



**TATA CAPITAL**

We only do what's right for you

# Annual Report 2015 - 2016

**GOING FOR  
GREAT**





# About Tata Capital

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A subsidiary of Tata Sons Limited, Tata Capital Limited is registered with the Reserve Bank of India as a Systemically Important Non-Deposit Accepting Core Investment Company. A trusted, customer-centric, one-stop financial solutions partner, it caters to the diverse needs of retail, corporate and institutional customers through a comprehensive suite of product and service offerings, delivered directly or through its subsidiaries. Predominantly catering to the domestic market, it has subsidiaries in Singapore and London.

# Our Vision

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The most admired financial solutions partner.

# Our Mission

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We will only do what's right - for all our stakeholders, including our employees, customers and society at large.

# Our Culture

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## **Know**

Knowledge. It is what empowers us to make a difference in the lives of our customers. It is the fuel that will power the engine of **innovation**. It is what will enhance our ability to predict change and **adapt** quickly and effectively. So, let us begin each day with a strong desire to know more, for only when we seek to know more, will we strengthen our pursuit towards **excellence**.

## **Care**

Care. It is at the core of our relationships. It is what forges bonds that endure the test of time. It is about demonstrating **humility** and **understanding** towards all. Care is an appreciation of the truth, that in **unity** and in keeping 'we' before 'me', we will truly progress.

## **Do**

Do. It is what separates aspirations from reality. It calls for a heightened sense of **responsibility** and **passion** to give our best at all times. And to 'Do Right' is a higher calling. It calls for **integrity** - a constant practice of honesty, transparency and fairness. It calls for **courage**. So, let's do right, for it is what gives us our unique identity, our unique strength.



# Corporate Information

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**Board of Directors**

Ishaat Hussain  
Janki Ballabh  
Nalin M Shah  
F N Subedar  
Nirmalya Kumar  
Ritu Anand  
Praveen P Kadle - Managing Director & CEO

**Chief Financial Officer**

Puneet Sharma

**Company Secretary**

Avan Doomasia

**Statutory Auditors**

Deloitte Haskins & Sells LLP

**Registrar &  
Transfer Agents**

TSR Darashaw Limited  
6-10 Haji Moosa Patrawala Industrial Estate  
20, Dr E Moses Road, Mahalaxmi, Mumbai 400 011.  
Tel: +91 22 6656 8484

**Registered Office**

One Forbes  
Dr V B Gandhi Marg, Fort, Mumbai 400 001.  
Tel: +91 22 6745 9000, Fax: +91 22 6610 6701  
Website: [www.tatacapital.com](http://www.tatacapital.com)

**Corporate Identity Number**

U65990MH1991PLC060670



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# We only do what's right for you

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The essence of the Tata Capital brand is encapsulated in its promise - 'We only do what's right for you'. The proposition reflects our strong resolve to deliver financial solutions that are 'right' for our customers and the society at large. We seek to build strong relationships with customers through deep understanding of their needs, strong financial expertise and the delivery of superior and consistent customer experience across all touch-points.



# Corporate Sustainability

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Tata Capital's CSR Vision is to ensure sustainability by doing what is right, through the adoption of sustainable business practices, employee policies and technologies. This is further driven through the efforts to protect the interests of all the stakeholders of the Tata Capital and contribute to society at large, by making a measurable and positive difference through the four causes the Company supports viz. Livelihood & Employability, Health, Education and Environment. Tata Capital is associated with leading NGOs in the space of the four thrust areas. In FY 2015-16, Tata Capital implemented 52 projects with 48 partners and reached out to 16,066 beneficiaries from socially and economically underprivileged communities.

Some of the flagship CSR projects are: holistic development of education at Vatsalya Ashramshala at Vikramgad, the *Pankh* Scholarship program, mentorship of underprivileged youth for professional courses, development of an e-learning Financial Literacy module for students, skill based BFSI training courses for youth and plantation of 50,000 trees in Rajasthan, among others. Tata Capital's efforts and projects have been appreciated at various external forums as well as by the Tata Group.

# Our Range of Offerings

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Tata Capital's range of offerings caters to the diverse financial requirements of its retail, corporate and institutional customers. A one-stop financial solutions partner, Tata Capital's suite of products and services offers a wide choice of options to the customer.

\*Consumer Finance | Home Loans | Loan Against Property | Home Equity | Business Loan | Investment Advisory Services | Wealth Products Distribution | Commercial Finance | Construction Equipment Finance | Infrastructure Finance | Leasing Solutions | Cleantech Finance | Equity Broking | Private Equity | Investment Banking | Rural Finance | Travel & Forex | Tata Cards

\*Consumer Finance, Loan Against Property, Commercial Finance, Infrastructure Finance, Rural Finance, Wealth Management Services, Leasing Solutions are originated and serviced by Tata Capital Financial Services Limited (TCFSL). | Investment Advisory Services are brought to you by Tata Capital Limited. | Home Loans are originated and serviced by Tata Capital Housing Finance Limited. | Equity Broking and Investment Banking are brought to you by Tata Securities Limited. Regd Office: One Forbes, Dr VB Gandhi Marg, Fort, Mumbai - 400 001. Tel.No. +91 22 67459000. SEBI Registration Number: BSE INB010664150 INF011207954; NSE INB/F/E231288730; SEBI Registration Number: INZ000008839; Portfolio Manager INP000003872; Research Analyst: INH000002053; Merchant Banker INM 000011302 Depository Participant of CDSL: IN-DP-CDSL-450-2008 Depository Participant of NSDL: IN-DP-NSDL-298-2008. ARN 0021 - Distributors of IPO and Mfs. | Private Equity Funds are registered with SEBI as Domestic Venture Capital Funds. | Travel & Forex - Travel services are brought to you by TC Travels & Services Limited & Forex services are brought to you by Tata Capital Forex Limited. | Tata Travel Card is a white label card issued, established and operated by Axis Bank. It is marketed and distributed by Tata Capital Forex Limited. | Tata Credit Card is a white label card issued, established and operated by SBI Cards and Payment Services Pvt. Ltd. It is marketed and distributed by TCFSL. | Cleantech Finance is brought to you by Tata Capital Cleantech Limited | Terms and Conditions apply. All loans and products are at the sole discretion of the respective entities.



# Message from the Managing Director



**Dear Shareholder,**

Tata Capital has begun its journey from 'Good' to 'Great' this year, crossing many significant milestones on the way. Over the last eight years, we have set in place a strong foundation – diverse range of financial products and services, wide network of reach, efficient processes and operations, embracing digitalization and building strong and capable human resources. I would like to thank each one of you for your support and patronage for Tata Capital during this initial period and for being part of this exciting journey.

Tata Capital's Vision is to be the 'Most Admired Financial Solutions Partner'. Each year, we conduct a study of the most admired financial solutions providers through an independent research agency – Nielsen. This year's study has placed Tata Capital at 8<sup>th</sup> position amongst the top 10 most admired financial solutions providers - a set which includes banks, in addition to NBFCs.

The Financial Year 2015-16 saw marked improvement in the financial performance of the

Company, in aggregate and at business-unit level. In a challenging business environment, our total asset size grew to over ₹ 43,800 crore, representing a 27% growth over last year. Our consolidated income too grew by close to 20% to reach ₹ 5,034 crore and Net Profit After Tax, by a commendable 32% to reach ₹ 405 crore. Tata Capital is currently amongst the top 10 NBFCs, by size, in the private sector and with the consistent growth we are delivering, we are confident of moving up in this list in a short span of time.

Our Retail businesses have performed well this year, both on the portfolio and the profitability front. The Consumer Finance business of Tata Capital Financial Services Limited ("TCFSL") grew significantly and attained a total book size of ₹ 9,806 crore. Our Housing Finance business has been consistently growing at rates higher than the industry, in terms of asset size and profitability and has closed with a portfolio of over ₹ 13,000 crore, representing a growth of over 43%. The Wealth Products Distribution business in TCFSL has been focusing on improving productivity and shifting towards high

earning products. Going forward, the business will be targeting, sharply defined customer segments with tailor-made, innovative wealth products and services.

The Corporate Finance Division of TCFSL which includes Commercial Finance, Infrastructure Finance, and Leasing Solutions, along with Cleantech Finance under Tata Cleantech Capital Limited ("TCCL"), closed on a consolidated basis with an asset size of ₹ 19,085 crore. The Commercial Finance business, our consistent mainstay, saw high growth and the building of a healthy portfolio. Leasing Solutions and Cleantech Finance – two of the youngest lines of business in the corporate suite, performed very well, each closing the year with a profit. TCCL, which looks at financing companies in the space of renewable energy and environmental conservation, crossed the first milestone of ₹ 1,000 crore, closing the year with a book of ₹ 1,200 crore.

The Rural Finance vertical of TCFSL, which was incubated about two years ago, saw an increase of 20% in asset size, to close at ₹ 1,433 crore. The Rural Finance vertical is a key vertical for Tata Capital and has been focusing on launching new, innovative products, expanding its reach and making deep inroads in rural markets.

Tata Capital Limited's Private Equity business also performed well in the year, making some strategic investments that should reap great rewards in the future, notably the investment by Tata Opportunities Fund in UBER Technologies Inc.

This year, we pushed ahead with our digital ambitions by forming a dedicated Digital Vertical. The vertical will holistically look at doing business in the digital space, both by digitizing processes for existing core products as well as by launching

digital-first products. We are well on our way on the 'digitalisation' journey wherein we will deploy latest technology covering the internet and cloud, analytics, social media and mobility. The year saw a launch of series of Mobility applications for retail loans, specifically housing finance. 'Soham' – a mobile application that enables our dealers availing of supply chain finance facilities, to get critical information of their accounts and also conduct transactions, was also launched successfully.

Another key strategic initiative that Tata Capital has undertaken is the strengthening of its Data & Analytics practice. Tata Capital believes in the 'power of data' and is currently running multiple projects in the analytics field across areas such as acquisition of new customers, cross-selling to existing customers and superior data-led risk management. These initiatives would hold Tata Capital in great stead in the near future.

Tata Capital is committed to constantly enhance its information and technology capabilities and with a view to tracking and measuring our progress, we conducted an assessment of our IT capability which indicated a high score. Moving ahead, our endeavour is to move up the IT maturity curve, including benchmarking against internationally accepted IT Capability Maturity Framework, and deliver greater value to businesses and customers.

A critical area for any financial services company is its approach and ability to assess and manage risk. In the area of risk management, Tata Capital's approach has been to take controlled risks with an appropriate bouquet of products across customer segments and categories with a view to achieving desired return. Tata Capital has a comprehensive enterprise wide risk management framework validated externally, covering all key risks as relevant for a financial

services company of our size. We have developed appropriate on-boarding processes, monitoring & early warning detection mechanisms and collection framework to ensure quality of the book on consistent basis. The focus on proactive risk management also extends to operational and fraud risk areas through process reviews, pre on-boarding checks, employee awareness communication and more. Risk analytics is being used extensively to strengthen these processes. We track all key risks through quantifiable measures by way of a Business Risk Score which has moved positively during the year. The focus is to maintain a balanced risk culture that is conducive for healthy business growth without compromise on quality.

Tata Capital has shown ever increasing scores in each Tata Business Excellence Model assessment - an internal Tata Group business excellence framework - which indicates that our commitment to excellence is firm and on track.

The Tata Capital Brand today holds a strong position in the industry, having significantly grown in standing over the last few years. The total Awareness and Consideration scores, as measured by the Brand Track, have improved and stand at 86% and 70%, respectively for B2C businesses and 93% and 77%, respectively for B2B businesses. These scores are impressive for a young brand and stand ahead of many other mature competitors in the segment. Tata Capital's award winning 'Journey of Doing Right' saw more accolades coming its way, and was

awarded the 'Best use of Social Media' award at the National Awards for Digital Excellence 2015 by CMO Asia.

Recognizing that our employees are the foundation of our success, Tata Capital has always believed in putting in place, best-in-class employee engagement practices and policies. Our Employee Engagement score, as measured by the Gallup Study, has been encouraging, especially since we are a constantly growing organization.

Tata Capital has always believed in attracting, retaining and training the best talent in the Industry. The Company has always worked towards building innovative and relevant training programs for its employees and the year saw us winning the Golden Peacock National Training Award 2016, setting an industry standard for best training practices.

The journey from 'Good to Great' will come with its challenges, but Tata Capital is well-poised to conquer them and succeed as we traverse this exciting journey. I would once again thank you for being a key stakeholder and partner in the Tata Capital story.

Thank you

Praveen PKadle  
Managing Director & CEO  
Tata Capital Limited



**TATA CAPITAL**

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We only do what's right for you

**TATA CAPITAL**

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We only do what's right for you

## DIRECTORS' REPORT

### TO THE MEMBERS OF TATA CAPITAL LIMITED

The Directors have pleasure in presenting the Twenty-Fifth Annual Report and the Audited Financial Statements for the Financial Year ("FY") ended March 31, 2016.

#### 1. BACKGROUND

Tata Capital Limited ("Company" or "TCL"), the flagship financial services company of the Tata Group, is a subsidiary of Tata Sons Limited and is registered with the Reserve Bank of India ("RBI") as a Systemically Important Non-Deposit Accepting Core Investment Company ("CIC"). As a CIC, TCL is primarily a holding company, holding investments in its subsidiaries and other group companies and carries out only such activities as are permitted under the Directions issued by RBI for CICs. TCL and its subsidiaries (collectively referred to as "Tata Capital") are engaged in a wide array of services/products in the financial services sector.

A detailed discussion on TCL's business and that of its subsidiaries is set out in para 6 of this Report.

#### 2. INDUSTRY AND ECONOMIC SCENARIO

The Indian economy has weathered many challenges successfully in recent times. Markets are optimistic, as a result of various policy measures announced or taken by the Government. The key policy changes include liberalization of Foreign Direct Investment and a large array of investment facilitation measures. However, some large-ticket changes such as modified labour laws, simplified land acquisition rules and nationwide Goods and Services Tax are still not in place.

Due to the sluggish global growth, especially in China, commodity prices have remained low, inflation has moderated and low crude prices have supported the Government's current account deficit commitment. A relatively stable rupee and rising foreign exchange reserves, are key indicators of an improved and stable macro-economic environment. The slowing global economy is not all positive for India, exports have suffered and domestic growth will be critical in FY 2016-17.

In FY 2015-16, the Government focused on its theme "Transform India". The Budget for FY 2016-17 preferred fiscal prudence and stability over growth. The priorities of the Government were to provide additional resources for the vulnerable sections of society, to rural areas and for creating social and physical infrastructure. The Government encouraged private and public spending, but private investment is not likely to recover in FY 2016-17 as there is significant unutilized capacity and the private sector Balance Sheets are stretched. By maintaining a fiscal deficit at 3.5%, the Government has precluded the possibility of any direct fiscal stimulus. The positive effect of the Government's fiscal discipline is that it has created conditions for the RBI to cut rates, thereby indirectly benefiting the economy by bringing down the cost of borrowing for both the Government and the private sector. The RBI started cutting rates in FY 2015-16, the transmission of which is likely to happen in FY 2016-17.

The banking system in India saw a major shift with the RBI ending forbearance in April 2015 and, through the Asset Quality Review process, ensuring that banks were taking proactive steps to clean up their Balance Sheets, by March 2017. In all adversity, there is opportunity and as a result of the stressed bank Balance Sheets, the NBFC sector has a significant opportunity to grow. NBFCs do not have the NPA problem of the magnitude of that of the banks and are already operating under strict regulatory supervision. The NBFC sector is likely to report higher NPAs in the initial period as it moves to the 90+ recognition norm, but the sector as a whole will emerge stronger after the implementation of these initiatives. Additionally, SARFAESI cover and a new bankruptcy code would make collections through the judicial system much simpler.

A normal monsoon and further rate cuts by the RBI are expected to facilitate rural and urban consumption. The year ahead will be challenging on many fronts viz. credit quality and shifts in operating model, etc. Accepted norms and rules of doing business are likely to be rewritten with

digital innovation, increased use of technology in financial services and payment and small banks coming on stream. Each individually, and all of them collectively, have the ability to change the face of the financial services sector. The NBFC sector appears to be best placed to take advantage and succeed in this changing environment.

### 3. FINANCIAL RESULTS

(₹ in crore)

Particulars	Consolidated		Standalone	
	FY 2015-16	FY 2014-15	FY 2015-16	FY 2014-15
<b>Gross Income</b>	<b>5,022</b>	<b>4,203</b>	<b>355</b>	<b>244</b>
Less:				
<b>Expenses</b>				
Finance Costs	2,847	2,481	90	41
Employee Benefits Expenses	450	352	47	33
Other Operating Expenses	971	836	45	34
Depreciation	128	105	7	8
Amortization of Expenses	13	17	5	4
<b>Profit Before Tax</b>	<b>613</b>	<b>412</b>	<b>161</b>	<b>125</b>
Less: Tax Expense	207	111	8	10
<b>Profit After Tax</b>	<b>406</b>	<b>301</b>	<b>153</b>	<b>115</b>
Share of Associates and Minority Interest	(1)	5	–	–
Profit for the year	405	306	153	115
Balance brought forward from previous year	468	336	112	97
Amount available for Appropriations	873	642	265	212
<b>Appropriations</b>				
Special Reserve	119	76	31	23
Dividend on Cumulative Redeemable Preference Shares (including taxes)	151	98	121	77
<b>Surplus carried to Balance Sheet carried to Reserves</b>	<b>603</b>	<b>468</b>	<b>112</b>	<b>112</b>

#### Consolidated Results:

Tata Capital's book size increased from ₹ 34,362 crore as at March 31, 2015 to ₹ 43,881 crore as at March 31, 2016, on a consolidated basis. This increase of about ₹ 9,519 crore was mainly due to the growth in the loan book of two major subsidiaries viz. Tata Capital Financial Services Limited ("TCFSL"): ₹ 5,053 crore and Tata Capital Housing Finance Limited ("TCHFL"): ₹ 3,917 crore.

During FY 2015-16, Tata Capital recorded a consolidated Total Income of ₹ 5,022 crore as against ₹ 4,203 crore in FY 2014-15, an increase of about 19.5%. The Total Income comprised income from financing activities of ₹ 4,537 crore (FY 2014-15: ₹ 3,714 crore), Investment Income of ₹ 107 crore (FY 2014-15: ₹ 134 crore) and Other Income of ₹ 378 crore (FY 2014-15: ₹ 354 crore). The growth in income from financing activities was in line with the growth in advances.

During the year, Tata Capital's Profit After Tax ("PAT") on a consolidated basis, increased by about 32.6% to ₹ 405 crore (FY 2014-15: ₹ 306 crore).

During FY 2015-16, Tata Capital's consolidated interest expense was ₹ 2,847 crore (FY 2014-15: ₹ 2,481 crore). This increase was on account of higher borrowings of ₹ 7,979 crore (FY 2014-15: ₹ 5,396 crore), in line with the growth in the loan portfolio. Notwithstanding the tight liquidity conditions in the market, Tata Capital was able to ensure a comfortable liquidity position to support its business requirements.

As stated above, during FY 2015-16, the Operating Expenses, which include credit costs and provisions for diminution in value of investments, increased by 16.1% and stood at ₹ 971 crore, as against ₹ 836 crore in FY 2014-15. The Operating Expenses, excluding credit costs and provisions for diminution in value of investments, increased by 22.7%. Employee costs increased from ₹ 352 crore in FY 2014-15 to ₹ 450 crore in FY 2015-16, owing to increase in manpower strength to support new businesses and growth in existing businesses and on account of salary increments, which were broadly in line with industry.

The consolidated Gross NPA reduced from 4.2% in FY 2014-15 to 3.8% in FY 2015-16. The Net NPA reduced from 2.8% in FY 2014-15 to 2.2% in FY 2015-16. A provision of ₹ 51 crore at the rate of 0.30% for Standard Assets (FY 2014-15: ₹ 21 crore) was made. Further, a reversal of ₹ 4.7 crore (against a provision of ₹ 4 crore for FY 2014-15) was made on restructured advances pursuant to a new requirement introduced by the RBI during FY 2013-14. The consolidated Return on Assets ("RoA") for FY 2015-16 was 0.7% (FY 2014-15: 0.7%) while the Return on Equity ("RoE") was 6.0% (FY 2014-15: 5.4%).

#### **Standalone Results:**

During FY 2015-16, TCL recorded a Gross Income of ₹ 355 crore (FY 2014-15: ₹ 244 crore) and PAT of ₹ 153 crore (FY 2014-15: ₹ 115 crore). The increase in PAT was mainly on account of increase in net income from Inter Corporate Deposits and dividends from Investments. The Company has transferred an amount of ₹ 31 crore to Special Reserve.

#### **4. SHARE CAPITAL**

The paid-up Equity Share Capital of the Company was ₹ 2,826 crore as on March 31, 2016, which was held by Tata Sons Limited (90.28%), Tata Investment Corporation Limited (2.73%) and TCL Employee Welfare Trust (through its Trustees) (2.00%). The balance 4.99% was held by other Tata companies, trusts, other corporates, individuals and employees of Tata Capital.

During FY 2015-16, the Company successfully raised funds by way of an issuance of 8.33% Cumulative Redeemable Preference Shares ("CRPS") of ₹ 1,000 each aggregating ₹ 500 crore, on a private placement basis and as a consequence of the aforesaid issuance, the paid up Preference Share Capital of the Company increased to ₹ 1,396.45 crore, as on March 31, 2016, from ₹ 896.45 crore as on March 31, 2015.

Under the Tata Capital Limited Employee Stock Purchase / Option Scheme ("ESOP Scheme"), the Company had allotted 7,02,34,526 Equity Shares of ₹ 10 each of the Company to the TCL Employee Welfare Trust (through its Trustees). The Trust was set up to administer and implement the ESOP Scheme. As on March 31, 2016, the number of Equity Shares held by the employees under the ESOP Scheme aggregated 1,36,94,346. Further details regarding the ESOP Scheme are given in para 41 below.

#### **5. DIVIDEND**

At the meeting of the Board of Directors held on March 30, 2016, the Directors approved of the payment of Interim Dividend on the CRPS for FY 2015-16, as under:

i)	On 20,71,066 CRPS at the coupon rate of 12.50% p.a.	: ₹ 25.89 crore
ii)	On 68,93,401 CRPS at the coupon rate of 8.33% p.a.	: ₹ 57.42 crore
iii)	On 50,00,000 CRPS at the coupon rate of 8.33% p.a. (on a pro-rata basis from the allotment date till March 31, 2016)	: ₹ 38.16 crore
iv)	Total Outgo	: ₹ 121.47 crore

Since the Company has paid the Dividend to the CRPS holders for FY 2015-16, by way of an Interim Dividend, the Directors do not recommend any final dividend on the CRPS issued by it.

In order to conserve the resources of the Company and to build up reserves and considering the business plans of the Company, the Directors do not recommend payment of dividend on Equity Shares for FY 2015-16.

## 6. OVERVIEW OF THE COMPANY, ITS SUBSIDIARIES, ASSOCIATES AND JOINT VENTURE

### 6.1 Structure of Business Operations at Tata Capital

TCL is primarily a holding company, holding investments in its subsidiaries and other group companies and carries out only such activities, including management of private equity funds, as are permitted under the Directions issued by the RBI for CICs. All the other operating businesses are carried on by the subsidiaries of TCL. The Company has completed eight full years of operations and over this period, has emerged as one of the leading players in the NBFC space in India.

The financial services sector in India, as also globally, is highly regulated. TCL and its subsidiaries are subject to regulations by authorities such as the RBI, the Securities and Exchange Board of India ("SEBI"), the National Housing Bank ("NHB"), the Monetary Authority of Singapore and the Financial Conduct Authority, UK.

As a one stop financial services provider, Tata Capital caters to the diverse financial requirements of its retail, corporate and institutional customers with a comprehensive suite of products and service offerings. In the corporate segment, the Company's wholly owned subsidiary, Tata Capital Financial Services Limited ("TCFSL") offers commercial finance, construction equipment finance and leasing solutions to corporate customers. In the consumer segment, TCFSL provides asset finance and rural finance. TCFSL is also engaged in the business of distribution of investment products such as Mutual Funds under its Wealth Products Distribution business and is engaged in the distribution of White Label Credit Cards, in association with its bank partner.

Tata Capital also operates in the housing finance space through another wholly-owned subsidiary viz. Tata Capital Housing Finance Limited, which offers Housing Loans and Loans against Property, mainly in the retail segment and construction finance in the corporate segment. Tata Cleantech Capital Limited, also a subsidiary of the Company, provides finance and advisory services to corporate customers for renewable energy, energy efficiency and water management projects.

Tata Capital provides investment banking and broking and depository services to retail and institutional clients in India through its wholly owned subsidiary, Tata Securities Limited. In the private equity space, TCL has sponsored Private Equity Funds in India, to which it acts as an Investment Manager. Tata Capital offers travel and forex related services to retail and corporate customers, through two wholly owned subsidiaries viz. TC Travel And Services Limited and Tata Capital Forex Limited, respectively. Tata Capital Pte. Limited ("TCPL"), a wholly-owned subsidiary of TCL, has been established in Singapore as the International Headquarters of Tata Capital and is responsible for Tata Capital's international presence and activities. The Company's step-down wholly-owned subsidiary in Singapore, Tata Capital Advisors Pte. Limited ("TCAPL"), also acts as an Investment Manager to the Private Equity Funds set up in Singapore, to which, TCL acts as an Advisor.

### 6.2 Private Equity

#### 6.2.1 Domestic Funds

The Company has set up four Private Equity Funds in India viz. Tata Capital Growth Fund I, Tata Capital Healthcare Fund I, Tata Capital Innovations Fund and Tata Capital Special Situations Fund - Trust (collectively referred to as "Funds"). These Funds have been registered with the Securities Exchange Board of India as Venture Capital Funds. The Company has

sponsored these Funds and acts as their Investment Manager and has also invested in the Funds by subscribing to units of these Funds. The aggregated commitments as at March 31, 2016 to these Funds, is in excess of ₹ 1,200 crore.

The performance of the above Funds is, reviewed below:

**i) Tata Capital Growth Fund I (“TCGF”)**

TCGF was set up to target private equity growth capital investments in companies that have a significant portion of their operations in India. TCGF's investment focus themes are Urbanization, Discrete Manufacturing, Strategic Services and Growth Opportunities. TCGF has provided growth capital funding to industry-leading companies, with an average deal size of approximately ₹ 40 crore and an average holding period of three to five years. TCGF declared its final close in February 2011 with commitments of ₹ 339 crore, of which, ₹ 253 crore has been invested in portfolio companies as at March 31, 2016. As at March 31, 2016, the Net Asset Value (“NAV”) per Class A unit was ₹ 1.31. The TVPI multiple (Total Value, including Distributions, to Paid in Capital) as at March 31, 2016 is 1.63. TCGF's commitment period ended on November 8, 2015. TCGF's efforts are now focused on monitoring the portfolio with complete monetization expected by November 2018. TCGF was ranked by Preqin, a leading source of data and intelligence for the alternatives industry, as a top quartile fund with a 2011 vintage, and a growth focus on the Indian private equity market.

**ii) Tata Capital Healthcare Fund I (“TCHF”)**

TCHF was set up to target long-term capital appreciation through private equity growth-capital investments in healthcare companies involved in pharmaceutical, contract research/manufacturing, hospital services, medical devices, diagnostic and other healthcare segments. TCHF's investment strategy is predicated on high growth consumption and competency themes within the Indian healthcare sector, driven by increasing per capita disposable income, rising urbanization, growing health awareness, increasing chronic and life-style oriented disease pattern and growth in domestic healthcare infrastructure. TCHF targets significant minority positions in portfolio companies with Board representation and other significant shareholder rights, with an average deal size of approximately ₹ 40 crore and the average holding period of three to five years. TCHF declared its final close in April 2012 with commitments of ₹ 320 crore, of which, ₹ 229 crore has been invested as at March 31, 2016, in portfolio companies. As at March 31, 2016, the Net Asset Value (“NAV”) per Class A unit was ₹ 1.02. The TVPI multiple (Total Value, including Distributions, to Paid in Capital) as at March 31, 2016 is 1.20. TCHF's commitment period ended on July 13, 2015. TCHF's efforts are now focused on monitoring the portfolio with complete monetization expected by April 2018.

**iii) Tata Capital Innovations Fund (“TCIF”)**

TCIF is a sector agnostic venture capital fund and invests in early stage companies, offering technology based solutions for Indian as well as global markets. TCIF focuses on investments, which have a potential to create new growth opportunities, increase efficiency, bring affordability and accessibility to the industry or change the way business is conducted. TCIF declared its final close in April 2012 with commitments of ₹ 287 crore, of which, ₹ 193 crore has been invested in portfolio companies as at March 31, 2016. The Net Asset Value (“NAV”) per Class A unit was ₹ 917, as at March 31, 2016. The TVPI multiple (Total Value, including Distributions, to Paid in Capital) as at March 31, 2016 is 1.12. TCIF's commitment period ends on January 29, 2017.

**iv) Tata Capital Special Situations Fund (“TCSSF”)**

TCSSF focuses on investing in turnaround opportunities. Of the aggregate utilizable commitment of ₹ 266 crore, TCSSF has invested ₹ 213 crore in four portfolio companies. Considering the economic situation in the country and the financial conditions

of these companies, their performance has been satisfactory. As at March 31, 2016, the Net Asset Value ("NAV") per Class A unit was ₹ 1,49,620. The TVPI multiple (Total Value, including Distributions, to Paid in Capital) as at March 31, 2016 is 1.55.

### 6.2.2 Overseas Funds

The Overseas Funds viz. Tata Capital Growth Fund Limited Partnership ("TCGFLP"), Tata Capital HBM Healthcare Fund I Limited Partnership ("TCHHFLP") and Tata Opportunities Fund Limited Partnership ("TOF") are based in Singapore.

The Company's subsidiary in Singapore, TCAPL, is the Investment Manager for TCGFLP, TCHHFLP and TOF. Overseas Funds accept commitments only from overseas investors. The aggregated commitments as at March 31, 2016 to the Overseas Funds, is US\$ 727 million.

TOF declared its final close in March 2013 with commitments of US\$ 545 million, of which, US\$ 362 million (excluding follow-on commitments) has been invested in portfolio companies as at March 31, 2016. TCL has a co-investment arrangement with TOF, whereby TCL has agreed to co-invest the Rupee equivalent of an amount of upto US\$ 50 million alongside TOF, subject to regulatory restrictions. TCGFLP declared its final close in November 2011 with commitments of US\$ 167 million, of which, US\$ 124 million has been invested as at March 31, 2016, in nine portfolio companies. TCHHFLP declared its final close in January 2016 with commitments of US\$ 15 million, of which, US\$ 4 million has been invested in portfolio companies as at March 31, 2016.

## 6.3 Review of Subsidiaries, Associates and Joint Venture

### 6.3.1 Subsidiaries:

As on March 31, 2016, the Company had the following subsidiaries, brief details of whose performance are given below:

#### i) Tata Capital Financial Services Limited ("TCFSL")

TCFSL is a wholly-owned subsidiary of the Company, registered with RBI as a Systemically Important Non-Deposit Accepting Non-Banking Finance Company. TCFSL has three main areas of business viz. Corporate Finance, Consumer Finance & Advisory and Rural Finance.

TCFSL's portfolio increased by ₹ 5,053 crore from ₹ 24,603 crore in FY 2014-15 to ₹ 29,656 crore in FY 2015-16. During FY 2015-16, the Gross Income increased by 13% and stood at ₹ 3,471 crore (FY 2014-15: ₹ 3,065 crore). The Net Interest Margin increased by 32% and stood at ₹ 1,136 crore (FY 2014-15: ₹ 859 crore). PAT for FY 2015-16 was ₹ 266 crore as compared to ₹ 187 crore in FY 2014-15, an increase of 42%. The Gross and Net NPAs decreased and stood at 5.3% and 3.1% in FY 2015-16 compared to 5.7% and 3.8% respectively, in FY 2014-15. The Provision Coverage Ratio increased from 35.1% to 42.6%. The Cost to Income ratio in FY 2015-16 was 49% as compared to 48% in FY 2014-15.

#### (a) Corporate Finance

The Corporate Finance Division ("CFD") has three broad business segments viz. Commercial Finance, Infrastructure Finance and Leasing Finance. The closing Book of CFD stood at ₹ 17,885 crore (FY 2014-15: ₹ 15,533 crore), comprising Commercial Finance: ₹ 13,173 crore (73.65%), Infrastructure Finance (including Remedial): ₹ 3,963 crore (22.27%) and Leasing Finance: ₹ 750 crore (4.08%).

#### Commercial Finance

The Commercial Finance segment specializes in product offerings ranging from vanilla term loans, working capital term loans, channel finance, bill discounting, equipment financing, lease rental discounting, promoter finance and complex structured products. This segment serves over 1,800 customers through its business verticals viz. large



corporate, mid-size corporate and government business. All the verticals are supported by the respective product teams, which help these verticals in extending the right product mix to the customer. Further, a Syndication and Structured Finance team supports all the business verticals with special focus on debt syndications, down selling and complex structured transactions.

The Commercial Finance segment ended the year under review with a book of ₹ 13,173 crore as compared to ₹ 10,646 crore at the end of FY 2014-15. Gross Income grew by 14.8% to ₹ 1,275 crore in FY 2015-16 from ₹ 1,111 crore in FY 2014-15. This segment has disbursed loans of ₹ 41,307 crore during FY 2015-16 through its diverse, customer centric product offerings and earned total Net Interest Income and Fee income of ₹ 463 crore as against ₹ 362 crore in FY 2014-15, an increase of 27.9%.

During FY 2015-16, the Construction Equipment Finance division continued to be amongst the top five players in the industry. This segment ended FY 2015-16 with a book of ₹ 2,178 crore (FY 2014-15: ₹ 2,168 crore) and disbursed loans of ₹ 1,471 crore in FY 2015-16 (FY 2014-15: ₹ 1,115 crore).

The Commercial Finance Business is committed to being a complete financial solutions partner to its corporate clients, through high quality service levels and innovative products, which provide value to its customers. Keeping the customer at the core of its strategy, this segment is planning to grow its portfolio while improving the asset quality.

#### Infrastructure Finance

The Infrastructure Finance segment had three main verticals viz. Construction Equipment Finance ("CEQ"), Project Finance and Equipment Rental.

During the year, the Infrastructure Finance business was reorganized and consequently, CEQ and Equipment Rental Business became part of Commercial Finance. This was done in order to bring synergies with the customers of Commercial Finance Business.

The Project Finance portfolio of the erstwhile Infrastructure Finance Division was placed under the Remedial Group, which was formed on April 1, 2015. During the year, the Remedial Group was renamed as the Special Assets Management Group ("SAMG"). SAMG managed a portfolio of ₹ 2,156 crore as at April 1, 2015 which reduced to ₹ 1,680 crore as at March 31, 2016.

The key objectives of SAMG are, as under:

- Primary responsibility of identifying, quantifying and minimizing the loss that could be incurred on impaired assets, with focus on reduction in impaired asset portfolio through proactive asset management, legal actions, disposals, debt re-structuring and portfolio monitoring, on an ongoing basis;
- Work out settlement proposals in such a way that the loss is minimized;
- Identify/initiate dialogue with various special situation funds/ NBFCs/ lenders for takeover of TCFSL debt;
- Be ready for sale of asset to Asset Reconstruction Companies/ enforcing security as soon as SARFAESI notification is issued; and
- Develop expertise to acquire stress portfolio from other NBFCs/ Banks and undertake fee based stress advisory mandates.

During the year, a cash recovery of approximately ₹ 450 crore was made from this portfolio.

#### Leasing

Leasing Business continued to report good growth in its book and maintained the health of the book in both primary and secondary leases. As at March 31, 2016, the outstanding book was about ₹ 750 crore consisting of a healthy mix of Capital Goods, Information Technology, Auto and Office Equipment leased to corporate entities. Operating leases constitute nearly 71% of the equipment provided on lease.

Leasing business vertical aspires to become the market leader in leasing of capital goods with a thrust on mid and emerging corporates and will focus on scale and services. The Leasing segment shall expand its market reach and look for portfolio buy-out opportunities for scale, while on services, it shall channelize tools and systems for delivering superior customer promise.

**(b) Consumer Finance**

TCFSL offers, through its Consumer Finance and Advisory Division ("CFAB"), a wide range of consumer loans such as Auto Loans (Car and Two Wheeler), Commercial Vehicle Loans, Business Loans, Loans against Property, Personal Loans, Consumer Durables Loans and Loans against Securities. Disbursements in FY 2015-16 aggregated ₹ 6,784 crore as compared to ₹ 4,917 crore in FY 2014-15, representing an increase of about 38%. Gross Income grew by 31.3% to ₹ 1,275 crore in FY 2015-16 from ₹ 971 crore in FY 2014-15.

Disbursement of Loans against Property increased substantially from ₹ 1,217 crore in FY 2014-15 to ₹ 2,412 crore in FY 2015-16, a growth of 98% over the previous year. Auto Loans disbursements of ₹ 1,842 crore in FY 2015-16 (FY 2014-15: ₹ 1,944 crore) constituted 27% of the overall CFAB disbursals for the year. The change in the disbursal mix, with focus on high margin products, gained strength in FY 2015-16 with disbursements of high margin focus products increasing from 59% in FY 2014-15 to 77% in FY 2015-16.

CFAB continued its focus on margin expansion. Net Interest Margin ("NIM") increased from 5.8% in FY 2014-15 to 6.1% in FY 2015-16. Gross Interest Income grew by 29.8% to ₹ 1,162 crore in FY 2015-16 from ₹ 895 crore in FY 2014-15. Continued focus on leveraging the Tata Eco System has resulted in disbursement growth increasing from ₹ 83 crore in FY 2014-15 to ₹ 141 crore in FY 2015-16.

CFAB's closing book of ₹ 9,806 crore (FY 2014-15: ₹ 7,340 crore) comprised Loans against Property of ₹ 3,836 crore (39%), Auto Loans of ₹ 3,308 crore (34%), Business Loans and Personal Loans of ₹ 2,354 crore (24%) and the balance (3%) being other personal loans. Loans against Property grew by 63% and Personal Loans & Business Loans by 52% in FY 2015-16, as compared to the previous year. These products have attained a strong market position in key high growth markets like Delhi NCR, Mumbai, Bengaluru and Hyderabad.

Going forward, CFAB plans to grow its business through a continued focus on high NIM focus products, balancing its product mix, ramping up fee based income, cross selling, optimizing operating costs and improving collection efficiency for further enhancing its profitability. CFAB also plans to leverage analytics capabilities to mine opportunities in the market and offer unique products and solutions to new as well as existing customers.

**(c) Rural Finance**

The rural economy was soft in FY 2015-16 because of successive droughts, crop failures and soft crop prices, resulting in a de-growth in the tractor industry. However, the Gross Income registered an increase of 30% to ₹ 235 crore from ₹ 181 crore in FY 2014-15. The Rural Finance business disbursed loans of ₹ 713 crore in FY 2015-16, resulting in an increase of Total Advances to ₹ 1,433 crore, up 20% compared to ₹ 1,194 crore in FY 2014-15. Though the industry was soft, the business managed to gain market share in North India, during FY 2015-16. The division also expanded its operations into the agri-allied vertical which provides value chain funding. The business also embarked on several initiatives on the Collections, IT, Credit underwriting front, with the perspective of enhancing Collections efficiency and quality of the book. Currently, the business operates out of 40 branches and 299 locations across 13 states in India.

(d) **Tata Cards**

Tata Card is a white label credit card, launched in partnership with SBI Cards and Payments Services Limited. The Cards business has approximately 1.6 lakh cards in force as at March 31, 2016, up from 1.47 lakh customers as of March 31, 2015 and is in the seventh year of operations at Tata Capital. Since its purchase from Tata Sons Limited, the business has grown considerably in distribution and profitability.

The business has recorded total spends of ₹ 1,275 crore for the year, which reflects an increase of 17% over FY 2014-15.

Multiple portfolio actions have been undertaken during the year, along with a focus on e-commerce spends, a high growth area. E-commerce spends have grown by 45% in the current year to ₹ 400 crore, up from ₹ 275 crore in FY 2014-15.

Tata Cards are fully compliant on issuance of chip and pin cards, in line with the RBI requirements. The business has enhanced engagement through customer centric programs, which offer convenient payment options in the form of EMIs.

ii) **Tata Capital Housing Finance Limited (“TCHFL”)**

TCHFL is a wholly-owned subsidiary of the Company and is registered as a housing finance company with the National Housing Bank (“NHB”) to carry on housing finance activities. TCHFL offers Housing Loans and Loans against Property to various segments of society and has been focusing on business opportunities available within the Tata ecosystem. Apart from Housing Loans and Loans against Property to the retail segment, TCHFL also provides Project Finance Loans to developers. TCHFL has significantly grown its presence in providing Project Finance to eligible projects across the country and has also ramped up its Rural and Affordable Housing Finance business.

During the year under review, TCHFL disbursed Mortgage Loans amounting to ₹ 6,532 crore (FY 2014-15: ₹ 4,563 crore), an increase of over 43%. This included Housing Loans of ₹ 3,936 crore (FY 2014-15: ₹ 3,255 crore). TCHFL’s loan portfolio increased by 43% and stood at ₹ 13,005 crore on March 31, 2016 (March 31, 2015: ₹ 9,088 crore).

In FY 2015-16, TCHFL recorded a Gross Income of ₹ 1,265 crore and PAT of ₹ 113 crore as compared to Gross Income of ₹ 910 crore and PAT of ₹ 68 crore in FY 2014-15.

In FY 2015-16, TCHFL availed refinance of ₹ 918 crore from NHB under various refinance assistance schemes.

As a strategy, TCHFL will continue to maintain a balanced housing loan book between the salaried and self-employed segments and grow its disbursements significantly to become one of the major players amongst the Housing Finance Companies in India over the next few years.

iii) **Tata Cleantech Capital Limited (“TCCL”)**

TCCL is registered with RBI as a Systemically Important Non-Deposit Accepting Non-Banking Financial Company, engaged in the business of providing finance and advisory services for projects in renewable energy, energy efficiency, waste management and water management. TCCL is a joint venture between TCL and International Finance Corporation (“IFC”), Washington D.C., USA, with equity holding in the ratio of 80.50:19.50.

During FY 2015-16, TCCL has secured registration as an Infrastructure Finance Company License with the RBI. During the year, TCCL has built on the strong foundations laid over the past two years. This is reflected in the accelerated growth of business of TCCL across all segments in renewable energy, coupled with the continuing focus on quality of services offered by TCCL. TCCL is also endeavouring to forge new relationships with other important industry stakeholders such as IREDA (Indian Renewable Energy Development Agency) to help expand renewable energy finance in India.

At the end of FY 2015-16, TCCL had a loan book of ₹ 1,220 crore (FY 2014-15: ₹ 671 crore) across 45 transactions. TCCL's Gross Income grew by 268.8% in FY 2015-16 and stood at ₹ 105 crore (FY 2014-15: ₹ 28 crore) and its Net Profit After Tax was ₹ 27 crore (FY 2014-15: ₹ 6 crore). TCCL's Asset Book has grown by 81.8% and the PAT has grown by 323.3% in FY 2015-16. TCCL's loan portfolio consists of projects in the areas of Wind Energy, Solar Energy, Small Hydro Energy, Off-grid Solar, Waste Management, Water Management and Energy Efficiency.

**iv) Tata Securities Limited (“Tata Securities”)**

Tata Securities is a wholly-owned subsidiary of the Company, engaged in the business of securities broking, investment banking services, depository participant services and distribution of mutual fund units and third party products. Tata Securities holds a Merchant Banking, Research Analyst and Portfolio Manager License issued by SEBI.

During the year under review, Tata Securities reported a Gross Income of ₹ 22 crore (FY 2014-15: ₹ 36 crore) and Loss After Tax of ₹ 11.83 crore (FY 2014-15: PAT of ₹ 4.47 crore).

Efforts are being undertaken to restructure the operations of Tata Securities and to achieve profitability.

**v) TC Travel And Services Limited (“TCTSL”)**

TCTSL is a wholly-owned subsidiary of the Company, primarily engaged in travel and travel related services. TCTSL achieved 11% growth in volume from ₹ 189 crore in FY 2014-15 to ₹ 210 crore in FY 2015-16. Total revenue for the year at ₹ 11.89 crore was almost at the same level of ₹ 12.26 crore, recorded in FY 2014-15 and the Loss for the year before Exceptional Item was ₹ 2.49 crore. TCTSL had been carrying an amount of ₹ 11.14 crore in its Balance Sheet as Goodwill for the acquisition of the business being carried on by it. After considering its projected sales and revenue potential, the Company has impaired the entire Goodwill amount of ₹ 11.14 crore. As a result of this Exceptional Item, TCTSL's loss for the year was ₹ 13.63 crore (Previous Year: Loss of ₹ 0.53 crore).

**vi) Tata Capital Forex Limited (“TCFL”)**

TCFL (formerly known as TT Holdings & Services Limited), a wholly-owned subsidiary of the Company, with presence in 25 licensed locations spread across 16 cities in the country, holds a Full-Fledged Money Changer License from the RBI and is engaged in the money-changing business of sale and purchase of foreign currency notes, travel cards and traveller cheques. In spite of the aggressive competitive environment, TCFL acquired 300 new clients, including some large clients during the year and is currently exploring alternate revenue streams in fee-based income to boost its revenue. In FY 2015-16, TCFL's revenue grew by 15.7% to ₹ 18.06 crore (FY 2014-15: ₹ 15.61 crore). Despite certain exceptional costs, TCFL reduced its loss for the year to ₹ 1.24 crore, compared to a loss of ₹ 3.04 crore in the previous year.

**vii) India Collections Management Limited (“ICML”) and Tata Infrastructure Capital Limited (“TICL”)**

ICML and TICL are wholly owned subsidiaries of the Company and are yet to commence business.

During the year, the Board of Directors of the respective companies had approved the amalgamation of TICL and ICML with Tata Capital Limited. The Scheme of Amalgamation has been sanctioned by the Hon'ble High Court of Judicature at Madras with respect to the application filed by TICL on March 21, 2016 and by the Hon'ble High Court of Judicature at Bombay with respect to the application filed by ICML on April 22, 2016. The amalgamation is expected to be completed in Q1 of FY 2016-17.

**viii) Tata Capital Pte. Ltd., (“TCPL”) Singapore and its subsidiaries viz. Tata Capital Advisors Pte. Ltd. (“TCAPL”), Singapore, Tata Capital Markets Pte. Ltd. (“TCMPL”), Singapore and Tata Capital Plc. (“TCPLC”), U.K.**

TCPL, a wholly-owned subsidiary of TCL incorporated in Singapore in 2008, has been established as the International Headquarters of Tata Capital Limited. TCPL, either on its own or through its subsidiaries, is engaged in fund management, advising on corporate finance, dealings in securities and investments in debt papers.

TCAPL, a wholly-owned subsidiary of TCPL, holds a Capital Markets Services (“CMS”) licence under the Securities and Futures Act of Singapore, issued by the Monetary Authority of Singapore (“MAS”) for conducting regulated fund management activities. TCAPL acts as an Investment Manager to the offshore Private Equity Funds set up by TCPL. The total commitment from investors in the offshore Private Equity Funds managed by TCAPL stands at US\$ 727 million, as at March 31, 2016.

TCMPL, a wholly-owned subsidiary of TCPL, holds a CMS licence from MAS for conducting regulated activities (excluding IPOs) such as corporate finance and dealings in securities.

TCPLC, a wholly owned subsidiary of TCPL, incorporated in the United Kingdom, is authorised by the Financial Conduct Authority to provide regulated services, with a focus on cross border mergers and acquisitions. TCPLC also acts as an intermediary providing fund marketing services to TCAPL.

During the year under review, TCPL recorded consolidated Gross Income of US\$ 16.4 million i.e. ₹ 107.1 crore (FY 2014-15: US\$ 18.7 million i.e. ₹ 122.1 crore). The reduction in revenue is primarily attributable to partial waiver of management fees contractually due from Tata Opportunities Fund. Profit Before Tax of US\$ 2.7 million i.e. ₹ 17.6 crore is lower on account of provision for certain investments in the financial year (FY 2014-15: US\$ 7.6 million i.e. ₹ 49.6 crore) and PAT of US\$ 2.3 million i.e. ₹ 15 crore (FY 2014-15: US\$ 7.6 million i.e. ₹ 49.6 crore); US\$ amount translated at ₹ 65.3, the annual average exchange rate for FY 2015-16.

**ix) Other Subsidiaries**

In addition to the above subsidiaries, the following entities are also treated as subsidiaries of the Company, as per the applicable Accounting Standards:

- i. Tata Capital General Partners Limited Liability Partnership (“LLP”), a partnership formed in Singapore to act as a General Partner and manage the Tata Capital Growth Fund Limited Partnership.
- ii. Tata Capital Healthcare General Partners LLP, a partnership formed in Singapore to act as a General Partner and manage the Tata Capital HBM Healthcare Fund I Limited Partnership.
- iii. Tata Opportunities General Partners LLP, a partnership formed in Singapore to act as a General Partner and manage the Tata Opportunities Fund Limited Partnership.

**6.3.2 Associates/Joint Venture:**

**i) e-Nxt Financials Limited (“e-Nxt”)**

Consequent upon the amalgamation of e-Nxt with Tata Business Support Services Limited (“TBSS”), e-Nxt ceased to be an Associate of the Company, with effect from June 16, 2015. As a consequence thereof, the Company holds 40,54,048 Equity Shares of ₹ 10 each of TBSS, representing approximately 4.4% of its Equity Share Capital.

**ii) Tata Autocomp Systems Limited (“TACO”)**

TACO, a Tata group company, provides products and services in the automotive industry to Indian and global customers. TCL acquired a 24% equity stake in TACO in June 2008, which involved an investment of ₹ 185 crore.

**iii) International Asset Reconstruction Company Private Limited (“IARC”)**

IARC is registered with the RBI under Section 3 of the SARFAESI Act, 2002, as a Securitisation and Reconstruction Company. IARC was promoted in 2002 by professionals from the banking and financial services sector, for reconstruction of financial assets. TCFSL holds a 25.37% equity stake in IARC which involved an investment of ₹ 33.1 crore. In FY 2015-16, IARC recorded a Total Income of ₹ 31.8 crore (FY 2014-15: ₹ 33.5 crore) and PAT of ₹ 4.6 crore (FY 2014-15: ₹ 4.4 crore). IARC's paid up Equity Share Capital and Networth as on March 31, 2016 were ₹ 55 crore and ₹ 124.9 crore, respectively.

**iv) Nectar Loyalty Management India Limited (“Nectar”)**

TCL holds 49% in the above joint venture and 51% is held by AIMIA Proprietary Loyalty Singapore Pte. Ltd. (formerly known as Groupe Aeroplan Inc.). The joint venture was expected to launch a multi-party coalition loyalty program in India. The Board of Nectar had taken a decision to hold its operations in abeyance in FY 2014-15. TCL had made a provision of ₹ 13 crore for its entire investment in Equity and Compulsorily Convertible Debentures of Nectar during FY 2014-15.

**6.3.3 Other Investments:**

As at March 31, 2016, the Company had, as per its Consolidated Financial Statements, total investments of ₹ 2,221 crore (FY 2014-15: ₹ 2,102 crore). Of these, ₹ 558 crore (FY 2014-15: ₹ 502 crore) were investments in associate companies and the balance ₹ 1,663 crore (FY 2014-15: ₹ 1,600 crore) were in shares of other companies and in debt instruments such as Debentures, Pass Through Certificates, Commercial Paper, Government Securities, etc. The Company's investment in its subsidiaries (net of provisions, if any) stood at ₹ 4,602 crore as at March 31, 2016 (FY 2014-15: ₹ 4,223 crore), representing 73% of its total Assets (FY 2014-15: 78%), which amount is eliminated in the Consolidated Financial Statements, in accordance with the prevailing Accounting Standards.

**6.3.4 Provision for Investments:**

As on March 31, 2016, an aggregate provision on a consolidated basis of ₹ 186 crore (FY 2014-15: ₹ 194 crore) has been made for diminution, other than temporary, in the value of investments.

As on March 31, 2016, an aggregate provision on a standalone basis of ₹ 33.1 crore (FY 2014-15: ₹ 13 crore) has been made for diminution, other than temporary, in the value of investments.

**7. ALLIANCES**

Tata Capital's alliances and partnerships are based on and are an extension of its core objects and values. These include alliances with:

- Mizuho Securities Company Limited, to foster business co-operation in private equity, investment banking (including cross border mergers and acquisitions), securities business (including broking and distribution), structured finance and other business areas, such as wealth management.
- Mizuho Bank Limited, to foster business co-operation, enhance cross-market value creation capabilities and strengthen competitive advantages in addition to aiding each other in gaining a deeper understanding of the Indian and Japanese markets.
- Mitsubishi UFJ Securities Company Limited, to establish a basis for co-operation in a wide range of strategic business areas that include cross-border investment banking, global offering of Indian equities and working towards development of a local bond market.
- International Finance Corporation, Washington D.C., USA (a member of the World Bank Group), to foray into the area of Climate change with the formation of TCCL.

- Century Tokyo Leasing Corporation, to co-operate with and assist each other in connection with the operation of the Leasing Business of TCFSL and all other aspects related to the purchase of assets for leasing/hire purchase to corporate customers in India, sale of leased assets to any person and to establish at a future date, a joint venture company for carrying on leasing business in India.

## 8. CONSOLIDATED FINANCIAL STATEMENTS

Pursuant to the provisions of Section 129(3) of the Companies Act, 2013 (“Act”), the Consolidated Financial Statements of the Company and a separate statement containing the salient features of the Financial Statements of its subsidiaries, associates and joint venture, in the prescribed Form No. AOC-1, is included in the Annual Report at Page No. 151. The Financial Statements of the subsidiary companies are kept open for inspection by the Members at the Registered Office of the Company. The Company shall provide, free of cost, a copy of the Financial Statements of the subsidiary companies to the Members upon their request. The said Financial Statements are also available on the website of the Company, [www.tatacapital.com](http://www.tatacapital.com).

## 9. FINANCE

During FY 2015-16, the Company met its funding requirements through Commercial Paper borrowings and the issue of CRPS and allotted CRPS aggregating ₹ 500 crore with a tenure of seven years and with Put and Call Options at the end of four years. The aggregate debt of the Company outstanding as at March 31, 2016 was ₹ 1,410 crore, all of which is payable within one year. The Debt Equity ratio of the Company as at March 31, 2016 was 0.86 times.

The Company has been regular in repayment of its borrowings and payment of interest thereon.

On a consolidated basis, the Company had borrowings aggregating ₹ 38,314 crore as at March 31, 2016 (FY 2014 -15: ₹ 30,335 crore).

## 10. CREDIT RATING

During the year under review, the Company had its Long Term and Short Term instruments rated and re-affirmed by CRISIL Limited, as “CRISIL AA+/Stable and CRISIL A1+”. Further, the CRPS issued by the Company were rated as “CRISIL AA+/Stable” by CRISIL Limited.

## 11. RISK MANAGEMENT

A Risk Management Policy for the Company has been adopted by the Board of Directors. Comprehensive Enterprise Risk Management Framework has been adopted across TCL which lays down the guidelines for risk identification, assessment and monitoring in line with the business operations of entities in the group. Risk is managed by the Board / Risk Management Committee of the Board through appropriate structures, including suitable reporting mechanisms that are in place in TCL.

## 12. INTERNAL CONTROL SYSTEMS

TCL's internal control system is designed to ensure operational efficiency, protection and conservation of resources, accuracy and promptness in financial reporting and compliance with laws and regulations. The internal control system is supported by an internal audit process for reviewing the adequacy and efficacy of the internal controls, including its systems and processes and compliance with regulations and procedures. Internal Audit Reports are discussed with the Management and are reviewed by the Audit Committee of the Board, which also reviews the adequacy and effectiveness of the internal controls. TCL's internal control system is commensurate with its size and the nature of its operations.

## 13. INTERNAL FINANCIAL CONTROLS

The Management had appointed an external consultant and formed a Cross Functional Team (“CFT”) comprising Operating Managers, Internal Audit, Risk and Statutory Auditors to document and evaluate the design, adequacy and operating effectiveness of the Internal Financial Controls

of the Company, broadly in accordance with the criteria established under the Internal Control - Integrated Framework (2013) issued by the Committee of Sponsoring Organizations of the Treadway Commission ("COSO"). Entity Level Control framework document based on COSO 2013 framework has been documented. The documentation of process maps, key controls, standard operating procedures and risk registers has been completed for all businesses and functions under the supervision of the CFT. Further, during FY 2015-16, Management testing has been conducted on a sample basis for all key processes and remedial action has been taken or agreed upon with a finite closure date where control weaknesses were identified. The Internal Audit team has also conducted a review of the Internal Financial Controls and remedial action has been taken or agreed upon with a finite closure date where in control weaknesses were identified. There are no material financial controls related observations outstanding as at March 31, 2016. Based on the above, the Management believes that adequate Internal Financial Controls exist in relation to its Financial Statements.

#### **14. INFORMATION TECHNOLOGY SUPPORT**

Tata Capital achieved stability in its core systems and close to total automation of all its business processes. Significantly, the Treasury system has now moved to SAP with the end-to-end process automated. The core lending system is now being migrated to an industry standard application. Tata Capital has entered into the digital space with several new products and the focus now is on enhancing the digital footprint. The digital strategy is based on the 'nexus of forces' covering social, mobile, analytics and the cloud and internet using the 'bi-modal' delivery approach. The emphasis is on continual improvement and upgradation of systems and the underlying processes.

Tata Capital has completed an assessment of its IT capability maturity with a high score. There is a constant endeavour to move up the IT maturity curve (including benchmarking against internationally accepted IT Capability Maturity Framework) and deliver value to businesses and customers. Several IT projects for FY 2016-17 that would give Tata Capital a clear advantage and would benefit the stakeholders have been identified. Tata Capital is also on a 'digitalisation' journey where in it will deploy the latest technology covering the internet, cloud, analytics, social media and mobility areas. Mobility applications for retail loans have been deployed across multiple operating systems. A mobile application for housing finance prospects and customers has been deployed. 'Soham' – a mobile application, enables our dealers to avail of supply chain finance facilities, get critical information of their accounts and also conduct transactions.

Tata Capital has changed its IT outsourcing model to a cost based approach categorized on 'run the business' and 'change the business' models with optimised pricing options.

Tata Capital is now moving into the leadership stage in its technology journey. The projects on the IT road map and the digital strategy initiative will enable Tata Capital to take the leadership position with the support of its IT partners and the business units, representing a collaborative framework.

#### **15. DIGITAL PLATFORM**

Tata Capital views 'Digital' as a transformational and potent force which, if leveraged well, can create a high competitive advantage for Tata Capital.

The year saw Tata Capital re-instating its belief in 'Digital' and with a view to further enhance focus, a new vertical was created. The new vertical has been set up to explore various facets of Digital from digitization of processes to innovative digital data-led underwriting models to digital sourcing and development of new digital products / services.

During the year, disbursements through the digital channel increased by over 150%. The emphasis on using Digital to enhance customer acquisition and productivity and build newer digital business models will continue in the future.

#### **16. HUMAN RESOURCES**

The Company recognizes people as its most valuable asset and it has built an open, transparent and meritocratic culture to nurture this asset.



Talent Management (Apex) is a key people planning tool that provides an integrated means of identifying, selecting, developing and retaining top talent within the organization. Focus on behavioural and leadership traits through Learning & Development interventions and job rotations are planned for the employees who constitute the Talent Pool.

Tata Capital has embarked on the journey of creating a High Performance Culture and has laid the foundation towards this. The exercise of building this culture began by the Senior Leadership Group (“SLG”) working together, in a structured exercise, to identify Tata Capital’s ten cultural attributes. Tata Capital’s second Cultural Survey, based on the ten identified attributes and conducted by the Gallup Organisation in August 2015 has given it a very healthy and positive score of 4.25 on a scale of 5.

