

ANNUAL REPORT ALSTOM India Limited 2011/12



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ALSTOM

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ALSTOM India Limited (Formerly known as ALSTOM Projects India Limited)

Annual Report and Accounts 2011-2012

Board of Directors

Sunand Sharma, Chairman
Francois Carpentier, Vice Chairman & Managing Director
S.M. Momaya, Whole-time Director & Chief Financial Officer
Dominique Pouliquen
K. Vasudevan
A. K. Thiagarajan
Dr. Uddesh Kohli

Company Secretary

Pradeepta Puhan

Auditors

Price Waterhouse

Registered Office

The International, 5th Floor,
16, Marine Lines Cross Road No.1,
Off Maharshi Karve Road,
Churchgate, Mumbai – 400 020
Telephone: +91 (22) 22000487/490/528
Fax: +91 (22) 22000324
Website: www.alstom.com/India
Email: pradeepta.puhan@power.alstom.com

Registrar & Share Transfer Agents

Karvy Computershare Private Limited
7, Andheri Industrial Estate,
Off Veera Desai Road,
Andheri (West),
Mumbai – 400 053
Telephone: +91 (22) 26730799/26730843
Fax: +91 (22) 26730152
Email: einward.ris@karvy.com

Management Team

Francois Carpentier, Vice Chairman & Managing Director
S.M. Momaya, Country Finance Director, India
Amaresh Singh, Country Human Resources Director, India
Rachana Panda, Country Communication Director
Hiren Vyas, Country Legal Director
Ashish Ohri, Regional Director, India, End User Service & Support
Nirmal Jha, VP Area India, Thermal Services
Bertrand Constensoux, VP India, Nuclear Business
Jojo Alexander, MD Transport, India, Asia Pacific Region
Alain Spohr, MD Hydro India
Peter Kunz, Regional VP, Gas MEI
Debes Kumar Bhattacharya, MD Environment Control System, India
Rajeev Sharma, VP, Power Automation Control India & ME
Sanjeev Agarwal, MD Auxiliaries, India
Michael Kerouille, MD Boiler India

Corporate Office

IHDP Building, Plot No.7, Sector 127,
Noida- 201301, Uttar Pradesh, India

Works

Coimbatore
Durgapur
Shahabad
Vadodara

Marketing/Other Offices

Bengaluru
Chennai
Hyderabad
Kolkata
Mumbai
Nagpur
New Delhi
Noida
Vadodara
Varanasi

Chairman's Letter to Shareholders

Dear Shareholders,

It gives me great pleasure to present the Annual Report on performance of the Company during the year ended 31 March 2012.

At the outset I would like to announce that the name of your Company has changed from ALSTOM Projects India Limited to ALSTOM India Limited with effect from 06 June 2012, pursuant to the Scheme of Amalgamation amongst ALSTOM Projects India Limited (the "Amalgamated Company"), ALSTOM Holdings (India) Limited (the "Amalgamating Company") and their respective shareholders as approved by the shareholders of the Company on 12 January 2012 and sanctioned by the Hon'ble High Courts of Bombay and Delhi on 31 March 2012 and 23 February 2012 respectively.

ALSTOM has been committed to India since 1911. One hundred years. Not a mean feat. And God willing will remain committed for the next hundred. We have set up manufacturing facilities in India in all areas of expertise we possess and policies of India allow us to. In Durgapur we have expanded our boiler facility to keep pace with the demand through our licensing relationship with BHEL for supercritical boilers. Your company has a showpiece facility that has all the capacity to supply hydro power equipment in Vadodara. Your company has the best in Thermal Power services and in Engineering your Company has skilled engineers second to none. In air-quality control systems and power automation and controls your Company is a leading supplier in the country.

Over these years, your Company has been contributing significantly to the growth and development of infrastructure in India and moving forward, will continue to partner the nation in its growth to success.

Before I dwell upon about the performance of your Company in the year under review and our future plans, I would briefly outline the major developments that framed our operating environment.

Business environment

To be sure, despite some signs of recovery in both the national and global economies in the past year, uncertainty remains. However, developing markets like China and India are experiencing fast growth, while much of the developed world is dealing with sluggish growth and fiscal constraints. By 2013, India will have all the needed capacity to manufacture, supply, erect and commission its own power generation plants in all manner and type of power – coal, hydro, nuclear, wind and solar as well as do the in-house EPC for gas, with the latest in transmission in 765 kV and 1200 kV being locally supplied. Electricity is going to be to the economy of India from here onwards what wheat, rice and milk were in the formative years of the Republic of India. It is well established that the contribution of electricity growth to the GDP growth is now 1:1.

Indian Railways is expanding its network rapidly by executing several new lines, doubling and gauge conversion projects though the need for improvements in infrastructure and technology is immense to keep pace with the economic growth forecast for the country.

Your Company is poised to participate and contribute in the emerging opportunities in both power and rail transport sectors.

Company's Performance

I would like to inform you that during the financial year ended 31 March 2012, your Company has achieved revenues of Rs. 24,121 million and Profit after tax of Rs. 1,678 million as against the revenues of Rs. 18,036 million and Profit after Tax of Rs. 1,689 million in the previous fiscal 2010-11. This has resulted in slightly lower earnings per share of Rs. 24.95 as compared to Rs. 25.20 in the previous year.

Keeping this in view, your Board of Directors has recommended a dividend of Rs.10/- (100%) per share on the equity shares of the Company.

I would now like to briefly highlight the two sectors in which your Company operates:

Power

The year 2011-12 witnessed sluggishness of market mainly due to fuel constraint for Thermal (Coal & Gas) and statutory clearances for Hydro projects. Given the aggressive targets being set for the 12th Five Year Plan of the Government of India, it is still expected that the demand for power equipment and services will continue to grow in near future. Coal will still be the major fuel for power generation; growth is also expected in hydro and renewable energy. However, India is rapidly increasing its generating capacity.

Major orders received during the year for hydro mechanical products was Tehri for Rs.6,047 million, Tashiding for Rs.1,080 million, Dikchu for Rs.805 million and Khatima (retrofit) for Rs.752 million and export orders of Itezhi Tezhi, Revin and Salamonde for Rs.1,439, Rs.587 and Rs.397 million respectively. Further, the orders for heat recovery steam generators from Tuymenskaya (Russia) for Rs.1,811 million, for supply of Environmental Control Systems from NALCO Angul for Rs.441 million, Rastriya Ispat Nigam, Vizag for Rs.374 million. The Transport segment won contract for Train control Systems for Jaipur Metro for Rs.487 million. In addition to the above, your company won the orders relating to the Tanjung Bin (Malaysia) project for auxiliaries and Environment control systems for Rs.1,892 million. Sales at Rs.24,121 million reflect execution schedule of orders in hand.

Transport

The rail transport sector in India has expanded manifold in fifty years after independence, both in terms of spread and capacity. The growth in the importance of rail transport within the transport sector is borne out by its growing share in GDP.

During the financial year under review, several opportunities of the Indian Railways and Metro projects did not materialize as anticipated due to deferment and rescheduling. We are optimistic to participate in the demands and requirements of Indian Railways to upgrade its infrastructure and technology opportunities as and when they do arise in future.

This year witnessed your Company's consortium delivering the signalling and train control systems for Reach 1 (Baiyapanhalli Terminal to MG Road of Phase 1) of Bangalore Metro on which revenue services commenced in October 2011. We also successfully commissioned in February 2012 digital audio frequency track circuits on the Western Railway's suburban line to Churchgate under a World Bank financed project of Mumbai Rail Vikas Corporation. The other on going projects includes the balance of work on Bangalore Metro Signalling project and the contracts for Chennai Metro.

The TIS (Transport Information Systems) operation in Bangalore has expanded its activities this year assuming a greater role in engineering and R&D projects, both in India and globally. We expect the expansion of activities in Bangalore TIS to continue in the forthcoming year as well. Company's Transport Unit in Coimbatore is gearing up for the manufacture of traction components which will be used on the Metro trains for Chennai Metro.

With the advent of several new metro and Indian Railway opportunities, your Company will be in a position to increase the volume of its current activities in the transport business.

Environment, Health & Safety (EHS)

Your Company lays great emphasis on the health and safety of its employees, customers, contractors and stakeholders. The Company maintains high standards of safety, health and environment care at all its operating locations, always ensuring scale of operations without compromising on the standards of safety, health and environment. Compliance with relevant regulations and effective management of these issues is an integral part of Company's operating philosophy. EHS is managed and controlled in your Company through an integrated EHS Management System providing continuous improvement in the EHS Performance. Established systems and procedures are constantly revised for improvement to achieve higher standards of safety, occupational health and environment protection. The most recent initiative at the Group level called "Fatality Prevention Plan" aims to prevent fatalities by focusing on high-risk activities and on sub-contractors.

All major locations of ALSTOM have well equipped health care facilities / arrangements. Your Company enables awareness programs on EHS for creating and maintaining awareness among employees about safety and health related issues. The extensive EHS specific training modules covering various target participants help in upgrading EHS skills and knowledge throughout the Company.

Corporate Social Responsibility

ALSTOM has a rich history of corporate social responsibility, a history that has grown and evolved to meet and address the complexities of today's business challenges. Under the aegis of ALSTOM FOUNDATION, that supports a wide range of initiatives based in the heart of communities, this legacy today continues to grow and guide our company and our people.

In a recent initiative, a unique project launched by Husk Power System to electrify rural India has received the support of ALSTOM Foundation. The project aims at improvement of power plants by retro-fitting dry gasifiers to 65 small existing biomass plants in the state of Bihar in India. It will also provide vocational programmes and training for women through manufacture of incense sticks using the ash from these plants. In Bhutan, ALSTOM Foundation is involved in the supply of energy-efficient, low-carbon emitting gas-stoves to promote social progress driven by environmental improvements and awareness.

Acknowledgements

I wish to take this opportunity to express my sincere gratitude to the members of the Board of Directors for their professionalism and dedicated contribution to steer the Company towards excellence. My special thanks also go to the management team and staff members for their continued contributions and commitment towards the Company. I also wish to extend our thanks to our valuable shareholders, customers, business associates, investors as well as banking institutions and relevant authorities for their continued support, guidance and confidence in the Company. In addition, I am particularly thankful for the strong support of the ALSTOM Group throughout the year as always.

I look forward to reporting to you on our successes and progress in 2012-13.

With warm regards,

Sunand Sharma
Chairman
ALSTOM India Limited

12 June 2012

ALSTOM India Limited (Formerly known as ALSTOM Projects India Limited)

Notice to Members

NOTICE is hereby given that the 20th Annual General Meeting of the Members of ALSTOM Projects India Limited will be held on Thursday, 26 July 2012, at 2:30 p.m. at Rama Watumull Auditorium, Kishinchand Chellaram College, Dinshaw Wachha Road, Churchgate, Mumbai – 400 020 to transact the following business:-

Ordinary Business:

1. To receive, consider and adopt the Audited Financial Statements for the year ended on 31 March 2012 together with the Directors' Report and the Auditors' Report thereon.
2. To declare a dividend on Equity Shares.
3. To appoint a Director in place of Dr. Uddesh Kohli, who retires by rotation at this Annual General Meeting, and being eligible, offers himself for re-appointment.
4. To appoint a Director in place of Mr. Sunand Sharma, who retires by rotation at this Annual General Meeting, and being eligible, offers himself for re-appointment.
5. To re-appoint Messrs. Price Waterhouse (Firm Registration Number-012754N), Chartered Accountants, as Statutory Auditors of the Company and to authorise the Board to fix their remuneration.

By Order of the Board of Directors

Pradeepta Puhan
Company Secretary

Place: Noida
Date: 23 April 2012

Registered Office:

'The International', 5th Floor,
16, Marine Lines Cross Road No.1,
Off Maharshi Karve Road, Churchgate, Mumbai - 400 020.

NOTES:

1. **A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT ONE OR MORE PROXIES TO ATTEND AND VOTE INSTEAD OF HIMSELF AND A PROXY NEED NOT BE A MEMBER. PROXIES SHOULD BE DEPOSITED AT THE REGISTERED OFFICE OF THE COMPANY NOT LESS THAN 48 HOURS BEFORE THE COMMENCEMENT OF THE MEETING.**
2. Corporate members intending to send their authorised representatives to attend the Meeting are requested to send a certified copy of the Board Resolution authorising their representative to attend and vote on their behalf at the Meeting.
3. In accordance with the Articles of Association of the Company, Dr. Uddesh Kohli and Mr. Sunand Sharma, Directors retire by rotation from the Board of Directors of the Company at the ensuing Annual General Meeting. Both are being eligible, offer themselves for re-appointment. They are not disqualified from being appointed as Directors in terms of Section 274(1) (g) of the Companies Act, 1956. The Board of Directors of the Company recommends their

respective re-appointments.

4. The Register of Members and the Transfer Books of the Company will remain closed from 19 July 2012 to 26 July 2012 (both days inclusive) for determining the names of members eligible for dividend on Equity Shares, if declared at the Meeting.
5. Members holding shares in physical form are requested to intimate, indicating their respective folio number, the change of their addresses, the change of Bank Accounts, etc. to Messrs. Karvy Computershare Private Limited (Karvy), Unit: ALSTOM Projects India Limited, 7, Andheri Industrial Estate, Off Veera Desai Road, Andheri (West), Mumbai 400053, the Registrar and Transfer Agents of the Company, while members holding shares in electronic form may write to their respective Depository Participant for immediate updation, so as to enable the Company to dispatch dividend warrants to the correct address.
6. Members who hold shares under more than one folio in name(s) in the same order are requested to send the relevant share certificate(s) to Karvy for consolidating the holdings into one account. Karvy will return the share certificate(s) after consolidation.
7. Members/Proxies should bring the attendance slip duly filled in, for attending the Meeting. The attendance slip is sent with this Annual Report.
8. The dividend, as recommended by the Board, if declared at the Annual General Meeting will be paid on or after 31 July 2012 to those members whose names stand registered on the Company's Register of Members:-
 - a) as Beneficial Owners as at the close of business hours on 18 July 2012 as per the list to be furnished by National Securities Depository Services Ltd. (NSDL) and Central Depository Services (India) Ltd. (CDSL) in respect of shares held in electronic form; and
 - b) as Members in the Register of Members of the Company after giving effect to all the valid share transfers in physical form which are lodged with the Company before 19 July 2012.
9. Members are advised to avail the facility for receipt of future dividends through Electronic Clearing Service (ECS). The ECS facility is available at the locations identified by Reserve Bank of India and State Bank of India from time to time, which covers most of the cities and towns. Members holding shares in dematerialised mode are requested to contact their respective Depository Participant (DP) for availing ECS facility. Members holding shares in physical form and who have not submitted the ECS details and desirous of availing ECS facility are requested to send to the Company or to Karvy the details such as: the name of the Shareholder, Bank through which account held, Bank Account number and MICR details immediately and wherever possible the request shall be acceded to.
10. Please encash your Dividend Warrants immediately on their receipt by you, as dividends remaining unclaimed for seven years are required to be transferred to the 'Investor Education and Protection Fund' established by the Central Government under the provisions of the Companies Act,

1956, and you shall not be able to claim any unpaid dividend from the said fund or from the Company thereafter. In accordance with this regulation, the transfer of unclaimed dividend pertaining to the year under review to Investor Education and Protection Fund will take place in the year 2019-20. Unclaimed dividend for the financial years 2004-05, 2005-06, 2006-07, 2007-08, 2008-09, 2009-10 and 2010-11 are lying with the Company. Members who have not yet encashed the dividend warrants for financial years 2004-05, 2005-06, 2006-07, 2007-08, 2008-09, 2009-10 and 2010-11 are requested to contact the Company's Registrar and Share Transfer Agent – Karvy at the earliest; since no claim shall lie against the Company or the Investor Education and Protection Fund after the amount of unclaimed dividend as on 05 September 2012, 02 September 2013; 31 August 2014, 31 August 2015, 30 August 2016, 27 August 2017 and 14 August 2018 respectively becomes eligible for transfer to the Investor Education and Protection Fund.

11. Queries on accounts and operations of the Company, if any, may please be sent to the Company seven days in advance of the Meeting so that the answers may be made available at the Meeting.
12. Members can avail of the Nomination facility by filing Form 2B with the Company or its Registrar (Karvy). Blank forms will be provided on request. In case of shares held in demat form, the nomination has to be lodged with their DP.
13. Members are requested to bring the copy of the Annual Report to the Annual General Meeting.
14. Members are informed that in case of joint holders attending the Meeting, only such joint holder who is higher in the order of names will be entitled to vote.
15. In accordance with the provisions of Clause 49 of the Listing Agreement with the Stock Exchanges, the particulars of Directors who are proposed to be re-appointed are given in the Corporate Governance Section.
16. The Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant in securities market. Members holding shares in electronic form are, therefore, requested to submit the PAN to their Depository Participants with whom they are maintaining their demat accounts. Members holding shares in physical form can submit their PAN details to the Company / Registrars and Transfer Agents, M/s. Karvy Computershare Private Limited.

Directors' Report

Dear Shareholders,

Your Directors have pleasure in presenting the 20th Annual Report of the Company and the Audited Accounts for the year ended 31 March 2012.

Financial Results	(Rupees millions)	
	For the year ended 31 March 2012	For the year ended 31 March 2011
Profits before Extraordinary items, Tax, Interest and Depreciation	3,014.3	3,028.0
Less: Interest/finance cost	6.5	6.8
Less: Depreciation	510.5	482.8
Profit before Tax	2,497.3	2,538.4
Less: Provision for Taxation		
– Current Tax	(987.2)	(775.9)
– Deferred Tax	167.4	(73.5)
Profit after Tax	1,677.5	1,689.0
Balance brought forward from previous year	3,257.5	2,513.8
Adjustment on account of amalgamation & treatment of derivatives	37.2	Nil
Profit available for Appropriation	4,972.2	4,202.8
Appropriations		
a) Transferred to General Reserve	(167.8)	(168.9)
b) Proposed Dividend	(672.3)	(670.2)
c) Corporate Dividend Tax (Net)	(109.1)	(106.2)
d) Dividend paid to erstwhile ALSTOM Holdings (India) Limited, eliminated on account of amalgamation	53.1	Nil
Balance Carried forward to Balance Sheet	4,076.1	3,257.5

Dividend

The Directors are pleased to recommend a dividend at the rate of Rs.10/- per equity share of the face value of Rs.10/- each for the year ended 31 March 2012 (previous year dividend- Rs.10/- per share) on 6,72,27,471 equity shares of Rs.10/- each (includes 60,97,561 equity shares to be allotted to ALSTOM Holdings and excludes 58,94,264 equity shares to be extinguished pursuant to the Scheme of Amalgamation amongst the Company, ALSTOM Holdings (India) Limited and their respective shareholders, sanctioned by Hon'ble High Courts at Delhi and Mumbai).

Operations

A detailed review of the operations, performance and outlook of the Company and its business is given in the Management Discussion and Analysis Report, which forms a part of this Annual Report.

Consolidated Financial Statements

In compliance with the applicable

Clauses of Listing Agreements with the Stock Exchanges, the Company has prepared Consolidated Financial Statements as per the Accounting Standard on Consolidated Financial Statements (AS 21) issued by the Institute of Chartered Accountants of India. The Audited Consolidated Financial Statements along with the Auditors' Report thereon have been annexed to this Annual Report.

Corporate Governance

Your Company has fully complied with the requirements and disclosures that have to be made under the Code of Corporate Governance as required under Clause 49 of the Listing Agreement entered into with the National Stock Exchange of India Limited (NSE) and BSE Limited (BSE) (the "Stock Exchanges"). As a listed Company, necessary measures are taken to comply with the provisions of Listing Agreements with the Stock Exchanges. A report on Corporate

Governance forms part of this Annual Report. The Vice Chairman and Managing Director's declaration regarding compliance with 'ALSTOM Projects India Limited Code of Conduct for Board Members and Senior Management' is attached to the Corporate Governance Report.

Management Discussion and Analysis

The Management Discussion and Analysis is presented in a separate section, which forms part of the Annual Report.

Directors' Responsibility Statement

Pursuant to Section 217(2AA) of the Companies Act, 1956, the Directors of your Company confirm:

- (i) that the applicable accounting standards have been followed in preparation of final accounts and there are no material departures;
- (ii) that such accounting policies have been selected and applied

consistently and such judgements and estimates made are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at 31 March 2012 and of the profit of the Company for the year ended on that date;

- (iii) that proper and sufficient care has been taken for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 1956 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- (iv) that the annual accounts have been prepared on a going concern basis.

Subsidiary Company

Your Company has following two wholly owned subsidiaries in India.

- (a) ALSTOM Power Boilers Services Limited, and
- (b) ALSTOM Boilers India Limited

The Ministry of Corporate Affairs, Government of India vide General Circular No:2 /2011 dated 08 February 2011 has directed that provisions of Section 212 shall not apply in relation to subsidiaries of those companies which fulfil the conditions contemplated in the aforesaid circular. Your Company fulfils the conditions contemplated in the said circular. Therefore, the Annual Report and other particulars of the subsidiary Company are not attached with this Annual Report. However, a statement of particulars of the subsidiary Company has been attached along with the audited Consolidated Financial Statements.

The Company shall provide the copy of Annual Report and other documents of its subsidiary Company as required under Section 212 of the Act to the shareholders of the Company and also to the shareholders of the subsidiary Company on their request, free of cost. The Annual Report containing the annual accounts of the subsidiary Company is also kept open for inspection by any shareholder at the Registered Office of the Company and that of the subsidiary Company. The details of

accounts of the subsidiary Company have been placed on the website of the Company. The Consolidated Financial Statements presented by the Company include financial results of its subsidiary Companies.

Corporate Restructurings

Merger of ALSTOM Holdings (India) Limited in to the Company:

During the year under review, the Hon'ble High Courts of Delhi and Bombay have sanctioned the scheme of amalgamation amongst ALSTOM Projects India Limited, ALSTOM Holdings (India) Limited (a group Company) and their respective shareholders on February 23, 2012 and 31 March 2012, respectively, under Sections 391 to 394 of the Companies Act, 1956, hence the merger between the two companies has been completed.

ALSTOM Holdings (India) Limited (the Amalgamating Company), was a public Company limited by shares incorporated under the Companies Act, 1956 on March 29, 1995 and having its registered office at New Delhi. The Amalgamating Company was a part of the ALSTOM group of companies and a wholly owned subsidiary of ALSTOM Holdings, France. The Amalgamating Company was registered with the Reserve Bank of India (the "RBI") as a non-deposit taking Non-Banking Financial Company ("NBFC") under Section 45-IA of the Reserve Bank of India Act, 1934, and was engaged in the business of making and holding investments in ALSTOM group companies.

The above amalgamation was carried out as a measure of group restructuring of the ALSTOM group in India. It will reduce the shareholding tiers and rationalize investments. Further, the amalgamation will make the entities administratively more efficient and reduce administrative and management costs and would benefit the entities, the employees, the shareholders and other third parties related to these entities.

The effect of the amalgamation has been given in the books of accounts of the Company for the year ended on 31 March 2012 with effect from the Appointed Date i.e. 01 April 2011.

Demerger of Boiler Business

ALSTOM Holdings had entered into a letter of binding intent with Shanghai Electric Group of China on 20 April 2011 to combine both partners' activities in the boiler market for power plants. As intimated to your Company, ALSTOM Holdings and Shanghai Electric expect to set-up the joint Company once their agreements will be finalised and after the completion of the social and regulatory process.

In pursuance of the above, ALSTOM Holdings (the holding Company of the ALSTOM group of companies) had requested your Company to consider transfer of its boiler business to a newly incorporated wholly owned subsidiary through a scheme of demerger under Sections 391 to 394 of the Companies Act, 1956.

The Board of Directors of your Company in its meeting held on 25 October 2011 had considered the said request of ALSTOM Holdings and thereafter, subject to approval of the shareholders and creditors and the High Court(s), approved the demerger of the Boiler Business of the Company into a wholly owned subsidiary Company viz. ALSTOM Boilers India Limited ("ABIL"). On the basis of the valuation undertaken by an independent valuer, your Board had further granted its approval to the share swap ratio of 1:1, meaning that every shareholder of the Company holding 1 (one) fully paid-up equity shares of Rs.10 (Rupees ten) each in the Company as on the record date (as may be determined in terms of the Scheme of Demerger) shall, upon sanction of the Scheme of Demerger and upon its becoming effective, be entitled to receive 1 (one) fully paid-up equity shares of Rs.5 (Rupees five) each in ABIL.

During the year, the Company had initiated necessary actions to implement the aforesaid decision of the Board of Directors of your Company.

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

The particulars as prescribed under sub-section (1)(e) of Section 217 of the Companies Act, 1956, read with the Companies (Disclosure of Particulars in

the Report of Board of Directors) Rules, 1988, are given in Annexure-A which forms part of this Directors' Report.

Environment Compliance

The Company complies with all requirements regarding management of pollutants of manufacturing units and also conducts Environmental Audits of its units at regular intervals.

The Company has obtained all environmental consents such as air, water and hazardous waste authorisation from respective Pollution Control Boards and are in compliance with the present environmental legislation.

Particulars of Employees

The total number of employees of the Company as on 31 March 2012 was 4505.

Information in accordance with the provisions of Section 217(2A) of the Companies Act, 1956, read with Companies (Particulars of Employees) Rules, 1975, forms part of this Directors' Report. However, as per the provisions of Section 219(1)(b) (iv) of the Companies Act, 1956, the Report and Accounts are being sent to all shareholders of the Company excluding the Statement of Particulars of Employees under Section 217(2A) of the Companies Act, 1956. Any Shareholder interested in obtaining a copy of the said Statement may write to the Company Secretary at the Registered Office of the Company, and the same will be sent by post.

Fixed Deposits

The Company has not accepted any fixed deposits during the year under review.

Board of Directors

In accordance with the Articles of Association of the Company, Dr. Uddesh Kohli and Mr. Sunand Sharma, Directors retire by rotation from the Board of Directors of the Company at the ensuing Annual General Meeting. Both being eligible, offer themselves for re-appointment at the ensuing Annual General Meeting.

Particulars of Directors proposed to be re-appointed are given in the Corporate Governance Report of this Annual Report.

Transfer of amounts to Investor Education and Protection Fund

Pursuant to the provisions of Section 205A(5) of the Companies Act, 1956, relevant amounts which remained unpaid or unclaimed for a period of 7 years have been transferred by the Company to the Investor Education and Protection Fund.

Auditors

M/s. Price Waterhouse, Chartered Accountants, Statutory Auditors of the Company, hold office until the conclusion of the ensuing Annual General Meeting and are eligible for reappointment.

The Company has received the letter pursuant to Section 224(1B)

of the Companies Act, 1956 from Messrs. Price Waterhouse, Chartered Accountants, regarding their eligibility for re-appointment as Auditors of the Company.

The Notes to Accounts referred to in the Auditors' Report are self-explanatory and do not call for any further comments.

Appreciation

The Board of Directors take this opportunity to thank all its shareholders, valued customers, banks, government and statutory authorities, investors and stock exchanges for their continued support to the Company. Your Directors also wish to place on record their deep sense of appreciation for the committed services by your Company's employees. Your Directors acknowledge with gratitude the encouragement and support extended by our valued shareholders and the promoters (ALSTOM Group) of the Company.

For and on behalf of the
Board of Directors

Francois Carpentier
Vice Chairman &
Managing Director

S. M. Momaya
Whole-time Director &
Chief Financial Officer

Place: Noida
Date: 23 April 2012

Annexure – A to Directors’ Report

Conservation of Energy, Technology Absorption, Foreign Exchange Earnings and Outgo – Companies (Disclosure of Particulars in the Report of Board of Directors) Rules, 1988.

(A) Conservation of Energy

a. Energy Conservation measures taken during 2011-12

1. Monitored Power Factor by maintaining between 0.98 - 1.0 for the whole unit at Durgapur facility and received a rebate of Rs.9,33,000/-from State Electricity Board.
2. Arrested Compressed Air Leakage at various locations to improve volumetric efficiency of compressors.
3. Installed Variable Frequency Drive on compressor thereby replacing the conventional star delta starter to eliminate unload power consumption of compressor at Durgapur.
4. Replaced 25 nos. of the HPMV/SV 400W and 25 nos. of 250W lamps with 165W LVD lamps in Bay-4 of the factory at Durgapur.
5. Installed Energy Meters at major electrical installation to enable monitoring & analyzing power consumption pattern for the unit at Durgapur.
6. Arrested Compressed Air Leakage at various locations to improve volumetric efficiency of compressors. Ultrasonic air leakage detector has been procured for identifying the leakages and thus arresting them.
7. Procurement of 87 energy efficient Inverter type welding machines.
8. Installation of energy saving modules with our old Rectifier type Welding machines.
9. Solar street lights installed in front of Technology Centre and Quality Block.
10. In several offices Tube lights have been replaced with CFL.
11. 40 nos. of Turbo Ventilators were installed at Durgapur unit.
12. Additional Water Meter installed to monitor water consumption effectively.
13. Installation of Digital A.C. VVVF Drive for WMW Vertical boring machine at machine shop, replacing the conventional power

consuming star delta starter system at Shahabad unit has effectuated energy saving of 10,000 units per annum.

14. Replacement of Conventional high by 1000 watts light fittings of Air Preheater Shop with the Energy Efficient T5 fittings at Shahabad has ensued energy saving of 71,637 units per annum.
15. Installation and replacement of filament lamps and fluorescent tube light fittings of machines and Shop offices at various locations with the Energy Efficient CFL lamps and LED indicators has resulted in energy saving of 10,000 units per annum.
16. Replacement of Conventional 70 watts, plant streetlight fitting with the LED Light fittings of 10 nos. had resulted into saving of 3,510 units of energy per annum.

b. Additional investments and proposals, if any, being implemented for reduction of consumption of energy: Nil.

c. Impact of above measures for reduction of energy consumption and consequent impact on cost of production of goods.

Expenditure on energy forms a very small part of the cost of production. Hence, reduction of energy consumption does not have any significant impact on the cost of production of goods.

(B) Technology Absorption, Adaptation and Innovation

(1) Efforts made towards technology absorption, adaptation and innovation

The Company has been making continuous efforts towards research and development of its products.

(2) Benefits derived as a result of above efforts

- Product improvement.
- Cost Reduction.

(3) Future plan of action for Company’s factory/offices are as under:

- Retrofitting Energy Efficient E+ (T5-28W) in place of existing Conventional fluorescent tube (40watts) lights.
- Replacement of 400W lamps

with Metal Halide Lamps in bay#1 and bay#3.

- Replacement of existing cooling tower fan with Aero-foil design energy-efficient fan.
- Phasing out of old high energy consuming reciprocating type compressors with screw compressors.
- Introduction of timer circuit for shop over head lights.
- Power Factor correction unit for the new transformer.
- Introduction of soft starters for compressors.

(4) Expenditure on R & D

- a) Capital - Nil
- b) Recurring - Nil
- c) Total - Nil
- d) Total R & D expenditure as a % of total turnover – N.A.

(5) In case of imported technology (import during the last 5 years reckoned from the beginning of the financial year), following information to be furnished:

Technology imported	Year of import	Has technology been fully absorbed	If not fully absorbed, areas where this has not taken place, reasons there for and future plans of action
Nil	N.A	N.A	N.A

(C) Foreign Exchange Earnings and Outgo

a. Activities relating to exports:

The total export earnings from Engineering and other services were Rs.738 million.

b. Total foreign exchange used and earned:

(Rupees in millions)

Foreign Exchange earned	9411.7
Foreign Exchange used	6461.9
Net Foreign Exchange earned	2949.8

For and on behalf of the Board of Directors

Francois Carpentier
Vice Chairman &
Managing Director

S. M. Momaya
Whole time Director &
Chief Financial Officer

Place: Noida
Date: 23 April 2012

Management Discussion and Analysis Report

Forward-looking Statements

This report contains forward-looking statements, which may be identified by their use of words like 'plans', 'anticipate', 'believe', 'estimate', 'expect', 'intend', 'will', 'projects', or other words of similar expressions as they related to the Company or its business are intended to identify such forward-looking statements. All statements that address expectations or projections about the future, including, but not limited to statements about the Company's strategy for growth, development, market position, expenditures, and financial results, are forward-looking statements. Forward-looking statements are based on certain assumptions and expectations of future events. The Company cannot guarantee that these assumptions and expectations are accurate or will be realised. The Company undertakes no obligations to publicly update or revise forward-looking statements, whether as a result of new information, future events, or otherwise. Actual results, performances or achievements could differ materially from those expressed or implied in such statements. Therefore as a matter of caution, undue reliance on the forward-looking statements should not be made as they speak only of their dates. The following discussion and analysis should be read in conjunction with the Company's financial statements included herein and the notes thereto.

Overview

The Indian economy has continuously recorded high growth rates and has become an attractive destination for investments. India's economic growth is expected to remain robust in 2012 and 2013.

The Ministry of Power has set a goal - Mission 2012, 'power for all'. A comprehensive blueprint for Power Sector development has been prepared encompassing an integrated strategy for the sector development with certain objectives namely (i) sufficient power to achieve GDP growth rate of 8%; (ii) reliable of power; (iii) quality power; (iv) optimum power cost; (v) commercial viability of power industry; and (vi) power for all. This aggressive strategy of the government will pave the way for the market players including your Company to increase its footprints in the power sector. Total demand for electricity in the country continues to rise and is outpacing increases in capacity.

One of the key objectives of Government of India in 2012-13 is to address supply bottlenecks in agriculture, energy and transport sectors – particularly in coal, power, national highways, railways and civil aviation.

The performance of the Indian economy created a buoyant market and through innovative policies of Indian Government, a lot of opportunities are likely to be created and world-class railway transport infrastructure will become a reality in the Country.

Operating Results of the Company

The key financial figures on the performance of the Company vis-à-vis previous year are presented below:

	(Rupees millions)	
	Year ended 31 March 2012	Year ended 31 March 2011
Orders received	27,506	41,698
Revenues	24,121	18,036
Orders in hand	52,827	57,728
Profit before taxation	2,497	2,538
Profit after taxation	1,678	1,689
EPS (in Rs.)	24.95	25.20

Orders received during the year were worth Rs.27,506 million.

Major orders received during the year for hydro mechanical products was Tehri for Rs.6,047 million, Tashiding for Rs.1,080 million, Dikchu for Rs.805 Million and Khatima (retrofit) for Rs.752 million and export orders of Itezhi Tezhi, Revin and Salamonde for Rs.1,439, Rs.587 and Rs.397 million respectively. Further, the orders for heat recovery steam generators from Tuymenskaya (Russia) for Rs.1,811 million, for supply of Environmental Control Systems from NALCO Angul for Rs.441 million, Rastriya Ispat Nigam, Vizag for Rs.374 million. The Transport segment won contract for Train control Systems for Jaipur Metro for Rs.487 million. In addition to the above, your company won the orders relating to the Tanjung Bin (Malaysia) project for auxiliaries and Environment control systems for Rs.1,892 million.

Sales at Rs.24,121 million reflect execution schedule of orders in hand.

Finance

The Company continues to focus on optimizing its working capital. Project reviews with a focus on cash flows have aided in maintaining a surplus cash position during the entire year. Effective deployment of surplus funds, coupled with further hardening of the interest rates in the economy gave the Company an interest income of Rs. 428 Million in the year vis a vis Rs. 387 Million in the previous year despite a lower cash position.

The net cash position at the end of the year was Rs.2,181 Million after payment of Rs.774 Million as dividend (including Corporate Dividend Tax) and capital expenditure of Rs.955 Million. In addition, the Company has also given Inter Corporate Deposit amounting to Rs.2,558 Million at the end of the year.

A prudent and conservative hedging policy for significant exposures helped your Company tide over the year without any significant real Foreign Exchange fluctuation losses in a volatile foreign exchange market.

The Long Term Credit Rating of the Company for Fund Based and Non Fund Based limits is ICRAAA with negative outlook which means high degree of safety regarding timely servicing of financial obligations and such instruments carry very low credit risk. For short term the credit rating has been assigned as ICRA A1+ which means very strong degree of safety regarding timely payment of financial obligations and such instruments carry lowest credit risk.

Human Resources

The employee strength of the Company stood at 4505 at the end of 31 March 2012.

Implementation of the HR Operating Model:

The Operating Model was implemented during the year. Centres of Expertise team have been put in place. During the year, most positions were staffed through internal mobility. Detailed Process Maps were defined in consultation and agreement of all stakeholders. The first level of Service Level Agreements (SLAs) were determined and shared with all HR Business units. Job Descriptions and Key Performance Indicators (KPIs) had been created for all new roles. Action Plan was identified for implementation and to support the Operating Model.

Compensation & Benefits:

Implementation of India Deferred Incentive Plan (IDIP) across the Businesses was the focal point. Group Term Life Insurance Policy was introduced across Power and Transport sectors. Medclaim Insurance benefits have been improved without increasing further costs. The Company focused on the Group Personal Accidental Insurance harmonization and its improvement. The necessary flexibility was introduced for adopting the Superannuation policy amongst the employees in Power business.

Talent Management

Cross Sector Country People Review was organised. External Talent Mapping stands accomplished for key Leadership Positions. Talent identification exercise was executed. Several opportunities for internal movement were also identified.

Central Recruitment Team

The central recruitment Team has been working independently since December 2011. Fortnight Resourcing Forum meetings were organised to discuss opportunities for Internal Mobility.

University Relations

A 75 days fully residential cross businesses induction program for Young Engineering Graduates (YEGs) was launched in 2011, which included the participation of over 100 ALSTOM employees. 103 YEGs were hired for the financial year 2012-13 from 18 campuses.

Learning & Development

Competency based interviewing skills workshop was conducted in Noida. People Manager Program design has been finalised and is expected to be launched in May 2012. Currently necessary support is extended for Asia Graduate Program.

Internal Control

The Company has in place adequate internal control measures. The management reviews actual performance of various businesses of the Company on a regular basis. The internal control environment of the Company is well established and maintained. Its effectiveness is assessed regularly through procedures / processes set up by management, covering all critical and important areas. These controls are periodically updated and are subject to review by internal auditors. During the year, the Company upgraded its Enterprise Resource Planning (ERP) system in line with the Global program, which is instrumental in further strengthening the controls environment and enhancing operational effectiveness.

