Pushing boundaries.

Annual Report 2018-19

TATA CAPITAL

About TATA Capital

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

Our Mission

Trust and leadership

Our constant endeavor is to live up to the trust placed in us by the customer, and as we look ahead, let's be the partner that the customer can rely on.

Better together

We encourage and imbibe the collaborative spirit across our employees, communities we work with and the group companies. It is in their success that we find ours.

A new path

We hope to be able to anticipate the needs of the modern world and the customer of the future, forging a new path with the aid of technology.

For every wish

A trusted ally at every stage, no matter how small or big the dream, no matter how easy or difficult the goal.

Delivering Delight

We strive to work harder and go further to deliver on our promises, to make people realize their hopes and desires.

Pay it forward

Tata Capital continues its commitment to making a better tomorrow by supporting educational and sustainable livelihood programs, quality healthcare and a greener environment.

In the financial year 2018-19, Tata Capital implemented 58 projects with 51 partners and was able to reach 1,25,054 beneficiaries from economically underprivileged communities. These activities saw participation from multiple volunteers and accounted for over 1970 hours of volunteering.

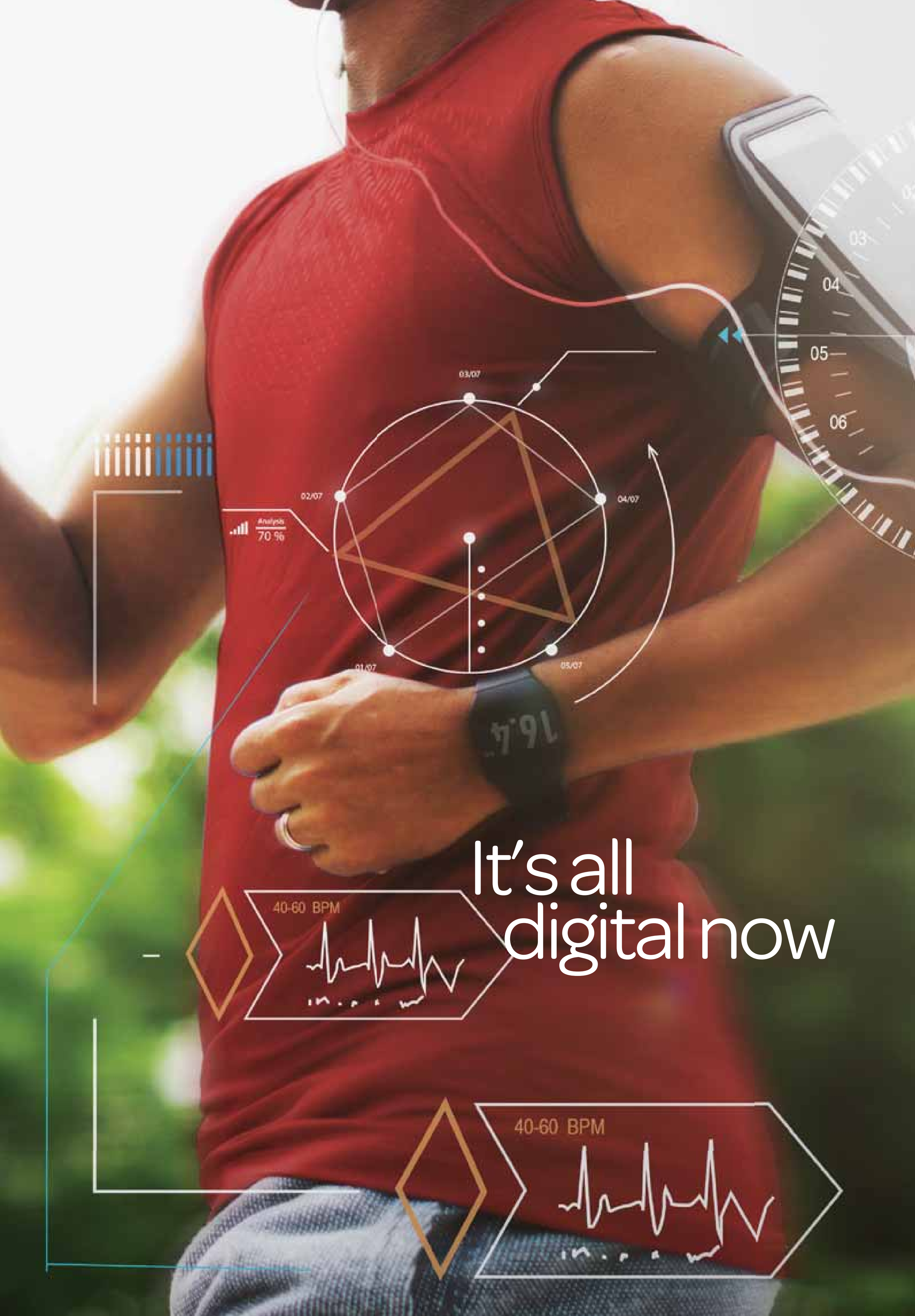
Some of the unique initiatives undertaken include:

- Cluster Development initiative – Education of tribal children in Vikramgad, Sudhagad and Jalpaigudi
- 'JalAadhar' – An integrated watershed management program at Pimpalegaon Rotha in association with Bhartiya Agro Industries Foundation (BAIF)
- 'Green Switch' Project – Providing unelectrified tribal hamlets with solar micro grids
- Pankh Scholarship Program – Mentoring of meritorious underprivileged students by our very own employees
- Dhangyan – The e-learning module for Financial Literacy
- Skilling – Training underprivileged youth with skills that will help them gain employment in the BFSI, Solar and Healthcare sector
- Health – Assisting the underprivileged gain better access to quality healthcare to combat Cancer and blindness


Ready for
anything

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

- Home Loans
- Personal Loans
- Business Loans
- Other Consumer Loans
- Loan Against Property / Home Equity
- Investment Advisory Services
- Wealth Products Distribution
- Commercial and SME Finance
- Leasing Solutions
- Cleantech Finance
- Institutional Distribution
- Private Equity
- Tata Cards



It's all digital now

For the financial year 2018 – 19, a comprehensive digital strategy was laid out to bring about transformation using technology across all aspects of the customer value chain. The objectives included transforming customer channels and experiences, re-imagining distributor journeys and providing seamless experiences using partnerships. With these objectives, new platforms and solutions were created across all customer segments.

During the year, customer facing digital platforms including the new Tata Capital portal and the Tata Capital mobile application were refreshed and relaunched with improved user experience, content and conversational interfaces. New customer journeys were created for personal and home loans to provide a fast and frictionless customer experience. Other new platforms that were launched included a revamped wealth management platform for customers, new products on the digital platform for Commercial & SME Finance Customers, and seamless pre-approved personal loans for employees to name a few.

With the objective of enhancing productivity and optimising cost, the sanction process for distributors were also reviewed and a new digitally enabled sanction process was launched for home, personal and vehicle loans. Tata Capital has also worked on enhancing synergy with the Tata group ecosystem as part of the One Tata – One Tata Capital strategy. Alliances with Tata AMC, Tata AIA, Tata Motors and Croma have made substantial progress. Tata Capital also partnered with the Fintech ecosystem to enhance processes and co-create products. Further, Data and Analytics continue to play a pivotal role at Tata Capital and are used across the lending process including for creation of pre-approved offers and propensity models, marketing decisions, underwriting decisions and to enhance collection efficiencies.

Going forward, in the financial year 2019-20, Tata Capital will continue to work towards offering seamless products to customers using digital capabilities, strengthen customer delivery systems and further simplify business processes to meet the evolving needs of Indian customers.

Making new tracks

Accel Home Loans

Accel Home Loans is an exclusive offering aimed to empower customers to buy bigger homes. Structured in such a manner that the first 36 EMIs comprise only the interest portion after which the customer can gradually repay the balance of the loan. The aim is to provide financial ease at the beginning of a loan and as the customer's income grows so does the EMI increase gradually. This stepped up approach to a home loan will enable a customer to receive a higher loan amount.

First-of-its-kind Online Working Capital Lending Platform

The first of its kind online working capital lending platform under Tata Capital's Commercial Finance line of business, provides customers with an easy, seamless and paperless experience. As an industry first, loans up to ₹2 crores can be approved within just 24 hours. Customers can access their loan account details, utilize the loan limits anywhere anytime. Tata Capital's Commercial and SME Finance Business provides financial solutions for Large, Medium, Small, Emerging Corporates and value based solutions to their ecosystems including Government & Public sector enterprises.

'TIA', innovative VoiceBot for Personal Loans

Powered by Artificial Intelligence, TIA is designed to voice-assist the personal loan customer journey, check loan eligibility and aid the customer through the loan approval process in minutes. TIA is a whole new conversational experience for customers using speech recognition technology, natural language understanding and text-to-speech technology. Equipped with intelligent features and options, TIA, has the ability to answer customer queries, assist in simplifying the loan process, helping customers choose the right offering and avail a loan sanction within the Tata Capital application. TIA brings ease and convenience to the customer by providing a personalised and seamless experience. While the voice assisted personal loan is a new industry offering, the first edition of TIA, the chat-bot is already available on the Tata Capital website. In its web-based avataar, Tia had 3 lakh interactions within the first few weeks of its launch.

The team that keeps it all ticking

TATA CAPITAL LIMITED

Board of Directors

Mr. Saurabh Agrawal - Chairman

Mr. Farokh N. Subedar

Mr. Nalin M. Shah

Mr. Mehernosh B. Kapadia

Ms. Aarthi Subramanian

Ms. Varsha Purandare (w.e.f April 1, 2019)

Mr. Rajiv Sabharwal – Managing Director & CEO

Chief Financial Officer

Puneet Sharma

Company Secretary

Avan Doomasia

Statutory Auditors

B S R & Co. LLP

Registrar & Transfer Agents

TSR Darshaw Limited

6-10 Haji Moosa Patrawala Industrial Estate,

20, Dr. E Moses Road, Mahalaxmi,

Mumbai - 400 011.

Tel : +91 22 6656 8484

TATA CAPITAL FINANCIAL SERVICES LIMITED

Board of Directors

Mr. Rajiv Sabharwal - Chairman

Mr. Farokh N. Subedar

Mr. Mukund S. Dharmadhikari

Ms. Anuradha E. Thakur

Ms. Varsha Purandare (w.e.f April 1, 2019)

Mr. Kusal Roy – Managing Director

TATA CAPITAL HOUSING FINANCE LIMITED

Board of Directors

Mr. Rajiv Sabharwal - Chairman

Mr. Mehernosh B. Kapadia

Ms. Anuradha E. Thakur

Mr. Ankur Verma

Mr. Anil Kaul – Managing Director

TATA CLEANTECH CAPITAL LIMITED

Board of Directors

Mr. Vittaldas Leeladhar - Chairman

Ms. Padmini Khare Kaicker

Mr. Rajiv Sabharwal

Mr. Pradeep C Bandivadekar

Dr. Ajay Mathur (w.e.f May 1, 2019)

Mr. Manish Chourasia – Managing Director

TATA SECURITIES LIMITED

Board of Directors

Mr. Rajiv Sabharwal - Chairman

Mr. Noshir J Driver

Mr. Francisco J Dacunha

Registered Office

Tower A, 11th Floor, Peninsula Business Park, Ganpatrao Kadam Marg,
Lower Parel, Mumbai - 400013. Tel : +91 22 6606 9000

Corporate Identity Number

U65990MH1991PLC060670

Our Achievements 2018-19

Book size ₹77,110 cr	**25%** Growth Y-O-Y	**One of 10** Top NBFCs in the Private sector
Total Comprehensive Income ₹780 cr	**28%** Growth Y-O-Y	**6th** Most profitable company in the TATA group

	Locations 196	**4%** Increase in the number of locations	**82%** Locations in non-metros
	Customers 17,54,151	**20%** Growth in customers	**53%** Customers from non - metro

Podium finish

Winner of 'Golden Peacock Award for Risk Management' at Annual Global Convention on Corporate Ethics & Risk Management 2018 organized by Institute Of Directors (IOD).

Tata Capital Housing Finance Limited won the 'Excellence in stall designing' award (runner-up) in the recently held Gihed Credai property show 2018.

TISS Leapvault CLO Awards 2018 - Best Virtual Learning Program.

2nd runner up - Leading Practices in L&D - HR Excellence Awards 2018.

Winner of 'Chief Risk Officer of the Year Award' at Treasury, Risk & Compliance Summit & Excellence Awards 2019 organised by Kamikaze B2B Media.

Best Employee Engagement in the Non-Banking Sector – 2018.

Contents

Taking big strides

Dear Shareholder,

The Financial Year (FY) 2018-19 has been an exciting and enriching one for Tata Capital as we step into the next decade of our journey. As I reflect on the year gone by, I am happy to share with you our efforts towards driving innovation, enhancing digitization and in creating a differentiation in the way we do business.

During the year, we steered our growth path with a clear focus on implementing our Group's strategy to scale, simplify and build synergy. With an objective to deliver quality service to our customers and a dynamic team to lead the business, we performed better than the market growth rate. We continued to build our business by diversifying across asset classes on a bedrock of a robust risk management framework. We invested in new-age technology and worked on simplifying systems and processes to create customer delight.

A comprehensive digital strategy was laid out during the year to bring transformation using technology across the customer value chain. We made progress in the use of artificial intelligence tools to enhance speed, efficiency and productivity across functions. Data Analytics has become a critical function for us and the use of data science is now embedded in all business decisions. We also partnered with the Fintech ecosystem to enable quicker go-to-market and to co-create products. The One Tata Capital program made significant progress this year as we created more synergy within the Tata Group ecosystem.

FY 2018 -19 also came with its own share of challenges and opportunities for NBFCs as a sector. While concerns around low liquidity and asset–liability mismatch impacted the sector, at Tata Capital, we continued to grow with a focus on building a healthy book. We were also successful in raising funds through various sources. Tata Capital Financial Services Limited (TCFSL) successfully raised ₹ 337340 lakh through its Public Issue of NCDs. Further, Tata Capital Housing Finance Limited (TCHFL) raised US$ 75 million via the ECB route and Tata Cleantech Capital Limited (TCCL) raised ₹ 18000 lakh through its green bond issue to finance eligible green projects in the renewable energy space.

Tata Capital's subsidiary companies have performed well, with efforts to set new benchmarks and achieve sustainable growth. TCFSL launched a suite of new products and services to meet the diverse financial needs of our retail customers. Investments in digital assets helped us target new customer segments and create new channels for growth. Commercial Finance Business continues to serve the SME/MSMEs, India's growth engines through high quality service levels and value added products.
We are happy to share that we grew better than industry in this segment. We have rejuvenated our Wealth Management business with the aim to help our customers meet their investment goals. With a new set of investment solutions and better technology-aided processes, we are confident of taking this business to the next level.

In line with our strategy, TCHFL maintained a balanced housing loan book between salaried and the self-employed customers. We focussed on optimising our products, channels and policies to enhance efficiencies across functions. Affordable housing as a segment continues to be a key component for growth.

Considering the massive potential in the renewable energy segment and its contribution to the growth of our country, TCCL is committed to offer technical and advisory services to this sector. During the year, TCCL fostered new partnerships with leading organizations and made in-roads into areas such as solar roof tops and energy efficiency projects.

As we move forward, we will nurture our ambition to grow, create best-in-class solutions to serve customers better, be a responsible partner for all our stakeholders, invest in talent and work towards being a technology-led organisation. I thank each one of you for your invaluable contribution as we continue to pursue excellence, harness growth opportunities and create value for all our stakeholders.

Regards

Rajiv Sabharwal

Managing Director & CEO Tata Capital Limited

TATA CAPITAL

BOARD'S REPORT

To the Members,

The Board has pleasure in presenting the Twenty Eighth Annual Report and the Audited Financial Statements for the Financial Year ("FY") ended March 31, 2019.

1. BACKGROUND

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

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

2. INDUSTRY AND ECONOMIC SCENARIO

Non-Banking Financial Companies ("NBFCs") have played an important role in the Indian financial system by complementing and competing with banks and by bringing in efficiency and diversity into financial intermediation. NBFCs have evolved considerably in terms of operations, heterogeneity, asset quality, profitability and regulatory architecture. NBFCs play an important role in promoting inclusive growth in the country by catering to the diverse financial needs of the customers. NBFCs often take a lead role in providing innovative financial services to Micro, Small and Medium Enterprises (MSMEs) most suitable to their business requirements. NBFCs play a critical role in participating in the development of the economy by providing a fillip to transportation, employment generation, wealth creation, credit in rural segments and provide the much needed credit support to new customer segments. NBFCs have been significant contributors to the growth of the economy over the last few years and have continued to provide credit to market segments neglected by banks or when banks were unable to provide credit, given their own constraints.

The NBFC sector, especially the systemically important NBFCs, is well regulated by the RBI. The prudential norms on the assets side, mirror those applicable to banks. However, on the resource raising side, there is a clear difference between banks and NBFCs, as the former have access to savings and current accounts. Further, even within the sector, some NBFCs are advantaged as they have access to public deposits, while others do not.

Global economic activity is showing early signs of slowdown. The large global economies like the United States of America ("USA"), the United Kingdom ("UK") and the larger European Union area are dealing with their own unique problems. The monetary policy stances of the US Federal and central banks in other major advanced economies have turned dovish in Q4 of FY 2018-19. Financial markets continued to be influenced by monetary policy stances of key central banks and movements in crude oil prices. Key global risks for the coming year could be: (i) faster-than-expected rate increases by central banks; (ii) flashpoints in trade policies; and (iii) geopolitical events impacting crude oil and commodity prices. Each of these risks have the potential to adversely affect the domestic economy.

On the domestic front, private consumption has remained resilient. This will get supplemented in the coming year through increase in public spending in rural areas and an increase in disposable incomes of households due to tax benefits. Key macroeconomic parameters have shown improvement and lower volatility. The economy is regaining some momentum, post the slowdown witnessed on account of the structural reforms like demonetisation and implementation of the Goods and Services Tax ("GST"). The expectation is that, if the Government continues to execute its reform agenda, the domestic economy will return its sustainable long term growth rate over the next year or so. Retail inflation declined due to softer food prices attributable to bumper crop production and proactive sluggish demand conditions. Inflation outlook remains moderate for FY 2019-20, subject to normal monsoon, with a marginal increase in retail inflation in the second half of FY 2019-20.

Bank credit is expected to accelerate in FY 2019-20. The retail segment is expected to continue to grow at a strong pace led by strong consumer demand and increase in penetration by banks. Within retail, non-housing retail segment will continue to see relatively strong growth, whereas housing credit growth is expected to remain steady. Industrial credit growth will remain low, but, may increase in the second half of FY 2019-20.

Various measures by the RBI comprising asset quality review and earlier recognition norms, supplemented with the implementation of the Insolvency and Bankruptcy Code, led to a sharp increase in the Gross Non-Performing Assets ("NPA") ratio from 4.3% in Fiscal 2015 to 11.3% in Fiscal 2018, in the banking system. Additional slippages are expected to moderate and with some more resolutions under the National Company Law Tribunal, it would aid reduction in credit stress. The Government of India also infused significant capital into the public sector banks, enabling them some room to grow.

The liquidity crisis in the NBFC sector in the middle of FY 2018-19, helped differentiate companies based on their promoter standing and operating practices. Various measures by different regulators have had an adverse impact on the liquidity available to the NBFC sector. The Company's outlook is that liquidity will be available to well managed companies, but, it will be critical to continue to diversify liability resources.

To conclude, the various policy initiatives are work in progress and need relentless execution focus. Tata Capital has a cautiously optimistic outlook for the next financial year. Tata Capital will be closely watching the monsoons, timing of monetary policy tightening by the large central banks in advanced economies, protectionist tendencies of large global economies as they have the ability to impact liquidity and inflation, both critical variables impacting our largest resource – "Money".

3. FINANCIAL RESULTS

(₹ in crore)

Particulars	Consolidated		Standalone	
	FY 2018-19	FY 2017-18	FY 2018-19	FY 2017-18
Gross Income (Including net gain on fair value changes)	9,205	6,784	681	483
Less:				
Finance Costs	5,188	3,882	317	306
Net loss on fair value changes	-	-	-	-
Impairment of investment in Associates	0	7	-	-
Impairment on Financial Instruments	665	331	99	29
Employee Benefits Expense	815	643	158	74
Depreciation, Amortisation and Impairment	288	248	8	8
Other expenses	890	627	31	21
Profit Before Tax	**1,358**	**1,045**	**68**	**43**
Less: Provision for Tax	386	419	41	7
Profit After Tax	**972**	**626**	**28**	**37**

Particulars	Consolidated		Standalone	
	FY 2018-19	FY 2017-18	FY 2018-19	FY 2017-18
Add: Share of net profit of associates using equity method	57	52	-	-
Less: Non-controlling interest	250	74	-	-
Profit attributable to owners of the Company	779	603	28	37
Other comprehensive income	(5)	1	(3)	(5)
Less: Tax on other comprehensive income	7	6	(1)	(2)
Other comprehensive income after tax	1	7	(2)	(3)
Less: Non-controlling interest	2	1	-	-
Other comprehensive income attributable to owners of the Company	(1)	6	(2)	(3)
Total comprehensive income attributable to owners of the Company	**780**	**610**	**26**	**33**
Amount brought forward from previous year	220	(169)	122	129
Amount available for appropriation	1,000	441	148	162
Appropriations:				
Special Reserve Account	216	212	37	40
Debenture Redemption Reserve	-	-	-	-
Dividend Distribution Tax	-	9	-	-
Surplus carried to Balance Sheet	**784**	**220**	**111**	**122**

Consolidated Results:

Tata Capital's book size increased from ₹ 61,445 crore as at March 31, 2018 to ₹ 77,110 crore as at March 31, 2019, on a consolidated basis. This increase of ₹ 15,665 crore was mainly due to the growth in the loan book of the three lending subsidiaries, viz. Tata Capital Financial Services Limited ("TCFSL"): ₹ 8,047 crore, Tata Capital Housing Finance Limited ("TCHFL"): ₹ 5,798 crore and Tata Cleantech Capital Limited ("TCCL"): ₹ 1,820 crore.

During FY 2018-19, Tata Capital recorded consolidated Total Income of ₹ 9,205 crore as against ₹ 6,784 crore in FY 2017-18, an increase of about 36%. The Total Income comprised Income from financing activities of ₹ 8,051 crore (FY 2017-18: ₹ 6,457 crore), Investment Income of ₹ 884 crore (FY 2017-18: ₹ 129 crore) and Other Income of ₹ 270 crore (FY 2017-18: ₹ 198 crore). The growth in income from financing activities was in line with the growth in average advances.

During the year, Tata Capital's Profit After Tax ("PAT") on a consolidated basis increased by about 28%, to ₹ 780 crore (FY 2017-18: ₹ 610 crore).

During FY 2018-19, Tata Capital's consolidated interest expense was ₹ 5,189 crore (FY 2017-18: ₹ 3,882 crore). This increase was on account of higher borrowings, in line with the growth in the loan portfolio and increase in borrowing rates. Notwithstanding the tight liquidity conditions in the market, Tata Capital was able to ensure a comfortable liquidity position to support its business requirements.

The Operating Expenses, excluding Impairment of Investments and Financial Instruments, increased by 31%. Employee costs increased from ₹ 643 crore in FY 2017-18 to ₹ 815 crore in FY 2018-19, owing to increase in manpower strength to support new businesses, growth in existing businesses and on account of salary increments, which were broadly in line with the industry.

Impairment on Investments and Financial Instruments increased to ₹ 665 crore in FY 2018-19 from ₹ 338 crore in FY 2017-18.

The consolidated Gross NPA showed a significant reduction from 2.4% in FY 2017-18 to 1.7%, in FY 2018-19. The Net NPA remained constant at 0.4%. The consolidated Return on Assets ("RoA") for FY 2018-19 was 1.1% (FY 2017-18: 1.1%) while the Return on Equity ("RoE") was 13.9% (FY 2017-18: 15.8%).

Standalone Results:

During FY 2018-19, TCL recorded Gross Income of ₹ 681 crore (FY 2017-18: ₹ 483 crore) and a PAT of ₹ 28 crore (FY 2017-18: ₹ 37 crore). The increase in Revenue was mainly on account of higher profit on sale of investments. The Company has transferred an amount of ₹ 37 crore to the Special Reserve Account.

4. SHARE CAPITAL

During FY 2018-19, Company had raised funds aggregating ₹ 2,500 crore from Tata Sons Private Limited on a preferential/private placement basis. The paid up Equity Share Capital of the Company was ₹ 3,320 crore as on March 31, 2019, which was held by Tata Sons Private Limited (94.23%), Tata Investment Corporation Limited (2.32%) and TCL Employee Welfare Trust (through its Trustees) and holders of shares granted under Tata Capital Limited Employee Stock Purchase/ Option scheme ("ESOP Scheme") (2.12%). The balance 1.33% was held by a few other Tata Group companies, other corporates and individuals.

Under the ESOP Scheme, the Company had allotted 7,02,34,526 Equity Shares of ₹ 10 each to the TCL Employee Welfare Trust (through its Trustees). The Trust was set up to administer and implement the ESOP Scheme. As on March 31, 2019, the number of Equity Shares held by the employees under the ESOP Scheme aggregated 1,99,89,476. Further details regarding the ESOP Scheme are given in para 40 below.

During FY 2018-19, the Company successfully raised funds by way of issuance of Cumulative Redeemable Preference Shares ("CRPS") of ₹ 1,000 each aggregating ₹ 153.45 crore. Further, consequent to the Call Option exercised by the Company, CRPS aggregating ₹ 204.99 crore were redeemed during the year. Accordingly, the paid up Preference Share Capital as on March 31, 2019, was ₹ 1,810.31 crore. The premium on CRPS was ₹ 103.55 crore. The details of CRPS issued and redeemed are available at Page Nos. 295 and 296 of the Annual Report.

As per Indian Accounting Standards ("Ind AS"), CRPS has been classified and reported under borrowings (other than debt securities) in the Standalone Financial Statements.

5. DIVIDEND

At the meeting of the Board of Directors held on March 27, 2019, the Directors declared Interim Dividend on the CRPS for FY 2018-19, as under:

Tranche(s)	No. of Shares	Dividend Rate (%) p.a.	Dividend Amount (₹ in crore)
A, B, C, D, E and F	20,71,066	12.50	25.89
N and O	50,00,000	8.33	41.65
P, Q, R, S, T, U, V and W	65,00,000	7.50	48.75
X and Y	14,97,500	7.33	10.98
Z	7,50,000	7.15	5.36
AA	7,50,000	7.10	5.33
AB, AC and AD	11,34,500*	7.10	7.12
AE	4,00,000*	7.75	0.16
		Total	**145.24**

**on a pro-rata basis from the date of allotment till March 31, 2019*

Further, consequent upon the exercise of Call Option by the Company, CRPS aggregating ₹ 204.99 crore were redeemed during the year and accordingly, Interim Dividend aggregating ₹ 5.80 crore was paid from April 1, 2019 upto the date of redemption. The details of Interim Dividend paid on redemption were, as under:

Tranche	Dividend Rate (%)	No. of CRPS	Redemption Date	Dividend Amount (₹ in crore)
M	8.33	20,49,891	August 2, 2018	5.80
	Total	**20,49,891**		**5.80**

Since the Company has paid Dividend to the CRPS holders for FY 2018-19, by way of an Interim Dividend, the Directors do not recommend any final dividend on the CRPS issued.

In order to conserve the resources of the Company and to build up reserves, the Directors do not recommend payment of Dividend on the Equity Shares for FY 2018-19.

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

6.1 Structure of Business Operations at Tata Capital

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

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

As a one-stop financial services provider, Tata Capital caters to the diverse financial requirements of its retail, corporate and institutional customers with a comprehensive suite of products and service offerings. In the corporate segment, the Company's wholly-owned subsidiary, TCFSL offers Commercial Finance solutions, including Construction Equipment ("CEQ") Finance and Leasing solutions to corporate customers. In the Retail segment, TCFSL provides Asset Finance across urban and rural geographies. TCFSL is also engaged in the business of distribution of investment products, such as Mutual Funds under its Wealth Products Distribution business and is engaged in the distribution of White Label Credit Cards, in association with its bank partner.

Tata Capital also operates in the housing finance space, through another wholly-owned subsidiary viz. TCHFL, which offers Home Loans, Affordable Housing Loans and Loans Against Property, mainly in the Retail segment and in Construction Finance, in the corporate segment.

TCCL, also a subsidiary of the Company, provides finance and advisory services to corporate customers for Renewable Energy, Energy Efficiency, Water Management projects and cash flow based Infrastructure Finance.

Tata Capital provides distribution of Mutual Funds and third party financial products for institutional customers, through its wholly-owned subsidiary, Tata Securities Limited.

In the Private Equity space, TCL has sponsored Private Equity Funds in India, to which it acts as an Investment Manager. Tata Capital Pte. Ltd. ("TCPL"), a wholly-owned subsidiary of TCL, has been established in Singapore as the International Headquarters of Tata Capital and is responsible for Tata Capital's international presence and activities. TCPL's step-down wholly-owned subsidiary in Singapore, Tata Capital Advisors Pte. Ltd. ("TCAPL"), acts as an Investment Manager to the Private Equity Funds set up in Singapore, to which TCL acts as an Advisor.

6.2 Private Equity

6.2.1 Domestic Funds

The Company has set up five Private Equity Funds in India, viz. Tata Capital Growth Fund I, Tata Capital Growth Fund II, Tata Capital Healthcare Fund I, Tata Capital Innovations Fund and Tata Capital Special Situations Fund - Trust (collectively referred to as "Funds"). These Funds have been registered with SEBI as Venture Capital Funds/Alternative Investment Fund. The Company has sponsored these Funds and acts as their Investment Manager and has also invested in the Funds by subscribing to units of these Funds. The aggregate commitment to these Funds is ₹ 2,024 crore, as at March 31, 2019.

The performance of the above Funds is reviewed below:

i) Tata Capital Growth Fund I ("TCGF I") and Tata Capital Growth Fund II ("TCGF II")

TCGF I was set up with a mandate to make private equity growth capital investments in companies that have a significant portion of their operations in India. TCGF I's investment focus themes are Urbanisation, Discrete Manufacturing and Strategic Services. TCGF I has provided growth capital funding to industry leading companies, with an average deal size of approximately ₹ 40 crore. TCGF I declared its final close in February 2011, with commitments of ₹ 339 crore, of which, ₹ 253 crore was invested in six portfolio companies. TCGF I's commitment period ended on November 9, 2015. The term of the TCGF I ended on February 10, 2019 and was extended with the approval of TCGF I's Advisory Board and Trustee by one year to terminate on February 10, 2020.

As at March 31, 2019, the TVPI multiple (Total Value, including Distributions, to Paid in Capital) is 2.56. During the year, TCGF I recorded its third full exit in Sai Life Sciences Limited ("SLS") with a Multiple on Invested Capital ("MOIC") of 4.5 times and an Investment Internal Rate of Return ("IRR") of 66%, and also its fourth full exit in Star Health & Allied Insurance Company Private Limited ("Star") with an MOIC of 5.4 times and Investment IRR of 36%.

TCGF II is the follow on fund to TCGF I and is registered with SEBI as a Category II Alternative Investment Fund. TCGF II has commitments of ₹ 821.42 crore as at March 31, 2019 and is actively reviewing investment opportunities towards making its first investment. TCL has committed ₹ 362.9 crore as Sponsor commitment to TCGF II.

ii) Tata Capital Healthcare Fund I ("TCHF")

TCHF was set up to target long-term capital appreciation through private equity growth-capital investments in healthcare companies involved in pharmaceutical, contract research/manufacturing, hospital services, medical devices, diagnostic and other healthcare segments. TCHF's investment strategy is predicated on high growth consumption and competency themes within the Indian healthcare sector, driven by increasing per capita disposable income, rising urbanisation, growing health awareness, increasing chronic and life-style oriented disease pattern and growth in domestic healthcare infrastructure. TCHF targets stakes in portfolio companies with Board representation and other significant shareholder rights. TCHF has provided growth capital funding to companies with an average deal size of approximately ₹ 35 crore with the holding period ranging from two to four years. TCHF declared its final close in April 2012, with commitments of ₹ 319 crore, of which, ₹ 245 crore was invested in seven portfolio companies. TCHF's commitment period ended on July 13, 2015 and its life cycle was extended by one year with the approval of TCHF's Advisory Board and Trustee and the same would terminate on July 12, 2019.

During the year, TCHF recorded its full exit in SLS, with an MOIC of 4.38 times and Investment IRR of 74%.

As at March 31, 2019, the TVPI multiple was 2.28.

During the year, Tata Capital Healthcare Fund II ("TCHF II"), the follow on Fund to TCHF, was incorporated as a trust. TCHF II is registered with SEBI as a Category II Alternative Investment Fund on April 3, 2019. As at March 31, 2019, TCHF II has not accepted any contributor commitment. TCL has approved a Sponsor commitment of ₹ 140 crore to TCHF II.

iii) Tata Capital Innovations Fund ("TCIF")

TCIF is a sector agnostic venture capital fund and invests in early stage companies, offering technology based solutions for Indian as well as global markets. TCIF focuses on investments which have a potential to create new growth opportunities, increase efficiency, bring affordability and accessibility to the industry or change the way business is conducted. TCIF declared its final close in April 2012, with commitments of ₹ 287 crore, of which, ₹ 218 crore has been invested in seven portfolio companies as at March 31, 2019. The TVPI multiple as at March 31, 2019 was 1.6. TCIF's commitment period ended on January 29, 2017 and its term ends on January 29, 2020.

iv) Tata Capital Special Situations Fund ("TCSSF")

TCSSF focuses on investing in turnaround opportunities. Of the aggregate drawn amount of ₹ 265 crore, ₹ 222 crore was invested in four portfolio companies. Of these, TCSSF has exited from two investments, realizing an average of 2.27 times the invested amount. TCSSF has distributed to the investors, over 98% of the amounts drawn from them. As at March 31, 2019, the multiple of Total Value (including distributions) to Paid in Capital is 1.6.

6.2.2 Overseas Funds

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

The Company's subsidiary in Singapore, TCAPL, is the Investment Manager for TCGFLP, TCGFIILP, TCHHFLP and TOF. Overseas Funds accept commitments only from overseas investors. The aggregated commitments as at March 31, 2019 to the Overseas Funds was US$ 790.2 million. TCGFIILP, with commitments as at March 31, 2019 of US$ 63.2 million, is a feeder fund to Tata Capital Growth Fund II.

TOF declared its final close in March 2013, with commitments of US$ 545 million, of which, approximately 85% has been drawn down as at March 31, 2019 and US$ 384 million has been invested in eight portfolio companies. The fund's portfolio continues to perform well with average revenue and profit growth of above 20% per annum from the date of investment. TCL has a co-investment arrangement with TOF, whereby TCL (or a wholly-owned subsidiary of TCL) has a commitment to co-invest the Indian rupee equivalent of an amount of upto US$ 50 million alongside TOF, subject to regulatory restrictions.

TOF, together with TCFSL (as part of its co-investment arrangement), secured its maiden exit when it sold its shares of Varroc Engineering Limited at its Initial Public Offer ("IPO") in July 2018. The transaction delivered about ₹ 1,780 crore in realizations to TOF and TCFSL, on an investment of ₹ 300 crore, delivering a MOIC of 6 times (in 4 years) and an IRR of 52%.

During the year, Tata Opportunities Fund II Alternative Investment Fund ("TOF II"), the follow on Fund to TOF was incorporated as a trust. TOF II is registered with SEBI as a Category II Alternative Investment Fund. As at March 31, 2019, TOF II has not accepted any contributor commitment. TCL has approved a sponsor commitment of US$ 75 million (equivalent in INR) to TOF II.

TCGFLP declared its final close in November 2011 with commitments of US$ 167 million, of which, approximately 85% has been drawn down and US$ 125 million has been invested in eight portfolio companies. During the year, TCGFLP exited its investments in SLS, at an MOIC of 4.3 times and an Investment IRR of 76%, and its investment in Star with an MOIC of 4.5 times and investment IRR of 31%.

During the year, TCGFIILP declared its first close with commitments of US$ 63.2 million.

TCHHFLP declared its final close in January 2016 with commitments of US$ 15 million, of which, approximately 92% has been drawn down and US$ 11 million has been invested in portfolio companies. During the year, TCHHFLP exited its investment in SLS at a MOIC of 4.31 times.

6.3 Review of Subsidiaries, Associates and Joint Venture

6.3.1 Subsidiaries:

As on March 31, 2019, the Company had the following subsidiaries, brief details of whose performance are given below:

i) Tata Capital Financial Services Limited (“TCFSL”)

TCFSL is a wholly-owned subsidiary of the Company, registered with the RBI as a Systemically Important Non-Deposit Accepting Non-Banking Financial Company (“NBFC-ND-SI”). TCFSL has two main areas of business, viz. Commercial and SME Finance and the Consumer Finance and Advisory Business.

TCFSL’s portfolio increased by ₹ 8,047 crore from ₹ 37,269 crore in FY 2017-18 to ₹ 45,316 crore in FY 2018-19. During FY 2018-19, the Gross Income increased by 29% and stood at ₹ 5,586 crore (FY 2017-18: ₹ 4,348 crore). The Net Interest Margin (“NIM”) increased by 14% and stood at ₹ 1,730 crore (FY 2017-18: ₹ 1,520 crore). PAT on a standalone basis, for FY 2018-19, was ₹ 435 crore as compared to ₹ 404 crore in FY 2017-18, an increase of 8%. The Gross and Net NPAs decreased and stood at 2.5% and 0.4% in FY 2018-19, as compared to 3.3% and 0.4% in FY 2017-18, respectively. The Provision Coverage Ratio decreased from 87.1% in FY 2017-18 as compared to 84.4%, in FY 2018-19. The Cost to Income ratio in FY 2018-19 was 55.0% as compared to 53.6%, in FY 2017-18.

The consolidated PAT, after accounting for share in Profits of Associates for FY 2018-19, increased by 6% to ₹ 429 crore, as compared to ₹ 406 crore in FY 2017-18.

(a) Commercial and SME Finance Division (“CSFD”)

The CSFD specializes in product offerings ranging from Vanilla Term Loans, Working Capital Term Loans, Channel Finance, Bill Discounting, CEQ Finance, Equipment Finance, Leasing Solutions, Lease Rental Discounting, Promoter Finance and Structured Products. This Business serves over 13,308 customers through its business verticals viz. Large Corporate, Mid and Emerging Corporate and Government Business. All the verticals are supported by the respective product teams, which help these verticals in extending the right product mix to the customer. Further, a Syndication and Structured Finance team supports all the business verticals, with special focus on debt syndications, down selling and structured transactions.

For the year under review, CSFD ended with a book of ₹ 26,823 crore as compared to ₹ 20,874 crore at the end of FY 2017-18. Gross Income grew by 30.4% from ₹ 2,014 crore in FY 2017-18 to ₹ 2,627 crore, in FY 2018-19. CSFD disbursed loans of ₹ 80,302 crore during FY 2018-19, through its diverse, customer-centric product offerings.

During FY 2018-19, the Term Loan and Structured Finance Business was the largest contributor of the book in CSFD aggregating

₹ 9,986 crore (FY 2017-18: ₹ 6,808 crore). Another big contributor of the book in CSFD, in FY 2018-19, was Channel Finance aggregating ₹ 9,207 crore (FY 2017-18: ₹ 8,167 crore).

During FY 2018-19, the CEQ Finance Business (including the Rental Division), continued to be amongst the top five players in the industry. During FY 2018-19, this Business ended with a book of ₹ 4,002 crore (FY 2017-18: ₹ 3,188 crore) and disbursed loans of ₹ 2,987 crore (FY 2017-18: ₹ 2,186 crore).

During FY 2018-19, the Leasing Business reported a growth of over 40% with a book at ₹1,613 crore, which included a good quality of portfolio and healthy asset mix of Capital Goods, Information Technology, Office Equipment and Vehicles. Operating leases constituted nearly 60% of the assets provided on lease. During the year, TCFSL entered into strategic alliances to offer competitive asset financing and leasing solutions to its customers through its suite of products.

CSFD is optimistic that GST has opened more gates to grow the leasing business as the complexities of tax structure for leasing business during Value Added Tax regime were now mitigated. CSFD aspires to scale up the business through strategic initiatives with Original Equipment Manufacturers and leveraging the growing foothold in the Equipment Finance business.

CSFD is committed to being a complete financial solutions partner to its customers, through high quality service levels and innovative products, which provides value to its customers.

(b) Consumer Finance and Advisory Business ("CFAB")

CFAB offers a wide range of Consumer Loans, such as Auto Loans (Used Car Loans and Two Wheeler Loans), Business Loans, Loans Against Property, Personal Loans, Consumer Durables Loans and Loans Against Securities. Disbursements in FY 2018-19 aggregated ₹ 13,400 crore as compared to ₹ 10,866 crore in FY 2017-18, representing an increase of about 23%. Gross Income grew by 16% from ₹ 2,221 crore in FY 2017-18 to ₹ 2,573 crore in FY 2018-19. Disbursement of Personal Loans and Business Loans increased from ₹ 3,285 crore in FY 2017-18 to ₹ 5,213 crore in FY 2018-19, representing a growth of 59% over the previous year. Disbursement of Loans Against Securities increased from ₹ 1,638 crore in FY 2017-18 to ₹ 2,681 crore in FY 2018-19, representing a growth of 64% over the previous year. Disbursement of Loans Against Property was at ₹ 2,598 crore in FY 2018-19, constituting 19% of the overall CFAB disbursements whereas disbursement for Auto Loans was at ₹ 2,335 crore in FY 2018-19, constituting 17% of the overall CFAB disbursements for the year. Disbursements of high margin products constituted 30% of overall CFAB disbursements during FY 2018-19.

The overall increase in the interest rates in the Indian economy had an impact on the fixed yield portfolio of CFAB during FY 2018-19, which resulted in a compression of NIM from 7.3% in FY 2017-18 to 6.8% in FY 2018-19. Continued focus on leveraging the Tata ecosystem has resulted in disbursements increasing from ₹ 432 crore in FY 2017-18 to ₹ 1,081 crore in FY 2018-19.

As at March 31, 2019, the Assets Under Management of the Wealth Management business was ₹ 2,109 crore and the business posted a total revenue of ₹ 11.65 crore. Tata Cards, a White Label Credit Card in partnership with State Bank of India Cards and Payments Services Limited, has nearly 2.45 lakh cards in force as at March 31, 2019.

As at March 31, 2019, CFAB's closing book of ₹ 18,430 crore (FY 2017-18: ₹ 15,897 crore) comprised Business Loans and Personal Loans of ₹ 6,440 crore (35%), Loans Against Property of ₹ 6,695 crore (36%), Auto Loans of ₹ 4,498 crore (24%) and other Retail loans of ₹ 795 crore (4%). Business Loans and Personal Loans grew by 44% whereas Loans Against Property grew by 15% in FY 2018-19 as compared to the previous year. These products have attained a strong market position in key high growth markets like Delhi NCR, Mumbai, Bengaluru and Hyderabad. Owing to these changes, the financial contribution of these businesses has shown material improvement.

Going forward, CFAB plans to grow its business through partnership with consumer companies in the Tata Group as well as a continued focus on cross sell to its existing customers of Consumer Durable loans as well as Personal Loans. Additionally, it continues to focus on high NIM products, increase customer acquisition, especially through expanding its Consumer Durables loans business, Two Wheeler loans business, balancing its product mix, ramping up fee based income, optimizing operating costs and improving collection efficiency for further enhancing its profitability.

CFAB also plans to leverage analytics capabilities to explore opportunities in the market and offer unique products and solutions to new as well as existing customers. There are plans to automate several processes to ensure quick turnaround. Cost optimization initiatives have been taken to specifically focus on acquisition costs, manpower cost, process simplification, digitization and infrastructure cost.

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

TCHFL is a wholly-owned subsidiary of the Company and is registered as a Housing Finance Company with the NHB to carry on housing finance activities. TCHFL primarily offers Home Loans and Affordable Housing Finance Loans. TCHFL also provides Loans Against Property and Loans to Developers for constructing Residential and Commercial premises.

During the year under review, TCHFL disbursed Mortgage Loans amounting to ₹ 11,101 crore (FY 2017-18: ₹ 9,377 crore), with an increase of over 18%. This included Housing Loans of ₹ 6,432 crore (FY 2017-18: ₹ 5,660 crore). TCHFL's loan portfolio increased by 27% and stood at ₹ 26,888 crore, as at March 31, 2019 (March 31, 2018: ₹ 21,090 crore). TCHFL recorded a Gross Income of ₹ 2,440 crore and PAT of ₹ 50 crore in FY 2018-19 as compared to Gross Income of ₹ 1,927 crore and PAT of ₹ 88 crore, in FY 2017-18. In FY 2018-19, TCHFL availed refinance of ₹ 2,100 crore from NHB under its various refinance assistance schemes.

TCHFL will continue to maintain a balanced mortgage Loan book between home loan and non-home loan segments with a clear focus on profitable products and programs. TCHFL will keep growing its disbursements significantly across geographies to become one of the major players amongst the Housing Finance Companies in India over the next few years.

iii) Tata Cleantech Capital Limited ("TCCL")

TCCL is registered with the RBI as a NBFC-ND-SI, engaged in the business of providing finance and advisory services for projects in Renewable Energy, Energy Efficiency, Waste Management, Water Management and cash flow based Infrastructure Finance. TCCL is a joint venture between TCL and International Finance Corporation ("IFC"), Washington D.C., USA, with equity holding in the ratio of 80.50:19.50. TCCL has been registered with the RBI as an Infrastructure Finance Company since October 15, 2015.

During FY 2018-19, TCCL has surged ahead and consolidated on the strong foundations laid over the past three years. This is reflected in the accelerated growth of business of TCCL across solar, wind, small-hydro including energy efficiency, water management coupled with other infrastructure sectors such as roads and transmission. TCCL's asset book has grown by over 59% in FY 2018-19 to ₹ 5,040 crore. TCCL's loan portfolio consists of projects in the areas of Wind Energy, Solar Energy, Rooftop Solar and other cleantech sector comprising 84% of the asset book. The balance portfolio consists of projects in the areas of Transmission, Roads and Other Infrastructure sector. Of the total loan portfolio, 83% of the asset book comprises operational projects whereas the balance portfolio comprises under-construction/partially commissioned projects.

At the end of FY 2018-19, TCCL had an aggregate exposure of ₹ 5,040 crore, of which, lending assets were ₹ 4,910 crore (FY 2017-18: ₹ 3,089 crore) and the Off-Balance Sheet exposure was ₹ 130 crore. TCCL's Gross Income for financial year ended March 31, 2019 was ₹ 433 crore (FY 2017-18: ₹ 272 crore) and its PAT was ₹ 102 crore (FY 2017-18: ₹ 77 crore).

iv) Tata Securities Limited ("Tata Securities")

Tata Securities is a wholly-owned subsidiary of the Company, currently engaged in the business of distribution of Mutual Fund units. Tata Securities also holds licenses for carrying on activities as a stock broker from the National Stock Exchange of India Limited ("NSE") and BSE Limited. Tata Securities is also a Depository Participant of the National Securities Depository Limited and the Central Depository Services (India) Limited and holds a license for Merchant Banking and Research Analyst issued by SEBI. During FY 2018-19, Tata Securities revived the Futures and Options and Currency Derivatives licenses of NSE.

During the year under review, Tata Securities reported a Gross Income of ₹ 6.20 crore (FY 2017-18: ₹ 17.89 crore) and PAT of ₹ 8.08 crore (FY 2017-18: ₹ 5.92 crore). The PAT being higher than Gross Income is attributable to Finance Cost of ₹ (6.16 crore). The Finance Cost is negative in FY 2018-19 on account of dividend on Compulsorily Convertible Cumulative Preference Shares aggregating ₹ 6.16 crore, not being payable due to negative reserves in Tata Securities.

During the year, the Institutional Distribution segment continued to service corporate entities investing in mutual fund units and also continued to maintain an elevated profit margin for the segment.

v) Tata Capital Pte. Ltd., ("TCPL"), Singapore and its subsidiaries, viz. Tata Capital Advisors Pte. Ltd. ("TCAPL"), Singapore, Tata Capital Markets Pte. Ltd. ("TCMPL"), Singapore and Tata Capital Plc. ("TCPLC"), UK

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

TCAPL, a wholly-owned subsidiary of TCPL, holds a Capital Markets Services ("CMS") licence under the Securities and Futures Act of Singapore, issued by the Monetary Authority of Singapore ("MAS") for conducting regulated fund management activities. TCAPL acts as an Investment Manager to the offshore Private Equity Funds set up by TCPL. The aggregated commitments from investors in the offshore Private Equity Funds managed by TCAPL stands at US$ 790.2 million, as at March 31, 2019.

TCMPL, a wholly-owned subsidiary of TCPL, was holding a CMS licence from the MAS for conducting regulated activities (excluding IPOs) such as corporate finance and dealings in securities. During the year, TCMPL has ceased operations and surrendered the licence to the MAS.

TCPLC, a wholly-owned subsidiary of TCPL, incorporated in the U.K., is authorised by the Financial Conduct Authority to provide regulated services, with a focus on cross border mergers and acquisitions. TCPLC also acts as an intermediary providing fund marketing services to TCAPL. During the year, TCPLC has ceased operations in the area of cross border mergers and acquisitions.

During the year under review, TCPL recorded a consolidated Gross Income of US$ 29 million i.e. ₹ 201 crore (FY 2017-18: US$ 12 million i.e. ₹ 83 crore). The increase in revenue is primarily on account of accrual of carry income on sale of investments by TCGF I. The carry income for the year amounted to US$ 15 million i.e ₹ 103 crore. As at March 31, 2019, Profit Before Tax was at US$ 12 million i.e. ₹ 80 crore (FY 2017-18: US$ 1 million i.e. ₹ 13 crore) and PAT was at US$ 11 million i.e. ₹ 74 crore (FY 2017-18: US$ 0.7 million i.e. ₹ 11 crore) [US$ amount translated at ₹ 68.6478, the annual average exchange rate for FY 2018-19].

vi) Other Subsidiaries

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

i. Tata Capital General Partners Limited Liability Partnership, a partnership formed in Singapore to act as a General Partner and manage the Tata Capital Growth Fund Limited Partnership.

ii. Tata Capital Healthcare General Partners Limited Liability Partnership, a partnership formed in Singapore to act as a General Partner and manage the Tata Capital HBM Healthcare Fund I Limited Partnership.

iii. Tata Opportunities General Partners Limited Liability Partnership, a partnership formed in Singapore to act as a General Partner and manage the Tata Opportunities Fund Limited Partnership.

iv. Tata Capital Growth II General Partners Limited Liability Partnership, a partnership formed in Singapore to act as a General Partner and manage the Tata Capital Growth Fund II Limited Partnership.

v. Tata Opportunities II General Partners Limited Liability Partnership, a partnership formed in Singapore to act as a General Partner and manage the Tata Opportunities Fund II (Feeder) LP.

vi. Tata Capital Healthcare II General Partners Limited Liability Partnership, a partnership formed in Singapore to act as a General Partner and manage the proposed Singapore pooling feeder vehicle of TCHF II.

6.3.2 Associates/Joint Venture:

A separate statement, containing the salient features of the Financial Statements of the associates and joint ventures of the Company, in accordance with the provisions of the Companies Act, 2013 (“the Act”) and the applicable Accounting Standards, in the prescribed Form No. AOC-1, is included in the Annual Report at Page No. 241.

6.3.3 Other Investments:

As at March 31, 2019, the Company had, as per its Consolidated Financial Statements, total investments of ₹ 1,786 crore (FY 2017-18: ₹ 1,596 crore). Out of these, ₹ 891 crore (FY 2017-18: ₹ 1,120 crore) were investments in associate companies and the balance ₹ 895 crore (FY 2017-18: ₹ 476 crore) were in shares of other companies and in debt instruments such as Debentures, Pass Through Certificates, Commercial Paper, Government Securities, etc. The Company’s investment in its subsidiaries (net of provisions, if any) stood at ₹ 7,826 crore, as at March 31, 2019 (FY 2017-18: ₹ 6,166 crore), representing 81.75% of its total Assets (FY 2017-18: 84.71%), which amount is eliminated in the Consolidated Financial Statements, in accordance with the applicable Accounting Standards.

7. ALLIANCES

Tata Capital's alliances and partnerships are based on and are an extension of its core objects and values. Tata Capital continues to evaluate opportunities to create alliances and partnerships in the areas of Digital and Technology, Wealth Management, Private Equity, Structured Finance and Securities businesses. These alliances and partnerships are for mutual benefit and are generally of a non-exclusive in nature. Tata Capital, historically has strong relationships with Japanese corporates like Mizuho Securities Company Limited, Mizuho Bank Limited and Mitsubishi UFJ Securities Company Limited, amongst others. Tata Capital has also been able to forge strong working partnerships with multilaterals like International Finance Corporation, Washington D.C., USA (a member of the World Bank Group) to foray into the area of climate change with the formation of TCCL. Tata Capital will actively look to create more mutually beneficial multilateral partnerships in the area of clean technology.

8. CONSOLIDATED FINANCIAL STATEMENTS

Pursuant to the provisions of Section 129(3) of the Act, the Consolidated Financial Statements of the Company are included in the Annual Report. A separate statement, containing the salient features of the Financial Statements of its subsidiaries, associates and joint venture, in the prescribed Form No. AOC-1, is also included in the Annual Report at Page Nos. 240 & 241. The Financial Statements of the subsidiary companies are kept open for inspection by the Members at the Registered Office of the Company. The Company shall provide free of cost, a copy of the Financial Statements of the subsidiary companies to the Members upon their request. The said Financial Statements are also available on the website of the Company, www.tatacapital.com.

9. FINANCE

During FY 2018-19, the Company met its funding requirements through Equity Shares, CRPS, Commercial Papers and Unsecured Unlisted Non-Convertible Debentures ("NCD"). During the year, the Company allotted Equity Shares aggregating ₹ 2,500 crore to Tata Sons Private Limited, on a preferential/private placement basis. The Company also allotted CRPS aggregating ₹ 153.45 crore, with a tenor of seven years and with Put and Call Options at the end of four years and issued Unsecured Unlisted NCDs of ₹ 450 crore (Face Value). The aggregate debt of the Company outstanding as at March 31, 2019 was ₹ 3,458 crore, including CRPS at amortised cost of ₹ 1,905 crore which has been classified as borrowings as per IND AS. Out of total borrowings, ₹ 2,386 crore is payable within one year. The Debt Equity ratio of the Company as at March 31, 2019 was 0.74 times.

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

On a consolidated basis, the Company had borrowings aggregating ₹ 69,267 crore as at March 31, 2019 (FY 2017-18: ₹ 55,241 crore), which includes CRPS at amortised cost of ₹ 1,905 crore (FY 2017-18: ₹ 1,952 crore).

10. CREDIT RATING

During the year under review, rating agencies upgraded the ratings and reaffirmed/issued ratings to the Company, as under:

NATURE OF SECURITIES	RATING AGENCY	RATING
Commercial Paper	CRISIL and ICRA	CRISIL A1+ and ICRA A1+
Unsecured NCDs and Bank facilities	CRISIL	CRISIL AAA/Stable
Unsecured NCDs	INDIA RATINGS	IND AAA/Outlook Stable
CRPS	CRISIL	CRISIL AAA/Stable

11. RISK MANAGEMENT

A Risk Management Policy for the Company has been adopted by the Board of Directors. The Board sets, approves the charter and objectives for Risk Management and Risk Philosophy.

The Risk Management Committee of the Board is set up to assist the Board in its oversight of various risks, review and analyse the risk exposure related to specific issues, provide oversight of risk across the organisation and review the risk profile of subsidiaries.

A comprehensive Enterprise Risk Management Framework has been adopted across Tata Capital which lays down the guidelines for risk identification, assessment and monitoring in line with the strategies business operations of entities in the group.

The Risk Management Practices of the Company and its subsidiaries are compliant with ISO 31000:2009, which is the International Standard for Risk Management that lays down Principles, Guidelines and Framework for Risk Management in an organisation.

12. INTERNAL CONTROL SYSTEMS

TCL's internal control system is designed to ensure operational efficiency, protection and conservation of resources, accuracy and promptness in financial reporting and compliance with laws and regulations. The internal control system is supported by an internal audit process for reviewing the design, 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. TCL's internal control system is commensurate with its size and the nature of its operations.

13. INTERNAL FINANCIAL CONTROLS

The Management had reviewed the design, adequacy and operating effectiveness of the Internal Financial Controls of the Company, broadly in accordance with the criteria established under the Internal Control - Integrated Framework (2013) issued by the Committee of Sponsoring Organisations of the Treadway Commission ("COSO"). Entity Level Control framework document based on COSO 2013 framework has been documented. The documentation of process maps, key controls, standard operating procedures and risk registers has been completed for all businesses and functions. Further, during FY 2018-19, Management testing has been conducted on a sample basis for all key processes. The Internal Audit team has also conducted a review of the Internal Financial Controls. Remedial action has been taken or agreed upon with a finite closure date for controls where weaknesses were identified. There are no material unaddressed Internal Financial Controls related observations outstanding as at March 31, 2019. Based on the above, the Board believes that adequate Internal Financial Controls exist and are effective.

14. INFORMATION TECHNOLOGY SUPPORT

Information Technology ("IT"), after having achieved stability in the core systems and close to total automation of all the business processes, is now moving to a Transformation and Leadership phase.

The focus will be on the use of data analytics and digitalization as strategic levers for achieving business objectives and improving employee productivity.

Some key projects that had been initiated would be completed in the next financial year and would transform the IT landscape. Tata Capital has moved its data centre and key software assets to the cloud to achieve scalability and elasticity to support its business growth at optimum costs. Tata Capital will also enhance its Digital platform for both the Retail and the Corporate businesses, covering all aspects of Social, Mobility, Analytics and Cloud. Use of Robotic Process Automation, Artificial Intelligence and Machine Learning will also be a key focus area to drive business growth, automate processes, improve productivity and enhance customer experience. Tata Capital has invested in the Data Lake project to support a data driven culture. The IT Team has also taken the ownership of driving Business Continuity Plan strategy for the Company, as required by the RBI.

During FY 2017-18, RBI had issued the 'Master Direction – Information Technology Framework for the NBFC Sector' ("IT Master Directions") on June 8, 2017 and all NBFCs were required to comply with these IT Master Directions, by June 30, 2018. Accordingly, for adequate IT Governance, Tata Capital, *inter alia,* adopted an Information Technology Policy, Information Security Policy and Cyber Security Policy and has also constituted an Information Technology Strategy Committee. During FY 2018-19, the Company has fully complied with all the requirements of the IT Master Directions and the same has been validated by Deloitte Touche Tohmatsu India LLP.

15. DIGITAL PLATFORM

During FY 2018-19, a comprehensive Digital strategy was laid out to bring about transformation using technology across all aspects of the customer value chain. The objectives included transforming customer channels and experiences, re-imagining distributor journeys and providing seamless experiences using partnerships. With these objectives, new platforms and solutions were created across all customer segments at Tata Capital.

During the year, customer facing digital platforms, including the Tata Capital portal and the Tata Capital mobile application were refreshed and relaunched with improved user experience, content and conversational interfaces. New customer journeys were created for Personal and Home Loans to provide a frictionless customer experience. Other new platforms that were launched included a revamped Wealth Management platform for customers, new products on the Digital platform for Small and Medium Enterprise customers and pre-approved personal loans for employees. With the objective of enhancing productivity and optimising cost, the sanction process for distributors was also reviewed and a new digitally enabled sanction process was launched for home, personal and vehicle loans.

Tata Capital has also worked on enhancing synergy with the Tata Group ecosystem as part of the One Tata - One Tata Capital strategy. Alliances with Tata Asset Management Company Limited, Tata AIA Life Insurance Company Limited, Tata Motors Limited and Croma have made substantial progress. Tata Capital also partnered with the Fintech ecosystem to enhance processes and co-create products.

Further, Data and Analytics continue to play a pivotal role at Tata Capital which were used across the lending process, including for creation of pre-approved offers and propensity models, marketing decisions, underwriting decisions and to enhance collection efficiencies.

Going forward, in FY 2019-20, Tata Capital will continue to work towards offering seamless products to customers using digital capabilities, strengthen customer delivery systems and further simplify business processes to meet the evolving needs of Indian customers.

16. HUMAN RESOURCES

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

Tata Capital had 4,486 permanent employees as at March 31, 2019.

Creating a Culture of Happiness has been one of the key strategic objectives and with this objective in mind, Tata Capital launched the '**Happiness^{+}**' initiative from FY 2018-19 onwards. Tata Capital believes that building an atmosphere of openness and transparency, continuous learning and living Tata Capital's values are integral steps in this direction. Some of the other essential elements include deploying various employee wellness and engagement initiatives, promoting Connectedness at Work and having a strong Stakeholder and Customer Focus in all that Tata Capital does. In Tata Capital's journey of creating a happy environment, a mechanism to measure the happiness levels amongst employees was essential. The first **Tata Capital Happiness at Work Survey 2018** was conducted in October 2018, in partnership with Delivering Happiness. The response rate for the survey was an overwhelming 85%. Tata Capital's Happiness Index is 6.2, which is in the top 30% of the scores. This survey is an important step in Tata Capital's journey to create a more positive and happy work environment. Tata Capital received the **Best Employee Engagement in Non-Banking Sector Award** at the Employee Engagement Leadership Awards 2018 organized by Kamikaze.

Tata Capital's mission on creating a high performance culture has been further strengthened through areas like building a capability model (identification of critical competencies), nurturing talent through interventions such as mentoring, competency based training programs and cross functional projects.

The Learning & Development ("L&D") initiatives are focused on enhancing the functional and behavioural competencies of its employees through interventions, such as Executive Development Programs, e-learning and various classroom based training programs. Tata Capital was awarded the 2nd Runner up for Leading Practices in L&D – People First HR Excellence Awards 2018 and the Best Virtual Learning Program by TISS – Leapvault 2018.

17. TATA BUSINESS EXCELLENCE MODEL

Tata Capital continues to enhance its capabilities and processes in keeping with market and regulatory changes, using the framework of the Tata Business Excellence Model ("TBEM") (based on Baldridge Criteria, USA), which covers aspects of Leadership and Governance, Strategic Planning, Customer Focus, Measurement, Analysis and Knowledge Management, Workforce Focus and Operations Focus. Tata Capital participated in its sixth TBEM external assessment conducted by the Tata Business Excellence Group ("TBExG"), a division of Tata Sons Private Limited, in September 2018 and was placed in the 550-600 score band, which indicates the level of "Emerging Industry Leader" with an absolute score of 582.

The assessment provided Tata Capital with important feedback in terms of its current strengths and opportunities for improvements to work towards the coming year. Key strengths indicated in this report were the organisation's alignment with its Vision and the building of a capability and structure for achieving the Vision, focus on building a quality book, Risk Management, Internal Audit mechanism and Governance mechanisms.

TCFSL successfully underwent ISO 9001:2015 surveillance audit for the operations of its assets businesses without any major non-conformity. Tata Capital is also beginning to implement Lean Six Sigma as a tool for improving its operational focus in order to enhance customer satisfaction and improve internal efficiencies. Many practices of Tata Capital have been recognized as Group wide Best Practices consistently since January 2017.

18. THE TATA CAPITAL BRAND

The Tata Capital brand is built around its brand promise "We only do what's right for you". The brand stands by this promise and aims to deliver solutions that are 'right' for our customers, stakeholders and society at large by combining genuine care and financial expertise.

Since its launch in 2008, the brand has grown from strength to strength and now enjoys worthy level of awareness and consideration in the financial services sector, especially in the Non-Banking Financial Companies segment. This has been due to effective brand building initiatives with a combination of judicious use of media and customer-centric products to back up marketing efforts.

This year's brand campaign saw the launch of '*Taal-matol ko choddo, Tata Capital se rishta jodo*'**.** The campaign primarily consisted of 3 television commercials that focused on Tata Capital's key retail loan offerings – personal, home and business loans. The message of the campaign was derived from the insight that procrastination is a typical human behaviour until a trigger point is encountered. At that trigger, the aim is to build an association with Tata Capital as the solution provider.

The year also saw 2 other successful Social Media campaigns, '*WedEqual*' for Wedding Loans and *'#Breakstereotypes'* for Home Loans. The *#WedEqual* campaign aimed to spread the message of equality in the share of expenses at Indian weddings, which are typically skewed to one side. In keeping with the progressive nature of the brand, Tata Capital aims to inculcate a sense of equality and question the status quo.

The brand will continue to focus on social media and digital media campaigns at regular intervals.

19. BUSINESS DEVELOPMENT

During the year, the Business Development Group ("BDG") enabled opportunities and relationships, utilizing its network within and outside the Tata Group for various businesses of Tata Capital. The BDG also enhanced its interactions with domestic trade bodies and with other entities, with a view to promoting the Tata Capital brand and laying the groundwork for future business. Further, the BDG continued its regular interactions and deepened relationships with trade/economic bodies of Canada, the USA, the UK, Singapore and Australia, amongst others.

20. CORPORATE SUSTAINABILITY AND CORPORATE SOCIAL RESPONSIBILITY

Corporate Social Responsibility ("CSR") is deeply rooted in the Tata Group's business philosophy. The Group companies have a sense of responsibility towards making use of their existing resources and knowledge to not only make profits, but, also solve social and environmental issues.

The Company shares the Group's belief that our society can truly progress if every individual is included and empowered in the story of development. To guide us in this journey, the Company has defined a CSR policy which outlines the thrust areas of development viz. Livelihood and Employability, Health, Education and Environment, as adopted by the CSR Committee and the Board of Directors of the Company and which is available on the Company's website, www.tatacapital.com. As per the provisions of Section 135 of the Act, the Company has constituted a CSR Committee.

In FY 2018-19, the Company's subsidiaries, viz. TCFSL, TCHFL and TCCL, have spent an aggregate amount of ₹ 18.08 crore on CSR activities, in projects and programs covered under Schedule VII of the Act.

Since the average net profit of the Company in the three immediately preceding financial years, calculated as per Section 198 of the Act, read with the Companies (Corporate Social Responsibility Policy) Rules, 2014, was negative, the Company was not required to spend any amount on CSR activities for FY 2018-19. Accordingly, the Company has not spent any amount on CSR. The Annual Report on CSR activities is annexed herewith as Annexure 'A'.

The budget of the subsidiaries was spent towards projects and programs covered under Schedule VII to the Act, as approved by the CSR Committees of the Board of its subsidiaries. To conceptualize and implement the projects, Tata Capital follows a robust process, including appraising and selecting technically sound NGOs, planning the project based on baseline assessment, creating a project plan for implementation and monitoring and evaluation mechanisms. This helps to bring the desired positive and measurable results for the target beneficiaries.

Additionally, the Company adheres to the Tata Group's Tata Affirmative Action Programs based on the framework defined by Confederation of Indian Industries. The framework focusses on upliftment of Scheduled Castes and Scheduled Tribes and identifies 4Es as key areas of development i.e. Education, Employability, Employment and Entrepreneurship. In addition to the 4Es, Tata Capital also adheres to 'Essentials' as another category, to provide for basic services like shelter, water and electricity.

21. COMPLIANCE

The Company is registered with the Reserve Bank of India as a Core Investment Company. The Company has complied with and continues to comply with all applicable laws, rules, circulars and regulations, including the Master Direction – Core Investment Companies (Reserve Bank) Directions, 2016 ("Directions"), as amended from time to time, and it does not carry on any activities other than those specifically permitted by the RBI for CICs.

22. DEPOSITS

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

23. PARTICULARS OF LOANS, GUARANTEES AND INVESTMENTS

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

Details of guarantees and/or security in connection with loans to other bodies corporate or persons as covered under the provisions of Section 186 of the Act, are given in Note No. 22 to the Standalone Financial Statements.

24. DIRECTORS

Mr. Rajiv Sabharwal (DIN: 00057333) was appointed as the Managing Director & CEO and Key Managerial Personnel ("KMP") of the Company, with effect from April 1, 2018, for a period of five years.

Mr. Nalin M. Shah (00882723) was re-appointed as an Independent Director of the Company, for a second term of three years commencing from April 1, 2018 to March 31, 2021.

Based on the recommendation of the Nomination and Remuneration Committee ("NRC") of the Company, the Board of Directors, during FY 2018-19, approved the appointment of Ms. Varsha Purandare (DIN: 05288076) as an Additional Director, with effect from April 1, 2019 up to the ensuing Annual General Meeting ("AGM") and as an Independent Director of the Company for an initial term of three years commencing from April 1, 2019 upto March 31, 2022, subject to the approval of the Members of the Company. Ms. Purandare holds office upto the ensuing AGM and is eligible for appointment as a Director. The Company has received a Notice as per the provisions of Section 160 of the Act, from a Member proposing the appointment of Ms. Purandare as a Director of the Company.

In accordance with the provisions of the Act and the Articles of Association of the Company, Mr. Saurabh Agrawal (DIN: 02144558), Non-Executive Director, is liable to retire by rotation at the ensuing AGM and is eligible for re-appointment.

The Members of the Company may refer to the accompanying Notice of the AGM for the brief Resumes of Ms. Purandare and Mr. Agrawal.

The Company has received declarations from the Independent Directors, viz. Mr. Mehernosh B. Kapadia (DIN: 00046612), Mr. Nalin M. Shah (DIN: 00882723) and Ms. Varsha Purandare (DIN: 05288076) stating that they meet the criteria of independence as provided in Section 149(6) of the Act.

25. EVALUATION OF THE BOARD, ITS COMMITTEES AND INDIVIDUAL DIRECTORS

Pursuant to the provisions of the Act, the Board has carried out an annual evaluation of its own performance and of the individual Directors (including the Chairman) as well as an evaluation of the working of all the Committees of the Board. The Board of Directors was assisted by the NRC. The performance evaluation was carried out by seeking inputs from all the Directors/Members of the Committees, as the case may be.

The Guidance Note on Board Evaluation ("Guidance Note") issued by SEBI, had encouraged companies which were not covered under Chapter IV of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("LODR Regulations") to follow the criteria mentioned in the Guidance Note. The Board of the Company followed the said criteria recommended under the Guidance Note for evaluating the performance of the Board as a whole, Committees of the Board, Individual Directors and the Chairman. The criteria for evaluation of the Board as a whole, *inter alia,* covered parameters such as Structure of the Board, Meetings of the Board and Functions of the Board. The criteria for evaluation of Individual Directors covered parameters such as details of professional qualifications and prior experience relevant to the Company, knowledge and competency, fulfillment of functions, ability to function as a team, etc. The criteria for evaluation of the Board Committees covered areas related to mandate and composition, effectiveness of the Committee, structure of the Committee and meetings, etc.

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

26. POLICY ON APPOINTMENT OF DIRECTORS AND REMUNERATION POLICY OF THE COMPANY

The NRC develops the competency requirements of the Board based on the industry and the strategy of the Company, conducts a gap analysis and recommends the reconstitution of the Board, as and when required. It also recommends to the Board, the appointment of Directors having good personal and professional reputation and conducts reference checks and due diligence of all Directors before recommending them to the Board. Besides the above, the NRC ensures that the new Directors are familiarized with the operations of the Company and endeavours to provide relevant training to the Directors.

In accordance with the provisions of Section 178 of the Act, the Board of Directors have adopted a Policy on Board Diversity and Director Attributes and a Remuneration Policy.

The Policy on Board Diversity and Director Attributes, has been framed to encourage diversity of thought, experience, knowledge, perspective, age and gender in the Board and to have in place, a transparent Board nomination process.

Further, the Policy on Board Diversity and Director Attributes had been amended to change the name of 'Tata Sons Limited' to 'Tata Sons Private Limited', wherever it appears in the said Policy.

The Remuneration Policy for Directors, KMPs and all other employees is aligned to the philosophy on the commitment of fostering a culture of leadership with trust.

The Remuneration Policy aims to ensure that the level and composition of the remuneration of the Directors, Key Managerial Personnel and all other employees is reasonable and sufficient to attract, retain and motivate them to successfully run the Company.

Salient features of the Remuneration Policy, *inter alia,* includes:

- Remuneration in the form of Sitting Fees and Commission to be paid to Independent Directors and Non-Independent Non-Executive Directors, in accordance with the provisions of the Act and as recommended by the NRC;
- Remuneration to Managing Director/Executive Directors/Key Managerial Personnel and all other employees is reasonable and sufficient to attract, retain and motivate them to run the Company successfully and retain talented and qualified individuals suitable for their roles, in accordance with the defined terms of remuneration mix or composition; and
- No remuneration would be payable to Directors for services rendered in any other capacity unless the services are of a professional nature and the NRC is of the opinion that the Director possesses requisite qualification for the practice of the profession and approval of the Central Government has been received, if required, for paying the same.

During FY 2018-19, the Remuneration Policy was amended to, *inter alia,* include a change in the Compensation Philosophy and also include an additional component of compensation for individuals in key roles that have a significant impact on the growth and sustainability of the Company, i.e. Long Term Incentive Plan, in the form of Employee Stock Options or any other equivalent instrument, in the terms of remuneration mix or composition of the Managing Director/Executive Directors/Key Managerial Personnel/all other employees.

The Policy on Board Diversity and Director Attributes as also the Remuneration Policy of the Company are made available on the Company's website, www.tatacapital.com.

27. KEY MANAGERIAL PERSONNEL

Mr. Rajiv Sabharwal, Managing Director & CEO, Mr. Puneet Sharma, Chief Financial Officer and Ms. Avan Doomasia, Company Secretary, are the KMPs of the Company, of which, Mr. Sharma and Ms. Doomasia are also the KMPs of TCFSL, a wholly-owned subsidiary of the Company.

28. DIRECTORS' RESPONSIBILITY STATEMENT

Based on the framework of internal financial controls and compliance systems established and maintained by the Company, work performed by the Internal, Statutory and Secretarial Auditors, including audit of internal financial controls over financial reporting by the Statutory Auditors and the reviews performed by the Management and the relevant Board Committees, including the Audit Committee, the Board is of the opinion that the Company's internal financial controls were adequate and effective during FY 2018-19.

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

a) in the preparation of the annual accounts, the applicable accounting standards and guidance provided by The Institute of Chartered Accountants of India have been followed and that there are no material departures thereof;

b) they had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit and cash flows of the Company for the year;

c) they had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;

d) they had prepared the annual accounts on a going concern basis;

e) they had laid down internal financial controls to be followed by the Company and that such internal financial controls were adequate and operating effectively; and

f) they had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

In accordance with the notification issued by the Ministry of Corporate Affairs, the Company has adopted Ind AS notified under the Companies (Indian Accounting Standards) Rules, 2015. The Company has adopted Ind AS from April 1, 2018, with effective transition date as April 1, 2017. These Financial Statements have been prepared in accordance with Ind AS as notified under the Companies (Indian Accounting Standards) Rules, 2015 read with Section 133 of the Act. The transition was carried out from Accounting Principles generally accepted in India i.e. Indian Generally Accepted Accounting Principles ("IGAAP") as prescribed under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014, to Ind AS. An explanation of how the transition to Ind AS has affected the previously reported financial position, financial performance and cash flows of the Company is provided in the Notes to accounts.

29. CORPORATE GOVERNANCE

Company's Philosophy on Corporate Governance

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

The Company believes that 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 maximising value for all its stakeholders. The Company will continue to focus its resources, strengths and strategies to achieve its vision of becoming a leading financial services company in India with a global footprint, while upholding the core values of transparency, integrity, honesty and accountability, which are fundamental to Tata companies.

As a part of the Tata Group, Tata Capital has a strong legacy of fair, transparent and ethical governance practices. The Corporate Governance philosophy is further strengthened with the adherence to the TBEM as a means to drive excellence, the Key Performance Metrics for tracking progress on long-term strategic objectives and the Tata Code of Conduct ("TCOC"), which articulates the values, ethics and business principles and serves as a guide to the Company, its Directors and employees, supplemented with an appropriate mechanism to report any concern pertaining to non-adherence to the TCOC. In addition, the Company has adopted a Vigil Mechanism, a Fair Practices Code, an Affirmative Action Policy, a Policy against Sexual Harassment in the Workplace, a Policy on Board Diversity and Director Attributes, a Code of Conduct for Non-Executive Directors, an

Occupational Health and Safety Management System and Anti-Bribery and Anti-Corruption ("ABAC") Policy.

During FY 2018-19, the Company has revised the Code of Conduct for Prevention of Insider Trading, to align it with the amendments made in the SEBI (Prohibition of Insider Trading) Regulations, 2015.

The Company has signed the Tata Brand Equity and Business Promotion ("BEBP") Agreement with Tata Sons Private Limited for subscribing to the TATA BEBP Scheme. The Company abides by the TCOC and the norms for using the Tata Brand identity.

a. Board of Directors

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

The size of the Board is commensurate with the size and business of the Company. As on March 31, 2019, the Board comprised six Directors, viz. Mr. Saurabh Agrawal, Chairman of the Board of Directors, Mr. Mehernosh B. Kapadia, Mr. Nalin M. Shah, Mr. Farokh N. Subedar, Ms. Aarthi Subramanian and Mr. Rajiv Sabharwal as the Managing Director & CEO of the Company. Mr. Kapadia, Mr. Shah and Ms. Varsha Purandare (appointed with effect from April 1, 2019) are the Independent Directors ("ID") of the Company and Mr. Agrawal, Mr. Subedar and Ms. Subramanian are the Non-Executive Directors ("NED") of the Company.

During FY 2018-19, eleven Meetings of the Board of Directors were held on the following dates: April 4, 2018, May 7, 2018, June 20, 2018, July 30, 2018, September 28, 2018, November 21, 2018, November 30, 2018, December 27, 2018, January 28, 2019, March 1, 2019 and March 27, 2019.

The details of attendance at Board Meetings held during FY 2018-19 and at the previous AGM of the Company are, given below:

Name of Director(s)	Director Identification Number	Category	Board Meetings		Whether present at previous AGM held on June 29, 2018
			Held	Attended	
Mr. Saurabh Agrawal	02144558	Non-Executive Director	11	8	No
Mr. Farokh N. Subedar	00028428	Non-Executive Director	11	7	No
Mr. Nalin M. Shah	00882723	Independent Director	11	11	Yes
Mr. Mehernosh B. Kapadia	00046612	Independent Director	11	11	Yes
Ms. Aarthi Subramanian	07121802	Non-Executive Director	11	10	No
Mr. Rajiv Sabharwal	00057333	Managing Director & CEO	11	11	Yes

Mr. Nalin M. Shah, Chairman of the Audit Committee and the Nomination and Remuneration Committee, attended the last AGM of the Company. Ms. Aarthi Subramanian, Chairperson of the Stakeholders Relationship Committee had authorised Mr. Mehernosh B. Kapadia, a Member of the Stakeholders Relationship Committee to attend the last AGM on her behalf.

b. Remuneration to the Directors

The Company paid Sitting fees to the NEDs and IDs for attending meetings of the Board and the Committees of the Board and will pay Commission for FY 2018-19, within the maximum prescribed limits to the NEDs and IDs who were Directors of the Company during FY 2018-19, as recommended by the NRC and approved by the Board at their respective Meetings held on May 6, 2019. The details of the same are, as under:

(₹ in lakh)

Name of Director(s)	Sitting Fees paid for attending Board and Committee Meetings during FY 2018-19	Commission to be paid for FY 2018-19
Mr. Saurabh Agrawal, Non-Executive Director	2.80	–
Mr. Farokh N. Subedar, Non-Executive Director	2.60	25
Mr. Nalin M. Shah, Independent Director	12.80	25
Mr. Mehernosh B. Kapadia, Independent Director	12.50	25
Ms. Aarthi Subramanian, Non-Executive Director	6.50	–

At the Meetings of the NRC and the Board of Directors, both held on May 6, 2019, a Commission of ₹ 2.75 crore was approved as payable to Mr. Sabharwal for FY 2018-19. With this, the total remuneration of Mr. Sabharwal for FY 2018-19, was ₹ 9.34 crore.

None of the NEDs and IDs had any pecuniary relationships or transactions with the Company during the year under review.

c. Committees of the Board

The Board has constituted Committees with specific terms of reference to focus on specific issues and ensure expedient resolution of diverse matters. These include the Audit Committee, the Nomination and Remuneration Committee, the Finance and Asset Liability Supervisory Committee, the Risk Management Committee, the Stakeholders Relationship Committee, the Corporate Social Responsibility Committee and the Information Technology Strategy Committee.

The Company Secretary is the Secretary of all the aforementioned Committees. The Board of Directors and the Committees also take decisions by circular resolutions which are noted by the Board/respective Committees of the Board at their next meetings. The Minutes of meetings of all Committees of the Board are circulated to the Board of Directors for noting.

i. Audit Committee

Composition, Meetings and Attendance

During FY 2018-19, six Meetings of the Audit Committee were held on the following dates: May 7, 2018, July 30, 2018, November 21, 2018, November 30, 2018, January 28, 2019 and March 27, 2019. The composition of the Audit Committee and the attendance of its Members at its Meetings held during FY 2018-19 are, given below:

Name of the Member(s)	Category	No. of Meetings	
		Held	Attended
Mr. Nalin M. Shah, Chairman	Independent Director	6	6
Mr. Farokh N. Subedar	Non-Executive Director	6	3
Mr. Mehernosh B. Kapadia	Independent Director	6	6

The composition of the Audit Committee is in line with the provisions of Section 177 of the Act. All the Members have the ability to read and understand financial statements and have relevant finance and/or audit experience.

Terms of reference

The Board has adopted an 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. The Charter is reviewed from time to time and is available on the website of the Company, www.tatacapital.com.

Given below, *inter alia,* is a gist of the responsibilities of the Audit Committee:

- To recommend the appointment and removal of the Auditors and their remuneration, nature and scope of audit;
- To ensure adequacy of internal controls and compliances and recommend remedial measures;
- To review adequacy of the Internal Audit function;
- To review and monitor the Auditors' independence and performance and effectiveness of the audit process;
- To oversee financial reporting process and disclosure of financial information;
- To examine the financial statements and the Auditors' Report thereon;
- To evaluate internal financial controls and the risk management systems;
- To act as a link between the Statutory Auditors, the Internal Auditors and the Board of Directors;
- To review accounting policies;
- To monitor compliance with the TCOC;
- To approve any transactions of the Company with related parties or any subsequent modifications thereof;
- To scrutinise inter-corporate loans and investments;
- To evaluate the valuation of undertakings or assets of the Company, if necessary;
- To monitor the end use of funds raised through public offers and related matters;
- To review findings of internal investigations, frauds, irregularities, etc.;
- To carry out additional functions as per the regulatory requirements applicable to the Company or in the terms of reference of the Audit Committee;
- To carry out the responsibilities under the Code of Conduct for Prevention of Insider Trading;
- To conduct Information Systems Audit of the internal systems and processes at least once in two years to assess operational risks;
- To appoint Auditors to undertake such audits as may be directed by law/the Audit Committee/Board, from time to time;
- To review the functioning of and compliance with the Company's Whistle Blower Policy;
- To consider and adopt the policies, procedures and processes laid down by the Audit Committee of the Holding Company; and
- To monitor the effectiveness and reviewing the implementation of the ABAC Policy, considering its suitability, adequacy and effectiveness.

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

Besides the Members of the Committee, meetings of the Audit Committee are attended by the Managing Director & CEO, the Chief Financial Officer, the Company Secretary, the Statutory Auditors and the Chief Internal Auditor. Further, Meetings of the Audit Committee for considering Financials are also attended by the other Directors of the Board as Invitees. 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.

ii. Nomination and Remuneration Committee ("NRC")

Composition

The composition of the NRC during FY 2018-19 is, given below:

Name of the Member(s)	Category
Mr. Nalin M. Shah, Chairman	Independent Director
Mr. Mehernosh B. Kapadia	Independent Director
Mr. Saurabh Agrawal	Non-Executive Director

Terms of reference

Given below, *inter alia,* is a gist of the responsibilities of the NRC:

- To formulate the criteria for determining qualifications, positive attributes and independence of a director and recommend to the Board, a policy relating to the remuneration for the directors, key managerial personnel and other employees;
- To review the performance of the Managing/Whole-Time/Executive Directors on predetermined parameters;
- To review and approve the remuneration/compensation packages for the Managing/Whole-Time/Executive Directors, within prescribed limits;
- To identify persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down and recommend to the Board, their appointment and removal and to carry out evaluation of every director's performance;
- To take steps to refresh the composition of the Board;
- To decide Commission payable to the directors, subject to prescribed limits and approval of shareholders; and
- To review employee compensation vis-à-vis industry practices and trends.

iii. Risk Management Committee ("RMC")

Composition

The composition of the RMC during FY 2018-19 is, given below:

Name of the Member(s)	Category
Mr. Saurabh Agrawal, Chairman	Non-Executive Director
Mr. Nalin M. Shah	Independent Director
Mr. Rajiv Sabharwal	Managing Director & CEO

**Ms. Varsha Purandare was appointed as a Member of the RMC, with effect from April 1, 2019.*

Terms of reference

Given below, *inter alia,* is a gist of the responsibilities of the RMC:

- To assist the Board in its oversight of various risks;
- To review and analyse risk exposure related to specific issues and provide oversight of risk across the Company; and
- To review risk profile of subsidiaries.

iv. Finance and Asset Liability Supervisory Committee ("ALCO")

Composition

The composition of the ALCO during FY 2018-19 is, given below:

Name of the Member(s)	Category
Mr. Saurabh Agrawal, Chairman	Non-Executive Director
Mr. Farokh N. Subedar	Non-Executive Director
Mr. Nalin M. Shah	Independent Director
Mr. Rajiv Sabharwal	Managing Director & CEO

**Ms. Varsha Purandare was appointed as a Member of the ALCO, with effect from April 1, 2019.*

Terms of reference

The responsibilities of the ALCO, *inter alia,* include to oversee:

- Asset Liability Management;
- Debt composition and plan of the Company for fund raising; and
- Resource raising policy of the Company.

v. Information Technology Strategy Committee ("ITSC")

The ITSC was constituted with effect from May 1, 2018, pursuant to the IT Master Directions.

Composition

The composition of the ITSC during FY 2018-19 is, given below:

Name of the Member(s)	Category
Mr. Nalin M. Shah, Chairman	Independent Director
Mr. Mehernosh B. Kapadia	Independent Director
Ms. Aarthi Subramanian	Non-Executive Director
Mr. Rajiv Sabharwal	Managing Director & CEO
Mr. Mani Mulki	Chief Information Officer

**Ms. Varsha Purandare was appointed as a Member of the ITSC, with effect from April 1, 2019.*

Terms of reference

Given below, *inter alia,* is a gist of the responsibilities of the ITSC:

- To approve the IT strategy and policy documents, ensuring that the Management puts an effective strategic planning process in place and ascertaining that the Management had implemented processes and practices that ensure that the IT delivers value to the business;
- To monitor the method that the Management used to determine the IT resources needed to achieve strategic goals and provide high-level direction for sourcing and use of IT resources;
- To constitute the Steering Committee and review the discussions of the said Committee periodically;
- To institute an effective governance mechanism and risk management process for all outsourced IT operations and to do all such acts as may be required under the IT Directions in respect of the outsourced IT operations;
- To review the IT/Information Systems ("IS") Audit report and provide its observation/ recommendations to the Audit Committee; and
- To recommend the appointment of IT/IS Auditor to the Audit Committee.

vi. Corporate Social Responsibility ("CSR") Committee

Composition

The composition of the CSR Committee during FY 2018-19 is, given below:

Name of the Member(s)	Category
Mr. Farokh N. Subedar, Chairman	Non-Executive Director
Mr. Mehernosh B. Kapadia	Independent Director
Ms. Aarthi Subramanian	Non-Executive Director
Mr. Rajiv Sabharwal	Managing Director & CEO

Terms of reference

Given below, *inter alia,* is a gist of the responsibilities of the CSR Committee:

- To formulate and recommend to the Board, a CSR Policy which shall indicate the activities to be undertaken by the Company as specified in Schedule VII of the Act ("CSR Activities");
- To recommend the amount of expenditure to be incurred on CSR activities;
- To monitor the CSR Policy of the Company from time to time and instituting a transparent monitoring mechanism for implementation of the CSR projects or programs or activities undertaken by the Company; and
- To oversee the Company's conduct with regard to its corporate and societal obligations and its reputation as a responsible corporate citizen.

vii. Stakeholders Relationship Committee ("SRC")

Composition

The composition of the SRC during FY 2018-19 is, given below:

Name of the Member(s)	Category
Ms. Aarthi Subramanian, Chairperson	Non-Executive Director
Mr. Mehernosh B. Kapadia	Independent Director
Mr. Rajiv Sabharwal	Managing Director & CEO

Terms of reference

The responsibilities of the SRC, *inter alia,* is to consider and resolve the grievances/ complaints of security holders of the Company.

d. Secretarial Standards

The Company is in compliance with SS -1 i.e. Secretarial Standard on Meetings of the Board of Directors and SS – 2 i.e. Secretarial Standard on General Meetings issued by The Institute of Company Secretaries of India.

e. Unclaimed Amount

As on March 31, 2019, there is no unclaimed amount with respect to the Dividend/Redemption of CRPS and Interest/Redemption of NCDs of the Company. Further, there was no amount required to be transferred to the Investor Education and Protection Fund Account, during FY 2018-19.

f. Summary minutes

A summary of the minutes of the meetings of the Boards of the subsidiary companies is placed before the Board for noting on a quarterly basis.

30. VIGIL MECHANISM

The Company has established a Vigil Mechanism for its Directors and employees to report their concerns or grievances. The said mechanism, *inter alia,* encompasses the Whistle Blower Policy, the Fraud Risk Management Process, the mechanism for reporting of ethical concerns under the TCOC and the ABAC Policy and it provides for adequate safeguards against victimization of persons who use it.

The Vigil Mechanism provides access to Tata Capital's Ethics Committee for reporting concerns and grievances. It also provides access to the Compliance Officer under the ABAC Policy and to the Chairperson of the Company's Audit Committee/the Chief Ethics Counselor under the Company's Whistle Blower Policy. Information regarding the mechanism and the channels for reporting concerns (including a third-party reporting channel) are communicated to the relevant stakeholders. The TCOC, Vigil Mechanism, Whistle Blower Policy and the ABAC Policy are available on the website of the Company, www.tatacapital.com.

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

The Company is committed to providing and promoting a safe and healthy work environment for all its employees. A 'Prevention of Sexual Harassment' Policy, which is in line with the statutory requirements, along with a structured reporting and redressal mechanism, including the constitution of Internal Complaints Committee in accordance with the provisions of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 ("the POSH Act"), is in place.

During FY 2018-19, there were no complaints received under the provisions of the POSH Act.

32. STATUTORY AUDITORS

At the Twenty Sixth AGM of the Company held on August 29, 2017, B S R & Co. LLP, Chartered Accountants (ICAI Firm Registration No. 101248W/W-100022) ("BSR") were appointed as the Statutory Auditors of the Company for a term of five years, to hold office from the conclusion of the Twenty Sixth AGM till the conclusion of the Thirty First AGM of the Company to be held in the year 2022.

33. ACCOUNTING STANDARDS FOLLOWED BY THE COMPANY

In accordance with the notification issued by the Ministry of Corporate Affairs, the Company has adopted Ind AS notified under the Companies (Indian Accounting Standards) Rules, 2015. The

Company has adopted Ind AS from April 1, 2018, with the effective transition date as April 1, 2017. The Financial Statements have been prepared in accordance with Ind AS as notified under the Companies (Indian Accounting Standards) Rules, 2015 read with Section 133 of the Act. The transition was carried out from IGAAP as prescribed under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014, to Ind AS. An explanation of how the transition to Ind AS has affected the previously reported financial position, financial performance and cash flows of the Company is provided in the Notes to accounts. Further, the Company follows the Directions issued by RBI for CICs.

The Financial Statements have been prepared on an accrual basis under the historical cost convention. The Accounting Policies adopted in the preparation of the Financial Statements have been consistently followed in the previous year.

34. EXPLANATION ON STATUTORY AUDITORS' REPORT

There are no qualifications, reservations or adverse remarks or disclaimers made by BSR, Statutory Auditors, in their Reports dated May 6, 2019 on the Financial Statements of the Company for FY 2018-19.

35. SECRETARIAL AUDITOR AND SECRETARIAL AUDIT REPORT

Pursuant to the provisions of Section 204 of the Act and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Board of Directors had appointed M/s. Parikh & Associates, a firm of Company Secretaries in Practice, to undertake the Secretarial Audit of the Company, for FY 2018-19. The Secretarial Audit Report, in the prescribed Form No. MR-3, is annexed as Annexure 'B'.

There are no qualifications, reservations or adverse remarks or disclaimers made by M/s. Parikh & Associates in their Secretarial Audit Report dated May 6, 2019 on the secretarial and other related records of the Company, for FY 2018-19.

36. INFORMATION ON MATERIAL CHANGES AND COMMITMENTS

There are no material changes or commitments affecting the financial position of the Company which have occurred between March 31, 2019 and May 6, 2019, being the date of this Report.

37. RELATED PARTY TRANSACTIONS

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

A Statement containing details of material contracts or arrangements or transactions with Related Parties on an arm's length basis with respect to transactions covered under Section 188(1) of the Act, in the prescribed Form No. AOC-2, is attached as Annexure 'C'. Further, details of Related Party Transactions, as required to be disclosed by Indian Accounting Standard – 24 on "Related Party Disclosures" specified under Section 133 of the Act, read with the Companies (Indian Accounting Standards) Rules, 2015, are given in the Notes to the Financial Statements.

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

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

(A) Conservation of energy:

i. Steps taken/impact on conservation of energy:

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

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

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

iii. Capital investment on energy conservation equipments:

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

(B) Technology absorption:

i. The efforts made towards technology absorption;

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

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

(a) The details of technology imported;

(b) The year of import;

(c) Whether the technology has been fully absorbed;

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

iv. The expenditure incurred on Research and Development.

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

(C) Foreign Exchange Earnings and Outgo:

Foreign Exchange earned in terms of actual inflows during the year under review was ₹ 40 crore and the Foreign Exchange Outgo during the year under review in terms of actual outflows was ₹ 1 crore.

39. EXTRACT OF ANNUAL RETURN

An extract of the Annual Return as prescribed under Section 92(3) of the Act and the Companies (Management and Administration) Rules, 2014, in the prescribed Form No. MGT-9, is annexed as Annexure 'D' and is also available on the website of the Company, www.tatacapital.com.

40. TATA CAPITAL LIMITED EMPLOYEE STOCK PURCHASE/OPTION SCHEME

In order to develop and implement a long term incentive program to effectively attract, motivate and retain the best talent from the industry in a competitive environment, the Company has implemented the Tata Capital Limited Employee Stock Purchase/Option Scheme ("Scheme"), which has been amended from time to time. Pursuant to the provisions of Section 62 of the Act and the appropriate Rules framed thereunder, the Scheme was amended in 2016 to bring it in line with the applicable provisions of the Act. The Scheme has also been adopted by the subsidiaries of the Company, viz. TCFSL, TCHFL, TCCL and Tata Securities. The Scheme was further amended in 2018, by the Board of Directors of the Company to increase the exercise period for exercise of options to a maximum period of 10 years.

For implementation of the Scheme, the TCL Employee Welfare Trust ("Trust") was set up and 7,02,34,526 Equity Shares of the Company aggregating 2.12% of its total paid up Equity Share Capital were allotted to the Trust. The Trust entrusted the ESOP Committee of the Board (which has now been combined with the NRC of the Board), with powers to effectively administer the Scheme. The NRC, *inter alia,* determines the employees to whom an offer is to be made based on certain performance criteria, the price at which the options can be exercised, the quantum of offer to be made and the terms and conditions for vesting and exercise of the offer. For the purpose of the Scheme, the valuation of the Equity Shares of the Company is conducted by a Registered Valuer on a half-yearly basis.

As at March 31, 2019, out of 7,02,34,526 Equity Shares of the Company allotted to the Trust, 1,99,89,476 Equity Shares of the Company aggregating 0.60% of its total paid up Equity Share Capital were held by the Employees under the Schemes.

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

Sr. No.	Particulars (upto March 31, 2019)	ESOP 2013	ESOP 2017	ESOP 2018
(i)	Options Granted	29,93,747	1,51,60,000	78,25,000
(ii)	Options Vested	29,93,747	1,51,60,000	Nil
(iii)	Options Exercised	8,76,127	19,64,294	Nil
(iv)	Total number of shares arising out of exercise of Options	8,76,127	19,64,294	Nil
(v)	Options Lapsed	17,71,859	66,55,000	Nil
(vi)	Exercise Price	₹ 25	₹ 33.40	₹ 50.60
(vii)	Money realized by exercise of Options	₹ 2,19,03,175	₹ 6,56,07,420	Nil
(viii)	Variation of terms of Options	–	–	–
(ix)	Total number of Options in force	3,45,761	65,40,706	78,25,000

Employee-wise details of options granted to:

a. Key Managerial Personnel:

Sr. No.	Name of Key Managerial Personnel (upto March 31, 2019)	ESOP 2013		ESOP 2017		ESOP 2018	
		Offered	Exercised	Offered	Exercised	Offered	Exercised
(i)	Mr. Rajiv Sabharwal	-	-	-	-	16,00,000	NIL
(ii)	Mr. Puneet Sharma	NIL	NIL	10,000	10,000	4,00,000	NIL
(iii)	Ms. Avan Doomasia	NIL	NIL	10,000	10,000	1,25,000	NIL

b. Any other employee who received a grant of Options in any one year of Options amounting to five percent or more of Options granted during that year:

Name of Eligible Employees	Number of Options granted
Mr. Kusal Roy	6,00,000
Mr. Anil Kaul	6,00,000
Ms. Abonty Banerjee	4,00,000
Mr. Sarosh Amaria	4,00,000

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

41. GREEN INITIATIVE

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

A copy of this Annual Report along with the Financial Statements for FY 2018-19 of each of the Company's subsidiaries, is also available on the website of the Company, www.tatacapital.com.

