



**TATA CAPITAL**

We only do what's right for you

**Know • Care • Do**

**Annual Report  
2013-14**



# About Tata Capital

A subsidiary of Tata Sons Limited, Tata Capital Limited is registered with the Reserve Bank of India as a 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 range of offerings, directly or through its subsidiaries. Predominantly catering to the domestic market, it also has subsidiaries in Singapore and London.



## Our Vision

The most admired financial solutions partner.

## Our Mission

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

## Our Culture

### 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 all 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

## Board of Directors

F K Kavarana  
Ishaat Hussain  
H N Sinor  
Janki Ballabh  
F N Subedar  
Praveen P Kadle - Managing Director and  
Chief Executive Officer

## Chief Financial Officer (w.e.f. May 9, 2014)

Puneet Sharma

## Company Secretary & Compliance Officer

Sarita Kamath

## Registrars & Transfer Agents

### **For Equity Shares**

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

### **For Preference Shares**

Sharepro Services (India) Private Limited  
13 AB Samhita Warehousing Complex  
Off Andheri Kurla Road Sakinaka  
Andheri (East) Mumbai - 400 072  
Tel: +91 22 6772 0329

## Statutory Auditors

Deloitte Haskins & Sells LLP

## Registered Office

One Forbes  
Dr V B Gandhi Marg  
Fort Mumbai - 400 001  
Tel: +91 22 6745 9000  
Fax: +91 22 6610 6722

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## We only do what's right for you

The essence of the Tata Capital brand is encapsulated in its brand proposition – '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 via deep understanding of their needs, strong financial expertise and the delivery of superior and consistent customer experience across all touch-points.



# Corporate Sustainability

Corporate Sustainability is a cornerstone of Tata Capital's business operations, and it is our way of being a socially responsible and committed organisation. We have always made sincere efforts to protect the interests of all our stakeholders and to contribute to society. To this end, we lay special focus on four key areas of work: Livelihood & Employment, Health, Education and Environment.



# Our range of offerings

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 | Investment Services | Wealth Management | Commercial Finance | Infrastructure Finance | Leasing Solutions | CleanTech Finance | Equity Broking | Private Equity | Investment Banking | Rural Finance | Travel & Forex | 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, Investment Banking are brought to you by Tata Securities Limited. Regd Office : One Forbes, Dr V B Gandhi Marg, Fort, Mumbai - 400 001. Tel No. 67459000. Member of BSE Limited, SEBI Regn Nos. INB010664150 & INF011207954. Member of NSE, SEBI Regn Nos. INB/P/E 231288730, DP of CDSL, SEBI Regn No. IN-DP-CDSL-450-2008, DP of NSDL, SEBI Regn No. IN-DP-NSDL-229-2008 Merchant Banker SEBI Regn No. INM000011302, PMS SEBI Regn No. INF000003972, ARN 002 | Distributors of IPO and MF's | 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






**TATA CAPITAL**

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We only do what's right for you



## Message from the Managing Director

Dear Shareholder,

At the outset, let me thank you for your continued support and patronage of Tata Capital. We completed 6 full years of operations and are now a ~ 3,200 employee strong organisation. The last year was amongst the most extraordinary and challenging in the short history of Tata Capital. The year was eventful (i) macro headwinds impacted our asset quality; (ii) our housing finance business did extremely well; (iii) on the operating front we got PCMM level certified and received recognition for our TBEM efforts; and (iv) the Tata group withdrew its application for the banking license. We took a decision to refocus our operating model to be a pureplay NBFC enabling us to enter the next phase of our ambitious journey.

It is our sense of responsibility to our many stakeholders that enables us to move beyond the distractions of the moment and stay focused on what really matters: taking care of our clients, helping the communities in which we operate and protecting our company. Since our inception we have chosen to focus on four simple goals (i) maintaining a strong financial position; (ii) creating sustainable competitive advantages for our businesses; (iii) acquiring and developing new and varied streams of earnings; (iv) nurturing and expanding our pool of outstanding operating managers.



During the year, Fortune magazine released its latest ranking and we were ranked 288th in the Fortune 500 Indian company listing representing an improvement of 35 ranks over previous year. Tata Capital is one of three Tata Companies to show an improvement across all four ranking parameters (Revenue, Profits, Assets, and Networth). Tata Capital has slowly but steadily established its position in the top league of NBFCs, as also one of the larger Tata Companies.

I am sure that, as I take you through the highlights of the year gone by, you will be happy to note that the faith reposed in the Tata Capital team has been validated. Our consolidated advances were at ~ Rs. 28,585 crore, representing a YoY growth of ~15%, revenues were at Rs. 1,383 crore recording a YOY growth of ~ 9% and operating profits at Rs. 625 crore increased 5% YOY. Our International business has recouped all past accumulated losses and has accreted to the networth (against an investment of US\$ 21.6 million, the networth is ~US\$ 30.0 million a 39.5% accretion). We completed investments amounting to ~ 60% of the investible corpus of our domestic private equity funds and ~ 40% of the investible corpus of the overseas funds and we are already seeing valuation gains and NAV accretions on our investments. Our housing finance company was the shining star in the current financial year, reporting a portfolio and profitability growth, and

cost/income ratio improvement by 10.1%. Our enterprise risk score improved year on year for Tata Capital Financial Services Limited and Tata Capital Housing Finance Limited. However, credit losses and investment impairment severely impeded our profit after tax and return metrics. The main reason for the difference between what we should be earning and what we are earning is the extraordinarily high credit losses on our infrastructure book and few large credit exposures. We hope to correct this in the coming year and I can see some greenshoots already.

We have successfully mobilized funds in excess of Rs. 790 crore by way of private placement of our Cumulative Redeemable Preference Shares, a first of its kind issue in India and its success is largely attributable to the faith put in Tata Capital by our retail HNI investors.

We have a strong control orientation and have extensive processes to protect the company and conduct business the right way. We have strong treasury, risk, IT, human resources, audit, compliance and legal teams to support each of our businesses.

We have always recognized that our employees drive our efforts, are key contributors to our success and form the bedrock of the High Performing organization we are aiming to be. Our Employee Engagement scores measured through Gallup® have witnessed an increase from 3.98 to 4.15 in this year. We further strengthened our policies and practices during the year and moved from People Capable Maturity Model (PCMM) Level 2 to Level 3 certification i.e. from Basic HR processes to Competency-based HR practices. We aim to achieve level-5 certification by 2017, and have developed processes to achieve the desired level of maturity. We need to be thoughtful about potential successors, particularly for senior jobs. We have redoubled our efforts to ensure that we have people in the pipeline who are capable of assuming senior levels of responsibility either right away or over the three to five years. Recognizing the importance of the health and safety of our employees, we covered 9 locations housing more than 60% of our and our partner employees in OHSAS 18001:2007 certification. During the year, we launched the 'Do Right' initiative, taking forward our brand promise of 'We only do what's right for you'. The initiative is aimed at inspiring

people to 'do right' in the context of society at large, both by inspiring them with the 'right' values and by providing them with platforms to 'do right'. The latter took the form of 'Half Stories – The Journey of Doing Right', a digital and social media driven initiative which has won prestigious awards in its category, both in India and abroad.

Tata Capital has adopted the Business Excellence framework to develop and implement strategy, through focused action plans and operating processes, since inception. The key principles of the TBEM methodology are embedded into our work processes and in everything that we do. Our "excellence goal" is to achieve the prestigious JRD QV recognition. The Company completed its first Tata Business Excellence Model ("TBEM") external assessment this year. It gives me immense pleasure to inform you that Tata Capital is amongst the few applicant companies, who have been placed in the score band of 451-500 ("Good Performance"), in their very first External Assessment.

Tata Capital believes in social equity and the principle of equal opportunity, irrespective of caste or creed. To deliver on this we have adopted a two pronged approach – develop long partnerships with NGO's and promote access to quality education and technical skills and competencies for members of the SC/ST communities, thus creating economic independence and sustainable livelihoods. Tata Quality Management Services facilitates an annual review of the Affirmative Action program. This year the assessment placed Tata Capital in the score band of 40 to 50. Our company continues to do everything it can, and we have not lost sight of our strengths. Tata Capital has successfully faced and emerged victorious from crises in the past and I am optimistic about our ability to course correct expeditiously and effectively.

I take immense pleasure and privilege in thanking our esteemed shareholders for their continued faith and support. With your support and the dedication and commitment of our employees, I am sure Tata Capital will soar new heights in years to come.

Praveen P Kadle  
Managing Director and CEO  
Tata Capital Limited



## DIRECTORS' REPORT

### TO THE MEMBERS OF TATA CAPITAL LIMITED

The Directors have pleasure in presenting their Annual Report and the Audited Statements of Accounts for the year ended March 31, 2014.

#### 1. BACKGROUND

Tata Capital Limited ("Company" or "TCL") is a subsidiary of Tata Sons Limited and is 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 Directions issued by the RBI for CICs. TCL and its subsidiaries (collectively referred to as "Tata Capital") are engaged in a wide array of businesses 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

India is in transition and if it desires to regain its position as a leading emerging market investment destination, clarity and consistency of policy action is paramount. The election results hold the key. In anticipation, the equity markets have created an all time high and currency markets are buoyant. However, investors, private and foreign, will wait for stability of governance and policy action before committing long term capital to the country. At its core, India is facing a difficult economic situation on the growth, asset quality, inflation and fiscal deficit fronts. Growth is estimated to have bottomed, but recovery is predicated upon clarity of policy matters and decision making by the Government, both factors out of the control of private enterprise. Slower growth has translated into asset quality issues for the banking sector. Gross non performing loans have risen to 3.6% in FY13-14 from 2.5% in the FY 2012-13, which may have been acceptable given the capital requirements of Indian banks. However, if one includes restructured assets currently at 9.4%, the asset quality issue is a real concern. Inflation may have peaked out, but structural factors, especially on the food front, need to be adequately tackled. Monsoons will clearly be a variable in FY 14-15, given the various predictions of a below par monsoon. Lastly on the fiscal deficit, targets have been met, but many constituents continue to question the quality and means of this achievement.

The RBI and the Government have taken notable steps in FY 2013-14 to address the economic headwinds. The Government formed the Project Management Group to facilitate large projects, undertook actions on power tariffs, gas price and continued diesel price increases. The RBI initiated efforts at recognizing and cleaning up Non-Performing Assets ("NPA"). On the policy front, it introduced a shift in focus to Consumer Price Inflation (CPI) from Wholesale Price Inflation (WPI), and a move towards inflation targeting. If implemented correctly and in a time bound manner, these collectively have the ability to create a meaningful impact on the economy.

The Government's first GDP estimate for FY13-14 estimates growth at 4.9%, largely in line with market expectations. The Interim Budget which was the last budget of the UPA-II Government was "not" biased towards populist measures but focused on growth measures like reduction in excise duties on capital and consumer goods and maintaining the fiscal deficit target within limits. The key to a higher growth would be reviving investments (initially by revival of stalled projects), especially in the private sector and higher domestic savings, especially financial savings, by containing inflation and positive real return.

Debt in the private sector has risen despite India's total debt (private and public) remaining at ~ 139% of GDP in line with the last 10 years' average. Rising private-sector debt coupled with repayments to the tune of ~US\$ 20 bn annually make the economy vulnerable to international capital flows. Though the real economy is largely domestic oriented, given its dependence on capital flows, India is open to exchange volatility and its related pitfalls.

On the global front, the Federal Reserve reduced its monthly asset purchases with the last reduction for FY 13-14 being made in February 2014. The monthly purchases are down to US\$65bn (US\$ 35 bn Treasury + US\$ 30 bn Mortgage Backed Securities). Global observers expect the tapering to continue in the coming months leading to a complete wind down by end of Q2 2014-2015.

The year ahead will be challenging on the interest rate and credit quality front, however if India votes a stable Government we could see an improvement in asset quality and return growth.

### 3. FINANCIAL RESULTS

#### 3.1 Consolidated Results:

(₹ in crore)

Financial Year	2013-14	2012-13
<b>Gross Income</b>	<b>3,579</b>	<b>3,261</b>
Less:		
<u>Expenses</u>		
Finance Costs	2,148	1,968
Employee Benefits Expenses	309	261
Other Operating Expenses	702	561
Depreciation	68	48
Amortization of Expenses	11	12
<b>Profit Before Tax</b>	<b>341</b>	<b>410</b>
Less: Tax Expense	143	166
<b>Profit for the period</b>	<b>198</b>	<b>244</b>
Share of Associates and Minority Interest	16	147
<b>Balance carried to reserves</b>	<b>214</b>	<b>391</b>

The Company's book size increased from ₹ 24,740 crore as at March 31, 2013 to ₹ 28,535 crore as at March 31, 2014, on a consolidated basis. This increase of about ₹ 3,800 crore was mainly due to growth in the loan book of two major subsidiaries of the Company viz. Tata Capital Financial Services Limited ("TCFSL") - ₹ 1,500 crore and Tata Capital Housing Finance Limited ("TCHFL") - ₹ 2,150 crore.

During FY 2013-14, the Company recorded consolidated Total Income of ₹ 3,579 crore as against ₹ 3,261 crore in the previous year, an increase of about 10%. This comprised income from financing activities of ₹ 3,136 crore (Previous Year: ₹ 2,754 crore), Investment Income of ₹ 177 crore (Previous Year: ₹ 270 crore) and Other Income of ₹ 265 crore (Previous Year: ₹ 237 crore). The growth in income from financing activities was in line with the growth in advances. The reduction in the Investment Income was primarily on account of reduction in credit substitutes of TCFSL.

During the year, the Company's Net Profit after Tax, on a consolidated basis, reduced by about 45% to ₹ 214 crore (Previous Year: ₹ 391 crore). This reduction was mainly on account of lower share of the profits of associates of ₹ 16 crore (Previous Year: ₹ 147 crore). Further, the profitability was also impacted due to higher credit costs and provisions for diminution in value of investments ₹ 284 crore (Previous Year: ₹ 192 crore).

During FY 2013-14, Tata Capital's consolidated interest expense was ₹ 2,148 crore (Previous Year: ₹ 1,968 crore). This increase was on account of higher borrowings of ₹ 3,418 crore (Previous Year: ₹ 2,327 crore), in line with the growth in the loan portfolio. The increase in interest expense was also due to the higher interest rates prevailing in the economy particularly during the second and third quarters of FY 2013-14. Notwithstanding 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 2013-14 the Operating Expenses, which include credit costs and

provisions for diminution in value of investments, increased by 25% and stood at ₹ 702 crore as against ₹ 561 crore in FY 2012-13. The Operating Expenses excluding credit costs and provisions for diminution in value of investments, increased by 13%, in line with the growth in the book size. Employee costs increased from ₹ 261 crore in FY 2013-14 to ₹ 309 crore in FY 2013-14, owing to increase in manpower strength to support new businesses and growth in existing businesses and also on account of salary increments which were broadly in line with industry.

Due to a tough economic environment, the consolidated Gross NPA and Net NPA increased to 3.54% and 2.86% respectively as against 1.98% and 1.47% respectively in FY 2012-13. A provision of ₹ 15 crore (Previous Year ₹ 15 crore) was made for Standard Assets on incremental Standard Assets for the FY 2013-14. Further, a provision of ₹ 28 crore (Previous Year: Nil) 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 2013-14 was 0.53% (Previous Year: 1.73%) while the Return on Equity ("RoE") was 3.72% (Previous Year: 11.32%). For FY 2013-14, the normalized ROA was 0.96% (Previous year – 1.67%) and ROE was 6.76% (Previous year – 10.64%).

### **3.2 Unconsolidated Results:**

During FY 2013-14, the Company recorded a Gross Income of ₹ 167 crore (Previous Year: ₹ 145 crore) and Profit After Tax ("PAT") of ₹ 78 crore (Previous Year: ₹ 23 crore). The increase in PAT is mainly on account of reduced interest payments attributed to lower average borrowings of the Company. The Company met its long term funding requirements largely by way of issue during the current year of Cumulative Redeemable Preference Shares of ₹ 1000 each aggregating ₹ 479 crore.

## **4. SHARE CAPITAL**

The paid-up Equity Share Capital of the Company was ₹ 2,826 crore on March 31, 2014, which was held by Tata Sons Limited (90.28%), Tata Investment Corporation Limited (2.73%) and the TCL Employee Welfare Trust (through its Trustees) (1.96%). The balance 5.02% was held by other Tata companies, trusts, other corporates, individuals and employees of TCL and its subsidiaries.

During FY 2013-14, the Company successfully raised ₹ 479 crore through the issue of Cumulative Redeemable Preference Shares ("CRPS") of ₹ 1,000 each carrying dividend rate of 8.33 % p.a on a private placement basis.

Under the Tata Capital Limited Employee Stock Purchase / Option Scheme ("ESOP Scheme"), the Company has allotted 7,02,34,526 Equity Shares of ₹ 10/- each to the TCL Employee Welfare Trust (through its Trustees), which was set up to administer and implement the ESOP Scheme. As on March 31, 2014, the number of Equity Shares transferred to the eligible employees under the ESOP Scheme aggregated 1,47,31,794.

## **5. DIVIDEND**

The Directors have recommended, for approval of the Members, dividend @ 12.50% per annum on CRPS allotted until March 31, 2013 (issued at a premium of ₹ 500 per share) and @ 8.33% per annum on CRPS allotted post March 31, 2013 (issued at par value of ₹ 1000/- each), aggregating an amount of ₹ 57.83 crore.

In order to conserve the resources of the Company and to build up reserves and considering the business plans of the Company, the Company does not recommend payment of dividend on Equity Shares for the FY ended March 31, 2014.

## **6. OVERVIEW OF THE COMPANY AND ITS SUBSIDIARIES**

### **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. Tata Capital has completed six 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 a highly regulated area and owing to this, TCL and its subsidiaries are subject to regulations by authorities such as the Reserve Bank of India, Securities and Exchange Board of India, National Housing Bank, Monetary Authority of Singapore and 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 wide suite of product and service offerings. In the corporate segment, the Company's subsidiary TCFSL offers commercial finance, infrastructure finance and leasing solutions to corporate customers. Tata Cleantech Capital Limited ("TCCL"), also a subsidiary of the Company, provides finance and advisory services to corporate customers for renewable energy, energy efficiency and water management projects. In the consumer segment, TCFSL provides asset finance and rural finance to its retail customers. TCFSL is also engaged in the business of distribution of investment products such as mutual funds under its wealth management business and is engaged in the distribution of White Label Credit Cards and travel cards, in association with its bank partners. Tata Capital also operates in the housing finance space through another subsidiary viz. TCHFL which offers Housing Loans and Loans against Property mainly in the retail segment. Tata Capital provides investment banking and broking services to retail and institutional clients in India through its subsidiary Tata Securities Limited ("Tata Securities"). In the private equity space, the Company has sponsored Private Equity Funds in India, to which it acts as an Investment Manager. The Company's step-down wholly owned subsidiary in Singapore, Tata Capital Advisors Pte. Ltd. also acts as an Investment Manager to the Private Equity Funds set up in Singapore, to which the Company acts as an Advisor. Tata Capital offers travel and forex related services to the retail and corporate customers, through two wholly owned subsidiaries - TC Travel and Services Limited ("TCTSL") and Tata Capital Forex Limited ("TCFL"), respectively. e-Nxt Financials Limited ("e-Nxt"), an associate of the Company, is engaged in the business of Collections and Business Process Management. Tata Capital Pte. Ltd. ("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.

## 6.2 Review of Subsidiaries

As on March 31, 2014, Tata Capital had the following subsidiaries, brief details of whose performances are given below. Further, a statement containing brief financial details of each of the subsidiaries for the Financial Year ended March 31, 2014 is included in the Annual Report at Page No. 126.

### a) *Subsidiaries:*

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

TCFSL is a wholly owned subsidiary of the Company, registered with the RBI as non deposit accepting systemically important NBFC. Pursuant to the conversion of TCL into a CIC in May 2012, all the fund based and fee based activities (except private equity and investment advisory services) hitherto carried on by TCL are carried on by TCFSL. TCFSL has two main areas of business viz. Corporate Finance and Consumer Finance & Advisory.

TCFSL's average book size increased by ₹ 948 crore from ₹ 18,786 crore in FY 2012-13 to ₹ 19,734 crore in FY 2013-14. During FY 2013-14 the Gross Income marginally increased by 3% and stood at ₹ 2,783 crore (Previous Year: ₹ 2,701 crore). Its Profit after Tax for FY 2013-14 was ₹ 172 crore (Previous Year: ₹ 276 crore). This



decrease was owing to non recurring investment impairment and credit costs. The Gross and Net NPAs increased in FY 2013-14 and stood at 4.5% and 3.7% respectively compared to 2.3% and 1.7% in FY 2012-13. The Cost to Income ratio in FY 2013-14 was 47.8% as compared to 45.3% in the previous year.

### **Corporate Finance**

The Corporate Finance Division of TCFSL has two broad business segments viz. Commercial Finance and Infrastructure Finance.

### **Commercial Finance**

The Commercial Finance Division specializes in product offerings ranging from vanilla term loans, working capital loans, channel finance, bill discounting, equipment financing, leasing, lease rental discounting, promoter funding to structured products. The Division has a very strong focus on debt syndications and direct lending including equipment finance. The Division's book size grew by around 10% during FY 2013-14 and ended at ₹ 8,974 crore as compared to a book size of ₹ 8,085 crore in FY 2012-13. This Division has disbursed fresh loans of ₹ 26,491 crore in FY 2013-14 across 8 product offerings and earned a total fee income of ₹ 65.70 crore.

### **Infrastructure Finance**

The Infrastructure Finance Division has three main lines of business viz. Construction Equipment Finance, Project Finance and Equipment Rentals.

The macroeconomic environment continued to remain subdued during FY 2013-14. The Infrastructure segment as a whole was also adversely affected due to certain regulatory issues and delayed payment from government bodies. These challenges had an impact on TCFSL, resulting in reduced disbursement levels, as compared to FY 2012-13 and greater stress on the portfolio quality. TCFSL has been cautious in making fresh disbursements in the infrastructure segment and has been focusing on maintaining its asset quality. During FY 2013-14, the Division disbursed fresh loans of ₹ 2,425 crore (FY 2012-13: ₹ 3,403 crore) and closed the financial year with a decrease in the book size by 6% at ₹ 5,717 crore (FY 2012-13: ₹ 6,105 crore).

### **Leasing**

In FY 2012-13, TCFSL forayed into leasing business and has successfully made inroads into equipment leasing through strategic Vendor Programs with some leading and prominent players in IT, Transportation and Capital Goods Manufacturing sectors. This business unit also sources its leads through the Commercial and Infrastructure Finance business units. During FY 2013-14, the leasing business unit sanctioned facilities of over ₹ 230 crore and as on March 31, 2014, its book stood at ₹ 203 crore comprising of pedigreed customers from multinational, large and mid corporate segments.

Leasing solutions largely appeal to corporates conscious of asset life cycle and total cost of usage of assets. With its comprehensive solutions approach, our Leasing Solutions team is expected to be one of the key business units of Corporate Finance Division.

### **Consumer Finance:**

Tata Capital offers through its Consumer Finance and Advisory Business Division (CFAB), a wide range of consumer loans such as Auto Loans (Car and Two Wheeler), Commercial Vehicle Loans, Business Loans, Personal Loans, Consumer Durables Loan, Loans against Property, Loans against Securities and Tractor Loans.

Disbursements in F.Y. 2013-14 aggregated ₹ 4,214 crore as compared to ₹ 3,824 crore in F.Y. 2012-13, representing an increase of about 10%. While Auto Loans continued to constitute the major share of disbursements at ₹ 1,842 crore in F.Y. 2013-14 (Previous Year: ₹ 1,953 crore), the Tractor Finance business was further scaled up during the

year, with disbursements increasing to ₹ 559 crore during FY 2013-14 from ₹ 258 crore in FY 2012-13 reflecting a year on year increase of 116%. The Direct Business Vertical, which was launched in FY 2012-13, continued to work on Tata Capital's core strategy of becoming 'customer-centric' and building customer proximity, by offering a single-point interface to customers for all their financial needs.

Going forward, CFAB plans to grow its business by ramping up its existing products, improving profitability by balancing its product mix, controlling operating costs, improving recoveries & collection efficiencies and enhancing risk management.

**Others:**

Tata Card is a White Label Credit Card issued and operated by SBI Cards, a JV between SBI and GE Capital. TCFSL is responsible for the marketing and alliances with the Tata group entities while the Sales, Customer Service, credit risk and other back end operations are managed by SBI cards.

Tata Cards has a base of 1.40 lakh customers as on March 31, 2014, up from 1.16 lakh in FY 2012-13, clocking a growth of 19%. The total customer spends for the FY 2013-14 were ₹ 818 crore, up from ₹ 530 crore in FY 2012-13, resulting in a 53% growth in spends, while the industry grew by only 30%.

The Tata Card is backed by its flagship loyalty program called Empower and it is the most rewarding program in the industry. The card allows the customer to earn points on every spend and redeem instantly across 200 stores of Tata companies like Croma, Westside, Titan and Star Bazaar.

**ii) Tata Capital Housing Finance Limited ("TCHFL")**

TCHFL is a wholly owned subsidiary of the Company, and is registered with 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 the rural and affordable housing finance business.

Despite an increase in residential property prices during 2013-14, the demand for individual home loans remained buoyant, with strong growth coming from Tier-II and Tier-III cities. Other factors that promoted strong demand for individual home loans include increase in disposable incomes, interest rate subvention and fiscal incentives on housing loans.

During the year under review, TCHFL disbursed Mortgage Loans amounting to ₹ 3,159 crore (Previous Year: ₹ 2,591 crore), representing an increase of over 22%. This included Housing Loans of ₹ 2,269 crore (Previous Year: ₹ 1,933 crore). TCHFL's loan portfolio increased by 50% and stood at ₹ 6,366 crore on March 31, 2014 (March 31, 2013: ₹ 4,237 crore). TCHFL recorded a Gross Income of ₹ 643 crore and Profit after Tax of ₹ 58 crore in F.Y. 2013-14, as compared to Gross Income of ₹ 387 crore and Profit after Tax of ₹ 28 crore, in the previous year. The Cost to Income ratio further improved in FY 2013-14 and was 46.6% as compared to 56.3% in the previous year. The asset quality was stable with Gross NPA and Net NPA at 0.39% and 0.29% respectively, on March 31, 2014 (March 31, 2013: 0.39% and 0.33% respectively).

During the year 2013-14, (July-June) TCHFL has obtained total sanctions of ₹ 300 crore from NHB under its various Refinance Assistance Schemes and availed refinance of ₹ 223 crore under these as on March 31, 2014.

As a strategy, TCHFL will continue to maintain a balanced housing loan book between

the salaried and self-employed segment and grow its disbursement significantly to become one of the major players among the Housing Finance Companies over the next few years.

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

Tata Cleantech Capital Limited, a subsidiary of TCL, is a Systemically Important Non Deposit Taking Non Banking Financial Company, registered with the RBI and engaged in the business of providing finance and advisory services for renewable energy, energy efficiency, and water management projects. Infrastructure Finance Corporation (“IFC”) holds 19.5% of the equity share capital of TCCL and the balance 80.5% is held by TCL.

Renewable Energy is a focus area for the Government and is among the few sectors in the infrastructure area that attracted investments in FY 2013-14.

TCCL commenced its business operations as a NBFC in April 2013. In its first year of operations TCCL has built capabilities of sourcing and appraising projects in its mandated areas of business. TCCL participated either as a consortium member or a co-lender in the large projects it financed during the year. During FY 2013-14, TCCL built a loan book of ₹ 132 crore, comprising projects in the areas of Wind Energy, Solar Energy, Small Hydro Energy, Rooftop Solar, Waste Management, Water Management and Energy Efficiency.

TCCL has entered into alliances with industry leaders to fill value chain gaps and improve market accessibility. Prominent among these is the alliance with Hyflux India, an arm of Hyflux Singapore, a global leader in the area of Water Management. To capitalize on synergies within the Tata Group, TCCL has established linkages within other Tata Companies that are involved in similar businesses.