The Company has a well-defined organisational structure, authority levels, internal rules and guidelines for conducting business transactions. The management reviews actual performance of various businesses of the Company on a regular basis.

As part of internal control self-assessment, all businesses of the Company have updated various controls, in line with changes in the internal control environment. Implementation of action plans for any identified weaknesses are followed through and tracked for closure. In addition, independent tests were applied to selected key controls. As a part of the internal controls monitoring and on-going improvement, process reviews were conducted during the year. In line with the Internal

Audit Program, Internal Audits were carried out at two locations of the Company, which were rated satisfactory.

The Audit Committee met four times during the year. It reviewed the status of implementation of recommendations given by internal auditors and the results of self-assessment of internal control.

Environment, Health & Safety (EHS)

Your Company conducts its business operations in a safe and environmentally responsible manner that protects the employees, contractors, customers and stakeholders. Your Company's sharp focus on EHS ensures maintaining high standards of safety, health and environment care at all our operating locations. Compliance with relevant regulations and effective management of these issues is an integral part of the Company's operating philosophy. EHS is managed and controlled in your Company through an integrated EHS Management System providing continuous improvement in the EHS Performance. EHS Management System is based on an "EHS Roadmap", which has been developed with the objective that it will become a tool for self-assessment as well as formal assessments and a management tool to evaluate the performance of EHS, Security and Loss prevention management for all its sites and identify action points for improvement.

Established systems and procedures are constantly updated for improvement to achieve higher standards of safety, occupational health and environment protection. The most recent initiative at the Group level called "Fatality Prevention Plan" aims to prevent fatalities by focussing on high-risk activities and on sub-contractors.

All major locations of your Company have well equipped health care facilities / arrangements. The Company enables awareness programs on EHS for creating and maintaining awareness among employees about safety and health related issues. In India, various initiatives such as training programs on safety issues and mock drills are conducted in all the locations to increase EHS awareness amongst the employees. The extensive EHS specific training modules covering various target participants help in upgrading EHS skills and knowledge throughout the Company.

Business Segment Analysis

The Business of the Company is categorised in two segments, namely, Power and Transport. Review of each of the Company's businesses is as follows:

POWER

This segment mainly caters to engineering, procurement and construction and servicing of power equipment and plants. The objective is to provide most economical solutions deploying the most advanced technology with least impact on the environment to our customers.

The year 2011 witnessed sluggishness of market mainly due to fuel constraint for Thermal (Coal & Gas) and statutory clearances for Hydro projects. Given the aggressive targets being set for the 12th Five Year Plan of the Government of India, it is still expected that the demand for power equipment and services will continue to grow in near future. Coal will still be the major fuel for power generation; growth is also expected in nuclear, hydro and renewable energy.

The availability of coal is an issue for coal fired thermal power plants in India and mining in India seems to be a constraint to domestically meet the demand of coal. The market is mainly fuel-efficient

supercritical technology as observed during the past two years. The major reason for the shift towards supercritical technology is increase in efficiency and low emissions, driven by the focus of the Government of India. The market share for supercritical technology based power generation equipment will further increase in India. The capital costs for supercritical technology based power generation equipment is expected to reduce, once domestic manufacturers start their indigenous manufacturing.

The natural gas based combined cycle power plants are facing acute gas shortages posed by the unexpected falling production from the KG D6 gas basin in the Bay of Bengal. It is understood from various public news items that the current production of gas production from the KG-D6 gas basin has fallen below expectation. This has affected the implementation of new Gas based Power Projects.

There is a huge hydropower potential in India, estimated at 145 GW. The capacity has grown at a compound annual growth rate (CAGR) of 3.9 percent between 2004-05 and 2009-10. There is slow development in the hydropower and the reasons include restricted access to potential sites, issues related to land acquisition, environmental and forest clearances, resettlement and rehabilitation issues and law and order problems. Several policy initiatives have been taken to encourage hydropower development in India, which includes the 50 GW Hydroelectric initiative, of 2003.

Currently, nuclear power generation in India accounts for 2.7% of the total installed capacity in India. However the government aims to have 20 GW indigenous nuclear power production capacity by 2020. The country is aiming at setting up nuclear power reactors based on both indigenous nuclear power programme and international cooperation. Nuclear power in India, based on indigenous technology is affordable and competitive and it is expected that the ordering volume would increase to 2-3 GW/year in future.

There has been a thrust to increase the renewable energy share in the total installed base of India. There have been recent policy and regulatory initiatives in the renewable energy sector (mostly solar) and sale of renewable power at attractive feed-in-tariff rates, renewable energy certificates (REC) trading and carbon credit, have provided an added incentive.

The summarized performance of the segment is as under:-

	(Rupees Millions)	
	Year ended 31 March 2012	Year ended 31 March 2011
Orders received	26,728	32,448
Sales	23,564	17,285
Orders in hand	41,729	46,851

Outlook

India is the fifth largest producer of electricity preceded by Russia, Japan, US and China. India is ranked 150 in per capita terms. Annual per capita electricity consumption is 650-700 kWh in India, which is one fourth of the world's average. Given the very low per capita consumption it is foreseen that the demand for electricity will continue to stay and grow further.

TRANSPORT

During the financial year under review, several opportunities of the Indian Railways and Metro projects did not materialize as anticipated due to deferment and rescheduling. We are optimistic to participate in the demands and requirements of

Indian Railways to upgrade its infrastructure and technology opportunities as and when they do arise in future.

Meanwhile, the Transport activities have been engineered towards execution of the projects secured in the previous years. This year witnessed your Company's consortium delivering the signalling and train control systems for Reach 1 (Baiyapanhalli Terminal to MG Road of Phase 1) of Bangalore Metro on which revenue services commenced in October 2011. We also successfully commissioned in February 2012 digital audio frequency track circuits on the Western Railway's suburban line to Churchgate under a World Bank financed project of Mumbai Rail Vikas Corporation. The other on going projects includes the balance of work on Bangalore Metro Signalling project and the contracts for Chennai Metro.

The TIS (Transport Information Systems) operation in Bangalore has expanded its activities this year assuming a greater role in engineering and R&D projects, both in India and globally. We expect the expansion of activities in Bangalore TIS to continue in the forthcoming year as well. APIL's Transport Unit in Coimbatore is gearing up for the manufacture of traction components which will be used on the Metro trains for Chennai Metro.

The Financial performance of this segment is summarized below:-

	(Rupees Millions)	
	Year ended 31 March 2012	Year ended 31 March 2011
Orders received	778	9,250
Sales	557	751
Orders in hand	11,098	10,877

Outlook

Despite the uncertainties of the past year the market for rail transportation in India, both for urban and mainline railways looks promising in the long term, being one of the largest in the world. The urban transport market seems well set with on-going projects in Delhi, Bangalore, Chennai and Mumbai and imminent projects in several other cities. We hope various metro projects in new cities will be launched soon and expect to participate in the extension of existing metro lines in Delhi and Bangalore on which we have provided the signalling system. On Mainline Indian Railways the need for improvements in infrastructure and technology is immense to keep pace with the economic growth forecast for the country. We are therefore optimistic and are prepared to participate in these opportunities when they do arise.

For and on behalf of the
Board of Directors

Francois Carpentier
Vice Chairman &
Managing Director

S. M. Momaya
Whole time Director &
Chief Financial Officer

Place: Noida
Date: 23 April 2012

Auditors' Certificate regarding compliance of conditions of Corporate Governance

To the Members of ALSTOM India Limited (formerly known as ALSTOM Projects India Limited)

1. We have examined the compliance of conditions of Corporate Governance by ALSTOM India Limited (formerly known as ALSTOM Projects India Limited), for the year ended March 31, 2012, as stipulated in Clause 49 of the Listing Agreement(s) of the said Company with stock exchange(s) in India.
2. The compliance of conditions of Corporate Governance is the responsibility of the Company's management. Our examination was carried out in accordance with the Guidance Note on Certification of Corporate Governance (as stipulated in Clause 49 of the Listing Agreement), issued by the Institute of Chartered Accountants of India and was limited to procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.
3. Attention is drawn to the fact that with regard to the submission of the financial results under clause 41 of the listing agreement with the stock exchanges for the year ended March 31, 2012, on April 23, 2012 and published in two newspapers on April 25, 2012, the Company submitted a corrigendum to the stock exchanges on June 11, 2012 stating that "the numbers submitted to the Stock Exchanges and published earlier were inadvertently taken from a draft file, which did not contain the effect of entries pertaining to proposed dividend and a few reclassifications. There is no impact on the profit before tax and profit after tax for the year ended 31 March 2012." The Company published the corrigendum in two newspapers namely The Times of India, Mumbai and Maharashtra Times on June 15, 2012.
4. In our opinion and to the best of our information and according to the explanations given to us and read with our comment in the paragraph 3 above, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the above mentioned Listing Agreement(s).
5. We state that such compliance is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the management has conducted the affairs of the Company.

For Price Waterhouse
Firm Registration Number: 012754N
Chartered Accountants

Sharmila Karve
Partner
Membership Number: F-43229

Place : Mumbai
Date : June 23, 2012

Corporate Governance Report

Company's Philosophy on Code of Corporate Governance

Corporate governance is a reflection of our policies, culture and relationship with shareholders, employees, customers, suppliers and diverse stakeholders.

The Company has embedded the best of corporate governance practices in its day-to-day operations aimed at building trust with all stakeholders.

The Company's corporate governance philosophy consists mainly of transparency, equity, integrity, accountability and environmental duty that conform and adheres to all the relevant and applicable laws, rules and regulations. The Company is preserving and maintaining good Corporate Governance practices and its primary objective is to create and adhere to transparency and professionalism in all its functions, implementation of procedures and policies to ensure high standards of ethics in all its business activities, responsive management that fulfils the needs of its partners and associates. The basic purpose of Company's Corporate Governance Policy is to continue and maintain the corporate culture of conscience and consciousness towards shareholders and other stakeholders.

The Company pursues the process of Corporate Governance in compliance with Clause 49 of the Listing Agreement with Stock Exchanges and in this regard, submits a report on the matters mentioned in the said clause and practices followed by the Company.

I. BOARD OF DIRECTORS

The strength of the Board of Directors as on 31 March 2012 was seven. The Board of Directors of the Company comprises of Executive Directors and Non-Executive Directors including Independent Directors. A Non-Executive Chairman heads the Board. Two Directors, including the Managing Director, are Executive Directors as on 31 March 2012. There are five Non-Executive Directors, of which three Directors are Independent Directors. The Non-Executive Directors are accomplished professionals in their respective fields of expertise.

The following table gives the details of category of Directors, number of Board Meetings attended, attendance at last Annual General Meeting (AGM) and the number of other Directorships and Committee Memberships as at 31 March 2012:-

Name of the Director	Director Identification Number	Category	Number of Board Meetings Attended	Attendance at Last AGM held on 08 July 2011	Number of other Directorship(s) ¹	Number of Committee memberships in domestic public companies (including this Company) #	
						As Chairman	As Member
Mr. Sunand Sharma	00275238	Non-Executive Chairman	5	Yes	4	1	1
Mr. Francois Carpentier	03124495	Executive	6	Yes	3*	-	2*
Mr. S. M. Momaya	00017199	Executive	6	Yes	4*	-	1*
Mr. K. Vasudevan	00018023	Non-Executive & Independent	5	Yes	1	2	-
Mr. A. K. Thiagarajan	00292757	Non-Executive & Independent	4	Yes	7	-	7
Dr. Uddesh Kohli	00183409	Non-Executive & Independent	6	Yes	5	1	8
Mr. Dominique Pouliquen	02462113	Non-Executive	2	Yes	1	-	-

¹ The Directorships held by Directors as mentioned above, do not include Directorships in foreign companies, companies registered under section 25 of the Companies Act, 1956 and private limited companies.

In accordance with the provisions of Clause 49 of the Listing Agreement with the Stock Exchanges, Memberships / Chairmanships of only Audit Committees and Transfer & Shareholders' / Investors' Grievance Committees of all Public Limited Companies have been considered.

* The Directorships and Committee memberships includes the Directorship and Committee membership held in ALSTOM Holdings (India) Limited which was amalgamated with the Company (effective from 20 April 2012).

The Board met six times during the financial year under review on the following dates:-

- | | |
|---------------------|-----------------------|
| (1) 25 April 2011 | (2) 08 July 2011 |
| (3) 26 July 2011 | (4) 15 September 2011 |
| (5) 25 October 2011 | (6) 25 January 2012 |

The information as required under Clause 49 of the Listing Agreement is being made available to the Board.

As is evident from the above dates of Board meetings, the maximum time gap between any two meetings was not more than four months.

The Managing Director reviews compliance reports of all laws applicable to the Company, prepared by the Company and reports the same to the Board of Directors at Board Meetings held after the end of every quarter.

Code of Conduct

(i) Code of Conduct for Directors and Senior Management of the Company

The Company has adopted the Code of Conduct for the Directors and Senior Management of the Company. The Code of Conduct is posted on the Company's website at www.alstom.com/india. All Board Members and Senior Management Personnel have affirmed compliance with the code as on 31 March 2012. The Annual Report of the Company contains a declaration to this effect signed by the Vice Chairman & Managing Director of the Company.

(ii) Code of Conduct for Prevention of Insider Trading

Pursuant to the requirements of the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992, as amended from time to time, the Company has adopted a Code of Conduct for Prevention of Insider Trading viz: "ALSTOM Projects India Limited Code of Conduct for Prohibition of Insider Trading" (the Code) with effect from 26 September 2002. Mr. Pradeepta Puhan, Company Secretary is the Compliance Officer under the Code. This policy is applicable to all the Directors, Officers, Designated Employees of the Company and their Dependent Family Members as defined therein.

Risk Mitigation Plan

The Company has in place mechanisms to inform the Board Members about the risk assessment and minimisation procedures and periodical review to ensure that management controls risk through means of a properly defined framework.

Remuneration of Directors

Remuneration paid/payable to Directors for the year ended 31 March 2012:-

(Rupees in thousand)

Name of the Director	Salaries and Perquisites	Commission	Sitting fees	Total
Mr. Sunand Sharma*	23,241	Nil	Nil	23,241
Mr. Francois Carpentier	23,182	Nil	Nil	23,182
Mr. S. M. Momaya	7,723	Nil	Nil	7,723
Mr. Dominique Pouliquen	Nil	Nil	Nil	Nil
Mr. K. Vasudevan	Nil	Nil	180	180
Mr. A. K. Thiagarajan	Nil	Nil	140	140
Dr. Uddesh Kohli	Nil	Nil	240	240

* Mr. Sunand Sharma, the Non-Executive Chairman of your Company, who was an employee of ALSTOM Holdings (India) Limited is considered to be an employee of your Company with effect from the appointed date (i.e. 01 April 2011) for the period 01 April 2011 to 31 March 2012 pursuant to the Scheme of Amalgamation amongst ALSTOM Holdings (India) Limited (Amalgamating Company), ALSTOM Projects India Limited (Amalgamated Company) and their respective shareholders, which became effective on 20 April 2012. The remuneration paid by the Amalgamating Company to Mr. Sunand Sharma during the aforesaid period has been considered as remuneration paid by your Company. He was a Non-Executive Director and Chairman of the Company during the financial year 2011-12.

Notes:-

- The agreement with the Managing Director and the Whole-time Director is for a period of three years. Either party to the agreement is entitled to terminate the agreement by giving not less than 180 days' notice in writing to the other party in the case of Managing Director and 90 days' notice in writing to the other party in the case of Whole-time Director.
- The Managing Director and the Whole-time Director are entitled to avail benefit under ALSTOM stock option plan(s), launched by the listed parent Company in France (ALSTOM France). The above remuneration excludes any benefit availed under the said stock option plan(s).
- The Company does not pay any remuneration to the Non-Executive Directors except sitting fees to Non-Executive Independent Directors @ Rs. 20,000 for each meeting of the Board of Directors, Audit Committee and Transfer and Shareholders/ Investors' Grievance Committee Meeting attended by them.
- Mr. A. K. Thiagarajan, Non-Executive & Independent Director and Mr. S.M. Momaya, CFO and Whole-time Director, hold 13,415 and 633 equity shares in the Company respectively. No other Directors hold any equity shares in the Company.

Disclosure regarding Directors seeking appointment or re-appointment at the ensuing Annual General Meeting

1) Mr. Sunand Sharma

Mr. Sunand Sharma, 62, is a Mechanical Engineer with 40 years of diverse experience in India and overseas having commenced his working career in 1972 in manufacturing industries, working in various disciplines.

He is a Vice-President of the Indo-French Chamber of Commerce & Industry (IFCCI) and Chairman of its Northern Region, a Member of the National Executive Committee of the Federation of Indian Chambers of Commerce & Industry (FICCI) and a Member of various Councils and Committees of the Confederation of Indian Industry, and of the European Business Group. He has addressed high-level conferences in India and abroad, and maintains a network of relationships around the world.

In the 1980's and 1990's he led the Business Development effort of GE in India, working with teams from GE Aircraft Engines, GE Power Systems, GE Plastics, GE Medical Systems, GE Transportation and GE & RCA Licensing in establishing their presence in India. These years were marked with significant breakthroughs in what later became the strong strategic positioning of India within GE owing to the licensing agreements, joint ventures and sales achieved by these businesses in India. This was a pioneering effort as the leaders of these businesses were introduced to India through the effort led by him, leading to top level understanding of doing business in India resulting in India being embedded in the future of GE.

In the 1990's Mr. Sunand Sharma set up an independent consultancy that has specialized in providing strategic advice on country entry to various companies. Amongst these are Nokia Telecommunications Oy of Finland, Owens Corning Fiberglas Inc. of USA, Energy Developments Limited of Australia, Vialle Alternative Fuel Systems and Royal Cebeco Group of the Netherlands, GE Wind Energy of USA and Acciona Energia of Spain. Most of these companies have made large scale investments in India based on their India entry strategies. In addition, Mr. Sharma has experience of doing business in Kazakhstan.

He is also on the Board of following Indian Companies:

Sl. No.	Name of the Company	Position
1	DC Power Limited	Director
2	Turnstone Energy Solutions Pvt. Ltd.	Director
3	Quantum Consultants Pvt. Ltd.	Director
4	Infinity Infotech Parks Limited	Director
5	ALSTOM Transport India Limited	Director
6	ALSTOM Boilers India Limited	Director

Mr. Sunand Sharma, appointed as a Director on June 07, 2006, is a non-executive Chairman of the Company.

2) Dr. Uddesh Kohli

Dr. Uddesh Kohli, 71, is presently the Chairman of Consultancy Development Centre, Construction Industry Development Council and Engineering Council of India. He is former Chairman & Managing Director of Power Finance Corporation (PFC), Adviser Planning Commission, Chairman of Standing Conference of Public Enterprises (SCOPE), President of the Council of Indian Employers (CIE) and President, All India Management Association.

Dr. Kohli has a unique combination of educational qualifications - a Degree in Engineering (IIT, Roorkee), Post Graduate in Management (Manchester) and Doctorate in Economics (Delhi School of Economics).

Dr. Kohli has over 46 years experience in Corporate, Planning Commission, Consultancy and professional organizations. He has been Adviser/ Consultant to international bodies such as Asian Development Bank, UNDP/ UNIDO/ UNOPS for various countries such as Papua New Guinea, Tanzania, China and Maldives.

Dr. Kohli is appointed as a Non-Executive Independent Director of the Company with effect from December 28, 2005. He is a member of the Audit Committee of the Board of Directors of the Company.

He is also Director in the following Companies:-

1	ICRA Limited	Director
2	Lanco Infratech Limited	Director
3	National Energy Trading & Services Limited	Director
4	PTC India Financial Services Limited	Director
5	R. K. Wind Limited	Director

Dr. Uddesh Kohli is a member of the Audit Committee of the Board of Directors of the Company as an Independent Director and also a member of the Share Transfer and Shareholders'/Investors' Grievance Committee.

He is also on the Audit Committee and Share Transfer Committee of the following Indian Companies:-

Sl. No.	Name of the Company	Type of Committee	Position
1	ICRA Limited	Audit Committee	Member
2	ICRA Limited	Shareholders/InvestorsGrievance Committee	Member
3	Lanco Infratech Limited	Audit Committee	Member
4	National Energy Trading & Services Limited	Audit Committee	Chairman
5	R.K. Wind Limited	Audit Committee	Member
6	PTC India Financial Services Limited	Audit Committee	Member
7	PTC India Financial Services Limited	Investors Grievance Committee	Member

II. AUDIT COMMITTEE

Composition of Audit Committee

The Audit Committee comprises of four Non-Executive Directors as at 31 March 2012:-

Sl. No.	Name	Position
1	Mr. K. Vasudevan, Non-Executive & Independent Director	Chairman
2	Mr. Sunand Sharma, Non-Executive Director	Member
3	Mr. A. K. Thiagarajan, Non-Executive & Independent Director	Member
4	Dr. Uddesh Kohli, Non-Executive & Independent Director	Member

Mr. K. Vasudevan, Chairman of the Audit Committee possesses requisite accounting and financial knowledge.

Mr. Pradeepta Puhan, Company Secretary, is the Secretary to the Audit Committee.

The Board of Directors of the Company notes the minutes of the Audit Committee Meetings at the subsequent Board Meetings.

Meetings and the attendance during the year

There were four meetings of the Audit Committee held during the year on 25 April 2011; 26 July 2011; 25 October 2011 and 25 January 2012 respectively.

The attendance of each Member of the Committee is given in the following table:-

Sl. No.	Name of Member	Date of Meeting			
		25 April 2011	26 July 2011	25 October 2011	25 January 2012
1	Mr. K. Vasudevan	Yes	Yes	Yes	Yes
2	Mr. Sunand Sharma	Yes	No	Yes	Yes
3	Mr. A. K. Thiagarajan	No	Yes	Yes	Yes
4	Dr. Uddesh Kohli	Yes	Yes	Yes	Yes

The Auditors and the Executive Directors of the Company had been invited and also attended and participated at all Audit Committee Meetings.

Terms of Reference

The terms of reference of the Audit Committee include the matters specified in Clause 49(II)(D), 49(II)(E), 49(IV)(A) and 49(IV)(B) of the Listing Agreement with the Stock Exchanges and also as required under Section 292A of the Companies Act, 1956. The Committee acts as a link between the Statutory/Internal Auditors and the Board of Directors of the Company.

III. SUBSIDIARY COMPANIES

The Company does not have a material non-listed Indian subsidiary whose turnover or net-worth (i.e. paid up capital and free reserves) exceeds 20% of the consolidated turnover or net-worth respectively, of the listed holding Company and its subsidiary in the immediately preceding accounting year.

Copies of the Minutes of the Board Meetings of the subsidiary companies are tabled at the Board Meeting(s) of the Company.

IV. SHAREHOLDERS' COMMITTEE

In compliance with the requirement of the Corporate Governance under the Listing Agreement with the Stock Exchanges, the Company has constituted a 'Transfer and Shareholders'/Investors' Grievance Committee' to look into issues relating to shareholders including share transfers.

Composition

The composition of the Committee as at 31 March 2012 is as under:-

Sl. No.	Name	Position
1	Mr. Sunand Sharma, Non-Executive Director	Chairman
2	Mr. Francois Carpentier, Executive Director	Member
3	Dr. Uddesh Kohli, Non-Executive & Independent Director	Member

The Minutes of 'Transfer and Shareholders' / Investors' Grievance Committee' are noted by the Board of Directors of the Company at the subsequent Board Meetings.

Mr. Pradeepta Puhan, Company Secretary, is the Compliance Officer of the Company.

Meetings held during the year

Pursuant to Clause 49 IV(G)(iv) of the Listing Agreement, the Board of Directors of the Company vide its resolution passed at 29 September 2010 had authorised the Company Secretary and two other officers of the Company to severally approve day to day share

transfers/transmissions, deletion of names, change of names, etc., in addition to the members of the Transfer and Shareholders'/ Investors' Grievance Committee. Share transfer formalities are regularly attended to and at least once in a fortnight.

There were two meetings of the Transfer and Shareholders'/Investors' Grievance Committee held during the year on 25 April 2011 and 25 January 2012. The minutes of Committee meeting and circular resolutions passed under Section 289 of the Companies Act, 1956, approving transfers are regularly noted by the Board at its meetings.

During the year, the Company received 123 complaints from the shareholders relating to non-receipt of share certificates duly transferred, non-receipt of dividend warrants, non-receipt of Annual Reports etc. all of which have been duly attended to and resolved.

There are no pending cases of share transfer as on 31 March 2012, where the documents were clear & complete in all respects.

V. GENERAL BODY MEETINGS

a) Particulars of AGM / EGM / Shareholders Meetings for the last three years:-

Particulars	Date & Time	Venue	Number of Special Resolutions passed	Details of the Special Resolutions passed at AGM
Court convened meeting of Shareholders	12 January 2012 10:00 A.M.	Rama Watumull Auditorium, Kishinchand Chellaram College, Dinshaw Wachha Road, Churchgate, Mumbai -400 020.	1 (resolution was passed with requisite majority to approve the scheme of amalgamation pursuant to section 391-394 of the Companies Act, 1956)	Subject to the approval of the Hon'ble High Court of Judicature at Bombay and Hon'ble High Court of Delhi at New Delhi, the Scheme of Amalgamation amongst ALSTOM Holdings (India) Limited and ALSTOM Projects India Limited and their respective shareholders was approved by the equity shareholders of the Company.
19th AGM	8 July 2011 11.30 A.M.	Rama Watumull Auditorium, Kishinchand Chellaram College, Dinshaw Wachha Road, Churchgate, Mumbai -400 020.	2	1. Change in name of the Company from ALSTOM Projects India Limited to ALSTOM India Limited subject to availability of name and approval by Registrar of Companies. 2. Amendment in Article 4, 149 and 150 of the Articles of Association of the Company.
18th AGM	21 July 2010 3:00 P.M.	Rama Watumull Auditorium, Kishinchand Chellaram College, Dinshaw Wachha Road, Churchgate, Mumbai -400 020.	2	1. Appointment of Mr. Francois Carpentier as Vice Chairman & Managing Director of the Company for a period of three years w.e.f. 28 April 2010. 2. Re-appointment of Mr. S.M. Momaya as Whole-time Director & Chief Financial Officer of the Company for a period of three years w.e.f. 17 May 2010.
17th AGM	23 July 2009 10:30 A.M.	Rama Watumull Auditorium, Kishinchand Chellaram College, Dinshaw Wachha Road, Churchgate, Mumbai -400 020	NIL	N.A.

b) Postal Ballot :-

During the year, no resolution was passed through postal ballot in accordance with Section 192A of the Companies Act, 1956.

VI. DISCLOSURE

- 1) There are no materially significant related party transactions with its Promoters, the Directors or the Management and their Subsidiaries or Relatives etc., which may have potential conflict with the interest of the Company at large.
- 2) The Company has complied with the requirements of regulatory authorities on capital markets including the requirements under the SEBI (Prohibition of Insider Trading) Regulations, 1992, as amended and no penalties or strictures have been imposed on the Company by the Stock Exchanges, SEBI or any other statutory authority, on any matter relating to the capital markets, during the last three years.

VII. MEANS OF COMMUNICATION

- 1) Half-yearly report sent to each household of shareholder No

- 2) Quarterly results -
- | | |
|--|--|
| (a) Which Newspapers normally published in | The Times of India and Maharashtra Times |
| (b) Any Web site, where displayed | Yes
The Company has a website 'www.alstom.com/india' where the quarterly results are displayed. |
| (c) Whether it also displays official news releases and the presentation made to Institutional investors or to the analysts. | No |
- 3) Whether Management Discussion & Analysis Report is a part of annual report or not
- | | |
|--|-----|
| | Yes |
|--|-----|

VIII. Status of compliance with mandatory requirements and adoption of non-mandatory requirements

- 1) The Company has complied with all mandatory requirements of Clause 49 of the Listing Agreement with the Stock Exchanges as on 31 March 2012.
- 2) Adoption/ non-adoption of non-mandatory requirements as at 31 March 2012:-
 - (a) The Company maintains an office for the Non-Executive Chairman. All necessary infrastructure and assistance are made available to enable him to discharge his responsibilities effectively.
Further the Company has not adopted the requirement of Independent Directors tenure not to exceed a period of nine years on the Board of the Company.
 - (b) The Company has not set up a Remuneration Committee.
 - (c) As the Quarterly Financial Results are published in the newspapers as well as displayed on the Company's website, the Results are not sent to household of each of the shareholders.
 - (d) The auditors have issued an unqualified opinion for the year ended 31 March 2012.
 - (e) The Board of Directors of the Company consists of an optimal blend of Company Executives and Independent professionals having an in-depth expertise of Power Industry/Business and expertise in their area of specialisation.
 - (f) Presently the Company does not have a mechanism for evaluating its Non-Executive Directors by Peer Group comprising of the entire Board of Directors.
 - (g) Presently, the Company does not have a Whistle Blower Policy in place, however, no personnel has been denied access to the Audit Committee.

IX. GENERAL SHAREHOLDER INFORMATION

- 1) Annual General Meeting

-Date and Time	: Date: 26 July 2012, Time: 2:30 p.m. IST
-Venue	: Rama Watumull Auditorium, Kishinchand Chellaram College, Dinshaw Wachha Road, Churchgate, Mumbai-400 020.
- 2) Financial Calendar

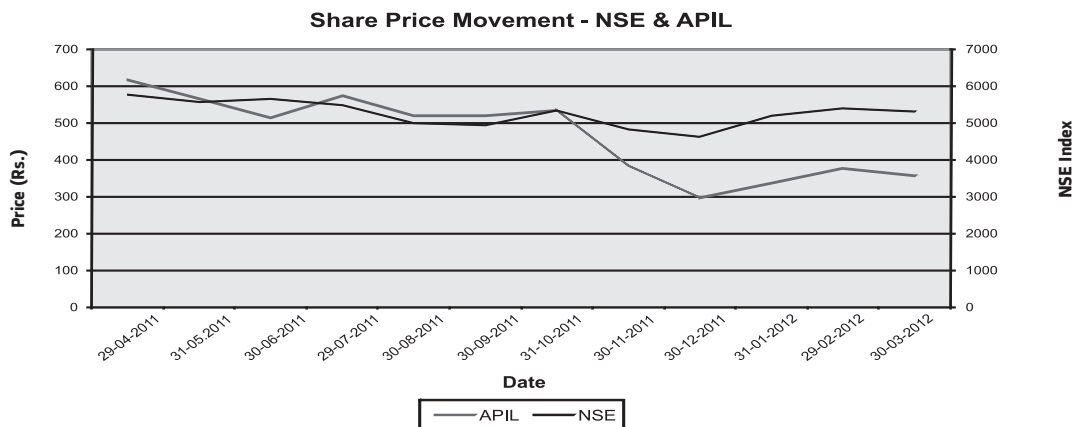
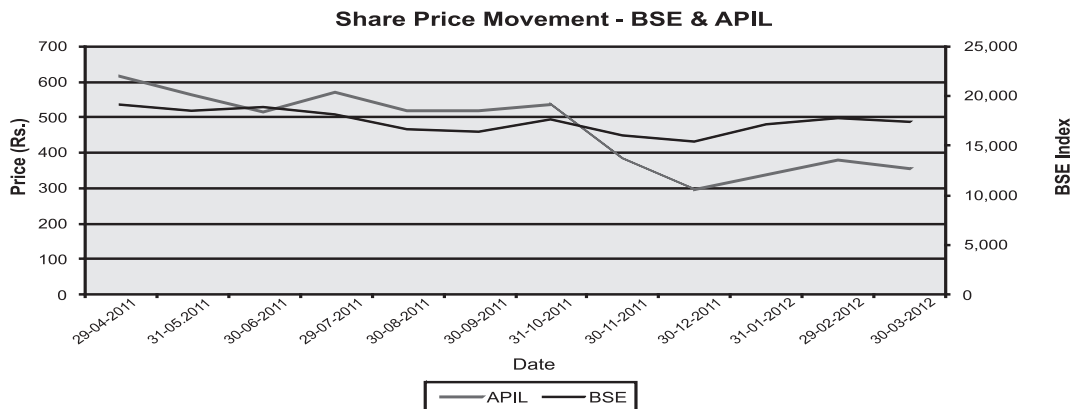
	: April to March
(a) Financial reporting for the quarter ending June, 2012	: End July, 2012
(b) Financial reporting for the half year ending September, 2012	: End October, 2012
(c) Financial reporting for the quarter ending December, 2012	: End January, 2013
(d) Financial reporting for the year ending March 2013	: April/May, 2013
(e) Annual General Meeting for the year ended 31 March 2013	: July/ August, 2013
- 3) Face value of the equity share : Rs.10 per share
- 4) Date of Book Closure : 19 July 2012 to 26 July 2012 (both days inclusive)
- 5) Dividend Payment Date : On or after 31 July 2012
- 6) Listing on Stock Exchanges : BSE Limited (BSE), Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai-400001
National Stock Exchange of India Limited (NSE), 'Exchange Plaza', Bandra Kurla Complex, Bandra (E), Mumbai-400 051
- 7) Stock Code / Symbol

- Bombay Stock Exchange	: 532309
- National Stock Exchange	: APIL
- International Securities Identification Number (ISIN)	: INE878A01011

- 8) Monthly closing Highs and Lows for the period 01 April 2011 to 31 March 2012 on BSE and NSE.
The market capitalisation of the Company's scrip as on 30 March 2012 was Rs.2383.38 crores on BSE and Rs. 2384.05 crores on NSE.

Period	BSE		NSE	
	High	Low	High	Low
2011				
April	635.90	577.30	636.05	576.50
May	615.45	541.55	615.50	541.15
June	576.10	505.20	577.60	505.15
July	606.55	523.65	606.55	523.80
August	595.35	499.05	595.15	499.25
September	551.85	512.70	558.60	511.95
October	545.15	492.00	546.15	492.25
November	533.70	393.85	534.90	382.80
December	395.25	289.75	394.15	290.00
2012				
January	392.45	298.85	392.20	299.10
February	424.35	349.55	424.00	350.45
March	390.75	340.95	390.65	340.25

- 9) Stock Performance of ALSTOM Projects India Limited (APIL) vis a vis BSE and NSE Indices:-



- 10) Registrar and Share Transfer Agents : Karvy Computershare Private Limited
7, Andheri Industrial Estate,
Off Veera Desai Road,
Andheri (West)
Mumbai – 400 053

11) Share Transfer System

Karvy Computershare Private Limited is the Registrar and Share Transfer Agent of the Company. Transfer of shares are approved by the Board of Directors or Share Transfer Committee referred to as 'Transfer and Shareholders' / Investors' Grievance Committee' or Delegated Authority which meets at frequent intervals. Share transfers are registered and returned within 30 days from the date of receipt, if the relevant documents are complete in all respects.

The total number of shares transferred in physical form during the year under review was 5163 shares.

- 12) Equity Shares in the Suspense Account As per Clause 5A(I) of the Listing Agreement, the Company reports the following details in respect of equity shares lying in the suspense account which were issued pursuant to the Scheme of Arrangement between Asea Brown Boveri Limited and the Company and the Bonus issue by Asea Brown Boveri Limited:

Particulars	Number of equity shares
Number of shares lying in the suspense account as on 01 April 2011	5108
Number of shares transferred during the years from suspense account	Nil*
Number of shares lying in the suspense account as on 31 March 2012	5108

* No request has been received from any shareholder of the Company during the years for transfer of shares from suspense account.

The voting rights on the shares outstanding in the suspense account as on 31 March 2012 shall remain frozen till the rightful owner of such shares claims the shares. Necessary action is being taken to comply with Clause 5A(II) of the Listing Agreement. These shares are kept in trust will be transferred into one folio in the name of "Unclaimed Suspense Account" in due course.

- 13) (A) Distribution of Shareholding as on 31 March 2012.

Slab	Number of Shareholders		Number of Shares	
	Numbers	% to Shareholders	Numbers	% to Share Capital
1 – 5000	52,648	94.21	44,24,332	6.60
5001 - 10000	2001	3.58	14,60,955	2.18
10001 - 20,000	662	1.18	9,39,311	1.40
20001 - 30,000	213	0.38	5,32,831	0.79
30,001 - 40,000	94	0.17	3,30,144	0.49
40,001 - 50,000	67	0.12	3,07,633	0.46
50,001 - 1,00,000	75	0.13	5,60,008	0.84
1,00,001 - Above	124	0.22	5,84,68,960	87.24
TOTAL	55,884	100.00	67,024,174	100.00

- (B) Shareholding pattern as on 31 March 2012.

Sl.No.	Shareholders	Number of shares held	% shareholding
1.	Promoters (both resident and non-resident)	4,58,84,997	68.46
2.	Central Government	2,59,742	0.39
3.	Financial Institutions/Banks	23,31,996	3.48
4.	Foreign Institutional Investors	20,41,273	3.05
5.	Mutual Funds	43,83,510	6.54
6.	Bodies Corporate	19,13,089	2.85
7.	Insurance Companies	16,36,596	2.44
8.	Non Resident Individuals	1,97,101	0.29
9.	Foreign Companies	8,383	0.01
10.	Director and their relatives	14,048	0.02
11.	General Public	82,35,025	12.29
12.	In transit in Depository system	1,18,414	0.18
	TOTAL	67,024,174	100

- 14) Dematerialization of shares and liquidity and inclusions of the Shares in Futures and Options Segment : Trading in Company's share is permitted compulsorily in dematerialised form from July 24, 2000 as per notification issued by SEBI and the Company's shares are traded in compulsory rolling settlement.
- As on 31 March 2012, a total of 6,58,32,929 equity shares of the Company, which forms 98.22% of share capital of the Company have been dematerialized.
- 15) Outstanding GDRs/ADRs/Warrants or any Convertible instruments, if any. : N.A
- 16) Plant Locations :
 - P.O. Maneja
Vadodara - 390 013
Gujarat.
 - Durgapur - 713 206
West Bengal.
 - Shahabad - 585 229
Karnataka.
 - Coimbatore - 641 402
Tamil Nadu
- 17) Address for correspondence : Regd. Office:
The International, 5th Floor,
16, Marine Line Cross Road No. 1,
Off Maharshi Karve Road,
Churchgate, Mumbai - 400 020.
Tel. No.: (022) 22051256 / 22000487
Fax No. : (022) 22086905
Email : in.investor-relations@power.alstom.com
Website: www.alstom.com/india

For and on behalf of the Board of Directors

Francois Carpentier
Vice Chairman & Managing Director

S.M. Momaya
Whole Time Director & Chief Financial Officer

Place: Noida
Date: 23 April 2012

CEO / CFO CERTIFICATION

The Board of Directors
ALSTOM Projects India Limited

Re- Financial Statements for the period ended 31 March 2012 : Certification by CEO and CFO

We, Francois Carpentier, Vice -Chairman & Managing Director and S.M. Momaya, Whole-time Director & CFO, on the basis of the review of the financial statements for the period ending 31 March 2012 and to the best of our knowledge and belief, certify that:-

1. These statements do not contain any materially untrue statements or omit any material fact or contains statements that might be misleading.
2. These statements together present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
3. There are, to the best of our knowledge and belief, no transactions entered into by the Company during the period ending 31 March 2012, which are fraudulent, illegal or violative of the Company's code of conduct.
4. We accept responsibility for establishing and maintaining internal controls for financial reporting. We have evaluated the effectiveness of the internal control systems of the Company pertaining to financial reporting and we have disclosed to the Auditors and the Audit Committee those deficiencies, of which we are aware, in the design or operation of the internal control systems and that we have taken the required steps to rectify these deficiencies.
5. We further certify that:-
 - (a) There have been no significant changes in the internal control over financial reporting during this year.
 - (b) There have been no significant changes in the accounting policies this year and that the same have been disclosed in the notes to the financial statements.
 - (c) There have been no instances of significant fraud of which we have become aware and the involvement therein, if any, of the management or an employee having a significant role in the Company's internal control systems over financial reporting.