42. ACKNOWLEDGEMENTS

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

For and on behalf of the Board of Directors

Saurabh Agrawal
Chairman
DIN: 02144558

Mumbai
May 6, 2019

Annexure A

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

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

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

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

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

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

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

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

   a) Mr. F. N. Subedar, Non-Executive Director (Chairman)

   b) Mr. Mehernosh B. Kapadia, Independent Director

   c) Ms. Aarthi Subramanian, Non-Executive Director

   d) Mr. Rajiv Sabharwal, Managing Director & CEO

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

   (₹ in crore)

Financial Year	Net Profit (net of dividend)
FY 2015-16	7.90
FY 2016-17	(35.80)
FY 2017-18	(61.00)
Average Net Profit	**(29.63)**

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

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

   Since the average net profits of the Company for the past three years were negative, the Company was not required to spend any amount on the CSR activities in FY 2018-19.

5. **Details of CSR spend during FY 2018-19:**

   a. Total amount to be spent : Not Applicable

   b. Amount unspent, if any : Not Applicable

c. Manner in which the amount was spent during FY 2018-19 is detailed below:

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

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

Not Applicable

7. A responsibility statement of the CSR Committee that the implementation and monitoring of CSR policy, is in compliance with CSR objectives and policy of the Company:

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

F. N. Subedar
Chairman, CSR Committee
Non-Executive Director
DIN: 00028428

Mehernosh B. Kapadia
Member, CSR Committee
Independent Director
DIN: 00046612

Aarthi Subramanian
Member, CSR Committee
Non-Executive Director
DIN: 07121802

Rajiv Sabharwal
Member, CSR Committee
Managing Director & CEO
DIN: 00057333

Annexure B

FORM No. MR-3

SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED MARCH 31, 2019

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

To,
The Members,
Tata Capital Limited

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

Based on our verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company, the information provided by the Company, its officers, agents and authorised representatives during the conduct of Secretarial Audit, the explanations and clarifications given to us and the representations made by the Management, we hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on March 31, 2019 generally complied with the statutory provisions listed hereunder and also that the Company has proper Board processes and compliance mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records made available to us and maintained by the Company for the financial year ended on March 31, 2019 according to the provisions of:

(i) The Companies Act, 2013 (the "Act") and the rules made thereunder;

(ii) The Securities Contract (Regulation) Act, 1956 ("SCRA") and the rules made thereunder;

(iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;

(iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;

(v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ("SEBI Act"), as amended from time to time:

   (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;

   (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;

   (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 and The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirments) Regulations, 2018 (Not applicable to the Company during the audit period);

   (d) The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 (Not applicable to the Company during the audit period);

   (e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008 (Not applicable to the Company during the audit period);

   (f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act, 2013 and dealing with client (Not applicable to the Company during the audit period);

(g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009 (Not applicable to the Company during the audit period); and

(h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998 and The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018 (Not applicable to the Company during the audit period).

(vi) Other laws applicable specifically to the Company are:

(a) All the Rules, Regulations, Directions, Guidelines and Circulars including Master Direction - Core Investment Companies (Reserve Bank) Directions, 2016 ("Directions") issued by Reserve Bank of India, as amended from time to time.

(b) The Securities and Exchange Board of India Act, 1992 and The Securities and Exchange Board of India (Venture Capital Funds) Regulations, 1996, as amended from time to time.

(c) The Securities and Exchange Board of India (Alternative Investment Funds) Regulations, 2012 as amended from time to time.

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

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

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

We further report that:

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

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

Decisions at the Board Meetings were taken unanimously.

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

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

i) The Company had issued and allotted 15,34,500 Cumulative Redeemable Preference Shares of ₹ 1,000 each aggregating ₹ 153.45 crore, on a private placement basis.

ii) The Company had redeemed 20,49,891 Cumulative Redeemable Preference Shares of ₹ 1,000 each aggregating ₹ 204.99 crore, on a private placement basis.

iii) The Company had issued 49,40,71,144 Equity Shares of the Face Value ₹ 10/- each, at a premium of ₹ 40.6 per share, aggregating upto ₹ 2,500 crore, on a preferential basis and / or private placement basis.

iv) The Company had issued and allotted 4,500 Unsecured Non Convertible Debentures for an aggregate amount of ₹ 450 crore, on a private placement basis.

v) The Company has redeemed 7,250 Unsecured Non Convertible Debentures for an aggregate amount of ₹ 725 crore, issued on a private placement basis.

vi) The Company has an Employee Stock Purchase / Option Scheme ("ESOP Scheme") which is implemented through the TCL Employee Welfare Trust ("Trust") to whom the Company had allotted Equity Shares in the past. During the year, the Trust has transferred 40,56,057 Equity Shares to the employees of the Company and its subsidiary companies and has bought back 8,23,101 Equity Shares in terms of the ESOP Scheme.

For **Parikh & Associates**
Company Secretaries

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

Mumbai
May 6, 2019

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

Annexure I

To,
The Members
Tata Capital Limited

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

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

For **Parikh & Associates**
Company Secretaries

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

Mumbai
May 6, 2019

Annexure C

Form No. AOC- 2

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

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

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

2. Details of material contracts or arrangement or transactions at arm's length basis:

Sr. No.	Name of the Related Party	Nature of Relationship	Nature of contracts/ arrangements/ transactions	Amount (₹ in lakh)	Duration of the contracts/ arrangements/ transactions	Salient terms of the contracts or arrangements or transactions including the value, if any	Amount paid as advances, if any
1	Tata Sons Private Limited	Holding Company	Issue of Equity Shares	2,50,000	Not Applicable	Issue of Equity Shares of ₹ 10/- each at a premium of ₹ 40.6/- per share	–
2	Tata Capital Financial Services Limited ("TCFSL")	Subsidiary	a) Investment in Compulsorily Convertible Cumulative Preference Shares ("CCCPS")	1,02,500	9 years	Compulsorily Convertible into Equity Shares at the end of 9 years from the date of allotment or voluntary conversion at the option of the CCCPS holder. Rate of dividend being 8.5% p.a., on a cumulative basis.	–
			b) Conversion of CCCPS to Equity Shares	65,600	Not Applicable	Voluntary Conversion of CCCPS into Equity Shares at a Fair Market Value of ₹ 84.09 per Equity Share, as per the Independent Valuation Report and in accordance with the terms of issuance.	–
			c) Inter Corporate Deposits ("ICD") placed during the year	7,52,235	Tenor upto 1 year	Cost of Funds for previous month plus 25 bps.	–
			d) ICDs repaid during the year	7,80,293	Tenor upto 1 year	Not Applicable	–
			e) Marketing & Managerial Service Fees Income	3,208	March 31, 2019	As per the terms of Agreement entered into by Tata Capital Limited ("TCL") with TCFSL.	–
			f) Dividend received during the year on CCCPS	11,741	Not Applicable	Interim Dividend for FY 2018-19 on CCCPS at the rate of 9% p.a. and 8.5% p.a., as may be applicable.	–
			g) Interest Income on ICDs during the year	4,954	Tenor of upto one year	Cost of Funds for previous month plus 25 bps.	–

Sr. No.	Name of the Related Party	Nature of Relationship	Nature of contracts/ arrangements/ transactions	Amount (₹ in lakh)	Duration of the contracts/ arrangements/ transactions	Salient terms of the contracts or arrangements or transactions including the value, if any	Amount paid as advances, if any
3	Tata Capital Housing Finance Limited	Subsidiary	a) Investment in CCCPS	55,500	9 years	Compulsorily Convertible into Equity Shares at the end of 9 years from the date of allotment or voluntary conversion at the option of the CCCPS holder. Rate of dividend being 8.5% p.a., on a cumulative basis.	–
			b) Conversion of CCCPS to Equity Shares	40,800	Not Applicable	Voluntary Conversion of CCCPS into Equity Shares at a Fair Market Value of ₹ 72.37 per Equity Share, as per the Independent Valuation Report and in accordance with the terms of issuance.	–
			c) ICDs placed during the year	4,78,207	Tenor upto 1 year	Cost of Funds for previous month plus 25 bps.	–
			d) ICDs repaid during the year	4,58,089	Tenor upto 1 year	Not Applicable	–
			e) Dividend received during the year on CCCPS	7,403	Not Applicable	Interim Dividend for FY 2018-19 on CCCPS at the rate of 9% p.a. and 8.5% p.a., as may be applicable.	–
4	Tata Cleantech Capital Limited	Subsidiary	a) Investment in Equity Shares	8,050	Not Applicable	Investment in Equity Shares of ₹ 10/- each at a premium of ₹ 21/- per share	–
			b) ICDs placed during the year	61,800	Tenor upto 1 year	Cost of Funds for previous month plus 25 bps.	–
			c) ICDs repaid during the year	29,600	Tenor upto 1 year	Not Applicable	–
5	Tata Capital Advisors Pte Limited ("TCAPL")	Subsidiary	Income – Advisory Fees	3,657	Ongoing, subject to termination	Non-binding advice by TCL. Monthly invoices raised as per terms of agreement with currency risk to the account of TCAPL.	–
6	Tata Capital Growth Fund	Subsidiary	Proceeds from Divestment	27,225	Not Applicable	Proportionate divestment proceeds attributable to units held by TCL.	–
7	Tata Capital Healthcare Fund	Subsidiary	Proceeds from Divestment	8,503	Not Applicable	Proportionate divestment proceeds attributable to units held by TCL.	–

Notes:

1. *Appropriate approvals have been taken for Related Party Transactions.*
2. *Materiality Thresholds for Reporting Related Party Transactions in the Ordinary Course of Business and on an Arm's Length basis is as per the Framework for Related Party Transactions adopted by the Company.*

For and on behalf of the Board of Directors

Saurabh Agrawal
Chairman
DIN: 02144558

Mumbai
May 6, 2019

Annexure D

Form No. MGT-9

EXTRACT OF ANNUAL RETURN
as on the Financial Year ended on March 31, 2019
[Pursuant to section 92(3) of the Companies Act, 2013 and Rule 12(1) of the Companies (Management and Administration) Rules, 2014]

I. REGISTRATION AND OTHER DETAILS:

i) CIN: U65990MH1991PLC060670

ii) Registration Date: March 8, 1991

iii) Name of the Company: Tata Capital Limited

iv) Category of the Company: Company Limited by shares

Sub-category of the Company: Indian Non-Government Company

v) Address of the Registered Office and contact details:

11th Floor, Tower A, Peninsula Business Park, Ganpatrao Kadam Marg, Lower Parel, Mumbai – 400013

Contact details:

Telephone Number: 022 6606 9000

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

vi) Whether listed company: No

vii) Name, Address and Contact details of Registrar and Transfer Agent, if any

a) Registrar and Transfer Agent for the Company's Equity Shares, Preference Shares and Non Convertible Debentures

Name : TSR Darashaw Limited

Address : 6-10, Haji Moosa Patrawala Industrial Estate,
Near Famous Studio, 20, Dr. E Moses Road,
Mahalaxmi, Mumbai – 400011, Maharashtra, India

Contact Details : Mr. Deepak Tambe
Phone No.: 022-66178554
E-mail id: dtambe@tsrdarashaw.com

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

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

Sr. No.	Name and Description of main products / services	NIC Code of the Product / service	% to total turnover of the company
1	Investment Activity	64200	41%
2	Private Equity Investments	66309; 66190	49%

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES

Sr. No.	Name and Address of the Company	CIN/GLN	Holding/ Subsidiary/ Associate	% of Shares Held	Applicable Section
1	Tata Sons Private Limited Bombay House, 24, Homi Mody Street, Mumbai – 400001	U99999MH1917PTC000478	Holding	94.23	Section 2(46)
2.	Tata Capital Financial Services Limited 11th Floor, Tower A, Peninsula Business Park, Ganpatrao Kadam Marg, Lower Parel, Mumbai – 400013	U67100MH2010PLC210201	Subsidiary	100	Section 2(87)
3.	Tata Capital Housing Finance Limited 11th Floor, Tower A, Peninsula Business Park, Ganpatrao Kadam Marg, Lower Parel, Mumbai – 400013	U67190MH2008PLC187552	Subsidiary	100	Section 2(87)
4.	Tata Securities Limited 11th Floor, Tower A, Peninsula Business Park, Ganpatrao Kadam Marg, Lower Parel, Mumbai – 400013	U67120MH1994PLC080918	Subsidiary	100	Section 2(87)
5.	Tata Cleantech Capital Limited 11th Floor, Tower A, Peninsula Business Park, Ganpatrao Kadam Marg, Lower Parel, Mumbai – 400013	U65923MH2011PLC222430	Subsidiary	80.50	Section 2(87)
6.	Tata Capital Pte. Limited 72 Anson Road #12-02, Anson House, Singapore 079911	N.A.	Subsidiary	100	Section 2(87)
7.	Tata Capital Markets Pte. Limited 72 Anson Road #12-02, Anson House, Singapore 079911	N.A.	Subsidiary	100	Section 2(87)
8.	Tata Capital Advisors Pte. Limited 72 Anson Road #12-02, Anson House, Singapore 079911	N.A.	Subsidiary	100	Section 2(87)
9.	Tata Capital Plc 30 Millbank, London, SW1P 4WY, England, United Kingdom	N.A.	Subsidiary	100	Section 2(87)
10.	Tata Capital General Partners LLP 72 Anson Road #12-02, Anson House, Singapore 079911	N.A.	Subsidiary	80	Section 2(87)

Sr. No.	Name and Address of the Company	CIN/GLN	Holding/ Subsidiary/ Associate	% of Shares Held	Applicable Section
11.	Tata Capital Healthcare General Partners LLP 72 Anson Road #12-02, Anson House, Singapore 079911	N.A.	Subsidiary	100	Section 2(87)
12.	Tata Opportunities General Partners LLP 72 Anson Road #12-02, Anson House, Singapore 079911	N.A.	Subsidiary	90	Section 2(87)
13.	Tata Capital Growth II General Partners LLP 72 Anson Road #12-02, Anson House, Singapore 079911	N.A.	Subsidiary	80	Section 2(87)
14.	Tata Autocomp Systems Limited TACO House, Plot No. - 20/B FPN085, V.G. Damle Path, Off Law College Road, Erandwane, Pune, Maharashtra 411004	U34100PN1995PLC158999	Associate	24	Section 2(6)
15.	Tata Capital Growth Fund I 11th Floor, Tower A, Peninsula Business Park, Ganpatrao Kadam Marg, Lower Parel, Mumbai – 400013	N.A.	Subsidiary	73.75	Though a Trust would not be considered as a body corporate under the Companies Act, 2013, these have been disclosed as a measure of good governance.
16.	Tata Capital Growth Fund II 11th Floor, Tower A, Peninsula Business Park, Ganpatrao Kadam Marg, Lower Parel, Mumbai – 400013	N.A.	Subsidiary	14.96	
17.	Tata Capital Healthcare Fund I 11th Floor, Tower A, Peninsula Business Park, Ganpatrao Kadam Marg, Lower Parel, Mumbai – 400013	N.A.	Subsidiary	32.12	
18.	Tata Capital Special Situations Fund Tata Trustee Company Limited, Mafatlal Centre, 9th Floor, Nariman Point, Mumbai - 400021	N.A.	Subsidiary	28.20	
19.	Tata Capital Innovations Fund 11th Floor, Tower A, Peninsula Business Park, Ganpatrao Kadam Marg, Lower Parel, Mumbai – 400013	N.A.	Subsidiary	28.00	

Sr. No.	Name and Address of the Company	CIN/GLN	Holding/ Subsidiary/ Associate	% of Shares Held	Applicable Section
20.	TCL Employee Welfare Trust 11th Floor, Tower A, Peninsula Business Park, Ganpatrao Kadam Marg, Lower Parel, Mumbai – 400013	N.A.	Subsidiary	N.A.	In accordance with Indian Accounting Standard (“Ind AS”) 110
21.	Tata Technologies Limited Plot No 25, Rajiv Gandhi Infotech Park, Hinjawadi, Pune, Maharashtra 411057	U72200PN1994PLC013313	Associate	4.35	In accordance with Ind AS 28
22.	Novalead Pharma Private Limited Plot No-05, Third Floor, Ram Indu Park, Survey No-131/1B/2/11, Baner Taluka Haveli, Pune Maharashtra 411045	U73100PN2007PTC130929	Associate	20.34	In accordance with Ind AS 28
23.	Shriji Polymers (India) Limited 8 & 9, Industrial Area, Maxi Road, Ujjain Madhya Pradesh 456010	U51102MP1996PLC011027	Associate	2.60	In accordance with Ind AS 28
24.	Vortex Engineering Private Limited Module No.6B, Sixth Floor, IIT Madras Research Park Kanagam Road, Taramani Chennai, Tamil Nadu 600113	U29262TN2001PTC046779	Associate	18.49	In accordance with Ind AS 28
25.	Pluss Advanced Technologies Limited 101, Anupam Apartments, MB Road, Delhi 110068	U74899DL1993PTC056680	Associate	37.50	In accordance with Ind AS 28
26.	Sea6 Energy Private Limited 1st Floor, Centre for Cellular and Molecular Platforms (CCAMP), NCBS-TIFR,GKVK Post, Bellary Road Bangalore, Karnataka 560065	U40102KA2010PTC081073	Associate	32.04	In accordance with Ind AS 28
27.	Alef Mobitech Solutions Private Limited Kapil Zenith, Phase 1, S.R. No.55, Hiwssa-No.1, Bavdhan, Pune 411021	U72900PN2014FTC151287	Associate	28.01	In accordance with Ind AS 28

Sr. No.	Name and Address of the Company	CIN/GLN	Holding/ Subsidiary/ Associate	% of Shares Held	Applicable Section
28.	Tema India Limited Hamilton House, 3rd floor, J. N. Heredia Marg, Ballard Estate, Mumbai - 400038	U29192MH1984PLC034861	Associate	0.01	In accordance with Ind AS 28
29.	Kapsons Industries Private Limited Unit No. 2, C/O Kapsons Industries Limited G.T.Road, Suranussi, Jalandhar 144001 Punjab	U31909PB1987PTC007303	Associate	0.01	In accordance with Ind AS 28
30.	TVS Supply Chain Solutions Limited 10, Jawahar Road, Chokkikulam, Madurai Tamil Nadu 625002	U63011TN2004PLC054655	Associate	0.68	In accordance with Ind AS 28
31.	Fincare Business Services Limited No. 835/39, Bren Mercury, 5th Floor, Kaikondanalli Varthur Hobli, Bangalore East, Taluk Bangalore 560102	U74900KA2014PLC075614	Associate	0.80	In accordance with Ind AS 28
32.	Shriram Properties Limited Lakshmi Neela Rite Choice Chamber, New No.9 - Bazullah Road, T Nagar, Chennai 600017, Tamil Nadu	U72200TN2000PLC044560	Associate	1.50	In accordance with Ind AS 28
33.	Tata Projects Limited Mithona Towers-1, 1-7-80 to 87, Prenderghast Road, Secunderabad Hyderabad TG 500003	U45203TG1979PLC057431	Associate	2.21	In accordance with Ind AS 28
34.	Tata Sky Limited Unit 301 to 305, 3rd Floor, Windsor, Off C.S.T. Road, Kalina, Santacruz (East) Mumbai-400098	U92120MH2001PLC130365	Associate	0.72	In accordance with Ind AS 28
35.	Roots Corporation Limited Godrej and Boyce Complex, Gate No. 8, Plant No. 13, Office Building, Vikhroli (East) Mumbai-400079	U55100MH2003PLC143639	Associate	2.43	In accordance with Ind AS 28

IV. SHAREHOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity)

(i) Category-wise Shareholding

Category of Shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A. Promoters									
(1) Indian									
a) Individual/HUF	–	–	–	–	–	–	–	–	–
b) Central Govt	–	–	–	–	–	–	–	–	–
c) State Govt(s)	–	–	–	–	–	–	–	–	–
d) Bodies Corp.	2,63,44,33,946	–	2,63,44,33,946	93.22	3,12,85,05,090	–	3,12,85,05,090	94.23	1.01
e) Banks / Financial Instituion	–	–	–	–	–	–	–	–	–
f) Any Other....	–	–	–	–	–	–	–	–	–
Sub–total (A)(1):–	**2,63,44,33,946**	**–**	**2,63,44,33,946**	**93.22**	**3,12,85,05,090**	**–**	**3,12,85,05,090**	**94.23**	**1.01**
(2) Foreign									
a) NRIs – Individuals	–	–	–	–	–	–	–	–	–
b) Other – Individuals	–	–	–	–	–	–	–	–	–
c) Bodies Corp.	–	–	–	–	–	–	–	–	–
d) Banks / FI	–	–	–	–	–	–	–	–	–
e) Any Other....	–	–	–	–	–	–	–	–	–
Sub–total (A)(2):–	–	–	–	–	–	–	–	–	–
Total shareholding of Promoter (A) = (A)(1)+(A)(2)	**2,63,44,33,946**	**–**	**2,63,44,33,946**	**93.22**	**3,12,85,05,090**	**–**	**3,12,85,05,090**	**94.23**	**1.01**
B. Public Shareholding									
(1) Institutions									
a) Mutual Funds	–	–	–	–	–	–	–	–	–
b) Banks / FI	–	–	–	–	–	–	–	–	–
c) Central Govt	–	–	–	–	–	–	–	–	–
d) State Govt(s)	–	–	–	–	–	–	–	–	–
e) Venture Capital Funds	–	–	–	–	–	–	–	–	–
f) Insurance Companies	–	–	–	–	–	–	–	–	–
g) FIIs	–	–	–	–	–	–	–	–	–
h) Foreign Venture Capital Funds	–	–	–	–	–	–	–	–	–
i) Others (specify)	–	–	–	–	–	–	–	–	–
Sub–total (B)(1):–	–	–	–	–	–	–	–	–	–

Category of Shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
(2) Non–Institutions									
a) Bodies Corp.									
i) Indian	11,67,21,517	–	11,67,21,517	4.13	11,67,21,517	–	11,67,21,517	3.52	(0.61)
ii) Overseas	–	–	–	–	–	–	–	–	–
b) Individuals									
i) Individual shareholders holding nominal share capital upto ₹ 1 lakh	18,46,329	–	18,46,329	0.07	27,90,175	–	27,90,175	0.08	0.01
ii) Individual shareholders holding nominal share capital in excess of ₹ 1 lakh	1,92,12,790	–	1,92,12,790	0.68	2,15,01,900	–	2,15,01,900	0.65	(0.03)
c) Others									
i) TCL Employee Welfare Trust (ESOP Trust)	5,34,78,006	–	5,34,78,006	1.89	5,02,45,050	–	5,02,45,050	1.51	(0.38)
ii) Non–Resident Indian	3,25,582	–	3,25,582	0.01	3,25,582	–	3,25,582	0.01	–
Sub–total (B)(2):–	**19,15,84,224**	**–**	**19,15,84,224**	**6.78**	**19,15,84,224**	**–**	**19,15,84,224**	**5.77**	**(1.01)**
Total Public Shareholding (B)=(B)(1)+(B)(2)	19,15,84,224	–	19,15,84,224	6.78	19,15,84,224	–	19,15,84,224	5.77	(1.01)
C. Shares held by Custodian for GDRs & ADRs	–	–	–	–	–	–	–	–	–
Grand Total (A+B+C)	**2,82,60,18,170**	–	**2,82,60,18,170**	**100.00**	**3,32,00,89,314**	–	**3,32,00,89,314**	**100.00**	**–**

(ii) Shareholding of Promoters (Equity Share Capital)

Sr. No.	Shareholder's Name	Shareholding at the beginning of the year			Shareholding at the end of the year			% change in shareholding during the year
		No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	
1.	Tata Sons Private Limited	2,63,44,33,946	93.22	–	3,12,85,05,090	94.23	–	1.01
	Total	**2,63,44,33,946**	**93.22**	**–**	**3,12,85,05,090**	**94.23**	**–**	**1.01**

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

During FY 2018-19, the Company had allotted 49,40,71,144 Equity Shares of ₹ 10/- each at a premium of ₹ 40.6 per Equity Share, aggregating upto ₹ 2,500 crore, on a preferential and/or private placement basis, as under:

Sr. No.	Name	Shareholding		Date	Increase/ Decrease in shareholding	Reason	Cumulative Shareholding during the year (1.4.2018 to 31.3.2019)	
		No. of Shares at the beginning (1.4.2018)/ end of the year (31.3.2019)	% of total shares of the Company				No. of Shares	% of total shares of the Company
1	Tata Sons Private Limited	2,63,44,33,946	93.22	April 1, 2018			2,63,44,33,946	93.22
				June 29, 2018	14,82,21,343	Allotment	2,78,26,55,289	93.56
				July 9, 2018	9,88,14,229	Allotment	2,88,14,69,518	93.77
				February 25, 2019	14,82,21,343	Allotment	3,02,96,90,861	94.05
				February 27, 2019	9,88,14,229	Allotment	3,12,85,05,090	94.23
		3,12,85,05,090	94.23	March 31, 2019			3,12,85,05,090	94.23

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

Sr. No.	Name	Shareholding		Date	Increase/ Decrease in shareholding	Reason	Cumulative Shareholding during the year (1.4.2018 to 31.3.2019)	
		No. of Shares at the beginning (1.4.2018)/ end of the year (31.3.2019)	% of total shares of the Company				No. of Shares	% of total shares of the Company
1	Tata Investment Corporation Limited	7,71,96,591	2.73	April 1, 2018	–	–	7,71,96,591	2.73
						Nil movement during the year		
		7,71,96,591	2.32	March 31, 2019	–	–	7,71,96,591	2.32
2	H. N. Sinor, Shuva Mandal and Avijit Bhattacharya Trustees of TCL Employee Welfare Trust	5,34,78,006	1.89	April 1, 2018	–	–	5,34,78,006	1.89
				April 17, 2018	(18,75,263)	Transfer	5,16,02,743	1.83
				April 23, 2018	32,444	Purchase	5,16,35,187	1.83
				August 1, 2018	(5,59,344)	Transfer	5,10,75,843	1.66
				August 14, 2018	85,194	Purchase	5,11,61,037	1.66
				August 31, 2018	(5,73,100)	Transfer	5,05,87,937	1.65
				September 29, 2018	(3,78,828)	Transfer	5,02,09,109	1.63
				October 17, 2018	72,626	Purchase	5,02,81,735	1.64
				November 2, 2018	(2,11,022)	Transfer	5,00,70,713	1.63
				November 30,2018	94,884	Purchase	5,01,65,597	1.63
				December 27, 2018	3,66,773	Purchase	5,05,32,370	1.64

Sr. No.	Name	Shareholding: No. of Shares at the beginning (1.4.2018)/ end of the year (31.3.2019)	Shareholding: % of total shares of the Company	Date	Increase/ Decrease in shareholding	Reason	Cumulative Shareholding during the year (1.4.2018 to 31.3.2019): No. of Shares	Cumulative Shareholding during the year (1.4.2018 to 31.3.2019): % of total shares of the Company
				January 28, 2019	(1,19,500)	Transfer	5,04,12,870	1.64
				February 15, 2019	1,71,180	Purchase	5,05,84,050	1.65
				February 28, 2019	(1,37,500)	Transfer	5,04,46,550	1.52
				March 27, 2019	(2,01,500)	Transfer	5,02,45,050	1.51
		5,02,45,050	1.51	March 31, 2019			5,02,45,050	1.51
3	Cyrus Investments Private Limited	1,29,78,905	0.46	April 1, 2018	–	–	1,29,78,905	0.46
						Nil movement during the year		
		1,29,78,905	0.39	March 31, 2019			1,29,78,905	0.39
4	Sterling Investment Corporation Private Limited	1,29,78,905	0.46	April 1, 2018	–	–	1,29,78,905	0.46
						Nil movement during the year		
		1,29,78,905	0.39	March 31, 2019			1,29,78,905	0.39
5	Tata Motors Limited	43,26,651	0.15	April 1, 2018	–	–	43,26,651	0.15
						Nil movement during the year		
		43,26,651	0.13	March 31, 2019			43,26,651	0.13
6	Tata Chemicals Limited	32,30,859	0.11	April 1, 2018	–	–	32,30,859	0.11
						Nil movement during the year		
		32,30,859	0.10	March 31, 2019			32,30,859	0.10
7	Af-Taab Investment Company Limited	23,33,070	0.08	April 1, 2018	–	–	23,33,070	0.08
						Nil movement during the year		
		23,33,070	0.07	March 31, 2019			23,33,070	0.07
8	Tata Industries Limited	22,72,346	0.08	April 1, 2018	–	–	22,72,346	0.08
						Nil movement during the year		
		22,72,346	0.07	March 31, 2019			22,72,346	0.07
9	Praveen Purushottam Kadle	14,68,580	0.05	April 1, 2018	–	–	14,68,580	0.05
						Nil movement during the year		
		14,68,580	0.04	March 31, 2019			14,68,580	0.04

Sr. No.	Name	Shareholding		Date	Increase/ Decrease in shareholding	Reason	Cumulative Shareholding during the year (1.4.2018 to 31.3.2019)	
		No. of Shares at the beginning (1.4.2018)/ end of the year (31.3.2019)	% of total shares of the Company				No. of Shares	% of total shares of the Company
10	Ratan Naval Tata	12,34,861	0.04	April 1, 2018	–	–	12,34,861	0.04
						Nil movement during the year		
		12,34,861	0.04	March 31, 2019			12,34,861	0.04

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

Sr. No.	Name	Shareholding		Date	Increase/ Decrease in shareholding	Reason	Cumulative Shareholding during the year (1.4.2018 to 31.3.2019)	
		No. of Shares at the beginning (1.4.2018)/ end of the year (31.3.2019)	% of total shares of the Company				No. of Shares	% of total shares of the Company
1	Mr. F. N. Subedar (Non - Executive Director)	2,43,716	0.01	April 1, 2018	–	–	2,43,716	0.01
						Nil movement during the year		
		2,43,716	0.01	March 31, 2019			2,43,716	0.01
2	Mr. Puneet Sharma (Chief Financial Officer)	2,36,050	0.01	April 1, 2018	–	–	2,36,050	0.01
				August 1, 2018	10,000	ESOP Allotment	2,46,050	0.01
		2,46,050	0.01	March 31, 2019			2,46,050	0.01
3	Ms. Avan Doomasia (Company Secretary)	1,59,305	0.01	April 1, 2018	–	–	1,59,305	0.01
				November 2, 2018	10,000	ESOP Allotment	1,69,305	0.01
		1,69,305	0.01	March 31, 2019			1,69,305	0.01

V. SHAREHOLDING PATTERN (Preference Share Capital Breakup as percentage of Total Preference Capital)

(i) Category-wise Shareholding

Category of Shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A. Promoters									
(1) Indian									
a) Individual/HUF	–	–	–	–	–	–	–	–	–
b) Central Govt	–	–	–	–	–	–	–	–	–
c) State Govt(s)	–	–	–	–	–	–	–	–	–
d) Bodies Corp.	–	–	–	–	–	–	–	–	–
e) Banks / FI	–	–	–	–	–	–	–	–	–
f) Any Other….	–	–	–	–	–	–	–	–	–
Sub–total (A)(2):–	–	–	–	–	–	–	–	–	–
Total shareholding of Promoter (A) = (A)(1)+(A)(2)	–	–	–	–	–	–	–	–	–
B. Public Shareholding									
(1) Institutions									
a) Mutual Funds	–	–	–	–	–	–	–	–	–
b) Banks / FI	2,40,000	–	2,40,000	1.29	2,10,000	–	2,10,000	1.16	(0.13)
c) Central Govt	–	–	–	–	–	–	–	–	–
d) State Govt(s)	–	–	–	–	–	–	–	–	–
e) Venture Capital Funds	–	–	–	–	–	–	–	–	–
f) Insurance Companies	2,00,000	–	2,00,000	1.07	2,00,000	–	2,00,000	1.10	0.03
g) FIIs	–	–	–	–	–	–	–	–	–
h) Foreign Venture Capital Funds	–	–	–	–	–	–	–	–	–
i) Others (specify)	–	–	–	–	–	–	–	–	–
Sub–total (B)(1):–	**4,40,000**	**–**	**4,40,000**	**2.36**	**4,10,000**	**–**	**4,10,000**	**2.26**	**(0.1)**
(2) Non–Institutions									
a) Bodies Corp.									
i) Indian	92,01,339	–	92,01,339	49.42	81,76,854	–	81,76,854	45.17	(4.25)
ii) Overseas	–	–	–	–	–	–	–	–	–
b) Individuals									
i) Individual shareholders holding nominal share capital upto ₹ 1 lakh	11,480	–	11,480	0.06	11,300	–	11,300	0.06	–
ii) Individual shareholders holding nominal share capital in excess of ₹ 1 lakh	82,26,363	–	82,26,363	44.18	86,61,704	–	86,61,704	47.85	3.67
c) Others									
(i) Trust	3,78,333	–	3,78,333	2.03	3,80,833	–	3,80,833	2.10	0.07

Category of Shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
(ii) Club	3,400	–	3,400	0.02	8,400	–	8,400	0.05	0.03
(iii) Clearing Member	21,700	–	21,700	0.12	21,700	–	21,700	0.12	–
(iv) Hindu Undivided Family	2,99,992	–	2,99,992	1.61	3,86,292	–	3,86,292	2.13	0.52
(v) Non-Resident Indian	35,850	–	35,850	0.19	45,983	–	45,983	0.25	0.06
Sub–total (B)(2):–	1,81,78,457	–	1,81,78,457	97.64	1,76,93,066	–	1,76,93,066	97.74	0.1
Total Public Shareholding (B)=(B)(1)+(B)(2)	1,86,18,457	–	1,86,18,457	100	1,81,03,066	–	1,81,03,066	100	–
C. Shares held by Custodian for GDRs & ADRs	–	–	–	–	–	–	–	–	–
Grand Total (A+B+C)	**1,86,18,457**	**–**	**1,86,18,457**	**100.00**	**1,81,03,066**	**–**	**1,81,03,066**	**100.00**	**–**

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

***(iii) Change in Promoters' Shareholding (Preference Shares) (please specify, if there is no change)** – NIL*

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

Sr. No.	Name	Shareholding		Date	Increase/ Decrease in shareholding	Reason	Cumulative Shareholding during the year (1.4.2018 to 31.3.2019)	
		No. of Shares at the beginning (1.4.2018)/ end of the year (31.3.2019)	% of total shares of the Company				No. of Shares	% of total shares of the Company
1	Shree Cement Limited	27,50,000	14.77	April 1, 2018	–	–	27,50,000	14.77
				August 2, 2018	(10,00,000)	Redemption of Preference Shares due to exercise of Call Option by the Company.	17,50,000	9.89
		17,50,000	9.67	March 31,2018			17,50,000	9.67
2	Wipro Enterprises Private Limited	6,66,666	3.58	April 1, 2018	–	–	6,66,666	3.58
						Nil movement during the year		
		6,66,666	3.68	March 31, 2019			6,66,666	3.68
3	Voltas Limited	3,00,000	1.61	April 1, 2018			3,00,000	1.61
				June 15, 2018	2,00,000	Allotment	5,00,000	2.53
		5,00,000	2.76	March 31, 2019			5,00,000	2.76

Sr. No.	Name	Shareholding		Date	Increase/ Decrease in shareholding	Reason	Cumulative Shareholding during the year (1.4.2018 to 31.3.2019)	
		No. of Shares at the beginning (1.4.2018)/ end of the year (31.3.2019)	% of total shares of the Company				No. of Shares	% of total shares of the Company
4	Altheon Enterprises Limited	–	–	April 1, 2018			-	-
				-	–	Purchase	5,00,000	2.76
		5,00,000	2.76	March 31, 2019			5,00,000	2.76
5	Balkrishna Industries Limited	4,80,000	2.58	April 1, 2018	–	–	4,80,000	2.58
						Nil movement during the year		
		4,80,000	2.65	March 31, 2019			4,80,000	2.65
6	International Tractors Limited	4,33,700	2.33	April 1, 2018	–	–	4,33,700	2.33
						Nil movement during the year		
		4,33,700	2.40	March 31, 2019	–	–	4,33,700	2.40
7	Azim Premji Trust	3,33,333	1.79	April 1, 2018	–	–	3,33,333	1.79
				–	–	Nil movement during the year	–	–
		3,33,333	1.84	March 31, 2019			3,33,333	1.84
8	Hindustan Composites Limited	3,47,000	1.86	April 1, 2018	–	–	3,47,000	1.86
				-	(50,000)	Sold	2,97,000	1.64
		2,97,000	1.64	March 31, 2019	–	–	2,97,000	1.64
9	Fortress Advisors LLP	–	–	April 1, 2018			–	–
				–	2,50,000	Purchase	2,50,000	1.38
		2,50,000	1.38	March 31, 2019			2,50,000	1.38
10	G M Breweries Limited	1,66,000	0.89	April 1, 2018	–	–	1,66,000	0.89
				–	50,000	Purchase	2,16,000	1.19
		2,16,000	1.19	March 31, 2019			2,16,000	1.19

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

Sr. No.	Name	Shareholding		Date	Increase/ Decrease in shareholding	Reason	Cumulative Shareholding during the year (1.4.2018 to 31.3.2019)	
		No. of Shares at the beginning (1.4.2018) / end of the year (31.3.2019)	% of total shares of the Company				No. of Shares	% of total shares of the Company
1	Mr. Farokh Nariman Subedar (Director)	–	–	April 1, 2018	–	–	–	–
				March 13, 2019	5,000	Allotment	5,000	0.03
		5,000	0.03	March 31, 2019	–	–	5,000	0.03
2	Mr. Nalin M. Shah (Independent Director)	11,800	0.06	April 1, 2018	–	–	11,800	0.06
				–	2,500	Purchase	14,300	0.08
		14,300	0.08	March 31, 2019			14,300	0.08
3	Mr. Rajiv Sabharwal (Managing Director & CEO)	–	–	April 1, 2018	–	–	–	–
				April 20, 2018	5,000	Allotment	5,000	0.03
		–	–	–	1,400	Purchase	6,400	0.04
		6,400	0.04	March 31, 2019			6,400	0.04
4	Mr. Puneet Sharma (Chief Financial officer)	10	0.00	April 1, 2018	–	–	10	0.00
						Nil movement during the year		
		10	0.00	March 31, 2019			10	0.00

VI. INDEBTEDNESS

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

(₹ in lakh)

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
i) Principal Amount	–	1,83,000	–	1,83,000
ii) Interest due but not paid	–	–	–	–
iii) Interest accrued but not due	–	7,797	–	7,797
Total (i+ii+iii)	**–**	**1,90,797**	**–**	**1,90,797**
Change in Indebtedness during the financial year				
• Addition	–	2,75,000	–	2,75,000
• Reduction	–	(3,00,500)	–	(3,00,500)
Net Change	**–**	**(25,500)**	**–**	**(25,500)**

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the end of the financial year				
i) Principal Amount	–	1,57,500	–	1,57,500
ii) Interest due but not paid	–	–	–	–
iii) Interest accrued but not due	–	6,672	–	6,672
Total (i+ii+iii)	**–**	**1,64,172**	**–**	**1,64,172**

VII. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

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

(₹ in lakh)

Sr. No.	Particulars of Remuneration	Name of MD	Total Amount
		Mr. Rajiv Sabharwal	
1	Gross salary		
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	790.99	790.99
	(b) Value of perquisites under section 17(2) of the Income-tax Act, 1961	0.40	0.40
	(c) Profits in lieu of salary under section 17(3) of the Income-tax Act, 1961	–	–
2	Stock Option	88.40	88.40
3	Sweat Equity	–	–
4	Commission – as % of profit – others, specify…	–	–
5	Others, please specify (Retirals and Other Benefits)	53.92	53.92
	Total (A)	933.71	933.71
	Ceiling as per the Act		1,675.34

Notes:

1. The Remuneration details above includes Commission of FY 2018-19 to be paid in FY 2019-20.
2. The compensation cost shown under Stock Options in the table above, represents the Fair Value of the Stock Options in accordance with Indian Accounting Standards.

B. *Remuneration to other directors:*

(₹ in lakh)

Sr. No.	Particulars of Remuneration	Name of Directors		Total Amount
1	Independent Directors	Mr. Nalin M. Shah	Mr. Mehernosh B. Kapadia	
	• Fee for attending board / committee meetings	12.80	12.50	25.30
	• Commission	25.00	25.00	50.00
	• Others, please specify	–	–	–
	Total (I)	37.80	37.50	75.30

2	Other Non–Executive Directors	Mr. F. N. Subedar	Ms. Aarthi Subramanian	Mr. Saurabh Agrawal	
	• Fee for attending board / committee meetings	2.60	6.50	2.80	11.90
	• Commission	25.00	–	–	25.00
	• Others, please specify	–	–	–	–
	Total (2)	27.60	6.50	2.80	36.90
	Total (B)=(1+2)				112.20
	Total Managerial Remuneration				1,045.91
	Overall Ceiling as per the Act				3,685.75

Note:

The Remuneration details as mentioned above include Sitting fees paid in FY 2018-19 and Commission for FY 2018-19 to be paid in FY 2019-20.

C. *Remuneration to Key Managerial Personnel other than MD / Manager / WTD*

(₹ in lakh)

Sr. No.	Particulars of Remuneration	Key Managerial Personnel		
		Mr. Puneet Sharma, Chief Financial Officer	**Ms. Avan Doomasia, Company Secretary**	**Total**
1	Gross salary (a) Salary as per provisions contained in section 17(1) of the Income–tax Act, 1961	256.90	125.02	381.92
	(b) Value of perquisites under section 17(2) of the Income–tax Act, 1961	1.94	5.36	7.30
	(c) Profits in lieu of salary under section 17(3) of the Income–tax Act, 1961	–	–	–
2	Stock Option	22.10	6.91	29.01
3	Sweat Equity	–	–	–
4	Commission – as % of profit – others, specify…	–	–	–
5	Others, please specify (Retirals and Other Benefits)	15.18	11.42	26.60
	Total	**296.11**	**148.71**	**444.83**

Notes:

1. The Remuneration details above includes Performance Pay of FY 2018-19 to be paid in FY 2019-20.
2. The compensation cost shown under Stock Options in the table above, represents the Fair Value of the Stock Options in accordance with Indian Accounting Standards.

VIII. PENALTIES/ PUNISHMENT/ COMPOUNDING OF OFFENCES:

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

For and on behalf of the Board of Directors

Saurabh Agrawal
Chairman
DIN : 02144558

Mumbai,
May 6, 2019

Consolidated Financial Statements

INDEPENDENT AUDITORS' REPORT

TO THE MEMBERS OF TATA CAPITAL LIMITED

Report on the Audit of Consolidated Financial Statements

Opinion

We have audited the accompanying consolidated financial statements of Tata Capital Limited (hereinafter referred to as the 'Holding Company") and its subsidiaries (Holding Company and its subsidiaries together referred to as "the Group"), and its associates, which comprise the consolidated balance sheet as at 31 March 2019, and the consolidated statement of profit and loss (including other comprehensive income), consolidated statement of changes in equity and consolidated statement of cash flows for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies and other explanatory information (hereinafter referred to as "the consolidated financial statements").

In our opinion and to the best of our information and according to the explanations given to us, and based on the consideration of reports of other auditor on separate financial statements of such subsidiary as were audited by the other auditors, the aforesaid consolidated financial statements give the information required by the Companies Act, 2013 ("Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the consolidated state of affairs of the Group, and its associates as at 31 March 2019, of its consolidated profit and other comprehensive income, consolidated changes in equity and consolidated cash flows for the year then ended.

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Act. Our responsibilities under those SAs are further described in the Auditor's Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are independent of the Group in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India (the 'ICAI'), and we have fulfilled our other ethical responsibilities in accordance with the provisions of the Act. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Other Information

The Holding Company's management and Board of Directors are responsible for the other information. The other information comprises the information included in the Holding Company's annual report, but does not include the financial statements and our auditors' report thereon.

Our opinion on the Consolidated Financial Statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the Consolidated Financial Statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the Consolidated Financial Statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed and based on the work done/ audit report of other auditors, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Management and Those Charged with Governance for the Consolidated Financial Statements

The Holding Company's management and Board of Directors are responsible for the preparation and presentation of these consolidated financial statements in term of the requirements of the Act that give a true and fair view of the consolidated state of affairs, consolidated profit/ loss and other comprehensive income, consolidated statement of changes in equity and consolidated cash flows of the Group including its associates in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under section 133 of the Act. The respective Board of Directors of the companies included in the Group and of its associates are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of each company. and for preventing and detecting frauds and other irregularities; the selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring accuracy and completeness of the accounting records, relevant to the preparation and presentation of the consolidated financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated financial statements by the Directors of the Holding Company, as aforesaid.

In preparing the consolidated financial statements, the respective management and Board of Directors of the companies included in the Group and of its associates are responsible for assessing the ability of each company to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The respective Board of Directors of the companies included in the Group and of its associates is responsible for overseeing the financial reporting process of each company.

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the Consolidated Financial Statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these Consolidated Financial Statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the Consolidated Financial Statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting in preparation of Consolidated Financial Statements and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the appropriateness of this assumption. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the Consolidated Financial Statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group (company and subsidiaries) as well as associates to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the Consolidated Financial Statements, including the disclosures, and whether the Consolidated Financial Statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of such entities or business activities within the Group and its associates to express an opinion on the Consolidated Financial Statements, of which we are the independent auditors. We are responsible for the direction, supervision and performance of the audit of financial information of such entities. For the other entities included in the consolidated financial statements, which have been audited by other auditors, such other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion. Our responsibilities in this regard are further described in para 2 (a) of the section titled 'Other Matters' in this audit report.

  We believe that the audit evidence obtained by us along with the consideration of audit reports of the other auditors referred to in sub-paragraph (a) of paragraph 2 of the Other Matters paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the consolidated financial statements.

We communicate with those charged with governance of the Holding Company and such other entities included in the Consolidated Financial Statements of which we are the independent auditors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

Other Matters

1. The comparative financial information of the Group for the year ended 31 March 2017 and the transition date opening balance sheet as at 1 April 2017 included in these consolidated financial statements, are based on the previously issued statutory financial statements prepared in accordance with the Companies (Accounting Standards) Rules, 2006 audited by the predecessor auditor whose report for the year ended 31 March 2017 dated 4 May 2017 expressed an unmodified opinion on those consolidated financial statements, as adjusted for the differences in the accounting principles adopted by the Group on transition to the Ind AS, which have been audited by us.

2. (a) We did not audit the financial statements / financial information of one subsidiary, whose financial statements/financial information reflect total assets of Rs.51,167 lakh as at 31 March 2019, total revenues of Rs.4,234 lakh and net cash flows amounting to Rs.911 lakh for the year ended on that date, as considered in the consolidated financial statements. These financial statements/financial information have been audited by other auditor whose report has been furnished to us by the Management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of this subsidiary, and our report in terms of sub-section (3) of Section 143 of the Act, in so far as it relates to the aforesaid subsidiary, is based solely on the audit report of the other auditor.

   The subsidiary is located outside India whose financial statements and other financial information have been prepared in accordance with accounting principles generally accepted in their respective country and which has been audited by other auditor under generally accepted auditing standards applicable in their respective country. The Company's management has converted the financial statements of such subsidiary located outside India from accounting principles generally accepted in their respective country to accounting principles generally accepted in India. We have audited these conversion adjustments made by the Company's management. Our opinion in so far as it relates to the balances and affairs of such subsidiary located outside India is based on the report of other auditor and the conversion adjustments prepared by the management of the Company and audited by us.

   (b) The financial statements/financial information of one subsidiary, whose financial statements/ financial information reflect total assets of Rs.7,868 lakh as at 31 March 2019, total revenues of Rs.698 lakh and net cash inflows amounting to Rs.22 lakh for the year ended on that date, as considered in the consolidated financial statements, have not been audited either by us or by other auditors. The consolidated financial statements also include the Group's share of net profit/loss (and other comprehensive income) of Rs.2,423 lakh for the year ended 31 March 2019, as considered in the consolidated financial statements, in respect of 15 associates, whose financial statements/financial information have not been audited by us or by other auditors. These unaudited financial statements/financial information have been furnished to us by the Management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries and associates, and our report in terms of sub-sections (3) of Section 143 of the Act in so far as it relates to the aforesaid subsidiaries and associates, is based solely on such unaudited financial statements / financial information. In our opinion and according to the information and explanations given to us by the Management, these financial statements/financial information are not material to the Group.

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

Report on Other Legal and Regulatory Requirements

A. As required by Section 143(3) of the Act, based on our audit and on the consideration of reports of the other auditors on separate financial statements and the other financial statements / financial information of associates as were audited by other auditors, as noted in the 'Other Matters' paragraph, we report, to the extent applicable, that:

a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid Consolidated Financial Statements.

b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid Consolidated Financial Statements have been kept so far as it appears from our examination of those books.

c) The consolidated balance sheet, the consolidated statement of profit and loss (including other comprehensive income), the consolidated statement of changes in equity and the consolidated statement of cash flows dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the Consolidated Financial Statements.

d) In our opinion, the aforesaid Consolidated Financial Statements comply with the specified under section 133 of the Act.

e) On the basis of the written representations received from the directors of the Holding Company as on 31 March 2019 taken on record by the Board of Directors of the Holding Company and the reports of the statutory auditors of its subsidiary companies and associate companies incorporated in India, none of the directors of the Holding company, its subsidiary companies and its associate companies incorporated in India is disqualified as on 31 March 2019 from being appointed as a director in terms of Section 164(2) of the Act.

f) With respect to the adequacy of the internal financial controls with reference to financial statements of the Holding Company, its subsidiary companies and associate companies incorporated in India and the operating effectiveness of such controls, refer to our separate Report in "Annexure A".

B. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditor's) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us and based on the consideration of as noted in the 'Other Matters' paragraph:

i. The Consolidated Financial Statements disclose the impact of pending litigations as at 31 March 2019 on the consolidated financial position of the Group and its associates. Refer Note 44 to the Consolidated Financial Statements.

ii. Provision has been made in the Consolidated Financial Statements, as required under the applicable law or Ind AS, for material foreseeable losses, on long-term contracts including derivative contracts. Refer Note 44 to the Consolidated Financial Statements in respect of such items as it relates to the Group and its associates.

iii. There has been no delay in transferring amounts to the Investor Education and Protection Fund by the Holding Company and its subsidiary companies incorporated in India during the year ended 31 March 2019. and

iv. The disclosures in the Consolidated Financial Statements regarding holdings as well as dealings in specified bank notes during the period from 8 November 2016 to 30 December 2016 have not been made in the financial statements since they do not pertain to the financial year ended 31 March 2019.

C. With respect to the matter to be included in the Auditor's report under section 197(16):

In our opinion and according to the information and explanations given to us the remuneration paid / provided during the current year by the Holding Company and its subsidiary companies incorporated in India, is in accordance with the requisite approvals mandated by the provisions of Section 197 of the Act read with Schedule V to the Act in accordance with the provisions of Section 197 of the Act. The Ministry of Corporate Affairs has not prescribed other details under Section 197(16) which are required to be commented upon by us

For **B S R & Co. LLP**
Chartered Accountants
Firm's RegistrationNo.101248W/W-100022

Manoj Kumar Vijai
Partner
Membership No. 046882

Mumbai
6 May 2019

ANNEXURE B TO THE INDEPENDENT AUDITORS' REPORT ON THE CONSOLIDATED FINANCIAL STATEMENTS OF TATA CAPITAL LIMITED FOR THE YEAR ENDED 31 MARCH 2019

Report on the internal financial controls with reference to the aforesaid Consolidated Financial Statements under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013

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

Opinion

In conjunction with our audit of the consolidated financial statements of the Company as of and for the year ended 31 March 2019, we have audited the internal financial controls with reference to consolidated financial statements of Tata Capital Limited (hereinafter referred to as "the Holding Company") and such companies incorporated in India under the Companies Act, 2013 which are its subsidiary companies and its associate companies as of that date.

In our opinion, the Holding Company and such companies incorporated in India which are its subsidiary companies and its associate companies, have, in all material respects, adequate internal financial controls with reference to consolidated financial statements and such internal financial controls were operating effectively as at 31 March 2019, based on the internal financial controls with reference to consolidated financial statements criteria established by such companies considering the essential components of such internal controls stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India (the "Guidance Note").

Management's Responsibility for Internal Financial Controls

The respective Company's management and the Board of Directors are responsible for establishing and maintaining internal financial controls with reference to consolidated financial statements based on the criteria established by the respective Company considering the essential components of internal control stated in the Guidance Note. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the respective company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013 (hereinafter referred to as "the Act").

Auditors' Responsibility

Our responsibility is to express an opinion on the internal financial controls with reference to consolidated financial statements based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing, prescribed under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls with reference to consolidated financial statements. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to consolidated financial statements were established and maintained and if such controls operated effectively in all material respects.

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

We believe that the audit evidence we have obtained, is sufficient and appropriate to provide a basis for our audit opinion on the internal financial controls with reference to consolidated financial statements.

Meaning of Internal Financial controls with Reference to consolidated financial Statements

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

Inherent Limitations of Internal Financial controls with Reference to Consolidated Financial Statements

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

Other Matter

Our aforesaid reports under Section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal financial controls with reference to consolidated financial statements is not modified in respect of 15 associate companies whose financial statements / financial information is unaudited and is not material to the Group.

For B S R & Co. LLP
Chartered Accountants
Firm's Registration No: 101248W/W-100022

Manoj Kumar Vijai
Partner
Membership No: 046882

MUMBAI, 6 May 2019

CONSOLIDATED BALANCE SHEET AS AT MARCH 31, 2019

(₹ in lakh)

	Particulars	Note No.	As at March 31, 2019	As at March 31, 2018	As at April 1, 2017
ASSETS					
(I)	**Financial Assets**				
(a)	Cash and cash equivalents	4	**1,34,510**	17,282	34,514
(b)	Bank balances other than (a) above	5	**53,680**	9,107	2,372
(c)	Derivative financial instruments		**347**	–	–
(d)	Receivables				
	(i) Trade receivables	6(i)	**14,850**	7,322	8,166
	(ii) Other receivables	6(ii)	**74**	137	101
(e)	Loans	7	**75,96,393**	60,44,156	51,20,968
(f)	Investments	8	**1,78,618**	1,69,518	1,59,559
(g)	Other financial assets	9	**34,113**	59,397	50,083
	Total Financial Assets		**80,12,585**	**63,06,919**	**53,75,763**
(II)	**Non Financial Assets**				
(a)	Current tax assets (net)		**9,043**	8,757	9,525
(b)	Deferred tax assets (net)	10	**80,177**	78,596	81,148
(c)	Investment property	11	**2,368**	2,488	2,446
(d)	Property, plant and equipment	11	**1,01,961**	79,596	87,961
(e)	Capital work-in-progress		**128**	275	655
(f)	Intangible assets under development	11	**116**	764	997
(g)	Other intangible assets	11	**2,947**	2,314	1,109
(h)	Other non-financial assets	12	**55,086**	41,628	31,387
	Total Non Financial Assets		**2,51,826**	**2,14,418**	**2,15,228**
Total Assets			**82,64,411**	**65,21,337**	**55,90,991**
LIABILITIES AND EQUITY					
LIABILITIES					
(I)	**Financial Liabilities**				
(a)	Derivative financial instruments		**357**	98	–
(b)	Payables				
	(i) Trade payables				
	- Total outstanding dues of micro enterprises and small enterprises	13(i)	**–**	–	–
	- Total outstanding dues of creditors other than micro enterprises and small enterprises	13	**74,704**	59,977	54,245
	(ii) Other payables				
	- Total outstanding dues of micro enterprises and small enterprises		**–**	–	–
	- Total outstanding dues of creditors other than micro enterprises and small enterprises		**–**	–	–
(c)	Debt securities	14	**21,92,081**	18,71,962	18,91,954
(d)	Borrowings (Other than debt securities)	15	**41,64,640**	31,32,649	22,68,415
(e)	Subordinated liabilities	16	**5,70,021**	5,19,523	4,91,706
(f)	Other financial liabilities	17	**1,95,972**	2,10,803	1,95,618
	Total financial liabilities		**71,97,775**	**57,95,012**	**49,01,938**
(II)	**Non-Financial liabilities**				
(a)	Current tax liabilities (net)		**17,050**	13,201	10,589
(b)	Provisions	18	**1,88,759**	1,95,093	2,27,393
(c)	Other non-financial liabilities	19	**49,062**	38,165	30,029
	Total non-financial liabilities		**2,54,871**	**2,46,459**	**2,68,011**
(III)	**Equity**				
(a)	Share capital	20	**3,26,781**	2,77,000	2,77,000
(b)	Other equity	21	**4,29,853**	1,47,875	86,491
(c)	Non-controlling interests		**55,131**	54,991	57,551
	Total equity		**8,11,765**	4,79,866	4,21,042
Total Liabilities and Equity			**82,64,411**	**65,21,337**	**55,90,991**
Summary of significant accounting policies		2			
See accompanying notes forming part of the financial statements		1-44			

In terms of our report of even date

For **B S R & Co. LLP**
Chartered Accountants
Firm Reg No: 101248W/W-100022

Manoj Kumar Vijai
Partner
Membership No. – 046882

Mumbai
May 06, 2019

For and on behalf of the Board of Directors

Saurabh Agrawal
(Chairman)
(DIN: 02144558)

Nalin M. Shah
(Director)
(DIN: 00882723)

Mehernosh B. Kapadia
(Director)
(DIN: 00046612)

F. N. Subedar
(Director)
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Aarthi Subramanian
(Director)
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Varsha Purandare
(Director)
(DIN: 05288076)

Rajiv Sabharwal
(Managing Director & CEO)
(DIN: 00057333)

Puneet Sharma
(Chief Financial Officer)

Avan Doomasia
(Company Secretary)

CONSOLIDATED STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED MARCH 31, 2019

(₹ in lakh)

	Particulars	Note No.	For the year ended March 31, 2019	For the year ended March 31, 2018
I	**Revenue from operations**			
(i)	Interest Income	22	**7,57,143**	6,05,422
(ii)	Dividend Income		**620**	1,181
(iii)	Rental Income		**34,536**	25,795
(iv)	Fees and commission Income		**13,430**	14,421
(v)	Net gain on fair value changes	23	**24,682**	1,353
(vii)	Net gain on derecognition of associates		**63,098**	10,370
			8,93,509	6,58,542
II	**Other income**	24	**26,992**	**19,818**
	Total Income (I+II)		**9,20,501**	**6,78,360**
III	**Expenses**			
(i)	Finance costs	25	**5,18,845**	3,88,199
(ii)	Net loss on fair value changes	23	**–**	–
(iii)	Impairment of investment in associates		**8**	706
(iv)	Impairment on financial instruments	27	**66,520**	33,067
(v)	Employee benefits expense	26	**81,478**	64,326
(vi)	Depreciation, amortisation and impairment	11	**28,828**	24,824
(vii)	Other expenses	28	**88,977**	62,744
	Total expenses (IV)		**7,84,656**	**5,73,866**
IV	**Profit/(Loss) from continuing operations before exceptional items, share of net profits of investments accounted for using equity method and tax**		**1,35,845**	**1,04,494**
V	Share of net profits of associates and joint ventures accounted for using equity method		**5,687**	5,178
VI	**Profit / (Loss) from continuing operations before exceptional items and tax (IV + V)**		**1,41,532**	**1,09,672**
VII	Exceptional Items		**–**	–
VIII	**Profit / (Loss) before tax from continuing operations (VI + VII)**		**1,41,532**	**1,09,672**
IX	**Tax expense**			
	(1) Current tax		**41,547**	39,426
	(2) Deferred tax		**(2,902)**	2,494
	Net tax expense		**38,645**	**41,920**
X	**Profit for the period from continuing operations (VIII-IX)**		**1,02,887**	67,752
XI	Profit from discontinued operations before tax		**–**	**–**
XII	Tax expense of discontinued operations		**–**	–
XIII	**Profit from discontinued operations (after tax) (XI-XII)**		**–**	–
XIV	**Profit for the year (X+XIII)**		**1,02,887**	**67,752**
XV	**Other Comprehensive Income**			
(A)	**(i) Items that will not be reclassified subsequently to Statement of Profit and Loss**			
	Owners of the Company			
	- Remeasurement of defined employee benefit plans		**(833)**	137
	- Income tax relating to remeasurement of defined employee benefit plans		**291**	(46)
	Non controlling interest			
	- Remeasurement of defined employee benefit plans		**(5)**	(5)
	- Changes in fair values of investment in equities carried at fair value through OCI		**2**	2
	Net other comprehensive income not to be reclassified subsequently to profit or loss		**(545)**	88

CONSOLIDATED STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED MARCH 31, 2019 (Contd.)

(₹ in lakh)

Particulars	Note No.	For the year ended March 31, 2019	For the year ended March 31, 2018
(ii) Items that will be reclassified subsequently to Statement of Profit and Loss			
Owners of the Company			
(a) Debt instruments through Other Comprehensive Income		**164**	(309)
(b) Fair value gain / (loss) on financial asset measured at FVTOCI		**562**	837
(c) Income tax relating to Fair value gain / (loss) on financial asset measured at FVTOCI		**(158)**	(39)
Non controlling interest			
(a) Debt instruments through Other Comprehensive Income		**–**	–
(b) Fair value gain / (loss) on financial asset measured at FVTOCI		78	161
(c) Income tax relating to Fair value gain / (loss) on financial asset measured at FVTOCI		(8)	(18)
Net other comprehensive income to be reclassified subsequently to profit or loss		**638**	632
XVI Total other comprehensive income for the year, net of income tax		**93**	**720**
Total Comprehensive Income for the year (XIV+XV)(Comprising Profit/ (Loss) and Other Comprehensive Income for the year)		**1,02,980**	**68,472**
Profit/(loss) attributable to:			
Owners of the Company		**77,988**	60,460
Non-controlling interest		**24,899**	7,292
XVII Profit/(loss) for the year		**1,02,887**	**67,752**
Other Comprehensive income attributable to:			
Owners of the Company		**26**	580
Non-controlling interest		**67**	140
XVIII Other Comprehensive income for the year		**93**	**720**
Total comprehensive income for the year attributable to:			
Owners of the Company		**78,014**	61,040
Non-controlling interest		**24,966**	7,432
Total comprehensive income for the year		**1,02,980**	68,472
XIX Earnings per equity share (for continuing operation):			
(1) Basic		**2.57**	2.14
(2) Diluted		**2.57**	2.14
XX Earnings per equity share (for discontinuing operation):			
(1) Basic		**–**	–
(2) Diluted		**–**	–
XXI Earnings per equity share (for continuing & discontinued operations)			
(1) Basic		**2.57**	2.14
(2) Diluted		**2.57**	2.14
Summary of significant accounting policies	2		
See accompanying notes forming part of the financial statements	1-44		

In terms of our report of even date

For **B S R & Co. LLP**
Chartered Accountants
Firm Reg No: 101248W/W-100022

Manoj Kumar Vijai
Partner
Membership No. – 046882

Mumbai
May 06, 2019

For and on behalf of the Board of Directors

Saurabh Agrawal
(Chairman)
(DIN: 02144558)

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(Managing Director & CEO)
(DIN: 00057333)

Puneet Sharma
(Chief Financial Officer)

Avan Doomasia
(Company Secretary)

STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED MARCH 31, 2019

A. Equity share capital

Particulars	Note No.	₹ in Lakh
Balance as at April 1, 2017		2,77,000
Changes in equity share capital during the year	20	-
Balance as at March 31, 2018		2,77,000
Changes in equity share capital during the year	20	49,781
Balance as at March 31, 2019		3,26,781

B. Other Equity

(₹ in lakh)

Particulars	Reserves and surplus								ESOP Reserve	Remeasurement of defined benefit liability/asset	Fair value gain / (loss) on Financial Assets carried at FVTOCI	Total equity
	Securities premium	Capital reserve	Capital Redemption Reserve	Foreign currency translation reserve	Debenture Redemption Reserve	Special Reserve Account	Retained earnings	General Reserve				
Balance as at April 1, 2017	**13,596**	**43**	**575**	**3,312**	**30,000**	**55,906**	**(17,193)**	**-**	**-**	–	**252**	**86,491**
Add:												
Profit for the year	–	–	–	–	–	–	60,460	–	–	–	–	60,460
Elimination against shares held by the ESOP Trust	81	–	–	–	–	–	–	–	–	–	–	81
Other comprehensive income for the year net of income tax	–	–	–	–	–	–	–	–	–	91	489	580
Transfer from Share options outstanding account upon vesting of stock options to employees	–	–	–	–	–	–	–	249	–	–	–	249
Created at the time of grant of options to employees, transferred to General reserve upon vesting	–	–	–	–	–	–	–	–	923	–	–	923
Effect of foreign exchange rate variations during the year	–	–	–	67	–	–	–	–	–	–	–	67
Total comprehensive income for the year	**13,677**	**43**	**575**	**3,379**	**30,000**	**55,906**	**43,267**	**249**	**923**	**91**	**741**	**1,48,851**
Less:												
Loan given to employees for ESOP's held	(51)	–	–	–	–	–	–	–	–	–	–	(51)
Dividend distribution tax	–	–	–	–	–	–	(925)	–	–	–	–	(925)
Transfer to Special Reserve Account	–	–	–	–	–	21,214	(21,214)	–	–	–	–	–
Balance as at March 31, 2018	**13,626**	**43**	**575**	**3,379**	**30,000**	**77,120**	**21,128**	**249**	**923**	**91**	**741**	**1,47,875**
Add:												

STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED MARCH 31, 2019 (Contd.)

(₹ in lakh)

Particulars	Reserves and surplus								ESOP Reserve	Remeasurement of defined benefit liability/asset	Fair value gain / (loss) on Financial Assets carried at FVTOCI	Total equity
	Securities premium	Capital reserve	Capital Redemption Reserve	Foreign currency translation reserve	Debenture Redemption Reserve	Special Reserve Account	Retained earnings	General Reserve				
Profit for the year	–	–	–	–	–	–	77,988	–	–	–	–	77,988
Other comprehensive income for the year net of income tax	–	–	–	–	–	–	–	–	–	(542)	568	26
Elimination against shares held by the ESOP Trust	112	–	–	–	–	–	–	–	–	–	–	112
Loan given to employees for ESOP's held	(392)	–	–	–	–	–	–	–	–	–	–	(392)
Issue of equity shares	2,00,593	–	–	–	–	–	–	–	–	–	–	2,00,593
Transfer from Share options outstanding account upon vesting of stock options to employees	–	–	–	–	–	–	–	383	–	–	–	383
Effect of foreign exchange rate variations during the year	–	–	–	3,566	–	–	–	–	–	–	–	3,566
Total comprehensive income for the year	**2,00,313**	**–**	**–**	**3,566**	**–**	**–**	**77,988**	**383**	**–**	**(542)**	**568**	**2,82,276**
Less:												
Transfer to stock reserve - equity settled options	–	–	–	–	–	–	–	–	55	–	–	55
Cost incurred upon issuance of equity shares	(250)	–	–	–	–	–	(103)	–	–	–	–	(353)
Transfer to Special Reserve Account	–	–	–	–	–	21,640	(21,640)	–	–	–	–	
Balance as at March 31, 2019	**2,13,689**	**43**	**575**	**6,945**	**30,000**	**98,760**	**77,373**	**632**	**978**	**(451)**	**1,309**	**4,29,853**

In terms of our report of even date

For **B S R & Co. LLP**
Chartered Accountants
Firm Reg No: 101248W/W-100022

Manoj Kumar Vijai
Partner
Membership No. – 046882

Mumbai
May 06, 2019

For and on behalf of the Board of Directors

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(DIN: 02144558)

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(Managing Director & CEO)
(DIN: 00057333)

Puneet Sharma
(Chief Financial Officer)

Avan Doomasia
(Company Secretary)

CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED MARCH 31, 2019

(₹ in lakh)

	Particulars	Note No.	For the Year Ended March 31, 2019	For the Year Ended March 31, 2018
1	**CASH FLOW USED IN OPERATING ACTIVITIES**			
	Profit before tax		**1,41,532**	1,09,672
	Adjustments for :			
	Depreciation and amortisation		**28,828**	24,824
	Net (gain)/loss on derecognition of property, plant and equipment		**(202)**	(1,034)
	Interest expenses		**4,29,672**	3,20,371
	Discounting charges on commercial paper		**88,093**	67,380
	Discounting charges on debentures		**1,080**	448
	Interest income		**(7,57,143)**	(6,05,422)
	Dividend income		**(620)**	(1,181)
	Provision for leave encashment		**596**	212
	Exchange gains (net)		**(9)**	(9)
	Net gain on fair value changes			
	- Realised		**(11,663)**	(2,031)
	- Unrealised		**(13,019)**	678
	Net gain on derecognition of associates		**(63,098)**	(10,370)
	Share based payments to employees		**550**	1,346
	Interest on income tax refund		**(161)**	(936)
	Contingent provision against standard assets		**11,034**	10,340
	Provision against restructured advances		**(325)**	(1,448)
	Provision for doubtful loans (net)		**55,510**	23,673
	Impairment on investments		**8**	706
	Provision against trade receivables		**301**	502
	Provision against assets held for sale		**1,446**	1,405
	Operating Loss before working capital changes and adjustments for interest received, interest paid and dividend received		**(87,590)**	(60,874)
	Adjustments for :			
	Increase in trade receivables		**(7,757)**	315
	Increase in Loans and advances - financing activity		**(15,98,269)**	(9,78,852)
	Increase in Loans and advances - others		**(54)**	(35,158)
	Increase in other liabilities and provisions		**28,866**	56,655
	Cash used in operations before adjustments for interest received, interest paid and dividend received		**(16,64,803)**	(10,17,914)
	Interest paid		**(4,93,337)**	(3,90,844)
	Interest received		**7,28,402**	6,00,897
	Interest received on income tax refund		**161**	936
	Dividend received		**620**	1,181
	Cash used in operations		**(14,28,958)**	(8,05,744)
	Taxes paid		**(36,663)**	(36,051)
	NET CASH USED IN OPERATING ACTIVITIES		**(14,65,621)**	(8,41,795)
2	**CASH FLOW FROM INVESTING ACTIVITIES**			
	Purchase of property, plant and equipment (including capital advances)		**(56,744)**	(32,403)
	Proceeds from sale of property, plant and equipment		**1,773**	7,449
	Purchase of investments		**(6,389)**	(22,538)
	Purchase of mutual fund units		**(3,43,61,933)**	(12,92,233)
	Proceeds from redemption of mutual fund units		**3,43,71,119**	12,92,432
	Proceeds from sale of investments		**83,099**	23,620
	Fixed deposits with banks having maturity over 3 months		**(44,573)**	(6,735)
	NET CASH USED IN INVESTING ACTIVITIES		**(13,648)**	**(30,408)**

CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED MARCH 31, 2019

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

(₹ in lakh)

	Particulars	Note No.	For the Year Ended March 31, 2019	For the Year Ended March 31, 2018
3	**CASH FLOW FROM FINANCING ACTIVITIES**			
	Proceeds from issue of Equity Shares		**2,50,000**	–
	Repayment of Capital to Class A unitholders		**(5,690)**	(6,174)
	Infusion of capital by minority shareholders		**2,414**	1,266
	Payout of income/ gain to contributors		**(21,601)**	(5,169)
	Loan given to employees for ESOP (net)		**(342)**	(295)
	Issue of preference shares		**15,345**	51,475
	Interest paid on share application money pending allotment		**(4)**	(12)
	Proceeds from sale of investments in subsidiaries		**–**	1,500
	Redemption of preference shares		**(20,499)**	(48,435)
	Debenture issue / loan processing expenses		**(8,778)**	(1,066)
	Interim dividend paid on equity and preference shares (including dividend distribution tax)		**(19,252)**	(19,859)
	Proceeds from borrowings (other than debt securities)		**83,50,301**	45,35,920
	Proceeds from Debt Securities and Subordinated liabilities		**10,48,270**	8,53,932
	Repayment of Borrowings (other than debt securities)		**(73,19,738)**	(36,37,176)
	Repayment of Debt Securities and Subordinated liabilities		**(6,73,928)**	(8,70,935)
	NET CASH FROM FINANCING ACTIVITIES		**15,96,498**	**8,54,971**
	NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS		**1,17,229**	**(17,232)**
	CASH AND CASH EQUIVALENTS AS AT THE BEGINNING OF THE YEAR		**17,229**	**34,461**
	CASH AND CASH EQUIVALENTS AS AT THE END OF THE YEAR		**1,34,458**	**17,229**
	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		**1,34,458**	17,229
	Add : Restricted Bank [Refer notes 4(ii) and 4(iii)]		**57**	53
	Add: Fixed deposits with original maturity over 3 months		**53,675**	9,107
	CASH AND BANK BALANCES AS AT THE END OF THE YEAR		**1,88,190**	**26,389**
	Summary of significant accounting policies	2		
	See accompanying notes forming part of the financial statements	1-44		

In terms of our report of even date

For **B S R & Co. LLP**
Chartered Accountants
Firm Reg No: 101248W/W-100022
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TATA CAPITAL LIMITED
NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS (CFS)

1. CORPORATE INFORMATION

Tata Capital Limited (the "Company" or "TCL") is a subsidiary of Tata Sons Private Limited. In May 2012, TCL was registered with the Reserve Bank of India ("RBI") as a Systemically Important Non-deposit Accepting Core Investment Company ("CIC").

As a CIC, TCL is primarily a holding company, holding investments in its subsidiaries and other group companies and carries out only such activities as are permitted under the guidelines issued by the RBI for CICs. The Company's subsidiaries are engaged in a wide array of businesses in the financial services sector.

2. SIGNIFICANT ACCOUNTING POLICIES

i. Statement of compliance

In accordance with the notification issued by the Ministry of Corporate Affairs, the Group has adopted Indian Accounting Standards (referred to as "Ind AS") notified under the Companies (Indian Accounting Standards) Rules, 2015. The Group has adopted Ind AS from April 1, 2018 with effective transition date as April 1, 2017. The Consolidated Financial Statements of Tata Capital Limited (the "Company") and its subsidiaries and associates (together the "Group") have been prepared in accordance with the Ind AS as notified under the Companies (Indian Accounting Standards) Rules, 2015, read with Section 133 of the Companies Act, 2013 (the "Act"). The transition was carried out from Accounting Principles generally accepted in India as prescribed under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014 ("IGAAP" or "previous GAAP").

An explanation of how the transition to Ind AS has affected the previously reported financial position, financial performance and cash flows of the Group is provided in Note no 3.

The companies in the Group are regulated by the Reserve Bank of India ('RBI')/National Housing Bank(NHB). RBI/NHB periodically issues/amends directions, regulations and/or guidance (collectively "Regulatory Framework") covering various aspects of the operation of the companies, including those relating to accounting for certain types of transactions. The Regulatory Framework contains specific instructions that need to be followed by the companies in preparing their financial statements. The Consolidated Financial Statements for the current and previous years may need to undergo changes in measurement and / or presentation upon receipt of clarifications on the Regulatory Framework or changes thereto.

ii. Presentation of the Consolidated Financial Statements

The Balance Sheet, the Statement of Profit and Loss and the Statement of Changes in Equity are prepared and presented in the format prescribed in Division III of Schedule III to the Act. The Statement of Consolidated Cash Flow has been prepared and presented as per the requirements of Ind AS. Amounts in the financial statements are presented in Indian Rupees in lakh.

iii. Principles of Consolidation

The Group is able to exercise control over the operating decision of the investee companies, resulting in variable returns to the Group and accordingly, the same are classified as investment in subsidiary and line by line consolidation is carried out under the principles of consolidation. The Consolidated Financial Statements of the Group have been prepared on the following basis:

a) The financial statements of the subsidiaries and associates used in the consolidation are drawn up to the same reporting date as that of the Company i.e., March 31, 2019, except for certain associates for which financial statements as on the reporting date are not available. These have been consolidated based on their latest available financial statements. Necessary adjustments have been made for the effects of significant transactions and other events between the reporting dates of such financial statements and the Consolidated Financial Statements.

b) The financial statements of the Company and its subsidiaries have been combined on a line-by-line basis by adding together like items of assets, liabilities, income and expenses, after eliminating intra-group balances, intra-group transactions and resulting unrealised profits or losses, unless cost cannot be recovered.

c) The Consolidated Financial Statements include the share of profit/ (loss) of associates, which have been accounted for using the equity method as per Ind AS 28- (Accounting for Investments in Associates in Consolidated Financial Statements). Accordingly, the share of profit/ (loss) of the associates (the loss being restricted to the cost of the investment) have been added/deducted to the costs of investments.

d) The excess of cost to the Group of its investments in the subsidiaries over its share of equity of the subsidiaries, at the dates on which the investments in the subsidiaries were made, is recognised as “Goodwill on Consolidation” and is tested for impairment on annual basis. On the other hand, where the share of equity in the subsidiaries as on the date of investment is in excess of cost of investments of the Group, it is recognised as ‘Capital Reserve’ and shown under the head ‘Reserves & Surplus’ in the Consolidated Financial Statements.

e) In case of an overseas subsidiary, being a non-integral operation, revenue items are consolidated at the average rate prevailing during the year. All assets and liabilities are converted at the rates prevailing at the end of the year. Any exchange difference arising on consolidation is recognised in the “Foreign Currency Translation Reserve”.

f) The difference between the cost of investment in the associate and the share of net assets at the time of acquisition of shares in the associate is identified in the Consolidated Financial Statements as Goodwill or Capital Reserve as the case may be and adjusted against the carrying amount of investment in the associate.

g) Non-controlling interest (NCI) in the net assets of the subsidiaries consists of the amount of equity attributable to the minority shareholders at the date on which investments in the subsidiaries were made and further movements in their share in the equity, subsequent to the dates of investments. Net profit / loss for the year of the subsidiaries attributable to NCI is identified and adjusted against the profit after tax of the Group in order to arrive at the profit attributable to shareholders of the Group.

iv. Basis of preparation and presentation

The Consolidated Financial Statements have been prepared on the historical cost basis except for certain financial instruments that are measured at fair values at the end of each reporting period as explained in the accounting policies below.

Historical cost is generally based on the fair value of the consideration given in exchange for goods and services at the time of entering into the transaction.

Measurement of fair values:

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique.

Fair value for measurement and/or disclosure purposes for certain items in these financial statements are determined considering the following measurement methods:

Items	Measurement basis
Certain financial assets and liabilities (including derivatives instruments)	Fair value
Net defined benefit (asset)/liability	Fair value of planned assets less present value of defined benefit obligations
Property plant and equipment	Value in use under Ind AS 36

Fair value measurements under Ind AS are categorised into Level 1, 2, or 3 based on the degree to which the inputs to the fair value measurements are observable and the significance of the inputs to the fair value measurement in its entirety, which are described as follows:

a) Level 1: inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the Group can access at the measurement date

b) Level 2: inputs are inputs, other than quoted prices included within level 1, that are observable for the asset or liability, either directly or indirectly; and

c) Level 3: inputs are unobservable inputs for the valuation of assets or liabilities that the Group can access at the measurement date.

   Valuation model and framework used for fair value measurement and disclosure of financial instrument:

   Refer notes 42A and 42B.

v. Use of estimates and judgements

The preparation of the Consolidated Financial Statements requires the Management of the Group to make judgements, assumptions and estimates that affect the reported balances of assets and liabilities and disclosures relating to the contingent liabilities as at the date of the financial statements and reported amounts of income and expenses for the reporting period. The application of accounting policies that require critical accounting estimates involving complex and subjective judgments and the use of assumptions in the Consolidated Financial Statements have been disclosed as applicable in the respective notes to accounts. Accounting estimates could change from period to period. Future results could differ from these estimates. Appropriate changes in estimates are made as the Management becomes aware of the changes in circumstances surrounding the estimates. Changes in estimates are reflected in the Consolidated Financial Statements in the period in which changes are made and, if material, their effects are disclosed in the notes to the Consolidated Financial Statements.

Judgements:

Information about judgements made in applying accounting policies that have a most significant effect on the amount recognised in the Consolidated Financial Statements is included in the following notes:

Note x - Classification of financial assets: assessment of the business model within which the assets are held and assessment of whether the contractual terms of the financial asset are solely payments of principal and interest on the principal amount outstanding.

Assumptions and estimation uncertainties:

Information about assumptions and estimation uncertainties that have a significant risk of resulting in a material adjustment in the year ended March 31, 2019 is included in the following notes:

- Note xi - Impairment test of non-financial assets: key assumption underlying recoverable amounts.
- Note xi - Useful life of property, plant, equipment and intangibles.
- Note xix – Recognition of deferred tax assets: availability of future taxable profit against which carry forward deferred tax asset can be set off.
- Notes xxi – Recognition and measurement of provisions and contingencies: key assumptions about the likelihood and magnitude of an outflow of resources.
- Note 34 – Measurement of defined benefit obligations: key actuarial assumptions.
- Notes 42A and Note 42B – Determination of the fair value of financial instruments with significant unobservable inputs.

- Note 40A(iii) – Impairment of financial instruments: assessment of whether credit risk on the financial asset has increased significantly since initial recognition and incorporation of forward-looking information in the measurement of expected credit loss (ECL).
- Note 40A(iii) – Impairment of financial instruments: key assumptions used in estimating recoverable cash flows.

vi. Interest

Interest consists of consideration for the time value of money, for the credit risk associated with the principal amount outstanding during a particular period of time and for other basic lending risks and costs, as well as a profit margin.

Interest income and expense are recognised using the effective interest method. The effective interest rate (EIR) is the rate that exactly discounts the estimated future cash flows through the expected life of the financial instrument to the gross carrying amount of the financial asset or amortised cost of the financial liability.

The calculation of the EIR includes all fees paid or received that are incremental and directly attributable to the acquisition or issue of a financial asset or liability.

Interest income is calculated by applying the EIR to the gross carrying amount of non-credit impaired financial assets (i.e. at the amortised cost of the financial asset before adjusting for any expected credit loss allowance). For credit-impaired financial assets, the interest income is calculated by applying the EIR to the amortised cost of the credit-impaired financial assets {i.e. at the amortised cost of the financial asset after adjusting for any expected credit loss allowance (ECLs)}. The Group assesses the collectability of the interest on credit impaired assets at each reporting date. Based on the outcome of such assessment, the interest income accrued on credit impaired financial assets is either accounted for as income or written off as per the write off policy of the Group.

Interest expense is calculated by applying the EIR to the amortised cost of the financial liability.

The ‘amortised cost’ of a financial asset or financial liability is the amount at which the financial asset or financial liability is measured on initial recognition minus the principal repayments, plus or minus the cumulative amortisation using the effective interest method of any difference between that initial amount and the maturity amount and, for financial assets, adjusted for any expected credit loss allowance.

The ‘gross carrying amount of a financial asset’ is the amortised cost of a financial asset before adjusting for any expected credit loss allowance.

vii. Income from services and distribution of financial products

Income from Services:

Fees for financial advisory services are accounted as and when the service is rendered provided there is reasonable certainty of its ultimate realisation.

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

Income from Private Equity assets under management are recognised as contracted under the investment management agreement with each Private Equity Fund.

Distributions from Private Equity Funds are accounted when received.

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 applicable indirect taxes and sub-brokerage.

Sourcing income is recognised on an accrual basis when there is a reasonable certainty of its ultimate realisation.

viii. Dividend income

Income from dividend on investment in equity and preference shares of corporate bodies and units of mutual funds are accounted when received or on accrual basis when such dividends have been declared by the corporate bodies in their annual general meetings and the Group's right to receive payment is established.

ix. Leases

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

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

Lease rental - under operating leases (excluding amount for services such as insurance and maintenance) are recognised on a straight-line basis over the lease term, except for increase in line with expected inflationary cost increases.

x. Financial Instruments

Financial assets and financial liabilities are recognised in the Consolidated Balance Sheet on trade date when the Group becomes a party to the contractual provisions of the instrument. Loan is recorded upon remittance of the funds.

Recognised financial assets and financial liabilities are initially measured at fair value. Transaction costs and revenues that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at FVTPL) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs and revenues directly attributable to the acquisition of financial assets or financial liabilities at FVTPL are recognised immediately in the Statement of Profit and Loss.

If the transaction price differs from fair value at initial recognition, the Group will account for such difference as follows:

a) If fair value is evidenced by a quoted price in an active market for an identical asset or liability or based on a valuation technique that uses only data from observable markets, then the difference is recognised in the Statement of Profit and Loss on initial recognition (i.e. day 1 profit or loss);

b) In all other cases, the fair value will be adjusted to bring it in line with the transaction price (i.e. day 1 profit or loss will be deferred by including it in the initial carrying amount of the asset or liability).

After initial recognition, the deferred gain or loss will be released to the Statement of Profit and Loss on a rational basis, only to the extent that it arises from a change in a factor (including time) that market participants would take into account when pricing the asset or liability.

a) Financial assets

Classification

On initial recognition, depending on the Group's business model for managing the financial assets and its contractual cash flow characteristics, a financial asset is classified as measured at;

1) Amortised cost;

2) Fair value through other comprehensive income (FVTOCI); or

3) Fair value through profit and loss (FVTPL).

Initial recognition and measurement

Financial asset is recognised on trade date initially at cost of acquisition net of transaction cost and income that is attributable to the acquisition of the financial asset. Cost equates the fair value on acquisition. Financial asset measured at amortised cost and financial asset measured at fair value through other comprehensive income are presented at gross carrying value in the Consolidated Financial Statements. Unamortised transaction cost and unamortised income and impairment allowance on financial asset are shown separately under the heading "Other non-financial asset", ''Other non-financial liability" and "Provisions" respectively.

Refer Note no 40A(iv) for disclosure of the financial asset measured at amortised cost and financial asset measured at FVTOCI, net of the unamortised transaction cost and unamortised income and impairment allowance.

Assessment of Business model

An assessment of the applicable business model for managing financial assets is fundamental to the classification of a financial asset. The Group determines the business models at a level that reflects how financial assets are managed together to achieve a particular business objective. The Group's business model does not depend on the Management's intentions for an individual instrument; therefore, the business model assessment is performed at a higher level of aggregation rather than on an instrument-by-instrument basis.

The Group could have more than one business model for managing its financial instruments which reflect how the Group manages its financial assets in order to generate cash flows. The Group's business models determine whether cash flows will result from collecting contractual cash flows, selling financial assets or both.

The Group considers all relevant information available when making the business model assessment. The Group takes into account all relevant evidence available such as:

1) how the performance of the business model and the financial assets held within that business model are evaluated and reported to the entity's Key Management Personnel and its Board of Directors;

2) the risks that affect the performance of the business model (and the financial assets held within that business model) and, in particular, the way in which those risks are managed; and

3) how managers of the business are compensated (e.g. whether the compensation is based on the fair value of the assets managed or on the contractual cash flows collected).

4) At initial recognition of a financial asset, the Group determines whether newly recognised financial assets are part of an existing business model or whether they reflect the commencement of a new business model. The Group reassesses its business models at each reporting period to determine whether the business model/(s) have changed since the preceding period. For the current and prior reporting period the Group has not identified any change in its business model.

   Based on the assessment of the business models, the Group has identified the following three choices of classification of its financial assets:

a) Financial assets that are held within a business model whose objective is to collect the contractual cash flows ("Asset held to collect contractual cash-flows"), and that have contractual cash flows that are solely payments of principal and interest on the principal amount outstanding (SPPI), are measured at amortised cost;

b) Financial assets that are held within a business model whose objective is both to collect the contractual cash flows and to sell the assets, ("Contractual cash flows of Asset collected through hold and sell model") and that have contractual cash flows that are SPPI, are measured at FVTOCI.

c) All other financial assets (e.g. managed on a fair value basis, or held for sale) and equity investments are measured at FVTPL.

Financial asset at amortised cost:

Amortised cost of financial asset is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. For the purpose of SPPI test, principal is the fair value of the financial asset at initial recognition. That principal amount may change over the life of the financial asset (e.g. if there are repayments of principal). Contractual cash flows that do not introduce exposure to risks or volatility in the contractual cash flows on account of changes such as equity prices or commodity prices and are related to a basic lending arrangement, do give rise to SPPI. An originated or an acquired financial asset can be a basic lending arrangement irrespective of whether it is a loan in its legal form.

The EIR amortisation is included in finance income in the Statement of Profit and Loss. The losses arising from impairment are recognised in the Statement of Profit and Loss.

Financial asset at fair value through Other Comprehensive Income (FVTOCI)

After initial measurement, basis assessment of the business model as "Contractual cash flows of Asset collected through hold and sell model and SPPI", such financial assets are classified to be measured at FVTOCI. Contractual cash flows that do introduce exposure to risks or volatility in the contractual cash flows due to changes such as equity prices or commodity prices and are unrelated to a basic lending arrangement, do not give rise to SPPI.

The EIR amortisation is included in finance income in the Statement of Profit and Loss. The losses arising from impairment are recognised in the Statement of Profit and Loss. The carrying value of the financial asset is fair valued by discounting the contractual cash flows over contractual tenure, basis the internal rate of return of a new similar asset originated in the month of reporting and such unrealised gain/loss is recorded in Other Comprehensive Income (OCI). Where such a similar product is not originated in the month of reporting, the closest product origination is used as a proxy. Upon sale of the financial asset, actual the gain/ loss realised is recorded in the Statement of Profit and Loss and the unrealised/gain losses recorded in OCI are recycled to the Statement of Profit and Loss.

Financial asset at fair value through profit and loss (FVTPL)

Financial asset, which does not meet the criteria for categorization at amortised cost or FVTOCI, is classified as at FVTPL. In addition, the Group may elect to classify a financial asset which otherwise meets the amortised cost or FVTOCI criteria as FVTPL. However, such election is allowed only if doing so reduces or eliminates a measurement or recognition inconsistency (referred to as 'accounting mismatch'). Financial assets included within the FVTPL category are measured at fair value with all changes recognised in the Statement of Profit and Loss.

Investment in equity, security receipt, mutual fund, non-cumulative redeemable preference shares and cumulative compulsorily convertible preference shares:

Investment in equity, security receipt, mutual fund, non-cumulative redeemable preference shares and cumulative compulsorily convertible preference shares are classified as FVTPL and measured at fair value with all changes recognised in the Statement of Profit and Loss. Upon initial recognition, the Group, on an instrument-by-instrument basis, may elect to classify equity instruments other than held for trading either as FVTOCI or FVTPL. Such election is subsequently irrevocable. If FVTOCI is elected, all fair value changes on the instrument, excluding dividends, are recognised in OCI. There is no recycling of the gains or losses from OCI to the Statement of Profit and Loss, even upon sale of investment. However, the Group may transfer the cumulative gain or loss within other equity upon realisation.

Reclassifications within classes of financial assets

A change in the business model would lead to a prospective re-classification of the financial asset and accordingly, the measurement principles applicable to the new classification will be applied. During the current financial and previous accounting years, there was no change in the business model under which the Group held financial assets and therefore, no reclassifications were made.

Impairment of Financial Asset

Impairment approach

The Group is required to recognise expected credit losses (ECLs) based on forward-looking information for all financial assets at amortised cost, lease receivables, debt financial assets at fair value through other comprehensive income, loan commitments and financial guarantee contracts. No impairment loss is applicable on equity investments.

At the reporting date, an allowance (or provision for loan commitments and financial guarantees) is required for the 12 month ECLs. If the credit risk has significantly increased since initial recognition (Stage 1), an allowance (or provision) is recognised for the lifetime ECLs for financial instruments for which the credit risk has increased significantly since initial recognition (Stage 2) or which are credit impaired (Stage 3).

The measurement of ECL is calculated using three main components: (i) the probability of default (PD) (ii) the loss given default (LGD) and (iii) the exposure at default (EAD). The 12 month ECL is calculated by multiplying the 12 month PD, LGD and the EAD. The 12 month and lifetime PDs represent the PD occurring over the next 12 months and the remaining maturity of the instrument respectively. The EAD represents the expected balance at default, taking into account the repayment of principal and interest from the Balance Sheet date to the default event, together with any expected drawdowns of committed facilities. The LGD represents expected losses on the EAD given the event of default, taking into account, among other attributes, the mitigating effect of collateral value at the time it is expected to be realised and the time value of money.

The Group applies a three-stage approach to measure ECL on financial assets accounted for at amortised cost and FVTOCI. Assets migrate through the following three stages based on the change in credit quality since initial recognition.

1. **Stage 1: 12-months ECL**

   For exposures where there has not been a significant increase in credit risk since initial recognition and that are not credit impaired upon origination, the portion of the lifetime ECL associated with the probability of default events occurring within the next 12 months is recognised. Exposures with days past due (DPD) less than or equal to 29 days are classified as stage 1. The Group has identified zero bucket and bucket with DPD less than or equal to 29 days as two separate buckets.

   For Infrastructure division of the Group, the determination of 12 month ECL is based on the internal rating mapped to external CRISIL rating wherever external ratings are available since there is no observed default basis internal data to determine probability of default. Where external ratings are not available, such accounts are considered to be BBB rated which is the average observed rating of the portfolio. Internal rating better than BB, BB+ or BB-ve is considered as stage 1 in addition to the DPD criteria.

2. **Stage 2: Lifetime ECL – not credit impaired**

   For credit exposures where there has been a significant increase in credit risk since initial recognition but that are not credit impaired, a lifetime ECL is recognised. Exposures with DPD equal to 30 days but less than or equal to 89 days are classified as stage 2. At each reporting date, the Group assesses whether there has been a significant increase in credit risk for financial asset since initial recognition by comparing the risk of default occurring over the expected life between the reporting date and the date of initial recognition. The Group has identified cases with DPD equal to or more than 30 days and less than or equal to 59 days and cases with DPD equal to or more than 60 days and less than or equal to 89 days as two separate buckets.

For Infrastructure division of the Group, internal rating equal to BB, BB+ or BB-ve is considered as stage 2 in addition to the DPD criteria.

3. **Stage 3: Lifetime ECL – credit impaired**

   Financial asset is assessed as credit impaired when one or more events that have a detrimental impact on the estimated future cash flows of that asset have occurred. For financial assets that have become credit impaired, a lifetime ECL is recognised on principal outstanding as at period end. Exposures with DPD equal to or more than 90 days are classified as stage 3.

For Infrastructure division of the Group, internal rating equal to D is considered as stage 3.

A loan that has been renegotiated due to a deterioration in the borrower's condition is usually considered to be credit-impaired unless there is evidence that the risk of not receiving contractual cash flows has reduced significantly and there are no other indicators of impairment. ECL is recognised on EAD as at period end. If the terms of a financial asset are renegotiated or modified due to financial difficulties of the borrower, then such asset is moved to stage 3, lifetime ECL under stage 3 on the EAD is applied.

The Group assesses when a significant increase in credit risk has occurred based on quantitative and qualitative assessments. Exposures are considered to have resulted in a significant increase in credit risk and are moved to Stage 2 when:

1. Quantitative test: Accounts that are 30 calendar days or more past due move to Stage 2 automatically. Accounts that are 90 calendar days or more past due move to Stage 3 automatically.
2. Qualitative test: Accounts that meet the portfolio's 'high risk' criteria and are subject to closer credit monitoring. High risk customers may not be in arrears but either through an event or an observed behaviour exhibit credit distress.
3. Reversal in Stages: Exposures will move back to Stage 2 or Stage 1 respectively, once they no longer meet the quantitative criteria set out above. For exposures classified using the qualitative test, when they no longer meet the criteria for a significant increase in credit risk and when any cure criteria used for credit risk management are met.

The definition of default for the purpose of determining ECLs has been aligned to the Reserve Bank of India/National Housing Bank definition of default, which considers indicators that the debtor is unlikely to pay and is no later than when the exposure is more than 90 days past due. The Group continues to incrementally provide for the asset post initial recognition in Stage 3, based on its estimate of the recovery.

In line with the above policy, the Group has thus fully provided for/ written off the entire receivables in the current financial year as per table below:

Product	**Overdue criteria**
Housing loans and loan against property	15 months and above
Construction equipment, auto, commercial vehicles, two wheeler and personal loan	10 months and above
Tractor/agri products	6 months and above
Consumer durables	5 months and above

The measurement of all expected credit losses for financial assets held at the reporting date based on historical experience, current conditions and reasonable and supportable forecasts. The measurement of ECL involves increased complexity and judgement, including estimation of PDs, LGD, a range of unbiased future economic scenarios, estimation of expected lives, and estimation of EAD and assessing significant increases in credit risk.

Inputs, assumptions and estimation techniques used for estimating ECL:

Refer note 40A(iii)

Impairment of Trade receivable and Operating lease receivable

Impairment allowance on trade receivables is made on the basis of life time credit loss method, in addition to specific provision considering the uncertainty of recoverability of certain receivables.

Modification and De-recognition of financial assets

Modification of financial assets

A modification of a financial asset occurs when the contractual terms governing the cash flows of a financial asset are renegotiated or otherwise modified between initial recognition and maturity of the financial asset. A modification affects the amount and/or timing of the contractual cash flows either immediately or at a future date. The Group renegotiates loans to customers in financial difficulty to maximise collection and minimise the risk of default. A loan forbearance is granted in cases where although the borrower made all reasonable efforts to pay under the original contractual terms, there is a high risk of default or default has already happened and the borrower is expected to be able to meet the revised terms. The revised terms in most of the cases include an extension of the maturity of the loan, changes to the timing of the cash flows of the loan (principal and interest repayment), reduction in the amount of cash flows due (principal and interest forgiveness). Such accounts are classified as stage 3 immediately upon such modification in the terms of the contract.

Not all changes in terms of loans are considered as renegotiation and changes in terms of a class of obligors that are not overdue is not considered as renegotiation and is not subjected to deterioration in staging.

De-recognition of financial assets

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is derecognised when:

1) the rights to receive cash flows from the asset have expired, or

2) the Group has transferred its rights to receive cash flows from the asset and substantially all the risks and rewards of the asset, or the Group has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset

If the Group retains substantially all the risks and rewards of ownership of a transferred financial asset, the Group continues to recognise the financial asset and also recognises a collateralised borrowing for the proceeds received.

Write-off

Impaired loans and receivables are written off against the related allowance for loan impairment on completion of the Group's internal processes and when the Group concludes that there is no longer any realistic prospect of recovery of part or all of the loan. For loans that are individually assessed for impairment, the timing of write off is determined on a case by case basis. A write-off constitutes a de-recognition event. The Group has a right to apply enforcement activities to recover such written off financial assets. Subsequent recoveries of amounts previously written off are credited to the Statement of Profit and Loss.

