

TATA CAPITAL FINANCIAL SERVICES LIMITED

ANNUAL REPORT 2012-13

DIRECTORS' REPORT

TO THE MEMBERS OF TATA CAPITAL FINANCIAL SERVICES LIMITED

The Directors have pleasure in presenting their Third Annual Report and the Audited Statement of Accounts for the Financial Year ("FY") ended March 31, 2013.

1. BACKGROUND

Tata Capital Financial Services Limited (the "Company" or "TCFSL") is a wholly owned subsidiary of Tata Capital Limited ("TCL") and a Systemically Important Non Deposit Accepting Non Banking Finance Company, having received a Certificate of Registration from the Reserve Bank of India ("RBI") in this regard, on November 4, 2011.

TCFSL is headquartered in Mumbai and has a wide network of 113 offices across India.

2. INDUSTRY AND ECONOMIC SCENARIO

In a short span of three years, India's growth has plummeted from the 8%-9% range to 5% levels, a ten year low in GDP growth. While a weak global macro environment has contributed, a significant part of the decline is due to domestic factors - centered on policy-related issues which have resulted in a near collapse in investments.

The Central Statistics Office has projected GDP growth for FY 2012-13 of 5%, lower than the RBI's baseline projection of 5.5%. The slowdown in growth was evident in all three sectors: services fell to 6.6%, with industry at 3.1% and agriculture at 1.8%. The key reason for the lower growth was a sharper than expected deceleration in services to 6.6%.

The fiscal deficit (centre) and current account deficit are estimated at 5.2% and 5.1%, respectively and both the Wholesale Price Index ("WPI") and Consumer Price Index ("CPI") for March 2013 came in at 5.9% (annual average 7.4%) and 10.4% (annual average 10.2%), respectively. In the meantime, introduction of incremental policy changes have surpassed expectations, but the momentum needs to be sustained for India to get out of the 5% deficit trap. Capital flows have so far been buoyant, thus comfortably financing the rising deficit. However, a key concern as highlighted by the RBI Governor, is the composition of financing - the share of FDI has been relatively static and there is growing dependence on portfolio flows, NRI deposits and overseas loans. This is a concern, especially in the context of risks being faced by most global economies.

The divergence between WPI and CPI continued to widen during the year. Both WPI and CPI have been well above RBI's medium term inflation target of 4%. A large part of this is sticky in nature and attributable to supply side factors and high wage inflation as a result of social welfare spending.

Liquidity conditions were moderate throughout FY 2012-13 on account of lower domestic capital formation. The RBI used all tools to ease liquidity in FY 2012-13, cutting the repo rate by 1% between April 2012 and March 2013. It has also cut the Cash Reserve Ratio by 1.5% and the Statutory Liquidity Ratio by 1%. The easing of the rates was not entirely passed through by the banks, with banks cutting Prime Lending Rate largely by 25 to 40 bps. The tight liquidity conditions in the banking sector coupled with increasing NPAs provided a window of opportunity for non banking finance companies to grow.

Despite all of the above, the new Finance Minister managed to avoid a ratings downgrade of India, which continues to be investment grade. The year ahead will be challenging on the interest rate front and overall growth may be subdued as the policy window for reforms will progressively get narrow for the government, given the substantial election calendar. Despite all headwinds, growth potential for the Company would remain robust as structurally, banks will be addressing their bad loan issues.

The year is likely to change the industry landscape permanently as the RBI has announced final guidelines for new banking licenses and may push for the adoption of the recommendations in the Usha Thorat Committee Report for NBFCs.

3. FINANCIAL RESULTS

3.1 The performance of the Company for FY ended March 31, 2013 is, summarized below :

(Rs. in crore)

Particulars	FY 2012-13	FY 2011-12
Gross Income	2,700.86	2,205.72
Less:		
Finance Costs	1,640.09	1,399.02
Establishment, Administrative and Other Expenses	585.29	492.05
Amortisation of expenses	9.18	19.61
Depreciation	43.59	36.73
Profit Before Tax	422.71	258.31
Less: Provision for Tax	146.59	89.58
Profit After Tax	276.12	168.73
Amount brought forward from previous year	0.01	0.01
Amount available for appropriation	276.13	168.73
Appropriations		
Special Reserve Account	55.23	33.73
Debenture Redemption Reserve	63.06	135.00
Interim Dividend on equity shares	38.93	-
Dividend Distribution Tax	6.31	-
Surplus carried to Balance Sheet	112.60	0.01

3.2 During the year, the Company's average book size increased by 19% from Rs. 15,772 crore in FY 2011-12 to Rs. 18,786 crore in FY 2012-13. Gross Income increased from Rs. 2,205.72 crore in the Previous Year to Rs. 2,700.86 crore, recording an increase of 22%, the Company's Profit Before Tax was Rs. 422.71 crore (Previous Year: Rs. 258.31 crore) and the Profit After Tax for FY 2012-13 increased sharply by 63% and stood at Rs. 276.12 crore (Previous Year: Rs. 168.73 crore), mainly on account of increase in the average book size.

3.3 In FY 2012-13, the quality of the Company's book was fairly robust, though the Gross and Net NPAs increased marginally and stood at 2.31% and 1.72%, respectively as compared to 1.29% and 0.95%, in FY 2011-12. As at March 31, 2013, the Company had Fee to Income Ratio of 25.1% (Previous Year: 30.5%) and Cost to Income Ratio of 45.30% (Previous Year: 45.2%). The Return on Asset and Return on Equity ratio as at March 31, 2013, was at 1.4% and 9.2%, respectively as against 1.1% and 8.3%, as at March 31, 2012.

3.4 During FY 2012-13, the Directors transferred an amount of Rs. 63.06 crore to the Company's Debenture Redemption Reserve ("DRR"), taking the total balance in the DRR as at March 31, 2013, to Rs.300 crore. It may be noted that, as per Circular issued by the Ministry of Corporate Affairs dated February 11, 2013, Non Banking Financial Companies registered with the RBI, are required to transfer 25% of the value of debentures issued through the public issue route, to DRR (against 50% stipulated earlier). The Directors thought it prudent to create an additional DRR upto Rs. 300 crore to facilitate future issuances of debentures to the Public, post outstanding redemption of NCDs aggregating Rs. 605.02 crore, on March 6, 2014.

3.5 A provision of Rs.4.95 crore (Previous Year: Rs. 11.55 crore), at the rate of 0.25% of standard assets, was made in FY 2012-13, pursuant to RBI's circular dated January 17, 2011 relating to Provision of 0.25% for standard assets of NBFCs.

3.6 An amount of Rs. 55.23 crore (Previous Year: Rs.33.73 crore), being 20% of the profits, is proposed to be transferred to Special Reserve Account as required under Section 45 IC of the Reserve Bank of India Act, 1934.

4. SHARE CAPITAL

The paid-up Equity Share Capital of the Company on March 31, 2013, was Rs. 1,297.55 crore which was entirely held by TCL. There was no change in the Authorised or the Paid-up capital during FY 2012-13.

5. DIVIDEND

During the year, the Company declared a maiden dividend, in the form of an Interim Dividend for FY 2012-13 at the rate of Rs. 0.30 per equity share. The Interim Dividend entailed a cash outflow of Rs. 45.24 crore, including dividend distribution tax of Rs. 6.31 crore. In view of the above Interim Dividend, the Board of Directors do not recommend any final dividend for FY 2012-13 on the equity share capital of the Company.

6. REVIEW OF OPERATIONS OF THE COMPANY

6.1 Corporate Finance

The Corporate Finance Division has three broad business segments viz. Commercial Finance, Infrastructure Finance and Leasing Finance.

6.1.1 Commercial Finance:

Commercial Finance offers different short term and long term products. The product pie includes working capital facilities, trade advances, equipment financing and structured products, including syndication of loans. The different segments covered through this Division are namely large corporates, mid corporates, supply chain and emerging markets. During FY 2012-13, this Division was able to significantly grow the Supply Chain Business which works around the vendors and dealers / distributors of large corporates, to Rs. 3,503 crore as compared to Rs. 3,040 crore at the end of FY 2011-12. Despite low credit growth due to the very challenging business environment, this Division has been able to grow the book to Rs. 8,064 crore as compared to Rs. 7,768 crore at the end of FY 2011-12. The Division disbursed Rs. 23,725 crore in FY 2013 and earned a total fee income of Rs. 89 crore. The Division has also been able to control its Non Performing Assets in the challenging business environment and has consistently registered high Return on Equity ("ROE") over the years, clocking a ROE of 19% in FY 2013. The Division is committed towards providing complete financial solutions to corporates, through different innovative products which give value to its customers and simultaneously growing a quality asset portfolio.

6.1.2 Infrastructure Finance:

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

In view of the subdued Macroeconomic environment, FY 2012-13 was a challenging year for this sector. The Infrastructure segment, as a whole, was also adversely affected by regulatory issues and delayed payments from government departments. These challenges resulted in a lower book growth as compared to FY 2011-12 and stress on the portfolio quality. Despite the challenging environment, the Division continues to grow its portfolio, maintain asset quality and control its Non Performing Assets.

During FY 2012-13, the Construction Equipment Finance Division continued to be amongst the top five players in the industry, while Project Finance business was a major contributor to the revenue growth and profit of the Division. During this period, the Division's Equipment Rental Business, stabilized. During the year, the Division disbursed fresh loans of Rs. 3,403 crore and closed the financial year with a book of Rs. 6,105 crore, exceeding the book of Rs. 5,925 crore in FY 2011-12, by 3%. The Infrastructure Business registered a ROE of 15.20% in FY 2012-13.

New initiatives like syndication desk in the Project Finance vertical and in the Construction Equipment Finance, focus on rural and semi urban markets are being undertaken.

6.1.3 Leasing Finance:

During the year, the Company ventured into the Leasing business by signing a Business Partnership Agreement with Century Tokyo Leasing Corporation ("CTLC"), Japan. CTLC is a part of the Mizuho Financial Services Group and is a leading player in the leasing space in Japan, with domain experience in nineteen business bases in nine countries. The Company is optimistic that this alliance will leverage the strengths of both groups and give the Company a strong footprint in the leasing business.

While the USA, UK, Australia and Japan can be construed as mature markets for leasing business, the Indian economy is now witnessing noticeable action in this industry.

In the financial services domain, Leasing has been identified as a product that offers opportunities to create value for its customers with innovative asset life-cycle management solutions. This offering from the Corporate Finance Division gives the Company a competitive edge by being one of the few players which specializes in both segments of Equipment Financing viz. Loan and Lease.

The Division commenced business in the last quarter of FY 2012-13 with sanctions of Rs.180 crore for leasing of ATMs and has a business pipeline for leasing of Power Saving Equipments, Waste Water Management Projects, Construction Equipment, Plant & Machinery and IT Equipments. Going forward, the Company will also explore opportunities in Auto Leasing.

6.2 Consumer Finance

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

Disbursements in FY 2012-13 aggregated Rs. 3,810 crore as compared to Rs. 3,151 crore in FY 2011-12, an increase of about 21%. The focus of CFAB, *inter-alia*, was to improve its Net Interest Margin, which increased from 3.80% in FY 2011-12 to 4.50% in FY 2012-13 and to improve its Cost to Income ratio which reduced from 80.20% in FY 2011-12 to 66.70% in FY 2012-13. This led to an increase in ROE to 6.75% in FY 2012-13 from 2.95% in FY 2011-12.

Auto Loans continued to constitute the major share of disbursement at Rs. 1,663 crore in FY 2012-13 (Previous Year: Rs. 1,617 crore). The Tractor Finance business was further scaled up during the year, with business volume increasing to Rs. 258 crore from Rs. 143 crore in the previous year, reflecting an increase of 80%. The Commercial Vehicle Finance business which was launched in the last quarter of the previous financial year, reached a disbursement level of Rs. 293 crore in FY 2012-13. The Direct Business Vertical, was launched in FY 2012-13, to primarily leverage customer relationships of the respective product verticals for selling asset financing products and financial investment products. This business achieved a disbursement of Rs. 452 crore. The addition of this vertical is in line with the core strategy of CFAB of becoming a 'customer-centric' company and building customer proximity, by offering a single - point interface to customers for all their financial needs.

In the area of Wealth Management and Investment Distribution, the Company is engaged in distribution of various investment products such as Mutual Funds, Fixed Deposits, Debentures and Bonds, Private Equity / Venture Capital Funds and Portfolio Management Services offered by various third party service providers. The total Assets Under Advisory amounted to Rs. 595 crore for FY 2013 as against Rs. 330 crore in FY 2012.

The closing book of CFAB of Rs. 6,016 crore (Previous Year: Rs. 4,814 crore), comprises Auto Loans of Rs. 2,875 crore (48%), Business Loans and Personal Loans of Rs. 978 crore (16%), Loans against Property of Rs. 1,379 crore (23%) and other retail advances, including Tractor Finance of Rs. 784 crore (13%).

The quality of CFAB's portfolio continues to be amongst the best in the industry, with Gross NPA at 0.54% and Net NPA at 0.37%, as at March 31, 2013 as compared to Gross NPA of 0.42% and Net NPA of 0.30%, as at March 31, 2012.

According to the latest CRISIL Research Report, the Indian Gross Domestic Product is expected to grow by around 6% in FY 2013-14. Increased welfare spending, lower interest rates, moderation in inflation and high farm incomes are expected to boost household spending and sentiments. CFAB has plans to increase business volumes through consolidation and growth in existing products, improving profitability through balancing business mix, leveraging on existing customer base to build long term customer relationships and robust risk and NPA management.

6.3 Tata Cards

The Tata Card is a White Label Credit Card issued and operated by SBI Cards, which is a JV between SBI and GE Capital. Tata Capital manages the marketing and distribution of this Card. The Tata Card provides the convenience of an international credit card and enables customers to earn and redeem points instantly across several Tata Group loyalty partners.

During FY 2012-13, active Card accounts grew by 60% over the previous year and the Average Spend per Card grew by 55% during the same period. The Tata Card base is now at 1,16,000 cards and it is the largest White Label Card program in India. The Spends per Card in the Tata Card portfolio are amongst the best in the industry and substantially ahead of larger and older competitors. Total spends on Tata Card portfolio were at Rs. 530 crore during FY 2012-13.

During the year, Tata Cards launched many new versions viz. Tata Platinum Card, Tata Titanium Credit Card and Tata Corporate Platinum Credit Card. The Platinum and Titanium variants are targeted at the growing affluent and mass affluent retail customers, whereas the Tata Corporate Card primarily caters to the expense management needs of Tata group organizations.

7. FINANCE

7.1 Resources

During FY 2012-13, the Company met its funding requirements through a combination of short term debt (comprising Commercial Paper, ICDs and Bank Loans) and long term debt (comprising Non-Convertible Debentures ("NCDs") and Bank Loans). During the said period, the Company issued Secured Redeemable NCDs of a face value aggregating Rs. 3,777.30 crore through Private Placements. These NCDs, with tenor ranging from 18 months to 60 months, helped in Asset Liability Management and strengthened the long term resource base of the Company.

The aggregate debt outstanding as at March 31, 2013 was Rs. 17,470.73 crore (of which, Rs. 10,201.33 crore was payable within one year).

The Debt / Equity ratio as on March 31, 2013 was 5.7 times.

The Company has been regular in servicing of its debt obligations.

7.2 Non Convertible Debentures issued to the Public

Pursuant to the approval of the requisite majority of NCD holders at their meeting held on February 15, 2012 and the subsequent individual consents received from a large number of the NCD holders, the rate of interest on the NCDs has been reduced and NCDs in respect of which such consent was not received, have been redeemed under the Put / Call Option, exercisable at the end of 36 / 42 months from the deemed date of allotment i.e. March 6, 2009.

Accordingly, out of the total Rs. 1,500 crore Public NCDs, 59.67% of the NCDs aggregating Rs. 894.98 crore were redeemed (Put / Call Option) and holders of 40.33% NCDs aggregating Rs. 605.02 crore, consented to continue at revised coupon rates.

8. CREDIT RATING

During the year under review, Rating agencies reaffirmed / issued the ratings assigned by them to TCFSL. The ratings of TCFSL are:

ICRA: ICRAA1+ and ICRAAA+ / Stable

CARE: CAREAA+, CARE PR1+ and CAREAA (for Unsecured NCDs by way of Perpetual Debt)

CRISIL: CRISIL AA+/Stable and CRISILAA- /Stable (for Unsecured NCDs by way of Perpetual Debt)

9. RISK MANAGEMENT

Risk Management is an integral part of the Company's business strategy. The Risk Management oversight structure, includes Committees of the Board and Senior Management Committees. The Risk Management Committee of the Board ("RMC") reviews compliance with risk policies, monitors risk tolerance limits, reviews and analyzes risk exposure related to specific issues and provides oversight of risk across the organization. The RMC nurtures a healthy and independent risk management function to inculcate strong risk management culture in the Company. The risk management process is governed by the Enterprise Wide Risk management framework. Risk measurement and monitoring is an ongoing process supported by a robust risk reporting framework.

The Credit Risk management structure includes separate credit policies and procedures for various businesses. The risk policies define prudential limits, portfolio criteria, exceptional approval metrics, etc. and cover risk assessment for new product offerings.

Concentration of risk is managed by analysing counter - party, industry sector, geographical region, single borrower and borrower group. While credit committees approve counter - party credit exposure in line with Delegation of Power and Authority assigned by the Board of Directors, the Credit Monitoring Committee primarily focuses on post sanction monitoring. Retail finance credit approval is based on product / programs and monitoring is primarily done at the portfolio level across products and programs.

