TATA CAPITAL FINANCIAL SERVICES LIMITED

FINANCIAL STATEMENTS FY 2018-19

Consolidated Financial Statements

INDEPENDENT AUDITOR'S REPORT

To the Members of Tata Capital Financial Services Limited

Report on the Audit of Consolidated Financial Statements

Opinion

We have audited the Consolidated Financial Statements of Tata Capital Financial Services Limited (hereinafter referred to as the 'Holding Company') , 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, the aforesaid Consolidated 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 consolidated state of affairs of the Holding Company 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 Holding Company 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.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the Consolidated Financial Statements of the current period. These matters were addressed in the context of our audit of the Consolidated Financial Statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Key Audit Matters ***(continued)***

<table>
<tr><th>Key audit matter</th><th>How the matter was addressed in our audit</th></tr>
<tr><td colspan="2">Transition date accounting policies</td></tr>
<tr><td colspan="2">Refer to the accounting policies in the Consolidated Financial Statements: Significant Accounting Policies- ‘Statement of Compliance’ and ‘Note 3’ to the Consolidated Financial Statements: ‘Explanation of Transition to Ind AS’</td></tr>
<tr><td>Adoption of new accounting framework (Ind AS)

Effective 1 April 2018, the Holding Company adopted the Indian Accounting Standards (‘Ind AS’) notified by the Ministry of Corporate Affairs with the transition date of 1 April 2017.

The following are the major impact areas for the Holding Company upon transition:

- Classification and measurement of financial assets and financial liabilities
- Measurement of loan losses (expected credit losses)
- Accounting for loan fees and costs
- Accounting for employee stock options

The migration to the new accounting framework (Ind AS) is a complicated process involving multiple decision points upon transition. Ind AS 101, First Time Adoption prescribes choices And exemptions for first time application of Ind AS principles at the transition date.</td><td>Our key audit procedures included:

▪ Evaluated management’s transition date choices and exemptions for compliance/acceptability under Ind AS 101.

▪ Understood the methodology implemented by management to give impact on the transition.

▪ Assessed the accuracy of the computations related to significant Ind AS adjustments

▪ Tested the select system reports with the help of our IT specialists to check the completeness and accuracy of the data and reports used to perform computations for giving effect to Ind AS transition adjustments.

▪ Confirmed the approvals of Audit Committee for the choices and exemptions made by the Company for compliance/acceptability under Ind AS 101.

▪ Assessed areas of significant estimates and management judgment in line with principles under Ind AS.

▪ Assessed the appropriateness of the disclosures made in the Consolidated Financial Statements.</td></tr>
</table>

Key Audit Matters ***(Continued)***

<table>
<tr><td colspan="2">Impairment on financial instruments

Charge: Rs. [45,189 lakh] for year ended 31 March 2019
Provision: Rs. [150,712 lakh] at 31 March 2019</td></tr>
<tr><td colspan="2">Refer to the accounting policies in 'Note 2.ix to the Consolidated Financial Statements: Financial Instruments' and 'Note 2.iv to the Consolidated Financial Statements : Significant Accounting Policies- use of estimates and judgements' and 'Note 31' to the Consolidated Financial Statements : Financial risk review: Credit risk 'Note 31(A)'.</td></tr>
<tr><td>Subjective estimate

Recognition and measurement of impairment of loans involve significant management judgement.

With the applicability of Ind AS 109: Financial Instruments, credit loss assessment is now based on expected credit loss ('ECL') model. The Holding Company's impairment allowance is derived from estimates including the historical default and loss ratios. Management exercises judgement in determining the quantum of loss based on a range of factors.

The most significant areas are:

- Segmentation of loan book
- Loan staging criteria
- Calculation of probability of default / Loss given default
- Consideration of probability weighted scenarios and forward looking macro-economic factors
- Management overlays</td><td>Our audit procedures included:

Design and operating effectiveness of controls

• Evaluated the appropriateness of the impairment principles based on the requirements of Ind AS 109, our business understanding and industry practice.

• We obtained understanding of the management's new / revised processes, systems and controls implemented in relation to impairment allowance process.

• Assessed the design and implementation of key internal financial controls over loan impairment process used to determine the impairment charge.

• We used our internal specialist to test the model methodology and reasonableness of assumptions used.

• We tested the management review controls over measurement of impairment allowances and disclosures in the Consolidated Financial Statements.

Substantives tests

• We focused on appropriate application of accounting principles, validating completeness and accuracy of the data and reasonableness of assumptions used in the model.

• Test of details over calculation of impairment allowance to assess the completeness, accuracy and relevance of data.</td></tr>
</table>

Key Audit Matters ***(Continued)***

<table>
<tr><th>Key audit matter</th><th>How the matter was addressed in our audit</th></tr>
<tr><td>Impairment on financial instruments (continued)

There is a large increase in the data inputs required by the ECL model. This increases the risk of completeness and accuracy of the data that has been used to create assumptions in the model. In some cases, data is unavailable and reasonable alternatives have been applied to allow calculations to be performed.</td><td>• The appropriateness of management's judgments was also independently reconsidered in respect of calculation methodologies, segmentation, economic factors, the period of historical loss rates used and the valuation of recovery assets and collateral.</td></tr>
<tr><td colspan="2">Information technology</td></tr>
<tr><td>IT systems and controls

The Holding Company's key financial accounting and reporting processes are highly dependent on the automated controls in information systems, such that there exists a risk that gaps in the IT control environment could result in the financial accounting and reporting records being materially misstated. From a financial reporting perspective the Holding Company uses and we have tested the financial accounting and reporting system and loan management systems and other tools for it overall financial reporting.

We have focused on user access management, change management, segregation of duties, system reconciliation controls and system application controls over key financial accounting and reporting systems.</td><td>Our audit procedures included the following:

• We tested a sample of key controls operating over the information technology in relation to financial accounting and reporting systems, including system access and system change management, program development and computer operations.

• We tested the design and operating effectiveness of key controls over user access management which includes granting access right, new user creation, removal of user rights and preventative controls designed to enforce segregation of duties.

• For a selected group of key controls over financial and reporting system, we independently performed procedures to determine that these control remained unchanged during the year or were changed following the standard change management process.

• evaluated the design, implementation and operating effectiveness of the significant accounts-related IT automated controls which are relevant to the accuracy of system calculation, and the consistency of data transmission.</td></tr>
</table>

Key Audit Matters ***(Continued)***

Key audit matter	How the matter was addressed in our audit
Information technology (continued)	• Other areas that were independently assessed included password policies, security configurations, system interface controls, controls over changes to applications and databases and that business users, developers and production support did not have access to change applications, the operating system or databases in the production environment. • Obtained report related to information technology audit carried out by the subject matter expert engaged by the management and assessed the impact if any on our audit procedures.

Other Information Auditor's

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 Consolidated Financial Statements and our auditor's 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 terms 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 Holding Company and 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 Holding Company 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

Responsibilities of Management and Those Charged with Governance for the Consolidated Financial Statements *(Continued)*

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 Holding Company 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 Holding Company or to cease operations, or has no realistic alternative but to do so.

The respective Board of Directors of the Holding Company 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 Holding Company has adequate internal financial controls with reference to Consolidated 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.

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements (Continued)

- 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 Holding Company 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 Holding Company 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. We remain solely responsible for our audit opinion. Our responsibilities in this regard are further described in para (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 sub-paragraph (a) of the Other Matter 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.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the Consolidated Financial Statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Other Matters

(a) The Consolidated Financial Statements include the Holding Company's share of net loss (and other comprehensive income) of Rs. 429 lakhs for the year ended 31 March 2019, as considered in the Consolidated Financial Statements, in respect of all three 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 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 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 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 management, these financial statements/financial information are not material to the Holding Company.

(b) The comparative financial information of the Holding Company and its associates for 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 for the year ended 31 March 2017 prepared in accordance with the Companies (Accounting Standards) Rules, 2006 audited by the predecessor auditor whose report dated 28 April 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.

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 the financial statements/financial information certified by management.

Report on Other Legal and Regulatory Requirements

A. As required by Section 143(3) of the Act, based on our audit and based on the consideration 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 Ind AS specified under section 133 of the Act.

Report on Other Legal and Regulatory Requirements ***(Continued)***

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, none of the directors of the Holding Company, 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 and its 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 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 Holding Company and its associates. Refer Note 36 to the Consolidated Financial Statements.

ii. The Holding 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 50 to the financial statements

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

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 Consolidated Financial Statements since they do not pertain to the financial year ended 31 March 2019

Report on Other Legal and Regulatory Requirements ***(Continued)***

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 during the current year by the Holding Company to its directors is in accordance with the provisions of Section 197 of the Act. The remuneration paid to any director by the Holding Company is not in excess of the limit laid down under 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
30 April 2019

Annexure A to the Independent Auditor's report on the Consolidated Financial Statements of Tata Capital Financial Services 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 Tata Capital Financial Services Limited (the hereinafter referred to as the 'Holding 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 the Holding Company and such companies incorporated in India under the Companies Act, 2013 which are its associate companies, as of that date.

In our opinion, the Holding Company, has, 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').

Annexure A to the Independent Auditor’s Report of even date on the Consolidated Financial Statements *(Continued)*

Auditor’s 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 consolidated 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 consolidated 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 consolidated 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 3 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
30 April 2019

TATA CAPITAL FINANCIAL SERVICES LIMITED

CONSOLIDATED BALANCE SHEET AS AT MARCH 31, 2019

(Rs. in lakh)

Particulars	Note	As at March 31, 2019	As at March 31, 2018	As at April 1, 2017
ASSETS				
(1) Financial assets				
(a) Cash and cash equivalents	4	25,163	8,128	7,337
(b) Bank balances other than (a) above	5	36	4,462	3
(c) Derivative financial instruments		-	-	-
(c) Receivables				
(i) Trade receivables	6	3,454	6,675	2,001
(ii) Other receivables		-	-	-
(d) Loans	7	44,62,397	36,98,664	32,28,049
(e) Investments	8	38,159	30,281	26,950
(f) Other financial assets	9	40,045	64,666	53,890
Total financial assets		**45,69,254**	**38,12,876**	**33,18,230**
(2) Non-financial assets				
(a) Current tax assets (net)	10	8,797	6,265	5,818
(b) Deferred tax assets (net)	10	64,324	62,684	70,970
(c) Investment property		-	-	-
(d) Property, plant and equipment	11	91,487	69,000	77,052
(e) Capital work-in-progress		62	101	518
(f) Intangible assets under development		108	39	655
(g) Goodwill		-	-	-
(h) Other intangible assets	11	2,179	2,314	1,109
(i) Other non-financial assets	12	47,743	36,705	26,216
Total non-financial assets		**2,14,700**	**1,77,108**	**1,82,338**
Total Assets		**47,83,954**	**39,89,984**	**35,00,568**
LIABILITIES AND EQUITY				
LIABILITIES				
(1) Financial liabilities				
(a) Derivative financial instruments	30	-	98	-
(b) Payables				
(i) Trade payables				
- Total outstanding dues of micro enterprises and small enterprises		-	-	-
- Total outstanding dues of creditors other than micro enterprises and small enterprises	13	55,910	52,566	44,537
(c) Debt Securities	14	16,09,148	12,32,147	12,69,788
(d) Borrowings (Other than debt securities)	15	20,41,658	17,80,252	13,11,798
(e) Deposits		-	-	-
(f) Subordinated liabilities	16	3,29,760	2,72,040	2,39,777
(g) Other financial liabilities	17	1,48,714	1,65,535	1,48,720
Total financial liabilities		**41,85,190**	**35,02,638**	**30,14,620**
(2) Non-Financial liabilities				
(a) Current tax liabilities (net)	10	13,110	10,114	8,575
(b) Provisions	18	1,52,241	1,58,057	2,00,561
(c) Other non-financial liabilities	19	28,923	23,195	16,822
Total non-financial liabilities		**1,94,274**	**1,91,366**	**2,25,958**
(3) Equity				
(a) Share capital	20	1,37,556	1,29,755	1,29,755
(b) Other equity	21	2,66,934	1,66,225	1,30,235
Total Equity		**4,04,490**	**2,95,980**	**2,59,990**
Total Liabilities and Equity		**47,83,954**	**39,89,984**	**35,00,568**
Summary of significant accounting policies	2			
See accompanying notes forming part of the financial statements	1-50			

In terms of our report of even date

For and on behalf of the Board of Directors

For **B S R & Co. LLP**
Chartered Accountants
Firms Registration No – 101248W/W-100022

Rajiv Sabharwal
(Director)
(DIN No. : 00057333)

F.N. Subedar
(Director)
(DIN No. : 00028428)

Manoj Kumar Vijai
Partner
Membership No: 046882

Mukund S. Dharmadhikari
(Director)
(DIN No. : 05003224)

Anuradha E. Thakur
(Director)
(DIN No. : 06702919)

Varsha Purandare
(Director)
(DIN No.: 05288076)

Place: Mumbai
Date : April 30, 2019

Kusal Roy
(Managing Director)
(DIN No. : 02268654)

Puneet Sharma
(Chief Financial Officer)

Avan Doomasia
(Company Secretary)

TATA CAPITAL FINANCIAL SERVICES LIMITED

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

(Rs. in lakh)

	Particulars	**Note**	**For the year ended March 31, 2019**	**For the year ended March 31, 2018**
I	**Revenue from operations**			
(i)	Interest income	22	4,81,069	3,92,838
(ii)	Dividend income		503	249
(iii)	Rental income		34,200	25,555
(iv)	Fees and commission income		8,602	8,526
(v)	Net gain on fair value changes	23	16,814	-
(vi)	Net gain on derecognition of investment in associates		11,780	-
	Total Revenue from operations		**5,52,968**	**4,27,168**
II	**Other income**	24	5,598	7,644
III	**Total Income (I+II)**		**5,58,566**	**4,34,812**
IV	**Expenses**			
(i)	Finance costs	25	3,12,501	2,34,316
(ii)	Fees and commission expense		-	-
(iii)	Net loss on fair value changes	23	-	1,772
(iv)	Impairment of investment in associates		-	585
(v)	Impairment on financial instruments	27	45,153	18,305
(vi)	Employee benefits expense	26	45,476	40,612
(vii)	Depreciation and amortisation and impairment	11	27,422	23,637
(viii)	Other expenses	28	62,653	47,588
	Total expenses (IV)		**4,93,205**	**3,66,815**
V	**Profit before exceptional items and tax (III-IV)**		**65,361**	**67,997**
VI	**Exceptional Items**		**-**	**-**
VII	**Profit before tax (V-VI)**		**65,361**	**67,997**
VIII	**Tax expense**			
	(1) Current tax		23,390	19,981
	(2) Deferred tax		(1,739)	8,268
	Net tax expense		**21,651**	**28,249**
IX	**Profit for the year from continuing operations (VII-VIII)**		**43,710**	**39,748**
X	Share of profit / (loss) of equity accounted investees (net of tax)		(429)	545
XI	Profit for the year from continuing operations (IX-X)		43,281	40,293
XII	Profit from discontinued operations before tax		-	-
XIII	Tax expense of discontinued operations		-	-
XIV	**Profit from discontinued operations (after tax) (XI-XII)**		**-**	**-**
XV	**Profit for the year (IX+XIII)**		**43,281**	**40,293**
XVI	**Other Comprehensive Income**			
A	**(i) Items that will be reclassified subsequently to statement of profit and loss**			
	(a) Fair value gain on Financial Assets carried at FVTOCI		283	52
	(ii) Income tax relating to items that will be reclassified to profit or loss		(99)	(18)
	(i) Items that will not be reclassified subsequently to statement of profit and loss			
	- Remeasurement of defined employee benefit plans		(548)	74
	- Share of OCI of associates		(253)	264
	(ii) Income tax relating to items that will not be reclassified to profit or loss		191	(26)
	Total Other Comprehensive Income/(Losses)		**(426)**	**346**
XVII	**Total Comprehensive Income for the year (XIV+XV)(Comprising Profit and Other Comprehensive Income for the year)**		**42,855**	**40,639**
XVIII	**Earnings per equity share (for continuing operation):**			
	(1) Basic		**3.74**	**3.52**
	(2) Diluted		**3.74**	**3.52**
XIX	**Earnings per equity share (for discontinuing operation):**			
	(1) Basic		**-**	**-**
	(2) Diluted		**-**	**-**
XX	**Earnings per equity share (for continuing & discontinued operations)**			
	(1) Basic		**3.74**	**3.52**
	(2) Diluted		**3.74**	**3.52**
Summary of significant accounting policies		2		
See accompanying notes forming part of the financial statements		1-50		