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

Tata Securities, a wholly owned subsidiary of the Company, is engaged in the business of securities broking, investment banking services, depository participant services and distribution of mutual fund units and third party products. It is a member of the National Stock Exchange of India Limited (“NSE”) in the cash, derivatives, currency derivatives and wholesale debt market segments and of the Bombay Stock Exchange Limited (“BSE”) in the cash and derivative segments. Tata Securities is also a Depository Participant of the National Securities Depository Limited (“NSDL”) and the Central Depository Services (India) Limited (“CDSL”). Tata Securities also holds a Merchant Banking License issued by SEBI.

During the year under review, Tata Securities has reported a Gross Income of ₹ 24.11 crore (Previous Year: ₹ 26.92 crore) and a Net Loss of ₹ 11.90 crore (Previous Year: Net Loss of ₹ 9.82 crore). The continuing loss in FY 2013-14 was mainly on account of lower brokerage and investment banking income attributable in part to volatile market conditions as also certain regulatory changes which considerably reduced income generated by the institutional distribution segment of Tata Securities.

Efforts are being undertaken to improve the performance of Tata Securities and achieve profitability in all its business segments. There have been concerted efforts to work together with teams from TCFSL, Tata Capital Pte. Ltd. Singapore and Tata Capital Plc., U.K., to offer seamless service to clients for all their investment banking requirements subject to compliance with local regulations and on an arm’s length basis.

During the year, T Sec Commodities Broking Limited (“TSCBL”), a wholly owned subsidiary of the Company, incorporated for undertaking broking activity in commodity derivatives segment, has been amalgamated with Tata Securities, with effect from April 1, 2013. TSCBL had not commenced the said business and due to change in business plans, it was decided to amalgamate TSCBL with Tata Securities.

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

TCTSL, a wholly-owned subsidiary of TCL is primarily engaged in travel and travel related services. The year ended March 31, 2014 was a difficult one due to pricing and competitive pressures as well as general slack in business which resulted in lesser travel spends by corporate customers. Certain other cost pressures arising from some transformational changes resulted in further pressure on profitability. TCTSL achieved a turnover of ₹ 152 crore (Previous Year ₹ 190 crore). Revenue for the year at ₹ 8.36 crore was lower than the revenue of ₹ 9.96 crore in FY 2012-13. The loss for the year was ₹ 6.61 crore (Previous Year: Loss of ₹ 0.83 crore).

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

TCFL, formerly known as TT Holdings & Services Limited, a wholly-owned subsidiary of TCL, holds a Full-Fledged Money Changer (FFMC) License from RBI and is engaged in the money-changing business through foreign currency, Traveller Cheques and pre-paid Travel cards. During FY 2013-14, TCFL recorded a revenue of ₹ 15.66 crore (Previous Year ₹ 15.97 crore). Due to certain prior period expenses coupled with subdued business environment resulting in lower spends on foreign travel by corporate customers, TCFL reported a loss of ₹ 5.96 crore (Previous Year loss of ₹ 0.60 crore).

vii) **India Collections Management Limited (“ICML”)**

A subsidiary of TCL, ICML was set up as a joint venture company to provide receivables and collections management services in the banking, financial and other industrial sectors and consultancy, advisory services in relation thereto. ICML is yet to commence business. International Finance Corporation, is a shareholder in ICML.

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. TCPL, either on its own or through its subsidiaries, is engaged in fund management, advising on corporate finance, dealing 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, for conducting regulated Fund Management activities. TCAPL acts as investment manager to the offshore Private Equity Funds set up by TCPL. During FY 2013-14, Tata Capital HBM Healthcare Fund I, announced its first close. With this, the total commitment from investors in the offshore Private Equity funds managed by TCAPL stands at USD 720 million.

During the year under review, TCMPL, another wholly owned subsidiary of TCPL, obtained a Capital Markets Services licence from the Monetary Authority of Singapore, under the Securities and Futures Act of Singapore, for conducting regulated activities of advising on Corporate Finance and Dealing in Securities (excluding IPOs). TCMPL, during FY 2013-14, completed 4 corporate finance advisory deals and received the “Best Exit Award” during the prestigious SVCA Annual Awards 2013 for one of these.

TCPLC, a wholly owned subsidiary of TCPL, incorporated in the UK, is authorised by the Financial Conduct Authority to carry on regulated activities such as advising clients on fund raising, proposing investment ideas to investors as well as advising and executing on mergers and acquisitions. TCPLC also offers fund marketing services to TCAPL.

During the year under review, TCPL recorded consolidated Gross Income of US\$ 18.04 million (₹ 108.75 crore) (Previous Year: US\$ 17.2 million (₹ 93.5 crore)), Profit Before Tax of US\$ 6.18 Million (₹ 37.3 crore) (Previous Year: US\$ 5.5 million (₹ 29.89 crore)) and Profit After Tax of US\$ 6.21 million (₹ 37.44 crore) (Previous Year: US\$ 5.33 million

(₹ 28.97 crore)) (US \$ translated to ₹ 60.28 at exchange rate prevailing on March 31, 2014 for current year figures).

**ix) Tata Infrastructure Capital Limited (“TICL”)**

TICL, a wholly owned subsidiary of the Company, was incorporated on July 9, 2010, following a Notification issued by the RBI introducing a new category of NBFCs as Infrastructure Finance Companies which would be entitled to raise long term funds in a more cost effective manner from domestic and international sources. TICL is yet to be registered with the RBI and has not commenced any business activity.

**x) Other Subsidiaries**

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

- o Tata Capital Growth Fund I, a venture capital fund set up by TCL in which TCL holds 73.75% stake.
- o 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 I.
- o 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 LP.
- o Tata Opportunities General Partners LLP, a partnership formed in Singapore to act as a General Partner and manage the Tata Opportunities Fund LP.

**b) Investment Summary & Provisions:**

As at March 31, 2014, the Company had, as per its consolidated accounts, total investments of ₹ 2,450 crore (Previous Year: ₹ 2,249 crore). Of this, ₹ 486 crore (Previous Year: ₹ 450 crore) were investments in associate companies and balance ₹ 1,964 crore (Previous Year: ₹ 1,799 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 stood at ₹ 3,640 crore as at March 31, 2014 (Previous Year: ₹ 3,409 crore), representing 83% of its total Assets (Previous Year: 86%), which amount is eliminated in the consolidated accounts, in accordance with prevailing Accounting Standards.

As on March 31, 2014, an aggregate provision, on a consolidated basis, of ₹ 96.49 crore (Previous Year: ₹ 162 crore) has been made for diminution, other than temporary, in the value of investments.

**6.3 Private Equity**

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. These Funds have been registered with SEBI 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. In addition to the above, the Company’s subsidiary in Singapore has set up Tata Capital Growth Fund Limited Partnership (“LP”), Tata Capital HBM Healthcare Fund I LP and Tata Opportunities Fund LP.

The performance of the above Funds is reviewed below:

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

TCGF targets private equity growth capital investments in companies that have a significant portion of their operations in India. TCGF aims to provide growth capital funding of around ₹ 50 crore to mid-market companies with an average holding period of three to five years. TCGF’s investment focus themes are Urbanization, Manufacturing, Strategic Services and

Growth Opportunities. TCGF declared its final close in June 2011 with commitments of ₹ 339 crore of which ₹ 157 crore is invested in portfolio companies as at March 31, 2014.

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

TCHF focuses on private equity growth capital investments in companies in the pharmaceutical, contract research/ manufacturing, healthcare services, medical devices, diagnostic and other healthcare sectors. TCHF seeks investments in healthcare companies with high growth potential and a favourable risk-reward balance. TCHF declared its final close in April 2012, with commitments of ₹ 320 crore, of which ₹ 110 crore has been invested, as at March 31, 2014, in portfolio companies.

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

TCIF focuses predominantly on technology led innovations which represent breakthrough, fundamental or incremental changes in technology or process. TCIF is a sector agnostic fund and invests across all stages of an enterprise provided the proof of concept is established. TCIF declared its final close in April 2012 with commitments of ₹ 287 crore, of which ₹ 79 crore has been invested, as at March 31, 2014, in portfolio companies.

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

TCSSF focuses on investing in turnaround opportunities and it declared a final close with commitments of ₹ 360 crore, essentially from Public Sector Banks in India. However, due to regulatory restrictions, the aggregate utilizable commitment is only ₹ 267 crore. Of this, the Fund has invested ₹ 159 crore in portfolio companies.

**v) Overseas Funds**

The Overseas Funds viz. Tata Capital Growth Fund LP (“TCGFLP”), Tata Capital HBM Healthcare Fund I LP (“TCHHFLP”) and Tata Opportunities Fund LP (“TOF”) are based in Singapore and are set up by TCPL. These funds accept commitments only from overseas investors. TCGFLP declared its final close in November 2011 with commitments of US\$ 167 million, of which US\$ 56 million has been invested, as at March 2014, in portfolio companies. TCHHFLP declared its first close in March 2014 and has commitments of USD 8 million at 31 March 2014. The Fund is expected to declare its final close in FY 2014-15. TCHHFLP has not yet invested in portfolio companies. TOF declared its final close in March 2013 with commitments of US \$ 545 million of which US \$ 124 million has been invested in portfolio companies (excluding follow on commitments). TCL has a co-investment arrangement with TOF whereby TCL has agreed to co-invest a Rupee equivalent of an amount of upto USD 50 million alongside TOF, subject to regulatory restrictions.

## 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 Corporate 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, (a member of the World Bank Group), to foray into the area of Climate Change with the formation of Tata Cleantech Capital Limited.

- Century Tokyo Leasing Corporation to cooperate with and assist each other in connection with the operation of the Leasing Division 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.
- 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.

## **8. CONSOLIDATED FINANCIAL STATEMENTS**

In addition to the Unconsolidated Financial Statements of the Company for the FY ended March 31, 2014, the Company has also prepared the Consolidated Financial Statements of the Company and all its subsidiaries, in accordance with the Accounting Standards notified under the Companies (Accounting Standards) Rules, 2006. Both these sets of Financial Statements are included in the Annual Report of the Company.

Pursuant to the consent of the Board of Directors of the Company and the General Circular No. 1/2011 dated February 8, 2011 issued by the Ministry of Corporate Affairs, the Company is exempted from attaching to its accounts for the FY ended March 31, 2014, the individual Annual Reports of its subsidiary companies. A statement containing brief financial details of each of the Company's subsidiaries for the year ended March 31, 2014 is included in the Annual Report at Page No. 126. The annual accounts of the subsidiaries and the related detailed information will be made available to any Member of the Company and its subsidiaries seeking such information at any point of time and will be available for inspection to any Member of the Company and its subsidiaries at the Registered Office of the Company and will also be posted on the Company's website [www.tatacapital.com](http://www.tatacapital.com). The annual accounts of the said subsidiaries will also be available for inspection at the Registered Offices of the respective subsidiary companies and on request, will be made available/sent free of cost to the Members.

## **9. FINANCE**

During FY 2013-14, the Company met its funding requirements through issue of Cumulative Redeemable Preference Shares having tenure of 7 years aggregating ₹ 479.26 crore with Put and Call option at the end of 4 Years. The Company also borrowed ₹ 525 crore by way of short term instruments such as Commercial Papers and Inter Corporate Deposits. The aggregate debt outstanding as at March 31, 2014 was ₹ 270 crore, all of which was payable within one year.

The Debt Equity ratio of the Company as at March 31, 2014 was 0.16 times.

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

## **10. CREDIT RATING**

During the year under review, the Company had its Short Term instruments rated and re-affirmed by ICRA Limited as ICRA A1+ and by CRISIL as CRISIL A1+. Further, the Cumulative Redeemable Preference Shares issued by the Company were rated as CRISIL AA+/Stable by CRISIL Limited.

## **11. RISK MANAGEMENT**

Tata Capital manages risk through a detailed Risk Management Policy framework. The Risk Management framework lays down guidelines in identifying, assessing and managing risks that the businesses are exposed to. Risk is managed by the Board/Risk Management Committee of the Board through appropriate structures that are in place at Tata Capital, including suitable reporting mechanisms.

## **12. INTERNAL CONTROL SYSTEMS**

Tata Capital'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. Tata Capital's internal control system is commensurate its size, nature and operations.

### **13. IT SUPPORT**

During FY 2013-14, Tata Capital stabilized its core lending systems and made significant progress towards its goal of total automation of all its business processes. At Tata Capital, there is emphasis on continual improvement and upgradation of systems and the underlying processes. The projects on the IT road map and the digital strategy initiative should enable us to take the technology lead leadership position with the support of our IT partners.

### **14. HUMAN RESOURCES**

Tata Capital recognizes people as its most valuable asset and it has built an open, transparent and meritocratic culture to nurture this asset. To further sharpen and nurture this culture, Tata Capital has created a Senior Leadership Group ("SLG") consisting of more than 80 of our leaders from across different business units and geographies. The SLG then worked together to co-create Tata Capital's "Culture Statement", which was launched in April 2014, along with revised and sharply focused Mission Statement. Tata Capital has also created Regional Leadership Groups to further disseminate our Culture across the breadth of all our people and operations and work as a key communication link with the senior management.

Talent management is a key people planning tool that provides an integrated means of identifying, selecting, developing and retaining top talent within our organization. Attrition has been managed well and has been below industry benchmarks.

Tata Capital has kept a sharp focus on Employee Engagement. This constant focus on people and engagement has increased the Company's Gallup Engagement scores consistently from 3.98 in 2013 to 4.15 in 2014.

In June 2013, Tata Capital has achieved a key milestone by becoming the first NBFC globally by being assessed at P-CMM Level 3. Tata Capital was also awarded the CII HR Excellence Award – Strong Commitment to HR Excellence' in September 2013.

### **15. TATA BUSINESS EXCELLENCE MODEL ("TBEM")**

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 & Knowledge Management, Workforce Focus and Operations Focus. Tata Capital participated in its first ever TBEM external assessment conducted by Tata Quality Management Services (a division of Tata Sons Limited) in November 2013 and was placed in 450-500 score band indicating "good performance". This result for a company undergoing its first external assessment is commendable.

The assessment provided us with important feedback in terms of our current strengths and opportunities for improvements to work towards in the coming year. Key Strengths indicated in this report were the organization alignment with the Vision, Building capability and structure for achieving the vision, Focus on building quality book, Internal Audit mechanism and governance mechanisms.

Tata Capital also successfully underwent ISO 9001:2008 surveillance audit, without any major non conformity, currently only the operations of the assets business is under scope of ISO 9001:2008. It is planned to increase the scope in a phased manner during the coming recertification audits. Tata Capital also is beginning to implement Lean Six Sigma as a tool for improving its operational focus in order to enhance customer satisfaction and improve internal efficiencies.



## 16. THE TATA CAPITAL BRAND

Over the last five years, through innovative communication campaigns and initiatives, Tata Capital has developed as a strong emergent brand in the financial services sector.

In 2013-14, Tata Capital launched a unique initiative called the 'Do Right' initiative, taking forward its brand promise – 'We only do what's right for you'. The initiative is aimed at spreading the spirit of 'doing right' by inspiring people to 'do right', providing platforms to 'do right' and doing right itself. The Tata Capital 'Do Right' signature song was created - written by eminent lyricist Gulzar, composed and performed by Shankar Ehsaan Loy and sung by Shankar Mahadevan. The 'Do Right' initiative was further bolstered by stalwarts like Pandit Shiv Kumar Sharma, Pandit Hariprasad Chaurasia, Ustad Amjad Ali Khan and Ustad Zakir Hussain. In November 2013, the Company launched - 'Half Stories – the Journey of Doing Right', a 2,000 km journey across some of India's remotest locations, discovering everyday stories of courage and unfulfilled needs. These incomplete ('half') stories were completed by people from all walks of life, putting the brand philosophy of do right on a larger worldwide stage.

As we look ahead, the brand will look at strengthening its presence in the digital world, as well as sharpen its focus on delivering more direct business results. 'Digital' as a channel, will increase in importance and be integrated into an end-to-end customer experience from acquisition to customer service. The brand will look at going deeper into the products of the Company and bring out effective product-led campaigns. Brand Tata Capital will continue to contribute to the Company becoming the 'most admired financial solutions partner' and on its promise of "We only do what's right for you".

## 17. BUSINESS DEVELOPMENT

During FY 2013-14, Tata Capital initiated opportunities and harnessed its extensive relationship network within and outside the Tata Group, to the benefit of its various businesses. Additionally, Tata Capital continued its regular interactions and deepened relationships with trade bodies of Canada, Germany, Scotland, Sweden, the Netherlands and Australia, among others, to further its potential business interests in and from these geographies, as also 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.

## 18. REPORT UNDER THE PREVENTION OF SEXUAL HARASSMENT ACT ("POSH")

There were no complaints reported by the POSH Committee during FY 2013-14 in its Annual Report to the District Office under the Prevention of Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

## 19. CORPORATE SUSTAINABILITY ("CS")

Tata Capital's Corporate Sustainability policy outlines four thrust areas of development viz. Livelihood & Employability, Health, Education and Environment. Through its initiatives, Tata Capital has many long term associations with NGOs that make a measurable positive difference in each of the focus areas.

Tata Capital believes in social equity and the principle of equal opportunity, irrespective of caste or creed. The Affirmative Action programme at Tata Capital seeks to promote access to quality education and technical skills and competencies for members of the SC/ST communities, thus creating economic independence and sustainable livelihoods. The Vatsalya Ashramshala in Vikramgad district is a residential school for tribal children. Tata Capital supports the development of this school by funding infrastructure and education initiatives.

Tata Quality Management Services facilitates an annual review of the Affirmative Action program. This year the assessment placed Tata Capital in the score band of 40 – 50, which was an improvement in band score over the previous year.

**20. COMPLIANCE**

The Company is registered with RBI as a systemically important non-deposit accepting CIC. The Company has complied with and continues to comply with the applicable Regulations and 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.

**21. DEPOSITS**

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

**22. DIRECTORS**

In accordance with the provisions of the Companies Act, 1956 and the Articles of Association of the Company, Mr. Hoshang Sinor and Mr. Farrokh Subedar, Directors, are liable to retire by rotation at the ensuing Annual General Meeting of the Company. Mr. Sinor has not sought re-election upon such retirement, in order to meet with the requirements under the Companies Act, 2013 relating to the number of directorships that an individual can hold. The Directors place on record their appreciation of the invaluable contribution and guidance provided by Mr. Sinor during his tenure as a Director of the Company.

In accordance with the provisions of Section 149 of the Companies Act, 2013 and the Rules made there under, which came into effect from April 1, 2014, approval of the Members will be sought at the ensuing Annual General Meeting of the Company for formalizing the appointment of Mr. Janki Ballabh, Director as an Independent Director of the Company not liable to retire by rotation, for a term until October 23, 2017.

**23. DIRECTORS' RESPONSIBILITY STATEMENT**

Pursuant to Section 217(2AA) of the Companies Act, 1956, the Directors, based on the representation received from the Operating Management, confirm that:

- i) in the preparation of the annual accounts for the FY ended March 31, 2014, the applicable accounting standards have been followed and there are no material departures;
- ii) they have, in selection of the accounting policies, consulted the Statutory Auditors and have applied them consistently and made judgments and estimates that were reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at March 31, 2014, and of the profit of the Company for the year ended on that date;
- iii) they have taken proper and sufficient care, to the best of their knowledge and ability, for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 1956, for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities; and
- iv) they have prepared the annual accounts of the Company on a 'going concern' basis.

**24. 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 endeavors 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 them 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 Company's corporate governance philosophy has been further strengthened with the adoption by the Company of the Tata Business Excellence Model, the Tata Code of Conduct, a Code of Conduct for Prevention of Insider Trading, a Code of Corporate Disclosure Practices, a Whistle Blower Policy, a Fair Practices Code, an Affirmative Action Policy and a Policy against Sexual Harassment in the Workplace 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 six Directors viz. Mr. F K Kavarana, Mr. Ishaat Hussain, Mr. H N Sinor, Mr. Janki Ballabh, Mr. F N Subedar and Mr. Praveen P Kadle. Mr. Kadle is the Managing Director & Chief Executive Officer ("MD & CEO") of the Company and the other five Directors are Non-Executive Directors ("NED"). Board Meetings of the Company are chaired by Mr. F K Kavarana, NED.
- iv) Mr. Kadle was re-appointed as the MD & CEO of the Company as also of TCFSL, for a further period of 5 years commencing September 18, 2012.

As at March 31, 2014, Mr. Kadle held 13,78,580 Equity Shares and 80,000 unvested options for purchase of Equity Shares of the Company under the Company's Employee Stock Purchase / Option Scheme ("ESOP Scheme").

It was decided at the Nomination and Remuneration Committee Meeting held on May 8, 2014 and at the Board Meeting held on the same day, to pay Incentive Remuneration of ₹ 2.10 crore to Mr. Kadle for FY 2013-14. With this, the total remuneration of Mr. Kadle for FY 2013-14 is ₹ 3.82 crore.

- v) No commission is proposed to be paid to the NEDs of the Company for FY 2013-14.

Details of Equity Shares held by the NEDs as on March 31, 2014 are given below:

Name	No. of Equity Shares of the Company held on March 31, 2014
Mr. F. K. Kavarana	2,43,716
Mr. Ishaat Hussain	2,20,000
Mr. Janki Ballabh	2,30,780
Mr. H. N. Sinor	2,20,000
Mr. F. N. Subedar	2,43,716

These Equity Shares were acquired by the NEDs under the ESOP Scheme.

- vi) 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, ESOP Committee, Finance and Asset Liability Supervisory Committee, Risk Management Committee, Shareholders Grievance Committee and CSR Committee. Several meetings of the committees were held during the year.

Tata Capital has an Audit Committee comprising three NEDs viz. Mr. Janki Ballabh, as Chairman, Mr. H. N. Sinor and Mr. F. N. Subedar. The Board has adopted the Audit Committee Charter which lays down the role, responsibilities and powers of the Audit Committee.

During FY 2013-14, 7 meetings of the Board of Directors and 6 meetings of the Audit Committee were held. The details of attendance at Board Meetings, Audit Committee Meetings

and the previous Annual General Meeting of the Company are given below:

Name of Director	Board Meetings		Audit Committee Meetings		Whether present at previous AGM held on June 28, 2013
	Held	Attended	Held	Attended	
Mr. F. K. Kavarana	7	7	6	Not a Member	No
Mr. Ishaat Hussain	7	7	6	Not a Member	No
Mr. Janki Ballabh	7	7	6	6	No
Mr. H. N. Sinor	7	5	6	4	Yes
Mr. F. N. Subedar	7	7	6	6	No
Mr. Praveen P. Kadle	7	7	6	Not a Member	Yes

Sitting fees for attending Board Meetings and Meetings of Committees of the Board are paid to NEDs within the maximum prescribed limits. Sitting fees paid to the NEDs for the meetings held during FY 2013-14 were as under:

Name of Director	Sitting Fees paid for attending Board and Committee Meetings during FY 2013-14 (₹ in lakh)
Mr. F. K. Kavarana	2.10
Mr. Ishaat Hussain	2.30
Mr. Janki Ballabh	4.10
Mr. H. N. Sinor	2.50
Mr. F. N. Subedar	3.20

Minutes of meetings of all Committees of the Board are placed before the Board for discussion/noting. A quarterly summary of the minutes of the meetings of the Boards of the Company's subsidiaries is also placed before the Board for noting.

The Company Secretary is the Secretary of all the aforementioned Committees, except that the Head of the HR function at Tata Capital is the Secretary of the Nomination and Remuneration Committee and the ESOP Committee.

- vii) The Company has signed the Tata Brand Equity and Business Promotion ("BEBP") Agreement with Tata Sons Limited subscribing to the TATA BEBP Scheme. The Company abides by the Tata Code of Conduct and the norms for using the Tata Brand identity.
- viii) The Company and its employees, including the MD & CEO have adopted the Tata Code of Conduct. In addition, the Company has also adopted a Code of Conduct for its NEDs. The aforesaid Codes have been posted on the Company's web-site.
- ix) The Company has adopted a Whistle-Blower Policy which provides a formal mechanism for all employees of the Company to make protected disclosures to the management about unethical behavior, actual or suspected fraud or violation of the Company's Code of Conduct. The disclosures reported are addressed in the manner and within the time frames prescribed in the Policy. No employee of the Company has been denied access to the Audit Committee.
- x) The Company Secretary is the Compliance Officer of the Company.
- xi) The Company's website is [www.tatacapital.com](http://www.tatacapital.com)

## **25. ACCOUNTS AND ACCOUNTING STANDARDS**

The Company adheres to the Accounting Standards notified under the Companies (Accounting Standard) Rules, 2006 in the preparation of its financial statements and also to the guidelines prescribed by the RBI.

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

In view of the nature of the activities carried out by the Company, Rules 2A and 2B of the Companies (Disclosure of Particulars in the Report of Board of Directors) Rules, 1988, relating to conservation of energy and technology absorption, are not applicable to the Company.

During the year under review, the Company had Nil earnings in foreign exchange (Previous Year: Nil) and an outgo of ₹ 0.90 crore in foreign exchange (Previous Year: ₹ 0.65 crore).

## **27. PARTICULARS OF EMPLOYEES**

Information in accordance with sub-section (2A) of Section 217 of the Companies Act, 1956, read with the Companies (Particulars of Employees) Rules, 1975 and forming part of the Directors' Report for the year ended March 31, 2014, is provided in an Annexure forming part of this Report. The Report and Accounts are being sent to the Members excluding the aforesaid Annexure. Any Member interested in obtaining a copy of the same may write to the Company Secretary requesting for the same.

## **28. 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 Members of the Company at their Meeting held on March 2, 2010, approved a 'Tata Capital Limited Employee Stock Purchase / Option Scheme' ("ESOP Scheme"), which was earlier approved by the Board of Directors on February 1, 2010.

Based on the recommendations of the ESOP Committee, 2,20,01,618 Equity Shares of TCL ("Shares") were offered to the Eligible Employees and NEDs of Tata Capital upto March 31, 2014. Options for purchase of 3,32,24,745 Shares have been granted under the ESOP Scheme to Eligible Employees.

## **29. AUDITORS**

Deloitte Haskins & Sells LLP (formerly known as M/s Deloitte Haskins & Sells) ("DHS"), who are the Statutory Auditors of the Company, hold office until the conclusion of the ensuing Annual General Meeting ("AGM") and are eligible for re-appointment.

DHS was appointed as the Auditors of the Company at the AGM of the Company held on July 17, 2007 for the F.Y. 2007-08 and have been re-appointed thereafter, at every AGM of the Company. At the conclusion of the ensuing AGM of the Company, DHS will complete a period of seven years as the auditors of the Company. As per the provisions of the Companies Act, 2013 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.

## **30. GREEN INITIATIVE**

Section 136 of the Companies Act, 2013 and the Rules made there under allow 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 Depository 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. 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.

A copy of this Annual Report along with the annual report of each of the Company's subsidiaries for FY 2013-14 is also available on the website of the Company, [www.tatacapital.com](http://www.tatacapital.com).

### **31. ACKNOWLEDGEMENTS**

The Directors would like to place on record their gratitude for the valuable guidance and support received from the Reserve Bank of India, Securities and Exchange Board of India, 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 8, 2014

**F K Kavarana**  
Director

**Praveen P Kadle**  
Managing Director

# **Consolidated Financial Statements**

## INDEPENDENT AUDITORS' REPORT

### TO THE BOARD OF DIRECTORS OF TATA CAPITAL LIMITED

#### Report on the Consolidated Financial Statements

We have audited the accompanying consolidated financial statements of TATA CAPITAL LIMITED (the "Company"), its subsidiaries and a jointly controlled entity (the Company, its subsidiaries and jointly controlled entity constitute "the Group"), which comprise the Consolidated Balance Sheet as at March 31, 2014, the Consolidated Statement of Profit and Loss and the Consolidated Cash Flow Statement for the year then ended, and a summary of the significant accounting policies and other explanatory information.

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

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

#### Auditors' Responsibility

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

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the consolidated financial statements. The procedures selected depend on the auditor's 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 control relevant to the Company's preparation and presentation of the consolidated financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Management, as well as evaluating the overall presentation of the consolidated financial statements.

