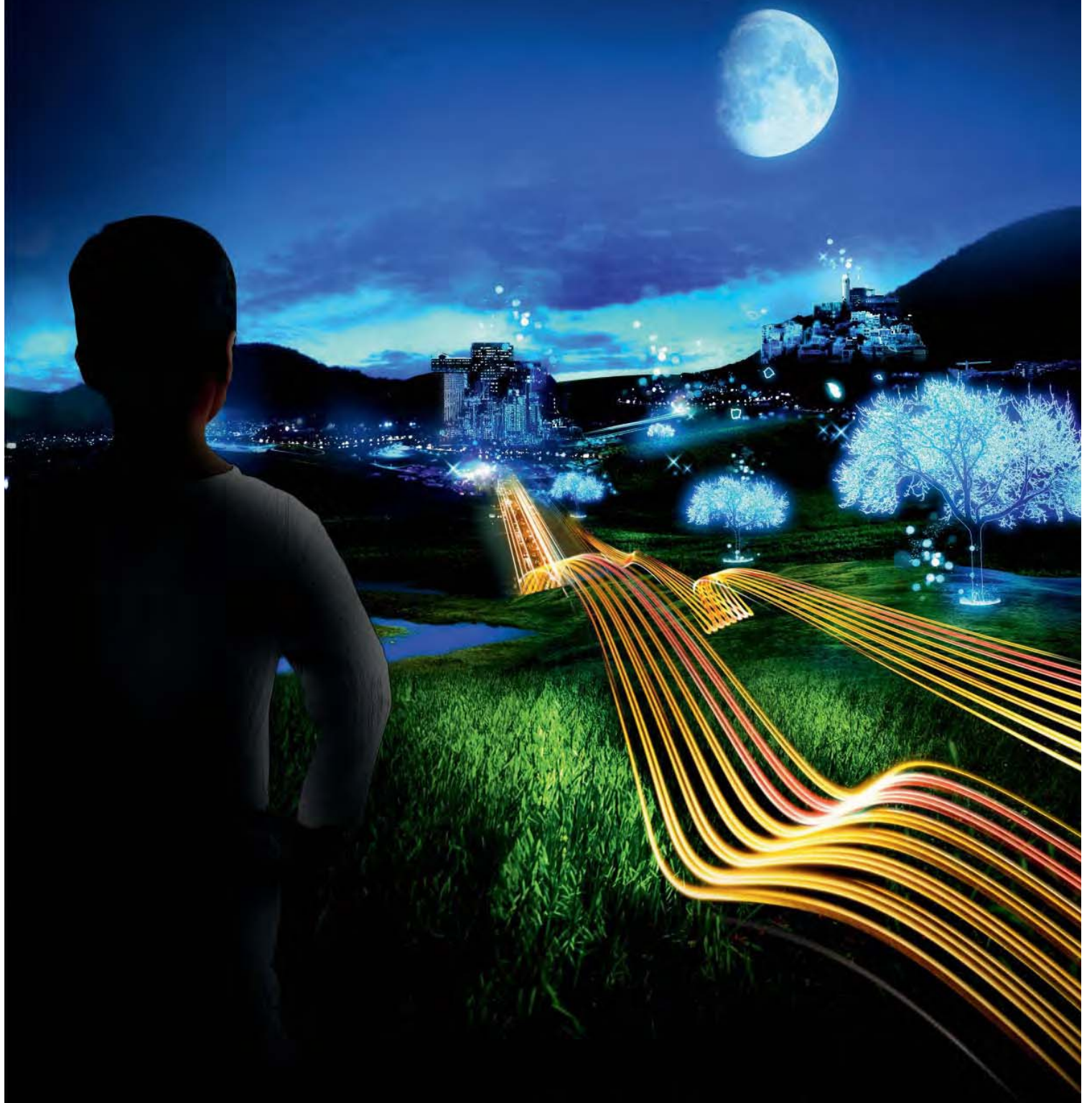


Annual Report 2009/10
ALSTOM Projects India Limited



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ALSTOM Projects India Limited

Annual Report and Accounts 2009-2010

Board of Directors

Sunand Sharma, Chairman
Emmanuel Colombier, Vice Chairman & Managing Director
(up to 31st March, 2010)
Francois Carpentier, Vice Chairman & Managing Director
(from 28th April, 2010)
S.M. Momaya, Whole-time Director & Chief Financial Officer
Pedro Sole
Dominique Pouliquen
K. Vasudevan
A. K. Thiagarajan
Dr. Uddesh Kohli

Company Secretary

Sekhar Bhattacharjee

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.in.alstom.com
Email: sekhar.bhattacharya@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: mailmanager@karvy.com

Management Team

Francois Carpentier, Vice Chairman & Managing Director
S.M. Momaya, Whole-time Director & Chief Financial Officer
Amaresh Singh, Country Human Resources Director
Rachana Panda, Country Communications Director
Hiren Vyas, Country Legal Director
Ashish Ohri, Director - India IT SSC Country Representative
Anup K Malhotra, Director - Quality & EHS
Ravi Kapoor, Director - Thermal Service
Shivanand Nimbargi, Director - Boilers & International Vice
President – Coal Mills
Peter Kunz, Director - Thermal Systems - Gas Execution Centre Delhi
Christian Mennesson, Director - Environmental Control Systems
S. Swaminathan, Director - Thermal Product Rotating Machines
Jojo Alexander, Director - Transport
Alain Spohr, Director - Hydro
K. K. Bedi, Regional Director - Energy Management Business

Corporate Office

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

Works

Coimbatore
Durgapur
Shahabad
Vadodara

Marketing/Other Offices

Bengaluru
Chennai
Hyderabad
Kolkata
Mumbai
Nagpur
New Delhi
Noida
Korba
Vadodara
Varanasi

Chairman's Letter

Dear Shareholders,

It is always a pleasure to communicate with you and on this occasion present the 18th Annual Report on the performance of the Company during the year 2009-2010.

With the active support of its parent, the Alstom Group, your Company continues to offer a range of products and services in the power and transport sectors. In the power sector your Company is engaged in the business of engineering, procurement, construction and servicing of power plants and power equipment wherein our customers enjoy the most economical, environmentally friendly, advanced and innovative technologies. In the transport sector, your Company has the capability to supply traction equipment, signalling equipment and Train Management Solutions.

Business environment

Over the past four years, the Indian economy consistently recorded growth rates in excess of 8.5% per annum resulting in rapidly increasing infrastructure spending. It is estimated that the Infrastructure Sector needs to grow at a CAGR of 15% over the next five years to support the growing requirements of virtually every other sector of the Indian economy. With the objective of stimulating and mobilizing increased private sector investments, from both domestic and foreign sources, the government has offered various incentives such as liberalisation of Foreign Direct Investment (FDI) Regulations, introduction of Public Private Partnerships (PPP), etc. Therefore, it is expected that there will be continuous growth of the power and transport sectors in India.

Performance

I would like to inform you that your Company has achieved revenues of Rs. 2,043 crores for the year ended 31 March 2010. Profit after tax at Rs. 167 crores is higher by 24% as compared to last year. This has resulted in higher earnings per share of Rs. 24.95 as compared to Rs. 20.13 in the previous year.

Keeping this in view your Board of Directors has recommended a dividend of Rs.10 per share on the equity shares.

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

Power

India has the fifth largest generation capacity in the world with an installed capacity of 152 GW as on 30 September 2009, which is about 4 percent of global installed power generation capacity. The average per capita consumption of electricity in India is estimated to be 704 kWh during 2008-09. However, this is fairly low when compared to that of some of the developed and emerging nations such as the US with 15,000 kWh and China with 1,800 kWh per capita consumption. The Government of India has set ambitious goals in its XIth Plan for power sector owing to which the power sector is poised for significant expansion. In order to provide availability of over 1,000 kWh of per capita electricity consumption by 2012, it has been estimated that capacity addition of more than 100,000 MW would be required. This has resulted in massive addition plans being proposed in the sub-sectors of generation, transmission and distribution of electricity.

Your Company is well prepared to cater to this increased demand and has taken this into consideration while expanding the capabilities in manufacturing at its Durgapur and Vadodara factories.

Contributing towards the Indian power sector, your Company bagged various prestigious orders such as Teesta VI Hydro project, Hindalco project, Jorethang Hydro Electric project in Indian market further enhancing its presence and its commitment towards your country. Alstom has also completed its first GT26 based combined cycle power plant in India for Gujarat State Electricity Corporation Limited (GSECL). Located in Surat in the Western State of Gujarat, the 370 MW power plant is an extension of GSECL's existing 135 MW plant.

Transport

Indian Railways, once described as a financially unviable organization by industry experts, has made a dramatic turnaround in the last few years resulting in huge opportunities in various areas of freight and passenger transport.

This “rebirth” is a result of higher private participation in the area by different industrial giants. Apart from persuading private participants, the Indian Railways is looking to bolster its revenues through the use of technology and investment in port connectivity and rail infrastructure. The list of opportunities in the Railways sector is evident in areas like infrastructure, tourism, signaling and communications thereby attracting major industry players to benefit by investing in them.

The Indian Railways has resolved to build 25,000 km of new lines by 2020, which translates into an average of 2,500 km of new lines per year. Also, investment in the Railways can prove to be a stepping stone for India’s better supply chain management. This will not only help the economy grow at a faster pace but also attract better business opportunities. With foreign markets getting saturated and overseas investors looking towards India as one of the most sustainable and profitable business hubs, the above developments in the Railways are sure to bring India better returns on investment.

With the signing of the contract to supply the signalling system with the Bangalore Metro Rail Corporation Ltd (BMRCL), we have added one more key customer in this sector in addition to Delhi Metro Rail Corporation and Indian Railways. 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 business.

Environment, Health & Safety (EHS)

In Alstom, we consider with great importance, the health and safety of our employees, customers and stakeholders. In India, various initiatives such as training programs on safety issues and mock drills have been conducted in all the locations to increase EHS (Environment, Health, and Safety) awareness amongst the employees.

Corporate Social Responsibility

Alstom employees have long campaigned alongside local partners around the world to improve the quality of life in the local communities neighbouring its plants, sites and corporate offices. The Alstom Foundation was set up in November 2007 in Paris, France, to help bolster these initiatives, focusing on concrete campaigns to protect the environment. Taking the first step towards “Supporting the Local Community and Preserving the Environment” in India, Alstom Foundation inaugurated a “Green Orphanage” financed by it dedicated to 40 disadvantaged girls. Located in Chamrajanagar district of Karnataka, it is one of the first multi-dimensional projects in India, serving the dual purpose of environmental responsibility and social responsibility.

During the inauguration of India’s first GT26 based CCPP in Gujarat, your Company donated an amount of Rs. 11 lacs towards the noble cause of “Kanya Kelawani” (means providing Education to the girl child), to a mission in Gujarat to ensure that the girl child gets her due right.

Acknowledgements

Last but not the least I take this opportunity to thank and congratulate all employees of your Company for their unstinting efforts to ensure continued good results for the Company. I must also thank all shareholders for their continuous encouragement and support. Finally, I also thank Alstom Group for providing their continuous support as always.

With regards,

Sunand Sharma
Chairman
ALSTOM Projects India Limited

ALSTOM PROJECTS INDIA LIMITED

Notice to Members

NOTICE is hereby given that the 18th Annual General Meeting of the Members of ALSTOM Projects India Limited will be held on Wednesday, July 21, 2010, at 3.00 p.m. at Rama Watumull Auditorium, Kishinchand Chellaram College, Dinshaw Wacha Road, Churchgate, Mumbai – 400 020 to transact the following business:

1. To receive, consider and adopt the Audited Financial Statements for the year ended on March 31, 2010 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 Mr. Sunand Sharma, 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. A. K. Thiagarajan, who retires by rotation at this Annual General Meeting, and being eligible, offers himself for re-appointment.
5. To appoint Messrs. Price Waterhouse, Chartered Accountants, as Statutory Auditors of the Company and to authorise the Board to fix their remuneration.
6. To consider, and if thought fit, to pass, with or without modification(s) the following resolution as a Special Resolution:

"RESOLVED THAT Mr. Francois Carpentier who was appointed as an Additional Director by the Board of Directors of the Company at its Board Meeting held on April 28, 2010, pursuant to Article 153 of the Articles of Association of the Company read with Section 260 of the Companies Act, 1956 to hold office upto the date of 18th Annual General Meeting and in respect of whom the Company has received a notice along with the deposit of Rs. 500/- from a member proposing his candidature for the office of Director, be and is hereby appointed as a Director of the Company.

RESOLVED FURTHER THAT pursuant to the provisions of Sections 198, 269, 309 and other applicable provisions, if any, of the Companies Act, 1956 (the Act) read with Schedule XIII to the Act, or any re-enactment, amendment or modification thereto and subject to the approval of the Central Government, as may be required and such other recommendations, approvals, sanctions if and when necessary, desirable and expedient in law, Mr. Francois Carpentier, be and is hereby appointed as the Managing Director of the Company for a period of three years with effect from April 28, 2010 upon such terms and conditions as set out in the draft Agreement laid before this meeting, which Agreement is hereby specifically approved and sanctioned with liberty to the Board of Directors to alter, vary and modify the terms and conditions of the said appointment and/or Agreement, in such manner as may be agreed upon by and between

the Board of Directors and Mr. Francois Carpentier within and in accordance with the limits prescribed in Schedule XIII to the Act, or any amendment to the Schedule or the Act or any re-enactment thereof and if necessary as may be agreed to between the Central Government and the Board of Directors as may be acceptable to Mr. Francois Carpentier.

RESOLVED FURTHER THAT subject to the provisions of Section 198 and Section 309 and other applicable provisions, if any, of the Act, the remuneration payable to Mr. Francois Carpentier as Managing Director by way of salary, exgratia payment or commission, perquisites and other allowances, shall not exceed five percent of the net profits of the Company for one such Director and if there are more than one such Director, ten percent of such net profits for all of them together in that financial year.

RESOLVED FURTHER THAT notwithstanding anything herein above stated, where in any financial year during the currency of his tenure as Managing Director, the Company has no profits or its profits are inadequate, the Company will pay the remuneration by way of salary, perquisites and other allowances as set out under item no. 6 of the Explanatory Statement annexed to this notice as minimum remuneration subject to the approval of the Central Government and such other recommendations, approvals, sanctions, if and when necessary."

7. To consider, and if thought fit, to pass, with or without modification(s) the following resolution as a Special Resolution:

"RESOLVED that pursuant to the provisions of Sections 198, 269, 309, 311, 314 and other applicable provisions, if any, of the Companies Act, 1956 ('the Act') read with Schedule XIII to the Act, or any re-enactment, amendment or modification thereto and subject to the approval of the Central Government, if necessary, and such other recommendations, approvals, sanctions as may be necessary, desirable and expedient in law, Mr. S.M. Momaya be and is hereby re-appointed as the Whole-time Director and Chief Financial Officer of the Company for a period of three years with effect from May 17, 2010, upon such terms and conditions as set out in the draft Agreement laid before this meeting and which Agreement is hereby specifically approved and sanctioned with liberty to the Board of Directors to alter, vary and modify the terms and conditions of the said reappointment and/or Agreement, in such manner as may be agreed upon by and between the Board of Directors and Mr. S.M. Momaya within and in accordance with the limits prescribed in Schedule XIII to the Act or any amendment thereto and if necessary as may be agreed to between the Central Government and the Board of Directors as may be acceptable to Mr. S.M. Momaya.

RESOLVED FURTHER that subject to the provisions of Section 198 and Section 309 and other applicable provisions, if any, of the Act, the remuneration payable to Mr. S.M. Momaya as Whole-time Director and Chief Financial Officer by way of salary, exgratia payment or commission, perquisites and other allowances, shall not exceed five percent of the net profits of the Company for one such Director and if there are more than one such Director, ten percent of such net profits for all of them together in that financial year.

RESOLVED FURTHER that notwithstanding anything herein above stated, where in any financial year during the currency of his tenure as Whole-time Director and Chief Financial Officer, the Company has no profits or its profits are inadequate, the Company will pay the remuneration by way of salary and perquisites as set out under item no. 7 of the Explanatory Statement annexed to this notice as minimum remuneration subject to the approval of the Central Government and such other recommendations, approvals, sanctions, if and when necessary.”

By Order of the Board of Directors

Sekhar Bhattacharjee
Company Secretary

Place: Noida

Date: April 28, 2010

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. The Register of Members and the Transfer Books of the Company will remain closed from Tuesday, July 13, 2010 to Wednesday, July 21, 2010 (both days inclusive) for the purpose of payment of dividend.

4. An Explanatory Statement pursuant to Section 173 of the Companies Act, 1956, relating to item Nos. 6 and 7 is annexed hereto.

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 despatch 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. The share certificate(s) will be returned by Karvy after consolidation.

7. Members/Proxies should bring the attendance slip duly filled in for attending the Meeting. The attendance slip is sent with the Annual Report.

8. The dividend, as recommended by the Board, if declared at the Annual General Meeting will be paid on or after July 26, 2010 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 July 12, 2010 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 July 13, 2010.

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 2017-18. Unclaimed dividend for the financial years 2002-03, 2003-04, 2004-05, 2005-06, 2006-07, 2007-08 and 2008-09 are lying with the Company. Members who have not yet encashed the dividend warrants for financial years 2002-03, 2003-04, 2004-05, 2005-06, 2006-07, 2007-08 and 2008-09 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 October 11, 2010, August 22, 2011, September 05, 2012, September 02, 2013, August 31, 2014, August 31, 2015, August 30, 2016 and August 27, 2017 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 supplied 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 appointed or re-appointed are given in the Corporate Governance Section.

ANNEXURE TO NOTICE

Explanatory Statement pursuant to Section 173 of the Companies Act, 1956

Item No. 6

The Board of Directors at their meeting held on April 28, 2010 appointed Mr. Francois Carpentier as an Additional Director of the Company with effect from April 28, 2010 and as the Managing Director of the Company for a period of three years with effect from April 28, 2010.

The appointment of Mr. Francois Carpentier as the Managing Director is subject to the approval of the Central Government and approval of the shareholders. The Company shall file necessary application seeking approval from the Central Government for appointment of Mr. Francois Carpentier as Managing Director of the Company.

The draft Agreement between the Company and Mr. Francois Carpentier, inter alia, contains the following terms and conditions:

1. The Company shall employ Mr. Francois Carpentier and Mr. Francois Carpentier shall serve the Company as its Managing Director for a period of three years from April 28, 2010 in accordance with Section 269 read with Schedule XIII and all other applicable provisions of the Act, subject to employment being determined in pursuance to any of the provisions of this Agreement.
2. In respect of such orders and directions as may from time to time be given to him by the Board of Directors of the Company (the Board), all such orders and directions Mr. Francois Carpentier shall, promptly and faithfully obey, observe and comply with in all respects and subject also to such restrictions as the Board may in its sole and uncontrolled discretion from time to time impose on him. Mr. Francois Carpentier shall have the management of whole of the affairs of the Company with power to appoint and dismiss employees of the Company, to enter into contracts on behalf of the Company in the ordinary course of business and to do and perform all other acts and things, which in the ordinary course of business, he may consider necessary or proper or in the interest of the Company.
3. During his employment under this Agreement, Mr. Francois Carpentier shall use his best endeavours to promote the interest and welfare of the Company.
4. During the period of his employment, Mr. Francois Carpentier shall whenever required by the Company undertake such travelling in India and elsewhere as the Board may from time to time direct in connection with or in relation to the business of the Company.
5. The Company shall in consideration of the performance of his duties, pay to Mr. Francois Carpentier during the continuance of this Agreement, the following remuneration:
 - (i) Salary of Rs. 4,88,513/- (Rupees Four Lacs Eighty Eight Thousand Five Hundred and Thirteen only) per month.
 - (ii) In addition to the salary, he will be entitled to one time Settling-in Allowance and Mobility premium as per Company's policy.
6. In addition to salary and commission, the following perquisites shall be allowed to Mr. Francois Carpentier
 - (i) Housing: Mr. Francois Carpentier shall be entitled to rent free furnished residential accommodation.
 - (ii) Other allowances as per company rules as applicable to Mr. Francois Carpentier.
 - (iii) In case no accommodation is provided by the Company, Mr. Francois Carpentier shall be entitled to house rent allowance as may be approved by the Board of Directors.
 - (iv) Security at residence.
 - (v) Reimbursement of electricity and gas charges.
 - (vi) Coverage for self and family under the Company's mediclaim policy.

- (vii) Leave travel concession (Home Leave) for Mr. Francois Carpentier and family once in a year incurred in accordance with the Rules specified by the Company.
- (viii) Fees of clubs subject to a maximum of two clubs.
- (ix) Personal Accident Insurance as per the Rules of the Company.
- (x) Provision of a car including fuel and maintenance expenses with driver for business as well as personal purposes.
- (xi) Communication facilities.
- (xii) Annual performance bonus as per the rules of the Company.

Explanation: "Family" means the spouse and the dependent children.

7. Mr. Francois Carpentier shall also be paid the following perquisites which shall not be included in the computation of the ceiling on the remuneration in the event the Company has no profit or its profits are inadequate in any financial year during the aforesaid period.

Earned/Privilege Leave including encashment of accumulated leave on repatriation as per rules of the Company.

Notwithstanding anything herein above, where in any financial year, during the currency of his tenure as Managing Director, the Company has no profits or its profits are inadequate, the Company will pay the aforesaid remuneration by way of salary, perquisites and other allowances as minimum remuneration subject to the approval of the Central Government, if and when necessary and the difference between the aforesaid minimum remuneration and minimum remuneration as specified in Schedule XIII to the Act, shall be paid after receipt of the Central Government approval based on such recommendations as may be statutorily required.

8. In the event of any statutory amendment or modifications or relaxation by the Central Government to Schedule XIII to the Act, or any re-enactment thereof, the terms and conditions of the said re-appointment and/or the Agreement may be altered, modified, amended or varied, from time to time by the Board of Directors as it may, in its discretion, deem fit, so as not to exceed the limits specified in Schedule XIII to the Act or any re-enactment or amendments or modifications thereto.
9. Mr. Francois Carpentier shall be entitled to :
- (a) the reimbursement of entertainment expenses actually and properly incurred by him in the course of the legitimate business of the Company in accordance with the rules and regulations of the Company in force from time to time or as may be approved by the Board of Directors; and
 - (b) the reimbursement of travelling, hotel and other expenses incurred by him in India and abroad

exclusively on the business of the Company in accordance with the rules and regulations of the Company in force from time to time or as approved by the Board of Directors.

10. As long as Mr. Francois Carpentier functions as the Managing Director he shall not be paid any sitting fees for attending the meeting of the Board of Directors or Committee thereof.
11. Mr. Francois Carpentier shall be entitled to benefit under Stock Option Scheme(s), Stock Attribution Scheme(s), Share purchase Scheme(s), Share Preferential Allotment Scheme(s) and such other similar scheme(s) by the Company or ALSTOM, France as may be announced from time to time.
12. As long as Mr. Francois Carpentier functions as Managing Director, he shall not be subject to retirement by rotation.
13. Mr. Francois Carpentier shall not, during the term of this Agreement with the Company, engage himself either directly or indirectly or be interested in any capacity whatsoever or render assistance to any firm, Company or persons whatsoever whether a manufacturer, dealer or trader in goods or products which are of the same or similar kind and nature as those of the Company.
14. As long as Mr. Francois Carpentier functions as Managing Director, he shall not become interested or otherwise concerned directly or through his wife and/or minor children, in any selling agency of the Company in future without the prior approval of the Central Government.
15. Mr. Francois Carpentier shall not during the continuance of his employment with the Company or at any time thereafter divulge or disclose to any person whomsoever or to make any use whatsoever for his own purpose or for any purpose other than that of the Company any information or knowledge obtained by him during his employment as to the business or affairs of the Company or its methods or as to any trade secrets or secret processes of the Company and Mr. Francois Carpentier shall during the continuance of his employment hereunder also use his best endeavours to prevent any other person from so doing PROVIDED HOWEVER that such divulgence or disclosure by Mr. Francois Carpentier to officers and employees of the Company for the purpose of business of the Company shall not be deemed to be a contravention of this Clause.
16. If Mr. Francois Carpentier shall at any time be prevented by ill-health or accident or any physical or mental disability from performing his duties hereunder, he shall inform the Company and supply with such details as it may be reasonably required, and if he shall be unable by reason of ill-health or accident or disability for a period of 180 days in any period of twelve consecutive calendar months, to perform his duties hereunder, the Company may forthwith terminate his employment hereunder.

17. The Company shall be entitled to terminate Mr. Francois Carpentier's employment as Managing Director and/or his office as Director forthwith, if he becomes insolvent or makes any composition or arrangement with his creditors or ceases to be Director or a Managing Director of the Company.
18. In case of Mr. Francois Carpentier death in the course of his employment with the Company, the Company shall pay to his legal representatives the salary and other emoluments payable hereunder for the then current month together with any such further sum as the Board in its sole and uncontrolled discretion may determine.
19. If Mr. Francois Carpentier is guilty of inattention to or negligence in the conduct of the business or any other act or omission inconsistent with his duties as the Managing Director or any breach of this Agreement, which, in the opinion of the Board, renders his retirement from office of Managing Director desirable, the Company by not less than ninety days notice in writing to Mr. Francois Carpentier determine this Agreement and upon the expiration of such notice Mr. Francois Carpentier shall cease to be a Director of the Company.
20. Notwithstanding anything to the contrary contained in the Agreement, either party shall be entitled to terminate the Agreement at anytime by giving to the other party 180 days notice in writing in that behalf, without the necessity of showing any cause and on the expiry of the period of such notice this Agreement shall stand determined and in view thereof and as a consequence of such termination by notice Mr. Francois Carpentier shall cease to be a Director of the Company.
21. The terms and conditions of the said appointment and/or Agreement may be altered and varied from time to time by the Board as may be permissible as it deems fit, subject to the provision of the Act, or any re-enactment or any amendments or modification thereto.
22. The Agreement shall represent the entire agreement between the parties hereto on the subject matter with effect from April 28, 2010 hereof and shall cancel and supersede all prior agreements, arrangements or understandings, if any, whether oral or in writing, between the parties hereto on the subject matter hereof with effect from April 28, 2010.

This is considered as an abstract under Section 302 of the Act, of the terms and conditions of the appointment of Mr. Francois Carpentier as the Managing Director of the Company

The Company has also received a notice in writing from a member under Section 257 of the Act, signifying his intention to propose the name of Mr. Francois Carpentier for appointment as a Director of the Company.

The proposed business at item no. 6 of the Notice of this meeting is intended to seek your approval. Your Directors recommend the approval of the Special Resolution in the interest of the Company.

Except Mr. Francois Carpentier, none of the Directors is, in any way concerned or interested in the Resolution at this item of the accompanying notice.

The draft Agreement to be executed between the Company and Mr. Francois Carpentier will be open for inspection by the members at the registered office of the Company on any working day between 11.00 a.m. to 1.00 p.m.

Item No. 7

Mr. S.M. Momaya was appointed as the Whole-time Director and Chief Financial Officer of the Company for a period of three years with effect from May 17, 2004. He was re-appointed as the Whole-time Director and Chief Financial Officer of the Company for a further period of three years with effect from May, 2007; his term as Whole-time Director and Chief Financial Officer of the Company is to expire on May 16, 2010.

The Board of Directors at their meeting held on April 28, 2010 passed a resolution for re-appointment of Mr. S.M. Momaya for a further period of three years on the remuneration and the terms and conditions as set out in the draft Agreement, subject to necessary approvals as and when required. The said remuneration is well within the limits specified by Sections 198 and 309 of the Companies Act, 1956 read with Schedule XIII to the Companies Act, 1956.

The draft Agreement between the Company and Mr. S.M. Momaya interalia contains the following terms and conditions:

1. The Company shall employ Mr. Momaya and Mr. Momaya shall serve the Company as its Whole-time Director and Chief Financial Officer for a period of three years from May 17, 2010 to May 16, 2013 in accordance with the provisions of Section 269 read with Schedule XIII to the Companies Act, 1956, subject to the employment being determined in pursuance of any of the provisions of this Agreement.
2. As Whole-time Director and Chief Financial Officer, Mr. Momaya shall perform such duties and exercise such powers as are entrusted to him from time to time by the Managing Director and in his absence by the Board of Directors of the Company (hereinafter referred to "the Board"). He shall report to the Managing Director and he shall be responsible for all actions relating to the business of the Company to the Managing Director and in his absence to the Board and shall promptly and faithfully obey and observe such orders and directions as may from time to time be given to him by the Managing Director and in his absence by the Board.
3. During his employment under this Agreement, Mr. Momaya shall devote his whole time and attention during business hours to the business of the Company as may be necessary or required and shall use best endeavours to promote its interest and welfare.
4. During the period of his employment, Mr. Momaya shall whenever required by the Company, undertake such

travelling in India and elsewhere as the Managing Director or the Board may from time to time direct in connection with or in relation to the business of the Company.

5. The Company shall, in consideration of the performance of his duties, pay to Mr. Momaya during the continuance of this Agreement, the following remuneration -

(a) Salary of Rs. 1,57,800/- (Rupees One Lac Fifty seven Thousand Eight Hundred only) per month.

The annual increment will be in accordance with the rules of the Company, to be subsequently brought to the notice of the Board of Directors of the Company or its Committee.

(b) Exgratia payment: As per rules of the Company.

In addition to salary and exgratia payment or commission, the following perquisites shall be allowed to Mr. S.M. Momaya:

(i) Housing: Mr. S.M. Momaya shall be entitled to rent free furnished residential accommodation.

(ii) In case no accommodation is provided by the Company, Mr. S.M. Momaya shall be entitled to house rent allowance as per the rules of the Company.

(iii) Other Allowances as per Company rules as applicable to Mr. S.M. Momaya.

(iv) Payment/Reimbursement of medical, surgical, hospitalisation expenses and mediclaim insurance premium incurred for Mr. S.M. Momaya and family as per the rules of the Company.

(v) Leave travel concession for Mr. S.M. Momaya and family once in a year incurred in accordance with the rules specified by the Company.

(vi) Fees of one club.

(vii) Personal accident insurance as per the rules of the Company.