In terms of our report of even date

For and on behalf of the Board of Directors

For B S R & Co. LLP
Chartered Accountants
Firms Registration No – 101248W/W-100022

Rajiv Sabharwal
(Director)
(DIN No. : 00057333)

F.N. Subedar
(Director)
(DIN No. : 00028428)

Manoj Kumar Vijai
Partner
Membership No: 046882

Mukund S. Dharmadhikari
(Director)
(DIN No. : 05003224)

Anuradha E. Thakur
(Director)
(DIN No. : 06702919)

Varsha Purandare
(Director)
(DIN No. : 05288076)

Place: Mumbai
Date : April 30, 2019

Kusal Roy
(Managing Director)
(DIN No. : 02268654)

Puneet Sharma
(Chief Financial Officer)

Avan Doomasia
(Company Secretary)

TATA CAPITAL FINANCIAL SERVICES LIMITED

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

a. Equity share capital

Particulars	Note	Rs. in Lakh
Balance as at April 1, 2017		**1,29,755**
Changes in equity share capital during the year	20	-
Balance at March 31, 2018		**1,29,755**
Changes in equity share capital during the year	20	7,801
Balance at March 31, 2019		**1,37,556**

b. Other equity

(Rs. in lakh)

Particulars	Equity component of compound financial instruments	Reserves and surplus				Debt instruments through Other Comprehensive Income	Share options outstanding account	Remeasurement of defined benefit liability /asset	Fair value gain / (loss) on Financial Assets carried at FVTOCI	Share of OCI of Associates	General Reserve	**Total equity**
		Securities premium	Debenture Redemption Reserve	Special Reserve Account	Retained earnings							
Balance at April 1, 2017	-	88,942	30,000	25,750	(14,457)	-	-	-	-	-	-	**1,30,235**
Profit for the year	-	-	-	-	40,293	-	-	-	-	-	-	**40,293**
Other comprehensive income for the period, net of income tax	-	-	-	-	-	-	-	48	34	264	-	**346**
Total comprehensive income for the period	**-**	**88,942**	**30,000**	**25,750**	**25,836**	**-**	**-**	**48**	**34**	**264**	**-**	**1,70,874**
Interim Dividend on equity shares (including tax on dividend)	-	-	-	-	(5,466)	-	-	-	-	-	-	**(5,466)**
Transfer to stock reserve - equity settled options	-	-	-	-	-	-	655	-	-	-	162	**817**
Transfer to Special Reserve Account	-	-	-	9,651	(9,651)	-	-	-	-	-	-	-
Balance at March 31, 2018	**-**	**88,942**	**30,000**	**35,401**	**10,719**	**-**	**655**	**48**	**34**	**264**	**162**	**1,66,225**
Profit for the period	-	-	-	-	43,281	-	-	-	-	-	-	**43,281**
Other comprehensive income for the period, net of income tax	-	-	-	-	-	-		(357)	184	-253		**(426)**
Total comprehensive income for the period	**-**	**-**	**-**	**-**	**43,281**	**-**	**-**	**(357)**	**184**	**- 253**	**-**	**42,855**
Interim Dividend on equity shares (including tax on dividend)	-	-	-	-	-	-	-	-	-	-	-	**-**
Transfer to stock reserve - equity settled options	-	-	-	-	-	-	(119)	-	-	-	267	**148**
Premium on issue of Equity Shares	-	57,799	-	-	-	-	-	-	-	-	-	**57,799**
Share issue expenses		(93)										**(93)**
Transfer to Special Reserve Account	-	-	-	11,495	(11,495)	-	-	-	-	-	-	**-**
Balance at March 31, 2019	**-**	**1,46,648**	**30,000**	**46,896**	**42,505**	**-**	**536**	**(309)**	**218**	**11**	**429**	**2,66,934**

See accompanying notes forming part of the financial statements

In terms of our report of even date

For and on behalf of the Board of Directors

For B S R & Co. LLP
Chartered Accountants
Firms Registration No – 101248W/W-100022

Rajiv Sabharwal
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Partner
Membership No: 046882

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(Director)
(DIN No. : 06702919)

Varsha Purandare
(Director)
(DIN No.: 05288076)

Place: Mumbai
Date : April 30, 2019

Kusal Roy
(Director)
(DIN No. : 02268654)

Puneet Sharma
(Chief Financial Officer)

Avan Doomasia
(Company Secretary)

TATA CAPITAL FINANCIAL SERVICES LIMITED

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

(Rs. 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		65,361	67,997
Adjustments for :			
Depreciation and amortisation		27,422	23,637
Net gain/(loss) on derecognition of property, plant and equipment		(198)	(1,059)
Interest expenses		2,58,332	1,91,667
Discounting charges on commercial paper		53,675	42,201
Discounting charges on debentures		494	448
Interest income		(4,81,069)	(3,92,838)
Dividend Income		(503)	(249)
Net gain on fair value changes			
- Realised		(9,087)	601
- Unrealised		(7,727)	1,171
Net gain on derecognition of investment in Associates		(11,780)	-
Impairment of investment in Associates		-	585
Share based payments- Equity-settled		148	817
Provision for leave encashment		316	79
Contingent provision against Standard Assets		8,923	7,393
Provision against Restructured Advances		(325)	(1,448)
Provision for doubtful loans (net)		36,591	12,100
Provision against trade receivables		(36)	260
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		(58,016)	(45,233)
Adjustments for :			
Increase in trade receivables		3,257	(4,934)
(Increase) / Decrease in Loans		(7,90,372)	(5,24,100)
(Increase) / Decrease in other financial/non financial assets		2,092	(36,930)
(Increase) / Decrease in other financial/ non financial liabilities		467	58,310
Cash used in operations before adjustments for interest received, interest paid and dividend received		(8,42,572)	(5,52,886)
Interest paid		(2,89,637)	(2,31,554)
Interest received		4,57,714	3,89,035
Dividend received		503	249
Cash used in operations		(6,73,992)	(3,95,156)
Taxes paid		(22,735)	(18,889)
NET CASH USED IN OPERATING ACTIVITIES		**(6,96,727)**	**(4,14,045)**
2 CASH FLOW FROM INVESTING ACTIVITIES			
Purchase of property, plant and equipment (including capital advances)		(55,763)	(30,837)
Proceeds from sale of property, plant and equipment		1,739	7,304
Purchase of investments		(3,911)	(4,334)
Purchase of mutual fund units		(2,52,63,615)	(3,89,500)
Proceeds from redemption of mutual fund units		2,52,70,958	3,89,572
Proceeds from sale of investments		16,602	404
Fixed deposits - matured / (placed)		4,400	(4,459)
NET CASH (USED IN) / FROM INVESTING ACTIVITIES		**(29,590)**	**(31,850)**
3 CASH FLOW FROM FINANCING ACTIVITIES			
Issue of Compulsory Convertible Cumulative Preference share capital		1,02,500	57,500
Collection of Loan given to "TCL Employees Welfare Trust"		1,016	-
Share issue expenses		(93)	
Debenture issue / loan processing expenses		(6,478)	(539)
Interim dividend paid on equity and preference shares (including dividend distribution tax)		(14,154)	(15,968)
Proceeds from borrowings (Other than debt securities)		54,53,127	23,27,530
Proceeds from Debt Securities and Subordinated liabilities		9,32,340	7,19,462
Repayment of Borrowings (Other than debt securities)		(52,31,597)	(19,15,932)
Repayment of Debt Securities and Subordinated liabilities		(4,93,308)	(7,25,368)
NET CASH FROM FINANCING ACTIVITIES		**7,43,353**	**4,46,685**

Particulars	Note No.	For the year ended March 31, 2019	For the year ended March 31, 2018
NET INCREASE IN CASH AND CASH EQUIVALENTS		**17,036**	**791**
CASH AND CASH EQUIVALENTS AS AT THE BEGINNING OF THE YEAR		**8,075**	**7,284**
CASH AND CASH EQUIVALENTS AS AT THE END OF THE YEAR		**25,111**	**8,075**
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		**25,111**	**8,075**
Add : Restricted Cash [Refer note 4 (ii)]		**52**	**53**
Add: Fixed deposits with original maturity over 3 months		**36**	**4,462**
CASH AND CASH EQUIVALENTS AND OTHER BANK BALANCES AS AT THE END OF THE YEAR [REFER NOTE 4 & 5]		**25,199**	**12,590**
Summary of significant accounting policies	2		
See accompanying notes forming part of the financial statements	1-50		

In terms of our report of even date

For and on behalf of the Board of Directors

For **B S R & Co. LLP**
Chartered Accountants
Firms Registration No – 101248W/W-100022

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(Director)
(DIN No. : 05003224)

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Varsha Purandare
(Director)
(DIN No.: 05288076)

Kusal Roy
(Managing Director)
(DIN No. : 02268654)

Place: Mumbai
Date : April 30, 2019

Puneet Sharma
(Chief Financial Officer)

Avan Doomasia
(Company Secretary)

TATA CAPITAL FINANCIAL SERVICES LIMITED

Notes forming part of the Consolidated Financial Statements

1. CORPORATE INFORMATION

Tata Capital Financial Services Limited (the "Company") is a wholly owned subsidiary of Tata Capital Limited and a Systemically Important Non Deposit Accepting Non-Banking Finance Company (“NBFC”), holding a Certificate of Registration from the Reserve Bank of India (“RBI”) dated November 4, 2011.

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), which was the 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 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 Lakh-.

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 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 is determined considering following 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 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.

iv. Principles of Consolidation

The consolidated financial statements relate to Tata Capital Financial Services Limited (the "Company") and the Company's share of profit / loss in its associates. The consolidated financial statements have been prepared on the following basis:

a) The financial statements of associate used in the consolidation are drawn upto the same reporting date as that of the Company i.e., March 31, 2019 or upto the date on which it ceased to be an associate of the Company whichever is earlier.

b) The consolidated financial statements include the share of profit/ (loss) of associate company, which have been accounted for using the equity method as per Ind AS 28 (Investment in Associates). Accordingly, the share of profit/ (loss) of the associate company (the loss being restricted to the cost of the investment) has been added/deducted to the costs of investments.

c) 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.

v. 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 consolidated 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 uncertainities

Information about assumptions and estimation uncertainties that have a significant risk of resulting in a material adjustment in the year ending March 31, 2109 is included in the following notes:

- Note ix – 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 ECL.
- Note 29 – determination of the fair value of financial instruments with significant unobservable inputs.
- Note xii – measurement of defined benefit obligations: key actuarial assumptions.
- Note xviii – recognition of deferred tax assets: availability of future taxable profit against which carry forward deferred tax asset can be set off.
- Notes xx– recognition and measurement of provisions and contingencies: key assumptions about the likelihood and magnitude of an outflow of resources.
- Note ix – impairment of financial instruments: key assumptions used in estimating recoverable cash flows.
- Note x- impairment test of non-financial assets: key assumption underlying recoverable amounts.
- Note x - useful life of property, plant, equipment and intangibles.

vi. Interest

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.

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.

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

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 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.

viii. Dividend income

Income from dividend on investment in equity shares of corporate bodies and units of mutual funds is accounted when the Company's right to receive dividend 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 Company's balance sheet on settlement date when the Company becomes a party to the contractual provisions of the instrument.

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 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

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 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 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 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 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 FVOCI. 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 the gain/loss realised is recorded in the profit and loss statement 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 amortized cost or FVOCI, is classified as at FVTPL. In addition, the Company may elect to classify a financial asset, which otherwise meets amortized cost or FVOCI 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.

Investment in associates:

The Company has elected to measure Investment in associates at cost.

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.

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 for the 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.

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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 Reserve Bank of India 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.

In line with the above policy, the Company has thus fully provided for/ written off the entire receivables in the current financial year

as per table below:

Product	Overdue criteria
Loan against property	15 months and above
Construction equipment, auto, commercial	10 months and above

vehicles, two wheeler and personal loan	
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.

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 income statement.

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
Financial assets measured at FVTOCI	
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”.

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 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.

Compound instruments

The component parts of compound instruments (e.g. cumulative compulsorily convertible preference shares CCCPS) issued by the Company 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 profit or loss upon conversion or expiration of the conversion option.

A 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 is 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 Company uses derivative financial instrument such as foreign currency forward cover contract to mitigate foreign exchange rate risk. 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 profit or 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 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 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 Company 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 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**
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. Reclassification to 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 Company reviews the carrying amounts of its PPE, investment property and intangible asset 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, but so 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 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 profit or 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 Company has a policy to make impairment provision at one third of the value of the Asset for each year upon completion of three years upto the end of five years.

xiii.Employee Benefits

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

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

Share based payment transaction

The stock options of the Parent Company is 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 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 a free reserve in nature.

xiv.Securities premium account

The Company records premium on account of

1. On issuance of new equity shares;

2. On conversion of CCCPS into equity shares

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 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.

xvi. Operating Segments

The Company’s main business is financing by way of loans for retail and corporate borrowers in India. The Company’s operating segments consist of "Financing Activity", " Investment Activity" and "Others". All other activities of the Company revolve around the main businesses. This 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 all operating segment's operating results 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 "Financing Activity" segment consists of asset financing, term loans (corporate and retail), 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, 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 Company has elected to measure investment in associate at cost plus profit pick up.

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 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

xix. Taxation

Income Tax

Income tax expense comprises current and deferred taxes. Income tax expense is recognized in the Statement of Profit and Loss except when they relate to items that are recognized outside profit or loss (whether in other comprehensive income or directly in equity), in which case tax is also recognized outside profit or loss.

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 law) 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. Such deferred tax assets and liabilities are computed separately for each taxable entity. Deferred tax assets are recognized 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 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 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 Company intends to settle its current tax assets and liabilities on a net basis.

xix. 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.

xx. 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

xxi. 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

xxii. 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.

xxiii. 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.

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

The Company has adopted Indian Accounting Standards (Ind AS) as notified by the Ministry of Corporate Affairs with effect from 1st April, 2018, with a transition date of 1st April, 2017. The financial statements for the year ended **March 31, 2019** are the first financial statements, the Company has prepared under Ind AS. For all periods up to and including the year ended 31st March, 2018, the Company prepared its financial statements 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 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

These 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 Company 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 Company 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 Company in restating its IGAAP financial statements, including the balance sheet as at April 1, 2017 and the financial statements as at and for the year ended March 31, 2018 and how the transition from IGAAP to Ind AS has affected the Company's financial position, financial performance.

Exemptions from retrospective application:

The Company has applied the following exemptions:

(a) Investments in associates

The Company has elected to adopt the carrying value under IGAAP as on the date of transition i.e. April 1, 2017, measured investment in associate at cost plus profit pick up.