Francois Carpentier
Vice Chairman & Managing Director

S.M. Momaya
Whole-time Director & Chief Financial Officer

Place : Noida
Date : 23 April 2012

DECLARATION - COMPLIANCE WITH THE CODE OF CONDUCT

In accordance with Clause 49 of the Listing Agreement with the Stock Exchange, I, Francois Carpentier, Vice Chairman and Managing Director of the Company, hereby declare that the Board Members and Senior Management Personnel have affirmed compliance with the Code of Conduct of the Company for the year ended 31 March 2012.

For ALSTOM Projects India Limited

Francois Carpentier
Vice Chairman & Managing Director

Place : Noida
Date : 23 April 2012

Auditors' Report to the Members of ALSTOM Projects India Limited

1. We have audited the attached Balance Sheet of ALSTOM Projects India Limited (the "Company") as at March 31, 2012, and the related Statement of Profit and Loss and Cash Flow Statement for the year ended on that date annexed thereto, which we have signed under reference to this report. These financial statements are the responsibility of the Company's Management. Our responsibility is to express an opinion on these financial statements based on our audit.
2. We conducted our audit in accordance with the auditing standards generally accepted in India. Those Standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by Management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.
3. As required by the Companies (Auditor's Report) Order, 2003, as amended by the Companies (Auditor's Report) (Amendment) Order, 2004 (together the "Order"), issued by the Central Government of India in terms of sub-section (4A) of Section 227 of 'The Companies Act, 1956' of India (the 'Act') and on the basis of such checks of the books and records of the Company as we considered appropriate and according to the information and explanations given to us, we give in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the Order.
4. Further to our comments in the Annexure referred to in paragraph 3 above, we report that:
 - (a) We have obtained all the information and explanations which, to the best of our knowledge and belief, were necessary for the purposes of our audit;
 - (b) In our opinion, proper books of account as required by law have been kept by the Company so far as appears from our examination of those books;
 - (c) The Balance Sheet, Statement of Profit and Loss and Cash Flow Statement dealt with by this report are in agreement with the books of account;
 - (d) In our opinion, the Balance Sheet, Statement of Profit and Loss and Cash Flow Statement dealt with by this report comply with the accounting standards referred to in sub-section (3C) of Section 211 of the Act;
 - (e) On the basis of written representations received from the directors, as on March 31, 2012 and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2012 from being appointed as a director in terms of clause (g) of sub-section (1) of Section 274 of the Act;
 - (f) In our opinion and to the best of our information and according to the explanations given to us, the said financial statements together with the notes thereon and attached thereto give, in the prescribed manner, the information required by the Act, and give a true and fair view in conformity with the accounting principles generally accepted in India:
 - (i) in the case of the Balance Sheet, of the state of affairs of the Company as at March 31, 2012;
 - (ii) in the case of the Statement of Profit and Loss, of the profit for the year ended on that date; and
 - (iii) in the case of the Cash Flow Statement, of the cash flows for the year ended on that date.

For Price Waterhouse
Firm Registration Number: 012754N
Chartered Accountants

Joy Kumar Jain
Partner
Membership Number: 087659

Place: Noida
Date: April 23, 2012

Annexure to Auditors' Report

Referred to in paragraph 3 of the Auditors' Report of even date to the members of ALSTOM Projects India Limited on the financial statements as of and for the year ended March 31, 2012

- (i)
 - (a) The Company is maintaining proper records showing full particulars, including quantitative details and situation, of fixed assets.
 - (b) The fixed assets are physically verified by the Management according to a phased programme designed to cover all the items over a period of three years which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. Pursuant to the programme, a portion of the fixed assets has been physically verified by the Management during the year and no material discrepancies between the book records and the physical inventory have been noticed.
 - (c) In our opinion, and according to the information and explanations given to us, a substantial part of fixed assets has not been disposed of by the Company during the year.
2.
 - (a) The inventory (excluding stocks with third parties) has been physically verified by the Management during the year. In respect of inventory lying with third parties, these have substantially been confirmed by them. In our opinion, the frequency of verification is reasonable.
 - (b) In our opinion, the procedures of physical verification of inventory followed by the Management are reasonable and adequate in relation to the size of the Company and the nature of its business.
 - (c) On the basis of our examination of the inventory records, in our opinion, the Company is maintaining proper records of inventory. The discrepancies noticed on physical verification of inventory as compared to book records were not material.
3.
 - (a) The Company has not granted any loans, secured or unsecured, to companies, firms or other parties covered in the register maintained under Section 301 of the Act. Accordingly clauses (iii) (b), (c) and (d) of paragraph 4 of the order are not applicable in the case of the company in the current year.
 - (b) The Company has not taken any loans, secured or unsecured, from companies, firms or other parties covered in the register maintained under Section 301 of the Act. Accordingly clauses (iii) (f) and (g) of paragraph 4 of the order are not applicable in the case of the Company in the current year.
4. In our opinion, and according to the information and explanations given to us, there is an adequate internal control system commensurate with the size of the Company and the nature of its business for the purchase of inventory and fixed assets and for the sale of goods and services. Further, on the basis of our examination of the books and records of the Company, and according to the information and explanations given to us, no major weakness have been noticed or reported.
5. According to the information and explanations given to us, there have been no contracts or arrangements referred to in Section 301 of the Act during the year to be entered in the register required to be maintained under that Section. Accordingly, the question of commenting on transactions made in pursuance of such contracts or arrangements does not arise.
6. The Company has not accepted any deposits from the public within the meaning of Sections 58A and 58AA of the Act and the rules framed there under.
7. In our opinion, the Company has an internal audit system commensurate with its size and the nature of its business.
8. According to the information and explanations given to us, the company is in process of preparing the cost records prescribed by the Central Government under clause (d) of subsection (1) of Section 209 of the Act in respect of the products of the Company.
9.
 - (a) According to the information and explanations given to us and the records of the Company examined by us, in our opinion, the Company is generally regular in depositing undisputed statutory dues in respect of provident fund, employees' state insurance, income tax, sales tax and service tax, though there has been a delay in a few cases, and is regular in depositing undisputed statutory dues, including investor education and protection fund, wealth tax, customs duty, excise duty, cess and other material statutory dues, as applicable, with the appropriate authorities.
 - (b) According to the information and explanations given to us and the records of the Company examined by us, the particulars of dues of income tax, sales tax, wealth tax, service tax, customs duty and excise duty as at March 31, 2012 which have not been deposited on account of a dispute, are as follows:

Annexure to Auditors' Report

Referred to in paragraph 3 of the Auditors' Report of even date to the members of ALSTOM Projects India Limited on the financial statements as of and for the year ended March 31, 2012

Name of the statute	Nature of dues	Amount (Rs. Million)	Period to which the amount relates	Forum where dispute is pending
Andhra Pradesh General Sales Tax (GST), 1957; Andhra Pradesh Value Added Tax (VAT), 2005 and Central Sales Tax (CST) Act, 1956	Works Contract Tax on Inter State Sales	520.2	2004 – 2008	High Court
Central Excise Act, 1944	Excise duty and penalty	251.5	1979 – 2008	CESTAT
Central Sales Tax Act, 1956	Central Sales Tax Penalty	14.2	1993 – 1999	Appellate Tribunal
Bombay Sales Tax Act, 1957 and Central Sales Tax Act, 1956	Works Contract Tax on Inter State Sales	10.2	1984 – 1992	Appellate Tribunal
Orissa General Sales Tax Act, 1947 and Central Sales Tax Act, 1956	Works Contract Tax on Inter State Sales	3.6	1992 – 1997	High Court
Tamil Nadu General Sales Tax Act, 1959	Sales Tax and Penalty	1.8	2004 – 2005	High Court
Income Tax Act, 1961	Income Tax and Interest	82.4	Assessment Years 2007-2009	CIT (Appeals)
Labour Cess Act, 1966	Labour Cess on Cost of Construction	18.6	2010-2011	Assistant Labour Commissioner
Finance Act, 1994 (Service Tax)	Service Tax and Penalty	86.1	2005-2009	CESTAT

10. The Company has no accumulated losses as at 31 March 2012 and it has not incurred any cash losses in the financial year ended on that date or in the immediately preceding financial year.
11. The Company neither has any borrowings from any financial institution or bank nor has it issued any debentures as at the balance sheet date.
12. The Company has not granted any loans and advances on the basis of security by way of pledge of shares, debentures and other securities.
13. The provisions of any special statute applicable to chit fund/ nidhi/ mutual benefit fund/ societies are not applicable to the Company.
14. In our opinion, the Company is not a dealer or trader in shares, securities, debentures and other investments.
15. In our opinion, and according to the information and explanations given to us, the Company has not given any guarantee for loans taken by others from banks or financial institutions during the year.
16. The Company has not obtained any term loans.
17. On the basis of an overall examination of the balance sheet of the Company, in our opinion, and according to the information and explanations given to us, there are no funds raised on a short-term basis which have been used for long-term investment.
18. The Company has not made any preferential allotment of shares to parties and companies covered in the register maintained under Section 301 of the Act during the year.
19. The Company has not issued any debentures during the year; and does not have any debentures outstanding as at the year end.
20. The Company has not raised any money by public issues during the year
21. During the course of our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanations given to us, we have neither come across any instance of material fraud on or by the Company, noticed or reported during the year, nor have we been informed of such case by the Management.

For Price Waterhouse
Firm Registration Number: 012754N
Chartered Accountants

Joy Kumar Jain
Partner
Membership Number: 087659

Place: Noida
Date: April 23, 2012

ALSTOM Projects India Limited

Balance Sheet

		(Rupees million)	
	Note	As at 31 March 2012	As at 31 March 2011
EQUITY AND LIABILITIES			
(1) Shareholders' Funds			
(a)	3	672.3	670.2
(b)	4	6,264.7	5,202.8
		6,937.0	5,873.0
(2) Non-Current Liabilities			
(a)	5	—	7.7
(b)	6	112.3	102.4
(c)	7	290.5	183.1
		402.8	293.2
(3) Current Liabilities			
(a)	8	16,601.8	17,584.1
(b)	9	2,705.2	2,249.3
(c)	10	1,544.5	1,534.6
(d)	11	1,630.9	1,090.9
		22,482.4	22,458.9
Total		29,822.2	28,625.1
ASSETS			
(1) Non-current assets			
(a)			
(i)	12	3,687.7	3,486.7
(ii)	13	43.6	46.4
(iii)		954.9	447.4
(b)	14	0.5	*
(c)	5	124.5	—
(d)	15	383.0	648.9
		5,194.2	4,629.4
(2) Current assets			
(a)	16	739.7	415.2
(b)	8	4,751.6	6,108.1
(c)	17	10,331.5	6,811.4
(d)	18	2,272.2	7,360.6
(e)	19	6,144.3	3,226.6
(f)	20	388.7	73.8
		24,628.0	23,995.7
Total		29,822.2	28,625.1

* Amount is below rounding off norm

Summary of significant accounting policies 2

The notes are an integral part of these financial statements

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

For Price Waterhouse
Firm Registration Number: 012754N
Chartered Accountants

Joy Kumar Jain
Partner
Membership No: 087659

Place : Noida
Date: 23 April 2012

For and on behalf of the Board of Directors

Sunand Sharma	Chairman
Francois Carpentier	Vice Chairman & Managing Director
S.M. Momaya	Whole-time Director & Chief Financial Officer
K. Vasudevan	Director
A. K. Thiagarajan	Director
Dr. Uddesh Kohli	Director
Pradeepta Puhana	Company Secretary

ALSTOM Projects India Limited

Statement of Profit and Loss

		(Rupees million)	
	Note	For the year ended 31 March 2012	For the year ended 31 March 2011
Income			
Revenue from operations (gross)	21	19,028.2	16,086.1
Less : Excise Duty		(356.9)	(344.1)
Revenue from operations (net)		18,671.3	15,742.0
Other Income	22	601.5	471.8
Total Revenue		19,272.8	16,213.8
Expenses			
Material cost and erection services	23	10,392.9	8,142.4
Changes in inventories of finished goods and stock in trade	24	(15.1)	(3.5)
Employee benefit expense	25	3,600.9	2,726.9
Finance cost	26	6.5	6.8
Depreciation and amortization expense	27	422.9	410.2
Less : Transfer from revaluation reserve		(1.5)	(1.5)
Other expenses	28	2,946.8	2,025.0
Total Expenses		17,353.4	13,306.3
Profit before tax		1,919.4	2,907.5
Tax expense:			
(1) Current tax		(658.4)	(895.7)
(2) Tax related to earlier years		(58.3)	-
(3) Deferred tax (charge)/credit		98.6	(66.9)
Profit / (Loss) for the year from continuing operations (A)		1,301.3	1,944.9
Profit / (Loss) for the year from discontinuing operations	33	577.9	(369.1)
Tax Expense of discontinuing operations:			
(1) Current tax		(270.5)	119.8
(2) Deferred tax (charge)/credit		68.8	(6.6)
Profit / (Loss) from discontinuing operations after tax (B)		376.2	(255.9)
Profit / (Loss) for the year (A+B)		1,677.5	1,689.0
Basic and Diluted Earnings per equity share (in rupees)		24.95	25.20
[Nominal value per share Rs. 10 (previous year Rs. 10)]			

Summary of significant accounting policies 2

The notes are an integral part of these financial statements

This is the Statement of Profit and Loss referred to in our report of even date

For Price Waterhouse
Firm Registration Number: 012754N
Chartered Accountants

Joy Kumar Jain
Partner
Membership No: 087659

Place : Noida
Date: 23 April 2012

For and on behalf of the Board of Directors

Sunand Sharma Chairman
Francois Carpentier Vice Chairman & Managing Director
S.M. Momaya Whole-time Director & Chief Financial Officer
K. Vasudevan Director
A. K. Thiagarajan Director
Dr. Uddesh Kohli Director
Pradeepta Puhan Company Secretary

ALSTOM Projects India Limited

Cash Flow Statement

	For the year ended 31 March 2012	(Rupees million) For the year ended 31 March 2011
A. Cash flows from operating activities		
Profit before tax and exceptional items	2,497.3	2,538.5
Adjustments for		
Depreciation / amortization	510.6	482.9
Provision for doubtful debts and advances	73.7	(16.7)
Provision for employee benefits	142.6	100.8
Unrealised (gain) / loss on restatement of foreign currency assets and liabilities, net	89.0	(18.7)
(Gain)/loss on sale of fixed assets, net	(6.7)	(7.8)
Provision for warranties	113.4	84.3
Provision for mark to market losses on derivatives	267.4	-
Interest income	(427.0)	(387.3)
Interest expense	6.5	6.8
TDS related to customer	(59.5)	(157.3)
Operating profit before working capital changes	3,207.3	2,625.5
Adjustments for changes in working capital		
(Increase)/Decrease in trade receivables	(3,667.2)	(697.7)
(Increase)/ Decrease in inventories	(324.5)	(188.2)
(Increase)/ Decrease in construction contract in progress, assets	1,356.5	632.9
(Increase)/ Decrease in margin money	(6.4)	(63.8)
(Increase)/ Decrease in other current assets	(35.4)	55.2
(Increase)/Decrease in long term loans and advances	(25.1)	(19.1)
(Increase)/Decrease in short term loans and advances	(458.4)	35.9
Increase/ (Decrease)in other long term liabilities	9.9	31.4
Increase/ (Decrease)in construction contract in progress, liabilities	(982.3)	877.1
Increase/ (Decrease)in trade payable	490.9	175.3
Increase/ (Decrease)in other current liabilities	(2.7)	(26.5)
Cash generated from/(used in) operating activities	(437.4)	3,438.0
Income tax (payments)	(840.0)	(699.0)
Net cash generated from/(used in) operating activities	(1,277.4)	2,739.0
B. Cash flows from investing activities		
Inter corporate deposits given	(3,273.0)	(14.0)
Inter corporate deposits received back	814.0	-
Purchase of equity shares of Subsidiary Company	(0.5)	-
Interest received	364.9	334.2
Purchase of investments	(315.3)	-
Purchase of fixed assets	(955.2)	(942.5)
(including Capital work in progress and capital advances)		
Sale proceeds of fixed assets	9.5	8.8
Net cash generated from/(used in) investing activities	(3,355.6)	(613.5)
C. Cash flows from financing activities		
Dividend and corporate dividend tax paid	(773.6)	(779.6)
Movement in unclaimed dividend account	(1.3)	(1.4)
Interest paid	(6.5)	(29.8)
Net cash generated from/(used in) financing activities	(781.4)	(810.8)
Net cash flows during the year (A+B+C)	(5,414.4)	1,314.7
Cash and cash equivalents, beginning of year	7,280.4	5,966.0
Cash and cash equivalents, acquired on amalgamation	315.3	-
Cash and cash equivalents, end of year	2,181.3	7,280.7
Components of cash and cash equivalents as at end of the year		
Cash on hand	1.0	2.2
Bank balances		
- In current account	903.5	269.0
- Demand deposit (less than 3 months maturity)	1,153.0	6,781.0
- In EEFC account	126.8	228.2
Cash & Cash Equivalents (refer note 18)	2,184.3	7,280.4
Add/(Less): Effect of exchange differences on cash & cash equivalents held in foreign currency	(3.0)	0.3
Cash & Cash Equivalents as restated	2,181.3	7,280.7

- The Cash Flow Statement has been prepared under the indirect method as set out in Accounting Standard - 3 on Cash Flow Statements as notified under Section 211(3C) of the Companies Act, 1956.
- Figures in brackets indicate cash outflow.
- Previous year amounts have been regrouped/reclassified, wherever necessary, to conform with current year's presentation.

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

For Price Waterhouse
Firm Registration Number: 012754N
Chartered Accountants

Joy Kumar Jain
Partner
Membership No: 087659

Place : Noida
Date: 23 April 2012

For and on behalf of the Board of Directors

Sunand Sharma
Francois Carpentier
S.M. Momaya
K. Vasudevan
A. K. Thiagarajan
Dr. Uddesh Kohli
Pradeepta Puhan

Chairman
Vice Chairman & Managing Director
Whole-time Director & Chief Financial Officer
Director
Director
Director
Company Secretary

ALSTOM Projects India Limited

Notes to Financial Statements

1. General information

ALSTOM Projects India Limited ('APIL' or 'the Company') is a publicly owned Company, incorporated on 2 September 1992 as Asea Brown Boveri Management Limited, registered with the Registrar of Companies, Maharashtra.

Its business includes a composite range of activities viz. engineering, procurement, manufacturing, construction and servicing etc. of power plants and power equipment and transportation systems covering traction, signaling and train control for the railways and metros.

2. Summary of significant accounting policies

2.1 Basis of preparation of financial statements

These financial statements have been prepared in accordance with the generally accepted accounting principles in India under the historical cost convention on accrual basis, except for certain tangible assets which are being carried at revalued amounts. These financial statements have been prepared to comply in all material aspects with the accounting standards notified under Section 211(3C), Companies (Accounting Standards) Rules, 2006, as amended and the other relevant provisions of the Companies Act, 1956.

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 VI of the Companies Act, 1956.

The accounting policies adopted in the preparation of these financial statements are consistent with those applied in previous year, except the changes in accounting policies explained below:

Effective 1 April 2011 the Company has adopted the principles of accounting for derivative contracts at fair value in the Statement of profit and loss as well as principles of hedge accounting with effect from 1 October 2011, to the extent they do not conflict with the requirements of the existing accounting standards notified under u/s 211(3C) of the Companies Act, 1956 and/or other regulatory requirements (refer note 2.18 below). Hitherto derivative contracts other than those covered under Accounting Standard 11 "The Effects of Changes in Foreign Exchange Rates" (AS-11), were valued on marked to market basis and any loss on valuation was recognised in the Statement of profit and loss, on a portfolio basis and any gain arising on this valuation were not recognised in line with the principle of prudence as enunciated in Accounting Standard 1 – 'Disclosure of Accounting Policies'.

On adoption of new principles for accounting of derivatives, the mark to market gains of Rs. 19.1 Million (net of tax effects of Rs. 9.1 Million) on forward exchange contracts outstanding as at 1 April 2011 (not being contracts accounted under AS-11) have been adjusted against Opening Reserves and Surplus as a transition adjustment. Further the Company applied hedge accounting principles in respect of certain derivative contracts with effect from 1 October 2011 consequent to which firm commitment asset of Rs. 222.2 Million and cash flow hedging reserve of Rs. 54.2 Million (net of tax effects of Rs. 26.0 Million) have been recorded in the Balance Sheet with corresponding effects in the Statement of Profit and Loss. Had the Company followed its previous accounting policy relating to derivatives the profit before tax for the year would have been lower by Rs. 97.7 Million and the Total Assets and Total Liabilities as at 31 March 2012 would have been lower by Rs. 197.2 Million and Rs. 54.5 Million respectively.

2.2 Use of estimates

The preparation of financial statements in conformity with Indian GAAP requires the management to make judgments, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities and the disclosure of contingent liabilities, at the end of the reporting period. Although these estimates are based on the management's best knowledge of current events and action, uncertainty about these assumptions and estimates could result in the outcomes requiring a material adjustment to the carrying amounts of assets or liabilities in future periods.

2.3 Tangible assets

Tangible assets are stated at cost (or revalued amounts, as the case may be), net of accumulated depreciation and accumulated impairment losses, if any. Cost comprises purchase price and any other attributable cost of bringing the asset to its working condition for its intended use.

Subsequent expenditures related to an item of fixed asset are added to its book value only if they increase the future benefits from the existing asset beyond its previously assessed standard of performance.

Gains or loss arising from derecognition of assets are measured as the differences between the net disposal proceeds and the carrying amount of the assets and are recognised in the statement of profit and loss when the asset is derecognised.

Depreciation is provided on a pro-rata basis on straight line method using the rates arrived based on the useful lives estimated by the management, or at rates prescribed in Schedule XIV of the Companies Act, whichever is higher, as follows :

ALSTOM Projects India Limited

Notes to financial statements

Asset	%
Factory buildings	3.34 - 5.00
Other buildings	1.63 - 3.00
Plant and machinery	4.75 - 40.00
Furniture and fixtures	10.00 - 20.00
Motor vehicles	20.00

Leasehold assets and leasehold improvements are amortised over the period of the lease or the estimated useful life whichever is lower. Assets costing below Rs. five thousand are fully depreciated in the year of purchase. In respect of the revalued assets, the difference between the depreciation calculated on the revalued amount and that calculated on the original cost is recouped from the revaluation reserve account.

2.4 Intangible assets

Intangible Assets are stated at acquisition cost, net of accumulated amortisation and accumulated impairment losses, if any. Intangible assets are amortised on a straight line basis over their estimated useful lives. The amortisation period and the amortisation method are reviewed at least at each financial year end. If the expected useful life of the asset is significantly different from previous estimates, the amortisation period is changed accordingly.

Gains or loss arising from derecognition of assets are measured as the differences between the net disposal proceeds and the carrying amount of the assets and are recognised in the statement of profit and loss when the asset is derecognised. The amortisation rates used are :

Asset	%
Design software	33.33
Software license fee	20.00

2.5 Impairment of assets

The carrying amounts of assets are reviewed at each balance sheet date if there is any indication of impairment based on internal/external factors. An impairment loss is recognised wherever the carrying amount of an asset exceeds its recoverable amount. The recoverable amount is greater than the asset's net selling price and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value at the weighted average cost of capital.

After impairment, depreciation is provided on the revised carrying amount of the asset over its remaining useful life.

A previously recognised impairment loss is increased or reversed depending on changes in circumstances. However, the carrying value after reversal is not increased beyond the carrying value that would have prevailed by charging usual depreciation if there was no impairment.

2.6 Foreign currency transactions

Initial Recognition

Foreign currency transactions are recorded in the reporting currency, by applying to the foreign currency amount the exchange rate between the reporting currency and the foreign currency at the date of the transaction.

Conversion

Foreign currency monetary items are retranslated using the exchange rate prevailing at the reporting date. Non-monetary items, which are carried in terms of historical cost denominated in a foreign currency, are reported using the exchange rate at the date of the transaction. All non-monetary items which are carried at fair value or other similar valuation denominated in a foreign currency are reported using the exchange rates that existed when the values were determined.

Exchange Differences

Exchange differences arising on the settlement of monetary items or on reporting Company's monetary items at rates different from those at which they were initially recorded during the year, or reported in previous financial statements, are recognised as income or as expenses in the year in which they arise.

Forward Exchange Contracts not intended for trading or speculation purposes

The premium or discount arising at the inception of forward exchange contracts covered under AS-11 is amortised as expense or income over the life of the contract. Exchange differences on such contracts are recognised in the statement of profit and loss in the year in which the exchange rates change. Any profit or loss arising on cancellation or renewal of forward exchange contract is recognised as income or as expense for the year.

ALSTOM Projects India Limited

Notes to Financial Statements

2.7 Inventories

Inventories are stated at the lower of cost and net realisable value. The cost of various categories of inventories is arrived at as follows:

- Stores, spares, raw materials and components - at cost determined on the moving weighted average method.
- Work-in-progress and finished goods – based on weighted average cost of production, including appropriate proportion of costs of conversion. Excise duty is included in the value of finished goods inventory.
- Packing materials, loose tools and consumables, being immaterial in value terms, and also based on their purchase mostly on need basis, are expensed to the statement of profit and loss at the point of purchase.

Net Realisable value is the estimated selling price in the ordinary course of business less estimated costs of completion and estimated costs necessary to make the sale.

Provision for obsolescence is made, wherever necessary.

2.8 Revenue recognition

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured.

2.8.1 Revenues from long-term contracts

Contract prices are either fixed or subject to price escalation clauses. Revenues are recognised on a percentage completion method measured by segmented portions of the contract, i.e. "Contract Milestones". The relevant cost is recognised in the financial statements in the year of recognition of revenues. Recognition of profit is adjusted to ensure that it does not exceed the estimated overall contract margin. With respect to construction contracts and long-term service agreements, the aggregate amount of costs incurred to date plus recognised margin less recognised loss to date less progress billings is determined on each contract. If the amount is positive, it is included as an asset designated as "Construction contracts in progress, assets". If the amount is negative, it is included as a liability designated as "Construction contracts in progress, liabilities". Cost includes direct materials, labour and appropriate proportion of overheads including depreciation. The caption "Construction contracts in progress, liabilities" also includes down payments received from customers.

If it is expected that a contract will make a loss, the estimated loss is provided for in the books of account. Such losses are based on technical assessments.

Amounts due in respect of price escalation claims and/or variation in contract work are recognised as revenue only if the contract allows for such claims or variations and /or there is evidence that the customer has accepted it and it is probable that these will result in revenue and are capable of being reliably measured.

Liquidated damages/penalties, warranties and contingencies are provided for, based on management's assessment of the estimated liability, as per contractual terms and/or acceptance.

2.8.2 Revenues from sale of products and services

Revenues from sale of products are recognised on dispatch of goods to customers which corresponds to transfer of significant risk and rewards of ownership and are net of sales tax and trade discounts. Revenues from services are recognised when such services are rendered as per contract terms.

2.9 Other income

Interest Income is recognised on time proportion basis taking into account the amount outstanding and the rate applicable.

Export Benefits are accounted for to the extent there is reasonable certainty of utilisation of the same.

2.10 Employee benefits

Provident Fund: Contribution towards provident fund for certain employees is made to the regulatory authorities, where the Company has no further obligations. Such benefits are classified as Defined Contribution Schemes as the Company does not carry any further obligations, apart from the contributions made on a monthly basis.

In respect of certain employees, Provident Fund contributions are made to a Trust administered by the Company. The Company's liability is actuarially determined (using the Projected Unit Credit method) at the end of the year and any shortfall in the fund size maintained by the Trust set up by the Company is additionally provided for. Actuarial losses/gains are recognised in the Statement of Profit and Loss in the year in which they arise.

ALSTOM Projects India Limited

Notes to financial statements

Gratuity liability: Gratuity liability is defined benefit obligation and is provided on the basis of an actuarial valuation on projected unit credit method made at the end of each year. The Company funds the benefit through contributions to LIC. The Company recognises the actuarial gains & losses in the statement of profit & loss in the period in which they arise.

Compensated Absences: Accumulated compensated absences, which are expected to be availed or encashed within 12 months from the end of the year end are treated as short term employee benefits. The obligation towards the same is measured at the expected cost of accumulating compensated absences as the additional amount expected to be paid as a result of the unused entitlement as at the year end.

Accumulated compensated absences, which are expected to be availed or encashed beyond 12 months from the end of the year end are treated as other long term employee benefits. The Company's liability is actuarially determined (using the Projected Unit Credit method) at the end of each year. Actuarial losses/ gains are recognised in the Statement of Profit and Loss in the year in which they arise.

Superannuation: Contribution to Superannuation fund which is defined contribution plan is charged to Statement Profit and Loss on accrual basis. The Company pays contribution to a trust, which is maintained by Life Insurance Corporation of India to cover Company's liabilities towards Superannuation.

2.11 Leases

Where the Company is the lessee

Operating Leases

Leases where the lessor effectively retains substantially all the risks and benefits of ownership of the leased item are classified as operating leases. Operating lease payments are recognised as an expense in the Statement Profit and Loss on a straight-line basis over the lease term.

Finance Leases

Finance leases, which effectively transfers to the Company, substantially all the risks and benefits incidental to ownership of leased item are capitalised at the inception of the lease term at the lower of the fair value leased property and the present value of minimum lease payments. Lease payments are apportioned between the finance charges and reduction of lease liability, so as to achieve a constant periodic rate of interest on remaining balance of the liability for each period. Finance charges are recognised as an expense in the statement of profit and loss.

2.12 Investments

Investments that are readily realisable and are intended to be held for not more than one year from the date, on which such investments are made, are classified as current investments. All other investments are classified as long term investments. Current investments are carried at cost or fair value, whichever is lower. Long-term investments are carried at cost. However, provision for diminution is made to recognise a decline, other than temporary, in the value of the investments, such reduction being determined and made for each investment individually.

2.13 Tax Expense

Tax expense for the period, comprising current tax and deferred tax, are included in the determination of the net profit or loss for the period. Current tax is measured at the amount expected to be paid to the tax authorities in accordance with the taxation laws prevailing in the respective jurisdictions.

Deferred tax is recognised for all the timing differences, subject to the consideration of prudence in respect of deferred tax assets. Deferred tax assets are recognised and carried forward only to the extent that there is a reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets can be realised. In the situation where the Company has unabsorbed depreciation or carry forward tax losses, deferred tax assets are recognised only if there is virtual certainty supported by convincing evidence that such deferred tax assets can be realised against future taxable profits. Deferred tax assets and liabilities are measured using the tax rates and tax laws that have been enacted or substantively enacted by the Balance Sheet date. At each Balance Sheet date, the Company reassesses unrecognised deferred tax assets, if any. The carrying amount of deferred tax assets are reviewed at each balance sheet date. The Company recognises / writes-down the carrying amount of a deferred tax asset to the extent that it is no longer reasonably certain or virtually certain, as the case may be, that sufficient future taxable income will be available against which deferred tax asset can be realised. Any such write-down is subsequently reversed to the extent that it becomes reasonably certain or virtually certain, as the case may be, that sufficient future taxable income will be available against which deferred tax asset can be realized.

Current tax assets and current tax liabilities are offset when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle the asset and the liability on a net basis. Deferred tax assets and deferred tax liabilities are offset when there is a legally enforceable right to set off assets against liabilities representing current tax and where the deferred tax assets and the deferred tax liabilities relate to taxes on income levied by the same governing taxation laws.

ALSTOM Projects India Limited

Notes to Financial Statements

2.14 Provisions and Contingencies

Provisions: Provisions are recognised when there is a present obligation as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and there is a reliable estimate of the amount of the obligation. Provisions are measured at the best estimate of the expenditure required to settle the present obligation at the Balance sheet date and are not discounted to its present value.

Contingent Liabilities: Contingent liabilities are disclosed when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non occurrence of one or more uncertain future events not wholly within the control of the Company or a present obligation that arises from past events where it is either not probable that an outflow of resources will be required to settle or a reliable estimate of the amount cannot be made, is termed as a contingent liability.

2.15 Segment reporting policies

The accounting policies adopted for segment reporting are in conformity with the accounting policies adopted by the Company. Segment revenues, segment expenses and segment results include transfers between business segments, that are based on negotiation between segments with reference to the costs, market prices and business risks, within the overall optimisation objective for the Company and are comparable with competitive market prices charged to external customers. Inter-segment transfers are eliminated on consolidation. Revenue and expenses have been identified to segments on the basis of their relationship to the operating activities of the segment. Revenue and expenses, which relate to the Company as a whole and are not allocable to segments on a reasonable basis, have been included under "Unallocated corporate expenses".

2.16 Earnings per share

Basic earnings per share is calculated by dividing the net profit or loss for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the period. The weighted average number of equity shares outstanding during the period and for all periods presented is adjusted for events, such as bonus shares, other than the conversion of potential equity shares, that have changed the number of equity shares outstanding, without a corresponding change in resources. For the purpose of calculating diluted earnings per share, the net profit or loss for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period is adjusted for the effects of all dilutive potential equity shares.

2.17 Cash and cash equivalents

In the cash flow statement, cash and cash equivalents includes cash in hand, demand deposits with banks, other short-term highly liquid investments with original maturities of three months or less.

2.18 Derivative Financial Instruments and Hedge Accounting

The Company uses derivative financial instruments such as forward exchange contracts to hedge its risks associated with foreign currency fluctuations. The foreign exchange contracts other than those covered under AS-11, entered for non speculative purposes are valued on the basis of a fair value on marked to market basis and any loss/gain on valuation is recognised in the statement of profit and loss, on a portfolio basis.

If the relationships between the foreign currency exposure and the related derivatives are qualifying relationships, the Company uses specific accounting treatments designated as hedge accounting. A relationship qualifies for hedge accounting if, at the inception of the hedge, it is formally designated and documented and if it proves to be highly effective throughout the financial reporting periods for which the hedge was designated.

Hedging relationships may be of two types:

- Cash flow hedge in case of hedge of the exposure to variability of cash flows attributable to highly probable forecast transactions;
- Fair value hedge in case of hedge of the exposure attributable to recognised assets, liabilities or firm commitments.

Fair Value Hedge

When fair value hedge accounting applies and the relationship qualifies as an effective hedge, changes in the fair value of derivatives and changes in the fair value of hedged items i.e. firm commitments are both recognised in the statement of profit and loss and offset each other. Realized and unrealized exchange gains and losses on hedged items and hedging instruments are recorded within the same line item as the hedged item when they relate to operating activities or financial income or expense when they relate to financing activities.

ALSTOM Projects India Limited

Notes to financial statements

Cash Flow Hedge

The gain or loss on effective hedges, if any, is considered in hedge reserve, until the transaction is complete. On completion, the gain or loss is transferred to the statement of profit and loss of that period.

Changes in fair value relating to the ineffective portion of the hedges and derivatives not qualifying or not designated as hedge are recognised in the statement of profit and loss in the accounting period in which they arise

Hedge accounting is discontinued when (a) the hedging instrument expires or is sold, terminated or exercised, or (b) the hedge no longer meets the criteria for hedge accounting, or (c) the Company revokes the hedge designation, or (d) management no longer expects the forecast transaction to occur.

2.19 Off Balance Sheet commitments

Commitments arising from execution of operations controlled by the Company

In the ordinary course of business, the Company is committed to fulfill various types of obligations arising from customer contracts (among which full performance and warranty obligations). Obligations may also arise from leases and regulations in respect of tax, custom duties, environment, health and safety. These obligations may or may not be guaranteed by guarantees issued by banks.

As the Company is in a position to control the execution of these obligations, a liability only arises if an obligating event (such as a dispute or a late completion) has occurred and makes it likely that an outflow of resources will occur.

When the liability is considered as only possible but not probable or, when probable, cannot be reliably measured, it is disclosed as a contingent liability.

When the liability is considered as probable and can be reliably measured, the impact on the financial statements is the following:

- if the additional liability is directly related to the execution of a customer contract in progress, the estimated gross margin at completion of the contract is reassessed; the cumulated margin recognised to date based on the percentage of completion and the accrual for future contract loss, if any, are adjusted accordingly,
- if the additional liability is not directly related to a contract in progress, a liability is immediately recognised on the balance sheet.

The contractual obligations of subcontractors towards the Company are of the same nature as those of the Company towards its customers. They may be secured by the same type of guarantees as those provided to the Company's customers.

Any additional income resulting from a third party obligation is taken into account only when it becomes virtually certain.

Commitments arising from execution of operations not wholly within the control of the Company

Obligations towards third parties may arise from ongoing legal proceedings. In case of legal proceedings, a contingent liability is disclosed when the liability is considered as only possible but not probable, or, when probable, cannot be reliably measured.

A provision is recorded if the obligation is considered as probable and can be reliably measured.