Presentation of ECL allowance for financial asset:

Type of Financial asset	Disclosure
Financial asset measured at amortised cost	Shown separately under the head "provisions" and not as a deduction from the gross carrying amount of the assets. Carrying amount of the financial assets net of the impairment allowance is disclosed separately in the note no 40A(4).
Financial assets measured at FVTOCI	Netted off from the fair value gain through other comprehensive income.
Loan commitments and financial guarantee contracts	Shown separately under the head "provisions".

Where a financial instrument includes both a drawn and an undrawn component and the Group cannot identify the ECL on the loan commitment separately from those on the drawn component, the Group presents a combined loss allowance for both components under "provisions".

Financial Liability, Equity and Compound Financial Instruments

Financial liabilities and equity

Debt and equity instruments that are issued are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangement.

Financial liabilities

A financial liability is a contractual obligation to deliver cash or another financial asset or to exchange financial assets or financial liabilities with another entity under conditions that are potentially unfavourable to the Group or a contract that will or may be settled in the Group's own equity instruments and is a non-derivative contract for which the Group is or may be obliged to deliver a variable number of its own equity instruments, or a derivative contract over own equity that will or may be settled other than by the exchange of a fixed amount of cash (or another financial asset) for a fixed number of the Group's own equity instruments.

Classification

The Group classifies its financial liability as "Financial liability measured at amortised cost" except for those classified as financial liabilities measured at fair value through profit and loss (FVTPL).

Initial recognition and measurement

Financial liability is recognised initially at cost of acquisition net of transaction costs and incomes that is attributable to the acquisition of the financial liability. Cost equates the fair value on acquisition. The Group may irrevocably designate a financial liability that meet the amortised cost as measured at FVTPL if doing so eliminates or significantly reduces an accounting mismatch (referred to as the fair value option).

Cumulative redeemable preference shares (CRPS) issued are classified a financial liability measured at amortised cost and the dividend accrued thereon along with dividend distribution tax (DDT) is recorded as finance cost.

De-recognition of financial liabilities

The Group derecognises financial liabilities when and only when the Group's obligations are discharged, cancelled or have expired. The difference between the carrying amount of the financial liability derecognised and the consideration paid and payable is recognised in the Statement of Profit and Loss.

Equity

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. Equity instruments issued by the Group are recognised at the proceeds received, net of direct issue costs. A conversion option that will be settled by the exchange of a fixed amount of cash or another financial asset for a fixed number of the Group's own equity instruments is an equity instrument.

No gain/loss is recognised in the Statement of Profit and Loss on the purchase, sale, issue or cancellation of the Group's own equity instruments.

Compound instruments

a) The component parts of compound instruments (e.g. cumulative compulsorily convertible preference shares CCCPS) issued by the Group are classified separately as financial liabilities and equity in accordance with the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument. At the date of issue, the fair value of the liability component is estimated using the prevailing market interest rate for similar non-convertible instruments. A conversion option classified as equity is determined by deducting the amount of the liability component from the fair value of the compound instrument as a whole. This is recognised and included in equity, net of income tax effects, and is not subsequently re-measured. In addition, the conversion option classified as equity will remain in equity until the conversion option is exercised, in which case, the balance recognised in equity will be transferred to share capital and share premium. Where the conversion option remains unexercised at the maturity date of the convertible note, the balance recognised in equity will be transferred to retained profits. No gain/loss is recognised in the Statement of Profit and Loss upon conversion or expiration of the conversion option.

Cumulative Compulsorily Convertible Preference Shares (CCCPS), with an option to holder to convert the instrument in to variable number of equity shares of the entity upon redemption are classified as a financial liability and dividend, including dividend distribution tax, is accrued on such instruments and recorded as finance cost.

b) Derivative Financial Instruments

The Group uses derivative financial instrument such as foreign currency forward cover contract to mitigate foreign exchange rate fluctuation risk and interest rate swap to mitigate the foreign exchange fluctuation risk towards the repayment of the external commercial borrowings on account of interest and principal under floating rate term. Derivatives are initially recognised at fair value as on the date of entering into a derivative contract and are subsequently re-measured to their fair value at each Balance Sheet date. The resulting gain/loss is recognised in the Statement of Profit and Loss immediately since the derivative is not designated as a hedging instrument. A derivative with a positive fair value is recognised as a financial asset, whereas a derivative with a negative fair value is recognised as a financial liability.

c) Cash, Cash equivalents and bank balances

Cash, Cash equivalents and bank balances include fixed deposits, margin money deposits, and earmarked balances with banks are carried at amortised cost. Short-term and liquid investments, being subject to more than insignificant risk of change in value, are not included as part of cash and cash equivalents.

xi. Property, plant and equipment

a. Tangible

Tangible property, plant and equipment (PPE) acquired by the Group are reported at acquisition cost less accumulated depreciation and accumulated impairment losses, if any. The acquisition cost includes any cost attributable to bringing asset to its working condition net of tax/duty credits availed, which comprises of purchase consideration, other directly attributable costs of bringing the assets to their working condition for their intended use. PPE is recognised when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably.

b. Capital work-in-progress

PPE not ready for the intended use on the date of the Balance Sheet are disclosed as “Capital work-in-progress” and carried at cost, comprising direct cost, related incidental expenses and attributable interest.

c. Intangible

Intangible assets are recognised when it is probable that future economic benefits that are attributable to the asset will flow to the enterprise and the cost of the asset can be measured reliably. Intangible assets are stated at original cost net of tax/duty credits availed, if any, less accumulated amortisation and cumulative impairment. Administrative and other general overhead expenses that are specifically attributable to acquisition of intangible assets are allocated and capitalised as a part of the cost of the intangible assets. Expenses on software support and maintenance are charged to the Statement of Profit and Loss during the year in which such costs are incurred.

d. Intangible assets under development

Intangible assets not ready for the intended use on the date of Balance Sheet are disclosed as “Intangible assets under development”.

e. Depreciation and Amortisation

Depreciable amount for tangible property, plant and equipment is the cost of an asset, or other amount substituted for cost, less its estimated residual value. The residual value of each asset given on operating lease is determined at the time of recording of the lease asset. If the residual value of the operating lease asset is higher than 5%, the Group has a justification in place for considering the same.

Depreciation on tangible property, plant and equipment deployed for own use has been provided on the straight-line method as per the useful life prescribed in Schedule II to the Companies Act, 2013 except in respect of buildings, computer equipment networking assets, electrical installation and equipment and vehicles, in whose case the life of the assets has been assessed based on the nature of the asset, the estimated usage of the asset, the operating conditions of the asset, past history of replacement, etc. Depreciation on tangible property, plant and equipment deployed on operating lease has been provided on the straight-line method over the primary lease period of the asset. Depreciation method is reviewed at each financial year-end to reflect expected pattern of consumption of the future economic benefits embodied in the asset. The estimated useful life and residual values are also reviewed at each financial year-end with the effect of any change in the estimates of useful life/residual value is accounted on prospective basis. Depreciation for additions to/deductions from owned assets is calculated pro rata to the remaining period of use. Depreciation charge for impaired assets is adjusted in future periods in such a manner that the revised carrying amount of the asset is allocated over its remaining useful life. All capital assets with individual value less than ₹ 5,000 are depreciated fully in the year in which they are purchased.

Purchased software / licenses are amortised over the estimated useful life during which the benefits are expected to accrue, while Goodwill, if any, is tested for impairment at each Balance Sheet date. The method of amortisation and useful life are reviewed at the end of each accounting year with the effect of any changes in the estimate being accounted for on a prospective basis. Amortisation on impaired assets is provided by adjusting the amortisation charge in the remaining periods so as to allocate the asset’s revised carrying amount over its remaining useful life.

Estimated useful lives considered by the Group are:

Asset	Estimated Useful Life
Leasehold Improvements	As per lease period
Construction Equipment	2 to 13.5 years
Furniture and Fixtures	Owned: 10 years
	Leased: 3 to 7 years
Computer Equipment	Owned: 3 to 4 years
	Leased: 2 to 4 years
Office Equipment	Owned: 5 years
	Leased: 3 to 5 years
Vehicles	Owned: 4 years
	Leased: 1 to 5 years
Software Licenses	Owned: 1 to 10 years
	Leased: 1 to 3 years
Buildings	25 years
Plant & Machinery	Owned: 10 years
	Leased: 2 to 15 years
Railway Wagons	Leased: 6 years
Electrical Installation & Equipment	Leased: 3 to 6 years
Networking Assets	Leased: 2 to 4 years

f. Investment property

Properties held to earn rentals and/or capital appreciation are classified as Investment Properties and measured and reported at cost, including transaction costs. When the use of an existing property changes from owner-occupied to Investment Property, the property is reclassified as Investment property at its carrying amount on the date of reclassification.

An Investment Property is derecognised upon disposal or when the Investment Property is permanently withdrawn from use and no future economic benefits are expected from the disposal. Any gain or loss arising on de-recognition of property is recognised in the Statement of Profit and Loss in the same period.

g. Impairment of assets

Upon an observed trigger or at the end of each accounting year, the Group reviews the carrying amounts of its PPE, Investment Property and Intangible Assets to determine whether there is any indication that the asset have suffered an impairment loss. If such indication exists, the PPE, Investment Property and Intangible Assets are tested for impairment so as to determine the impairment loss, if any.

Impairment loss is recognised when the carrying amount of an asset exceeds its recoverable amount. Recoverable amount is the higher of fair value less costs of disposal and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

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

When an impairment loss subsequently reverses, the carrying amount of the asset is increased to the revised estimate of its recoverable amount in such a manner that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss is recognised for the asset in prior years. A reversal of an impairment loss is recognised immediately in the Statement of Profit and Loss.

h. **De-recognition of property, plant and equipment and intangible asset**

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on the disposal or retirement of an item of property, plant and equipment is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognised in the Statement of Profit and Loss. An intangible asset is derecognised on disposal or when no future economic benefits are expected from use or disposal. Gains or losses arising from de-recognition of an intangible asset, measured as the difference between the net disposal proceeds and the carrying amount of the asset, are recognised in the Statement of Profit and Loss when the asset is derecognised.

xii. **Non-Current Assets held for sale**

Non-current assets are classified as held for sale if their carrying amount is intended to be recovered principally through a sale (rather than through continuing use) when the asset is available for immediate sale in its present condition subject only to terms that are usual and customary for sale of such asset and the sale is highly probable and is expected to qualify for recognition as a completed sale within one year from the date of classification.

Non-current assets classified as held for sale are measured at lower of their carrying amount and fair value less costs to sell.

The Group has a policy to make impairment provision at one third of the value of the Asset for each year upon completion of three years up to the end of five years.

xiii. **Employee Benefits**

Defined Employee benefits include provident fund, superannuation fund and employee state insurance scheme.

Defined contribution benefits include gratuity fund, compensated absences, long service awards and post-employment medical benefits.

Defined contribution plans

The eligible employees of the Group are entitled to receive benefits under the provident fund, a defined contribution plan, in which both employees and the Group make monthly contributions at a specified percentage of the covered employees' salary (currently 12% of employees' salary), which is recognised as an expense in the Statement of Profit and Loss in the year in which they occur. The contributions as specified under the law are paid to the provident fund set up as irrevocable trust by the Group. The Group is generally liable for annual contributions and any deficiency in interest cost compared to interest computed based on the rate of interest declared by the Central Government under the Employee Provident Scheme, 1952 is recognised as an expense in the year in which it is determined.

The Group's contribution to superannuation fund and employee state insurance scheme are considered as defined contribution plans and are charged as an expense in the Statement of Profit and Loss based on the amount of contribution required to be made and when services are rendered by the employees.

Defined benefit plans

For defined benefit plans in the form of gratuity, the cost of providing benefits is determined using the Projected Unit Credit method with actuarial valuations being carried out at each Balance Sheet date. Re-measurement of the net defined benefit liability, which comprise actuarial gains and losses, the return on plan assets (excluding interest) and the effect of the asset ceiling (if any, excluding interest), are recognised immediately in OCI. Past service cost is recognised immediately to the extent that the benefits are already vested and otherwise is amortised on a straight-line basis over the average period until the benefits become vested.

The retirement benefit obligation recognised in the Balance Sheet represents the present value of the defined benefit obligation as adjusted for unrecognised past service cost, as reduced by the fair value of scheme assets. Any asset resulting from this calculation is limited to past service cost, plus the present value of available refunds and reductions in future contributions to the schemes.

Short-term employee benefits

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

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

(a) in case of accumulated compensated absences, when employees render the services that increase their entitlement of future compensated absences; and

(b) in case of non-accumulating compensated absences, when the absences occur.

Other long-term employee benefits

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

Share based payment transaction

The stock options of the Holding Company of the Group are granted to employees pursuant to the Group's Stock Options Schemes and measured at the fair value of the options at the grant date. The amount recognised as expense is based on the estimate of the number of options for which the related service and non-market and non-market vesting conditions are expected to be met, such that the amount ultimately recognised as an expense is based on the number of options that do meet the related service and non-market vesting conditions at the vesting date. For share-based options with non-vesting conditions, the grant date fair value of the share-based payment is measured to reflect such conditions and there is no true-up for differences between expected and actual outcomes. The fair value of the options is treated as discount and accounted as employee compensation cost over the vesting period on a straight line basis. The amount recognised as expense in each year is arrived at based on the number of grants expected to vest. If a grant lapses after the vesting period, the cumulative discount recognised as an expense in respect of such grant is transferred to the general reserve within other equity, which is a free reserve in nature.

xiv. Securities premium account

The Group records premium:

1. On issuance of new equity shares above par value;

2. On conversion of CCCPS into equity shares above par value.

The issue expenses of securities which qualify as equity instruments are written off against securities premium account.

xv. Foreign currencies transactions

Transactions in currencies other than the Group's functional currency are recorded on initial recognition using the exchange rate at the transaction date. At each Balance Sheet date, foreign currency monetary items are reported at the rates prevailing at the year end. Non-monetary items that are measured in terms of historical cost in foreign currency are not retranslated.

Exchange differences that arise on settlement of monetary items or on reporting of monetary items at each Balance Sheet date at the closing spot rate are recognised in the Statement of Profit and Loss in the period in which they arise.

xvi. Operating Segments

The Group's main business is financing by way of loans for retail and corporate borrowers in India. The Group's operating segments consist of "Financing Activity", " Investment Activity" and "Others". All other activities of the Group revolve around the main businesses. These, in the context of Ind AS 108 – Operating Segments Reporting, are considered to constitute reportable segments. The Chief Operating Decision Maker (CODM) of the Group is the Board of Directors. Operating segment disclosures are consistent with the information reviewed by the CODM.

An operating segment is a component of the Group that engages in business activities from which it may earn revenues and incur expenses, including revenues and expenses that relate to transactions with any of the Group's other components, and for which discrete financial information is available. Accordingly, all operating segments and operating results of the Group are reviewed regularly by the Board of Directors to make decisions about resources to be allocated to the segments and assess their performance.

The "Financing Activity" segment consists of asset financing, term loans (corporate, housing, retail and project finance for power sector), channel financing, credit substitutes, investments linked to/arising out of lending business and bill discounting. The "Investment Activity" segment includes corporate investments and "Others" segment primarily includes advisory services, wealth management, private equity asset management, distribution of financial products and leasing.

Revenue and expense directly attributable to segments are reported under each operating 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 un-allocable expenses.

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

xvii. Investments in associates

The Group has elected to account for investment in associate under the equity method; accordingly, measurement at fair value through the Statement of Profit and Loss and related disclosure under Ind AS 109 do not apply. The instrument is initially recognised at cost, including transaction cost. The Consolidated Financial Statements include the Group's share of profit or loss and OCI of equity-accounted investees until the date on which significant influence ceases.

xviii. Earnings per share

Basic earnings per share has been computed by dividing net income by the weighted average number of shares outstanding during the year. Partly paid up equity share is included as fully paid equivalent according to the fraction paid up.
Diluted earnings per share has been computed using the weighted average number of shares and dilutive potential shares, except where the result would be anti-dilutive

xix. Taxation

Income Tax

Income tax expense comprises current and deferred taxes. Income tax expense is recognised in the Statement of Profit and Loss, Other Comprehensive Income or directly in equity when they relate to items that are recognised in the respective line items.

Current Tax

Current tax comprises the expected tax payable or receivable on the taxable income or loss for the year and any adjustment to the tax payable or receivable in respect of previous years. The amount of current tax reflects the best estimate of the tax amount expected to be paid or received after considering the uncertainty, if any, related to income taxes. It is measured using tax rates (and tax laws) enacted or substantively enacted by the reporting date.

Current tax asset and liabilities are offset only if there is a legally enforceable right to set off the recognised amounts and it is intended to realise the asset and settle the liability on a net basis or simultaneously.

Deferred Tax

Deferred tax assets and liabilities are recognised for the future tax consequences of temporary differences between the carrying values of assets and liabilities and their respective tax bases, and unutilised business loss and depreciation carry-forwards and tax credits. Such deferred tax assets and liabilities are computed separately for each taxable entity. Deferred tax assets are recognised to the extent that it is probable that future taxable profit will be available against which the deductible temporary differences, unused tax losses, depreciation carry-forwards and unused tax credits would be utilised.

Deferred tax assets and liabilities are measured based on the tax rates that are expected to apply in the period when the asset is likely to be realised or the liability is expected to be settled, based on tax rates and tax laws that have been enacted or substantively enacted by the Balance Sheet date.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities and when they relate to income taxes levied by the same taxation authority and the Group intends to settle its current tax assets and liabilities on a net basis.

xx. Goods and Services Input Tax Credit

Goods and Services tax input credit is accounted for in the books in the period in which the supply of goods or service received is accounted and when there is no uncertainty in availing/ utilising the credits.

xxi. Provisions, contingent liabilities and contingent assets

Provisions are recognised only when:

(i) the Group has a present obligation (legal or constructive) as a result of a past event; and

(ii) it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation; and

(iii) a reliable estimate can be made of the amount of the obligation.

Provision is measured using the cash flows estimated to settle the present obligation and when the effect of time value of money is material, the carrying amount of the provision is the present value of those cash flows. Reimbursement expected in respect of expenditure required to settle a provision is recognised only when it is virtually certain that the reimbursement will be received.

Contingent liability is disclosed in case of:

(i) a present obligation arising from past events, when it is not probable that an outflow of resources will be required to settle the obligation; and

(ii) a present obligation arising from past events, when no reliable estimate is possible.

Contingent assets are disclosed where an inflow of economic benefits is probable. Provisions, contingent liabilities and contingent assets are reviewed at each Balance Sheet date.

Where the unavoidable costs of meeting the obligations under the contract exceed the economic benefits expected to be received under such contract, the present obligation under the contract is recognised and measured as a provision.

There are no Contingent assets as at the Balance sheet date.

xxii. Commitments

Commitments are future liabilities for contractual expenditure, classified and disclosed as follows:

a) estimated amount of contracts remaining to be executed on capital account and not provided for;

b) uncalled liability on shares and other investments partly paid;

c) funding related commitment to associate; and

d) other non-cancellable commitments, if any, to the extent they are considered material and relevant in the opinion of management.

e) Other commitments related to sales/procurements made in the normal course of business are not disclosed to avoid excessive details.

f) Commitments under Loan agreement to disburse Loans

g) Lease agreements entered but not executed

xxiii. Statement of Cash Flows

The Consolidated Statement of Cash Flow is prepared segregating the cash flows into operating, investing and financing activities. Cash flow from operating activities is reported using indirect method adjusting the net profit for the effects of:

i. changes during the period in operating receivables and payables transactions of a non-cash nature;

ii. non-cash items such as depreciation, provisions, deferred taxes, unrealised foreign currency gains and losses, and undistributed profits of associates and joint ventures; and

iii. all other items for which the cash effects are investing or financing cash flows.

Cash and cash equivalents (including bank balances) shown in the Statement of Cash Flows exclude items which are not available for general use as on the date of Balance Sheet.

xxiv. Dividend payable (including dividend distribution tax)

Interim dividend declared to equity shareholders, if any, is recognised as liability in the period in which the said dividend has been declared by the Directors. Final dividend declared, if any, is recognised in the period in which the said dividend has been approved by the Shareholders.

xxv. Standard issued and applicable from April 1, 2019:

Ind AS 116 Leases:

The new standard has impact on accounting treatment of an asset taken on lease by the

Group. The Group has to measure a right-of-use of asset similar to other non-financial asset such as property, plant and equipment and lease liability similar to other financial liability. As a consequence, the Group will recognise the depreciation of right-of-use asset and interest on the lease liability, and also classify cash repayments of the lease liability into a principal portion and an interest portion and present them in the Consolidated Statement of Cash Flow applying Ind AS 7, Statement of Cash Flows. Under Ind AS 17, for operating lease, the Group is required to recognise the lease payment as an expense on a straight-line basis unless another systematic basis is representative of the time pattern of the user's benefit.

The Group is the process of evaluating the list of policies, choices, exemptions and practical expedients as mentioned below:

Area	Policy to be adopted
Definition of lease term:	Grandfather its previous assessment of which existing contracts are, or contain, leases on date of initial application (April 1 2019). The definition of lease under the new standard will only be applied prospectively (including modifications to existing contracts).
Recognition exemption – short term leases:	Avail exemption on short term leases on transition and subsequently
Recognition exemption – leases of low value items:	Avail exemption on leases of low value items on transition and subsequently. Low value items may be considered as items with a value of less than or equal to INR 5 lakh
Transition approach:	Elected to apply modified retrospective method for all leases. This means that - Right of use asset (ROU) would be measured as if standard had always been applied but using incremental borrowing date on April 1, 2019 - Lease liability would be measured on April 1, 2019 as the present value of the remaining lease payments and using incremental borrowing rate on April 1, 2019 - Standard would be applied on April 1, 2019 and equity adjustment (difference between the ROU asset and lease liability computed above) would be recognised on April 1, 2019 - Comparative period would not be restated - Disclosures to be made as applicable
Discount rates	Elected to apply a single discount rate to a portfolio of leases with reasonably similar characteristics
Leases with a short remaining term	Elected to account for leases for which the lease term ends within 12 months of date of initial application (April 1, 2019) as short-term leases
Initial direct costs	Elected to exclude initial direct costs from measurement of right of use asset on date of initial application April 1, 2019)
Use of hindsight	Elected to use hindsight in estimating lease term if the contract contains options to extend or terminate the lease

xxvi. FIRST TIME ADOPTION OF IND AS (read with note 2(i))

The Group has adopted Indian Accounting Standards (Ind AS) as notified by the Ministry of Corporate Affairs with effect from April 1, 2018, with a transition date of April 1, 2017. The Consolidated Financial Statements for the year ended March 31, 2019 are the first financial statements the Group has prepared under Ind AS. For all periods up to and including the year ended March 31, 2018, the Group prepared its CFS in accordance with the Accounting Standards notified under the Section 133 of the Companies Act 2013, read together with paragraph 7 of the Companies (Accounts) Rules, 2014 ('Previous GAAP').

The adoption of Ind AS has been carried out in accordance with Ind AS 101, first-time Adoption of Indian Accounting Standards. Ind AS 101 requires that all Ind AS standards and interpretations that are issued and effective for the first Ind AS financial statements be applied retrospectively and consistently for all financial years presented. Accordingly, the Group has prepared CFS which comply with Ind AS for the year ended March 31, 2018 and the opening Ind AS Balance Sheet as at April 1, 2017, the date of transition to Ind AS and also as at March 3, 2018.

In preparing these Ind AS financial statements, the Group has availed certain exemptions and exceptions in accordance with Ind AS 101, as indicated in Note 3. The resulting difference between the carrying values of the assets and liabilities in the financial statements as at the transition date under Ind AS and Previous GAAP have been recognised directly in equity (retained earnings or another appropriate category of equity). Note 3 explains the adjustments made by the Group in restating its financial statements prepared under previous GAAP, including the Consolidated Statement of Profit and Loss for the year ended March 31, 2018 and the Consolidated Balance Sheet as at April 1, 2017 and as at March 31, 2018.

NOTES FORMING PART OF THE CONSOLIDATED BALANCE SHEET AS AT MARCH 31, 2019

3. EXPLANATION OF TRANSITION TO IND AS

The Consolidated Financial Statements have been prepared in accordance with Ind AS as notified by Ministry of Corporate Affairs under the Companies (Indian Accounting Standards) Rules, 2015 notified under Section 133 of the Companies Act, 2013 and other relevant provisions of the Act. In accordance with the notification issued by the Ministry of Corporate Affairs, the Group has adopted Ind AS notified under the Companies (Indian Accounting Standards) Rules, 2015 with effect from April 1, 2018. Previous year have been restated to Ind AS. In accordance with Ind AS 101, First-time Adoption of Indian Accounting Standard, the Group has presented a reconciliation from the presentation of financial statements under IGAAP to Ind AS of Shareholders' equity as at March 31, 2018 and April 1, 2017 and of the comprehensive net income for the period ended March 31, 2018. This note explains the principal adjustments made by the Group in restating its IGAAP Consolidated Financial Statements, including the Balance Sheet as at April 1, 2017 and the Consolidated Financial Statements as at and for the year ended March 31, 2018 and how the transition from IGAAP to Ind AS has affected the Group's financial position and financial performance.

1) Exemptions from retrospective application:

The Group has applied the following exemption:

(a) Investments in associates

The Group has elected to adopt the carrying value under IGAAP as on the date of transition i.e. April 1, 2017 in its Consolidated Financial Statements as the cost of investment. The profit pickup under equity method is carried out from the date of transition.

(b) For transition to Ind AS, the group has elected to adopt as deemed cost, the carrying value of property, plant and equipment (PPE) and intangibles measured as per IGAAP less accumulated depreciation and cumulative impairment on the transition date of April 1, 2017.

NOTES FORMING PART OF THE CONSOLIDATED BALANCE SHEET AS AT MARCH 31, 2019

2) Reconciliations between IGAAP and Ind AS

(i) Statement of reconciliation of equity (₹ in lakh)

Particulars	As at March 31, 2018	As at April 1, 2017
Equity as reported under IGAAP (belonging to Owner)	6,64,668	6,04,373
Adjusted for (reduction)/addition:		
a) Reclassification of CRPS into Borrowings	(1,86,558)	(1,82,982)
b) Impairment allowance on financial instruments measured at amortised cost and FVTOCI	(59,953)	(70,027)
c) Impact of EIR method on financial instruments measured at amortised cost and FVTOCI	(33,735)	(25,585)
d) Dividend accrued on preference shares and dividend distribution tax thereon	(640)	(463)
e) Net fair value gain/(loss) on investment measured at FVTPL	172	522
f) Liability for cash settled and equity settled ESOP's	(600)	(427)
g) Net fair value gain/(loss) on financial instrument measured at FVTOCI*	1,014	479
h) Increase in equity stake in fund entities upon consolidation under Ind AS, earlier classified as associate under IGAAP	(3,065)	(3,044)
i) Profit pick up of associates of the Group	8,042	4,920
j) Elimination of equity share capital held by ESOP Trust	467	157
k) Reversal of Share issue expenses written off for CRPS	750	652
l) Net deferred tax asset/(liability) & current tax on above adjustments	34,313	34,917
Equity as reported under Ind AS (belonging to Owner)	**4,24,875**	**3,63,492**

* Movement on account of other comprehensive income (OCI)

(ii) Statement of reconciliation of Total Comprehensive income (₹ in lakh)

Particulars	As at March 31, 2018
Net profit attributable to Group as reported under IGAAP	77,633
a) Impairment allowance on financial instruments measured at amortised cost and FVTOCI	10,074
b) Impact of EIR method on financial instruments measured at amortised cost and FVTOCI	(8,150)
c) Dividend accrued on preference shares and dividend distribution tax thereon	(19,847)
d) Profit pick up of associates of the Group	3,122
e) Net fair value gain/(loss) on investments measured at FVTPL	(350)
f) Liability for cash settled and equity settled ESOP's	(1,479)
g) Net fair value gain/(loss) on financial instruments measured at FVTOCI*	535
h) Net deferred tax liability on items thereto	(497)
Total Comprehensive income attributable to Group as reported under Ind AS	**61,041**

* Movement on account of other comprehensive income (OCI)

(iii) Reconciliation of Statement of Cash Flow

There are no material adjustments to the Statement of Cash Flow as reported under the IGAAP.

NOTES FORMING PART OF THE CONSOLIDATED BALANCE SHEET AS AT MARCH 31, 2019

iv. Reconciliation of Balance Sheet as at March 31, 2018

(₹ in lakh)

Particulars	Note No.	Amount as per IGAAP	Effects of transition to Ind AS	Amount as per Ind AS
ASSETS				
(1) Financial assets				
(a) Cash and cash equivalents	4	16,661	621	17,282
(b) Bank balances other than (a) above	5	7,709	1,398	9,107
(c) Receivables				
(i) Trade receivables	6	7,602	(280)	7,322
(ii) Other receivables		5	132	137
(d) Loans	7	60,36,675	7,481	60,44,156
(e) Investments	8	1,27,526	41,992	1,69,518
(f) Other financial assets	9	24,127	35,270	59,397
Total financial assets		**62,20,305**	**86,614**	**63,06,919**
(2) Non-financial assets				
(a) Current tax assets (net)	10	8,756	1	8,757
(b) Deferred tax assets (net)	10	43,918	34,678	78,596
(c) Investment property		–	2,488	2,488
(d) Property, plant and equipment	11	82,084	(2,488)	79,596
(e) Capital work-in-progress	11	275	–	275
(f) Other intangible assets	11	764	–	764
(g) Intangible assets under development	11	2,314	–	2,314
(h) Other non-financial assets	12	48,408	(6,780)	41,628
Total non-financial assets		**1,86,519**	**27,899**	**2,14,418**
Total Assets		**64,06,824**	**1,14,513**	**65,21,337**
LIABILITIES AND EQUITY				
LIABILITIES				
(1) Financial liabilities				
(a) Derivative financial instruments		–	98	98
(b) Payables				
(i) Trade payables				

NOTES FORMING PART OF THE CONSOLIDATED BALANCE SHEET AS AT MARCH 31, 2019

iv. Reconciliation of Balance Sheet as at March 31, 2018 (Contd.)

(₹ in lakh)

Particulars	**Note No.**	**Amount as per IGAAP**	**Effects of transition to Ind AS**	**Amount as per Ind AS**
- Total outstanding dues of micro enterprises and small enterprises		–	–	–
- Total outstanding dues of creditors other than micro enterprises and small enterprises	13	59,859	118	59,977
(c) Debt Securities	14	18,72,329	(367)	18,71,962
(d) Borrowings (other than debt securities)	15	31,32,838	(189)	31,32,649
(e) Deposits		1,864	(1,864)	–
(f) Subordinated liabilities	16	3,33,815	1,85,708	5,19,523
(g) Other financial liabilities	17	1,64,858	45,945	2,10,803
Total financial liabilities		**55,65,563**	**2,29,449**	**57,95,012**
(2) Non-Financial liabilities				
(a) Current tax liabilities (net)	10	13,233	(32)	13,201
(b) Provisions	18	1,34,912	60,181	1,95,093
(c) Other non-financial liabilities	19	11,511	26,654	38,165
Total non-financial liabilities		**1,59,656**	**86,803**	**2,46,459**
(3) Equity				
(a) Share capital	20	4,62,850	(1,85,850)	2,77,000
(b) Other equity	21	2,01,818	(53,943)	1,47,875
(c) Non-controlling interests		16,937	38,054	54,991
Total equity		**6,81,605**	**(2,01,739)**	**4,79,866**
Total Liabilities and Equity		**64,06,824**	**1,14,513**	**65,21,337**

NOTES FORMING PART OF THE CONSOLIDATED BALANCE SHEET AS AT MARCH 31, 2019

v. Reconciliation of Balance Sheet as at April 1, 2017

(₹ in lakh)

Particulars	Note No.	Amount as per IGAAP	Effects of transition to Ind AS	Amount as per Ind AS
ASSETS				
(1) Financial assets				
(a) Cash and cash equivalents	4	34,213	301	34,514
(b) Bank balances other than (a) above	5	2,014	358	2,372
(c) Receivables				
(i) Trade receivables	6	8,268	(102)	8,166
(ii) Other receivables		101	–	101
(d) Loans	7	51,13,530	7,438	51,20,968
(e) Investments	8	1,15,788	43,771	1,59,559
(f) Other financial assets	9	31,601	18,482	50,083
Total financial assets		**53,05,515**	**70,248**	**53,75,763**
(2) Non-financial assets				
(a) Current tax assets (net)	10	9,522	3	9,525
(b) Deferred tax assets (net)	10	46,190	34,958	81,148
(c) Investment property		–	2,446	2,446
(d) Property, plant and equipment	11	90,407	(2,446)	87,961
(e) Capital work-in-progress	11	655	–	655
(f) Other intangible assets	11	997	–	997
(g) Intangible assets under development	11	1,109	–	1,109
(h) Other non-financial assets	12	35,432	(4,045)	31,387
Total non-financial assets		**1,84,311**	**30,917**	**2,15,228**
Total Assets		**54,89,827**	**1,01,164**	**55,90,991**
LIABILITIES AND EQUITY				
LIABILITIES				
(1) Financial liabilities				
(a) Derivative financial instruments		–	–	–
(b) Payables				
(i) Trade payables				

NOTES FORMING PART OF THE CONSOLIDATED BALANCE SHEET AS AT MARCH 31, 2019

v. **Reconciliation of Balance Sheet as at April 1, 2017 (contd.)**

(₹ in lakh)

Particulars	Note No.	Amount as per IGAAP	Effects of transition to Ind AS	Amount as per Ind AS
- Total outstanding dues of micro enterprises and small enterprises		–	–	–
- Total outstanding dues of creditors other than micro enterprises and small enterprises	13	54,155	90	54,245
(c) Debt Securities	14	18,92,555	(601)	18,91,954
(d) Borrowings (other than debt securities)	15	22,68,779	(364)	22,68,415
(e) Deposits		–	–	–
(f) Subordinated liabilities	16	3,09,567	1,82,139	4,91,706
(g) Other financial liabilities	17	1,66,654	28,964	1,95,618
Total financial liabilities		**46,91,711**	**2,10,227**	**49,01,938**
(2) Non-Financial liabilities				
(a) Current tax liabilities (net)	10	10,589	–	10,589
(b) Provisions	18	1,57,216	70,177	2,27,393
(c) Other non-financial liabilities	19	9,718	20,311	30,029
Total non-financial liabilities		**1,77,523**	**90,488**	**2,68,011**
(3) Equity				
(a) Share capital	20	4,60,037	(1,83,037)	2,77,000
(b) Other equity	21	1,44,335	(57,844)	86,491
(c) Non-controlling interests		16,220	41,331	57,551
Total equity		**6,20,592**	**(1,99,550)**	**4,21,042**
Total Liabilities and Equity		**54,89,827**	**1,01,164**	**55,90,991**

vi) **Statement of reconciliation of Profit and Loss for the year ended March 31, 2018**

(₹ in lakh)

	Particulars	Note No.	IGAAP	Ind AS Adjustment	Ind AS
I	**Revenue from operations**				
	(i) Interest Income	22	6,12,750	(7,328)	6,05,422
	(ii) Dividend Income		1,417	(236)	1,181
	(iii) Rental Income		26,149	(354)	25,795
	(iv) Fees and commission Income		15,340	(919)	14,421
	(v) Net gain on fair value changes	23	(3,250)	4,603	1,353
	(vi) Net gain on derecognition of associates		9,752	618	10,370
			6,62,159	**(3,617)**	**6,58,542**
II	**Other income**	24	19,435	383	19,818
	Total Income (I+II)		**6,81,595**	**(3,235)**	**6,78,360**
III	**Expenses**				
(i)	Finance costs	25	3,68,352	19,847	3,88,199
(ii)	Net loss on fair value changes	23	(13)	13	-
(iii)	Impairment of investment in associates		705	1	706
(iv)	Impairment on financial instruments	27	43,143	(10,076)	33,067
(v)	Employee benefits expense	26	62,848	1,478	64,326
(vi)	Depreciation, amortisation and impairment	11	24,821	3	24,824
(vii)	Other expenses	28	61,590	1,154	62,744
	Total expenses (IV)		**5,61,446**	**12,420**	**5,73,866**
IV	**Profit/(Loss) from continuing operations before exceptional items, share of net profits of investments accounted for using equity method and tax**		1,20,148	(15,654)	1,04,494
V	Share of net profits of associates and joint ventures accounted for using equity method		987	4,191	5,178
VI	**Profit / (Loss) from continuing operations before exceptional items and tax (IV + V)**		**1,21,135**	**(11,463)**	**1,09,672**
VII	Exceptional Items		-	-	-
VIII	**Profit / (Loss) before tax from continuing operations (VI + VII)**		**1,21,135**	**(11,463)**	**1,09,672**
IX	**Tax expense**				
	(1) Current tax		39,201	225	39,426
	(2) Deferred tax		2,027	467	2,494
	Net tax expense		**41,228**	**692**	**41,920**
X	Profit for the period from continuing operations (VIII-IX)		79,908	(12,156)	67,752
XI	Profit from discontinued operations before tax		-	-	-
XII	Tax expense of discontinued operations		-	-	-

(₹ in lakh)

Particulars		Note No.	IGAAP	Ind AS Adjustment	Ind AS
XIII	**Profit from discontinued operations (after tax) (XI-XII)**		-	-	-
XIV	**Profit for the year (X+XIII)**		**79,908**	**(12,156)**	**67,752**
	Net other comprehensive income not to be reclassified subsequently to profit or loss		-	88	88
	Net other comprehensive income to be reclassified subsequently to profit or loss		(1)	633	632
XV	**Total other comprehensive income for the year, net of income tax**		**(1)**	**721**	**720**
XVI	**Total Comprehensive Income for the year (XIV+XV)(Comprising Profit/(Loss) and Other Comprehensive Income for the year)**		**79,907**	**(11,435)**	**68,472**

TATA CAPITAL LIMITED
Notes forming part of the Consolidated Financial Statements (CFS)

3. **EXPLANATION OF TRANSITION TO IND AS**

Note: Explanation to IND AS adjustments:

a. **Reclassification of cumulative redeemable preference shares (CRPS) to Borrowings:**

Under IGAAP, CRPS formed part of the Equity Share Capital. The share issue expenses were debited to securities premium account. As per Ind AS 32, since there is no term for conversion of the instrument on the date of issuance, such instrument is classified as a liability and interest cost is accrued at the rate of dividend applicable along with dividend distribution tax (DDT) thereto. The share issue expenses are net off upon initial recognition from the borrowings and amortised under effective interest rate method, resulting in increase in security premium account and decrease in borrowings on account of CRPS.

Equity has decreased by ₹ 186,558 lakh as on March 31, 2018 (April 01, 2017 ₹ 182,982 lakh) with a corresponding increase in borrowings. Interest cost on account of dividend accrued on CRPS along with DDT has increased in the Statement of Profit and Loss for the year ended March 31, 2018 by ₹ 19,847 lakh. Liability for dividend accrued has increased by ₹ 640 lakh and ₹ 463 lakh as on March 31, 2018 and April 1, 2017 respectively. On account of reclassification of share issue expenses, there is an increase in security premium account by ₹ 750 lakh and ₹ 652 lakh as on March 31, 2018 and April 1, 2017 respectively and a corresponding decrease in liability for CRPS.

(refer note no 3(2)(i)a, 3(2)(i)d and 3(2)(ii)c).

b. **Impairment allowance on Financial Instruments at Amortised cost and trade receivables:**

Under IGAAP, the provisioning for standard loan assets (assets with days past due (DPD) less than or equal to 89 days) was provided at 0.4% (0.35% as on March 31, 2017 for assets with DPD less than or equal to 119 days) as prescribed by the Reserve Bank of India (RBI)/ National Housing Bank (NHB), respectively applicable to NBFCs and HFCs. For Non-Performing Assets (assets with DPD equal to 90 days/120 days or more as on March 31, 2018 and March 31, 2017 respectively), the minimum provisioning was made as per the RBI norms/NHB norms and additional provisioning as per judgement and estimates of the Group.

As per Ind AS 109, the Group is required to apply Expected Credit Loss (ECL) model for stage 1 assets (DPD less than or equal to 29 days), stage 2 assets (DPD equal to 30 days and less than 89 days) and stage 3 assets (DPD equal to 90 days or more) based on assessment of level of credit risk and recognise the impairment allowance on loans.

Under IGAAP, the provisioning for trade receivables was made based on the management judgement/estimates of the recovery.

Under Ind AS 109, a provision is required to made basis the past trend of write off's on the revenue recognised. Such provision is in addition to provision made based on actual expected losses under IGAAP.

(refer note x for impairment of financial asset).

Consequent to the above, the impairment allowance increased by ₹ 59,953 lakh as at March 31, 2018 (April 01, 2017 ₹ 70,027 lakh). Consequently, the total equity as at March 31, 2018 decreased by ₹ 59,953 lakh (April 01, 2017 ₹ 70,027 lakh) and profit for the year ended March 31, 2018 increased by ₹ 10,074 lakh.

(refer note no 3(2)(i) b and 3(2)(ii) a.

c. **Interest as per effective interest rate on financial assets measured at amortised cost:**

1) Loans and Advances:

Under IGAAP, processing fees & subvention income were accounted upfront and direct sourcing costs were amortised over the contractual tenure. Under Ind AS, such income and expenses are required to be amortised over the behavioural tenure.

The unamortised processing fees and subvention income are recorded as a liability and correspondingly equity is decreased. The unamortised direct sourcing agency cost is decreased and accordingly, the equity is reduced.

2) **Security Deposits:**

Under IGAAP, interest free security deposits given to landlords for premises rented, was recorded as an asset, while rent was booked as an expense as per the rental agreement.

Under Ind AS, interest free security deposit is required to be discounted based on the internal cost of borrowings. The difference between the discounted present value of the security deposit and the actual security deposit given to the landlords is required to be recorded as prepaid rent. This prepaid rent is amortised on a straight-line basis over life of the security deposit in line with Ind AS 17. The interest income representing the differential between the security deposit given and the present value of the security deposit given is recorded in such a manner that the difference between rental expense and interest income nullifies itself at the end of tenure of the security deposit, as per Ind AS 109.

The total equity as at March 31, 2018 decreased by ₹ 33,735 lakh (April 01, 2017 ₹ 25,585 lakh) and interest income in the Statement of Profit and Loss for the year ended March 31, 2018 decreased by ₹ 8,150 lakh.

(refer note no 3(i)c and 3(ii)b).

d. Investment measured at Fair Value through Profit and Loss (FVTPL) and Equity instrument designated at fair value through Other Comprehensive Income (FVTOCI):

Under IGAAP, investments in equity instruments, security receipts and mutual funds were classified as long-term investments and current investments based on the intended holding period and expected realisability. Long-term investments were carried at cost less provision for other than temporary decline in the value of such investments. Current investments were carried at lower of cost and fair value.

Under Ind AS, these investments are required to be measured at fair value. The resulting fair value changes of these investments (other than equity instruments held in Associates/Joint Ventures and equity instruments designated as FVTOCI) have been recognised in retained earnings as at the date of transition (i.e. April 1, 2017). Fair value gain/loss upon measurement of equity instruments designated at FVTOCI is recorded in the Statement of Other Comprehensive Income and not recycled even upon subsequent disposal of the instrument to the Statement of Profit and Loss. Subsequent changes to fair value have been recognised in the Statement of Profit and Loss for the year ended March 31, 2018. Fair value of equity instrument designated as FVTOCI is recognised in the Statement of Other Comprehensive Income

Impact on account of investment measured at FVTPL: Thus, fair value increase of ₹ 522 lakh has been recognised in retained earnings as at April 1, 2017 and subsequent decrease in fair value of ₹ 350 lakh has been recognised in the Statement of Profit and Loss for the year ended March 31, 2018, resulting in a net increase in the total equity of ₹ 172 lakh as at March 31, 2018.

(refer note no 3(2)(i) e and 3(2)(ii) e)

Impact on account of investment measured at FVTOCI is Nil.

e. Loan asset measured at fair value through Other Comprehensive Income (FVTOCI):

An approval of a loan give to customer with a condition to downsell in near term also forms part of the Loans and advances under financing activity under IGAAP. Under Ind AS, the loan is re-classified as financial asset measured at Fair Value through Other Comprehensive Income. (refer note ix for treatment of financial assets measured at FVTOCI).

Impact on account of loan measured at FVTOCI: Thus, fair value increase of ₹ 479 lakh and ₹ 1,014 lakh has been recognised in retained earnings as at March 31, 2018 and April 01, 2017 and increase in fair value of ₹ 535 lakh has been recognised in the Statement of Profit and Loss for the year ended March 31, 2018.

(refer note no 3(2)(i) g and 3(2)(ii) g).

f. **Accounting of Investment in associate under equity method and line by line consolidation of subsidiary:**

The Group has made investment in equity shares of investee companies, classified as associates since the Parent company holds more than 20%, classified as a long-term investment under IGAAP and accounted under equity method.

Where the Group is able to control the operating decision of the investee resulting in variable returns to the Group, such investments are re-classified as investments in subsidiaries and line by line consolidation is carried out under the principles of consolidation. Further, since the Group is able to participate in the operating decision making and exercises significant influence over the underlying investee companies of the Private equity fund entities, such investments are classified as investment in associates accounted under equity method. The Group has recognised in its equity share capital the equity stake in fund entities leading to increase/decrease in the equity.

Profit pick up on investment in associates towards net profit and other comprehensive income of the respective entity is recorded in the respective line items in the Statement of total Comprehensive Income.

1) **Profit pick up of associates in the Statement of Profit and Loss:**

Equity has increased by ₹ 8,042 lakh and ₹ 4,920 lakh for the year ended March 31, 2018 and April 1, 2017 respectively and correspondingly, there is an increase in the Statement of Profit and Loss by ₹ 3,122 lakh.

(refer note no 3(2)(i) i and 3(2)(ii) d).

2) **Increase in equity stake in the fund entities becoming subsidiary under Ind AS, earlier classified as associate under:**

Equity has decreased by ₹ 3,065 lakh and ₹ 3,044 lakh as at March 31, 2018 and April 1, 2017 respectively.

(refer note no 3(2)(i) h).

g. **Amortisation of Option cost for Equity settled ESOP's and recording of liability for cash settled ESOP's:**

Under IGAAP, the ESOPs of the holding company given to employees of the Group were recorded at intrinsic value. Under Ind AS, the option fair value cost is amortised over the vesting period in the Statement of Profit and Loss and a corresponding liability for ESOP outstanding is created. The Group has measured liability for cash settled ESOP options held by the employees eligible for buyback from ESOP trust basis actual number of options held by the employee eligible for conversion and estimated conversion of ESOPs in to crystalised liability.

There is a decrease in equity by ₹ 600 lakh and ₹ 427 lakh on account of liability settled ESOP's as at March 31, 2018 and April 1, 2017 respectively and correspondingly, the liability for cash settled option is created. The manpower cost has increased by ₹ 1,306 lakh and ₹ 173 lakh for the year ended as at March 31, 2018 on account of equity settled options and cash settled options respectively. Correspondingly for equity settled options ESOP reserve is created.

(refer note no 3(2)(i) f and 3(2)(ii) f).

h. **Reclassification of Property as Investment Property:**

Under IGAAP, there was no concept of Investment Properties. Under Ind AS, investment properties are required to be separately presented on the face of the Balance Sheet. There is no impact on the total equity or profit as a result of this adjustment.

The Group has reported ₹ 2,488 lakh and ₹ 2,466 lakh as an investment property as at March 31, 2018 and April 1, 2017 respectively and there is a corresponding decrease in the amount reported as Property, Plant and Equipment(PPE).

i. **Rights/liabilities under Letter of Credit/Buyer's Credit facility**

Under the Letter of Credit and Buyer's credit facility, the Bank has an unconditional right to recover the amounts due under the facility from the Group and the same is recoverable from the customer by the Group. Accordingly, the receivable of ₹ 43,378 lakh and ₹ 28,371 lakh is recorded as at March 31, 2018 and April 1, 2017 respectively under the heading "Other financial asset" and a corresponding liability is recorded under the heading "Other financial liability".

j. **Elimination of Share Capital and Securities premium against the shares held by the ESOP trust.**

Under IGAAP, the loan given to ESOP trust is shown as a reduction from the Share Capital and Securities premium. Under Ind AS, the ESOP trust is consolidated since the Group is able to control the operating decision of the investee, resulting in variable returns to the Group and accordingly, the same are re-classified as investment in subsidiary and line by line consolidation is carried out under the principles of consolidation. The Share Capital and Securities Premium is eliminated against the Investment by ESOP trust in the shares of the Parent company.

Accordingly, the Equity Share Capital and Securities Premium Account as at March 31, 2018 is reduced by ₹ 467 lakh and ₹ 157 lakh respectively.

k. **Tax effects of adjustments**

Deferred tax assets/liabilities have been recognised on the adjustments made on transition to Ind AS. Deferred tax assets have increased by ₹ 34,313 lakh as at March 31, 2018 (April 01, 2017 - ₹ 34,917 lakh). Consequent to the above, the total equity as at March 31, 2018 increased by ₹ 34,313 lakh (April 01, 2017 ₹ 34,917 lakh) and there is a decrease in the Statement of Profit and Loss and the Statement of Other Comprehensive Income by ₹ 497 lakh.

NOTES FORMING PART OF THE CONSOLIDATED BALANCE SHEET AS AT MARCH 31, 2019

NOTE "4" CASH AND CASH EQUIVALENTS (₹ in lakh)

PARTICULARS	As at March 31, 2019	As at March 31, 2018	As at April 1, 2017
Cash on hand	**63**	175	911
Balances with banks in current accounts	**1,14,036**	12,579	14,808
Balances with banks in client accounts	**1**	5	26
Cheques, drafts on hand	**531**	3,648	3,323
Balances with banks in deposit accounts (Refer note below)	**19,879**	875	15,446
Total	**1,34,510**	**17,282**	**34,514**

(i) Of the above, the balances that meet the definition of Cash and Cash Equivalents as per Ind AS 7 Cash Flow Statements is ₹ 134,458 lakh (March 31, 2018: ₹ 17,229 lakh and April 1, 2017: ₹ 34,461 lakh)

(ii) Balance with banks in current accounts includes ₹ 52 lakh (March 31, 2018 : ₹ 53 lakh and April 1, 2017 : ₹ 53 lakh) towards unclaimed debenture application money and interest accrued thereon.

NOTE "5" OTHER BANK BALANCES (₹ in lakh)

PARTICULARS	As at March 31, 2019	As at March 31, 2018	As at April 1, 2017
Balances with banks in deposit accounts (Refer notes below)	**53,680**	9,107	2,372
Total	**53,680**	**9,107**	**2,372**

(i) Balance with banks in deposit accounts comprises deposits that have an original maturity exceeding 3 months at balance sheet date.

(ii) Deposits includes lien with Banks and Stock Exchanges as margin amounting to ₹ 378 lakh (March 31, 2018: ₹ 378 lakh and April 01, 2017: ₹ 428 lakh)

(iii) Balance with banks in deposit accounts includes ₹ 5 lakh (March 31, 2018 : Nil and April 1, 2017 : Nil) towards unpaid dividend.

NOTE "6" TRADE RECEIVABLES

(i) Trade receivables (₹ in lakh)

PARTICULARS	As at March 31, 2019	As at March 31, 2018	As at April 1, 2017
Receivables considered good - secured	**34**	23	7
Receivables considered good - unsecured	**14,816**	7,193	8,106
Receivables which have significant increase in credit risk	**–**	106	53
Receivables - credit impaired	**849**	654	560
	15,699	7,976	8,726
Less: Allowance for impairment loss	**849**	654	560
Total	**14,850**	**7,322**	**8,166**

NOTES FORMING PART OF THE CONSOLIDATED BALANCE SHEET AS AT MARCH 31, 2019

NOTE "6" TRADE RECEIVABLES

(ii) Other receivables

(₹ in lakh)

PARTICULARS	As at March 31, 2019	As at March 31, 2018	As at April 1, 2017
Receivables considered good - secured	–	–	–
Receivables considered good - unsecured	74	137	101
Receivables which have significant increase in credit risk	–	–	–
Receivables - credit impaired	–	–	–
	74	137	101
Less: Allowance for impairment loss	–	–	–
Total	**74**	**137**	**101**

NOTE "7" LOANS

(₹ in lakh)

PARTICULARS	As at March 31, 2019	As at March 31, 2018	As at April 1, 2017
LOANS			
(A) (I) At amortised Cost			
(i) Bills purchased and bills discounted	32,612	52,394	41,938
(ii) Term loans	72,42,547	57,66,605	49,02,737
(iii) Credit substitutes (refer notes 7(b) & 7(f) below)	1,76,454	1,25,328	1,03,357
(iv) Finance lease and hire purchase	51,875	43,438	31,843
(v) Retained portion of assigned loans	6,764	10,697	13,403
(vi) Inter - Company Deposits	4,131	9,300	11,300
Subtotal (I)	**75,14,383**	**60,07,762**	**51,04,578**
(II) At fair value through other comprehensive income			
(i) Term loans	82,010	36,394	16,390
Subtotal (II)	**82,010**	36,394	16,390
Gross Total (III=I+II)	**75,96,393**	**60,44,156**	**51,20,968**
(B) (i) Secured by tangible assets	56,70,090	45,33,075	38,74,012
(ii) Secured by intangible assets	–	–	–
(iii) Covered by bank / government guarantees	–	–	–
(iv) Unsecured	19,26,303	15,11,081	12,46,956
Gross Total (B)	**75,96,393**	**60,44,156**	**51,20,968**
(C) Loans in India			
(i) Public sector	9,544	6,136	4,593
(ii) Others	75,86,849	60,38,020	51,16,375
Gross Total (C)	**75,96,393**	**60,44,156**	**51,20,968**

NOTES FORMING PART OF THE CONSOLIDATED BALANCE SHEET AS AT MARCH 31, 2019

7. a. Out of the above, loans given to Related Parties: Secured ₹ 20,892 lakh (March 31, 2018: ₹ 9,532 lakh and April 1, 2017: ₹ 14,980 lakh and Unsecured ₹ 62,230 lakh (March 31, 2018 : ₹ 27,186 lakh and April 1, 2017 : ₹ 18,917 lakh).

7. b. Investments in bonds, debentures and other financial instruments which, in substance, form a part of the Group's financing activities ("Credit Substitutes") have been classified under Loans. Management believes that the classification results in a better presentation of the substance of these investments and is in alignment with regulatory filings.

7. c. The Group has reported frauds aggregating ₹ 3,130 lakh (FY 2017-18: ₹ 666 lakh) based on management reporting to Fraud Risk Management Committee (FRMC) and to the regulators through prescribed returns.

7. d. Break up of Loans as under:

(₹ in lakh)

PARTICULARS	As at March 31, 2019	As at March 31, 2018	As at April 1, 2017
Loans			
Measured at amortised cost and FVTOCI			
(i) Secured	**54,28,381**	42,70,136	35,89,881
(ii) Unsecured	**18,58,288**	14,26,334	11,63,292
(iii) Significant Increase in Credit Risk	**1,76,550**	2,00,517	1,68,741
(iv) Impaired Asset	**1,33,174**	1,47,169	1,99,053
Gross Carrying value of Loans	**75,96,393**	**60,44,156**	**51,20,968**

7. e. For disclosure of net carrying value of loans measured at amortised cost & FVTOCI refer note 40A(4)

NOTES FORMING PART OF THE CONSOLIDATED BALANCE SHEET AS AT MARCH 31, 2019

8. INVESTMENTS (₹ in lakh)

PARTICULARS	As at March 31, 2019	As at March 31, 2018	As at April 1, 2017
Investments			
(A) Carried at amortised cost			
Preference shares	**–**	–	1,720
(B) At fair value through other comprehensive income			
Debt securities	**23,355**	19,905	7,037
(C) At fair value through profit and loss			
Mutual and other funds (quoted)	**136**	133	51
Mutual and other funds (unquoted)	**2,594**	1,644	1,529
Fully paid equity shares (quoted)	**24,764**	16,819	12,339
Fully paid equity shares (unquoted)	**4,311**	4,531	2,440
Preference shares	**22,808**	17,717	18,170
Security receipts	**126**	600	1,130
Venture Capital Fund	**11,422**	6,052	3,149
Sub-total (A+B+C)	**89,516**	**67,401**	**47,565**
(D) Measured at cost (accounted for using equity method)			
Associate Companies			
Fully paid equity shares (unquoted)	**92,116**	1,05,123	1,15,195
Less: Diminution in value of investments	**(3,014)**	(3,007)	(3,201)
Net Carrying value of investments measured at cost	**89,102**	**1,02,117**	**1,11,994**
Total Investments (A+B+C+D)	**1,78,618**	**1,69,518**	**1,59,559**

The market value of quoted investments is equal to the carrying value.

NOTES FORMING PART OF THE CONSOLIDATED BALANCE SHEET AS AT MARCH 31, 2019

8. a. INVESTMENTS

Script-wise details of Investments as on March 31, 2019 (₹ in lakh)

PARTICULARS	Face value Per Unit (in ₹)	As at March 31, 2019		As at March 31, 2018		As at April 1, 2017	
		No. of Units	₹ in lakh	No. of Units	₹ in lakh	No. of Units	₹ in lakh
(A) Carried at amortised cost							
12.33% Cumulative Redeemable Preference Shares of Tata Business Support Services Limited	10	–	–	–	–	–	1,720
			–		**–**		**1,720**
(B) At fair value through other comprehensive income							
Debt securities							
Quoted:							
Investment in Debentures (Trade)							
4.50% BPCL - Indian Cash Bond	–	20,000	1,545	20,000	1,407	–	–
7.00% ICICI Bank - Indian Cash Bond	–	30,000	2,358	30,000	2,195	–	–
2.00% ONGC - Indian Cash Bond	–	3,750	271	3,750	244	–	–
3.80% Syndicate Bank - Indian Cash Bond	–	40,000	2,928	40,000	2,637	–	–
4.50% Union Bank of India - Indian Cash Bond	–	10,000	740	10,000	669	–	–
6.25% BOI- Indian Cash Bond	–	10,000	766	10,000	711	–	–
5.95% Tata Steel Bond	–	10,000	764	10,000	665	–	–
4.85% Tata Steel Bond	–	65,000	4,752	65,000	4,278	65,000	4,345
4.63% Tata Motors Limited Bond	–	44,000	3,246	44,000	2,941	10,000	680
5.30% Tata Motors Limited Bond	–	–	732	–	–	–	–
5.75% Tata Motors Limited Bond	–	60,000	3,926	60,000	4,158	10,000	699
2.75% Jaguar Land Rover Limited GBP Bond	–	–	1,325	–	–		–
6.4% State Bank of India - Indian Cash Bond	–	–	–	–	–	15,340	1,015
7.14% State Bank of India - Indian Cash Bond	–	–	–	–	–	4,600	298
			23,355		**19,905**		**7,037**
(C) At fair value through profit and loss							
Quoted							
Investment in Units of Mutual Funds							
HDFC Cancer Cure Fund	10	5,00,000	53	5,00,000	50	5,00,000	51
Tata Liquid Fund Daily Dividend	–	7,465	83	7,465	83	–	–
			136		**133**		**51**
Unquoted							
Investment in Units of Mutual Funds							

NOTES FORMING PART OF THE CONSOLIDATED BALANCE SHEET AS AT MARCH 31, 2019

8. a. INVESTMENTS

Script-wise details of Investments as on March 31, 2019 (₹ in lakh)

PARTICULARS	Face value Per Unit (in ₹)	As at March 31, 2019		As at March 31, 2018		As at April 1, 2017	
		No. of Units	₹ in lakh	No. of Units	₹ in lakh	No. of Units	₹ in lakh
Tata Money Market fund	1,000	66,402	1,961	59,269	1,617	58,279	1,489
Tata Money Market fund regular plan	1,000	2,672	633	2,672	27	3,975	40
			2,594		**1,644**		**1,529**
Quoted							
Investment in Equity Shares							
The Indian Hotels Company Limited	10	17,640	27	17,640	23	14,700	19
Tata Steel Limited (fully paid)	10	15,660	82	13,500	89	13,500	65
Tata Steel Limited (partly paid)	10	1,080	1	1,080	2	–	–
Hindustan Unilever Limited	1	2,000	34	2,000	27	2,000	18
Praj Industries Limited	2	1,32,56,223	20,560	1,34,22,400	10,778	1,34,22,400	10,745
Commercial Engineers & Body Builders Company Limited	10	77,77,653	1,026	60,05,401	634	60,05,401	634
The New India Assurance company Limited	5	10,83,376	2,056	5,41,688	3,861	–	–
Bombay Stock Exchange Limited	2	5,700	35	5,700	43	5,700	56
IVRCL Limited	2	15,94,857	13	15,94,857	48	27,76,522	137
Diamond Power Infra Limited	10	16,31,881	26	16,31,881	122	16,31,881	565
3I Infotech Limited	10	2,32,80,000	896	2,32,80,000	1,176	–	–
Consolidated Construction Consortium Limited	2	4,16,472	8	4,16,472	16	–	–
GOL Offshore	10	6,44,609	–	6,44,609	–	6,44,609	100
			24,764		**16,819**		**12,339**
Unquoted							
Investment in Equity Shares							
International Asset Reconstruction Company Pvt. Ltd.	10	1,39,46,295	3,503	1,39,46,295	3,347	–	–
Adithya Automotives Private Limited	10	–	–	13,96,500	376	13,96,500	247
SKS Ispat & Power Ltd	10	–	–	–	–	3,39,31,831	515
Tata Business Support Services Limited (Trade)	10	–	–	–	–	40,54,048	870
Vaultize Technologies Pvt Ltd (CCPS) A/c	–	–	–	–	–	–	–
Vaultize Technologies Pvt Ltd (Equity) A/c	–	84,568	808	84,568	808	84,568	808
			4,311		**4,531**		**2,440**

NOTES FORMING PART OF THE CONSOLIDATED BALANCE SHEET AS AT MARCH 31, 2019

8. a. INVESTMENTS

Script-wise details of Investments as on March 31, 2019 (₹ in lakh)

PARTICULARS	Face value Per Unit (in ₹)	As at March 31, 2019		As at March 31, 2018		As at April 1, 2017	
		No. of Units	₹ in lakh	No. of Units	₹ in lakh	No. of Units	₹ in lakh
Unquoted							
Investment in Preference Shares							
Vaultize Technologies Pvt Ltd (CCPS) A/c		3,15,21,679	1,921	3,15,21,679	1,921	2,70,18,180	2,703
Kotak Mahindra Bank Ltd		7,00,00,000	3,500	–	–	–	–
0.001% Share Microfin Limited Optionally Convertible Cumulative Redeemable Preference Shares*	10	–	–	–	–	9,00,000	–
			5,421		**1,921**		**2,703**
Investment in Preferred Stock							
WaterHealth International, Inc	–	30,90,871	2,300	30,90,871	2,700	30,90,871	3,001
Mitra Bio-Tech Private Ltd (Eq) A/c	–	–	–	2,51,999	11	2,51,999	11
Mitra RxDx India Pvt. Ltd	–	2,52,00,000	2,619	2,52,00,000	3,349	2,52,00,000	3,349
Mitra RxDx, Inc	–	60,00,000	9,140	60,00,000	6,740	60,00,000	5,740
Uber	–	1,06,000	3,327	1,06,000	2,996	1,06,000	3,366
Vanu Inc*	–	38,074	–	38,074	–	38,074	–
			17,386		**15,796**		**15,467**
Total Investment in Preference shares			**22,808**		**17,717**		**18,170**
Investment in Venture Capital Fund							
Pitango Venture Capital Fund VI and VII L.P.		11,422		6,052		3,149	
		11,422		**6,052**		**3,149**	
Investment in Security Receipts							
International Asset Reconstruction Pvt. Ltd	1,000		126		600		1,130
			126		**600**		**1,130**
D) Measured at cost (accounted for using equity method)							
Unquoted :							
Investment in Equity Shares							
Tata Autocomp Systems Limited	10	4,83,07,333	35,289	4,83,07,333	32,687	4,83,07,333	32,548
Tata Sky Ltd	10	1,00,72,871	5,744	1,00,72,871	5,499	1,00,72,871	5,242
Roots Corporation Limited	90	22,91,454	2,062	20,89,269	1,880	20,89,269	1,880
Tata Projects Limited	–	44,810	3,729	44,810	3,237	44,810	2,823
International Asset Reconstruction Company Pvt. Ltd.	10	–	–	–	–	1,39,46,295	3,854

NOTES FORMING PART OF THE CONSOLIDATED BALANCE SHEET AS AT MARCH 31, 2019

8. a. INVESTMENTS

Script-wise details of Investments as on March 31, 2019 (₹ in lakh)

PARTICULARS	Face value Per Unit (in ₹)	As at March 31, 2019		As at March 31, 2018		As at April 1, 2017	
		No. of Units	₹ in lakh	No. of Units	₹ in lakh	No. of Units	₹ in lakh
Fincare Business Services Limited	10	2,54,791	772	2,35,992	601	2,35,992	660
Shriram Properties Private Limited	10	22,23,569	3,935	22,23,569	3,935	22,23,569	3,935
TVS Supply Chain Solutions Limited	10	2,17,325	1,552	2,17,325	1,513	2,17,325	1,465
Varroc Engineering Pvt Ltd	10	–	–	1,55,204	3,341	1,55,204	2,521
Tata Technologies Limited	–	18,73,253	7,240	18,73,253	5,916	18,73,253	4,707
Star Health & Allied Insurance Company Limited	–	–	–	2,40,45,296	6,902	2,40,45,296	6,000
Agile Electric Sub Assembly Private Ltd (Equity)	–	–	–	–	–	24,42,333	3,202
Amanta Healthcare Ltd. (Equity)	–	–	–	–	–	24,20,551	1,500
Amanta Healthcare Ltd. (Preference - CCPS)	–	–	–	–	–	4,50,80,000	5,300
Lokmanaya Hospital Pvt. Ltd.	–	24,63,600	2,464	24,63,600	2,464	24,63,600	2,464
Novalead Pharma Pvt Ltd - (Equity)	–	11,477	2,299	11,477	2,313	11,477	2,335
Shriji Polymers (India) Ltd. (Equity)	–	5,98,788	1,570	4,44,114	1,382	4,44,114	819
Shriji Polymers (India) Ltd. (Preference)	–	16,38,800	3,278	16,38,800	3,278	16,38,800	3,278
Sai Life Sciences (Equity)	–	–	–	25,41,496	7,977	25,41,496	7,260
Shriniwas Engineering Auto Components Pvt Limited (Eq.) A/c	–	–	–	–	–	10,12,659	1,000
TEMA India Pvt. Limited (Eq.) A/c	–	500	1	500	1	500	1
TEMA India Pvt. Limited (CCCPS) A/c	–	4,50,00,000	4,500	4,50,00,000	4,500	4,50,00,000	4,500
Kapsons Industries Limited (Eq) A/c	–	2,857	–	2,857	–	2,857	1
Kapsons Industries Limited (CCPS) A/c	–	1,71,42,857	6,000	1,71,42,857	6,000	1,71,42,857	6,000
Pluss Advanced Technologies Private Limited(Eq) A/c	–	1,31,167	1,369	1,31,167	1,396	1,31,167	1,500
Pluss Advanced Technologies Private Limited (CCPS) A/c	–	1,00,00,000	1,000	1,00,00,000	1,000	1,00,00,000	1,000
Vortex Engineering Private Ltd (Equity)	–	1,39,415	2,900	–	2,900	–	2,900

8. a. **INVESTMENTS**

Script-wise details of Investments as on March 31, 2019 (₹ in lakh)

PARTICULARS	Face value Per Unit (in ₹)	As at March 31, 2019		As at March 31, 2018		As at April 1, 2017	
		No. of Units	₹ in lakh	No. of Units	₹ in lakh	No. of Units	₹ in lakh
Sea6 Energy Private Limited (Equity)	–	25,410	3,379	25,410	3,526	25,410	3,500
Alef Mobitech Solutions private limited. (equity)	–	4,02,538	1,321	4,02,538	1,163	4,02,538	1,288
Alef Mobitech Soluations Private Limited	–	5,34,840	1,712	5,34,840	1,712	5,34,840	1,712
Aricent Technologies Holdings Limited*	10	8	–	8	–	8	–
Coastal Projects Limited*	10	41,01,806	–	41,01,806	–	41,01,806	–
Tata Tele Services Limited*	10	6,22,50,000	–	6,22,50,000	–	6,22,50,000	–
Total Cost of Investments (E)			**92,116**		**1,05,123**		**1,15,195**
Less:							
Provision for diminution in value of investments (F)			**(3,014)**		**(3,007)**		**(3,201)**
Carrying Cost of Investments (D) = (E - F)			**89,102**		**1,02,116**		**1,11,994**
Total Investments (A + B + C + D)			**1,78,618**		**1,69,518**		**1,59,559**

* Amount less than ₹ 50,000.

NOTES FORMING PART OF THE CONSOLIDATED BALANCE SHEET AS AT MARCH 31, 2019

NOTE "9" OTHER FINANCIAL ASSETS (₹ in lakh)

PARTICULARS		As at March 31, 2019	As at March 31, 2018	As at April 1, 2017
(a)	Security deposits	**1,597**	3,023	2,402
(b)	Advances recoverable in cash or kind from related parties	**456**	462	88
(c)	Pass Through Certificate application money (refundable)	**10,599**	7,919	16,249
(d)	Receivable on sale/redemption of investment	**162**	173	83
	Less : Provision for receivable on sale/ redemption of investment	**(162)**	(173)	(83)
	Net receivable on sale/redemption of investment	**–**	–	–
(e)	Income accrued but not due	**6,439**	3,505	2,245
(f)	Advances to employees	**58**	536	104
(g)	Receivable under letter of credit/buyers credit facility	**14,617**	43,419	28,371
(h)	Other receivables	**347**	533	624
Total		**34,113**	**59,397**	**50,083**

NOTES FORMING PART OF THE CONSOLIDATED BALANCE SHEET AS AT MARCH 31, 2019

NOTE "10" INCOME TAXES

(a) The income tax expense consist of the following:

(₹ in lakh)

PARTICULARS	For the year ended March 31, 2019	For the year ended March 31, 2018
Current tax:		
Current tax expense for the period	**41,547**	38,506
Current tax expense / (benefit) pertaining to prior years	**–**	920
	41,547	**39,426**
Deferred tax benefit		
Origination and reversal of temporary differences	**(2,175)**	3,657
Change in tax rates	**(727)**	–
	(2,902)	3,657
MAT credit	**–**	(1,163)
Total income tax expense recognised in the period	**38,645**	**41,920**

The reconciliation of estimated income tax expense at statutory income tax rate income tax expense reported in statement of profit and loss is as follows:

(₹ in lakh)

PARTICULARS	For the year ended March 31, 2019	For the year ended March 31, 2018
Profit / (Loss) before tax from continuing operations	**1,41,532**	1,09,672
Indian statutory income tax rate	**34.944%**	34.608%
Expected income tax expense	**49,456**	37,955
Tax effect of adjustments to reconcile expected income tax expense to reported income tax expense:		
Income exempt from tax	**(17,317)**	(10,458)
Recognition of previously unrecognised tax losses and unabsorbed depreciation	**(1,365)**	(335)
Non deductible expenses	**16,396**	17,732
Tax on income at different rates	**(5,174)**	(2,597)
Change in tax rates	**(1,580)**	4
Tax incentives	**(382)**	(565)
Impact of change in the expected tax rates on temporary differences	**(120)**	39
Impact of unrecognised timing differences	**22**	179
Impact of MAT	**46**	192
Differences in tax rates in foreign jurisdictions	**(1,444)**	(227)
Current tax of prior years	**107**	–
Total income tax expense	**38,645**	**41,920**

NOTES FORMING PART OF THE CONSOLIDATED BALANCE SHEET AS AT MARCH 31, 2019

NOTE "10" INCOME TAXES

(b) Deferred Tax Assets

The major components of deferred tax assets and liabilities for the year ended March 31, 2019 are as follows: (₹ in lakh)

Particulars	Opening Balance	Recognised/ reversed through profit and loss	Recognised/ reclassified from other comprehensive income	Utilized	Closing Balance
Deferred Tax Assets :-					
(a) Impairment loss allowance - Stage III	40,867	(5,613)	–	–	35,254
(b) Impairment loss allowance - Stage I & II	23,913	4,088	(29)	–	27,972
(c) Employee benefits	507	181	–	–	688
(d) Deferred income	11,592	4,452	(82)	–	15,962
(e) Depreciation on property, plant & equipment	176	1	–	–	177
(f) Other deferred tax assets	2,165	786	(26)	5	2,930
(g) Fair valuation of PE Investments	2,653	(917)	–	–	1,736
(h) MAT Credit Entitlement	1,163	–	–	(1,163)	–
Deferred Tax Liabilities :-					
(a) Debenture issue expenses	(492)	(1,749)	–	–	(2,241)
(b) Depreciation on property, plant, equipment & intangibles	228	2,582	–	–	2,810
(c) Investments measured at fair value	(69)	(474)	–	–	(543)
(d) Loans measured at FTVOCI	(114)	(1)	(26)	–	(141)
(e) Deduction u/s 36(1)(viii)	(3,992)	(434)	–	–	(4,426)
Net Deferred Tax Asset	**78,596**	**2,902**	**(164)**	**(1,158)**	**80,177**

The major components of deferred tax assets and liabilities for the year ended March 31, 2018 are as follows:

(₹ in lakh)

Particulars	Opening Balance	Recognised/ reversed through profit and loss	Recognised/ reclassified from other comprehensive income"	Recognised / reversed through Reserves	Closing Balance
Deferred Tax Assets :-					
(a) Impairment loss allowance - Stage III	54,555	(13,688)	–	–	40,867
(b) Impairment loss allowance - Stage I & II	20,341	3,577	(5)	–	23,913
(c) Employee benefits	463	44	–	–	507
(d) Deferred income	8,952	2,640	–	–	11,592
(f) Depreciation on property, plant & equipment	160	15	–	–	176
(e) Other deferred tax assets	1,527	586	47	5	2,165
(g) Fair valuation of PE Investments	1,769	884	–	–	2,653
(h) MAT Credit Entitlement	–	1,163	–	–	1,163

NOTES FORMING PART OF THE CONSOLIDATED BALANCE SHEET AS AT MARCH 31, 2019

(₹ in lakh)

Particulars	Opening Balance	Recognised/ reversed through profit and loss	Recognised/ reclassified from other comprehensive income”	Recognised / reversed through Reserves	Closing Balance
Deferred Tax Liabilities :-					
(a) Debenture issue expenses	(525)	33	–	–	(492)
(b) Depreciation on property, plant, equipment & intangibles	(2,417)	2,645	–	–	228
(c) Investments measured at fair value	(12)	(57)	–	–	(69)
(d) Loans measured at FTVOCI	(11)	–	(103)	–	(114)
(e) Deduction u/s 36(1)(viii)	(3,655)	(337)	–	–	(3,992)
Net Deferred Tax Asset	**81,148**	**(2,495)**	**(61)**	**5**	**78,596**

The major components of deferred tax assets and liabilities as on April 1, 2017 are as follows:

(₹ in lakh)

Particulars	Opening Balance	Recognised directly in equity	Recognised / reclassified from other comprehensive income	Closing Balance
Deferred Tax Assets :-				
(a) Impairment loss allowance - Stage III	43,079	11,476	–	54,555
(b) Impairment loss allowance - Stage I & II	7,586	12,776	(21)	20,341
(c) Employee benefits	463	–	–	463
(d) Deferred income	–	8,984	(32)	8,952
(e) Depreciation on property, plant & equipment	160	–	–	160
(f) Other deferred tax assets	973	299	255	1,527
(g) Fair valuation of PE Investments	–	1,769	–	1,769
Deferred Tax Liabilities :-				
(a) Debenture issue expenses	(525)	–	–	(525)
(b) Depreciation on property, plant & equipment	(2,417)	–	–	(2,417)
(c) Fair value of investments	–	(12)	–	(12)
(d) Loans measured at FTVOCI	–	(11)	–	(11)
(e) Deduction u/s 36(1)(viii)	(3,655)	–	–	(3,655)
Net Deferred Tax Asset	**45,664**	**35,281**	**202**	**81,148**

NOTES FORMING PART OF THE CONSOLIDATED BALANCE SHEET AS AT MARCH 31, 2019

Gross deferred tax assets and liabilities are as follows:

(₹ in lakh)

Particulars	As at March 31, 2019	As at March 31, 2018	As at April 1, 2017
Deferred Tax Assets :-			
(a) Impairment loss allowance - Stage III	**35,254**	40,867	54,555
(b) Impairment loss allowance - Stage I & II	**27,972**	23,913	20,341
(c) Employee benefits	**688**	507	463
(d) Deferred income	**15,962**	11,592	8,952
(e) Other deferred tax assets	**2,930**	2,165	1,527
(f) Depreciation on property, plant & equipment	**177**	176	160
(g) Fair valuation of PE Investments	**1,736**	2,653	1,769
(h) MAT Credit Entitlement	**–**	1,163	–
Deferred Tax Liabilities :-			
(a) Debenture issue expenses	**(2,241)**	(492)	(525)
(b) Depreciation on property, plant & equipment	**2,810**	228	(2,417)
(c) Fair value of investments	**(543)**	(69)	(12)
(d) Loans measured at FTVOCI	**(141)**	(114)	(11)
(e) Deduction u/s 36(1)(viii)	**(4,426)**	(3,992)	(3,655)
Net Deferred Tax Asset	**80,177**	**78,596**	**81,148**

NOTES FORMING PART OF THE CONSOLIDATED BALANCE SHEET AS AT MARCH 31, 2019

NOTE "11" PROPERTY, PLANT, EQUIPMENT, INVESTMENT PROPERTY AND INTANGIBLE ASSETS (₹ in lakh)

Particulars	Gross Block				Accumulated depreciation and amortisation			Net Carrying Value
	Opening balance as at April 1, 2018	Additions/ Adjustments	Deletions	Closing balance as at March 31, 2019	Opening balance as at April 1, 2018	Deletions/ Adjustments	Closing balance as at March 31, 2019	As at March 31, 2019
TANGIBLE ASSETS								
Buildings	12,828	–	–	12,828	644	–	1,288	11,540
	12,878	–	*50*	*12,828*	–	*1*	*644*	*12,184*
Leasehold Improvements	2,555	452	75	2,932	652	39	1,223	1,709
	2,062	*556*	*63*	*2,555*	–	*16*	*651*	*1,904*
Furniture & Fixtures	1,247	254	21	1,480	230	9	491	989
	1,042	*220*	*15*	*1,247*	–	*1*	*230*	*1,017*
Computer Equipment	3,205	1,439	2	4,642	752	1	1,843	2,799
	1,854	*1,370*	*19*	*3,205*	–	*6*	*752*	*2,453*
Office Equipment	976	459	29	1,406	313	12	641	765
	705	*293*	*22*	*976*	–	*5*	*313*	*663*
Plant & Machinery	472	54	16	510	85	7	160	350
	424	*54*	*6*	*472*	–	*1*	*85*	*387*
Vehicles	726	439	259	906	234	132	353	553
	623	*173*	*70*	*726*	–	*17*	*233*	*493*
ASSETS GIVEN UNDER OPERATING LEASE/RENTAL								
Construction Equipment	11,355	3,497	370	14,482	1,779	156	4,424	10,058
	14,299	*1,787*	*4,731*	*11,355*	–	*1,048*	*1,779*	*9,576*
Vehicles	2,351	2,355	389	4,317	698	250	1,807	2,510
	1,581	*1,913*	*1,143*	*2,351*	–	*199*	*698*	*1,653*
Plant & Machinery	32,711	34,031	1,568	65,174	6,416	741	16,693	48,481
	21,619	*12,323*	*1,231*	*32,711*	–	*99*	*6,416*	*26,295*
Computer Equipment	15,018	6,104	1,288	19,834	6,584	1,105	11,042	8,792
	12,900	*3,225*	*1,107*	*15,018*	–	*570*	*6,584*	*8,434*
Furniture & Fixtures	957	252	43	1,166	296	41	572	594
	834	*123*	–	*957*	–	–	*296*	*661*
Office Equipments	1,438	1,952	100	3,290	785	96	1,402	1,888
	1,245	*204*	*11*	*1,438*	–	*7*	*785*	*653*
Railway Wagons	14,957	53	–	15,010	2,580	–	5,331	9,679
	14,833	*124*	–	*14,957*	–	–	*2,580*	*12,377*
Electrical Installation & Equipments	1,074	747	–	1,821	228	–	567	1,254
	1,062	*12*	–	*1,074*	–	–	*228*	*846*
TANGIBLE ASSETS - TOTAL	**1,01,870**	**52,088**	**4,160**	**1,49,798**	**22,276**	**2,589**	**47,837**	**1,01,961**
	87,961	*22,377*	*8,468*	*1,01,870*	–	*1,970*	*22,274*	*79,596*
INTANGIBLE ASSETS (other than internally generated)								
Software	2,769	1,191	–	3,960	455	–	1,013	2,947
	1,109	*1,708*	*48*	*2,769*	–	*8*	*455*	*2,314*
INTANGIBLE ASSETS - TOTAL	**2,769**	**1,191**	**–**	**3,960**	**455**	**–**	**1,013**	**2,947**
	1,109	*1,708*	*48*	*2,769*	–	*8*	*455*	*2,314*
Investment Property	2,605	–	–	2,605	117	–	237	2,368
	2,446	*159*	–	*2,605*	–	–	*117*	*2,488*
Total	**1,07,244**	**53,279**	**4,160**	**1,56,363**	**22,848**	**2,589**	**49,087**	**1,07,276**
	91,516	*24,244*	*8,516*	*1,07,244*	–	*1,978*	*22,846*	*84,398*

Note : Figures in italics relate to March 31, 2018

\# Fair value of investment property as on March 31, 2019 ₹ 901 lakh (Carrying value ₹ 398 lakh). Pursuant to the Ind AS transition, the Group has carried out valuation of investment property as at March 31, 2019 and the same is applicable to March 31, 2018 and April 1, 2017. The fair value of the property is assessed based on the market rate for a similar property in the locality.

NOTES FORMING PART OF THE CONSOLIDATED BALANCE SHEET AS AT MARCH 31, 2019

NOTE "12" OTHER NON-FINANCIAL ASSETS (Unsecured - considered good)

(₹ in lakh)

Particulars		As at March 31, 2019	As at March 31, 2018	As at April 1, 2017
(a)	Capital advances	**22,674**	17,525	7,821
(b)	Prepaid expenses	**3,043**	2,898	3,147
(c)	Gratuity asset (net)	**404**	142	421
(d)	Balances with government authorities	**10,610**	5,227	1,472
(e)	Assets held-for-sale/ Assets included in disposal group(s) held-for-sale	**47**	1,375	3,628
(f)	Unamortised loan sourcing costs	**17,648**	13,807	14,330
(g)	Rental income accrued	**130**	56	36
(h)	Other advances	**530**	598	532
Total		**55,086**	**41,628**	**31,387**

NOTE "13" (I) TRADE PAYABLES

(₹ in lakh)

Particulars		As at March 31, 2019	As at March 31, 2018	As at April 1, 2017
Others				
(i)	Accrued expenses	**46,814**	25,359	22,008
(ii)	Payable to related parties	**651**	–	23
(iii)	Payable to dealers/vendors	**26,301**	33,846	28,087
(iv)	Others	**938**	772	4,127
Total		**74,704**	**59,977**	**54,245**

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

NOTE "13" (II) TOTAL OUTSTANDING DUES OF MICRO ENTERPRISES AND SMALL ENTERPRISES

(₹ in lakh)

Particulars		As at March 31, 2019	As at March 31, 2018	As at April 1, 2017
(a)	Amounts outstanding but not due as at year end			
(b)	Amounts due but unpaid as at year end	**–**	–	–
(c)	Amounts paid after appointed date during the year	**–**	–	–
(d)	Amount of interest accrued and unpaid as at year end	**–**	–	–
(e)	The amount of further interest due and payable even in the succeeding year	**–**	–	–
Total		**–**	**–**	**–**

NOTES FORMING PART OF THE CONSOLIDATED BALANCE SHEET AS AT MARCH 31, 2019

NOTE “14” DEBT SECURITIES

(₹ in lakh)

Particulars	As at March 31, 2019	As at March 31, 2018	As at April 1, 2017
At amortised cost			
Secured			
Privately Placed Non-Convertible Debentures (Refer note 14.1 and 14.3 below) [Net of unamortised discount of ₹ 47 lakh (March 31, 2018 : Nil and April 1, 2017 : Nil) and premium of ₹ 307 lakh (March 31, 2018 : ₹ 57 lakh and April 1, 2017 : Nil]	**17,01,995**	15,63,278	17,03,323
Public issue of Non-Convertible Debentures (Refer note 14.2 and 14.4 below)	**2,95,826**	28,799	28,779
Unsecured			
Privately Placed Non-Convertible Debentures (Refer note 14.5 below)	**1,94,260**	2,79,885	1,59,852
Total (A)	**21,92,081**	**18,71,962**	**18,91,954**
Debt securities in India	**21,92,081**	18,71,962	18,91,954
Debt securities outside India	**–**	–	–
Total (B)	**21,92,081**	**18,71,962**	**18,91,954**

Note:

14.1 Privately Placed Non-Convertible Debentures are secured by pari passu charge on the specific immovable property, specified receivables arising out of loan, lease, hire purchase transactions and to the extent of shortfall in asset cover by a pari passu charge on the current assets of the Group.