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

#### Basis for Qualified Opinion

The consolidated financial statements include the unaudited financial statements of a jointly controlled entity (Previous year ended March 31, 2013: one jointly controlled entity), whose financial statements reflect total assets (net) of ₹ 201 lakhs as at March 31, 2014 (As at March 31, 2013: ₹ 175 lakhs), total revenue of ₹ NIL (Previous year ended March 31, 2013: ₹ NIL) and net cash flows amounting to ₹ 7 lakhs (Previous year ended March 31, 2013: ₹ 610 lakhs) 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 net profit of ₹ 1,495 lakhs for the year ended March 31, 2014, as considered in the consolidated financial statements, in respect of three associates (Previous year ended March 31, 2013: ₹ 14,276 lakhs of three associates), based on their unaudited financial statements/financial information. Our opinion, in so far as it relates to the amounts included in respect of the jointly controlled entity and associates, is based solely on such unaudited financial statements.



### Qualified Opinion

In our opinion and to the best of our information and according to the explanations given to us, except for the possible effects of the matters described in the Basis for Qualified Opinion paragraph above, and based on the consideration of the reports of the other auditors on the financial statements / financial information of the subsidiaries, jointly controlled entities and associates referred to below in the Other Matter paragraph, the aforesaid consolidated financial statements give a true and fair view in conformity with the accounting principles generally accepted in India:

- (a) in the case of the Consolidated Balance Sheet, of the state of affairs of the Group as at March 31, 2014;
- (b) in the case of the Consolidated Statement of Profit and Loss, of the profit of the Group for the year ended on that date; and
- (c) in the case of the Consolidated Cash Flow Statement, of the cash flows of the Group for the year ended on that date.

### Other Matter

We did not audit the financial statements of one subsidiary, whose financial statements reflect total assets (net) of ₹ 35,492 lakhs as at March 31, 2014, total revenues of ₹ 10,875 lakhs and net cash flows amounting to ₹ 640 lakhs for the year ended on that date, as considered in the consolidated financial statements. This financial statement have been audited by other auditors whose report have been furnished to us by the Management and our opinion, in so far as it relates to the amounts and disclosures included in respect of the subsidiary, is based solely on the reports of the other auditors.

Our opinion is not qualified in respect of this matter.

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

**(Sanjiv V. Pilgaonkar)**  
(Partner)  
(Membership No. 39826)

Mumbai,  
May 8, 2014

**CONSOLIDATED BALANCE SHEET AS AT MARCH 31, 2014**

(₹ in lakh)

Particulars	Note No.	As at March 31, 2014	As at March 31, 2013
<b>I EQUITY AND LIABILITIES</b>			
<b>1. Shareholders' Funds</b>			
(a) Share Capital	2	345,480	297,469
(b) Reserves and Surplus	3	115,311	98,885
		<b>460,791</b>	<b>396,354</b>
<b>2. Share application money pending allotment</b>		604	–
<b>3. Minority Interest</b>		4,714	3,217
<b>4. Non-current liabilities</b>			
(a) Long-term borrowings	4	1,167,394	955,844
(b) Deferred tax liabilities (net)	5	22	–
(c) Other Long Term Liabilities	6	19,464	26,770
(d) Long-term provisions	7	5,835	4,783
		<b>1,192,715</b>	<b>987,397</b>
<b>5. Current liabilities</b>			
(a) Short-term borrowings	8	764,264	705,719
(b) Trade payables	9	31,449	29,483
(c) Other current liabilities	10	650,643	645,534
(d) Short-term provisions	11	13,967	10,543
		<b>1,460,323</b>	<b>1,391,280</b>
<b>Total</b>		<b>3,119,147</b>	<b>2,778,247</b>
<b>II ASSETS</b>			
<b>1. Non-Current assets</b>			
(a) Fixed Assets	12		
(i) Tangible assets		50,454	37,268
(ii) Intangible assets		8,950	8,738
(iii) Capital work-in-progress		122	177
(iv) Intangible assets under development		–	259
(b) Goodwill on Consolidation		5,515	5,515
(c) Non-current Investments	13	167,618	179,089
(d) Deferred tax assets (net)	14	9,416	6,307
(e) Loans and advances - Financing Activity	15	1,517,529	1,288,110
(f) Loans and advances - Others	16	8,371	3,634
(g) Other non-current assets	17	8,029	6,575
		<b>1,776,004</b>	<b>1,535,672</b>
<b>2. Current assets</b>			
(a) Investments	13	78,083	45,641
(b) Trade receivables	18	8,279	6,274
(c) Cash and bank balances	19	36,174	31,682
(d) Loans and advances - Financing Activity	15	1,183,133	1,037,165
(e) Loans and advances - Others	20	12,100	32,404
(f) Other current assets	21	25,374	89,409
		<b>1,343,143</b>	<b>1,242,575</b>
<b>Total</b>		<b>3,119,147</b>	<b>2,778,247</b>
See accompanying notes forming part of the financial statements	1-40		

In terms of our report attached

For and on behalf of the Board of Directors

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

**F.K. Kavarana**  
(Director)

**Ishaat Hussain**  
(Director)

**F.N. Subedar**  
(Director)

**Hoshang Sinor**  
(Director)

**Sanjiv V. Pilgaonkar**  
Partner

**Janki Ballabh**  
(Director)

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

**Sarita Kamath**  
(Company Secretary)

Mumbai

Date: May 8, 2014

## CONSOLIDATED STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED MARCH 31, 2014

(₹ in lakh)

Particulars	Note No.	For the Year Ended March 31, 2014	For the Year Ended March 31, 2013
I Income from Financing Activity	22	313,645	275,430
II Investment Income	23	17,744	26,998
III Other Income	24	26,508	23,680
<b>IV Total Revenue (I + II+III)</b>		<b>357,897</b>	<b>326,108</b>
V Expenses:			
Finance costs	25	214,814	196,834
Employee benefits expense	26	30,885	26,108
Other operating expenses	27	70,229	56,146
Depreciation and amortisation	12	6,748	4,826
Amortisation of expenses		1,053	1,221
<b>Total Expenses</b>		<b>323,729</b>	<b>285,135</b>
VI Profit before exceptional, extraordinary items and tax (IV-V)		34,168	40,973
VII Exceptional items		-	-
VIII Profit before extraordinary items and tax (VI - VII)		34,168	40,973
IX Extraordinary Items		-	-
<b>X Profit before tax (VIII - IX)</b>		<b>34,168</b>	<b>40,973</b>
XI Tax expense:			
- Current tax		17,437	18,154
- Deferred tax		(3,051)	(1,532)
- MAT Credit Entitlement		(10)	-
<b>Total Tax expense</b>		<b>14,376</b>	<b>16,622</b>
<b>XII Profit after Tax (X - XI)</b>		<b>19,792</b>	<b>24,351</b>
XIII Share of Loss of Minority Interest		307	1,083
XIV Share of Profit of Associates		1,326	13,623
XV Profit after Tax, Minority interest and Share of profit of associates for the Year (XII + XIII + XIV)		21,425	39,057
XVI Earnings per equity shares:			
(1) Basic (in Rupees)		0.57	1.42
(2) Diluted (in Rupees)		0.55	1.39
Face Value per share (Amount in ₹)		10	10
See accompanying notes forming part of the financial statements	1-40		

In terms of our report attached

For and on behalf of the Board of Directors

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

**F.K. Kavarana**  
(Director)

**Ishaat Hussain**  
(Director)

**F.N. Subedar**  
(Director)

**Hoshang Sinor**  
(Director)

**Sanjiv V. Pilgaonkar**  
Partner

**Janki Ballabh**  
(Director)

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

**Sarita Kamath**  
(Company Secretary)

Mumbai

Date: May 8, 2014

## CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED MARCH 31, 2014

(₹ in lakh)

Particulars	Note No.	For the Year Ended March 31, 2014	For the Year Ended March 31, 2013
<b>1 CASH FLOW FROM OPERATING ACTIVITIES</b>			
Profit before taxes		34,168	40,973
<b>Adjustments for :</b>			
Amortisation of share/debenture issue expenses		1,053	1,221
Depreciation and amortisation		6,748	4,826
Liabilities written back		–	(51)
(Profit)/Loss on sale of fixed assets		203	164
Interest Expenses		170,167	140,681
Discounting charges on Commercial Paper		41,524	43,713
Discounting charges on Debentures		3,123	12,440
Interest Income		(296,180)	(259,282)
Income from Investments		(17,724)	(26,998)
Unrealised exchange gain		–	(149)
Provision for leave encashment		73	134
Provision for diminution in value of Investments		9,649	8,872
Provision against Standard Assets		1,471	1,494
Contingent provision against Restructured Advances		2,769	
Provision for doubtful loans ( Net)		14,575	8,825
<b>Operating Profit before working capital changes</b>		<b>(28,381)</b>	<b>(23,137)</b>
<b>Adjustments for :</b>			
(Increase)/Decrease in Trade Receivables		(2,041)	2,343
(Increase)/Decrease in Loans and advances - Financing Activity		(386,924)	(392,919)
(Increase)/Decrease in Investments (Credit Substitutes)		21,347	31,074
(Increase)/Decrease in Loans and advances - Others		87,114	(104,198)
Increase/(Decrease) in Other Liabilities and provisions		(84,296)	102,000
Bank balance in client account		(1,376)	220
Fixed Deposits with Banks placed under lien with stock exchanges for trading margins		140	450
<b>Cash used in operations</b>		<b>(394,417)</b>	<b>(384,167)</b>
Interest paid		(212,080)	(121,132)
Interest received		303,901	278,586
Dividend received		2,365	916
Dividend received from Associates		966	1,458
Taxes paid		(20,551)	(10,530)
<b>NET CASH USED IN OPERATING ACTIVITIES</b>		<b>(319,816)</b>	<b>(234,869)</b>
<b>2 CASH FLOW FROM INVESTING ACTIVITIES</b>			
Purchase of Fixed assets (including Capital Advances)		(23,896)	(18,954)
Proceeds from sale of Fixed Assets		1,059	819
Purchase of long-term investments		(48,921)	(14,640)
Purchase of current investments		(14,741)	(20,000)
Purchase of Mutual Funds		(5,653,400)	(4,578,686)
Proceeds from sale of Mutual Funds		(5,653,949)	4,581,149

## CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED MARCH 31, 2014

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

(₹ in lakh)

Particulars	Note No.	For the Year Ended March 31, 2014	For the Year Ended March 31, 2013
Proceeds from current investments		–	33,562
Proceeds from sale of long-term investments		15,940	6,899
Fixed deposits with banks having maturity over 3 months		9,963	(10,343)
Income from Investments		2,212	2,703
<b>NET CASH FROM INVESTING ACTIVITIES</b>		<b>(57,835)</b>	<b>(17,492)</b>
<b>3 CASH FLOW FROM FINANCING ACTIVITIES</b>			
Issue of equity share capital (including securities premium)		–	55,000
Issue of preference share capital (including securities premium)		47,926	31,066
Share application money pending allotment		604	–
Loan given to TCL Employees Welfare Trust		–	(1,366)
Recovery of loan given to Employees for ESOP		110	689
Share issue expenses		(114)	(644)
Debenture Issue/Loan Processing Expenses		(1,487)	(434)
Net proceeds from short-term borrowings		60,173	(199,153)
Proceeds from long-term borrowings		901,273	592,910
Repayment of long-term borrowings		(617,616)	(217,213)
<b>NET CASH FROM FINANCING ACTIVITIES</b>		<b>390,869</b>	<b>260,853</b>
<b>Net increase/(decrease) in cash and cash equivalents</b>		<b>13,218</b>	<b>8,492</b>
<b>CASH AND CASH EQUIVALENTS AS AT THE BEGINNING OF THE YEAR</b>		<b>18,131</b>	<b>9,638</b>
<b>CASH AND CASH EQUIVALENTS AS AT THE END OF THE YEAR</b>		<b>31,349</b>	<b>18,130</b>
ADD : RESTRICTED CASH		1	1
<b>CASH AND CASH EQUIVALENTS AS AT THE END OF THE YEAR</b>		<b>31,350</b>	<b>18,131</b>
Reconciliation of cash and cash equivalents as above with cash and bank balances			
Cash and Cash equivalents at the end of the year as per above		31,350	18,131
Add: Deposits with banks and stock exchanges under lien		1,563	1,703
Add: Bank balance in client account		1,594	218
Add: Fixed deposits with original maturity over 3 months		1,667	11,629
<b>CASH AND CASH EQUIVALENTS AS AT THE END OF THE YEAR [REFER NOTE NO. 19]</b>	19	<b>36,174</b>	<b>31,682</b>
See accompanying notes forming part of the financial statements	1-40		

In terms of our report attached

For and on behalf of the Board of Directors

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

**F.K. Kavarana**  
(Director)

**Ishaat Hussain**  
(Director)

**F.N. Subedar**  
(Director)

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(Director)

**Sanjiv V. Pilgaonkar**  
Partner

**Janki Ballabh**  
(Director)

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

**Sarita Kamath**  
(Company Secretary)

Mumbai

Date: May 8, 2014

## SIGNIFICANT ACCOUNTING POLICIES AND NOTES TO ACCOUNTS

### 1 SIGNIFICANT ACCOUNTING POLICIES

#### i Basis of Preparation

The consolidated financial statements of the Tata Capital Limited 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 notified under Section 211(3C) of the Companies Act, 1956 (which continue to be applicable in respect of Section 133 of the Companies Act, 2013 (the 2013 Act) in terms of General Circular 15/2013 dated September 13, 2013 of the Ministry of Corporate Affairs) and the relevant provisions of the 1956 Act / 2013 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 Basis for Consolidation

The Consolidated Financial Statements comprise the individual financial statements of the Company, its subsidiaries, its jointly controlled entity and associates as on March 31, 2014 and for the year ended on that date. The Consolidated Financial Statements have been prepared on the following basis:

- a) The financial statements of the Company and its subsidiaries have been consolidated on a line by line basis by adding together the book values of like items of assets, liabilities, income and expenses, after eliminating intra - group balances and intra – group transactions resulting in unrealised profits or losses unless the cost can not be recovered as per Accounting Standard (AS) 21 on 'Consolidated Financial Statements' as notified by the Companies (Accounting Standards) Rules, 2006.
- b) The financial statements of the jointly controlled entities have been consolidated on a line by line basis by adding together the book values of like items of assets, liabilities, income and expenses, after eliminating intra-group balances and intra-group transactions resulting in unrealised profits or losses as per Accounting Standard 27 on 'Financial Reporting of Interests in Joint Ventures' as notified by the Companies (Accounting Standards) Rules, 2006 using the proportionate consolidation method.
- c) The consolidated financial statements include the share of profit/ (loss) of associate companies, which have been accounted for using equity method in accordance with Accounting Standard (AS) 23 on 'Accounting for Investments in Associates in Consolidated Financial Statements. Accordingly, the share of profit/ (loss) of the associate company (the loss being restricted to the cost of the investment) has been added/deducted to the cost of investment. An Associate is an enterprise in which the investor has significant influence and which is neither a subsidiary nor a jointly controlled entity.
- d) The financial statements of the subsidiaries, joint ventures and the associates used in the consolidation are drawn up to the same reporting date as that of the Company, i.e. March 31, 2014.
- e) The excess of cost to the Company, of its investment in the subsidiaries and the associates over the Company's portion of equity is recognised in the financial statements as Goodwill and is tested for impairment on an annual basis. Alternatively, 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) The excess of the Company's portion of equity of the subsidiaries and the associates on the acquisition date over its cost of investment is treated as Capital Reserve.
- g) 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.
- h) 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.
- i) Minority Interest in the net assets of the consolidated subsidiaries consist of the amount of equity attributable to the minority shareholders at the date on which investments in the subsidiary companies were made and further movements in their share in the equity, subsequent to the dates of investments. Net profit / loss for the year of the subsidiaries attributable to minority interest is identified and adjusted against the profit after tax of the Group in order to arrive at the income attributable to shareholders of the Company.
- j) Goodwill arising on consolidation is not amortised but tested for impairment.

### iii. Use of Estimates

The preparation of the financial statements in conformity with Indian GAAP requires the Management of the Group to make estimates and assumptions that affect the reported balances of assets and liabilities, revenues and expenses and disclosures relating to the contingent liabilities. 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 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 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. Interest income on such assets is recognised on receipt basis.

In respect of non-performing assets acquired from other NBFCs / Banks/ Companies, 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. This is accounted over the tenure of the loan in the proportion of interest earned to total interest receivable during the tenure of loan.

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 on accrual basis when the Group's right to receive dividend is established.

Discount on investments, i.e 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 Advisory Services**

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

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.

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

The Group provides an allowance for loan receivables 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 installments are overdue for a period exceeding 11 months. Provision is calculated after considering value of repossessed stock.

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.

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

**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 decline, other than temporary, in the value of such investments.



**b. Current investments**

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

**Fixed Assets**

**a. Tangible:**

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

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 is 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 less amortisation

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 Statement of Profit and Loss during the period 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 cost, related incidental expenses and attributable interest

**vii. Depreciation and Amortisation**

Depreciation on tangible fixed assets is provided on a straight-line basis at the rates and in the manner prescribed in Schedule XIV to the Companies Act, 1956 or over the estimated useful life of the asset, if such useful life is lower than prescribed in Schedule XIV of the Companies Act, 1956.

Purchased software licenses and capitalised implementation costs are amortised over the period the benefits 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 month in which they are purchased.

Depreciation rates/amortisation rates used by the Group are:

Asset	Depreciation rates/Amortisation Rates
Leasehold Improvements	Lease Period
Construction Equipment	7.42 to 12.50 percent
Furniture & Fixtures	Higher of 10 percent or rate determined based on period of lease
Computer Equipment	Owned - 20 percent to 33.33 percent
	Leased - 20 percent
Office Equipment	10 percent
Vehicles	Owned Vehicles - 23.75 percent
	Leased Vehicles - 22.50 percent
Software Licences	Owned - 25 percent
	Leased - 100 percent
Building	4 percent
Plant & Machinery	Owned - 25 percent
	Leased - 10 percent to 25 percent
Networking Assets	25 percent
Trading Rights in BSEL	Over a period of 10 years

#### viii. Lease

Leases are classified as operating lease where significant portion of risks and reward of ownership of assets acquired under lease are retained by the lessor.

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 or systematic 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 interest rate of return. The principal amount received reduces the net investment in the lease and interest is recognised as revenue.

#### ix. 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.

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.

#### x. Employee Benefits

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

### **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 Company 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 period. 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 Group's contribution to superannuation fund and employee state insurance scheme are considered as defined contribution plans and are charged as an expense based on the amount of contribution required to be made and when services are rendered by the employees.

### **Defined benefit plans**

For defined benefit plans in the form of gratuity fund 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 period in which they occur. Past service cost is recognised immediately to the extent that the benefits are already vested and otherwise is amortised on a straight-line basis over the average period until the benefits become vested. The retirement benefit obligation recognised in the 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.

### **Short-term employee benefits**

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

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

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

### **Long-term employee benefits**

Compensated absences which are not expected to occur within twelve months after the end of the period in which the employee renders 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.

**xi. Employees Share Purchase Scheme**

The difference between the intrinsic value and the exercise price of shares is charged to the Statement of Profit and Loss.

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 of the Employee Stock Purchase Scheme offered by the Company.

**xii. 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 its 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. A contingent asset is neither recognised nor disclosed in the financial statements.

**xiii. Impairment of Assets**

“At each balance sheet date, the Group reviews the carrying amount of its assets to determine, whether there is any indication of impairment of those 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 their 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 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 recoverable amount and the carrying value that would have prevailed by charging usual depreciation if there was no impairment.”

**xiv. 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 transaction or at rates that closely approximate the rate at the date of the transaction.

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

- (a) Company: Foreign currency monetary items (other than derivative contracts) of the Company, outstanding at the Balance Sheet date are restated at the year-end rates. Non-monetary items of the Company 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 under foreign currency translation reserve.

### **xv. Derivative Contracts**

The Company 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.

### **xvi. Taxation**

The Group's income taxes include taxes on the Group's taxable profits, adjustment attributable to earlier periods and changes in deferred taxes. Valuation of all tax liabilities/receivables is conducted at nominal amounts and in accordance with enacted tax regulations and tax rates or in the case of deferred taxes those that have been substantively enacted at the balance sheet date.

Deferred tax assets are recognised with regard to all deductible timing differences to the extent that it is probable that taxable profit will be available against which deductible timing differences can be utilised. When the Group carries forward unused tax losses and unabsorbed depreciation, deferred tax assets are recognised only to the extent there is virtual certainty backed by convincing evidence that sufficient future taxable income will be available against which such deferred tax assets can be realised.

The carrying amount of deferred tax assets is reviewed at each Balance Sheet date and reduced by the extent that is no longer probable that sufficient taxable profit will be available to allow all or a part of aggregate deferred tax assets to be utilised.

### **xvii. 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, private equity, travel and tourist related services and distribution of financial products.

Revenue and expense directly attributable to segments are reported under each reportable segment. Expenses not directly identifiable to the reportable segments

Assets and liabilities that are directly attributable to segments are disclosed under each reportable segment. All other assets and liabilities are disclosed as unallocable.

#### **xviii. Cash Flow**

Cash flows 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 Company are segregated based on the available information.

#### **xix. 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 period, 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 period presented. The number of equity shares and potentially dilutive equity shares are adjusted for share splits / reverse share splits and bonus shares, as appropriate.

**NOTES TO AND FORMING PART OF THE CONSOLIDATED  
BALANCE SHEET AS AT MARCH 31, 2014**

**NOTE "2"**

(₹ in lakh)

<b>SHARE CAPITAL</b>	<b>As at March 31, 2014</b>	<b>As at March 31, 2013</b>
<b>AUTHORISED</b>		
4,750,000,000 Equity shares (as at March 31, 2013: 4,750,000,000 shares) of ₹ 10 each	<b>475,000</b>	475,000
32,500,000 Preference shares of ₹ 1,000 each (as at March 31, 2013: 32,500,000 shares) of ₹ 1,000 each	<b>325,000</b>	325,000
<b>ISSUED</b>		
2,826,092,570 Equity shares (as at March 31, 2013: 2,826,092,570 shares) of ₹ 10 each	<b>282,609</b>	282,609
7,520,424 Preference shares (as at March 31, 2013: 2,175,374 shares) of ₹ 1,000 each	<b>73,204</b>	21,754
<b>SUBSCRIBED</b>		
2,826,018,170 Equity shares (as at March 31, 2013: 2,826,018,170 shares) of ₹ 10 each	<b>282,602</b>	282,602
6,863,676 Preference shares (as at March 31, 2013: 2,071,066 shares) of ₹ 1,000 each	<b>68,637</b>	20,711
<b>PAID UP</b>		
2,826,018,170 Equity shares (as at March 31, 2013: 2,826,018,170 shares) of ₹ 10 each fully paid	<b>282,602</b>	282,602
Less: Loan given to TCL Employees Welfare Trust	<b>(5,695)</b>	(5,695)
Less: Loans to Employees	<b>(64)</b>	(149)
6,863,676 Preference shares (as at March 31, 2013: 2,071,066 shares) of ₹ 1,000 each fully paid	<b>68,637</b>	20,711
<b>Total</b>	<b>345,480</b>	<b>297,469</b>

**NOTES TO AND FORMING PART OF THE CONSOLIDATED  
BALANCE SHEET AS AT MARCH 31, 2014**

**NOTE "2" (contd.....)**

<b>2 (a) Reconciliation of number of shares outstanding</b>	<b>No. of shares</b>	<b>₹ in Lakh</b>
<b>Opening Share Capital as on April 1, 2012</b>		
Equity Shares Face Value ₹ 10 fully paid up	<b>2,551,018,170</b>	255,102
<b>Additions during the year</b>		
<b>Equity Share Capital</b>		
a) Preferential Allotment	<b>275,000,000</b>	27,500
<b>Preference Capital</b>		
a) Privately placed	<b>2,071,066</b>	20,711
<b>Closing Share Capital as on March 31, 2013</b>		
Equity Shares Face Value ₹ 10 fully paid up	<b>2,826,018,170</b>	282,602
Cumulative Redeemable Preference Shares Face Value ₹ 1000 fully paid up	<b>2,071,066</b>	20,711
<b>Additions during the year</b>		
Equity Share Capital	<b>NIL</b>	NIL
<b>Preference Capital</b>		
Privately placed	<b>4,792,610</b>	47,926
<b>Closing Share Capital as on March 31, 2014</b>		
Equity Shares Face Value ₹ 10 fully paid up	<b>2,826,018,170</b>	282,602
Preference Shares Face Value ₹ 1,000 fully paid up	<b>6,863,676</b>	68,637

**2 (b) Rights, preferences and restrictions attached to shares**

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 CONSOLIDATED  
BALANCE SHEET AS AT MARCH 31, 2014**

**2 (c) Investment by Tata Sons Limited (Holding company) and Subsidiaries/Associates/JVs of  
Tata Sons Limited**

Name of company	Particulars of issue	No. of equity shares	₹ in Lakh
<b>Tata Sons Limited (Holding Company)</b>	<b>Opening Balance as on April 1, 2012</b>	<b>2,301,433,946</b>	230,143
	a) Purchased	<b>250,000,000</b>	25,000
	<b>Closing Balance as on March 31, 2013</b>	<b>2,551,433,946</b>	255,143
	a) Purchased	-	-
	<b>Closing Balance as on March 31, 2014</b>	<b>2,551,433,946</b>	255,143
<b>Tata Investment Corporation Ltd (Subsidiary of Tata Sons Ltd.)</b>	<b>Opening Balance as on April 1, 2012</b>	<b>65,102,888</b>	6,510
	a) Purchased	<b>12,093,703</b>	1,209
	<b>Closing Balance as on March 31, 2013</b>	<b>77,196,591</b>	7,719
	a) Purchased	-	-
	<b>Closing Balance as on March 31, 2014</b>	<b>77,196,591</b>	7,719
<b>Tata Industries Limited (Subsidiary of Tata Sons Ltd.)</b>	<b>Opening Balance as on April 1, 2012</b>	<b>724,316</b>	72
	a) Purchased	<b>1,548,030</b>	155
	<b>Closing Balance as on March 31, 2013</b>	<b>2,272,346</b>	227
	a) Purchased	-	-
	<b>Closing Balance as on March 31, 2014</b>	<b>2,272,346</b>	227
<b>Tata International Limited (Subsidiary of Tata Sons Ltd.)</b>	<b>Opening Balance as on April 1, 2012</b>	<b>466,150</b>	47
	a) Purchased	<b>324,442</b>	32
	<b>Closing Balance as on March 31, 2013</b>	<b>790,592</b>	79
	a) Purchased	-	-
	<b>Closing Balance as on March 31, 2014</b>	<b>790,592</b>	79
<b>Tata Motors Limited (Associate of Tata Sons Ltd.)</b>	<b>Opening Balance as on April 1, 2012</b>	<b>3,905,624</b>	391
	a) Purchased	<b>421,027</b>	42
	<b>Closing Balance as on March 31, 2013</b>	<b>4,326,651</b>	433
	a) Purchased	-	-
	<b>Closing Balance as on March 31, 2014</b>	<b>4,326,651</b>	433
<b>Tata Chemical Limited (Associate of Tata Sons Ltd.)</b>	<b>Opening Balance as on April 1, 2012</b>	<b>3,230,859</b>	323
	a) Purchased	-	-
	<b>Closing Balance as on March 31, 2013</b>	<b>3,230,859</b>	323
	a) Purchased	-	-
	<b>Closing Balance as on March 31, 2014</b>	<b>3,230,859</b>	323
<b>Tata Global Beverages Limited (Associate of Tata Sons Ltd.)</b>	<b>Opening Balance as on April 1, 2012</b>	<b>553,889</b>	55
	a) Purchased	<b>59,709</b>	6
	<b>Closing Balance as on March 31, 2013</b>	<b>613,598</b>	61
	a) Purchased	-	-
	<b>Closing Balance as on March 31, 2014</b>	<b>613,598</b>	61

**NOTES TO AND FORMING PART OF THE CONSOLIDATED  
BALANCE SHEET AS AT MARCH 31, 2014**

**2 (d) List of Shareholders holding more than 5% Equity shares as at**

Name of Shareholder	March 31, 2014		March 31, 2013	
	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%

**2 (e) Preference Shares issued during the year**

Preference Shares

Tranche H - Allotment of 2,500,000 Cumulative Redeemable Preference Shares (CRPS) carrying dividend at the rate of 8.33% per annum, of ₹ 1,000/- each at par on May 22, 2013, redeemable at par after a period of 7 years on May 21, 2020, with a Put Option to the CRPS holder and a Call Option to the Company to seek early redemption of the CRPS by September 30, 2017.