	As at 31 March, 2012	(Rupees million) As at 31 March, 2011
3. Share Capital		
Authorised		
195,000,000 equity shares of Rs. 10 each (Previous year - 165,000,000 equity shares of Rs. 10 each)	1,950.0	1,650.0
40,500,000 preference shares of Rs. 100 each (Previous year - 40,500,000 preference shares of Rs. 100 each)	4,050.0	4,050.0
	6,000.0	5,700.0
Issued, subscribed and fully paid up		
67,227,471 equity shares of Rs. 10 each (Previous year - 67,024,174 equity shares of Rs. 10 each)	672.3	670.2
Total	672.3	670.2

ALSTOM Projects India Limited

Notes to Financial Statements

a. Reconciliation of the shares outstanding at the beginning and at the end of the reporting year

Equity shares:	As at 31 March 2012		As at 31 March 2011	
	Numbers	Rupees million	Numbers	Rupees million
At the beginning of the year	67,024,174	670.2	67,024,174	670.2
Cancelled during the year	(5,894,264)	(58.9)	-	-
Issued during the year	6,097,561	61.0	-	-
Outstanding at the end of the year	67,227,471	672.3	67,024,174	670.2

Pursuant to the scheme of amalgamation approved by the Honorable High Courts of Bombay and Delhi (the "scheme"), Alstom Holdings (India) Limited ("AHIL" or the "transferor company") has been merged with the Company with effect from 1 April 2011, the Appointed Date. The Scheme became effective on 20 April 2012 upon filing of The High Court Orders with the Registrar of Companies. Pursuant to the scheme, name of the Company shall stand changed to Alstom India Limited from the date of issue of the revised Certificate of Incorporation by the Registrar of Companies.

AHIL's objectives were to hold investments in Alstom group companies in India and primarily held shares of the Company as investment. The scheme provided for issuance of equity shares of the Company of Rs. 10 each fully paid up to the shareholders of AHIL in the ratio of 10 equity shares of the Company for every 41 equity shares held in AHIL with effect from 1 April 2011, the Appointed Date, resulting in 6,097,561 equity shares of Rs. 10 each fully paid up to be issued. The amalgamation has been accounted as 'amalgamation in the nature of merger' in accordance with the terms of the scheme and consequently the pooling of interest method has been used. The assets, liabilities and other reserves of the erstwhile AHIL as at 1 April 2011 have been taken over at their book values and AHIL's holding of 5,894,264 equity shares of the Company has been considered as cancelled. This has resulted in the net increase in the Reserves and Surplus of the Company by Rs. 43.4 Million. The Company is yet to issue and allot equity shares to the Shareholders of AHIL pursuant to the scheme. However, the equity shares to be allotted have already been considered as issued and allotted for the purposes of these financial statements since the issuance and allotment of equity shares would be effective from the Appointed Date of 01 April 2011.

b. Terms / rights attached to equity shares

The Company has only one class of equity shares having a par value of Rs. 10 per share. Each holder of equity shares is entitled to one vote per share. The Company declares and pays dividends in Indian rupees. 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 Company, the holders of equity shares will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

During the year ended 31 March 2012, the amount of dividend per share recognized as distribution to equity shareholders was Rs. 10 (Previous Year 31 March 2011: Rs. 10).

c. Shares held by holding / ultimate holding Company and / or their subsidiaries/ associates

Equity shares:	(Rupees million)	
	As at 31 March 2012	As at 31 March 2011
6,097,561 (previous year Nil) equity shares by ALSTOM Holdings*, the holding company	61.0	-
38,664,708 (Previous year 39,245,408) equity shares by ALSTOM Finance BV, the immediate holding Company	386.6	392.5
Nil (Previous year 5,313,564) equity shares by ALSTOM Holdings (India) Limited*, subsidiary of the holding company	-	53.1
1,326,025 (Previous year 1,326,025) equity shares by Lorelec, subsidiary of the holding company	13.3	13.3

*Refer note 3(a) above.

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d. Details of shareholders holding more than 5% shares in the company

	As at 31 March 2012		As at 31 March 2011	
	Numbers	% holding in the class	Numbers	% holding in the class
ALSTOM Finance BV (the immediate holding Company)	38,664,708	57.51	39,245,408	58.55
ALSTOM Holdings (India) Limited* (subsidiary of the holding company)	-	-	5,313,564	7.93
ALSTOM Holdings* (the holding company)	6,097,561	9.07	-	-

*Refer note 3(a) above.

e. Shares allotted as fully paid up pursuant to contract(s) without payment being received in cash (during 5 years immediately preceding 31 March 2012)

6,097,561 Equity shares of Rs. 10 each to be issued with effect from April 1, 2011 to the erstwhile shareholders of ALSTOM Holdings (India) Limited pursuant to the Scheme of Amalgamation without payment being received in cash. Refer note 3(a) above.

	As at 31 March 2012	(Rupees million) As at 31 March 2011
4. Reserves and Surplus		
Capital Reserve		
Balance at the beginning of the year	1.6	1.6
Less: Adjustment on account of amalgamation of erstwhile ALSTOM Holdings (India) Limited (refer Note 3(a) above)	(1.6)	-
Balance at the end of the year	-	1.6
Securities Premium account		
Balance at the beginning of the year	8.2	8.2
Less: Adjustment on account of amalgamation of erstwhile ALSTOM Holdings (India) Limited (refer Note 3(a) above)	(8.2)	-
Balance at the end of the year	-	8.2
Revaluation Reserve		
Balance at the beginning of the year	71.0	75.5
Less: Transferred to statement of profit and loss	(4.1)	(4.5)
Balance at the end of the year	66.9	71.0
Statutory Reserve		
Balance at the beginning of the year	-	-
Add: Adjustment on account of amalgamation of erstwhile ALSTOM Holdings (India) Limited (refer Note 3(a) above)	147.3	-
Less: Transferred to General Reserve, being no longer required	(147.3)	-
Balance at the end of the year	-	-
Cash Flow Hedging Reserve		
Balance at the beginning of the year	-	-
Add: Reserve created during the year	54.2	-
Balance at the end of the year	54.2	-
General Reserve		
Balance at the beginning of the year	1,864.6	1,695.7
Add: Transferred from Surplus in Statement of Profit and Loss during the year	167.8	168.9
Add: Transferred from Statutory reserve	147.3	-
Less: Adjustment on account of amalgamation of erstwhile ALSTOM Holdings (India) Limited (refer Note 3(a), above)	(112.2)	-
Balance at the end of the year	2,067.5	1,864.6
Surplus in Statement of Profit and Loss		
Balance at the beginning of the year	3,257.5	2,513.8
Add : Adjustment on account of amalgamation of erstwhile ALSTOM Holdings (India) Limited (refer Note 3(a), above)	18.1	-

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	As at 31 March 2012	(Rupees million) As at 31 March 2011	
Add : Transition adjustment on account of derivatives (refer Note 2.1, above)	19.1	-	
Add : Profit for the year	1,677.5	1,689.0	
Less: Appropriations			
Transferred to General Reserve	(167.8)	(168.9)	
Proposed dividend on equity shares for the year	(672.3)	(670.2)	
Dividend distribution tax on proposed dividend on equity shares	(109.1)	(108.8)	
Earlier year's provision for dividend distribution tax no longer required	-	2.6	
Dividend paid to erstwhile ALSTOM Holdings (India) Limited, eliminated on amalgamation	53.1	-	
Balance at the end of the year	<u>4,076.1</u>	<u>3,257.5</u>	
Total Reserves and Surplus	<u>6,264.7</u>	<u>5,202.8</u>	
5. Deferred tax assets/(liabilities) (net)			
Deferred tax assets			
Provision for doubtful debts and advances	30.3	28.5	
Expenses disallowed under Income tax Act, 1961, to be allowed in future years	334.9	162.2	
Lease Equalisation Reserve	32.2	28.7	
Others	0.7	0.7	
Total deferred tax assets	<u>398.1</u>	<u>220.1</u>	
Deferred tax liabilities			
Adjustment related to Hedge Reserve	(26.0)	-	
Difference between WDV of fixed assets as per books and under Income tax Act, 1961	(247.6)	(227.8)	
	<u>(273.6)</u>	<u>(227.8)</u>	
Deferred tax assets / (liabilities), net	<u>124.5</u>	<u>(7.7)</u>	
Deferred Tax Assets and Deferred Tax Liabilities have been offset as they relate to the same governing taxation laws.			
6. Other long term liabilities			
Finance lease obligations**	12.9	14.1	
Lease equalisation reserve	99.4	88.3	
Total	<u>112.3</u>	<u>102.4</u>	
**Nature of Security : Finance lease obligation are secured by hypothecation of assets underlying the leases.			
**Terms of Repayment: Monthly payment of equated monthly installments beginning from the month subsequent to taking the lease.			
7. Long term provisions			
Provision for employee benefits :			
Provision for leave benefits	237.0	183.1	
Provision for Provident Fund	4.1	-	
Provision for employee Incentive	41.7	-	
Other provisions:			
Provision for tax litigation/disputes (net of tax paid of Rs. 15.0 million)	7.7	-	
Total	<u>290.5</u>	<u>183.1</u>	
Movement of Provision for tax litigation/ disputes			
	Provision	Taxes Paid	Net Asset/ (Liability)
As at beginning of the year	14.0	15.0	1.0*
Add: Addition during the year	8.7	-	(8.7)
Less: Deletion/ Adjustments during the year	-	-	-
As at end of the year	22.7	15.0	(7.7)

*Disclosed under Long term Loans and Advances (refer note 15)

Provision for tax litigation/ disputes represents amounts that the Company is likely to pay on account of demands raised by Tax authorities which have been disputed by the Company. Due to the very nature of the above costs, it is not possible to estimate the timing/ uncertainties relating to their outcome.

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Notes to financial statements

	As at 31 March 2012	(Rupees million) As at 31 March 2011
8. Construction contract in progress		
Construction contract in progress, assets	4,751.6	6,108.1
Construction contract in progress, liabilities	16,601.8	17,584.1
Construction contract in progress	<u>(11,850.2)</u>	<u>(11,476.0)</u>
Contract costs incurred plus recognised profits less recognised losses to date	83,949.3	83,238.1
Less : progress billings	<u>(86,059.6)</u>	<u>(83,531.9)</u>
Construction contract in progress	<u>(2,110.3)</u>	<u>(293.8)</u>
Down payments received from customers	<u>(9,739.9)</u>	<u>(11,182.2)</u>
	<u>(11,850.2)</u>	<u>(11,476.0)</u>
Additional Information		
a) Contract revenue recognised for the year (net of excise duty)	23,392.9	17,600.0
b) The amount of retention due from customers for contracts in progress as at year end	4,554.1	3,472.1
9. Trade payables		
Trade Payables (refer note 36)	2,649.5	2,121.9
Acceptances	52.6	124.3
Payable to ALSTOM Power Boilers Services Limited, a wholly owned subsidiary	3.1	3.1
Total	<u>2,705.2</u>	<u>2,249.3</u>
10. Other current liabilities		
Current maturities of finance lease obligations	1.1	1.0
Unclaimed dividend (to be credited to Investor education and protection fund, when due)	13.7	12.4
Statutory dues (including tax deducted at source)	79.9	69.8
Non trade payable for contractual obligations	507.8	315.7
Employee benefits payable	534.3	737.4
Unamortised premium on forward contracts	44.1	9.9
Trademark Fee/Royalty Payable	363.6	175.0
Book overdraft	-	213.4
Total	<u>1,544.5</u>	<u>1,534.6</u>
11. Short-term provisions		
Provision for employee benefits :		
Provision for leave benefits	20.1	20.7
Provision for gratuity	95.2	51.7
Other provisions :		
Provision for wealth tax	0.4	0.3
Provision for warranties	352.7	239.3
Provision for mark to market losses on derivatives	381.1	-
Provision for proposed dividend on equity shares	672.3	670.2
Provision for dividend distribution tax on proposed dividend on equity shares	109.1	108.7
Total	<u>1,630.9</u>	<u>1,090.9</u>
Movement of provision for warranty:		
As at beginning of the year	239.3	155.3
Add: Provision created during the year	157.8	157.1
Less: Reversed/utilised during the year	<u>(44.4)</u>	<u>(73.1)</u>
As at end of the year	<u>352.7</u>	<u>239.3</u>

Provision for warranty represents estimated costs that the Company is likely to incur during the warranty periods as per the contract obligations in respect of completed construction contracts accounted under AS 7 (Revised) " Construction Contracts". Warranty costs are estimated on the basis of contractual agreement, technical evaluation and past experience. The timing of outflows is expected to be as per warranty periods as specified in various contracts. Provision for warranty is treated as current since the Company does not have an unconditional right to defer settlement of obligation beyond the period of twelve months.

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Notes to Financial Statements

12. Tangible assets

(Rupees million)

Particulars	Gross Block			Depreciation/Amortisation			Net Block	
	As at 01 April 2011	Additions/adjustments	Disposal/adjustments	As at 31 March 2012	Charge for the year	Disposal	As at 31 March 2012	As at 31 March 2011
Own Assets:								
Freehold land	104.6	-	-	104.6	-	-	104.6	104.6
Leasehold land	0.4	0.6	-	1.0	-	-	1.0	0.4
Leasehold improvements	466.6	60.1	4.5	522.2	60.9	4.4	306.2	307.1
Factory buildings	556.6	171.1	-	727.7	18.4	-	525.1	372.4
Other buildings	405.4	24.9	-	430.3	6.3	-	208.4	189.8
Plant & equipment	4,619.8	409.1	77.7	4,951.2	370.7	75.0	2,461.7	2,426.0
Furniture & fixtures	160.0	17.0	2.4	174.6	19.9	2.4	67.1	70.0
Vehicles	12.6	-	0.1	12.5	1.1	0.1	2.1	3.2
Total (A)	6,326.0	682.8	84.7	6,924.1	477.3	81.9	3,676.2	3,473.5
Assets taken on finance lease:								
Leasehold improvements	16.4	-	-	16.4	1.6	-	11.5	13.2
Total (B)	16.4	-	-	16.4	1.6	-	11.5	13.2
Total (A + B)	6,342.5	682.7	84.6	6,940.6	478.9	81.8	3,687.7	3,486.7
Previous Year	5,834.6	594.9	87.0	6,342.5	440.9	86.2	3,486.7	3,333.5

Certain building and plant and equipment were revalued by an external valuer by using "Current cost accounting method" during the year 1985. The gross book value of the revalued assets as on 31 March 2012 amounts to Rs.526.8 million (previous year Rs. 540.2 million) [Buildings - Rs. 278.6 million (previous year Rs. 278.6 million) and Plant & equipment - Rs. 248.2 million (previous year Rs. 261.6 million)].

* Amount is below rounding off norm

13. Intangible assets

Particulars	Gross Block			Depreciation/Amortisation			Net Block	
	As at 01 April 2011	Additions	Disposal	As at 31 March 2012	Charge for the year	Disposal	As at 31 March 2012	As at 31 March 2011
Own Assets:								
Software and license Fees	260.3	33.0	4.0	289.3	35.8	4.0	43.6	46.4
Total	260.3	33.0	4.0	289.3	35.8	4.0	43.6	46.4
Previous Year	248.9	11.4	-	260.3	46.5	-	46.4	81.5

ALSTOM Projects India Limited

Notes to financial statements

	As at 31 March 2012	(Rupees million) As at 31 March 2011
14. Non-current investments		
Long term		
Trade investments (valued at cost)		
Investment in Equity instruments of subsidiaries (unquoted)		
ALSTOM Power Boilers Services Limited 34,000 (Previous Year 34,000) equity shares of Rs. 100 each fully paid up [at cost less provision for other than temporary diminution in value Rs 2.3 million (Previous year Rs. 2.3 million)]	-	-
ALSTOM Boilers India Limited 100,000 Equity shares of Rs. 5 each fully paid up	0.5	-
	0.5	-
Other investments (valued at cost)		
Investment in Equity Instruments (unquoted)		
Kohinoor Mills Company Limited 28 (Previous Year 28) equity shares of Rs. 100 each fully paid up	*	*
AVB Employees' Co-operative Credit Society and Bank Limited 50 (Previous Year 50) B - Class equity shares of Rs. 100 each fully paid up	*	*
AVB Employees' Co-operative Credit Society and Bank Limited 500 (Previous Year 500) B - Class equity shares of Rs. 10 each fully paid up	*	*
Investment in Debentures (unquoted)		
Bengal Chamber of Commerce and Industry 9 (Previous Year 9) Non-convertible debentures - 6.5% of Rs. 1,000 each fully paid up	*	*
East India Clinic Limited 1 (Previous Year 1) Non-redeemable debenture stock - 5% of Rs. 10,000 fully paid up	*	*
	*	*
Total	0.5	*
* Amount is below rounding off norm		
Aggregate amount of unquoted investments	2.8	2.3
Aggregate provision for diminution in value of investments	2.3	2.3
15. Long term loans and advances (Unsecured, considered good unless otherwise stated)		
Capital Advances	129.8	420.8
Security deposits	241.8	215.7
Other loans and advances :		
Balances with Government authorities	11.4	11.4
Advance tax and Tax deducted at source [net of provision for income tax Rs. Nil thousand (previous year Rs. 14.0 million)] [refer note 7]	-	1.0
Total	383.0	648.9
16. Inventories		
Raw Materials	552.6	246.9
Finished goods	22.9	7.8
Stores and spares	105.7	126.9
Components	58.5	33.6
Total	739.7	415.2
17. Trade receivables		
Unsecured - Considered good		
Outstanding for a period exceeding six months from the date they are due for payment	2,668.3	2,748.7
Other receivables	7,663.2	4,062.7
Unsecured - Considered doubtful		
Outstanding for a period exceeding six months from the date they are due for payment	34.7	86.0
Less: Provision for doubtful receivables	(34.7)	(86.0)
Total	10,331.5	6,811.4
Sundry Debtors includes retention monies of Rs. 4,554.1 million (previous year Rs. 3,472.1 million) which are due on completion of contracts/ final acceptance by the customers.		

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Notes to Financial Statements

	As at 31 March 2012	(Rupees million) As at 31 March 2011
18. Cash and bank balances		
Cash and cash equivalents		
Balances with Banks:		
– In current account	903.5	269.0
– Demand deposit (less than 3 months maturity)	1,153.0	6,781.0
– In EEFC account	126.8	228.2
Cash on hand	1.0	2.2
	<u>2,184.3</u>	<u>7,280.4</u>
Other bank balances:		
– Long term deposits with maturity more than 3 months	74.2	67.8
– In unclaimed dividend accounts	13.7	12.4
	<u>87.9</u>	<u>80.2</u>
Total	<u><u>2,272.2</u></u>	<u><u>7,360.6</u></u>
19. Short-term loans and advances		
(Unsecured, considered good, unless otherwise stated)		
Loans and advances to related parties :		
Alstom Transport India Limited	161.0	-
Alstom Hydro R&D India Limited - Inter Corporate Deposit	108.0	14.0
Alstom T&D India Limited - Inter Corporate Deposit	2,450.0	-
Advances recoverable from ALSTOM Power Boilers Services Limited ('APBSL')	10.8	12.2
Loans to Director	1.5	-
Other loans and advances:		
Advances recoverable in cash or in kind or for value to be received		
– Considered good	2,834.2	2,661.8
– Considered doubtful	55.8	1.8
Less : Provision for doubtful advances	(55.8)	(1.8)
Loans to employees	-	*
Security deposits	21.0	25.8
Earnest money deposits	14.8	12.7
Balances with Government authorities	288.4	207.8
Advance tax and Tax deducted at source [net of provision for income tax Rs. 4,075.4 million (previous year Rs. 3,022.5 million)]	254.6	292.3
Total	<u><u>6,144.3</u></u>	<u><u>3,226.6</u></u>
* Amount is below rounding off norm		
20. Other current assets		
(Unsecured, considered good, unless otherwise stated)		
Fair value of firm commitments	222.2	-
Unamortised premium on forward contracts	44.1	9.9
Accrued Revenue	64.2	28.8
Interest accrued on deposits	58.2	35.1
Total	<u><u>388.7</u></u>	<u><u>73.8</u></u>
	For the year ended 31 March 2012	For the year ended 31 March 2011
21. Revenue from operations		
Project revenue	18,251.8	15,187.1
Service revenue	727.7	862.9
Other operating revenue:		
Scrap Sales	48.7	36.1
Revenue from operations (gross)	<u>19,028.2</u>	<u>16,086.1</u>
Less : Excise Duty	(356.9)	(344.1)
Total	<u><u>18,671.3</u></u>	<u><u>15,742.0</u></u>

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	For the year ended 31 March 2012	(Rupees million) For the year ended 31 March 2011
22. Other Income		
Interest from deposit with banks	188.4	387.2
Interest from inter corporate deposits	239.2	0.1
Net gain/ (loss) from foreign currency transactions and translation	46.5	31.8
Profit on sale of fixed assets	-	8.0
Write-back of provision for doubtful debts and advances	3.0	20.6
Liabilities/ provision no longer required written back	11.0	8.5
Miscellaneous Income	113.4	15.6
Total	601.5	471.8
23. Material Cost and Erection Services		
Raw Materials and Components Consumed	3,945.4	4,799.5
Project Materials and Erection Services	6,447.5	3,342.9
Total	10,392.9	8,142.4
24. Changes in inventories of finished goods and Stock in trade		
Stock at the end of the year:		
Finished Goods	22.9	7.8
Total (A)	22.9	7.8
Less: Stock at the beginning of the year:		
Finished goods	7.8	4.3
Total (B)	7.8	4.3
(Increase)/Decrease in Stocks (A-B)	(15.1)	(3.5)
25. Employee benefit expense		
Salaries, wages and bonus	2,875.2	2,048.0
Contribution to provident and other funds	241.6	219.5
Staff welfare expenses	322.8	375.1
Other personnel expenses	161.3	84.3
Total	3,600.9	2,726.9
Employee stock options		
Certain employees of the Company are covered under schemes like stock options, stock appreciation rights, free shares, discounted shares etc. by the Company's parent ALSTOM. However, cost of such grant is not recharged to the Company and accordingly not accounted for in these financial statements.		
26. Finance Cost		
Interest on finance lease	4.1	4.4
Interest on shortfall of advance tax installment	2.4	2.4
Total	6.5	6.8
27. Depreciation and amortization expense		
Depreciation on tangible assets	387.1	363.7
Amortization on intangible assets	35.8	46.5
	422.9	410.2
Less : transfer from revaluation reserve	1.5	1.5
Total	421.4	408.7

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Notes to Financial Statements

	For the year ended 31 March 2012	(Rupees million) For the year ended 31 March 2011
28. Other expenses		
Power, fuel and water	166.1	149.5
Printing and stationery	42.6	31.0
Communication expenses	99.1	121.5
Rent	406.5	339.4
Repairs : Buildings	138.7	75.2
Repairs : Plant & Machinery	68.8	84.5
Repairs : Other	8.8	12.4
Insurance	68.8	71.6
Rates and taxes	38.8	23.0
Tools and stores	177.0	48.0
Royalty and trademark fee	207.6	217.1
Travelling and conveyance	510.4	432.5
Other services from third party	369.8	294.3
Provision for doubtful debts and advances	76.7	3.9
Bad debts written off	1.1	8.5
Payment to auditors (excluding service tax)		
Audit fee	5.0	4.2
Tax audit fees	1.3	1.2
Limited reviews	2.4	2.1
Other services	1.9	1.2
Out-of-pocket expenses	1.3	1.0
Legal and professional charges	178.1	64.2
Provision for mark to market losses on derivatives (net)	140.1	-
Loss on sale of fixed assets (net)	0.3	-
Directors' fee	0.6	0.5
Miscellaneous expenses	235.0	38.2
Total	2,946.8	2,025.0

29. Gratuity and other post-employment benefit plans

I) Gratuity

The Company has a defined benefit gratuity plan that operates through a Trust. Every employee who has completed five years or more of service gets a gratuity on departure at 15 days salary (last drawn salary) for each completed year of service. The plan is funded with an insurance company in the form of a qualifying insurance policy.

The following tables summarise the components of net benefit expense recognised in the Statement of Profit and Loss and the funded status and amounts recognised in the balance sheet for the respective plans.

Statement of Profit and Loss

a) Net employee benefit expense recognised in the Statement of Profit and Loss in respect of Gratuity (recognised in Employee Benefit Expense):

	(Rupees million)				
	2011-12	2010-11	2009-10	2008-09	2007-08
Current service cost	48.2	33.0	27.0	21.4	14.2
Interest cost on benefit obligation	30.9	23.4	20.4	15.1	16.7
Expected return on plan assets	(27.0)	(25.0)	(22.8)	(16.2)	(12.1)
Net actuarial (gain) / loss recognised in the year	74.0	52.9	(5.2)	17.7	1.2
Past service cost	-	-	-	-	-
Net benefit expense	126.1	84.3	19.4	38.0	20.0
Actual Return on Plan Assets	24.0	27.7	23.8	16.8	20.0

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Notes to financial statements

(Rupees million)

Balance sheet

b) Assets and Liabilities recognised in Balance Sheet:

Details of Provision for gratuity

	2011-12	2010-11	2009-10	2008-09	2007-08
Defined benefit obligation	496.4	374.7	288.6	263.5	221.6
Fair value of plan assets	(401.2)	(323.0)	(294.6)	(267.5)	(211.9)
Less: Unrecognised past service cost	-	-	-	-	-
Plan (asset) / liability *	95.2	51.7	(6.0)	(4.0)	9.7

* Recognised under Short-term provisions

c) Changes in the present value of the defined benefit obligation are as follows:

	2011-12	2010-11	2009-10	2008-09	2007-08
Opening defined benefit obligation	374.7	288.6	263.5	221.6	193.1
Interest cost	30.9	23.4	20.4	15.1	16.7
Current service cost	48.2	33.1	27.0	21.4	14.2
Benefits paid	(28.4)	(25.8)	(18.1)	(12.8)	(11.5)
Actuarial (gains) / losses	71.0	55.4	(4.2)	18.2	9.1
Closing defined benefit obligation	496.4	374.7	288.6	263.5	221.6

d) Changes in the fair value of plan assets are as follows:

	2011-12	2010-11	2009-10	2008-09	2007-08
Opening fair value of plan assets	323.0	294.6	267.5	211.9	191.2
Expected Return	27.0	25.0	22.8	16.2	12.1
Contributions by employer	55.2	26.6	21.4	51.7	12.2
Benefits paid	(1.0)	(25.8)	(18.1)	(12.8)	(11.5)
Actuarial gains / (losses)	(3.0)	2.6	1.0	0.5	7.9
Closing fair value of plan assets	401.2	323.0	294.6	267.5	211.9

The major categories of plan assets as a percentage of the fair value of total plan assets are as follows:

	2011-12	2010-11	2009-10	2008-09	2007-08
Investments with insurer under cash accumulation scheme	100%	100%	100%	100%	100%

The overall expected rate of return on assets is determined based on the market prices prevailing on that date, applicable to the period over which the obligation is to be settled.

e) Actuarial Assumptions for Gratuity:

	2011-12	2010-11	2009-10	2008-09	2007-08
Discount rate	8.60%	8.50%	8.00%	7.00%	9.00%
Expected rate of return on assets	8.60%	8.50%	8.50%	9.00%	9.00%
Attrition Rate	13.50%	13.50%	13.50%	13.50%	13.50%
Salary Growth Rate	8.00%	7.50%	7.00%	6.00%	8.00%

The estimates of future salary increases, considered in actuarial valuation, take account of inflation, seniority, promotion and other relevant factors, such as supply and demand in the employment market.

Note:

- Information relating to experience adjustment in the actuarial valuation of gratuity as required by Para 120(n)(ii) of the Accounting Standard 15 on Employee Benefits is not available with the Company.
- The Company's expected contribution to the fund in the next year is not presently ascertainable and hence, the contribution expected to be paid to the plan during the annual period beginning after the balance sheet date as required by para 120 (o) of the Accounting Standard – 15 on Employee Benefits are not disclosed.

II) Provident Fund

In respect of certain eligible employees, the Company has a provident fund plan which is administered through a trust. The Trust deed provides for the Company to make good any deficiency in the interest to be paid by the Trust to its members and the income earned by it. Accordingly the plan is as a defined benefit plan. Consequent to the Actuarial

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Society of India issuing a guidance note on the valuation of provident fund liability, the Company has obtained an actuarial valuation of the Provident fund liability as at the Balance Sheet date. Accordingly the Company has recognised a provision of Rs. 4.1 million towards provident fund liability based on the Actuarial valuation. The Actuary has not provided the other details to meet the disclosure requirement of the Accounting Standard 15 "Employee Benefits" and accordingly the disclosures included are limited to the extent of those provided by the Actuary.

However details of contribution made by the Company, the total provident fund liability as per the Trust's accounts and plan assets held by it are given below:

	(Rupees million)
Contribution made by the Company for the year ended 31 March 2012 *	86.7
Total provident fund liability as per Trust's accounts as at 31 March 2012	1,046.4
Plan assets held by the Trust as at 31 March 2012 (at cost)	1,046.7

The principal assumptions used by the actuary in valuing provident fund liability are as follows

Discount Rate	8.15%
Increase in compensation levels	8.00%
Statutory minimum rate	8.25%
Shortfall period considered	3 years

*Included under Employee Benefit Expense in the head Contribution to Provident and Other Funds.

III) Defined Contribution Plan

In respect of defined contribution plan, the Company has recognised the following amounts in the Statement of Profit and Loss:

	For the year ended 31 March 2012	For the year ended 31 March 2011	For the year ended 31 March 2010
Employer's Contribution to Provident Fund*	56.6	110.0	95.3
Employer's contribution to Superannuation Fund*	43.9	45.0	35.9

30. Lease commitments

30.1 Operating leases

The Company normally takes vehicles and premises under non-cancellable operating leases. Minimum lease payments outstanding as at the Year end in respect of these assets are as under:

	As at 31 March 2012	As at 31 March 2011
Total minimum lease outstanding:		
Due within one year	326.2	325.4
Due later than one year and not later than five years	1,253.5	1,169.4
Due later than five years	8.9	348.9
	<u>1,588.6</u>	<u>1,843.7</u>

Lease payments of Rs.428.1 million (previous year – Rs. 374.6 million) have been recognised as an expense in the Statement of Profit and Loss.

There is no contingent rent in the lease agreements. The lease term is for 1-9 years and is renewable at the mutual agreement of both the parties. There is no escalation clause in the lease agreements (other than those disclosed above). There are no restrictions imposed by lease arrangements. There are no subleases.

30.2 Finance leases

The future lease obligations outstanding as of 31 March 2012 in respect of assets taken on finance lease are as follows:

	As at 31 March 2012			As at 31 March 2011		
	Total minimum lease payments outstanding	Present value of minimum lease payments	Interest included in minimum lease payments	Total minimum lease payments outstanding	Present value of minimum lease payments	Interest included in minimum lease payments
Due within one year	5.0	1.1	3.9	5.2	1.0	4.2
Due later than one year but not later than five years	22.0	9.2	13.2	18.6	5.4	13.3
Due later than five years	4.4	3.7	0.7	13.1	8.7	4.4
	<u>31.4</u>	<u>14.0</u>	<u>17.8</u>	<u>36.9</u>	<u>15.1</u>	<u>21.9</u>

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(Rupees million)

	As at 31 March 2012	As at 31 March 2011
Disclosed under:		
Other long term liabilities (Refer Note 6)	12.9	14.1
Other current liabilities (Refer Note 10)	1.1	1.0
	14.0	15.1

Leasehold improvements include assets costing Rs. 16.4 million (previous year – Rs. 16.4 million) on finance lease. The lease term is for 10 years.

31. Segment information

31.1 Primary segment reporting – Business segments

The Company's business segments are classified into Power and Transport.

Power segment

This segment is engaged in the business of engineering, procurement and construction of power plants. It also manufactures steam raising plant, ancillary equipment, parts of steam generator, pressures vessels and pulverizers.

Transport segment

This segment is engaged in the business of designing, manufacturing, supplying and supporting large scale transportation systems including traction, signaling and train control.

31.2 Inter segment transfers

Segment revenues, segment expenses and segment results include transfers between business segments, that are made based on negotiation between segments with reference to the costs, market prices and business risks, within the overall optimisation objective for the Company and are comparable with competitive market prices charged to external customers. Inter-segment transfers are eliminated on consolidation.

31.3 Allocation of common costs

Common allocable costs are allocated to each segment according to the relative contribution of each segment to the total common costs.

31.4 Unallocated items

Includes general corporate income and expense items, which are not allocated to any business segment.

31.5 Segment revenues, results and other information

(Rupees million)

	31 March 2012					31 March 2011				
	Continuing Operations			Discontinuing Operations	Total	Continuing Operations			Discontinuing Operations	Total
	Power	Transport	Total			Power	Transport	Total		
External sales	18,065.2	557.4	18,622.6	5,498.0	24,120.6	14,954.4	751.0	15,705.4	2,331.0	18,036.4
Inter segment sales	-	-	-	-	-	-	-	-	-	-
Other operating revenue	48.7	-	48.7	13.7	62.4	36.1	-	36.1	9.0	45.1
Other income	140.2	33.7	173.9	116.8	290.7	17.5	67.0	84.5	26.5	111.0
Segment revenues	18,254.1	591.1	18,845.2	5,628.5	24,473.7	15,008.0	818.0	15,826.0	2,366.5	18,192.5
Segment results	1,582.6	(90.9)	1,491.7	578.0	2,069.7	2,468.3	51.9	2,520.2	(369.1)	2,151.1
Segment assets	18,164.3	812.1	18,976.4	5,563.5	24,539.9	15,255.0	416.1	15,671.1	5,239.3	20,910.4
Segment liabilities	15,732.8	1,354.1	17,086.9	4,985.5	22,072.4	15,647.0	1,221.1	16,868.1	4,865.3	21,733.4
Capital expenditure	458.1	14.1	472.2	243.5	715.7	720.0	6.1	726.1	208.0	933.7
Depreciation / amortisation	412.4	9.0	421.4	89.2	510.6	401.7	7.0	408.7	74.1	482.8
Non cash expenditure, other than depreciation / amortisation	341.2	1.6	342.8	135.6	478.4	71.0	4.4	75.4	9.0	84.2

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31.6 Secondary segment reporting – Geographical segments

The analysis of geographical segments is based on the geographical location of the customers.

Secondary Segment Information for the year ended 31 March 2012:

Revenue:			(Rupees million)
Particulars	Year ended 31 March 2012	Year ended 31 March 2011	
India	18,344.7	14,650.1	
Outside India	5,838.3	3,431.4	
Total	24,183.0	18,081.5	

Carrying Amount of Segment Assets:

Particulars	Year ended 31 March 2012	Year ended 31 March 2011	
India	28,986.9	26,833.3	
Outside India	835.3	1,791.8	
Total	29,822.2	28,625.1	

Capital Expenditure

Particulars	Year ended 31 March 2012	Year ended 31 March 2011	
India	715.7	933.7	
Outside India	-	-	
Total	715.7	933.7	

31.7 Reconciliation of reportable segments with financial statements

	Revenue		Results		Assets		Liabilities	
	2012	2011	2012	2011	2012	2011	2012	2011
Total of reportable segments	24,473.7	18,192.5	2,069.7	2,151.1	24,539.9	20,910.4	22,072.4	21,733.4
Inter segment sales/assets	-	-	-	-	-	-	-	-
Unallocated – Interest income	427.6	387.3	427.6	387.3	-	-	-	-
Unallocated – Interest expense	-	-	-	-	-	-	-	-
Unallocated – Loans/Deposits	-	-	-	-	2,572.8	26.7	-	-
Unallocated – Liabilities, other than loans	-	-	-	-	-	-	23.7	232.5
Unallocated – Interest accrued and other assets	-	-	-	-	58.2	35.1	-	-
Unallocated – Cash and bank	-	-	-	-	2,272.2	7,360.6	-	-
Taxes								
– Income Tax	-	-	(987.2)	(775.9)	254.6	292.3	7.7	-
– Deferred Tax	-	-	167.4	(73.5)	124.5	-	-	7.7
Proposed Dividend including Corporate Dividend Tax	-	-	-	-	-	-	781.4	778.9
Per financial statements	24,901.3	18,579.8	1,677.5	1,689.0	29,822.2	28,625.1	22,885.2	22,752.4

32. Related Party

32.1 List of related parties

Parties with whom control exists:

ALSTOM	(Parent)
ALSTOM Holdings	(Holding Company)
ALSTOM Finance BV	(Immediate Holding Company)

Parties controlled by the Company (Subsidiaries)

ALSTOM Power Boilers Services Limited
ALSTOM Boilers India Limited

Key managerial personnel (KMP)

Mr. Francois Carpentier – Vice Chairman & Managing Director
Mr. S.M. Momaya – Whole-time Director & Chief Financial Officer

Mr. Sunand Sharma is the Non - Executive Chairman of the Company who was an employee of ALSTOM Holdings (India) Limited and is deemed to be an employee of the Company with effect from the appointed date (1 April 2011) for the period

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01 April 2011 to 31 March 2012 pursuant to the Scheme of amalgamation amongst ALSTOM Holdings (India) Limited (Amalgamating Company), ALSTOM Projects India Limited (Amalgamated Company) and their respective shareholders, which became effective on 20 April 2012 {refer note 3(a) above}. The transactions made by Amalgamating Company with Mr. Sunand Sharma during the aforesaid period have been considered as related party transactions.