(viii) Provision of Company car with driver for business as well as personal purposes.

(ix) Telephone facilities as per the rules of the Company.

(x) Company provided soft furnishing for residence.

(xi) Annual performance bonus as per the rules of the Company.

Perquisites shall be evaluated as per the Income Tax Rules, wherever applicable, and in the absence of any such rules, perquisites shall be evaluated at actual cost.

6. Notwithstanding anything hereinabove, where in any financial year during the currency of his tenure as Whole-time Director and Chief Financial Officer, the Company has no profits or its profits are inadequate, the Company will pay the aforesaid remuneration by way of salary and perquisites as minimum remuneration subject to the approval of the Central Government, if and when necessary and the difference between the aforesaid minimum remuneration and the minimum remuneration as specified in Schedule XIII to the Companies Act, 1956 shall be paid after receipt of the Central Government

approval based on such recommendations as may be statutorily required.

7. In the event of any statutory amendment or modification or relaxation by the Central Government to Schedule XIII to the Companies Act, 1956, the terms and conditions of the said appointment and / or the Agreement may be altered, modified, amended or varied, from time to time by the Board of Directors as it may, in its discretion, deem fit, so as not to exceed the limits specified in Schedule XIII to the Companies Act, 1956, or any amendment or modification or relaxation made thereafter in that regard.

8. Mr. S.M. Momaya shall also be paid the following perquisites which shall not be included in the computation of the ceiling on the remuneration in the event the Company has no profit or its profits are inadequate in any financial year during the aforesaid period:

(i) Contribution to Provident Fund, Superannuation Fund or Annuity Fund as per the Schemes of the Company to the extent these either singly or put together are not taxable under the Income-Tax Act, 1961.

(ii) Gratuity payable at the rate not exceeding half a month's salary for each completed year of service.

(iii) Earned / privilege leave: On full pay and allowances, as per rules of the Company but not more than 30 working days leave for every year of service shall be allowed. Leave accumulated at the end of his current term will be allowed to be encashed and in case of future term(s) of appointment shall be carried forward and such further term(s) be treated as continuation of service.

Explanation: "Family" means the spouse, the dependent children and dependent parents of the Whole-time Director.

9. Mr. S.M. Momaya shall be entitled to:

(a) the reimbursement of entertainment expenses actually and properly incurred by him in the course of the legitimate business of the Company in accordance with the rules and regulations of the Company in force from time to time or as may be approved by the Managing Director or the Board; and

(b) the reimbursement of travelling, hotel and other expenses incurred by him in India and abroad exclusively on the business of the Company in accordance with the rules and regulations of the Company in force from time to time or as approved by the Managing Director or the Board.

10. Mr. S.M. Momaya shall be entitled to benefit under Stock Option Scheme(s), Stock Attribution Scheme(s), Share Purchase Scheme(s), Share Preferential Allotment Scheme(s) and such other similar scheme(s) by the Company or ALSTOM, France as may be announced from time to time.

11. As long as Mr. S.M. Momaya functions as Whole-time Director and Chief Financial Officer, no sitting fee shall

be paid to him for attending the Meetings of the Board of Directors or Committee thereof.

12. Mr. S.M. Momaya shall not retire by rotation whilst he continues to hold that office. However upon termination of the Agreement, he shall cease to be the Director of the Company, unless reappointed.
13. Mr. S.M. Momaya shall not engage himself, either directly or indirectly or be interested in any capacity whatsoever or render assistance during the term of his Agreement with the Company to any firm, company or persons whether a manufacturer, dealer or trader in goods or products which are of the same or similar kind and nature as those of the Company.
14. As long as Mr. S.M. Momaya functions as Whole-time Director and Chief Financial Officer, he shall not become interested or otherwise concerned directly or through his wife and / or minor children, in any selling agency of the Company in future without the prior approval of the Central Government.
15. Mr. S.M. Momaya shall not divulge or disclose to any person any secret or confidential information relating to the business or affairs of the Company or as to any trade secrets or secret processes and to use his best endeavours to prevent any other person from so doing provided however that such divulgence or disclosure by Mr. Momaya to officers and employees of the Company for the purpose of business of the Company shall not be deemed to be a contravention of this Clause.
16. The Company shall be entitled to terminate Mr. S.M. Momaya's employment forthwith if he is unable to perform his duties by reason of ill-health, accident or disability for a period of 180 days in any period of twelve consecutive calendar months.
17. The Company shall be entitled to terminate Mr. S.M. Momaya's employment as Whole-time Director and / or his office as a Director forthwith, if he becomes insolvent or makes any composition or arrangement with its creditors or ceases to be a Director or a Whole-time Director of the Company.
18. In case of Mr. S.M. Momaya's death in the course of his employment as Whole-time Director and Chief Financial Officer with the Company, the Company shall pay his legal representatives the salary and other emoluments payable for the then current month together with any such further sum as the Board in its sole and uncontrolled discretion may determine.
19. The Company shall be entitled to terminate Mr. S.M. Momaya's employment by giving not less than 30 days notice in writing if he is guilty of inattention to or negligence in his conduct of the business or any breach of the Agreement, which, in the opinion of the Board, renders his retirement from office of Whole-time Director desirable.
20. Either party shall be entitled to terminate the Agreement by giving to the other party 90 days' notice in writing without showing any cause.
21. The terms and conditions of the said appointment and / or Agreement may be altered and varied from time to time by the Board as it may be permissible and if deemed fit, so as not to exceed the limits specified in Schedule XIII to the Companies Act, 1956 or any amendment or relaxation made hereafter in that regard.
22. The Agreement represents the entire agreement between the Company and Mr. S.M. Momaya and cancels and supersedes all prior agreements, arrangements or understandings, if any, whether oral or in writing, between the Company and Mr. S.M. Momaya.

This is considered as an abstract under Section 302 of the Companies Act, 1956 of the terms and conditions of the re-appointment of Mr. S.M. Momaya as the Whole-time Director of the Company.

The Company has also received a notice in writing from a member under Section 257 of the Companies Act, 1956 signifying his intention to propose the name of Mr. S.M. Momaya for appointment as a Director of the Company.

The proposed business at item no. 7 of the notice of this meeting is intended to seek your approval. Your Directors recommend the approval of the Special Resolution in the interest of the Company.

Except Mr. S.M. Momaya, none of the Directors is in any way concerned or interested in the Resolution at this item of the accompanying notice.

The draft Agreement to be executed between the Company and Mr. S.M. Momaya will be open for inspection by the members at the registered office of the Company on any working day between 11.00 a.m. to 1.00 p.m. upto the date of Annual General Meeting.

By Order of the Board of Directors

Sekhar Bhattacharjee
Company Secretary

Place: Noida
Date: April 28, 2010

DIRECTORS' REPORT

Dear Shareholders,

Your Directors have pleasure in presenting the 18th Annual Report of the Company and the Audited Accounts for the year ended March 31, 2010.

• Financial Results

	For the year ended March 31, 2010	(Rupees thousands) For the year ended March 31, 2009
Profits before Extraordinary items, Tax, Interest and Depreciation	2,901,471	2,399,604
Less: Interest	(1,244)	(1,014)
Less: Depreciation	(4,17,124)	(330,918)
Profit before Tax	2,483,103	2,067,672
Less: Provision for Taxation		
– Fringe Benefit Tax	-	(46,157)
– Current Tax	(8,76,000)	(697,666)
– Deferred Tax	65,403	25,072
Profit after Tax	1,672,506	1,348,921
Balance brought forward from previous year	1,792,654	1,362,766
Profit available for Appropriation	3,465,151	2,711,687
Appropriations		
a) Transferred to General Reserve	167,251	134,892
b) Proposed Dividend	670,242	670,242
c) Corporate Dividend Tax	113,908	113,908
Balance Carried forward to Balance Sheet	2,513,750	1,792,645

• Dividend

The Directors are pleased to recommend a dividend at the rate of Rs. 10 per equity share for the year ended March 31, 2010 (previous year Rs. 10 per share) on 67,024,174 equity shares of Rs. 10 each.

• Operations

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

• Consolidated Financial Statements

In compliance with the applicable Clauses of the Listing Agreements with the Stock Exchanges, the Company has prepared Consolidated Financial Statements as per the Accounting Standards 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 have been annexed to this Annual Report.

• Corporate Governance

Your Company is in compliance with the requirements and disclosures

with respect to the Code of Corporate Governance as required under Clause 49 of the Listing Agreement entered into with the Stock Exchanges. As a listed company, necessary measures are taken to comply with the Listing Agreements with the Stock Exchanges. A report on Corporate Governance as stated above, along with a certificate of compliance from the Auditors, 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.

• Directors' Responsibility Statement

In compliance of 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 March 31, 2010 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

ALSTOM Power Boilers Services Limited is a wholly owned subsidiary of your Company.

The Ministry of Corporate Affairs (MCA), Government of India has granted exemption to the Company from attaching the Annual Report and other particulars of its subsidiary company together with the Annual Report of the Company as required under Section 212 of the Companies Act, 1956. Therefore, the said Report of the subsidiary company is not attached. However, a statement of particulars of the subsidiary

company have been attached alongwith the 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 investors of the Company and also to the investors 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 investors 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 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 a 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 March 31, 2010 was 3,899.

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.

- **"Group" for inter-se Transfer of Shares**

As required under Regulation 3(i)(e) of the Securities and Exchange Board of India (Substantial Acquisition of Share and Takeovers) Regulation, 1997, person constituting "Group" (within the meaning as defined in the Monopolies and Restrictive Trade Practice Act, 1969) for the purpose of availing exemption from applicability of the provisions of Regulations 10 to 12 of the aforesaid SEBI Regulations are given in Annexure-B which forms part of this Annual Report.

- **Board of Directors**

Mr. Emmanuel Colombier resigned as the Vice Chairman & Managing Director of the Company with effect from April 01, 2010. Consequently, he also ceased to be a Director of the Company with effect from the said date. The Board places on record its appreciation for the valuable services and guidance given by Mr. Emmanuel Colombier to the Company during his tenure as the Managing Director of the Company.

The Board of Directors at their meeting held on April 28, 2010 appointed Mr. Francois Carpentier as an Additional Director of the Company with effect from April 28, 2010 and also as the Vice Chairman & Managing Director of the Company for a period of three years with effect from the said date.

The appointment of Mr. Francois Carpentier as the Vice Chairman & Managing Director would be subject to the approval of the Shareholders and also of the Central Government respectively.

The term of appointment of Mr. S.M. Momaya, Whole-time Director and Chief Financial Officer, expires on May 16, 2010. The Board of Directors at their meeting held on April 28, 2010 has re-appointed Mr. S.M. Momaya as the Whole-time Director & Chief Financial Officer for a period of three years with effect from May 17, 2010. The re-appointment of Mr. S.M. Momaya by the Board of Directors is subject to the approval of the Shareholders of the Company.

In accordance with the Articles of Association of the Company, Mr. Sunand

Sharma and Mr. A. K. Thiagarajan retire by rotation from the Board of Directors of the Company at the ensuing Annual General Meeting. Both are eligible and seek their re-appointment at the ensuing Annual General Meeting.

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

- **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 on 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 valued customers, banks, government authorities, investors and stock exchanges for their continued support to the Company. The Board also takes this opportunity to express its sincere appreciation for the excellent support and dedicated efforts put in by the employees for continued good performance. Further, your Directors wish to thank its promoters (viz: ALSTOM Group) for its ongoing valuable support and also other shareholders of the Company for the continuing support.

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 : April 28, 2010

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 2009-2010

- Monitored power factor by maintaining between 0.97 - 0.99 for the whole unit at Vadodara, added new capacitor banks, corrected as and when required resulting in achieving a rebate from the Electricity Board. Received a rebate of Rs. 8,07,000 in MGCL electricity bill in the year 2009.
- Installed secure meters at major electrical installation in the sub station to monitor power consumption.
- Arrested compressed air leakage at various locations to improve volumetric efficiency of compressors. Air end of old 240 cfm compressor was replaced to improve efficiency. Addition of two new compressors of 240cfm & 100cfm.
- Installed new water meters at Vadodara unit at the header pipe to monitor & control water consumption.
- Successfully switched over to 66 KV Supply with effect from 8th January 2010 at Vadodara unit to meet the additional demand of the existing unit and also future requirements. With this upgradation of supply, power interruptions were minimal as compared to earlier supply of 11 KV. Achieved quality power thereby benefiting the CNC machine performance by directly impacting the run time positively.
- Able to run Vadodara unit on all the seven days of the week on MGCL supply and there was no requirement to run the unit on DG set on Sundays resulting in saving of Rs 43,03,500 on diesel cost.
- Relocation of 1000 cfm compressor to Pulveriser shop at Shahabad unit from the centralized compressor house resulted in reduction in leakage of compressed air, and optimizing the performance of compressed air system and energy saving.

- Replaced the conventional power consuming star delta starter system in various machines with Digital A.C. VVVF drives at Shahabad unit resulting in energy saving to the tune of 141000 Kwh.
 - Renovation and modernization of two boring machine into PLC Controlled at Shahabad unit resulting in energy savings of 9600 units per annum.
 - Awareness to all employees to conserve energy. Monthly energy consumption was shown on display boards.
 - Implementation of energy saver lights in place of halogen.
 - Replacement of 1* 40 watts in place of 2*40 watts tube lights in the main office and Conference room at Coimbatore unit.
 - Provision of Individual controls for Fans and Lights for controlled usage.
- b. 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

Continuous efforts towards research and development of its products are being taken by the Company. Future plans of action are as under:

- Implementation of Electro Hydraulic Crimping Tool for crimping 10 sq. mm to 120 sq. mm.
- Implementation of Electro Hydraulic Cutting tool for Cable cutting.

(2) Benefits derived as a result of above efforts

- Product improvement.
- Cost reduction.
- Import substitution.

(C) Foreign Exchange Earnings and Outgo

a. Activities relating to exports:

The total export earnings from Engineering and other services were 1,354 MINR.

b. Total foreign exchange used and earned:

(Rupees thousands)

Foreign exchange earned	6,831,048
Foreign exchange used	6,373,248
Net foreign exchange earned	457,800

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: April 28, 2010

Annexure B to Director's Report

List of persons constituting "Group" as required under clause 3 (e) of the Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 1997)

(SIE) SOCIETE INDUSTRIELLE ENERGIE A.M.R.	ALSTOM Electrical Machines Ltd	ALSTOM Magnets and Superconductors SA
ABRECO REALTY CORPORATION	ALSTOM Erste Verwaltungs GmbH	ALSTOM Maintenance Inc.
ACCION POWER AZUFRES S.A. DE C.V.	ALSTOM Espana IB, S.L.	ALSTOM Management Resources AG (ou)
AGUAYTIA SUMINISTROS Y EQUIPAMIENTOS S.A.	ALSTOM Estonia AS	ALSTOM Management Resources Ltd
AIR PREHEATER EQUIPAMENTOS LTDA	ALSTOM Ferroviaria S.p.A.	ALSTOM Management SA
ALFARIN OY	ALSTOM Finance BV	ALSTOM Manufacturing India Ltd
ALGEC GT SERVICES, LIBYAN JOINT VENTURE STOCK COMPANY	ALSTOM Finland Oy	ALSTOM Maroc S.A.
ALSKAW LLC	ALSTOM General Turbo SA	ALSTOM Mexicana S.A. de C.V.
ALSOMA G.E.I.E.	ALSTOM GmbH	ALSTOM Mexico, S.A. de C.V.
ALSTOM (China) Investment Co., Ltd	ALSTOM Hellas S.A.	ALSTOM Netherlands BV
ALSTOM (Schweiz) AG, ALSTOM (Switzerland) Ltd, ALSTOM (Suisse) SA	ALSTOM Holdings	ALSTOM Network Power
ALSTOM (Schweiz) Services AG ou ALSTOM (Switzerland) Services Ltd ou ALSTOM (Suisse) Services SA	ALSTOM Holdings (Thailand) Co. Ltd	ALSTOM Network Schweiz AG / ALSTOM Network Switzerland Ltd / ALSTOM Network Suisse SA
ALSTOM (Thailand) Ltd	ALSTOM Hong Kong Ltd	ALSTOM Network Transmission
ALSTOM (Wuhan) Engineering & Technology Co., Ltd	ALSTOM Hungary Co. Ltd.	ALSTOM Network Transport
ALSTOM a.s., ALSTOM Group in liquidation	ALSTOM Hydro (Schweiz) AG (ou) ALSTOM Hydro (Switzerland) Ltd (ou) ALSTOM Hydro (Suisse) SA	ALSTOM Network UK Ltd
ALSTOM Africa Holdings (Pty) Limited	ALSTOM Hydro Austria GmbH	ALSTOM New Zealand Holdings Limited
ALSTOM Algérie "Société par Actions"	ALSTOM Hydro China Co., Ltd	ALSTOM Nigeria Limited
ALSTOM Argentina S.A.	ALSTOM Hydro Deutschland GmbH	ALSTOM Northern Line Service Provision
ALSTOM Asia Pacific Sdn Bhd	ALSTOM Hydro Espana, S.L.	ALSTOM Norway AS
ALSTOM Atomenergomash	ALSTOM Hydro France	ALSTOM NV
ALSTOM Australia Holdings Limited	ALSTOM Hydro Holding	ALSTOM PAC Inc.
ALSTOM Australia Limited	ALSTOM Hydro Malaysia Sdn Bhd	ALSTOM Panama, S.A.
ALSTOM Australia Superannuation Plan Pty Limited	ALSTOM Hydro R&D India Limited	ALSTOM Pension Trust Ltd
ALSTOM Beizhong Power (Beijing) Co., Ltd	ALSTOM Hydro Sweden AB	ALSTOM Philippines, Inc.
ALSTOM Belgium Business & Services	ALSTOM Hydro Venezuela	ALSTOM Portugal, S.A.
ALSTOM Belgium SA	ALSTOM I.T.C. ou ALSTOM Infrastructure Technology Center	ALSTOM Power & Transport Canada Inc. / ALSTOM Energie & Transport Canada Inc.
ALSTOM Bergeron	ALSTOM Inc.	ALSTOM Power Austria GmbH
ALSTOM BGR "Société en liquidation"	ALSTOM India Ltd	ALSTOM Power Boilers Services Limited
ALSTOM Bharat Forge Power Limited	ALSTOM Industria Ltda	ALSTOM Power Chicoasen, S.A. de C.V.
ALSTOM Brasil Energia e Transporte Ltda	ALSTOM Inspection Robotics AG ou ALSTOM Inspection Robotics Ltd ou ALSTOM Inspection Robotics SA	ALSTOM Power Colombia S.A.
ALSTOM Bulgaria EOOD	ALSTOM International Egypt S.A.E.	ALSTOM Power Construction Ltd
ALSTOM Canada Inc.	ALSTOM Ireland Ltd	ALSTOM Power Construction Sp. zo.o.
ALSTOM Canada Ocean Technology Inc.	ALSTOM Israel Ltd	ALSTOM Power Consulting AG (ou) ALSTOM Power Consulting Ltd
ALSTOM Carbon Capture GmbH	ALSTOM K.K.	ALSTOM Power Conversion
ALSTOM Caribe, Inc.	ALSTOM Khadamat S.A.	ALSTOM Power Conversion Inc.
ALSTOM Chile S.A.	ALSTOM Kléber Malraux	ALSTOM Power CZ, s.r.o., ALSTOM Group
ALSTOM Contracting Ltd	ALSTOM Kléber Sixteen	ALSTOM Power Energy Recovery GmbH
ALSTOM Croatia Ltd	ALSTOM Kléber Thirteen	ALSTOM Power FlowSystems A/S
ALSTOM Danmark A/S	ALSTOM Kleber Twenty	ALSTOM Power FlowSystems s.r.l.
ALSTOM Defined Contribution Pension Trustee Limited	ALSTOM Kleber Twenty One	ALSTOM Power Generation Limited
ALSTOM Deutschland AG	ALSTOM Konstal Spolka Akcyjna	ALSTOM Power Heat Exchange
ALSTOM Egypt for Power & Transport Projects S.A.E.	ALSTOM Korea Ltd	ALSTOM Power Hidroelektrik Uretim Tesis Ticaret ve Isletme Ltd Sti
	ALSTOM Latvia Ltd	ALSTOM Power Holdings SA
	ALSTOM Leroux Naval	ALSTOM Power Hydraulique SAS
	ALSTOM Limited	ALSTOM Power Inc.
	ALSTOM Lokomotiven Service GmbH	ALSTOM Power Industrie
	ALSTOM Ltd	ALSTOM Power International, Inc.

ALSTOM Power Italia S.p.A.	ALSTOM Slovakia, s.r.o.	CERREY, S.A. de C.V.
ALSTOM Power Ltd	ALSTOM STH Africa Power Projects (Pty) Limited	CHANTIERS DE L'ATLANTIQUE
ALSTOM Power Nederland B.V.	ALSTOM Strongwish (Shenzhen) Co. Ltd	CIL 2000 HABITAT
ALSTOM Power New Zealand Limited	ALSTOM Sweden AB	CITADIS ISRAEL
ALSTOM Power O&M AG (ALSTOM Power O&M Ltd)	ALSTOM T&D GmbH	CITYPASS LIMITED
ALSTOM Power Peru S.A.	ALSTOM T&T Ltd	CLEAN CURRENT LIMITED PARTNERS
ALSTOM Power Plants Ltd	ALSTOM Taiwan Ltd	CLEVER ENGINEERING AG
ALSTOM Power Plants Services Limited	ALSTOM Technical Services (Shanghai) Co., Ltd	CLEVER ENGINEERING GMBH
ALSTOM Power Projects (Pty) Ltd	ALSTOM Technologie AG (ou) ALSTOM Technology Ltd (ou) ALSTOM Technologie SA	COMPAGNIE DE MONTAGES ELECTRIQUES A L'EXPORTATION - COMELEX
ALSTOM Power Proyectos S.A. de C.V.	ALSTOM Transport	COMPAGNIE INTERNATIONALE DE MAINTENANCE - C.I.M.
ALSTOM Power Romania srl	ALSTOM Transport (S) Pte Ltd	CONCEPELEC
ALSTOM Power SA	ALSTOM Transport AB	CONSENEC AG (ou) CONSENEC Ltd (ou) CONSENEC S.A.
ALSTOM Power Service	ALSTOM Transport BV	DALIAN PYUNG-IL CARIBONI POWER LINE PRODUCTS CO., LTD
ALSTOM Power Service (Arabia) FZE	ALSTOM Transport Deutschland GmbH	DDCP CORPORATION
ALSTOM Power Service (Hong Kong) Ltd	ALSTOM Transport Holding US Inc.	DEFLO GmbH i.L.
ALSTOM Power Service (Pty) Ltd	ALSTOM Transport Hong Kong Ltd	DELAS REPSA
ALSTOM Power Service GmbH	ALSTOM Transport Korea Ltd	ECOTECNIA FRANCE SAS
ALSTOM Power Service SA (Pty) Limited	ALSTOM Transport SA	ECOTECNIA GALICIA, S.L.
ALSTOM Power Singapore Pte Ltd	ALSTOM Transport Service Ltd	ECOTECNIA INSTALACION, S.L.
ALSTOM Power Site Services Pty Limited	ALSTOM Transportation Inc.	ECOTECNIA ITALIA S.R.L UNIPERSONALE
ALSTOM Power Spolka z ograniczona odpowiedzialnoscia in Warszawa	ALSTOM Transportation Projects International Ltd	ECOTECNIA NAVARRA, S.A.
ALSTOM Power Stavan	ALSTOM Transportation Projects Limited	ECOTECNIA PROMOCIONES EOLICAS INTERNACIONALES, S.A.U.
ALSTOM Power Sweden Aktiebolag	ALSTOM Transportation Services Ltd	ENERCON ENGINEERING UND MONTAGE AG
ALSTOM Power Systems GmbH	ALSTOM Transporte, S.A.	EOLICA DE LA RUYA, S.L.
ALSTOM Power Systems SA	ALSTOM Turbine Generators India Ltd	EOLICA HORMILLA, S.L.
ALSTOM Power Turbomachines LLC	ALSTOM UK	EOLICA ORTEGA, S.L.
ALSTOM Power Turbomachines Ltd	ALSTOM UK Holdings Ltd	ETE - EQUIPAMENTOS DE TRACAO ELETRICA LTDA
ALSTOM Power Uzinsider S.A. (in liquidation)	ALSTOM USA Inc.	ETOILE KLEBER
ALSTOM Power Ve Ulasim Anonim Sirketi	ALSTOM Vannkraft AS	EXPORTERS INSURANCE COMPANY LTD
ALSTOM Power, S.A.	ALSTOM Venezuela S.A.	FFCP LLC
ALSTOM Projects India Ltd	ALSTOM Vietnam Company Limited	FORCES HYDRAULIQUES DE MEUSE - F.H.Y.M.
ALSTOM Projects Taiwan Ltd	ALSTOM Water Systems	FRAMECA - FRANCE METRO CARACAS
ALSTOM Qingdao Railway Equipment Co Ltd	ALSTOM WIND, SOCIEDAD LIMITADA	GEC ALSTHOM ACEC CONGO
ALSTOM Resources Management	ALSTOM Zweite Verwaltungs GmbH	GECI - GROUPEMENT D'ETUDES ET DE CONSTRUCTIONS INDUSTRIELLES
ALSTOM Resources Management Ltd	AMJ31	GENERAL RAILWAY SIGNAL OF CANADA LIMITED ou SIGNALISATION FERROVIAIRE GENERALE DU CANADA LIMITEE
ALSTOM S&E Africa (Pty)	APCOMPOWER INC	HARDY TRAINCARE LIMITED
ALSTOM SA	APLICACIONES TECNICAS INDUSTRIALES, S.A.	HUTA GLIWICE S.A.
ALSTOM S.p.A.	APROFITAMENT D'ENERGIES RENOVABLES DE L'EBRE, S.L.	HYDROMONTAGE (MAROC) SA (en cours de dissolution)
ALSTOM s.r.o.	BALMEC SA DE CV	HYMEC - SOCIETE D'EQUIPEMENT HYDROMECANIQUE
ALSTOM Saudi Arabia Limited	BBCP CORPORATION	IFB INSTITUT FUR BAHNTECHNIK GMBH
ALSTOM Saudi Arabia Transport and Power Ltd	BELFORT INVESTISSEMENT	IMMA - INDUSTRIA METALURGICA E MACANICA DA AMAZONIA LTDA
ALSTOM Schienenfahrzeuge AG	BOMBARDIER TRANSPORTATION PORTUGAL	INTER-ELECTRO-GESELLSCHAFT MBH
ALSTOM Services Sdn Bhd	BTGS LP	INTERINFRA (COMPAGNIE INTERNATIONALE POUR LE
ALSTOM Sextant 2	BYRCO CORP SA	
ALSTOM Sextant 3	CALDERERIA TORRES ALTAMIRA, S.A.	
ALSTOM Sextant 4	CASCO SIGNAL LTD	
ALSTOM Sextant 5	CEBRAFR SERVICOS LTDA	
ALSTOM Shanghai Aohan Energy Recovery Systems Co. Ltd	CEGELEC ITALIA (IN LIQUIDAZIONE)	
ALSTOM Signaling Inc.	CENTRE D'ESSAIS FERROVIAIRE EN REGION NORD PAS DE CALAIS SA	
ALSTOM Sitca Inc.	CENTROZAP S.A.	
ALSTOM Sizhou Boiler Auxiliary Machinery (Qingdao) Co., Ltd		
ALSTOM Sizhou Electric Power Equipment (Qingdao) Co. Ltd		

DEVELOPPEMENT D'INFRASTRUCTURES)
INVEST STAR SA.
IRVIA MANTENIMIENTO FERROVIARIO,
S.A.
JOINT VENTURE ALSTOM Power Uniturbo
Limited
KAJIWARA IRON WORKS CO., LTD
KALYANI ALSTOM POWER LIMITED
KOBÉ DOCKYARD & GENERAL MACHINERY
LTD
KOLMEX SA
LA MAQUINISTA TERRESTRE Y MARITIMA
S.A. - MTM
LORELEC
MAINTENANCE SYSTEMS CONSOLIDATED
PTY LIMITED
MARINE SERVICE PARTNERS INC.
MECANIKA CONSTRUCTION INC
METRO 5 SPA
METRO RAIL LTD
MOBILITE AGGLOMERATION REMOISE SAS
NEPAL HYDRO & ELECTRIC PVT.LTD
NEWBOLD CCI LIMITED
NEWBOLD ENERGY LTD
NEWBOLD POWER SERVICES LTD
NEWBOLD POWER UK
NEWBOLD POWER UK HOLDINGS
NEWBOLD SYSTEMS LTD
NEWBOLD TURBINE GENERATORS CHINA
LTD
NIHON KENGYO K.K.
NIHON SANGYO K.K.
NTPC ALSTOM POWER SERVICES PRIVATE
LTD
NUUK KRAFT ANS
OPERADORA DEL TRAMVIA METROPOLITA,
S.A.
OSVALDO CARIBONI LECCO S.p.A.
OY BEABELLA AB "in Bankruptcy"
PARC EOLIC COLL DEL PANISSOT, S.L.
PARC EOLIC L'ERA BELLA, S.L.
PARC EOLIEN CHAMPS PUGET
PARC EOLIEN DE LA BRUYERE SARL
PARC EOLIEN DE VIALETTE SARL
PARC EOLIEN DES PIERRES PLATES SARL
PARC EOLIEN DU COIN GUERIN SARL
PARC SOLAR NAVES, AEI
PARQUE EOLICO LA SARGILLA, S.A.U.
PARQUE EOLICO LAS TADEAS, S.L.
PARQUE EOLICO VALDEHIERRO, S.L.
PARQUES EOLICOS DE CEUTA, S.L.