Tranche G - Allotment of 899,000 Cumulative Redeemable Preference Shares (CRPS) carrying dividend at the rate of 8.33% per annum, of ₹ 1,000/- each at par on June 6, 2013, redeemable at par after a period of 7 years on June 5, 2020, with a Put Option to the CRPS holder and a Call Option to the Company to seek early redemption of the CRPS by September 30, 2017.

Tranche I - Allotment of 996,050 Cumulative Redeemable Preference Shares (CRPS) carrying dividend at the rate of 8.33% per annum, of ₹ 1,000/- each at par on July 9, 2013, redeemable at par after a period of 7 years on July 8, 2020, with a Put Option to the CRPS holder and a Call Option to the Company to seek early redemption of the CRPS by September 30, 2017.

Tranche J - Allotment of 369,660 Cumulative Redeemable Preference Shares (CRPS) carrying dividend at the rate of 8.33% per annum, of ₹ 1,000/- each at par on September 5, 2013, redeemable at par after a period of 7 years on September 4, 2020, with a Put Option to the CRPS holder and a Call Option to the Company to seek early redemption of the CRPS by September 30, 2017.

Tranche K - Allotment of 27,900 Cumulative Redeemable Preference Shares (CRPS) carrying dividend at the rate of 8.33% per annum, of ₹ 1,000/- each at par on November 7, 2013, redeemable at par after a period of 7 years on November 6, 2020, with a Put Option to the CRPS holder and a Call Option to the Company to seek early redemption of the CRPS by March 31, 2018.

**2 (f) 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 in Note 2(e). 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.

**2 (g) List of Shareholders holding more than 5% Preference shares as at March 31, 2014\***

Name of Shareholder	March 31, 2014		March 31, 2013	
	No. of Shares held	% of Holding	No. of Shares held	% of Holding
Azim Hasham Premji	299,999	4.37%	299,999	14.49%
Azim Premji Trust	200,000	2.91%	200,000	9.66%
International Tractors Ltd	133,700	1.95%	133,700	6.46%

\* No shareholder was holding more than 5% of the total preference capital of the Company as on March 31, 2014

**2 (h) Details of Shares allotted as fully paid up without payment being received in cash during preceding five years.**

Particulars	Financial Year (Aggregate No. of Shares)				
	2013-14	2012-13	2011-12	2010-11	2009-10
<b>Equity Shares:</b> Fully paid up shares issued pursuant to conversion of Preference Shares	NIL	NIL	NIL	317,587,500	690,000,000

**NOTES TO AND FORMING PART OF THE CONSOLIDATED  
BALANCE SHEET AS AT MARCH 31, 2014**

**NOTE “3”**

(₹ in lakh)

<b>RESERVES AND SURPLUS</b>	<b>As at March 31, 2014</b>		<b>As at March 31, 2013</b>	
<b>(a) Capital Redemption Reserve</b>				
Opening Balance		575		575
<b>Closing Balance</b>		<b>575</b>		<b>575</b>
<b>(b) Capital Reserve on Consolidation</b>				
Opening Balance		30		–
Add: Capital reserve on account of acquisition of subsidiary		–		30
<b>Closing Balance</b>		<b>30</b>		<b>30</b>
<b>(c) Securities Premium Reserve</b>				
Gross Balance		1,268		1,268
Add: Securities Premium Reserve on Issue of Equity Shares		27,500		27,500
Add: Securities Premium Reserve on Issue of Preference Shares		–		10,355
Less: Premium on redemption payable to Preference Shareholders		–		10,355
Less: Loan given to TCL Employees Welfare Trust		1,685		1,685
Less: Loan to Employees		13		37
<b>Net Balance</b>		<b>27,070</b>		<b>27,046</b>
<b>(d) Special Reserve Account / Statutory Reserve (refer note (a))</b>				
Opening Balance		14,956		8,420
Add: Transfer from Surplus in the Statement of Profit and Loss		6,235		6,536
<b>Closing Balance</b>		<b>21,191</b>		<b>14,956</b>
<b>(e) Debenture Redemption Reserve (refer note (b))</b>				
Opening Balance		30,000		23,693
Add: Transfer from Surplus in the Statement of Profit and Loss		–		6,307
<b>Closing Balance</b>		<b>30,000</b>		<b>30,000</b>
<b>(f) Surplus in Statement of Profit and Loss</b>				
Opening Balance		26,277		5,026
Add: Profit for the year		21,425		39,057
Profit available for Appropriations		47,702		44,083
Less : Appropriations				
Transfer to Special Reserve Account	6,235		6,536	
Transfer to Debenture Redemption Reserve Account	–		6,307	
Dividend on preference shares	5,783		1,130	
Tax on Proposed Dividend	1,361		670	
Adjustments for previous years	–	13,379	3,163	17,806
<b>Closing Balance</b>	–	<b>34,324</b>	–	<b>26,277</b>
<b>(g) Foreign Currency Translation Reserve</b>				
Opening Balance		1		(1,491)
Add : Effect of foreign exchange rate variations during the year		2,120		1,492
<b>Closing Balance</b>		<b>2,121</b>		<b>1</b>
<b>TOTAL - RESERVES AND SURPLUS</b>		<b>115,311</b>		<b>98,885</b>

The amounts appropriated out of the surplus in the statement of profit and loss are as under:

- a) ₹ 5,055 Lakh (Previous Year: ₹ 5,978 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 Company has transferred an amount of ₹ 1,180 Lakh ( previous year ₹ 558 Lakh) to Special Reserve.

- b) ₹ NIL Lakh (Previous Year: ₹ 6,306 Lakh) to Debenture Redemption Reserve as prescribed by circular issued by Ministry of Corporate Affairs dated February 11, 2013.

**NOTES TO AND FORMING PART OF THE CONSOLIDATED  
BALANCE SHEET AS AT MARCH 31, 2014**

**NOTE "4"**

(₹ in lakh)

<b>LONG TERM BORROWINGS</b>	<b>As at March 31, 2014</b>	<b>As at March 31, 2013</b>
<b>(a) Bonds/Debentures</b>		
<b>Secured</b>		
Privately Placed Non-Convertible Debentures [Net of unamortised discount of ₹ 1 Lakh (as at March 31, 2013: ₹ 1,171 Lakh)]	<b>510,799</b>	542,739
Public issue of Non-Convertible Debentures	<b>28,818</b>	–
<b>Unsecured</b>		
Non-Convertible Subordinated Debentures [Net of unamortised discount of ₹ 2,406 Lakh (as at March 31, 2013 : ₹ 2,710 Lakh)]	<b>104,909</b>	100,985
Non-Convertible Perpetual Debentures	<b>10,000</b>	645
<b>(b) Term loans</b>		
<b>Secured</b>		
(i) From Banks	<b>373,333</b>	273,234
(ii) From Others	<b>31,535</b>	8,241
<b>Unsecured</b>		
(i) From Banks	<b>100,000</b>	30,000
<b>(c) Deposits</b>		
Unsecured	<b>8,000</b>	–
<b>Total</b>	<b>1,167,394</b>	<b>955,844</b>

**NOTE "5"**

(₹ in lakh)

<b>DEFERRED TAX LIABILITIES</b>	<b>As at March 31, 2014</b>	<b>As at March 31, 2013</b>
<b>Deferred Tax Liabilities</b>		–
(a) Other deferred tax liability	<b>35</b>	–
<b>Deferred Tax Assets</b>		
(a) Standard Asset Provisioning	<b>(11)</b>	–
(b) Others	<b>(2)</b>	–
<b>Total</b>	<b>22</b>	–

**NOTES TO AND FORMING PART OF THE CONSOLIDATED  
BALANCE SHEET AS AT MARCH 31, 2014**

**NOTE “6”**

(₹ in lakh)

<b>OTHER LONG TERM LIABILITIES</b>	<b>As at March 31, 2014</b>	<b>As at March 31, 2013</b>
(a) Premium on redemption payable to preference shareholders	10,355	10,355
(b) Others		
(i) Interest accrued but not due on borrowings	8,876	13,239
(ii) Income received in advance	233	524
(iii) Payables for capital expenditure	–	2,652
<b>Total</b>	<b>19,464</b>	<b>26,770</b>

**NOTE “7”**

(₹ in lakh)

<b>LONG TERM PROVISIONS</b>	<b>As at March 31, 2014</b>	<b>As at March 31, 2013</b>
(a) Provision for employee benefits	187	263
(b) Contingency Provisions against Standard Assets	5,648	4,520
<b>Total</b>	<b>5,835</b>	<b>4,783</b>

**NOTE “8”**

(₹ in lakh)

<b>SHORT-TERM BORROWINGS</b>	<b>As at March 31, 2014</b>	<b>As at March 31, 2013</b>
<b>(a) Loans repayable on demand</b>		
<b>Secured</b>		
(i) From Banks		
(1) Working capital demand loan	68,652	58,701
(2) Bank Overdraft	266,772	279,519
<b>Unsecured</b>		
(i) From Banks		
(1) Working capital demand loan	17,970	–
(2) Bank Overdraft	245	237
<b>(b) Deposits</b>		
<b>Unsecured</b>		
Inter Corporate Deposits	20,000	5,215
<b>(c) Other loans and advances</b>		
<b>Unsecured</b>		
(i) Term Loans from Banks	33,578	10,545
(ii) Commercial Papers	357,047	351,502
(Net of Unamortised discount of ₹ 8,888 Lakh)		
(As at March 31, 2013 ₹ 6,098 Lakh)		
<b>Total</b>	<b>764,264</b>	<b>705,719</b>

**NOTES TO AND FORMING PART OF THE CONSOLIDATED  
BALANCE SHEET AS AT MARCH 31, 2014**

**NOTE "9"**

(₹ in lakh)

<b>TRADE PAYABLES</b>	<b>As at March 31, 2014</b>	<b>As at March 31, 2013</b>
(a) Accrued employee benefit expenses	4,699	4,230
(b) Accrued expenses	10,795	9,810
(c) Others	15,955	15,443
<b>Total</b>	<b>31,449</b>	<b>29,483</b>

**NOTE "10"**

(₹ in lakh)

<b>OTHER CURRENT LIABILITIES</b>	<b>As at March 31, 2014</b>	<b>As at March 31, 2013</b>
<b>(a) Current maturities of long-term debt</b>		
(i) Inter Corporate Deposit	4,500	-
(ii) Bonds / Debentures		
<b>Secured</b>		
Privately Placed Non-Convertible Debentures [Net of unamortised discount of ₹ 621 Lakh (as at March 31, 2013: ₹ 2,269 Lakh)]	332,639	207,891
Public issue of Non-Convertible Debentures	-	60,502
(ii) Term Loans		
<b>Secured</b>		
(1) From Banks	205,002	155,832
(2) From Others	5,201	1,401
<b>Unsecured</b>		
(1) From Banks	15,000	65,000
(b) Interest accrued but not due on borrowings	52,821	43,708
(c) Income received in advance	1,900	1,280
(d) Unclaimed debenture application money and interest accrued thereon	1	1
(e) Other payables		
(i) Security Deposit	8,048	5,545
(ii) Statutory Dues	1,430	1,401
(iii) Payables for capital expenditure	3,837	420
(iv) Advances from Customers	4,250	4,257
(v) Exchange settlement / Due to clients	15,488	98,005
(vi) Other Miscellaneous payables	527	291
<b>Total</b>	<b>650,643</b>	<b>645,534</b>

**NOTES TO AND FORMING PART OF THE CONSOLIDATED  
BALANCE SHEET AS AT MARCH 31, 2014**

**NOTE “11”**

(₹ in lakh)

<b>SHORT TERM PROVISIONS</b>	<b>As at March 31, 2014</b>	<b>As at March 31, 2013</b>
(a) Provision for employee benefits	<b>644</b>	588
(b) Provision - Others		
(i) Contingent Provisions against Standard Assets	<b>3,078</b>	2,725
(ii) Provision for tax, net of advance tax	<b>2,806</b>	5,430
(iii) Proposed Dividend	<b>5,783</b>	1,130
(iv) Tax on Proposed Dividend	<b>1,361</b>	670
(v) Other Provisions*	<b>295</b>	–
<b>Total</b>	<b>13,967</b>	<b>10,543</b>

\* Other provisions is towards rebate on Advisory Fees from a fund which is managed by the Group.

**NOTES TO AND FORMING PART OF THE CONSOLIDATED  
BALANCE SHEET AS AT MARCH 31, 2014**
**NOTE "12" : FIXED ASSETS**

(₹ in lakh)

Particulars	Gross Block				Accumulated depreciation and amortisation				Net Carrying Value as at March 31, 2014
	Opening balance as at April 1, 2013	Additions	Deletions	Closing balance as at March 31, 2014	Opening balance as at April 1, 2013	Depreciation / Amortisation for the Year	Deletions	Closing balance as at March 31, 2014	Net Carrying Value as at March 31, 2014 Audited
<b>TANGIBLE FIXED ASSETS</b>									
Buildings	15,709	2,659	-	18,368	745	714	-	1,459	16,908
	<i>5,011</i>	<i>10,697</i>	<i>-</i>	<i>15,709</i>	<i>324</i>	<i>422</i>	<i>1</i>	<i>745</i>	<i>14,963</i>
Leasehold Improvements	3,005	500	4	3,501	1,446	394	3	1,837	1,664
	<i>2,898</i>	<i>216</i>	<i>109</i>	<i>3,005</i>	<i>1,082</i>	<i>418</i>	<i>55</i>	<i>1,446</i>	<i>1,559</i>
Furniture & Fixtures	1,430	185	9	1,607	467	163	5	626	981
	<i>801</i>	<i>683</i>	<i>53</i>	<i>1,430</i>	<i>393</i>	<i>92</i>	<i>18</i>	<i>467</i>	<i>963</i>
Computer Equipment	782	13	5	790	709	57	3	764	26
	<i>768</i>	<i>27</i>	<i>12</i>	<i>782</i>	<i>665</i>	<i>56</i>	<i>12</i>	<i>709</i>	<i>73</i>
Office Equipment	1,340	107	9	1,438	439	151	5	584	854
	<i>1,376</i>	<i>220</i>	<i>255</i>	<i>1,340</i>	<i>352</i>	<i>175</i>	<i>88</i>	<i>438</i>	<i>902</i>
Plant & Machinery	979	90	-	1,070	175	117	(1)	293	776
	<i>392</i>	<i>630</i>	<i>43</i>	<i>979</i>	<i>118</i>	<i>76</i>	<i>19</i>	<i>175</i>	<i>804</i>
Vehicles	1,183	310	189	1,304	487	282	160	609	695
	<i>930</i>	<i>631</i>	<i>378</i>	<i>1,183</i>	<i>556</i>	<i>252</i>	<i>320</i>	<i>487</i>	<i>696</i>
<b>ASSETS GIVEN UNDER OPERATING LEASE/RENTAL</b>									
Construction Equipment	11,523	8,640	722	19,441	3,022	1,492	309	4,205	15,236
	<i>11,497</i>	<i>26</i>	<i>-</i>	<i>11,523</i>	<i>1,954</i>	<i>1,068</i>	<i>-</i>	<i>3,022</i>	<i>8,501</i>
Vehicles	8,228	2,056	2,092	8,192	3,035	1,977	1,285	3,727	4,465
	<i>7,162</i>	<i>2,247</i>	<i>1,181</i>	<i>8,228</i>	<i>1,929</i>	<i>1,646</i>	<i>540</i>	<i>3,035</i>	<i>5,193</i>
Plant & Machinery	1,844	926	-	2,770	433	236	-	669	2,101
	<i>1,054</i>	<i>790</i>	<i>-</i>	<i>1,844</i>	<i>200</i>	<i>233</i>	<i>-</i>	<i>433</i>	<i>1,411</i>
Computer Equipment	2,260	5,264	-	7,524	315	1,058	-	1,373	6,151
	<i>94</i>	<i>2,166</i>	<i>-</i>	<i>2,260</i>	<i>19</i>	<i>296</i>	<i>-</i>	<i>315</i>	<i>1,945</i>
Furniture & Fixtures	-	260	-	260	-	10	-	10	250
	<i>-</i>	<i>-</i>	<i>-</i>	<i>-</i>	<i>-</i>	<i>-</i>	<i>-</i>	<i>-</i>	<i>-</i>
Office Equipments	309	120	-	429	51	30	-	81	348
	<i>179</i>	<i>130</i>	<i>-</i>	<i>309</i>	<i>12</i>	<i>39</i>	<i>-</i>	<i>51</i>	<i>258</i>
<b>TANGIBLE FIXED ASSETS - TOTAL</b>	<b>48,592</b>	<b>21,131</b>	<b>3,031</b>	<b>66,692</b>	<b>11,324</b>	<b>6,682</b>	<b>1,768</b>	<b>16,237</b>	<b>50,454</b>
	<i>32,162</i>	<i>18,463</i>	<i>2,032</i>	<i>48,592</i>	<i>7,604</i>	<i>4,773</i>	<i>1,053</i>	<i>11,324</i>	<i>37,268</i>
<b>"INTANGIBLE FIXED ASSETS (Other than internally generated)"</b>									
Goodwill*	8,714	-	-	8,714	-	-	-	-	8,714
	<i>8,714</i>	<i>-</i>	<i>-</i>	<i>8,714</i>	<i>-</i>	<i>-</i>	<i>-</i>	<i>-</i>	<i>8,714</i>
Software	356	278	-	635	332	66	-	398	236
	<i>320</i>	<i>36</i>	<i>-</i>	<i>356</i>	<i>279</i>	<i>53</i>	<i>-</i>	<i>332</i>	<i>24</i>
Trading Rights in BSEL	228	-	-	228	228	-	-	228	-
	<i>228</i>	<i>-</i>	<i>-</i>	<i>228</i>	<i>228</i>	<i>-</i>	<i>-</i>	<i>228</i>	<i>-</i>
<b>INTANGIBLE FIXED ASSETS - TOTAL</b>	<b>9,298</b>	<b>278</b>	<b>-</b>	<b>9,576</b>	<b>560</b>	<b>66</b>	<b>-</b>	<b>626</b>	<b>8,950</b>
	<i>9,262</i>	<i>36</i>	<i>-</i>	<i>9,298</i>	<i>507</i>	<i>53</i>	<i>-</i>	<i>560</i>	<i>8,738</i>
<b>Total</b>	<b>57,890</b>	<b>21,409</b>	<b>3,031</b>	<b>76,269</b>	<b>11,884</b>	<b>6,748</b>	<b>1,767</b>	<b>16,863</b>	<b>59,404</b>
	<i>41,425</i>	<i>18,499</i>	<i>2,032</i>	<i>57,890</i>	<i>8,111</i>	<i>4,826</i>	<i>1,051</i>	<i>11,885</i>	<i>46,006</i>
Capital work-in-progress									122
									177
Intangible assets under development									-
									259
<b>TOTAL</b>									<b>59,526</b>
									<i>46,442</i>

Previous year figures are given in Italics

**Note:** Rupee Liability has increased by ₹ 459 Lakh (Previous Year : decrease of ₹ 124 Lakh) arising out of revaluation of the value of foreign currency loans for procurement of fixed assets. This increase has been adjusted in the carrying cost of respective fixed assets.

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



**NOTES TO AND FORMING PART OF THE CONSOLIDATED  
BALANCE SHEET AS AT MARCH 31, 2014**

NOTE "13"

(₹ in lakh)

INVESTMENTS (at cost)	As at March 31, 2014		As at March 31, 2013	
	Non-Current Investment	Current portion of Long Term Investment	Non-Current Investment	Current portion of Long Term Investment
<b>Long-Term Investments</b>				
<b>Investments in Associates / Joint Venture</b>				
<b>Unquoted :</b>				
Carrying amount of investments in associates (Refer note 29)	47,040	-	43,405	-
Investment in Preference shares	1,500	-	1,500	-
Investment in Debentures	132	-	132	-
Investment in Security Receipts	777	-	-	-
<b>Investments in Others</b>				
<b>Quoted</b>				
Investment in Equity Shares	30,607	19,405	30,607	-
Investment in Debentures	44,648	4,803	48,508	24,733
Investment in Government Securities	8,026	1,481	5,074	-
<b>Unquoted</b>				
Investment in Equity Shares	14,130	-	13,409	-
Investment in Preference shares	15,839	1,022	12,435	811
Investment in Debentures	23,760	17,458	33,967	13,539
Investment in Pass Through Certificates	6,435	719	6,184	726
Investment in Venture Capital Fund	926	-	-	-
Less: Provision for diminution in value of investments	(26,201)	(146)	(16,132)	(68)
<b>Total Long Term Investments</b>	<b>167,618</b>	<b>44,742</b>	<b>179,089</b>	<b>39,741</b>

**NOTES TO AND FORMING PART OF THE CONSOLIDATED  
BALANCE SHEET AS AT MARCH 31, 2014**

NOTE "13" (contd.....)

(₹ in lakh)

INVESTMENTS (at cost)	As at March 31, 2014	As at March 31, 2013
<b>CURRENT INVESTMENTS</b>		
<b>Quoted</b>		
Investment in Debentures	22,989	5,845
<b>Unquoted</b>		
Investment in Pass Through Certificates	10,297	-
Investment in Units of Mutual Funds	55	55
Less: Provision for diminution in value of investments	-	-
<b>Total Current Investments</b>	<b>33,341</b>	<b>5,900</b>

<b>Total Investments</b>	<b>167,618</b>	<b>78,083</b>	<b>179,089</b>	<b>45,641</b>
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(₹ in lakh)

Particulars	As at March 31, 2014		As at March 31, 2013	
	Non-Current Investment	Current Investment	Non-Current Investment	Current Investment
Book value of Quoted investments	81,440	14,648	71,807	30,532
Market value of Quoted investments	103,518	14,808	64,117	30,743
Book value of Unquoted investments	86,178	63,435	107,281	15,109

NOTE "14"

(₹ in lakh)

DEFERRED TAX ASSETS	As at March 31, 2014	As at March 31, 2013
<b>Deferred Tax Assets</b>		
(a) Deferred tax assets on account of provisions for non-performing assets	7,202	4,033
(b) Standard Asset Provisioning	2,956	2,466
(c) Doubtful Loans	236	90
(d) Employee benefits	256	317
(e) Fixed assets	53	687
(f) Others	1,279	205
<b>Deferred Tax Liabilities</b>		
(a) Deferred tax liabilities on account of depreciation on fixed assets	(2,302)	(1,176)
(b) Deferred tax liabilities on account of Debenture issue expenses	(264)	(315)
<b>Total</b>	<b>9,416</b>	<b>6,307</b>

Includes adjustment of ₹ Nil (Previous Year ₹ 633 lakhs) on account of write back of provision for tax for earlier years arising due to tax depreciation on goodwill.

**NOTES TO AND FORMING PART OF THE CONSOLIDATED  
BALANCE SHEET AS AT MARCH 31, 2014**

**NOTE "15"**

(₹ in lakh)

<b>LOANS AND ADVANCES - FINANCING ACTIVITY</b>	<b>As at March 31, 2014</b>	<b>As at March 31, 2013</b>
<b>NON-CURRENT</b>		
<b>(a) Secured Loans</b>		
(i) Considered good	<b>1,454,094</b>	1,214,280
(ii) Considered doubtful	<b>5,900</b>	2,462
	<b>1,459,994</b>	1,216,742
Less: Provision for doubtful loans	<b>5,900</b>	2,462
Less: Provisions against restructured standard assets	<b>2,675</b>	-
-	<b>1,451,419</b>	1,214,280
<b>(b) Unsecured Loans</b>		
(i) Considered good	<b>66,110</b>	73,830
(ii) Considered doubtful	<b>29</b>	51
	<b>66,139</b>	73,881
Less: Provision for doubtful loans	<b>29</b>	51
	<b>66,110</b>	73,830
<b>Total</b>	<b>1,517,529</b>	<b>1,288,110</b>
<b>CURRENT</b>		
<b>(a) Secured Loans</b>		
(i) Considered good	<b>645,419</b>	571,976
(ii) Considered doubtful	<b>11,971</b>	7,750
	<b>657,390</b>	579,726
Less: Provision for doubtful loans	<b>11,971</b>	7,750
Less: Provisions against restructured standard assets	<b>95</b>	-
	<b>645,324</b>	571,976
<b>(b) Unsecured Loans</b>		
(i) Considered good	<b>537,809</b>	465,189
(ii) Considered doubtful	<b>1,214</b>	1,869
	<b>539,023</b>	467,058
Less: Provision for doubtful loans	<b>1,214</b>	1,869
	<b>537,809</b>	465,189
<b>Total</b>	<b>1,183,133</b>	<b>1,037,165</b>
<b>TOTAL - LOANS AND ADVANCES - FINANCING ACTIVITIES</b>	<b>2,700,663</b>	<b>2,325,275</b>

**NOTES TO AND FORMING PART OF THE CONSOLIDATED  
BALANCE SHEET AS AT MARCH 31, 2014**

**NOTE "16"**

(₹ in lakh)

<b>LOANS AND ADVANCES - OTHERS (UNSECURED - CONSIDERED GOOD)</b>	<b>As at March 31, 2014</b>	<b>As at March 31, 2013</b>
(a) Capital Advances	3,721	154
(b) Security Deposits	753	348
(c) Others		
(i) Prepaid Expenses	417	371
(ii) Advances payment of Income Tax, net of provision *	3,186	2,039
(iii) MAT Credit Entitlement	27	685
(iv) Deposits	267	37
<b>Total</b>	<b>8,371</b>	<b>3,634</b>

\* Includes adjustment of ₹ NIL ( Previous year - ₹ 633 Lakh) on account of write back of provision for tax for earlier years arising due to tax depreciation on goodwill.