Reconciliations between IGAAP and Ind AS

(i) Equity reconciliation **(Rs. in lakh)**

	Particulars	As at March 31, 2018	As at April 1, 2017
	Equity as reported under IGAAP	4,96,948	4,06,949
	Adjusted for reduction:		
a	Reclassification of Cumulative Compulsorily Convertible Preference shares (CCCPS) to Borrowings	(1,52,000)	(94,500)
b	Dividend accrued on CCCPS and dividend distribution tax thereon	(81)	-
c	Impairment allowance on Financial Instruments measured at Amortised cost and trade receivables	(51,083)	(62,106)
d	Impact of EIR method on Financial Instruments measured at Amortised cost	(21,716)	(17,346)
e	Impact of EIR method on other financial assets measured at amortised cost	35	-
f	Net fair value loss on Investment at FVTPL	(1,296)	(494)
g	Fair value gain on Financial Assets carried at FVTOCI	34	-
	Adjusted for addition:		
a	Net Deferred tax asset on above adjustments	25,140	27,487
	Equity under Ind AS	**2,95,980**	**2,59,990**

(ii) Total Comprehensive income reconciliation **(Rs. in lakh)**

Particulars	As at March 31, 2018
Net profit as reported under IGAAP	48,259
Add /(Less) :	
Impairment allowance on Financial Instruments measured at Amortised cost and FVTOCI	11,023
Impact of EIR method on Financial Instruments measured at Amortised cost and FVTOCI	(4,370)
Impact of EIR method on other financial assets measured at amortised cost	35
Dividend accrued on CCCPS and dividend distribution tax thereon	(10,643)
Net Fair value gain/(loss) on Investment measured at FVTPL	(802)
Amortisation of Option cost for Equity settled ESOP's	(817)
Remeasurement of the defined benefit obligation	(74)
Share of profit / (loss) of equity accounted investees	268
Income tax relating to remeasurement of the defined benefit obligation	26
Net Deferred tax charged on above adjustments	(2,347)
Net profit under Ind AS	**40,557**
Other comprehensive income (OCI)	-
Remeasurement of the defined benefit obligation	74
Income tax relating to remeasurement of defined benefit obligation	(26)
Fair value gain / (loss) on Financial Assets carried at FVTOCI	52
Income tax relating to fair value gain/(loss) on Financial Assets carried at FVTOCI	(18)
Total Comprehensive income under Ind AS	**40,639**

(iii) Reconciliation of Statement of Cash Flow

There are no material adjustments to the Statements of Cash Flows as reported under the Previous GAAP.

Exemptions from retrospective application:

For transition to Ind AS, the Company 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.

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

(Rs. in lakh)

Particulars	Note	Amount as per IGAAP	Reclassification	Measurement	Amount as per Ind AS
ASSETS					
(1) Financial assets					
(a) Cash and cash equivalents	4	8,128	-	-	8,128
(b) Bank balances other than (a) above	5	4,462	-	-	4,462
(c) Derivative financial instruments		-	-	-	-
(d) Receivables		-	-	-	-
(i) Trade receivables	6	6,753	-	(78)	6,675
(ii) Other receivables		-	-	-	-
(e) Loans	7	36,91,324	7,302	38	36,98,664
(f) Investments	8	31,310	-	(1,029)	30,281
(g) Other financial assets	9	28,590	36,117	(41)	64,666
Total financial assets		**37,70,566**	**43,419.00**	**(1,109)**	**38,12,876**
(2) Non-financial assets					
(a) Current tax assets (net)	10	6,265	-	-	6,265
(b) Deferred tax assets (Net)	10	37,568	-	25,116	62,684
(c) Investment Property		-	-	-	-
(d) Property, plant and equipment	11	69,000	-	-	69,000
(e) Capital work-in-progress	11	101	-	-	101
(f) Intangible assets under development	11	39	-	-	39
(f) Goodwill		-	-	-	-
(c) Other intangible assets	11	2,314	-	-	2,314
(i) Other non-financial assets	12	41,422	-	(4,717)	36,705
Total non-financial assets		**1,56,709**	**-**	**20,399**	**1,77,108**
Total Assets		**39,27,275**	**43,419**	**19,290**	**39,89,984**
LIABILITIES AND EQUITY					
LIABILITIES					
(1) Financial liabilities					
(a) Derivative financial instruments		(0)	98	0	98
(b) Payables		-	-	-	-
(i) Trade payables		-	-	-	-
- Total outstanding dues of micro enterprises and small enterprises		-	-	-	-
- Total outstanding dues of creditors other than micro enterprises and small enterprises	13	52,664	(98)	(0)	52,566
(c) Debt Securities	14	12,32,147	-	-	12,32,147
(d) Borrowings (Other than debt securities)	15	16,28,252	1,52,000	-	17,80,252
(e) Deposits		-	-	-	-
(f) Subordinated liabilities	16	2,72,040	-	-	2,72,040
(g) Other financial liabilities	17	1,22,035	43,419	81	1,65,535
Total financial liabilities		**33,07,138**	**1,95,419**	**81**	**35,02,638**
(2) Non-Financial liabilities					
(a) Current tax liabilities (Net)	10	10,114	-	-	10,114
(b) Provisions	18	1,07,065	-	50,992	1,58,057
(c) Other non-financial liabilities	19	6,276	-	16,919	23,195
Total non-financial liabilities		**1,23,456**	**-**	**67,910**	**1,91,366**
(3) Equity					
(a) Share capital	20	2,81,755	(1,52,000)	-	1,29,755
(b) Other equity	21	2,14,927	-	(48,701)	1,66,225
Total equity		**4,96,682**	**(1,52,000)**	**(48,701)**	**2,95,980**
Total Liabilities and Equity		**39,27,275**	**43,419**	**19,290**	**39,89,984**

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

(Rs. in lakh)

Particulars	Note	Amount as per IGAAP	Reclassification	Measurement	Amount as per Ind AS
ASSETS					
(1) Financial assets					
(a) Cash and cash equivalents	4	7,337	-	-	7,337
(b) Bank balances other than (a) above	5	3	-	-	3
(c) Derivative financial instruments		-	-	-	-
(d) Receivables		-	-	-	-
(i) Trade receivables	6	2,049	-	(48)	2,001
(ii) Other receivables		-	-	-	-
(e) Loans	7	32,20,747	7,302	-	32,28,049
(f) Investments	8	27,444	-	(494)	26,950
(g) Other financial assets	9	34,075	21,069	(1,254)	53,890
Total financial assets		**32,91,654**	**28,371.00**	**(1,795)**	**33,18,230**
(2) Non-financial assets					
(a) Current tax assets (net)	10	5,818	-	-	5,818
(b) Deferred tax assets (Net)	10	43,483	-	27,487	70,970
(c) Investment Property		-	-	-	-
(d) Property, plant and equipment	11	77,052	-	-	77,052
(e) Capital work-in-progress	11	518	-	-	518
(f) Intangible assets under development	11	655	-	-	655
(f) Goodwill		-	-	-	-
(c) Other intangible assets	11	1,109	-	-	1,109
(i) Other non-financial assets	12	28,712	-	(2,496)	26,216
Total non-financial assets		**1,57,347**	**-**	**24,991**	**1,82,338**
Total Assets		**34,49,001**	**28,371**	**23,196**	**35,00,568**
LIABILITIES AND EQUITY					
LIABILITIES					
(1) Financial liabilities					
(a) Derivative financial instruments		-	-	-	-
(b) Payables		-	-	-	-
(i) Trade payables		-	-	-	-
- Total outstanding dues of micro enterprises and small enterprises		-	-	-	-
- Total outstanding dues of creditors other than micro enterprises and small enterprises	13	44,537	-	-	44,537
(c) Debt Securities	14	12,69,788	-	-	12,69,788
(d) Borrowings (Other than debt securities)	15	12,17,298	94,500	-	13,11,798
(e) Deposits		-	-	-	-
(f) Subordinated liabilities	16	2,39,777	-	-	2,39,777
(g) Other financial liabilities	17	1,20,349	28,371	0	1,48,720
Total financial liabilities		**28,91,749**	**1,22,871**	**0**	**30,14,620**
(2) Non-Financial liabilities					
(a) Current tax liabilities (Net)	10	8,575	-	-	8,575
(b) Provisions	18	1,38,503	-	62,058	2,00,561
(c) Other non-financial liabilities	19	3,226	-	13,596	16,822
Total non-financial liabilities		**1,50,304**	**-**	**75,654**	**2,25,958**
(3) Equity					
(a) Share capital	20	2,24,255	(94,500)	-	1,29,755
(b) Other equity	21	1,82,694	-	(52,459)	1,30,235
Total equity		**4,06,949**	**(94,500)**	**(52,459)**	**2,59,990**
Total Liabilities and Equity		**34,49,001**	**28,371**	**23,196**	**35,00,568**

E. Reconciliation of profit or loss for the year ended March 31, 2018

	Particulars	Amount as per IGAAP	Reclassification	Measurement	Amount as per Ind AS
I	**Revenue from operations**				
(i)	Interest income	3,97,058		(4,220)	3,92,838
(ii)	Dividend income	249		-	249
(iii)	Rental income	25,555		-	25,555
(iv)	Fees and commission income	8,526		-	8,526
(v)	Net gain on fair value changes	802		(802)	-
(vi)	Net gain on derecognition of financial instruments under amortised cost category	541		(541)	-
(vii)	Sale of services	-		-	-
	Total Revenue from operations	**4,32,731**	**-**	**(5,563)**	**4,27,168**
II	**Other income**	7,644		-	7,644
III	**Total Income (I+II)**	**4,40,375**	**-**	**(5,563)**	**4,34,812**
IV	**Expenses**				
	Finance costs	2,23,673		10,643	2,34,316
	Fees and commission expense	-		-	-
	Net loss on fair value changes	1,772		-	1,772
	Net loss on derecognition of financial instruments under amortised cost category	585		-	585
	Impairment on financial instruments	29,328		(11,023)	18,305
	Employee benefits expense	39,721	74	817	40,612
	Depreciation and amortisation and impairment	23,637		-	23,637
	Other expenses	47,473		115	47,588
	Total expenses (IV)	**3,66,188**	**74**	**553**	**3,66,815**
V	**Profit/(loss) before exeptional items and tax (III-IV)**	**74,187**	**(74)**	**(6,116)**	**67,997**
VI	**Exceptional Items**	-		-	-
VII	**Profit/(loss) before tax (V-VI)**	**74,187**	**(74)**	**(6,116)**	**67,997**
VIII	Tax expense				
	(1) Current tax	20,007	(26)	-	19,981
	(2) Deferred tax	5,921		2,347	8,268
	Net tax expense	**25,928**	**(26)**	**2,347**	**28,249**
IX	**Profit before the period from continuing operations (VII-VIII)**	**48,259**	**(48)**	**(8,463)**	**39,748**
X	Share of profit / (loss) of equity accounted investees (net of tax)	-		545	545
X	Profit from discontinued operations before tax	-		-	-
XI	Tax expense of discontinued operations	-		-	-
XII	**Profit from discontinued operations (after tax) (X-XI)**	**-**		**-**	**-**
XIII	**Profit for the period (IX+XII)**	**48,259**	**(48)**	**(7,918)**	**40,293**
XIV	**Other Comprehensive Income**				
A	**(i) Items that will be reclassified subsequently to statement of profit and loss**				
	- Net changes in fair values of investment other than equity shares carried at fair value	-		**52**	52
	(ii) Income tax relating to items that will be reclassified to profit or loss	-		**(18)**	(18)
	(i) Items that will not be reclassified subsequently to statement of profit and loss	-			-
	- Remeasurement of defined employee benefit plans (net of tax)	-	74	-	74
	- Share of OCI of Associates	-		264	264
	(ii) Income tax relating to items that will not be reclassified to profit or loss	-	(26)	-	(26)
	Total Other Comprehensive Income/(Loss)	**-**	**48**	**298**	**346**
XV	**Total Comprehensive Income for the period (XIII+XIV)(Comprising Profit/(Loss) and Other Comprehensive Income/(loss) for the period)**	**48,259**	**-**	**(7,620)**	**40,639**

4. CASH AND CASH EQUIVALENTS

(Rs. in lakh)

PARTICULARS	As at March 31, 2019	As at March 31, 2018	As at April 1, 2017
(a) Cash on hand	59	102	573
(b) Balances with banks in current accounts	24,824	6,812	5,187
(c) Cheques on hand	280	1,214	1,577
Total	**25,163**	**8,128**	**7,337**

Note:

(i) Of the above, the balances that meet the definition of Cash and Cash Equivalents as per Ind AS 7 Cash Flow Statements is Rs. 25,111 lakh (March 31, 2018 : Rs. 8,075 lakh and April 1, 2017 : Rs. 7,284 lakh)

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

5. OTHER BALANCES WITH BANKS

(Rs. 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 note below)	36	4,462	3
Total	**36**	**4,462**	**3**

Note:

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

6. TRADE RECEIVABLES

(Rs. in lakh)

PARTICULARS	As at March 31, 2019	As at March 31, 2018	As at April 1, 2017
(i) Receivables considered good - secured	-	-	-
(ii) Receivables considered good - unsecured	3,480	6,753	2,049
(iii) Receivables which have significant increase in credit risk - unsecured	-	-	-
(iv) Receivables - credit impaired - unsecured	246	230	-
	3,726	6,983	2,049
Less: Allowance for impairment loss	-	-	-
(i) siginificant increase in credit risk	26	78	48
(ii) credit impaired	246	230	-
Total	**3,454**	**6,675**	**2,001**

Trade receivables include amounts due from the related parties Rs. 174 lakh (March 31, 2018: Rs. 697 lakh and April 01, 2017 : Rs. 143 lakh)

7. LOANS

(Rs. in lakh)

PARTICULARS	As at March 31, 2019	As at March 31, 2018	As at April 1, 2017
LOANS			
(A)			
- Amortised Cost			
(i) Bills purchased and bills discounted	32,612	52,394	40,969
(ii) Loans repayable on demand	-	-	-
(iii) Term loans	41,82,619	34,60,619	30,34,771
(iv) Credit substitutes (refer note 7(a) below)	1,60,381	1,16,771	94,846
(v) Finance lease and hire purchase	51,874	43,438	31,843
(vi) Factoring	-	-	-
(vii) Retained portion of assigned loans	3,420	5,567	7,018
(viii) Inter - Company Deposits	4,125	9,300	11,300
(ix) Loan to TCL employee welfare trust	6,286	7,302	7,302
- At Fair Value through Other Comprehensive Income			
- Term loans	21,080	3,273	-
Total (A) - Gross	**44,62,397**	**36,98,664**	**32,28,049**
(B)			
(i) Secured by tangible assets	25,39,692	21,89,139	19,81,463
(ii) Secured by intangible assets	-	-	1,102
(iii) Covered by bank / government guarantees	-	-	-
(iv) Unsecured	19,22,705	15,09,525	12,45,484
Total (B) - Gross	**44,62,397**	**36,98,664**	**32,28,049**
(C)			
(I) Loans in India			
(i) Public sector	2,081	6,136	4,593
(ii) Others	44,60,316	36,92,528	32,23,456
Total - Loans in India	**44,62,397**	**36,98,664**	**32,28,049**
(II) Loans outside India			
(i) Public sector	-	-	-
(ii) Others	-	-	-
Total - Loans outside India	-	-	-
Total (C)	**44,62,397**	**36,98,664**	**32,28,049**

7. a. Investments in bonds, debentures and other financial instruments which, in substance, form a part of the Company's financing activities ("Credit Substitutes") have been classified under Loans . In the past these were classified as a part of Investments. Management believes that the classification results in a better presentation of the substance of these investments and is in alignment with regulatory filings.

7. b. **The details of Gross investments and unearned finance income in respect of assets given under finance lease are as under:**

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.

7. c. **Break up of Loans as under:**

(Rs. 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	23,74,443	20,00,015	17,48,821
(ii) Unsecured	18,61,083	14,32,200	11,70,182
(iii) Significant Increase in Credit Risk	1,17,603	1,44,080	1,25,540
(iv) Impaired Asset	1,09,268	1,22,368	1,83,505
Gross Carrying value of Loans	**44,62,397**	**36,98,664**	**32,28,049**

8. INVESTMENTS

(Rs. in lakh)

PARTICULARS	As at March 31, 2019	As at March 31, 2018	As at April 1, 2017
Investments in India			
(A) Investments carried at fair value through profit or loss			
Fully paid equity shares (quoted)	24,029	16,028	11,565
Fully paid equity shares (unquoted)	3,503	3,723	762
Investment in preference shares	3,500	-	-
Mutual and other funds (quoted)	53	50	51
Mutual and other funds (unquoted)	1,272	1,075	1,007
Security receipts	126	600	1,130
	32,483	**21,476**	**14,515**
(B) Investments carried at cost			
Associates companies			
Fully paid equity shares (unquoted)	6,261	9,390	12,435
Net Carrying value of investments	**5,676**	**8,805**	**12,435**
Total Investments	**38,159**	**30,281**	**26,950**

The market value of quoted investment is equal to the book value.

Note : There are no investments outside India.