14.2 Public issue of Non-Convertible Debentures are secured by a pari passu charge on the specific immovable property, receivables against unsecured loans, bills discounted and trade advances and other current assets of the Group

NOTES FORMING PART OF THE CONSOLIDATED BALANCE SHEET AS AT MARCH 31, 2019

NOTE "14.3" Particulars of Privately Placed Secured Non-Convertible Debentures ("NCDs") outstanding as on March 31, 2019

Description of NCDs	Issue Date	Redemption Date	As at March 31, 2019*		As at March 31, 2018*		As at April 1, 2017*	
			Number of NCDs	₹ in lakh	Number of NCDs	₹ in lakh	Number of NCDs	₹ in lakh
TCFSL NCD "H" FY 2018-19 Op-II	19-Dec-18	19-Dec-28	**1,120**	**11,200**	–	–	–	–
TCFSL NCD "H" FY 2018-19 Op-II 1 Further issue Premium	03-Jan-19	19-Dec-28	**230**	**2,300**	–	–	–	–
TCHFL NCD "J" FY 2016-17	30-Jun-16	30-Jun-26	**100**	**1,000**	100	1,000	100	1,000
TCHFL NCD "AU" FY 2015-16 Option I	30-Mar-16	30-Mar-26	**150**	**1,500**	150	1,500	150	1,500
TCHFL NCD "AM" FY 2015-16 - Option I	06-Nov-15	06-Nov-25	**350**	**3,500**	350	3,500	350	3,500
TCHFL NCD "AG" FY 2015-16	08-Oct-15	08-Oct-25	**75**	**750**	75	750	75	750
TCHFL NCD "AE" FY 2015-16	31-Aug-15	29-Aug-25	**200**	**2,000**	200	2,000	200	2,000
TCHFL NCD"O" FY 2015-16	16-Jun-15	16-Jun-25	**200**	**2,000**	200	2,000	200	2,000
TCHFL NCD V FY 2014-15	23-Jan-15	23-Jan-25	**1,500**	**15,000**	1,500	15,000	1,500	15,000
TCHFL NCD R FY 2014-15	09-Dec-14	09-Dec-24	**2,000**	**20,000**	2,000	20,000	2,000	20,000
TCFSL NCD "AF" FY 2014-15 Op-I	08-Dec-14	06-Dec-24	**600**	**6,000**	600	6,000	600	6,000
TCFSL NCD "AF" FY 2014-15 Op-II	08-Dec-14	06-Dec-24	**150**	**1,500**	150	1,500	150	1,500
TCFSL NCD "AA" FY 2014-15	20-Nov-14	20-Nov-24	**950**	**9,500**	950	9,500	950	9,500
TCCL NCD 'C' FY 2017-18	02-Jun-17	03-Jun-24	**100**	**1,000**	100	1,000	–	–
TCHFL NCD "AP" FY 2015-16 - Option II	12-Jan-16	12-Jan-24	**150**	**1,500**	150	1,500	150	1,500
TCFSL NCD "H" FY 2018-19 Op-I	19-Dec-18	19-Dec-23	**1,940**	**19,400**	–	–	–	–
TCFSL NCD "H" FY 2018-19 Op-I 1 Further issue Premium	03-Jan-19	19-Dec-23	**975**	**9,750**	–	–	–	–
TCFSL NCD "H" FY 2018-19 Op-I 2 Further issue Premium	15-Feb-19	19-Dec-23	**300**	**3,000**	–	–	–	–
TCFSL NCD "H" FY 2018-19 Op-II 2 Further issue Premium	15-Feb-19	19-Dec-23	**550**	**5,500**	–	–	–	–
TCCL NCD 'B' FY 2018-19	18-Dec-18	18-Dec-23	**1,800**	**18,000**	–	–	–	–
TCHFL NCD "E" FY 2016-17	04-May-16	04-May-23	**200**	**2,000**	200	2,000	200	2,000
TCHFL NCD U FY 2012-13	12-Mar-13	10-Mar-23	**100**	**1,000**	100	1,000	100	1,000
TCFSL NCD "P" FY 2017-18	22-Jan-18	20-Jan-23	**480**	**4,800**	480	4,800	–	–
TCHFL NCD R FY 2012-13	18-Jan-13	18-Jan-23	**150**	**1,500**	150	1,500	150	1,500
TCHFL NCD "AP" FY 2015-16 - Option I	12-Jan-16	12-Jan-23	**150**	**1,500**	150	1,500	150	1,500
TCHFL NCD Q FY 2012-13	28-Dec-12	28-Dec-22	**100**	**1,000**	100	1,000	100	1,000
TCFSL Market Link NCD Tranche "B" FY 2018-19	20-Mar-19	05-Dec-22	**2,500**	**25,000**	–	–	–	–
TCFSL NCD "AH" FY 2012-13	05-Sep-12	05-Sep-22	**500**	**5,000**	500	5,000	500	5,000
TCHFL NCD "X" FY 2015-16	29-Jul-15	29-Jul-22	**750**	**7,500**	750	7,500	750	7,500
TCFSL NCD "I" FY 2018-19	03-Jan-19	10-Jun-22	**400**	**4,000**	–	–	–	–
TCHFL NCD G FY 2012-13	18-May-12	18-May-22	**100**	**1,000**	100	1,000	100	1,000
TCFSL Market Linked Tranche 'A' 2018-19 Tranch-III	27-Feb-19	14-Apr-22	**137**	**1,370**	–	–	–	–
TCFSL Market Linked Tranche "A" 2018-19 Tranch-III Reissuance	12-Mar-19	14-Apr-22	**159**	**1,590**	–	–	–	–
TCHFL NCD "C" FY 2018-19	07-Dec-18	13-Apr-22	**993**	**9,930**	–	–	–	–
TCHFL C Series FY 18-19 Reissue	09-Jan-19	13-Apr-22	**700**	**7,000**	–	–	–	–

NOTES FORMING PART OF THE CONSOLIDATED BALANCE SHEET AS AT MARCH 31, 2019

NOTE "14.3" Particulars of Privately Placed Secured Non-Convertible Debentures ("NCDs") outstanding as on March 31, 2019

Description of NCDs	Issue Date	Redemption Date	As at March 31, 2019*		As at March 31, 2018*		As at April 1, 2017*	
			Number of NCDs	₹ in lakh	Number of NCDs	₹ in lakh	Number of NCDs	₹ in lakh
TCFSL NCD "D" FY 2018-19	22-Oct-18	08-Apr-22	1,120	11,200	–	–	–	–
TCFSL NCD "D" FY 2018-19 Further issue Annual Comp. Premium	23-Jan-19	08-Apr-22	485	4,850	–	–	–	–
TCFSL NCD "AL" FY 2016-17	31-Mar-17	31-Mar-22	400	4,000	400	4,000	400	4,000
TCFSL NCD "N" FY 2018-19 Op-II	27-Mar-19	25-Mar-22	2,825	28,250	–	–	–	–
TCFSL NCD "I" FY 2017-18	20-Jul-17	28-Feb-22	750	7,500	750	7,500	–	–
TCFSL NCD "M" FY 2018-19	21-Feb-19	21-Feb-22	500	5,000	–	–	–	–
TCFSL NCD "K" FY 2017-18	16-Aug-17	14-Jan-22	750	7,500	750	7,500	–	–
TCFSL NCD "AG" FY 2016-17	28-Dec-16	28-Dec-21	2,720	27,200	2,720	27,200	2,720	27,200
TCHFL NCD "W" FY 2016-17	28-Dec-16	28-Dec-21	4,080	40,800	4,080	40,800	4,080	40,800
TCFSL NCD "E" FY 2018-19	26-Oct-18	26-Oct-21	3,262	32,620	–	–	–	–
TCCL NCD 'B' FY 2016-17	17-Oct-16	15-Oct-21	150	1,500	150	1,500	150	1,500
TCHFL NCD "T" FY 2016-17	15-Sep-16	15-Sep-21	100	1,000	100	1,000	100	1,000
TCHFL NCD "K" FY 2016-17	05-Jul-16	05-Jul-21	200	2,000	200	2,000	200	2,000
TCFSL NCD "G" FY 2016-17	30-May-16	28-May-21	500	5,000	500	3,500	500	2,000
TCFSL Market Linked Tranche 'A' 2018-19 Tranch-II	27-Feb-19	14-Apr-21	1,175	11,750	–	–	–	–
TCFSL Market Linked Tranche "A" 2018-19 Tranch-II Reissuance	12-Mar-19	14-Apr-21	385	3,850	–	–	–	–
TCFSL Market Linked Tranche "A" 2018-19 Tranch-II Reissuance 2	29-Mar-19	14-Apr-21	260	2,600	–	–	–	–
TCHFL NCD "A" FY 2016-17	12-Apr-16	12-Apr-21	1,200	12,000	1,200	12,000	1,200	12,000
TCFSL NCD "N" FY 2018-19 Op-I	27-Mar-19	26-Mar-21	5,250	52,500	–	–	–	–
TCFSL NCD "AB" FY 2015-16	21-Mar-16	19-Mar-21	100	1,000	100	1,000	100	1,000
TCFSL NCD "AA" FY 2015-16	16-Mar-16	16-Mar-21	70	700	70	700	70	700
TCFSL NCD "O" FY 2017-18	12-Jan-18	22-Jan-21	750	7,500	750	7,500	–	–
TCHFL NCD "AS" FY 2015-16	22-Jan-16	22-Jan-21	200	2,000	200	2,000	200	2,000
TCFSL NCD "J" FY 2018-19	10-Jan-19	11-Jan-21	250	2,500	–	–	–	–
TCFSL NCD "X" FY 2015-16	16-Dec-15	16-Dec-20	100	1,000	100	1,000	100	1,000
TCHFL NCD "AM" FY 2015-16 - Option II	06-Nov-15	06-Nov-20	50	500	50	500	50	500
TCCL NCD 'F' FY 2015-16	19-Oct-15	19-Oct-20	200	2,000	200	2,000	200	2,000
TCHFL NCD "AI" FY 2015-16	16-Oct-15	16-Oct-20	500	5,000	500	5,000	500	5,000
TCHFL NCD "AH" FY 2015-16	14-Oct-15	14-Oct-20	200	2,000	200	2,000	200	2,000
TCCL NCD 'E' FY 2015-16	04-Sep-15	04-Sep-20	200	2,000	200	2,000	200	2,000
TCHFL NCD "I" FY 2017-18	31-Aug-17	31-Aug-20	3,500	35,000	3,500	35,000	–	–
TCCL NCD 'A' FY 2018-19	24-Aug-18	24-Aug-20	750	7,500	–	–	–	–
TCHFL NCD "AB" FY 2015-16	20-Aug-15	20-Aug-20	100	1,000	100	1,000	100	1,000
TCHFL NCD "AA" FY 2015-16	17-Aug-15	17-Aug-20	1,000	10,000	1,000	10,000	1,000	10,000
TCFSL Market Linked Tranche 'A' 2018-19 Tranch-I	27-Feb-19	14-Aug-20	1,448	14,480	–	–	–	–
TCFSL Market Linked Tranche "A" 2018-19 Tranch-I Reissuance	12-Mar-19	14-Aug-20	102	1,020	–	–	–	–

NOTES FORMING PART OF THE CONSOLIDATED BALANCE SHEET AS AT MARCH 31, 2019

NOTE "14.3" Particulars of Privately Placed Secured Non-Convertible Debentures ("NCDs") outstanding as on March 31, 2019

Description of NCDs	Issue Date	Redemption Date	As at March 31, 2019*		As at March 31, 2018*		As at April 1, 2017*	
			Number of NCDs	₹ in lakh	Number of NCDs	₹ in lakh	Number of NCDs	₹ in lakh
TCFSL Market Linked Tranche "A" 2018-19 Tranch-I Reissuance 1	28-Mar-19	14-Aug-20	**340**	**3,400**	–	–	–	–
TCHFL NCD "Z" FY 2015-16	07-Aug-15	07-Aug-20	**300**	**3,000**	300	3,000	300	3,000
TCFSL NCD "E" FY 2017-18	06-Jul-17	06-Aug-20	**500**	**5,000**	500	5,000	–	–
TCCL NCD 'F' FY 2017-18	28-Jul-17	03-Aug-20	**2,000**	**20,000**	2,000	20,000	–	–
TCCL NCD 'C' FY 2015-16	20-Jul-15	20-Jul-20	**200**	**2,000**	200	2,000	200	2,000
TCFSL NCD "K" FY 2018-19 Op-I	16-Jan-19	15-Jul-20	**3,760**	**37,600**	–	–	–	–
TCFSL NCD "G" FY 2017-18	12-Jul-17	10-Jul-20	**250**	**2,500**	250	2,500	–	–
TCHFL NCD"T" FY 2015-16 - Option I	09-Jul-15	09-Jul-20	**100**	**1,000**	100	1,000	100	1,000
TCFSL NCD "U" FY 2016-17	26-Aug-16	01-Jul-20	**150**	**1,500**	150	1,500	150	1,500
TCHFL NCD "E" FY 2017-18	07-Jun-17	30-Jun-20	**50**	**500**	50	500	–	–
TCFSL NCD "L" FY 2018-19	29-Jan-19	29-Jun-20	**3,500**	**35,000**	–	–	–	–
TCFSL NCD "G" FY 2018-19	30-Nov-18	26-Jun-20	**1,300**	**13,000**	–	–	–	–
TCFSL NCD "G" FY 2018-19 Further issue - I Par Premium	10-Jan-19	26-Jun-20	**300**	**3,047**	–	–	–	–
TCFSL NCD "G" FY 2018-19 Further issue - II Par Premium	23-Jan-19	26-Jun-20	**1,490**	**15,185**	–	–	–	–
TCHFL NCD "D" FY 2018-19	19-Mar-19	26-Jun-20	**750**	**7,500**	–	–	–	–
TCHFL NCD "F" FY 2017-18	14-Jun-17	15-Jun-20	**550**	**5,500**	550	5,500	–	–
TCFSL NCD "D" FY 2017-18	09-Jun-17	09-Jun-20	**10,150**	**1,01,500**	10,150	1,01,500	–	–
TCCL NCD 'D' FY 2017-18	07-Jun-17	05-Jun-20	**250**	**2,500**	250	2,500	–	–
TCCL NCD 'A' FY 2017-18	15-May-17	15-May-20	**200**	**2,000**	200	2,000	–	–
TCCL NCD 'B' FY 2017-18	17-May-17	15-May-20	**500**	**5,000**	500	5,000	–	–
TCFSL NCD "E" FY 2015-16	05-May-15	05-May-20	**3,300**	**33,000**	3,300	33,000	3,300	33,000
TCHFL NCD "C" FY 2017-18	20-Apr-17	29-Apr-20	**50**	**500**	50	500	–	–
TCFSL NCD "F" FY 2018-19	26-Nov-18	20-Mar-20	**750**	**7,500**	–	–	–	–
TCFSL NCD "K" FY 2018-19 Op-II	16-Jan-19	20-Mar-20	**4,000**	**40,000**	–	–	–	–
TCHFL NCD "Y" FY 2016-17	17-Mar-17	17-Mar-20	**3,000**	**30,000**	3,000	30,000	3,000	30,000
TCFSL NCD "AJ" FY 2016-17	01-Mar-17	28-Feb-20	**250**	**2,500**	250	2,500	250	2,500
TCHFL NCD Z FY 2014-15	12-Feb-15	12-Feb-20	**100**	**1,000**	100	1,000	100	1,000
TCHFL NCD "X" FY 2016-17	10-Feb-17	07-Feb-20	**514**	**5,140**	514	5,140	514	5,140
TCFSL NCD "Q" FY 2017-18	24-Jan-18	24-Jan-20	**7,000**	**70,000**	7,000	70,000	–	–
TCFSL NCD "C" FY 2018-19	19-Jul-18	20-Jan-20	**3,950**	**39,500**	–	–	–	–
TCFSL NCD "C" FY 2018-19 Further Issuance Discount	06-Dec-18	20-Jan-20	**2,300**	**23,000**	–	–	–	–
TCFSL NCD "B" FY 2018-19	29-Jun-18	27-Dec-19	**1,850**	**18,500**	–	–	–	–
TCFSL NCD "B" FY 2018-19 Further Issuance Discount	05-Jul-18	27-Dec-19	**1,800**	**18,000**	–	–	–	–
TCFSL NCD "I" FY 2016-17 Op-II	10-Jun-16	23-Dec-19	**130**	**1,300**	130	1,300	130	1,300
TCHFL NCD "G" FY 2016-17 Option -II	10-Jun-16	23-Dec-19	**130**	**1,300**	130	1,300	130	1,300
TCFSL NCD "AE" FY 2016-17	16-Nov-16	16-Dec-19	**750**	**7,500**	750	7,500	750	7,500

NOTES FORMING PART OF THE CONSOLIDATED BALANCE SHEET AS AT MARCH 31, 2019

NOTE "14.3" Particulars of Privately Placed Secured Non-Convertible Debentures ("NCDs") outstanding as on March 31, 2019

Description of NCDs	Issue Date	Redemption Date	As at March 31, 2019*		As at March 31, 2018*		As at April 1, 2017*	
			Number of NCDs	₹ in lakh	Number of NCDs	₹ in lakh	Number of NCDs	₹ in lakh
TCFSL NCD "AD" FY 2016-17	10-Nov-16	10-Dec-19	**230**	**2,300**	230	2,300	230	2,300
TCFSL NCD "AC" FY 2016-17	27-Oct-16	25-Oct-19	**350**	**3,500**	350	3,500	350	3,500
TCHFL NCD G FY 2014-15	22-Oct-14	22-Oct-19	**550**	**5,500**	550	5,500	550	5,500
TCHFL NCD K FY 2012-13	03-Oct-12	03-Oct-19	**100**	**1,000**	100	1,000	100	1,000
TCHFL NCD "B" FY 2018-19	20-Jul-18	30-Sep-19	**5,700**	**57,000**	–	–	–	–
TCFSL NCD "L" FY 2017-18	29-Sep-17	27-Sep-19	**2,000**	**20,000**	2,000	20,000	–	–
TCFSL NCD "A" FY 2018-19	19-Jun-18	19-Sep-19	**5,400**	**54,000**	–	–	–	–
TCFSL NCD "V" FY 2016-17 Op-II	31-Aug-16	30-Aug-19	**250**	**2,500**	250	2,500	250	2,500
TCHFL NCD "R" FY 2016-17	30-Aug-16	30-Aug-19	**250**	**2,500**	250	2,500	250	2,500
TCFSL NCD "T" FY 2016-17	25-Aug-16	23-Aug-19	**250**	**2,500**	250	2,500	250	2,500
TCHFL NCD D FY 2014-15 - Option-II	22-Aug-14	22-Aug-19	**100**	**1,000**	100	1,000	100	1,000
TCCL NCD 'G' FY 2017-18	08-Aug-17	08-Aug-19	**500**	**5,000**	500	5,000	–	–
TCCL NCD 'G' FY 2017-18	11-Sep-17	08-Aug-19	**277**	**2,770**	277	2,770	–	–
TCHFL NCD "P" FY 2016-17	08-Aug-16	08-Aug-19	**250**	**2,500**	250	2,500	250	2,500
TCFSL NCD "J" FY 2017-18	07-Aug-17	07-Aug-19	**5,500**	**55,000**	5,500	55,000	–	–
TCFSL NCD "J" FY 2017-18 Further Issuance Premium	01-Sep-17	07-Aug-19	**2,478**	**24,780**	2,478	24,780	–	–
TCHFL NCD "A" FY 2018-19	30-May-18	30-Jul-19	**900**	**9,000**	–	–	–	–
TCFSL NCD "P" FY 2016-17	29-Jul-16	29-Jul-19	**100**	**1,000**	100	1,000	100	1,000
TCHFL NCD "N" FY 2016-17	29-Jul-16	29-Jul-19	**100**	**1,000**	100	1,000	100	1,000
TCCL NCD 'E' FY 2017-18	26-Jul-17	26-Jul-19	**500**	**5,000**	500	5,000	–	–
TCHFL NCD B FY 2014-15 - Option-II	22-Jul-14	22-Jul-19	**100**	**1,000**	100	1,000	100	1,000
TCFSL NCD "O" FY 2016-17	19-Jul-16	19-Jul-19	**250**	**2,500**	250	2,500	250	2,500
TCHFL NCD "H" FY 2017-18	21-Jul-17	19-Jul-19	**1,250**	**12,500**	1,250	12,500	–	–
TCFSL NCD "H" FY 2017-18	18-Jul-17	18-Jul-19	**5,000**	**50,000**	5,000	50,000	–	–
TCFSL NCD "N" FY 2016-17	12-Jul-16	12-Jul-19	**2,000**	**20,000**	2,000	20,000	2,000	20,000
TCHFL NCD "M" FY 2016-17	14-Jul-16	12-Jul-19	**100**	**1,000**	100	1,000	100	1,000
TCHFL NCD "G" FY 2017-18	13-Jul-17	12-Jul-19	**1,000**	**10,000**	1,000	10,000	–	–
TCFSL NCD "F" FY 2017-18	10-Jul-17	10-Jul-19	**1,000**	**10,000**	1,000	10,000	–	–
TCFSL NCD "C" FY 2014-15 Op-II	09-Jul-14	09-Jul-19	**350**	**3,500**	350	3,500	350	3,500
TCFSL NCD "I" FY 2016-17 Op-I	10-Jun-16	24-Jun-19	**250**	**2,500**	250	2,500	250	2,500
TCHFL NCD "G" FY 2016-17 Option I	10-Jun-16	24-Jun-19	**20**	**200**	20	200	20	200
TCCL NCD 'A' FY 2016-17	14-Jun-16	14-Jun-19	**250**	**2,500**	250	2,500	250	2,500
TCHFL NCD "H" FY 2016-17	14-Jun-16	14-Jun-19	**50**	**500**	50	500	50	500
TCHFL NCD A FY 2014-15 - Option-II	13-Jun-14	13-Jun-19	**100**	**1,000**	100	1,000	100	1,000
TCFSL NCD "B" FY 2017-18	30-May-17	30-May-19	**2,250**	**22,500**	2,250	22,500	–	–
TCHFL NCD "D" FY 2017-18	30-May-17	30-May-19	**250**	**2,500**	250	2,500	–	–
TCFSL NCD "N" FY 2017-18	29-Nov-17	29-May-19	**500**	**5,000**	500	5,000	–	–
TCFSL NCD "F" FY 2016-17	24-May-16	24-May-19	**250**	**2,500**	250	2,500	250	2,500
TCHFL NCD "AT" FY 2015-16	02-Mar-16	16-May-19	**220**	**2,200**	220	2,200	220	2,200

NOTES FORMING PART OF THE CONSOLIDATED BALANCE SHEET AS AT MARCH 31, 2019

NOTE "14.3" Particulars of Privately Placed Secured Non-Convertible Debentures ("NCDs") outstanding as on March 31, 2019

Description of NCDs	Issue Date	Redemption Date	As at March 31, 2019*		As at March 31, 2018*		As at April 1, 2017*	
			Number of NCDs	₹ in lakh	Number of NCDs	₹ in lakh	Number of NCDs	₹ in lakh
TCFSL NCD "Z" FY 2015-16	05-Feb-16	03-May-19	**1,000**	**10,000**	1,000	10,000	1,000	10,000
TCFSL NCD "D" FY 2016-17	20-Apr-16	19-Apr-19	**100**	**1,000**	100	1,000	100	1,000
TCFSL NCD "AC" FY 2015-16	31-Mar-16	18-Apr-19	**213**	**2,130**	213	2,130	213	2,130
TCHFL NCD "AU" FY 2015-16 Option II	30-Mar-16	18-Apr-19	**100**	**1,000**	100	1,000	100	1,000
TCHFL NCD "B" FY 2016-17	18-Apr-16	18-Apr-19	**150**	**1,500**	150	1,500	150	1,500
TCHFL NCD "B" FY 2017-18	17-Apr-17	17-Apr-19	**1,750**	**17,500**	1,750	17,500	–	–
TCFSL NCD "A" FY 2017-18	10-Apr-17	10-Apr-19	**10,250**	**1,02,500**	10,250	1,02,500	–	–
TCFSL NCD "B" FY 2016-17	07-Apr-16	08-Apr-19	**200**	**2,000**	200	2,000	200	2,000
TCHFL NCD "A" FY 2017-18	05-Apr-17	05-Apr-19	**2,550**	**25,500**	2,550	25,500	–	–
TCFSL NCD "M" FY 2017-18	16-Nov-17	28-Mar-19	**–**	**–**	7,500	75,000	–	–
TCFSL NCD "AK" FY 2016-17	27-Mar-17	27-Mar-19	**–**	**–**	190	1,900	190	1,900
TCCL NCD 'H' FY 2017-18	09-Nov-17	20-Mar-19	**–**	**–**	1,350	13,500	–	–
TCFSL NCD "AA" FY 2016-17	06-Oct-16	18-Mar-19	**–**	**–**	500	5,000	500	5,000
TCFSL NCD "X" FY 2016-17	08-Sep-16	08-Mar-19	**–**	**–**	2,500	25,000	2,500	25,000
TCFSL NCD "AI" FY 2016-17	08-Feb-17	04-Mar-19	**–**	**–**	1,000	10,000	1,000	10,000
TCFSL NCD "AH" FY 2016-17	06-Feb-17	06-Feb-19	**–**	**–**	1,500	15,000	1,500	15,000
TCHFL NCD N FY 2013-14	20-Jan-14	18-Jan-19	**–**	**–**	50	500	50	500
TCHFL NCD "AQ" FY 2015-16	18-Jan-16	18-Jan-19	**–**	**–**	1,000	10,000	1,000	10,000
TCHFL NCD "AR" FY 2015-16	20-Jan-16	18-Jan-19	**–**	**–**	100	1,000	100	1,000
TCFSL NCD "Y" FY 2015-16	08-Jan-16	08-Jan-19	**–**	**–**	250	2,500	250	2,500
TCHFL NCD"P" FY 2015-16 - Option III	24-Jun-15	07-Jan-19	**–**	**–**	50	500	50	500
TCFSL NCD "C" FY 2017-18	02-Jun-17	30-Nov-18	**–**	**–**	1,000	10,000	–	–
TCFSL NCD "AF" FY 2016-17	29-Nov-16	29-Nov-18	**–**	**–**	3,000	30,000	3,000	30,000
TCHFL - Series G - FY 2011-12	18-Nov-11	16-Nov-18	**–**	**–**	100	1,000	100	1,000
TCHFL NCD "V" FY 2016-17	17-Nov-16	16-Nov-18	**–**	**–**	250	2,500	250	2,500
TCHFL NCD "AL" FY 2015-16	02-Nov-15	02-Nov-18	**–**	**–**	120	1,200	120	1,200
TCHFL NCD "AK" FY 2015-16	26-Oct-15	26-Oct-18	**–**	**–**	130	1,300	130	1,300
TCFSL NCD "AA" FY 2011-12	21-Oct-11	21-Oct-18	**–**	**–**	150	1,500	150	1,500
TCFSL NCD "AB" FY 2016-17	14-Oct-16	12-Oct-18	**–**	**–**	5,450	54,500	5,450	54,500
TCFSL NCD "R" FY 2017-18	23-Mar-18	24-Sep-18	**–**	**–**	2,500	25,000	–	–
TCFSL NCD "R" FY 2011-12	23-Sep-11	23-Sep-18	**–**	**–**	100	1,000	100	1,000
TCFSL NCD "W" FY 2016-17	06-Sep-16	06-Sep-18	**–**	**–**	2,500	25,000	2,500	25,000
TCFSL NCD "V" FY 2016-17 Op-I	31-Aug-16	31-Aug-18	**–**	**–**	300	3,000	300	3,000
TCHFL NCD "S" FY 2016-17	31-Aug-16	31-Aug-18	**–**	**–**	250	2,500	250	2,500
TCFSL NCD "S" FY 2015-16	26-Aug-15	24-Aug-18	**–**	**–**	250	2,500	250	2,500
TCHFL NCD "AC" FY 2015-16- Option I	24-Aug-15	24-Aug-18	**–**	**–**	50	500	50	500
TCHFL NCD "Y" FY 2015-16 - Option I	31-Jul-15	21-Aug-18	**–**	**–**	217	2,170	217	2,170
TCFSL NCD "O" FY 2013-14	20-Aug-13	20-Aug-18	**–**	**–**	430	4,300	430	4,300
TCHFL NCD "AC" FY 2015-16 - Option II	24-Aug-15	20-Aug-18	**–**	**–**	350	3,500	350	3,500
TCFSL NCD "M" FY 2011-12	17-Aug-11	17-Aug-18	**–**	**–**	40	400	40	400

NOTES FORMING PART OF THE CONSOLIDATED BALANCE SHEET AS AT MARCH 31, 2019

NOTE "14.3" Particulars of Privately Placed Secured Non-Convertible Debentures ("NCDs") outstanding as on March 31, 2019

Description of NCDs	Issue Date	Redemption Date	As at March 31, 2019*		As at March 31, 2018*		As at April 1, 2017*	
			Number of NCDs	₹ in lakh	Number of NCDs	₹ in lakh	Number of NCDs	₹ in lakh
TCFSL NCD "S" FY 2016-17	16-Aug-16	16-Aug-18	–	–	750	7,500	750	7,500
TCHFL NCD "AD" FY 2015-16	26-Aug-15	16-Aug-18	–	–	158	1,580	158	1,580
TCHFL NCD "Q" FY 2016-17	18-Aug-16	16-Aug-18	–	–	1,300	13,000	1,300	13,000
TCFSL NCD "R" FY 2016-17	12-Aug-16	13-Aug-18	–	–	250	2,500	250	2,500
TCCL NCD 'D' FY 2015-16 Option II	03-Aug-15	03-Aug-18	–	–	500	5,000	500	5,000
TCFSL NCD "Q" FY 2016-17	02-Aug-16	02-Aug-18	–	–	1,500	15,000	1,500	15,000
TCHFL NCD "O" FY 2016-17	02-Aug-16	02-Aug-18	–	–	1,000	10,000	1,000	10,000
TCHFL NCD "V" FY 2015-16	16-Jul-15	26-Jul-18	–	–	440	4,400	440	4,400
TCHFL NCD "Y" FY 2015-16 Option - II	31-Jul-15	23-Jul-18	–	–	260	2,600	260	2,600
TCHFL NCD "W" FY 2015-16	24-Jul-15	19-Jul-18	–	–	200	2,000	200	2,000
TCFSL NCD "Q" FY 2015-16 Op-I	13-Jul-15	13-Jul-18	–	–	50	500	50	500
TCFSL NCD "L" FY 2015-16	22-Jun-15	22-Jun-18	–	–	3,800	38,000	3,800	38,000
TCHFL NCD "K" FY 2015-16 - Option IV	01-Jun-15	20-Jun-18	–	–	250	2,500	250	2,500
TCHFL NCD"P" FY 2015-16 - Option II	24-Jun-15	19-Jun-18	–	–	200	2,000	200	2,000
TCHFL NCD"P" FY 2015-16 - Option I	24-Jun-15	18-Jun-18	–	–	115	1,150	115	1,150
TCHFL NCD "N" FY 2015-16 - Option I	12-Jun-15	12-Jun-18	–	–	471	4,710	471	4,710
TCHFL NCD L" FY 2015-16	04-Jun-15	04-Jun-18	–	–	100	1,000	100	1,000
TCHFL NCD "K" FY 2015-16 - Option I	01-Jun-15	01-Jun-18	–	–	2,600	26,000	2,600	26,000
TCHFL NCD "K" FY 2015-16 - Option III	01-Jun-15	29-May-18	–	–	350	3,500	350	3,500
TCFSL NCD "G" FY 2013-14	22-May-13	22-May-18	–	–	2,000	20,000	2,000	20,000
TCFSL NCD "H" FY 2013-14	22-May-13	22-May-18	–	–	250	2,500	250	2,500
TCCL NCD 'B' FY 2015-16 Option II	20-May-15	18-May-18	–	–	600	6,000	600	6,000
TCHFL NCD "F" FY 2016-17	11-May-16	11-May-18	–	–	150	1,500	150	1,500
TCFSL NCD "D" FY 2013-14	07-May-13	07-May-18	–	–	200	2,000	200	2,000
TCFSL NCD "E" FY 2013-14	07-May-13	07-May-18	–	–	500	5,000	500	5,000
TCHFL NCD "F" FY 2015-16	27-Apr-15	27-Apr-18	–	–	210	2,100	210	2,100
TCFSL NCD "A" FY 2013-14 Op-I	23-Apr-13	23-Apr-18	–	–	850	8,500	850	8,500
TCHFL NCD C FY 2013-14	23-Apr-13	23-Apr-18	–	–	100	1,000	100	1,000
TCCL NCD 'A' FY 2015-16	22-Apr-15	20-Apr-18	–	–	500	5,000	500	5,000
TCHFL NCD "AE" FY 2014-15	26-Mar-15	10-Apr-18	–	–	340	3,400	340	3,400
TCHFL NCD "A" FY 2015-16 - Option-III	10-Apr-15	10-Apr-18	–	–	552	5,520	552	5,520
TCHFL NCD "C" FY 2015-16 - Option-III	17-Apr-15	10-Apr-18	–	–	90	900	90	900
TCFSL NCD "AK" FY 2014-15 Op-II	15-Jan-15	05-Apr-18	–	–	59	590	59	590
TCFSL NCD "AX" FY 2014-15 Op-II	20-Mar-15	03-Apr-18	–	–	80	800	80	800
TCHFL NCD "U" FY 2016-17	10-Oct-16	28-Mar-18	–	–	–	–	4,000	40,000
TCFSL NCD "BF" FY 2012-13	26-Mar-13	26-Mar-18	–	–	–	–	50	500
TCFSL NCD "J" FY 2016-17 Op-I	15-Jun-16	26-Mar-18	–	–	–	–	300	3,000
TCFSL NCD "Y" FY 2016-17	30-Sep-16	26-Mar-18	–	–	–	–	1,500	15,000
TCFSL NCD "Z" FY 2016-17	04-Oct-16	26-Mar-18	–	–	–	–	3,500	35,000
TCFSL NCD "AY" FY 2014-15 Op-I	24-Mar-15	23-Mar-18	–	–	–	–	150	1,500

NOTES FORMING PART OF THE CONSOLIDATED BALANCE SHEET AS AT MARCH 31, 2019

NOTE "14.3" Particulars of Privately Placed Secured Non-Convertible Debentures ("NCDs") outstanding as on March 31, 2019

Description of NCDs	Issue Date	Redemption Date	As at March 31, 2019*		As at March 31, 2018*		As at April 1, 2017*	
			Number of NCDs	₹ in lakh	Number of NCDs	₹ in lakh	Number of NCDs	₹ in lakh
TCFSL NCD "A" FY 2016-17	05-Apr-16	20-Mar-18	–	–	–	–	1,250	12,500
TCFSL NCD "E" FY 2016-17	22-Apr-16	20-Mar-18	–	–	–	–	700	7,000
TCHFL NCD "C" FY 2016-17	22-Apr-16	20-Mar-18	–	–	–	–	950	9,500
TCHFL NCD "D" FY 2016-17	29-Apr-16	20-Mar-18	–	–	–	–	600	6,000
TCFSL NCD "C" FY 2016-17	13-Apr-16	15-Mar-18	–	–	–	–	2,500	25,000
TCHFL NCD "I" FY 2016-17	15-Jun-16	15-Mar-18	–	–	–	–	250	2,500
TCHFL NCD "AD" FY 2014-15 - Option-II	16-Mar-15	12-Mar-18	–	–	–	–	50	500
TCFSL NCD "AV" FY 2014-15 Op-II	10-Mar-15	09-Mar-18	–	–	–	–	500	5,000
TCHFL NCD AC FY 2014-15 - Option-II	10-Mar-15	09-Mar-18	–	–	–	–	600	6,000
TCFSL NCD "AT" FY 2014-15 Op-I	02-Mar-15	02-Mar-18	–	–	–	–	650	6,500
TCHFL NCD W FY 2014-15-Option-I	27-Jan-15	14-Feb-18	–	–	–	–	80	800
TCFSL NCD "AQ" FY 2014-15	20-Feb-15	12-Feb-18	–	–	–	–	60	600
TCHFL NCD AA FY 2014-15 - Option-I	16-Feb-15	12-Feb-18	–	–	–	–	75	750
TCFSL NCD "AP" FY 2014-15 Op-I	04-Feb-15	02-Feb-18	–	–	–	–	500	5,000
TCHFL NCD Y FY 2014-15	04-Feb-15	02-Feb-18	–	–	–	–	150	1,500
TCFSL NCD "AN" FY 2014-15	29-Jan-15	29-Jan-18	–	–	–	–	3,000	30,000
TCFSL NCD "AL" FY 2014-15	20-Jan-15	24-Jan-18	–	–	–	–	210	2,100
TCHFL NCD U FY 2014-15	20-Jan-15	24-Jan-18	–	–	–	–	190	1,900
TCFSL NCD "AY" FY 2012-13	22-Jan-13	22-Jan-18	–	–	–	–	2,000	20,000
TCFSL NCD "BA" FY 2012-13	22-Jan-13	22-Jan-18	–	–	–	–	250	2,500
TCFSL NCD "'A"Z' FY 2012-13	22-Jan-13	22-Jan-18	–	–	–	–	3,000	30,000
TCFSL NCD "AX" FY 2012-13	16-Jan-13	16-Jan-18	–	–	–	–	650	6,500
TCFSL NCD "AK" FY 2014-15 Op-I	15-Jan-15	15-Jan-18	–	–	–	–	97	970
TCFSL NCD "AJ" FY 2014-15	14-Jan-15	10-Jan-18	–	–	–	–	162	1,620
TCHFL NCD T FY 2014-15	14-Jan-15	10-Jan-18	–	–	–	–	162	1,620
TCFSL NCD "L" FY 2016-17	07-Jul-16	08-Jan-18	–	–	–	–	250	2,500
TCHFL NCD "L" FY 2016-17	07-Jul-16	08-Jan-18	–	–	–	–	300	3,000
TCFSL NCD "AH" FY 2014-15 Op-III	16-Dec-14	04-Jan-18	–	–	–	–	90	900
TCHFL NCD "K" FY 2015-16 - Option II	01-Jun-15	02-Jan-18	–	–	–	–	114	1,140
TCFSL NCD "K" FY 2016-17	24-Jun-16	26-Dec-17	–	–	–	–	250	2,500
TCHFL NCD "AO" FY 2015-16	23-Dec-15	22-Dec-17	–	–	–	–	200	2,000
TCFSL NCD "J" FY 2016-17 Op-II	15-Jun-16	15-Dec-17	–	–	–	–	250	2,500
TCFSL NCD "AF" FY 2014-15 Op-III	08-Dec-14	08-Dec-17	–	–	–	–	50	500
TCHFL NCD "AN" FY 2015-16	07-Dec-15	07-Dec-17	–	–	–	–	150	1,500
TCFSL NCD "AS" FY 2012-13	05-Dec-12	05-Dec-17	–	–	–	–	250	2,500
TCFSL NCD "AB" FY 2014-15 Op-III	21-Nov-14	29-Nov-17	–	–	–	–	150	1,500
TCFSL NCD "AB" FY 2014-15 Op-II	21-Nov-14	27-Nov-17	–	–	–	–	200	2,000
TCFSL NCD "X "FY 2014-15 Op-II	14-Nov-14	24-Nov-17	–	–	–	–	150	1,500
TCHFL NCD M FY 2014-15-Option-II	14-Nov-14	24-Nov-17	–	–	–	–	150	1,500
TCHFL NCD O FY 2014-15	20-Nov-14	22-Nov-17	–	–	–	–	180	1,800

NOTES FORMING PART OF THE CONSOLIDATED BALANCE SHEET AS AT MARCH 31, 2019

NOTE "14.3" Particulars of Privately Placed Secured Non-Convertible Debentures ("NCDs") outstanding as on March 31, 2019

Description of NCDs	Issue Date	Redemption Date	As at March 31, 2019*		As at March 31, 2018*		As at April 1, 2017*	
			Number of NCDs	₹ in lakh	Number of NCDs	₹ in lakh	Number of NCDs	₹ in lakh
TCHFL NCD N FY 2014-15	18-Nov-14	21-Nov-17	–	–	–	–	70	700
TCFSL NCD "Y "FY 2014-15	18-Nov-14	20-Nov-17	–	–	–	–	100	1,000
TCFSL NCD "AB" FY 2014-15 Op-I	21-Nov-14	20-Nov-17	–	–	–	–	380	3,800
TCFSL NCD "Z "FY 2014-15	19-Nov-14	15-Nov-17	–	–	–	–	740	7,400
TCHFL NCD J FY 2014-15 - Option-II	07-Nov-14	13-Nov-17	–	–	–	–	120	1,200
TCFSL NCD "AQ" FY 2012-13	12-Nov-12	10-Nov-17	–	–	–	–	300	3,000
TCFSL NCD "W" FY 2015-16	10-Nov-15	10-Nov-17	–	–	–	–	200	2,000
TCFSL NCD "AJ" FY 2012-13	09-Nov-12	09-Nov-17	–	–	–	–	5,000	50,000
TCCL NCD 'G' FY 2015-16	06-Nov-15	06-Nov-17	–	–	–	–	250	2,500
TCHFL NCD K FY 2014-15	11-Nov-14	01-Nov-17	–	–	–	–	100	1,000
TCFSL NCD "U "FY 2014-15	21-Oct-14	20-Oct-17	–	–	–	–	100	1,000
TCFSL NCD "V" FY 2015-16	21-Oct-15	20-Oct-17	–	–	–	–	1,000	10,000
TCFSL NCD "T "FY 2014-15 Op-III	13-Oct-14	18-Oct-17	–	–	–	–	100	1,000
TCHFL NCD "AJ" FY 2015-16	21-Oct-15	18-Oct-17	–	–	–	–	100	1,000
TCFSL NCD "S "FY 2014-15 Op-I	09-Oct-14	09-Oct-17	–	–	–	–	50	500
TCFSL NCD "R "FY 2014-15 Op-III	30-Sep-14	29-Sep-17	–	–	–	–	50	500
TCFSL NCD "R "FY 2014-15 Op-II	30-Sep-14	28-Sep-17	–	–	–	–	100	1,000
TCFSL NCD "'U'" FY 2015-16	28-Sep-15	28-Sep-17	–	–	–	–	2,000	20,000
TCFSL NCD "S "FY 2014-15 Op-V	09-Oct-14	27-Sep-17	–	–	–	–	22	220
TCFSL NCD "T "FY 2014-15 Op-V	13-Oct-14	26-Sep-17	–	–	–	–	250	2,500
TCFSL NCD "T "FY 2014-15 Op-I	13-Oct-14	20-Sep-17	–	–	–	–	1,500	15,000
TCFSL NCD "AG" FY 2012-13	10-Sep-12	08-Sep-17	–	–	–	–	100	1,000
TCFSL NCD "M" FY 2016-17	08-Jul-16	08-Sep-17	–	–	–	–	1,500	15,000
TCFSL NCD "M "FY 2014-15	04-Sep-14	04-Sep-17	–	–	–	–	500	5,000
TCFSL NCD "L "FY 2014-15 Op- I	01-Sep-14	01-Sep-17	–	–	–	–	4,000	40,000
TCFSL NCD "R "FY 2013-14	26-Aug-13	25-Aug-17	–	–	–	–	300	3,000
TCHFL NCD D FY 2014-15 - Option-I	22-Aug-14	22-Aug-17	–	–	–	–	600	6,000
TCFSL NCD "M "FY 2011-12 Partial Redemption	17-Aug-11	17-Aug-17	–	–	–	–	30	300
TCFSL NCD "H" FY 2016-17	07-Jun-16	10-Aug-17	–	–	–	–	400	4,000
TCFSL NCD "AE" FY 2012-13	09-Aug-12	09-Aug-17	–	–	–	–	200	2,000
TCHFL NCD C FY 2014-15 - Option-II	07-Aug-14	07-Aug-17	–	–	–	–	200	2,000
TCCL NCD 'D' FY 2015-16 Option I	03-Aug-15	03-Aug-17	–	–	–	–	500	5,000
TCFSL NCD "'R'" FY 2015-16	31-Jul-15	31-Jul-17	–	–	–	–	1,570	15,700
TCHFL NCD B FY 2014-15 - Option-I	22-Jul-14	21-Jul-17	–	–	–	–	100	1,000
TCFSL NCD "H" FY 2015-16 Op-I	15-May-15	17-Jul-17	–	–	–	–	1,270	12,700
TCFSL NCD "F "FY 2014-15	14-Jul-14	14-Jul-17	–	–	–	–	100	1,000
TCHFL NCD "U" FY 2015-16	14-Jul-15	14-Jul-17	–	–	–	–	500	5,000
TCFSL NCD "C "FY 2014-15 Op-I	09-Jul-14	10-Jul-17	–	–	–	–	250	2,500
TCFSL NCD "'O'" FY 2015-16 Op-II	07-Jul-15	07-Jul-17	–	–	–	–	250	2,500

NOTES FORMING PART OF THE CONSOLIDATED BALANCE SHEET AS AT MARCH 31, 2019

NOTE "14.3" Particulars of Privately Placed Secured Non-Convertible Debentures ("NCDs") outstanding as on March 31, 2019

Description of NCDs	Issue Date	Redemption Date	As at March 31, 2019*		As at March 31, 2018*		As at April 1, 2017*	
			Number of NCDs	₹ in lakh	Number of NCDs	₹ in lakh	Number of NCDs	₹ in lakh
TCFSL NCD "'P"' FY 2015-16	09-Jul-15	07-Jul-17	–	–	–	–	2,500	25,000
TCHFL NCD"S" FY 2015-16 - Option II	07-Jul-15	07-Jul-17	–	–	–	–	50	500
TCHFL NCD "R" FY 2015-16	03-Jul-15	28-Jun-17	–	–	–	–	130	1,300
TCFSL NCD "M" FY 2015-16 Op-I	24-Jun-15	23-Jun-17	–	–	–	–	1,000	10,000
TCFSL NCD "M" FY 2015-16 Op-II	24-Jun-15	23-Jun-17	–	–	–	–	750	7,500
TCFSL NCD "M" FY 2015-16 Op-III	24-Jun-15	23-Jun-17	–	–	–	–	750	7,500
TCFSL NCD "'O"' FY 2015-16 Op-I	07-Jul-15	23-Jun-17	–	–	–	–	2,500	25,000
TCHFL NCD"S" FY 2015-16 - Option I	07-Jul-15	23-Jun-17	–	–	–	–	250	2,500
TCHFL NCD "Q" FY 2015-16 Option -II	30-Jun-15	23-Jun-17	–	–	–	–	180	1,800
TCFSL NCD "H" FY 2015-16 Op-V	15-May-15	20-Jun-17	–	–	–	–	187	1,870
TCFSL NCD "I" FY 2015-16 Op-V	22-May-15	20-Jun-17	–	–	–	–	67	670
TCHFL NCD "J" FY 2015-16 Option - II	28-May-15	20-Jun-17	–	–	–	–	219	2,190
TCHFL NCD "Q" FY 2015-16 Option -I	30-Jun-15	20-Jun-17	–	–	–	–	180	1,800
TCHFL NCD A FY 2014-15 - Option-III	13-Jun-14	13-Jun-17	–	–	–	–	250	2,500
TCFSL NCD "K" FY 2015-16	09-Jun-15	09-Jun-17	–	–	–	–	5,000	50,000
TCHFL NCD "N" FY 2015-16 - Option II	12-Jun-15	07-Jun-17	–	–	–	–	240	2,400
TCFSL NCD "C" FY 2015-16 Op-IV	22-Apr-15	01-Jun-17	–	–	–	–	340	3,400
TCFSL NCD "H" FY 2015-16 Op-VI	15-May-15	01-Jun-17	–	–	–	–	175	1,750
TCFSL NCD "I" FY 2015-16 Op-I	22-May-15	01-Jun-17	–	–	–	–	1,273	12,730
TCHFL NCD "E" FY 2015-16 Option - III	23-Apr-15	01-Jun-17	–	–	–	–	600	6,000
TCFSL NCD "G" FY 2015-16 Op-I	13-May-15	24-May-17	–	–	–	–	350	3,500
TCFSL NCD "J" FY 2015-16 Op-II	26-May-15	24-May-17	–	–	–	–	5,250	52,500
TCFSL NCD "H" FY 2015-16 Op-IV	15-May-15	24-May-17	–	–	–	–	220	2,200
TCHFL NCD "I" FY 2015-16 - Option I	13-May-15	24-May-17	–	–	–	–	220	2,200
TCFSL NCD "B" FY 2015-16	20-Apr-15	22-May-17	–	–	–	–	1,026	10,260
TCFSL NCD "H" FY 2015-16 Op-II	15-May-15	22-May-17	–	–	–	–	780	7,800
TCFSL NCD "I" FY 2015-16 Op-II	22-May-15	17-May-17	–	–	–	–	200	2,000
TCCL NCD 'B' FY 2015-16 Option I	20-May-15	17-May-17	–	–	–	–	900	9,000
TCFSL NCD "H" FY 2015-16 Op-VIII	15-May-15	15-May-17	–	–	–	–	100	1,000
TCFSL NCD "H" FY 2015-16 Op-III	15-May-15	12-May-17	–	–	–	–	250	2,500
TCHFL NCD "G" FY 2015-16 Option - III	06-May-15	04-May-17	–	–	–	–	167	1,670
TCFSL NCD "AU" FY 2014-15 Op-III	05-Mar-15	02-May-17	–	–	–	–	110	1,100
TCHFL NCD A FY 2014-15 - Option-I	13-Jun-14	02-May-17	–	–	–	–	600	6,000
TCHFL NCD "H" FY 2015-16	08-May-15	02-May-17	–	–	–	–	400	4,000
TCFSL NCD "G" FY 2015-16 Op-II	13-May-15	27-Apr-17	–	–	–	–	90	900
TCHFL NCD "I" FY 2015-16 - Option II	13-May-15	27-Apr-17	–	–	–	–	90	900
TCHFL NCD "C" FY 2015-16 - Option - II	17-Apr-15	27-Apr-17	–	–	–	–	870	8,700
TCHFL NCD "J" FY 2015-16 Option - I	28-May-15	27-Apr-17	–	–	–	–	150	1,500
TCHFL NCD "A" FY 2015-16 - Option-V	10-Apr-15	26-Apr-17	–	–	–	–	700	7,000
TCFSL NCD "C" FY 2015-16 Op-III	22-Apr-15	25-Apr-17	–	–	–	–	850	8,500

NOTES FORMING PART OF THE CONSOLIDATED BALANCE SHEET AS AT MARCH 31, 2019

NOTE "14.3" Particulars of Privately Placed Secured Non-Convertible Debentures ("NCDs") outstanding as on March 31, 2019

Description of NCDs	Issue Date	Redemption Date	As at March 31, 2019*		As at March 31, 2018*		As at April 1, 2017*	
			Number of NCDs	₹ in lakh	Number of NCDs	₹ in lakh	Number of NCDs	₹ in lakh
TCHFL NCD "A" FY 2015-16 - Option-VI	10-Apr-15	25-Apr-17	–	–	–	–	1,135	11,350
TCHFL NCD "E" FY 2015-16 Option - II	23-Apr-15	25-Apr-17	–	–	–	–	236	2,360
TCHFL NCD "G" FY 2015-16 Option - I	06-May-15	25-Apr-17	–	–	–	–	51	510
TCHFL NCD "A" FY 2015-16 - Option-II	10-Apr-15	24-Apr-17	–	–	–	–	180	1,800
TCHFL NCD "D" FY 2015-16 Option - II	21-Apr-15	21-Apr-17	–	–	–	–	160	1,600
TCFSL NCD "C" FY 2015-16 Op-II	22-Apr-15	20-Apr-17	–	–	–	–	70	700
TCHFL NCD "A" FY 2015-16 - Option-IV	10-Apr-15	20-Apr-17	–	–	–	–	545	5,450
TCFSL NCD "C" FY 2015-16 Op-I	22-Apr-15	19-Apr-17	–	–	–	–	326	3,260
TCHFL NCD "A" FY 2015-16 - Option-I	10-Apr-15	19-Apr-17	–	–	–	–	50	500
TCFSL NCD "D" FY 2015-16 Op-II	24-Apr-15	18-Apr-17	–	–	–	–	88	880
TCHFL NCD "G" FY 2015-16 Option - II	06-May-15	18-Apr-17	–	–	–	–	88	880
TCHFL NCD "AD" FY 2014-15 - Option-I	16-Mar-15	17-Apr-17	–	–	–	–	90	900
TCHFL NCD "B" FY 2015-16	15-Apr-15	13-Apr-17	–	–	–	–	117	1,170
TCFSL NCD "A" FY 2015-16	15-Apr-15	11-Apr-17	–	–	–	–	180	1,800
TCFSL NCD "H" FY 2015-16 Op-VII	15-May-15	11-Apr-17	–	–	–	–	120	1,200
TCFSL NCD "AU" FY 2014-15 Op-I	05-Mar-15	10-Apr-17	–	–	–	–	115	1,150
TCHFL NCD AB FY 2014-15	05-Mar-15	10-Apr-17	–	–	–	–	100	1,000
TCFSL NCD "D" FY 2015-16 Op-IV	24-Apr-15	05-Apr-17	–	–	–	–	510	5,100
TCFSL NCD "D" FY 2015-16 Op-I	24-Apr-15	03-Apr-17	–	–	–	–	640	6,400
TCFSL NCD "D" FY 2015-16 Op-III	24-Apr-15	03-Apr-17	–	–	–	–	190	1,900
TCHFL NCD "C" FY 2015-16 - Option - I	17-Apr-15	03-Apr-17	–	–	–	–	45	450
TCHFL NCD "D" FY 2015-16 Option - I	21-Apr-15	03-Apr-17	–	–	–	–	180	1,800
TCHFL NCD "E" FY 2015-16 Option - I	23-Apr-15	03-Apr-17	–	–	–	–	470	4,700
Total				**17,03,262**		**15,63,890**		**17,04,260**
Add: Unamortised discount				**388**		**63**		**–**
Less: Unamortised borrowing cost				**(1,654)**		**(675)**		**(937)**
Privately Placed Non-Convertible Debentures				**17,01,995**		**15,63,278**		**17,03,323**

*Note : Coupon rate of "NCDs" outstanding as on March 31, 2019 varies from 7.50% to 9.85% (March 31, 2018: 7.50% to 10.40%, April 1, 2017: 7.58% to 11.25%)

NOTES FORMING PART OF THE CONSOLIDATED BALANCE SHEET AS AT MARCH 31, 2019

14. 4. Particulars of Public issue of Secured Non-Convertible Debentures outstanding as on March 31, 2019:

Description of NCDs	Issue Date	Redemption Date	As at March 31, 2019*		As at March 31, 2018*		As at April 1, 2017*	
			Number of NCDs	₹ in lakh	Number of NCDs	₹ in lakh	Number of NCDs	₹ in lakh
TCFSL NCD Series II (2019)	27-Sep-18	27-Sep-23	7,68,789	7,688	–	–	–	–
TCFSL NCD Series II (2019)	27-Sep-18	27-Sep-23	1,45,70,710	1,45,707	–	–	–	–
TCFSL NCD Series I (2019)	27-Sep-18	27-Sep-21	5,02,863	5,029	–	–	–	–
TCFSL NCD Series I (2019)	27-Sep-18	27-Sep-21	1,41,77,673	1,41,777	–	–	–	–
TCFSL NCD Option I (2009)	06-Mar-09	05-Mar-19	–	–	310	310	310	310
TCFSL NCD Option II (2009)	06-Mar-09	05-Mar-19	–	–	1,77,875	1,779	1,77,875	1,779
TCFSL NCD Option IIII (2009)	06-Mar-09	05-Mar-19	–	–	14,97,029	14,970	14,97,029	14,970
TCFSL NCD Option IV (2009)	06-Mar-09	05-Mar-19	–	–	11,75,939	11,759	11,75,939	11,759
Total (A)				**3,00,200**		**28,818**		**28,818**
Less: Unamortised borrowing cost				(4,374)		(19)		(39)
				2,95,826		**28,799**		**28,779**

*Note : Coupon rate of above outstanding as on March 31, 2019 varies from 8.70% to 8.90% (March 31, 2018: 9.75% to 10.50%, April 1, 2017: 9.75% to 10.50%)

14. 5. Particulars of Privately Placed unsecured non-convertible debentures ("NCDs") outstanding as on March 31, 2019:

Description of NCDs	Issue Date	Redemption Date	As at March 31, 2019*		As at March 31, 2018*		As at April 1, 2017*	
			Number of NCDs	₹ in lakh	Number of NCDs	₹ in lakh	Number of NCDs	₹ in lakh
TCFSL Unsecured NCD Partly paid "A" FY 2018-19	19-Mar-19	17-Mar-34	118	11,800	–	–	–	–
TCL Unsecured NCD D FY 2017-18	05-Sep-17	05-Mar-20	2,000	20,000	–	20,000	–	–
TCL Unsecured NCD A FY 2018-19	18-Jun-18	18-Dec-19	4,500	45,000	–	–	–	–
TCL Unsecured NCD D FY 2016-17 Option II	18-Aug-16	19-Aug-19	250	2,500	250	2,500	250	2,500
TCFSL Unsecured NCD A FY 2017-18	27-Jun-17	27-Jun-19	8,000	80,000	8,000	80,000	–	–

NOTES FORMING PART OF THE CONSOLIDATED BALANCE SHEET AS AT MARCH 31, 2019

14. 5. Particulars of Privately Placed unsecured non-convertible debentures ("NCDs") outstanding as on March 31, 2019:

Description of NCDs	Issue Date	Redemption Date	As at March 31, 2019*		As at March 31, 2018*		As at April 1, 2017*	
			Number of NCDs	₹ in lakh	Number of NCDs	₹ in lakh	Number of NCDs	₹ in lakh
TCL Unsecured NCD C FY 2017-18	31-May-17	21-Jun-19	1,000	10,000	–	10,000	–	–
TCL Unsecured NCD B FY 2017-18	31-May-17	31-May-19	2,250	22,500	–	22,500	–	–
TCL Unsecured NCD A FY 2017-18	26-Apr-17	26-Apr-19	250	2,500	–	2,500	–	–
TCL Unsecured NCD D FY 2016-17 Option I	18-Aug-16	17-Aug-18	–	–	2,250	22,500	2,250	22,500
TCFSL Unsecured NCD A FY 2015-16	12-Aug-15	10-Aug-18	–	–	2,000	20,000	2,000	20,000
TCL Unsecured NCD C FY 2016-17	28-Jul-06	27-Jul-18	–	–	1,000	10,000	1,000	10,000
TCL Unsecured NCD B FY 2016-17	25-Jul-16	25-Jul-18	–	–	2,000	20,000	2,000	20,000
TCL Unsecured NCD A FY 2016-17	28-Jun-16	28-Jun-18	–	–	2,000	20,000	2,000	20,000
TCFSL Unsecured NCD B FY 2016-17	27-Apr-16	27-Apr-18	–	–	2,000	20,000	2,000	20,000
TCFSL Unsecured NCD A FY 2016-17	25-Apr-16	25-Apr-18	–	–	3,000	30,000	3,000	30,000
TCFSL Unsecured NCD B FY 2015-16 Option-I	01-Sep-15	01-Sep-17	–	–	–	–	1,500	15,000
Total (A)				**1,94,300**		**2,80,000**		**1,60,000**
Less: Unamortised borrowing cost				(40)		(115)		(148)
				1,94,260		**2,79,885**		**1,59,852**

*Note : Coupon rate of above outstanding as on March 31, 2019 varies from 7.75% to 9.32% (March 31, 2018: 7.75% to 9.20%, April 1, 2017: 8.65% to 9.00%)

NOTES FORMING PART OF THE CONSOLIDATED BALANCE SHEET AS AT MARCH 31, 2019

NOTE "15" BORROWINGS (OTHER THAN DEBT SECURITIES) (₹ in lakh)

PARTICULARS	As at March 31, 2019	As at March 31, 2018	As at April 1, 2017
At amortised cost			
(a) TERM LOANS			
SECURED			
From Banks (Refer note 15.1 and 15.2 below)	**12,79,093**	3,33,043	2,79,950
From National Housing Bank (Refer note 15.3 and 15.6 below)	**5,84,659**	5,67,375	3,48,286
From Others	**1,15,491**	40,000	20,000
UNSECURED			
From Banks (Refer note 5.4 below)	**3,29,942**	4,22,500	1,95,000
(b) LOANS REPAYABLE ON DEMAND			
SECURED			
From Banks			
(i) Working capital demand loan (Refer note 15.1, 15.2 and 15.4 below)	**5,47,900**	3,00,400	82,000
(ii) Bank Overdraft (Refer note 15.1 and 15.2 below)	**1,92,520**	2,57,649	3,55,432
(iii) Cash Credit (Refer note 15.1 and 15.2 below)	**78,112**	1,21,120	10,066
UNSECURED			
From Banks			
(i) Working capital demand loan	**40,000**	45,000	11,200
(ii) Bank Overdraft	**–**	–	217
(c) OTHER LOANS			
UNSECURED			
(i) Commercial paper (Refer note 15.3 below) [Net of unamortised discount of ₹ 23,223 lakh (March 31, 2018: ₹ 19,804 lakh and April 1, 2017: ₹ 15,401 lakh)]	**9,84,723**	10,32,147	9,62,049
(iii) Inter corporate deposits from others (Refer note 15.5 below)	**12,200**	13,415	4,215
Total (A)	**41,64,640**	31,32,649	22,68,415
Borrowings in India	**41,14,534**	31,32,649	22,68,415
Borrowings outside India	**50,106**	–	–
Total (B)	**41,64,640**	**31,32,649**	**22,68,415**

NOTES FORMING PART OF THE CONSOLIDATED BALANCE SHEET AS AT MARCH 31, 2019

Note:

15.1 Loans and advances from banks are secured by pari passu charge on the receivables of the Group through Security Trustee.

15.2 Rate of interest payable on term loans varies between 8.10 % to 9.40% (March 31, 2018 : 7.45 % to 8.40%.) (April 01, 2017 : 7.95% to 9.15%)

15.3 Discount on commercial paper varies between 6.86 % to 9.19% (March 31, 2018 : 7.32 % to 8.25%) (April 01. 2017 : 6.66% to 8.61%)

15.4 Rate of interest payable on WCDL varies between 8.45 % to 9.05% (March 31, 2018 : 7.60 % to 8.10%.) (April 01, 2017 : 7.95% to 8.70%)

15.5 Rate of interest payable on Inter-corporate deposits varies between 8.45 % to 8.84% (March 31, 2018 : 7.25 % to 8.87%.) (April 01, 2017 : 8.61% to 8.87%)

15.6 Loan from National Housing Bank is secured by way of hypothecation of book debt and guarantee / Letter of comfort from Tata Capital Limited and is repayable in 28-60 (Previous year 28-60) quarterly installments. Rate of Interest payable on Term loan varies between 4.61% to 9.80% (March 31, 2018 4.61% to 9.25%, April 1, 2017 6.12% to 9.25%).

15.7 No default has been made in repayment of any borrowings and/or interest for the year ended March 31, 2019.

NOTE "16" SUBORDINATED LIABILITIES (₹ in lakh)

PARTICULARS	As at March 31, 2019	As at March 31, 2018	As at April 1, 2017
UNSECURED			
"Non-Convertible Subordinated Debentures (Refer note 16.1 below) [Net of unamortised discount of ₹ 357 lakh (March 31, 2018 : ₹ 851 lakh and April 1, 2017 : ₹ 1,299 lakh)]"	**3,00,657**	2,45,456	2,44,773
Non-Convertible Perpetual Debentures (Refer note 16.2 below)	**78,886**	78,854	54,683
Cumulative Redeemable Preference Shares (Refer note 16.3 below)	**1,90,478**	1,95,213	1,92,250
Total (A)	**5,70,021**	**5,19,523**	**4,91,706**
Subordinated Liabilities in India	**5,70,021**	5,19,523	4,91,706
Total (B)	**5,70,021**	**5,19,523**	**4,91,706**

NOTES FORMING PART OF THE CONSOLIDATED BALANCE SHEET AS AT MARCH 31, 2019

NOTE "16.1" Particulars of Public issue of unsecured Non-Convertible Debentures outstanding as on March 31, 2019

Description of NCDs	Issue Date	Redemption Date	As at March 31, 2019*		As at March 31, 2018*		As at April 1, 2017*	
			Number of NCDs	₹ in lakh	Number of NCDs	₹ in lakh	Number of NCDs	₹ in lakh
TCFSL NCD Series III (2019)	27-Dec-18	27-Dec-28	2,95,490	2,955	–	–	–	–
TCFSL NCD Series III (2019)	27-Dec-18	27-Dec-28	34,18,488	34,185	–	–	–	–
Total (A)				**37,140**		**–**		**–**
Less: Unamortised borrowing cost				**–**		–		–
Sub total (A)				**37,140**		**–**		**–**

*Note : Coupon rate of above outstanding as on March 31, 2019 varies from 9.00% to 9.10% (March 31, 2018: Nil, Previous Year: Nil)

Particulars of Subordinated unsecured non-convertible debentures ("NCDs") outstanding as on March 31, 2019

Description of NCDs	Issue Date	Redemption Date	As at March 31, 2019*		As at March 31, 2018*		As at April 1, 2017*	
			Number of NCDs	₹ in lakh	Number of NCDs	₹ in lakh	Number of NCDs	₹ in lakh
TCFSL Tier-II Bond "A" FY 2018-19	28-Dec-18	28-Dec-28	**2,000**	**20,000**	–	–	–	–
TCFSL Tier-II Bond "B" FY 2016-17	26-Oct-16	26-Oct-26	**150**	**1,500**	150	1,500	150	1,500
TCFSL Tier-II Bond "A" FY 2016-17	11-Aug-16	11-Aug-26	**2,000**	**20,000**	2,000	20,000	2,000	20,000
TCHFL Tier II Bond A Series FY 2016-17	04-Aug-16	04-Aug-26	**2,000**	**20,000**	2,000	20,000	2,000	20,000
TCFSL Tier II Bond "B" FY 2015-16	30-Mar-16	30-Mar-26	**2,000**	**20,000**	2,000	20,000	2,000	20,000
TCHFL Tier II Bond H Series FY 2015-16	15-Mar-16	13-Mar-26	**200**	**2,000**	200	2,000	200	2,000
TCHFL Tier II Bond G Series FY 2015-16	17-Dec-15	17-Dec-25	**250**	**2,500**	250	2,500	250	2,500
TCHFL Tier II Bond F Series FY 2015-16	15-Dec-15	15-Dec-25	**250**	**2,500**	250	2,500	250	2,500
TCHFL Tier II Bond E Series FY 2015-16	04-Nov-15	04-Nov-25	**300**	**3,000**	300	3,000	300	3,000
TCHFL Tier II Bond D Series FY 2015-16	21-Sep-15	19-Sep-25	**150**	**1,500**	150	1,500	150	1,500
TCHFL Tier II Bond C Series FY 2015-16	16-Sep-15	16-Sep-25	**100**	**1,000**	100	1,000	100	1,000
TCFSL Tier II Bond "A" FY 2015-16	22-Jul-15	22-Jul-25	**900**	**9,000**	900	9,000	900	9,000
TCHFL Tier II Bond B Series FY 2015-16	22-Jul-15	22-Jul-25	**350**	**3,500**	350	3,500	350	3,500
TCHFL TIER-II BOND A SERIES FY 2015-16	28-Apr-15	28-Apr-25	**400**	**4,000**	400	4,000	400	4,000
TCFSL Tier II Bond "D" FY 2014-15	31-Mar-15	31-Mar-25	**2,000**	**20,000**	2,000	20,000	2,000	20,000
TCFSL Tier II Bond "C" FY 2014-15	30-Jan-15	30-Jan-25	**750**	**7,500**	750	7,500	750	7,500
TCFSL Tier II Bond "B" FY 2014-15	07-Jan-15	07-Jan-25	**350**	**3,500**	350	3,500	350	3,500
TCFSL Tier II Bond "A" FY 2014-15	26-Sep-14	26-Sep-24	**1,000**	**10,000**	1,000	10,000	1,000	10,000
TCHFL Tier II Bond A Series FY 2014-15	26-Sep-14	26-Sep-24	**480**	**4,800**	480	4,800	480	4,800
TCHFL Tier II Bond E Series FY 2013-14	18-Mar-14	18-Mar-24	**4**	**40**	4	40	4	40
TCHFL Tier II Bond D Series FY 2013-14	10-Jan-14	10-Jan-24	**77**	**770**	77	770	77	770
TCHFL Tier II Bond C Series FY 2013-14	20-May-13	19-May-23	**10**	**100**	10	100	10	100
TCHFL Tier II Bonds B FY-2013-14	23-Apr-13	23-Apr-23	**21**	**210**	21	210	21	210
TCHFL Tier II Bonds A FY-2013-14	15-Apr-13	15-Apr-23	**250**	**2,500**	250	2,500	250	2,500

NOTES FORMING PART OF THE CONSOLIDATED BALANCE SHEET AS AT MARCH 31, 2019

Description of NCDs	Issue Date	Redemption Date	As at March 31, 2019*		As at March 31, 2018*		As at April 1, 2017*	
			Number of NCDs	₹ in lakh	Number of NCDs	₹ in lakh	Number of NCDs	₹ in lakh
TCHFL Tier II Bonds E FY-2012-13	28-Mar-13	28-Mar-23	**150**	**1,500**	150	1,500	150	1,500
TCHFL Tier II Bonds D FY-2012-13	22-Aug-12	22-Aug-22	**330**	**3,300**	330	3,300	330	3,300
TCHFL Tier II Bonds C FY-2012-13	30-May-12	30-May-22	**300**	**3,000**	300	3,000	300	3,000
TCHFL Tier II Bonds B FY-2012-13	30-May-12	30-May-22	**3**	**30**	3	30	3	30
TCHFL Tier II Bonds A FY-2012-13	10-May-12	10-May-22	**10**	**100**	10	100	10	100
TCHFL Tier II Bonds F FY-2011-12	12-Mar-12	12-Mar-22	**102**	**1,020**	102	1,020	102	1,020
TCHFL Tier II Bonds E FY-2011-12	25-Jan-12	25-Jan-22	**135**	**1,350**	135	1,350	135	1,350
TCHFL Tier II Bonds D FY-2011-12	04-Nov-11	04-Nov-21	**101**	**1,010**	101	1,010	101	1,010
TCHFL Tier II Bonds C FY-2011-12	28-Oct-11	28-Oct-21	**11**	**110**	11	110	11	110
TCHFL Tier II Bonds B FY-2011-12	29-Sep-11	29-Sep-21	**253**	**2,530**	253	2,530	253	2,530
TCL Tier II Bond "H" FY 2009-10	24-Dec-09	24-Dec-19	**1,000**	**5,000**	1,000	5,000	1,000	5,000
TCL Tier II Bond "G" FY 2009-10	18-Dec-09	18-Dec-19	**3,000**	**15,000**	3,000	15,000	3,000	15,000
TCL Tier II Bond "E" FY 2009-10	15-Dec-09	15-Dec-19	**5,725**	**28,625**	5,725	28,625	5,725	28,625
TCL Tier II Bond "F" FY 2009-10	30-Nov-09	30-Nov-19	**1,135**	**5,318**	1,135	4,824	1,135	4,376
TCL Tier II Bond "D" FY 2009-10	28-Oct-09	28-Oct-19	**1,479**	**7,395**	1,479	7,395	1,479	7,395
TCL Tier II Bond "C" FY 2009-10	28-Oct-09	28-Oct-19	**1,580**	**7,900**	1,580	7,900	1,580	7,900
TCL Tier II Bond "B" FY 2009-10	09-Sep-09	09-Sep-19	**1,704**	**17,040**	1,704	17,040	1,704	17,040
TCL Tier II Bond "A" FY 2009-10	04-Aug-09	04-Aug-19	**391**	**3,910**	391	3,910	391	3,910
TCHFL Tier II Bonds A FY-2011-12	29-Jul-11	25-Sep-18	**–**	**–**	250	2,500	250	2,500
Total (A)				**2,64,058**		**2,46,064**		**2,45,616**
Less: Unamortised borrowing cost				**(541)**		**(608)**		**(843)**
Sub total (B)				**2,63,517**		**2,45,456**		**2,44,773**
Total (A+B)				**3,00,657**		**2,45,456**		**2,44,773**

*Net of unamortised discount as on March 31,2019 ₹ 357 lakh (March 31, 2018 ₹ 851 lakh, April 1, 2017 ₹ 1,299 lakh)

*Note : Coupon rate of above outstanding as on March 31, 2019 varies from 8.45% to 10.50% (March 31, 2018: 8.45% to 10.50%, April 1, 2017: 8.45% to 10.50%)

NOTE "16.2" Particulars of Perpetual unsecured non-convertible debentures ("NCDs") outstanding as on March 31, 2019

Description of NCDs	Issue Date	Redemption Date	As at March 31, 2019*		As at March 31, 2018*		As at April 1, 2017*	
			Number of NCDs	₹ in lakh	Number of NCDs	₹ in lakh	Number of NCDs	₹ in lakh
TCFSL Perpetual 'C' FY 2017-18	11-Sep-17	11-Sep-27	930	9,300	930	9,300	–	–
TCFSL Perpetual 'B' FY 2017-18	14-Jul-17	14-Jul-27	500	5,000	500	5,000	–	–
TCFSL Perpetual 'A' FY 2017-18	21-Jun-17	21-Jun-27	500	5,000	500	5,000	–	–
TCFSL Perpetual 'C' FY 2016-17	08-Mar-17	08-Mar-27	400	4,000	400	4,000	400	4,000
TCFSL Perpetual 'B' FY 2016-17	13-Jan-17	13-Jan-27	100	1,000	100	1,000	100	1,000
TCFSL Perpetual 'A' FY 2016-17	30-Jun-16	30-Jun-26	500	5,000	500	5,000	–	–

NOTES FORMING PART OF THE CONSOLIDATED BALANCE SHEET AS AT MARCH 31, 2019

NOTE "16.2" Particulars of Perpetual unsecured non-convertible debentures ("NCDs") outstanding as on March 31, 2019

Description of NCDs	Issue Date	Redemption Date	As at March 31, 2019*		As at March 31, 2018*		As at April 1, 2017*	
			Number of NCDs	₹ in lakh	Number of NCDs	₹ in lakh	Number of NCDs	₹ in lakh
TCFSL Perpetual E FY 2015-16	23-Mar-16	23-Mar-26	1,000	10,000	1,000	10,000	1,000	10,000
TCFSL Perpetual D FY 2015-16	09-Feb-16	09-Feb-26	1,000	10,000	1,000	10,000	1,000	10,000
TCFSL Perpetual C FY 2015-16	02-Feb-16	02-Feb-26	500	5,000	500	5,000	500	5,000
TCFSL Perpetual B FY 2015-16	06-Jan-16	06-Jan-26	500	5,000	500	5,000	500	5,000
TCFSL Perpetual A FY 2015-16	16-Jul-15	16-Jul-25	1,000	10,000	1,000	10,000	1,000	10,000
TCFSL Perpetual A FY 2013-14	27-Mar-14	27-Mar-24	1,871	9,355	1,871	9,355	1,871	9,355
TCL Perpetual D FY 2011-12	07-Nov-11	07-Nov-21	5	25	5	25	5	25
TCL Perpetual C FY 2011-12	28-Sep-11	28-Sep-21	10	50	10	50	10	50
TCL Perpetual B FY 2011-12	08-Aug-11	08-Aug-21	61	305	61	305	61	305
TCL Perpetual A FY 2011-12	05-May-11	05-May-21	20	100	20	100	20	100
TCL Perpetual B FY 2010-11	14-Jan-11	14-Jan-21	18	90	18	90	18	90
TCL Perpetual A FY 2010-11	15-Nov-10	15-Nov-20	15	75	15	75	15	75
Total (A)				**79,300**		**79,300**		**55,000**
Less: Unamortised borrowing cost				**(414)**		(446)		(317)
				78,886		**78,854**		**54,683**

Description of NCDs	Year Ended March 31, 2019	Year Ended March 31, 2018	Year Ended March 31, 2017
Funds Raised through Perpetual Debt Instruments	–	19,300	5,000
Amount outstanding at the end of year	79,300	79,300	55,000
Percentage of amount of Perpetual Debt Instruments of the amount of Tier I Capital	18.43%	15.95%	13.82%

NOTES FORMING PART OF THE CONSOLIDATED BALANCE SHEET AS AT MARCH 31, 2019

16.3 Particulars of Cumulative Redeemable Preference Shares:

(₹ in lakh)

Particulars	Tranche	No. of shares	Allotment Date	Redemption Date	Early Redemption Date	March 31, 2019	March 31, 2018	April 1, 2017
12.50% Cumulative Redeemable Preference Shares of ₹ 1,000 each issued at premium of ₹ 500 per share and redeemable at a premium of ₹ 500 per share.	F	2,04,400	March 28, 2013	March 27, 2020	N/A	**3,058**	3,050	3,042
	E	2,00,000	February 27, 2013	February 26, 2020	N/A	**2,993**	2,985	2,977
	D	1,04,308	January 21, 2013	January 20, 2020	N/A	**1,562**	1,558	1,554
	C	1,66,666	December 10, 2012	December 9, 2019	N/A	**2,497**	2,490	2,483
	B	4,11,614	October 22, 2012	October 21, 2019	N/A	**6,171**	6,157	6,143
	A	9,84,078	August 10, 2012	August 9, 2019	N/A	**14,758**	14,719	14,683
8.33% Cumulative Redeemable Preference Shares of ₹ 1,000 each	O	3,51,500	September 7, 2015	September 6, 2022	September 30, 2019	**3,511**	3,498	3,485
	N	46,48,500	April 22, 2015	April 21, 2022	September 30, 2019	**46,438**	46,275	46,125
	M	20,49,891	August 19, 2014	August 18, 2021	September 30, 2018	**–**	20,466	20,369
	L	50,900	April 1, 2014	March 31, 2021	March 31, 2018	**–**	–	507
	K	27,900	November 7, 2013	November 6, 2020	March 31, 2018	**–**	–	278
	J	3,69,660	September 5, 2013	September 4, 2020	September 30, 2017	**–**	–	3,693
	I	9,96,050	July 9, 2013	July 8, 2020	September 30, 2017	**–**	–	9,947
	G	8,99,000	June 6, 2013	June 5, 2020	September 30, 2017	**–**	–	24,986
	H	25,00,000	May 22, 2013	May 21, 2020	September 30, 2017	**–**	–	8,983
7.50% Cumulative Redeemable Preference Shares of ₹ 1,000 each	W	7,50,000	July 26, 2017	July 25, 2024	October 30, 2021	**7,440**	7,418	–
	V	7,50,000	July 12, 2017	July 11, 2024	October 30, 2021	**7,440**	7,419	–
	U	6,50,000	July 7, 2017	July 6, 2024	October 30, 2021	**6,448**	6,429	–
	T	13,50,000	March 10, 2017	March 9, 2024	May 31, 2021	**13,410**	13,371	13,335
	S	7,50,000	October 27, 2016	October 26, 2023	November 30, 2020	**7,460**	7,435	7,413
	R	5,00,000	October 7, 2016	October 6, 2023	November 30, 2020	**4,973**	4,957	4,942
	Q	10,00,000	September 16, 2016	September 15, 2023	November 30, 2020	**9,948**	9,916	9,886
	P	7,50,000	September 2, 2016	September 1, 2023	November 30, 2020	**7,461**	7,437	7,415
7.33% Cumulative Redeemable Preference Shares of ₹1,000 each	Y	7,47,500	August 4, 2017	August 3, 2024	October 30, 2021	**7,414**	7,392	–
	X	7,50,000	July 28, 2017	July 27, 2024	October 30, 2021	**7,441**	7,419	–
7.15% Cumulative Redeemable Preference Shares of ₹ 1,000 each	Z	7,50,000	September 15, 2017	September 14, 2024	January 31, 2022	**7,434**	7,413	–
7.10% Cumulative Redeemable Preference Shares of ₹ 1,000 each	AD	3,34,500	June 15, 2018	June 14, 2025	September 30, 2022	**3,309**	–	–
	AC	4,00,000	May 10, 2018	May 9, 2025	September 30, 2022	**3,959**	–	–
	AB	4,00,000	April 20, 2018	April 19, 2025	September 30, 2022	**3,959**	–	–
	AA	7,50,000	September 29, 2017	September 28, 2024	January 31, 2022	**7,433**	7,412	–
7.75% Cumulative Redeemable Preference Shares of ₹ 1,000 each	AE	4,00,000	March 13, 2019	March 12, 2026	June 30, 2023	**3,962**	–	–
Total						**1,90,478**	1,95,213	1,92,250

NOTES FORMING PART OF THE CONSOLIDATED BALANCE SHEET AS AT MARCH 31, 2019

NOTE "17" OTHER FINANCIAL LIABILITIES

(₹ in lakh)

PARTICULARS		As at March 31, 2019	As at March 31, 2018	As at April 1, 2017
(a)	Security deposit received	**38,339**	31,719	22,475
(b)	Payable for capital expenditure	**2,741**	1,852	920
(c)	Advances from customers	**4,448**	2,324	1,766
(d)	Interest accrued but not due on borrowings	**1,11,703**	1,14,384	1,24,571
(e)	Accrued employee benefit expense	**21,684**	11,490	7,816
(f)	Unclaimed matured debentures and accrued interest thereon	**52**	53	53
(g)	Payable under letter of credit/buyers credit facility	**14,617**	43,419	28,371
(h)	Amounts payable - assigned loans	**2,388**	5,562	9,646
Total		**1,95,972**	**2,10,803**	**1,95,618**

NOTE "18" PROVISIONS

(₹ in lakh)

PARTICULARS		As at March 31, 2019	As at March 31, 2018	As at April 1, 2017
(a)	Provision for gratuity (net)	**82**	–	18
(b)	Provision for compensated absences	**2,172**	1,749	1,550
(c)	Provision for long-term service award	**114**	232	230
(d)	Provision for share based payments to employees	**273**	298	192
(e)	Impairment loss allowance			
	- Stage I & II	**79,823**	68,963	58,739
	- Stage III	**1,06,173**	1,23,151	1,62,119
(f)	Sundry liabilities account (interest capitalisation)	**122**	700	4,545
Total		**1,88,759**	**1,95,093**	**2,27,393**

NOTE "19" OTHER NON-FINANCIAL LIABILITIES

(₹ in lakh)

PARTICULARS		As at March 31, 2019	As at March 31, 2018	As at April 1, 2017
(a)	Statutory dues	**5,665**	5,232	2,051
(b)	Revenue received in advance	**42,090**	31,592	26,579
(c)	Others	**1,307**	1,341	1,399
Total		**49,062**	**38,165**	**30,029**

NOTES FORMING PART OF THE CONSOLIDATED BALANCE SHEET AS AT MARCH 31, 2019

NOTE "20" SHARE CAPITAL

(₹ in lakh)

PARTICULARS	As at March 31, 2019	As at March 31, 2018	As at April 1, 2017
Authorised			
4,75,00,00,000 (March 31, 2018: 4,75,00,00,000 shares and April 1, 2017 : 4,75,00,00,000 shares) Equity shares of ₹ 10 each	**4,75,000**	4,75,000	4,75,000
3,25,00,000 (March 31, 2018: 3,25,00,000 shares and April 1, 2017 : 3,25,00,000 shares) Preference shares of ₹ 10 each	**3,25,000**	3,25,000	3,25,000
	8,00,000	8,00,000	8,00,000
Issued, Subscribed and Paid-up			
3,26,98,44,264 (March 31, 2018: 2,77,25,40,165 shares and April 1, 2017 : 2,77,00,95,649 shares) Equity shares of ₹ 10 each fully paid up. (Refer footnote 1)	**3,26,984**	2,77,253	2,77,009
Less: Loans to Employees	**203**	253	9
Total	**3,26,781**	**2,77,000**	**2,77,000**

20. (a) Footnote 1 : The Company has issued 49,40,71,144 equity shares of face value ₹ 10/- each, at premium of ₹ 40.60/- per share.

20. (b) Reconciliation of number of equity shares outstanding :

(₹ in lakh)

PARTICULARS	No. of Shares	₹ in Lakhs
Equity Shares		
Opening balance as on April 01, 2017	2,77,00,95,649	2,77,009
Add/less: issued to employees	24,44,516	244
Closing Balance as on March 31, 2018	**2,77,25,40,165**	**2,77,253**
Additions during the year	49,40,71,144	49,407
Add/less: net shares issued to employees by ESOP trust	32,32,955	324
Closing Balance as on March 31, 2019	**3,26,98,44,264**	**3,26,984**

20. (c) Rights, preferences and restrictions attached to shares

Equity Shares : The Company has one class of equity shares having a face value of ₹ 10 per share. Each shareholder is eligible for one vote per share held. The dividend proposed by the Board of Directors, if any, is subject to the approval of the shareholders 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 Private Limited is the ultimate holding company.

NOTES FORMING PART OF THE CONSOLIDATED BALANCE SHEET AS AT MARCH 31, 2019

NOTE "21" OTHER EQUITY

(₹ in lakh)

PARTICULARS	As at March 31, 2019	As at March 31, 2018	As at April 1, 2017
Capital Redemption Reserve	**575**	575	575
Capital Reserve	**43**	43	43
Securities Premium	**2,13,689**	13,626	13,596
Debenture Redemption Reserve	**30,000**	30,000	30,000
Foreign Currency Translation Reserve	**6,945**	3,379	3,312
Special Reserve / Statutory Reserve	**98,760**	77,120	55,906
General Reserve	**632**	249	–
Retained Earnings	**77,373**	21,128	(17,193)
Other Comprehensive Income	**858**	832	252
ESOP Reserve	**978**	923	–
Total	**4,29,853**	**1,47,875**	**86,491**

Nature and Purpose of Reserves

As part of the qualitative disclosure, Company is required to present disclosures as required by Para 79 of Ind AS 1- i.e. nature and purpose of each reserve.

Sr. No.	Particulars	Nature and purpose of Reserves
1	Capital Redemption Reserve	Statutory requirement
2	Capital Reserve	Created on merger
3	Securities Premium	Premium received upon issuance of equity shares
4	Debenture Redemption Reserve	As per section 71(4) of the Companies Act 2013, created out of the profits of the Company available for payment of dividend and credited to such reserve and shall not be utilised except for redemption of debentures
5	Foreign Currency Translation Reserve	Created on account of translation of assets and liabilities of foreign subsidiaries
6	Special Reserve / Statutory Reserve	As prescribed by Section 45-IC of the Reserve Bank of India Act, 1934
7	General Reserve	Created upon completion of the vesting period of employees stock options or upon forfeiture of options granted
8	Retained Earnings	Created out of accretion of profits.
9	Other Comprehensive Income	Created on account of items measured through other comprehensive income
10	ESOP Reserve	Created at the time of grant of option to employees, transferred to General Reserve upon vesting.

NOTES TO AND FORMING PART OF THE CONSOLIDATED STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED MARCH 31, 2019

NOTE "22" INTEREST INCOME

(₹ in lakh)

PARTICULARS	For the Year ended March 31, 2019	For the Year ended March 31, 2018
On Financial Assets measured at Amortised Cost		
(a) Interest on loans and credit substitutes	**7,51,648**	6,01,779
(b) Interest income on investments	**768**	568
(c) Interest income on deposits with banks	**636**	359
(d) Other interest income	**22**	11
	7,53,074	6,02,717
On Financial Assets measured at fair value through OCI		
(a) Interest on loans and credit substitutes	**4,069**	2,705
	4,069	2,705
Total	**7,57,143**	**6,05,422**

NOTE "23" NET GAIN/LOSS ON FAIR VALUE CHANGES

(₹ in lakh)

PARTICULARS	For the Year ended March 31, 2019	For the Year ended March 31, 2018
(A) Net Gain / (loss) on financial instruments at fair value through profit or loss		
(i) On trading portfolio		
- Investments	**–**	–
- Derivatives	**–**	–
- Others	**–**	–
(ii) On financial instruments designated at fair value through profit or loss	**–**	–
(B) Others	**24,682**	1,353
Total Net gain/(loss) on fair value changes (C)	**24,682**	**1,353**
Fair value changes :		
- Realised	**11,663**	2,031
- Unrealised	**13,019**	(678)
Total Net gain/(loss) on fair value changes *(D)	**24,682**	**1,353**

* Fair value changes in this schedule are other than those arising on account of accrued interest income/expense

NOTES TO AND FORMING PART OF THE CONSOLIDATED STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED MARCH 31, 2019

NOTE "24" OTHER INCOME

(₹ in lakh)

PARTICULARS	For the Year ended March 31, 2019	For the Year ended March 31, 2018
(a) Branch advertisement income	**5,936**	5,152
(b) Income from distribution of financial products	**3,671**	4,225
(c) Income from ticketing & other travel related services	**–**	475
(d) Income from forex services	**–**	675
(e) Exchange gains (net)	**9**	9
(f) Net gain/(loss) on derecognition of property, plant and equipment	**202**	1,034
(g) Interest on income tax refund	**161**	936
(h) Income from advisory services	**15,764**	6,298
(i) Other miscellaneous Income	**1,249**	1,014
Total	**26,992**	**19,818**

NOTE "25" FINANCE COSTS

(₹ in lakh)

PARTICULARS	For the Year ended March 31, 2019	For the Year ended March 31, 2018
On financial liabilities measured at amortised cost		
(a) Interest on borrowings other than debt securities	**2,13,550**	97,565
(b) Interest on debt securities	**1,64,458**	1,71,343
(c) Interest on subordinated liabilities	**31,230**	30,395
(d) Other Interest expense	**1,182**	1,209
(e) Dividend on cumulative redeemable preference shares (CRPS) (including dividend distribution tax thereon)	**19,252**	19,859
(f) Discounting Charges		
(i) On commercial paper	**88,093**	67,380
(ii) On debentures	**1,080**	448
Total	**5,18,845**	**3,88,199**

NOTE "26" EMPLOYEE BENEFIT EXPENSES

(₹ in lakh)

PARTICULARS	For the Year ended March 31, 2019	For the Year ended March 31, 2018
(a) Salaries, wages and bonus	**74,131**	57,365
(b) Contribution to provident and other fund	**3,146**	2,178
(c) Share based payments to employees	**550**	1,346
(d) Staff welfare expenses	**2,887**	2,717
(e) Expenses related to post-employment defined benefit plans	**764**	720
Total	**81,478**	**64,326**

NOTES TO AND FORMING PART OF THE CONSOLIDATED STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED MARCH 31, 2019

The Supreme Court of India in its judgement in the case of THE REGIONAL PROVIDENT FUND COMMISSIONER (II) WEST BENGAL v/s VIVEKANANDA VIDYAMANDIR AND OTHERS on February 28, 2019 has clarified that any emolument paid universally, necessarily and ordinarily to all employees across the board is to be considered as basic wage and accordingly needs to be considered for calculation of Provident Fund contribution. The Group has made an estimate of the liability and as a matter of caution, the Group has made a provision ₹ 1,350 lakh for the year ended March 31, 2019. The Group would record any further effect in its financial statements, in the period in which it receives additional clarity on the said subject.

NOTE "27" IMPAIRMENT ON FINANCIAL INSTRUMENTS

(₹ in lakh)

PARTICULARS	For the year ended March 31, 2019		For the year ended March 31, 2018	
(I) Loans and credit substitutes				
(a) Stage III provisioning (net of recoveries)	**56,273**		29,404	
Less : Delinquency Support	**763**	**55,510**	5,731	23,673
(b) Write off - Loans and credit substitutes	**72,927**		66,920	
Less : Provision reversal on write off	**(72,927)**	**–**	(66,920)	–
(c) Stage I and Stage II provisioning				
- At amortised cost	**10,847**		10,223	
- At FVTOCI	**187**	**11,034**	117	10,340
(d) Provision against Restructured Advances		**(325)**		(1,448)
		66,219		32,565
(II) Trade receivables		**301**		502
Total		**66,520**		**33,067**

NOTE "28" OTHER OPERATING EXPENSES

(₹ in lakh)

PARTICULARS	For the Year ended March 31, 2019	For the Year ended March 31, 2018
(a) Advertisements and publicity	**4,361**	2,456
(b) Brand Equity and Business Promotion	**2,499**	1,951
(c) Corporate social responsibility cost	**1,808**	1,544
(d) Donations	**2,000**	5
(e) Equipment hire charges	**218**	349
(f) Information technology expenses	**14,377**	11,154
(g) Insurance charges	**1,395**	1,079
(h) Incentive / commission/ brokerage	**257**	297
(i) Legal and professional fees	**17,540**	8,241
(j) Loan processing fees	**4,111**	4,121
(k) Printing and stationery	**1,269**	977

NOTES TO AND FORMING PART OF THE CONSOLIDATED STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED MARCH 31, 2019

(₹ in lakh)

PARTICULARS		For the Year ended March 31, 2019	For the Year ended March 31, 2018
(l)	Provision against assets held for sale	**1,446**	1,405
(m)	Power and fuel	**1,188**	1,063
(n)	Repairs and maintenance	**367**	473
(o)	Rent, rates and taxes	**4,800**	3,268
(p)	Stamp charges	**807**	582
(q)	Service providers' charges	**21,560**	14,999
(r)	Training and recruitment	**962**	804
(s)	Telephone, telex and leased line	**868**	972
(t)	Travelling and conveyance	**4,491**	3,982
(u)	Directors remuneration	**343**	601
(v)	Other miscellaneous expenses [Refer note 27(a) below]	**2,310**	2,421
Total		**88,977**	**62,744**

NOTE "28" (a) AUDITORS' REMUNERATION (EXCL. TAXES)

(₹ in lakh)

PARTICULARS		For the Year ended March 31, 2019	For the Year ended March 31, 2018
(a)	Audit Fees	**216**	239
(b)	Tax Audit Fees	**12**	12
(c)	Other Services	**12**	31
(d)	Towards reimbursement of expenses	**2**	2
Total		**241**	**283**

(Auditors' remuneration is included in Other expenses)

NOTE "28" (b) CORPORATE SOCIAL RESPONSIBILITY EXPENSES

(i) Gross amount required to be spent by the Company during the year was ₹ 1,808 lakh (PY: ₹ 1,544 lakh)

(ii) Amount spent during the year on:

(₹ in lakh)

PARTICULARS	Paid	Yet to be paid	Total
On purposes other than on construction / acquisition of any asset	1,808	–	1,808

NOTE "29" The financial statements of the following subsidiaries have been consolidated as per Ind AS 110 on Consolidated Financial Statements as on March 31, 2019:-

(₹ in lakh)

Sr No.	Name of the Subsidiary	Country of Incorporation	% Holding as at March 31, 2019	% Holding as at March 31, 2018	% Holding as at April 01, 2017
1	Tata Securities Limited	India	**100**	100	100
2	Tata Capital Housing Finance Limited	India	**100**	100	100
3	Tata Capital Financial Services Limited	India	**100**	100	100
4	TC Travel and Services Limited (ceased w.e.f. 30.10.2017) (Refer note below)	India	**–**	–	100
5	Tata Capital Forex Limited (formerly TT Holdings & Services Limited) (ceased w.e.f. 30.10.2017) (Refer note below)	India	**–**	–	100
6	Tata Capital Growth Fund	India	**73.75**	73.75	73.75
7	Tata Cleantech Capital Limited	India	**80.50**	80.50	80.50
8	Tata Capital Pte. Limited	Singapore	**100**	100	100
9	Tata Capital Markets Pte. Limited (Subsidiary of Tata Capital Pte. Limited)	Singapore	**100**	100	100
10	Tata Capital Advisors Pte. Limited (Subsidiary of Tata Capital Pte. Limited)	Singapore	**100**	100	100
11	Tata Capital Plc (Subsidiary of Tata Capital Pte. Limited)	United Kingdom	**100**	100	100
12	Tata Capital General Partners LLP (Subsidiary of Tata Capital Pte. Limited)	Singapore	**80**	80	80
13	Tata Capital Healthcare General Partners LLP (Subsidiary of Tata Capital Pte. Limited)	Singapore	**100**	100	100
14	Tata Opportunities General Partners LLP (Subsidiary of Tata Capital Pte. Limited)	Singapore	**90**	90	90
15	Tata Capital Special Situation Fund	India	**28.18**	28.18	28.18
16	Tata Capital Innovation Fund	India	**27.13**	27.13	27.13
17	Tata Capital Growth Fund II (w.e.f. 28.09.2018)	India	**14.96**	–	–
18	Tata Capital Growth II General Partners LLP (w.e.f.20.09.2018)	Singapore	**80.00**	–	–
19	Tata Capital Healthcare Fund I	India	**32.12**	32.12	32.12
20	TCL Employee welfare trust	India	**–**	–	–

Note: During the year ended March 31, 2018, the Company had sold 10,933,969 equity shares translating to 100% stake in Tata Capital Forex Limited for a consideration of ₹ 12 Cr to TC Tours on October 30, 2017. During the year ended March 31, 2018, the Company had sold 25,000,000 equity shares translating to 100% stake in TC Travel and Services Limited for a consideration of ₹ 3 Cr to Thomas Cook on October 30, 2017.

NOTE "30"

The Group has investments in the following associates, which are accounted under the Equity Method in accordance with the Ind AS 28 on Accounting for Investment in Associate in Consolidated Financial Statements:-

The particulars of investment in associates as on March 31, 2019 are as follows :

(₹ In lakh)

Sr. No	Name of Associates	As on	Country of Incorpo-rataion	Ownership Interest (%)	Original Cost of Investment	Amount of goodwill/ (Capital Reserve) in original cost	Share of post acquisition Reserves & Surplus	Carrying Amount of Investments
1	Tata AutoComp Systems Limited	March 31, 2019	India	24.00%	18,528	12,145	16,761	35,289
		March 31, 2018	India	24.00%	18,528	12,145	14,161	32,689
		April 1, 2017	India	24.00%	18,528	12,145	14,019	32,547
2	Star Health and Allied Insurance Company Limited	March 31, 2019*	India	–	–	1,816	–	–
		March 31, 2018	India	5.30%	6,000	1,816	902	6,902
		April 1, 2017	India	5.30%	6,000	1,816	–	6,000
3	Tata Technologies Limited	March 31, 2019	India	4.35%	4,707	(1,474)	1,324	7,240
		March 31, 2018	India	4.35%	4,707	(1,474)	1,209	5,916
		April 1, 2017	India	4.35%	4,707	(1,474)	–	4,707
4	Agile Electricals Sub Assembly Limited	March 31, 2019	India	–	–	690	–	–
		March 31, 2018*	India	–	–	690	–	–
		April 1, 2017	India	4.60%	3,202	690	–	3,202
5	Sai Life Sciences Limited	March 31, 2019*	India	–	–	–	–	–
		March 31, 2018	India	3.10%	1,313	320	129	1,442
		April 1, 2017	India	3.10%	1,313	320	–	1,313
6	Novalead Pharma Private Limited	March 31, 2019	India	20.34%	2,335	1,912	(14)	2,299
		March 31, 2018	India	20.34%	2,335	1,912	(22)	2,313
		April 1, 2017	India	20.34%	2,335	1,912	–	2,335
7	Shiriji Polymers (India) Limited	March 31, 2019	India	2.60%	1,268	424	188	1,570
		March 31, 2018	India	2.60%	819	424	114	1,382
		April 1, 2017	India	1.93%	819	424	–	819
8	Amanta Healthcare Limited	March 31, 2019	India	–	–	–	–	–
		March 31, 2018*	India	–	–	–	–	–
		April 1, 2017	India	6.58%	1,500	82	–	1,500
9	Sai Life Sciences Limited	March 31, 2019*	India	–	–	–	–	–
		March 31, 2018	India	14.10%	5,947	1,453	588	6,535
		April 1, 2017	India	14.10%	5,947	1,453	–	5,947
10	Vortex Engineering Private Limited	March 31, 2019	India	18.49%	2,900	2,141	–	1,500
		March 31, 2018	India	18.49%	2,900	2,141	–	1,500
		April 1, 2017	India	18.49%	2,900	2,141	–	1,500
11	Pluss Advanced Technologies Private Limited	March 31, 2019	India	37.50%	1,500	754	(27)	1,369
		March 31, 2018	India	37.50%	1,500	754	(104)	1,396
		April 1, 2017	India	37.50%	1,500	754	–	1,500
12	Sea6 Energy Private Limited	March 31, 2019	India	32.04%	3,500	2,200	(147)	3,379
		March 31, 2018	India	32.02%	3,500	2,200	(26)	3,526
		April 1, 2017	India	32.02%	3,500	2,200	–	3,500
13	Alef Mobitech Soluations Private Limited	March 31, 2019	India	28.01%	1,588	859	(143)	1,321
		March 31, 2018	India	26.00%	1,288	859	(125)	1,163
		April 1, 2017	India	26.00%	1,288	859	–	1,288

(₹ In lakh)

Sr. No	Name of Associates	As on	Country of Incorpo-rataion	Ownership Interest (%)	Original Cost of Investment	Amount of goodwill/ (Capital Reserve) in original cost	Share of post acquisition Reserves & Surplus	Carrying Amount of Investments
14	Shriniwas Engineering Auto Components Pvt. Ltd.	March 31, 2019	India	–	–	–	–	–
		March 31, 2018*	India	–	–	–	–	–
		April 1, 2017	India	2.53%	1,000	663	–	1,000
15	Tema India Limited	March 31, 2019	India	0.01%	1	(1)	–	1
		March 31, 2018	India	0.01%	1	(1)	–	1
		April 1, 2017	India	0.01%	1	(1)	–	1
16	Kapsons Industries Private Limited	March 31, 2019	India	0.01%	1	1	–	1
		March 31, 2018	India	0.01%	1	1	–	1
		April 1, 2017	India	0.01%	1	1	–	1
17	Tata Projects Limited	March 31, 2019	India	2.21%	2,823	621	493	3,729
		March 31, 2018	India	2.21%	2,823	621	414	3,237
		April 1, 2017	India	2.21%	2,823	621	–	2,823
18	Tata Sky Limited	March 31, 2019	India	0.72%	5,242	6,272	246	5,744
		March 31, 2018	India	0.72%	5,242	6,272	257	5,499
		April 1, 2017	India	0.72%	5,242	6,272	–	5,242
19	Varroc Engineering Private Limited	March 31, 2019*	India	–	–	–	–	–
		March 31, 2018	India	1.26%	2,521	(259)	820	3,341
		April 1, 2017	India	1.26%	2,521	(259)	–	2,521
20	TVS Supply Chain Solutions Limited	March 31, 2019	India	0.68%	1,465	1,036	39	1,552
		March 31, 2018	India	0.68%	1,465	1,036	48	1,513
		April 1, 2017	India	0.68%	1,465	1,036	–	1,465
21	Shriram Properties Private Limited	March 31, 2019	India	1.50%	3,935	3,004	–	3,350
		March 31, 2018	India	1.50%	3,935	3,004	–	3,350
		April 1, 2017	India	1.50%	3,935	3,004	–	3,935
22	Fincare Business Services Limited	March 31, 2019	India	0.80%	734	214	97	772
		March 31, 2018	India	0.80%	660	214	(59)	601
		April 1, 2017	India	0.80%	660	214	–	660
23	Roots Corporation	March 31, 2019	India	2.43%	1,880	1,203	–	1,934
		March 31, 2018	India	2.43%	1,880	1,203	–	1,760
		April 1, 2017	India	2.43%	1,880	1,203	–	1,880
24	International Asset Reconstruction Company Private Limited	March 31, 2019	India	–	–	–	–	–
		March 31, 2018	India	–	–	–	–	–
		April 1, 2017	India	25.37%	3,313	483	541	3,854
	Total	March 31, 2019			52,408	33,818	18,817	71,051
		March 31, 2018			67,367	35,332	18,357	84,067
		April 1, 2017			76,382	36,560	14,560	89,542

*sold during the year

Notes:

1) Consolidated based on unaudited financial statements as at the year/relevant period during the year.

2) International Asset Reconstruction Company Private Limited has ceased to be an Associate with effect from March 9, 2018.

NOTE "31" PROVISIONS AND CONTINGENT LIABILITIES :

(i) Movement in Contingent Provision against Standard Assets during the year is as under:

(₹ in lakh)

PARTICULARS	For the Year ended	
	March 31, 2019	March 31, 2018
Opening Balance	**68,963**	**58,739**
Additions during the year	**10,860**	10,224
Utilised during the year	**–**	–
Closing Balance	**79,823**	**68,963**

(ii) Movement in Other Provision during the year is as under:

(₹ in lakh)

PARTICULARS	For the Year ended	
	March 31, 2019	March 31, 2018
Opening Balance	**2,979**	**6,535**
Additions during the year	**–**	–
Utilised during the year	**(216)**	(3,153)
Adjustment for companies ceasing to be subsidiaries (Refer note 50)	**–**	(403)
Closing Balance	**2,763**	**2,979**

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

(₹ in lakh)

PARTICULARS	As at March 31, 2019	As at March 31, 2018	As at April 1, 2017
Income Tax (Pending before Appellate Authorities)	**13,120**	12,451	12,047
VAT (Pending before Sales Tax Appellate Authorities)	**347**	173	584
Total	**13,467**	**12,623**	**12,631**

NOTE "32" COMMITMENTS :

(i) Commitment to co-invest with Omega TC Holdings Pte. Ltd USD 15.09 Million (₹ 10,463 lakh) (as at March 31, 2018 : USD 15.46 Million (₹ 10,068 lakh and April 01, 2017 : USD 15.46 million (₹ 10,007 lakh)).

(ii) Commitment to invest in Tata Equity Plus Absolute Return Fund amounting to ₹ 1,000 lakh (as at March 31, 2018 : Nil and April 01, 2017 : Nil).

(iii) Commitment to invest in Tata Absolute Return Fund amounting to ₹ 1,000 lakh (as at March 31, 2018 : Nil and April 01, 2017 : Nil).

(iv) Guarantees issued to National Housing Bank on behalf of Tata Capital Housing Finance Limited

₹ 120,000 lakh (As at March 31, 2018 : ₹ 120,000 lakh and April 01, 2017 : ₹ 120,000 lakh) against which the amount liable by Tata Capital Housing Finance Limited is ₹ 54,334 lakh as at March 31, 2019 (As at March 31, 2018 ₹ 67,498 lakh and April 01, 2017 : ₹ 80,767 lakh). Pursuant to the terms of the Guarantee, the Company's liability on invocation is capped at the outstanding amount.

(v) Uncalled liability on 1,080 partly paid equity shares of Tata Steel Limited amounting to ₹ 5 Lakh (as at March 31, 2018 : ₹ 5 Lakh and April 01, 2017 : Nil)

(vi) Undrawn Commitment given to Borrowers:

- As on March 31, 2019 ₹ 719,896 lakh (March 31, 2018 : ₹ 550,975 lakh and April 01, 2017 : ₹ 610,307 lakh)
- Less than 1 Year: ₹ 631,750 lakh (March 31, 2018 : ₹ 503,874 lakh and April 01, 2017 : ₹ 532,537 lakh)
- More than 1 Year: ₹ 88,146 lakh (March 31, 2018 : ₹ 47,101 lakh and April 01, 2017 : ₹ 77,770 lakh)

(vii) Bank Guarantees ₹ 7,909 lakh (March 31, 2018 : ₹ 781 lakh and April 01, 2017 : ₹ 678 lakh)

(viii) Leases entered but not executed ₹ 88,210 lakh (March 31, 2018: ₹ 89,148 lakh and April 01, 2017 : ₹ 66,470 lakh)

(ix) Unamortised Forward Contract exposure Nil (March 31, 2018: ₹ 98 lakh and April 01, 2017 : nil)

(x) Estimated amount of contracts remaining to be executed on capital account and not provided for ₹ 1,609 lakh (as at March 31, 2018: ₹ 1,770 lakh and April 01, 2017 : ₹ 2,935 lakh).

- Tangible: ₹ 956 lakh (March 31, 2018 : ₹ 1,550 lakh and April 01, 2017 : ₹ 1,165 lakh)
- Intangible: ₹ 653 lakh (March 31, 2018 : ₹ 220 lakh and April 01, 2017 : ₹ 1,770 lakh)

(xi) Letter of Comfort ₹ 12,994 lakh (March 31, 2018 : ₹ 20,972 lakh and April 01, 2017 : ₹ 41,225 lakh)

33 SHARE BASED PAYMENT:

The table below provides disclosures as required by Para 44, 45, 46, 47, 50, 51 and 52 of Ind AS 102, along with present scheme wise terms and conditions of the ESOP schemes, for the employees of the Group.

(A) Description of share based payments:

PARTICULARS	ESOP 2011	ESOP 2013	ESOP 2016	ESOP 2017	ESOP 2018
i. Vesting equirements	1/3rd at the end of each 12, 24 and 36 months from the date of grant	1/3rd at the end of each 12, 24 and 36 months from the date of grant	100% at the end of 12 months from the date of grant	100% at the end of 12 months from the date of grant	20% at the end of each 12 and 24 months and 30% at the end of each 36 and 48 months from the date of grant
ii. Maximum term of option	6 years	6 years	2 years	2 years	7 years
iii. Method of settlement	Cash settled	Cash settled	Cash settled	Cash settled	Cash settled
iv. Modifications to share based payment plans	N.A.	N.A.	N.A.	N.A.	N.A.
iv. Any other details as disclosed in the audited Ind AS financial statements	N.A.	N.A.	N.A.	N.A.	N.A.

