and outgo are given in **Annexure - 2** and forms part of this report.

EXTRACT OF THE ANNUAL RETURN OF THE COMPANY

An extract of Annual Return as provided under Section 92(3) of Companies Act 2013 in form MGT-9 is as per **Annexure - 3** and forms part of this report.

PARTICULARS OF THE LOANS, GUARANTEES, INVESTMENTS & BORROWINGS

Your Company has availed Working Capital facilities from Consortium of Banks which is secured by charge on present and future movable and immovable properties. In addition, your Company has also availed un-secured Working Capital facilities from the Banks outside consortium.

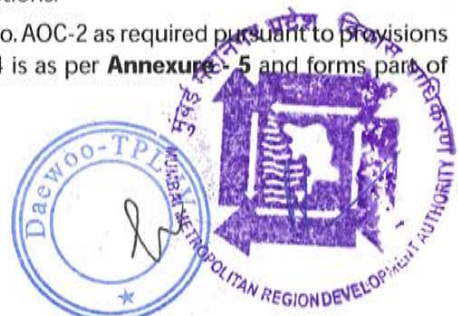
Further to rationalise the borrowing cost, your Company has issued Commercial Papers (CPs) amounting to ₹200 Crore. The overall borrowings of your Company is within the limits specified under the provisions of Companies Act 2013.

Further the details of loans, guarantees, securities and investments (reported in form MBP-2), pursuant to Section 186 of Companies Act 2013 made by the Company are as per **Annexure - 4** and forms part of this report.

PARTICULARS OF CONTRACTS OR ARRANGEMENTS WITH THE RELATED PARTIES

Related party transactions can present a potential or actual conflict which may be against the best interest of the Company and its shareholders. Considering the requirements for approval of related party transactions as prescribed under the companies Act 2013, your Company has formulated Policy for identification of related parties and the proper conduct and documentation of the related party transactions.

Particulars of contracts or arrangements with related parties in form No. AOC-2 as required pursuant to provisions of Section 134(3)(h) and Rule 8 of Companies (Accounts) Rules, 2014 is as per **Annexure - 5** and forms part of this report.





SECRETARIAL AUDIT REPORT

Board of Directors of your Company appointed Ms A.V. Syamala, Practicing Company Secretary, Hyderabad as secretarial auditor, to carry on secretarial audit for financial year 2015-16. Report as required under Section 204 of Companies Act 2013 in form MR-3 is attached to this report as **Annexure - 6** and forms part of this report. The Secretarial Auditor report for the financial year 2015-16 does not contain any qualification, reservation or adverse remarks.

STATUTORY AUDITORS

Statutory Auditors of your Company, M/s Deloitte Haskins & Sells (DHS), Chartered Accountants, retire at the ensuing Annual General Meeting and being eligible offer themselves for reappointment. Company has received a certificate from statutory auditors to the effect that their re-appointment, if made, would be within limits prescribed under the provisions of Companies Act 2013. The approval of the Members is being sought for re-appointment of DHS as statutory auditors from the conclusion of 37th AGM till the conclusion of 38th AGM. The Auditors Report for the financial year 2015-16 does not contain any adverse remarks.

COST AUDITORS

M/s Sagar & Associates, Cost Accountants, were appointed by Board of Directors to carry on cost audit of Tower Manufacturing Unit at Nagpur for the financial year 2016-17. Company has received a certificate from cost auditors to the effect that they are eligible for re-appointment. Remuneration payable to the cost auditor is proposed at ensuing AGM for ratification by members.

CHANGE IN THE NATURE OF BUSINESS

Basic nature of business of your Company remains same and there is no change in business. However, your Company is diversifying from predominantly being into Industrial Infra to Urban Infra.

PARTICULARS OF DEPOSITS

During the year under review, your Company has neither accepted any deposits covered under Chapter V of the Companies Act 2013 nor accepted deposits which are not in compliance with the requirements of Chapter V.

MATERIAL CHANGES AND COMMITMENTS, IF ANY AFFECTING THE FINANCIAL POSITION, OCCURRED BETWEEN END OF THE FINANCIAL YEAR AND THE DATE OF THE REPORT

There are no material changes or commitments occurred between end of financial year and date of report which could affect the financial position of your Company.

PARTICULARS OF SIGNIFICANT AND MATERIAL ORDERS

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

ACKNOWLEDGMENTS

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

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

On behalf of the Board of Directors

Place: Secunderabad

Date: 10th May 2016

Sowmyan Ramakrishnan
Chairman
DIN: 00005090



ANNUAL REPORT ON CORPORATE SOCIAL RESPONSIBILITY (CSR) ACTIVITIES

[Pursuant to Section 134(3)(o) of the Companies Act, 2013 and Rule 9 of the Companies (Corporate Social Responsibility) Rules, 2014]

1. Brief outline of the Company's policy, including overview of projects/programs proposed to be undertaken are as follows

Tata Projects, believes that it has a responsibility towards society. Further believes in positively impacting and supporting both the environment and the communities. Company shall give preference to the local area and areas around it where it operates, focusing on sustainability of programs and empowerment of communities.

Company shall strive to align with the Tata Group CSR and other national and internal goals like the Millennium Development Goals (MDG), in line with the schedule VII of the Companies Act 2013, as recommended by the CSR committee of the Board and approved by the Board from time to time. Tata Projects will participate in Group CSR Initiatives in the area of Skill, Water and Disaster Response.

Company is committed improving the quality of life of members of the community, especially the under privileged, and wherever possible, we interact with identified NGOs and augment their efforts in this direction.

Company shall play an active role in promotion of inclusive growth through deployment of Affirmative Action initiatives to drive significant impact.

This policy may be viewed at web link i.e., www.tataprojects.com

Focus areas of development shall include programs;

Water and Sanitation

To provide safe drinking water and develop social entrepreneurs in water space and awareness on clean sanitation.

Skill Development

To support the National Skill Development and help Industries to move to a virtuous circle of higher productivity, employment, income growth, enhance employability and development

Education

To improve literacy/education efforts by participating in various Government schemes and initiatives of other Corporates and Non-Governmental Organizations (NGOs)

The corpus to be spent on CSR shall include at least 2% of the average net profit of our India operations for the preceding three financial years. Any surplus arising out of the CSR programs and projects shall not form part of business profits of the Company

Company will implement all CSR activities through Tata Projects Community Development Trust (TPCDT) and other partners like NGOs, Academic institutions, Government, other Trusts etc.,

Implementation of this policy will be monitored and reviewed periodically through a three tier structure comprising: CSR committee of the Board, CSR/AA (Affirmative Action) steering committee and CSR Department.

Company shall build partnerships and promote innovation through incubation of ideas and technology to address societal needs (Centres of Excellence). We shall continue to actively promote volunteering to enable employees, partners to contribute their skills, talents and expertise for development.

2. CSR Committee presently consists of Mr Sowmyan Ramakrishnan as Chairman, Ms Neera Saggi and Mr Vinayak K Deshpande as members.
3. Average Net Profit of the Company for the last three financial years is ₹124.46 Crore.
4. Prescribed CSR Expenditure (two per cent of the amount as in item 3 above) is ₹2.49 Crore.
5. Details of CSR spent during the financial year.
 - (a) Total amount to be spent for the financial year is ₹ 2.49 Crore.
 - (b) Amount Spent is ₹3.00 Crore.
 - (c) Amount unspent is NIL.





Manner in which the amount spent during the financial year is provided below.

Amount in ₹

S.No.	CSR Project or Activity Identified	Sector in which the project is covered	Projects or programs (1) Local area or other (2) Specify the State and District where projects or programs were undertaken	Amount outlay (budget) project or program wise	Amount spent on the projects or programs Sub-heads: (1) Direct expenditure on project or program (2) Over-heads		Cumulative expenditure up to the reporting period	Amount spent Directly or through implementing agency
					Direct Exp.	Over Heads		
1.	Skill Development	Employment enhancing vocational skills especially amongst children, women, elderly and differently abled	Telangana-Hyderabad, Rangareddy Dist, Andhra Pradesh - Srikakulam, Rajahmundry, Jharkhand, Maharashtra - Chandrapur, Nashik, Nagpur, Odisha, Kalinga Nagar	59,30,000	57,64,636	9,69,343	67,33,979	Implementing Agency - NGOs and TPCDT
2.	Water & Sanitation	Sanitation and making available clean drinking water	Andhra Pradesh - Srikakulam, Vijyanagaram, Vishakapatnam, Nellore, Anantpur, Telangana-Hyderabad, Rangareddy Dist, Karimnagar, Mahaboobnagar, Tamilnadu-Krishnagiri, Kundankulam, Karnataka-Kolar	60,00,000	59,06,448	11,23,206	70,29,654	TPCDT, NGOs and Direct
3.	Education	Promoting Education including special education, especially amongst children, women, elderly and the differently abled	Telangana Hyderabad, Rangareddy Dist, Maharashtra - Nagpur, Tamilanadu - Kundankulam,	15,00,000	15,31,910	5,99,673	21,31,583	Direct



TATA PROJECTS37th Annual Report 2015-2016

(d) Manner in which the amount spent during the financial year is provided below.

Amount in ₹

S.No.	CSR Project or Activity Identified	Sector in which the project is covered	Projects or programs (1) Local area or other (2) Specify the State and District where projects or programs were undertaken	Amount outlay (budget) project or program wise	Amount spent on the projects or programs Sub-heads: (1) Direct expenditure on project or program (2) Over-heads		Cumulative expenditure up to the reporting period	Amount spent Directly or through implementing agency*
					Direct Exp.	Over Heads		
4.	Community Development	Rural development projects	Andhra Pradesh - Nellore, Anantapur, Kurnool, Visakhapatnam, Srikakulam, Vizianagaram Odisha -Mayurbhanj, Angul, Maharashtra - Pune, Nagpur, Manipur-Bora	1,65,70,000	93,59,950	21,37,257	1,14,97,207	NGOs and Direct
Total				3,00,00,000	2,25,62,944	48,29,479	2,73,92,423	

Note: In addition to above an amount of ₹26.07 lac was given to Tata Projects Community Development Trust.

6. In case the Company has failed to spend the two per cent of the average net profit of the last three financial years or any part thereof, the Company shall provide the reasons for not spending the amount in its Board Report – NA.

Vinayak K Deshpande
Managing Director
DIN : 00036827

Sowmyan Ramakrishnan
Chairman
DIN: 00005090





ANNEXURE - 2

**STATEMENT OF CONSERVATION OF ENERGY,
TECHNOLOGY ABSORPTION, FOREIGN EXCHANGES AND OUTGO**

[Pursuant to Section 134(3)(m) of the Companies Act, 2013]

A. Conservation of energy**(i) Steps taken or impact on conservation of energy**

- Continuously used real time auto power factor control panel to maintain unity power factor, for which the Company received ₹11,51,126/- as an incentive.
- Continuous use of 250 W induction lamps for production shop in place of 400 W high bay metal halide mercury vapour lamps (50 Numbers) saved 51,150 KWH power, resulted in saving of ₹4,14,826/-.
- Improved the utilization of galvanizing furnace by maintaining continuous feed and maintained constant heat throughput by proper setting of burners, which resulted in saving of Ignite Oil by 0.89 % in terms of KL 5.1 and saved ₹ 2,31,631/- during the year.
- By better utilization of plant power consumption/ MT reduced by 2.1% over last year, resulted in saving of 27467KWH and saved ₹ 2,22,754/- during the year.

(ii) Steps taken by Company for utilising alternate sources of energy

- Gravity operated Ultra Filtration (UF) system was installed as a pilot plant in tribal area for safe drinking water, which does not require power;
- Introduced Nano Membrane technology for community safe drinking water for low TDS water source;
- Introduced Solar operated RO Plants for providing safe drinking water; and
- Installed eco-friendly solar lighting in labour camps Medanta Hospital Project Site, Lucknow

(iii) Capital investment on energy conservation equipment installed

NIL

B. Technology absorption**(i) Efforts made towards technology absorption**

- Started use of filter press for dewatering of Effluent Treatment Plant (ETP) sludge.
- For power supply of 03 Electric Overhead Travel (EOT) crane in galvanizing, in place of shrouded bus bar, we introduced Cable Drag Chain which is more reliable and 100% Safe.
- Use of ice making machine and sub-zero bath for sample preparation and for testing purpose of special grade steel used in heavy snow zone towers.
- Use of WhatsApp for real time communication with respect to production-data, equipment-maintenance, safety concerns and improvements done.
- Started tower wise bundling/ panel wise bundling for all the supplies from TMU to reduce transit loss, field loss, material handling at site store, saving in manpower cost, cost of replenishment. This resulted in faster erection of towers and realization of money.
- Installed Closed Circuit Television (CCTV) at Medanta Hospital Project Site, Lucknow to monitor progress and safety.

(ii) Benefits derived like product improvement, cost reduction, product development or import substitution;

- Used filter press for reduction of hazardous waste quantity and achieved 41.97% reduction with saving of ₹34,13,295/- during the year;
- Use of used galvanized wire generated from galvanizing, for bundling of cleats and plate bundles, in place of fresh wire. Total quantity used is 1200kg resulting into a saving of ₹42,000/-;



TATA PROJECTS

37th Annual Report 2015-2016

- After use of cable drag chain in place of shrouded bus bar, there is no down time, which improved plant availability for production. This resulted into increased galvanised production of 1500 MT and saving ₹45,00,000/-;
- Reduced wire consumption by 859 gram/ MT on last year, resulting into a saving of 30.261Mt of wire and saved ₹12,40,701/- ;and
- Started acid-top-up method for pickling process. By adopting this process, saved acid around 3.43kg/Mt, which resulted into a saving of ₹ 8,00,000/- on account of reduced fresh acid purchase, less disposal cost and less chemical required for neutralization etc.

Import Substitution:

- Use of Indigenous wire rope in place of imported ABUS make wire rope resulted in saving of ₹ 4,50,000/- on 150 Meter wire rope used in last Year.

(iii) Imported technology (imported during the last three years reckoned from the beginning of the financial year)

(a) The details of technology imported - NIL

(b) The year of import - NA

(c) Whether the technology is fully absorbed- NA

(d) If not fully absorbed, areas where absorption has not taken place, and the reasons thereof - NA

(iv) The expenditure incurred on Research and Development - NIL

C. Foreign exchange earnings and Outgo

The Foreign Exchange earned in terms of actual inflows during the year and the Foreign Exchange outgo during the year in terms of actual outflows is as follows:

Earnings/Outgo	Year ended 31 st March 2016	Year ended 31 st March 2015
Earnings	280.16	244.99
Outgo	232.67	213.01





ANNEXURE-3

Form MGT- 09

EXTRACT OF ANNUAL RETURN AS ON THE FINANCIAL YEAR ENDED ON 31ST MARCH 2016

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

I. REGISTRATION AND OTHER DETAILS

i.	Company Identification Number (CIN)	U45203AP1979PLC057431
ii.	Registration Date	20 th February 1979
iii.	Name of the Company	Tata Projects Limited
iv.	Category / Sub-Category of the Company	Indian, Non-Government Company Limited by Shares
v.	Address of the Registered office and contact details	Mithona Towers - 1, 1-7-80 to 87, Prenderghast Road, Secunderabad - 500003
vi.	Whether listed Company (Yes/No)	No
vii.	Name, Address and Contact details of Registrar and Transfer Agent, if any	Not Applicable

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

All business activities contributing 10% or more of total turnover of Company shall be stated

Company operates its business through Four (4) Strategic Business Units Viz., Industrial Infrastructure, Urban Infrastructure, Quality Services and Utility Services.

S.No.	Name and Description of main products / services	NIC Code of the Product/ service - 2008	% to total turnover of the Company
1.	Industrial Infra	331,360,410,421,422,429, 711,712 and 854	89%

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES

S.No.	Name and Address of The Company	CIN/GLN (Global Location Number)	Holding/ Subsidiary/ Associate	% of shares Held	Applicable section
1	Artson Engineering Limited	L27290MH1978PLC020644	Subsidiary	75	2(87)
2	TEIL Projects Limited	U74140DL2008PLC180897	Associate	50	2(6)
3	Tata Projects Infrastructure Limited	U45200TG2013PLC088608	Subsidiary	100	2(87)
4	FoodCert India Private Limited	U74220TG2003PTC040523	Subsidiary	100	2(87)
5	TPL - TQA Quality Services South Africa (Proprietary) Limited	2009/012351/07	Subsidiary	60	2(87)
6	TPL - TQA Quality Services (Mauritius) Pty Limited	083234C1/GBL	Subsidiary	70	2(87)
7	TQ Services GmbH, Germany	HRB 68170	Subsidiary	100	2(87)
8	TPL-Asara Engineering South Africa (Proprietary) Limited	2014/ 193249/ 07	Subsidiary	70	2(87)
9	Al-Tawleed for Energy & Power Co, KSA (under Liquidation)	101/101000/8375	Associate	30	2(6)
10	Industrial Quality Services Oman LLC	1229852	Subsidiary	70	2(87)



TATA PROJECTS37th Annual Report 2015-2016**IV. SHARE HOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity)****i) Category-wise Share Holding**

Category of Shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A. Promoters									
(1) Indian	0	0	0	0.00%	0	0	0	0.00%	0
a) Individual / HUF	0	0	0	0.00%	0	0	0	0.00%	0
b) Central Government	0	0	0	0.00%	0	0	0	0.00%	0
c) State Government	0	0	0	0.00%	0	0	0	0.00%	0
d) Bodies corporate	0	0	0	0.00%	0	0	0	0.00%	0
e) Bank/ Financial Institutions	0	0	0	0.00%	0	0	0	0.00%	0
f) any other	0	0	0	0.00%	0	0	0	0.00%	0
Sub-total (A) (1)	0	0	0	0.00%	0	0	0	0.00%	0
(2) Foreign									
a) NRIs-Individuals	0	0	0	0.00%	0	0	0	0.00%	0
b) Other – Individuals	0	0	0	0.00%	0	0	0	0.00%	0
c) Bodies corp.	0	0	0	0.00%	0	0	0	0.00%	0
d) Banks/FI	0	0	0	0.00%	0	0	0	0.00%	0
e) Any other	0	0	0	0.00%	0	0	0	0.00%	0
Sub-total (A) (2)	0	0	0	0.00%	0	0	0	0.00%	0
Total Shareholding of Promoters (A)=(A)(1)+(A)(2)	0	0	0	0.00%	0	0	0	0.00%	0
B. Public Shareholding									
1. Institutions									
a) Mutual Funds	0	0	0	0.00%	0	0	0	0.00%	0
b) Banks / Financial Institutions	0	0	0	0.00%	0	0	0	0.00%	0
c) Central Government	0	0	0	0.00%	0	0	0	0.00%	0
d) State Government	0	0	0	0.00%	0	0	0	0.00%	0
e) Venture Capital Funds	0	0	0	0.00%	0	0	0	0.00%	0
f) Insurance Companies	0	0	0	0.00%	0	0	0	0.00%	0
g) FIs	0	0	0	0.00%	0	0	0	0.00%	0
h) Foreign Venture Capital Funds	0	0	0	0.00%	0	0	0	0.00%	0
l) Others (specify)	0	0	0	0.00%	0	0	0	0.00%	0
Sub-total (B)(1)	0	0	0	0.00%	0	0	0	0.00%	0
2. Non-Institutions									
a) Bodies Corporate									
i) Indian	2025000	0	2025000	100%	1536560	0	1536560	75.88	NIL
ii) Overseas	0	0	0	0.00%	488440	0	488440	24.12	0
b) Individuals									
i) Individual shareholders holding nominal share capital up to Rs. 1 lakh	0	0	0	0.00%	0	0	0	0.00%	0
ii) Individual shareholders holding nominal share capital in excess of ₹1 lac	0	0	0	0.00%	0	0	0	0.00%	0
c) Others (specify)									
Non Resident Individual	0	0	0	0.00%	0	0	0	0.00%	0
Sub-total (B)(2)	2025000	0	2025000	100%	2025000	0	2025000	100%	NIL
Total Public Shareholding (B)=(B)(1)+(B)(2)	2025000	0	2025000	100%	2025000	0	2025000	100%	NIL
C. Shares held by Custodian for DR& ADR	0	0	0	0.00%	0	0	0	0.00%	0
Grand Total (A+B+C)	2025000	0	2025000	100%	2025000	0	2025000	100%	NIL




ii) Shareholding of Promoters

S. No.	Shareholder's Name	Shareholding at the beginning of the year			Shareholding at the end of the year			% change in share holding during the year
		No. of Shares	% of total Shares of the Company	% of Shares Pledged / encumbered to total shares	No. of Shares	% of total Shares of the Company	% of Shares Pledged / encumbered to total shares	
1.	NIL	0	0.00%	0.00%	0	0.00%	0.00%	0.00%

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

S.No.		Shareholding at the beginning of the year		Shareholding at the end of the year	
		No. of shares	% of total shares of the Company	No. of shares	% of total shares of the Company
1	At the beginning of the year	0	0.00%	0	0.00%
	Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase /decrease (e.g. allotment/transfer/ bonus/ sweat equity etc..)	0	0.00%	0	0.00%
2	At the End of the year	0	0.00%	0	0.00%

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

S. No.	For each of the Top 10 shareholders	Shareholding at the beginning of the year		Cumulative Shareholding during the year		Date wise Increase / Decrease in Shareholding during the Year specifying reasons for increase/ decrease			At the end of the year (or the date)	
		No. of shares	% of Total shares of the Company	No. of shares	% of Total shares of the Company	Date	No. of shares	Increase/ (Decrease)	No. of shares	% of Total shares of the Company
1	The Tata Power Company Limited	9,67,500	47.78	9,67,500	47.78	Nil	Nil	Nil	9,67,500	47.78
2	Tata Steel Limited	2,18,250	10.77	0	0	25.06.15	2,18,250	Decrease	0	0.00
3	Tata Chemicals Limited	1,93,500	9.56	1,93,500	9.56	Nil	Nil	Nil	1,93,500	9.56
4	Tata Sons Limited	1,35,000	6.67	1,35,000	6.67	Nil	Nil	Nil	1,35,000	6.67
5	Tata Motors Limited	1,35,000	6.67	0	0	25.06.15	1,35,000	Decrease	0	0.00
6	Voltas Limited	1,35,000	6.67	1,35,000	6.67	Nil	Nil	Nil	1,35,000	6.67
7	The Indian Hotels Limited	90,000	4.44	0	0	25.06.15	90,000	Decrease	0	0.00
8	Tata International Limited	90,000	4.44	0	0	25.06.15	90,000	Decrease	0	0.00
9	Tata Industries Limited	60,750	3.00	60,750	3.00	Nil	Nil	Nil	60,750	3.00
10	Omega TC Holdings PTE LTD	0	0	4,88,440	24.12	25.06.15	4,88,440	Increase	4,88,440	24.12
11	Tata Capital Limited	0	0	44,810	2.21	25.06.15	44,810	Increase	44,810	2.21



TATA PROJECTS37th Annual Report 2015-2016**v) Shareholding of Directors and Key Managerial Personnel (KMP)**

S. No.	For Each of the Directors and KMP	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the Company	No. of shares	% of total shares of the Company
1	At the beginning of the year Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc.,)	0	0.00%	0	0.00%
2	At the End of the year	0	0.00%	0	0.00%

V. INDEBTEDNESS**Indebtedness of the Company including interest outstanding/accrued but not due for payment**

(₹ in Lac)

Particulars	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
i) Principal Amount	23,722.43	23,737.33	-	47,459.76
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	5.52	197.46	-	202.98
Total (i + ii + iii)	23,727.95	23,934.79	-	47,662.74
Change in Indebtedness during the financial year				
Addition	32,763.60	11,706.58	-	44,470.18
Reduction	16,620.86	17,711.20	-	34,332.06
Net Change	16,142.74	(6,004.62)	-	10,138.12
Indebtedness at the end of the financial year				
i) Principal Amount	39,865.17	17,732.71	-	57,597.88
ii) Interest due but not paid	78.41	-	-	78.41
iii) Interest accrued but not due	50.41	-	-	50.41
Total (i+ii+iii)	39,993.99	17,732.71	-	57,726.70

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL**A. Remuneration to Managing Director, Whole-time Directors and/or Manager**

(Amount in ₹)

S. No.	Particulars of Remuneration to Managing Director - Mr Vinayak Kashinath Deshpande	Total Amount
1.	Gross salary (a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961 (b) Value of perquisites u/s 17(2) Income-tax Act, 1961 (c) Profits in lieu of salary under section 17(3) Income Tax Act, 1961	1,86,68,860 11,45,600 0
2.	Stock Option	0
3.	Sweat Equity	0
4.	Commission - as a % of profit - others, specify	2,50,00,000
5.	Others, please Specify (Royalty)	0
	Total	4,48,14,460
	Ceiling as per the Act	6,04,05,750





B. Remuneration to other Directors

(₹ in Lac)

S. No.	Particulars of Remuneration	Name of Directors								Total
		Ms Neera Saggi	Mr Samir Kumar Barua	Mr Prasad R Menon	Mr S Ramakrishnan	Mr P N Dhume	Mr Parashuram G Date	Mr Padmanabh Sinha	Mr Rajit Desai	
1 Independent Directors										
	Fee for attending Board committee meetings and Independent Directors meeting	7.80	8.60	NA	NA	NA	NA	NA	NA	16.40
	Commission	18.00	18.00	NA	NA	NA	NA	NA	NA	36.00
	Total (B)(1)	25.80	26.60	NA	NA	NA	NA	NA	NA	52.40
2 OTHER NON-EXECUTIVE DIRECTORS										
	Fee for attending Board committee meetings	NA	NA	4.40	8.20	3.00	2.00	1.80	NA	19.40
	Commission	NA	NA	20.00	18.00	15.00	NA	10.00	NA	63.00
	Total (B) (2)	NA	NA	24.40	26.20	18.00	2.00	11.80	NA	82.40
	Total (B)=(1)+(2)	25.80	26.60	24.40	26.20	18.00	2.00	11.80	NA	134.80
Total Commission ₹ 99,00,000/-										
Overall Ceiling as per the Act ₹ 1,20,81,150/-										

Note

Sitting Fee Details for the FY 2015-16	
Type of Meeting	Amount in Rs.
Board Meeting	40,000 per meeting w.e.f May 2015
Audit Committee Meeting	40,000 per meeting w.e.f May 2015
Nomination and Remuneration Committee	20,000 per meeting
Corporate Social Responsibility Committee	10,000 per meeting

C. Remuneration to key managerial personnel other than MD/Manager/WTD

(Amount in ₹)

S. No.	Particulars of Remuneration	Key Managerial Personnel				TOTAL
		MD Vinayak K Deshpande	Company Secretary Dr. A. Raja Mogili	CFO* Mr Anil Khandelwal (w.e.f 17.11.15)	CFO* (Mr Rajgopal Swami) (up to 07.11.15)	
1. Gross Salary						
	a. Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	1,86,68,860	47,28,024	34,86,499	58,33,860	3,27,17,243
	b. Value of perquisites u/s 17(2) Income-tax Act, 1961	11,45,600	95,381	1,48,427	9,93,729	23,83,137
	c. Profits in lieu of salary under section 17(3) Income tax Act, 1961	0	0	0	0	0
2	Stock Option	0	0	0	0	0
3	Sweat Equity	0	0	0	0	0
4	Commission - as a % of profit - others, specify	2,50,00,000	0	0	0	2,50,00,000
5	Other, please specify	0	0	0	0	0
	Total (A)	4,48,14,460	48,23,405	36,34,926	68,27,589	6,01,00,380

* For part of the year



TATA PROJECTS37th Annual Report 2015-2016**VII. PENALTIES / PUNISHMENT / COMPOUNDING OF OFFENCES**

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

Sowmyan Ramakrishnan
Chairman
DIN: 00005090





ANNEXURE - 4

DETAILS OF LOANS, GUARANTEES, SECURITY OR INVESTMENTS MADE BY COMPANY

(pursuant to Section 186 of the Companies Act 2013)

Corporate Guarantees

Name and address of the person or body corporate to whom it is made or given	Amount in INR	Purpose
To Yes Bank on behalf of TEIL Projects Limited, Engineers India Bhawan, New Delhi	2,00,00,000	Enabling TEIL to avail financial assistance
To Tata Capital Financial Service Limited on behalf of Artson Engineering Limited, Powai, Mumbai	20,00,00,000	Enabling AEL to avail short term loan
To Tata Capital Financial Service Limited on behalf of Artson Engineering Limited, Powai, Mumbai	5,00,00,000	Enabling AEL to avail working capital demand loan
To Corporation Bank on behalf of Artson Engineering Limited, Powai, Mumbai	30,00,00,000	Enabling AEL to avail financial assistance
To HDFC Bank, Lower Parel (West), Mumbai on behalf of Tata-Aldesa (JV)	150,00,00,000	Enabling Tata-Aldesa JV to avail overdraft/WCDL
To Corporation Bank, Powai, Mumbai on behalf of GYT-TPL JV Powai, Mumbai	25,00,00,000	Enabling GYT-TPL JV to avail working capital

Loans and Inter-Corporate Deposits (ICDs)

Name and address of the person or body corporate to whom it is made or given	Amount in INR	Purpose
Artson Engineering Limited, Powai, Mumbai	19,30,39,400	Working Capital
Artson Engineering Limited, Powai, Mumbai	21,00,00,000	ICDs
NSL Nagapatnam Power and Infratech Pvt. Ltd, Banjara Hills, Hyderabad	1,70,00,00,000	ICDs

Acquisition of shares by the Company - Investment in Equity Shares

Name and address of the person or body corporate whose securities have been acquired (Listed/ Unlisted entities)	Amount in INR
Virendra Garments Manufacturers Private Limited, Shah House Worli, Mumbai	1,20,000
Al-Tawleed for Energy & Power Company, Al-Malaz, Riyadh 1142, Saudi Arabia	75,60,000
Artson Engineering Limited, Powai, Mumbai	2,76,90,000
TEIL Projects Limited, Engineers India Bhawan, New Delhi	4,99,99,970
TPL-TQA Quality Services (Mauritius) Pty. Ltd., IFS Court, Cyber-city, Ebene, Mauritius	11,36,521
TPL-TQA Quality Services (South Africa) (Proprietary) Ltd., Mazars House, Durban 4000	9,33,549
TQ Services Europe GmbH, Goethestraße 7, D-40237 Düsseldorf, Germany	99,82,920
Tata Projects Infrastructure Limited, Prenderghast Road, Secunderabad - 500 003	4,99,940
FoodCert India Private Limited, Prenderghast Road, Secunderabad - 500 003 (acquired 11,38,590 equity shares of ₹10/- for an amount of 59,99,947)	59,99,947
FoodCert India Private Limited, Prenderghast Road, Secunderabad - 500 003 (subscribed to 5,00,000 equity shares of ₹10/- for an amount of 50,00,000)	50,00,000
Tata Dilworth Secord Meagher & Associates, Bombay House, Mumbai	1,80,000
Industrial Quality Services LLC, Oman	3,03,73,356



Sowmyan Ramakrishnan
Chairman
DIN: 00005090



TATA PROJECTS37th Annual Report 2015-2016**ANNEXURE - 5****PARTICULARS OF CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES IN FORM NO. AOC- 2**

(Pursuant to the provisions of Section 134(3)(h) and Rule 8 of the Companies (Accounts), Rules, 2014)

Details of contracts or arrangements or transactions not at arm's length basis								
S. No.	Name(s) of related party and nature of relationship	Nature of contracts/ arrangements/ transactions	Duration of the contracts / arrangements/ transactions	Salient terms of the contracts or arrangements or transactions including the value, if any	Justification for entering into such contracts or arrangements or transactions	Date(s) of approval by the Board	Amount paid as advances, if any	Date on which the special resolution was passed in general meeting as required under first proviso to section 188
1.	Artson Engineering Limited, Subsidiary Company	(i) Memorandum of Understanding (MoU) between AEL & TPL re RPTs; and (ii) waiver of interest on ICDs and Loans	NA	(i) To enter in to a MoU to leverage the advantage of pre-qualifications (in tankage area) considering the technical capabilities of AEL and to obtain more orders in India and Middle East; and (ii) Continuation of waiver of interest on ICDs and loans to AEL for the FY 2015-16	By virtue of BIFR scheme, TPL is under obligation to support AEL	18.05.15	NIL	03.08.15

Details of contracts or arrangements or transactions at arm's length basis with Artson Engineering Limited - Subsidiary Company					
S. No.	Nature of contracts/ arrangements/ transactions	Duration of the contracts / arrangements/ transactions	Salient terms of the contracts or arrangements or transactions including the value, if any	Date(s) of approval by the Board/ Audit Committee	Amount paid as advances, if any
1	To source welded skid assembly for 1000LPH RO Plant	Continuous/ Completion of the service/ Project	TPL to provide power, space and required paint enabling AEL to execute job at TPL's premises.	01.04.2015	NIL
2	Fabrication and supply of underground storage tanks	Continuous/ Completion of the service/ Project	Fabrication and supply of 6 (six) numbers of vessels for Hazel project	01.04.2015	NIL
3	Fabrication and supply of Mechanical structures	Continuous/ Completion of the service/ Project	Fabrication and supply of mechanical structures of 2500 MT related to Coal handling Plant (CHP) for NTPC Lara Project	01.04.2015	NIL
4	Manufacturing and supply of heat exchangers	Continuous/ Completion of the service/ Project	Manufacturing and supply of heat exchangers for Hazel Project	01.04.2015	NIL
5	Increase in unit rates of fabrication Nashik factory	One time	Amendment to of structures at purchase Order for NMDC Nagarnar Project	13.05.2015	NIL
6	Roll over of ICDs	Two years	Rollover of ICDs of ₹ 21.00 Crore till 31st March 2018	13.05.2015	NIL
7	Change in quantity and unit rates of fabrication of structures at Nashik factory	Continuous/ Completion of the service/ Project	Amendment to existing order by an additional amount of ₹15,35,55,388/-	18.05.2015	NIL
8	Sale of steel plates and structural steel	Continuous/ Completion of the service/ Project	Sale of steel plates and structural steel up to 195 MT available in excess at TPL sites	03.08.2015	NIL





S. No.	Nature of contracts/ arrangements/ transactions	Duration of the contracts / arrangements/ transactions	Salient terms of the contracts or arrangements or transactions including the value, if any	Date(s) of approval by the Board/ Audit Committee	Amount paid as advances, if any
10	Change in order for Fabrication of underground vessels	Continuous/ Completion of the service/ Project	Amendment to order for fabrication of underground Tanks (with material) and revision in cost of material	03.08.2015	NIL
11	Supply and fabrication of Building and Technological structures	Continuous/ Completion of the service/ Project	New Purchase order towards 898MT for Supply and fabrication of Building and Technological structures to Nagarnar	02.11.2015	NIL
12	Deputation of Three Employees	One year	Deputation of Three Employees to AEL viz., (i) Mr Nikhil Naniwadekar as COO; (ii) Mr Sanjay Sudhakar Pandit as Head Operations; and (iii) Mr Prakash Rajaram Sawant as DGM (Projects) with condition to charge staffing and administrative cost on total CTC	23.01.2015	NIL
13	Supply of fabricated building structures	Continuous/ Completion of the service/ Project	Supply of fabricated building structures or NTPC Darlipalli Project	23.01.2016	NIL
14	Supply of fabricated building structures	Continuous/ Completion of the service/ Project	Supply of fabricated building structures for AGN Bokaro Project	23.01.2016	NIL
15	Supply and application of Paints	Continuous/ Completion of the service/ Project	Supply and application of Paints (Make: Hempel Galvosil:15700) on internal surface of 27 tanks	23.01.2016	NIL
16	Manufacturing, fabrication, Painting and inspection	Continuous/ Completion of the service/ Project	Supply of 2 (two) concentrate tanks for Hazel Project	02.03.2016	NIL
17	Procurement for Hazel Project	Continuous/ Completion of the service/ Project	Procurement of Plant Air receiver, Instrument air receiver and Nitrogen storage tank for Hazel project	02.03.2016	NIL
18	Issue of Corporate Guarantee and short term financial assistance	One week for ICDs and One year for Corporate Guarantee	Issue of CG to TCFSL on behalf of AEL and providing short term financial assistance in the form of ICDs	02.03.2016	NIL

Details of contracts or arrangements or transactions at arm's length basis

S. No.	Name (s) of related party and nature of relationship	Nature of Contracts/ arrangements/ transactions	Duration of the contracts/ arrangements/ transactions	Salient terms of the contracts or arrangements or transactions including the value, if any	Date(s) of approval by the Board/ Audit Committee	Amount paid as advances, if any
19	TPL TQA South Africa (Pty) Limited and TPL TQA Mauritius (Pty) Limited, Subsidiary Companies	To provide Inspection services	Continuous/ Completion of the service/ Project	To provide services in various parts of the world for contract of JV with Eskom, South Africa	01.04.2015	NIL
20	TPL TQA South Africa (Pty) Limited and TPL TQA Mauritius (Pty) Limited, Subsidiary Companies	To provide Inspection services in respect of the contract of JV with Eskom, South Africa	Continuous/ Completion of the service/ Project	Charging JVC on basis of Man month rates for services provided by TPL personnel	01.04.2015	NIL
21	TQ Services Europe GmbH, Subsidiary Company	To provide Inspection services and IBR Design review	Continuous/ Completion of the service/ Project	Charging JVC on basis of Man month rates for services provided by TPL personnel	01.04.2015	NIL
22	TQ Services Europe GmbH, Subsidiary Company	To provide Piping Inspection Engineer services in Aqaba Jordan	Continuous/ Completion of the service/ Project	Charging JVC on basis of Man month rates for services provided by TPL personnel	01.04.2015	NIL



Sowmyan Ramakrishnan
Chairman
DIN: 00005090



SECRETARIAL AUDIT REPORT OF TATA PROJECT LIMITED

For the financial year ended March 31, 2016

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

To
The Members
Tata Projects Limited
Hyderabad

I have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **TATA PROJECTS LIMITED** (hereinafter called the Company). Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts / statutory compliances and expressing my opinion thereon.

Based on my verification of TATA PROJECTS LIMITED's books, papers, minutes books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, I hereby report that in my opinion, the Company has, during the audit period covering the financial year ended on 31st March, 2016 complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance – mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

I have examined the books, papers, minutes books, forms and returns filed and other records maintained by TATA PROJECTS LIMITED for the financial year ended on 31st March, 2016 according to the provisions of;

- (i) The Companies Act, 2013 (the Act) and the Rules made there under.
- (ii) The Depositories Act, 1996 and the Regulations and Bye-Laws framed there under.
- (iii) Foreign Exchange Management Act, 1999 and the rules and regulations made there under to the extent of Overseas Direct Investment.

The other Laws applicable specifically to the Company are:

- (i) The Contract Labour (Regulation & Abolition) Act, 1970 and Central Rules, 1977.
- (ii) The Inter State Migrant Workmen (Regulation of Employment & Conditions of Service) Act, 1979 and Central Rules 1980.
- (iii) The Building and Other Construction Workers (Regulation of Employment and Conditions of Service) Act, 1996 & Central Rules 1998.
- (iv) The Building and Other Construction Workers (Regulation of Employment and Conditions of Services) Cess Act, 1996.
- (v) The Factories Act, 1948 & Factories Rules.
- (vi) The Industrial Employment (Standing orders) Act, 1946 & Central Rules, 1946.
- (vii) The Industrial Disputes Act, 1947 & Rules 1957.
- (viii) The Maternity Benefit Act, 1961.
- (ix) The Employment Exchanges (Compulsory Notification of Vacancies) Act, 1959 & Central Rules, 1960.
- (x) The Child Labour (Prohibition & Regulation) Act, 1986 & Central Rules, 1960.
- (xi) The A.P. Shops & Establishments Act, 1988.
- (xii) The Payment of Wages Act, 1936.
- (xiii) The Minimum Wages Act, 1948 & Central Rules, 1950.
- (xiv) The Payment of Bonus Act, 1965.
- (xv) The Equal Remuneration Act, 1976.
- (xvi) The Employees State Insurance Act, 1948, Central Rules 1950 & General Regulations 1950.





- (xvii) The Employees Provident Fund & Miscellaneous Provisions Act, 1952, Employees' Provident Funds Scheme 1952.
- (xviii) The Payment of Gratuity Act, 1972 & Central Rules, 1972.
- (xix) The Employees' Compensations Act, 1923 & Central Rules, 1924.
- (xx) The Explosives Act, 1884 & Rules, 2008.
- (xxi) The Air (Prevention and Control of Pollution) Act, 1981 & Rules, 1983.
- (xxii) The Water (Prevention and Control of Pollution) Act, 1974 & Rules, 1975.
- (xxiii) The Noise Pollution (Control & Regulation) Rules, 2000 with Diesel Generation Rules.
- (xxiv) The Environment (Protection) Act & Rules, 1986.
- (xxv) The Energy Conservation Act, 2003.
- (xxvi) The Andhra Pradesh Fire Services Act, 1999 and Andhra Pradesh Fire & Emergency Operations and Levy of Fee Rules, 2006.
- (xxvii) The Motor Vehicles Act, 1988 and Rules.

The "Acts" Specified above under Item Numbers (i) to (xxvii) based on their applicability are adopted and complied by Head office or Sites or Factories of Tata Projects Limited.

"Head office" means Tata Projects Limited situated at Mithona Towers-1, 1-7-80 to 87, Prenderghast Road, Secunderabad-500003

"Site" means Project sites at various places.

TMU Nagpur & WPPDC, Medchal, Hyderabad units fall within the meaning of "Factory".

I have also examined compliances with the applicable clauses of the Secretarial Standards on meetings of Board of Directors and General Meetings issued by The Institute of Company Secretaries of India.

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

I further report that

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

Adequate notice is given to all Directors to schedule the Board meetings. Agenda and detailed notes on agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

As per the Minutes of the meetings duly recorded and signed by the Chairman, the decisions of the Board were unanimous and views expressed by the members were recorded.

I further report that there are adequate systems and processes in the Company commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines. The Company has drawn a legal compliance manual pertinent to all labour, social security, safety and environmental laws applicable to it and compliances are monitored periodically through web-enabled systems.

Sd/-

CS A.V. SYAMALA

Practising Company Secretary
FCS 3906 CP 2632

Place: HYDERABAD

Date: 02 May, 2016

This report is to be read with our letter of even date which is annexed as **Annexure A** and forms an integral part of this report.



TATA PROJECTS37th Annual Report 2015-2016**ANNEXURE - A**

To
The Members,
Tata Projects Limited
Hyderabad

My report of even date is to be read along with this letter;

1. Maintenance of secretarial records is the responsibility of the management of the Company. My responsibility is to express an opinion on these secretarial records based on my audit.
2. I have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of contents of the Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. I believe that the processes and practices, I followed provide a reasonable basis for my opinion.
3. I have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.
4. Wherever required, I have obtained the Management representation about the compliance of laws, rules and regulations and happening of events etc.
5. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. My examination was limited to the verification of procedures on test basis.
6. The Secretarial Audit Report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

Sd/-

CS A.V. SYAMALA

Practising Company Secretary
Membership No.FCS 3906
Certificate of Practice No.2632

Place:Hyderabad
Date: 02 May 2016





Standalone Financial Statements



**INDEPENDENT AUDITOR'S REPORT
TO THE MEMBERS OF TATA PROJECTS LIMITED**

Report on the Standalone Financial Statements

We have audited the accompanying standalone financial statements of **Tata Projects Limited** ("the Company"), which comprise the Balance Sheet as at March 31, 2016, 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 Standalone Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards prescribed under section 133 of the Companies Act, 2013, as applicable.

This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these standalone financial statements based on our audit.

We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder and the Order under section 143 (11) of the Act.

We conducted our audit of the standalone financial statements in accordance with the Standards on Auditing specified under Section 143(10) of the Act. 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 financial control relevant to the Company's preparation of the financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, 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 on the standalone financial statements.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2016, and its profit and its cash flows for the year ended on that date.

Emphasis of Matter

We invite attention to Note 29.10 regarding the financial statements of one of the Company's subsidiary having been prepared on a "going concern" basis. As at the Balance Sheet date, the net worth of the subsidiary has been fully



TATA PROJECTS

37th Annual Report 2015-2016

eroded and the Company has given financial assistance in the form of inter corporate and other loans aggregating ₹ 4,030.39 lac and project related advance of ₹ 2,341.59 lac. No provision has been made for reasons stated in the said Note.

Our opinion is not modified in respect of these matter.

Report on Other Legal and Regulatory Requirements

1. As required by Section 143 (3) of the Act, we report that:
 - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those.
 - 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 aforesaid standalone financial statements comply with the Accounting Standards specified under section 133 of the Act, as applicable.
 - e) On the basis of the written representations received from the directors as on March 31, 2016 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2016 from being appointed as a director in terms of Section 164 (2) of the Act.
 - f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure A". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting.
 - g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
 - i. The Company has disclosed the impact of pending litigations on its financial position in its financial statements.
 - ii. The Company did not have any material foreseeable losses relating to long-term contracts.
 - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.
2. As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government in terms of Section 143(11) of the Act, we give in "Annexure B" a statement on the matters specified in paragraphs 3 and 4 of the Order.

For **DELOITTE HASKINS & SELLS**
Chartered Accountants
Firm's Registration No. 0080725

Ganesh Balakrishnan
Partner
Membership No. 201193

Place: Secunderabad
Date : 09 May 2016



ANNEXURE "A" TO THE INDEPENDENT AUDITOR'S REPORT

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

Report on the Internal Financial Controls Over Financial Reporting under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

We have audited the internal financial controls over financial reporting of Tata Projects Limited ("the Company") as of March 31, 2016 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditor's Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") issued by the Institute of Chartered Accountants of India and the Standards on Auditing prescribed under Section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

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

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

Meaning of Internal Financial Controls Over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.



TATA PROJECTS

37th Annual Report 2015-2016

Inherent Limitations of Internal Financial Controls Over Financial Reporting

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

Opinion

In our opinion, to the best of our information and according to the explanations given to us, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2016, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For **Deloitte Haskins & Sells**
Chartered Accountants
Firm's Registration No 0080725

Ganesh Balakrishnan
Partner
Membership No. 201193

Place: Secunderabad
Date : 09 May 2016



ANNEXURE B TO THE INDEPENDENT AUDITOR'S REPORT

(Referred to in paragraph 2 under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

- (i) (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
- (b) The fixed assets were physically verified during the year by the Management in accordance with a regular programme of verification which, in our opinion, provides for physical verification of all the fixed assets at reasonable intervals. According to the information and explanation given to us, no material discrepancies were noticed on such verification.
- (c) According to the information and explanations given to us and the records examined by us and based on the examination of the registered sale deed provided to us, we report that, the title deeds, comprising all the immovable properties of land and buildings which are freehold, are held in the name of the Company as at the balance sheet date. In respect of immovable properties of land and buildings that have been taken on lease and disclosed as fixed asset in the financial statements, the lease agreements are in the name of the Company, where the Company is the lessee in the agreement.
- (ii) As explained to us, the inventories were physically verified during the year by the Management at reasonable intervals and no material discrepancies were noticed on physical verification.
- (iii) The Company has not granted any loans, secured or unsecured, to companies, firms, Limited Liability Partnerships or other parties covered in the register maintained under section 189 of the Companies Act, 2013.
- (iv) In our opinion and according to the information and explanations given to us, the Company has complied with the provisions of Sections 185 and 186 of the Companies Act, 2013 in respect of grant of loans, making investments and providing guarantees and securities, as applicable.
- (v) According to the information and explanations given to us, the Company has not accepted any deposit during the year. There are no unclaimed deposits, in respect of which compliance with the provisions of Sections 73 to 76 or any other relevant provisions of the Companies Act, 2013 is required.
- (vi) The maintenance of cost records has been specified by the Central Government under section 148(1) of the Companies Act, 2013 for Steel Products manufactured at Tower Manufacturing Unit, Nagpur. We have broadly reviewed the cost records maintained by the Company pursuant to the Companies (Cost Records and Audit) Rules, 2014, as amended prescribed by the Central Government under sub-section (1) of Section 148 of the Companies Act, 2013, and are of the opinion that, *prima facie*, the prescribed cost records have been made and maintained. We have, however, not made a detailed examination of the cost records with a view to determine whether they are accurate or complete.
- (vii) 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, Employees' State Insurance, Income-tax, Sales Tax, Service Tax, Customs Duty, Excise Duty, Value Added Tax, cess and other material statutory dues applicable to it to the appropriate authorities.
- (b) There were no undisputed amounts payable in respect of Provident Fund, Employees' State Insurance, Income-tax, Sales Tax, Service Tax, Customs Duty, Excise Duty, Value Added Tax, cess and other material statutory dues in arrears as at March 31, 2016 for a period of more than six months from the date they became payable.



TATA PROJECTS

37th Annual Report 2015-2016

- (c) Details of dues of Income-tax, Sales Tax, Service Tax and Value Added Tax which have not been deposited as on March 31, 2016 on account of disputes are given below:

Name of Statute	Nature of Dues	Forum where Dispute is Pending	Period to which the Amount Relates	Amount Involved (₹ in Lac)	Amount Unpaid (₹ in Lac)
Sales Tax Laws	Sales Tax	First Appellate Authority	2002-03 to 2007-08 and 2009-10 to 2013-14	2,644.75	2,379.73
		Sales Tax Appellate Tribunal	1999-2000 to 2003-04	34.16	34.16
		High Court	2001-02 to 2002-03	106.23	106.23
VAT Laws	Value Added Tax	First Appellate Authority	2006-07 to 2007-08 and 2009-10 to 2012-13	2,740.71	1,784.18
		Sales Tax Appellate Tribunal	2008-09	443.93	443.93
		High Court	2008-09	228.83	228.83
Finance Act, 1994	Service Tax	Commissioner (Appeals)	2008-09 to 2009-10	58.98	29.54
		CESTAT	2008-09 to 2013-14	23,537.31	22,654.78

- (viii) In our opinion and according to the information and explanations given to us, the Company has not defaulted in the repayment of loans or borrowings to banks. The Company has not issued any debentures.
- (ix) The Company has not raised moneys by way of initial public offer or further public offer (including debt instruments) or term loans and hence reporting under clause (ix) of the Order is not applicable.
- (x) To the best of our knowledge and according to the information and explanations given to us, no fraud by the Company and no material fraud on the Company by its officers or employees has been noticed or reported during the year.
- (xi) In our opinion and according to the information and explanations given to us, the Company has paid / provided managerial remuneration in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Companies Act, 2013.
- (xii) The Company is not a Nidhi Company and hence reporting under clause (xii) of the CARO 2016 Order is not applicable.
- (xiii) In our opinion and according to the information and explanations given to us the Company is in compliance with Section 177 and 188 of the Companies Act, 2013, where applicable, for all transactions with the related parties and the details of related party transactions have been disclosed in the financial statements etc. as required by the applicable accounting standards.
- (xiv) During the year the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures and hence reporting under clause (xiv) of CARO 2016 is not applicable to the Company.
- (xv) In our opinion and according to the information and explanations given to us, during the year the Company has not entered into any non-cash transactions with its directors or directors of it holding, subsidiary or associate company or persons connected with them and hence provisions of section 192 of the Companies Act, 2013 are not applicable.
- (xvi) The Company is not required to be registered under section 45-I of the Reserve Bank of India Act, 1934.

for **DELOITTE HASKINS & SELLS**
Chartered Accountants
Firm's Registration No. 008072S

Ganesh Balakrishnan
Partner
Membership No. 201193

Place: Secunderabad
Date: 9th May 2016



Balance Sheet as at March 31, 2016

	Note No.	As at March 31, 2016 ₹ in lac	As at March 31, 2015 ₹ in lac
A. EQUITY AND LIABILITIES			
1 Shareholders' funds			
(a) Share capital	3	2,025.00	2,025.00
(b) Reserves and surplus	4	89,841.55	84,883.60
		91,866.55	86,908.60
2 Non-current liabilities			
(a) Long-term borrowings	5	15.79	26.06
(b) Long-term provisions	6	2,406.53	2,070.93
		2,422.32	2,096.99
3 Current liabilities			
(a) Short-term borrowings	7	57,597.88	47,459.76
(b) Trade payables	8		
(i) Total outstanding dues of micro enterprises and small enterprises.		2,140.72	676.22
(ii) Total outstanding dues of creditors other than micro enterprises and small enterprises		264,971.53	233,711.96
(c) Other current liabilities	9	114,277.80	108,217.46
(d) Short-term provisions	10	1,726.29	1,741.97
		440,714.22	391,807.37
Total		535,003.09	480,812.96
B. ASSETS			
1 Non-current assets			
(a) Fixed assets			
(i) Tangible assets	11	22,093.54	20,744.02
(ii) Intangible assets	12	946.00	958.30
(iii) Capital work-in-progress		1,036.92	434.24
(b) Non-current investments	13	816.15	962.42
(c) Deferred tax assets (net)	14	6,341.30	5,941.27
(d) Long-term loans and advances	15	13,309.63	8,132.37
(e) Other non-current assets	16	6,941.80	3,783.99
		51,485.34	40,956.61
2 Current assets			
(a) Inventories	17	74,340.55	66,791.36
(b) Trade receivables	18	261,811.22	241,074.11
(c) Cash and cash equivalents	19	16,335.80	19,876.08
(d) Short-term loans and advances	20	90,901.58	84,158.72
(e) Other current assets	21	40,128.60	27,956.08
		483,517.75	439,856.35
Total		535,003.09	480,812.96
Corporate information	1		
Significant accounting policies	2		

In terms of our report attached

For Deloitte Haskins & Sells
Chartered Accountants

For and on behalf of the Board of Directors

Ganesh Balakrishnan
Partner

S Ramakrishnan
Chairman

Samir K Barua
Director

Neera Saggi
Director

Pradeep N Dhume
Director

Parashuram G Date
Director

Padmanabh Sinha
Director

Rajit H Desai
Director

Vinayak K Deshpande
Managing Director

Anil Khandelwal
Chief Financial Officer

Dr A Raja Mogili
Company Secretary
Place : Secunderabad
Date : 9th May 2016Place : Secunderabad
Date : 9th May 2016

TATA PROJECTS

37th Annual Report 2015-2016

Statement of Profit and Loss for the year ended March 31, 2016

	Note No.	For the year ended March 31, 2016 ₹ in lac	For the year ended March 31, 2015 ₹ in lac
1 Revenue from operations (gross)		438,608.88	344,439.97
Less: Indirect taxes and duties		15,825.22	10,195.00
Revenue from operations (net)	22	422,783.66	334,244.97
2 Expenses			
(a) Contract execution expenses	24	323,245.10	266,463.56
(b) Cost of materials consumed		18,268.57	19,623.15
(c) Changes in inventories of finished goods, work-in-process and contracts-in-progress	25	(7,090.42)	(22,473.96)
(d) Employee benefits expense	26	35,510.40	30,293.58
(e) Other expenses	27	26,889.37	17,111.00
Total		396,823.02	311,017.33
3 Earnings before exceptional item, interest, tax, depreciation and amortisation (EBITDA) (1-2)		25,960.64	23,227.64
4 Finance costs	28	9,453.11	7,161.58
5 Depreciation and amortisation expense	11,12	8,368.03	7,941.65
6 Other income	23	2,940.12	2,199.23
7 Profit before exceptional item and tax (3-4-5+6)		11,079.62	10,323.64
8 Exceptional item (refer Note 29.14)		-	4,030.85
9 Profit before tax (7+8)		11,079.62	14,354.49
10 Tax expense			
(a) Current tax		5,294.31	5,263.78
(b) Deferred tax		(400.03)	(278.93)
Net tax expense		4,894.28	4,984.85
11 Profit for the year (9-10)		6,185.34	9,369.64
Earnings per equity share (of ₹ 100 each)			
Basic and diluted (₹) (refer Note 29.20)		305.45	462.70
Corporate information	1		
Significant accounting policies	2		
See accompanying notes forming part of the standalone financial statements			

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

For and on behalf of the Board of Directors

Ganesh Balakrishnan
 Partner

S Ramakrishnan
 Chairman

Samir K Barua
 Director

Neera Saggi
 Director

Pradeep N Dhume
 Director

Parashuram G Date
 Director

Padmanabh Sinha
 Director

Rajit H Desai
 Director

Vinayak K Deshpande
 Managing Director

Anil Khandelwal
 Chief Financial Officer

Dr A Raja Mogili
 Company Secretary

Place : Secunderabad
 Date : 9th May 2016

Place: Secunderabad
 Date: 9th May 2016



Cash flow statement for the year ended March 31, 2016

	For the year ended March 31, 2016 ₹ in lac	For the year ended March 31, 2015 ₹ in lac
A. Cash flow from operating activities		
Profit before tax and after exceptional item	11,079.62	14,354.49
Adjustments for:		
Exceptional Item (refer note 29.14)	-	(4,030.85)
Depreciation and amortisation expense	8,368.03	7,941.65
Finance costs	9,453.11	7,161.58
Interest income	(997.59)	(1,210.28)
Dividend income from subsidiary	-	(725.48)
Provision for diminution in the value of investments	500.00	-
Provision for foreseeable losses on contracts	(226.98)	(173.94)
Provision for doubtful Loans and advances	28.84	-
(Profit) / Loss on sale of fixed assets	121.91	(22.00)
Liabilities/provisions no longer required written back	-	(23.22)
Advances written off	110.00	-
Net unrealised exchange (gain)/loss	517.69	(92.77)
	17,875.01	8,824.69
Operating profit before working capital changes	28,954.63	23,179.18
<u>Changes in working capital:</u>		
Adjustments for (increase)/decrease in operating assets:		
- Trade receivables	(24,459.52)	(16,161.53)
- Loans and advances	(8,058.60)	2,825.55
- Other current assets	(12,562.00)	(14,206.75)
- Inventories	(7,549.19)	(21,908.44)
Adjustments for increase/(decrease) in operating liabilities:		
- Trade payables, Other liabilities and Provisions	39,017.52	23,409.16
	(13,611.79)	(26,042.01)
Cash from/(used in) operations	15,342.84	(2,862.83)
Net income tax paid	(9,193.42)	(4,816.46)
Net cash flows from/(used in) operating activities	6,149.42	(7,679.29)
B. Cash flow from investing activities		
Capital expenditure on fixed assets including capital advances	(10,506.96)	(5,654.78)
Proceeds from sale of fixed assets	114.71	4,562.09
Investments in subsidiaries/joint ventures	(353.73)	(60.00)
Interest received	1,248.23	1,067.73
Dividend received from subsidiaries	-	725.48
Net cash flows (used in)/from investing activities	(9,497.75)	640.52



TATA PROJECTS37th Annual Report 2015-2016**Cash flow statement for the year ended March 31, 2016**

	For the year ended March 31, 2016 ₹ in lac	For the year ended March 31, 2015 ₹ in lac
C. Cash flow from financing activities		
Repayment of long-term borrowings	(11.73)	(17.86)
Proceeds from short-term borrowings (net)	10,138.12	18,438.03
Finance costs	(9,294.31)	(6,995.41)
Dividends paid including tax on dividend	(1,070.94)	(1,012.50)
Net cash flows (used in)/from financing activities	(238.86)	10,412.26
Net (decrease)/increase in Cash and cash equivalents (A+B+C)	(3,587.19)	3,373.49
Cash and cash equivalents at the beginning of the year	19,876.08	16,545.77
Effect of exchange differences on restatement of foreign currency Cash and cash equivalents	46.91	(43.18)
Cash and cash equivalents at the end of the year (refer Note 2 below)	16,335.80	19,876.08

Note:

- 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.
- Cash and cash equivalents comprise:

	As at March 31, 2016 ₹ in lac	As at March 31, 2015 ₹ in lac
(i) Cash on hand	33.99	41.58
(ii) Balance with banks		
- in current accounts	9,790.07	10,701.95
- in EEFC accounts	4,456.88	6,817.65
- in deposit accounts	2,054.86	2,314.90
Cash and cash equivalents included in Note 19	16,335.80	19,876.08

- 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

Ganesh Balakrishnan
Partner

S Ramakrishnan
Chairman

Parashuram G Date
Director

Samir K Barua
Director

Padmanabh Sinha
Director

Anil Khandelwal
Chief Financial Officer

Neera Saggi
Director

Rajit H Desai
Director

Pradeep N Dhume
Director

Vinayak K Deshpande
Managing Director

Dr A Raja Mogili
Company Secretary

Place : Secunderabad
Date : 9th May 2016

Place: Secunderabad
Date: 9th May 2016

For and on behalf of the Board of Directors



Notes forming part of the Standalone 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 in accordance with the generally accepted accounting principles in India ("Indian GAAP") and to comply with the Accounting Standards specified under Section 133 of the Companies Act, 2013 and the relevant provisions of the Companies Act, 2013 ("the 2013 Act")/ the Companies Act, 1956 ("the 1956 Act") as applicable.

The financial statements have been prepared on accrual basis under the historical cost convention.

The accounting policies adopted in the preparation of financial statements are consistent with those followed in the previous year except as mentioned in Note 29.23.

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 receivables, 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 and impairment losses, if any. 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.

Fixed assets retired from active use and held for sale are stated at the lower of their net book value and net realisable value and are disclosed separately.

2.4 Depreciation and amortisation, impairment

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

Scaffolding materials	5 years
Wire ropes and slings	2 years
Computer including software	3 years
Motor cars under car policy for executives	4 years
Tunnel Formwork equipment	2 years 2 months

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.