Tata Capital’s focus on Employee Engagement has resulted in its overall Employee Engagement Scores (Q12) climbing steadily from 3.52 in 2009 to 4.14 in 2016, in surveys conducted by the Gallup Organisation. Tata Capital won the Gallup ‘Great Workplace Award’ for the year 2015, an award which recognizes exceptional performance in Employee Engagement at a global level. Times Ascent recognized Tata Capital in the year 2015 as one of the “Dream Companies to Work For” from amongst the top 25 companies in India.

As part of the journey to becoming a benchmark organization as far as HR practices are concerned, Tata Capital has also embarked on the journey of getting the People Capability Maturity Model (“P-CMM”) assessment and certification by the Carnegie Mellon University. Today, Tata Capital is the first NBFC in India to be P-CMM assessed at Level 3.

Tata Capital’s Learning & Development initiatives are focused on enhancing the functional and behavioural skills and competencies of its employees through Learning & Development (“L & D”) interventions, such as Executive Development Programs, e-learning and various class room based training programs. In its constant endeavour to build skills in the organization and focused efforts made towards various L & D interventions, Tata Capital was rewarded the Winner of the Golden Peacock National Training Award – 2016. Some of its prestigious programs like New Employee Orientation (NEO) – Induction Program and Pratha (Sales Manager Program) have been awarded with the ‘Tata Institute of Social Studies (TISS) Leap Vault Award for Best Induction Program (Gold)’ and the ‘Best Sales Manager Award (Silver)’, respectively.

Tata Capital is committed to strive towards full engagement of all its employees, partners, contractors, suppliers and clients to ensure safe working conditions and safe behaviour as well as take care of their health. Tata Capital has an Occupational Health and Safety Policy in place and has adopted OHSAS 18001:2007 for its Head Office, Regional Offices and select Branches. The basis for implementing the Occupational Health and Safety Management System at Tata Capital is to support and promote good health and safety practices for balancing with socio economic needs. The Occupational Health & Safety Management System at Tata Capital meets the requirements of the international standard OHSAS 18001:2007. BS OHSAS 18001:2007 and demonstrates Tata Capital’s commitment in implementing a strong Occupational Health and Safety Management System.

## **17. TATA BUSINESS EXCELLENCE MODEL**

Tata Capital continues to enhance its capabilities and processes in keeping with market and regulatory changes, using the framework of the Tata Business Excellence Model (based on Baldrige Criteria, USA), which covers aspects of Leadership and Governance, Strategic Planning, Customer Focus, Measurement, Analysis and Knowledge Management, Workforce Focus and Operations Focus. Tata Capital participated in its third TBEM external assessment conducted by the Tata Business Excellence Group (a division of Tata Sons Limited) in September 2015 and was placed in the 450-550 score band, which indicates “good performance”. While the score band is the same as that in FY 2014-15, there is an improvement in the absolute score, which crossed 500.

The assessment provided Tata Capital with important feedback in terms of its current strengths and opportunities for improvements to work towards in the coming year. Key strengths indicated in this report were the organization’s alignment with its Vision and the building of a capability and

structure for achieving the Vision, focus on building a quality book, Internal Audit mechanism and Governance mechanisms.

Tata Capital also successfully underwent ISO 9001:2008 surveillance audit for the operations of its assets businesses, without any major non-conformity. Tata Capital is also beginning to implement Lean Six Sigma as a tool for improving its operational focus in order to enhance customer satisfaction and improve internal efficiencies. Tata Capital also launched its Ideation and Innovation platform “Bright Ideas” for employees to contribute through ideas and suggestions on business impacting areas. Through this platform, the employees can also provide ideas against the challenges thrown by the Leadership Team.

## **18. THE TATA CAPITAL BRAND**

The brand ‘Tata Capital’ today holds a strong position in the industry, having significantly grown in standing over the last few years. The Total Awareness and Consideration scores, as measured by the Brand Track, have improved to 86 and 70, respectively for B2C businesses and 93 and 77, respectively for B2B businesses. These scores are impressive for a young brand and stand ahead of much older competitors in the segment.

The year saw the brand carry forward two key initiatives, both living the promise of the brand to Do Right. The first, targeted at society at large, was an extension of the award winning ‘Journey of Doing Right’ initiative, which saw the successful completion of two more stories from remote parts of the country. The initiative was awarded the ‘Best use of Social Media’ award at the National Awards for Digital Excellence 2015. The second was the continuation of the unique ‘FlexiEMI’ campaign, a campaign around the customer-centric product feature of flexible loan repayment option across Tata Capital’s key retail loan products, namely – Home Loans, Personal Loans, Business Loans and Auto Loans. The year also saw the Brand focus on creating a niche in the wider Personal Loan segment by launching a ‘Wedding Loan’ campaign. The campaign leveraged a first-time alliance with a wedding-themed Bollywood movie.

In the coming years, Tata Capital will continue to focus on the ‘Do Right’ initiative, as well as product campaigns, with an aim to build a stronger association as a leading player in the financial services sector with innovative products and services.

## **19. BUSINESS DEVELOPMENT**

During the year, the Business Development Group (“BDG”) initiated opportunities by utilizing its relationship network within and outside the Tata group to the benefit of various businesses of Tata Capital. The BDG also enhanced its interactions with domestic industry and trade bodies and with other entities with a view to promoting the Tata Capital Brand and laying the groundwork for future business.

## **20. CORPORATE SUSTAINABILITY AND CORPORATE SOCIAL RESPONSIBILITY**

The Tata group has always epitomized philanthropy, ethical practices and an untiring quest for national betterment. Through its initiatives, Tata Capital has many long-term associations with NGOs that make a positive and measurable difference in each of the focus areas.

As per the provisions of Section 135 of the Act, the Company has constituted a Corporate Social Responsibility (“CSR”) Committee comprising Mr. F. N. Subedar (Chairman), Mr. Janki Ballabh, Dr. Ritu Anand and Mr. Praveen P. Kadle, as Members. The subsidiaries of the Company viz. TCFSL, TCHFL and TCCL, have spent an aggregate amount of Rs. 10.59 crore on CSR activities in projects and programs covered under Schedule VII of the Act. The CSR Policy outlining four thrust areas of development viz. Livelihood & Employability, Health, Education and Environment was adopted by the Board and the same has been put up on the Company’s website. TCL’s CSR policy can be accessed on <http://www.tatacapital.com/cs-policy>. The average net profit of the Company computed as per the Act and the applicable Rules, was negative and hence, the Company was not required to spend on CSR activities in FY 2015-16 and, consequently, has not directly spent any amount on CSR activities. The Annual Report on CSR activities is annexed herewith as Annexure ‘A’.

Tata Capital believes in social equity and the principle of equal opportunity, irrespective of gender, religion, caste or creed. The Affirmative Action program at Tata Capital seeks to promote access to quality education and technical skills and competencies for members of the Scheduled Castes (“SC”) and Scheduled Tribes (“ST”) communities, thus creating economic independence and sustainable livelihoods. The Vatsalya Ashramshala in Vikramgad, Maharashtra, is a residential school for tribal children, supported by Tata Capital. This initiative has seen very positive results. In the annual assessment of Tata Capital’s Affirmative Action Strategy and Agenda conducted by Tata Quality Management Services, Tata Capital moved up a band and was placed in the score band of 451 - 475. The Company was recognized for its Pankh scholarships as a good practice at the Tata Affirmative Action Program Convention.

The Tata Capital Pankh Scholarships provide educational support to bright SC/ST students, with the added benefit of mentoring. Employees are invited to nominate underprivileged students who have secured admission into a higher education, the precondition being that the employee will mentor the student until they complete their course. Selected candidates are offered customized scholarships which are tailored to the student’s needs. Based on employee feedback, the scholarships have been opened to underprivileged students from the general category as well.

## **21. COMPLIANCE**

The Company is registered with the RBI as a CIC. The Company has complied with and continues to comply with all applicable laws, rules, circulars and regulations, including the Directions of the RBI for a CIC, and it does not carry on any activities other than those specifically permitted by the RBI for CICs.

The Company has deployed “ComplianceCheck” (“Application”), an online platform to report and monitor compliances. The Application has features such as generation of compliance task alerts to Performer, escalation mechanism to Reviewer and Business/Functional Heads and Compliance Officer, generation of compliance reports and updating the compliance tasks based on regulatory developments. Compliance Status Reports are submitted on a regular basis to the Managing Director & CEO and are placed before the Board on a half yearly basis by the Company Secretary.

## **22. REGULATORY ACTION**

There are no significant or material orders passed by the regulators or courts or tribunals impacting the going concern status and operations of the Company in future.

## **23. DEPOSITS**

The Company did not hold any public deposits at the beginning of the year nor has it accepted any public deposits during the year under review.

## **24. PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS**

The provisions of Section 186 of the Act pertaining to investment and lending activities is not applicable to the Company since the Company is an NBFC whose principal business is acquisition of securities.

Details of guarantees and/or security in connection with loans to other bodies corporates or persons as covered under the provisions of Section 186 of the Act, are given in Note No. 26 to the Standalone Financial Statements.

## **25. DIRECTORS**

The Company has received declarations from the Independent Directors viz. Mr. Janki Ballabh and Mr. Nalin M. Shah, stating that they meet the criteria of independence as provided in Section 149(6) of the Act.

In accordance with the provisions of the Act and the Articles of Association of the Company, Mr. F. N. Subedar, Director, is liable to retire by rotation at the ensuing Annual General Meeting (“AGM”) of the Company and is eligible for re-appointment. The Members of the Company may wish to refer to the accompanying Notice of the AGM of the Company, for a brief resume of Mr. Subedar.

Mr. Kadle was re-appointed as the Managing Director & CEO of the Company as also of TCFSL, for a further period of 5 years commencing September 18, 2012. As at March 31, 2016, Mr. Kadle held 14,58,580 Equity Shares of the Company of ₹ 10 each, 10,000 - 8.33% CRPS and 7,000 - 12.5% CRPS of the Company of ₹ 1,000 each. During FY 2015-16, Mr. Kadle was given 10,000 Stock Options.

At the Meetings of the Nomination and Remuneration Committee ("NRC") and the Board, both held on May 2, 2016, an Incentive Remuneration of ₹ 2.45 crore was approved as payable to Mr. Kadle for FY 2015-16. With this, the total remuneration of Mr. Kadle for FY 2015-16, was ₹ 4.58 crore. The approval of the Members is being sought for increasing the maximum monthly basic salary payable to Mr. Kadle from ₹ 8,00,000 to ₹ 10,00,000, for the remainder of Mr. Kadle's term i.e. upto September 17, 2017. The Members of the Company may wish to refer to the accompanying Notice of the AGM of the Company.

## **26. EVALUATION OF THE BOARD, ITS COMMITTEES AND INDIVIDUAL DIRECTORS**

Pursuant to the provisions of the Act, the Board has carried out an annual evaluation of its own performance, the individual Directors as well as an evaluation of the working of all Board Committees. The Board of Directors was assisted in this by the Nomination and Remuneration Committee ("NRC"). The performance evaluation was carried out by seeking inputs from all the Directors / Members of the Committees, as the case may be. The criteria for evaluating the performance of the Board as a whole covered various aspects of the Board's functioning such as fulfillment of key responsibilities, structure of the Board and its composition, establishment and delineation of responsibilities of the Board Committees, effectiveness of Board processes, information and functioning, Board culture and dynamics, etc. The criteria for evaluation of individual Directors covered parameters such as attendance and contribution at meetings, guidance to Management, etc. The criteria for evaluation of the Board Committees covered areas related to degree of fulfillment of key responsibilities, adequacy of Board Committee composition, effectiveness of meetings, Committee dynamics, quality of relationship of the Committee with the Board and the Management, etc.

The feedback of the Independent Directors on their review of the performance of the Non-Independent Directors and the Board as a whole, the performance of the Chairman of the Company and assessment of the quality, quantity and timeliness of flow of information between the Company Management and the Board, was taken into consideration by the Board in carrying out the performance evaluation.

## **27. POLICY ON APPOINTMENT OF DIRECTORS AND REMUNERATION POLICY OF THE COMPANY**

The Nomination and Remuneration Committee of the Company comprises Mr. Janki Ballabh (Chairman), Mr. Ishaat Hussain, Mr. Nalin M. Shah and Dr. Ritu Anand. The NRC develops the competency requirements of the Board based on the industry and the strategy of the Company, conducts a gap analysis and recommends the reconstitution of the Board, as and when required. It also recommends to the Board, the appointment of Directors having good personal and professional reputation and conducts reference checks and due diligence of all Directors before recommending them to the Board. Besides the above, the NRC ensures that the new Directors are familiarized with the operations of the Company and endeavours to provide relevant training to the Directors.

In accordance with the provisions of Section 178 of the Act, the Board of Directors have adopted a Policy on Board Diversity and Director Attributes and Remuneration Policy. The Policy on Board Diversity and Director Attributes has been framed to encourage diversity of thought, experience, knowledge, perspective, age and gender in the Board. The Remuneration Policy for Directors, Key Managerial Personnel and all other employees is aligned to the philosophy on the commitment of fostering a culture of leadership with trust. The Remuneration Policy aims to ensure that the level and composition of the remuneration of the Directors, Key Managerial Personnel and all other employees is reasonable and sufficient to attract, retain and motivate them to successfully run the Company. The Policy on Board Diversity and Director Attributes as also the Remuneration Policy of the Company are attached hereto as Annexures 'B' and 'C', respectively.

## 28. KEY MANAGERIAL PERSONNEL

Mr. Praveen P. Kadle, Managing Director & CEO, Mr. Puneet Sharma, Chief Financial Officer and Ms. Avan Doomasia, Company Secretary, are the Key Managerial Personnel (“KMP”) of the Company, as also the KMPs of TCFSL, a wholly-owned subsidiary of the Company.

## 29. DIRECTORS’ RESPONSIBILITY STATEMENT

Pursuant to Section 134(5) of the Act, the Board of Directors, to the best of their knowledge and ability, confirm that:

- a) in the preparation of the annual accounts, the applicable accounting standards had been followed and that there are no material departures thereof;
- b) they had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit and cash flows of the Company for the year;
- c) they had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- d) they had prepared the annual accounts on a going concern basis; and
- e) they had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

Based on the framework of compliance systems established by the Company, work performed by the auditors and the reviews performed by the Management and the Audit Committee, the Board is of the opinion that the Company’s compliance systems were adequate and effective, during FY 2015-16.

## 30. CORPORATE GOVERNANCE

A summary of the corporate governance measures adopted by the Company is given below:

- i) The Company recognizes its role as a corporate citizen and endeavours to adopt the best practices and the highest standards of corporate governance through transparency in business ethics, accountability to its customers, Government and others. The Company’s activities are carried out in accordance with good corporate practices and the Company is constantly striving to better these practices by adopting the best practices.

The Company believes that good Corporate Governance practices enable the Management to direct and control the affairs of the Company in an efficient manner and to achieve the Company’s goal of maximizing value for all its stakeholders. The Company will continue to focus its resources, strengths and strategies to achieve its vision of becoming a leading financial services company in India with a global footprint, while upholding the core values of transparency, integrity, honesty and accountability, which are fundamental to Tata companies.

As a part of the Tata group, Tata Capital has a strong legacy of fair, transparent and ethical governance practices. The Corporate Governance philosophy has been further strengthened with the adherence to the TBEM as a means to drive excellence, the Balanced Scorecard methodology for tracking progress on long-term strategic objectives and the Tata Code of Conduct (“TCOC”) which articulates the values, ethics and business principles and serves as a guide to the Company, its Directors and employees, supplemented with an appropriate mechanism to report any concern pertaining to non-adherence to the TCOC. In addition, the

Company has adopted Governance Guidelines on Board Effectiveness, a Code of Conduct for Prevention of Insider Trading, Vigil Mechanism, a Fair Practices Code, an Affirmative Action Policy, a Policy against Sexual Harassment in the Workplace, a Policy on Board Diversity and Director Attributes, a Code of Conduct for Non-Executive Directors, Internal Guidelines on Corporate Governance and an Occupational Health & Safety Management System.

- ii) The Board of Directors, along with its Committees provides leadership and guidance to the Company's Management and directs, supervises and controls the activities of the Company.
- iii) The size of the Board is commensurate with the size and business of the Company. At present, the Board comprises seven Directors viz. Mr. Ishaat Hussain, Mr. Janki Ballabh, Mr. Nalin M. Shah, Mr. F. N. Subedar, Dr. Nirmalya Kumar, Dr. Ritu Anand and Mr. Praveen P. Kadle. Mr. Kadle is the Managing Director & CEO ("MD & CEO") of the Company. Mr. Janki Ballabh and Mr. Nalin M. Shah are the Independent Directors ("ID") of the Company and the other four Directors are Non-Executive Directors ("NED"). Board Meetings of the Company held during the FY 2015-16 were generally chaired by Mr. Ishaat Hussain, NED.
- iv) The Board has constituted Committees with specific terms of reference to focus on specific issues and ensure expedient resolution of diverse matters. These include the Audit Committee, Nomination and Remuneration Committee, Finance and Asset Liability Supervisory Committee, Risk Management Committee, Stakeholders Relationship Committee ("SRC") and Corporate Social Responsibility Committee. Currently, the Audit Committee of TCL comprises two Independent Directors viz. Mr. Nalin M. Shah (Chairman) and Mr. Janki Ballabh and one Non-Executive Director, Mr. F. N. Subedar. The Board has adopted an Audit Committee Charter which lays down the role, responsibilities and powers of the Audit Committee.

The scope of the Audit Committee, *inter alia*, includes the following:

- Recommend the appointment and removal of the Auditors and their remuneration, nature and scope of audit
- Ensure adequacy of internal controls and compliances and recommend remedial measures
- Review the adequacy of the Internal Audit function
- Review and monitor the auditors' independence and performance and effectiveness of the audit process
- Oversee financial reporting process and disclosure of financial information
- Examine the financial statements and the auditors' report thereon
- Evaluate internal financial controls and the risk management systems
- Act as a link between the Statutory Auditors, the Internal Auditors and the Board of Directors
- Review accounting policies
- Monitor compliance with TCOC
- Approve any transactions of the Company with related parties or any subsequent modifications thereof
- Scrutinise inter-corporate loans and investments
- Evaluate the valuation of undertakings or assets of the Company, if necessary
- Monitor the end use of funds raised through public offers and related matters
- Review findings of internal investigations / frauds / irregularities, etc.
- Carry out additional functions as per the regulatory requirements applicable to the Company or in the terms of reference of the Audit Committee
- Carry out the responsibilities under the Code of Conduct for Prevention of Insider Trading and Code of Corporate Disclosure Practices.

The Board has accepted all the recommendations made by the Audit Committee during the year.

Besides the Members of the Committee, meetings of the Audit Committee are attended by the Managing Director & CEO, Chief Financial Officer, Company Secretary, Statutory Auditors and Internal Auditor. The Internal Audit function is headed by the Chief Internal Auditor of the Company who reports to the Chairman of the Audit Committee to ensure independence of operations.

- v) During FY 2015-16, ten Meetings of the Board of Directors were held on May 8, 2015, June 23, 2015, July 27, 2015, August 25, 2015, October 30, 2015, November 26, 2015, December 11, 2015, January 25, 2016, March 16, 2016 and March 30, 2016. The details of attendance at Board Meetings and at the previous Annual General Meeting of the Company are, given below:

Name of Director	Category	Board Meetings		Whether present at previous AGM held on June 30, 2015
		Held	Attended	
Mr. Ishaat Hussain	Non-Executive Director	10	10	No
Mr. Janki Ballabh	Independent Director	10	9	Yes
Mr. Nalin M. Shah	Independent Director	10	9	Yes
Mr. F. N. Subedar	Non-Executive Director	10	9	Yes
Dr. Nirmalya Kumar	Non-Executive Director	10	8	No
Dr. Ritu Anand	Non-Executive Director	10	9	No
Mr. Praveen P. Kadle	Managing Director & CEO	10	10	Yes

Mr. Nalin Shah, Chairman of the Audit Committee and Mr. Janki Ballabh, Chairman of the NRC attended the last AGM of the Company. Dr. Ritu Anand, Chairperson of the SRC had authorized Mr. Janki Ballabh, a Member of the SRC, to attend the last AGM on her behalf.

- vi) The composition and details of attendance at various meetings of the Committees of the Board of the Company, are given below:

#### **Audit Committee**

During FY 2015-16, six Meetings of the Audit Committee were held on May 8, 2015, June 30, 2015, July 27, 2015, October 30, 2015, December 11, 2015 and January 25, 2016. The composition of the Audit Committee and the attendance of its Members at its Meetings held during FY 2015-16 is, given below:

Name of the Member	Category	No. of Meetings	
		Held	Attended
Mr. Nalin M. Shah, Chairman	Independent Director	6	6
Mr. Janki Ballabh	Independent Director	6	6
Mr. F. N. Subedar	Non-Executive Director	6	5

**Nomination and Remuneration Committee (“NRC”)**

During FY 2015–16, four Meetings of the NRC were held on April 21, 2015, May 5, 2015, September 24, 2015 and February 19, 2016. The composition of the NRC and the attendance of its Members at its Meetings held during FY 2015-16 is, given below:

Name of the Member	Category	No. of Meetings	
		Held	Attended
Mr. Janki Ballabh, Chairman	Independent Director	4	4
Mr. Ishaat Hussain	Non-Executive Director	4	4
Mr. Nalin M. Shah	Independent Director	4	4
Dr. Ritu Anand	Non-Executive Director	4	3

**Finance and Asset Liability Supervisory Committee (“ALCO”)**

During FY 2015-16, two Meetings of the ALCO were held on June 30, 2015 and November 24, 2015. The composition of the ALCO and the attendance of its Members at its Meetings held during FY 2015-16 is, given below:

Name of the Member	Category	No. of Meetings	
		Held	Attended
Mr. Ishaat Hussain, Chairman	Non-Executive Director	2	1
Mr. Janki Ballabh	Independent Director	2	2
Mr. F. N. Subedar	Non-Executive Director	2	2
Mr. Praveen P. Kadle	Managing Director & CEO	2	2

**Risk Management Committee (“RMC”)**

During FY 2015-16, two Meetings of the RMC were held on June 30, 2015 and November 24, 2015. The composition of the RMC and the attendance of its Members at its Meetings held during FY 2015-16 is, given below:

Name of the Member	Category	No. of Meetings	
		Held	Attended
Mr. Ishaat Hussain, Chairman	Non-Executive Director	2	1
Mr. Janki Ballabh	Independent Director	2	2
Mr. Nalin M. Shah	Independent Director	2	2
Mr. Praveen P. Kadle	Managing Director & CEO	2	2

**Corporate Social Responsibility Committee (“CSR”)**

During FY 2015-16, one Meeting of the CSR was held on May 20, 2015. The composition of the CSR and the attendance of its Members at its Meetings held during FY 2015-16 is, given below:

Name of the Member	Category	No. of Meetings	
		Held	Attended
Mr. F. N. Subedar, Chairman	Non-Executive Director	1	0
Mr. Janki Ballabh	Independent Director	1	1
Dr. Ritu Anand	Non-Executive Director	1	0
Mr. Praveen P. Kadle	Managing Director & CEO	1	1



### **Stakeholders Relationship Committee (“SRC”)**

During FY 2015-16, one Meeting of the SRC was held on February 19, 2016. The composition of the SRC and the attendance of its Members at its Meeting held during FY 2015-16 is, given below:

Name of the Member	Category	No. of Meetings	
		Held	Attended
Dr. Ritu Anand, Chairperson	Non-Executive Director	1	1
Mr. Janki Ballabh	Independent Director	1	1
Mr. Praveen P. Kadle	Managing Director & CEO	1	1

- vii) The Company paid Sitting Fees to the Non-Executive Directors and Independent Directors, for attending meetings of the Board and the Committees of the Board and will pay Commission to its Independent Directors, for FY 2015-16, within the maximum prescribed limits.

Details of Sitting Fees and Commission are, given below:

(₹ in lakh)

Name of Director(s)	Sitting Fees paid for attending Board and Committee Meetings during FY 2015-16	Commission to be paid for FY 2015-16
Mr. Ishaat Hussain, Non-Executive Director	7.20	–
Mr. Janki Ballabh, Independent Director	11.10	20.00*
Mr. Nalin M. Shah, Independent Director	10.10	20.00*
Mr. F. N. Subedar, Non-Executive Director	3.20	–
Dr. Nirmalya Kumar, Non-Executive Director	1.60	–
Dr. Ritu Anand, Non-Executive Director	6.10	–

\* Commission aggregating ₹ 40 lakh is proposed to be paid to the Independent Directors of the Company, subject to the approval of the Members of the Company. The Members of the Company may wish to refer to the accompanying Notice of the AGM of the Company.

- viii) None of the NEDs and IDs had any pecuniary relationships or transactions with the Company during the year under review.
- ix) Minutes of meetings of all Committees of the Board are placed before the Board for discussion/noting. A summary of the minutes of the meetings of the Boards of the subsidiary companies is also placed before the Board for noting, on a quarterly basis.
- x) The Company Secretary is the Secretary of all the aforementioned Committees.
- xi) The Company has signed the Tata Brand Equity and Business Promotion (“BEBP”) Agreement with Tata Sons Limited for subscribing to the TATA BEBP Scheme. The Company abides by the TCOC and the norms for using the Tata Brand identity.
- xii) Ms. Sarita Kamath is the Compliance Officer of the Company.

### **31. VIGIL MECHANISM**

The Company has established a Vigil Mechanism for its Directors and employees to report their genuine concerns or grievances. The said mechanism encompasses, *inter alia*, the Whistle Blower Policy, the Fraud Risk Management Process and the Ethics mechanism under the TCOC and provides for adequate safeguards against victimization of persons who use this mechanism. It also provides direct access to the Chairman of the Audit Committee and the Chief Ethics Counselor. The Vigil Mechanism, Whistle Blower Policy and TCOC have been put up on the Company’s website.

**32. DISCLOSURE AS PER THE SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013**

The Company is committed to providing and promoting a safe and healthy work environment for all its employees.

A 'Prevention of Sexual Harassment' ("POSH") policy that is in line with the statutory requirement, along with a structured reporting and redressal mechanism is in place. The POSH Policy is displayed on the Company's Intranet and is also communicated to employees through e-mails and communication campaigns. An Apex POSH Committee based in Mumbai and 11 Regional POSH Committees (each having a woman as Presiding Officer and an external woman member) are in place. During the year, 2 training sessions – by subject matter experts were conducted for the POSH Committee members. Members of the Committees have conducted training and awareness sessions across the organization, to sensitise employees to the needs and concerns of women employees and for the proper understanding of the POSH policy. There is also a dedicated e-mail id (posh@tatacapital.com) for employees to communicate, in strict confidence, directly with the Members of the POSH Committee.

During the year, the Company received no complaints under the Provisions of The Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

**33. STATUTORY AUDITORS**

Deloitte Haskins & Sells LLP ("DHS"), who are the Statutory Auditors of the Company, hold office until the conclusion of the ensuing AGM and are eligible for re-appointment.

DHS were appointed as the Statutory Auditors of the Company at the AGM of the Company held on July 17, 2007 for FY 2007-08 and have been re-appointed thereafter at every AGM of the Company. DHS have furnished a certificate confirming that, if re-appointed, their re-appointment would be in accordance with Section 139 read with Section 141 of the Act. At the conclusion of the ensuing AGM of the Company, DHS will complete a period of nine years as the Statutory Auditors of the Company. As per the provisions of the Act read with the Companies (Audit and Auditors) Rules, 2014, it is proposed to re-appoint DHS as the Auditors of the Company to hold office from the conclusion of this Meeting until the conclusion of the next AGM of the Company.

**34. ACCOUNTING STANDARDS FOLLOWED BY THE COMPANY**

The Financial Statements of the Company have been prepared in accordance with the Generally Accepted Accounting Principles in India (Indian GAAP) to comply with the Accounting Standards specified under Section 133 of the Act read with Rule 7 of the Companies (Accounts) Rules, 2014 and the relevant provisions of the Act and the Guidelines prescribed by the RBI, as applicable.

**35. EXPLANATION ON STATUTORY AUDITORS' REPORT**

There are no qualifications, reservations or adverse remarks or disclaimers made by DHS in their Reports dated May 2, 2016 on the Financial Statements of the Company for FY 2015-16.

**36. SECRETARIAL AUDITOR AND SECRETARIAL AUDIT REPORT**

Pursuant to the provisions of Section 204 of the Act and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Board of Directors had appointed M/s. Parikh & Associates, a firm of Company Secretaries in Practice, to undertake the Secretarial Audit of the Company for FY 2015-16. The Secretarial Audit Report, in the prescribed Form No. MR-3, is annexed as Annexure 'D'.

There are no qualifications, reservations or adverse remarks or disclaimers made by M/s. Parikh & Associates in their Secretarial Audit Report dated May 2, 2016, on the secretarial and other related records of the Company for FY 2015-16.

**37. INFORMATION ON MATERIAL CHANGES AND COMMITMENTS**

There are no material changes or commitments affecting the financial position of the Company which have occurred between March 31, 2016 and May 2, 2016, being the date of this Report.

### 38. RELATED PARTY TRANSACTIONS

The Company has adopted a Framework on Related Party Transactions for the purpose of identification and monitoring of such transactions.

A statement containing details of material contracts or arrangements or transactions with Related Parties on an arm's length basis with respect to transactions covered under Section 188 (1) of the Act in the prescribed Form No. AOC-2, is attached as Annexure 'E'. Further, details of Related Party Transactions as required to be disclosed by Accounting Standard – 18 on "Related Party Disclosures" specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014, are given in the Notes to the Financial Statements.

During the year, the Company has not entered into any transactions with Related Parties which are not in its ordinary course of business or not on an arm's length basis and which require disclosure in this Report in terms of the provisions of Section 188(1) of the Act.

### 39. ENERGY CONSERVATION, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS & OUTGO

#### (A) Conservation of energy:

i. Steps taken / impact on conservation of energy:

The operations of the Company, being financial services related, require normal consumption of electricity. The Company is taking every necessary step to reduce its consumption of energy.

ii. Steps taken by the Company for utilising alternate sources of energy:

Tata Capital has installed a solar panel at its Thane office which produces close to 750 Watts of energy and which self illuminates and provides power to the garden and security lights on the campus from dusk to dawn. The garden lights at the Thane office have been retrofitted with LED bulbs that consume less electricity as compared to the conventional incandescent or CFL bulbs.

iii. Capital investment on energy conservation equipment:

In view of the nature of the activities carried on by the Company, there is no capital investment on energy conservation equipment.

#### (B) Technology absorption:

i. The efforts made towards technology absorption;

ii. The benefits derived like product improvement, cost reduction, product development or import substitution;

iii. In case of imported technology (imported during the last 3 years reckoned from the beginning of the financial year):

(a) The details of technology imported;

(b) The year of import;

(c) Whether the technology been fully absorbed;

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

iv. The expenditure incurred on Research and Development.

Given the nature of the activities of the Company, the above would not be applicable to the Company.

#### (C) Foreign Exchange Earnings and Outgo:

Foreign Exchange earned in terms of actual inflows during the year under review was ₹ 31.41 crore and the Foreign Exchange Outgo during the year under review in terms of actual outflows was ₹ 0.89 crore.

**40. EXTRACT OF ANNUAL RETURN**

An extract of the Annual Return as prescribed under Section 92(3) of the Act and the Companies (Management and Administration) Rules, 2014, in the prescribed Form No. MGT. 9, is attached as Annexure 'F'.

**41. TATA CAPITAL LIMITED EMPLOYEE STOCK PURCHASE / OPTION SCHEME**

In order to develop and implement a long term incentive program to effectively attract, motivate and retain the best talent from the industry in a competitive environment, the Company has implemented the Tata Capital Limited Employee Stock Purchase / Option Scheme ("Scheme"), which has been amended from time to time. Pursuant to the provisions of Section 62 of the Act and the appropriate Rules framed thereunder, the Scheme was amended to bring it in line with the applicable provisions of the Act. The Scheme has also been adopted by the subsidiaries of the Company viz. TCFSL, TCHFL, TCCL, Tata Securities, TCTSL and TCFL.

For implementation of the Scheme, the TCL Employee Welfare Trust ("Trust") was set up and 7,02,34,526 Equity Shares of the Company aggregating 2.49% of its total paid up Equity Share Capital were allotted to the Trust. The Trust entrusted the ESOP Committee of the Board (which has now been combined with the Nomination and Remuneration Committee ("NRC") of the Board), with powers to effectively administer the Scheme. The NRC, *inter alia*, determines the employees to whom an offer is to be made, based on certain performance criteria, the price at which the options can be exercised, the quantum of offer to be made and the terms and conditions for vesting and exercise of the offer. For the purpose of the Scheme, the valuation of the Equity Shares of the Company is conducted by a Registered Valuer on a half-yearly basis.

As at March 31, 2016, out of 7,02,34,526 Equity Shares of the Company allotted to the Trust, 1,36,94,346 Equity Shares of the Company aggregating 0.49% of its total paid up Equity Share Capital were held by the Employees under the Schemes.

Based on the recommendation of the NRC and the approval of the Board, the Members of the Company at the Extraordinary General Meeting held on March 31, 2016, approved the amendment of the Scheme to amend various definitions and provisions mentioned therein to bring it in line with the applicable provisions of the Act.

The following disclosures are being made as required under Rule 12 of the Companies (Share Capital and Debentures) Rules, 2014:

Sr. No.	Particulars (upto March 31, 2016)	ESOP 2011	ESOP 2013	ESOP 2016**
1	Options Granted	34,73,331	29,75,414	1,19,45,000
2	Options Vested	34,73,331	19,83,656	Nil
3	Options Exercised	14,24,222	1,00,153	Nil
4	Total number of shares arising out of exercise of Options	14,24,222	1,00,153	Nil
5	Options Lapsed	5,71,389	Nil	Nil
6	Exercise Price	₹ 17.77	₹ 25	₹ 30
7	Money realized by exercise of Options	₹ 2,53,08,425	₹ 25,03,825	Nil
8	Variation of terms of Options*	-	-	-
9	Total number of Options in force	14,77,720	18,83,503	1,19,45,000

\* Pursuant to the provisions of Section 62 of the Act and the applicable Rules framed thereunder, the Scheme was amended to bring it in line with the applicable provisions of the Act.

\*\* Options granted under ESOP 2016 will vest after a period of 1 year from the Date of Grant (i.e. March 31, 2016) and can be exercised anytime upto one year from the Date of Vesting (i.e. March 31, 2017).

Employee wise details of options granted to:

i. Key Managerial Personnel:

Sr. No.	Name of Key Managerial Personnel	ESOP 2011		ESOP 2013		ESOP 2016	
		Offered	Exercised	Offered	Exercised	Offered	Exercised
1	Mr. Praveen P. Kadle	2,40,000	2,40,000	NIL	NIL	10,000	–
2	Mr. Puneet Sharma	80,000	30,000	NIL	NIL	10,000	–
3	Ms. Avan Doomasia	60,000	20,000	NIL	NIL	10,000	–

ii. Any other employee who receives a grant of Options in any one year of Options amounting to five percent or more of Options granted during that year: None.

iii. Identified employees who were granted Options, during any one year, equal to or exceeding one percent of the issued capital (excluding outstanding warrants and Conversions) of the Company at the time of grant: None.

#### 42. GREEN INITIATIVE

Section 136 of the Act and the Rules framed there under allows the Company to send its Financial Statements by electronic mode to such Members whose shareholding is in dematerialized format and whose email addresses are registered with the Depositories for communication purposes. As a responsible corporate citizen, the Company proposes to effect electronic delivery of the Annual Report of the Company in lieu of the paper form to the Members who have registered their email IDs with the Depositories. A physical copy of the Annual Report will be sent to those Members who have not registered their email addresses with the Depositories for receiving electronic communication. A physical copy of this Annual Report can also be obtained free of cost by any Member from the Registered Office of the Company on any working day during business hours or by sending a request, in writing, for the same to the Company Secretary.

A copy of this Annual Report along with the Annual Report for FY 2015-16 of each of the Company's subsidiaries is also available on the website of the Company, [www.tatacapital.com](http://www.tatacapital.com).

#### 43. ACKNOWLEDGEMENTS

The Directors would like to place on record their gratitude for the valuable guidance and support received from the Reserve Bank of India, the Securities and Exchange Board of India, the National Housing Bank, Monetary Authority of Singapore, Financial Conduct Authority, UK, and other government and regulatory agencies and to convey their appreciation to Tata Sons Limited (the holding company), the Members, customers, bankers, lenders, vendors and all other business associates for the continuous support given by them to Tata Capital. The Directors also place on record their appreciation of all the employees of Tata Capital for their commitment, commendable efforts, team work and professionalism.

For and on behalf of the Board of Directors

Mumbai  
May 2, 2016

**Ishaat Hussain**  
Director

**Praveen P. Kadle**  
Managing Director & CEO

## Annexure A

## ANNUAL REPORT ON CORPORATE SOCIAL RESPONSIBILITY ("CSR") ACTIVITIES

- 1. Brief outline of the Company's CSR policy, including overview of projects or programs proposed to be undertaken and reference to the web-link to the CSR policy and projects or programs:**

Vision: To ensure sustainability by doing what is right, through the adoption of sustainable business practices, employee policies and technologies.

Purpose: To protect the interests of all the stakeholders of the Company and contribute to society at large, by making a measurable and positive difference through the four causes the Company supports viz. Livelihood & Employability, Health, Education and Environment.

Sectors and Issues: In sectors and issues pertaining to the purpose mentioned above.

For details of the CSR Policy along with projects and programs, kindly refer to <http://www.tatacapital.com/cs-policy>

- 2. The composition of the CSR Committee:**

The Board of Directors have constituted a CSR Committee in accordance with the requirements of Section 135(1) of the Companies Act, 2013 ("Act"), which currently comprises:

- a) Mr. F. N. Subedar, Non-Executive Director (Chairman)
- b) Mr. Janki Ballabh, Independent Director
- c) Dr. Ritu Anand, Non-Executive Director
- d) Mr. Praveen P. Kadle, Managing Director & CEO

- 3. Average Net Profit of the Company as per Section 198 of the Act for last three Financial Years:**

(₹ in crore)

<u>Financial Year</u>	<u>Net Profit (net of dividend)</u>
FY 2012-13	(22.44)
FY 2013-14	10.05
FY 2014-15	9.92
Average Net Profit	(0.82)

*Note: The above net profit (net of dividend) has been calculated in accordance with the provisions of Section 198 of the Act read with Companies (Corporate Social Responsibility Policy) Rules, 2014.*

- 4. Prescribed CSR expenditure (2% of Average Net Profit as indicated in Point No. 3):**

Since the average net profits of the Company for the past three financial years were negative, the Company was not required to spend any amount on CSR activities in FY 2015-16.

- 5. Details of CSR spend during FY 2015-16:**

- a. Total amount to be spent : Not Applicable
- b. Amount unspent, if any : Not Applicable

c. Manner in which the amount was spent during FY 2015-16 is detailed below:

Sr. No.	CSR Projects or Activity Identified	Sector in which the project is covered	Projects or Programs 1) Local area or other, 2) Specify the state and District where the projects or programs was undertaken	Amount outlay (Budget) project or Program wise	Amount spent on the projects or Programs Sub heads:		Cumulative expenditure upto the reporting period	Amount spent Direct or through implementing agency
					Direct Expenditure on projects or Programs	Overheads		
Not Applicable								

6. In case the Company has failed to spend the 2% of the Average Net Profit of the last three financial years or any part thereof, reasons for not spending the amount:

Not Applicable

We hereby confirm that the implementation, where applicable, and the monitoring of the CSR Policy, has been in compliance with the CSR objectives and CSR Policy adopted by the Company.

Sd/-

F. N. Subedar  
Chairman, CSR Committee  
(Non-Executive Director)

Sd/-

Janki Ballabh  
Member, CSR Committee  
(Independent Director)

Sd/-

Ritu Anand  
Member, CSR Committee  
(Non-Executive Director)

Sd/-

Praveen P. Kadle  
Member, CSR Committee  
(Managing Director & CEO)

## Annexure B

**BOARD DIVERSITY POLICY AND DIRECTOR ATTRIBUTES****1. PURPOSE**

In terms of Section 178 of the Companies Act, 2013 ("Act") and the Governance Guidelines on Board Effectiveness issued by Tata Sons Limited and adopted by the Board of Directors, the Nomination and Remuneration Committee ("NRC") of the Board is, *inter alia*, required to formulate a Policy on Board Diversity and lay down the criteria for determining qualifications, positive attributes and independence of a director.

Diversity in the composition of the Board of Directors has become essential in view of the expansion of business, greater social responsibility, increasing emphasis on Corporate Governance, need for addressing concerns of diverse stakeholders and the necessity for managing risks in the business effectively. A Board composed of appropriately qualified and skilled people, with a broad range of experience relevant to the business, is important for effective corporate governance and sustained commercial success of a company.

In view of the above, Tata Capital Limited ("TCL" or "Company") has framed this Policy on Board Diversity and Director Attributes ("Policy") that encourages diversity of thought, experience, knowledge, perspective, age and gender in the Board. The Policy sets out the approach to diversity in the Board of Directors of the Company so as to ensure that the Board has an appropriate blend of functional and industry expertise.

This Policy has been adopted by the Board of Directors of the Company, based on the recommendations of the NRC.

**2. OBJECTIVES OF THE POLICY**

The Objectives of the Policy include:

- i. Board to drive diversity and have an appropriate blend of functional and industry expertise;
- ii. While recommending the appointment of a director to, *inter alia*, consider the manner in which the function and domain expertise of the individual contributes to the overall skill domain mix of the Board;
- iii. To help the Company build a better Board that can draw upon a wide range of perspectives, expertise, knowledge and experience;
- iv. To achieve an optimum and balanced Board, with a wide range of attributes;
- v. To encourage healthy and open discussion and promote independence of judgement in Board and Committee deliberations; and
- vi. To have an optimum mix of Executive, Non-Executive and Independent Directors, including Women Directors.

**3. POLICY STATEMENT**

To meet the above Objectives:

- i. The Board of TCL will ensure that a transparent Board nomination process is in place that encourages diversity of thought, experience, skills, knowledge, perspective, age, nationality, gender, cultural and educational background;
- ii. It will be ensured that the Board has an appropriate blend of functional and industry expertise and skills;
- iii. The consideration and selection of candidates for appointment to the Board will be based on merit which shall include a review of any candidate's integrity, experience, educational background, industry or related experience and more general experience;



- iv. Candidates that bring a diversity of background and opinion from amongst those candidates with the appropriate background and industry or related expertise and experience and having the ability to devote sufficient time to the affairs of the Company, should be considered for appointment to the Board; and
- v. While recommending the appointment of a Director, the NRC will consider the criteria as laid down under the Act and applicable Regulations/Guidelines issued by Statutory and Regulatory authorities, as also those issued by Tata Sons Limited, from time to time, and the manner in which the function and domain expertise of the individual will contribute to the overall skill-domain mix of the Board.

#### **4. MEASURABLE OBJECTIVES**

The NRC will largely rely on the regulatory provisions of the Act, the Regulations/Guidelines issued by the RBI (as applicable to a Core Investment Company) as also the Guidelines circulated by Tata Sons Limited and review the measurable objectives for achieving diversity against these provisions and recommend the same to the Board for adoption. At any given point of time, the Board may seek to improve one or more aspects of its diversity and measure progress accordingly.

#### **5. MONITORING AND REPORTING**

The NRC will review the Policy periodically, which will include an assessment of the effectiveness of the Policy. The NRC will discuss any revision that may be required and recommend the same to the Board for approval.

## Annexure C

**REMUNERATION POLICY****1. COMPENSATION PHILOSOPHY**

Tata Capital Limited ("Company") has a defined formal compensation philosophy for itself and its subsidiary companies. In order to build a high performance culture, aligned to the Company's Vision and Goals, the Compensation Philosophy aims at providing a significant differential to superior performers and also segregating increments and performance payouts, based on the actual performance of various business verticals.

The aforementioned Compensation Philosophy helps the Company to manage long term fixed cost, keep up with market compensation and attract the right talent to help drive its growth plans.

The performance of the Company and its Business Units / Functions is measured against annual budgets / targets, set as per the Balanced Score Card (BSC). Performance of individuals is measured against Key Result Areas (KRAs) set at the beginning of year and after considering any revision of target during the year. The Annual Performance Rating would be considered for calculating the Performance Pay. Rating would be on a 5 point scale.

Consistent with the principle of differential influence that an employee may have on the overall performance of the Company, different weights are assigned for the Company's performance, the performance of Business Units/Functions and the performance of individuals. Thus, employees in entry level / junior management have greater weightage for individual performance while employees in senior leadership roles have maximum weightage for Company and Business Unit Performance.

**2. REMUNERATION POLICY FOR DIRECTORS, KEY MANAGERIAL PERSONNEL AND OTHER EMPLOYEES**

The philosophy for remuneration of Directors, Senior Leadership Team, Key Managerial Personnel ("KMP") and all other employees of the Company is based on the commitment to fostering a culture of leadership with trust. The Remuneration Policy is aligned to this philosophy.

This Remuneration Policy has been prepared pursuant to the provisions of Section 178(3) of the Companies Act, 2013 ("Act"). In case of any inconsistency between the provisions of law and this Remuneration Policy, the provisions of law shall prevail and the Company shall abide by the applicable law. In case there are any changes in the law, the Company shall comply with the applicable amended provisions. While formulating this Remuneration Policy, the Nomination and Remuneration Committee ("NRC") has considered the factors laid down under Section 178(4) of the Act which are, as under:

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

The key principles governing this Remuneration Policy are, as follows:

**2.1 Remuneration for Independent Directors and Non-Independent Non-Executive Directors**

- (i) Independent Directors ("ID") and Non-Independent Non-Executive Directors ("NED") may be paid Sitting Fees (for attending the meetings of the Board and of Committees of the Board of which they may be Members) and Commission within regulatory limits.

- (ii) Within the parameters prescribed by law, the payment of Sitting Fees and Commission will be recommended by the NRC for approval of the Board.
- (iii) Overall remuneration (Sitting Fees and Commission) should be reasonable and sufficient to attract, retain and motivate directors aligned to the requirements of the Company (taking into consideration, the challenges faced by the Company and its future growth imperatives).
- (iv) Overall remuneration should be reflective of the size of the Company, complexity of the sector / industry / Company's operations and the Company's capacity to pay the remuneration.
- (v) Overall remuneration practices should be consistent with recognized best practices.
- (vi) Quantum of Sitting Fees may be subject to review on a periodic basis, as required.
- (vii) The aggregate Commission payable to all the NEDs and IDs will be recommended by the NRC to the Board based on Company performance, profits, return to investors, shareholder value creation and any other significant qualitative parameters, as may be decided by the Board.
- (viii) The NRC will recommend to the Board, the quantum of Commission for each director based upon the outcome of the evaluation process which is driven by various factors including attendance and time spent at Board and Committee meetings, individual contribution at the meetings and contributions made by directors, other than at Board and Committee meetings.
- (ix) In addition to the Sitting Fees and Commission, the Company may pay to any director such fair and reasonable expenditure, as may have been incurred by the director while performing his / her role as a Director of the Company. This could include reasonable expenditure incurred by the director for attending Board / Board Committee meetings, General Meetings, court convened meetings, meetings with Shareholders / Creditors / Management, site visits, induction and training (arranged by the Company for directors) and in obtaining professional advice from independent advisors in the furtherance of his / her duties as a director.

## **2.2 Remuneration for Managing Director (“MD”)/Executive Directors (“ED”)/KMP/rest of the employees <sup>(Note 1)</sup>**

- (i) The extent of overall remuneration to the MD/ED/KMPs/rest of the employees should be sufficient to attract and retain talented and qualified individuals suitable for their roles.

Hence, remuneration should be:

- market competitive ('market' for every role is defined as companies from which the company attracts talent or companies to which the company loses talent)
  - driven by the role played by the individual;
  - reflective of the size of the company, complexity of the sector / industry / Company's operations and the Company's capacity to pay;
  - consistent with recognized best practices; and
  - aligned to any regulatory requirements.
- (ii) In terms of remuneration mix or composition,
    - the remuneration mix for the MD/EDs should be as per the contract approved by the Shareholders. In case of any change which is beyond the remuneration approved by the Shareholders, the same would require the approval of the Shareholders.

- basic / fixed salary is provided to all employees to ensure that there is a steady income in line with their skills and experience.
- in addition to the basic / fixed salary, the Company provides employees with certain perquisites, allowances and benefits to enable a certain level of lifestyle and to offer scope for savings and tax optimization, where possible. The Company also provides all employees with a social security net (subject to limits) by covering medical expenses and hospitalization through re-imburements or insurance cover and accidental death and dismemberment through personal accident insurance.
- the Company provides retirement benefits, as applicable.
- in addition to the basic / fixed salary, benefits, perquisites and allowances as provided above, the Company may provide MD/EDs such remuneration by way of Commission, calculated with reference to the Net Profits of the Company in a particular financial year, as may be determined by the Board, subject to the overall ceilings stipulated in Section 197 of the Act. The specific amount payable to the MD / EDs would be based on the performance of the MD/EDs as evaluated by the Board or the NRC and approved by the Board.

OR

- In addition to the basic/fixed salary, benefits, perquisites and allowances as provided above, the Company may provide to its MD/ED, such remuneration by way of an annual incentive remuneration/performance linked bonus subject to the achievement of certain performance criteria and such other parameters as may be considered appropriate from time to time by the Board. An indicative list of factors that may be considered for determination of the extent of this component are:
  - Company's performance on certain defined qualitative and quantitative parameters, as may be decided by the Board from time to time,
  - Industry benchmarks of remuneration,
  - Performance of the individual.
- The Company will provide the rest of the employees, a performance linked incentive pay. The performance linked pay would be driven by the outcome of the performance appraisal process and the performance of the Company.

### 2.3 Remuneration payable to Director for services rendered in other capacity

No remuneration will be payable to the Directors for services rendered by such Director in any other capacity unless:

- a) The services rendered are of a professional nature;
- b) The NRC is of the opinion that the director possesses requisite qualification for the practice of the profession; and
- c) Approval of the Central Government has been received, if required, for paying the same.

### 2.4 Policy implementation

The NRC is responsible for recommending the Remuneration Policy to the Board. The Board is responsible for approving and overseeing implementation of the Remuneration Policy.

*Note 1 Excludes employees covered by any long term settlements or specific term contracts. The remuneration for these employees would be driven by the respective long term settlements or contracts.*

## Annexure D

**FORM No. MR-3**  
**SECRETARIAL AUDIT REPORT**  
**FOR THE FINANCIAL YEAR ENDED MARCH 31, 2016**

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

To,  
The Members  
Tata Capital Limited

We have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by Tata Capital Limited (hereinafter called the "Company"). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

Based on our verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company, the information provided by the Company, its officers, agents and authorised representatives during the conduct of Secretarial Audit, the explanations and clarifications given to us and the representations made by the Management, we hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on March 31, 2016 generally complied with the statutory provisions listed hereunder and also that the Company has proper Board processes and compliance mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records made available to us and maintained by the Company for the financial year ended on March 31, 2016 according to the provisions of:

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

- (h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998 (Not applicable to the Company during the audit period).

Other laws applicable specifically to the Company are:

- (a) All the Rules, Regulations, Guidelines and Circulars applicable to Core Investment Companies under the RBI Act, 1934
- (b) Credit Information Companies (Regulation) Act, 2005 and Rules
- (c) The Securities and Exchange Board of India Act, 1992 and The Securities and Exchange Board of India (Venture Capital Funds) Regulations, 1996.

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

Secretarial Standards issued by The Institute of Company Secretaries of India with respect to Board and General Meetings.

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

We further report that:

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

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

Decisions at the Board Meetings were taken unanimously.

We further report that there are adequate systems and processes in the Company commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

We further report that during the audit period, the Company had following events which had bearing on the Company's affairs in pursuance of the above referred laws, rules, regulations, guidelines, standards etc.

- a. The Company had issued and allotted 50,00,000 Cumulative Redeemable Preference Shares of ₹ 1,000 each aggregating ₹ 500 crore, on a private placement basis.
- b. The Company has an Employee Stock Purchase / Option Scheme ("ESOP Scheme") which is implemented through the TCL Employee Welfare Trust ("Trust") to whom the Company had allotted Equity Shares in the past. During the year, the Trust has issued 5,83,972 Equity Shares to the employees of the Company and its subsidiary companies and has bought back 13,64,826 Equity Shares in terms of the ESOP Scheme.
- c. The Hon'ble High Court of Judicature at Madras and the Hon'ble High Court of Bombay has sanctioned the Scheme of Amalgamation for the amalgamation of Tata Infrastructure Capital Limited ("TICL") and India Collections Management Limited ("ICML"), respectively with the Company. TICL and ICML are in the process of filing the necessary forms with the Registrar of Companies, Chennai and Mumbai, respectively, for the Scheme of Amalgamation to become effective.

**For Parikh & Associates**  
Company Secretaries

Mumbai  
May 2, 2016

**Jigyasa N. Ved**  
(Partner)  
FCS No: 6488 CP No: 6018

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

Annexure I

To,  
The Members  
Tata Capital Limited

Our report of even date is to be read along with this letter.

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

For **Parikh & Associates**  
Company Secretaries

Mumbai  
May 2, 2016

**Jigyasa N. Ved**  
(Partner)  
FCS No: 6488 CP No: 6018

**Annexure E**

**Form No. AOC- 2**

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

Form for disclosure of particulars of contracts/arrangements entered into by the Company with related parties referred to in sub-section (1) of Section 188 of the Companies Act, 2013 including certain arm's length transactions under third proviso thereto

1. Details of contracts or arrangements or transactions not at arm's length basis - Not Applicable
2. Details of material contracts or arrangement or transactions at arm's length basis:

(₹ in lakh)

Sr. No.	Name of the Related Party	Nature of Relationship	Nature of contracts/ arrangements/transactions	Amount	Duration of the contracts / arrangements/ transactions	Salient terms of the contracts or arrangements or transactions including the value, if any	Amount paid as advances, if any
1	Tata Capital Financial Services Limited ("TCFSL")	Subsidiary	a) Investment in Compulsorily Convertible Cumulative Preference Shares ("CCCPS")	16,000	9 years	Compulsorily Convertible into Equity Shares after completion of 9 years from the date of allotment or voluntary conversion at the option of the CCCPS holder; Rate of Dividend being 9% p.a.	-
			b) Investment in Unsecured Perpetual Non Convertible Debentures	10,000	Perpetual	Yield @ 9.80 % p.a	-
			c) ICDs placed during the year	7,00,373	Tenor upto 1 year	Cost of Funds for previous month plus 25 bps	-
			d) ICDs repaid back during the year	6,52,421	Tenor upto 1 year	Not Applicable	-
			e) Security Deposit Outstanding - Payable	4,665	Period of lease upto September 30, 2017	As per the Agreement entered into between the Company and TCFSL	-
			f) Dividend received during the year - Equity Shares	17,517	Not Applicable	Interim Dividend received for FY 2014-15 during FY 2015-16, at the rate of ₹ 0.60 per Equity Share of ₹ 10 each. Interim Dividend received for FY 2015-16 during FY 2015-16, at the rate of ₹ 0.75 per Equity Share of ₹ 10 each.	-
			g) Interest Income on ICDs during the year	6,453	Tenor upto 1 year	Cost of Funds for previous month plus 25 bps.	-
			h) ICDs Outstanding - Receivable	50,552	Tenor upto 1 year	Cost of Funds for previous month plus 25 bps	-
			i) Investment in Non Convertible Subordinated Debentures - Outstanding	5,000	10 years	Yield @ 9.37% p.a	-
2	Tata Capital Housing Finance Limited	Subsidiary	a) Investment in Compulsorily Convertible Cumulative Preference Shares	24,500	9 years	Compulsorily Convertible into Equity Shares after completion of 9 years from the date of allotment or voluntary conversion at the option of the CCCPS holder; Rate of Dividend being 9% p.a.	-
			b) ICDs placed during the year	353,190	Tenor upto 1 year	Cost of Funds for previous month plus 25 bps	-
			c) ICDs repaid back during the year	331,970	Tenor upto 1 year	Not Applicable	-
			d) Interest Income on ICDs during the year	1,437	Tenor upto 1 year	Cost of Funds for previous month plus 25 bps.	-
			e) Dividend received during the year on CCCPS	7,530	Not Applicable	Final Dividend paid for FY 2014-15, at the rate of 9% p.a. and Interim Dividend at the rate of 9% p.a for FY 2015-16.	-



Sr. No.	Name of the Related Party	Nature of Relationship	Nature of contracts/ arrangements/transactions	Amount	Duration of the contracts / arrangements/ transactions	Salient terms of the contracts or arrangements or transactions including the value, if any	Amount paid as advances, if any
			f) ICDs Outstanding - Receivable	21,220	Tenor upto 1 year	Cost of Funds for previous month plus 25 bps	-
			g) Investment in Non Convertible Subordinated Debentures	3,300	10 years	Yield @ 10.25% p.a	-
3	Tata Cleantech Capital Limited	Subsidiary	a) ICDs placed during the year	87,069	Tenor upto 1 year	Cost of Funds for previous month plus 25 bps	-
			b) ICDs repaid back during the year	95,993	Tenor upto 1 year	Not Applicable	-
			c) Interest Income on ICDs during the year	835	Tenor upto 1 year	Cost of Funds for previous month plus 25 bps	-
			d) ICDs Outstanding - Receivable	22,636	Tenor upto 1 year	Cost of Funds for previous month plus 25 bps	-
4	TC Travel And Services Limited	Subsidiary	a) ICDs placed during the year	4,500	Tenor upto 1 year	Cost of Funds for previous month plus 25 bps	-
			b) ICDs repaid back during the year	4,025	Tenor upto 1 year	Not Applicable	-
			c) ICDs Outstanding - Receivable	1,125	Tenor upto 1 year	Cost of Funds for previous month plus 25 bps	-
5	Tata Capital Forex Limited	Subsidiary	a) ICDs placed during the year	5,250	Tenor upto 1 year	Cost of Funds for previous month plus 25 to 100 bps	-
			b) ICDs repaid back during the year	4,050	Tenor upto 1 year	Not Applicable	-
			c) ICDs Outstanding - Receivable	3,500	Tenor upto 1 year	Cost of Funds for previous month plus 25 to 100 bps	-
6	Tata Securities Limited	Subsidiary	a) ICDs placed during the year	1,034	Tenor upto 1 year	Cost of Funds for previous month plus 100 bps	-
			b) ICDs Outstanding - Receivable	1,434	Tenor upto 1 year	Cost of Funds for previous month plus 100 bps	-
7	Tata Capital Advisors Pte Limited ("TCAPL")	Subsidiary	Income – Advisory Fees	3,141	Ongoing, subject to termination	Non-binding advice by the Company. Monthly invoices raised as per terms of agreement with currency risk is to the account of TCAPL.	-
8	Tata Capital Growth Fund	Subsidiary	a) Investment in Units of Fund made during the year	4,350	Long Term Investment	Investment made during the year on the basis of capital call from Fund. Total commitment at ₹ 250 crore to the Fund	-
			b) Income- Dividend Distribution	1,601	Not Applicable	Proportionate Dividend Income attributable to units held by Tata Capital Limited	-
9	Tata Business Support Services	Fellow Subsidiary	a) ICDs placed during the year of which: (i) ICDs repaid back during the year (ii) ICDs Outstanding - Receivable	1,100 500 600	Tenor upto 1 year	Market rates	-
10	Tata Capital Healthcare Fund	Associate	Investment in Units of Fund made during the year	3,954	Long Term Investment	Investment made during the year on the basis of capital call from Fund. Total commitment at Rs.100 crore to the Fund	-
11	Tata Capital Innovations Fund	Associate	Investment in Units of Fund made during the year	2,476	Long Term Investment	Investment made during the year on the basis of capital call from Fund. Total commitment at ₹ 78 crore to the Fund	-
12	Tata Autocomp Systems Limited	Associate	Dividend received during the year	966	Not Applicable	Dividend for FY 2014-15, at the rate of ₹ 2 per Equity Share of ₹ 10 each of the Company	-

Note: Appropriate approvals have been taken for Related Party Transactions.