(B) Summary of share based payments March 31, 2019

PARTICULARS	ESOP 2011	ESOP 2013	ESOP 2016	ESOP 2017	ESOP 2018	Total
Outstanding balance at the beginning of the period	**–**	**8,93,011**	**–**	**1,10,70,000**	**–**	**1,19,63,011**
Options granted	–	–	–	–	78,25,000	78,25,000
Options forfeited	–	3,30,750	–	25,65,000	–	28,95,750
Options exercised	–	2,16,500	–	19,64,294	–	21,80,794
Options outstanding at the end of the period	**–**	**3,45,761**	**–**	**65,40,706**	**78,25,000**	**1,47,11,467**
Options exercisable at the end of the period	–	3,45,761	–	65,40,706	–	68,86,467
For share options exercised:						
Weighted average exercise price at date of exercise						32.57
Money realized by exercise of options						7,10,19,920
For share options outstanding						
Range of exercise prices	17.77	25.00	30.00	33.40	50.60	–
Average remaining contractual life of options	–	0.33	–	0.00	6.51	3.47

March 31, 2018						
PARTICULARS	ESOP 2011	ESOP 2013	ESOP 2016	ESOP 2017	ESOP 2018	Total
Outstanding balance at the beginning of the period	**5,92,277**	**19,20,442**	**99,90,000**	**1,51,60,000**	**–**	**2,76,62,719**
Options granted	–	–	–	–	–	–
Options forfeited	91,944	5,77,776	62,16,153	40,90,000	–	1,09,75,873
Options exercised	5,00,333	4,49,655	37,73,847	–	–	47,23,835
Options outstanding at the end of the period	**–**	**8,93,011**	**–**	**1,10,70,000**	**–**	**1,19,63,011**
Options exercisable at the end of the period	–	8,93,011	–	1,10,70,000	–	1,19,63,011
For share options exercised:						
Weighted average exercise price at date of exercise						28.23
Money realized by exercise of options						13,33,63,402
For share options outstanding						
Range of exercise prices	17.77	25.00	30.00	33.40	50.60	–
Average remaining contractual life of options	–	0.86	–	1.00	–	0.99

April 1, 2017						
Particulars	ESOP 2011	ESOP 2013	ESOP 2016	ESOP 2017	ESOP 2018	Total
Outstanding balance at the beginning of the period	**15,26,942**	**22,93,052**	**1,19,40,000**	**–**	**–**	**1,57,59,994**
Options granted	–	–	–	1,51,60,000	–	1,51,60,000
Options forfeited	1,33,722	2,62,791	19,50,000	–	–	23,46,513
Options exercised	8,00,943	1,09,819	–	–	–	9,10,762
Options outstanding at the end of the period	**5,92,277**	**19,20,442**	**99,90,000**	**1,51,60,000**	**–**	**2,76,62,719**
Options exercisable at the end of the period	5,92,277	19,20,442	99,90,000	–	–	1,25,02,719
For share options exercised:						
Weighted average exercise price at date of exercise						18.64
Money realized by exercise of options						1,67,35,369
For share options outstanding						
Range of exercise prices	17.77	25.00	30.00	33.40	50.60	–
Average remaining contractual life of options	0.42	1.35	1.00	2.00	–	1.56

(C) Valuation of stock options

PARTICULARS	ESOP 2011	ESOP 2013	ESOP 2016	ESOP 2017	ESOP 2018
Share price:	17.77	25.00	30.00	33.40	50.60
Exercise Price:	17.77	25.00	30.00	33.40	50.60
Expected Volatility:	0.49	0.37	0.38	0.35	0.38
Contractual Option Life (years):	3.00	3.00	2.00	2.00	7.00
Expected dividends:	0.00	0.00	0.00	0.00	0.00
Risk free interest rate:	8.00%	8.00%	8.00%	6.57%	8.04%
Vesting Dates	33.33% vesting on August 31, 2012	33.33% vesting on July 29, 2014	100% vesting on March 31, 2017	100% vesting on April 2, 2018	20% vesting on September 30, 2019
	66.67% vesting on August 31, 2013	66.67% vesting on July 29, 2015	–	–	40% vesting on September 30, 2020
	100% vesting on August 31, 2014	100% vesting on July 29, 2016	–	–	70% vesting on September 30, 2021
Valuation of incremental fair value on modification	N.A.	N.A.	N.A.	N.A.	N.A.

(D) Options granted and inputs used for measurement of fair value of options, for the key managerial employees and other senior employees

As at March 31, 2019

Name of Scheme	Mr. Rajiv Sabharwal		Mr. Puneet Sharma		Ms. Avan Doomasia	
	Granted	Exercised	Granted	Exercised	Granted	Exercised
ESPS 2009	–	–	1,31,838	1,31,838	80,615	80,615
ESOP 2011	–	–	80,000	80,000	60,000	60,000
PS 2013	–	–	14,212	14,212	8,690	8,690
ESOP 2016	–	–	10,000	10,000	10,000	10,000
ESOP 2017	–	–	10,000	10,000	10,000	10,000
ESOP 2018	16,00,000	–	4,00,000	–	1,25,000	–
Total	**16,00,000**	**–**	**6,46,050**	**2,46,050**	**2,94,305**	**1,69,305**

As at March 31, 2018

Name of Scheme	Mr. Praveen P. Kadle		Mr. Puneet Sharma		Ms. Avan Doomasia	
	Granted	Exercised	Granted	Exercised	Granted	Exercised
ESPS 2009	11,00,000	11,00,000	1,31,838	1,31,838	80,615	80,615
ESOP 2011	2,40,000	2,40,000	80,000	80,000	60,000	60,000
PS 2013	1,18,580	1,18,580	14,212	14,212	8,690	8,690
ESOP 2016	10,000	10,000	10,000	10,000	10,000	10,000
ESOP 2017	10,000	–	10,000	–	10,000	–
Total	**14,78,580**	**14,68,580**	**2,46,050**	**2,36,050**	**1,69,305**	**1,59,305**

As at April 1, 2017

Name of Scheme	Mr. Praveen P. Kadle		Mr. Puneet Sharma		Ms. Avan Doomasia	
	Granted	Exercised	Granted	Exercised	Granted	Exercised
ESPS 2009	11,00,000	11,00,000	1,31,838	1,31,838	80,615	80,615
ESOP 2011	2,40,000	2,40,000	80,000	80,000	60,000	60,000
PS 2013	1,18,580	1,18,580	14,212	14,212	8,690	8,690
ESOP 2016	10,000	–	10,000	–	10,000	–
Total	**14,68,580**	**14,58,580**	**2,36,050**	**2,26,050**	**1,59,305**	**1,49,305**

34 EMPLOYEE BENEFIT EXPENSES

A. Defined contribution plans

The Group and its subsidiary companies makes Provident Fund and Superannuation Fund contributions to defined contribution retirement benefit plans for eligible employees. Under the schemes, the Group is required to contribute a specified percentage of payroll costs to fund the benefits. The contributions as specified under the law are paid to the provident fund set up as a Trust by the Group. The Group is generally liable for annual contributions and any deficiency in interest cost compared to interest computed based on the rate of interest declared by the Central Government under the employee provident scheme, 1952 is recognised as an expense in the year in which it is determined. The Group has recognised ₹ 1,921 lakh (Year ended 31 March 2018 ₹ 1,637 lakh) for Provident Fund contributions and ₹ 175 lakh (Year ended 31 March 2018 ₹ 206 lakh) for Superannuation Fund contributions in the Statement of Profit and Loss. The contributions payable to these plans by the Group are at rates specified in the rules of the schemes.

B. Defined benefit plan

The Group offers its employees defined-benefit plans in the form of a gratuity scheme (a lump sum amount), (Included as part of contribution to provided fund, superannuation fund and other funds as referred in Note 26 of Employee Benefit Expenses). Benefits under the defined benefit plans are typically based on years of service and the employee's compensation (generally immediately before retirement). The gratuity scheme covers substantially 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. On adoption of the Indian Accounting Standard (Ind AS 19) on "Employee Benefits", actuarial valuation is done based on "Projected Unit Credit" method. Gains and losses of changed actuarial assumptions are recognised in other comprehensive income. Each year an Asset - Liability matching study is performed in which the consequences of the strategic investment policies are analysed in terms of risk and return profiles. Investment and contribution policies are integrated within this study.

The Group offers the following employee benefit schemes to its employees:

i. Gratuity

ii. Leave Liability

The following table sets out the funded / unfunded status of the defined benefit schemes and the amount recognised in the financial statements:

a) Reconciliation of balances of Defined Benefit Obligations. (₹ in lakh)

Particulars	As at March 31, 2019		As at March 31, 2018	
	Total Funded	Total Unfunded	Total Funded	Total Unfunded
Defined Obligations at the beginning of the year	5,492	–	4,796	–
Current service cost	809	–	772	–
Interest cost	370	–	348	–
Benefits paid	(37)	–	–	–
Amalgamations / Acquisitions	–	–	10	–
Actuarial (Gains)/ Losses on obligations arising from:				
a. Due to change in financial assumptions	750	–	(64)	–
b. Due to change in experience adjustments	151	–	(59)	–
c. Due to experience adjustments	(75)	–	–	–
Benefits paid directly by the Group	(1,331)	–	(312)	–
Defined Obligations at the end of the year	**6,129**	**–**	**5,492**	**–**

b) Reconciliation of balances of Fair Value of Plan Assets (₹ in lakh)

Particulars	As at March 31, 2019		As at March 31, 2018	
	Total Funded	Total Unfunded	Total Funded	Total Unfunded
As on 31 March 2019				
Fair Value at the beginning of the year	**5,602**	**–**	5,193	–
Expected return on plan assets	**(12)**	**–**	9	–
Employer contributions	**452**	**–**	–	–
Benefits paid	**(37)**	**–**	–	–
Interest Income on Plan Assets	**447**	**–**	389	–
Fair Value of Plan Assets at the end of the year	**6,452**	**–**	**5,602**	**–**

c) Funded status (₹ in lakh)

Particulars	As at March 31, 2019		As at March 31, 2018		As at April 1, 2017	
	Total Funded	Total Unfunded	Total Funded	Total Unfunded	Total Funded	Total Unfunded
Surplus of plan assets over obligations	322	–	109	–	396	–
Total	**322**	**–**	**109**	**–**	**396**	**–**

d) **Categories of plan assets** (₹ in lakh)

Particulars	As at March 31, 2019		As at March 31, 2018		As at April 1, 2017	
	Total Funded	Total Unfunded	Total Funded	Total Unfunded	Total Funded	Total Unfunded
Corporate bonds	**2,778**	**–**	2,409	–	2,129	–
Equity shares	**675**	**–**	672	–	831	–
Government securities	**2,940**	**–**	2,465	–	1,714	–
Cash	**59**	**–**	56	–	519	–
Total	**6,452**	**–**	**5,602**	**–**	**5,193**	**–**

e) **Amount recognised in Balance sheet** (₹ in lakh)

Particulars	Year ended March 31, 2019		Year ended March 31, 2018		As at April 1, 2017	
	Total Funded	Total Unfunded	Total Funded	Total Unfunded	Total Funded	Total Unfunded
Present value of the defined benefit obligation	6,129	–	5,492	–	4,796	–
Fair value of plan assets	6,452	–	5,602	–	5,193	–
Net asset / (liability) recognised in the Balance Sheet	**322**	**–**	**109**	**–**	**396**	**–**

f) **Amount recognised in Statement of Profit and Loss** (₹ in lakh)

Particulars	Year ended March 31, 2019		Year ended March 31, 2018	
	Total Funded	Total Unfunded	Total Funded	Total Unfunded
Current Service Cost	809	**–**	772	–
Interest Cost (net)	(77)	–	(41)	–
Expenses for the year	**732**	**–**	**731**	**–**

g) **Amount recognised in OCI** (₹ in lakh)

Particulars	Year ended March 31, 2019		Year ended March 31, 2018	
	Total Funded	Total Unfunded	Total Funded	Total Unfunded
a. Due to change in financial assumptions	750	–	(64)	–
b. Due to change in experience adjustments	151	–	(59)	–
c. Due to experience adjustments	(75)	–	–	–
d. (Return) on plan assets (excl. interest income)	12	–	(9)	–
Total remeasurements in OCI	**838**	**–**	**(132)**	**–**
Total defined benefit cost recognized in P&L and OCI	**1,570**	**–**	**599**	**–**

h) **Expected cash flows for the following year** (₹ in lakh)

Particulars	Year ended March 31, 2019	Year ended March 31, 2018
Expected total benefit payments	9,814	4,918
Year 1	660	681
Year 2	750	171
Year 3	802	250
Year 4	855	306
Year 5	951	438
Next 5 years	**5,796**	**3,072**

i) **Major Actuarial Assumptions**

Particulars	As at March 31, 2019	As at March 31, 2018	As at April 1, 2017
Discount Rate (%)	7.20%	7.70%	7.50%
Salary Escalation/ Inflation (%)	Non CRE: 8.25%, CRE & J Grade:6%	7.5% for first 5 years and 6% thereafter	7.5% for first 5 years and 6% thereafter
Expected Return on Plan assets (%)	7.20%	7.70%	7.50%
Mortality Table	**Indian assured lives Mortality (2006-08) (modified) Ult.**	**Indian assured lives Mortality (2006-08) (modified) Ult.**	**Indian assured lives Mortality (2006-08) (modified) Ult.**
Medical cost inflation			
Withdrawal (rate of employee turnover)	CRE and J Grade : 40%; Non CRE :Less than 5years 25% and more than 5 years 10%	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%
Retirement Age	60 years	60 years	60 years
Estimate of amount of contribution in the immediate next year	**660**	**681**	

The estimates for future salary increases, considered in actuarial valuation, take into account inflation, seniority, promotion and other relevant factors.

The expected return on plan assets is based on market expectation, at the beginning of the period, for returns over the entire life of the related obligation.

j) **Sensitivity analysis**

Reasonably possible changes at the reporting date to one of the relevant actuarial assumptions, holding other assumptions constant, would have affected the defined benefit obligation by the amounts shown below.

	March 31, 2019		March 31, 2018	
	Increase	Decrease	Increase	Decrease
Discount rate (1% movement)	(391.50)	441.87	(558.72)	664.93
Future salary growth (1% movement)	434.06	(392.13)	666.50	(569.38)
Others (Withdrawal rate 5% movement)	(273.37)	385.93	102.10	(5.59)

k) **Provision for leave encashment**

	March 31, 2019		March 31, 2018		April 1, 2017	
	Non current	Current	Non current	Current	Non current	Current
Liability for compensated absences	1,410.01	510.61	1,193.71	223.17	163.83	31.47

Experience adjustments	Defined benefit obligation	Plan assets	Surplus/ (deficit)	Experience adjustments on plan liabilities	Experience adjustments on plan assets
Funded					
2018-19	6,129	6,452	322	(151)	(12)
2017-18	5,492	5,602	109	59	9
2016-17	4,797	5,192	395	(482)	124
Unfunded					
2015-16	3,012	2,577	(435)	(319)	(142)
2014-15	2,470	2,380	(89)	(91)	185

35. Disclosure as required by Indian Accounting Standard (Ind AS) – 24 on "Related Party Disclosures" notified under the Companies (Indian Accounting Standard) Rules, 2015

A) List of Related Parties

Holding Company	Tata Sons Private Limited (formerly known as Tata Sons Limited)
Associates	Tata Autocomp Systems Limited
	Portfolio Investments of Domestic Venture Capital Funds
	Roots Corporation Limited
	Tata Projects
	Tata Sky Limited
	Associates of Subsidiaries
	Associates of Tata Capital Financial Services Limited
	Shriram Properties Private Limited
	TVS Supply Chain Solutions Limited
	Fincare Business Services Limited
	Varroc Engineering Private Limited (ceased w.e.f. 06.07.2018)
	International Asset Reconstruction Company Private Limited (Ceased w.e.f 08.03.2018)
	Associates of Domestic Venture Capital Funds (Portfolio Investments)
	Lokmanaya Hospital Private Limited
	Novalead Pharma Private Limited
	Shriji Polymers (India) Limited
	Vortex Engineering Private Limited
	Pluss Advanced Technologies Private Limited
	Sea6 Energy Private Limited
	Alef Mobitech Solutions Private Limited
	TEMA India Private Limited
	Kapsons Industries Limited
	Tata Technologies Limited

	Shriniwas Engineering Auto Components Private Limited (ceased w.e.f. 02.11.2017)
	Star Health & Allied Insurance Company Limited (ceased w.e.f. 28.03.2019)
	Sai Life Science Limited (ceased w.e.f. 25.07.2018)
	Agile Electrical Sub Assembly Private Limited (ceased w.e.f. 27.08.2017)
Post Employment Benefit Plan	Tata Capital Limited Gratuity Scheme
	Tata Capital Limited Employees Provident Fund
	Tata Capital Limited Superannuation Scheme
	Tata Securities Limited Employees Gratuity Scheme
	Tata Securities Limited Employees Superannuation Scheme
Other Related Parties (with which the Group had transactions)	
	Conneqt Business Solutions Limited
	Tata Consultancy Services Limited
	Tata AIG General Insurance Company Limited
	Tata AIA Life Insurance Company Limited
	Infiniti Retail Limited
	Tata International Limited
	Tata International DLT Private Limited
	Calsea Footwear Private Limited
	Tata Precision Industries (I) Limited
	Automotive Stamping And Assemblies Limited
	Tata Toyo Radiator Limited
	Tata Autocomp GY Batteries Private Limited
	Tata Advanced Systems Limited
	Tata Lockheed Martin Aerostructures Limited
	Tata Sikorsky Aerospace Limited
	Tata Boeing Aerospace Limited
	Tata Asset Management
	Tata Industries Limited
	Tata Teleservices Limited
	Tata Teleservices (Maharashtra) Limited
	MMP Mobi Wallet Payment Systems Limited
	Tata Housing Development Company Limited
	Smart Value Homes (Peenya Project) Private Limited
	Sector 113 Gatevida Developers Private Limited
	Ardent Properties Private Limited
	Taj Air Limited
	Inshaallah Investments Limited
	Niskalp Infrastructure Services Limited
	AirAsia (India) Limited

	Coastal Gujarat Power Limited
	TP Ajmer Distribution Limited
	Industrial Energy Limited
	Maithon Power Limited
	Nelco Limited
	Powerlinks Transmission Limited
	Tata Power Delhi Distribution Limited
	Tata Power Solar Systems Limited
	Tata Power Trading Company Limited
	Tata Motors Limited
	Tata Motors Finance Limited
	Concorde Motors (India) Limited
	Jaguar Land Rover Automotive plc
	Tata Steel Limited
	Tata Metaliks Limited
	Tayo Rolls Limited
	Jamshedpur Utilities & Services Co. Limited
	Sir Ratan Tata Trust
	Tata Communications Limited
	Tata Communications Transformation Services Limited
	The Associated Building Company Limited
	The Indian Hotels Company Limited
	Piem Hotels Limited
	United Hotels Limited
	Voltas Limited
	Trent Limited
	Fiora Hypermarket Limited
	Tata Elxsi Limited
	Titan Company Limited
	Tata Global Beverages Limited
	Ewart Investments Limited
	Tata Trustee Company Limited
	Tata Investment Corporation Limited
	Tata Chemicals Limited
	Af-Taab Investment Company Limited
	International Finance Corporation
	Tata Realty & Infrastructure Limited
	Tata Consulting Engineers Limited
	Tata Advanced Materials Limited
	Indian Rotorcraft Limited
	TRIL Roads Private Limited
	TRIL Infopark Limited
	TRIL Constructions Limited
	Tata Unistore Limited (Formerly Tata Industrial Services Limited)

	Tata SIA Airlines Limited
	Nova Integrated Systems Limited
	TRIL Amritsar Projects Limited
	TRIF Real Estate and Development Limited
	TASEC Limited (formerly TAS-AGT Systems Limited)
	Tata Value Homes Limited
	Hampi Expressways Private Limited
	Dharamshala Ropeway Limited
	Gurgaon Realtech Limited
	Manali Ropeways Private Limited
	Qubit Investment Pte. Limited
	Gurgaon Construct Well Private Limited
	Matheran Rope-Way Private Limited
	Mikado Realators Private Limited
	TRIL IT4 Private Limited
	TRIL Urban Transport Limited
	International Infrabuild Private Limited
	Kolkata-One Excelton Private Limited
	Apex Investments (Mauritius) Holding Private Limited
Key Management	Mr. Rajiv Sabharwal - Managing Director & CEO (w.e.f April 1, 2018)
	Mr. Puneet Sharma - Chief Financial Officer
	Ms. Avan Doomasia - Company Secretary
	Mr. F. N. Subedar - Non-Executive Director
	Mr. Nalin M. Shah - Independent Director
	Mr. Saurabh Agrawal - Non-Executive Director (w.e.f July 28, 2017)
	Mr. Mehernosh B. Kapadia - Independent Director (w.e.f October 24, 2017)
	Ms. Aarthi Subramanian - Non-Executive Director (w.e.f October 30, 2017)
	Mr. Praveen P Kadle - Managing Director & CEO (retired w.e.f March 31, 2018)
	Dr. Ritu Anand - Non-Executive Director (retired w.e.f October 31, 2017)
	Mr. Janki Ballabh - Independent Director (retired w.e.f October 23, 2017)
	Mr. Ishaat Hussain - Non-Executive Director (retired w.e.f September 3, 2017)
	Dr. Nirmalya Kumar - Non-Executive Director (retired w.e.f October 28, 2016)

NOTE "35"

(₹ in lakh)

B) TRANSACTIONS WITH RELATED PARTIES :

Sr. No	Party Name			Nature of transaction	FY 2018-19	FY 2017-18	April 1, 2017
1	Tata Sons Private Limited (formerly known as Tata Sons Limited)	a)	Expenses				
				- Brand Equity and Business Promotion	2,439	1,951	-
				- Rent	-	70	-
				- Other charges	32	138	-
		b)	Income				
				- Interest Income	5	6	-
				- Reimbursement of Expenses	12	0	-
				- Income from Travel services	-	536	-
		c)	Other Transactions				
				- Issue of Equity Shares (including Premium)	2,50,000	-	-
				- Security deposit refund received	-	103	-
				- Security deposit refund paid	-	-	-
				- Finance Lease			
				Repaid during year	9	8	-
		d)	Assets				
				- Receivable Outstanding facility	40	50	58
				- Balance receivable*	0	5	129
				- Security deposit receivable	-	-	103
		e)	Liabilities				
				- Equity shares held	3,12,851	2,63,443	2,63,443
				- Balance Payable	2,439	1,951	1,795
		f)	Commitments	- Off balance sheet exposure	30	30	32
2	Tata Autocomp Systems Limited	a)	Income				
				- Dividend Received	966	966	-
				- Operating Lease Rentals	21	-	-
				- Fees Income	51	6	-
				- Reimbursement of Expenses*	1	-	-
				- Income from other services	-	251	-
		b)	Other Transactions				
				- Security deposit received during period	326	-	-
		c)	Liabilities				
				- Security deposit payable	326	-	-
		d)	Assets				
				- Balance receivable	7	-	109
				- Investment in Equity Shares	35,290	32,689	32,547
		e)	Commitments	- Off balance sheet exposure	350	-	-
3	Roots Corporation Limited	a)	Expenses				
				- Travelling Expenses*	0	0	-
		b)	Other Transactions				
				- Investment in Equity shares	182	-	-
		c)	Assets				
				- Investment in Equity Shares	2,062	1,880	1,880
				- Provision for Dimninution in value of Investment	128	120	-
4	Tata Sky Limited	a)	Income				
				- Income from Travel services	-	7	-
		b)	Assets				
				- Investment in Equity Shares	5,744	5,499	5,242
				- Balance receivables	-	-	3
5	Tata Projects	a)	Income				
				- Dividend received	45	34	-
				- Interest Income	99	-	-
				- Lease Rental	1,716	1,234	-
		b)	Assets				
				- Investment in Equity Shares	3,729	3,237	2,823
				- Finance Lease			
				Finance Lease given	802	-	-
				Finance Lease repayment received	122	-	-
				Finance Lease receivable	680	-	-
				- Balance Receivable	18	174	63
		c)	Liabilities				
				- Security Deposit			

NOTE "35"

(₹ in lakh)

B) TRANSACTIONS WITH RELATED PARTIES :

Sr. No	Party Name			Nature of transaction	FY 2018-19	FY 2017-18	April 1, 2017
				Security Deposit received	337	105	-
				Security Deposit payable	492	155	50
		d)	Commitments	- Off balance sheet exposure	10,982	-	-
6	Shriram Properties Private Limited	a)	Assets				
				- Investment in Equity Shares	3,935	3,935	3,935
				- Provision for Diminution in value of Investment	(585)	(585)	-
7	TVS Supply Chain Solutions Limited	a)	Income				
				- Dividend received	3	-	-
				- Interest Income	416	296	-
				- Bill Discounting	5	4	-
				- Processing Fees	15	-	-
		b)	Assets				
				- Term Loan			
				Loan given during the period	4,220	2,500	-
				Loan repaid during the period	833	2,308	-
				Loan balance	5,678	2,292	2,100
				- Balance Receivable	105	77	94
				- Investment in Equity Shares	1,552	1,513	1,465
		c)	Commitments	- Off balance sheet exposure	1,040	726	906
8	Fincare Business Services Limited	a)	Assets				
				- Investment in Equity Shares	772	601	660
9	Varroc Engineering Private Limited	a)	Income				
				- Dividend received	-	8	-
		b)	Assets				
				- Investment in Equity Shares	-	3,341	2,521
10	International Asset Reconstruction Company Private Limited (Ceased w.e.f 08.03.2018)	a)	Assets				
				- Redemption of Security Receipts during the year	-	304	-
				- Balance of Security Receipts	-	-	1,130
				- Balance in Equity Shares	-	-	3,854
11	Lokmanaya Hospital Private Limited	a)	Assets				
				- Investment in Equity Shares	2,464	2,464	2,464
12	Novalead Pharma Private Limited	a)	Assets				
				- Investment in Equity Shares	2,299	2,313	2,335
13	Shriji Polymers (India) Limited	a)	Assets				
				- Investment in Equity Shares	1,570	1,382	819
				- Investment in Preference Shares	3,278	3,278	3,278
14	Vortex Engineering Private Limited	a)	Assets				
				- Investment in Equity Shares	2,900	2,900	2,900
15	Pluss Advanced Technologies Private Limited	a)	Assets				
				- Investment in Equity Shares	1,369	1,396	1,500
				- Investment in Preference Shares	1,000	1,000	1,000
16	Sea6 Energy Private Limited	a)	Assets				
				- Investment in Equity Shares	3,379	3,526	3,500
17	Alef Mobitech Solutions Private Limited	a)	Assets				
				- Investment in Equity Shares	1,321	1,163	1,288
				- Investment in Preference Shares	1,712	1,712	1,712
18	TEMA India Private Limited	a)	Income				
				- Dividend Income	45	45	-
		b)	Assets				
				- Investment in Equity Shares	1	1	1
				- Investment in Preference Shares	4,500	4,500	4,500
19	Kapsons Industries Limited	a)	Income				
				- Interest Income	-	8	-
		b)	Assets				
				- Term Loan			
				Loan repaid during the period	-	1,352	-
				Loan balance	-	-	1,352
				NPA Provision	-	-	(25)
				- Balance Receivable	-	-	2
				- Investment in Equity Shares	1	1	1

NOTE "35"

(₹ in lakh)

B) TRANSACTIONS WITH RELATED PARTIES :

Sr. No	Party Name			Nature of transaction	FY 2018-19	FY 2017-18	April 1, 2017
				- Investment in Preference Shares	6,000	6,000	6,000
20	Tata Technologies Limited	a)	Income				
				- Interest Income	12	7	-
				- Reimbursement of expenses	-	7	-
				- Dividend Income	-	468	-
		b)	Expenses				
				- Dividend on CRPS paid	42	42	-
				- IT Expenses	47	77	-
		c)	Assets				
				- Finance Lease			
				Finance Lease given	24	89	-
				Finance Lease repayment received	15	16	-
				Finance Lease balance receivable	82	73	-
				- Balance Receivable	11	11	31
				- Investment in Equity Shares	7,240	5,915	4,707
		d)	Liabilities				
				- Cumulative Redeemable Preference shares held	333	333	333
				- Balance Payable	-	-	-
		e)	Commitments	- Off balance sheet exposure	349	393	-
21	Shriniwas Engineering Auto Components Private Limited (ceased w.e.f. 02.11.2017)	a)	Assets	- Investment in Equity Shares	-	-	1,000
22	Star Health & Allied Insurance Company Limited (ceased w.e.f. 28.03.2019)	a)	Assets	- Investment in Equity Shares	-	6,902	6,000
23	Sai Life Science Limited (ceased w.e.f. 25.07.2018)	a)	Assets	- Investment in Equity Shares	-	7,977	7,260
24	Agile Electrical Sub Assembly Private Limited (ceased w.e.f. 27.08.2017)	a)	Assets	- Investment in Equity Shares	-	-	3,202
25	Tata Capital Limited Gratuity Scheme	a)	Contribution to Gratuity fund		414	-	-
		b)	Liabilities				
				- Provision for Trust's exposure to investment in IL & FS	152	-	-
26	Tata Capital Limited Employees Provident Fund	a)	Expenses				
				- Contribution to Providend Fund	3,767	3,216	-
				- Reimb of Expenses	1	-	-
		b)	Liabilities				
				- Provision for Trust's exposure to investment in IL & FS	223	-	-
		c)	Assets				
				Refund received	-	14	-
				Balance receivable	-	-	14
27	Tata Capital Limited Superannuation Scheme	a)	Superannuation Contribution		181	201	-
		b)	Assets	- Balance Receivable	39	-	1
28	Tata Securities Limited Employees Gratuity Scheme	a)	Contribution to Gratuity fund		-	38	-
29	Tata Securities Limited Euperannuation Scheme	a)	Superannuation Contribution *		0	4	-

NOTE "35"

(₹ in lakh)

B) TRANSACTIONS WITH RELATED PARTIES :

Sr. No	Party Name			Nature of transaction	FY 2018-19	FY 2017-18	April 1, 2017
30	Conneqt Business Solutions Limited	a)	Expenses				
				- Service Provider Charges	6,753	6,848	-
		b)	Income				
				- Dividend received during the period	-	197	-
				- Interest Income	240	168	-
				- Sale of fixed Assets	29	-	-
				- Rental Income	673	682	-
				- Reimbursement of Expenses	392	264	-
				- Income from Travel Services	-	118	-
		c)	Assets				
				- Investment in Equity Shares	-	-	870
				- Investments in Compulsorily convertible Cumulative Preference shares	-	-	1,720
				- Loan given	-	2,409	-
				- Loan repaid	2,140	462	-
				- Loan Outstanding	1,042	3,183	1,246
				- Balance Receivable	402	163	214
		d)	Liabilities				
				- Security Deposit	37	37	37
				- Balance Payable	1,889	1,293	1,078
				- Provision for Doubtful debts	179	-	-
		e)	Commitments	- Off balance sheet exposure	-	2,269	-
31	Tata Consultancy Services Limited	a)	Expenses				
				- Information technology Expenses	7,716	7,930	-
				- Advertisements and publicity	200	-	-
		b)	Income				
				- Interest Income	37	16	-
				- Reimbursement of Expenses	-	-	-
				- Income from Travel services	-	494	-
		c)	Assets				
				- Fixed Assets Purchased	-	8	-
				- Finance Lease			
				Facility given during the year	38	217	-
				Repaid during year	29	6	-
				Outstanding facility	220	211	-
				- Balance Receivable	38	-	4
				- Balance Receivable (travel services)	-	-	1,374
		d)	Liabilities				
				- Balance Payable	2,919	2,449	2,494
		e)	Commitments	- Off balance sheet exposure	1,542	2,087	-
32	Tata AIG General Insurance Company Limited	a)	Expenses				
				- Insurance Expenses	22	10	-
		b)	Income				
				- Insurance related revenue	857	621	-
				- Income from Travel services	-	277	-
		c)	Assets				
				- Balance Receivable	166	515	74
33	Tata AIA Life Insurance Company Limited	a)	Expenses				
				- Insurance Expenses	57	56	-
		b)	Income				
				- Insurance related revenue	69	52	-
		c)	Assets				
				- Balance Receivable	92	56	41
34	Infiniti Retail Limited	a)	Expenses				
				- NSR Payment	1,243	771	-
				- DMA Commission	167	-	-
				- Commission on Cards and Gift Cards	101	133	-
				- Purchase of Fixed Assets	3	2	-
		b)	Income				
				- Operating Lease Rentals	211	210	-

NOTE "35"

(₹ in lakh)

B) TRANSACTIONS WITH RELATED PARTIES :

Sr. No	Party Name			Nature of transaction	FY 2018-19	FY 2017-18	April 1, 2017
				- Processing fees	-	2	-
				- Income from Travel services	-	20	-
		c)	Liabilities				
				- Security deposit payable	75	75	74
				- Balance payable	-	11	-
		d)	Assets				
				- Balance Receivable	2	0	28
35	Tata International Limited	a)	Income				
				- Income from travel services	-	7	-
		b)	Liabilities				
				- Equity shares held	79	79	79
		c)	Assets				
				- Balance Receivable*	-	-	0
36	Tata International DLT Private Limited	a)	Income				
				- Interest Income	55	64	-
		b)	Assets				
				- Loan given	-	500	-
				- Loan repaid	200	175	-
				- Outstanding loan	425	625	300
				- Balance Receivable	1	2	1
37	Calsea Footwear Private Limited	a)	Income				
				- Interest income on Inter-Corporate Deposit	110	141	-
		b)	Assets				
				- ICD given during the year	-	1,500	-
				- ICD repaid during the year	1,500	1,300	-
				- Outstanding Inter-Corporate Deposit #	-	1,500	1,300
				- Interest receivable	-	38	35
38	Tata Precision Industries (I) Limited	a)	Income				
				- Interest Income	10	11	-
		b)	Assets				
				- Term Loan			
				Loan repaid during the period	23	-	-
				Loan balance	68	90	90
				- Balance Receivable*	0	0	0
39	Automotive Stamping and Assemblies Limited	a)	Income				
				- Team Loan - Interest	476	242	-
				- Operating Lease Rentals	62	62	-
				- Processing fees	8	6	-
		b)	Assets				
				- Loan given during the year	17,160	4,900	-
				- Loan repaid during the year	15,485	3,950	-
				- Outstanding loan	434	1,184	1,634
				- Outstanding loan #	3,790	1,400	-
				- Balance Receivable	39	16	2
		c)	Liabilities				
				- Balance in escrow account	-	35	-
		d)	Commitments	- Off balance sheet exposure	709	1,100	-
40	Tata Toyo Radiator Limited	a)	Income				
				- Operating Lease Rentals	144	-	-
				- Processing fees	14	-	-
				- Income from travel services	-	16	-
		b)	Liabilities				
				- Security deposit payable	490	-	-
		c)	Assets				
				- Balance receivable	1	-	8
41	Tata Autocomp GY Batteries Private Limited	a)	Income				
				- Interest Income	37	9	-
				- Processing Fees	-	3	-
		b)	Assets				

NOTE "35"

(₹ in lakh)

B) TRANSACTIONS WITH RELATED PARTIES :

Sr. No	Party Name			Nature of transaction	FY 2018-19	FY 2017-18	April 1, 2017
				- Trade Advance #	501	1,001	837
		c)	Commitments	- Off balance sheet exposure	500	-	-
42	Tata Advanced Systems Limited	a)	Income				
				- Interest Income	12	7	-
				- Income from travel services	-	65	-
		b)	Assets				
				- Facility given during the year	85	33	-
				- Repaid during year	11	16	-
				- Outstanding facility	128	52	35
				- Balance Receivable	2	2	2
		c)	Commitments	- Off balance sheet exposure	122	351	396
43	Tata Lockheed Martin Aerostructures Limited	a)	Income				
				- Interest Income	5	1	-
				- Income from travel services	-	5	-
		b)	Assets				
				- Facility given during the year	70	-	-
				- Repaid during year	13	2	-
				- Outstanding facility	61	4	6
				- Balance receivable*	1	0	0
44	Tata Sikorsky Aerospace Limited	a)	Income				
				- Interest Income	1	-	-
				- Income from travel services	-	11	-
		b)	Assets				
				- Facility given during the year	8	-	-
				- Repaid during year	1	-	-
				- Outstanding facility	7	-	-
				- Balance receivable*	0	-	-
45	Tata Boeing Aerospace Limited	a)	Income				
				- Interest Income*	0	-	-
				- Income from travel services	-	16	-
		b)	Assets				
				- Facility given during the year	6	-	-
				- Repaid during year*	0	-	-
				- Outstanding facility	6	-	-
				- Balance receivable*	0	-	1
46	Tata Asset Management	a)	Income				
				- Portfolio Management Service	18	17	-
				- Income from travel services	-	34	-
		b)	Assets				
				- Balance receivable	-	-	4
47	Tata Industries Limited	a)	Expenses				
				- Professional Fees	-	22	-
		b)	Income				
				- Interest Income	413	1,167	-
				- Recovery of Expenses*	0	-	-
				- Income from travel services	-	50	-
		c)	Assets				
				- Facility given during the year	20	13	-
				- Repaid during year	46	155	-
				- Outstanding facility	178	216	358
				- Balance receivable	76	119	18
		d)	Liabilities				
				- Equity shares held	227	227	227
				- Balance Payable	-	-	248
		e)	Commitments	- Off balance sheet exposure	1,876	933	1,149
48	Tata Teleservices Limited	a)	Expenses				
				- Communication Expenses	112	129	-
				- Rent and other Expenses	92	25	-
		b)	Income				
				- Interest Income	48	148	-
				- Operating Lease Rentals	165	600	-

NOTE "35"

(₹ in lakh)

B) TRANSACTIONS WITH RELATED PARTIES :

Sr. No	Party Name			Nature of transaction	FY 2018-19	FY 2017-18	April 1, 2017
				- Income from travel services	-	2	-
		c)	Assets				
				- Facility given during the year	21	145	-
				- Repaid during year	495	854	-
				- Outstanding facility	151	625	1,333
				- Balance receivable	6	0	39
				- Security Deposit Premises	8	8	8
				- Balance equity shares	14,318	14,318	14,318
				- Provision for diminution in value	(14,318)	(14,318)	(14,318)
		d)	Liabilities				
				- Balance payable	-	43	-
		e)	Commitments	- Off balance sheet exposure	4	22	976
49	Tata Teleservices (Maharashtra) Limited	a)	Expenses				
				- Communication Expenses	217	334	-
		b)	Income				
				- Operating Lease Rentals	12	71	-
		c)	Liabilities				
				- Balance Payable*	0	10	11
50	MMP Mobi Wallet Payment Systems Limited	a)	Income				
				- Operating Lease Rentals	-	4	-
		b)	Expenses				
				Staff welfare Expenses	-	8	-
51	Tata Housing Development Company Limited	a)	Income				
				- Referral Fee	-	5	-
				- Income from travel services	-	5	-
		b)	Assets				
				- Balance Receivable	-	-	14
52	Smart Value Homes (Peenya Project) Private Limited	a)	Income				
				- Referral Fee	1	-	-
53	Sector 113 Gatevida Developers Private Limited	a)	Income				
				- Referral Fee	-	8	-
54	Ardent Properties Private Limited	a)	Asset				
				- Balance Receivable	-	-	10
55	Taj Air Limited	a)	Income				
				- Interest Income	-	29	-
				- Income from travel services	-	43	-
		b)	Assets				
				- Term Loan			
				- Loan Repaid during year	-	6,000	-
				- Loan Balance	-	-	3,500
				- Loan Balance #	-	-	2,500
				- Balance receivable	-	-	39
56	Inshaallah Investments Limited	a)	Income				
				- Rent and others*	-	0	-
57	Niskalp Infrastructure Services Limited	a)	Income				
				- Rent and others*	0	2	-
		b)	Assets				
				- Balance receivable	-	-	4
58	AirAsia (India) Limited	a)	Income				
				- Interest Income	358	-	-
				- Processing Fees	50	-	-
		b)	Assets				
				- Term Loan			
				Loan given during the year	10,000	-	-
				Loan Balance	10,000	-	-
				- Balance Receivable	80	-	-

NOTE “35”

(₹ in lakh)

B) TRANSACTIONS WITH RELATED PARTIES :

Sr. No	Party Name			Nature of transaction	FY 2018-19	FY 2017-18	April 1, 2017
59	Coastal Gujarat Power Limited	a)	Income				
				- Interest Income	2,037	29	-
				- Processing Fees	83	-	-
		b)	Assets				
				- Loan given	32,560	304	-
				- Loan repayment received	5	882	-
				- Loan Balance	66	12	590
				- Loan Balance#	32,500	-	-
				- Balance Receivable	18	10	268
60	TP Ajmer Distribution Limited	a)	Income				
				- Interest Income*	3	0	-
				- Processing Fees	-	-	-
		b)	Assets				
				- Loan given	16	5	-
				- Loan repayment received *	4	0	-
				- Loan Balance	17	5	-
				- Balance Receivable*	0	5	-
61	Industrial Energy Limited	a)	Income				
				- Interest Income	2	-	-
		b)	Assets				
				- Loan given	35	-	-
				- Loan repayment received	1	-	-
				- Loan Balance	33	-	-
				- Balance Receivable*	0	-	-
62	Maithon Power Limited	a)	Income				
				- Interest Income	1	1	-
				- Processing Fees	1	-	-
		b)	Assets				
				- Loan given	21	-	-
				- Loan repayment received	1	41	-
				- Loan Balance	20	-	41
63	Nelco Limited	a)	Income				
				- Interest Income	2	158	-
				- Processing Fees	-	8	-
		b)	Expenses				
				- IT Expenses*	0	-	-
		c)	Assets				
				- Loan given	12	1,211	-
				- Loan repayment received	7	2,544	-
				- Loan Balance	16	11	40
				- Loan Balance #	-	-	1,303
				- Balance Receivable *	0	1	4
		d)	Commitments	- Off balance sheet exposure	418	433	448
64	Powerlinks Transmission Limited	a)	Income				
				- Interest Income*	1	0	-
		b)	Assets				
				- Loan given	-	6	-
				- Loan repayment received *	5	0	-
				- Loan Balance	-	5	-
				- Balance Receivable*	0	0	-
65	Tata Power Delhi Distribution Limited	a)	Expenses				
				- Business promotion Expenses*	0	0	-
66	Tata Power Solar Systems Limited	a)	Income				
				- Interest Income	4	2	-
		b)	Assets				
				- Loan given	26	6	-
				- Loan repayment received	14	54	-
				- Loan Balance	13	1	49
				- Balance Receivable	(12)	7	2
		c)	Commitments	- Off balance sheet exposure	229	255	255
67	Tata Power Trading Company Limited	a)	Income				

NOTE "35"

(₹ in lakh)

B) TRANSACTIONS WITH RELATED PARTIES :

Sr. No	Party Name			Nature of transaction	FY 2018-19	FY 2017-18	April 1, 2017
				- Interest Income*	1	0	-
		b)	Assets				
				- Loan given	-	6	-
				- Loan repayment received *	1	0	-
				- Loan Balance	6	6	-
				- Balance Receivable*	0	0	-
68	Tata Motors Limited	a)	Income				
				- Interest Income	53	202	-
		b)	Assets				
				- Loan repayment received	223	214	-
				- Loan Balance	359	582	796
				- Balance Receivable	6	22	14
				- Investment in Debentures	7,905	7,099	1,379
		c)	Liabilities				
				- Equity shares held	433	433	433
		d)	Commitments	- Off balance sheet exposure	74	74	74
69	Tata Motors Finance Limited	a)	Income				
				- Interest Income	505	419	-
		b)	Expenses				
				- Dividend on CRPS paid	8	8	-
				- FA Purchased	2	-	-
				- Rent and Others	2	1	-
		c)	Assets				
				- Balance Receivable	2,042	2,042	2,042
		d)	Liabilities				
				- Cumulative Redeemable Preference shares held	67	67	-
70	Concorde Motors (India) Limited	a)	Income				
				- Interest Income	1,854	944	-
				- Lease Rental	486	460	-
				- Processing Fees	19	1	-
		b)	Expenses				
				- Insurance Premium	0	-	-
				- FA Purchased	23	5	-
		c)	Assets				
				- Loan given	1,08,463	82,537	-
				- Loan repayment received	1,06,788	72,677	-
				- Loan Balance #	18,787	17,111	8,701
				- Balance receivable	173	139	65
		d)	Commitments	- Off balance sheet exposure	2,548	2,989	-
71	Jaguar Land Rover Automotive plc	a)	Income				
				Interest Income	7	-	-
		b)	Assets				
				- Investment in Debentures	1,325	-	-
72	Tata Steel Limited	a)	Income				
				- Dividend received during the period	2	1	-
				- Interest Income	229	206	-
		b)	Expenses				
				- Rent and Other Expenses	1	3	-
		c)	Other Transactions				
				- Investment in Equity Shares (Fully paid)	-	11	-
				- Investment in Equity Shares (Partly paid)	-	2	-
		d)	Assets				
				- Investment in Equity Shares (Fully paid)	82	89	65
				- Investment in Equity Shares (Partly paid)	1	2	-
				- Investment in Debentures	5,517	4,943	4,345
				- Balance Receivable	-	-	-
		e)	Commitment				
				- Off balance sheet liability	5	5	-
73	Tata Metaliks Limited	a)	Income				
				- Operating Lease Rental	13	-	-

NOTE "35"

(₹ in lakh)

B) TRANSACTIONS WITH RELATED PARTIES :

Sr. No	Party Name			Nature of transaction	FY 2018-19	FY 2017-18	April 1, 2017
				- Processing Fees	-	-	-
		b)	Liabilities				
				- Security Deposit Payable	8	-	-
74	Tayo Rolls Limited	a)	Income				
				- Interest Income*	1	0	-
		b)	Assets				
				- Loan outstanding #	3	3	1
75	Jamshedpur Utilities & Services Co. Limited	a)	Assets				
				- Balance Receivable*	0	-	-
		b)	Commitments	- Off balance sheet exposure	15	-	-
76	Sir Ratan Tata Trust	a)	Income				
				- Interest Income	1	1	-
		b)	Assets				
				- Loan repayment received	4	3	-
				- Loan Balance	3	7	-
				- Balance Receivable*	0	0	1
		c)	Commitments	- Off balance sheet exposure	36	36	36
77	Tata Communications Limited	a)	Income				
				- Interest Income	5	7	-
		b)	Expenses				
				- IT Expenses	311	452	-
		c)	Assets				
				- Loan repayment received	16	18	-
				- Loan Balance	36	52	70
				- Balance Receivable	2	3	2
		d)	Commitments	- Off balance sheet exposure	360	360	367
78	Tata Communications Transformation Services Limited	a)	Income				
				- Interest Income	4	8	-
		b)	Assets				
				- Loan given	-	6	-
				- Loan repayment received	13	35	-
				- Loan Balance	23	36	66
				- Balance Receivable	(1)	(1)	3
79	The Associated Building Company Limited	a)	Income				
				- Interest Income	756	65	-
				- Lease Rental	469	-	-
		b)	Assets				
				- Loan given	8,181	3,800	-
				- Loan repayment received	7,261	8	-
				- Loan Balance #	4,144	3,827	36
				- Loan Balance	595	-	-
				- Balance Receivable *	158	61	0
		c)	Commitments	- Off balance sheet exposure	243	-	-
80	The Indian Hotels Company Limited	a)	Income				
				- Dividend received during the period*	0	0	-
				- Interest Income	21	22	-
		b)	Expenses				
				- Business promotion Expenses	74	3	-
				- Hotel Expenses	25	36	-
				- Membership Expenses	2	2	-
				- Staff Welfare Expenses	11	4	-
		c)	Other Transactions				
				- Investment in Equity Shares	-	2	-
		d)	Assets				
				- Investment in Equity Shares	27	23	19
				- Loan given	-	61	-
				- Loan repayment received	17	53	-
				- Loan Balance	143	160	152
				- Balance Receivable	8	26	4

NOTE "35"

(₹ in lakh)

B) TRANSACTIONS WITH RELATED PARTIES :

Sr. No	Party Name			Nature of transaction	FY 2018-19	FY 2017-18	April 1, 2017
		e)	Commitments	- Off balance sheet exposure	231	231	304
81	Piem Hotels Limited	a)	Expenses				
				- Travelling Expenses	11	4	-
82	United Hotels Limited	a)	Expenses				
				- Travelling Expenses*	0	0	-
83	Voltas Limited	a)	Expenses				
				- Dividend on CRPS paid	337	24	-
				- Repairs & Maintenance	43	40	-
				- Commission	29	13	-
				- FA Purchased	37	35	-
		b)	Income				
				- Subvention Income	60	101	-
				- Bill Discounting	31	15	-
		c)	Assets				
				- Balance Receivable*	64	(1)	0
		d)	Liabilities				
				- Compulsorily Redeemable Preference shares held	5,000	3,000	-
84	Trent Limited	a)	Expenses				
				- Dividend on CRPS paid	83	83	-
				- NSR payment	282	183	-
				- Staff Welfare Expenses	-	3	-
		b)	Assets				
				- Balance Receivable*	-	0	1
		c)	Liabilities				
				- Compulsorily Redeemable Preference shares held	1,000	1,000	1,000
85	Fiora Hypermarket Limited	a)	Expenses				
				- Commission on Cards and Gift Cards	9	-	-
				- NSR Payment	129	30	-
86	Tata Elxsi Limited	a)	Expenses				
				- Staff Welfare Expenses	9	-	-
87	Titan Company Limited	a)	Expenses				
				- NSR payment	6	9	-
				- Staff Welfare Expenses	41	39	-
		b)	Assets				
				- Balance Receivable	40	5	3
88	Tata Global Beverages Limited	a)	Income				
				- Lease Rental	49	22	-
		b)	Liabilities				
				- Equity shares held	61	61	61
89	Ewart Investments Limited	a)	Expenses				
				- Rent Expenses	21	19	-
		b)	Income				
				- Income from travel services	-	0	-
		c)	Other Transactions				
				- Security Deposit refund received	190	-	-
		d)	Assets				
				- Security Deposit receivable	-	190	190
90	Tata Trustee Company Limited	a)	Expenses				
				- Miscellaneous Expenses	23	-	-
		b)	Liabilities				
				- Balances payable	23	-	-
91	Tata Investment Corporation Limited	a)	Liabilities				
				- Equity shares held	7,720	7,720	7,720
		b)	Assets				
				- Balances receivable	-	-	0
92	Tata Chemicals Limited	a)	Liabilities				
				- Equity shares held	323	323	323
93	Af-Taab Investment Company Limited	a)	Liabilities				
				- Equity shares held	233	233	233
94	International Finance Corporation	a)	Income				

NOTE “35”

(₹ in lakh)

B) TRANSACTIONS WITH RELATED PARTIES :

Sr. No	Party Name			Nature of transaction	FY 2018-19	FY 2017-18	April 1, 2017
				- Fees Income	-	43	-
		b)	Expenses				
				- Director's Nomination Fees	-	2	-
		c)	Equity				
				- Issue of equity shares	1,950	-	-
				- Equity shares held (inclusive of security premium)	11,862	9,914	9,914
95	Tata Realty & Infrastructure Limited	a)	Income	- Income from travel services	-	55	-
		b)	Assets	- Balance receivables	-	-	8
96	Tata Consulting Engineers Limited	a)	Income	- Income from travel services	-	412	-
		b)	Assets	- Balance receivables	-	-	135
97	Tata Advanced Materials Limited	a)	Income	- Income from travel services	-	88	-
		b)	Assets	- Balance receivables	-	-	42
98	Indian Rotorcraft Limited	a)	Income	- Income from travel services	-	1	-
99	TRIL Roads Private Limited	a)	Income	- Income from travel services	-	16	-
		b)	Assets	- Balance receivables	-	-	4
100	TRIL Infopark Limited	a)	Income	- Income from travel services	-	5	-
		b)	Assets	- Balance receivables	-	-	0
101	TRIL Constructions Limited	a)	Income	- Income from travel services	-	5	-
		b)	Assets	- Balance receivables	-	-	1
102	Tata Unistore Limited (Formerly Tata Industrial Services Limited)	a)	Income	- Income from travel services	-	1	-
		b)	Assets	- Balance receivables	-	-	3
103	Tata SIA Airlines Limited	a)	Income	- Income from travel services	-	63	-
		b)	Assets	- Balance receivables	-	-	1
104	TRIL Amritsar Projects Limited	a)	Income	- Income from travel services	-	10	-
		b)	Assets	- Balance receivables	-	-	1
105	TRIF Real Estate and Development Limited	a)	Income	- Income from travel services	-	13	-
		b)	Assets	- Balance receivables	-	-	1
106	TASEC Limited (formerly TAS-AGT Systems Limited)	a)	Income	- Income from travel services	-	1	-
107	Tata Value Homes Limited	a)	Income	- Income from travel services	-	1	-
108	Hampi Expressways Private Limited	a)	Assets	- Balance receivables	-	-	2
109	Dharamshala Ropeway Limited	a)	Income	- Income from travel services	-	6	-
		b)	Assets	- Balance receivables	-	-	1

NOTE "35"

(₹ in lakh)

B) TRANSACTIONS WITH RELATED PARTIES :

Sr. No	Party Name			Nature of transaction	FY 2018-19	FY 2017-18	April 1, 2017
110	Gurgaon Realtech Limited	a)	Income	- Income from travel services	-	11	-
		b)	Assets	- Balance receivables	-	-	1
111	Manali Ropeways Private Limited	a)	Income	- Income from travel services	-	2	-
		b)	Assets	- Balance receivables	-	-	1
112	Qubit Investment Pte. Limited	a)	Income	- Income from travel services	-	18	-
		b)	Assets	- Balance receivables	-	-	2
113	Gurgaon Construct Well Private Limited	a)	Income	- Income from travel services	-	0	-
114	Matheran Rope-Way Private Limited	a)	Income	- Income from travel services	-	0	-
115	Mikado Realators Private Limited	a)	Income	- Income from travel services	-	1	-
116	TRIL IT4 Private Limited	a)	Income	- Income from travel services	-	1	-
117	TRIL Urban Transport Limited	a)	Income	- Income from travel services	-	1	-
118	International Infrabuild Private Limited	a)	Income	- Income from travel services	-	5	-
119	Kolkata-One Excelton Private Limited	a)	Income	- Income from travel services	-	2	-
120	Apex Investments (Mauritius) Holding Private Limited	a)	Income	- Income from travel services	-	2	-
121	Key Management	a)	Remuneration to KMP				
				- Short Term Employee Benefits	1,387	741	-
				- Post Employment Benefits	45	46	-
				- Share based payemnts (No. of Shares)			
				a) Options granted	21,25,000	30,000	-
				b) Options exercised	20,000	30,000	-
				- Director Sitting Fees & Commission	37	109	-
				- Issue of Cumulative Redeemable Preference Shares	125	28	-
				- Payment of Dividend on Cumulative Redeemable Preference Shares	17	38	-
		b)	Balances				
				- Equity Shares held	66	234	251
				- Compulsorily Redeemable Preference shares held	257	438	732
				- Total Options granted till date	25,40,355	18,93,935	18,63,935
				- Total Options exercised till date	4,15,355	18,63,935	18,63,935

Note:

a) * Less than ₹ 50,000/-

b) ** ESOP has been granted by Tata Capital Limited

c) # All the loans / borrowings balance above are not secured

d) Expected credit loss provision for parties listed above have not been considered as provision for doubtful debts, hence not disclosed.

e) The above related party transactions are at Arm's legth and in the ordinary course of business.

f) The remuneration of directors and key executives is determined by the remuneration committee having regard to the performance of individuals and market trends. The above figures do not include provisions for encashable leave, gratuity and premium paid for group health insurance, as separate actuarial valuation / premium paid are not available.

NOTE "36"

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

(₹ in lakh)

LEASE PAYMENTS	As at March 31, 2019	As at March 31, 2018	As at April 1, 2017
- Within one year	**662**	15	885
- Later than one year and not later than five years	**1,507**	–	2,363
- Later than five years	**–**	–	63

The amount charged towards lease rentals (as part of Rent expenditure) is ₹ 5,026 lakh (March 31, 2018: ₹ 3,692 lakh).

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

(₹ in lakh)

LEASE PAYMENTS	As at March 31, 2019	As at March 31, 2018	As at April 1, 2017
- Within one year	32,438	20,412	6,369
- Later than one year and not later than five years	58,323	40,649	7,542
- Later than five years	2,716	1,759	–

Accumulated Depreciation on lease assets is ₹ 42,461 lakh (March 31, 2018: ₹ 19,678 lakh | As on April 1, 2017: Nil).

Accumulated Impairment losses on the leased assets Nil (March 31, 2018: Nil | As on April 1, 2017: Nil)

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

(₹ in lakh)

PARTICULARS	As at March 31, 2019	As at March 31, 2018	As at April 1, 2017
Gross Investments:			
- Within one year	**22,414**	16,385	10,925
- Later than one year and not later than five years	**33,889**	30,283	21,389
- Later than five years	**330**	533	228
Total	**56,633**	**47,201**	**32,542**
Unearned Finance Income:			
- Within one year	**4,576**	4,138	2,780
- Later than one year and not later than five years	**4,788**	4,601	3,394
- Later than five years	**56**	100	76
Total	**9,420**	**8,839**	**6,250**
Present Value of Rentals: *			
- Within one year	**17,838**	12,247	8,145
- Later than one year and not later than five years	**29,101**	25,682	17,995
- Later than five years	**274**	433	152
Total	**47,213**	**38,362**	**26,292**

* Present Value of Rentals represent the current future outstanding principal

NOTE "37" Earnings per Share (EPS)

PARTICULARS		2018-19	2017-18
Profit after tax available for equity shareholders	₹ in lakh	**77,988**	60,460
Weighted average number of equity shares used in computing Basic EPS (count)	Nos	**3,03,32,57,327**	2,82,60,18,170
Face value of equity shares (count)	Rupees	**10**	10
Basic EPS/Diluted EPS	**Rupees**	**2.57**	**2.14**

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

(₹ In lakh)

Name of the entity	As at 31 March 2019		As at 31 March 2018		As at 31 March 2017		For the year ended 31 March 2019		For the year ended 31 March 2018		For the year ended 31 March 2019		For the year ended 31 March 2018		For the year ended 31 March 2019		For the year ended 31 March 2018	
	Net assets, i.e., total assets minus total liabilities						Share in profit and loss				Share in Other comprehensive income				Share in Total comprehensive income			
	As % of consolidated net assets	Amount	As % of consolidated net assets	Amount	As % of consolidated net assets	Amount	As % of consolidated net assets	Amount	As % of consolidated profit or loss	Amount	As % of consolidated net assets	Amount	As % of consolidated profit or loss	Amount	As % of consolidated net assets	Amount	As % of consolidated profit or loss	Amount
Parent:																		
Tata Capital Limited	77.07	5,83,136	77.82	3,30,627	90.03	3,27,253	3.53	2,752	6.05	3,657	(766.38)	(198)	(55.77)	(323)	3.27	2,554	5.46	3,333
Subsidiaries																		
Indian																		
Tata Capital Financial Services Limited	53.44	4,04,358	69.47	2,95,169	71.38	2,59,449	56.05	43,711	66.63	40,287	(669.10)	(173)	14.17	82	55.81	43,538	66.13	40,369
Tata Capital Housing Finance Limited	12.94	97,893	12.25	52,038	11.82	42,964	6.47	5,047	14.49	8,761	(191.31)	(49)	5.69	33	6.41	4,998	14.41	8,794
Tata Cleantech Capital Limited	11.44	86,559	15.60	66,274	16.07	58,429	13.10	10,215	12.68	7,669	203.12	53	26.47	153	13.16	10,268	12.82	7,822
Tata Securities Limited	0.33	2,488	0.04	181	(0.12)	(425)	1.03	805	0.97	586	7.98	2	1.07	6	1.04	807	0.97	592
TC Travel & Services Limited**	0.00	0	(0.00)	(0)	0.08	294	0.00	0	(0.09)	(54)	0.00	0	0.00	0	0.00	0	(0.09)	(54)
Tata Capital Forex Limited**	0.00	0	(0.00)	(0)	0.02	66	0.00	0	(0.08)	(48)	0.00	0	0.00	0	0.00	0	(0.08)	(48)
Tata Capital Growth Fund	1.04	7,857	3.50	14,877	4.37	15,881	39.14	30,528	7.60	4,597	828.88	214	72.50	420	39.41	30,742	8.22	5,017
Tata Capital Healthcare Fund I	1.28	9,648	3.76	15,991	5.97	21,686	24.92	19,438	10.01	6,054	0.00	0	0.00	0	24.92	19,438	9.92	6,054
Tata Capital Special Situation Fund	1.28	9,678	2.32	9,870	2.75	10,008	(0.25)	(193)	2.51	1,517	0.00	0	0.00	0	(0.25)	(193)	2.49	1,517
Tata Capital Innovation Fund	3.65	27,599	6.15	26,118	7.26	26,375	1.44	1,121	(2.07)	(1,252)	0.00	0	0.00	0	1.44	1,121	(2.05)	(1,252)
Tata Capital Growth Fund II (w.e.f. 28.09.2018)	(0.06)	(423)	0.00	0	0.00	0	(0.54)	(423)	0.00	0	0.00	0	0.00	0	(0.54)	(423)	0.00	0
TCL Employee Welfare Trust	0.20	1,519	0.19	821	0.12	423	0.90	698	0.66	398	0.00	0	0.00	0	0.89	698	0.65	398
Foreign																		
Tata Capital Pte. Limited	5.14	38,885	6.81	28,943	7.64	27,785	9.46	7,381	1.78	1,078	527.22	136	(44.14)	(256)	9.64	7,518	1.35	822
Minority Interests in all subsidiaries																		
Indian																		
Tata Cleantech Capital Limited	2.23	16,879	3.04	12,923	3.13	11,394	(2.55)	(1,992)	(2.47)	(1,495)	(39.61)	(10)	(5.16)	(30)	(2.57)	(2,002)	(2.50)	(1,525)

(₹ In lakh)

Name of the entity	As at 31 March 2019		As at 31 March 2018		As at 31 March 2017		For the year ended 31 March 2019		For the year ended 31 March 2018		For the year ended 31 March 2019		For the year ended 31 March 2018		For the year ended 31 March 2019		For the year ended 31 March 2018	
	Net assets, i.e., total assets minus total liabilities						Share in profit and loss				Share in Other comprehensive income				Share in Total comprehensive income			
	As % of consolidated net assets	Amount	As % of consolidated net assets	Amount	As % of consolidated net assets	Amount	As % of consolidated net assets	Amount	As % of consolidated profit or loss	Amount	As % of consolidated net assets	Amount	As % of consolidated profit or loss	Amount	As % of consolidated net assets	Amount	As % of consolidated profit or loss	Amount
Tata Capital Growth Fund	0.27	2,063	0.92	3,918	1.15	4,169	(10.04)	(7,826)	(1.98)	(1,200)	(217.61)	(56)	(19.09)	(111)	(10.10)	(7,883)	(2.15)	(1,310)
Tata Capital Healthcare Fund I	0.87	6,549	2.56	10,857	4.05	14,730	(16.75)	(13,063)	(6.76)	(4,086)	0.00	0	0.00	0	(16.74)	(13,063)	(6.69)	(4,086)
Tata Capital Special Situation Fund	0.92	6,948	1.67	7,086	1.98	7,186	0.18	138	(1.68)	(1,015)	0.00	0	0.00	0	0.18	138	(1.66)	(1,015)
Tata Capital Innovation Fund	2.63	19,874	4.44	18,852	5.26	19,123	(1.03)	(807)	1.49	903	0.00	0	0.00	0	(1.03)	(807)	1.48	903
Tata Capital Growth Fund II (w.e.f. 28.09.2018)	(0.05)	(359)	0.00	0	0.00	0	0.46	359	0.00	0	0.00	0	0.00	0	0.46	359	0.00	0
TCL Employee Welfare Trust	0.20	1,519	0.19	821	0.12	423	(0.90)	(698)	(0.66)	(398)	0.00	0	0.00	0	(0.89)	(698)	(0.65)	(398)
Foreign																		
Tata Capital Pte. Limited	0.22	1,658	0.13	534	0.14	526	(1.30)	(1,011)	0.00	0	0.00	0	0.00	0	(1.30)	(1,011)	0.00	0
Associates (Investment as per the equity method)																		
Indian																		
Tata Autocomp Systems Limited	4.66	35,289	7.69	32,688	8.95	32,548	3.85	3,000	2.29	1,384	1,096.45	283	0.00	0	4.21	3,283	2.27	1,384
Tata Sky Ltd	0.76	5,744	1.29	5,499	1.44	5,242	0.31	246	0.42	257	0.00	0	0.00	0	0.31	246	0.42	257
Roots Corporation Limited	0.27	2,062	0.44	1,880	0.52	1,880	0.00	0	0.00	0	0.00	0	0.00	0	0.00	0	0.00	0
Tata Projects Limited	0.49	3,729	0.76	3,237	0.78	2,823	0.63	492	0.68	413	1.66	0	0.11	1	0.63	492	0.68	413
International Asset Reconstruction Company Pvt. Ltd.	0.00	0	0.00	0	1.06	3,854	0.00	0	0.00	0	0.00	0	0.00	0	0.00	0	0.00	0
Fincare Business Services Limited	0.10	772	0.14	601	0.18	660	0.12	97	(0.10)	(59)	0.00	0	0.00	0	0.12	97	(0.10)	(59)
Shriram Properties Private Limited	0.52	3,935	0.93	3,935	1.08	3,935	0.00	0	0.00	0	0.00	0	0.00	0	0.00	0	0.00	0
TVS Supply Chain Solutions Limited	0.21	1,552	0.36	1,513	0.40	1,465	0.05	39	0.04	23	0.00	0	2.14	12	0.05	39	0.06	36
Varroc Engineering Pvt Ltd	0.00	0	0.79	3,341	0.69	2,521	0.32	252	0.52	316	(974.34)	(252)	43.44	252	0.00	0	0.93	568
Tata Technologies Limited	0.96	7,240	1.39	5,916	1.29	4,707	2.14	1,672	1.77	1,069	0.00	0	0.00	0	2.14	1,672	1.75	1,069
Star Health & Allied Insurance Company Limited	0.00	0	1.62	6,902	1.65	6,000	0.00	0	1.49	902	0.00	0	0.00	0	0.00	0	1.48	902
Agile Electric Sub Assembly Private Ltd (Equity)	0.00	0	0.00	0	0.88	3,202	0.00	0	0.00	0	0.00	0	0.00	0	0.00	0	0.00	0
Amanta Healthcare Ltd. (Equity)	0.00	0	0.00	0	0.41	1,500	0.00	0	0.00	0	0.00	0	0.00	0	0.00	0	0.00	0

(₹ In lakh)

Name of the entity	As at 31 March 2019		As at 31 March 2018		As at 31 March 2017		For the year ended 31 March 2019		For the year ended 31 March 2018		For the year ended 31 March 2019		For the year ended 31 March 2018		For the year ended 31 March 2019		For the year ended 31 March 2018	
	Net assets, i.e., total assets minus total liabilities						Share in profit and loss				Share in Other comprehensive income				Share in Total comprehensive income			
	As % of consolidated net assets	Amount	As % of consolidated net assets	Amount	As % of consolidated net assets	Amount	As % of consolidated net assets	Amount	As % of consolidated profit or loss	Amount	As % of consolidated net assets	Amount	As % of consolidated profit or loss	Amount	As % of consolidated net assets	Amount	As % of consolidated profit or loss	Amount
Amanta Healthcare Ltd. (Preference - CCPS)	0.00	0	0.00	0	1.46	5,300	0.00	0	0.00	0	0.00	0	0.00	0	0.00	0	0.00	0
Lokmanaya Hospital Pvt. Ltd.	0.33	2,464	0.58	2,464	0.68	2,464	0.00	0	0.00	0	0.00	0	0.00	0	0.00	0	0.00	0
Novalead Pharma Pvt Ltd - (Equity)	0.30	2,299	0.54	2,313	0.64	2,335	(0.02)	(14)	(0.04)	(22)	0.00	0	0.00	0	(0.02)	(14)	(0.04)	(22)
Shriji Polymers (India) Ltd. (Equity)	0.21	1,570	0.33	1,382	0.23	819	0.24	188	0.19	114	0.00	0	0.00	0	0.24	188	0.19	114
Shriji Polymers (India) Ltd. (Preference)	0.43	3,278	0.77	3,278	0.90	3,278	0.00	0	0.00	0	0.00	0	0.00	0	0.00	0	0.00	0
Sai Life Sciences (Equity)	0.00	0	1.88	7,977	2.00	7,260	0.00	0	1.19	719	0.00	0	0.00	0	0.00	0	1.18	719
Shriniwas Engineering Auto Components Pvt Limited (Eq.) A/c	0.00	0	0.00	0	0.28	1,000	0.00	0	0.00	0	0.00	0	0.00	0	0.00	0	0.00	0
TEMA India Pvt. Limited (Eq.) A/c	0.00	1	0.00	1	0.00	1	0.00	0	0.00	0	0.00	0	0.00	0	0.00	0	0.00	0
TEMA India Pvt. Limited (CCCPS) A/c	0.59	4,500	1.06	4,500	1.24	4,500	0.00	0	0.00	0	0.00	0	0.00	0	0.00	0	0.00	0
Kapsons Industries Limited (Eq) A/c	0.00	0	0.00	0	0.00	1	0.00	0	0.00	0	0.00	0	0.00	0	0.00	0	0.00	0
Kapsons Industries Limited (CCPS) A/c	0.79	6,000	1.41	6,000	1.65	6,000	0.00	0	0.00	0	0.00	0	0.00	0	0.00	0	0.00	0
Pluss Advanced Technologies Private Limited(Eq) A/c	0.18	1,369	0.33	1,396	0.41	1,500	(0.03)	(27)	(0.17)	(104)	0.00	0	0.00	0	(0.03)	(27)	(0.17)	(104)
Pluss Advanced Technologies Private Limited (CCPS) A/c	0.13	1,000	0.24	1,000	0.28	1,000	0.00	0	0.00	0	0.00	0	0.00	0	0.00	0	0.00	0
Vortex Engineering Private Ltd (Equity)	0.38	2,900	0.68	2,900	0.80	2,900	0.00	0	0.00	0	0.00	0	0.00	0	0.00	0	0.00	0
Sea6 Energy Private Limited (Equity)	0.45	3,379	0.83	3,526	0.96	3,500	(0.19)	(147)	0.04	26	0.00	0	0.00	0	(0.19)	(147)	0.04	26
Alef Mobitech Solutions private limited. (equity)	0.17	1,321	0.27	1,163	0.35	1,288	(0.18)	(143)	(0.21)	(125)	0.00	0	0.00	0	(0.18)	(143)	(0.20)	(125)
Alef Mobitech Soluations Private Limited	0.23	1,712	0.40	1,712	0.47	1,712	0.00	0	0.00	0	0.00	0	0.00	0	0.00	0	0.00	0
Eliminations	(87.20)	(6,59,810)	(135.60)	(5,76,149)	(164.91)	(5,99,443)	(30.58)	(23,847)	(17.22)	(10,410)	293.03	76	58.58	340	(30.47)	(23,771)	(16.50)	(10,071)
Total	**100.00**	**7,56,634**	**100.00**	**4,24,875**	**100.00**	**3,63,491**	**100.00**	**77,990**	**100.00**	**60,462**	**100.00**	**26**	**100.00**	**580**	**100.00**	**78,014**	**100.00**	**61,040**

NOTE "39" OPERATING SEGMENTS

See accounting policy in Note 2(i)

A. Basis for segmentation

In accordance with Ind AS 108 on Segment Reporting, the Group has identified three business segments i.e. Financing Activity, Investment Activity and Others, and one Geographical Segment viz. India, as secondary segment. These divisions offer different products and services, and are managed separately based on the Group's management.

Reportable segments	Operations
Financing activity	Loans for retail and corporate borrowers. Products offered include asset financing, term loans (corporate and retail), channel financing, credit substitutes, investments linked to/arising out of lending business, bill and invoice discounting, Power project finance.
Investment activity	Corporate investments
Others	Advisory services, wealth management, distribution of financial products, private equity fund management and leasing

The Board of Directors review the performance of each division on a quarterly basis

a. Operating segment disclosures are consistent with the information reviewed by the chief operating decision maker (CODM). The basis of measurement of segment information is consistent with the basis of preparation of financial statements. The reconciling items are limited to items that are not allocated to reportable segments, as opposed to a difference in the basis of preparation of the information.

b. When two or more operating segments are aggregated into a single operating segment, the judgements made in applying the aggregation criteria are disclosed by the Group. This includes a brief description of the operating segments that have been aggregated in this way and the economic indicators that have been assessed in determining that the aggregated operating segments share similar economic characteristics.

NOTE "39" SEGMENT REPORTING

In accordance with Ind AS 108, the Group has identified three business segments i.e. Financing Activity, Investment Activity, and Others and one Geographical Segment viz. India, as secondary segment.

(₹ in lakh)

PARTICULARS	For the Year Ended March 31, 2019	For the Year Ended March 31, 2018
Segment Revenue		
a) Financing Activity	**7,69,255**	6,18,368
b) Investment Activity	**1,50,905**	54,118
c) Others	**69,046**	51,288
Total	**9,89,206**	**7,23,774**
Less : Inter Segment Revenue	**68,741**	**45,742**
Add : Interest on Income Tax Refund	**36**	328
Total Income	**9,20,501**	**6,78,360**
Segment Results		
a) Financing Activity	**1,15,790**	1,33,699
b) Investment Activity	**51,056**	(12,270)
c) Others	**6,410**	481
Total	**1,73,256**	**1,21,910**
Less : Unallocated Corporate Expenses	**37,411**	17,416
Add: Share of profit of associates	**5,687**	5,178
Profit before taxation	**1,41,532**	**1,09,672**
Less : Provision for taxation	**38,645**	41,920
Profit after taxation	**1,02,887**	**67,752**

PARTICULARS	As at March 31, 2019	As at March 31, 2018	As at April 01, 2017
Segment Assets			
a) Financing Activity	**77,05,862**	61,02,841	51,34,904
b) Investment Activity	**2,55,605**	2,09,178	2,40,583
c) Others	**1,30,384**	97,302	97,564
d) Unallocated	**1,72,560**	1,12,016	1,17,940
Total	**82,64,411**	**65,21,337**	**55,90,991**
Segment Liabilities			
a) Financing Activity	**69,00,725**	55,22,172	47,12,210
b) Investment Activity	**3,73,593**	3,97,062	3,40,320
c) Others	**1,29,598**	98,246	1,00,032
d) Unallocated	**48,730**	23,991	17,387
Total	**74,52,646**	**60,41,471**	**51,69,949**

(₹ in lakh)

PARTICULARS	For the Year Ended March 31, 2019	For the Year Ended March 31, 2018
Capital Expenditure (Including Capital Work-In-Progress)		
a) Financing Activity	**851**	1,388
b) Investment Activity	**–**	–
c) Others	**53,395**	27,429
d) Unallocated	**2,498**	3,586
Total	**56,744**	**32,403**
Depreciation and Amortisation		
a) Financing Activity	**1,220**	1,118
b) Investment Activity	**29**	24
c) Others	**25,304**	21,492
d) Unallocated	**2,275**	2,190
Total	**28,828**	**24,824**

NOTE "40" FINANCIAL RISK REVIEW

This note presents information about the Group's exposure to financial risks and its management of capital.

For information on the financial risk management framework, see Note 41

A. Credit risk

i. Credit quality analysis

ii. Collateral held and other credit enhancements

iii. Amounts arising from ECL

iv. Concentration of Credit Risk

B. Liquidity risk

i. Exposure to liquidity risk

ii. Maturity analysis for financial liabilities and financial assets

iii. Financial assets available to support future funding

iv. Financial assets pledged as collateral

C. Market risk

i. Exposure to interest rate risk – Non-trading portfolios

ii. Exposure to currency risks – Non-trading portfolios

D. Capital management

i. Regulatory capital

A. Credit risk

For the definition of credit risk and information on how credit risk is mitigated by the Group, see Note 41.

i. Credit quality analysis:

The following tables sets out information about the credit quality of financial assets measured at amortised cost. The amounts in the table represent gross carrying amounts for financial assets. Loan commitment is disclosed as a note to the schedule. Explanation of the terms: 12-month ECL, lifetime ECL and credit-impaired are included in Note 2(x).

NOTE "40" FINANCIAL RISK REVIEW (continued)

A. Credit risk

i) **Loans by Division**

1) Credit quality analysis (continued)

Loan exposure by Financing division

(₹ in lakh)

PARTICULARS	As at March 31, 2019	As at March 31, 2018	As at April 1, 2017
LOANS by Division			
(i) Commercial and SME finance	**25,87,161**	20,39,103	17,49,790
(ii) Consumer and Housing finance and advisory business	**45,13,434**	36,52,211	30,75,699
(iii) Infrastructure finance	**4,90,980**	3,08,898	1,99,916
(iv) Others	**4,817**	43,944	95,563
Total - Gross carrying value of loans	**75,96,393**	**60,44,156**	**51,20,968**
Less : Impairment loss allowance	**(1,85,996)**	(1,92,114)	(2,20,858)
Total- Net Loans	**74,10,397**	**58,52,042**	**49,00,110**

Note: Gross carrying amount does not include loan commitments ₹ 765,925 (As on March 31, 2018: ₹ 748,667 lakh ; As on 01, April 2017 : ₹ 620,031 lakh). The EAD considered for loan commitments is after applying credit conversion factor (CCF) as per RBI/NHB norms.

NOTE “40” FINANCIAL RISK REVIEW (continued)

2) **Days past due based method implemented by Group for credit quality analysis of Loans**

The table below shows the credit quality and the maximum exposure to credit risk based on the days past due and year-end stage classification of Loans. The amounts presented are gross of impairment allowances:

a)

Outstanding Gross Loans	As at March 31, 2019				March 31, 2018				April 1, 2017			
	Stage 1	Stage 2	Stage 3	Total	Stage 1	Stage 2	Stage 3	Total	Stage 1	Stage 2	Stage 3	Total
Days past due												
Zero overdue	68,15,363	659	940	68,16,963	50,20,691	781	898	50,22,370	40,43,315	935	598	40,44,848
1-29 days	4,71,305	10,179	528	4,82,012	6,75,778	-	591	6,76,369	7,09,859	-	2,338	7,12,197
30-59 days	-	84,004	408	84,412	-	1,23,433	283	1,23,717	-	1,17,851	875	1,18,726
60-89 days	-	81,708	1,025	82,734	-	76,303	453	76,756	-	49,955	972	50,927
90 or more days	-	-	1,30,273	1,30,273	-	-	1,44,943	1,44,943	-	-	1,94,270	1,94,270
Total	**72,86,669**	**1,76,550**	**1,33,174**	**75,96,393**	**56,96,469**	**2,00,517**	**1,47,169**	**60,44,155**	**47,53,174**	**1,68,741**	**1,99,052**	**51,20,968**

Note: Gross carrying amount does not include loan commitments ₹ 765,925 lakh (As on March 31, 2018: ₹ 748,667 lakh ; As on 01, April 2017 : ₹ 626,331 lakh).

b)

Impairment allowance on Loans	As at March 31, 2019				March 31, 2018				April 1, 2017			
	Stage 1	Stage 2	Stage 3	Total	Stage 1	Stage 2	Stage 3	Total	Stage 1	Stage 2	Stage 3	Total
Days past due												
Zero overdue	39,999	33	790	40,823	30,353	42	590	30,984	27,119	4	347	27,470
1-29 days	7,346	2,475	300	10,122	11,470	-	559	12,030	10,709	-	1,124	11,833
30-59 days	-	12,889	324	13,213	-	12,405	243	12,649	-	11,477	420	11,897
60-89 days	-	17,081	563	17,644	-	14,693	376	15,068	-	9,425	544	9,968
90 or more days	-	-	1,04,195	1,04,195	-	-	1,21,382	1,21,382	-	-	1,59,690	1,59,690
Total	**47,346**	**32,479**	**1,06,172**	**1,85,996**	**41,823**	**27,140**	**1,23,150**	**1,92,113**	**37,828**	**20,906**	**1,62,124**	**2,20,858**

Note: Includes impairment allowance on loan commitments ₹ 2,970 lakh (As on March 31, 2018 3,364 lakh ; As on April 01, 2017 ; 2,334 Lakh)

NOTE "40" FINANCIAL RISK REVIEW (continued)

3) **Internal ratings based method implemented by the Group for credit quality analysis of Loans for Infrastructure finance division**

The table below shows the credit quality and the maximum exposure to credit risk based on the internal credit rating system and year-end stage classification of Loans. The amounts presented are gross of impairment allowances. Details of the division's internal grading system are explained in Note below and policies on ECL allowances are set out in Note 41.

a)

Outstanding Gross Loans	As at March 31, 2019				March 31, 2018				April 1, 2017			
	Stage 1	Stage 2	Stage 3	Total	Stage 1	Stage 2	Stage 3	Total	Stage 1	Stage 2	Stage 3	Total
Internal rating grade												
Grade 1	2,03,095	-	-	2,03,095	92,700	-	-	92,700	38,280	-	-	38,280
Grade 2	2,87,273	-	-	2,87,273	2,15,417	36	-	2,15,453	1,60,701	935	-	1,61,636
Grade 3	-	612	-	612	-	745	-	745	-	-	-	-
Grade 4	-	-	-	-	-	-	-	-	-	-	-	-
Total	**4,90,368**	**612**	**-**	**4,90,980**	**3,08,117**	**781**	**-**	**3,08,898**	**1,98,981**	**935**	**-**	**1,99,916**

Note: Gross Carrying amount does not include Loan commitments ₹ 1,20,851 lakh (As on March 31, 2018: ₹ 89,737 lakh | As on April 1, 2017: ₹ 70,759 lakh)

b)

Impairment allowance on Loans	As at March 31, 2019				March 31, 2018				April 1, 2017			
	Stage 1	Stage 2	Stage 3	Total	Stage 1	Stage 2	Stage 3	Total	Stage 1	Stage 2	Stage 3	Total
Internal rating grade												
Grade 1	925	-	-	925	354	-	-	354	130	-	-	130
Grade 2	1,200	-	-	1,200	1065	-	-	1,065	911	4	-	915
Grade 3	-	31	-	31	-	42	-	42	-	-	-	-
Grade 4	-	-	-	-	-	-	-	-	-	-	-	-
Total	**2,125**	**31**	**-**	**2,156**	**1,419**	**42**	**-**	**1,461**	**1,041**	**4**	**-**	**1,045**

Note: Includes impairment allowance on loan commitments ₹ 281 lakh (As on March 31, 2018 240 lakh ; As on April 01, 2017 ; 241 Lakh)

c)

Internal rating grades	Ratings as per internal rating method	Definition
Grade 1	AAA to A	Highest level of security is available. Account has satisfactory performance
Grade 2	BBB | BBB- | BBB+	Adequate level of security. Account has satisfactory performance
Grade 3	BB | BB+ | BB-	Account has shown significant deterioration in performance
Grade 4	D	Account has defaulted

Note: Tata Cleantech Capital, a subsidiary of the Group has a internal rating model mapped to external Crisil rating grades for Infrastructure finance activity.

NOTE "40" FINANCIAL RISK REVIEW (continued)

A. Credit risk

Loans by Division

4) Credit quality analysis continued

As at March 31, 2019		Asset group	Days past due	Estimated gross carrying amount at default	Expected credit loss rate	Expected credit losses	Carrying amount net of impairment provision
Loss allowance measured at 12 month expected credit losses	Financial assets for which credit risk has not increased significantly since initial recognition	Loans, Credit Substitutes, Finance Leases	0	68,15,975	0.59%	40,030	67,75,945
			1-29	4,71,305	1.58%	7,346	4,63,959
			Total	72,87,280	0.65%	47,376	72,39,904
Loss allowance measured at life-time expected credit losses	Financial assets for which credit risk has increased significantly and not credit-impaired	Loans, Credit Substitutes, Finance Leases	0	47	4.52%	2	45
			1-29	10,179	24.32%	2,475	7,704
			30-59	84,004	15.35%	12,889	71,115
			60-89	81,708	20.92%	17,081	64,627
			Total	1,75,938	18.44%	32,448	1,43,491
	Financial assets for which credit risk has increased significantly and credit-impaired	Loans, Credit Substitutes, Finance Leases	0	940	84.09%	790	150
			1-29	528	56.87%	300	228
			30-59	408	79.38%	324	84
			60-89	1,025	54.87%	563	463
			90 days and above	1,30,273	79.98%	1,04,195	26,078
			Total	1,33,174	79.72%	1,06,172	27,002
			Total	75,96,393	2.45%	1,85,996	74,10,397

March 31, 2018		Asset group	Days past due	Estimated gross carrying amount at default	Expected credit loss rate	Expected credit losses	Carrying amount net of impairment provision
Loss allowance measured at 12 month expected credit losses	Financial assets for which credit risk has not increased significantly since initial recognition	Loans, Credit Substitutes, Finance Leases	0	50,21,473	0.61%	30,395	49,91,077
			1-29	6,75,778	1.70%	11,470	6,64,308
			Total	56,97,251	0.73%	41,866	56,55,385
Loss allowance measured at life-time expected credit losses	Financial assets for which credit risk has increased significantly and not credit-impaired	Loans, Credit Substitutes, Finance Leases	30-59	1,23,433	10.05%	12,405	1,11,028
			60-89	76,303	19.26%	14,693	61,610
			Total	1,99,736	13.57%	27,098	1,72,638
	Financial assets for which credit risk has increased significantly and credit-impaired	Loans, Credit Substitutes, Finance Leases	0	898	85.86%	590	309
			1-29	591	82.97%	559	32
			30-59	283	83.74%	243	40
			60-89	453	83.68%	376	77
			90 days and above	1,44,943	3.18%	1,21,382	23,561
			Total	1,47,169	83.68%	1,23,150	24,019
			Total	60,44,156	3.18%	1,92,114	58,52,042

April 1, 2017		Asset group	Days past due	Estimated gross carrying amount at default	Expected credit loss rate	Expected credit losses	Carrying amount net of impairment provision
Loss allowance measured at 12 month expected credit losses	Financial assets for which credit risk has not increased significantly since initial recognition	Loans, Credit Substitutes, Finance Leases	0	40,44,251	0.67%	27,123	40,17,128
			1-29	7,09,859	1.51%	10,709	6,99,150
			Total	47,54,109	0.80%	37,832	47,16,278
Loss allowance measured at life-time expected credit losses	Financial assets for which credit risk has increased significantly and not credit-impaired	Loans, Credit Substitutes, Finance Leases	30-59	1,17,851	9.74%	11,477	1,06,374
			60-89	49,955	18.87%	9,425	40,531
			Total	1,67,806	12.46%	20,902	1,46,904
	Financial assets for which credit risk has increased significantly and credit-impaired	Loans, Credit Substitutes, Finance Leases	0	598	57.96%	347	251
			1-29	2,338	48.09%	1,124	1,214
			30-59	875	47.99%	420	455
			60-89	972	55.93%	544	428
			90 days and above	1,94,270	82.20%	1,59,690	34,580
			Total	1,99,052	81.45%	1,62,124	36,928
			Total	51,20,968	4.31%	2,20,858	49,00,110

Note: Gross carrying amount does not include loan commitments ₹ 765,925 lakh (As on March 31, 2018: ₹ 748,667 lakh; As on 01, April 2017: ₹ 620,031 lakh). The EAD considered for loan commitments is after applying credit conversion factor (CCF) as per RBI norms/NHB norms.

Note: Impairment allowance includes impairment allowance on loan commitments ₹ 2,970 lakh (As on March 31, 2018 3,364 lakh; As on April 01, 2017 ; 2,334 Lakh)

5. Derivative Financial Instruments

The Group has entered into a derivative contract for risk management purposes. The table below shows the fair values of derivative financial instruments recorded as assets or liabilities together with their notional amounts.The notional amounts indicate the value of transactions outstanding at the year end and are not indicative of either the market risk or credit risk.

DERIVATIVES HELD FOR RISK MANAGEMENT PURPOSES	As at March 31, 2019			As at March 31, 2018			As at April 1, 2017		
	Notional Amounts	Fair Value - Assets	Fair Value - Liabilities	Notional Amounts	Fair Value - Assets	Fair Value - Liabilities	Notional Amounts	Fair Value - Assets	Fair Value - Liabilities
Foreign Exchange Forward contracts	**65,086**	**362**	**-**	**3,718**	**65**	**-**	**-**	**-**	**-**
Interest Rate Swap	**51,615**	**-**	**372**	-	-	-	-	-	-
Total	**1,16,701**	**362**	**372**	**3,718**	**65**	**-**	**-**	**-**	**-**

Qualitative Disclosure - Group process for risk management of derivatives

The Group has a risk management policy to enter into derivatives to manage the risk associated with external commercial borrowings. The following table highlights the key aspects of the policy:

a) Treasury and Risk function is authorised to elect appropriate derivative instrument:,

b) The Group shall fully hedge the risk on account of foreign currency fluctuation and change interest rate towards external commercial borrowing;

c) The Group has put in place a reporting and monitoring mechanism for the risk associated with the derivative transaction;

d) Group has a hedging policy in place which mandates to have a hedge relation established before a derivative transaction is entered into. The Group ensures that the hedging effectiveness is monitored continuously during the life of the derivative contract;

e) The Group has put in place accounting policy covering recording hedge and non-hedge transactions, recognition of income, premiums and discounts; valuation of outstanding contracts; provisioning and credit risk mitigation."

Derivatives held for risk management purposes, not designated as hedging instruments:

The Group is exposed to foreign currency risk related to external commercial borrowings and the primary risk of change in the floating interest rate and payment in foreign currency towards principal and interest at future date is managed by entering into a interest rate swap and foreign exchange forward rate purchase agreement respectively. The Group also enters into foreign exchange forward rate purchase agreement towards foreign currency payment for purchase of imported plant and machinery for deployment on operating lease. The Group's risk management strategy and how it is applied to manage risk is explained in Note 41.

The Interest rate swap and foreign exchange forward currency agreements are entered to fully hedge the risk on account of change in interest rate and foreign exchange fluctuations on account of the external commercial borrowings.

The value of a unhedged foreign currency transaction for purchase of Operating Lease asset as on March 31, 2019 is ₹ 12 lakh (As on March 31, 2018 : ₹ 37 lakh)

A. Credit risk

ii Collateral and other credit enhancements

The amount and type of collateral required depends on an assessment of the credit risk of the counterparty.

1 The main types of collateral obtained across respective business division are as follows:

a Corporate and SME Finance division:

First charge over real estate property, plant and machinery, inventory and trade receivable, equity and debt security, floating charge over the corporate assets, promoter guarantee and bank guarantee are obtained. For Construction equipment finance, the asset is hypothecated to the Group. Unsecured term loan is also given to customer.

b Consumer, Housing finance and advisory business:

For retail lending, in loan against property business, mortgage against residential and commercial property is obtained. For vehicle and tractor loans, the respective movable asset is hypothecated to the Group. Unsecured personal loan and business loan is also given to customer.. For housing loans, mortgage against residential property is obtained. For Construction finance, additionally mortgage over residential and commercial project is obtained.

c Infrastructure finance:

The term loans are secured by charge on assets and cash flows of the underlying solar and road project.

2 The table shows the maximum exposure to credit risk by class of financial asset and type of collateral available:

Particulars	Category of collateral available	As at March 31, 2019	As at March 31, 2018	As at April 1, 2017
Financial asset measured at Amortised Cost and FVTOCI				
Loans				
Bills purchased and bills discounted	Charge on trade receivables and inventories	32,612	52,394	41,938
Term loans	1) Commercial and SME Finance Division A) charge over: i) real estate properties (including residential and commercial), ii) Property and equipment, iii) inventory and trade receivables, iv) marketable securities (equity and debt securities) B) hypothecation of underlying asset financed such as construction and earth moving equipment, vehicles and tractors C) floating charge on corporate assets as mentioned in point (a) above 2) Consumer, Housing finance and advisory business A) mortgages over residential properties B) real estate properties (including residential and commercial), C) land D) Under construction flat 3) Infrastructure finance division Secured by charge on assets and cash flows of the underlying solar and road projects.	73,24,557	58,02,999	49,19,127
Credit substitutes		1,76,454	1,25,328	1,03,357
Finance lease and hire purchase	Hypothecation of the underlying asset financed, primarily includes plant and equipment	51,875	43,438	31,843
Retained portion of assigned loans	Mortgages over residential properties	6,764	10,697	13,403
Inter Corporate Deposits	Unsecured loan	4,131	9,300	11,300
Total		**75,96,393**	**60,44,156**	**51,20,968**

3 Assets obtained by taking possession of collateral:

The Group's collection policy is to pursue timely realisation of the collateral in an orderly manner. The group upon a customer account becoming delinquent, undertakes the process to physically repossess properties or other assets with the help of external agents to recover funds, to settle outstanding debt. Any surplus funds if any received are returned to the customers/obligors. As a result of this practice, the residential properties, vehicles, construction equipments and tractors under legal repossession processes are not recorded on the balance sheet and not treated as non–current assets held for sale. Asset in the form of real estate property, plant and machinery, equity shares and debt securities received upon final settlement of the loan is recorded as non-current assets held for sale.

Management monitors the market value of collateral as per the Credit monitoring process and will request additional collateral in accordance with the underlying agreement with the customer as applicable.

As on March 31, 2019, the Group is in possession of non current assets held for sale (NCAHS) which have been recorded in the financial statements amounting to ₹ 47 lakh (As on March 31, 2018 ₹ 1,375 lakh ; As on April 1, 2017 ₹ 3,628 lakh)The Group has written-off loans of ₹ 72,927 lakh in financial year ended March 31, 2019 (April 01, 2017: ₹ 66,920 lakh). The Group retains its contractual right against the obligor and may pursue all remedies to recover these dues.

The table represents categories of collaterals available against the Stage 3 assets, basis valuation available with the Group:

Particulars	As at March 31, 2019	As at March 31, 2018	As at April 1, 2017
Financial asset measured at Amortised Cost and FVTOCI			
Loans			
Bills purchased and bills discounted	229	229	-
Term loans	30,076	50,567	59,897
Credit substitutes	826	13,326	7,806
Total	**31,132**	**64,123**	**67,703**

Note: Fresh valuation is obtained for stage 3 assets upon becoming overdue for more than 15 months for CSFD division. For Housing finance, the same is obtained only at the time of the sanctioning of the loan.

iii Amounts arising from ECL

Impairment allowance on financial asset is covered in note 2(x)

Inputs, assumptions and estimation techniques used for estimating ECL:

1) Inputs:

When determining whether the risk of default on a financial instrument has increased significantly since initial recognition, the Group considers reasonable and supportable information that is relevant and available without undue cost or effort. This includes both quantitative and qualitative information and analysis based on the Group's historical experience, expert credit assessment and includes forward looking information.

The Group allocates each exposure to a credit risk grade based on days past due, which is a quantitative factor that indicates the risk of default. Additional qualitative factors are applied such as fraudulent customer and reschedulement of loans. These factors are applied uniformly for each lending product.

For CSFD, the Executive Committee for labelling reviews accounts having breach of criteria's such as but not limited to security deferral beyond 45 days and one notch rating down grade. Upon review, the Committee may conclude that the account qualifies for classification as stage 2 since there is increase in the credit risk. The determination of the credit risk is for each product, considering the unique risk and rewards associated with it. The Group has observed varied level of risk across various buckets within each stage and a significant increase in risk in stage 2.

In Infrastructure Finance Division, the determination of the probability of default is based on internal ratings mapped against the external CRISIL ratings in absence of actual history of default. Additional qualitative factors are applied such as fraudulent customer and reschedulement of loans. Further, accounts identified as high risk by the risk team qualifies for classification as stage 2 since there is increase in credit risk.

The objective of the Expected Credit Loss (ECL) assessment is to identify whether a significant increase in credit risk has occurred for an exposure by comparing the remaining lifetime probability of default (PD) as at the reporting date with the remaining lifetime PD for this point in time that was estimated at the time of initial recognition of the exposure and adjusted for changes on account of prepayments.

In assessing the impairment of loan assets under ECL Model, the loans have been segmented into three stages based on the risk profiles. The three stages reflect the general pattern of credit deterioration of a financial instrument.

Refer note 2(x) in Significant accounting policies for definition of Stages of Asset.

2) Assumptions:

The Group has applied the following assumptions for determination of ECL.

1) "Loss given default" (LGD) is an estimate of loss from a transaction given that a default occurs.

2) "Probability of default" (PD) is defined as the probability of whether the borrowers will default on their obligations in the future. For assets which are in Stage 1, a 12-month PD is required. For Stage 2 assets a lifetime PD is required while Stage 3 assets are considered to have a 100% PD.

3) "Exposure at default" (EAD) represents the expected exposure in the event of a default and is the gross carrying amount in case of the financial assets held by the Group, including loan commitments.

4) Definition of default: A default on a financial asset is when the counterparty fails to make the contractual payments within 90 days of when they fall due. Accordingly, the financial assets are classified as Stage 3, if on the reporting date, it has been 90 days past due. Further if the customer has requested forbearance in repayment terms, such restructured, rescheduled or renegotiated accounts are also classified as Stage 3. Non-payment on another obligation of the same customer is also considered as a stage 3.

5) Forward looking information

The Group incorporates forward looking information into both assessments of whether the credit risk of an instrument has increased significantly since its initial recognition and its measurement of ECL. Based on the consideration of a variety of external actual and forecast information, the Group forms a 'base case' view of the future direction of relevant economic variables such as real GDP, domestic credit growth, money market interest rate, etc. as well as a representative range of other possible forecast scenarios. This process involves developing two or more additional economic scenarios and considering the relative probabilities of each outcome. The base case represents a most likely outcome while the other scenarios represent more optimistic and more pessimistic outcomes. More weight is applied to the pessimistic outcome consistently as a matter of prudence rather than the optimistic outcome.

The table below indicates the macro economic variables used for determination of the one year probability of default and life time probability of default over the period of five years:

Marco economic parameters used*	Measurement metric (% change / value)	Scenarios	Base case ranges between				
			Year 1	Year 2	Year 3	Year 4	Year 5
a) Private consumption	Private consumption (% real change p.a.)	Base	7.60	7.50	8.50	8.10	7.38
		Optimistic	8.08	7.98	8.98	8.58	7.86
		Pessimistic	7.12	7.02	8.02	7.62	6.90
b) contribution to real GDP growth/Real GDP	Real GDP (% change p.a.)	Base	7.70	7.40	7.60	7.80	7.41
		Optimistic	8.22	7.92	8.12	8.32	7.93
		Pessimistic	7.18	6.88	7.08	7.28	6.89
c) Housing Price Index	Housing Price Index (change in % change)	Base	(0.40)	(0.15)	(0.14)	(0.14)	(0.13)
		Optimistic	0.77	1.01	1.02	1.03	1.04
		Pessimistic	(1.57)	(1.32)	(1.31)	(1.31)	(1.30)

Marco economic parameters used*	Measurement metric (% change / value)	Scenarios	Base case ranges between				
d) Lending interest rate	Lending Interest Rate (%)	Base	9.60	9.00	9.10	9.30	9.89
		Optimistic	9.91	9.31	9.41	9.61	10.20
		Pessimistic	9.29	8.69	8.79	8.99	9.58
e) Average real wages	Average real wages (% change p.a.)	Base	4.40	4.80	5.20	5.60	2.17
		Optimistic	5.15	5.55	5.95	6.35	2.92
		Pessimistic	3.65	4.05	4.45	4.85	1.43
f) Real agriculture	Real agriculture - [Y]	Base	19,083.20	19,732.00	20,422.60	21,178.30	18,990.78
		Optimistic	20,101.75	20,750.55	21,441.15	22,196.85	20,009.33
		Pessimistic	18,064.65	18,713.45	19,404.05	20,159.75	17,972.23
g) Recorded unemployment	Recorded unemployment (%)	Base	8.70	8.90	8.80	8.70	8.69
		Optimistic	9.01	9.21	9.11	9.01	9.00
		Pessimistic	8.39	8.59	8.49	8.39	8.38
h) Consumer prices	Consumer prices (% change p.a.; av)	Base	4.90	4.60	4.80	5.10	5.55
		Optimistic	5.99	5.69	5.89	6.19	6.64
		Pessimistic	3.81	3.51	3.71	4.01	4.45
i) Housing Price Index	Housing Price Index (% change)	Base	0.06	0.05	0.05	0.04	0.03
		Optimistic	(0.00)	(0.01)	(0.02)	(0.03)	(0.03)
		Pessimistic	0.13	0.12	0.11	0.10	0.10

Note: The Group has applied more weights to the pessimistic case as compared to the optimistic case.