9. OTHER FINANCIAL ASSETS

(Rs. in lakh)

PARTICULARS	As at March 31, 2019	As at March 31, 2018	As at April 1, 2017
(a) Security deposits	6,912	8,085	5,776
(b) Advances recoverable in cash or kind from related parties	595	597	802
(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	6,433	3,494	2,245
(f) Advances to employees	563	686	103
(g) Receivable under letter of credit/buyer's credit facility	14,617	43,419	28,371
(h) Other receivables	326	466	344
Total	**40,045**	**64,666**	**53,890**

10. INCOME TAXES

A The income tax expense consist of the following:

(Rs. 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	23,390	19,981
Current tax expense / (benefit) pertaining to prior years	-	-
	23,390	**19,981**
Deferred tax benefit		
Origination and reversal of temporary differences	(1,131)	8,268
Change in tax rates	(609)	-
	(1,739)	**8,268**
Total income tax expense recognised in the year	**21,651**	**28,249**

The reconciliation of estimated income tax expense at statutory income tax rate income tax expense reported in

(Rs. in lakh)

Particulars	For the year ended March 31, 2019	For the year ended March 31, 2018
Profit before income taxes	65,361	68,538
Indian statutory income tax rate	34.944%	34.608%
Expected income tax expense	22,840	23,719
Tax effect of adjustments to reconcile expected income tax expense to		
Income exempt from tax	(270)	(138)
Non deductible expenses	2,696	4,617
Tax on income at different rates	(3,007)	51
Change in tax rates	(609)	0
Total income tax expense	**21,651**	**28,249**

Note:

The Company's reconciliation of the effective tax rate is based on its domestic tax rate applicable to respective financial years.

10(i) INCOME TAXES

B. Amounts recognised in OCI

(Rs. in lakh)	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)	(548)	191	(357)	74	(26)	48
Items that are or may be reclassified subsequently to profit or loss						
Net amount transferred to profit or loss	283	(99)	184	52	(18)	34
	(265)	93	(172)	126	(44)	82

10(ii). DEFERRED TAX ASSET

The major components of deferred tax assets and liabilities for the year ended March 31, 2019 are as follows:

(Rs. in lakh)

Particulars	Opening Balance	Recognised / reversed through profit and loss	Recognised in OCI	Closing Balance
Deferred Tax Assets :-				
(a) Impairment loss allowance - Stage III	35,861	(4,988)	-	30,872
(b) Impairment loss allowance - Stage I & II	17,151	3,285	(29)	20,406
(d) Employee benefits	330	114	-	444
(e) Deferred income	7,515	2,296	(82)	9,728
(f) Other deferred tax assets	2,150	593	-	2,743
Deferred Tax Liabilities :-				
(a) Debenture issue expenses	(478)	(1,672)	-	(2,150)
(b) Depreciation on property, plant, equipment & intangibles	228	2,582	-	2,810
(c) Investments measured at fair value	(60)	(470)	-	(530)
(d) Loans measured at FVTOCI	(13)	(0)	13	(0)
Net Deferred Tax Asset	**62,684**	**1,738**	**(99)**	**64,324**

The major components of deferred tax assets and liabilities for the year ended March 31, 2018 are as follows:

(Rs. in lakh)

Particulars	Opening Balance	Recognised / reversed through profit and loss	Recognised in OCI	Closing Balance
Deferred Tax Assets :-				
(a) Impairment loss allowance - Stage III	51,842	(15,981)	-	35,861
(b) Impairment loss allowance - Stage I & II	14,599	2,557	(5)	17,151
(c) Employee benefits	303	27	-	330
(d) Deferred income	6,003	1,512	-	7,515
(e) Other deferred tax assets	1,168	982	-	2,150
Deferred Tax Liabilities :-				
(a) Debenture issue expenses	(518)	40	-	(478)
(b) Depreciation on property, plant, equipment & intangibles	(2,417)	2,645	-	228
(c) Investments measured at fair value	(10)	(50)	-	(60)
(d) Loans measured at FVTOCI	-	-	(13)	(13)
Net Deferred Tax Asset	**70,970**	**(8,268)**	**(18)**	**62,684**

Gross deferred tax assets and liabilities are as follows:

(Rs. 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	30,872	35,861	51,842
(b) Impairment loss allowance - Stage I & II	20,406	17,151	14,599
(d) Employee benefits	444	330	303
(e) Deferred income	9,728	7,515	6,003
(f) Other deferred tax assets	2,743	2,150	1,168
Deferred Tax Liabilities :-			
(a) Debenture issue expenses	(2,150)	(478)	(518)
(b) Depreciation on property, plant & equipment	2,810	228	(2,417)
(c) Fair value of investments	(530)	(60)	(10)
(d) Loans measured at FVTOCI	(0)	(13)	-
Net Deferred Tax Asset	**64,324**	**62,684**	**70,970**

11. **PROPERTY, PLANT AND EQUIPMENT**

(Rs. 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	Depreciation/ Amortisation for the year	Deletions/ Adjustments	Closing balance as at March 31, 2019	As at March 31, 2019
TANGIBLE ASSETS									
Buildings	3,677	-	-	3,677	200	200	-	400	3,277
	3,677	-	-	*3,677*	-	*200*	-	*200*	*3,477*
Leasehold Improvements	2,055	266	67	2,254	546	479	31	994	1,260
	1,701	*365*	*11*	*2,055*	-	*547*	*1*	*546*	*1,509*
Furniture & Fixtures	616	133	19	730	100	127	7	219	511
	492	*132*	*8*	*616*	-	*101*	*1*	*100*	*516*
Computer Equipment	2,600	1,026	2	3,624	604	843	1	1,446	2,178
	1,618	*982*	-	*2,600*	-	*604*	-	*604*	*1,996*
Office Equipment	690	364	28	1,026	203	229	11	421	604
	482	*210*	*2*	*690*	-	*203*	-	*203*	*487*
Plant & Machinery	255	-	15	240	51	46	7	90	150
	257	*4*	*6*	*255*	-	*52*	*1*	*51*	*204*
Vehicles	483	176	197	462	167	144	98	213	250
	452	*83*	*52*	*483*	-	*181*	*14*	*167*	*316*
ASSETS GIVEN UNDER OPERATING LEASE/RENTAL									
Construction Equipment	11,355	3,497	370	14,482	1,779	2,801	156	4,424	10,058
	14,299	*1,787*	*4,731*	*11,355*	-	*2,827*	*1,048*	*1,779*	*9,576*
Vehicles	2,351	2,355	389	4,317	698	1,359	250	1,806	2,510
	1,581	*1,913*	*1,143*	*2,351*	-	*897*	*199*	*698*	*1,653*
Plant & Machinery	32,711	34,031	1,568	65,174	6,416	11,018	741	16,693	48,481
	21,619	*12,323*	*1,231*	*32,711*	-	*6,515*	*99*	*6,416*	*26,295*
Computer Equipment	15,018	6,104	1,288	19,834	6,584	5,563	1,105	11,042	8,792
	12,900	*3,225*	*1,107*	*15,018*	-	*7,154*	*570*	*6,584*	*8,434*
Furniture & Fixtures	957	252	43	1,166	296	317	41	572	594
	834	*123*	-	*957*	-	*296*	-	*296*	*661*
Office Equipments	1,438	1,952	100	3,291	785	713	96	1,402	1,889
	1,245	*204*	*11*	*1,438*	-	*792*	*7*	*785*	*653*
Railway Wagons	14,957	53	-	15,010	2,580	2,751	-	5,331	9,679
	14,833	*124*	-	*14,957*	-	*2,580*	-	*2,580*	*12,377*
Electrical Installation & Equipments	1,074	747	-	1,821	228	339	-	567	1,255
	1,062	*12*	-	*1,074*	-	*228*	-	*228*	*846*
TANGIBLE ASSETS - TOTAL	**90,237**	**50,957**	**4,086**	**1,37,108**	**21,237**	**26,928**	**2,544**	**45,621**	**91,487**
	77,052	*21,487*	*8,302*	*90,237*	-	*23,177*	*1,940*	*21,237*	*69,000*

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	Depreciation/ Amortisation for the year	Deletions/ Adjustments	Closing balance as at March 31, 2019	As at March 31, 2019
INTANGIBLE ASSETS (other than internally generated)									
Goodwill	-	-	-	-	-	-	-	-	-
	-	-	-	-	-	-	-	-	-
Software	2,769	359	-	3,128	455	495	-	950	2,179
	1,109	*1,671*	*11*	*2,769*	-	*460*	*5*	*455*	*2,314*
INTANGIBLE ASSETS - TOTAL	**2,769**	**359**	**-**	**3,128**	**455**	**495**	**-**	**950**	**2,179**
	1,109	*1,671*	*11*	*2,769*	-	*460*	*5*	*455*	*2,314*
Total	**93,006**	**51,316**	**4,086**	**1,40,236**	**21,692**	**27,422**	**2,544**	**46,570**	**93,666**
	78,161	*23,158*	*8,313*	*93,006*	-	*23,637*	*1,945*	*21,692*	*71,314*

Figures in italics relate to March 31, 2018

12. OTHER NON-FINANCIAL ASSETS (UNSECURED - CONSIDERED GOOD)

(Rs. in lakh)

PARTICULARS	As at March 31, 2019	As at March 31, 2018	As at April 1, 2017
(a) Capital advances	22,640	17,452	7,806
(b) Prepaid expenses	2,116	1,927	2,579
(c) Gratuity asset (Net)	-	49	239
(d) Balances with government authorities	10,163	4,868	1,431
(e) Non Current Assets held-for-sale	-	1,326	3,582
(f) Unamortised loan sourcing costs	12,602	10,702	10,335
(g) Other advances	222	381	244
Total	**47,743**	**36,705**	**26,216**

13. TRADE PAYABLES

(Rs. in lakh)

PARTICULARS	As at March 31, 2019	As at March 31, 2018	As at April 1, 2017
(a) Others			
(i) Accrued expenses	29,707	18,580	16,171
(ii) Payable to related parties	-	142	28
(iii) Payable to dealers/vendors/customer	25,405	33,253	27,422
(iv) Others	798	591	916
Total	**55,910**	**52,566**	**44,537**

14. DEBT SECURITIES

(Rs. in lakh)

PARTICULARS	**As at March 31, 2019**	**As at March 31, 2018**	**As at April 1, 2017**
DEBT SECURITIES In India			
At amortised cost			
Secured			
Privately Placed Non-Convertible Debentures (Refer note 14.1 and 14.3 below) [Net of unamortised discount of Rs. 47 lakh (March 31, 2018 : Nil and April 1, 2017 : Nil) and premium of Rs. 307 lakh (March 31, 2018 : Rs. 57 lakh and April 1, 2017 : Nil]	12,21,527	10,53,378	11,56,047
Public issue of Non-Convertible Debentures (Refer notes 14.2 and 14.4 to 14.6 below)	2,95,826	28,799	28,779
Unsecured			
Privately Placed Non-Convertible Debentures (Refer notes 14.7 to 14.10 below)	91,795	1,49,970	84,962
Total	**16,09,148**	**12,32,147**	**12,69,788**

Notes

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 Company.

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 Company.

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	Rs in lakh	Number of NCDs	Rs in lakh	Number of NCDs	Rs 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	-	-	-	-
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
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	-	-	-	-
TCFSL NCD "P" FY 2017-18	22-Jan-18	20-Jan-23	480	4,800	480	4,800	-	-
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
TCFSL NCD "I" FY 2018-19	03-Jan-19	10-Jun-22	400	4,000	-	-	-	-
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	-	-	-	-
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
TCFSL NCD "E" FY 2018-19	26-Oct-18	26-Oct-21	3,262	32,620	-	-	-	-
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	-	-	-	-
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	-	-
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
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	-	-	-	-
TCFSL Market Linked Tranche "A" 2018-19 Tranch-I Reissuance 1	28-Mar-19	14-Aug-20	340	3,400	-	-	-	-
TCFSL NCD "E" FY 2017-18	06-Jul-17	06-Aug-20	500	5,000	500	5,000	-	-
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	-	-
TCFSL NCD "U" FY 2016-17	26-Aug-16	01-Jul-20	150	1,500	150	1,500	150	1,500
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	-	-	-	-
TCFSL NCD "D" FY 2017-18	09-Jun-17	09-Jun-20	10,150	1,01,500	10,150	1,01,500	-	-
TCFSL NCD "E" FY 2015-16	05-May-15	05-May-20	3,300	33,000	3,300	33,000	3,300	33,000
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	-	-	-	-
TCFSL NCD "AJ" FY 2016-17	01-Mar-17	28-Feb-20	250	2,500	250	2,500	250	2,500
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
TCFSL NCD "AE" FY 2016-17	16-Nov-16	16-Dec-19	750	7,500	750	7,500	750	7,500
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
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
TCFSL NCD "T" FY 2016-17	25-Aug-16	23-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	-	-
TCFSL NCD "P" FY 2016-17	29-Jul-16	29-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
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
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
TCFSL NCD "B" FY 2017-18	30-May-17	30-May-19	2,250	22,500	2,250	22,500	-	-
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
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
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
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
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
TCFSL NCD "Y" FY 2015-16	08-Jan-16	08-Jan-19	-	-	250	2,500	250	2,500

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	Rs in lakh	Number of NCDs	Rs in lakh	Number of NCDs	Rs in lakh
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
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
TCFSL NCD "S" FY 2015-16	26-Aug-15	24-Aug-18	-	-	250	2,500	250	2,500
TCFSL NCD "O" FY 2013-14	20-Aug-13	20-Aug-18	-	-	430	4,300	430	4,300
TCFSL NCD "M" FY 2011-12	17-Aug-11	17-Aug-18	-	-	40	400	40	400
TCFSL NCD "S" FY 2016-17	16-Aug-16	16-Aug-18	-	-	750	7,500	750	7,500
TCFSL NCD "R" FY 2016-17	12-Aug-16	13-Aug-18	-	-	250	2,500	250	2,500
TCFSL NCD "Q" FY 2016-17	02-Aug-16	02-Aug-18	-	-	1,500	15,000	1,500	15,000
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
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
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
TCFSL NCD "A" FY 2013-14 Op-I	23-Apr-13	23-Apr-18	-	-	850	8,500	850	8,500
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
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
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
TCFSL NCD "C" FY 2016-17	13-Apr-16	15-Mar-18	-	-	-	-	2,500	25,000
TCFSL NCD "AV" FY 2014-15 Op-II	10-Mar-15	09-Mar-18	-	-	-	-	500	5,000
TCFSL NCD "AT" FY 2014-15 Op-I	02-Mar-15	02-Mar-18	-	-	-	-	650	6,500
TCFSL NCD "AQ" FY 2014-15	20-Feb-15	12-Feb-18	-	-	-	-	60	600
TCFSL NCD "AP" FY 2014-15 Op-I	04-Feb-15	02-Feb-18	-	-	-	-	500	5,000
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
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
TCFSL NCD "L" FY 2016-17	07-Jul-16	08-Jan-18	-	-	-	-	250	2,500
TCFSL NCD "AH" FY 2014-15 Op-III	16-Dec-14	04-Jan-18	-	-	-	-	90	900
TCFSL NCD "K" FY 2016-17	24-Jun-16	26-Dec-17	-	-	-	-	250	2,500
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
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
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
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
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
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
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
TCFSL NCD "R" FY 2015-16	31-Jul-15	31-Jul-17	-	-	-	-	1,570	15,700
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
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
TCFSL NCD "P" FY 2015-16	09-Jul-15	07-Jul-17	-	-	-	-	2,500	25,000
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
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
TCFSL NCD "K" FY 2015-16	09-Jun-15	09-Jun-17	-	-	-	-	5,000	50,000
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