Management of Liquidity (Asset Liability and Interest Rate) and Market Risk is carried out using quantitative techniques such as sensitivity and stress testing. The Finance and Asset Liability Supervisory Committee reviews liquidity risk and interest rate risk profile of the organization on a regular basis.

The Company has a Board approved Operational Risk Management framework. A dedicated Operational Risk Management team monitors the key operational risks through Key Risk Indicators ("KRI") on an ongoing basis. Causal analysis is carried out and corrective actions are implemented on KRI exceptions. A senior management oversight committee i.e. the Operational Risk Management Committee, meets periodically to review the operational risk profile of the organization.

Risks associated with the frauds are mitigated through fraud risk management framework. A Fraud Risk Management Committee comprising senior management representatives reviews matters relating to fraud risk, including corrective and remedial actions with regard to people and processes.

10. INTERNAL CONTROL SYSTEMS

The Company'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 Company's 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 in the Company. Detailed Compliance Reports are received from units / establishments across the Company. These Reports are duly examined and submitted on a regular basis to the Managing Director / Board.

The Company's internal control system is commensurate with the size, nature and operations of the Company.

11. IT SUPPORT

FY 2012-13 represented a movement in IT Support from a basic stability stage to the growth stage with the Company being able to achieve close to 100% support for all its products and transactions. The Company's objectives in the growth phase will be more focused on the customer and market needs and will have a more strategic orientation. The Company has revamped its customer portal with more features and has also launched a portal for wealth management. There is a constant endeavour to enhance the existing functionalities and features of the systems and to maintain a high degree of security of information. Key projects successfully completed during FY 2012-13 include, two version upgrades of Bancs and the implementation of the Loan Origination System across all product types.

The Company will also be benchmarking its IT against an internationally acclaimed IT Capability Maturity Framework. The Company is now going for IT Capability Maturity Model Certification with an aim of receiving level 5 Certification by 2017. Customers can interact, get information and transact with Tata Capital across multiple channels such as the web, mobile and at the branches. There is a constant endeavour to move up the IT maturity curve and deliver value to businesses and customers. Several initiatives have been launched in this direction involving a broad segment of users and customers.

The growth stage of the IT framework would see a slew of new projects with strategic benefits and will lead to Tata Capital being perceived as a leader in information technology for the entire industry. Some of the key projects in the pipeline are mobility solutions for improving the Company's collection efficiencies and an integrated platform to enable applying online for personal loans. The Company will also be launching a capability for its customers to get a universal view of their accounts and investments.

12. HUMAN RESOURCES

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

Talent management is a key people planning tool that provides an integrated means of identifying, selecting, developing and retaining top talent within our organization.

In the fast changing global market place, the only organizations that would have a competitive advantage are the ones that build a steady self renewing stream of talent pool. Companies who fail to prioritize talent management, succession planning and leadership development end up experiencing a steady attrition in talent and becoming extremely vulnerable when they have to cope with the inevitable upheavals.

Keeping this perspective in mind, TCFSL has proactively designed a robust talent identification and talent management policy under its brand 'APEX'. By measuring employees on both performance and potential, this policy caters to the long term organizational needs. By exploring the potential of the employee, this policy is intended to develop and nurture the talent of the employee to support their growth in the organization.

The Company has kept a sharp focus on Employee Engagement. This constant focus on people and engagement has resulted in the Gallup Engagement score being at 4.05, on a scale of 5, in 2013.

The launch of P-CMM (People Capability Maturity Model) with a view to achieving P-CMM Level 5 certification by the year 2017, will help achieve greater organizational efficiency in HR processes and subsequently, lower attrition levels. The Company is gearing up for P-CMM Level 3 Assessment and Certification in FY 2013.

The learning and development initiatives are based on improving the Skills and Competencies of all employees to enhance their Behavioral Competencies and Functional Competencies. These initiatives include Executive Development Programs, job rotation, e-learning and various class room training programmes.

During the year, Tata Capital received the 'Best Learning & Development Award' from the World HRD Congress.

13. CORPORATE SUSTAINABILITY ("CS")

The Tata Group has always epitomized philanthropy, ethical practices and an untiring quest for national betterment. The Tata Capital CS policy, outlines four thrust areas of development viz. Livelihood & Employability, Health, Education and Environment. The rural development initiative at Talawade village (District Pune, Maharashtra) is a flagship project that covers all the above focus areas. Tata Capital also has many long term associations with NGOs with the aim of making a measurable positive difference through its initiatives.

Tata Capital believes in social equity and the principle of equal opportunity, irrespective of caste. 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 30 - 40.

14. COMPLIANCE

The Company has complied and continues to comply with all the applicable regulations and guidelines issued by the RBI such as Capital Adequacy, Net Owned Funds, provisioning for Non-Performing Assets and for standard assets, Concentration of Credit and Investment, filings, etc. The Capital Adequacy Ratio ("CAR") of the Company was 17.49% on March 31, 2013 against the CAR of 15% prescribed for the Company.

15. DEPOSITS

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

16. DIRECTORS

In accordance with the provisions of the Companies Act, 1956 ("the Act") and the Articles of Association of the Company, Mr. F K Kavarana and Mr. F N Subedar are liable to retire by rotation at the ensuing Annual General Meeting and are eligible for re-appointment.

Considering the size and operations of the Company, the qualifications, experience and expertise of Mr. Praveen P. Kadle and his significant contribution to the growth of the Company, Mr. Kadle was re-appointed as the Managing Director & CEO of the Company, for a further period of 5 years w.e.f. September 18, 2012. The appointment of Mr. Kadle as Managing Director is in accordance with the conditions prescribed under Schedule XIII to the Act. The Members of the Company, had, at their Extraordinary General Meeting held on October 26, 2012, approved the above appointment of Mr. Kadle.

17. DIRECTORS' RESPONSIBILITY STATEMENT

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

- i. in the preparation of the annual accounts for the financial year ended March 31, 2013, the applicable accounting standards have been followed and that 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, 2013 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.

18. CORPORATE GOVERNANCE

18.1 Company's Philosophy on Corporate Governance

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.

The Corporate Governance philosophy is further strengthened with the adherence to the Tata Business Excellence Model as a means to drive excellence, the Balanced Scorecard methodology for tracking progress on long term strategic objectives and the Tata Code of Conduct, which articulates the values, ethics and business principles

and serves as a guide to the Company, its directors and employees supplemented with an appropriate mechanism to report any concern pertaining to non-adherence to the said Code, 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 and Safety Management System.

As a good corporate governance practice, the Company has voluntarily undertaken an Audit by a firm of Practicing Company Secretaries, of its secretarial records and documents, in respect of compliance with the Act and the Debt Listing Agreement with the Stock Exchanges.

The provisions of Clause 49 of the Equity Listing Agreement of the Stock Exchanges relating to Corporate Governance are not applicable to the Company since the Equity shares of the Company are not listed. However, as a measure of good governance, the Company has, to a great extent, been maintaining compliance standards vis-à-vis Clause 49 of the Equity Listing Agreement through the internal corporate governance guidelines adopted by the Company.

18.2 Board of Directors

The Board of Directors, along with the Committees of the Board, provides leadership and guidance to the Company's Management and directs, supervises and controls the activities of the Company.

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 ("MD") & CEO of the Company and the other five Directors are Non-Executive Directors ("NEDs"). One-third of the total strength of the Board comprises Independent Directors viz. Mr. H N Sinor and Mr. Janki Ballabh. Board Meetings of the Company are generally chaired by Mr. F K Kavarana, NED.

None of the Directors on the Company's Board is a Member of more than ten and Chairman of more than five Audit and Investors' Grievance Committees across all Indian public limited companies. All the Directors have made necessary disclosures regarding committee positions held by them in other companies and do not hold the office of Director in more than fifteen public companies. None of the Directors of the Company is related to another Director of the Company. All NEDs are liable to retire by rotation. The appointment of the MD, including his tenure and terms of remuneration, have been approved by the Members.

During FY 2012-13, ten Board Meetings were held. Board Meetings were held at least once in every three months and the maximum time-gap between any two consecutive meetings did not exceed four months. The details of Directors, their attendance at Board Meetings and at the previous Annual General Meeting of the Company are, given below:

Name of Director	Director Identification Number	Category	Board Meetings Attended	Whether present at previous AGM held on July 19, 2012	Directorships		Committee positions	
					Chairman	Member	Chairman	Member
Mr. F K Kavarana	00027689	Non - Executive	9	No	5	11	3	8
Mr. Ishaat Hussain	00027891	Non - Executive	9	Yes	2	15	4	10
Mr. Janki Ballabh	00011206	Non - Executive, Independent	10	Yes	1	7	5	7
Mr. H N Sinor	00074905	Non - Executive, Independent	5	Yes	3	11	3	10
Mr. F N Subedar	00028428	Non - Executive	7	No	2	12	5	9
Mr. Praveen P. Kadle	00016814	Managing Director & CEO	10	Yes	5	12	1	7

Mr. Kadle's tenure of appointment as MD & CEO of the Company, ended in September 2012 and he was re-appointed as MD & CEO for a further period of 5 years, with effect from September 18, 2012. His appointment as MD of the Company is co-terminus with his appointment as MD & CEO of TCL. The entire remuneration of Mr. Kadle is borne by TCL, the holding company. The aforesaid re-appointment was also approved by the Members of the Company at their Meeting held on October 26, 2012.

The Company paid Sitting fees for attending meetings of the Board and the Committees of the Board and proposes to pay Commission for FY 2012-13, within the maximum prescribed limits, as per details, given below:

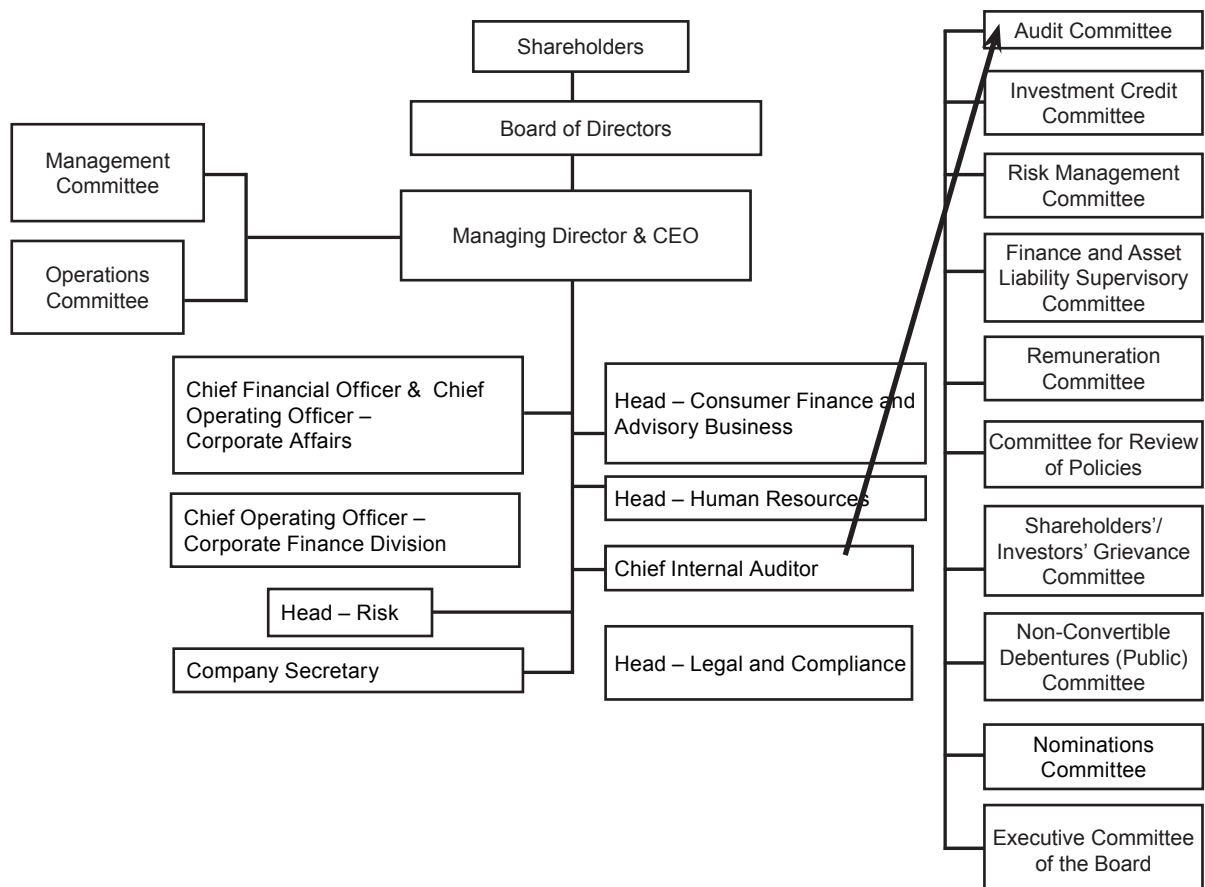
Name of Director(s)	Sitting Fees paid for attending Board and Committee Meetings during FY 2012-13	Commission
Mr. F K Kavarana	Rs. 2,80,000	Rs. 20,00,000
Mr. Ishaat Hussain *	Rs. 2,80,000	Rs. 11,67,000
Mr. Janki Ballabh	Rs. 8,90,000	Rs. 20,00,000
Mr. H N Sinor	Rs. 5,70,000	Rs. 20,00,000
Mr. F N Subedar	Rs. 3,60,000	Rs. 20,00,000

* For the period commencing September 2012 to March 2013, consequent upon Mr. Hussain's superannuation from Tata Sons Limited, the ultimate holding company, w.e.f September 2, 2012.

18.3 Committees of the Board

The Board has constituted Committees with specific terms of reference / scope to focus effectively on issues and ensure expedient resolution of diverse matters. These are the Audit Committee, Investment Credit Committee, Finance and Asset Liability Supervisory Committee, Risk Management Committee, Remuneration Committee, Non-Convertible Debentures (Public) Committee, Shareholders' / Investors' Grievance Committee, Nominations Committee, Committee for Review of Policies and Executive Committee of the Board. The Company Secretary is the Secretary of all the aforementioned Committees, except that, the Head of the HR function is the Secretary of the Remuneration Committee. The Board of Directors and the Committees also take decisions by circular resolutions which are noted at the next meeting. The minutes of the meetings of all Committees of the Board are placed before the Board for discussions / noting.

The relationship between the Board, the Committees and the senior management functions is illustrated below:



(i) Audit Committee

The Audit Committee comprises Mr. Janki Ballabh, Independent Director as Chairman, Mr. H N Sinor, Independent Director and Mr. F N Subedar, Non- Independent Non-Executive Director. All the Members are financially literate and have relevant finance and / or audit experience.

The Board has adopted the Audit Committee Charter which defines the composition of the Audit Committee, its authority, role, responsibilities and powers and reporting functions in accordance with the Act, Listing Agreement for Debt Securities and guidelines issued by the Reserve Bank of India and is reviewed from time to time. Whilst, the full Charter is available on the Company's website, given below is a gist of the responsibilities of the Audit Committee:

- Recommend appointment and removal of Statutory Auditors and their remuneration, nature and scope of audit;
- Ensure adequacy of internal controls and compliances and recommend remedial measures;
- Review adequacy of the Internal Audit function;
- Oversee financial reporting process and disclosure of financial information;
- Review financial statements before submission to the Board;
- Act as the link between Statutory Auditors, Internal Auditors and Board of Directors;
- Review accounting policies;
- Monitor compliance with Tata Code of Conduct;
- Review significant related party transactions;
- Review findings of internal investigations / fraud / irregularities, etc;
- Carry out additional functions as contained in the listing agreement or other regulatory requirements applicable to the Company or in the terms of reference of the Audit Committee; and
- Responsibilities under the Code of Conduct for Prevention of Insider Trading and Code of Corporate Disclosure Practices;

During FY 2012-13, eight Audit Committee Meetings were held. The Members attended all the Meetings of the Audit Committee held during FY 2012-13, except for Mr. H N Sinor, who was granted Leave of Absence from three meetings of the Audit Committee.

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

The Chairman of the Audit Committee also attended the last Annual General Meeting of the Company.

(ii) Finance and Asset Liability Supervisory Committee

The Finance and Asset Liability Supervisory Committee ("ALCO") is constituted to oversee the implementation of the Asset Liability Management system and to periodically review its functioning. The ALCO comprises Mr. Ishaat Hussain (Chairman), Mr. H N Sinor, Mr. Janki Ballabh, Mr. F N Subedar and Mr. Praveen P. Kadle.

(iii) Investment Credit Committee

The Investment Credit Committee ("ICC") is empowered to:

- approve Commercial / Infrastructure and other financing proposals, in terms of the Board approved 'Delegation of Authority Matrix';
- approve Personal and Business Loans, in terms of the Board approved 'Delegation of Authority';
- approve of investments by way of Debentures / Commercial Paper, Equity Shares and Preference Shares, as approved by the Board under the DOA Matrix for the Corporate Finance Division; and
- approve the opening and operating of Letters of Credit, Buyers Credit, Forex facility, etc. for customers of the Corporate Finance Division.

The ICC comprises Mr. Ishaat Hussain (Chairman), Mr. Janki Ballabh, Mr. H N Sinor and Mr. Praveen P. Kadle.

(iv) Nominations Committee

The Nominations Committee is constituted to identify Independent directors to be inducted to the Board, from time to time and to take steps to refresh the composition of the Board. The Committee comprises Mr. Janki Ballabh (Chairman), Mr. F K Kavarana and Mr. H N Sinor.