Other related parties with whom transactions have taken place during the year (fellow subsidiaries)

Air Preheater Equipamentos LTDA, ALSTOM (Switzerland) Ltd, ALSTOM (Thailand) Ltd, ALSTOM Asia Pacific Sdn Bhd, ALSTOM Austria GmbH, ALSTOM Belgium SA, ALSTOM Bharat Forge Power Limited, ALSTOM Brasil Energia e transportada Ltda., ALSTOM Bulgaria EOOD, ALSTOM China Investment Co Ltd, ALSTOM CROATIA Ltd, ALSTOM Deutschland AG, ALSTOM Estonia AS, ALSTOM Ferroviaria SpA, ALSTOM Finland OY, ALSTOM general turbo SA, ALSTOM Grid SAS, ALSTOM Holdings, ALSTOM Hong-Kong Ltd, Alstom Hydro France, ALSTOM Hydro R&D India Limited, ALSTOM Hydro Spain SL, ALSTOM Hydro Sweden AB, ALSTOM INFRASTRUCTURE ROMANIA SRL, ALSTOM IS&T SAS, ALSTOM KK, ALSTOM Limited, ALSTOM Ltd, ALSTOM MIDDLE EAST Ltd, ALSTOM Norway AS, ALSTOM Philippines- Inc, ALSTOM Portugal SA, ALSTOM Power & Transport Canada Inc, ALSTOM Power Consulting AG, ALSTOM Power Inc, ALSTOM Power Italia Spa, ALSTOM Power Nederland BV, ALSTOM Power SA, ALSTOM Power Service, ALSTOM Power Service (Hong Kong) Limited, ALSTOM Power Service (Pty) Limited, ALSTOM Power Service GmbH, ALSTOM Power Spz oo, ALSTOM Power Sweden AB, ALSTOM Power Systems GmbH, Alstom Power Systems SA, ALSTOM S&E Africa (Pty), ALSTOM sro, ALSTOM SA, Alstom Services Sdn Bhd, ALSTOM Signalling Inc, ALSTOM Strongwish co, Ltd, ALSTOM T&D India Limited, ALSTOM Technical Service Shanghai, ALSTOM Technologie AG Switzerland, ALSTOM Transport (S) Pte Ltd, ALSTOM Transport BV, ALSTOM Transport India Limited, ALSTOM Transport SA, ALSTOM Vannkraft AS, ALSTOM Vietnam Company Ltd, Alstom Wind SLU, PT ALSTOM Power Energy Systems Indonesia, Shangai ALSTOM Electrical Equipment Ltd, Technical Transport Consolidation, Tianjin ALSTOM Hydro Co Ltd, WUHAN Boiler Company Ltd., ALSTOM Belgium SA , ALSTOM Egypt Power & Transp Projects SAE , ALSTOM Finance BV, ALSTOM India Limited, ALSTOM Information Tech. Centre SAS, ALSTOM Mexicana S.A. de C.V., ALSTOM Power Hydraulique, ALSTOM Power Hydraulique, ALSTOM Technology Ltd, Lorelec.

32.2 Details of Related Party transactions in the ordinary course of business

(Rupees million)

Particulars	Subsidiaries	2011-12			2010-11			
		Fellow subsidiaries	Parties where control exists	Key Management Personnel	Subsidiaries	Fellow subsidiaries	Parties where control exists	Key Management Personnel
Transactions with Related Parties :								
Sale of Products								
ALSTOM Belgium SA	—	50.0	—	—	—	87.3	—	—
ALSTOM (Switzerland) Ltd	—	1,463.2	—	—	—	265.7	—	—
ALSTOM Brasil Energia e transporte Ltda	—	70.1	—	—	—	74.1	—	—
ALSTOM Ferroviaria S.p.A	—	109.1	—	—	—	27.9	—	—
ALSTOM Hydro France	—	1,661.2	—	—	—	1,816.2	—	—
ALSTOM Hydro Spain S.L.	—	30.0	—	—	—	123.5	—	—
ALSTOM Power Inc.	—	221.5	—	—	—	112.0	—	—
ALSTOM Power Italia Spa	—	29.6	—	—	—	27.1	—	—
ALSTOM Power Service (Hong Kong) Limited	—	10.1	—	—	—	9.7	—	—
ALSTOM Transport SA	—	38.5	—	—	—	34.7	—	—
ALSTOM Vannkraft AS	—	130.9	—	—	—	36.7	—	—
ALSTOM Power Systems SA	—	300.5	—	—	—	—	—	—
ALSTOM Austria GmbH	—	224.4	—	—	—	—	—	—
PT ALSTOM Power Energy Systems Indonesia	—	22.4	—	—	—	—	—	—
ALSTOM Middle East Ltd.	—	3.8	—	—	—	—	—	—
Tianjin ALSTOM Hydro Co. Ltd	—	96.1	—	—	—	—	—	—
ALSTOM Power Service Limited	—	17.2	—	—	—	—	—	—
Air Preheater Equipamentos LTDA	—	6.4	—	—	—	—	—	—
ALSTOM Vietnam Company Ltd	—	1.6	—	—	—	—	—	—
ALSTOM Limited	—	1.4	—	—	—	—	—	—
Others	—	0.7	—	—	—	0.9	—	—
Purchase of Raw Material & Components								
ALSTOM Ferroviaria S.p.A	—	*	—	—	—	1.4	—	—
ALSTOM Norway AS	—	—	—	—	—	2.5	—	—
ALSTOM Portugal SA	—	539.8	—	—	—	—	—	—
ALSTOM Ltd	—	369.9	—	—	—	6.3	—	—
ALSTOM Power Inc.	—	32.2	—	—	—	12.4	—	—
ALSTOM general turbo SA	—	17.5	—	—	—	15.9	—	—
ALSTOM Transport SA	—	15.5	—	—	—	16.5	—	—
ALSTOM Power Sp.z o.o.	—	48.8	—	—	—	19.1	—	—
ALSTOM Power Italia Spa	—	3.0	—	—	—	25.4	—	—
ALSTOM Hydro France	—	59.2	—	—	—	38.9	—	—
ALSTOM T&D India Limited	—	200.4	—	—	—	39.7	—	—
ALSTOM Power Sweden AB	—	61.8	—	—	—	52.5	—	—
ALSTOM Power Service	—	83.6	—	—	—	73.9	—	—
ALSTOM Brasil Energia e transporte Ltda	—	—	—	—	—	101.8	—	—
ALSTOM Power Service GmbH	—	71.3	—	—	—	106.8	—	—
ALSTOM Power Systems SA	—	70.5	—	—	—	149.8	—	—
ALSTOM (Switzerland) Ltd	—	488.2	—	—	—	251.3	—	—

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(Rupees million)

Particulars	2011-12				2010-11			
	Subsidiaries	Fellow subsidiaries	Parties where control exists	Key Management Personnel	Subsidiaries	Fellow subsidiaries	Parties where control exists	Key Management Personnel
Tianjin ALSTOM Hydro Co. Ltd	—	15.7	—	—	—	—	—	—
ALSTOM Belgium SA	—	3.2	—	—	—	—	—	—
ALSTOM Hydro Spain S.L.	—	0.8	—	—	—	—	—	—
Shanghai ALSTOM Electrical Equipment Ltd	—	1.1	—	—	—	—	—	—
ALSTOM Grid SAS	—	15.7	—	—	—	—	—	—
ALSTOM Strongwish co, Ltd	—	0.9	—	—	—	—	—	—
ALSTOM CROATIA Ltd	—	0.5	—	—	—	—	—	—
Others	—	—	—	—	—	1.9	—	—
Sale of Services								
ALSTOM Power Boilers Services Limited	—	—	—	—	—	—	—	—
ALSTOM Transport (S) Pte Ltd	—	4.8	—	—	—	0.9	—	—
ALSTOM Services Sdn Bhd	—	2.0	—	—	—	1.1	—	—
ALSTOM Egypt Power & Transp Projects SAE	—	—	—	—	—	2.6	—	—
ALSTOM Bulgaria EOOD	—	—	—	—	—	3.2	—	—
PT ALSTOM Power Energy Systems Indonesia	—	4.7	—	—	—	3.4	—	—
ALSTOM Asia Pacific Sdn Bhd	—	152.1	—	—	—	4.4	—	—
ALSTOM Ferroviaria S.p.A	—	1.9	—	—	—	4.4	—	—
ALSTOM Hydro R&D India Limited	—	8.5	—	—	—	2.1	—	—
ALSTOM Transport BV	—	*	—	—	—	5.3	—	—
ALSTOM Mexicana S.A. de C.V.	—	—	—	—	—	5.8	—	—
ALSTOM Information Tech. Centre SAS	—	—	—	—	—	6.0	—	—
ALSTOM Belgium SA	—	4.7	—	—	—	6.5	—	—
ALSTOM Power Italia Spa	—	6.0	—	—	—	11.4	—	—
ALSTOM Brasil Energia e transporte Ltda	—	7.5	—	—	—	13.2	—	—
ALSTOM Norway AS	—	13.6	—	—	—	24.1	—	—
ALSTOM Power Sweden AB	—	24.8	—	—	—	24.4	—	—
ALSTOM Bharat Forge Power Limited	—	35.7	—	—	—	24.5	—	—
ALSTOM Technical Service Shanghai	—	20.8	—	—	—	28.8	—	—
ALSTOM Hydro France	—	26.0	—	—	—	32.9	—	—
ALSTOM Transport SA	—	82.0	—	—	—	35.3	—	—
ALSTOM Ltd	—	20.2	—	—	—	35.4	—	—
ALSTOM Power Consulting AG	—	43.3	—	—	—	52.3	—	—
ALSTOM Power Inc.	—	27.1	—	—	—	62.0	—	—
ALSTOM Power Systems GmbH	—	19.2	—	—	—	114.3	—	—
ALSTOM (Switzerland) Ltd	—	251.9	—	—	—	296.2	—	—
ALSTOM Power Systems SA	—	211.2	—	—	—	317.1	—	—
ALSTOM Power Service (Hong Kong) Limited	—	8.2	—	—	—	—	—	—
ALSTOM MIDDLE EAST Ltd.	—	79.6	—	—	—	—	—	—
ALSTOM Vietnam Company Ltd	—	*	—	—	—	—	—	—
ALSTOM Limited	—	*	—	—	—	—	—	—
ALSTOM Philippines— Inc.	—	*	—	—	—	—	—	—
ALSTOM Power Service GmbH	—	*	—	—	—	—	—	—
ALSTOM Power & Transport Canada Inc	—	12.7	—	—	—	—	—	—
ALSTOM Signalling Inc.	—	9.0	—	—	—	—	—	—
ALSTOM Power Nederland B.V.	—	8.8	—	—	—	—	—	—
ALSTOM Grid SAS	—	3.2	—	—	—	—	—	—
ALSTOM Power Sp.z o.o.	—	1.4	—	—	—	—	—	—
ALSTOM Hong—Kong Ltd	—	1.2	—	—	—	—	—	—
Others	—	*	—	—	—	1.4	—	—
Other Income								
ALSTOM Hydro R&D India Limited	—	*	—	—	—	2.6	—	—
ALSTOM Transport SA	—	5.3	—	—	—	—	—	—
Technical Transport Consolidation	—	17.0	—	—	—	—	—	—
Purchase of Services								
Tianjin ALSTOM Hydro Co. Ltd	—	—	—	—	—	*	—	—
ALSTOM Power Service (Pty) Limited	—	—	—	—	—	1.3	—	—
ALSTOM Power Systems SA	—	7.2	—	—	—	1.4	—	—
ALSTOM Asia Pacific Sdn Bhd	—	14.5	—	—	—	1.9	—	—
ALSTOM Deutschland AG	—	6.2	—	—	—	2.4	—	—
ALSTOM Power Sp.z o.o.	—	3.0	—	—	—	4.1	—	—
ALSTOM Power Italia Spa	—	—	—	—	—	5.8	—	—
ALSTOM Holdings	—	5.4	—	—	—	8.9	—	—
ALSTOM Power Service	—	12.0	—	—	—	18.0	—	—
ALSTOM Power Service GmbH	—	22.8	—	—	—	21.7	—	—
ALSTOM Power Inc.	—	31.2	—	—	—	24.0	—	—
ALSTOM Hydro France	—	18.9	—	—	—	29.6	—	—
ALSTOM Ltd	—	2.1	—	—	—	29.8	—	—
ALSTOM Information Tech. Centre SAS	—	—	—	—	—	40.0	—	—
ALSTOM (Switzerland) Ltd	—	169.7	—	—	—	92.5	—	—
ALSTOM Power Systems GmbH	—	0.2	—	—	—	—	—	—
ALSTOM Power Hydraulique	—	0.8	—	—	—	—	—	—
ALSTOM Transport SA	—	0.8	—	—	—	—	—	—
ALSTOM Limited	—	*	—	—	—	—	—	—
ALSTOM Power Sweden AB	—	*	—	—	—	—	—	—
ALSTOM Hydro R&D India Limited	—	0.9	—	—	—	—	—	—
ALSTOM Technologies AG Switzerland	—	55.6	—	—	—	—	—	—

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(Rupees million)

Particulars	2011-12				2010-11			
	Subsidiaries	Fellow subsidiaries	Parties where control exists	Key Management Personnel	Subsidiaries	Fellow subsidiaries	Parties where control exists	Key Management Personnel
ALSTOM IS&T SAS	—	0.8	—	—	—	—	—	—
Others	—	0.1	—	—	—	1.1	—	—
Other Expenses / Reimbursements (Payments)								
ALSTOM (Switzerland) Ltd	—	42.2	—	—	—	2.3	—	—
ALSTOM Belgium SA	—	—	—	—	—	2.5	—	—
ALSTOM China Investment Co Ltd	—	1.2	—	—	—	1.1	—	—
ALSTOM Ferroviaria S.p.A	—	—	—	—	—	1.8	—	—
ALSTOM Holdings	—	7.7	—	—	—	4.4	—	—
ALSTOM Power Inc.	—	36.5	—	—	—	14.5	—	—
ALSTOM Transport SA	—	—	—	—	—	2.9	—	—
ALSTOM Ltd	—	—	—	—	—	13.6	—	—
ALSTOM Power & Transport Canada Inc	—	0.2	—	—	—	—	—	—
ALSTOM Power Boilers Services Limited	0.9	—	—	—	—	—	—	—
WUHAN Boiler Company Ltd	—	11.3	—	—	—	—	—	—
ALSTOM Power SA	—	0.5	—	—	—	—	—	—
ALSTOM Brasil Energia e transporte Ltda	—	9.3	—	—	—	—	—	—
ALSTOM Power Italia Spa	—	2.6	—	—	—	—	—	—
ALSTOM Asia Pacific Sdn Bhd	—	4.4	—	—	—	—	—	—
ALSTOM Power Sweden AB	—	2.1	—	—	—	—	—	—
ALSTOM Norway AS	—	*	—	—	—	—	—	—
ALSTOM Power Service (Pty) Limited	—	*	—	—	—	—	—	—
ALSTOM (Thailand) Ltd	—	*	—	—	—	—	—	—
Others	—	—	—	—	—	1.0	—	—
Other Expenses / Reimbursements (Receipts)								
ALSTOM Power Boilers Services Limited	—	—	—	—	1.2	—	—	—
ALSTOM (Switzerland) Ltd	—	3.9	—	—	—	55.1	—	—
ALSTOM Bharat Forge Power Limited	—	0.4	—	—	—	64.0	—	—
ALSTOM Holdings	—	5.7	—	—	—	10.3	—	—
ALSTOM Ltd	—	7.3	—	—	—	12.6	—	—
ALSTOM Power Netherland B.V.	—	*	—	—	—	4.0	—	—
ALSTOM Power Sweden AB	—	1.1	—	—	—	10.2	—	—
ALSTOM Power Systems GmbH	—	1.4	—	—	—	4.8	—	—
ALSTOM Power Systems SA	—	8.5	—	—	—	24.0	—	—
ALSTOM Transport SA	—	59.3	—	—	—	29.5	—	—
ALSTOM Hydro R&D India Limited	—	*	—	—	—	9.3	—	—
ALSTOM Asia Pacific Sdn Bhd	—	6.0	—	—	—	1.0	—	—
ALSTOM Bulgaria EOOD	—	—	—	—	—	2.2	—	—
ALSTOM Egypt Power & Transport Projects SAE	—	—	—	—	—	1.3	—	—
ALSTOM Power Inc.	—	1.4	—	—	—	—	—	—
ALSTOM Ferroviaria S.p.A	—	5.0	—	—	—	—	—	—
PT ALSTOM Power Energy Systems Indonesia	—	2.0	—	—	—	—	—	—
ALSTOM MIDDLE EAST Ltd.	—	1.8	—	—	—	—	—	—
ALSTOM Norway AS	—	*	—	—	—	—	—	—
ALSTOM Power & Transport Canada Inc	—	1.3	—	—	—	—	—	—
ALSTOM Technologies AG Switzerland	—	*	—	—	—	—	—	—
ALSTOM T&D India Limited	—	1.5	—	—	—	—	—	—
ALSTOM S&E Africa (Pty)	—	*	—	—	—	—	—	—
Others	—	*	—	—	—	2.9	—	—
Purchase of Fixed Assets								
ALSTOM Power Systems SA	—	—	—	—	—	1.2	—	—
ALSTOM Power Inc.	—	48.0	—	—	—	—	—	—
ALSTOM s.r.o	—	90.0	—	—	—	—	—	—
Remuneration								
Mr.Sunand Sharma	—	—	—	23.2	—	—	—	—
Mr. Francois Carpentier	—	—	—	23.2	—	—	—	23.5
Mr. S.M. Momaya	—	—	—	7.7	—	—	—	7.0
Loans								
Mr.Sunand Sharma	—	—	—	1.5	—	—	—	—
Royalty/Tech Knowhow Fees								
ALSTOM Technology Ltd	—	—	—	—	—	109.7	—	—
ALSTOM SA	—	146.4	—	—	—	136.9	—	—
ALSTOM Technologies AG Switzerland	—	266.7	—	—	—	—	—	—
Payment of Dividend								
ALSTOM Finance BV	—	392.5	—	—	—	392.5	—	—
ALSTOM India Limited	—	53.1	—	—	—	53.1	—	—
Lorelec	—	13.3	—	—	—	13.3	—	—
Inter Corporate Deposits given								
ALSTOM Hydro R&D India Limited	—	108.0	—	—	—	14.0	—	—
ALSTOM T&D India Limited	—	3,250.0	—	—	—	—	—	—
Inter Corporate Deposits repaid to the Company								
ALSTOM T&D India Limited	—	800.0	—	—	—	—	—	—
Interest on Inter Corporate Deposits								
ALSTOM Hydro R&D India Limited	—	9.0	—	—	—	0.1	—	—
ALSTOM T&D India Limited	—	233.9	—	—	—	—	—	—
Investment In Equity Share Capital of Subsidiary								
ALSTOM Boilers India Limited	0.5	—	—	—	—	—	—	—

ALSTOM Projects India Limited

Notes to Financial Statements

(Rupees million)

Particulars	2011-12				2010-11			
	Subsidiaries	Fellow subsidiaries	Parties where control exists	Key Management Personnel	Subsidiaries	Fellow subsidiaries	Parties where control exists	Key Management Personnel
Balance Outstanding :								
Inter Corporate Deposits given								
ALSTOM Hydro R&D India Limited	—	108.0	—	—	—	14.0	—	—
ALSTOM T&D India Limited	—	2,450.0	—	—	—	—	—	—
Interest Accrued but not due on ICD given								
ALSTOM Hydro R&D India Limited	—	3.3	—	—	—	—	—	—
ALSTOM T&D India Limited	—	30.3	—	—	—	—	—	—
As Debtors								
ALSTOM Power Boilers Services Limited	9.3	—	—	—	10.8	—	—	—
ALSTOM Norway AS	—	2.5	—	—	—	*	—	—
ALSTOM Brasil Energia e transporte Ltda	—	—	—	—	—	0.6	—	—
ALSTOM Power Sweden AB	—	1.7	—	—	—	2.8	—	—
ALSTOM Holdings	—	6.0	—	—	—	4.1	—	—
ALSTOM Power Italia Spa	—	—	—	—	—	4.2	—	—
ALSTOM Ferroviaria S.p.A	—	29.0	—	—	—	6.4	—	—
ALSTOM Technical Service Shanghai	—	21.3	—	—	—	7.5	—	—
ALSTOM Ltd	—	14.6	—	—	—	7.8	—	—
ALSTOM Vannkraft AS	—	—	—	—	—	10.8	—	—
ALSTOM Power Consulting AG	—	8.7	—	—	—	11.7	—	—
ALSTOM Power Inc.	—	11.1	—	—	—	14.3	—	—
ALSTOM Power Systems GmbH	—	6.1	—	—	—	18.0	—	—
ALSTOM Belgium SA	—	10.6	—	—	—	26.9	—	—
ALSTOM Bharat Forge Power Limited	—	61.1	—	—	—	29.8	—	—
ALSTOM Transport SA	—	23.4	—	—	—	41.7	—	—
ALSTOM Power Systems SA	—	35.3	—	—	—	69.9	—	—
ALSTOM (Switzerland) Ltd	—	56.3	—	—	—	89.7	—	—
ALSTOM Hydro France	—	238.5	—	—	—	379.0	—	—
ALSTOM Hydro R&D India Limited	—	14.2	—	—	—	4.5	—	—
Tianjin ALSTOM Hydro Co. Ltd	—	44.8	—	—	—	—	—	—
ALSTOM Asia Pacific Sdn Bhd	—	41.6	—	—	—	—	—	—
PT ALSTOM Power Energy Systems Indonesia	—	22.4	—	—	—	—	—	—
Technical Transport Consolidation	—	17.0	—	—	—	—	—	—
ALSTOM MIDDLE EAST Ltd.	—	14.5	—	—	—	—	—	—
ALSTOM Power & Transport Canada Inc	—	12.2	—	—	—	—	—	—
ALSTOM Power Service	—	12.1	—	—	—	—	—	—
ALSTOM Power Service (Hong Kong) Limited	—	7.5	—	—	—	—	—	—
ALSTOM T&D India Limited	—	4.4	—	—	—	—	—	—
ALSTOM INFRASTRUCTURE ROMANIA SRL	—	1.7	—	—	—	—	—	—
ALSTOM Signalling Inc.	—	1.1	—	—	—	—	—	—
ALSTOM Transport (S) Pte Ltd	—	1.0	—	—	—	—	—	—
Others	—	3.1	—	—	—	5.6	—	—
Creditors								
ALSTOM Power Boilers Services Limited	3.1	—	—	—	3.1	—	—	—
ALSTOM Technology Ltd	—	—	—	—	—	175.0	—	—
ALSTOM Transport SA	—	1.2	—	—	—	*	—	—
ALSTOM Power Service	—	23.6	—	—	—	*	—	—
ALSTOM Holdings	—	1.3	—	—	—	0.7	—	—
ALSTOM Hydro France	—	14.8	—	—	—	2.0	—	—
ALSTOM Ltd	—	*	—	—	—	2.5	—	—
ALSTOM Power Inc.	—	*	—	—	—	4.3	—	—
ALSTOM Information Tech. Centre SAS	—	—	—	—	—	5.0	—	—
ALSTOM T&D India Limited	—	76.4	—	—	—	7.7	—	—
ALSTOM Power Sweden AB	—	1.3	—	—	—	9.0	—	—
ALSTOM Power Systems SA	—	12.3	—	—	—	11.0	—	—
ALSTOM Power Sp.z o.o.	—	0.8	—	—	—	14.4	—	—
ALSTOM SA	—	109.2	—	—	—	18.7	—	—
ALSTOM Power Service GmbH	—	0.6	—	—	—	45.2	—	—
ALSTOM (Switzerland) Ltd	—	55.7	—	—	—	47.8	—	—
ALSTOM Hydro R&D India Limited	—	1.9	—	—	—	—	—	—
ALSTOM Belgium SA	—	2.7	—	—	—	—	—	—
ALSTOM Technologies AG Switzerland	—	173.6	—	—	—	—	—	—
ALSTOM Portugal SA	—	99.2	—	—	—	—	—	—
ALSTOM Grid SAS	—	15.7	—	—	—	—	—	—
WUHAN Boiler Company Ltd	—	11.3	—	—	—	—	—	—
Others	—	2.3	—	—	—	6.3	—	—
Advance Given								
ALSTOM Power Boilers Services Limited	1.5	—	—	—	1.5	—	—	—
ALSTOM Brasil Energia e transporte Ltda	—	3.9	—	—	—	3.9	—	—
ALSTOM Hydro France	—	1.8	—	—	—	4.5	—	—
ALSTOM Power Service GmbH	—	—	—	—	—	5.0	—	—
ALSTOM T&D India Limited	—	1.6	—	—	—	15.2	—	—
Tianjin ALSTOM Hydro Co. Ltd	—	12.1	—	—	—	22.1	—	—
ALSTOM Power Service	—	86.4	—	—	—	23.0	—	—
ALSTOM Power Systems SA	—	2.0	—	—	—	33.4	—	—
ALSTOM Ltd	—	73.5	—	—	—	331.3	—	—
ALSTOM (Switzerland) Ltd	—	28.6	—	—	—	—	—	—

ALSTOM Projects India Limited

Notes to financial statements

(Rupees million)

Particulars	2011-12				2010-11			
	Subsidiaries	Fellow subsidiaries	Parties where control exists	Key Management Personnel	Subsidiaries	Fellow subsidiaries	Parties where control exists	Key Management Personnel
ALSTOM Power Sweden AB	—	59.2	—	—	—	—	—	—
ALSTOM Portugal SA	—	98.7	—	—	—	—	—	—
ALSTOM Grid SAS	—	1.5	—	—	—	—	—	—
ALSTOM Power Sp.z o.o.	—	6.6	—	—	—	—	—	—
ALSTOM Transport India Limited	—	161.2	—	—	—	—	—	—
Others	—	—	—	—	—	4.9	—	—
Loans given								
Mr. Sunand Sharma	—	—	—	1.5	—	—	—	—
Advance Received								
ALSTOM (Switzerland) Ltd	—	632.7	—	—	—	3.7	—	—
ALSTOM Power Service (Hong Kong) Limited	—	—	—	—	—	3.8	—	—
ALSTOM Power Sp.z o.o.	—	17.0	—	—	—	17.0	—	—
ALSTOM Hydro Spain S.L.	—	107.5	—	—	—	44.0	—	—
ALSTOM Vannkraft AS	—	3.7	—	—	—	81.2	—	—
ALSTOM Brasil Energia e transporte Ltda	—	132.1	—	—	—	133.7	—	—
ALSTOM Austria GmbH	—	259.1	—	—	—	268.8	—	—
ALSTOM Hydro France	—	1,250.8	—	—	—	1,300.6	—	—
ALSTOM Power Systems SA	—	157.1	—	—	—	—	—	—
Tianjin ALSTOM Hydro Co. Ltd	—	144.9	—	—	—	—	—	—
ALSTOM Power Service	—	3.1	—	—	—	—	—	—
ALSTOM Power Inc.	—	126.7	—	—	—	—	—	—
ALSTOM Estonia AS	—	73.6	—	—	—	—	—	—
ALSTOM Hydro Sweden AB	—	35.1	—	—	—	—	—	—
ALSTOM Bulgaria EOOD	—	*	—	—	—	—	—	—
ALSTOM Finland OY	—	0.1	—	—	—	—	—	—
Investment in Subsidiaries								
ALSTOM Power Boilers Services Limited	2.3	—	—	—	2.3	—	—	—
ALSTOM Boilers India Limited	0.5	—	—	—	—	—	—	—
Amount Guaranteed By Fellow Subsidiaries								
ALSTOM (Switzerland) Ltd	—	—	—	—	—	139.2	—	—
ALSTOM Power Hydraulique	—	362.8	—	—	—	248.0	—	—

* Amount is below rounding off norm

33. Discontinuing Operations

ALSTOM Holdings had entered into a letter of binding intent with Shanghai Electric Company of China on 20 April 2011 to combine both partners' activities in the boiler market for power plants. ALSTOM Holdings and Shanghai Electric expect to set-up the joint company once their agreements will be finalised and after the completion of the social and regulatory process, the timing of which is not ascertained.

In pursuance of the above, ALSTOM Holdings (the holding company of the ALSTOM Group of Companies) had requested the Company to consider transfer of its boiler business to a newly incorporated wholly owned subsidiary through a scheme of demerger under Sections 391 to 394 of the Companies Act, 1956.

The Board of Directors of the Company in its meeting held on 25 October 2011 had considered the said request of ALSTOM Holdings and thereafter, subject to approval of the shareholders and creditors and the High Court(s), approved the demerger of the Boiler Business of the Company, subject to the finalisation of the agreement at the Group level, into its wholly owned subsidiary Company, ALSTOM Boilers India Limited ("ABIL") with the Appointed Date of 1 April 2011. The decision was intimated to the stock exchanges on the same date. The Boiler business is part of the Power segment as per Accounting Standard 17 "Segment Reporting". On the basis of the valuation undertaken by an independent valuer, the Board had further granted its approval to the share swap ratio of 1:1, meaning that every shareholder of the Company holding 1 (one) fully paid-up equity shares of Rs.10 (Rupees ten) each in the Company as on the record date (as determined in terms of the Scheme of Demerger) shall, upon sanction of the Scheme of Demerger and upon its becoming effective, be entitled to receive 1 (one) fully paid-up equity shares of Rs.5 (Rupees five) each in ABIL. The Scheme of Demerger, when effective, would result in a reduction of Company's reserves by Rs. 786.1 million as at 31 March 2012.

Operating results of the Company's discontinued operations are summarized as follows:

The carrying amounts of the total assets and liabilities attributable to the discontinued operation at 31 March 2012 are as follows:

	(Rupees million)	
	For the year ended 31 March 2012	For the year ended 31 March 2011
Total Assets	5,771.5	5,239.3
Total Liabilities	4,985.4	4,865.3
Net Assets	786.1	374.0

ALSTOM Projects India Limited

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	For the year ended 31 March 2012	(Rupees million) For the year ended 31 March 2011
The revenue and expenses in respect of ordinary activities attributable to the discontinuing operations are as follows:		
Revenue from operations		
Project revenue	5,561.2	2,437.7
Other operating revenue:		
Scrap Sales	13.7	9.0
Revenue from operations (gross)		
Less : Excise Duty	(63.2)	(107.2)
Total	5,511.7	2,339.5
Other Income		
Net gain/ (loss) from foreign currency transactions and translation	98.7	21.0
Profit on sale of fixed assets	7.0	-
Miscellaneous Income	11.1	5.5
Total	116.8	26.5
Total Revenue	5,628.5	2,366.0
Expenses		
Material cost and Erection services		
Raw Materials and Components Consumed	1,994.1	1,037.0
Project Materials and Erection Services	1,121.1	448.9
Employee benefit expense		
Salaries, wages and bonus	600.9	450.4
Contribution to provident and other funds	60.2	35.5
Staff welfare expenses	139.3	71.9
Other personnel expenses	24.6	18.9
Depreciation and amortization expense	91.8	76.8
Less : Transfer from revaluation reserve	(2.7)	(2.7)
Other expenses		
Power, fuel and water	43.9	40.5
Rent	21.6	35.2
Repairs : Buildings	87.3	36.6
Repairs : Plant & Machinery	40.3	35.9
Repairs : Other	10.2	20.9
Insurance	1.4	2.3
Rates and taxes	6.6	3.9
Tools and stores	23.8	53.0
Royalty and trademark fee	209.7	29.5
Travelling and conveyance	87.9	59.9
Other services from third party	94.9	38.7
Provision for mark to market losses on derivatives (net)	127.3	-
Miscellaneous expenses	266.4	242.2
Total Expenses	5,050.6	2,735.1
Profit/(Loss) before tax from discontinuing operations	577.9	(369.1)
Tax Benefit / (Expense)	(201.7)	113.2
Profit/(Loss) after tax from discontinuing operations	376.2	(255.9)
The net cash flows attributable to the discontinuing operations are as follows:		
Operating activities	(1,000.6)	1,297.7
Investing activities	(231.7)	(66.2)
Financing activities	-	-
Net cash inflows/(outflows)	(1,232.3)	1,231.5

ALSTOM Projects India Limited

Notes to financial statements

34. Capital and other commitments

- 34.1 Estimated amount of contracts remaining to be executed on capital account and not provided for net of advances – Rs 220.0 million (previous year – Rs 356.8 million).
- 34.2 The Company has imported Capital Goods under the Export Promotion Capital Goods (EPCG) scheme, of the Government of India, at concessional rates of duty on an undertaking to fulfill quantified exports in the following six to eight years from the date of grant of EPCG license Rs. 546.4 million (previous year Rs. 1,153.1 million)
- 34.3 For commitments relating to Lease arrangements, refer Note 30 above and for other Off Balance Sheet commitments refer Note 2.19.

35. Contingent Liabilities

- a) Demand raised by sales tax and excise authorities levying sales tax / works contract tax / excise duty in cases of disputes regarding divisibility of contracts with the customers for supply and erection / installation of goods and other matters - Rs. 367.8 million (previous year – Rs. 250.6 million)
- b) Various other claims not acknowledged as debts Rs. 1.5 million (previous year – Rs. 1.3 million).

Based on the favorable decision in similar cases / legal opinions taken by the Company / discussions with the solicitors etc., the Company believes that it has good cases in respect of all the items listed under (a) and (b) above and hence no provision there against is considered necessary.

36. Detail of dues to micro and small enterprises as defined under the MSMED Act, 2006

S.No.	Particulars	(Rupees million)	
		For the year ended 31 March 2012	For the year ended 31 March 2011
i)	The principal amount and the interest due thereon remaining unpaid to any supplier		
	-Principal amount	96.2	40.3
	- Interest thereon	Nil	Nil
ii)	the amount of interest paid by the buyer in terms of section 18, along with the amounts of the payment made to the supplier beyond the appointed day	Nil	Nil
iii)	the amount of interest due and payable for the year of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under this Act	Nil	Nil
iv)	the amount of interest accrued and remaining unpaid	Nil	Nil
v)	The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues above are actually paid to the small investor	Nil	Nil

37. Earning per share

	For the year ended 31 March 2012	For the year ended 31 March 2011
a) Weighted average number of equity shares outstanding during the year	67,227,471	67,024,174
b) Net profit after tax available for equity Shareholders (Rupees million)	1,677.5	1,689.0
c) Basic and Diluted Earnings (in Rupees) per share	24.95	25.20
d) Face Value Per Share (in Rupees)	10	10

38. Details of turnover

Class of goods	(Rupees million)	
	For the year ended 31 March 2012	For the year ended 31 March 2011
	Turnover of finished goods *	
Project items**	15,365.0	11,530.5
Steam raising plant, ancillary equipment and pressure vessels.	4,945.2	2,104.8
Foundry products.	154.1	178.3
Erection services, Civil works and other services	1,982.7	2,444.5
Others	1,736.0	1,823.4
TOTAL	24,183.0	18,081.5

*Including bought out items, the purchases whereof have been included in material cost and erection services

**Project items include equipment and miscellaneous items meant for execution of projects.

ALSTOM Projects India Limited

Notes to Financial Statements

(Rupees million)

39. Earnings in foreign exchange (on accrual basis)

	For the year ended 31 March 2012	For the year ended 31 March 2011
i) Export of goods on FOB basis	4,880.8	2,701.6
ii) Deemed exports	192.3	208.4
iii) Goods/services supplied/rendered locally against foreign exchange remittance	3,504.3	330.1
iv) Erection and other services	737.7	951.8
v) Global sourcing services	17.9	3.6
vi) Service income	78.7	19.6
	<u>9,411.7</u>	<u>4,215.1</u>

40. Details of Consumption

a) Consumption of raw materials and components

	For the year ended 31 March 2012	For the year ended 31 March 2011
Ferrous metals	4,057.9	4,206.5
Non-ferrous metals	698.4	529.5
Components	1,183.2	1,100.5
	<u>5,939.5</u>	<u>5,836.5</u>

b) Value of Imported and Indigenous Material Consumed

	%	For the year ended 31 March 2012	%	For the year ended 31 March 2011
Imported	42	2,475.9	17	970.2
Indigenous	58	3,463.6	83	4,866.3
	<u>100</u>	<u>5,939.5</u>	<u>100</u>	<u>5,836.5</u>

c) Consumption of Stores and Spares

	%	For the year ended 31 March 2012 Amount	%	For the year ended 31 March 2011 Amount
Imported	8	15.4	11	10.9
Indigenous	92	185.4	89	90.1
	<u>100</u>	<u>200.8</u>	<u>100</u>	<u>101.0</u>

41. Value of imports on CIF basis

	For the year ended 31 March 2012	For the year ended 31 March 2011
Raw materials	2,276.2	2,010.3
Components & maintenance spare parts	180.5	833.5
Capital goods	177.9	37.8
Project items	1,896.7	223.4
	<u>4,532.3</u>	<u>3,105.0</u>

42. Expenditure in foreign currency (on accrual basis)

	For the year ended 31 March 2012	For the year ended 31 March 2011
Royalty, trademark and technical fees	417.3	246.6
Erection services	678.8	313.5
Professional/consultancy fees	122.6	189.6
Other matters	304.1	230.5
	<u>1,523.8</u>	<u>980.2</u>

43. Amount remitted during the year in foreign currency, on account of dividend

	2012	2011
Number of non resident shareholders	3	3
Number of equity shares held by them on which dividend was paid	40,579,816	40,579,816
Year end to which the dividend related	31 March 2011	31 March 2010
Net amount remitted (Rs. in million)	405.8	405.8

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(Rupees million)

44. Provision for bad debt and doubtful debts

44.1 Bad debts written off

	For the year ended 31 March 2012	For the year ended 31 March 2011
Bad debts and advances written off during the year	72.1	102.4
Less: Adjusted against provision for Doubtful debts & advances	(71.0)	(93.9)
	1.1	8.5

44.2 Provision for doubtful debts and advances

	For the year ended 31 March 2012	For the year ended 31 March 2011
Opening Balance for provision for doubtful debts and advances	87.8	198.4
Add: Provision created during the year	76.7	3.9
Less: Adjusted against bad debts and advances written off	(71.0)	(93.9)
Less: Write back of provision for doubtful debts and advances	(3.0)	(20.6)
Closing Balance	90.5	87.8

45. Derivative instruments and unhedged foreign currency exposure

a) Forward contract outstanding as at Balance Sheet date.