In respect of the assets jointly owned by the Company in relation to the following jointly controlled operations (JCO), the depreciation in which case is provided as under:

- Tata Aldesa (JV) - Depreciation / amortisation on fixed assets is provided over the duration of the project.
- TPL GYT (JV) - Depreciation / amortisation on fixed assets is provided over the duration of the project.
- Tata Projects Balfour Beatty JV - Depreciation / amortisation on fixed assets, is provided over the duration of the project.



TATA PROJECTS

37th Annual Report 2015-2016

Notes forming part of the Standalone financial statements

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.

2.5 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

When the outcome of a construction contract can be measured reliably, contract revenue and contract costs associated with the construction contract are recognised as revenue and expenses respectively by reference to the percentage of completion of the contract activity at the reporting date. The stage of completion is determined on the basis of actual work executed during the year.

For the purpose of recognising revenue, contract revenue comprises the initial amount of revenue agreed in the contract, the variations in contract work, claims and incentive payments to the extent that it is probable they will result in revenue and they are capable of being reliably measured.

The percentage of completion method is applied on a cumulative basis in each accounting year to the current estimates of contract revenue and contract costs. The effect of a change in the estimate of the outcome of a contract is accounted for as a change in accounting estimates and the effect of which are recognised in the Statement of Profit and Loss in the year in which the change is made and in subsequent years.

When the outcome of a construction contract cannot be estimated reliably, revenue is recognised only to the extent of contract costs incurred of which recovery is probable and the related contract costs are recognised as an expense in the year in which they are incurred.

When it is probable that the total contract cost will exceed total contract revenue, the expected loss is recognised as an expense in the Statement of Profit and Loss in the year in which such probability occurs.

No profit is recognized till a minimum of 10% progress is achieved on the contract, except in case of Tata Aldesa (JV), jointly controlled operation, in respect of which no profit is recognised till a minimum of 2.5% progress is achieved on the project. Up to 31st March 2015, cost incurred and invoices raised in respect of such amounts were claimed in the Balance Sheet as Contracts in Progress and advance billing respectively. In the current year, the cost incurred and invoices raised in respect of such contracts are included in Contract execution expenses and Revenue from operations in the Statement of Profit and Loss (Refer Note 29.23).

- (ii) Revenue from sale of goods is recognized on dispatch of goods and on transfer of significant risks and rewards of ownership to the buyer, which generally coincides with the delivery of goods to customers. Sales include excise duty and other indirect taxes but exclude indirect taxes collected from customers.
- (iii) Income from services rendered is recognised based on the agreements/arrangements with the concerned parties and when the services are rendered.
- (iv) Other Income - Interest income is accounted on accrual basis. Dividend income is accounted for when the right to receive is established.

2.8 Unbilled revenues

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



Notes forming part of the Standalone financial statements

2.9 Foreign Exchange Transactions

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

2.10 Employee Benefits

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

Defined contribution plans

The company's contribution to 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 and when services are rendered by the employees.

Defined benefit plans

For defined benefit plans, in the form of gratuity fund the cost of providing benefits is determined using the projected unit contract method with actuarial valuation being carried out at each Balance Sheet date. Actuarial gains and losses are recognised in the Statement of Profit and Loss in the year in which they occur. Past service cost is recognised immediately to the extent that the benefits are already vested and otherwise is amortised on a straightline basis over the average period until the benefits become vested. The retirement benefit obligation recognised in the Balance Sheet represents the present value of the defined benefit obligation as adjusted for unrecognised past service cost, as reduced by the fair value of scheme assets. Any asset resulting from this calculation is limited to past service cost, plus the present value of available refunds and reductions in future contributions to the scheme.

Short term employee benefits

The undiscounted amount of short term employee benefits expected to be paid in exchange for the services rendered by employees are recognised during the year when the employees render the service. These benefits include performance incentives and compensated absences which are expected to occur within twelve months after the end of the period in which employee renders the related service.

The cost of short term compensated absence is accounted as under:

- a) In case of accumulated compensated absences, when employees render services that increase their entitlement of future compensated absences; and
- b) In case of non accumulating compensated absences, when the absences occur.

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.



TATA PROJECTS

37th Annual Report 2015-2016

Notes forming part of the Standalone financial statements

2.11 Taxes on income

Current tax is determined based on the amount of tax payable in respect of taxable income for the year as determined in accordance with the applicable tax rates and the provisions of the Income Tax Act, 1961 and other applicable tax laws. 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, carry forward of losses and items relating to capital losses are not recognised unless there is a virtual certainty supported by convincing evidence 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".

2.14 Jointly controlled operations

The accounts of the Company reflect its share of the Assets, Liabilities, Income and Expenditure of the jointly controlled operations which are accounted on the basis of the audited accounts of the joint ventures on line-by-line basis with similar items in the Company's accounts to the extent of the participating interest of the Company as per the Joint Venture Agreements.

2.15 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 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. Contingent assets are not recognised in the financial statements.

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.

2.16 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 Standalone financial statements

Note 3 Share capital

	As at March 31, 2016		As at March 31, 2015	
	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, 2016		Year Ended March 31, 2015	
	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.

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

	As at March 31, 2016		As at March 31, 2015	
	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
Omega TC Holdings Pte Limited	488,440	24.12	-	-
Tata Steel Limited	-	-	218,250	10.78
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



TATA PROJECTS

37th Annual Report 2015-2016

Notes forming part of the Standalone financial statements

Note 4 Reserves and surplus

	As at March 31, 2016 ₹ in lac	As at March 31, 2015 ₹ in lac
(a) Securities premium account	4,987.50	4,987.50
(b) General reserve		
Opening balance	14,791.25	13,854.29
Add: Transferred from surplus in Statement of Profit and Loss	4,957.95	936.96
Closing balance	19,749.20	14,791.25
(c) Surplus in Statement of Profit and Loss		
Opening balance	65,104.85	57,861.19
Less: Depreciation on transition to Schedule II of the Companies Act, 2013 on tangible fixed assets with nil remaining useful life (net of deferred tax credit of ₹ 65.32 lac) (refer note 29.13)	-	(126.85)
Add: Profit for the year	6,185.34	9,369.64
Less: Dividend proposed to be distributed to equity shareholders	(1,012.50)	(1,012.50)
Tax on dividend (refer Note below)	(214.89)	(49.67)
Transferred to general reserve	(4,957.95)	(936.96)
Closing balance	65,104.85	65,104.85
Total	89,841.55	84,883.60

Note:

Tax on dividend has been computed after considering the credit taken for dividend aggregating ₹ Nil (March 31, 2015 ₹ 725.48 lac received) from foreign subsidiaries TPL-TQA Quality Services (Mauritius) Pty Limited - ₹ Nil (March 31, 2015 ₹ 255.70 lac) and TPL-TQA Quality Services South Africa Pty Limited - ₹ Nil (March 31, 2015 ₹ 469.78 lac) in respect of which income tax amounting to ₹ Nil (March 31, 2015 ₹ 123.30 lac) has been provided and included in current tax.

Note 5 Long-term borrowings

	As at March 31, 2016 ₹ in lac	As at March 31, 2015 ₹ in lac
Term loan (unsecured)		
From banks	22.64	34.37
Less: Current maturities of long-term borrowings disclosed under Note 9 - Other current liabilities	6.85	8.31
Total	15.79	26.06

Note:

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



Notes forming part of the Standalone financial statements
Note 6 Long-term provisions

	As at March 31, 2016 ₹ in lac	As at March 31, 2015 ₹ in lac
Provision for employee benefits		
(i) Compensated absences	2,044.20	1,732.98
(ii) Gratuity	15.26	-
(iii) Post retirement medical benefits	42.88	41.55
(iv) Pension	304.19	296.40
Total	2,406.53	2,070.93

Note 7 Short-term borrowings

	As at March 31, 2016 ₹ in lac	As at March 31, 2015 ₹ in lac
From banks		
Secured		
Overdraft facilities (refer Note (I) below)	18,365.62	19,752.43
Working capital demand loan (refer Note (II) below)	21,499.55	3,970.00
Unsecured		
Overdraft facilities	-	7,211.20
Commercial advance	16,232.71	4,526.13
Working capital demand loan	1,500.00	2,000.00
Commercial Paper	-	5,000.00
From others (Unsecured)		
Loan from company - Inter Corporate Deposit	-	5,000.00
Total	57,597.88	47,459.76

Note:

- (I) Overdraft facilities and Working capital demand loan are secured by:
- a first charge on the book debts, inventories and other current assets ranking pari-passu.
 - an exclusive charge on the entire receivables, fixed assets and current assets relating to the project being undertaken at Dubai, Kenya and Zambia.
- (II) Working capital demand loan of ₹ 7,500 lac taken by a Joint venture is secured by Corporate Guarantee given by the Company.



TATA PROJECTS

37th Annual Report 2015-2016

Notes forming part of the Standalone financial statements

Note 8 Trade payables

	As at March 31, 2016 ₹ in lac	As at March 31, 2015 ₹ in lac
Total outstanding dues of micro enterprises and small enterprises	2,140.72	676.22
Total outstanding dues of creditors other than micro enterprises and small enterprises		
Acceptances	12,497.00	19,069.73
Other than Acceptances *	252,474.53	214,642.23
	264,971.53	233,711.96
Total	267,112.25	234,388.18

* includes provision for contract execution expenses ₹ 46,174.72 lac (March 31, 2015: ₹ 39,881.58 lac)

Note:

Disclosure under Section 22 of the Micro, Small and Medium Enterprises Development Act, 2006 #

	As at March 31, 2016	As at March 31, 2015
(a) Principal amount remaining unpaid as at the end of the accounting year	2,140.72	676.22
(b) Interest due thereon remaining unpaid as at the end of the accounting year	20.85	25.59
(c) The amount of interest paid along with the amounts of payment made to the supplier beyond the appointed day	10.42	-
(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	261.22	250.79
(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	261.22	250.79
#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 standalone financial statements

Note 9 Other current liabilities

	As at March 31, 2016 ₹ in lac	As at March 31, 2015 ₹ in lac
(a) Current maturities of long-term borrowings (refer Note 5 - Long-term borrowings)	6.85	8.31
(b) Interest accrued but not due on borrowings	50.41	202.98
(c) Interest accrued and due on borrowings	78.66	0.37
(d) Income received in advance (advance billing) (refer note 29.23)	-	2,259.82
(e) Other payables :		
(i) Statutory remittances	2,887.83	2,486.31
(ii) Payables on purchase of fixed assets	1,120.14	747.23
(iii) Interest accrued on trade payables and mobilisation advance received	919.36	686.28
(iv) Security deposits received	366.44	359.17
(v) Advances from customers including mobilisation advances	108,613.35	101,263.88
(vi) Others (refer Note below)	234.76	203.11
Total	114,277.80	108,217.46

Note: Includes amounts payable (net) to Guangdong Yuantian Engineering Company (JV Partner) ₹ Nil (March 31, 2015: ₹ 17.63 lac)

Note 10 Short-term provisions

	As at March 31, 2016 ₹ in lac	As at March 31, 2015 ₹ in lac
(a) Provision for employee benefits:		
(i) Compensated absences	461.49	406.64
(ii) Post retirement medical benefits	5.00	5.00
(iii) Pension	41.18	41.18
	507.67	452.82
(b) Provisions - Others:		
(i) Foreseeable losses on contracts (refer Note 29.22)	-	226.98
(ii) Proposed dividend	1,012.50	1,012.50
(iii) Tax on proposed dividend (refer Note below)	206.12	49.67
	1,218.62	1,289.15
Total	1,726.29	1,741.97

Note:

Tax on dividend has been computed after considering the credit taken for dividend aggregating ₹ Nil (March 31, 2015 ₹ 725.48 lac received) from foreign subsidiaries TPL-TQA Quality Services (Mauritius) Pty Limited - ₹ Nil (March 31, 2015 ₹ 255.70 lac) and TPL-TQA Quality Services South Africa Pty Limited - ₹ Nil (March 31, 2015 ₹ 469.78 lac) in respect of which income tax amounting to ₹ Nil (March 31, 2015 ₹ 123.30 lac) has been provided and included in current tax.



TATA PROJECTS

37th Annual Report 2015-2016

Notes forming part of the standalone financial statements

Note 11 Tangible assets

54

₹ in lac

Particulars	Gross block			Depreciation / Amortisation					Net Block	
	As at March 31, 2015	Additions	Deductions/ Adjustments	As at March 31, 2016	For the year	Deductions/ Adjustments	Transition adjustment recorded against surplus balance in statement of profit and loss	As at March 31, 2016	As at March 31, 2016	As at March 31, 2015
Freehold Land	112.60 (112.60)	-	-	112.60 (112.60)	-	-	-	-	112.60	(112.60)
Leasehold Land	51.98 (51.98)	-	-	51.98 (51.98)	0.55 (0.55)	-	-	5.41 (4.86)	46.57	(47.12)
Buildings	1,352.53 (1,087.80)	99.06 (264.73)	-	1,451.59 (1,352.53)	92.73 (88.84)	-	-	550.51 (457.78)	901.08	(894.75)
Leasehold Improvements	951.45 (951.45)	-	240.09	711.36 (951.45)	115.29 (149.75)	86.94	-	624.07 (595.72)	87.29	(355.73)
Plant and Machinery (including Erection/ Construction Machinery)	36,718.41 (33,222.38)	6,588.28 (3,777.96)	99.10 (281.93)	43,207.59 (36,718.41)	5,786.90 (5,913.65)	76.20 (232.21)	-	25,600.96 (19,890.26)	17,606.63	(16,828.15)
Furniture & Fixtures	1,280.33 (1,048.08)	400.98 (258.63)	92.77 (26.38)	1,588.54 (1,280.33)	296.71 (205.45)	68.61 (8.05)	-	979.49 (751.39)	609.05	(528.94)
Vehicles*	1,352.11 (1,300.12)	166.80 (180.87)	176.38 (128.88)	1,342.53 (1,352.11)	187.93 (215.72)	147.87 (93.49)	-	890.24 (850.18)	452.29	(501.93)
Office Equipment	2,579.25 (1,959.22)	1,560.13 (637.00)	69.31 (16.97)	4,070.07 (2,579.25)	869.10 (728.28)	62.73 (10.99)	-	2,375.12 (1,588.75)	1,694.95	(1,010.50)
Computers	1,682.30 (1,476.68)	414.41 (307.76)	54.91 (102.15)	2,041.80 (1,682.30)	292.43 (242.30)	53.59 (98.52)	-	1,464.55 (1,225.71)	577.25	(456.59)
R & D - Capital Mobile Desalination Plant	40.24 (40.24)	-	-	40.24 (40.24)	1.88 (2.48)	-	-	34.41 (32.53)	5.83	(7.71)
Total	46,121.20 (41,250.56)	9,229.66 (5,426.95)	732.56 (556.31)	54,618.30 (46,121.20)	7,643.52 (7,547.02)	495.94 (443.26)	- (192.15)	32,524.76 (25,377.18)	22,093.54	(20,744.02)

* includes heavy vehicles viz. tractors, trailers and tippers



Notes forming part of the standalone financial statements

₹ in lac

Particulars	Gross block				Depreciation / Amortisation						Net Block	
	As at March 31, 2015	Additions	Deductions/ Adjustments	As at March 31, 2016	As at March 31, 2015	For the year	Deductions/ Adjustments	Transition adjustment recorded against surplus balance in statement of profit and loss	As at March 31, 2016	As at March 31, 2016	As at March 31, 2015	
Software	2,150.70 (1,817.95)	712.21 (328.20)	- (-4.55)	2,862.91 (2,150.70)	1,192.40 (795.67)	724.51 (394.63)	- (-2.08)	- (0.02)	1,916.91 (1,192.40)	946.00	(958.30)	
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	4,283.27 (3,950.52)	712.21 (328.20)	- (-4.55)	4,995.48 (4,283.27)	3,324.97 (2,928.24)	724.51 (394.63)	- (-2.08)	- (0.02)	4,049.48 (3,324.97)	946.00	(958.30)	

Amounts in brackets represent previous year numbers



TATA PROJECTS

37th Annual Report 2015-2016

Notes forming part of the standalone financial statements

Note 13 Non-current investments

	As at March 31, 2016 ₹ in lac	As at March 31, 2015 ₹ in lac
Trade Investments (At cost unless stated otherwise)		
a) Investment in equity instruments		
(i) of subsidiaries		
Artson Engineering Limited (refer Note 29.10) 2,76,90,000 (March 31, 2015: 2,76,90,000) equity shares of ₹1 each fully paid-up	276.90	276.90
TPL-TQA Quality Services (Mauritius) Pty Limited 16,800 (March 31, 2015: 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, 2015: 150,000) equity shares of ZAR 1 each fully paid-up	9.34	9.34
TQ Services Europe GmbH 125,000 (March 31, 2015: 125,000) equity shares of EUR 1 each fully paid-up	99.81	99.81
Tata Projects Infrastructure Limited 50,000 (March 31, 2015: 50,000) equity shares of ₹10 each fully paid-up	5.00	5.00
Foodcert India Private Limited 16,38,600 (March 31, 2015: 11,38,600) equity shares of ₹10 each fully paid-up	110.00	60.00
Industrial Quality services LLC 1,75,000 (March 31, 2015: Nil) equity shares of OMR 1 each fully paid-up	303.73	-
(ii) of joint ventures - jointly controlled entities		
Al-Tawleed for Energy & Power Company (under liquidation) 300 (March 31, 2015: 300) cash shares of Saudi Arabian Rials (SAR) 2000 per share equivalent to SAR 6,00,000 fully paid Less: Provision for diminution in value of investments	75.60 (75.60)	75.60 (75.60)
TEIL Projects Limited 49,99,997 (March 31, 2015: 49,99,997) equity shares of ₹10 each fully paid-up Less: Provision for diminution in value of investments	500.00 (500.00)	500.00 -
(iii) of associates		
Virendra Garments Manufacturing Private Limited 1,200 (March 31, 2015: 1,200) shares of ₹100 each fully paid-up Less: Provision for diminution in value of investments	1.20 (1.20)	1.20 (1.20)
b) Investment in partnership firms		
Tata Dilworth Secord Meagher & Associates (refer Note below) Less: Provision for diminution in value of investments	1.80 (1.80)	1.80 (1.80)
Total	816.15	962.42
Aggregate amount of listed and quoted investments	276.90	276.90
Aggregate market value of listed and quoted investments	10,452.98	7,753.20
Aggregate amount of unquoted investments	539.25	685.52

Note : Other details relating to investment in partnership firm.

Name of the firm	As at March 31, 2016			As at March 31, 2015		
	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 standalone financial statements

Note 14 Deferred tax assets (net)

	As at March 31, 2016 ₹ in lac	As at March 31, 2015 ₹ in lac
A. Tax effect of items constituting deferred tax liability	-	-
B. Tax effect of items constituting deferred tax assets		
Depreciation	2,403.73	1,443.00
Provision for doubtful debts and advances	2,643.00	3,465.33
Provision for foreseeable losses	-	78.56
Provision for compensated absences and gratuity	1,024.34	868.11
Disallowance under section 43B	270.11	60.70
Others	0.12	25.57
Deferred tax assets (net)	6,341.30	5,941.27

Note 15 Long-term loans and advances (unsecured, considered good)

	As at March 31, 2016 ₹ in lac	As at March 31, 2015 ₹ in lac
(a) Capital Advances	40.08	77.67
(b) Loan and advances to related parties (refer Note 29.10)		
- Subsidiary company Artson Engineering Limited		
- Inter Corporate Deposit	2,100.00	2,100.00
- Loans	1,930.39	1,930.39
	<u>4,030.39</u>	<u>4,030.39</u>
(c) Security deposits	1,343.36	1,244.22
(d) Deposits with government authorities	3,782.97	2,546.92
(e) Loans and advances to employees	18.56	30.48
(f) Prepaid expenses	26.83	34.36
(g) Advance income tax [net of provision for tax ₹ 46,995.62 lac (March 31, 2015 : ₹ 42,297.26 lac)]	4,041.16	142.05
(h) Advance payment of fringe benefit tax (net)	26.28	26.28
Total	13,309.63	8,132.37

Note 16 Other non-current assets

	As at March 31, 2016 ₹ in lac	As at March 31, 2015 ₹ in lac
Long-term trade receivables *	6,941.80	3,783.99
Total	6,941.80	3,783.99

* comprises retention money receivable beyond the normal operating cycle.



TATA PROJECTS37th Annual Report 2015-2016**Notes forming part of the standalone financial statements****Note 17 Inventories (valued at lower of cost and net realisable value)**

	As at March 31, 2016 ₹ in lac	As at March 31, 2015 ₹ in lac
(a) Raw materials	1,864.53	1,402.09
(b) Work-in-process	379.87	614.63
(c) Finished goods	13.25	14.30
(d) Stores and spares	13.96	17.63
(e) Contracts-in-progress (refer note 29.23)	72,068.94	64,742.71
Total	74,340.55	66,791.36

Note 18 Trade receivables #

	As at March 31, 2016 ₹ in lac	As at March 31, 2015 ₹ in lac
Trade receivables outstanding for a period exceeding six months from the date they were due for payment		
Unsecured, considered good	17,735.34	20,581.64
Doubtful	6,793.86	9,271.49
	24,529.20	29,853.13
Less: Provision for doubtful trade receivables	(6,793.86)	(9,271.49)
	17,735.34	20,581.64
Other Trade receivables		
Unsecured, considered good	244,075.88	220,492.47
Total	261,811.22	241,074.11

#includes retention money receivable ₹ 117,070.11 lac (March 31, 2015 : ₹ 124,848.26 lac)

Note 19 Cash and cash equivalents

	As at March 31, 2016 ₹ in lac	As at March 31, 2015 ₹ in lac
(a) Cash on hand	33.99	41.58
(b) Balances with banks:		
- In current accounts	9,790.07	10,701.95
- In EEFC accounts	4,456.88	6,817.65
- In demand deposit accounts	2,054.86	2,314.90
Total	16,335.80	19,876.08



Notes forming part of the standalone financial statements
Note 20 Short-term loans and advances (Unsecured, considered good unless otherwise stated)

	As at March 31, 2016 ₹ in lac	As at March 31, 2015 ₹ in lac
(a) Loan and advances to related parties (refer Note 29.10)		
- Subsidiary company Artson Engineering Limited		
- Project related advances	2,341.59	2,047.51
(b) Security deposits	1,059.38	509.50
(c) Loans and advances to employees	97.30	163.02
(d) Prepaid expenses	1,174.01	1,092.76
(e) Balances with government authorities		
CENVAT credit receivable	12.23	12.11
VAT credit receivable	1,576.13	1,164.80
Sales tax deducted at source	12,909.88	9,250.95
Service tax credit receivable	243.20	-
Customs duty refund receivable	12.39	178.13
	14,753.83	10,605.99
(f) Inter-corporate deposits	17,000.00	17,000.00
(g) Mobilisation advance	29,576.02	27,719.09
(h) Other project related advances		
Unsecured, considered good *	24,899.45	25,020.85
Doubtful	608.00	608.00
	25,507.45	25,628.85
Less: Provision for doubtful advances	(608.00)	(608.00)
	24,899.45	25,020.85
Total	90,901.58	84,158.72

Note: * Includes ₹ 3,998.52 lac (March 31, 2015: ₹ 2,524.97 lac) recoverable from Aldesa Construcciones, S.A. (JV Partner)

* Includes ₹ 75.64 lac (March 31, 2015: ₹ Nil) recoverable from Guangdong Yuantian Engineering Company (JV Partner)



TATA PROJECTS37th Annual Report 2015-2016**Notes forming part of the standalone financial statements****Note 21 Other current assets (unsecured, considered good unless otherwise stated)**

	As at March 31, 2016 ₹ in lac	As at March 31, 2015 ₹ in lac
(a) Unbilled revenue	38,891.26	25,941.25
(b) Accruals :		
(i) Interest accrued on deposits	28.53	17.84
(ii) Interest accrued on loans to subsidiary (doubtful)	133.02	133.02
(iii) Interest accrued on mobilisation advance given	81.06	342.39
	242.61	493.25
Less: Provision for doubtful interest accrued on loans to subsidiary	(133.02)	(133.02)
	109.59	360.23
(c) Others		
(i) Insurance and other claims receivable		
Unsecured, considered good	30.06	12.03
Doubtful	73.25	73.25
	103.31	85.28
Less: Provision for doubtful claims	(73.25)	(73.25)
	30.06	12.03
(ii) Contractually reimbursable expenses	1,097.69	1,642.57
Doubtful	28.84	-
	1,126.53	1,642.57
Less: Provision for doubtful reimbursable expenses	(28.84)	-
	1,097.69	1,642.57
	1,127.75	1,654.60
Total	40,128.60	27,956.08



Notes forming part of the standalone financial statements
Note 22 Revenue from operations

	For the year ended March 31, 2016 ₹ in lac	For the year ended March 31, 2015 ₹ in lac
(a) Income from contracts (refer note (i) below)	420,728.82	329,295.09
(b) Income from services (refer note (ii) below)	13,198.69	8,431.75
(c) Income from sale of goods (refer note (iii) below)	1,182.03	2,379.21
(d) Share of profit from Joint Venture	2,644.79	3,750.54
(e) Other operating revenues (refer note (iv) below)	854.55	583.38
Revenue from operations (Gross)	438,608.88	344,439.97
Less: Indirect taxes and duties	15,825.22	10,195.00
Total	422,783.66	334,244.97
Notes:		
(i) Income from contracts comprises :		
- Supply of contract equipment and materials	170,902.85	157,396.52
- Civil and erection works	249,825.97	171,898.57
Total	420,728.82	329,295.09
(ii) Income from services comprises :		
- Quality inspection services	13,198.69	8,431.75
Total	13,198.69	8,431.75
(iii) Income from sale of goods comprises :		
- Sale of BWRO units	1,182.03	2,379.21
Total	1,182.03	2,379.21
(iv) Other operating revenues comprises :		
- Sale of scrap	842.25	547.72
- Duty drawback	12.30	35.66
Total	854.55	583.38



TATA PROJECTS

37th Annual Report 2015-2016

Notes forming part of the standalone financial statements

Note 23 Other income

	For the year ended March 31, 2016 ₹ in lac	For the year ended March 31, 2015 ₹ in lac
(a) Interest income (refer Note (i) below)	997.59	1,210.28
(b) Dividend income : from long-term investments		
- subsidiaries	-	725.48
(c) Net gain/(loss) on foreign currency transactions and translations	1,501.37	64.98
(d) Other non-operating income (refer Note (ii) below)	441.16	198.49
Total	2,940.12	2,199.23
Notes:		
(i) Interest Income comprises :		
- Interest from banks on deposits	48.55	284.21
- Interest income on mobilisation advance given	582.71	921.86
- Interest on loans to subsidiary	8.10	-
- Interest on refund of income tax	1.56	-
- Other interest	356.67	4.21
Total	997.59	1,210.28
(ii) Other non-operating income comprises :		
- Hire charges	372.82	60.29
- Liabilities/Provisions no longer required written back	-	23.22
- Profit on sale of fixed assets	-	22.00
- Miscellaneous income	68.34	92.98
Total	441.16	198.49

Note 24 Contract execution expenses

	For the year ended March 31, 2016 ₹ in lac	For the year ended March 31, 2015 ₹ in lac
(a) Cost of supplies/erection and civil works *	317,807.29	260,678.83
(b) Engineering fees	1,301.15	1,648.43
(c) Insurance premium	2,028.03	1,925.63
(d) Bank guarantee and letter of credit charges	2,108.63	2,210.67
Total	323,245.10	266,463.56

* includes increase / (decrease) in excise duty of ₹ 42.85 lac [previous year: ₹ (27.34) lac] on finished goods



Notes forming part of the standalone financial statements
Note 25 Changes in inventories of finished goods, work-in-process and contracts-in-progress

	For the year ended March 31, 2016 ₹ in lac	For the year ended March 31, 2015 ₹ in lac
Inventories at the end of the year		
Finished goods	13.25	14.30
Work-in-process	379.87	614.63
Contracts-in-progress	72,068.94	64,742.71
	72,462.06	65,371.64
Inventories at the beginning of the year		
Finished goods	14.30	10.74
Work-in-process	614.63	732.49
Contracts-in-progress	64,742.71	42,154.45
	65,371.64	42,897.68
Net (increase)/decrease	(7,090.42)	(22,473.96)

Note 26 Employee benefits expense

	For the year ended March 31, 2016 ₹ in lac	For the year ended March 31, 2015 ₹ in lac
(a) Salaries and wages	31,876.95	26,363.16
(b) Contribution to provident and other funds	2,379.85	2,851.98
(c) Staff welfare expenses	1,253.60	1,078.44
Total	35,510.40	30,293.58



TATA PROJECTS

37th Annual Report 2015-2016

Notes forming part of the standalone financial statements

Note 27 Other expenses

	For the year ended March 31, 2016 ₹ in lac	For the year ended March 31, 2015 ₹ in lac
Consumption of stores and spare parts	345.28	339.87
Rent	3,789.90	2,792.47
Repairs and maintenance		
- Building	12.34	1.80
- Machinery	533.08	402.88
- Others	741.18	733.65
Processing charges	1,126.46	962.70
Power and fuel	1,035.39	981.28
Rates and taxes	176.79	194.48
Insurance	132.62	93.48
Motor vehicle expenses	3,799.79	3,683.03
Travelling and conveyance	3,288.27	2,557.27
Legal and professional	4,808.74	2,434.77
Payment to auditors (refer note below)	51.32	37.42
Communication expenses	783.12	584.37
Printing and stationery	394.86	320.62
Staff recruitment and training expenses	139.39	178.96
Business development expenditure	397.42	401.18
Bank charges	155.72	195.42
Freight and handling charges	141.89	68.17
Provision for diminution in the value of investments	500.00	-
Bad debts	2,094.06	-
Provision for doubtful trade receivables	2,732.30	3,489.17
	4,826.36	3,489.17
Less: Provision for doubtful trade receivables reversed	(5,209.93)	(6,131.22)
	(383.57)	(2,642.05)
Advances written off	110.00	-
Add: Provision for doubtful loans and advances	28.84	105.71
	138.84	105.71
Less: Provision for doubtful loans and advances reversed	-	(118.84)
	138.84	(13.13)
Agency commission	1,130.72	109.63
Brand equity contribution	615.69	755.00
Loss on sale of fixed asset	121.91	-
Miscellaneous expenses	2,912.22	1,937.73
Total	26,889.37	17,111.00
Note:		
Payment to auditors comprises (net of service tax)		
(a) To statutory auditors		
Audit fees	25.00	25.00
Tax audit fees	2.00	2.00
Limited review fees	6.00	6.00
Other services	16.00	1.15
Reimbursement of expenses	1.29	0.92
(b) To Cost auditor for cost audit	1.03	2.35
Total	51.32	37.42



Notes forming part of the standalone financial statements

Note 28 Finance costs

	For the year ended March 31, 2016 ₹ in lac	For the year ended March 31, 2015 ₹ in lac
(a) Interest expense on :		
(i) Borrowings	7,334.51	5,621.90
(ii) Mobilisation advance received	1,918.71	1,373.08
(iii) Delayed payment of income tax	2.37	62.52
(iv) Others	139.78	55.83
(b) Other borrowing costs	57.74	48.25
Total	9,453.11	7,161.58

Note 29 Additional information to the financial statements

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

	For the year ended March 31, 2016 ₹ in lac	For the year ended March 31, 2015 ₹ in lac
(i) Contingent liabilities:		
(a) Claim against the Company not acknowledged as debt Matters under dispute:		
Sales tax / VAT	6,114.61	5,963.37
Service tax *	23,908.13	13,229.83
Income tax	74.62	74.62
Third party claims from disputes relating to contracts	9.40	-
* Exclude interest amount		
(b) Guarantees		
Performance and other bank guarantees issued by banks on behalf of the Company (refer Note 2 below)	529,279.99	431,176.92
Corporate guarantees (refer Note 1,2 below)	39,387.99	14,751.23
(c) Others - liquidated damages	Amounts indeterminate	Amounts indeterminate

Future cash outflows in respect of the matters in (a) above are determinable only on receipt of judgements/decisions pending at various forums/authorities

Notes:

1 Includes corporate guarantees of ₹ 5,500 lac (March 31, 2015 : ₹ 5,500 lac) given on behalf of its subsidiary, Artson Engineering Limited and remaining outstanding as on March 31, 2016. The amount of loan outstanding against such guarantees given is ₹ 2,200.00 lac (March 31, 2015: ₹ 2,100 lac).

2 Includes ₹ 88,826.10 lac (March 31, 2015: ₹ 71,385.90 lac) given on behalf of the following jointly controlled operations.

	₹ in lac	
(i) Tata Aldesa (JV)	50,279.80	(March 31, 2015: ₹ 54,928.35 lac)
(ii) Tata Projects Balfour Beatty JV	1.00	(March 31, 2015: ₹ 1.00 lac)
(iii) Tata Projects Limited VNR JV Pkg 1	969.86	(March 31, 2015: ₹ 2,719.86 lac)
(iv) Tata Projects Limited VNR JV Pkg 2	2,013.11	(March 31, 2015: ₹ 2,748.68 lac)
(v) GYT TPL	14,272.40	(March 31, 2015: ₹ 10,988.01)
(vi) Express Freight Consortium	21,289.93	(March 31, 2015: ₹ Nil)

88,826.10

(ii) Commitments

Estimated amount of contracts remaining to be executed on capital account and not provided for [net of advance ₹ 40.08 lac (March 31, 2015: ₹ 77.67 lac)] 420.34 393.32



TATA PROJECTS

37th Annual Report 2015-2016

Notes forming part of the standalone financial statements

29.2 Details on derivative instruments and unhedged foreign currency exposures

- a) Outstanding forward exchange contracts entered into by the Company as on March 31, 2016 : ₹Nil (March 31, 2015: ₹Nil)
- 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, 2016		As at March 31, 2015	
		Foreign currency (in Millions)	₹ in lac	Foreign currency (in Millions)	₹ in lac
1 Receivables	AED	69.04	12,441.75	46.75	7,933.22
	KES	633.49	4,117.69	400.40	2,682.67
	WON	1,778.75	1,067.25	846.38	473.98
	QAR	0.43	77.90	0.46	77.90
	EUR	4.28	3,228.32	0.03	21.94
	ZAR	0.75	33.72	1.22	62.34
	SAR	-	-	0.50	83.69
	ZMW	3.81	229.55	3.44	280.94
	USD	1.09	721.69	0.11	65.65
	NPR	143.32	888.60	250.56	1,553.45
	JPY	-	-	0.87	4.53
	2 Payables	QAR	0.91	165.81	0.80
AED		58.00	10,450.99	63.37	10,753.56
SGD		0.002	1.21	0.003	1.21
WON		28.47	17.08	52.17	29.22
KES		446.98	2,905.34	486.11	3,256.95
SAR		0.19	34.39	0.21	34.39
ZMW		42.52	2,559.91	56.83	4,636.95
USD		1.06	701.07	1.66	1,037.27
EURO		1.20	905.80	0.17	114.42
CHF		0.01	5.09	0.01	4.72
JPY		-	-	45.70	237.65
NPR		58.73	364.10	240.67	1,492.16
3 Cash and cash equivalents	SGD	-	-	0.001	0.67
	AED	4.67	841.85	9.05	1,535.87
	USD	13.31	8,807.82	17.93	11,175.36
	EUR	1.05	789.98	1.01	677.72
	WON	164.09	98.45	341.91	191.47
	KES	25.49	165.71	60.86	407.78
	ZMW	3.03	182.71	4.59	374.54
NPR	6.91	42.87	15.83	98.15	

- c) The net difference in foreign exchange credited to the Statement of Profit and Loss is ₹ 1,501.37 lac (March 31, 2015: ₹ 64.98) lac).



Notes forming part of the standalone financial statements

	For the year ended March 31, 2016 ₹ in lac	For the year ended March 31, 2015 ₹ in lac
29.3 Value of imports on C.I.F basis:		
(i) Project related equipment and materials	1,484.63	355.45
(ii) Capital goods	1,131.19	23.94
(iii) Stores and spares	-	7.86
29.4 Expenditure in foreign currency:		
(i) Expenditure incurred on projects (including professional and consultancy fees)	19,779.56	20,199.82
(ii) Travel	871.80	644.47
(iii) Interest	-	69.55
29.5 Earnings in foreign exchange:		
(i) Erection and engineering services	27,993.84	23,740.41
(ii) Interest	6.00	19.61
(iii) Dividend	-	725.48
(iv) Miscellaneous income	16.26	13.68
29.6 Raw materials consumed		
(i) Steel	15,014.62	15,548.05
(ii) Zinc	2,224.74	2,366.25
(iii) Others	1,029.21	1,708.85
Total	18,268.57	19,623.15

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

29.7 Details of consumption of imported and indigenous items:

	For the year ended March 31, 2016	
	₹ in lac	%
a) Imported		
(i) Spare parts	-	-
	(7.86)	(2.31)
b) Indigenous		
(i) Raw Materials	18,268.57	100
	(19,623.15)	(100)
(ii) Spare parts	345.28	100
	(332.01)	(97.69)

Amounts in brackets represent previous year numbers



TATA PROJECTS

37th Annual Report 2015-2016

Notes forming part of the standalone financial statements

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

	For the year ended March 31, 2016 ₹ in lac	For the year ended March 31, 2015 ₹ in lac
Contract revenue recognised during the year	420,728.82	329,295.09
Aggregate of contract costs incurred and recognised profits (less recognized losses) upto the reporting date	2,405,596.62	2,124,920.04
Advances received for contracts-in-progress	108,397.14	101,110.70
Retention money for contracts-in-progress	123,851.61	128,632.25
Gross amount due from customers for contract work	110,960.20	90,683.96

29.9 In line with accepted practice in construction business, certain revision to costs and billing of previous years which have crystallised during the year have been dealt with in the year. The Statement of Profit and Loss for the year includes debits (net) aggregating ₹ 11,761.22 lac [March 31, 2015 : ₹ 9,933.03 lac - debits (net)] on account of changes in estimates.

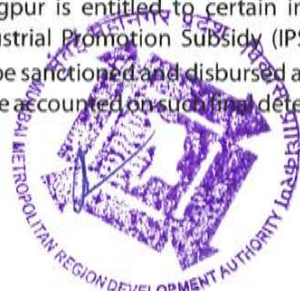
29.10 (i) In the year 2007-08, under a sanctioned scheme of the Board for Industrial and Financial Reconstruction (BIFR), the Company became a strategic investor in Artson Engineering Limited (Artson), a Public Limited Company listed on the Bombay Stock Exchange by acquiring 75% of the equity share capital of Artson. In terms of the rehabilitation scheme sanctioned by BIFR, the Company is exempt from the provisions of Section 73 and 186 and relevant provisions of the Companies Act, 2013 (Section 58A and 372A and relevant provisions 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.

(ii) The Company has an investment of ₹ 276.90 lac in Artson, has loaned amounts aggregating ₹ 4,030.39 lac and has given project advances aggregating ₹ 2,341.59 lac which are outstanding as on March 31, 2016. Of this, the management has extended the moratorium for repayment of loans aggregating ₹ 4,030.39 lac for a further period, with repayments falling due in five installments commencing March 31, 2018. Artson has applied to the BIFR seeking conversion of the loan advanced by the Company and the interest thereon into 44,18,22,878 4% Optionally Convertible Cumulative Redeemable Preference Shares of ₹ 1/- each credited as fully paid up, to be allotted to the Company on a preferential allotment basis. Artson's net worth has been fully eroded. Artson's financial statements for the year ended March 31, 2016 have been prepared on going concern basis. Considering the order book position of the Company and Artson's capabilities to execute certain portions of these contracts, Management is of the view that the financial position of Artson will continue to improve and hence no provision is required on this account at this stage.

(iii) In view of the foregoing, as a prudent measure, interest income for the year in respect of loans given to Artson aggregating ₹ 404.14 lac (March 31, 2015 : ₹ 403.04 lac) and cumulatively as at March 31, 2016 of ₹ 1,472.81 lac (March 31, 2015 : ₹ 1,068.67 lac) has not been recognised. The Management has obtained necessary approvals for waiver of interest on the loans given to Artson aggregating ₹ 4,030.39 lac

29.11 Note 15 - Long-term loans and advances includes ₹ 610.00 lac (March 31, 2015: ₹ 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.

29.12 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.



Notes forming part of the standalone financial statements

29.13 In accordance with the requirements of component accounting of fixed assets as per Schedule II to the Companies Act, 2013, the Company has identified and accounted for the components of fixed assets during the current year. As per the transitional provisions prescribed in Schedule II, the Company has charged an additional depreciation of ₹ 143.32 lac to Statement of Profit and Loss.

In the previous year, pursuant to the transitional provisions prescribed in Schedule II to the Companies Act, 2013, the Company has fully depreciated the carrying value of assets, net of residual value, where the remaining useful life of the asset was determined to be nil as on April 1, 2014, and has adjusted an amount of ₹ 126.85 lac (net of deferred tax credit of ₹ 65.32 lac against the opening surplus balances in the Statement of Profit and Loss under Reserves and Surplus.

In the previous year, the depreciation expense in the Statement of Profit and Loss was higher by ₹ 2,187.94 lac consequent to the change in the useful life of the assets.

29.14 Exceptional item in the previous year represents profit on sale of freehold land and buildings (partly completed transfer from capital work in progress) aggregating ₹ 4,030.85 lac.



TATA PROJECTS

37th Annual Report 2015-2016

Notes forming part of the standalone financial statements

29.15 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, 2016			Year ended March 31, 2015		
	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	353.50	-	-	279.63	-	-
Interest cost	238.18	25.36	3.52	213.77	23.32	3.75
Expected return on plan assets	(246.12)	-	-	(203.08)	-	-
Past service cost	-	-	-	-	-	-
Actuarial losses / (gains)	13.37	23.60	(1.63)	202.25	77.43	(0.35)
Total expense recognized in the Statement of Profit and Loss	358.93	48.96	1.89	492.57	100.75	3.40
II Net asset / (liability) recognised in the Balance Sheet						
Present value of defined benefit obligation	3,242.15	345.37	47.88	2,916.89	337.58	46.55
Fair value on plan assets	(3,226.89)	-	-	(2,927.86)	-	-
Surplus / (Deficit)	(15.26)	(345.37)	(47.88)	10.97	(337.58)	(46.55)
Unrecognised past service cost	-	-	-	-	-	-
Net asset/(liability) recognised in the Balance Sheet	(15.26)	(345.37)	(47.88)	10.97	(337.58)	(46.55)
III Change in defined benefit obligation (DBO) during the year						
Present value of DBO at beginning of the year	2,916.89	337.58	46.55	2,273.08	276.89	44.19
Current service cost	353.51	-	-	279.63	-	-
Interest cost	238.18	25.36	3.52	213.77	23.32	3.75
Actuarial (gains)/losses	(2.61)	23.60	(1.63)	286.66	77.43	(0.35)
Benefits paid	(263.82)	(41.17)	(0.56)	(136.25)	(40.06)	(1.04)
Present value of DBO at the end of the year	3,242.15	345.37	47.88	2,916.89	337.58	46.55
IV Change in fair values of assets during the year						
Plan assets at beginning of the year	2,927.85	-	-	2,333.91	-	-
Expected return on plan assets	246.12	-	-	203.08	-	-
Actual company contributions	332.00	41.17	0.56	442.70	40.06	1.04
Actuarial gain / (loss)	(15.26)	-	-	84.42	-	-
Benefits paid	(263.82)	(41.17)	(0.56)	(136.25)	(40.06)	(1.04)
Plan assets at the end of the year	3,226.89	-	-	2,927.86	-	-
Actual return on plan assets	230.86	-	-	287.50	-	-



Notes forming part of the standalone financial statements

29.15 Employee benefits (cond....)

(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

	Year ended March 31, 2016			Year ended March 31, 2015		
	Gratuity	Pension	Post retirement medical benefits	Gratuity	Pension	Post retirement medical benefits
	Funded	Unfunded	Unfunded	Funded	Unfunded	Unfunded
V The major categories of plan assets						
Funded with Tata AIG Life Insurance Co. Ltd.	-	-	-	2,927.86	-	-
Funded with Life Insurance Corporation of India	3,226.89	-	-	-	-	-
VI Actuarial assumptions						
Discount rate	7.85%	7.85%	7.85%	8.00%	8.00%	8.00%
Expected rate of return on plan assets	8.00%	-	-	9.00%	-	-
Salary escalation	6.00%	-	-	6.00%	-	-
Attrition	10%	-	-	10%	-	-
Mortality	Indian Assured Lives Mortality (2006-08) ULT Table	-	-	Indian Assured Lives Mortality (2006-08) ULT Table	-	-

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.



TATA PROJECTS

37th Annual Report 2015-2016

Notes forming part of the standalone financial statements

29.15 (a) Employee benefits (cond....) VII Experience adjustments

₹ in lac

Particulars	2015-16			2014-15			2013-14			2012-13			2011-12		
	Gratuity	Pension	Post retirement medical benefits	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	3,242.15	345.37	47.88	2,916.89	337.58	46.55	2,273.08	276.89	44.19	2,020.65	273.63	28.95	1,447.99	211.13	27.71
Fair value of plan assets	3,226.89	-	-	2,927.86	-	-	2,333.92	-	-	1,919.32	-	-	1,447.72	-	-
Status [Surplus/(Deficit)]	(15.26)	(345.37)	(47.88)	10.97	(337.58)	(46.55)	60.84	(276.89)	(44.19)	(101.33)	(273.63)	(28.95)	(0.27)	(211.13)	(27.71)
Experience adjustment on plan assets [gain/(loss)]	(15.26)	-	-	84.42	-	-	(15.75)	-	-	34.63	-	-	9.05	-	-
Experience adjustment on plan liabilities [gain/(loss)]	(30.84)	20.69	(2.09)	123.46	57.40	(3.45)	140.05	35.87	14.03	199.02	74.92	(1.69)	200.96	25.02	-

b) Defined contribution plan

In respect of the defined contribution plans, an amount of ₹ 2,053.97 lac (March 31, 2015: ₹ 2,414.38 lac) has been recognised as an expense in the Statement of Profit and Loss during the year.



Notes forming part of the standalone financial statements

29.16 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) Others

and secondary segments of the Company are:

- (i) Domestic
- (ii) 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.



TATA PROJECTS

37th Annual Report 2015-2016

Notes forming part of the standalone financial statements

29.16 Disclosure under Accounting Standards (contd....)

₹ in lac

Particulars	Business segments			Eliminations	Total
	EPC	Services	Others		
1 Revenue	408,416.78 (323,399.68)	13,198.13 (8,431.75)	1,168.75 (2,413.54)	-	422,783.66 (334,244.97)
2 Inter segment revenue	-	297.85 (232.89)	-	297.85 (232.89)	-
3 Segment revenue	408,416.78 (323,399.68)	13,495.98 (8,664.64)	1,168.75 (2,413.54)	297.85 (232.89)	422,783.66 (334,244.97)
4 Segment result	26,383.18 (23,566.62)	3,590.49 (1,925.66)	(318.91) (421.68)	-	29,654.76 (25,913.96)
5 Unallocable expenses (net)					12,062.15 (10,627.97)
6 Finance costs					9,453.11 (7,161.58)
7 Operating income (4-5-6)					8,139.50 (8,124.41)
8 Other income (net)					2,940.12 (2,199.23)
9 Profit before exceptional items and taxes (7+8)					11,079.62 (10,323.64)
10 Exceptional items	-	-	-	-	- (4,030.85)
11 Profit before tax (9+10)					11,079.62 (14,354.49)
12 Tax expense					4,894.28 (4,984.85)
13 Profit for the year (11-12)					6,185.34 (9,369.64)
Segment assets	487,349.98 (438,222.56)	6,734.21 (5,046.36)	1,115.97 (1,974.88)		495,200.16 (445,243.80)
Unallocable assets					39,802.93 (35,569.16)
Total assets					535,003.09 (480,812.96)
Segment liabilities	377,848.99 (338,103.82)	849.16 (788.61)	509.79 (1,211.21)		379,207.94 (340,103.64)
Unallocable liabilities					63,928.60 (53,800.72)
Total liabilities					443,136.54 (393,904.36)
<u>Other information</u>					
Capital expenditure (allocable)	6,529.63 (3,597.76)	0.75 (0.94)	(179.25) (0.95)		6,530.38 (3,777.95)
Capital expenditure (unallocable)					3,976.58 (1,876.83)
Depreciation and amortisation (allocable)	6,105.97 (6,159.37)	16.16 (6.90)			6,124.03 (6,167.22)
Depreciation and amortisation (unallocable)					2,244.00 (1,774.43)



Notes forming part of the standalone financial statements

29.16 Segment information (contd..)

₹ in lac

Geographical segment	Revenue - for the year ended March 31, 2016	Segment assets as at March 31, 2016	Capital expenditure incurred during the year ended March 31, 2016
Domestic	394,767.56 (310,439.57)	501,181.56 (452,827.59)	9,291.10 (5,624.00)
Overseas	28,016.10 (23,805.40)	33,821.53 (27,985.37)	1,215.86 (30.78)
Total	422,783.66 (334,244.97)	535,003.09 (480,812.96)	10,506.96 (5,654.78)

Amounts in brackets represent previous year numbers

29.17 Related party transactions

Details of related parties:

Description of relationship

- (i) Entity holding more than 20%
- (ii) Subsidiaries

Names of related parties

- The Tata Power Company Limited (TPCL)
- Omega TC Holdings Pte Limited (OTHPL) with effect from June 25, 2015
- Artson Engineering Limited (AEL)
- TPL-TQA Quality Services (Mauritius) Pty. Limited (TPL TQA Mauritius)
- TPL-TQA Quality Services South Africa (Proprietary) Limited (TPL TQA SA)
- TQ Services Europe, GmbH (TQ GmbH)
- Tata Projects Infrastructure Limited (TPIL)
- Foodcert India Private Limited
- TPL-Asara Engineering South Africa Proprietary Limited, South Africa
- Industrial Quality Services, LLC Oman with effect from September 29, 2015
- (iii) Jointly Controlled Operations (JCO) Tata Projects Limited - VNR Infrastructure Ltd - Package 1 (JV) (TPL VNR JV - Pkg 1)
- Tata Projects Limited - VNR Infrastructure Ltd - Package 2 (JV) (TPL VNR JV - Pkg 2)
- Tata Projects - Balfour Beatty JV (TP BB JV)
- Tata Aldesa JV
- TPL GYT JV
- Express Freight Consortium
- (iv) Jointly Controlled Entities (JCE) AI Tawleed for Energy & Power Company (AI Tawleed)
- TEIL Projects Limited (TEIL)
- (v) Associates Virendra Garments Manufacturing Private Limited (VGMPL)
- (vi) Key Managerial Personnel (KMP) Mr. Vinayak K Deshpande, Managing Director
- Mr. Anil Khandelwal, Chief Financial Officer (with effect from 17 November, 2015)
- Mr. Rajagopal Swami, Chief Financial Officer (upto 7 November, 2015)



TATA PROJECTS

37th Annual Report 2015-2016

Notes forming part of the standalone financial statements

29.17 Related party transactions (Contd...) Details of related party transactions during the year ended March 31, 2016

₹ in lac

Particulars	Entities holding more than 20%				Subsidiaries										JCE		JCO						KMP	Total	
	TPCL	OTHER	Total	AEL	TPCL TOA	TPCL TOA - SA	TPCL TOA - Mairanis	TPCL TOA - SA	TOA/OrbitH	Food Cert.	TPIL	ICS	Total	AI Tawheed	TEL	Total	TP - UMR JV - Pag 1	TP - UMR JV - Pag 2	TP - BB JV	GYU - TP	Total Alesse JV	Express Freight Consortium			Total
Revenue from operations	427.96 (476.41)	(-)	(476.41)	(-)	0.78 (28.51)	24.51 (194.46)	29.82	24.51 (194.46)	29.82	(-)	(-)	(-)	54.91 (222.97)	(-)	(-)	54.91 (222.97)	1,296.27 (1,112.16)	1,291.64 (1,144.00)	(-)	(-)	4,287.54 (3,659.86)	(-)	6,845.45 (5,945.79)		
Contract execution expenses	(-)	(-)	(-)	8,824.87 (6,372.72)	(-)	(-)	(2.31)	(-)	(-)	(-)	(-)	9,824.87 (6,375.03)	(-)	(-)	(-)	(-)	(-)	(-)	(-)	(-)	(-)	(-)	(-)	9,824.87 (6,375.03)	
Interest received	(-)	(-)	(-)	4.93	(-)	(-)	(-)	(-)	(-)	3.16	(-)	8.09	(-)	(-)	(-)	(-)	(-)	(-)	(-)	(-)	10.53	(-)	(-)	16.62	
Other income	(-)	(-)	(-)	30.13 (13.83)	(-)	(-)	(-)	(-)	(-)	(-)	(-)	30.13 (13.83)	(-)	(-)	(-)	(-)	(-)	8.03	(-)	(-)	(-)	(-)	(-)	38.16 (13.83)	
Other expenses	(-)	(-)	(-)	(-)	(-)	(-)	(1.08)	(-)	(1.08)	(-)	(-)	(1.08)	(-)	(-)	(-)	(-)	(-)	(-)	(-)	(-)	(-)	(-)	(-)	(1.08)	



Notes forming part of the standalone financial statements

29.17 Related party transactions (Contd...)
Details of related party transactions during the year ended March 31, 2016

₹ in lac

Particulars	Entities holding more than 20%		Subsidiaries										JEE							JCO					MUP	Total		
	TPCL	OTFPL	AEL	TPCL TQA Mauritius	TPCL TQA SA	TD Group	Food Cor	TPCL	IS	Total	AI Traveler	TEL	Total	TPCL IWR JV Pkg 1	TPCL IWR JV Pkg 2	TP BE JV	OTFPL	Tata Astea JV	Express Freight Consortium	Total								
Dividend received	(-)	(-)	(-)	(-)	(-)	(-)	(-)	(-)	(-)	(-)	(-)	(-)	(-)	(-)	(-)	(-)	(-)	(-)	(-)	(-)	(-)	(-)	(-)	(-)	(-)	(-)	(75.48)	
Proposed dividend	483.75	244.22	727.97	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	727.97	
Purchase of Fixed Assets	(483.75)	(-)	(483.75)	(-)	(-)	(-)	(-)	(-)	(-)	(-)	(-)	(-)	(-)	(-)	(-)	(-)	(-)	(-)	(-)	(-)	(-)	(-)	(-)	(-)	(-)	(-)	(483.75)	
Investments	(-)	(-)	1.66	(-)	(-)	(-)	(-)	(-)	(-)	1.66	(-)	(-)	(-)	(-)	(13.97)	(-)	(-)	(-)	(-)	(-)	(-)	(-)	(-)	(-)	(-)	(-)	1.66	
Provision for Diminution in value of investments	(-)	(-)	(-)	(-)	(-)	(-)	(-)	(-)	(-)	303.73	(-)	(-)	(-)	(-)	(-)	(-)	(-)	(-)	(-)	(-)	(-)	(-)	(-)	(-)	(-)	(-)	303.73	
Provision for Diminution in value of investments	(-)	(-)	(-)	(-)	(-)	(-)	(-)	(-)	(-)	(85.00)	(-)	(-)	(-)	(-)	(-)	(-)	(-)	(-)	(-)	(-)	(-)	(-)	(-)	(-)	(-)	(-)	(85.00)	
Provision for expenses written off	(-)	(-)	(-)	(-)	(-)	(-)	(-)	(-)	(-)	(-)	(-)	(-)	(-)	(-)	(-)	(-)	(-)	(-)	(-)	(-)	(-)	(-)	(-)	(-)	(-)	(-)	500.00	
Bad debts written off	(-)	(-)	(-)	(-)	(-)	(-)	(-)	(-)	(-)	(-)	(-)	(-)	(-)	(-)	(-)	(-)	(-)	(-)	(-)	(-)	(-)	(-)	(-)	(-)	(-)	(-)	110.00	
Provision for Loans and Advances	(-)	(-)	(-)	(-)	(-)	(-)	(-)	(-)	(-)	(-)	(-)	(-)	(-)	(-)	(-)	(-)	(-)	(-)	(-)	(-)	(-)	(-)	(-)	(-)	(-)	(-)	81.89	
Advance towards share application money	(-)	(-)	(-)	(-)	(-)	(-)	(-)	(-)	(-)	(-)	(-)	(-)	(-)	(-)	(-)	(-)	(-)	(-)	(-)	(-)	(-)	(-)	(-)	(-)	(-)	(-)	(-)	
Loans and advance given (net)	(-)	(-)	294.08	(-)	(-)	(-)	(-)	(-)	(-)	(-)	(-)	(-)	(-)	(-)	(-)	(-)	(-)	(-)	(-)	(-)	(-)	(-)	(-)	(-)	(-)	(-)	294.08	
Mobilisation advance received (net)	(183.22)	(-)	(-)	(-)	(-)	(-)	(-)	(-)	(-)	(-)	(-)	(-)	(-)	(-)	(-)	(-)	(-)	(-)	(-)	(-)	(-)	(-)	(-)	(-)	(-)	(-)	(-)	
Reimbursable expenses (net)	(48.09)	(-)	(-)	(-)	(-)	(-)	(-)	(-)	(-)	(-)	(-)	(-)	(-)	(-)	(-)	(-)	(-)	(-)	(-)	(-)	(-)	(-)	(-)	(-)	(-)	(-)	(48.09)	
Remuneration	(1.11)	(-)	(1.11)	(-)	(-)	(-)	(-)	(-)	(-)	(-)	(-)	(-)	(-)	(-)	(-)	(-)	(-)	(-)	(-)	(-)	(-)	(-)	(-)	(-)	(-)	(-)	(1.11)	
Guarantee given	(10.54)	(-)	(10.54)	(-)	(-)	(-)	(-)	(-)	(-)	(-)	(-)	(-)	(-)	(-)	(-)	(-)	(-)	(-)	(-)	(-)	(-)	(-)	(-)	(-)	(-)	(-)	(10.54)	
	(8.72)	(-)	(-)	(-)	(-)	(-)	(-)	(-)	(-)	(-)	(-)	(-)	(-)	(-)	(-)	(-)	(-)	(-)	(-)	(-)	(-)	(-)	(-)	(-)	(-)	(-)	(-)	
																												(10,745.37)
																												(26,949.42)

Amounts in brackets represents previous year numbers.



TATA PROJECTS

37th Annual Report 2015-2016

Notes forming part of the standalone financial statements

29.17 Related party transactions (Contd...)
Balances outstanding at the end of the year

₹ in lac

Particulars	Entities holding more than 20%		Subsidiaries						JCE			JCO					NMP	Total				
	TPCL	OT/PL	TPCL AEL	TPCL MAURITIA	TPCL TDA SA	TPCL TDA	TU Credit	Food Cost	TPCL	IOS	Total	A/T raised	TEL	Total	TPCL INDIAN PIG 1	TPCL INDIAN PIG 2			TPCL INDIAN PIG 3	ST/TPA	TPA Adhes JV	Express Freight Consortium
Trade receivables	655.58 (648.15)	-	204.42 (55.31)	5.28 (3.58)	33.72 (43.46)	41.25	-	-	284.67 (102.35)	-	-	(83.69)	(83.69)	-	580.77 (1,420.76)	1,239.29	-	-	3,577.59 (566.80)	-	5,917.55 (3,172.96)	6,888.30 (4,008.15)
Loans and advances	-	-	6,371.98 (8,077.90)	-	-	-	-	-	6,371.98 (8,077.90)	-	-	-	-	-	-	-	-	-	-	-	-	6,371.98 (8,077.90)
Investment	-	-	276.96 (276.96)	11.37 (11.37)	9.34 (9.34)	98.81 (98.81)	110.00 (90.00)	5.00 (5.00)	816.15 (462.42)	75.80 (75.80)	500.00 (500.00)	575.60 (575.60)	-	-	-	-	-	-	-	-	-	1,391.75 (1,038.02)
Contractually reimbursable expenses	1.11 (1.11)	-	472.23 (303.02)	-	-	-	-	-	472.23 (303.02)	1.83 (1.83)	28.84 (102.69)	34.67 (162.69)	-	-	13.80 (2.67)	(4.30)	-	-	152.77 (1.62)	-	162.27 (5.26)	666.28 (415.22)
Provision for doubtful loans and advances	-	-	133.02 (133.02)	-	-	-	-	-	133.02 (133.02)	-	28.84 (133.02)	28.84 (133.02)	-	-	-	-	-	-	-	-	-	161.86 (133.02)
Other Current Assets- Unbilled revenue	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Trade payables	-	-	3,970.74 (1,271.88)	-	-	0.44 (0.44)	-	-	3,971.18 (1,272.32)	34.39 (54.38)	34.39 (54.38)	-	-	-	-	-	-	-	-	-	-	4,005.57 (1,313.15)
Other current liabilities	200.01 (383.23)	-	-	-	-	-	-	-	-	-	-	-	-	-	0.91 (14.42)	(15.34)	-	-	(3,412.36)	-	0.91 (3,413.26)	200.92 (3,796.51)
Proposed dividend	483.75 (483.75)	344.22 (483.75)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	727.97 (483.75)
Commission payable	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	250.00 (200.00)
Guarantees given	1,847.23 (1,836.59)	-	5,500.00 (5,500.00)	-	-	-	-	-	5,500.00 (5,500.00)	-	-	-	-	-	866.86 (2,719.88)	2,014.02 (1,000)	1.00 (1.00)	14,272.40 (10,986.01)	54,327.88 (65,655.84)	21,288.93 (-)	92,875.10 (82,138.71)	100,222.33 (86,455.42)

Amounts in brackets represents previous year numbers.