(v) Risk Management Committee

The Risk Management Committee is constituted to review the Risk Management process of the Company in the areas of portfolio, credit, operational risk, etc. The Committee comprises Mr. F. K. Kavarana (Chairman), Mr. Ishaat Hussain, Mr. Janki Ballabh and Mr. Praveen P. Kadle.

(vi) Remuneration Committee

The Remuneration Committee is empowered to:

- review the performance of the Managing/Whole-time Directors on predetermined parameters;
- review and recommend remuneration / compensation packages for the Executive Directors within prescribed limits;
- decide Commission payable to the directors, subject to prescribed limits and approval of shareholders;
- formulate and administer ESOPs;
- review employee compensation vis-à-vis industry practices and trends; and
- review the performance of direct reportees to the Managing Director and their compensation structure.

The Committee comprises Mr. F K Kavarana (Chairman), Mr. Ishaat Hussain, Mr. H N Sinor and Mr. Janki Ballabh.

(vii) Non-Convertible Debentures (Public) Committee

The role of the Non-Convertible Debentures (Public) Committee was to determine, modify and approve the terms and conditions for variation / modification of the NCDs issued to the Public, in relation to the Coupon Rate / Call Option, to approve any document, any matter relating to the said variation / modification of the terms and conditions of the NCDs, as authorized by the Board of Directors of the Company. The Committee comprises Mr. Janki Ballabh (Chairman), Mr. H N Sinor, Mr. F N Subedar and Mr. Praveen P Kadle.

(viii) Shareholders' / Investors' Grievance Committee

The Shareholders' / Investors' Grievance Committee is constituted to specifically look into the redressal of shareholder and investors complaints like transfer of shares, non-receipt of balance sheet, non-receipt of declared dividends, interest, redemption proceeds, etc. The Committee comprises Mr. H N Sinor (Chairman), Mr. Janki Ballabh and Mr. Praveen P. Kadle.

(ix) Committee For Review of Policies

The Role of the Committee for Review of Policies is to review the various Codes / Policies adopted by the Company and suggest / approve such changes therein, as may be felt necessary and the functioning of the grievance redressal mechanism under the Fair Practices Code adopted by the Company. The Committee comprises Mr. H N Sinor (Chairman), Mr. Janki Ballabh and Mr. Praveen P. Kadle.

(x) Executive Committee of the Board

The Executive Committee of the Board ("ECOB") would be functional as and when the Board of the Company expands to a strength of about 10-12 Directors and would meet at such intervals as may be determined at that time. The current Board being quite compact, the Company has deferred the decision to constitute an Executive Committee of the Board. It may be noted that, currently, the Board performs all the functions / role expected to be performed by the ECOB.

The role of the Committee, as and when framed, would be to review the following items before these are presented to the Board:

- Business and strategy review;
- Long term financial projections and cash flows;
- Capital and Revenue Budgets and Capital Expenditure programmes;
- Acquisitions, divestments and business restructuring proposals;
- Senior management succession planning;
- Customer service initiatives and innovative measures for enhancing quality of service and customer satisfaction; and
- Any other item as may be decided by the Board.

18.4 Means of Communication

The Half-yearly and Annual Results are regularly submitted to the Stock Exchanges in accordance with the Listing Agreement for Debt Securities and are generally published in a leading English daily newspaper. The information regarding the performance of the Company is shared with the debentureholders every six months through a half-yearly communiqué. The official news releases, including on the half-yearly and annual results are also posted on the Company's website www.tatacapital.com

The 'Investors' section on the Company's website keeps the investors updated on material developments in the Company by providing key and timely information like Financial Results, Annual Reports, etc. Members also have the facility of raising their queries / complaints on share and debenture related matters through a facility provided on the Company's website. The debentureholders can also send in their queries / complaints on the designated email address: compliance.ncd@tatacapital.com

18.5 General Information for Members and Debentureholders

The Company is registered with the Registrar of Companies, Maharashtra, Mumbai. The Corporate Identity Number ("CIN") allotted to the Company by the Ministry of Corporate Affairs ("MCA") is U67100MH2010PLC210201.

The Company's Non-Convertible Debentures issued to the public, are listed on the BSE Limited ("BSE") and the National Stock Exchange of India Limited ("NSE"). The following are the details of the Company's public debentures:

Type	BSE			NSE	
	ISIN	Scrip Code	Address	Series	Address
Option I	INE306N07260	934845	Phiroze Jeejeebhoy	N 1	"Exchange Plaza",
Option II	INE306N07492	934846	Towers, Dalal Street,	N 5	Bandra Kurla Complex,
Option III	INE306N07286	934847	Mumbai – 400 001	N 3	Bandra (E),
Option IV	INE306N07294	934848	www.bseindia.com	N 4	Mumbai – 400 051 www.nseindia.com

The debentures issued on a private placement basis are listed on the WDM segment of NSE. The Company has paid Annual Listing fees for FY 2012-13 to both the Stock Exchanges, where the Company's debentures, both issued to the public and issued on a private placement basis, are listed.

Registrar and Transfer Agents

Public Non-Convertible Debentures	Privately placed Non-Convertible Debentures
Karvy Computershare Private Limited Plot No. 17 - 24 Vithal Rao Nagar Madhapur, Hyderabad 500 081 Tel: +91 40 44655000 Fax: +91 40 23420814 www.karvycomputershare.com	Sharepro Services (India) Private Limited 13 AB, Samhita Warehousing Complex Behind Sakinaka Telephone Exchange Kurla Andheri Road, Sakinaka, Mumbai - 400 072 Tel: +91 22 67720300, 67720400 Fax: +91 22 28508927 www.shareproservices.com

As per the provisions of Section 205C of the Act, interest on application money, interest and principal amount remaining unclaimed for a period of seven years from the date it becomes due for payment has to be transferred to the Investor Education and Protection Fund ("IEPF") established by the Central Government. However, no such amount needs to be transferred to IEPF during the year as, such seven year period has not elapsed for the Company's debentures. The debentureholders are requested to claim their dues at the earliest by contacting the Company or the Registrars. In terms of the said section, no claims would lie against the Company or the IEPF after the transfer.

Mr. Kamlesh Parekh, Head- Legal & Compliance, is the Compliance Officer of the Company.

18.6 Other Information

TCL has signed the Tata Brand Equity and Business Promotion ("BEBP") Agreement with Tata Sons Limited on behalf of its subsidiaries including TCFSL, for subscribing to the TATA BEBP Scheme. The Company abides by the Tata Code of Conduct and the norms for using the Tata Brand identity.

The Company has adopted the Tata Code of Conduct for its employees, including the Managing Director. In addition, the Company has adopted a Code of Conduct for its NEDs. The Codes have been posted on the website.

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. 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.

19. ACCOUNTS AND ACCOUNTING STANDARDS

The Company adheres to the Accounting Standards issued by The Institute of Chartered Accountants of India (“ICAI”) in the preparation of its financial statements and has not adopted a treatment different from that prescribed in any Accounting Standard issued by ICAI and in the Companies (Accounting Standards) Rules, 2006, as amended from time to time.

20. 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 no earnings in foreign exchange and had an outgo of Rs.1 crore in foreign exchange.

21. PARTICULARS OF EMPLOYEES

Information in accordance with sub-section (2A) of Section 217 of the Act, read with the Companies (Particulars of Employees) Rules, 1975 (as amended from time to time) and forming part of the Directors’ Report for the year ended March 31, 2013, is provided in an Annexure forming part of this Report.

22. AUDITORS

Messrs Deloitte Haskins & Sells, Chartered Accountants, Mumbai (“DHS”) (ICAI Firm Registration Number: 117366W), who are the Statutory Auditors of the Company, hold office until the conclusion of the ensuing Annual General Meeting and are eligible for re-appointment. The Company has received a letter from DHS to the effect that their appointment, if made, would be within the prescribed limits under Section 224(1B) of the Act and that, they are not disqualified for such appointment within the meaning of Section 226 of the Act. It is proposed to re-appoint DHS to examine and audit the accounts of the Company for the FY 2013-14.

23. 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 and other government and regulatory agencies and to convey their appreciation to TCL, customers, bankers, lenders, vendors and all other business associates for the continuous support given by them to the Company. The Directors also place on record their appreciation of all the employees of the Company for their commitment, commendable efforts, team work and professionalism.

For and on behalf of the Board of Directors

F K Kavarana
Director

Praveen P Kadle
Managing Director & CEO

Mumbai, May 7, 2013

INDEPENDENT AUDITORS' REPORT

TO THE MEMBERS OF TATA CAPITAL FINANCIAL SERVICES LIMITED

Report on the Financial Statements

We have audited the accompanying financial statements of **TATA CAPITAL FINANCIAL SERVICES LIMITED** (the "Company"), which comprise the Balance Sheet as at 31st March, 2013, 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 referred to in Section 211(3C) of the Companies Act, 1956 (the "Act") 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 31st March, 2013;
- (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 referred to in Section 211(3C) of the Act.
- (e) On the basis of the written representations received from the directors as on 31st March, 2013 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2013 from being appointed as a director in terms of Section 274(1)(g) of the Act.

For DELOITTE HASKINS & SELLS
Chartered Accountants
(Registration No. 117366W)

SANJIV V. PILGAONKAR
Partner
(Membership No. 39826)

Mumbai, 7th May, 2013

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 explanation 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 rendering financial services 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 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 audit 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 regular in depositing with appropriate authorities undisputed statutory dues including provident fund, service tax, income 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 Income-Tax, Wealth Tax were outstanding, as at March 31, 2013 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) There are no disputed dues of Income-tax, Sales Tax, Customs Duty, Excise Duty, Wealth Tax, Service Tax and Cess and other taxes applicable to the Company.
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, financial institutions and debenture holders.
12. In our opinion, the Company has maintained adequate records where it has granted loans and advances on the basis of security by way of pledge of shares, debentures and other securities.
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 term loans have been applied for the purposes for which they were obtained, other than temporary deployment pending application.
16. In our opinion and according to the information and explanations given to us, and on overall examination of the Balance Sheet of the Company, we report that funds raised by the Company on short term basis have not 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.
18. The Company has created security for debentures issued and outstanding as at 31st March 2013.
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 our best of our knowledge and belief and according to the information and explanations given to us, no material fraud on or by the Company was noticed or reported during the year, although there were some instances of loans becoming doubtful of recovery consequent upon fraudulent misrepresentations by certain borrowers, the amounts whereof are not material in the context of the size of the Company and the nature of the business and which have been provided for.

For DELOITTE HASKINS & SELLS
Chartered Accountants
(Registration No. 117366W)

Mumbai, 7th May, 2013

SANJIV V. PILGAONKAR
Partner
(Membership No. 39826)

BALANCE SHEET AS AT MARCH 31, 2013

Rs. in Lakhs

	Note No.	As at March 31, 2013	As at March 31, 2012
I. EQUITY AND LIABILITIES			
1. Shareholders' funds			
(a) Share Capital	2	129,755	129,755
(b) Reserves and Surplus	3	179,656	156,568
2. Share application money pending allotment			
		-	-
3. Non-current liabilities			
(a) Long-term borrowings	4	726,941	847,207
(b) Long-term liabilities	5	12,586	11,995
(c) Long-term provisions	6	2,858	2,530
4. Current liabilities			
(a) Short-term borrowings	7	580,012	498,596
(b) Trade payables	8	23,393	26,486
(c) Current liabilities	9	491,974	327,361
(d) Short-term provisions	10	12,729	4,663
TOTAL		2,159,904	2,005,161
II. ASSETS			
1. Non-Current assets			
(a) Fixed Assets	11		
(i) Tangible assets		25,118	24,003
(ii) Intangible assets		7,808	7,825
(iii) Capital work-in-progress		152	807
(iv) Intangible assets under development		259	259
(b) Non-current Investments	12	112,447	133,757
(c) Deferred tax assets (net)		5,231	4,064
(d) Loans and advances - Financing Activity	14	882,889	817,476
(e) Loans and advances - Others	15	7,951	5,232
(f) Other non-current assets	16	4,809	5,579
2. Current assets			
(a) Investments	12	45,636	61,155
(b) Trade receivables	17	382	259
(c) Cash and bank balances	18	20,442	3,042
(d) Loans and advances - Financing Activity	14	1,019,045	909,411
(e) Loans and advances - Others	19	19,501	18,932
(f) Other current assets	20	8,234	13,360
TOTAL		2,159,904	2,005,161
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**
Chartered Accountants**F. K. Kavarana**
(Director)**Ishaat Hussain**
(Director)**F. N. Subedar**
(Director)**Sanjiv V. Pilgaonkar**
Partner**Hoshang N. Sinor**
(Director)**Janki Ballabh**
(Director)**Praveen P. Kadle**
Managing Director & CEOMumbai
Date : May 7, 2013**Govind Sankaranarayanan**
(Chief Financial Officer &
Chief Operating Officer -
Corporate Affairs)**Avan Doomasia**
(Company Secretary)

STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED MARCH 31, 2013

Rs. in Lakhs

	Note No.	For the Year ended March 31, 2013	For the Year ended March 31, 2012
I Revenue from Operations	21	237,347	188,589
II Investment Income	22	24,450	24,454
III Other Income	23	8,289	7,529
IV Total Revenue (I + II + III)		270,086	220,572
V Expenses :			
Finance costs	24	164,009	139,902
Employee benefits expense	25	16,302	15,144
Other operating expenses	26	42,227	34,061
Depreciation and amortisation	11	4,359	3,673
Amortisation of expenses	20(a)	918	1,961
Total expenses		227,815	194,741
VI Profit before exceptional and extraordinary items and tax (IV - V)		42,271	25,831
VII Exceptional items		-	-
VIII Profit before extraordinary items and tax (VI - VII)		42,271	25,831
IX Extraordinary Items		-	-
X Profit before tax (VIII - IX)		42,271	25,831
XI Tax expense:			
(1) Current Tax		15,826	11,196
(2) Deferred Tax		(1,167)	(2,238)
Total Tax expense		14,659	8,958
XII Profit for the year from Continuing Operations (X - XI)		27,612	16,873
XIII Profit / (loss) from discontinuing operations		-	-
XIV Tax expense of discontinuing operations		-	-
XV Profit/(loss) from discontinuing operations (after tax) (XIII - XIV)		-	-
XVI Profit for the year (XII + XV)		27,612	16,873
XVII Earnings per equity share:			
(1) Basic (in Rupees)		2.13	1.69
(2) Diluted (in Rupees)		2.13	1.69
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**
Chartered Accountants

F. K. Kavarana
(Director)

Ishaat Hussain
(Director)

F. N. Subedar
(Director)

Sanjiv V. Pilgaonkar
Partner

Hoshang N. Sinor
(Director)

Janki Ballabh
(Director)

Praveen P. Kadle
Managing Director & CEO

Mumbai
Date : May 7, 2013

Govind Sankaranarayanan
(Chief Financial Officer &
Chief Operating Officer -
Corporate Affairs)

Avan Doomasia
(Company Secretary)

CASH FLOW STATEMENT FOR THE YEAR ENDED MARCH 31, 2013

Rs. in Lakhs

	Note No.	For the Year Ended March 31, 2013	For the Year Ended March 31, 2012
1 CASH FLOW FROM OPERATING ACTIVITIES			
Profit before taxes		42,271	25,831
Adjustments for :			
Amortisation of share / debenture issue expenses / loan processing expenses		918	1,961
Depreciation and amortisation		4,359	3,673
(Profit) / Loss on sale of fixed assets		164	125
Interest Expenses		127,589	115,741
Discounting charges on Commercial Paper		32,138	22,357
Discounting charges on Debentures		4,282	1,804
Interest Income		(223,235)	(194,031)
Income from Investments		(24,294)	(3,725)
Loss on sale of Investment		-	1,341
Unrealised exchange gain		(1)	(5)
Provision for employee benefits - compensated absences		55	(6)
Provision for diminution in value of Investments		4,861	768
Provision against Standard Assets		495	1,155
Provision for doubtful loans (Net)		8,570	4,835
Operating Profit before working capital changes and adjustments for interest received, interest paid and dividend received		(21,828)	(18,176)
Adjustments for :			
(Increase) / Decrease in Trade receivables		(123)	150
(Increase) / Decrease in Loans and advances - Financing Activity		(179,597)	(414,895)
(Increase) / Decrease in Investments (Credit Substitutes)		31,074	20,618
(Increase) / Decrease in Loans and advances - Others		(6,478)	(7,477)
Increase/(Decrease) in Other Liabilities and provisions		482	13,306
Cash used in operations before working capital changes and adjustments for interest received, interest paid and dividend received		(176,469)	(406,474)
Interest paid		(149,640)	(210,073)
Interest received		243,822	180,198
Dividend received		637	645
Cash used in operations		(81,650)	(435,703)
Taxes paid		(12,911)	(9,398)
NET CASH USED IN OPERATING ACTIVITIES		(94,561)	(445,101)
2 CASH FLOW FROM INVESTING ACTIVITIES			
Purchase of Fixed assets (including Capital Advances)		(6,876)	(7,476)
Proceeds from sale of Fixed Assets		802	587
Purchase consideration paid as per scheme of arrangement		-	(199,000)

CASH FLOW STATEMENT FOR THE YEAR ENDED MARCH 31, 2013 (Contd...)