**NOTE "17"**

(₹ in lakh)

<b>OTHER NON-CURRENT ASSETS</b>	<b>As at March 31, 2014</b>	<b>As at March 31, 2013</b>
(a) Interest Accrued on Investments	1,868	1,618
(b) Deferred Expenditure (to the extent not written off or adjusted)	1,463	1,165
(c) Unamortised loan sourcing costs	4,657	3,703
(d) Others	40	89
<b>Total</b>	<b>8,029</b>	<b>6,575</b>

**NOTE "18"**

(₹ in lakh)

<b>TRADE RECEIVABLES</b>	<b>As at March 31, 2014</b>	<b>As at March 31, 2013</b>
<b>(a) Over six months (from the date due for payment)</b>		
(i) Secured, considered good	-	-
(ii) Unsecured, considered good	545	848
(iii) Doubtful	168	132
	714	980
Less: Provision for trade receivables	168	132
	545	848
<b>(b) Others</b>		
(i) Secured, considered good	-	-
(ii) Unsecured, considered good	7,734	5,426
(iii) Doubtful	-	-
	7,734	5,426
Less: Provision for trade receivables	-	-
	7,734	5,426
<b>Total</b>	<b>8,279</b>	<b>6,274</b>

**NOTES TO AND FORMING PART OF THE CONSOLIDATED  
BALANCE SHEET AS AT MARCH 31, 2014**

**NOTE “19”**

(₹ in lakh)

<b>CASH AND BANK BALANCES</b>	<b>As at March 31, 2014</b>	<b>As at March 31, 2013</b>
(a) Cash on Hand	1,081	1,281
(b) Cheques and drafts on hand	2,298	1,103
(c) Balances with bank		
(i) In Current Accounts	27,971	15,546
(ii) In Client Accounts	1,594	218
(iii) In Deposit Accounts	3,230	13,534
<b>Total</b>	<b>36,174</b>	<b>31,682</b>

Of the above, the balances that meet the definition of Cash and cash equivalents as per AS 3 Cash Flow Statements is ₹ 31,349 Lakh ( as at March 31, 2013: ₹ 18,132 Lakh)

Balance with bank includes deposits amounting to ₹ 676 lakh (as at March 31, 2013 ₹ 2,482 lakh) and margin monies ₹ Nil (as at March 31, 2013 ₹ Nil) which have an original maturity of more than 12 months). Deposits includes deposits with Banks and Stock Exchanges under lien as margin, amounting to ₹ 1,563 lakh (As at March 31, 2012 ₹ 1,703 lakh)

**NOTE “20”**

(₹ in lakh)

<b>SHORT-TERM LOANS AND ADVANCES (UNSECURED-CONSIDERED GOOD)</b>	<b>As at March 31, 2014</b>	<b>As at March 31, 2013</b>
(a) Loans and advances to related parties	325	1,862
(b) Security Deposits	2,859	3,604
(c) Deposit with Stock Exchanges	-	19,005
(d) Others		
(i) Advances to Vendors	1,973	5,072
(ii) Other advances	3,357	1,812
(iii) Share/debenture application money	-	5
(iv) Prepaid Expenses	490	295
(v) Balances with government authorities	841	494
(vi) Other Deposits	2,255	255
<b>Total</b>	<b>12,100</b>	<b>32,404</b>

**NOTE “21”**

(₹ in lakh)

<b>OTHER CURRENT ASSETS</b>	<b>As at March 31, 2014</b>	<b>As at March 31, 2013</b>
(a) Interest Accrued but not due on deposits / investments	4,182	4,692
(b) Deferred expenditure (to the extent not written off or adjusted)	1,349	1,191
(c) Unamortised loan sourcing costs	4,130	3,523
(d) Exchange Settlement / Dues from Clients	13,083	79,435
(e) Repossessed Assets	623	223
(f) Receivable on sale of Investment	1,381	269
Less : Provision for receivable on sale of Investment	135	31
Net Receivable	1,246	238
(g) Others	761	107
<b>Total</b>	<b>25,374</b>	<b>89,409</b>

**NOTES TO AND FORMING PART OF THE CONSOLIDATED STATEMENT OF  
PROFIT AND LOSS FOR THE YEAR ENDED MARCH 31, 2014**

**NOTE "22"**

(₹ in lakh)

<b>INCOME FROM FINANCING ACTIVITY</b>	<b>For the Year Ended March 31, 2014</b>	<b>For the Year Ended March 31, 2013</b>
(a) Interest Income		
(i) From Secured Loan	229,296	196,058
(ii) From Unsecured Loan	63,445	59,959
(b) Income from Bill Discounting	3,439	3,265
(c) Others	17,465	16,148
<b>Total</b>	<b>313,645</b>	<b>275,430</b>

**NOTE "23"**

(₹ in lakh)

<b>INVESTMENT INCOME</b>	<b>For the Year Ended March 31, 2014</b>	<b>For the Year Ended March 31, 2013</b>
(a) Dividend from Non-current Investments	1,255	915
(b) Dividend from Current Investments	1,111	1
(c) Profit on sale of Non-current Investments	1,366	2,210
(d) Profit on sale of Current Investments	549	2,637
(e) Interest on Non-Current Investments	13,168	20,850
(f) Interest on Current Investments	277	378
(g) Other investment income n Non-Current Investments	18	7
<b>Total</b>	<b>17,744</b>	<b>26,998</b>

**NOTE "24"**

(₹ in lakh)

<b>OTHER INCOME</b>	<b>For the Year Ended March 31, 2014</b>	<b>For the Year Ended March 31, 2013</b>
(a) Income from services	11,120	10,370
(b) Income from operating leases	7,597	6,010
(c) Interest Income on Fixed Deposits	1,313	395
(d) Income from Ticketing & other travel related services	731	879
(e) Income from Forex services	1,566	1,344
(f) Brokerage Income	1,943	1,564
(g) Exchange gains (net)	-	149
(h) Miscellaneous Income	2,238	2,969
<b>Total</b>	<b>26,508</b>	<b>23,680</b>

**NOTES TO AND FORMING PART OF THE CONSOLIDATED STATEMENT OF  
PROFIT AND LOSS FOR THE YEAR ENDED MARCH 31, 2014**

**NOTE “25”**

(₹ in lakh)

<b>FINANCE COSTS</b>	<b>For the Year Ended March 31, 2014</b>	<b>For the Year Ended March 31, 2013</b>
(a) Interest Expenses on fixed period loans	<b>159,716</b>	136,196
(b) Interest Expenses on others	<b>10,451</b>	4,485
(c) Discounting charges on commercial paper	<b>41,524</b>	43,713
(d) Discounting charges on debentures	<b>3,123</b>	12,440
<b>Total</b>	<b>214,814</b>	<b>196,834</b>

**NOTE “26”**

(₹ in lakh)

<b>EMPLOYEE BENEFITS EXPENSE</b>	<b>For the Year Ended March 31, 2014</b>	<b>For the Year Ended March 31, 2013</b>
(a) Salaries, wages and bonus	<b>27,977</b>	23,344
(b) Contribution to provident and other funds	<b>1,329</b>	1,367
(c) Staff welfare expenses	<b>1,579</b>	1,397
<b>Total</b>	<b>30,885</b>	<b>26,108</b>

**NOTES TO AND FORMING PART OF THE CONSOLIDATED STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED MARCH 31, 2014**
**NOTE "27"**

(₹ in lakh)

OTHER OPERATING EXPENSES	For the Year Ended March 31, 2014		For the Year Ended March 31, 2013	
(a) Advertisement and Publicity		3,121		3,658
(b) Data Processing Charges		213		91
(c) Donations		127		178
(d) Equipment Hire Charges		490		320
(e) Incentive / commission/ brokerage		6,700		5,741
(f) Information Technology expenses		6,445		4,665
(g) Insurance charges		313		408
(h) Legal and Professional fees		4,702		3,320
(i) Loan Processing fees		1,298		989
(j) Printing and stationery		649		530
(k) Provision for doubtful loans		14,575		8,825
(l) Write off - Loans and Advances	7,393		2,971	
Less : Provision reversal on write off	(7,393)	-	(2,971)	-
(m) Contingent provisions against Standard Assets		1,471		1,494
(n) Contingent provision against Restructured Advances		2,769		-
(o) Provision for diminution in value of long term investments		9,649		8,872
(p) Power and fuel		701		683
(q) Repairs and Maintenance				
(i) Buildings	147		119	
(ii) Annual maintenance charges	222		580	
(iii) Others	139	508	141	840
(r) Rent		3,024		3,707
(s) Rates and taxes		117		95
(t) Stamp Charges		405		354
(u) Service providers' charges		4,240		3,825
(v) Security Charges		298		231
(w) Training and recruitment		602		567
(x) Telephone, telex and leased line		763		748
(y) Traveling and conveyance		3,138		2,304
(z) Other expenses		3,911		3,701
<b>Total</b>		<b>70,229</b>		<b>56,146</b>

**NOTE "27(a)"**

(₹ in lakh)

AUDITORS' REMUNERATION (excl. Service Tax)	For the Year Ended March 31, 2014	For the Year Ended March 31, 2013
(a) Audit Fees	164	159
(b) Tax Audit Fees	14	14
(c) Other Services	11	11
(d) Out of Pocket Expenses	1	1

(Auditors' Remuneration is included in Other expenses)



**NOTE “28”**

The financial statements of the following subsidiaries have been consolidated as per Accounting Standard 21 on ‘Consolidated Financial Statements’ as notified by the Companies (Accounting Standards) Rules, 2006:

**Subsidiaries – Held directly**

Name of the Company	Country of Incorporation	Holding as at 31.03.2014	Holding as at 31.03.2013
Tata Securities Limited	India	100%	100%
Tata Capital Housing Finance Limited	India	100%	100%
TC Travel and Services Limited	India	100%	100%
Tata Capital Pte. Limited	Singapore	100%	100%
T Sec Commodities Broking Limited*	India	NA	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%	100%
India Collections Management Limited	India	81%	81%

\*T-Sec Commodities Broking Limited has merged into Tata Securities Limited with effect from the appointed date April 1, 2013, pursuant to the Scheme of Arrangement sanctioned by the High Court of Judicature at Bombay vide its order dated March 7, 2014.

**Subsidiaries – Held indirectly**

Name of the Company	Country of Incorporation	Holding as at 31.03.2014	Holding as at 31.03.2013
Tata Capital Markets Pte. Ltd. (Subsidiary of Tata Capital Pte Limited)	Singapore	100%	100%
Tata Capital Advisors Pte. Ltd. (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' as notified by the Companies (Accounting Standards) Rules, 2006:

The Particulars of investments in associates as on March 31, 2014 are as follows :

(₹ In Lakh)

Sr No	Name of Associates	Country of Incorporation	Ownership Interest (%)	Original Cost of Investment (₹ in Lacs)	Amount of goodwill/ (Capital Reserve) in original cost	Share of post acquisition Reserves & Surplus	Carrying Amount of Investments
1	e-Nxt Financials Limited	India	<b>50.00%</b> <i>50.00%</i>	<b>1,022</b> <i>1,022</i>	<b>1,221</b> <i>1,221</i>	<b>160</b> <i>2</i>	<b>1,182</b> <i>1,024</i>
2	Tata Autocomp Systems Limited *	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>13,800</b> <i>13,920</i>	<b>32,328</b> <i>32,448</i>
3	Hemisphere Properties India Limited *	India	<b>24.44%</b> <i>50.00%</i>	<b>1</b> <i>3</i>	- -	- -	<b>1</b> <i>3</i>
4	Precision Camshafts Limited * (Ceased to be an associate since August 21, 2013)	India	<b>NA</b> <i>26.00%</i>	<b>0</b> <i>2,388</i>	<b>0</b> <i>1,884</i>	<b>649</b> <i>2,428</i>	<b>0</b> <i>4,816</i>
5	Tata Capital Special Situation Fund	India	<b>20.83%</b> <i>24.53%</i>	<b>5,099</b> <i>2,506</i>	- -	<b>(856)</b> <i>(730)</i>	<b>4,243</b> <i>1,776</i>
6	Tata Capital Health Care Fund	India	<b>31.30%</b> <i>30.53%</i>	<b>4,462</b> <i>2,352</i>	- -	<b>(910)</b> <i>(731)</i>	<b>3,552</b> <i>1,621</i>
7	Tata Capital Innovation Fund	India	<b>27.13%</b> <i>29.27%</i>	<b>3,071</b> <i>2,346</i>	- -	<b>(760)</b> <i>(629)</i>	<b>2,311</b> <i>1,717</i>
8	International Asset Reconstruction Company Private Limited (An associate w.e.f. July 7, 2013)	India	<b>25.37%</b> <i>NA</i>	<b>3,313</b> <i>NA</i>	<b>483</b> <i>NA</i>	<b>109</b> <i>NA</i>	<b>3,422</b> <i>NA</i>
	<b>Total</b>			<b>35,496</b> <i>29,144</i>	<b>13,849</b> <i>15,250</i>	<b>12,193</b> <i>14,261</i>	<b>47,040</b> <i>43,405</i>

\* Consolidated based on unaudited financial statements as at/for the year ended March 31, 2014 / March 31, 2013.

Figures in Italics represent previous year.

**NOTE “30”**

The financial statements of the following jointly controlled entities have been consolidated as per Accounting Standard 27 on ‘Financial Reporting of Interests in Joint Ventures’ as notified by the Companies (Accounting Standards) Rules, 2006.

Name of Jointly controlled Entity	Holding as at 31.03.2014	Holding as at 31.03.2013
Nectar Loyalty Management India Limited *	49%	49%

\* Consolidated based on unaudited financial statements as at / for the year ended March 31, 2014 / March 31, 2013.

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, 2014	As at March 31, 2013
<b>Assets:</b>		
Tangible Fixed Assets	18	29
Intangible Fixed Assets	4	5
Long-term loans and advances	170	139
Cash and bank balances	8	1
Short-term loans and advances	1	0
<b>Total</b>	<b>201</b>	<b>174</b>
<b>Liabilities</b>		
Short-term borrowings	490	0
Other current liabilities	115	90
<b>Total</b>	<b>605</b>	<b>90</b>
<b>Income</b>	<b>NIL</b>	<b>NIL</b>
<b>Expenses</b>	<b>521</b>	<b>475</b>

**NOTE “31” CONTINGENT LIABILITIES:**

- i. 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, 2014 (Audited)	As at March 31, 2013 (Audited)
Income Tax (Pending before Appellate authorities)	6,761	4,299
VAT (Pending before Sales Tax Appellate Authorities)	167	67
<b>Total</b>	<b>6,928</b>	<b>4,366</b>

**NOTE “32” COMMITMENTS :**

- i. Commitment to invest in Tata Capital Special Situation Fund amounting to ₹ 2,401 Lakh (as at March 31, 2013 : ₹ 4,994 Lakh).
- ii. Commitment to invest in Tata Capital Health Care Fund amounting to ₹ 5,538 Lakh (as at March 31, 2013 : ₹ 7,648 Lakh).
- iii. Commitment to invest in Tata Capital Growth Fund amounting to ₹ 11,795 Lakh (as at March 31, 2013 : ₹ 12,343 Lakh)
- iv. Commitment to invest in Tata Capital Innovation Fund amounting to ₹ 4,704 Lakh (as at March 31, 2013 : ₹ 5,429 Lakh)
- v. Commitment to co-invest with Omega TC Holdings Pte. Ltd ₹ 23,073 Lakh (USD 38.61 Million) (as at March 31, 2013 : ₹ 25,052 Lakh (USD 46.09 Million)
- vi. Estimated amount of contracts remaining to be executed on capital account and not provided for ₹ 227 Lakh (as at March 31, 2013: ₹ 305 Lakh).

## NOTE “33” EMPLOYEE BENEFITS

### Defined Contribution Plans

These are plans in which the Group pays pre-defined amounts to separate funds and does not have any legal or informal obligation to pay additional sums. The Group offers its employees defined contribution plans in the form of provident fund, family pension fund and superannuation fund. Provident fund and family pension fund cover all regular employees while the contribution to superannuation fund is at the option of the employee. Contributions towards superannuation are paid into a superannuation fund. The superannuation fund is managed by independent agencies while provident fund is managed by a trust fund set by the Group. While both the employees and the Group pay predetermined contributions into the provident fund, contributions into the family pension fund and the superannuation fund are made by only the Group. The contributions are based on a certain proportion of the employee's salary.

The Group recognised a charge of ₹ 933 lakh (Previous year ₹ 802 lakh) for provident fund and family pension fund contribution and ₹ 284 lakh (Previous year ₹ 232 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 (included as a part of Contribution to provident and other funds in Note 25 Employee Benefits Expenses) (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 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	2013-14	2012-13
<b>Change in Defined Benefit Obligation</b>		
Opening Defined Benefit Obligation	1,529	1,175
Current Service Cost	238	192
Interest Cost	127	100
Actuarial Losses / (Gain)	(65)	113
Benefits Paid	(59)	(51)
Closing Defined Benefit Obligation	1,770	1,529
<b>Change in the Fair Value of Assets</b>		
Opening Fair Value of Plan Assets	1,369	1,069
Acquisition Cost / Transfer in	–	–
Expected Return on Plan Assets	117	95
Contributions by Employer	187	262
Actuarial Gains / (Losses)	72	(23)

Particulars	2013-14	2012-13
Benefits paid	(16)	(34)
Closing Fair Value of Plan Assets	1,729	1,369
<b>Composition of Plan Assets</b>		
Insurer managed funds:		
Government Bonds	36.58%	27.41%
Equity Mutual Funds	8.73%	7.00%
Bonds / Debentures	29.63%	43.43%
Others	25.06%	22.15%
<b>Total</b>	<b>100%</b>	<b>100%</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	1,729	1,369
Present value of the defined obligations at the end of the year	1,770	1,529
Funded status [Surplus / (Deficit)]	(41)	(160)
Unrecognised past service cost	–	–
Net Asset /(Liability) recognised in the balance sheet	(41)	(160)
<b>Net Gratuity cost for the year ended March 31, 2014</b>		
Service Cost	238	192
Interest on Defined benefit Obligation	127	100
Expected return on plan assets	(117)	(95)
Net actuarial (gain) / loss recognised in the year	(136)	136
Net Gratuity Cost	111	333
<b>Particulars</b>	<b>2013-14</b>	<b>2012-13</b>
<b>Assumptions</b>		
Discount Rate	9.30%	8.00%
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	LIC (1994-96) Ultimate	Indian assured lives Mortality (1996-98) (modified) Ult.

Particulars	2013-14	2012-13
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	2013-14	2012-13	2011-12	2010-11	2009-10
- On Plan Liabilities	(141)	15	(8)	(68)	(84)
- On Plan Assets	72	(23)	6	(31)	56
Present value of benefit obligation	(1,770)	(1,529)	(1,175)	(1,006)	(811)
Fair value of Plan Assets	1,729	1,369	1,069	988	896
Excess of (obligation over plan assets)	(41)	(160)	(106)	(22)	108
Acturia Gain / (Loss) due to change in Assumptions	206	(129)	-	-	-

The Group expects to contribute approximately ₹ 500 lakh (Previous year ₹ 663 Lakh) to the gratuity fund in the year ending March 2014.

#### 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 2013-14 is ₹ 15.68 lakh (Previous year ₹ 13.94 lakh) and the provision as at March 31, 2014 is ₹ 74.75 lakh (Previous year ₹ 68.81 lakh).

**NOTE “34”**

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>Associates</b>	e-Nxt Financials Limited Tata AutoComp Systems Limited Hemisphere Properties India Limited Precision Camshafts Limited* Tata Capital Healthcare Fund Tata Capital Innovation Fund Tata Capital Special Situation Fund International Asset Reconstruction Company Private Limited
<b>Fellow Subsidiaries</b> (with which the company had transactions)	Tata Sky Limited Tata Consultancy Services Limited Tata AIG General Insurance Company Limited Tata AIA Life Insurance Company Limited Infiniti Retail Limited Computational Research Laboratories 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 Advance Materials Limited Drive India Enterprise Solutions Limited Tata Industries Limited Indian Rotocraft Limited Tata International Limited Tata Trusteeship Company Limited Infiniti Wholesale Limited TRIL Roads Pvt Ltd TRIL Infopark Ltd TRIL Constructions Pvt Ltd TRIF Infrastructure Pvt Ltd TRIL Logistics Pvt Ltd
<b>Key Management Personnel</b>	Mr. Praveen P Kadle

\* Ceased to be an associate with effect from August 21, 2013.



(₹ in Lakh)

Sr. No.	Party Name	Nature of Transaction	2013-14	2012-13
1	Tata Sons Ltd	a) Equity Shares Issued during the year b) Expenditure - Brand Equity Contribution - Other Charges c) Income - Services rendered - Equity Brokerage Income d) Deposit For premises paid e) Share of Rent and Expenses f) Balance Receivable/(Payable)	-  739 68  720 - 91 484 851	50,000  752 49  626 69 89 48 (503)
2	e-Nxt Financials Limited	a) Services rendered b) Income - Operating Lease Income - Processing Fee Received - Syndication Fee Received c) Expenditure - Service Providers' charges - Administration and Support Expenses - Professional and Legal Fees d) Loan Given during year e) Repayment of Loan/ICD f) Balance Receivable/(Payable)	3,763  25 2 10  770 27 8 7,062 8,558 432	54  - - -  2,929 16 23 - - 711
3	Tata AutoComp Systems Limited	a) Dividend received during the year	966	1,449
4	Precision Camshafts Limited	a) Dividend received during the year b) Interest income on Loan c) Loan Outstanding	- - -	8 46 208
5	International Asset Reconstruction Company Private Limited	a) Investment in Security Receipt	777	-
6	Tata Capital Healthcare Fund	a) Investment in Units of Fund b) Income – Management Fees & Set-up cost c) Balance Receivable - Towards Asset Management Fees - Towards Reimbursement of Expenses	2,110 635  122 2	580 678  - -

(₹ in Lakh)

Sr. No.	Party Name	Nature of Transaction	2013-14	2012-13
7	Tata Capital Innovation Fund	a) Investment in Units of Fund	725	309
		b) Income		
		– Advisory Fees	573	661
		– Set up Cost	-	32
		c) Advance Income received	188	188
		d) Receivable towards Advisory Fees	-	21
8	Tata Capital Special Situation Fund	a) Investment made during the year	2,593	-
		b) Income – Advisory Fees	434	684
		c) Balance Receivable/(Payable)		
		- Towards Advisory fees	164	132
		- Towards Reimbursement of Expenses	3	2
9	Tata Sky Limited	a) Investment in Equity Shares	2,137	-
		b) Loan/ Invoice discounting given during the year	7,301	4,769
		c) Interest received on loan given	248	98
		d) Repayment of Loan / Invoice discounting	3,365	3,488
		e) Loan/ Invoice Discounting outstanding	-	3,984
		f) Brokerage Income	-	2
		g) Balance Receivable/(Payable)	-	2
10	Tata Consultancy Services Limited	a) Expenditure		
		- IT Outsourcing	7,486	4,620
		- Other Expenses	-	-
		- Interest paid on ICD	1,624	-
		b) Advanced paid for SAP Licence Fee	-	965
		c) Fixed Assets		
		- Software Amc & other maintenance cost	33	23
		d) Services rendered	4,783	30,247
e) ICD outstanding	28,000	-		
f) Balance Receivable/(Payable)	1,291	(322)		
11	Tata AIG General Insurance Company Limited	a) Expenditure - Insurance Expenses	204	82
		b) Claims Received during the year	0 <sup>#</sup>	-
		c) Services rendered	207	281
		d) Marketing & Advertisement Revenue	114	76
		e) Balance Receivable/(Payable)	43	119

(₹ in Lakh)

Sr. No.	Party Name	Nature of Transaction	2013-14	2012-13
12	Tata AIA Life Insurance Company Limited	a) Income - Marketing & Advertisement Revenue	-	128
		b) Services rendered	2	3
		c) Expenditure -Insurance Expenses	12	105
		d) Shared Expenses	52	-
		e) Amount paid on behalf of customer	-	584
		f) Balance Receivable/(Payable)	5	(78)
13	Infiniti Retail Ltd	a) Expenses-Incentive	2	167
		b) Services rendered	135	84
		c) Purchase of Fixed Assets	434	525
		d) Balance Receivable/(Payable)	46	23
14	Tata Housing Development Company Limited	a) Income -Referral Fees	68	-
		b) Balance Receivable/(Payable)	13	-
15	Computational Research Laboratories Limited	a) Services rendered and reimbursement of cost	-	18
16	Tata Asset Management Limited	a) Services rendered	8	17
		b) Income - Portfolio Mangement Service	45	-
		c) Balance Receivable/(Payable)	5	(1)
17	Tata Business Support Services Limited	a) Services rendered	26	3
		b) Expenses - Call Center & Others	113	138
		c) Loan repaid during the year	-	300
		d) Interest Income and Processing Fees	272	314
		e) Loan Outstanding	2,161	2,490
		f) Balance Receivable/(Payable)	12	1
18	Tata Petrodyne Limited	a) Services rendered	91	92
		b) Brokerage Income	10	-
		c) Balance Receivable/(Payable)	12	19
19	Tata Realty & Infrastructure Limited	a) Services rendered	79	144
		b) Investment during the year in NCD	3,000	-
		c) Interest Income on NCD	545	-
		d) Closing Investment in NCD	5,000	2,000
		e) Balance Receivable/(Payable)	29	20
20	Tata Consulting Engineers Limited	a) Services rendered	861	590
		b) Expenses - Professional Charges paid	9	-
		c) Balance Receivable/(Payable)	40	13
21	Tata Investment Corporation Limited	a) Equity shares issued during the year	-	2,419
		b) Services rendered	1	2
		c) Equity Brokerage Income	-	5
		d) Expense - Interest on NCDs	-	82
		e) Balance Receivable/(Payable)	1	-
22	Ewart Investments Limited	a) Expenditure – Rent Expenses	9	-
		b) Security Deposit Outstanding	190	190

(₹ in Lakh)

Sr. No.	Party Name	Nature of Transaction	2013-14	2012-13
23	Niskalp Infrastructure Services Ltd (Formerly Niskalp Energy Limited)	a) Reimbursement of Salary	9	7
		b) Fee Income received	-	112
		c) Balance Receivable/(Payable)	1	3
24	Tata Advance Materials Limited	a) Services rendered	99	80
		b) Balance Receivable/(Payable)	34	15
25	Drive India Enterprise Solutions Limited	a) Services rendered	3	-
		b) Balance Receivable/(Payable)	0#	2
26	Tata Industries Limited	a) Equity shares issued during the year	-	310
		b) Services rendered	131	94
		c) Balance Receivable/(Payable)	35	16
27	Indian Rotocraft Limited	a) Services rendered	22	17
		b) Balance Receivable/(Payable)	2	2
28	Tata International Limited	a) Services rendered	8	7
		b) Equity shares issued during the year	-	65
		c) Expenditure - Marketing charges	6	-
		d) Interest income on loan	1	-
		e) Outstanding loan	0	-
		f) Balance Receivable/(Payable)	1	1
29	Tata Trusteeship Company Limited	a) Expenses - Truteeship Fees	6	6
30	Infiniti Wholesale Limited	a) Services rendered	-	11
31	TRIL Roads Pvt Ltd	a) Services rendered	7	7
		b) Balance Receivable/(Payable)	0#	1
32	TRIL Infopark Ltd	a) Services rendered	-	7
		b) Balance Receivable/(Payable)	-	(1)
33	Key Management Personnel (KMP)	a) Remuneration to KMP	382	382
		b) Issue of shares under ESOP scheme	30	14
		c) Interest on Non -convertible debentures	2	2
		d) Outstanding Debentures	20	20
		e) Issue of Cumulative Redeemable Preference Shares	-	105
		f) Payment of Dividend on Cumulative Redeemable Preference Shares	8	-

# Amount less than ₹ 50,000/-

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

**NOTE “35”**

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, 2014	As at March 31, 2013
- Within one year	458	719
- Later than one year and not later than five years	1,243	2,279
- Later than five years	101	55

The amount charged towards lease rentals (as part of Rent expenditure) is ₹ 3,024 lakh (Previous year: ₹ 3,707 lakh).