Notes forming part of the standalone financial statements

29.18 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 27 - 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, 2016 ₹ in lac	As at March 31, 2015 ₹ in lac
Not later than one year	116.19	497.41
Later than one year and not later than five years	346.92	463.11
Later than five years	90.86	90.86
	553.97	1,051.38

29.19 Corporate social responsibility

During the year, as per the Companies Act, 2013, Gross amount required to be spent by the Company is ₹ 248.92 lac (March 31, 2015: ₹ 305.66 lac)

Amount spent during the year is:

S.No.	CSR activities	In cash	Yet to be paid in Cash	Total
(i)	Construction/acquisition of any asset	- (-)	- (-)	- (-)
(ii)	On purposes other than (i) above	300.36 (328.13)	- (-)	300.36 (328.13)

Amounts in bracket indicate previous year numbers.

29.20 Earnings per share (EPS):

	For the year ended March 31, 2016	For the year ended March 31, 2015
a) Profit for the year (₹ in lac)	6,185.34	9,369.64
b) Weighted Average number of Equity Shares of ₹ 100 each outstanding during the year (No's)	2,025,000	2,025,000
Earnings per share		
c) Basic and diluted (₹) (a/b)	305.45	462.70



TATA PROJECTS

37th Annual Report 2015-2016

Notes forming part of the standalone financial statements

29.21 Interest In joint ventures

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

(i) Jointly controlled operations (JCO)

Name of joint venture and country of incorporation	% of interest	Amount of interest based on accounts for the year ended March 31, 2016	
		Contingent liabilities	Capital commitments
Tata Projects Limited - VNR Infrastructure Ltd (JV) - Package 1 -India (unaudited)	80% (80%)	969.86 (2,719.86)	- (-)
Tata Projects Limited - VNR Infrastructure Ltd (JV) - Package 2 -India (unaudited)	85% (85%)	2,013.11 (2,748.68)	- (-)
Tata Aldesa JV - India (audited)	50% (50%)	50,279.80 (54,928.35)	- (-)
Tata Projects - Balfour Beatty JV - India (audited)	100% (100%)	1.00 (1.00)	- (-)
GYT-TPL (JV) - (audited)	49% (49%)	14,272.40 (10,988.01)	- (-)
Express Freight Consortium - (unaudited)	19.00% (-)	21,289.93 (-)	- (-)

(ii) Jointly controlled entities (JCE)

Name of joint venture and country of incorporation	% of interest	Amount of interest based on accounts for the year ended March 31, 2016					
		Assets	Liabilities	Income	Expenditure	Contingent liabilities	Capital commitments
TEIL Projects Limited - India As per audited accounts as on March 31, 2016	50%	26.03 (130.22)	26.03 (130.22)	158.85 (99.52)	157.03 (163.89)	- (-)	- (-)
M/s Al-Tawleed for Energy & Power Co. (under liquidation) - Kingdom of Saudi Arabia As per Management Accounts as on December 31, 2015	30%	2,056.50 (1,963.23)	2,056.50 (1,963.23)	- (-)	- (-)	- (-)	- (-)

Amounts in brackets represents previous year numbers.





Notes forming part of the standalone financial statements

29.22 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, 2015	Additions	Utilisation	As at March 31, 2016
Provision for foreseeable losses on contracts	226.98 (400.92)	- -	226.98 (173.94)	- (226.98)

Amounts in brackets represents previous year numbers.

29.23 Upto March 31, 2015, in respect of Contracts wherein the minimum progress of 10% had not been achieved, the costs and invoices raised were carried in the Balance Sheet as Contracts in progress and advanced billing respectively. During the current year the company has changed its accounting policy and has recognized such assets and invoices in its Statement of Profit and Loss, due to which Revenue from operations (Note 22) and Contract execution expenses (Note 24) are higher by ₹ 4,331.44 and ₹ 4331.44 lac respectively.

29.24 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 Directors

S Ramakrishnan
Chairman

Samir K Barua
Director

Neera Saggi
Director

Pradeep N Dhume
Director

Parashuram G Date
Director

Padmanabh Sinha
Director

Rajit H Desai
Director

Vinayak K Deshpande
Managing Director

Anil Khandelwal
Chief Financial Officer

Dr A Raja Mogili
Company Secretary

Place: Secunderabad

Date: 9th May 2016



TATA PROJECTS

37th Annual Report 2015-2016

Financial Statistics

82

	2005-06	2006-07	2007-08	2008-09	2009-10	2010-11	2011-12	2012-13	2013-14	2014-15	2015-16
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	367,024.31	344,439.97	438,608.88
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	348,638.79	321,212.33	412,648.24
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	18,385.52	23,227.64	25,960.64
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	4,494.06	6,230.08	2,940.12
5 Interest	208.17	426.33	696.02	1,152.08	1,383.57	1,472.17	2,207.01	3,016.75	3,466.89	7,161.58	9,453.11
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	4,971.48	7,941.65	8,368.03
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	14,441.21	14,354.49	11,079.62
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	9,794.10	9,369.64	6,185.34
9 Earnings Per Share (EPS) - Rs. shares	636	411	1,281	292	655	886	764	419	484	462.70	305.45
10 Dividend per share (%)	70%	100%	125%	30%	75%	100%	100%	50%	50%	0.50	0.50
11 Dividend Pay-out Ratio(%)	13%	33%	11%	12%	13%	13%	15%	14%	12%	11%	20%
12 Return On Capital Employed (ROCE) %	29%	18%	27%	29%	43%	42%	32%	21%	17%	18%	16%
13 Return On Net Worth (RONW) %	24%	9%	26%	27%	40%	37%	25%	12%	12%	11%	7%
14 Long Term Debts / Equity	0.13	0.28	0.20	0.15	0.10	0.05	0.02	0.06	0.37	0.55	0.63
15 Total Debts / Equity	0.31	0.28	0.46	0.39	0.13	0.05	0.02	0.06	0.37	0.55	0.63
16 Capital	225.00	337.50	337.50	2,025.00	2,025.00	2,025.00	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	76,702.98	84,883.60	89,841.55
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	29,073.96	47,494.13	57,620.52
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	45,760.20	50,838.71	60,650.70
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	21,009.51	28,702.15	36,574.24
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	24,750.69	22,136.56	24,076.46



INCOME AND LOSS STATEMENT

As per the books of accounts maintained by the Company

For the period ended 31.03.2018

Stated in INR

	2017-18	2016-17	Current period	Previous period as % of Sales	% Change from Prior Period
Total Sales Revenue (I)	3,171,454	2,490,000	2,456,817	75.2%	13.1%
Cost of Sales	187,354	135,889	101,240	0.2%	-2.0%
Total Cost of Sales (K)	1,921,304	1,003,379	3,100,819	100.0%	67.0%
Gross Profit (L=I-K)	1,157,800	1,420,000	1,300,485	41.0%	-8.4%
Operating Expenses	172,562	155,689	165,223	5.3%	-4.3%
Sales and Marketing Expenses (M)	489,562	424,025	489,562	15.8%	0.0%
Operating Expenses (N)	1,844,563	2,025,379	1,995,615	64.4%	0.5%
Operating Profit (O=P-Q)	1,056,741	980,000	1,104,679	35.6%	8.2%
Finance Development Expenses	124,353	15,000	15,000	1.2%	-1.5%
Finance Development Expenses (R)	124,353	15,000	15,000	0.4%	-1.5%
Operating Profit after Finance Development Expenses (S=O-R)	932,388	965,000	1,089,679	34.4%	9.7%

Consolidated Financial Statements





**INDEPENDENT AUDITOR'S REPORT
TO THE MEMBERS OF TATA PROJECTS LIMITED**

Report on the Consolidated Financial Statements

We have audited the accompanying consolidated financial statements of **Tata Projects Limited** (hereinafter referred to as "the Holding Company") and its subsidiaries (the Holding Company and its subsidiaries together referred to as "the Group"), its associates and jointly controlled entities, comprising of the Consolidated Balance Sheet as at March 31, 2016, the Consolidated Statement of Profit and Loss, the Consolidated Cash Flow Statement for the year then ended, and a summary of the significant accounting policies and other explanatory information (hereinafter referred to as "the consolidated financial statements").

Management's Responsibility for the Consolidated Financial Statements

The Holding Company's Board of Directors is responsible for the preparation of these consolidated financial statements in terms of the requirements of the Companies Act, 2013 (hereinafter referred to as "the Act") that give a true and fair view of the consolidated financial position, consolidated financial performance and consolidated cash flows of the Group including its Associates and Jointly controlled entities in accordance with the accounting principles generally accepted in India, including the Accounting Standards prescribed under Section 133 of the Act, as applicable. The respective Board of Directors of the companies included in the Group and of its associates and jointly controlled entities are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group and for preventing and detecting frauds and other irregularities; the selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, 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, which have been used for the purpose of preparation of the consolidated financial statements by the Directors of the Holding Company, as aforesaid.

Auditor's Responsibility

Our responsibility is to express an opinion on these consolidated financial statements based on our audit. While conducting the audit, we have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder.

We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. 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 judgment, 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 financial control relevant to the Holding Company's preparation of the consolidated financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Holding Company's Board of Directors, as well as evaluating the overall presentation of the consolidated financial statements.

We believe that the audit evidence obtained by us and the audit evidence obtained by the other auditors in terms of their reports referred to in sub-paragraph (a) of the Other Matters paragraph below, is sufficient and appropriate to provide a basis for our qualified audit opinion on the consolidated financial statements.

Basis for Qualified Opinion

The consolidated financial statements include the unaudited financial statements / financial information of one jointly controlled entity, (Previous year ended March 31, 2015: one joint controlled entity), whose financial statements / financial information reflects total assets (net of ₹ 2,066.18 lac) as at March 31, 2016 (As at March 31,



TATA PROJECTS

37th Annual Report 2015-2016

2015: ₹1,952.93 lac), total revenues ₹ Nil (Previous year ended March 31, 2015: ₹Nil) and net cash inflows amounting to ₹0.74 lac (Previous year ended March 31, 2015: ₹0.32 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 this jointly controlled entity, is based solely on such unaudited financial statements / financial information.

Qualified Opinion

In our opinion and to the best of our information and according to the explanations given to us, except for the possible effects of the matters described in the Basis for Qualified Opinion paragraph above, the aforesaid consolidated 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, of the consolidated state of affairs of the Group, its associates and jointly controlled entities as at March 31, 2016, and their consolidated profit and their consolidated cash flows for the year ended on that date.

Other Matters

- a) We did not audit the financial statements / financial information of 6 subsidiaries, and a jointly controlled entity, whose financial statements / financial information reflect total assets (net) of ₹6,249.00 lac as at March 31, 2016, total revenues of ₹1,434.55 lac and net cash flows amounting to ₹921.89 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 on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries and jointly controlled entity is based solely on the reports of the other auditors.
- b) We did not audit the financial statements / financial information of one subsidiary, whose financial statements / financial information reflect total assets (net) of ₹250.53 lac as at March 31, 2016, total revenues of ₹233.25 lac and net cash flows amounting to ₹(69.44) lac for the year ended on that date, as considered in the consolidated financial statements. These financial statements / financial information are unaudited and have been furnished to us by the Management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of this subsidiary is based solely on such unaudited financial statements / financials information. In our opinion and according to the information and explanations given to us by the Management, these financial statements / financial information is not material to the Group.
- c) The consolidated financial statements do not include the Group's share of net profit/loss as at March 31, 2016 in respect of an associate [Refer Note 2.2 (j) to the Notes forming part of the consolidated financial statements], 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 the Management, it is expected that there should be no material impact on the consolidated financial statements consequent to any possible adjustments in respect of the aforesaid entity where no financial statements are available, since the size of the entity in the Context of the Group is not material.

Our opinion on the consolidated financial statements, and our report on Other Legal and Regulatory Requirements below is not modified in respect of the above matters with respect to our reliance on the work done and the reports of the other auditors and the financial statements / financial information certified by the Management.

Report on Other Legal and Regulatory Requirements

1. As required by Section 143(3) of the Act, we report, to the extent applicable, that:
 - a) We have sought and, except for the possible effect of the matter described in the Basis for Qualified Opinion above, obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid consolidated financial statements.
 - b) In our opinion, except for the effect of the matter described in the Basis for Qualified Opinion paragraph above, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books and the reports of the other auditors.





- c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss, and the Consolidated Cash Flow Statement dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated financial statements.
- d) In our opinion, except for the effect of the matters described in the Basis for Qualified Opinion paragraph above, the aforesaid consolidated financial statements comply with the Accounting Standards prescribed under Section 133 of the Act, as applicable.
- e) On the basis of the written representations received from the directors of the Holding Company as on March 31, 2016 taken on record by the Board of Directors of the Holding Company and the reports of the other statutory auditors of its subsidiary companies and a jointly controlled company incorporated in India, none of the other directors of the Group's companies and jointly controlled company incorporated in India is disqualified as on March 31, 2016 from being appointed as a director in terms of Section 164 (2) of the Act.
- f) The qualification relating to the maintenance of accounts and other matters connected therewith are as stated in the Basis for Qualified Opinion paragraph above.
- g) With respect to the adequacy of the internal financial controls over financial reporting and the operating effectiveness of such controls, refer to our Report in "Annexure A", which is based on the auditors' reports of the Holding company, subsidiary companies and a jointly controlled company incorporated in India. Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Holding company's, subsidiary company's and jointly controlled company's internal financial controls over financial reporting.
- h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditor's) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
- Except for the possible effect of the matter described in paragraph of the Basis of Qualified Opinion above, the consolidated financial statements disclose the impact of pending litigations on the consolidated financial position of the Group, its associates and jointly controlled entities.
 - Except for the possible effect of the matter described in the Basis of Qualified Opinion paragraph above, the Group, its associates and jointly controlled entities did not have any material foreseeable losses on long-term contracts.
 - There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Holding Company and its subsidiary companies, associate companies and jointly controlled companies incorporated in India.

For **DELOITTE HASKINS & SELLS**
Chartered Accountants
Firm's Registration No. 0080725

Ganesh Balakrishnan
Partner
Membership No. 201193

Place : Secunderabad
Date : 9th May 2016



ANNEXURE "A" TO THE INDEPENDENT AUDITOR'S REPORT

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

Report on the Internal Financial Controls Over Financial Reporting under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

In conjunction with our audit of the consolidated financial statements of the Company as of and for the year ended March 31, 2016, we have audited the internal financial controls over financial reporting of Tata Projects Limited (hereinafter referred to as "the Holding Company") and its subsidiary companies and a jointly controlled company, which are companies incorporated in India, as of that date.

Management's Responsibility for Internal Financial Controls

The respective Board of Directors of the Holding company, its subsidiary companies, its associate companies and jointly controlled companies, which are companies incorporated in India, are responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India (ICAI). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the respective company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditor's Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") issued by the Institute of Chartered Accountants of India and the Standards on Auditing, prescribed under Section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

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

We believe that the audit evidence we have obtained and the audit evidence obtained by the other auditors of the subsidiary companies, associate companies and joint controlled companies, which are companies incorporated in India, in terms of their reports referred to in the Other Matters paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.

Meaning of Internal Financial Controls Over Financial Reporting

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





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

Inherent Limitations of Internal Financial Controls Over Financial Reporting

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

Opinion

In our opinion to the best of our information and according to the explanations given to us, the Holding Company, its subsidiary companies and a jointly controlled company, which are companies incorporated in India, have, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2016, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

Other Matters

Our aforesaid report under Section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal financial controls over financial reporting insofar as it relates to three subsidiary companies, and a jointly controlled entity which are companies incorporated in India, is based on the corresponding reports of the auditors of such companies incorporated in India.

For **Deloitte Haskins & Sells**
Chartered Accountants
Firm's Registration No.008072S

Ganesh Balakrishnan
Partner
Membership No.201193

Place: Secunderabad
Date : 9th May 2016



TATA PROJECTS37th Annual Report 2015-2016**Consolidated Balance Sheet as at March 31, 2016**

	Note No.	As at March 31, 2016 ₹ in lac	As at March 31, 2015 ₹ in lac
A. EQUITY AND LIABILITIES			
1 Shareholders' funds			
(a) Share capital	3	2,025.00	2,025.00
(b) Reserves and surplus	4	84,060.72	78,649.26
		86,085.72	80,674.26
2 Minority interest			
		215.58	338.49
3 Non-current liabilities			
(a) Long-term borrowings	5	15.79	26.06
(b) Other long-term liabilities	6	177.59	148.16
(c) Long-term provisions	7	2,430.52	2,102.43
		2,623.90	2,276.65
4 Current liabilities			
(a) Short-term borrowings	8	60,355.17	49,990.18
(b) Trade payables	9		
(i) Total outstanding dues of micro enterprises and small enterprises		2,167.39	695.29
(ii) Total outstanding dues of creditors other than micro enterprises and small enterprises		268,137.60	237,944.90
(c) Other current liabilities	10	114,653.73	108,807.19
(d) Short-term provisions	11	1,755.60	1,888.98
		447,069.49	399,326.54
Total		535,994.69	482,615.94
B ASSETS			
1 Non-current assets			
(a) Fixed assets			
(i) Tangible assets	12	22,498.90	21,425.16
(ii) Intangible assets	13	953.35	960.94
(iii) Capital work-in-progress		1,036.93	434.24
(b) Goodwill on consolidation (refer Note 30.18)		391.44	391.25
(c) Non-current investments	14	-	-
(d) Deferred tax assets (net)	15	6,549.08	5,941.27
(e) Long-term loans and advances	16	10,651.96	5,468.63
(f) Other non-current assets	17	7,132.57	4,054.41
		49,214.23	38,675.90
2 Current assets			
(a) Inventories	18	76,085.60	68,733.95
(b) Trade receivables	19	263,089.90	243,040.99
(c) Cash and cash equivalents	20	17,743.65	20,430.74
(d) Short-term loans and advances	21	90,075.08	83,728.66
(e) Other current assets	22	39,786.23	28,005.70
		486,780.46	443,940.04
Total		535,994.69	482,615.94
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 Deloitte Haskins & Sells
Chartered Accountants

Ganesh Balakrishnan
Partner

S Ramakrishnan
Chairman
Parashuram G Date
Director

For and on behalf of the Board of Directors

Samir K Barua
Director
Padmanabh Sinha
Director
Anil Khandelwal
Chief Financial Officer
Place: Secunderabad
Date: 9th May 2016

Neera Saggi
Director
Rajit H Desai
Director

Pradeep N Dhume
Director
Vinayak K Deshpande
Managing Director
Dr A Raja Mogili
Company Secretary

Place: Secunderabad
Date: 9th May 2016





Consolidated Statement of Profit and Loss for the year ended March 31, 2016

	Note No.	For the year ended March 31, 2016 ₹ in lac	For the year ended March 31, 2015 ₹ in lac
1 Revenue from operations (gross)		440,860.95	347,321.45
Less: Indirect taxes and duties		16,464.40	10,768.72
Revenue from operations (net)	23	424,396.55	336,552.73
2 Expenses			
(a) Contract execution expenses	25	317,758.57	263,736.19
(b) Cost of materials consumed (refer Note 30.2)		23,327.84	22,873.49
(c) Changes in inventories of finished goods, work-in-process and contracts-in-progress	26	(7,216.99)	(22,793.23)
(d) Employee benefits expense	27	36,306.60	31,017.28
(e) Other expenses	28	28,351.85	18,085.83
Total		398,527.87	312,919.56
3 Earnings before exceptional item, interest, tax, depreciation and amortisation (EBITDA) (1-2)		25,868.68	23,633.17
4 Finance costs	29	9,730.68	7,470.34
5 Depreciation and amortisation expense	12, 13	8,558.62	8,181.00
6 Other income	24	3,519.66	1,503.84
7 Profit before exceptional item and tax (3-4-5+6)		11,099.04	9,485.67
8 Exceptional item (refer Note 30.10)		-	4,030.85
9 Profit before tax (7+8)		11,099.04	13,516.52
10 Tax expense			
(a) Current tax		5,297.51	5,274.89
(b) Deferred tax		(620.74)	(278.93)
Net tax expense		4,676.77	4,995.96
11 Profit after tax and before minority interest (9-10)		6,422.27	8,520.56
12 Minority interest		(235.00)	10.95
13 Profit for the year (11-12)		6,657.27	8,509.61
Earnings per equity share (of ₹100 each)			
Basic and diluted (₹) (refer Note 30.17)		328.75	420.23
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 Deloitte Haskins & Sells
 Chartered Accountants

Ganesh Balakrishnan
 Partner

S Ramakrishnan
 Chairman
Parashuram G Date
 Director

For and on behalf of the Board of Directors

Samir K Barua
 Director

Neera Saggi
 Director

Pradeep N Dhume
 Director

Padmanabh Sinha
 Director

Rajit H Desai
 Director

Vinayak K Deshpande

Anil Khandelwal
 Chief Financial Officer

Managing Director

Dr A Raja Mogili

Company Secretary

Place : Secunderabad
 Date : 9th May 2016

Place : Secunderabad
 Date : 9th May 2016



TATA PROJECTS37th Annual Report 2015-2016**Consolidated Cash flow statement for the year ended March 31, 2016**

	For the year ended March 31, 2016 ₹ in lac	For the year ended March 31, 2015 ₹ in lac
A. Cash flow from operating activities		
Profit before tax and after exceptional item	11,099.04	13,516.52
Adjustments for:		
Exceptional item (refer Note 30.10)	-	(4,030.85)
Depreciation and amortisation expense	8,558.62	8,181.00
Finance costs	9,730.68	7,470.34
Interest Income	(1,243.20)	(1,219.39)
Provision for foreseeable losses on contracts	(226.98)	(173.94)
(Profit)/loss on sale of fixed assets	236.75	(25.08)
Liabilities/provisions no longer required written back	-	(27.48)
Net unrealised exchange (gain)/loss	517.69	(92.77)
	17,573.56	10,081.83
Operating profit before working capital changes	28,672.60	23,598.35
<u>Changes in working capital:</u>		
Adjustments for (increase)/decrease in operating assets:		
- Trade receivables	(23,691.67)	(16,328.64)
- Loans and advances	(7,614.12)	1,914.50
- Other assets	(12,028.77)	(13,543.47)
- Inventories	(7,351.65)	(22,041.90)
Adjustments for increase/(decrease) in operating liabilities:		
- Trade payables, Other liabilities and Provisions	37,878.70	23,500.56
	(12,807.51)	(26,498.95)
Cash used in operations	15,865.09	(2,900.60)
Net income tax paid	(9,373.41)	(4,986.63)
Net cash flows from/(used in) operating activities	6,491.68	(7,887.23)
B. Cash flow from investing activities		
Capital expenditure on fixed assets including capital advances	(10,543.90)	(5,723.91)
Proceeds from sale of fixed assets	117.09	4,570.41
Bank balances not considered as cash and cash equivalents (net)	-	48.31
Interest received	1,491.44	1,090.30
Net cash flows (used in) investing activities	(8,935.37)	(14.89)





Consolidated Cash flow statement for the year ended March 31, 2016

Note No.	For the year ended March 31, 2016 ₹ in lac	For the year ended March 31, 2015 ₹ in lac
C. Cash flow from financing activities		
Repayment of long-term borrowings	(11.73)	(17.86)
Proceeds from short-term borrowings	10,364.99	18,547.63
Finance costs	(9,572.63)	(7,303.43)
Dividend paid including tax on dividend	(1,070.94)	(1,012.50)
Net cash flows (used in)/from financing activities	(290.31)	10,213.84
Net (decrease)/increase in cash and cash equivalents (A+B+C)	(2,734.00)	2,311.72
Cash and cash equivalents at the beginning of the year	20,404.91	18,136.37
Effect of exchange differences on restatement of foreign currency cash and cash equivalents	46.91	(43.18)
Cash and cash equivalents at the end of the year (refer Note 2 below)	17,717.82	20,404.91

Notes:

- 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.
- Cash and cash equivalents comprise:

	As at March 31, 2016 ₹ in lac	As at March 31, 2015 ₹ in lac
(i) Cash	38.15	48.92
(ii) Balance with banks		
- in current accounts	10,751.04	11,207.64
- in EEFC account	4,456.88	6,817.65
- in demand deposit accounts	2,454.97	2,314.89
	17,701.04	20,389.10
Share of joint ventures	16.78	15.81
Other Bank Balances		
Cash and cash equivalents as included in Note 20	17,717.82	20,404.91

- 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

Ganesh Balakrishnan
 Partner

S Ramakrishnan
 Chairman
Parashuram G Date
 Director

For and on behalf of the Board of Directors

Samir K Barua
 Director
Padmanabh Sinha
 Director
Anil Khandelwal
 Chief Financial Officer

Neera Saggi
 Director
Rajit H Desai
 Director

Pradeep N Dhume
 Director
Vinayak K Deshpande
 Managing Director
Dr A Raja Mogili
 Company Secretary

Place : Secunderabad
 Date : 9th May 2016

Place : Secunderabad
 Date : 9th May 2016



TATA PROJECTS

37th Annual Report 2015-2016

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 specified under Section 133 of the Companies Act, 2013 ("the Act") and the relevant provision of the Companies Act, 2013 ("the 2013 Act")/Companies Act, 1956 ("the 1956 Act") as applicable. 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 except as mentioned in Note no.30.21

2.2 Principles of consolidation

The consolidated financial statements relate to Tata Projects Limited (the "Company"), its subsidiary companies and jointly controlled entities. The consolidated financial statements have been prepared on the following basis:

- (a) The financial statements of the subsidiary companies and jointly controlled entities used in the consolidation are drawn up to the same reporting date as that of the company i.e., March 31, 2016, except for a jointly controlled entity as mentioned in i (ii) below for which financial statements as on reporting date are not available. These have been consolidated based on latest available financial statements. Necessary adjustments have been made, for the effects of significant transaction and other events between the reporting dates of the such financial statements and these consolidated financial statements.
- (b) The financial statements of the Company and its subsidiary companies have been combined on a line-by-line basis by adding together like items of assets, liabilities, income and expenses, after elimination intra-group balances, intra group transactions and resulting unrealised profits or losses, unless cost cannot be recovered.
- (c) Share of profit/loss, assets and liabilities in the jointly controlled entities, which are not subsidiaries, have been consolidated on a line-by-line basis by adding together the book values of like items of assets, liabilities, incomes and expenses on a proportionate basis to the extent of the Group's equity interest in such entity as per AS 27 Financial Reporting of Interests in Joint Ventures. The intra-group balances, intra-group transaction and unrealised profits or losses have been eliminated to the extent of the Group's share in the entity.
- (d) The excess of cost to the group of its investments in the subsidiary companies/ jointly controlled entities over its share of equity of the subsidiary companies/ jointly controlled entities, at the dates on which the investments in the subsidiary companies/ jointly controlled entities were made, is recognised as 'Goodwill' being an asset in the consolidated financial statements and is tested for impairment on annual basis. On the other hand, where the share of equity in the subsidiary companies/ jointly controlled entities as on the date of investment is in excess of cost of investments of the group, it is recognised as 'Capital Reserve' and shown under the head 'Reserves and surplus', in the consolidated financial statements. The 'Goodwill' / 'Capital Reserve' is determined separately for each subsidiary company / jointly controlled entity and such amounts are not set off between different entities.
- (e) Minority interest in the net assets of the consolidated subsidiaries consist of the amount of equity attributable to the minority shareholders, at the date on which investments in the subsidiary companies were made and further movements in their share in the equity, subsequent to the dates of investments. Net profit / loss for the year of the subsidiaries attributable to minority interest is





Notes forming part of the consolidated financial statements

Note 2 Significant Accounting Policies (Contd...)

identified and adjusted against the profit after tax of the Group in order to arrive at the income attributable to shareholders of the Company.

- (f) The difference between the cost of investment in the associate and the share of net assets at the time of acquisition of shares in the associate is identified in the consolidated financial statements as Goodwill or Capital reserve as the case may be.
- (g) Goodwill arising on consolidation is not amortised but tested for impairment.
- (h) Following subsidiary companies, associates and jointly controlled entities have been considered in the preparation of the consolidated financial statements:
- (i) 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, 2016	As at March 31, 2015
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	Germany	100	100
Tata Projects Infrastructure Limited	India	100	100
Food Cert India Private Limited	India	100	100
Industrial Quality Services LLC (with effect from September 29, 2015)	Oman	70	-

- (ii) Interest in Joint ventures - Jointly controlled entities

Name of the Joint Venture	Country of incorporation	Percentage holding	
		As at March 31, 2016	As at March 31, 2015
AlTawleed For Energy & Power Company	Kingdom of Saudi Arabia	30	30
TEIL Projects Limited	India	50	50

- (i) (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, 2015 to December 31, 2015. The Company is under liquidation.



TATA PROJECTS37th Annual Report 2015-2016**Notes forming part of the consolidated financial statements****Note 2 Significant Accounting Policies (Contd...)**

(j) The group's associate is:-

Name of the Company	Country of incorporation	Percentage of ownership interest	
		As at March 31, 2016	As at March 31, 2015
Virendra Garments Manufacturing 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 considered in the reported amounts of assets and liabilities (including contingent liabilities) and the reported amounts of income and expenses during the year. Examples of such estimates include accounting for contract costs expected to be incurred to complete the projects, provisions for doubtful receivables, obligations under employee retirement benefit plans, income taxes, post contract warranties, and the useful lives of tangible and intangible assets. The Management believes that the estimates used in the preparation of the financial statements are prudent and reasonable. Future results could differ due to these estimates and the difference between the actual results and the estimates are recognized in the years in which the results are known / materialise.

2.4 Fixed Assets

Fixed Assets are carried at cost less accumulated depreciation / amortization and impairment losses, if any. 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 useful life as prescribed in Schedule II to the Companies Act, 2013 except in respect of following assets, in whose case life of the assets has been assessed as under based on technical advise, taking into account the nature of the assets.

Scaffolding Materials	5 years
Wire ropes and slings	2 years
Computer including software	3 years
Motor Cars under car policy for executives	4 years
Tunnel Formwork equipment	2 years 2 months

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

In respect of the assets jointly owned by the Company in relation to the following jointly controlled operations (JCO), the depreciation in which case, is provided as under:

- Tata Aldesa (JV) - Depreciation / amortisation on fixed assets is provided over the duration of the project.
- GYTTP - Depreciation / amortisation on fixed assets is provided over the duration of the project.
- Tata Projects Balfour Beatty JV - Depreciation / amortisation on fixed assets, is provided over the duration of the project

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

All fixed assets are assessed for any indication of impairment at the end of each financial year. On such





Notes forming part of the consolidated financial statements

Note 2 Significant Accounting Policies (Contd...)

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) Revenue from Construction Contracts

When the outcome of a construction contract can be estimated reliably, contract revenue and contract costs associated with the construction contract are recognised as revenue and expenses respectively by reference to the percentage of completion of the contract activity at the reporting date. The percentage of completion of contract is determined considering the proportion that contract costs incurred for work performed upto the reporting date bear to the estimated total contract costs.

For the purpose of recognising revenue, contract revenue comprises the initial amount of revenue agreed in the contract, the variations in the contract work, claims and incentive payments to the extent that it is probable that they will result in revenue and they are capable of being reliably measured.

The percentage of completion is applied on a cumulative basis in each accounting period to the current estimates of contract revenue and contract costs. The effect of a change in the estimate of contract revenue or contract costs, or the effect of a change in the estimate of the outcome of a contract, is accounted for as a change in accounting estimate and the effect of which are recognised in the consolidated Statement of Profit and Loss in the period in which the change is made and in subsequent periods.

When the outcome of a construction contract cannot be estimated reliably, revenue is recognised only to the extent of contract costs incurred of which recovery is probable and the related contract costs are recognised as an expense in the period in which they are incurred.

When it is probable that total contract costs will exceed total contract revenue, the expected loss is recognised as an expense in the consolidated Statement of Profit and Loss in the period in which such probability occurs.

No profit is recognized till a minimum of 10% progress is achieved on the contract, except in case of Tata Aldesa (JV), jointly controlled operation, in respect of which no profit is recognised till a minimum of 2.5% progress is achieved on the project. Up to 31st March 2015, cost incurred and invoices raised in respect of such amounts were claimed in the Balance Sheet as Contracts in Progress and advance billing respectively. In the current year, the cost incurred and invoices raised in respect of such contracts are included in Contract execution expenses and Revenue from operations in the Statement of Profit and Loss (Refer Note 30.21).



TATA PROJECTS

37th Annual Report 2015-2016

Notes forming part of the consolidated financial statements

Note 2 Significant Accounting Policies (Contd...)

- (ii) Revenue from sale of goods is recognized on dispatch of goods and on transfer of significant risks and rewards of ownership to the buyer which generally coincides with the delivery of goods to customers. Sales include excise duty and other indirect taxes but exclude indirect taxes collected from customers.
- (iii) Income from services rendered is recognised based on the agreements/arrangements with the concerned parties and when services are rendered.
- (iv) Other Income:
Interest income is accounted on accrual basis. Dividend income is accounted for when the right to receive is established.

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

2.12 Employee benefits

Employee benefits include provident fund, superannuation fund, compensated absences and post retirement medical 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 consolidated Statement of Profit and Loss based on the amount of contribution required to be made and when services are rendered by the employees.

Defined benefit plans

For defined benefit plans, in the form of gratuity fund the cost of providing benefits is determined using the projected unit contract method with actuarial valuations being carried out at each Balance Sheet date. Actuarial gains and losses are recognised in the consolidated Statement of Profit and Loss in the period in which they occur. Past service cost is recognised immediately to the extent that the benefits are already vested and otherwise is amortised on a straight-line basis over the average period until the benefits become vested. The retirement benefit obligation recognised in the Consolidated Balance Sheet represents the present value of the defined benefit obligation as adjusted for unrecognised past service cost, as reduced by the fair value of scheme assets. Any asset resulting from this calculation is limited to past service cost, plus the present value of available refunds and reductions in future contributions to the scheme.

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.





Notes forming part of the consolidated financial statements

Note 2 Significant Accounting Policies (Contd...)

Short term employee benefits

The undiscounted amount of short term employee benefits expected to be paid in exchange for the services rendered by the employees are recognised during the year when the employees render the service. These benefits include performance incentive and compensated absences which are expected to occur within twelve months after the end of the year in which the employee renders the related service.

The cost of short term compensated absences is accounted as under :

- a) In case of accumulated compensated absences, when employees render the services that increase their entitlement of future compensated absences; and
- b) In case of non-accumulating compensating absences, when the absences occur.

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 on the basis of taxable income and tax credits computed for each of the entities in the Group in accordance with the applicable tax rates and the provisions of applicable tax laws of the respective jurisdictions where the entities are located. 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, carry forward of losses and items relating to capital losses are not recognised unless there is a virtual certainty supported by convincing evidence 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 Earnings 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.

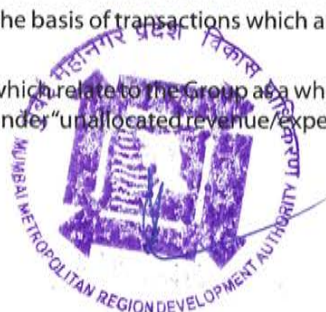
2.15 Segment reporting

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".



TATA PROJECTS

37th Annual Report 2015-2016

Notes forming part of the consolidated financial statements

Note 2 Significant Accounting Policies (Contd...)

2.16 Jointly controlled operations

The accounts of the Parent Company reflect its share of the Assets, Liabilities, Income and Expenditure of the jointly controlled operations which are accounted on the basis of the audited accounts of the jointly controlled operations on line-by-line basis with similar items in the Company's accounts to the extent of the participating interest of the Company as per the Joint Venture Agreements.

2.17 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 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. Contingent assets are not recognised in the consolidated financial statements.

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.

2.18 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.

3 Share capital

	As at March 31, 2016		As at March 31, 2015	
	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, 2016		Year Ended March 31, 2015	
	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





Notes forming part of the consolidated financial statements

Note 3 Share capital

(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.

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

	As at March 31, 2016		As at March 31, 2015	
	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
Omega TC Holdings Pte Limited	488,440	24.12	-	-
Tata Steel Limited	-	-	218,250	10.78
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



TATA PROJECTS37th Annual Report 2015-2016**Notes forming part of the consolidated financial statements****Note 4 Reserves and surplus**

	As at March 31, 2016 ₹ in lac	As at March 31, 2015 ₹ in lac
(a) Securities premium account	4,987.50	4,987.50
(b) General reserve		
Opening balance	14,791.25	13,854.29
Add: Transferred from surplus in the consolidated Statement of Profit and Loss	4,957.95	936.96
Closing balance	19,749.20	14,791.25
(c) Foreign currency translation reserve		
Opening balance	(75.94)	45.70
(Less)/Add: effect of foreign exchange rate variations during the year	(9.83)	(121.64)
Closing balance	(85.77)	(75.94)
(d) Capital reserve on consolidation (refer Note 30.19)	61.42	70.01
(e) Surplus in consolidated Statement of Profit and Loss		
Opening balance	58,876.44	52,510.30
Less: Depreciation on transition to Schedule II of the Companies Act, 2013 on tangible fixed assets with nil remaining useful life (net of deferred tax credit of ₹ 65.32 lac) (refer Note 30.11)	-	(144.34)
Add: Profit for the year	6,657.27	8,509.61
Less: Dividend proposed to be distributed to equity shareholders	(1,012.50)	(1,012.50)
Tax on dividend (refer Note below)	(214.89)	(49.67)
Transferred to general reserve	(4,957.95)	(936.96)
Closing balance *	59,348.37	58,876.44
Total	84,060.72	78,649.26

* includes Group share of loss in joint ventures ₹ 920.59 lac (March 31, 2015: ₹ 922.40 lac)

Note:

Tax on dividend has been computed after considering the credit taken for dividend aggregating ₹ Nil (March 31, 2015: ₹ 725.48 lac) received from foreign subsidiaries TPL-TQA Quality Services (Mauritius) Pty Limited- ₹ Nil (March 31, 2015: ₹ 255.70 lac) and TPL-TQA Quality Services South Africa Pty Limited- ₹ Nil (March 31, 2015: ₹ 469.78 lac) in respect of which income tax amounting to ₹ Nil (March 31, 2015: ₹ 123.30 lac) has been provided and included in current tax.





Notes forming part of the consolidated financial statements

Note 5 Long-term borrowings

	As at March 31, 2016 ₹ in lac	As at March 31, 2015 ₹ in lac
Term loans (unsecured)		
From banks		
- unsecured	22.64	34.37
Less: Current maturities of long-term borrowings disclosed under Note 10 - Other current liabilities	6.85	8.31
	15.79	26.06
Sales tax deferment loan	8.04	8.04
Less: Current maturities of long-term borrowings disclosed under Note 10 - Other current liabilities	8.04	8.04
	-	-
	15.79	26.06
Share of joint ventures	-	-
Total	15.79	26.06

Note: Term loans from banks are repayable in equal periodic installments for a 10 year period from the date of availment of respective loan and carries an interest of 14.1% p.a.

Note 6 Other Long-term liabilities

	As at March 31, 2016 ₹ in lac	As at March 31, 2015 ₹ in lac
a) Trade payables *	163.79	134.36
b) Security deposit received	13.80	13.80
	177.59	148.16
Share of joint ventures	-	-
Total	177.59	148.16

* comprises retention money payable beyond the normal operating cycle.

Note 7 Long-term provisions

	As at March 31, 2016 ₹ in lac	As at March 31, 2015 ₹ in lac
Provision for employee benefits		
(i) Compensated absences	2,065.01	1,759.82
(ii) Gratuity	15.26	-
(ii) Post retirement medical benefits	42.88	41.55
(iv) Pension	304.19	296.40
	2,427.34	2,097.77
Share of joint ventures	3.18	4.66
Total	2,430.52	2,102.43



TATA PROJECTS37th Annual Report 2015-2016**Notes forming part of the consolidated financial statements****Note 8 Short-term borrowings**

	As at March 31, 2016 ₹ in lac	As at March 31, 2015 ₹ in lac
From Banks		
- Secured		
Overdraft facilities (refer Note (i) below)	18,365.62	19,752.43
Working capital demand loan (refer Note (ii) below)	21,585.53	3,959.46
- Unsecured		
Overdraft facilities	31.54	7,211.20
Commercial advance	16,232.71	4,526.13
Working capital demand loan	1,700.00	2,100.00
Commercial Paper	-	5,000.00
From others (Unsecured)		
Loans repayable on demand	2,000.00	7,000.00
	59,915.40	49,549.22
Share of joint ventures	439.77	440.96
Total	60,355.17	49,990.18

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, Kenya and Zambia

(ii) Working capital demand loan is secured by a first charge on inventories, receivables, other current assets and also secured by guarantee given by the Parent Company.

Note 9 Trade payables

	As at March 31, 2016 ₹ in lac	As at March 31, 2015 ₹ in lac
Total outstanding dues of micro enterprises and small enterprises	2167.39	695.29
Total outstanding dues of creditors other than micro enterprises and small enterprises		
Acceptances	12,680.91	19,069.73
Other than Acceptances *	253,650.93	217,109.10
	266,331.84	236,178.83
Share of joint ventures	1,805.76	1,766.07
	268,137.60	237,944.90
Total	270,304.99	238,640.19

* includes provision for contract execution expenses ₹ 46,563.04 lac (March 31, 2015: ₹ 40,505.03 lac)





Notes forming part of the consolidated financial statements

Note 9 Trade payables (contd....)

Note:

Disclosure under Section 22 of the Micro, Small and Medium Enterprises Development Act, 2006 #

	As at March 31, 2016 ₹ in lac	As at March 31, 2015 ₹ in lac
(a) Principal amount remaining unpaid as at the end of the accounting year	2,167.39	695.29
(b) Interest due thereon remaining unpaid as at the end of the accounting year	52.64	50.49
(c) The amount of interest paid along with the amounts of payment made to the supplier beyond the appointed day	32.42	232.14
(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	274.72	254.50
(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	274.72	254.50
#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.

Note 10 Other current liabilities

	As at March 31, 2016 ₹ in lac	As at March 31, 2015 ₹ in lac
(a) Current maturities of long-term borrowings (refer Note 5 - Long-term borrowings)	14.89	16.35
(b) Interest accrued but not due on borrowings	50.41	202.98
(c) Interest accrued and due on borrowings	78.50	0.96
(d) Income received in advance (unearned revenues)(refer Note 30.21)	44.24	2,410.97
(e) Other payables :		
(i) Statutory remittances	2,990.46	2,708.91
(ii) Payables on purchase of fixed assets	1,120.14	747.23
(iii) Interest accrued on trade payables and mobilisation advance received	919.36	686.28
(iv) Security deposits received	366.44	359.17
(v) Mobilisation advances from customers	108,775.31	101,406.31
(vi) Others (refer Note below)	238.52	211.77
Share of joint ventures	114,598.27	108,750.93
Total	114,653.73	108,807.19

Note: Includes amounts payable (net) to Guangdong Yuantian Engineering Company (JV Partner) ₹ Nil (March 31, 2015: ₹ 17.63 lac)



TATA PROJECTS37th Annual Report 2015-2016**Notes forming part of the consolidated financial statements****Note 11 Short-term provisions**

	As at March 31, 2016 ₹ in lac	As at March 31, 2015 ₹ in lac
(a) Provision for employee benefits:		
(i) Compensated absences	465.20	410.21
(ii) Gratuity	10.82	18.01
(iii) Post retirement medical benefits	5.00	5.00
(iv) Pension	41.18	41.18
	522.20	474.40
(b) Provisions - Others:		
(i) Taxation (net)	-	122.68
(ii) Foreseeable losses on contracts (refer Note 30.20)	-	226.98
(iii) Proposed dividend	1,012.50	1,012.50
(iv) Tax on proposed dividend (refer Note below)	206.12	49.67
(v) Others	14.08	-
	1,232.70	1,411.83
	1,754.90	1,886.23
Share of joint ventures	0.70	2.75
Total	1,755.60	1,888.98

Note:

Tax on dividend has been computed after considering the credit taken for dividend aggregating ₹ Nil (March 31, 2015: ₹ 725.48 lac) received from foreign subsidiaries TPL-TQA Quality Services (Mauritius) Pty Limited- ₹ Nil (March 31, 2015: ₹ 255.70 lac) and TPL-TQA Quality Services South Africa Pty Limited- ₹ Nil (March 31, 2015: ₹ 469.78 lac) in respect of which income tax amounting to ₹ Nil (March 31, 2015: ₹ 123.30 lac) has been provided and included in current tax.





Notes forming part of the consolidated financial statements

₹ in lac

Particulars	Gross block				Depreciation / Amortisation				Net Block		
	As at March 31, 2015	Additions	Deductions/ Adjustments	As at March 31, 2016	As at March 31, 2015	For the year	On deductions/ adjustments	Transaction recorded against surplus balance in statement of profit and loss	Currency realignment	As at March 31, 2016	As at March 31, 2015
Freehold Land	116.89 (116.89)	-	-	116.89 (116.89)	-	-	-	-	-	-	(116.89)
Leasehold Land	51.98 (51.98)	-	-	51.98 (51.98)	0.59 (0.59)	-	-	-	-	6.89 (6.30)	45.09 (45.68)
Buildings	1,553.78 (1,289.05)	99.06 (264.73)	-	1,652.84 (1,553.78)	103.24 (100.77)	-	-	-	-	873.62 (570.38)	979.22 (983.40)
Leasehold Improvements	951.45 (951.45)	-	240.09	711.36 (951.45)	115.29 (149.75)	86.94	-	-	-	624.07 (595.72)	87.29 (355.73)
Plant and Machinery (including erection/ construction machinery)	38,914.23 (35,404.73)	6,607.78 (3,791.43)	1,419.83 (281.93)	44,102.18 (38,914.23)	5,940.65 (6,090.56)	1,287.54 (232.21)	-	-	-	26,198.14 (21,545.03)	17,904.04 (17,369.20)
Furniture & Fixtures	1,417.22 (1,195.02)	404.26 (258.74)	166.78 (36.54)	1,654.70 (1,417.22)	305.52 (220.47)	136.06 (13.32)	-	-	-	1,040.12 (870.66)	614.58 (546.56)
Vehicles	1,386.01 (1,334.02)	166.80 (180.87)	176.38 (128.88)	1,376.43 (1,386.01)	188.39 (216.47)	147.87 (83.49)	-	-	-	923.40 (882.88)	453.03 (503.13)
Office Equipment	2,736.75 (2,115.04)	1,563.02 (639.38)	132.98 (17.67)	4,166.79 (2,736.75)	878.65 (749.44)	125.21 (11.36)	-	-	-	2,459.03 (1,705.59)	1,707.76 (1,031.16)
Computers	1,817.82 (1,611.21)	415.37 (308.76)	152.49 (102.15)	2,080.70 (1,817.82)	294.30 (250.18)	151.09 (98.52)	-	-	-	1,501.70 (1,358.49)	579.00 (459.33)
B & D Capital Mobile Desalination Plant	40.24 (40.24)	-	-	40.24 (40.24)	1.88 (2.48)	-	-	-	-	34.41 (32.53)	5.83 (7.71)
Share of joint ventures	48,986.37 (44,109.63)	9,256.29 (5,443.91)	2,288.55 (567.17)	55,954.11 (49,986.37)	7,828.51 (7,780.71)	1,934.71 (448.90)	-	209.64	-	33,461.38 (27,567.58)	22,492.73 (21,418.79)
Total	49,018.63 (44,141.45)	9,256.29 (5,443.94)	2,288.55 (567.17)	55,967.32 (49,018.63)	7,828.95 (7,782.97)	1,934.71 (448.90)	-	209.64	0.71 (0.29)	33,488.42 (27,593.47)	22,498.90 (21,425.16)

* includes heavy vehicles viz. tractors, trailers and tippers



TATA PROJECTS37th Annual Report 2015-2016**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, 2015	Additions	Deductions/ Adjustments	Currency re-align-ment	As at March 31, 2016	For the year	On deductions/ adjustments	Transaction recorded against surplus balance in statement of profit and loss	Currency re-align-ment	As at March 31, 2016	As at March 31, 2015
Software	2,159.24 (1,822.27)	720.72 (332.43)	- (-4.54)	-	2,879.96 (2,159.24)	728.31 (397.39)	(-2.08)	(0.02)	-	1,926.61 (1,198.30)	(960.94)
Goodwill	2,132.57 (2,132.57)	-	-	-	2,132.57 (2,132.57)	-	-	-	-	2,132.57 (2,132.57)	(-)
Share of joint ventures	4,291.81 (3,954.84)	720.72 (332.43)	(-4.54)	-	5,012.53 (4,291.81)	728.31 (397.39)	(-2.08)	(0.02)	-	4,059.18 (3,330.87)	(960.94)
	1.69 (1.05)	1.36 (0.64)	-	-	3.05 (1.69)	1.36 (0.64)	-	-	-	3.05 (1.69)	(-)
Total	4,293.50 (3,955.88)	722.08 (333.07)	(-4.54)	-	5,015.58 (4,293.50)	729.67 (398.03)	(-2.08)	(0.02)	-	4,062.23 (3,332.56)	(960.94)

Amounts in brackets represent previous year numbers





Notes forming part of the consolidated financial statements

Note 14 Non-current investments

	As at March 31, 2016 ₹ in lac	As at March 31, 2015 ₹ in lac
Trade Investments (At cost unless stated otherwise)		
a) Investment in equity instruments		
Virendra Garments Manufacturing Private Limited	1.20	1.20
1,200 (March 31, 2015: 1,200) shares of ₹100 each fully paid-up	(1.20)	(1.20)
Less: Provision for diminution in value of investments	-	-
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)
	-	-
Share of joint ventures	-	-
Total	-	-

Note: Other details relating to investment in partnership firm

Name of the firm	As at March 31, 2016			As at March 31, 2015		
	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%

Note 15 Deferred tax assets (net)

	As at March 31, 2016 ₹ in lac	As at March 31, 2015 ₹ in lac
A. Tax effect of items constituting deferred tax liability	-	-
B. Tax effect of items constituting deferred tax assets		
Depreciation	2,403.73	1,443.00
Provision for doubtful debts and advances	2,643.00	3,465.33
Provision for foreseeable losses	-	78.56
Provision of compensated absences and gratuity	1,024.34	868.11
Disallowance under section 43B	270.11	60.70
Others	207.90	25.57
	6,549.08	5,941.27
Share of joint ventures	-	-
Deferred tax assets (net)	6,549.08	5,941.27



TATA PROJECTS37th Annual Report 2015-2016**Notes forming part of the consolidated financial statements****Note 16 Long-term loans and advances (unsecured, considered good, unless otherwise stated)**

	As at March 31, 2016 ₹ in lac	As at March 31, 2015 ₹ in lac
(a) Capital Advances	40.08	77.67
(b) Security deposits		
Unsecured, considered good	1,411.00	1,275.83
Doubtful	318.08	199.00
	<u>1,729.08</u>	<u>1,474.83</u>
Less: Provision for doubtful deposits	(318.08)	(199.00)
	<u>1,411.00</u>	<u>1,275.83</u>
(c) Deposits with government authorities	4,560.81	3,408.91
(d) Loans and advances to employees	18.56	30.48
(e) Prepaid expenses	26.83	34.35
(f) Advance income tax (net)	4,545.34	592.12
(g) Advance payment of fringe benefit tax (net)	26.28	26.28
(h) Other project related advances		
Unsecured, considered good	-	-
Doubtful	300.90	300.90
	<u>300.90</u>	<u>300.90</u>
Less: Provision for doubtful advances	(300.90)	(300.90)
	<u>-</u>	<u>-</u>
	10,628.90	5,445.64
Share of joint ventures	23.06	22.99
Total	10,651.96	5,468.63

Note 17 Other non-current assets

	As at March 31, 2016 ₹ in lac	As at March 31, 2015 ₹ in lac
Long-term trade receivables *	7,132.57	4,054.41
	<u>7,132.57</u>	<u>4,054.41</u>
Share of joint ventures	-	-
Total	7,132.57	4,054.41

* comprises retention money receivable beyond the normal operating cycle.





Notes forming part of the consolidated financial statements

Note 18 Inventories (valued at lower of cost and net realisable value)

	As at March 31, 2016 ₹ in lac	As at March 31, 2015 ₹ in lac
(a) Raw materials	2,562.43	2,424.10
(b) Work-in-process	1,426.39	1,515.94
(c) Finished goods	13.25	14.30
(d) Stores and spares	13.96	17.63
(e) Contracts-in-progress (refer note 30.21)	72,069.57	64,761.98
	76,085.60	68,733.95
Share of joint ventures	-	-
Total	76,085.60	68,733.95

Note 19 Trade receivables

	As at March 31, 2016 ₹ in lac	As at March 31, 2015 ₹ in lac
Trade receivables outstanding for a period exceeding six months from the date they were due for payment		
Unsecured, considered good	17,896.46	19,861.61
Doubtful	7,236.69	9,778.26
	25,133.15	29,639.87
Less: Provision for doubtful trade receivables	(7,236.69)	(9,778.26)
	17,896.46	19,861.61
Other Trade receivables		
Unsecured, considered good	244,407.82	222,404.03
	262,304.28	242,265.64
Share of joint ventures	785.62	775.35
Total	263,089.90	243,040.99

#includes retention money receivable ₹ 1,17,460.41 lac (March 31, 2015 : ₹ 1,25,224.17 lac)

Note 20 Cash and cash equivalents

	As at March 31, 2016 ₹ in lac	As at March 31, 2015 ₹ in lac
A. Cash and cash equivalents (as per AS 3-Cash Flow Statement)		
(a) Cash on hand	38.15	48.92
(b) Balances with banks:		
- In current accounts	10,751.04	11,207.64
- In EEFC accounts	4,456.88	6,817.65
- In demand deposit accounts	2,454.97	2,314.89
	17,701.04	20,389.10
Share of joint ventures	16.78	15.81
Total	17,717.82	20,404.91
B. Other bank balances		
Margin money deposit accounts - original maturity more than 3 months (refer Note below)	25.83	25.83
Total	17,743.65	20,430.74

Note: Deposit accounts include ₹ 25.83 lac (March 31, 2015 : ₹ 25.83 lac) demand deposits which have an original maturity of more than 12 months from the balance sheet date which have been given against bank guarantees.



TATA PROJECTS37th Annual Report 2015-2016**Notes forming part of the consolidated financial statements****Note 21 Short-term loans and advances (Unsecured, considered good unless otherwise stated)**

	As at March 31, 2016 ₹ in lac	As at March 31, 2015 ₹ in lac
(a) Security deposits	1,061.85	510.58
(b) Loans and advances to employees	97.32	178.31
(c) Prepaid expenses	1,202.78	1,128.11
(d) Balances with government authorities		
CENVAT credit receivable	12.23	12.11
VAT credit receivable	1,603.69	1,165.26
Sales tax deducted at source	12,909.88	9,250.95
Service tax credit receivable	243.20	-
Customs duty refund receivable	12.39	178.13
	14,781.39	10,606.45
(e) Inter-corporate deposits	17,000.00	17,000.00
(f) Mobilisation advances	29,781.14	28,066.80
(g) Other project related advances		
Unsecured, considered good *	24,899.54	25,026.24
Doubtful	608.00	608.00
	25,507.54	25,634.24
Less: Provision for doubtful advances	(608.00)	(608.00)
	24,899.54	25,026.24
	88,824.02	82,516.49
Share of joint ventures	1,251.06	1,212.17
Total	90,075.08	83,728.66

Note:* Includes ₹ 3,998.52 lac (March 31, 2015: ₹ 2,524.97 lac) recoverable from Aldesa Construcciones, S.A. (JV Partner).

* Includes ₹ 75.64 lac (March 31, 2015: ₹ Nil) recoverable from Guangdong Yuantian Engineering Company (JV Partner).





Notes forming part of the consolidated financial statements

Note 22 Other current assets (unsecured, considered good unless otherwise stated)

	As at March 31, 2016 ₹ in lac	As at March 31, 2015 ₹ in lac
(a) Unbilled revenue	39,013.01	26,281.72
(b) Accruals :		
(i) Interest accrued on deposits	41.46	28.37
(ii) Interest accrued on mobilisation advance given	81.06	342.39
	122.52	370.76
(c) Others		
(i) Insurance and other claims receivables		
Unsecured, considered good	30.06	15.07
Doubtful	73.25	73.25
	103.31	88.32
Less: Provision for doubtful claims	(73.25)	(73.25)
	30.06	15.07
(ii) Contractually reimbursable expenses	630.96	1,287.53
Doubtful	14.42	-
	645.38	1,287.53
Less: Provision for doubtful claims	(14.42)	-
	630.96	1,287.53
	661.02	1,302.60
	39,796.55	27,955.08
Share of joint ventures	(10.32)	50.62
Total	39,786.23	28,005.70



TATA PROJECTS37th Annual Report 2015-2016**Notes forming part of the consolidated financial statements****Note 23 Revenue from operations**

	For the year ended March 31, 2016 ₹ in lac	For the year ended March 31, 2015 ₹ in lac
(a) Income from contracts (refer Note (i) below)	420,728.82	329,295.09
(b) Income from services (refer Note (ii) below)	13,801.68	10,826.77
(c) Income from sale of goods (refer Note (iii) below)	2,714.86	2,709.34
(d) Share of profit from Joint Venture	2,644.79	3,750.54
(e) Other operating revenues (refer note (iv) below)	921.97	640.57
	440,812.12	347,222.31
Share of joint ventures	48.83	99.14
Revenue from operations (Gross)	440,860.95	347,321.45
Less: Indirect taxes and duties	16,464.40	10,768.72
Total	424,396.55	336,552.73
Notes:		
(i) Income from contracts comprises :		
- Supply of contract equipment and materials	170,902.85	157,396.52
- Civil and erection works	249,825.97	171,898.57
Total	420,728.82	329,295.09
(ii) Income from services comprises :		
- Quality inspection services	13,779.55	10,540.82
- Manpower services	22.13	285.95
Total	13,801.68	10,826.77
(iii) Income from sale of goods comprises :		
- Sale of BWRO units	1,182.03	2,379.21
- Sale of pressure vessels and air receivers	1,532.83	330.13
Total	2,714.86	2,709.34
(iv) Other operating revenues comprises :		
- Sale of scrap	909.67	604.89
- Duty drawback	12.30	35.68
Total	921.97	640.57





Notes forming part of the consolidated financial statements

Note 24 Other income

	For the year ended March 31, 2016 ₹ in lac	For the year ended March 31, 2015 ₹ in lac
(a) Interest income (refer Note (i) below)	1,243.20	1,219.39
(b) Net gain on foreign currency transactions and translations	1,530.11	69.84
(c) Other non-operating income (refer Note (ii) below)	691.33	214.23
	3,464.64	1,503.46
Share of joint ventures	55.02	0.38
Total	3,519.66	1,503.84
Notes:		
(i) Interest Income comprises :		
- Interest from banks on deposits	52.87	293.32
- Interest income on mobilisation advance given	582.71	921.86
- Interest on refund of income tax	1.56	-
- Other interest	606.06	4.21
Total	1,243.20	1,219.39
(ii) Other non-operating income comprises :		
- Hire charges	372.82	60.29
- Liabilities/provisions no longer required written back	0.01	27.48
- Profit on sale of fixed assets	-	25.08
- Miscellaneous income	318.50	101.38
Total	691.33	214.23

Note 25 Contract execution expenses

	For the year ended March 31, 2016 ₹ in lac	For the year ended March 31, 2015 ₹ in lac
(a) Cost of supplies/erection and civil works *	312,011.97	256,189.89
(b) Technical and engineering fees	1,552.96	3,368.66
(c) Insurance premium	2,054.96	1,925.63
(d) Bank guarantee and letter of credit charges	2,113.96	2,214.91
	317,733.85	263,699.09
Share of joint ventures	24.72	37.10
Total	317,758.57	263,736.19

* includes increase / (decrease) in excise duty of ₹ 42.85 lac [previous year: ₹ (27.34) lac] on finished goods.