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	Rs in lakh	Number of NCDs	Rs in lakh	Number of NCDs	Rs in lakh
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
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
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
TCFSL NCD "AU" FY 2014-15 Op-III	05-Mar-15	02-May-17	-	-	-	-	110	1,100
TCFSL NCD "G" FY 2015-16 Op-II	13-May-15	27-Apr-17	-	-	-	-	90	900
TCFSL NCD "C" FY 2015-16 Op-III	22-Apr-15	25-Apr-17	-	-	-	-	850	8,500
TCFSL NCD "C" FY 2015-16 Op-II	22-Apr-15	20-Apr-17	-	-	-	-	70	700
TCFSL NCD "C" FY 2015-16 Op-I	22-Apr-15	19-Apr-17	-	-	-	-	326	3,260
TCFSL NCD "D" FY 2015-16 Op-II	24-Apr-15	18-Apr-17	-	-	-	-	88	880
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
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
Total (A)				**12,22,172**		**10,53,700**		**11,56,500**
Add: Unamortised premium				307		57		-
Add: Unamortised discount				(46)		-		-
Total (B)				**261**		**57**		**-**
Less: Unamortised borrowing cost				(906)		(379)		(453)
Total (C)				**(906)**		**(379)**		**(453)**
TOTAL (A+B+C)				**12,21,527**		**10,53,378**		**11,56,047**

*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 01, 2017 : 7.58% to 10.75%)

Note: Information about the company's exposure to interest rate risk, and liquidity risk is included in note 31B and 31C

14. 4. Particulars of Public issue of Secured Non-Convertible Debentures outstanding as on March 31, 2019

Description of NCD	Issue Date	Redemption Date	Number of NCDs	Rs in lakh
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 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
				3,00,200
Less: Unamortised borrowing cost				**(4,374)**
Total				**2,95,826**

Note : Coupon rate of above outstanding as on March 31, 2019 varies from 8.70% to 8.90%

14. 5. Particulars of Public issue of Secured Non-Convertible Debentures outstanding as on March 31, 2018

Description of NCD	Issue Date	Redemption Date	Number of NCDs	Rs in lakh
TCFSL NCD Option I (2009)	6-Mar-09	5-Mar-19	310	310
TCFSL NCD Option II (2009)	6-Mar-09	5-Mar-19	1,77,875	1,779
TCFSL NCD Option IIII (2009)	6-Mar-09	5-Mar-19	14,97,029	14,970
TCFSL NCD Option IV (2009)	6-Mar-09	5-Mar-19	11,75,939	11,759
				28,818
Less: Unamortised borrowing cost				**(19)**
Total				**28,799**

Note : Coupon rate of above outstanding as on March 31, 2018 varies from 9.75% to 10.50%

14. 6. Particulars of Public issue of Secured Non-Convertible Debentures outstanding as on April 01, 2017

Description of NCD	Issue Date	Redemption Date	Number of NCDs	Rs in lakh
TCFSL NCD Option I (2009)	6-Mar-09	5-Mar-19	310	310
TCFSL NCD Option II (2009)	6-Mar-09	5-Mar-19	1,77,875	1,779
TCFSL NCD Option IIII (2009)	6-Mar-09	5-Mar-19	14,97,029	14,970
TCFSL NCD Option IV (2009)	6-Mar-09	5-Mar-19	11,75,939	11,759
				28,818
Less: Unamortised borrowing cost				**(39)**
Total				**28,779**

Note : Coupon rate of above outstanding as on April 01, 2017 varies from 9.75% to 10.50%

14 7. Particulars of Privately Placed unsecured non-convertible debentures ("NCDs") outstanding as on March 31, 2019

Description of NCD	Issue Date	Redemption Date	Number of NCDs	Rs in lakh
TCFSL Unsecured NCD A FY 2017-18	27-Jun-17	27-Jun-19	8,000	80,000
TCFSL Unsecured NCD Partly paid "A" FY 2018-19	19-Mar-19	10-Aug-18	118	11,800
TOTAL				**91,800**
Less: Unamortised borrowing cost				**(5)**
Total				**91,795**

Note : Coupon rate of above outstanding as on March 31, 2019 varies from 7.90% to 8.93%

14 8. Particulars of Privately Placed unsecured non-convertible debentures ("NCDs") outstanding as on March 31, 2018

Description of NCD	Issue Date	Redemption Date	Number of NCDs	Rs in lakh
TCFSL Unsecured NCD A FY 2017-18	27-Jun-17	27-Jun-19	8,000	80,000
TCFSL Unsecured NCD "A" FY 2015-16	12-Aug-15	10-Aug-18	2,000	20,000
TCFSL Unsecured NCD B FY 2016-17	27-Apr-16	27-Apr-18	2,000	20,000
TCFSL Unsecured NCD A FY 2016-17	25-Apr-16	25-Apr-18	3,000	30,000
TOTAL				**1,50,000**
Less: Unamortised borrowing cost				**(30)**
Total				**1,49,970**

Note : Coupon rate of above outstanding as on March 31, 2018 varies from 7.90% to 9.20%

14 9. Particulars of Privately Placed unsecured non-convertible debentures ("NCDs") outstanding as on April 01, 2017

Description of NCD	**Issue Date**	**Redemption Date**	**Number of NCDs**	**Rs in lakh**
TCFSL Unsecured NCD A FY 2015-16	12-Aug-15	10-Aug-18	2,000	20,000
TCFSL Unsecured NCD A FY 2016-17	25-Apr-16	25-Apr-18	3,000	30,000
TCFSL Unsecured NCD B FY 2016-17	27-Apr-16	27-Apr-18	2,000	20,000
TCFSL Unsecured NCD B FY 2015-16 Option-I	1-Sep-15	1-Sep-17	1,500	15,000
TOTAL				**85,000**
Less: Unamortised borrowing cost				**(38)**
Total				**84,962**

Note : Coupon rate of above outstanding as on April 01, 2017 varies from 8.80% to 8.91%

14 10. Unsecured redeemable Non-convertible subordinated debentures includes the debentures issued to Key Management Personnel of Rs. Nil lakh (Year ended March, 31, 2018 : Rs. 20 lakh).

15. BORROWINGS (OTHER THAN DEBT SECURITIES) (IN INDIA)

(Rs. 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 below)	4,79,963	1,29,486	85,989
Unsecured			
From Banks	2,44,942	2,97,500	1,30,000
(b) Loans repayable on demand			
Secured			
From Banks			
(i) Working capital demand loan (Refer note 15.1 below)	3,05,000	2,68,000	75,000
(ii) Bank Overdraft (Refer note 15.1 below)	1,44,704	2,10,912	3,01,953
Unsecured			
From Banks			
(i) Working capital demand loan (Refer note 15.1 below)	35,000	40,000	11,200
(c) Loan from related parties			
(i) 1,889,000,000 (March 31, 2018 : 1,520,000,000 shares and April 1, 2017 : 945,000,000 shares) Compulsorily Convertible Cumulative Preference shares of Rs.10 each fully paid up (Refer note 15.4 and 15.5 below)	1,88,900	1,52,000	94,500
(ii) Inter corporate deposits from related parties	5,726	33,784	44,829
(d) Other loans			
Unsecured			
(i) Commercial paper [Net of unamortised discount of Rs. 13,068 lakh (March 31, 2018 : Rs. 12,637 lakh and April 1, 2017 : Rs. 9,868 lakh)]	6,32,423	6,41,355	5,67,612
(ii) Inter corporate deposits from others	5,000	7,215	715
Total	**20,41,658**	**17,80,252**	**13,11,798**

Note:

15.1. Loans and advances from banks are secured by pari passu charge on the receivables of the Company through Security Trustee.

15.2 Terms of repayment of borrowings and rate of interest:

As per terms of agreements loan from banks aggregating Rs. 724,942 lakh (Previous Year: Rs. 426,986 lakh) are repayable at maturity ranging between 12 and 49 months from the date of respective loan. 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%)

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%)
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%)

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%)

15.3. All the above borrowings have been borrowed in India.

15.4. During the year ended March 31, 2019, the Company has issued 1,025,000,000, 8.50% Compulsorily Convertible Cumulative Preference Shares ("CCCPS") of face value Rs. 10/- each aggregating Rs. 1,025 crore, which are mandatorily convertible into equity shares after the completion of 9 years from the date of allotment. The CCCPS holders have a right to receive dividend, prior to the equity shareholders. The dividend proposed by the Board of Directors on the CCCPS is subject to the approval of the shareholders at an Annual General Meeting, except in case of interim dividend. In the event of liquidation, the Preference Shareholders will carry a preferential right over the holder of equity shares for payment of dividend and for payment of capital, in proportion to their shareholding.

The CCCPS holders have an option to convert all or any part of the holding into equity shares at any time prior to the completion of 9 years. Conversion of CCCPS into equity shares will be based on the fair value to be determined by an independent valuer closer to the conversion date. In the year in which CCCPS are converted to equity shares, the dividend on such CCCPS, if declared by the Board, shall be paid on pro-rata basis. On February 1, 2019, the Company converted CCCPS aggregating Rs. 656 crore of face value Rs. 10/- each. The Board had not declared dividend on the CCCPS prior to conversion to equity shares.

Tranch-wise due date details for Compulsorily Convertible Cumulative Preference Shares ("CCCPS")

Date of Allotment	Date of Conversion	No. of Units	Rs in lakh
26-Mar-19	26-Mar-28	27,50,00,000	27,500
28-Dec-18	28-Dec-27	10,00,00,000	10,000
28-Sep-18	28-Sep-27	10,00,00,000	10,000
29-Jun-18	29-Jun-27	55,00,00,000	55,000
31-Mar-18	31-Mar-27	15,00,00,000	15,000
21-Mar-18	21-Mar-27	25,00,00,000	25,000
08-Mar-18	08-Mar-27	10,00,00,000	10,000
29-Dec-17	29-Dec-26	7,50,00,000	7,500
31-Mar-17	31-Mar-26	10,00,00,000	10,000
28-Feb-17	28-Feb-26	18,90,00,000	18,900
Total		**1,88,90,00,000**	**1,88,900**

The CCCPS holders may, at any time prior to the aforesaid period of conversion, make such request to convert all or any part of its holding into Equity Shares.

15.5.

a) During the year ended March 31, 2019, the Company has declared and paid on March 26, 2019, an interim dividend for financial year 2018-19 on Compulsorily Convertible Cumulative Preference Shares aggregating to Rs. 11,673 lakh and dividend distribution tax thereon of Rs. 2,399 lakh.

b) During the previous year ended March 31, 2018, the Company has declared and paid on July 27, 2017, an interim dividend for financial year 2017-18 on Compulsorily Convertible Cumulative Preference Shares aggregating to Rs. 2,120 lakh and dividend distribution tax thereon of Rs. 431 lakh.

c) During the previous year ended March 31, 2018, the Company has declared and paid on August 22, 2017, a final dividend for financial year 2016-17 on Compulsorily Convertible Cumulative Preference Shares aggregating to Rs. 3 lakh and dividend distribution tax thereon of Rs. 1 lakh.

d) During the previous year ended March 31, 2018, the Company has declared on March 20, 2018 and paid on March 21, 2018, an interim dividend for financial year 2017-18 on Compulsorily Convertible Cumulative Preference Shares aggregating to Rs. 6,603 lakh (April 01, 2017 : 4,230 lakh) and dividend distribution tax thereon of Rs. 1,344 lakh (April 01, 2017 : 861 lakh).

16. SUBORDINATED LIABILITIES

(Rs. in lakh)

PARTICULARS	As at March 31, 2019	As at March 31, 2018	As at April 1, 2017
Unsecured			
Debentures			
Non-Convertible Subordinated Debentures (Refer note 16.1 and 16.2 below) [Net of unamortised discount of Rs. 357 lakh (March 31, 2018 : Rs. 851 lakh and April 1, 2017 : Rs. 1,299 lakh)]	2,38,374	1,80,686	1,80,094
Non-Convertible Perpetual Debentures (Refer note 16.3 below)	91,386	91,354	59,683
Total	**3,29,760**	**2,72,040**	**2,39,777**

Note:

All the subordinated liabilities have been borrowed in India.

16. 1. 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	Rs in lakh	Number of NCDs	Rs in lakh	Number of NCDs	Rs 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**		**-**		**-**

*Note : Coupon rate of above outstanding as on March 31, 2019 varies from 9.00% to 9.10% (March 31, 2018: Nil, April 01, 2017: Nil)

16. 2. 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	Rs in lakh	Number of NCDs	Rs in lakh	Number of NCDs	Rs 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
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
TCFSL Tier II Bond "A" FY 2015-16	22-Jul-15	22-Jul-25	900	9,000	900	9,000	900	9,000
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
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
Total (A)				**2,01,688**		**1,81,194**		**1,80,746**
Less: Unamortised borrowing cost				**(454)**		**(508)**		**(652)**
				2,01,234		**1,80,686**		**1,80,094**

*Net of unamortised discount as on March 31,2019 Rs.357 lakh (March 31, 2018 Rs 851 lakh, April 01, 2017 Rs 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 01, 2017: 8.45% to 10.50%)

16. 3 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	Rs in lakh	Number of NCDs	Rs in lakh	Number of NCDs	Rs in lakh
TCFSL Perpetual 'D' FY 2017-18	26-Mar-18	26-Mar-28	1,000	10,000	1,000	10,000	-	-
TCFSL Perpetual 'D' FY 2017-18	26-Mar-18	26-Mar-28	250	2,500	250	2,500	-	-
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	500	5,000
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)				**91,800**		**91,800**		**60,000**
Less: Unamortised borrowing cost				**(414)**		**(446)**		**(317)**
				91,386		**91,354**		**59,683**

*Note : Coupon rate of above outstanding as on March 31, 2019 varies from 8.61% to 11.25% (March 31, 2018: 8.61% to 11.25%, April 01, 2017: 9.00% to 11.25%)

Description of NCDs	Year Ended March 31, 2019	Year Ended March 31, 2018	Year Ended April 1, 2017
Funds Raised through Perpetual Debt Instruments	-	620	19,380
Amount outstanding at the end of year	91,800	91,800	60,000
Percentage of amount of Perpetual Debt Instruments of the amount of Tier I Capital	18.43%	18.43%	18.43%
Financial year in which interest on Perpetual Debt Instruments is not paid on account of 'Lock-In Clause'.	NA	NA	NA

17. OTHER FINANCIAL LIABILITIES

(Rs. in lakh)

PARTICULARS	As at March 31, 2019	As at March 31, 2018	As at April 1, 2017
(a) Security deposit	38,512	31,719	22,475
(b) Payable for capital expenditure	2,613	1,842	908
(c) Advances from customers	2,196	1,677	1,402
(d) Interest accrued but not due on borrowings	80,871	77,304	85,466
(e) Accrued employee benefit expense	8,410	6,524	4,321
(f) Unclaimed matured debentures and accrued interest thereon	52	53	53
(g) Payable under letter of credit/buyer's credit facility	14,617	43,419	28,368
(h) Amounts payable - assigned loans	1,443	2,997	5,727
Total	**1,48,714**	**1,65,535**	**1,48,720**

18. PROVISIONS

(Rs. in lakh)

PARTICULARS	As at March 31, 2019	As at March 31, 2018	As at April 1, 2017
(a) Provision for gratuity	55	-	-
(b) Provision for compensated absences	1,271	954	875
(c) Provision for long-term service award	81	164	158
(d) Impairment loss allowance			
- at amortised cost			
- Stage I & II	58,411	49,559	42,176
- Stage III	92,301	1,06,680	1,52,807
(e) Sundry liabilities account (interest capitalisation)	122	700	4,545
Total	**1,52,241**	**1,58,057**	**2,00,561**

19. OTHER NON-FINANCIAL LIABILITIES

(Rs. in lakh)

PARTICULARS	As at March 31, 2019	As at March 31, 2018	As at April 1, 2017
(a) Statutory dues	3,730	3,758	1,305
(b) Revenue received in advance	24,358	18,671	14,919
(c) Others	835	766	598
Total	**28,923**	**23,195**	**16,822**

20. SHARE CAPITAL

(Rs. in lakh)

PARTICULARS	As at March 31, 2019	As at March 31, 2018	As at April 1, 2017
AUTHORISED			
2,500,000,000 (March 31, 2018: 2,500,000,000 shares and April 1, 2017 : 2,500,000,000 shares) Equity shares of Rs.10 each	2,50,000	2,50,000	2,50,000
3,000,000,000 (March 31, 2018: 3,000,000,000 shares and April 1, 2017 : 3,000,000,000 shares) Preference shares of Rs.10 each	3,00,000	3,00,000	3,00,000
	5,50,000	5,50,000	5,50,000
ISSUED, SUBSCRIBED & PAID UP			
1,375,561,658 (March 31, 2018: 1,297,550,000 shares and April 1, 2017 : 1,297,550,000 shares) Equity shares of Rs.10 each fully paid up	1,37,556	1,29,755	1,29,755
Total	**1,37,556**	**1,29,755**	**1,29,755**

20. (a). Reconciliation of number of equity shares outstanding

Particulars	No. of shares	Rs in lakh
Equity Shares		
Opening balance as on April 01, 2017	1,29,75,50,000	1,29,755
Additions during the year	-	-
Closing Balance as on March 31, 2018	1,29,75,50,000	1,29,755
Conversion of Compulsorily Convertible Cumulative Preference share	7,80,11,658	7,801
Closing Balance as on March 31, 2019	**1,37,55,61,658**	**1,37,556**

20. (b). Rights, preferences and restrictions attached to shares

Equity Shares : The Company has one class of equity shares having a face value of Rs.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 Limited is the ultimate holding company.