Rs. in Lakhs

	Note No.	For the Year Ended March 31, 2013	For the Year Ended March 31, 2012
Purchase of long term investments		(4,056)	(1,861)
Purchase of Current Investments		(20,000)	-
Purchase of Mutual Funds		(4,177,500)	(4,234,550)
Proceeds from redemption of Mutual Funds		4,179,422	4,236,174
Proceeds from current investments		22,174	5,000
Proceeds from sale of long term investments		7,950	4,343
Investment in Fixed Deposits		(10,000)	(200)
Fixed Deposits matured		200	-
Income from Investments		1,018	7,339
Net cash used in investing activities		(6,866)	(189,644)
3 CASH FLOW FROM FINANCING ACTIVITIES			
Issue of Equity share capital		-	259,000
Share Issue Expenses		(363)	(1,546)
Debenture Issue/Loan Processing Expenses		(253)	(157)
Net repayment of short-term borrowings		83,828	171,046
Proceeds from long-term borrowings		403,430	519,430
Repayment of long-term borrowings		(377,614)	(312,525)
Net cash from financing activities		109,028	635,248
Net increase/(decrease) in cash and cash equivalents		7,601	503
CASH AND CASH EQUIVALENTS AS AT THE BEGINNING OF THE YEAR		2,841	255
Add : Cash transferred from Tata Capital Limited		-	2,083
CASH AND CASH EQUIVALENTS AS AT THE END OF THE YEAR		10,441	2,841
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		10,441	2,841
Add : Restricted Cash		1	1
Add: Fixed Deposits with original maturity of more than 3 months		10,000	200
CASH AND BANK BALANCES AS AT THE END OF THE YEAR [REFER NOTE NO. 18]		20,442	3,042
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**
Chartered Accountants

F. K. Kavarana
(Director)

Ishaat Hussain
(Director)

F. N. Subedar
(Director)

Sanjiv V. Pilgaonkar
Partner

Hoshang N. Sinor
(Director)

Janki Ballabh
(Director)

Praveen P. Kadle
Managing Director & CEO

Mumbai
Date : May 7, 2013

Govind Sankaranarayanan
(Chief Financial Officer &
Chief Operating Officer -
Corporate Affairs)

Avan Doomasia
(Company Secretary)

SIGNIFICANT ACCOUNTING POLICIES AND NOTES TO ACCOUNTS**1. SIGNIFICANT ACCOUNTING POLICIES****i. Basis for preparation of accounts**

The financial statements have been prepared and presented under the historical cost convention, on the accrual basis of accounting and in accordance with the generally accepted accounting principles and in compliance with the relevant provisions of the Companies Act, 1956. Further, the Company follows the Reserve Bank of India (RBI) Directions issued for Non-Banking Financial Companies (NBFC).

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 financial statements are prudent and reasonable. Future results could differ from these estimates. Any revision to accounting estimates is recognised prospectively in the current and future periods. Estimates include provisions for doubtful debts and advances, employee benefit plans, provision for income taxes and provision for diminution in the value of investments.

iii. 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 for NBFCs. 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. This is accounted as income when the amount becomes due provided recovery thereof is certain.

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.

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 Company's right to receive dividend is established.

Interest income on bonds and debentures is accounted on accrual basis.

Discount on investments, 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 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.

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 accrual basis when there is a reasonable certainty of its ultimate realisation.

iv. Provisions for Standard/Non Performing Assets and Doubtful Debts

The Company provides an allowance for loan receivables based on the prudential norms issued by the 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 RBI norms, the Company also provides for / writes off the entire receivables, where any of the instalment are overdue for a period exceeding 11 months.

Provision is calculated after considering value of repossessed stock.

In addition the Company provides for Standard Assets as required by the directions issued by the RBI.

v. 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.

vi. 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.

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.

b. Intangible :

Acquired intangible assets are measured at cost less amortisation.

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

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 / licences 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 Rs. 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
Leasehold Improvements	Lease Period
Construction Equipment	11.31 percent
Furniture and Fixtures	10 percent
Computer Equipment	25 percent to 33.33 percent
Office Equipment	10 percent
Vehicles	Own Vehicles - 23.75 percent Lease Vehicles - 22.50 percent
Software	25 percent
Building	4 percent
Plant & Machinery	25 percent

viii. 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.

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 based on the internal rate of return (IRR). The principal amount received reduces the net investment in the lease and interest is recognised as revenue.

ix. 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 charges and debenture issue expenses are amortised over the tenor of the loan/debenture from the month in which the Company has incurred the expenditure.

x. Employee Benefits

The Company provides for gratuity, a defined benefit retirement plan covering eligible employees. Liability with regard to gratuity fund (defined benefit retirement plan) is accrued based on actuarial valuation using the projected unit credit method conducted as on the Balance Sheet date. Similarly, the liability for long service awards which accrue to employees over the period of service is also actuarially determined using the projected unit credit method.

The Company provides for compensated absences benefit, which is a defined benefit scheme based on actuarial valuation as at the Balance Sheet date determined by an independent actuary.

Eligible employees are entitled to receive benefits from a provident fund and a family pension fund, which is a defined contribution plan. Aggregate contribution along with interest thereon is paid at retirement, death, incapacitation or termination of employment. Both the employee and the Company make monthly contribution to the Provident Fund Trust equal to a specified percentage of the covered employee's salary. The Company also contributes to a government administered pension fund on behalf of its employees.

The interest rate payable by the trust to the beneficiaries every year is being notified by the government. The Company has an obligation to make good the shortfall, if any, between the return from the investments of the trust and the notified interest rate. Such shortfall is charged to Statement of Profit and Loss in the period it is determined.

Actuarial gains and losses, based on an actuarial determination by the independent actuary annually, are recognised immediately in the Statement of Profit and Loss as income or expense.

xi. Employees Share Purchase Scheme

The Company follows the intrinsic value method to account for the compensation cost of its stock based employee compensation plans.

xii. Provisions, Contingent Liabilities and Contingent Assets

A provision is recognised when the Company has a present obligation as a result of past event and it is probable that an outflow of resources will be required to settle the obligation, in respect of which reliable estimate can be made. Provisions (excluding 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 Company 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. Acquisition of Stressed Assets

Amounts paid for acquiring non-performing assets from other NBFCs / banks / companies are considered as advances. In accordance with the RBI guidelines, such assets are treated as “standard” for a period of 90 days from the date of purchase. Thereafter, actual collections received on such non-performing assets are compared with cash flows estimated while purchasing the asset to ascertain default. In case of purchase of non-performing assets, the Company follows the guidelines of the RBI on purchase / sale of non-performing assets for making provision against assets purchased.

xv. 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 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.

xvi. Business segment

The Company’s reportable segments consist of “Financing Activity” and “Others”. The “Financing Activity” segment consists of asset financing, term loans (corporate and retail), channel financing and bill discounting. “Others” segment primarily includes corporate investments, treasury activities, advisory services, wealth management, 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.

xvii. Earnings Per Share

The basic earnings per share is computed by dividing the net profit / loss attributable to the equity shareholders for the period by the weighted average number of equity shares outstanding during the reporting period. The number of shares used in computing diluted earning per share comprises the weighted average number of shares considered for deriving earnings per share, and also the weighted average number of equity shares, which could have been issued on the conversion of all dilutive potential shares. In computing dilutive earnings per share, only potential equity shares that are dilutive and that reduce profit per share are included.

Rs. in Lakhs

2. SHARE CAPITAL	As at March 31, 2013	As at March 31, 2012
AUTHORISED 250,00,00,000 Equity shares (as at March 31, 2012: 250,00,00,000 shares) of Rs.10 each	250,000	250,000
	250,000	250,000
ISSUED, SUBSCRIBED & PAID UP 129,75,50,000 Equity shares (as at March 31, 2012: 129,75,50,000 shares) of Rs.10 each fully paid	129,755	129,755
Total	129,755	129,755

2 (a) Reconciliation of number of shares outstanding	No. of shares	Rs. in Lakhs
Opening Share Capital as on April 01, 2011	2,550,000	255
Additions during the year		
Equity		
a) Issue of Equity Shares	1,295,000,000	129,500
Closing Share Capital as on March 31, 2012 Equity Face Value Rs. 10 fully paid up	1,297,550,000	129,755
Closing Share Capital as on March 31, 2013 Equity Face Value Rs. 10 fully paid up	1,297,550,000	129,755

Note : The Company had issued 129,50,00,000 Equity Shares of Rs 10 each, at a premium of Rs.10 per share to Tata Capital Limited on March 28, 2012.

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

Equity Shares :

The Company has one class of equity shares having a par value of Rs.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 in 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. Tata Sons Limited is the ultimate holding company.

2 (c) Investment by Tata Capital Limited (Holding company) and Subsidiary / Associate / JV of Tata Capital Limited. The entire share capital is held by Tata Capital Limited and its nominees.

Name of company	Particulars of issue	No. of shares	Rs. in Lakhs
Tata Capital Limited (Holding Company)	Opening Balance as on April 1, 2011	2,550,000	255
	a) Rights Issue	1,295,000,000	129,500
	Closing Balance as on March 31, 2012	1,297,550,000	129,755
	Closing Balance as on March 31, 2013	1,297,550,000	129,755

Rs. in Lakhs

3. RESERVES AND SURPLUS	As at March 31, 2013		As at March 31, 2012	
(a) Securities Premium Account				
Opening Balance		129,500		-
Add : Premium on issue of Equity Shares		-		129,500
Closing Balance		129,500		129,500
(b) Debenture Redemption Reserve				
Opening Balance		23,694		-
Add : Transfer from Tata Capital Limited		-		10,194
Add : Transfer from Surplus in the Statement of Profit and Loss		6,306		13,500
Closing Balance		30,000		23,694
(c) Special Reserve Account				
Opening Balance		3,373		-
Add : Transfer from Surplus in the Statement of Profit and Loss		5,523		3,373
Closing Balance		8,896		3,373
(d) Surplus in Statement of Profit and Loss				
Opening Balance		1		1
Add : Profit for the year		27,612		16,873
Amount available for Appropriations		27,613		16,874
Less : Appropriations				
- Transfer to Debenture Redemption Reserve	6,306		13,500	
- Transfer to Special Reserve Account	5,523		3,373	
- Interim Dividend	3,893		-	
- Tax on Interim Dividend	631	16,353	-	16,873
Closing Balance		11,260		1
TOTAL - RESERVES AND SURPLUS		179,656		156,568

Footnote :

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

- a) Rs. 5,523 Lakhs (Previous Year: Rs. 3,373 Lakhs) 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.
- b) Rs. 6,306 Lakhs (Previous Year: Rs. 13,500 Lakhs) to Debenture Redemption Reserve as prescribed by circular issued by Ministry of Corporate Affairs dated February 11, 2013.
- c) During the year ended March 31, 2013, interim dividend of Rs. 0.30 per share (Previous Year : Nil) is recognised as amount distributable to equity shareholders. The corresponding amount has been disbursed and tax thereon paid post the balance sheet date.

Rs. in Lakhs

4. LONG-TERM BORROWINGS	As at March 31, 2013	As at March 31, 2012
(a) Bonds/Debentures		
Secured		
Privately Placed Non-Convertible Debentures (Refer Note No. 4.1 and 4.5 below) [Net of unamortised discount of Rs 1,009 Lakhs (as at March 31, 2012: Rs. 2,680 Lakhs)]	448,461	238,650
Public issue of Non-Convertible Debentures (Refer Note No. 4.2 and 4.6 below)	-	55,352
Unsecured		
Non-Convertible Subordinated Debentures (Refer Note No. 4.7 below) [Net of unamortised discount of Rs 2,710 Lakhs (as at March 31, 2012 :Rs. 2,985 Lakhs)]	87,835	87,560
Non-Convertible Perpetual Debentures (Refer Note No. 4.8 below)	645	645
(b) Term Loans		
Secured		
From Banks (Refer Note No. 4.3 below)	180,000	390,000
Unsecured		
From Banks	10,000	75,000
Total	726,941	847,207

Security :

- 4.1. Privately Placed Non-Convertible Debentures are secured by pari passu charge on the immovable properties, book debts and receivables against unsecured loans, bills discounted and trade advances and to the extent of shortfall in asset cover by a pari passu charge on the current assets of the Company.
- 4.2. Non-Convertible Debentures are secured by a pari passu charge on the immovable properties, book debts and receivables against unsecured loans, bills discounted and trade advances and other current assets of the Company.
- 4.3. Loans and advances from banks are secured by pari passu charge on the current assets of the Company.

Terms of repayment of term loans and other loans:

- 4.4. As per terms of agreements a) Loan from banks and others includes Rs. 400,000 Lakhs (Previous Year : Rs. 585,000 Lakhs) repayable at maturity ranging between 10 and 48 months from the date of respective loan b) Loan from banks and others include Rs. Nil (Previous Year : Rs.13,928 Lakhs) repayable in equated monthly / quarterly instalments beginning from the month subsequent to borrowing.

4.5. Particulars of Privately Placed Secured Non-Convertible Debentures (NCDs) outstanding as on March 31, 2013.

Rs. in Lakhs

Description of NCDs	Issue Date	Redemption Date	Number of NCDs	As at March, 31, 2013	As at March 31, 2012
TCFSL NCD 'AH' FY 2012-13	5-Sep-12	5-Sep-22	500	1,700	-
TCL NCD 'AA' FY 2011-12	21-Oct-11	21-Oct-18	150	1,500	1,500
TCL NCD 'R' FY 2011-12	23-Sep-11	23-Sep-18	100	1,000	1,000
TCL NCD 'M' FY 2011-12	17-Aug-11	17-Aug-18	40	400	400
TCFSL NCD 'BF' FY 2012-13	26-Mar-13	26-Mar-18	50	500	-
TCFSL NCD 'AY' FY 2012-13	22-Jan-13	22-Jan-18	2,000	20,000	-
TCFSL NCD 'AZ' FY 2012-13	22-Jan-13	22-Jan-18	3,000	30,000	-
TCFSL NCD 'BA' FY 2012-13	22-Jan-13	22-Jan-18	250	2,500	-
TCFSL NCD 'AX' FY 2012-13	16-Jan-13	16-Jan-18	650	6,500	-
TCFSL NCD 'AS' FY 2012-13	5-Dec-12	5-Dec-17	250	2,500	-
TCFSL NCD 'AQ' FY 2012-13	12-Nov-12	10-Nov-17	300	3,000	-
TCFSL NCD 'AJ' FY 2012-13	9-Nov-12	9-Nov-17	5,000	50,000	-
TCFSL NCD 'AG' FY 2012-13	10-Sep-12	8-Sep-17	100	1,000	-
TCL NCD 'M' FY 2011-12	17-Aug-11	17-Aug-17	30	300	300
TCFSL NCD 'AE' FY 2012-13	9-Aug-12	9-Aug-17	200	2,000	-
TCL NCD 'AM' FY 2011-12	10-Nov-11	10-Nov-16	100	1,000	1,000
TCL NCD 'M' FY 2011-12	17-Aug-11	17-Aug-16	30	300	300
TCFSL NCD 'BE' FY 2012-13	12-Mar-13	10-May-16	30	300	-
TCL NCD 'A' FY 2011-12	27-Apr-11	27-Apr-16	370	3,700	3,700
TCL NCD 'W' FY 2010-11	19-Jan-11	19-Jan-16	440	4,400	4,400
TCL NCD 'T' FY 2010-11	2-Dec-10	2-Dec-15	50	500	500
TCL NCD 'S' FY 2010-11	19-Nov-10	19-Nov-15	100	1,000	1,000
TCFSL NCD 'AA' FY 2012-13	16-Jul-12	1-Oct-15	40	400	-
TCFSL NCD 'E' FY 2012-13	4-May-12	4-Aug-15	50	500	-
TCFSL NCD 'AD' FY 2012-13	31-Jul-12	31-Jul-15	500	5,000	-
TCFSL NCD 'Z' FY 2012-13	13-Jul-12	13-Jul-15	50	500	-
TCFSL NCD 'B' FY 2012-13	30-Apr-12	30-Jun-15	200	2,000	-
TCFSL NCD 'Y' FY 2012-13	19-Jun-12	19-Jun-15	50	500	-
TCFSL NCD 'V' FY 2012-13	4-Jun-12	4-Jun-15	100	1,000	-
TCL NCD 'CE' FY 2011-12	24-Feb-12	1-Jun-15	180	1,800	1,800
TCFSL NCD 'U' FY 2012-13	28-May-12	27-May-15	400	4,000	-
TCFSL NCD 'T' FY 2012-13	25-May-12	25-May-15	140	1,400	-
TCL NCD 'G' FY 2010-11	12-May-10	12-May-15	250	2,500	2,500
TCFSL NCD 'G' FY 2012-13	9-May-12	6-May-15	200	2,000	-
TCFSL NCD 'S' FY 2012-13	22-May-12	6-May-15	225	2,250	-
TCFSL NCD 'D' FY 2012-13	3-May-12	4-May-15	620	6,200	-
TCFSL NCD 'C' FY 2012-13	2-May-12	30-Apr-15	500	5,000	-
TCFSL NCD 'A' FY 2012-13	25-Apr-12	10-Apr-15	200	2,000	-
TCL NCD 'CK' FY 2011-12	16-Mar-12	6-Apr-15	120	1,000	905
TCL NCD 'CL' FY 2011-12	20-Mar-12	13-Mar-15	250	2,500	2,500
TCFSL NCD 'H' FY 2012-13	10-May-12	9-Mar-15	100	1,000	-
TCL NCD 'CI' FY 2011-12	7-Mar-12	6-Mar-15	100	1,000	1,000
TCL NCD 'CD' FY 2011-12	23-Feb-12	9-Feb-15	300	3,000	3,000

4.5. Particulars of Privately Placed Secured Non-Convertible Debentures (NCDs) outstanding as on March 31, 2013.
(Contd...)