Particulars of Derivatives	Currency in Million	Current Year			Previous Year			Purpose
		Amount	Year End Rate (Rs.)	Amount in Rs. Million	Amount	Year End Rate (Rs.)	Amount in Rs. Million	
SELL	EURO	169.8	68.04	11,553.5	113.8	63.35	7,207.6	Hedge of receivable/expected future sales
SELL	USD	65.4	50.94	3,331.8	25.0	44.59	1,115.0	Hedge of receivable/expected future sales
SELL	SEK	17.5	7.69	134.6	2.9	7.09	20.8	Hedge of receivable/expected future sales
SELL	GBP	-	81.59	-	3.7	71.68	265.6	Hedge of receivable/expected future sales
PURCHASE	CHF	0.1	56.49	3.6	0.2	48.71	7.9	Hedge of payable/expected future purchases
PURCHASE	EURO	49.8	68.04	3,388.5	76.8	63.35	4,868.3	Hedge of payable/expected future purchases
PURCHASE	GBP	0.5	81.59	40.8	1.4	71.68	98.3	Hedge of payable/expected future purchases
PURCHASE	JPY	35.3	0.62	21.9	58.8	0.54	31.8	Hedge of payable/expected future purchases
PURCHASE	SEK	2.4	7.69	18.5	8.5	7.09	60.0	Hedge of payable/expected future purchases
PURCHASE	USD	40.3	50.94	2,051.7	22.2	44.59	991.8	Hedge of payable/expected future purchases

b) Particulars of Unhedged foreign Currency Exposure as at the Balance Sheet date

Currency	31 Mar-12				31 Mar-11			
	Payable	Receivable	Payable	Receivable	Payable	Receivable	Payable	Receivable
	Foreign Currency		INR		Foreign Currency		INR	
CAD	*	-	0.3	-	-	*	-	0.2
CHF	0.3	-	14.1	-	0.3	-	12.4	-
EUR	12.8	1.4	869.3	96.4	0.8	-	51.9	279.5
GBP	0.2	-	15.7	-	-	-	-	-
JPY	-	0.7	-	0.4	-	0.7	-	0.4
SEK	0.6	-	4.4	-	0.4	-	2.7	-
THB	-	1.2	-	2.1	-	1.2	-	1.8
USD	0.1	0.3	5.0	16.8	0.2	0.4	10.1	18.7
ZAR	0.2	-	1.3	-	0.2	-	1.3	-

* Amount is below rounding off norm

c) Mark-to-Market Losses (net) on Derivatives

	As at 31 March 2012	As at 31 March 2011
Mark-to- Market losses provided for (net)	267.4	-

46. Proposed Dividend

	As at 31 March 2012	As at 31 March 2011
The final dividend proposed for the year is as follows:		
On Equity Shares of Rs.10 each		
Amount of dividend proposed (Rupees million)	672.3	670.2
Dividend per Equity Share (Rupees)	Rs. 10 per share	Rs. 10 per share

ALSTOM Projects India Limited

Notes to Financial Statements

47. Previous year figures

The financial statements for the year ended 31 March 2011 had been prepared as per the then applicable, pre-revised Schedule VI to the Companies Act, 1956. Consequent to the notification of Revised Schedule VI under the Companies Act, 1956, the financial statements for the year ended 31 March 2012 are prepared as per Revised Schedule VI. Accordingly, the previous year figures have also been reclassified to conform to this year's classification. The adoption of Revised Schedule VI for previous year figures does not impact recognition and measurement principles followed for preparation of financial statements except for accounting of dividends from subsidiaries.

For Price Waterhouse
Firm Registration Number: 012754N
Chartered Accountants

Joy Kumar Jain
Partner
Membership No: 087659

Place : Noida
Date: 23 April 2012

For and on behalf of the Board of Directors

Sunand Sharma	Chairman
Francois Carpentier	Vice Chairman & Managing Director
S.M. Momaya	Whole-time Director & Chief Financial Officer
K. Vasudevan	Director
A. K. Thiagarajan	Director
Dr. Uddesh Kohli	Director
Pradeepta Puhan	Company Secretary

Auditor's Report on the Consolidated Financial Statements of ALSTOM Projects India Limited

The Board of Directors of ALSTOM Projects India Limited

1. We have audited the attached consolidated Balance Sheet of ALSTOM Projects India Limited (the "Company") and its subsidiaries; hereinafter referred to as the "Group" (refer Note 1 to the attached consolidated financial statements) as at March 31, 2012, the related consolidated Statement of Profit and Loss and the consolidated Cash Flow Statement for the year ended on that date annexed thereto, which we have signed under reference to this report. These consolidated financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these consolidated financial statements based on our audit.
2. We conducted our audit in accordance with the auditing standards generally accepted in India. Those Standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.
3. We report that the consolidated financial statements have been prepared by the Company's management in accordance with the requirements of Accounting Standard (AS) 21 - Consolidated Financial Statements notified under Section 211(3C) of the Companies Act, 1956.
4. In our opinion and to the best of our information and according to the explanations given to us, the attached consolidated financial statements give a true and fair view in conformity with the accounting principles generally accepted in India:
 - (a) in the case of the consolidated Balance Sheet, of the state of affairs of the Group as at March 31, 2012;
 - (b) in the case of the consolidated Statement of Profit and Loss, of the profit of the Group for the year ended on that date:
and
 - (c) in the case of the consolidated Cash Flow Statement, of the cash flows of the Group for the year ended on that date.

For Price Waterhouse
Firm Registration Number: 012754N
Chartered Accountants

Joy Kumar Jain
Partner
Membership Number: 087659

Place: Noida
Date: 23 April 2012

ALSTOM Projects India Limited

Consolidated Balance Sheet

		(Rupees million)	
		As at	As at
		31 March 2012	31 March 2011
	Note		
EQUITY AND LIABILITIES			
(1) Shareholders' Funds			
(a) Share Capital	3	672.3	670.2
(b) Reserves and Surplus	4	6,266.5	5,202.5
		6,938.8	5,872.7
(2) Non-Current Liabilities			
(a) Deferred tax liabilities (Net)	5	-	7.6
(b) Other long term liabilities	6	112.3	102.4
(c) Long term provisions	7	294.1	185.5
		406.4	295.5
(3) Current Liabilities			
(a) Construction contracts in progress, liabilities	8	16,614.6	17,596.9
(b) Trade payables	9	2,707.3	2,251.3
(c) Other current liabilities	10	1,546.7	1,536.8
(d) Short-term provisions	11	1,630.9	1,091.0
		22,499.5	22,476.0
Total		29,844.7	28,644.2
ASSETS			
(1) Non-current assets			
(a) Fixed assets			
(i) Tangible assets	12	3,687.7	3,486.7
(ii) Intangible assets	13	43.6	46.4
(iii) Capital work-in-progress		954.9	447.4
(b) Non-current investments	14	*	*
(c) Deferred tax assets (Net)	5	125.7	1.4
(d) Long term loans and advances	15	383.0	648.9
		5,194.9	4,630.8
(2) Current assets			
(a) Inventories	16	739.7	415.2
(b) Construction contracts in progress, assets	8	4,751.6	6,108.1
(c) Trade receivables	17	10,331.5	6,811.4
(d) Cash and bank balances	18	2,299.6	7,385.9
(e) Short-term loans and advances	19	6,138.5	3,218.9
(f) Other current assets	20	388.9	73.9
		24,649.8	24,013.4
Total		29,844.7	28,644.2

* Amount is below rounding off norm

Summary of significant accounting policies 2

The notes are an integral part of these financial statements

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

For Price Waterhouse
Firm Registration Number: 012754N
Chartered Accountants

Joy Kumar Jain
Partner
Membership No: 087659

For and on behalf of the Board of Directors

Sunand Sharma	Chairman
Francois Carpentier	Vice Chairman & Managing Director
S.M. Momaya	Whole-time Director & Chief Financial Officer
K. Vasudevan	Director
A. K. Thiagarajan	Director
Dr. Uddesh Kohli	Director
Pradeepta Puhon	Company Secretary

Place : Noida
Date: 23 April 2012

ALSTOM Projects India Limited

Consolidated Statement of Profit and Loss

		(Rupees million)	
	Note	For the year ended 31 March 2012	For the year ended 31 March 2011
Income			
Revenue from operations (gross)	21	19,043.0	16,097.2
Less : Excise Duty		(356.9)	(344.1)
Revenue from operations (net)		18,686.1	15,753.1
Other Income	22	603.2	478.3
Total Revenue		19,289.3	16,231.4
Expenses			
Material cost and erection services	23	10,392.9	8,142.4
Changes in inventories of finished goods and stock in trade	24	(15.1)	(3.5)
Employee benefit expense	25	3,610.6	2,733.8
Finance cost	26	6.5	6.8
Depreciation and amortization expense	27	422.9	410.2
Less : Transfer from revaluation reserve		(1.5)	(1.5)
Other expenses	28	2,950.2	2,029.2
Total Expenses		17,366.5	13,317.4
Profit before tax		1,922.8	2,914.0
Tax expense:			
(1) Current tax		(659.4)	(895.7)
(2) Tax related to earlier years		(58.3)	-
(3) Deferred tax		98.3	(70.2)
Profit / (Loss) for the year from continuing operations (A)		1,303.4	1,948.1
Profit / (Loss) for the year from discontinuing operations	33	577.9	(369.1)
Tax Expense of discontinuing operations			
(1) Current tax		(270.5)	119.8
(2) Deferred tax		68.8	(6.6)
Profit / (Loss) from discontinuing operations after tax (B)		376.2	(255.9)
Profit / (Loss) for the year (A+B)		1,679.6	1,692.2
Basic and Diluted Earnings per equity share (in rupees)		24.98	25.25
[Nominal value per share Rs. 10 (previous year Rs. 10)]			

Summary of significant accounting policies 2

The notes are an integral part of these financial statements

This is the Statement of Profit and Loss referred to in our report of even date

For Price Waterhouse
Firm Registration Number: 012754N
Chartered Accountants

Joy Kumar Jain
Partner
Membership No: 087659

Place : Noida
Date: 23 April 2012

For and on behalf of the Board of Directors

Sunand Sharma Chairman
Francois Carpentier Vice Chairman & Managing Director
S.M. Momaya Whole-time Director & Chief Financial Officer
K. Vasudevan Director
A. K. Thiagarajan Director
Dr. Uddesh Kohli Director
Pradeepta Puhan Company Secretary

ALSTOM Projects India Limited

Consolidated Cash Flow Statement

	For the year ended 31 March 2012	(Rupees million) For the year ended 31 March 2011
A. Cash flows from operating activities		
Profit before tax and exceptional items	2,500.7	2,545.0
Adjustments for		
Depreciation / amortization	510.6	482.9
Provision for doubtful debts and advances	73.7	(16.7)
Provision for employee benefits	143.7	100.7
Unrealised (gain) / loss on restatement of foreign currency assets and liabilities, net	89.0	(18.7)
(Gain)/loss on sale of fixed assets, net	(6.7)	(7.8)
Provision for warranties	113.4	84.3
Provision for mark to market losses on derivatives	267.4	-
Interest income	(428.7)	(388.3)
Interest expense	6.5	6.8
TDS related to customer	(59.5)	(157.3)
Operating profit before working capital changes	3,210.1	2,630.9
Adjustments for changes in working capital		
(Increase)/Decrease in trade receivables	(3,667.2)	(697.7)
(Increase)/ Decrease in inventories	(324.5)	(188.2)
(Increase)/ Decrease in construction contract in progress, assets	1,356.5	632.9
(Increase)/ Decrease in margin money	(6.4)	(63.8)
(Increase)/ Decrease in other current assets	(35.4)	55.2
(Increase)/Decrease in long term loans and advances	(25.1)	(19.1)
(Increase)/Decrease in short term loans and advances	(458.4)	34.9
Increase/ (Decrease) in other long term liabilities	9.9	31.4
Increase/ (Decrease) in construction contract in progress, liabilities	(982.3)	877.1
Increase/ (Decrease) in trade payable	491.0	170.3
Increase/ (Decrease) in other current liabilities	(4.2)	(26.4)
Cash generated from/(used in) operating activities	(436.0)	3,437.5
Income tax (payments)	(841.4)	(699.0)
Net cash generated from/(used in) operating activities	(1,277.4)	2,738.5
B. Cash flows from investing activities		
Inter corporate deposits given	(3,273.0)	(14.0)
Inter corporate deposits received back	814.0	-
Interest received	366.5	335.2
Purchase of investments	(315.3)	-
Purchase of fixed assets (including Capital work in progress and capital advances)	(955.2)	(942.5)
Sale proceeds of fixed assets	9.5	8.8
Net cash generated from/(used in) investing activities	(3,353.5)	(612.5)
C. Cash flows from financing activities		
Dividend and corporate dividend tax paid	(773.6)	(779.6)
Movement in unclaimed dividend account	(1.3)	(1.4)
Interest paid	(6.5)	(29.8)
Net cash generated from/(used in) financing activities	(781.4)	(810.8)
Net cash flows during the year (A+B+C)	(5,412.3)	1,315.2
Cash and cash equivalents, beginning of year	7,305.7	5,990.8
Cash and cash equivalents, acquired on amalgamation	315.3	-
Cash and cash equivalents, end of year	2,208.7	7,306.0
Components of cash and cash equivalents as at end of the year		
Cash on hand	1.0	2.2
Bank balances		
- In current account	905.6	270.5
- Demand deposit (less than 3 months maturity)	1,178.3	6,804.8
- In EEFC account	126.8	228.2
Cash & Cash Equivalents (refer note 18)	2,211.7	7,305.7
Add/(Less): Effect of exchange differences on cash & cash equivalents held in foreign currency	(3.0)	0.3
Cash & Cash Equivalents as restated	2,208.7	7,306.0

1. The Cash Flow Statement has been prepared under the indirect method as set out in Accounting Standard - 3 on Cash Flow Statements as notified under Section 211(3C) of the Companies Act, 1956.

2. Figures in brackets indicate cash outflow.

3. Previous year amounts have been regrouped/reclassified, wherever necessary, to conform with current year's presentation.

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

For Price Waterhouse
Firm Registration Number: 012754N
Chartered Accountants

Joy Kumar Jain
Partner
Membership No: 087659

Place : Noida
Date: 23 April 2012

For and on behalf of the Board of Directors

Sunand Sharma
Francois Carpentier
S.M. Momaya
K. Vasudevan
A. K. Thiagarajan
Dr. Uddesh Kohli
Pradeepta Puhan

Chairman
Vice Chairman & Managing Director
Whole-time Director & Chief Financial Officer
Director
Director
Director
Company Secretary

ALSTOM Projects India Limited

Notes to consolidated financial statements

1. General information

ALSTOM Projects India Limited ('APIL' or 'the Company') is a publicly owned Company, incorporated on 2 September 1992 as Asea Brown Boveri Management Limited, registered with the Registrar of Companies, Maharashtra.

Its business includes a composite range of activities viz. engineering, procurement, manufacturing, construction and servicing etc. of power plants and power equipment and transportation systems covering traction, signaling and train control for the railways and metros.

The Company has investment in ALSTOM Power Boilers Services Limited ('APBSL') and ALSTOM Boilers India Limited ('ABIL'), which are its wholly owned subsidiaries. The Company and its subsidiaries (hereinafter collectively referred to as 'the Group') are incorporated in India and are engaged in the business of engineering, procurement, manufacturing, construction and servicing etc. of power plants and power equipment and transportation systems covering traction, signalling and train control for the railways and metros.

2. Summary of significant accounting policies

2.1 Basis of preparation of financial statements

These financial statements have been prepared in accordance with the generally accepted accounting principles in India under the historical cost convention on accrual basis, except for certain tangible assets which are being carried at revalued amounts. These financial statements have been prepared to comply in all material aspects with the accounting standards notified under Section 211(3C), Companies (Accounting Standards) Rules, 2006, as amended and the other relevant provisions of the Companies Act, 1956.

Accounts of the subsidiaries have been consolidated on a line-by-line basis by adding together the book values of the like items of assets, liabilities, income and expenses, after eliminating all intra-Group balances and intra-Group transactions and also unrealised profits or losses.

The consolidated financial statements have been prepared using uniform accounting policies for like transactions and other events in similar circumstances and are presented to the extent possible, in the same manner as the Company's separate financial statements. Differences in accounting policies have been disclosed separately.

The financial statements of the entities used for the purpose of consolidation are drawn up to same reporting date as that of the Group i.e. year ended 31 March 2012.

All assets and liabilities have been classified as current or non-current as per the Group's normal operating cycle and other criteria set out in the Schedule VI of the Companies Act, 1956.

The accounting policies adopted in the preparation of these financial statements are consistent with those applied in previous year, except the changes in accounting policies explained below:

Effective 1 April 2011 the Group has adopted the principles of accounting for derivative contracts at fair value in the Statement of profit and loss as well as principles of hedge accounting with effect from 1 October 2011, to the extent they do not conflict with the requirements of the existing accounting standards notified under u/s 211(3C) of the Companies Act, 1956 and/or other regulatory requirements (refer note 2.18 below). Hitherto derivative contracts other than those covered under Accounting Standard 11 "The Effects of Changes in Foreign Exchange Rates" (AS-11), were valued on marked to market basis and any loss on valuation was recognised in the statement of profit and loss, on a portfolio basis and any gain arising on this valuation were not recognised in line with the principle of prudence as enunciated in Accounting Standard 1 - 'Disclosure of Accounting Policies'.

On adoption of new principles for accounting of derivatives, the mark to market gains of Rs. 19.1 Million (net of tax effects of Rs. 9.1 Million) on forward exchange contracts outstanding as at 1 April 2011 (not being contracts accounted under AS-11) have been adjusted against Opening Reserves and Surplus as a transition adjustment. Further the Group applied hedge accounting principles in respect of certain derivative contracts with effect from 1 October 2011 consequent to which firm commitment asset of Rs. 222.2 Million and cash flow hedging reserve of Rs. 54.2 Million (net of tax effects of Rs. 26.0 Million) have been recorded in the Balance Sheet with corresponding effects in the Statement of Profit and Loss. Had the Group followed its previous accounting policy relating to derivatives the profit before tax for the year would have been lower by Rs. 97.7 Million and the Total Assets and Total Liabilities as at 31 March 2012 would have been lower by Rs. 197.2 Million and Rs. 54.5 Million respectively.

2.2 Use of estimates

The preparation of financial statements in conformity with Indian GAAP requires the management to make judgments, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities and the disclosure of contingent liabilities, at the end of the reporting period. Although these estimates are based on the management's best

ALSTOM Projects India Limited

Notes to consolidated financial statements

knowledge of current events and action, uncertainty about these assumptions and estimates could result in the outcomes requiring a material adjustment to the carrying amounts of assets or liabilities in future periods.

2.3 Tangible assets

Tangible assets are stated at cost (or revalued amounts, as the case may be), net of accumulated depreciation and accumulated impairment losses, if any. Cost comprises purchase price and any other attributable cost of bringing the asset to its working condition for its intended use.

Subsequent expenditures related to an item of fixed asset are added to its book value only if they increase the future benefits from the existing asset beyond its previously assessed standard of performance.

Gains or loss arising from derecognition of assets are measured as the differences between the net disposal proceeds and the carrying amount of the assets and are recognised in the statement of profit and loss when the asset is derecognised.

Depreciation is provided on a pro-rata basis on straight line method using the rates arrived based on the useful lives estimated by the management, or at rates prescribed in Schedule XIV of the Companies Act, whichever is higher, as follows :

Asset	%
Factory buildings	3.34 - 5.00
Other buildings	1.63 - 3.00
Plant and machinery	4.75 - 40.00
Furniture and fixtures	10.00 - 20.00
Motor vehicles	20.00

Leasehold assets and leasehold improvements are amortised over the period of the lease or the estimated useful life whichever is lower. Assets costing below Rs. five thousand are fully depreciated in the year of purchase. In respect of the revalued assets, the difference between the depreciation calculated on the revalued amount and that calculated on the original cost is recouped from the revaluation reserve account.

2.4 Intangible assets

Intangible Assets are stated at acquisition cost, net of accumulated amortisation and accumulated impairment losses, if any. Intangible assets are amortised on a straight line basis over their estimated useful lives. The amortisation period and the amortisation method are reviewed at least at each financial year end. If the expected useful life of the asset is significantly different from previous estimates, the amortisation period is changed accordingly.

Gains or loss arising from derecognition of assets are measured as the differences between the net disposal proceeds and the carrying amount of the assets and are recognised in the statement of profit and loss when the asset is derecognised. The amortisation rates used are :

Asset	%
Design software	33.33
Software license fee	20.00

2.5 Impairment of assets

The carrying amounts of assets are reviewed at each balance sheet date if there is any indication of impairment based on internal/external factors. An impairment loss is recognised wherever the carrying amount of an asset exceeds its recoverable amount. The recoverable amount is greater than the asset's net selling price and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value at the weighted average cost of capital.

After impairment, depreciation is provided on the revised carrying amount of the asset over its remaining useful life.

A previously recognised impairment loss is increased or reversed depending on changes in circumstances. However, the carrying value after reversal is not increased beyond the carrying value that would have prevailed by charging usual depreciation if there was no impairment.

2.6 Foreign currency transactions

Initial Recognition

Foreign currency transactions are recorded in the reporting currency, by applying to the foreign currency amount the exchange rate between the reporting currency and the foreign currency at the date of the transaction.

Conversion

Foreign currency monetary items are retranslated using the exchange rate prevailing at the reporting date. Non-monetary items, which are carried in terms of historical cost denominated in a foreign currency, are reported using the exchange rate

ALSTOM Projects India Limited

Notes to consolidated financial statements

at the date of the transaction. All non-monetary items which are carried at fair value or other similar valuation denominated in a foreign currency are reported using the exchange rates that existed when the values were determined.

Exchange Differences

Exchange differences arising on the settlement of monetary items or on reporting Group's monetary items at rates different from those at which they were initially recorded during the year, or reported in previous financial statements, are recognised as income or as expenses in the year in which they arise.

Forward Exchange Contracts not intended for trading or speculation purposes

The premium or discount arising at the inception of forward exchange contracts covered under AS-11 is amortised as expense or income over the life of the contract. Exchange differences on such contracts are recognised in the statement of profit and loss in the year in which the exchange rates change. Any profit or loss arising on cancellation or renewal of forward exchange contract is recognised as income or as expense for the year.

2.7 Inventories

Inventories are stated at the lower of cost and net realisable value. The cost of various categories of inventories is arrived at as follows:

- Stores, spares, raw materials and components - at cost determined on the moving weighted average method.
- Work-in-progress and finished goods – based on weighted average cost of production, including appropriate proportion of costs of conversion. Excise duty is included in the value of finished goods inventory.
- Packing materials, loose tools and consumables, being immaterial in value terms, and also based on their purchase mostly on need basis, are expensed to the statement of profit and loss at the point of purchase.

Net Realisable value is the estimated selling price in the ordinary course of business less estimated costs of completion and estimated costs necessary to make the sale.

Provision for obsolescence is made, wherever necessary.

2.8 Revenue recognition

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Group and the revenue can be reliably measured.

2.8.1 Revenues from long-term contracts

Contract prices are either fixed or subject to price escalation clauses. Revenues are recognised on a percentage completion method measured by segmented portions of the contract, i.e. "Contract Milestones". The relevant cost is recognised in the financial statements in the year of recognition of revenues. Recognition of profit is adjusted to ensure that it does not exceed the estimated overall contract margin. With respect to construction contracts and long-term service agreements, the aggregate amount of costs incurred to date plus recognised margin less recognised loss to date less progress billings is determined on each contract. If the amount is positive, it is included as an asset designated as "Construction contracts in progress, assets". If the amount is negative, it is included as a liability designated as "Construction contracts in progress, liabilities". Cost includes direct materials, labour and appropriate proportion of overheads including depreciation. The caption "Construction contracts in progress, liabilities" also includes down payments received from customers.

If it is expected that a contract will make a loss, the estimated loss is provided for in the books of account. Such losses are based on technical assessments.

Amounts due in respect of price escalation claims and/or variation in contract work are recognised as revenue only if the contract allows for such claims or variations and /or there is evidence that the customer has accepted it and it is probable that these will result in revenue and are capable of being reliably measured.

Liquidated damages/penalties, warranties and contingencies are provided for, based on management's assessment of the estimated liability, as per contractual terms and/or acceptance.

2.8.2 Revenues from sale of products and services

Revenues from sale of products are recognised on dispatch of goods to customers which corresponds to transfer of significant risk and rewards of ownership and are net of sales tax and trade discounts. Revenues from services are recognised when such services are rendered as per contract terms.

2.9 Other income

Interest Income is recognised on time proportion basis taking into account the amount outstanding and the rate applicable.

Export Benefits are accounted for to the extent there is reasonable certainty of utilisation of the same.

ALSTOM Projects India Limited

Notes to consolidated financial statements

2.10 Employee benefits

Provident Fund: Contribution towards provident fund for certain employees is made to the regulatory authorities, where the Group has no further obligations. Such benefits are classified as Defined Contribution Schemes as the Group does not carry any further obligations, apart from the contributions made on a monthly basis.

In respect of certain employees, Provident Fund contributions are made to a Trust administered by the Group. The Group's liability is actuarially determined (using the Projected Unit Credit method) at the end of the year and any shortfall in the fund size maintained by the Trust set up by the Group is additionally provided for. Actuarial losses/gains are recognised in the Statement of Profit and Loss in the year in which they arise.

Gratuity liability: Gratuity liability is defined benefit obligation and is provided on the basis of an actuarial valuation on projected unit credit method made at the end of each year. The Group funds the benefit through contributions to LIC. The Group recognises the actuarial gains & losses in the profit & loss in the period in which they arise.

Compensated Absences: Accumulated compensated absences, which are expected to be availed or encashed within 12 months from the end of the year end are treated as short term employee benefits. The obligation towards the same is measured at the expected cost of accumulating compensated absences as the additional amount expected to be paid as a result of the unused entitlement as at the year end.

Accumulated compensated absences, which are expected to be availed or encashed beyond 12 months from the end of the year end are treated as other long term employee benefits. The Group's liability is actuarially determined (using the Projected Unit Credit method) at the end of each year. Actuarial losses/ gains are recognised in the Statement of Profit and Loss in the year in which they arise.

Superannuation: Contribution to Superannuation fund which is defined contribution plan is charged to Statement of Profit and Loss on accrual basis. The Group pays contribution to a trust, which is maintained by Life Insurance Corporation of India to cover Group's liabilities towards Superannuation.

2.11 Leases

Where the Group is the lessee

Operating Leases

Leases where the lessor effectively retains substantially all the risks and benefits of ownership of the leased item are classified as operating leases. Operating lease payments are recognised as an expense in the Statement of Profit and Loss on a straight-line basis over the lease term.

Finance Leases

Finance leases, which effectively transfers to the Group, substantially all the risks and benefits incidental to ownership of leased item are capitalised at the inception of the lease term at the lower of the fair value leased property and the present value of minimum lease payments. Lease payments are apportioned between the finance charges and reduction of lease liability, so as to achieve a constant periodic rate of interest on remaining balance of the liability for each period. Finance charges are recognised as an expense in the statement of profit and loss.

2.12 Investments

Investments that are readily realisable and are intended to be held for not more than one year from the date, on which such investments are made, are classified as current investments. All other investments are classified as long term investments. Current investments are carried at cost or fair value, whichever is lower. Long-term investments are carried at cost. However, provision for diminution is made to recognise a decline, other than temporary, in the value of the investments, such reduction being determined and made for each investment individually.

2.13 Tax Expense

Tax expense for the period, comprising current tax and deferred tax, are included in the determination of the net profit or loss for the period. Current tax is measured at the amount expected to be paid to the tax authorities in accordance with the taxation laws prevailing in the respective jurisdictions.

Deferred tax is recognised for all the timing differences, subject to the consideration of prudence in respect of deferred tax assets. Deferred tax assets are recognised and carried forward only to the extent that there is a reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets can be realised. In the situation where the Group has unabsorbed depreciation or carry forward tax losses, deferred tax assets are recognised only if there is virtual certainty supported by convincing evidence that such deferred tax assets can be realised against future taxable profits. Deferred tax assets and liabilities are measured using the tax rates and tax laws that have been enacted or substantively enacted by the Balance Sheet date. At each Balance Sheet date, the Group reassesses unrecognised deferred tax assets, if any. The carrying amount of deferred tax assets are reviewed at each balance sheet date. The Group recognises / writes-

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down the carrying amount of a deferred tax asset to the extent that it is no longer reasonably certain or virtually certain, as the case may be, that sufficient future taxable income will be available against which deferred tax asset can be realized. Any such write-down is subsequently reversed to the extent that it becomes reasonably certain or virtually certain, as the case may be, that sufficient future taxable income will be available against which deferred tax asset can be realized.

Current tax assets and current tax liabilities are offset when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle the asset and the liability on a net basis. Deferred tax assets and deferred tax liabilities are offset when there is a legally enforceable right to set off assets against liabilities representing current tax and where the deferred tax assets and the deferred tax liabilities relate to taxes on income levied by the same governing taxation laws.

2.14 Provisions and Contingencies

Provisions: Provisions are recognised when there is a present obligation as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and there is a reliable estimate of the amount of the obligation. Provisions are measured at the best estimate of the expenditure required to settle the present obligation at the Balance sheet date and are not discounted to its present value.

Contingent Liabilities: Contingent liabilities are disclosed when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non occurrence of one or more uncertain future events not wholly within the control of the Group or a present obligation that arises from past events where it is either not probable that an outflow of resources will be required to settle or a reliable estimate of the amount cannot be made, is termed as a contingent liability.

2.15 Segment reporting policies

The accounting policies adopted for segment reporting are in conformity with the accounting policies adopted by the Group. Segment revenues, segment expenses and segment results include transfers between business segments, that are based on negotiation between segments with reference to the costs, market prices and business risks, within the overall optimisation objective for the Group and are comparable with competitive market prices charged to external customers. Inter-segment transfers are eliminated on consolidation. Revenue and expenses have been identified to segments on the basis of their relationship to the operating activities of the segment. Revenue and expenses, which relate to the Group as a whole and are not allocable to segments on a reasonable basis, have been included under "Unallocated corporate expenses".

2.16 Earnings per share

Basic earnings per share is calculated by dividing the net profit or loss for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the period. The weighted average number of equity shares outstanding during the period and for all periods presented is adjusted for events, such as bonus shares, other than the conversion of potential equity shares, that have changed the number of equity shares outstanding, without a corresponding change in resources. For the purpose of calculating diluted earnings per share, the net profit or loss for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period is adjusted for the effects of all dilutive potential equity shares.

2.17 Cash and cash equivalents

In the cash flow statement, cash and cash equivalents includes cash in hand, demand deposits with banks, other short-term highly liquid investments with original maturities of three months or less.

2.18 Derivative Financial Instruments and Hedge Accounting

The Group uses derivative financial instruments such as forward exchange contracts to hedge its risks associated with foreign currency fluctuations. The foreign exchange contracts other than those covered under AS-11, entered for non speculative purposes are valued on the basis of a fair value on marked to market basis and any loss/gain on valuation is recognised in the statement of profit and loss, on a portfolio basis.

If the relationships between the foreign currency exposure and the related derivatives are qualifying relationships, the Group uses specific accounting treatments designated as hedge accounting. A relationship qualifies for hedge accounting if, at the inception of the hedge, it is formally designated and documented and if it proves to be highly effective throughout the financial reporting periods for which the hedge was designated.

Hedging relationships may be of two types:

- Cash flow hedge in case of hedge of the exposure to variability of cash flows attributable to highly probable forecast transactions;
- Fair value hedge in case of hedge of the exposure attributable to recognised assets, liabilities or firm commitments.

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Fair Value Hedge

When fair value hedge accounting applies and the relationship qualifies as an effective hedge, changes in the fair value of derivatives and changes in the fair value of hedged items i.e. firm commitments are both recognised in the statement of profit and loss and offset each other. Realized and unrealized exchange gains and losses on hedged items and hedging instruments are recorded within the same line item as the hedged item when they relate to operating activities or financial income or expense when they relate to financing activities.

Cash Flow Hedge

The gain or loss on effective hedges, if any, is considered in hedge reserve, until the transaction is complete. On completion, the gain or loss is transferred to the statement of profit and loss of that period.

Changes in fair value relating to the ineffective portion of the hedges and derivatives not qualifying or not designated as hedge are recognised in the statement of profit and loss in the accounting period in which they arise.

Hedge accounting is discontinued when (a) the hedging instrument expires or is sold, terminated or exercised, or (b) the hedge no longer meets the criteria for hedge accounting, or (c) the Group revokes the hedge designation, or (d) management no longer expects the forecast transaction to occur.

2.19 Off Balance Sheet commitments

Commitments arising from execution of operations controlled by the Group

In the ordinary course of business, the Group is committed to fulfill various types of obligations arising from customer contracts (among which full performance and warranty obligations). Obligations may also arise from leases and regulations in respect of tax, custom duties, environment, health and safety. These obligations may or may not be guaranteed by guarantees issued by banks.

As the Group is in a position to control the execution of these obligations, a liability only arises if an obligating event (such as a dispute or a late completion) has occurred and makes it likely that an outflow of resources will occur.

When the liability is considered as only possible but not probable or, when probable, cannot be reliably measured, it is disclosed as a contingent liability.

When the liability is considered as probable and can be reliably measured, the impact on the financial statements is the following:

- if the additional liability is directly related to the execution of a customer contract in progress, the estimated gross margin at completion of the contract is reassessed; the cumulated margin recognised to date based on the percentage of completion and the accrual for future contract loss, if any, are adjusted accordingly,
- if the additional liability is not directly related to a contract in progress, a liability is immediately recognised on the balance sheet.

The contractual obligations of subcontractors towards the Group are of the same nature as those of the Group towards its customers. They may be secured by the same type of guarantees as those provided to the Group's customers.

Any additional income resulting from a third party obligation is taken into account only when it becomes virtually certain.

Commitments arising from execution of operations not wholly within the control of the Group

Obligations towards third parties may arise from ongoing legal proceedings. In case of legal proceedings, a contingent liability is disclosed when the liability is considered as only possible but not probable, or, when probable, cannot be reliably measured.

A provision is recorded if the obligation is considered as probable and can be reliably measured.

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3. Share Capital

	(Rupees million)	
	As at 31 March 2012	As at 31 March 2011
Authorised		
195,000,000 equity shares of Rs. 10 each (Previous year - 165,000,000 equity shares of Rs. 10 each)	1,950.0	1,650.0
40,500,000 preference shares of Rs. 100 each (Previous year - 40,500,000 preference shares of Rs. 100 each)	4,050.0	4,050.0
	6,000.0	5,700.0
Issued, subscribed and fully paid up		
67,227,471 equity shares of Rs. 10 each (Previous year - 67,024,174 equity shares of Rs. 10 each)	672.3	670.2
Total	672.3	670.2

a. Reconciliation of the shares outstanding at the beginning and at the end of the reporting year

Equity shares	As at 31 March 2012		As at 31 March 2011	
	Numbers	Rupees million	Numbers	Rupees million
At the beginning of the year	67,024,174	670.2	67,024,174	670.2
Cancelled during the year	(5,894,264)	(58.9)		
Issued during the year	6,097,561	61.0	-	-
Outstanding at the end of the year	67,227,471	672.3	67,024,174	670.2

Pursuant to the scheme of amalgamation approved by the Honorable High Courts of Bombay and Delhi (the "scheme"), Alstom Holdings (India) Limited ("AHIL" or the "transferor company") has been merged with the Company with effect from 1 April 2011, the Appointed Date. The Scheme became effective on 20 April 2012 upon filing of The High Court Orders with the Registrar of Companies. Pursuant to the scheme, name of the Company shall stand changed to Alstom India Limited from the date of issue of the revised Certificate of Incorporation by the Registrar of Companies.

AHIL's objectives were to hold investments in Alstom group companies in India and primarily held shares of the Company as investment. The scheme provided for issuance of equity shares of the Company of Rs. 10 each fully paid up to the shareholders of AHIL in the ratio of 10 equity shares of the Company for every 41 equity shares held in AHIL with effect from 1 April 2011, the Appointed Date, resulting in 6,097,561 equity shares of Rs. 10 each fully paid up to be issued. The amalgamation has been accounted as 'amalgamation in the nature of merger' in accordance with the terms of the scheme and consequently the pooling of interest method has been used. The assets, liabilities and other reserves of the erstwhile AHIL as at 1 April 2011 have been taken over at their book values and AHIL's holding of 5,894,264 equity shares of the Company has been considered as cancelled. This has resulted in the net increase in the Reserves and Surplus of the Company by Rs. 43.4 Million. The Company is yet to issue and allot equity shares to the Shareholders of AHIL pursuant to the scheme. However, the equity shares to be allotted have already been considered as issued and allotted for the purposes of these financial statements since the issuance and allotment of equity shares would be effective from the Appointed Date of 1 April 2011.

b. Terms / rights attached to equity shares

The Company has only one class of equity shares having a par value of Rs. 10 per share. Each holder of equity shares is entitled to one vote per share. The Company declares and pays dividends in Indian rupees. 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 Company, the holders of equity shares will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

During the year ended 31 March 2012, the amount of dividend per share recognized as distribution to equity shareholders was Rs. 10 (Previous Year 31 March 2011: Rs. 10).

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c. Shares held by holding / ultimate holding Company and / or their subsidiaries/ associates

Equity shares:

	As at 31 March 2012	As at 31 March 2011
6,097,561 (previous year Nil) equity shares by ALSTOM Holdings*, the holding company	61.0	-
38,664,708 (Previous year 39,245,408) equity shares by ALSTOM Finance BV, the immediate holding Company	386.6	392.5
Nil (Previous year 5,313,564) equity shares by ALSTOM Holdings (India) Limited*, subsidiary of the holding company	-	53.1
1,326,025 (Previous year 1,326,025) equity shares by Lorelec, subsidiary of the holding company	13.3	13.3

*Refer note 3 (a) above.

d. Details of shareholders holding more than 5% shares in the company

	As at 31 March 2012		As at 31 March 2011	
	Numbers	% holding in the class	Numbers	% holding in the class
ALSTOM Finance BV(the immediate holding Company)	38,664,708	57.51	39,245,408	58.55
ALSTOM Holdings (India) Limited* (subsidiary of the holding company)	-	-	5,313,564	7.93
ALSTOM Holdings* (the holding company)	6,097,561	9.07	-	-

*Refer note 3 (a) above.

e. Shares allotted as fully paid up pursuant to contract(s) without payment being received in cash (during 5 years immediately preceding 31 March 2012)

6,097,561 Equity shares of Rs. 10 each to be issued with effect from 01 April 2011 to the erstwhile shareholders of ALSTOM Holdings (India) Limited pursuant to the Scheme of Amalgamation without payment being received in cash. Refer note 3(a) above.