The Group has given Assets under non-cancellable 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, 2014	As at March 31, 2013
- Within one year	6,106	4,980
- Later than one year and not later than five years	7,389	7,265
- Later than five years	-	-

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

(₹ in lakh)

Particulars	2013-14	2012-13
<b>Gross Investments:</b>		
- Within one year	6,685	525
- Later than one year and not later than five years	4,785	952
<b>Total</b>	<b>11,470</b>	<b>1,477</b>
Unearned Finance Income:		
- Within one year	992	145
- Later than one year and not later than five years	563	200
<b>Total</b>	<b>1,555</b>	<b>345</b>
Present Value of Rentals:		
- Within one year	5,693	380
- Later than one year and not later than five years	4,222	752
<b>Total</b>	<b>9,915</b>	<b>1,132</b>

**NOTE “36” Earnings per Share (EPS):**

Particulars		2013-14	2012-13
Profit after tax	₹ in Lakh	21,425	39,057
Less : Dividend on Preference Shares	₹ in Lakh	5,783	1,130
Profit after tax for Basic EPS	₹ in Lakh	15,642	37,927
Weighted average number of Equity shares used in computing Basic earnings per share	Nos	2,768,317,928	2,661,792,673
Face value of equity shares	Rupees	10	10
<b>Basic earnings per share</b>	<b>Rupees</b>	<b>0.57</b>	<b>1.42</b>
Profit after tax for Basic EPS	₹ in Lakh	15,642	37,927
Profit after tax for diluted EPS	₹ in Lakh	15,642	37,927
Weighted Average Number of Equity Shares used in computing Basic earnings per share	Nos	2,768,317,928	2,661,792,673
Add: Potential weighted average number of Equity shares that could arise on conversion of preference shares	Nos	NIL	NIL
Add: Potential weighted average number of Equity shares allotted to ESOP Trust	Nos	57,700,242	58,188,933
Weighted average number of shares in computing Diluted earnings per share	Nos	2,826,018,170	2,719,981,606
Face value of equity shares	Rupees	10	10
<b>Diluted earnings per share</b>	<b>Rupees</b>	<b>0.55</b>	<b>1.39</b>

**NOTE “37” SEGMENT REPORTING**

In accordance with Accounting Standard 17 on Segment Reporting, Company 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	For the year ended March 31, 2014	For the year ended March 31, 2014
<b>I Segment Revenue</b>		
(a) Financing Activity	326,654	303,387
(b) Investment Activity	18,166	8,640
(c) Others	32,067	20,812
<b>Total</b>	<b>376,887</b>	<b>332,839</b>
Less : Inter Segment Revenue	18,990	6,731
<b>Total Income</b>	<b>357,897</b>	<b>326,108</b>
<b>II Segment Results</b>		
(a) Financing Activity	48,097	56,564
(b) Investment Activity	(3,378)	(5,422)
(c) Others	678	570
<b>Total</b>	<b>45,397</b>	<b>51,712</b>
Less : Unallocated Corporate Expenses	11,229	10,739
<b>Profit before taxation</b>	<b>34,168</b>	<b>40,973</b>
Less : Provision for taxation	14,376	16,622
<b>Profit after taxation</b>	<b>19,792</b>	<b>24,351</b>

**NOTE “37” (contd.....)**

(₹ in lakh)

Particulars	For the year ended March 31, 2014	For the year ended March 31, 2014
<b>III Segment Assets</b>		
(a) Financing Activity	2,831,984	2,505,612
(b) Investment Activity	148,084	102,306
(c) Others	95,395	119,141
(d) Unallocated	41,935	48,866
<b>Total</b>	<b>3,117,398</b>	<b>2,776,925</b>
<b>IV Segment Liabilities</b>		
(a) Financing Activity	2,540,713	2,212,381
(b) Investment Activity	6,390	46,722
(c) Others	83,981	102,362
(d) Unallocated	27,271	20,427
<b>Total</b>	<b>2,658,355</b>	<b>2,381,892</b>
<b>V Capital Expenditure</b> (including Capital Work-in-Progress)		
(a) Financing Activity	133	5,801
(b) Investment Activity	-	-
(c) Others	22,755	9,749
(d) Unallocated	1,008	2,230
<b>Total</b>	<b>23,896</b>	<b>17,780</b>
<b>VI Depreciation and Amortisation</b>		
(a) Financing Activity	449	4,390
(b) Investment Activity	-	-
(c) Others	5,524	356
(d) Unallocated	794	80
<b>Total</b>	<b>6,767</b>	<b>4,826</b>
<b>VII Significant Non-Cash Expenses Other than Depreciation and Amortisation</b>		
(a) Financing Activity	18,753	10,553
(b) Investment Activity	9,558	8,568
(c) Others	153	111
(d) Unallocated	-	41
<b>Total</b>	<b>28,464</b>	<b>19,273</b>

**NOTE “38”****DERIVATIVE INSTRUMENTS EXPOSURES:**

The following derivative positions are open as at March 31, 2014. These transactions have been undertaken to act as economic hedges for the Group’s exposures to various risks in foreign exchange markets and may / may not qualify or be designated as hedging instruments. The accounting for these transactions is stated in note 1 (xv).

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.

Outstanding forward exchange contracts entered into by the Group as at March 31, 2014:-

Particulars	Buy / Sell	For the Year ended March 31, 2014		For the Year ended March 31, 2013	
		Yen (Million)	₹ In Lakh	Yen (Million)	₹ In Lakh
Forward Contracts (Payment for Capital Expenditure)	Buy	416	2,578	416	2,530

**NOTE “39”**

The Share application money pending allotment on preference shares of ₹ 604 Lakh outstanding as at March 31, 2014 has been subsequently allotted on April 01, 2014 to the extent of ₹ 509 Lakh.

**NOTE “40”**

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

For and on behalf of the Board of Directors

**F. K. Kavarana**  
(Director)

**Ishaat Hussain**  
(Director)

**F. N. Subedar**  
(Director)

**Hoshang N Sinor**  
(Director)

**Janki Ballabh**  
(Director)

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

**Sarita Kamath**  
(Company Secretary)

Mumbai  
Date: May 8, 2014



# **Standalone Financial Statements**

## INDEPENDENT AUDITORS' 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, 2014, the Statement of Profit and Loss and the Cash Flow Statement for the year then ended, and a summary of the significant accounting policies and other explanatory information.

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

The Company's Management is responsible for the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the Accounting Standards notified under the Companies Act, 1956 ("the Act") (which continue to be applicable in respect of Section 133 of the Companies Act, 2013 in terms of General Circular 15/2013 dated September 13, 2013 of the Ministry of Corporate Affairs) and in accordance with the accounting principles generally accepted in India. This responsibility includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

#### Auditors' Responsibility

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

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

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

#### Opinion

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

- (a) in the case of the Balance Sheet, of the state of affairs of the Company as at March 31, 2014;
- (b) in the case of the Statement of Profit and Loss, of the profit of the Company for the year ended on that date; and
- (c) in the case of the Cash Flow Statement, of the cash flows of the Company for the year ended on that date.

### **Report on Other Legal and Regulatory Requirements**

1. As required by the Companies (Auditor's Report) Order, 2003 (the "Order") issued by the Central Government in terms of Section 227(4A) of the Act, we give in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the Order.
2. As required by Section 227(3) of the Act, we report that:
  - (a) We have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
  - (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
  - (c) The Balance Sheet, the Statement of Profit and Loss, and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.
  - (d) In our opinion, the Balance Sheet, the Statement of Profit and Loss, and the Cash Flow Statement comply with the Accounting Standards notified under the Act (which continue to be applicable in respect of Section 133 of the Companies Act, 2013 in terms of General Circular 15/2013 dated September 13, 2013 of the Ministry of Corporate Affairs).
  - (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 2014 from being appointed as a director in terms of Section 274(1)(g) of the Act.

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

**SANJIV V. PILGAONKAR**  
Partner  
(Membership No. 39826)

Mumbai  
May 8, 2014

**ANNEXURE TO THE INDEPENDENT AUDITORS' REPORT**

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

Having regard to the nature of the Company's business/activities, clause 4(xiii) of the Order is not applicable.

1. In respect of its fixed assets:
  - (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of the fixed assets.
  - (b) 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 explanations given to us, no material discrepancies were noticed on such verification.
  - (c) The fixed assets disposed off during the year, in our opinion, do not constitute a substantial part of the fixed assets of the Company and such disposal has, in our opinion, not affected the going concern status of the Company.
2. The Company is primarily engaged in investing activities and therefore does not hold any physical inventories. Therefore the provisions of paragraph 4(ii) of the Order are not applicable to the Company.
3. In our opinion and according to the information and explanations given to us, the Company has not granted nor taken any loans, secured or unsecured, to/from companies, firms or other parties listed in the register maintained under section 301 of the Companies Act, 1956. Therefore, the provisions of sub- clause (a) to (g) of paragraph 4(iii) of the Order, are not applicable to the Company.
4. According to the information and explanations given to us, there are adequate internal control procedures commensurate with the size of the Company and the nature of its business for the purchase of fixed assets and sale of goods and services. The activities of the Company do not involve purchases of inventory. During the course of our audit, we have not observed any major weakness in internal controls.
5. To the best of our knowledge and belief and according to the information and explanations given to us, we are of the opinion that there are no contracts or arrangements, the particulars of which need to be entered into the register maintained in section 301 of the Companies Act, 1956.
6. According to the information and explanations given to us, the Company has not accepted deposits from the public during the period covered by our report and, no order has been passed by the Company Law Board or the National Company Law Tribunal or the Reserve Bank of India or any court or any other Tribunal in this regard in the case of the Company.
7. In our opinion, the Company has an internal audit system commensurate with the size of the Company and the nature of its business.
8. The Central Government has not prescribed the maintenance of cost records under Section 209(1) (d) of the Companies Act, 1956, for any of the services rendered by the Company. Accordingly, the provisions of paragraph 4(viii) of the Order are not applicable to the Company.
9. (a) According to the information and explanations provided to us, the Company is generally regular in depositing with appropriate authorities undisputed statutory dues including Provident fund, Service tax, Income-tax, Wealth Tax cess and other material statutory dues applicable to it and there are no dues payable in respect of Employees' State Insurance, Investor Education and Protection Fund, Excise duty, Custom Duty and Sales Tax.
  - (b) There were no undisputed amounts payable in respect of Provident fund, Service Tax, Income-Tax, Wealth Tax that were outstanding, as at March 31, 2014 for a period of more than six months from the date they became payable. The due date is calculated from the date of registration received under various statutes.

- (c) Details of dues of income tax and sales tax which have not been deposited as on March 31, 2014 on account of any dispute are given below-

Statute	Nature of Dues	Forum where dispute is pending	Period to which the amount relates	Amount involved (Rs. in lakhs)
Sales Tax Laws	Sales Tax	Deputy Commissioner (Commercial Taxes)	2008-09, 2011-12, 2012-13	39
Sales Tax Laws	Sales Tax	Tribunal (Commercial Taxes)	2009-10, 2010-11 and 2011-12	42
Sales Tax Laws	Sales Tax	Joint Commissioner (Trade and Taxes)	2011-12	11

10. The Company does not have accumulated losses. The Company has not incurred cash losses during the year covered by our audit and in the immediately preceding financial year. Therefore, the provisions of paragraph 4 (x) of the Order are not applicable to the Company.
11. In our opinion and according to the information and explanations given to us, the Company has not defaulted in the repayment of dues to banks and financial institutions. The Company has not borrowed any sum by issue of debentures.
12. According to the information and explanations given to us, the Company has not granted loans and advances on the basis of security by way of pledge of shares and other securities. Therefore, the provisions of clause 4(xii) of the Order are not applicable to the Company.
13. According to the information and explanations given to us, the Company is not dealing in shares, securities and debentures. Therefore, the provisions of paragraph 4 (xiv) of the Order are not applicable to the Company.
14. According to the information and explanations given to us, the Company has not given any guarantee for loans taken by others from banks and financial institutions.
15. In our opinion and according to the information and explanations given to us, the Company has not taken any term loan during the period. Therefore, the provisions of clause 4(xvi) of the Order are not applicable to the Company.
16. In our opinion and according to the information and explanations given to us, and on overall examination of the Balance Sheet, we report that the funds amounting to Rs. 7,896 lakh raised on short term basis have been used during the year for long-term investments.
17. According to the information and explanations given to us, during the year, the Company has not made any preferential allotment of shares to parties and companies covered in the register maintained under Section 301 of the Companies Act, 1956. For this purpose allotment of shares made under the Employees Share Purchase Scheme (ESPS), administered through the ESPS trust has not been considered.
18. According to the information and explanations given to us, during the year, the Company has not issued any secured debentures. Therefore, the provisions of clause 4(xix) of the Order are not applicable to the Company.
19. During the year, the Company has not raised any money by way of a public issue. Accordingly, the provisions of paragraph 4(xx) are not applicable to the Company.
20. To the best of our knowledge and belief and according to the information and explanations given to us, no fraud by the Company and no material fraud on the Company has been noticed or reported during the year.

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

**SANJIV V. PILGAONKAR**  
Partner  
Membership No. 39826

Mumbai  
May 8, 2014

## BALANCE SHEET AS AT MARCH 31, 2014

(₹ in lakh)

Particulars	Note No.	As at March 31, 2014	As at March 31, 2013
<b>I EQUITY AND LIABILITIES</b>			
<b>1. Shareholders' Funds</b>			
(a) Share Capital	2	351,235	303,298
(b) Reserves and Surplus	3	45,878	43,903
		<b>397,113</b>	<b>347,201</b>
<b>2. Share application money pending allotment</b>		604	–
<b>3. Non-current liabilities</b>			
(a) Long term Borrowings	4	–	4,500
(b) Long-term provisions	5	23	76
(c) Other non-current liabilities	6	15,020	15,020
		<b>15,043</b>	<b>19,596</b>
<b>4. Current liabilities</b>			
(a) Short-term Borrowings	7	22,140	26,035
(b) Trade payables	8	1,891	2,916
(c) Other Current liabilities	9	5,302	430
(d) Short-term provisions	10	6,303	1,227
		<b>35,636</b>	<b>30,608</b>
<b>Total</b>		<b>448,396</b>	<b>397,405</b>
<b>II. ASSETS</b>			
<b>1. Non-Current assets</b>			
(a) Fixed Assets	11		
(i) Tangible assets		13,656	11,662
(ii) Intangible assets		–	–
(iii) Capital work-in-progress		2	25
(b) Non-current Investments	12	403,126	372,424
(c) Deferred tax assets (net)	13	281	91
(d) Loans and advances	14	3,264	2,219
(e) Other non-current assets	15	292	195
		<b>420,621</b>	<b>386,616</b>
<b>2. Current assets</b>			
(a) Investments	12	–	–
(b) Trade receivables	16	1,140	443
(c) Cash and bank balances	17	121	204
(d) Loans and advances	18	19,235	5,620
(e) Other current assets	19	7,279	4,523
		<b>27,775</b>	<b>10,790</b>
<b>Total</b>		<b>448,396</b>	<b>397,405</b>
See accompanying notes forming part of the financial statements	1-38		

In terms of our report attached

For and on behalf of the Board of Directors

For Deloitte Haskins & Sells LLP  
Chartered AccountantsF.K. Kavarana  
(Director)Ishaat Hussain  
(Director)F.N. Subedar  
(Director)Hoshang Sinor  
(Director)Sanjiv V. Pilgaonkar  
PartnerJanki Ballabh  
(Director)Praveen P. Kadle  
(Managing Director & CEO)Sarita Kamath  
(Company Secretary)

Mumbai

Date: May 8, 2014

## STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED MARCH 31, 2014

(₹ in lakh)

Particulars	Note No.	For the Year Ended March 31, 2014	For the Year Ended March 31, 2013
I Revenue from Operations	20	13,082	11,320
II Other Income	21	3,636	3,219
<b>III Total Revenue (I + II)</b>		<b>16,718</b>	<b>14,539</b>
<b>IV Expenses:</b>			
Finance costs	22	1,596	6,210
Employee benefits expense	23	3,082	2,945
Other operating expenses	24	2,441	1,919
Depreciation and amortisation		659	295
Amortisation of expenses		290	92
<b>Total Expenses</b>		<b>8,068</b>	<b>11,461</b>
V Profit before exceptional, extraordinary items and tax (III-IV)		8,650	3,078
VI Exceptional items		-	-
VII Profit before extraordinary items and tax (V - VI)		8,650	3,078
VIII Extraordinary Items		-	-
<b>IX Profit before tax (VII - VIII)</b>		<b>8,650</b>	<b>3,078</b>
X Tax expense:			
(1) Current tax		1,084	858
(2) Deferred tax		(190)	(78)
<b>Total Tax expense</b>		<b>894</b>	<b>780</b>
<b>XI Profit for the year from Continuing Operations (IX - X)</b>		<b>7,756</b>	<b>2,298</b>
XII Profit from discontinuing operations		-	-
XIII Tax expense of discontinuing operations		-	-
XIV Profit from discontinuing operations (after tax) (XII - XIII)		-	-
<b>XV Profit for the year (XI + XIV)</b>		<b>7,756</b>	<b>2,298</b>
<b>XVI Earnings per equity share :</b>			
(1) Basic (in ₹)		0.07	0.04
(2) Diluted (in ₹)		0.07	0.04
Face Value per share (Amount in ₹)		10	10
See accompanying notes forming part of the financial statements	1-38		

In terms of our report attached

For and on behalf of the Board of Directors

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

**F.K. Kavarana**  
(Director)

**Ishaat Hussain**  
(Director)

**F.N. Subedar**  
(Director)

**Hoshang Sinor**  
(Director)

**Sanjiv V. Pilgaonkar**  
Partner

**Janki Ballabh**  
(Director)

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

**Sarita Kamath**  
(Company Secretary)

Mumbai

Date: May 8, 2014

**CASH FLOW STATEMENT FOR THE YEAR ENDED MARCH 31, 2014**

(₹ in lakh)

Particulars	Note No.	For the Year Ended March 31, 2014	For the Year Ended March 31, 2013
<b>1. CASH FLOW FROM OPERATING ACTIVITIES</b>			
Profit before taxes		8,650	3,078
<b>Adjustments for :</b>			
Amortisation of share issue expenses		290	92
Depreciation and amortisation		659	295
Interest Expenses		549	389
Discounting charges on Commercial Paper		1,047	5,821
Provision against Standard Assets		37	22
Interest Income		(1,870)	(1,135)
Income from Investments		-	(376)
Dividend Income		(7,682)	(5,344)
Unrealised exchange gain		-	(118)
Provision for rebate on advisory fees		525	-
Income accrued on advisory fees		(127)	-
Provision for employee benefit		(25)	(113)
<b>Operating Profit before working capital changes and adjustments for interest received, interest paid and dividend received</b>		<b>2,053</b>	<b>2,610</b>
<b>Adjustments for :</b>			
Increase / Decrease in Trade receivable		(697)	1,239
Increase in Loans and advances - Others		(15,094)	(6,251)
Decrease in Trade Payables		(1,025)	(4,207)
Increase in Other Liabilities and Provisions		35	4,519
<b>Cash from / (used in) operations before adjustments for interest received, interest paid and dividend received</b>		<b>(14,798)</b>	<b>(2,089)</b>
Interest paid		(1,111)	(6,860)
Interest received		1,872	928
Dividend received		5,088	1,451
<b>Cash (used in) / from operations</b>		<b>(8,949)</b>	<b>(6,570)</b>
Taxes Refund / (paid)		(707)	3,889
<b>Cash flow from operating activities</b>		<b>(9,656)</b>	<b>(2,681)</b>
<b>2. CASH FLOW FROM INVESTING ACTIVITIES</b>			
Purchase of Fixed assets (including Capital Advances)		(2,576)	(11,813)
Proceeds from sale of Fixed Assets		7	5
Investment in group companies		(30,704)	(23,334)
Proceeds from sale of Investments		2	-
Purchase of Mutual Funds		-	(699,850)
Proceeds from sale of Mutual Funds		-	700,226
<b>Net cash used in investing activities</b>		<b>(33,271)</b>	<b>(34,766)</b>
<b>3. CASH FLOW FROM FINANCING ACTIVITIES</b>			
Collection of Loan given to TCL Employees Welfare Trust		-	958
Collection of loan given to Employees for ESOP		13	59
Issue of Equity shares		-	55,000
Issue of Preference shares		47,926	31,067
Dividend Paid		(1,130)	-
Interest expense on share application money		(121)	-
Share application money pending allotment		604	-
Share Issue Expenses		(566)	(383)
Debenture Issue/Loan Processing Expenses		-	(4)
Net proceeds from short-term borrowings		(3,882)	(52,559)
<b>Net cash from financing activities</b>		<b>42,844</b>	<b>34,138</b>
Net decrease in cash and cash equivalents		(83)	(3,309)
CASH AND CASH EQUIVALENTS AS AT THE BEGINNING OF YEAR		204	3,513
CASH AND CASH EQUIVALENTS AS AT THE END OF THE YEAR		121	204
See accompanying notes forming part of the financial statements	17 1-38		

In terms of our report attached

For and on behalf of the Board of Directors

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

**F.K. Kavarana**  
 (Director)

**Ishaat Hussain**  
 (Director)

**F.N. Subedar**  
 (Director)

**Hoshang Sinor**  
 (Director)

**Sanjiv V. Pilgaonkar**  
 Partner

**Janki Ballabh**  
 (Director)

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

**Sarita Kamath**  
 (Company Secretary)

Mumbai

Date: May 8, 2014



## SIGNIFICANT ACCOUNTING POLICIES AND NOTES TO ACCOUNTS

### 1. CORPORATE INFORMATION

Tata Capital Limited (“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 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 notified under Section 211(3C) of the Companies Act, 1956 (“the 1956 Act”) (which continue to be applicable in respect of Section 133 of the Companies Act, 2013 (“the 2013 Act”) in terms of General Circular 15/2013 dated 13 September, 2013 of the Ministry of Corporate Affairs) and the relevant provisions of the 1956 Act / 2013 Act, as applicable.

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. Use of Estimates

The preparation of the financial statements requires the Management of the Company to make estimates and assumptions that affect the reported balances of assets and liabilities, revenues and expenses and disclosures relating to the contingent liabilities. 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 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.

#### iii. 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 accounted on accrual basis.

##### b. Income from Services

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

##### c. Income on Inter corporate deposits

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

**iv. 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 decline, 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 as a Holding Company are 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 or market value.

**v. Fixed Assets****a. Tangible:**

Fixed assets are stated at cost less depreciation, which comprises of purchase consideration and other directly attributable costs of bringing the assets to their working condition for the intended use.

**b. Intangible:**

Acquired intangible assets are measured at cost less amortisation.

Expenses on software support and maintenance are charged to Statement of Profit and Loss during the period 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 cost, related incidental expenses and attributable interest.

**vi. Depreciation and Amortisation**

Depreciation on tangible fixed assets is provided on a straight-line basis at the rates and in the manner prescribed in Schedule XIV to the Companies Act, 1956 or over the estimated useful life of the asset, if such useful life is lower than prescribed in Schedule XIV of the Companies Act, 1956.

Purchased software / licenses are amortised over the period the benefits 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 month in which they are purchased.

Depreciation rates/Amortisation rates used by the Company are:

Asset	Depreciation rates/Amortisation rates
Building	4 percent
Computer Equipment	25 percent to 33.33 percent
Furniture and Fixtures	Higher of 10 percent or rate determined based on period of lease
Office Equipment	10 percent
Vehicles	23.75 percent

**vii. Deferred expenditure**

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

Loan processing charge is amortised over the tenor of the loan from the month in which the Company has incurred the expenditure.

**viii. Employee Benefits**

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

**a. Defined-contribution plans**

The eligible employees of the Company are entitled to receive benefits under the 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 is recognised as an expense in the Statement of Profit and Loss during the period. 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 superannuation fund and employee state insurance scheme are considered as defined contribution plans and are charged as an expense based on the amount of contribution required to be made and when services are rendered by the employees.

**b. Defined-benefit plans**

For defined benefit plans in the form of gratuity fund and post-employment medical benefits, 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 period in which they occur. Past service cost is recognised immediately to the extent that the benefits are already vested and otherwise is amortised on a straight-line basis over the average period until the benefits become vested. The retirement benefit obligation recognised in the 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 are recognised during the year when the employees render the service. These benefits include performance incentive and compensated absences which are expected to occur within twelve months after the end of the period in which the employee renders the related service. The cost of short-term compensated absences is accounted as under :

- (a) in case of accumulated compensated absences, when employees render the services that increase their entitlement of future compensated absences; and
- (b) in case of non-accumulating 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 period in which the employee renders 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 Service Awards are recognised as a liability at the present value of the defined benefit obligation as at the balance sheet date.

**ix. Employees Share Purchase 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 of the Employee Stock Option offered by the Company.

**x. 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 retirement benefits) are not discounted to its 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. A contingent asset is neither recognised nor disclosed in the financial statements.

**xi. Impairment of Assets**

An asset is treated as impaired when the carrying cost of assets exceeds its recoverable amount. An impairment loss is charged to the Statement of Profit and Loss in the year in which an asset is identified as impaired. The impairment loss recognised in prior accounting periods is reversed if there has been a change in estimate of the recoverable amount.

**xii. Foreign currency transactions and translations**

Initial recognition:-

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

Measurement at the balance sheet date:-

Foreign currency monetary items (other than derivative contracts) of the Company, outstanding at the balance sheet date are restated at the year-end rates. Non-monetary items of the Company are carried at historical cost.

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 assets.

**xiii. Taxation**

The Company's income taxes include taxes on the Company's taxable profits, adjustment attributable to earlier periods and changes in deferred taxes. Valuation of all tax liabilities/receivables is conducted at nominal amounts and in accordance with enacted tax regulations and tax rates or those that have been substantively enacted at the balance sheet date.

Deferred tax assets are recognised with regard to all deductible timing differences to the extent that it is probable that taxable profit will be available against which deductible timing differences can be utilised. When the Company carries forward unused tax losses and unabsorbed depreciation, deferred tax assets are recognised only to the extent there is virtual certainty backed by convincing evidence that sufficient future taxable income will be available against which deferred tax assets can be realised.

The carrying amount of deferred tax assets is reviewed at each Balance Sheet date and reduced by the extent that is no longer probable that sufficient taxable profit will be available to allow all or a part of aggregate deferred tax assets to be utilised.

**xiv. 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 primarily includes managerial services, property management, wealth management 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.

Assets and liabilities that are directly attributable to segments are disclosed under each reportable segment. All other assets and liabilities are disclosed as unallocable.

**xv. 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 period, 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 period presented. The number of equity shares and potentially dilutive equity shares are adjusted for share splits / reverse share splits and bonus shares, as appropriate.

**xvi. Leases**

Leases are classified as operating lease where significant portion of risks and reward of ownership of assets acquired under lease are retained by the lessor. Lease rentals for such leases are charged to Statement of Profit and Loss on a straight-line basis over the lease term.

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

**xvii. Cash Flow**

Cash flows 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 Company are segregated based on the available information.

**NOTES TO AND FORMING PART OF THE BALANCE SHEET  
AS AT MARCH 31, 2014**

## NOTE "2"

(₹ in lakh)

SHARE CAPITAL	As at March 31, 2014	As at March 31, 2013
<b>AUTHORISED</b>		
4,750,000,000 Equity shares (as at March 31, 2013: 4,750,000,000 shares) of ₹ 10 each	<b>475,000</b>	475,000
32,500,000 Preference shares of ₹ 1,000 each (as at March 31, 2013: 32,500,000 Preference shares) of ₹ 1,000 each	<b>325,000</b>	325,000
<b>ISSUED</b>		
2,826,092,570 Equity shares (as at March 31, 2013: 2,826,092,570 shares) of ₹ 10 each	<b>282,609</b>	282,609
7,570,424 Preference shares (as at March 31, 2013: 2,175,374 shares) of ₹ 1,000 each	<b>75,704</b>	21,754
<b>SUBSCRIBED</b>		
2,826,018,170 Equity shares (as at March 31, 2013: 2,826,018,170 shares) of ₹ 10 each	<b>282,602</b>	282,602
6,863,676 Preference shares (as at March 31, 2013: 2,071,066 shares) of ₹ 1,000 each	<b>68,637</b>	20,711
<b>PAID UP</b>		
2,826,018,170 Equity shares (as at March 31, 2013: 2,826,018,170 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	<b>(1)</b>	(12)
6,863,676 Preference shares (as at March 31, 2013: 2,071,066 shares) of ₹ 1,000 each fully paid	<b>68,637</b>	20,711
<b>Total</b>	<b>351,235</b>	<b>303,298</b>

**NOTES TO AND FORMING PART OF THE BALANCE SHEET  
AS AT MARCH 31, 2014**

**NOTE “2” (Continued)**

<b>2 (a) Reconciliation of number of shares outstanding</b>	<b>No. of shares</b>	<b>₹ in Lakh</b>
<b>Opening Share Capital as on April 1, 2012</b>		
Equity Shares Face Value ₹ 10 fully paid up	<b>2,551,018,170</b>	255,102
<b>Additions during the year</b>		
<b>Equity Share Capital</b>		
(a) Preferential Allotment	<b>275,000,000</b>	27,500
<b>Preference Capital</b>		
(a) Privately placed	<b>2,071,066</b>	20,711
<b>Closing Share Capital as on March 31, 2013</b>		
Equity Shares Face Value ₹ 10 fully paid up	<b>2,826,018,170</b>	282,602
Cumulative Redeemable Preference Shares Face Value ₹ 1000 fully paid up	<b>2,071,066</b>	20,711
<b>Additions during the year</b>		
Equity Share Capital	<b>NIL</b>	NIL
<b>Preference Capital</b>		
Privately placed	<b>4,792,610</b>	47,926
<b>Closing Share Capital as on March 31, 2014</b>		
Equity Shares Face Value ₹ 10 fully paid up	<b>2,826,018,170</b>	282,602
Preference Shares Face Value ₹ 1,000 fully paid up	<b>6,863,676</b>	68,637

**2 (b) Rights, preferences and restrictions attached to shares**

**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, 2014**

## NOTE "2" (Continued)

## 2 (c) Investment by Tata Sons Limited (Holding company) and Subsidiaries/Associates/JVs of Tata Sons Limited

Name of company	Particulars of issue	No. of equity shares	₹ in Lakh
Tata Sons Limited (Holding Company)	<b>Opening Balance as on April 1, 2012</b>	2,301,433,946	230,143
	a) Purchased	250,000,000	25,000
	<b>Closing Balance as on March 31, 2013</b>	2,551,433,946	255,143
	a) Purchased	–	–
	<b>Closing Balance as on March 31, 2014</b>	2,551,433,946	255,143
Tata Investment Corporation Ltd (Subsidiary of Tata Sons Ltd.)	<b>Opening Balance as on April 1, 2012</b>	65,102,888	6,510
	a) Purchased	12,093,703	1,209
	<b>Closing Balance as on March 31, 2013</b>	77,196,591	7,719
	a) Purchased	–	–
	<b>Closing Balance as on March 31, 2014</b>	77,196,591	7,719
Tata Industries Limited (Subsidiary of Tata Sons Ltd.)	<b>Opening Balance as on April 1, 2012</b>	724,316	72
	a) Purchased	1,548,030	155
	<b>Closing Balance as on March 31, 2013</b>	2,272,346	227
	a) Purchased	–	–
	<b>Closing Balance as on March 31, 2014</b>	2,272,346	227
Tata International Limited (Subsidiary of Tata Sons Ltd.)	<b>Opening Balance as on April 1, 2012</b>	466,150	47
	a) Purchased	324,442	32
	<b>Closing Balance as on March 31, 2013</b>	790,592	79
	a) Purchased	–	–
	<b>Closing Balance as on March 31, 2014</b>	790,592	79
Tata Motors Limited (Associate of Tata Sons Ltd.)	<b>Opening Balance as on April 1, 2012</b>	3,905,624	391
	a) Purchased	421,027	42
	<b>Closing Balance as on March 31, 2013</b>	4,326,651	433
	a) Purchased	–	–
	<b>Closing Balance as on March 31, 2014</b>	4,326,651	433
Tata Chemical Limited (Associate of Tata Sons Ltd.)	<b>Opening Balance as on April 1, 2012</b>	3,230,859	323
	a) Purchased	–	–
	<b>Closing Balance as on March 31, 2013</b>	3,230,859	323
	a) Purchased	–	–
	<b>Closing Balance as on March 31, 2014</b>	3,230,859	323
Tata Global Beverages Limited (Associate of Tata Sons Ltd.)	<b>Opening Balance as on April 1, 2012</b>	553,889	55
	a) Purchased	59,709	6
	<b>Closing Balance as on March 31, 2013</b>	613,598	61
	a) Purchased	–	–
	<b>Closing Balance as on March 31, 2014</b>	613,598	61



**NOTES TO AND FORMING PART OF THE BALANCE SHEET  
AS AT MARCH 31, 2014**

**NOTE “2” (Continued)**

**2 (d) List of Shareholders holding more than 5% Equity shares as at**

Name of Shareholder	March 31, 2014		March 31, 2013	
	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%

**2 (e) Preference Shares issued during the year**

**Preference Shares**

Tranche H - Allotment of 2,500,000 Cumulative Redeemable Preference Shares (“CRPS”) carrying dividend at the rate of 8.33% per annum, of ₹ 1,000/- each at par on May 22, 2013, redeemable at par after a period of 7 years on May 21, 2020, with a Put Option to the CRPS holder and a Call Option to the Company to seek early redemption of the CRPS by September 30, 2017.