TATA PROJECTS37th Annual Report 2015-2016**Notes forming part of the consolidated financial statements****Note 26 Changes in inventories of finished goods, work-in-process and contracts-in-progress**

	For the year ended March 31, 2016 ₹ in lac	For the year ended March 31, 2015 ₹ in lac
Inventories at the end of the year		
Finished goods	13.25	14.30
Work-in-process	1,426.39	1,515.94
Contracts-in-progress	72,069.57	64,761.98
	73,509.21	66,292.22
Inventories at the beginning of the year		
Finished goods	14.30	10.74
Work-in-process	1,515.94	1,314.33
Contracts-in-progress	64,761.98	42,173.92
	66,292.22	43,498.99
Share of joint ventures	(7,216.99)	(22,793.23)
	-	-
Net (increase)/decrease	(7,216.99)	(22,793.23)

Note 27 Employee benefits expense

	For the year ended March 31, 2016 ₹ in lac	For the year ended March 31, 2015 ₹ in lac
(a) Salaries and wages	32,563.25	26,954.11
(b) Contribution to provident and other funds	2,407.30	2,889.79
(c) Staff welfare expenses	1,265.40	1,091.51
	36,235.95	30,935.41
Share of joint ventures	70.65	81.87
Total	36,306.60	31,017.28





Notes forming part of the consolidated financial statements

Note 28 Other expenses

	For the year ended March 31, 2016 ₹ in lac	For the year ended March 31, 2015 ₹ in lac
Consumption of stores and spare parts	345.28	339.87
Rent	3,915.90	2,881.63
Repairs and maintenance		
- Building	12.34	1.80
- Machinery	533.08	402.88
- Others	741.21	733.65
Processing charges	1,126.46	962.70
Power and fuel	1,035.39	981.28
Rates and taxes	286.50	249.39
Insurance	134.16	93.48
Motor vehicle expenses	3,885.48	3,713.94
Travelling and conveyance	3,573.68	2,598.99
Legal and professional	4,983.92	2,572.40
Payment to auditors	72.08	58.58
Communication expenses	813.86	617.22
Printing and stationery	405.62	328.41
Staff recruitment and training expenses	139.39	178.96
Business development expenditure	400.89	402.94
Bank charges	156.88	198.35
Freight and handling charges	141.89	68.19
Bad debts	2,222.86	70.44
Provision for doubtful trade receivables	3,427.59	3,774.57
	5,650.45	3,845.01
Less: Provision for doubtful trade receivables reversed	(5,209.93)	(6,131.22)
	440.52	(2,286.21)
Advances written off	55.00	-
Provision for doubtful loans and advances	133.51	243.98
	188.51	243.98
Less: Provision for doubtful loans and advances reversed	-	(118.84)
	188.51	125.14
Agency commission	1,130.72	109.63
Brand equity contribution	615.69	755.00
Loss on sale of fixed Asset	236.75	-
Miscellaneous expenses	2,983.26	1,959.61
	28,299.46	18,047.83
Share of joint ventures	52.39	38.00
Total	28,351.85	18,085.83



TATA PROJECTS37th Annual Report 2015-2016**Notes forming part of the consolidated financial statements****Note 29 Finance costs**

	For the year ended March 31, 2016 ₹ in lac	For the year ended March 31, 2015 ₹ in lac
(a) Interest expense on :		
(i) Borrowings	7,578.22	5,899.92
(ii) Mobilisation advance received	1,918.71	1,373.08
(iii) Delayed payment of income tax	3.83	68.52
(iv) Others	139.87	55.90
(b) Other borrowing costs	82.55	67.74
	9,723.18	7,465.16
Share of joint ventures	7.50	5.18
Total	9,730.68	7,470.34

Note 30 Additional notes to the consolidated financial statements**30.1 Contingent liabilities and commitments (to the extent not provided for)**

	For the year ended March 31, 2016 ₹ in lac	For the year ended March 31, 2015 ₹ in lac
(i) Contingent liabilities:		
(a) Claim against the Company not acknowledged as debt Matters under dispute:		
Sales tax/VAT	6,289.49	6,087.21
Service tax	23,908.13	13,229.83
Income tax	609.97	746.69
Third party claims from disputes relating to contracts	1,167.18	1,143.00
(b) Guarantees		
Performance and other bank guarantees issued by banks on behalf of the Company (refer Note 1,2 below)	529,279.99	431,176.92
Corporate guarantees (refer Note 1 below)	37,187.99	12,651.23
(c) Others - liquidated damages	Amounts indeterminate	Amounts indeterminate

Future cash outflows in respect of the matters in (a) above are determinable only on receipt of judgments/decisions pending at various forums/authorities

Notes:

- Includes Corporate guarantee of ₹ 3,300 lac (March 31, 2015: ₹ 3,400 lac) given by the Parent Company on behalf of its subsidiary Artson Engineering Limited and outstanding as on March 31, 2016. The amount of loan outstanding against such guarantees given is ₹ 2,200.00 lac (March 31, 2015: ₹ 2,100.00 lac)
- Includes ₹ 88,826.10 lac (March 31, 2015: ₹ 71,385.90 lac) given on behalf of the following jointly controlled operations.

	₹ in lac	
(i) Tata Aldesa (JV)	50,279.80	(March 31, 2015: ₹ 54,928.35 lac)
(ii) Tata Projects Balfour Beatty JV	1.00	(March 31, 2015: ₹ 1.00 lac)
(iii) Tata Projects Limited VNR JV Pkg 1	969.86	(March 31, 2015: ₹ 2,719.86 lac)
(iv) Tata Projects Limited VNR JV Pkg 2	2,013.11	(March 31, 2015: ₹ 2,748.68 lac)
(v) GYT TPL	14,272.40	(March 31, 2015: ₹ 10,988.01 lac)
(vi) Express Freight Consortium	21,289.93	(March 31, 2015: ₹ Nil)

88,826.10

(ii) Commitments

Estimated amount of contracts remaining to be executed on capital account and not provided for [net of advance ₹ 40.00 lac (March 31, 2015: ₹ 77.67 lac)]

420.34

393.32





Notes forming part of the consolidated financial statements

30.2 Raw materials consumed

	For the year ended March 31, 2016 ₹ in lac	For the year ended March 31, 2015 ₹ in lac
Steel / Plates	18,908.74	18,711.22
Zinc	2,224.74	2,366.25
Others (including lead, pipes and paints)	2,194.36	1,796.02
Total	23,327.84	22,873.49

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

30.3 Details on derivative instruments and unhedged foreign currency exposures

- Outstanding forward exchange contracts entered into by the Company as on March 31, 2016 : ₹ Nil (March 31, 2015 : ₹ Nil)
- 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, 2016		As at March 31, 2015	
		Foreign currency (in Millions)	₹ in lac	Foreign currency (in Millions)	₹ in lac
1 Receivables	AED	69.04	12,441.75	46.75	7,933.22
	KES	633.49	4,117.69	400.40	2,682.67
	WON	1,778.75	1,067.25	846.38	473.98
	QAR	0.43	77.90	0.46	77.90
	EUR	5.02	3,781.44	0.55	365.46
	ZAR	0.66	29.48	18.48	948.21
	SAR	11.33	1,921.18	11.83	1,991.02
	ZMW	3.81	229.55	3.44	280.94
	USD	1.09	721.69	0.11	65.65
	NPR	143.32	888.60	250.56	1,553.45
	JPY	-	-	0.87	4.53
2 Payables	QAR	0.91	165.81	0.80	137.81
	AED	58.00	10,450.99	63.37	10,753.56
	SGD	0.002	1.21	0.003	1.21
	EURO	1.50	1,135.58	0.43	287.21
	ZAR	2.82	120.75	8.56	439.34
	SAR	12.88	2,185.39	12.89	2,169.93
	WON	28.47	17.08	52.17	29.22
	KES	446.98	2,905.34	486.11	3,256.95
	ZMW	42.52	2,559.91	56.83	4,636.95
	USD	1.06	701.07	1.66	1,037.27
	CHF	0.01	5.09	0.01	4.72
	JPY	-	-	45.70	237.65
	NPR	58.73	364.10	240.67	1,492.16
	OMR	0.01	0.17	-	-

TATA PROJECTS37th Annual Report 2015-2016**Notes forming part of the consolidated financial statements**

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

	Currency	As at March 31, 2016		As at March 31, 2015	
		Foreign currency (in Millions)	₹ in lac	Foreign currency (in Millions)	₹ in lac
3 Cash and cash equivalents	SGD	-	-	0.001	0.67
	AED	4.67	841.85	9.05	1,535.87
	USD	13.31	8,807.82	17.93	11,175.36
	WON	164.09	98.45	341.91	191.47
	KES	25.49	165.71	60.86	407.78
	EUR	1.06	799.25	1.16	775.81
	ZAR	0.37	16.47	5.55	284.65
	SAR	0.09	15.70	0.09	15.59
	ZMW	3.03	182.71	4.59	374.54
	NPR	6.91	42.87	15.83	98.15
	OMR	0.25	429.60	-	-

- c) The net difference in foreign exchange credited to the Statement of Profit and Loss is ₹ 1530.11 lac (March 31, 2015: ₹ 69.84 lac).

- 30.4** Note 16 - Long-term loans and advances includes ₹ 610.00 lac (March 31, 2015: ₹ 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.
- 30.5** 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.
- 30.6** 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 has filed an application on October 14, 2013 to BIFR seeking an extension and modification of the sanctioned scheme. 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.

The independent auditors, in their report on the financial statements of Artson Engineering Limited, have in respect of the matters discussed above, given an emphasis of matter paragraph, in which, without qualifying their opinion, have drawn attention to the financial statements having been prepared on a "going concern" basis.





Notes forming part of the consolidated financial statements

- 30.7** a) TEIL Projects Limited (Jointly Controlled Entity) has accumulated losses of ₹1089.66 lac and its network has been fully eroded.
- b) TEIL Board in its meeting held on 07.10.2015 & 20.01.2016 has recommended that the Company be wound-up after completing the existing jobs by 31st December, 2015. The Promoter Companies i.e. Engineers India Limited and Tata Projects Limited were suitably advised accordingly and winding up of the company was approved by EIL Board of Director in their meeting held on 10th February, 2016 and TPL board meeting held on 5th April, 2016.

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

	For the year ended March 31, 2016 ₹ in lac	For the year ended March 31, 2015 ₹ in lac
Contract revenue recognised during the year	420,728.82	329,295.09
Aggregate of contract costs incurred and recognised profits (less recognized losses) upto the reporting date	2,446,726.75	2,163,239.10
Advances received for contracts-in-progress	108,353.01	101,353.11
Retention money for contracts-in-progress	123,921.06	128,902.67
Gross amount due from customers for contract work	111,082.58	91,043.70

- 30.9** In line with accepted practice in construction business, certain revision to costs and billing of previous years which have crystallised during the year have been dealt with in the year. The Statement of Profit and Loss for the year includes debits (net) aggregating ₹ 11,761.22 lac [March 31, 2015 : ₹ 9,933.03 lac - debits (net)] on account of changes in estimates.
- 30.10** Exceptional item in the previous year represents profit on sale of freehold land and buildings (partly completed transfer from capital work in progress) aggregating ₹ 4,030.85 lac
- 30.11** In accordance with the requirements of component accounting of fixed assets as per Schedule II to the Companies Act, 2013, the Company has identified and accounted for the components of fixed assets during the current year. As per the transitional provisions prescribed in Schedule II, the Company has charged an additional depreciation of ₹ 143.32 lac to Statement of Profit and Loss.

In the previous year, pursuant to the transitional provisions prescribed in Schedule II to the Companies Act, 2013, the Company has fully depreciated the carrying value of assets, net of residual value, where the remaining useful life of the asset was determined to be nil as on April 1, 2014 and has adjusted an amount of ₹ 144.34 lac (net of deferred tax credit of ₹ 65.32 lac) against the opening surplus balances in the consolidated Statement of Profit and Loss under Reserves and Surplus.

In the previous year, the depreciation expense in the consolidated Statement of Profit and Loss was higher by ₹ 2,188.22 lac consequent to the change in the useful life of the assets.



TATA PROJECTS37th Annual Report 2015-2016**Notes forming part of the consolidated financial statements****30.12 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

	Year ended March 31, 2016			Year ended March 31, 2015		
	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	364.06	-	-	290.35	-	-
Interest cost	240.82	25.36	3.52	216.55	23.32	3.75
Expected return on plan assets	(247.70)	-	-	(205.00)	-	-
Past service cost	-	-	-	-	-	-
Actuarial losses/(gain)	4.04	23.60	(1.63)	199.11	77.43	(0.35)
Total expense recognized in the Consolidated Statement of Profit and Loss	361.22	48.96	1.89	501.01	100.75	3.40
II Net asset / (liability) recognised in the Consolidated Balance Sheet						
Present value of defined benefit obligation	3,274.85	345.37	47.88	2,952.50	337.58	46.55
Fair value on plan assets	(3,248.78)	-	-	(2,945.47)	-	-
Surplus/(Deficit)	26.07	(345.37)	(47.88)	(7.03)	(337.58)	(46.55)
Unrecognised past service cost	-	-	-	-	-	-
Net asset/(liability) recognised in the Consolidated Balance Sheet	26.07	(345.37)	(47.88)	(7.03)	(337.58)	(46.55)
III Change in defined benefit obligation (DBO) during the year						
Present value of DBO at beginning of the year	2,952.50	337.58	46.55	2,317.52	276.89	44.19
Current service cost	356.15	-	-	290.35	-	-
Interest cost	248.75	25.36	3.52	216.55	23.32	3.75
Actuarial (gains)/losses	(13.52)	23.60	(1.63)	283.64	77.43	(0.35)
Benefits paid	(269.03)	(41.17)	(0.56)	(155.56)	(40.06)	(1.04)
Present value of DBO at the end of the year	3,274.85	345.37	47.88	2,952.50	337.58	46.55





Notes forming part of the consolidated financial statements

30.12 Employee benefits (Contd...)

(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

	Year ended March 31, 2016			Year ended March 31, 2015		
	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	2,945.46	-	-	2,360.45	-	-
Expected return on plan assets	247.70	-	-	205.01	-	-
Actual company contributions	341.49	41.18	0.56	451.04	40.06	1.04
Actuarial gain / (loss)	(16.84)	-	-	84.53	-	-
Benefits paid	(269.03)	(41.18)	(0.56)	(155.56)	(40.06)	(1.04)
Plan assets at the end of the year	3,248.78	-	-	2,945.47	-	-
Actual return on plan assets	230.86	-	-	289.54	-	-
V The major categories of plan assets						
Funded with Tata AIG Life Insurance Company Limited and Life Insurance Corporation of India.	-	-	-	2,945.47	-	-
Funded with Life Insurance Corporation of India	3,248.78	-	-	-	-	-
VI Actuarial assumptions						
Discount rate	7.85%-8%	7.85%	7.85%	8.00%	8.00%	8.00%
Expected rate of return on plan assets	8%	-	-	9%-9.50%	-	-
Salary escalation	6%-7%	-	-	6%-10%	-	-
Attrition	10%	-	-	10%	-	-
Mortality	Indian Assured Lives Mortality (2006-08) ULT Table/ LIC (1994-96) ULT	-	-	Indian Assured Lives Mortality (2006-08) ULT Table/ LIC (1994-96) ULT	-	-

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.



TATA PROJECTS37th Annual Report 2015-2016**Notes forming part of the consolidated financial statements****30.12 Employee benefits (cond....)
VII Experience adjustments**

₹ in lac

Particulars	2015-16			2014-15			2013-14			2012-13			2011-12		
	Gratuity	Pension	Post retirement medical benefits	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	3,274.85	345.37	47.88	2,952.50	337.58	46.55	2,317.52	276.89	44.19	2,062.56	273.63	28.95	1,478.78	211.13	27.71
Fair value of plan assets	3,248.78	-	-	2,945.47	-	-	2,360.46	-	-	1,960.39	-	-	1,481.66	-	-
Status [Surplus/(Deficit)]	(26.07)	(345.37)	(47.88)	(7.03)	(337.58)	(46.55)	42.94	(276.89)	(44.19)	(102.17)	(273.63)	(28.95)	2.88	(211.13)	(27.71)
Experience adjustment on plan assets [gain/(loss)]	(16.85)	-	-	-	-	-	(16.12)	-	-	34.62	-	-	9.05	-	-
Experience adjustment on plan liabilities [gain/(loss)]	(19.93)	20.69	(2.09)	125.38	57.40	(3.45)	144.09	35.87	14.03	199.02	74.92	(1.69)	200.96	25.02	-

by Defined contribution plan

In respect of defined contribution plan an amount of ₹ 2,079.14 lac (March 31, 2015 ₹ 2,452.19 lac) has been recognised as an expense in the Consolidated Statement of Profit and Loss during the year.





Notes forming part of the consolidated financial statements

30.13 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 Group are:

- 1 EPC
- 2 Services
- 3 Others

and secondary segments of the Group 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.

₹ in lac

Particulars	Business segments			Eliminations	Total
	EPC	Services	Others		
Revenue	419,224.85 (329,871.95)	13,882.73 (10,866.33)	1,168.75 (2,413.54)	9,879.78 (6,599.09)	424,396.55 (336,552.73)
Inter segment revenue	-	297.85 (232.89)	-	297.85 (232.89)	-
Segment revenue	419,224.85 (329,871.95)	14,180.58 (11,099.21)	1,168.75 (2,413.54)	10,177.63 (6,831.98)	424,396.55 (336,552.73)
Segment result	26,392.83 (23,647.31)	2,703.78 (2,011.15)	(318.91) (421.68)		28,777.70 (26,080.14)
Unallocable expenses (net)					11,467.64 (10,602.89)
Finance costs					9,730.68 (7,470.34)
Operating income (2-3-4)					7,579.38 (8,006.91)
Other income (net)					3,519.66 (1,478.76)
Profit before exceptional items and taxes (5+6)					11,099.04 (9,485.67)
Exceptional items					- (4,030.85)
Profit before tax (7+8)					11,099.04 (13,516.52)
Tax expense					4,676.77 (4,995.96)
Profit for the year (9-10)					6,422.27 (8,520.56)



TATA PROJECTS37th Annual Report 2015-2016**Notes forming part of the consolidated financial statements****30.13 Segment Information (Contd...)**

₹ in lac

Particulars	Business segments			Eliminations	Total
	EPC	Services	Others		
Segment assets	490,938.23 (442,484.10)	8,043.52 (6,775.34)	1,115.97 (1,974.88)		500,097.72 (451,234.33)
Unallocable assets					35,896.97 (31,381.62)
Total assets					535,994.69 (482,615.95)
Segment liabilities	381,217.72 (342,525.62)	1,279.82 (1,429.15)	509.79 (1,211.21)		383,007.33 (345,165.98)
Unallocable liabilities					66,686.06 (56,437.22)
Total liabilities					449,693.39 (401,603.20)
<u>Other information</u>					
Capital expenditure (allocable)	6,564.75 (3,618.39)	0.96 (1.90)	- (179.25)		6,565.71 (3,799.54)
Capital expenditure (unallocable)					3,978.19 (1,924.37)
Depreciation and amortisation (allocable)	6,294.75 (6,396.98)	17.94 (8.64)	1.90 (0.95)		6,314.59 (6,406.57)
Depreciation and amortisation (unallocable)					2,244.03 (1,774.43)

₹ in lac

Geographical segment	Revenue - for the year ended March 31, 2016	Segment assets as at March 31, 2016	Capital expenditure incurred during the year ended March 31, 2016
Domestic	395,785.45 (310,585.48)	498,845.74 (451,024.74)	9,328.09 (5,693.13)
Overseas	28,611.10 (25,967.25)	37,148.95 (31,591.21)	1,215.81 (30.78)
Total	424,396.55 (336,552.73)	535,994.69 (482,615.95)	10,543.90 (5,723.91)





Notes forming part of the consolidated financial statements

30.14 Related party transactions

Details of related parties:

Description of relationship	Names of related parties
(i) Entities holding more than 20%	The Tata Power Company Limited (TPCL) Omega TC Holdings Pte Limited (OTHPL) (with effect from June 25, 2015)
(ii) Jointly Controlled Operations (JCO)	Tata Projects Limited - VNR Infrastructure Ltd - Package 1 (JV) (TPL VNR JV - Pkg 1) Tata Projects Limited - VNR Infrastructure Ltd - Package 2 (JV) (TPL VNR JV - Pkg 2) Tata Projects - Balfour Beatty JV (TP BB JV) Tata Aldesa JV TPL GYT JV Express Freight Consortium
(iii) Jointly Controlled Entities (JCE)	AI Tawleed for Energy & Power Company (AI Tawleed) TEIL Projects Limited (TEIL)
(iv) Associates	Virendra Garments Manufacturing Private Limited (VGMPL)
(v) Key Management Personnel (KMP)	Mr. Vinayak K Deshpande, Managing Director Mr. Anil Khandelwal, Chief Financial Officer (with effect from November 17, 2015) Mr. Rajagopal Swami, Chief Financial Officer (upto November 07, 2015)



TATA PROJECTS

37th Annual Report 2015-2016

Notes forming part of the consolidated financial statements

30.14 Related party transactions (Contd...)

Details of related party transactions during the year ended March 31, 2016

₹ in lac

Particulars	Entities holding more than 20%				JCE			JCO						Total	
	TPCL	OTHPL	Total	AI Tax/seed	TEIL	Total	TPL VNR JV Ptg 1	TPL VNR JV Ptg 2	TP BB JV	GYT-TPL	Tala Aidesa JV	Express Freight Consortium	Total		KMP
Revenue from operations	427.98 (476.41)	-	427.98 (476.41)	-	-	-	1,261.64 (1,144.00)	-	-	-	-	-	6,845.45 (5,915.79)	-	7,273.43 (6,392.20)
Interest received	-	-	-	-	-	-	-	-	-	-	-	-	10.53 (-)	-	10.53 (-)
Other income	-	-	-	-	-	-	8.03 (-)	-	-	-	-	-	8.03 (-)	-	8.03 (-)



Notes forming part of the consolidated financial statements

30.14 Related party transactions (Contd...)

Details of related party transactions during the year ended March 31, 2016

Particulars	Entities holding more than 20%			JCE			JCO						KMP	Total	
	TPCL	OTHPL	Total	AI Tax/Leed	TEEL	Total	TPL VNR JV Ptg 1	TPL VNR JV Ptg 2	TP BB JV	GYT-TPL	Tata Aakasa JV	Express Freight Consortium			Total
Proposed dividend	483.75 (483.75)	244.22 (-)	727.97 (483.75)	- (-)	- (-)	- (-)	- (-)	- (-)	- (-)	- (-)	- (-)	- (-)	- (-)	727.97 (483.75)	
Purchase of Fixed Assets	- (-)	- (-)	- (-)	- (-)	- (-)	- (-)	- (-)	- (-)	- (-)	- (-)	- (-)	- (-)	- (-)	- (-)	
Advances Written off	- (-)	- (-)	- (-)	55.00 (-)	- (-)	55.00 (-)	- (-)	- (-)	- (-)	- (-)	- (-)	- (-)	- (-)	55.00 (-)	
Bad Debts Written off	- (-)	- (-)	- (-)	58.58 (-)	- (-)	58.58 (-)	- (-)	- (-)	- (-)	- (-)	- (-)	- (-)	- (-)	58.58 (-)	
Provision for Loans and Advances	- (-)	- (-)	- (-)	- (-)	14.42 (-)	14.42 (-)	- (-)	- (-)	- (-)	- (-)	- (-)	- (-)	- (-)	14.42 (-)	
Loans and advance given (net)	- (-)	- (-)	- (-)	- (-)	- (-)	- (-)	- (-)	- (-)	- (-)	- (-)	- (-)	- (-)	- (-)	- (-)	
Mobilisation advance received (net)	(183.22) (-48.09)	- (-)	(183.22) (-48.09)	- (-)	- (-)	- (-)	14.42 (-167.99)	(14.42) (-238.39)	- (-)	(3,412.36) (-686.95)	- (-)	- (-)	(3,412.36) (-1,094.33)	(3,595.58) (-1,142.42)	
Reimbursable expenses (net)	- (-)	- (-)	- (-)	- (-)	(37.61) (19.04)	(37.61) (19.04)	11.13 (2.29)	(5.21) (0.58)	- (-)	151.15 (-)	- (-)	- (-)	157.07 (2.87)	119.46 (23.02)	
Remuneration	- (-)	- (-)	- (-)	- (-)	- (-)	- (-)	- (-)	- (-)	- (-)	- (-)	- (-)	- (-)	- (-)	566.65 (459.95)	
Guarantees given	10.54 (-6.72)	- (-)	10.54 (-6.72)	- (-)	- (-)	- (-)	(1,750.00) (-200.00)	(750.00) (-377.30)	- (-199.00)	(11,327.95) (16,637.71)	21,289.93 (-)	- (-)	10,746.37 (26,849.42)	- (-)	

Amounts in brackets represents previous year numbers.



TATA PROJECTS

37th Annual Report 2015-2016

Notes forming part of the consolidated financial statements

30.14 Related party transactions (Contd...)

Balances outstanding at the end of the year

₹ in lac

Particulars	Entities holding more than 20%		JCE		JCO					KMP	Total				
	TPCL	OTHPL	Total	AI Tawheed	TEIL	Total	TPL VNR JV Pkg 1	TPL VNR JV Pkg 2	TP BB JV			GYT-TPL	Tata Adesa JV	Express Freight Consortium	Total
Trade receivables	665.98 (649.19)	-	665.98 (649.19)	-	-	(58.58)	980.77 (1,420.76)	1,239.29 (1,385.40)	-	-	3,697.59 (366.80)	-	5,917.65 (3,172.96)	-	6,583.63 (3,880.73)
Contractually reimbursable expenses	1.11 (1.11)	-	1.11 (1.11)	1.28 (1.28)	14.42 (52.03)	15.70 (53.31)	13.80 (2.67)	(4.30) (0.91)	-	-	152.77 (1.62)	-	162.27 (5.20)	-	179.08 (59.62)
Provision for doubtful loans and advances	-	-	-	-	14.42	14.42	-	-	-	-	-	-	-	-	14.42
Other Current Assets-Unbilled revenue	-	-	-	-	-	-	-	-	-	-	(1,709.53)	-	(1,709.53)	-	(1,709.53)
Trade payables	-	-	-	24.07 (24.07)	-	24.07 (24.07)	-	-	-	-	-	-	-	-	24.07 (30.51)
Other current liabilities	200.01 (383.23)	-	200.01 (383.23)	-	-	-	0.91 (15.34)	-	-	-	-	-	0.91 (3,413.28)	-	200.92 (3,796.51)
Provision dividend	483.75 (483.75)	244.22 (-)	727.97 (483.75)	-	-	-	-	-	-	-	-	-	-	-	727.97 (483.75)
Commission payable	-	-	-	-	-	-	-	-	-	-	-	-	-	250.00 (200.00)	250.00 (200.00)
Guarantees given	1,847.23 (1,836.69)	-	1,847.23 (1,836.69)	-	-	-	969.86 (2,719.86)	2,014.02 (2,764.02)	1.00 (1.00)	14,272.40 (10,988.01)	54,327.69 (65,655.84)	21,289.93	92,875.10 (82,128.73)	-	94,722.33 (83,955.42)

Amounts in brackets represents previous year numbers.





Notes forming part of the consolidated financial statements

30.15 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 28 - 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, 2016 ₹ in lac	As at March 31, 2015 ₹ in lac
Not later than one year	122.34	571.98
Later than one year and not later than five years	346.92	463.11
Later than five years	90.86	90.86
	560.12	1,125.95

30.16 Corporate social responsibility

During the year, as per the Companies Act, 2013, Gross amount required to be spent by the Company during the year is ₹ 248.92 lac (March 31, 2015: ₹ 305.66 lac)

Amount spent during the year is:

S.No.	CSR activities	In cash	Yet to be paid in Cash	Total
(i)	Construction/acquisition of any asset	- (-)	- (-)	- (-)
(ii)	On purposes other than (i) above	300.36 (328.13)	- (-)	300.36 (328.13)

Amounts in bracket represents previous year number

30.17 Earnings per Share (EPS):

	As at March 31, 2016 ₹ in lac	As at March 31, 2015 ₹ in lac
a) Profit for the year (₹ in lac)	6,657.27	8,509.61
b) Weighted Average number of Equity Shares of ₹ 100 each outstanding during the year (No's)	2,025,000	2,025,000
Earnings per share		
c) Basic and diluted (₹) (a/b)	328.75	420.23

30.18 Goodwill on consolidation

	As at March 31, 2016 ₹ in lac	As at March 31, 2015 ₹ in lac
Opening Balance	391.25	344.07
Add: on acquisition of FoodCert India Limited during the year	-	47.54
(Less)/Add: Exchange difference during the year on translation of Goodwill of foreign subsidiaries	-	(0.36)
Total	391.25	391.25



TATA PROJECTS37th Annual Report 2015-2016**Notes forming part of the consolidated financial statements****30.19 Capital reserve on consolidation**

	As at March 31, 2016 ₹ in lac	As at March 31, 2015 ₹ in lac
Opening Balance	70.01	77.84
Less: Exchange difference during the year on translation of Capital reserve of foreign subsidiaries	(8.59)	(7.83)
Total	61.42	70.01

30.19(a) Additional information as required by Paragraph 2 of the General Instructions for Preparation of Consolidated Financial Statements to Schedule III to the Companies Act, 2013

Name of the entity in the	Net assets, i.e., total assets minus total liabilities		Share of profit or loss	
	As % of consolidated net assets	Amount (in ₹ lac)	As % of consolidated profit or loss	Amount (in ₹ lac)
Parent				
Tata Projects Limited	102.56	88,293.47	248.02	16,511.57
Subsidiaries				
Indian				
1. Artson Engineering Limited	(3.18)	(2,740.22)	(143.03)	(9,521.77)
2. Tata Projects Infrastructure Limited	0.01	4.82	-	(0.06)
3. FoodCert India Private Limited	0.09	74.27	0.25	16.52
Foreign				
1. TPL-TQA Quality Services (Mauritius) Pty Limited	0.20	171.01	(0.09)	(5.83)
2. TPL-TQA Quality Services South Africa (Pty) Limited	0.15	133.01	(8.28)	(551.34)
3. TQ Services Europe, GmbH	0.21	177.08	0.53	35.30
4. Industrial Quality Services LLC Oman	0.49	420.52	(0.13)	(8.94)
Minority Interests in all subsidiaries	(0.25)	(215.58)	3.53	235.00
Associates				
(Investment as per the equity method)				
Indian				
1. Virendra Garments Manufacturing Private Limited #	-	-	-	-
Joint Ventures				
(as per proportionate consolidation)				
Indian				
1. TEIL Projects Limited	(0.04)	(30.41)	(0.80)	(53.18)
Foreign				
1. Al Tawleed for Energy & Power Company	(0.24)	(202.25)	-	-
Total	100.00	86,085.72	100.00	6,657.27





Notes forming part of the consolidated financial statements

30.20 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:

Particulars	As at April 1, 2015	Additions	Utilisation	As at March 31, 2016
Provision for foreseeable losses on contracts	226.98	-	226.98	-
	(400.92)	-	(173.94)	(226.98)

Amounts in brackets represents previous year numbers

30.21 In the Holding Company, upto March 31, 2015, in respect of Contracts wherein the minimum progress of 10% had not been achieved, the costs and invoices raised were carried in the Balance Sheet as Contracts in progress and advanced billing respectively. During the current year the company has changed its accounting policy and has recognized such assets and invoices in its Statement of Profit and Loss, due to which Revenue from operations (Note 23) and Contract execution expenses (Note 25) are higher by ₹ 4,331.44 lac and ₹ 4331.44 lac respectively.

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

In terms of our report attached

For Deloitte Haskins & Sells

Chartered Accountants

Ganesh Balakrishnan
Partner

S Ramakrishnan
Chairman

Parashuram G Date
Director

For and on behalf of the Board of Directors

Samir K Barua
Director

Padmanabh Sinha
Director

Anil Khandelwal
Chief Financial Officer

Neera Saggi
Director

Rajit H Desai
Director

Pradeep N Dhume
Director

Vinayak K Deshpande
Managing Director

Dr A Raja Mogili
Company Secretary

Place : Secunderabad
Date : 9th May 2016

Place: Secunderabad
Date: 9th May 2016



Subsidiary Companies Financial Statements

Artson
Engineering Limited



TATA PROJECTS37th Annual Report 2015-2016**Artson Engineering Limited**

(A subsidiary of Tata Projects Limited)

Corporate Identity Number: L27290MH1978PLC020644

Tel No. 022 66255600. Fax: + 91 2266255614 Email: artson@artson.net . Website: www.artson.net

BOARD OF DIRECTORS

Chairman	Mr. Vinayak Deshpande
Directors	Mr. Pralhad Pawar
Independent Directors	Mr. Michael Bastian Mr. Nalin Shah Ms. Leja Hattiangadi
Special Director	Mr. Mukesh Mohan Gupta (w.e.f. 20 th October 2015)
Chief Operating Officer	Mr Nikhil Naniwadekar
Chief Financial Officer	Mr Rajesh Mandale
Company Secretary	Ms Rajeshree Gaikwad (till 13 th May 2016)

Share Registrar and Share Transfer Agents

Sharepro Services (India) Private Limited
Unit Artson Engineering Limited
13AB, Samhita Warehousing Complex, 2nd Floor,
Sakinaka Telephone Exchange Lane,
Off Andheri-Kurla Road, Sakinaka
Andheri (East), Mumbai 400072

Sharepro Services (India) Private Limited
(Investor Relation Centre)
UNIT: Artson Engineering Limited 912,
Raheja Centre, Free Press Journal Road,
Nariman Point, Mumbai 400 021

Registered Office

11th Floor, Hiranandani
Knowledge Park,
Technology Street,
Powai, Mumbai 400076

Overseas Office

Fujairah Branch Office,
Flat No 802, Khalifa Matar Building
Bin Hamad Bin Abdullah Road
Fujairah, United Arab Emirates(UAE)
Post Box No 3679

Bankers

Corporation Bank
ICICI Bank Limited
Bank of Baroda

Statutory Auditors

Chokshi & Chokshi, LLP, Chartered Accountants

Monitoring Agency

Bank of India

Internal Auditors

Patel & Dhadhar, Chartered Accountant

Secretarial Auditor

P.P. Shah & Co., Practicing Company Secretaries

Manufacturing Units:**Nashik Unit**

D-5, MIDC Ambad, Nashik
Nashik-422010

Nagpur Unit

Plot No. D-1, Umred
Industrial Area, MIDC
Umred, Dist- Nagpur- 441 203

Jamshedpur Unit

C/o Mr. Avinash Singh, NH-3
Plot No 2054/255/2057/2062
Mouza-Asanbani, PS-Chandil
Saraikela, Jharkhand- 832401



DIRECTORS' REPORT

TO THE MEMBERS,

The Directors present their Thirty Seventh Annual Report along with the Audited Financial Statement for the Financial Year ended 31st March 2016.

1. Performance of the Company

The Company's performance for the year is summarised below:

Financial Highlights

Particulars	(₹ Crore)	
	Financial Year ended 31st March 2016	Financial Year ended 31st March 2015
Sales and Other Income	113.71	65.09
Profit/ (Loss) before Finance Cost, Tax, Depreciation and Exceptional Items	7.44	3.41
Profit/ (Loss) before tax	2.85	(1.99)
Profit/ (Loss) after tax	2.85	(1.99)
Profit/ (Loss) brought forward	(69.56)	(67.40)
Profit/ (Loss) available for appropriation	(66.71)	(69.56)

Operations

Company's Total Income for the year under review aggregated ₹ 113.71 Crore (Previous year - ₹ 65.09 Crore). The operations of the Company for the period under review resulted in a Profit after Tax of ₹ 2.85 Crore (Previous year – Loss after Tax ₹ 1.99 Crore).

Company commenced the financial year with an order backlog of about ₹ 51.65 Crore. During the year under review, the Company received new orders with estimated value of about ₹ 128.75 Crore and thus, the orders available for execution aggregated approx. ₹ 180.40 Crore.

During the year under review, the Company successfully completed the Tank Construction project in Gujarat, India. The project in Sharjah, UAE is nearing completion.

Company increased the Structural Fabrication capacity by enhancing the facility at Nagpur in Q2 FY15-16 and by starting operations at Asanbani, near Jamshedpur and at Ranchi in Q3 of FY 15-16. The Company received approvals for supply of fabricated structures to power projects and have on-going supply contracts in these and other sectors projects.

Effect of the above resulted in the Company's Turnover for the Financial Year 15-16 to be close to expected levels and a growth of over 75% in Revenue and a positive Net Profit of ₹ 2.85 Cr (243%).

In the year 15-16, Company dispatched 10972 MT of Fabricated Steel Structures to various project sites from its facilities at Nagpur, Asanbani (Jamshedpur), Nashik and Ranchi.

Company had mobilized the Sharjah project site at the end of FY14-15. During FY15-16, the Company has achieved substantial completion of the 30 out of 31 Chemical Storage tanks and are poised to complete the scope in Q1 FY16-17. The Company expects more work packages in this project, as well as few other projects in the region.

Company has also focused on mechanical maintenance projects in India, and have successfully bagged small orders in Steel plant. The Company has organized to cater to such cluster of projects and shall continue the regional focus in FY16-17.

The expected order intake in United Arab Emirates (UAE) and Sales turn-over could not be realized due to softness in Global Oil Industry and hence deferred investment decisions by prospective clients. Also,



TATA PROJECTS

37th Annual Report 2015-2016

Company's Equipment Manufacturing segment experienced negative growth and pressure on margins.

The Company also started pursuing the opportunities in Tank Construction and Maintenance projects, and have been qualified for few tenders in this segment in India.

For Equipment Manufacturing from Nashik, the Company have received major orders in last Quarter (Q4 FY15-16) for supply of components to a leading OEM. This order provides a consistent work-load to Nashik factory. The Company has plans to grow this business model for global opportunities.

Our Equipment Manufacturing team has also started work for a major PSU to as a service provider for manufacturing process equipment in their premises. The Company expects this new business model to mature into a long-term partnership and growth in different areas of process equipment.

The Company has maintained impeccable record for Safety at all factory locations and project sites. The Company received appreciation from Customers on this account.

The Company's Management along with that of Tata Projects Limited, is making arduous efforts to revive the Company and record a better performance over the years to come.

2. Rehabilitation Scheme sanctioned by the Board for Industrial and Financial Reconstruction

Company's Miscellaneous Applications (MA) with the Board for Industrial and Financial Reconstruction (BIFR), containing, amongst others, a proposal for modification of the sanctioned scheme, by converting the total outstanding loan, availed from Tata Projects Limited (TPL), the Holding Company, aggregating ₹ 44.18 Crore (including interest upto 31st March 2013) into 44,18,22,878, 4% Optionally Convertible Cumulative Redeemable Preference Shares of ₹ 1/- each to be allotted to TPL on preferential allotment basis and also extension of the rehabilitation period, is still pending with the BIFR. No hearings were granted by the BIFR and hence the Company preferred to file a Writ Petition seeking intervention of the Hon'ble Delhi High Court. The Hon'ble High Court disposed off the said Writ Petition with the directions to the BIFR to grant hearing and dispose off all the pending MA in a time-bound manner. In response to this, the BIFR has conveyed that no hearings could be granted as there is no quorum in the Bench. It is expected that soon the Bench will be re-constituted and hearings will be granted.

3. Borrowings

As mentioned above, the Miscellaneous Application pertaining to financial restructuring proposal is pending consideration by the BIFR. Accordingly, the Company was not required to repay the balance installments of term-loan as well as the outstanding inter-corporate deposits availed from Tata Projects Limited (TPL). At the hearings granted by the BIFR from time to time, TPL and Bank of India (the Monitoring Agency) have informed BIFR about their approval for the modifications proposed in the Miscellaneous Applications.

4. Short Term loan from Tata Capital Financial Services Limited and Working Capital Facilities

The Company has borrowed a short term loan aggregating ₹ 25 Crore (Working Capital Demand Loan: ₹ 5 Crore and Short term loan: ₹ 20 Crore) from Tata Capital Financial Services Limited.

The Company has also availed working capital facilities from Corporation Bank which aggregate to ₹ 6 Crore (Fund Based facilities limit of ₹ 1 Crore and Non-Fund Based facilities limit of ₹ 5 Crore)

5. Extract of the Annual Return

An extract of the Annual Return as provided under Section 92 (3) of the Companies Act, 2013 is annexed to this Report and forms part of this Report.

6. Number of meetings of the Board of Directors

(Six) 6 Board Meetings were held during the period under review. Dates of these Board Meetings were 4th May 2015, 24th July 2015, 10th August 2015, 21st October 2015, 19th January 2016 and 18th March 2016.

7. Directors' Responsibility Statement

Based on the framework of internal financial controls and compliance systems established and maintained by the Company, the work performed by the internal, statutory and secretarial auditors and the reviews performed by the Management and the relevant Board Committees, including the Audit Committee, the



Board is of the opinion that the Company's internal financial controls were adequate and effective during the year ended 31st March, 2016. Accordingly, pursuant to Section 134(5) of the Companies Act, 2013, based on the above and the representations received from the Operating Management, the Board of Directors, to the best of their knowledge and ability confirm that:

- i. in the preparation of the annual accounts, the applicable accounting standards have been followed and that there were no material departures therefrom;
- ii. they have, in the selection of the accounting policies, consulted the statutory auditors and have applied their recommendations consistently and made judgements and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at 31st March, 2016 and of the profit/loss* of the Company for the year ended on that date;
- iii. they have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013, for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- iv. they have prepared the annual accounts on a going concern basis;
- v. they have laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and were operating effectively during the year ended 31st March, 2016; and
- vi. proper system has been devised to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively during the year ended 31st March, 2016.

8. Directors and Key Managerial Personnel

Mr. A. K. Misra, a non-executive director and nominee of Tata Projects Limited resigned as a Director of the Company effective 5th May 2015. The Board has placed on record its appreciation of the significant role played by Mr. Misra during his tenure as a Director.

Ms. Leja Hattiangadi, who was appointed as an Additional Director (Non-Executive and Independent) on 12th March 2015 and held office till the 36th Annual General Meeting, was appointed at the Annual General Meeting held on 10th August 2015 as an Independent Director of the Company.

The Board for Industrial and Financial Reconstructions (BIFR) has, vide its Discharge Order (F.No. 16(4) / G-71/2009/BIFR/SD dated) 4th September 2015 advised the Company that with effect from 20 August 2014, Mr. Shashikant Oak had ceased to be the Special Director. Further, pursuant to the Appointment Order (F.No.16(4)/02/2011/BIFR/SD.Apptt.) dated 20th October 2015 passed by the BIFR, Mr. Mukesh Mohan Gupta has been appointed as the Special Director of the Company.

As per the provisions of the Companies Act, 2013 and the Articles of Association of the Company, Mr. Vinayak Deshpande retires by rotation and being eligible, offers himself for re-appointment.

There has been no change in the composition of the Board of Directors except as mentioned above.

During the year under review, Ms. Anuja Bhate had resigned as the Company Secretary of the Company. Pursuant to the provisions of Section 203 of the Companies Act, 2013 read with Rule 8 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 and upon the recommendation of Nomination and Remuneration Committee, Ms. Rajeshree Gaikwad was appointed as the Company Secretary of the Company with Effect from 21st October 2015. No other Key Managerial Personnel has been appointed or has tendered resignation during the Financial Year 2014-15.

The Company has filed a Miscellaneous Application (No. 536/ 2013 dated 16th October 2013) ['MA'] with the Board for Industrial and Financial Reconstruction (BIFR), seeking amongst others, the exemption from the mandatory requirement pursuant to Section 269 of the Companies Act, 1956 or any such provision under the Companies Act, 2013 regarding the appointment of Managing Director/Whole Time Director / Manager until the period of rehabilitation of the Scheme. The said MA is pending consideration by the BIFR. In view thereof, the Company has not appointed Managing Director/Whole Time Director / Manager.



TATA PROJECTS

37th Annual Report 2015-2016

9. Declaration given by Independent Directors

As per the requirement of Section 149 (7) of the Companies Act, 2013, Mr. Nalin Shah, Mr. Michael Bastian and Ms. Leja Hattiangadi, Independent Directors have given their respective declarations that they meet the criteria of independence as specified under Section 149 (6) of the Act.

10. Particulars of Loans, guarantees or investments

The Company has neither given any loans or guarantee nor provided any security in connection with the loan to any body corporate or person nor has it acquired by subscription, purchase or otherwise, the securities of anybody corporate as provided under Section 186 of the Companies Act, 2013.

11. Remuneration Policy

Based on the recommendations of the Nomination and Remuneration Committee, the Board of Directors has approved and adopted a Remuneration Policy for Directors, Key Managerial Personnel and other employees of the Company as required under Section 178 (3) of the Companies Act, 2013. The Company has adopted Governance Guidelines which inter-alia covers the composition and role of the Board, Board Appointment, Induction & Development, Director Remuneration, Code of Conduct, Board Effectiveness Review and mandates of the Board Committees. The Remuneration Policy is annexed to this Report and forms part of this Report.

12. Particulars of contracts or arrangements with related parties

All contracts/arrangements/transactions entered by the Company during the financial year under review with related parties were in the ordinary course of business and on arm's length basis. Particulars of contracts or arrangements with related parties in form No. AOC- 2 as required pursuant to the provisions of Section 134(3)(h) and Rule 8 of the Companies (Accounts), Rules, 2014 is annexed to this Report and forms part of this Report.

13. Conservation of Energy, Technology Absorption and Foreign Exchange Earnings and Outgoings

Particulars prescribed under Section 134(3)(m) of the Companies Act, 2013 are given in an Annexure to this Report and forms part of this Report.

14. Risk Management Policy

Company has adopted a Risk Management and Mitigations Policy. A formal Risk reporting system has been devised by the Company. Risk Management Committee has also been constituted comprising of Director and senior officials of the Company.

The key risk management and mitigation practices include those relating to identification of key risks to the business objectives, impact assessment, risk evaluation and reporting. Board of Directors, Audit Committee and Risk Management Committee at its periodic meetings review the matters related to risk management and mitigation.

15. Annual Evaluation

The performance of Board of Directors and the committees constituted by the Board and the individual directors has been evaluated during the Financial Year ended 31st March 2016.

16. Particulars of Subsidiary companies or Joint ventures or associate company

Company does not have any joint venture with any person or an associate company as defined under Section 2 (5) of the Companies Act, 2013 ('the Act') or subsidiary company as defined under Section 2 (87) of the Act.

17. Particulars of Deposits

During the year under review, the Company has neither accepted any deposits covered under Chapter V of the Companies Act, 2013 nor has it accepted deposits which are not in compliance with the requirements of Chapter V.

18. Particulars of Material Orders

During the year under review, neither any Regulator nor any Court or Tribunal has passed any significant and material Order impacting the going concern status and the Company's operations in future.



19. Audit Committee

The Audit Committee comprises of Mr. Nalin Shah, Mr. Michael Bastian, the Independent Directors and Mr. Pralhad Pawar.

Mr. Nalin Shah and Mr. Michael Bastian are Chartered Accountants by profession and Mr. Pralhad Pawar is the Nominee Director of the Tata Projects Limited. The composition of the Committee is as per the provisions of Section 177 of the Companies Act, 2013. The Audit Committee continues to provide valuable advice and guidance in the areas of costing, finance and internal controls.

During the year under review, the Committee met 5 (five) times on 4th May, 2015, 24th July 2015, 10th August 2015, 21st October 2015 and 19th January 2016.

20. Nomination and Remuneration Committee

The Nomination and Remuneration Committee comprises of Mr. Michael Bastian, Mr. Nalin Shah, the Independent Directors and Mr. Vinayak Deshpande

Mr. Nalin Shah and Mr. Michael Bastian are Chartered Accountants by profession and Mr. Vinayak Deshpande is the Nominee Director of the Tata Projects Limited and also Chairman of Artson Engineering Limited. The composition of the Committee is as per the provisions of Section 178 of the Companies Act, 2013. Mr. Michael Bastian, Chairman of the Nomination and remuneration Committee was present at the Annual General Meeting held on 10th August 2015.

During the year under review, 4 (four) Meetings of the Nomination and Remuneration Committee were held on 4th May, 2015, 10th August 2015, 19th January 2016 and 18th March 2016.

21. Stakeholders Relationship Committee

The Stakeholders Relationship Committee comprises of Mr. Michael Bastian, Ms. Leja Hattiangadi, the Independent Directors and Mr. Pralhad Pawar. The composition of the Committee is as per the provisions of Section 178 of the Companies Act, 2013.

During the year under review, 4 (four) Meetings of the Stakeholder Relationship Committee were held on 4th May, 2015, 24th July 2015, 21st October 2015 and 19th January 2016.

22. Auditors

M/s. Chokshi & Chokshi, Chartered Accountants, the Statutory Auditors of the Company are due to retire at the ensuing Annual General Meeting. The Company has received a written consent and a certificate from the Statutory Auditors, under Section 139 of the Companies Act, 2013, stating that the appointment, if made will be in accordance with Rule 4 (1) of the Companies (Audit and Auditors) Rules, 2014.

23. Cost Auditors

The provisions related to Cost Audit were not applicable to the Company during the year under review.

24. Particulars of Employees

During the year under review, there were no employees in the Company who drew remuneration more than the amounts prescribed under Section 197(12) of the Companies Act, 2013 read with Rule 5 (2) and 5 (3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

25. Secretarial Audit Report

During the year under review, the Company had appointed M/s. P. P. Shah, Practicing Company Secretaries, Mumbai as the Secretarial Auditor for the Financial Year 2015-16. The report in form MR- 3 on the Audit carried out by the said Auditor is annexed to this Report.

26. Purchase of shares of the Company

The Company does not give any loan, guarantee or security, or any financial assistance to the employees of the Company for the purpose of a purchase or subscription for any shares of the Company or its Holding company pursuant to Section 67 (2) of the Companies Act, 2013.



TATA PROJECTS

37th Annual Report 2015-2016

27. Corporate Social Responsibility Committee

The provisions of Section 135 of the Companies Act, 2013 are not presently applicable to the Company.

28. Vigil Mechanism

The Company has adopted a Whistle Blower Policy to report to the Management instances of unethical behaviours, actual or suspected, fraud or violation of the Company's code of conduct or ethics policy. Under this policy, the employees can approach the Company's Ethics Counsellor/ Chairman of the Audit Committee.

29. Issue of shares with differential voting rights

The Company has not issued any shares with differential voting rights pursuant to the provisions of Rule 4 of the Companies (Share Capital and Debenture) Rules, 2014.

30. Issue of sweat equity shares

During the year under review, the Company has not issued any sweat equity shares to any of its employees, pursuant to the provisions of Rule 8 of the Companies (Share Capital and Debenture) Rules, 2014.

31. Employee Stock Option

The Company does not have any Employee Stock Option Scheme for its employees.

32. Report on Corporate Governance and Management Discussion and Analysis Report

SEBI has vide its Circular (Ref No. CIR/CFD/POLICY CELL/7/2014 dated 15th September 2014) amongst others, made the compliance with the provisions of amended Clause 49 of the Listing Agreement, non-mandatory for time being, to those companies having paid-up equity share capital not exceeding ₹ 10 Crore and Net Worth not exceeding ₹ 25 Crore as on the last day of the previous financial year. Considering that the Company's paid-up equity capital was ₹ 3.69 Crore and the Net Worth was negative as on 31st March 2014, compliance with the provisions of revised Clause 49 of the Listing Agreement was not mandatory to the Company.

Pursuant to the Regulation 15(2) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Compliance with the corporate governance provisions as specified in regulations 17 to 27 and 46 (2) and para C, D and E of Schedule V are not applicable to the Company since its paid up share capital does not exceed ₹ 10 Crore and the Net Worth does not exceed ₹ 25 Crore as on the last day of previous financial year i.e. 31st March 2015.

Accordingly, for the year under review, the reports stating compliance with the Code of Corporate Governance and the Management Discussion and Analysis have not been annexed to this Report.

33. Acknowledgments

The Directors wish to place on record their sincere appreciation for the unrelenting support received during the year from the Shareholders, Tata Projects Limited, customers – both in India and abroad, suppliers and vendors, Banks, the Board for Industrial and Financial Reconstruction (BIFR), the Appellate Authority for Industrial and Financial Reconstruction (AAIFR) and other Government and Regulatory authorities, Financing and lending institutions. The Board wishes to record its deep appreciation to all the employees and workers of the Company for their dedication and commitment.

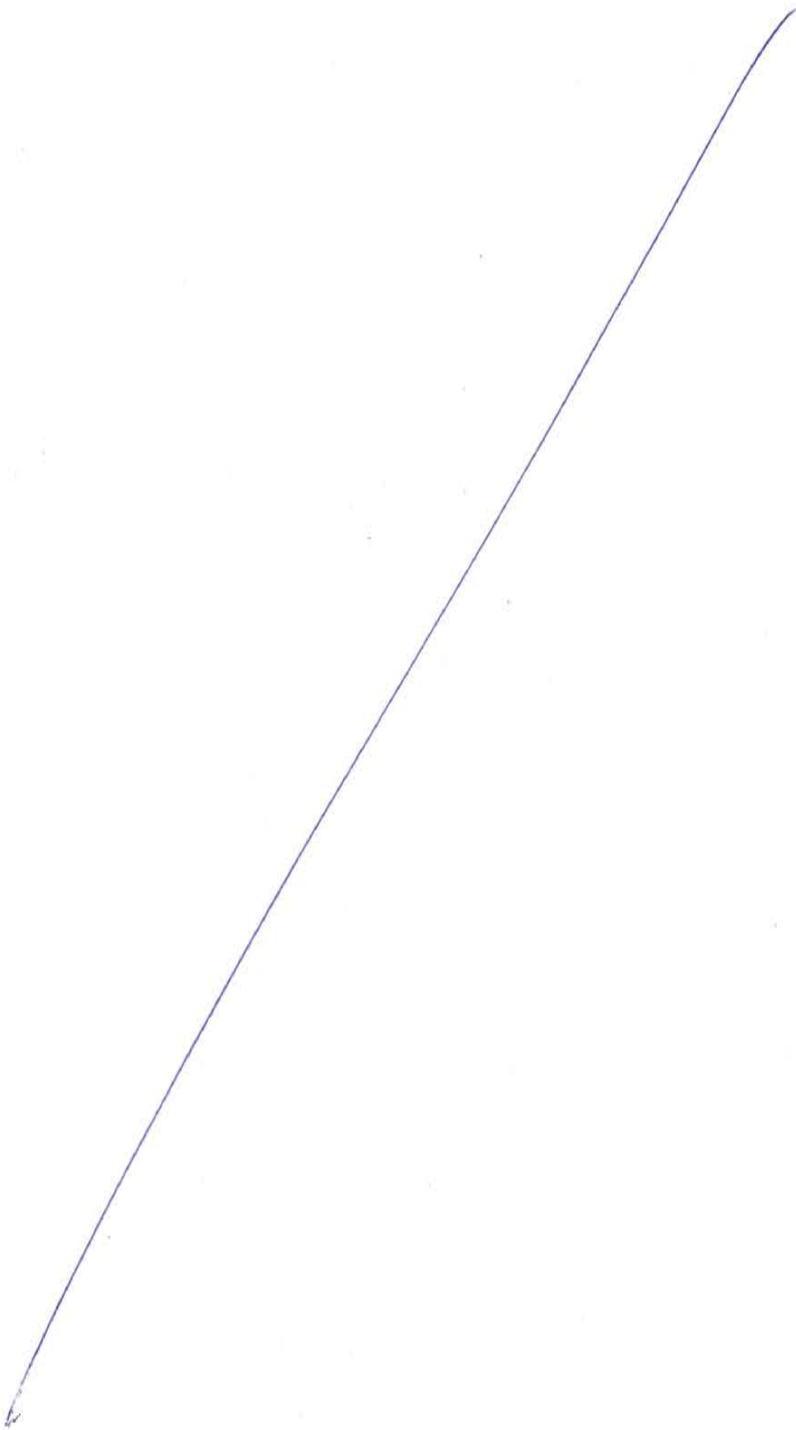
For and on behalf of the Board of Directors

Vinayak Deshpande
Chairman

Place: Mumbai
Date: 22 April 2016

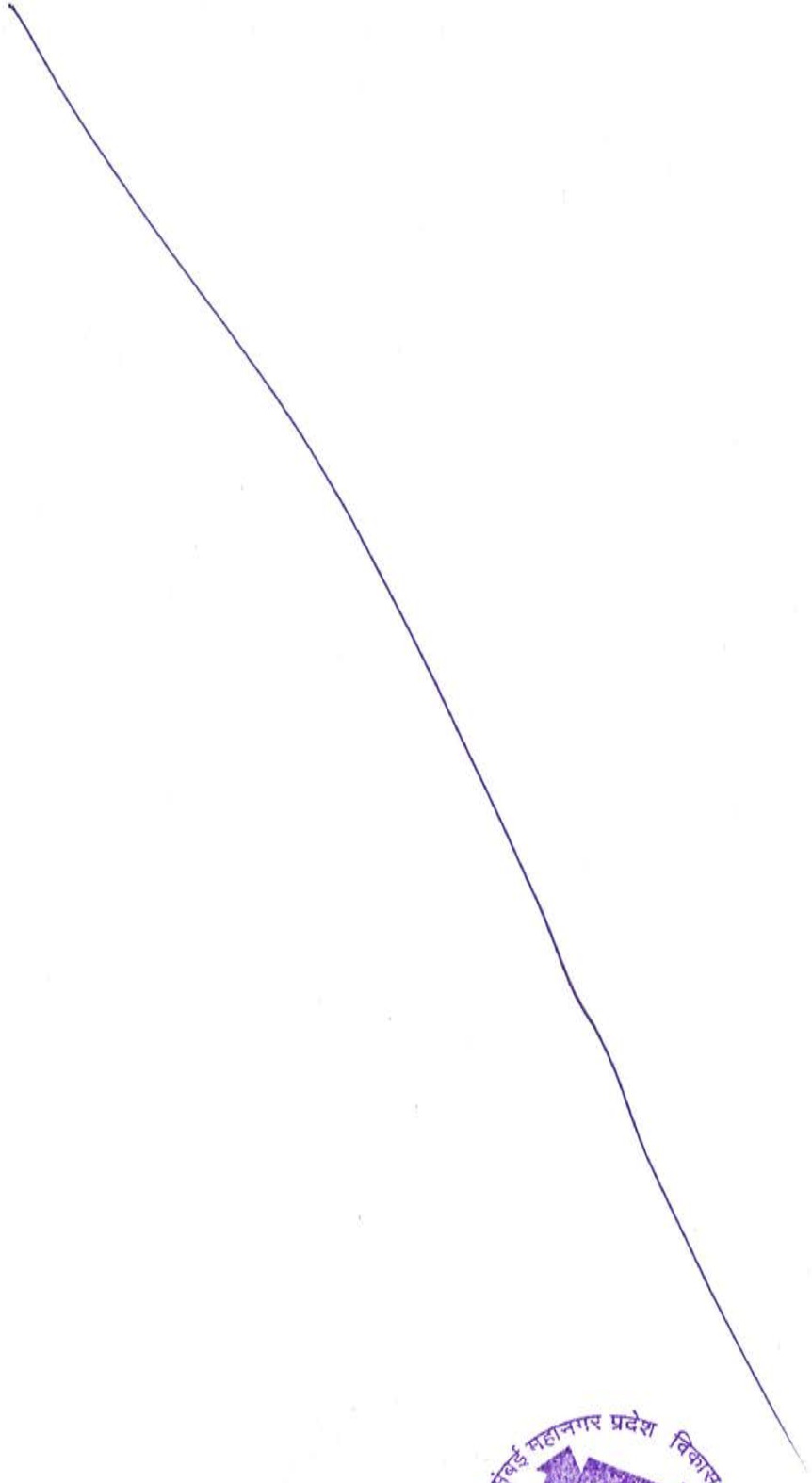


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ANNEXURE TO THE DIRECTORS' REPORT

Conservation of Energy, Technology Absorption and Foreign Exchange Earnings and Outgoings

Information as per Section 134(3)(m) read with Companies (Accounts) Rules, 2014 and forming part of the Directors' Report for the Financial Year ended 31st March 2016:

A. Conservation of Energy

The Company is conscious of the need for energy conservation and striving to explore the possibilities of reducing energy consumption in all the areas of operations including the office premises as well as its manufacturing facilities at Nashik and Nagpur. Environment and energy conservation days were observed to create awareness among employees and business associates on conservation of energy.

B. Technology Absorption

Not applicable

C. Foreign Exchange Earnings and Outgoings

(₹ Crore)

Particulars	Financial Year ended 31st March 2016	Financial Year ended 31st March 2015
Earnings	35.42	2.10
Outgo	32.73	4.07

For and on behalf of the Board of Directors

Vinayak Deshpande
Chairman

Place : Mumbai,
Date : 22 April 2016



TATA PROJECTS37th Annual Report 2015-2016**Annexure to Directors' Report – Refer Point no. 5
Form MGT- 09**

Extract of Annual Return as on the Financial Year ended on 31st March 2016
[Pursuant to Section 92(3) of the Companies Act, 2013 and Rule 12 (1) of the Companies
(Management and Administration) Rules, 2014]

I. REGISTRATION AND OTHER DETAILS

Corporate Identity Number	L27290MH1978PLC020644
Registration date	18 th September 1978
Name of the Company	Artson Engineering Limited
Category/ Sub-Category of the Company	Company limited by shares, Indian Non-Government company
Address of Registered Office and contact details	11 th Floor, Hiranandani Knowledge Park, Technology Street, Powai, Mumbai- 400 076 Tel No. 91 22 66255600 Fax No. 91 22 66255614 Email id: artson@artson.net
Whether listed company (yes/ no)	Yes
Name, Address and contact details of Registrar and Transfer Agent [Note: The details are as at 31 March 2016.]	Share pro Services (India) Private Limited (Registered Office) Unit: Artson Engineering Limited 13AB, Samhita Warehousing Complex, 2 nd Floor, Sakinaka Telephone Exchange Lane, Off Andheri Kurla Road, Sakinaka, Andheri (East), Mumbai - 400 072 Contact details: 022 67720300 Email id: sharepro@shareproservices.com

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

All the business activities contributing to 10% or more of the total turnover of the Company shall be stated:

Sr. No.	Name and description of main products/ services	NIC Code of product/ service-2008	% to total turnover of the Company
1.	Manufacture of Structural Metal Products	251 & 252	62.02%
2.	Industrial Infra	332 & 422	35.84%

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES

Sr. No.	Name and Address	CIN/GLN	Holding/ Subsidiary/ Associate	% Of Shares	Applicable Section
1	Tata Projects Limited Mithona Towers-1, 1-7-80 to 87, Prenderghast Road, Secunderabad., Hyderabad, Andhra Pradesh	U45203AP1979PLC057431	Holding	75%	2 (46)

Note: The Company does not have any Subsidiary company and associate company.