20. (c). Investment by Tata Capital Limited (Holding company). The entire share capital is held by Tata Capital Limited and its nominees.

Name of company	Particulars of issue	No. of shares	Rs in lakh
Tata Capital Limited (Holding Company)			
Equity Shares	Opening Balance as on April 1, 2017	1,29,75,50,000	1,29,755
	Closing Balance as on March 31, 2018	1,29,75,50,000	1,29,755
	Add: Conversion of Compulsorily Convertible Cumulative Preference share	7,80,11,658	7,801
	Closing Balance as on March 31, 2019	**1,37,55,61,658**	**1,37,556**

20. (d). There are no shares in the preceding 5 years allotted as fully paid up without payment being received in cash / bonus shares / bought back.

20. (e). There are no shares reserved for issue under options and contracts/commitments for the sale of shares or disinvestment.

21. OTHER EQUITY

(Rs. in lakh)

PARTICULARS	As at March 31, 2019	As at March 31, 2018	As at April 1, 2017
(a) Securities Premium Account	1,46,648	88,942	88,942
(b) Debenture Redemption Reserve	30,000	30,000	30,000
(c) Special Reserve Account	46,896	35,401	25,750
(d) Surplus in Statement of Profit and Loss	42,505	10,719	(14,457)
(e) Other Comprehensive Income	(80)	346	-
(f) Share options outstanding account	536	655	-
(g) General Reserve	429	162	-
Total	**2,66,934**	**1,66,225**	**1,30,235**

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	Securities Premium Account	Premium received upon issuance of equity shares
2	Debenture Redemption Reserve	As per section 71(4) of the Companies Act 2013, created out of the profits of the Company available for paymnet of dividend and credited to such account, shall not be utilised except for redemption of debentures
3	Special Reserve Account/Statutory Reserve	As prescribed by section 45-IC of the Reserve Bank of India Act, 1934
4	Surplus in profit and loss account	Created out of accretion of profits.
5	General Reserve	Created upon completion of the vesting period of employees stock option or upon forfeiture of options granted
6	Share Options Outstanding Account	Created upon grant of options to employees.
7	Other Comprehensive Income	Created on account of items measured through other comprehensive income

22. INTEREST INCOME

(Rs. 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	4,80,360	3,92,663
(b) Interest income on deposits with banks	316	30
On Financial Assets measured at fair value through OCI		
(a) Interest on loans and credit substitutes	393	145
Total	**4,81,069**	**3,92,838**

23. NET GAIN / (LOSS) ON FAIR VALUE CHANGES

(Rs. 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	16,814	(1,772)
(C)	Total Net gain/(loss) on fair value changes	**16,814**	**(1,772)**
(D)	Fair value changes :		
	-Realised	9,087	(601)
	-Unrealised	7,727	(1,171)
	Total Net gain/(loss) on fair value changes	**16,814**	**(1,772)**

24. OTHER INCOME

(Rs. in lakh)

	PARTICULARS	For the year ended March 31, 2019	For the year ended March 31, 2018
(a)	Branch advertisement income	832	1,787
(b)	Income from distribution of financial products	3,790	4,225
(c)	Net gain/(loss) on derecognition of property, plant and equipment	198	1,034
(d)	Interest on Income Tax Refund	1	307
(e)	Miscellaneous Income	777	291
Total		**5,598**	**7,644**

25. FINANCE COSTS

(Rs. in lakh)

PARTICULARS	For the year ended March 31, 2019	For the year ended March 31, 2018
At amortised cost		
(a) Interest on borrowings	1,01,271	41,504
(b) Interest on debt securities	1,15,331	1,14,114
(c) Interest on subordinated liabilities	26,354	24,197
(d) Other interest expense	1,182	1,209
(e) Dividend on compulsorily convertible cumulative preference shares (including dividend distribution tax thereon) (refer note 15.5 above)	14,194	10,643
(f) Discounting Charges		
(i) On commercial paper	53,675	42,201
(ii) On debentures	494	448
Total	**3,12,501**	**2,34,316**

26. EMPLOYEE BENEFIT EXPENSES

(Rs. in lakh)

PARTICULARS	For the year ended March 31, 2019	For the year ended March 31, 2018
(a) Salaries, wages and bonus	41,275	36,037
(b) Contribution to provident and other fund	1,419	1,279
(c) Staff welfare expenses	2,108	2,000
(d) Expenses related to post-employment defined benefit plans	526	479
(e) Share based payments to employees	148	817
Total	**45,476**	**40,612**

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 Company has made an estimate of the liability and as a matter of caution, the Company has made a provision Rs. 630 lakh 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.

27. Impairment on financial instruments

(Rs. in lakh)

PARTICULARS	For the year ended March 31, 2019		For the year ended March 31, 2018	
	On financial instruments measured at Amortised Cost		On financial instruments measured at Amortised Cost	
(I) Loans and credit substitutes				
(a) Provision for doubtful loans (net of recoveries)	37,354		17,831	
Less : Delinquency Support	(763)	36,591	(5,731)	12,100
(b) Write off - Loans and credit substitutes	51,408		62,501	
Less : Provision reversal on write off	(51,408)	-	(62,501)	-
(c) Contingent provision against Standard Assets				
- at amortised cost	8,839		7,380	
- at FVTOCI	84	8,923	13	7,393
(d) Provision against Restructured Advances		(325)		(1,448)
		45,189		18,045
(II) Trade receivables		(36)		260
Total		**45,153**		**18,305**

28. OTHER OPERATING EXPENSES

(Rs. in lakh)

PARTICULARS	For the year ended March 31, 2019	For the year ended March 31, 2018
(a) Advertisements and publicity	4,029	2,000
(b) Brand Equity and Business Promotion	1,503	1,243
(c) Corporate social responsibility cost	1,016	1,014
(d) Donations	1,470	4
(e) Equipment hire charges	219	348
(f) Information technology expenses	11,738	8,045
(g) Insurance charges	916	744
(h) Incentive / commission/ brokerage	225	268
(i) Legal and professional fees	3,806	3,867
(j) Loan processing fees	2,059	2,199
(k) Printing and stationery	993	783
(l) Provision against assets held for sale	1,446	1,405
(m) Power and fuel	975	905
(n) Repairs and maintenance	318	402
(o) Rent	3,191	2,249
(p) Rates and taxes	146	119
(q) Stamp charges	705	502
(r) Service providers' charges	23,327	15,976
(s) Training and recruitment	678	510
(t) Communication cost	704	767
(u) Travelling and conveyance	2,898	2,630
(v) Directors fees,allowances and expenses	120	221
(w) Other expenses	171	1,387
Total	**62,653**	**47,588**

(a) Auditors’ Remuneration (excluding taxes):

(Rs. in lakh)

Particulars	**For the year ended March 31, 2019**	**For the year ended March 31, 2018**
Audit Fees	88	106
Tax Audit Fees	4	4
Other Services (includes out of pocket expenses)	3	21
	94	**131**

(Auditors' remuneration is included in Other expenses)

(b) Expenditure in Foreign Currency

Particulars	**For the year ended March 31, 2019**	**For the year ended March 31, 2018**
Legal and professional fees	29	137
Commission paid	38	79
Information Technology Expenses	204	1,084
Training and recruitment	49	6
Other expenses	2	7
	322	**1,313**

(c) Corporate social responsibility expenses

(i) Gross amount required to be spent by the company during the year was Rs. 1,016 lakh (Year ended March, 31, 2018 : 1,014 lakh)

(ii) Amount spent during the year on:

Particulars	**Paid**	**Yet to be paid**	**Total**
	Rs in lakh	**Rs in lakh**	**Rs in lakh**
Construction/acquisition of any asset	-	-	-
On purposes other than above	1,016	-	1,016

29. Employee benefit expenses

A. Defined contribution plans

The Company makes Provident Fund and Superannuation Fund contributions to defined contribution retirement benefit plans for eligible employees. Under the schemes, the Company is required to contribute a specified percentage of 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 recognised as an expense in the year in which it is determined.

The Company recognised a charge of Rs. 1,339 Lakh (FY 2017-18 Rs.1,189 Lakh) towards provident fund and family pension fund contribution and Rs.80 Lakh (FY 2017-18 Rs. 89 Lakh) towards contribution to superannuation fund in the Statement of Profit and Loss during the current year.

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 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 Company offers the following long term 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:

Movement in net defined benefit (asset) liability

a) Reconciliation of balances of Defined Benefit Obligations.

	Year ended March 31, 2019		Year ended March 31, 2018	
Particulars	**Total Funded**	**Total Unfunded**	**Total Funded**	**Total Unfunded**
Defined Obligations at the beginning of the year	3,326	-	2,926	
Current service cost	533	-	509	-
Interest cost	236	-	211	-
Plan paritcipant's contributions	-	-	-	-
Exchange (gain) / loss	-	-	-	-
Benefits paid	-	-	-	-
Past service cost	-	-	-	-
Amalgamations / Acquisitions	(277)	-	(25)	-
Liabilities assumed on transfer of employees	-	-	-	-
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	478	-	(44)	-
b. Due to change in experience adjustments	86	-	(34)	-
c. Due to experience adjustments	(43)	-	-	-
Others (please specify below)	-	-	-	-
Benefits paid directly by the Company	(524)	-	(219)	-
	-	-	-	-
	-	-	-	-
	-	-	-	-
Defined Obligations at the end of the year	**3,815**	**-**	**3,326**	**-**

b) Reconciliation of balances of Fair Value of Plan Assets

	Year ended March 31, 2019		Year ended March 31, 2018	
Particulars	**Total Funded**	**Total Unfunded**	**Total Funded**	**Total Unfunded**
As on 31 March 2019				
Fair Value at the beginning of the year	**3,375**	**-**	3,165	
Expected return on plan assets	(27)	-	(3)	-
Actuarial gain / (loss) on plan assets	-	-	-	-
Exchange gain/(loss)	-	-	-	-
Employer contributions	414	-	-	-
Plan paritcipant's contributions	-	-	-	-
Benefits paid	-	-	-	-
Amalgamations / Acquisitions	(277)	-	(25)	-
Assets transferred on transfer of employees	-	-	-	-
Adjustment on plan settlement	-		-	
Change in secured pensioner value	-	-	-	-
Others (please specify below)	-	-	-	-
Interest Income on Plan Assets	276	-	237	-
Due to company ceasing to be a subsidiary		-	-	-
Fair Value of Plan Assets at the end of the year	**3,760**	**-**	**3,375**	**-**

c) Funded status

Particulars	Year ended March 31, 2019		Year ended March 31, 2018		As at April 1, 2017	
As on 31 March 2019	**Total Funded**	**Total Unfunded**	**Total Funded**	**Total Unfunded**	**Total Funded**	**Total Unfunded**
Deficit of plan assets over obligations Surplus of plan assets over obligations Unrecognised asset due to asset ceiling	-55	0	49	0	239	0
Total	**-55**	**0**	**49**	**0**	**239**	**0**

d) Categories of plan assets

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
Corporate bonds	16	-	15	-	1,298	-
Equity shares	4	-	4	-	506	-
Government securities	17	-	15	-	1,044	-
Cash including special deposits	3,723	-	3,341	-	317	-
Total	**3,760**	**-**	**3,375**	**-**	**3,165**	**-**

Note : All the above are in India

e) Amount recognised in Balance sheet

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	3,815	-	3,326	-	-	-
Fair value of plan assets	3,760	-	3,375	-	-	-
Unrecognised asset due to asset ceiling	-	-	-	-	-	-
Unrecognised past service costs	-	-	-	-	-	-
Net asset / (liability) recognised in the Balance Sheet	**(55)**	**-**	**49**	**-**	**-**	**-**

f) Amount recognised in Statement of Profit and Loss	Year ended March 31, 2019		Year ended March 31, 2018	
	Total Funded	Total Unfunded	Total Funded	Total Unfunded
Current Service Cost	533	-	509	-
Past Service cost	-	-	-	-
Interest Cost (net)	(40)	-	(26)	-
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 (please specify)	-	-	-	-
Expenses for the year	**494**	**-**	**483**	**-**
		-		

g) Amount recognised in OCI	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	**478**	**-**	**(44)**	**-**
b. Due to change in experience adjustments	**86**	**-**	**(34)**	-
c. Due to experience adjustments	**(43)**	-	-	-
d. (Return) on plan assets (excl. interest income)	27	-	3	-
e. Change in Asset Ceiling				
Total remeasurements in OCI	**548**	**-**	**(74)**	**-**
Total defined benefit cost recognized in P&L and OCI	**1,042**	**-**	**409**	**-**

h) Expected cash flows for the following year

Particulars	Year ended March 31, 2019	Year ended March 31, 2018
Expected total benefit payments	**6,061**	**2,681**
Year 1	**417**	**116**
Year 2	**507**	**136**
Year 3	**434**	**206**
Year 4	**582**	**251**
Year 5	**603**	**264**
Next 5 years	**3,516**	**1,709**

i) Major Actuarial Assumptions

Particulars	Year ended March 31, 2019	Year ended March 31, 2018	As at April 1, 2017
Discount Rate (%)	7.20%	7.70%	7.50%
Salary Escalation/ Inflation (%)	Non CRE : 8.25% CRE and J Grade : 6%	7.5% for fist 5 years and 6% thereafter	7.5% for fist 5 years and 6% thereafter
Expected Return on Plan assets (%)	8.00%	8.00%	8.00%
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 5 Years : 25% 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	417	116	

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.

i) 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.

Particulars	March 31, 2019		March 31, 2018		April 1, 2017	
	Increase	Decrease	Increase	Decrease	Increase	Decrease
Discount rate (1% movement)	(248)	281	(373)	445		
Future salary growth (1% movement)	276	(249)	446	(380)		
Others (Withdrawal rate 5% movement)	(177)	252	77	(25)		

j) Provision for leave encashment

Particulars	March 31, 2019		March 31, 2018		April 1, 2017	
	Non current	Current	Non current	Current	Non current	Current
Liability for compensated absences	901	325	797	112	733	100

Experience adjustments	Defined benefit obligation	Plan assets	Surplus/ (deficit)	Experience adjustments on plan liabilities	Experience adjustments on plan assets
Funded					
2018-19	3,815	3,760	-	(86)	(27)
2017-18	3326	3375	49	34	(3)
2016-17	2926	3165	239	(313)	74
Unfunded					
2018-19	-	-	-	-	-
2017-18	-	-	-	-	-
2016-17	-	-	-	-	-

30. Fair values of financial instruments

See accounting policy in Note 2(iii).

A. Valuation models

The Company 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 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; (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 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.

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 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 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.

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 Company 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

30 Fair values of financial instruments

See accounting policy in Note 2(iii).

B. Valuation framework

The Company 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 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.

30. Fair values of financial instruments

See accounting policy in Note 2(iii).

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	-	21,080	-	-	44,41,317	44,62,397
Investments (Other than in Associate)	32,483	-	-	-	5,676	38,159
Total	32,483	21,080	-	-	44,46,993	45,00,556
Financial Liabilities:						
Borrowings	-	-	-	-	39,80,566	39,80,566
Total	-	-	-	-	39,80,566	39,80,566

* Borrowings includes Debt Securities, Subordinated liabilities and Borrowings (Other than debt securities).