Tranche G - Allotment of 899,000 Cumulative Redeemable Preference Shares (“CRPS”) carrying dividend at the rate of 8.33% per annum, of ₹ 1,000/- each at par on June 6, 2013, redeemable at par after a period of 7 years on June 5, 2020, with a Put Option to the CRPS holder and a Call Option to the Company to seek early redemption of the CRPS by September 30, 2017.

Tranche I - Allotment of 996,050 Cumulative Redeemable Preference Shares (“CRPS”) carrying dividend at the rate of 8.33% per annum, of ₹ 1,000/- each at par on July 9, 2013, redeemable at par after a period of 7 years on July 8, 2020, with a Put Option to the CRPS holder and a Call Option to the Company to seek early redemption of the CRPS by September 30, 2017.

Tranche J - Allotment of 369,660 Cumulative Redeemable Preference Shares (“CRPS”) carrying dividend at the rate of 8.33% per annum, of ₹ 1,000/- each at par on September 5, 2013, redeemable at par after a period of 7 years on September 4, 2020, with a Put Option to the CRPS holder and a Call Option to the Company to seek early redemption of the CRPS by September 30, 2017.

Tranche K - Allotment of 27,900 Cumulative Redeemable Preference Shares (“CRPS”) carrying dividend at the rate of 8.33% per annum, of ₹ 1,000/- each at par, on November 7, 2013, redeemable at par after a period of 7 years on November 6, 2020, with a Put Option to the CRPS holder and a Call Option to the Company to seek early redemption of the CRPS by March 31, 2018.

**2 (f) 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 in Note 2(e). 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.

**2 (g) List of Shareholders holding more than 5% Preference shares as at March 31, 2014\***

Name of Shareholder	March 31, 2014		March 31, 2013	
	No. of Shares held	% of Holding	No. of Shares held	% of Holding
Azim Hasham Premji	299,999	4.37%	299,999	14.49%
Azim Premji Trust	200,000	2.91%	200,000	9.66%
International Tractors Ltd.	133,700	1.95%	133,700	6.46%

\*No shareholder was holding more than 5% of the total preference capital of the Company as on March 31, 2014

**NOTES TO AND FORMING PART OF THE BALANCE SHEET  
AS AT MARCH 31, 2014**

2 (h) Details of Shares allotted as fully paid up without payment being received in cash during preceding five years.

Particulars	Financial Year (Aggregate No. of Shares)				
	2013-14	2012-13	2011-12	2010-11	2009-10
<b>Equity Shares:</b>					
Fully paid up shares issued pursuant to conversion of Preference Shares	NIL	NIL	NIL	317,587,500	690,000,000

**NOTE "3"**

(₹ in lakh)

RESERVES AND SURPLUS	As at March 31, 2014		As at March 31, 2013	
<b>(a) Capital Redemption Reserve</b>				
Opening Balance		575		575
<b>Closing Balance</b>		<b>575</b>		<b>575</b>
<b>(b) Securities Premium Account</b>				
Gross Balance		28,765		1,268
Add: Securities Premium on Issue of Equity Shares		2		27,500
Add: Securities Premium on Issue of Preference Shares		–		10,355
Less: Premium on redemption payable to preference shareholders		–		10,355
Less: Loan given to TCL Employees Welfare Trust		–		1
Less: Loan to Employees		–		2
<b>Net Balance</b>		<b>28,767</b>		<b>28,765</b>
<b>(c) Special Reserve Account/Statutory Reserve</b>				
Opening Balance		5,318		4,855
Add: Transfer from Surplus in the Statement of Profit and Loss		1,551		463
<b>Closing Balance</b>		<b>6,869</b>		<b>5,318</b>
<b>(d) Surplus in Statement of Profit and Loss</b>				
Opening Balance		9,245		8,540
Add: Profit for the year		7,756		2,298
<b>Profit available for Appropriations</b>		<b>17,001</b>		<b>10,838</b>
Less : Appropriations				
Transfer to Special Reserve Account	1,551		463	
Dividend on preference shares	5,783	7,334	1,130	1,593
<b>Closing Balance</b>	–	<b>9,667</b>	–	<b>9,245</b>
<b>TOTAL - RESERVES AND SURPLUS</b>		<b>45,878</b>		<b>43,903</b>

**NOTES TO AND FORMING PART OF THE BALANCE SHEET  
AS AT MARCH 31, 2014**

**NOTE “4”**

(₹ in lakh)

<b>LONG-TERM BORROWINGS</b>	<b>As at March 31, 2014</b>	<b>As at March 31, 2013</b>
(a) Deposits Unsecured Inter Corporate Deposit	–	4,500
<b>Total</b>	<b>–</b>	<b>4,500</b>

**NOTE “5”**

(₹ in lakh)

<b>LONG TERM PROVISIONS</b>	<b>As at March 31, 2014</b>	<b>As at March 31, 2013</b>
(a) Provision for employee benefits	11	67
(b) Contingency Provisions against Standard Assets	12	9
<b>Total</b>	<b>23</b>	<b>76</b>

**NOTE “6”**

(₹ in lakh)

<b>OTHER NON CURRENT LIABILITIES</b>	<b>As at March 31, 2014</b>	<b>As at March 31, 2013</b>
(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 “7”**

(₹ in lakh)

<b>SHORT-TERM BORROWINGS</b>	<b>As at March 31, 2014</b>	<b>As at March 31, 2013</b>
(a) Other loans and advances - Unsecured Commercial Papers [Net of unamortised discount of ₹ 360 Lakh (as at March 31, 2013 : ₹ 4,565 Lakh)]	22,140	26,035
<b>Total</b>	<b>22,140</b>	<b>26,035</b>

**NOTE “8”**

(₹ in lakh)

<b>TRADE PAYABLES</b>	<b>As at March 31, 2014</b>	<b>As at March 31, 2013</b>
(a) Accrued employee benefit expenses	1,144	1,066
(b) Accrued expenses	744	364
(c) Payable to subsidiaries	–	1,483
(d) Others	3	3
<b>Total</b>	<b>1,891</b>	<b>2,916</b>

**Note:** On the basis of response received against enquiries made by the Company, the amount of principal outstanding in respect of Micro, Medium and Small Enterprises as at Balance sheet date is ₹ Nil (Previous Year ₹ Nil)

**NOTES TO AND FORMING PART OF THE BALANCE SHEET  
AS AT MARCH 31, 2014**

**NOTE "9"**

(₹ in lakh)

<b>OTHER CURRENT LIABILITIES</b>	<b>As at March 31, 2014</b>	<b>As at March 31, 2013</b>
(a) Current maturities of long-term debt – Unsecured Inter Corporate Deposit	4,500	–
(b) Interest accrued but not due	431	55
(c) Income received in advance	221	222
(d) Statutory dues	112	106
(e) Other payables	38	47
<b>Total</b>	<b>5,302</b>	<b>430</b>

**NOTE "10"**

(₹ in lakh)

<b>SHORT TERM PROVISIONS</b>	<b>As at March 31, 2014</b>	<b>As at March 31, 2013</b>
(a) Provision for employee benefits	75	84
(b) Contingency Provisions against Standard Assets	47	13
(c) Proposed dividend on preference shares	5,783	1,130
(d) Other Provisions *	398	–
<b>Total</b>	<b>6,303</b>	<b>1,227</b>

\* Other Provisions of ₹ 398 lakh is towards rebate on Advisory Fees from a fund which is managed by the company.

**NOTES TO AND FORMING PART OF THE BALANCE SHEET  
AS AT MARCH 31, 2014**

**NOTE “11” : FIXED ASSETS**

(₹ in lakh)

Particulars	Gross Block				Accumulated depreciation and amortisation				Net Carrying Value As at March 31, 2014
	Opening balance as at	Additions	Deletions	Closing balance as at	Opening balance as at	Depreciation / Amortisation for the year	Deletions	Closing balance as at	
	April 1, 2013			March 31, 2014	April 1, 2013			March 31, 2014	
<b>TANGIBLE FIXED ASSETS</b>									
Buildings	10,750	2,539	–	13,289	221	492	–	713	12,576
	<i>90</i>	<i>10,660</i>	<i>–</i>	<i>10,750</i>	<i>5</i>	<i>216</i>	<i>–</i>	<i>221</i>	<i>10,529</i>
Computer Equipment	4	4	–	8	4	2	–	6	2
	<i>4</i>	<i>–</i>	<i>–</i>	<i>4</i>	<i>4</i>	<i>–</i>	<i>–</i>	<i>4</i>	<i>–</i>
Furniture & Fixtures	617	40	–	657	25	66	–	91	566
	<i>–</i>	<i>617</i>	<i>–</i>	<i>617</i>	<i>–</i>	<i>25</i>	<i>–</i>	<i>25</i>	<i>592</i>
Plant & Equipment	471	30	–	501	23	61	–	84	417
	<i>–</i>	<i>471</i>	<i>–</i>	<i>471</i>	<i>–</i>	<i>23</i>	<i>–</i>	<i>23</i>	<i>448</i>
Vehicles	127	47	13	161	34	38	6	66	95
	<i>127</i>	<i>91</i>	<i>91</i>	<i>127</i>	<i>89</i>	<i>31</i>	<i>86</i>	<i>34</i>	<i>93</i>
<b>TANGIBLE FIXED ASSETS - TOTAL</b>	<b>11,969</b>	<b>2,660</b>	<b>13</b>	<b>14,616</b>	<b>307</b>	<b>659</b>	<b>6</b>	<b>960</b>	<b>13,656</b>
	<i>221</i>	<i>11,839</i>	<i>91</i>	<i>11,969</i>	<i>98</i>	<i>295</i>	<i>86</i>	<i>307</i>	<i>11,662</i>
<b>INTANGIBLE FIXED ASSETS (Other than internally generated)</b>	–	–	–	–	–	–	–	–	–
	<i>–</i>	<i>–</i>	<i>–</i>	<i>–</i>	<i>–</i>	<i>–</i>	<i>–</i>	<i>–</i>	<i>–</i>
<b>Total</b>	<b>11,969</b>	<b>2,660</b>	<b>13</b>	<b>14,616</b>	<b>307</b>	<b>659</b>	<b>6</b>	<b>960</b>	<b>13,656</b>
	<i>221</i>	<i>11,839</i>	<i>91</i>	<i>11,969</i>	<i>98</i>	<i>295</i>	<i>86</i>	<i>307</i>	<i>11,662</i>
Capital work-in-progress									2
									<i>25</i>
<b>TOTAL</b>									<b>13,658</b>
									<i>11,687</i>

Previous year figures are given in italics.

**NOTES TO AND FORMING PART OF THE BALANCE SHEET  
AS AT MARCH 31, 2014**

## NOTE "12": INVESTMENTS (at cost)

(₹ in lakh)

Particulars	As at March 31, 2014		As at March 31, 2013	
	Non-Current Investment	Current portion of Long Term Investment	Non-Current Investment	Current portion of Long Term Investment
<b>Investment in Subsidiaries (Trade)</b>				
<b>Unquoted :</b>				
Investment in Equity Shares	320,615	—	314,425	—
Investment in Preference Shares	26,900	—	10,500	—
Investment in Debentures	3,300	—	3,300	—
Investment in Venture Capital Units	13,205	—	12,657	—
<b>Investments in Associates / Joint Venture</b>				
<b>Unquoted :</b>				
Investment in Equity Shares	19,600	—	19,602	—
Investment in Preference shares	1,500	—	1,500	—
Investment in Debentures	1,248	—	1,248	—
Investment in Venture Capital Units	12,632	—	7,203	—
<b>Investments in Others</b>				
<b>Quoted</b>				
Investment in Equity Shares	109	—	109	—
<b>Unquoted</b>				
Investment in Equity Shares	4,017	—	1,880	—
<b>Total Long Term Investments</b>	<b>403,126</b>	<b>—</b>	<b>372,424</b>	<b>—</b>

(₹ in lakh)

Particulars	As at March 31, 2014		As at March 31, 2013	
	Non-Current Investment	Current Investment	Non-Current Investment	Current Investment
<b>Total Investments</b>	<b>403,126</b>	<b>—</b>	<b>372,424</b>	<b>—</b>
Book value of Quoted investments	109		109	
Market value of Quoted investments	66		71	—
Book value of Unquoted investments	403,017		372,315	—

**NOTES TO AND FORMING PART OF THE BALANCE SHEET  
AS AT MARCH 31, 2014**

**NOTE "12" : INVESTMENTS (at cost) [Contd.]**

**Scrip-wise details of Investments as on March 31, 2014**

Particulars	Face value Per Unit ₹	No. of Units	As at 31 March, 2014		As at 31 March, 2013		
			Non-Current Investment	Current portion of Long Term Investment	No. of Units	Non-Current Investment	Current portion of Long Term Investment
			₹ in lakh	₹ in lakh		₹ in lakh	₹ in lakh
<b>Investment in Subsidiaries</b>							
<b>Unquoted :</b>							
<b>Investment in Equity Shares (Trade)</b>			<b>320,615</b>			<b>314,425</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	–	3,796,632	11,212	–
Tata Capital Pte Limited	SGD 1	32,282,000	10,807	–	32,282,000	10,807	–
Tata Cleantech Capital Limited	10	64,400,000	6,440	–	2,500,000	250	–
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	6,075,000	530	–	6,075,000	530	–
Tata Infrastructure Capital Limited	10	549,994	55	–	549,994	55	–
T Sec Commodities Broking Limited		–	–	–	1,000,000	100	–
<b>Investment in Preference Shares (Trade)</b>			<b>26,900</b>			<b>10,500</b>	
Tata Capital Housing Finance Limited	10	254,000,000	25,400	–	105,000,000	10,500	–
Tata Securities Limited	10	15,000,000	1,500	–	–	–	–
<b>Investment in Debentures (Trade)</b>							
Tata Capital Housing Finance Limited	100000	330	3,300	–	330	3,300	–
<b>Investment in Venture Capital Units</b>							
Tata Capital Growth Fund			13,205	–	–	12,657	–
<b>Investments in Associates / Joint Venture</b>							
<b>Unquoted :</b>							
<b>Investment in Equity Shares</b>			<b>19,600</b>			<b>19,602</b>	
Tata Autocomp Systems Limited	10	48,307,333	18,528	–	48,307,333	18,528	–
e-Nxt Financials Limited (Company under the same management) (Trade)	10	1,200,000	1,022	–	1,200,000	1,022	–
Nectar Loyalty Management India Limited (Joint Venture) (Trade)	10	490,000	49	–	490,000	49	–
Hemisphere Properties India Limited	10	12,220	1	–	25,000	3	–
<b>Investment in Preference shares</b>							
8% e-Nxt Financials Limited Cumulative Redeemable Preference Shares (Trade)	10	15,000,000	1,500	–	15,000,000	1,500	–
<b>Investment in Debentures</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>12,632</b>			<b>7,203</b>	
Tata Capital Special Situation Fund			5,099	–		2,506	–
Tata Capital Healthcare Fund I			4,462	–		2,352	–
Tata Capital Innovation Fund			3,071	–		2,345	–
<b>Investments in Others</b>							
<b>Quoted</b>							
<b>Investment in Equity Shares</b>			<b>109</b>			<b>109</b>	
Tata Steel Limited	10	13,500	100	–	13,500	100	–
The Indian Hotels Company Limited	1	12,000	9	–	12,000	9	–
Tata Consultancy Services Limited*	1	200	0	–	200	0	–
<b>Unquoted</b>							
<b>Investment in Equity Shares (Non Trade)</b>			<b>4,017</b>			<b>1,880</b>	
Tata Sky Ltd.	10	4,748,338	2,137	–		–	–
Roots Corporation Limited	90	2,089,269	1,880	–	2,089,269	1,880	–
<b>Total Long Term Investments</b>			<b>403,126</b>	<b>–</b>		<b>372,424</b>	<b>–</b>
Book value of Quoted investments			109	–		109	–
Market value of Quoted investments			66	–		71	–
Book value of Unquoted investments			403,017	–		372,315	–

\* Investment value less than ₹ 50,000.

**NOTES TO AND FORMING PART OF THE BALANCE SHEET  
AS AT MARCH 31, 2014**

**NOTE "13"**

(₹ in lakh)

Particulars	As at March 31, 2014	As at March 31, 2013
<b>Deferred Tax Assets</b>		
(a) Employee benefits	53	48
(b) Fixed assets	29	35
(c) Provision for Standard Assets	21	8
(d) Provision for rebate on advisory fees	178	–
<b>Total</b>	<b>281</b>	<b>91</b>

**NOTE "14"**

(₹ in lakh)

LONG-TERM LOANS AND ADVANCES (UNSECURED CONSIDERED GOOD)	As at March 31, 2014	As at March 31, 2013
(a) Capital advances	41	113
(b) Security Deposits	334	309
(c) Inter corporate deposits	1,655	150
(d) Others		
(i) Prepaid Expenses	138	174
(ii) Advance payment of income tax, net of provision	1,078	788
(iii) MAT Credit Entitlement	18	685
<b>Total</b>	<b>3,264</b>	<b>2,219</b>

**NOTE "15"**

(₹ in lakh)

OTHER NON-CURRENT ASSETS	As at March 31, 2014	As at March 31, 2013
(a) Deferred expenditure (to the extent not written off or adjusted)	292	195
<b>Total</b>	<b>292</b>	<b>195</b>



**NOTES TO AND FORMING PART OF THE BALANCE SHEET  
AS AT MARCH 31, 2014**

**NOTE “16”**

(₹ in lakh)

<b>TRADE RECEIVABLES</b>	<b>As at March 31, 2014</b>	<b>As at March 31, 2013</b>
(a) Over six months (from the date due for payment)		
(i) Secured, considered good	–	–
(ii) Unsecured, considered good	264	132
(iii) Doubtful	–	–
	<b>264</b>	132
Less: Provision for trade receivables	–	–
	<b>264</b>	132
(b) Others		
(i) Secured, considered good	–	–
(ii) Unsecured, considered good	876	311
(iii) Doubtful	–	–
	<b>876</b>	311
Less: Provision for trade receivables	–	–
	<b>876</b>	311
<b>Total</b>	<b>1,140</b>	443

**NOTE “17”**

(₹ in lakh)

<b>CASH AND BANK BALANCES</b>	<b>As at March 31, 2014</b>	<b>As at March 31, 2013</b>
(a) Balances with banks in current account	121	204
<b>Total</b>	<b>121</b>	<b>204</b>

Of the above, the balances that meet the definition of Cash and Cash equivalents as per AS 3 Cash Flow Statements is ₹ 121 Lakh (Previous year ₹ 204 Lakh)

**NOTE “18”**

(₹ in lakh)

<b>SHORT-TERM LOANS AND ADVANCES (UNSECURED CONSIDERED GOOD)</b>	<b>As at March 31, 2014</b>	<b>As at March 31, 2013</b>
(a) Loans and advances to related parties	238	160
(b) Security Deposits	37	30
(c) Inter corporate deposits to related parties	18,773	5,350
(d) Others		
(i) Advances to Vendors	16	14
(ii) Other advances	16	7
(iii) Prepaid Expenses	153	54
(iv) Balances with government authorities	2	5
<b>Total</b>	<b>19,235</b>	<b>5,620</b>

**NOTES TO AND FORMING PART OF THE BALANCE SHEET  
AS AT MARCH 31, 2014**

**NOTE "19"**

(₹ in lakh)

OTHER CURRENT ASSETS	As at March 31, 2014	As at March 31, 2013
(a) Deferred expenditure (to the extent not written off or adjusted)	316	137
(b) Unbilled revenue	–	62
(c) Interest Accrued but not due on deposits / investments	205	207
(d) Repossessed Assets *	223	223
(e) Dividend Receivable from Subsidiary	6,488	3,894
(f) Accrued Rental Income	47	–
<b>Total</b>	<b>7,279</b>	<b>4,523</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, the Company has created a payable for the same.

**NOTE "19(a)" DEFERRED EXPENDITURE (to the extent not written off or adjusted)**

(₹ in lakh)

Particulars	As at March 31, 2014	As at March 31, 2013
(a) Unamortised share issue expenses		
Opening Balance	328	37
Add: expenses incurred during the period	566	383
Less: written off during the period	286	92
Closing Balance	608	328
(b) Unamortised loan processing charges		
Opening Balance	4	3
Add: expenses incurred during the period	–	4
Less: written off during the period	4	3
Closing Balance	–	4
<b>Total</b>	<b>608</b>	<b>332</b>

(₹ in lakh)

Particulars	As at March 31, 2014		As at March 31, 2013	
	Non-Current	Current	Non-Current	Current
(a) Unamortised share issue expenses	292	316	195	133
(b) Unamortised loan processing charges	–	–	–	4
<b>Total</b>	<b>292</b>	<b>316</b>	<b>195</b>	<b>137</b>
<b>Grand Total</b>	<b>608</b>		<b>332</b>	

**NOTES TO AND FORMING PART OF THE STATEMENT OF  
PROFIT AND LOSS FOR THE YEAR ENDED MARCH 31, 2014**

**NOTE “20”**

(₹ in lakh)

<b>REVENUE FROM OPERATIONS</b>	<b>For the Year ended March 31, 2014</b>	<b>For the Year ended March 31, 2013</b>
(a) Dividend from Non-Current Investments*	7,682	5,344
(b) Profit on sale of Current Investments	–	376
(c) Income from advisory services	5,400	5,600
<b>Total</b>	<b>13,082</b>	<b>11,320</b>

\* Includes dividend income from subsidiaries ₹ 6715 lakh (Previous Year ₹ 3,893).

**NOTE “20(a)”**

(₹ in lakh)

<b>Income in Foreign Currency</b>	<b>For the Year ended March 31, 2014</b>	<b>For the Year ended March 31, 2013</b>
Income from advisory services	–	442

**NOTE “21”**

(₹ in lakh)

<b>OTHER INCOME</b>	<b>For the Year ended March 31, 2014</b>	<b>For the Year ended March 31, 2013</b>
(a) Exchange gains/(losses)	–	118
(b) Income from managerial services	844	866
(c) Interest on Non-Current Investments	338	206
(d) Interest on others	1,532	929
(e) Income from property management	921	491
(f) Interest on Income Tax refund	–	608
(g) Miscellaneous Income	1	1
<b>Total</b>	<b>3,636</b>	<b>3,219</b>

**NOTES TO AND FORMING PART OF THE  
STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED MARCH 31, 2014**

**NOTE "22"**

(₹ in lakh)

<b>FINANCE COSTS</b>	<b>For the Year ended March 31, 2014</b>	<b>For the Year ended March 31, 2013</b>
(a) Interest expense on share application money	121	131
(b) Interest expense on inter corporate deposit	428	258
(c) Discounting charges on commercial paper	1,047	5,821
<b>Total</b>	<b>1,596</b>	<b>6,210</b>

**NOTE "23"**

(₹ in lakh)

<b>EMPLOYEE BENEFITS EXPENSE</b>	<b>For the Year ended March 31, 2014</b>	<b>For the Year ended March 31, 2013</b>
(a) Salaries, wages and bonus	2,869	2,654
(b) Contribution to provident and other funds	167	209
(c) Staff welfare expenses	46	82
<b>Total</b>	<b>3,082</b>	<b>2,945</b>

**NOTE "24"**

(₹ in lakh)

<b>OTHER OPERATING EXPENSES</b>	<b>For the Year ended March 31, 2014</b>	<b>For the Year ended March 31, 2013</b>
(a) Advertisements and publicity	12	180
(b) Incentive / commission / brokerage	2	32
(c) Insurance	15	3
(d) Legal and professional fees	877	747
(e) Membership and subscription	110	71
(f) Printing and stationery	15	19
(g) Rent	236	380
(h) Repairs to Buildings	75	26
(i) Telephone, telex and leased line	44	23
(j) Travelling and conveyance	322	283
(k) Provision for rebate on advisory fees	525	-
(l) Contingency provisions against Standard Assets	37	22
(m) Others	171	133
<b>Total</b>	<b>2,441</b>	<b>1,919</b>

**NOTES TO AND FORMING PART OF THE  
STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED MARCH 31, 2014**

**NOTE “24 (a)”**

(₹ in lakh)

<b>AUDITORS’ REMUNERATION (excl. Service Tax)</b>	<b>For the Year ended March 31, 2014</b>	<b>For the Year ended March 31, 2013</b>
(a) Audit Fees	13	13
(b) Tax Audit Fees	2	2
(c) Other Services	1	1

(Auditors’ Remuneration is included in Other expenses)

**NOTE “24 (b)”**

(₹ in lakh)

<b>EXPENDITURE IN FOREIGN CURRENCY (Subject to deduction of tax wherever applicable)</b>	<b>For the Year ended March 31, 2014</b>	<b>For the Year ended March 31, 2013</b>
(a) Membership and subscription	59	31
(b) Legal and professional fees	10	23
(c) Advertisements and publicity	11	2
(d) Travelling and conveyance	–	9
(e) Training Expenses	10	–
<b>Total</b>	<b>90</b>	<b>65</b>

**NOTE “25” : CONTINGENT LIABILITIES:**

- i. 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)

<b>Particulars</b>	<b>As at March 31, 2014</b>	<b>As at March 31, 2013</b>
Income Tax (Pending before Appellate authorities)	6,690	4,228
VAT (Pending before Sales Tax Appellate Authorities)	167	67
<b>Total</b>	<b>6,857</b>	<b>4,295</b>

**NOTE “26” : COMMITMENTS :**

- i. Commitment to invest in Tata Capital Special Situation Fund amounting to ₹ 2,401 Lakh (as at March 31, 2013 : ₹ 4,994 Lakh).
- ii. Commitment to invest in Tata Capital Health Care Fund amounting to ₹ 5,538 Lakh (as at March 31, 2013 : ₹ 7,648 Lakh).
- iii. Commitment to invest in Tata Capital Growth Fund amounting to ₹ 11,795 Lakh (as at March 31, 2013 : ₹ 12,343 Lakh).
- iv. Commitment to invest in Tata Capital Innovation Fund amounting to ₹ 4,704 Lakh (as at March 31, 2013 : ₹ 5,429 Lakh).
- v. Commitment to co-invest with Omega TC Holdings Pte. Ltd ₹ 23,073 Lakh (USD 38.61 Million) (as at March 31, 2013 : ₹ 25,052 Lakh (USD 46.09 Million) ).