IV. SHAREHOLDING PATTERN (Equity Share Capital Break-up as percentage of Total Equity)
i. Category-wise share holding

Category of Shareholders	No. of shares held at the beginning of the year			No. of shares held at the end of the year			% Change during the year
	Demat	Physical	Total	Demat	Physical	Total	
A. Promoters							
1. Indian							
a. Individual	0	0	0	0	0	0	0.00%
b. Central Government	0	0	0	0	0	0	0.00%
c. State Government	0	0	0	0	0	0	0.00%
d. Bodies Corporate	0	0	0	0	0	0	0.00%
e. Bodies Corporate	2,76,90,000	-	2,76,90,000	2,76,90,000	-	2,76,90,000	75 %
f. Banks/ Financial Institutions	0	0	0	0	0	0	0.00%
g. Any Other	0	0	0	0	0	0	0.00%
Sub-total (A)(1)	2,76,90,000	-	2,76,90,000	2,76,90,000	-	2,76,90,000	75 %
(2) Foreign							
a. NRIs- Individuals	0	0	0	0	0	0	0.00%
b. Other- Individuals	0	0	0	0	0	0	0.00%
c. Bodies Corporate	0	0	0	0	0	0	0.00%
d. Banks/ Financial Institutions	0	0	0	0	0	0	0.00%
e. Any Other	0	0	0	0	0	0	0.00%
Sub-total (A)(2)	0	0	0	0	0	0	0.00%
Total Shareholding of Promoter (A) = (A)(1) + (A) (2)	27690000	0	27690000	27690000	0	27690000	75 %
							75 %



IV. SHAREHOLDING PATTERN (Equity Share Capital Break-up as percentage of Total Equity)

i. Category-wise share holding

Category of Shareholders	No. of shares held at the beginning of the year				No. of shares held at the end of the year				% Change during the year
	Demat		% of total shares		Demat		% of total shares		
	Physical	Total	Physical	Total	Physical	Total	Physical	Total	
B. Public Shareholding									
1. Institutions									
a. Mutual Funds/ UTI	0	2,875	2,875	0.01%	0	2,875	2,875	0.01%	0
b. Banks/ Financial Institutions	0	1,400	1,400	0.00%	0	1,400	1,400	0.00%	0
c. Central Government	0	0	0	0.00%	0	0	0	0.00%	0
d. State Government	0	0	0	0.00%	0	0	0	0.00%	0
e. Venture Capital Funds	0	0	0	0.00%	0	0	0	0.00%	0
f. Insurance Companies	0	0	0	0.00%	0	0	0	0.00%	0
g. FIs	0	770	0	0.00%	0	770	0	0.00%	0
h. Other (specify)	0	0	0	0.00%	0	0	0	0.00%	0
Sub-total (B)(1)	0	5045	5045	0.01%	0	5045	5045	0.01%	0
2. Non-Institutions									
a. Bodies Corporate									
i. Indian	1029998	12645	1042643	2.82%	734252	412145	1146397	2.82%	(0.35%)
ii. Overseas	0	0	0	0.00%	0	0	0	0.00%	0



IV. SHAREHOLDING PATTERN (Equity Share Capital Break-up as percentage of Total Equity)
i. Category-wise share holding

Category of Shareholders	No. of shares held at the beginning of the year			No. of shares held at the end of the year			% Change during the year	
	Demat	Physical	Total	% of total shares	Demat	Physical		Total
b. Individuals								
i. Individual shareholders holding nominal share capital upto ₹ 1 lac	5100485	1578247	6678732	18.09%	5229535	1539906	6769441	18.34%
ii. Individual shareholders holding nominal share capital in excess of ₹ 1 lac	1199500	0	1199500	3.25%	1057546	0	1057546	2.86%
c. Others specify								
Non Resident Individual	267345	36735	304080	0.82%	214836	36735	251571	0.68%
Sub- total (B)(2)	7597328	1627627	9224955	24.99%	7236169	1988786	9224955	24.99%
Total Public Shareholding (b)=(B)(1) + (B)(2)	7597328	1632672	9230000	24.99%	7236169	1993831	9230000	24.99%
C. Shares held by Custodian for GDRs & ADRs	0	0	0	0.00%	0	0	0	0.00%
GRAND TOTAL = (A) + (B) + (C)	35287328	1632672	36920000	100%	34926169	1993831	36920000	100%



IV. SHAREHOLDING PATTERN (Equity Share Capital Break-up as percentage of Total Equity)

ii. Shareholding of Promoters

S.No.	Shareholder's Name	Shareholding at the beginning of the Year			Shareholding at the end of the Year			Change in shareholding during the year
		No. of shares	% of Total shares of the Company	% of shares pledged / encumbered to total shares	No. of shares	% of Total shares of the Company	% of shares pledged / encumbered to total shares	
1	Tata Projects Limited	27690000	75%	0.00%	27690000	75%	0.00%	0.00%

IV. SHAREHOLDING PATTERN (Equity Share Capital Break-up as percentage of Total Equity)

iii. Change in Promoter's shareholding (please specify, if there is no change)

S.No.	Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ Sweat equity etc)	Shareholding at the beginning of the year		Shareholding at the end of the year	
		No. of shares	% of Total shares of the Company	No. of shares	% of Total shares of the Company
1		27690000	75%	27690000	75%
		0	0	0	0
	At the beginning of the year	27690000	75%	27690000	75%
	At the End of the year	27690000	75%	27690000	75%



IV. SHAREHOLDING PATTERN (Equity Share Capital Break-up as percentage of Total Equity)
iv. Shareholding Pattern of top ten Shareholders (other than Directors, Promoters and Holders of GDRs and ADRs):

S. No.	For each of the Top 10 shareholders	Shareholding at the beginning of the year		Date wise Increase / Decrease in Shareholding during the Year specifying reasons for increase/decrease			Cumulative Shareholding during the year		At the end of the year (or the date of separation, if separated during the Year)	
		No. of shares	% of Total shares of the Company	Date	No. of shares	Increase/ (Decrease)	No. of shares	% of Total shares of the Company	No. of shares	% of Total shares of the Company
1	Sarnam Trading And Mercantile Pvt Ltd	400000	1.08%	Nil	Nil	Nil	400000	1.08%	400000	1.08%
3	Meenaxi Mehta	367000	0.81%	10.07.2015	100427		467427	1.27%	550000	1.49%
				17.07.2015	25691		493118	1.34%		
				24.07.2015	13882		507000	1.37%		
				31.07.2015	18000	Increase	525000	1.42%		
				14.08.2015	12500		537500	1.46%		
				21.08.2015	2500		540000	1.46%		
				28.08.2015	10000		550000	1.49%		
3	Narayan Keshavdas Jagasia	282500	0.77%	27.11.2015	5650		280500	0.76%	269000	0.73%
				4.12.2015	5610	(Decrease)	277500	0.75%		
				25.12.2015	5550		272500	0.74%		
				22.01.2016	5450		270000	0.73%		
				29.01.2016	5400		269000	0.73%		
4	Renuka Pranav Shah	200000	0.54%	15.01.2016	100000	(Decrease)	100000	0.27%	100000	0.27%
5	Pranav M Shah	200000	0.54%	15.01.2016	100000	(Decrease)	100000	0.27%	100000	0.27%
6	Smita N Navare	150000	0.41%	Nil	Nil	Nil	150000	0.41%	150000	0.41%
7	Romiyo Thekkinedath Mercily	99759	0.27%	5.06.2015	100	Increase	99859	0.27%	101512	0.27%
8	Shama Prakash Chopde*	98740	0.27%	17.04.2015	6500	(Decrease)	92240	0.25%	Nil	Nil
				26.06.2015	92240		Nil	Nil		



IV. SHAREHOLDING PATTERN (Equity Share Capital Break-up as percentage of Total Equity)

iv. Shareholding Pattern of top ten Shareholders (other than Directors, Promoters and Holders of GDRs and ADRs):

S.No.	For each of the Top 10 shareholders	Shareholding at the beginning of the year		Date wise Increase / Decrease in Shareholding during the Year specifying reasons for increase/ decrease			Cumulative Shareholding during the year		At the end of the year (or the date of separation, if separated during the year)	
		No. of shares	% of Total shares of the Company	Date	No. of shares	Increase/ (Decrease)	No. of shares	% of Total shares of the Company	No. of shares	% of Total shares of the Company
9	Heera Lal Bhasin*	95427	0.26%	31.07.2015	10000	(Decrease)	85427	0.25%	96892	0.26%
				14.08.2015	10000	Increase	95427	0.26%		
				28.08.2015	536	Increase	95963	0.26%		
				11.12.2015	1527	(Decrease)	94436	0.26%		
				18.12.2015	1000	(Decrease)	93436	0.25%		
10	Shama P Chopde*	95200	0.26%	24.07.2015	28500	(Decrease)	66700	0.18%	66700	0.18%
				14.08.2015	112565		112565	0.30%		
11	Jagruti Rajiv Dutia	Nil	Nil	21.08.2015	17435		130000	0.35%	238546	0.65%
				28.08.2015	12435		142435	0.39%		
				18.09.2015	2476		144911	0.39%		
				26.09.2015	374	Increase	145285	0.39%		
				16.10.2015	850		146135	0.40%		
				23.10.2015	3111		149246	0.40%		
				30.10.2015	31177		180423	0.49%		
12	Pranav Securities Private Limited	Nil	Nil	6.11.2015	43326		223749	0.61%	200000	0.54%
				13.11.2015	14797		238546	0.65%		
13	Vishal Narendra Mehta	Nil	Nil	15.01.2016	200000	Increase	200000	0.54%	120000	0.33%
				30.06.2015	64684	Increase	100000	0.27%		
				26.09.2015	20000		120000	0.33%		

Notes:

* The Shareholders who were in the list of Top 10 shareholders of the Company at the beginning of the year, they are no longer top 10 shareholders at the end of the year.



V. INDEBTEDNESS

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

(Rs. in Lac)

Particulars	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
i. Principal Amount	1930.39	4200.00	0	6130.39
ii. Interest due but not paid	472.64	0.75	0	473.39
iii. Interest accrued but not due	0	0	0	0
Total (i+ii+iii)	2403.03	4200.75	0	6603.78
Change in Indebtedness during the financial year				
Addition	0	185.98	0	185.98
Reduction	0	(0.75)	0	((0.75))
Net Change	0	185.23	0	185.23
Indebtedness at the end of the financial year				
i. Principal Amount	1930.39	4385.98	0	6316.37
ii. Interest due but not paid	472.64	0	0	472.64
iii. Interest accrued but not due	0	0	0	0
Total (i+ii+iii)	2403.03	4385.98	0	6789.01

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

A. Remuneration to Managing Director, Whole-time Directors and/or Manager: NA *

Sr. No.	Particulars of Remuneration	Name of MD/WTD/ Manager	Total Amount
1.	Gross Salary Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	Refer Note given below.	
	a. Value of perquisites u/s 17(2) Income-tax Act, 1961		
	b. Profits in lieu of salary under section 17(3) Income tax Act, 1961		
2	Stock Option		
3	Sweat Equity		
4	Commission - as a % of profit - others, specify		
5	Other, please specify		
	Total (A)		
	Ceiling as per Act		

* The Company has filed a Miscellaneous Application (No. 536/ 2013 dated 14th October 2013) [MA] with the Board for Industrial and Financial Reconstruction (BIFR), seeking amongst others, the exemption from the mandatory requirement pursuant to Section 269 of the Companies Act, 1956 or any such provision under the Companies Act, 2013 regarding the appointment of Managing Director/ Whole Time Director / Manager until the period of rehabilitation of the Scheme. The said MA is pending consideration by the BIFR. In view thereof, the Company has not appointed Managing Director/Whole Time Director/Manager.



TATA PROJECTS

37th Annual Report 2015-2016

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

B. Remuneration to other directors:

S.No.	Particulars of Remuneration	Name of Directors					Total Amount (Rs.)
1	Independent Directors						
		Mr. Nalin Shah	Mr. Michael Bastian	Ms. Leja Hattiangadi	Total		
	Fee for attending Board committee meetings and Independent Directors meeting	170000	200000	150000	520000		
	Commission	0	0	0	0		
	Total (B)(1)	170000	200000	150000	520000		
2	Other Non-Executive Directors						
		Mr. Vinayak Deshpande	Mr. Pralhad Pawar	Mr. A K Misra	Mr. Shashikant Oak	Mr. Mukesh Mohan Gupta	Total
	Fee for attending Board committee meetings	0	0	30000	90000	30000	150000
	Commission	0	0	0	0	0	0
	Total (B) (2)	0	0	30000	90000	30000	150000
Total (B)= (1)+(2)						670000	
Overall Ceiling as per the Act	Section 197 of the Companies Act, 2013 read with Rule 4 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 prescribed sitting fees of ₹ 1 lac to be paid to each Director per meeting. The above sitting fees paid to Directors are within the prescribed limit						

Notes:

- In terms of the Resolution passed by the Board of Directors, Mr. Vinayak Deshpande and Mr. Pralhad Pawar, nominees and employees of Tata Projects Limited, are not paid any Sitting Fees.
- Pursuant to the Orders passed by the BIFR, Mr. Shashikant Oak ceased to be the Special Director and Mr. Mukesh Mohan Gupta was appointed as the Special Director.



VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL
C. Remuneration to key managerial personnel other than MD/MANAGER/WTD

(Amount in ₹)

S.No.	Particulars of Remuneration	Key Managerial Personnel				Total (₹)
		MD/ WTD/ Manager/ CEO*	Company Secretary		CFO	
			Ms. Anuja Bhate	Ms. Rajeshree Gaikwad (w.e.f.21 October 2015)	Mr. Rajesh Mandale	
1.	Gross Salary					
	a. Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	Nil	269,211	216,094	24,78,907	29,64,212
	b. Value of perquisites u/s 17(2) Income-tax Act, 1961	0	0	0	0	0
	c. Profits in lieu of salary under section 17(3) Income tax Act, 1961		0	0	0	0
2	Stock Option	0	0	0	0	0
3	Sweat Equity	0	0	0	0	0
4	Commission - as a % of profit - others, specify	0	0	0	0	0
5	Other, please specify	0	0	0	0	0
	Total (A)	0	269,211	216,094	24,78,907	29,64,212

* The Company has filed a Miscellaneous Application (No.536/ 2013 dated 14th October 2013) ['MA'] with the Board for Industrial and Financial Reconstruction (BIFR), seeking amongst others, the exemption from the mandatory requirement pursuant to Section 269 of the Companies Act, 1956 or any such provision under the Companies Act, 2013 regarding the appointment of Managing Director/ Whole Time Director / Manager until the period of rehabilitation of the Scheme. The said MA is pending consideration by the BIFR. In view thereof, the Company has not appointed Managing Director/Whole Time Director / Manager.

* Ms. Anuja Bhate resigned as the Company Secretary during the Financial Year. Ms. Rajeshree Gaikwad was appointed as the Company Secretary with effect from 21 October 2015. The details of remuneration given above are for the respective period of the office held as the Company Secretary.



TATA PROJECTS37th Annual Report 2015-2016**VII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES:**

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

For Artson Engineering Limited

Vinayak Deshpande
Chairman

Place: Mumbai
Date : 22nd April 2016



ANNEXURE TO DIRECTORS' REPORT – REFER POINT NO. 11

Remuneration Policy

Remuneration policy for Directors, Key Managerial Personnel and other employees

The philosophy for remuneration of directors, Key Managerial Personnel ("KMP") and all other employees of Artson Engineering Limited ("company") is based on the commitment of fostering a culture of leadership with trust. The remuneration policy is aligned to this philosophy.

This remuneration policy has been prepared pursuant to the provisions of Section 178(3) of the Companies Act, 2013 ("Act") and Clause 49(IV)(B)(1) of the Equity Listing Agreement ("Listing Agreement"). In case of any inconsistency between the provisions of law and this remuneration policy, the provisions of the law shall prevail and the company shall abide by the applicable law. While formulating this policy, the Nomination and Remuneration Committee ("NRC") has considered the factors laid down under Section 178(4) of the Act, which are as under:

- "the level and composition of remuneration is reasonable and sufficient to attract, retain and motivate directors of the quality required to run the company successfully;
- relationship of remuneration to performance is clear and meets appropriate performance benchmarks; and
- remuneration to directors, key managerial personnel and senior management involves a balance between fixed and incentive pay reflecting short and long-term performance objectives appropriate to the working of the company and its goals"

Key principles governing this remuneration policy are as follows:

Remuneration for independent directors and non-independent non-executive directors

- Independent directors ("ID") and non-independent non-executive directors ("NED") may be paid sitting fees (for attending the meetings of the Board and of committees of which they may be members) and commission within regulatory limits.
- Within the parameters prescribed by law, the payment of sitting fees and commission will be recommended by the NRC and approved by the Board.
- Overall remuneration (sitting fees and commission) should be reasonable and sufficient to attract, retain and motivate directors aligned to the requirements of the company (taking into consideration the challenges faced by the company and its future growth imperatives).
- Overall remuneration should be reflective of size of the company, complexity of the sector/ industry/ company's operations and the company's capacity to pay the remuneration.
- Overall remuneration practices should be consistent with recognized best practices.
- Quantum of sitting fees may be subject to review on a periodic basis, as required.
- The aggregate commission payable to all the NEDs and IDs will be recommended by the NRC to the Board based on company performance, profits, return to investors, shareholder value creation and any other significant qualitative parameters as may be decided by the Board.
- The NRC will recommend to the Board the quantum of commission for each director based upon the outcome of the evaluation process which is driven by various factors including attendance and time spent in the Board and committee meetings, individual contributions at the meetings and contributions made by directors other than in meetings.
- In addition to the sitting fees and commission, the company may pay to any director such fair and reasonable expenditure, as may have been incurred by the director while performing his/ her role as a director of the company. This could include reasonable expenditure incurred by the director for attending Board/ Board committee meetings, general meetings, court convened meetings, meetings with shareholders/ creditors/ management, site visits, induction and training (organized by the company for directors) and in obtaining professional advice from independent advisors in the furtherance of his/ her duties as a director.



TATA PROJECTS

37th Annual Report 2015-2016

Remuneration for managing director ("MD") / executive directors ("ED") / KMP / rest of the employees

The extent of overall remuneration should be sufficient to attract and retain talented and qualified individuals suitable for every role. Hence remuneration should be:

- Market competitive (market for every role is defined as companies from which the company attracts talent or companies to which the company loses talent)
- Driven by the role played by the individual,
- Reflective of size of the company, complexity of the sector/ industry/ company's operations and the company's capacity to pay,
- Consistent with recognized best practices and
- Aligned to any regulatory requirements.

In terms of remuneration mix or composition,

- The remuneration mix for the MD/ EDs is as per the contract approved by the shareholders.

In case of any change, the same would require the approval of the shareholders.

- Basic/ fixed salary is provided to all employees to ensure that there is a steady income in line with their skills and experience.
- In addition to the basic/ fixed salary, the company provides employees with certain perquisites, allowances and benefits to enable a certain level of lifestyle and to offer scope for savings and tax optimization, where possible. The company also provides all employees with a social security net (subject to limits) by covering medical expenses and hospitalization through re-imbursements or insurance cover and accidental death and dismemberment through personal accident insurance.
- The company provides retirement benefits as applicable.
- [In addition to the basic/ fixed salary, benefits, perquisites and allowances as provided above, the company provides MD/ EDs such remuneration by way of commission, calculated with reference to the net profits of the company in a particular financial year, as may be determined by the Board, subject to the overall ceilings stipulated in Section 197 of the Act. The specific amount payable to the MD/ EDs would be based on performance as evaluated by the Board or the NRC and approved by the Board.]
- [In addition to the basic/ fixed salary, benefits, perquisites and allowances as provided above, the company provides MD/ EDs such remuneration by way of an annual incentive remuneration/ performance linked bonus subject to the achievement of certain performance criteria and such other parameters as may be considered appropriate from time to time by the Board. An indicative list of factors that may be considered for determination of the extent of this component are:
 - Company performance on certain defined qualitative and quantitative parameters as may be decided by the Board from time to time,
 - Industry benchmarks of remuneration,
 - Performance of the individual.

The company provides the rest of the employees a performance linked bonus. The performance linked bonus would be driven by the outcome of the performance appraisal process and the performance of the company.

Remuneration payable to Director for services rendered in other capacity

The remuneration payable to the Directors shall be inclusive of any remuneration payable for services rendered by such director in any other capacity unless:

- a) The services rendered are of a professional nature; and
- b) The NRC is of the opinion that the director possesses requisite qualification for the practice of the profession.

Policy implementation

The NRC is responsible for recommending the remuneration policy to the Board. The Board is responsible for approving and overseeing implementation of the remuneration policy.



**Annexure to Directors Report - Refer Point No. 12
AOC -2**

**(Pursuant to clause (h) of sub-section (3) of section 134 of the Act and
Rule 8 (2) of the Companies (Accounts) Rules, 2014**

1. Details of contracts or arrangements or transactions not at arm's length basis

Sl. No.	Name(s) of the related party and nature of relationship	Nature of contracts/ arrangements/ transactions	Duration of the contracts/ arrangements/ transactions	Salient terms of the contracts or arrangements or transactions including the value, if any	Date(s) of approval by the Board	Amount paid as advances, if any
			NIL			

2. Details of contracts or arrangements or transactions at arm's length basis

1	Tata Projects Limited	Steel Structure fabricated from rolled & built-up sections and plates	From 23rd April 2015 to 22nd February 2016	INR 1,512,50,000	N.A.	INR 1,51,25,000
2	Tata Projects Limited	Steel Structure fabricated from rolled & built-up sections and plates	From 17th June 2015 to 16th February 2016	INR 39,90,00,000	N.A.	INR 3,99,00,000
3	Tata Projects Limited	Fabrication and Supply of steel Building Structures, from rolled and built up sections and plates	From 26th November 2015 to 25th May 2016	INR 14,87,50,000	N.A.	INR 1,48,75,000
4	Tata Projects Limited	Fabrication and Supply of building structure made of rolled & built up sections	From 28th October 2015 to 27th April 2016	INR 13,26,99,420	N.A.	INR 1,32,69,942
5	Tata Projects Limited	Supply of Fabricated Structures from rolled & built up section	From 1st April 2015 to 31st December 2015	INR 15,35,55,388	N.A.	INR 1,53,55,540
6	Tata Projects Limited	Fabrication and supply of technological Structures IS2062	From 28th November 2015 to 27th of May 2016	INR 10,77,00,000	N.A.	INR 1,07,70,000
7	Tata Projects Limited	Fabrication and supply of technological Structures IS2062	From 19th January 2016	INR 4,72,55,280	N.A.	NIL
8	Tata Projects Limited	Hydro, washing, Surface preparation by Blasting, supply & application of paint on the Internal Surface of 27 Nos of Tank (AED 33,49,825.00)	From 21st January 2016 to 30th September 2016	INR 6,19,04,766	NA	AED 334982



**Annexure to Directors Report - Refer Point No. 12
AOC-2**

**(Pursuant to clause (h) of sub-section (3) of section 134 of the Act and
Rule 8 (2) of the Companies (Accounts) Rules, 2014**

2. Details of contracts or arrangements or transactions at arm's length basis (Contd.....)

S. No.	Name(s) of the related party and nature of relationship	Nature of contracts/ arrangements/ transactions	Duration of the contracts / arrangements/ transactions	Salient terms of the contracts or arrangements or transactions including the value, if any	Date(s) of approval by the Board	Amount paid as advances, if any
9	Tata Projects Limited	Erection of Storage Tank as per the Project technical specification (AEL 913,615,00)	From 24th September 2015 to 15th December 2015	INR 1,64,08,525	NA	AED 91362
10	Tata Projects Limited	Fabrication & supply of material for UG Tank		INR 70,12,800	NA	NIL
11	Tata Projects Limited	Supply & Fabrication of RO Skid frames	From 4th May 2015 to 31st March 2016	INR 2,31,500	NA	NIL
12	Tata Projects Limited	Supply & application of 2 pack coal tar Epoxy paint for Tank Bottom Plates (AED129996)		INR 23,12,628	NA	NIL
13	Tata Projects Limited	Supply and Application, Paint, Epoxy & Phenolic 300 DFT (AED 22914)	From 24th August to 8th September 2015	INR 411,994	NA	NIL
14	Tata Projects Limited	Rectification work, Structural Pipe Rack (AED 24999)	From 21st August to 5th September 2015	INR 443,732	NA	NIL
15	Tata Projects Limited	Shares Services/Reimbursement of Expenses	From 1st April 2015 to 31st March 2016	INR 83,68,734	NA	NIL
16	Tata Projects Limited	Shares Services Income	From 1st April 2015 to 31st March 2016	INR 66,81,259	NA	NIL
17	Tata Projects Limited	Bank Guarantee Commission	From 21st March 2016 to 31st March 2016	INR 37,672	NA	NIL
18	Tata Projects Limited	Rent, Maintenance & Allied Service charges for use of 2737.25 Sq m at the Company's Registered Office at 11th Floor, Hiranadani Knowledge Park, Powai	From 1st April 2015	INR 48,00,000	NA	NIL

Note: Amount of advances has been paid by Tata Projects Limited as per the contractual terms

VINAYAK DESHPANDE

Chairman

Mumbai, 22nd April 2016



Annexure to Directors' Report - Refer point no. 22

Information as per Rule 5 (1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014

1. Ratio of Remuneration of each Director to the median remuneration of employees for the financial year ended 31st March 2015

	Designation	Ratio	Remuneration (*)	Median Remuneration
Mr. Vinayak Deshpande	Chairman	0	0.00	2.57
Mr. Nalin M Shah	Director	29%	0.75	2.57
Mr. Michael Bastian	Director	27%	0.70	2.57
Mr. A.K.Misra	Director	16%	0.40	2.57
Mr. Shashikant Oak	Director	27%	0.70	2.57
Mr. Pralhad Pawar	Director	0%	0.00	2.57
Ms. Leja Hattiangadi	Director	4%	0.10	2.57

(*) AEL paid only sitting fees to the non -executive directors except those nominated by Tata Projects Limited & are presently in the employment with Tata Projects Limited.

2. % Increase of remuneration of each Director, CFO, CEO, CS in the Financial Year

Directors	% increase
Mr. Vinayak Deshpande	0%
Mr. Nalin M Shah	67%
Mr. Michael Bastian	75%
Mr. A.K.Misra	60%
Mr. Shashikant Oak	8%
Mr. Pralhad Pawar	0%
Ms. Leja Hattiangadi	N.A.
CFO & Company Secretary	
Mr. Pratik Agrawal /Mr.Rajesh Mandale (*), CFO	N.A.
Ms. Anuja Bhate, Company Secretary	25%

(*) CFO for the year 2013-14 was deputed by the Holding company - Tata Projects Limited. % increase in remuneration of Directors is only due to increase in number of meetings held during the Year pursuant to the provisions of the Companies Act, 2013. There was no revision in the amount of sitting fees during the Year.

3. % Increase in median remuneration of employees in the Financial Year - 17%

4. Number of permanent Employees on the roll of the company - 86

5. The explanation on the relationship between average increase in remuneration against the performance of the Company

	2014-15	2013-14
Total Income (Rs.Lakh)	6509.2	7961.31
EBIDTA (Rs.Lakh)	341.61	(196.82)
EBIDTA as % of total Income	5%	-2%
PAT (Rs.Lakh)	(199.50)	(833.34)
PAT as % of total Income	-3%	-10%

Average increase in the remuneration of employees is in line with market scenario and as a measure to motivate employees for better future performance.



TATA PROJECTS

37th Annual Report 2015-2016

6. Comparison of the remuneration of the Key Managerial Personnel against the performance of the Company

Average increase in the remuneration of Key Managerial Personnel is in line with market scenario and as a measure to motivate them for better future performance

	Ratio	2014-15	2013-14
7. Variations in the market capitalisation of the Company	12%	10337.60	9211.54
8. Price earnings ratio	76%	(0.54)	(2.26)

9. Percentage increase over decrease in the market quotations of the shares of the company in comparison to the rate at which the company came out with the last public offer - 12%

(Note: Pursuant to the provisions contained in the rehabilitation scheme sanctioned by the BIFR at its hearing held on 27th November 2007 ('Sanctioned Scheme'), the face value of the Company's equity shares has been reduced from ₹10/- per share to Re. 1/- per share fully paid-up)

10. Average percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration.

average percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year - 38%

percentile increase in the managerial remuneration - 17%

Average increase in the remuneration of employee is in line with market scenario and as a measure to motivate employees for better future performance

11. Comparison of each remuneration of Key Managerial Personnel against the performance of the Company

	2014-15	2013-14
Total Income (₹ lac)	6509.2	7961.31
EBIDTA (₹ lac)	341.61	(196.82)
EBIDTA as % of total Income	5%	-2%
PAT (₹ lac)	(199.50)	(833.34)
PAT as % of total Income	-3%	-10%
Increase in remuneration of Ms. Anuja Bhate, Company Secretary is 25%		

12. The key parameter for any variable components of the remuneration of the Director- Nil

13. The ratio of the remuneration of the highest paid director to that of the employees who are not directors but receive remuneration in excess of the highest paid director during the year

Highest Remuneration paid to Director (₹ in lac) 0.75

Highest Remuneration paid to employees other than Director (₹ in lac) 32.32

14. It is affirmed that the remuneration paid to Directors, Key Managerial Personnel and employees during the year is as per the Remuneration Policy of the Company

For ARTSON ENGINEERING LIMITED

VINAYAK DESHPANDE
Chairman

22nd April 2016, Mumbai



**Annexure to the Directors' Report - refer Point no. 22
Statement pursuant to Section 197 of the Companies Act, 2013 and Rule 5 (2) of the Companies (Appointment and Remuneration of
Managerial Personnel) Rules, 2014**

Employed throughout the year and were in receipt of remuneration not less than Rs. 60,00,000 per annum												
Sr. No.	Name of the Employee	Age (Years)	Designation	Remuneration		Nature of employment whether contractual or otherwise	Qualification	Total Experience (Years)	Date of commencement of Employment in the Company	Previous Employment [Employer and Designation]	% of equity shares held	whether employee related to any director
				Gross (Rs.)	Net (Rs.)							
	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
Employed for the part of the year and were in receipt of remuneration not less than Rs. 5,00,000 per month												
1	Mr. Gurnam Singh	51	COO	690000	385865	Permanent	BE- Mechanical Engineering	28	01.07.2013	ISGEC Heavy Engineering	0	No
2	Mr. T. Senthil nathan	40	Senior General Manager-Business Development & Projects	1739347	1588481	Permanent	BSc - Mechanical, Diploma in Production Mgmt, DME, PMP	22	02.06.1997	Balmer Lawrie Freight Containers Ltd	0	No
	Mr. Mukeshwar Tripathy	60	Senior Manager-Projects	597545	597545	Permanent	Bsc	35	14.11.1994	Vijay Tanks & Vessels	0	No
Employed throughout the Financial Year or for the part of the year and were in receipt of remuneration in excess of that drawn by Managing Director or Whole time Director or Manager and holds either himself or along with spouse and dependant children, not less than 2 % of equity shares												
		Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil

Note :

1. Net Remuneration is after Tax Deduction at Source and other statutory deductions. It also includes an amount paid towards Gratuity, Leave Encashment and Leave Travel Allowance



FORM NO. MR - 3

SECRETARIAL AUDIT REPORT
FOR THE FINANCIAL YEAR ENDED MARCH 31, 2016

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

To,

**The Members,
Artson Engineering Limited**

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **Artson Engineering Limited** (hereinafter called the company). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

Based on our verification of the **Artson Engineering Limited's** books, papers, minute books, forms and returns filed and other records maintained by the company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, we hereby report that in our opinion, the company has, during the audit period covering the financial year ended on March 31, 2016 complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by **Artson Engineering Limited** ("the Company") for the financial year ended on March 31, 2016 according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the rules made thereunder;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-
 - (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
 - (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992 and The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
 - (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;
 - (d) The Securities and Exchange Board Of India (Share Based Employee Benefits) Regulations, 2014; **(Not applicable to the Company during the Audit Period)**
 - (e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008; **(Not applicable to the Company during the Audit Period)**
 - (f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
 - (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; **(Not applicable to the Company during the Audit Period)** and
 - (h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998; **(Not applicable to the Company during the Audit Period)**

We have also examined compliance with the applicable clauses of the following:

- (i) Secretarial Standards issued by The Institute of Company Secretaries of India i.e. Secretarial Standards – 1 for Board Meetings and Secretarial Standards – 2 for General Meetings.



(ii) The Listing Agreements entered into by the Company with Bombay Stock Exchange Limited; **(except for revised Clause 49 of the Listing Agreement*)**

(iii) SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. **[except those as prescribed under Regulation 15 (2) read with Regulation 15 (3)]***

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

***As per SEBI circular bearing reference CIR/CFD/POLICY CELL/7/2014 dated September 15, 2014, the provisions of clause 49 of the Listing Agreement are not mandatorily required to be complied by a Company whose paid up share capital does not exceed ₹10 crores and net worth does not exceed ₹ 25 crores as on March 31, 2015. Similarly, as per Regulation 15 (2) to SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the provisions of regulations 17, 18, 19, 20, 21, 22, 23, 24, 25, 26, 27 and clauses (b) to (i) of sub-regulation (2) of regulation 46 and para C, D and E of Schedule V shall not apply in respect of a listed entity whose paid up equity share capital does not exceed ₹10 crores and net worth does not exceed ₹25 crores as on March 31, 2015 to the extent that they are addition to the requirements specified under the Companies Act, 2013.**

We further report that:

The Board of Directors of the Company is duly constituted with proper balance of Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

As per the provisions of section 203 (1) of the Companies Act, 2013, the Company is required to appoint the following Key Managerial Personnel:

- Managing Director or Chief Executive Officer or manager and in their absence, a Whole-Time Director.
- Company Secretary
- Chief Financial Officer

The Company has appointed Company Secretary and Chief Financial Officer. *The Company has not appointed any personnel from category a above.* In this regard the management of the Company has provided the following reply:

"The Company has filed a Miscellaneous Application (No. 536/ 2013 dated 14th October 2013) ['MA'] with the Board for Industrial and Financial Reconstruction (BIFR), seeking amongst others, the exemption from the mandatory requirement pursuant to Section 269 of the Companies Act, 1956 or any such provision under the Companies Act, 2013 regarding the appointment of Managing Director/ Whole Time Director / Manager until the period of rehabilitation of the Scheme. The said MA is pending consideration by the BIFR. In view thereof, the Company has not appointed Managing Director/Whole Time Director / Manager."

Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

Majority decision is carried through while the dissenting members' views are captured and recorded as part of the minutes.

We further report that there are adequate systems and processes in the company commensurate with the size and operations of the company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines. (As mentioned above and listed in Annexure 1)

Signature:

**For P. P. Shah & Co.,
Practicing Company Secretaries
Pradip Shah
FCS No. 1483
CP No.: 436**

Place: Mumbai
Date: April 22, 2016



INDEPENDENT AUDITORS' REPORT**To the Members of****Artson Engineering Limited****1. Report on the Financial Statements**

We have audited the accompanying financial statements of Artson Engineering Limited ("the Company"), which comprise the Balance Sheet as at March 31, 2016, the Statement of Profit and Loss and Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

2. Management's Responsibility for the Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to 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 principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

3. Auditors' Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit.

We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made there-under.

We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. 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 financial control relevant to the Company's preparation of the financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, 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 on the financial statements.

4. 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, of the state of affairs of the Company as at 31st March 2016, and its profit and its cash flows for the year ended on that date.

5. Emphasis of matter

Without qualifying our Report we draw attention to Note 35 to the Financial Statements on going concern which has been relied upon by us.

Our opinion is not qualified in respect of this matter.



6. Report on Other Legal and Regulatory Requirements

- 6.1 As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government of India in terms of sub-section 11 of section 143 of the Companies Act, 2013, we give in the Annexure A, a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
- 6.2 As required by section 143(3) of the Act, we report that:
- We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;
 - 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;
 - The Balance Sheet, Statement of Profit and Loss, and the Cash Flow Statement dealt with by this Report are in agreement with the books of account;
 - In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014;
 - On the basis of written representations received from the directors as on 31st March 2016 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March 2016 from being appointed as a director in terms of Section 164 (2) of the Act;
 - With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate report in "Annexure B";
 - With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
 - The Company has disclosed the impact of pending litigations on its financial position in Note 29 to its financial statements.
 - The Company has made provision, as required under the applicable law or accounting standards for material foreseeable losses on long term contracts, if any, and the company does not have any derivative contracts;
 - The Company is not required to transfer funds to the Investors Education and Protection Fund.

For **Chokshi & Chokshi LLP**
Chartered Accountants
(Firm Registration No. 101872W/W100045)

Puja P. Mehta
Partner
Membership No. 133578

Place of Signature: Mumbai
Date : 22nd April, 2016



TATA PROJECTS

37th Annual Report 2015-2016

ANNEXURE TO INDEPENDENT AUDITORS' REPORT

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

- I. In respect of its fixed assets:
 - (a) According to the information and explanations given to us, the Company is maintaining records showing full particulars, including quantitative details and situations of all the fixed assets.
 - (b) According to the information and explanations given to us, the fixed assets are being physically verified by the Management at all its location in a phased manner at reasonable intervals which in our opinion is reasonable having regard to the size of the Company and nature of assets. The discrepancies notice have been properly dealt with in the books of account.
 - (c) According to the information and explanations given to us, the title deeds of immovable properties are held in the name of the Company.
2. According to the information and explanation given to us, the inventory has physically verified by the management during the year at reasonable intervals, which is reasonable and adequate in relation to the size of the Company and the nature of its business. The discrepancies noticed have been properly dealt with the books of accounts.
3. According to the information and explanations given to us, the Company has not granted any loans, secured or unsecured, to companies, Limited Liability Partnerships firms or other parties covered in the register maintained under Section 189 of the Companies Act, 2013. Accordingly, clause 3(iii)(a) to 3(iii)(c) are not applicable to the Company.
4. According to the information and explanations given to us, the Company has not given/made any loans, investments, guarantees, and security accordingly provisions of Section 185 and 186 of the Companies Act, 2013, are not applicable.
5. The Company has not accepted any public deposits within the meaning of sections 73 to 76 of Companies Act, 2013 and rules framed there under;
6. We have broadly reviewed the books of account maintained by the Company pursuant to sub-section (1) of section 148 of the Companies Act, 2013 and are of the opinion that *prima facie*, the prescribed accounts and records have been made and maintained. We have, however not undertaken a detailed examination of the records with a view to determine whether they are accurate or complete.
7. (a) In our opinion and according to the information and explanations given to us, the Company is generally regular in depositing applicable undisputed statutory dues, including Provident Fund, Employees' State Insurance, Income-Tax, Sales-Tax, Wealth Tax, Service Tax, Custom Duty, Duty of Excise, Value added Tax, Cess and any other statutory dues with the appropriate authorities during the year and no such dues are out standing more than six months from the date they become payable.



- (b) As at March 31, 2016, according to the records of the Company and the information and explanations given to us, disputed dues payable by the Company on account of Income Tax/ Sales Tax/ Wealth Tax/ Service Tax/ Duty of Custom / Duty of Excise are as under:

S. No	Nature of Dues	Name of Statute	For the year ended March 2016 (₹ in Lac)	Period	Forum
1	Commercial Tax (Andhra Pradesh)	Works Contract Tax	12.21	F.Y. 1998-99	Commissioner (Appeal)
2	Commercial Tax (West Bengal)	Works Contract Tax	2.08	F.Y. 1998-99 F.Y. 1999-00 F.Y. 2000-01	Commissioner (Appeal)
3	Commercial Tax (Punjab)	Excise Penalty	8.03	F.Y. 2010-11	Joint Director cum Deputy Excise & Taxation Commissioner (Appeal)
4	Sales Tax (Maharashtra)	MVAT	41.40	F.Y. 2007-08	Tribunal (Sales Tax)
5	Sales Tax (Maharashtra)	MVAT	2.39	F.Y. 2008-09	Commissioner (Appeals)
6	Sales Tax (Maharashtra)	MVAT	1.60	F.Y. 2011-12	Dy Commissioner of Sales Tax (Appeal)
7	Commercial Tax (West Bengal)	WB-VAT	107.17	F.Y. 2012-13	Dy Commissioner of Sales Tax (Appeal)
8	Income Tax (West Bengal)	Income Tax Act 1961	535.35	A.Y. 2012-13	Commissioner of Income Tax (Appeal)

8. According to the information and explanations given to us and on the basis of our examination of the books of accounts, in our opinion, the Company has not defaulted in repayment of dues to any financial institutions, banks or debenture holders.
9. According to the information and explanations given to us, the Company has not raised any fund by way of public issue or from term loan.
10. According to the information and explanations given to us, we have not come across any instance of fraud by the Company or any fraud on the Company by its officers or employees, either noticed or reported during the year, on or by the Company.
11. According to the information and explanations given to us, the Company has not paid or provided any managerial remuneration during the year and hence clause 3(xi) of the Order is not applicable to the Company.
12. The Company is not in the nature of a Nidhi Company as defined under section 406 the Companies act, 2013.
13. According to the information and explanations given to us, all transactions with the related parties are in compliance with sections 177 and 188 of Companies Act, 2013 where applicable and the details have been disclosed in note no.32 of the Financial Statements as required by the applicable accounting standards;
14. The Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year.
15. According to the information and explanations given to us, the Company has not entered into any non-cash transactions with directors or persons connected with him and hence clause 3(xv) of the Order is not applicable to the Company.
16. The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934.

For **Chokshi & Chokshi LLP**
Chartered Accountants
(Firm Registration No. 101872W/W100045)

Puja P. Mehta
Partner
Membership No. 133578

Place of Signature: Mumbai
Date : 22nd April, 2016



TATA PROJECTS37th Annual Report 2015-2016**Balance Sheet as at 31st March 2016**

Particulars	Notes	31st March 2016 ₹ Lac	31st March 2015 ₹ Lac
A. EQUITY AND LIABILITIES			
Shareholders' Funds			
Share Capital	3	369.20	369.20
Reserves and Surplus	4	(6,670.95)	(6,956.42)
		(6,301.75)	(6,587.22)
Non-current Liabilities			
Long-term Borrowings	5	3,660.39	4,030.39
Deferred Tax Liability (net)		-	-
Other long-term Liabilities	6	177.59	148.16
Long-term Provisions	7	20.81	26.84
		3,858.79	4,205.39
Current Liabilities			
Short-term Borrowings	8	2,285.98	2,089.46
Trade Payables	9	3,488.02	2,628.01
Other Current Liabilities	10	7,728.78	4,071.09
Short-term Provisions	11	14.53	21.58
		13,517.31	8,810.14
Total		11,074.35	6,428.31
B. ASSETS			
Non-Current Assets			
Fixed Assets			
Tangible Assets	12	398.76	674.36
Intangible Assets	13	7.35	2.64
		406.11	677.00
Deferred Tax Asset (net)		-	-
Long-term Loans and Advances	14	1,348.27	1,343.16
Other Non-current Assets	15	216.60	296.25
		1,970.98	2,316.41
Current Assets			
Current Investments		-	-
Inventories	16	1,745.05	1,942.59
Trade Receivables	17	6,109.05	1,599.87
Cash and Bank Balances	18	830.76	116.28
Short-term Loans and Advances	19	233.98	388.73
Other Current Assets	20	184.53	64.43
		9,103.37	4,111.90
Total		11,074.35	6,428.31
The accompanying notes from an integral part of the Financial Statements Significant Accounting Policy and Notes to Financial Statements 1-50			

As per our report of even date

for **Chokshi & Chokshi, LLP**
Chartered Accountants
FRN:101872W/W100045**Puja P Mehta**
Partner
Membership No.133578Place: Mumbai
Date: 22 April 2016

168

For and on behalf of the Board

Rajesh Mandale
Chief Financial Officer**Vinayak Deshpande**
Chairman**Nalin Shah**
Director**Rajeshree Gaikwad**
Company SecretaryPlace: Mumbai
Date : 22 April 2016**Pralhad Pawar**
Director

Statement of Profit and Loss for the year ended March 31, 2016

Particulars	Notes	31st March 2016 ₹ Lac	31st March 2015 ₹ Lac
Income			
Revenue from operations (gross)	21	11,688.61	7,045.97
Less: Excise Duty		(639.18)	(573.72)
Revenue from operations (net)		11,049.43	6,472.25
Other Income	22	321.91	36.95
Total Revenue (I)		11371.34	6,509.20
Expenses			
Cost of raw materials and components consumed	23	5,059.27	3,250.34
Project execution expenses	24	4,402.02	1,949.38
(Increase)/Decrease in work-in-progress and contracts-in-progress	25	(126.57)	(319.27)
Employee benefits expenses	26	643.56	575.91
Other expenses	27	649.52	711.23
Finance costs	28	269.29	303.50
Depreciation and amortisation expense	12 & 13	188.78	237.61
Total Expenses (II)		11,085.87	6,708.70
Profit/(Loss) before exceptional items and tax		285.47	(199.50)
Exceptional Items		-	-
Profit/(Loss) before tax		285.47	(199.50)
Tax expenses			
Current tax		-	-
Taxation of earlier years		-	-
Deferred tax		-	-
Total Tax expense		-	-
Profit/(Loss) after tax for the year		285.47	(199.50)
Earnings per equity share (nominal value of share ₹ 1/-)			
Before Extraordinary Items			
Basic and Diluted		0.77	(0.54)
After Extraordinary Items			
Basic and Diluted		0.77	(0.54)
The accompanying notes from an integral part of the Financial Statements			
Significant Accounting Policy and Notes to Financial Statements 1-50			

As per our report of even date

for **Chokshi & Chokshi, LLP**
Chartered Accountants
FRN:101872W/W100045

Puja P Mehta
Partner
Membership No.133578

Place: Mumbai
Date: 22 April 2016

Rajesh Mandale
Chief Financial Officer

Rajeshree Gaikwad
Company Secretary

Place: Mumbai
Date: 22 April 2016

For and on behalf of the Board

Vinayak Deshpande
Chairman

Nalin Shah
Director

Pralhad Pawar
Director



TATA PROJECTS37th Annual Report 2015-2016**Cash Flow Statement for the year ended 31st March 2016**

	31st March 2016 ₹ Lac	31st March 2015 ₹ Lac
A. Cash Flow from Operating Activities		
Profit/(Loss) Before Tax	285.47	(199.50)
Adjustments for:		
Depreciation and amortisation expense	188.78	237.61
Finance costs	269.29	303.50
Interest income	(4.32)	(9.00)
Loss/Written Off Assets	115.37	
Profit on Sales of Assets	(0.53)	(3.08)
	568.59	529.03
Operating profit before working capital changes	854.06	329.53
Adjustments for:		
Trade receivables	(4,509.18)	(593.48)
Long-term loans and advances	(58.32)	25.22
Short-term loans and advances	154.75	118.20
Other current assets	(120.10)	854.13
Other non-current assets	79.65	(149.24)
Inventories	197.55	(133.47)
Trade payables	860.01	(241.20)
Other current liabilities	3,657.69	(125.56)
Other long-term liabilities	29.43	(29.16)
Long-term provisions	(6.03)	0.20
Short-term provisions	(7.05)	(2.01)
	278.40	(276.37)
Cash generated from operations	1,132.46	53.16
Taxes Paid (net)	53.21	76.98
Net cash from operating activities	1,185.67	130.14
B. Cash flow from investing activities		
Purchase of current investments		
Purchase of fixed assets and CWIP	(35.11)	(20.62)
Investment in Deposits (With maturity more than three months)	-	73.31
Sale of fixed assets	2.38	8.30
Interest received	4.32	9.00
	(28.41)	69.99



Cash Flow Statement for the year ended 31st March 2016 (Contd...)

	31st March 2016 ₹ Lac	31st March 2015 ₹ Lac
C. Cash Flow from financing activities		
Proceeds from long-term borrowings	(370.00)	-
Proceeds from long-term borrowings - current	-	-
Proceeds from short-term borrowings	196.52	68.01
Interest paid	(269.29)	(303.50)
Net cash from financing activities	(442.77)	(235.49)
Net (decrease)/increase in cash and cash equivalents (A+B+C)	714.48	(35.36)
Cash and cash equivalent at the beginning of the year	116.28	151.64
Cash and cash equivalent at the end of the year	830.76	116.28

Notes:

- The Cash Flow Statement has been prepared following the indirect method except in case of Purchase and Sale of Investments and Taxes paid which have been considered on the basis of actual movement of cash with necessary adjustment in corresponding Assets and Liabilities.
- Cash and Cash Equipments represent Cash and Bank Balances only.

As per our report of even date

for **Chokshi & Chokshi, LLP**
Chartered Accountants
FRN:101872W/W100045

Puja P Mehta
Partner
Membership No.133578

Place: Mumbai
Date: 22 April 2016

Rajesh Mandale
Chief Financial Officer

Rajeshree Gaiwad
Company Secretary

Place: Mumbai
Date : 22 April 2016

For and on behalf of the Board

Vinayak Deshpande
Chairman

Nalin Shah
Director

Pralhad Pawar
Director



TATA PROJECTS

37th Annual Report 2015-2016

Notes To Financial Statements

1. Corporate Information

Artson Engineering Limited ("the Company") is a company limited by shares incorporated under the Companies Act, 2013. The Company's Registered Office is situated at Mumbai. The Company's shares are listed on the Bombay Stock Exchange (BSE) and the Scrip Code is 522134.

The Company was incorporated in 1978 and since inception, the Company has commissioned, on turn-key basis, several fuel storage and handling facility systems. The Company is in the business of Engineering, Procurement & Construction contract in Oil, Gas & Hydrocarbon (OG& H), steel and power sector and ancillary services, including manufacturing activity's.

The Company was referred to the BIFR as a sick company under the provisions of Section 3 (1) (O) of the Sick Industrial Companies (Special Provisions) Act, 1985. The Company's reference as a sick company was registered under Case No. 152/ 2004 with the BIFR. At the hearing held on 27 November 2007, the BIFR sanctioned the Rehabilitation Scheme of the Company and the Order sanctioning the scheme of rehabilitation was received by the Company on 18 December 2007 (Sanctioned Scheme). The Company has made an application on 17 October 2013 for extension of the Rehabilitation Scheme as referred above and pending the final hearing, the Sanctioned Scheme is under implementation.

2. Significant Accounting Policies:

The Significant Accounting Policies have been predominantly prescribed below in order of the Accounting Standards specified under Section 133 of the Companies Act, 2013, read with Rule 7 of the Companies (Accounts) Rules, 2014.

i) Method of Accounting and preparation of the Financial Statements:

These financial statements have been prepared in accordance with the generally accepted accounting principles (GAAP) in India under the historical cost convention on accrual basis. These financial statements have been prepared to comply in all material aspects with the accounting standards specified under Section 133 of the Companies Act, 2013, read with Rule 7 of the Companies (Accounts) Rules, 2014. Accounting policies not specifically referred to otherwise are consistent with the generally accepted accounting principles followed by the Company.

All assets and liabilities have been classified as current or non-current as per the Company's normal operating cycle and other criteria set out in the Schedule III to the Companies Act, 2013. Based on the nature of services offered, the Company has ascertained its operating cycle as 12 months for the purpose of current / non-current classification of assets and liabilities.

The Central Government in consultation with National Advisory Committee on Accounting Standards has amended Companies (Accounting Standards) Rules, 2006 ('principal rules'), vide notification issued by Ministry of Corporate Affairs dated March 30, 2016. The Company believes, that the principal rules have not been withdrawn or replaced and accordingly, the Companies (Accounting Standards) (Amendment) Rules, 2016 will apply for the accounting periods commencing on or after March 30, 2016.

ii) Revenue Recognition

a. Manufacturing activities:

Sales of Goods is recognised when significant risks and rewards of ownership are transferred to buyer. Sales exclude amounts recovered towards Excise Duty and Sales Tax.

b. Erection / Construction activities:

Revenues from execution of contract is recognised on the Percentage Completion method. The stage of completion is determined on the basis of actual work executed during the year. Running bills are accounted as sales on monthly basis. No profit is recognised till a minimum of 10% progress is achieved on the contract except in case of contracts executed on cost-plus basis. Costs 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. In case of arbitration awards which are granted in favour of the Company, any amount to be received is treated as income in the year of receipt of such award.



Notes To Financial Statements (Contd...)

Liquidated damages/Penalties are accounted for as cost when such delays and causes are attributable to the Company or when deducted by the client.

- c. **Work done but not billed:** Value of work executed, billed subsequent to the Balance Sheet date, is valued at the contract price.
- d. i Income and Expenses are accounted on accrual basis except capital incentive from Government authorities and liquidated damages to the extent under negotiation.
ii VAT set-off is based on returns filed with appropriate authorities.
- e. Bank Guarantee commission is accounted in the year of execution/renewal of guarantee written off up front or once the period of the guarantee.

iii) **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, disclosure of contingent liabilities as at the date of the financial statements and the reported amounts of revenues and expenses during the year. The Management believes that the estimates used in the preparation of the financial statements are prudent and reasonable. Future results could differ from those estimates and the difference between the actual results and the estimates are recognised in the periods in which the results are known / materialise.

iv) **Fixed Assets:**

Tangible

Tangible fixed assets are stated at historical cost (as reduced by CENVAT credit) less accumulated depreciation. 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.

Intangible

Intangible Assets are initially recognised at cost and are stated at cost less depreciation and impairment (if any). The cost of an internally generated intangible asset comprises all expenditure that can be directly attributed, or allocated on a reasonable and consistent basis, to creating, producing and making the asset ready for its intended use. The Intangible Assets comprise of Computer Software.

v) **Depreciation / Amortisation on Fixed Assets:**

- a. Depreciation has been provided for on the written down value method as per the useful life prescribed in Schedule II to the Companies Act, 2013.
- b. Leasehold Land, for 99 years and Leasehold Improvements are amortised over the period of the lease.
- c. Company had provide additional depreciation on reasonable basis on the assets which are not lying under the custody of the company.

vi) **Impairment of Assets:**

As at each Balance Sheet date, the Company assesses the realisable value of all the assets. If there is any indication of fall in the realisable value over the carrying cost of the assets, impairment in value of the assets is recognised.

vii) **Valuation of Inventories:**

- a. Stage of completion and cost of completion in respect of engineering and construction contracts-in-progress, being technical matters, are estimated and certified by the Company's technical personnel.
- b. Stock of all the raw materials, construction materials, stores and spares lying at store, sites/ factory have been valued at the lower of cost (FIFO) and the net realisable value.
- c. Work-in Progress are valued at the lower of cost and the net realisable value.



TATA PROJECTS

37th Annual Report 2015-2016

Notes To Financial Statements (Contd...)

viii) Investments:

- a. Investments intended to be held for more than one year are classified as long-term investments and are carried at cost of acquisition inclusive of other attributable expenses. Diminution in the value of investment is provided for, if such diminution is of other than temporary nature.
- b. Current Investments are carried at the lower of cost and the fair value.

ix) Foreign Currency Transactions:

- a. Transactions in foreign currencies are recorded at the exchange rates prevailing on the date of transaction.
- b. Monetary assets and liabilities denominated in foreign currencies at the year-end are translated at the year-end exchange rates.
- c. The Exchange differences on conversion are credited or charged to the Statement of Profit and Loss.
- d. Financial statement of foreign operations, which are integral operations are translated using the same principles as stated above except following items which are translated as below:

S.No.	Nature of the account	Policy
1.	Opening and Closing Work-in-progress	Exchange Rate at the commencement and close of the year respectively.
2.	Fixed Assets and Depreciation	Exchange Rate used for the translation of the respective date of purchase of fixed assets.

x) Employee benefits:

- a. The Company's contribution to Provident Fund is charged to the Statement of Profit and Loss.
- b. 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.
- c. The gratuity liability, which is a defined benefit plan, is provided on the basis of actuarial valuation as on Balance Sheet date on the projected unit credit method and the same is funded with Life Insurance Corporation of India.

xi) Segment Reporting:

The Company is in the business of Engineering, Procurement & Construction contract in Oil, Gas & Hydrocarbon (OG& H) sector and ancillary services, including manufacturing activity. More than 90% of the income is only from Engineering & Construction contracts in OG& H sector and ancillary services. The projects are executed both in India and abroad. Considering the core activity of the Company as above, the primary segment is geographical segment. Accordingly the reportable segments of the Company are:

1. Domestic
2. Overseas

xii) Earnings Per Share:

The Company reports basic earnings per share in accordance with the Accounting Standard 20 'Earnings per share'. Basic earnings per share, is computed by dividing the net profit or loss for the year, by the weighted average number of equity shares outstanding during the year.

xiii) Taxation (including Deferred Tax):

Provision for Income Tax is made for both current and deferred taxes. Current tax is provided on the basis of the taxable income in accordance with and at the applicable tax rates and tax laws. Deferred tax assets and liabilities arising on account of timing differences and which are capable of reversal in subsequent periods are recognized using the tax rates, and tax laws that have been enacted or substantively enacted, subject to prudence. Deferred tax assets on unabsorbed depreciation and carry forward of losses are not recognized unless there is a virtual certainty that there will be sufficient future taxable income available to realize such assets.

xiv) Borrowing Costs:

Borrowing costs which are directly attributable to acquisition, construction and production of qualifying assets, are capitalized.



Notes To Financial Statements (Contd...)

xv) Provisions, Contingent Liabilities and Contingent Assets:

Provisions are recognized for liabilities that can be measured only by using substantial degree of estimation, if:

- The Company has a present obligation as a result of past events.
- A probable outflow of resources is expected to settle the obligation.
- The amount of the obligation is 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 estimate.

Reimbursement expected in respect of the expenditure required to settle a provision is recognized only when it is virtually certain that reimbursement will be received.

Contingent Liability is disclosed in the case of:

- A present obligation arises from past events, when it is not probable that an outflow of resources will be required to settle the obligation,
- A present obligation when no reliable estimate is possible, and
- A possible obligation arising from past events where the probability of outflow of resources is not remote.

Contingent Assets are neither recognized, nor disclosed. Provision, Contingent Liabilities and Contingent Assets are reviewed at each Balance Sheet date.

xvi) Extraordinary Items:

The Extraordinary items are Income or Expenses that arise from events of transactions that are clearly distinct from the ordinary activities and therefore, are not expected to recur frequently or regularly.

The nature and amount of each extra ordinary item is identified and disclosed in the Statement of Profit and Loss in a manner that its impact on current profit or loss can be perceived.

xvii) Operating Leases:

Lease arrangements where the risks and rewards incidental to ownership of an asset substantially vest with the lessor are recognised as operating leases. Lease rents under operating leases are recognised in the profit and loss account on a straight line.

3 Share Capital

	31st March 2016 ₹ Lac	31st March 2015 ₹ Lac
Authorized capital		
(i) 150,000,000 Equity Shares of ₹ 1/- each	1,500.00	1,500.00
(ii) 200,000 Preference Shares of ₹ 100/- each	200.00	200.00
	<u>1,700.00</u>	<u>1,700.00</u>
Issued, Subscribed and Paid-up		
36,920,000 Equity Shares of ₹ 1/- each	369.20	369.20
Total issued, subscribed and fully paid-up share capital	369.20	369.20

a. Reconciliation of the shares outstanding at the beginning and at the end of the year

Equity shares	31st March 2016		31st March 2015	
	No.	₹ Lac	No.	₹ Lac
At the beginning of the year	36,920,000	369.20	36,920,000	369.20
Issued during the year	—	—	—	—
Outstanding at the end of the year	36,920,000	369.20	36,920,000	369.20



TATA PROJECTS

37th Annual Report 2015-2016

Notes To Financial Statements (Contd...)

b. Terms/rights attached to equity shares

The Company's issued, subscribed and paid-up capital comprises of equity shares only and no preference share have been issued. The Company's paid-up capital comprises only one class, i.e. equity shares having par value of ₹ 1 per share. Each holder of equity share is entitled to one vote per share.

The liability of the members is limited.

The Company's shares are listed on the Bombay Stock Exchange Limited (BSE).

Restriction on distribution of Dividend:

Pursuant to the Provisions of the Sanctioned Scheme, the Company is not permitted to declare any dividend to the equity shareholders without the prior approval of the BIFR/Monitoring Agency (MA) during the period of rehabilitation.

c. No bonus shares have been issued, no shares have been issued for consideration other than cash and no shares have been bought back during the last five years

d. Details of shareholders holding more than 5% shares in the Company

	Nature	31st March 2016		31st March 2015	
		No.	% holding	No.	% holding
Equity shares of ₹ 1/- each fully paid					
Tata Projects Limited	Holding Company	27,690,000	75	27,690,000	75

e. Reduction in paid-up value of equity shares

Pursuant to the provisions of the Sanctioned Scheme, effective 26 December 2007 the paid-up value of the equity shares has been reduced from ₹ 10 per share to ₹ 1 per share fully paid-up. On reduction, the paid-up capital of the Company was reduced to ₹ 92,30,000 comprising of 92,30,000 equity share of ₹ 1 each. On 4 January 2008, the Company allotted 2,76,90,000 equity share of ₹ 1 each to Tata Projects Limited. Consequent to the allotment of these shares, the Company has become a subsidiary of Tata Projects Limited (shareholding of 75% in the Company's paid-up capital). The Company's paid-up capital has thus been increased to ₹ 3,69,20,000 comprising of 3,69,20,000 equity share of ₹ 1 each.