For and on behalf of the Board of Directors

Francois Carpentier
Vice Chairman & Managing Director

Place: Noida
Date: April 28, 2010

PARQUES EOLICOS DE LA REGION DE
MURCIA, S.A.
PARS SWITCH
PCH O&M - PCH OPERACAO E
MANUTENCAO LTDA
PESCA INDUSTRIAL CORPORATIVA SA DE
CV - PICOSA (en faillite)
PLA DE MOULIS
POWER SYSTEMS MFG., LLC
PROFIT COMBO LIMITED
PROTEA
PT ALSTHOMINDO
PT ALSTOM Power Energy Systems
Indonesia
PT ALSTOM Transport Indonesia
RESTAURINTER
ROSARITO POWER S.A. DE C.V.
RTA RAIL TEC ARSENAL
FAHRZEUGVERSUCHSANLAGE GMBH
S.A.T. SISTEMA AUTOMATICO DI
TRASPORTO S.R.L.
SAKARI TRADING (PTY) LTD
SAMT SARL
SEINE HABITAT
SEMPAT
SET VECIANA, S.L.
SGTB LLC
SHANGHAI ALSTOM Transport Company
Limited
SHANGHAI ALSTOM Transport Electrical
Equipment Company Ltd
SIGMA ENERGY SOLUTIONS INC
SIGMA ENERGY SOLUTIONS PTY LTD
SIGNALLING SOLUTIONS LIMITED
SIM SOCIETA ITALIANA MONTAGGI S.P.A.
SOCIETE FRANCAISE D'EXPORTATION DE
SYSTEMES AVANCES
SOCIETE IMMOBILIERE CONSULAIRE DE
L'ARRONDISSEMENT D'ALES
SOCIETE IMMOBILIERE DE VIERZON
SOCPE BOUXETA
SOCPE CHAMPS CHAGNOTS
SOCPE DE BREUILLEBAULT
SOCPE DE CERMELES
SOCPE DE CHAMPS PERDUS
SOCPE DE FOND DE LA DEMIE LIEUE
SOCPE DE LA FORTE PLACE
SOCPE DE LAME DE FER
SOCPE DE POUZELAS
SOCPE DE VERS CAYEUX
SOCPE DES BEAUCES

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

SOCPE DU BOIS DE LENS
SOCPE LA MARGE
SOCPE LANDES DE COUESME
SOCPE LE CHENE COURTEAU
SOCPE PLANE DE MANS
SOCPE TERRES DE L'ABBAYE
SOFEMA
SOGEEF (Société de gestion et d'exploitation
ferroviaire)
SOPORGEN - SOCIEDADE PORTUGUESA DE
GERACAO DE ELECTRICIDADE E COLOR, SA
SPALOVNA PRUMYSLOVYCH ODPADU A.S.
(IN BANKRUPTCY)
STOCZNIA GDYNIA S.A.
STROMSDAL OY
SUBURBANO EXPRESS, S.A. DE C.V.
SWISSMETRO SA
T.P.B. TRASPORTI PUBBLICI DELLA
BRIANZA S.p.A. (in bankruptcy)
TARBES INDUSTRIE
TECHNOS ET COMPAGNIE
THE ENGLISH ELECTRIC CORPORATION
TIANJIN ALSTOM Hydro Co., Ltd
TMH ALSTOM DV
TOP YIELD GROUP LIMITED
TRAM DI FIRENZE S.p.A.
TRAMVIA METROPOLITA DEL BESOS SA
TRAMVIA METROPOLITA, S.A.
UAB ALSTOM POWER
VAL 208 TORINO GEIE
VALINOX ASIA
VENT DEL MONTSIA, S.L.
VGT VORBEREITUNGSGESELLSCHAFT
TRANSPORTTECHNIK GMBH
WASHWOOD HEATH RAIL SERVICES LTD
WASHWOOD HEATH TRAINS LTD
WEST COAST SERVICE PROVISION LIMITED
WESTCOAST TRAINCARE LIMITED
WHITE ROCK INSURANCE COMPANY PCC
LIMITED
WHOLEWISE INTERNATIONAL LIMITED
WUHAN BOILER BOYU INDUSTRY LIMITED
DUTY COMPANY
WUHAN BOILER COMPANY LTD
WUHAN LANXIANG ENERGY &
ENVIRONMENTAL PROTECTION
TECHNOLOGY INC
XI'AN ALSTOM YONGJI ELECTRIC
EQUIPMENT CO., LTD
YUZHNY EXPRESS

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 financial crisis in 2008-09 has seen Governments across the globe announcing stimulus packages. The aggressive Government activities have enabled the global economy to step back into the path of recovery. The Indian economy also experienced a turnaround in the second quarter of 2009-10 when it grew by 7.9%. The deceleration in growth in 2008-09 as well as the initial part of 2009-10 did not have significant impact on the infrastructure sector.

The XIth five-year plan has set impressive target for the infrastructure sector, which would require significant growth of power generation and transport infrastructure to meet the desired goals. The Government also envisages significant capacity addition in the coming years thereby creating a huge demand for supply of power generation equipment and services.

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 March 31, 2010	Year ended March 31, 2009
Orders received	27,468	20,987
Revenues	20,427	22,903
Orders in hand	34,066	27,025
Profit before taxation	2,483	2,068
Profit after taxation	1672	1348
EPS (in Rs.)	24.95	20.13

Orders received during the year were Rs. 27,468 million. The major orders received during the year for supercritical boilers were Bara for Rs. 4,153 million, Krishnapatnam for Rs. 3,733 million, for fume treatment plants from Hindalco Industries Limited for Rs. 3,650 million and for signalling equipment from Bangalore Metro Rail Corporation Limited for Rs. 1,870 million.

Effective project management resulted in a growth of profit after tax by 24%.

Finance

The effect of the monetary policy was visible in the interest income earned by the Company. As a result of the downward revisions in the interest rates since September 2008, the rate of return on cash declined. Effective cash flow management has helped us to be cash positive throughout the year and the Company earned an interest income of Rs. 156 million. During all project reviews, continued focus on cash flows was maintained.

The Foreign Exchange markets continued to fluctuate during the year. Prudent and timely hedging of the foreign exchange risks helped your Company against any significant exposures due to foreign exchange fluctuations.

The net cash position at the end of the year was Rs 5,812 million after payment of Rs. 784 million (including corporate dividend tax) as dividend and capital expenditure of Rs. 541 million. This was augmented by the intake of new orders with corresponding advances and monitoring of collections against receivables.

The Company continues to have an A+1 Credit Rating (assigned during the previous year by ICRA) for its non-fund based limits in the short term and LAA for its fund based and non-fund based limits in the long term. These are indicative of the lowest credit risk in the short term and low credit risk in the long term.

Human Resources

The employee strength of the Company stood at 3,899 at the end of March 2010. Performance Management and Talent Development continue to be focus areas. The training man-days for the year 2009-10 averaged at 7.6 days per employee with emphasis on Technical training. The Company continues to focus on compensation levels for engineers and professionals. To provide for development of employees and career opportunities, the focus has been on Talent management. There were 163 internal movements within the Company during 2009-10. Further, in order to build up Leadership capabilities within the organisation, a General Management Programme (GMP) in tie up with IIM (Indian Institute of Management), Indore was launched.

As an initiative of improving the visibility and image, the Company has signed a Memoranda of Understanding with Pune Engineering College, Punjab Engineering College, NIT Surathkal and M. S. University Baroda during the year.

Industrial relations remained good at all locations and, issues if any, were amicably settled with the Unions.

Internal Control

The Internal control environment of the Company is well established, maintained and its effectiveness is assessed regularly. These measures are in the form of procedures / processes set by the management covering all critical and important areas. During the year, two rounds of self-assessment were conducted. Accordingly the quality of assessment was reinforced and was improvised in line with the changes in the internal control environment. Independent tests were applied to selected key controls.

Internal audits were carried out at three locations during the period and all reports indicated a satisfactory performance. Independent reviews were conducted by internal control team.

The management continued to review the actual performance of the various businesses of the Company on regular basis.

The status of implementation of recommendations given by internal auditors and the results of self-assessment of internal controls were reviewed at each meeting of the Audit Committee.

Environment, Health and Safety (EHS)

Environment, Health and Safety (EHS) are always a prime area of attention for Alstom. Compliance with relevant regulation and effective management of these issues is an integral part of the Company's operating philosophy. EHS is managed and controlled in Alstom through an integrated EHS Management System providing continuous improvements in EHS Performance. EHS Management System is based on an "EHS Roadmap", which fulfils the objective of defining the EHS Management Standards for all sites of the Company and provides an audit guideline in order to assess the implementation of these standards.

Various sites (Manufacturing, Construction and Offices) are audited from time to time according to the EHS Roadmap document by the qualified and experienced Auditors. The Company has a robust system for implementing effective programmes and training to achieve best practice for EHS protection. There are various types of EHS related training programmes, which are conducted in the Company. The most basic training is the EHS induction programme, which everyone in the organization is required to attend. All Senior Managers in the Company are encouraged to attend a programme called Managing EHS. In the year 2009-10, three (3) such programmes were conducted at three different locations of the Company and fifty three (53) Senior Managers participated in the said program. The Company also has a sound system of EHS reporting for all its sites in order to track its EHS performance. The objective is to produce transparent, reliable, cost-effective

reporting processes ensuring consistency overtime and allowing data tracking throughout the information flow-chain. EHS reporting units have been defined based on the Finance Structure.

Business Segment Analysis

The Business of the Company is categorised in two segments, namely, Power and Transport. Reviews on each of the Company's businesses are 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.

In the year 2009, the market continued to follow the trend established in 2007 and 2008 with ordering of over 40 GW of power generation equipment. With a strong and growing economy and political will to achieve adequate power generation capacity, the growth is expected to continue at a similar pace for the next four to five years. The market is dominated by coal-fired thermal power plants with reasonable contribution from hydro, gas and renewables.

Availability of cheap domestic coal continues to fuel the large demand for coal fired thermal power plants in India. There is a market for both Sub-critical (SubC) and Super-critical (SC) technology in India. Till last year, SubC constituted the major share of the market. However, the trend has already shifted towards SC. In spite of higher capital costs associated with SC, it is being preferred over SubC, due to its advantage of high efficiency and low emissions. In future, it is expected that the share of SC will further increase, once this market matures and the capital costs come down due to indigenous manufacturing.

As far as natural gas fired combined cycle power plants are concerned, the much-awaited KG basin commenced production since April 2009. So far the gas available from KG basin has been allocated to existing projects, which did not have adequate gas or were running on high cost liquid fuel. In future, allocations are expected to be for new gas-based projects. Developers have been optimistic and have lined up a significant number of projects though all of them are unlikely to fructify. With falling prices, LNG could become an attractive source. However, it is still far from matching the delivered price levels of domestic gas.

India along with its neighbouring countries viz: Nepal and Bhutan have good hydro potential, of which only small portion is presently harnessed. The development has been slow and can be ascribed to local conflicts, land acquisition, rehabilitation issues and environmental clearances etc. Several initiatives have been launched to address the issues and enhance

the pace of hydro capacity addition in India. It is expected the ordering volume for large hydro power plants would increase from about 1.5 GW/year in the last few years to about 2 GW/year in future.

India ranks the world's sixth largest energy consumer accounting for about 3.5% of the world's total annual energy consumption. But per capita consumption of electricity is less than a fourth of the world average. The electricity generation growth during the year has been 6.6% as compared to 2.71% in the previous year. The main reasons for short fall in achievement of target / lower growth of electricity generation were delay in synchronization of new generating units, long duration of forced outage of some of the existing thermal units, inadequate availability of coal/gas and insufficient rainfall in the catchments areas of the reservoirs and hydro power stations.

The Company has the widest range of products and servicing capabilities to provide clean power and maintenance support solutions across the spectrum of requirements for the power market.

The summarized performance of the segment is as under:

	<i>(Rupees millions)</i>	
	Year ended March 31, 2010	Year ended March 31, 2009
Orders received	25,346	20,660
Sales	19,711	22,466
Orders in hand	31,688	26,052

Outlook – The factors described above present a positive outlook of the development of the Indian Power sector. It is evident that the country is on track in achieving a substantial part, if not the entire targets.

TRANSPORT

Railways

Indian Railways is one of the largest rail network in the world. Being the principal mode of transportation within the country, Railways are very important for the socio economic development of the country. Indian railways have initiated various projects for enhancing its production capacities. This will help it increasing its passenger and freight carrying capacities.

Indian Railways are exploring the framework for private sector participation in various projects for the manufacture of rolling stock and infrastructure development. Due to the complexity and magnitude of these projects the initial attempts could not proceed as anticipated in the previous year.

Metro

Metro rail projects for various cities are at different stages of implementation. Delhi Metro, the largest Metro within the country has been increasing its network with fast speed.

The existing signalling contract for Line 2 of Delhi Metro is still under implementation and is

planned to be commissioned for commencement of services ahead of the Commonwealth Games in October 2010.

The Company has signed a new contract for providing signalling system for Bangalore Metro.

The business also supplies signalling equipment to meet the requirements of improving the safety standards on Indian Railways. It also provides signalling application engineering services to the various global Alstom units from the dedicated application engineering and software centre located in Bangalore. This activity is expected to increase with a greater role for this unit in local and overseas projects of Alstom Transport.

The Financial performance of this segment is summarized below:

	<i>(Rupees millions)</i>	
	Year ended March 31, 2010	Year ended March 31, 2009
Orders received	2,122	327
Sales	716	437
Orders in hand	2,378	973

Outlook – The Company intends to pursue growth opportunities by participating in various projects presented by the plans of the Indian Railways and Metros. The Company also plans to enhance its volumes by supplying to Alstom global units with products and services from its Components manufacturing and Signalling Application Engineering services operations.

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 : April 28, 2010

AUDITORS' CERTIFICATE REGARDING COMPLIANCE OF CONDITIONS OF CORPORATE GOVERNANCE

To the Members of ALSTOM Projects India Limited

We have examined the compliance of conditions of Corporate Governance by ALSTOM Projects India Limited, for the year ended March 31, 2010, as stipulated in Clause 49 of the Listing Agreement(s) of the said Company with stock exchange(s) in India.

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.

In our opinion and to the best of our information and according to the explanations given to us, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the above mentioned Listing Agreement.

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

Place: Noida
Date: April 28, 2010

V. Nijhawan
Partner
Membership Number: F-87228

Corporate Governance Report

Company's Philosophy on Code of Corporate Governance

Corporate Governance refers to the process, which should safeguard and add value in the long-term for the interest of its various "Partners" such as shareholders, creditors, customers and employees.

The culmination of a good Corporate Governance policy is:

- Transparency and professionalism in all activities of the Company.
- Implementation of procedures and policies prescribed by the Company to ensure high ethical standards in all its business activities.
- Responsive management that meets the needs of its "Partners".

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 at March 31, 2010 was eight. The Board of Directors of the Company comprises of Executive Directors and Non-Executive Directors including Independent Directors. The Board is headed by a Non-Executive Chairman. Two Directors, including the Managing Director, are Executive Directors as at March 31, 2010. There are six 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 March 31, 2010:

Name of the Director	Category of Director	Number of Board Meetings Attended	Attendance at Last AGM held on July 23, 2009	Number of other Directorships held (includes private companies)	Number of Committee memberships in domestic public companies (including this Company) #	
					As Chairman	As Member
Mr. Sunand Sharma	Non-Executive Chairman	4	Yes	15	1	4
Mr. Emmanuel Colombier*	Executive	4	Yes	6	–	3
Mr. S.M. Momaya	Executive	4	Yes	4	–	2
Mr. K. Vasudevan	Non-Executive & Independent	4	Yes	1	2	–
Mr. A. K. Thiagarajan	Non-Executive & Independent	2	No	14	2	9
Dr. Uddesh Kohli	Non-Executive & Independent	4	Yes	7	0	7
Mr. Pedro Sole	Non-Executive	4	Yes	–	–	–
Mr. Dominique Pouliquen	Non-Executive	3	Yes	–	–	–

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

* Mr. Emmanuel Colombier has ceased to be the Vice Chairman and Managing Director with effect from April 01, 2010. Mr. Francois Carpentier has been appointed as an Additional Director and also as the Vice-Chairman and Managing Director with effect from April 28, 2010.

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

- | | |
|--------------------|----------------------|
| (1) April 29, 2009 | (3) October 30, 2009 |
| (2) July 23, 2009 | (4) January 28, 2010 |

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

As is evident, 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.in.alstom.com. All Board Members and Senior Management Personnel have affirmed compliance with the code as on March 31, 2010. 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 26th September, 2002. Mr. Sekhar Bhattacharjee, 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 March 31, 2010:

(Figures in Rupees)

Name of the Director	Salaries and Perquisites	Commission	Sitting fees	Total
Mr. Sunand Sharma	Nil	Nil	Nil	Nil
Mr. Emmanuel Colombier*	6,368,796	Nil	Nil	6,368,796
Mr. S.M. Momaya	6,458,405	Nil	Nil	6,458,405
Mr. Pedro Sole	Nil	Nil	Nil	Nil
Mr. Dominique Pouliquen	Nil	Nil	Nil	Nil
Mr. K. Vasudevan	Nil	Nil	1,60,000	1,60,000
Mr. A. K. Thiagarajan	Nil	Nil	80,000	80,000
Dr. Uddesh Kohli	Nil	Nil	1,60,000	1,60,000

* Mr. Emmanuel Colombier has ceased to be the Vice-Chairman and Managing Director of the Company with effect from April 01, 2010. Mr. Francois Carpentier has been appointed as an Additional Director and also as the Vice-Chairman and Managing Director with effect from April 28, 2010.

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, holds 3,230 shares of the Company.

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

1. Mr. Sunand Sharma

Mr. Sunand Sharma, 60, is a Mechanical Engineer with 38 years of diverse experience in India and overseas having commenced his working career in 1972 in manufacturing industries, working in various disciplines.

He is the Chairman of the Northern Region of the Indo-French Chamber of Commerce & Industry, and a Member of various Councils and Committees of the Confederation of Indian Industry, the Indian Chamber of Commerce 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 Company	Position
1	Alstom Hydro R&D India Limited	Director
2	Alstom Power Boiler Services Limited	Director
3	Alstom Bharat Forge Power Limited	Director
4	Alstom Manufacturing India Limited	Director
5	Kalyani Alstom Power Limited	Chairman
6	Infinity Infotech Parks Limited	Director
7	DC Power Limited	Director
8	NTPC Alstom Power Services Private Limited	Director
9	Aala Mission Holdings Private Limited	Director
10	Bhopal Environmental Projects Private Limited	Director
11	Chennai Environmental Private Limited	Director
12	EDL India Private Limited	Director
13	EDP Power (India) Private Limited	Director
14	Turnstone Mobile Media Private Limited	Director
15	Quantum Consultants Private Limited	Director

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

Committee Membership

Mr. Sunand Sharma is a member of the Audit Committee and Transfer and Shareholders/Investors' Grievance Committee of the Board of Directors of the Company.

He is also on the on the Audit Committee of the following Indian Companies:

Sl. No.	Name of Company	Type of Committee	Position
1.	ALSTOM Hydro R&D India Limited	Audit Committee	Member
2.	ALSTOM Bharat Forge Power Limited	Audit Committee	Member
3.	Kalyani ALSTOM Power Limited	Audit Committee	Member

Mr. Sunand Sharma does not hold any shares of the Company.

Mr. Sunand Sharma and other Directors of the Company do not have any inter se relationship.

2) Mr. A. K. Thiagarajan

Mr. A. K. Thiagarajan, 65, has a Masters Degree in Engineering and is a Graduate in Business Administration & Information Systems. He has also attended the Advanced Management Programme from Harvard Business School, USA. He has earlier been the Managing Director and Country Manager of Asea Brown Boveri Limited, Vice Chairman of Wipro Limited, and President of Hewlett Packard India Private Limited.

He has earlier been the Chairman of Confederation of Indian Industries (CII), Southern Region, and Chairman – CII Karnataka State Committee, as well as Chairman of the CII National Committees on Technology, IT and Quality.

He is on the Board of following companies:

Sl. No.	Name of Company	Position
1.	GMR Infrastructure Limited	Director
2.	GMR Energy Limited	Director
3.	ING Vysya Bank Limited	Director
4.	ADC India Communications Limited	Director
5.	Aditya Birla Minacs IT Services Limited	Director
6.	Aditya Birla Minacs Worldwide Limited	Director

Sl. No.	Name of Company	Position
7.	Idea Cellular Limited	Director
8.	TTK Prestige Limited	Director
9.	Gokaldas Exports Limited	Director
10.	CITEC Engineering India Private Limited	Director
11.	CITEC Information India Private Limited	Director
12.	Techset Composition India Private Limited	Director
13.	Fowler Westrup (India) Private Limited	Director
14.	Westrup A/S, Denmark	Chairman

Mr. A.K.Thiagarajan was appointed as a Director of the Company with effect from June 20, 2003.

Committee Membership

Mr. A.K.Thiagarajan is a member of the Audit Committee of the Board of Directors of the Company as an Independent Director.

He is also on the Audit Committee & Investor Committee of the following Indian Companies:

Sl. No.	Name of Company	Type of Committee	Position
1.	GMR Infrastructure Limited	Audit Committee	Member
2.	ING Vysya Bank Limited	Audit Committee	Chairman
3.	ING Vysya Bank Limited	Investor Committee	Member
4.	ADC India Communications Limited	Audit Committee	Member
5.	Aditya Birla Minacs IT Services Limited	Audit Committee	Member
6.	Adiya Birla Minacs Worldwide Limited	Audit Committee	Chairman
7.	Idea Cellular Limited	Audit Committee	Member
8.	Gokaldas Exports Limited	Audit Committee	Member

Mr. A. K. Thiagarajan holds 3,230 shares of the Company.

Mr. A. K. Thiagarajan and other Directors of the Company do not have any inter se relationship.

3) Mr. Francois Carpentier

Mr. Francois Carpentier is the Head of Power, Alstom India and Vice Chairman & Managing Director of ALSTOM Projects India Limited since April 2010. Prior to his India assignment, Mr. Carpentier was the Country President and Executive Transport Director, Alstom Vietnam since 2006. He was also the Chairman of Alstom Vietnam Limited and their Legal Representative. Before joining Alstom Vietnam, Mr. Carpentier has worked with Alcatel in Colombia, Venezuela as the General Manager and Regional Executive Director from July 2005 to November 2006. He also served as the General Manager, Alcatel De Venezuela, Caracas from November 2002 to July 2005 where he was involved with strategic planning and monitoring in addition to the overall management of the entire unit.

Mr. Carpentier has had a long and fruitful association with Alcatel which began in 1994 with Alcatel Network System (UK) where he served as the Business Development Manager. In 1995 he took on the role of Marketing & Business Development Manager and Customer Relations and Support Manager with Alcatel Worldwide HQ, Paris. He shifted to Alcatel in El Salvador in 1999 as the Unit Managing Director and Key Account Manager of CTE, a subsidiary of France Telecom. He was responsible for the overall management of the unit and was responsible for sales and business development in the CTE account.

Mr. Carpentier also had a brief stint with Alcatel Latin America headquarters in Miami from 2001-2002. As the Sales Director, Latin America, Network Services Division, he lead the commercial process from opportunity detection to tendering and negotiations. He was also the Commercial Director for the Caribbean region.

Before his long association with Alcatel for 12 years, Mr. Carpentier worked with Thomson-CSF UK as a Market Analyst and Assistant to the Managing Director - International Affairs Directorate from 1992-1993. His role involved analysis of the British aerospace & defence market, follow-up of military and civil programs and participation in the Group UK strategic planning.

Since 2003, Mr. Carpentier has been appointed the Foreign Trade Adviser by French Prime Minister – Section Venezuela and Vietnam.

Mr. Carpentier is a graduate in Economics from the Institut Notre Dame de la Paix in Brussels, and did his post graduation from the Institut Supérieur de Gestion (ISG) in Paris, where he pursued the Multinational MBA Programme. He has worked with the ICL in London (1989), BULL (1990), the Nissho Iwai (Sogo Shosha) and the Nippon Electric Company (NEC) in Tokyo (1992). He has also received professional training from the Ashridge Association and at the INSEAD. He is fluent in French, English and Spanish.

Under his expert guidance in Vietnam, Alstom's market share in power generation grew significantly with the bagging of large hydro projects like the 'Son La (6x400 MW)' and the 'Sesan IV (360 MW)', as well as gas projects like the Nhon Track 1 (462 MW). In the transport sector, he led the team to secure the prestigious Railway Signalling contract for Hanoi-Vinh. While in

Alcatel, Mr. Carpentier deployed GSM/Edge mobile networks as in El Salvador and Broadband full take off through expansion of ATM/MPLS data networks and ADSL deployment in Venezuela and Colombia.

Mr. Carpentier does not hold any shares of the Company.

Mr. Carpentier and other Directors of the Company do not have any inter se relationship.

4) Mr. S.M. Momaya

Mr. S.M. Momaya, 54, is a Chartered Accountant. He is Chief Financial Officer (CFO) of the Company since August, 2000. Prior to his appointment as CFO of the Company, Mr. Momaya was CFO of ALSTOM Power Boilers Limited during 1998 to 2000 and Chief Financial Manager of ABB Instrumentation Limited during 1995 to 1998. Prior to that, he has held various positions in ABB and Asea Limited. He has post qualification experience of 30 years.

Mr. Momaya being in the employment of the Company was appointed as Whole-time Director on May 17, 2004 for the first time and then re-appointed on May 17, 2007 for a further period of three years with effect from May 17, 2007.

He is also on the Board of following companies:

Sl. No.	Name of Company	Position
1.	ALSTOM India Limited	Director
2.	ALSTOM Hydro R&D India Limited	Director
3.	ALSTOM Power Boiler Services Limited	Director
4.	ALSTOM Manufacturing India Limited	Director

Committee Membership

Mr. S.M. Momaya is holding membership in Audit Committee in following Indian Companies:

Sl. No.	Name of Company	Type of Committee	Position
1.	ALSTOM India Limited	Audit Committee	Member
2.	ALSTOM Hydro R&D India Limited	Audit Committee	Member

Mr. S.M. Momaya holds 633 shares of the Company.

Mr. S.M. Momaya and other Directors of the Company do not have any interse relationship.

II. AUDIT COMMITTEE

Composition of Audit Committee

The Audit Committee comprises of four Non-Executive Directors as at March 31, 2010:

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. Sekhar Bhattacharjee, Company Secretary, is the Secretary to the Audit Committee.

The minutes of the Audit Committee Meetings are noted by the Board of Directors of the Company 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 April 29, 2009; July 23, 2009; October 30, 2009 and January 28, 2010 respectively.

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

Sl. No.	Name of Member	Date of Meetings			
		April 29, 2009	July 23, 2009	October 30, 2009	January 28, 2010
1	Mr. K. Vasudevan	Yes	Yes	Yes	Yes
2	Mr. Sunand Sharma	Yes	Yes	Yes	Yes
3	Mr. A.K. Thiagarajan	Yes	No	No	Yes
4	Dr. Uddesh Kohli	Yes	Yes	Yes	Yes

The Auditors and the Executive Directors of the Company have 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(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 March 31, 2010 is as under:

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

* Mr. Emmanuel Colombier has ceased to be a Member of the Committee with effect from April 28, 2010. Mr. Francois Carpentier has been appointed as a Member of the Committee with effect from April 28, 2010.

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. Sekhar Bhattacharjee, Company Secretary, is the Compliance Officer of the Company.

Meetings held during the year

There were 22 meetings of the Committee held during the year – (1) May 1, 2009; (2) May 8, 2009; (3) May 22, 2009; (4) June 5, 2009; (5) June 12, 2009; (6) June 26, 2009; (7) July 10, 2009; (8) July 17, 2009; (9) August 28, 2009 (10) September 4, 2009 (11) September 11, 2009; (12) September 25, 2009; (13) October 10, 2009; (14) October 16, 2009 (15) October 30, 2009; (16) November 13, 2009 (17) November 27, 2009; (18) December 11, 2009 (19) December 18, 2009 (20) January 01, 2010; (21) January 15, 2010; and (22) January 22, 2010.

Pursuant to Clause 49 IV(G)(iv) of the Listing Agreement, the Board of Directors of the Company at its meeting held on January 28, 2010 has authorised the Company Secretary and 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 a fortnight.

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 meeting.

During the year, the Company received 181 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 resolved.

There are no pending cases of share transfer as on March 31, 2010, where the documents were clear in all respects.

V. GENERAL BODY MEETINGS

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

Particulars	Date & Time	Venue	Number of Special Resolutions passed	Details of the Special Resolutions passed at AGM
17th AGM	July 23, 2009 10.30 A.M.	Rama Watumull Auditorium, Kishinchand Chellaram College, Dinshaw Wacha Road, Churchgate, Mumbai-400 020.	NIL	N.A.
16th AGM	July 25, 2008 2.00 P.M.	Sind Educationists' Association Auditorium, Jai Hind College Building, 'A' Road, Churchgate, Mumbai – 400 020.	2	(i) Appointment of Emmanuel Colombier as Managing Director of the Company. (ii) Re-appointment of Mrs. Naina R. Desai as Whole-time Director of the Company.

Particulars	Date & Time	Venue	Number of Special Resolutions passed	Details of the Special Resolutions passed at AGM
15th AGM	July 25, 2007 2.00 P.M.	Rama Watumull Auditorium, Kishinchand Chellaram College, Dinshaw Wacha Road, Churchgate, Mumbai-400 020.	1	(i) Re-appointment of Mr. S.M. Momaya as Whole-time Director of the Company.

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 shareholders 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.in.alstom.com' 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 March 31, 2010.
- 2) Adoption/ non-adoption of non-mandatory requirements as at March 31, 2010:
 - (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 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 March 31, 2010.
 - (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.