Description of NCDs	Issue Date	Redemption Date	Number of NCDs	Rs. in Lakhs	
				As at March, 31, 2013	As at March 31, 2012
TCL NCD 'BY' FY 2011-12	1-Feb-12	3-Feb-15	50	500	500
TCL NCD 'BW' FY 2011-12	24-Jan-12	27-Jan-15	350	2,977	2,690
TCL NCD 'BX' FY 2011-12	25-Jan-12	23-Jan-15	50	500	500
TCL NCD 'BO' FY 2011-12	9-Jan-12	9-Jan-15	100	1,000	1,000
TCL NCD 'BS' FY 2011-12	19-Jan-12	7-Jan-15	80	800	800
TCL NCD 'BN' FY 2011-12	5-Jan-12	5-Jan-15	2,100	21,000	21,000
TCL NCD 'BM' FY 2011-12	30-Dec-11	29-Dec-14	200	1,711	1,545
TCFSL NCD 'AT' FY 2012-13	24-Dec-12	24-Dec-14	2,000	20,000	-
TCFSL NCD 'AU' FY 2012-13	24-Dec-12	24-Dec-14	2,600	26,000	-
TCL NCD 'BE' FY 2011-12	22-Dec-11	22-Dec-14	1,500	15,000	15,000
TCL NCD 'BR' FY 2011-12	19-Jan-12	19-Dec-14	350	3,500	3,500
TCFSL NCD 'I' FY 2012-13	10-May-12	15-Dec-14	100	1,000	-
TCL NCD 'AZ' FY 2011-12	12-Dec-11	12-Dec-14	150	1,500	1,500
TCL NCD 'BQ' FY 2011-12	13-Jan-12	11-Dec-14	130	1,300	1,300
TCL NCD 'BI' FY 2011-12	26-Dec-11	1-Dec-14	50	500	500
TCL NCD 'AU' FY 2011-12	29-Nov-11	25-Nov-14	165	1,650	1,650
TCFSL NCD 'AR' FY 2012-13	12-Nov-12	12-Nov-14	150	1,500	-
TCL NCD 'AJ' FY 2011-12	8-Nov-11	8-Nov-14	50	500	500
TCL NCD 'AG' FY 2011-12	31-Oct-11	4-Nov-14	250	2,500	2,500
TCL NCD 'AK' FY 2011-12	8-Nov-11	23-Oct-14	30	300	300
TCL NCD 'AD' FY 2011-12	2-Nov-11	23-Oct-14	70	700	700
TCFSL NCD 'AO' FY 2012-13	22-Oct-12	22-Oct-14	500	5,000	-
TCFSL NCD 'AN' FY 2012-13	11-Oct-12	10-Oct-14	500	5,000	-
TCFSL NCD 'AK' FY 2012-13	25-Sep-12	25-Sep-14	1,500	15,000	-
TCFSL NCD 'AL' FY 2012-13	25-Sep-12	25-Sep-14	900	9,000	-
TCL NCD 'P' FY 2011-12	19-Sep-11	11-Sep-14	350	3,500	3,500
TCFSL NCD 'AI' FY 2012-13	7-Sep-12	7-Sep-14	1,500	15,000	-
TCL NCD 'O' FY 2011-12	19-Sep-11	5-Sep-14	100	1,000	1,000
TCFSL NCD 'O' FY 2012-13	17-May-12	20-Aug-14	400	4,000	-
TCFSL NCD 'Q' FY 2012-13	17-May-12	20-Aug-14	250	2,500	-
TCL NCD 'L' FY 2009-10	17-Aug-09	18-Aug-14	200	2,000	2,000
TCL NCD 'H' FY 2011-12	29-Jul-11	29-Jul-14	18	180	180
TCL NCD 'I' FY 2011-12	29-Jul-11	29-Jul-14	250	2,500	2,500
TCFSL NCD 'AC' FY 2012-13	24-Jul-12	24-Jul-14	750	7,500	-
TCFSL NCD 'AB' FY 2012-13	20-Jul-12	18-Jul-14	1,000	10,000	-
TCFSL NCD 'N' FY 2012-13	17-May-12	17-Jul-14	350	3,500	-
TCFSL NCD 'P' FY 2012-13	17-May-12	17-Jul-14	250	2,500	-
TCL NCD 'BU' FY 2011-12	20-Jan-12	10-Jul-14	185	1,850	1,850
TCFSL NCD 'AV' FY 2012-13	11-Jan-13	23-Jun-14	190	1,900	-
TCFSL NCD 'X' FY 2012-13	21-Jun-12	20-Jun-14	1,000	10,000	-
TCFSL NCD 'L' FY 2012-13	14-May-12	14-May-14	500	5,000	-
TCFSL NCD 'K' FY 2012-13	14-May-12	14-May-14	400	4,000	-
TCL NCD 'CA' FY 2011-12	9-Feb-12	13-May-14	160	1,600	1,600

4.5. Particulars of Privately Placed Secured Non-Convertible Debentures (NCDs) outstanding as on March 31, 2013.
(Contd...)

Rs. in Lakhs

Description of NCDs	Issue Date	Redemption Date	Number of NCDs	As at March, 31, 2013	As at March 31, 2012
TCFSL NCD 'J' FY 2012-13	11-May-12	12-May-14	1,000	10,000	-
TCFSL NCD 'M' FY 2012-13	14-May-12	12-May-14	900	9,000	-
TCFSL NCD 'R' FY 2012-13	18-May-12	8-May-14	330	3,300	-
TCFSL NCD 'F' FY 2012-13	9-May-12	5-May-14	200	2,000	-
TCFSL NCD 'BB' FY 2012-13	23-Jan-13	30-Apr-14	125	1,250	-
TCL NCD 'CM' FY 2011-12	19-Mar-12	29-Apr-14	110	1,100	1,100
TCFSL NCD 'BG' FY 2012-13	26-Mar-13	25-Apr-14	569	5,690	-
TCFSL NCD 'AP' FY 2012-13	22-Oct-12	22-Apr-14	500	5,000	-
TCFSL NCD 'AW' FY 2012-13	11-Jan-13	16-Apr-14	160	1,600	-
TCFSL NCD 'BD' FY 2012-13	18-Feb-13	8-Apr-14	50	500	-
TCFSL NCD 'W' FY 2012-13	7-Jun-12	4-Apr-14	140	1,400	-
TCFSL NCD 'BH' FY 2012-13	28-Mar-13	3-Apr-14	100	1,000	-
TCFSL NCD 'BC' FY 2012-13	13-Feb-13	2-Apr-14	1,000	10,000	-
TCFSL NCD 'AF' FY 2012-13	13-Aug-12	13-Feb-14	1,500	15,000	-
TCL NCD 'BZ' FY 2011-12	3-Feb-12	3-Feb-14	110	1,100	1,100
TCL NCD 'F' FY 2011-12	27-Jul-11	15-Jan-14	64	640	640
TCL NCD 'BT' FY 2011-12	16-Jan-12	30-Dec-13	750	7,500	7,500
TCL NCD 'BL' FY 2011-12	28-Dec-11	23-Dec-13	60	563	511
TCL NCD 'BF' FY 2011-12	22-Dec-11	20-Dec-13	250	2,500	2,500
TCL NCD 'BH' FY 2011-12	23-Dec-11	19-Dec-13	150	1,406	1,276
TCL NCD 'BD' FY 2011-12	15-Dec-11	17-Dec-13	150	1,407	1,272
TCL NCD 'BB' FY 2011-12	12-Dec-11	4-Dec-13	150	1,410	1,277
TCL NCD 'BA' FY 2011-12	12-Dec-11	2-Dec-13	105	1,050	1,050
TCL NCD 'AT' FY 2011-12	28-Nov-11	25-Nov-13	85	850	850
TCL NCD 'AP' FY 2011-12	21-Nov-11	25-Nov-13	300	2,827	2,561
TCL NCD 'AS' FY 2011-12	28-Nov-11	18-Nov-13	57	570	570
TCL NCD 'AR' FY 2011-12	21-Nov-11	18-Nov-13	120	1,133	1,026
TCL NCD 'AQ' FY 2011-12	21-Nov-11	13-Nov-13	194	1,833	1,662
TCL NCD 'AN' FY 2011-12	9-Nov-11	8-Nov-13	250	2,500	2,500
TCFSL NCD 'AM' FY 2012-13	9-Oct-12	5-Nov-13	654	6,540	-
TCL NCD 'AL' FY 2011-12	8-Nov-11	3-Nov-13	50	500	500
TCL NCD 'AE' FY 2011-12	25-Oct-11	28-Oct-13	190	1,900	1,900
TCL NCD 'AF' FY 2011-12	25-Oct-11	25-Oct-13	150	1,500	1,500
TCL NCD 'Z' FY 2011-12	17-Oct-11	16-Oct-13	150	1,500	1,500
TCL NCD 'P' FY 2010-11	27-Sep-10	26-Sep-13	50	500	500
TCL NCD 'Q' FY 2011-12	19-Sep-11	26-Sep-13	410	3,927	3,572
TCL NCD 'T' FY 2011-12	29-Sep-11	26-Sep-13	470	4,501	4,094
TCL NCD 'S' FY 2011-12	27-Sep-11	13-Sep-13	50	500	500
TCL NCD 'N' FY 2011-12	23-Aug-11	3-Sep-13	250	2,500	2,500
TCL NCD 'CC' FY 2011-12	14-Feb-12	30-Aug-13	1,271	12,252	11,146
TCL NCD 'M' FY 2010-11	23-Aug-10	23-Aug-13	300	3,000	3,000
TCL NCD 'CG' FY 2011-12	28-Feb-12	14-Aug-13	40	400	400
TCL NCD 'L' FY 2011-12	12-Aug-11	12-Aug-13	400	4,000	4,000

4.5. Particulars of Privately Placed Secured Non-Convertible Debentures (NCDs) outstanding as on March 31, 2013.
 (Contd...)

Description of NCDs	Issue Date	Redemption Date	Number of NCDs	Rs. in Lakhs	
				As at March, 31, 2013	As at March 31, 2012
TCL NCD 'G' FY 2011-12	29-Jul-11	29-Jul-13	17	170	170
TCL NCD 'K' FY 2011-12	12-Aug-11	29-Jul-13	100	1,000	1,000
TCL NCD 'I' FY 2010-11	26-Jul-10	26-Jul-13	250	2,500	2,500
TCL NCD 'R' FY 2010-11	15-Nov-10	26-Jul-13	100	1,000	1,000
TCL NCD 'J' FY 2011-12	26-Jul-11	26-Jul-13	650	6,322	5,760
TCL NCD 'Y' FY 2011-12	17-Oct-11	24-Jul-13	500	5,000	5,000
TCL NCD 'CB' FY 2011-12	13-Feb-12	22-Jul-13	63	630	630
TCL NCD 'E' FY 2011-12	21-Jul-11	18-Jul-13	250	2,500	2,500
TCL NCD 'D' FY 2011-12	15-Jul-11	15-Jul-13	400	4,000	4,000
TCL NCD 'BP' FY 2011-12	6-Jan-12	2-Jul-13	87	870	870
TCL NCD 'C' FY 2011-12	30-Jun-11	30-Jun-13	400	4,000	4,000
TCL NCD 'BJ' FY 2011-12	26-Dec-11	24-Jun-13	100	1,000	1,000
TCL NCD 'BK' FY 2011-12	26-Dec-11	20-Jun-13	200	2,000	2,000
TCL NCD 'B' FY 2011-12	30-Jun-11	17-Jun-13	100	1,000	1,000
TCL NCD 'BG' FY 2011-12	22-Dec-11	12-Jun-13	50	500	500
TCL NCD 'BC' FY 2011-12	12-Dec-11	5-Jun-13	150	1,500	1,500
TCL NCD 'AX' FY 2011-12	1-Dec-11	3-Jun-13	300	3,000	3,000
TCL NCD 'CJ' FY 2011-12	16-Mar-12	31-May-13	30	300	300
TCL NCD 'H' FY 2010-11	14-Jun-10	30-May-13	700	7,000	7,000
TCL NCD 'AY' FY 2011-12	1-Dec-11	30-May-13	269	2,690	2,690
TCL NCD 'AV' FY 2011-12	1-Dec-11	29-May-13	60	600	600
TCL NCD 'AW' FY 2011-12	1-Dec-11	28-May-13	150	1,500	1,500
TCL NCD 'CH' FY 2011-12	2-Mar-12	21-May-13	83	830	830
TCL NCD 'AO' FY 2011-12	11-Nov-11	16-May-13	800	8,000	8,000
TCL NCD 'V' FY 2011-12	7-Oct-11	15-May-13	500	5,000	5,000
TCL NCD 'AI' FY 2011-12	1-Nov-11	5-May-13	150	1,500	1,500
TCL NCD 'AB' FY 2011-12	25-Oct-11	26-Apr-13	250	2,500	2,500
TCL NCD 'AH' FY 2011-12	31-Oct-11	22-Apr-13	130	1,300	1,300
TCL NCD 'AC' FY 2011-12	25-Oct-11	20-Apr-13	100	1,000	1,000
TCL NCD 'Q' FY 2010-11	18-Oct-10	18-Apr-13	1,500	15,000	15,000
TCL NCD 'BV' FY 2011-12	20-Jan-12	12-Apr-13	150	1,500	1,500
TCL NCD 'W' FY 2011-12	12-Oct-11	9-Apr-13	100	1,000	1,000
TCL NCD 'CF' FY 2011-12	27-Feb-12	8-Apr-13	160	1,600	1,600
TCL NCD 'U' FY 2011-12	10-Oct-11	4-Apr-13	200	2,000	2,000
TCL NCD 'E' FY 2010-11	3-May-10	1-Apr-13	350	3,500	3,500
TCL NCD 'J' FY 2010-11	27-Jul-10	27-Jul-12	250	-	2,500
TCL NCD 'X' FY 2011-12	17-Oct-11	19-Mar-13	100	-	1,000
TCL NCD 'AH' FY 2009-10	22-Feb-10	22-Feb-13	500	-	5,000
TCL NCD 'AI' FY 2009-10	22-Feb-10	22-Feb-13	500	-	5,000
TCL NCD 'AJ' FY 2009-10	22-Feb-10	22-Feb-13	50	-	500
TCL NCD 'AE' FY 2009-10	27-Jan-10	28-Jan-13	250	-	2,500
TCL NCD 'AG' FY 2009-10	28-Jan-10	28-Jan-13	250	-	2,500
TCL NCD 'AC' FY 2009-10	15-Jan-10	15-Jan-13	500	-	5,000
TCL NCD 'AA' FY 2009-10	7-Dec-09	7-Dec-12	250	-	2,500
TCL NCD 'X' FY 2009-10	1-Dec-09	30-Nov-12	250	-	2,500
TCL NCD 'V' FY 2009-10	25-Nov-09	26-Nov-12	350	-	3,500
TCL NCD 'O' FY 2010-11	20-Sep-10	20-Sep-12	250	-	2,500

4.5. Particulars of Privately Placed Secured Non-Convertible Debentures (NCDs) outstanding as on March 31, 2013.
(Contd...)

Description of NCDs	Issue Date	Redemption Date	Number of NCDs	Rs. in Lakhs	
				As at March 31, 2013	As at March 31, 2012
TCL NCD 'N' FY 2010-11	7-Sep-10	7-Sep-12	250	-	2,500
TCL NCD 'N' FY 2009-10	3-Sep-09	3-Sep-12	100	-	1,000
TCL NCD 'B' FY 2010-11	19-Apr-10	19-Jul-12	200	-	2,000
TCL NCD 'V' FY 2010-11	10-Dec-10	1-Jun-12	250	-	2,466
TCL NCD 'U' FY 2010-11	9-Dec-10	21-May-12	350	-	3,500
TCL NCD 'Q' FY 2009-10	23-Sep-09	23-Apr-12	400	-	4,000
TOTAL				628,080	300,143
Of which current maturities classified under "Current liabilities" in note No. 9				(179,619)	(61,493)
TOTAL				448,461	238,650

*Net of unamortised discount of Rs. 2,680 Lakhs (Previous Year : Rs. 6,687 Lakhs).

*Note : Coupon rate of "NCDs" outstanding as on March 31, 2013 varies from 10% to 10.35% (Previous year: Varies from 7.57% to 10.35%)

4.6. Particulars of Public issue of Secured Non-Convertible Debentures outstanding as on March 31, 2013

Description of NCD	Issue Date	Put / Call option Date	Redemption Date	Number of NCDs	Rs. in Lakhs
TCL NCD Option I (2009)	March 6, 2009	N.A.	March 5, 2014	1,540	1,540
TCL NCD Option II (2009)	March 6, 2009	N.A.	March 5, 2014	875,288	8,753
TCL NCD Option III (2009)	March 6, 2009	N.A.	March 5, 2014	1,994,454	19,945
TCL NCD Option IV (2009)	March 6, 2009	N.A.	March 5, 2014	3,026,458	30,265
TOTAL					60,502

Debentures aggregating to Rs. 60,502 Lakhs are due for redemption before March 31, 2014 which has been included in Current Liabilities (see note No.9).

Note : Coupon rate of above outstanding as on March 31, 2013 varies from 9.75% to 10.50%

Particulars of Public issue of Secured Non-Convertible Debentures outstanding as on March 31, 2012.