4 Reserves and Surplus

	31st March 2016 ₹ Lac	31st March 2015 ₹ Lac
Balance as per last Balance Sheet	(6,956.42)	(6,740.59)
Depreciation adjustment (Refer Note 45)	-	(16.33)
Profit/(Loss) for the year	285.47	(199.50)
Net surplus / (deficit) in the Statement of Profit and Loss	<u>(6,670.95)</u>	<u>(6,956.42)</u>
Total Reserves and Surplus	(6,670.95)	(6,956.42)

5 Long-term Borrowings

	31st March 2016 ₹ Lac	31st March 2015 ₹ Lac
Loans and advances from related parties		
Secured*	1,560.39	1,930.39
Unsecured	2,100.00	2,100.00
	<u>3,660.39</u>	<u>4,030.39</u>

Foot Note:

* Term Loan from the Holding Company in terms of the Sanctioned Scheme of BIFR dated 18 December 2007 secured against all movable and immovable property and all title deeds of the property.



Notes To Financial Statements (Contd...)

Maturity Profile of Long-term borrowings

₹ Lac

Maturity Profile	31st March 2016 ₹ Lac		31st March 2015 ₹ Lac	
	Loans & Advances from Related Parties (secured)	Loans & Advances from Related Parties (unsecured)	Loans & Advances from Related Parties (secured)	Loans & Advances from Related Parties (unsecured)
1-2 Years	-	-	370.00	-
2-3 Years	520.00	2,100.00	520.00	2,100.00
3-4 Years	520.00	-	520.00	-
Beyond 4 Years	520.39	-	520.39	-
Total	1,560.39	2,100.00	1,930.39	2,100.00

Foot Note :

Based on an in-principle approval granted by the Holding Company for extension of dates for moratorium as proposed by the Company, the maturity profile of the loans and their classification into Current and Non-current has been done for the current year.

The rate of interest is 10% p.a. For further details, refer Note 35.

The above Maturity Profile may change subject to approval of modification application made to BIFR as referred in Note 35.

6 Other Long-term Liabilities

	31st March 2016 ₹ Lac	31st March 2015 ₹ Lac
Trade Payables		
To MSMED [See Note 34]	—	—
Others	163.79	134.36
Others		
Security deposits received	13.80	13.80
	177.59	148.16

7 Long-term Provisions

	31st March 2016 ₹ Lac	31st March 2015 ₹ Lac
Provision for employee benefits		
Compensated absences (Refer Note 43 b)	20.81	26.84
	20.81	26.84



TATA PROJECTS

37th Annual Report 2015-2016

Notes To Financial Statements (Contd...)

8 Short-term Borrowings

	31st March 2016 ₹ Lac	31st March 2015 ₹ Lac
Loans repayable on demand		
From banks		
Secured *	85.98	(10.54)
Unsecured **	2,200.00	2,100.00
	2,285.98	2,089.46

VN:

- * 1. Working Capital loan from Corporation Bank of ₹ 85.98 lac (Previous year ₹ (10.54) lac) is secured by first charge by way of hypothecation of inventories, books debts and other current assets.
- ** 2. Short-term Loan from Tata Capital Financial Services Ltd ₹ 2000 lac (Previous Year ₹ 2000 lac) and Working Capital Demand Loan ₹ 200 lac (Previous Year ₹ 100 lac) guaranteed unconditionally and irrevocable corporate guarantee from the Holding Company.

9 Trade Payables

	31st March 2016 ₹ Lac	31st March 2015 ₹ Lac
To MSMED [See Note 34]	26.67	19.07
Others	3,461.35	2,608.94
	3,488.02	2,628.01

10 Other Current Liabilities

	31st March 2016 ₹ Lac	31st March 2015 ₹ Lac
Current maturities of long term Debt	378.04	8.04
Interest accrued and due on borrowings	472.64	473.39
Income received in advance	44.24	151.15
Other payables		
Advances from customers	4,558.96	1,625.33
Liability for contract expenses	388.32	623.45
Liability for other expenses	1,119.21	426.18
Statutory dues	81.32	144.89
Other payable (includes reimbursement and withheld amount)	686.05	618.66
	7,728.78	4,071.09

11 Short-Term Provisions

	31st March 2015 ₹ Lac	31st March 2014 ₹ Lac
Provision for employee benefits		
Gratuity (Refer Note 43 b)	10.82	18.01
Compensated absences (Refer Note 43 b)	3.71	3.57
	14.53	21.58



Notes To Financial Statements (Contd...)

12 Tangible Fixed Assets

(₹ Lac)

	GROSS BLOCK			DEPRECIATION / AMORTISATION				NET BLOCK		
	As at 01-04-2015 (at cost)	Additions	Deductions/ Other adjustments	As at 31-03-2016 (at cost)	As at 01-04-2015	For the year 31.03.2016	Deductions/ Other adjustments	As at 31-03-2016	As at 31-03-2016	As at 31-03-2015
Tangible Assets										
1. Leasehold Land	4.29 (4.29)	-	-	4.29 (4.29)	1.44 (1.40)	0.04 (0.04)	-	1.48 (1.44)	2.81 (2.85)	2.85 (2.89)
2. Buildings-	201.26 (201.26)	-	-	201.26 (201.26)	112.59 (100.66)	10.51 (11.93)	-	123.10 (112.59)	78.16 (88.67)	88.67 (100.60)
3 Plant and Machinery	2,195.83 (2,182.36)	19.50 (13.47)	1,320.73	894.60 (2,195.83)	1,654.77 (1,477.58)	153.75 (177.19)	1,211.34	597.18 (1,654.77)	297.42 (541.07)	541.06 (704.79)
4 Computers	134.96 (134.53)	0.96 (0.43)	97.58	38.34 (134.96)	132.78 (120.80)	1.87 (11.98)	97.50	37.15 (132.78)	1.19 (2.18)	2.18 (13.73)
5 Furniture and Fixtures	136.81 (146.86)	3.27 (0.11)	74.01 (10.16)	66.07 (136.81)	119.19 (108.39)	8.81 (16.07)	67.45 (5.27)	60.55 (119.19)	5.51 (17.62)	17.62 (38.47)
6 Office Equipment	81.22 (79.53)	2.44 (2.38)	63.67 (0.69)	19.99 (81.22)	75.38 (55.02)	4.11 (20.72)	62.48 (0.36)	17.01 (75.38)	2.98 (5.84)	5.84 (24.51)
7 Electrical Installations	76.31 (76.32)	0.45	- (0.01)	76.76 (76.31)	61.37 (48.91)	5.43 (12.47)	- (0.01)	66.80 (61.37)	9.96 (14.94)	14.94 (27.41)
8 Vehicles	33.91 (33.91)	-	-	33.91 (33.91)	32.72 (31.93)	0.46 (0.79)	-	33.18 (32.72)	0.73 (1.19)	1.19 (1.98)
TOTAL	2,864.59	26.62	1,555.99	1,335.21	2,190.24	184.98	1,438.77	936.45	398.76	674.36
<i>Previous Year</i>	<i>(2,859.06)</i>	<i>(16.39)</i>	<i>(10.86)</i>	<i>(2,864.59)</i>	<i>(1,944.70)</i>	<i>(251.19)</i>	<i>(5.64)</i>	<i>(2,190.24)</i>	<i>(674.36)</i>	<i>-</i>

Note:

- Figure in bracket are of previous year.
- Deletion to Fixed Assets includes Plant and Machinery, Furniture and Fixture, Office Equipments and computer discarded Gross Block ₹1469.47 lac (PY NIL), Accumulated Depreciation ₹1354.12 lac (PY ₹NIL) and Net Charged to Statement of Profit and Loss shown in Other Expenses as Loss/Written off Assets. ₹ 115.37 lac (P.Y NIL). (Refer Note 27)
- Company had provided Additional depreciation of ₹ 30.98 lac (Previous Year ₹ NIL) on Plant and Machinery which are not lying under custody of the Company and same is under Arbitration.

13 Intangible Fixed Assets

(₹ Lac)

	GROSS BLOCK			DEPRECIATION / AMORTISATION				NET BLOCK		
	As at 01-04-2015 (at cost)	Additions	Deductions/ Other adjustments	As at 31-03-2016 (at cost)	As at 01-04-2015	For the year	Deductions / Other adjustments	As at 31-03-2016	As at 31-03-2016	As at 31-03-2015
Intangible Assets										
1. Computer Software (Acquired)	8.55 (4.32)	8.51 (4.23)	-	17.06 (8.55)	5.91 (3.14)	3.80 (2.76)	-	9.71 (5.91)	7.35 (2.64)	2.64 (1.18)
TOTAL	8.55	8.51	-	17.06	5.91	3.80	-	9.71	7.35	2.64
<i>- Previous Year</i>	<i>(4.32)</i>	<i>(4.23)</i>	<i>-</i>	<i>(8.55)</i>	<i>(3.14)</i>	<i>(2.76)</i>	<i>-</i>	<i>(5.91)</i>	<i>(2.64)</i>	<i>-</i>



TATA PROJECTS

37th Annual Report 2015-2016

Notes To Financial Statements (Contd...)

14 Long-Term Loans and Advances

	31st March 2016 ₹ Lac	31st March 2015 ₹ Lac
Security deposits		
Unsecured, considered good	67.64	31.61
Doubtful	318.08	199.00
	385.72	230.61
Provision for doubtful deposits	(318.08)	(199.00)
	67.64	31.61
Other loans and advances (unsecured, considered good)		
Advances recoverable in cash or in kind or for value to be received	-	-
Other loans and advances (unsecured)		
Doubtful	300.90	300.90
	300.90	300.90
Provision for doubtful deposits	(300.90)	(300.90)
	-	0.00
Advance income-tax (net of provision)	502.79	449.58
Balances with statutory/government authorities	777.84	861.97
	1,280.63	1,311.55
Total	1,348.27	1,343.16

15 Other Non-Current Assets

	31st March 2016 ₹ Lac	31st March 2015 ₹ Lac
Long-Term Trade Receivables (Unsecured)		
Considered good [Refer Note 37 (b)]*	190.77	270.42
Other bank balances		
In Deposit Accounts with original maturity for more than 12 months	25.83	25.83
Total	216.60	296.25

*Comprises of Retention money receivable

16 Inventories

	31st March 2016 ₹ Lac	31st March 2015 ₹ Lac
Raw materials and components	697.90	1,022.01
Work-in-progress at factory	1,046.52	901.31
Contracts-in-progress	0.63	19.27
	1,745.05	1,942.59



Notes To Financial Statements (Contd...)

17 Trade Receivables

	31st March 2016 ₹ Lac	31st March 2015 ₹ Lac
Outstanding for a period exceeding six months from the date they are due for payment (unsecured)		
Considered good	384.56	679.74
Considered doubtful	442.83	506.38
	827.39	1,186.12
Provision for doubtful receivables	(442.83)	(506.38)
	384.56	679.74
Others (unsecured)		
Considered good	5,724.49	920.13
Total (A + B)	6,109.05	1,599.87

18 Cash and Bank Balances

	31st March 2016 ₹ Lac	31st March 2015 ₹ Lac
Cash and Cash Equivalents		
Balances with banks:		
In current accounts	430.30	110.26
In deposit accounts with original maturity of less than 3 months [See Note 32 (a)]	400.00	-
Cash in hand	0.46	0.62
	830.76	116.28

19 Short-Term Loans and Advances

	31st March 2016 ₹ Lac	31st March 2015 ₹ Lac
Other loans and advances (Unsecured, considered good)		
Advances to staff	-	1.75
Advances to contractors/suppliers	205.12	347.70
Prepaid expenses	28.77	33.89
Other loans and advances	0.09	5.39
Total	233.98	388.73

20 Other Current Assets

	31st March 2016 ₹ Lac	31st March 2015 ₹ Lac
Unsecured, considered good		
Work done but not billed	171.60	53.90
Interest accrued on fixed deposit/margin money	12.93	10.53
	184.53	64.43



TATA PROJECTS37th Annual Report 2015-2016**Notes To Financial Statements (Contd...)****21 Revenue from Operations**

	31st March 2016 ₹ Lac	31st March 2015 ₹ Lac
Sale of goods / products manufactured		
Pressure Vessels and Air Receivers/Structural	7,482.26	5,207.42
Sale of services		
Income from Erection/Supply Contracts	3,875.44	1,495.43
Income from Manpower Supply Contracts	22.13	285.95
Other operating revenue		
Arbitration Award	241.36	-
Scrap Sales	67.42	57.17
Gross Revenue from Operations	11,688.61	7,045.97
Less: Excise Duty	(639.18)	(573.72)
Net Revenue from Operations	11,049.43	6,472.25

22 Other Income

	31st March 2016 ₹ Lac	31st March 2015 ₹ Lac
Interest Income	4.32	9.00
Arbitration Award Interest	249.39	-
Exchange Rate Difference (net) [Refer Note 40]	28.74	2.84
Profit on Sales of Assets	0.53	3.08
Miscellaneous Income	38.93	22.03
	321.91	36.95

23 Cost of Raw Materials and Components Consumed

	31st March 2016 ₹ Lac	31st March 2015 ₹ Lac
Inventory at the beginning of the year	1,022.01	1,207.82
Add: Purchases	4,735.16	3,064.53
	5,757.17	4,272.35
Less: Inventory at the end of the year	(697.90)	(1,022.01)
	5,059.27	3,250.35



Notes To Financial Statements (Contd...)

24 Project Execution Expenses

	31st March 2016 ₹ Lac	31st March 2015 ₹ Lac
Cost of Erection Services	3,660.35	1,423.53
Motor Vehicle expenses	84.36	28.04
Hire Charges Machineries	194.13	105.82
Works Contract Tax and Other Taxes	74.14	16.26
Liquidated Damages	0.23	-
Electricity and Water Charges	76.43	55.53
Testing and Inspection Charges	74.34	27.03
Security Charges	25.47	20.46
Site Expenses	94.61	23.07
Rent for Guest House/Office at Site	87.85	33.31
Provision for Contract Expenses	(204.49)	166.69
Insurance Premium	26.93	25.45
Professional Charges	34.86	-
Bank Guarantee and Letter of Credit charges	5.33	4.24
Travelling & Conveyance Exp-Site	145.74	-
Other Project Expenses	21.74	19.95
	4,402.02	1,949.38

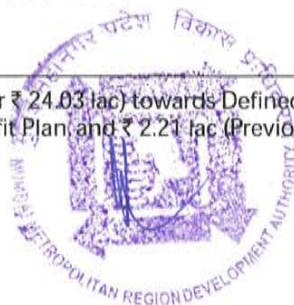
25 (Increase) / Decrease in Work-in-progress and Contracts-in-progress

	31st March 2016 ₹ Lac	31st March 2015 ₹ Lac
Work-in-progress and Contracts-in-progress at the end of the year		
Work-in-progress	1,046.52	901.31
Contracts-in-progress	0.63	19.27
	1,047.15	920.58
Work-in-progress and Contracts-in-progress at the beginning of the year		
Work-in-progress	901.31	581.84
Contracts-in-progress	19.27	19.47
	920.58	601.31
Net (Increase)/Decrease	(126.57)	(319.27)

26 Employee Benefit Expenses

	31st March 2016 ₹ Lac	31st March 2015 ₹ Lac
Salaries, Wages and Bonus	614.66	535.76
Contribution to Provident and Other Funds *	27.45	37.81
Staff Welfare Expenses	1.45	2.34
	643.56	575.91

* Includes ₹ 22.96 lac (Previous Year ₹ 24.03 lac) towards Defined Contribution Plan and ₹ 2.30 lac (Previous Year ₹ 8.65 lac) towards Defined Benefit Plan, and ₹ 2.21 lac (Previous Year ₹ 5.13 lac) for PF administration Charges and Other Fund.



TATA PROJECTS37th Annual Report 2015-2016**Notes To Financial Statements (Contd...)****27 Other Expenses**

	31st March 2016 ₹ Lac	31st March 2015 ₹ Lac
Office Rent	48.24	47.11
Rates and Taxes	18.84	27.95
Motor Vehicle Expenses	1.33	2.87
Travelling Expenses	52.82	29.70
Legal and Professional Fees [Refer Note 42]	125.39	127.16
Postage and Telephone	25.93	22.73
Printing and Stationery	10.18	7.81
Business Development Expenditure	3.24	1.76
Registration Expenses - Overseas	-	-
Directors' Fees	6.69	2.66
Loss/Written Off Fixed Assets (Refer Note 12)	115.37	-
Bad debts	153.91	-
Provision for Doubtful Debts	(63.55)	285.01
Provision for Doubtful Advances	119.09	138.27
Loss on Sale of Assets	-	-
Miscellaneous expenses	32.04	18.20
	649.52	711.23

28 Finance Costs

	31st March 2016 ₹ Lac	31st March 2015 ₹ Lac
Interest Expenses		
On Borrowing	243.02	278.01
On Deferred/Delayed payment of Taxes	1.46	6.00
Other Borrowing Costs	24.81	19.49
	269.29	303.50



Notes To Financial Statements (Contd...)

29 Contingent liabilities not provided for:

S.No.	Nature of Dues	For the year ended March 2016 (₹ lac)	For the year ended March 2015 (₹ lac)
1	Commercial Tax (Andhra Pradesh and (West Bengal)	14.29	14.29
2	Commercial Tax VAT (West Bengal)	107.17	-
3	Commercial Tax (Punjab), (Maharashtra) and (West Bengal)	8.03	8.03
4	Commercial Tax - Excise (Punjab)	45.39	101.52
5	Income Tax	535.35	672.07
6	Third party claim from disputes relating to contracts	1,157.78	1,143.00

30. All the Fixed Deposit receipts are lying with the banks towards margin money against Bank guarantees issued by Banks.

31. a. Deferred Tax Liabilities comprise of:

Particulars	Balance as on 31st March 2016 (₹ Lac)	Balance as on 31st March 2015 (₹ Lac)
Deferred Tax Liability/(Asset): Arising on account of timing difference in:		
i. Depreciation	(102.54)	(44.51)
Deferred Tax Asset: Arising on account of timing difference in:		
i. Provision for Compensated Absences	(7.58)	(9.39)
ii. Provision for Gratuity	(3.34)	(5.56)
iii. Provision for Bonus	(8.67)	(6.89)
iv. Provision for doubtful debts	(136.83)	(154.47)
v. Provision for doubtful Advances	(191.27)	(156.47)
Net Deferred Tax (Asset)/Liability	(450.23)	(377.30)
Net Deferred Tax (Asset)/Liability recognized during the year (See Foot Note) Nil	Nil	Nil

Note: On grounds of prudence, the Company has recognised Deferred Tax Asset only to the extent of the future reversal of Deferred Tax Liability.

- b. Provision for Tax is not made in lieu of carry forward losses and provisions u/s 115JB of Income Tax Act, 1961 in respect of MAT are not applicable to a sick company.

32 a. Related Parties and Relationships

Holding Company: Tata Projects Limited

Key Managerial Personnel : Mr Rajesh Mandale, Chief Financial Officer from 2 February 2015, Miss Ajuja Bhat, Company Secretary till 3 September 2015, Rajeshree Gaikwad Company Secretary from 21 October 2015 and Mr Pratik Agarwal, Chief Financial Officer from 21 July 2014 to 12 December 2014. (Refer Note 49)



TATA PROJECTS

37th Annual Report 2015-2016

Notes To Financial Statements (Contd...)

b. Related Party Transactions

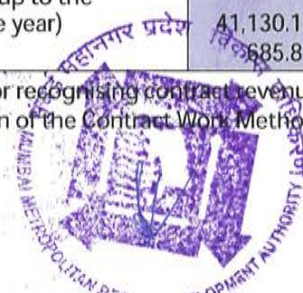
Information as required under AS-18 on "Related Party Disclosures" is as follows:

Name of the related party	Nature of relation	Nature of transaction	2015-16 (₹ Lac)	2014-15 (₹ Lac)
Tata Projects Limited	Holding Company	Secured Loan outstanding as at the beginning of the year	1,930.39	1,930.39
		Secured Loan taken during the year	-	-
		Secured Loan repaid during the year	-	-
		Secured Loan outstanding as at year end	1,930.39	1,930.39
		Unsecured Loan outstanding as at the beginning of the year	2,100.00	2,100.00
		Unsecured Loan taken during the year	-	-
		Unsecured Loan repaid during the year	-	-
		Unsecured Loan outstanding as at year end	2,100.00	2,100.00
		Interest payable at the beginning of the year	472.65	472.65
		Interest accrued and due during the year	-	-
		Interest Paid during the year	-	-
		Interest payable at the end of the year	472.65	472.65
		Sale of Goods/Services	9,824.87	4,894.62
		Receivables as at end of the year	5,947.93	1,401.18
Balance of Mobilisation / Advance as at the end of year	4,397.00	1,483.53		
Liability for Reimbursement of Expenses	630.84	392.57		
Ms Anuja Bhate	Key Managerial Personnel (upto 3 Sept 2015)	Managerial Remuneration	2.69	5.78
Ms Rajeshree Gaikwad	Key Managerial Personnel (From 21 October 2015)	Managerial Remuneration	2.16	-
Mr. Rajesh Mandale	Key Managerial Personnel	Managerial Remuneration	24.79	4.05
Mr. Pratik Agarwal	Key Managerial Personnel (From 21 July 2014 to 12 December 2014)	Managerial Remuneration	-	8.25

33 Disclosure as required by AS-7 on "Accounting for Construction Contracts" is as follows:

Particulars	2015-16 (₹ Lac)	2014-15 (₹ Lac)
a. Contract revenue recognised during the year	4,123.23	1,781.38
b. Amount of Customer Advances (net of recoveries from progressive bills)	(44.13)	242.41
c. Retention amount	69.45	114.71
d. Aggregate amount of contract costs incurred in respect of ongoing contracts net of recognized profits (less recognized loss) up to the reporting date. (Including the contracts closed during the year)	41,130.13	38,319.06
e. Gross amount due from customers for contract work	685.81	1,398.25

- The Company is following Percentage Completion Method for recognising contract revenue.
- The Company has adopted Completion of Physical Proportion of the Contract Work Method to determine the stage of completion of contracts in progress.



Notes To Financial Statements (Contd...)

34 Disclosure in accordance with Section 22 of the Micro, Small and Medium Enterprises Development Act, 2006:

According to information available with the Management and relied upon by the auditors, on the basis of intimation received from suppliers regarding their status under the Micro, Small and Medium Enterprises Development Act, 2006 (MSMED Act), the Company has amounts due to micro and small enterprises under the said Act as follows:

- a. The principal amount and the interest due thereon remaining unpaid to any supplier as at the end of each accounting year:

Sr. No.	Particulars	Balance as at 31st March 2016 (₹ Lac)	Balance as at 31st March 2015 (₹ Lac)
i	Principal amount remaining unpaid	26.67	19.07
ii	Interest accrued, due and remained unpaid thereon	31.79	24.90
iii	Payment made to suppliers (other than interest) beyond the appointed day during the year	22.00	232.14
iv	interest paid to suppliers under MSMED Act (other than Section 16)		
v	interest paid to suppliers under MSMED Act (Section 16)		
vi	interest due and payable towards suppliers under MSMED Act for payments already made	3.80	3.71
vii	interest accrued and remaining unpaid at the end of the year to suppliers under the MSMED Act	31.79	24.90

35 The Company is registered with the Board for Industrial and Financial Reconstruction (BIFR) as a sick company and BIFR has vide its order dated 18 December 2007 sanctioned the rehabilitation scheme ("the Sanctioned Scheme"). While most of the provisions of the Sanctioned Scheme have been implemented, the Company was not able to achieve positive net worth as at 31 March 2013; accordingly, the Company has filed application on 17 October 2013 to BIFR seeking an extension and modification of the Sanctioned Scheme. The modification also includes conversion of Loans of ₹ 4418 lac (including interest up to 31 March 2013 and loan of ₹300 lac taken during the three months period ended 30 June 2013, but excluding interest of ₹94.27 lac for the three months period ended 30 June 2013) of the Holding Company as at 31 March 2013 into 4% Optionally Convertible Cumulative Redeemable Preference Shares of ₹1/-each, which is pending for approval from BIFR. The Honorable Delhi High Court has passed an order on 14 October 2015 on writ petition file by the Company directing BIFR to keep the hearing on 4 November 2015 or any such date convenient to BIFR. In response, BIFR has informed the Hon'ble Delhi High Court that the hearing on 4 November 2015 was not granted as there was no quorum. Subsequent thereto and till the date of this Meeting, no hearings were granted by the BIFR and such there is no progress in the matter. In view of this, and based on written confirmation from the Holding Company, no provision has been made for interest payable to it amounting to ₹1,108.64 lac for the period 1 July 2013 to 31 March 2016 (including ₹ 403.04 lac for year ended 31 March 2016). The Management is considering various alternatives for achieving profitability. The Company has achieved positive cash flow during the year ended 31 March 2016. Based on the current order book position, operating results for the current year and considering the continued support of the Holding Company, barring unforeseen circumstances, the Management is confident about the Company's ability to continue as a going concern.

36 In the event of Arbitration Award in favour of the Company, any amount so received shall be treated as income of the year of receipt of award. During the year the Company has received an Arbitration Award amounting to ₹498 lac (Previous Year NIL) which is included in Other operating revenue ₹241.36 lac (Previous Year NIL), interest portion as other income ₹249.39 lac (Previous Year NIL) and service tax expense ₹ 7.25 lac (Previous Year NIL).



TATA PROJECTS

37th Annual Report 2015-2016

Notes To Financial Statements (Contd...)

- 37** a. In the opinion of the Management, all Current Assets, Loans & Advances are approximately of the same value if realized in the ordinary course of business. Provision for all the known liabilities and doubtful receivables is adequately made.
- b. Trade receivables include retention of ₹190.77 lac (Previous Year ₹ 270.42 lac) receivable on completion of projects.
- c. Balance outstanding against Trade Receivable and Trade Payable (including debit balances), are subject to reconciliation and confirmation with respective parties. Provision of ₹ NIL (Previous Year ₹ 285.01 lac) for doubtful debts is made during the year; resulting in total provision of ₹ 442.83 lac as at 31 March 2016. (Previous Year ₹ 506.38 lac)
- d. Long-term Loans and Advances include ₹ NIL (Previous Year ₹ 300.90 lac) reimbursement receivable from client. Provision of ₹ NIL (Previous Year ₹ 300.90 lac) has been made during the previous year.

38 Earnings per share (Basic & Diluted)

	2015-16	2014-15
a. Net profit/(loss) available for equity share holders (₹ lac)	285.47	(199.50)
b. Number of equity shares (Face value ₹ 1/-) (No. in lac)	369.20	369.20
c. Basic and diluted earnings per share (₹)	0.77	(0.54)

39 Details of earning and expenditure in foreign currency:

PARTICULARS	2015-16 (₹ Lac)	2014-15 (₹ Lac)
Earning in foreign exchange (Amount expended in equivalent Indian rupees)	3,541.67	210.74
Expenditure in foreign currency (Amount expended in equivalent Indian rupees)	3,272.53	406.72

- 40** The net gain on account of exchange rate difference amounting to ₹ 28.74 lac (Previous Year Gain of ₹ 2.84 lac) has been accounted in the Statement of Profit and Loss in compliance with AS-11.

41 Quantitative Details:

a. Erection / Construction Activities:

In respect of Erection /Construction activities, the materials procured by the Company are directly delivered to the project sites and charged off in the year of purchase. It is not practicable to furnish the quantitative information in respect of these items due to diversified size and nature of business.

The aggregate value of raw material and consumed for erection/construction activities is ₹ 783.93 lac (Previous Year ₹ 63.80 lac).



Notes To Financial Statements (Contd...)

b. Manufacturing Activities:

The relevant quantitative details for commercial operations carried out at factories are as follows:

i) Raw materials and component Consumed:

	Unit	2015-16		2014-15	
		Quantity	Value (₹ Lac)	Quantity	Value (₹ Lac)
Plates/Steel	(MT)	11,825.67	3,894.12	7,544.64	3,163.17
Pipes	(MT)			1.15	—
Paints	Litres	89,347.00	117.56	47,708.00	41.46
Others		—	263.67	—	83.35
Less : Provision Reversal		—	—	—	(101.44)
			4,275.34	—	3,186.54

ii) Imported/Indigenous Raw materials Consumed:

	2015-16		2014-15	
	Value (₹ Lac)	%	Value (₹ Lac)	%
Imported			62.59	2
Indigenous	4,275.34	100	3,123.59	98

iii) Manufacturing Sales:

Turnover	Unit	2015-16		2014-15	
		Quantity	Value (₹ Lac)	Quantity	Value (₹ Lac)
Structural	(MT)	10,972.57	6,956.78	5,350.03	3,777.86
Vessels Nos.		180.00	530.74	14.00	1,429.56
Less :- Excise Duty			(639.18)	—	(573.72)
TOTAL			6,848.34	—	4,633.70

42 Legal and Professional Fees include Auditors' Remuneration as below:

Nature of services	2015-16 (₹ Lac)	2014-15 (₹ Lac)
Audit fees	7.00	7.00
Tax Audit fees	1.25	1.25
Taxation matters	3.04	1.65
Reimbursement of expenses	0.61	0.94
Service Tax*	1.61	1.22
Total	13.51	12.06

*Set off claimed



TATA PROJECTS

37th Annual Report 2015-2016

Notes To Financial Statements (Contd...)

43 The Actuarial Valuation of Gratuity and compensated absences has been done and the details of the same are:

Sr. No	Particular	Gratuity (funded)		Compensated Absences (Unfunded)	
		2015-16 (₹ Lac)	2014-15 (₹ Lac)	2015-16 (₹ Lac)	2014-15 (₹ Lac)
a. Expenses recognized in the statement of P & L					
	Current Service Cost	10.56	10.72	17.81	15.08
	Interest Cost	2.64	2.78	1.72	2.08
	Expected Return on Plan Assets	(1.58)	(1.92)	-	-
	Net Actuarial (Gain)/Loss recognized for the period	(9.33)	(3.14)	(7.61)	(6.64)
	Expense recognized in the Statement of P & L* (Note 26)	2.29	8.44	11.92	10.52
	*Exclude ₹ 0.21 lac (Previous Year ₹ 0.97 lac Paid directly by the Company)				
b. Movement in the Liability recognised in Balance Sheet.					
	Opening Net Liability	18.01	17.91	30.41	32.33
	Expenses as above	2.29	8.44	11.92	10.52
	Contribution Paid	(9.48)	(8.34)	(17.81)	(12.44)
	Closing Net Liability	10.82	18.01	24.52	30.41
c. Changes in present value of obligations					
	PVO at the beginning of year	35.61	44.44	30.41	32.33
	Interest Cost	2.64	2.78	1.72	2.08
	Current Service Cost	10.57	10.72	17.81	15.08
	Benefits Paid	(5.21)	(19.31)	(17.81)	(12.44)
	Actuarial (Gain)/Loss on obligation	(10.91)	(3.02)	(7.61)	(6.64)
	PVO at end of year	32.70	35.61	24.52	30.41
d. Changes in fair value of Plan Assets					
	Fair Value Plan Assets at Beginning of the year	17.61	26.54		
	Expected Return on plan Assets Contribution	1.58	1.93		
	Contributions	9.49	8.34		
	Benefit Paid	(5.21)	(19.31)		
	Actuarial Gain/ (Loss) on Plan Assets	(1.58)	0.11		
	Fair Value of Plan Assets at end year	21.89	17.61		
e. Actual Return on Plan Assets		-	2.04		
f. Category of Assets as at the end of the year					
	Insurer Managed Funds *	21.89	17.61		

* Based on the data available with Company Investment pattern for LIC Managed Funds is as Central Government Securities - 22.19% (Previous Year 22.19%), State Government Securities - 29.06% (Previous Year 29.06%), other approved securities - 0.99% (Previous Year 0.99%), Debenture and Bonds - 29.92% (Previous Year 29.92%), Equity Shares - 5.50% (Previous Year 5.5%), Fixed Deposit 12.34% (Previous Year 12.34%).



Notes To Financial Statements (Contd...)

g. Experience Adjustment

Gratuity	2016	2015	2014	2013	2012
Defined Benefit Obligation	32.70	35.61	44.44	41.91	30.79
Fair Value of Planned Assets	21.89	17.61	26.53	41.07	33.94
(Surplus)/Deficit	10.82	18.00	17.91	0.84	(3.15)
Experience Adjustment on Plan Liabilities [(Gain)/Loss]	(10.91)	(3.02)	6.58	(1.38)	1.04
Experience Adjustment on Plan Asset [(Gain)/Loss]	1.58	(0.11)	0.36	(0.24)	—
Compensated Absences					
Defined Benefit Obligation		30.41	32.33	42.18	27.63
Experience Adjustment on Plan Liabilities [(Gain)/Loss]		(1.92)	(9.85)	(2.13)	(9.43)

h. Actuarial Assumptions

Gratuity Mortality	2015-16 LIC (1994-96) Ult.	2014-15 LIC (1994-96) Ult.
Interest/Discount Rate	8%	8%
Rate of Increase In Compensation	7%	10%
Rate of Return (expected) on plan Assets	8.00%	9.15%
Employee Attrition Rate (PS)	10%	10%
Expected Average Remaining Service	6.96	7.26

Compensated Absences Mortality	2015-16 LIC (1994-96) Ult.	2014-15 LIC (1994-96) Ult.
Interest/Discount Rate	8%	8%
Rate of Increase In Compensation	7%	10%
Employee Attrition Rate (PS)	10%	10%
Expected Average Remaining Service	6.96	7.27

- i. Expected Contribution to be made to the plan assets in financial year 2016-17 is ₹ 18.17 lac (Previous Year ₹ 9.49 lac)

44 Segmental Reporting (Geographical Segments):

a Sales	2015-16 (₹ Lac)	2014-15 (₹ Lac)
Domestic	7,574.00	6,213.53
Overseas	3,475.43	207.81
Total	11,049.43	6,421.34

b Total carrying amount of segment assets by location of Assets.

	2015-16 (₹ Lac)	2014-15 (₹ Lac)
Domestic	378.60	637.88
Overseas	27.51	39.12
Total	406.11	677.00



TATA PROJECTS

37th Annual Report 2015-2016

c Cost incurred on acquisition of tangible and intangible Fixed Assets.

	2016-16 (₹ Lac)	2014-15 (₹ Lac)
Domestic	1,247.99	2,747.39
Overseas	73.30	125.75
Total	1,321.29	2,873.14

- 45 a. Effective 1 April 2014 the Company has changed the estimated useful life of group of assets in line with the recommended useful life as per Part C of Schedule II to the Companies Act, 2013. As per para 7 (b) of Notes of Part C of Companies Act, 2013, where the remaining useful life of an asset as on the effective date is nil, the carrying amount of the asset should be recognised in the retained earnings. Such carrying amount as on 1 April 2015 is NIL (Previous Year ₹ 16.33 lac).
- b. During the year the Company has provided additional depreciation on Plant and Machinery as referred in Note No12 c of ₹ 30.98 lac on assets (retaining Re 1) at the premises of 3rd party under arbitration and not available for verified during the year. This has resulted into profit for the current year being lower by ₹ 30.98 lac.
- 46 The Company has not contributed any amount towards Corporate Social Responsibility (CSR) in term of Section 135 in absence of eligible profits.
- 47 The Company has taken factory premises under cancelable and non-cancelable operating lease. The lease agreement is for two years and option of renewal on expiry of lease period is based on mutual agreement. Rental expenses towards cancelable and non cancelable operating lease charged to Statement of Profit and Loss amount to ₹ 6.00 lac (Previous Year ₹ 6.00 lac).
- 48 In line with accepted practice in construction business, certain revisions of costs and billing of previous year which have crystallised during the year have been dealt with during the current year.
- 49 The Company has filed in October 2013 a Miscellaneous Application (No.536 of 2013) ("MA") with the Board for Industrial and Financial Reconstruction ("BIFR") containing various proposals for modifications to the sanctioned Scheme. The said MA is pending with the BIFR. Vide one of the proposals contained in the said MA, the Company has sought exemption from the appointment of Managing Director (MD)/Manager (M)/Whole-time Director (WD). During the course of the proceedings before the BIFR, a legal opinion has also been submitted on the matter. Accordingly, the Company has not appointed any MD/M/WD, which is one of the categories of the Key Managerial Personnel (KMP) under the Companies Act, 2013. The Company has appointed qualified KMP in other categories viz. Company Secretary and Chief Financial Officer.
- 50 Previous year's figures have been regrouped and restated wherever necessary to make their classification comparable with that of the current year.

As per our report of even date

for **Chokshi & Chokshi, LLP**
Chartered Accountants
FRN:101872W/W100045

Puja P Mehta
Partner
Membership No. 133578

Place: Mumbai
Date: 22 April 2016

For and on behalf of the Board

Rajesh Mandale
Chief Financial Officer

Vinayak Deshpande
Chairman

Nalin Shah
Director

Rajeshree Gaikwad
Company Secretary

Place: Mumbai
Date : 22 April 2016

Pralhad Pawar
Director



TPL-TQA
Quality Services
(Mauritius) Pty Limited



TATA PROJECTS37th Annual Report 2015-2016**TPL-TQA Quality Services (Mauritius) Pty Limited****Company Information**

		DATE OF APPOINTMENT	DATE OF RESIGNATION
DIRECTORS	Shafiiq Ur-Rahmaan Soyfoo	26 October 2015	-
	Dhanapalan Naidoo	8 April 2009	-
	Krishan Kumar Gupta	8 April 2009	-
	Tenny Koshy Cherian	26 October 2015	-
	Anandan Varatharajoo Naidoo	12 June 2009	-
	Vinayak Kashinath Deshpande	27 February 2012	-
	Zakir Hussein Niamut	23 October 2012	-
	Kapildeo Joory	29 August 2008	26 October 2015
	Arun Kumar Misra	8 April 2009	26 October 2015
REGISTERED OFFICE	IFS Court Bank Street Twenty Eight Cybercity Ebène 72201 Mauritius		
ADMINISTRATOR & SECRETARY AND MAURITIAN TAX AGENT	International Financial Services Limited IFS Court Bank Street Twenty Eight Cybercity Ebène 72201 Mauritius		
BANKER	SBI Mauritius Ltd 7th Floor, Wing 2, SBI Tower Mindspace Building Ebène Mauritius		
AUDITOR	Deloitte 7th Floor, Raffles Tower 19 Cybercity Ebène Mauritius		



TPL-TQA Quality Services (Mauritius) Pty Limited

COMMENTARY OF THE DIRECTORS FOR THE YEAR ENDED 31 MARCH, 2016

The directors present the audited financial statements of **TPL-TQA Quality Services (Mauritius) Pty Limited** (the "Company") for the year ended 31 March 2016.

PRINCIPAL ACTIVITY

The principal activity of the Company is to facilitate the inspection activities to be rendered to Eskom Holdings Limited, SA and other companies as required.

RESULTS

The results for the year are shown in the statement of profit or loss and other comprehensive income and related notes.

The Company did not declare and pay any dividend (2015: EUR468,904) to its shareholders during the financial year under review.

DIRECTORS

The present membership of the Board is set out on page 2. All directors served office during the year under review.

STATEMENT OF DIRECTORS' RESPONSIBILITIES IN RESPECT OF THE FINANCIAL STATEMENTS

Company law requires the directors to prepare financial statements for each financial year, which present fairly the financial position, financial performance and cash flows of the Company. In preparing those financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Company will continue in business.

The directors have confirmed that they have complied with the above requirements in preparing the financial statements.

The directors are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the Company and to enable them to ensure that the financial statements comply with the Mauritius Companies Act 2001. They are also responsible for safeguarding the assets of the Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

AUDITORS

The auditor, Deloitte, has indicated its willingness to continue in office until the next Annual Meeting.



TATA PROJECTS37th Annual Report 2015-2016**TPL-TQA Quality Services (Mauritius) Pty Limited****CERTIFICATE FROM THE SECRETARY UNDER SECTION 166 (d) OF THE
MAURITIUS COMPANIES ACT 2001**

We certify to the best of our knowledge and belief that we have filed with the Registrar of Companies all such returns as are required for **TPL-TQA Quality Services (Mauritius) Pty Limited** under the Mauritius Companies Act 2001 during the year ended 31 March 2016.

for International Financial Services Limited
Secretary

Registered office:

IFS Court
Twenty Eight
Cybercity
Ebene 72201
Mauritius

Date: 6th May 2016



Independent auditor's report to the shareholders of TPL-TQA Quality Services (Mauritius) Pty Limited

7th floor, Raffles Tower
19 Cybercity,
Ebene, Mauritius

This report is made solely to the company's shareholder, as a body, in accordance with section 205 of the Mauritius Companies Act 2001. Our audit work has been undertaken so that we might state to the company's shareholder those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's shareholder as a body, for our audit work, for this report, or for the opinions we have formed.

Report on the Financial Statements

We have audited the financial statements of **TPL-TQA Quality Services (Mauritius) Pty Limited** on pages 6 to 20 which comprise the statement of financial position as at 31 March 2016 and the statement of profit or loss and other comprehensive income, statement of changes in equity and statement of cash flows for the year then ended and a summary of significant accounting policies and other explanatory information.

Directors' responsibilities for the financial statements

The directors are responsible for the preparation and fair presentation of these financial statements in accordance with International Financial Reporting Standards and in compliance with the requirements of the Mauritius Companies Act 2001 in so far as applicable to Category 1 Global Business Licence companies. They are also responsible for such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's responsibility

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

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgement, 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 entity'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 entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by 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, the financial statements on pages 6 to 20 give a true and fair view of the financial position of **TPL-TQA Quality Services (Mauritius) Pty Limited** as at 31 March 2016 and of its financial performance and cash flows for the year then ended in accordance with International Financial Reporting Standards and comply with the requirements of the Mauritius Companies Act 2001 in so far as applicable to Category 1 Global Business Licence companies.

Report on other legal requirements

In accordance with the requirements of the Mauritius Companies Act 2001, we report as follows:

- we have no relationship with, or interests in, the company other than in our capacity as auditor;
- we have obtained all information and explanations that we have required; and
- in our opinion, proper accounting records have been kept by the company as far as appears from our examination of those records.

Deloitte
Chartered Accountants
Date: 6th May 2016



Pradeep Malik, FCA
Licensed by FRC



TATA PROJECTS37th Annual Report 2015-2016**TPL-TQA Quality Services (Mauritius) Pty Limited****STATEMENT OF PROFIT & LOSS AND OTHER COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31 MARCH 2016**

	Notes	2016	2015 EUR
Revenue			
Subcontract Cost	2(g)	139,543 (120,283)	553,998 (407,942)
		19,260	146,056
Other Income			
Interest income		6	148
Total income		19,266	146,204
OPERATING EXPENSES			
Professional fees	10	16,273	18,034
Audit fees		9,295	7,580
Licence fees		1,933	1,909
Bank charges		936	2,657
Impairment of receivable	5	-	583
Total expenditure		28,437	30,763
(LOSS) / PROFIT BEFORE TAX		(9,171)	115,441
Taxation	8	-	(3,476)
(LOSS) / PROFIT FOR THE YEAR		(9,171)	111,965
OTHER COMPREHENSIVE INCOME		-	-
TOTAL COMPREHENSIVE INCOME FOR THE YEAR		(9,171)	111,965



TPL-TQA Quality Services (Mauritius) Pty Limited
STATEMENT OF FINANCIAL POSITION AT 31 MARCH 2016

	Notes	2016 EUR	2015 EUR
ASSETS			
<u>Current assets</u>			
Trade and other receivables	5	467,669	328,030
Cash and cash equivalents		8,350	37,759
MRA refund receivable		150	-
Total assets		476,169	365,789
EQUITY AND LIABILITIES			
<u>Capital and reserves</u>			
Stated capital	6	24,000	24,000
Retained earnings		195,884	205,055
Total equity		219,884	229,055
<u>Current liabilities</u>			
Trade and other payables	7	256,285	136,486
Taxation	8	-	248
		256,285	136,734
Total equity and liabilities		476,169	365,789

Approved by the Board of Directors and authorised for issue on 6 May 2016.

Director

Director



TATA PROJECTS37th Annual Report 2015-2016**TPL-TQA Quality Services (Mauritius) Pty Limited****STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31 MARCH 2016**

	Note	Stated capital EUR	Retained earnings EUR	Total EUR
At 1 April 2014		24,000	561,994	585,994
Profit for the year and total comprehensive income		-	111,965	111,965
Dividend	9	-	(468,904)	(468,904)
At 31 March 2015		24,000	205,055	229,055
Loss for the year and total comprehensive income		-	(9,171)	(9,171)
At 31 March 2016		24,000	195,884	219,884



TPL-TQA Quality Services (Mauritius) Pty Limited
STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31 MARCH 2016

	2016 EUR	2015 EUR
Cash flows from operating activities		
(LOSS) / Profit before tax	(9,171)	115,441
<i>Adjustments for:</i>		
Interest received	(6)	(148)
Operating (loss) / profit before working capital changes	(9,177)	115,293
Increase in trade and other receivables	(139,789)	(192,092)
Increase in trade and other payables	119,551	72,802
Cash used in operating activities	(29,415)	(3,997)
Tax paid	-	(4,386)
Net cash used in operating activities	(29,415)	(8,383)
Cash flows from investing activities		
Interest received	6	148
Net cash generated from investing activities	6	148
Cash flows from financing activities		
Payment of dividend	-	(468,904)
Repayment of loan	-	(3)
Net cash used in financing activities	-	(468,907)
Net decrease in cash and cash equivalents	(29,409)	(477,142)
Cash and cash equivalents at 1 April	37,759	514,901
Cash and cash equivalents at 31 March	8,350	37,759



TATA PROJECTS

37th Annual Report 2015-2016

TPL-TQA Quality Services (Mauritius) Pty Limited

Notes to the Financial Statements for the Year Ended 31 March 2016

1. BACKGROUND INFORMATION

TPL-TQA Quality Services (Mauritius) Pty Limited (the "Company") was incorporated in Mauritius under the Companies Act 2001 on 29 August 2008 as a private company with liability limited by shares and has its registered office at IFS Court, Bank Street, TwentyEight, Cybercity, Ebène 72201, Mauritius. It holds a Category 1 Global Business Licence issued by the Financial Services Commission.

The principal activity of the Company is to facilitate the inspection activities rendered to Eskom Holdings Limited, SA and other companies as required.

2. ACCOUNTING POLICIES

The financial statements of the Company have been prepared in accordance with and comply with International Financial Reporting Standards ("IFRS"). The preparation of financial statements in accordance with IFRS requires the directors to make estimates and assumptions that affect the reported amounts and disclosures in the financial statements. Actual results could differ from those estimates. A summary of the more important accounting policies, which have been applied consistently, is set out below:-

(a) Basis of preparation

The financial statements are prepared under the historical cost convention.

(b) Foreign currency translation

Functional and presentation currency

Items included in the financial statements of the Company are measured using the currency of the primary economic environment of the Company (the "functional currency"). The financial statements of the Company are presented in Euro ("EUR"), which is the Company's functional currency and presentation currency.

Transactions and balances

Transactions denominated in foreign currencies are translated in EUR at the rate of exchange ruling at the dates of the transactions. Monetary assets and liabilities are translated at the rate of exchange ruling at reporting date. Exchange differences arising on translation and realised gains and losses on disposals or settlement of monetary assets and liabilities are recognised in the statement of profit or loss and other comprehensive income.

(c) Cash and cash equivalents

Cash and cash equivalents comprise of cash at bank. Cash equivalents are short term, highly liquid investments that are readily convertible to known amounts of cash and which are subject to an insignificant risk of change in value and are held for the purpose of meeting short term cash commitments rather than investment or other purpose.

(d) Financial instruments

Financial instruments are recognised on the Company's statement of financial position when the Company has become a party to the contractual provisions of the instruments.

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

Financial Assets

Financial assets are classified as 'loans and receivables'. The classification depends on the nature and purpose of the financial assets and is determined at the time of initial recognition.



TPL-TQA Quality Services (Mauritius) Pty Limited

Notes to the Financial Statements for the Year Ended 31 March 2016 (Contd....)

Loans and receivables

Trade receivables and other receivables that have fixed or determinable payments that are not quoted in an active market are classified as 'loans and receivables'. Trade and other receivables, bank balances and cash are measured at amortised cost using the effective interest method less any impairment.

Impairment of financial assets

Financial assets are assessed for indicators of impairment at each reporting date. Financial assets are impaired where there is objective evidence that, as a result of one or more events that occurred after the initial recognition of the financial asset, the estimated future cash flows of the investment have been impacted.

A significant or prolonged decline in the fair value of the security below its cost is considered to be objective evidence of impairment.

For all other financial assets, objective evidence of impairment could include:

- significant financial difficulty of the issuer or counter party; or
- default or delinquency in interest or principal payments; or
- it becoming probable that the borrower will enter bankruptcy or financial re-organisation.

For certain categories of financial asset, such as trade receivables, assets that are assessed not to be impaired individually are subsequently assessed for impairment on a collective basis. Objective evidence of impairment for a portfolio of receivables could include the Company's past experience of collecting payments, an increase in the number of delayed payments in the portfolio, as well as observable changes in local economic conditions that correlate with default on receivables.

For financial assets carried at amortised cost, the amount of the impairment is the difference between the asset's carrying amount and the present value of estimated future cash flows, discounted at the original effective interest rate.

The carrying amount of the financial asset is reduced by the impairment loss directly for all financial assets with the exception of trade receivables, where the carrying amount is reduced through the use of an allowance account. When a trade receivable is considered uncollectible, it is written off against the allowance account. Subsequent recoveries of amounts previously written off are credited against the allowance account. Changes in the carrying amount of the allowance account are recognized in profit or loss.

Derecognition of financial assets

The Company derecognises a financial asset only when the contractual rights to the cash flows from the asset expire; or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another entity.

If the Company neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred asset, the Company recognises its retained interest in the asset and an associated liability for amounts it may have to pay. If the Company retains substantially all the risks and rewards of ownership of a transferred financial asset, the Company continues to recognise the financial asset and also recognises a collateralised borrowing for the proceeds received.

Financial liabilities

Classification as debt or equity

Debt and equity instruments are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangements and definitions of a financial liability and equity instrument.



TATA PROJECTS

37th Annual Report 2015-2016

TPL-TQA Quality Services (Mauritius) Pty Limited

Notes to the Financial Statements for the Year Ended 31 March 2016(Contd....)

Equity instruments

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. Equity instruments issued by the Company are recorded at the proceeds received, net of direct issue costs.

Financial liabilities

Financial liabilities are classified as 'other financial liabilities'.

Other financial liabilities

Other financial liabilities, including borrowings, are initially measured at fair value, net of transaction costs.

Other financial liabilities are subsequently measured at amortised cost using the effective interest method, with interest expense recognised on an effective yield basis.

Effective interest method

Interest income is recognised by applying the effective interest rate, except for short-term receivables when the recognition of interest would be immaterial.

The effective interest method is a method of calculating the amortised cost of a financial asset and of allocating interest income over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash receipts (including all fees on points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the financial asset, or, where appropriate, a shorter period.

Derecognition of financial liabilities

The Company derecognises financial liabilities when, and only when the Company's obligations are discharged, cancelled or they expire.

e) Related parties

Parties are considered to be related if one party has control, joint control or exercises significant influence over the other party or is a member of the key management personnel of the other party.

(f) Payables

Payables are stated at amortised cost.

(g) Revenue recognition

Revenue is measured at the fair value of the consideration received or receivable.

(i) Inspection fees

Inspection fees are recognised on an accrual basis based on the labour hours delivered at the contractually agreed rates.

(ii) Interest income

Interest income is recognised when it is probable that the economic benefits will flow to the Company and the amount of revenue can be measured reliably. Interest revenue is accrued on a time basis, by reference to the principal outstanding and at the effective interest rate applicable, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to that asset's net carrying amount on initial recognition.

(h) Expense recognition

All expenses are accounted for in the statement of profit or loss and other comprehensive income on an accruals basis.

(i) Taxation

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



TPL-TQA Quality Services (Mauritius) Pty Limited

Notes to the Financial Statements for the Year Ended 31 March 2016 (Contd....)

Income tax

Income tax on the profit for the year comprises of current and deferred tax. Current tax is the expected tax payable on the taxable income for the year, using tax rates enacted at the reporting date, and any adjustment to tax payable in respect of previous years.

Deferred tax

Deferred tax is provided using the liability method, providing for temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. The amount of deferred tax provided is based on the expected manner of realisation or settlement of the carrying amount of assets and liabilities, using tax rates enacted at the reporting date.

A deferred tax asset is recognised only to the extent that it is probable that future taxable profits will be available against which the asset can be utilised. Deferred tax assets are reduced to the extent that it is no longer probable that the related tax benefit will be realised.

(j) Provisions

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that the Company will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation.

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the reporting date, taking into account the risks and uncertainties surrounding the obligation.

3. APPLICATION OF NEW AND REVISED INTERNATIONAL FINANCIAL REPORTING STANDARDS (IFRS)

In the current year, the Company has applied all of the new and revised Standards and Interpretations issued by the International Accounting Standards Board ("IASB") and the International Financial Reporting Interpretations Committee ("IFRIC") of the IASB that are effective for accounting periods beginning on 1 April 2014.

3.1 Standards and Interpretations adopted with no effect on the financial statements

The following new and revised Standards and Interpretations have been applied in these interim financial statements. Their application has not had any material impact on the amounts reported for the current and prior years but may affect the accounting for future transactions or arrangements.

IAS 32 Financial instruments: Presentation – Amendments to application guidance on offsetting of financial assets and financial liabilities

IAS 36 Impairment of Assets – Amendments arising from Recoverable Amount Disclosures for Non-Financial Assets

IAS 39 Financial Instruments: Recognition and Measurement – Amendments for novation of derivatives

3.2 New and Revised Standards and Interpretations in issue but not yet effective

At the date of the authorisation of these financial statements, the following Standards and Interpretation were in issue but effective for annual periods beginning on or after the respective date as indicated:

IAS 1 Presentation of Financial Statements – Amendments resulting from disclosure initiative (effective 1 January 2016)

AS 24 Related Party Disclosures - Amendments resulting from Annual Improvements 2010-2012 Cycle (management entities) (effective 1 July 2014)

IAS 39 Financial Instruments: Recognition and Measurement - Amendments to permit an entity to elect to continue to apply the hedge accounting requirements in IAS 39 for a fair value hedge of the interest rate exposure of a portion of a portfolio of financial assets or financial liabilities when IFRS 9 is applied, and to extend the fair value option to certain contracts that meet the 'own use' scope exception (effective 1 January 2018)



TATA PROJECTS

37th Annual Report 2015-2016

TPL-TQA Quality Services (Mauritius) Pty Limited

Notes to the Financial Statements for the Year Ended 31 March 2016 (Contd....)

- IFRS 7 Financial Instruments Disclosures - Amendments resulting from September 2014 Annual Improvements to IFRSs (effective 1 January 2016)
- IFRS 7 Financial Instruments: Disclosures - Deferral of mandatory effective date of IFRS 9 and amendments to transition disclosures (effective 1 January 2018)
- IFRS 7 Financial Instruments: Disclosures - Additional hedge accounting disclosures (and consequential amendments) resulting from the introduction of the hedge accounting chapter in IFRS 9 (effective 1 January 2018)
- IFRS 9 Financial Instruments - Finalised version, incorporating requirements for classification and measurement, impairment, general hedge accounting and derecognition (effective 1 January 2018)
- IFRS 13 Fair Value Measurement - Amendments resulting from Annual Improvements 2011-2013 Cycle (scope of the portfolio exception in paragraph 52) (effective 1 July 2014)
- IFRS 13 Fair Value Measurement - Amendments resulting from Annual Improvements 2010-2012 Cycle (Short term receivables and payables) (Amendments to basis for conclusion only)

The directors anticipate that these standards and interpretations will be applied in the financial statements on the above effective dates in future years. The directors have not yet had an opportunity to consider the potential impact of the application of those amendments.

4. CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS

Critical accounting judgements in applying the Company's accounting policies

In the process of applying the Company's accounting policies, which are described in Note 2, the directors have made the following judgements that have the most significant effect on the amounts recognised in the accounts.

Determination of functional currency

The determination of the functional currency of the Company is critical since recording of transactions and exchange differences arising thereon are dependent on the functional currency selected. As described in note 2, the directors have considered those factors therein and have determined that the functional currency of the Company is the Euro.

5. TRADE AND OTHER RECEIVABLES

	2016 EUR	2015 EUR
Prepaid expenses	2,275	2,179
Inspection fees receivable	465,394	326,434
Impairment of receivable	-	(583)
	467,669	328,030

The inspection fees are receivable from Eskom Holdings Limited ("Eskom"), a state-owned company in South Africa, pursuant to a Professional Services Contract dated 16 October 2008 entered into by Eskom, Tata Projects Limited and TQA Consultants Africa (Pty) Ltd Joint Venture Consortium (TPL-TQA Quality Services (Mauritius) Pty Limited) for quality and inspection services.

The above agreement was adopted by the Company on 8 April 2009 following the acquisition of the Company by Tata Projects Limited and TQA Consultants Africa (Pty) Ltd. Inspection fees are generally due for payment within 30 days from date of receipt of invoices by Eskom and subject to clearance of necessary clarifications requested or as agreed by the Company and Eskom.



TPL-TQA Quality Services (Mauritius) Pty Limited
Notes to the Financial Statements for the Year Ended 31 March 2016 (Contd....)
Ageing of receivable from Eskom

	2016 EUR	2015 EUR
30- 90 days	-	136,682
91-180 days	-	149,798
181-360 day	135,168	19,674
More than 360 days	330,226	-
Total	465,394	306,154

During the year under review, the Company had a total ageing receivable of EUR465,394 from Eskom. The directors however believe that the amount of EUR465,394 is still recoverable as of date and is not impaired.

6. STATED CAPITAL

	2016 EUR	2015 EUR
24,000 Ordinary shares of EUR1 each	24,000	24,000

Fully paid ordinary shares carry one vote per share and the right to dividends.

7. TRADE AND OTHER PAYABLES

	2016 EUR	2015 EUR
Inspection services	244,009	123,727
Other payables	12,276	12,759
	256,285	136,486

The inspection services fees are payable to Tata Projects Limited and TQS Europe GmbH for services provided in respect of inspection of equipment, components and commodities in various countries.

Inspection fees are generally payable within 30 days from invoice date or as agreed between the parties. No interest is charged on trade payables balances. The Company has financial risk management policies in place to ensure that all payables are paid within credit timeframe.

8. TAXATION

The Company is liable to income tax on its chargeable income at the rate of 15%. The Company is however entitled to a tax credit equivalent to the higher of actual tax suffered or 80% of Mauritian tax payable in respect of its net income, thus reducing its maximum effective tax rate payable to 3%.

At 31 March 2016, no provision for tax (2015: EUR248) has been made in the financial statements.

(i) Tax reconciliation

	2016 EUR	2015 EUR
(Loss) / Profit before taxation	(9,171)	115,441
Tax at the applicable rate of 15%	-	17,316
Tax effect of:		
- Exempt income	-	(22)
- Unallowable expenses	-	87
- Deemed Foreign tax credit	-	(13,905)
Income tax expense	-	3,476



TATA PROJECTS37th Annual Report 2015-2016**TPL-TQA Quality Services (Mauritius) Pty Limited****Notes to the Financial Statements for the Year Ended 31 March 2016 (Contd....)**

(ii) Tax liability

	2016 EUR	2015 EUR
At 1 April	248	1,158
Income tax expense	-	3,476
Tax paid during the year	(248)	(4,386)
At 31 March	-	248

9. DIVIDEND

During the year ended 31 March 2016, the Company did not declare and pay any dividend (2015: EUR468,904 representing EUR19.54 per share) to its existing shareholders.

The details of the dividend declared and paid were as follows:

	2016 EUR	2015 EUR
10 July 2014	-	68,904
20 November 2014	-	400,000
	-	468,904

10. RELATED PARTY TRANSACTIONS

During the year under review, the Company transacted with the following related parties. The nature, volume of transactions and balances with related parties are as follows:

Name of related party	Relationship	Nature of transaction	Volume EUR		Balance EUR	
			2016	2015	2016	2015
Tata Projects Limited	Shareholder	Inspection services payable	20,332	39,907	6,528	4,196
TQA Consultants Africa (Pty) Ltd	Shareholder	Inspection services payable	-	32,813	-	-
TQS Europe GmbH	Subsidiary of shareholder	Inspection services payable	117,951	335,222	237,481	119,531
TQA Consultants Africa (Pty) Ltd	Shareholder	Loan	-	(3)	-	-
International Financial Services Limited ("IFS")	Administrator and Secretary	Professional fees	14,557	18,034	4,109	5,230

A director of the Company, Mr Zakir Hussein Niamut is also associate director of International Financial Services Limited ("IFS", the Administrator/Secretary) and is deemed to have beneficial interest in the Administration Agreement and the Tax letter of engagement between the Company and the Administrator/Secretary.

The payable to IFS is unsecured, interest-free and would be settled at a date agreeable between the parties.