For and on behalf of the Board of Directors

Mumbai  
May 2, 2016

**Ishaat Hussain**  
Director

**Praveen P. Kadle**  
Managing Director & CEO

## Annexure F

## Form No. MGT-9

## EXTRACT OF ANNUAL RETURN

as on the financial year ended on March 31, 2016

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

## I. REGISTRATION AND OTHER DETAILS:

- i) CIN: U65990MH1991PLC060670  
 ii) Registration Date: March 8, 1991  
 iii) Name of the Company: Tata Capital Limited  
 iv) Category of the Company: Company Limited by shares  
 Sub-category of the Company: Indian Non-Government Company  
 v) Address of the Registered office and contact details:  
 One Forbes, Dr. V. B. Gandhi Marg, Fort, Mumbai – 400001, Maharashtra, India.

Contact details:

Telephone Number: 022 6745 9000

E-mail id: avan.doomasia@tatacapital.com

- vi) Whether listed company: No  
 vii) Name, Address and Contact details of Registrar and Transfer Agent, if any

a) Registrar and Transfer Agent for the Company's Equity Shares

Name : TSR Darashaw Limited  
 Address : 6-10, Haji Moosa Patrawala Industrial Estate,  
 Near Famous Studio, 20, Dr. E Moses Road,  
 Mahalaxmi, Mumbai – 400011, Maharashtra, India  
 Contact Details : Mr. Deepak Tambe  
 Phone No.: 022-66178554  
 E-mail: dtambe@tsrdarashaw.com

b) Registrar and Transfer Agent for the Company's Preference Shares

Name : Sharepro Services (India) Private Limited  
 Address : 13 AB, Samhita Warehousing Complex,  
 2<sup>nd</sup> Floor, Behind Sakinaka Telephone Exchange,  
 Off Andheri – Kurla Road, Sakinaka, Andheri (East),  
 Mumbai – 400 072, Maharashtra, India  
 Contact Details : Mr. Sachin Shinde  
 Phone No.: 022-61915411  
 E-mail: sachins@shareproservices.com

## II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

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

Sl. No.	Name and Description of main next time products / services	NIC Code of the Product/ service	% to total turnover of the company
1	Investment Activity	64200	74
2	Advisory Services	66309, 66190	20

### III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES

Sl. No	Name And Address of The Company	CIN/GLN	Holding/ Subsidiary/ Associate	% of Shares Held	Applicable Section
1	Tata Sons Limited Bombay House, 24 Homi Mody Street, Mumbai – 400001	U99999MH1917PLC000478	Holding	90.28	Section 2(46)
2	Tata Capital Financial Services Limited One Forbes, Dr V B Gandhi Marg, Fort, Mumbai – 400001	U67100MH2010PLC210201	Subsidiary	100	Section 2(87)
3	Tata Capital Housing Finance Limited One Forbes, Dr V B Gandhi Marg, Fort, Mumbai – 400001	U67190MH2008PLC187552	Subsidiary	100	Section 2(87)
4	Tata Securities Limited One Forbes, Dr V B Gandhi Marg, Fort, Mumbai – 400001	U67120MH1994PLC080918	Subsidiary	100	Section 2(87)
5	Tata Cleantech Capital Limited One Forbes, Dr V B Gandhi Marg, Fort, Mumbai – 400001	U65923MH2011PLC222430	Subsidiary	80.50	Section 2(87)
6	TC Travel And Services Limited One Forbes, Dr V B Gandhi Marg, Fort, Mumbai – 400001	U63040MH2008PLC187559	Subsidiary	100	Section 2(87)
7	Tata Infrastructure Capital Limited MT Rajen's Properties, # 40 Buzullah Road, T Nagar, Chennai – 600017	U67190TN2010PLC076545	Subsidiary	100	Section 2(87)
8	Tata Capital Pte. Limited 8 Shenton Way, #19-01, AXA Tower, Singapore 068811	N.A.	Subsidiary	100	Section 2(87)
9	Tata Capital Forex Limited One Forbes, Dr V B Gandhi Marg, Fort, Mumbai – 400001	U65921MH2006PLC238745	Subsidiary	100	Section 2(87)
10	India Collections Management Limited One Forbes, Dr V B Gandhi Marg, Fort, Mumbai – 400001	U74120MH2010PLC207484	Subsidiary	100	Section 2(87)
11	Tata Capital Markets Pte. Limited 8 Shenton Way, #19-01, AXA Tower, Singapore 068811	N.A.	Subsidiary	100	Section 2(87)
12	Tata Capital Advisors Pte. Limited 8 Shenton Way, #19-01, AXA Tower, Singapore 068811	N.A.	Subsidiary	100	Section 2(87)
13	Tata Capital Plc 30 Millbank, London, SW1P 4WY, England, United Kingdom	N.A.	Subsidiary	100	Section 2(87)
14	Tata Capital General Partners LLP 8 Shenton Way, #19-01, AXA Tower, Singapore 068811	N.A.	Subsidiary	80	Section 2(87)

Sl. No	Name And Address of The Company	CIN/GLN	Holding/ Subsidiary/ Associate	% of Shares Held	Applicable Section
15	Tata Capital Healthcare General Partners LLP 8 Shenton Way, #19-01, AXA Tower, Singapore 068811	N.A.	Subsidiary	100	Section 2(87)
16	Tata Opportunities General Partners LLP 8 Shenton Way, #19-01, AXA Tower, Singapore 068811	N.A.	Subsidiary	90	Section 2(87)
17	Tata Capital Growth Fund One Forbes, Dr. V. B. Gandhi Marg, Fort, Mumbai – 400001	N.A.	Subsidiary	73.75	Though a Trust would not be considered as body corporate under the Companies Act, 2013, these have been disclosed as a measure of good governance.
18	Tata Autocomp Systems Limited Bombay House, 24 Homi Mody Street, Mumbai – 400001	U34100MH1995PLC093733	Associate	24	Section 2(6)
19	International Asset Reconstruction Company Private Limited 709, 7 <sup>th</sup> Floor, Ansal Bhawan, 16, Kasturba Gandhi Marg, New Delhi – 110001	U74999DL2002PTC117357	Associate	25.37	Section 2(6)
20	Tata Capital Healthcare Fund One Forbes, Dr. V. B. Gandhi Marg, Fort, Mumbai – 400001	N.A.	Associate	31.30	Though Trusts would not be considered as body corporate under the Companies Act, 2013, these have been disclosed as a measure of good governance.
21	Tata Capital Special Situations Fund Tata Trustee Company Limited, Mafatlal Centre, 9 <sup>th</sup> Floor, Nariman Point, Mumbai – 400021	N.A.	Associate	28.18	Though Trusts would not be considered as body corporate under the Companies Act, 2013, these have been disclosed as a measure of good governance.
22	Tata Capital Innovations Fund One Forbes, Dr. V. B. Gandhi Marg, Fort, Mumbai – 400001	N.A.	Associate	27.13	Though Trusts would not be considered as body corporate under the Companies Act, 2013, these have been disclosed as a measure of good governance.
23	Nectar Loyalty Management India Limited Ramnord House, Ground Floor, 77 Dr. Annie Besant Road, Worli, Mumbai – 400018	U74120MH2011PLC221894	Joint Venture	49	Section 2(6)

#### IV. SHARE HOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity)

##### i) Category-wise Share Holding

Category of Shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
<b>A. Promoters</b>									
<b>(1) Indian</b>									
a) Individual/HUF	-	-	-	-	-	-	-	-	-
b) Central Govt	-	-	-	-	-	-	-	-	-
c) State Govt(s)	-	-	-	-	-	-	-	-	-
d) Bodies Corp.	2,55,14,33,946	-	2,55,14,33,946	90.28	2,55,14,33,946	-	2,55,14,33,946	90.28	-
e) Banks / FI	-	-	-	-	-	-	-	-	-
f) Any Other....	-	-	-	-	-	-	-	-	-
<b>Sub-total (A) (1):-</b>	2,55,14,33,946	-	2,55,14,33,946	90.28	2,55,14,33,946	-	2,55,14,33,946	90.28	-
<b>(2) Foreign</b>									
a) NRIs – Individuals	-	-	-	-	-	-	-	-	-
b) Other – Individuals	-	-	-	-	-	-	-	-	-
c) Bodies Corp.	-	-	-	-	-	-	-	-	-
d) Banks / FI	-	-	-	-	-	-	-	-	-
e) Any Other....	-	-	-	-	-	-	-	-	-
<b>Sub-total (A) (2):-</b>	-	-	-	-	-	-	-	-	-
<b>Total shareholding of Promoter (A) = (A)(1)+(A)(2)</b>	2,55,14,33,946	-	2,55,14,33,946	90.28	2,55,14,33,946	-	2,55,14,33,946	90.28	-
<b>B. Public Shareholding</b>									
<b>(1) Institutions</b>									
a) Mutual Funds	-	-	-	-	-	-	-	-	-
b) Banks / FI	-	-	-	-	-	-	-	-	-
c) Central Govt	-	-	-	-	-	-	-	-	-
d) State Govt(s)	-	-	-	-	-	-	-	-	-
e) Venture Capital Funds	-	-	-	-	-	-	-	-	-
f) Insurance Companies	-	-	-	-	-	-	-	-	-
g) FIs	-	-	-	-	-	-	-	-	-
h) Foreign Venture Capital Funds	-	-	-	-	-	-	-	-	-
i) Others (specify)	-	-	-	-	-	-	-	-	-
<b>Sub-total (B)(1):-</b>	-	-	-	-	-	-	-	-	-
<b>(2) Non-Institutions</b>									
a) Bodies Corp.									
i) Indian	11,67,21,517	-	11,67,21,517	4.13	11,67,21,517	-	11,67,21,517	4.13	-
ii) Overseas	-	-	-	-	-	-	-	-	-
b) Individuals									
i) Individual shareholders holding nominal share capital upto ₹ 1 lakh	17,17,884	-	17,17,884	0.06	15,39,080	-	15,39,080	0.05	(10.41)
ii) Individual shareholders holding nominal share capital in excess of ₹ 1 lakh	1,70,99,010	-	1,70,99,010	0.61	1,64,97,865	-	1,64,97,865	0.59	(3.52)
c) Others									
Public Charitable Trust	8,30,00,000	-	8,30,00,000	2.94	8,30,00,000	-	8,30,00,000	2.94	-
TCL Employee Welfare Trust (ESOP Trust)	5,57,80,231	-	5,57,80,231	1.97	5,65,40,180	-	5,65,40,180	2.00	1.36
Non-Resident Indian	2,65,582	-	2,65,582	0.01	2,85,582	-	2,85,582	0.01	7.53
<b>Sub-total (B)(2):-</b>	27,45,84,224	-	27,45,84,224	9.72	27,45,84,224	-	27,45,84,224	9.72	-
<b>Total Public Shareholding (B)=(B)(1)+ (B)(2)</b>	27,45,84,224	-	27,45,84,224	9.72	27,45,84,224	-	27,45,84,224	9.72	-
<b>C. Shares held by Custodian for GDRs &amp; ADRs</b>	-	-	-	-	-	-	-	-	-
<b>Grand Total (A+B+C)</b>	2,82,60,18,170	-	2,82,60,18,170	100.00	2,82,60,18,170	-	2,82,60,18,170	100.00	-

**ii) Shareholding of Promoters (Equity Share Capital)**

Sl No.	Shareholder's Name	Shareholding at the beginning of the year			Share holding at the end			% change in share holding during the year
		No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	
1.	Tata Sons Limited	2,55,14,33,946	90.28	–	2,55,14,33,946	90.28	–	–
	<b>Total</b>	<b>2,55,14,33,946</b>	<b>90.28</b>	<b>–</b>	<b>2,55,14,33,946</b>	<b>90.28</b>	<b>–</b>	<b>–</b>

**(iii) Change in Promoters' Shareholding (Equity Share Capital) (please specify, if there is no change):**

There is no change in promoter's shareholding during FY 2015– 16.

**(iv) Shareholding Pattern (Equity Share Capital) of top ten Shareholders (other than Directors, Promoters and Holders of GDRs and ADRs):**

Sl. No.	Name	Shareholding		Date	Increase/ Decrease in shareholding	Reason	Cumulative Shareholding during the year (1.4.2015 to 31.3.2016)	
		No. of Shares at the beginning (1.4.2015)/ end of the year (31.3.2016)	% of total shares of the Company				No. of Shares	% of total shares of the Company
1.	Tata Investment Corporation Limited	7,71,96,591	2.73	April 1, 2015			7,71,96,591	2.73
						Nil movement during the year		
		7,71,96,591	2.73	March 31, 2016			7,71,96,591	2.73
2	F K Kavarana, H N Sinor and Eruch Kapadia Trustees of TCL Employee Welfare Trust	5,57,80,231	1.97	April 1, 2015			5,57,80,231	1.97
				April 1, 2015	96,360	Purchase	5,58,76,591	1.98
				April 30, 2015	(20,905)	Transfer	5,58,55,686	1.98
				May 7, 2015	1,70,428	Purchase	5,60,26,114	1.98
				June 11, 2015	(57,250)	Transfer	5,59,68,864	1.98
				June 16, 2015	1,77,698	Purchase	5,61,46,562	1.98
				July 16, 2015	1,00,679	Purchase	5,62,47,241	1.99
				July 23, 2015	(3,000)	Transfer	5,62,44,241	1.99
				August 10, 2015	51,480	Purchase	5,62,95,721	1.99
				September 8, 2015	3,02,802	Purchase	5,65,98,523	2.00
				September 11, 2015	(4,25,263)	Transfer	5,61,73,260	1.99
				October 14, 2015	92,402	Purchase	5,62,65,662	1.99
				November 17, 2015	(52,083)	Transfer	5,62,13,579	1.99
		November 23, 2015	1,28,052	Purchase	5,63,41,631	1.99		
		January 5, 2016	(40,334)	Transfer	5,63,01,297	1.99		

Sl. No.	Name	Shareholding		Date	Increase/ Decrease in shareholding	Reason	Cumulative Shareholding during the year (1.4.2015 to 31.3.2016)	
		No. of Shares at the beginning (1.4.2015)/ end of the year (31.3.2016)	% of total shares of the Company				No. of Shares	% of total shares of the Company
				January 8, 2016	89,550	Purchase	5,63,90,847	1.99
				February 15, 2016	11,697	Purchase	5,64,02,544	2.00
				February 15, 2016	(6,042)	Transfer	5,63,96,502	2.00
				March 8, 2016	1,43,678	Purchase	5,65,40,180	2.00
		5,65,40,180	2.00	March 31, 2016			5,65,40,180	2.00
3	Jamsetji Tata Trust	5,30,00,000	1.88	April 1, 2015			5,30,00,000	1.88
						Nil movement during the year		
		5,30,00,000	1.88	March 31, 2016			5,30,00,000	1.88
4	Navajbai Ratan Tata Trust	3,00,00,000	1.06	April 1, 2015			3,00,00,000	1.06
						Nil movement during the year		
		3,00,00,000	1.06	March 31, 2016			3,00,00,000	1.06
5	Cyrus Investments Private Limited	1,29,78,905	0.46	April 1, 2015			1,29,78,905	0.46
						Nil movement during the year		
		1,29,78,905	0.46	March 31, 2016			1,29,78,905	0.46
6	Sterling Investment Corporation Private Limited	1,29,78,905	0.46	April 1, 2015			1,29,78,905	0.46
						Nil movement during the year		
		1,29,78,905	0.46	March 31, 2016			1,29,78,905	0.46
7	Tata Motors Limited	43,26,651	0.15	April 1, 2015			43,26,651	0.15
						Nil movement during the year		
		43,26,651	0.15	March 31, 2016			43,26,651	0.15
8	Tata Chemicals Limited	32,30,859	0.11	April 1, 2015			32,30,859	0.11
						Nil movement during the year		
		32,30,859	0.11	March 31, 2016			32,30,859	0.11

Sl. No.	Name	Shareholding		Date	Increase/ Decrease in shareholding	Reason	Cumulative Shareholding during the year (1.4.2015 to 31.3.2016)	
		No. of Shares at the beginning (1.4.2015)/ end of the year (31.3.2016)	% of total shares of the Company				No. of Shares	% of total shares of the Company
9	Af-Taab Investment Company Limited	23,33,070	0.08	April 1, 2015			23,33,070	0.08
						Nil movement during the year		
		23,33,070	0.08	March 31, 2016			23,33,070	0.08
10	Tata Industries Limited	22,72,346	0.08	April 1, 2015			22,72,346	0.08
						Nil movement during the year		
		22,72,346	0.08	March 31, 2016			22,72,346	0.08

**(v) Shareholding (Equity Share) of Directors and Key Managerial Personnel:**

Sl. No.	Name	Shareholding		Date	Increase/ Decrease in shareholding	Reason	Cumulative Shareholding during the year (1.4.2015 to 31.3.2016)	
		No. of Shares at the beginning (1.4.2015)/end of the year (31.3.2016)	% of total shares of the Company				No. of Shares	% of total shares of the Company
1.	Mr. Ishaat Hussain (Director)	2,20,000	0.01	April 1, 2015			2,20,000	0.01
						Nil movement during the year		
		2,20,000	0.01	March 31, 2016			2,20,000	0.01
2	Mr. Janki Ballabh (Director)	2,30,780	0.01	April 1, 2015			2,30,780	0.01
						Nil movement during the year		
		2,30,780	0.01	March 31, 2016			2,30,780	0.01
3	Mr. F. N. Subedar (Director)	2,43,716	0.01	April 1, 2015			2,43,716	0.01
						Nil movement during the year		
		2,43,716	0.01	March 31, 2016			2,43,716	0.01
4	Mr. Praveen P. Kadle (Managing Director & CEO)	14,58,580	0.05	April 1, 2015			14,58,580	0.05
						Nil movement during the year		
		14,58,580	0.05	March 31, 2016			14,58,580	0.05
5	Mr. Puneet Sharma, Chief Financial Officer ("CFO")	1,46,050	0.01	April 1, 2015			1,46,050	0.01
				June 11, 2015	30,000	ESOP Allotment	1,76,050	0.01
		1,76,050	0.01	March 31, 2016			1,76,050	0.01
6	Ms. Avan Doomasia (Company Secretary)	89,305	0	April 1, 2015			89,305	0.00
				September 11, 2015	20,000	ESOP Allotment	1,09,305	0.00
		1,09,305	0	March 31, 2016			1,09,305	0.00



**V. SHARE HOLDING PATTERN (Preference Share Capital Breakup as percentage of Total Preference Capital)**

**i) Category-wise Share Holding**

Category of Shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
<b>A. Promoters</b>									
<b>(1) Indian</b>									
a) Individual/HUF	-	-	-	-	-	-	-	-	-
b) Central Govt	-	-	-	-	-	-	-	-	-
c) State Govt (s)	-	-	-	-	-	-	-	-	-
d) Bodies Corp.	-	-	-	-	-	-	-	-	-
e) Banks / FI	-	-	-	-	-	-	-	-	-
f) Any Other....	-	-	-	-	-	-	-	-	-
<b>Sub-total (A) (1):-</b>	-	-	-	-	-	-	-	-	-
<b>(2) Foreign</b>									
a) NRIs – Individuals	-	-	-	-	-	-	-	-	-
b) Other – Individuals	-	-	-	-	-	-	-	-	-
c) Bodies Corp.	-	-	-	-	-	-	-	-	-
d) Banks / FI	-	-	-	-	-	-	-	-	-
e) Any Other....	-	-	-	-	-	-	-	-	-
<b>Sub-total (A) (2):-</b>	-	-	-	-	-	-	-	-	-
<b>Total shareholding of Promoter (A) = (A)(1)+(A)(2)</b>	-	-	-	-	-	-	-	-	-
<b>B. Public Shareholding</b>									
<b>(1) Institutions</b>									
a) Mutual Funds	-	-	-	-	-	-	-	-	-
b) Banks / FI	-	-	-	-	2,00,000	-	2,00,000	1.43	-
c) Central Govt	-	-	-	-	-	-	-	-	-
d) State Govt(s)	-	-	-	-	-	-	-	-	-
e) Venture Capital Funds	-	-	-	-	-	-	-	-	-
f) Insurance Companies	-	-	-	-	2,00,000	-	2,00,000	1.43	-
g) FIs	-	-	-	-	-	-	-	-	-
h) Foreign Venture Capital Funds	-	-	-	-	-	-	-	-	-
i) Others (specify)	-	-	-	-	-	-	-	-	-
<b>Sub-total (B)(1):-</b>	-	-	-	-	-	-	-	-	-
<b>(2) Non-Institutions</b>									
a) Bodies Corp.									
i) Indian	27,29,423	-	27,29,423	30.45	41,95,888	-	41,95,888	30.05	53.73
ii) Overseas	-	-	-	-	-	-	-	-	-
b) Individuals									
i) Individual shareholders holding nominal share capital upto ₹ 1 lakh	3,680	-	3,680	0.04	9,150	-	9,150	0.06	148.64
ii) Individual shareholders holding nominal share capital in excess of ₹ 1 lakh	56,92,164	3,000	56,95,164	63.53	86,63,068	3,000	86,66,068	62.06	52.17
c) Others									
Trust	2,00,000	-	2,00,000	2.23	2,45,000	-	2,45,000	1.75	22.5
Club	3,400	-	3,400	0.04	3,400	-	3,400	0.02	-
Hindu Undivided Family	3,32,800	-	3,32,800	3.71	4,44,961	-	4,44,961	3.19	33.70
<b>Sub-total (B)(2):-</b>	89,61,467	3,000	89,64,467	100	1,39,61,467	3,000	1,39,64,467	100	55.78

Category of Shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
Total Public Shareholding (B)=(B)(1)+ (B)(2)	89,61,467	3,000	89,64,467	100	1,39,61,467	3,000	1,39,64,467	100	55.78
C. Shares held by Custodian for GDRs & ADRs	-	-	-	-	-	-	-	-	-
Grand Total (A+B+C)	89,61,467	3,000	89,64,467	100.00	1,39,61,467	3,000	1,39,64,467	100.00	55.78

(ii) *Shareholding (Preference Shares) of Promoters – Nil*

(iii) *Change in Promoters' Shareholding (Preference Shares) (please specify, if there is no change) – Not Applicable*

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

Sl. No.	Name	Shareholding		Date	Increase/ Decrease in shareholding	Reason	Cumulative Shareholding during the year (1.4.2015 to 31.3.2016)	
		No. of Shares at the beginning (1.4.2015)/ end of the year (31.3.2016)	% of total shares of the Company				No. of Shares	% of total shares of the Company
1.	Shree Cement Limited	10,00,000	11.15	April 1, 2015			10,00,000	11.15
				April 22, 2015	4,00,000	Allotment	14,00,000	10.28
		14,00,000	10.03	March 31, 2016			14,00,000	10.03
2	Vicco Products (Bombay) Limited	3,00,000	3.35	April 1, 2015			3,00,000	3.35
						Nil movement during the year		
		3,00,000	2.15	March 31, 2016			3,00,000	2.15
3	Azim Hasham Premji	2,99,999	3.35	April 1, 2015			2,99,999	3.35
						Nil movement during the year		
		2,99,999	2.15	March 31, 2016			2,99,999	2.15
4	Jayant Keshav Pendharkar	2,90,000	3.23	April 1, 2015			2,90,000	3.23
						Nil movement during the year		
		2,90,000	2.08	March 31, 2016			2,90,000	2.08
5	Amrit Petroleums Private Limited*	-	-	April 1, 2015			-	-
					2,50,000	Purchase	2,50,000	1.79
		2,50,000	1.79	March 31, 2016			2,50,000	1.79
6	Ashok Keshav Pendharkar	2,50,000	2.79	April 1, 2015			2,50,000	2.79
						Nil movement during the year		
		2,50,000	1.79	March 31, 2016			2,50,000	1.79

Sl. No.	Name	Shareholding		Date	Increase/ Decrease in shareholding	Reason	Cumulative Shareholding during the year (1.4.2015 to 31.3.2016)	
		No. of Shares at the beginning (1.4.2015)/ end of the year (31.3.2016)	% of total shares of the Company				No. of Shares	% of total shares of the Company
7	Shankar Resources Private Limited*	–	–	April 1, 2015			–	–
				April 22, 2015	2,50,000	Allotment	2,50,000	1.84
		2,50,000	1.79	March 31, 2016			2,50,000	1.79
8	Sudarshan Securities Private Limited#	2,50,000	1.79	April 1, 2015			2,50,000	1.79
				–	2,50,000	Sale	2,50,000	1.79
		–	–	March 31, 2016			–	–
9	Gajanan Keshav Pendharkar	2,40,000	2.68	April 1, 2015			2,40,000	2.68
						Nil movement during the year		
		2,40,000	1.72	March 31, 2016			2,40,000	1.72
10	Sumant Keshav Pendharkar	2,15,000	2.40	April 1, 2015			2,15,000	2.40
						Nil movement during the year		
		2,15,000	1.54	March 31, 2016			2,15,000	1.54
11	Yeshwant Keshav Pendharkar	2,10,000	2.34	April 1, 2015			2,10,000	2.34
						Nil movement during the year		
		210,000	1.50	March 31, 2016			2,10,000	1.50
12	Azim Premji Trust#	2,00,000	2.23	April 1, 2015			2,00,000	2.23
						Nil movement during the year		
		2,00,000	1.43	March 31, 2016			2,00,000	1.43
13	International Tractors Limited#	1,33,700	1.50	April 1, 2015			1,33,700	1.50
						Nil movement during the year		
		1,33,700	0.96	March 31, 2016			1,33,700	0.96

\* Not in the list of Top 10 shareholders as on 01-04-2015. The same has been reflected above since the shareholders were one of the Top 10 shareholders as on 31-03-2016.

# Ceased to be in the list of Top 10 shareholders as on 31-03-2016. The same is reflected above since the shareholder was one of the Top 10 shareholders as on 01-04-2015.

**(v) Shareholding (Preference Shares) of Directors and Key Managerial Personnel:**

Sl. No.	Name	Shareholding		Date	Increase/ Decrease in shareholding	Reason	Cumulative Shareholding during the year (1.4.2015 to 31.3.2016)	
		No. of Shares at the beginning (1.4.2015)/ end of the year (31.3.2016)	% of total shares of the Company				No. of Shares	% of total shares of the Company
1.	Mr. Ishaat Hussain (Director)	17,000	0.19	April 1, 2015			17,000	0.19
				September 7, 2015	10,000	Allotment	27,000	0.19
		27,000	0.19	March 31, 2016			27,000	0.19
2.	Mr. Nalin M. Shah (Director )	3,000	0.03	April 1, 2015			3,000	0.03
						Nil movement during the year		
		3,000	0.02	March 31, 2016			3,000	0.02
3.	Mr. Praveen P. Kadle (Managing Director & CEO )	17,000	0.19	April 1, 2015			17,000	0.19
						Nil movement during the year		
		17,000	0.12	March 31, 2016			17,000	0.12
4.	Mr. Puneet Sharma (CFO)	10	0	April 1, 2015			10	0
						Nil movement during the year		
		10	0	March 31, 2016			10	0

**V. INDEBTEDNESS**

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

(₹ in lakh)

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
<b>Indebtedness at the beginning of the financial year</b>				
i) Principal Amount	–	92,950	–	92,950
ii) Interest due but not paid	–	–	–	–
ii) Interest accrued but not due	–	–	–	–
<b>Total (i+ii+iii)</b>	–	<b>92,950</b>	–	<b>92,950</b>
<b>Change in Indebtedness during the financial year</b>				
• Addition	–	4,04,500	–	4,04,500
• Reduction	–	(3,56,450)	–	(3,56,450)
<b>Net Change</b>	–	<b>48,050</b>	–	<b>48,050</b>
<b>Indebtedness at the end of the financial year</b>				
i) Principal Amount	–	1,41,000	–	1,41,000
ii) Interest due but not paid	–	–	–	–
iii) Interest accrued but not due	–	–	–	–
<b>Total (i+ii+iii)</b>	–	<b>1,41,000</b>	–	<b>1,41,000</b>

## VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

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

(₹ in lakh)

Sl. No.	Particulars of Remuneration	Name of MD	Total Amount
		Mr. Praveen P. Kadle	
1.	Gross salary		
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	357.37	357.37
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	32.03	32.03
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961		
2.	Stock Option	10,000	10,000
3.	Sweat Equity	–	–
4.	Commission – as % of profit – others, specify...	–	–
5.	Others, please specify	–	–
	Total (A)	389.4	389.4
	Ceiling as per the Act		932

### B. Remuneration to other directors:

(₹ in lakh)

Sl. No.	Particulars of Remuneration	Name of Directors				Total Amount
1.	Independent Directors	Mr. Janki Ballabh		Mr. Nalin Shah		
	• Fee for attending board / committee meetings	11.10		10.10		21.2
	• Commission	–		–		–
	• Others, please specify	–		–		–
	Total (1)	11.10		10.10		21.2
2.	Other Non-Executive Directors	Mr. Ishaat Hussain	Mr. F. N. Subedar	Dr. Nirmalya Kumar	Dr. Ritu Anand	
	• Fee for attending board / committee meetings	7.20	3.20	1.60	6.10	18.1
	• Commission	–	–	–	–	–
	• Others, please specify	–	–	–	–	–
	Total (2)	7.20	3.20	1.60	6.10	18.1
	Total (B)=(1+2)					39.3
	Total Managerial Remuneration					428.7
	Overall Ceiling as per the Act					2050

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

(₹ in lakh)

Sl. No.	Particulars of Remuneration	Key Managerial Personnel		
		Mr. Puneet Sharma, CFO	Ms. Avan Doomasia, Company Secretary	Total
1.	Gross salary			
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	141.02	81.94	222.96
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	5.67	2.97	8.64
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	–	–	–
2.	Stock Option (Number)	60,000	50,000	1,10,000
3.	Sweat Equity	–	–	–
4.	Commission – as % of profit – others, specify...	–	–	–
5.	Others, please specify	–	–	–
	<b>Total</b>	<b>146.69</b>	<b>84.91</b>	<b>231.6</b>

**VII. PENALTIES/ PUNISHMENT/ COMPOUNDING OF OFFENCES:**

Type	Section of the Companies Act	Brief Description	Details of Penalty / Punishment/ Compounding fees imposed	Authority [RD / NCLT / COURT]	Appeal made, if any (give Details)
<b>A. COMPANY</b>					
Penalty	–	–	–	–	–
Punishment	–	–	–	–	–
Compounding	–	–	–	–	–
<b>B. DIRECTORS</b>					
Penalty	–	–	–	–	–
Punishment	–	–	–	–	–
Compounding	–	–	–	–	–
<b>C. OTHER OFFICERS IN DEFAULT</b>					
Penalty	–	–	–	–	–
Punishment	–	–	–	–	–
Compounding	–	–	–	–	–

# **Consolidated Financial Statements**

## INDEPENDENT AUDITOR'S REPORT

### TO THE MEMBERS OF TATA CAPITAL LIMITED

#### Report on the Consolidated Financial Statements

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

#### Management's Responsibility for the Consolidated Financial Statements

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

#### Auditor's Responsibility

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

We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the consolidated financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated financial statements,



whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Holding Company's preparation of the consolidated financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Holding Company's Board of Directors, as well as evaluating the overall presentation of the consolidated financial statements.

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

### **Opinion**

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

### **Other Matters**

- (a) We did not audit the financial statements of a subsidiary, whose financial statements reflect total assets of ₹ 494,78 lakh as at 31st March, 2016, total revenues of ₹ 107,11 lakh, total profit after tax (net) of ₹ 14,65 lakh and net cash flows amounting to ₹ 3,67 lakh for the year ended on that date, as considered in the consolidated financial statements. These financial statements have been audited by other auditors whose reports have been furnished to us by the Management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of this subsidiary, is based solely on the report of the other auditors.
- (b) We did not audit the financial statements of a jointly controlled entity, whose financial statements did not reflect any asset as at 31st March, 2016, any revenue, any profit or loss after tax (net) and any net cash flows for the year ended on that date, as considered in the consolidated financial statements. The consolidated financial statements also include the Group's share of profit of ₹ 11,75 lakh for the year ended 31st March, 2016, as considered in the consolidated financial statements, in respect of two associates, whose financial statement have not been audited by us. These financial statements are unaudited and have been furnished to us by the Management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of this jointly controlled entity and associates, is based solely on such unaudited financial statements. In our opinion and according to the information and explanations given to us by the Management, these financial statements are not material to the Group.

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

**Report on Other Legal and Regulatory Requirements**

1. As required by Section 143(3) of the Act, we report, to the extent applicable, that:
  - (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid consolidated financial statements.
  - (b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books and the reports of the other auditors.
  - (c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss, and the Consolidated Cash Flow Statement dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated financial statements.
  - (d) In our opinion, the aforesaid consolidated financial statements comply with the Accounting Standards specified under Section 133 of the Act, as applicable.
  - (e) On the basis of the written representations received from the directors of the Holding Company taken on record by the Board of Directors of the Holding Company and the reports of the statutory auditors of its subsidiary companies, associate companies and jointly controlled company incorporated in India, none of the directors of the Group companies, its associate companies and jointly controlled company incorporated in India is disqualified as on 31st March, 2016 from being appointed as a director in terms of Section 164 (2) of the Act.
  - (f) With respect to the adequacy of the internal financial controls over financial reporting and the operating effectiveness of such controls, refer to our Report in "Annexure A", which is based on the auditors' reports of the Holding company and subsidiary companies incorporated in India. Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Holding company's and subsidiary companies' incorporated in India internal financial controls over financial reporting.
  - (g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditor's) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
    - i. The consolidated financial statements disclose the impact of pending litigations on the consolidated financial position of the Group, its associates and jointly controlled entity.

- ii. The Group, its associates and jointly controlled entity did not have any long-term contracts including derivative contracts as at year end for which there were any material foreseeable losses.
- iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Holding Company and its subsidiary companies, associate companies and jointly controlled company incorporated in India.

**For DELOITTE HASKINS & SELLS LLP**  
**Chartered Accountants**  
**(Firm's Registration No. 117366W/W-100018)**

**Rupen K. Bhatt**  
Partner  
(Membership No. 46930)

Mumbai, May 02, 2016

## ANNEXURE “A” TO THE INDEPENDENT AUDITOR’S REPORT

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

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

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

#### Management’s Responsibility for Internal Financial Controls

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

#### Auditor’s Responsibility

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

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

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

#### Meaning of Internal Financial Controls Over Financial Reporting

A company’s internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial

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

### **Inherent Limitations of Internal Financial Controls Over Financial Reporting**

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

### **Opinion**

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

**For DELOITTE HASKINS & SELLS LLP**  
Chartered Accountants  
(Firm's Registration No. 117366W/W-100018)

**Rupen K. Bhatt**  
Partner  
(Membership No. 46930)

Place: Mumbai  
Date: May 02, 2016

**CONSOLIDATED BALANCE SHEET AS AT MARCH 31, 2016**

(₹ in lakh)

Particulars	Note No.	As at March 31, 2016	As at March 31, 2015
<b>I EQUITY AND LIABILITIES</b>			
<b>1. Shareholders' Funds</b>			
(a) Share Capital	2	416,528	366,507
(b) Reserves and Surplus	3	162,716	136,179
		<b>579,244</b>	<b>502,686</b>
<b>2. Share application money pending allotment</b>	41	–	5,000
<b>3. Minority Interest</b>		12,275	10,473
<b>4. Non-current liabilities</b>			
(a) Long-term borrowings	4	2,001,694	1,516,837
(b) Deferred tax liabilities (net)	5	–	133
(c) Other long-term liabilities	6	27,733	24,129
(d) Long-term provisions	7	11,094	7,564
		<b>2,040,521</b>	<b>1,548,663</b>
<b>5. Current liabilities</b>			
(a) Short-term borrowings	8	1,327,663	962,897
(b) Trade payables	9		
(i) total outstanding dues of micro enterprises and small enterprises	9(a)	–	–
(ii) total outstanding dues of creditors other than micro enterprises and small enterprises		51,015	34,576
(c) Other current liabilities	10	627,801	641,054
(d) Short-term provisions	11	15,418	16,196
		<b>2,021,897</b>	<b>1,654,723</b>
<b>Total</b>		<b>4,653,937</b>	<b>3,721,545</b>
<b>II ASSETS</b>			
<b>1. Non-current assets</b>			
(a) Fixed assets	12		
(i) Tangible assets		76,081	63,781
(ii) Intangible assets		8,527	9,628
(iii) Capital work-in-progress		208	739
(iv) Intangible assets under development		364	–
		<b>85,180</b>	<b>74,148</b>
(b) Goodwill on consolidation		5,515	5,515
(c) Non-current investments	13	219,135	209,163
(d) Deferred tax assets (net)	14	24,087	17,414
(e) Long-term Loans and advances - financing activity	15	2,687,834	1,957,386
(f) Long-term Loans and advances - others	16	23,159	14,076
(g) Other non-current assets	17	9,645	8,085
		<b>3,054,555</b>	<b>2,285,787</b>
<b>2. Current assets</b>			
(a) Current investments	13	2,924	1,053
(b) Trade receivables	18	7,876	7,581
(c) Cash and bank balances	19	17,115	29,125
(d) Short-term Loans and advances - financing activity	15	1,546,931	1,373,203
(e) Short-term Loans and advances - others	20	8,181	12,183
(f) Other current assets	21	16,355	12,613
		<b>1,599,382</b>	<b>1,435,758</b>
<b>Total</b>		<b>4,653,937</b>	<b>3,721,545</b>
See accompanying notes forming part of the financial statements	1-48		

In terms of our report attached

For and on behalf of the Board of Directors

**For Deloitte Haskins & Sells LLP**  
 Chartered Accountants

**Ishaat Hussain**  
 (Director)

**Janki Ballabh**  
 (Director)

**Nalin M. Shah**  
 (Director)

**Rupen K Bhatt**  
 Partner

**Nirmalya Kumar**  
 (Director)

**Praveen P. Kadle**  
 (Managing Director & CEO)

**Puneet Sharma**  
 (Chief Financial Officer)

 Mumbai  
 Date: May 2, 2016

**Avan Doomasia**  
 (Company Secretary)

## CONSOLIDATED STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED MARCH 31, 2016

(₹ in lakh)

Particulars	Note No.	For the Year Ended March 31, 2016	For the Year Ended March 31, 2015
<b>I</b> Revenue from operations	22	453,651	371,450
<b>II</b> Investment income	23	10,783	13,429
<b>III</b> Other income	24	37,802	35,447
<b>IV Total Revenue (I + II + III)</b>		<b>502,236</b>	<b>420,326</b>
<b>V Expenses:</b>			
Finance costs	25	284,678	248,127
Employee benefit expenses	26	45,040	35,207
Other operating expenses	27	97,062	83,626
Depreciation and amortisation	12	12,799	10,510
Amortisation of share and debenture issue expenses		1,320	1,659
<b>Total expenses</b>		<b>440,899</b>	<b>379,129</b>
<b>VI Profit before tax (IV - V)</b>		<b>61,337</b>	<b>41,197</b>
<b>VII Tax expense:</b>			
(1) Current tax		27,519	19,998
(2) Deferred tax		(6,793)	(8,841)
(3) MAT Credit Entitlement		(10)	(12)
<b>Total Tax expense</b>		<b>20,716</b>	<b>11,145</b>
<b>VIII Profit after tax before share of associates &amp; minority interest (VI-VII)</b>		<b>40,621</b>	<b>30,052</b>
<b>IX</b> Share of profit of associates		687	611
<b>X Profit after tax before share of (profit)/loss attributable to minority interest (VIII + IX)</b>		<b>41,308</b>	<b>30,663</b>
<b>XI</b> Share of (profit)/loss of minority interest		(807)	(110)
<b>XII Profit for the year attributable to the shareholders of the Company (X + XI)</b>		<b>40,501</b>	<b>30,553</b>
<b>XIII Earnings per equity shares:</b>			
(1) Basic (in Rupees)		1.02	0.83
(2) Diluted (in Rupees)		1.00	0.81
Face Value per share (Amount in ₹)		10.00	10.00
See accompanying notes forming part of the financial statements	1-48		

In terms of our report attached

For **Deloitte Haskins & Sells LLP**  
Chartered Accountants

**Rupen K Bhatt**  
Partner

Mumbai  
Date: May 2, 2016

For and on behalf of the Board of Directors

**Ishaat Hussain**  
(Director)

**Nirmalya Kumar**  
(Director)

**Avan Doomasia**  
(Company Secretary)

**Janki Ballabh**  
(Director)

**Praveen P. Kadle**  
(Managing Director & CEO)

**Nalin M. Shah**  
(Director)

**Puneet Sharma**  
(Chief Financial Officer)

**CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED MARCH 31, 2016**

(₹ in lakh)

Particulars	Note No.	For the Year Ended March 31, 2016	For the Year Ended March 31, 2015
<b>1. CASH FLOW USED IN OPERATING ACTIVITIES</b>			
Profit before tax		61,337	41,197
<b>Adjustments for :</b>			
Amortisation of share/debenture issue expenses		1,320	1,659
Depreciation and amortisation		12,799	10,510
Impairment of Assets		1,114	–
Write off of Assets		93	–
Loss on sale of fixed assets		919	2
Interest expenses		225,448	188,413
Discounting charges on commercial paper		56,012	57,015
Discounting charges on debentures		371	951
Discounting charges on Collateralised Borrowings and Lending Obligations (CBLO)		2,847	1,748
Interest income		(424,682)	(348,981)
Income from investments		(10,783)	(13,429)
Interest Income on fixed deposits		(300)	(317)
Loss on sale of investments		–	1,073
Unrealised exchange gain		(5)	(4)
Provision for leave encashment		128	277
(Reversal)/Provision for diminution in value of investments		(865)	(6,500)
Provision for mark-to-market loss on investments		190	60
Trade Recievables written off		169	–
Provision against Trade Recievables		166	80
Contingent provision against standard assets		5,074	2,061
Contingent provision against restructured advances (net)		(465)	406
Provision against assets held for sale		200	89
Provision for doubtful loans (net)		35,524	40,539
<b>Operating Profit before working capital changes and adjustments for interest paid, interest received, dividend received and dividend received from Associates</b>		<b>(33,389)</b>	<b>(23,152)</b>
<b>Adjustments for :</b>			
(Increase)/Decrease in trade receivables		(625)	862
(Increase)/Decrease in loans and advances - financing activity		(926,248)	(572,679)
(Increase)/Decrease in loans and advances - others		(6,834)	14,206
Increase/(Decrease) in Other liabilities and provisions		19,864	(5,569)
Bank balance in client account		786	(207)
Fixed Deposits with Banks placed under lien with stock exchanges for trading margins		250	(125)
<b>Cash used in operations before adjustments for interest paid, interest received, dividend received and dividend received from Associates</b>		<b>(946,196)</b>	<b>(586,664)</b>
Interest paid		(246,304)	(238,338)
Interest received		424,625	346,806
Dividend received		2,205	1,469
Dividend received from Associates		966	966
Taxes paid		(27,350)	(20,152)
<b>NET CASH USED IN OPERATING ACTIVITIES</b>		<b>(792,054)</b>	<b>(495,913)</b>
<b>2. CASH FLOW USED IN INVESTING ACTIVITIES</b>			
Purchase of fixed assets (including capital advances)		(30,091)	(34,915)
Proceeds from sale of fixed assets		1,700	2,173
Refund of Taxes on fixed assets (Refer footnote 3 to Note 12)		99	–
Purchase of long-term investments		(20,077)	(97,538)
Purchase of mutual fund units		(3,468,405)	(4,140,300)



## CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED MARCH 31, 2016

### CASH FLOW (contd.....)

(₹ in lakh)

Particulars	Note No.	For the Year Ended March 31, 2016	For the Year Ended March 31, 2015
Proceeds from sale of mutual fund units		3,469,501	4,141,413
Proceeds from current investments		–	14,479
Proceeds from sale of long-term investments		12,217	41,245
Fixed deposits with banks having maturity over 3 months		1,187	(1,464)
<b>NET CASH USED IN INVESTING ACTIVITIES</b>		<b>(33,869)</b>	<b>(74,906)</b>
<b>3. CASH FLOW FROM FINANCING ACTIVITIES</b>			
Issue of preference share capital		50,000	20,499
Share application money (refunded)		–	(95)
Infusion of capital by minority shareholders		1,549	5,777
Payout of income/gain to Contributors		(571)	–
Dividend paid (including dividend distribution tax)		(24,922)	(5,783)
Interest expense on share application money		–	(33)
Collection of loan given to employees for ESOP		31	23
Purchase of Minority Interest		–	(127)
Share issue expenses		(284)	(474)
Share/Debt issue/loan processing expenses		(1,134)	(668)
Net proceeds from short-term borrowings		363,722	165,492
Proceeds from long-term borrowings		1,236,090	1,154,719
Repayment of long-term borrowings		(803,347)	(782,357)
<b>NET CASH FROM FINANCING ACTIVITIES</b>		<b>821,133</b>	<b>556,973</b>
<b>NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS</b>		<b>(4,789)</b>	<b>(13,846)</b>
<b>CASH AND CASH EQUIVALENTS AS AT THE BEGINNING OF THE YEAR</b>		<b>17,504</b>	<b>31,349</b>
<b>CASH AND CASH EQUIVALENTS AS AT THE END OF THE YEAR</b>		<b>12,715</b>	<b>17,504</b>
ADD : RESTRICTED CASH (Refer Note No. 19)		3	5,001
<b>CASH AND CASH EQUIVALENTS AS AT THE END OF THE YEAR</b>		<b>12,718</b>	<b>22,505</b>
<b>Reconciliation of cash and cash equivalents as above with cash and bank balances</b>			
Cash and Cash equivalents at the end of the year as per above		12,718	22,505
Add: Deposits with banks and stock exchanges under lien		1,438	1,688
Add: Bank balance in client account		1,015	1,801
Add: Fixed deposits with original maturity over 3 months		1,944	3,131
<b>CASH AND BANK BALANCES AS AT THE END OF THE YEAR</b>	<b>19</b>	<b>17,115</b>	<b>29,125</b>
See accompanying notes forming part of the financial statements	1-48		

In terms of our report attached

For Deloitte Haskins & Sells LLP  
Chartered Accountants

Rupen K Bhatt  
Partner

Mumbai  
Date: May 2, 2016

For and on behalf of the Board of Directors

Ishaat Hussain  
(Director)

Nirmalya Kumar  
(Director)

Avan Doomasia  
(Company Secretary)

Janki Ballabh  
(Director)

Praveen P. Kadle  
(Managing Director & CEO)

Nalin M. Shah  
(Director)

Puneet Sharma  
(Chief Financial Officer)

## SIGNIFICANT ACCOUNTING POLICIES AND NOTES TO ACCOUNTS

### 1 SIGNIFICANT ACCOUNTING POLICIES

#### i Basis of accounting and preparation of the consolidated financial statements

The consolidated financial statements of Tata Capital Limited (the Company) and its subsidiaries and jointly controlled entities (together the 'Group') have been prepared in accordance with the Generally Accepted Accounting Principles in India (Indian GAAP) to comply with the Accounting Standards specified under Section 133 of the Companies Act, 2013 ("the Act") read with Rule 7 of the Companies (Accounts) Rules, 2014 and the relevant provisions of the Act, as applicable. The consolidated financial statements have been prepared on accrual basis under the historical cost convention. The accounting policies adopted in the preparation of the consolidated financial statements are consistent with those followed in the previous year.

Current assets do not include elements which are not expected to be realised within one year and current liabilities do not include items which are due after one year.

#### ii Principles of Consolidation

The consolidated financial statements relate to Tata Capital Limited (the Company), its subsidiary companies, jointly controlled entities and the Group's share of profit/loss in its associates. The consolidated financial statements have been prepared on the following basis:

- a) The financial statements of the subsidiary companies, jointly controlled entities and associates used in the consolidation are drawn upto the same reporting date as that of the Company i.e., March 31, 2016, except for certain subsidiary companies/jointly controlled entities/associates for which financial statements as on the reporting date are not available. These have been consolidated based on their latest available financial statements. Necessary adjustments have been made for the effects of significant transactions and other events between the reporting dates of such financial statements and the consolidated financial statements.
- b) The financial statements of the Company and its subsidiary companies have been combined on a line-by-line basis by adding together like items of assets, liabilities, income and expenses, after eliminating intra-group balances, intra-group transactions and resulting unrealised profits or losses, unless cost cannot be recovered.
- c) The consolidated financial statements include the share of profit/(loss) of associate companies, which have been accounted for using the equity method as per AS 23 (Accounting for Investments in Associates in Consolidated Financial Statements). Accordingly, the share of profit/(loss) of the associate companies (the loss being restricted to the cost of the investment) have been added/deducted to the costs of investments.
- d) Share of profit / loss, assets and liabilities in the jointly controlled entities, which are not subsidiaries, have been consolidated on a line-by-line basis by adding together the book values of like items of assets, liabilities, incomes and expenses on a proportionate basis to the extent of the Group's equity interest in such entity as per AS 27 (Financial Reporting of Interests in Joint Ventures). The intra-group balances, intra-group transactions and unrealised profits or losses have been eliminated to the extent of the Group's share in the entity. Jointly controlled entities that are considered subsidiaries under AS 21 (Consolidated Financial Statements) are consolidated similar to the manner of consolidating subsidiaries (Refer (b) above) and the share of interest of the other venturers in such entities is included as part of minority interest.

- e) The excess of cost to the Group of its investments in the subsidiary companies / jointly controlled entities over its share of equity of the subsidiary companies / jointly controlled entities, at the dates on which the investments in the subsidiary companies / jointly controlled entities were made, is recognised as “Goodwill on Consolidation” and is tested for impairment on annual basis. On the other hand, where the share of equity in the subsidiary companies / jointly controlled entities as on the date of investment is in excess of cost of investments of the Group, it is recognised as ‘Capital Reserve’ and shown under the head ‘Reserves & Surplus’ in the consolidated financial statements.
- f) In case of a foreign subsidiary, being a non-integral operation, revenue items are consolidated at the average rate prevailing during the year. All assets and liabilities are converted at the rates prevailing at the end of the year. Any exchange difference arising on consolidation is recognised in the “Foreign Currency Translation Reserve”.
- g) The difference between the cost of investment in the associate and the share of net assets at the time of acquisition of shares in the associate is identified in the consolidated financial statements as Goodwill or Capital Reserve as the case may be and adjusted against the carrying amount of investment in the associate.
- h) Minority Interest in the net assets of the subsidiaries consists of the amount of equity attributable to the minority shareholders at the date on which investments in the subsidiary companies were made and further movements in their share in the equity, subsequent to the dates of investments. Net profit / loss for the year of the subsidiaries attributable to minority interest is identified and adjusted against the profit after tax of the Group in order to arrive at the profit attributable to shareholders of the Company.

### iii. Operating Cycle

Based on the nature of activities of the Companies of the Group and the normal time between acquisition of assets and their realisation in cash or cash equivalents, the Group has determined its operating cycle as 12 months for the purpose of classification of its assets and liabilities as current and non current.

### iv. Use of Estimates

The preparation of the consolidated financial statements in conformity with Indian GAAP requires the Management to make estimates and assumptions that affect the reported balances of assets and liabilities and disclosures relating to contingent liabilities as at the date of the financial statements and reported amounts of income and expenses for the reporting period. The Management believes that the estimates used in preparation of the financial statements are prudent and reasonable. Future results could differ from these estimates. Any revision to accounting estimates is recognised prospectively in the current and future periods. Estimates include provisions for doubtful debts and advances, employee benefit plans, provision for income taxes and provision for diminution in the value of investments.

### v. Revenue recognition

#### a) Income on Loan transactions

Income on loan transactions is accounted for by using the internal rate of return method. Consequently, a constant rate of return on net outstanding amount is accrued over the period of the contract, except that no income is recognised on non-performing assets as per the prudential norms for income recognition issued by the RBI/NHB for NBFCs/HFC's and Accounting Standard 9 (Revenue Recognition). Interest income on such assets is recognised on receipt basis.

In respect of non-performing assets acquired from other NBFCs/HFC's aggregate collections in excess of the consideration paid on acquisition of the portfolio of assets is treated as income.

Upfront / processing fees collected from the customer for processing loans are primarily towards documentation charges. These are accounted as income when the amounts become due provided recovery thereof is not uncertain.

Dealer subvention income and service charges are collected at the time of inception of the contract. These are accounted over the tenure of the loans in the proportion of interest earned to total interest receivable during the tenure of loans.

Income from sale/assignment of loan assets is recognised at the time of sale.

Repayment of housing loans is generally by way of Equated Monthly Instalments (EMIs) comprising principal and interest. EMIs commences once the entire loan is disbursed. Pending commencement of EMIs, pre-EMI interest is payable every month. Interest on loans is computed on a monthly rest basis.

**b) Income from Current and Long-term Investments**

Income from dividend on shares of corporate bodies and units of mutual funds is accounted when the Group's right to receive dividend is established. Interest income on bonds and debentures is recognised on time proportion basis taking into account the amount outstanding and the rate applicable.

Premium / Discount on investments, which is the difference between the acquisition cost and face value of debt instrument is recognised as interest income over the tenor of the instruments.

Redemption premium on investments (except on preference shares ) is recognised as income over the tenor of the investment.

**c) Income from Services**

Fees for financial advisory services are accounted based on stage of completion of assignments, when there is reasonable certainty of their ultimate realisation.

Income from property management is recognised on a straight-line basis to the extent that rental income is deemed collectible.

Revenue from underwriting commission is recognised on fulfillment of obligation under underwriting arrangements.

**d) Income from distribution of financial products**

Revenue from brokerage is recognised when the service is performed. Trail brokerage is recognised at the end of the measurement period when the pre-defined thresholds are met. Revenue is net of taxes and sub-brokerage. Sourcing income is recognised on an accrual basis when there is a reasonable certainty of its ultimate realisation.

**e) Income from Travel related services**

Income from services is net of service tax. Revenue is recognised upon rendering the service, the price being determined and collection of the receivable is reasonably certain.

**vi. Provisions for Standard/Non Performing Assets and Doubtful Debts**

The Group provides an allowance for loan receivables and debentures/bonds in the nature of advance based on the prudential norms issued by the Reserve Bank of India ("RBI") relating to income recognition, asset classification and provisioning for non-performing assets except for construction equipment, auto and personal loan portfolio where in addition to the provisioning as per the RBI norms, the Group also provides for the entire receivables, where any of the instalments is overdue for a period exceeding 11 months.

In case of housing loans, the Group provides an allowance for loan receivables based on prudential norms issued by the National Housing Bank ("NHB") relating to income recognition,

asset classification and provisioning for non-performing assets. The provision on Standard and Non-Performing Loans is made as per the prudential norms prescribed in the Housing Finance Companies (NHB) Directions, 2010 as amended. Additional provisions (over and above the prudential norms), if required, is made as per the Guidelines approved by the Board of Directors from time to time.

In addition, the Group provides for Restructured Assets (including Standard Assets) as required by the directions issued by the RBI.

## **vii. Investments**

Investments are classified into long-term investments and current investments.

### **a. Long-term investments:**

Long-term investments are stated at cost. Provision for diminution is made to recognise a diminution, other than temporary, in the carrying value of such investments.

Long-term investments made by the Group in equity shares, preference shares or debentures in its associates or any other entities primarily intended to fulfill its business objective are classified as Trade Investments. It is intended to hold these to further the long-term interests of the Group and not for the purpose of frequent selling / trading of these investments.

### **b. Current investments:**

Current investments are stated at the lower of cost and market value, determined on an individual investment basis.

## **viii. Fixed Assets**

### **a. Tangible:**

Fixed assets are stated at cost of acquisition including any cost attributable for bringing asset to its working condition, which comprises of purchase consideration, other directly attributable costs of bringing the assets to their working condition for their intended use and attributable interest.

Foreign exchange differences arising on reporting of long-term foreign currency monetary items at rates different from those at which they were initially recorded during the period, or reported in previous financial statements, in so far as they relate to the acquisition of a depreciable capital asset, have been added to or deducted from the cost of the asset and are depreciated over the balance life of the asset.

The Group has adopted the provisions of para 46 / 46A of AS 11 (The Effects of Changes in Foreign Exchange Rates), accordingly, exchange differences arising on restatement / settlement of long-term foreign currency borrowings relating to acquisition of depreciable fixed assets are adjusted to the cost of the respective assets and depreciated over the remaining useful life of such assets

### **b. Intangible:**

Acquired intangible assets other than goodwill are measured at cost.

Goodwill is stated at cost. Goodwill comprises the portion of a purchase price for an acquisition that exceeds the market value of the identifiable assets, with deductions for liabilities, calculated on the date of acquisition.

Expenses on software support and maintenance are charged to the Statement of Profit and Loss during the year in which such costs are incurred.

**c. Capital work -in- progress :**

Projects under which tangible fixed assets are not yet ready for their intended use are carried at cost, comprising direct costs, related incidental expenses and attributable interest.

**ix. Depreciation and Amortisation**

Depreciable amount for assets is the cost of an asset, or other amount substituted for cost, less its estimated residual value.

Depreciation on tangible fixed assets has been provided on the straight-line method as per the useful life prescribed in Schedule II to the Companies Act, 2013 except in respect of Building, Computer Equipment and Vehicles, in whose case the life of the assets has been assessed based on the nature of the asset, the estimated usage of the asset, the operating conditions of the asset, past history of replacement, etc.

Purchased software licenses and capitalised implementation costs are amortised over the period the benefits are expected to accrue, while Goodwill is tested for impairment at each Balance Sheet date. An impairment loss is recognised if the carrying amount of Goodwill exceeds its recoverable amount.

All capital assets with individual value less than ₹ 5,000 are depreciated fully in the year in which they are purchased.

Estimated useful lives considered by the Group are:

<b>Asset</b>	<b>Estimated Useful Life</b>
Leasehold Improvements	Lease Period (ranging from 1 to 9 years)
Construction Equipment	Leased : 7 to 15 years
Furniture & Fixtures	Owned : 10 years
	Leased : 9 to 10 years
Computer Equipment	Owned : 3 to 4 years
	Leased: 2 to 5 years
Office Equipment	Owned : 5 years
	Leased : 2 to 5 years
Vehicles	Owned : 4 years
	Leased : 4 years
Software Licenses	Owned : 4 to 10 years
	Leased : 0 to 5 years
Buildings	25 years
Plant & Machinery	Owned : 10 years
	Leased : 4 to 15 years
Railway Wagons	Leased : 15 years
Electrical Installation & Equipments	Leased : 9 years
Networking Assets	2 to 5 years
Trading Rights in BSEL	Over a period of 10 years

**x. Impairment of Assets**

At each Balance Sheet date, the Group reviews whether there is any indication of impairment of assets. If any such condition exists, the recoverable amount of the asset is estimated in order to determine the extent of impairment loss (if any).

Recoverable amount of the asset is the higher of an asset's net selling price and value in use. In assessing the value in use, the estimated future cash flow expected from continuing use of the asset and from its disposal is discounted to its present value using a pre-tax discount rate that reflects the current market assessments of time value of money and the risk specific to the asset.

If the recoverable amount of an asset is estimated to be less than the carrying amount, the carrying amount of the asset is reduced to its recoverable amount. An impairment loss is recognised immediately in the Statement of Profit and Loss.