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	-	3,273	-	-	36,95,391	36,98,664
Investments (Other than in Associate)	21,476	-	-	-	8,805	30,281
Total	21,476	3,273	-	-	37,04,196	37,28,945
Financial Liabilities:						
Borrowings	-	-	-	-	32,84,439	32,84,439
Total	-	-	-	-	32,84,439	32,84,439

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	-	-	-	-	32,28,049	32,28,049
Investments (Other than in Associate)	14,515	-	-	-	12,435	26,950
Total	14,515	-	-	-	32,40,484	32,54,999
Financial Liabilities:						
Borrowings	-	-	-	-	28,21,363	28,21,363
Total	-	-	-	-	28,21,363	28,21,363

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 Company 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	-	1,325	-	1,325
Equity Shares	24,029	-	3,503	27,532
Preference shares	-	-	3,500	3,500
Security Receipts	-	126	-	126
Loans	-	-	21,080	21,080
Total	24,029	1,451	28,083	53,563

As at March 31, 2018	Level 1	Level 2	Level 3	Total
Financial Assets:				
Mutual fund units	-	1,125	-	1,125
Equity Shares	16,028	-	3,723	19,751
Preference shares	-	-	-	-
Security Receipts	-	600	-	600
Loans			3,273	3,273
Total	16,028	1,725	6,996	24,749

As at April 1, 2017	Level 1	Level 2	Level 3	Total
Financial Assets:				
Mutual fund units	-	1,058	-	1,058
Equity Shares	11,565	-	762	12,327
Preference shares	-	-	-	-
Security Receipts	-	1,130	-	1,130
Loans			-	-
Total	11,565	2,188	762	14,515

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	44,41,317	44,78,737	36,95,391	37,37,330	32,28,049	32,55,546
Total	**44,41,317**	**44,78,737**	**36,95,391**	**37,37,330**	**32,28,049**	**32,55,546**
Financial Liabilities at amortised cost:						
Borrowings	39,80,566	39,87,327	32,84,439	32,97,121	28,21,363	28,61,808
Total	**39,80,566**	**39,87,327**	**32,84,439**	**32,97,121**	**28,21,363**	**28,61,808**

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 deposits of similar maturities and terms. The fair value of deposits payable on demand is the amount payable at the reporting date.

30. Fair values of financial instruments

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				
Equity Shares - unquoted**	3,503	3,723	762	Level 3	Net asset value, based on valuation report or latest financial statements of the company	NA	NA
Preference shares	3,500	-	-	Level 3	Dividend accrued, as per the sanction letter.	NA	NA
Loans	21,080	3,273	-	Level 3	Discounted contractual cash flows.*	NA	NA
Financial Assets at FVTPL/FVTOCI (B)	**53,563**	**24,749**	**14,515**				

*** Refer note 30 A**

**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.

30 Fair values of financial instruments

See accounting policy in Note 2(iii).

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.

i

(Rs. in lakh)	FVTOCI	FVTPL	Total
	Loans	Invetsments	
As at March 31, 2018	3,273	3,723	6,996
Total gains or losses:			-
in profit or loss	-	156	156
in OCI	(23)	-	(23)
Purchases	21,065	-	21,065
Settlements	(3,235)	(376)	(3,611)
Transfers into Level 3	-	-	-
Transfers out of Level 3	-	-	-
As at March 31, 2019	**21,080**	**3,503**	**24,583**

Total gains or losses for the year in the above table are presented in the statement of profit or loss and OCI as follows.

ii

(Rs. in lakh)	FVTOCI	FVTPL	Total
For the year ended March 31, 2019	Loans	Invetsments	
Total gains and losses recognised in profit or loss:			
Fair value changes :			
-Realised	-	1,077	1,077
-Unrealised	-	(80)	(80)
Recognised in FVTOCI	(23)	-	-
Total Net gain/(loss) on fair value changes	**(23)**	**997**	**974**
Dividend Income		-	-
Interest Income		-	-
Total		-	-

iii	(Rs. in lakh)	FVTOCI	FVTPL	Total
		Loans	Invetsments	
	As at April 1, 2017	-	762	762
	Total gains or losses:			-
	in profit or loss	-	(386)	(386)
	in OCI	38	-	38
	Purchases/transfer*	3,235	3,347	6,582
	Settlements	-	-	-
	Transfers into Level 3	-	-	-
	Transfers out of Level 3	-	-	-
	As at March 31, 2018	**3,273**	**3,723**	**6,996**

Total gains or losses for the year in the above table are presented in the statement of profit or loss and OCI as follows.

iv	(Rs. in lakh)	FVTOCI	FVTPL	Total
	For the year ended March 31, 2018	Loans	Invetsments	
	Total gains and losses recognised in profit or loss:			
(A)	Net Gain / (loss) on financial instruments at fair value through profit or loss			
	Fair value changes :			
	-Realised	-	-	-
	-Unrealised	-	(386)	(386)
	Recognised in FVTOCI	(38)	-	-
	Total Net gain/(loss) on fair value changes	(38)	(386)	(386)
	Dividend Income	-	-	-
	Interest Income	-	-	-
	Total	-	-	-

31 Financial risk review

This note presents information about the Companies exposure to financial risks and its management of capital.

For information on the financial risk management framework, see Note 31

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
   ii. Capital allocation

A. Credit risk

For the definition of credit risk and information on how credit risk is mitigated by the Company, see Note 31.

i. Credit quality analysis

The following table 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. For loan commitments, the amounts in the table represent the amounts committed.

Explanation of the terms: 12-month ECL, lifetime ECL and credit-impaired are included in Note 2ix.

31. Financial risk review(continued)

A. **Credit risk**

Loans by Division

1) Credit quality analysis continued

Loan exposure by Financing division

(Rs. 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	25,87,106	20,39,039	17,49,710
(ii) Consumer finance & advisory buisness and rural finance	18,64,137	16,08,290	13,75,394
(iii) Others	11,154	51,336	1,02,945
Total - Gross	**44,62,397**	**36,98,665**	**32,28,050**
Less : Impairment loss allowance	1,50,797	1,56,252	1,94,983
Total- Net Loans	**43,11,601**	**35,42,413**	**30,33,067**

Notes:

1. Gross carrying amount does not include loan commitments Rs. 346,180 (As on March 31, 2018: Rs. 362,584 lakh ; As on 01, April 2017 : Rs. 310,845 lakh). The EAD considered for loan commitments is after applying credit conversion factor (CCF) as per RBI norms.

2. The above includes impairment allowance towards loan designated as FVTOCI amounting to Rs. 85 lakh (as on March 31, 2018 : Rs. 13 lakh ; as on April 01, 2017 : Nil)

2) **Days past due based method implemented by Company 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.

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	39,53,074	47	354	39,53,475	29,85,727	-	839	29,86,566	24,99,861	-	443	25,00,303
1-29 days	2,82,452	10,179	299	2,92,931	4,46,489	-	571	4,47,060	4,19,143	-	1,360	4,20,503
30-59 days	-	59,733	401	60,134	-	99,240	254	99,495	-	94,546	682	95,228
60-89 days	-	47,644	955	48,599	-	44,840	271	45,111	-	30,994	443	31,438
90 or more days	-	-	1,07,259	1,07,259	-	-	1,20,432	1,20,432	-	-	1,80,578	1,80,578
Total	42,35,526	1,17,603	1,09,268	44,62,397	34,32,216	1,44,080	1,22,368	36,98,664	29,19,003	1,25,540	1,83,505	32,28,049

Note: Gross carrying amount does not include loan commitments Rs. 346,180 (As on March 31, 2018: Rs. 362,584 lakh ; As on April 01, 2017 : Rs. 310,845 lakh) which are categorised as Stage I asset under zero overdue.

3)

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	28,198	2	275	28,475	20,015	-	540	20,554	17,840	-	-	17,840
1-29 days	6,329	2,475	189	8,994	10,281	-	540	10,822	9,166	-	-	9,166
30-59 days	-	10,100	321	10,421	-	9,767	219	9,987	-	8,856	-	8,856
60-89 days	-	11,391	533	11,924	-	9,509	244	9,753	-	6,314	-	6,314
90 or more days			90,983	90,983			1,05,136	1,05,136	-		1,52,807	1,52,807
Total	34,527	23,969	92,301	1,50,797	30,296	19,276	1,06,679	1,56,252	27,006	15,170	1,52,807	1,94,983

Notes:

1. Includes impairment allowance on loan commitments Rs. 1,458 lakh (As on March 31, 2018 1,503 lakh ; As on April 01, 2017 ; 1,152 Lakh)

2. The above includes impairment allowance towards loan designated as FVTOCI amounting to Rs. 85 lakh (as on March 31, 2018 : Rs. 13 lakh ; as on April 01, 2017 : Nil)

31. Financial risk review(continued)

A. **Credit risk**

Loans by Division

i. Credit quality analysis continued

As at March 31, 2019		Asset group	Days past due	Estimated gross carrying amount at default	Expected probability of default	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	39,53,074	0.71%	28,198	39,24,876
			1-29	2,82,452	2.24%	6,329	2,76,123
			Total	42,35,526	0.82%	34,527	42,00,999
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	59,733	16.91%	10,100	49,632
			60-89	47,644	23.91%	11,391	36,252
			Total	1,17,603	20.38%	23,969	93,634
	Financial assets for which credit risk has increased significantly and credit-impaired	Loans, Credit Substitutes, Finance Leases	0	354	77.80%	275	79
			1-29	299	63.29%	189	110
			30-59	401	80.02%	321	80
			60-89	955	55.75%	533	423
			90 days and above	1,07,259	84.83%	90,983	16,276
			Total	1,09,268	84.47%	92,301	16,967
			Total	**44,62,397**	**3.38%**	**1,50,797**	**43,11,601**

March 31, 2018		Asset group	Days past due	Estimated gross carrying amount at default	Expected probability of default	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	Loans, Credit Substitutes, Finance Leases	0	29,85,727	0.67%	20,015	29,65,712
			1-29	4,46,489	2.30%	10,281	4,36,208
			Total	34,32,216	0.88%	30,296	34,01,920
Loss allowance measured at life-time expected credit losses	Financial assets for which credit risk has increased significantly	Loans, Credit Substitutes, Finance Leases	30-59	99,240	9.84%	9,767	89,473
			60-89	44,840	21.21%	9,509	35,331
			Total	1,44,080	13.38%	19,276	1,24,804
	Financial assets for which credit risk has increased significantly and credit-impaired	Loans, Credit Substitutes, Finance Leases	0	839	64.29%	540	300
			1-29	571	94.63%	540	31
			30-59	254	86.21%	219	35
			60-89	271	89.98%	244	27
			90 days and above	1,20,432	87.30%	1,05,136	15,296
			Total	1,22,368	87.18%	1,06,679	15,689
			Total	**36,98,664**	**4.22%**	**1,56,252**	**35,42,412**

April 1, 2017		Asset group	Days past due	Estimated gross carrying amount at default	Expected probability of default	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	Loans, Credit Substitutes, Finance Leases	0	24,99,861	0.71%	17,840	24,82,020
			1-29	4,19,143	2.19%	9,166	4,09,977
			Total	29,19,003	0.93%	27,006	28,91,997
Loss allowance measured at life-time expected credit losses	Financial assets for which credit risk has increased significantly	Loans, Credit Substitutes, Finance Leases	30-59	94,546	9.37%	8,856	85,690
			60-89	30,994	20.37%	6,314	24,680
			Total	1,25,540	12.08%	15,170	1,10,370
	Financial assets for which credit risk has increased significantly and credit-impaired	Loans, Credit Substitutes, Finance Leases	0	443	0.00%	-	443
			1-29	1,360	0.00%	-	1,360
			30-59	682	0.00%	-	682
			60-89	443	0.00%	-	443
			90 days and above	1,80,578	84.62%	1,52,807	27,770
			Total	1,83,505	83.27%	1,52,807	30,698
			Total	**32,28,049**	**6.04%**	**1,94,983**	**30,33,066**

Note 1 : Gross carrying amount does not include loan commitments Rs. 346,180 (As on March 31, 2018: Rs. 362,584 lakh ; As on 01, April 2017 : Rs. 310,845 lakh).

Note 2 : Includes impairment allowance on loan commitments Rs. 1,458 lakh (As on March 31, 2018 1,503 lakh ; As on April 01, 2017 ; 1,152 Lakh)

31. Financial risk review(continued)

Amt in Lakh

A. **Credit risk**

4)

PARTICULARS	As at March 31, 2019	As at March 31, 2018	As at April 1, 2017
LOANS			
- Amortised Cost	44,41,317	36,95,391	32,28,049
- At Fair Value through Other Comprehensive Income	21,080	3,273	-
Total - Gross Loans	**44,62,397**	**36,98,664**	**32,28,049**
Less: Un-Amortized Processing Fees net of DMA Commission	(11,756)	(7,969)	(4,584)
Total - Carrying Value of Loans	**44,50,641**	**36,90,695**	**32,23,465**
Less : Impairment Allowance	(1,50,797)	(1,56,252)	(1,94,983)
Total - Net Loans	**42,99,844**	**35,34,443**	**30,28,482**

31. Financial risk review(continued)

A. Credit risk

i. Credit quality analysis continued

Derivative Financial Instruments

The Company enters into derivatives contract for risk management purposes and has elected not to apply hedge accounting requirements. 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 February 28, 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	-	-	-	3,718	65	-	-	-	-
Total	-	-	-	3,718	65	-	-	-	-

Derivatives held for risk management purposes, not designated as hedging instruments:

The Company is exposed to foreign currency risk related to plant and equipment imported and deployed under operating leases to its customer and the primary risk of payment terms in foreign currency is managed by entering into a forward rate purchase agreement.
The Corporation’s risk management strategy and how it is applied to manage risk are explained in Note 2(ix).

The foreign exchange forward contracts are not designated in a hedging relationship and are entered into for periods consistent with exposure of the underlying transactions, generally from 6 to 12 months.

31. Financial risk review(continued)

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.
The main types of collateral obtained are as follows:
For corporate and small business lending, first charge over real estate properties, plant and machineries, inventory and trade receivables, equity and debt securities, floating charge over the corporate assets, lien, promoter guarantee and bank guarantees are obtained. For Construction equipment finance, the asset is hypothecated to the Company.

For retail lending, mortgages over residential properties is obtained. For vehicle and tractor loans, the respective movable asset is hypothecated to the Company.
The table represents categories of collaterals available against the loan exposures:

Particulars	Category of collateral available	As at March 31, 2019	As at March 31, 2018	As at April 1, 2017
Financial assets				
Loans				
Bills purchased and bills discounted	Charge on Trade receivables and inventories	32,612	52,394	40,969
Term loans	A) Charges 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	41,82,619	34,60,619	30,34,771
Credit substitutes		1,60,381	1,16,771	94,846
Finance lease and hire purchase	Hypothecation of the underlying asset financed, primarily includes plant and equipment	51,874	43,438	31,843
Retained portion of assigned loans	mortgages over residential properties	3,420	5,567	7,018
Total		**44,30,906**	**36,78,789**	**32,09,447**

Assets obtained by taking possession of collateral

The Companies collection policy is to pursue timely realisation of the collateral in an orderly manner.The Company 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 as applicable.
As on March 31, 2019, the Company is in possession of non current assets held for sale (NCAHS) which have been recorded in the financial statements amounting to Rs. NIL lakh (As on March 31, 2018 Rs 1,326 lakh ; As on April 1, 2017 Rs 3,582 lakh)

The Company has written-off loans of Rs. 51,408 lakh in financial year ended March 31, 2019 (Previous year : Rs. 62,501 lakh). The Company 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 Company:

Particulars	Categories of collaterals available	As at March 31, 2019	As at March 31, 2018	As at April 1, 2017
Financial assets				
Loans				
Bills purchased and bills discounted	Charge on Trade receivables and inventories	229	229	-
Term loans	A) Charges 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	6,172	25,715	44,344
Credit substitutes		826	13,326	7,806
Total		**7,228**	**39,271**	**52,150**

Note: Fresh valuation is obtained for stage 3 assets upon becoming overdue for more than 15 months for CSFD division.

31. Financial risk review(continued)

A. **Credit risk**

iii **Amounts arising from ECL**

Impairment allowance on financial asset is covered in note (ix)

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 Company 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 Company's historical experience, expert credit assessment and including forward looking information.