IX. GENERAL SHAREHOLDER INFORMATION

- 1) Annual General Meeting
 - Date and Time : July 21 2010, 3.00 p.m.
 - Venue : Rama Watumull Auditorium, Kishinchand Chellaram College, Dinshaw Wacha Road, Churchgate, Mumbai-400 020.
- 2) Financial Calendar : April to March
 - (a) Financial reporting for the quarter ending June, 2010 : End July, 2010
 - (b) Financial reporting for the half year ending September, 2010 : End October, 2010
 - (c) Financial reporting for the quarter ending December, 2010 : End January, 2011

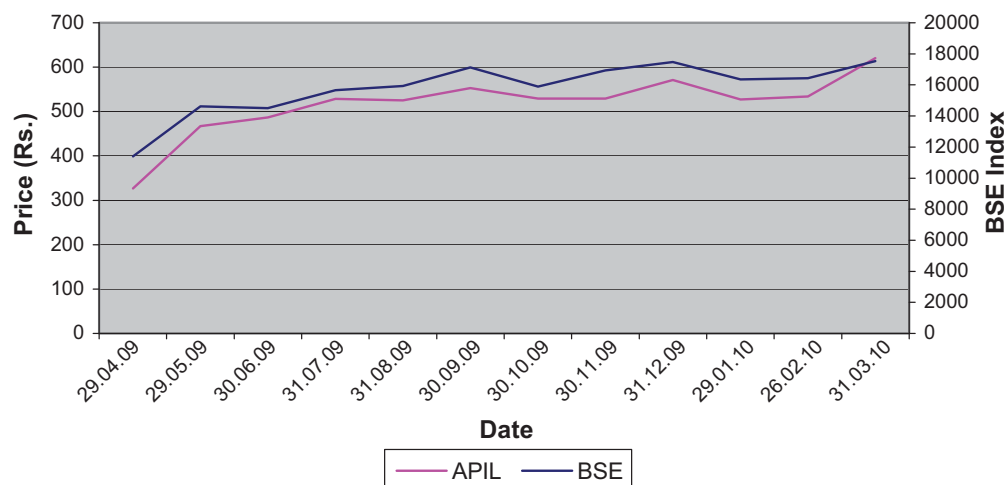
- (d) Financial reporting for the year ending March, 2011 : April/May, 2011
- (e) Annual General Meeting for the year ended March 31, 2011 : July/ August, 2011
- 3) Face value of the equity share : Rs. 10 per share
- 4) Date of Book Closure : July 13, 2010 to July 21, 2010
(both days inclusive)
- 5) Dividend Payment Date : July 26, 2010
- 6) Listing on Stock Exchanges : Bombay Stock Exchange Limited (BSE),
Phiroze Jeejeebhoy Towers,
Dalal Street,
Mumbai-400 001
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 April 1, 2009 to March 31, 2010 on BSE and NSE.

Period	BSE		NSE	
	High	Low	High	Low
2009				
April	348.95	282.15	346.70	282.20
May	467.30	335.20	467.70	335.60
June	521.75	425.15	520.95	427.20
July	534.75	429.35	534.65	429.25
August	553.10	490.75	553.05	490.50
September	570.05	510.40	569.80	509.90
October	603.10	529.05	601.80	529.55
November	539.70	509.50	539.50	510.10
December	574.95	534.75	575.80	536.05
2010				
January	607.45	526.95	607.15	526.45
February	539.50	515.95	539.75	515.85
March	626.30	533.90	627.75	534.40

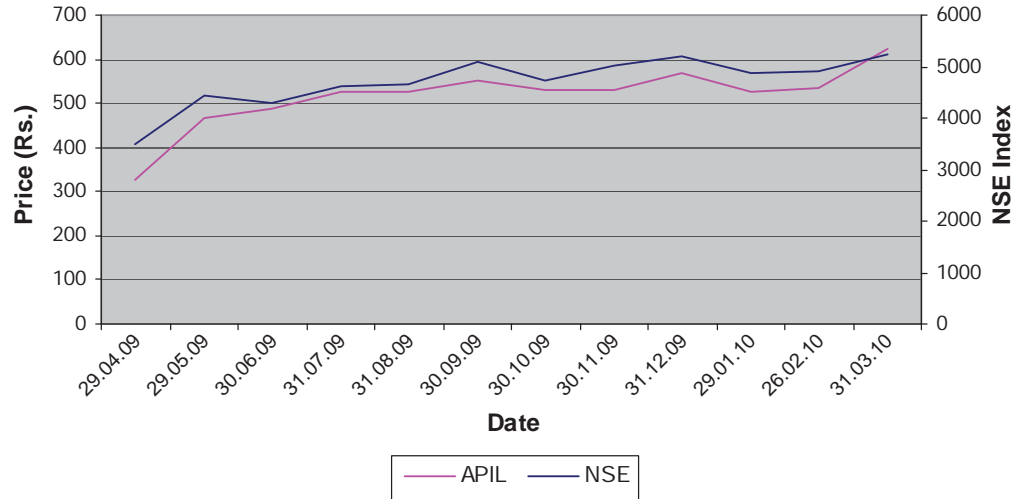
The market capitalisation of the Company's scrip as on March 31, 2010 was Rs. 4159.18 Crores on BSE and Rs. 4186.66 Crores on NSE.

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

Share Price Movement - BSE & APIL



Share Price Movement - NSE & APIL



10) (A) Distribution of Shareholding as on March 31, 2010.

Slab	Number of Shareholders		Number of Shares	
	Numbers	% to Shareholders	Numbers	% to Share Capital
1 – 5000	55674	99.71	7830891	11.67
5001 - 10000	69	0.12	493016	0.74
10001 - 20,000	30	0.05	457808	0.68
20001 - 30,000	14	0.03	345522	0.52
30,001 - 40,000	7	0.01	259615	0.39
40,001 - 50,000	5	0.01	224547	0.34
50,001 - 1,00,000	11	0.02	932575	1.39
1,00,001 - Above	27	0.05	56480200	84.27
TOTAL	55837	100.00	67024174	100.00

(B) Shareholding pattern as on March 31, 2010.

Shareholders	Number of shares held	% shareholding
Promoters	44558972	66.48
Central Government	167977	0.25
Financial Institutions	3915248	5.84
Foreign Institutional Investors	1209183	1.80
Mutual Funds	3923086	5.85
Bodies Corporate	3695997	5.51
Nationalised Banks and other banks	150225	0.22
Non Resident Individuals	153806	0.23
Foreign Companies	1334408	1.99
Director and their relatives	3863	0.01
General Public	7880598	11.77
In transit in Depository system	30811	0.05
TOTAL	67024174	100.00

11) Registrar and Share Transfer Agents

: Karvy Computershare Private Limited
7, Andheri Industrial Estate,
Off Veera Desai Road,
Andheri (West),
Mumbai – 400 053.

12) 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 8880 shares.

- 13) 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 March 31, 2010, a total of 6,43,90,839 equity shares of the Company, which forms 96.07% of share capital of the Company have been dematerialized.

- 14) Outstanding GDRs / ADRs / Warrants or any Convertible instruments, if any. : N.A

- 15) Plant Locations : • P.O. Maneja
Vadodara- 390 013
Gujarat.
- Durgapur - 713 206
West Bengal.
- Shahabad - 585 229
Karnataka.
- Coimbatore – 641 402
Tamil Nadu

- 16) 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.: +91 (22) 22000487 / 490/528
Fax No. : +91 (22) 22000324
Email : sekhar.bhattacharya@power.alstom.com

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: April 28, 2010

CEO/CFO CERTIFICATION

The Board of Directors,
ALSTOM Projects India Limited

Re- Financial Statements for the period ended March 31, 2010 : 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 March 31, 2010 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 March 31, 2010, 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 fraud of which we have become aware and the involvement therein, of the management or an employee having significant role in the Company's internal control systems over financial reporting.

Francois Carpentier
Vice Chairman & Managing Director

S.M. Momaya
Whole-time Director & CFO

Place: Noida
Date: April 28, 2010

DECLARATION – COMPLIANCE WITH THE CODE OF CONDUCT

In accordance with Clause 49 of the Listing Agreement with the Stock Exchanges, 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 said Code of Conduct for the year ended March 31, 2010.

For ALSTOM Projects India Limited

Francois Carpentier
Vice Chairman & Managing Director

Place : Noida
Date : April 28, 2010

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, 2010, and the related Profit and Loss Account 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, Profit and Loss Account and Cash Flow Statement dealt with by this report are in agreement with the books of account;
 - (d) In our opinion, the Balance Sheet, Profit and Loss Account 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 and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2010 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, 2010;
 - (ii) in the case of the Profit and Loss Account, 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

Place: Noida
Date: April 28, 2010

V. Nijhawan
Partner
Membership Number: F-87228

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 for the year ended March 31, 2010

- (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.
- (ii) (a) The inventory has been physically verified by the Management during the year. 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.
- (iii) (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) & (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) & (g) of paragraph 4 of the Order are not applicable in the case of the company in the current year.
- (iv) In our opinion and according to the information and explanations given to us, there is an adequate internal control system commensurate with the size of the Company and the nature of its business for the purchase of inventory, 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.
- (v) 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.
- (vi) 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.
- (vii) In our opinion, the Company has an internal audit system commensurate with its size and nature of its business.
- (viii) The Central Government of India has not prescribed the maintenance of cost records under clause (d) of sub-section (1) of Section 209 of the Act for any of the products of the Company.
- (ix) (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 the undisputed statutory dues including provident fund, investor education and protection fund, employees' state insurance, income-tax, sales-tax, wealth tax, service tax, customs duty, excise duty, cess and other material statutory dues 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, excise duty and cess as at March 31, 2010 which have not been deposited on account of a dispute, are as follows:

Name of the Statute	Nature of dues	Amount in (Rs.'000)	Period to which the amount relates	Forum where the 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	520,219	2004 - 2008	High Court
Central Excise Act, 1944	Excise duty and penalty	216,962	1985 - 2007	CESTAT
Central Sales Tax Act, 1956	Central Sales Tax Penalty	14,185	1993 - 1999	First/ Second appellate authority
Bombay Sales Tax Act, 1957 and Central Sales Tax Act, 1956	Works Contract Tax on Inter State Sales	10,391	1984 - 1992	First/ Second appellate authority
Central Excise Act, 1944	Excise duty and penalty	4,711	2007 - 2008	CESTAT
Orissa General Sales Tax Act,1947 and Central Sales Tax Act, 1956	Works Contract Tax on Inter State Sales	3,603	1992 - 1997	High Court
Tamil Nadu General Sales Tax Act,1959	Sales Tax and Penalty	1,752	2004 - 2005	High Court

- (x) The Company has no accumulated losses as at March 31, 2010 and it has not incurred any cash losses in the financial year ended on that date or in the immediately preceding financial year.
- (xi) According to the records of the Company examined by us and the information and explanation given to us, the Company has not defaulted in repayment of dues to any financial institution or bank or debenture holders as at the balance sheet date.
- (xii) The Company has not granted any loans and advances on the basis of security by way of pledge of shares, debentures and other securities.
- (xiii) The provisions of any special statute applicable to chit fund / nidhi / mutual benefit fund/ societies are not applicable to the Company.
- (xiv) In our opinion, the Company is not a dealer or trader in shares, securities, debentures and other investments.
- (xv) 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.
- (xvi) The Company has not obtained any term loans.
- (xvii) 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.
- (xviii) 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.
- (xix) The Company has not issued any debentures during the year and there are no debentures outstanding at the year-end.
- (xx) The Company has not raised any money by public issues during the year.
- (xxi) 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 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

V. Nijhawan
Partner
Membership Number: F-87228

Place: Noida
Date: April 28, 2010

ALSTOM Projects India Limited

Balance Sheet as at March 31, 2010

		(Rupees thousands)	
	Schedule	As at March 31, 2010	As at March 31, 2009
SOURCES OF FUNDS			
Shareholders' funds			
Share capital	1	670,242	670,242
Reserves and surplus	2	<u>4,294,714</u>	<u>3,410,655</u>
		4,964,956	4,080,897
Loan funds			
Secured loan	3	-	11,263
		<u>4,964,956</u>	<u>4,092,160</u>
APPLICATION OF FUNDS			
Fixed assets			
Gross block	4	6,083,480	4,885,769
Less: Accumulated depreciation / amortisation / impairment		2,668,536	2,292,129
Net book value		<u>3,414,944</u>	<u>2,593,640</u>
Capital work-in-progress and advances on capital account		<u>540,677</u>	<u>1,193,338</u>
		3,955,621	3,786,978
Investments	5	36	36
Deferred tax assets, net	13	65,850	447
Current assets, loans and advances			
Inventories	6	2,033,533	642,630
Sundry debtors	7	6,233,223	6,268,205
Cash and bank balances	8	5,980,600	3,659,035
Other current assets	9	6,737,436	8,141,945
Loans and advances	10	<u>3,203,772</u>	<u>4,887,687</u>
		24,188,564	23,599,502
Less: Current liabilities and provisions			
Current liabilities	11	22,150,894	22,235,730
Provisions	12	<u>1,094,221</u>	<u>1,059,073</u>
		23,245,115	23,294,803
Net current assets		<u>943,449</u>	<u>304,699</u>
		<u>4,964,956</u>	<u>4,092,160</u>
Significant Accounting Policies and Notes to Accounts	19		

The schedules referred to above form an integral part of the Balance Sheet.

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

For Price Waterhouse
Firm Registration Number: 012754N
Chartered Accountants

V. Nijhawan
Partner
Membership No: F87228

Place: Noida
Date: April 28, 2010

For and on behalf of the Board of Directors

Sunand Sharma	Chairman
Francois Carpentier	Vice Chairman and Managing Director
S.M. Momaya	Whole-time Director & Chief Financial Officer
Pedro Sole	Director
Dominique Poliquen	Director
A.K. Thiagarajan	Director
K. Vasudevan	Director
Dr. Uddesh Kohli	Director
Sekhar Bhattacharjee	Company Secretary

ALSTOM Projects India Limited

Profit and loss account for the year ended March 31, 2010

	Schedule	For the year ended March 31, 2010	(Rupees thousands) For the year ended March 31, 2009
INCOME			
Sales and services (Gross)	14	20,805,602	23,181,615
Less: Excise duty		378,351	278,825
Net Sales and Services		20,427,251	22,902,790
Other income	15	401,192	427,506
		20,828,443	23,330,296
EXPENDITURE			
Material cost and erection services	16	12,872,613	16,008,308
Personnel expenses	17	2,693,289	2,381,842
Other expenses	18	2,361,070	2,540,542
Depreciation / amortisation	4	421,421	335,734
Less: Transfer from revaluation reserve		(4,297)	(4,816)
Interest		1,244	1,014
		18,345,340	21,262,624
PROFIT BEFORE TAX		2,483,103	2,067,672
Tax Expense			
Current tax		(876,000)	(697,666)
Deferred tax		65,403	25,072
Fringe benefit tax		-	(46,157)
PROFIT AFTER TAX		1,672,506	1,348,921
Balance brought forward	2	1,792,645	1,362,766
PROFIT AVAILABLE FOR APPROPRIATION		3,465,151	2,711,687
APPROPRIATION			
Transferred to general reserve	2	167,251	134,892
Proposed dividend		670,242	670,242
Corporate dividend tax		113,908	113,908
Balance carried forward		2,513,750	1,792,645
Basic and Diluted Earnings per Share (In rupees)			
(Par value Rs 10 per share)		24.95	20.13

Significant Accounting Policies and Notes to Accounts 19

The schedules referred to above form an integral part of the Profit and Loss Account.

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

For Price Waterhouse
Firm Registration Number: 012754N
Chartered Accountants

V. Nijhawan
Partner
Membership No: F87228

Place: Noida
Date: April 28, 2010

For and on behalf of the Board of Directors

Sunand Sharma	Chairman
Francois Carpentier	Vice Chairman and Managing Director
S.M. Momaya	Whole-time Director & Chief Financial Officer
Pedro Sole	Director
Dominique Poliquen	Director
A.K. Thiagarajan	Director
K. Vasudevan	Director
Dr. Uddesh Kohli	Director
Sekhar Bhattacharjee	Company Secretary

ALSTOM Projects India Limited

I. Cash flow statement for the year ended March 31, 2010

	For the year ended March 31, 2010	(Rupees thousands) For the year ended March 31, 2009
A. Cash flows from operating activities		
Profit before tax and exceptional item	2,483,103	2,067,672
Adjustments for		
Depreciation / amortisation	417,124	330,918
Provision for doubtful debts and advances	(52,210)	12,222
Unrealised (gain) / loss on restatement of foreign currency assets and liabilities, net	(26,033)	(148,680)
(Gain)/loss on sale of fixed assets, net	(2,550)	(1,241)
Interest income	(156,025)	(271,332)
Interest expense	1,244	1,014
Operating profit before working capital changes	<u>2,664,653</u>	<u>1,990,573</u>
Adjustments for changes in working capital		
(Increase)/Decrease in sundry debtors	85,848	(452,225)
(Increase)/ Decrease in inventories	(1,390,903)	(29,644)
(Increase)/ Decrease in other current assets	1,408,527	(3,443,545)
(Increase)/Decrease in loans and advances	1,668,023	(1,986,887)
Increase/(Decrease) in current liabilities and provisions	(23,191)	6,598,385
Cash from operating activities	<u>4,412,957</u>	<u>2,676,657</u>
Income tax including fringe benefits tax (payments)	(858,764)	(789,086)
Net cash from operating activities	<u>3,554,193</u>	<u>1,887,571</u>
B. Cash flows from investing activities		
Inter corporate deposits given	-	-
Inter corporate deposits received back	-	20,000
Loan received back from subsidiaries	-	3,000
Interest received	152,007	321,621
Proceeds from sale of investment in subsidiary	-	500
Proceeds from sale of other investments	-	15
Purchase of fixed assets and advances on capital account	(592,368)	(1,903,557)
Sale proceeds of fixed assets	4,854	15,251
Net cash (used in) investing activities	<u>(435,507)</u>	<u>(1,543,170)</u>
C. Cash flows from financing activities		
Secured loans repaid	(11,263)	(5,632)
Dividend and corporate dividend tax paid	(784,150)	(627,320)
Interest paid	(625)	(845)
Net cash (used in) financing activities	<u>(796,038)</u>	<u>(633,797)</u>
Net cash flow during the year (A+B+C)	<u>2,322,648</u>	<u>(289,396)</u>
Cash and cash equivalents, beginning of year	<u>3,659,035</u>	<u>3,946,693</u>
Cash and cash equivalents, end of year	<u>5,981,683</u>	<u>3,657,297</u>
Components of cash and cash equivalents as at end of the year		
Cash and cheques on hand	1,240	6,638
Balances with scheduled banks		
- on current accounts	142,364	714,376
- on deposit accounts	5,727,060	2,919,148
- on EEFC account	39,625	85
- On Unclaimed dividend account*	10,751	8,462
Balances with other banks		
- on current accounts		
- Barclays Bank of Uganda	51,519	7,786
- Bangkok Bank, Thailand	8,041	2,540
Cash & Bank balances as per schedule 8	<u>5,980,600</u>	<u>3,659,035</u>
Add/(Less): Effect of exchange differences on cash & cash equivalents held in foreign currency	1,083	(1,738)
Cash & Cash Equivalents as restated	<u>5,981,683</u>	<u>3,657,297</u>

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.

* Cash and Cash Equivalents include Deposits of Rs. 3,503 thousands (Previous Year 1,254 thousands) held as margin money and in unclaimed dividend representing unclaimed dividend liabilities, not available for use by the Company.

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

For Price Waterhouse
Firm Registration Number: 012754N
Chartered Accountants

V. Nijhawan
Partner
Membership No: F87228
Place : Noida
Date: April 28, 2010

For and on behalf of the Board of Directors

Sunand Sharma	Chairman
Francois Carpentier	Vice Chairman and Managing Director
S.M. Momaya	Whole-time Director & Chief Financial Officer
Pedro Sole	Director
Dominique Poliquen	Director
A.K. Thiagarajan	Director
K. Vasudevan	Director
Dr. Uddesh Kohli	Director
Sekhar Bhattacharjee	Company Secretary

ALSTOM Projects India Limited

Schedules to the Financial Statements

	(Rupees thousands)	
	As at March 31, 2010	As at March 31, 2009
1. Share Capital		
Authorised		
165,000,000 equity shares of Rs 10 each (Previous year - 165,000,000 equity shares of Rs 10 each)	1,650,000	1,650,000
40,500,000 preference shares of Rs 100 each (Previous year - 40,500,000 preference shares of Rs 100 each)	4,050,000	4,050,000
	5,700,000	5,700,000
Issued, subscribed and paid up		
67,024,174 equity shares of Rs 10 each (Previous year - 67,024,174 equity shares of Rs 10 each)	670,242	670,242

Of the above equity shares, 25,605,748 equity shares were allotted as fully paid up on the Appointed Date, i.e. March 31, 2001, pursuant to the approval of the Hon'ble High Courts of Judicature at Delhi and Bombay, of the Scheme of Arrangement for amalgamation of ALSTOM Transport Limited ('ATL'), ALSTOM Systems Limited ('ASL') and ALSTOM Power Boilers Limited ('APBL'), together, the transferor companies, with ALSTOM Power India Limited (Now, ALSTOM Projects India Limited), the transferee company, to the shareholders of the transferor companies, as follows:

ALSTOM Power Boilers Limited	11,024,506
ALSTOM Transport Limited	11,061,178
ALSTOM Systems Limited	3,520,064
	<u>25,605,748</u>

Of the total equity shares, 44,558,972 (Previous year 44,558,972) shares are held by ALSTOM Holdings, the ultimate holding company, through its subsidiaries. Out of these 39,245,408 (Previous year 39,245,408) shares are held by ALSTOM Finance BV, the holding Company and 5,313,564 (Previous year 5,313,564) shares are held by ALSTOM India Limited.

2. Reserves and Surplus

Capital reserve	1,552	1,552
Revaluation reserve		
Balance, beginning of year	79,828	84,644
Less: Transferred to profit and loss account	4,297	4,816
Balance, end of year	75,531	79,828
Securities premium account	8,181	8,181
Foreign projects reserve account		
Balance, beginning of year	5,320	22,001
Less: Transferred to General reserve	5,320	16,681
Balance, end of year	-	5,320
General reserve		
Balance, beginning of year	1,523,129	1,371,556
Add: Transferred from Foreign project reserve account	5,320	16,681
Add: Transferred from Profit and Loss Account	167,251	134,892
Balance, end of year	1,695,700	1,523,129
Profit and loss account	2,513,750	1,792,645
	4,294,714	3,410,655

3. Secured Loans

West Bengal Govt sales tax loan	-	11,263
	-	11,263

- The West Bengal sales tax loan was secured by creation of a charge on assets located at Durgapur and execution of a bond of security and other relevant documents in favour of the Government of West Bengal.
- Amount repayable within one year Rs. NIL (previous year Rs. 5,632 thousand).

ALSTOM Projects India Limited

Schedules to the Financial Statements

4. Fixed Assets

Class of Assets	(Rupees thousands)											
	GROSS BLOCK					DEPRECIATION/AMORTISATION					NET BLOCK	
	As at April 1, 2009	Additions/ adjustments	Deletions/ adjustments	As at March 31, 2010	As at April 1, 2009	Charge for the year	Deletions/ Adjustments	As at March 31, 2010	As at March 31, 2010	As at March 31, 2009		
TANGIBLE ASSETS												
Freehold land	69,759	34,851	—	104,610	—	—	—	—	104,610	69,759		
Leasehold land	490	—	—	490	21	—	—	21	469	469		
Leasehold improvements	465,514	17,504	—	483,018	39,106	61,780	—	100,886	382,132	426,408		
Factory buildings	446,251	97,067	—	543,318	156,478	11,600	—	168,078	375,240	289,773		
Other buildings	392,251	9,534	—	401,785	202,690	6,788	—	209,478	192,307	189,561		
Plant and machinery	3,120,726	1,052,536	41,861	4,131,401	1,705,440	274,382	40,815	1,939,007	2,192,394	1,415,286		
Furniture and fixtures	152,994	4,868	—	157,862	58,460	15,785	—	74,245	83,617	94,534		
Vehicles	12,141	—	—	12,141	8,204	1,184	—	9,388	2,753	3,937		
INTANGIBLE ASSETS												
Software and Licence Fees	225,643	28,669	5,457	248,855	121,730	49,902	4,199	167,433	81,422	103,913		
Grand Total	4,885,769	1,245,029	47,318	6,083,480	2,292,129	421,421	45,014	2,668,536	3,414,944	2,593,640		
Previous Year	3,694,728	1,253,157	62,116	4,885,769	2,004,501	335,734	48,106	2,292,129	2,593,640	1,690,227		

Certain building and plant and machinery 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 March 31, 2010 amounts to Rs 563.322 thousand (Buildings - Rs 278,614 thousand and Plant & Machinery - Rs 284,708 thousand).

ALSTOM Projects India Limited

Schedules to the Financial Statements

	(Rupees thousands)	
	As at	As at
	March 31, 2010	March 31, 2009
5. Investments		
Non-trade investments - Long term (at cost)		
Investments in securities, unquoted		
Kohinoor Mills Company Limited (28 (Previous Year 28) equity shares of Rs 100 each fully paid up)	7	7
Bengal Chamber of Commerce and Industry (9 (Previous Year 9) Non-convertible debentures - 6.5% of Rs 1,000 each fully paid up)	9	9
AVB Employees' Co-operative Credit Society and Bank Limited (50 (Previous Year 50) B - Class equity shares of Rs 100 each fully paid up)	5	5
AVB Employees' Co-operative Credit Society and Bank Limited (500 (Previous Year 500) B - Class equity shares of Rs 10 each fully paid up)	5	5
East India Clinic Limited	10	10
(1 (Previous Year 1) Non-redeemable debenture stock - 5% of Rs 10,000 fully paid up)	<u>36</u>	<u>36</u>
Other investments in subsidiary companies, unquoted (Companies under the same management)		
ALSTOM Power Boilers Services Limited (34,000 (Previous Year 34,000) Equity shares of Rs. 100 each fully paid up)	2,283	2,283
Less: Provision for permanent diminution in value of investments	<u>2,283</u>	<u>2,283</u>
	<u>—</u>	<u>—</u>
	<u>36</u>	<u>36</u>
Notes:		
Aggregate amount of unquoted investments	36	36
6. Inventories		
Raw materials	127,459	89,281
Stores and spares	53,450	30,966
Components	42,123	81,167
Work-in-progress	1,806,211	436,533
Finished goods	4,290	4,683
	<u>2,033,533</u>	<u>642,630</u>
7. Sundry Debtors		
Unsecured		
Debts outstanding for a period exceeding six months		
- Considered good	2,225,814	2,160,058
- Considered doubtful	143,665	194,531
	2,369,479	2,354,589
Other debts - considered good	4,007,409	4,108,147
	6,376,888	6,462,736
Less: Provision for doubtful debts	<u>143,665</u>	<u>194,531</u>
	<u>6,233,223</u>	<u>6,268,205</u>
Sundry debtors includes retention monies of Rs. 2,754,565 thousand (previous year - Rs. 2,481,166 thousand), which are due on completion of contracts/ final acceptance by the customers.		

ALSTOM Projects India Limited

8. Cash and Bank balances	As at	(Rupees thousands)
	March 31, 2010	As at March 31, 2009
Cash (including cheques on hand Rs. 80 thousand (previous year Rs. 5312 thousand))	1,240	6,638
Balances with scheduled banks		
– On current account	142,364	714,376
– On deposit accounts	5,727,060	2,919,148
– On EEFC account	39,625	85
– On unclaimed dividend account	10,751	8,462
Balances with other banks		
– On current account		
– Barclays Bank of Uganda, Uganda*	51,519	7,786
– Bangkok Bank, Thailand**	8,041	2,540
	<u>5,980,600</u>	<u>3,659,035</u>
*Maximum amount outstanding during the year Rs. 89,708 thousand (previous year – Rs 10,696 thousand)		
**Maximum amount outstanding during the year Rs. 12,032 thousand (previous year – Rs 5,361 thousand)		

9 Other Current Assets

Accrued Revenue	83,514	116,777
Contract revenue in excess of billing	6,631,814	8,001,602
Interest accrued on deposits	21,622	17,604
Unamortised premium on forward contract	486	5,962
	<u>6,737,436</u>	<u>8,141,945</u>

10 Loans and Advances

Considered good unless otherwise stated

Secured,		
Employee advances	189	173
Unsecured		
Advances recoverable in cash or in kind or for value to be received		
– considered good	2,772,598	4,425,646
– considered doubtful	54,727	56,071
	<u>2,827,325</u>	<u>4,481,717</u>
Less: Provision for doubtful advances	54,727	56,071
	<u>2,772,598</u>	<u>4,425,646</u>
Advances recoverable from ALSTOM Power Boilers Services Limited ('APBSL')	12,342	23,992
Advance tax, including taxes deducted at source (net of provision for income tax Rs.2,257,729 thousand [previous year Rs. 1,381,729 thousand])	92,278	109,514
Balances with customs, port trusts and excise authorities	293,235	313,324
VAT credit receivable	33,130	15,038
	<u>3,203,772</u>	<u>4,887,687</u>

Notes:

- a) Advances recoverable from APBSL comprise advances made for erection and commissioning service contracts being executed by the subsidiary, as well as receivables relating to non-trade transactions.
- b) Dues from companies under same management:-
The maximum amount outstanding from APBSL was Rs. 23,992 thousand (previous year – Rs. 51,836 thousand)
- c) Amounts due from officers of the company 45 thousands (previous year – Rs NIL).
Maximum amount outstanding during the year Rs. 45 thousand (previous year – Rs NIL).