6) Assessment of significant increase in credit risk

The credit risk on a financial asset of the Group is assumed to have increased significantly since initial recognition when contractual payments are more than 30 days past due. Additionally, accounts identified and reviewed by the Executive Committee for labelling of CSFD as breaching pre-defined critical credit risk parameters will also be classified as stage 2. In Infrastructure Finance Division, the accounts identified as high risk by the risk team qualify for classification as stage 2 since there is increase in credit risk. Accordingly, the financial assets shall be classified as stage 2, based on the quantitative as well as the qualitative factors.

3) Estimation techniques:

The Group has applied the following estimation techniques for the ECL model:

1) The Group has used historic default rates for calculating the 12-month PD and Lifetime PDs

2) Loss given default is calculated after considering EAD at the time of default and adjusting for actual recoveries basis time value of money, absent availability of internal data, the Group has used information to the extent available from the Basel norms.

3) Credit risk assessment is made based on the following estimation techniques:

   i) Credit risk monitoring techniques

   Exposures are subject to ongoing monitoring, which may indicate that a significant increase in credit risk has occurred on an exposure. The monitoring typically involves use of the following data for Corporate and Retail exposures:

ii) Overdue status

iii) Restructuring, reschedulement of loans and requests for granting of forbearance

iv) Fraudulent customer

v) Marked as high risk by the Risk Management Committee

vi) Techniques for determining PD

vii) Information published in the Basel IRB (Basel internal rating based approach refers to set of credit measurement techniques proposed by the Basel Committee on Bank Supervision (BCBS) for determining capital adequacy of the bank) norms is also used

Days past due is a primary input for the determination of the PD for exposures. The Group collects performance and default information about its credit risk exposures analysed by product. For some portfolios, information published in the Basel IRB norms is also used.

The Group employs statistical models to analyse the data collected and generate estimates of the remaining lifetime PD of exposures and how these are expected to change as a result of the passage of time. Such statistical models are selected considering the availability of information related to the probability of default for each product.

This analysis includes the identification and calibration of relationships between changes in default rates and changes in key macro-economic factors. Key macro-economic indicators include but are not limited to;

a) Private consumption;

b) Contribution to real GDP growth;

c) Housing Price Index;

d) Lending interest rate;

e) Average real wages;

f) Real agriculture;

g) Recorded unemployment;

h) Consumer prices;

i) Real GDP.

Based on advice from the external risk management experts, the Group considers variety of external actual and forecast information to formulate a ‘base case’ view of the future direction of relevant economic variables as well as a representative range of other possible forecast scenarios. Such forecasts are adjusted to estimate the PDs.

Predicted relationships between the key indicators and default and loss rates on various portfolios of financial assets have been developed based on analysing historical data over the past 5 years.

A maximum of a 12-month PD or actual contractual tenure is considered for financial assets for which credit risk has not significantly increased. The Group measures ECL for stage 2 and stage 3 assets considering the risk of default over the maximum contractual period over which it is exposed to credit risk.

The portfolio is subject to regular review to ensure that exposures within a particular group remain appropriately homogeneous.

For portfolios in respect of which the Group has limited historical data, external benchmark information is used to supplement the internally available data.

viii) Techniques for determining LGD:

LGD is the magnitude of the likely loss if there is a default. The Group estimates LGD parameters based on the history of recovery rates against defaulted counterparties. The LGD models consider the cash flow received, assets received in lieu of settlement of loan and collateral available for subsequent recovery that is integral to the financial asset. LGD estimates are calculated on a discounted cash flow basis using the internal rate of return as the discounting factor. The Group has observed challenges in the resolution of defaulted accounts with ageing more than two years and accordingly, a higher LGD estimate is applied assuming nil recoveries towards such accounts. Absent observed history of default for a product or similar product, LGD applied is based on the Basel IRB norms.

ix) Techniques for computation of EAD

a) EAD represents the expected exposure in the event of a default. The Group derives the EAD from the current exposure to the counterparty and potential changes to the current amount allowed under the contract, including amortisation. The EAD of a financial asset is its gross carrying amount. For lending commitments, the EAD includes the amount drawn as well as potential future amounts that may be drawn under the contract which are estimated based on credit conversion factor prescribed by the RBI/NHB for various loan commitments. For financial assets in stage 2, EAD is determined by estimating the possible exposure in future using linear amortisation techniques.

b) For undrawn loan commitments, the ECL is the difference between the present value of the difference between the contractual cash flows that are due to the Group if the holder of the commitment draws down the loan and the cash flows that the Group expects to receive if the loan is drawn down. Outstanding exposure for utilised limit as well as unutilised limit post applying the credit conversion factor as prescribed under the RBI/NHB guidelines, absent availability of information of past history of conversion of unutilised limits into utilised limits is considered as exposure at default for non-fund based facilities.

An analysis of changes in the gross carrying amount and the corresponding ECL allowances in relation to lending is, as follows:

a)

PARTICULARS	As at March 31, 2019				March 31, 2018			
	Stage 1	Stage 2	Stage 3	Total	Stage 1	Stage 2	Stage 3	Total
Gross carrying amount opening balance	56,96,470	2,00,517	1,47,169	60,44,156	47,53,174	1,68,741	1,99,053	51,20,968
New assets originated or purchased	36,97,525	-	-	36,97,525	30,21,875	-	-	30,21,875
Assets derecognised or repaid (excluding write offs)	(19,31,417)	(43,371)	(27,538)	(20,02,326)	(19,13,241)	(36,434)	(46,792)	(19,96,467)
Transfers to Stage 1	62,255	(74,661)	(6,471)	(18,877)	75,925	(71,097)	(9,947)	(5,118)
Transfers to Stage 2	(1,60,960)	1,33,173	(2,775)	(30,562)	(1,81,776)	1,66,865	(5,815)	(20,725)
Transfers to Stage 3	(71,167)	(34,784)	89,161	(16,789)	(57,533)	(25,339)	70,280	(12,593)
Amounts written off	(6,038)	(4,323)	(66,372)	(76,733)	(1,955)	(2,219)	(59,609)	(63,783)
Gross carrying amount closing balance	**72,86,668**	**1,76,551**	**1,33,174**	**75,96,393**	**56,96,470**	**2,00,517**	**1,47,169**	**60,44,156**

Note: Gross carrying amount does not include loan commitments ₹ 7,65,925 (As on March 31, 2018: ₹ 7,48,667 lakh; As on 01, April 2017: ₹ 6,20,031 lakh). The EAD considered for loan commitments is after applying credit conversion factor (CCF) as per RBI norms/NHB norms.

b)

PARTICULARS	As at March 31, 2019				March 31, 2018			
	Stage 1	Stage 2	Stage 3	Total	Stage 1	Stage 2	Stage 3	Total
ECL allowance - opening balance	41,824	27,139	1,23,151	1,92,114	37,828	20,906	1,62,124	2,20,858
New assets originated or purchased	39,388	0	0	39,388	25,022	4,654	13,479	43,155
Assets derecognised or repaid (excluding write offs)	(15,536)	(5,426)	(23,437)	(44,399)	(17,273)	(4,696)	(33,832)	(55,802)
Transfers to Stage 1	422	(7,902)	(3,476)	(10,956)	803	(6,900)	(6,521)	(12,618)
Transfers to Stage 2	(5,271)	25,378	(1,474)	18,634	(2,088)	17,732	(2,809)	12,835
Transfers to Stage 3	(13,223)	(5,446)	70,696	52,028	(2,399)	(4,069)	46,092	39,624
Amounts written off	(260)	(1,264)	(59,289)	(60,813)	(68)	(488)	(55,382)	(55,939)
ECL allowance - closing balance	**47,345**	**32,479**	**1,06,172**	**1,85,996**	**41,824**	**27,139**	**1,23,151**	**1,92,114**

Note: Includes impairment allowance on loan commitments ₹ 2,970 lakh (As on March 31, 2018 3,364 lakh ; As on April 01, 2017 ; 2,334 Lakh)

Modified financial assets

The Group renegotiates loans given to customers in financial difficulties (referred to as forbearance activities, restructuring or rescheduling) to maximise collection opportunities and minimise the risk of default. Under the Group's forbearance policy, loan forbearance is granted on a selective basis if the debtor is currently in default on its debt or if there is a high risk of default, there is evidence that the debtor made all reasonable efforts to pay under the original contractual terms and the debtor is expected to be able to meet the revised terms. The revised terms usually include extending the maturity, changing the timing of interest payments and amending the terms of loan covenants. Both retail and corporate loans are subject to the forbearance policy. The Risk Management Committee regularly reviews reports on forbearance activities.

Upon renegotiation, such accounts are classified as stage 3. Such accounts are upgraded to stage 1 only upon observation of satisfactory repayments of one year from the date of such down-gradation and accordingly loss allowance is measured using 12 month PD.

Exposure to modified financial assets

(₹ in lakh)

PARTICULARS	As at March 31, 2019	As at March 31, 2018	As at April 1, 2017
Loan exposure to modified financial assets			
(i) Gross carrying amount	**8,332**	18,742	53,112
(ii) Impairment allowance	**3,087**	14,352	43,209
(iii) Net carrying amount	**5,245**	**4,390**	**9,904**

NOTE "40" FINANCIAL RISK REVIEW (continued)

A. Credit risk

Loans by Division

iv) Concentration of Credit Risk

The table below shows the credit quality based on credit concentration and the maximum exposure to credit risk based on the days past due and year-end stage classification of Loans. The amounts presented are gross of impairment allowances.

Gross Carrying	March 31, 2019				March 31, 2018				April 1, 2017			
	Stage 1	Stage 2	Stage 3	Total	Stage 1	Stage 2	Stage 3	Total	Stage 1	Stage 2	Stage 3	Total
Divisions												
Consumer, Housing finance and advisory business	42,82,266	1,40,696	90,528	45,13,490	34,58,756	1,14,547	78,935	36,52,238	29,22,620	84,481	68,677	30,75,778
Commercial and SME finance	25,10,688	35,243	41,175	25,87,106	19,22,813	85,189	31,074	20,39,077	16,08,357	83,048	58,305	17,49,710
Infrastructure finance	4,90,368	612	-	4,90,980	3,08,117	781	-	3,08,898	1,98,981	935	-	1,99,916
Others	3,346	-	1,471	4,817	6,784	-	37,160	43,944	23,216	277	72,070	95,563
Total	**72,86,669**	**1,76,550**	**1,33,174**	**75,96,393**	**56,96,470**	**2,00,517**	**1,47,169**	**60,44,156**	**47,53,174**	**1,68,741**	**1,99,053**	**51,20,968**

Note: Gross carrying amount does not include loan commitments ₹ 7,65,925 (As on March 31, 2018: ₹ 7,48,667 lakh; As on 01, April 2017: ₹ 6,20,031 lakh). The EAD considered for loan commitments is after applying credit conversion factor (CCF) as per RBI norms.

Impairment Allownace	March 31, 2019				March 31, 2018				April 1, 2017			
	Stage 1	Stage 2	Stage 3	Total	Stage 1	Stage 2	Stage 3	Total	Stage 1	Stage 2	Stage 3	Total
Divisions												
Consumer, Housing finance and advisory business	30,263	28,417	70,053	1,28,733	26,641	20,296	59,060	1,05,997	24,376	14,669	46,642	85,687
Commercial and SME finance	14,147	4,031	36,119	54,296	12,587	6,802	25,211	44,600	9,851	6,161	43,070	59,082
Infrastructure finance	2,125	31	-	2,156	1,419	42	-	1,461	1,041	4	-	1,045
Others	811	-	-	811	1,176	-	38,880	40,056	2,560	72	72,412	75,044
Total	**47,345**	**32,479**	**1,06,172**	**1,85,996**	**41,823**	**27,140**	**1,23,151**	**1,92,114**	**37,828**	**20,906**	**1,62,124**	**2,20,858**

Note: Includes impairment allowance on loan commitments ₹ 2,970 lakh (As on March 31, 2018: ₹ 3,364 lakh ; As on April 01, 2017 : ₹ 2,334 Lakh)

NOTE "40" FINANCIAL RISK REVIEW (continued)

A. Credit risk

4

PARTICULARS	As at March 31, 2019	As at March 31, 2018	As at April 1, 2017
LOANS			
- Amortised Cost	75,14,383	60,07,762	51,04,578
- At Fair Value through Other Comprehensive Income	82,010	36,394	16,390
Total - Gross Carrying value of Loans	**75,96,393**	**60,44,156**	**51,20,968**
Less: Un-Amortized DMA & Processing Fees	(21,032)	(13,281)	(6,988)
Total - Carrying Value of Loans	**75,75,361**	**60,30,875**	**51,13,980**
Less : Impairment Allowance	(1,85,996)	(1,92,114)	(2,20,858)
Total - Net Carrying value of Loans	**73,89,365**	**58,38,761**	**48,93,122**

Note: Gross carrying amount does not include loan commitments ₹ 7,65,925 lakh (As on March 31, 2018: ₹ 7,48,667 lakh; As on 01, April 2017: ₹ 6,20,031 lakh). The EAD considered for loan commitments is after applying credit conversion factor (CCF) as per RBI norms/NHB norms.

Note: Impairment allowance includes impairment allowance on loan commitments ₹ 2,970 lakh (As on March 31, 2018 : ₹ 3,364 lakh ; As on April 01, 2017 : ₹ 2,334 Lakh)

5 Trade receivables

PARTICULARS	As at March 31, 2019			As at March 31, 2018			As at April 1, 2017		
Category of Trade receivables	Gross	Impairment allowance	Net	Gross	Impairment allowance	Net	Gross	Impairment allowance	Net
Stage 1: Considered good	14,850	-	14,850	7,216	-	7,216	8,113	-	8,113
Stage 2:Significant increase in credit risk	-	-	-	106	-	106	53	-	53
Stage 3: Credit impaired	849	849	-	654	654	-	560	560	-
Net Carrying value of trade receivables	**15,699**	**849**	**14,850**	**7,976**	**654**	**7,322**	**8,726**	-	**8,166**

refer note no ix: approach for impairment allowance on trade receivables under expected credit loss method.

B. Liquidity risk

For the definition of liquidity risk and information on how liquidity risk is managed by the Group, see Note 41.

i. Exposure to liquidity risk

The Group has set tolerance limits in the light of the Group's business objectives, strategic direction and overall risk appetite. The tolerance limits reflects balance between profitability and managing liquidity risk and considers Group's current financial condition and funding capacity. The Group maintains liquidity buffer of unencumbered highly liquid assets (if required) to insure against liquidity stress events.

NOTE “40” FINANCIAL RISK REVIEW (continued)

B. Liquidity risk

ii. Maturity analysis for financial liabilities and financial assets

The following tables set out the remaining contractual maturities of the Group’s financial liabilities and financial assets:

As at March 31, 2019	Note No.	Carrying amount	Gross nominal inflow/(outflow)	Less than 1 month	1–3 months	3 months –1 year	1–5 years	More than 5 years	upto 1 Year	more than 1 Year
Financial liability by type										
Non-derivative liabilities										
Trade payables	13	74,704	74,704	3,394	62,822	11,644	-	-	77,860	-
Debt securities issued	14	21,92,081	21,92,081	1,55,572	1,63,781	7,01,019	11,05,412	72,077	10,20,373	11,77,489
Borrowings	15	41,13,592	41,13,592	6,16,106	10,61,540	7,12,560	14,69,290	3,08,676	23,90,206	17,77,966
Subordinated liabilities	16	5,70,021	5,70,021	-	-	1,71,611	1,37,533	2,62,740	1,71,611	4,00,273
External commercial borrowings		51,048	51,048	-	-	-	-	-	-	-
Other financial liabilities	17	1,95,972	1,95,972	13,583	18,794	1,20,177	45,057	(4,797)	1,52,554	40,259
Derivative liabilities		357	357	-	-	-	372	-	-	372
Total		**71,97,775**	**71,97,775**	**7,88,655**	**13,06,937**	**17,17,012**	**27,57,664**	**6,38,695**	**38,12,604**	**33,96,359**
Market Borrowings		35,10,894	35,10,894	5,09,286	7,17,593	11,89,252	12,10,585	90,057	21,13,198	13,25,357
Bank borrowings		31,04,581	31,04,581	5,92,948	5,16,143	4,10,275	14,30,350	3,51,799	12,31,248	18,06,208
Total Borrowings excluding CRPS		**66,15,475**	**66,15,475**	**11,02,234**	**12,33,736**	**15,99,526**	**26,40,935**	**4,41,856**	**33,44,445**	**31,31,565**
Financial asset by type										
Non-derivative assets										
Cash and cash equivalents	4	1,34,510	1,34,510	1,34,501	-	9	-	-	1,34,510	-
Bank balances	5	53,680	53,680	8,420	16,025	29,205	-	28	53,651	28
Receivables	6	14,924	14,924	1,791	496	12,638	-	-	14,924	-
Loans	7	75,96,393	75,96,393	3,31,529	9,41,483	14,99,885	24,03,303	24,20,193	27,72,897	48,23,497
Investments	8	1,78,618	1,78,618	8,517	-	1,379	90,578	78,144	9,896	1,68,722
Other Financial Assets	9	34,113	34,113	(251)	165	32,659	7,481	(6,039)	32,574	1,442
Derivative assets		347	347	1	2	8	351	-	11	351
Total		**80,12,585**	**80,12,585**	**4,84,508**	**9,58,172**	**15,75,784**	**25,01,713**	**24,92,326**	**30,18,463**	**49,94,040**

NOTE "40" FINANCIAL RISK REVIEW (continued)

B. Liquidity risk

ii. Maturity analysis for financial liabilities and financial assets

The following tables set out the remaining contractual maturities of the Group's financial liabilities and financial assets:

As at March 31, 2018	Note No.	Carrying amount	Gross nominal inflow/(outflow)	Less than 1 month	1–3 months	3 months –1 year	1–5 years	More than 5 years	upto 1 Year	more than 1 Year
Financial liability by type										
Non-derivative liabilities										
Trade payables	13	59,977	59,977	(356)	57,764	2,626	-	-	60,034	-
Debt securities issued	14	18,71,962	18,71,962	77,810	1,35,860	4,72,168	11,19,700	67,250	6,85,838	11,86,950
Borrowings	15	31,32,649	31,32,649	5,77,059	8,32,568	5,58,529	8,89,346	2,76,467	19,68,156	11,65,813
Subordinated liabilities	16	5,19,523	5,19,523	-	-	20,499	2,82,830	2,18,575	20,499	5,01,405
Other financial liabilities		2,10,803	2,10,803	17,070	14,733	1,46,184	37,009	(4,247)	1,77,988	32,762
Derivative liabilities		98	98	98	-	-	-	-	98	-
Total		**57,95,012**	**57,95,012**	**6,71,681**	**10,40,925**	**12,00,007**	**23,28,885**	**5,58,045**	**29,12,613**	**28,86,930**
Market Borrowings		28,80,872	28,80,872	1,81,286	8,67,775	6,72,675	14,17,811	(2,58,675)	17,21,736	11,59,136
Bank borrowings		20,54,787	20,54,787	4,39,800	1,00,653	3,77,022	8,33,945	3,03,367	9,17,475	11,37,312
Total Borrowings excluding CRPS		**49,35,659**	**49,35,659**	**6,21,086**	**9,68,428**	**10,49,697**	**22,51,756**	**44,692**	**26,39,211**	**22,96,448**
Financial asset by type										
Non-derivative assets										
Cash and cash equivalents	4	17,282	17,282	17,205	-	26	-	-	17,232	-
Bank balances	5	9,107	9,107	6,158	-	2,924	-	26	9,082	26
Receivables	6	7,459	7,459	6,276	419	763	-	-	7,457	-
Loans	7	60,44,156	60,44,156	3,00,289	8,19,963	10,71,290	19,13,677	19,38,938	21,91,542	38,52,615
Investments	8	1,69,518	1,69,518	83	-	2,151	1,01,604	65,679	2,234	1,67,284
Other Financial Assets	9	59,397	59,397	(137)	(6,329)	56,897	8,605	232	50,430	8,837
Derivative assets		-	-	-	-	-	-	-	-	-
Total		**63,06,919**	**63,06,919**	**3,29,875**	**8,14,053**	**11,34,050**	**20,23,886**	**20,04,875**	**22,77,978**	**40,28,762**

NOTE “40” FINANCIAL RISK REVIEW (continued)

B. Liquidity risk

ii. Maturity analysis for financial liabilities and financial assets

The following tables set out the remaining contractual maturities of the Group’s financial liabilities and financial assets:

As at April 1, 2017	Note No.	Carrying amount	Gross nominal inflow/(outflow)	Less than 1 month	1–3 months	3 months –1 year	1–5 years	More than 5 years	upto 1 Year	more than 1 Year
Financial liability by type										
Non-derivative liabilities										
Trade payables	13	54,245	54,245	2,075	48,641	3,544	-	-	54,261	-
Debt securities issued	14	18,91,954	18,91,954	84,360	2,46,640	5,97,920	8,79,443	84,750	9,28,920	9,64,193
Borrowings	15	22,68,415	22,68,415	6,07,364	6,11,745	4,54,049	4,06,520	1,82,567	16,73,157	5,89,087
Subordinated liabilities	16	4,91,706	4,91,706	-	-	48,435	2,42,831	2,02,850	48,435	4,45,681
Other financial liabilities		1,95,618	1,95,618	23,892	16,430	1,32,816	26,937	(4,487)	1,73,138	22,450
Derivative liabilities		-	-	-	-	-	-	-	-	-
Total		**49,01,938**	**49,01,938**	**7,17,691**	**9,23,456**	**12,36,764**	**15,55,731**	**4,65,680**	**28,77,911**	**20,21,411**
Market Borrowings		31,97,495	31,97,495	2,48,050	8,31,441	8,93,197	11,15,607	1,09,200	19,72,688	12,24,807
Bank borrowings		12,82,099	12,82,099	4,43,674	26,944	2,20,109	4,07,305	1,84,067	6,90,726	5,91,372
Total Borrowings excluding CRPS		**44,79,594**	**44,79,594**	**6,91,724**	**8,58,385**	**11,13,306**	**15,22,912**	**2,93,267**	**26,63,414**	**18,16,179**
Financial asset by type										
Non-derivative assets										
Cash and cash equivalents	4	34,514	34,514	34,270	-	243	-	-	34,513	-
Bank balances	5	2,372	2372	394	-	1,977	-	-	2,371	-
Receivables	6	8,267	8267	7,139	5	1,122	-	-	8,266	-
Loans	7	51,20,968	51,20,968	5,43,805	6,04,433	7,62,847	14,36,593	17,73,226	19,11,084	32,09,819
Investments	8	1,59,559	159559	-	-	1,817	1,07,168	50,572	1,817	1,57,740
Other Financial Assets	9	50,083	50083	(778)	247	48,693	6,273	(4,340)	48,162	1,932
Derivative assets		-	-	-	-	-	-	-		
Total		**53,75,763**	**53,75,763**	**5,84,831**	**6,04,685**	**8,16,699**	**15,50,033**	**18,19,458**	**20,06,214**	**33,69,491**

NOTE "40" FINANCIAL RISK REVIEW (continued)

B. Liquidity risk

ii) Maturity analysis of assets and liabilities

The table below shows an analysis of assets and liabilities analysed according to when they are expected to be recovered or settled. With regard to loans and advances to customers, the Group uses the same basis of expected repayment behaviour as used for estimating the EIR. Issued debt reflect the contractual coupon amortisations.

ASSETS	As at March 31, 2019			As at March 31, 2018			April 1, 2017		
	Within 12 months	After 12 months	Total	Within 12 months	After 12 months	Total	Within 12 months	After 12 months	Total
Financial assets	**30,18,463**	**49,94,122**	**80,12,585**	**22,78,029**	**40,28,890**	**63,06,919**	**20,06,217**	**33,69,546**	**53,75,763**
Cash and cash equivalents	1,34,510	-	1,34,510	17,282	-	17,282	34,514	-	34,514
Bank Balance other than (a) above	53,651	29	53,680	9,082	25	9,107	2,372	-	2,372
Derivatives financial instruments	11	336	347	-	-	-	-	-	-
Trade Receivables	14,924	-	14,924	7,459	-	7,459	8,267	-	8,267
Loans	27,72,897	48,23,496	75,96,393	21,91,542	38,52,614	60,44,156	19,11,084	32,09,884	51,20,968
Investments	9,896	1,68,722	1,78,618	2,234	1,67,284	1,69,518	1,817	1,57,742	1,59,559
Other financial assets	32,574	1,539	34,113	50,430	8,967	59,397	48,162	1,921	50,083
Non-financial Assets	**51,088**	**2,00,738**	**2,51,826**	**38,187**	**1,76,231**	**2,14,418**	**25,139**	**1,90,089**	**2,15,228**
Current tax asset	9,344	(301)	9,043	6,496	2,261	8,757	5,964	3,561	9,525
Deferred tax Assets (Net)	-	80,177	80,177	-	78,596	78,596	-	81,148	81,148
Investment property	-	2,368	2,368	-	2,488	2,488	-	2,446	2,446
Property, Plant and Equipment	-	1,01,961	1,01,961	-	79,596	79,596	-	87,961	87,961
Capital work-in-progress	-	128	128	-	275	275	-	655	655
Intangible assets under development	-	116	116	-	764	764	-	997	997
Other Intangible assets	-	2,947	2,947	-	2,314	2,314	-	1,109	1,109
Other non-financial assets	41,744	13,342	55,086	31,691	9,937	41,628	19,175	12,212	31,387
Total Assets	**30,69,551**	**51,94,860**	**82,64,411**	**23,16,217**	**42,05,120**	**65,21,337**	**20,31,355**	**35,59,636**	**55,90,991**
LIABILITIES									
Financial Liabilities	**38,12,604**	**33,85,171**	**71,97,775**	**29,12,613**	**28,32,362**	**57,95,012**	**28,77,217**	**20,24,721**	**49,01,938**
Derivative financial instruments	-	357	357	98	-	98	-	-	-
Trade Payables	-	-	-	-	-	-	-	-	
(i)Total outstanding dues of micro enterprises and small enterprises	-	-	-	-	-	-	-	-	-
(ii) total outstanding dues of creditors other than micro enterprises and small enterprises	77,860	(3,156)	74,704	60,034	(57)	59,977	54,261	(16)	54,245
Debt Securities	10,20,373	11,71,708	21,92,081	6,85,838	11,86,124	18,71,962	9,28,920	9,63,034	18,91,954
Borrowings (Other than debt securities)	23,90,206	17,74,434	41,64,640	19,68,156	11,64,493	31,32,649	16,73,157	5,95,258	22,68,415
Deposits	-	-	-	-	-	-	-	-	-
Subordinated liabilities	1,71,611	3,98,410	5,70,021	20,499	4,99,024	5,19,523	48,435	4,43,271	4,91,706
Other financial liabilities	1,52,554	43,418	1,95,972	1,77,988	32,815	2,10,803	1,72,444	23,174	1,95,618
Non-Financial Liabilities	**1,31,881**	**1,22,990**	**2,54,871**	**1,36,920**	**1,09,539**	**2,46,459**	**1,58,369**	**1,09,642**	**2,68,011**
Current tax liability	16,115	935	17,050	12,801	400	13,201	10,189	400	10,589
Provisions	1,05,565	83,194	1,88,759	1,15,859	79,234	1,95,093	1,39,771	87,622	2,27,393
Deferred tax liabilities (net)	-	-	-	-	-	-	-	-	-
Liability and disposal groups held for sale	-	-	-	-	-	-	-	-	-
Other non financial liabilities	10,200	38,862	49,062	8,261	29,904	38,165	8,409	21,620	30,029
Total liabilities	**39,44,485**	**35,08,161**	**74,52,646**	**30,49,533**	**29,91,938**	**60,41,471**	**30,35,586**	**21,34,363**	**51,69,949**

NOTE "40" FINANCIAL RISK REVIEW (continued)

B. Liquidity risk

ii. Maturity analysis for financial liabilities and financial assets

The amounts in the table above have been compiled as follows.

Type of financial instrument	Basis on which amounts are compiled
Non-derivative financial liabilities and financial assets	Undiscounted cash flows, which include estimated interest payments.
Derivative financial liabilities and financial assets held for risk management purposes	The Derivative liability amount represents the Mark to market(MTM) gain.

The Group's expected cash flows on some financial assets and financial liabilities vary significantly from the contractual cash flows. The principal differences are as follows:

a) Unrecognised loan commitments are not all expected to be drawn down immediately; and

b) Retail loans have an original contractual maturity of between 12 and 144 months but an average expected maturity of 16 months because customers take advantage of early repayment options.

c) Similarly Corporate loans have an original contractual maturity of between 12 and 60 months respectively for Channel finance and Commercial finance term loans respectively, but an average expected maturity of 7 months and 24 months.

d) Infrastructure term loans have an original contractual maturity of between 12 and 180 months but an average expected maturity of 36 months because customers take advantage of early repayment options.

As part of the management of liquidity risk arising from financial liabilities, the Group holds liquid assets comprising cash and cash equivalents to meet liquidity requirements. In addition, the Group maintains agreed lines of credit with other banks to maintain the liquidity requirements.

iii. Financial assets available to support future funding:

The Group has assets which are not pledged as securities. Details of assets pledged/not pledged as securities are as follows

ASSETS	As at March 31, 2019			As at March 31, 2018			As at April 1, 2017		
	Pledged	Not Pledged	Total	Pledged	Not Pledged	Total	Pledged	Not Pledged	Total
Financial assets	**75,96,393**	**4,16,192**	**80,12,585**	**60,44,156**	**2,62,763**	**63,06,919**	**51,20,968**	**2,54,795**	**53,75,763**
Cash and cash equivalents	-	1,34,510	1,34,510	-	17,282	17,282	-	34,514	34,514
Bank Balance other than (a) above	-	53,680	53,680	-	9,107	9,107	-	2,372	2,372
Derivatives financial instruments	-	347	347	-	-	-	-	-	-
Trade Receivables	-	14,850	14,850	-	7,322	7,322	-	8,166	8,166
Other Receivables		74	74		137	137		101	101
Loans	75,96,393	-	75,96,393	60,44,156	-	60,44,156	51,20,968	-	51,20,968
Investments	-	1,78,618	1,78,618	-	1,69,518	1,69,518	-	1,59,559	1,59,559
Other financial assets	-	34,113	34,113	-	59,397	59,397	-	50,083	50,083
Non-financial Assets	**291**	**2,51,535**	**2,51,826**	**304**	**2,14,114**	**2,14,418**	**317**	**2,14,911**	**2,15,228**
Current tax asset	-	9,043	9,043	-	8,757	8,757	-	9,525	9,525
Deferred tax Assets (net)	-	80,177	80,177	-	78,596	78,596	-	81,148	81,148

Investment property	266	2,102	2,368	279	2,209	2,488	292	2,154	2,446
Property, Plant and Equipment	25	1,01,936	1,01,961	25	79,571	79,596	25	87,936	87,961
Capital work-in-progress	-	128	128	-	275	275	-	655	655
Intangible assets under development	-	116	116	-	764	764	-	997	997
Other Intangible assets	-	2,947	2,947	-	2,314	2,314	-	1,109	1,109
Other non-financial assets	-	55,086	55,086	-	41,628	41,628	-	31,387	31,387
Total Assets	**75,96,684**	**6,67,727**	**82,64,411**	**60,44,460**	**4,76,877**	**65,21,337**	**51,21,285**	**4,69,706**	**55,90,991**

iv. Financial assets pledged as collateral

The total financial assets recognised in the statement of financial position that had been pledged as collateral for liabilities as at March 31, 2019, March 31, 2018 and April 1, 2017 is shown in the preceding table.

C. Market risk

i For the definition of market risk and information on how the Group manages the market risks of trading and non-trading portfolios, see Note 41(D).

The following table sets out the allocation of assets and liabilities to non-trading portfolios. The Group does not allocate the assets and liabilities to trading portfolios.

(₹ in lakh)

CARRYING AMOUNT	Market risk measure		
	As at March 31, 2019	As at March 31, 2018	As at April 1, 2017
Cash and cash equivalents	**1,34,510**	17,282	34,514
Bank balances	**53,680**	9,107	2,372
Derivative financial instruments	**347**	-	-
Trade receivables	**14,850**	7,322	8,166
Other receivables	**74**	137	101
Loans	**75,96,393**	60,44,156	51,20,968
Investments	**1,78,618**	1,69,518	1,59,559
Other financial assets	**34,113**	59,397	50,083
Financial assets	**80,12,585**	**63,06,919**	**53,75,763**
Financial liabilities			
Derivatives held for risk management	**357**	98	-
Total outstanding dues of creditors other than micro enterprises and small enterprises	**74,704**	59,977	54,245
Debt securities	**21,92,081**	18,71,962	18,91,954
Borrowings (Other than debt securities)	**41,64,640**	31,32,649	22,68,415
Deposits	**-**	-	-
Subordinated liabilities	**5,70,021**	5,19,523	4,91,706
Other financial liabilities	**1,95,972**	2,10,803	1,95,618
Finanicial liabilities	**71,97,775**	**57,95,012**	**49,01,938**

ii Exposure to interest rate risk – Non-trading portfolios (continued)

Group carries out earning adjusted rate (EAR) model analysis for rate sensitive assets and liabilities, to assess the impact on the earnings upon change in the interest rates.

Below table illustrates impact on earnings on account of 100 bps change on in interest rate on the Rate sensitive asset and Rate sensitive liability.

As on Mar 19 (₹ in Lakh)

RATE SENSITIVE	Less than 1 Year	@ 100bps change increase	@ 100bps change decrease
Rate Sensitive Asset	63,90,463	31,952	(31,952)
Rate Sensitive Liabilities	49,40,271	24,701	(24,701)
Net Gap (Asset - liability)	**14,50,191**	**7,251**	**(7,251)**

As on Mar 18 (₹ in Lakh)

RATE SENSITIVE	Less than 1 Year	@ 100bps change increase	@ 100bps change decrease
Rate Sensitive Asset	51,36,814	25,684	(25,684)
Rate Sensitive Liabilities	33,16,620	16,583	(16,583)
Net Gap (Asset - liability)	**18,20,194**	**9,101**	**(9,101)**

As on April 1, 2017 (₹ in Lakh)

RATE SENSITIVE	Less than 1 Year	@ 100bps change increase	@ 100bps change decrease
Rate Sensitive Asset	43,33,677	21,668	(21,668)
Rate Sensitive Liabilities	31,60,132	15,801	(15,801)
Net Gap (Asset - liability)	**11,73,544**	**5,868**	**(5,868)**

iii. Exposure to currency risks – Non-trading portfolios

The Group carries out assessment of impact on profitability due to change in the foreign exchange rate fluctuation towards external commercial borrowings.

Rate Sensitive Asset

Exposure (Amt in USD MN) as at March 31, 2019	Foreign exchange rate sensitive	(Loss)/Gain impact ₹in lakh
75	100 paisa increase per USD	(750)
75	100 paisa decrease per USD	750

D. Capital management

i Regulatory capital

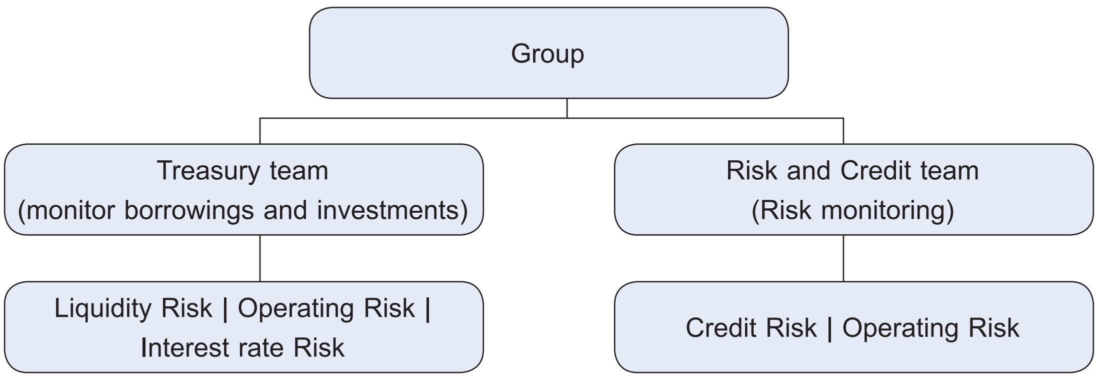
The Reserve Bank of India (RBI) and National Housing Bank (NHB) sets and monitors capital adequacy requirements for the Companies within the Group from time to time. The Companies within the Group has complied with the minimum stipulated capital requirement for Tier I and Tier II. The Board of Directors (BOD) has authorised the Asset and Liability Management Committee (ALCO) to review the capital requirement of the respective entities. Treasury team closely monitors the Tier I and Tier II capital requirement of the Companies within the Group and reports to ALCO. The Group endeavour to maintain a balance between ensuring high level of return on capital employed and securing strong capital base.

NOTE "41" FINANCIAL RISK MANAGEMENT

A. Introduction and overview;

Financial instruments of the Group have exposure to credit risk, liquidity risk, market risk and operational risk.

1. The following chart provides a link between the Group's business units and the principal risks that they are exposed to:



2. Group's Risk Management framework for measuring and managing risk:

i. Risk management framework:

The Group's Board of Directors has overall responsibility for the establishment and oversight of the risk management framework.

The Board of Directors has constituted following committees and defined their role for monitoring the risk management policies of the Group.

1) Finance & Asset Liability Supervisory Committee (ALCO): Review of the Asset and Liability position, liquidity risk and market risk of the Group.

2) Risk Management Committee: Review of the credit risk, operational risk and fraud risk management of the Group. Operational risk management committee (ORMC) reviews operational risk as per the operational risk management framework. Fraud risk management committee (FRMC) reviews matters of frauds committed by employee, customer and vendor.

3) Investment Committee (IC) and Credit Committee(CC): Review of the investment and credit proposal of the Group and oversight of credit risk. A separate Managing Credit Committee (MCC), reporting to the Credit Committee, is responsible for managing the credit risk of the Group.

The Group's risk management policies are established to identify and analyse the risks faced by the Group, to set appropriate risk limits and controls and to monitor risks and adherence to limits. The risk management policies and systems are reviewed regularly to reflect changes in the market conditions and the activities of the Group. The Group, through its training and management standards and procedures, aims to develop a disciplined and constructive control environment in which all employees understand their roles and obligations. The Risk Management Committee oversees how the Management monitors compliance with the risk management policies and procedures and reviews the adequacy of the risk management framework in relation to the risks faced by the Group. The Audit Committee is assisted in its oversight role by the Internal Audit Department. The Internal Audit Department undertakes both regular and adhoc reviews of risk management controls and procedures, the results of which are reported to the Audit Committee.

Sources of risks to which the Group is exposed to and how the same are managed is illustrated in the table below:

Risk	Exposure arising from	Measurement	Management
Credit risk	Financial assets measured at amortised cost. Trade receivables and derivative financial instruments.	Review of ageing analysis and credit rating of the customer. Annual review of the customer account as per the credit monitoring policy of the Group.	Granularity of portfolio, product, ticket size, collateral and customer segment.
Liquidity risk	Inability to meet the obligations as they become due because of difficulty in liquidating assets or obtaining adequate funding.	Dynamic liquidity and structural liquidity statements.	Availability of committed bank lines and borrowing facilities.
Market risk – foreign exchange	Payables in foreign currency for purchase of assets given on operating lease. Recognised financial assets and liabilities not denominated in Indian rupee (INR).	Cash flow forecasting and sensitivity analysis.	Forward foreign exchange contracts for foreign fluctuations on account of foreign currency payment of interest and principal.
Market risk – interest rate	The gap between Interest rate reset frequencies of assets and liabilities.	Gap analysis in various time buckets and Earning at Risk Measure.	Managing the fixed rate and floating rate borrowing mix.
Market risk – security prices	Investments in equity securities	Sensitivity analysis.	Portfolio diversification.

The Group's credit risk management for lending business is carried out by the Credit and Risk management team and the liquidity and market risk management for the sources of funds is carried out by the treasury department and market risk team as per the policies approved by the Board of Directors. The Treasury Department identifies, evaluates and mitigates financial risks in close co-operation with the Group's operating units. ALCO provides written principles for overall risk management, as well as policies covering specific areas such as interest rate risk, use of derivative financial instruments and investment of excess liquidity.

3) The risk management approach of the Group for handling the various types of risks is as follows:

A) Credit risk;

i) Means the risk of loss that may occur from the failure of any party to abide by the terms and conditions of any contract, principally the failure to make required payments of amounts due to the Group. In its lending operations, the Group is principally exposed to credit risk.

ii. Management of Credit risk:

The credit risk is governed by the credit policy approved by the Investment and Credit Committees. The credit policy outlines the type of products that can be offered, customer categories, the targeted customer profile, credit approval process and limits and credit monitoring.

The Group measures, monitors and manages credit risk at an individual borrower level and at the Group exposure level for corporate borrowers. The credit risk for retail borrowers is being managed at the portfolio level. The Group has a structured and standardised credit approval process, which includes a well-established procedure of comprehensive credit appraisal. The Credit monitoring team verifies adherence to the terms of the credit approval prior to the commitment and disbursement of credit facilities and monitors deferral of the security perfection. The Risk Management Policy addresses the recognition, measurement, monitoring and reporting of the credit risk.

The Group has additionally taken the following measures for risk management;

a) Single party and group borrower limit;

b) Limit on secured and unsecured exposure for CSFD division;

c) Establishment of a separate credit monitoring team to enhance focus on monitoring of borrowers and to facilitate proactive action wherever required-

d) Enhanced monitoring of retail product portfolios through periodic reviews.

For risk management reporting purposes, the Group considers and consolidates all elements of credit risk exposure – e.g. individual obligor default risk, customer type industry risk, market risk, geography risk and sector risk.

iii Governance framework of the Group:

The role of the Managing Credit Committee encompasses the following activities:

a) Formulating credit policies in consultation with business units, covering collateral requirements, credit assessment, risk grading and reporting, documentary and legal procedures, setting and adherence to internal and regulatory threshold limits and compliance with regulatory and statutory requirements;

b) Establishing the authorisation structure for the approval and renewal of credit facilities. Authorisation limits are allocated to business unit credit officers. The Investment Committee (IC) and the Credit Committee (CC) approve loan and investment proposal above threshold limit as per the credit policy. Review and assessment of credit risk is done by the Credit Team. Risk team lays down policies for risk management;

c) Renewal and review of the facility is subject to the same review process;

d) Limiting concentration of exposure to counterparty, geography and industry for loans and advances;

e) Developing and maintaining the Group's risk grading to categorise exposures according to the degree of risk of default.

The current risk grading framework of the Group for Commercial and SME Finance Division (CSFD) is based on the 10 grades of internal rating reflecting varying degrees of risk of default.

The responsibility for setting risk grades lies with the final approving executive or committee, as appropriate. Risk grades are subject to regular reviews by the Risk Management Committee;

The below table illustrates the varying degrees of risk of default associated within the respective risk grades for CSFD:

Internal rating grades	Description of risk	Definition of risk associated with each risk grade
TC1-TC4	Adequate to highest level of safety of payments	Adequate to highest level of safety of payment. Customers with highest level of safety are unlikely to be effected by change in circumstances, while customers with adequate safety are likely to be effected adversely by change in the circumstances.
TC5-TC6	Moderate level of safety of payments	Moderate level of safety of payment. Change in circumstances will lead to weakened capacity to repay interest and principal.
TC7	Inadequate level of safety of payments	Inadequate level of safety of payment. Circumstances currently faced could lead to inadequate capacity to repay interest and principal.
TC8-TC9	Greater susceptibility to default	TC8: greater susceptibility to default of payment. Adverse conditions can lead to lack of ability or willingness to pay. TC9: vulnerable to default of payment. Timely payment of principal and interest only if favourable conditions continue.
TC10	Customer defaulter or expected to default	TC10: Customers are in default or expected to default on maturity of payment. Investments are speculative and returns only if the customer account is re-organised or liquidated.
Unrated	No ratings are available	Customer ratings are not available. Customer profile assessment is made on other parameters like income generation capacity, net-worth and past repayment records.

Infrastructure finance division:

a) The current risk grading framework of the Group is based on the internal rating reflecting varying degrees of risk of default and mapped to the external CRISIL ratings.

The responsibility for setting risk grades lies with the final approving executive or committee, as appropriate. Risk grades are subject to regular reviews by the Risk Management Committee;

The below table illustrates the varying degrees of risk of default associated within the respective risk grades for CSFD:

Internal rating grades	Ratings as per internal rating method	Definition
Grade 1	AAA to A	Highest level of security is available. Account has satisfactory performance

Grade 2	BBB | BBB- | BBB+	Adequate level of security. Account has satisfactory performance
Grade 3	BB | BB+ | BB-	Account has shown significant deterioration in performance
Grade 4	D	Account has defaulted

b) Developing and maintaining the Group's processes for measuring ECL for managing the following requirements:

1) Initial approval, regular validation and back-testing of the models used;

2) Incorporation of forward-looking information;

3) Reviewing compliance of business units with agreed exposure limits to products, state and sector;

4) Reports on the credit quality of product portfolio are provided to the Risk Management Committee, which may require appropriate corrective action to be taken;

5) These include reports containing inputs, estimates and techniques of ECL allowances; and

6) Providing advice, guidance and specialist skills to business units to promote best practice throughout the Group in the management of credit risk.

7) Assess criteria of staging of the assets under qualitative parameters.

Each business unit is required to implement the Group's credit policies and procedures, with credit approval authorities delegated from the Credit Committee. Each business unit has a Chief Credit Risk Officer who reports on all credit-related matters to the Credit Committee and the Group Chief Risk Officer. Each business unit is responsible for the quality and performance of its credit portfolio and for monitoring and controlling all credit risks in its portfolios, including those subject to approval of the Credit Committee. Regular audits of business units and credit processes are undertaken by the Internal Audit Department.

iv. Credit Risk assessment methodology:

a) Credit management for Corporate Portfolio:

The Group has an established credit analysis procedure leading to appropriate identification of credit risk. Appropriate appraisals have been established for various types of products and businesses. The methodology involves critical assessment of quantitative and qualitative parameters subject to review and approval of the Credit Committee.

The Group carries out a detailed analysis of funding requirements, including normal capital expenses, long-term working capital requirements and temporary imbalances in liquidity. A significant portion of Corporate Finance loans are secured by a lien over appropriate assets of the borrower.

Evaluation of Borrower risk is based on the following assessment:

1) The risks and prospects associated with the industry in which the borrower is operating (industry risk);

2) The financial position of the borrower by analysing the quality of its financial statements, its past financial performance, its financial flexibility in terms of ability to raise capital and its cash flow adequacy (financial risk);

3) The borrower's relative market position and operating efficiency (business risk);

4) The quality of management by analysing their track record, payment record and financial conservatism (management risk); and

5) The risks with respect to specific projects, both pre-implementation, such as construction risk

and funding risk, as well as post-implementation risks such as industry, business, financial and management risks related to the project. (project risk).

Risk management and portfolio review:

The Group ensures effective monitoring of credit facilities through a risk-based asset review framework under which the frequency of asset review is higher for cases with higher outstanding balances. The credit monitoring team verifies adherence to the terms of the credit approval prior to the commitment and disbursement of credit facilities. The credit monitoring team/operations team monitors compliance with the terms and conditions for credit facilities prior to disbursement. It also reviews the completeness of documentation, creation of security and insurance policies for assets financed. The Managing Credit Committee (MCC), apart from approving proposals, regularly reviews the credit quality of the portfolio and various sub-portfolios. A summary of the reviews carried out by the MCC is submitted to the Credit Committee for its information.

b) Credit management for retail portfolio:

The Group ensures effective monitoring of credit facilities through a risk-based asset review framework under which the frequency of asset review is higher for cases with higher outstanding balances. The credit team verifies adherence to the terms of the credit approval prior to the disbursement of credit facility. It also reviews the completeness of documentation, creation of security and insurance policies for assets financed. The credit team approves the proposals while the risk team regularly reviews the credit quality of the portfolio and various sub-portfolios. A summary of the reviews carried out by the risk team is submitted to the Risk Management Committee.

B) Market risk;

Risk due to change in market prices – e.g. interest rates, equity prices, foreign exchange rates and credit spreads, but not relating to changes in the obligor's/issuer's credit standing and will affect the Group's income or the value of its holdings of financial instruments. The objective of the Group's market risk management is to manage and control market risk exposures within acceptable parameters to ensure solvency while optimising the return on risk.

The market risk in respect of changes in value in financial assets arising from changes in market credit spreads applied to loans are monitored by the market risk officer.

ALCO sets up limits for each type of risk in aggregate and various products in the portfolio, with market liquidity being a primary factor in determining the level of limits. The Chief Risk Officer is responsible for the development of detailed market risk management policies and periodic review along with day to day implementation.

C) Interest rate risk:

Core business of the Group is borrowing and lending as permitted by the Reserve Bank of India/ National Housing Bank, exposing it to interest rate risk.

Interest rate risk is measured through earnings at risk from an earning perspective. The Group monitors the change in economic value of equity arising out of 100 bps change in the interest rate. Further, an interest rate sensitivity gap report is prepared by classifying all rate sensitive assets and rate sensitive liabilities into various time period categories according to earliest of contracted/ behavioural maturities or anticipated repricing date. The difference in the amount of rate sensitive assets and rate sensitive liabilities maturing or being repriced in any time period category, gives an indication of the extent of exposure to the risk of potential changes in the margins on new or repriced assets and liabilities. The Group monitors interest rate risk through above measures on a monthly basis. The interest rate risk limits are approved by the ALCO.

D) Liquidity risk;

A risk that the Group will encounter difficulty in meeting its day to day financial obligations.

Management of liquidity risk is done as follows;

i. The ALCO sets the strategy for managing liquidity risk commensurate with the business objectives;

ii. The ALCO has delegated the responsibility of managing overall liquidity risk and interest rate risk management to Treasury Department.

iii. The Treasury Department manages the liquidity position on a day-to-day basis and reviews daily reports covering the liquidity position of the Group. The Treasury team ensures the regulatory compliance to the liquidity risk related limits approved in the ALM policy by the ALCO.

iv. The Group's approach to managing liquidity is to ensure sufficient liquidity to meet its liabilities when they are due without incurring unacceptable losses or risking damage to the Group's reputation.

The key elements of the Group's liquidity risk management strategy are as follows:

1) Maintaining a diversified funding through market and bank borrowings resources such as debentures, commercial papers, subordinated debt, perpetual debt, Inter-corporate deposits(ICD's), overdraft and bank term loans. Unused bank lines constitute the main liquidity back up to meet the contingency funding plan. Additionally, based on the market scenario, the Group also maintains a portfolio of highly liquid mutual fund units.

2) Under the ALM guidelines, the dynamic liquidity statement and structural liquidity statement are being prepared on monthly basis to monitor the maturity gaps in the Assets and Liabilities cash flows. The Treasury team monitors the behavioural characteristics of the Group 's financial assets and financial liabilities while preparing the structural liquidity statement.

3) The Group carries out stress testing of cash flows on periodic basis and shares the results with the ALCO to gauge the adequacy of liquidity.

E. Operational Risk;

The risk of direct or indirect loss arising from a wide variety of causes associated with the Group's processes, personnel, systems, and from external factors other than credit, compliance, reputation, market and liquidity risks.

The Group has a Board approved Operational Risk Management (ORM) framework. Ongoing monitoring of key risk indicators ("KRI") is done and corrective actions are implemented on KRI exceptions. ORMC meets periodically to review the operational risk profile of the Group.

Risks associated with frauds are mitigated through a Fraud Risk Management (FRM) framework. FRMC reviews matters relating to fraud risk, including corrective and remedial actions as regards people and processes.

The Group has adopted "Framework for Improving Critical Infrastructure Cyber Security" published by the National Institute of Standards & Technology (NIST) and complies with the regulatory guidelines. Various measures are adopted to effectively protect against phishing, social media threats and rogue mobile.

NOTE "42" FAIR VALUES OF FINANCIAL INSTRUMENTS

See accounting policy in Note 2(iv).

A. Valuation models

The Group measures fair values using the following fair value hierarchy, which reflects the significance of the inputs used in making the measurements:

a) Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the Group can access at measurement date

b) Level 2 inputs are inputs, other than quoted prices included within level 1, that are observable for the asset or liability, either directly or indirectly; (i.e. derived from prices). This category includes instruments valued using: quoted market prices in active markets for similar instruments; quoted prices for identical or similar instruments in markets that are considered less than active; or other valuation techniques in which all significant inputs are directly or indirectly observable from market data.

c) Level 3 inputs are unobservable inputs for the valuation of assets or liabilities that the Group can access at measurement date. This category includes all instruments for which the valuation technique includes inputs that are not observable and the unobservable inputs have a significant effect on the instrument's valuation. This category includes instruments that are valued based on quoted prices for similar instruments for which significant unobservable adjustments or assumptions are required to reflect differences between the instruments. Valuation techniques include net present value and discounted cash flow models, income approach, comparison with similar instruments for which observable market prices exist, option pricing models and other valuation models. Assumptions and inputs used in valuation techniques include risk-free returns, benchmark interest rates and credit spreads used in estimating discount rates, bond and equity prices, foreign currency exchange rates, equity and equity index prices and expected price volatilities and correlations.

The objective of valuation techniques is to arrive at a fair value measurement that reflects the price that would be received to sell the asset or paid to transfer the liability in an orderly transaction between market participants at the measurement date.

The Group uses widely recognised valuation models to determine the fair value of financial instruments, such as forward rate agreement, that use only observable market data and require little management judgement and estimation. Observable prices or model inputs are usually available in the market for listed equity securities. The availability of observable market prices and model inputs reduces the need for management judgement and estimation and also reduces the uncertainty associated with determining fair values.

For more complex instruments, the Group uses proprietary valuation models, which are usually developed from recognised valuation models. Some or all of the significant inputs into these models may not be observable in the market, and may be derived from market prices or rates or estimated based on assumptions. Valuation models that employ significant unobservable inputs require a higher degree of management judgement and estimation in the determination of fair value. Management judgement and estimation are usually required for the selection of the appropriate valuation model to be used, determination of expected future cash flows on the financial instrument being valued, determination of the probability of counterparty default and prepayments, determination of expected volatilities and correlations and selection of appropriate discount rates.

Fair value estimates obtained from models are adjusted for any other factors, such as liquidity risk or model uncertainties, to the extent that the Group believes that a third party market participant would take them into account in pricing a transaction. Fair values reflect the credit risk of the instrument and include adjustments to take account of the credit risk of the Group and the counterparty where appropriate. Model inputs and values are calibrated against historical data, where possible, against current or recent observed transactions in different instruments. This calibration process is inherently subjective and it yields ranges of possible inputs and estimates of fair value, and management uses judgement to select the most appropriate point in the range.

Discounting of the cash flows of financial asset/ financial liability for computing the fair value of such instrument: the future contractual cash flows of instrument over the remaining contractual life of the instrument are discounted using comparable rate of lending/borrowing as applicable to financial asset/ financial liability in the month of reporting for a similar class of instruments. For shorter tenure financial assets such as channel finance, the remaining tenure is assumed to be six months.

Derivatives held for risk management : The Group enters into structured derivatives to mitigate the currency exchange risk. Some of these instruments are valued using models with significant unobservable inputs, principally expected long-term volatilities and expected correlations between different underlyings

B. Valuation framework

The Group has a established a policy for the measurement of fair values addressing the requirement to independently verify the results of all significant fair value measurements. Specific controls include:

1) verification of observable pricing basis actual market transactions;
2) re-performance of model valuations;
3) a review and approval process for new models and changes to models
4) annual calibration and back-testing of models against observed market transactions;
5) analysis and investigation of significant annual valuation movements; and
6) review of significant unobservable inputs, valuation adjustments and significant changes to the fair value measurement of Level 3 instruments compared with the previous year.

When third party information, such as valuation agency report is used to measure fair value, the Group assesses the documents and evidence used to support the conclusion that the valuations meet the requirements of Ind AS. This includes:

1) understanding how the fair value has been arrived at, the extent to which it represents actual market transactions and whether it represents a quoted price in an active market for an identical instrument;
2) when prices for similar instruments are used to measure fair value, how these prices have been adjusted to reflect the characteristics of the instrument subject to measurement; and
3) if a number of quotes for the same financial instrument have been obtained, then how fair value has been determined using those quotes.

Significant valuation issues are reported to the Audit Committee.

C. Financial assets and liabilities

The carrying value of financial instruments by categories as at March 31, 2019 is as follows:

PARTICULARS	Fair value through Profit or Loss	Fair Value through Other Comprehensive Income	Derivative instruments in hedging relationship	Derivative instruments not in hedging relationship	Amortised cost	Total Carrying Value
Financial Assets:						
Loans including credit substitutes	-	82,010	-	-	75,14,383	75,96,393
Investments (Other than in Associate)	66,161	23,355	-	-	-	89,516
Derivative asset	347	-	-	-	-	347
Total	**66,508**	**1,05,365**	**-**	**-**	**75,14,383**	**76,86,256**
Financial Liabilities:						
Borrowings	–	–	–	–	69,26,742	69,26,742
Derivative liability	357	–	–	–	–	357
Total	**357**	**–**	**–**	**–**	**69,26,742**	**69,27,099**

The carrying value of financial instruments by categories as at March 31, 2018 is as follows:

PARTICULARS	Fair value through Profit or Loss	Fair Value through Other Comprehensive Income	Derivative instruments in hedging relationship	Derivative instruments not in hedging relationship	Amortised cost	Total Carrying Value
Financial Assets:						
Loans including credit substitutes	–	36,394	–	–	60,07,762	60,44,156
Investments (Other than in Associate)	41,444	19,905	–	–	–	61,349
Total	**41,444**	**56,299**	**-**	**-**	**60,07,762**	**61,05,505**
Financial Liabilities:						
Borrowings	–	–	–	–	55,24,134	55,24,134
Derivative liability	98	–	–	–	–	98
Total	**98**	**-**	**-**	**-**	**55,24,134**	**55,24,232**

The carrying value of financial instruments by categories as at April 1, 2017 is as follows:

PARTICULARS	Fair value through Profit or Loss	Fair Value through Other Comprehensive Income	Derivative instruments in hedging relationship	Derivative instruments not in hedging relationship	Amortised cost	Total Carrying Value
Financial Assets:						
Loans including credit substitutes	–	16,390	–	–	51,04,578	51,20,968
Investments (Other than in Associate)	35,659	7,037	–	–	–	42,696
Total	**35,659**	**23,427**	**-**	**-**	**51,04,578**	**51,63,664**
Financial Liabilities:						
Borrowings	–	–	–	–	46,52,075	46,52,075
Total	**-**	**-**	**-**	**-**	**46,52,075**	**46,52,075**

Carrying amounts of cash and cash equivalents, trade receivables, loans and trade and other payables as on March 31, 2019, March 31, 2018 and April 1, 2017 approximate the fair value because of their short-term nature. Difference between carrying amounts and fair values of bank deposits, other financials assets, other financial liabilities and borrowings subsequently measured at amortised cost is not significant in each of the years presented.

Investment in associates: The Group has elected to measure Investment in associates at cost and accordingly the requirement of disclosure of fair value of the instrument under Ind AS 107 does not apply.

The following table summarises financial assets and liabilities measured at fair value on a recurring basis:

AS AT MARCH 31, 2019	Level 1	Level 2	Level 3	Total
Financial Assets:				
Mutual fund units	–	2,730	–	2,730
Equity Shares	24,764	–	4,311	29,075
Preference shares	–	–	22,808	22,808
Security Receipts	–	126	–	126
Debt securities	23,355	–	–	23,355
Loans	–	–	82,010	82,010
Derivative asset	347	–	–	347
Total	**48,466**	**2,856**	**1,09,129**	**1,60,450**

AS AT MARCH 31, 2019	Level 1	Level 2	Level 3	Total
Financial Liabilities:				
Derivative liability	357	–	–	357
Total	**357**	**–**	**–**	**357**

AS AT MARCH 31, 2018	Level 1	Level 2	Level 3	Total
Financial Assets:				
Mutual fund units	–	1,777	–	1,777
Equity Shares	16,819	–	4,531	21,350
Preference shares	–	–	17,717	17,717
Security Receipts	–	600	–	600
Debt securities	19,905	–	–	19,905
Loans	–	–	36,394	36,394
Total	**36,724**	**2,377**	**58,643**	**97,743**

AS AT MARCH 31, 2018	Level 1	Level 2	Level 3	Total
Financial Liabilities:				
Derivative liability	98	–	–	98
Total	**98**	**–**	**–**	**98**

AS AT APRIL 1, 2017	Level 1	Level 2	Level 3	Total
Financial Assets:				
Mutual fund units	–	1,580	–	1,580
Equity Shares	12,339	–	2,440	14,779
Preference shares	–	–	19,890	19,890
Security Receipts	–	1,130	–	1,130
Debt securities	7,037	–	–	7,037
Loans	–	–	16,390	16,390
Total	**19,376**	**2,710**	**38,720**	**60,806**

The following table summarises disclosure of fair value of financial assets and liabilities measured at amortised cost:

MEASURED AT LEVEL 3	As at March 31, 2019		As at March 31, 2018		As at April 1, 2017	
	Carrying Value	Fair value	Carrying Value	Fair value	Carrying Value	Fair value
Financial Assets at amortised cost:						
Loans including credit substitutes	75,14,383	75,44,062	60,07,762	60,83,592	51,04,578	51,86,579
Total	**75,14,383**	**75,65,142**	**60,07,762**	**60,86,865**	**51,04,578**	**51,86,579**
Financial Liabilities at amortised cost:						
Borrowings	69,26,742	69,48,737	55,24,134	55,15,933	46,52,075	46,87,284
Total	**69,26,742**	**69,48,737**	**55,24,134**	**55,15,933**	**46,52,075**	**46,87,284**

Fair value of the Financial intruments measured at amortised cost

The fair value of loans given is based on observable market transactions, to the extent available. Wherever the observable market transactions are not available, fair value is estimated using valuation models, such as discounted cash flow techniques. Input into the valuation techniques includes interest rates, prepayment rates, primary origination or secondary market spreads. Input into the models may include information obtained from other market participants, which includes observed primary and secondary transactions.

To improve the accuracy of the valuation estimate for retail and smaller commercial loans, homogeneous loans are grouped into portfolios with similar characteristics such as product.

The fair value of borrowings from banks is estimated using discounted cash flow techniques, applying the rates that are offered for loans of similar maturities and terms.

D The following table summarises valuation techniques used to determine fair value, fair value measurements using significant unobservable inputs (level 3) and valuation inputs and relationship to fair value

FINANCIAL INSTRUMENTS	Fair value as at			Fair value hierarchy	Valuation technique(s) and key input(s)	Significant unobservable input(s)	Relationship of unobservable inputs to fair value
	As at March 31, 2019	As at March 31, 2018	As at April 1, 2017				
Loans	75,14,383	60,07,762	51,04,578	level 3	discounted cash flows	NA	NA
Financial Assets at amortised cost (A)	**75,14,383**	**60,07,762**	**51,04,578**				

FINANCIAL INSTRUMENTS	Fair value as at			Fair value hierarchy	Valuation technique(s) and key input(s)	Significant unobservable input(s)	Relationship of unobservable inputs to fair value
	As at March 31, 2019	As at March 31, 2018	As at April 1, 2017				
Borrowings	69,26,742	55,24,134	46,52,075	Level 3	discounted cash flows	NA	NA
Financial Liabilities at amortised cost	**69,26,742**	**55,24,134**	**46,52,075**				
Mutual fund units	2,730	1,777	1,580	Level 2	net asset value, based on the NAV statement issued by Mutual fund house.	Net Asset Value	Higher the Net Asset Value, higher the fair value of unquoted units
Equity Shares - unquoted*	4,311	4,531	2,440	Level 3	1) Income approach - Discounted Cash Flow Method 2) Market Approach: Guideline Public Companies Method 3) Net Asset Value, based on the independent valuation report or financial statements of the Company.	1) Discount rate 2) Terminal rate	1) Higher the discount rate, lower the fair value. 2) Higher the terminal rate, higher the fair value
Preference shares-NCRPS**	3,500	–	–	Level 3	Dividend accrued, as per the sanction letter.	NA	Higher the dividend, higher the cum dividend price
Preference shares	1,921	1,921	2,703	Level 3	1) Income approach - Discounted Cash Flow Method 2) Market Approach: Guideline Public Companies Method 3) Net Asset Value, based on the independent valuation report or financial statements of the company.	1) Discount rate 2) Terminal rate	1) Higher the discount rate, lower the fair value. 2) Higher the terminal rate, higher the fair value
Preference shares- Preferrred stock	17,386	15,796	15,467	Level 3	Back Solved Method	NA	NA

FINANCIAL INSTRUMENTS	Fair value as at			Fair value hierarchy	Valuation technique(s) and key input(s)	Significant unobservable input(s)	Relationship of unobservable inputs to fair value
	As at March 31, 2019	As at March 31, 2018	As at April 1, 2017				
Security Receipts	126	600	1,130	Level 2	Net asset value, based on the NAV statement issued by Security trustee	NA	The higher the net asset value, higher the fair value of the unquoted units
Venture Capital Fund	–	–	–	Level 3	net asset value, based on the independent valuation report or financial statements of the company income approach or market approach based on the independent valuation report.	NA	NA
Loans	82,010	36,394	16,390	Level 3	discounted cash flows	NA	Higher the contractual interest rate, higher the fair value gain
Financial Assets at FVTPL (B)	**1,11,985**	**61,020**	**39,710**				
Total Financial Assets (A) + (B)	**76,26,368**	**60,68,782**	**51,44,288**				

**Preference shares-NCRPS : Non cumulative redeemable preference shares

*Fair value of the unquoted equity investment received upon settlement of loan is computed based on the net asset value (NAV) as per the lastest financial statements. Absent information available, the assets are carried at nil value. There were no significant transfers between Level 1 and Level 2 and Level 3 of the fair value hierarchy in the period.

If the above unobservable inputs to the valuation model were 10% higher/lower while all the other variables were held constant, the carrying amount of the investment would decrease/increase by ₹ 1,483 lakh (March 31, 2018 : ₹ 917 lakh)

E Level 3 fair value measurements

The following table shows a reconciliation from the beginning balances to the ending balances for fair value measurements in Level 3 of the fair value hierarchy.

RATE SENSITIVE	FVTOCI Loans	FVTPL Investments	Total
As at March 31, 2018	**36,394**	**22,249**	**58,643**
Total gains or losses:			
recognised in profit or loss	–	4,773	4,773
in OCI	(213)	–	(213)
Purchases	66,913	6,584	73,496
Settlements	(21,084)	(1,116)	(22,200)
As at March 31, 2019	**82,010**	**27,119**	**1,09,129**

RATE SENSITIVE	FVTOCI Loans	FVTPL Investments	Total
As at April 1, 2017	**16,390**	**22,330**	**38,720**
Total gains or losses:			
in profit or loss	–	(737)	(737)
in OCI	108	–	108
Purchases/transfer*	35,279	6,230	41,509
Settlements	(15,382)	(2,672)	(18,054)
As at March 31, 2018	**36,394**	**22,249**	**58,643**

43. Loans and advances - Financing Activity (Secured) include ₹ 433 lakh (March 31, 2018: ₹ 433 lakh) being the value of the unquoted preference shares acquired in satisfaction of the respective loans under the Settlement Agreement. Other Current Assets include Nil (March 31, 2018: ₹ 1,326 lakh) being the value of immovable property, necessary provision for which is made. Investments include ₹ 1,379 lakh (March 31, 2018: ₹ 1,354 lakh) being the value of the unquoted equity shares acquired in satisfaction of the respective loans under the Settlement Agreement. Other loans and advances include Nil (March 31, 2018: Nil) being the assignment receivable, for which necessary provision is made.

44. The Group has assessed its obligations arising in the normal course of business, proceedings pending with tax authorities and other contracts including derivative and long term contracts. In accordance with the provisions of Ind AS 37on 'Provisions, Contingent Liabilities and Contingent Assets', the Group recognises a provision for material foreseeable losses when it has a present obligation as a result of a past event and it is probable that an outflow of resources will be required to settle the obligation, in respect of which a reliable estimate can be made. In cases where the available information indicates that the loss on the contingency is reasonably possible but the amount of loss cannot be reasonably estimated, a disclosure to this effect is made as contingent liabilities in the financial statements. The Group does not expect the outcome of these proceedings to have a materially adverse effect on its financial results.

In terms of our report of even date

For **B S R & Co. LLP**
Chartered Accountants
Firm Reg No: 101248W/W-100022

Manoj Kumar Vijai
Partner
Membership No. – 046882

Mumbai
May 06, 2019

For and on behalf of the Board of Directors

Saurabh Agrawal
(Chairman)
(DIN: 02144558)

Nalin M. Shah
(Director)
(DIN: 00882723)

Mehernosh B. Kapadia
(Director)
(DIN: 00046612)

F. N. Subedar
(Director)
(DIN: 00028428)

Aarthi Subramanian
(Director)
(DIN: 07121802)

Varsha Purandare
(Director)
(DIN: 05288076)

Rajiv Sabharwal
(Managing Director & CEO)
(DIN: 00057333)

Puneet Sharma
(Chief Financial Officer)

Avan Doomasia
(Company Secretary)

Form AOC - 1

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

Part "A": SUBSIDIARIES

(₹ in lakh)

Sr. No.	Name of Subsidiary	The date since when subsidiary was acquired	Reporting currency and exchange rate as on the last date of the relevant Financial Year in the case of foreign subsidiaries	Share Capital / Partner's Capital / Unitholder's Capital	Reserves & Surplus	Total Assets	Total Liabilitites	Investments	Turnover	Profit / (Loss) before Taxation	Provision for taxation	Profit / (Loss) After Taxation	Proposed Dividend	% of Share-holding
1	Tata Capital Financial Services Limited	November 19, 2010	₹	1,37,556	2,66,801	47,83,557	43,79,200	38,032	5,58,565	65,362	21,651	43,711	-	100.00
2	Tata Capital Housing Finance Limited	October 15, 2008	₹	30,971	66,922	27,38,301	26,40,407	369	2,44,002	12,736	7,689	5,047	-	100.00
3	Tata Cleantech Capital Limited	September 27, 2011	₹	38,802	47,758	5,25,602	4,39,043	295	43,311	13,734	3,519	10,215	-	80.50
4	Tata Capital Pte. Limited[(2)]	April 25, 2008	1 USD = 69.321 INR	15,032	18,024	48,572	15,515	38,105	4,208	3,379	749	2,630	-	100.00
5	Tata Capital Markets Pte. Limited[(2)]	October 29, 2008	1 USD = 69.321 INR	5,432	(2,850)	2,597	15	-	69	(188)	-	(188)	-	100.00
6	Tata Capital Advisors Pte. Limited[(2)]	April 25, 2008	1 USD = 69.321 INR	5,248	195	13,631	8,189	-	10,813	(222)	(66)	(156)	-	100.00
7	Tata Capital General Partners LLP[(2)]	January 28, 2010	1 USD = 69.321 INR	3,466	4,474	7,972	33	-	11,092	5,053	-	5,053	-	80.00
8	Tata Capital Growth II General Partners LLP[(2)]	September 21, 2018	1 USD = 69.321 INR	14	0	98	84	-	84	0	-	0	-	80.00
9	Tata Capital Healthcare General Partners LLP[(2)]	June 17, 2010	1 USD = 69.321 INR	35	(12)	27	4	-	134	2	-	2	-	100.00
10	Tata Opportunities General Partners LLP[(2)]	November 1, 2010	1 USD = 69.321 INR	8	3	14	3	-	4,561	2	-	2	-	90.00
11	Tata Capital PLC[(2)]	November 10, 2009	1 GBP = 90.291 INR	1,034	460	1,521	27	-	10	(182)	(37)	(146)	-	100.00
12	Tata Securities Limited	July 27, 2007	₹	618	1,870	2,773	285	750	614	852	46	805	-	100.00
13	Tata Capital Growth Fund I -Trust[(3)]	July 26, 2010	₹	16,127	(8,270)	11,119	3,261	7,830	31,789	28,857	1	28,856	-	73.75
14	Tata Capital Special Situation Fund - Trust[(3)(5)]	March 15, 2010	₹	14,826	(5,149)	9,689	12	9,601	48	(191)	1	(193)	-	28.20
15	Tata Capital Healthcare Fund I - Trust[(3)(5)]	May 5, 2010	₹	14,731	(5,083)	9,659	11	9,610	19,981	19,267	3	19,264	-	32.12
16	Tata Capital Innovations Fund - Trust[(3)(5)]	August 31, 2010	₹	27,373	226	27,983	384	27,809	2,003	1,438	1	1,437	-	28.00
17	Tata Capital Growth Fund II - Trust[(3)]	September 28, 2018	₹	0	(423)	0	423	-	-	(423)	-	(423)	-	14.96
18	TCL Employee Welfare - Trust[(4)]	March 2, 2010	₹	-	1,519	7,868	6,349	6,905	812	812	113	698	-	-

Notes - Part "A"

1) Reporting period for all subsidiaries is the same as holding company.

2) Share Capital / Partner's Capital / Unitholder's Capital, Reserves & Surplus, Total Assets, Total Liabilities and Investments are translated at exchange rate as on March 31, 2019 as: 1 USD = ₹ 69.321 and 1 GBP = ₹ 90.291 whereas Turnover, Profit/(Loss) before Taxation, Provision for taxation and Profit/(Loss) after Taxation are translated at annual average rate of 1 USD = ₹ 68.648 and 1 GBP = ₹ 91.322.

3) Though Trusts would not be considered as body corporates under the Companies Act 2013, these have been disclosed as a measure of good governance.

4) TCL Employee Welfare Trust ("Trust") has been constituted to administer the Tata Capital Limited Employee Stock Purchase/ Option Scheme ("Scheme"), introduced by the Company. The Trust has been settled by way of a deed executed between the Trustee(s) and the Settlor. The Trust has been constituted, *inter alia,* for the benefit of the employees of the Company, its subsdiaries and the holding company (i.e Eligible Employees), in accordance with the Scheme. The beneficiaries of the Trust are the Eligible Employees as defined in the Scheme and decided by the Nomination and Remuneration Committee of the Company, from time to time. Thus, the Reserves & Surplus and Profit After Taxation belong entirely to the non-controlling Interest holders i.e. the Eligible Employees. It may be noted that the Trust is a subsidiary in accordance with the Indian Accounting Standards ("Ind AS"), for FY 2018-19.

5) These entities were considered as Associates for FY 2017-18. However, the same have been considered as Subsidiaries in accordance with Ind AS, for FY 2018-19.

PART “B”: ASSOCIATES AND JOINT VENTURES

Statement pursuant to Section 129 (3) of the Companies Act, 2013 related to Associate Companies and Joint Venture

(₹ in lakh)

Sr. No	Name of Associate / Joint Venture	1. Latest audited Balance Sheet date	2. Date on which the Associate or Joint Venture was associated or acquired	3. Shares of Associate/Joint Venture held by the company on the year end			4. Description of how there is significant influence	6. Networth attributable to shareholding as per latest audited Balance Sheet	7. Profit/Loss for the year	
				No. of Shares	Amount of investment in Associate / Joint Venture	Extent of Holding %			i. Considered in Consolidation	ii. Not Considered in Consolidation
1	Tata Autocomp Systems Limited	March 31, 2019	June 28, 2008	4,83,07,333	18,528	24.00%	Based on shareholding	23,368	3,458	10,951
2	Novalead Pharma Private Limited	March 31, 2018	August 31, 2010	11,477	2,335	20.34%		401	(14)	(53)
3	Pluss Advanced Technologies Private Limited	March 31, 2018	November 27, 2012	1,31,167	1,500	37.50%		659	(27)	(45)
4	Sea6 Energy Private Limited	March 31, 2018	August 7, 2015	25,410	3,500	32.04%		1,317	(147)	(312)
5	Alef Mobitech Solutions Private Limited	March 31, 2018	November 30, 2015	4,96,276	3,300	28.01%		328	(143)	(367)
6	Shriji Polymers (India) Limited	March 31, 2018	October 27, 2015	4,44,114	1,268	2.60%	Based on rights under definitive documents	650	188	7,032
7	Vortex Engineering Private Limited	March 31, 2018	December 13, 2011	1,39,415	2,900	18.49%		667	(8)	(37)
8	TEMA India Limited	March 31, 2018	October 31, 2013	500	1	0.01%		2	0	0
9	Kapsons Industries Private Limited	March 31, 2018	December 24, 2014	2,857	1	0.01%		(1)	0	0
10	Tata Technologies Limited	March 31, 2018	May 4, 2011	18,73,253	4,707	4.35%		249	1,324	42,038
11	Shriram Properties Private Limited	March 31, 2018	July 10, 2014	22,23,569	3,935	1.50%		15	0	4,358
12	TVS Supply Chain Solutions Limited	March 31, 2018	September 3, 2015	2,17,325	1,465	0.68%		431	42	6,062
13	Fincare Business Services Limited	March 31, 2018	March 21, 2017	2,54,791	734	0.80%		407	97	12,078
14	Roots Corporation Limited	March 31, 2018	March 28, 2013	22,91,454	1,880	2.43%		631	(33)	(1,317)
15	Tata Projects Limited	March 31, 2018	June 24, 2015	44,810	2,823	2.21%		2,558	493	21,799
16	Tata Sky Limited	March 31, 2018	September 13, 2013	1,00,72,871	5,242	0.72%		(807)	246	33,854

Notes - Part “B”

1) Star Health & Allied Insurance Company Limited, Sai Lifesciences Limited and Varroc Engineering Limited were Associate companies at the beginning of FY 2018-19, based on rights under definitive documents. The stake of Tata Capital Growth Fund I in Star Health & Allied Insurance Company Limited was sold on March 29, 2019; the stakes of Tata Capital Growth Fund I and Tata Capital Healthcare Fund I in Sai Lifesciences Limited were sold on July 25, 2018 and the stake of Tata Capital Financial Services Limited in Varroc Engineering Private limited was sold on July 6, 2018. As a result, these entities ceased to be Associate companies, as at March 31, 2019.

Saurabh Agrawal
(Chairman)
(DIN: 02144558)

F. N. Subedar
(Director)
(DIN: 00028428)

Nalin M. Shah
(Director)
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Mehernosh B. Kapadia
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Aarthi Subramanian
(Director)
(DIN: 07121802)

Rajiv Sabharwal
(Managing Director & CEO)
(DIN: 00057333)

Puneet Sharma
(Chief Financial Officer)

Avan Doomasia
(Company Secretary)

Mumbai
May 6, 2019

TATA CAPITAL

Standalone Financial Statements

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF
TATA CAPITAL LIMITED

Report on the Audit of the Standalone Financial Statements

Opinion

We have audited the accompanying standalone financial statements of **Tata Capital Limited** (the 'Company'), which comprise the balance sheet as at March 31, 2019, and the statement of profit and loss (including other comprehensive income), statement of changes in equity and statement of cash flows for the year then ended, and notes to the standalone financial statements, including a summary of the significant accounting policies and other explanatory information.

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 Companies Act, 2013 (the 'Act') in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2019, and profit and other comprehensive income, changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing ('SAs') specified under section 143(10) of the Act. Our responsibilities under those SAs are further described in the Auditor's Responsibilities for the Audit of the standalone financial statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India (the 'ICAI') together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Other Information

The Company's management and Board of Directors are responsible for the other information. The other information comprises the information included in the Company's annual report, but does not include the financial statements and our auditors' report thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Management's Responsibility for the Standalone Financial Statements

The Company's management and Board of Directors are responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these standalone financial statements that give a true and fair view of the state of affairs, profit/loss and other comprehensive income, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the standalone financial statements, management and Board of Directors are responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Board of Directors is also responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Standalone Financial Statements

Our objectives are to obtain reasonable assurance about whether the standalone financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these standalone financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the standalone financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls with reference to standalone financial statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the standalone financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the standalone financial statements, including the disclosures, and whether the standalone financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

Other Matter

The comparative financial information of the Company for the transition date opening balance sheet as at April 1, 2017 included in these standalone financial statements, are based on the previously issued statutory financial statements for the year ended March 31, 2017 prepared in accordance with the Companies (Accounting Standards) Rules, 2006 audited by the predecessor auditor whose report dated May 4, 2017 expressed an unmodified opinion on those financial statements, as adjusted for the differences in the accounting principles adopted by the Company on transition to the Ind AS, which have been audited by us.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditors' Report) Order, 2016 (the 'Order') issued by the Central Government in terms of section 143 (11) of the Act, we give in the 'Annexure A' a standalone statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

   (A) As required by Section 143(3) of the Act, we report that:

   a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;

   b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;

   c) The balance sheet, the statement of profit and loss (including other comprehensive income), the statement of changes in equity and the statement of cash flows dealt with by this Report are in agreement with the books of account;

   d) In our opinion, the aforesaid standalone financial statements comply with the Ind AS specified under section 133 of the Act;

   e) On the basis of the written representations received from the directors as on March 31, 2019 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2019 from being appointed as a director in terms of Section 164(2) of the Act; and

   f) With respect to the adequacy of the internal financial controls with reference to standalone financial statements of the Company and the operating effectiveness of such controls, refer to our separate Report in 'Annexure B'.

   (B) With respect to the other matters to be included in the Auditors' Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:

   i. The Company has disclosed the impact of pending litigations as at March 31, 2019 on its financial position in its standalone financial statements - Refer Note 21 to the standalone financial statements;

   ii. The Company has made provision, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts- Refer Note 43 to the standalone financial statements;

   iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company; and

   iv. The disclosures in the standalone financial statements regarding holdings as well as dealings in specified bank notes during the period from November 8, 2016 to December 30, 2016 have not been made in these financial statements since they do not pertain to the financial year ended March 31, 2019.

   (C) With respect to the matter to be included in the Auditors' Report under section 197(16):

   In our opinion and according to the information and explanations given to us, the remuneration paid by the company to its directors during the current year is in accordance with the requisite approvals mandated by the provisions of Ssection 197 of the Act read with Schedule V to the Act. The Ministry of Corporate Affairs has not prescribed other details under Section 197(16) which are required to be commented upon by us.

For **B S R & Co. LLP**
Chartered Accountants
Firm's Registration No. 101248W/W-100022

Manoj Kumar Vijai
Partner
Membership No. 046882

Mumbai
May 6, 2019

ANNEXURE A TO THE INDEPENDENT AUDITOR'S REPORT OF EVEN DATE ON THE STANDALONE FINANCIAL STATEMENTS OF TATA CAPITAL LIMITED

(i) a. The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.

b. The Company has a program of verification to cover all the items of fixed assets once in three years which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. Pursuant to the program, all the fixed assets were physically verified by management as at March 31, 2017. According to the information and explanation given to us, no material discrepancies were noticed on such verification.

c. According to the information and explanations given to us and on the basis of our examination of the records of the Company, the title deeds of the immovable properties included in property, plant and equipment are held in the name of the Company.

(ii) The Company does not have any inventories. Accordingly, the provision of clause 3(ii) of the Order is not applicable to the Company.

(iii) According to the information and explanations given to us, the Company has not granted loans, secured or unsecured to companies, firms, Limited Liability Partnerships or other parties covered in the Register maintained under Section 189 of the Companies Act, 2013 (the 'Act'). Accordingly, the provision of clause 3(iii) of the Order is not applicable to the Company.

(iv) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has complied with the provisions of Sections 185 and 186 of the Companies Act, 2013 in respect of loans, investments, guarantees and securities, as applicable.

(v) According to the information and explanations given to us, the Company has not accepted any deposits from the public to which the directives issued by the Reserve Bank of India and the provisions of Section 73 to 76 or any other relevant provisions of the Act and the rules framed there under apply. Accordingly, the provision of clause 3(v) of the Order is not applicable to the Company.

(vi) The Central Government has not prescribed the maintenance of cost records under sub section (1) of section 148 of the Act for any of the services rendered by the Company. Accordingly, the provision of clause 3(vi) of the Order is not applicable to the Company.

(vii) a. According to the information and explanations given to us and on the basis of our examination of records of the Company, amounts deducted / accrued in the books of account in respect of undisputed statutory dues including provident fund, employees' state insurance, income-tax, goods and service tax, cess and other material statutory dues have generally been regularly deposited by the Company with the appropriate authorities. As explained to us the Company did not have any dues on account of duty of customs and duty of excise.

According to the information and explanations given to us, no undisputed amounts payable in respect of provident fund, employees' state insurance, income tax, goods and service tax, cess and other material statutory dues were in arrears as at March 31, 2019 for a period of more than six months from the date they became payable.

b. Details of dues of Value Added Tax as at 31 March 2019 on account of disputes are given below:

Particulars	Period to which amount relates	Forum where the dispute is pending	Amount (₹ in lakh)
Value Added Tax	2011-12	Joint Commissioner of sales Tax	18
Value Added Tax	2011-12	Deputy Commissioner	33
Value Added Tax	2011-12	Joint Commissioner(Trade and Taxes)	11
Value Added Tax	2009-10	Tribunal (Commercial Taxes)	2

(viii) In our opinion and according to the information and explanations given to us, the Company has not defaulted in the repayment of loans or borrowing to financial institutions, banks, or debenture holders during the year. During the year, the Company did not have any loans or borrowing from the Government.

(ix) In our opinion and according to the information and explanations given to us, the Company has not raised any money by way of term loans, initial public offer or further public offer during the year.

(x) During the course of our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India, and according to the explanation and information given to us, no material fraud by the Company or on the Company by its officers or employees has been noticed or reported during the course of our audit.

(xi) According to the information and explanations give to us and based on our examination of the records of the Company, the Company has paid / provided for managerial remuneration in accordance with the requisite approvals mandated by the provisions of Section 197 of the Act read with Schedule V to the Act.

(xii) In our opinion and according to the information and explanations given to us, the Company is not a Nidhi Company. Accordingly, the provision of clause 3(xii) of the Order is not applicable.

(xiii) According to the information and explanations given to us and on the basis of our examination of the records of the Company, transactions with the related parties are in compliance with Sections 177 and 188 of the Act where applicable and the details have been disclosed in the Standalone financial statements, as required by the applicable accounting standards.

(xiv) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has made preferential allotment and private placement of shares during the year. Accordingly, based on the information and explanations given to us and based on the examination of the records of the Company, the Company has complied with the requirements of Section 42 of the Act and the amount raised have been used for the purposes for which the funds were raised. The Company has not made private placement of fully or partly convertible debentures.

(xv) According to the information and explanations given to us and based on our examination of the records, during the year the Company has not entered into any non-cash transactions with directors or persons connected with him. Accordingly, the provision of clause 3(xv) of the Order is not applicable.

(xvi) The Company is required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934 and it has obtained certificate of registration dated May 10, 2012.

For **B S R & Co. LLP**
Chartered Accountants
Firm's Registration No. 101248W/W-100022

Manoj Kumar Vijai
Partner
Membership No. 046882

Mumbai
May 6, 2019

ANNEXURE B TO THE INDEPENDENT AUDITOR'S REPORT OF EVEN DATE ON THE STANDALONE FINANCIAL STATEMENTS OF TATA CAPITAL LIMITED

Report on the Internal Financial Controls with reference to the aforesaid standalone financial statements under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

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

Opinion

We have audited the internal financial controls with reference to standalone financial statements of Tata Capital Limited ("the Company") as of March 31, 2019 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

In our opinion, the Company has, in all material respects, adequate internal financial controls with reference to standalone financial statements and such internal financial controls were operating effectively as at March 31, 2019, based on the internal financial controls with reference to standalone financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India (the "Guidance Note").

Management's Responsibility for Internal Financial Controls

The Company's management and the Board of Directors are responsible for establishing and maintaining internal financial controls based on the internal financial controls with reference to financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013 (hereinafter referred to as "the Act").

Auditor's Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls with reference to financial statements based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing, prescribed under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls with reference to financial statements. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to financial statements were established and maintained and whether such controls operated effectively in all material respects.

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

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls with reference to standalone financial statements.

Meaning of Internal Financial Controls with Reference to Financial Reporting

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

Inherent Limitations of Internal Financial Controls with Reference to Financial Reporting

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

For **B S R & Co. LLP**
Chartered Accountants
Firm's Registration No. 101248W/W-100022

Manoj Kumar Vijai
Partner
Membership No. 046882

Mumbai
May 6, 2019

BALANCE SHEET AS AT MARCH 31, 2019

(₹ in lakh)

Particulars	Note No.	As at March 31, 2019	As at March 31, 2018	As at April 1, 2017
ASSETS				
(I) Financial Assets				
(a) Cash and cash equivalents	4	**58,212**	49	96
(b) Bank balance other than (a) above	5	**5**	0*	-
(c) Receivables				
(i) Trade receivables	6(i)	**1,948**	666	1,012
(ii) Other receivables	6(ii)	**24**	5	107
(d) Loans	7	**58,176**	33,825	61,826
(e) Investments	8	**826,695**	677,982	592,647
(f) Other financial assets		**121**	484	460
Total Financial Assets		**945,181**	**713,011**	**656,148**
(II) Non Financial Assets				
(a) Current tax assets (net)		**-**	1,835	2,131
(b) Deferred tax assets (net)	9	**745**	1,626	645
(c) Investment Property	10	**5,871**	6,184	6,495
(d) Property, Plant and Equipment	10	**4,471**	4,729	5,028
(e) Other intangible assets	10	**54**	-	-
(f) Other non-financial assets	11	**978**	527	537
Total Non-Financial Assets		**12,119**	**14,901**	**14,836**
Total Assets		**957,300**	**727,912**	**670,984**
LIABILITIES AND EQUITY				
LIABILITIES				
(I) Financial Liabilities				
(a) Payables				
(i) Trade payables				
- Total outstanding dues of micro enterprises and small enterprises	12 (i)	**-**	-	-
- Total outstanding dues other than micro enterprises and small enterprises	12	**2,927**	1,043	1,821
(b) Debt securities	13	**102,465**	129,915	74,890
(c) Borrowings (other than Debt securities)	14	**52,899**	51,930	62,203
(d) Deposits		**-**	**-**	**-**
(e) Subordinated liabilities	15	**190,478**	195,213	192,250
(f) Other financial liabilities	16	**21,454**	15,536	11,081
Total Financial Liabilities		**370,223**	**393,637**	**342,245**
(II) Non-Financial Liabilities				
(a) Current tax liabilities (Net)		**905**	-	-
(b) Provisions	17	**1,027**	921	837
(c) Other non-financial liabilities	18	**2,007**	2,727	647
Total Non-Financial Liabilities		**3,939**	**3,647**	**1,484**
EQUITY				
(a) Share Capital	19	**332,009**	282,602	282,602
(b) Other Equity	20	**251,129**	48,026	44,653
Total Equity		**583,138**	**330,628**	**327,255**
Total Liabilities and Equity		**957,300**	**727,912**	**670,984**
Summary of significant accounting policies	2			
See accompanying notes forming part of the Financial Statements	1-43			

* Amount less than ₹ 50,000.

In terms of our report attached

For **B S R & Co. LLP**
Chartered Accountants
Firm Reg No: 101248W/W- 100022

Manoj Kumar Vijai
Partner
Membership No. – 046882

Mumbai
May 06, 2019

For and on behalf of the Board of Directors

Saurabh Agrawal
(Chairman)
DIN: 02144558

Nalin M. Shah
(Director)
DIN: 00882723

Mehernosh B. Kapadia
(Director)
DIN: 00046612

Varsha Purandare
(Director)
DIN : 05288076

F. N. Subedar
(Director)
DIN: 00028428

Aarthi Subramanian
(Director)
DIN: 07121802

Rajiv Sabharwal
(Managing Director & CEO)
DIN: 00057333

Avan Doomasia
(Company Secretary)

Puneet Sharma
(Chief Financial Officer)

STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED MARCH 31, 2019

(₹ in lakh)

	Particulars	Note No.	For the year ended March 31, 2019	For the year ended March 31, 2018
I	**Revenue From Operations**			
(i)	Interest income	23	**7,619**	8,512
(ii)	Dividend income		**20,571**	23,261
(iii)	Fee and commision income		**4,955**	4,836
(iv)	Net gain on fair value changes	24		457
I	**Total Revenue From Operations**		**33,145**	37,066
II	Other income	25	**6,855**	5,366
III	Profit on sale of investment		**28,084**	5,824
IV	**Total Income (I+II+III)**		**68,084**	**48,256**
V	**Expenses**			
(i)	Finance costs	26	**31,673**	30,628
(ii)	Net loss on fair value changes	24	**30**	**-**
(iii)	Impairment on financial instruments	27	**9,859**	2,934
(iv)	Employee benefits expense	28	**15,752**	7,428
(v)	Depreciation and amortisation		**834**	812
(vi)	Other expenses	29	**3,127**	2,116
V	**Total Expenses**		**61,275**	**43,918**
VI	**Profit before exeptional items and tax (IV-V)**		**6,809**	**4,338**
VII	Exceptional Items		**-**	-
VIII	**Profit before tax (VI-VII)**		**6,809**	**4,338**
IX	**Tax Expense:**			
	(1) Current tax		**4,296**	1,483
	(2) Deferred tax		**(240)**	(801)
IX	**Net Tax Expense**	30	**4,056**	**682**
X	**Profit for the year from continuing operations (VIII-IX)**		**2,753**	**3,656**
XI	**Profit from discontinued operations**		**-**	-
XII	Tax expense of discontinued operations		**-**	-
XIII	**Profit from discontinued operations (after tax) (XI-XII)**		**-**	-
XIV	**Profit for the year (X+XIII)**		**2,753**	**3,656**
XV	**Other Comprehensive Income**			
(A)	**(i) Items that will not be reclassified to profit or loss**			
	(a) Remeasurement of defined employee benefit plans		**(188)**	28
	(ii) Income tax relating to items that will not be reclassified to profit or loss		**(67)**	10
	Subtotal A		**(121)**	**18**
(B)	**(i) Items that will be reclassified to Profit or loss**			
	(a) Debt instruments through Other Comprehensive Income		**(119)**	(522)
	(ii) Income tax relating to items that will be reclassified to profit or loss		**(41)**	(181)
	Subtotal B		**(78)**	**(341)**
	Other Comprehensive Loss (A+B)		**(199)**	**(323)**
XVI	**Total Comprehensive Income for the year (XIV+XV) (Comprising Profit/(Loss) and Other Comprehensive Income/(Loss) for the year)**		**2,554**	**3,333**

STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED MARCH 31, 2019 (Contd.)