	As at 31 March 2012	As at 31 March 2011

4. Reserves and Surplus

Capital Reserve

Balance at the beginning of the year	1.6	1.6
Less: Adjustment on account of amalgamation of erstwhile ALSTOM Holdings (India) Limited (refer Note 3(a) above)	(1.6)	-
Balance at the end of the year	-	1.6

Securities Premium account

Balance at the beginning of the year	8.2	8.2
Less: Adjustment on account of amalgamation of erstwhile ALSTOM Holdings (India) Limited (refer Note 3(a) above)	(8.2)	-
Balance at the end of the year	-	8.2

Revaluation Reserve

Balance at the beginning of the year	71.0	75.5
Less: Transferred to statement of profit and loss	(4.1)	(4.5)
Balance at the end of the year	66.9	71.0

Statutory Reserve

Balance at the beginning of the year	-	-
Add: Adjustment on account of amalgamation of erstwhile ALSTOM Holdings (India) Limited (refer Note 3(a) above)	147.3	-
Less: Transferred to General Reserve, being no longer required	(147.3)	-
Balance at the end of the year	-	-

Cash Flow Hedging Reserve

Balance at the beginning of the year	-	-
Add: Reserve created during the year	54.2	-
Balance at the end of the year	54.2	-

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	As at 31 March 2012	(Rupees million) As at 31 March 2011
General Reserve		
Balance at the beginning of the year	1,864.6	1,695.6
Add: Transferred from Surplus in Statement of Profit and Loss during the year	167.8	168.9
Add: Transferred from Statutory reserve	147.3	-
Less: Adjustment on account of amalgamation of erstwhile ALSTOM Holdings (India) Limited (refer Note 3(a) above)	(112.2)	-
Balance at the end of the year	<u>2,067.5</u>	<u>1,864.5</u>
Surplus in Statement of Profit and Loss		
Balance at the beginning of the year	3,257.2	2,510.2
Add : Adjustment on account of amalgamation of erstwhile ALSTOM Holdings (India) Limited (refer Note 3(a), above)	18.1	-
Add : Transition adjustment on account of derivatives (refer Note 2.1, above)	19.1	-
Add : Profit for the year	1,679.6	1,692.2
Less: Appropriations		
Transferred to General Reserve	(167.8)	(168.9)
Proposed dividend on equity shares for the year	(672.3)	(670.2)
Dividend distribution tax on proposed dividend on equity shares	(109.1)	(108.7)
Earlier year's provision for dividend distribution tax no longer required	-	2.6
Dividend paid to erstwhile ALSTOM Holdings (India) Limited, eliminated on amalgamation	53.1	-
Balance at the end of the year	<u>4,077.9</u>	<u>3,257.2</u>
Total Reserves and Surplus	<u>6,266.5</u>	<u>5,202.5</u>
5. Deferred tax assets/(liabilities) (net)		
Deferred tax assets		
Provision for doubtful debts and advances	30.3	29.1
Expenses disallowed under Income tax Act, 1961, to be allowed in future years	336.1	163.1
Lease Equalisation Reserve	32.2	28.7
Others	0.7	0.7
Total deferred tax assets	<u>399.3</u>	<u>221.6</u>
Deferred tax liabilities		
Adjustment related to Hedge Reserve	(26.0)	-
Difference between WDV of fixed assets as per books and under Income tax Act, 1961	(247.6)	(227.8)
	<u>(273.6)</u>	<u>(227.8)</u>
Deferred tax assets / (liabilities), net	<u>125.7</u>	<u>(6.2)</u>
Deferred Tax Assets and Deferred Tax Liabilities have been offset as they relate to the same governing taxation laws.		
Deferred Tax Assets/(Liabilities) in case of Alstom Projects India Limited	124.5	(7.6)
Deferred Tax Assets/(Liabilities) in case of Alstom Power Boilers Services India Limited	1.2	1.4
Deferred Tax Assets/(Liabilities) in case of Alstom Boilers India Limited	-	-
	<u>125.7</u>	<u>(6.2)</u>
6. Other long term liabilities		
Finance lease obligations**	12.9	14.0
Lease equalisation reserve	99.4	88.4
Total	<u>112.3</u>	<u>102.4</u>
**Nature of Security : Finance lease obligation are secured by hypothecation of assets underlying the leases.		
**Terms of Repayment: Monthly payment of equated monthly installments beginning from the month subsequent to taking the lease.		
7. Long term provisions		
Provision for employee benefits :		
Provision for leave benefits	237.9	183.8
Provision for Provident Fund	4.1	-
Provision for Gratuity	2.7	1.7
Provision for employee Incentive	41.7	-
Other provisions:		
Provision for tax litigation/disputes (net of tax paid of Rs. 15.0 million)	7.7	-
Total	<u>294.1</u>	<u>185.5</u>

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		(Rupees million)		
Movement of Provision for tax litigation/ disputes		Provision	Tax Paid	Net Asset/ (Liability)
As at beginning of the year		14.0	15.0	1.0*
Add: addition during the year		8.7	-	(8.7)
Less: Deletion/ Adjustments during the year		-	-	-
As at end of the year		22.7	15.0	(7.7)
*Disclosed under Loans and Advances				
Provision for tax litigation/ disputes represents amounts that the Group is likely to pay on account of demands raised by Tax authorities which have been disputed by the Group. Due to the very nature of the above costs, it is not possible to estimate the timing/ uncertainties relating to their outcome.				
		As at 31 March 2012	As at 31 March 2011	
8. Construction contract in progress				
Construction contract in progress, assets		4,751.6	6,108.1	
Construction contract in progress, liabilities		16,614.6	17,596.9	
Construction contract in progress		(11,863.0)	(11,488.8)	
Contract costs incurred plus recognised profits less recognised losses to date		84,021.9	83,310.7	
Less : progress billings		(86,145.0)	(83,617.3)	
Construction contract in progress		(2,123.1)	(306.6)	
Down payment received from customers		(9,739.9)	(11,182.2)	
		(11,863.0)	(11,488.8)	
a) Contract revenue recognised for the year (net of excise duty)		23,392.9	17,600.0	
b) The amount of retention due from customers for contracts in progress as at year end		4,554.1	3,472.1	
9. Trade payables				
Trade Payables (refer note 36)		2,654.7	2,127.0	
Acceptances		52.6	124.3	
Total		2,707.3	2,251.3	
10. Other current liabilities				
Current maturities of finance lease obligations		1.1	1.0	
Unclaimed dividend (to be credited to Investor education and protection fund, when due)		13.7	12.4	
Statutory dues (including tax deducted at source)		80.1	69.9	
Non trade payable for contractual obligations		508.5	316.1	
Employee benefits payable		535.6	739.1	
Unamortised premium on forward contracts		44.1	9.9	
Trademark Fee/Royalty Payable		363.6	175.0	
Book overdraft		-	213.4	
Total		1,546.7	1,536.8	
11. Short-term provisions				
Provision for employee benefits :				
Provision for leave benefits		20.1	20.7	
Provision for gratuity		95.2	51.8	
Other provisions :				
Provision for wealth tax		0.4	0.3	
Provision for warranties		352.7	239.3	
Provision for mark to market losses on derivatives		381.1	-	
Provision for proposed dividend on equity shares		672.3	670.2	
Provision for dividend distribution tax on proposed dividend on equity shares		109.1	108.7	
Total		1,630.9	1,091.0	
Movement of Provision for warranty :				
As at beginning of the year		239.3	155.3	
Add: Provision created during the year		157.8	157.1	
Less: Reversed/utilised during the year		(44.4)	(73.1)	
As at end of the year		352.7	239.3	

Provision for warranty represents estimated costs that the Group is likely to incur during the warranty periods as per the contract obligations in respect of completed construction contracts accounted under AS 7 (Revised) "Construction Contracts". Warranty costs are estimated on the basis of contractual agreement, technical evaluation and past experience. The timing of outflows is expected to be as per warranty periods as specified in various contracts. Provision for warranty is treated as current since the Group does not have an unconditional right to defer settlement of obligation beyond the period of twelve months.

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12. Tangible assets

Particulars	Gross Block			Depreciation/Amortisation			Net Block		
	As at 01 April 2011	Additions/ adjustments	Disposal/ adjustments	As at 31 March 2012	As at 01 April 2011	Charge for the year	Disposal	As at 31 March 2012	As at 31 March 2011
Own Assets:									
Freehold land	104.6	-	-	104.6	-	-	-	104.6	104.6
Leasehold land	0.4	0.6	-	1.0	*	-	-	1.0	0.4
Leasehold improvements	466.6	60.1	4.5	522.2	159.5	60.9	4.4	306.2	307.1
Factory buildings	556.6	171.1	-	727.7	184.2	18.4	-	525.1	372.4
Other buildings	405.6	24.9	-	430.5	215.8	6.3	-	208.4	189.8
Plant & equipment	4,619.8	409.1	77.7	4,951.2	2,193.8	370.7	75.0	2,489.5	2,426.0
Furniture & fixtures	160.0	17.0	2.4	174.6	90.0	19.9	2.4	107.5	70.0
Vehicles	12.6	-	0.1	12.5	9.4	1.1	0.1	2.1	3.2
Total (A)	6,326.2	682.8	84.7	6,924.3	2,852.7	477.3	81.9	3,248.1	3,473.5
Assets taken on finance lease									
Leasehold improvements	16.4	-	-	16.4	3.3	1.6	-	4.9	13.2
Total (B)	16.4	-	-	16.4	3.3	1.6	-	4.9	13.2
Total (A + B)	6,342.5	682.7	84.6	6,940.6	2,855.8	478.9	81.8	3,252.9	3,486.7
Previous Year	5,834.6	594.9	87.0	6,342.5	2,501.1	440.9	86.2	2,855.8	3,333.5

Certain building and plant and equipment were revalued by an external valuer by using "Current cost accounting method" during the year 1985. The gross book value of the revalued assets as on 31 March 2012 amounts to Rs.526.8 million (previous year Rs. 540.2 million) [Buildings - Rs. 278.6 million (previous year Rs. 278.6 million) and Plant & equipment - Rs. 248.2 million (previous year Rs. 261.6 million)].

* Amount is below rounding off norm

13. Intangible assets

Particulars	Gross Block			Depreciation/Amortisation			Net Block		
	As at 01 April 2011	Additions	Disposal	As at 31 March 2012	As at 01 April 2011	Charge for the year	Disposal	As at 31 March 2012	As at 31 March 2011
Own Assets:									
Software and license Fees	260.3	33.0	4.0	289.3	213.9	35.8	4.0	245.7	46.4
Total	260.3	33.0	4.0	289.3	213.9	35.8	4.0	245.7	46.4
Previous Year	248.9	11.4	-	260.3	167.4	46.5	-	213.9	81.5

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	As at 31 March 2012	(Rupees million) As at 31 March 2011
14. Non-current investments		
Long term		
Other investments (valued at cost)		
Investment in Equity Instruments (unquoted)		
Kohinoor Mills Company Limited	*	*
28 (Previous Year 28) equity shares of Rs. 100 each fully paid up		
AVB Employees' Co-operative Credit Society and Bank Limited	*	*
50 (Previous Year 50) B - Class equity shares of Rs. 100 each fully paid up		
AVB Employees' Co-operative Credit Society and Bank Limited	*	*
500 (Previous Year 500) B - Class equity shares of Rs. 10 each fully paid up		
Investment in Debentures (unquoted)		
Bengal Chamber of Commerce and Industry	*	*
9 (Previous Year 9) Non-convertible debentures - 6.5% of Rs. 1,000 each fully paid up		
East India Clinic Limited	*	*
1 (Previous Year 1) Non-redeemable debenture stock - 5% of Rs. 10,000 fully paid up		
Total	*	*
* Amount is below rounding off norm		
15. Long term loans and advances		
Unsecured, considered good unless otherwise stated		
Capital Advances	129.8	420.8
Security deposits	241.8	215.7
Other loans and advances :		
Balances with Government authorities	11.4	11.4
Advance tax and Tax deducted at source [net of provision for income tax Rs. Nil thousand (previous year Rs. 14.0 million)] [refer note 7]	-	1.0
Total	383.0	648.9
16. Inventories		
Raw Materials	552.6	246.9
Finished goods	22.9	7.8
Stores and spares	105.7	126.9
Components	58.5	33.6
Total	739.7	415.2
17. Trade receivables		
Unsecured - Considered good		
Outstanding for a period exceeding six months from the date they are due for payment	2,668.3	2,748.7
Other receivables	7,663.2	4,062.7
Unsecured - Considered doubtful		
Outstanding for a period exceeding six months from the date they are due for payment	34.7	86.0
Less: Provision for doubtful receivables	(34.7)	(86.0)
Total	10,331.5	6,811.4
Sundry Debtors includes retention monies of Rs. 4,554.1 million (previous year Rs. 3,472.1 million) which are due on completion of contracts/ final acceptance by the customers.		
18. Cash and bank balances		
Cash and cash equivalents		
Balances with Banks:		
- In current account	905.6	270.5
- Demand deposit (less than 3 months maturity)	1,178.3	6,804.8
- In EEFC account	126.8	228.2
Cash on hand	1.0	2.2
Total	2,211.7	7,305.7

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	As at 31 March 2012	(Rupees million) As at 31 March 2011
Other bank balances:		
- Long term deposits with maturity more than 3 months	74.2	67.8
- In unclaimed dividend accounts	13.7	12.4
	<u>87.9</u>	<u>80.2</u>
Total	2,299.6	7,385.9
19. Short-term loans and advances		
(Unsecured, considered good, unless otherwise stated)		
Loan and advances to related parties :		
Alstom Transport India Limited	161.0	-
Alstom Hydro R&D India Limited - Inter Corporate Deposit	108.0	14.0
Alstom T&D India Limited - Inter Corporate Deposit	2,450.0	-
Loans to Director	1.5	-
Other loans and advances:		
Advances recoverable in cash or in kind or for value to be received		
- Considered good	2,834.2	2,661.8
- Considered doubtful	55.8	3.6
Less : Provision for doubtful advances	(55.8)	(3.6)
Loans to employees	-	*
Security deposits	21.0	25.8
Earnest money deposits	14.8	12.7
Balances with Government authorities	288.4	207.8
Advance tax and Tax deducted at source [net of provision for income tax Rs. 4,076.9 million (previous year Rs. 3,023 million)]	259.6	296.8
Total	6,138.5	3,218.9
* Amount is below rounding off norm		
20. Other current assets		
(Unsecured, considered good, unless otherwise stated)		
Fair value of firm commitments	222.2	-
Unamortised premium on forward contracts	44.1	9.9
Accrued Revenue	64.2	28.8
Interest accrued on deposits	58.4	35.2
Total	388.9	73.9
	For the year ended 31 March 2012	For the year ended 31 March 2011
21. Revenue from operations		
Project revenue	18,251.8	15,187.1
Service revenue	742.5	874.0
Other operating revenue:		
Scrap Sales	48.7	36.1
Revenue from operations (gross)	19,043.0	16,097.2
Less : Excise Duty	(356.9)	(344.1)
Total	18,686.1	15,753.1
22. Other Income		
Interest from deposit with banks	190.1	388.2
Interest from inter corporate deposits	239.2	0.1
Net gain/ (loss) from foreign currency transactions and translation	46.5	31.8
Profit on sale of fixed assets	-	8.0
Write-back of provision for doubtful debts and advances	3.0	20.6
Liabilities/ provision no longer required written back	11.0	14.0
Miscellaneous Income	113.4	15.6
Total	603.2	478.3

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	For the year ended 31 March 2012	(Rupees million) For the year ended 31 March 2011
23. Material Cost and Erection Services		
Raw Materials and Components Consumed	3,945.4	4,799.5
Project Materials and Erection Services	6,447.5	3,342.9
Total	10,392.9	8,142.4
24. Changes in inventories of finished goods, work in progress and Stock in trade		
Stock at the end of the year:		
Finished Goods	22.9	7.8
Total (A)	22.9	7.8
Less: Stock at the beginning of the year:		
Finished goods	7.8	4.3
Total (B)	7.8	4.3
(Increase)/Decrease in Stocks (A-B)	(15.1)	(3.5)
25. Employee benefit expense		
Salaries, wages and bonus	2,882.6	2,054.0
Contribution to provident and other funds	243.0	219.8
Staff welfare expenses	323.7	375.7
Other personnel expenses	161.3	84.3
Total	3,610.6	2,733.8
Employee stock options		
Certain employees of the Group are covered under schemes like stock options, stock appreciation rights, free shares, discounted shares etc. by the Group's parent ALSTOM. However, cost of such grant is not recharged to the Company and accordingly not accounted for in these financial statements.		
26. Finance costs		
Interest on finance lease	4.1	4.4
Interest on shortfall of advance tax installment	2.4	2.4
Total	6.5	6.8
27. Depreciation and amortization expense		
Depreciation on tangible assets	387.1	363.7
Amortization on intangible assets	35.8	46.5
	422.9	410.2
Less : transfer from revaluation reserve	1.5	1.5
Total	421.4	408.7
28. Other expenses		
Power, fuel and water	166.1	149.7
Printing and stationery	42.6	31.0
Communication expenses	99.1	121.5
Rent	407.6	340.4
Repairs : Buildings	138.7	75.2
Repairs : Plant & Machinery	68.8	84.5
Repairs : Other	8.8	12.4
Insurance	68.8	71.6
Rates and taxes	38.8	23.0
Tools and stores	177.0	48.0
Royalty and trademark fee	207.6	217.1
Travelling and conveyance	510.8	432.9
Other services from third party	369.8	294.7
Provision for doubtful debts and advances	76.7	3.9
Bad debts written off	1.1	8.5

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Notes to consolidated financial statements

	For the year ended 31 March 2012	For the year ended 31 March 2011
	(Rupees million)	
Payment to auditors (excluding service tax)		
Audit fee	5.4	4.5
Tax audit fees	1.4	1.3
Limited reviews	2.4	2.1
Other services	2.0	1.2
Out-of-pocket expenses	1.3	1.0
Legal and professional charges	178.6	64.9
Provision for mark to market losses on derivatives (net)	140.1	-
Loss on sale of fixed assets (net)	0.3	-
Directors' fee	0.6	0.5
Miscellaneous expenses	235.8	39.3
Total	2,950.2	2,029.2

29. Gratuity and other post-employment benefit plans

1) Gratuity

The Group has a defined benefit gratuity plan that operates through a Trust. Every employee who has completed five years or more of service gets a gratuity on departure at 15 days salary (last drawn salary) for each completed year of service. The plan is funded with an insurance company in the form of a qualifying insurance policy.

The following tables summarise the components of net benefit expense recognised in the Statement of Profit and Loss and the funded status and amounts recognised in the balance sheet for the respective plans.

Statement of Profit and Loss

a) Net employee benefit expense recognised in the Statement of Profit and Loss in respect of Gratuity (recognised in Employee Benefit Expense):

	2011-12	2010-11	2009-10	2008-09	2007-08
Current service cost	48.3	33.2	27.1	21.5	14.3
Interest cost on benefit obligation	31.1	23.5	20.5	15.2	16.7
Expected return on plan	(27.0)	(25.0)	(22.7)	(16.2)	(12.1)
Net actuarial (gain) / loss recognised in the year	74.7	52.7	(5.3)	17.8	1.4
Past service cost	-	-	-	-	-
Net benefit expense	<u>127.1</u>	<u>84.4</u>	<u>19.6</u>	<u>38.3</u>	<u>20.4</u>
Actual Return on Plan Assets	24.0	27.7	23.8	16.8	20.0

Balance sheet

b) Assets and Liabilities recognised in Balance Sheet:

	2011-12	2010-11	2009-10	2008-09	2007-08
Details of Provision for gratuity					
Defined benefit obligation	499.1	376.6	290.3	265.4	223.3
Fair value of plan assets	(401.2)	(323.0)	(294.6)	(267.5)	(211.9)
Less: Unrecognised past service	-	-	-	-	-
Plan (asset) / liability *	<u>97.9</u>	<u>53.6</u>	<u>(4.3)</u>	<u>(2.1)</u>	<u>11.4</u>

* Recognised under Short-term provisions

c) Changes in the present value of the defined benefit obligation are as follows:

	2011-12	2010-11	2009-10	2008-09	2007-08
Opening defined benefit	376.6	290.3	265.4	223.3	194.6
Interest cost	31.1	23.5	20.5	15.2	16.7
Current service cost	48.3	33.2	27.1	21.5	14.3
Benefits paid	(28.6)	(25.8)	(18.4)	(12.9)	(11.8)
Actuarial (gains) / losses	71.7	55.3	(4.3)	18.3	9.3
Closing defined benefit	<u>499.1</u>	<u>376.6</u>	<u>290.3</u>	<u>265.4</u>	<u>223.3</u>

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d) Changes in the fair value of plan assets are as follows:

	(Rupees million)				
	2011-12	2010-11	2009-10	2008-09	2007-08
Opening fair value of plan assets	323.0	294.6	267.5	211.9	191.2
Expected Return	27.0	25.0	22.7	16.2	12.1
Contributions by employer	55.2	26.6	21.4	51.7	12.2
Benefits paid	(1.0)	(25.8)	(18.1)	(12.8)	(11.5)
Actuarial gains / (losses)	(3.0)	2.6	1.0	0.5	7.9
Closing fair value of plan assets	<u>401.2</u>	<u>323.0</u>	<u>294.6</u>	<u>267.6</u>	<u>211.9</u>

The major categories of plan assets as a percentage of the fair value of total plan assets are as follows:

	2011-12	2010-11	2009-10	2008-09	2007-08
Investments with insurer under cash accumulation scheme	100%	100%	100%	100%	100%

The overall expected rate of return on assets is determined based on the market prices prevailing on that date, applicable to the period over which the obligation is to be settled.

e) Actuarial Assumptions for Gratuity:

	2011-12	2010-11	2009-10	2008-09	2007-08
Discount rate	8.60%	8.50%	8.00%	7.00%	9.00%
Expected rate of return on assets	8.60%	8.50%	8.50%	9.00%	9.00%
Attrition Rate	13.50%	13.50%	13.50%	13.50%	13.50%
Salary Growth Rate	8.00%	7.50%	7.00%	6.00%	8.00%

The estimates of future salary increases, considered in actuarial valuation, take account of inflation, seniority, promotion and other relevant factors, such as supply and demand in the employment market.

Note:

- Information relating to experience adjustment in the actuarial valuation of gratuity as required by Para 120(n)(ii) of the Accounting Standard 15 on Employee Benefits is not available with the Company.
- The Group's expected contribution to the fund in the next year is not presently ascertainable and hence, the contribution expected to be paid to the plan during the annual period beginning after the balance sheet date as required by para 120 (o) of the Accounting Standard – 15 on Employee Benefits are not disclosed.

II) Provident Fund

In respect of certain eligible employees, the Group has a provident fund plan which is administered through a trust. The Trust deed provides for the Group to make good any deficiency in the interest to be paid by the Trust to its members and the income earned by it. Accordingly the plan is as a defined benefit plan. Consequent to the Actuarial Society of India issuing a guidance note on the valuation of provident fund liability, the Group has obtained an actuarial valuation of the Provident fund liability as at the Balance Sheet date. Accordingly the Company has recognised a provision of Rs. 4.1 million towards provident fund liability based on the Actuarial valuation. The Actuary has not provided the other details to meet the disclosure requirement of the Accounting Standard 15 "Employee Benefits" and accordingly the disclosures included are limited to the extent of those provided by the Actuary.

However details of contribution made by the Company, the total provident fund liability as per the Trust's accounts and plan assets held by it are given below:

	(Rupees million)
Contribution made by the Company for the year ended 31 March 2012 *	86.7
Total provident fund liability as per Trust's accounts as at 31 March 2012	1,046.4
Plan assets held by the Trust as at 31 March 2012 (at cost)	1,046.7

The principal assumptions used by the actuary in valuing provident fund liability are as follows

Discount Rate	8.15%
Increase in compensation levels	8.00%
Statutory minimum rate	8.25%
Shortfall period considered	3 years

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(Rupees million)

III) Defined Contribution Plan

In respect of defined contribution plan, the Company has recognized the following amounts in the Statement of Profit and Loss:

	For the year ended 31 March 2012	For the year ended 31 March 2011	For the year ended 31 March 2010
Employer's Contribution to Provident Fund*	56.9	110.3	95.6
Employer's contribution to Superannuation Fund*	44.1	45.2	36.1

*Included under Employee Benefit Expense in the head Contribution to Provident and Other Funds.

30. Lease commitments

30.1 Operating leases

The Company normally takes vehicles and premises under non-cancellable operating leases. Minimum lease payments outstanding as at the Year end in respect of these assets are as under:

	As at 31 March 2012	As at 31 March 2011
Total minimum lease outstanding:		
Due within one year	326.2	325.4
Due later than one year and not later than five years	1,253.5	1,169.4
Due later than five years	8.9	348.9
	<u>1,588.6</u>	<u>1,843.7</u>

Lease payments of Rs.428.1 million (previous year – Rs. 374.6 million) have been recognised as an expense in the Statement of Profit and Loss.

There is no contingent rent in the lease agreements. The lease term is for 1-9 years and is renewable at the mutual agreement of both the parties. There is no escalation clause in the lease agreements (other than those disclosed above). There are no restrictions imposed by lease arrangements. There are no subleases.

30.2 Finance leases

The future lease obligations outstanding as of 31 March 2012 in respect of assets taken on finance lease are as follows:

	As at 31 March 2012			As at 31 March 2011		
	Total minimum lease payments outstanding	Present value of minimum lease payments	Interest included in minimum lease payments	Total minimum lease payments outstanding	Present value of minimum lease payments	Interest included in minimum lease payments
Due within one year	5.0	1.1	3.9	5.2	1.0	4.2
Due later than one year but not later than five years	22.0	9.2	13.2	18.6	5.4	13.3
Due later than five years	4.4	3.7	0.7	13.1	8.7	4.4
	<u>31.4</u>	<u>14.0</u>	<u>17.8</u>	<u>36.9</u>	<u>15.1</u>	<u>21.9</u>

Disclosed under:

Other long term liabilities (Refer Note 6)	12.9	14.1
Other current liabilities (Refer Note 10)	1.1	1.0
	<u>14.0</u>	<u>15.1</u>

Leasehold improvements include assets costing Rs. 16.4 million (previous year – Rs. 16.4 million) on finance lease. The lease term is for 10 years.

31. Segment information

31.1 Primary segment reporting – Business segments

The Company's business segments are classified into Power and Transport.

Power segment

This segment is engaged in the business of engineering, procurement and construction of power plants. It also manufactures steam raising plant, ancillary equipment, parts of steam generator, pressures vessels and pulverizers.

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Transport segment

This segment is engaged in the business of designing, manufacturing, supplying and supporting large scale transportation systems including traction, signaling and train control.

31.2 Inter segment transfers

Segment revenues, segment expenses and segment results include transfers between business segments, that are made based on negotiation between segments with reference to the costs, market prices and business risks, within the overall optimisation objective for the Company and are comparable with competitive market prices charged to external customers. Inter-segment transfers are eliminated on consolidation.

31.3 Allocation of common costs

Common allocable costs are allocated to each segment according to the relative contribution of each segment to the total common costs.

31.4 Unallocated items

Includes general corporate income and expense items, which are not allocated to any business segment.

31.5 Segment revenues, results and other information

(Rupees million)

	31 March 2012					31 March 2011				
	Continuing Operations			Discontinuing Operations	Total	Continuing Operations			Discontinuing Operations	Total
	Power	Transport	Total			Power	Transport	Total		
External sales	18,080.0	557.4	18,637.4	5,498.0	24,135.4	14,965.5	751.0	15,716.5	2,331.0	18,047.5
Inter segment sales	-	-	-	-	-	-	-	-	-	-
Other operating revenue	48.7	-	48.7	13.7	62.4	36.1	-	36.1	9.0	45.1
Other income	141.9	33.7	175.6	116.8	292.4	24.0	67.0	91.0	26.5	117.5
Segment revenues	18,270.6	591.1	18,861.7	5,628.5	24,490.2	15,025.6	818.0	15,843.6	2,366.5	18,210.1
Segment results	1,585.9	(90.9)	1,495.0	578.0	2,073.0	2,474.8	51.9	2,526.7	(369.1)	2,157.6
Segment assets	18,186.8	812.1	18,998.9	5,563.5	24,562.4	15,272.7	416.1	15,688.8	5,239.3	20,928.1
Segment liabilities	15,753.5	1,354.1	17,107.6	4,985.5	22,093.1	15,664.7	1,221.1	16,885.8	4,865.3	21,751.1
Capital expenditure	458.1	14.1	472.2	243.5	715.7	720.0	6.1	726.1	208.0	933.7
Depreciation / amortisation	412.4	9.0	421.4	89.2	510.6	401.7	7.0	408.7	74.1	482.8
Non cash expenditure, other than depreciation / amortisation	341.2	1.6	342.8	135.6	478.4	71.0	4.4	75.4	9.0	84.2

31.6 Secondary segment reporting – Geographical segments

The analysis of geographical segments is based on the geographical location of the customers.

Secondary Segment Information for the year ended 31 March 2012:

Revenue:

Particulars	Year ended 31 March 2012	Year ended 31 March 2011
India	18,359.5	14,661.2
Outside India	5,838.3	3,431.4
Total	24,197.8	18,092.6

Carrying Amount of Segment Assets:

Particulars	Year ended 31 March 2012	Year ended 31 March 2011
India	29,009.4	26,851.0
Outside India	835.3	1,791.8
Total	29,844.7	28,642.8

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(Rupees million)

Capital Expenditure

Particulars	Year ended 31 March 2012	Year ended 31 March 2011
India	715.7	933.7
Outside India	-	-
Total	715.7	933.7

31.7 Reconciliation of reportable segments with financial statements

	Revenue		Results		Assets		Liabilities	
	2012	2011	2012	2011	2012	2011	2012	2011
Total of reportable segments	24,490.2	18,210.1	2,073.0	2,157.6	24,562.4	20,928.1	22,093.1	21,751.1
Inter segment sales/assets	-	-	-	-	-	-	-	-
Unallocated – Interest income	427.6	387.3	427.6	387.3	-	-	-	-
Unallocated – Interest expense	-	-	-	-	-	-	-	-
Unallocated – Loans/Deposits	-	-	-	-	2,572.8	26.7	-	-
Unallocated – Liabilities, other than loans	-	-	-	-	-	-	23.7	232.5
Unallocated – Interest accrued and other assets	-	-	-	-	58.2	35.1	-	-
Unallocated – Cash and bank	-	-	-	-	2,272.2	7,360.6	-	-
Taxes								
– Income Tax	-	-	(988.2)	(775.9)	254.6	292.3	7.7	-
– Deferred Tax	-	-	167.1	(76.8)	124.5	-	-	7.7
Proposed Dividend including Corporate Dividend Tax	-	-	-	-	-	-	781.4	778.9
Per financial statements	<u>24,917.8</u>	<u>18,597.4</u>	<u>1,679.6</u>	<u>1,692.2</u>	<u>29,844.7</u>	<u>28,642.8</u>	<u>22,905.9</u>	<u>22,770.1</u>

32. Related Party

32.1 List of related parties

Parties with whom control exists:

ALSTOM	(Parent)
ALSTOM Holdings	(Holding Company)
ALSTOM Finance BV	(Immediate Holding Company)

Key managerial personnel (KMP)

Mr. Francois Carpentier – Vice Chairman & Managing Director

Mr. S.M. Momaya – Whole-time Director & Chief Financial Officer

Mr. Sunand Sharma is the Non - Executive Chairman of the Company who was an employee of ALSTOM Holdings (India) Limited and is deemed to be an employee of the Company with effect from the appointed date (1 April 2011) for the period 01 April 2011 to 31 March 2012 pursuant to the Scheme of amalgamation amongst ALSTOM Holdings (India) Limited (Amalgamating Company), ALSTOM Projects India Limited (Amalgamated Company) and their respective shareholders, which became effective on 20 April 2012 [refer note 3(a) above]. The transactions made by Amalgamating Company with Mr. Sunand Sharma during the aforesaid period have been considered as related party transactions.

Other related parties with whom transactions have taken place during the year (fellow subsidiaries)

Air Preheater Equipamentos LTDA, ALSTOM (Switzerland) Ltd, ALSTOM (Thailand) Ltd, ALSTOM Asia Pacific Sdn Bhd, ALSTOM Austria GmbH, ALSTOM Belgium SA, ALSTOM Bharat Forge Power Limited, ALSTOM Brasil Energia e transporto Ltd., ALSTOM Bulgaria EOOD, ALSTOM China Investment Co Ltd, ALSTOM CROATIA Ltd, ALSTOM Deutschland AG, ALSTOM Estonia AS, ALSTOM Ferroviaria SpA, ALSTOM Finland OY, ALSTOM general turbo SA, ALSTOM Grid SAS, ALSTOM Hong-Kong Ltd, Alstom Hydro France, ALSTOM Hydro R&D India Limited, ALSTOM Hydro Spain SL, ALSTOM Hydro Sweden AB, ALSTOM INFRASTRUCTURE ROMANIA SRL, ALSTOM IS&T SAS, ALSTOM KK, ALSTOM Limited, ALSTOM Ltd, ALSTOM MIDDLE EAST Ltd, ALSTOM Norway AS, ALSTOM Philippines- Inc, ALSTOM Portugal SA, ALSTOM Power & Transport Canada Inc, ALSTOM Power Consulting AG, ALSTOM Power Inc, ALSTOM Power Italia Spa, ALSTOM Power Nederland BV, ALSTOM Power SA, ALSTOM Power Service, ALSTOM Power Service (Hong Kong) Limited, ALSTOM Power Service (Pty) Limited, ALSTOM Power Service GmbH, ALSTOM Power Spz oo, ALSTOM Power Sweden AB, ALSTOM Power Systems GmbH, Alstom Power Systems SA, ALSTOM S&E Africa (Pty), ALSTOM sro, ALSTOM SA, Alstom Services Sdn Bhd, ALSTOM Signalling Inc, ALSTOM Strongwish co, Ltd, ALSTOM T&D India Limited, ALSTOM Technical Service Shanghai, ALSTOM Technologie AG Switzerland, ALSTOM Transport (S) Pte Ltd, ALSTOM Transport BV, ALSTOM Transport India Limited, ALSTOM Transport SA, ALSTOM Vannkraft AS, ALSTOM Vietnam Company Ltd, Alstom Wind SLU, PT ALSTOM Power Energy Systems Indonesia,

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Shanghai ALSTOM Electrical Equipment Ltd, Technical Transport Consolidation, Tianjin ALSTOM Hydro Co Ltd, WUHAN Boiler Company Ltd., ALSTOM Belgium SA , ALSTOM Egypt Power & Transp Projects SAE , ALSTOM Finance BV , ALSTOM India Limited , ALSTOM Information Tech. Centre SAS , ALSTOM Mexicana S.A. de C.V. , ALSTOM Power Hydraulique , ALSTOM Power Hydraulique , ALSTOM Technology Ltd, Lorelec.