ALSTOM Projects India Limited

Schedules to the Financial Statements

	As at	(Rupees thousands)
	March 31, 2010	As at March 31, 2009
11. Current Liabilities		
Sundry creditors		
– Total outstanding dues to micro, small & medium enterprises (Refer note no. 15 of schedule 19)	53,025	25,175
– Total outstanding dues to creditors other than micro, small & medium enterprises*	11,978,549	13,679,666
Payables to ALSTOM Power Boilers Services Limited, a wholly owned subsidiary	3,086	14,718
Advance payments from customers	9,865,528	7,600,557
Billing in excess of contract revenue	80,713	790,559
Interest accrued but not due on West Bengal sales tax loan	22,689	22,070
Payable under finance leases	15,860	–
Lease equalisation reserve	55,995	23,627
Unclaimed dividend (to be credited to Investor education and protection fund, when due)	10,751	8,462
Other Liabilities	64,698	70,896
	<u>22,150,894</u>	<u>22,235,730</u>
* includes Rs. 168,751 thousand as book overdraft (previous year Rs. 976,799 thousand)		
12. Provisions		
Wealth tax	122	122
Leave encashment	154,701	132,166
Warranty	155,248	142,635
Proposed dividend	670,242	670,242
Corporate dividend tax	113,908	113,908
	<u>1,094,221</u>	<u>1,059,073</u>
13. Deferred tax assets / liabilities, net		
Deferred tax assets		
Provision for doubtful debts and advances	67,434	85,185
Expenses disallowed under Income Tax Act, 1961 to be allowed in future years	162,713	78,922
Lease Equalisation Reserve	19,645	8,031
Others	776	1,082
Total deferred tax assets	250,568	173,220
Deferred tax liabilities		
Difference between book depreciation and depreciation under the Income Tax Act, 1961	184,718	172,773
Deferred tax assets / (liabilities), net	<u>65,850</u>	<u>477</u>

ALSTOM Projects India Limited

	For the year ended March 31, 2010	(Rupees thousands) For the year ended March 31, 2009
14. Sales and services (Gross of excise duty)		
Project sales	11,099,364	15,877,692
Service income	3,151,540	2,862,894
Equipment and spare sales	6,554,698	4,441,029
	20,805,602	23,181,615
15. Other Income		
Interest (Gross)		
– On deposits with banks	155,829	269,070
– Others	196	2,262
(Tax deducted at source on total interest Rs. 18,477 thousand, previous year Rs. 61,294 thousand)	156,025	271,332
Gain on Sale of fixed assets (net)	2,550	1,241
Foreign exchange gain, net	71,234	46,504
Write-back of provision for doubtful debts and advances (Refer Note 12 of schedule 19)	31,749	13,056
Excess Liabilities written back	25,327	28,248
Miscellaneous income	114,307	67,125
	401,192	427,506
16. Material Cost and Erection Services		
Raw Materials and Components Consumed	7,183,971	5,367,816
Project Materials and Erection Services (Increase) / Decrease in stocks	7,057,927 (1,369,285)	10,716,864 (76,372)
	12,872,613	16,008,308
17. Personnel Expenses		
Salaries, wages and bonus	2,224,514	1,912,473
Contribution to provident and other funds	171,253	161,713
Workmen and staff welfare expenses	218,200	174,079
Other personnel expenses	79,322	133,577
	2,693,289	2,381,842
18. Other Expenses		
Tools, stores and spares	104,119	82,881
Royalty and trademark fee	216,242	282,328
Commission	19,711	40,390
Power, fuel and water	196,132	160,789
Travel and conveyance	414,610	524,642
Insurance	38,032	71,589
Rates and taxes	29,156	40,021
Rent	375,173	349,659
Repairs and Maintenance:		
– Buildings	91,418	53,420
– Plant and machinery	99,297	74,391
– Others	44,244	34,640
Provisions for doubtful debts and advances (Refer Note 12 of schedule 19)	(20,461)	25,278
Bad Debts Written-off	21,746	105,436
Other services from third parties	344,764	264,098
Directors fees	400	480
Donations	57	1,655
Miscellaneous expenses	386,430	428,845
	2,361,070	2,540,542

ALSTOM Projects India Limited

Schedule 19: Notes to accounts

(All amounts in rupees thousands, unless otherwise specified)

1 BACKGROUND

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

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

2 SIGNIFICANT ACCOUNTING POLICIES

2.1 Basis of preparation of financial statements

The Financial Statements are prepared to comply in all material aspects with all the applicable accounting principles in India, the applicable accounting standards notified u/s 211(3C) of the Companies Act, 1956 and the relevant provisions of the Companies Act, 1956. These financial statements have been prepared under the historical cost convention on an accrual basis except in case of assets for which provision for impairment is made or revaluation is carried out. The accounting policies have been consistently applied by the Company and are consistent with those applied in the previous year.

2.2 Use of estimates

The preparation of financial statements in conformity with generally accepted accounting principles (GAAP) requires management to make best estimates and assumptions that affect the reported amounts of assets and liabilities and the disclosure of contingent liabilities as at the date of the financial statements and the results of operations during the reporting period. Actual results could differ from these estimates. Any revision to accounting estimates is recognised prospectively in the current and future periods.

2.3 Fixed assets

Fixed assets are stated at cost (or revalued amounts, as the case may be), less accumulated depreciation and 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. Advances paid towards the acquisition of fixed assets outstanding at each balance sheet date and the cost of fixed assets not ready for their intended use before such date are disclosed as capital work in progress.

2.4 Intangible assets

Software costs relating to acquisition of product design software and software license fee are capitalised in the year of purchase and amortised on a straight-line basis over their useful lives of three years and five years respectively.

2.5 Depreciation

Depreciation is provided on straight line basis as per the following rates, which are determined on the basis of useful lives of the assets estimated by the management, or at rates specified in Schedule XIV to the Companies Act, whichever is higher.

	%
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 are amortised over the period of the lease or the estimated useful life whichever is lower. Depreciation is charged on a pro-rata basis for assets purchased/sold during the year. 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.

2.6 Impairment of assets

- 2.6.1 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 recognized wherever the carrying amount of an asset exceeds its recoverable amount. The recoverable amount is the greater of 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.

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- 2.6.2 After impairment, depreciation is provided on the revised carrying amount of the asset over its remaining useful life.
- 2.6.3 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.

2.7 Foreign currency transactions

2.7.1 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.

2.7.2 Conversion

Foreign currency monetary items are reported using the closing rate. 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.

2.7.3 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.

2.7.4 Forward Exchange Contracts not intended for trading or speculation purposes

The premium or discount arising at the inception of forward exchange contracts 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.

2.8 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 profit and loss account at the point of purchase.

Contract work-in-progress is valued at cost or net realisable value, whichever is lower. Cost includes direct materials, labour and appropriate proportion of overheads including depreciation.

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.

2.9 Revenue recognition

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

2.9.1 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. Contract revenue earned in excess of billing has been reflected under "Other Current Assets" and billing in excess of contract revenue has been reflected under "Current Liabilities" in the balance sheet.

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.

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2.9.2 Revenues from sale of products and services

Revenues from sales of products are recognised on despatch 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.

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

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

2.10 Retirement and other employee benefits

2.10.1 Retirement benefits in the form of Provident Fund contributed to Trust set up by the employer is a defined contribution scheme and the contributions are charged to the Profit and Loss Account of the year when the contributions to the trust are due.

2.10.2 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 profit & loss in the period in which they arise.

2.10.3 Short term compensated absences are provided for based on estimates. Long term compensated absences are provided for based on actuarial valuation at the end of each year. The actuarial valuation is done as per projected unit credit method.

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 recognized as an expense in the Profit and Loss account on a straight-line basis over the lease term.

Finance leases

The assets taken on finance lease are capitalised at the inception of the lease at the lower of the fair value or the present value of minimum lease payments and a liability is created for an equivalent amount. Each lease rental paid is allocated between the liability and interest cost, so as to obtain a constant periodic rate of interest on outstanding liability for each period.

2.12 Investments

Investments that are readily realisable and intended to be held for not more than a year are classified as current investments. All other investments are classified as long-term investments. Current investments are carried at lower of cost and fair value determined on an individual investment basis. Long-term investments are carried at cost. However, provision for diminution in value is made to recognise a decline other than temporary in the value of investments.

2.13 Tax Expense

Tax expense comprises of current and deferred tax. Current tax is measured at the amount expected to be paid to the tax authorities in accordance with the Indian Income Tax Act. Deferred taxes reflects the impact of current year timing differences between taxable income and accounting income for the year and reversal of timing differences of earlier years.

Deferred tax is measured based on the tax rates and the tax laws enacted or substantively enacted at the balance sheet date. Deferred tax assets and deferred tax liabilities are offset, if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred tax assets and deferred tax liabilities relate to the taxes on income levied by same governing taxation laws. Deferred tax assets are recognised only to the extent that there is reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets can be realised. In 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.

The carrying amount of deferred tax as sets 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.

2.14 Provisions and Contingencies

A provision is recognised when there is a present obligation as a result of a past event, for which it is probable that an outflow of resources will be required to settle the obligation and in respect of which reliable estimate can be made. Provisions required to settle are reviewed regularly and are adjusted, where necessary, to reflect the current estimate of the obligation. A disclosure for a contingent liability is made when there is a possible obligation or a present obligation that may, but probably will not, require an outflow of resources. Where there is a possible obligation or a present obligation in respect of which the likelihood of outflow of resources is remote, no provision or disclosure is made.

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2.15 Segment reporting policies

The Company's operating businesses are organised and managed separately according to the nature of products and services provided, with each segment representing a strategic business unit that offers different products and serves different markets. The analysis of geographical segments is based on the geographical location of the customers.

2.16 Earnings per share

Basic earnings per share are 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.

For the purpose of calculating diluted earnings per share, the net profit or loss for the period attributable to equity share holders and the weighted average number of shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares.

2.17 Cash and cash equivalents

Cash and cash equivalents comprise cash at bank and cash & cheques in hand.

2.18 Derivative instruments

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, including the underlying hedged items, are valued on the basis of a fair value on marked to market basis and any loss on valuation is recognized in the profit and loss account, on a portfolio basis. Any gain arising on this valuation is not recognized by the Company in line with the principle of prudence.

3 CAPITAL COMMITMENTS

Estimated amount of contracts remaining to be executed on capital account and not provided for (net of advances) – Rs 304,834 thousand (previous year – Rs 284,895 thousand).

4 CONTINGENT LIABILITIES NOT PROVIDED FOR

- 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 others – Rs 251,604 thousand (previous year – Rs 20,676 thousand)
- b) Demand raised by Durgapur Power Limited on delayed payment of electricity bills – Rs 19,000 thousand (previous year – Rs 37,000 thousand).
- c) Differential amount of custom duty in respect of machinery imported under EPCG Scheme Rs–Nil (previous year Rs 109,165 thousand).
- d) Various other claims not acknowledged as debts Rs 6,250 thousand (previous year – Rs 6,250 thousand).

Based on the favourable 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), (b) and (d) above and hence no provision there against is considered necessary.

5 SEGMENT INFORMATION

5.1 Primary segment reporting – Business segments

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

5.1.1 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.

5.1.2 Transport segment

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

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5.2 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.

5.3 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.

5.4 Unallocated items

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

5.5 Segment revenues, results and other information

(Rupees thousands)

	Power		Transport		Total	
	2010	2009	2010	2009	2010	2009
External sales	19,710,806	22,466,281	716,445	436,509	20,427,251	22,902,790
Inter segment sales	-	-	-	-	-	-
Other income	234,139	140,301	11,028	15,873	245,167	156,174
Segment revenues	19,944,945	22,606,582	727,473	452,382	20,672,418	23,058,964
Segment results	2,303,349	1,793,206	24,973	4,148	2,328,322	1,797,354
Segment assets	21,679,931	23,338,503	369,754	261,824	22,049,685	23,600,327
Segment liabilities	21,762,729	22,127,265	668,175	355,696	22,430,904	22,482,961
Capital expenditure	568,816	1,903,557	23,552	-	592,368	1,903,557
Depreciation / amortisation	411,383	327,840	5,741	3,078	417,124	330,918
Impairment losses reversed	-	-	-	-	-	-
Non cash expenditure, other than depreciation/ amortization	1,285	130,716	-	-	1,285	130,716

5.6 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 March 31, 2010:

Revenue:

(Rupees thousands)

Particulars	Year ended March 2010	Year ended March 2009
India	14,595,732	16,043,847
Outside India	5,831,519	6,858,943
Total	20,427,251	22,902,790

Carrying Amount of Segment Assets:

(Rupees thousands)

Particulars	Year ended March 2010	Year ended March 2009
India	23,875,044	25,416,644
Outside India	4,335,027	1,970,319
Total	28,210,071	27,386,963

Capital Expenditure:

(Rupees thousands)

Particulars	Year ended March 2010	Year ended March 2009
India	592,368	1,941,226
Outside India	-	-
Total	592,368	1,941,226

ALSTOM Projects India Limited

5.7 Reconciliation of reportable segments with financial statements

	Revenues		Results		Assets		Liabilities	
	2010	2009	2010	2009	2010	2009	2010	2009
Total of reportable segments	20,672,418	23,058,964	2,328,322	1,797,354	22,049,685	23,600,327	22,430,904	22,482,961
Inter segment sales/assets		-		-		-		-
Unallocated – Interest income	156,025	271,332	156,025	271,332		-		-
Unallocated – Other income		-		-		-		-
Unallocated – Interest expense		-	(1,244)	(1,014)		-		-
Unallocated – Loans/Deposits		-		-		-		11,263
Unallocated – Liabilities, other than loans		-		-		-	30,061	27,692
Unallocated – Interest accrued and other assets		-		-	21,658	17,640		-
Unallocated – Cash and bank		-		-	5,980,600	3,659,035		-
Taxes								
– Fringe Benefit Tax		-		(46,157)		-		-
– Income Tax		-	(876,000)	(697,666)	92,278	109,514		-
– Deferred Tax		-	65,403	25,072	65,850	447		-
Proposed Dividend including Corporate Dividend Tax		-		-		-	784,150	784,150
Per financial statements	20,828,443	23,330,296	1,672,506	1,348,921	28,210,071	27,386,963	23,245,115	23,306,066

6 RELATED PARTY DISCLOSURES

6.1 List of related parties

6.1.1 Parties with whom control exists:

ALSTOM Holdings	(Ultimate Holding Company)
ALSTOM Finance BV	(Holding Company)
ALSTOM Enterprise S.A	(Holding Company of the Parent)

6.1.2 Parties controlled by the Company (Subsidiaries)

ALSTOM Power Boilers Services Limited

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

ALSTOM (Switzerland) Ltd, ALSTOM Asia Pacific Sdn Bhd, ALSTOM Belgium SA, ALSTOM Bharat Forge Power Ltd, ALSTOM Brasil Energia e transporte Ltda, ALSTOM Bulgaria EOOD, ALSTOM Deutschland AG, ALSTOM Ferroviaria S.p.A, ALSTOM Holdings, ALSTOM Hydro (Switzerland) Ltd, ALSTOM Hydro Austria GmbH, ALSTOM Hydro Equipamentes, ALSTOM Hydro Spain S.L., ALSTOM Hydro Sweden AB, ALSTOM Information Tech. Centre SAS, ALSTOM K.K., ALSTOM Limited, ALSTOM Norway AS, ALSTOM Philippines– Inc., ALSTOM Portugal SA, ALSTOM Power– s.r.o., ALSTOM Power Boilers Services Limited, ALSTOM Power Centrales, France, ALSTOM Power Consulting AG, ALSTOM Power Energy Recovery GmbH, ALSTOM Power Hydraulique, ALSTOM Power Inc USA, ALSTOM Power Italia Spa, ALSTOM Power Nederland B.V., ALSTOM Power Romania, ALSTOM Power SA, ALSTOM Power Service, ALSTOM Power Service (Arabia) Ltd., ALSTOM Power Service GmbH, ALSTOM Power Sp.z o.o., ALSTOM Power Stavan JSC, ALSTOM Power Sweden AB, ALSTOM Power Systems GmbH, ALSTOM Power Systems SA, ALSTOM Signalling Inc., ALSTOM Steam Turbine Limited, ALSTOM Technical Service Shanghai, ALSTOM Technologie AG Switzerland, ALSTOM Transport (S) Pte Ltd, ALSTOM Transport BV, ALSTOM Transport SA, ALSTOM Vannkraft AS, ALSTOM Vietnam Company Ltd, Comelex SA, NTPC ALSTOM Power Services Private Ltd, PT ALSTOM Power Energy Systems Indonesia, Tianjin ALSTOM Hydro Co. Ltd, WUHAN Boiler Company Ltd.

6.1.4 Key managerial personnel (KMP)

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

ALSTOM Projects India Limited

6.2 Transactions with Related Parties*

(Rupees thousands)

Particulars	2009-10				2008-09			
	Subsidiaries	Fellow Subsidiaries	Parties where control exists	Key Management Personnel	Subsidiaries	Fellow Subsidiaries	Parties where control exists	Key Management Personnel
Sale of Products								
ALSTOM Ferroviaria S.p.A	-	8,289	-	-	-	-	-	-
ALSTOM Belgium SA	-	14,765	-	-	-	5,906	-	-
ALSTOM Vannkraft AS	-	20,752	-	-	-	-	-	-
ALSTOM Hydro Sweden AB	-	32,116	-	-	-	29,072	-	-
ALSTOM Power Sp.z o.o.	-	32,744	-	-	-	-	-	-
ALSTOM Power Italia Spa	-	40,745	-	-	-	-	-	-
ALSTOM Power Inc.	-	41,237	-	-	-	-	-	-
ALSTOM Power Centrales, France	-	70,724	-	-	-	156	-	-
ALSTOM Transport SA	-	138,462	-	-	-	11,990	-	-
NTPC ALSTOM Power Services Private Ltd	-	148,858	-	-	-	135,289	-	-
ALSTOM Hydro Spain S.L.	-	169,314	-	-	-	86,662	-	-
ALSTOM (Switzerland) Ltd.	-	572,289	-	-	-	148,911	-	-
ALSTOM Power Hydraulique	-	4,187,452	-	-	-	165,955	-	-
ALSTOM Hydro France	-	-	-	-	-	23,206	-	-
ALSTOM Switzerland Ltd PTP Plant&Control	-	-	-	-	-	1,551,388	-	-
Others	-	467	-	-	-	153,053	-	-
Purchase of Raw Material Component								
Capital Goods & Other Services								
ALSTOM Power Service	-	13,688	-	-	-	-	-	-
ALSTOM Transport SA	-	13,876	-	-	-	4,898	-	-
ALSTOM Power Romania	-	19,266	-	-	-	-	-	-
ALSTOM Ltd	-	34,153	-	-	-	-	-	-
ALSTOM Power Hydraulique	-	34,621	-	-	-	-	-	-
ALSTOM Power Systems SA	-	43,016	-	-	-	-	-	-
ALSTOM Power Sweden AB	-	49,701	-	-	-	-	-	-
ALSTOM Power Service GmbH	-	87,390	-	-	-	34,177	-	-
ALSTOM Power Sp.z o.o.	-	122,595	-	-	-	-	-	-
ALSTOM Power Inc.	-	184,664	-	-	-	-	-	-
ALSTOM (Switzerland) Ltd	-	284,014	-	-	-	498,799	-	-
ALSTOM Brasil Energia e transporte Ltda	-	589,773	-	-	-	-	-	-
ALSTOM Power Boiler Services Ltd.	-	-	-	-	13,461	-	-	-
ALSTOM Power Energy System - Indonesia	-	-	-	-	-	639,788	-	-
ALSTOM Power Services Poland	-	-	-	-	-	192,733	-	-
ALSTOM Power Sweden Ltd	-	-	-	-	-	14,051	-	-
Energy Recovery Systems US	-	-	-	-	-	43,781	-	-
Others	-	1,878	-	-	-	159,275	-	-
Sale of Other Services								
ALSTOM Transport (S) Pte Ltd	-	1,270	-	-	-	-	-	-
ALSTOM Technical Service Shanghai	-	3,161	-	-	-	-	-	-
ALSTOM Belgium SA	-	6,048	-	-	-	3,383	-	-
ALSTOM Ferroviaria S.p.A	-	8,572	-	-	-	-	-	-
ALSTOM Power Sweden AB	-	15,355	-	-	-	33,458	-	-
ALSTOM Power Italia Spa	-	16,179	-	-	-	35,307	-	-
ALSTOM Brasil Energia e transporte Ltda	-	22,991	-	-	-	-	-	-
ALSTOM Power Consulting AG	-	29,287	-	-	-	-	-	-
ALSTOM Power Inc.	-	46,645	-	-	-	65,727	-	-
ALSTOM Norway AS	-	37,684	-	-	-	-	-	-
ALSTOM Power Hydraulique	-	52,605	-	-	-	-	-	-
ALSTOM Ltd	-	54,106	-	-	-	-	-	-
NTPC ALSTOM Power Services Private Ltd	-	16,133	-	-	-	5,261	-	-
ALSTOM Transport SA	-	66,682	-	-	-	-	-	-
ALSTOM Hydro (Switzerland) Ltd	-	67,349	-	-	-	18,288	-	-
ALSTOM Power Systems GmbH	-	159,929	-	-	-	66,505	-	-
ALSTOM (Switzerland) Ltd.	-	392,371	-	-	-	465,858	-	-
ALSTOM Power Systems SA	-	453,838	-	-	-	80,197	-	-
ALSTOM Power Boiler Services Limited	334	-	-	-	756	-	-	-
ALSTOM Power Centrales, France	-	-	-	-	-	203,678	-	-
ALSTOM Power Sp Z.O.O PTP Elblag	-	-	-	-	-	17,326	-	-
Comelex	-	-	-	-	-	1,451	-	-
Others	-	4,316	-	-	-	33,076	-	-
Other Income								
ALSTOM Power Boiler Services Limited	349	-	-	-	-	-	-	-
ALSTOM Hydro R&D India Limited	-	3,848	-	-	-	-	-	-
ALSTOM Transport SA	-	17,684	-	-	-	-	-	-
ALSTOM Power INC.	-	-	-	-	-	3,327	-	-
PSP Sweden	-	-	-	-	-	3,497	-	-
ALSTOM Transport - Metro Unit - France	-	-	-	-	-	186	-	-
HQ Transport Omegat FR	-	-	-	-	-	3,401	-	-

ALSTOM Projects India Limited

6.2 Transactions with Related Parties*

(Rupees thousands)

Particulars	2009-10				2008-09			
	Subsidiaries	Fellow Subsidiaries	Parties where control exists	Key Management Personnel	Subsidiaries	Fellow Subsidiaries	Parties where control exists	Key Management Personnel
Purchase of Other Services								
ALSTOM Power Hydro, Grenoble France	-	-	-	-	-	38,571	-	-
ALSTOM Deutschland AG	-	1,034	-	-	-	-	-	-
ALSTOM Power Systems GmbH	-	1,286	-	-	-	-	-	-
Tianjin ALSTOM Hydro Co. Ltd	-	1,403	-	-	-	-	-	-
ALSTOM Asia Pacific Sdn Bhd	-	2,222	-	-	-	-	-	-
ALSTOM Ltd	-	6,392	-	-	-	-	-	-
ALSTOM Holdings	-	6,668	-	-	-	-	-	-
ALSTOM Power Service	-	6,772	-	-	-	-	-	-
ALSTOM Power Inc USA	-	7,113	-	-	-	7,928	-	-
ALSTOM Information Tech. Centre SAS	-	7,955	-	-	-	-	-	-
ALSTOM Power Sp.z o.o.	-	8,001	-	-	-	-	-	-
ALSTOM Power Inc.	-	9,739	-	-	-	-	-	-
ALSTOM Power Hydraulique	-	23,065	-	-	-	-	-	-
ALSTOM Power Service GmbH	-	49,769	-	-	-	29,083	-	-
ALSTOM (Switzerland) Ltd	-	65,174	-	-	-	7,866	-	-
ALSTOM Holdings	-	-	-	-	-	6,927	-	-
ITC Central Management	-	-	-	-	-	37,098	-	-
Others	-	1,335	-	-	-	38,536	-	-
Other Expenses								
ALSTOM Transport SA	-	6,431	-	-	-	-	-	-
ALSTOM Signalling Inc.	-	12,885	-	-	-	-	-	-
ALSTOM Power Systems SA	-	26,019	-	-	-	-	-	-
ALSTOM (Switzerland) Ltd	-	36,763	-	-	-	242	-	-
ALSTOM Hydro (Switzerland) Ltd	-	57,901	-	-	-	-	-	-
ALSTOM Holdings	-	7,334	-	-	-	157,133	-	-
ALSTOM Power Limited , Switzerland	-	-	-	-	-	1,981	-	-
Others	-	1,069	-	-	-	2,927	-	-
Purchase of Fixed Assets								
ALSTOM Power Systems SA	-	2,943	-	-	-	-	-	-
Managerial Remuneration								
Mr. Emmanuel Colombier	-	-	-	6,369	-	-	-	5,334
Mr. S.M. Momaya	-	-	-	6,458	-	-	-	4,877
Mrs. Naina R. Desai	-	-	-	-	-	-	-	2,036
Technical Consultancy Services								
ALSTOM Power Boilers Services Ltd.	-	-	-	-	3,000	-	-	-
Payment of Royalty/Tech Knowhow Fees								
ALSTOM Hydro (Switzerland) Ltd	-	60,238	-	-	-	63,539	-	-
ALSTOM HOLDINGS	-	133,970	-	-	-	152,170	-	-
ALSTOM Power Hydro, Grenoble France	-	-	-	-	-	19,374	-	-
Payment of Dividend								
ALSTOM Finance BV	-	392,454	-	-	-	313,963	-	-
ALSTOM India Limited	-	53,135	-	-	-	42,508	-	-
Interest on Inter Corporate Deposits								
ALSTOM Hydro R & D India Limited	-	-	-	-	-	206	-	-
Sale of Shares								
ALSTOM India Ltd	-	-	-	-	-	-	500	-

6.3 Balance Outstanding*

(Rupees thousands)

Particulars	2009-10				2008-09			
	Subsidiaries	Fellow Subsidiaries	Parties where control exists	Key Management Personnel	Subsidiaries	Fellow Subsidiaries	Parties where control exists	Key Management Personnel
As Debtors								
ALSTOM Power Nederland B.V.	-	1,099	-	-	-	-	-	-
ALSTOM Hydro R&D India Limited	-	2,048	-	-	-	-	-	-
ALSTOM Power Sp.z o.o.	-	2,838	-	-	-	1,435	-	-
ALSTOM Brasil Energia e transporte Ltda	-	2,989	-	-	-	-	-	-
ALSTOM Norway AS	-	5,094	-	-	-	-	-	-
ALSTOM Ferroviaria S.p.A	-	5,728	-	-	-	-	-	-
ALSTOM Belgium SA	-	9,931	-	-	-	482	-	-
ALSTOM Power Inc.	-	11,516	-	-	-	19,587	-	-
ALSTOM Ltd	-	12,177	-	-	-	-	-	-
ALSTOM Power Systems GmbH	-	20,752	-	-	-	-	-	-
ALSTOM Power Consulting AG	-	28,327	-	-	-	-	-	-
ALSTOM Power Italia Spa	-	29,333	-	-	-	1,736	-	-
ALSTOM Transport SA	-	44,930	-	-	-	1,977	-	-
ALSTOM Power Systems SA	-	59,064	-	-	-	-	-	-
ALSTOM (Switzerland) Ltd.	-	89,631	-	-	-	97,643	-	-

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6.3 Balance Outstanding*

(Rupees thousands)

Particulars	2009-10				2008-09			
	Subsidiaries	Fellow Subsidiaries	Parties where control exists	Key Management Personnel	Subsidiaries	Fellow Subsidiaries	Parties where control exists	Key Management Personnel
ALSTOM Power Hydraulique	-	228,932	-	-	-	117,607	-	-
NTPC ALSTOM Power Services Private Ltd	-	254,952	-	-	-	244,444	-	-
ALSTOM Power Boiler Services Limited	10,887	-	-	-	22,538	-	-	-
ALSTOM Hydro France	-	-	-	-	-	23,732	-	-
ALSTOM Power Centrales, France	-	-	-	-	-	63,313	-	-
ALSTOM Switzerland Ltd PTP Plant&Control	-	-	-	-	-	480,896	-	-
Others	-	5,453	-	-	-	179,284	-	-
Creditors								
ALSTOM Transport SA	-	1,392	-	-	-	3,894	-	-
ALSTOM Ltd	-	1,914	-	-	-	-	-	-
ALSTOM Power Sweden AB	-	1,999	-	-	-	2,355	-	-
ALSTOM Holdings	-	2,126	-	-	-	2,251	-	-
ALSTOM Power Service	-	9,496	-	-	-	-	-	-
ALSTOM Power Hydraulique	-	10,160	-	-	-	-	-	-
ALSTOM Hydro Equipamentes	-	10,282	-	-	-	-	-	-
ALSTOM Power Service GmbH	-	13,064	-	-	-	2,569	-	-
ALSTOM Power Systems SA	-	22,614	-	-	-	-	-	-
ALSTOM Hydro (Switzerland) Ltd	-	26,715	-	-	-	-	-	-
ALSTOM Power Sp.z o.o.	-	30,413	-	-	-	-	-	-
ALSTOM Power Inc.	-	45,243	-	-	-	-	-	-
ALSTOM (Switzerland) Ltd.	-	103,836	-	-	-	43,544	-	-
ALSTOM Power Boiler Services Limited	3,086	-	-	-	14,718	-	-	-
ALSTOM Power Hydro, Grenoble France	-	-	-	-	-	33,475	-	-
ALSTOM Power Services Poland	-	-	-	-	-	37,098	-	-
ALSTOM Power Energy System - Indonesia	-	-	-	-	-	191	-	-
Others	-	636	-	-	-	46,090	-	-
Advance Given								
ALSTOM Power Service	-	1,695	-	-	-	-	-	-
ALSTOM Power Hydraulique	-	33,792	-	-	-	-	-	-
ALSTOM Power Systems SA	-	76,927	-	-	-	-	-	-
ALSTOM Brasil Energia e transporte Ltda	-	85,482	-	-	-	-	-	-
ALSTOM Ltd	-	128,433	-	-	-	-	-	-
ALSTOM Hydro Energia Brasil Ltda	-	-	-	-	-	567,041	-	-
ALSTOM Power Hydro, Grenoble France	-	-	-	-	-	3,216	-	-
ALSTOM Power Boiler Services Limited	1,454	-	-	-	1,454	-	-	-
Others	-	1,680	-	-	-	110,319	-	-
Advance Receivd								
ALSTOM Hydro (Switzerland) Ltd	-	26	-	-	-	-	-	-
ALSTOM Power Sp.z o.o.	-	4,298	-	-	-	-	-	-
ALSTOM Power Systems SA	-	5,121	-	-	-	-	-	-
ALSTOM (Switzerland) Ltd.	-	8,212	-	-	-	2,443	-	-
NTPC ALSTOM Power Services Private Ltd	-	14,377	-	-	-	1,542	-	-
ALSTOM Power Italia Spa	-	77,016	-	-	-	4,639	-	-
ALSTOM Vannkraft AS	-	23,013	-	-	-	11,413	-	-
ALSTOM Hydro Austria GmbH	-	77,180	-	-	-	-	-	-
ALSTOM Hydro Spain S.L.	-	114,548	-	-	-	123,600	-	-
ALSTOM Brasil Energia e transporte Ltda	-	211,040	-	-	-	4,432	-	-
ALSTOM Power Hydraulique	-	1,134,813	-	-	-	1,920,857	-	-
ALSTOM Power Hydro, Grenoble France	-	-	-	-	-	364,127	-	-
ALSTOM Hydro France	-	-	-	-	-	65,913	-	-
Others	-	-	-	-	-	86,925	-	-
Investment in Subsidiaries								
ALSTOM Power Boiler Services Limited	2,283	-	-	-	2,283	-	-	-
Amount Guaranteed By Fellow Subsidiaries								
ALSTOM (Switzerland) Ltd.	-	139,159	-	-	-	139,159	-	-
ALSTOM Power Hydraulique	-	153,563	-	-	-	-	-	-

* Excluding reimbursement of expenses

7 LEASE COMMITMENTS

7.1 Operating leases

The Company normally takes vehicles and premises under non cancellable operating leases. Minimum lease payments outstanding as at March 31, 2010 in respect of these assets are as under:

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	Total minimum lease payments outstanding as at March 31, 2010	(Rupees thousands) Total minimum lease payments outstanding as at March 31, 2009
Due within one year	284,972	255,746
Due later than one year and not later than five years	1,250,059	1,222,909
Due later than five years	82,128	543,220
	<u>1,617,159</u>	<u>2,021,875</u>

Lease payments of Rs.375,173 thousand (previous year – Rs. 349,659 thousand) have been recognised as an expense in the profit and loss account for the year ended March 31, 2010.