After impairment, depreciation is provided on the revised carrying amount of the assets over their remaining useful lives. A previously recognised impairment loss is increased or reversed depending on changes in circumstances. However, the carrying value after reversal is not increased above the lower of the recoverable amount and the carrying value that would have prevailed by charging usual depreciation if there was no impairment.

**xi. Deferred revenue expenditure**

Share issue expenses are amortised over a period of 36 months from the month in which the Group has incurred the expenditure.

Ancillary costs in the nature of loan processing charges and debenture issue expenses are amortised over the tenor of the loan/debenture from the month in which the Group has incurred the expenditure.

Loan sourcing costs are amortised over the average tenor of the loan which varies based on products financed.

**xii. Employee Benefits**

Employee benefits include provident fund, superannuation fund, employee state insurance scheme, gratuity fund, compensated absences and long-term service awards.

**a. Defined contribution plans**

The eligible employees of the Group are entitled to receive benefits under the provident fund, a defined contribution plan, in which both employees and the Group make monthly contributions at a specified percentage of the covered employees' salary (currently 12% of employees' salary), which is recognised as an expense in the Statement of Profit and Loss during the year. The contributions as specified under the law are paid to the provident fund set up as irrevocable trust by the Company for participating subsidiaries and for other subsidiaries, the contributions are paid to the provident fund administered by the Regional Provident Fund Commissioner. The Group is generally liable for annual contributions and any shortfall in the fund assets based on the government specified minimum rates of return and recognises such contributions and shortfall as an expense in the year incurred.

The Group's contribution to superannuation fund is considered as defined contribution plan and are charged as an expense based on the amount of contribution required to be made as and when services are rendered by the employees.

**b. Defined benefit plans**

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

**c. Short-term employee benefits**

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

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

**d. Long-term employee benefits**

Compensated absences which are not expected to occur within twelve months after the end of the year in which the employees render the related service are recognised as a liability at the present value of the defined benefit obligation as at the Balance Sheet date less the fair value of the plan assets out of which the obligations are expected to be settled. Long-term service awards are recognised as a liability at the present value of the defined benefit obligation as at the Balance Sheet date.

**xiii. Employees Share Purchase / Option Scheme**

As per the Guidance Note on Accounting for Employee Share-based Payments issued by The Institute of Chartered Accountants of India, the Company has adopted the intrinsic value method in accounting for the Employee Stock Purchase Scheme offered by the Company.

**xiv. Share Based Payment Transactions**

The grant date intrinsic value of share based payment options under the Employees' Share Purchase Scheme ("ESPS") granted to employees, determined as the fair value of underlying shares, less the amount which the employee is required to pay at the time of exercise of the option (the exercise price), is recognised as an employee cost with a corresponding increase in equity in the period of the grant as the options granted under Company's ESPS plan vest immediately and it is presumed that consideration for the options have been received.

As the Group has adopted the intrinsic value for accounting the share based payments, there are no adjustments made to the amounts recognised as an expense for differences between the expected and actual outcomes.

On exercise of the stock option, the amount standing to the credit of the relevant equity account is treated as part of the consideration for the shares issued. Where stock options expire unexercised, the balance to the credit of the relevant equity account is transferred to the general reserve.



#### **xv. Provisions, Contingent Liabilities and Contingent Assets**

A provision is recognised when the Group has a present obligation as a result of past event and it is probable that an outflow of resources will be required to settle the obligation, in respect of which reliable estimate can be made. Provisions (excluding retirement benefits) are not discounted to their present value and are determined based on best estimate required to settle the obligation at the Balance Sheet date. These are reviewed at each Balance Sheet date and adjusted to reflect the current best estimates. Contingent liabilities are not recognised but disclosed in the financial statements. Contingent assets are neither recognised nor disclosed in the financial statements.

#### **xvi. Leases**

Leases are classified as operating leases where significant portion of risks and reward of ownership of assets acquired under lease is retained by the lessor. Leases of assets under which substantially all of the risks and rewards of ownership are effectively retained by the lessor are classified as operating leases.

Assets given on operating lease are capitalised at cost. Rentals received or receivable by the Group are recognised in the Statement of Profit and Loss on a straight-line basis over the lease term, provided recovery is certain.

Assets given under finance lease are recognised as a receivable at an amount equal to the net investment in the lease. Lease rentals are apportioned between principal and interest on the internal rate of return. The principal amount received reduces the net investment in the lease and interest is recognised as revenue.

#### **xvii. Foreign currency transactions and translations**

##### **Accounting of forward contracts:**

Premium/discount on forward exchange contracts, which are not intended for trading or speculation purposes, are amortised over the period of the contracts if such contracts relate to monetary items as at the Balance Sheet date.

##### **Initial recognition:**

Transactions in foreign currencies entered into by the Group are accounted at the exchange rates prevailing on the date of the transactions or at rates that closely approximate the rate on the date of the transactions.

##### **Settlement of Transactions:**

Gains and losses resulting from the settlement of such transactions are recognised in the statement of Profit and Loss.

##### **Measurement at the Balance Sheet date**

- (a) Foreign currency monetary items (other than derivative contracts) of the Group, outstanding as at the Balance Sheet date are restated at the year-end rates. Non-monetary items of the Group are carried at historical cost.
- (b) Foreign currency monetary assets and liabilities other than net investments in non-integral foreign operations are translated at the exchange rate prevailing on the Balance Sheet date and the exchange gains or losses are recognised in the Statement of Profit and Loss. Exchange difference arising on a monetary item that, in substance, forms part of an enterprise's net investments in a non-integral foreign operation are accumulated in a foreign currency translation reserve.

- (c) The exchange differences arising on settlement / restatement of long-term foreign currency monetary items are capitalised as part of the depreciable fixed assets to which the monetary item relates and depreciated over the remaining useful life of such asset.
- (d) For the purpose of consolidation, income and expenses are translated at average rates and the assets and liabilities are stated at closing rate. The net impact of such change is accumulated in 'Foreign Currency Translation Reserve Account'.

#### **xviii. Derivative Contracts**

The Group enters into derivative contracts in the nature of forward contracts with an intention to hedge its existing assets and liabilities. Derivative contracts which are closely linked to the existing assets and liabilities are accounted as per the policy stated for foreign currency transactions and translations. All other derivative contracts are mark-to-market and losses are recognised in the Statement of Profit and Loss. Gains arising on the same are not recognised, until realised, on grounds of prudence.

#### **xix. Taxation**

Current tax is the amount of tax payable on the taxable income for the year as determined in accordance with the applicable tax rates and the provisions of the Income Tax Act, 1961 and the other applicable tax laws.

Deferred tax corresponds to the net effect of tax on all timing differences, which occur as a result of items being allowed for income tax purposes during a year different from when they were recognised in the financial statements.

Deferred tax is recognised on the timing differences, being the differences between the taxable income and the accounting income that originate in one period and are capable of reversal in one or more subsequent periods. Deferred tax is measured using the tax rates and the tax laws enacted or substantively enacted as at the reporting date. Deferred tax liabilities are recognised for all timing differences. Deferred tax assets are recognised for timing differences of items other than unabsorbed depreciation and carry forward losses only to the extent that reasonable certainty exists that sufficient future taxable income will be available against which these can be realised. However, if there are unabsorbed depreciation and carry forward losses and items relating to capital losses, deferred tax assets are recognised only if there is virtual certainty supported by convincing evidence that there will be sufficient future taxable income available to realise assets. Deferred tax assets and liabilities are offset if such items relate to taxes on income levied by the same governing tax laws and the Group has a legally enforceable right for such set off. Deferred tax assets are reviewed at each Balance Sheet date for their realisability.

Current and deferred tax relating to items directly recognised in reserves are recognised in reserves and not in the Statement of Profit & Loss.

#### **xx. Business segment**

The Group's reportable segments consist of Financing, Investments and Others. Financing consists of asset financing, housing finance, term loans (corporate and retail), channel financing and bill discounting. Investments consist of corporate investments and treasury activities. Others primarily include advisory services, wealth management, travel and tourist related services, broking services and distribution of financial products.

Revenue and expense directly attributable to segments are reported under each reportable segment. Expenses not directly identifiable to each of the segments have been allocated to each segment on the basis of associated revenues of each segment. All other expenses which are not attributable or allocable to segments have been disclosed as unallocable expenses.

**xxi. Cash Flow Statement**

Cash flow are reported using the indirect method, whereby profit before extraordinary items and tax is adjusted for the effects of transactions of non-cash nature and any deferrals or accruals of past or future cash receipts or payments. The cash flows from operating, investing and financing activities of the Group are segregated based on the available information.

**xxii. Earnings Per Share**

Basic earnings per share is computed by dividing the profit / (loss) after tax (including the post tax effect of extraordinary items, if any) by the weighted average number of equity shares outstanding during the year. Diluted earnings per share is computed by dividing the profit / (loss) after tax (including the post tax effect of extraordinary items, if any) as adjusted for dividend, interest and other charges to expense or income (net of any attributable taxes) relating to the dilutive potential equity shares, by the weighted average number of equity shares considered for deriving basic earnings per share and the weighted average number of equity shares which could have been issued on the conversion of all dilutive potential equity shares. Potential equity shares are deemed to be dilutive only if their conversion to equity shares would decrease the net profit per share from continuing ordinary operations. Potential dilutive equity shares are deemed to be converted as at the beginning of the year, unless they have been issued at a later date. The dilutive potential equity shares are adjusted for the proceeds receivable had the shares been actually issued at fair value (i.e. average market value of the outstanding shares). Dilutive potential equity shares are determined independently for each year presented. The number of equity shares and potentially dilutive equity shares are adjusted for share splits / reverse share splits and bonus shares, as appropriate.

**xxiii. Assets held for sale**

An asset is classified as held for sale if its carrying amount will be recovered or settled principally through a sale transaction rather than through continuing use. Assets classified as held for sale are measured at the lower of carrying amount and fair value. In the event an asset held for sale is acquired in settlement of an existing claim or existing asset, it is initially recorded in the books at its fair value or value of the asset given up, whichever is better determined. Impairment losses on initial classification as held for sale and losses on subsequent re-measurements are included in the profit and loss statement. No depreciation is charged on assets classified as held for sale.

**NOTES TO AND FORMING PART OF THE CONSOLIDATED  
BALANCE SHEET AS AT MARCH 31, 2016**

## NOTE "2"

(₹ in lakh)

PARTICULARS	As at March 31, 2016	As at March 31, 2015
<b>AUTHORISED</b>		
4,750,000,000 (as at March 31, 2015: 4,750,000,000 shares) Equity shares of ₹ 10 each	<b>475,000</b>	475,000
32,500,000 (as at March 31, 2015: 32,500,000 shares) Preference shares of ₹ 1,000 each.	<b>325,000</b>	325,000
	<b>800,000</b>	800,000
<b>ISSUED</b>		
2,826,092,570 (as at March 31, 2015: 2,826,092,570 shares) Equity shares of ₹ 10 each	<b>282,609</b>	282,609
2,175,374 (as at March 31, 2015: 2,175,374 shares) 12.50% Cumulative Redeemable Preference shares of ₹ 1,000 each	<b>21,754</b>	21,754
12,445,841 (as at March 31, 2015: 9,945,841 shares) 8.33% Cumulative Redeemable Preference shares of ₹ 1,000 each	<b>124,458</b>	99,458
	<b>428,821</b>	403,821
<b>SUBSCRIBED</b>		
2,826,018,170 (as at March 31, 2015: 2,826,018,170 shares) Equity shares of ₹ 10 each	<b>282,602</b>	282,602
2,071,066 (as at March 31, 2015: 2,071,066 shares) 12.50% Cumulative Redeemable Preference shares of ₹ 1,000 each	<b>20,711</b>	20,711
11,893,401 (as at March 31, 2015: 6,893,401 shares) 8.33% Cumulative Redeemable Preference shares of ₹ 1,000 each	<b>118,934</b>	68,934
	<b>422,246</b>	372,246
<b>PAID UP</b>		
2,826,018,170 (as at March 31, 2015: 2,826,018,170 shares) Equity shares of ₹ 10 each fully paid up	<b>282,602</b>	282,602
Less: Loan given to TCL Employees Welfare Trust	<b>(5,704)</b>	(5,695)
Less: Loans to Employees	<b>(15)</b>	(45)
2,071,066 (as at March 31, 2015: 2,071,066 shares) 12.50% Cumulative Redeemable Preference shares of ₹ 1,000 each	<b>20,711</b>	20,711
11,893,401 (as at March 31, 2015: 6,893,401 shares) 8.33% Cumulative Redeemable Preference shares of ₹ 1,000 each	<b>118,934</b>	68,934
<b>TOTAL</b>	<b>416,528</b>	<b>366,507</b>

**NOTES TO AND FORMING PART OF THE CONSOLIDATED  
BALANCE SHEET AS AT MARCH 31, 2016**

**a. Reconciliation of number of shares outstanding**

PARTICULARS	No. of shares	₹ in Lakh
<b>Opening Share Capital as on April 1, 2014</b>		
Equity Shares Face Value ₹ 10 fully paid up	2,826,018,170	282,602
12.5% Cumulative Redeemable Preference Shares Face Value ₹ 1,000 fully paid up	2,071,066	20,711
8.33% Cumulative Redeemable Preference Shares Face Value ₹ 1,000 fully paid up	4,792,610	47,926
		351,239
<b>Additions during the year</b>		
Equity Shares Face Value ₹ 10 fully paid up	–	–
12.5% Cumulative Redeemable Preference Shares Face Value ₹ 1,000 fully paid up - Privately Placed	–	–
8.33% Cumulative Redeemable Preference Shares Face Value ₹ 1,000 fully paid up - Privately Placed	2,100,791	21,008
<b>Closing Share Capital as on March 31, 2015</b>		
Equity Shares Face Value ₹ 10 fully paid up	2,826,018,170	282,602
12.5% Cumulative Redeemable Preference Shares Face Value ₹ 1,000 fully paid up	2,071,066	20,711
8.33% Cumulative Redeemable Preference Shares Face Value ₹ 1,000 fully paid up	6,893,401	68,934
		372,247
<b>Additions during the year</b>		
Equity Share Capital	–	–
12.5% Cumulative Redeemable Preference Shares Face Value ₹ 1,000 fully paid up - Privately Placed	–	–
8.33% Cumulative Redeemable Preference Shares Face Value ₹ 1,000 fully paid up - Privately Placed	5,000,000	50,000
<b>Closing Share Capital as on March 31, 2016</b>		
Equity Shares Face Value ₹ 10 fully paid up	2,826,018,170	282,602
12.5% Cumulative Redeemable Preference Shares Face Value ₹ 1,000 fully paid up	2,071,066	20,711
8.33% Cumulative Redeemable Preference Shares Face Value ₹ 1,000 fully paid up	11,893,401	118,934
		<b>422,247</b>

**b. Rights, preferences and restrictions attached to Equity Shares**

The Company has one class of equity shares having a par value of ₹ 10 per share. Each shareholder is eligible for one vote per share held. The dividend proposed by the Board of Directors, if any, is subject to the approval of the shareholders at the ensuing Annual General Meeting, except in case of interim dividend. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Company after distribution of all preferential amounts, in proportion to their shareholding.

**NOTES TO AND FORMING PART OF THE CONSOLIDATED  
BALANCE SHEET AS AT MARCH 31, 2016**

**c. Investment by Tata Sons Limited (the Holding company) and its Subsidiaries/Associates/JVs.**

Name of company	Particulars of issue	No. of equity shares	₹ in lakh
Tata Sons Limited (the Holding Company)	<b>Opening Balance as on April 1, 2014</b>	2,551,433,946	255,143
	Add: Purchased	—	—
	<b>Closing Balance as on March 31, 2015</b>	2,551,433,946	255,143
	Add: Purchased	—	—
	<b>Closing Balance as on March 31, 2016</b>	2,551,433,946	255,143
Tata Investment Corporation Limited (Subsidiary of Tata Sons Limited)	<b>Opening Balance as on April 1, 2014</b>	77,196,591	7,720
	Add: Purchased	—	—
	<b>Closing Balance as on March 31, 2015</b>	77,196,591	7,720
	Add: Purchased	—	—
	<b>Closing Balance as on March 31, 2016</b>	77,196,591	7,720
Tata Industries Limited (Subsidiary of Tata Sons Limited)	<b>Opening Balance as on April 1, 2014</b>	2,272,346	227
	Add: Purchased	—	—
	<b>Closing Balance as on March 31, 2015</b>	2,272,346	227
	Add: Purchased	—	—
	<b>Closing Balance as on March 31, 2016</b>	2,272,346	227
Tata International Limited (Subsidiary of Tata Sons Limited)	<b>Opening Balance as on April 1, 2014</b>	790,592	79
	Add: Purchased	—	—
	<b>Closing Balance as on March 31, 2015</b>	790,592	79
	Add: Purchased	—	—
	<b>Closing Balance as on March 31, 2016</b>	790,592	79
Tata Motors Limited (Associate of Tata Sons Limited)	<b>Opening Balance as on April 1, 2014</b>	4,326,651	433
	Add: Purchased	—	—
	<b>Closing Balance as on March 31, 2015</b>	4,326,651	433
	Add: Purchased	—	—
	<b>Closing Balance as on March 31, 2016</b>	4,326,651	433
Tata Chemicals Limited (Associate of Tata Sons Limited)	<b>Opening Balance as on April 1, 2014</b>	3,230,859	323
	Add: Purchased	—	—
	<b>Closing Balance as on March 31, 2015</b>	3,230,859	323
	Add: Purchased	—	—
	<b>Closing Balance as on March 31, 2016</b>	3,230,859	323
Tata Global Beverages Limited (Associate of Tata Sons Limited)	<b>Opening Balance as on April 1, 2014</b>	613,598	61
	Add: Purchased	—	—
	<b>Closing Balance as on March 31, 2015</b>	613,598	61
	Add: Purchased	—	—
	<b>Closing Balance as on March 31, 2016</b>	613,598	61
<b>Total</b>	<b>Opening Balance as on April 1, 2014</b>	2,639,864,583	263,986
	Add: Purchased	—	—
	<b>Closing Balance as on March 31, 2015</b>	2,639,864,583	263,986
	Add: Purchased	—	—
	<b>Closing Balance as on March 31, 2016</b>	2,639,864,583	263,986

**NOTES TO AND FORMING PART OF THE CONSOLIDATED  
BALANCE SHEET AS AT MARCH 31, 2016**

8.33% Cumulative Redeemable Preference Shares Face Value ₹ 1,000 fully paid up

Name of company	Particulars of issue	No. of equity shares	₹ in lakh
Trent Limited (Associate of Tata Sons Limited)	<b>Opening Balance as on April 1, 2014</b>	–	–
	Add: Purchased	–	–
	<b>Closing Balance as on March 31, 2015</b>	–	–
	Add: Purchased	100,000	1,000
	<b>Closing Balance as on March 31, 2016</b>	100,000	1,000

**d. List of Shareholders holding more than 5% Equity Shares as at**

Name of Shareholder	March 31, 2016		March 31, 2015	
	No. of Shares held	% of Holding	No. of Shares held	% of Holding
Tata Sons Limited	2,551,433,946	90.28%	2,551,433,946	90.28%

**e. Rights, preferences and restrictions attached to Preference Shares**

The Company has issued Cumulative Redeemable Preference Shares (“CRPS”) of face value ₹ 1,000/- each, in tranches, having terms of issuance disclosed herein below. The CRPS holders have a right to receive dividend, prior to the Equity Shareholders. The dividend proposed by the Board of Directors on the CRPS is subject to the approval of the shareholders at the ensuing Annual General Meeting, except in case of interim dividend. In the event of liquidation, the Preference Shareholders are eligible to receive the remaining assets of the Company before distribution to the Equity Shareholders, in proportion to their shareholding.

Particulars	Tranche	No. of Shares	Allotment Date	Redemption Date	Early Redemption Date *
12.5% Cumulative Redeemable Preference Shares of ₹ 1,000 each issued at Premium of ₹ 500 per share and redeemable at a premium of ₹ 500 per share.	A	984,078	August 10, 2012	August 9, 2019	N/A
	B	411,614	October 22, 2012	October 21, 2019	N/A
	C	166,666	December 10, 2012	December 9, 2019	N/A
	D	104,308	January 21, 2013	January 20, 2020	N/A
	E	200,000	February 27, 2013	February 26, 2020	N/A
	F	204,400	March 28, 2013	March 27, 2020	N/A

**NOTES TO AND FORMING PART OF THE CONSOLIDATED  
BALANCE SHEET AS AT MARCH 31, 2016**

Particulars	Tranche	No. of Shares	Allotment Date	Redemption Date	Early Redemption Date *
8.33% Cumulative Redeemable Preference Shares of ₹ 1,000 each	G	899,000	June 6, 2013	June 5, 2020	September 30, 2017
	H	2,500,000	May 22, 2013	May 21, 2020	September 30, 2017
	I	996,050	July 9, 2013	July 8, 2020	September 30, 2017
	J	369,660	September 5, 2013	September 4, 2020	September 30, 2017
	K	27,900	November 7, 2013	November 6, 2020	March 31, 2018
	L	50,900	April 1, 2014	March 31, 2021	March 31, 2018
	M	2,049,891	August 19, 2014	August 18, 2021	September 30, 2018
	N	4,648,500	April 22, 2015	April 21, 2022	June 30, 2019
	O	351,500	September 7, 2015	September 6, 2022	September 30, 2019

\* For 8.33% Cumulative Redeemable Preference Shares of ₹ 1,000 each, the CRPS holder has a Put Option and the Company has a Call Option to seek early redemption of the CRPS by the dates as specified.

**(f) List of Shareholders holding more than 5% Preference Shares as at**

Name of Shareholder	March 31, 2016		March 31, 2015	
	No. of Shares held	% of Holding	No. of Shares held	% of Holding
<b>12.5% Cumulative Redeemable Preference Shares of ₹ 1,000 each</b>				
Azim Hasham Premji	299,999	14.49%	299,999	14.49%
Azim Premji Trust	200,000	9.66%	200,000	9.66%
International Tractors Limited	133,700	6.46%	133,700	6.46%
<b>8.33% Cumulative Redeemable Preference Shares of ₹ 1,000 each</b>				
Shree Cements Limited	1,400,000	11.77%	1,000,000	14.51%



**NOTES TO AND FORMING PART OF THE CONSOLIDATED  
BALANCE SHEET AS AT MARCH 31, 2016**

**NOTE “3”**

(₹ in lakh)

<b>RESERVES AND SURPLUS</b>	<b>As at March 31, 2016</b>		<b>As at March 31, 2015</b>	
<b>a. Capital Redemption Reserve</b>		575		575
<b>b. Capital Reserve on Consolidation</b>		43		30
Opening Balance		—		13
Add: Capital reserve on account of acquisition of subsidiary				
<b>Closing Balance</b>		<b>43</b>		<b>43</b>
<b>c. Securities Premium Account</b>				
Opening Balance		27,074		27,070
Add: Recovery of loan given to employees for ESOP		8		4
<b>Net Balance</b>		<b>27,082</b>		<b>27,074</b>
<b>d. Special Reserve Account / Statutory Reserve (refer note below)</b>				
Opening Balance		28,767		21,191
Add: Transfer from Surplus in the Statement of Profit and Loss		11,924		7,576
<b>Closing Balance</b>		<b>40,691</b>		<b>28,767</b>
<b>e. Debenture Redemption Reserve</b>				
Opening Balance		30,000		30,000
<b>Closing Balance</b>		<b>30,000</b>		<b>30,000</b>
<b>f. Surplus in the Statement of Profit and Loss</b>				
Opening Balance		46,778		34,324
Less: Adjustment of Deferred Tax Liability on Special Reserve u/s 36(1) (viii) of Income Tax Act (Refer Note No. 42)		—		(626)
Less: Depreciation on transition of Schedule II of Companies Act, 2013 on tangible fixed assets with nil remaining useful life (net of deferred tax) (Refer Note No. 44)		—		(77)
Add: Profit for the year				
Profit available for Appropriations				
<b>Less : Appropriations</b>		<b>40,501</b>		<b>30,553</b>
		<b>87,279</b>		<b>64,174</b>
- Transfer to Special Reserve Account	11,924		7,566	
- Proposed Dividend on preference shares (Refer Note No. 3(c))	12,147		7,676	
- Tax on Dividend (including tax on interim dividend declared by subsidiaries to holding company)	2,956	27,027	2,144	17,396
<b>Closing Balance</b>		<b>60,252</b>		<b>46,778</b>
<b>g. Foreign Currency Translation Reserve</b>				
Opening Balance		2,942		2,121
Add : Effect of foreign exchange rate variations during the year		1,131		821
<b>Closing Balance</b>		<b>4,073</b>		<b>2,942</b>
<b>TOTAL - RESERVES AND SURPLUS</b>		<b>162,716</b>		<b>136,179</b>

**Note:**

The amounts appropriated out of the surplus in the Statement of Profit and Loss are as under:

- ₹ 8,922 Lakh (Previous Year: ₹ 6,216 Lakh) to Special Reserve as prescribed by section 45-IC of the Reserve Bank of India Act, 1934, being 20% of the profits after taxes for the year.
- As required by section 29C of National Housing Bank Act, 1987 and Section 36 (1) (viii) of the Income Tax Act, 1961, the Group has transferred an amount of ₹ 3,002 Lakh ( Previous Year: ₹ 1,360 Lakh) to Special Reserve.
- During the current year, the Company has declared and paid an interim and final dividend at 12.5% and 8.33% respectively on Cumulative Redeemable Preference shares.

**NOTES TO AND FORMING PART OF THE CONSOLIDATED  
BALANCE SHEET AS AT MARCH 31, 2016**

**NOTE "4"**

(₹ in lakh)

LONG-TERM BORROWINGS	As at March 31, 2016	As at March 31, 2015
<b>a. Bonds/Debentures</b>		
<b>Secured</b>		
Privately Placed Non-Convertible Debentures (Refer Note Nos.4 (a) and 4 (f) below)	1,100,920	772,950
Public issue of Non-Convertible Debentures (Refer Note Nos. 4 (b) & 4 (g) below)	28,818	28,818
<b>Unsecured</b>		
Non-Convertible Subordinated Debentures (Refer Note No. 4 (h) below)	195,409	131,039
[Net of unamortised discount of ₹ 1,706 Lakh (as at March 31, 2015 : ₹ 2,076 Lakh)]		
Non-Convertible Perpetual Debentures (Refer Note No. 4 (i) below)	40,000	10,000
Privately Placed Non-Convertible Debentures (Refer Note No. 4 (j) below)	35,000	-
<b>b. Term loans</b>		
<b>Secured</b>		
(i) From Banks (Refer Notes Nos. 4 (c) & 4 (d) below)	274,778	392,049
(ii) From National Housing Bank (Refer Note No. 4(e) below)	159,554	91,266
<b>Unsecured</b>		
(i) From Banks (Refer Note No. 4 (d) below)	165,000	90,000
<b>c. Deposits</b>		
<b>Unsecured</b>		
Inter Corporate Deposit	2,215	715
<b>Total</b>	<b>2,001,694</b>	<b>1,516,837</b>

## Notes:

- a. Privately Placed Non-Convertible Debentures are secured by a *pari passu* charge on the specific immovable property, specified receivables arising out of loan, lease, hire purchase transactions and to the extent of shortfall in asset cover by a *pari passu* charge on certain current assets of the Group.
- b. Public issue of Non-Convertible Debentures are secured by a *pari passu* charge on the specific immovable property, receivables against unsecured loans, bills discounted and trade advances and other current assets of the Group.
- c. Loans and advances from banks are secured by a *pari passu* charge on the certain current assets of the Group.

**Terms of repayment of term loans and rate of interest:**

- d. As per terms of agreements loan from banks classified under long-term borrowings, short-term borrowings and current liabilities aggregating ₹ 539,848 Lakh (Previous Year: ₹ 638,902 Lakh) are repayable at maturity ranging between 15 and 60 months from the date of respective loan. Rate of Interest payable on term loan varies between 9.30 % to 10.00%
- e. Loan from National Housing Bank is secured by way of hypothecation of book debt and is repayable in 28/60 quarterly installments. Rate of Interest payable on Term loan varies between 6.12% to 9.50% (Previous year varies between 7.10% to 10.00%).

## NOTES TO AND FORMING PART OF THE CONSOLIDATED BALANCE SHEET AS AT MARCH 31, 2016

(f) Particulars of Public issue of Secured Non-Convertible Debentures outstanding as on March 31, 2016

Description of NCDs	Issue Date	Redemption Date	As on March 31, 2016*		As on March 31, 2015*	
			Number of NCDs	₹ in Lakh	Number of NCDs	₹ in Lakh
TCHFL - Series U - FY 2014-15	20-Jan-15	24-Jan-28	190	1,900	190	1,900
TCHFL - Series M - FY 2014-15- Option II	14-Nov-14	24-Nov-27	150	1,500	150	1,500
TCHFL - Series AU - FY 2015-16 - Option I	30-Mar-16	30-Mar-26	150	1,500	-	-
TCHFL - Series AM - FY 2015-16 - Option I	6-Nov-15	6-Nov-25	350	3,500	-	-
TCHFL - Series AG - FY 2015-16	8-Oct-15	8-Oct-25	75	750	-	-
TCHFL - Series AE - FY 2015-16	31-Aug-15	29-Aug-25	200	2,000	-	-
TCHFL - Series O - FY 2015-16	16-Jun-15	16-Jun-25	200	2,000	-	-
TCHFL - Series V - FY 2014-15	23-Jan-15	23-Jan-25	1,500	15,000	1,500	15,000
TCHFL - Series R - FY 2014-15	9-Dec-14	9-Dec-24	2,000	20,000	2,000	20,000
TCFSL NCD AF FY 2014-15-Option-I	8-Dec-14	6-Dec-24	600	6,000	600	6,000
TCFSL NCD AF FY 2014-15-Option-I	8-Dec-14	6-Dec-24	150	1,500	150	1,500
TCFSL NCD AA FY 2014-15	20-Nov-14	20-Nov-24	950	9,500	950	9,500
TCHFL - Series AP - FY 2015-16 - Option II	12-Jan-16	12-Jan-24	150	1,500	-	-
TCHFL - Series U - FY 2012-13	12-Mar-13	10-Mar-23	100	1,000	100	1,000
TCHFL - Series R - FY 2012-13	18-Jan-13	18-Jan-23	150	1,500	150	1,500
TCHFL - Series AP - FY 2015-16 - Option I	12-Jan-16	12-Jan-23	150	1,500	-	-
TCHFL - Series Q - FY 2012-13	24-Dec-12	28-Dec-22	100	1,000	100	1,000
TCFSL NCD AH FY 2012-13	5-Sep-12	7-Sep-22	500	5,000	500	5,000
TCHFL - Series X - FY 2015-16	29-Jul-15	29-Jul-22	750	7,500	-	-
TCHFL - Series G - FY 2012-13	15-May-12	18-May-22	100	1,000	100	1,000
TCFSL NCD AB FY 2015-16	21-Mar-16	19-Mar-21	100	1,000	-	-
TCFSL NCD AA FY 2015-16	16-Mar-16	16-Mar-21	70	700	-	-
TCHFL - Series AS - FY 2015-16	22-Jan-16	22-Jan-21	200	2,000	-	-
TCFSL NCD X FY 2015-16	16-Dec-15	16-Dec-20	100	1,000	-	-
TCHFL - Series AM - FY 2015-16 - Option II	6-Nov-15	6-Nov-20	50	500	-	-
TCCL NCD 'F' FY 2015-16	19-Oct-15	19-Oct-20	200	2,000	-	-
TCHFL - Series AI - FY 2015-16	16-Oct-15	16-Oct-20	500	5,000	-	-
TCHFL - Series AH - FY 2015-16	14-Oct-15	14-Oct-20	200	2,000	-	-
TCCL NCD 'E' FY 2015-16	4-Sep-15	4-Sep-20	200	2,000	-	-
TCHFL - Series AB - FY 2015-16	20-Aug-15	20-Aug-20	100	1,000	-	-
TCHFL - Series AA - FY 2015-16	17-Aug-15	17-Aug-20	1,000	10,000	-	-
TCHFL - Series Z - FY 2015-16	7-Aug-15	7-Aug-20	300	3,000	-	-
TCCL NCD 'C' FY 2015-16	20-Jul-15	20-Jul-20	200	2,000	-	-
TCHFL - Series T - FY 2015-16 - Option I	9-Jul-15	9-Jul-20	100	1,000	-	-
TCFSL NCD E FY 2015-16	5-May-15	5-May-20	3,300	33,000	-	-
TCHFL - Series Z - FY 2014-15	12-Feb-15	12-Feb-20	100	1,000	100	1,000
TCHFL - Series G - FY 2014-15	22-Oct-14	22-Oct-19	550	5,500	550	5,500
TCHFL - Series K - FY 2012-13	3-Oct-12	3-Oct-19	100	1,000	100	1,000
TCHFL - Series D - FY 2014-15- Option II	22-Aug-14	22-Aug-19	100	1,000	100	1,000
TCHFL - Series B - FY 2014-15- Option II	22-Jul-14	21-Jul-19	100	1,000	100	1,000
TCFSL NCD C FY 2014-15 - Option-II	9-Jul-14	9-Jul-19	350	3,500	350	3,500
TCHFL - Series A - FY 2014-15- Option II	13-Jun-14	13-Jun-19	100	1,000	100	1,000
TCHFL - Series AT - FY 2015-16	2-Mar-16	16-May-19	220	2,200	-	-
TCFSL NCD Z FY 2015-16	5-Feb-16	3-May-19	1,000	10,000	-	-

**NOTES TO AND FORMING PART OF THE CONSOLIDATED  
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Description of NCDs	Issue Date	Redemption Date	As on March 31, 2016*		As on March 31, 2015*	
			Number of NCDs	₹ in Lakh	Number of NCDs	₹ in Lakh
TCFSL NCD AC FY 2015-16	31-Mar-16	18-Apr-19	213	2,130	–	–
TCHFL - Series AU - FY 2015-16 - Option II	30-Mar-16	18-Apr-19	100	1,000	–	–
TCHFL - Series N - FY 2013-14	20-Jan-14	18-Jan-19	50	500	50	500
TCHFL - Series AQ - FY 2015-16	18-Jan-16	18-Jan-19	1,000	10,000	–	–
TCHFL - Series AR - FY 2015-16	20-Jan-16	18-Jan-19	100	1,000	–	–
TCFSL NCD Y FY 2015-16	8-Jan-16	8-Jan-19	250	2,500	–	–
TCHFL - Series P - FY 2015-16 - Option III	24-Jun-15	7-Jan-19	50	500	–	–
TCHFL - Series G - FY 2011-12	18-Nov-11	18-Nov-18	100	1,000	100	1,000
TCHFL - Series AL - FY 2015-16	2-Nov-15	2-Nov-18	120	1,200	–	–
TCHFL - Series AK - FY 2015-16	26-Oct-15	26-Oct-18	130	1,300	–	–
TCFSL NCD AA FY 2011-12	21-Oct-11	21-Oct-18	150	1,500	150	1,500
TCFSL NCD R FY 2011-12	23-Sep-11	23-Sep-18	100	1,000	100	1,000
TCFSL NCD S FY 2015-16	26-Aug-15	24-Aug-18	250	2,500	–	–
TCHFL - Series AC - FY 2015-16 - Option I	24-Aug-15	24-Aug-18	50	500	–	–
TCHFL - Series Y - FY 2015-16 - Option I	31-Jul-15	21-Aug-18	217	2,170	–	–
TCFSL NCD O FY 2013-14	20-Aug-13	20-Aug-18	430	4,300	430	4,300
TCHFL - Series AC - FY 2015-16 - Option II	24-Aug-15	20-Aug-18	350	3,500	–	–
TCFSL NCD M FY 2011-12	17-Aug-11	17-Aug-18	100	1,000	100	1,000
TCHFL - Series AD - FY 2015-16	26-Aug-15	16-Aug-18	158	1,580	–	–
TCCL NCD 'D' FY 2015-16 Option II	3-Aug-15	3-Aug-18	500	5,000	–	–
TCHFL - Series V - FY 2015-16	16-Jul-15	26-Jul-18	440	4,400	–	–
TCHFL - Series Y - FY 2015-16 - Option II	31-Jul-15	23-Jul-18	260	2,600	–	–
TCHFL - Series W - FY 2015-16	24-Jul-15	19-Jul-18	200	2,000	–	–
TCFSL NCD Q FY 2015-16 - Option I	13-Jul-15	13-Jul-18	50	500	–	–
TCFSL NCD L FY 2015-16	22-Jun-15	22-Jun-18	4,000	40,000	–	–
TCHFL - Series K - FY 2015-16 - Option IV	1-Jun-15	20-Jun-18	250	2,500	–	–
TCHFL - Series P - FY 2015-16 - Option II	24-Jun-15	19-Jun-18	200	2,000	–	–
TCHFL - Series P - FY 2015-16 - Option I	24-Jun-15	18-Jun-18	115	1,150	–	–
TCHFL - Series N - FY 2015-16 - Option I	12-Jun-15	12-Jun-18	471	4,710	–	–
TCHFL - Series L - FY 2015-16	4-Jun-15	4-Jun-18	100	1,000	–	–
TCHFL - Series K - FY 2015-16 - Option I	1-Jun-15	1-Jun-18	2,600	26,000	–	–
TCHFL - Series K - FY 2015-16 - Option III	1-Jun-15	29-May-18	350	3,500	–	–
TCFSL NCD G FY 2013-14	22-May-13	22-May-18	2,000	20,000	2,000	20,000
TCFSL NCD H FY 2013-14	22-May-13	22-May-18	250	2,500	250	2,500
TCCL NCD 'B' FY 2015-16 Option II	20-May-15	18-May-18	600	6,000	–	–
TCFSL NCD D FY 2013-14	7-May-13	7-May-18	200	2,000	200	2,000
TCFSL NCD E FY 2013-14	7-May-13	7-May-18	500	5,000	500	5,000
TCHFL - Series F - FY 2015-16	27-Apr-15	27-Apr-18	210	2,100	–	–
TCFSL NCD A FY 2013-14 - Option-I	23-Apr-13	23-Apr-18	850	8,500	850	8,500
TCHFL - Series C - FY 2013-14	23-Apr-13	23-Apr-18	100	1,000	100	1,000
TCCL NCD 'A' FY 2015-16	22-Apr-15	20-Apr-18	500	5,000	–	–
TCHFL - Series AE - FY 2014-15	26-Mar-15	10-Apr-18	340	3,400	340	3,400
TCHFL - Series A - FY 2015-16 - Option III	10-Apr-15	10-Apr-18	552	5,520	–	–
TCHFL - Series C - FY 2015-16 - Option III	17-Apr-15	10-Apr-18	90	900	–	–
TCFSL NCD AK FY 2014-15-Option-II	15-Jan-15	5-Apr-18	59	590	59	590

**NOTES TO AND FORMING PART OF THE CONSOLIDATED  
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Description of NCDs	Issue Date	Redemption Date	As on March 31, 2016*		As on March 31, 2015*	
			Number of NCDs	₹ in Lakh	Number of NCDs	₹ in Lakh
TCFSL NCD AX FY 2014-15-Option-II	20-Mar-15	3-Apr-18	80	800	80	800
TCFSL NCD BF FY 2012-13	26-Mar-13	26-Mar-18	50	500	50	500
TCFSL NCD AY FY 2014-15-Option-I	24-Mar-15	23-Mar-18	150	1,500	150	1,500
TCHFL - Series AD - FY 2014-15- Option II	16-Mar-15	12-Mar-18	50	500	50	500
TCFSL NCD AV FY 2014-15 - Option-II	10-Mar-15	9-Mar-18	500	5,000	500	5,000
TCHFL - Series AC - FY 2014-15- Option II	10-Mar-15	9-Mar-18	600	6,000	600	6,000
TCFSL NCD AT FY 2014-15 - Option-I	2-Mar-15	2-Mar-18	650	6,500	650	6,500
TCHFL - Series W - FY 2014-15- Option I	28-Jan-15	14-Feb-18	80	800	80	800
TCFSL NCD AQ FY 2014-15	20-Feb-15	12-Feb-18	60	600	60	600
TCHFL - Series AA - FY 2014-15- Option I	16-Feb-15	12-Feb-18	75	750	75	750
TCFSL NCD AP FY 2014-15-Option-I	4-Feb-15	2-Feb-18	500	5,000	500	5,000
TCHFL - Series Y - FY 2014-15	4-Feb-15	2-Feb-18	150	1,500	150	1,500
TCFSL NCD AN FY 2014-15	29-Jan-15	29-Jan-18	3,000	30,000	3,000	30,000
TCFSL NCD AL FY 2014-15	20-Jan-15	24-Jan-18	210	2,100	210	2,100
TCFSL NCD AY FY 2012-13	22-Jan-13	22-Jan-18	2,000	20,000	2,000	20,000
TCFSL NCD BA FY 2012-13	22-Jan-13	22-Jan-18	250	2,500	250	2,500
TCFSL NCD AZ FY 2012-13	22-Jan-13	22-Jan-18	3,000	30,000	3,000	30,000
TCFSL NCD AX FY 2012-13	16-Jan-13	16-Jan-18	650	6,500	650	6,500
TCFSL NCD AK FY 2014-15-Option-I	15-Jan-15	15-Jan-18	97	970	97	970
TCFSL NCD AJ FY 2014-15	14-Jan-15	10-Jan-18	162	1,620	162	1,620
TCHFL - Series T - FY 2014-15	13-Jan-15	10-Jan-18	162	1,620	162	1,620
TCFSL NCD AH FY 2014-15-Option-III	16-Dec-14	4-Jan-18	90	900	90	900
TCHFL - Series K - FY 2015-16 - Option II	1-Jun-15	2-Jan-18	114	1,140	-	-
TCHFL - Series AO - FY 2015-16	23-Dec-15	22-Dec-17	200	2,000	-	-
TCFSL NCD AF FY 2014-15-Option-III	8-Dec-14	8-Dec-17	50	500	50	500
TCHFL - Series AN - FY 2015-16	7-Dec-15	7-Dec-17	150	1,500	-	-
TCFSL NCD AS FY 2012-13	5-Dec-12	5-Dec-17	250	2,500	250	2,500
TCFSL NCD AB FY 2014-15-Option-III	21-Nov-14	29-Nov-17	150	1,500	150	1,500
TCFSL NCD AB FY 2014-15-Option-II	21-Nov-14	27-Nov-17	200	2,000	200	2,000
TCFSL NCD X FY 2014-15 - Option -II	14-Nov-14	24-Nov-17	150	1,500	150	1,500
TCHFL - Series O - FY 2014-15	21-Nov-14	22-Nov-17	180	1,800	180	1,800
TCHFL - Series N - FY 2014-15	18-Nov-14	21-Nov-17	70	700	70	700
TCFSL NCD Y FY 2014-15	18-Nov-14	20-Nov-17	100	1,000	100	1,000
TCFSL NCD AB FY 2014-15-Option-I	21-Nov-14	20-Nov-17	380	3,800	380	3,800
TCFSL NCD Z FY 2014-15	19-Nov-14	15-Nov-17	740	7,400	740	7,400
TCHFL - Series J - FY 2014-15- Option II	7-Nov-14	13-Nov-17	120	1,200	120	1,200
TCFSL NCD AQ FY 2012-13	12-Nov-12	10-Nov-17	300	3,000	300	3,000
TCFSL NCD W FY 2015-16	10-Nov-15	10-Nov-17	200	2,000	-	-
TCFSL NCD AJ FY 2012-13	9-Nov-12	9-Nov-17	5,000	50,000	5,000	50,000
TCCL NCD 'G' FY 2015-16	6-Nov-15	6-Nov-17	250	2,500	-	-
TCHFL - Series K - FY 2014-15	11-Nov-14	1-Nov-17	100	1,000	100	1,000
TCFSL NCD U FY 2014-15	21-Oct-14	20-Oct-17	100	1,000	100	1,000
TCFSL NCD V FY 2015-16	21-Oct-15	20-Oct-17	1,000	10,000	-	-
TCHFL - Series AJ - FY 2015-16	21-Oct-15	20-Oct-17	100	1,000	-	-
TCFSL NCD T FY 2014-15 - Option -III	13-Oct-14	18-Oct-17	100	1,000	100	1,000

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Description of NCDs	Issue Date	Redemption Date	As on March 31, 2016*		As on March 31, 2015*	
			Number of NCDs	₹ in Lakh	Number of NCDs	₹ in Lakh
TCFSL NCD S FY 2014-15 - Option -I	9-Oct-14	9-Oct-17	50	500	50	500
TCFSL NCD R FY 2014-15 - Option -III	30-Sep-14	29-Sep-17	50	500	50	500
TCFSL NCD R FY 2014-15 - Option -II	30-Sep-14	28-Sep-17	100	1,000	100	1,000
TCFSL NCD U FY 2015-16	28-Sep-15	28-Sep-17	2,000	20,000	-	-
TCFSL NCD S FY 2014-15 - Option -V	9-Oct-14	27-Sep-17	22	220	22	220
TCFSL NCD T FY 2014-15 - Option -V	13-Oct-14	26-Sep-17	250	2,500	250	2,500
TCFSL NCD T FY 2014-15 - Option -I	13-Oct-14	20-Sep-17	1,500	15,000	1,500	15,000
TCFSL NCD AG FY 2012-13	10-Sep-12	8-Sep-17	100	1,000	100	1,000
TCFSL NCD M FY 2014-15	4-Sep-14	4-Sep-17	500	5,000	500	5,000
TCFSL NCD L FY 2014-15 - Option - I	1-Sep-14	1-Sep-17	4,000	40,000	4,000	40,000
TCFSL NCD R FY 2013-14	26-Aug-13	25-Aug-17	300	3,000	300	3,000
TCHFL - Series D - FY 2014-15- Option I	22-Aug-14	22-Aug-17	600	6,000	600	6,000
TCFSL NCD AE FY 2012-13	9-Aug-12	9-Aug-17	200	2,000	200	2,000
TCCL NCD 'D' FY 2015-16 Option I	3-Aug-15	3-Aug-17	500	5,000	-	-
TCHFL - Series C - FY 2014-15- Option II	7-Aug-14	1-Aug-17	200	2,000	200	2,000
TCFSL NCD R FY 2015-16	31-Jul-15	31-Jul-17	1,570	15,700	-	-
TCHFL - Series B - FY 2014-15- Option I	22-Jul-14	21-Jul-17	100	1,000	100	1,000
TCFSL NCD H FY 2015-16 Option - I	15-May-15	17-Jul-17	1,270	12,700	-	-
TCFSL NCD F FY 2014-15	14-Jul-14	14-Jul-17	100	1,000	100	1,000
TCHFL - Series U - FY 2015-16	14-Jul-15	14-Jul-17	500	5,000	-	-
TCFSL NCD C FY 2014-15 - Option-I	9-Jul-14	10-Jul-17	250	2,500	250	2,500
TCFSL NCD O FY 2015-16 - Option II	7-Jul-15	7-Jul-17	250	2,500	-	-
TCFSL NCD P FY 2015-16	9-Jul-15	7-Jul-17	2,500	25,000	-	-
TCHFL - Series S - FY 2015-16 - Option II	7-Jul-15	7-Jul-17	50	500	-	-
TCHFL - Series R - FY 2015-16	3-Jul-15	28-Jun-17	130	1,300	-	-
TCHFL - Series Q - FY 2015-16 - Option II	30-Jun-15	26-Jun-17	180	1,800	-	-
TCFSL NCD M FY 2015-16 - Option I	24-Jun-15	23-Jun-17	1,000	10,000	-	-
TCFSL NCD M FY 2015-16 - Option II	24-Jun-15	23-Jun-17	750	7,500	-	-
TCFSL NCD M FY 2015-16 - Option III	24-Jun-15	23-Jun-17	750	7,500	-	-
TCFSL NCD O FY 2015-16 - Option I	7-Jul-15	23-Jun-17	2,500	25,000	-	-
TCHFL - Series S - FY 2015-16 - Option I	7-Jul-15	23-Jun-17	250	2,500	-	-
TCFSL NCD H FY 2015-16 Option - V	15-May-15	20-Jun-17	187	1,870	-	-
TCFSL NCD I FY 2015-16 Option - V	22-May-15	20-Jun-17	67	670	-	-
TCHFL - Series J - FY 2015-16 - Option II	28-May-15	20-Jun-17	219	2,190	-	-
TCHFL - Series Q - FY 2015-16 - Option I	30-Jun-15	20-Jun-17	180	1,800	-	-
TCHFL - Series A - FY 2014-15- Option III	13-Jun-14	13-Jun-17	250	2,500	250	2,500
TCFSL NCD K FY 2015-16	9-Jun-15	9-Jun-17	5,000	50,000	-	-
TCHFL - Series N - FY 2015-16 - Option II	12-Jun-15	7-Jun-17	240	2,400	-	-
TCFSL NCD C FY 2015-16 OPTION-IV	22-Apr-15	1-Jun-17	340	3,400	-	-
TCFSL NCD H FY 2015-16 Option - VI	15-May-15	1-Jun-17	175	1,750	-	-
TCFSL NCD I FY 2015-16 Option - I	22-May-15	1-Jun-17	1,273	12,730	-	-
TCHFL - Series E - FY 2015-16 - Option III	23-Apr-15	1-Jun-17	600	6,000	-	-
TCFSL NCD G FY 2015-16 - Option I	13-May-15	24-May-17	350	3,500	-	-
TCFSL NCD H FY 2015-16 Option - IV	15-May-15	24-May-17	220	2,200	-	-
TCFSL NCD J FY 2015-16 - Option II	26-May-15	24-May-17	5,250	52,500	-	-

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Description of NCDs	Issue Date	Redemption Date	As on March 31, 2016*		As on March 31, 2015*	
			Number of NCDs	₹ in Lakh	Number of NCDs	₹ in Lakh
TCHFL - Series I - FY 2015-16 - Option I	13-May-15	24-May-17	220	2,200	-	-
TCFSL NCD B FY 2015-16	20-Apr-15	22-May-17	1,026	10,260	-	-
TCFSL NCD H FY 2015-16 Option - II	15-May-15	22-May-17	780	7,800	-	-
TCFSL NCD I FY 2015-16 Option - II	22-May-15	17-May-17	200	2,000	-	-
TCCL NCD 'B' FY 2015-16 Option I	20-May-15	17-May-17	900	9,000	-	-
TCFSL NCD H FY 2015-16 Option - VIII	15-May-15	15-May-17	100	1,000	-	-
TCFSL NCD H FY 2015-16 Option - III	15-May-15	12-May-17	250	2,500	-	-
TCHFL - Series G - FY 2015-16 - Option III	6-May-15	4-May-17	167	1,670	-	-
TCFSL NCD AU FY 2014-15-Option-III	5-Mar-15	2-May-17	110	1,100	110	1,100
TCHFL - Series A - FY 2014-15- Option I	13-Jun-14	2-May-17	600	6,000	600	6,000
TCHFL - Series H - FY 2015-16	8-May-15	2-May-17	400	4,000	-	-
TCFSL NCD G FY 2015-16 - Option II	13-May-15	27-Apr-17	90	900	-	-
TCHFL - Series C - FY 2015-16 - Option II	17-Apr-15	27-Apr-17	870	8,700	-	-
TCHFL - Series I - FY 2015-16 - Option II	13-May-15	27-Apr-17	90	900	-	-
TCHFL - Series J - FY 2015-16 - Option I	28-May-15	27-Apr-17	150	1,500	-	-
TCHFL - Series A - FY 2015-16 - Option V	10-Apr-15	26-Apr-17	700	7,000	-	-
TCFSL NCD C FY 2015-16 OPTION-III	22-Apr-15	25-Apr-17	850	8,500	-	-
TCHFL - Series A - FY 2015-16 - Option VI	10-Apr-15	25-Apr-17	1,135	11,350	-	-
TCHFL - Series E - FY 2015-16 - Option II	23-Apr-15	25-Apr-17	236	2,360	-	-
TCHFL - Series G - FY 2015-16 - Option I	6-May-15	25-Apr-17	51	510	-	-
TCHFL - Series A - FY 2015-16 - Option II	10-Apr-15	24-Apr-17	180	1,800	-	-
TCHFL - Series D - FY 2015-16 - Option II	21-Apr-15	21-Apr-17	160	1,600	-	-
TCFSL NCD C FY 2015-16 OPTION-II	22-Apr-15	20-Apr-17	70	700	-	-
TCHFL - Series A - FY 2015-16 - Option IV	10-Apr-15	20-Apr-17	545	5,450	-	-
TCFSL NCD C FY 2015-16 OPTION-I	22-Apr-15	19-Apr-17	326	3,260	-	-
TCHFL - Series A - FY 2015-16 - Option I	10-Apr-15	19-Apr-17	50	500	-	-
TCFSL NCD D FY 2015-16 OPTION-II	24-Apr-15	18-Apr-17	88	880	-	-
TCHFL - Series G - FY 2015-16 - Option II	6-May-15	18-Apr-17	88	880	-	-
TCHFL - Series AD - FY 2014-15- Option I	16-Mar-15	17-Apr-17	90	900	90	900
TCHFL - Series B - FY 2015-16	15-Apr-15	13-Apr-17	117	1,170	-	-
TCFSL NCD A FY 2015-16	15-Apr-15	11-Apr-17	180	1,800	-	-
TCFSL NCD H FY 2015-16 Option - VII	15-May-15	11-Apr-17	120	1,200	-	-
TCFSL NCD AU FY 2014-15-Option-I	5-Mar-15	10-Apr-17	115	1,150	115	1,150
TCHFL - Series AB - FY 2014-15	5-Mar-15	10-Apr-17	100	1,000	100	1,000
TCFSL NCD D FY 2015-16 OPTION-IV	24-Apr-15	5-Apr-17	510	5,100	-	-
TCFSL NCD D FY 2015-16 OPTION-III	24-Apr-15	4-Apr-17	190	1,900	-	-
TCHFL - Series C - FY 2015-16 - Option I	17-Apr-15	4-Apr-17	45	450	-	-
TCFSL NCD D FY 2015-16 OPTION-I	24-Apr-15	3-Apr-17	640	6,400	-	-
TCHFL - Series D - FY 2015-16 - Option I	21-Apr-15	3-Apr-17	180	1,800	-	-
TCHFL - Series E - FY 2015-16 - Option I	23-Apr-15	3-Apr-17	470	4,700	-	-
TCHFL - Series M - FY 2015-16	9-Jun-15	28-Mar-17	250	2,500	-	-
TCFSL NCD AG FY 2014-15-Option-II	10-Dec-14	24-Mar-17	250	2,500	250	2,500
TCFSL NCD AY FY 2014-15-Option-II	24-Mar-15	24-Mar-17	250	2,500	250	2,500
TCFSL NCD AW FY 2014-15	18-Mar-15	17-Mar-17	3,000	30,000	3,000	30,000
TCFSL NCD AX FY 2014-15-Option-I	20-Mar-15	16-Mar-17	187	1,870	187	1,870

**NOTES TO AND FORMING PART OF THE CONSOLIDATED  
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Description of NCDs	Issue Date	Redemption Date	As on March 31, 2016*		As on March 31, 2015*	
			Number of NCDs	₹ in Lakh	Number of NCDs	₹ in Lakh
TCFSL NCD AV FY 2014-15 - Option-I	10-Mar-15	10-Mar-17	5,550	55,500	5,550	55,500
TCHFL - Series AC - FY 2014-15- Option I	10-Mar-15	10-Mar-17	1,850	18,500	1,850	18,500
TCFSL NCD X FY 2013-14	16-Sep-13	6-Mar-17	220	2,200	220	2,200
TCFSL NCD AU FY 2014-15-Option-II	5-Mar-15	2-Mar-17	126	1,260	126	1,260
TCFSL NCD AS FY 2014-15	27-Feb-15	27-Feb-17	100	1,000	100	1,000
TCFSL NCD AT FY 2014-15-Option-II	2-Mar-15	27-Feb-17	170	1,700	170	1,700
TCHFL - Series AA - FY 2014-15- Option II	16-Feb-15	27-Feb-17	40	400	40	400
TCFSL NCD AR FY 2014-15 - Option-III	26-Feb-15	24-Feb-17	250	2,500	250	2,500
TCHFL - Series J - FY 2015-16 - Option V	28-May-15	24-Feb-17	270	2,700	-	-
TCFSL NCD AR FY 2014-15-Option-II	26-Feb-15	23-Feb-17	100	1,000	100	1,000
TCFSL NCD I FY 2015-16 Option - III	22-May-15	20-Feb-17	150	1,500	-	-
TCFSL NCD AR FY 2014-15-Option-I	26-Feb-15	16-Feb-17	325	3,250	325	3,250
TCFSL NCD P FY 2013-14	22-Aug-13	15-Feb-17	500	5,000	500	5,000
TCFSL NCD AP FY 2014-15-Option-II	4-Feb-15	3-Feb-17	100	1,000	100	1,000
TCFSL NCD AO FY 2014-15	2-Feb-15	2-Feb-17	500	5,000	500	5,000
TCHFL - Series W - FY 2014-15- Option II	27-Jan-15	24-Jan-17	44	440	44	440
TCFSL NCD H FY 2015-16 Option - IX	15-May-15	23-Jan-17	217	2,170	-	-
TCFSL NCD J FY 2015-16 Option - I	26-May-15	23-Jan-17	70	700	-	-
TCHFL - Series J - FY 2015-16 - Option III	28-May-15	23-Jan-17	75	750	-	-
TCFSL NCD AI FY 2014-15	13-Jan-15	19-Jan-17	110	1,100	110	1,100
TCFSL NCD AK FY 2014-15-Option-III	15-Jan-15	12-Jan-17	880	8,800	880	8,800
TCHFL - Series L - FY 2013-14	10-Jan-14	10-Jan-17	250	2,500	250	2,500
TCFSL NCD F FY 2015-16	8-May-15	9-Jan-17	150	1,500	-	-
TCFSL NCD I FY 2015-16 Option - IV	22-May-15	28-Dec-16	100	1,000	-	-
TCHFL - Series E - FY 2014-15	23-Sep-14	23-Dec-16	400	4,000	400	4,000
TCFSL NCD AH FY 2014-15-Option-II	16-Dec-14	15-Dec-16	40	400	40	400
TCHFL - Series S - FY 2014-15- Option I	16-Dec-14	15-Dec-16	118	1,180	118	1,180
TCFSL NCD AG FY 2014-15-Option-I	10-Dec-14	9-Dec-16	50	500	50	500
TCFSL NCD AF FY 2014-15-Option-II	8-Dec-14	8-Dec-16	170	1,700	170	1,700
TCFSL NCD AH FY 2014-15-Option-I	16-Dec-14	6-Dec-16	151	1,510	151	1,510
TCHFL - Series S - FY 2014-15- Option II	16-Dec-14	6-Dec-16	101	1,010	101	1,010
TCFSL NCD AJ FY 2013-14	13-Dec-13	5-Dec-16	45	450	45	450
TCFSL NCD AE FY 2014-15-Option-I	4-Dec-14	2-Dec-16	1,500	15,000	1,500	15,000
TCHFL - Series K - FY 2013-14	2-Dec-13	2-Dec-16	200	2,000	200	2,000
TCHFL - Series Q - FY 2014-15- Option I	4-Dec-14	2-Dec-16	139	1,390	139	1,390
TCFSL NCD AE FY 2014-15-Option-III	4-Dec-14	30-Nov-16	130	1,300	130	1,300
TCFSL NCD AE FY 2014-15-Option-II	4-Dec-14	29-Nov-16	164	1,640	164	1,640
TCHFL - Series Q - FY 2014-15- Option II	4-Dec-14	29-Nov-16	274	2,740	274	2,740
TCHFL - Series J - FY 2015-16 - Option IV	28-May-15	24-Nov-16	250	2,500	-	-
TCFSL NCD AC FY 2013-14	8-Nov-13	11-Nov-16	55	550	55	550
TCFSL NCD W FY 2014-15 - Option -II	12-Nov-14	11-Nov-16	100	1,000	100	1,000
TCFSL NCD AM FY 2011-12	10-Nov-11	10-Nov-16	100	1,000	100	1,000
TCFSL NCD AF FY 2013-14	2-Dec-13	7-Nov-16	50	500	50	500
TCHFL - Series J - FY 2013-14	7-Nov-13	7-Nov-16	50	500	50	500
TCHFL - Series J - FY 2014-15- Option I	7-Nov-14	7-Nov-16	60	600	60	600