**NOTE "27" : EMPLOYEE STOCK PURCHASE / OPTION SCHEME :**

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.

The Company issued 63,400,000 Equity Shares of ₹ 10 each at a premium of ₹ 2 per share to the Trust. The Trust transfer's shares to the employees of the Company & its subsidiaries under the ESOP scheme.

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 ₹ 18 lakh (Previous Year : ₹ 18 lakh).

Based on the guidance note on Employee Stock Option issued by Institute of Chartered Accountant of India, the Company has adopted intrinsic method of accounting for ESOP.

During the year 597,084 Equity Shares (Previous Year: 1,483,585) were allotted to the employees of Company and its subsidiaries.

The following is the disclosure as required under the guidance note on Employee Stock Option issued by Institute of Chartered Accountants of India.

Sr. No.	Description	Name of scheme	
1	Method used for accounting of the employee share-based payment plans	Intrinsic value method	
2	If Intrinsic value method is used, impact for the accounting year had the fair value method been used on the following - Net Income as reported (₹ in Lakh) Add: Intrinsic Value Compensation Cost Less: Fair Value Compensation Cost (₹ in Lakh) Adjusted Proforma Income (₹ in Lakh)  Earnings Per Share: Basic As Reported Adjusted Pro Forma  Earnings Per Share: Diluted As Reported Adjusted Pro Forma	7,756 - 2 7,754       0.07 0.07    0.07 0.07	
3	Description of each type of employee share-based payment plan that existed at any time during the year including the following - Total number of options under the plan Vesting Requirements Maximum term of options granted (In Years) Method of settlement	100% immediate vesting 1 Equity Settled	
4	Number and weighted average exercise prices of stock options for each of the following groups of options -  - Outstanding at the beginning of the year	<b>Number of options</b>  3,146,609	<b>Weighted Average Exercise Price (₹)</b>  17.77

Sr. No.	Description	Name of scheme	
	- Granted during the year	5,305,270	25.00
	- Forfeited during the year	324,727	24.43
	- Exercised during the year	597,084	20.39
	- Outstanding at the end of the year and	7,530,068	22.37
	- Exercisable at the end of the year	3,434,166	21.61
5	Number of options vested	-	
6	Total number of shares arising as a result of exercise	597,084	
7	Money realised by exercise of options ( ₹ )	12,176,895	
8	Employee wise details of options granted to -		
	- Senior management personnel	-	
	- Employees holding 5% or more of the total number of warrants/ options granted during the year	-	
	- Identified employees who were granted warrant/option, during any one year equal to or exceeding 1% of the issued capital (excluding outstanding warrants/options and conversions) of the Company at the time of grant.	-	
9	For stock options exercised during the year the weighted average share price at the date of exercise. If options were exercised on a regular basis throughout the year, the weighted average share price during the year. ( ₹ )	25.00	
10	For stock options outstanding at the end of the year, the range of exercise prices and weighted average remaining contractual life (vesting year + exercise year). If the range of the exercise prices is wide, the outstanding options should be divided into ranges that are meaningful for assessing the number and timing of additional shares that may be issued and cash that may be received upon exercise of those options.	<b>Range of exercise Prices ( ₹ )</b>	<b>Weighted Average Contractual Life (Years)</b>
		17.77	0.42
		25.00	1.57
11	For stock options granted during the year, the weighted average fair value of those options at the grant date and information on how the fair value was measured including the following -	Black Scholes	
	- Option pricing model used		
	- Inputs to that model including -		
	weighted average share price ( ₹ )	25	
	exercise price ( ₹ )	25	
	expected volatility	0.34%	
	option life (comprising vesting period + exercise period)	1.42 years	
	expected dividends	0.00%	
	risk-free interest rate	8.00%	

Sr. No.	Description	Name of scheme
	<p>Any other inputs to the model including the method used and the assumptions made to incorporate the effects of expected early exercise.</p> <ul style="list-style-type: none"> <li>- Determination of expected volatility, including explanation to the extent expected volatility was based on historical volatility.</li> <li>- Any other features of the option grant were incorporated into the measurement of the fair value, such AS market conditions.</li> </ul>	<p>NA</p> <p>NA</p>
12	<p>For other instruments granted during the year (i.e., other than stock options)</p> <ul style="list-style-type: none"> <li>- Number and weighted average fair value of those instruments at the grant date</li> <li>- Fair Value determination in case -               <ul style="list-style-type: none"> <li>(a) fair value not measured on the basis of an observable market price</li> <li>(b) whether and how expected dividends were incorporated</li> <li>(c) whether and how any other features were incorporated</li> </ul> </li> </ul>	<p>No other instruments were granted during the year</p> <p>NA</p> <p>NA</p> <p>NA</p> <p>NA</p>
13	<p>For employee share-based payment plans that were modified during the year -</p> <ul style="list-style-type: none"> <li>- Explanation of those modifications</li> <li>- Incremental fair value granted (as a result of those modifications)</li> <li>- Information on how Incremental fair value granted was measured, consistently with the requirements set out in points 7 and 8 above.</li> </ul>	<p>No modifications were made to the scheme during the year</p> <p>NA</p> <p>NA</p> <p>NA</p>
14	<p>Total expense recognised for the year for employee share-based payment plans</p>	<p>Nil</p>
15	<p>Separate disclosure of that portion of the total expense that arises from transactions accounted for as equity-settled employee share-based payment plans</p>	<p>Nil</p>
16	<p>For liabilities arising from employee share-based payment plans</p> <ul style="list-style-type: none"> <li>- Total carrying amount at the end of the year</li> <li>- Total intrinsic value at the end to the year for which the right of the employee to cash or other assets had vested by the end of the year.</li> </ul>	<p>Nil (No cash settled awards given out)</p> <p>NA</p> <p>NA</p>
17	<p>Basic / Diluted earnings per share (EPS) pursuant to issue of shares on exercise of option.</p>	<p>0.07</p>



## NOTE "28" : EMPLOYEE BENEFITS

### Defined Contribution Plans

These are plans in which the Company pays pre-defined amounts to separate funds and does not have any legal or informal obligation to pay additional sums. The Company offers its employees defined contribution plans in the form of provident fund, family pension fund and superannuation fund. Provident fund and family pension fund cover all regular employees while the contribution to superannuation fund is at the option of the employee. Contributions towards superannuation are paid into a superannuation fund. The superannuation fund is managed by independent agencies while provident fund is managed by a trust fund set by the Company. While both the employees and the Company pay predetermined contributions into the provident fund, contributions into the family pension fund and the superannuation fund are made by only the Company. The contributions are based on a certain proportion of the employee's salary.

The Company recognised a charge of ₹ 105 lakh (Previous year ₹ 92 lakh) for provident fund and family pension fund contribution and ₹ 54 lakh (Previous year ₹ 70 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 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	2013-14	2012-13
<b>Change in Defined Benefit Obligation</b>		
Opening Defined Benefit Obligation	256	187
Current Service Cost	34	25
Interest Cost	20	16
Transfer In / (Out)	(2)	3
Actuarial Losses / (Gain)	(18)	25
Benefits Paid	(2)	0
Closing Defined Benefit Obligation	288	256
<b>Change in the Fair Value of Assets</b>		
Opening Fair Value of Plan Assets	191	168
Transfer in	(2)	3
Expected Return on Plan Assets	18	14
Contributions by Employer	64	25
Actuarial Gains / (Losses)	11	(19)

Particulars	2013-14	2012-13
Benefits paid	(2)	0
Closing Fair Value of Plan Assets	280	191
<b>Composition of the plan assets</b>		
<b>Investment Pattern</b>		
Government bonds	39.64%	29.69%
Equity mutual funds	9.46%	7.58%
Bonds / Debentures	32.11%	47.04%
Others	18.79%	15.69%
Total	100.00%	100.00%
<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	280	192
Present value of the defined obligations at the end of the year	288	257
Funded status [Surplus / (Deficit)]	(8)	(65)
Unrecognised past service cost	0	0
Net Asset /(Liability) recognised in the balance sheet	(8)	(65)
<b>Net Gratuity cost for the year ended March 31, 2014</b>		
Service Cost	34	25
Interest on Defined benefit Obligation	20	16
Expected return on plan assets	(18)	(14)
Net actuarial loss recognised in the year	(28)	44
Net Gratuity Cost	8	71
<b>Assumptions</b>		
Discount Rate	9.30%	8.00%
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	LIC (1994-96) Ultimate	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.

<b>Experience History</b>	<b>2013-14</b>	<b>2012-13</b>	<b>2011-12</b>	<b>2010-11</b>	<b>2009-10</b>
Defined Benefit Obligation	<b>288</b>	(257)	(187)	(920)	(772)
Plan Assets	<b>280</b>	192	168	919	880
Funded Status	<b>(8)</b>	(65)	(19)	(1)	108
Experience Gain/ (Loss) Adjustment :					
- On Plan Liabilities	<b>(13)</b>	(8)	(13)	(69)	(91)
- On Plan Assets	<b>11</b>	(19)	14	(31)	56
Acturia Gain / (Loss) due to change in Assumptions	<b>31</b>	(17)	3	2	(20)

The Company expects to contribute approx. ₹ 67 lakh (Previous year ₹ 306 Lakh) to the gratuity fund in the year ending March 2015.

#### **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 2013-14 is ₹ NIL lakh (Previous year ₹ 1 lakh) and the provision as at March 31, 2014 is ₹ 3 lakh (Previous year ₹ 3 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 Securities Limited Tata Capital Pte. Limited TC Travel and Services Limited Tata Capital Housing Finance Limited T-Sec Commodities Broking Limited (merged with Tata Securities Limited w.e.f. April 01, 2013) Tata Capital Forex Limited Tata Infrastructure Capital Limited Tata Capital Financial Services Limited Tata Cleantech Capital Limited Tata Capital Growth Fund 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>	e-Nxt Financials Limited Hemisphere Properties India Limited Tata AutoComp Systems Limited Tata Capital Special Situations Fund Tata Capital Healthcare Fund Tata Capital Innovation Fund
<b>Joint Ventures</b>	Nectar Loyalty Management India Limited
<b>Fellow Subsidiaries</b> (with which the company had transactions)	Tata Investment Corporation Limited Tata Industries Limited Tata International Limited Tata AIG General Insurance Company Limited Tata Sky Limited
<b>Key Management Personnel</b>	Mr. Praveen P Kadle

**ii. Transactions with related parties :**

(₹ in lakh)

Sr. No.	Party Name	Nature of transaction	2013-14	2012-13
1	Tata Sons Limited	a) Equity shares issued during the year b) Balance Receivable/(Payable)	– 18	50,000 26
2	Tata Capital Financial Services Limited	a) ICDs placed during the year b) ICDs repaid during the year c) Interest income on ICDs placed d) SLA fees expense e) Rental Income f) Marketing & Managerial Service Fees g) Security Deposit Accepted h) Payment towards Preference Capital Arranger Fees i) ICDs Outstanding j) Dividend received during the year k) Balance Receivable / (Payable)	154,972 142,082 1,202 37 748 1,074 – 378 13,090 6,488 149	128,150 127,950 596 – 432 900 4,665 129 200 – 1,478
3	Tata Capital Housing Finance Limited	a) Investments - Equity Shares - Preference Shares - Debentures b) ICDs placed during the year c) ICDs repaid during the year d) Interest Income on - ICDs - Debentures - Share Application Money e) Marketing & Managerial Service Fees f) ICDs Outstanding g) Dividend received during the year h) Balance Receivable	– 14,900 – 57,605 61,655 102 338 – 318 – 227 27	2,600 10,500 3,300 64,200 60,150 189 206 20 268 4,050 – 42
4	Tata Securities Limited	a) Investments in Preference Shares b) ICDs placed during the year c) ICDs Repaid during the year d) Income - Interest income on ICDs placed - Rental Income e) Payment towards Preference Capital Arranger Fees f) ICDs Outstanding g) Balance Receivable - Towards Rental Income - Towards Reimbursement of Expenses	1,500 8,970 8,320 53 126 97 800 200 20	– 5,950 5,800 31 59 69 150 – 82

Sr. No.	Party Name	Nature of transaction	2013-14	2012-13
5	TC Travel and Services Limited	a) ICDs placed during the year	<b>1,655</b>	200
		b) ICDs Repaid during the year	<b>200</b>	–
		b) Interest income on ICDs placed	<b>23</b>	2
		c) ICDs Outstanding	<b>1,655</b>	200
		d) Balance Receivable/(Payable) - Towards services availed	<b>19</b>	11
6	Tata Capital Forex Limited	a) ICDs placed during the year	–	4,400
		b) ICDs repaid during the year	<b>900</b>	3,500
		c) Interest income on ICDs placed	<b>30</b>	78
		d) ICDs Outstanding	–	900
		e) Balance Receivable - Towards services availed	<b>2</b>	13
7	Tata Capital Pte. Limited	a) Balance Receivable/(Payable)	<b>(5)</b>	(6)
8	Tata Capital Advisors Pte Ltd	a) Income – Advisory Fees	<b>2,953</b>	2,868
		b) Balance Receivable	<b>470</b>	193
9	Tata Capital Plc	a) Balance Receivable/(Payable)	<b>3</b>	–
10	Tata Capital Healthcare Fund	a) Investment in Units of Fund (made during the year)	<b>2,110</b>	580
		b) Income – Asset Management Fees	<b>635</b>	678
		c) Balance Receivable - Towards Asset Management Fees	<b>122</b>	–
		- Towards Reimbursement of Expenses	<b>2</b>	–
11	Tata Capital Growth Fund	a) Investment in Units of Fund (made during the year)	<b>548</b>	3,038
		b) Income – Asset Management Fees	<b>678</b>	676
		c) Balance Receivable - Towards Reimbursement of Expenses	–	4
12	Tata Capital Innovation Fund	a) Investment in Units of Fund (made during the year)	<b>725</b>	309
		b) Income - Advisory Fees	<b>573</b>	661
		- Set up Cost	–	32
		c) Advance Income received	<b>188</b>	188
		d) Balance Receivable / (Payable) - Towards Advisory Fees	–	21
13	Tata Capital Special Situations Fund	a) Investment made during the year	<b>2,593</b>	–
		b) Income – Advisory Fees	<b>561</b>	684
		c) Balance Receivable / (Payable) - Towards Advisory Fees	<b>164</b>	132
		- Towards Reimbursement of Expenses	<b>3</b>	2

Sr. No.	Party Name	Nature of transaction	2013-14	2012-13
14	Tata Cleantech Capital Limited	a) Investment in Equity Shares	6,190	–
		b) ICDs placed during the year	7,216	–
		c) ICDs repaid during the year	2,333	–
		d) Interest income on ICDs placed	121	–
		e) ICDs Outstanding	4,883	–
15	e-Nxt Financials Limited	a) Expenditure - Service providers' charges	9	7
		b) Balance Receivable / (Payable)	64	22
16	Tata Investment Corporation Limited	a) Equity shares issued during the year	–	2,419
17	Tata International Limited	a) Equity shares issued during the year	–	65
18	Tata Industries Limited	a) Equity shares issued during the year	–	310
19	Tata AIG General Insurance Company Limited	a) Expenditure - Insurance Premium	11	7
20	Tata Autocomp Systems Limited	a) Dividend received during the year	966	1,449
21	Tata Sky Limited	a) Investment in Equity Shares	2,137	–
22	Key Management Personnel (KMP)	a) Remuneration to KMP	382	382
		b) Issue of shares under ESOP scheme	30	14
		c) Issue of Cumulative Redeemable Preference Shares	–	105
		d) Payment of Dividend on Cumulative Redeemable Preference Shares	8	–

**NOTE "30" : EARNINGS PER SHARE (EPS):**

<b>Particulars</b>		<b>2013-14</b>	<b>2012-13</b>
Profit after tax	₹ in Lakh	<b>7,756</b>	2,298
Less: Preference dividend payable to cumulative redeemable preference shareholders	₹ in Lakh	<b>5,783</b>	1,130
Profit after tax available for equity shareholders	₹ in Lakh	<b>1,973</b>	1,168
Weighted average number of Equity shares used in computing Basic EPS	Nos	<b>2,825,972,336</b>	2,713,673,159
Face value of equity shares	₹	<b>10</b>	10
<b>Basic earnings per share</b>	₹	<b>0.07</b>	<b>0.04</b>
Profit after tax available for equity shareholders	₹ in Lakh	<b>1,973</b>	1,168
Weighted Average Number of Equity Shares used in computing Basic earnings per share	Nos	<b>2,825,972,336</b>	2,713,673,159
Add: Potential weighted average number of Equity shares that could arise on conversion of preference shares	Nos	<b>Nil</b>	Nil
Add: Potential weighted average number of Equity shares allotted to ESOP Trust	Nos	<b>45,834</b>	6,308,447
Weighted average number of shares in computing Diluted earnings per share	Nos	<b>2,826,018,170</b>	2,719,981,606
Face value of equity shares	₹	<b>10</b>	10
<b>Diluted earnings per share</b>	₹	<b>0.07</b>	<b>0.04</b>



**NOTE “31” : SEGMENT REPORTING**

In accordance with Accounting Standard 17 on Segment Reporting, Company has identified three business segments i.e. Investment Activity, Advisory services and Others (includes property management and managerial services) and one Geographical Segment viz. India, as secondary segment.

(₹ in lakh)

Particulars	For the Year ended March 31, 2014	For the Year ended March 31, 2013
<b>I Segment Revenue</b>		
(a) Investment Activity	9,552	6,855
(b) Advisory services	5,400	5,718
(c) Others	1,765	1,357
(d) Unallocated	1	609
<b>Total Income</b>	<b>16,718</b>	<b>14,539</b>
<b>II Segment Results</b>		
(a) Investment Activity	9,262	2,648
(b) Advisory services	(530)	183
(c) Others	307	32
(d) Unallocated	(389)	215
<b>Profit before taxation</b>	<b>8,650</b>	<b>3,078</b>
Less : Provision for taxation	894	780
<b>Profit after taxation</b>	<b>7,756</b>	<b>2,298</b>
<b>III Segment Assets</b>		
(a) Investment Activity	404,410	362,164
(b) Advisory services	26,717	20,261
(c) Others	12,083	9,922
(d) Unallocated	4,578	4,726
<b>Total</b>	<b>447,788</b>	<b>397,073</b>

(₹ in lakh)

Particulars	For the Year ended March 31, 2014	For the Year ended March 31, 2013
<b>IV Segment Liabilities</b>		
(a) Investment Activity	10,845	19,231
(b) Advisory services	27,707	22,028
(c) Others	4,665	4,665
(d) Unallocated	7,462	4,280
<b>Total</b>	<b>50,679</b>	<b>50,204</b>
<b>V Capital Expenditure</b> (including Capital Work-in-Progress)		
(a) Investment Activity	–	–
(b) Advisory services	–	–
(c) Others	2,539	9,634
(d) Unallocated	37	2,230
<b>Total</b>	<b>2,576</b>	<b>11,864</b>
<b>VI Depreciation and Amortisation</b>		
(a) Investment Activity	–	–
(b) Advisory services	38	31
(c) Others	536	239
(d) Unallocated	85	25
<b>Total</b>	<b>659</b>	<b>295</b>
<b>VII Significant Non-Cash Expenses Other than Depreciation and Amortisation</b>		
(a) Investment Activity	37	22
(b) Advisory services	525	–
(c) Others	–	–
(d) Unallocated	25	113
<b>Total</b>	<b>587</b>	<b>135</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, 2014	For the Year Ended March 31, 2013
	% Shares Held	49%	49%
(a)	Assets	201	174
(b)	Liabilities	605	90
(c)	Income	Nil	Nil
(d)	Expenses	521	475
(e)	Other Matters – Contingent Liability	Nil	Nil

**NOTE “33” : Core Investment Company (CIC) Compliance Ratios :**

Sr. No.	Particulars	As at March 31, 2014	As at March 31, 2013
(a)	Investments & loans to group companies as a proportion of Net Assets (%)	90%	91%
(b)	Investments in equity shares and compulsorily convertible instruments of group companies as a proportion of Net Assets (%)	83%	88%
(c)	Capital Adequacy Ratio (%) [Adjusted Net worth / Risk Weighted Assets]	73%	82%
(d)	Leverage Ratio (Times) [Outside liabilities / Adjusted Network]	0.16	0.15

**NOTE "34" : Exposure to Real Estate Sector:**

(₹ in lakh)

Category		2013-14	2012-13
i)	<b>Direct Exposure</b>		
	Residential Mortgages -	<b>NIL</b>	NIL
	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>	NIL
	- Individual housing loans above ₹ 15 lakh	<b>NIL</b>	NIL
	Commercial Real Estate -	<b>NIL</b>	NIL
	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>	NIL	
2. Commercial Real Estate	<b>NIL</b>	NIL	
ii)	<b>Indirect Exposure</b>		
	Fund based and non-fund based exposures on National Housing Bank (NHB) and Housing Finance Companies (HFCs)	<b>56,300</b>	45,450

**NOTE “35” : Asset Liability Management**

Maturity pattern of certain items of Assets and Liabilities (Based on RBI Guidelines)

**For the year 2013-14**

(₹ in lakh)

Particulars	Liabilities		Assets	
	Borrowings from Banks	Market Borrowings	Advances	Investments
1 day to 30/31 days (One month)	–	–	13,090	–
Over 1 month to 2 months	–	11,887	–	–
Over 2 months upto 3 months	–	9,793	–	–
Over 3 months to 6 months	–	4,500	–	–
Over 6 months to 1 year	–	460	7,338	–
Over 1 year to 3 years	–	–	–	–
Over 3 years to 5 years	–	–	–	1,500
Over 5 years	–	–	–	401,626
<b>Total</b>	<b>–</b>	<b>26,640</b>	<b>20,428</b>	<b>403,126</b>

**For the year 2012-13**

(₹ in lakh)

Particulars	Liabilities		Assets	
	Borrowings from Banks	Market Borrowings	Advances	Investments
1 day to 30/31 days (One month)	–	7,473	4,250	–
Over one month to 2 months	–	8,905	–	–
Over 2 months upto 3 months	–	4,913	–	–
Over 3 months to 6 months	–	2,427	–	–
Over 6 months to 1 year	–	2,316	1,250	–
Over 1 year to 3 years	–	4,500	–	–
Over 3 years to 5 years	–	–	–	–
Over 5 years	–	–	–	372,424
<b>Total</b>	<b>–</b>	<b>30,534</b>	<b>5,500</b>	<b>372,424</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	
	31.03.14	31.03.13	31.03.14	31.03.13
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	4,500	4,500	—	—
e) Commercial Paper	22,140	26,035	—	—
f) Other loans				
Loan from Bank				
- working Capital Demand Loan	—	—	—	—
- Overdraft	—	—	—	—

**Assets Side:**

(₹ in lakh)

Particulars	Amount Outstanding	
	2013-14	2012-13
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:</b>		
a) <b>Quoted:</b>		
(i) Shares : Equity	109	109
(ii) Debentures and Bonds	—	—
(iii) Government Securities	—	—
b) <b>Unquoted:</b>		
(i) Shares : Equity	344,233	335,907
Preference	28,400	12,000
(ii) Debentures and Bonds	4,548	4,548
(iii) Others (Venture Capital Funds)	25,837	19,860

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)	
	2013-14	2012-13	2013-14	2012-13
a) Related Parties				
1) Subsidiaries	364,021	340,882	364,021	340,882
2) Companies in the same group	21,050	21,050	21,050	21,050
3) Other related Parties	17,947	10,383	17,947	10,383
b) Other than related parties	66	71	109	109
<b>TOTAL</b>	<b>403,084</b>	<b>372,386</b>	<b>403,127</b>	<b>372,424</b>

**Notes:**

- a) 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.
- b) Companies in the same group have been considered to mean companies under the same management as per Section 370(1B) of the Companies Act, 1956.

37. The Share application money pending allotment on preference shares of ₹ 604 lakh outstanding as at March 31, 2014 has been subsequently allotted on April 01, 2014 to the extent of ₹ 509 lakh.
38. 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

**F. K. Kavarana**  
(Director)

**Ishaat Hussain**  
(Director)

**F.N. Subedar**  
(Director)

**Hoshang Sinor**  
(Director)

**Janki Ballabh**  
(Director)

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

**Sarita Kamath**  
(Company Secretary)

Mumbai  
Date: May 8, 2014

**Subsidiaries - Financial Highlights**

(₹ in Lacs)

Sr. No.	Name of Subsidiary	Reporting Currency	Capital	Reserves	Total Assets	Total Liabilities	Details of Investment	Turnover	Profit Before Tax	Profit After Tax	Proposed Dividend	Country
1	Tata Capital Financial Services Limited	INR	129,755	189,278	2,325,794	2,006,761	154,196	278,312	28,083	17,213	6,488	INDIA
2	Tata Capital Housing Finance Limited	INR	50,733	9,509	645,241	584,999	-	64,255	8,309	5,828	1,521	INDIA
3	Tata Securities Limited	INR	1,883	179	20,337	18,275	-	2,411	(1,210)	(1,190)	-	INDIA
4	TC Travel and Services Limited	INR	2,500	(525)	5,238	3,264	5	836	(661)	(661)	-	INDIA
5	Tata Capital Forex Limited	INR	1,043	(537)	5,419	4,912	-	1,566	(600)	(596)	-	INDIA
6	Tata Cleantech Capital Limited	INR	8,000	304	13,548	5,243	-	1,305	454	298	-	INDIA
7	India Collections Management Limited	INR	750	(82)	671	2	-	62	48	48	-	INDIA
8	Tata Infrastructure Capital Limited	INR	55	6	61	1	-	5	4	3	-	INDIA
9	Tata Capital Growth Fund	INR	17,906	(8,408)	9,507	9	9,340	543	(1,419)	(1,425)	-	INDIA
10	Tata Capital Pte. Limited	USD	12,959	(1,093)	44,811	32,945	33,126	1,504	(558)	(466)	-	SINGAPORE
11	Tata Capital Advisors Pte. Ltd.	USD	4,524	7,178	624	(11,078)	9	8,751	4,467	4,379	-	SINGAPORE
12	Tata Capital Markets Pte. Ltd.	USD	3,376	(915)	797	(1,665)	-	46	(152)	(145)	-	SINGAPORE
13	Tata Capital Plc	GBP	892	167	1,157	98	-	600	(23)	(20)	-	UNITED KINGDOM
14	Tata Capital General Partners LLP	USD	2,988	(625)	97	(2,266)	-	22	9	9	-	SINGAPORE
15	Tata Capital Healthcare General Partners LLP	USD	30	(17)	331	318	-	-	(4)	(4)	-	SINGAPORE
16	Tata Opportunities General Partners LLP	USD	7	(24)	1	18	-	-	(9)	(9)	-	SINGAPORE





## Talk to us

We would be delighted to hear from you. For any queries regarding our products and services or for any other assistance, do reach us at [contactus@tatacapital.com](mailto:contactus@tatacapital.com) or at the following office addresses.

We are committed to respond to you at the earliest.

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