Description of NCD	Issue Date	Put / Call option Date	Redemption Date	Number of NCDs	Rs. in Lakhs
TCL NCD Option I (2009)	March 6, 2009	N.A.	March 5, 2014	1,540	1,540
TCL NCD Option I (2009)	March 6, 2009	N.A.	May 3, 2012	4,625	4,625
TCL NCD Option II (2009)	March 6, 2009	September 5, 2012	March 5, 2014	1,623,793	16,238
TCL NCD Option III (2009)	March 6, 2009	N.A.	March 5, 2014	3,378,999	33,790
TCL NCD Option III (2009)	March 6, 2009	N.A.	May 3, 2012	4,075,573	40,756
TCL NCD Option IV (2009)	March 6, 2009	N.A.	March 5, 2014	2,002,071	20,021
TCL NCD Option IV (2009)	March 6, 2009	N.A.	May 3, 2012	3,303,064	33,031
TOTAL					150,000

Of the above, debentures aggregating to Rs. 94,649 Lakhs are due for redemption before March 31, 2013 consequent to the debentureholders exercising their put option which has been included in Current Liabilities (see note No. 9).

Note : Coupon rate of above outstanding as on March 31, 2012 varies from 9.75% to 12%

4.7. Particulars of unsecured redeemable non convertible subordinated debentures (Tier II Bonds) outstanding as on March 31, 2013

Description of NCD	Issue Date	Redemption Date	Number of NCDs	Rs. in Lakhs*
TCL Tier II Bond 'A' FY 2009-10	4-Aug-09	4-Aug-19	391	3,910
TCL Tier II Bond 'B' FY 2009-10	9-Sep-09	9-Sep-19	1,704	17,040
TCL Tier II Bond 'C' FY 2009-10	28-Oct-09	28-Oct-19	1,479	7,395
TCL Tier II Bond 'D' FY 2009-10	28-Oct-09	28-Oct-19	1,580	7,900
TCL Tier II Bond 'E' FY 2009-10	15-Dec-09	15-Dec-19	5,725	28,625
TCL Tier II Bond 'F' FY 2009-10	30-Nov-09	30-Nov-19	1,135	2,965
TCL Tier II Bond 'G' FY 2009-10	18-Dec-09	18-Dec-19	3,000	15,000
TCL Tier II Bond 'H' FY 2009-10	24-Dec-09	24-Dec-19	1,000	5,000
TOTAL				87,835

*Net of unamortised discount of Rs. 2,710 Lakhs

Note : Coupon rate of above outstanding as on March 31, 2013 varies from 9.8% to 10.5%

Particulars of unsecured redeemable non convertible subordinated debentures (Tier II Bonds) outstanding as on March 31, 2012

Description of NCD	Issue Date	Redemption Date	Number of NCDs	Rs. in Lakhs*
TCL Tier II Bond 'A' FY 2009-10	4-Aug-09	4-Aug-19	391	3,910
TCL Tier II Bond 'B' FY 2009-10	9-Sep-09	9-Sep-19	1,704	17,040
TCL Tier II Bond 'C' FY 2009-10	28-Oct-09	28-Oct-19	1,479	7,395
TCL Tier II Bond 'D' FY 2009-10	28-Oct-09	28-Oct-19	1,580	7,900
TCL Tier II Bond 'E' FY 2009-10	15-Dec-09	15-Dec-19	5,725	28,625
TCL Tier II Bond 'F' FY 2009-10	30-Nov-09	30-Nov-19	1,135	2,690
TCL Tier II Bond 'G' FY 2009-10	18-Dec-09	18-Dec-19	3,000	15,000
TCL Tier II Bond 'H' FY 2009-10	24-Dec-09	24-Dec-19	1,000	5,000
TOTAL				87,560

*Net of unamortised discount of Rs. 2,985 Lakhs

Note : Coupon rate of above outstanding as on March 31, 2012 varies from 9.8% to 10.5%

4.8. Particulars of unsecured non convertible perpetual debentures outstanding as on March 31, 2012 and March 31, 2013.

Description of NCD	Issue Date	Number of NCDs	Rs. in Lakhs
TCL Perpetual 'A' FY 2010-11	15-Nov-10	15	75
TCL Perpetual 'B' FY 2010-11	14-Jan-11	18	90
TCL Perpetual 'A' FY 2011-12	5-May-11	20	100
TCL Perpetual 'B' FY 2011-12	8-Aug-11	61	305
TCL Perpetual 'C' FY 2011-12	28-Sep-11	10	50
TCL Perpetual 'D' FY 2011-12	7-Nov-11	5	25
TOTAL			645

Note : Coupon rate of above outstanding as on March 31, 2012 and March 31, 2013 varies from 10% to 11.25%

Particulars	Rs. in Lakhs	
	Year ended March 31, 2013	Year ended March 31, 2012
Funds Raised through Perpetual Debt Instruments	Nil	480
Amount outstanding at the end of year	645	645
Percentage of amount of Perpetual Debt Instruments of the amount of Tier I Capital	0.22%	0.24%
Financial year in which interest on Perpetual Debt Instruments is not paid on account of 'Lock-In Clause'.	N.A.	

4.9. Private Placement of non-convertible debentures includes the debentures issued to Key Management Personnel: Rs. 20 lakhs (Previous Year : Rs. 20 Lakhs).

Rs. in Lakhs

5. LONG TERM LIABILITIES	As at March 31, 2013	As at March 31, 2012
(a) Others		
(i) Interest accrued but not due on borrowings	9,418	7,992
(ii) Income received in advance	524	340
(iii) Payables for capital expenditure	2,644	3,663
Total	12,586	11,995

Rs. in Lakhs

6. LONG TERM PROVISIONS	As at March 31, 2013	As at March 31, 2012
(a) Provision for employee benefits	145	121
(b) Contingency provisions against Standard Assets	2,713	2,409
Total	2,858	2,530

Rs. in Lakhs

7. SHORT-TERM BORROWINGS	As at March 31, 2013	As at March 31, 2012
(a) Loans repayable on demand		
From Banks		
Secured		
(i) Working capital loan repayable on demand (Refer Note No. 4.3 above and note below)	40,000	155,000
(ii) Bank Overdraft as per books	264,867	113,713
Unsecured		
Working capital loan repayable on demand (Refer Note No. 4.3 above and note below)	-	4,600
(b) Other loans and advances		
Unsecured		
(i) Term Loans From Banks	10,000	-
(ii) Commercial paper [Net of unamortised discount of Rs 4,570 Lakhs (as at March 31, 2012 : Rs. 5,382 Lakhs)]	264,230	224,568
(iii) Inter Corporate Deposits from Related Parties	200	-
(iv) Inter Corporate Deposits from Others	715	715
Total	580,012	498,596

Terms of repayment of term loans and other loans:

- Loan from banks and other includes Rs. 40,000 Lakhs (Previous Year: Rs. 159,600 Lakhs) repayable on demand.

Rs. in Lakhs

8. TRADE PAYABLES	As at March 31, 2013	As at March 31, 2012
(a) Due to micro and small enterprises (Refer Note below)	-	-
(b) Others		
(i) Accrued employee benefit expenses	2,767	3,327
(ii) Accrued expenses	8,046	7,963
(iii) Others	12,580	15,196
Total	23,393	26,486

Note : The Company has received intimation from some "suppliers" regarding their status under the Micro, Small and Medium Enterprises Development Act, 2006. Based on the intimation received, there are no amounts unpaid as at the year end.

Rs. in Lakhs

9. CURRENT LIABILITIES	As at March 31, 2013	As at March 31, 2012
(a) Current maturities of long-term debt		
(i) Bonds/Debentures		
Secured		
Privately Placed Non-Convertible Debentures (Refer Note 4.1 and 4.5 above) [Net of unamortised discount of Rs 1,671 Lakhs (as at March 31, 2012: Rs. 4,007 Lakhs)]	179,619	61,493
Public issue of Non-Convertible Debentures (Refer Note No. 4.2 and 4.6 above)	60,502	94,648
(ii) Term Loans		
Secured		
From Banks (Refer Note No. 4.3 and 4.4 above)	135,000	133,929
Unsecured		
From Banks (Refer Note No. 4.3 and 4.4 above)	65,000	-
(c) Interest accrued but not due on borrowings	40,067	28,681
(d) Income received in advance	834	1,080
(e) Unclaimed debenture application money and interest accrued thereon	1	1
(f) Other payables		
(i) Security Deposit received	5,545	3,811
(ii) Statutory Dues	824	327
(iii) Payables for capital expenditure	420	617
(iv) Advance repayments from Customers	4,160	2,748
(v) Others	2	26
Total	491,974	327,361

Rs. in Lakhs

10. SHORT TERM PROVISIONS	As at March 31, 2013	As at March 31, 2012
(a) Provision for employee benefits	385	336
(b) Provision - Others		
(i) Contingent Provisions against Standard Assets	2,627	2,436
(ii) Provision for tax, net of advance tax	5,193	1,891
(iii) Proposed Interim Dividend	3,893	-
(iv) Tax on proposed Interim Dividend	631	-
Total	12,729	4,663

11. FIXED ASSETS
Rs. in Lakhs

Particulars	Gross Block			Accumulated depreciation and amortisation				Net Carrying Value		
	Opening balance as at April 1, 2012	Additions/ Adjustments	Deletions	Closing balance as at March 31, 2013	Opening balance as at April 1, 2012	Depreciation/ Amortisation for the year	Deletions/ Adjustments	Closing balance as at March 31, 2013	As at March 31, 2013	As at March 31, 2012
TANGIBLE FIXED ASSETS										
Buildings	4,813	-	-	4,813	309	192	-	501	4,312	4,504
Leasehold Improvements	2,727	161	103	2,785	1,022	373	49	1,346	1,439	1,705
Furniture & Fixtures	730	47	53	724	331	61	18	374	350	399
Computer Equipment	569	2	11	560	495	36	11	520	40	74
Office Equipment	1,192	175	255	1,112	276	132	88	320	792	886
Plant & Machinery	385	150	43	492	112	52	17	147	345	303
Vehicles	671	504	272	903	413	189	232	370	533	258
ASSETS GIVEN UNDER OPERATING LEASE/RENTAL										
Construction Equipment	11,496	27	-	11,523	1,954	1,068	-	3,022	8,501	9,542
Vehicles	7,162	2,247	1,181	8,228	1,926	1,646	537	3,035	5,193	5,236
Plant & Machinery	1,054	790	-	1,844	200	233	-	433	1,411	824
Computer Equipment	94	2,166	-	2,260	19	296	-	315	1,945	75
Office Equipments	179	130	-	309	12	40	-	52	257	197
TANGIBLE FIXED ASSETS - TOTAL	31,072	6,399	1,918	35,553	7,069	4,318	952	10,435	25,118	24,003
INTANGIBLE FIXED ASSETS										
Goodwill	7,804	-	-	7,804	-	-	-	-	7,804	7,804
Software	246	24	-	270	225	41	-	266	4	21
INTANGIBLE FIXED ASSETS - TOTAL	8,050	24	-	8,074	225	41	-	266	7,808	7,825
Total	39,122	6,423	1,918	43,627	7,294	4,359	952	10,701	32,926	31,828
Previous financial year	-	40,633	1,511	39,122	-	3,673	(3,621)	7,294	31,828	-
Capital work-in-progress									152	807
Intangible assets under development									259	259
TOTAL									33,337	32,894

Note : Rupee Liability has decreased by Rs. 124 Lakhs (Previous Year : Nil) arising out of revaluation of the value of foreign currency loans for procurement of fixed assets. This decrease has been adjusted in the carrying cost of respective fixed assets.

Rs. in Lakhs

12. INVESTMENTS (at cost)	As at March 31, 2013		As at March 31, 2012	
	Non-Current Investment	Current portion of Long Term Investment	Non-Current Investment	Current portion of Long Term Investment
LONG TERM INVESTMENTS				
Investment in Associates				
Unquoted :				
Investment in Equity Shares	2,388	-	2,388	-
Investment in Others				
Quoted :				
Investment in Equity Shares	23,499	-	23,649	-
Investment in Debentures	38,794	24,733	59,584	6,732
Investment in Government Securities	5,074	-	5,074	-
Unquoted :				
Investment in Equity Shares	3,155	-	4,107	2,039
Investment in Preference Shares	7,491	811	4,807	2,000
Investment in Debentures	33,967	13,539	37,395	37,893
Investment in Bonds	-	-	-	1,226
Investment in Pass Through Certificates	6,184	726	-	-
Sub-total	120,552	39,809	137,004	49,890
Less: Provision for diminution in value of investments	(8,105)	(68)	(3,247)	-
Total Long Term Investments	112,447	39,741	133,757	49,890

Rs. in Lakhs

CURRENT INVESTMENTS	As at March 31, 2013	As at March 31, 2012
Quoted :		
Investment in Debentures	5,845	4,512
Unquoted :		
Investment in Commercial Paper	-	6,799
Investment in Units of Mutual Funds	50	50
Less: Provision for diminution in value of Current Investments	-	(96)
Total Current Investments	5,895	11,265

Rs. in Lakhs

TOTAL INVESTMENTS	As at March 31, 2013		As at March 31, 2012	
	Non-Current Investment	Current Investment	Non-Current Investment	Current Investment
Total Investments	112,447	45,636	133,757	61,155
Book value of Quoted investments	60,183	30,532	85,981	11,244
Market value of Quoted investments	51,615	30,743	80,060	11,869
Book value of Unquoted investments	52,264	15,104	47,776	49,911

SCRIPT-WISE DETAILS OF INVESTMENTS AS ON MARCH 31, 2013
Rs. in Lakhs

PARTICULARS	Face value Per Unit Rs.	No. of Units	As at March 31, 2013		As at March 31, 2012	
			Non-Current Investment	Current portion of Long Term Investment	Non-Current Investment	Current portion of Long Term Investment
LONG TERM INVESTMENTS						
Investments in Associates						
Unquoted :						
Investment in Equity Shares (Non-Trade)						
Precision Camshafts Limited	100	80,394	2,388	-	2,388	-
			2,388	-	2,388	-
Investments in Others						
Quoted :						
Investment in Equity Shares (Non-Trade)						
Hindustan Unilever Limited	1	2000	5	-	5	-
Development Credit Bank Limited	10	6,587,210	6,917	-	6,917	-
Praj Industries Limited	2	13,422,400	16,577	-	16,577	-
Standard Chartered PLC- IDR			-	-	150	-
			23,499	-	23,649	-
Investment in Debentures (Trade)						
5% Trent Limited	1,000,000	100	1,000	-	1,000	-
10.67% Tulip Communication Limited	1,000,000	400	4,012	-	4,023	-
8% JSW Techno Projects Management Limited	10,000,000	155	-	15,500	15,500	-
11.40% ABG Shipyard Limited	1,000,000	400	-	4,003	4,017	-
10.40% Meghmani Organics Limited	100,000	4,000	4,000	-	4,000	-
10.75% Indiabulls Financial Services Limited		-	-	-	-	1,505
9.50% IVRCL Assets & Holdings Limited		-	-	-	-	1,971
11.80% Elder Pharmaceuticals Limited	1,000,000	150	875	500	1,375	125
11.25% Lloyd Electric and Engineering Limited	1,000,000	200	1,333	667	2,000	-
12.75% Diamond Power Infra limited	100,000	1,700	1,700	-	1,700	-
10.75% Kiri Industries Limited	1,000,000	238	2,000	375	2,375	125
12.08% Shree Renuka Sugars Limited	1,000,000	660	3,300	3,300	6,600	-
10.75% Kiri Industries Limited -Series B	1,000,000	146	1,274	188	1,462	38
12.50% Tulip Telecom Limited	1,000,000	1,450	14,500	-	15,000	-
12.50% Jaiprakash Associates Limited			-	-	532	2,968
12.65% Consolidated Construction Consortium Limited	1,000,000	200	1,800	200	-	-
12.90% Godawari Power and Ispat Limited	1,000,000	300	3,000	-	-	-
			38,794	24,733	59,584	6,732
Investment in Government Securities (Non-Trade)						
6.07% GOI 2014			1,481	-	1,481	-
6.49% GOI 2015			499	-	499	-
6.90% GOI 2019			1,504	-	1,504	-
7.94% GOI 2021			1,590	-	1,590	-
			5,074	-	5,074	-
Unquoted :						
Investment in Equity Shares (Non-Trade)						
Indo Schottle Auto Parts Pvt Limited			-	-	-	2,039
QuikJet Cargo Airlines Private Limited	10	3,259,008	339	-	147	-

SCRIPT-WISE DETAILS OF INVESTMENTS AS ON MARCH 31, 2013
Rs. in Lakhs

PARTICULARS	Face value Per Unit Rs.	No. of Units	As at March 31, 2013		As at March 31, 2012	
			Non-Current Investment	Current portion of Long Term Investment	Non-Current Investment	Current portion of Long Term Investment
Lands End Properties Limited	10	1,990,000	199	-	199	-
International Asset Reconstruction Company Pvt. Ltd.	10	10,758,176	2421	-	2421	-
Adithya Automotives Private Limited	10	1,396,500	140	-	140	-
Roots Corporation Limited			-	-	1,200	-
Financial Plan Corporation Limited	10	555,354	56	-	-	-
Aricent Technologies Holdings Limited (formerly Flextronics Software Systems Limited) *	10	8	-	-	-	-
			3,155	-	4,107	2,039
Investment in Preference Shares (Non-Trade)						
12% KCP Limited Cumulative Redeemable Preference Shares	10	15,000,000	800	700	2,000	-
32% Indo Schottle Auto Parts Pvt Limited Optionally Convertible Cumulative Redeemable Preference Shares			-	-	-	2,000
14.75% QuikJet Cargo Airlines Private Limited Convertible Cumulative Redeemable Preference Shares	10	1,130,921	113	-	321	-
0.001% QuikJet Cargo Airlines Private Limited Convertible Cumulative Preference Shares	10	4,688,519	469	-	266	-
11.50% McNally Bharat Engineering Co Ltd Cumulative Non Convertible Redeemable Preference Shares	100	625,000	4,000	-	-	-
0.001% Spandana Spoorthy Financial Limited Optionally Convertible Cumulative Redeemable Preference Shares	10	20,400,000	1,938	102	2,040	-
0.001% Share Microfin Limited Optionally Convertible Cumulative Redeemable Preference Shares	10	1,800,000	171	9	180	-
			7,491	811	4,807	2,000
Investment in Debentures (Trade)						
14% Ind Swift Laboratories Limited	100	120,000	-	120	120	345
4% Mission Holdings Private Limited			-	-	4,000	-
11.75% Sky Deck Properties & Developers Pvt. Ltd.			-	-	-	25,000
11.15% JBF Industries Limited	100,000	400	200	200	400	100
9% East Coast Constructions and Industries Limited	1,000	350,000	-	3,500	3,500	-
14% Khare & Tarkunde Infra Private Limited			-	-	-	365
13.00% Future Corporate Resources Limited			-	-	-	2,500
8% IOT Utkal Energy Services Limited	10	100,000,000	10,000	-	10,000	-
16% Hiranandani Realtors Private Limited - Series A	1,000,000	188	625	1,250	1,875	625
16% Hiranandani Realtors Private Limited - Series B	1,000,000	188	625	1,250	1,875	625
15% Hiranandani Realtors Private Limited - Series C	1,000,000	500	2,500	2,500	5,000	-
13.65% Metropolitan Infrahousing Private Limited	10,000,000	75	7,500	-	-	7,500
5.64% Mandava Holding Private Limited	50,000,000	8	2,218	2,218	4,458	-