(₹ in lakh)

Particulars	Note No.	For the year ended March 31, 2019	For the year ended March 31, 2018
XVII Earnings per equity share (for continuing operation):			
Equity Share of par value ₹ 10/- each			
(1) Basic (₹)	31	**0.09**	0.13
(2) Diluted (₹)		**0.09**	0.13
XVIII Earnings per equity share (for discontinuing operation):			
Equity Share of par value ₹ 10/- each			
(1) Basic (₹)		**-**	-
(2) Diluted (₹)		**-**	-
XIX Earnings per equity share (for discontinued and continuing operations)			
Equity Share of par value ₹ 10/- each			
(1) Basic (₹)	31	**0.09**	0.13
(2) Diluted (₹)		**0.09**	0.13
Summary of significant accounting policies	2		
See accompanying notes forming part of the financial statements	1-43		

In terms of our report attached

For **B S R & Co. LLP**
Chartered Accountants
Firm Reg No: 101248W/W- 100022

Manoj Kumar Vijai
Partner
Membership No. – 046882

Mumbai
May 06, 2019

For and on behalf of the Board of Directors

Saurabh Agrawal
(Chairman)
DIN: 02144558

Nalin M. Shah
(Director)
DIN: 00882723

Mehernosh B. Kapadia
(Director)
DIN: 00046612

Varsha Purandare
(Director)
DIN : 05288076

F. N. Subedar
(Director)
DIN: 00028428

Aarthi Subramanian
(Director)
DIN: 07121802

Rajiv Sabharwal
(Managing Director & CEO)
DIN: 00057333

Avan Doomasia
(Company Secretary)

Puneet Sharma
(Chief Financial Officer)

STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED MARCH 31, 2019

a Equity share capital

₹ in Lakh

Particulars	
Balance as at April 1, 2017	**282,602**
Changes in equity share capital during the year	-
Balance as at March 31, 2018	**282,602**
Issue of Equity shares	49,407
Balance as at March 31, 2019	**332,009**

b Other equity

₹ in lakh

Particulars	Reserves and surplus						ESOP Reserve	General reserve	Debt instruments through Other Comprehensive Income	Remeasurement of defined benefit liability/asset	Total equity
	Capital reserve	Capital Redemption Reserve	Securities premium Account	Special Reserve Account	Transition Reserve	Retained earnings					
Balance as at April 1, 2017	**93**	**575**	**15,231**	**15,839**	**-**	**12,915**	**-**	**-**	**-**	**-**	**44,653**
Profit for the year	-	-	-	-	-	3,656	-	-	-	-	3,656
Other comprehensive income for the year, net of income tax	-	-	-	-	-	-	-	-	(341)	18	(323)
Total comprehensive income for the year	**-**	**-**	**-**	**-**	**-**	**3,656**	**-**	**-**	**(341)**	**18**	**3,333**
Share issue expenses written-off			-								-
ESOP Option Cost	-	-	-		-		37	4	-	-	41
Transfer to Special Reserve Account	-	-	-	4,036		(4,036)	-	-	-	-	-
Balance as at March 31, 2018	**93**	**575**	**15,231**	**19,875**		**12,535**	**37**	**4**	**(341)**	**18**	**48,026**
Profit for the year	-	-	-	-	-	2,753	-	-	-	-	2,753
Other comprehensive income for the year, net of income tax	-	-	-	-	-	-	-	-	(78)	(121)	(199)
Total comprehensive income for the year	**-**	**-**	**-**	**-**	**-**	**2,753**	**-**	**-**	**(78)**	**(121)**	**2,554**
Share issue expenses written-off	-	-	(250)	-	-	-	-	-	-	-	(250)
Transfer to Special Reserve Account (Refer note 20 (a))	-	-	-	3,709	-	(3,709)	-	-	-	-	-
ESOP Option Cost	-	-	-	-	-	-	190	16	-	-	206
Addition on account of Issue of Equity Shares	-	-	200,593	-	-	-	-	-	-	-	200,593
Balance as at March 31, 2019	**93**	**575**	**215,574**	**23,584**	**-**	**11,579**	**227**	**20**	**(419)**	**(103)**	**251,129**

In terms of our report attached

For **B S R & Co. LLP**
Chartered Accountants
Firm Reg No: 101248W/W- 100022

Manoj Kumar Vijai
Partner
Membership No. – 046882

Mumbai
May 06, 2019

For and on behalf of the Board of Directors

Saurabh Agrawal
(Chairman)
DIN: 02144558

Nalin M. Shah
(Director)
DIN: 00882723

Mehernosh B. Kapadia
(Director)
DIN: 00046612

Varsha Purandare
(Director)
DIN : 05288076

F. N. Subedar
(Director)
DIN: 00028428

Aarthi Subramanian
(Director)
DIN: 07121802

Rajiv Sabharwal
(Managing Director & CEO)
DIN: 00057333

Avan Doomasia
(Company Secretary)

Puneet Sharma
(Chief Financial Officer)

CASH FLOW STATEMENT FOR THE YEAR ENDED MARCH 31, 2019

(₹ in lakh)

Particulars	Note No.	For the year ended March 31, 2019	For the year ended March 31, 2018
1. CASH FLOW FROM OPERATING ACTIVITIES			
Profit before tax		**6,809**	**4,338**
Adjustments for :			
Dividend income		**(20,571)**	(23,261)
Interest income on Inter Corporate Deposit		**(6,506)**	(8,342)
Interest income on non-current investments		**(1,113)**	(170)
Net (gains) / losses On fair value changes		**30**	(457)
Notional rent income		**(406)**	(354)
Notional rent expense		**24**	15
Dividend on Cumulative Redeemable Preference Shares (including dividend distribution tax)		**15,793**	16,197
Discounting charges on Commercial Paper		**5,576**	4,163
Interest expense on Non Convertible Debentures		**9,946**	9,918
Provision for employee benefits		**136**	85
Provision against Stage I and Stage II assets		**63**	89
Provision / Write off for diminution in value of investments		**9,502**	2,674
Provision for Life time credit loss		**294**	171
Distribution of interest on fixed deposits by PE funds		**(1)**	(55)
ESOP option cost		**206**	41
Amortisation of share issue expenses		**90**	115
Depreciation		**743**	698
Provision for TDS recoverable		**181**	-
Profit on sale of non-current investments		**(28,084)**	(5,824)
Interest on income tax refund		**(125)**	(607)
Notional interest expense on security deposit		**358**	349
Notional interest income on security deposit		**(25)**	(15)
Profit / (Loss) on sale of Property plant and equipment		**(1)**	-
Operating Profit before working capital changes and adjustments for interest paid, interest received and dividend received		**(7,080)**	**(233)**
Adjustments for :			
Increase in trade receivables		**(880)**	280
Increase in loans and advances and other current assets		**(24,693)**	27,912
Increase in trade payables		**1,851**	(781)
Increase in other liabilities and provisions		**6,371**	3,299
Cash used in operations before adjustments for interest paid, interest received and dividend received		**(24,430)**	**30,476**
Interest paid		**(16,920)**	(10,087)
Interest received		**7,528**	8,847
Interest received on income tax refund		**125**	607
Dividend received		**20,571**	23,261
Cash used in operations		**(13,127)**	**53,105**
Taxes paid		**(508)**	(1,197)
NET CASH USED IN OPERATING ACTIVITIES		**(13,635)**	**51,907**

CASH FLOW STATEMENT FOR THE YEAR ENDED MARCH 31, 2019 *(contd...)*

(₹ in lakh)

Particulars	Note No.	For the year ended March 31, 2019	For the year ended March 31, 2018
2. CASH FLOW FROM INVESTING ACTIVITIES			
Purchase of property, plant and equipments (including capital advances)		**(173)**	(142)
Proceeds from sale of property, plant and equipments		**13**	3
Interest income on Fixed Deposit distributed by PE funds		**1**	55
Investment in subsidiary and associate companies		**(1,66,232)**	(1,00,100)
Proceeds from sale of investments in subsidiary and associate companies		**-**	6,694
Investment in PE Funds		**(505)**	(903)
Proceeds from divestments by PE Funds		**35,728**	8,732
Investment in other entities		**-**	(15)
Investment in mutual funds		**(24)**	(11)
Proceeds from sale of investments in other entities		**39**	3,083
CASH USED IN INVESTING ACTIVITIES		**(1,31,153)**	**(82,604)**
3. CASH FLOW FROM FINANCING ACTIVITIES			
Issue of Equity Shares		**49,407**	-
Premium on issue of equity shares		**2,00,593**	-
Issue of Cumulative Redeemable preference Shares		**15,345**	51,475
Redemption of Cumulative Redeemable Preference Shares		**(20,499)**	(48,435)
Dividend paid on Cumulative Redeemable Preference Shares (including dividend distribution tax)		**(15,198)**	(15,649)
Interest on share application money pending allotment		**(4)**	(12)
Expenses on issue of Equity Shares		**(389)**	(613)
Expenses on issue of Non Convertible Debentures		**(41)**	(89)
Proceeds from Debt Securities		**45,000**	55,000
Repayment of Debt Securities		**(72,500)**	-
Proceeds from borrowings (other than Debt Securities)		**2,23,393**	1,61,065
Repayment of borrowings (other than Debt Securities)		**(2,22,151)**	(1,72,092)
NET CASH FROM FINANCING ACTIVITIES		**2,02,955**	**30,651**
NET INCREASE / (DECREASE) IN CASH AND CASH EQUIVALENTS		**58,168**	**(47)**
CASH AND CASH EQUIVALENTS AS AT THE BEGINNING OF THE YEAR		**49**	**96**
CASH AND CASH EQUIVALENTS AS AT THE END OF THE YEAR	4 & 5	**58,217**	**49**
Reconciliation of cash and cash equivalents as above with cash and bank balances			
Cash and cash equivalents as at the end of the year		**58,212**	**49**
Add: Restricted Cash (Refer note 5)		**5**	**0***
Cash and bank balances as at the end of the year		**58,217**	**49**
See accompanying notes forming part of the financial statements	1-43		

* Amount less than ₹ 50,000.

In terms of our report attached

For **B S R & Co. LLP**
Chartered Accountants
Firm Reg No: 101248W/W- 100022

Manoj Kumar Vijai
Partner
Membership No. – 046882

Mumbai
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For and on behalf of the Board of Directors

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Avan Doomasia
(Company Secretary)

Puneet Sharma
(Chief Financial Officer)

TATA CAPITAL LIMITED
SIGNIFICANT ACCOUNTING POLICIES AND NOTES TO ACCOUNTS

1. CORPORATE INFORMATION

Tata Capital Limited (the "Company" or "TCL") is a subsidiary of Tata Sons Private Limited. In May 2012, TCL was registered with the Reserve Bank of India ("RBI") as a Systemically Important Non Deposit Accepting Core Investment Company ("CIC").

As a CIC, TCL is a primary holding company, holding investments in its subsidiaries and other group companies and carries out only such activities as are permitted under the guidelines issued by RBI for CICs. The Company's subsidiaries are engaged in a wide array of businesses in the financial services sector.

2. SIGNIFICANT ACCOUNTING POLICIES

i. Statement of compliance

In accordance with the notification issued by the Ministry of Corporate Affairs, the Company has adopted Indian Accounting Standards (referred to as "Ind AS") notified under the Companies (Indian Accounting Standards) Rules, 2015. The Company has adopted Ind AS from April 1, 2018 with effective transition date as April 1, 2017. These financial statements have been prepared in accordance with Ind AS as notified under the Companies (Indian Accounting Standards) Rules, 2015 read with Section 133 of the Companies Act, 2013 (the "Act"). The transition was carried out from Accounting Principles generally accepted in India as prescribed under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014 ("IGAAP" or "previous GAAP").

An explanation of how the transition to Ind AS has affected the previously reported financial position, financial performance and cash flows of the Company is provided in Note no 3.

ii. Presentation of financial statements

The Balance Sheet, Statement of Profit and Loss (including other comprehensive income) and Statement of changes in Equity are prepared and presented in the format prescribed in the Division III of Schedule III to the Companies Act, 2013 ("the Act"). The Statement of Cash Flows has been prepared and presented as per the requirements of Ind AS. Amounts in the financial statements are presented in Indian Rupees in Lakhs.

iii. Basis of preparation and presentation

The financial statements have been prepared on the historical cost basis except for certain financial instruments that are measured at fair value at the end of each reporting period as explained in the accounting policies below.

Historical cost is generally based on the fair value of the consideration given in exchange for goods and services at the time of entering into the transaction.

Measurement of fair values:

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique.

Fair value for measurement and/or disclosure purposes for certain items in these financial statements is determined considering following methods:

Items	Measurement basis
Certain financial assets and liabilities	Fair value
Net defined benefit (asset)/liability	Fair value of planned assets less present value of defined benefit obligations
Property, plant and equipment	Value in use under Ind AS 36

Fair value measurements under Ind AS are categorised into Level 1, 2, or 3 based on the degree to which the inputs to the fair value measurements are observable and the significance of the inputs to the fair value measurement in its entirety, which are described as follows:

a) Level 1: inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the Company can access at measurement date

b) Level 2: inputs are inputs, other than quoted prices included within level 1, that are observable for the asset or liability, either directly or indirectly; and

c) Level 3: inputs are unobservable inputs for the valuation of assets or liabilities that the Company can access at measurement date.

For details relating to valuation model and framework used for fair value measurement and disclosure of financial instrument refer to note 37.

iv. Use of estimates and judgements

The preparation of financial statements requires the management of the Company to make judgements, assumptions and estimates that affect the reported balances of assets and liabilities and disclosures relating to the contingent liabilities as at the date of the financial statements and reported amounts of income and expenses for the reporting period. The application of accounting policies that require critical accounting estimates involving complex and subjective judgments and the use of assumptions in the financial statements have been disclosed as applicable in the respective notes to accounts. Accounting estimates could change from period to period. Future results could differ from these estimates. Appropriate changes in estimates are made as the Management becomes aware of changes in circumstances surrounding the estimates. Changes in estimates are reflected in the financial statements in the period in which changes are made and, if material, their effects are disclosed in the notes to the financial statements.

Judgements:

Information about judgements made in applying accounting policies that have a most significant effect on the amount recognised in the financial statements is included following notes:

- Note ix - classification of financial assets: assessment of the business model within which the assets are held and assessment of whether the contractual terms of the financial asset are solely payments of principal and interest on the principal amount outstanding.

Assumptions and estimation uncertainties

Information about assumptions and estimation uncertainties that have a significant risk of resulting in a material adjustment during the year ending March 31, 2019 is included in the following notes:

- Note x – impairment test of non-financial assets: key assumption underlying recoverable amounts.
- Note xiii - useful life of property, plant, equipment and intangibles.
- Note xxi – recognition of deferred tax assets: availability of future taxable profit against which carry forward deferred tax asset can be set off.
- Notes xxiii – recognition and measurement of provisions and contingencies: key assumptions about the likelihood and magnitude of an outflow of resources.
- Note 33 – measurement of defined benefit obligations: key actuarial assumptions.
- Note 36 – determination of the fair value of financial instruments with significant unobservable inputs.

v. Interest

Interest consists of consideration for (i) the time value of money; (ii) for the credit risk associated with the principal amount outstanding;(iii) for other basic lending risks and costs; and (iv) profit margin.

Interest income and expense are recognised using the effective interest method. The effective interest rate (EIR) is the rate that exactly discounts estimated future cash flows through the expected life of the financial instrument to the gross carrying amount of the financial asset or amortised cost of the financial liability.

The calculation of the EIR includes all fees paid or received that are incremental and directly attributable to the acquisition or issue of a financial asset or liability.

The interest income is calculated by applying the EIR to the gross carrying amount of non-credit impaired financial assets (i.e. at the amortised cost of the financial asset before adjusting for any expected credit loss allowance). For credit-impaired financial assets the interest income is calculated by applying the EIR to the amortised cost of the credit-impaired financial assets (i.e. at the amortised cost of the financial asset after adjusting for any expected credit loss allowance (ECLs)). The Company assesses the collectability of the interest on credit impaired assets at each reporting date. Based on the outcome of such assessment, the interest income accrued on credit impaired financial assets are either accounted for as income or written off as per the write off policy of the Company.

The interest cost is calculated by applying the EIR to the amortised cost of the financial liability.

The 'amortised cost' of a financial asset or financial liability is the amount at which the financial asset or financial liability is measured on initial recognition minus the principal repayments, plus or minus the cumulative amortisation using the effective interest method of any difference between that initial amount and the maturity amount and, for financial assets, adjusted for any expected credit loss allowance.

The 'gross carrying amount of a financial asset' is the amortised cost of a financial asset before adjusting for any expected credit loss allowance.

vi. Income from Services

Fees for financial advisory services are accounted as and when the service is rendered, provided there is reasonable certainty of its ultimate realisation.

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

Income from managerial and marketing services is accounted using cost plus mark-up as and when the underlying costs are incurred. Reimbursement of expenses incurred for rendering services are reduced from such expense heads.

Income from Private Equity assets under management are recognised as contracted under investment management agreement with each Private Equity Fund.

Distributions from Private Equity Funds are accounted when received.

vii. Dividend Income

Income from dividend on investment in equity and preference shares of corporate bodies and units of mutual funds are accounted when received or on accrual basis when such dividends have been declared by the corporate bodies in their annual general meetings and the CIC's right to receive payment is established.

viii. Leases

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

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

Lease rental - under operating leases (excluding amount for services such as insurance and maintenance) are recognised on a straight-line basis over the lease term, except for increase in line with expected inflationary cost increases.

ix. Financial Instruments

Financial assets and financial liabilities are recognised in the Company's balance sheet on trade date when the Company becomes a party to the contractual provisions of the instrument. A loan is recorded upon remittance of the funds to the counterparty/obligor.

Recognised financial assets and financial liabilities are initially measured at fair value. Transaction costs and revenues that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at Fair Value Through Profit and Loss ("FVTPL") are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs and revenues directly attributable to the acquisition of financial assets or financial liabilities at FVTPL are recognised immediately in the statement of profit or loss.

If the transaction price differs from fair value at initial recognition, the Company will account for such difference as follows:

a) if fair value is evidenced by a quoted price in an active market for an identical asset or liability or based on a valuation technique that uses only data from observable markets, then the difference is recognised in profit or loss on initial recognition (i.e. day 1 profit or loss);

b) in all other cases, the fair value will be adjusted to bring it in line with the transaction price (i.e. day 1 profit or loss will be deferred by including it in the initial carrying amount of the asset or liability).

After initial recognition, the deferred gain or loss will be released to profit or loss on a rational basis, only to the extent that it arises from a change in a factor (including time) that market participants would take into account when pricing the asset or liability.

a) Financial assets

Classification

On initial recognition, depending on the Company's business model for managing the financial assets and its contractual cash flow characteristics, a financial asset is classified as measured at;

1) amortised cost;

2) fair value through other comprehensive income (FVTOCI); or

3) fair value through profit and loss (FVTPL).

Initial recognition and measurement

A financial asset is recognised on trade date initially at cost of acquisition net of transaction cost and income that is attributable to the acquisition of the financial asset. Cost equates the fair value on acquisition. A financial asset measured at amortised cost and a financial asset measured at fair value through other comprehensive income is presented at gross carrying value in the Financial Statements. Unamortised transaction cost and incomes and impairment allowance on financial asset is shown separately under the heading "Other non-financial asset", "Other non-financial liability" and "Provisions" respectively.

Assessment of Business model

An assessment of the applicable business model for managing financial assets is fundamental to the classification of a financial asset. The Company determines the business models at a level that reflects how financial assets are managed together to achieve a particular business objective. The Company's business model does not depend on management's intentions for an individual instrument, therefore the business model assessment is performed at a higher level of aggregation rather than on an instrument-by-instrument basis.

The Company could have more than one business model for managing its financial instruments which reflect how the Company manages its financial assets in order to generate cash flows. The Company's business models determine whether cash flows will result from collecting contractual cash flows, selling financial assets or both.

The Company considers all relevant information available when making the business model assessment. The Company takes into account all relevant evidence available such as:

1) how the performance of the business model and the financial assets held within that business model are evaluated and reported to the entity's key management personnel and board of directors;

2) the risks that affect the performance of the business model (and the financial assets held within that business model) and, in particular, the way in which those risks are managed; and

3) how managers of the business are compensated (e.g. whether the compensation is based on the fair value of the assets managed or on the contractual cash flows collected).

4) At initial recognition of a financial asset, the Company determines whether newly recognised financial assets are part of an existing business model or whether they reflect the commencement of a new business model. The Company reassesses its business models at each reporting period to determine whether the business model/(s) have changed since the preceding period. For the current and prior reporting period the Company has not identified a change in its business model.

Based on the assessment of the business models, the Company has identified the three following choices of classification of financial assets:

a) Financial assets that are held within a business model whose objective is to collect the contractual cash flows ("Asset held to collect contractual cash-flows"), and that have contractual cash flows that are solely payments of principal and interest on the principal amount outstanding (SPPI), are measured at amortised cost;

b) Financial assets that are held within a business model whose objective is both to collect the contractual cash flows and to sell the assets, ("Contractual cash flows of Asset collected through hold and sell model") and that have contractual cash flows that are SPPI, are subsequently measured at FVTOCI.

c) All other financial assets (e.g. managed on a fair value basis, or held for sale) and equity investments are subsequently measured at FVTPL.

Financial asset at amortised cost

Amortised cost of financial asset is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. For the purpose of testing SPPI, principal is the fair value of the financial asset at initial recognition. That principal amount may change over the life of the financial asset (e.g. if there are repayments of principal). Contractual cash flows that do not introduce exposure to risks or volatility in the contractual cash flows on account of changes such as equity prices or commodity prices and are related to a basic lending arrangement, do give rise to SPPI. An originated or an acquired financial asset can be a basic lending arrangement irrespective of whether it is a loan in its legal form.

The EIR amortisation is included in finance income in the profit and loss statement. The losses arising from impairment are recognised in the profit and loss statement.

Financial asset at Fair Value through Other Comprehensive Income (FVTOCI)

After initial measurement, basis assessment of the business model as "Contractual cash flows of asset collected through hold and sell model and SPPI", such financial assets are classified to be measured at FVTOCI. Contractual cash flows that do introduce exposure to risks or volatility in the contractual cash flows due to changes such as equity prices or commodity prices and are unrelated to a basic lending arrangement, do not give rise to SPPI.

The EIR amortisation is included in finance income in the profit and loss statement. The losses arising from impairment are recognised in the profit and loss statement. The carrying value of the financial asset is fair valued by discounting the contractual cash flows over contractual tenure basis the internal rate of return of a new similar asset originated in the month of reporting and such unrealised gain/loss is recorded in other comprehensive income (OCI). Where such a similar product is not originated in the month of reporting, the closest product origination is used as a proxy. Upon sale of the financial asset, actual gain/loss realised is recorded in the profit and loss statement and the unrealised gain/ loss recorded in OCI are recycled to the statement of profit and loss.

Financial asset at fair value through profit and loss (FVTPL)

Financial asset, which does not meet the criteria for categorization at amortized cost or FVTOCI, is classified as FVTPL. In addition, the Company may elect to classify a financial asset, which otherwise meets amortized cost or FVTOCI criteria, as FVTPL. However, such election is allowed only if doing so reduces or eliminates a measurement or recognition inconsistency (referred to as 'accounting mismatch'). Financial assets included within the FVTPL category are measured at fair value with all changes recognized in the statement of profit and loss.

Investment in equity, security receipt, mutual fund, non-cumulative redeemable preference shares and cumulative compulsorily convertible preference shares

Investment in equity, security receipt, mutual fund, non-cumulative redeemable preference shares and cumulative compulsorily convertible preference shares are classified as FVTPL and measured at fair value with all changes recognised in the statement of profit and loss. Upon initial recognition, the Company, on an instrument-by-instrument basis, may elect to classify equity instruments other than held for trading either as FVTOCI or FVTPL. Such election is subsequently irrevocable. If FVTOCI is elected, all fair value changes on the instrument, excluding dividends, are recognized in OCI. There is no recycling of the gains or losses from OCI to the statement of profit and loss, even upon sale of investment. However, the Company may transfer the cumulative gain or loss within other equity upon realisation.

Reclassifications within classes of financial assets

A change in the business model would lead to a prospective re-classification of the financial asset and accordingly the measurement principles applicable to the new classification will be applied. During the current financial year and previous accounting period there was no change in the business model under which the Company holds financial assets and therefore no reclassifications were made.

x. Impairment of Financial Asset

Impairment approach

The Company is required to recognise Expected Credit Losses (ECLs) based on forward-looking information for all financial assets at amortised cost, lease receivables, debt financial assets at fair value through other comprehensive income, loan commitments and financial guarantee contracts. No impairment loss is applicable on equity investments.

At the reporting date, an allowance (or provision for loan commitments and financial guarantees) is required on stage 1 assets at 12 month ECLs. If the credit risk has significantly increased since initial recognition (Stage 1), an allowance (or provision) should be recognised for the lifetime ECLs for financial instruments for which the credit risk has increased significantly since initial recognition (Stage 2) or which are credit impaired (Stage 3).

The measurement of ECL is calculated using three main components: (i) Probability of Default (PD) (ii) Loss Given Default (LGD) and (iii) the Exposure At Default (EAD). The 12 month ECL is calculated by multiplying the 12 month PD, LGD and the EAD. The 12 month and lifetime PDs represent the PD occurring over the next 12 months and the remaining maturity of the instrument respectively. The EAD represents the expected balance at default, taking into account the repayment of principal and interest from the balance sheet date to the default event together with any expected drawdowns of committed facilities. The LGD represents expected losses on the EAD given the event of default, taking into account, among other attributes, the mitigating effect of collateral value at the time it is expected to be realised and the time value of money.

The Company applies a three-stage approach to measure ECL on financial assets accounted for at amortised cost and FVOCI. Assets migrate through the following three stages based on the change in credit quality since initial recognition.

1. **Stage 1: 12-months ECL**

   For exposures where there has not been a significant increase in credit risk since initial recognition and that are not credit impaired upon origination, the portion of the lifetime ECL associated with the probability of default events occurring within the next 12 months is recognised. Exposures with Days Past Due (DPD) less than or equal to 29 days are classified as stage 1. The Company has identified zero bucket and bucket with DPD less than or equal to 29 days as two separate buckets.

2. **Stage 2: Lifetime ECL – not credit impaired**

   For credit exposures where there has been a significant increase in credit risk since initial recognition but that are not credit impaired, a lifetime ECL is recognised. Exposures with DPD equal to 30 days but less than or equal to 89 days are classified as stage 2. At each reporting date, the Company assesses whether there has been a significant increase in credit risk for financial asset since initial recognition by comparing the risk of default occurring over the expected life between the reporting date and the date of initial recognition. The Company has identified cases with DPD equal to or more than 30 days and less than or equal to 59 days and cases with DPD equal to or more than 60 days and less than or equal to 89 days as two separate buckets.

3. **Stage 3: Lifetime ECL – credit impaired**

   Financial asset is assessed as credit impaired when one or more events that have a detrimental impact on the estimated future cash flows of that asset have occurred. For financial asset that have become credit impaired, a lifetime ECL is recognised on principal outstanding as at period end. Exposures with DPD equal to or more than 90 days are classified as stage 3.

   A loan that has been renegotiated due to a deterioration in the borrower’s condition is usually considered to be credit-impaired unless there is evidence that the risk of not receiving contractual cash flows has reduced significantly and there are no other indicators of impairment. ECL is recognised on EAD as at period end. If the terms of a financial asset are renegotiated or modified due to financial difficulties of the borrower, then such asset is moved to stage 3, lifetime ECL under stage 3 on the outstanding amount is applied.

The Company assesses when a significant increase in credit risk has occurred based on quantitative and qualitative assessments. Exposures are considered to have resulted in a significant increase in credit risk and are moved to Stage 2 when:

1. Quantitative test: Accounts that are 30 calendar days or more past due move to Stage 2 automatically. Accounts that are 90 calendar days or more past due move to Stage 3 automatically.
2. Qualitative test: Accounts that meet the portfolio's 'high risk' criteria and are subject to closer credit monitoring. High risk customers may not be in arrears but either through an event or an observed behaviour exhibit credit distress.
3. Reversal in Stages: Exposures will move back to Stage 2 or Stage 1 respectively, once they no longer meet the quantitative criteria set out above. For exposures classified using the qualitative test, when they no longer meet the criteria for a significant increase in credit risk and when any cure criteria used for credit risk management are met.

The definition of default for the purpose of determining ECLs has been aligned to the RBI definition of default, which considers indicators that the debtor is unlikely to pay and is no later than when the exposure is more than 90 days past due. The Company continues to incrementally provide for the asset post initial recognition in Stage 3, based on its estimate of the recovery.

Impairment of Trade receivable and Operating lease receivable

Impairment allowance on trade receivables is made on the basis of life time credit loss method, in addition to specific provision considering the uncertainty of recoverability of certain receivables.

Modification and De-recognition of financial assets

Modification of financial assets

A modification of a financial asset occurs when the contractual terms governing the cash flows of a financial asset are renegotiated or otherwise modified between initial recognition and maturity of the financial asset. A modification affects the amount and/or timing of the contractual cash flows either immediately or at a future date. The Company renegotiates loans to customers in financial difficulty to maximise collection and minimise the risk of default. A loan forbearance is granted in cases where although the borrower made all reasonable efforts to pay under the original contractual terms, there is a high risk of default or default has already happened and the borrower is expected to be able to meet the revised terms. The revised terms in most of the cases include an extension of the maturity of the loan, changes to the timing of the cash flows of the loan (principal and interest repayment), reduction in the amount of cash flows due (principal and interest forgiveness). Such accounts are classified as Stage 3 immediately upon such modification in the terms of the contract.

Not all changes in terms of loans are considered as renegotiation and changes in terms of a class of obligors that are not overdue is not considered as renegotiation and is not subjected to deterioration in staging.

De-recognition of financial assets

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is derecognised when:

1) the rights to receive cash flows from the asset have expired, or
2) the Company has transferred its rights to receive cash flows from the asset and substantially all the risks and rewards of the asset, or the Company has neither transferred nor retained

substantially all the risks and rewards of the asset, but has transferred control of the asset

If the Company retains substantially all the risks and rewards of ownership of a transferred financial asset, the Company continues to recognise the financial asset and also recognises a collateralised borrowing for the proceeds received.

Write-off

Impaired loans and receivables are written off, against the related allowance for loan impairment on completion of the Company's internal processes and when the Company concludes that there is no longer any realistic prospect of recovery of part or all of the loan. For loans that are individually assessed for impairment, the timing of write off is determined on a case by case basis. A write-off constitutes a de-recognition event. The Company has right to apply enforcement activities to recover such written off financial assets. Subsequent recoveries of amounts previously written off are credited to the Statement of Profit and Loss.

Presentation of ECL allowance for financial asset:

Type of Financial asset	Disclosure
Financial asset measured at amortised cost Financial assets measured at FVTOCI	shown separately under the head "Provisions" and not as a deduction from the gross carrying amount of the assets
Loan commitments and financial guarantee contracts	shown separately under the head "Provisions"

Where a financial instrument includes both a drawn and an undrawn component and the Company cannot identify the ECL on the loan commitment separately from those on the drawn component, the Company presents a combined loss allowance for both components under "Provisions".

xi. Financial liability and equity

Financial liabilities and equity

Debt and equity instruments issued are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangement.

Financial liabilities

A financial liability is a contractual obligation to deliver cash or another financial asset or to exchange financial assets or financial liabilities with another entity under conditions that are potentially unfavourable to the Company or a contract that will or may be settled in the Company's own equity instruments and is a non-derivative contract for which the Company is or may be obliged to deliver a variable number of its own equity instruments, or a derivative contract over own equity that will or may be settled other than by the exchange of a fixed amount of cash (or another financial asset) for a fixed number of the Company's own equity instruments.

Classification

The Company classifies its financial liability as "Financial liability at amortised cost" except for financial liability at Fair Value through Profit and Loss (FVTPL).

Initial recognition and measurement

Financial liability is recognised initially at cost of acquisition net of transaction costs and incomes that is attributable to the acquisition of the financial liability. Cost equates the fair value on acquisition. Company may irrevocably designate a financial liability that meet the amortised cost as measured at FVTPL if doing so eliminates or significantly reduces an accounting mismatch (referred to as the fair value option).

De-recognition of financial liabilities

The Company derecognises financial liabilities when, and only when, the Company's obligations are discharged, cancelled or have expired. The difference between the carrying amount of the financial liability derecognised and the consideration paid and payable is recognised in profit or loss.

Equity

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. Equity instruments issued by the Company are recognised at the proceeds received, net of direct issue costs. A conversion option that will be settled by the exchange of a fixed amount of cash or another financial asset for a fixed number of the Company's own equity instruments is an equity instrument.

No gain/loss is recognised in profit or loss on the purchase, sale, issue or cancellation of the Company's own equity instruments.

xii. Cash, Cash equivalents and bank balances

Cash, Cash equivalents and bank balances including fixed deposits, margin money deposits, and earmarked balances with banks are carried at amortised cost. Short term and liquid investments being subject to more than insignificant risk of change in value, are not included as part of cash and cash equivalents.

xiii. Property, plant and equipment

a. Tangible

Tangible property, plant and equipment (PPE) acquired by the Company are reported at acquisition cost less accumulated depreciation and accumulated impairment losses, if any. The acquisition cost includes any cost attributable for bringing asset to its working condition net of tax/duty credits availed, which comprises of purchase consideration, other directly attributable costs of bringing the assets to their working condition for their intended use. PPE is recognised when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably.

b. Capital work-in-progress

PPE not ready for the intended use on the date of the Balance Sheet are disclosed as "capital work-in-progress" and carried at cost, comprising direct cost, related incidental expenses and attributable interest.

c. Intangible

Intangible assets are recognised when it is probable that the future economic benefits that are attributable to the asset will flow to the enterprise and the cost of the asset can be measured reliably. Intangible assets are stated at original cost net of tax/duty credits availed, if any, less accumulated amortisation and cumulative impairment. Administrative and other general overhead expenses that are specifically attributable to acquisition of intangible assets are allocated and capitalised as a part of the cost of the intangible assets. Expenses on software support and maintenance are charged to the Statement of Profit and Loss during the year in which such costs are incurred.

d. Intangible assets under development

Intangible assets not ready for the intended use on the date of Balance Sheet are disclosed as "Intangible assets under development".

e. Depreciation and Amortisation

Depreciable amount for tangible PPE is the cost of an asset, or other amount substituted for cost, less its estimated residual value. The residual value of each asset given on operating lease is determined at the time of recording of the lease asset.

Depreciation on tangible PPE deployed for own use has been provided on the straight-line method as per the useful life prescribed in Schedule II to the Companies Act, 2013 except in respect of Buildings, Computer Equipment, Vehicles, Plant and Machinery, Software, Licenses, Furniture and Fixture and Office Equipment in whose case the life of the assets has been assessed based on the nature of the asset, the estimated usage of the asset, the operating conditions of the asset, past history of replacement, etc. Depreciation on tangible PPE deployed on operating lease has been provided on the straight-line method over the primary lease period of the asset. Depreciation method is reviewed at each financial year end to reflect expected pattern of consumption of the future economic benefits embodied in the asset. The estimated useful life and residual values are also reviewed at each financial year end with the effect of any change in the estimation of useful life/residual value which is accounted on prospective basis. Depreciation for additions to/deductions from, owned assets is calculated pro rata to the remaining period of use. Depreciation charge for impaired assets is adjusted in future periods in such a manner that the revised carrying amount of the asset is allocated over its remaining useful life. All capital assets with individual value less than Rs. 5,000 are depreciated fully in the year in which they are purchased.

Purchased software / licenses are amortised over the estimated useful life during which the benefits are expected to accrue, while Goodwill if any is tested for impairment at each Balance Sheet date. The method of amortisation and useful life are reviewed at the end of each accounting year with the effect of any changes in the estimate being accounted for on a prospective basis. Amortisation on impaired assets is provided by adjusting the amortisation charge in the remaining periods so as to allocate the asset's revised carrying amount over its remaining useful life.

Estimated useful life considered by the Company are:

Asset	Estimated Useful Life
Furniture and Fixtures	10 years
Computer Equipment	3 to 4 years
Office Equipment	5 years
Vehicles	4 years
Software Licenses	1 to 10 years
Buildings	25 years
Plant & Machinery	10 years

f. Reclassification to Investment property

Properties held to earn rentals and/or capital appreciation are classified as Investment properties and are reported at acquisition cost less accumulated depreciation and accumulated impairment losses, if any. The acquisition cost includes any cost attributable for bringing asset to its working condition net of tax/duty credits availed, which comprises of purchase consideration, other directly attributable costs of bringing the assets to their working condition for their intended use. When the use of an existing property changes from owner-occupied to investment property, the property is reclassified as investment property at its carrying amount on the date of reclassification.

An investment property is derecognised upon disposal or when the investment property is permanently withdrawn from use and no future economic benefits are expected from the disposal. Any gain or loss arising on de-recognition of investment property is recognised in the Statement of Profit and Loss in the same period.

g. Impairment of assets

Upon an observed trigger or at the end of each accounting year, the Company reviews the carrying amounts of its PPE, investment property and intangible asset to determine whether there is any indication that the asset may have suffered an impairment loss. If such indication exists, the PPE, investment property and intangible assets are tested for impairment so as to determine the impairment loss, if any.

Impairment loss is recognised when the carrying amount of an asset exceeds its recoverable amount. Recoverable amount is the higher of fair value less costs of disposal and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

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

When an impairment loss subsequently reverses, the carrying amount of the asset is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset in prior years. A reversal of an impairment loss is recognised immediately in the Statement of Profit and Loss.

h. De-recognition of property, plant and equipment and intangible asset

An item of PPE is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on the disposal or retirement of an item of property, plant and equipment is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognised in the Statement of Profit or Loss. An intangible asset is derecognised on disposal, or when no future economic benefits are expected from use or disposal. Gains or losses arising from de-recognition of an intangible asset, measured as the difference between the net disposal proceeds and the carrying amount of the asset, are recognised in the Statement of Profit or Loss when the asset is derecognised.

xiv. Non-current assets held for sale:

Non-current assets are classified as held for sale if their carrying amount is intended to be recovered principally through a sale (rather than through continuing use) when the asset is available for immediate sale in its present condition subject only to terms that are usual and customary for sale of such asset and the sale is highly probable and is expected to qualify for recognition as a completed sale within one year from the date of classification.

Non-current assets classified as held for sale are measured at lower of their carrying amount and fair value less costs to sell.

xv. Employee Benefits

Defined contribution plans

The eligible employees of the Company are entitled to receive benefits under the Provident Fund, a defined contribution plan, in which both employees and the Company make monthly contributions at a specified percentage of the covered employees' salary (currently 12% of employees' salary), which is recognised as an expense in the Statement of Profit and Loss in the year in which they occur. The contributions as specified under the law are paid to the Provident Fund set up as irrevocable trust by the Company. The Company is generally liable for annual contributions and any deficiency in interest cost compared to interest computed based on the rate of interest declared by the Central Government under the Employee Provident Scheme, 1952 is recognised as an expense in the year in which it is determined.

The Supreme Court of India in its judgement in the case of THE REGIONAL PROVIDENT FUND COMMISSIONER (II) WEST BENGAL v/s VIVEKANANDA VIDYAMANDIR AND OTHERS on February 28, 2019 has clarified that any emolument paid universally, necessarily and ordinarily to all employees across the board is to be considered as basic wage and accordingly needs to be considered for calculation of Provident Fund contribution. As per the Company's current estimation this change does not have an impact on the financial position as at March 31, 2019. The Company would record any effect in its Financial Statements, in the period in which it receives additional clarity on the said subject.

The Company's contribution to Superannuation Fund and Employee State Insurance Scheme are considered as defined contribution plans and are charged as an expense in the Statement of Profit and Loss based on the amount of contribution required to be made and when services are rendered by the employees.

Defined benefit plans

For defined benefit plans in the form of gratuity, the cost of providing benefits is determined using the Projected Unit Credit method, with actuarial valuations being carried out at each Balance Sheet date. Re-measurement of the net defined benefit liability, which comprise actuarial gains and losses, the return on plan assets (excluding interest) and the effect of the asset ceiling (if any, excluding interest), are recognised immediately in OCI. Past service cost is recognised immediately to the extent that the benefits are already vested and otherwise is amortised on a straight-line basis over the average period until the benefits become vested. The retirement benefit obligation recognised in the Balance Sheet represents the present value of the defined benefit obligation as adjusted for unrecognised past service cost, as reduced by the fair value of scheme assets. Any asset resulting from this calculation is limited to past service cost, plus the present value of available refunds and reductions in future contributions to the schemes.

Short-term employee benefits

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

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

(a) in case of accumulated compensated absences, when employees render the services that increase their entitlement of future compensated absences; and

(b) in case of non-accumulating compensated absences, when the absences occur.

Long-term employee benefits

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

Equity settled share based payment transaction

The stock options granted to employees pursuant to the Company's Stock Options Schemes, are measured at the fair value of the options at the grant date. The amount recognised as expense is based on the estimate of the number of options for which the related service and non-market vesting conditions are expected to be met, such that the amount ultimately recognised as an expense is based on the number of options that do meet the related service and non-market vesting conditions at the vesting date. For share-based options with non-vesting conditions, the grant date fair value of the share-based payment is measured to reflect such conditions and there is no true-up for differences between expected and actual outcomes. The fair value of the options is treated as discount and accounted as employee compensation cost over the vesting period on a straight line basis. The amount recognised as expense in each year is arrived at based on the number of grants expected to vest. If a grant lapses after the vesting period, the cumulative discount recognised as an expense in respect of such grant is transferred to the general reserve within other equity, which is a free reserve in nature.

xvi. Securities premium account

Securities premium is the difference between the face value of the equity shares and the consideration received in respect of shares issued. The issue expenses of securities which qualify as equity instruments are written off against securities premium account.

xvii. Foreign currencies transactions

Transactions in currencies other than the Company's functional currency are recorded on initial recognition using the exchange rate at the transaction date. At each Balance Sheet date, foreign currency monetary items are reported at the rates prevailing at the year end. Non-monetary items that are measured in terms of historical cost in foreign currency are not retranslated.

Exchange differences that arise on settlement of monetary items or on reporting of monetary items at each Balance Sheet date at the closing spot rate are recognised in the Statement of Profit and Loss in the period in which they arise.

xviii. Operating Segments

The Company's operating segments consist of "Investment Activity", "Private Equity Investment Activity" and "Others". These in the context of Ind AS 108 – operating segments reporting are considered to constitute reportable segment. The Chief Operating Decision Maker (CODM) of the Company is the Board of Directors. Operating segment disclosures are consistent with the information reviewed by the CODM.

An operating segment is a component of the company that engages in business activities from which it may earn revenues and incur expenses, including revenues and expenses that relate to transactions with any of the company's other components, and for which discrete financial information is available. Accordingly, the operating results of all operating segments of the Company are reviewed regularly by the Board of Directors to make decisions about resources to be allocated to the segments and assess their performance.

The "Investment Activity" segment includes corporate investments and treasury activities. "Private Equity Investment Activity" includes management of Private Equity investments and related support services activities. "Others" segment primarily includes property management services and managerial and marketing services.

Revenue and expense directly attributable to segments are reported under each operating 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 un-allocable expenses.

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

xix. Investments in Subsidiaries and Associates

The Company has elected to measure equity investments in Subsidiaries and Associates at cost as per Ind AS 27 – Separate Financial Statements, accordingly measurement at fair value through statement of profit and loss account and related disclosure under Ind AS 109 does not apply.

xx. Earnings per share

Basic earnings per share has been computed by dividing the profit after tax available for equity shareholders by the weighted average number of shares outstanding during the year. Partly paid up shares are included as fully paid equivalents according to the fraction paid up. Diluted earnings per share has been computed using the weighted average number of shares and dilutive potential shares, except where the result would be anti-dilutive.

xxi. Taxation

Income Tax

Income tax expense comprises current and deferred taxes. Income tax expense is recognized in the Statement of Profit and Loss, Other Comprehensive Income or directly in equity, when they relate to items that are recognised in the respective line items.

Current Tax

Current tax comprises the expected tax payable or receivable on the taxable income or loss for the year and any adjustment to the tax payable or receivable in respect of previous years. The amount of current tax reflects the best estimate of the tax amount expected to be paid or received after considering the uncertainty, if any, related to income taxes. It is measured using tax rates (and tax laws) enacted or substantively enacted by the reporting date.

Current tax asset and liabilities are offset only if there is a legally enforceable right to set off the recognised amounts and it is intended to realise the asset and settle the liability on a net basis or simultaneously.

Deferred Tax

Deferred tax assets and liabilities are recognized for the future tax consequences of temporary differences between the carrying values of assets and liabilities and their respective tax bases, and unutilized business loss and depreciation carry-forwards and tax credits. Deferred tax assets are recognized to the extent that it is probable that future taxable income will be available against which the deductible temporary differences, unused tax losses, depreciation carry-forwards and unused tax credits could be utilized.

Deferred tax assets and liabilities are measured based on the tax rates that are expected to apply in the period when the asset is realized or the liability is settled, based on tax rates and tax laws that have been enacted or substantively enacted by the reporting date.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities and when they relate to income taxes levied by the same taxation authority and the Company intends to settle its current tax assets and liabilities on a net basis.

xxii. Goods and Services Tax

Goods and Services tax input credit is accounted for in the books in the period in which the supply of goods or service received is accounted and when there is no uncertainty in availing/ utilising the credits.

xxiii. Provisions, contingent liabilities and contingent assets

Provisions are recognised only when:

(i) an entity has a present obligation (legal or constructive) as a result of a past event; and

(ii) it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation; and

(iii) a reliable estimate can be made of the amount of the obligation

Provision is measured using the cash flows estimated to settle the present obligation and when the effect of time value of money is material, the carrying amount of the provision is the present value of those cash flows. Reimbursement expected in respect of expenditure required to settle a provision is recognised only when it is virtually certain that the reimbursement will be received.

Contingent liability is disclosed in case of:

(i) a present obligation arising from past events, when it is not probable that an outflow of resources will be required to settle the obligation; and

(ii) a present obligation arising from past events, when no reliable estimate is possible.

Contingent assets are disclosed where an inflow of economic benefits is probable. Provisions, contingent liabilities and contingent assets are reviewed at each Balance Sheet date.

Where the unavoidable costs of meeting the obligations under the contract exceed the economic benefits expected to be received under such contract, the present obligation under the contract is recognised and measured as a provision.

Contingent assets are not recognised in the financial statements.

xxiv. Commitments

Commitments are future liabilities for contractual expenditure, classified and disclosed as follows:

a) estimated amount of contracts remaining to be executed on capital account and not provided for;

b) uncalled liability on shares and other investments partly paid;

c) funding related commitment to subsidiaries/associates; and

d) other non-cancellable commitments, if any, to the extent they are considered material and relevant in the opinion of management.

Other commitments related to sales/procurements made in the normal course of business are not disclosed to avoid excessive details.

xxv. Statement of Cash Flows

Statement of Cash Flows is prepared segregating the cash flows into operating, investing and financing activities. Cash flow from operating activities is reported using indirect method adjusting the net profit for the effects of:

i. changes during the period in operating receivables and payables transactions of a non-cash nature;

ii. non-cash items such as depreciation, provisions, deferred taxes, unrealised foreign currency gains and losses, and undistributed profits of associates and joint ventures; and

iii. all other items for which the cash effects are investing or financing cash flows

Cash and cash equivalents (including bank balances) shown in the Statement of Cash Flows exclude items which are not available for general use as on the date of Balance Sheet.

xxvi. Dividend payable (including dividend distribution tax)

Interim dividend declared to equity, if any, is recognised as liability in the period in which the said dividend has been declared by the Directors. Final dividend declared to equity shareholders, if any, is recognised as liability in the period in which the said dividend has been approved by the shareholders.

Cumulative Redeemable Preference Shares (CRPS) is classified as a financial liability and dividend including dividend distribution tax is accrued on such instrument and recorded as finance cost.

xxvii. **Standard issued and applicable from April 1, 2019:**

Ind AS 116 Leases:

The new standard has impact on accounting treatment of an asset taken on lease by the Company.

The Company has to measure a Right-Of-Use ("ROU") of asset similar to other non-financial asset such as PPE and lease liability similar to other financial liability. As a consequence, the Company will recognise the depreciation of right-of-use asset and interest on the lease liability, and also classify cash repayments of the lease liability into a principal portion and an interest portion and present them in the statement of cash flows applying Ind AS 7, Statement of Cash Flows. Under Ind AS 17, for operating lease, the Company is required to recognise the lease payment as an expense on a straight-line basis unless another systematic basis is representative of the time pattern of the user's benefit.

Below is the list of policies, choices, exemptions and practical expedients:

Area	Policy to be adopted
Definition of lease term:	Grandfather its previous assessment of which existing contracts are, or contain, leases on date of initial application (April 1, 2019). The definition of lease under the new standard will only be applied prospectively (including modifications to existing contracts).
Recognition exemption – short term leases:	Avail exemption on short term leases on transition and subsequently
Recognition exemption – leases of low value items:	avail exemption on leases of low value items on transition and subsequently. Low value items may be considered as items with a value of less than or equal to INR 5 lacs
Transition approach:	elected to apply modified retrospective method for all leases. This means that - ROU would be measured as if standard had always been applied but using incremental borrowing rate on April 1, 2019 - Lease liability would be measured on April 1, 2019 as the present value of the remaining lease payments and using incremental borrowing rate on April 1, 2019 - Standard would be applied on April 1, 2019 and equity adjustment (difference between the ROU asset and lease liability computed above) would be recognized on April 1, 2019 - Comparative period would not be restated - Disclosures to be made as applicable
Discount rates	elected to apply a single discount rate to a portfolio of leases with reasonably similar characteristics
Leases with a short remaining term	elected to account for leases for which the lease term ends within 12 months of date of initial application (April 1, 2019) as short-term leases
Initial direct costs	elected to exclude initial direct costs from measurement of ROU asset on date of initial application (April 1, 2019)
Use of hindsight	elected to use hindsight in estimating lease term if the contract contains options to extend or terminate the lease

xxviii. **FIRST TIME ADOPTION OF IND AS (read with note 2(i))**

The Company has adopted Ind AS as notified by the Ministry of Corporate Affairs with effect from April 1, 2018, with a transition date of April 1, 2017. The Financial Statements for the year ended March 31, 2019 are the first financial statements, that the Company has prepared under Ind AS. For all years up to and including the year ended March 31, 2018, the Company prepared its Financial Statements in accordance with Previous GAAP.

The adoption of Ind AS has been carried out in accordance with Ind AS 101, First-time Adoption of Indian Accounting Standards. Ind AS 101 requires that all Ind AS standards and interpretations that are issued and effective for the first Ind AS financial statements be applied retrospectively and consistently for all financial years presented. Accordingly, the Company has prepared Financial Statements which comply with Ind AS for the year ended March 31, 2018 and the opening Ind AS Balance Sheet as at April 1, 2017, the date of transition to Ind AS and also as at March 31, 2018.

In preparing these Ind AS Financial Statements, the Company has availed certain exemptions and exceptions in accordance with Ind AS 101, as in Note 3. The resulting difference between the carrying values of the assets and liabilities in the financial statements as at the transition date under Ind AS and Previous GAAP have been recognised directly in equity (retained earnings or another appropriate category of equity). Note 3 explains the adjustments made by the Company in restating its Financial Statements prepared under Previous GAAP, including the Statement of Profit and Loss account for the year ended March 31, 2018 and the Balance Sheet as at April 1, 2017 and as at March 31, 2018.

3. EXPLANATION OF TRANSITION TO IND AS

This note explains the principal adjustments made by the Company in restating its IGAAP financial statements, including the Balance Sheet as at April 01, 2017 and the financial statements for the year ended March 31, 2018 and how the transition from IGAAP to Ind AS has affected the Company's financial position and financial performance.

Exemptions from retrospective application:

The Company has applied the following exemptions:

(a) Investments in subsidiaries, joint ventures and associates

The Company has elected to adopt the carrying value under IGAAP as on the date of transition i.e. April 1, 2017 in its separate financial statements.

(b) Depreciation on Fixed Assets

For transition to Ind AS, the Company has elected to adopt as deemed cost, the carrying value of PPE measured as per IGAAP less accumulated depreciation and cumulative impairment on the transition date of April 1, 2017.

Reconciliations between IGAAP and Ind AS

(i) Equity reconciliation

Particulars	Note	As at March 31, 2018	As at April 1, 2017
Equity as reported under IGAAP		5,15,316	5,08,360
Adjusted for reduction:			
a Reclassification of Cumulative Redeemable Preference shares (CRPS) to Borrowings	3(c)(vi)	(1,86,558)	(1,82,982)
b Employee benefits	3(c)(iii)	(69)	-
c Fair value gain on Investment	3(c)(i)	-	(267)
d Net Deferred tax asset/(liability) on above adjustments	3(c)(ix)	(9)	-
Adjusted for addition:			
a Fair value gain on Investment	3(c)(i)	142	-
b Reversal of Share issue expenses written off for CRPS	3(c)(viii)	1,700	1,087
c Employee benefits	3(c)(iii)	69	
d Debt instruments through Other Comprehensive Income	3(c)(vii)	6	529
e NPV on Security Deposit taken	3(c)(ii)	31	25
f Accrual of interest on investment at amortised cost		-	220
g Net Deferred tax asset/(liability) on above adjustments	3(c)(ix)	-	283
Equity under Ind AS		**3,30,628**	**3,27,255**

(ii) Total Comprehensive income reconciliation

Particulars	Note	For the year ended March 31, 2018
Net profit under IGAAP		**20,178**
Employee benefits	3(c)(iii) & 3(c)(v)	(69)
Dividend on Cumulative Redeemable Preference Shares	3(c)(vi)	(16,197)
Fair value gain on investment	3(c)(i)	455
Reversal of Impairment on FVTPL of financial instruments	3(c)(i)	(46)
Rent Income net of expenses (Net of EIR on Security Deposit)	3(c)(ii)	6
Reversal of interest on application money	3(c)(viii)	12
Accrual of interest on investment at amortised cost		(220)
Tax adjustments	3(c)(ix)	(463)
Net profit under Ind AS		**3,656**
Other comprehensive income	3(c)(vii)	(495)
Tax adjustment on OCI	3(c)(vii) & 3(c)(ix)	171
Total Comprehensive income under Ind AS		**3,333**

(iii) Reconciliation of Statement of Cash Flow

There are no material adjustments to the Statements of Cash Flows as reported under the IGAAP.

(c) Explanation to Ind AS adjustments :

(i) Fair valuation of investments

Under IGAAP, investments in equity instruments and mutual funds were classified as long-term investments or current investments based on the intended holding period and expected realisability. Long-term investments were carried at cost less provision for other than temporary decline in the value of such investments. Current investments were carried at lower of cost and fair value. Under Ind AS, these investments are required to be measured at fair value. The resulting fair value changes of these investments (other than equity instruments designated as FVTOCI) have been recognised in retained earnings as at the date of transition and subsequently in the profit or loss for the year ended March 31, 2018. Retained earnings has increased by ₹ 142 Lakhs as at 31 March 31, 2018 (decreased by ₹ 267 Lakhs as at April 01, 2017). Consequent to the above, the total equity as at March 31, 2018 increased by ₹ 142 Lakhs (April 01, 2017 ₹ decreased by 267 Lakhs) and profit and other comprehensive income for the year ended March 31, 2018 increased by ₹ 409 Lakhs respectively.

(ii) Fair valuation of security deposits

Under IGAAP, interest free security deposit given to landlord for premises rented, was recorded as an asset at the actual value received. Under Ind AS, the security deposit is discounted based on the internal cost of borrowings. The difference between the present value of the security deposit and the actual value of the security deposit is recorded as prepaid rent. Interest income is recorded on the security deposit as per Ind AS 109 and correspondingly prepaid rent is amortised over the life of the security deposit as per Ind AS 17. Interest income net of rent expense recognised in the Statement of Profit and Loss for the year ended March 31, 2018 is ₹ 6 Lakhs.

(iii) Remeasurement of defined benefit obligation

Gain/Loss on remeasurement of defined benefit obligation is recognised as part of the gratuity cost in the Statement of Profit and Loss under IGAAP. Under Ind AS, such gain/loss is recognised under other comprehensive income along with consequent current tax charge. Employee cost recorded in the Statement of Profit and Loss has increased by ₹ 28 Lakhs for the period ended as at March 31, 2018 and corresponding other comprehensive income has increased by ₹ 28 Lakhs.

(iv) Investment property

Under IGAAP, there was no concept of investment properties. Under Ind AS, investment properties are required to be separately presented on the face of the balance sheet. There is no impact on the total equity or profit as a result of this adjustment.

(v) Employee share based payment adjustments

The grant date fair value of equity settled share-based payment options granted to employees is recognised as an employee expense, with a corresponding increase in equity, over the period that the employees unconditionally become entitled to the options. The amount recognised as expense is based on the estimate of the number of options for which the related service and non-market vesting conditions are expected to be met, such that the amount ultimately recognised as an expense is based on the number of options that do meet the related service and non-market vesting conditions at the vesting date. Employee cost recorded in the Statement of Profit and Loss has increased by ₹ 41 Lakhs for the period ended as at March 31, 2018.

Under IGAAP, the ESOPs given to employees of the company is recorded at intrinsic value. Under Ind AS, the option fair value cost is amortised over the vesting period in the statement of Profit and Loss and a corresponding liability for ESOP outstanding is created. As a result, the manpower cost has increased by ₹ 41 Lakhs as at March 31, 2018. Consequently, the total equity as at March 31, 2018 decreased by ₹ 41 Lakhs and profit for the year ended March 31, 2018 decreased by ₹ 41 Lakhs.

(vi) Reclassification of Cumulative Redeemable Preference shares (CRPS) to Borrowings

Cumulative Redeemable Preference shares (CRPS) forms part of the Share Capital under IGAAP. As per Ind AS 32, since terms of CRPS requires mandatory redemption for the fixed and determinable amount and has a contractual obligation to deliver cash at redemption, such instrument are classified as a liability and interest cost is accrued at the rate of dividend applicable along with dividend distribution tax (DDT). Paidup share capital has decreased by ₹ 186,558 Lakhs as on March 31, 2018 (April 01, 2017 ₹ 182,982 Lakhs) with a corresponding increase in borrowings. Interest cost on account of dividend accrued on CRPS along with DDT has increased in the Statement of Profit and Loss Account for the year ended March 31, 2018 by ₹ 16,197 Lakhs. Such interest cost alongwith DDT thereon, also has significant adverse impact on ETR of the company.

(vii) Other Comprehensive Income

Gain/Loss on remeasurement of defined benefit obligation is recognised as part of the gratuity cost in the Statement of Profit and Loss under IGAAP. Under Ind AS, re-measurement of the net defined benefit liability, which comprise actuarial gains and losses, the return on assets (excluding interest) and the effect of the asset ceiling (if any, excluding interest), pertaining to prior periods are recognised in Other Comprehensive Income along with consequent current tax charge. Employee cost recorded in the Statement of Profit and Loss has increased by ₹ 28 Lakhs for the period ended as at March 31, 2018 and corresponding other comprensive income has increased by ₹ 28 Lakhs. Accordingly the current tax has decreased in the statement of profit and loss account by ₹ 10 Lakhs and increased in the statement of other comprehensive income.

Under IGAAP, investments in debt instruments were classified as long-term investments or current investments based on the intended holding period and expected realisability. Long-term investments were carried at cost less provision for other than temporary decline in the value of such investments. Current investments were carried at lower of cost and fair value. Under Ind AS, these investments in debentures which meet the definition of sole payments of principal and interest and are held within a business model to sell are required to be measured at fair value. The resulting fair value changes of these investments have been recognised in retained earnings as at the date of transition and subsequently in Other Comprehensive Income for the year ended March 31, 2018. Consequent to the above, the total equity as at March 31, 2018 increased by ₹ 6 Lakhs (April 01, 2017 ₹ increased by 529 Lakhs) and other comprehensive income for the year ended March 31, 2018 decreased by ₹ 522 Lakhs and tax decreased by 181 Lakhs.

(viii) Interest as per effective interest rate on financial liabilities measured at amortised cost

Under IGAAP, issue expenses and interest on application money on Cumulative Redeemable Preference Shares were charged upfront against Share Premium and statement of Profit & Loss respectively. Under Ind AS, such expenses are amortised over the tenure of the instrument. As a result of amortisation of interest on share application money, profit has increased by ₹ 12 Lakhs and on account of amortisation of share issue expenses equity has increased by ₹ 1,700 Lakhs as at March 31, 2018 (April 01, 2017 ₹ 1,087 Lakhs).

(ix) Tax effects of adjustments

Deferred tax asset/liability has been recognised on the adjustments made on transition to Ind AS. Deferred tax asset has decreased by ₹ 9 Lakhs as at March 31, 2018 (April 01, 2017 – increased by ₹ 283 Lakhs). Consequent to the above, the total equity as at March 31, 2018 decreased by ₹ 9 Lakhs (April 01, 2017 increased by ₹ 283 Lakhs) and profit in statement of Profit and Loss decreased by 463 lakhs and Other Comprehensive Income increased by 171 lakhs for the year ended March 31, 2018 respectively.

A. Reconciliation of Balance sheet as at March 31, 2018

(₹ in lakh)

Particulars	Amount as per IGAAP	Effects of transition to Ind AS	Amount as per Ind AS
ASSETS			
(I) Financial Assets			
(a) Cash and cash equivalents	49	-	49
(b) Bank balances other than (a) above	0*	-	0*
(c) Receivables			
(i) Trade receivables	666	-	666
(ii) Other receivables	5	-	5
(d) Loans	33,784	41	33,825
(e) Investments	677,816	166	677,982
(f) Other financial assets	543	(59)	484
Total Financial Assets	**712,863**	**148**	**713,011**
(II) Non-Financial Assets			
(a) Current tax assets (net)	1,835	-	1,835
(b) Deferred tax assets (net)	1,635	(9)	1,626
(c) Investment Property	6,184	-	6,184
(d) Property, Plant and Equipment	4,729	-	4,729
(e) Other Intangible assets	-	-	-
(f) Other non-financial assets	587	(60)	527
Total Non-Financial Assets	**14,969**	**(68)**	**14,901**
Total Assets	**727,832**	**80**	**727,912**
LIABILITIES AND EQUITY			
LIABILITIES			
(I) Financial Liabilities			
(a) Payables			
(i) Trade payables			
- Total oustanding dues of micro enterprieses and small enterprises	-	-	-
- Total oustanding dues other than micro enterprises and small enterprises	1,043	-	1,043

(₹ in lakh)

Particulars	Amount as per IGAAP	Effects of transition to Ind AS	Amount as per Ind AS
(b) Debt securities	130,000	(85)	129,915
(c) Borrowings (Other than debt securities)	51,930	-	51,930
(d) Deposits	-	-	-
(e) Subordinated liabilities	10,355	184,858	195,213
(f) Other financial liabilities	17,400	(1,864)	15,536
Total Financial Liabilities	**210,728**	**182,909**	**393,637**
(II) Non-Financial Liabilities			
(a) Current tax liabilities (net)	-	-	-
(b) Provisions	921	-	921
(c) Other non-financial liabilities	867	1,859	2,727
Total Non-Financial Liabilities	**1,788**	**1,859**	**3,647**
EQUITY			
(a) Share capital	468,787	(186,185)	282,602
(b) Other equity	46,529	1,497	48,026
Total Equity	**515,316**	**(184,688)**	**330,628**
Total Liabilities and Equity	**727,832**	**80**	**727,912**

B. Reconciliation of Balance sheet as at April 01, 2017

(₹ in lakh)

Particulars	Amount as per IGAAP	Effects of transition to Ind AS	Amount as per Ind AS
ASSETS			
(I) Financial Assets			
(a) Cash and cash equivalents	96	-	96
(b) Bank balances other than (a) above	-	-	-
(c) Receivables			
(i) Trade receivables	1,012	-	1,012
(ii) Other receivables	107	-	107
(d) Loans	61,721	105	61,826
(e) Investments	591,797	851	592,647
(f) Other financial assets	949	(489)	460
Total Financial Assets	**655,681**	**467**	**656,148**

(₹ in lakh)

Particulars	Amount as per IGAAP	Effects of transition to Ind AS	Amount as per Ind AS
(II) Non-Financial Assets			
(a) Current tax assets (net)	2,131	-	2,131
(b) Deferred tax assets (net)	362	283	645
(c) Investment Property	6,495	-	6,495
(d) Property, Plant and Equipment	5,028	-	5,028
(e) Other intangible assets	-	-	-
(f) Other non-financial assets	607	(70)	537
Total Non-Financial Assets	**14,623**	**213**	**14,836**
Total Assets	**670,304**	**680**	**670,984**
LIABILITIES AND EQUITY			
LIABILITIES			
(I) Financial Liabilities			
(a) Payables	-	-	-
(i) Trade payables	-	-	-
- Total oustanding dues of micro enterprieses and small enterprises	-	-	-
- Total oustanding dues other than micro enterprises and small enterprises	1,821	-	1,821
(b) Debt securities	75,000	(110)	74,890
(c) Borrowings (Other than debt securities)	62,203	-	62,203
(d) Deposits	-	-	-
(e) Subordinated liabilities	10,355	181,895	192,250
(f) Other financial liabilities	11,260	(179)	11,081
Total Financial Liabilities	**160,639**	**181,606**	**342,245**
(II) Non-Financial Liabilities			
(a) Current tax liabilities (net)	-	-	-
(b) Provisions	837	-	837
(c) Other non-financial liabilities	469	179	647
Total Non-Financial Liabilities	**1,305**	**179**	**1,484**
EQUITY			
(a) Share capital	465,747	(183,145)	282,602
(b) Other equity	42,613	2,040	44,653
Total Equity	**508,360**	**(181,105)**	**327,255**
Total Liabilities and Equity	**670,304**	**680**	**670,984**

* Amount less than ₹ 50,000

C. Reconciliation of profit or loss for the year ended March 31, 2018

(₹ in lakh)

	Particulars	Amount as per IGAAP	Effects of transition to Ind AS	Amount as per Ind AS
I	**Revenue from operations**			
(i)	Interest income	8,432	80	8,512
(ii)	Dividend income	23,261	-	23,261
(iii)	Fee and commision income	4,835	-	4,836
(iv)	Net gain on fair value changes	-	457	457
I	**Total Revenue from Operations**	**36,528**	**537**	**37,066**
II	Other Income	4,996	370	5,366
III	Profit on Sale of Investment	6,124	(300)	5,824
IV	**Total Income (I+II+III)**	**47,648**	**608**	**48,256**
V	**Expenses**			
(i)	Finance costs	14,094	16,534	30,628
(ii)	Net loss on Fair Value changes	-	-	-
(iii)	Impairment on Financial Instruments	2,934	-	2,934
(iv)	Employee benefits expense	7,358	69	7,428
(v)	Depreciation and amortisation	812	-	812
(vi)	Other expenses	2,052	64	2,116
V	**Total expenses**	**27,251**	**16,667**	**43,918**
VI	**Profit/(loss) before exeptional items and tax (IV-V)**	**20,397**	**(16,059)**	**4,338**
VII	**Exceptional Items**	**-**		**-**
VIII	**Profit/(loss) before tax (VI-VII)**	**20,397**	**(16,059)**	**4,338**
IX	**Tax expense**			
	(1) Current tax	1,493	(10)	1,483
	(2) Deferred tax	(1,274)	473	(801)
IX	**Net Tax Expense**	**219**	**463**	**682**
X	**Profit for the year from continuing operations (VIII-IX)**	**20,178**	**(16,522)**	**3,656**
XI	**Profit from discontinued operations**	**-**	**-**	**-**
XII	Tax expense of discontinued operations	-	-	-
XIII	**Profit from discontinued operations (after tax) (XI-XII)**	**-**	**-**	**-**
XIV	**Profit for the year (X+XIII)**	**20,178**	**(16,522)**	**3,656**
XV	Other Comprehensive Income			
(A)	**(i) Items that will not be reclassified to profit or loss**			
	(a) Remeasurements of defined employee benefit plans	-	28	28
	(ii) Income tax relating to items that will not be reclassified to profit or loss	-	10	10
	Subtotal A	**-**	**18**	**18**
(B)	**(i) Items that will be reclassified to profit or loss**			
	(a) Debt instruments through Other Comprehensive Income	-	(522)	(522)
	(ii) Income tax relating to items that will be reclassified to profit or loss	-	(181)	(181)
	Subtotal B	**-**	**(341)**	**(341)**
	Other Comprehensive Loss (A+B)		**(323)**	**(323)**
XVI	**Total Comprehensive Income for the year (XIV+XV) (Comprising Profit/(Loss) and Other Comprehensive Income/(Loss) for the year)**	**20,178**	**(16,845)**	**3,333**

NOTES TO AND FORMING PART OF THE BALANCE SHEET AS AT MARCH 31, 2019

NOTE "4" (₹ in lakh)

CASH AND CASH EQUIVALENTS	As at March 31, 2019	As at March 31, 2018	As at April 1, 2017
(a) Cash on hand	-	-	-
(b) Balances with banks (in the nature of cash and cash equivalents)	58,212	49	96
(c) Cheques, drafts on hand	-	-	-
Total	**58,212**	**49**	**96**

NOTE "5" (₹ in lakh)

OTHER BALANCES WITH BANKS	As at March 31, 2019	As at March 31, 2018	As at April 1, 2017
(a) Bank deposits with more than 3 months but less than 12 months maturity	-	-	-
(b) Earmarked balances with banks (unpaid dividend)	5	0*	-
Total	5	0*	-

* Amount less than ₹ 50,000

NOTE "6 (i)" (₹ in lakh)

TRADE RECEIVABLES	As at March 31, 2019	As at March 31, 2018	As at April 1, 2017
(a) Dues from related parties			
(i) Receivables considered good - Secured	-	-	-
(ii) Receivables considered good - Unsecured	1,948	666	1,012
(iii) Receivables which have Significant Increase in Credit Risk	-	-	-
(iv) Receivables - credit impaired	416	168	-
	2,364	834	1,012
Less: Impairment loss allowance	(416)	(168)	-
	1,948	666	1,012
(b) Dues from others			
(i) Receivables considered good - Secured	-	-	-
(ii) Receivables considered good - Unsecured	-	-	-
(iii) Receivables which have Significant Increase in Credit Risk	-	-	-
(iv) Receivables - credit impaired	-	-	-
	-	-	-
Less: Impairment loss allowance	-	-	-
	-	-	-
Total	**1,948**	**666**	**1,012**

NOTES TO AND FORMING PART OF THE BALANCE SHEET AS AT MARCH 31, 2019

NOTE "6 (ii)" (₹ in lakh)

OTHER RECEIVABLES	As at March 31, 2019	As at March 31, 2018	As at April 1, 2017
(a) Dues from related parties			
(i) Secured, considered good			
(ii) Unsecured, considered good	**11**	5	107
(iii) Doubtful	**50**	-	-
	61	5	107
Less: Impairment loss allowance	**(50)**	-	-
	11	5	107
(b) Dues from others			
(i) Secured, considered good	**-**	-	-
(ii) Unsecured, considered good	**13**	-	-
(iii) Doubtful	**-**	-	-
	13	-	-
Less: Impairment loss allowance	**-**	-	-
	13	-	-
Total	**24**	**5**	107

NOTE "7" (₹ in lakh)

LOANS	As at March 31, 2019	As at March 31, 2018	As at April 1, 2017
(A)			
(a) Bills Purchased and Bills discounted	**-**	-	-
(b) Loans repayable on demand (Refer footnote 1)	**58,176**	33,825	61,826
(c) Term Loans	**-**	-	-
(d) Credit Substitutes	**-**	-	-
(e) Leasing and hire purchase	**-**	-	-
(f) Factoring	**-**	-	-
Total (A) - Gross	**58,176**	33,825	61,826
(B)			
(a) Secured by tangible assets	**-**	-	-
(b) Secured by intangible assets	**-**	-	-
(c) Covered by Bank / Government Guarantees	**-**	-	-
(d) Unsecured	**58,176**	33,825	61,826
Total (B) - Gross	**58,176**	33,825	61,826
(C)			
(I) Loans in India			
(a) Public Sector	**-**	-	-
(b) Others	**58,176**	33,825	61,826
(II) Loans outside India	**-**	-	-
Total (C) - Gross	**58,176**	33,825	61,826
Total	**58,176**	**33,825**	**61,826**

Footnote 1: All Unsecured loans repayable on demand are given to subsidiary companies.

NOTES TO AND FORMING PART OF THE BALANCE SHEET AS AT MARCH 31, 2019

NOTE "8" (₹ in lakh)

Scrip-wise details of investments

INVESTMENTS	Face value Per Unit ₹	As at March 31, 2019		As at March 31, 2018		As at April 1, 2017	
		No. of Units	₹ in lakh	No. of Units	₹ in lakh	No. of Units	₹ in lakh
INVESTMENTS AT COST							
Investment in Subsidiaries							
Unquoted:							
Investment in Equity Shares			**453,956**		**338,717**		**341,341**
Tata Capital Financial Services Limited	10	1,375,561,658	324,855	1,297,550,000	259,255	1,297,550,000	259,255
Tata Capital Housing Finance Limited	10	309,710,300	68,400	253,333,332	27,600	253,333,332	27,600
Tata Securities Limited	10	6,183,837	789	3,829,418	0*	3,829,418	0*
Tata Capital Pte Limited	SGD 1	32,282,000	10,807	32,282,000	10,807	32,282,000	10,807
Tata Cleantech Capital Limited	10	312,352,590	49,105	286,384,842	41,055	286,384,842	41,055
TC Travel and Services Limited	10	-	-	-	-	25,000,000	2,500
Tata Capital Forex Limited	10	-	-	-	-	10,933,969	124
Investment in Venture Capital Units			**17,630**		**35,333**		**39,290**
Tata Capital Growth Fund	1	2,500,000,000	5,868	2,500,000,000	17,082	2,500,000,000	19,217
Tata Capital Growth Fund- Class B Units	1	10,000	0*	10,000	0*	10,000	0*
Tata Capital Special Situations Fund	1,00,000	4,181	2,260	4,181	4,181	4,463	4,463
Tata Capital Special Situations Fund - Class B Units	100	50	0*	50	0*	50	0*
Tata Capital Healthcare Fund I	1	1,000,000,000	3,751	1,000,000,000	6,553	1,000,000,000	8,457
Tata Capital Healthcare Fund I - Class B Units	1	10,000	0*	10,000	0*	10,000	0*
Tata Capital Innovations Fund	1,000	750,000	5,751	750,000	7,516	750,000	7,153
Tata Capital Innovations Fund - Class B Units	1	10,000	0*	10,000	0*	10,000	0*

NOTES TO AND FORMING PART OF THE BALANCE SHEET AS AT MARCH 31, 2019

NOTE “8” (₹ in lakh)

Scrip-wise details of investments (Contd.)

INVESTMENTS	Face value Per Unit ₹	As at March 31, 2019		As at March 31, 2018		As at April 1, 2017	
		No. of Units	₹ in lakh	No. of Units	₹ in lakh	No. of Units	₹ in lakh
Investment in Associates/Joint Ventures							
Unquoted :							
Investment in Equity Shares			**28,655**		**28,473**		**28,473**
Tata Autocomp Systems Limited	10	48,307,333	18,528	48,307,333	18,528	48,307,333	18,528
Tata Sky Limited	10	10,072,871	5,242	10,072,871	5,242	10,072,871	5,242
Roots Corporation Limited	10	2,291,454	2,062	2,089,269	1,880	2,089,269	1,880
Tata Projects Limited	10	44,810	2,823	44,810	2,823	44,810	2,823
Total Cost of Non-Current Investments (A)			**500,242**		**402,524**		**409,104**
Provision for diminution in value of investments (B)			**(2,499)**		**(2,805)**		**(2,755)**
Carrying Cost of Non-Current Investments (C) = (A + B)			**497,743**		**399,719**		**406,349**
INVESTMENTS AT AMORTIZED COST							
Investment in Others							
Unquoted:							
Investments in Preference Shares		**-**	**-**	**-**	**-**	**-**	**1,720**
12.33% Cumulative Redeemable Preference Shares of Conneqt Business Solutions Limited (formerly Tata Business Support Services Limited)	10	-	-	-	-	15,000,000	1,720
Total Amortized Cost of Non-Current Investments (D)		**-**	**-**	**-**	**-**	**-**	**1,720**
Provision for diminution in value of investments (E)		-	-	-	-	-	-
Net Amortized Cost of Non-Current Investments (F) = (D + E)		**-**	**-**	**-**	**-**	**-**	**1,720**
INVESTMENTS AT FAIR VALUE THROUGH PROFIT & LOSS							
Investment in Subsidiaries							
Unquoted:							
Investment in Compulsorily Convertible Cumulative Preference Shares		**-**	**316,176**	**-**	**265,405**	**-**	**177,692**
Tata Capital Financial Services Limited	10	- 1,889,000,000	188,938	- 1,520,000,000	152,068	945,000,000	94,502
Tata Capital Housing Finance Limited	10	- 1,272,000,000	127,238	- 1,125,000,000	112,549	824,000,000	82,400
Tata Securities Limited	10	-	-	15,000,000	789	15,000,000	789

NOTES TO AND FORMING PART OF THE BALANCE SHEET AS AT MARCH 31, 2019

NOTE "8" (₹ in lakh)

Scrip-wise details of investments (Contd.)

INVESTMENTS	Face value Per Unit ₹	As at March 31, 2019		As at March 31, 2018		As at April 1, 2017	
		No. of Units	₹ in lakh	No. of Units	₹ in lakh	No. of Units	₹ in lakh
Investment in Others							
Quoted:							
Investment in Equity Shares		**-**	**110**	**-**	**114**	**-**	**84**
Tata Steel Limited (Fully paid)	10	15,660	82	15,660	89	13,500	65
Tata Steel Limited (Partly paid)	10	1,080	1	1,080	2	-	-
The Indian Hotels Company Limited	1	17,640	27	17,640	23	14,700	19
Unquoted:							
Investment in Equity Shares		**-**	**-**	**-**	**-**	**-**	**710**
Conneqt Business Solutions Limited (formerly Tata Business Support Services Limited)		-	-	-	-	4,054,048	710
Investments in Mutual Funds	**1,000**	**8,881**	**260**	**8,056**	**220**	**7,658**	**196**
Total Investments at Fair Value through Profit & Loss (G)		-	**316,546**	**-**	**265,739**	**-**	**178,680**
INVESTMENTS AT FAIR VALUE THROUGH OTHER COMPREHENSIVE INCOME							
Investment in Others							
Unquoted:							
Investment in Non-Convertible Debentures		**-**	**12,406**	**-**	**12,525**	**-**	**5,898**
8.90% Perpetual Debentures of Tata Capital Financial Services Limited	10,00,000	1,250	12,406	1,250	12,525	-	-
9.80% Perpetual Debentures of Tata Capital Financial Services Limited	10,00,000	-	-	-	-	500	5,898
Total Investments at Fair Value through Other Comprehensive Income (J)		**-**	**12,406**	**-**	**12,525**	**-**	**5,898**
Total Non-Current Investments (C + F + G + J)			**826,695**		**677,982**		**592,647**
Particulars			**₹ In lakhs**		**₹ In lakhs**		**₹ In lakhs**
(i) Investments in India			815,888		667,175		581,840
(ii) Investments outside in India (Refer Fotnote 1)			10,807		10,807		10,807
Total Non-Current Investments			**826,695**		**677,982**		**592,647**

* Amount less than ₹ 50,000

Footnote 1 : Investment outside India is in wholly owned subsidiary of Tata Capital Limited.

NOTES TO AND FORMING PART OF THE BALANCE SHEET AS AT MARCH 31, 2019

NOTE "9"

The major components of deferred tax assets and liabilities as at March 31, 2019 are as follows: (₹ in lakh)

DEFERRED TAX ASSET (NET)	Opening Balance	Recognised / reversed through profit and loss	Recognised directly in equity	Recognised / reclassified from other comprehensive income	Closing Balance
Deferred Tax Assets :-					
(a) Impairment loss allowance - Stage III	-	-	-	-	-
(b) Impairment loss allowance - Stage I & II	193	24	-	-	218
(c) Employee benefits	74	16	-	-	90
(d) Other deferred tax assets	59	188	-	41	288
(e) Depreciation on Property, plant and equipment	138	11	-	-	149
(f) MAT Credit Entitlement	1,162	(1,162)	-	-	-
Deferred Tax Liabilities :-					
(a) Debenture issue expenses	-	-	-	-	-
(b) Depreciation on Property, plant and equipment	-	-	-	-	-
Deferred Tax Asset (Net)	**1,626**	**(922)**	**-**	**41**	**745**

The major components of deferred tax assets and liabilities as at March 31, 2018 are as follows: (₹ in lakh)

DEFERRED TAX ASSET (NET)	Opening Balance	Recognised / reversed through profit and loss	Recognised directly in equity	Recognised / reclassified from other comprehensive income	Closing Balance
Deferred Tax Assets :-					
(a) Impairment loss allowance - Stage III	-	-	-	-	-
(b) Impairment loss allowance - Stage I & II	163	30	-	-	193
(c) Employee benefits	73	1	-	-	74
(d) Other deferred tax assets	283	(405)	-	181	59
(e) Depreciation on Property, plant and equipment	126	12	-	-	138
(f) MAT Credit Entitlement	-	1,162	-	-	1,162
Deferred Tax Liabilities :-					
(a) Debenture issue expenses	-	-	-	-	-
(b) Depreciation on Property, plant and equipment	-	-	-	-	-
Deferred Tax Asset (Net)	**645**	**800**	**-**	**181**	**1,626**

NOTES TO AND FORMING PART OF THE BALANCE SHEET AS AT MARCH 31, 2019

The major components of deferred tax assets and liabilities as at April 1, 2017 are as follows: (₹ in lakh)

DEFERRED TAX ASSET (NET)	Opening Balance	Recognised / reversed through profit and loss	Recognised directly in equity	Recognised / reclassified from other comprehensive income	Closing Balance
Deferred Tax Assets :-					
(a) Impairment loss allowance - Stage III	-	-	-	-	-
(b) Impairment loss allowance - Stage I & II	163	-	-	-	163
(c) Employee benefits	73	-	-	-	73
(d) Other deferred tax assets	-	-	283	-	283
(e) Depreciation on Property, plant and equipment	126	-	-	-	126
(f) MAT Credit Entitlement	-	-	-	-	-
Deferred Tax Liabilities :-					
(a) Debenture issue expenses	-	-	-	-	-
(b) Depreciation on Property, plant and equipment	-	-	-	-	-
Deferred Tax Asset (Net)	**362**	**-**	**283**	**-**	**645**

Gross deferred tax assets and liabilities are as follows:

DEFERRED TAX ASSET (NET)	As at March 31, 2019	As at March 31, 2018	As at April 01, 2017
Deferred Tax Assets :-			
(a) Impairment loss allowance - Stage III			
(b) Impairment loss allowance - Stage I & II	218	193	163
(c) Employee benefits	90	74	73
(d) Other deferred tax assets	288	59	283
(e) Depreciation on Property, plant and equipment	149	138	126
(f) MAT Credit Entitlement	-	1,162	-
Deferred Tax Liabilities :-			
(a) Debenture issue expenses	-	-	-
(b) Depreciation on Property, plant and equipment	-	-	-
Deferred Tax Asset (Net)	**745**	**1,626**	**645**

NOTES TO AND FORMING PART OF THE BALANCE SHEET AS AT MARCH 31, 2019

NOTE "10" (₹ in lakh)

PROPERTY, PLANT AND EQUIPMENT	Gross Block				Accumulated depreciation and amortisation				Net Carrying Value
	Opening balance as at April 1, 2018	Additions/ Adjustments	Deletions/ Adjustments	Closing balance as at March 31, 2019	Opening balance as at April 1, 2018	Depreciation/ Amortisation for the year	Deletions/ Adjustments"	Closing balance as at March 31, 2019	As at March 31, 2019
TANGIBLE ASSETS									
Buildings	**4,323**	**-**	**-**	**4,323**	**211**	**211**	**-**	**422**	**3,901**
	4,323	*-*	*-*	*4,323*	*-*	*211*	*-*	*211*	*4,112*
Plant and Equipment	**94**	**-**	**-**	**94**	**19**	**16**	**-**	**35**	**59**
	94	*-*	*-*	*94*	*-*	*19*	*-*	*19*	*75*
Furniture and Fixtures	**473**	**3**	**-**	**476**	**85**	**79**	**-**	**164**	**312**
	472	*1*	*-*	*473*	*-*	*85*	*-*	*85*	*388*
Vehicles	**166**	**128**	**(30)**	**264**	**39**	**71**	**(18)**	**92**	**172**
	95	*75*	*(4)*	*166*	*-*	*40*	*(1)*	*39*	*127*
Office Equipment	**38**	**0***	**-**	**38**	**26**	**6**	**-**	**32**	**6**
	34	*4*	*-*	*38*	*-*	*26*	*-*	*26*	*12*
Computer Equipment	**21**	**15**	**-**	**36**	**5**	**10**	**-**	**15**	**21**
	10	*11*	*-*	*21*	*-*	*5*	*-*	*5*	*16*
TANGIBLE ASSETS - TOTAL	**5,115**	**146**	**(30)**	**5,231**	**385**	**392**	**(18)**	**760**	**4,471**
	5,028	*91*	*(4)*	*5,115*	*-*	*386*	*(1)*	*385*	*4,729*
INVESTMENT PROPERTY									
Buildings given on operating lease	**6,495**	**-**	**-**	**6,495**	**312**	**312**	**-**	**624**	**5,871**
	6,495	*-*	*-*	*6,495*	*-*	*312*	*-*	*312*	*6,184*
INTANGIBLE ASSETS (other than internally generated)									
Goodwill	-	-	-	-	-	-	-	-	-
Software	-	93	-	93	-	39	-	39	54
	-	-	-	-	-	-	-	-	-
INTANGIBLE ASSETS - TOTAL	**-**	**93**	**-**	**93**	**-**	**39**	**-**	**39**	**54**
	-	-	-	-	-	-	-	-	-
TOTAL	**11,611**	**239**	**(30)**	**11,819**	**697**	**743**	**(18)**	**1,423**	**10,396**
	11,524	*91*	*(4)*	*11,611*	*-*	*698*	*(1)*	*697*	*10,912*
Capital work-in-progress	-	-	-	-	-	-	-	-	-
Intangible Assets under Development	-		-	-	-	-	-	-	-
Total	**11,611**	**239**	**(30)**	**11,819**	**697**	**743**	**(18)**	**1,423**	**10,396**
	11,524	*91*	*(4)*	*11,611*	*-*	*698*	*(1)*	*697*	*10,912*

Figures in Italics relate to previous year

* Amount less than ₹ 50,000

NOTES TO AND FORMING PART OF THE BALANCE SHEET AS AT MARCH 31, 2019

NOTE "11" (₹ in lakh)

OTHER NON FINANCIAL ASSETS	As at March 31, 2019	As at March 31, 2018	As at April 1, 2017
(a) Capital Advances	**0***	66	14
(b) Advances other than Capital Advances	**56**	68	80
(c) Prepaid expenses	**333**	211	223
(d) Rental income accrued	**130**	57	80
(e) Balances with government authorities	**98**	45	7
(f) Gratuity asset (net)	**314**	33	86
(g) Assets held-for-sale/ Assets included in disposal group(s) held-for-sale	**47**	47	47
Total	**978**	527	537

* Amount less than ₹ 50,000

NOTE "12" (₹ in lakh)

TRADE PAYABLES	As at March 31, 2019	As at March 31, 2018	As at April 1, 2017
Other than micro enterprises and small enterprises			
(a) Accrued expenses	**2,927**	1,034	1,821
(b) Payable to subsidiary	**-**	9	-
Total	**2,927**	**1,043**	**1,821**

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

NOTE "12" (i) TOTAL OUTSTANDING DUES OF MICRO ENTERPRISES AND SMALL ENTERPRISES

(₹ in lakh)

Particulars		As at March 31, 2019	As at March 31, 2018	As at April 1, 2017
(a)	Principal amount and interest thereon remaining unpaid at the end of year	-	-	-
(b)	Interest paid including payment made beyond appointed day during the year	-	-	-
(c)	Interest due and payable for delay during the year	-	-	-
(d)	Amount of interest accrued and unpaid as at year end	-	-	-
(e)	The amount of further interest due and payable even in the succeeding year	-	-	-
Total		**-**	**-**	**-**

NOTES TO AND FORMING PART OF THE BALANCE SHEET AS AT MARCH 31, 2019

NOTE "13" (₹ in lakh)

DEBT SECURITIES	As at March 31, 2019	As at March 31, 2018	As at April 1, 2017
(a) LIABILITY COMPONENT OF OTHER FINANCIAL INSTRUMENTS	**-**	-	-
(b) OTHERS			
At Amortised cost			
Non-Convertible Debentures			
(i) UNSECURED			
(i) Privately Placed	**102,465**	129,915	74,890
(ii) Public Issue	**-**	-	-
Total (A)	**102,465**	**129,915**	**74,890**
Debt Securities in India	**102,465**	129,915	74,890
Debt Securities outside India	**-**	-	-
Total (B)	**102,465**	**129,915**	**74,890**

Terms of repayment, nature of security and rate of interest in case of Debt Securities :

Name of Security	Issue Date	Maturity date	No. of NCDs	March 31, 2019	March 31, 2018	April 1, 2017
TCL Unsecured NCD A FY 2016-17	June 28, 2016	June 28, 2018	2,000	-	20,000	20,000
TCL Unsecured NCD B FY 2016-17	July 25, 2016	July 25, 2018	2,000	-	20,000	20,000
TCL Unsecured NCD C FY 2016-17	July 28, 2016	July 27, 2018	1,000	-	10,000	10,000
TCL Unsecured NCD D FY 2016-17 Option I	August 18, 2016	August 17, 2018	2,250	-	22,500	22,500
TCL Unsecured NCD D FY 2016-17 Option II	August 18, 2016	August 19, 2019	250	2,500	2,500	2,500
TCL Unsecured NCD A FY 2017-18	April 26, 2017	April 26, 2019	250	2,500	2,500	-
TCL Unsecured NCD B FY 2017-18	May 31, 2017	May 31, 2019	2,250	22,500	22,500	-
TCL Unsecured NCD C FY 2017-18	June 22, 2017	June 21, 2019	1,000	10,000	10,000	-
TCL Unsecured NCD D FY 2017-18	September 5, 2017	March 5, 2020	2,000	20,000	20,000	-
TCL Unsecured NCD A FY 2018-19	June 18, 2018	December 18, 2019	4,500	45,000	-	-
Less : Unamortised Borrowing Cost				(35)	(85)	(110)
Total				**102,465**	**129,915**	**74,890**

Coupon rate of above outstanding as at March 31, 2019 varies from 7.75% to 9.32% (as at March 31, 2018 : 7.75% to 9.00% and April 01, 2017 : 8.65% to 9.00%)

NOTES TO AND FORMING PART OF THE BALANCE SHEET AS AT MARCH 31, 2019

NOTE "14" (₹ in lakh)

BORROWINGS (OTHER THAN DEBT SECURITIES)	**As at March 31, 2019**	**As at March 31, 2018**	**As at April 1, 2017**
At Amortised cost			
(a) LOANS REPAYABLE ON DEMAND			
SECURED			
(i) From Banks	**37**	-	200
(b) OTHERS			
UNSECURED			
(i) Commercial Papers [Net of unamortised discount of ₹ 2,136 lakh (as at March 31, 2018 ₹ 1,068 lakh and as at April 1, 2017 ₹ 797 lakh)]	**52,862**	51,930	62,003
Total (A)	**52,899**	51,930	62,203
Borrowings in India	**52,899**	51,930	62,203
Borrowings outside India	**-**	-	-
Total (B)	**52,899**	**51,930**	**62,203**

Discount on Commercial papers varies from 7.70% to 9.10% (March 31, 2018 : 7.25% to 8.06% and April 01, 2017 : 6.74% to 8.55%)

NOTE "15" (₹ in lakh)

SUBORDINATED LIABILITIES	**As at March 31, 2019**	**As at March 31, 2018**	**As at April 1, 2017**
(a) Perpetual Debt Instruments to the extent that do not qualify as equity	**-**	-	-
(b) Preference Shares other than those that qualify as equity	**190,478**	195,213	192,250
(c) Others	**-**	-	-
Total (A)	**190,478**	**195,213**	**192,250**
Subordinated Liabilities in India	**190,478**	195,213	192,250
Subordinated Liabilities outside India	**-**	-	-
Total (B)	**190,478**	**195,213**	**192,250**

Particulars of Cumulative Redeemable Preference Shares

(₹ in lakh)

Particulars	Tranche	No' of shares	Allotment Date	Redemption Date/ Actual Redemption Date	Early Redemption Date / Actual Redmption Date	March 31, 2019	March 31, 2018	April 1, 2017
12.50% Cumulative Redeemable Preference Shares of ₹ 1,000 each issued at premium of ₹ 500 per share and redeemable at a premium of ₹ 500 per share.	A	984,078	August 10, 2012	August 9, 2019	N/A	**14,758**	14,719	14,683
	B	411,614	October 22, 2012	October 21, 2019	N/A	**6,171**	6,157	6,143
	C	166,666	December 10, 2012	December 9, 2019	N/A	**2,497**	2,490	2,483
	D	104,308	January 21, 2013	January 20, 2020	N/A	**1,562**	1,558	1,554
	E	200,000	February 27, 2013	February 26, 2020	N/A	**2,993**	2,985	2,977
	F	204,400	March 28, 2013	March 27, 2020	N/A	**3,058**	3,050	3,042
8.33% Cumulative Redeemable Preference Shares of ₹ 1,000 each	G	899,000	June 6, 2013	July 31, 2017	July 31, 2017	**-**	-	24,986
	H	2,500,000	May 22, 2013	July 31, 2017	July 31, 2017	**-**	-	8,983
	I	996,050	July 9, 2013	September 15, 2017	September 15, 2017	**-**	-	9,947
	J	369,660	September 5, 2013	July 31, 2017	July 31, 2017	**-**	-	3,693
	K	27,900	November 7, 2013	January 31, 2018	January 31, 2018	**-**	-	278
	L	50,900	April 1, 2014	January 31, 2018	January 31, 2018	**-**	-	507
	M	2,049,891	August 19, 2014	August 2, 2018	August 2, 2018	**-**	20,466	20,369
	N	4,648,500	April 22, 2015	April 21, 2022	September 30, 2019	**46,438**	46,275	46,125
	O	351,500	September 7, 2015	September 6, 2022	September 30, 2019	**3,511**	3,498	3,485
7.50% Cumulative Redeemable Preference Shares of ₹ 1,000 each	P	750,000	September 2, 2016	September 1, 2023	November 30, 2020	**7,461**	7,437	7,415
	Q	1,000,000	September 16, 2016	September 15, 2023	November 30, 2020	**9,948**	9,916	9,886
	R	500,000	October 7, 2016	October 6, 2023	November 30, 2020	**4,973**	4,957	4,942
	S	750,000	October 27, 2016	October 26, 2023	November 30, 2020	**7,460**	7,435	7,413
	T	1,350,000	March 10, 2017	March 9, 2024	May 31, 2021	**13,410**	13,371	13,335
	U	650,000	July 7, 2017	July 6, 2024	October 30, 2021	**6,448**	6,429	-
	V	750,000	July 12, 2017	July 11, 2024	October 30, 2021	**7,440**	7,419	-
	W	750,000	July 26, 2017	July 25, 2024	October 30, 2021	**7,440**	7,418	-
7.33% Cumulative Redeemable Preference Shares of ₹ 1,000 each	X	750,000	July 28, 2017	July 27, 2024	October 30, 2021	**7,441**	7,419	-
	Y	747,500	August 4, 2017	August 3, 2024	October 30, 2021	**7,414**	7,392	-
7.15% Cumulative Redeemable Preference Shares of ₹ 1,000 each	Z	750,000	September 15, 2017	September 14, 2024	January 31, 2022	**7,434**	7,413	-

NOTES TO AND FORMING PART OF THE BALANCE SHEET AS AT MARCH 31, 2019

Particulars of Cumulative Redeemable Preference Shares

(₹ in lakh)

Particulars	Tranche	No' of shares	Allotment Date	Redemption Date/ Actual Redemption Date	Early Redemption Date / Actual Redmption Date	March 31, 2019	March 31, 2018	April 1, 2017
7.10% Cumulative Redeemable Preference Shares of ₹ 1,000 each	AA	750,000	September 29, 2017	September 28, 2024	January 31, 2022	**7,433**	7,412	-
	AB	400,000	April 20, 2018	April 19, 2025	September 30, 2022	**3,959**	-	-
	AC	400,000	May 10, 2018	May 9, 2025	September 30, 2022	**3,959**	-	-
	AD	334,500	June 15, 2018	June 14, 2025	September 30, 2022	**3,309**	-	-
7.75% Cumulative Redeemable Preference Shares of ₹ 1,000 each	AE	400,000	March 13, 2019	March 12, 2026	June 30, 2023	**3,962**	-	-
Total						**190,478**	**195,213**	**192,250**
Note : Date of Redemption and/or Early date of Redemption refers to Actual date of redemption for Tranche G, Tranche H, Tranche I, Tranche J, Tranche K, Tranche L and Tranche M.								

NOTES TO AND FORMING PART OF THE BALANCE SHEET AS AT MARCH 31, 2019

NOTE "16" (₹ in lakh)

OTHER FINANCIAL LIABILITIES	As at March 31, 2019	As at March 31, 2018	As at April 1, 2017
(a) Interest accrued but not due on borrowings	**6,610**	7,797	4,556
(b) Unpaid dividends	**5**	0*	-
(c) Security deposit	**4,669**	4,306	4,487
(d) Accrued employee benefit expenses	**10,170**	3,433	2,038
Total	**21,454**	**15,536**	**11,081**

* Amount less than ₹ 50,000

As required under Section 125 of the Companies Act 2013, the Company has transferred ₹ nil (Previous Year ₹ nil) to the Investor Education and Protection Fund (IEPF) during the year. As of March 31, 2019; March 31, 2018 and April 01, 2017 no amount was due for transfer to the IEPF.

NOTE "17" (₹ in lakh)

PROVISIONS	As at March 31, 2019	As at March 31, 2018	As at April 1, 2017
(a) Provision for employee and retirement benefits	**404**	361	366
(b) Contingent provision against Stage 1 and Stage 2 assets (Refer note 21)	**623**	560	471
Total	**1,027**	**921**	**837**

NOTE "18" (₹ in lakh)

OTHER NON FINANCIAL LIABILITIES	As at March 31, 2019	As at March 31, 2018	As at April 1, 2017
(a) Revenue received in advance	**1,559**	2,398	534
(b) Statutory dues	**440**	325	109
(c) Others	**8**	4	4
Total	**2,007**	**2,727**	**647**

NOTES TO AND FORMING PART OF THE BALANCE SHEET AS AT MARCH 31, 2019

NOTE "19" (₹ in lakh)

SHARE CAPITAL	Face ValuePer Unit	As at March 31, 2019		As at March 31, 2018		As at April 1, 2017	
		No. of shares	₹ in lakh	No. of shares	₹ in lakh	No. of shares	₹ in lakh
AUTHORISED							
a) Equity Shares	10	4,750,000,000	475,000	4,750,000,000	475,000	4,750,000,000	475,000
b) Preference Shares (Refer Footnote 2)	1,000	32,500,000	325,000	32,500,000	325,000	32,500,000	325,000
			800,000		**800,000**		**800,000**
ISSUED, SUBSCRIBED AND PAID UP							
a) Equity Shares (Refer footnote 1)	10	**3,320,089,314**	**332,009**	2,826,018,170	282,602	2,826,018,170	282,602
Total			**332,009**		**282,602**		**282,602**

Footnote 1 : The Company has issued and alloted 494,071,144 Equity Shares of face value ₹ 10/- each, at premium of Rs 40.60/- per share.

Footnote 2 : The details of Preference Shares Issued, Subscribed and Paid-up are as below :

(₹ in lakh)

Particulars	Face value Per Unit ₹	As at March 31, 2019		As at March 31, 2018		As at April 1, 2017	
		No. of shares	₹ in lakh	No. of shares	₹ in lakh	No. of shares	₹ in lakh
ISSUED							
Cumulative Redeemable Preference Shares	1,000	**18,103,066**	**181,031**	18,618,457	186,185	18,971,215	189,712
SUBSCRIBED AND PAID UP							
Cumulative Redeemable Preference Shares	1,000	**18,103,066**	**181,031**	18,618,457	186,185	18,314,467	183,145

As per Ind AS, Cumulative Redeemable Preference Shares are classified as financial liabilities held at amortized cost and form part of Subordinated Liabilities (Refer note 15)

NOTES TO AND FORMING PART OF THE BALANCE SHEET AS AT MARCH 31, 2019

NOTE "19(a)" Details of Shareholders holding more than 5 percent shares in the Company are given below

(₹ in lakh)

Particulars	As at March 31, 2019		As at March 31, 2018		As at April 1, 2017	
	No. of shares	₹ in lakh	No. of shares	₹ in lakh	No. of shares	₹ in lakh
Tata Sons Private Limited	3,128,505,090	3,12,851	2,634,433,946	2,63,443	2,634,433,946	2,63,443

Note "19(b)" Reconciliation of number of equity shares outstanding (₹ in lakh)

Particulars	No'of shares	Rs in Lakhs
Equity Shares		
Opening balance as on April 01, 2017	**2,826,018,170**	**282,602**
Additions during the year	-	-
Closing Balance as on March 31, 2018	**2,826,018,170**	**282,602**
Additions during the year	494,071,144	49,407
Closing Balance as on March 31, 2019	**3,320,089,314**	**332,009**

NOTE "19(c)"

There are no shares in the preceding 5 years allotted as fully paid up without payment being received in cash / bonus shares / bought back.