Office premises and vehicles are obtained on operating lease. 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.

7.2 Finance leases

The future lease obligations in respect of assets taken on finance leases as at March 31, 2010 are as follows:

	Total minimum lease payments outstanding	Present value of minimum lease payments	Interest included in minimum lease payments
Due within one year	5,224	779	4,445
Due later than one year but not later than five years	19,518	4,781	14,737
Due later than five years	17,414	10,300	7,114
	<u>42,156</u>	<u>15,860</u>	<u>26,296</u>

Lease interest payments of Rs. 4,638 thousand are included in Repairs and Maintenance. Leasehold improvements include assets costing Rs. 16,446 thousands on finance lease.

8 EARNINGS PER SHARE

	2010	2009
a) Weighted average number of equity shares outstanding during the year	67,024,174	67,024,174
b) Net profit after tax available for equity Shareholders (Rupees thousand)	1,672,506	1,348,921
c) Basic and Diluted Earnings (in Rupees) per share	24.95	20.13

9 SUPPLEMENTARY PROFIT AND LOSS DATA

9.1 Capacities, production and stock

Class of Goods	Denomination	Annual capacities		Opening stock of finished goods		Production of finished goods		Closing stock of finished goods	
		Quantity Installed	Quantity	Quantity	Rupees in thousands	Quantity	Quantity	Quantity	Rupees in thousands
Pollution and environment control equipment	Nos.	500	–	–	(–)	136	–	–	–
		(500)	(–)	(–)	(–)	(218)	(–)	(–)	(–)
Steam Raising Plant, ancillary equipment and pressure vessels	MT	7,000	–	–	–	2,409	–	–	–
		(7,000)	(–)	(–)	(–)	(1,965)	(–)	(–)	(–)
Cement making, general mining, coal mining and other general machinery	MT	1,500	–	–	–	2,280	–	–	–
		(1500)	(–)	(–)	(–)	(2,932)	(–)	(–)	(–)
Grey alloy iron foundry castings	MT	3,400	73	4,683	3,390	52	4,290	4,290	4,290
		(3,400)	(51)	(4,940)	(3,314)	(73)	(4,683)	(4,683)	(4,683)
Cast iron/alloy rolls	MT	400	–	–	–	–	–	–	–
		(400)	(–)	(–)	(–)	(–)	(–)	(–)	(–)
Others	Nos.	7,300	–	–	–	4,251	–	–	–
		(5,300)	(–)	(–)	(–)	(1,142)	(–)	(–)	(–)
Total	–	–	73	4,683	–	52	4,290	4,290	4,290
	–	–	(51)	(4,940)	(–)	(73)	(4,683)	(4,683)	(4,683)

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The Company's products are exempt from licensing requirement under the new industrial policy by virtue of notification No 477 (E) of 25.07.91

Previous year figures are in brackets

Capacities

Installed capacities are as certified by the management, but not verified by the auditors, being a technical matter.

Production

- Production of finished goods is inclusive of production for captive use.
- "Others" represent internally manufactured components, meant for sale. Since the quantitative denominations of these items are dissimilar, it would be impracticable to disclose the quantitative information in respect thereof.

Inventories

The finished goods and work-in-progress at the beginning of the year amounted to Rs 4,683 thousands and Rs 436,533 thousands respectively (previous year Rs 4,940 thousands and Rs 360,161 thousands).

9.2 Turnover

(Rupees thousands)

Class of goods	Turnover of finished goods		
	Unit	Quantity	Amount*
Pollution and environment control equipment	Nos	136 (218)	754,860 (763,970)
Project items**			14,817,309 (15,659,809)
Steam raising plant, ancillary equipment and pressure vessels	MT	2,409 (1,965)	466,133 (2,856,525)
Cement machinery, general mining, coal mining and other general machinery	MT	2,280 (2,932)	546,152 (523,101)
Foundry products	MT	3,411 (3,292)	195,112 (210,357)
Erection services, Civil works and other services		-	3,436,912 (2,862,894)
Others		-	210,774 (26,134)
TOTAL			20,427,251 (22,902,790)

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

** Project items includes equipment and miscellaneous items meant for execution of projects. Since the quantitative denominations of these items are dissimilar, it would be impracticable to disclose the quantitative information in respect thereof.

9.3 Earnings in foreign exchange (on accrual basis)

(Rupees thousands)

	For the year ended March 31, 2010	For the year ended March 31, 2009
I Export of goods on FOB basis	4,505,481	4,717,878
II Deemed exports	269,666	589,304
III Goods/services supplied/rendered locally against foreign exchange remittance	635,408	527,222
IV Erection and other services	1,353,591	1,496,459
V Other income:		
a. Global sourcing services	29,575	16,419
b. Service income	37,327	18,554
	6,831,048	7,365,836

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9.4 Consumption of raw materials and components

(Rupees thousands)

		For the year ended March 31, 2010		For the year ended March 31, 2009	
		Quantity	Amount	Quantity	Amount
Ferrous metals	MT	22,397	5,094,594	25,169	4,391,479
Non-ferrous metals	MT	1,001	698,459	285	466,569
Components*		Various	1,390,918	Various	509,768
			<u>7,183,971</u>		<u>5,367,816</u>

For the purpose of para 4D (c) of Part II of schedule VI to the Companies Act, components and spare parts are assumed to mean those incorporated in the product finally sold and not those used as spares for the repairs and maintenance of plant and machinery.

* Since the quantity denominations and the type of components are dissimilar in nature, it would be impracticable to disclose the quantitative information in respect thereof.

	%	For the year ended March 31, 2010	%	For the year ended March 31, 2009
Imported	39%	2,837,181	27%	1,472,787
Indigenous	61%	4,346,790	73%	3,895,029
	<u>100%</u>	<u>7,183,971</u>	<u>100%</u>	<u>5,367,816</u>

9.5 Value of imports on CIF basis

	For the year ended March 31, 2010	For the year ended March 31, 2009
Raw materials	3,388,522	2,809,820
Components & maintenance spare parts	979,677	748,996
Capital goods	751,359	424,123
Project items	408,091	297,277
	<u>5,527,648</u>	<u>4,280,217</u>

9.6 Expenditure in foreign currency (on accrual basis)

	For the year ended March 31, 2010	For the year ended March 31, 2009
Royalty, trademark and technical fees	216,242	498,420
Erection services	300,677	35,117
Professional/consultancy fees	163,897	180,498
Other matters	164,784	125,222
	<u>845,600</u>	<u>839,257</u>

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

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	March 31, 2009	March 31, 2008
Net amount remitted (Rs. thousands)	405,798	324,639

9.8 Managerial remuneration

Salary	7,278	6,737
Other perquisites	4,847	4,868
Contribution to provident and other funds	702	642
	<u>12,827</u>	<u>12,247</u>

Whole time directors are covered under the Company's gratuity and leave encashment scheme along with the other employees of the Company. The gratuity/ leave encashment liability is determined for all employees on an independent actuarial valuation. The specific amount of gratuity/ leave encashment for whole time directors cannot be ascertained separately and accordingly the same has not been included above.

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9.9 Acceptances

Total outstanding dues to creditors other than micro and small enterprises include acceptances Rs. 60,673 thousand (previous year Rs. 1,061,106 thousand).

9.10 Auditors remuneration (Rupees thousands)

	For the year ended March 31, 2010	For the year ended March 31, 2009
Audit fee*	4,200	3,500
Tax audit fees*	1,200	1,000
Limited reviews*	2,100	2,100
Other services*	1,150	1,000
Out-of-pocket expenses	373	172

* excluding service tax

10 CONSTRUCTION CONTRACTS (Rupees thousands)

	As at March 31, 2010	As at March 31, 2009
a. Contract revenue recognised as revenue for the year ended March 31, 2010	19,088,288	21,778,595
b. Aggregate amount of contract costs incurred and recognised profits (less recognised losses) upto March 31, 2010 for all the contracts in progress*	71,408,856	53,393,533
c. The amount of customer advances outstanding for contracts in progress as at March 31, 2010	9,865,528	7,600,557
d. The amount of retention due from customers for contracts in progress as at March 31, 2010	2,754,565	2,481,166

For construction contracts or long term service agreements in progress, obligations attributable thereto, are taken into account in the assessment of the margin to be recognised and therefore reported as Current Liabilities or Work in progress.

11 GRATUITY AND OTHER POST-EMPLOYMENT BENEFIT PLANS:

The Company has a defined benefit gratuity plan. 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 scheme 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 profit and loss account and the funded status and amounts recognised in the balance sheet for the respective plans.

Profit and Loss account

Net employee benefit expense in respect of Gratuity (recognised in Employee Cost)

	2009-10	2008-09	2007-08	2006-07
Current service cost	27,022	21,415	14,233	10,620
Interest cost on benefit obligation	20,356	15,063	16,636	11,554
Expected return on plan assets	(22,736)	(16,192)	(12,093)	(4,842)
Net actuarial(gain) / loss recognised in the year	(5,234)	17,664	1,229	23,799
Past service cost	-	-	-	-
Net benefit expense	19,408	37,950	20,005	41,131
Actual return on plan assets	23,755	16,767	19,999	5,339

Balance sheet

Details of Provision for gratuity

	2009-10	2008-09	2007-08	2006-07
Defined benefit obligation	288,567	263,487	221,611	193,122
Fair value of plan assets	(294,567)	(267,487)	(211,910)	(191,213)
	(6,000)	(4,000)	9,701	1,909
Less: Unrecognised past service cost	-	-	-	-
Plan (asset) / liability	(6,000)	(4,000)	9,701	1,909

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

	(Rupees thousands)			
	2009-10	2008-09	2007-08	2006-07
Opening defined benefit obligation	263,487	221,611	193,122	161,450
Interest cost	20,356	15,063	16,636	11,554
Current service cost	27,022	21,415	14,233	10,620
Benefits paid	(18,082)	(12,841)	(11,515)	(14,798)
Actuarial (gains) / losses on obligation	(4,216)	18,239	9,135	24,296
Closing defined benefit obligation	288,567	263,487	221,611	193,122

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

	2009-10	2008-09	2007-08	2006-07
Opening fair value of plan assets	267,487	211,910	191,213	59,587
Expected return	22,736	16,192	12,093	4,842
Contributions by employer	21,407	51,651	12,213	141,085
Benefits paid	(18,082)	(12,841)	(11,515)	(14,798)
Actuarial gains / (losses)	1,019	575	7,906	497
Closing fair value of plan assets	294,567	267,487	211,910	191,213

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

	2009-10	Gratuity 2008-09	2007-08	2006-07
	%	%	%	%
Investments with insurer	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.

The principal assumptions used in determining gratuity obligations for the Company's plans are shown below:

	2009-10	2008-09	2007-08	2006-07
	%	%	%	
Discount rate	8	7	9	7.5
Expected rate of return on assets	8.5	9	9	9
Employee turnover	13.5	13.5	13.5	13.5

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.

In respect of defined contribution plan, the company has recognised the following amounts in the profit and loss account:

	(Rupees thousands)		
	For the year ended March 31, 2010	For the year ended March 31, 2009	For the year ended March 31, 2008
Employer's Contribution to Provident Fund including Family Pension Fund*	95,345	80,175	59,938

*Included in the head Contribution to Provident and Other Funds.

Notes :

- Information relating to experience adjustment in the actual valuation of gratuity as required by Para 120(n)(ii) of the Accounting Standard 15 (revised) 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 (Revised) on Employee Benefits are not disclosed.
- Pending issuance of the Guidance Note from the Actuarial Society of India, the company's actuary has expressed his inability to reliably measure the provident fund liability. Accordingly, no additional disclosures as required by Paragraph 120 of AS 15 (revised) have been furnished.

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12 PROVISION FOR BAD AND DOUBTFUL DEBTS

A. BAD DEBTS WRITTEN OFF

(Rupees thousands)

	For the year ended March 31, 2010	For the year ended March 31, 2009
Bad debts and advances written off during the year	21,746	105,436
Less: adjusted against provision for Doubtful debts & advances	<u>(21,746)</u>	<u>(102,895)</u>
	<u>-</u>	<u>2,541</u>

B. PROVISION FOR DOUBTFUL DEBTS AND ADVANCES

	For the year ended March 31, 2010	For the year ended March 31, 2009
Opening Balance for provision for doubtful debts and advances	250,602	238,380
Add: Provision created during the year	1,285	128,173
Less: Adjusted against bad debts and advances written off	(21,746)	(102,895)
Less: Write back of provision for doubtful debts and advances	(31,749)	(13,056)
Closing Balance	<u>198,392</u>	<u>250,602</u>

13 DERIVATIVE INSTRUMENTS AND UNHEDGED FOREIGN CURRENCY EXPOSURE

(Figures in '000)

Forward contract outstanding as at Balance Sheet date.

Particulars of Derivatives	Currency	Current Year		Previous Year		Purpose
		Amount	Year End Rate (Rs.)	Amount	Year End Rate (Rs.)	
SELL	EURO	94,691	60.51	91,002	67.39	Hedge of receivable/expected future sales
SELL	USD	34,330	44.90	71,719	50.64	Hedge of receivable/expected future sales
PURCHASE	CHF	246	42.39	55	44.48	Hedge of payable/expected future purchases
PURCHASE	EURO	64,375	60.51	36,113	67.39	Hedge of payable/expected future purchases
PURCHASE	GBP	22	68.00	2	72.40	Hedge of payable/expected future purchases
PURCHASE	AUD	-	-	73	35.07	Hedge of payable/expected future purchases
PURCHASE	JPY	14,658	0.48	326,740	0.51	Hedge of payable/expected future purchases
PURCHASE	SEK	2,755	6.23	3,659	6.16	Hedge of payable/expected future purchases
PURCHASE	USD	13,805	44.90	16,877	50.64	Hedge of payable/expected future purchases

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

(Rupees thousands)

Particulars	For the year ended March 31, 2010	For the year ended March 31, 2009
Import Creditors	164,084	134,370
Export Debtors	348,082	278,875

- 14 Current year tax is after adjusting credit of Rs NIL thousand (previous year including Rs 32,037 thousand) related to earlier years.

ALSTOM Projects India Limited

15 DISCLOSURE AS PER SECTION 22 OF "THE MICRO, SMALL AND MEDIUM ENTERPRISES DEVELOPMENT ACT, 2006" (As certified by the management)

		(Rupees thousands)	
S.No.	Particulars	For the year ended March 31, 2010	For the year ended March 31, 2009
i)	The principal amount and the interest due thereon remaining unpaid to any supplier		
	- Principal amount	53,025	25,175
	- 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

Names of Micro, Small and Medium enterprises to whom the Company owes any sum as at March 31, 2010.

Boltmaster (India) Private Limited., Dee Development Engineers Private Limited, Flowchem Industries, Gayatri Electricals, Grip Engineers Pvt. Limited, M.K. Construction, Permal Wallace, Sertel Electronics Private Ltd, Sigma Power & Energy, Statcon Power Controls Limited., Sree Venkateswara Engineering, Signum Fire India Private Limited., Supremax Equipments, Delton Cables Limited., Globe Engineering, Venus Engineering Works, Gauthama Engineering Industries, Syed Engineering Works, Aki Industrial Engineers Private Ltd, Sudha Engineering Works, G.M.K. Steels Private Limited, Ma Durga Industries, S K Engineering, Metal Weavers, Ascon Switchgear, Das Industries, Eip Bulk Controls Private Ltd, Ispat, Vaas Industries Private Limited, QSS Engineers, S.S.Engineering Works, Dtl Ancillaries , General Auto Electric Corporation, Sanarti Incorporated, Beekay Industries, Sri Venkatesawara Precision, Balaji Packers, Sigma Power & Energy, Saradha Rubbers, Welcome World Electrical Pvt Ltd, Steelstrong Valves India Private Limited, Strategic Weighing Sysytem Ltd, Indira Industries, Jas Equipment & Engineers Pvt Ltd, Chemtrol Samil India Pvt Limited, Gulati Steel Fab Pvt Ltd, B.D.K. Engineering India, Caldyne Automatics Ltd, Pipe Support India Ltd, Goa Instruments Industries Pvt Ltd, Encon Enterprises Private Limited, Luthra Engineering Works, Gea Energy Systems (India) Ltd, Bend Joints Pvt. Ltd, Ge Godavari Engineering Ltd., Bbm Acoustic India, Profile Engineers, Goa Thermostatic Instruments Pvt Ltd, Kapil Enterprises, Dieu - Tech Engineering Pvt Ltd, Techno Link, B.K.Das & Company, Rotork Control (India) Pvt Ltd., Esvee Engineering (Dvg) Pvt Ltd, Omega Elevators, Pathak Iron & Steel, Baby Engineering Pvt, Pyrotech Electronics Pvt Ltd, Metso Automation India Pvt Ltd, Bachmann Industries India Ltd, Acrovent Systems Pvt Ltd, Panchsheel Fastners, Kinetic Engineering Works, Icon Controls Pvt Ltd, Murugappa Morgan Thermal Cermics Ltd, Metapow Industries, S.V.Engineers ,Manpreet Engg & Const. Co., New Punjab Engineering Works.

16 PRIOR YEAR COMPARATIVES

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

For Price Waterhouse

Firm Registration Number 012754N
Chartered Accountants

V. Nijhawan
Partner

Membership Number.: F87228

Place : Noida

Date : April 28, 2010

For and on behalf of the Board of Directors

Sunand Sharma	Chairman
Francois Carpentier	Vice Chairman and Managing Director
S.M. Momaya	Whole-time Director & Chief Financial Officer
Pedro Sole	Director
Dominique Poliquen	Director
A.K. Thiagarajan	Director
K. Vasudevan	Director
Dr. Uddesh Kohli	Director
Sekhar Bhattacharjee	Company Secretary

ALSTOM Projects India Limited

Balance sheet abstract and Company's general business profile

I Registration details:

Registration No.

6 8 3 7 9

State Code 1 1

Balance Sheet Date

31 03 2010

Date Month Year

II Capital raised during the year (Amount in Rs thousands)

Public Issue

N I L

Rights Issue

N I L

Bonus Issue

N I L

Private Placement

N I L

III Position of mobilisation and deployment of funds (Amount in Rs thousands)

Total Liabilities

2 8 2 1 0 0 7 1

Total Assets

2 8 2 1 0 0 7 1

Sources of Funds

Paid-Up Capital

6 7 0 2 4 2

Reserves and Surplus

4 2 9 4 7 1 4

Secured Loans

N I L

Unsecured Loans

N I L

Application of Funds

Net Fixed Assets*

3 9 5 5 6 2 1

Investments

3 6

Net Current Assets

9 4 3 4 4 9

Miscellaneous Expenditure

N I L

Accumulated Losses

N I L

IV Performance of the Company (Amount in Rs. thousands)

Turnover, including other income

2 0 8 2 8 4 4 3

Total Expenditure

1 8 3 4 5 3 4 0

+ - Profit/Loss before Tax

2 4 8 3 1 0 3

+ - Profit/Loss after Tax

1 6 7 2 5 0 6

Earnings per Share in Rs

2 4 . 9 5

Dividend Rate %

1 0 0

V Generic names of three principal products/services of the Company

(as per monetary terms)

Item Code (ITC Code)

84.02

Product Description

Steam Raising Plant

Item Code (ITC Code)

85.03

Product Description

Generator and Parts thereof

Item Code (ITC Code)

84.21

Product Description

Pollution and Environment Control Equipment

AUDITOR'S REPORT ON THE CONSOLIDATED FINANCIAL STATEMENTS OF ALSTOM PROJECTS INDIA LIMITED

1. We have audited the attached consolidated Balance Sheet of ALSTOM Projects India Limited (the "Company") and its subsidiary, hereinafter referred to as the "Group" (refer Note 1 on Schedule 19 to the attached consolidated financial statements) as at March 31, 2010, the related consolidated Profit and Loss Account 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, 2010;
 - (b) in the case of the consolidated Profit and Loss Account, 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

Place: Noida
Date: April 28, 2010

V. Nijhawan
Partner
Membership Number: F-87228

ALSTOM Projects India Limited

Consolidated Balance Sheet as at March 31, 2010

		(Rupees thousands)	
	Schedule	As at March 31, 2010	As at March 31, 2009
SOURCES OF FUNDS			
Shareholders' funds			
Share capital	1	670,242	670,242
Reserves and surplus	2	<u>4,291,186</u>	<u>3,404,876</u>
		4,961,428	4,075,118
Loan funds			
Secured loan	3	-	<u>11,263</u>
		<u>4,961,428</u>	<u>4,086,381</u>
APPLICATION OF FUNDS			
Fixed assets	4		
Gross block		6,146,439	4,948,728
Less: Accumulated depreciation / amortisation / impairment		<u>2,731,462</u>	<u>2,355,053</u>
Net book value		3,414,977	2,593,675
Capital work-in-progress and advances on capital account		<u>540,677</u>	<u>1,193,338</u>
		3,955,654	3,787,013
Investments	5	36	36
Deferred tax assets, net	13	70,588	5,252
Current assets, loans and advances			
Inventories	6	2,033,533	642,630
Sundry debtors	7	6,233,224	6,277,861
Cash and bank balances	8	6,005,442	3,679,908
Other current assets	9	6,737,546	8,142,098
Loans and advances	10	<u>3,195,032</u>	<u>4,865,436</u>
		24,204,777	23,607,933
Less: Current liabilities and provisions			
Current liabilities	11	22,172,765	22,251,949
Provisions	12	<u>1,096,862</u>	<u>1,061,904</u>
		23,269,627	23,313,853
Net current assets		<u>935,150</u>	<u>294,080</u>
		<u>4,961,428</u>	<u>4,086,381</u>
Significant Accounting Policies and Notes to Accounts	19		

The schedules referred to above form an integral part of the Balance Sheet.

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

For Price Waterhouse
Firm Registration Number: 012754N
Chartered Accountants

V. Nijhawan
Partner
Membership No: F87228

Place: Noida
Date: April 28, 2010

For and on behalf of the Board of Directors

Sunand Sharma	Chairman
Francois Carpentier	Vice Chairman and Managing Director
S.M. Momaya	Whole-time Director & Chief Financial Officer
Pedro Sole	Director
Dominique Poliquen	Director
A.K. Thiagarajan	Director
K. Vasudevan	Director
Dr. Uddesh Kohli	Director
Sekhar Bhattacharjee	Company Secretary

ALSTOM Projects India Limited

Consolidated Profit and loss account for the year ended March 31, 2010

	Schedule	For the year ended March 31, 2010	(Rupees thousands) For the year ended March 31, 2009
INCOME			
Sales and services (Gross)	14	20,792,141	23,181,615
Less: Excise duty		378,351	278,825
Net Sales and Services		20,413,790	22,902,790
Other income	15	405,380	494,818
		<u>20,819,170</u>	<u>23,397,608</u>
EXPENDITURE			
Material cost and erection services	16	12,852,717	16,008,901
Personnel expenses	17	2,700,296	2,389,722
Other expenses	18	2,363,520	2,547,189
Depreciation / amortisation	4	421,423	335,769
Less: Transfer from revaluation reserve		(4,297)	(4,816)
Interest		1,245	1,019
		<u>18,334,904</u>	<u>21,277,784</u>
		2,484,266	2,119,824
PROFIT BEFORE TAX AND EXCEPTIONAL ITEM			
Exceptional item-		-	-
Reversal of Impairment provision made in earlier years		-	-
		2,484,266	2,119,824
PROFIT BEFORE TAX			
Provision for Income tax			
Current tax		(874,847)	(718,114)
Deferred tax		65,338	25,689
Fringe benefit tax		-	(46,227)
		1,674,757	1,381,172
Balance brought forward	2	1,786,866	1,324,736
		3,461,623	2,705,908
PROFIT AVAILABLE FOR APPROPRIATION			
APPROPRIATION			
Transferred to general reserve	2	167,251	134,892
Proposed dividend		670,242	670,242
Corporate dividend tax		113,908	113,908
		<u>2,510,222</u>	<u>1,786,866</u>
BASIC and DILUTED EARNINGS PER EQUITY SHARE (In rupees)			
(Par value Rs 10 per share)		<u>24.99</u>	<u>20.61</u>
Significant Accounting Policies and Notes to Accounts	19		

The schedules referred to above form an integral part of the profit and loss account.

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

For Price Waterhouse
Firm Registration Number: 012754N
Chartered Accountants

V. Nijhawan
Partner
Membership No: F87228

Place: Noida
Date: April 28, 2010

For and on behalf of the Board of Directors

Sunand Sharma	Chairman
Francois Carpentier	Vice Chairman and Managing Director
S.M. Momaya	Whole-time Director & Chief Financial Officer
Pedro Sole	Director
Dominique Poliquen	Director
A.K. Thiagarajan	Director
K. Vasudevan	Director
Dr. Uddesh Kohli	Director
Sekhar Bhattacharjee	Company Secretary

ALSTOM Projects India Limited

Consolidated Cash flow statement for the year ended March 31, 2010

(Rupees thousands)

	For the year ended March 31, 2010	For the year ended March 31, 2009
A. Cash flows from operating activities		
Profit before tax and exceptional item	2,484,266	2,119,824
Adjustments for		
Depreciation / amortisation	417,126	330,953
Provision for doubtful debts and advances	(52,210)	12,222
Unrealised (gain) / loss on restatement of foreign currency assets and liabilities, net	(26,033)	(148,680)
(Gain) / Loss on sale of fixed assets, net	(2,550)	(27,626)
Interest income	(157,040)	(274,599)
Interest expense	1,245	1,019
Operating profit before working capital changes	<u>2,664,804</u>	<u>2,013,113</u>
Adjustments for changes in working capital		
(Increase)/Decrease in sundry debtors	95,503	(461,884)
(Increase)/Decrease in inventories	(1,390,903)	(29,644)
(Increase)/Decrease in other current assets	1,408,527	(3,443,545)
(Increase)/Decrease in loans and advances	1,657,768	(2,013,450)
Increase/(Decrease) in current liabilities and provisions	(17,729)	6,605,853
Cash from operating activities	<u>4,417,970</u>	<u>2,670,443</u>
Income tax including fringe benefits tax (payments)	(860,867)	(813,250)
Net cash from operating activities	<u>3,557,103</u>	<u>1,857,193</u>
B. Cash flows from investing activities		
Inter corporate deposits given	—	—
Inter corporate deposits received back	—	20,000
Interest received	153,065	325,046
Proceeds from sale of other investments	—	15
Purchase of fixed assets and advances on capital account	(592,368)	(1,903,557)
Sale proceeds of fixed assets	4,856	41,958
Net cash (used in) investing activities	<u>(434,447)</u>	<u>(1,516,538)</u>
C. Cash flows from financing activities		
Secured loans repaid	(11,263)	(5,632)
Dividend and corporate dividend tax paid	(784,150)	(627,320)
Interest paid	(626)	(850)
Net cash (used in) financing activities	<u>(796,039)</u>	<u>(633,802)</u>
Net cash flow during the year (A+B+C)	<u>2,326,617</u>	<u>(293,147)</u>
Cash and cash equivalents, beginning of year	<u>3,679,908</u>	<u>3,971,317</u>
Cash and cash equivalents, end of year	<u>6,006,525</u>	<u>3,678,170</u>
Components of cash and cash equivalents as at end of the year		
Cash and cheques on hand	1,256	6,653
Balances with scheduled banks		
- on current accounts	143,780	715,234
- on deposit accounts*	5,750,470	2,939,148
- on EEFC account	39,625	85
- on Unclaimed dividend account*	10,751	8,462
Balances with unscheduled banks		
- on current accounts		
- Barclays Bank of Uganda	51,519	7,786
- Bangkok Bank, Thailand	8,041	2,540
Cash & Bank balances as per schedule 8	<u>6,005,442</u>	<u>3,679,908</u>
Less: Effect of exchange differences on cash & cash equivalents held in foreign currency	1,083	(1,738)
Cash & Cash Equivalents as restated	<u>6,006,525</u>	<u>3,678,170</u>

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

* Cash and Cash Equivalents include Deposits of Rs. 3,503 thousands (Previous Year 1,254 thousands) held as margin money and in unclaimed dividend representing unclaimed dividend liabilities, not available for use by the Company.