SCRIPT-WISE DETAILS OF INVESTMENTS AS ON MARCH 31, 2013
Rs. in Lakhs

PARTICULARS	Face value Per Unit Rs.	No. of Units	As at March 31, 2013		As at March 31, 2012	
			Non-Current Investment	Current portion of Long Term Investment	Non-Current Investment	Current portion of Long Term Investment
8% JL Power Ventures Pvt Ltd	10,000,000	38	3,800	-	-	-
12.40%TRIF Amritsar Projects Pvt. Ltd.	1,000,000	200	2,000	-	-	-
14.50% Arohi Infrastructure Private Limited	1,000,000	500	2,499	2,501	4,167	833
			31,967	13,539	35,395	37,893
Investment in Debentures (Non-Trade)						
10.90% Tata Motor Finance Limited	500,000	400	2,000	-	2,000	-
			2,000	-	2,000	-
Investment in Bonds (Trade)						
Shrinivas Engineering Auto Components Private Limited (Zero Coupon Bond)			-	-	-	1,226
			-	-	-	1,226
Investment in Pass Through Certificates						
Jindal ITF Limited - Series A to E			6,184	726	-	-
			6,184	726	-	-
Less : Provision for diminution in value of investments			(8,105)	(68)	(3,247)	-
Total Long Term Investments			112,447	39,741	133,757	49,890
CURRENT INVESTMENTS						
Quoted :						
Investment in Debentures (Non-Trade)						
9.75% Magma Fincorp				-		2,012
12.90% Cholamandalam Investment & Finance Company Limited	1,000,000	757		3,345		-
10.25% Shriram Commercial Vehicle Finance Limited	1,000,000	250		2,500		2,500
				5,845		4,512
Unquoted :						
Investment in Commercial Paper (Trade)						
First Leasing Company of India Limited				-		1,892
Lilliput Kidswear Limited				-		958
ABG Shipyard Limited				-		2,477
Jyoti Structures Limited				-		1,472
				-		6,799
Investment in Units of Mutual Funds (Non-Trade)						
HDFC Debt Fund For Cancer Cure	10	500,000		50		50
				50		50
Less: Provision for diminution in value of investments				-		(96)
Total Current Investments				5,895		11,265
TOTAL INVESTMENTS			112,447	45,636	133,757	61,155
Book value of Quoted investments			60,183	30,532	85,981	11,244
Market value of Quoted investments			51,615	30,743	80,060	11,869
Book value of Unquoted investments			52,264	15,104	47,776	49,911

* amount less than Rs. 50,000.

Rs. in Lakhs

13. DEFERRED TAX ASSET	As at March 31, 2013	As at March 31, 2012
Deferred Tax Asset (net)	5,231	4,064

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

Rs. in Lakhs

Particulars	As at March 31, 2013	As at March 31, 2012
Deferred Tax Assets on :-		
Provisions for non-performing assets	4,033	2,033
Standard Asset Provisioning	1,816	1,573
Depreciation on fixed assets	-	160
Employee benefits	224	148
Other deferred tax assets	649	451
Deferred Tax Liabilities on :-		
Debenture issue expenses	(315)	(301)
Depreciation on fixed assets	(1,176)	-
Net Deferred Tax Asset	5,231	4,064

Note : Includes adjustment of Rs.633 lakh on account of deferred tax liability arising in respect of tax depreciation on goodwill claimed for earlier years.

Rs. in Lakhs

14. LOANS AND ADVANCES - FINANCING ACTIVITY	As at March 31, 2013	As at March 31, 2012
NON-CURRENT		
(a) Secured Loans		
(i) Considered good	809,059	749,184
(ii) Considered doubtful	2,203	2,369
	811,262	751,553
Less : Provision for doubtful loans	2,203	2,369
	809,059	749,184
(b) Unsecured Loans		
(i) Considered good	73,830	66,842
(ii) Considered doubtful	51	105
	73,881	66,947
Less : Provision for doubtful loans	51	105
	73,830	66,842
(c) Inter Corporate Deposits (Unsecured - considered good)		
- Related Parties	-	1,450
TOTAL	882,889	817,476
CURRENT		
(a) Secured Loans		
(i) Considered good	553,502	509,974
(ii) Considered doubtful	7,744	1,778
	561,246	511,752
Less: Provision for doubtful loans	7,744	1,778
	553,502	509,974

Rs. in Lakhs

14. LOANS AND ADVANCES - FINANCING ACTIVITY (Contd...)	As at March 31, 2013	As at March 31, 2012
(b) Unsecured Loans		
(i) Considered good	465,189	397,465
(ii) Considered doubtful	1,869	2,015
	467,058	399,480
Less: Provision for doubtful loans	1,869	2,015
	465,189	397,465
(c) Inter Corporate Deposits (Unsecured - considered good)		
- Related Parties	354	1,972
TOTAL	1,019,045	909,411
TOTAL - LOANS AND ADVANCES FINANCING ACTIVITY	1,901,934	1,726,887

14 a. The details of Gross investments and unearned finance income in respect of assets given under finance lease are as under: Rs. in Lakhs

Particulars	As at March 31, 2013	As at March 31, 2012
Gross Investments :		
- Within one year	525	240
- Later than one year and not later than five years	952	384
Total	1,477	624
Unearned Finance Income:		
- Within one year	145	68
- Later than one year and not later than five years	200	43
Total	345	111
Present Value of Rentals :		
- Within one year	380	172
- Later than one year and not later than five years	752	341
Total	1,132	513

Rs. in Lakhs

15. LOANS AND ADVANCES - OTHERS (UNSECURED - CONSIDERED GOOD)	As at March 31, 2013	As at March 31, 2012
(a) Capital Advances	41	150
(b) Security Deposits	30	24
(c) Advance tax, net of Provision for Tax	387	-
(d) Others		
(i) Loans and advances to employees	-	290
(ii) Loan to TCL Employee Welfare Trust	7,304	4,474
(iii) Prepaid Expenses	189	294
Total	7,951	5,232

Note : Includes adjustment of Rs.633 lacs on account of write back of provision for tax for earlier year arising due to tax depreciation on goodwill.

Rs. in Lakhs

16. OTHER NON-CURRENT ASSETS	As at March 31, 2013	As at March 31, 2012
(i) Interest Accrued on Investments	1,618	1,742
(ii) Deferred Revenue Expenditure (to the extent not written off or adjusted) (Refer Note 20(a) below)	1,287	1,733
(iii) Unamortised loan sourcing costs	1,904	2,104
Total	4,809	5,579

Rs. in Lakhs

17. TRADE RECEIVABLES	As at March 31, 2013	As at March 31, 2012
(a) Over six months (from the date due for payment)		
(i) Secured, considered good	-	-
(ii) Unsecured, considered good	80	-
(iii) Doubtful	-	-
	80	-
Less : Provision for trade receivables	-	-
	80	-
(b) Others		
(i) Secured, considered good	-	-
(ii) Unsecured, considered good	302	259
(iii) Doubtful	-	-
	302	259
Less: Provision for trade receivables	-	-
	302	259
Total	382	259

Rs. in Lakhs

18. CASH AND BANK BALANCES	As at March 31, 2013	As at March 31, 2012
(a) Cash on hand	374	261
(b) Cheques and drafts on hand	875	578
(c) Balances with banks		
In Current accounts	9,192	2,002
In Deposit accounts (Refer note (i) and (ii) below)	10,001	201
Total	20,442	3,042

- (i) Of the above, the balances that meet the definition of Cash and Cash Equivalents as per AS 3 Cash Flow Statements is Rs. 10,441 Lakhs (as at March 31, 2012 Rs. 2,841 Lakhs)
- (ii) Balance with bank includes deposits amounting to Rs. Nil (as at March 31, 2012 Rs. 50 Lakhs) which have an original maturity of more than 12 months. Balance in deposit accounts with Banks have an original maturity exceeding 3 months but balance maturity of under 12 months from the balance sheet date.

Rs. in Lakhs

19. SHORT-TERM LOANS AND ADVANCES (UNSECURED CONSIDERED GOOD)	As at March 31, 2013	As at March 31, 2012
(a) Loans and advances to related parties	4,872	8,852
(b) Security Deposits	7,836	3,658
(c) Others		
(i) Advances to Vendors	4,786	1,191
(ii) Other advances	1,330	1,016
(iii) Shares/debentures application money	5	3,187
(iv) Loan and advances to employees	133	430
(v) Prepaid Expenses	145	178
(vi) Balances with government authorities	394	420
Total	19,501	18,932

Rs. in Lakhs

20. OTHER CURRENT ASSETS	As at March 31, 2013	As at March 31, 2012
(a) Deferred Revenue Expenditure (to the extent not written off or adjusted) (Refer Note 20(a))	840	696
(b) Receivable on sale of Investment	269	-
Less : Provision for receivable on sale of Investment	31	-
	238	-
(c) Unamortised loan sourcing costs	2,841	2,410
(d) Interest Accrued on Investments	4,265	10,254
(e) Interest Accrued on Fixed Deposits	50	-
Total	8,234	13,360

Rs. in Lakhs

20. (a) DEFERRED REVENUE EXPENDITURE (TO THE EXTENT NOT WRITTEN OFF OR ADJUSTED)	As at March 31, 2013	As at March 31, 2012
(a) Unamortised Share issue expenses		
Opening balance	1,543	5
Add: Expenses incurred during the year	363	1,546
Less: written off during the year	636	8
Closing balance	1,270	1,543
(b) Unamortised debenture issue expenses		
Opening balance	827	-
Add: Transferred from Tata Capital Limited	-	2,601
Add: Expenses incurred during the year	187	74
Less: written off during the year	188	1,848
Closing balance	826	827
(c) Unamortised loan processing charges		
Opening balance	59	-
Add: Transferred from Tata Capital Limited	-	81
Add: Expenses incurred during the year	66	83
Less: written off during the year	94	105
Closing balance	31	59
	2,127	2,429

Rs. in Lakhs

Particulars	As at March 31, 2013		As at March 31, 2012	
	Non-Current	Current	Non-Current	Current
(a) Unamortised Share issue expenses	633	637	1,028	515
(b) Unamortised debenture issue expenses	649	177	698	129
(c) Unamortised loan processing charges	5	26	7	52
Total	1,287	840	1,733	696
Grand Total		2,127		2,429

Rs. in Lakhs

21. REVENUE FROM OPERATIONS	For tthe year ended March 31, 2013	For the year ended March 31, 2012
(a) Interest Income		
(i) From Secured Loans	159,836	127,194
(ii) From Unsecured Loans	60,134	42,521
(b) Income from Bill Discounting	3,265	3,976
(c) Others	14,112	14,898
Total	237,347	188,589

Rs. in Lakhs

22. INVESTMENT INCOME	For tthe year ended March 31, 2013	For the year ended March 31, 2012
(a) Dividend from Non-Current Investments	637	643
(b) Dividend from Mutual Funds [Current Investments]	-	2
(c) Profit on sale of Non-current Investments	2,210	493
(d) Profit on sale of Current Investments	2,096	1,624
(e) Interest on Investments	19,500	21,421
(f) Other investment income	7	271
Total	24,450	24,454

Rs. in Lakhs

23. OTHER INCOME	For tthe year ended March 31, 2013	For the year ended March 31, 2012
(a) Income from operating leases	6,010	4,347
(b) Income from services	149	1,264
(c) Interest Income on Fixed Deposits	67	19
(d) Miscellaneous Income	2,063	1,899
Total	8,289	7,529

Rs. in Lakhs

24. FINANCE COSTS	For tthe year ended March 31, 2013	For the year ended March 31, 2012
(a) Interest expense		
(i) On fixed period loans	124,099	114,523
(ii) On others	3,490	1,218
(b) Discounting Charges		
(i) Discounting charges on commercial paper	32,138	22,357
(ii) Discounting charges on debentures	4,282	1,804
Total	164,009	139,902

Rs. in Lakhs

25. EMPLOYEE BENEFITTS EXPENSE	For tthe year ended March 31, 2013	For the year ended March 31, 2012
(a) Salaries, wages and bonus	14,293	13,529
(b) Contribution to provident and other funds	894	831
(c) Staff welfare expenses	1,115	784
Total	16,302	15,144

Rs. in Lakhs

26. OTHER OPERATING EXPENSES	For the Year ended March 31, 2013		For the Year ended March 31, 2012	
(a) Advertisement and publicity		3,229		3,380
(b) Data processing charges		91		98
(c) Donations		173		83
(d) Equipment hire charges		320		376
(e) Incentive / commission/ brokerage		5,386		4,019
(f) Information Technology expenses		4,003		2,655
(g) Insurance charges		260		236
(h) Legal and professional fees		1,425		2,214
(i) Loan processing fees		362		531
(j) Printing and stationery		411		462
(k) Provision for doubtful loans (net of recoveries)		8,570		4,835
(l) Write off - Loans and advances	3,629		3,161	
Less : Provision reversal on write off	(3,629)	-	(3,161)	-
(m)Contingent provision against Standard Assets		495		1,155
(n) Provision for diminution in value of investments		4,861		768
(o) Power and fuel		651		594
(p) Repairs and maintenance				
(i) Buildings	44		236	
(ii) Annual maintenance charges	570		882	
(iii) Others	110	724	47	1,165
(q) Rent		2,340		2,013
(r) Rates and taxes		85		195
(s) Stamp charges		333		362
(t) Service providers' charges		4,166		2,983
(u) Security Charges		231		269
(v) Training and recruitment		538		294
(w) Telephone, telex and leased line		527		558
(x) Travelling and conveyance		1,497		1,533
(y) Loss on sale of Investment		-		1,341
(z) Other expenses		1,549		1,942
Total		42,227		34,061

Rs. in Lakhs

26. (a) AUDITORS' REMUNERATION (EXCLUDING SERVICE TAX) :	2012-13	2011-12
Audit Fees	75	63
Tax Audit Fees	5	4
Other Services	4	4
Out of Pocket Expenses	1	1

(Auditors' remuneration is included in other expenses)

Rs. in Lakhs

26. (b) EXPENDITURE IN FOREIGN CURRENCY	2012-13	2011-12
Legal and professional fees	34	20
Salaries, wages and bonus	0	43
Advertisement and publicity	16	21
Travelling and conveyance	6	3
Training and recruitment	15	74
Other expenses	4	29

27 Contingent Liabilities and Commitments :

- (a) Outstanding Letters of Credit amounting to Rs. 14,497 Lakhs (as at March 31, 2012 - Rs. 13,723 Lakhs)
- (b) Commitments :
- i Estimated amount of contracts remaining to be executed on capital account and not provided for Rs. 294 Lakhs (as at March 31, 2012: Rs. 1,242 Lakhs).
 - ii. Loan sanctioned but not disbursed commitments Rs.178,513 Lakhs (as at March 31, 2012 - Rs. 137,484 Lakhs).