NOTE "19(d)"

There are no shares reserved for issue under options and contracts/commitments for the sale of shares or disinvestment.

NOTE "19(e)"

The Company has one class of equity shares having a par value of ₹10 per share. Each shareholder is eligible for one vote per share held. The dividend proposed by the Board of Directors, if any, is subject to the approval of the shareholders at the ensuing Annual General Meeting. 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.

NOTE "19(f)" Investment by Tata Sons Private Limited (the Holding Company) and its Subsidiaries/Associates/JVs.

Name of company	Particulars of issue	No. of equity shares	₹ in Lakh
Tata Sons Private Limited (the Holding Company)	**Opening Balance as on April 01, 2017**	2,634,433,946	263,443
	Add: Purchased	-	-
	Closing Balance as on March 31, 2018	2,634,433,946	263,443
	Add: Purchased	494,071,144	49,407
	Closing Balance as on March 31, 2019	3,128,505,090	312,851
Tata Investment Corporation Limited (Subsidiary of Tata Sons Private Limited)	**Opening Balance as on April 01, 2017**	77,196,591	7,720
	Add: Purchased	-	-
	Closing Balance as on March 31, 2018	77,196,591	7,720
	Add: Purchased	-	-
	Closing Balance as on March 31, 2019	77,196,591	7,720

NOTES TO AND FORMING PART OF THE BALANCE SHEET AS AT MARCH 31, 2019

Name of company	Particulars of issue	No. of equity shares	₹ in Lakh
Tata Industries Limited (Subsidiary of Tata Sons Private Limited)	**Opening Balance as on April 01, 2017**	2,272,346	227
	Add: Purchased	-	-
	Closing Balance as on March 31, 2018	2,272,346	227
	Add: Purchased	-	-
	Closing Balance as on March 31, 2019	2,272,346	227
Tata International Limited (Subsidiary of Tata Sons Private Limited)	**Opening Balance as on April 01, 2017**	790,592	79
	Add: Purchased	-	-
	Closing Balance as on March 31, 2018	790,592	79
	Add: Purchased	-	-
	Closing Balance as on March 31, 2019	790,592	79
Tata Motors Limited (Associate of Tata Sons Private Limited)	**Opening Balance as on April 01, 2017**	4,326,651	433
	Add: Purchased	-	-
	Closing Balance as on March 31, 2018	4,326,651	433
	Add: Purchased	-	-
	Closing Balance as on March 31, 2019	4,326,651	433
Tata Chemicals Limited (Associate of Tata Sons Private Limited)	**Opening Balance as on April 01, 2017**	3,230,859	323
	Add: Purchased	-	-
	Closing Balance as on March 31, 2018	3,230,859	323
	Add: Purchased	-	-
	Closing Balance as on March 31, 2019	3,230,859	323
Tata Global Beverages Limited (Associate of Tata Sons Private Limited)	**Opening Balance as on April 01, 2017**	613,598	61
	Add: Purchased	-	-
	Closing Balance as on March 31, 2018	613,598	61
	Add: Purchased	-	-
	Closing Balance as on March 31, 2019	613,598	61
Total	**Opening Balance as on April 01, 2017**	2,722,864,583	272,286
	Add: Purchased	-	-
	Closing Balance as on March 31, 2018	2,722,864,583	272,286
	Add: Purchased	494,071,144	49,407
	Closing Balance as on March 31, 2019	3,216,935,727	321,694

NOTES TO AND FORMING PART OF THE BALANCE SHEET AS AT MARCH 31, 2019

NOTE "20" (₹ in lakh)

OTHER EQUITY		As at March 31, 2019	As at March 31, 2018	As at April 1, 2017
(a)	Capital Redemption Reserve	**575**	575	575
(b)	Securities Premium	**215,574**	15,231	15,231
(c)	Special Reserve/Statutory Reserve	**23,584**	19,875	15,839
(d)	ESOP Reserve	**227**	37	-
(e)	General Reserve	**20**	4	-
(f)	Other Comprehensive Income	**(522)**	(323)	-
(g)	Capital Reserve	**93**	93	93
(h)	Surplus in Statement of Profit and Loss	**11,579**	12,535	12,915
	Total	**251,129**	**48,026**	**44,653**

NOTE "20(a)" (₹ in lakh)

Transfer to Special Reserve	As at March 31, 2019
Profit after tax for the year	**2,753**
Add : Dividend debited to Statement of Profit & Loss for the year ended March 31, 2019	**15,793**
Profits available before declaration of dividends	**18,546**
Less : 20% of above profits transferred to Special Reserve as prescribed by section 45-IC of Reserve Bank of India Act, 1934	**3,709**
Profit after transfer to Special Reserve	**14,837**

Note : As prescribed by section 45-IC of the Reserve Bank of India Act, 1934, the Company is required to transfer 20% of its net profit every year, as disclosed in the Statement of Profit & Loss before any dividend is declared, to Special Reserve. Ind AS classifies Cumulative Redeemable Preference Shares as a financial liability and consequently, dividend including dividend distribution tax accrued on such instrument is recorded as finance cost. Thus, this finance cost is added back to arrive at net profit before declaration of dividend. Consequently, the Company has transferred ₹ 3,709 lakhs being 20% of the net profits before declaring dividend, for the year ended March 31, 2019. Transfer to Special Reserve of ₹ 4,036 lakhs for the year ended March 31, 2018 and ₹ 3,604 lakhs for the year ended March 31, 2017 was calculated on net profit as disclosed in the profit and loss account under IGAAP as the Company has transitioned to Ind AS w.e.f. April 1, 2018.

NOTES TO AND FORMING PART OF THE BALANCE SHEET AS AT MARCH 31, 2019

NOTE "20(b)" Nature & Purpose of Reserves

As part of a qualitative disclosure, Company is required to present disclosures as required by Para 79 of Ind AS-1 i.e. nature & purpose of each reserve :

Sr No.	Particulars	Nature & Purpose of Reserves
(a)	Capital Redemption Reserve	Statutory requirement
(b)	Securities Premium	Premium on issue of shares above par value
(c)	Special Reserve/Statutory Reserve	As prescribed by Section 45-IC of Reserve Bank of India Act, 1934
(d)	ESOP Reserve	Fair value of options granted to employees
(e)	General Reserve	Transfer of fair value of options granted to employees from ESOP Reserve to General Reserve on lapse / forefeiture / exercise of options by employees
(f)	Other Comprehensive Income	Reserve on account of items measured through Other Comprehensive Income
(g)	Capital Reserve	Created on merger
(h)	Surplus in Statement of Profit and Loss	Accumulated profits

NOTE "21" PROVISIONS AND CONTINGENT LIABILITIES

i. Movement in Contingent Provision against Stage I and Stage II assets during the year is as under:

(₹ in lakh)

Particulars	As at March 31, 2019	As at March 31, 2018	As at April 1, 2017
Opening Balance	**560**	471	451
Additions during the year	**63**	89	20
Utilised during the year	**-**	-	-
Closing Balance	**623**	**560**	**471**

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

(₹ in lakh)

Particulars	As at March 31, 2019	As at March 31, 2018	As at April 1, 2017
Income Tax (Pending before Appellate authorities)	**10,535**	10,535	10,261
Value Added Tax (Pending before Sales Tax Appellate Authorities)	**102**	102	164
Total	**10,637**	**10,637**	**10,425**

NOTES TO AND FORMING PART OF THE BALANCE SHEET AS AT MARCH 31, 2019

NOTE "22" COMMITMENTS :

i. Commitment to invest in Tata Capital Special Situations Fund amounting to ₹ 22 lakh (as at March 31, 2018 : ₹ 22 lakh and April 01, 2017 : ₹ 22 lakh).

ii. Commitment to invest in Tata Capital Healthcare Fund I amounting to ₹ 646 lakh (as at March 31, 2018 : ₹ 735 lakh and April 01, 2017 ₹ 1015 lakh).

iii. Commitment to invest in Tata Capital Growth Fund I amounting to ₹ 2,983 lakh (as at March 31, 2018 : ₹ 3,251 lakh and April 01, 2017 3,479 lakh).

iv. Commitment to invest in Tata Capital Innovations Fund amounting to ₹ 111 lakh (as at March 31, 2018 : ₹ 259 lakh and April 01, 2017 622 lakh).

v. Commitment to invest in Tata Capital Growth Fund II amounting to ₹ 36,292 lakh (as at March 31, 2018 : ₹ Nil and April 01, 2017 : ₹ Nil).

vi. Commitment to co-invest with Omega TC Holdings Pte. Ltd USD 15.09 Million (₹ 10,463 lakh) (as at March 31, 2018 : USD 15.46 Million (₹ 10,068 lakh and April 01, 2017 : USD 15.46 million (₹10,007 lakh)).

vii. Commitment to invest in Tata Equity Plus Absolute Return Fund amounting to ₹ 1,000 lakh (as at March 31, 2018 : Nil and April 01, 2017 : Nil).

viii. Commitment to invest in Tata Absolute Return Fund amounting to ₹ 1,000 lakh (as at March 31, 2018 : Nil and April 01, 2017 : Nil).

ix. Guarantees issued to National Housing Bank on behalf of Tata Capital Housing Finance Limited ₹ 120,000 lakh (As at March 31, 2018 : ₹ 120,000 lakh and April 01, 2017 : ₹ 120,000 lakh) against which the amount liable by Tata Capital Housing Finance Limited is ₹ 54,334 lakh as at March 31, 2019 (As at March 31, 2018 ₹ 67,498 lakh and April 01, 2017 : ₹ 80,767 lakh). Pursuant to the terms of the Guarantee, the Company's liability on invocation is capped at the outstanding amount.

x. Uncalled liability on 1,080 partly paid equity shares of Tata Steel Limited amounting to ₹ 5 Lakh (as at March 31, 2018 : 5 Lakh and April 01, 2017 : Nil)

NOTES TO AND FORMING PART OF THE STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED MARCH 31, 2019

NOTE "23"

INTEREST INCOME	**For the year ended March 31, 2019**	**For the year ended March 31, 2018**
(a) On Financial Assets measured at fair value through OCI		
(i) Interest on Inter Corporate Deposits	**-**	-
(ii) Interest on Investments	**1,113**	89
(b) On Financial Assets measured at amortized cost		
(i) Interest on Inter Corporate Deposits	**6,506**	8,342
(ii) Interest on Investments	**-**	80
Total	**7,619**	**8,512**

NOTE "24"

NET GAINS / (LOSSES) ON FAIR VALUE CHANGES	**For the year ended March 31, 2019**	**For the year ended March 31, 2018**
(a) Net gain/(loss) on investments at fair value through profit or loss		
(i) On trading Portfolio		
Investment	-	-
Derivatives	-	-
Others	-	-
(ii) On financial instruments designated at fair value through Profit or Loss	**-**	-
(b) Others	**(30)**	457
(c) Total Net gain /(loss) on Fair Value changes	**(30)**	457
Fair Value Changes :		
Realised	**(116)**	312
Unrealised	**86**	145
Total Net gain /(loss) on fair value changes	**(30)**	457
Total	**(30)**	**457**

NOTE "25"

OTHER INCOME	**For the year ended March 31, 2019**	For the year ended March 31, 2018
(a) Income from managerial services	**4,739**	2,901
(b) Income from Investment Property	**1,661**	1,571
(c) Profit on sale of property, plant and equipments	**1**	0*
(d) Miscellaneous Income **	**454**	894
Total	**6,855**	**5,366**

** Miscellaneous Income for the year ended March 31, 2019 includes interest on refund of Income Tax amounting to ₹ 125 Lakh (Year ended March 31, 2018: ₹ 607 Lakh).

* Amount less than 50,000

NOTES TO AND FORMING PART OF THE STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED MARCH 31, 2019

NOTE "26" (₹ in lakh)

FINANCE COST	**For the year ended March 31, 2019**	**For the year ended March 31, 2018**
(a) On Financial liabilities measured at Amortised Cost		
(i) Implied interest expense on security deposit	**358**	349
(ii) Interest on debt securities	**9,946**	9,918
(iii) Interest on subordinated liabilities	**15,793**	16,197
(iv) Other interest expenses (discounting charges on Commercial Papers)	**5,576**	4,163
Total	**31,673**	**30,628**

Footnotes :

During the year ended March 31, 2019, the Company has declared and paid, an interim dividend for FY 2018-19 on Cumulative Redeemable Preference Shares aggregating to ₹ 580 lakhs (FY 2017-18 : ₹ 1,486 lakh) and dividend distribution tax thereon of ₹ 95 lakhs (FY 2017-18 : Nil) and final dividend for FY 2018-19 aggregating to ₹ 14,523 lakhs (FY 2017-18 : ₹ 14,163 lakhs).

NOTE "27" (₹ in lakh)

IMPAIRMENT OF FINANCIAL INSTRUMENTS	**For the year ended March 31, 2019**		For the year ended March 31, 2018	
(a) On Financial Instruments measured at amortized cost				
(i) Investments				
Write off of Non-current Investments	**2,553**		-	
Less : Provision Reversal on account of write off	**(2,553)**	**-**	-	-
Provision for Non-current Investments	**9,502**		2,674	
Less : Provision Reversal on account of write off	**(7,255)**	**2,247**	-	2,674
Write off of Non-current Investments		**7,255**		-
(ii) Contingent Provision against Stage I and Stage II asset		**63**		89
(iii) Trade Receivables		**294**		171
Total		**9,859**		**2,934**

NOTES TO AND FORMING PART OF THE STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED MARCH 31, 2019

NOTE "28" (₹ in lakh)

EMPLOYEE BENEFIT EXPENSES	For the year ended March 31, 2019	For the year ended March 31, 2018
(a) Salaries and wages	**14,745**	6,973
(b) Contribution to provident and other funds	**659**	257
(c) Share based payments to employees	**206**	41
(d) Staff welfare expenses	**65**	65
(e) Post employement defined benefit plans	**77**	91
Total	**15,752**	**7,428**

The Supreme Court of India in its judgement in the case of THE REGIONAL PROVIDENT FUND COMMISSIONER (II) WEST BENGAL v/s VIVEKANANDA VIDYAMANDIR AND OTHERS on February 28, 2019 has clarified that any emolument paid universally, necessarily and ordinarily to all employees across the board is to be considered as basic wage and accordingly needs to be considered for calculation of Provident Fund contribution. As per Company's current estimation this change does not have an impact on financial position as at March 31, 2019. The Company would record any further effect in its financial statements, in the period in which it receives additional clarity on the said subject.

NOTE "29" (₹ in lakh)

OTHER EXPENSES	For the year ended March 31, 2019	For the year ended March 31, 2018
(a) Advertising and publicity	**173**	170
(b) Director's fees, allowances and expenses	**70**	184
(c) Insurance	**35**	38
(d) IT costs	**182**	136
(e) Legal and professional charges	**1,597**	928
(f) Rent, taxes and energy costs *	**378**	(8)
(g) Repairs and maintenance	**3**	6
(h) Printing and Stationery	**18**	25
(i) Travelling and conveyance	**510**	490
(j) Expenditure towards CSR (Refer Note 29 (c))	**-**	-
(k) Other expenditure	**161**	147
Total	**3,127**	**2,116**

* As at March 31, 2018, the Company was carrying a provision for Property tax. The provision was in line with the demand notice received for FY 12-13. Pursuant to a revised demand notice received in the current financial year, the Company reversed the entire provision amounting to ₹ 241 lakh in the Statement of Profit & Loss. (Reversal for the year ended March 31, 2018 : ₹ 482 lakh for provisions pertaining to years FY 2013-14 to FY 2017-18).

Included in Other Expenses are the below:

NOTE "29(a)" (₹ in lakh)

PAYMENTS TO AUDITORS (EXCLUDING GST)	For the year ended March 31, 2019	For the year ended March 31, 2018
a) For audit	**17**	21
b) For taxation matters	**2**	2
c) For company law matters	**-**	-
d) For other services*	**2**	2
e) For reimbursement of expenses	**1**	1
Total	**22**	**26**

* Other Services include fees for certifications

NOTES TO AND FORMING PART OF THE STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED MARCH 31, 2019

NOTE "29(b)" (₹ in lakh)

EXPENDITURE ON FOREIGN CURRENCIES		**For the year ended March 31, 2019**	**For the year ended March 31, 2018**
(a)	Advertisements and Publicity	-	7
(b)	Membership and subscription	29	29
(c)	Legal and professional fees	-	11
(d)	Travelling and conveyance	93	99
(e)	Staff welfare expenses	-	1
(f)	IT Expenses	2	2
Total		**124**	**149**

NOTE "29(c)" Expenditure incurred for corporate social responsibility

Gross amount required to be spent by the Company during the year is NIL (FY 2017-18 : NIL)

NOTE "30" (₹ in lakh)

(a) The income tax expense consist of the following:

Particulars	**For the year ended March 31, 2019**	**For the year ended March 31, 2018**
Current tax:		
Current tax expense for the year	**4,296**	1,483
Current tax expense / (benefit) pertaining to prior years	**-**	-
	4,296	1,483
Deferred tax benefit		
Origination and reversal of temporary differences	**(235)**	362
Change in tax rates	**(5)**	-
	(240)	362
MAT credit	**-**	(1,163)
Total income tax expense recognised in the year	**4,056**	**682**

(b) Amounts recognised in OCI (₹ in lakh)

Particulars	For the year ended March 31, 2019			For the year ended March 31, 2018		
	Before tax	Tax (expense) benefit	Net of tax	Before tax	Tax (expense) benefit	Net of tax
Items that will not be reclassified to profit or loss						
Remeasurements of defined benefit liability (asset)	(188)	67	(121)	28	(10)	18
Items that are or may be reclassified subsequently to profit or loss						
Net change in fair value	(119)	41	(78)	(522)	181	(341)
	(307)	**108**	**(199)**	**(495)**	**171**	**(323)**

NOTES TO AND FORMING PART OF THE STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED MARCH 31, 2019

(c) Reconciliation of effective tax rate

(₹ in lakh)

Particulars	For the year ended March 31, 2019		For the year ended March 31, 2018	
Profit before tax		6,809		4,338
Tax using the Company's domestic tax rate	34.9%	2,381	34.6%	1,501
Effect of tax rates in foreign jurisdictions	-	-	-	-
Reduction in tax rates	-	-	-	-
Tax effect of:				
Tax-exempt income	-107.9%	(7,354)	-185.8%	(8,063)
Recognition of previously unrecognised tax losses	-19.2%	(1,310)		
Non-deductible expenses	194.4%	13,246	205.2%	8,904
Tax on income at different rates	-42.6%	(2,902)	-38.3%	(1,661)
Change in tax rates	-0.1%	(5)	0.0%	-
Recognition of tax effect of previously	-	-	-	-
unrecognised tax losses				
Adjustment relating to prior years	-	-	-	-
Total income tax expense	**59.5%**	**4,056**	**15.7%**	**682**

NOTE "31"

(₹ in lakh)

EARNINGS PER SHARE (EPS):		For the year ended March 31, 2019	For the year ended March 31, 2018
Profit after tax	₹ in lakh	2,753	3,656
Profit after tax available for equity shareholders	₹ in lakh	2,753	3,656
Weighted average number of Equity shares used in computing Basic EPS	Nos	3,033,257,327	2,826,018,170
Face value of equity shares	₹	10	10
Basic EPS	₹	**0.09**	**0.13**
Profit after tax available for equity shareholders	₹ in lakh	2,753	3,656
Weighted average number of Equity Shares used in computing Basic EPS	Nos	3,033,257,327	2,826,018,170
Add: Potential weighted average number of Equity shares	Nos	-	-
Weighted average number of shares in computing Diluted EPS	Nos	3,033,257,327	2,826,018,170
Face value of equity shares	₹	10	10
Diluted EPS	₹	**0.09**	**0.13**

NOTE "32" SHARE BASED PAYMENT

(a) Description of share based payments:

Particulars	ESOP 2011	ESOP 2013	ESOP 2016	ESOP 2017	ESOP 2018
i. Vesting requirements	1/3rd at the end of each 12, 24 and 36 months from the date of grant	1/3rd at the end of each 12, 24 and 36 months from the date of grant	100% at the end of 12 months from the date of grant	100% at the end of 12 months from the date of grant	20% at the end of each 12 and 24 months and 30% at the end of each 36 and 48 months from the date of grant
ii. Maximum term of option	6 years	6 years	2 years	2 years	7 years
iii. Method of settlement	Equity settled	Equity settled	Equity settled	Equity settled	Equity settled
iv. Modifications to share based payment plans	N.A.	N.A.	N.A.	N.A.	N.A.
v. Any other details as disclosed in the audited Ind AS financial statements	N.A.	N.A.	N.A.	N.A.	N.A.

(b) Summary of share based payments

March 31, 2019

Particulars	ESOP 2011	ESOP 2013	ESOP 2016	ESOP 2017	ESOP 2018	Total
Outstanding balance at the beginning of the year	**-**	**32,221**	**-**	**470,000**	**-**	**502,221**
Options granted	-	-	-	-	3,725,000	3,725,000
Options forfeited	-	3,888	-	60,000	-	63,888
Options exercised	-	13,333	-	150,000	-	163,333
Options expired	-	-	-	-	-	-
Options lapsed	-	-	-	-	-	-
Options outstanding at the end of the year	**-**	**15,000**	**-**	**260,000**	**3,725,000**	**4,000,000**
Options exercisable at the end of the year	**-**	**15,000**	**-**	**260,000**	**-**	**275,000**
For share options exercised:						
Weighted average exercise price at date of exercise	-	-	-	-	-	32.71

Particulars	ESOP 2011	ESOP 2013	ESOP 2016	ESOP 2017	ESOP 2018	Total
Money realized by exercise of options	-	-	-	-	-	5,343,325
For share options outstanding						
Range of exercise prices	17.77	25.00	30.00	33.40	50.60	
Average remaining contractual life of options	-	0.33	-	0.00	6.51	6.06
Modification of plans	**-**	**-**	**-**	**-**	**-**	**-**
Incremental fair value on modification	**-**	**-**	**-**	**-**	**-**	**-**

March 31, 2018

Particulars	ESOP 2011	ESOP 2013	ESOP 2016	ESOP 2017	ESOP 2018	Total
Outstanding balance at the beginning of the year	**202,501**	**48,888**	**475,000**	**490,000**	**-**	**1,216,389**
Options granted	-	-	-	-	-	-
Options forfeited	12,500	-	-	50,000	-	62,500
Options exercised	190,001	20,000	276,000	-	-	486,001
Options expired	-	-	199,000	-	-	199,000
Options lapsed	-	-	-	-	-	-
Options outstanding at the end of the year	**-**	**28,888**	**-**	**440,000**	**-**	**468,888**
Options exercisable at the end of the year	-	28,888	-	440,000	-	468,888
For share options exercised:						
Weighted average exercise price at date of exercise						25.01
Money realized by exercise of options						12,156,318
For share options outstanding						
Range of exercise prices	17.77	25.00	30.00	33.40	50.60	
Average remaining contractual life of options	-	0.86	-	1.00	-	0.99
Modification of plans	**-**	**-**	**-**	**-**	**-**	**-**
Incremental fair value on modification	**-**	**-**	**-**	**-**	**-**	**-**

April 01, 2017

Particulars	ESOP 2011	ESOP 2013	ESOP 2016	ESOP 2017	ESOP 2018	Total
Outstanding balance at the beginning of the year	**455,000**	**61,388**	**475,000**	**-**	**-**	**991,388**
Options granted	-	-	-	510,000	-	510,000
Options forfeited	-	-	-	-	-	-
Options exercised	252,499	12,500	-	-	-	264,999
Options expired	-	-	-	-	-	-
Options lapsed	-	-	-	-	-	-
Options outstanding at the end of the year	**202,501**	**48,888**	**475,000**	**510,000**	**-**	**1,236,389**
Options exercisable at the end of the year	202,501	48,888	475,000	-	-	726,389
For share options exercised:						
Weighted average exercise price at date of exercise	-	-	-	-	-	18.11
Money realized by exercise of options	-	-	-	-	-	4,799,407
For share options outstanding						
Range of exercise prices	17.77	25.00	30.00	33.40	50.60	
Average remaining contractual life of options	0.42	1.35	1.00	2.00	-	0.92
Modification of plans	**-**	**-**	**-**	**-**	**-**	**-**
Incremental fair value on modification	**-**	**-**	**-**	**-**	**-**	**-**

(c) Valuation of stock options

Particulars	ESOP 2011	ESOP 2013	ESOP 2016	ESOP 2017	ESOP 2018
Share price:	17.77	25.00	30.00	33.40	50.60
Exercise Price:	17.77	25.00	30.00	33.40	50.60
Expected Volatility:	0.49	0.37	0.38	0.35	0.38
Contractual Option Life (years):	3.00	3.00	2.00	2.00	7.00
Expected dividends:	0.00	0.00	0.00	0.00	0.00
Risk free interest rate:	8.00%	8.00%	8.00%	6.57%	8.04%
Vesting Dates	33.33% vesting on August 31, 2012	33.33% vesting on July 29, 2014	100% vesting on March 31, 2017	100% vesting on April 2, 2018	20% vesting on September 30, 2019
	66.67% vesting on August 31, 2013	66.67% vesting on July 29, 2015	-	-	40% vesting on September 30, 2020
	100% vesting on August 31, 2014	100% vesting on July 29, 2016	-	-	70% vesting on September 30, 2021
	-	-	-	-	100% vesting on September 30, 2022
Valuation of incremental fair value on modification	N.A.	N.A.	N.A.	N.A.	N.A.

(d) Options granted and inputs used for measurement of fair value of options, for the key managerial employees and other senior employees

As at March 31, 2019

Name of Scheme	Mr. Rajiv Sabharwal		Mr. Puneet Sharma		Ms. Avan Doomasia	
	Granted	Exercised	Granted	Exercised	Granted	Exercised
ESPS 2009	-	-	131,838	131,838	80,615	80,615
ESOP 2011	-	-	80,000	80,000	60,000	60,000
PS 2013	-	-	14,212	14,212	8,690	8,690
ESOP 2013	-	-	-	-	-	-
ESOP 2016	-	-	10,000	10,000	10,000	10,000
ESOP 2017	-	-	10,000	10,000	10,000	10,000
ESOP 2018	1,600,000	-	400,000	-	125,000	-
Total	**1,600,000**	**-**	**646,050**	**246,050**	**294,305**	**169,305**

As at March 31, 2018

Name of Scheme	Mr. Praveen P. Kadle		Mr. Puneet Sharma		Ms. Avan Doomasia	
	Granted	Exercised	Granted	Exercised	Granted	Exercised
ESPS 2009	1,100,000	1,100,000	131,838	131,838	80,615	80,615
ESOP 2011	240,000	240,000	80,000	80,000	60,000	60,000
PS 2013	118,580	118,580	14,212	14,212	8,690	8,690
ESOP 2013	-	-	-	-	-	-
ESOP 2016	10,000	10,000	10,000	10,000	10,000	10,000
ESOP 2017	10,000	-	10,000	-	10,000	-
Total	**1,478,580**	**1,468,580**	**246,050**	**236,050**	**169,305**	**159,305**

As at 1 April, 2017

Name of Scheme	Mr. Praveen P. Kadle		Mr. Puneet Sharma		Ms. Avan Doomasia	
	Granted	Exercised	Granted	Exercised	Granted	Exercised
ESPS 2009	1,100,000	1,100,000	131,838	131,838	80,615	80,615
ESOP 2011	240,000	240,000	80,000	80,000	60,000	60,000
PS 2013	118,580	118,580	14,212	14,212	8,690	8,690
ESOP 2013	-	-	-	-	-	-
ESOP 2016	10,000		10,000		10,000	
ESOP 2017						
Total	**1,468,580**	**1,458,580**	**236,050**	**226,050**	**159,305**	**149,305**

NOTE "33" EMPLOYEE BENEFIT EXPENSES

A. Defined contribution plans

The Company makes Provident Fund and Superannuation Fund contributions to defined contribution plans for qualifying employees. Under the Schemes, the Company is required to contribute a specified percentage of the payroll costs to fund the benefits. The contributions as specified under the law are paid to the provident fund set up as a Trust by the Company. The Company is generally liable for annual contributions and any deficiency in interest cost compared to interest computed based on the rate of interest declared by the Central Government under the employee provident scheme, 1952 is recognized as an expense in the year in which it is determined. The Company has recognized ₹ 215 Lakhs (Year ended March 31, 2018 : ₹ 177 Lakhs) for Provident Fund contributions and Family Pension Scheme contributions and ₹ 68 Lakhs (Year ended March 31, 2018 : ₹ 81 Lakhs) for Superannuation Fund contributions in the Statement of Profit and Loss. The contributions payable to these plans by the Company are at rates specified in the rules of the schemes.

B. Defined benefit plan

The Company offers its employees defined-benefit plans in the form of a gratuity scheme (a lump sum amount), (Included as part of contribution to provided fund, superannuation fund and other funds as referred in Note 28 of Employee Benefit Expenses). Benefits under the defined benefit plans are typically based on years of service and the employee's compensation (generally immediately before retirement). The gratuity scheme covers substantially 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. On adoption of the Indian Accounting Standard (Ind AS 19) on "Employee Benefits", actuarial valuation is done based on "Projected Unit Credit" method. Gains and losses of changed actuarial assumptions are recognised in other comprehensive income.

Each year an Asset - Liability matching study is performed in which the consequences of the strategic investment policies are analysed in terms of risk and return profiles. Investment and contribution policies are integrated within this study.

The Company offers the following long term employee benefit schemes to its employees:

i. Gratuity

ii. Post-employment medical benefits

iii. Other defined benefit plans

The following table sets out the funded / unfunded status of the defined benefit schemes and the amount recognised in the financial statements:

(a) Reconciliation of balances of Defined Benefit Obligations. (₹ in lakh)

Particulars	As at March 31, 2019		As at March 31, 2018	
	Total Funded	Total Unfunded	Total Funded	Total Unfunded
Defined Obligations at the beginning of the year	**1,261**	**-**	1,113	-
Current service cost	**97**	**-**	97	-
Interest cost	**76**	**-**	83	-
Plan paritcipant's contributions	**-**	**-**	-	-
Exchange (gain) / loss	**-**	**-**	-	-
Benefits paid	**-**	**-**	-	-
Past service cost	**-**	**-**	-	-
Amalgamations / Acquisitions	**-**	**-**	-	-
Liabilities assumed on transfer of employees	**257**	**-**	(4)	-
Settlement cost / (credit)	**-**	**-**	-	-
Curtailment cost / (credit)	**-**	**-**	-	-
Plan amendments	**-**	**-**	-	-
Change in secured pensioner value	**-**	**-**	-	-
Due to company ceasing to be a subsidiary	**-**	**-**	-	-
Due to company becoming subsidiary	**-**	**-**	-	-
Actuarial (Gains)/ Losses on obligations arising from:	**-**	**-**	-	-
a. Due to change in financial assumptions	**136**	**-**	(7)	-
b. Due to change in experience adjustments	**41**	**-**	(12)	-
c. Due to experience adjustments	**30**	**-**	-	-
Others	**-**	**-**	-	-
Benefits paid directly by the Company	**(542)**	**-**	(10)	-
Defined Obligations at the end of the year	**1,356**	**-**	**1,261**	**-**

(b) **Reconciliation of balances of Fair Value of Plan Assets** (₹ in lakh)

Particulars	As at March 31, 2019		As at March 31, 2018	
	Total Funded	Total Unfunded	Total Funded	Total Unfunded
Fair Value at the beginning of the year	**1,294**	**-**	1,199	-
Expected return on plan assets	**19**	**-**	9	-
Actuarial gain / (loss) on plan assets	**-**	**-**	-	-
Exchange gain/(loss)	**-**	**-**	-	-
Employer contributions	**-**	**-**	-	-
Plan paritcipant's contributions	**-**	**-**	-	-
Benefits paid	**-**	**-**	-	-
Amalgamations / Acquisitions	**-**	**-**	-	-
Assets transferred on transfer of employees	**257**	**-**	(4)	-
Adjustment on plan settlement	**-**	**-**	-	-
Change in secured pensioner value	**-**	**-**	-	-
Others	**-**	**-**	-	-
Interest Income on Plan Assets	**100**	**-**	90	-
Fair Value of Plan Assets at the end of the year	**1,670**	**-**	**1,294**	**-**

(c) **Funded status** (₹ in lakh)

Particulars	As at March 31, 2019		As at March 31, 2018		As at April 1, 2017	
	Total Funded	Total Unfunded	Total Funded	Total Unfunded	Total Funded	Total Unfunded
Deficit of plan assets over obligations	-	-	-	-	-	-
Surplus of plan assets over obligations	**314**	**-**	33	-	86	-
Unrecognised asset due to asset ceiling	**-**	**-**	-	-	-	-
Total	**314**	**-**	**33**	**-**	**86**	**-**

(d) **Categories of plan assets** (₹ in lakh)

Particulars	As at March 31, 2019		As at March 31, 2018		As at April 1, 2017	
	Total Funded	Total Unfunded	Total Funded	Total Unfunded	Total Funded	Total Unfunded
Corporate bonds	**719**	**-**	556	-	492	-
Equity shares	**175**	**-**	155	-	192	-
Government securities	**761**	**-**	569	-	396	-
Insurer managed funds	**-**	**-**	-	-	-	-
PSU bonds	**-**	**-**	-	-	-	-
Equity mutual funds	**-**	**-**	-	-	-	-
Bank balances	**-**	**-**	-	-	-	-
Cash	**15**	**-**	13	-	120	-
Equities	**-**	**-**	-	-	-	-
Special deposit scheme	**-**	**-**	-	-	-	-
Index linked gilt	**-**	**-**	-	-	-	-
Secured pensions	**-**	**-**	-	-	-	-
Others	**-**	**-**	-	-	-	-
Total	**1,670**	**-**	**1,294**	**-**	**1,199**	**-**

(e) **Amount recognised in Balance sheet** (₹ in lakh)

Particulars	**As at March 31, 2019**		**As at March 31, 2018**		**As at April 1, 2017**	
	Total Funded	**Total Unfunded**	**Total Funded**	**Total Unfunded**	**Total Funded**	**Total Unfunded**
Present value of the defined benefit obligation	1,356	-	1,261	-	1,113	-
Fair value of plan assets	1,670	-	1,294	-	1,199	-
Unrecognised asset due to asset ceiling	-	-	-	-	-	-
Unrecognised past service costs	-	-	-	-	-	-
Net asset / (liability) recognised in the Balance Sheet	**314**	**-**	**33**	**-**	**86**	**-**

(f) **Amount recognised in Statement of Profit and Loss** (₹ in lakh)

Particulars	**Year ended March 31, 2019**		**Year ended March 31, 2018**	
	Total Funded	**Total Unfunded**	**Total Funded**	**Total Unfunded**
Current Service Cost	**97**	**-**	97	-
Past Service cost	**-**	**-**	-	-
Interest Cost (net)	**(23)**	**-**	(7)	-
Curtailment cost / (credit)	**-**	**-**	-	-
Settlement cost / (credit)	**-**	**-**	-	-
Received from intra-group companies on transfer of employees	-	-	-	-
Expected return on plan assets	-	-	-	-
Actuarial loss/(gain) recognised during the year	-	-	-	-
Others	-	-	-	-
Expenses for the year	**73**	**-**	**91**	**-**

(g) **Amount recognised in OCI** (₹ in lakh)

Particulars	**Year ended March 31, 2019**		**Year ended March 31, 2018**	
	Total Funded	**Total Unfunded**	**Total Funded**	**Total Unfunded**
a. Due to change in financial assumptions	136	-	(7)	-
b. Due to change in experience adjustments	41	-	(12)	-
c. Due to experience adjustments	30	-	-	-
d. (Return) on plan assets (excl. interest income)	(19)	-	(9)	-
e. Change in Asset Ceiling	-	-	-	-
Total remeasurements in OCI	**188**	**-**	**(28)**	**-**
Total defined benefit cost recognized in P&L and OCI	**261**	**-**	**63**	**-**

Total defined benefit cost as per financial statements	-	-

(h) Expected cash flows for the following year (₹ in lakh)

Particulars	As at March 31, 2019	As at March 31, 2018
Expected total benefit payments	2,106	1,562
Year 1	149	357
Year 2	145	21
Year 3	253	25
Year 4	147	28
Year 5	189	139
Next 5 years	1,223	992

(i) Major Actuarial Assumptions

Particulars	As at March 31, 2019	As at March 31, 2018	As at April 1, 2017
Discount Rate (%)	7.20%	7.70%	7.50%
Salary Escalation/ Inflation (%)	Non CRE: 8.25%, CRE & J Grade:6%	7.5% for first 5 years and 6% thereafter	7.5% for first 5 years and 6% thereafter
Expected Return on Plan assets (%)	7.20%	7.70%	7.50%
Attrition			
Mortality Table	**Indian assured lives Mortality (2006-08) (modified) Ult.**	**Indian assured lives Mortality (2006-08) (modified) Ult.**	**Indian assured lives Mortality (2006-08) (modified) Ult.**
Medical cost inflation			
Disability			
Withdrawal (rate of employee turnover)	CRE and J Grade : 40%; Non CRE :Less than 5years 25% and more than 5 years 10%	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%
Retirement Age	60 years	60 years	60 years
Weighted Average Duration			
Guaranteed rate of return			
Estimate of amount of contribution in the immediate next year	**149**	**357**	

The estimates for future salary increases, considered in actuarial valuation, take into account inflation, seniority, promotion and other relevant factors.

The expected return on plan assets is based on market expectation, at the beginning of the year, for returns over the entire life of the related obligation.

The following table shows a reconciliation from the opening balances to the closing balances for net defined benefit (asset) liability and its components:

(j) Sensitivity analysis

Reasonably possible changes at the reporting date to one of the relevant actuarial assumptions, holding other assumptions constant, would have affected the defined benefit obligation by the amounts shown below.

	March 31, 2019		March 31, 2018		April 1, 2017	
	Increase	Decrease	Increase	Decrease	Increase	Decrease
Discount rate (1% movement)	(73)	80	(85)	98	-	-
Future salary growth (1% movement)	79	(73)	98	(87)	-	-
Others (Withdrawal rate 5% movement)	(30)	40	22	(2)	-	-

(k) Provision for leave encashment

	March 31, 2019		March 31, 2018		April 1, 2017	
	Non current	Current	Non current	Current	Non current	Current
Liability for compensated absences	202	43	156	43	164	31

Experience adjustments	Defined benefit obligation	Plan assets	Surplus/ (deficit)	Experience adjustments on plan liabilities	Experience adjustments on plan assets
Funded					
2018-19	1,356	1,670	314	(41)	19
2017-18	1,261	1,294	33	12	9
2016-17	1,113	1,199	86	(102)	18
2015-16	-	-	-	-	-
2014-15	-	-	-	-	-
Unfunded					
2018-19	-	-	-	-	-
2017-18	-	-	-	-	-
2016-17	-	-	-	-	-
2015-16	607	520	(87)	(52)	(25)
2014-15	446	414	(32)	(63)	22

NOTE "34" Disclosure as required by Indian Accounting Standard (Ind AS) – 24 on "Related Party Disclosures" notified under the Companies (Indian Accounting Standard) Rules, 2015:

List of related parties and relationship:

Holding Company	Tata Sons Private Limited
Subsidiaries	Tata Capital Financial Services Limited Tata Capital Housing Finance Limited Tata Cleantech Capital Limited Tata Securities Limited Tata Capital Pte. Limited Tata Capital Growth Fund I Tata Capital Special Situation Fund Tata Capital Healthcare Fund I Tata Capital Innovations Fund Tata Capital Growth Fund II (w.e.f. 28.09.2018) Tata Capital Growth II General Partners LLP (w.e.f.20.09.2018) Tata Capital Markets Pte. Ltd. Tata Capital Advisors Pte. Ltd. Tata Capital Plc Tata Capital General Partners LLP Tata Capital Healthcare General Partners LLP Tata Opportunities General Partners LLP TC Travel and Services Limited (ceased w.e.f. 30.10.2017) Tata Capital Forex Limited (formerly TT Holdings & Services Limited) (ceased w.e.f. 30.10.2017)
Associates	Tata Autocomp Systems Limited **Portfolio Investments of Domestic Venture Capital Funds**
	Roots Corporation Limited Tata Projects Limited Tata Sky Limited **Associates of Subsidiaries**
	International Asset Reconstruction Company Private Limited (Ceased w.e.f 08.03.2018)
	Associates of Tata Capital Financial Services Limited (Portfolio Investments of Domestic Venture Capital Funds)
	Shriram Properties Private Limited TVS Supply Chain Solutions Limited Fincare Business Services Limited

	Varroc Engineering Private Limited (ceased w.e.f. 06.07.2018) **Associates of Domestic Venture Capital Funds (Portfolio Investments)**
	Lokmanaya Hospital Private Limited Novalead Pharma Private Limited Shriji Polymers (India) Limited Vortex Engineering Private Limited Pluss Advanced Technologies Private Limited Sea6 Energy Private Limited Alef Mobitech Solutions Private Limited TEMA India Private Limited Kapsons Industries Limited Tata Technologies Limited Shriniwas Engineering Auto Components Pvt Limited (ceased w.e.f. 02.11.2017) Star Health & Allied Insurance Company Limited (ceased w.e.f. 29.03.2019) Sai Life Science Limited (ceased w.e.f. 25.07.2018) Agile Electrical Sub Assembly Private Limited (ceased w.e.f. 27.08.2017)
Post Employment Benefit Plan	Tata Capital Limited Gratuity Scheme Tata Capital Limited Employees Provident Fund Tata Capital Limited Superannuation Scheme TCL Employee Welfare Trust
Other Related Parties (with which the Company had transactions)	Tata Consultancy Services Limited Concorde Motors (India) Limited Af-Taab Investment Company Limited Tata Motors Finance Limited Tata Industries Limited Tata Motors Limited Tata Chemicals Limited Tata Global Beverages Limited Voltas Limited

	Trent Limited Titan Company Limited The Indian Hotels Company Limited Connect Business Solutions Limited (formerly Tata Business Support Services Limited) Tata Steel Limited Tata Investment Corporation Limited Tata Trustee Company Limited Tata Teleservices (Maharashtra) Limited Tata AIG General Insurance Company Limited Tata International Limited Tata AIA Life Insurance Company Limited Ewart Investments Limited
Key Management Personnel	Mr. Rajiv Sabharwal - Managing Director & CEO (w.e.f 01.04.2018) Mr. Puneet Sharma - Chief Financial Officer Ms. Avan Doomasia - Company Secretary Mr. F. N. Subedar - Non-Executive Director Mr. Nalin M. Shah - Independent Director Mr. Saurabh Agrawal - Non-Executive Director (w.e.f 28.07.2017) Mr. Mehernosh B. Kapadia - Independent Director (w.e.f 24.10.2017) Ms. Aarthi Subramanian - Non-Executive Director (w.e.f 30.10.2017) Mr. Praveen P Kadle - Managing Director & CEO (retired w.e.f 31.03.2018) Dr. Ritu Anand - Non-Executive Director (retired w.e.f 31.10.2017) Mr. Janki Ballabh - Independent Director (retired w.e.f October 23.10.2017) Mr. Ishaat Hussain - Non-Executive Director (retired w.e.f 03.09.2017) Dr. Nirmalya Kumar - Non-Executive Director (retired w.e.f 28.10.2016)

Transactions with Related Parties:

Sr. No.	Party Name	Nature of transaction	For the year ended March 31, 2019	For the year ended March 31, 2018	As at April 1, 2017
I	**Transactions with Parent :**				
1	**Tata Sons Private Ltd**	**Transactions during the Year :**			
		Issue of Equity Shares (including Premium)	2,50,000	-	
		Expenses			
		Provisions for Brand Equity Contribution	131	72	
		Training Expenses	0*	2	
		Miscellaneous Expenses	3	15	
		Reimbursement of Expenses			
		Reimbursement of Expenses	12	0*	
		Outstanding Balances :			
		Equity shareholding	3,12,851	2,63,443	2,63,443
		Balance Payable	131	72	73
		Balance Receivable	-	0*	-
II	**Transactions with Subsidiaries :**				
1	**Tata Capital Financial Services Limited**	**Transactions during the Year :**			
		Investments in Compulsorily convertible Cumulative Preference shares made during the period	1,02,500	57,500	
		Conversion of CCCPS in Equity Shares	65,600	-	
		Investment in Perpetual Debt	-	12,500	
		ICDs placed during the period	7,52,235	4,63,617	
		ICDs repaid back during the period	7,80,293	4,74,662	
		Dividend received during the period	11,741	13,267	
		Interest Income on ICD's	4,954	6,747	
		Interest Income on Investments in Perpetual debt	1,113	90	
		Security Deposit received	-	5,847	
		Security Deposit refunded	-	4,665	
		Security Deposit paid	-	2	
		Security Deposit refund received	-	2	
		Rental Income	871	953	
		Marketing & Managerial Service Fees Income	3,077	2,091	
		Expenses			
		- Rent expense	23	43	
		- Guest house charges	1	2	
		- Other Expenses	-	0*	
		Reimbursement of Expenses			
		- Insurance Expenses	20	26	
		- Electricity expense	55	51	

Sr. No.	Party Name	Nature of transaction	For the year ended March 31, 2019	For the year ended March 31, 2018	As at April 1, 2017
		- Telephone expense	-	21	
		- Other expenses	6	3	
		- Marketing & Managerial Service	130	351	
		Payment towards arranger fees	124	561	
		Outstanding Balances :			
		Investment in Equity Shares	3,24,855	2,59,255	2,59,255
		Investments in Compulsorily convertible Cumulative Preference shares	1,88,938	1,52,068	94,502
		Investment in Perpetual Debentures	12,406	12,525	5,898
		ICDs Outstanding - Receivable	5,726	33,784	44,829
		Accrued Interest on ICD Outstanding	31	41	68
		Accrued Interest on Perpetual Debentures	18	18	369
		Security Deposit outstanding - Payable	4,424	4,080	4,487
		Balance Receivable	369	412	396
		Balance Payable	-	9	-
2	**Tata Capital Housing Finance Limited**	**Transactions during the Year :**			
		Investments in Compulsorily convertible Cumulative Preference shares made during the period	55,500	30,100	
		Conversion of CCCPS into Equity Shares	40,800	-	
		ICDs placed during the period	4,78,207	2,05,185	
		ICDs repaid back during the period	4,58,089	2,15,185	
		Interest on Deposits	1,394	611	
		Security Deposit paid	-	3	
		Security Deposit refund received	-	3	
		Marketing & Managerial Service Fees Income	1,020	801	
		Dividend received during the period	7,403	8,047	
		Expenses			
		- Guest house charges	0*	-	
		Reimbursement of Expenses			
		- Telephone Expenses	-	0*	
		- Insurance Expenses	6	7	
		- Marketing & Managerial Service	43	147	
		Outstanding Balances :			
		Investment in Equity Shares	68,400	27,600	27,600
		Investments in Compulsorily convertible Cumulative Preference shares	1,27,238	1,12,549	82,400

Sr. No.	Party Name	Nature of transaction	For the year ended March 31, 2019	For the year ended March 31, 2018	As at April 1, 2017
		ICDs Outstanding - Receivable	20,118	-	10,000
		Accrued Interest on ICD Outstanding	42	-	2
		Balance Receivable	91	124	121
		Guarantees issued to National Housing Bank on behalf of TCHFL	54,334	67,498	80,767
3	**Tata Cleantech Capital Limited**	**Transactions during the Year :**			
		Investment in Equity Share shares	8,050	-	
		ICDs placed during the period	61,800	1,55,915	
		ICDs repaid back during the period	29,600	1,58,642	
		Interest income on ICDs placed	158	744	
		Security Deposit paid	-	1	
		Security Deposit received	-	325	
		Rental Income	48	24	
		Marketing & Managerial Service Fees Income	629	9	
		Expenses			
		- Guest house charges	0*	-	
		Reimbursement of Expenses			
		- Electricity expense	3	2	
		- Insurance Expenses	1	1	
		- Marketing & Managerial Service	26	-	
		Outstanding Balances :			
		Investment in Equity Shares	49,105	41,055	41,055
		ICDs Outstanding - Receivable	32,200	-	2,727
		Accrued Interest on ICD Outstanding	58	-	2
		Security Deposit outstanding - Payable	245	226	-
		Balance Receivable	59	7	-
4	**Tata Securities Limited**	**Transactions during the Year :**			
		Conversion of CCCPS into Equity Shares	789	-	
		Reimbursement of Expenses			
		- Insurance Expenses	0*	0*	
		Outstanding Balances :			
		Investment in Equity Shares	789	0*	0*
		Investments in Compulsorily convertible Cumulative Preference shares	-	789	789

Sr. No.	Party Name	Nature of transaction	For the year ended March 31, 2019	For the year ended March 31, 2018	As at April 1, 2017
5	**Tata Capital Growth Fund I**	**Transactions during the Year :**			
		Investment in Units of Fund made during the year	269	227	
		Proceeds from Divestment	27,225	4,086	
		Income – Asset Management Fees	234	279	
		Distribution of FD Interest and Sitting Fees	1	49	
		Distribution of dividend	414	553	
		Reimbursement of Expenses	2	23	
		Carried Interest Income	717	-	
		Outstanding Balances :			
		Investment in Class A units of fund	5,868	17,082	19,217
		Investment in Class B units of fund	0*	0*	0*
		Balance Payable			
		- Towards Management fees	1	-	-
		Balance Receivable			
		- Towards Carried Interest Income	717	-	-
		- Towards Management fees	-	37	11
		- Towards Reimbursement of Expenses	-	7	-
		Provision for Diminution in value of Investment	1,088	531	-
		Commitment	2,983	3,251	3,479
6	**Tata Capital Special Situations Fund**	**Transactions during the Year :**			
		Income – Asset Management Fees	178	150	
		Management Fees Paid during year	-	87	
		Proceeds from Divestment	-	541	
		Distribution of Director sitting Fees	2	-	
		Distribution of Dividend	-	13	
		Reimbursement of expenses	2	-	
		Outstanding Balances :			
		Investment in Class A units of fund	2,260	4,181	4,463
		Investment in Class B units of fund	0*	0*	0*
		Advance income received	-	178	195
		Balance Receivable	2	-	3
		Provision for Diminution in value of Investment	990	1,173	131
		Commitment	22	22	22
7	**Tata Capital Healthcare Fund I**	**Transactions during the Year :**			
		Investment in Units of Fund made during the year	89	279	
		Proceeds from Divestment	8,503	4,070	
		Income - Asset Management Fees	224	369	

Sr. No.	Party Name	Nature of transaction	For the year ended March 31, 2019	For the year ended March 31, 2018	As at April 1, 2017
		Reimbursement of expenses	8	13	
		Distribution of Interest	-	6	
		Distribution of Dividend	-	0*	
		Distribution of Interest on delayed Capital Call And FD Interest	-	-	
		Outstanding Balances :			
		Investment in Class A units of fund	3,751	6,553	8,457
		Investment in Class B units of fund	0*	0*	0*
		Advance income received	10	16	23
		Balance Receivable	-	8	6
		Provision for Diminution in value of Investment	84	980	-
		Commitment	646	735	1,015
8	**Tata Capital Innovation Fund**	**Transactions during the Year :**			
		Investment in Units of Fund made during the year	147	364	
		Income - Asset Management Fees	385	400	
		Reimbursement of Expenses	83	7	
		Outstanding Balances :			
		Investment in Class A units of fund	5,751	7,516	7,153
		Investment in Class B units of fund	0*	0*	0*
		Advance income received	127	132	138
		Balance Receivable			
		- Towards Management fees	339	183	43
		- Towards Reimbursement of Expenses	27	10	2
		Provision for Doubtful debts	286	168	-
		Provision for Diminution in value of Investment	208	-	-
		Commitment	111	259	622
9	**Tata Capital Growth Fund II**	**Transactions during the Year :**			
		Income - Asset Management Fees	338	-	
		Outstanding Balances :			
		Balance Receivable towards Management Fees	399	-	-
		Commitment	36,292	-	-
10	**Tata Capital Pte. Limited**	**Transactions during the Year :**			
		Reimbursement of Expenses			
		- Insurance Expenses	0 *	1	
		Outstanding Balances :			
		Investment in Equity Shares	10,807	10,807	10,807
11	**Tata Capital Advisors Pte Limited**	**Transactions during the Year :**			
		Income – Advisory Fees	3,657	3,637	

Sr. No.	Party Name	Nature of transaction	For the year ended March 31, 2019	For the year ended March 31, 2018	As at April 1, 2017
		Reimbursement of Expenses			
		Reimbursement of Expenses - Others	8	117	
		Outstanding Balances :			
		Balance Receivable	243	26	330
12	**TC Travel & Services Limited (ceased w.e.f. October 30, 2017)**	**Transactions during the Year :**			
		ICDs placed during the year	-	875	
		ICDs repaid back during the year	-	2,025	
		Interest income on ICDs placed	-	54	
		Expenses			
		- Travelling Expenses	-	332	
		Reimbursement of Insurance Expenses	-	0*	
		Outstanding Balances :			
		Investment in Equity Shares	-	-	2,500
		ICDs Outstanding Receivable	-	-	1,150
		Provision for Dimninution in value of Investment	-	-	2,500
13	**Tata Capital Forex Limited (ceased w.e.f. October 30, 2017)**	**Transactions during the Year:**			
		ICDs placed during the year	-	2,300	
		ICDs repaid back during the year	-	5,315	
		Interest income on ICDs placed	-	186	
		Expenditure - Purchase Foreign exchange	-	90	
		Security Deposit paid	-	1	
		Security Deposit refund received	-	1	
		Investment in Equity Shares made during the year	-	-	
		Reimbursement of Insurance Expenses	-	1	
		Outstanding Balances :			
		Investment in Equity Shares	-	-	124
		ICDs Outstanding Receivable	-	-	3,015
		Provision for Dimninution in value of Investment	-	-	124
III	**Transactions with Associates :**				
1	**Tata Sky Limited**	**Outstanding Balances :**			
		Investment in Equity Shares	5,242	5,242	5,242
2	**Tata Autocomp Systems Limited**	**Transactions during the Year :**			
		Dividend received during the period	966	966	
		Reimbursement of Expenses	0*	-	
		Outstanding Balances :			
		Investment in Equity Shares	18,528	18,528	18,528
3	**Tata Projects Limited**	**Transactions during the Year :**			
		Dividend received	45	34	
		Outstanding Balances :			
		Investment in Equity Shares	2,823	2,823	2,823

Sr. No.	Party Name	Nature of transaction	For the year ended March 31, 2019	For the year ended March 31, 2018	As at April 1, 2017
4	**Roots Corporation Limited**	**Transactions during the Year :**			
		Investment in Equity shares	182	-	
		Outstanding Balances :			
		Investment in Equity Shares	2,062	1,880	1,880
		Provision for Dimninution in value of Investment	128	120	-
IV	**Transactions with Post Employment Benefit Plans**				
1	**Tata Capital Limited Gratuity Scheme**	**Outstanding Balances :**			
		Provision for Trust's exposure to investment in IL & FS	152	-	
2	**Tata Capital Limited Employees Provident Fund**	**Transactions during the Year :**			
		Reimbursement of expenses	1	-	
		Contribution to Provident Fund and Voluntary Provident Fund	531	448	
		Outstanding Balances :			
		Provision for Trust's exposure to investment in IL & FS	223	-	
3	**Tata Capital Limited Superannuation Scheme**	**Transactions during the Year :**			
		Contribution to Superannuation Scheme	68	81	
		Loan given	38	-	
		Loan repaid back	38	-	
4	**TCL Employee Welfare Trust**	**Outstanding Balances :**			
		Equity Shares held	5,025	5,348	5,592
V	**Transactions with Other Related Parties :**				
1	**Tata Consultancy Services Limited**	**Transactions during the Year :**			
		Expenditure - IT Expenses	45	80	
		Provision for IT Expenses	109	-	
		Outstanding Balances :			
		Balance payable	-	-	18
2	**Tata Teleservices (Maharashtra) Limited**	**Transactions during the Year :**			
		Telephone Services Expenses	2	26	
3	**Ewart Investments Limited**	**Transactions during the Year :**			
		Rent Expenses	21	19	
		Security Deposit refund received	190	-	
		Outstanding Balances :			
		Security Deposit Outstanding - Receivable	-	190	190
4	**Tata Trustee Company Limited**	**Transactions during the Year :**			
		Expenditure - Miscellaneous Expenses	0*	-	
5	**Tata International Limited**	**Outstanding Balances :**			
		Equity shares held	79	79	79

Sr. No.	Party Name	Nature of transaction	For the year ended March 31, 2019	For the year ended March 31, 2018	As at April 1, 2017
6	**Tata Investment Corporation Limited**	**Outstanding Balances :**			
		Equity shares held	7,720	7,720	7,720
7	**Tata Steel Limited**	**Transactions during the Year :**			
		Investment in Equity Shares (Fully paid)	-	11	
		Investment in Equity Shares (Partly paid)	-	2	
		Dividend received during the period	2	1	
		Outstanding Balances :			
		Investment in Equity Shares (Fully paid)	82	89	65
		Investment in Equity Shares (Partly paid)	1	2	-
		Uncalled Liability on partly paid shares	5	5	-
8	**Conneqt Business Solutions Limited (formerly Tata Business Support Services Limited)**	**Transactions during the Year :**			
		Rental Income	263	153	
		Dividend received during the period	-	197	
		Expenditure - Service providers' charges	4	2	
		Recovery of expenses			
		- Electricity expense	202	94	
		Outstanding Balances :			
		Investment in Equity Shares	-	-	710
		Investments in Compulsorily convertible Cumulative Preference shares	-	-	1,720
		Balance Payable	-	-	3
		Balance Receivable	186	-	108
		Provision for Doubtful debts	179	-	-
9	**The Indian Hotels Company Limited**	**Transactions during the Year :**			
		Investment in Equity Shares	-	2	
		Dividend received during the period	0*	0*	
		Expenditure			
		- Hotel	25	36	
		- Membership	2	2	
		Outstanding Balances :			
		Investment in Equity Shares	27	23	19
10	**Titan Company Limited**	**Transactions during the Year :**			
		Expenditure - Staff Welfare	1	1	
11	**Trent Limited**	**Transactions during the Year :**			
		Dividend on Cumulative Redeemable Preference shares paid	83	83	

Sr. No.	Party Name	Nature of transaction	For the year ended March 31, 2019	For the year ended March 31, 2018	As at April 1, 2017
		Outstanding Balances : Cumulative Redeemable Preference shares held	1,000	1,000	1,000
12	**Voltas Limited**	**Transactions during the Year :** Dividend on Cumulative Redeemable Preference shares paid	337	24	
		Outstanding Balances : Cumulative Redeemable Preference shares held	5,000	3,000	-
13	**Tata Global Beverages Limited**	**Outstanding Balances :** Equity shares held	61	61	61
14	**Tata Chemicals Limited**	**Outstanding Balances :** Equity shares held	323	323	323
15	**Tata Motors Limited**	**Outstanding Balances :** Equity shares held	433	433	433
16	**Tata Industries Limited**	**Outstanding Balances :** Equity shares held	227	227	227
17	**Tata Technologies Limited**	**Transactions during the Year :** Dividend on Cumulative Redeemable Preference shares paid	42	42	
		Outstanding Balances : Cumulative Redeemable Preference shares held	333	333	333
18	**Tata Motors Finance Limited**	**Transactions during the Year :** Dividend on Cumulative Redeemable Preference shares paid	8	8	
		Outstanding Balances : Cumulative Redeemable Preference shares held	67	67	-
19	**Af-Taab Investment Company Limited**	**Outstanding Balances :** Equity shares held	233	233	233
20	**Concorde Motors (India) Limited**	**Transactions during the Year :** Expenditure - Insurance Premium Expenditure - Purchase of fixed Asset	0* 12	- -	
21	**Tata AIA Life Insurance Company Limited**	**Transactions during the Year :** Expenditure - Insurance Premium	6	6	
		Outstanding Balances : Advance to vendor	3	6	6
22	**Tata AIG General Insurance Company Limited**	**Transactions during the Year :** Expenditure - Insurance Premium	4	3	
		Outstanding Balances : Advance to vendor	2	2	3
VI 1	**Transactions with KMP :** **Key Management Personnel (KMP)**	**Transactions during the Year :** Remuneration to KMP - Short Term Employee Benefits - Post Employment Benefits - Other Long Term benefits	 1,387 45 -	 741 46 -	

Sr. No.	Party Name	Nature of transaction	For the year ended March 31, 2019	For the year ended March 31, 2018	As at April 1, 2017
		- Termination benefits	-	-	
		- Share based payemnts			
		(No. of Shares)			
		a) Options granted	21,25,000	30,000	
		b) Options exercised	20,000	30,000	
		- Director Sitting Fees & Commission (on payment basis)	37	109	
		Issue of Cumulative Redeemable Preference Shares	125	28	
		Payment of Dividend on Cumulative Redeemable Preference Shares	17	38	
		Outstanding Balances :			
		Equity Shares held	66	234	251
		Cumulative Redeemable Preference shares held	257	438	732
		Total Options granted till date	25,40,355	18,93,935	18,63,935
		Total Options exercised till dtae	4,15,355	18,63,935	18,33,935

All aforesaid transactions are in Ordinary Course of business and at Arms Length basis.

* Amount less than 50,000

NOTE "35" OPERATING SEGMENTS

In accordance with Ind AS 108 on Operating Segments, the Company has identified three business segments i.e. Investment Activity, Private Equity Investments and Others (includes property management services and managerial & marketing services).

(₹ in lakh)

Particulars			For the year ended March 31, 2019	For the year ended March 31, 2018
I	**Segment Revenue**			
	(a)	Investment Activity	27,814	33,620
	(b)	Private Equity Investments	33,507	9,329
	(c)	Others	6,637	4,699
	(d)	Unallocated	126	607
		Total Revenue	**68,084**	**48,256**
II	**Segment Expenses**			
	(a)	Investment Activity	28,730	27,507
	(b)	Private Equity Investments	17,683	11,100
	(c)	Others	4,659	2,765
	(d)	Unallocated	10,203	2,546
		Total Expenses	**61,275**	**43,918**
III	**Segment Results**			
	(a)	Investment Activity	(916)	6,114
	(b)	Private Equity Investments	15,824	(1,770)
	(c)	Others	1,980	1,934
	(d)	Unallocated	(10,079)	(1,939)
		Profit before taxation	**6,809**	**4,338**
		Less : Provision for taxation	4,056	682
		Profit after taxation	**2,753**	**3,656**

(₹ in lakh)

Particulars			As at March 31, 2019	As at March 31, 2018	As at April 1, 2017
IV	**Segment Assets**				
	(a)	Investment Activity	869,611	679,158	615,314
	(b)	Private Equity Investments	39,947	33,174	40,040
	(c)	Others	6,597	6,872	7,200
	(d)	Unallocated	41,145	8,708	8,430
		Total	**957,300**	**727,912**	**670,984**
V	**Segment Liabilities**				
	(a)	Investment Activity	334,700	348,583	293,809
	(b)	Private Equity Investments	20,201	38,466	42,194
	(c)	Others	6,093	6,581	5,584
	(d)	Unallocated	13,168	3,654	2,142
		Total	**374,162**	**397,284**	**343,729**

Particulars		As at March 31, 2019	As at March 31, 2018	As at April 1, 2017
VI	**Capital Employed**			
	(a) Investment Activity	534,911	330,574	321,505
	(b) Private Equity Investments	19,746	(5,292)	(2,154)
	(c) Others	504	292	1,616
	(d) Unallocated	27,977	5,054	6,288
	Total	**583,138**	**330,628**	**327,255**

Particulars		For the year ended March 31, 2019	For the year ended March 31, 2018
VII	**Capital Expenditure (including Capital Work-in-Progress)**		
	(a) Investment Activity	-	-
	(b) Private Equity Investments	-	-
	(c) Others	-	-
	(d) Unallocated	(173)	(142)
	Total	**(173)**	**(142)**
VIII	**Depreciation and Amortisation**		
	(a) Investment Activity	76	91
	(b) Private Equity Investments	45	46
	(c) Others	394	185
	(d) Unallocated	319	490
	Total	**834**	**812**
IX	**Significant Non-Cash Expenses Other than Depreciation and Amortisation**		
	(a) Investment Activity	71	209
	(b) Private Equity Investments	9,788	2,725
	(c) Others	-	-
	(c) Unallocated	-	-
	Total	**9,859**	**2,934**

NOTE “36” FINANCIAL INSTRUMENTS

The significant accounting policies, including the criteria for recognition, the basis of measurement and the basis on which income and expenses are recognised, in respect of each class of financial asset, financial liability and equity instrument are disclosed in note 2(iii) to the financial statements.

Financial Assets and Liabilities

The carrying value of financial instruments by categories as at March 31, 2019 is as follows:

(₹ in lakh)

Particulars	Fair value through Profit or Loss	Fair Value through Other Comprehensive Income	Derivative instruments in hedging relationship	Derivative instruments not in hedging relationship	Amortised cost	Investment in Subsidiary/ Associate/JV at Cost	Total Carrying Value
Financial Assets:							
Cash and cash equivalents	-	-	-	-	58,212	-	58,212
Other balances with banks	-	-	-	-	5	-	5
Trade and Other receivables	-	-	-	-	1,972	-	1,972
Investments	316,546	12,406	-	-	-	497,743	826,695
Loans	-	-	-	-	58,176	-	58,176
Other financial assets	-	-	-	-	121	-	121
Total	**316,546**	**12,406**	**-**	**-**	**118,486**	**497,743**	**945,181**
Financial Liabilities:							
Trade and other payables	-	-	-	-	2,927	-	2,927
Borrowings (other than Debt Securities)	-	-	-	-	52,899	-	52,899
Debt Securities	-	-	-	-	102,465	-	102,465
Subordinated liabilities	-	-	-	-	190,478	-	190,478
Other financial liabilities	-	-	-	-	21,454	-	21,454
Total	**-**	**-**	**-**	**-**	**370,223**	**-**	**370,223**

The carrying value of financial instruments by categories as at March 31, 2018 is as follows:

(₹ in lakh)

Particulars	Fair value through Profit or Loss	Fair Value through Other Comprehensive Income	Derivative instruments in hedging relationship	Derivative instruments not in hedging relationship	Amortised cost	Investment in Subsidiary/ Associate/JV at Cost	Total Carrying Value
Financial Assets:							
Cash and cash equivalents	-	-	-	-	49	-	49
Other balances with banks	-	-	-	-	0*	-	0*
Trade and other receivables	-	-	-	-	671	-	671
Investments	265,739	12,525	-	-	-	399,719	677,982
Loans	-	-	-	-	33,825	-	33,825
Other financial assets	-	-	-	-	484	-	484
Total	**265,739**	**12,525**	**-**	**-**	**35,029**	**399,719**	**713,011**
Financial Liabilities:							
Trade and other payables	-	-	-	-	1,043	-	1,043
Borrowings (other than Debt Securities)	-	-	-	-	51,930	-	51,930
Debt Securities	-	-	-	-	129,915	-	129,915
Subordinated liabilities	-	-	-	-	195,213	-	195,213
Other financial liabilities	-	-	-	-	15,536	-	15,536
Total	**-**	**-**	**-**	**-**	**393,637**	**-**	**393,637**

The carrying value of financial instruments by categories as at April 1, 2017 is as follows:

(₹ in lakh)

Particulars	Fair value through Profit or Loss	Fair Value through Other Comprehensive Income	Derivative instruments in hedging relationship	Derivative instruments not in hedging relationship	Amortised cost	Investment in Subsidiary/ Associate/JV at Cost	Total Carrying Value
Financial Assets:							
Cash and cash equivalents	-	-	-	-	96	-	96
Other balances with banks	-	-	-	-	-	-	-
Trade and other receivables	-	-	-	-	1,119	-	1,119
Investments	178,680	5,897	-	-	1,720	406,350	592,647
Loans	-	-	-	-	61,826	-	61,826
Other financial assets	-	-	-	-	460	-	460
Total	**178,680**	**5,897**	**-**	**-**	**65,220**	**406,350**	**656,148**
Financial Liabilities:							
Trade and other payables	-	-	-	-	1,821	-	1,821
Borrowings (other than Debt Securities)	-	-	-	-	62,203	-	62,203
Debt Securities	-	-	-	-	74,890	-	74,890
Subordinated liabilities	-	-	-	-	192,250	-	192,250
Other financial liabilities	-	-	-	-	11,081	-	11,081
Total	**-**	**-**	**-**	**-**	**342,245**	**-**	**342,245**

Carrying amounts of cash and cash equivalents, trade and other receivables, loans and trade and other payables as on March 31, 2019, March 31, 2018 and April 1, 2017 approximate the fair value because of their short-term nature. Difference between carrying amounts and fair values of other financials assets, borrowings, debt securities, subordinate liabilities and other financial liabilities, subsequently measured at amortised cost is not significant in each of the years presented.

Fair value hierarchy:

The Company measures fair values using the following fair value hierarchy, which reflects the significance of the inputs used in making the measurements:

Level 1 - Inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the Company can access at measurement date.

Level 2 - Inputs are inputs, other than quoted prices included within level 1, that are observable for the asset or liability, either directly or indirectly; (i.e. derived from prices). This category includes instruments valued using: quoted market prices in active markets for similar instruments; quoted prices for identical or similar instruments in markets that are considered less than active; or other valuation techniques in which all significant inputs are directly or indirectly observable from market data.

Level 3 - Inputs are unobservable inputs for the valuation of assets or liabilities that the Company can access at measurement date. This category includes all instruments for which the valuation technique includes inputs that are not observable and the unobservable inputs have a significant effect on the instrument's valuation. This category includes instruments that are valued based on quoted prices for similar instruments for which significant unobservable adjustments or assumptions are required to reflect differences between the instruments. Valuation techniques include net present value and discounted cash flow models, income approach, comparison with similar instruments for which observable market prices exist, option pricing models and other valuation models. Assumptions and inputs used in valuation techniques include risk-free returns, benchmark interest rates and credit spreads used in estimating discount rates, bond and equity prices, foreign currency exchange rates, equity and equity index prices and expected price volatilities and correlations.

Valuation models:

The objective of valuation techniques is to arrive at a fair value measurement that reflects the price that would be received to sell the asset or paid to transfer the liability in an orderly transaction between market participants at the measurement date.

The Company uses widely recognised valuation models to determine the fair value of financial instruments, such as interest rate swap and forward rate agreement, that use only observable market data and require little management judgement and estimation. Observable prices or model inputs are usually available in the market for listed equity securities and derivatives such as interest rate swaps. The availability of observable market prices and model inputs reduces the need for management judgement and estimation and also reduces the uncertainty associated with determining fair values.

For more complex instruments, the Company uses proprietary valuation models, which are usually developed from recognised valuation models. Some or all of the significant inputs into these models may not be observable in the market, and may be derived from market prices or rates or estimated based on assumptions. Valuation models that employ significant unobservable inputs require a higher degree of management judgement and estimation in the determination of fair value. Management judgement and estimation are usually required for the selection of the appropriate valuation model to be used, determination of expected future cash flows on the financial instrument being valued, determination of the probability of counterparty default and prepayments, determination of expected volatilities and correlations and selection of appropriate discount rates.

Fair value estimates obtained from models are adjusted for any other factors, such as liquidity risk or model uncertainties, to the extent that the Company believes that a third party market participant would take them into account in pricing a transaction. Fair values reflect the credit risk of the instrument and include adjustments to take account of the credit risk of the Company and the counterparty where appropriate. Model inputs and values are calibrated against historical data, where possible, against current or recent observed transactions in different instruments. This calibration process is inherently subjective and it yields ranges of possible inputs and estimates of fair value, and management uses judgement to select the most appropriate point in the range.

Valuation framework:

The Company has an established policy for the measurement of fair values addressing the requirement to independently verify the results of all significant fair value measurements. Specific controls include:

1) Verification of observable pricing basis actual market transactions;
2) Re-performance of model valuations;
3) A review and approval process for new models and changes to models
4) Annual calibration and back-testing of models against observed market transactions;
5) Analysis and investigation of significant annual valuation movements; and
6) Review of significant unobservable inputs, valuation adjustments and significant changes to the fair value measurement of Level 3 instruments compared with the previous year.

When third party information, such as valuation agency report is used to measure fair value, the Company assesses the documents and evidence used to support the conclusion that the valuations meet the requirements of Ind AS. This includes:

1) understanding how the fair value has been arrived at, the extent to which it represents actual market transactions and whether it represents a quoted price in an active market for an identical instrument;
2) When prices for similar instruments are used to measure fair value, how these prices have been adjusted to reflect the characteristics of the instrument subject to measurement; and
3) If a number of quotes for the same financial instrument have been obtained, then how fair value has been determined using those quotes.

Significant valuation issues are reported to the Audit Committee.

The following table summarises financial assets and liabilities measured at fair value on a recurring basis:

(₹ in lakh)

As at March 31, 2019	Level 1	Level 2	Level 3	Total
Financial Assets:				
Equity Shares	110	-	-	110
Mutual fund units	-	260	-	260
Investment in Perpetual Debt	-	12,406	-	12,406
Investments in Preference Shares	-	-	316,176	316,176
Total	**110**	**12,666**	**316,176**	**328,952**

(₹ in lakh)

As at March 31, 2018	Level 1	Level 2	Level 3	Total
Financial Assets:				
Equity Shares	114	-	-	114
Mutual fund units	-	220	-	220
Investment in Perpetual Debt	-	12,525	-	12,525
Investments in Preference Shares	-	-	265,405	265,405
Total	**114**	**12,745**	**265,405**	**278,264**

(₹ in lakh)

As at April 1, 2017	Level 1	Level 2	Level 3	Total
Financial Assets:				
Equity Shares	84	-	710	793
Mutual fund units	-	196	-	196
Investment in Perpetual Debt	-	5,897	-	5,897
Investments in Preference Shares	-	-	177,692	177,692
Total	**84**	**6,093**	**178,402**	**184,578**

Reconciliation of Level 3 fair value measurement (₹ in lakh)

Particulars	As at March 31, 2019	As at March 31, 2018
Opening Balance	**265,405**	**178,402**
Purchase / (Sale) of :		
Equity Shares	-	(710)
Mutual fund units	-	-
Investment in Perpetual Debt	-	-
Investments in Preference Shares	50,771	87,713
Closing Balance	**316,176**	**265,405**

The following table summarises disclosure of fair value of financial assets and liabilities measured at amortised cost / cost :

(₹ in lakh)

Measured at Level 3	March 31, 2019		March 31, 2018		April 1, 2017	
	Carrying Value	Fair value	Carrying Value	Fair value	Carrying Value	Fair value
Financial Assets at amortised cost:						
Cash and cash equivalents	58,212	58,212	49	49	96	96
Other balances with banks	5	5	0*	0*	-	-
Trade and Other receivables	1,972	1,972	671	671	1,119	1,119
Investments (Other than Equity in Subsidiaries/ Associates/JV)	-	-	-	-	-	-
Loans	58,176	58,176	33,825	33,825	61,826	61,826
Other financial assets	121	121	484	484	460	460
Total	**118,486**	**118,486**	**35,029**	**35,029**	**63,500**	**63,500**
Financial Liabilities at amortised cost:						
Trade and other payables	2,927	2,927	1,043	1,043	1,821	1,821
Borrowings (other than Debt Securities)	52,899	52,899	51,930	51,930	62,203	62,203
Debt Securities	102,465	102,465	129,915	129,915	74,890	74,890
Subordinated liabilities	190,478	190,478	195,213	195,213	192,250	192,250
Other financial liabilities	21,454	21,454	15,536	15,536	11,081	11,081
Total	**370,223**	**370,223**	**393,637**	**393,637**	**342,245**	**342,245**

The following table summarises valuation techniques used to determine fair value, fair value measurements using significant unobservable inputs (level 3) and valuation inputs and relationship to fair value

(₹ in lakh)

Financial instruments	Fair value as at			Fair value hierarchy	Valuation technique(s) and key input(s)	Significant unobservable input(s)	Relationship of unobservable inputs to fair value
	As at March 31, 2019	As at March 31, 2018	As at April 1, 2017				
Equity Shares	110	114	793	Level 1	Published Market Price	N.A.	N.A.
Mutual fund units	260	220	196	Level 2	Net Asset Value	Net Asset Value	Higher the Net Asset Value higher the fair value of unquoted units
Investment in Perpetual Debt	12,406	12,525	5,897	Level 2	Gsec yields as increased by risk based spreads	Gsec yields as increased by risk based spreads	Lower the risk adjusted Gsec yield higher the fair value of debt
Investments in Preference Shares	316,176	265,405	177,692	Level 3	Discounted cash flows	Discount Rate	Higher the discount rate lower the value
Financial Assets at FVTPL	**328,952**	**278,264**	**184,578**				

There were no significant transfers between Level 1 and Level 2 and Level 3 of the fair value hierarchy in the period.

NOTE “37” FINANCIAL RISK REVIEW

Financial instruments of the Company have exposure to the following risks:

1 Liquidity Risk

2 Market Risk

3 Operational Risk

4 Capital management Risk

Tata Capital Limited is registered with Reserve Bank of India as a Non-Deposit taking, Systemically Important Core Investment Company (CIC-ND-SI). The Company is an investment holding company and hence, does not engage in the business of lending funds to customers. In compliance of Core Investment Companies (Reserve Bank) Directions, 2016, the Company holds not less than 90% of its net assets in the form of investments in equity shares, preference shares, bonds, debentures, debt or loans to group companies.

Tata Capital Limited and all of its subsidiaries have been rated CRISIL AAA/stable. The loans given to group companies are repayable by the companies on demand. Thus, TCL can call back a loan from the group companies as and when its liabilities fall due. The group companies rely on unused bank lines as the main liquidity back up to meet the contingency funding plan. Additionally, they also maintain a portfolio of highly liquid mutual fund units. Thus, the Company is not exposed to any Credit Risk.

1 **Liquidity Risk**

'Liquidity risk' is the risk that the Company will encounter difficulty in meeting its day to day financial obligations.

Tata Capital Limited is registered with RBI as a CIC. The Company is an investment holding company and consequently holds assets in the form of investments in equity shares, preference shares, bonds, debentures, debt or loans to group companies.

Management of liquidity risk

(i) Company's Board of Directors sets the strategy for managing liquidity risk commensurate with the business objectives.

(ii) The Board has delegated the responsibility of managing overall liquidity risk and interest rate risk management to a committee of the Board of Directors, in form of Asset and Liability Committee (ALCO).

(iii) Treasury department manages the liquidity position on a day-to-day basis and reviews daily reports covering the liquidity position of the Company.

(iv) The Company's approach to managing liquidity is to ensure sufficient liquidity to meet its liabilities when they are due without incurring unacceptable losses or risking damage to the Company's reputation.

The key elements of the Company's liquidity risk management strategy are as follows:

(i) Maintaining a diversified funding resources base such as debentures, commercial papers and preference shares.

(ii) The loans given to group companies are repayable by the companies on demand. Thus, TCL can call back a loan from the group companies as and when its liabilities fall due. The group companies rely on unused bank lines as the main liquidity back up to meet the contingency funding plan. Additionally, they also maintain a portfolio of highly liquid mutual fund units.

(iii) Under the ALM guidelines, the dynamic liquidity statement and structural liquidity statement are being prepared on monthly basis to monitor the maturity gaps in the assets and liabilities cash flows. Treasury monitors the behavioural characteristics of the Company's financial assets and financial liabilities while preparing the structural liquidity statement.

(iv) The company carries out stress testing of cash flows on periodic basis and shares the results with ALCO to gauge the adequacy of liquidity.

The maturity analysis of for financial liabilities and financial assets has been disclosed in note 38 to the financial statements.

2 **Market Risk**

'Market risk' is the risk that changes in market prices – e.g. interest rates, equity prices, foreign exchange rates and credit spreads (not relating to changes in the obligor's/issuer's credit standing) – will affect the Company's income or the value of its holdings of financial instruments. The objective of the Company's market risk management is to manage and control market risk exposures within acceptable parameters to ensure the solvency while optimising the return on risk.

Exposure to Market Risk: Interest rate risk

The core business of the Company is borrowing and investment in equity shares, preference shares, bonds, debentures, debt or loans to group companies as permitted by the Core

Investment Companies (Reserve Bank) Directions, 2016. These activities expose us to interest rate risk.

Interest rate risk is measured through earnings at risk from an earning perspective. The Company monitors the change in economic value of equity arising out of change in the Interest rate. Further, an interest rate sensitivity gap report is prepared by classifying all rate sensitive assets and rate sensitive liabilities into various time period categories according to earliest of contracted/behavioural maturities or anticipated re-pricing date. The difference in the amount of rate sensitive assets and rate sensitive liabilities maturing or being re-priced in any time period category, gives an indication of the extent of exposure to the risk of potential changes in the margins on new or re-priced assets and liabilities. The Company monitors interest rate risk through above measures on a monthly basis. The interest rate risk limits are approved by the ALCO.

3 Operational Risk

Operational risk is the risk of direct or indirect loss arising from a wide variety of causes associated with the Company's processes, personnel, systems and from external factors other than credit, compliance, reputation, market and liquidity risks.

The Company has a Board approved Operational Risk Management framework. Ongoing monitoring of Key Risk Indicators ("KRI") is done and corrective actions are implemented on KRI exceptions. An oversight committee of Senior Management representatives viz. the Operational Risk Management Committee, meets periodically to review the operational risk profile of the Company.

Risks associated with frauds are mitigated through a Fraud Risk Management framework. A Fraud Risk Management Committee comprising representatives of the Senior Management, reviews matters relating to fraud risk, including corrective and remedial actions as regards people and processes.

The Company has also adopted "Framework for Improving Critical Infrastructure Cyber Security" published by the National Institute of Standards & Technology (NIST) and complies with regulatory guidelines. Various Measures are adopted to effectively protect against phishing, social media threats and rogue mobile.

4 Capital Management Risk

The Reserve Bank of India (RBI) sets and monitors capital adequacy requirements for the Company from time to time. The Core Investment Companies (Reserve Bank) Directions, 2016, stipulate that the Adjusted Net Worth of a CIC-ND-SI shall at no point in time be less than 30% its risk weighted assets on balance sheet and risk adjusted value of off-balance sheet items as on date of the last audited balance as at the end of the financial year.

The Core Investment Companies (Reserve Bank) Directions, 2016, further stipulate that the outside liabilities of a CIC-ND-SI shall at no point of time exceed 2.5 times its Adjusted Net Worth as on date of the last audited balance as at the end of the financial year.

Although maximisation of the return on risk-adjusted capital is the principal basis used in determining how capital is allocated within the Company to particular operations or activities, it is not the sole basis used for decision making. Account is also taken of synergies with other operations and activities, the availability of management and other resources, and the fit of the activity with the Company's longer-term strategic objectives. The Companies policies in respect of capital management and allocation are reviewed regularly by the Board of Directors.

The Company has complied with minimum stipulated capital requirement which has been disclosed in note 39 in the financial statements.

NOTE "38" ASSET LIABILITY MANAGEMENT

Maturity pattern of Financial assets and Financial liabilities (Based on RBI Guidelines):

The following table sets out remaining contractual maturities of Company's financial assets & financial liabilities

As at March 31, 2019

(₹ in lakh)

Particulars	Financial Liabilities			Financial Assets		
	Borrowings from Banks	Market Borrowings	Other Financial Liabilities	Advances	Investments	Other Financial Assets
1 day to 30/31 days (One month)	37	7,500	-	58,176	-	58,217
Over 1 month to 2 months	-	32,500	4,470	-	-	-
Over 2 months to 3 months	-	10,000	-	-	-	-
Over 3 months to 6 months	-	77,261	-	-	-	25
Over 6 months to 1 year	-	111,305	15,242	-	-	1,987
Over 1 year to 3 years	-	94,975	-	-	-	23
Over 3 years to 5 years	-	15,345	6,171	-	-	-
Over 5 years	-	-	-	-	826,695	62
Total	**37**	**348,886**	**25,882**	**58,176**	**826,695**	**60,314**

Note: Advances of ₹ 58,176 lakhs represents Inter corporate deposits (including interest accrued) given to subsidiaries which are callable on demand to meet maturities of borrowings. In addition, as at March 31, 2019, the Company holds cash and cash equivalents of of ₹ 58,212 lakhs. During the year, the Company has also received Equity infusion of ₹ 2,50,000 lakhs from its parent Tata Sons Private Limited.

As at March 31, 2018

(₹ in lakh)

Particulars	Financial Liabilities			Financial Assets		
	Borrowings from Banks	Market Borrowings	Other Financial Liabilities	Advances	Investments	Other Financial Assets
1 day to 30/31 days (One month)	-	-		33,825	-	247
Over 1 month to 2 months	-	20,000	-	-	-	-
Over 2 months to 3 months	-	46,500	-	-	-	-
Over 3 months to 6 months	-	72,999	-	-	-	-
Over 6 months to 1 year	-	6,500	12,272	-	789	670
Over 1 year to 3 years	-	168,566	-	-	-	215
Over 3 years to 5 years	-	64,975	6,171	-	-	-
Over 5 years	-	-	-	-	677,193	71
Total	**-**	**379,540**	**18,443**	**33,825**	**677,982**	**1,203**

Note : Advances of ₹ 33,825 lakhs represents Inter corporate deposits (including interest accrued) given to subsidiaries which are callable on demand to meet maturities of borrowings.

As at April 01, 2017

(₹ in lakh)

Particulars	Financial Liabilities			Financial Assets		
	Borrowings from Banks	Market Borrowings	Other Financial Liabilities	Advances	Investments	Other Financial Assets
1 day to 30/31 days (One month)	200	7,800	-	58,227	-	96
Over 1 month to 2 months	-	20,000	-	151	-	-
Over 2 months to 3 months	-	30,000	-	101	-	-
Over 3 months to 6 months	-	52,647	4665	428	-	-
Over 6 months to 1 year	-	788	8415	2,919	-	1,316
Over 1 year to 3 years	-	176,565	-	-	789	215
Over 3 years to 5 years	-	43,500	-	-	-	-
Over 5 years	-		-	-	591,858	61
Total	**200**	**331,300**	**13,081**	**61,826**	**592,647**	**1,689**

NOTE "39" CORE INVESTMENT COMPANY ("CIC") COMPLIANCE RATIOS :

Sr. No.	Particulars	As at March 31, 2019	As at March 31, 2018	As at April 1, 2017
(a)	Investments & loans to group companies as a proportion of Net Assets (%)	**97%**	94%	92%
(b)	Investments in equity shares and compulsorily convertible instruments of group companies as a proportion of Net Assets (%)	**89%**	87%	82%
(c)	Capital Adequacy Ratio (%) [Adjusted Net worth / Risk Weighted Assets]	**61%**	41%	43%
(d)	Leverage Ratio (Times) [Outside liabilities / Adjusted Networth]	**0.74**	0.85	0.75

Note : The Company has transitioned to Ind AS w.e.f. April 1, 2018. The CIC Compliance Ratios as at March 31, 2019 have been calculated on the basis of financial statements prepared under Ind AS, while the Compliance Ratios as at March 31, 2018 and as at April 1, 2017 have been calculated on the basis of financial statements prepared under IGAAP.

NOTE "40" EXPOSURE TO REAL ESTATE SECTOR

Sr. No.	Particulars	As at March 31, 2019	As at March 31, 2018	As at April 1, 2017
i)	**Direct Exposure**			
	Residential Mortgages -	**NIL**	NIL	NIL
	Lending fully secured by mortgages on residential property that is or will be occupied by the borrower or that is rented:			
	- Individual housing loans up to ₹ 15 lakh	**NIL**	NIL	NIL
	- Individual housing loans above ₹ 15 lakh	**NIL**	NIL	NIL
	Commercial Real Estate -	**NIL**	NIL	NIL
	Lending secured by mortgages on commercial real estates (office buildings, retail space, multipurpose commercial premises, multi-family residential buildings, multi-tenanted commercial premises, industrial or warehouse space, hotels, land acquisition, development and construction, etc). Exposure includes non-fund based (NFB) limits.			
	Investments in Mortgage Backed Securities (MBS) and other securitised exposures -			
	1. Residential	**NIL**	NIL	NIL
	2. Commercial Real Estate	**NIL**	NIL	NIL
ii)	**Indirect Exposure**			
	Fund based exposure on Housing Finance Companies (Refer footnote 1)	**215,798**	140,149	120,000
	Non-fund based exposure on National Housing Bank (Refer footnote 2)	**54,334**	67,498	80,767

Footnotes

1 Represents investments in Equity , Compulsorily Convertible Cumulative Preference Shares and Inter Corporate Deposits (including accrued interest) of Tata Capital Housing Finance Limited.

2 Guarantees issued to National Housing Bank on behalf of Tata Capital Housing Finance Limited ₹ 120,000 lakh (As at March 31, 2018 : ₹ 120,000 lakh and April 01, 2017 : ₹ 120,000 lakh) against which the amount liable by Tata Capital Housing Finance Limited is ₹ 54,334 lakh as at March 31, 2019 (As at March 31, 2018 ₹ 67,498 lakh and April 01, 2017 : 80,767 lakh). Pursuant to the terms of the Guarantee, the Company's liability on invocation is capped at the outstanding amount.

NOTE “41” Disclosure of details as required by RBI/DNBR/2016-17/39 i.e Master Direction - Core Investment Companies (Reserve Bank) Directions, 2016 dated August 25, 2016 (Updated as on June 07, 2018)

Liabilities Side: (₹ in lakh)

Particulars	Amount Outstanding as at			Amount Overdue as at		
	March 31, 2019	**March 31, 2018**	**April 1, 2017**	**March 31, 2019**	**March 31, 2018**	**April 1, 2017**
1) Loans and advances availed by the CIC inclusive of interest accrued thereon but not paid						
a) Debentures: (other than those falling within the meaning of Public deposits)						
(i) Secured	**-**	-		**-**	-	
(ii) Unsecured (Refer footnote 1)	**109,075**	137,712	79,446	**-**	-	
b) Deferred Credits	**-**	-		**-**	-	
c) Term Loans	**-**	-		**-**	-	
d) Inter-corporate loans and borrowing	**-**	-		**-**	-	
e) Commercial Paper	**52,862**	51,930	62,003	**-**	-	
f) Other loans (Bank Overdraft)	**37**	-	200	**-**	-	
g) Other loans (Subordinate Liabilities)	**190,478**	195,213	192,250			

Footnotes :

1 Outstanding amount of Unsecured Debentures is net off deferred revenue expenditure to the extent not written off and TDS on interest accrued but not paid.

2 Outstanding amount of Commercial Paper is net off deferred revenue expenditure to the extent not written off.

Assets Side: (₹ in lakh)

Particulars	Amount Outstanding		
	March 31, 2019	**March 31, 2018**	**April 1, 2017**
2) Break up of Loans and Advances including bills receivables			
(other than those included in (4) below)			
a) Secured	**-**	-	-
b) Unsecured	**58,808**	37,702	64,846
3) Break up of Leased Assets and stock on hire and other assets counting towards AFC activities			
i) Lease assets including lease rentals under sundry debtors:			
(a) Financial Lease	**-**	-	-
(b) Operating Lease	**-**	-	-
ii) Stock on hire including hire charges under sundry debtors			
(a) Assets on hire	**-**	-	-
(b) Repossessed assets	**-**	-	-
iii) Other loans counting towards Asset Financing Company activities			
(a) Loans where assets have been repossessed	**-**	-	-
(b) Loans other than (a) above	**-**	-	-
4) Break up of Investments			
Current Investments:			
1 Quoted:			
(i) Shares:			
(a) Equity	**-**	-	-
(b) Preference	**-**	-	-
(ii) Debentures and Bonds	**-**	-	-
(iii) Units of Mutual Funds	**-**	-	-
(iv) Government Securities	**-**	-	-
(v) Others	**-**	-	-
2 Unquoted:			
(i) Shares:			
(a) Equity	**-**	-	-
(b) Preference	**-**	-	-
(ii) Debentures and Bonds	**-**	-	-
(iii) Units of Mutual Funds	**-**	-	-
(iv) Government Securities	**-**	-	-
(v) Others	**-**	-	-

Long Term Investments :			
(1) Quoted:			
(i) Shares:			
(a) Equity			
(b) Preference	**110**	114	84
(ii) Debentures and Bonds	**-**	-	
(iii) Units of Mutual Funds	**-**	-	
(iv) Government Securities	**-**	-	
(v) Others	**-**	-	
2 Unquoted:			
(i) Shares:			
(a) Equity (Refer Footnote 2)	**482,612**	367,190	370,524
(b) Preference	**316,176**	265,405	179,411
(ii) Debentures and Bonds	**12,406**	12,525	5,898
(iii) Units of Mutual Funds	**260**	220	196
(iv) Government Securities	**-**	-	-
(v) Others (Venture Capital Funds) (Refer Footnote 2)	**17,630**	35,333	39,290

Footnotes

1 The Company has adopted Ind AS w.e.f. April 1, 2018 with transition as at April 1, 2017. The value of all investments as at March 31, 2019 and comparable years is in line with Ind AS.

2 Investments in equity shares of subsidiaries, associates and venture capital units of funds are shown at cost.

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

For 2018-19 (₹ in lakh)

Category	**Amount net of provisions**		
	Secured	**Unsecured**	**Total**
1. Related Parties			
(a) Subsidiaries	-	58,187	58,187
(b) Companies in the same group	-	5	5
(c) Other related parties	-	7	7
(d) Other than related parties	-	609	609
Total	**-**	**58,808**	**58,808**

For 2017-18 (₹ in lakh)

Category	**Amount net of provisions**		
	Secured	**Unsecured**	**Total**
1. Related Parties			
(a) Subsidiaries	-	33,891	33,891
(b) Companies in the same group	-	206	206
(c) Other related parties	-	1	1
(d) Other than related parties	-	3,604	3,604
Total	**-**	**37,702**	**37,702**

For 2016-17 (₹ in lakh)

Category	**Amount net of provisions**		
	Secured	**Unsecured**	**Total**
1. Related Parties			
(a) Subsidiaries	-	61,870	61,870
(b) Companies in the same group	-	198	198
(c) Other related parties	-	62	62
(d) Other than related parties	-	2,716	2,716
Total	**-**	**64,846**	**64,846**

Footnote

1 The Company has adopted Ind AS w.e.f. April 1, 2018 with transition as at April 1, 2017. The Ind AS 24 has replaced the erstwhile IGAAP Accounting Standard 18 on related parties. The breakup of related parties is now in line with Ind AS 24.

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

(₹ in lakh)

Category	As at March 31, 2019		As at March 31, 2018		As at April 01, 2017	
	Market Value / Breakup Value or Fair Value or NAV *	Book Value (Net of Provisions)	Market Value / Breakup Value or Fair Value or NAV *	Book Value (Net of Provisions)	Market Value / Breakup Value or Fair Value or NAV *	Book Value (Net of Provisions)
1. Related Parties						
(a) Subsidiaries	**797,798**	**797,798**	649,295	649,295	561,464	561,464
(b) Companies in the same group	**-**	**-**	-	-	-	-
(c) Other related parties	**28,637**	**28,637**	28,467	28,467	30,987	30,987
(d) Other than related parties	**260**	**260**	220	220	196	196
Total	**826,695**	**826,695**	**677,982**	**677,982**	**592,647**	**592,647**

* Market value / Break-up value / Fair value / NAV of unquoted non-current investments is considered to be same as their book value (net of provisions).

Footnotes

1 The Company has adopted Ind AS w.e.f. April 1, 2018 with transition as at April 1, 2017. The Ind AS 24 has replaced the erstwhile Accounting Standard 18 on related parties. The breakup of related parties is now in line with Indian Accounting Standard 24.

7) **Other Information** (₹ in lakh)

Particulars	**As at March 31, 2019**	**As at March 31, 2018**	**As at April 01, 2017**
	Amount	**Amount**	**Amount**
(i) Gross Non-Performing Assets			
(a) Related Parties	-	-	-
(b) Other than Related Parties	-	-	-
(ii) Net Non-Performing Assets			
(a) Related Parties	-	-	-
(b) Other than Related Parties	-	-	-
(iii) Assets acquired in satisfaction of debt (Refer note 11 (g))	**47**	**47**	**47**

42 The Company has made incremental Stage I and Stage II asset provision of ₹ 63 lakhs being 0.40% of Stage I and Stage II asset as of March 31, 2019, as specified by RBI Master Directions DNBR.PD.003/03.10.119/2016-17 updated as on June 07, 2018.

43 The Company has assessed its obligations arising in the normal course of business, proceedings pending with tax authorities and other contracts including derivative and long term contracts. In accordance with the provisions of Indian Accounting Standard (Ind AS) - 37 on 'Provisions, Contingent Liabilities and Contingent Assets', the Company recognises a provision for material foreseeable losses when it has a present obligation as a result of a past event and it is probable that an outflow of resources will be required to settle the obligation, in respect of which a reliable estimate can be made. In cases where the available information indicates that the loss on the contingency is reasonably possible but the amount of loss cannot be reasonably estimated, a disclosure to this effect is made as contingent liabilities in the financial statements. The Company does not expect the outcome of these proceedings to have a materially adverse effect on its financial results.

In terms of our report attached	For and on behalf of the Board of Directors		
For **B S R & Co. LLP** Chartered Accountants Firm Reg No: 101248W/W- 100022	**Saurabh Agrawal** (Chairman) DIN: 02144558	**Nalin M. Shah** (Director) DIN: 00882723	**Mehernosh B. Kapadia** (Director) DIN: 00046612
Manoj Kumar Vijai Partner Membership No. – 046882	**Varsha Purandare** (Director) DIN : 05288076	**F. N. Subedar** (Director) DIN: 00028428	**Aarthi Subramanian** (Director) DIN: 07121802
Mumbai May 06, 2019	**Rajiv Sabharwal** (Managing Director & CEO) DIN: 00057333	**Avan Doomasia** (Company Secretary)	**Puneet Sharma** (Chief Financial Officer)

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