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

For Price Waterhouse
Firm Registration Number- 012754N
Chartered Accountants

V. Nijhawan
Partner
Membership No: F87228

Place: Noida
Date: April 28, 2010

For and on behalf of the Board of Directors

Sunand Sharma
Francois Carpentier
S.M. Momaya
Pedro Sole
Dominique Poliquen
A.K. Thiagarajan
K. Vasudevan
Dr. Uddesh Kohli
Sekhar Bhattacharjee

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

ALSTOM Projects India Limited

Schedules to the Consolidated Financial Statements

	(Rupees thousands)	
	As at	As at
	March 31, 2010	March 31, 2009
1. Share Capital		
Authorised		
165,000,000 equity shares of Rs 10 each	1,650,000	1,650,000
(Previous year - 165,000,000 equity shares of Rs 10 each)		
40,500,000 preference shares of Rs 100 each	4,050,000	4,050,000
(Previous year - 40,500,000 preference shares of Rs 100 each)		
	<u>5,700,000</u>	<u>5,700,000</u>
Issued, subscribed and paid up		
67,024,174 equity shares of Rs 10 each	670,242	670,242
(Previous year - 67,024,174 equity shares of Rs 10 each)		
	<u>670,242</u>	<u>670,242</u>

Of the above equity shares, 25,605,748 equity shares were allotted as fully paid up on the Appointed Date, i.e. March 31, 2001, pursuant to the approval of the Hon'ble High Courts of Judicature at Delhi and Bombay, of the Scheme of Arrangement for amalgamation of ALSTOM Transport Limited ('ATL'), ALSTOM Systems Limited ('ASL') and ALSTOM Power Boilers Limited ('APBL'), together, the transferor companies, with ALSTOM Power India Limited (Now, ALSTOM Projects India Limited), the transferee company, to the shareholders of the transferor companies, as follows:

ALSTOM Power Boilers Limited	11,024,506
ALSTOM Transport Limited	11,061,178
ALSTOM Systems Limited	<u>3,520,064</u>
	<u>25,605,748</u>

Of the total equity shares, 44,558,972 (Previous year 44,558,972) shares are held by ALSTOM Holdings, the ultimate holding company through its subsidiaries. Out of these 39,245,408 (Previous year 39,245,808) shares are held by ALSTOM Finance BV, the holding Co., 5,313,564 (Previous year 5,313,564) shares are held by ALSTOM India Limited.

2. Reserves and Surplus

Capital reserve	1,552	1,552
Revaluation reserve		
Balance, beginning of year	79,828	84,644
Less: Transferred to profit and loss account	<u>4,297</u>	<u>4,816</u>
Balance, end of year	75,531	79,828
Securities premium account	8,181	8,181
Foreign projects reserve account		
Balance, beginning of year	5,320	22,001
Less: Transferred to General reserve	<u>5,320</u>	<u>16,681</u>
Balance, end of year	—	5,320
General reserve		
Balance, beginning of year	1,523,129	1,371,556
Add: Transferred from Foreign project reserve account	5,320	16,681
Add: Transferred from Profit and Loss Account	<u>167,251</u>	<u>134,892</u>
Balance, end of year	1,695,700	1,523,129
Profit and loss account	<u>2,510,222</u>	<u>1,786,866</u>
	<u>4,291,186</u>	<u>3,404,876</u>

3. Secured Loans

West Bengal Govt sales tax loan	—	11,263
	<u>—</u>	<u>11,263</u>

- a) The West Bengal sales tax loan is secured by creation of a charge on assets located at Durgapur and execution of a bond of security and other relevant documents in favour of the Government of West Bengal.
- b) Amount repayable within one year Rs. NIL (previous year Rs. 5,632 thousand).

ALSTOM Projects India Limited

Schedules to the Consolidated Financial Statements

4. FIXED ASSETS

Class of Assets	Gross Block			Depreciation/Amortisation			Net Block	
	As at April 1, 2009	Additions/ adjustments	Deletions/ adjustments	As at April 1, 2009	Charge for the year	Deletions/ Adjustments	As at March 31, 2010	As at March 31, 2009
TANGIBLE ASSETS								
Freehold land	69,759	34,851	—	—	—	—	104,610	69,759
Leasehold land	490	—	—	21	—	—	469	469
Leasehold improvements	465,514	17,504	—	39,106	61,780	—	382,132	426,408
Factory buildings	446,251	97,067	—	156,478	11,600	—	375,240	289,773
Other buildings	392,436	9,534	—	202,841	6,790	—	192,339	189,595
Plant and machinery	3,120,725	1,052,536	41,861	1,705,438	274,382	40,815	2,192,395	1,415,287
Furniture and fixtures	152,994	4,868	—	58,460	15,785	—	83,617	94,534
Vehicles	12,141	—	—	8,204	1,184	—	2,753	3,937
INTANGIBLE ASSETS								
Software and Licence Fees	225,643	28,669	5,457	121,730	49,902	4,199	81,422	103,913
Goodwill on Consolidation	62,775	—	—	62,775	—	—	—	—
GRAND TOTAL	4,948,728	1,245,029	47,318	2,355,053	421,423	45,014	3,414,977	2,593,675
Previous Year	3,774,624	1,253,157	79,053	2,084,005	335,769	64,721	2,593,675	1,690,619

Certain building and plant and machinery 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 March 31, 2010 amounts to Rs 563,322 thousand (Buildings - Rs 278,614 thousand and Plant & Machinery - Rs 284,708 thousand).

ALSTOM Projects India Limited

Schedules to the Consolidated Financial Statements

(Rupees thousands)

5. Investments	As at March 31, 2010	As at March 31, 2009
Non-trade investments - Long term (at cost)		
Investments in securities, unquoted		
Kohinoor Mills Company Limited (28 (Previous Year 28) equity shares of Rs 100 each fully paid up)	7	7
Bengal Chamber of Commerce and Industry (9 (Previous Year 9) Non-convertible debentures - 6.5% of Rs 1,000 each fully paid up)	9	9
AVB Employees' Co-operative Credit Society and Bank Limited (50 (Previous Year 50) B - Class equity shares of Rs 100 each fully paid up)	5	5
AVB Employees' Co-operative Credit Society and Bank Limited (500 (Previous Year 500) B - Class equity shares of Rs 10 each fully paid up)	5	5
East India Clinic Limited (1 (Previous Year 1) Non-redeemable debenture stock - 5% of Rs 10,000 fully paid up)	<u>10</u>	<u>10</u>
	<u>36</u>	<u>36</u>
	<u>36</u>	<u>36</u>
Notes:		
Aggregate amount of unquoted investments	36	36

6. Inventories

Raw materials	127,459	89,281
Stores and spares	53,450	30,966
Components	42,123	81,167
Work-in-progress	1,806,211	436,533
Finished goods	<u>4,290</u>	<u>4,683</u>
	<u>2,033,533</u>	<u>642,630</u>

7. Sundry Debtors

Unsecured		
Debts outstanding for a period exceeding six months		
- Considered good	2,225,814	2,160,058
- Considered doubtful	<u>152,642</u>	<u>203,508</u>
	2,378,456	2,363,566
Other debts - considered good	<u>4,007,410</u>	<u>4,117,803</u>
	6,385,866	6,481,369
Less: Provision for doubtful debts	<u>152,642</u>	<u>203,508</u>
	<u>6,233,224</u>	<u>6,277,861</u>

Sundry debtors includes retention monies of Rs. 2,754,565 thousand (previous year - Rs. 2,481,166 thousand), which are due on completion of contracts/ final acceptance by the customers.

ALSTOM Projects India Limited

Schedules to the Consolidated Financial Statements

	(Rupees thousands)	
8. Cash and Bank balances	As at	As at
	March 31, 2010	March 31, 2009
Cash (including cheques on hand Rs. 80 thousand (previous year Rs. 5,312 thousand))	1,256	6,653
Balances with scheduled banks		
– On current account	143,780	715,234
– On deposit accounts	5,750,470	2,939,148
– On EEFC account	39,625	85
– On unclaimed dividend account	10,751	8,462
Balances with other banks		
– On current account		
– Barclays Bank of Uganda, Uganda*	51,519	7,786
– Bangkok Bank, Thailand**	8,041	2,540
	6,005,442	3,679,908
*Maximum amount outstanding during the year Rs. 89,708 thousand (previous year - Rs 10,696 thousand)		
**Maximum amount outstanding during the year Rs. 12,032 thousand (previous year - Rs 5,361 thousand)		
9 Other Current Assets		
Accrued Revenue	83,514	116,777
Contract revenue in excess of billing	6,631,814	8,001,602
Interest accrued on deposits	21,732	17,757
Unamortised premium on forward contract	486	5,962
	6,737,546	8,142,098
10 Loans and Advances		
Considered good, unless otherwise stated		
Secured,		
Employee advances	189	173
Unsecured		
Advances recoverable in cash or in kind or for value to be received		
– considered good	2,772,609	4,427,096
– considered doubtful	57,083	58,427
	2,829,692	4,485,523
Less: Provision for doubtful advances	57,083	58,427
	2,772,609	4,427,096
Advance tax, including taxes deducted at source (net of provision for income tax Rs.2,257,729 thousand [previous year Rs. 1,381,729 thousand])	95,680	109,660
Balances with customs, port trusts and excise authorities	293,424	313,469
VAT credit receivable	33,130	15,038
	3,195,032	4,865,436
Amounts due from officers of the company 45 thousand (previous year - Rs NIL).		
Maximum amount outstanding during the year Rs. 45 thousand (previous year - Rs NIL).		

ALSTOM Projects India Limited

Schedules to the Consolidated Financial Statements

	(Rupees thousands)	
	As at	As at
	March 31, 2010	March 31, 2009
11. Current Liabilities		
Sundry creditors		
– Total outstanding dues to micro, small & medium enterprises (Refer note no. 15 of schedule –19)	53,025	25,175
– Total outstanding dues to creditors other than micro, small & medium enterprises	12,003,506	13,710,603
Advance payments from customers	9,865,528	7,600,557
Billing in excess of contract revenue	80,713	790,559
Interest accrued but not due on West Bengal sales tax loan	22,689	22,070
Finance Lease Liability	15,860	–
Lease equalisation reserve	55,995	23,627
Unclaimed dividend (to be credited to Investor education and protection fund, when due)	10,751	8,462
Other Liabilities	64,698	70,896
	<u>22,172,765</u>	<u>22,251,949</u>
* includes Rs.168,751 thousand as book overdraft (previous year Rs. 976,799 thousand)		
12. Provisions		
Wealth tax	122	122
Leave encashment	155,607	133,097
Gratuity (Refer note 10 of schedule 19)	1,735	1,900
Warranty	155,248	142,635
Proposed dividend	670,242	670,242
Corporate dividend tax	113,908	113,908
	<u>1,096,862</u>	<u>1,061,904</u>
13. Deferred tax Assets/Liabilities, Net		
Deferred tax assets		
Provisions for doubtful debts and advances	71,286	89,037
Expenses disallowed under Income Tax Act, 1961 to be allowed in future years	163,610	79,885
Lease Equalisation Reserve	19,645	8,031
Others	776	1,082
Total deferred tax assets	255,317	178,035
Deferred tax liabilities		
Difference between book depreciation and depreciation under the Income Tax Act, 1961	184,729	172,783
Deferred tax asset / (liabilities), net	<u>70,588</u>	<u>5,252</u>
14. Sales and services (Gross of excise duty)		
	For the	For the
	year ended	year ended
	March 31, 2010	March 31, 2009
Project sales	11,099,364	15,877,692
Service income	3,138,079	2,862,894
Equipment and spare sales	6,554,698	4,441,029
	<u>20,792,141</u>	<u>23,181,615</u>

ALSTOM Projects India Limited

Schedules to the Consolidated Financial Statements

(Rupees thousands)

15. Other Income	For the year ended March 31, 2010	For the year ended March 31, 2009
Interest (Gross)		
- On deposits with banks	156,844	272,337
- Others	196	<u>2,262</u>
(Tax deducted at source on total interest Rs. 18,623 thousand, previous year Rs. 61,797 thousand)	157,040	274,599
Gain on Sale of fixed assets	2,550	27,626
Foreign exchange gain, net	71,321	48,184
Write-back of provision for doubtful debts and advances (Refer Note 12 of schedule 19)	31,749	13,056
Excess Liabilities written back	25,327	28,248
Miscellaneous income	117,393	<u>103,105</u>
	405,380	<u>494,818</u>
 16. Material Cost and Erection Services		
Raw Materials and Components consumed	7,183,971	5,367,816
Project Materials and Erection Services	7,038,031	10,717,457
(Increase) / Decrease in stocks	(1,369,285)	<u>(76,372)</u>
	12,852,717	<u>16,008,901</u>
 17. Personnel Expenses		
Salaries, wages and bonus	2,230,679	1,919,429
Contribution to provident and other funds	171,530	161,986
Workmen and staff welfare expenses	218,765	174,730
Other personnel expenses	79,322	<u>133,577</u>
	2,700,296	<u>2,389,722</u>
 18. Other Expenses		
Tools, stores and spares	104,119	82,881
Royalty and trademark fee	216,242	282,328
Commission	19,711	40,390
Power, fuel and water	196,312	160,927
Travel and conveyance	414,788	524,677
Insurance	38,043	71,599
Rates and taxes	29,156	40,021
Rent	376,132	350,561
Repairs: – Buildings	91,418	53,420
– Plant and machinery	99,297	74,391
– Others	44,296	34,640
Provisions for doubtful debts and advances (See Note 12)	(20,461)	25,278
Bad Debts Written-off	21,746	105,436
Other services from third parties	344,927	268,098
Director fees	400	480
Donations	57	1,655
Miscellaneous expenses	387,337	<u>430,407</u>
	2,363,520	<u>2,547,189</u>

ALSTOM Projects India Limited

Schedule 19: Notes to accounts

(All amounts in rupees thousands, unless otherwise specified)

1 BACKGROUND

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

ALSTOM Finance BV, a Company incorporated in the Netherlands holds approximately 58.55% per cent of the equity with an additional 7.93% being held by companies or affiliates within the ALSTOM Group. The balance equity is held by the public and others.

The Company has investment in ALSTOM Power Boilers Services Limited ('APBSL') which is its wholly owned subsidiary. The Company and its subsidiary (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 equipments and transportation systems covering traction, signalling and train control for the railways and metros.

2 SIGNIFICANT ACCOUNTING POLICIES

2.1 Basis of preparation of financial statements

The Financial Statements are prepared to comply in all material aspects with all the applicable accounting principles in India, the applicable accounting standards notified u/s 211(3C) of the Companies Act, 1956 and the relevant provisions of the Companies Act, 1956. These financial statements have been prepared under the historical cost convention on an accrual basis except in case of assets for which provision for impairment is made or revaluation is carried out. The accounting policies have been consistently applied by the Company and are consistent with those applied in the previous year.

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 Company i.e. year ended March 31, 2010.

2.2 Use of estimates

The preparation of financial statements in conformity with generally accepted accounting principles (GAAP) requires management to make best estimates and assumptions that affect the reported amounts of assets and liabilities and the disclosure of contingent liabilities as at the date of the financial statements and the results of operations during the reporting period. Actual results could differ from these estimates. Any revisions to accounting estimates are recognised prospectively in the current and future periods.

2.3 Fixed assets

Fixed assets are stated at cost (or revalued amounts, as the case may be), less accumulated depreciation and 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.

2.4 Intangible assets

Software costs relating to acquisition of product design software and software license fee are capitalised in the year of purchase and amortised on a straight-line basis over a period of three years and five years respectively.

Goodwill, (including arising on consolidation of subsidiaries), is amortised on a straight-line basis over a period of five years.

2.5 Depreciation

Depreciation on fixed assets is provided on a straight-line basis. Depreciation is provided as per the following rates, which are determined on the basis of useful lives of the assets estimated by the management, or at rates specified in Schedule XIV to the Act, whichever is higher.

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	%
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

ALSTOM Power Boilers Services Limited provides for depreciation on written-down value method at rates prescribed in schedule XIV to the Companies Act, 1956. Such assets aggregate to 0.45% of total gross block of assets.

Leasehold assets are amortised over the period of the lease or the estimated useful life whichever is lower. Depreciation is charged on a prorata basis for the assets purchased/sold during the year. Assets costing below Rs five thousand are fully depreciated in the year of purchase. In respect of revalued assets, the difference between the depreciation calculated on the revalued amount and calculated on the original cost is recouped from the revaluation reserve account.

2.6 Impairment of assets

- 2.6.1 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 recognized wherever the carrying amount of an asset exceeds its recoverable amount. The recoverable amount is the greater of 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.
- 2.6.2 After impairment, depreciation is provided on the revised carrying amount of the asset over its remaining useful life.
- 2.6.3 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.

2.7 Foreign currency transactions

2.7.1 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.

2.7.2 Conversion

Foreign currency monetary items are reported using the closing rate. 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.

2.7.3 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 except those arising from investments in non-integral operations.

2.7.4 Forward Exchange Contracts not intended for trading or speculation purposes

The premium or discount arising at the inception of forward exchange contracts 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.

2.8 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 costs 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 profit and loss account at the point of purchase.

Contract work-in-progress is valued at cost or net realisable value, whichever is lower. Cost includes direct materials, labour and appropriate proportion of overheads including depreciation.

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

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2.9 Revenue recognition

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

2.9.1 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. Contract revenue earned in excess of billing has been reflected under "Other Current Assets" and billing in excess of contract revenue has been reflected under "Current Liabilities" in the balance sheet.

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.

2.9.2 Revenues from sale of products and services

Revenues from sales of products are recognised on despatch 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 as and when such services are rendered as per contract terms.

2.9.3 Interest Income is recognised on time proportion method basis taking into account the amounts outstanding at the rate applicable.

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

2.10 Retirement and other Employee benefits

2.10.1 Retirement benefits in the form of Provident Fund contributed to Trust set up by the employer is a defined contribution scheme and the contributions are charged to the Profit and Loss Account of the year when the contributions to the trust are due.

2.10.2 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 profit & loss in the period in which they arise.

2.10.3 Short term compensated absences are provided for based on estimates. Long term compensated absences are provided for based on actuarial valuation at the end of each year. The actuarial valuation is done as per projected unit credit method.

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 recognized as an expense in the Profit and Loss account on a straight-line basis over the lease term.

Finance leases

The assets taken on finance lease are capitalised at the inception of the lease at the lower of the fair value or the present value of minimum lease payments and a liability is created for an equivalent amount. Each lease rental paid is allocated between the liability and interest cost, so as to obtain a constant periodic rate of interest on outstanding liability for each period.

2.12 Investments

Investments that are readily realisable and intended to be held for not more than a year are classified as current investments. All other investments are classified as long-term investments. Current investments are carried at lower of cost and fair value determined on an individual investment basis. Long-term investments are carried at cost. However, provision for diminution in value is made to recognise a decline other than temporary in the value of investments.

2.13 Tax Expense

Tax expense comprises of current and deferred tax. Current income tax is measured at the amount expected to be paid to the tax authorities in accordance with the Indian Income Tax Act. Deferred income taxes reflects the impact of current year timing differences between taxable income and accounting income for the year and reversal of timing differences of earlier years.

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Deferred tax is measured based on the tax rates and the tax laws enacted or substantively enacted at the balance sheet date. Deferred tax assets and deferred tax liabilities are offset, if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred tax assets and deferred tax liabilities relate to the taxes on income levied by same governing taxation laws. Deferred tax assets are recognised only to the extent that there is reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets can be realised. In 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.

The carrying amount of deferred tax assets are reviewed at each balance sheet date. The Group 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.

2.14 Provisions and Contingencies

A provision is recognised when there is a present obligation as a result of a past event, for which it is probable that an outflow of resources will be required to settle the obligation and in respect of which reliable estimate can be made. Provisions required to settle are reviewed regularly and are adjusted, where necessary, to reflect the current estimate of the obligation. A disclosure for a contingent liability is made when there is a possible obligation or a present obligation that may, but probably will not, require an outflow of resources. Where there is a possible obligation or a present obligation in respect of which the likelihood of outflow of resources is remote, no provision or disclosure is made.

2.15 Segment Reporting Policies

The Group's operating businesses are organised and managed separately according to the nature of products and services provided, with each segment representing a strategic business unit that offers different products and serves different markets. The analysis of geographical segments is based on the geographical location of the customers.

2.16 Earnings Per Share

Basic earnings per share are 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.

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 are adjusted for the effects of all dilutive potential equity shares.

2.17 Cash & cash equivalents

Cash and cash equivalents comprise cash at bank and cash & cheques in hand.

2.18 Derivative instruments

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, including the underlying hedged items, are valued on the basis of a fair value on marked to market basis and any loss on valuation is recognized in the profit and loss account, on a portfolio basis. Any gain arising on this valuation is not recognized by the Group in line with the principle of prudence.

3 CAPITAL COMMITMENTS

Estimated amount of contracts remaining to be executed on capital account and not provided for (net of advances) – Rs 304,834 thousand (previous year – Rs 284,895 thousand).

4 CONTINGENT LIABILITIES NOT PROVIDED FOR

- a) Demand raised by sales tax authorities levying sales tax / works contract tax in cases of disputes regarding divisibility of contracts with the customers for supply and erection / installation of goods and others – Rs 251,604 thousand (previous year – Rs 20,676 thousand).
- b) Demand raised by Durgapur Power Limited on delayed payment of electricity bills – Rs 19,000 thousand (previous year – Rs 37,000 thousand).
- c) Differential amount of custom duty in respect of machinery imported under EPCG Scheme Rs NIL (previous year Rs 109,165 thousand).
- d) Various other claims not acknowledged as debts Rs 35,977 thousand (previous year – Rs 35,977 thousand).

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

5 SEGMENT INFORMATION

5.1 Primary segment reporting – Business segments

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

5.1.1 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, pressures vessels and pulverizers.

5.1.2 Transport segment

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

5.2 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 Group and are comparable with competitive market prices charged to external customers. Inter-segment transfers are eliminated on consolidation.

5.3 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.

5.4 Unallocated items

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

5.5 Segment revenues, results and other information

(Rupees thousands)

	Power		Transport		Total	
	2010	2009	2010	2009	2010	2009
External sales	19,697,345	22,466,281	716,445	436,509	20,413,790	22,902,790
Inter segment sales	–	–	–	–	–	–
Other income	237,312	204,346	11,028	15,873	248,340	220,219
Segment revenues	19,934,657	22,670,627	727,473	452,382	20,662,130	23,123,009
Segment results	2,303,498	1,841,076	24,973	4,149	2,328,471	1,845,225
Segment assets	21,667,823	23,325,797	369,754	261,824	22,037,577	23,587,621
Segment liabilities	21,787,241	22,146,146	668,175	355,696	22,455,416	22,502,842
Capital expenditure	568,816	1,903,557	23,552	–	592,368	1,903,557
Depreciation / amortisation	411,385	327,875	5,741	3,078	417,126	330,953
Impairment losses reversed	–	–	–	–	–	–
Non cash expenditure, other than depreciation/amortization	1,285	130,716	–	–	1,285	130,716

5.6 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 March 31, 2010:

Revenue:

(Rupees thousands)

Particulars	Year ended March 2010	Year ended March 2009
India	14,579,186	16,043,847
Outside India	5,834,605	6,858,943
Total	20,413,790	22,902,790

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Carrying Amount of Segment Assets*:

(Rupees thousands)

Particulars	Year ended March 2010	Year ended March 2009
India	23,896,028	25,440,240
Outside India	4,335,027	1,959,993
Total	28,231,055	27,400,233

*The Group has common fixed assets for executing projects / producing goods for Domestic Market and Overseas Markets. Hence, separate figures for fixed assets cannot be furnished.

Capital Expenditure:

Particulars	Year ended March 2010	Year ended March 2009
India	592,368	1,903,557
Outside India	-	-
Total	592,368	1,903,557

5.7 Reconciliation of reportable segments with financial statements

	Revenues		Results		Assets		Liabilities	
	2010	2009	2010	2009	2010	2009	2010	2009
Total of reportable segments	20,662,130	23,123,009	2,328,471	1,846,244	22,037,577	23,587,621	22,455,416	22,502,011
Inter segment sales/assets	-	-	-	-	-	-	-	-
Unallocated – Interest income	157,040	274,599	157,040	274,599	-	-	-	-
Unallocated – Other income	-	-	-	-	-	-	-	-
Unallocated – Interest expense	-	-	(1,245)	(1,019)	-	-	-	-
Unallocated – Loans/ Deposits	-	-	-	-	-	-	-	11,263
Unallocated – Liabilities, other than loans	-	-	-	-	-	-	30,0061	27,692
Unallocated – Interest accrued and other assets	-	-	-	-	21,768	17,793	-	-
Unallocated – Cash and bank	-	-	-	-	6,005,442	3,679,908	-	-
Taxes – Fringe Benefit Tax	-	-	-	(46,227)	-	-	-	-
– Income Tax	-	-	(874,847)	(718,114)	95,680	109,660	-	-
– Deferred Tax	-	-	65,338	25,689	70,588	5,251	-	-
Proposed Dividened including Corporate Dividend Tax	-	-	-	-	-	-	784,150	784,150
Per financial statements	20,819,170	23,397,608	1,674,757	1,381,172	28,231,055	27,400,233	23,269,627	23,325,116

6 RELATED PARTY DISCLOSURES

6.1 List of related parties

6.1.1 Parties with whom control exists:

ALSTOM Holdings	(Ultimate Holding Company)
ALSTOM Finance BV	(Holding Company)
ALSTOM Enterprise S.A	(Holding Company of the Parent)

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

Related party relationships where transactions have taken place during the year

ALSTOM (Switzerland) Ltd, ALSTOM Asia Pacific Sdn Bhd, ALSTOM Belgium SA, ALSTOM Bharat Forge Power Ltd, ALSTOM Brasil Energia e transporte Ltda, ALSTOM Bulgaria EOOD, ALSTOM Deutschland AG, ALSTOM Ferroviaria S.p.A, ALSTOM Holdings, ALSTOM Hydro (Switzerland) Ltd, ALSTOM Hydro Austria GmbH, ALSTOM Hydro Equipamentes, ALSTOM Hydro Spain S.L., ALSTOM Hydro Sweden AB, ALSTOM Information Tech. Centre SAS, ALSTOM K.K., ALSTOM Limited, ALSTOM Norway AS, ALSTOM Philippines- Inc., ALSTOM Portugal SA, ALSTOM Power- s.r.o, ALSTOM Power Centrales, France, ALSTOM Power Consulting AG, ALSTOM Power Energy Recovery GmbH, ALSTOM Power Hydraulique, ALSTOM POWER Inc USA, , ALSTOM Power Italia Spa, ALSTOM Power Nederland B.V., ALSTOM Power Romania, ALSTOM

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Power SA, ALSTOM Power Service, ALSTOM Power Service (Arabia) Ltd., ALSTOM Power Service GmbH, ALSTOM Power Sp.z o.o., ALSTOM Power Stavan JSC*), ALSTOM Power Sweden AB, ALSTOM Power Systems GmbH, ALSTOM Power Systems SA, ALSTOM Signalling Inc., ALSTOM Steam Turbine Limited, ALSTOM Technical Service Shanghai, ALSTOM Technologie AG Switzerland, ALSTOM Transport (S) Pte Ltd, ALSTOM Transport BV, ALSTOM Transport SA, ALSTOM Vannkraft AS, ALSTOM Vietnam Company Ltd, Comelex SA, NTPC ALSTOM Power Services Private Ltd, PT ALSTOM Power Energy Systems Indonesia, Tianjin ALSTOM Hydro Co. Ltd, WUHAN Boiler Company Ltd.