32.2 Details of Related Party transactions in the ordinary course of business

(Rupees million)

Particulars	2011-12				2010-11			
	Subsidiaries	Fellow subsidiaries	Parties where control exists	Key Management Personnel	Subsidiaries	Fellow subsidiaries	Parties where control exists	Key Management Personnel
Transactions with Related Parties :								
Sale of Products								
ALSTOM Belgium SA	—	50.0	—	—	—	87.3	—	—
ALSTOM (Switzerland) Ltd	—	1,463.2	—	—	—	265.7	—	—
ALSTOM Brasil Energia e transporte Ltda	—	70.1	—	—	—	74.1	—	—
ALSTOM Ferroviaria S.p.A	—	109.1	—	—	—	27.9	—	—
ALSTOM Hydro France	—	1,661.2	—	—	—	1,816.2	—	—
ALSTOM Hydro Spain S.L.	—	30.0	—	—	—	123.5	—	—
ALSTOM Power Inc.	—	221.5	—	—	—	112.0	—	—
ALSTOM Power Italia Spa	—	29.6	—	—	—	27.1	—	—
ALSTOM Power Service (Hong Kong) Limited	—	10.1	—	—	—	9.7	—	—
ALSTOM Transport SA	—	38.5	—	—	—	34.7	—	—
ALSTOM Vannkraft AS	—	130.9	—	—	—	36.7	—	—
ALSTOM Power Systems SA	—	300.5	—	—	—	—	—	—
ALSTOM Austria GmbH	—	224.4	—	—	—	—	—	—
PT ALSTOM Power Energy Systems Indonesia	—	22.4	—	—	—	—	—	—
ALSTOM Middle East Ltd.	—	3.8	—	—	—	—	—	—
Tianjin ALSTOM Hydro Co. Ltd	—	96.1	—	—	—	—	—	—
ALSTOM Power Service Limited	—	17.2	—	—	—	—	—	—
Air Preheater Equipamentos LTDA	—	6.4	—	—	—	—	—	—
ALSTOM Vietnam Company Ltd	—	1.6	—	—	—	—	—	—
ALSTOM Limited	—	1.4	—	—	—	—	—	—
Others	—	0.7	—	—	—	0.9	—	—
Commission Income								
ALSTOM (Switzerland) Ltd.	—	14.7	—	—	—	11.1	—	—
Purchase of Raw Material & Components								
ALSTOM Ferroviaria S.p.A	—	*	—	—	—	1.4	—	—
ALSTOM Norway AS	—	—	—	—	—	2.5	—	—
ALSTOM Portugal SA	—	539.8	—	—	—	—	—	—
ALSTOM Ltd	—	369.9	—	—	—	6.3	—	—
ALSTOM Power Inc.	—	32.2	—	—	—	12.4	—	—
ALSTOM general turbo SA	—	17.5	—	—	—	15.9	—	—
ALSTOM Transport SA	—	15.5	—	—	—	16.5	—	—
ALSTOM Power Sp.z o.o.	—	48.8	—	—	—	19.1	—	—
ALSTOM Power Italia Spa	—	3.0	—	—	—	25.4	—	—
ALSTOM Hydro France	—	59.2	—	—	—	38.9	—	—
ALSTOM T&D India Limited	—	200.4	—	—	—	39.7	—	—
ALSTOM Power Sweden AB	—	61.8	—	—	—	52.5	—	—
ALSTOM Power Service	—	83.6	—	—	—	73.9	—	—
ALSTOM Brasil Energia e transporte Ltda	—	—	—	—	—	101.8	—	—
ALSTOM Power Service GmbH	—	71.3	—	—	—	106.8	—	—
ALSTOM Power Systems SA	—	70.5	—	—	—	149.8	—	—
ALSTOM (Switzerland) Ltd	—	488.2	—	—	—	251.3	—	—
Tianjin ALSTOM Hydro Co. Ltd	—	15.7	—	—	—	—	—	—
ALSTOM Belgium SA	—	3.2	—	—	—	—	—	—
ALSTOM Hydro Spain S.L.	—	0.8	—	—	—	—	—	—
Shanghai ALSTOM Electrical Equipment Ltd	—	1.1	—	—	—	—	—	—
ALSTOM Grid SAS	—	15.7	—	—	—	—	—	—
ALSTOM Strongwish co, Ltd	—	0.9	—	—	—	—	—	—
ALSTOM CROATIA Ltd	—	0.5	—	—	—	—	—	—
Others	—	—	—	—	—	1.9	—	—
Sale of Services								
ALSTOM Transport (S) Pte Ltd	—	4.8	—	—	—	0.9	—	—
ALSTOM Services Sdn Bhd	—	2.0	—	—	—	1.1	—	—
ALSTOM Egypt Power & Transp Projects SAE	—	—	—	—	—	2.6	—	—
ALSTOM Bulgaria EOOD	—	—	—	—	—	3.2	—	—
PT ALSTOM Power Energy Systems Indonesia	—	4.7	—	—	—	3.4	—	—
ALSTOM Asia Pacific Sdn Bhd	—	152.1	—	—	—	4.4	—	—
ALSTOM Ferroviaria S.p.A	—	1.9	—	—	—	4.4	—	—
ALSTOM Hydro R&D India Limited	—	8.5	—	—	—	2.1	—	—
ALSTOM Transport BV	—	*	—	—	—	5.3	—	—
ALSTOM Mexicana S.A. de C.V.	—	—	—	—	—	5.8	—	—
ALSTOM Information Tech. Centre SAS	—	—	—	—	—	6.0	—	—
ALSTOM Belgium SA	—	4.7	—	—	—	6.5	—	—
ALSTOM Power Italia Spa	—	6.0	—	—	—	11.4	—	—
ALSTOM Brasil Energia e transporte Ltda	—	7.5	—	—	—	13.2	—	—
ALSTOM Norway AS	—	13.6	—	—	—	24.1	—	—
ALSTOM Power Sweden AB	—	24.8	—	—	—	24.4	—	—
ALSTOM Bharat Forge Power Limited	—	35.7	—	—	—	24.5	—	—
ALSTOM Technical Service Shanghai	—	20.8	—	—	—	28.8	—	—

ALSTOM Projects India Limited

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(Rupees million)

Particulars	2011–12				2010–11			
	Subsidiaries	Fellow subsidiaries	Parties where control exists	Key Management Personnel	Subsidiaries	Fellow subsidiaries	Parties where control exists	Key Management Personnel
ALSTOM Hydro France	—	26.0	—	—	—	32.9	—	—
ALSTOM Transport SA	—	82.0	—	—	—	35.3	—	—
ALSTOM Ltd	—	20.2	—	—	—	35.4	—	—
ALSTOM Power Consulting AG	—	43.3	—	—	—	52.3	—	—
ALSTOM Power Inc.	—	27.1	—	—	—	62.0	—	—
ALSTOM Power Systems GmbH	—	19.2	—	—	—	114.3	—	—
ALSTOM (Switzerland) Ltd	—	251.9	—	—	—	296.2	—	—
ALSTOM Power Systems SA	—	211.2	—	—	—	317.1	—	—
ALSTOM Power Service (Hong Kong) Limited	—	8.2	—	—	—	—	—	—
ALSTOM MIDDLE EAST Ltd.	—	79.6	—	—	—	—	—	—
ALSTOM Vietnam Company Ltd	—	*	—	—	—	—	—	—
ALSTOM Limited	—	*	—	—	—	—	—	—
ALSTOM Philippines— Inc.	—	*	—	—	—	—	—	—
ALSTOM Power Service GmbH	—	*	—	—	—	—	—	—
ALSTOM Power & Transport Canada Inc	—	12.7	—	—	—	—	—	—
ALSTOM Signalling Inc.	—	9.0	—	—	—	—	—	—
ALSTOM Power Nederland B.V.	—	8.8	—	—	—	—	—	—
ALSTOM Grid SAS	—	3.2	—	—	—	—	—	—
ALSTOM Power Sp.z o.o.	—	1.4	—	—	—	—	—	—
ALSTOM Hong—Kong Ltd	—	1.2	—	—	—	—	—	—
Others	—	*	—	—	—	1.4	—	—
Other Income								
ALSTOM Hydro R&D India Limited	—	*	—	—	—	2.6	—	—
ALSTOM Transport SA	—	5.3	—	—	—	—	—	—
Technical Transport Consolidation	—	17.0	—	—	—	—	—	—
Purchase of Services								
Tianjin ALSTOM Hydro Co. Ltd	—	—	—	—	—	*	—	—
ALSTOM Power Service (Pty) Limited	—	—	—	—	—	1.3	—	—
ALSTOM Power Systems SA	—	7.2	—	—	—	1.4	—	—
ALSTOM Asia Pacific Sdn Bhd	—	14.5	—	—	—	1.9	—	—
ALSTOM Deutschland AG	—	6.2	—	—	—	2.4	—	—
ALSTOM Power Sp.z o.o.	—	3.0	—	—	—	4.1	—	—
ALSTOM Power Italia Spa	—	—	—	—	—	5.8	—	—
ALSTOM Holdings	—	5.4	—	—	—	8.9	—	—
ALSTOM Power Service	—	12.0	—	—	—	18.0	—	—
ALSTOM Power Service GmbH	—	22.8	—	—	—	21.7	—	—
ALSTOM Power Inc.	—	31.2	—	—	—	24.0	—	—
ALSTOM Hydro France	—	18.9	—	—	—	29.6	—	—
ALSTOM Ltd	—	2.1	—	—	—	29.8	—	—
ALSTOM Information Tech. Centre SAS	—	—	—	—	—	40.0	—	—
ALSTOM (Switzerland) Ltd	—	169.9	—	—	—	92.5	—	—
ALSTOM Power Systems GmbH	—	0.2	—	—	—	—	—	—
ALSTOM Power Hydraulique	—	0.8	—	—	—	—	—	—
ALSTOM Transport SA	—	0.8	—	—	—	—	—	—
ALSTOM Limited	—	*	—	—	—	—	—	—
ALSTOM Power Sweden AB	—	*	—	—	—	—	—	—
ALSTOM Hydro R&D India Limited	—	0.9	—	—	—	—	—	—
ALSTOM Technologies AG Switzerland	—	55.6	—	—	—	—	—	—
ALSTOM IS&T SAS	—	0.8	—	—	—	—	—	—
Others	—	0.1	—	—	—	1.1	—	—
Other Expenses / Reimbursements (Payments)								
ALSTOM (Switzerland) Ltd	—	42.2	—	—	—	2.3	—	—
ALSTOM Belgium SA	—	—	—	—	—	2.5	—	—
ALSTOM China Investment Co Ltd	—	1.2	—	—	—	1.1	—	—
ALSTOM Ferroviaria S.p.A	—	—	—	—	—	1.8	—	—
ALSTOM Holdings	—	7.7	—	—	—	4.4	—	—
ALSTOM Power Inc.	—	36.5	—	—	—	14.5	—	—
ALSTOM Transport SA	—	—	—	—	—	2.9	—	—
ALSTOM Ltd	—	—	—	—	—	13.6	—	—
ALSTOM Power & Transport Canada Inc	—	0.2	—	—	—	—	—	—
WUHAN Boiler Company Ltd	—	11.3	—	—	—	—	—	—
ALSTOM Power SA	—	0.5	—	—	—	—	—	—
ALSTOM Brasil Energia e transporte Ltda	—	9.3	—	—	—	—	—	—
ALSTOM Power Italia Spa	—	2.6	—	—	—	—	—	—
ALSTOM Asia Pacific Sdn Bhd	—	4.4	—	—	—	—	—	—
ALSTOM Power Sweden AB	—	2.1	—	—	—	—	—	—
ALSTOM Norway AS	—	*	—	—	—	—	—	—
ALSTOM Power Service (Pty) Limited	—	*	—	—	—	—	—	—
ALSTOM (Thailand) Ltd	—	*	—	—	—	—	—	—
Others	—	—	—	—	—	1.0	—	—
Other Expenses / Reimbursements (Receipts)								
ALSTOM (Switzerland) Ltd	—	3.9	—	—	—	55.1	—	—
ALSTOM Bharat Forge Power Limited	—	0.4	—	—	—	64.0	—	—
ALSTOM Holdings	—	5.7	—	—	—	10.3	—	—
ALSTOM Ltd	—	7.3	—	—	—	12.6	—	—
ALSTOM Power Netherland B.V.	—	*	—	—	—	4.0	—	—

ALSTOM Projects India Limited

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(Rupees million)

Particulars	2011-12				2010-11			
	Subsidiaries	Fellow subsidiaries	Parties where control exists	Key Management Personnel	Subsidiaries	Fellow subsidiaries	Parties where control exists	Key Management Personnel
ALSTOM Power Sweden AB	—	1.1	—	—	—	10.2	—	—
ALSTOM Power Systems GmbH	—	1.4	—	—	—	4.8	—	—
ALSTOM Power Systems SA	—	8.5	—	—	—	24.0	—	—
ALSTOM Transport SA	—	59.3	—	—	—	29.5	—	—
ALSTOM Hydro R&D India Limited	—	*	—	—	—	9.3	—	—
ALSTOM Asia Pacific Sdn Bhd	—	6.0	—	—	—	1.0	—	—
ALSTOM Bulgaria EOOD	—	—	—	—	—	2.2	—	—
ALSTOM Egypt Power & Transport Projects SAE	—	—	—	—	—	1.3	—	—
ALSTOM Power Inc.	—	1.4	—	—	—	—	—	—
ALSTOM Ferroviaria S.p.A	—	5.0	—	—	—	—	—	—
PT ALSTOM Power Energy Systems Indonesia	—	2.0	—	—	—	—	—	—
ALSTOM MIDDLE EAST Ltd.	—	1.8	—	—	—	—	—	—
ALSTOM Norway AS	—	*	—	—	—	—	—	—
ALSTOM Power & Transport Canada Inc	—	1.3	—	—	—	—	—	—
ALSTOM Technologies AG Switzerland	—	*	—	—	—	—	—	—
ALSTOM T&D India Limited	—	1.5	—	—	—	—	—	—
ALSTOM S&E Africa (Pty)	—	*	—	—	—	—	—	—
Others	—	*	—	—	—	2.9	—	—
Purchase of Fixed Assets								
ALSTOM Power Systems SA	—	—	—	—	—	1.2	—	—
ALSTOM Power Inc.	—	48.0	—	—	—	—	—	—
ALSTOM s.r.o	—	90.0	—	—	—	—	—	—
Remuneration								
Mr.Sunand Sharma	—	—	—	23.2	—	—	—	—
Mr. Francois Carpentier	—	—	—	23.2	—	—	—	23.5
Mr. S.M. Momaya	—	—	—	7.7	—	—	—	7.0
Loans								
Mr.Sunand Sharma	—	—	—	1.5	—	—	—	—
Royalty/Tech Knowhow Fees								
ALSTOM Technology Ltd	—	—	—	—	—	109.7	—	—
ALSTOM SA	—	146.4	—	—	—	136.9	—	—
ALSTOM Technologies AG Switzerland	—	266.7	—	—	—	—	—	—
Payment of Dividend								
ALSTOM Finance BV	—	392.5	—	—	—	392.5	—	—
ALSTOM India Limited	—	53.1	—	—	—	53.1	—	—
Lorelec	—	13.3	—	—	—	13.3	—	—
Inter Corporate Deposits given								
ALSTOM Hydro R&D India Limited	—	108.0	—	—	—	14.0	—	—
ALSTOM T&D India Limited	—	3,250.0	—	—	—	—	—	—
Inter Corporate Deposits repaid to the Company								
ALSTOM T&D India Limited	—	800.0	—	—	—	—	—	—
Interest on Inter Corporate Deposits								
ALSTOM Hydro R&D India Limited	—	9.0	—	—	—	0.1	—	—
ALSTOM T&D India Limited	—	233.9	—	—	—	—	—	—
Balance Outstanding :								
Inter Corporate Deposits given								
ALSTOM Hydro R&D India Limited	—	108.0	—	—	—	14.0	—	—
ALSTOM T&D India Limited	—	2,450.0	—	—	—	—	—	—
Interest Accrued but not due on ICD given								
ALSTOM Hydro R&D India Limited	—	3.3	—	—	—	—	—	—
ALSTOM T&D India Limited	—	30.3	—	—	—	—	—	—
As Debtors								
ALSTOM Norway AS	—	2.5	—	—	—	*	—	—
ALSTOM Brasil Energia e transporte Ltda	—	—	—	—	—	0.6	—	—
ALSTOM Power Sweden AB	—	1.7	—	—	—	2.8	—	—
ALSTOM Holdings	—	6.0	—	—	—	4.1	—	—
ALSTOM Power Italia Spa	—	—	—	—	—	4.2	—	—
ALSTOM Ferroviaria S.p.A	—	29.0	—	—	—	6.4	—	—
ALSTOM Technical Service Shanghai	—	21.3	—	—	—	7.5	—	—
ALSTOM Ltd	—	14.6	—	—	—	7.8	—	—
ALSTOM Vannkraft AS	—	—	—	—	—	10.8	—	—
ALSTOM Power Consulting AG	—	8.7	—	—	—	11.7	—	—
ALSTOM Power Inc.	—	11.1	—	—	—	14.3	—	—
ALSTOM Power Systems GmbH	—	6.1	—	—	—	18.0	—	—
ALSTOM Belgium SA	—	10.6	—	—	—	26.9	—	—
ALSTOM Bharat Forge Power Limited	—	61.1	—	—	—	29.8	—	—
ALSTOM Transport SA	—	23.4	—	—	—	41.7	—	—
ALSTOM Power Systems SA	—	35.3	—	—	—	69.9	—	—
ALSTOM (Switzerland) Ltd	—	56.3	—	—	—	89.7	—	—
ALSTOM Hydro France	—	238.5	—	—	—	379.0	—	—
ALSTOM Hydro R&D India Limited	—	14.2	—	—	—	4.5	—	—
Tianjin ALSTOM Hydro Co. Ltd	—	44.8	—	—	—	—	—	—
ALSTOM Asia Pacific Sdn Bhd	—	41.6	—	—	—	—	—	—
PT ALSTOM Power Energy Systems Indonesia	—	22.4	—	—	—	—	—	—
Technical Transport Consolidation	—	17.0	—	—	—	—	—	—
ALSTOM MIDDLE EAST Ltd.	—	14.5	—	—	—	—	—	—

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(Rupees million)

Particulars	2011-12				2010-11			
	Subsidiaries	Fellow subsidiaries	Parties where control exists	Key Management Personnel	Subsidiaries	Fellow subsidiaries	Parties where control exists	Key Management Personnel
ALSTOM Power & Transport Canada Inc	—	12.2	—	—	—	—	—	—
ALSTOM Power Service	—	12.1	—	—	—	—	—	—
ALSTOM Power Service (Hong Kong) Limited	—	7.5	—	—	—	—	—	—
ALSTOM T&D India Limited	—	4.4	—	—	—	—	—	—
ALSTOM INFRASTRUCTURE ROMANIA SRL	—	1.7	—	—	—	—	—	—
ALSTOM Signalling Inc.	—	1.1	—	—	—	—	—	—
ALSTOM Transport (S) Pte Ltd	—	1.0	—	—	—	—	—	—
Others	—	3.1	—	—	—	5.6	—	—
Creditors								
ALSTOM Technology Ltd	—	—	—	—	—	175.0	—	—
ALSTOM Transport SA	—	1.2	—	—	—	*	—	—
ALSTOM Power Service	—	23.6	—	—	—	*	—	—
ALSTOM Holdings	—	1.3	—	—	—	0.7	—	—
ALSTOM Hydro France	—	14.8	—	—	—	2.0	—	—
ALSTOM Ltd	—	*	—	—	—	2.5	—	—
ALSTOM Power Inc.	—	*	—	—	—	4.3	—	—
ALSTOM Information Tech. Centre SAS	—	—	—	—	—	5.0	—	—
ALSTOM T&D India Limited	—	76.4	—	—	—	7.7	—	—
ALSTOM Power Sweden AB	—	1.3	—	—	—	9.0	—	—
ALSTOM Power Systems SA	—	12.3	—	—	—	11.0	—	—
ALSTOM Power Sp.z o.o.	—	0.8	—	—	—	14.4	—	—
ALSTOM SA	—	109.2	—	—	—	18.7	—	—
ALSTOM Power Service GmbH	—	0.6	—	—	—	45.2	—	—
ALSTOM (Switzerland) Ltd	—	55.7	—	—	—	47.8	—	—
ALSTOM Hydro R&D India Limited	—	1.9	—	—	—	—	—	—
ALSTOM Belgium SA	—	2.7	—	—	—	—	—	—
ALSTOM Technologies AG Switzerland	—	173.6	—	—	—	—	—	—
ALSTOM Portugal SA	—	99.2	—	—	—	—	—	—
ALSTOM Grid SAS	—	15.7	—	—	—	—	—	—
WUHAN Boiler Company Ltd	—	11.3	—	—	—	—	—	—
Others	—	2.3	—	—	—	6.3	—	—
Advance Given								
ALSTOM Brasil Energia e transporte Ltda	—	3.9	—	—	—	3.9	—	—
ALSTOM Hydro France	—	1.8	—	—	—	4.5	—	—
ALSTOM Power Service GmbH	—	—	—	—	—	5.0	—	—
ALSTOM T&D India Limited	—	1.6	—	—	—	15.2	—	—
Tianjin ALSTOM Hydro Co. Ltd	—	12.1	—	—	—	22.1	—	—
ALSTOM Power Service	—	86.4	—	—	—	23.0	—	—
ALSTOM Power Systems SA	—	2.0	—	—	—	33.4	—	—
ALSTOM Ltd	—	73.5	—	—	—	331.3	—	—
ALSTOM (Switzerland) Ltd	—	28.6	—	—	—	—	—	—
ALSTOM Power Sweden AB	—	59.2	—	—	—	—	—	—
ALSTOM Portugal SA	—	98.7	—	—	—	—	—	—
ALSTOM Grid SAS	—	1.5	—	—	—	—	—	—
ALSTOM Power Sp.z o.o.	—	6.6	—	—	—	—	—	—
ALSTOM Transport India Limited	—	161.2	—	—	—	—	—	—
Others	—	—	—	—	—	4.9	—	—
Loans given								
Mr. Sunand Sharma	—	—	—	1.5	—	—	—	—
Advance Received								
ALSTOM (Switzerland) Ltd	—	632.7	—	—	—	3.7	—	—
ALSTOM Power Service (Hong Kong) Limited	—	—	—	—	—	3.8	—	—
ALSTOM Power Sp.z o.o.	—	17.0	—	—	—	17.0	—	—
ALSTOM Hydro Spain S.L.	—	107.5	—	—	—	44.0	—	—
ALSTOM Vannkraft AS	—	3.7	—	—	—	81.2	—	—
ALSTOM Brasil Energia e transporte Ltda	—	132.1	—	—	—	133.7	—	—
ALSTOM Austria GmbH	—	259.1	—	—	—	268.8	—	—
ALSTOM Hydro France	—	1,250.8	—	—	—	1,300.6	—	—
ALSTOM Power Systems SA	—	157.1	—	—	—	—	—	—
Tianjin ALSTOM Hydro Co. Ltd	—	144.9	—	—	—	—	—	—
ALSTOM Power Service	—	3.1	—	—	—	—	—	—
ALSTOM Power Inc.	—	126.7	—	—	—	—	—	—
ALSTOM Estonia AS	—	73.6	—	—	—	—	—	—
ALSTOM Hydro Sweden AB	—	35.1	—	—	—	—	—	—
ALSTOM Bulgaria EOOD	—	*	—	—	—	—	—	—
ALSTOM Finland OY	—	0.1	—	—	—	—	—	—
Amount Guaranteed By Fellow Subsidiaries								
ALSTOM (Switzerland) Ltd	—	—	—	—	—	139.2	—	—
ALSTOM Power Hydraulique	—	362.8	—	—	—	248.0	—	—

Note: * Amount is below rounding off norms

33. Discontinuing Operations

ALSTOM Holdings had entered into a letter of binding intent with Shanghai Electric Company of China on 20 April 2011 to combine both partners' activities in the boiler market for power plants. ALSTOM Holdings and Shanghai Electric expect to

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set-up the joint company once their agreements will be finalised and after the completion of the social and regulatory process, the timing of which is not ascertained.

In pursuance of the above, ALSTOM Holdings (the holding company of the ALSTOM Group of Companies) had requested the Company to consider transfer of its boiler business to a newly incorporated wholly owned subsidiary through a scheme of demerger under Sections 391 to 394 of the Companies Act, 1956.

The Board of Directors of the Company in its meeting held on 25 October 2011 had considered the said request of ALSTOM Holdings and thereafter, subject to approval of the shareholders and creditors and the High Court(s), approved the demerger of the Boiler Business of the Company, subject to the finalisation of the agreement at the Group level, into its wholly owned subsidiary Company, ALSTOM Boilers India Limited ("ABIL") with the Appointed Date of 1 April 2011. The decision was intimated to the stock exchanges on the same date. The Boiler business is part of the Power segment as per Accounting Standard 17 "Segment Reporting". On the basis of the valuation undertaken by an independent valuer, the Board had further granted its approval to the share swap ratio of 1:1, meaning that every shareholder of the Company holding 1 (one) fully paid-up equity shares of Rs.10 (Rupees ten) each in the Company as on the record date (as determined in terms of the Scheme of Demerger) shall, upon sanction of the Scheme of Demerger and upon its becoming effective, be entitled to receive 1 (one) fully paid-up equity shares of Rs.5 (Rupees five) each in ABIL. The Scheme of Demerger, when effective, would result in a reduction of Company's reserves by Rs. 786.1 million as at 31 March 2012.

Operating results of the Group's discontinued operations are summarized as follows:

The carrying amounts of the total assets and liabilities attributable to the discontinued operation at 31 March 2012 are as follows:

	As at 31 March 2012	(Rupees million) As at 31 March 2011
Total Assets	5,771.5	5,239.3
Total Liabilities	4,985.4	4,865.3
Net Assets	786.1	374.0

The revenue and expenses in respect of ordinary activities attributable to the discontinuing operations are as follows:

	For the year ended 31 March 2012	(Rupees million) For the year ended 31 March 2011
Revenue from operations		
Project revenue	5,561.2	2,437.7
Other operating revenue:		
Scrap Sales	13.7	9.0
Revenue from operations (gross)		
Less : Excise Duty	(63.2)	(107.2)
Total	5,511.7	2,339.5
Other Income		
Net gain/ (loss) from foreign currency transactions and translation	98.7	21.0
Profit on sale of fixed assets	7.0	-
Miscellaneous Income	11.1	5.5
Total	116.8	26.5
Total Revenue	5,628.5	2,366.0
Expenses		
Material cost and Erection services		
Raw Materials and Components Consumed	1,994.1	1,037.0
Project Materials and Erection Services	1,121.1	448.9
Employee benefit expense		
Salaries, wages and bonus	600.9	450.4
Contribution to provident and other funds	60.2	35.5
Staff welfare expenses	139.3	71.9
Other personnel expenses	24.6	18.9
Depreciation and amortization expense	91.8	76.8
Less : Transfer from revaluation reserve	(2.7)	(2.7)

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	For the year ended 31 March 2012	(Rupees million) For the year ended 31 March 2011
Other expenses		
Power, fuel and water	43.9	40.5
Rent	21.6	35.2
Repairs : Buildings	87.3	36.6
Repairs : Plant & Machinery	40.3	35.9
Repairs : Other	10.2	20.9
Insurance	1.4	2.3
Rates and taxes	6.6	3.9
Tools and stores	23.8	53.0
Royalty and trademark fee	209.7	29.5
Travelling and conveyance	87.9	59.9
Other services from third party	94.9	38.7
Provision for mark to market losses on derivatives (net)	127.3	-
Miscellaneous expenses	266.4	242.2
Total Expenses	5,050.6	2,735.1
Profit/(Loss) before tax from discontinuing operations	577.9	(369.1)
Tax Benefit / (Expense)	(201.7)	113.2
Profit/(Loss) after tax from discontinuing operations	376.2	(255.9)
The net cash flows attributable to the discontinuing operations are as follows:		
Operating activities	(1,000.6)	1,297.7
Investing activities	(231.7)	(66.2)
Financing activities	-	-
Net cash inflows/(outflows)	(1,232.3)	1,231.5

34. Capital and other commitments

- 34.1 Estimated amount of contracts remaining to be executed on capital account and not provided for net of advances – Rs 220.0 million (previous year – Rs 356.8 million).
- 34.2 The Company has imported Capital Goods under the Export Promotion Capital Goods (EPCG) scheme, of the Government of India, at concessional rates of duty on an undertaking to fulfill quantified exports in the following six to eight years from the date of grant of EPCG license Rs. 546.4 million (previous year Rs. 1,153.1 million)
- 34.3 For commitments relating to Lease arrangements, refer Note 30 above and for other Off Balance Sheet commitments refer Note 2.19.

35. Contingent Liabilities

- a) Demand raised by sales tax and excise authorities levying sales tax / works contract tax / excise duty in cases of disputes regarding divisibility of contracts with the customers for supply and erection / installation of goods and other matters - Rs. 367.8 million (previous year – Rs. 250.6 million)
- b) Various other claims not acknowledged as debts Rs. 1.5 million (previous year – Rs. 4.5 million).

Based on the favorable decision in similar cases / legal opinions taken by the Company / discussions with the solicitors etc., the Company believes that it has good cases in respect of all the items listed under (a) and (b) above and hence no provision there against is considered necessary.

36. Detail of dues to micro and small enterprises as defined under the MSMED Act, 2006

S. No.	Particulars	For the year ended 31 March 2012	(Rupees million) For the year ended 31 March 2011
i)	The principal amount and the interest due thereon remaining unpaid to any supplier		
	- Principal amount	96.2	40.3
	- Interest thereon	Nil	Nil
ii)	the amount of interest paid by the buyer in terms of section 18, along with the amounts of the payment made to the supplier beyond the appointed day	Nil	Nil

ALSTOM Projects India Limited

Notes to consolidated financial statements

S. No.	Particulars	(Rupees million)	
		For the year ended 31 March 2012	For the year ended 31 March 2011
iii)	the amount of interest due and payable for the year of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under this Act	Nil	Nil
iv)	the amount of interest accrued and remaining unpaid	Nil	Nil
v)	The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues above are actually paid to the small investor	Nil	Nil

37. Earnings per share

	For the year ended 31 March 2012	For the year ended 31 March 2011
a) Weighted average number of equity shares outstanding during the year	67,227,471	67,024,174
b) Net profit after tax available for equity Shareholders (Rupees million)	1,679.6	1,692.2
c) Basic and Diluted Earnings (in Rupees) per share	24.98	25.25
d) Face Value Per Share (in Rupees)	10	10

38. Provision for bad debt and doubtful debts

38.1 Bad debts written off

	For the year ended 31 March 2012	For the year ended 31 March 2011
Bad debts and advances written off during the year	72.1	111.9
Less: Adjusted against provision for Doubtful debts & advances	(72.8)	(103.4)
	<u>(0.7)</u>	<u>8.5</u>

38.2 Provision for doubtful debts and advances

	For the year ended 31 March 2012	For the year ended 31 March 2011
Opening Balance for provision for doubtful debts and advances	89.6	209.7
Add: Provision created during the year	76.7	3.9
Less: Adjusted against bad debts and advances written off	(72.8)	(103.4)
Less: Write back of provision for doubtful debts and advances	(3.0)	(20.6)
Closing Balance	<u>90.5</u>	<u>89.6</u>

39. Derivative instruments and unhedged foreign currency exposure

a) Forward contract outstanding as at Balance Sheet date.

Particulars of Derivatives	Currency in Million	Current Year			Previous Year			Purpose
		Amount	Year End Rate (Rs.)	Amount in Rs. Million	Amount	Year End Rate (Rs.)	Amount in Rs. Million	
SELL	EURO	169.8	68.04	11,553.5	113.8	63.35	7,207.6	Hedge of receivable/expected future sales
SELL	USD	65.4	50.94	3,331.8	25.0	44.59	1,115.0	Hedge of receivable/expected future sales
SELL	SEK	17.5	7.69	134.6	2.9	7.09	20.8	Hedge of receivable/expected future sales
SELL	GBP	-	81.59	-	3.7	71.68	265.6	Hedge of receivable/expected future sales
PURCHASE	CHF	0.1	56.49	3.6	0.2	48.71	7.9	Hedge of payable/expected future purchases
PURCHASE	EURO	49.8	68.04	3,388.5	76.8	63.35	4,868.3	Hedge of payable/expected future purchases
PURCHASE	GBP	0.5	81.59	40.8	1.4	71.68	98.3	Hedge of payable/expected future purchases
PURCHASE	JPY	35.3	0.62	21.9	58.8	0.54	31.8	Hedge of payable/expected future purchases
PURCHASE	SEK	2.4	7.69	18.5	8.5	7.09	60.0	Hedge of payable/expected future purchases
PURCHASE	USD	40.3	50.94	2,051.7	22.2	44.59	991.8	Hedge of payable/expected future purchases

ALSTOM Projects India Limited

Notes to consolidated financial statements

b) Particulars of Unhedged foreign Currency Exposure as at the Balance Sheet date

Currency	31 Mar-12				31 Mar-11			
	Payable	Receivable	Payable	Receivable	Payable	Receivable	Payable	Receivable
	Foreign Currency		INR		Foreign Currency		INR	
CAD	*	-	0.3	-	-	*	-	0.2
CHF	0.3	-	14.1	-	0.3	-	12.4	-
EUR	12.8	1.4	869.3	96.4	0.8	-	51.9	279.5
GBP	0.2	-	15.7	-	-	-	-	-
JPY	-	0.7	-	0.4	-	0.7	-	0.4
SEK	0.6	-	4.4	-	0.4	-	2.7	-
THB	-	1.2	-	2.1	-	1.2	-	1.8
USD	0.1	0.3	5.0	16.8	0.2	0.4	10.1	18.7
ZAR	0.2	-	1.3	-	0.2	-	1.3	-

* Amount is below rounding off norm

c) Mark-to-Market Losses (net) on Derivatives

	(Rupees million)	
	As at 31 March 2012	As at 31 March 2011
Mark-to- Market losses provided for (net)	267.4	-
40. Proposed Dividend	As at 31 March 2012	As at 31 March 2011
The final dividend proposed for the year is as follows:		
On Equity Shares of Rs.10 each		
Amount of dividend proposed (Rupees million)	672.3	670.2
Dividend per Equity Share (Rupees)	Rs. 10 per share	Rs. 10 per share

41. Operational Outlook of Subsidiary

As at 31 March 2012, APBSL, the Company's subsidiary, has accumulated losses of Rs 1,253 thousand, which have eroded its paid up equity capital to that extent. However, during the financial year ended 31 March 2012 the subsidiary had a total income of Rs. 16,499 thousands (Previous year Rs 17,648 thousands) along with Profit after Tax of Rs. 2,447 thousands (Previous year Rs. 3,228 thousands).

The Company has committed to provide continued operational and financial support to the subsidiary. Accordingly, the subsidiary's financial statements have been consolidated on a going concern basis.

42. Information related to subsidiary companies consolidated

Name of Subsidiary	(Rupees Million)		
	Alstom Power Boilers Services Limited		Alstom Boilers India Limited*
	31 March 2012	31 March 2011	31 March 2012
Capital	3.4	3.4	0.5
Reserves	(1.3)	(3.7)	(0.3)
Total Assets	36.6	34.6	0.4
Total Liabilities	34.5	34.9	0.2
Details of Investment (except in case of investment in subsidiaries)	-	-	-
Turnover	16.5	12.6	-
Profit/(Loss) before taxation	3.7	6.5	0.3
Provision for taxation	1.2	3.3	-
Profit/(Loss) after taxation	2.4	3.2	0.3
Proposed Dividend	-	-	-

* This is the first year of the Company. Hence, previous year number has not been disclosed.

ALSTOM Projects India Limited

Notes to consolidated financial statements

43. Previous year figures

The financial statements for the year ended 31 March 2011 had been prepared as per the then applicable, pre-revised Schedule VI to the Companies Act, 1956. Consequent to the notification of Revised Schedule VI under the Companies Act, 1956, the financial statements for the year ended 31 March 2012 are prepared as per Revised Schedule VI. Accordingly, the previous year figures have also been reclassified to conform to this year's classification. The adoption of Revised Schedule VI for previous year figures does not impact recognition and measurement principles followed for preparation of financial statements except for accounting of dividends from subsidiaries.

For Price Waterhouse
Firm Registration Number: 012754N
Chartered Accountants

Joy Kumar Jain
Partner
Membership No: 087659

Place : Noida
Date: 23 April 2012

For and on behalf of the Board of Directors

Sunand Sharma	Chairman
Francois Carpentier	Vice Chairman & Managing Director
S.M. Momaya	Whole-time Director & Chief Financial Officer
K. Vasudevan	Director
A. K. Thiagarajan	Director
Dr. Uddesh Kohli	Director
Pradeepta Puhan	Company Secretary

The Ministry of Corporate Affairs has come up with a Green Initiative of permitting the service of documents including Annual Report to the Shareholders through e-mail or other permissible electronic modes instead of physical mode vide its Circular No.17/2011 dated 21 April 2011 and 18/2011 dated 29 April 2011. This is certainly a welcome move for the society at large, as this will reduce paper consumption to a great extent and allow all stakeholders to contribute towards a Greener Environment. To support this green initiative, members who have not registered their e-mail addresses, so far, are requested to register their e-mail addresses, in respect of electronic holdings with the Depository through their concerned Depository Participants. Members who hold shares in physical form are requested to fill the appropriate column in the members e-mail registration form and register the same with Karvy Computershare Private Limited. Members are requested to send this e-mail registration form to the Company at its Registered Office address or to Karvy Computershare Private Limited at the below mentioned address.

Karvy Computershare Private Limited

**7, Andheri Industrial Estate,
Off Veera Desai Road, Andheri (West),
Mumbai – 400 053**

Members E-Mail Registration Form

Name: e-mail id :

Address:

DP ID. : Client ID. :

Folio No.:

(in case of physical holding)

No. of equity shares held :

(the period for which held)

Signature

The Ministry of Corporate Affairs has come up with a Green Initiative of permitting the service of documents including Annual Report to the Shareholders through e-mail or other permissible electronic modes instead of physical mode vide its Circular No.17/2011 dated 21 April 2011 and 18/2011 dated 29 April 2011. This is certainly a welcome move for the society at large, as this will reduce paper consumption to a great extent and allow all stakeholders to contribute towards a Greener Environment. To support this green initiative, members who have not registered their e-mail addresses, so far, are requested to register their e-mail addresses, in respect of electronic holdings with the Depository through their concerned Depository Participants. Members who hold shares in physical form are requested to fill the appropriate column in the members e-mail registration form and register the same with Karvy Computershare Private Limited. Members are requested to send this e-mail registration form to the Company at its Registered Office address or to Karvy Computershare Private Limited at the below mentioned address.

Karvy Computershare Private Limited

**7, Andheri Industrial Estate,
Off Veera Desai Road, Andheri (West),
Mumbai – 400 053**

Members E-Mail Registration Form

Name: e-mail id :

Address:

DP ID. : Client ID. :

Folio No.:

(in case of physical holding)

No. of equity shares held :

(the period for which held)

Signature

ATTENDANCE SLIP

Folio No.	
No. of Shares held	

DP-ID#	
Client-ID#	

PLEASE SIGN THIS ATTENDANCE SLIP AND HAND IT OVER AT THE ENTRANCE OF THE MEETING HALL

I hereby record my presence at the 20th Annual General Meeting of the Company held on Thursday 26 July 2012 at 2.30 p.m. at Rama Watumull Auditorium, Kishinchand Chellaram College, Dinshaw Wachha Road, Churchgate, Mumbai-400 020.

Name of the Member (in block letters)	
Name of the Proxy holder/Authorised Representative* (in block letters)	

*Strike out whichever is not applicable.

#Applicable for investors holding shares in dematerialised form

Signature.....

Notes:

1. Shareholders/Proxy holders/Authorised Representatives are requested to bring the Attendance Slip with them when they come to the meeting and hand it over at the gate after affixing their signature on it.
2. Shareholders/Proxy holders who come to attend the meeting are requested to bring their copy of the Annual Report with them.

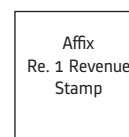
PROXY FORM

Folio No.	
No. of Shares held	

DP-ID#	
Client-ID#	

I/We.....
of.....being a Member/Members of ALSTOM India Limited (Formerly known as ALSTOM Projects India Limited) hereby appoint Mr./Ms.
ofor failing him Mr./Ms.
of as my/our proxy in my/our absence to attend and vote for me/us and on my/our behalf at the 20th Annual General Meeting of the Company to be held on Thursday, the 26 July 2012 at 2.30 pm. and at any adjournment thereof.

Signature.....



Date:

Note: The Proxy, in order to be effective, should be duly completed, stamped and signed and must be deposited at the Registered Office of the Company not less than 48 hours before the time fixed for the meeting.



Gautami, power plant constructed by Alstom



Patrick Kron, Chairman and CEO, Alstom, inaugurates new machines in Vadodara in the presence of Chairman and Vice Chairman, ALSTOM India Limited.



Chamera, Alstom Hydro Project Site



Signing of Jaipur Metro Contract



Shahabad Manufacturing Facility



Participants at Alstom Connection (Induction Program) organized by Alstom

Registered Office :
ALSTOM India Limited
"The International", 5th Floor,
16, Marine Lines Cross Road, No.1,
Off Maharshi Karve Road,
Churchgate,
Mumbai - 400 020, (India)

www.alstom.com/india

The ALSTOM logo is located at the bottom right of the page. It consists of the word "ALSTOM" in a bold, blue, sans-serif font. The letter "O" is replaced by a red circle with a white horizontal line through its center, resembling a stylized eye or a train wheel.