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 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 Rs. 523 Lakhs (Previous year Rs. 526 Lakhs) for provident fund and family pension fund contribution and Rs 139 Lakhs (Previous year Rs. 181 Lakhs) for contribution towards the superannuation fund in the Statement of 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

Rs. in Lakhs

Particulars	2012-13	2011-12
Change in Defined Benefit Obligation		
Opening Defined Benefit Obligation	877	-
Current Service Cost	131	122
Interest Cost	74	61
Transfer under the scheme of arrangement	(110)	777
Actuarial Losses / (Gain)	88	(6)
Benefits Paid	(43)	(77)
Closing Defined Benefit Obligation	1,017	877
Change in the Fair Value of Assets		
Opening Fair Value of Plan Assets	791	-
Acquisition Cost / Transfer in	(110)	776
Expected Return on Plan Assets	70	61
Contributions by Employer	207	39
Actuarial Gains / (Losses)	(5)	(8)
Benefits paid	(28)	(77)
Closing Fair Value of Plan Assets *	925	791

Rs. in Lakhs

Particulars	2012-13	2011-12
Reconciliation of present Value of the obligation and the Fair value of the plan Assets		
Fair Value of plan assets at the end of the year	925	791
Present value of the defined obligations at the end of the year	1,017	877
Funded status [Surplus / (Deficit)]	(92)	(86)
Unrecognised past service cost	-	-
Net Asset /(Liability) recognised in the balance sheet	(92)	(86)
Net Gratuity cost for the year ended March 31, 2013		
Service Cost	131	122
Interest on Defined benefit Obligation	74	61
Expected return on plan assets	(70)	(61)
Net actuarial loss recognised in the year	97	2
Net Gratuity Cost	232	124
Particulars	2012-13	2011-12
Assumptions		
Discount Rate	8.00%	8.70%
Expected Rate of Return on Plan Assets	8.00% p.a	8.00% p.a
Salary Escalation Rate	7.50% p.a for first 5 years and 5% thereafter.	7.50% p.a for first 5 years and 5% thereafter.
Mortality Rate	Indian Assured Lives Mortality (1994-96) (modified) Ult.	Indian Assured Lives Mortality (1994-96) (modified) Ult.
Withdrawal Rate	0-2 years - 10% 3-4 years - 5% 5-9 years - 2.5% 10 years and more - 1%	0-2 years - 10% 3-4 years - 5% 5-9 years - 2.5% 10 years and more - 1%
Experience adjustment		
- On Plan Liabilities	7	6
- On Plan Assets	(5)	(8)
Present value of benefit obligation	(1,017)	(877)
Fair value of Plan Assets	925	791
Excess of (obligation over plan assets)	(92)	(86)

*Details of investments have not been provided to the Company by the insurance company managing the plan assets.

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.

The Company expects to contribute approximately Rs. 100 Lakhs to the gratuity fund in the year ending March 2014.

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 :

Ultimate Holding Company	Tata Sons Limited
Holding Company	Tata Capital Limited
Fellow Subsidiaries (with which the company had transactions)	Tata Securities Limited Tata Cleantech Capital Ltd Tata Capital Pte. Limited TC Travel and Services Limited Tata Capital Housing Finance Limited TT Holdings & Services Limited Tata Infrastructure Capital Limited
Joint Venture of Holding Company	Nectar Loyalty Management India Limited
Subsidiaries of ultimate holding company (with which the company had transactions)	Tata Sky Limited Ewart Investments Limited Niskalp Infrastructure Services Limited Tata Consultancy Services Limited Tata AIG General Insurance Company Limited Tata AIA Life Insurance Company Limited e-Nxt Financials Limited Tata Investment Corporation Limited Infiniti Retail Limited Tata International Limited Tata Business Support Services Limited
Associates	Precision Camshaft Limited
Key Management Personnel	Mr. Praveen P Kadle

ii. Transactions with related parties :

Sr. No.	Party Name	Nature of transaction	Rs. in Lakhs	
			2012-13	2011-12
1	Tata Sons Limited (Ultimate Holding Company)	- Brand Equity Contribution	656	559
		- Other charges	49	49
		Balance Receivable / (Payable)	(656)	(559)
2	Tata Capital Limited (Holding Company)	Equity Shares issued during the year	-	259,000
		Purchase of Business		
		- Purchase consideration	-	199,000
		- Reimbursement of Preliminary Expenses	-	-
		- ICD received during year	128,150	-
		- ICD repaid during year	127,950	-
		- Security Deposit given	4,665	-
		Income - Preference share arranger fees	129	-
		Expenditure		
		- Interest expenses on ICD	596	-
		- Rent	432	-
		- Marketing & Managerial service fee	900	-
ICD outstanding	200	-		
Balance Receivable / (Payable)	1,500	5,925		

ii. Transactions with related parties :

			Rs. in Lakhs	
Sr. No.	Party Name	Nature of transaction	2012-13	2011-12
3	Tata Securities Limited	ICD given during the year	1,750	31,780
		Income - Interest income on ICDs given	62	220
		Income - Distribution Income	-	16
		Reimbursement of expenses - Rent & Others	392	387
		Expenses - Brokerage expenses	22	-
		ICD repaid during the year	3,200	32,580
		Balance Receivable		
		- ICD outstanding	-	1,450
- Towards expenses incurred on their behalf	916	563		
4	Tata Capital Pte. Limited	Reimbursement of expenses - Rent & Others	2	-
		Balance Receivable	8	4
5	TC Travel and Services Limited	ICD given during the year	1,630	2,255
		Interest on ICD	112	179
		Expenses - Travel related services	673	665
		ICD repaid during the year	3,185	350
		- ICD outstanding	350	1,905
		- Interest on ICD receivable	4	65
		Balance Receivable / (Payable)	537	430
6	Tata Capital Housing Finance Limited	Loan Sourcing Expenses	281	-
		Reimbursement of expenses - Rent & Others	664	-
		Transfer of Leave encashment	(6)	-
		Transfer of security deposit	34	-
		Transfer of Fixed Assets	82	-
		Balance Receivable	139	141
7	TT Holdings & Services Limited	Reimbursement of expenses - Rent & Others	95	218
		Balance Receivable	36	39
8	Tata Infrastructure Capital Limited	Income – Services provided	-	6
		Reimbursement of expenses	-	2
		Balance Receivable	2	2
9	e-Nxt Financials Limited	Service Provider Charges	2,535	2,605
		Loan given during the year	6,929	2,425
		Out standing loan	1,500	1,302
		Balance receivable / (payable)	803	636
10	Tata Sky Limited	Invoice discounting during the year	4,769	8,073
		Interest received on loan given	98	350
		Invoice discounting – Outstanding	3,984	2,703

			Rs. in Lakhs	
Sr. No.	Party Name	Nature of transaction	2012-13	2011-12
11	Tata Consultancy Services Limited	Expenditure - IT outsourcing Advanced paid for SAP Licence Fee Balance Receivable / (Payable)	4,003 965 300	2,655 - 314
12	Tata AIG General Insurance Co. Limited	Expenditure - Insurance Expenses Claims received during the year Advertisement & Marketing Revenue Balance Receivable	75 - 59 51	66 16 84 8
13	Tata AIA Life Insurance Co. Limited	Shared Expenses Balance Receivable	105 -	90 12
14	Infiniti Retail Limited	Expenses – Incentive & others Purchase of Fixed Assets	166 525	16 7
15	Tata Business Support Services Limited	Loan given during the year Interest income & Processing Fees Expenses - Call Center & others Outstanding loan	- 314 125 2,489	2,790 150 106 2,790
16	Tata Cleantech Capital Limited	Balance Receivable Reimbursement of expenses	- 53	8 -
17	Nectar Loyalty Management India Ltd	License fee received	-	1,112
18	Precision Camshaft Limited	Dividend Income - Equity Shares Interest income on loan Outstanding loan	8 46 208	8 17 458
19	Ewart Investments Limited	Security Deposit given Expenditure – Rent Expenses Security Deposit Outstanding	- - 190	190 3 190
20	Niskalp Infrastructure Services Ltd (formerly Niskalp Energy Limited)	Reimbursement of Expenses Fee Income received Balance Receivable	7 113 3	- - -
21	Tata Investment Corporation Ltd	- Interest paid on Investment in NCD NCD Outstanding	82 -	173 250
22	Tata International Limited	Loan given during the year Outstanding Loan	21 12	- -
23	Key Management Personnel	Remuneration to KMP Interest on Non – convertible debentures Outstanding Debentures	- 2 20	- 2 20

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

Rs. in Lakhs

Lease Payments	As at March 31, 2013	As at March 31, 2012
- Within one year	2,851	2,020
- Later than one year and not later than five years	8,688	1,485
- Later than five years	986	77

The amount charged towards lease rentals (as part of Rent expenditure) is Rs. 2,340 Lakhs (Previous year : Rs. 2013 Lakhs).

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

Rs. in Lakhs

Lease Payments	As at March 31, 2013	As at March 31, 2012
- Within one year	4,980	6,025
- Later than one year and not later than five years	7,265	9,766
- Later than five years	-	-

31. Earnings per Share (EPS) :

Rs. in Lakhs

Particulars		2012-13	2011-12
Profit after tax for Basic EPS	Rs. in Lakhs	27,612	16,873
Weighted average number of Equity shares used in computing Basic earnings per share	Nos	1,297,550,000	1,000,828,689
Face value of equity shares	Rupees	10	10
Basic earnings per share	Rupees	2.13	1.69
Profit after tax for Basic EPS	Rs. in Lakhs	27,612	16,873
Add: Preference dividend on Compulsorily Convertible Non-Cumulative Preference shares	Rs. in Lakhs	Nil	Nil
Profit after tax for diluted EPS	Rs. in Lakhs	27,612	16,873
Weighted Average Number of Equity Shares used in computing Basic earnings per share	Nos	1,297,550,000	1,000,828,689
Weighted average number of shares in computing Diluted earnings per share	Nos	1,297,550,000	1,000,828,689
Face value of equity shares	Rupees	10	10
Diluted earnings per share	Rupees	2.13	1.69

Note : Equity shares issued on a rights basis are included in the weighted average number of shares.

32. Segment Reporting

In accordance with Accounting Standard 17 on Segment Reporting, Company has identified two business segment i.e. Financing Activity and Others, and one Geographical Segment viz. India, as secondary segment.

Rs. in Lakhs

Particulars	For the Year ended March 31, 2013	For the Year ended March 31, 2012
I Segment Revenue		
a) Financing Activity	256,057	209,318
b) Others	14,029	11,254
Total	270,086	220,571
Less : Inter Segment Revenue	-	-
Total Income	270,086	220,571
II Segment Results		
a) Financing Activity	50,432	38,320
b) Others	2,578	3,617
Total	53,010	41,938
Less : Unallocated Corporate Expenses	10,739	16,106
Profit before taxation	42,271	25,831
Less : Provision for taxation	14,659	8,958
Profit after taxation	27,612	16,873
	As at March 31, 2013	As at March 31, 2012
III Segment Assets		
a) Financing Activity	2,055,408	1,913,132
b) Others	58,164	64,576
c) Unallocated	45,062	25,911
Total	2,158,634	2,003,618
IV Segment Liabilities		
a) Financing Activity	1,803,315	1,680,124
b) Others	32,707	27,349
c) Unallocated	14,471	11,365
Total	1,850,493	1,718,838
V Capital Expenditure (Including Capital Work-In-Progress)		
a) Financing Activity	-	-
b) Others	5,360	9,529
c) Unallocated	324	2,577
Total	5,684	12,106
VI Depreciation and Amortisation		
a) Financing Activity	400	481
b) Others	3,303	2,391
c) Unallocated	656	801
Total	4,359	3,673
VII Significant Non-Cash Expenses Other than Depreciation and Amortisation		
a) Financing Activity	9,391	7,943
b) Others	4,535	768
Total	13,926	8,711

33. Capital Risk Assets Ratio (CRAR)

Items	As at March 31, 2013	As at March 31, 2012
CRAR (%)	17.49%	18.10%
CRAR – Tier I Capital (%)	13.24%	13.46%
CRAR – Tier II Capital (%)	4.25%	4.64%

34. Exposure to Real Estate Sector

Category	Rs. in Lakhs	
	2012-13	2011-12
i) Direct Exposure		
Residential Mortgages -	49,959	37,512
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 Rs. 15 Lakhs	1,107	1,162
- Individual housing loans above Rs. 15 Lakhs	48,853	36,350
Commercial Real Estate -	132,098	96,346
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	-	-
2. Commercial Real Estate	-	-
ii) Indirect Exposure		
Fund based and non-fund based exposures on National Housing Bank (NHB) and Housing Finance Companies (HFCs)	-	-

35. Asset Liability Management

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

For the year 2012-13

Particulars	Liabilities		Assets	
	Borrowings from Banks	Market Borrowings	Advances	Investments
1 day to 30/31 days (One month)	127,484	154,600	304,342	16,816
Over One months to 2 months	15,000	128,420	225,529	4,123
Over 2 months upto 3 months	130,000	40,700	60,005	15,500
Over 3 months to 6 months	142,499	115,080	171,367	14,167
Over 6 months to 1 year	269,884	133,137	278,420	5,924
Over 1 year to 3 years	20,000	253,590	635,035	48,221
Over 3 years to 5 years	-	123,600	137,605	30,658
Over 5 years	-	93,079	89,631	22,809
Total	704,867	1,042,206	1,901,934	158,218

For the year 2011-12

Rs. in Lakhs

Particulars	Liabilities		Assets	
	Borrowings from Banks	Market Borrowings	Advances	Investments
1 day to 30/31 days (One month)	92,453	110,239	225,719	12,699
Over one month to 2 months	60,000	59,000	132,111	3,949
Over 2 months upto 3 months	356,429	88,500	122,715	-
Over 3 months to 6 months	74,600	93,521	151,665	6,714
Over 6 months to 1 year	233,761	57,000	267,725	53,916
Over 1 year to 3 years	55,000	247,565	606,593	46,781
Over 3 years to 5 years	-	16,400	123,272	16,359
Over 5 years	-	91,405	97,087	54,494
Total	872,243	763,630	1,726,887	194,912

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.

Liability Side :

Rs. in Lakhs

Particulars	Amount Outstanding		Amount Overdue	
	31.03.13	31.03.12	31.03.13	31.03.12
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	733,548	482,943	-	-
(ii) Unsecured	91,853	91,578	-	-
b) Deferred Credits	-	-	-	-
c) Term Loans	401,146	599,429	-	-
d) Inter-corporate loans and borrowing	915	715	-	-
e) Commercial Paper	264,230	224,568	-	-
f) Other loans				
(i) Loan from Bank				
- Working Capital Demand Loan	40,000	159,600	-	-
- Overdraft	264,867	113,713	-	-

Asset Side	Rs. in Lakhs	
	Amount Outstanding	
	31.03.13	31.03.12
Particulars		
2) Break up of Loans and Advances including bills receivables (other than those included in (3) below)		
a) Secured	644,027	563,633
b) Unsecured	539,373	467,729
3) Break up of Leased Assets and stock on hire and other assets counting towards AFC activities		
a) Lease assets including lease rentals under sundry debtors:		
(i) Financial Lease	1,130	512
(ii) Operating Lease	18,371	16,555
b) Stock on hire including hire charges under sundry debtors		
(i) Assets on hire	799	316
(ii) Repossessed assets	-	-
c) Other loans counting towards Asset Financing Company activities		
(i) Loans where assets have been repossessed	781	594
(ii) Other loans	697,453	677,548
4) Break up of Investments		
Current Investments:		
a) Quoted :		
(i) Shares: Equity	-	-
Preference	-	-
(ii) Debentures and Bonds	5,845	4,512
(iii) Units of Mutual Funds	-	-
(iv) Government Securities	-	-
(v) Others	-	-
b) Unquoted:		
(i) Shares: Equity	-	-
Preference	-	-
(ii) Debentures and Bonds	-	-
(iii) Units of Mutual Funds	50	50
(iv) Government Securities	-	-
(v) Others (Commercial Papers & Pass through certificate)	-	6,703
Long-Term Investments :		
a) Quoted :		
(i) Shares: Equity (Net of provision)	16,642	20,402
Preference	-	-
(ii) Debentures and Bonds	63,127	66,316
(iii) Units of Mutual Funds	-	-
(iv) Government Securities	5,074	5,074
(v) Others	-	-

Asset Side (Contd...)

Rs. in Lakhs

Particulars	Amount Outstanding	
	31.03.13	31.03.12
b) Unquoted:		
(i) Shares: Equity	5,396	8,534
Preference	7,528	6,807
(ii) Debentures and Bonds	47,484	76,514
(iii) Units of Mutual Funds	-	-
(iv) Government Securities	-	-
(v) Others (Pass through certificate)	6,910	-

5) Borrower group-wise classification of assets financed as in (2) and (3) above

Rs. in Lakhs

Particulars	Amount net of provisions					
	Secured		Unsecured		Total	
	2012-13	2011-12	2012-13	2011-12	2012-13	2011-12
a) Related Parties						
(i) Subsidiaries	-	-	-	-	-	-
(ii) Companies in the same group	-	-	8,335	22,848	8,335	22,848
(iii) Other related Parties	-	-	208	458	208	458
b) Other than related	1,362,561	1,259,158	530,830	444,423	1,893,391	1,703,581t
Total	1,362,561	1,259,158	539,373	467,729	1,901,934	1,726,887

The Company has reported frauds aggregating Rs. 2.20 crore based on management reporting to risk committee and to the RBI through prescribe returns.

6) Investor group-wise classification of all investments (current and long-term) in shares and securities (both quoted and unquoted)

Rs. in Lakhs

Particulars	Market Value/Break up or fair value or NAV		Book Value (Net of Provisions)	
	2012-13	2011-12	2012-13	2011-12
a) Related Parties				
1) Subsidiaries	-	-	-	-
2) Companies in the same group	-	-	-	-
3) Other related Parties	1,744	649	2,388	2,388
b) Other than related parties	146,793	183,829	155,695	192,524
Total	148,537	184,478	158,083	194,912

Notes :

- 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.
- 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.

7) Other Information

Rs. in Lakhs

Particulars	2012-13	2011-12
a) Gross Non-Performing Assets		
1) Related parties	-	-
2) Other than related parties	47,220	24,223
b) Net Non-Performing Assets		
1) Related parties	-	-
2) Other than related parties	34,931	17,861
c) Assets acquired in satisfaction of debt	950	709

37. Loans and advances - Financing Activity (Secured) include Rs 781 Lakhs (Previous Year : Rs. 594 Lakhs) being the value of equipment repossessed, necessary provision for which is made.

38. Previous year's figures have been regrouped wherever necessary.

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

Govind Sankaranarayanan
(Chief Financial Officer &
Chief Operating Officer -
Corporate Affairs)

Avan Doomasia
(Company Secretary)

Mumbai
May 7, 2013