TPL-TQA Quality Services (Mauritius) Pty Limited
Notes to the Financial Statements for the Year Ended 31 March 2016 (Contd....)
Professional fees:

	2016 EUR	2015 EUR
Administration fees	9,317	12,654
Directors fees	3,000	3,000
KPGM Professional fees	1,576	-
Tax filing fees	1,250	1,250
Secretarial fees	1,130	1,130
	16,273	18,034

11. FINANCIAL INSTRUMENTS AND ASSOCIATED RISKS
Capital risk management

The Company manages its capital to ensure that the Company will be able to continue as a going concern while maximizing the return to shareholders through the optimization of the debt and equity balance.

The capital structure of the Company consists of equity, comprising stated capital and retained earnings.

Significant accounting policies

Details of the significant accounting policies and methods adopted, including the criteria for recognition, the basis of measurement and the basis on which income and expenses are recognized, in respect of each class of financial assets, financial liabilities and equity instruments are disclosed in Note 2 to the financial statements.

Categories of financial instruments

	2016 EUR	2015 EUR
Financial assets		
Loans and receivables (including cash and cash equivalents)	473,744	363,610
Financial liabilities		
At cost	256,385	136,486

Prepayments amounting to **EUR2,275** (2015:EUR2,179) have not been included in the financial assets.

Financial risk management

In its ordinary operations, the Company's activities expose it to various types of risks, which are associated with the financial instruments and markets in which it provides services. The following are a summary of the main risks:

(i) Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates.

The Company's financial assets, except the cash and cash equivalents, are non-interest-bearing. As such, the Company's income and operating cash flows are not significantly independent of changes in market interest rates.

(ii) Credit risk

The Company takes on exposure to credit risk, which is the risk that a counter party will default on its contractual obligations resulting in financial loss to the Company.



TATA PROJECTS

37th Annual Report 2015-2016

TPL-TQA Quality Services (Mauritius) Pty Limited

Notes to the Financial Statements for the Year Ended 31 March 2016 (Contd....)

Financial assets that potentially expose the Company to credit risk consist principally of inspection fees receivable from Eskom Holdings Limited. The extent of the Company's exposure to credit risk in respect of these financial assets approximates their carrying values as recorded in the Company's Statement of Financial Position.

Carrying Amount	2016 EUR	2015 EUR
Trade receivables	465,394	325,851

(iii) *Currency risk*

All of the financial assets and liabilities of the Company are denominated in Euro. Consequently, the Company is not exposed to currency risk.

(iv) *Liquidity risk management*

Ultimate responsibility for liquidity risk management rests with the Board of Directors, which has built an appropriate liquidity risk management framework for the management of the Company's short, medium and long-term funding and liquidity management requirements. The Company manages liquidity risk by continuously monitoring forecast and actual cash flows and matching the maturity profiles of financial assets and liabilities.

(v) *Liquidity and interest risk tables*

The following table details the Company's remaining contractual maturity for its non-derivative financial assets and liabilities. The tables have been drawn up based on the undiscounted cash flows of financial liabilities based on the earliest date on which the Company can be required to pay. The table includes both interest and principal cash flows.

	Less than 1 year 2016 EUR	Less than 1 year 2015 EUR
Financial assets		
Non-interest bearing	465,394	325,851
Variable interest rate instruments	8,50	37,759
	473,744	363,610
Financial liabilities		
Non-interest bearing	256,285	136,486

(vi) *Fair values*

The Company's financial assets and liabilities include cash and cash equivalents, trade and other receivables and trade and other payables. The carrying amounts of these assets and liabilities approximate their fair values due to their short term values.

13. HOLDING COMPANY

Tata Projects Limited, a company incorporated in India is the holding company and TQA Consultants Africa (Pty) Ltd is the other shareholder of the Company.



TPL-TQA
Quality Services
South Africa
(Proprietary) Limited



TATA PROJECTS

36th Annual Report 2014-2015

TPL-TQA QUALITY SERVICES SOUTH AFRICA (PROPRIETARY) LIMITED

(Registration number 2009/012351/07)

Annual Financial Statements for the Year Ended 31 March 2016

General Information

Country of incorporation and domicile	South Africa
Nature of business and principal activities	Quality Assurance and Consulting Services
Registered office	Second Floor, Suite 201 Convention House 125 Florence Nzama Street Durban 4001
Business address	Second Floor, Suite 201 Convention House 125 Florence Nzama Street Durban 4001
Postal address	PO Box 1163 Durban 4000
Holding company	Tata Projects Limited Incorporated in India
Banker	First National Bank
Auditor	Ted Naidoo Chartered Accountants Chartered Accountants (S.A) Registered Auditor
Company registration number	2009/012351/07
Tax reference number	9254/523/17/9
Level of assurance	These annual financial statements have been audited in compliance with the applicable requirements of the Companies Act 71 of 2008.
Preparer	The annual financial statements were independently compiled by: S Pillay Chartered Accountant (SA)



TPL-TQA QUALITY SERVICES SOUTH AFRICA (PROPRIETARY) LIMITED

(Registration number 2009/012351/07)

Annual Financial Statements for the Year Ended 31 March 2016

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 Springfield Park
 Durban 4091
 P.O.Box 18521, Dalbridge 4014
 Tel : (031) 579 3548
 Fax: (031) 579 2251
 Email: tedn@iafrica.com
 Practice No.: 938394

Report to the Independent Auditors
To the shareholders of TPL-TQA Quality Services South Africa (Pty) Ltd

We have audited the annual financial statements of TPL-TQA Quality Services South Africa Proprietary Limited, which comprise the directors' report, the balance sheet as at 31 March 2016, the income statement, the statement of changes in equity and cash flow statement for the period ended, a summary of significant accounting policies and other explanatory notes as set out on pages 5 to 19.

Directors Responsibility for the financial statements

The company's directors are responsible for the preparation and fair presentation of these financial statements in accordance with the International Financial Reporting Standards, and in the manner required by the Companies Act of South Africa. This responsibility includes: designing, implementing and maintaining internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error, selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

Auditors' Responsibility

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

An audit involves performing procedures to obtain audit evidence about the amounts and 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 statement, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity'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 entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by directors; 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, the financial statements present fairly, in all material respects, the financial position of the company as of 31 March 2015 and of its financial performance and its cash flows for the period then ended in accordance with International Financial Reporting Standards, and in the manner required by Companies Act of South Africa,

Ted Naidoo Chartered Accountants

Registered Accountants and Auditors

Durban
 28 April, 2016



R.N. Naidoo C.A. (S.A.), HONS. B.Compt., B. Com.
 Registered Accountants and Auditors
 IRBA Registration No.186716



TATA PROJECTS

37th Annual Report 2015-2016

TPL-TQA QUALITY SERVICES SOUTH AFRICA (PROPRIETARY) LIMITED (Registration number 2009/012351/07)

Directors' Responsibilities and Approval

The directors are required in terms of the Companies Act 71 of 2008 to maintain adequate accounting records and are responsible for the content and integrity of the annual financial statements and related financial information included in this report. It is their responsibility to ensure that the annual financial statements fairly present the state of affairs of the company as at the end of the financial year and the results of its operations and cash flows for the period then ended, in conformity with International Financial Reporting Standards. The external auditors are engaged to express an independent opinion on the annual financial statements.

The annual financial statements are prepared in accordance with International Financial Reporting Standards and are based upon appropriate accounting policies consistently applied and supported by reasonable and prudent judgements and estimates.

The directors acknowledge that they are ultimately responsible for the system of internal financial control established by the company and place considerable importance on maintaining a strong control environment. To enable the directors to meet these responsibilities, the directors set standards for internal control aimed at reducing the risk of error or loss in a cost effective manner. The standards include the proper delegation of responsibilities within a clearly defined framework, effective accounting procedures and adequate segregation of duties to ensure an acceptable level of risk. These controls are monitored throughout the company and all employees are required to maintain the highest ethical standards in ensuring the company's business is conducted in a manner that in all reasonable circumstances is above reproach. The focus of risk management in the company is on identifying, assessing, managing and monitoring all known forms of risk across the company. While operating risk cannot be fully eliminated, the company endeavours to minimise it by ensuring that appropriate infrastructure, controls, systems and ethical behaviour are applied and managed within predetermined procedures and constraints.

The directors are of the opinion, based on the information and explanations given by management, that the system of internal control provides reasonable assurance that the financial records may be relied on for the preparation of the annual financial statements. However, any system of internal financial control can provide only reasonable, and not absolute, assurance against material misstatement or loss.

The directors have reviewed the company's cash flow forecast for the year to 31 March 2017 and, in light of this review and the current financial position, they are satisfied that the company has, or has access to, adequate resources to continue in operational existence for the foreseeable future.

The external auditors are responsible for independently auditing and reporting on the company's annual financial statements. The annual financial statements have been examined by the company's external auditors and their report is presented on page 4.

The annual financial statements set out on pages 5 to 21, which have been prepared on the going concern basis, were approved by the directors on and were signed on their behalf by:

Krishan K. Gupta
Director

Dhanapalan Naidoo
Director



TPL-TQA QUALITY SERVICES SOUTH AFRICA (PROPRIETARY) LIMITED

(Registration number 2009/012351/07)

Annual Financial Statements for the Year Ended 31 March 2016

Directors' Report

The directors have pleasure in submitting their report on the annual financial statements of TPL-TQA Quality Services South Africa Proprietary Limited for the year ended 31 March 2016.

1. Nature of business

TPL-TQA Quality Services South Africa Proprietary Limited was incorporated in South Africa with interests in the Quality Assurance and Consulting Services industry. The company operates in principally in South Africa. There have been no material changes to the nature of the company's business from the prior year.

2. Review of financial results and activities

The annual financial statements have been prepared in accordance with International Financial Reporting Standards and the requirements of the Companies Act 71 of 2008. The accounting policies have been applied consistently compared to the prior year.

Company revenue decreased from R 26,599,364 in the prior year to R 4,532,554 for the year ended 31 March 2016 resulting in a loss for the year of R 12,047,090 (2015: loss R 681,177).

3. Share capital

Authorised	2016		2015	
	No. of shares		No. of shares	
Ordinary shares	500,000		500,000	
Issued	2016	2015	2016	2015
	R	R	Number of shares	
Ordinary shares	250,000	250,000	250,000	250,000

There have been no changes to the authorised or issued share capital during the year under review.

4. Dividends

No dividends were declared or paid during the year (2015 : R 14,173,502).

5. Directorate

The directors in office at the date of this report are as follows:

Directors

Krishan K. Gupta
Dhanapalan Naidoo
Arun K. Misra
Anandan V. Naidoo
Vinayak K. Deshpande

There have been no changes to the Directorate for the year under review.

6. Holding company

The company's holding company is Tata Projects Limited and is incorporated in India.

7. Events after the reporting period

The directors are not aware of any material event which occurred after the reporting date and up to the date of this report.

8. Going concern

The directors believe that the company has adequate financial resources to continue in operation for the



TATA PROJECTS37th Annual Report 2015-2016**TPL-TQA QUALITY SERVICES SOUTH AFRICA (PROPRIETARY) LIMITED**

(Registration number 2009/012351/07)

Annual Financial Statements for the Year Ended 31 March 2016

foreseeable future and accordingly the annual financial statements have been prepared on a going concern basis. The directors have satisfied themselves that the company is in a sound financial position and that it has access to sufficient borrowing facilities to meet its foreseeable cash requirements. The directors are not aware of any new material changes that may adversely impact the company. The directors are also not aware of any material non-material compliance with statutory or regulatory requirements or of any pending changes to legislation which may affect the company.

9. Auditors

Ted Naidoo will continue in office as the auditor for the financial year ended 31 March 2017.

10. Secretary

The company had no secretary for the year under review.



TPL-TQA QUALITY SERVICES SOUTH AFRICA (PROPRIETARY) LIMITED

(Registration number 2009/012351/07)

Statement of Financial Position as at 31 March 2016

Figures in Rand

	Notes	2016	2015
Assets			
Non-Current Assets			
Deferred tax		4,617,396	-
Current Assets			
Trade and other receivables	2	655,105	18,483,542
Cash and cash equivalents	3	366,001	5,548,802
		1,021,103	24,032,344
Total Assets		5,638,499	24,032,344
Equity and Liabilities			
Equity			
Share capital	4	250,000	250,000
Retained income		1,956,032	14,003,122
		2,206,032	14,253,122
Liabilities			
Current Liabilities			
Trade and other payables	5	3,432,467	7,391,170
Current tax payable		-	2,388,052
		3,432,467	9,779,222
Total Equity and Liabilities		5,638,499	24,032,344

Statement of Profit or Loss and Other Comprehensive Income as at 31 March 2016

Figures in Rand

	Notes	2014	2013
Revenue	6	4,532,554	26,599,364
Cost of sales	7	(4,798,912)	(25,134,052)
Gross (loss) profit		(266,358)	1,465,312
Operating expenses		(16,396,273)	(2,145,030)
Operating (loss) profit	8	(16,662,631)	(679,718)
Finance costs	9	(1,855)	(1,459)
(Loss) profit before taxation		(16,664,486)	(681,177)
Taxation	10	4,617,396	-
(Loss) profit for the year		(12,047,090)	(681,177)
Other comprehensive income		-	-
Total comprehensive (loss) income for the year		(12,047,090)	(681,177)



TATA PROJECTS

37th Annual Report 2015-2016

TPL-TQA QUALITY SERVICES SOUTH AFRICA (PROPRIETARY) LIMITED

(Registration number 2009/012351/07)

Statement of Changes in Equity as at 31 March 2016

Figures in Rand

	Share capital	Retained income	Total equity
Balance at 01 April 2014	250,000	28,857,801	29,107,801
Loss for the year	-	(681,177)	(681,177)
Other comprehensive income	-	-	-
Total comprehensive Loss for the year	-	(681,177)	(681,177)
Dividends	-	(14,173,502)	(14,173,502)
Total contributions by and distributions to owners of company recognised directly in equity	-	(14,173,502)	(14,173,502)
Balance at 01 April 2015	250,000	14,003,122	14,253,122
Loss for the year	-	(12,047,090)	(12,047,090)
Other comprehensive income	-	-	-
Total comprehensive Loss for the year	-	(12,047,090)	(12,047,090)
Balance at 31 March 2016	250,000	1,956,032	2,206,032

Statement of Cash Flows

Figures in Rand

	Notes	2016	2015
Cash flows from operating activities			
Cash used in operations	12	(2,792,894)	4,285,426
Finance costs		(1,855)	(1,459)
Dividends		-	(14,173,502)
Tax paid	13	(2,388,052)	(1,176,745)
Net cash used in operating activities		(5,182,801)	(11,066,280)
Total cash movement for the year		(5,182,801)	(11,066,280)
Cash at the beginning of the year		5,548,802	16,615,081
Total cash at end of the year	4	366,001	5,548,801



TPL-TQA QUALITY SERVICES SOUTH AFRICA (PROPRIETARY) LIMITED
(Registration number 2009/012351/07)

Annual Financial Statements for the Year Ended 31 March 2016
Notes to the Annual Financial Statements

1. Presentation of Annual Financial Statements

The annual financial statements have been prepared in accordance with International Financial Reporting Standards, and the Companies Act 71 of 2008. The annual financial statements have been prepared on the historical cost basis, except as indicated below, and incorporate the principal accounting policies set out below. They are presented in South African Rands.

These accounting policies are consistent with the previous period.

1.1 Financial instruments

Classification

The company classifies financial assets and financial liabilities into the following categories:

- Financial liabilities at fair value through profit or loss - held for trading
- Financial liabilities at fair value through profit or loss - designated
- Financial liabilities measured at amortised cost

Classification depends on the purpose for which the financial instruments were obtained / incurred and takes place at initial recognition. Classification is re-assessed on an annual basis.

Initial recognition and measurement

Financial instruments are recognised initially when the company becomes a party to the contractual provisions of the instruments.

Subsequent measurement

Financial instruments at fair value through profit or loss are subsequently measured at fair value, with gains and losses arising from changes in fair value being included in profit or loss for the period.

Net gains or losses on the financial instruments at fair value through profit or loss include dividends and interest.

Derecognition

Financial assets are derecognised when the rights to receive cash flows from the investments have expired or have been transferred and the company has transferred substantially all risks and rewards of ownership.

Financial liabilities are derecognised when the obligation is discharged, cancelled or expires.

Fair value determination

The fair values of quoted investments are based on current bid prices. If the market for a financial asset is not active (and for unlisted securities), the company establishes fair value by using valuation techniques. These include the use of recent transactions, reference to other instruments that are substantially the same, discounted cash flow analysis, and option pricing models making maximum use of market inputs and relying as little as possible on entity-specific inputs.

Trade and other receivables

Trade and other receivables are classified as loans and receivables.

Trade and other payables

Trade payables are classified as financial liabilities at amortised cost.

Cash and cash equivalents

Cash and cash equivalents comprise cash on hand and demand deposits, and other short-term highly liquid investments that are readily convertible to a known amount of cash and are subject to an insignificant risk of changes in value. These financial assets are classified as loans and receivables.



TATA PROJECTS

37th Annual Report 2015-2016

TPL-TQA QUALITY SERVICES SOUTH AFRICA (PROPRIETARY) LIMITED

(Registration number 2009/012351/07)

Annual Financial Statements for the Year Ended 31 March 2016

Notes to the Annual Financial Statements

1.2 Tax

Current tax assets and liabilities

Current tax for current and prior periods is, to the extent unpaid, recognised as a liability. If the amount already paid in respect of current and prior periods exceeds the amount due for those periods, the excess is recognised as an asset.

Current tax liabilities (assets) for the current and prior periods are measured at the amount expected to be paid to (recovered from) the tax authorities, using the tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.

Deferred tax assets and liabilities

A deferred tax liability is recognised for all taxable temporary differences, except to the extent that the deferred tax liability arises from the initial recognition of goodwill or initial recognition of an asset or liability in a transaction which at the time of the transaction, affects neither accounting profit nor taxable profit (tax loss).

A deferred tax assets are recognised for all deductible temporary differences to the extent that it is probable that taxable profit will be available against which the deductible temporary differences can be utilised. A deferred tax asset is not recognised when it arises from the initial recognition of an asset or liability in a transaction that is not a business combination, and at the time of the transaction, affects neither accounting profit nor taxable profit (tax loss).

It is probable that taxable profit will be available against which a deductible temporary difference can be utilised when there are sufficient taxable temporary differences relating to the same taxation authority and the same tax entity which are expected either to reverse in the same period as the deductible temporary difference or to reverse in periods into which a tax loss resulting in the deferred tax asset can be carried forward.

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

Tax expenses

Current and deferred taxes are recognised as income or an expense and are included in profit or loss for the period, except to the extent that the tax arises from:

- a transaction or event which is recognised, in the same or a different period, in other comprehensive income, or

Current tax and deferred taxes are charged or credited in other comprehensive income or equity if the tax relates to items that are credited or charged, in the same or a different period, in other comprehensive income or equity.

1.3 Leases

Operating leases – lessee

Operating lease payments are recognised as an expense on a straight-line basis over the lease term. The difference between the amounts recognised as an expense and the contractual payments are recognised as an operating lease liability. This liability is not discounted.

1.4 Share capital and equity

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities.

1.5 Revenue

Service revenue is recognised by reference to the stage of completion of the transaction at the end of the reporting period. Stage of completion is determined by services performed to date as a percentage of total services to be performed.



TPL-TQA QUALITY SERVICES SOUTH AFRICA (PROPRIETARY) LIMITED
(Registration number 2009/012351/07)
Annual Financial Statements for the Year Ended 31 March 2016
Notes to the Annual Financial Statements

Contract revenue comprises:

- the initial amount of revenue agreed in the contract; and
- variations in contract work, claims and incentive payments:
 - to the extent that it is probable that they will result in revenue; and
 - they are capable of being reliably measured.

Interest income is recognised, in profit or loss, using the effective interest method.

1.6 Turnover

Turnover comprises sales to customers and service rendered to customers. Turnover is stated at the invoiced amount and is exclusive of value added taxation.

1.7 Cost of sales

When inventories are sold, the carrying amount of those inventories is recognised as an expense in the period in which the related revenue is recognised. The amount of any write-down of inventories to net realisable value and all losses of inventories are recognised as an expense in the period the write-down or loss occurs. The amount of any reversal of any write-down of inventories, arising from an increase in net realisable value, is recognised as a reduction in the amount of inventories recognised as an expense in the period in which the reversal occurs.

The related cost of providing services recognised as revenue in the current period is included in cost of sales.

Contract costs comprise:

- costs that relate directly to the specific contract;
- costs that are attributable to contract activity in general and can be allocated to the contract; and
- such other costs as are specifically chargeable to the customer under the terms of the contract.

2. Trade and other receivables

	2016	2015
Trade receivables	–	12,633,479
Deposits	28,008	264,008
Provision for VAT receivable	600,541	–
Trade receivables (Unapproved invoices)	–	5,586,055
Trade creditors reclassified	26,553	–
	655,102	18,483,542

Credit quality of trade and other receivables

The credit quality of trade and other receivables that are neither past nor due nor impaired can be assessed by reference to external credit ratings (if available) or to historical information about counterparty default rates:

Trade receivables past due but not impaired

Trade and other receivables which are less than 3 months past due are not considered to be impaired.

The ageing of amounts past due but not impaired is as follows:

0 - 30 days	–	1,337,103
61 - 90 days	–	755,246

Trade and other receivables impaired

As of 31 March 2016, trade and other receivables of R 15,875,224 (2015: R nil) were impaired and provided for.

3. Cash and cash equivalents

Cash and cash equivalents consist of:

Bank balances	366,001	5,548,802
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TATA PROJECTS

37th Annual Report 2015-2016

TPL-TQA QUALITY SERVICES SOUTH AFRICA (PROPRIETARY) LIMITED

(Registration number 2009/012351/07)

Annual Financial Statements for the Year Ended 31 March 2016

Notes to the Annual Financial Statements

Credit quality of cash at bank and short term deposits, excluding cash on hand

The company only deposits cash and cash equivalents with reputable banks with good credit ratings. The credit ratings of cash and cash equivalents is deemed to be excellent/good.

The credit quality of cash at bank and short term deposits, excluding cash on hand that are neither past due nor impaired can be assessed by reference to external credit ratings (if available):

4. Share capital

	2016	2015
Authorised		
500,000 Ordinary shares of no par value	500,000	500,000
250,000 unissued ordinary shares are under control of the directors in terms of a resolution of members passed at the last annual general meeting. This authority remains in force until the next annual general meeting.		
Issued		
250,000 Ordinary shares of no par value	250,000	250,000
5. Trade and other payables		
Trade payables	31,919	599,122
Tata Consulting Engineers Limited	212,914	2,148,865
VAT	–	543,653
Tata Projects Limited	695,624	1,215,179
Accrued expense	476,804	283,841
TQA Consultants Africa (Pty) Ltd	2,015,206	2,600,510
	3,432,467	7,391,170
Fair value of trade and other payables		
Trade payables	3,432,467	7,391,170
6. Revenue		
Rendering of services	4,532,554	26,599,364
7. Cost of sales		
Rendering of services		
Cost of goods sold	3,361,766	17,719,397
Accommodation for migrant employees	1,241,000	4,902,100
Travel	196,146	2,512,555
	4,798,912	25,134,052



TPL-TQA QUALITY SERVICES SOUTH AFRICA (PROPRIETARY) LIMITED
(Registration number 2009/012351/07)
Annual Financial Statements for the Year Ended 31 March 2016
Notes to the Annual Financial Statements

Figures in Rand

	2016	2015
8. Operating (Loss) profit		
Operating (Loss) profit for the year is stated after accounting for the following:		
Operating lease charges		
Premises		
Contractual amounts	136,697	136,697
Auditor's remuneration	-	79,800
Accounting fees	119,189	139,903
Provision for bad debts	15,875,224	-
9. Finance costs		
Interest	1,855	1,459
10. Taxation		
Major components of the tax income		
Deferred		
Deferred tax	(4,617,396)	-
Reconciliation of the tax expense		
Reconciliation between accounting profit and tax expense		
Accounting Loss	(16,664,486)	(681,177)
Tax at the applicable tax rate of 28%(2015: 28%)	(4,666,056)	(190,730)
Tax effect of adjustments on taxable income		
Prior period adjustment	-	(1,224,643)
Non -deductible expenses	48,660	-
Tax loss carried forward	-	1,415,373
	(4,617,396)	-
11. Accounting fees		
Compilation fees - current year	60000	54000
Monthly processing fees - current year	45,814	67,250
Tax and secretarial services	13,375	18,653
	119,189	139,903
12. Cash used in operations		
Loss before taxation	(16,664,486)	(681,177)
Adjustments for:		
Finance costs	1,855	1,459
Changes in working capital:		
Trade and other receivables	17,828,440	6,511,136
Trade and other payables	(3,958,703)	(1,545,992)
	(2,792,894)	4,285,426



TATA PROJECTS

37th Annual Report 2015-2016

TPL-TQA QUALITY SERVICES SOUTH AFRICA (PROPRIETARY) LIMITED (Registration number 2009/012351/07)

Annual Financial Statements for the Year Ended 31 March 2016 Notes to the Annual Financial Statements

Figures in Rand

	2016	2015
13. Tax paid		
Balance at beginning of the year	(2,388,052)	(3,564,797)
Balance at end of the year	–	2,388,052
	(2,388,052)	(1,176,745)
14. Dividends paid		
Dividends	–	(14,173,502)
15. Commitments		
Operating leases – as lessee (expense)		
Minimum lease payments due		
- within one year	136,697	1,453,697

Operating lease payments represent rentals payable by the company for certain of its office properties and accommodation for its consulting engineers. Leases are negotiated for an average term of three years.

16. Related parties

Relationships

Holding company Shareholder with significant influence	Tata Projects Limited TQA Consultants Africa Proprietary Limited Tata Consulting Engineers Limited
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Related party transactions and balances

Details of transactions and balances occurring between the company and related parties are presented below:

Figures in Rand

	2016	2015
Purchase from :		
Tata Projects Limited	1,744,173	3,745,145
TQA Consultants Africa Proprietary Limited	4,893,702	8,790,326
Tata Consulting Engineers Limited	2,945,660	5,017,926
	9,583,535	17,553,397
Trade payables:		
Tata Projects Limited	695,624	1,215,179
TQA Consultants Africa Proprietary Limited	2,015,206	2,600,510
Tata Consulting Engineers Limited	212,914	2,148,865
	2,923,744	5,964,554



TPL-TQA QUALITY SERVICES SOUTH AFRICA (PROPRIETARY) LIMITED
(Registration number 2009/012351/07)

Annual Financial Statements for the Year Ended 31 March 2016
Notes to the Annual Financial Statements

17. Directors' emoluments

No emoluments were paid to the directors or any individuals holding a prescribed office during the year.

18. Risk management

Capital risk management

The company's objectives when managing capital are to safeguard the company's ability to continue as a going concern in order to provide returns for shareholders and benefits for other stakeholders and to maintain an optimal capital structure to reduce the cost of capital.

In order to maintain or adjust the capital structure, the company may adjust the amount of dividends paid to shareholders, return capital to shareholders, issue new shares or sell assets to reduce debt.

There has been no changes to what the entity manages as capital, the strategy for capital maintenance or externally imposed capital requirements from the previous year.

19. Financial risk management

The company's overall risk management program focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the company's financial performance. The company uses derivative financial instruments to hedge certain risk exposures. Risk management is carried out by the company treasury under policies approved by the directors. Company treasury identifies, evaluates and hedges financial risks in close co-operation with the company's operating units. The directors provides written principles for overall risk management, as well as written policies covering specific areas, such as foreign exchange risk, interest rate risk, credit risk, use of derivative financial instruments and non-derivative financial instruments, and investment of excess liquidity.

Liquidity risk

The company's risk to liquidity is a result of obligations associated with financial liabilities of the company and the availability of funds to meet those obligations. The company manages liquidity risk through an ongoing review of future commitments and credit facilities.

Cash flow forecasts are prepared and adequately utilised borrowing facilities are monitored.

Interest rate risk

As the company has no significant interest-bearing assets, the company's income and operating cash flows are substantially independent of changes in market interest rates.

Credit risk

Credit risk consists mainly of cash deposits, cash equivalents, loan receivables, derivative financial instruments and trade debtors. The company only deposits cash with major banks with high quality credit standing and limits exposure to any one counter-party.



TATA PROJECTS37th Annual Report 2015-2016**TPL-TQA QUALITY SERVICES SOUTH AFRICA (PROPRIETARY) LIMITED**

(Registration number 2009/012351/07)

Annual Financial Statements for the Year Ended 31 March 2016

Detailed Income Statement**20. Auditor's remuneration**

Figures in Rand

	Notes	2016	2015
Revenue			
Rendering of services		4532554	26,599,364
Cost of sales			
Cost of services		4,798,912	25,134,052
Gross (loss) profit		266,358	1,465,312
Operating expenses			
Accounting fees	11	119,189	139,903
Annual duty		3,000	3,000
Auditor's remuneration		–	79,800
Bank charges		9,699	16,208
Fines and penalties		173787	310,025
Lease rentals on operating lease		136,697	136,697
Provision for bad debts		15,875,224	1,276,050
Telephone and fax		78,677	183,347
		16,396,273	2,145,030
Operating (Loss) profit	8	(16,662,631)	(679,718)
Finance costs	9	(1,855)	(1,459)
Taxation	17	4,617,396	–
Loss for the year		(12,047,090)	(681,177)





TQ Services
Europe GmbH,
Germany



TATA PROJECTS37th Annual Report 2015-2016**TQ SERVICES EUROPE GmbH**
General Information

Country of incorporation and domicile	Germany
Nature of business and principal activities	Inspection & Expediting services, Field Quality services, Certification services, Technical training courses and Supplier Assessment, in Europe.
Managing Director	Tenny K Cherian
Prokurist	Mainak Dutta
Registered office	Fritz-Vomfelde Strasse 34 40547 Dusseldorf, Germany
Legal Advisors	Poppek Law Firm, Dusseldorf, Germany
Share capital Details	EUR 125,000 (Euro One Hundred and Twenty Five Thousand Only)
Banker	Deutsche Bank, Düsseldorf, Germany
Tax advisory Firm	BM Partner Revision GmbH, Dusseldorf, Germany
Tax reference number	103/5763/1696
Date of registration	29 th June 2012
Register of Deeds No.	503 for 2012
Level of assurance	These annual financial statements are certified by Management.



Management Report

The Managing Director submits the following report for the year ended 31 March 2016.

1. Review of activities - Main business and operations

The company is incorporated on 23rd May 2012 mainly to carry on the following activities:

- Inspection and expediting Services
- Field Quality services
- Certification services
- Technical training courses
- Supplier Assessment

The operating results and state of affairs of the company are fully set out in the attached annual financial statements and do not in my opinion require any further comment.

The revenue from services for the year is Euro 323,460.02 and Earnings Before Tax (EBT) was Euro 11,484.22

2. Going concern

The annual financial statements have been prepared on the basis of accounting policies applicable to a going concern. This basis presumes that funds will be available to finance future operations and that the realisation of assets and settlement of liabilities, contingent obligations and commitments will occur in the ordinary course of business.

3. Authorised and issued share capital

The subscribed share capital is Euro 125,000 consisting of 125,000 shares of Euro 1 each.

4. Dividends

No dividends were declared during the year

5. Directors

Tenny K Cheria is appointed as the Managing Director and Mr Mainak Dutta is appointed as Prokurist.

For TQ Services Europe, GmbH

Tenny K Cheria
Managing Director



TATA PROJECTS37th Annual Report 2015-2016**TQ Services Europe GmbH, Düsseldorf****Balance sheet as at 31 March 2016**

	Note No.	As at 31 March 2016 EUR	As at 31 March 2015 EUR
Shareholders funds			
Subscribed share capital	1	1,25,000.00	1,25,000.00
Accumulated profit /(loss)	2	55,233.95	47,350.73
		180,233.95	1,72,350.73
Secured Loan			
		41,851.43	-
Current liabilities			
Trade payable	3	61,926.91	86,792.46
Other liabilities	4	30,291.21	22,945.22
Provisions		18,682.00	15,732.00
		110,900.12	1,25,469.68
Total liabilities			
		332,985.50	2,97,820.41
Current assets			
Trade receivables		326,206.43	1,86,817.55
Other assets	5	6,779.07	3,757.62
Bank balance		-	1,07,245.24
Total assets			
		332,985.50	2,97,820.41

Tenny K Cherian
Managing Director



TQ Services Europe GmbH, Düsseldorf
Statement of Profit and Loss for the period ended 31 March 2016

	Note No.	For the Period ended 31 March 2016 EUR	For the Period ended 31 March 2015 EUR
Revenue			
Revenue from services	6	323,460.02	566,498.92
Other income		17.31	5,500.00
		323,477.33	571,998.92
Expenses			
Personnel expenses	7	85,106.49	83,175.51
Other operating expenses	8	226,886.62	349,950.80
Total		311,993.11	433,126.31
Profit/(loss) before Tax		11,484.22	138,872.61
Tax expense		3,601.00	21,474.59
Net Profit/(loss) for the period.		7,883.22	117,398.02

Tenny K Cherian
Managing Director



TATA PROJECTS37th Annual Report 2015-2016**TQ Services Europe GmbH, Düsseldorf**
Notes forming part of the financial statements

	As at 31 March 2016 EUR	As at 31 March 2015 EUR
Note 1 Subscribed share capital		
Opening balance	1,25,000.00	125,000.00
Additions during the period		
	1,25,000.00	1,25,000.00
Note 2 Accumulated profit /(loss)		
Opening balance	47,350.73	(70,047.29)
Add : Profit / Loss for the period	1,17,395.02	(62,407.34)
	47,350.73	(70,047.29)
Note 3 Trade payables		
Trade payables	33,379.71	58,245.26
Liabilities to affiliated companies	28,547.20	28,547.20
	61,926.91	86,792.46
Note 4 Other liabilities.		
VAT Payable	-	-
Wage and church tax payables	940.17	963.03
Social security liabilities	760.64	732.19
Payroll Liabilities	3,789.40	-
Trade Tax Payable	12,381.00	10,595.00
Income Tax Payable	12,420.00	10,655.00
	30,291.21	22,945.22
Note 5 Other assets.		
Imperest	4,461.79	1,456.85
Security deposits	1,607.00	1,607.00
Vat receivable	710.28	693.77
	6,779.07	3,757.62



TQ Services Europe GmbH, Düsseldorf
Notes forming part of the financial statements

Note No.	For the Period ended 31 March 2016 EUR	For the Period ended 31 March 2015 EUR
Note 6 Revenue from services		
Revenue from services	3,23,460.02	5,66,498.92
	3,23,460.02	5,66,498.92
Note 7 Personnel expenses		
Salaries	70,752.52	69,310.00
Statutory social security expenses	14,354.28	13,865.41
	85,106.49	83,175.51
Note 8 Other operating expenses		
Rent	-	1,540.44
Travel expenses	20,228.65	16,335.67
Sub Contract Expenses	172,935.41	3,13,224.01
Other expenses	33,722.56	18,850.68
	2,26,886.62	3,49,950.80



TATA PROJECTS

37th Annual Report 2015-2016

TQ Services Europe GmbH, Düsseldorf Notes forming part of the financial statements

TQ Services Europe GmbH, Düsseldorf Notes to the Annual Financial Statements as of March 31, 2016

Referring to the attached balance sheet as of March 31, 2016 and the profit and loss account for the year then ended I give the following explanatory comments in compliance with German legislation:

1. General comments

The Annual Financial Statements of the company were prepared according to the legal regulations for so-called "small-sized" companies according to § 267 para. 1 in connection with § 267a German Commercial Code. Thus, the company's statements are not subject to a statutory audit.

In accordance with § 264 para. 1 German Commercial Code a management report was not prepared.

A comparison of the balances to the previous year is limited because the previous year was a short fiscal year.

2. Comments on the classification of the annual financial statements

The annual financial statements are classified according to the German legal regulations. The profit and loss account is presented in vertical format using the total cost (nature of expense) method.

3. Accounting and valuation methods

The valuation was determined according to the German Commercial Code and the Limited Liability Companies Law.

Trade receivables, other assets and bank balances are stated at nominal value.

Liabilities are stated at their settlement value and provisions are stated at the amount required based on sound business judgement.

4. Other comments

Sole shareholder and parent company according to § 290 German Commercial Code is TATA Projects Limited, India.

Sole managing director in the business year 2014/2015 was and currently is Mr. Tenny Koshy Cherian, India.

Düsseldorf, May 6, 2016

Tenny K Cherian
Managing Director





TATA PROJECTS

37th Annual Report 2015-2016

Tata Projects Infrastructure Limited

REPORT OF THE BOARD OF DIRECTORS

To

The Members

Your Directors are pleased to present their Third Annual Report and the audited statements of accounts of the Company for the financial year ended 31st March 2016.

Operations & dividend

Your Company along with TPL is actively exploring the market and is confident of commencing the operations shortly.

Corporate Governance

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

Board of Directors

During the financial year under review, Four (4) Board Meetings were held.

Also, Tata Projects Limited nominated Mr Anil Khandelwal as its representative on the Board of your company in place of Mr Rajgopal Swami.

Pursuant to Section 161 of the Companies Act 2013, Mr Anil Khandelwal holds office, as Additional Director up to the date of ensuing Annual General Meeting and are eligible for re-appointment. The Company had received notice in writing from Member proposing his candidature for the office of Director of the Company. Accordingly, proposal for his appointment as Director is being placed before the shareholders for approval at the ensuing Annual General Meeting.

As per the provisions of the Companies Act 2013 and the Articles of Association of the Company, Mr. Arabinda Guha retires by rotation and being eligible, offers himself for re-appointment.

None of the Directors of your Company, except Mr Vinayak K Deshpande is in receipt of commission from holding company and your Company doesn't have any subsidiary Company.

Conservation of Energy, Technology absorption, Foreign Exchange Earnings and outgo

Your company is aware about the Rules of Conservation of energy and technology absorption as prescribed under section 134 (3)(m) of the Companies Act 2013 read with Rule 8 (3) of the Companies (Accounts) Rules, 2014. There were no foreign exchange transactions during the year.

Particulars of the employees

The information required under Section 197(12) of the Companies Act 2013 read with Rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules 2014 is not applicable

Directors' responsibility statement

Pursuant to Sections 134 (3) (c) and 134 (5) of the Companies Act 2013, 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, the Directors have consulted the statutory auditors and have applied the policies consistently, made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit of the Company for that period;



Tata Projects Infrastructure Limited

- iii. The Directors have taken proper and sufficient care, to the best of their knowledge and ability, for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act 2013, for safeguarding the assets of the Company and for preventing, detecting fraud and other irregularities;
- iv. The Directors have prepared the annual accounts on a going concern basis; and
- v. The Directors have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

Statutory auditors

The Statutory Auditors of your Company, M/s K Viswanath & Co, 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 re-appointment, if made, would be within the limits prescribed under provisions of the Companies Act 2013.

Extract of the annual return of the company

An extract of the Annual Return as provided under Section 92 (3) of the Companies Act 2013 in form MGT-9 is as per **Annexure - 1** and forms part of this report.

Particulars of the loans, guarantees or investments

There were no loans, guarantees, security or investments, pursuant to Section 186 of the Companies Act 2013.

Particulars of contracts or arrangements with the related parties

There were no contracts or arrangements with related parties pursuant to Section 188 of the Companies Act 2013.

Material changes and commitments, if any affecting the financial position, occurred between end of the financial year and the date of the report

There are no material changes or commitments which may affect the financial position of your Company.

Particulars of deposits

During the year under review, your Company has neither accepted any deposits covered under Chapter V of the Companies Act 2013 nor accepted deposits which are not in compliance with the requirements of Chapter V.

Particulars of significant and material orders

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

Acknowledgements

The Directors wish to place on record their sincere appreciation for the continued support received during the year from Tata Projects Limited, the shareholders, banks, financial institutions, and other authorities.

On behalf of the Board of Directors

Vinayak K Deshpande

Chairman

DIN: 00036827

Place: Secunderabad

Date: 4th May, 2016



TATA PROJECTS

37th Annual Report 2015-2016

Tata Projects Infrastructure Limited

ANNEXURE - 1

The extract of the Annual Return as required under Section 92 (3) of the Companies Act, 2013 in the form of MGT-9 as provided below

Form MGT- 09

Extract of Annual Return as on the Financial Year ended on 31st March 2016

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

I. Registration and Other Details

i. CIN	U45200TG2013PLC088608
ii. Registration Date	26 th June 2013
iii. Name of the Company	Tata Projects Infrastructure Limited
iv. Category / Sub-Category of the Company	Indian, Non-Government Company Limited by Shares
v. Address of the Registered office and contact details	Room No 2, Ground Floor, Mithona Towers - 1, 1-7-80 to 87, Prenderghast Road, Secunderabad - 500003
vi. Whether listed Company (Yes/No)	No
vii. Name, Address and Contact details of Registrar and Transfer Agent, if any	Not Applicable

II. Principal Business Activities of the Company

All the business activities contributing 10 % or more of the total turnover of the Company shall be stated

S. No.	Name and Description of main products / services	NIC Code of the Product/ service - 2008	% to total turnover of the Company

III. Particulars of Holding, Subsidiary and Associate Companies-

S. No	Name and Address of The Company	CIN/GLN	Holding/ Subsidiary/ Associate	% of shares Held	Applicable section
1	Tata Projects Limited	U45203AP1979PLC057431	Holding	99.99%	2(46)

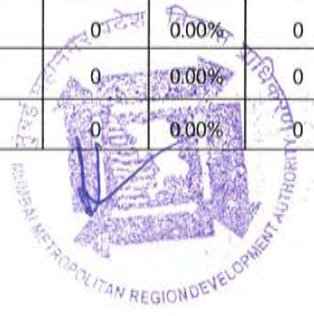


Tata Projects Infrastructure Limited

IV. Share Holding Pattern (Equity Share Capital Breakup as percentage of Total Equity)

i) Category-wise Share Holding

Category of Shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A. Promoters									
(1) Indian	0	0	0	0.00%	0	0	0	0.00%	0
a) Individual / HUF	0	0	0	0.00%	0	0	0	0.00%	0
b) Central Government	0	0	0	0.00%	0	0	0	0.00%	0
c) State Government	0	0	0	0.00%	0	0	0	0.00%	0
d) Bodies corporate	0	49,994	49,994	99.99%	0	49,994	49,994	99.99%	0
e) Bank/ Financial Institutions	0	0	0	0.00%	0	0	0	0.00%	0
f) any other	0	0	0	0.00%	0	0	0	0.00%	0
Sub-total (A) (1)	0	49,994	49,994	99.99%	0	49,994	49,994	99.99%	0
(2) Foreign									
a) NRIs-Individuals	0	0	0	0.00%	0	0	0	0.00%	0
b) Other – Individuals	0	0	0	0.00%	0	0	0	0.00%	0
c) Bodies corp.	0	0	0	0.00%	0	0	0	0.00%	0
d) Banks/FI	0	0	0	0.00%	0	0	0	0.00%	0
e) Any other	0	0	0	0.00%	0	0	0	0.00%	0
Sub-total (A) (2)	0	0	0	0.00%	0	0	0	0.00%	0
Total Shareholding of Promoters (A)=(A)(1)+(A)(2)	0	49,994	49,994	99.99%	0	49,994	49,994	99.99%	0
B. Public Shareholding									
1. Institutions									
a) Mutual Funds	0	0	0	0.00%	0	0	0	0.00%	0
b) Banks / Financial Institutions	0	0	0	0.00%	0	0	0	0.00%	0
c) Central Government	0	0	0	0.00%	0	0	0	0.00%	0
d) State Government	0	0	0	0.00%	0	0	0	0.00%	0



TATA PROJECTS

37th Annual Report 2015-2016

Tata Projects Infrastructure Limited

IV. Share Holding Pattern (Equity Share Capital Breakup as percentage of Total Equity)

i) Category-wise Share Holding

Category of Shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
e) Venture Capital Funds	0	0	0	0.00%	0	0	0	0.00%	0
f) Insurance Companies	0	0	0	0.00%	0	0	0	0.00%	0
g) FIs	0	0	0	0.00%	0	0	0	0.00%	0
h) Foreign Venture Capital Funds	0	0	0	0.00%	0	0	0	0.00%	0
i) Others (specify)	0	0	0	0.00%	0	0	0	0.00%	0
Sub-total (B)(1)	0	0	0	0.00%	0	0	0	0.00%	0
2. Non-Institutions									
a) Bodies Corporate									
i) Indian	0	0	0	0.00%	0	0	0	0.00%	NIL
ii) Overseas	0	0	0	0.00%	0	0	0	0.00%	0
b) Individuals	0	0	0	0.012%	0	0	0	0.012%	0
i) Individual shareholders holding nominal share capital up to Rs. 1 lakh	0	0	0	0.00%	0	0	0	0.00%	0
ii) Individual shareholders holding nominal share capital in excess of Rs 1 lakh	0	0	0	0.00%	0	0	0	0.00%	0
c) Others (specify)									
i. Non Resident Individual	0	0	0	0.00%	0	0	0	0.00%	0
Sub-total (B)(2)	0	6	6	0.012%	0	6	6	0.012%	0
Total Public Shareholding (B)=(B)(1)+(B)(2)	0	6	6	0.012%	0	6	6	0.012%	NIL
C. Shares held by Custodian for GDRs & ADRs	0	0	0	0.00%	0	0	0	0.00%	0
Grand Total (A+B+C)	0	50000	50000	100%	0	50000	50000	100%	NIL



Tata Projects Infrastructure Limited

IV. Share Holding Pattern (Equity Share Capital Breakup as percentage of Total Equity)

ii) Shareholding of Promoters

S.No.	Shareholder's Name	Shareholding at the beginning of the year			Shareholding at the end of the			year % change in share holding during the year
		No. of Shares	% of total Shares of the Company	% of Shares Pledged / encumbered to total shares	No. of Shares	% of total Shares of the Company	% of Shares Pledged / encumbered to total shares	
1	Tata Projects Limited	49994	99.99%	0.00%	49994	99.99%	0.00%	0.00%

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

S.No.		Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the Company	No. of shares	% of total shares of the Company
1	At the beginning of the year	49994	99.99%	0	0.00%
	Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus / sweat equity etc.,)	0	0.00%	0	0.00%
2	At the End of the year	49994	99.99%	0	0.00%

(iv) Shareholding Pattern of top ten Shareholders* (other than Directors, Promoters and Holders of GDRs and ADRs)

S. No.	For each of the Top 10 shareholders	Shareholding at the beginning of the year		Cumulative Shareholding during the year		Date wise Increase / Decrease in Shareholding during the Year specifying reasons for increase/ decrease			At the end of the year (or the date)	
		No. of shares	% of Total shares of the Company	No. of shares	% of Total shares of the Company	Date	No. of shares	Increase/ (Decrease)	No. of shares	% of Total shares of the Company
1	Satyanarayana Kasinadhuni	1	0.0002	1	0.0002	Nil	Nil	Nil	1	0.0002
2	Katragadda Karthik	1	0.0002	1	0.0002	Nil	Nil	Nil	1	0.0002



TATA PROJECTS

37th Annual Report 2015-2016

Tata Projects Infrastructure Limited

IV. Share Holding Pattern (Equity Share Capital Breakup as percentage of Total Equity)

v) Shareholding of Directors and Key Managerial Personnel

S.No.	For Each of the Directors and KMP	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the Company	No. of shares	% of total shares of the Company
1	At the beginning of the year	3	0.00006%	0	0.00%
2	Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment /transfer / bonus/ sweat equity etc.,)	0	0.00%	0	0.00%
3	At the end of the year	3	0.00006%	0	0.00%

V. INDEBTEDNESS

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

(Amount in Lac)

Particulars	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
i) Principal Amount	-	-	-	-
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	-	-	-	-
Total (i+ii+iii)	-	-	-	-
Change in Indebtedness during the financial year				
• Addition	-	-	-	-
• Reduction	-	-	-	-
Net Change	-	-	-	-
Indebtedness at the end of the financial year				
i) Principal Amount	-	-	-	-
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	-	-	-	-
Total (i+ii+iii)	-	-	-	-



Tata Projects Infrastructure Limited

VI. Remuneration of Directors and Key Managerial Personnel

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

Nil

B. Remuneration to other Directors

Nil

C. Remuneration to Key Managerial Personnel other than MD/Manager/WTD

Nil

VII. Penalties / Punishment / Compounding of Offences

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



TATA PROJECTS

37th Annual Report 2015-2016

Tata Projects Infrastructure Limited

INDEPENDENT AUDITORS REPORT

TO THE MEMBERS OF TATA PROJECTS INFRASTRUCTURE LIMITED

Report on Standalone Financial Statements

We have audited the accompanying standalone financial statements of **TATA PROJECTS INFRASTRUCTURE LIMITED** ("the Company"), which comprise the Balance Sheet as at 31st March, 2016, the Statement of Profit and Loss, 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 Standalone Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these standalone financial statements based on our audit.

We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder.

We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. 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 misstatements.

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 financial controls relevant to the Company's preparation of the financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, 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 on the standalone financial statements.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31st March, 2016, and its Loss and its cash flows for the year ended on that date.



Tata Projects Infrastructure Limited

REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order") as amended, issued by the Central Government of India in terms of sub-section (11) of Section 143 of the Act, we give in the "Annexure - A" a statement on the matters specified in the paragraph 3 and 4 of the Order, to the extent applicable.
2. As required by Section 143(3) of the Act, we report that:
 - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;
 - b) In our opinion proper books of account as required by law have been kept by the Company so far as appears from our examination of those books;
 - c) The Balance Sheet, the Statement of Profit and Loss dealt with by this Report are in agreement with the books of account;
 - d) In our opinion, the aforesaid standalone financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
 - e) On the basis of written representations received from the directors as on 31st March 2016, taken on record by the Board of Directors, none of the Directors is disqualified as on 31st March 2016, from being appointed as a Director in terms of Section 164 (2) of the Act.
 - f) With respect to the adequacy of the internal financial controls over financial reporting of the company and the operating effectiveness of such controls, refer to our separate Report in "Annexure - B".
 - g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our knowledge and belief and according to the information and explanations given to us:
 - i. Based on the information and explanations given to us, the Company does not have pending litigations as at 31st March 2016, which have impact on its financial position.
 - ii. The Company did not have any long term contracts including derivative contracts for which there were any material foreseeable losses.
 - iii. There were no amounts which required to be transferred to the Investor Education and Protection Fund by the company during the year ended 31st March 2016.

For K.Viswanath & Co.
Chartered Accountants
Firm Regn. No. 0106615

K. Viswanath
Partner
Membership No. 209762

Place: Secunderabad

Date: 4th May, 2016



TATA PROJECTS

37th Annual Report 2015-2016

Tata Projects Infrastructure Limited

ANNEXURE-A TO THE AUDITORS' REPORT

Referred to paragraph 1 under the heading 'Report on Other Legal & Regulatory Requirement' of our report of even date to the financial statements of the company for the year ended March 31, 2016:

- i) a) As per the information and explanations given to us, the Company did not own any fixed assets during the period covered under review.
- b) As per the information and explanations given to us, this clause is not applicable to the company for the period cover under review.
- c) According to the information and explanations given to us, this clause is not applicable to the company for the period cover under review.
- ii) a) As per the information and explanations given to us, the company did not own any inventory during the period covered under review.
- b) As per the information and explanations given to us, this clause is not applicable to the company for the period covered under review.
- iii) The Company has not granted any loans, secured or unsecured to companies, firms, Limited Liability partnerships or other parties covered in the register maintained under Section 189 of the Act. Accordingly, provisions of clause 3 (iii) (a) to (c) of the order are not applicable to the company and hence not commented upon.
- iv) In our opinion and according to the information and explanations given to us, this clause is not applicable to the company for the period covered under review.
- v) The Company has not accepted any deposits from the public and hence directives issued by Reserve Bank of India and the provisions of Section 73 to 76 or any other relevant provisions of the Act and the Companies (Acceptance of Deposit) Rules, 2015 with regard to the deposits accepted from the public are not applicable.
- vi) As informed to us, the maintenance of Cost Records has not been specified by the Central Government under sub section(1) of Section 148 of the Act, in respect of activities carried on by the Company.
- vii) a) According to the information and explanations given to us and according to the books and records as produced and examined by us, in our opinion, the undisputed statutory dues in respect of, income tax, sales-tax, excise duty, service tax, value added tax and other material statutory dues, as applicable, have generally been regularly deposited by the Company during the year with the appropriate authorities. According to the information and explanations given to us, no undisputed amounts payable in respect of the aforesaid dues were outstanding as at 31st March, 2016 for a period of more than six months from the date of becoming payable.
- b) According to the information and explanations given to us, there are no dues of income tax, sales tax, service tax, duty of customs, duty of excise, value added tax outstanding on account of any dispute.
- viii) According to information and explanations given to us this clause is not applicable to the company for the period under review.
- ix) Based upon audit procedures performed and the information and explanations given by the management, the Company has not raised moneys by way of initial public offer or further public offer including debt instruments and term loans. Accordingly, the provisions of clause 3(ix) of the Order are not applicable to the Company and hence not commented upon.
- x) Based upon audit procedures performed and the information and explanations given by the management, we report that no fraud by the company or on the company by its officers or employees has been noticed or reported during the year.



Tata Projects Infrastructure Limited

- xi) According to information and explanations given to us this clause is not applicable to the company for the period under review.
- xii) In our opinion, the company is not a Nidhi Company. Therefore, the provisions of clause 4(xii) are not applicable to the company.
- xiii) In our opinion, all transactions with the related are in compliance with section 177 and 188 of the Companies Act, 2013 and the details have been disclosed in the Financial Statements as required by the applicable accounting standards.
- xiv) Based upon the audit procedures performed and the information and explanations given by the management, the company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review. Accordingly, the provisions of clause 3(xiv) of the Order are not applicable to the company and hence not commented upon.
- xv) Based upon the audit procedures performed and the information and explanations given by the management, the company has not entered into any non-cash transactions with directors or persons connected with him. Accordingly, the provisions of clause 3(xv) of the Order are not applicable to the company and hence not commented upon.
- xvi) In our opinion, the company is not required to be registered under section 45 IA of the Reserve Bank of India Act, 1934 and accordingly, the provisions of clause 3(xvi) of the Order are not applicable to the company and hence not commented upon.

For K. Viswanath & Co.
Chartered Accountants
Firm Regn. No. 010661S

K. Viswanath
Partner
Membership No. 209762

Place: Secunderabad

Date: 4th May, 2016



TATA PROJECTS

37th Annual Report 2015-2016

Tata Projects Infrastructure Limited

ANNEXURE-B to the Independent Auditor's Report of even date on the standalone Financial statements of Tata Projects Infrastructure Limited

Report on the Internal Financial Controls under clause (i) of sub-section 3 of section 143 of the Companies Act, 2013 ("the Act")

We have audited the internal financial controls over financial reporting of Tata projects Infrastructure Limited ("the Company") as of March 31, 2016 in conjunction with our audit of the standalone financial statements of the company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's management is responsible for establishing and maintaining internal financial controls based on "internal control over financial reporting criteria established by the company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India". These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditor's Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

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

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

Meaning of Internal Financial Controls Over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide





Tata Projects Infrastructure Limited

reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls Over Financial Reporting

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

Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2016, based on "the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India".

For K. Viswanath & Co.
Chartered Accountants
Firm Regn. No. 010661S

K. Viswanath
Partner
Membership No. 209762

Place: Secunderabad

Date: 4th May, 2016



TATA PROJECTS

37th Annual Report 2015-2016

Tata Projects Infrastructure Limited Balance sheet as at March 31, 2016

	Notes	31st March 2016 ₹ Lac	31st March 2015 ₹ Lac
EQUITY AND LIABILITIES			
Share Capital	2	500,000	500,000
Reserves and Surplus		(17,848)	(12,218)
Share application money pending allotment		-	-
Current Liabilities			
Other Current Liabilities		16,600	11,600
Total		498,752	499,382
ASSETS			
Current assets			
Cash and cash equivalents	3	498,752	499,382
Total		498,752	499,382
Corporate information	1		
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 K. Viswanath & Co.
Chartered Accountants
FRN:010661S

K. Viswanath
Partner
Membership No:209762

Place: Secunderabad
Date: 4th May, 2016

Vinayak K Deshpande
Chairman

Anil Khandelwal
Director





Tata Projects Infrastructure Limited
Statement of Profit and Loss for the year ended March 31, 2016

Particulars	Note No.	For the year ended 31st March 2016 ₹ Lac	For the period ended 31st March 2015 ₹ Lac
I Revenue from operations			
Other Income		-	-
Total Revenue		-	-
II Expenses			
Other Expenses	4	5,630	12,218
		-	-
Total Expenses for the year		<u>5,630</u>	<u>12,218</u>
III Total Profit / (Loss) for the Year		<u>(5,630)</u>	<u>(12,218)</u>
IV Tax Expense			
Current Tax		-	-
V Profit After Tax (IV-V)		<u>(5,630)</u>	<u>(12,218)</u>
VI Transferred to Balance Sheet		(5,630)	(12,218)

In terms of our report attached

For and on behalf of the Board of Directors

For K. Viswanath & Co.
Chartered Accountants
FRN:010661S

K. Viswanath
Partner
Membership No:209762

Vinayak K Deshpande
Chairman

Anil Khandelwal
Director

Place: Secunderabad
Date: 4th May, 2016



TATA PROJECTS

37th Annual Report 2015-2016

Tata Projects Infrastructure Limited

Cash Flow Statement for the year ended 31st March 2016

	For the year ended 31st March 2016 ₹ Lac	For the period ended 31st March 2015 ₹ Lac
A. Cash flow from operating activities		
Profit before tax	(5,630)	(12,218)
Changes in working capital: Adjustments for increase/(decrease) in Operating Liabilities:		
- Other Current liabilities	5,000	11,600
	5,000	11,600
Cash used in operations	(630)	(618)
Net cash flows used in operating activities	(630)	(618)
B. Cash flow from investing activities		
Net cash flows from investing activities	-	-
C. Cash flow from financing activities		
Proceeds from Share Capital	-	500,000
Net cash flows from financing activities	-	500,000
Net increase/(decrease) in Cash and cash equivalents (A+B+C)	(630)	499,382
Cash and cash equivalents at the beginning of the year	499,382	-
Cash and cash equivalents at the end of the period / year (refer Note 2 below)	498,752	499,382
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, 2016 ₹ in lac	As at March 31, 2015 ₹ in lac
(i) Cash	60	60
(ii) Balance with banks		
- in current accounts	498,692	499,322
- in deposit accounts	-	-
Cash and cash equivalents included in Note 20	498,752	499,382
3 Comparative figures of the previous year have been regrouped wherever necessary to compare with those of current period / year.		

In terms of our report attached

For and on behalf of the Board of Directors

For K.Viswanath & Co.
Chartered Accountants
FRN:010661S

K.Viswanath
Partner
Membership No:209762

Place: Secunderabad
Date: 4th May, 2016

Vinayak KDeshpande
Chairman

Anil Khandelwal
Director



Tata Projects Infrastructure Limited

Notes forming part of the financial statements

1 Corporate Information

Tata Projects Infrastructure Limited (TPIL) was established and incorporated under the Companies Act, 1956 on June 26, 2013. The main objects for which the Company is established are to carry on the business of development of infrastructure facilities in India or abroad on engineering, procurement and construction basis, on turnkey basis, on Build-own-operate-transfer basis or other similar modules or any other basis including operation and maintenance (O& M).

2 Share Capital

	As at March 31, 2016		As at March 31, 2015	
	Number of shares	Amount ?	Number of shares	Amount ?
	(audited)		(audited)	
Authorised				
Equity shares of ₹10 each with voting rights	50,000	500,000	50,000	500,000
Issued, Subscribed and Paid-up				
Equity shares of ₹10 each with voting rights	50,000	500,000	50,000	500,000
Total	50,000	500,000	50,000	500,000

Reconciliation of the number of shares and amount outstanding at the beginning and at the end of the period/year

Equity shares with voting rights

	Period ended March 31, 2016		Period ended March 31, 2015	
	Number of shares	Amount ?	Number of shares	Amount ?
As at beginning of the period / year				
Changes during the period / year	-	-	-	-
At the end of the period / year	50,000	500,000	50,000	500,000

Rights, preferences and restrictions attached to the equity shares

The Company has only one class of equity shares having a par value of ₹ 10 each per share. Each holder of equity shares is entitled to one vote per share. 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.

	As at March 31, 2016		As at March 31, 2015	
	Number of shares	Amount %?	Number of shares	Amount %?
Tata Projects Limited	49994	99.99%	49994	99.99%



TATA PROJECTS37th Annual Report 2015-2016**Tata Projects Infrastructure Limited**
Notes forming part of the financial statements**3 Cash and cash equivalents**

	As at March 31, 2016 ₹	As at March 31, 2015 ₹
(i) Cash on hand	60	60
(ii) Balance with bank in current accounts	498,692	499,322
Total	498,752	499,382

4 Other Expenses

	For the year ended March 31, 2016 ₹	For the period ended March 31, 2015 ₹
Legal and Professional charges	-	6,600
Audit Fees	5,000	5,000
Bank Charges	630	618
	5,630	12,218

In terms of our report attached
For K.Viswanath & Co.
 Chartered Accountants
 FRN:010661S

For and on behalf of the Board of Directors

K.Viswanath
 Partner
 Membership No:209762

Vinayak K Deshpande
 Chairman

Anil Khandelwal
 Director

Place: Secunderabad
 Date: 4th May, 2016





TATA PROJECTS

37th Annual Report 2015-2016

FoodCert India Private Limited

REPORT OF THE BOARD OF DIRECTORS

To

The Members

Your Directors are pleased to present their Twelfth Annual Report along with the audited statement of accounts of the Company for the financial year ended 31st March 2016.