**NOTES TO AND FORMING PART OF THE CONSOLIDATED  
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Description of NCDs	Issue Date	Redemption Date	As on March 31, 2016*		As on March 31, 2015*	
			Number of NCDs	₹ in Lakh	Number of NCDs	₹ in Lakh
TCHFL - Series I - FY 2014-15- Option II	3-Nov-14	3-Nov-16	70	700	70	700
TCHFL - Series H - FY 2014-15	31-Oct-14	31-Oct-16	182	1,820	182	1,820
TCFSL NCD V FY 2014-15 - Option -II	27-Oct-14	27-Oct-16	500	5,000	500	5,000
TCFSL NCD L FY 2014-15 - Option- II	1-Sep-14	26-Oct-16	85	850	85	850
TCFSL NCD V FY 2014-15 - Option -I	27-Oct-14	20-Oct-16	145	1,450	145	1,450
TCFSL NCD T FY 2014-15 - Option -IV	13-Oct-14	18-Oct-16	150	1,500	150	1,500
TCFSL NCD S FY 2014-15 - Option -IV	9-Oct-14	17-Oct-16	40	400	40	400
TCHFL - Series F - FY 2014-15- Option II	20-Oct-14	10-Oct-16	188	1,880	188	1,880
TCFSL NCD O FY 2014-15	12-Sep-14	5-Oct-16	320	3,200	320	3,200
TCFSL NCD K FY 2014-15 - Option-I	7-Aug-14	29-Sep-16	100	1,000	100	1,000
TCFSL NCD T FY 2015-16	3-Sep-15	27-Sep-16	65	650	-	-
TCHFL - Series AF - FY 2015-16	3-Sep-15	27-Sep-16	65	650	-	-
TCFSL NCD S FY 2014-15 - Option -III	9-Oct-14	26-Sep-16	100	1,000	100	1,000
TCFSL NCD Q FY 2014-15	24-Sep-14	23-Sep-16	100	1,000	100	1,000
TCFSL NCD S FY 2014-15 - Option -II	9-Oct-14	21-Sep-16	103	1,030	103	1,030
TCFSL NCD I FY 2015-16 Option - VI	22-May-15	20-Sep-16	65	650	-	-
TCFSL NCD Q FY 2015-16 - Option II	13-Jul-15	20-Sep-16	110	1,100	-	-
TCHFL - Series T - FY 2015-16	9-Jul-15	20-Sep-16	110	1,100	-	-
TCFSL NCD P FY 2014-15	19-Sep-14	14-Sep-16	100	1,000	100	1,000
TCFSL NCD N FY 2014-15	10-Sep-14	13-Sep-16	85	850	85	850
TCHFL - Series H - FY 2013-14	10-Sep-13	9-Sep-16	300	3,000	300	3,000
TCFSL NCD Y FY 2013-14	24-Sep-13	8-Sep-16	400	4,000	400	4,000
TCFSL NCD V FY 2013-14	5-Sep-13	5-Sep-16	50	500	50	500
TCFSL NCD U FY 2013-14	3-Sep-13	2-Sep-16	250	2,500	250	2,500
TCFSL NCD W FY 2013-14	13-Sep-13	2-Sep-16	30	300	30	300
TCFSL NCD T FY 2013-14	3-Sep-13	30-Aug-16	62	620	62	620
TCFSL NCD S FY 2013-14	30-Aug-13	22-Aug-16	99	990	99	990
TCFSL NCD Q FY 2013-14	23-Aug-13	8-Aug-16	40	400	40	400
TCFSL NCD J FY 2014-15	6-Aug-14	4-Aug-16	100	1,000	100	1,000
TCFSL NCD K FY 2014-15 - Option-II	7-Aug-14	4-Aug-16	210	2,100	210	2,100
TCFSL NCD I FY 2014-15 - Option-II	4-Aug-14	2-Aug-16	250	2,500	250	2,500
TCFSL NCD I FY 2014-15 -Option-I	4-Aug-14	2-Aug-16	650	6,500	650	6,500
TCHFL - Series C - FY 2014-15- Option III	7-Aug-14	2-Aug-16	200	2,000	200	2,000
TCFSL NCD K FY 2014-15 - Option-III	7-Aug-14	1-Aug-16	70	700	70	700
TCHFL - Series C - FY 2014-15- Option IV	7-Aug-14	1-Aug-16	70	700	70	700
TCHFL - Series C - FY 2014-15- Option I	7-Aug-14	1-Aug-16	1,000	10,000	1,000	10,000
TCFSL NCD G FY 2014-15	16-Jul-14	27-Jul-16	144	1,440	144	1,440
TCFSL NCD N FY 2015-16	26-Jun-15	25-Jul-16	1,500	15,000	-	-
TCFSL NCD D FY 2014-15	10-Jul-14	8-Jul-16	2,500	25,000	2,500	25,000
TCHFL - Series I - FY 2013-14	25-Oct-13	28-Jun-16	180	1,800	180	1,800
TCFSL NCD B FY 2014-15	20-Jun-14	21-Jun-16	250	2,500	250	2,500
TCFSL NCD A FY 2014-15 - Option-I	26-May-14	26-May-16	800	8,000	800	8,000
TCHFL - Series E - FY 2013-14	16-May-13	16-May-16	100	1,000	100	1,000
TCFSL NCD BE FY 2012-13	12-Mar-13	10-May-16	30	300	30	300
TCHFL - Series A - FY 2013-14	9-Apr-13	10-May-16	30	300	30	300
TCHFL - Series T - FY 2012-13	12-Mar-13	10-May-16	20	200	20	200

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Description of NCDs	Issue Date	Redemption Date	As on March 31, 2016*		As on March 31, 2015*	
			Number of NCDs	₹ in Lakh	Number of NCDs	₹ in Lakh
TCFSL NCD AP FY 2014-15-Option-III	6-Feb-15	6-May-16	1,000	10,000	1,000	10,000
TCHFL - Series S - FY 2012-13	5-Feb-13	28-Apr-16	626	6,260	626	6,260
TCFSL NCD A FY 2011-12	27-Apr-11	27-Apr-16	370	3,700	370	3,700
TCFSL NCD AM FY 2014-15	23-Jan-15	22-Apr-16	250	2,500	250	2,500
TCFSL NCD AD FY 2014-15	2-Dec-14	15-Apr-16	1,000	10,000	1,000	10,000
TCHFL - Series P - FY 2014-15	2-Dec-14	15-Apr-16	1,000	10,000	1,000	10,000
TCHFL - Series F - FY 2014-15- Option I	20-Oct-14	25-Mar-16	-	-	1,000	10,000
TCFSL NCD R FY 2014-15 - Option -I	30-Sep-14	23-Mar-16	-	-	2,000	20,000
TCFSL NCD T FY 2014-15 - Option -II	13-Oct-14	23-Mar-16	-	-	1,600	16,000
TCFSL NCD AU FY 2014-15-Option-IV	5-Mar-15	11-Mar-16	-	-	500	5,000
TCHFL - Series X - FY 2014-15	2-Feb-15	3-Mar-16	-	-	250	2,500
TCFSL NCD W FY 2014-15 - Option -I	12-Nov-14	1-Mar-16	-	-	1,400	14,000
TCHFL - Series L - FY 2014-15	12-Nov-14	1-Mar-16	-	-	250	2,500
TCFSL NCD W FY 2010-11	19-Jan-11	19-Jan-16	-	-	440	4,400
TCFSL NCD H FY 2014-15	24-Jul-14	19-Jan-16	-	-	750	7,500
TCFSL NCD AC FY 2014-15	25-Nov-14	23-Dec-15	-	-	2,000	20,000
TCFSL NCD X FY 2014-15 - Option -I	14-Nov-14	14-Dec-15	-	-	1,700	17,000
TCHFL - Series M - FY 2014-15- Option I	14-Nov-14	14-Dec-15	-	-	1,700	17,000
TCFSL NCD T FY 2010-11	2-Dec-10	2-Dec-15	-	-	50	500
TCFSL NCD A FY 2014-15 - Option-II	26-May-14	26-Nov-15	-	-	800	8,000
TCHFL - Series I - FY 2014-15 -Option I	3-Nov-14	23-Nov-15	-	-	1,000	10,000
TCFSL NCD S FY 2010-11	19-Nov-10	19-Nov-15	-	-	100	1,000
TCHFL - Series O - FY 2012-13	30-Oct-12	30-Oct-15	-	-	100	1,000
TCHFL - Series N - FY 2012-13	29-Oct-12	29-Oct-15	-	-	500	5,000
TCHFL - Series L - FY 2012-13	12-Oct-12	12-Oct-15	-	-	200	2,000
TCFSL NCD AA FY 2012-13	16-Jul-12	1-Oct-15	-	-	40	400
TCHFL - Series H - FY 2012-13	16-Jul-12	1-Oct-15	-	-	40	400
TCFSL NCD E FY 2012-13	4-May-12	4-Aug-15	-	-	50	500
TCHFL - Series C - FY 2012-13	4-May-12	4-Aug-15	-	-	50	500
TCFSL NCD AD FY 2012-13	31-Jul-12	31-Jul-15	-	-	500	5,000
TCFSL NCD Z FY 2012-13	13-Jul-12	13-Jul-15	-	-	50	500
TCFSL NCD E FY 2014-15 - Option-I	11-Jul-14	10-Jul-15	-	-	1,500	15,000
TCFSL NCD E FY 2014-15 - Option-II	11-Jul-14	10-Jul-15	-	-	750	7,500
TCFSL NCD B FY 2012-13	30-Apr-12	30-Jun-15	-	-	200	2,000
TCFSL NCD AM FY 2013-14	10-Jan-14	30-Jun-15	-	-	200	2,000
TCFSL NCD AW FY 2013-14	28-Jan-14	30-Jun-15	-	-	100	1,000
TCHFL - Series P - FY 2013-14	28-Jan-14	30-Jun-15	-	-	100	1,000
TCFSL NCD AI FY 2013-14	13-Dec-13	29-Jun-15	-	-	50	500
TCFSL NCD Y FY 2012-13	19-Jun-12	19-Jun-15	-	-	50	500
TCFSL NCD AA FY 2013-14	17-Oct-13	15-Jun-15	-	-	100	1,000
TCFSL NCD V FY 2012-13	4-Jun-12	4-Jun-15	-	-	100	1,000
TCFSL NCD CE FY 2011-12	24-Feb-12	1-Jun-15	-	-	180	1,800
TCHFL - Series BC - FY 2011-12	23-Feb-12	1-Jun-15	-	-	180	1,800
TCHFL - Series E - FY 2012-13	29-May-12	29-May-15	-	-	51	510
TCFSL NCD U FY 2012-13	28-May-12	28-May-15	-	-	400	4,000
TCFSL NCD J FY 2013-14	28-May-13	28-May-15	-	-	250	2,500

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			Number of NCDs	₹ in Lakh	Number of NCDs	₹ in Lakh
TCFSL NCD T FY 2012-13	25-May-12	25-May-15	-	-	140	1,400
TCFSL NCD I FY 2013-14	21-May-13	21-May-15	-	-	1,000	10,000
TCFSL NCD BI FY 2013-14	20-Feb-14	20-May-15	-	-	250	2,500
TCHFL - Series U - FY 2013-14	20-Feb-14	20-May-15	-	-	250	2,500
TCFSL NCD AE FY 2013-14	21-Nov-13	19-May-15	-	-	400	4,000
TCFSL NCD AT FY 2013-14	28-Jan-14	18-May-15	-	-	255	2,550
TCFSL NCD AQ FY 2013-14	15-Jan-14	14-May-15	-	-	210	2,100
TCFSL NCD G FY 2010-11	12-May-10	12-May-15	-	-	250	2,500
TCFSL NCD AL FY 2013-14	9-Jan-14	12-May-15	-	-	60	600
TCFSL NCD AR FY 2013-14	16-Jan-14	12-May-15	-	-	150	1,500
TCHFL - Series M - FY 2013-14	9-Jan-14	12-May-15	-	-	60	600
TCFSL NCD AO FY 2013-14	13-Jan-14	11-May-15	-	-	100	1,000
TCFSL NCD AP FY 2013-14	15-Jan-14	11-May-15	-	-	80	800
TCFSL NCD AH FY 2013-14	12-Dec-13	8-May-15	-	-	240	2,400
TCHFL - Series T - FY 2013-14	14-Feb-14	8-May-15	-	-	210	2,100
TCFSL NCD C FY 2013-14	7-May-13	7-May-15	-	-	250	2,500
TCFSL NCD AN FY 2013-14	13-Jan-14	7-May-15	-	-	120	1,200
TCFSL NCD G FY 2012-13	9-May-12	6-May-15	-	-	200	2,000
TCFSL NCD S FY 2012-13	22-May-12	6-May-15	-	-	225	2,250
TCHFL - Series S - FY 2013-14	10-Feb-14	4-May-15	-	-	210	2,100
TCHFL - Series V - FY 2013-14	21-Feb-14	4-May-15	-	-	350	3,500
TCFSL NCD C FY 2012-13	2-May-12	30-Apr-15	-	-	500	5,000
TCFSL NCD D FY 2012-13	3-May-12	30-Apr-15	-	-	620	6,200
TCFSL NCD AG FY 2013-14	11-Dec-13	30-Apr-15	-	-	50	500
TCFSL NCD AK FY 2013-14	3-Jan-14	30-Apr-15	-	-	380	3,800
TCFSL NCD AZ FY 2013-14	6-Feb-14	30-Apr-15	-	-	180	1,800
TCFSL NCD BB FY 2013-14	7-Feb-14	30-Apr-15	-	-	300	3,000
TCFSL NCD BF FY 2013-14	17-Feb-14	30-Apr-15	-	-	473	4,730
TCFSL NCD BK FY 2013-14	21-Feb-14	30-Apr-15	-	-	430	4,300
TCFSL NCD BO FY 2013-14	28-Feb-14	30-Apr-15	-	-	510	5,100
TCHFL - Series Z - FY 2013-14	13-Mar-14	27-Apr-15	-	-	50	500
TCFSL NCD A FY 2013-14 - Option-II	23-Apr-13	23-Apr-15	-	-	300	3,000
TCFSL NCD AV FY 2013-14	28-Jan-14	23-Apr-15	-	-	220	2,200
TCHFL - Series O - FY 2013-14	28-Jan-14	23-Apr-15	-	-	100	1,000
TCFSL NCD BN FY 2013-14	28-Feb-14	20-Apr-15	-	-	120	1,200
TCFSL NCD BQ FY 2013-14	3-Mar-14	20-Apr-15	-	-	250	2,500
TCHFL - Series X - FY 2013-14	3-Mar-14	20-Apr-15	-	-	250	2,500
TCHFL - Series B - FY 2012-13	17-Apr-12	17-Apr-15	-	-	17	170
TCFSL NCD BE FY 2013-14	14-Feb-14	16-Apr-15	-	-	80	800
TCFSL NCD BY FY 2013-14	18-Mar-14	16-Apr-15	-	-	900	9,000
TCFSL NCD AB FY 2013-14	17-Oct-13	15-Apr-15	-	-	250	2,500
TCFSL NCD AS FY 2013-14	17-Jan-14	15-Apr-15	-	-	300	3,000
TCFSL NCD AU FY 2013-14	28-Jan-14	15-Apr-15	-	-	50	500
TCFSL NCD AX FY 2013-14	6-Feb-14	15-Apr-15	-	-	190	1,900
TCFSL NCD BR FY 2013-14	10-Mar-14	15-Apr-15	-	-	621	6,210

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			Number of NCDs	₹ in Lakh	Number of NCDs	₹ in Lakh
TCHFL - Series Q - FY 2013-14	6-Feb-14	15-Apr-15	-	-	190	1,900
TCFSL NCD BU FY 2013-14	14-Mar-14	14-Apr-15	-	-	744	7,440
TCFSL NCD BG FY 2013-14	18-Feb-14	13-Apr-15	-	-	100	1,000
TCFSL NCD BS FY 2013-14	13-Mar-14	13-Apr-15	-	-	585	5,850
TCHFL - Series AB - FY 2013-14	13-Mar-14	13-Apr-15	-	-	292	2,920
TCFSL NCD A FY 2012-13	25-Apr-12	10-Apr-15	-	-	200	2,000
TCHFL - Series AA - FY 2013-14	13-Mar-14	10-Apr-15	-	-	35	350
TCFSL NCD CA FY 2013-14	24-Mar-14	8-Apr-15	-	-	400	4,000
TCFSL NCD Z FY 2013-14	10-Oct-13	7-Apr-15	-	-	100	1,000
TCFSL NCD BC FY 2013-14	12-Feb-14	7-Apr-15	-	-	290	2,900
TCFSL NCD BD FY 2013-14	13-Feb-14	7-Apr-15	-	-	210	2,100
TCFSL NCD BJ FY 2013-14	21-Feb-14	7-Apr-15	-	-	340	3,400
TCFSL NCD BL FY 2013-14	24-Feb-14	7-Apr-15	-	-	765	7,650
TCFSL NCD BM FY 2013-14	24-Feb-14	7-Apr-15	-	-	380	3,800
TCFSL NCD BV FY 2013-14	14-Mar-14	7-Apr-15	-	-	100	1,000
TCFSL NCD BZ FY 2013-14	18-Mar-14	7-Apr-15	-	-	561	5,610
TCFSL NCD CK FY 2011-12	16-Mar-12	6-Apr-15	-	-	120	1,198
TCFSL NCD BA FY 2013-14	7-Feb-14	6-Apr-15	-	-	160	1,600
TCFSL NCD BP FY 2013-14	28-Feb-14	6-Apr-15	-	-	100	1,000
TCFSL NCD BT FY 2013-14	14-Mar-14	6-Apr-15	-	-	900	9,000
TCFSL NCD BX FY 2013-14	18-Mar-14	6-Apr-15	-	-	170	1,700
TCHFL - Series AC - FY 2013-14	14-Mar-14	6-Apr-15	-	-	350	3,500
TCHFL - Series AD - FY 2013-14	14-Mar-14	6-Apr-15	-	-	50	500
TCHFL - Series AE - FY 2013-14	18-Mar-14	6-Apr-15	-	-	170	1,700
TCHFL - Series R - FY 2013-14	7-Feb-14	6-Apr-15	-	-	160	1,600
TCHFL - Series Y - FY 2013-14	6-Mar-14	6-Apr-15	-	-	31	310
<b>TOTAL</b>				<b>1,465,870</b>		<b>1,172,448</b>
Of which current maturities classified under "Current liabilities" in note No.10				<b>(364,950)</b>		<b>(399,498)</b>
<b>TOTAL</b>				<b>1,100,920</b>		<b>772,950</b>

\* Net of unamortised discount of Rs. Nil (Previous Year : ₹ 2 Lakh).

\* Note : Coupon rate of "NCDs" outstanding as on March 31, 2016 varies from 8.40% to 11.25% (Previous Year : Varies from 8.35% to 11.25%)

**NOTES TO AND FORMING PART OF THE CONSOLIDATED  
BALANCE SHEET AS AT MARCH 31, 2016**

(g) Particulars of Public issue of Secured Non-Convertible Debentures outstanding as on March 31, 2016

Description of NCD	Issue Date	Redemption Date	Number of NCDs	₹ in Lakh
TCFSL NCD Option I (2009)	March 6, 2009	March 5, 2019	310	310
TCFSL NCD Option II (2009)	March 6, 2009	March 5, 2019	177,875	1,779
TCFSL NCD Option III (2009)	March 6, 2009	March 5, 2019	1,497,029	14,970
TCFSL NCD Option IV (2009)	March 6, 2009	March 5, 2019	1,175,939	11,759
<b>Total</b>				<b>28,818</b>

**Note :** Coupon rate of above outstanding as on March 31, 2016 varies from 9.75% to 10.50%

Particulars of Public issue of Secured Non-Convertible Debentures outstanding as on March 31, 2015

Description of NCD	Issue Date	Redemption Date	Number of NCDs	₹ in Lakh
TCFSL NCD Option I (2009)	March 6, 2009	March 5, 2019	310	310
TCFSL NCD Option II (2009)	March 6, 2009	March 5, 2019	177,875	1,779
TCFSL NCD Option III (2009)	March 6, 2009	March 5, 2019	1,497,029	14,970
TCFSL NCD Option IV (2009)	March 6, 2009	March 5, 2019	1,175,939	11,759
<b>Total</b>				<b>28,818</b>

**Note :** Coupon rate of above outstanding as on March 31, 2015 varies from 9.75% to 10.50%

(h) Particulars of unsecured redeemable non convertible subordinated debentures (Tier II Bonds) outstanding as on March 31, 2016

Description of NCD	Issue Date	Redemption Date	Number of NCDs	₹ in Lakh*
TCFSL Tier II Bond B FY 2015-16	30-Mar-16	30-Mar-26	2,000	20,000
TCHFL Tier II Bonds 'H' FY-2015-16	15-Mar-16	13-Mar-26	200	2,000
TCHFL Tier II Bonds 'G' FY-2015-16	17-Dec-15	17-Dec-25	250	2,500
TCHFL Tier II Bonds 'F' FY-2015-16	15-Dec-15	15-Dec-25	250	2,500
TCHFL Tier II Bonds 'E' FY-2015-16	4-Nov-15	4-Nov-25	300	3,000
TCHFL Tier II Bonds 'D' FY-2015-16	21-Sep-15	19-Sep-25	150	1,500
TCHFL Tier II Bonds 'C' FY-2015-16	16-Sep-15	16-Sep-25	100	1,000
TCFSL Tier II Bond A FY 2015-16	22-Jul-15	22-Jul-25	900	9,000
TCHFL Tier II Bonds 'B' FY-2015-16	22-Jul-15	22-Jul-25	350	3,500
TCHFL Tier II Bonds 'A' FY-2015-16	28-Apr-15	28-Apr-25	400	4,000
TCFSL Tier II Bond D FY 2014-15	31-Mar-15	31-Mar-25	1,500	15,000
TCFSL Tier II Bond C FY 2014-15	30-Jan-15	30-Jan-25	750	7,500
TCFSL Tier II Bond B FY 2014-15	7-Jan-15	7-Jan-25	350	3,500
TCFSL Tier II Bond A FY 2014-15	26-Sep-14	26-Sep-24	1,000	10,000
TCHFL Tier II Bonds 'A' FY 2014-15	26-Sep-14	26-Sep-24	480	4,800
TCHFL Tier II Bonds 'E' FY-2013-14	18-Mar-14	18-Mar-24	4	40
TCHFL Tier II Bonds 'D' FY-2013-14	10-Jan-14	10-Jan-24	77	770
TCHFL Tier II Bonds 'C' FY-2013-14	20-May-13	19-May-23	10	100

**NOTES TO AND FORMING PART OF THE CONSOLIDATED  
BALANCE SHEET AS AT MARCH 31, 2016**

Description of NCD	Issue Date	Redemption Date	Number of NCDs	₹ in Lakh*
TCHFL Tier II Bonds 'B' FY-2013-14	23-Apr-13	23-Apr-23	21	210
TCHFL Tier II Bonds 'A' FY-2013-14	15-Apr-13	15-Apr-23	250	2,500
TCHFL Tier II Bonds 'E' FY-2012-13	28-Mar-13	28-Mar-23	150	1,500
TCHFL Tier II Bonds 'C' FY-2012-13	30-May-12	30-May-22	300	3,000
TCHFL Tier II Bonds 'B' FY-2012-13	30-May-12	30-May-22	3	30
TCHFL Tier II Bonds 'A' FY-2012-13	10-May-12	10-May-22	10	100
TCHFL Tier II Bonds 'F' FY-2011-12	12-Mar-12	12-Mar-22	102	1,020
TCHFL Tier II Bonds 'E' FY-2011-12	25-Jan-12	25-Jan-22	135	1,350
TCHFL Tier II Bonds 'D' FY-2011-12	4-Nov-11	4-Nov-21	101	1,010
TCHFL Tier II Bonds 'C' FY-2011-12	28-Oct-11	28-Oct-21	11	110
TCHFL Tier II Bonds 'B' FY-2011-12	29-Sep-11	29-Sep-21	253	2,530
TCHFL Tier II Bonds 'A' FY-2011-12	29-Jul-11	29-Jul-21	250	2,500
TCL Tier II Bond H FY 2009-10	24-Dec-09	24-Dec-19	1,000	5,000
TCL Tier II Bond G FY 2009-10	18-Dec-09	18-Dec-19	3,000	15,000
TCL Tier II Bond E FY 2009-10	15-Dec-09	15-Dec-19	5,725	28,625
TCL Tier II Bond F FY 2009-10	30-Nov-09	30-Nov-19	1,135	3,969
TCL Tier II Bond C FY 2009-10	28-Oct-09	28-Oct-19	1,479	7,395
TCL Tier II Bond D FY 2009-10	28-Oct-09	28-Oct-19	1,580	7,900
TCL Tier II Bond B FY 2009-10	9-Sep-09	9-Sep-19	1,704	17,040
TCL Tier II Bond A FY 2009-10	4-Aug-09	4-Aug-19	391	3,910
<b>Total</b>				<b>195,409</b>

\*Net of unamortised discount of ₹ 1,706 Lakh

**Note :** Coupon rate of above outstanding as on March 31, 2016 varies from 8.99% to 10.50%.

Particulars of unsecured redeemable non convertible subordinated debentures (Tier II Bonds) outstanding as on March 31, 2015

Description of NCD	Issue Date	Redemption Date	Number of NCDs	₹ in Lakh*
TCFSL Tier II Bond 'C' FY 2014-15	30-Jan-15	30-Jan-25	750	7,500
TCFSL Tier II Bond 'B' FY 2014-15	7-Jan-15	7-Jan-25	350	3,500
TCFSL Tier II Bond 'A' FY 2014-15	26-Sep-14	25-Sep-24	1,000	10,000
TCL Tier II Bond 'H' FY 2009-10	24-Dec-09	24-Dec-19	1,000	5,000
TCL Tier II Bond 'G' FY 2009-10	18-Dec-09	18-Dec-19	3,000	15,000
TCL Tier II Bond 'E' FY 2009-10	15-Dec-09	15-Dec-19	5,725	28,625
TCL Tier II Bond 'F' FY 2009-10	30-Nov-09	30-Nov-19	1,135	3,599
TCL Tier II Bond 'C' FY 2009-10	28-Oct-09	28-Oct-19	1,479	7,395
TCL Tier II Bond 'D' FY 2009-10	28-Oct-09	28-Oct-19	1,580	7,900
TCL Tier II Bond 'B' FY 2009-10	9-Sep-09	9-Sep-19	1,704	17,040

**NOTES TO AND FORMING PART OF THE CONSOLIDATED  
BALANCE SHEET AS AT MARCH 31, 2016**

Description of NCD	Issue Date	Redemption Date	Number of NCDs	₹ in Lakh*
TCL Tier II Bond 'A' FY 2009-10	4-Aug-09	4-Aug-19	391	3,910
TCHFL Tier II Bonds 'A' FY 2014-15	26-Sep-14	26-Sep-24	480	4,800
TCHFL Tier II Bonds 'E' FY-2013-14	18-Mar-14	18-Mar-24	4	40
TCHFL Tier II Bonds 'D' FY-2013-14	10-Jan-14	10-Jan-24	77	770
TCHFL Tier II Bonds 'C' FY-2013-14	20-May-13	19-May-23	10	100
TCHFL Tier II Bonds 'B' FY-2013-14	23-Apr-13	23-Apr-23	21	210
TCHFL Tier II Bonds 'A' FY-2013-14	15-Apr-13	15-Apr-23	250	2,500
TCHFL Tier II Bonds 'E' FY-2012-13	28-Mar-13	28-Mar-23	150	1,500
TCHFL Tier II Bonds 'C' FY-2012-13	30-May-12	30-May-22	300	3,000
TCHFL Tier II Bonds 'B' FY-2012-13	30-May-12	30-May-22	3	30
TCHFL Tier II Bonds 'A' FY-2012-13	10-May-12	10-May-22	10	100
TCHFL Tier II Bonds 'F' FY-2011-12	12-Mar-12	12-Mar-22	102	1,020
TCHFL Tier II Bonds 'E' FY-2011-12	25-Jan-12	25-Jan-22	135	1,350
TCHFL Tier II Bonds 'D' FY-2011-12	4-Nov-11	4-Nov-21	101	1,010
TCHFL Tier II Bonds 'C' FY-2011-12	28-Oct-11	28-Oct-21	11	110
TCHFL Tier II Bonds 'B' FY-2011-12	29-Sep-11	29-Sep-21	253	2,530
TCHFL Tier II Bonds 'A' FY-2011-12	29-Jul-11	29-Jul-21	250	2,500
<b>Total</b>				<b>131,039</b>

\* Net of unamortised discount of ₹ 2,076 Lakh

Note : Coupon rate of above outstanding as on March 31, 2015 varies from 8.72% to 10.70%.

(i) Particulars of unsecured non convertible perpetual debentures outstanding as on March 31, 2016

Description of NCD	Issue Date	Number of NCDs	₹ in Lakh
TCFSL Perpetual D FY 2015-16	9-Feb-16	1000	10,000
TCFSL Perpetual C FY 2015-16	2-Feb-16	500	5,000
TCFSL Perpetual B FY 2015-16	6-Jan-16	500	5,000
TCFSL Perpetual A FY 2015-16	16-Jul-15	1000	10,000
TCFSL Perpetual A FY 2013-14	27-Mar-14	1871	9,355
TCL Perpetual D FY 2011-12	7-Nov-11	5	25
TCL Perpetual C FY 2011-12	28-Sep-11	10	50
TCL Perpetual B FY 2011-12	8-Aug-11	61	305
TCL Perpetual A FY 2011-12	5-May-11	20	100
TCL Perpetual B FY 2010-11	14-Jan-11	18	90
TCL Perpetual A FY 2010-11	15-Nov-10	15	75
<b>Total</b>			<b>40,000</b>

Note : Coupon rate of above outstanding as on March 31, 2016 varies from 9.80% to 11.25%

**NOTES TO AND FORMING PART OF THE CONSOLIDATED  
BALANCE SHEET AS AT MARCH 31, 2016**

Particulars of unsecured non convertible perpetual debentures outstanding as on March 31, 2015

Description of NCD	Issue Date	Number of NCDs	₹ in Lakh
TCL Perpetual 'A' FY 2010-11	15-Nov-10	15	75
TCL Perpetual 'B' FY 2010-11	14-Jan-11	18	90
TCL Perpetual 'A' FY 2011-12	5-May-11	20	100
TCL Perpetual 'B' FY 2011-12	8-Aug-11	61	305
TCL Perpetual 'C' FY 2011-12	28-Sep-11	10	50
TCL Perpetual 'D' FY 2011-12	7-Nov-11	5	25
TCFSL Perpetual 'A' FY 2013-14	27-Mar-14	1871	9,355
<b>Total</b>			<b>10,000</b>

**Note :** Coupon rate of above outstanding as on March 31, 2015 varies from 9.80% to 11.25%

Particulars	Year Ended March 31, 2016	Year Ended March 31, 2015
Funds Raised through Perpetual Debt Instruments	30,000	-
Amount outstanding at the end of year	40,000	10,000
Percentage of amount of Perpetual Debt Instruments of the amount of Tier I Capital	8.09%	2.56%
Financial year in which interest on Perpetual Debt Instruments is not paid on account of 'Lock-In Clause'.	N. A.	

(j) Particulars of Privately Placed Unsecured Non-Convertible Debentures ("NCDs") outstanding as on March 31, 2016

Description of NCD	Issue Date	Redemption Date	Number of NCDs	₹ in Lakh
TCFSL Unsecured NCD A FY 2015-16	12-Aug-15	10-Aug-18	2000	20,000
TCFSL Unsecured NCD B FY 2015-16 Option-I	1-Sep-15	1-Sep-17	1500	15,000
TCFSL Unsecured NCD B FY 2015-16 Option-II	1-Sep-15	1-Mar-17	1500	15,000
<b>Total</b>				<b>50,000</b>
Of which current maturities classified under "Current liabilities" in Note No. 10				<b>(15,000)</b>
<b>Total</b>				<b>35,000</b>

**Note :** Coupon rate of above outstanding as on March 31, 2016 varies from 8.80% to 8.91%

(k) Public issue of Non-convertible debentures includes the debentures issued to Key Management Personnel ₹ 20 Lakh (Previous Year : ₹ 20 Lakh).



**NOTES TO AND FORMING PART OF THE CONSOLIDATED  
BALANCE SHEET AS AT MARCH 31, 2016**

**NOTE “5”**

(₹ in lakh)

<b>DEFERRED TAX LIABILITIES</b>	<b>As at March 31, 2016</b>	<b>As at March 31, 2015</b>
Deferred Tax Liabilities (net)	–	133
<b>Total</b>	<b>–</b>	<b>133</b>

5(a) The major components of deferred tax assets and deferred tax liabilities arising out of timing differences are as under: (₹ in lakh)

<b>Particulars</b>	<b>As at March 31, 2016</b>	<b>As at March 31, 2015</b>
<b>Deferred Tax Liabilities</b>		
(a) On account of loan sourcing cost	–	206
(b) Debenture issue expenses	–	3
<b>Deferred Tax Assets</b>		
(a) Contingent Provision for standard assets	–	(58)
(b) Provision for restructured assets	–	(13)
(c) Timing difference in respect of depreciation on fixed assets	–	(1)
(d) Others	–	(4)
<b>Net Deferred Tax Liabilities</b>	<b>–</b>	<b>133</b>

**NOTE “6”**

(₹ in lakh)

<b>OTHER LONG-TERM LIABILITIES</b>	<b>As at March 31, 2016</b>	<b>As at March 31, 2015</b>
(a) Premium on redemption payable to preference shareholders	10,355	10,355
(b) Others		
(i) Interest accrued but not due on borrowings	13,690	9,659
(ii) Income received in advance	367	379
(iii) Sundry liabilities account (interest capitalisation)	3,321	3,736
<b>Total</b>	<b>27,733</b>	<b>24,129</b>

**NOTE “7”**

(₹ in lakh)

<b>LONG-TERM PROVISIONS</b>	<b>As at March 31, 2016</b>	<b>As at March 31, 2015</b>
(a) Provision for employee benefits	633	259
(b) Contingent Provision against standard assets (Refer Note No. 31)	10,461	7,305
<b>Total</b>	<b>11,094</b>	<b>7,564</b>

**NOTE “8”**

(₹ in lakh)

<b>SHORT-TERM BORROWINGS</b>	<b>As at March 31, 2016</b>	<b>As at March 31, 2015</b>
(a) <b>Loans repayable on demand</b>		
<b>Secured</b>		
(i) From Banks		
(1) Working capital demand loan (Refer Note No. 4 (c) above)	80,085	79,012
(2) Bank Overdraft (Refer Note No. 4 (c) above)	381,418	310,554

**NOTES TO AND FORMING PART OF THE CONSOLIDATED  
BALANCE SHEET AS AT MARCH 31, 2016**

<b>SHORT-TERM BORROWINGS</b>	<b>As at March 31, 2016</b>	<b>As at March 31, 2015</b>
<b>Unsecured</b>		
(i) From Banks		
(1) Working capital demand loan	8,439	–
(2) Bank Overdraft	35,856	15,820
<b>(b) Collateralised Borrowings and Lending Obligations (CBLO)</b> <b>(Secured)</b> (Refer Notes No. 8.2 and 8.3 below) [Net of unamortised discount of ₹ 29 Lakh (as at March 31, 2015: ₹ 64 Lakh)]	47,971	46,936
<b>(c) Deposits</b>		
<b>Unsecured</b>		
Inter Corporate Deposits	–	4,500
<b>(d) Other loans and advances</b>		
<b>Unsecured</b>		
Commercial Papers (Refer Note No. 8.1 below) [ Net of unamortised discount of ₹ 12,106 Lakh (as at March 31, 2015 ₹ 10,475 Lakh)]	773,894	506,075
<b>Total</b>	<b>1,327,663</b>	<b>962,897</b>

**Notes**

- 8.1. Discount on Commercial Papers varies between 7.31% to 9.68%. (Previous year : 8.26% to 9.90%)  
8.2. Discount on Collateralised Borrowings and Lending Obligations (CBLO) is 7.3%  
(Previous year : 7.09% to 10%).  
8.3. Collateralised Borrowings and Lending Obligations (CBLO) are secured by the Company's investment in Government Securities and are repayable in 7 days.

**NOTE "9"**

(₹ in lakh)

<b>TRADE PAYABLES</b>	<b>As at March 31, 2016</b>	<b>As at March 31, 2015</b>
(a) Accrued employee benefit expenses	5,518	4,399
(b) Accrued expenses	16,204	14,047
(c) Others	29,293	16,130
<b>Total</b>	<b>51,015</b>	<b>34,576</b>

Note - The information as required to be disclosed under the Micro, Small and Medium Enterprises Development Act, 2006 has been determined to the extent such parties have been identified on the basis of information available with the Company. The amount of principal and interest outstanding during the year is given below :

**9. (a) Total outstanding dues of micro enterprises and small enterprises**

<b>Particulars</b>	<b>As at March 31, 2016</b>	<b>As at March 31, 2015</b>
(a) Amounts outstanding but not due as at year end	–	–
(b) Amounts due but unpaid as at year end	–	–
(c) Amounts paid after appointed date during the year	–	–
(d) Amount of interest accrued and unpaid as at year end	–	–
(e) The amount of further interest due and payable even in the succeeding year	–	–
<b>Total</b>	<b>–</b>	<b>–</b>

**NOTES TO AND FORMING PART OF THE CONSOLIDATED  
BALANCE SHEET AS AT MARCH 31, 2016**

**NOTE “10”**

(₹ in lakh)

<b>OTHER CURRENT LIABILITIES</b>	<b>As at March 31, 2016</b>	<b>As at March 31, 2015</b>
(a) <b>Current maturities of long-term debt</b>		
(i) <b>Inter Corporate Deposits</b>	4,000	–
(ii) <b>Bonds/Debentures</b>		
<b>Secured</b>		
Privately Placed Non-Convertible Debentures (Refer Note Nos. 4 (a) and 4 (f) above) [Net of unamortised discount of ₹ Nil (as at March 31, 2015: ₹ 2 Lakh)]	364,950	399,498
<b>Unsecured</b>		
Privately Placed Non-Convertible Debentures (Refer Note No. 4 (j) above)	15,000	–
(ii) <b>Term Loans</b>		
<b>Secured</b>		
(1) From Banks (Refer Note Nos. 4 (c) & 4 (d) above)	37,500	116,284
(2) From National Housing Bank ( Refer Note No. 4 (e)above)	20,560	12,969
<b>Unsecured</b>		
(1) From Banks (Refer Note No. 4 (d) above)	60,000	25,000
(b) Interest accrued but not due on borrowings	93,028	60,087
(c) Income received in advance	6,701	5,930
(d) Unclaimed debenture application money and interest accrued thereon	1	1
(e) Other payables		
(i) Security deposits	11,961	8,724
(ii) Statutory dues	2,465	1,364
(iii) Payables for capital expenditure	2,379	382
(iv) Advances from customers	5,302	4,020
(v) Exchange settlement / due to clients	1,106	2,174
(vi) Margin money due to clients	289	239
(vii) Other Miscellaneous payables	932	1,219
(f) Tax payable on interim dividend	-	2,082
(g) Sundry liabilities account (interest capitalisation)	1,627	1,081
<b>Total</b>	<b>627,801</b>	<b>641,054</b>

**NOTE “11”**

(₹ in lakh)

<b>SHORT-TERM PROVISIONS</b>	<b>As at March 31, 2016</b>	<b>As at March 31, 2015</b>
(a) Provision for employee benefits	1,001	872
(b) Provision - Others		
(i) Contingent Provision against standard assets (Refer Note No. 31)	5,400	3,482
(ii) Provision for tax [Net of advance tax ₹ 17,793 Lakh (as at March 31, 2015 ₹ 12,856 Lakh)]	9,017	4,104
(iii) Proposed dividend on preference shares	–	7,676
(iv) Tax on Proposed Dividend	–	62
<b>Total</b>	<b>15,418</b>	<b>16,196</b>

**NOTES TO AND FORMING PART OF THE CONSOLIDATED  
BALANCE SHEET AS AT MARCH 31, 2016**
**NOTE "12"**

(₹ in lakh)

FIXED ASSETS	Gross Block				Accumulated depreciation and amortisation					Net Carrying Amount As at March 31, 2016
	Opening balance as at April 1, 2015	Additions	Deletions	Closing balance as at March 31, 2016	Opening balance as at April 1, 2015	Depreciation/Amortisation for the year	Deletions	Other Adjustments	Closing balance as at March 31, 2016	
<b>TANGIBLE FIXED ASSETS</b>										
Buildings	10,823	548	140	11,231	1,509	446	16	-	1,939	9,292
	<i>10,501</i>	<i>323</i>	<i>1</i>	<i>10,823</i>	<i>1,080</i>	<i>429</i>	-	-	<i>1,509</i>	<i>9,314</i>
Leasehold Improvements	3,938	1,010	149	4,799	2,272	484	118	-	2,638	2,161
	<i>3,519</i>	<i>436</i>	<i>17</i>	<i>3,938</i>	<i>1,853</i>	<i>431</i>	<i>9</i>	<i>(3)</i>	<i>2,272</i>	<i>1,666</i>
Furniture & Fixtures	1,941	292	40	2,193	831	280	28	-	1,083	1,110
	<i>1,610</i>	<i>352</i>	<i>21</i>	<i>1,941</i>	<i>629</i>	<i>208</i>	<i>6</i>	-	<i>831</i>	<i>1,110</i>
Computer Equipment	769	588	31	1,326	756	104	31	-	829	497
	<i>790</i>	<i>5</i>	<i>26</i>	<i>769</i>	<i>763</i>	<i>23</i>	<i>30</i>	-	<i>756</i>	<i>13</i>
Office Equipment	1,884	483	33	2,334	1,313	504	27	-	1,790	544
	<i>1,787</i>	<i>107</i>	<i>10</i>	<i>1,884</i>	<i>670</i>	<i>579</i>	<i>4</i>	<i>68</i>	<i>1,313</i>	<i>571</i>
Plant & Machinery	799	136	14	921	309	96	8	-	397	524
	<i>738</i>	<i>61</i>	-	<i>799</i>	<i>229</i>	<i>80</i>	-	-	<i>309</i>	<i>490</i>
Vehicles	1,365	344	378	1,331	763	315	321	-	757	574
	<i>1,304</i>	<i>235</i>	<i>174</i>	<i>1,365</i>	<i>607</i>	<i>299</i>	<i>143</i>	-	<i>763</i>	<i>602</i>
<b>ASSETS GIVEN UNDER OPERATING LEASE/RENTAL</b>										
Buildings	7,868	-	50	7,818	697	314	-	-	1,011	6,807
	<i>7,868</i>	-	-	<i>7,868</i>	<i>382</i>	<i>315</i>	-	-	<i>697</i>	<i>7,171</i>
Construction Equipment	21,113	1,661	396	22,378	4,684	2,431	214	-	6,901	15,477
	<i>19,441</i>	<i>4,422</i>	<i>2,750</i>	<i>21,113</i>	<i>4,088</i>	<i>1,981</i>	<i>1,385</i>	-	<i>4,684</i>	<i>16,429</i>
Vehicles	7,115	230	2,576	4,769	3,432	1,250	1,885	-	2,797	1,972
	<i>8,192</i>	<i>1,636</i>	<i>2,713</i>	<i>7,115</i>	<i>3,727</i>	<i>1,666</i>	<i>1,961</i>	-	<i>3,432</i>	<i>3,683</i>
Plant & Machinery	7,354	6,756	-	14,110	1,120	1,038	-	-	2,158	11,952
	<i>2,800</i>	<i>4,554</i>	-	<i>7,354</i>	<i>691</i>	<i>429</i>	-	-	<i>1,120</i>	<i>6,234</i>
Computer Equipment	20,166	5,367	2,718	22,815	4,873	4,512	1,162	-	8,223	14,592
	<i>7,524</i>	<i>12,642</i>	-	<i>20,166</i>	<i>1,464</i>	<i>3,409</i>	-	-	<i>4,873</i>	<i>15,293</i>
Furniture & Fixtures	530	105	-	635	65	61	-	-	126	509
	<i>260</i>	<i>270</i>	-	<i>530</i>	<i>10</i>	<i>55</i>	-	-	<i>65</i>	<i>465</i>
Office Equipments	1,080	1,524	1	2,603	340	522	-	-	862	1,741
	<i>399</i>	<i>681</i>	-	<i>1,080</i>	<i>86</i>	<i>254</i>	-	-	<i>340</i>	<i>740</i>
Railway Wagons	-	8,265	-	8,265	-	223	-	-	223	8,042
	-	-	-	-	-	-	-	-	-	-
Electrical Installation & Equipments	-	289	-	289	-	2	-	-	2	287
	-	-	-	-	-	-	-	-	-	-
<b>TANGIBLE ASSETS - TOTAL</b>	<b>86,745</b>	<b>27,598</b>	<b>6,526</b>	<b>107,817</b>	<b>22,964</b>	<b>12,582</b>	<b>3,810</b>	<b>-</b>	<b>31,736</b>	<b>76,081</b>
	<i>66,733</i>	<i>25,724</i>	<i>5,712</i>	<i>86,745</i>	<i>16,279</i>	<i>10,158</i>	<i>3,538</i>	<i>65</i>	<i>22,964</i>	<i>63,781</i>
<b>INTANGIBLE ASSETS (Acquired)</b>										
Goodwill *	8,714	-	-	8,714	-	-	-	-	-	8,714
	<i>8,714</i>	-	-	<i>8,714</i>	-	-	-	-	-	<i>8,714</i>
Software	1,666	230	17	1,879	752	217	17	-	952	927
	<i>634</i>	<i>1,033</i>	<i>1</i>	<i>1,666</i>	<i>400</i>	<i>352</i>	-	-	<i>752</i>	<i>914</i>
Trading Rights in BSE	228	-	-	228	228	-	-	-	228	-
	<i>228</i>	-	-	<i>228</i>	<i>228</i>	-	-	-	<i>228</i>	-
<b>OTHER INTANGIBLE ASSETS - TOTAL</b>	<b>10,608</b>	<b>230</b>	<b>17</b>	<b>10,821</b>	<b>980</b>	<b>217</b>	<b>17</b>	<b>-</b>	<b>1,180</b>	<b>9,641</b>
	<i>9,576</i>	<i>1,033</i>	<i>1</i>	<i>10,608</i>	<i>628</i>	<i>352</i>	-	-	<i>980</i>	<i>9,628</i>
<b>Total</b>	<b>97,353</b>	<b>27,828</b>	<b>6,543</b>	<b>118,638</b>	<b>23,944</b>	<b>12,799</b>	<b>3,827</b>	<b>-</b>	<b>32,916</b>	<b>85,722</b>
	<i>76,309</i>	<i>26,757</i>	<i>5,713</i>	<i>97,353</i>	<i>16,907</i>	<i>10,510</i>	<i>3,538</i>	<i>65</i>	<i>23,944</i>	<i>73,409</i>
<b>Capital work-in- progress</b>										<b>208</b>
										<i>739</i>
<b>Intangible assets under development</b>										<b>364</b>
										-
<b>Impairment of Assets</b>										<b>(1,114)</b>
										-
<b>TOTAL</b>										<b>85,180</b>
										<i>74,148</i>

**Note :**

- Previous year figures are given in Italics
- Portion of the Group's building have been let out under operating lease arrangements. These arrangements are cancellable and do not contain any minimum lease or contingency lease rentals.
- During the current year, the Company has received ₹ 99 Lakh towards refund of VAT on purchase of building, which was earlier capitalized. The refund amount is reduced from the gross block, and depreciation has been provided prospectively on the revised amount over the remaining useful life of the asset.

\* Goodwill included as intangible assets is other than those arising on account of consolidation.

**NOTES TO AND FORMING PART OF THE CONSOLIDATED  
BALANCE SHEET AS AT MARCH 31, 2016**

NOTE "13"

(₹ in lakh)

INVESTMENTS	As at March 31, 2016		As at March 31, 2015	
	Non-Current Investments	Current portion of Non-Current Investments	Non-Current Investments	Current portion of Non-Current Investments
<b>Long-Term Investments</b>				
<b>Investments in Associates</b>				
<b>Unquoted:</b>				
Carrying amount of investments in associates (Refer Note No. 29)	54,805	–	49,046	–
Investment in Security Receipts	983	–	882	–
<b>Investments in Others</b>				
<b>Quoted:</b>				
Investment in Equity Shares	28,217	–	29,483	–
Investment in Debentures	40,847	–	47,504	–
Investment in Government Securities	46,554	1,998	48,457	500
<b>Unquoted:</b>				
Investment in Equity Shares	46,821	–	36,471	–
Investment in Preference Shares	17,406	342	14,971	389
Investment in Venture Capital Fund	2,062	–	1,779	–
<b>Total Cost of Non-Current Investments</b>	<b>237,695</b>	<b>2,340</b>	<b>228,593</b>	<b>889</b>
Less: Provision for diminution in value of investments	(18,560)	(36)	(19,430)	(3)
<b>Total Non-Current Investments</b>	<b>219,135</b>	<b>2,304</b>	<b>209,163</b>	<b>886</b>

(₹ in lakh)

INVESTMENTS	As at March 31, 2016	As at March 31, 2015
<b>CURRENT INVESTMENTS</b>		
<b>Quoted :</b>		
Investment in Equity Shares	428	172
Investment in Units of Mutual Funds	50	55
<b>Unquoted :</b>		
Investment in Equity Shares	410	–
<b>Total Current Investments</b>	<b>888</b>	<b>227</b>
Less: Provision and MTM loss on Current Investment	(250)	(60)
<b>Total Current Investments</b>	<b>620</b>	<b>167</b>

<b>Total Investments</b>	<b>219,135</b>	<b>2,924</b>	<b>209,163</b>	<b>1,053</b>
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**NOTES TO AND FORMING PART OF THE CONSOLIDATED  
BALANCE SHEET AS AT MARCH 31, 2016**
**NOTE "13" INVESTMENTS (contd.....)**

(₹ in lakh)

INVESTMENTS	As at March 31, 2016		As at March 31, 2015	
	Non-Current Investments	Current Investments	Non-Current Investments	Current Investments
Cost of Quoted investments	115,618	2,476	125,444	727
Book value of Quoted investments	103,419	2,231	110,219	662
Market value of Quoted investments	106,174	2,245	115,956	661
Cost of Unquoted investments	122,077	752	103,149	389
Book value of Unquoted investments	115,716	693	98,944	391

**Scrip-wise details of Investments**

INVESTMENTS	Face value Per Unit ₹	No. of Units	As at March 31, 2016		As at March 31, 2015		
			Non- Current Investments	Current portion of Non-Current Investments	No. of Units	Non- Current Investments	Current portion of Non-Current Investments
			₹ In Lakh	₹ In Lakh		₹ In Lakh	₹ In Lakh
<b>Investments in Associates</b>							
<b>Unquoted :</b>							
<b>Investment in Equity Shares (Non-Trade)</b>							
Tata Autocomp Systems Limited	10	48,307,333	32,046	–	48,307,333	31,953	–
International Asset Reconstruction Company Private Limited	10	13,946,295	3,650	–	13,946,295	3,534	–
			35,696	–	35,487	–	–
<b>Investment in Venture Capital Units (Trade)</b>							
Tata Capital Innovation Fund			5,289	–		3,001	–
Tata Capital Healthcare Fund I			7,564	–		3,788	–
Tata Capital Special Situation Fund			6,256	–		6,770	–
			19,109	–		13,559	–
<b>Carrying amount of investments in associates (Refer Note No. 29)</b>							
			54,805	–		49,046	–
<b>Investment in Security Receipts</b>							
International Asset Reconstruction Company Private Limited			983	–	882	–	–
			983	–	882	–	–
<b>Investments in Others</b>							
<b>Quoted:</b>							
<b>Investment in Equity Shares (Non-Trade)</b>							
The Indian Hotels Company Limited	10	14,700	10	–	12,000	9	–
Tata Consultancy Services Limited	1		–	–	200	0	–
Tata Steel Limited	10	13,500	100	–	13,500	100	–
Hindustan Unilever Limited	1	2,000	5	–	2,000	5	–
Development Credit Bank Limited	10	4,309,949	4,525	–	5,516,000	5,792	–
Praj Industries Limited	2	13,422,400	16,577	–	13,422,400	16,577	–
Commercial Engineers & Body Builders Company Limited (Trade)	10	6,005,401	7,000	–	6,005,401	7,000	–
			28,217	–		29,483	–
<b>Investment in Debentures (Non-Trade)</b>							
7.25% ICICI Bank - Indian Cash Bond	100 USD	17,170	1,105	–	17,170	1,058	–
6.38% ICICI Bank - Indian Cash Bond	100 USD	20,550	1,317	–	20,550	1,278	–
5.75% ICICI Bank - Indian Cash Bond	100 USD	30,000	2,125	–	30,000	2,061	–
6.44% State Bank of India - Indian Cash Bond	100 USD	32,340	2,117	–	32,340	1,986	–
7.14% State Bank of India - Indian Cash Bond	100 USD	4,600	312	–	4,600	303	–
6.63% BOI- Indian Cash Bond	100 USD		–	–	23,200	1,501	–

**NOTES TO AND FORMING PART OF THE CONSOLIDATED  
BALANCE SHEET AS AT MARCH 31, 2016**

INVESTMENTS	Face value Per Unit ₹	No. of Units	As at March 31, 2016		As at March 31, 2015		
			Non- Current Investments	Current portion of Non-Current Investments	No. of Units	Non- Current Investments	Current portion of Non-Current Investments
			₹ In Lakh	₹ In Lakh		₹ In Lakh	₹ In Lakh
6.25% BOI- Indian Cash Bond	100 USD	40,000	2,848	–	40,000	2,801	–
5.00% IDBI Bank Bonds	100 USD	30,000	1,943	–	30,000	1,973	–
4.13% IDBI Bank Bonds	100 USD	10,000	667	–	10,000	634	–
5.63% Indian Oil Corporation Limited	100 USD	60,000	4,220	–	60,000	4,122	–
6.37% Canara Bank	100 USD	–	–	–	15,000	958	–
4.55% Union Bank Bond	100 USD	36,000	2,430	–	36,000	2,330	–
7.25% Axis Bank Bond	100 USD	–	–	–	10,000	670	–
6.63% Bank of Baroda Bond	100 USD	–	–	–	8,400	550	–
5.63% NTPC Bond	100 USD	20,000	1,402	–	20,000	1,375	–
6.65% Tata International Bond	100 SGD	300,000	14,521	–	300,000	13,623	–
4.85% ABJA Bonds	100 USD	65,000	4,378	–	65,000	4,227	–
4.63% Tata Motors Limited Bond	100 USD	10,000	654	–	10,000	637	–
5.75% Tata Motors Limited Bond	100 USD	10,000	687	–	10,000	656	–
4.25% Tata Motors Limited Bond	100 USD	–	–	–	105,000	4,760	–
6.50% BOI- Indian Cash Bond	100 USD	1,900	121	–	–	–	–
The Indian Hotels Company Limited	55	–	–	–	2,700	1	–
			<b>40,847</b>	<b>–</b>		<b>47,504</b>	<b>–</b>
<b>Investment in Government Securities (Non-Trade)</b>							
6.49% GOI 2015	100	–	–	–	500,000	–	500
6.90% GOI 2019	100	1,500,000	1,501	–	1,500,000	1,502	–
8.07% GOI 2017	100	2,000,000	–	1,998	2,000,000	1,994	–
7.16% GOI 2023	100	7,500,000	7,005	–	7,500,000	6,935	–
7.80% GOI 2020	100	6,500,000	6,377	–	6,500,000	6,347	–
8.12% GOI 2020	100	8,000,000	7,948	–	8,000,000	7,937	–
8.35% GOI 2022	100	10,000,000	9,996	–	10,000,000	9,995	–
8.83% GOI 2023	100	8,000,000	8,204	–	8,000,000	8,231	–
8.40% GOI 2024	100	1,500,000	1,502	–	1,500,000	1,502	–
8.07% GOI 2017	100	2,500,000	2,482	–	2,500,000	2,466	–
7.94% GOI 2021	100	1,500,000	1,539	–	1,500,000	1,548	–
			<b>46,554</b>	<b>1,998</b>		<b>48,457</b>	<b>500</b>
<b>Unquoted :</b>							
<b>Investment in Equity Shares (Non-Trade)</b>							
Lands End Properties Limited	10	–	–	–	1,990,000	199	–
Adithya Automotives Private Limited	10	1,396,500	140	–	1,396,500	140	–
Roots Corporation Limited	90	2,089,269	1,880	–	2,089,269	1,880	–
Tata Sky Limited	10	10,072,871	5,242	–	10,072,871	5,242	–
Tata Technologies Limited (Trade)	10	1,873,253	4,707	–	1,873,253	4,707	–
Star Health & Allied Insurance Company Limited (Trade)	10	24,045,296	6,000	–	15,723,270	5,000	–
SKS Ispat & Power Limited	10,000	22,621,225	1,028	–	4,524,245	1,029	–
Shriram Properties Private Limited	10	2,223,569	3,935	–	1,913,465	2,773	–
Tata Tele Services Limited (Refer Note No. 43)	10	62,250,000	14,318	–	62,250,000	14,318	–
Agile Electric Sub Assembly Private Ltd ( Equity)	10	2,442,333	3,202	–	–	–	–
Tata Projects Limited	10	44,810	2,823	–	–	–	–
TVS Logistics Services Ltd	10	151,143	1,050	–	–	–	–
Standard Greases and Specialities Pvt Limited (Trade)	10	200	1	–	200	1	–
Sai Life Sciences Limited	10	458,579	1,313	–	–	–	–
Tata Business Support Services Limited (Trade)	10	4,054,048	1,182	–	1,500,000	1,182	–
			<b>46,821</b>	<b>–</b>		<b>36,471</b>	<b>–</b>

**NOTES TO AND FORMING PART OF THE CONSOLIDATED  
BALANCE SHEET AS AT MARCH 31, 2016**

INVESTMENTS	Face value Per Unit ₹	No. of Units	As at March 31, 2016		As at March 31, 2015		
			Non- Current Investments	Current portion of Non-Current Investments	No. of Units	Non- Current Investments	Current portion of Non-Current Investments
			₹ In Lakh	₹ In Lakh		₹ In Lakh	₹ In Lakh
<b>Investment in Preference Shares (Non-Trade)</b>							
0.001% Spandana Spoorthy Financial Limited Optionally Convertible Cumulative Redeemable Preference Shares	10	19,635,000	1,122	306	20,400,000	1,428	357
0.001% Share Microfin Limited Optionally Convertible Cumulative Redeemable Preference Shares	10	1,260,000	90	36	1,800,000	126	32
Uber	10		2,777	–	–	–	–
Vanu Inc			6,272	–	–	6,272	–
Varroc Engineering Pvt Limited Series A CCPS	100	2,521,007	2,521	–	2,521,007	2,521	–
Standard Greases and Specialities Pvt Limited (Trade)	10	555,998	3,124	–	555,998	3,124	–
Tata Business Support Services Limited	10	15,000,000	1,500	–	15,000,000	1,500	–
			<b>17,406</b>	<b>342</b>		<b>14,971</b>	<b>389</b>
<b>Investment in Venture Capital Fund</b>							
Pitango Venture Capital Fund VI L.P.			2,062	–		1,779	–
			<b>2,062</b>	<b>–</b>		<b>1,779</b>	<b>–</b>
<b>Total Cost of Non-Current Investments</b>			<b>237,695</b>	<b>2,340</b>		<b>228,593</b>	<b>889</b>
<b>Less: Provision for diminution in value of investments</b>			<b>(18,560)</b>	<b>(36)</b>		<b>(19,430)</b>	<b>(3)</b>
<b>Total Non-Current Investments</b>			<b>219,135</b>	<b>2,304</b>		<b>209,163</b>	<b>886</b>