6.1.3 Key managerial personnel (KMP)

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

6.2 Transactions with Related Parties*

(Rupees thousands)

Particulars	2009-10				2008-09			
	Subsidiaries	Fellow Subsidiaries	Parties where control exists	Key Management Personnel	Subsidiaries	Fellow Subsidiaries	Parties where control exists	Key Management Personnel
Sale of Products								
ALSTOM Ferroviaria S.p.A	-	8,289	-	-	-	-	-	-
ALSTOM Belgium SA	-	14,765	-	-	-	5,906	-	-
ALSTOM Vannkraft AS	-	20,752	-	-	-	-	-	-
ALSTOM Hydro Sweden AB	-	32,116	-	-	-	29,072	-	-
ALSTOM Power Sp.z o.o.	-	32,744	-	-	-	-	-	-
ALSTOM Power Italia Spa	-	40,745	-	-	-	-	-	-
ALSTOM Power Inc.	-	41,237	-	-	-	-	-	-
ALSTOM Power Centrales, France	-	70,724	-	-	-	156	-	-
ALSTOM Transport SA	-	138,462	-	-	-	11,990	-	-
NTPC ALSTOM Power Services Private Ltd	-	148,858	-	-	-	135,289	-	-
ALSTOM Hydro Spain S.L.	-	169,314	-	-	-	86,662	-	-
ALSTOM (Switzerland) Ltd.	-	572,289	-	-	-	148,911	-	-
ALSTOM Power Hydraulique	-	4,187,452	-	-	-	165,955	-	-
ALSTOM Hydro France	-	-	-	-	-	23,206	-	-
ALSTOM Switzerland Ltd PTP Plant&Control	-	-	-	-	-	1,551,388	-	-
Others	-	467	-	-	-	153,053	-	-
Commission Income								
ALSTOM (Switzerland) Ltd.	-	3,086	-	-	-	34,633	-	-
Purchase of Raw Material Component Capital Goods & Other Services								
ALSTOM Power Service	-	13,688	-	-	-	-	-	-
ALSTOM Transport SA	-	13,876	-	-	-	4,898	-	-
ALSTOM Power Romania	-	19,266	-	-	-	-	-	-
ALSTOM Ltd	-	34,153	-	-	-	-	-	-
ALSTOM Power Hydraulique	-	34,621	-	-	-	-	-	-
ALSTOM Power Systems SA	-	43,016	-	-	-	-	-	-
ALSTOM Power Sweden AB	-	49,701	-	-	-	-	-	-
ALSTOM Power Service GmbH	-	87,390	-	-	-	34,177	-	-
ALSTOM Power Sp.z o.o.	-	122,595	-	-	-	-	-	-
ALSTOM Power Inc.	-	184,664	-	-	-	-	-	-
ALSTOM (Switzerland) Ltd	-	284,014	-	-	-	498,799	-	-
ALSTOM Brasil Energia e transporte Ltda	-	589,773	-	-	-	-	-	-
ALSTOM Power Energy System - Indonesia	-	-	-	-	-	639,788	-	-
ALSTOM Power Services Poland	-	-	-	-	-	192,733	-	-
ALSTOM Power Sweden Ltd	-	-	-	-	-	14,051	-	-
Energy Recovery Systems US	-	-	-	-	-	43,781	-	-
Others	-	1,878	-	-	-	159,275	-	-
Sale of Other Services								
ALSTOM Transport (S) Pte Ltd	-	1,270	-	-	-	-	-	-
ALSTOM Technical Service Shanghai	-	3,161	-	-	-	-	-	-
ALSTOM Belgium SA	-	6,048	-	-	-	3,383	-	-
ALSTOM Ferroviaria S.p.A	-	8,572	-	-	-	-	-	-
ALSTOM Power Sweden AB	-	15,355	-	-	-	33,458	-	-
ALSTOM Power Italia Spa	-	16,179	-	-	-	35,307	-	-
ALSTOM Brasil Energia e transporte Ltda	-	22,991	-	-	-	-	-	-
ALSTOM Power Consulting AG	-	29,287	-	-	-	-	-	-
ALSTOM Power Inc.	-	46,645	-	-	-	65,727	-	-
ALSTOM Norway AS	-	37,684	-	-	-	-	-	-
ALSTOM Power Hydraulique	-	52,605	-	-	-	-	-	-
ALSTOM Ltd	-	54,106	-	-	-	-	-	-
NTPC ALSTOM Power Services Private Ltd	-	16,133	-	-	-	5,261	-	-
ALSTOM Transport SA	-	66,682	-	-	-	-	-	-
ALSTOM Hydro (Switzerland) Ltd	-	67,349	-	-	-	18,288	-	-

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6.2 Transactions with Related Parties*

(Rupees thousands)

Particulars	2009-10				2008-09			
	Subsidiaries	Fellow Subsidiaries	Parties where control exists	Key Management Personnel	Subsidiaries	Fellow Subsidiaries	Parties where control exists	Key Management Personnel
ALSTOM Power Systems GmbH	-	159,929	-	-	-	66,505	-	-
ALSTOM (Switzerland) Ltd.	-	392,371	-	-	-	465,858	-	-
ALSTOM Power Systems SA	-	453,838	-	-	-	80,197	-	-
ALSTOM power centrales, france	-	-	-	-	-	203,678	-	-
ALSTOM power sp z.o.o ptp elblag	-	-	-	-	-	17,326	-	-
Comelex	-	-	-	-	-	1,451	-	-
Others	-	4,316	-	-	-	330,776	-	-
Other Income								
ALSTOM Steam Turbine Limited	-	3,848	-	-	-	-	-	-
ALSTOM Transport SA	-	17,684	-	-	-	-	-	-
ALSTOM power Inc.	-	-	-	-	-	3,327	-	-
PSP Sweden	-	-	-	-	-	3,497	-	-
ALSTOM Transport-Metro Unit-France	-	-	-	-	-	186	-	-
ALSTOM Transport Omegat FR	-	-	-	-	-	3,401	-	-
Purchase of other services								
ALSTOM Power Hydro, Grenoble France	-	-	-	-	-	38,571	-	-
ALSTOM Deutschland AG	-	1,034	-	-	-	-	-	-
ALSTOM Power Systems GmbH	-	1,286	-	-	-	-	-	-
Tianjin ALSTOM Hydro Co. Ltd	-	1,403	-	-	-	-	-	-
ALSTOM Asia Pacific Sdn Bhd	-	2,222	-	-	-	-	-	-
ALSTOM Ltd	-	6,392	-	-	-	-	-	-
ALSTOM Holdings	-	6,668	-	-	-	-	-	-
ALSTOM Power Service	-	6,772	-	-	-	-	-	-
ALSTOM power Inc USA	-	7,113	-	-	-	7,928	-	-
ALSTOM Information Tech. Centre SAS	-	7,955	-	-	-	-	-	-
ALSTOM Power Sp.z o.o.	-	8,001	-	-	-	-	-	-
ALSTOM Power Inc.	-	9,739	-	-	-	-	-	-
ALSTOM Power Hydraulique	-	23,065	-	-	-	-	-	-
ALSTOM Power Boiler Services Limited	-	26,500	-	-	-	-	-	-
ALSTOM Power Service GmbH	-	49,769	-	-	-	29,083	-	-
ALSTOM (Switzerland) Ltd	-	65,174	-	-	-	7,866	-	-
ALSTOM holdings	-	-	-	-	-	6,927	-	-
ITC Central Management	-	-	-	-	-	37,098	-	-
ALSTOM Power Asia Pacific Sdn Bhd, Malaysia	-	-	-	-	-	19	-	-
Others	-	1,335	-	-	-	38,536	-	-
Other Expenses								
ALSTOM Transport SA	-	6,431	-	-	-	-	-	-
ALSTOM Signalling Inc.	-	12,885	-	-	-	-	-	-
ALSTOM Power Systems SA	-	26,019	-	-	-	-	-	-
ALSTOM (Switzerland) Ltd	-	36,763	-	-	-	242	-	-
ALSTOM Hydro (Switzerland) Ltd	-	57,901	-	-	-	-	-	-
ALSTOM Holdings	-	7,334	-	-	-	157,133	-	-
ALSTOM Power Limited , Switzerland	-	-	-	-	-	1,981	-	-
Others	-	1,069	-	-	-	2,927	-	-
Managerial Remuneration								
Mr. Emmanuel Colombier	-	-	-	6,369	-	-	-	5,334
Mr. S.M. Momaya	-	-	-	6,458	-	-	-	4,877
Mrs. Naina R. Desai	-	-	-	-	-	-	-	2,036
Payment of Royalty/Tech Knowhow Fees								
ALSTOM Hydro (Switzerland) Ltd	-	60,238	-	-	-	63,539	-	-
ALSTOM holdings	-	133,970	-	-	-	152,170	-	-
Payment of Dividend								
ALSTOM Finance BV	-	392,454	-	-	-	313,963	-	-
ALSTOM India Limited	-	53,135	-	-	-	42,508	-	-
Purchase of Fixed Assets								
ALSTOM Power Hydro, Grenoble France	-	-	-	-	-	19,374	-	-
ALSTOM Power Systems SA	-	2,943	-	-	-	-	-	-
Interest on Inter Corporate Deposits								
ALSTOM Hydro R & D India Limited	-	-	-	-	-	206	-	-
Sale of Shares								
ALSTOM India Ltd	-	-	-	-	-	-	500	-

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6.3 Balance Outstanding*

(Rupees thousands)

Particulars	2009-10				2008-09			
	Subsidiaries	Fellow Subsidiaries	Parties where control exists	Key Management Personnel	Subsidiaries	Fellow Subsidiaries	Parties where control exists	Key Management Personnel
As Debtors								
ALSTOM Power Nederland B.V.	-	1,099	-	-	-	-	-	-
ALSTOM Hydro R & D India Limited	-	2,048	-	-	-	-	-	-
ALSTOM Power Sp.z o.o.	-	2,838	-	-	-	1,435	-	-
ALSTOM Brasil Energia e transporte Ltda	-	2,989	-	-	-	-	-	-
ALSTOM Norway AS	-	5,094	-	-	-	-	-	-
ALSTOM Ferroviaria S.p.A	-	5,728	-	-	-	-	-	-
ALSTOM Belgium SA	-	9,931	-	-	-	482	-	-
ALSTOM Power Inc.	-	11,516	-	-	-	19,587	-	-
ALSTOM Ltd	-	12,177	-	-	-	-	-	-
ALSTOM Power Systems GmbH	-	20,752	-	-	-	-	-	-
ALSTOM Power Consulting AG	-	28,327	-	-	-	-	-	-
ALSTOM Power Italia Spa	-	29,333	-	-	-	1,736	-	-
ALSTOM Transport SA	-	44,930	-	-	-	1,977	-	-
ALSTOM Power Systems SA	-	59,064	-	-	-	-	-	-
ALSTOM (Switzerland) Ltd.	-	89,631	-	-	-	107,299	-	-
ALSTOM Power Hydraulique	-	228,932	-	-	-	117,607	-	-
NTPC ALSTOM Power Services Private Ltd	-	254,952	-	-	-	244,444	-	-
ALSTOM Hydro France	-	-	-	-	-	23,732	-	-
ALSTOM Power Centrales, France	-	-	-	-	-	63,313	-	-
ALSTOM Switzerland Ltd PTP Plant&Control	-	-	-	-	-	480,896	-	-
Others	-	5,453	-	-	-	179,284	-	-
Creditors								
ALSTOM Transport SA	-	1,392	-	-	-	3,894	-	-
ALSTOM Ltd	-	1,914	-	-	-	-	-	-
ALSTOM Power Sweden AB	-	1,999	-	-	-	2,355	-	-
ALSTOM Holdings	-	2,126	-	-	-	2,251	-	-
ALSTOM Power Service	-	9,496	-	-	-	-	-	-
ALSTOM Power Hydraulique	-	10,160	-	-	-	-	-	-
ALSTOM Hydro Equipamentes	-	10,282	-	-	-	-	-	-
ALSTOM Power Service GmbH	-	13,064	-	-	-	2,569	-	-
ALSTOM Power Systems SA	-	22,614	-	-	-	-	-	-
ALSTOM Hydro (Switzerland) Ltd	-	26,715	-	-	-	-	-	-
ALSTOM Power Sp.z o.o.	-	30,413	-	-	-	-	-	-
ALSTOM Power Inc.	-	45,243	-	-	-	-	-	-
ALSTOM (Switzerland) Ltd.	-	103,836	-	-	-	43,544	-	-
ALSTOM Power Hydro, Grenoble France	-	-	-	-	-	33,475	-	-
ALSTOM Power Services Poland	-	-	-	-	-	37,098	-	-
ALSTOM Power Energy System - Indonesia	-	-	-	-	-	191	-	-
Others	-	636	-	-	-	46,090	-	-
Advance Given								
ALSTOM Power Service	-	1,695	-	-	-	-	-	-
ALSTOM Power Hydraulique	-	33,792	-	-	-	-	-	-
ALSTOM Power Systems SA	-	76,927	-	-	-	-	-	-
ALSTOM Brasil Energia e transporte Ltda	-	85,482	-	-	-	-	-	-
ALSTOM Ltd	-	128,433	-	-	-	-	-	-
ALSTOM Hydro Energia Brasil Ltda	-	-	-	-	-	567,041	-	-
ALSTOM Power Hydro, Grenoble France	-	-	-	-	-	3,216	-	-
Others	-	1,680	-	-	-	110,319	-	-
Advance Receivd								
ALSTOM Hydro (Switzerland) Ltd	-	26	-	-	-	-	-	-
ALSTOM Power Sp.z o.o.	-	4,298	-	-	-	-	-	-
ALSTOM Power Systems SA	-	5,121	-	-	-	-	-	-
ALSTOM (Switzerland) Ltd.	-	8,212	-	-	-	2,443	-	-
NTPC ALSTOM Power Services Private LTD	-	14,377	-	-	-	1,542	-	-
ALSTOM Power Italia Spa	-	77,016	-	-	-	4,639	-	-
ALSTOM Vannkraft AS	-	23,013	-	-	-	11,413	-	-
ALSTOM Hydro Austria GmbH	-	77,180	-	-	-	-	-	-
ALSTOM Hydro Spain S.L.	-	114,548	-	-	-	123,600	-	-
ALSTOM Brasil Energia e transporte Ltda	-	211,040	-	-	-	4,432	-	-
ALSTOM Power Hydraulique	-	1,134,813	-	-	-	1,920,857	-	-
ALSTOM Power Hydro, Grenoble France	-	-	-	-	-	364,127	-	-
ALSTROM Hydro France	-	-	-	-	-	65,913	-	-
Others	-	-	-	-	-	86,925	-	-
Amount Guaranteed By Fellow Subsidiaries								
ALSTOM (Switzerland) Ltd.	-	139,159	-	-	-	139,159	-	-
ALSTOM Power Hydraulique	-	153,563	-	-	-	-	-	-

* Excluding reimbursement of expenses

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7 LEASE COMMITMENTS

7.1 Operating leases

The Group normally takes vehicles and premises under non cancellable operational leases. Minimum lease payments outstanding as at March 31, 2010 in respect of these assets are as under:

	Total minimum lease payments outstanding as at March 31, 2010	(Rupees thousands) Total minimum lease payments outstanding as at March 31, 2009
Due within one year	284,972	255,746
Due later than one year and not later than five years	1,250,059	1,222,909
Due later than five years	82,128	543,220
	<u>1,617,159</u>	<u>2,021,875</u>

Lease payments of Rs 376,132 thousand (previous year – Rs 350,561 thousand) have been recognised as an expense in the profit and loss account for the year ended March 31, 2010.

Office premises and vehicles are taken on operating lease. 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.

7.2 Finance leases

The future lease obligations in respect of assets taken on finance leases as at March 31, 2010 are as follows:

	Total minimum lease payments outstanding	Present value of minimum lease payments	Interest included in minimum lease payments
Due within one year	5,224	779	4,445
Due later than one year but not later than five years	19,518	4,781	14,737
Due later than five years	17,414	10,300	7,114
	<u>42,156</u>	<u>15,860</u>	<u>26,296</u>

Lease interest payments of Rs. 4,638 thousand are included in Repairs and Maintenance. Leasehold improvements include assets costing Rs. 16,446 thousand on finance lease.

8 EARNINGS PER SHARE

	2010	2009
a) Weighted average number of equity shares outstanding during the year	67,024,174	67,024,174
b) Net profit after tax available for equity Shareholders (Rupees thousands)	1,674,757	1,381,172
c) Basic and Diluted Earnings (in Rupees) per share	24.99	20.61

9 CONSTRUCTION CONTRACTS

	As at March 31, 2010	As at March 31, 2009
a. Contract revenue recognised as revenue for the year ended March 31, 2010	19,088,288	21,792,056
b. Aggregate amount of contract costs incurred and recognised profits (less recognised losses) upto March 31, 2010 for all the contracts in progress	71,494,291	53,485,403
c. The amount of customer advances outstanding for contracts in progress as at March 31, 2010	9,865,528	7,600,557
d. The amount of retention due from customers for contracts in progress as at March 31, 2010	2,754,565	2,481,166

For construction contracts or long-term service agreements in progress, obligations attributable thereto, are taken into account in the assessment of the margin to be recognised and therefore reported as Current Liabilities or Work in progress.

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10 GRATUITY AND OTHER POST-EMPLOYMENT BENEFIT PLANS:

The Group has a defined benefit gratuity plan. 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 scheme 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 profit and loss account and the funded status and amounts recognised in the balance sheet for the respective plans.

Profit and Loss account

Net employee benefit expense in respect of Gratuity (recognised in Employee Cost)

	(Rupees thousands)			
	2009-10	2008-09	2007-08	2006-07
Current service cost	27,117	21,507	14,323	10,716
Interest cost on benefit obligation	20,472	15,201	16,748	11,705
Expected return on plan assets	(22,736)	(16,192)	(12,093)	(4,842)
Net actuarial (gain) / loss recognised in the year	(5,301)	17,769	1,442	23,885
Past service cost	–	–	–	–
Net benefit expense	19,552	38,285	20,420	41,464
Actual return on plan assets	23,755	16,767	19,999	5,339

Balance sheet

Details of Provision for gratuity

	2009-10	2008-09	2007-08	2006-07
Defined benefit obligation	290,302	265,387	223,300	194,662
Fair value of plan assets	(294,567)	(267,487)	(211,910)	(191,213)
	(4,265)	(2,100)	11,390	3,449
Less: Unrecognised past service cost	–	–	–	–
Plan (asset) / liability	(4,265)	(2,100)	11,390	3,449

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

	2009-10	2008-09	2007-08	2006-07
Opening defined benefit obligation	265,387	223,300	194,662	163,433
Interest cost	20,472	15,201	16,748	11,705
Current service cost	27,117	21,507	14,323	10,716
Benefits paid	(18,391)	(12,965)	(11,781)	(15,574)
Actuarial (gains) / losses on obligation	(4,283)	18,344	9,348	24,382
Closing defined benefit obligation	290,302	265,387	223,300	194,662

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

	2009-10	2008-09	2007-08	2006-07
Opening fair value of plan assets	267,487	211,910	191,213	59,587
Expected return	22,736	16,192	12,093	4,842
Contributions by employer	21,407	51,651	12,213	141,085
Benefits paid	(18,082)	(12,841)	(11,515)	(14,798)
Actuarial gains / (losses)	1,019	575	7,906	497
Closing fair value of plan assets	294,567	267,487	211,910	191,213

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

	Gratuity			
	2009-10	2008-09	2007-08	2006-07
	%	%	%	%
Investments with insurer	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.

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The principal assumptions used in determining gratuity obligations for the Group's plans are shown below:

	2009-10	2008-09	2007-08	2006-07
	%	%	%	%
Discount rate	8	7	9	7.5
Expected rate of return on assets	8.5	9	9	9
Employee turnover	13.5	13.5	13.5	13.5

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.

In respect of defined contribution plan, the Group has recognised the following amounts in the profit and loss account.

	(Rupees thousands)		
	For the year ended March 31, 2010	For the year ended March 31, 2009	For the year ended March 31, 2008
Employer's Contribution to Provident Fund including Family Pension Fund*	95,585	80,416	60,222

*Included in the head Contribution to Provident and Other Funds.

Notes :

- Information relating to experience adjustment in the actual valuation of gratuity as required by Para 120(n)(ii) of the Accounting Standard 15 (revised) on Employee Benefits is not available with the Group.
- Previous year being the first year of application of Accounting Standard 15 (revised), the information in relation to the actuarial valuation of gratuity for previous four annual periods as required by Para 120(n)(i) except for last two immediately two preceding periods, is not provided.
- 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 (Revised) on Employee Benefits are not disclosed.
- Pending issuance of the Guidance Note from the Actuarial Society of India, the company's actuary has expressed his inability to reliably measure the provident fund liability. Accordingly, no additional disclosures as required by Paragraph 120 of AS 15 (revised) have been furnished.

11 OPERATIONAL OUTLOOK OF SUBSIDIARY

As at March 31, 2010, APBSL, the Company's subsidiary, has accumulated losses of Rs 6,928 thousand, which have completely eroded its paid up equity capital of Rs 3,400 thousand. However, during the financial year ended March 31, 2010 the subsidiary had a total income of Rs 4,188 thousands (Previous year Rs 80,773 thousands) along with Profit after Tax of Rs. 2,252 thousands (Previous year Rs 37,922 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.

12 PROVISION FOR BAD AND DOUBTFUL DEBTS

A. BAD DEBTS WRITTEN OFF

	(Rupees thousands)	
	For the year ended March 31, 2010	For the year ended March 31, 2009
Bad debts and advances written off during the year	21,746	105,436
Less: adjusted against provision for Doubtful debts & advances	(21,746)	102,895
	-	2,541

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B. PROVISION FOR DOUBTFUL DEBTS AND ADVANCES, NET	(Rupees thousands)	
	For the year ended March 31, 2010	For the year ended March 31, 2009
Opening Balance for provision for doubtful debts and advances	261,935	249,713
Add: Provision created during the year	1,285	128,173
Less: Adjusted against bad debts and advances written off	(21,746)	102,895
Less: Write back of provision for doubtful debts and advances	(31,749)	13,056
Closing Balance	<u>209,725</u>	<u>261,935</u>

13 DERIVATIVE INSTRUMENTS AND UNHEDGED FOREIGN CURRENCY EXPOSURE

(Figures in '000)

Forward contract outstanding as at Balance Sheet date.

Particulars of Derivatives	Currency	Current Year		Previous Year		Purpose
		Amount	Year End Rate (Rs.)	Amount	Year End Rate (Rs.)	
SELL	EURO	94,691	60.51	91,002	67.39	Hedge of receivable/expected future sales
SELL	USD	34,330	44.90	71,719	50.64	Hedge of receivable/expected future sales
PURCHASE	CHF	246	42.39	55	44.48	Hedge of payable/expected future purchases
PURCHASE	EURO	64,375	60.51	36,113	67.39	Hedge of payable/expected future purchases
PURCHASE	GBP	22	68.00	2	72.40	Hedge of payable/expected future purchases
PURCHASE	AUD	-	-	73	35.07	Hedge of payable/expected future purchases
PURCHASE	JPY	14,658	0.48	326,740	0.51	Hedge of payable/expected future purchases
PURCHASE	SEK	2,755	6.23	3,659	6.16	Hedge of payable/expected future purchases
PURCHASE	USD	13,805	44.90	16,877	50.64	Hedge of payable/expected future purchases

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

Particulars	(Rupees thousands)	
	For the year ended March 31, 2010	For the year ended March 31, 2009
Import Creditors	164,084	134,370
Export Debtors	348,082	278,875

14. a. Current year tax is after adjusting credit of Rs NIL thousand (previous year Rs 32,037) related to earlier years.
- b. Total outstanding dues to creditors other than micro, small and medium enterprises include acceptances Rs. 60,673 thousand (previous year Rs. 1,061,106 thousand).

15. DISCLOSURE AS PER SECTION 22 OF "THE MICRO, SMALL AND MEDIUM ENTERPRISES DEVELOPMENT ACT, 2006" (AS CERTIFIED BY THE MANAGEMENT)

S.No.	Particulars	For the year ended March 31, 2010	For the year ended March 31, 2009
i)	The principal amount and the interest due thereon remaining unpaid to any supplier – Principal amount – Interest thereon	53,025	25,175
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

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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

Names of Micro, Small and Medium Enterprises to whom the Group owes any sum which is outstanding as at March 31, 2010

Boltmaster (India) Private Limited., Dee Development Engineers Private Limited, Flowchem Industries, Gayatri Electricals, Grip Engineers Pvt. Limited, M.K. Construction, Permal Wallace, Sertel Electronics Private Ltd, Sigma Power & Energy, Statcon Power Controls Limited., Sree Venkateswara Engineering, Signum Fire India Private Limited., Supremax Equipments, Delton Cables Limited., Globe Engineering, Venus Engineering Works, Gauthama Engineering Industries, Syed Engineering Works, Aki Industrial Engineers Private Ltd, Sudha Engineering Works, G.M.K. Steels Private Limited, Ma Durga Industries, S K Engineering, Metal Weavers, Ascon Switchgear, Das Industries, Eip Bulk Controls Private Ltd, Ispat, Vaas Industries Private Limited, QSS Engineers, S.S.Engineering Works, Dtl Ancillaries , General Auto Electric Corporation, Sanarti Incorporated, Beekay Industries, Sri Venkatesawara Precision, Balaji Packers, Sigma Power & Energy, Saradha Rubbers, Welcome World Electrical Pvt Ltd, Steelstrong Valves India Private Limited, Strategic Weighing Sysytem Ltd, Indira Industries, Jas Equipment & Engineers Pvt Ltd, Chemtrol Samil India Pvt Limited, Gulati Steel Fab Pvt Ltd, B.D.K. Engineering India, Caldye Automatics Ltd, Pipe Support India Ltd, Goa Instruments Industries Pvt Ltd, Encon Enterprises Private Limited, Luthra Engineering Works, Gea Energy Systems (India) Ltd, Bend Joints Pvt. Ltd, Ge Godavari Engineering Ltd., Bbm Acoustic India, Profile Engineers, Goa Thermostatic Instruments Pvt Ltd, Kapil Enterprises, Dieu - Tech Engineering Pvt Ltd, Techno Link, B.K.Das & Company, Rotork Control (India) Pvt Ltd., Esvee Engineering (Dvg) Pvt Ltd, Omega Elevators, Pathak Iron & Steel, Baby Engineering Pvt, Pyrotech Electronics Pvt Ltd, Metso Automation India Pvt Ltd, Bachmann Industries India Ltd, Acrovent Systems Pvt Ltd, Panchsheel Fastners, Kinetic Engineering Works, Icon Controls Pvt Ltd, Murugappa Morgan Thermal Cermics Ltd, Metapow Industries, S.V.Engineers ,Manpreet Engg & Const. Co., New Punjab Engineering Works.

16 PRIOR YEAR COMPARATIVES

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

Signatures to Schedule 1 to 19

For Price Waterhouse
Firm Registration Number 012754N
Chartered Accountants

V. Nijhawan
Partner
Membership Number.: F87228

Place : Noida
Date : April 28, 2010

For and on behalf of the Board of Directors

Sunand Sharma	Chairman
Francois Carpentier	Vice Chairman and Managing Director
S.M. Momaya	Whole-time Director & Chief Financial Officer
Pedro Sole	Director
Dominique Poliquen	Director
A.K. Thiagarajan	Director
K. Vasudevan	Director
Dr. Uddesh Kohli	Director
Sekhar Bhattacharjee	Company Secretary

ALSTOM Projects India Limited

Information related to the subsidiary companies consolidated for the year ended March 31, 2010

Name of the subsidiary	(Rupees thousands)
	ALSTOM Power Boilers Services Limited
Capital	3,400
Reserves	(6,928)
Total Assets	36,412
Total Liabilities	39,940
Details of Investment (except in case of investment in subsidiaries)	-
Turnover	4,188
Profit before taxation	1,163
Provision for taxation	(1,089)
Profit after taxation	2,252
Proposed Dividend	-

Statement pursuant to Section 212 of the Companies Act, 1956, relating to Subsidiary Companies

Name of the subsidiary	ALSTOM Power Boilers Services Limited
(A) Financial year of the subsidiary company	March 31, 2010
(B) Holding Company's interest	
Equity Shares of Rs. 100 each	
Number of shares fully paid up	34,000
Extent of holding	100%
(C) The net aggregate Profit/(Loss) of the subsidiary company so far as it concerns the members of ALSTOM Projects India Limited	
(a) Not dealt with in the accounts of the Holding Company	
(i) for the financial year of the subsidiary	Rs. 2,252 thousand
(ii) for the previous financial year of the subsidiary	Rs. 36,279 thousand
(b) Dealt with in the accounts of the Holding Company	Nil
(i) for the financial year of the subsidiary	Nil
(ii) for the previous financial year of the subsidiary	

For and on behalf of the Board of Directors

Francois Carpentier
Vice Chairman & Managing Director

S.M. Momaya
Whole-time Director & CFO

Place: Noida
Date: April 28, 2010



Utran Site at Gujarat



Sunand Sharma, Chairman, lighting lamp with Minister of Power at PowerGen 2010



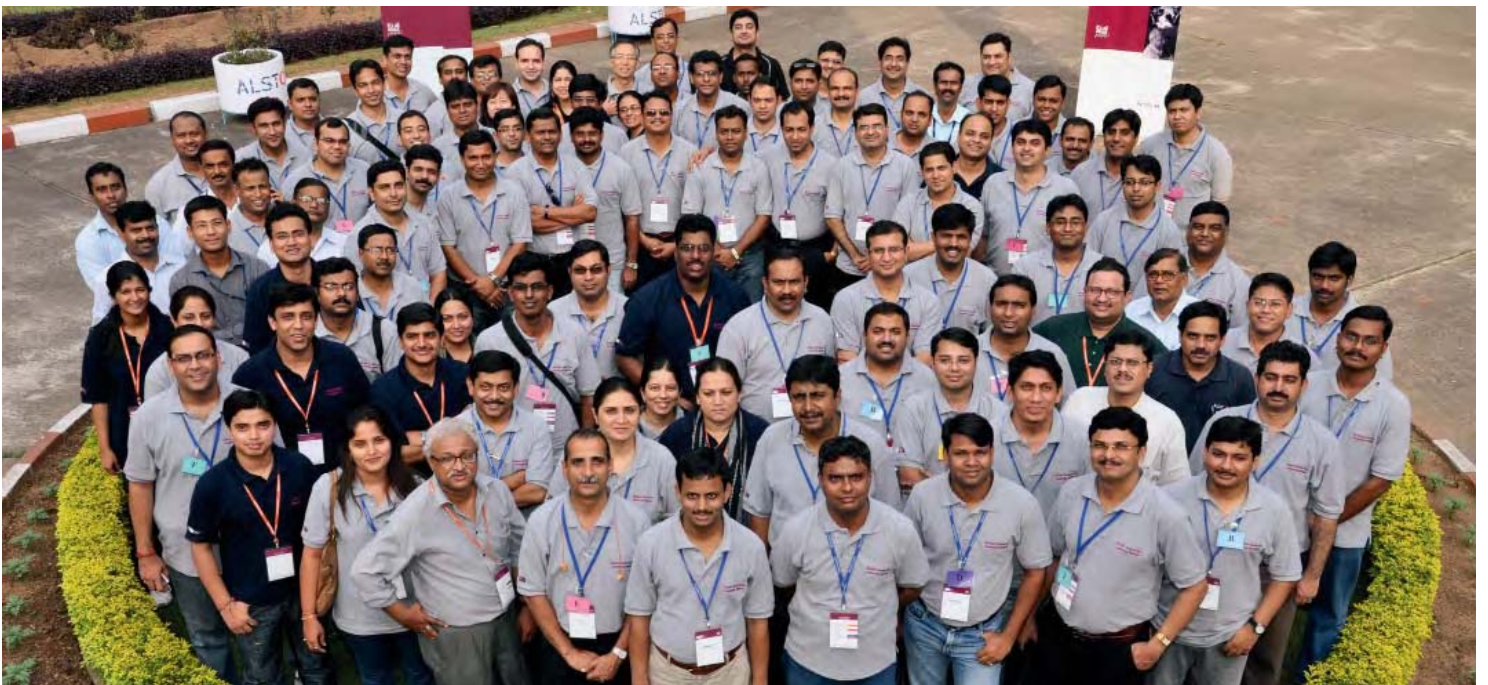
Manufacturing facility at Shahabad



Manufacturing of large hydro project component at Vadodara facility



Biggest Kaplan runner ever manufactured in India at the Hydro Vadodara facility



Participants from Training Programs organised by Alstom University

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The ALSTOM logo is located at the bottom right of the page. It consists of the word "ALSTOM" in a bold, sans-serif font. The letters "A", "L", "S", "T", and "M" are in blue, while the letters "O" and "O" are in red. The logo is positioned above a thick black horizontal line that spans the width of the page.