Operations

The total revenue for the year aggregated to ₹ 85,23,855 compared to ₹ 54,08,029 in the previous year. The operating profit for the year was ₹ 16,56,684/- against the loss of ₹ 6,10,178/- in the previous year. Further net Profit stood at ₹ 13,36,684/- when compared to ₹ 14,41,080/- loss in the previous year.

The Company is into the business of inspection and certification focussed on the food sector, which has huge potential in India. Recent initiatives by Food Safety and Standards Authority of India (FSSAI) will have significant positive impact on your Company and your company holds several approvals and accreditations valid across India and expects positive results in near future.

Dividend

Keeping in view the financial requirement of the company, the Board of Directors have not recommended dividend for the financial year 2015-16.

Change In The Nature Of Business

The basic nature of business of your Company remains the same and there is no change in the nature of business.

Corporate Governance

Your Company has always followed good Corporate Governance practices in pursuit of its objective of growth with excellence. The Board comprises of Two Directors viz., Mr Krishan Kumar Gupta (Chairman) and Mr Tenny Koshy Cherian. During the year Six Meetings of Board of Directors were held.

Conservation of Energy, Technology Absorption, Foreign Exchange earnings and outgo.

The activities of your company are not based on intense energy consumption, However it initiates necessary steps for conservation of energy and technology absorption as and where possible. The company is aware of the provisions prescribed under Section 134(3)(m) of the Companies Act 2013 and read with Rule 8(3) of Companies (Accounts) Rules 2014. There were no foreign exchange transactions during the year.

Particulars of The Employees

None of the employees of the company are covered under the limits provided in the provisions of Section 197(12) of the Companies Act 2013 read with Rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules 2014 as such the relevant disclosure requirement are not applicable.

Directors' Responsibility Statement

Pursuant to Sections 134 (3) (c) and 134 (5) of the Companies Act 2013, for the year ended 31st March 2016, the Board of Directors based on the representations received from the operating management and to the best of their knowledge and ability, 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, the Directors have consulted the statutory auditors and have applied the policies consistently, made judgments and estimates that are reasonable and prudent so as to give a true and



Food Cert India Private Limited

fair view of the state of affairs of the Company at the end of the financial year and of the profit of the Company for that period;

- iii. The Directors have taken proper and sufficient care, to the best of their knowledge and ability, for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act 2013, for safeguarding the assets of the Company and for preventing, detecting fraud and other irregularities;
- iv. The Directors have prepared the annual accounts on a going concern basis; and
- v. The Directors have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

Directors

During the year there were no changes in composition of Board of Directors and that none of the Directors of your Company are in receipt of commission from the Holding company and your Company doesn't have any subsidiary Company.

Share Capital

During the year Company increased its authorised share capital from ₹1,35,00,000/- to ₹ 2,00,00,000/- and raised paid-up capital from ₹1,13,86,000 to ₹1,63,86,000 by allotting 5,00,000 shares of ₹ 10/- each amounting to ₹ 50,00,000/-.

Statutory Auditors

Statutory Auditors of your Company, M/s K Viswanath & Co, Chartered Accountants, retire at the ensuing Annual General Meeting and being eligible offer themselves for reappointment. Company has received a certificate from statutory auditors to the effect that their re-appointment, if made, would be within limits prescribed under the provisions of Companies Act 2013.

Extract of the Annual Return of the Company

An extract of the Annual Return as provided under Section 92 (3) of the Companies Act 2013 in form MGT-9 is as per **Annexure - 1** and forms part of this report.

Particulars of the Loans, Guarantees or Investments

The company has neither provided any loans, guarantees or securities nor made any investments which attracts the provisions of Section 186 of the Companies Act 2013. As such the disclosure requirements are not applicable.

Particulars of contracts or arrangements with the related parties

There were no contracts or arrangements with related parties which attracts the provisions of Section 188 of the Companies Act 2013 and the corresponding rules made thereunder. Hence the disclosure requirements are not applicable.

Material changes and commitments, if any affecting the financial position, occurred between end of the Financial Year and the date of the report

There are no material changes or commitments which affect the financial position of your Company during the period under review.

Particulars of Deposits

During the year under review, your Company has neither accepted any deposits covered under Chapter V of the Companies Act 2013 nor accepted deposits which are not in compliance with the requirements of Chapter V.



TATA PROJECTS37th Annual Report 2015-2016**Food Cert India Private Limited****Particulars of significant and material orders**

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

Acknowledgements

The Directors wish to place on record their sincere appreciation for the continued support received during the year from Tata Projects Limited, customers, suppliers and vendors, banks, financial institutions and other authorities. The Board wishes to place on record its keen appreciation to all employees of the Company.

Place : Secunderabad
Date : 5th May 2016

On behalf of the Board of Directors

Krishan Kumar Gupta
Chairman
DIN: 07099826



Food Cert India Private Limited
ANNEXURE - 1

The extract of the Annual Return as required under Section 92 (3) of the Companies Act, 2013 in the form of MGT-9 as provided below

Form MGT-09

Extract of Annual Return as on the Financial Year ended on 31st March 2016
[Pursuant to Section 92(3) of the Companies Act, 2013 and Rule 12 (1) of the Companies
(Management and Administration) Rules, 2014]

I. Registration and Other Details

i. CIN	U74220TG2003PTC040523
ii. Registration Date	18 th February 2003
iii. Name of the Company	FoodCert India Private Limited
iv. Category / Sub-Category of the Company	Indian, Non-Government Company Limited by Shares
v. Address of the Registered office and contact details	Room No 3, Fourth Floor, Mithona Towers – 1, 1-7-80 to 87, Prenderghast Road, Secunderabad – 500003
vi. Whether listed Company (Yes/No)	No
vii. Name, Address and Contact details of Registrar and Transfer Agent, if any	Not Applicable

II. Principal Business Activities of the Company

All the business activities contributing 10 % or more of the total turnover of the Company shall be stated

S. No.	Name and Description of main products / services	NIC Code of the Product/ service - 2008	% to total turnover of the Company
1	NA	NA	NA

III. Particulars of Holding, Subsidiary and Associate Companies-

S.No	Name and Address of The Company	CIN/GLN	Holding/ Subsidiary/ Associate	% of shares Held	Applicable section
1	Tata Projects Limited	U45203AP1979PLC057431	Holding	99.99%	2(46)



TATA PROJECTS

37th Annual Report 2015-2016

Food Cert India Private Limited

IV. SHARE HOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity)

i) Category-wise Share Holding

Category of Shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A. Promoters									
(1) Indian	0	0	0	0.00%	0	0	0	0.00%	0
a) Individual / HUF	0	0	0	0.00%	0	0	0	0.00%	0
b) Central Government	0	0	0	0.00%	0	0	0	0.00%	0
c) State Government	0	0	0	0.00%	0	0	0	0.00%	0
d) Bodies corporate	0	1138590	1138590	100%	0	1638590	1638590	100%	100
e) Bank/ Financial Institutions	0	0	0	0.00%	0	0	0	0.00%	0
f) any other	0	0	0	0.00%	0	0	0	0.00%	0
Sub-total (A) (1)	0	1138590	1138590	100%	0	1638590	1638590	100%	100
(2) Foreign									
a) NRIs-Individuals	0	0	0	0.00%	0	0	0	0.00%	0
b) Other - Individuals	0	0	0	0.00%	0	0	0	0.00%	0
c) Bodies corp.	0	0	0	0.00%	0	0	0	0.00%	0
d) Banks/FI	0	0	0	0.00%	0	0	0	0.00%	0
e) Any other	0	0	0	0.00%	0	0	0	0.00%	0
Sub-total (A) (2)	0	0	0	0.00%	0	0	0	0.00%	0
Total Shareholding of Promoters (A)=(A)(1)+(A)(2)	0	1138590	1138590	100%	0	1638590	1638590	100%	100
B. Public Shareholding									
1. Institutions									
a) Mutual Funds	0	0	0	0.00%	0	0	0	0.00%	0
b) Banks / Financial Institutions	0	0	0	0.00%	0	0	0	0.00%	0
c) Central Government	0	0	0	0.00%	0	0	0	0.00%	0
d) State Government	0	0	0	0.00%	0	0	0	0.00%	0
e) Venture Capital Funds	0	0	0	0.00%	0	0	0	0.00%	0



Food Cert India Private Limited
IV. SHARE HOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity)
i) Category-wise Share Holding (Contd...)

Category of Shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
f) Insurance Companies	0	0	0	0.00%	0	0	0	0.00%	0
g) FIs	0	0	0	0.00%	0	0	0	0.00%	0
h) Foreign Venture Capital Funds	0	0	0	0.00%	0	0	0	0.00%	0
i) Others (specify)	0	0	0	0.00%	0	0	0	0.00%	0
Sub-total (B)(1)	0	0	0	0.00%	0	0	0	0.00%	0
2. Non-Institutions									
a) Bodies Corporate									
i) Indian	0	0	0	0.00%	0	0	0	0.00%	0
ii) Overseas	0	0	0	0.00%	0	0	0	0.00%	0
b) Individuals	0	10	10	0.00%	0	10	10	0.00%	0.00%
i) Individual shareholders holding nominal share capital up to Rs. 1 lac	0	0	0	0.00%	0	0	0	0.00%	0
ii) Individual shareholders holding nominal share capital in excess of Rs 1lac	0	0	0	0.00%	0	0	0	0.00%	0
c) Others (specify)									
i. Non Resident Individual	0	0	0	0.00%	0	0	0	0.00%	0
Sub-total (B)(2)	0	10	10	0.00%	0	10	10	0.00%	0
Total Public Shareholding (B)=(B)(1)+(B)(2)	0	0	0	0.00%	0	10	10	0.00%	0
C. Shares held by Custodian for GDRs & ADRs	0	0	0	0.00%	0	0	0	0.00%	0
Grand Total (A+B+C)	0	1138600	1138600	100%	0	1638600	1638600	100%	100%



TATA PROJECTS

37th Annual Report 2015-2016

Food Cert India Private Limited

IV. Share Holding Pattern (Equity Share Capital Breakup as percentage of Total Equity)

ii) Shareholding of Promoters

S.I No.	Shareholder's Name	Shareholding at the beginning of the year			Shareholding at the end of the year			year % change in share holding during the year
		No. of Shares	% of total Shares of the Company	% of Shares Pledged / encumbered to total shares	No. of Shares	% of total Shares of the Company	% of Shares Pledged / encumbered to total shares	
1.	Tata Projects Limited	1138590	100	0	1638590	100	0	100

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

Shareholding at the beginning of the year		Cumulative Shareholding during the year		Date wise Increase / Decrease in Shareholding during the Year specifying reasons for increase/ decrease			At the end of the year (or the date)	
No. of Shares	% of total Shares of the Company	No. of Shares	% of total Shares of the Company	Date	No. of Shares	Increase/ (Decrease)	No. of Shares	% of total Shares of the Company
1138590	100%	1638590	100	30.03.2016	500000	Increase	1638590	100



Food Cert India Private Limited
**IV. Share Holding Pattern (Equity Share Capital Breakup as percentage of Total Equity)
iv) Shareholding Pattern of top ten Shareholders* (other than Directors and Holders of GDRs and ADRs)**

S.I No.	For each of the Top 10 shareholders	Shareholding at the beginning of the year		Cumulative Shareholding during the year		Date wise Increase / Decrease in Shareholding during the Year specifying reasons for increase/ decrease			At the end of the year (or the date)	
		No. of shares	% of Total shares of the Company	No. of shares	% of Total shares of the Company	Date	No. of shares	Increase/ (Decrease)	No. of shares	% of Total shares of the Company
1	Tata Projects Limited	1138590	100	1638590	100	30-03-2016	50000	Increase	1638590	100
2	Vinayak K Deshpande	10	0	10	0	-	-	-	10	0

Note : Promoter's shareholding is also shown in the above table of top ten shareholders, as there are only two shareholders



TATA PROJECTS

37th Annual Report 2015-2016

Food Cert India Private Limited

IV. Share Holding Pattern (Equity Share Capital Breakup as percentage of Total Equity)

v) Shareholding of Directors and Key Managerial Personnel

S.No.	For Each of the Directors and KMP	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the Company	No. of shares	% of total shares of the Company
1	At the beginning of the year	0	0.00%	0	0.00%
2	Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus / sweat equity etc.,)	0	0.00%	0	0.00%
3	At the end of the year	0	0.00%	0	0.00%

V. Indebtedness

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

VI. Remuneration of Directors and Key Managerial Personnel

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

Nil

B. Remuneration to other Directors

Nil

C. Remuneration to Key Managerial Personnel other than MD/Manager/WTD

Nil

VII. Penalties / Punishment / Compounding of Offences

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



Food Cert India Private Limited

INDEPENDENT AUDITORS REPORT

TO THE MEMBERS OF FOODCERT INDIA PRIVATE LIMITED

Report on Standalone Financial Statements

We have audited the accompanying standalone financial statements of **FOODCERT INDIA PRIVATE LIMITED** ("the Company"), which comprise the Balance Sheet as at 31st March, 2016, the Statement of Profit and Loss, 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 Standalone Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these standalone financial statements based on our audit.

We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder.

We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. 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 misstatements.

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 financial controls relevant to the Company's preparation of the financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, 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 on the standalone financial statements.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31st March, 2016, and its profit and its cash flows for the year ended on that date.



TATA PROJECTS

37th Annual Report 2015-2016

Food Cert India Private Limited

REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order") as amended, issued by the Central Government of India in terms of sub-section (11) of Section 143 of the Act, we give in the "Annexure - A" a statement on the matters specified in the paragraph 3 and 4 of the Order, to the extent applicable.
2. As required by Section 143(3) of the Act, we report that:
 - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;
 - b) In our opinion proper books of account as required by law have been kept by the Company so far as appears from our examination of those books;
 - c) The Balance Sheet, the Statement of Profit and Loss dealt with by this Report are in agreement with the books of account;
 - d) In our opinion, the aforesaid standalone financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014
 - e) On the basis of written representations received from the directors as on 31st March 2016, taken on record by the Board of Directors, none of the Directors is disqualified as on 31st March 2016, from being appointed as a Director in terms of Section 164 (2) of the Act.
 - f) With respect to the adequacy of the internal financial controls over financial reporting of the company and the operating effectiveness of such controls, refer to our separate Report in "Annexure - B".
 - g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our knowledge and belief and according to the information and explanations given to us:
 - i. Based on the information and explanations given to us, the Company does not have pending litigations as at 31st March 2016, which have impact on its financial position.
 - ii. The Company did not have any long term contracts including derivative contracts for which there were any material foreseeable losses.
 - iii. There were no amounts which required to be transferred to the Investor Education and Protection Fund by the company during the year ended 31st March 2016.

For **K.Viswanath & Co.**
Chartered Accountants
Firm Regn. No. 010661S

K.Viswanath
Partner
Membership No. 209762

Place: Secunderabad
Date: 5th May 2016



Food Cert India Private Limited

ANNEXURE-A TO THE AUDITORS' REPORT

Referred to paragraph 1 under the heading 'Report on Other Legal & Regulatory Requirement' of our report of even date to the financial statements of the company for the year ended March 31, 2016:

- i) a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets;
- b) The Fixed Assets have been physically verified by the management in a phased manner, designed to cover all the items over a period of three years, which in our opinion, is reasonable having regard to the size of the company and nature of its business. Pursuant to the program, a portion of the fixed asset has been physically verified by the management during the year and no material discrepancies between the books records and the physical fixed assets have been noticed.
- c) The title deeds of immovable properties are held in the name of the company.
- ii) a) As per the information and explanations given to us, the company did not own any inventory during the period covered under review.
- b) As per the information and explanations given to us, this clause is not applicable to the company for the period covered under review.
- iii) The Company has not granted any loans, secured or unsecured to companies, firms, Limited Liability partnerships or other parties covered in the register maintained under Section 189 of the Act. Accordingly, provisions of clause 3 (iii) (a) to (c) of the order are not applicable to the company and hence not commented upon.
- iv) In our opinion and according to the information and explanations given to us, this clause is not applicable to the company for the period covered under review.
- v) The Company has not accepted any deposits from the public and hence directives issued by Reserve Bank of India and the provisions of Section 73 to 76 or any other relevant provisions of the Act and the Companies (Acceptance of Deposit) Rules, 2015 with regard to the deposits accepted from the public are not applicable.
- vi) As informed to us, the maintenance of Cost Records has not been specified by the Central Government under sub section(1) of Section 148 of the Act, in respect of activities carried on by the Company.
- vii) a) According to the information and explanations given to us and according to the books and records as produced and examined by us, in our opinion, the undisputed statutory dues in respect of, income tax, sales-tax, excise duty, service tax, value added tax and other material statutory dues, as applicable, have generally been regularly deposited by the Company during the year with the appropriate authorities. According to the information and explanations given to us, no undisputed amounts payable in respect of the aforesaid dues were outstanding as at 31st March, 2016 for a period of more than six months from the date of becoming payable.
- b) According to the information and explanations given to us, there are no dues of income tax, sales tax, service tax, duty of customs, duty of excise, value added tax outstanding on account of any dispute.
- viii) According to information and explanations given to us this clause is not applicable to the company for the period under review.
- ix) Based upon audit procedures performed and the information and explanations given by the management, the Company has not raised moneys by way of initial public offer or further public offer including debt instruments and term loans. Accordingly, the provisions of clause 3(ix) of the Order are not applicable to the Company and hence not commented upon.
- x) Based upon audit procedures performed and the information and explanations given by the management, we



TATA PROJECTS

37th Annual Report 2015-2016

Food Cert India Private Limited

report that no fraud by the company or on the company by its officers or employees has been noticed or reported during the year.

- xi) According to information and explanations given to us this clause is not applicable to the company for the period under review.
- xii) In our opinion, the company is not a Nidhi Company. Therefore, the provisions of clause 4(xii) are not applicable to the company.
- xiii) In our opinion, all transactions with the related are in compliance with section 177 and 188 of the Companies Act, 2013 and the details have been disclosed in the Financial Statements as required by the applicable accounting standards.
- xiv) Based upon the audit procedures performed and the information and explanations given by the management, the company has made preferential allotment or private placement of equity shares amounting to ₹ 50 lac and funds so raised were applied for the purpose for which equity shares have been issued.
- xv) Based upon the audit procedures performed and the information and explanations given by the management, the company has not entered into any non-cash transactions with directors or persons connected with him. Accordingly, the provisions of clause 3(xv) of the Order are not applicable to the company and hence not commented upon.
- xvi) In our opinion, the company is not required to be registered under section 45 IA of the Reserve Bank of India Act, 1934 and accordingly, the provisions of clause 3(xvi) of the Order are not applicable to the company and hence not commented upon.

For **K.Viswanath & Co.**
Chartered Accountants
Firm Regn. No. 010661S

K.Viswanath
Partner
Membership No. 209762

Place: Secunderabad
Date: 5th May 2016



Food Cert India Private Limited

ANNEXURE-B to the Independent Auditor's Report of even date on the standalone Financial statements of FoodCert India Private Limited.

Report on the Internal Financial Controls under clause (i) of sub-section 3 of section 143 of the Companies Act, 2013 ("the Act")

We have audited the internal financial controls over financial reporting of Tata Projects Infrastructure Limited ("the Company") as of March 31, 2016 in conjunction with our audit of the standalone financial statements of the company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's management is responsible for establishing and maintaining internal financial controls based on "internal control over financial reporting criteria established by the company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India". These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditor's Responsibility

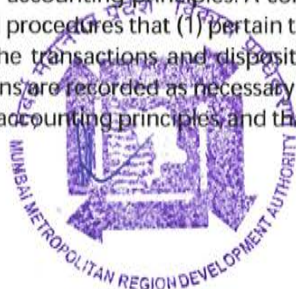
Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

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

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

Meaning of Internal Financial Controls Over Financial Reporting

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



TATA PROJECTS

37th Annual Report 2015-2016

Food Cert India Private Limited

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

Inherent Limitations of Internal Financial Controls Over Financial Reporting

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

Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2016, based on "the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India".

For **K.Viswanath & Co.**
Chartered Accountants
Firm Regn. No. 010661S

K. Viswanath
Partner
Membership No. 209762

Place: Secunderabad
Date: 5th May, 2016



FoodCert India Private Limited
Balance sheet as at March 31, 2016

Particulars	Item No.	As at the 31st March, 2016 ₹	As at the 31st March, 2015 ₹
I. EQUITY AND LIABILITIES			
(1) Shareholder's Funds			
Share Capital	1	16,386,000	11,386,000
Reserves and Surplus	3	(8,638,356)	(10,295,040)
(2) Long Term Loan			
	2	-	-
(3) Current Liabilities			
Other Current Liabilities	4	608,387	65,986
Short-Term Provisions	5	1,990,013	155,000
Total Equity & Liabilities		10,026,043	1,311,946
II. ASSETS			
(1) Non-Current Assets			
(a) Fixed Assets			
Tangible assets	6	56,917	56,917
Deferred tax assets (net)	7	-	-
Long term loans and advances	8	-	-
(2) Current Assets			
Trade receivables	9	1,752,399	-
Cash and cash equivalents	10	7,366,098	901,184
Short-term loans and advances	11	606,854	304,443
Other current assets	12	243,776	49,402
Total Assets		10,026,043	1,311,946
NOTES TO ACCOUNTS	18		
Schedules referred to above and notes attached there to form an integral part of Balance Sheet			

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

For K. Viswanath & Co
Chartered Accountants
Regn. No. 010661S

K. Viswanath
Partner
M.No: 209762

Place: Secunderabad
Date : 5th May, 2016

For and on behalf of the Board
M/s FoodCert India Private Ltd

Krishan Kumar Gupta
Chairman

Tenny Koshy Cherian
Director



TATA PROJECTS37th Annual Report 2015-2016**FoodCert India Private Limited****Profit and Loss statement for the period ended 31st March, 2016**

Particulars	Note No.	For the period ending 31-03-2016 ₹ Lac	For the year ending 31-03-2015 ₹ Lac
Revenue from operations	13	8,523,855	5,408,029
Total Revenue		8,523,855	5,408,029
Expenses:			
Accreditation Expenses	14	2,133,040	1,869,911
Employee benefit expense	15	2,062,063	1,602,323
Financial costs	16	317,455	114,666
Depreciation and amortization expenses	6	-	122,747
Other expenses	17	2,354,612	2,308,558
Total Expenses		6,867,171	6,018,205
Profit before tax		1,656,684	(610,176)
Add / Less: Prior Period Items -Income		-	429,005
Add / Less: Extra-ordinary Items			
Fees for Increasing Authorised Share Capital		-	243,244
Professional Tax		-	85,200
Bad debts Written Off		-	931,445
Profit After Prior Period Items		1,656,684	(1,441,060)
Tax expense:			
(1) Current tax		320000	-
(2) Deferred tax		-	-
Profit/(Loss) for the period		1,336,684	(1,441,060)
Earning per equity share:			
(1) Basic		1.17	(1)
(2) Diluted		1.17	(1)

NOTES TO ACCOUNTS

18

Schedules referred to above and notes attached there to form an integral part of Balance Sheet

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

For K. Viswanath & Co
Chartered Accountants
Regn. No. 010661S

K. Viswanath
Partner
M.No:209762

Place: Secunderabad
Date : 5th May, 2016

For and on behalf of the Board
M/s FoodCert India Private Ltd

Krishan Kumar Gupta
Chairman

Tenny Koshy Cherian
Director



FoodCert India Private Limited
Cash Flow Statement for the year ended 31st March, 2016

	For the year ended 31st March 2016 Lac	For the period ended 31st March 2015 Lac
A. Cash flow from operating activities		
Profit before tax	1,656,684	(1,441,060)
Adjustments for:		
Depreciation and amortisation expense	-	122,747
Interest expenses	317,455	114,666
Profit on sale of Fixed assets (net)	-	(733,176)
	317,455	(495,763)
Operating profit before working capital changes	1,974,139	(1,936,823)
Changes in working capital:		
Adjustments for (increase)/decrease in Operating Assets:		
- Trade receivables	(1,752,399)	804,954
- Loans and advances	(302,411)	621,103
- Other assets	(514,374)	804,827
Adjustments for increase/(decrease) in Operating Liabilities:		
- Trade payables, Other liabilities and Provisions	2,377,414	(795,602)
	128,230	1,435,282
Cash (used in) / generated from operations	1,782,369	(501,541)
Net income tax paid	(320,000)	-
Net cash flows (used in) / from operating activities	1,782,369	(501,541)
B. Cash flow from investing activities		
Sale of assets	-	733,176
Refund of Share application money received	-	-
Net cash flows (used in) / from investing activities	-	733,176
C. Cash flow from financing activities		
Money received for Share Capital	5,000,000	
Loan Taken From Tata Projects Limited	5,000,000	
Loan Repaid to Tata Projects Limited	(5,000,000)	
Finance cost	(317,455)	(114,666)
Net cash flows used in financing activities	4,682,545	(114,666)
Net increase in Cash and cash equivalents (A+B+C)	6,464,914	116,969
Cash and cash equivalents at the beginning of the year	901,183	784,214
Cash and cash equivalents at the end of the year	7,366,097	901,183

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

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

For and on behalf of the Board

For K. Viswanath & Co
Chartered Accountants
Regn. No. 010661S

M/s FoodCert India Private Ltd

K. Viswanath
Partner
M.No: 209762

Krishan Kumar Gupta
Chairman

Tenny Koshy Cherian
Director

Place: Secunderabad
Date : 5th May, 2016



TATA PROJECTS

37th Annual Report 2015-2016

FoodCert India Private Limited

Notes forming part of the financial statements

1 A) SHARE CAPITAL

The authorised, issued, subscribed and fully paid-up share capital comprises of equity shares having a par value of ₹10/- each as follows:

(Amount in ₹)

	Current year As at 31-03-2016	Previous year As at 31-03-2015
(a) Authorised		
13,50,000 equity shares of ₹10/- each (March 31, 2014 : 13,50,000 equity shares of ₹10/- each)	20,000,000	13,500,000
	20,000,000	13,500,000
(b) Issued, Subscribed and Fully Paid up		
11,38,600 equity shares of ₹10/- each (March 31, 2014 : 11,38,600 equity shares of ₹10/- each)	16,386,000	11,386,000
	16,386,000	11,386,000
B) Reconciliation of number of shares		
Equity Shares		
Opening Balance		
- Number of Shares	1,138,600	1,138,600
- Value	11,386,000	11,386,000
Issued during the year		
- Number of Share	500,000	
- Value	5,000,000	
Closing Balance		
- Number of Shares	1,638,600	1,138,600
- Value	16,386,000	11,386,000

C) Rights, preferences and restrictions attached to shares

Equity Shares

The Company has one class of equity shares having a par value of ₹10/- each. Each shareholder is eligible for one vote per share held. The Dividend proposed by the Board of Directors (if any) is subject to the approval of shareholders in the ensuing Annual General Meeting. In the event of liquidation the equity shareholders are eligible to receive the remaining assets of the company after distribution of all preferential amounts in proportion to their shareholding.

D) Details of shares held by shareholders holding more than 5% of the aggregate shares in the company

Equity Shares

Tata Projects Ltd	1,638,590
	100%

E) Shares allotted as fully paid up by way of bonus shares (during five years preceding March 31, 2015)

No Equity shares are allotted as fully paid up bonus shares by utilization of the amounts available for issue of bonus shares.

2 Share Application Money Pending for Allotment

Current Year	Previous year
-	-
-	-



FoodCert India Private Limited
Notes forming part of the financial statements

(Amount in ₹)

	Current year As at 31-03-2016	Previous year As at 31-03-2015
3 Reserves and Surplus		
Surplus in Statement of Profit & loss		
Opening Balance	(10,295,040)	(7,024,491)
Less : Adjustment On Account of Depreciation	-	(610,430)
Less : Adjustment Of Deferred Tax	-	(1,219,060)
Add: Profit for the year	1,656,684	(1,441,060)
Closing Balance	(8,638,356)	(10,295,040)
4 Other Current Liabilities		
Creditors for Expenses	249203	-
Interest Accrued And Due	-	0
Advance from Customers	359184	65,986
	608,387	65,986
5 Short-Term Provisions		
Professional Charges	1323809	-
Salaries payable	425757	155,000
TDS Payable	170892	-
Audit Fee Payable	-	-
Service Tax Payable	67725	-
Telephone Charges Payable	-	1830
	1,990,013	155,000
6 TANGIBLE ASSETS		
Fixed Assets	56,917	56,917
	56,917	56,917
7 Deferred tax assets(net)		
Opening balance	-	1,219,060
Add/Less: Adjustment	-	(1,219,060)
Closing Balance	-	(0)
8 LONG TERM LOANS & ADVANCES		
Capital Advances	-	-
Deposits	-	-
	-	-
9 CURRENT ASSETS		
Trade Receivables		
Secured, considered good (Lessthan Six Months)	1,752,399	-
(Morethan Six Months)	-	-
	1,752,399	-
10 CASH AND BANK BALANCES		
Cash & Cash Equivalents		
i. Cash on Hand	34,207	34,207
ii. Balances with Banks in Current Accounts	7,331,891	866,977
	7,366,098	901,184



TATA PROJECTS37th Annual Report 2015-2016**FoodCert India Private Limited****Notes forming part of the financial statements**

(Amount in ₹)

11 SHORT TERM LOANS AND ADVANCES

Secured, Considered Good

Staff Advances

Others Receipts

Mr K Srihari A/c

	Current year As at 31-03-2016	Previous year As at 31-03-2015
	2,000	2,000
	604,854	302,443
	606,854	304,443
12 Other Current Assets		
TDS:		
FY 2014-15	49,402	49,402
FY 2015-16	409,630	
Total	459,032	
Less: Provision for tax AY 16-17	320,000	
Service Tax	139,032	-
	104,744	-
	243,776	49,402

13 Revenue from Operations

Sale of Services

Other Income :

Agri Extensions Services in A.P

Other professional charges

Profit on Sale of Fixed Assets

Interest received on IT

	For the period ending 31.03.2016	For the period ending 31.03.2015
	8,523,855	4,353,124
	-	278,000
	-	20,000
	-	733,176
	-	23,729
	8,523,855	5,408,029
14 Accreditation Expenses	2,133,040	1,869,911
	2,133,040	1,869,911
15 Employee benefit expense		
Salaries & wages	2,062,063	1,542,207
Staff Welfare Expense	-	60,116
	2,062,063	1,602,323
16 Financial costs		
Bank Charges	1,530	114,666
Interest on unsecured Loan	315,925	-
	317,455	114,666



FoodCert India Private Limited
Notes forming part of the financial statements

(Amount in ₹)

	For the period ending 31.03.2016	For the period ending 31.03.2015
6 Depreciation and amortization expense		
a) Depreciation on fixed assets	-	122,747
	-	122,747
17 Other expenses		
Professional, Inspection & Consultancy Expenses	1,281,491	975,000
Membership & Subscriptions	5,750	15,700
Postage & Courier	-	19,679
Business Development Expenses	23,000	45,000
Computer Maintenance	-	5,300
Conveyance Expenses	20,138	87,615
Traveling & Hotel Expenses - Domestic	237,593	451,481
Traveling & Hotel Expenses - Foreign	97,484	179,230
Telephone Expenses	29,462	60,120
Audit fee	50,000	30,000
Rent	-	132,000
Roc Filing Charges	80,900	33,000
Repairs to buildings	-	41,101
Printing & Stationery	58,198	2,520
Vehicle Maintenance Expenses	-	
Insurance	153,717	36,835
Legal Expenses	2,100	5,000
Service Tax Paid	1,231	61,375
Rates and taxes	-	200
Office Expenses	54	4,163
Other Expenses	7,755	32,909
EMD	15,000	
Lab Testing Charges	290,739	90,330
	2,354,612	2,308,558



TATA PROJECTS

37th Annual Report 2015-2016

FoodCert India Private Limited SCHEDULE – 18

NOTES TO ACCOUNTS:

1. Nature of Business:

The activities of the company involved Certification services for the activities with in the food chain for various International Standards such as HACCP, GLOBALGAP, BHC & BRC, ISO22000, IFS, TESCOS Nature Choice etc.,

2. Accounting Policies:

a) Basis of preparation of Financial Statements:

The financial statements have been prepared under the historical cost convention in accordance with generally accepted accounting principles and the provisions of Companies Act, 2013 and applicable Accounting Standards prescribed under Companies (Accounting Standards) Rules, 2006 as adopted consistently by the company.

Accounting policies not specifically referred to otherwise are consistent and in consonance with generally accepted accounting principles followed by the company.

b) Fixed Assets:

Fixed Assets are valued at cost less depreciation.

c) Depreciation:

Depreciation on Fixed Assets is provided on written down value method at the rates prescribed in Schedule XIV to the Companies Act. 2013

d) Revenue Recognition:

Service Charges are recognized as income as and when the services are performed.

e) Accounting for taxes on Income:

Current Tax: Provision for Current Income Tax is made on the basis of the taxable income for the year as determined in accordance with the provisions of Income Tax Act, 1961.

Deferred Tax: Deferred Income Tax is recognized on timing differences; being the difference between taxable incomes and accounting income that originate in one period and are capable of reversal in one or more subsequent periods. The tax effect is calculated on the accumulated timing differences at the year end based on tax rates and laws, enacted or substantially enacted as of the Balance Sheet date.

f) Impairment of Assets:

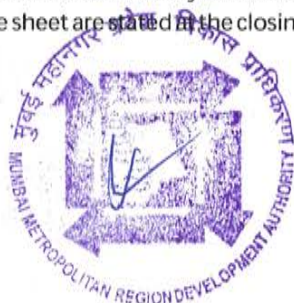
The Management assesses using external and internal sources whether there is any indication that an asset may be impaired. Impairment of an asset occurs where the carrying value exceeds the present value of cash flow expected to arise from the continuing use of the asset and its eventual disposal. The provision for impairment loss is made when recoverable amount of the asset is lower than the carrying amount.

g) Provisions and Contingent Liabilities and Contingent Assets:

Provisions in respect of present obligations arising out of past events are made in the accounts when reliable estimate can be made of the amount of obligations and it is probable that there will be an outflow of resources. Contingent Liabilities are not recognized but if material, are disclosed in the notes to accounts. Contingent assets are not recognized or disclosed in the financial statements.

h) Foreign Exchange Transactions:

- 1) At foreign currency transactions were initially recognized at the rate on the date of transaction.
- 2) Exchange differences arising on the settlement of monetary items are recognized as income/expense.
- 3) Monetary items as on the date of balance sheet are stated at the closing date.



FoodCert India Private Limited
SCHEDULE – 18 (Contd...)
3. Leases:

The company's significant leasing arrangements are in respect of operating leases for premises like operational units, offices, etc. These leases which are not non-cancellable are generally for more than 11 months, or for longer periods and are usually renewable by mutual consent on mutually agreeable terms. The aggregate lease rentals payable are charged as rent to profit and loss account.

4. The figures have been rounded off to the nearest rupee.
5. Disclosure of additional information pursuant paragraph 4C to part II of Schedule VI to the Companies Act, 1956 is not applicable.
6. Disclosure under Micro, Small and Medium Enterprises Development Act, 2006.

No such supplies/services were received from the organizations falling under Small & Medium Enterprises Development Act, 2006.

7. Balances under sundry debtors, sundry creditors, deposits & advances payable/receivables are subject to confirmation and reconciliation.

8. Remuneration to Auditors:

(Amount in ₹)

As Statutory Auditors
For Tax Audit

2015-16	2014-15
50000	30000
-	-
50000	30000
NIL	NIL

Total

9. Contingent liabilities:

10. Previous year figures were regrouped and rearranged wherever necessary to confirm with current years classification.

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

For K. Viswanath & Co
Chartered Accountants
Regn. No. 010661S

K. Viswanath
Partner
M.No: 209762

Place: Secunderabad
Date : 5th May, 2016

For and on behalf of the Board
M/s FoodCert India Private Ltd

Krishan Kumar Gupta
Chairman

Tenny Koshy Cherian
Director



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Industrial Quality Services LLC, Oman
General Information

Country of incorporation and domicile	Oman
Nature of business and principal activities	Performance testing for finished equipment
Authorized Manager	Tenny Koshy Cherian
Country Manager	B V L Prasad
Registration No.	CR No.1229852
Registered office	Regd Office: Azyan Building, Flat No.10, 4th Floor, Building No.2870, Way No. 2333, Madinat Al Sultan Qaboos, Muscat, Oman
Share capital Details	Al SirajHoldings L.L.C - 75,000 Tata Projects Ltd. - 1,75,000 Total - 2,50,000 Omani Rial
Banker	Oman Arab Bank S.A.O.C - AL Khuwair Branch, P.O. Box 2010, P.Code : 11 2, Sultanate of Oman,
Tax advisory firm	PKF L.L.C. Chartered Accountants, P.O. Box 1171. RuwiPC 112. Hatat Complex A. Suite 108A . WadiAdai. Muscat. Sultanate of Oman Tel +968 24563196. Fax +968 24563194. Email muscat@pkfoman.com www.pkfoman.com
Date of Registration	30 th June 2015
Shareholders	Tata Projects Ltd. - 70% Al SirajHoldings L.L.C - 30%
Level of assurance	These annual financial statements are certified by Management.





INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF INDUSTRIAL QUALITY SERVICES L.L.C.

Report on the Financial Statements

We have audited the accompanying financial statements of **INDUSTRIAL QUALITY SERVICES L.L.C.**, which comprise the statement of financial position as at 31st March 2016, and the statement of comprehensive income, statement of changes in equity and statement of cash flows for the period then ended, and a summary of significant accounting policies and other explanatory information set out on pages 147 to 147.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with International Financial Reporting Standards, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with International Standards on Auditing. 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 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 entity'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 entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by 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, the financial statements present fairly, in all material respects, the financial position of **INDUSTRIAL QUALITY SERVICES L.L.C.** as of 31st March 2016, and of its financial performance and its cash flows for the period then ended in accordance with International Financial Reporting Standards.

For **PKF L.L.C.**
Chartered Accountants

Percy R. Bhaya

Muscat
Sultanate of Oman
Date: 13th April 2016



TATA PROJECTS37th Annual Report 2015-2016**INDUSTRIAL QUALITY SERVICES L.L.C.****STATEMENT OF FINANCIAL POSITION AS AT 31ST MARCH 2016**

	Notes	31.03.2016 RO.
ASSET		
CURRENT ASSET		
Bank balance on current account		<u>249,999</u>
		249,999
TOTAL ASSET		
		249,999
EQUITY AND LIABILITIES		
MEMBERS' FUNDS		
Share capital	3	250,000
Loss for the period		(5,291)
Equity funds		244,709
Amount due to a member	4	<u>3,340</u>
Surplus in members' funds		248,049
CURRENT LIABILITY		
Other payables		<u>1,950</u>
		1,950
TOTAL EQUITY AND LIABILITIES		
		249,999

The accompanying notes form an integral part of these financial statements.

The report of the independent auditor is set forth on page 1.

These financial statements have been approved and authorised for issue by the Board of Directors on 13th April 2016.

For **INDUSTRIAL QUALITY SERVICES L.L.C.**

DIRECTORS




INDUSTRIAL QUALITY SERVICES L.L.C.
STATEMENT OF COMPREHENSIVE INCOME FOR THE PERIOD ENDED 31ST MARCH 2016

	Notes	31.03.2015 to 30.06.2016 RO.
Other operating expenses	5	(5,290)
LOSS FROM OPERATING ACTIVITIES		(5,290)
Finance cost	(1)	
NET LOSS FOR THE PERIOD		(5,291)
Other comprehensive income		—
TOTAL COMPREHENSIVE LOSS FOR THE PERIOD		(5,291)
The accompanying notes form an integral part of these financial statements.		
The report of the independent auditor is set forth on page 1.		

For **INDUSTRIAL QUALITY SERVICES L.L.C.**

DIRECTORS



TATA PROJECTS37th Annual Report 2015-2016**INDUSTRIAL QUALITY SERVICES L.L.C.****STATEMENT OF CHANGES IN EQUITY FOR THE PERIOD ENDED 31ST MARCH 2016**

	Share capital RO.	Loss for the period RO.	Total RO.
Issue of share capital	250,000	-	250,000
Total comprehensive loss for the period:			
Net loss for the period	-	(5,291)	(5,291)
As at 31st March 2016	250,000	(5,291)	244,709

The accompanying notes form an integral part of these financial statements.
The report of the independent auditor is set forth on page 1.

INDUSTRIAL QUALITY SERVICES L.L.C.**STATEMENT OF CASH FLOWS OR THE PERIOD ENDED 31ST MARCH 2016**

	30.06.2015 to 31.03.2016 RO.
Cash flows from operating activities	
Net loss for the period	(5,291)
Adjustment for:	
Finance cost	1
Operating loss before changes in operating assets and liabilities	(5,290)
Increase in other payables	1,950
Member balances	3,340
Net cash used in operating activities (A)	-
Cash flows from financing activities	
Issue of share capital	250,000
Finance cost paid	(1)
Net cash from financing activities (B)	249,999
Net increase in bank balance on current account (A+B)	249,999
Bank balance on current account at beginning of period	-
Bank balance on current account at end of period	249,999

The accompanying notes form an integral part of these financial statements.
The report of the independent auditor is set forth on page 1.



INDUSTRIAL QUALITY SERVICES L.L.C.
NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD ENDED 31ST MARCH 2016.
1. LEGAL STATUS AND BUSINESS ACTIVITY

- a) **INDUSTRIAL QUALITY SERVICES L.L.C.** is a Limited Liability Company, registered on 30th June 2015 under the Commercial Laws of the Sultanate of Oman.
- b) The company is primarily engaged in rendering service activities incidental to extraction of petroleum and natural gas, excluding surveying.
- c) The parent company is Tata Projects Limited.

2. BASIS OF PREPARATION
2.1 STATEMENT OF COMPLIANCE

The financial statements are prepared in accordance with International Financial Reporting Standards, including International Accounting Standards and Interpretations, issued or adopted by the International Accounting Standards Board, and which are effective for the current accounting period, and the applicable requirements of the Oman Commercial Companies Law.

2.2 BASIS OF MEASUREMENT

The financial statements are prepared under the historical cost convention. Historical cost is based on the fair value of the consideration given to acquire the asset or cash or cash equivalents expected to be paid to satisfy the liability. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

2.3 FUNCTIONAL AND PRESENTATION CURRENCY

The financial statements are prepared in Rials Omani, which is the functional and presentation currency.

2.4 SIGNIFICANT ACCOUNTING POLICIES

The significant accounting policies adopted, that have been consistently applied, are as follows:

a) Cash and cash equivalent

Cash and cash equivalent comprises bank current account.

b) Legal reserve

Legal reserve is created by appropriating 10% of the net profit for the period as required by Article 154 of the Commercial Companies Law of Oman 1974. The company may resolve to discontinue such annual transfers when the reserve totals 33.33% of the paid up share capital. The reserve is not available for distribution. No transfer is made to legal reserve as the company has incurred loss during the period.

c) Trade and other payables

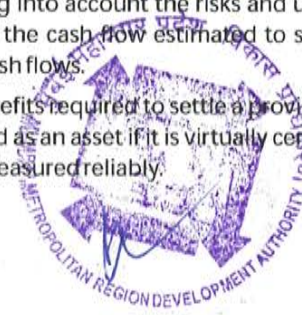
Liabilities are recognized for amounts to be paid for goods or services received, whether billed by the suppliers or not, to the extent of goods or services certified by the company.

d) Provisions

A provision is recognized when the company has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation.

The amount recognized as a provision is the best estimate of the consideration required to settle the present obligation at the reporting date taking into account the risks and uncertainties surrounding the obligation. Where a provision is measured using the cash flow estimated to settle the present obligation, its carrying amount is the present value of those cash flows.

When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, the receivable is recognized as an asset if it is virtually certain that reimbursement will be received and the amount of receivable can be measured reliably.



TATA PROJECTS

37th Annual Report 2015-2016

INDUSTRIAL QUALITY SERVICES L.L.C.

NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD ENDED 31ST MARCH 2016.

e) Taxation

Provision for tax for the current period has not been made in the financial statements on account of the loss incurred during the period. As per the Law of Income Tax on Companies in Oman, net tax losses incurred shall be carried forward for five years after the expiry of the income tax period in which it was incurred and shall be deducted in computation of taxable income of those periods. The net tax loss of RO. 4,791 for the tax period 2016 that is subject to finalization of income tax assessments by the Income Tax Authority in Oman is available for set off against future taxable income in Oman. Deferred tax amount on unused tax losses has not been recognized on account of uncertainty regarding availability of future taxable net profits against which the unused tax losses and timing differences can be utilised.

f) Financial instruments

- Financial instruments of the company comprise bank balance on current account, other payables and amount due to a member.
- Financial assets and financial liabilities are recognized when, and only when, the company becomes a party to the contractual provisions of the instrument. Financial assets are de-recognised when, and only when, contractual rights to receive cash flows expire or when substantially all the risks and rewards of ownership have been transferred. Financial liabilities are de-recognised when, and only when, they are extinguished, cancelled or expired.
- Financial assets that have fixed or determinable payments and for which there is no active market, are stated at cost or, if the impact is material, at amortised cost using the effective interest method, less any write down for impairment losses plus reversals of impairment losses.
- Financial liabilities, are measured at cost or, if the impact is material, at amortised cost using the effective interest method.

g) Finance costs

Finance costs that are directly attributable to the acquisition, construction or production of a qualifying asset are capitalised as part of the cost of that asset. Other finance costs are recognized as an expense in the period in which they are incurred.

h) Foreign currencies

Transactions in foreign currencies are translated into Rials Omani and recorded at the rates of exchange ruling at the date of the transactions. Monetary assets and liabilities denominated in foreign currencies are translated into Rials Omani at the rates of exchange ruling at the period end. The resultant exchange gains and losses are recognised in the statement of comprehensive income.

i) Operating lease rentals

Leases under which substantially all the risks and rewards of ownership of the related asset remain with the lessor are classified as operating leases. Operating lease rentals are recognised as an expense on a straight line basis over the lease term.

j) Equity

Share capital is recorded at the value of proceeds received/receivable towards interest in share capital of the company.

k) Offsetting

Financial assets and liabilities are offset and the net amount reported in the statement of financial position when there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis, or realise the asset and settle the liability simultaneously.





INDUSTRIAL QUALITY SERVICES L.L.C.

NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD ENDED 31ST MARCH 2016.

2.5 SIGNIFICANT JUDGMENTS, ASSUMPTIONS AND ESTIMATES

- i) There are no significant judgments made in applying accounting policies that have the most significant effect on the amounts recognised in the financial statements.
- ii) There are no key assumptions made concerning the future and other key sources of estimation uncertainty at the period end, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial period.

2.6 ADOPTION OF NEW INTERNATIONAL FINANCIAL REPORTING STANDARDS

- i) There are no International Financial Reporting Standards, amendments thereto and Interpretations that became effective for the first time for the current reporting period and which are applicable to the company and which could have a material impact on the financial statements.
- ii) The following International Financial Reporting Standards, amendments thereto and Interpretations that are assessed by management as likely to have an impact on the financial statements have been issued by the IASB prior to the date the financial statements were authorised for issue but have not been applied in these financial statements as their effective dates of adoption are for future accounting periods:
 - IFRS 15 Revenue From Contracts With Customers (1 January 2018)
 - IFRS 9 Financial Instruments (1 January 2018)
 - IFRS 16 Leases (1 January 2019)

3 SHARE CAPITAL	Share %	31.03.2016 RO.
Al Siraj Holdings L.L.C.	30.00	75,000
Tata Projects Limited	70.00	175,000
	100.00	250,000

The share capital comprises of 250,000 shares of face value RO.1 each, fully paid up.

4 AMOUNT DUE TO A MEMBER	31.03.2016 RO.
Al Siraj Holdings L.L.C.	3,340

5 OTHER OPERATING EXPENSES	30.06.2015 to 31.03.2016 RO.
Rent	600
Telephones, fax and postage	59
Travelling and conveyance	12
Printing and stationery	207
Repairs and maintenance	16
Registration and renewals	2,046
Miscellaneous expenses	2,350
	5,290



TATA PROJECTS

37th Annual Report 2015-2016

INDUSTRIAL QUALITY SERVICES L.L.C.

NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD ENDED 31ST MARCH 2016.

6. FINANCIAL INSTRUMENTS

Management or risk

- The management conducts and operates the business in a prudent manner, taking into account the significant risks to which the business is or could be exposed. The primary risks to which the business is exposed comprise credit, currency, liquidity and cash flow interest rate risks.

Management continuously monitors its cash flows to determine its cash requirements and makes comparison with its funded and un-funded facilities with banks in order to manage exposure to liquidity risk.

Borrowing facilities are regularly reviewed to ensure that the company obtains the best available pricing, terms and conditions on its borrowings.

Exposures to the aforementioned risks are detailed below:

Credit risk

- Financial assets which potentially expose the company to credit risks and concentrations of credit risk comprise principally, bank current account. The maximum credit risk exposure of financial assets recognised in the statement of financial position approximate to the carrying amount of the assets.

Interest rate risk

- There is no significant interest rate risk as all the financial assets and liabilities are non interest bearing.

Exchange rate risk

- There are no significant exchange rate risks as substantially all financial assets and financial liabilities are denominated in Rials Omani or UAE Dirhams/US Dollars to which the Rial Omani is fixed.

Fair values

- The fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair values of the company's financial assets and financial liabilities approximate to the carrying values.

Liquidity risk

- The company limits its liquidity risk by ensuring that adequate bank facilities are available to enable it to meet its obligations as they fall due for payment. The maturity analysis of the company's financial liabilities as at the period end is given below:

	0 to 3 months	1 year to 5 years	Total
	RO.	RO.	RO.
As at 31st March 2016			
Other payables	1,950	-	1,950

7. CAPITAL RISK MANAGEMENT

The company's objectives when managing capital are to ensure that the company continues as a going concern, maintains an optimal capital structure to reduce the cost of capital, and to provide the shareholders with a rate of return on their investment commensurate with the level of risk assumed. Capital comprises equity funds as presented in the statement of financial position. Debt comprises total amounts owing to third parties, net of cash and cash equivalent.

8. COMPARATIVE INFORMATION

These are the first set of financial statements for the company and, accordingly, no comparative information is presented.



For INDUSTRIAL QUALITY SERVICES L.L.C.

DIRECTORS



Gist of the Financial Performance for the year 2015-16 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	(6,670.95)	11,074.35	17,376.10	-	11,371.34	285.47	-	285.47	-
2	TPL - TOA Quality Services (Mauritius) Pty Limited	18.09	147.64	358.89	193.16	-	100.62	(6.61)	-	(6.61)	-
3	TPL - TOA Quality Services South Africa Proprietary Limited	11.25	88.02	253.73	154.46	-	216.66	(796.56)	220.71	(575.85)	-
4	TQ Services Europe GmbH	94.21	41.63	250.97	115.13	-	233.26	8.28	2.60	5.68	-
5	Tata Projects Infrastructure Limited	5.00	(0.18)	4.99	0.17	-	-	-	-	-	-
6	FoodCert India Private Limited	163.86	(89.58)	100.26	25.98	-	85.24	16.57	3.20	13.37	-
7	Industrial Quality Services LLC, Oman	429.60	(9.09)	429.60	9.09	-	-	(8.94)	-	(8.94)	-

Note : All the data pertains to 31st March 2016 and is reported in INR

@ 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 31.03.2016 - ₹ 75.37 / EUR

Exchange rate as on 31.03.2016 - ₹ 4.50 / ZAR

Exchange rate as on 31.03.2016 - ₹ 171.84 / OMR

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



TATA PROJECTS

37th Annual Report 2015-2016

GLOSSARY TO THE DIRECTORS REPORT OF TATA PROJECTS LIMITED - FINANCIAL YEAR 2015-16

Abbreviation	Full Form	Abbreviation	Full Form
AEL	Artson Engineering Limited	MIT	Massachusetts Institute of Technology
AGM	Annual General Meeting	MRTS	Mass Rapid Transport System
ASR	Accident Severity Rate	MT	Metric Ton
BLC	Business Leadership Council	MTPA	Million Tonns Per Annum
BOO	Build Own Operate	MW	Mega Watt
BOP	Balance Of Plant	NA	Not Applicable
C & E	Construction & Environment	NBCC	National Building Construction Corporation
CIDB	Construction & Infrastructure Development Board	NCLT	National Company Law Tribunal
CIN	Corporate Identification Number	NEO	Non-Executive Director
COD	Commercial Operation Date	NGO	Non-Governmental Organization
CRISIL	Credit Rating Information Services of India Limited	NTPC	National Thermal Power Corporation
DMRC	Delhi Metro Rail Corporation	OG & H	Oil Gas & Hydro Carbon
EHS	Environment Health & Safety	OPGW	Optical Ground Wire
EIL	Engineers India Limited	PAT	Profit After Tax
EOT	Electric Overhead Travel	PBDIT	Profit Before Depreciation Interest & Tax
EPC	Engineering Procurement & Construction	PBT	Profit Before Tax
EPM	Enterprise Process Manual	PG	Power Generation
ETP	Effluent Treatment Plant	PGPL	Pioneer Gas Power Limited
FCI	FoodCert India Private Limited	PMO	Prime Ministers Office
FSSAI	Food Safety and Standards Authority of India	POSH	Prevention of Sexual Harassment
GDR	Global Depository Receipt	PPP	Public Private Partnership
GLN	Global Location Number	PSVs	Pressure Swing Wall
GRI	Global Reporting Initiative	PTW	Permit-To-Work
HIRA	Hazard Identification and Risk Assessment	PY	Previous Year
HVDC	High Voltage Direct Current	QCFI	Quality Circle Forum of India
HVTL	High Voltage Transmission Line	RD	Regional Director
IBR	Indian Boiler Regulation Act	RFQ	Request for Quote/ Qualification
ICD	Inter Corporate Deposits	RINL	Rail Ispat Nigam Limited
IGCAR	Indira Gandhi Center for Atomic Research	RO	Reverse Osmosis
IPQMS	Integrated Project Quality Management Services	SAIL	Steel Authority of India Limited
IOT	Internet of Things	SBU	Strategic Business Unit
ISO	Indian Standards Organization	SCM	Supply Chain Management
JDA	Jaipur Development Authority	SDM	Strategy Deployment Matrix
JNPT	Jawaharlal Nehru Port Trust	SEZ	Special Economic Zone
JSPL	Jindal Steel & Power Limited	SMAC	Social Mobile Analytics Cloud
KMP	Key Managerial Personnel	T & D	Transmission & Distribution
KPLC	Kenya Power and Lighting Company	TBEM	Tata Business Excellence Model
KSA	Kingdom of Saudi Arabia	STPs	Sewagre Treatment Plants
LED	Light Emitting Diode	TBExG	Tata Business Excellence Group
LHF	Line Hardware Fittings	TBT	Tool Box Talks
LIE	Lenders Independent Engineer	TMU	Tower Manufacturing Unit
LLC	Limited Liability Company	TPIL	Tata Projects Infrastructure Limited
LOA	Letter of Acceptance	TPL	Tata Projects Limited
LOTO	Lock out Tag out	TSL	Tata Steel Limited
LTI	Lost Time Injury	UAE	United Arab Emirates
M & M	Metals & Minerals	UF	Ultra Filtration
MEP	Mechanical Electrical & Piping	WDFCCIL	Western Dedicated Freight Corridor Corporation of India Limited
MIS	Management Information System	WOS	Wholly Owned Subsidiary
		WPDC	Water Purification Plant Development Centre





CONSTRUCTION WORLD'S FASTEST GROWING CONSTRUCTION COMPANIES IN INDIA

Rank	Company	2015 Revenue (₹ Cr)	2016 Revenue (₹ Cr)	2017 Revenue (₹ Cr)	2018 Revenue (₹ Cr)	2019 Revenue (₹ Cr)
1	Tata Projects	10,000	12,000	15,000	18,000	22,000
2	Larsen & Toubro	8,500	9,500	11,000	13,000	15,000
3	Shri Chems	7,000	7,500	8,000	9,000	10,000
4	Shri Chems	6,000	6,500	7,000	7,500	8,000
5	Shri Chems	5,000	5,500	6,000	6,500	7,000

INTERVIEW: VINAYAK DESHPANDE
MANAGING DIRECTOR, TATA PROJECTS

'We have secured fresh orders worth ₹10,000 cr this year'

Tata Opportunities Fund (TOF), the flagship private equity fund advised by Tata Capital, announced an investment of ₹300 crore in Tata Projects (TPL), an engineering, procurement and construction (EPC) services company and a closely-held company of the Tata group for FY 2015-16. Hyderabad-based Tata Projects and TOF are exploring investments in the EPC space. The partnership between TOF and TOF bolsters its ability to raise additional resources, when required. **Vinayak Deshpande, MD, TPL, with BV Mahalingam, Managing Director** of the company has now diversified into urban infrastructure projects keeping its base in industrial infrastructure and has an order book worth over ₹10,000 crore. **Energy**

Having strategic business units - industrial infrastructure, urban infrastructure and quality services - how do you see the segments growing and can you detail few key projects?
Being one of the fastest growing EPC companies for executing power and steel plant projects, we have now diversified into railways, metro projects, building and hospital projects.

We have diversified into urban infrastructure segments as we find rapid growth in these sectors even while we see less growth across steel industry, refining oil and gas industry. We are also seeing investments in power, transmission and distribution sector by state electricity boards (SEBs) such as Telangana SEB, Andhra Pradesh SEB and NTPC.

Specifically, we commenced work on Western Dedicated Freight Corridor project in January 2005, to build a 230-kilometer section, a dedicated freight line connecting Delhi and Mumbai. The company, along with IFCO International, is part of the Express Freight Consortium, which is led by Mitsui & Co. of Japan. The project is to build 320 km long stretch from Valmiki in Maharashtra to Vadodra in Gujarat. We are already well advanced in constructing 343 km stretch of Eastern Freight Corridor project. Besides, in partnership with GYTCB, we have won a crucial section of Delhi Metro phase three ₹700-crore project.

What is the status of the power and social sector projects?



In the power sector, we are working with PGCIL, Sterlite, TSTRANSO and APTRANSCO for building transmission lines to strengthen the southern grid. We have commissioned more than 12,000 kms of transmission lines across multiple voltage levels including 100 KV double circuit projects. As a customised turnkey solution provider, we have executed complex projects including 2X300 MW Balance Of Plant for Sri Damodaraj Sanjeeviah Thermal Power Station at Krishnapet in APGENCO. We have recently received an order from Jaipur Develop-

ment Authority for "Rejuvenation of Drurywall River (Amanishah Nallah). It's a 47.5 km long rain fed river which has become a sewage canal. The project envisages intercepting sewage, putting up eight sewage treatment plants, recharging the river with clean water, securing its banks and landscaping. The order value is ₹1,677 crore, which includes operations and maintenance for 20 years.

What is the current order book position, its status and execution period? Going forward, how do you see the trend?

With the current projects, we are seeing a good growth in our order book position since last three years. We have secured ₹9,000 crore worth fresh orders this year itself and have a cumulative backlog worth ₹1,000 crore besides ₹7,000 crore orders as L1 participant. These orders will be executed over three and half year period. We expect the revenues to grow double digit from 2017 onwards.

Going forward, what would be your focus areas including smart cities?

We would focus on improving the operations and look at expanding the existing business. We would also be investing in digitalisation so as to improve site monitoring, cost reduction besides improving the engineering skills. As urbanisation is happening rapidly, we would be looking at smart cities besides smart buildings, airports, urban transport systems and dry-dock projects. Under smart cities, we have formed a core group to focus on various smart city modules. For Smart Homeland Security, we are offering monitoring systems - emergency services and integrated solutions as a master integrator.

How about your overseas plans? How do you plan to stabilise your projects?

Currently, we are in Middle East and Eastern Africa markets for refining and power generation and transmission. About 35% of our revenues come from these two markets. We hope to increase this share to 25% in the next three years. We are working with KfW Bank India, World Bank and few other developmental banks, while doing projects in these geographies.

New areas of business, new opportunities

Mr. Vinayak Deshpande, Managing Director of Tata Projects, is a highly experienced professional with over 30 years of experience in the infrastructure sector. He has led several large-scale projects across India and abroad. He is currently leading the team for the expansion of the company's operations in the power and steel sectors. He is also involved in the company's strategic initiatives to diversify into urban infrastructure and quality services.



Tata Projects, Brookfield Tie Up for Social Infra

Press Trust of India
Mumbai: Infrastructure firm Tata Projects has joined hands with global construction company Brookfield Builders to develop social infrastructure across the country. As per the agreement, both firms would jointly develop a range of commercial and retail residential, health and leisure and leisure projects across India. This is a very strategic partnership given the growth opportunity we see in the social infrastructure sector in the country. Brookfield will provide investment and technical know-how, while we will execute the projects. Tata Projects MD Vinayak Deshpande said here on Thursday.



TATA PROJECTS LIMITED

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