(₹ in lakh)

INVESTMENTS	Face value Per Unit ₹	No. of Units	As at March 31, 2016		As at March 31, 2015
<b>CURRENT INVESTMENTS</b>					
<b>Quoted :</b>					
<b>Investment in Equity Shares</b>					
IVRCL Limited	2	2,776,522	428	706,149	172
<b>Investment in Units of Mutual Funds</b>					
HDFC Debt Fund For Cancer Cure	10	500,000	50	500,000	50
KOTAK Flexi Debt Institutional Fund	10		–	50,000	5
			<b>478</b>		<b>227</b>
<b>Unquoted :</b>					
<b>Investment in Equity Shares</b>					
Coastal Projects Limited	10	4,101,806	410		–
<b>Total Cost of Current Investment</b>			<b>888</b>		<b>227</b>
<b>Less: Provision for diminution in value of investments</b>			<b>(18)</b>		<b>–</b>
<b>Less: Provision and MTM loss on Current Investment</b>			<b>(250)</b>		<b>(60)</b>
<b>Total Current Investments</b>			<b>620</b>		<b>167</b>

(₹ in lakh)

	As at March 31, 2016		As at March 31, 2015	
	Non-Current Investments	Current Investments	Non-Current Investments	Current Investments
<b>Total Investments</b>	<b>219,135</b>	<b>2,924</b>	<b>209,163</b>	<b>1,053</b>
Cost of Quoted investments	115,618	2,476	125,444	727
Book value of Quoted investments	103,419	2,231	110,219	662
Market value of Quoted investments	106,174	2,245	115,956	661
Cost of Unquoted investments	122,077	752	103,149	389
Book value of Unquoted investments	115,716	693	98,944	391



**NOTES TO AND FORMING PART OF THE CONSOLIDATED  
BALANCE SHEET AS AT MARCH 31, 2016**

**NOTE "14"**

(₹ in lakh)

<b>DEFERRED TAX ASSETS</b>	<b>As at March 31, 2016</b>	<b>As at March 31, 2015</b>
<b>Deferred Tax Assets</b>		
(a) On account of provisions for non-performing assets	23,891	17,328
(b) Provision for restructured advances	938	1,086
(c) Contingent Provision for standard assets	5,489	3,674
(d) Employee benefits	308	268
(e) Timing difference in respect of depreciation on fixed assets	138	377
(f) Others	713	470
<b>Deferred Tax Liabilities</b>		
(a) Timing difference in respect of depreciation on fixed assets	(5,122)	(4,402)
(b) Debenture issue expenses	(413)	(302)
(c) Special Reserve u/s 36(1) (viii) of Income tax Act	(1,855)	(1,085)
<b>Total</b>	<b>24,087</b>	<b>17,414</b>

**NOTE "15"**

(₹ in lakh)

<b>LOANS AND ADVANCES - FINANCING ACTIVITY</b>	<b>As at March 31, 2016</b>	<b>As at March 31, 2015</b>
<b>NON-CURRENT</b>		
<b>(a) Secured Loans</b>		
(i) Considered good	2,502,059	1,839,050
(ii) Considered doubtful	12,683	9,154
	<b>2,514,742</b>	<b>1,848,204</b>
Less: Provision for doubtful loans	(12,683)	(9,154)
Less: Provisions against restructured standard assets	(1,782)	(2,281)
	<b>2,500,277</b>	<b>1,836,769</b>
<b>(b) Unsecured Loans</b>		
(i) Considered good	154,372	82,312
(ii) Considered doubtful	657	77
	<b>155,029</b>	<b>82,389</b>
Less: Provision for doubtful loans	(657)	(77)
Less: Provision against restructured standard assets	(304)	(526)
	<b>154,068</b>	<b>81,786</b>

**NOTES TO AND FORMING PART OF THE CONSOLIDATED  
BALANCE SHEET AS AT MARCH 31, 2016**

<b>LOANS AND ADVANCES - FINANCING ACTIVITY</b>	<b>As at March 31, 2016</b>	<b>As at March 31, 2015</b>
<b>c. Secured Credit Substitutes</b> (Refer Note Nos. 15(a) & 45 below)		
i. Considered good	16,482	25,823
ii. Considered doubtful	16,074	8,505
	<b>32,556</b>	<b>34,328</b>
Less: Provision for doubtful credit substitutes	<b>(16,074)</b>	<b>(8,505)</b>
	<b>16,482</b>	<b>25,823</b>
<b>d. Unsecured Credit Substitutes</b> (Refer Note Nos. 15 (a) & 45 below)		
i. Considered good	17,007	13,008
ii. Considered doubtful	-	-
	<b>17,007</b>	<b>13,008</b>
Less: Provision for doubtful loans	-	-
Less: Provisions against restructured standard assets	-	-
	<b>17,007</b>	<b>13,008</b>
<b>Total</b>	<b>2,687,834</b>	<b>1,957,386</b>
<b>CURRENT</b>		
<b>(a) Secured Loans</b>		
(i) Considered good	695,580	650,138
(ii) Considered doubtful	30,623	26,841
	<b>726,203</b>	<b>676,979</b>
Less: Provision for doubtful loans	(30,623)	(26,841)
Less: Provision against restructured standard assets	(533)	(299)
	<b>695,047</b>	<b>649,839</b>
<b>(b) Unsecured Loans</b>		
(i) Considered good	792,007	649,046
(ii) Considered doubtful	3,994	3,505
	<b>796,001</b>	<b>652,551</b>
Less: Provision for doubtful loans	(3,994)	(3,505)
Less: Provision against restructured standard assets	(91)	(69)
	<b>791,916</b>	<b>648,977</b>
<b>(c) Secured Credit Substitutes (Refer Note Nos. 15(a) &amp; 45 below)</b>		
(i) Considered good	21,010	28,354
(ii) Considered doubtful	5,018	1,995
	<b>26,028</b>	<b>30,349</b>
Less: Provision for doubtful credit substitutes	(5,018)	(1,995)
	<b>21,010</b>	<b>28,354</b>

**NOTES TO AND FORMING PART OF THE CONSOLIDATED  
BALANCE SHEET AS AT MARCH 31, 2016**

<b>LOANS AND ADVANCES - FINANCING ACTIVITY</b>	<b>As at March 31, 2016</b>	<b>As at March 31, 2015</b>
<b>d. Unsecured Credit Substitutes (Refer Note Nos. 15(a) &amp; 45 below)</b>		
(i) Considered good	<b>33,558</b>	40,860
(ii) Considered doubtful	–	–
	<b>33,558</b>	40,860
<b>e. Unsecured Inter Corporate Deposits</b>		
(i) Considered good	<b>5,400</b>	5,173
(ii) Considered doubtful	–	–
	<b>5,400</b>	5,173
<b>Total</b>	<b>1,546,931</b>	1,373,203
<b>TOTAL - LOANS AND ADVANCES - FINANCING ACTIVITIES</b>	<b>4,234,765</b>	<b>3,330,589</b>

**NOTE 15(a). Scrip-wise details of Credit Substitutes.**

(₹ in lakh)

<b>PARTICULARS</b>	<b>Face value Per Unit</b>	<b>No. of Units</b>	<b>As at March 31, 2016</b>		<b>No. of Units</b>	<b>As at March 31, 2015</b>	
			<b>Non- Current</b>	<b>Current</b>		<b>Non- Current</b>	<b>Current</b>
<b>Secured Quoted :</b>							
<b>Investment in Bonds and Debentures (Trade)</b>							
10.40% Meghmani Organics Limited	100,000	–	–		2,000	–	2,000
11.80% Elder Pharmaceuticals Limited	1,000,000	–	–	841	150	–	883
12.75% Diamond Power Infra limited	100,000	1,700	<b>1,496</b>	<b>204</b>	1,666	510	1,212
10.75% Kiri Industries Limited	1,000,000	400	–	–	400	–	921
12.90% Cholamandalam Investment & Finance Company Limited	500,000	1	–	5	1	–	5
10.50% Tulip Telecom Limited	1,000,000	1,748	<b>14,948</b>	<b>2,957</b>	1,850	16,885	1,151
12.65% Consolidated Construction Consortium Limited	1,000,000	200	<b>1,920</b>	<b>79</b>	200	2,000	–
12.50% Srei Equipment Finance Limited	1,000,000		–	–	7	65	–
12.90% Godawari Power and Ispat Limited	1,000,000	225	<b>375</b>	<b>1,500</b>	300	750	2,250
10.50% JM Financial Credit Solution Limited	600	600	<b>6,000</b>	–		–	–
			<b>24,739</b>	<b>5,586</b>		20,210	8,422
<b>Secured Unquoted :</b>							
<b>Investment in Debentures (Trade)</b>							
9% East Coast Constructions and Industries Limited	1,000	245,000	–	<b>3,326</b>	245,000	–	2,557
13.65% Metropolitan Infrahousing Private Limited	–	75	–	<b>7,500</b>	75	–	7,924
5.64% Mandava Holding Private Limited	–	–	–	<b>1</b>	–	–	–
8% JL Power Ventures Private Limited	10,000,000	40	<b>4,000</b>	–	38	3,800	–
12.40%TRIF Amritsar Projects Private Limited	1,000,000	–	–	–	200	–	1,964
12.40%TRIF Amritsar Projects Private Limited - Series C	1,000,000	–	–	–	150	1,369	104
12.40%TRIF Amritsar Projects Private Limited - Series D	1,000,000	–	–	–	150	1,369	104
11% Cargo Solar Power Gujarat Limited	10,000	6,250	–	<b>625</b>	11,250	1,125	–
11% Cargo Solar Power Gujarat Limited	10,000	8,750	–	<b>875</b>	8,750	875	–
14.50% Arohi Infrastructure Private Limited	100	5,000,000	–	<b>5,007</b>	5,000,000	–	3,791
14.00% Ind Swift Laboratories Limited			–	–		–	16
			<b>4,000</b>	<b>17,334</b>		8,538	16,460

**NOTES TO AND FORMING PART OF THE CONSOLIDATED  
BALANCE SHEET AS AT MARCH 31, 2016**

PARTICULARS	Face value Per Unit	No. of Units	As at March 31, 2016		No. of Units	As at March 31, 2015	
			Non- Current	Current		Non- Current	Current
Investment in Pass Through Certificates							
Jindal ITF Limited - Series A to E			2,370	2,816		4,484	2,956
			2,370	2,816		4,484	2,956
Add: Interest accrued but not due			1,447	291		1,095	2,511
Less: Provision for doubtful credit substitutes			(16,074)	(5,017)		(8,504)	(1,995)
<b>Total Secured</b>			<b>16,482</b>	<b>21,010</b>		<b>25,823</b>	<b>28,354</b>
<b>Unsecured Quoted :</b>							
<b>Investment in Bonds and Debentures (Trade)</b>							
5% Trent Limited	1,000,000		-	-	100	-	1,000
10.25% Shriram Transport Finance Company Limited	1,000,000	250	2,500	-	250	2,500	-
12.25% Kolte Patil Developers Limited	1,000,000	400	4,000	-	400	4,000	-
10.45% IDBI Bank Limited	1,000,000	50	507	-	50	508	-
10% Indian Overseas Bank Limited	1,000,000	400	4,000	-	400	4,000	-
			11,007	-		11,008	1,000
<b>Investment in Preference Shares (Non-Trade)</b>							
10.75% Kiri Industries Limited	10	4,333,500	-	433	4,333,500	-	433
11.50% McNally Bharat Engineering Co Limited Cumulative Non Convertible Redeemable Preference Shares	100	625,000	4,000	9	625,000	-	4,009
			4,000	442		-	4,442
<b>Investment in Debentures (Trade)</b>							
10.90% Tata Motor Finance Limited	500,000	400	2,000	-	400	2,000	-
			2,000	-		2,000	-
<b>Investment in Pass Through Certificates</b>							
Capital DRL Trust Dec 143 Series B			-	-		-	271
HPR Trust Mar 151 Series A			-	-		-	5,807
Capital DRL Trust Feb 151 Series A			-	-		-	22,726
Capital DRL Trust Feb 151 Series B			-	-		-	6,064
Capital DRL Trust Dec Series B			-	280		-	-
Capital DRL Trust Feb Series B			-	2,187		-	-
Capital DRL Trust Feb Series B			-	74		-	-
Capital DRL Trust Mar Series B			-	5,580		-	-
Capital DRL Trust Mar Series B			-	21,769		-	-
Capital DRL Trust Mar Series B			-	3,003		-	-
			-	32,893		-	34,868
Add: Interest accrued but not due			-	223		-	550
<b>Total Unsecured</b>			<b>17,007</b>	<b>33,558</b>		<b>13,008</b>	<b>40,860</b>
<b>Grand Total</b>			<b>33,489</b>	<b>54,568</b>		<b>38,831</b>	<b>69,214</b>

**NOTE "16"**

(₹ in lakh)

<b>LONG-TERM LOANS AND ADVANCES - OTHERS (UNSECURED - CONSIDERED GOOD)</b>	<b>As at March 31, 2016</b>	<b>As at March 31, 2015</b>
(a) Capital advances	12,231	7,810
(b) Security deposits	652	709
(c) Prepaid expenses	352	374
(d) Advances payment of Income tax [Net of provision for tax ₹ 80,442 Lakh (as at March 31, 2015 ₹ 60,328 Lakh)]	9,725	4,981
(e) MAT credit entitlement	29	32
(f) Others		
- Deposit	170	170
<b>Total</b>	<b>23,159</b>	<b>14,076</b>

**NOTES TO AND FORMING PART OF THE CONSOLIDATED  
BALANCE SHEET AS AT MARCH 31, 2016**

**NOTE “17”**

(₹ in lakh)

<b>OTHER NON-CURRENT ASSETS</b>	<b>As at March 31, 2016</b>	<b>As at March 31, 2015</b>
(b) Deferred revenue expenditure [Refer Note No. 21(a)]	1,487	1,590
(c) Unamortised loan sourcing costs	8,053	6,366
(d) Others	105	129
<b>Total</b>	<b>9,645</b>	<b>8,085</b>

**NOTE “18”**

(₹ in lakh)

<b>TRADE RECEIVABLES</b>	<b>As at March 31, 2016</b>	<b>As at March 31, 2015</b>
<b>(a) Over six months (from the date due for payment)</b>		
(i) Secured, considered good	–	–
(ii) Unsecured, considered good	261	586
(iii) Doubtful	80	213
	<b>341</b>	<b>799</b>
Less: Provision for trade receivables	<b>(80)</b>	<b>(213)</b>
	<b>261</b>	<b>586</b>
<b>(b) Others</b>		
(i) Secured, considered good	–	–
(ii) Unsecured, considered good	7,615	6,995
(iii) Doubtful	300	–
	<b>7,915</b>	<b>6,995</b>
Less: Provision for trade receivables	<b>(300)</b>	<b>–</b>
	<b>7,615</b>	<b>6,995</b>
<b>Total</b>	<b>7,876</b>	<b>7,581</b>

**NOTE “19”**

(₹ in lakh)

<b>CASH AND BANK BALANCES</b>	<b>As at March 31, 2016</b>	<b>As at March 31, 2015</b>
(a) Cash on Hand	1,179	1,034
(b) Cheques on hand	1,730	1,771
(c) Balances with bank		
(i) In current accounts	9,016	13,967
(ii) In client accounts	1,015	1,801
(iii) In deposit accounts	4,175	5,551
(d) Other bank balances		
(i) In earmarked accounts	–	5,000
- Share application money received for allotment of securities (Refer Note No. 41)		
<b>Total</b>	<b>17,115</b>	<b>29,125</b>

Of the above, the balances that meet the definition of Cash and Cash Equivalents as per AS 3 (Cash Flow Statements) is ₹ 12,715 Lakh ( as at March 31, 2015: ₹ 17,504 Lakh)

Balance with bank includes deposits amounting to ₹ 1,846 Lakh (as at March 31, 2015 ₹ 1,095 Lakh) which have an original maturity of more than 12 months. Deposits includes deposits with Banks and Stock Exchanges under lien as margin, amounting to ₹ 1,438 Lakh (As at March 31, 2015 ₹ 1,688 Lakh)

**NOTES TO AND FORMING PART OF THE CONSOLIDATED  
BALANCE SHEET AS AT MARCH 31, 2016**

**NOTE "20"**

(₹ in lakh)

<b>SHORT-TERM LOANS AND ADVANCES (UNSECURED- CONSIDERED GOOD)</b>	<b>As at March 31, 2016</b>	<b>As at March 31, 2015</b>
(a) Loans and advances to related parties	108	479
(b) Security Deposits	2,865	2,647
(c) Prepaid Expenses	785	802
(d) Balances with government authorities	1,097	560
(i) Advances to Vendors	93	199
(ii) Other advances	613	609
(iii) Share/debenture application money (Refundable)	2,527	6,819
(iv) Loans & Advances to Employees	93	62
(v) Other Deposits	-	6
<b>Total</b>	<b>8,181</b>	<b>12,183</b>

**NOTE "21"**

(₹ in lakh)

<b>OTHER CURRENT ASSETS</b>	<b>As at March 31, 2016</b>	<b>As at March 31, 2015</b>
(a) Interest accrued but not due on deposits / investments	2,421	1,754
(b) Deferred revenue expenditure (Refer Note No 21(a))	906	704
(c) Unamortised loan sourcing costs	8,186	5,013
(d) Exchange settlement / dues from clients	546	724
(e) Income accrued but not due	1,249	882
(f) Receivable on sale of Investment	540	16
Less : Provision for receivable on sale of Investment	(47)	(2)
Net Receivable	493	14
(g) Assets held for sale	2,502	3,191
Less : Provision for assets held for sale	(289)	(89)
Net Receivable	2,213	3,102
(h) Others	341	420
<b>Total</b>	<b>16,355</b>	<b>12,613</b>

**NOTES TO AND FORMING PART OF THE CONSOLIDATED  
BALANCE SHEET AS AT MARCH 31, 2016**

NOTE "21 (a)"

(₹ in lakh)

DEFERRED REVENUE EXPENDITURE (TO THE EXTENT NOT WRITTEN OFF OR ADJUSTED)	As at March 31, 2016	As at March 31, 2015
<b>(a) Unamortised share issue expenses</b>		
Opening Balance	513	888
Add: expenses incurred during the period year	284	473
Less: written off during the period year	370	848
<b>Closing Balance</b>	<b>427</b>	<b>513</b>
<b>(b) Unamortised debenture issue expenses</b>		
Opening Balance	988	837
Add: expenses incurred during the year	1,019	607
Less: written off during the year	550	456
<b>Closing Balance</b>	<b>1,457</b>	<b>988</b>
<b>(c) Unamortised loan processing charges</b>		
Opening Balance	793	1,087
Add: expenses incurred during the year	116	61
Less: written off during the year	400	355
<b>Closing Balance</b>	<b>509</b>	<b>793</b>
<b>Total</b>	<b>2,393</b>	<b>2,294</b>

(₹ in lakh)

PARTICULARS	As at March 31, 2016		As at March 31, 2015	
	Non- Current	Current	Non- Current	Current
(a) Unamortised share issue expenses	180	247	326	187
(b) Unamortised debenture issue expenses	990	467	768	220
(c) Unamortised loan processing charges	317	192	496	297
<b>Total</b>	<b>1,487</b>	<b>906</b>	<b>1,590</b>	<b>704</b>
<b>Grand Total</b>	<b>2,393</b>		<b>2,294</b>	

**NOTES TO AND FORMING PART OF THE CONSOLIDATED STATEMENT OF  
PROFIT AND LOSS FOR THE YEAR ENDED MARCH 31, 2016**

**NOTE "22"**

(₹ in lakh)

<b>REVENUE FROM OPERATIONS</b>	<b>For the Year Ended March 31, 2016</b>	<b>For the Year Ended March 31, 2015</b>
(a) Interest Income		
(i) From Secured Loans & Credit Substitutes	<b>324,434</b>	267,727
(ii) From Unsecured Loans & Credit Substitutes	<b>95,894</b>	75,561
(b) Income from Bill Discounting	<b>4,354</b>	5,693
(c) Others	<b>28,969</b>	22,469
<b>Total</b>	<b>453,651</b>	<b>371,450</b>

**NOTE "23"**

(₹ in lakh)

<b>INVESTMENT INCOME</b>	<b>For the Year Ended March 31, 2016</b>	<b>For the Year Ended March 31, 2015</b>
(a) Dividend from Non-Current Investments	<b>2,202</b>	1,006
(b) Dividend from Current Investments	<b>3</b>	271
(c) Profit on sale of Non-Current Investments	<b>1,071</b>	7,052
(d) Profit on sale of Current Investments	<b>1,096</b>	1,022
(e) Interest on Non-Current Investments	<b>4,085</b>	2,196
(f) Interest on Current Investments	<b>2,326</b>	1,882
<b>Total</b>	<b>10,783</b>	<b>13,429</b>

**NOTE "24"**

(₹ in lakh)

<b>OTHER INCOME</b>	<b>For the Year Ended March 31, 2016</b>	<b>For the Year Ended March 31, 2015</b>
(a) Income from advisory services	<b>9,519</b>	12,011
(b) Income from operating leases	<b>19,951</b>	14,887
(c) Interest Income on Fixed Deposits	<b>300</b>	317
(d) Income from Ticketing & other travel related services	<b>138</b>	926
(e) Income from Forex services	<b>1,217</b>	1,155
(f) Brokerage Income	<b>1,460</b>	2,181
(g) Exchange gains (net)	<b>5</b>	4
(h) Miscellaneous Income	<b>5,212</b>	3,966
<b>Total</b>	<b>37,802</b>	<b>35,447</b>



**NOTES TO AND FORMING PART OF THE CONSOLIDATED STATEMENT OF  
PROFIT AND LOSS FOR THE YEAR ENDED MARCH 31, 2016**

**NOTE “25”**

(₹ in lakh)

<b>FINANCE COSTS</b>	<b>For the Year Ended March 31, 2016</b>	<b>For the Year Ended March 31, 2015</b>
(a) Interest expense	225,448	188,413
(b) Discounting charges		
(i) On commercial papers	56,012	57,015
(i) On debentures	371	951
(i) On Collateralised Borrowings and Lending Obligations	2,847	1,748
<b>Total</b>	<b>284,678</b>	<b>248,127</b>

**NOTE “26”**

(₹ in lakh)

<b>EMPLOYEE BENEFIT EXPENSES</b>	<b>For the Year Ended March 31, 2016</b>	<b>For the Year Ended March 31, 2015</b>
(a) Salaries, wages and bonus	40,513	31,438
(b) Contribution to provident and other funds (Refer Note No. 34)	2,558	2,135
(c) Staff welfare expenses	1,969	1,634
<b>Total</b>	<b>45,040</b>	<b>35,207</b>

**NOTE “27”**

(₹ in lakh)

<b>OTHER OPERATING EXPENSES</b>	<b>For the Year Ended March 31, 2016</b>		<b>For the Year Ended March 31, 2015</b>	
(a) Advertisement and publicity		3,140		2,173
(b) Brand Equity and Business Promotion		1,428		1,081
(c) Corporate social responsibility expenses (Refer Note No. 27 (c))		1,054		901
(d) Directors Remuneration		269		167
(e) Donations		3		23
(f) Equipment hire charges		279		347
(g) Incentive/commission/brokerage		11,986		7,989
(h) Information technology expenses		7,776		6,992
(i) Insurance charges		463		441
(j) Legal and professional fees		5,688		4,495
(k) Loan processing fees		3,084		2,555
(l) Printing and stationery		652		512
(m) Provision for doubtful loans		35,524		40,539
(n) Write off - Loans and advances	16,557		10,480	
Less : Provision reversal on write off	(16,557)	-	(10,480)	-

**NOTES TO AND FORMING PART OF THE CONSOLIDATED STATEMENT OF  
PROFIT AND LOSS FOR THE YEAR ENDED MARCH 31, 2016**

(₹ in lakh)

OTHER OPERATING EXPENSES	For the Year Ended March 31, 2016		For the Year Ended March 31, 2015	
(o) Contingent provision against Standard Assets		5,074		2,061
(p) Contingent provision against restructured advances		(465)		406
(q) Provision for diminution in value of investments (net of reversals)		(865)		(6,500)
(r) Provision for mark-to-market Loss on Investments		190		60
(s) Trade Recievables written off		169		–
(t) Provision against Trade Recievables		166		80
(u) Provision for assets held for sale		200		89
(v) Power and fuel		793		751
(w) Repairs and maintenance				
(i) Buildings	32		45	
(ii) Annual maintenance charges	377		323	
(iii) Others	178	587	136	504
(x) Rent		3,125		3,453
(y) Rates and taxes		392		276
(z) Stamp charges		451		541
(aa) Service providers' charges		6,112		4,770
(ab) Training and recruitment		701		759
(ac) Telephone, telex and leased line		860		864
(ad) Traveling and conveyance		2,622		2,994
(ae) Loss on sale of Investment (Non-current)		–		1,073
(af) Loss on sale / disposal of assets		1,181		187
(ag) Impairment on Assets		1,207		–
(ah) Other Expenses (Refer Note No. 27 (a))		3,216		3,043
<b>Total</b>		<b>97,062</b>		<b>83,626</b>

**NOTES TO AND FORMING PART OF THE CONSOLIDATED STATEMENT OF  
PROFIT AND LOSS FOR THE YEAR ENDED MARCH 31, 2016**

**NOTE “27(a)”**

(₹ in lakh)

<b>AUDITORS’ REMUNERATION (excl. Service Tax)</b>	<b>For the Year Ended March 31, 2016</b>	<b>For the Year Ended March 31, 2015</b>
(a) Audit Fees	279	237
(b) Tax Audit Fees	17	14
(c) Other Services	41	13
(d) Towards reimbursement of expenses	2	1

(Auditors’ Remuneration is included in Other expenses)

**NOTE “27(b)”**

(₹ in lakh)

<b>EXPENDITURE IN FOREIGN CURRENCY</b>	<b>For the Year Ended March 31, 2016</b>	<b>For the Year Ended March 31, 2015</b>
(a) Legal and professional fees	110	30
(b) Membership and subscription	18	12
(c) Advertisement and publicity	1	–
(d) Travelling and conveyance	73	19
(e) Training and recruitment	13	24
(f) Directors Sitting Fees	2	1
(g) Processing Fees	2	–
(h) Other expenses	9	3

**NOTE “27(c)” CORPORATE SOCIAL RESPONSIBILITY EXPENSES**

(i) Gross amount required to be spent by the company during the year was ₹ 1,054 Lakh.

(ii) Amount spent during the year on:

(₹ in Lakh)

<b>PARTICULARS</b>	<b>PAID</b>	<b>YET TO BE PAID</b>	<b>TOTAL</b>
Construction / acquisition of any asset	–	–	–
On purposes other than above	1,054	–	1,054

**NOTES TO AND FORMING PART OF THE CONSOLIDATED STATEMENT OF  
PROFIT AND LOSS FOR THE YEAR ENDED MARCH 31, 2016**

**NOTE "28"**

The financial statements of the following subsidiaries have been consolidated as per Accounting Standard 21 on 'Consolidated Financial Statements':

<b>Name of the Subsidiary</b>	<b>Country of Incorporation</b>	<b>% Holding as at March 31, 2016</b>	<b>% Holding as at March 31, 2015</b>
Tata Securities Limited	India	100	100
Tata Capital Housing Finance Limited	India	100	100
TC Travel and Services Limited	India	100	100
Tata Capital Forex Limited	India	100	100
Tata Infrastructure Capital Limited	India	100	100
Tata Capital Financial Services Limited	India	100	100
Tata Capital Growth Fund	India	73.75	73.75
Tata Cleantech Capital Limited	India	80.50	80.50
India Collections Management Limited	India	100	100
Tata Capital Pte. Limited	Singapore	100	100
Tata Capital Markets Pte. Limited (Subsidiary of Tata Capital Pte. Limited)	Singapore	100	100
Tata Capital Advisors Pte. Limited (Subsidiary of Tata Capital Pte. Limited)	Singapore	100	100
Tata Capital Plc (Subsidiary of Tata Capital Pte. Limited)	United Kingdom	100	100
Tata Capital General Partners LLP (Subsidiary of Tata Capital Pte. Limited)	Singapore	80	80
Tata Capital Healthcare General Partners LLP (Subsidiary of Tata Capital Pte. Limited)	Singapore	100	100
Tata Opportunities General Partners LLP (Subsidiary of Tata Capital Pte. Limited)	Singapore	90	90

**NOTE “29”**

The Group has investments in the following associates, which are accounted for on the Equity Method in accordance with the Accounting Standard 23 on ‘Accounting for Investments in Associates in Consolidated Financial Statements’:

The Particulars of investments in associates as on March 31, 2016 are as follows :

(₹ In lakh)

Sr. No.	Name of Associates	Country of Incorporation	Ownership Interest (%)	Original Cost of Investment	Amount of goodwill/ (Capital Reserve) in original cost	Share of post acquisition Reserves & Surplus	Carrying Amount of Investments
1	Tata Autocomp Systems Limited (Refer footnote 1)	India	<b>24.00%</b> <i>24.00%</i>	<b>18,528</b> <i>18,528</i>	<b>12,145</b> <i>12,145</i>	<b>13,518</b> <i>13,425</i>	<b>32,046</b> <i>31,953</i>
2	Tata Capital Special Situation Fund	India	<b>28.18%</b> <i>28.15%</i>	<b>7,240</b> <i>7,306</i>	– –	<b>(984)</b> <i>(536)</i>	<b>6,256</b> <i>6,770</i>
3	Tata Capital Healthcare Fund	India	<b>31.30%</b> <i>31.30%</i>	<b>8,880</b> <i>4,931</i>	– –	<b>(1,317)</b> <i>(1,143)</i>	<b>7,564</b> <i>3,788</i>
4	Tata Capital Innovation Fund	India	<b>27.13%</b> <i>27.13%</i>	<b>6,416</b> <i>3,941</i>	– –	<b>(1,127)</b> <i>(940)</i>	<b>5,289</b> <i>3,001</i>
5	International Asset Reconstruction Company Private Limited	India	<b>25.37%</b> <i>25.37%</i>	<b>3,313</b> <i>3,313</i>	<b>483</b> <i>483</i>	<b>337</b> <i>221</i>	<b>3,650</b> <i>3,534</i>
<b>Total</b>				<b>44,377</b> <i>38,019</i>	<b>12,628</b> <i>12,628</i>	<b>10,427</b> <i>11,027</i>	<b>54,805</b> <i>49,046</i>

**Notes:**

- 1) Consolidated based on unaudited financial statements as at/for the year ended March 31, 2016 and March 31, 2015.
- 2) Figures in Italics represent previous year.

**NOTE “30”**

The financial statements of the following jointly controlled entity have been consolidated as per Accounting Standard 27 (Financial Reporting of Interests in Joint Ventures).

Name of Jointly Controlled Entity	% Holding as at March 31, 2016	% Holding as at March 31, 2015
Nectar Loyalty Management India Limited	49	49

The following amounts are included in the Financial Statements in respect of the jointly controlled entity referred to in Note above, based on the proportionate consolidation method:

(₹ in lakh)

PARTICULARS	As at March 31, 2016	As at March 31, 2015
<b>Assets:</b>		
Tangible Fixed Assets	18	18
Intangible Fixed Assets	4	4
Long-term loans and advances	170	170
Cash and bank balances	8	36
Short-term loans and advances	1	7
<b>Total</b>	<b>201</b>	<b>201</b>
<b>Liabilities</b>		
Short-term borrowings	358	358
Other current liabilities	115	115
<b>Total</b>	<b>473</b>	<b>473</b>
<b>Income</b>	<b>NIL</b>	<b>NIL</b>
<b>Expenses</b>	<b>NIL</b>	<b>NIL</b>

**Footnote:-**

- As per the latest available audited financial statements as at and for the year ended March 31, 2015 with share of loss restricted upto the aggregate amount of investment by the company.
- 'Nectar Loyalty Management India Limited ("Nectar") is a joint venture with AIMIA (formerly known as Groupe Aeroplan Inc.), the Canadian Loyalty Management giant, to launch a multi-party coalition loyalty program in India modeled on the lines of Nectar, which is Group Aeroplan's highly acclaimed coalition loyalty program in the UK and Italy. Tata Capital holds 49% in the joint venture. The Company has fully provided for its investment in debentures and equity shares in the joint venture during the previous year since the operations of Nectar are held in abeyance since the previous year.

**NOTE “31” PROVISIONS AND CONTINGENT LIABILITIES:**
**i. Movement in Contingent Provision against Standard Assets during the year is as under:**

(₹ in lakh)

Particulars	For the Year Ended March 31, 2016	For the Year Ended March 31, 2015
<b>Opening Balance</b>	<b>10,787</b>	8,726
Additions during the year	5,074	2,061
Utilised during the year	-	-
<b>Closing Balance</b>	<b>15,861</b>	<b>10,787</b>
Long-term Provision (Refer Note No.7)	<b>10,461</b>	7,305
Short-term Provision (Refer Note No.11)	<b>5,400</b>	3,482

**ii. Movement in Other Provision during the year is as under:**

(₹ in lakh)

Particulars	For the Year Ended March 31, 2016	For the Year Ended March 31, 2015
<b>Opening Balance</b>	-	295
Additions during the year	-	-
Utilised during the year	-	295
<b>Closing Balance</b>	-	-

**iii. Claims not acknowledged by the Group relating to cases contested by the Group and which are not likely to be devolved on the Group relating to the following areas :**

Particulars	As at March 31, 2016	As at March 31, 2015
Income Tax (Pending before Appellate authorities)	<b>9,908</b>	7,462
VAT (Pending before Sales Tax Appellate Authorities)	<b>140</b>	406
<b>Total</b>	<b>10,048</b>	<b>7,868</b>

**NOTE “32” COMMITMENTS :**

- i. Commitment to invest in Tata Capital Special Situations Fund amounting to ₹ 22 Lakh (as at March 31, 2015 : ₹ 194 Lakh).
- ii. Commitment to invest in Tata Capital Health Care Fund amounting to ₹ 1,119 Lakh (as at March 31, 2015 : ₹ 5,074 Lakh).
- iii. Commitment to invest in Tata Capital Innovation Fund amounting to ₹ 1,358 Lakh (as at March 31, 2015 : ₹ 3,834 Lakh).
- iv. Commitment to co-invest with Omega TC Holdings Pte. Ltd USD 17.10 Million (₹ 11,308 Lakh) (as at March 31, 2015 : USD 29.02 Million (₹ 18,114 Lakh).
- v. Estimated amount of contracts remaining to be executed on capital account and not provided for ₹ 2,337 Lakh (as at March 31, 2015: ₹ 267 Lakh).
- vi. Undertaking cum Letter of Comfort ₹ 663 Lakh (Previous year ₹ Nil)

**NOTE “33” EMPLOYEE STOCK PURCHASE / OPTION SCHEME :**

- a. In March 2010, the Company at its extra-ordinary general meeting approved the “Tata Capital Limited Employee Stock Purchase/Option Scheme” (the “ESOP Scheme”). Pursuant to this scheme, a Trust under the name of “TCL Employee Welfare Trust” has been constituted to administer the ESOP scheme.
- b. The Company has issued 63,400,000 Equity Shares of ₹ 10 each at a premium of ₹ 2 per share in FY 2009-10 and 6,834,526 Equity Shares of ₹ 10 each at a premium of ₹ 10 per share in FY 2012-13 to the Trust. The Trust transfers shares to the employees of the Company & its subsidiaries under the ESOP scheme.
- c. The Company had provided finance of ₹ 6,904 Lakh in the FY 2009-10 to the Trust to enable it to finance the Company’s shares subscribed for by it. The outstanding balance of loan to the Trust / Employees is ₹ 4 Lakh (Previous Year : ₹ 4 Lakh).
- d. Based on the guidance note on “Employee Share - Based Payments” issued by Institute of Chartered Accountants of India, the Company has adopted the intrinsic method of accounting for ESOP.
- e. The following is the disclosure as required under the guidance note on “Employee Share - Based Payments” issued by Institute of Chartered Accountants of India.
- i. The impact on Earnings per Share if the ‘fair value’ of the options (on the date of the grant) were considered instead of the ‘intrinsic value’ is as under: (₹ in lakh)

	For the year ended March 31, 2016	For the year ended March 31, 2015
Net Profit (as reported)	15,280	11,549
Less: Fair value compensation costs	85	178
Net Profit (proforma)	15,195	11,371
Basic EPS (Reported & Proforma) - (in rupees)	0.11	0.14
Diluted EPS (Reported & Proforma) - (in rupees)	0.11	0.14

- ii. Description of each type of employee share-based payment plan that existed at any time during the year includes the following - (₹ in lakh)

Particulars	Plan 2011	Plan 2013	Plan 2016
Year in which Plan rolled out	2011-12	2012-13	2015-16
Vesting conditions	1/3rd each at the end of 12 months, 24 months and 36 months from the grant date.	1/3rd each at the end of 12 months, 24 months and 36 months from the grant date.	100% vesting at the end of 12 months from the grant date.
Range of Vesting period	1 to 3 years	1 to 3 years	1 year
Range of Exercise period	3 years from vesting date	3 years from vesting date	1 year from vesting date
Method of settlement	Equity Settled	Equity Settled	Equity Settled



- iii Employee stock options details as on the Balance Sheet date are as follows: (₹ in lakh)

Particulars	For the year ended			
	March 31, 2016		March 31, 2015	
	No. of options	WAEP ₹*	No. of options	WAEP ₹*
Outstanding at the beginning of the year	4,980,494	21.52	7,530,068	22.37
Granted during the year	11,945,000	30.00	–	–
Forfeited / Lapsed during the year	684,263	20.69	2,170,694	24.57
Exercised during the year	600,972	18.46	378,880	20.86
Outstanding at the end of the year	15,640,259	28.15	4,980,494	21.52
Exercisable at the end of the year	2,921,761	21.43	3,232,450	19.64
* WAEP = Weighted Average Exercise Price				

- iv. Range of exercise price and weighted average remaining contractual life for options outstanding at the end of the year (₹ in lakh)

	Plan 2011	Plan 2013	Plan 2016
Range of exercise prices	17.77	25.00	30.00
Weighted average remaining contractual life			
Vesting period (in years)	0.00	0.33	1.00
Exercise period post vesting (in years)	0.95	2.03	1.00

- v. The fair value of the options granted during the year has been determined under the Black-Scholes model. The assumptions used in this model for calculating fair value are as below:

(₹ in lakh)

	Plan 2016
Weighted average share price	30.00
Exercise price	30.00
Expected volatility (based on volatility of comparable companies over 2 years)	0.38
Option life (vesting and exercise period)	2 Years
Expected dividends	Nil
Risk free interest rate	8.00%

- vi. No other instruments were granted during the year other than the stock options as disclosed above.
- vii. No modifications were made to the Schemes that require disclosures under Guidance Note on "Employee Share - Based Payments" issued by Institute of Chartered Accountants of India.
- viii. Other information regarding employee share-based payment plans is as below :

(₹ in lakh)

Particulars	For the year ended March 31, 2016	For the year ended March 31, 2015
Weighted average share price during the year	30.00	26.65
Expense arising from employee share-based payment plans	Nil	Nil
Expense arising from share and stock option plans	Nil	Nil
Closing balance of liability for cash stock appreciation plan	Nil	Nil
Expense arising from increase in fair value of liability for cash stock appreciation plan	Nil	Nil

### 34. EMPLOYEE BENEFITS

#### Defined Contribution Plans

The Group makes Provident Fund and Superannuation Fund contributions to defined contribution retirement benefit plans for eligible employees. Under the schemes, the Group is required to contribute a specified percentage of the payroll costs to fund the benefits. The contributions as specified under the law are paid to the provident fund set up as a Trust by the Group. The Group is generally liable for annual contributions and any deficiency, in interest cost compared to interest computed based on the rate of interest declared by the Central Government under the Employees' Provident Fund Scheme, 1952 is recognised as an expense in the year it is determined.

The provident fund set up as a Trust by the Company manages the contributions from the Company and other participating subsidiaries. As of March 31, 2016, the accumulated members' corpus of the Company is ₹ 13,454 Lakh whereas the total fair value of the assets of the fund and the total accumulated members' corpus is ₹ 14,169 Lakh and ₹ 13,695 Lakh respectively. In accordance with an actuarial valuation, there is no deficiency in the interest cost as the present value of the expected future earnings on the fund is greater than the expected amount to be credited to the individual members based on the expected guaranteed rate of interest of 8.75% for the first year and 8.60% thereafter. The actuarial assumptions include discount rate of 8.20%.

The Group recognised a charge of ₹ 1,431 Lakh (Previous year ₹ 1,149 Lakh) for provident fund and family pension fund contribution and ₹ 195 Lakh (Previous year ₹ 201 Lakh) for Superannuation contribution, in the Statement of Profit and Loss.

#### Defined Benefits Plans

The Group offers its employees defined-benefit plans in the form of a gratuity scheme (a lump sum amount) (included as a part of Contribution to provident and other funds in Note 26 Employee Benefits Expenses). Benefits under the defined benefit plans are typically based on years of service and the employee's compensation (generally immediately before separation). The gratuity scheme covers all regular employees. Commitments are actuarially determined at year-end. These commitments are valued at the present value of the expected future payments, with consideration for calculated future salary increases, using a discount rate corresponding to the interest rate estimated by the actuary having regard to the interest rate on government bonds with a remaining term that is almost equivalent to the average balance working period of employees. Actuarial valuation is done based on "Projected Unit Credit" method. Gains and losses of changed actuarial assumptions are charged to the Statement of Profit and Loss.

#### Reconciliation of Benefit Obligations and Plan Assets

Particulars	(₹ in lakh)	
	2015-16	2014-15
<b>Change in Defined Benefit Obligation</b>		
Opening Defined Benefit Obligation	2,631	1,770
Current Service Cost	456	327
Interest Cost	192	158
Acquisitions Cost/(Credit)	(1)	–
Actuarial Losses / (Gain)	244	514
Benefits Paid	(333)	(138)
Closing Defined Benefit Obligation	3,189	2,631

(₹ in lakh)		
Particulars	2015-16	2014-15
<b>Change in the Fair Value of Assets</b>		
Opening Fair Value of Plan Assets	2,537	1,710
Acquisition Cost / Transfer in	–	(2)
Expected Return on Plan Assets	210	157
Contributions by Employer	145	483
Actuarial Gains / (Losses)	(145)	192
Benefits paid	(5)	(2)
Closing Fair Value of Plan Assets	2,741	2,537
<b>Composition of Plan Assets</b>		
<b>Investment Pattern</b>		
Government Bonds	43.79%	40.33%
Equity mutual funds	22.88%	16.80%
Bonds / Debentures	23.93%	34.51%
Others (including assets under Schemes of Insurance)	9.40%	8.36%
<b>Total</b>	<b>100.00%</b>	<b>100.00%</b>
<b>Reconciliation of present Value of the obligation and the Fair value of the plan Assets</b>		
Fair Value of plan assets at the end of the year	2,741	2,537
Present value of the defined obligations at the end of the year	3,189	2,631
Funded status [Surplus / (Deficit)]	(448)	(94)
Net Asset /(Liability) recognised in the Balance Sheet	(448)	(94)
<b>Net Gratuity cost</b>		
Service Cost	456	327
Interest on Defined benefit Obligation	192	158
Expected return on plan assets	(210)	(157)
Settlement Cost / (Credit)	–	6
Net actuarial (gain) / loss recognised in the year	494	451
Net Gratuity Cost (Refer Note No. 26(b))	932	785
<b>Assumptions</b>		
Discount Rate	8.20%	7.80%
Expected Rate of Return on Plan Assets	8.00% p.a	8.00% p.a
Salary Escalation Rate	7.50% p.a for first 5 years and 5% thereafter.	7.50% p.a for first 5 years and 5% thereafter.
Mortality Rate	Indian Assured lives Mortality (2006-08) (modified) Ult.	Indian Assured lives Mortality (2006-08) (modified) Ult.

(₹ in lakh)

Particulars	2015-16	2014-15
Withdrawal Rate	<b>0-2 years - 10%</b> <b>3-4 years - 5%</b> <b>5-9 years - 2.5%</b> <b>10 years and more - 1%</b>	0-2 years - 10% 3-4 years - 5% 5-9 years - 2.5% 10 years and more - 1%

The estimate of future salary increase, considered in the actuarial valuation, take account of inflation, seniority, promotion, and other relevant factors. The above information is certified by the actuary.

Experience adjustment	2015-16	2014-15	2013-14	2012-13	2011-12
- On Plan Liabilities	(329)	(88)	(141)	15	(8)
- On Plan Assets	(145)	192	72	(23)	6
Present value of benefit obligation	(3,189)	(2,631)	(1,770)	(1,529)	(1,175)
Fair value of Plan Assets	2,741	2,537	1,710	1,369	1,069
Excess of (obligation over plan assets)	(448)	(94)	(60)	(160)	(106)
Actuarial Gain / (Loss) due to change in Assumptions	85	(427)	206	(129)	-

The Group expects to contribute approximately ₹ 448 Lakh ( March 31, 2015 ₹ 94 Lakh) to the gratuity fund in the following year.

#### Long-Term Service Awards :

Long-Term Service award is an employee benefit in recognition for their loyalty and continuity of service for five years and above, the same is actuarially valued (Unfunded). The Long-Term Service awards expense for financial year 2015-16 is ₹ 39 Lakh (2014-15 : ₹ 50 Lakh) and the provision as at March 31, 2016 is ₹ 147 Lakh (Previous year ₹ 123 Lakh).

**NOTE “35”**

**Disclosure as required by Accounting Standard 18 (Related Party Disclosures).**

**i. List of related parties and relationship:**

(₹ in lakh)

<b>Holding Company</b>	Tata Sons Limited
<b>Associates</b>	International Asset Reconstruction Company Private Limited Tata AutoComp Systems Limited Tata Capital Healthcare Fund Tata Capital Innovation Fund Tata Capital Special Situation Fund
<b>Fellow Subsidiaries</b> (with which the Group had transactions)	Tata Sky Limited Tata Consultancy Services Limited Tata AIG General Insurance Company Limited Tata AIA Life Insurance Company Limited Infiniti Retail Limited Tata Housing Development Company Limited Tata Asset Management Limited Tata Business Support Services Limited Tata Petrodyne Limited Tata Realty & Infrastructure Limited Tata Consulting Engineers Limited Tata Investment Corporation Limited Ewart Investments Limited Niskalp Infrastructure Services Limited Tata Advanced Materials Limited Tata Advanced Systems Limited Tata Industries Limited Indian Rotocraft Limited Tata International Limited Tata Trustee Company Limited TRIL Roads Private Limited TRIL Infopark Limited TRIL Constructions Private Limited Taj Air Metrojet Aviation Limited Automotive Stampings and Assemblies Limited Taj Air Limited Tata Sikorsky Aerospace Limited Tata Toyo Radiator Limited Tata Unistore Limited (Formerly Tata Industrial Services Limited) Ardent Properties Private Limited Tata Lockheed Martin Aerostructure Limited Tata SIA Airlines Limited CMC Limited Nova Integrated Systems Limited Pاناتone Finvest Limited TRIF Amritsar Projects Private Limited Calsea Footwear Private Limited Kriday Realty Private Limited

	TRIF Real Estate And Development Limited Simto Investment Company Limited TAS-AGT Systems Limited (formerly AVANA Integrated Systems Limited) Tata Value Homes Limited Peepul Tree Properties Limited TRIF Kochi Project Private Limited Acme Living Solutions Private Limited Hampi Expressways Private Limited Dharamshala Ropeway Limited
<b>Key Management Personnel</b>	Mr. Praveen P Kadle - Managing Director & CEO

**ii. List of related parties and relationship:**

(₹ in lakh)

Sr. No.	Party Name	Nature Of Transaction	2015-16	2014-15
1.	Tata Sons Limited	a. Expenditure - Brand Equity Contribution - Other Charges b. Income - Services rendered - Equity Brokerage Income - Interim Interest c. Deposit For premises paid d. Share of Rent and Expenses e. Balance Receivable/(Payable)	1,428 34 812 41 3 104 184 (1,193)	1,049 56 849 1 - 104 322 (881)
2.	Tata Business Support Services Limited	a. Services rendered b. Income - Operating Lease Income - Processing Fee Received - Syndication Fee Received - Rental Income - Interest income on ICDs placed - Reimbursement of Expenses - Interest income on Loan - Other Income c. Dividend received during the year d. Expenditure - Service Providers' charges - Administration and Support Expenses - Professional and Legal Fees e. Loan/ Finance Lease facility given during the year f. ICDs placed during the year g. Repayment of Loan/ICD/Finance Lease facility h. Outstanding Lease facility/Loan/ICD i. Lease Debtors j. Security Deposit Received k. Balance Receivable	223 302 - - 227 34 366 161 3 197 7,231 35 1 204 1,100 882 2,921 2 37 24	396 234 2 15 227 15 234 200 - 5,514 36 15 896 1,050 1,738 2,499 - - 91
3.	International Asset Reconstruction Company Private Limited	a. Investment in Security Receipts during the year b. Investment in Security Redemption during the year c. Balance in Security Receipts	159 58 984	105 - 884

Sr. No.	Party Name	Nature Of Transaction	2015-16	2014-15
4.	Tata Capital Healthcare Fund	a. Investment in Units of Fund b. Income - Management Fees & Set-up cost - FD Interest - Distribution of Interest on delayed Capital Call c. Advance income received d. Balance Receivable -Towards Asset Management Fees -Towards Reimbursement of Expenses	3,954 431 34 1 24 - 11	469 635 - - - 119 5
5.	Tata Capital Innovation Fund	a. Investment in Units of Fund b. Income - Management Fees - FD Interest c. Advance Income received d. Balance Receivable	2,476 574 4 188 1	870 573 - 188 -
6.	Tata Capital Special Situation Fund	a. Investment made during the year b. Income – Management Fees c. Rebate of Asset Management Fees d. Advance Income received e. Proceeds from Divestment f. Balance Receivable -Towards Reimbursement of Expenses	172 535 - 362 519 - 1	2,207 440 (526) 377 - - -
7.	Tata Sky Limited	a. Investment in Equity Shares b. Interest received on loan given c. Services rendered d. Balance Payable	- - 17 1	3,105 85 22 -
8.	Tata Consultancy Services Limited	a. Expenditure - Information Technology Expenses - Interest paid on ICD b. Reimbursement of expenses c. Fixed Assets - Software & other maintenance cost d. Services rendered e. ICD repaid during the year f. Balance Receivable/(Payable)	7,004 - 83 12 53,247 - 7,709	6,442 1,375 411 46 23,659 28,000 1,370
9.	Tata AIG General Insurance Company Limited	a. Expenditure -Insurance Expenses b. Services rendered c. Marketing/ Advertisement / Insurance commission Revenue d. Claims Received during the year e. Balance Receivable/ (Payable)	768 537 811 7 125	300 244 122 - 6
10.	Tata AIA Life Insurance Company Limited	a. Income '- Marketing & Advertisement Revenue b. Expenditure -Insurance Expenses c. Shared Expenses d. Claims Received during the year e. Amount paid on behalf of customer f. Balance Receivable/ (Payable)	- 45 485 185 - (202)	194 12 88 - 7 (147)
11.	Infiniti Retail Limited	a. Expenses-Incentive b. Services rendered c. Purchase of Fixed Assets d. Balance Receivable	461 70 3 11	53 90 26 16
12.	Tata AutoComp Systems Limited	a. Dividend received during the year b. Services rendered c. Balance Receivable	966 322 92	966 93 43

Sr. No.	Party Name	Nature Of Transaction	2015-16	2014-15
13.	Tata Housing Development Company Limited	a. Income		
		- Referral Fees	31	98
		- Interest income on Loan	20	85
		- Syndication Fees	25	-
		b. Loan given during the year	-	2,000
		c. Loan repaid during the year	2,000	-
14.	Tata Asset Management Limited	d. Outstanding loan	-	2,000
		e. Balance Receivable	1	28
		a. Services rendered	29	2
		b. Income - Portfolio Management Service	20	49
		c. Balance Receivable*	0	-
15.	Tata Petrodyne Limited	a. Services rendered	11	83
		b. Balance Receivable*	0	4
16.	Tata Realty & Infrastructure Limited	a. Services rendered	86	111
		b. Balance Receivable	13	4
17.	Tata Consulting Engineers Limited	a. Services rendered	1,194	963
		b. Interest Income	21	-
		c. ICD given during the year	1,000	-
		d. Outstanding ICDs	1,000	-
		e. Professional Charges	4	-
		f. Balance Receivable	330	29
18.	Tata Investment Corporation Limited	a. Equity Brokerage Income	5	5
		b. Re-Imbursement of Expenses	3	3
		c. Balance Receivable*	0	-
19.	Ewart Investments Limited	a. Equity Brokerage Income	1	-
		b. Security Deposit Outstanding	-	190
20.	Niskalp Infrastructure Services Limited	a. Reimbursement of Salary	11	11
21.	Tata Advanced Materials Limited	b. Services rendered	94	126
		c. Balance Receivable	34	20
22.	Tata Advanced System Limited	a. Services rendered	403	248
		b. Lease Income	1	-
		c. Lease Facility given during the year	9	-
		d. Lease Facility repaid during the year	1	-
		e. Outstanding Facility	8	-
		f. Balance Receivable	2	8
23.	Tata Industries Limited	a. Services rendered	107	119
		b. Lease Income	839	-
		c. Lease Facility given during the year	625	-
		d. Lease Facility repaid during the year	161	-
		e. Outstanding Facility	487	23
		f. Project Expenses	55	-
		g. Balance Receivable/(Payable)	(258)	2
		24.	Indian Rotocraft Limited	a. Services rendered
b. Balance Receivable	2			1
25.	Tata International Limited	a. Services rendered	13	10
		b. Expenditure - Marketing charges	-	3
		c. Purchase of equity shares of Tata Projects Limited	476	-
		d. Balance Receivable	1	3
26.	Tata Trustee Company Limited	a. Expenses-Trusteeship Fees	6	6
27.	TRIL Roads Private Limited	a. Services rendered	31	16
		b. Balance Receivable	2	2
28.	TRIL Infopark Ltd	a. Services rendered	17	-
		b. Balance (Payable)	3	-
29.	TRIL Constructions Private Limited	a. Services rendered	11	5
		b. Balance Receivable	3	2
30.	Taj Air Metrojet Aviation Limited	a. Services rendered	22	3
		b. Balance Receivable	3	-



Sr. No.	Party Name	Nature Of Transaction	2015-16	2014-15
31.	Automotive Stampings and Assemblies Limited	a. Services rendered	20	6
		b. Interest income on loan	218	31
		c. Loan given during the year	1	2,000
		d. Loan Repaid during the year	149	–
		e. Loan Outstanding	1,851	1,999
		f. Balance Receivable	2	2
32.	Taj Air Limited	a. Services rendered	411	30
		b. Outstanding loan	3,500	3,500
33.	Tata Sikorsky Aerospace Limited	a. Services rendered	4	18
34.	Tata Toyo Radiator Limited	a. Services rendered	91	5
		b. Balance Receivable	51	1
35.	Tata Unistore Limited (Formerly Tata Industrial Services Limited)	a. Services rendered	133	36
		b. Balance Receivable	18	5
36.	Ardent Properties Private Limited	a. Services rendered	2	2
37.	Tata Lockheed Martin Aerostructure Limited	a. Services rendered	39	19
		b. Lease Income	1	–
		c. Lease Facility given during the year	15	–
		d. Lease Facility repaid during the year	1	–
		e. Outstanding Facility	14	–
38.	Tata SIA Airlines Limited	a. Services rendered	28	28
		b. Balance Receivable/(Payable)	1	4
39.	CMC Limited	a. Services rendered	330	159
		b. Balance Receivable/(Payable)	2	20
40.	Nova Integrated Systems Limited	a. Services rendered	9	23
41.	Panatone Finvest Limited	b. Sale of Investments	–	1
42.	TRIF Amritsar Projects Private Limited	a. Investment redeemed in NCD during the year	4,910	–
		b. Interest Income on NCDs	321	618
		c. Services rendered	17	–
		d. Outstanding NCD	–	4,910
		e. Balance receivable	4	–
43.	Calsea Footwear Private Limited	a. Loan/ICD given during the year	1,100	1,000
		b. Loan/ICD repaid during the year	1,000	–
		c. Interest Income	115	28
		d. Outstanding Loan/ICD balance	1,100	1,000
44.	Kriday Realty Private Limited	a. Services rendered	–	1
45.	TRIF Real Estate and Development Limited	a. Income: Referral Fee	2	–
		b. Services rendered	33	–
		c. Balance receivable	5	–
46.	Simto Investment Company Limited	a. Equity Brokerage Income	4	–
47.	TAS-AGT Systems Limited (formerly AVANA Integrated Systems Limited)	a. Services rendered	4	–
48.	Tata Value Homes Limited	a. Services rendered*	0	–
49.	Peepul Tree Properties Limited	a. Services rendered*	0	–
50.	TRIF Kochi Project Private Limited	a. Services rendered	31	–
		b. Balance receivable	4	–
51.	Acme Living Solutions Private Limited	a. Services rendered	–	–
		b. Balance Payable*	0	–
52.	Hampi Expressways Private Limited	a. Services rendered	8	–
		b. Balance receivable	2	–
53.	Dharamshala Ropeway Limited	a. Services rendered	5	–
		b. Balance receivable	1	–
54.	Key Management Personnel (KMP)	a. Remuneration	462	415
		b. Issue of Cumulative Redeemable Preference Shares	–	100
		c. Interest on Non-Convertible Debentures	2	2
		d. Payment of Dividend on Cumulative Redeemable Preference Shares	31	8
		e. Outstanding Debentures	20	20
		f. Outstanding Cumulative Redeemable Preference Shares	205	205

(\*Amount less than ₹ 50,000/-)

Services rendered includes amounts billed to customers on account of amounts payable to principals.

36. The Group avails from time to time non-cancelable long-term leases for office premises including office furniture. The total of future minimum lease payments that the Group is committed to make is:

(₹ in lakh)

Lease Payments	As at March 31, 2016	As at March 31, 2015
- Within one year	187	359
- Later than one year and not later than five years	265	929
- Later than five years	46	341

The amount charged towards lease rentals (as part of Rent expenditure) is ₹ 3,125 Lakh (March 31, 2015 : ₹ 3,453 Lakh).

The Group has given Assets under non-cancelable operating leases. The total of future minimum lease payments that the Group is committed to receive is:

(₹ in lakh)

Lease Payments	As at March 31, 2016	As at March 31, 2015
- Within one year	11,844	10,238
- Later than one year and not later than five years	25,772	10,138
- Later than five years	33	388

The details of Gross investments, unearned finance income in respect of assets given under finance lease are as under:

Particulars	2015-16	2014-15
<b>Gross Investments:</b>		
- Within one year	6,877	4,163
- Later than one year and not later than five years	14,975	5,598
- Later than five years	–	381
<b>Total</b>	<b>21,852</b>	<b>10,142</b>
<b>Unearned Finance Income:</b>		
- Within one year	1,914	839
- Later than one year and not later than five years	2,570	4,602
- Later than five years	–	337
<b>Total</b>	<b>4,484</b>	<b>5,778</b>
<b>Present Value of Rentals:</b>		
- Within one year	4,963	3,324
- Later than one year and not later than five years	12,405	996
- Later than five years	–	44
<b>Total</b>	<b>17,368</b>	<b>4,364</b>

**NOTE “37” Earnings per Share (EPS):**

<b>Particulars</b>		<b>2015-16</b>	<b>2015-14</b>
Profit after tax	₹ in Lakh	<b>40,501</b>	30,553
Less : Dividend on Preference Shares (including dividend distribution tax)	₹ in Lakh	<b>12,147</b>	7,676
Profit after tax available for equity shareholders	₹ in Lakh	<b>28,354</b>	22,877
Weighted average number of equity shares used in computing Basic EPS	Nos	<b>2,768,827,547</b>	2,768,771,879
Face value of equity shares	Rupees	<b>10</b>	10
<b>Basic EPS</b>	<b>Rupees</b>	<b>1.02</b>	<b>0.83</b>
Profit after tax available for equity shareholders	₹ in Lakh	<b>28,354</b>	22,877
Weighted Average Number of equity shares used in computing Basic earnings per share	Nos	<b>2,768,827,547</b>	2,768,771,879
Add: Potential weighted average number of equity shares	Nos	<b>57,190,623</b>	57,246,291
Weighted average number of shares in computing Diluted EPS	Nos	<b>2,826,018,170</b>	2,826,018,170
Face value of equity shares	Rupees	<b>10</b>	10
<b>Diluted EPS</b>	<b>Rupees</b>	<b>1.00</b>	0.81

Notes :

1. Shares under the ESOP Schemes are issued at intrinsic value. [Refer Note 1(xiii)]
2. The earnings per equity share is calculated on the basis of net profit for the year after deducting the amount of preference dividends on cumulative redeemable preference shares and taxes attributable thereto, net of set off available.

**NOTE "38"**
**38. Additional information as required by Paragraph 2 of the General Instructions for Preparation of Consolidated Financial Statements to Schedule III to the Companies Act, 2013**

(₹ in Lakh)

Name of the Entity	2015-16		2014-15		2015-16		2014-15	
	Net assets, i.e., total assets minus total liabilities		Net Assets, i.e. total assets minus total liabilities		Share of profit or loss		Share in profit or loss	
	As % of consolidated net assets	Amount	As % of consolidated net assets	Amount	As % of consolidated net assets	Amount	As % of consolidated net assets	Amount
<b>Parent:</b>								
Tata Capital Limited	82.01	475,061	84.09	426,931	37.73	15,280	37.80	11,549
<b>Subsidiaries</b>								
<b>Indian</b>								
Tata Capital Financial Services Limited	61.99	359,064	64.69	328,423	65.62	26,579	61.31	18,733
Tata Capital Housing Finance Limited	18.84	109,116	15.54	78,893	27.80	11,261	22.23	6,793
Tata Cleantech Capital Limited	5.99	34,700	6.29	31,953	6.78	2,746	2.12	649
Tata Securities Limited	0.23	1,315	0.49	2,500	(2.92)	(1,183)	1.46	447
TC Travel & Services Limited	0.10	558	0.38	1,921	(3.37)	(1,363)	(0.17)	(53)
Tata Capital Forex Limited	0.01	74	0.04	198	(0.31)	(124)	(1.00)	(304)
Tata Capital Growth Fund	3.27	18,956	2.81	14,261	2.51	1,017	(0.40)	(123)
India Collections Management Limited	0.13	776	0.14	722	0.13	54	0.18	54
Tata Infrastructure Capital Limited	0.01	63	0.01	63	0.00	0	0.01	3
<b>Foreign</b>								
Tata Capital Pte. Limited	4.41	25,527	4.48	22,750	3.62	1,465	15.23	4,652
<b>Minority Interests in all subsidiaries</b>								
<b>Indian</b>								
Tata Capital Growth Fund	0.86	4,976	0.74	3,745	(0.66)	(267)	0.11	32
Tata Cleantech Capital Limited	1.17	6,766	1.23	6,231	(1.32)	(536)	(0.41)	(127)
India Collections Management Limited	0.00	0.00	0.00	0.00	0.00	0.00	(0.03)	(9.42)
<b>Foreign</b>								
Tata Capital Pte. Limited	0.09	532	0.10	499	(0.01)	(5)	(0.02)	(7)
<b>Associates (Investment as per the equity method)</b>								
<b>Indian</b>								
Tata Capital Healthcare Fund	1.31	7,564	0.75	3,788	(0.34)	(139)	(0.76)	(233)
Tata Capital Special Situations Fund	1.08	6,256	1.33	6,771	(0.41)	(167)	1.05	320
Tata Capital Innovations Fund	0.91	5,289	0.59	3,001	(0.45)	(183)	(0.59)	(181)
Tata Autocomp Systems Limited	5.53	32,046	6.29	31,953	3.06	1,239	1.94	593
International Asset Reconstruction Company Private Limited	0.63	3,650	0.70	3,534	0.29	117	0.37	112
<b>Joint Ventures (as per proportionate consolidation) - Indian</b>								
Nectar Loyalty Management India Limited	(0.26)	(1,519)	(0.30)	(1,519)	0.00	0	0.00	0
<b>Eliminations</b>	(88.31)	(511,528)	(90.40)	(458,932)	(37.75)	(15,289)	(40.41)	(12,348)
<b>Total</b>	<b>100.00</b>	<b>579,244</b>	<b>100.00</b>	<b>507,686</b>	<b>100.00</b>	<b>40,501</b>	<b>100.00</b>	<b>30,553</b>

**NOTE “39” SEGMENT REPORTING**

In accordance with Accounting Standard 17 (Segment Reporting) the Group has identified three business segments i.e. Financing Activity, Investment Activity, and Others and one Geographical Segment viz. India, as secondary segment.

(₹ in lakh)

Particulars	As at March 31, 2016	As at March 31, 2015
<b>I Segment Revenue</b>		
(a) Financing Activity	453,616	371,962
(b) Investment Activity	36,692	30,739
(c) Others	46,754	40,678
<b>Total</b>	<b>537,062</b>	<b>443,379</b>
Less : Inter Segment Revenue	34,826	23,053
<b>Total Income</b>	<b>502,236</b>	<b>420,326</b>
<b>II Segment Results</b>		
(a) Financing Activity	59,464	27,509
(b) Investment Activity	10,648	17,710
(c) Others	2,623	6,672
<b>Total</b>	<b>72,735</b>	<b>51,891</b>
Less : Unallocated Corporate Expenses	11,398	10,694
<b>Profit before taxation</b>	<b>61,337</b>	<b>41,197</b>
Less : Provision for taxation	20,716	11,145
<b>Profit after taxation</b>	<b>40,621</b>	<b>30,052</b>
<b>III Segment Assets</b>		
(a) Financing Activity	4,278,535	3,372,428
(b) Investment Activity	2,11,912	203,924
(c) Others	118,202	97,236
(d) Unallocated	44,861	47,444
<b>Total</b>	<b>4,653,510</b>	<b>3,721,032</b>
<b>IV Segment Liabilities</b>		
(a) Financing Activity	3,800,865	2,990,704
(b) Investment Activity	115,914	87,401
(c) Others	131,560	95,217
(d) Unallocated	26,354	40,536
<b>Total</b>	<b>4,074,693</b>	<b>3,213,858</b>

(₹ in lakh)

Particulars	As at March 31, 2016	As at March 31, 2015
<b>V Capital Expenditure</b> <b>(including Capital Work-in-Progress)</b>		
(a) Financing Activity	–	–
(b) Investment Activity	–	–
(c) Others	27,179	31,815
(d) Unallocated	2,913	3,101
<b>Total</b>	<b>30,092</b>	<b>34,915</b>
<b>VI. Depreciation and Amortisation</b>		
(a) Financing Activity	775	766
(b) Investment Activity	–	–
(c) Others	10,774	8,590
(d) Unallocated	1,250	1,154
<b>Total</b>	<b>12,799</b>	<b>10,510</b>
<b>VII. Significant Non-Cash Expenses Other than Depreciation and Amortisation</b>		
(a) Financing Activity	41,139	44,381
(b) Investment Activity	(674)	(6,440)
(c) Others	1,840	80
(d) Unallocated	215	373
<b>Total</b>	<b>42,520</b>	<b>38,394</b>

**NOTE “40”****DERIVATIVE INSTRUMENTS EXPOSURES:**

There are no derivative positions open as at March 31, 2016 (Previous Year : Nil) towards Forward Contracts (payment for Capital Expenditure). Forward exchange contracts (being derivative instrument), which are not intended for trading or speculation purposes but for hedge purposes to establish the amount of reporting currency required or available at the settlement date at certain payables and receivables.

**NOTE “41”**

During previous year ended March 31, 2015, the Company received an amount of ₹ 5,000 Lakh towards share application money for issue of preference shares of the Company. The share application money was received pursuant to an invitation to offer shares and in terms of such invitation, the Company was required to complete the allotment formalities by April 28, 2015. The Company had sufficient authorised capital to cover the allotment of these shares. As of March 31, 2015, pending allotment of shares, the amount was maintained in a designated bank account and was not available for use by the Company. Subsequently, the Company has allotted the shares on April 22, 2015.

**NOTE “42”**

During the previous year ended March 31, 2015 the Group acquired 62,250,000 unquoted equity shares of Tata Teleservices Limited, as part of a loan conciliation/settlement agreement (the “Settlement Agreement”) with the borrower. The equity shares have been recorded at a cost of ₹ 14,318 Lakh, being the carrying amount of the loan settled, and classified as a part of the Group’s Long-Term Investments. In addition to the above, the Group has entered into a “Shareholders” Agreement with the borrower which includes, provision like seeking approvals for sale from the borrower, right of first refusal to purchase the said shares by the borrower, call option favouring borrower and a put option favouring the Group with a minimum threshold price. Further, the agreement defines the proportion of sharing of surplus arising on sale of the said shares. The entire arrangement is time bound with latest expiry being 36 months from date of Shareholder’s Agreement. As at the Balance Sheet date, the Group does not have any liability with regard to its commitments.

**NOTE “43”**

During the previous year ended March 31, 2015, the Group had sold 1,277,920 equity shares of State Bank of India for a total consideration of ₹ 25,600 Lakh resulting in a gain of ₹ 6,254 Lakh.

**NOTE “44”**

During the previous year ended March 31, 2015, the Group has reassessed depreciation rate on tangible fixed assets as per the useful life specified in the Companies Act, 2013. Based on current estimates, depreciation of ₹ 77 Lakh on account of assets whose useful life is already exhausted as on April 01, 2014 has been adjusted against the opening surplus in the Statement of Profit and Loss.

**NOTE “45”**

Investments in bonds, debentures and other financial instruments which, in substance, form a part of the Group’s financing activities (“Credit Substitutes”) have been classified as under Loans and Advances – Financing Activity (Note 15). Management believes that the classification results in a better presentation of the substance of these receivables and is in alignment with other regulatory filings.

**NOTE “46”**

During the current year, the Company has made an incremental standard asset provision of ₹ 1,166 Lakh being 0.30% (FY 14-15: 0.25%) of Standard Assets as of March 31, 2015, as specified by RBI Notification No.DNBR.009/ CGM(CDS)-2015 dated March 27, 2015.

**NOTE “47”**

The Board of Directors, of the Company at its meeting held on July 27, 2015, had approved the Scheme of Amalgamation for the amalgamation of Tata Infrastructure Capital Limited (“TICL”) and India Collections Management Limited (“ICML”) with the Company effective from April 1, 2015, being the “Appointed Date”, subject to the approval of the Members and Creditors of TICL and ICML and the Hon’ble High Courts of Judicature at Madras and Bombay.

Pursuant to the Scheme of Amalgamation, all the assets and liabilities of TICL and ICML will be transferred to and vested in the Company with effect from the appointed date. Since TICL and ICML are wholly owned subsidiary companies of the Company, upon the Scheme becoming effective, all the shares held by the Company in TICL and ICML would stand cancelled.

The Hon’ble High Court of Judicature at Madras and Bombay have sanctioned the Scheme of Amalgamation on March 21, 2016 and April 22, 2016, respectively.

Since the filing of the authenticated copy of the Order of the Hon’ble High Court of Madras and Bombay with the Registrar of Companies at Chennai and Mumbai, respectively, is pending, no effect of the Scheme of the Amalgamation has been given in the financial statements of the Company for the financial year ended March 31, 2016.

**NOTE “48”**

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

For and on behalf of the Board of Directors

**Ishaat Hussain**  
(Director)

**Janki Ballabh**  
(Director)

**Nalin M. Shah**  
(Director)

**Nirmalya Kumar**  
(Director)

**Praveen P. Kadle**  
(Managing Director & CEO)

**Puneet Sharma**  
(Chief Financial Officer)

**Avan Doomasia**  
(Company Secretary)

Mumbai  
Date: May 02, 2016



## Form AOC - 1

(Pursuant to first proviso to sub-section (3) of Section 129 read with Rule 5 of the Companies (Accounts) Rules, 2014)  
Statement containing salient features of the financial statements of subsidiaries/associates/joint ventures

### Part "A": SUBSIDIARIES

Sr. No.	Name of Subsidiary	Reporting currency and exchange rate as on the last date of the relevant Financial Year in the case of foreign subsidiaries	Share Capital / Partner's Capital / Unit holder's Capital	Reserves & Surplus	Total Assets	Total Liabilities	Investments	Turnover	Profit/ (Loss) Before Taxation	Provision for Taxation	Profit/ (Loss) After Taxation	Proposed Dividend	% of Share-holding
1	Tata Capital Financial Services Limited	₹	145,755	213,309	3,059,002	2,699,938	93,228	347,134	39,048	12,469	26,579	-	100.00
2	Tata Capital Housing Finance Limited	₹	91,233	17,882	1,313,838	1,204,723	-	126,545	17,303	6,042	11,261	-	100.00
3	Tata Cleantech Capital Limited	₹	28,909	5,791	123,360	88,660	-	10,492	3,861	1,114	2,747	-	80.50
4	Tata Capital Pte. Limited <sup>(1)</sup>	1 USD = 66.10 INR	14,334	12,388	61,903	35,181	48,106	7,080	4,001	92	3,909	-	100.00
5	Tata Capital Markets Pte. Limited <sup>(1)</sup>	1 USD = 66.10 INR	4,452	(1,813)	2,942	302	-	577	(363)	(65)	(298)	-	100.00
6	Tata Capital Advisors Pte. Limited <sup>(1)</sup>	1 USD = 66.10 INR	5,004	2,036	8,628	1,588	10	7,319	2,002	187	1,815	-	100.00
7	Tata Capital General Partners LLP <sup>(1)</sup>	1 USD = 66.10 INR	3,305	(646)	2,663	4	-	1,920	23	-	23	-	80.00
8	Tata Capital Healthcare General Partners LLP <sup>(1)</sup>	1 USD = 66.10 INR	33	(17)	21	5	-	289	(0.1)	-	(0.1)	-	100.00
9	Tata Opportunities General Partners LLP <sup>(1)</sup>	1 USD = 66.10 INR	7	(1)	30	24	-	5,067	1	-	1	-	90.00
10	Tata Capital PLC <sup>(1)</sup>	1 GBP = 94.97 INR	950	341	1,391	100	-	674	331	67	264	-	100.00
11	Tata Securities Limited	₹	1,883	(566)	4,583	3,266	-	2,194	(1,183)	-	(1,183)	-	100.00
12	TC Travel And Services Limited	₹	2,500	(1,942)	2,909	2,351	-	1,189	(1,363)	-	(1,363)	-	100.00
13	Tata Capital Forex Limited	₹	1,043	(970)	7,650	7,576	-	1,806	(124)	-	(124)	-	100.00
14	Tata Capital Growth Fund - Trust <sup>(3)</sup>	₹	28,693	(9,737)	18,992	36	18,980	1,455	1,034	17	1,017	-	73.75
15	India Collections Management Limited <sup>(4)</sup>	₹	750	24	776	2	-	57	52	-	52	-	100.00
16	Tata Infrastructure Capital Limited <sup>(4)</sup>	₹	55	8	65	2	-	5	1	1	0.03	-	100.00

### Notes - Part "A"

- (1) Share Capital, Partner's Capital, Unitholder's Capital, Reserves & Surplus, Total Assets, Total Liabilities and Investments are translated at exchange rate as on March 31, 2016 as: 1 USD = 66.10 INR and 1 GBP = 94.97 INR whereas Turnover, Profit before Taxation, Provision for Taxation and Profit after Taxation are translated at annual average rate of 1 USD = Rs.65.32 INR and 1 GBP = 98.44.
- (2) Reporting period for all subsidiaries is the same as holding company.
- (3) Though Trusts would not be considered as body corporate under Companies Act 2013, these have been disclosed as a measure of good governance.
- (4) India Collections Management Limited ("ICML") and Tata Infrastructure Capital Limited ("TICL"), wholly owned subsidiaries of the Company, are yet to commence operations. The Scheme of Amalgamation of ICML and TICL with Tata Capital Limited, the holding company, has been sanctioned by the Hon'ble High Court of Judicature at Bombay and the Hon'ble High Court of Judicature at Madras on April 22, 2016 and March 21, 2016, respectively. The amalgamation is expected to be completed in Q1 FY 2016-17.

**PART "B": ASSOCIATES AND JOINT VENTURES**

Statement pursuant to Section 129(3) of the Companies Act, 2013 related to Associate Companies and Joint Venture

Sr. No	Name of Associate / Joint Venture	1. Latest audited Balance Sheet date	2. Shares of Associate/Joint Venture held by the Company on the year end			3. Description of how there is significant influence	4. Reason why the Associate/Joint Venture has not been consolidated	5. Networth attributable to shareholding as per latest audited Balance Sheet	6. Profit/(Loss) for the year	
			No. of Shares	Amount of investment in Associate / Joint Venture	Extent of Holding %				i. Considered in Consolidation	ii. Not Considered in Consolidation
1	Tata Capital Healthcare Fund - Trust <sup>(3)</sup>	31.03.2016	N.A	8,881	31.30%	Since the Company holds more than 20% of voting power, significant influence is assumed	N.A	7,327	(139)	(305)
2	Tata Capital Special Situations Fund - Trust <sup>(3)</sup>	31.03.2016	N.A	7,240	28.18%		N.A	6,167	(167)	(425)
3	Tata Capital Innovations Fund - Trust <sup>(3)</sup>	31.03.2016	N.A	6,417	27.13%		N.A	5,283	(183)	(492)
4	Tata Autocomp Systems Limited	31.03.2015	48,307,333	18,528	24.00%		N.A	19,899	1,239	3,924
5	International Asset Reconstruction Company Private Limited	31.03.2015	13,946,295	3,313	25.37%		N.A	3,167	117	343
6	Nectar Loyalty Management India Limited	31.03.2015	490,000	49	49.00%		Note 1	(1,519)	-	-

(₹ in lakh)

**Notes - Part "B"**

- The Company has fully provided for its investment in equity shares in the joint venture with Nectar Loyalty Management India Limited ("Nectar") during the FY 2014-15. Since the investment is fully provided for and the fact that Nectar's operations are held in abeyance during the year and loss picked up historically is more than invested amount, the investment has not been consolidated.
- Pursuant to a Scheme of Arrangement ("Scheme") approved by the Hon'ble High Court of Hyderabad and the Hon'ble High Court of Bombay, e-Nxt Financials Limited has been amalgamated with Tata Business Support Services Limited with effect from June 16, 2015. Since the Appointed Date was April 1, 2014, the Company has not consolidated the financials of e-Nxt.
- Though Trusts would not be considered as body corporate under Companies Act 2013, these have been disclosed as a measure of good governance.

**Ishaat Hussain**  
(Director)

**Janki Ballabh**  
(Director)

**Nalin M. Shah**  
(Director)

**Nirmalya Kumar**  
(Director)

**Praveen P. Kadle**  
(Managing Director & CEO)

**Puneet Sharma**  
(Chief Financial Officer)

**Avan Doomasia**  
(Company Secretary)

Mumbai

Date: May 2, 2016

# **Standalone Financial Statements**

## INDEPENDENT AUDITOR'S REPORT

### TO THE MEMBERS OF TATA CAPITAL LIMITED

#### Report on the Financial Statements

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

#### Management's Responsibility for the Financial Statements

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

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

#### Auditor's Responsibility

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

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

We conducted our audit of the financial statements in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the financial statements.

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

#### Opinion

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

## Report on Other Legal and Regulatory Requirements

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

For **DELOITTE HASKINS & SELLS LLP**  
Chartered Accountants  
(Firm Reg. No. 117366W/W-100018)

Mumbai,  
May 2, 2016

**Rupen K. Bhatt**  
Partner  
(Membership No. 46930)

## **ANNEXURE “A” TO THE INDEPENDENT AUDITOR’S REPORT**

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

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

We have audited the internal financial controls over financial reporting of **TATA CAPITAL LIMITED** (the “Company”) as of March 31, 2016 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

#### **Management’s Responsibility for Internal Financial Controls**

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

#### **Auditor’s Responsibility**

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

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

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

#### **Meaning of Internal Financial Controls Over Financial Reporting**

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

### **Inherent Limitations of Internal Financial Controls Over Financial Reporting**

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

### **Opinion**

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

For **DELOITTE HASKINS & SELLS LLP**  
Chartered Accountants  
(Firm Reg. No. 117366W/W-100018)

Mumbai,  
May 2, 2016

**Rupen K. Bhatt**  
Partner  
(Membership No. 46930)

**ANNEXURE “B” TO THE INDEPENDENT AUDITOR’S REPORT**

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

- (i) a) According to the information and explanations given to us, the Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
- b) The fixed assets were physically verified during the year by the Management in accordance with a regular programme of verification which, in our opinion, provides for physical verification of all the fixed assets at reasonable intervals. According to the information and explanation given to us, no material discrepancies were noticed on such verification.
- c) According to the information and explanations given to us and the records examined by us and based on the examination of the registered sale deed provided to us, we report that, the title deeds, comprising all the immovable properties of land and buildings which are freehold, are held in the name of the Company as at the balance sheet date.
- (ii) According to the information and explanations given to us, the Company does not have any inventory and hence reporting under clause 3(ii) of the Order is not applicable.
- (iii) According to the information and explanations given to us, the Company has granted loans, secured or unsecured, to companies, firms, Limited Liability Partnerships or other parties covered in the register maintained under section 189 of the Companies Act, 2013, in respect of which:
  - a. The terms and conditions of the grant of such loans are, in our opinion, prima facie, not prejudicial to the Company’s interest.
  - b. The schedule of repayment of principal and payment of interest has been stipulated and repayments or receipts of principal amounts and interest have been regular as per stipulations.
  - c. There is no overdue amount remaining outstanding as at the year-end.
- (iv) In our opinion and according to the information and explanations given to us, the Company has complied with the provisions of Sections 185 and 186 of the Companies Act, 2013 in respect of grant of loans, making investments and providing guarantees and securities, as applicable.
- (v) According to the information and explanations given to us, the Company has not accepted any deposit during the year and no order in this respect has been passed by the Company Law Board or National Company Law Tribunal or the Reserve Bank of India or any Court or any other Tribunals.
- (vi) To the best of our knowledge and according to the information and explanations given to us, the Central Government has not prescribed the maintenance of cost records under section 148(1) of the Act, in respect of the services rendered by the Company.
- (vii) According to the information and explanations given to us, in respect of statutory dues:
  - (a) The Company has generally been regular in depositing undisputed statutory dues, including Income-tax, Service Tax, Provident Fund, Employees’ State Insurance, Value Added Tax, cess and other material statutory dues applicable to it to the appropriate authorities.
  - (b) There were no undisputed amounts payable in respect of Income-tax, Service Tax, Provident Fund, Employees’ State Insurance, Value Added Tax, cess and other material statutory dues in arrears as at March 31, 2016 for a period of more than six months from the date they became payable.



- (c) Details of dues of Income-tax and Value Added Tax as on March 31, 2016 on account of disputes are given below:

Particulars	Period to which the amount relates (FY)	Forum where the dispute is pending	Amount
			(₹ lakh)
Income Tax	2011-12 and 2012-13	Commissioner of Income tax (Appeals)	801
Value Added Tax	2011-12	Deputy Commissioner (Commercial taxes)	31
	2009-10	Tribunal (Commercial taxes)	2
	2011-12	Joint Commissioner	32

- (viii) In our opinion and according to the information and explanations given to us, the Company has not defaulted in the repayment of loans to banks. The Company has not taken any loans or borrowings from financial institutions and government or has not issued any debentures.
- (ix) The Company has not raised moneys by way of initial public offer or further public offer (including debt instruments) or term loans and hence reporting under clause (ix) of the CARO 2016 Order is not applicable.
- (x) To the best of our knowledge and according to the information and explanations given to us, no fraud by the Company and no material fraud on the Company by its officers or employees has been noticed or reported during the year.
- (xi) In our opinion and according to the information and explanations given to us, the Company has paid / provided managerial remuneration in accordance with the requisite approvals mandated by the provisions of the erstwhile Companies Act, 1956 and Section 197 read with Schedule V to the Act.
- (xii) The Company is not a Nidhi Company and hence reporting under clause (xii) of the Order is not applicable.
- (xiii) In our opinion and according to the information and explanations given to us, the Company is in compliance with Section 188 and 177 of the Act, where applicable, for all transactions with the related parties and the details of related party transactions have been disclosed in the financial statements etc. as required by the applicable accounting standards.
- (xiv) According to the information and explanations given to us, the Company has made private placement of shares during the year under review.

In respect of the above issue, we further report that:

- a) the requirement of Section 42 of the Companies Act, 2013, as applicable, have been complied with; and
- b) the amounts raised have been applied by the Company during the year for the purposes for which the funds were raised, other than temporary deployment pending application.
- (xv) In our opinion and according to the information and explanations given to us, during the year the Company has not entered into any non-cash transactions with its directors or persons connected with him and hence provisions of section 192 of the Act are not applicable.
- (xvi) The Company is required to be registered under section 45-IA of the Reserve Bank of India Act, 1934 and it has obtained the registration.

For **DELOITTE HASKINS & SELLS LLP**  
Chartered Accountants  
(Firm Reg. No. 117366W/W-100018)

Mumbai,  
May 2, 2016

**Rupen K. Bhatt**  
Partner  
(Membership No. 46930)

**BALANCE SHEET AS AT MARCH 31, 2016**

(₹ in lakh)

Particulars	Note No.	As at March 31, 2016	As at March 31, 2015
<b>I. EQUITY AND LIABILITIES</b>			
<b>1. Shareholders' Funds</b>			
(a) Share Capital	3	422,244	372,243
(b) Reserves and Surplus	4	52,820	49,687
		<b>475,064</b>	<b>421,930</b>
<b>2. Share application money pending allotment</b>	37	–	5,000
<b>3. Non-current liabilities</b>			
(a) Other Long-term liabilities	5	15,020	15,020
(b) Long-term provisions	6	151	96
		<b>15,171</b>	<b>15,116</b>
<b>4. Current liabilities</b>			
(a) Short-term borrowings	7	137,930	91,116
(b) Trade payables	8		
(i) total outstanding dues of micro enterprises and small enterprises	8(a)	–	–
(ii) total outstanding dues of creditors other than micro enterprises and small enterprises		2,081	1,865
(c) Other current liabilities	9	1,019	632
(d) Short-term provisions	10	536	7,884
		<b>141,566</b>	<b>101,497</b>
<b>Total</b>		<b>631,801</b>	<b>543,543</b>
<b>II. ASSETS</b>			
<b>1. Non-Current assets</b>			
(a) Fixed Assets	11		
(i) Tangible assets		12,176	13,050
(ii) Capital work-in-progress		–	1
		<b>12,176</b>	<b>13,051</b>
(b) Non-current Investments	12	513,751	466,726
(c) Deferred tax assets	13	319	189
(d) Long-term loans and advances	14	3,515	1,987
(e) Other non-current assets	15	315	267
		<b>530,076</b>	<b>482,220</b>
<b>2. Current assets</b>			
(a) Trade receivables	16	478	679
(b) Cash and bank balances	17	288	12,023
(c) Short-term loans and advances	18	100,091	37,378
(d) Other current assets	19	868	11,243
		<b>101,725</b>	<b>61,323</b>
<b>Total</b>		<b>631,801</b>	<b>543,543</b>
See accompanying notes forming part of the financial statements	1-41		

In terms of our report attached

For and on behalf of the Board of Directors

 For **Deloitte Haskins & Sells LLP**  
Chartered Accountants

**Ishaat Hussain**  
(Director)

**Janki Ballabh**  
(Director)

**Nalin M. Shah**  
(Director)

**Rupen K. Bhatt**  
Partner

**Nirmalya Kumar**  
(Director)

**Praveen P. Kadle**  
(Managing Director & CEO)

**Puneet Sharma**  
(Chief Financial Officer)

**Avan Doomasia**  
(Company Secretary)

 Mumbai  
Date: May 02, 2016

## STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED MARCH 31, 2016

(₹ in lakh)

Particulars	Note No.	For the year ended March 31, 2016	For the year ended March 31, 2015
I Revenue from Operations	20	32,708	22,441
II Other Income	21	2,763	1,913
<b>III Total Revenue (I + II)</b>		<b>35,471</b>	<b>24,354</b>
<b>IV Expenses:</b>			
Finance costs	22	8,976	4,089
Employee benefits expenses	23	4,670	3,267
Other operating expenses	24	4,474	3,353
Depreciation	11	745	769
Amortisation of share issue expenses		535	373
<b>Total Expenses</b>		<b>19,400</b>	<b>11,851</b>
<b>V Profit before tax (III - IV)</b>		<b>16,071</b>	<b>12,503</b>
<b>VI Tax expense :</b>			
(1) Current tax		922	862
(2) Deferred tax		(131)	92
<b>Total Tax expense</b>		<b>791</b>	<b>954</b>
<b>VII Profit for the year (V - VI)</b>		<b>15,280</b>	<b>11,549</b>
<b>VIII Earnings per equity share : (Refer Note 30)</b>			
(1) Basic (in ₹)		0.11	0.14
(2) Diluted (in ₹)		0.11	0.14
Face Value per share (Amount in ₹)		10	10
See accompanying notes forming part of the financial statements	1-41		

In terms of our report attached

For and on behalf of the Board of Directors

**For Deloitte Haskins & Sells LLP**  
Chartered Accountants

**Ishaat Hussain**  
(Director)

**Janki Ballabh**  
(Director)

**Nalin M. Shah**  
(Director)

**Rupen K. Bhatt**  
Partner

**Nirmalya Kumar**  
(Director)

**Praveen P. Kadle**  
(Managing Director & CEO)

**Puneet Sharma**  
(Chief Financial Officer)

**Avan Doomasia**  
(Company Secretary)

Mumbai  
Date: May 02, 2016

## CASH FLOW STATEMENT FOR THE YEAR ENDED MARCH 31, 2016

(₹ in lakh)

Particulars	Note No.	For the year ended March 31, 2016	For the year ended March 31, 2015
<b>1. CASH FLOW FROM OPERATING ACTIVITIES</b>			
Profit before tax		16,071	12,503
<b>Adjustments for :</b>			
Dividend income		(17,588)	(12,901)
Interest income		(10,119)	(4,408)
Interest expenses		62	360
Discounting charges on Commercial Paper		8,914	3,730
Provision for employee benefits		83	25
Provision for rebate on advisory fees		–	(525)
Provision against Standard Assets		299	93
Provision for diminution in value of investments		2,008	1,297
Amortisation of share issue expenses		535	373
Depreciation		745	769
Income accrued on advisory fees		–	127
Profit on sale of investments		(286)	–
Profit on sale of fixed assets		(10)	–
<b>Operating Profit before working capital changes and adjustments for interest paid, interest received and dividend received</b>		<b>714</b>	<b>1,443</b>
<b>Adjustments for :</b>			
Decrease in Trade receivables		201	461
(Increase) in Loans and advances and Other current assets		(63,719)	(16,904)
Increase / (Decrease) in Trade payables		216	(26)
Increase in Other liabilities and provisions		422	303
<b>Cash used in operations before adjustments for interest paid, interest received and dividend received</b>		<b>(62,166)</b>	<b>(14,723)</b>
Interest paid		(8,980)	(3,070)
Interest received		10,100	4,403
Dividend received		28,000	8,976
<b>Cash used in operations</b>		<b>(33,046)</b>	<b>(4,414)</b>
Taxes paid		(1,463)	(953)
<b>CASH USED IN OPERATING ACTIVITIES</b>		<b>(34,509)</b>	<b>(5,367)</b>
<b>2. CASH FLOW FROM INVESTING ACTIVITIES</b>			
Purchase of fixed assets (including capital advances)		(81)	(192)
Proceeds from sale of fixed assets		90	2
Refund of taxes on fixed assets (Refer footnote 3 to Note 11)		99	–
Investment in subsidiaries and associates		(61,448)	(61,791)
Investment in other entities		(2,823)	(3,105)
Proceeds from sale of investments in subsidiaries and associates		15,519	–
Proceeds from sale of investments in other entities		5	–
<b>Net cash used in investing activities</b>		<b>(48,639)</b>	<b>(65,086)</b>
<b>3. CASH FLOW FROM FINANCING ACTIVITIES</b>			
Collection of loan given to employees for ESOP		1	0*
Issue of preference shares		50,000	20,499
Dividend paid on preference shares including dividend distribution tax (net)		(19,823)	(5,783)
Share application money refunded		–	(95)
Share issue expenses		(582)	(293)
Net proceeds from short-term borrowings		46,817	63,027
<b>Net cash from financing activities</b>		<b>76,413</b>	<b>77,355</b>
<b>Net (decrease) / increase in cash and cash equivalents</b>		<b>(6,735)</b>	<b>6,902</b>
CASH AND CASH EQUIVALENTS AS AT THE BEGINNING OF THE YEAR		7,023	121
CASH AND CASH EQUIVALENTS AS AT THE END OF THE YEAR	17	288	7,023
<b>Reconciliation of cash and cash equivalents as above with cash and bank balances</b>			
CASH AND CASH EQUIVALENTS AS AT THE END OF THE YEAR		288	7,023
Add: Restricted Cash (Refer Note 17)		–	5,000
CASH AND BANK BALANCES AS AT THE END OF THE YEAR		288	12,023
* Amount less than ₹ 50,000			
See accompanying notes forming part of the financial statements	1-41		

For Deloitte Haskins & Sells LLP  
Chartered Accountants

Rupen K. Bhatt  
Partner

Mumbai  
Date: May 02, 2016

Ishaat Hussain  
(Director)

Nirmalya Kumar  
(Director)

Puneet Sharma  
(Chief Financial Officer)

Janki Ballabh  
(Director)

Praveen P. Kadle  
(Managing Director & CEO)

Avan Doomasia  
(Company Secretary)

Nalin M. Shah  
(Director)

## TATA CAPITAL LIMITED

### SIGNIFICANT ACCOUNTING POLICIES AND NOTES TO ACCOUNTS

#### 1 CORPORATE INFORMATION

Tata Capital Limited (the “Company” or “TCL”) is a subsidiary of Tata Sons Limited. In May 2012, TCL was registered with the Reserve Bank of India (“RBI”) as a Core Investment Company (“CIC”).

As a CIC, TCL is primarily a holding company, holding investments in its subsidiaries and other group companies and carries out only such activities as are permitted under the guidelines issued by the RBI for CICs. The Company’s subsidiaries are engaged in a wide array of businesses in the financial services sector.

#### 2 SIGNIFICANT ACCOUNTING POLICIES

##### i. Basis of accounting and preparation of the financial statements

The financial statements of the Company have been prepared in accordance with the Generally Accepted Accounting Principles in India (“Indian GAAP”) to comply with the Accounting Standards specified under Section 133 of the Companies Act, 2013, (“the Act”), read with Rule 7 of the Companies (Accounts) Rules, 2014 and the relevant provisions of the Act, as applicable. The financial statements have been prepared on accrual basis under the historical cost convention. Further, the Company follows the Directions issued by the RBI for CIC’s and Non-Banking Financial Companies (“NBFC’s”) as applicable. The accounting policies adopted in the preparation of the financial statements are consistent with those followed in the previous year.

Current assets do not include elements which are not expected to be realised within one year and current liabilities do not include items which are due after one year.

##### ii. Operating Cycle

Based on the nature of activities of the Company and the normal time between acquisition of assets and their realisation in cash or cash equivalents, the Company has determined its operating cycle as 12 months for the purpose of classification of its assets and liabilities as current and non-current.

##### iii. Use of Estimates

The preparation of the financial statements requires the Management to make estimates and assumptions that affect the reported balances of assets and liabilities, and disclosures relating to contingent liabilities as at the date of the financial statements and reported amounts of income and expenses for the reporting period. The Management believes that the estimates used in preparation of the financials statements are prudent and reasonable. Future results could differ from these estimates. Any revision to the accounting estimates is recognised prospectively in the current and future periods. Estimates include provisions for doubtful debts and advances, employee benefit plans, provision for income taxes and provision for diminution in the value of investments.

##### iv. Revenue recognition

###### a. Income from Current and Long-term Investments

Income from dividend on shares of corporate bodies and units of mutual funds is accounted when the Company’s right to receive dividend is established.

Interest income on bonds and debentures is recognised on a time proportion basis taking into account the amount outstanding and the rate applicable.

###### b. Income on Inter-corporate deposits

Interest income on inter-corporate deposits is recognised on a time proportion basis taking into account the amount outstanding and the rate applicable.

**c. Income from Services**

Fees for financial advisory services are accounted based on stage of completion of assignments, when there is reasonable certainty of their ultimate realisation.

Income from property management is recognised on a straight-line basis to the extent that rental income is deemed collectible.

Income from managerial and marketing services is accounted on cost plus markup basis as and when the underlying costs are incurred. Reimbursements of expenses incurred for rendering the services are reduced from such expense heads.

**v. Provisions for standard assets**

The Company provides an allowance for inter-corporate deposits and debentures based on the prudential norms issued by the RBI relating to income recognition, asset classification and provisioning.

**vi. Investments**

Investments are classified into long-term investments and current investments.

**a. Long-term investments**

Long-term investments are stated at cost. Provision for diminution is made to recognise a diminution, other than temporary, in the value of such investments.

Investments in Subsidiaries are classified as Trade Investments. Long-term investments made by the Company in equity shares, preference shares or debentures in its associates or any other entities primarily intended to fulfill its business objective are also classified as Trade Investments. It is intended to hold these to further the long-term interests of the Company and not for the purpose of frequent selling / trading of these investments.

**b. Current investments**

Current Investments are stated at the lower of cost and the market value, determined on an individual investment basis.

**vii. Fixed Assets****a. Tangible:**

Tangible fixed assets acquired by the Company are reported at acquisition cost, with deductions for accumulated depreciation and impairment losses, if any.

The acquisition cost includes any cost attributable for bringing asset to its working condition, which comprises of purchase consideration, other directly attributable costs of bringing the assets to their working condition for their intended use and attributable interest.

**b. Capital work-in-progress:**

Tangible fixed assets which are not yet ready for their intended use are carried at cost, comprising direct cost (excluding refundable taxes), related incidental expenses and attributable interest.

**viii. Depreciation**

Depreciable amount for assets is the cost of an asset, or other amount substituted for cost, less its estimated residual value. Depreciation on tangible fixed assets is provided using the straight-line method in accordance with the useful life prescribed in Schedule II to the Companies Act, 2013 except in respect of Buildings, Vehicles, Plant and Machinery and Computer Equipment in whose case, the life of the assets has been assessed based on the nature of the asset, the estimated usage of the asset, the operating conditions of the asset, past history of replacement, etc. The following table sets out the estimated useful lives considered by the Company:

Asset	Estimated useful life
Building	25 years
Plant and Machinery	10 years
Computer Equipment	4 years
Furniture and Fixtures	10 years
Office Equipment	5 years
Vehicles	4 years

All capital assets with individual value less than ₹ 5,000 are depreciated fully in the year in which they are purchased.

**ix. Impairment of Assets**

At each Balance Sheet date, the Company reviews whether there is any indication of impairment of asset. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of impairment loss (if any).

Recoverable amount of the asset is the higher of an asset's net selling price and value in use. In assessing the value in use, the estimated future cash flow expected from continuing use of the asset and from its disposal is discounted to its present value using a pre-tax discount rate that reflects the current market assessments of time value of money and the risk specific to the asset. If the recoverable amount of an asset is estimated to be less than the carrying amount, the carrying amount of the asset is reduced to its recoverable amount. An impairment loss is recognised immediately in the Statement of Profit and Loss. After impairment, depreciation is provided on the revised carrying amount of the asset over its remaining useful life. A previously recognised impairment loss is increased or reversed depending on changes in circumstances. However, the carrying value after reversal is not increased above the lower of the recoverable amount and the carrying value that would have prevailed by charging usual depreciation if there was no impairment.

**x. Deferred revenue expenditure**

Share issue expenses are amortised over a period of 36 months from the month in which the Company has incurred the expenditure.

Ancillary costs in the nature of loan processing charges are amortised over the tenor of the loan from the month in which the Company has incurred the expenditure.

**xi. Employee Benefits**

Employee Benefits include provident fund, superannuation fund, gratuity fund, compensated absences and long service awards.

**a. Defined-contribution plans**

The eligible employees of the Company are entitled to receive benefits under provident fund, a defined contribution plan, in which both employees and the Company make monthly contributions at a specified percentage of the covered employees' salary (currently 12% of employees' salary), which are recognised as expenses in the Statement of Profit and Loss in the year in which they occur. The contributions as specified under the law are paid to the provident fund set up as irrevocable trust by the Company. The Company is generally liable for annual contributions and any shortfall in the fund assets based on the government specified minimum rates of return and recognises such contributions and shortfall, if any, as an expense in the year incurred.

The Company's contribution to the superannuation fund is considered as a defined contribution plan and is charged as an expense based on the amount of contribution required to be made as and when services are rendered by the employees.

**b. Defined-benefit plans**

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

**c. Short-term employee benefits**

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

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

**d. Long-term employee benefits**

Compensated absences which are not expected to occur within twelve months after the end of the year in which the employees render the related service are recognised as a liability at the present value of the defined benefit obligation as at the Balance Sheet date less the fair value of the plan assets out of which the obligations are expected to be settled. Long-term Service Awards are recognised as a liability at the present value of the defined benefit obligation as at the Balance Sheet date.

**e. Employees Share Purchase / Option Scheme**

As per the Guidance Note on Accounting for Employee Share-based Payments issued by the Institute of Chartered Accountants of India, the Company has adopted the intrinsic value method in accounting for the Employee Stock Options offered by the Company.

**f. Share Based Payment Transactions**

The grant date intrinsic value of share based payment options under the Employees' Share Purchase Scheme ("ESPS") granted to employees, determined as the fair value of underlying shares, less the amount which the employee is required to pay at the time of exercise of the option (the exercise price), is recognised as an employee cost with a corresponding increase in equity in the period of the grant as the options granted under Company's ESPS plan vest immediately and it is presumed that consideration for the options have been received. As the Company has adopted the intrinsic value for accounting the share based payments, there are no adjustments made to the amounts recognised as an expense for differences between the expected and actual outcomes. On exercise of the stock option, the amount standing to the credit of the relevant equity account is treated as part of the consideration for the shares issued. Where stock options expire unexercised, the balance to the credit of the relevant equity account is transferred to the general reserve.

**xii. Provisions, Contingent Liabilities and Contingent Assets**

A provision is recognised when the Company has a present obligation as a result of past event and it is probable that an outflow of resources will be required to settle the obligation,



in respect of which reliable estimate can be made. Provisions (excluding long-term employee benefits) are not discounted to their present values and are determined based on best estimate required to settle the obligation at the Balance Sheet date. These are reviewed at each Balance Sheet date and adjusted to reflect the current best estimates. Contingent liabilities are not recognised but disclosed in the financial statements. Contingent assets are neither recognised nor disclosed in the financial statements.

### **xiii. Accounting for Leases**

Leases of assets under which substantially all of the risks and rewards of ownership are effectively retained by the lessor are classified as operating leases. Income is recognised on a straight-line basis over the lease period.

### **xiv. Foreign currency transactions and translations**

#### **a. Initial recognition:-**

Transactions in foreign currencies entered into by the Company are accounted at the exchange rates prevailing on the date of the transactions or at rates that closely approximate the rate at the date of the transactions.

#### **b. Settlement of Transactions:-**

Gains and losses resulting from the settlement of such transactions are recognised in the Statement of Profit and Loss.

#### **c. Measurement at the Balance Sheet date:-**

Foreign currency monetary items (other than derivative contracts), outstanding at the Balance Sheet date are restated at the closing rates. Non-monetary items are carried at historical cost.

### **xv. Taxation**

Current tax is the amount of tax payable on the taxable income for the year as determined in accordance with the applicable tax rates and the provisions of the Income Tax Act, 1961 and the other applicable tax laws.

Deferred tax corresponds to the net effect of tax on all timing differences, which occur as a result of items allowed for income tax purposes during a year being different from when they were recognised in the financial statements.

Deferred tax is recognised on the timing differences, being the differences between the taxable income and the accounting income that originate in one period and are capable of reversal in one or more subsequent periods. Deferred tax is measured using the tax rates and the tax laws enacted or substantively enacted as at the reporting date. Deferred tax liabilities are recognised for all timing differences. Deferred tax assets are recognised for timing differences of items other than unabsorbed depreciation and carry forward losses only to the extent that reasonable certainty exists that sufficient future taxable income will be available against which these can be realised. However, if there are unabsorbed depreciation and carry forward losses and items relating to capital losses, deferred tax assets are recognised only if there is virtual certainty supported by convincing evidence that there will be sufficient future taxable income available to realise the assets. Deferred tax assets and liabilities are offset if such items relate to taxes on income levied by the same governing tax laws and the Company has a legally enforceable right for such set off. Deferred tax assets are reviewed at each Balance Sheet date for their realisability.

Current and deferred tax relating to items directly recognised in reserves are recognised in reserves and not in the Statement of Profit and Loss.

### **xvi. Business segment**

The Company's reportable segments consist of Investments, Advisory Services and Others. Investments consist of corporate investments and treasury activities. Advisory Services

consists of investment management and support services activities and Others include property management services and managerial & marketing services.

Revenues and expenses directly attributable to segments are reported under each reportable segment. All other expenses which are not attributable to the segments have been disclosed as unallocable expenses.

Assets and liabilities that are directly attributable to segments are disclosed under each reportable segment. All other assets and liabilities are disclosed as unallocable.

**xvii. Cash Flow Statement**

Cash flows are reported using the indirect method, whereby profit before tax is adjusted for the effects of transactions of non-cash nature and any deferrals or accruals of past or future cash receipts or payments. The cash flows from operating, investing and financing activities of the Company are segregated based on the available information.

**xviii. Earnings Per Share**

Basic earnings per share is computed by dividing the profit after tax available for equity shareholders by the weighted average number of equity shares outstanding during the year. Diluted earnings per share is computed by dividing the profit after tax available for equity shareholders as adjusted for dividend, interest and other charges to expense or income (net of any attributable taxes) relating to the dilutive potential equity shares, by the weighted average number of equity shares considered for deriving basic earnings per share and the weighted average number of equity shares which could have been issued on the conversion of all dilutive potential equity shares. Potential equity shares are deemed to be dilutive only if their conversion to equity shares would decrease the net profit per share from continuing ordinary operations. Potential dilutive equity shares are deemed to be converted as at the beginning of the year, unless they have been issued at a later date. The dilutive potential equity shares are adjusted for the proceeds receivable had the shares been actually issued at fair value (i.e. average market value of the outstanding shares). Dilutive potential equity shares are determined independently for each year presented. The number of equity shares and potentially dilutive equity shares are adjusted for share splits / reverse share splits and bonus shares, as appropriate.

**xix. Assets held for sale**

An asset is classified as held for sale if its carrying amount will be recovered or settled principally through a sale transaction rather than through continuing use. Assets classified as held for sale are measured at the lower of carrying amount and fair value. In the event an asset held for sale is acquired in settlement of an existing claim or existing asset, it is initially recorded in the books at its fair value or value of the asset given up, whichever is better determined. Impairment losses on initial classification as held for sale and losses on subsequent re-measurements are included in the profit and loss statement. No depreciation is charged on assets classified as held for sale.

**NOTES TO AND FORMING PART OF THE BALANCE SHEET  
AS AT MARCH 31, 2016**

**NOTE “3”**

(₹ in lakh)

<b>SHARE CAPITAL</b>	<b>As at March 31, 2016</b>	<b>As at March 31, 2015</b>
<b>AUTHORISED</b>		
4,750,000,000 (as at March 31, 2015: 4,750,000,000 Shares) Equity Shares of ₹ 10 each	<b>475,000</b>	475,000
32,500,000 (as at March 31, 2015: 32,500,000 Shares) Preference Shares of ₹ 1,000 each	<b>325,000</b>	325,000
	<b>800,000</b>	<b>800,000</b>
<b>ISSUED</b>		
2,826,092,570 (as at March 31, 2015: 2,826,092,570 Shares) Equity Shares of ₹ 10 each	<b>282,609</b>	282,609
2,175,374 (as at March 31, 2015: 2,175,374 Shares) 12.50% Cumulative Redeemable Preference Shares of ₹ 1,000 each	<b>21,754</b>	21,754
12,445,841 (as at March 31, 2015: 9,945,841 Shares) 8.33% Cumulative Redeemable Preference Shares of ₹ 1,000 each	<b>124,458</b>	99,458
	<b>428,821</b>	<b>403,821</b>
<b>SUBSCRIBED</b>		
2,826,018,170 (as at March 31, 2015: 2,826,018,170 Shares) Equity Shares of ₹ 10 each	<b>282,602</b>	282,602
2,071,066 (as at March 31, 2015: 2,071,066 Shares) 12.50% Cumulative Redeemable Preference Shares of ₹ 1,000 each	<b>20,711</b>	20,711
11,893,401 (as at March 31, 2015: 6,893,401 Shares) 8.33% Cumulative Redeemable Preference Shares of ₹ 1,000 each	<b>118,934</b>	68,934
	<b>422,247</b>	<b>372,247</b>
<b>PAID UP</b>		
2,826,018,170 (as at March 31, 2015: 2,826,018,170 Shares) Equity Shares of ₹ 10 each fully paid	<b>282,602</b>	282,602
Less: Loan given to TCL Employees Welfare Trust	<b>(3)</b>	(3)
Less: Loans to Employees	–	(1)
2,071,066 (as at March 31, 2015: 2,071,066 Shares) 12.50% Cumulative Redeemable Preference Shares of ₹ 1,000 each	<b>20,711</b>	20,711
11,893,401 (as at March 31, 2015: 6,893,401 Shares) 8.33% Cumulative Redeemable Preference Shares of ₹ 1,000 each	<b>118,934</b>	68,934
<b>Total</b>	<b>422,244</b>	<b>372,243</b>

**NOTES TO AND FORMING PART OF THE BALANCE SHEET  
AS AT MARCH 31, 2016**

**NOTE "3" (Continued)**

3 (a) Reconciliation of number of shares outstanding	No. of shares	₹ in Lakh
<b>Opening Share Capital as on April 1, 2014</b>		
Equity Shares Face Value ₹ 10 fully paid up	2,826,018,170	282,602
12.50% Cumulative Redeemable Preference Shares Face Value ₹ 1,000 fully paid up	2,071,066	20,711
8.33% Cumulative Redeemable Preference Shares Face Value ₹ 1,000 fully paid up	4,792,610	47,926
		<b>351,239</b>
<b>Additions during the year</b>		
Equity Shares Face Value ₹ 10 fully paid up	–	–
12.50% Cumulative Redeemable Preference Shares Face Value ₹ 1,000 fully paid up - Privately Placed	–	–
8.33% Cumulative Redeemable Preference Shares Face Value ₹ 1,000 fully paid up - Privately Placed	2,100,791	21,008
<b>Closing Share Capital as on March 31, 2015</b>		
Equity Shares Face Value ₹ 10 fully paid up	2,826,018,170	282,602
12.50% Cumulative Redeemable Preference Shares Face Value ₹ 1,000 fully paid up	2,071,066	20,711
8.33% Cumulative Redeemable Preference Shares Face Value ₹ 1,000 fully paid up	6,893,401	68,934
		<b>372,247</b>
<b>Additions during the year</b>		
Equity Share Capital	–	–
12.50% Cumulative Redeemable Preference Shares Face Value ₹ 1,000 fully paid up - Privately Placed	–	–
8.33% Cumulative Redeemable Preference Shares Face Value ₹ 1,000 fully paid up - Privately Placed	5,000,000	50,000
<b>Closing Share Capital as on March 31, 2016</b>		
Equity Shares Face Value ₹ 10 fully paid up	2,826,018,170	282,602
12.50% Cumulative Redeemable Preference Shares Face Value ₹ 1,000 fully paid up	2,071,066	20,711
8.33% Cumulative Redeemable Preference Shares Face Value ₹ 1,000 fully paid up	11,893,401	118,934
		<b>422,247</b>

**3 (b) Rights, preferences and restrictions attached to Equity Shares**

The Company has one class of equity shares having a par value of ₹ 10 per share. Each shareholder is eligible for one vote per share held. The dividend proposed by the Board of Directors is subject to the approval of the shareholders at the ensuing Annual General Meeting, except in case of interim dividend. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Company after distribution of all preferential amounts, in proportion to their shareholding.

**NOTES TO AND FORMING PART OF THE BALANCE SHEET  
AS AT MARCH 31, 2016**

**NOTE “3” (Continued)**

**3 (c) Investment by Tata Sons Limited (the Holding Company) and its Subsidiaries/Associates/JVs.**

<b>Name of company</b>	<b>Particulars of issue</b>	<b>No. of equity shares</b>	<b>₹ in Lakh</b>
<b>Tata Sons Limited (the Holding Company)</b>	<b>Opening Balance as on April 1, 2014</b>	2,551,433,946	255,143
	Add: Purchased	–	–
	<b>Closing Balance as on March 31, 2015</b>	2,551,433,946	255,143
	Add: Purchased	–	–
	<b>Closing Balance as on March 31, 2016</b>	2,551,433,946	255,143
<b>Tata Investment Corporation Limited (Subsidiary of Tata Sons Limited)</b>	<b>Opening Balance as on April 1, 2014</b>	77,196,591	7,720
	Add: Purchased	–	–
	<b>Closing Balance as on March 31, 2015</b>	77,196,591	7,720
	Add: Purchased	–	–
	<b>Closing Balance as on March 31, 2016</b>	77,196,591	7,720
<b>Tata Industries Limited (Subsidiary of Tata Sons Limited)</b>	<b>Opening Balance as on April 1, 2014</b>	2,272,346	227
	Add: Purchased	–	–
	<b>Closing Balance as on March 31, 2015</b>	2,272,346	227
	Add: Purchased	–	–
	<b>Closing Balance as on March 31, 2016</b>	2,272,346	227
<b>Tata International Limited (Subsidiary of Tata Sons Limited)</b>	<b>Opening Balance as on April 1, 2014</b>	790,592	79
	Add: Purchased	–	–
	<b>Closing Balance as on March 31, 2015</b>	790,592	79
	Add: Purchased	–	–
	<b>Closing Balance as on March 31, 2016</b>	790,592	79
<b>Tata Motors Limited (Associate of Tata Sons Limited)</b>	<b>Opening Balance as on April 1, 2014</b>	4,326,651	433
	Add: Purchased	–	–
	<b>Closing Balance as on March 31, 2015</b>	4,326,651	433
	Add: Purchased	–	–
	<b>Closing Balance as on March 31, 2016</b>	4,326,651	433
<b>Tata Chemicals Limited (Associate of Tata Sons Limited)</b>	<b>Opening Balance as on April 1, 2014</b>	3,230,859	323
	Add: Purchased	–	–
	<b>Closing Balance as on March 31, 2015</b>	3,230,859	323
	Add: Purchased	–	–
	<b>Closing Balance as on March 31, 2016</b>	3,230,859	323
<b>Tata Global Beverages Limited (Associate of Tata Sons Limited)</b>	<b>Opening Balance as on April 1, 2014</b>	613,598	61
	Add: Purchased	–	–
	<b>Closing Balance as on March 31, 2015</b>	613,598	61
	Add: Purchased	–	–
	<b>Closing Balance as on March 31, 2016</b>	613,598	61
<b>Total</b>	<b>Opening Balance as on April 1, 2014</b>	2,639,864,583	263,986
	Add: Purchased	–	–
	<b>Closing Balance as on March 31, 2015</b>	2,639,864,583	263,986
	Add: Purchased	–	–
	<b>Closing Balance as on March 31, 2016</b>	2,639,864,583	263,986

**NOTES TO AND FORMING PART OF THE BALANCE SHEET  
AS AT MARCH 31, 2016**

**NOTE “3” (Continued)****8.33% Cumulative Redeemable Preference Shares Face Value ₹ 1,000 fully paid up**

Name of company	Particulars of issue	No. of preference shares	₹ in Lakh
Trent Limited (Associate of Tata Sons Limited)	Opening Balance as on April 1, 2014	–	–
	Add: Purchased	–	–
	Closing Balance as on March 31, 2015	–	–
	Add: Purchased	100,000	1,000
	Closing Balance as on March 31, 2016	100,000	1,000

**3 (d) List of Shareholders holding more than 5% Equity Shares as at**

Name of Shareholder	March 31, 2016		March 31, 2015	
	No. of Shares held	% of Holding	No. of Shares held	% of Holding
Tata Sons Limited	2,551,433,946	90.28%	2,551,433,946	90.28%

**3 (e) Rights, preferences and restrictions attached to Preference Shares**

The Company has issued Cumulative Redeemable Preference Shares (“CRPS”) of face value ₹ 1,000/- each, in tranches, having terms of issuance disclosed herein below. The CRPS holders have a right to receive dividend, prior to the Equity Shareholders. The dividend proposed by the Board of Directors on the CRPS is subject to the approval of the Shareholders at the ensuing Annual General Meeting, except in case of interim dividend. In the event of liquidation, the Preference Shareholders are eligible to receive the remaining assets of the Company before distribution to the Equity Shareholders, in proportion to their shareholding.

Particulars	Tranche	No. of Shares	Allotment Date	Redemption Date	Early Redemption Date *
12.50% Cumulative Redeemable Preference Shares of ₹ 1,000 each issued at premium of ₹ 500 per share and redeemable at a premium of ₹ 500 per share.	A	984,078	August 10, 2012	August 9, 2019	N/A
	B	411,614	October 22, 2012	October 21, 2019	N/A
	C	166,666	December 10, 2012	December 9, 2019	N/A
	D	104,308	January 21, 2013	January 20, 2020	N/A
	E	200,000	February 27, 2013	February 26, 2020	N/A
	F	204,400	March 28, 2013	March 27, 2020	N/A
8.33% Cumulative Redeemable Preference Shares of ₹ 1,000 each	G	899,000	June 6, 2013	June 5, 2020	September 30, 2017
	H	2,500,000	May 22, 2013	May 21, 2020	September 30, 2017
	I	996,050	July 9, 2013	July 8, 2020	September 30, 2017
	J	369,660	September 5, 2013	September 4, 2020	September 30, 2017
	K	27,900	November 7, 2013	November 6, 2020	March 31, 2018
	L	50,900	April 1, 2014	March 31, 2021	March 31, 2018
	M	2,049,891	August 19, 2014	August 18, 2021	September 30, 2018
N	4,648,500	April 22, 2015	April 21, 2022	June 30, 2019	
	O	351,500	September 7, 2015	September 6, 2022	September 30, 2019

\* For 8.33% Cumulative Redeemable Preference Shares of ₹ 1,000 each, the CRPS holder has a Put Option and the Company has a Call Option to seek early redemption of the CRPS by the dates as specified.

**NOTES TO AND FORMING PART OF THE BALANCE SHEET  
AS AT MARCH 31, 2016**

**NOTE “3” (Continued)**

**3 (f) List of Shareholders holding more than 5% Preference Shares as at**

Name of Shareholder	March 31, 2016		March 31, 2015	
	No. of Shares held	% of Holding	No. of Shares held	% of Holding
<b>12.50% Cumulative Redeemable Preference Shares of ₹ 1,000 each</b>				
Azim Hasham Premji	299,999	14.49%	299,999	14.49%
Azim Premji Trust	200,000	9.66%	200,000	9.66%
International Tractors Ltd	133,700	6.46%	133,700	6.46%
<b>8.33% Cumulative Redeemable Preference Shares of ₹ 1,000 each</b>				
Shree Cements Limited	1,400,000	11.77%	1,000,000	14.51%

**NOTE “4”**

(₹ in lakh)

RESERVES AND SURPLUS	As at March 31, 2016		As at March 31, 2015	
(a) Capital Redemption Reserve		575		575
(b) Securities Premium Account		28,767		28,767
(c) Special Reserve Account/Statutory Reserve				
Opening Balance		9,179		6,869
Add: Transfer from Surplus in the Statement of Profit and Loss (Refer footnote 1)		3,056		2,310
<b>Closing Balance</b>		<b>12,235</b>		<b>9,179</b>
(d) Surplus in Statement of Profit and Loss				
Opening Balance		11,166		9,667
Less: Depreciation on transition of Schedule II of Companies Act, 2013 on tangible fixed assets with nil remaining useful life		–		(64)
Add: Profit for the year		15,280		11,549
<b>Profit available for Appropriations</b>		<b>26,446</b>		<b>21,152</b>
Less : Appropriations				
Transfer to Special Reserve Account (Refer footnote 1)	3,056		2,310	
Dividend on preference shares including dividend distribution tax (net) (Refer footnote 2)	12,147	15,203	7,676	9,986
<b>Closing Balance</b>		<b>11,243</b>		<b>11,166</b>
<b>TOTAL</b>		<b>52,820</b>		<b>49,687</b>

**Footnotes:** The amounts appropriated out of the surplus in the Statement of Profit and Loss are as under:

- 1) Transfer to Special Reserve ₹ 3,056 lakh (Previous Year: ₹ 2,310 lakh) as prescribed by section 45-IC of the Reserve Bank of India Act, 1934, being 20% of the profit after tax for the year.
- 2) During the current year, the Company has declared and paid an interim dividend at 12.50% and 8.33% respectively on Cumulative Redeemable Preference shares.

**NOTES TO AND FORMING PART OF THE BALANCE SHEET  
AS AT MARCH 31, 2016**

**NOTE "5"**

(₹ in lakh)

OTHER LONG-TERM LIABILITIES	As at March 31, 2016	As at March 31, 2015
(a) Premium on redemption payable to preference shareholders	10,355	10,355
(b) Security deposit	4,665	4,665
<b>Total</b>	<b>15,020</b>	<b>15,020</b>

**NOTE "6"**

(₹ in lakh)

LONG - TERM PROVISIONS	As at March 31, 2016	As at March 31, 2015
(a) Provision for employee benefits	92	37
(b) Contingent Provision against Standard Assets (Refer Note 25 (i))	59	59
<b>Total</b>	<b>151</b>	<b>96</b>

**NOTE "7"**

(₹ in lakh)

SHORT-TERM BORROWINGS	As at March 31, 2016	As at March 31, 2015
(a) Other loans and advances (unsecured) Commercial Papers [Net of unamortised discount of ₹ 3,070 lakh (as at March 31, 2015 : ₹ 1,834 lakh)]	137,930	91,116
<b>Total</b>	<b>137,930</b>	<b>91,116</b>

**NOTE "8"**

(₹ in lakh)

TRADE PAYABLES	As at March 31, 2016	As at March 31, 2015
(a) Accrued employee benefits expense	1,030	743
(b) Accrued expenses	1,048	1,053
(c) Payable to subsidiaries	-	67
(d) Others	3	2
<b>Total</b>	<b>2,081</b>	<b>1,865</b>

**Note:** The information as required to be disclosed under the Micro, Small and Medium Enterprises Development Act, 2006 has been determined to the extent such parties have been identified on the basis of information available with the Company. The amount of principal and interest outstanding during the year is given below :



**NOTES TO AND FORMING PART OF THE BALANCE SHEET  
AS AT MARCH 31, 2016**

**NOTE “8(a)”**

(₹ in lakh)

<b>TOTAL OUTSTANDING DUES OF CREDITORS OTHER THAN MICRO ENTERPRISES AND SMALL ENTERPRISES</b>	<b>As at March 31, 2016</b>	<b>As at March 31, 2015</b>
(a) Principal amount and interest thereon remaining unpaid at the end of year	–	–
(b) Interest paid including payment made beyond appointed day during the year	–	–
(c) Interest due and payable for delay during the year	–	–
(d) Amount of interest accrued and unpaid as at year end	–	–
(e) The amount of further interest due and payable even in the succeeding year	–	–
<b>Total</b>	<b>–</b>	<b>–</b>

**NOTE “9”**

(₹ in lakh)

<b>OTHER CURRENT LIABILITIES</b>	<b>As at March 31, 2016</b>	<b>As at March 31, 2015</b>
(a) Interest accrued but not due	–	1
(b) Income received in advance	885	582
(c) Statutory dues	130	10
(d) Security deposits	–	1
(e) Other payables	4	38
<b>Total</b>	<b>1,019</b>	<b>632</b>

**NOTE “10”**

(₹ in lakh)

<b>SHORT - TERM PROVISIONS</b>	<b>As at March 31, 2016</b>	<b>As at March 31, 2015</b>
(a) Provision for employee benefits	144	115
(b) Contingent Provision against Standard Assets (Refer Note 25 (i))	392	93
(c) Proposed dividend on preference shares	–	7,676
<b>Total</b>	<b>536</b>	<b>7,884</b>

**NOTES TO AND FORMING PART OF THE BALANCE SHEET  
AS AT MARCH 31, 2016**

**NOTE "11" : FIXED ASSETS**

(₹ in lakh)

Particulars	Gross Block				Accumulated depreciation					Net Carrying Amount as at March 31, 2016
	Opening balance as at	Additions	Deletions / Adjustments	Closing balance as at	Opening balance as at	Depreciation for the year	Deletions	Other Adjustments	Closing balance as at	
	April 1, 2015			March 31, 2016	April 1, 2015				March 31, 2016	
<b>Tangible Assets</b>										
Buildings - (Refer Footnote 2 and 3)	5,421	-	(140)	5,281	548	213	(16)	-	745	4,536
	<i>5,421</i>	-	-	<i>5,421</i>	<i>331</i>	<i>217</i>	-	-	<i>548</i>	<i>4,873</i>
Buildings - Given on operating lease (Refer Footnote 3)	7,868	-	(50)	7,818	697	314	-	-	1,011	6,807
	<i>7,868</i>	-	-	<i>7,868</i>	<i>382</i>	<i>315</i>	-	-	<i>697</i>	<i>7,171</i>
Plant and Machinery	180	-	-	180	45	20	-	-	65	115
	<i>178</i>	<i>2</i>	-	<i>180</i>	<i>26</i>	<i>19</i>	-	-	<i>45</i>	<i>135</i>
Furniture and Fixtures	829	-	-	829	179	89	-	-	268	561
	<i>657</i>	<i>172</i>	-	<i>829</i>	<i>91</i>	<i>88</i>	-	-	<i>179</i>	<i>650</i>
Vehicles	173	31	(29)	175	83	41	(25)	-	99	76
	<i>161</i>	<i>36</i>	<i>(24)</i>	<i>173</i>	<i>66</i>	<i>39</i>	<i>(22)</i>	-	<i>83</i>	<i>90</i>
Office Equipment	337	8	-	345	210	65	-	-	275	70
	<i>323</i>	<i>14</i>	-	<i>337</i>	<i>58</i>	<i>88</i>	-	<i>64</i>	<i>210</i>	<i>127</i>
Computer Equipment	13	10	-	23	9	3	-	-	12	11
	<i>8</i>	<i>5</i>	-	<i>13</i>	<i>6</i>	<i>3</i>	-	-	<i>9</i>	<i>4</i>
<b>TANGIBLE FIXED ASSETS - TOTAL</b>	<b>14,821</b>	<b>49</b>	<b>(219)</b>	<b>14,651</b>	<b>1,771</b>	<b>745</b>	<b>(41)</b>	<b>-</b>	<b>2,475</b>	<b>12,176</b>
	<i>14,616</i>	<i>229</i>	<i>(24)</i>	<i>14,821</i>	<i>960</i>	<i>769</i>	<i>(22)</i>	<i>64</i>	<i>1,771</i>	<i>13,050</i>
Capital work-in-progress										-
										<i>1</i>
<b>TOTAL</b>										<b>12,176</b>
										<i>13,051</i>

**Footnotes: -**

- 1) Previous year figures are given in *Italics*
- 2) Portion of the Company's building has been let out to its subsidiary under operating lease arrangement. This arrangement is cancellable and does not contain any minimum lease or contingency lease rentals.
- 3) During the current year, the Company has received Rs. 99 lakh towards refund of taxes on purchase of building, which was earlier capitalized. The refund amount is reduced from the gross block, and depreciation has been provided prospectively on the revised amount over the remaining useful life of the asset.

**NOTES TO AND FORMING PART OF THE BALANCE SHEET  
AS AT MARCH 31, 2016**

**NOTE "12" : NON - CURRENT INVESTMENTS**

**Scrip-wise details of Investments as on March 31, 2016**

Particulars	Face value Per Unit ₹	As at March 31, 2016		As at March 31, 2015	
		No. of Units	₹ In lakh	No. of Units	₹ In lakh
<b>INVESTMENT IN SUBSIDIARIES</b>					
<b>Unquoted :</b>					
<b>Investment in Equity Shares (Trade)</b>			<b>339,257</b>		<b>339,257</b>
Tata Capital Financial Services Limited	10	1,297,550,000	259,255	1,297,550,000	259,255
Tata Capital Housing Finance Limited	10	253,333,332	27,600	253,333,332	27,600
Tata Securities Limited	10	3,829,418	11,312	3,829,418	11,312
Tata Capital Pte Limited	SGD 1	32,282,000	10,807	32,282,000	10,807
Tata Cleantech Capital Limited	10	232,718,182	24,955	232,718,182	24,955
TC Travel and Services Limited	10	25,000,000	2,500	25,000,000	2,500
Tata Capital Forex Limited	10	10,433,969	2,116	10,433,969	2,116
India Collections Management Limited	10	7,500,000	657	7,500,000	657
Tata Infrastructure Capital Limited	10	550,000	55	550,000	55
<b>Investment in Compulsorily Convertible Cumulative Preference Shares (Trade)</b>			<b>83,400</b>		<b>42,900</b>
Tata Capital Financial Services Limited	10	160,000,000	16,000	–	–
Tata Capital Housing Finance Limited	10	659,000,000	65,900	414,000,000	41,400
Tata Securities Limited	10	15,000,000	1,500	15,000,000	1,500
<b>Investment in Non-Convertible Debentures (Trade)</b>			<b>18,300</b>		<b>23,300</b>
9.37% Subordinated Debentures of Tata Capital Financial Services Limited	1,000,000	500	5,000	2,000	20,000
9.80% Perpetual Debentures of Tata Capital Financial Services Limited	1,000,000	1,000	10,000	–	–
10.25% Subordinated Debentures of Tata Capital Housing Finance Limited	1,000,000	330	3,300	330	3,300
<b>Investment in Venture Capital Units</b>			<b>21,159</b>		<b>16,809</b>
Tata Capital Growth Fund		–	21,159	–	16,809
<b>INVESTMENTS IN ASSOCIATES / JOINT VENTURE</b>					
<b>Unquoted :</b>					
<b>Investment in Equity Shares</b>			<b>18,577</b>		<b>19,599</b>
Tata Autocomp Systems Limited (Trade)	10	48,307,333	18,528	48,307,333	18,528
e-Nxt Financials Limited (Trade) (Refer note 39)	10	–	–	1,500,000	1,022
Nectar Loyalty Management India Limited (Joint Venture) (Trade)	10	490,000	49	490,000	49
<b>Investment in Preference shares</b>			–		<b>1,500</b>
8.33% e-Nxt Financials Limited Cumulative Redeemable Preference Shares (Trade) (Refer note 39)	10	–	–	15,000,000	1,500
<b>Investment in Debentures</b>			<b>1,248</b>		<b>1,248</b>
Nectar Loyalty Management India Limited (Joint Venture) (Trade)	10	12,480,000	1,248	12,480,000	1,248
<b>Investment in Venture Capital Units</b>			<b>22,538</b>		<b>16,178</b>
Tata Capital Special Situations Fund		–	7,240	–	7,306
Tata Capital Healthcare Fund I		–	8,881	–	4,931
Tata Capital Innovations Fund		–	6,417	–	3,941
<b>INVESTMENTS IN OTHERS</b>					
<b>Investments in Equity Shares</b>					
<b>Quoted (Non-Trade)</b>			<b>110</b>		<b>109</b>
Tata Steel Limited	10	13,500	100	13,500	100
The Indian Hotels Company Limited	1	14,700	10	12,000	9
Tata Consultancy Services Limited	1	–	–	200	0*
<b>Unquoted</b>			<b>10,967</b>		<b>7,122</b>
Tata Sky Limited (Non-Trade)	10	10,072,871	5,242	10,072,871	5,242
Roots Corporation Limited (Non-Trade)	10	2,089,269	1,880	2,089,269	1,880
Tata Projects Limited (Non-Trade)	10	44,810	2,823	–	–
Tata Business Support Services Limited (Trade) (Refer Note 39)	10	4,054,048	1,022	–	–
<b>Investments in Preference Shares (Trade)</b>			<b>1,500</b>		–
12.33% Tata Business Support Services Limited Cumulative Redeemable Preference Shares (Refer Note 39)	10	15,000,000	1,500	–	–
<b>Investments in Debentures (Non-Trade)</b>					
<b>Quoted</b>			–		<b>1</b>
The Indian Hotels Company Limited	55	–	–	2,700	1
<b>Total Cost of Non-Current Investments</b>			<b>517,056</b>		<b>468,023</b>
Less: Provision for diminution in value of Investments			(3,305)		(1,297)
<b>Total Non-Current Investments</b>			<b>513,751</b>		<b>466,726</b>
Cost of Quoted Investments			110		110
Book Value of Quoted Investments			46		110
Market value of Quoted Investments			58		65
Cost of Unquoted Investments			516,946		467,913
Book Value of Unquoted Investments			513,705		466,616

\* Amount less than ₹ 50,000

**NOTES TO AND FORMING PART OF THE BALANCE SHEET  
AS AT MARCH 31, 2016**

**NOTE "13"**

(₹ in lakh)

<b>DEFERRED TAX ASSETS</b>	<b>As at March 31, 2016</b>	<b>As at March 31, 2015</b>
(a) Employee benefits	50	40
(b) Timing difference in respect of depreciation on fixed assets	113	96
(c) Contingent Provision against Standard Assets	156	53
<b>Total</b>	<b>319</b>	<b>189</b>

**NOTE "14"**

(₹ in lakh)

<b>LONG-TERM LOANS AND ADVANCES (Unsecured, Considered Good)</b>	<b>As at March 31, 2016</b>	<b>As at March 31, 2015</b>
(a) Security deposits	258	284
(b) Inter-corporate deposits to related parties	1,434	400
(c) Others		
(i) Prepaid expenses	95	116
(ii) Advance payment of income tax, net of provision	1,728	1,187
<b>Total</b>	<b>3,515</b>	<b>1,987</b>

**NOTE "15"**

(₹ in lakh)

<b>OTHER NON-CURRENT ASSETS</b>	<b>As at March 31, 2016</b>	<b>As at March 31, 2015</b>
(a) Deferred revenue expenditure [Refer note 19 (a)]	247	175
(b) Rental income accrued	68	92
<b>Total</b>	<b>315</b>	<b>267</b>

**NOTES TO AND FORMING PART OF THE BALANCE SHEET  
AS AT MARCH 31, 2016**

**NOTE “16”**

(₹ in lakh)

<b>TRADE RECEIVABLES</b>	<b>As at March 31, 2016</b>	<b>As at March 31, 2015</b>
(a) Over six months (from the due date for payment) - Unsecured, considered good	–	200
(b) Others - Unsecured, considered good	478	479
<b>Total</b>	<b>478</b>	<b>679</b>

**NOTE “17”**

(₹ in lakh)

<b>CASH AND BANK BALANCES</b>	<b>As at March 31, 2016</b>	<b>As at March 31, 2015</b>
<b>Cash and cash equivalents</b>		
(a) Balances with banks in current account	287	6,901
(b) Cheques on hand	1	122
<b>Other bank balances</b>		
(a) In earmarked accounts		
– Share application money received for allotment of securities (Refer Note 37)	–	5,000
<b>Total</b>	<b>288</b>	<b>12,023</b>

**Footnote: -**

Of the above, the balances that meet the definition of cash and cash equivalents as per AS 3 (Cash Flow Statements) is ₹ 288 lakh (As at March 31, 2015 - ₹ 7,023 lakh).

**NOTE “18”**

(₹ in lakh)

<b>SHORT-TERM LOANS AND ADVANCES (Unsecured, Considered Good)</b>	<b>As at March 31, 2016</b>	<b>As at March 31, 2015</b>
(a) Loans and advances to related parties	33	126
(b) Security deposits	215	4
(c) Inter-corporate deposits to related parties	99,633	37,110
(d) Others		
(i) Other Advances	55	89
(ii) Prepaid expenses	151	46
(iii) Balances with government authorities	4	3
<b>Total</b>	<b>100,091</b>	<b>37,378</b>

**NOTES TO AND FORMING PART OF THE BALANCE SHEET  
AS AT MARCH 31, 2016**

**NOTE "19"**

(₹ in lakh)

<b>OTHER CURRENT ASSETS</b>	<b>As at March 31, 2016</b>	<b>As at March 31, 2015</b>
(a) Deferred revenue expenditure [Refer note 19 (a)]	328	353
(b) Interest accrued but not due on investments	230	211
(c) Assets held for sale*	223	223
(d) Dividend receivable from subsidiaries	–	10,412
(e) Rental income accrued	87	44
<b>Total</b>	<b>868</b>	<b>11,243</b>

\* The Company has repossessed land and building of ₹ 223 Lakh on behalf of its subsidiary Tata Capital Financial Services Limited in settlement of its loan outstanding.

**NOTE "19(a)"**

(₹ in lakh)

<b>DEFERRED REVENUE EXPENDITURE</b>	<b>As at March 31, 2016</b>	<b>As at March 31, 2015</b>
<b>Unamortised share issue expenses</b>		
Opening Balance	528	608
Add: expenses incurred during the year	582	293
Less: written off during the year	535	373
<b>Closing Balance</b>	<b>575</b>	<b>528</b>

**NOTES TO AND FORMING PART OF THE STATEMENT OF  
PROFIT AND LOSS FOR THE YEAR ENDED MARCH 31, 2016**

**NOTE “20”**

(₹ in lakh)

<b>REVENUE FROM OPERATIONS</b>	<b>For the year ended March 31, 2016</b>	<b>For the year ended March 31, 2015</b>
(a) Dividend from Non-Current Investments *	17,588	12,901
(b) Income from advisory services **	5,001	5,132
(c) Interest on ICDs and investments	10,119	4,408
<b>Total</b>	<b>32,708</b>	<b>22,441</b>

\* Includes dividend income from subsidiaries ₹ 14,822 lakh (Previous Year ₹ 11,934 lakh)

\*\* Includes income in foreign currency ₹ 3,141 lakh (Previous Year ₹ 2,857 lakh)

**NOTE “21”**

(₹ in lakh)

<b>OTHER INCOME</b>	<b>For the year ended March 31, 2016</b>	<b>For the year ended March 31, 2015</b>
(a) Income from managerial services	1,080	748
(b) Income from property management	1,188	1,162
(c) Profit on sale of non-current investments	286	–
(d) Miscellaneous Income	209	3
<b>Total</b>	<b>2,763</b>	<b>1,913</b>

**NOTE “22”**

(₹ in lakh)

<b>FINANCE COSTS</b>	<b>For the year ended March 31, 2016</b>	<b>For the year ended March 31, 2015</b>
(a) Interest expense on share application money	62	33
(b) Interest expense on inter-corporate deposits	–	326
(c) Discounting charges on commercial paper	8,914	3,730
<b>Total</b>	<b>8,976</b>	<b>4,089</b>

**NOTE “23”**

(₹ in lakh)

<b>EMPLOYEE BENEFITS EXPENSES</b>	<b>For the year ended March 31, 2016</b>	<b>For the year ended March 31, 2015</b>
(a) Salaries, wages and bonus	4,301	2,918
(b) Contribution to provident and other funds [Refer note 28]	323	307
(c) Staff welfare expenses	46	42
<b>Total</b>	<b>4,670</b>	<b>3,267</b>

**NOTES TO AND FORMING PART OF THE STATEMENT OF  
PROFIT AND LOSS FOR THE YEAR ENDED MARCH 31, 2016**

**NOTE “24”**

(₹ in lakh)

<b>OTHER OPERATING EXPENSES</b>	<b>For the year ended March 31, 2016</b>	<b>For the year ended March 31, 2015</b>
(a) Advertisements and publicity	99	66
(b) Directors' remuneration	86	20
(c) Incentive, commission and brokerage	16	7
(d) Insurance	49	14
(e) Legal and professional fees	636	842
(f) Membership and subscription	50	57
(g) Printing and stationery	24	22
(h) Provision for diminution in value of investments	2,008	1,297
(i) Provision for rebate on advisory fees	–	(525)
(j) Provisions against Standard Assets	299	93
(k) Rates and taxes	256	123
(l) Rebate on advisory fees	–	526
(m) Rent (including maintainance)	146	122
(n) Telephone charges	38	31
(o) Travelling and conveyance	475	439
(p) Others (Refer Note 24 (a))	292	219
<b>Total</b>	<b>4,474</b>	<b>3,353</b>

**NOTE “24 (a)”**

(₹ in lakh)

<b>AUDITOR'S REMUNERATION (excl. Service Tax)</b>	<b>For the year ended March 31, 2016</b>	<b>For the year ended March 31, 2015</b>
(a) Audit fees	17	13
(b) Tax audit fees	2	2
(c) Other services	13	7
(d) Towards reimbursement of expenses	1	–

(Auditor's Remuneration is included in Others)

**NOTE “24 (b)”**

(₹ in lakh)

<b>EXPENDITURE IN FOREIGN CURRENCIES</b>	<b>For the year ended March 31, 2016</b>	<b>For the year ended March 31, 2015</b>
(a) Advertisements and Publicity	1	–
(b) Membership and subscription	18	12
(c) Legal and professional fees	2	3
(d) Travelling and conveyance	68	50
<b>Total</b>	<b>89</b>	<b>65</b>



**NOTE “25” : PROVISIONS AND CONTINGENT LIABILITIES**

i. Movement in Contingent Provision against Standard Assets during the year is as under:

(₹ in lakh)

Particulars	For the year ended March 31, 2016	For the year ended March 31, 2015
<b>Opening Balance</b>	<b>152</b>	<b>59</b>
Additions during the year	299	93
Utilised during the year	–	–
<b>Closing Balance</b>	<b>451</b>	<b>152</b>

ii. Movement in other provisions during the year is as under:

(₹ in lakh)

Particulars	For the year ended March 31, 2016	For the year ended March 31, 2015
<b>Opening Balance</b>	<b>–</b>	<b>398</b>
Additions during the year	–	–
Utilised during the year	–	(398)
<b>Closing Balance</b>	<b>–</b>	<b>–</b>

iii. Claims not acknowledged by the Company relating to cases contested by the Company and which are not likely to be devolved on the Company relating to the following areas:

(₹ in lakh)

Particulars	As at March 31, 2016	As at March 31, 2015
Income Tax (Pending before Appellate authorities)	7,096	6,686
Value Added Tax (Pending before Sales Tax Appellate Authorities)	104	182
<b>Total</b>	<b>7,200</b>	<b>6,868</b>

**NOTE “26” : COMMITMENTS :**

- i. Commitment to invest in Tata Capital Special Situations Fund amounting to ₹ 22 lakh (as at March 31, 2015 : ₹ 194 lakh).
- ii. Commitment to invest in Tata Capital Healthcare Fund I amounting to ₹ 1,119 lakh (as at March 31, 2015 : ₹ 5,074 lakh).
- iii. Commitment to invest in Tata Capital Growth Fund amounting to ₹ 3,841 lakh (as at March 31, 2015 : ₹ 8,191 lakh).
- iv. Commitment to invest in Tata Capital Innovations Fund amounting to ₹ 1,358 lakh (as at March 31, 2015 : ₹ 3,834 lakh).
- v. Commitment to co-invest with Omega TC Holdings Pte. Ltd USD 17.10 Million (₹ 11,308 lakh) (as at March 31, 2015 : USD 29.02 Million (₹ 18,114 lakh)).
- vi. Guarantees issued to National Housing Bank on behalf of Tata Capital Housing Finance Limited ₹ 120,000 lakh (As at March 31, 2015 ₹ 120,000 lakh) against which the outstanding amount is ₹ 94,036 lakh (As at March 31, 2015 ₹ 104,235 lakh). Pursuant to the terms of the Guarantee, the Company's liability on invocation is capped at the outstanding amount.

**NOTE “27” : EMPLOYEE STOCK PURCHASE / OPTION SCHEME:**

- (a) In March 2010, the Company at its extra-ordinary general meeting approved the “Tata Capital Limited Employee Stock Purchase/Option Scheme” (the “ESOP Scheme”). Pursuant to this scheme, a Trust under the name of “TCL Employee Welfare Trust” has been constituted to administer the ESOP scheme.
- (b) The Company has issued 63,400,000 Equity Shares of ₹ 10 each at a premium of ₹ 2 per share in FY 2009-10 and 6,834,526 Equity Shares of ₹ 10 each at a premium of ₹ 10 per share in FY 2012-13 to the Trust. The Trust transfers shares to the employees of the Company & its subsidiaries under the ESOP scheme.
- (c) The Company had provided finance of ₹ 6,904 lakh in the FY 2009-10 to the Trust to enable it to finance the Company’s shares subscribed for by it. The outstanding balance of loan to the Trust / Employees is ₹ 4 lakh (Previous Year : ₹ 4 lakh).
- (d) Based on the guidance note on “Employee Share - Based Payments” issued by Institute of Chartered Accountants of India, the Company has adopted the intrinsic method of accounting for ESOP.
- (e) The following is the disclosure as required under the guidance note on “Employee Share - Based Payments” issued by Institute of Chartered Accountants of India.
- (i) The impact on Earnings per Share if the ‘fair value’ of the options (on the date of the grant) were considered instead of the ‘intrinsic value’ is as under:

(₹ in lakh)

Particulars	For the year ended	
	March 31, 2016	March 31, 2015
Net Profit (as reported)	15,280	11,549
Less: Fair value compensation costs	85	178
Net Profit (proforma)	15,195	11,371
Basic EPS (Reported & Proforma) - (₹)	0.11	0.14
Diluted EPS (Reported & Proforma) - (₹)	0.11	0.14

- (ii) Description of each type of employee share-based payment plan that existed at any time during the year includes the following -

Particulars	Plan 2011	Plan 2013	Plan 2016
Year in which Plan rolled out	2011-12	2012-13	2015-16
Vesting conditions	1/3rd each at the end of 12 months, 24 months and 36 months from the grant date.	1/3rd each at the end of 12 months, 24 months and 36 months from the grant date.	100% vesting at the end of 12 months from the grant date.
Range of Vesting period	1 to 3 years	1 to 3 years	1 year
Range of Exercise period	3 years from vesting date	3 years from vesting date	1 year from vesting date
Method of settlement	Equity Settled	Equity Settled	Equity Settled

(iii) Employee stock options details as on the Balance Sheet date are as follows:

Particulars	For the year ended			
	March 31, 2016		March 31, 2015	
	No. of options	WAEP(₹)*	No. of options	WAEP (₹)*
Outstanding at the beginning of the year	4,980,494	21.52	7,530,068	22.37
Granted during the year	11,945,000	30.00	–	–
Forfeited / Lapsed during the year	684,263	20.69	2,170,694	24.57
Exercised during the year	600,972	18.46	378,880	20.86
Outstanding at the end of the year	15,640,259	28.15	4,980,494	21.52
Exercisable at the end of the year	2,921,761	21.43	3,232,450	19.64

\* WAEP = Weighted Average Exercise Price

(iv) Range of exercise price and weighted average remaining contractual life for options outstanding at the end of the year

Particulars	Plan 2011	Plan 2013	Plan 2016
Range of exercise prices	17.77	25.00	30.00
Weighted average remaining contractual life			
Vesting period (in years)	0.00	0.33	1.00
Exercise period post vesting (in years)	0.95	2.03	1.00

(v) The fair value of the options granted during the year has been determined under the Black-Scholes model. The assumptions used in this model for calculating fair value are as below:

Particulars	Plan 2016
Weighted average share price	30.00
Exercise price	30.00
Expected volatility (based on volatility of comparable companies over 2 years)	0.38
Option life (vesting and exercise period)	2 years
Expected dividends	Nil
Risk free interest rate	8.00%

(vi) No other instruments were granted during the year other than the stock options as disclosed above.

(vii) No modifications were made to the Schemes that require disclosures under Guidance Note on "Employee Share - Based Payments" issued by Institute of Chartered Accountants of India.

(viii) Other information regarding employee share-based payment plans is as below :

(₹ in lakh)

Particulars	For the year ended	
	March 31, 2016	March 31, 2015
Weighted average share price during the year	30.00	26.65
Expense arising from employee share-based payment plans	Nil	Nil
Expense arising from share and stock option plans	Nil	Nil
Closing balance of liability for cash stock appreciation plan	Nil	Nil
Expense arising from increase in fair value of liability for cash stock appreciation plan	Nil	Nil

**NOTE "28" : EMPLOYEE BENEFITS****Defined Contribution Plans**

The Company makes Provident Fund and Superannuation Fund contributions to defined contribution retirement benefit plans for eligible employees. Under the schemes, the Company is required to contribute a specified percentage of the payroll costs to fund the benefits. The contributions as specified under the law are paid to the provident fund set up as a Trust by the Company. The Company is generally liable for annual contributions and any deficiency in interest cost compared to interest computed based on the rate of interest declared by the Central Government under the Employees' Provident Fund Scheme, 1952 is recognised, as an expense in the year it is determined.

The provident fund set up as a Trust by the Company manages the contributions from the Company and other participating subsidiaries. As of March 31, 2016, the accumulated members' corpus of the Company is ₹ 2,993 lakh whereas the total fair value of the assets of the fund and the total accumulated members' corpus is ₹ 14,169 lakh and ₹ 13,695 lakh respectively. In accordance with an actuarial valuation, there is no deficiency in the interest cost as the present value of the expected future earnings on the fund is greater than the expected amount to be credited to the individual members based on the expected guaranteed rate of interest of 8.75% for the first year and 8.60% thereafter. The actuarial assumptions include discount rate of 8.20%.

The Company recognised a charge of ₹ 141 lakh (Previous year ₹ 117 lakh) for provident fund and family pension fund contribution and ₹ 61 lakh (Previous year ₹ 50 lakh) for Superannuation contribution, in Statement the Profit and Loss.

**Defined Benefits Plans**

The Company offers its employees defined-benefit plans in the form of a gratuity scheme (a lump sum amount). Benefits under the defined benefit plans are typically based on years of service and the employee's compensation (generally immediately before separation). The gratuity scheme covers all regular employees. Commitments are actuarially determined at the year-end. These commitments are valued at the present value of the expected future payments, with consideration for calculated future salary increases, using a discount rate corresponding to the interest rate estimated by the actuary having regard to the interest rate on government bonds with a remaining term that is almost equivalent to the average balance working period of employees. Actuarial valuation is done based on "Projected Unit Credit" method. Gains and losses of changed actuarial assumptions are charged to the Statement of Profit and Loss.

**Reconciliation of Benefit Obligations and Plan Assets**

(₹ in lakh)

Particulars	2015-16	2014-15
<b>Change in Defined Benefit Obligation</b>		
Opening Defined Benefit Obligation	446	288
Current Service Cost	58	44
Interest Cost	34	24
Acquisitions Cost / (Credit)	45	27
Actuarial Losses / (Gain)	41	120
Benefits Paid	(18)	(57)
Closing Defined Benefit Obligation	606	446

Particulars	2015-16	2014-15
<b>Change in the Fair Value of Assets</b>		
Opening Fair Value of Plan Assets	414	280
Transfer in	61	8
Expected Return on Plan Assets	37	26
Contributions by Employer	51	135
Actuarial Gains / (Losses)	(25)	22
Benefits paid	(18)	(57)
Closing Fair Value of Plan Assets	520	414
<b>Composition of the plan assets</b>		
<b>Investment Pattern</b>		
Government bonds	43.79%	40.33%
Equity mutual funds	22.88%	16.80%
Bonds / Debentures	23.93%	34.51%
Others (including assets under Schemes of Insurance)	9.40%	8.36%
<b>Total</b>	<b>100.00%</b>	<b>100.00%</b>
<b>Reconciliation of present value of the obligation and the Fair Value of the Plan Assets</b>		
Fair Value of plan assets at the end of the year	520	414
Present value of the defined obligations at the end of the year	606	446
Funded status [Surplus / (Deficit)]	(86)	(32)
Net Asset /(Liability) recognised in the Balance Sheet	(86)	(32)
<b>Net Gratuity cost</b>		
Service Cost	58	44
Interest on Defined benefit Obligation	34	24
Expected return on plan assets	(37)	(26)
Net actuarial loss recognised in the year	66	98
Net Gratuity Cost as included in Employee Benefit Expenses [Refer Note 23 (b)]	121	140
<b>Assumptions</b>		
Discount Rate	8.20%	7.80%
Expected Rate of Return on Plan Assets	8.00% p.a	8.00% p.a
Salary Escalation Rate	7.50% p.a for first 5 years and 5% thereafter	7.50% p.a for first 5 years and 5% thereafter
Mortality Rate	Indian assured lives Mortality (2006- 08) (modified) Ult.	Indian assured lives Mortality (2006- 08) (modified) Ult.
Withdrawal Rate	0-2 years 10% 3-4 years 5% 5-9 years 2.5% 10 years & more 1%	0-2 years 10% 3-4 years 5% 5-9 years 2.5% 10 years & more 1%

The estimate of future salary increase, considered in the actuarial valuation, takes into account inflation, seniority, promotion, and other relevant factors. The above information is certified by the actuary.

Experience History	2015-16	2014-15	2013-14	2012-13	2011-12
Defined Benefit Obligation	(606)	(446)	(288)	(257)	(187)
Plan Assets	520	414	280	192	168
Funded Status	(86)	(32)	(8)	(65)	(19)
Experience Gain/ (Loss) Adjustment :					
– On Plan Liabilities	(52)	(63)	(13)	(8)	(13)
– On Plan Assets	(25)	22	11	(19)	14
Actuarial Gain / (Loss) due to change in assumptions	12	(56)	31	(17)	3

The Company expects to contribute approximately ₹ 24 lakh (Previous year ₹ 26 lakh) to the gratuity fund for the year 2016-17.

#### Long-Term Service Award :

Long-Term Service award is an employee benefit in recognition for their loyalty and continuity of service for five years and above, the same is actuarially valued (Unfunded). The Long-Term Service awards expense for financial year 2015-16 is ₹ 1 lakh (Previous year ₹ 1 lakh) and the provision as at March 31, 2016 is ₹ 5 lakh (Previous year ₹ 5 lakh)

**NOTE “29” : Disclosure as required by Accounting Standard (AS) – 18 on “Related Party Disclosures” notified under the Companies (Accounting Standard) Rules, 2006:**

**i. List of related parties and relationship:**

<b>Holding Company</b>	Tata Sons Limited
<b>Subsidiaries</b>	Tata Capital Financial Services Limited Tata Capital Housing Finance Limited Tata Cleantech Capital Limited Tata Capital Pte. Limited Tata Securities Limited TC Travel and Services Limited Tata Capital Forex Limited Tata Capital Growth Fund Tata Infrastructure Capital Limited India Collections Management Limited
<b>Indirect Subsidiaries</b>	Tata Capital Markets Pte. Limited Tata Capital Advisors Pte. Limited Tata Capital Plc Tata Capital General Partners LLP Tata Capital Healthcare General Partners LLP Tata Opportunities General Partners LLP
<b>Associates</b>	Tata AutoComp Systems Limited Tata Capital Special Situations Fund Tata Capital Healthcare Fund I Tata Capital Innovations Fund Hemisphere Properties India Limited (upto March 26, 2015)
<b>Joint Ventures</b>	Nectar Loyalty Management India Limited
<b>Fellow Subsidiaries</b> (with which the Company had transactions)	Tata AIG General Insurance Company Limited Tata Sky Limited Tata Business Support Services Limited (Refer note 39) Tata Consultancy Services Limited Panatone Finvest Limited Tata International Limited Tata AIA Life Insurance Company Limited
<b>Key Management Personnel</b>	Mr. Praveen P Kadle - Managing Director & CEO

**ii. Transactions with related parties :**

(₹ in lakh)

Sr. No.	Party Name	Nature of transaction	2015-16	2014-15
1	Tata Sons Limited	a) Expenditure – Brand Equity Contribution	58	30
		b) Security Deposit received	2	1
		c) Security Deposit repaid	3	–
		d) Balance Receivable/(Payable)	(52)	13
2	Tata Capital Financial Services Limited	a) Investments in Tier II Bonds made during the year	–	20,000
		b) Investment in Preference Shares made during the year	16,000	–
		c) Investment in Perpetual Debt made during the year	10,000	–
		d) ICDs placed during the year	700,373	253,819
		e) ICDs repaid back during the year	652,421	264,309
		f) Security Deposit outstanding - Payable	4,665	4,665
		g) Security Deposit outstanding - Receivable	–	3
		h) Security Deposit refund received	3	–
		i) Dividend received during the year	17,704	6,488
		j) Interest on Deposits and Investments	6,991	3,047
		k) Rental Income	941	741
		l) Marketing & Managerial Service Fees Income	780	582
		m) Expenditure – SLA fees expenses	–	42
		– Rent expenses	14	11
		– Guest house charges	3	6
		– Insurance expenses	8	–
		n) Reimbursement of Expenses – Insurance expenses	–	92
		– Electricity expenses	70	82
		– Marketing & Managerial Service	342	411
		o) Payment towards arranger fees	188	27
		p) ICDs Outstanding - Receivable	50,552	2,600
		q) Dividend Receivable	–	7,785
		r) Balance Receivable	190	227
		s) Investment in Compulsorily Convertible Cumulative Preference shares - outstanding	16,000	–
		t) Investment in Non-Convertible Subordinated debentures - outstanding	5,000	20,000
		u) Investment in Perpetual Non-Convertible debentures - outstanding	10,000	–
3	Tata Capital Housing Finance Limited	a) Investments in Preference shares made during the year	24,500	16,000
		b) ICDs placed during the year	353,190	99,320
		c) ICDs repaid back during the year	331,970	99,320
		d) Security Deposit outstanding - Receivable	–	1
		e) Security Deposit refund received	1	–
		f) Interest on Deposits and Investments	1,775	568
		g) Marketing & Managerial Service Fees Income	300	166
		h) Dividend received during the year	7,530	1,521



Sr. No.	Party Name	Nature of transaction	2015-16	2014-15
		i) Reimbursement of Expenses – Telephone Expenses – Insurance Expenses – Marketing & Managerial Service j) ICDs Outstanding - Receivable k) Dividend Receivable l) Balance Receivable m) Investment in Compulsorily Convertible Cumulative Preference shares - outstanding n) Investment in Subordinated debentures - outstanding	1 – 140 21,220 – 63 65,900 3,300	– 30 128 – 2,627 32 41,400 3,300
4	Tata Securities Limited	a) ICDs placed during the year b) ICDs repaid back during the year c) Security Deposit paid d) Security Deposit refund received e) Income – Interest income on ICDs placed – Rental Income f) Reimbursement of Expenses – Salary expenses – Electricity expenses – Insurance expenses g) Payment towards arranger fees h) ICDs Outstanding Receivable i) Balance Receivable j) Investment in Compulsorily Convertible Cumulative Preference shares - outstanding	1,034 – 2 2 111 – 14 – – 173 1,434 – 1,500	400 800 – – 41 105 – 9 2 41 400 220 1,500
5	TC Travel and Services Limited	a) ICDs placed during the year b) ICDs repaid back during the year c) Interest income on ICDs placed d) Expenditure – Service providers' charges e) Security Deposit paid f) Security Deposit refund received g) ICDs Outstanding Receivable h) Balance Receivable	4,500 4,025 71 260 3 3 1,125 –	1,675 2,680 126 215 – – 650 24
6	Tata Capital Forex Limited	a) ICDs placed during the year b) ICDs repaid back during the year c) Interest income on ICDs placed d) Expenditure – Service providers' charges e) Security Deposit paid f) Security Deposit refund received g) ICDs Outstanding Receivable	5,250 4,050 302 90 2 2 3,500	3,500 1,200 70 74 – – 2,300
7	Tata Capital Pte. Limited	a) Balance Payable	–	5
8	Tata Capital Advisors Pte Limited	a) Income – Advisory Fees b) Balance Receivable	3,141 190	2,857 129
9	Tata Capital Healthcare Fund I	a) Investment in Units of Fund made during the year	3,954	469

Sr. No.	Party Name	Nature of transaction	2015-16	2014-15
		b) Income – Asset Management Fees – FD Interest – Distribution of Interest on delayed Capital Call	<b>431</b> <b>34</b> <b>1</b>	635 – –
		c) Advance income received	<b>24</b>	–
		d) Balance Receivable	<b>11</b>	124
10	Tata Capital Growth Fund	a) Investment in Units of Fund made during the year	<b>4,350</b>	3,604
		b) Income – Asset Management Fees	<b>321</b>	628
		c) Income – FD Interest and Sitting Fees – Dividend Distribution	<b>38</b> <b>1,601</b>	– –
		d) Balance Payable	–	56
		e) Balance Receivable	<b>17</b>	–
11	Tata Capital Innovations Fund	a) Investment in Units of Fund made during the year	<b>2,476</b>	870
		b) Income – Asset Management Fees – FD Interest	<b>574</b> <b>4</b>	573 –
		c) Advance Income received	<b>188</b>	188
		d) Balance Receivable	<b>1</b>	–
12	Tata Capital Special Situations Fund	a) Investment in Units of Fund made during the year	<b>172</b>	2,207
		b) Proceeds from Divestment	<b>519</b>	–
		c) Income – Asset Management Fees	<b>535</b>	440
		d) Rebate of Asset Management Fees	–	526
		e) Advance Income received	<b>362</b>	377
		f) Balance Receivable	<b>1</b>	–
13	Tata Cleantech Capital Limited	a) Investment in Equity Shares made during the year	–	18,515
		b) ICDs placed during the year	<b>87,069</b>	57,245
		c) ICDs repaid back during the year	<b>95,993</b>	30,568
		d) Security Deposit paid	<b>2</b>	–
		e) Security Deposit refund received	<b>2</b>	–
		f) Interest income on ICDs placed	<b>835</b>	542
		g) Expenditure - Employee benefits expense	<b>4</b>	–
		h) Reimbursement of Expenses – Insurance Expenses	–	1
		i) ICDs Outstanding Receivable	<b>22,636</b>	31,560
14	Tata Business Support Services Limited	a) ICDs placed during the year	<b>1,100</b>	1,050
		b) ICDs repaid back during the year	<b>500</b>	1,050
		c) Interest income on ICDs placed	<b>34</b>	15
		d) Rental Income	<b>227</b>	227
		e) Dividend received during the year	<b>197</b>	–
		f) Expenditure - Service providers' charges	<b>10</b>	18

<b>Sr. No.</b>	<b>Party Name</b>	<b>Nature of transaction</b>	<b>2015-16</b>	<b>2014-15</b>
		g) Reimbursement of expenses – Electricity expenses	<b>188</b>	136
		h) ICDs Outstanding Receivable	<b>600</b>	–
		i) Balance Receivable	<b>37</b>	–
		j) Investment in Cumulative Redeemable Preference shares - outstanding	<b>1,500</b>	1,500
15	Tata Consultancy Services Limited	a) Expenditure - IT expenses b) Balance Payable	<b>13</b> <b>(12)</b>	– –
16	Tata AIG General Insurance Company Limited	a) Expenditure - Insurance Premium b) Insurance claim received	<b>6</b> <b>7</b>	7 –
17	Tata AutoComp Systems Limited	a) Dividend received during the year	<b>966</b>	966
18	Tata Sky Limited	a) Investment in Equity Shares made during the year	–	3,105
19	Tata AIA Life Insurance Company Limited	a) Expenditure - Insurance Premium b) Insurance claim received	<b>4</b> <b>4</b>	11 5
20	Panatone Finvest Limited	a) Sale of Investments	–	1
21	Tata International Limited	a) Purchase of shares of Tata Projects Limited	<b>476</b>	–
22	Tata Infrastructure Capital Limited	a) Security Deposit paid b) Security Deposit refund received	<b>1</b> <b>1</b>	– –
23	Key Management Personnel (KMP)	a) Remuneration b) Issue of Cumulative Redeemable Preference Shares c) Payment of Dividend on Cumulative Redeemable Preference Shares	<b>458</b> – <b>31</b>	415 100 14

## NOTE "30" :

EARNINGS PER SHARE (EPS)		2015-16	2014-15
Profit after tax	₹ in lakh	15,280	11,549
Less: Preference dividend payable to cumulative redeemable preference shareholders	₹ in lakh	12,147	7,676
Profit after tax available for equity shareholders	₹ in lakh	3,133	3,872
Weighted average number of Equity shares used in computing Basic EPS	Nos	2,825,982,144	2,825,982,123
Face value of equity shares	₹	10	10
<b>Basic EPS</b>	₹	<b>0.11</b>	<b>0.14</b>
Profit after tax available for equity shareholders	₹ in Lakh	3,133	3,872
Weighted average number of Equity Shares used in computing Basic EPS	Nos	2,825,982,144	2,825,982,123
Add: Potential weighted average number of Equity shares	Nos	36,026	36,047
Weighted average number of shares in computing Diluted EPS	Nos	2,826,018,170	2,826,018,170
Face value of equity shares	₹	10	10
<b>Diluted EPS</b>	₹	<b>0.11</b>	<b>0.14</b>

## Notes :

- 1) Shares under the ESOP Schemes are issued at intrinsic value. [Refer Note 2(xi)(f)]
- 2) The earnings per equity share is calculated on the basis of net profit for the year after deducting the amount of preference dividends on cumulative redeemable preference shares and taxes attributable thereto, net of set off available.

**NOTE “31” : SEGMENT REPORTING**

In accordance with Accounting Standard 17 on Segment Reporting, the Company has identified three business segments i.e. Investment Activity, Advisory services and Others (includes property management services and managerial & marketing services) and one Geographical Segment viz. India, as secondary segment.

(₹ in lakh)

Particulars	For the year ended March 31, 2016	For the year ended March 31, 2015
<b>I Segment Revenue</b>		
(a) Investment Activity	26,111	17,309
(b) Advisory services	6,956	5,132
(c) Others	2,393	1,911
(d) Unallocated	11	2
<b>Total</b>	<b>35,471</b>	<b>24,354</b>
<b>II Segment Results</b>		
(a) Investment Activity	18,191	14,507
(b) Advisory services	(799)	(1,067)
(c) Others	601	503
(d) Unallocated	(1,922)	(1,440)
<b>Profit before taxation</b>	<b>16,071</b>	<b>12,503</b>
Less : Provision for taxation	791	954
<b>Profit after taxation</b>	<b>15,280</b>	<b>11,549</b>
Particulars	As at March 31, 2016	As at March 31, 2015
<b>III Segment Assets</b>		
(a) Investment Activity	571,352	481,872
(b) Advisory services	44,304	33,530
(c) Others	10,897	11,675
(d) Unallocated	4,673	15,938
<b>Total</b>	<b>631,226</b>	<b>543,015</b>

(₹ in lakh)

Particulars	As at March 31, 2016	As at March 31, 2015
<b>IV Segment Liabilities</b>		
(a) Investment Activity	94,689	58,284
(b) Advisory services	44,511	34,089
(c) Others	5,322	4,861
(d) Unallocated	12,215	19,379
<b>Total</b>	<b>156,737</b>	<b>116,613</b>
Particulars	For the year ended March 31, 2016	For the year ended March 31, 2015
<b>V Capital Expenditure</b> (including Capital Work-in-Progress)		
(a) Investment Activity	–	–
(b) Advisory services	–	–
(c) Others	–	–
(d) Unallocated	81	192
<b>Total</b>	<b>81</b>	<b>192</b>
<b>VI Depreciation</b>		
(a) Investment Activity	–	–
(b) Advisory services	41	40
(c) Others	616	643
(d) Unallocated	88	86
<b>Total</b>	<b>745</b>	<b>769</b>
<b>VII Significant Non-Cash Expenses Other than Depreciation</b>		
(a) Investment Activity	2,307	1,390
(b) Advisory services	–	–
(c) Others	–	–
(d) Unallocated	535	373
<b>Total</b>	<b>2,842</b>	<b>1,763</b>

**NOTE “32” : Details of the Company’s interest in its Joint Venture, having Joint Control, as per the requirement of Accounting Standard (AS) - 27 on “Financial Reporting of Interests in Joint Venture”**

(₹ in lakh)

Sr. No.	Particulars	Nectar Loyalty Management India Ltd (Incorporated and Registered in India)	
		For the year ended March 31, 2016 [Refer Footnote 1]	For the year ended March 31, 2015 [Refer Footnote 1]
	% Shares Held	49%	49%
(a)	Assets	201	201
(b)	Liabilities	605	605
(c)	Income	–	–
(d)	Expenses	521	521
(e)	Other Matters – Contingent Liability	–	–

**Footnotes:**

- 1) As per the latest available audited financial statements as at and for the year ended March 31, 2015, with the share of loss restricted upto the aggregate amount of investment by the Company.
- 2) Nectar Loyalty Management India Limited (“Nectar”) is a joint venture with AIMIA (formerly known as Groupe Aeroplan Inc.), the Canadian Loyalty Management giant, to launch a multi-party coalition loyalty program in India modeled on the lines of Nectar, which is Group Aeroplan’s highly acclaimed coalition loyalty program in the UK and Italy. Tata Capital holds 49% in the joint venture. The Company has fully provided for its investment in debentures and equity shares in the joint venture during the previous year as the operations of Nectar are held in abeyance since the previous year.

**NOTE “33” : Core Investment Company (“CIC”) Compliance Ratios**

Sr. No.	Particulars	As at March 31, 2016	As at March 31, 2015
(a)	Investments & loans to group companies as a proportion of Net Assets (%)	91%	91%
(b)	Investments in equity shares and compulsorily convertible instruments of group companies as a proportion of Net Assets (%)	72%	77%
(c)	Capital Adequacy Ratio (%) [Adjusted Net worth / Risk Weighted Assets]	46%	52%
(d)	Leverage Ratio (Times) [Outside liabilities / Adjusted Network]	0.75	0.68

## NOTE "34" : Exposure to Real Estate Sector

(₹ in lakh)

Category		As at March 31, 2016	As at March 31, 2015
i)	<b>Direct Exposure</b>		
	<b>Residential Mortgages -</b>	<b>NIL</b>	<b>NIL</b>
	Lending fully secured by mortgages on residential property that is or will be occupied by the borrower or that is rented:		
	- Individual housing loans up to ₹ 15 lakh	<b>NIL</b>	<b>NIL</b>
	- Individual housing loans above ₹ 15 lakh	<b>NIL</b>	<b>NIL</b>
	<b>Commercial Real Estate -</b>	<b>NIL</b>	<b>NIL</b>
	Lending secured by mortgages on commercial real estates (office buildings, retail space, multipurpose commercial premises, multi-family residential buildings, multi-tenanted commercial premises, industrial or warehouse space, hotels, land acquisition, development and construction, etc). Exposure includes non-fund based (NFB) limits.		
Investments in Mortgage Backed Securities (MBS) and other securitised exposures -			
1. Residential	<b>NIL</b>	<b>NIL</b>	
2. Commercial Real Estate	<b>NIL</b>	<b>NIL</b>	
ii)	<b>Indirect Exposure</b>		
	Fund based exposure on Housing Finance Companies	<b>96,800</b>	72,300
	Non-fund based exposure on National Housing Bank [Refer Note 26(vi)]	<b>120,000</b>	120,000



**NOTE “35” : Asset Liability Management**

Maturity pattern of certain items of Assets and Liabilities (Based on RBI Guidelines)

**For the year 2015-16**

(₹ in lakh)

Particulars	Liabilities		Assets	
	Borrowings from Banks	Market Borrowings	Advances	Investments
1 day to 30/31 days (One month)	–	29,822	50,552	–
Over 1 month to 2 months	–	41,529	884	–
Over 2 months to 3 months	–	39,308	21,220	–
Over 3 months to 6 months	–	9,701	950	–
Over 6 months to 1 year	–	17,570	27,461	–
Over 1 year to 3 years	–	–	–	1,500
Over 3 years to 5 years	–	–	–	–
Over 5 years	–	–	–	512,251
<b>Total</b>	<b>–</b>	<b>137,930</b>	<b>101,067</b>	<b>513,751</b>

**For the year 2014-15**

(₹ in lakh)

Particulars	Liabilities		Assets	
	Borrowings from Banks	Market Borrowings	Advances	Investments
1 day to 30/31 days (One month)	–	19,881	3,000	–
Over 1 month to 2 months	–	24,675	–	–
Over 2 months to 3 months	–	28,492	–	–
Over 3 months to 6 months	–	12,055	410	–
Over 6 months to 1 year	–	6,013	34,100	–
Over 1 year to 3 years	–	–	–	–
Over 3 years to 5 years	–	–	–	1,500
Over 5 years	–	–	–	465,226
<b>Total</b>	<b>–</b>	<b>91,116</b>	<b>37,510</b>	<b>466,726</b>

**NOTE "36" : Disclosure of details as required by Revised Para 13 of Non Banking Financial Companies Prudential Norms (Reserve Bank) Directions, 2007, earlier Para 9BB of Non Banking Financial Companies Prudential Norms (Reserve Bank) Directions, 1999.**

**Liabilities Side:**

(₹ in lakh)

Particulars	Amount Outstanding		Amount Overdue	
	March 31, 2016	March 31, 2015	March 31, 2016	March 31, 2015
1) Loans and advances availed by NBFC inclusive of interest accrued thereon but not paid				
a) Debentures: (other than those falling within the meaning of Public deposit)				
(i) Secured	—	—	—	—
(ii) Unsecured	—	—	—	—
b) Deferred Credits	—	—	—	—
c) Term Loans	—	—	—	—
d) Inter-corporate loans and borrowing	—	—	—	—
e) Commercial Paper	137,930	91,116	—	—
f) Public deposits	—	—	—	—
g) Other loans	—	—	—	—

**Assets Side:**

(₹ in lakh)

Particulars	Amount Outstanding	
	March 31, 2016	March 31, 2015
2) Break up of Investments		
<b>Current Investments:</b>		
a) <b>Quoted:</b>		
(i) Debentures and Bonds	—	—
b) <b>Unquoted:</b>		
(i) Debentures and Bonds	—	—
(ii) Units of Mutual Funds	—	—
(iii) Government Securities	—	—
(iv) Others	—	—
<b>Long Term Investments (net of provisions)</b>		
a) <b>Quoted:</b>		
(i) Shares : Equity	46	109
(ii) Debentures and Bonds	—	1
(iii) Government Securities	—	—
b) <b>Unquoted:</b>		
(i) Shares : Equity	366,808	365,929
Preference	84,900	44,400
(ii) Debentures and Bonds	18,300	23,300
(iii) Others (Venture Capital Funds)	43,697	32,987

3) Investor group-wise classification of all investments (current and long-term) in shares and securities (both quoted and unquoted) (₹ in lakh)

Particulars	Market Value/Break up or fair value or NAV		Book Value (Net of Provisions)	
	2015-16	2014-15	2015-16	2014-15
a) Related Parties				
1) Subsidiaries	460,172	422,266	460,172	422,266
2) Companies in the same group	26,292	26,292	26,292	26,292
3) Other related Parties	27,241	18,059	27,241	18,059
b) Other than related parties	58	65	46	109
<b>TOTAL</b>	<b>513,763</b>	<b>466,682</b>	<b>513,751</b>	<b>466,726</b>

**Note:** Market Value/Break up Value or Fair Value or NAV is taken as same as book value in case of unquoted shares in absence of market value/break up value or fair value or NAV.

37. As at March 31, 2015, the Company had received an amount of ₹ 5,000 lakh towards share application money for issue of preference shares of the Company. The share application money was received pursuant to an invitation to offer shares and in terms of such invitation, the Company was required to complete the allotment formalities by April 28, 2015. As of March 31, 2015, pending allotment of shares, the amount was maintained in a designated bank account and was not available for use by the Company. The Company allotted the shares on April 22, 2015.
38. The Company has made an incremental standard asset provision of ₹ 30 lakh being 0.30% (FY14-15: 0.25%) of Standard Assets as of March 31, 2015, as specified by RBI Notification No. DNBR. 009/CGM (CDS)-2015 dated March 27, 2015.
39. Pursuant to a Scheme of Arrangement (the "Scheme") approved by the Hon'ble High Court of Judicature at Hyderabad and the Hon'ble High Court of Judicature at Bombay, e-Nxt Financials Limited has been amalgamated with Tata Business Support Services Limited at the Appointed Date of April 01, 2014. Post the approval of the Scheme, e-Nxt Financials Limited has ceased to be an associate of the Company with effect from the Appointed Date i.e. April 01, 2014. Since the Scheme has been approved in the current year, post the adoption of financial statements for previous year, change in classification of investments has been made in the current year.
40. The Board of Directors, of the Company at its meeting held on July 27, 2015, had approved the Scheme of Amalgamation for the amalgamation of Tata Infrastructure Capital Limited ("TICL") and India Collections Management Limited ("ICML") with the Company effective from April 1, 2015, being the Appointed Date, subject to the approval of the Members and Creditors of TICL and ICML and the Hon'ble High Courts of Judicature at Madras and Bombay. Pursuant to the Scheme of Amalgamation, all the assets and liabilities of TICL and ICML will be transferred to and vested in the Company with effect from the Appointed Date. Since TICL and ICML are wholly-owned subsidiary companies of the Company, upon the Scheme becoming effective, all the shares held by the Company in TICL and ICML would stand cancelled. The Hon'ble High Court of Judicature at Madras and Bombay have sanctioned the Scheme of Amalgamation on March 21, 2016 and April 22, 2016, respectively. Since the filing of the authenticated copy of the Order of the Hon'ble High Court of Madras and Bombay with the Registrar of Companies at Chennai and Mumbai, respectively, is pending, no effect of the Scheme of the Amalgamation has been given in the financial statements of the Company for the financial year ended March 31, 2016.
41. Figures for the previous year have been regrouped wherever necessary to correspond with the current year classification / disclosure.

For and on behalf of the Board of Directors

**Ishaat Hussain**  
(Director)

**Janki Ballabh**  
(Director)

**Nalin M. Shah**  
(Director)

**Nirmalya Kumar**  
(Director)

**Praveen P. Kadle**  
(Managing Director & CEO)

**Puneet Sharma**  
(Chief Financial Officer)

**Avan Doomasia**  
(Company Secretary)

Mumbai  
Date: May 02, 2016

**TATA CAPITAL**

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We only do what's right for you

# Talk to Us

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## **TATA CAPITAL LIMITED**

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