The Company 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. Additionally, for CSFD, Executive committee for labelling reviews accounts having breach of criteria's such as 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 credit risk. The determination of the credit risk is for each product, considering the unique risk and rewards associated with it. The Company has observed varied level of risk across various buckets within each stage and a significant increase in risk in stage 2.

The objective of the 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 Expected Credit Loss (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(ix) in Significant accounting policies for definition of Stages of Asset

2) Assumptions:

The Company has applied 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 Company 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 shall be 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 Company 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 Company 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 pessimistic outcome consistently as a matter of prudence than optimistic outcome.

The below table indicates the macro economic variables used for determination of the One year probability of default and life time probability of default:

Marco economic parameters used*	**Measurement metric (% change / value)**	**Base case**	**Optimistic case**	**Pessimistic case**
a) Private consumption,	Private consumption (% real change pa)	7.60	8.08	7.12
b) contribution to real GDP growth/Real GDP	Real GDP (% change pa)	7.70	8.22	7.18
c) Housing Price Index,	Housing Price Index (change in % change)	-0.40	0.77	-1.57
d) Lending interest rate,	Lending Interest Rate (%)	9.60	9.91	9.29
e) Average real wages	Average real wages (% change pa)	4.40	5.15	3.65
f) Real agriculture	Real agriculture - [Y]	19,083.20	20,101.75	18,064.65
g) Recorded unemployment	Recorded unemployment (%)	8.70	8.39	9.01
h) Consumer prices	Consumer prices (% change pa; av)	4.90	5.99	3.81

Note: The Company 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 Company are 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 as breaching pre-defined critical credit risk parameters will also be classified as stage 2. Accordingly, the financial assets shall be classified as Stage 2, based on the quantitative as well as qualitative factors.

3) Estimation techniques:

The Company has applied the following estimation technique for ECL model:

1) The Company has used historic default rates for calculating the 12-month PD and Lifetime PDs

2) Loss given default is calculated after considering outstanding at the time of default and adjusting for actual recoveries basis time value of money, absent availability of internal data we have used information to the extent available from Basel norms.

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

Days past due are a primary input for the determination of the PD for exposures. The Company collects performance and default information about its credit risk exposures analysed by product. For some portfolios, information published in Basel IRB norms is also used.

The Company 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 includes but is 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 Company considered 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 Company 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 Company has limited historical data, external benchmark information is used to supplement the internally available data.

vii) Techniques for determining LGD:

LGD is the magnitude of the likely loss if there is a default. The Company 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. Company 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.

viii) Techniques for computation of EAD

a) EAD represents the expected exposure in the event of a default. The Company 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 RBI 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 Company if the holder of the commitment draws down the loan and the cash flows that the Company expects to receive if the loan is drawn down. Outstanding exposure for utilised limit as well as un-utilised limit post applying the credit conversion factor as prescribed under RBI guidelines, absent availability of information of past history of conversion of un-utilised limits into utilised limits is considered as exposure at default for non-fund based facilities.

31. Financial risk review(continued)

A. Credit risk

iii Amounts arising from ECL

An analysis of changes in the gross carrying amount and the corresponding ECL allowances in relation to lending is, as follows:

a)

Particulars	For the period ended March 31, 2019				For the period ended March 31, 2018			
	Stage 1	Stage 2	Stage 3	Total	Stage 1	Stage 2	Stage 3	Total
Gross carrying amount opening balance	34,32,216	1,44,080	1,22,368	36,98,664	29,19,003	1,25,540	1,83,505	32,28,049
New assets originated or purchased	23,32,521	-	-	23,32,521	19,76,451	-	-	19,76,451
Assets derecognised or repaid (excluding write offs)	(13,96,631)	(34,947)	(26,323)	(14,57,901)	(13,40,718)	(28,922)	(45,646)	(14,15,286)
Transfers to Stage 1	46,288	(57,073)	(4,357)	(15,142)	62,104	(57,594)	(7,464)	(2,954)
Transfers to Stage 2	(1,17,654)	93,772	(2,331)	(26,213)	(1,38,574)	1,26,633	(4,348)	(16,289)
Transfers to Stage 3	(56,264)	(25,253)	66,433	(15,085)	(44,095)	(19,357)	51,544	(11,909)
Amounts written off	(4,950)	(2,977)	(46,521)	(54,448)	(1,955)	(2,219)	(55,224)	(59,398)
Gross carrying amount closing balance	**42,35,526**	**1,17,603**	**1,09,268**	**44,62,397**	**34,32,216**	**1,44,080**	**1,22,368**	**36,98,664**

Note : Gross carrying amount does not include loan commitments Rs. 346,180 (As on March 31, 2018: Rs. 362,584 lakh ; As on 01, April 2017 : Rs. 310,845 lakh).

b)

Particulars	For the period ended March 31, 2019				For the period ended March 31, 2018			
	Stage 1	Stage 2	Stage 3	Total	Stage 1	Stage 2	Stage 3	Total
ECL allowance - opening balance	30,296	19,276	1,06,679	1,56,252	27,006	15,170	1,52,807	1,94,983
New assets originated or purchased	34,429	-	-	34,429	36,070	-	-	36,070
Assets derecognised or repaid (excluding write offs)	(12,873)	(4,243)	(22,752)	(39,868)	(13,140)	(3,694)	(33,178)	(50,012)
Transfers to Stage 1	355	(5,520)	(2,374)	(7,538)	746	(5,088)	(5,234)	(9,576)
Transfers to Stage 2	(4,782)	19,516	(1,242)	13,492	(6,011)	16,561	(2,096)	8,454
Transfers to Stage 3	(12,641)	(4,006)	57,418	40,770	(14,307)	(3,185)	46,006	28,515
Amounts written off	(257)	(1,055)	(45,429)	(46,740)	(68)	(488)	(51,626)	(52,182)
ECL allowance - closing balance	**34,527**	**23,969**	**92,301**	**1,50,797**	**30,296**	**19,276**	**1,06,679**	**1,56,252**

Note : Includes impairment allowance on loan commitments Rs. 1,458 lakh (As on March 31, 2018 1,503 lakh ; As on April 01, 2017 ; 1,152 Lakh)

31. **Financial risk review(continued)**

A. **Credit risk**

iii Amounts arising from ECL

Modified financial assets

The Company 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 Companies 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

(Rs. 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**	5,360	18,004	51,756
(ii) Impairment allowance	2,431	13,616	42,577
(iii) Net carrying amount	**2,929**	**4,388**	**9,178**

31. 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.

STAGE	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
SBU												
Consumer Finance & Advisory Business	17,15,155	82,360	66,622	18,64,137	14,95,226	58,891	54,134	16,08,251	12,80,048	42,215	53,130	13,75,393
Corporate & SME Finance Division	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
Others	9,683		1,471	11,154	14,176	-	37,160	51,336	30,598	277	72,070	1,02,945
Total	**42,35,526**	**1,17,603**	**1,09,268**	**44,62,397**	**34,32,216**	**1,44,080**	**1,22,368**	**36,98,664**	**29,19,003**	**1,25,540**	**1,83,505**	**32,28,049**

Note : Gross carrying amount does not include loan commitments Rs. 346,180 (As on March 31, 2018: Rs. 362,584 lakh ; As on 01, April 2017 : Rs. 310,845 lakh).

STAGE	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
SBU												
Consumer Finance & Advisory Business	20,217	19,938	56,182	96,338	17,122	12,474	42,588	72,184	15,092	8,937	37,325	61,354
Corporate & SME Finance Division	14,147	4,031	36,119	54,296	12,587	6,802	25,211	44,600	9,851	6,161	43,070	59,082
Others	163			163	587	-	38,880	39,467	2,063	72	72,412	74,547
Total	**34,527**	**23,969**	**92,301**	**1,50,797**	**30,296**	**19,276**	**1,06,679**	**1,56,252**	**27,006**	**15,170**	**1,52,807**	**1,94,983**

Note : Includes impairment allowance on loan commitments Rs. 1,458 lakh (As on March 31, 2018 1,503 lakh ; As on April 01, 2017 ; 1,152 Lakh)

31. Financial risk review(continued)

B. Liquidity risk

For the definition of liquidity risk and information on how liquidity risk is managed by the Company, see Note 31.

i. Exposure to liquidity risk

The Company has set tolerance limits in the light of the Company's business objectives, strategic direction and overall risk appetite. The tolerance limits reflects balance between profitability and managing liquidity risk and considers Company's current financial condition and funding capacity. The Company maintains liquidity buffer of unencumbered highly liquid assets (if required) to insure against liquidity stress events.

31. Financial risk review(continued)

B. **Liquidity risk**

ii. Maturity analysis of assets and liabilities

The table below set out carrying amount of non-derivative financial assets and financial liability according to when they are expected to be recovered or settled. With regard to loans and advances to customers, the Company uses the same basis of expected repayment behaviour as used for estimating the EIR. Issued debt reflect the contractual coupon amortisations.

	As at March 31, 2019			**As at March 31, 2018**			**April 1, 2017**		
ASSETS	**Within 12 months**	**After 12 months**	**Total**	**Within 12 months**	**After 12 months**	**Total**	**Within 12 months**	**After 12 months**	**Total**
Financial assets	**24,12,903**	**21,56,351**	**45,69,254**	**20,51,618**	**17,61,258**	**38,12,876**	**17,63,436**	**15,54,794**	**33,18,230**
Cash and cash equivalents	25,163	-	25,163	8,128	-	8,128	7,337	-	7,337
Bank Balance other than (a) above	36	-	36	-	4,462	4,462	3	-	3
Trade Receivables	3,454	-	3,454	6,675	-	6,675	2,001	-	2,001
Loans	23,49,241	21,13,156	44,62,397	19,78,905	17,19,759	36,98,664	17,04,903	15,23,146	32,28,049
Investments	1,887	36,272	38,159	1,077	29,204	30,281	795	26,155	26,950
Other financial assets	33,122	6,923	40,045	56,833	7,833	64,666	48,397	5,493	53,890
Non-financial Assets	**47,222**	**1,67,478**	**2,14,700**	**35,162**	**1,41,946**	**1,77,108**	**22,919**	**1,59,419**	**1,82,338**
Current tax asset	8,797	-	8,797	6,265	-	6,265	5,818	-	5,818
Deferred tax Assets (Net)	-	64,324	64,324	-	62,684	62,684	-	70,970	70,970
Investment property	-	-	-	-	-	-	-	-	-
Property, Plant and Equipment	-	91,487	91,487	-	69,000	69,000	-	77,052	77,052
Capital work-in-progress	-	62	62	-	101	101	-	518	518
Intangible assets under development	-	108	108	-	39	39	-	655	655
Other Intangible assets	-	2,179	2,179	-	2,314	2,314	-	1,109	1,109
Other non-financial assets	38,425	9,318	47,743	28,897	7,808	36,705	17,101	9,115	26,216
Asset held for sale									
Total Assets	**24,60,125**	**23,23,829**	**47,83,954**	**20,86,781**	**19,03,203**	**39,89,984**	**17,86,354**	**17,14,214**	**35,00,568**

LIABILITIES									
Financial Liabilities	**23,37,251**	**18,47,939**	**41,85,190**	**18,55,600**	**16,47,038**	**35,02,638**	**20,17,719**	**9,96,901**	**30,14,620**
Derivative financial instruments	-	-	-	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	55,910	-	55,910	52,566	-	52,566	44,537	-	44,537
Debt Securities	7,04,193	9,04,955	16,09,148	467880	7,64,267	12,32,147	7,24,550	5,45,238	12,69,788
Borrowings (Other than debt securities)	13,77,758	6,63,900	20,41,658	1184752	5,95,500	17,80,252	11,16,583	1,95,215	13,11,798
Deposits	-	-	-	-	-	-	-	-	-
Subordinated liabilities	89,677	2,40,083	3,29,760	-	2,72,040	2,72,040	-	2,39,777	2,39,777
Other financial liabilities	1,09,713	39,001	1,48,714	1,50,304	15,231	1,65,535	1,32,049	16,671	1,48,720
Non-Financial Liabilities	**1,15,573**	**78,701**	**1,94,274**	**1,22,949**	**68,417**	**1,91,366**	**1,46,151**	**79,807**	**2,25,958**
Current tax liability	13,110	-	13,110	10,114	-	10,114	8,575	-	8,575
Provisions	102463	49,778	1,52,241	1,12,835	45,222	1,58,057	1,37,576	62,985	2,00,561
Deferred tax liabilities (Net)	-	28,923	28,923	-	23,195	23,195	-	16,822	16,822
Liability and disposal groups held for sale									
Total liabilities	**24,52,823**	**19,26,641**	**43,79,464**	**19,78,549**	**17,15,455**	**36,94,004**	**21,63,870**	**10,76,708**	**32,40,578**
Net	7,301	3,97,189	4,04,490	1,08,231	1,87,749	2,95,980	- 3,77,516	6,37,506	2,59,990

31. 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.
Loans disbursed to customers and unrecognised loan commitments	Earliest possible contractual maturity.
Derivative financial liabilities and financial assets held for risk management purposes	The Derivative liability amount represents the Mark to market(MTM) gain.

The Companies expected cash flows on some financial assets and financial liabilities vary significantly from the contractual cash flows. The principal differences are as follows:
Unrecognised loan commitments are not all expected to be drawn down immediately; and retail loans (includes personal loan, business loan, consumer durable loan, auto loan, home equity) 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. 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 respectively.

As part of the management of liquidity risk arising from financial liabilities, the Company holds liquid assets comprising cash and cash equivalents to meet liquidity requirements. In addition, the Company maintains agreed lines of credit with other banks to maintain the liquidity requirements.

31. **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 Companies financial liabilities and financial assets:

As at April 1, 2019	Note	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		55,910	55,910	-	57,090	-	-	-	57,090	-
Debt securities issued	14	16,14,433	16,14,433	1,07,630	1,22,500	4,79,348	8,79,628	25,327	7,09,478	9,04,955
Borrowings	15	20,41,864	20,41,864	3,07,114	7,45,148	3,25,702	4,75,000	1,88,900	13,77,964	6,63,900
Subordinated liabilities	16	3,30,628	3,30,628	-	-	90,545	9,643	2,30,440	90,545	2,40,083
Other financial liabilities		1,48,714	1,48,714	2,918	10,606	95,293	39,898	-	1,08,817	39,898
Derivative liabilities		-	-	-	-	-	-	-	-	-
Total		**41,91,549**	**41,91,549**	**4,17,662**	**9,35,344**	**9,90,888**	**14,04,169**	**4,44,667**	**23,43,894**	**18,48,836**
Market Borrowings		25,88,219	25,88,219	2,12,879	5,53,148	6,77,154	8,89,271	2,55,767	14,43,181	11,45,038
Bank borrowings		12,09,807	12,09,807	2,01,865	3,14,500	2,18,442	4,75,000	-	7,34,807	4,75,000
Total Borrowings excluding CCCPS		**37,98,025**	**37,98,025**	**4,14,744**	**8,67,648**	**8,95,595**	**13,64,271**	**2,55,767**	**21,77,988**	**16,20,038**
Financial asset by type										
Non-derivative assets										
Cash and cash equivalents	4	25,163	25163	25163	-	-	-	-	25,163	-
Bank balances	5	36	36	36	-	-	-	-	36	-
Receivables	6	3,454	3454	3454	-	-	-	-	3,454	-
Loans	7	44,62,397	44,62,397	2,90,974	8,52,930	10,53,399	15,49,542	7,15,552	21,97,302	22,65,095
Investments	8	38,032	38032	-	-	1,379	36,653	-	1,379	36,653
Other Financial Assets	9	40,045	40045			33,133	6,912	-	33,133	6,912
Derivative assets		-	-	-	-	-	-	-	-	-
Total		**45,69,127**	**45,69,127**	**3,19,627**	**8,52,930**	**10,87,910**	**15,93,107**	**7,15,552**	**22,60,467**	**23,08,660**

31. 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 Companies financial liabilities and financial assets:

As at April 1, 2018	Note	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		52,566	52,566	-	52,566	-	-	-	52,566	-
Debt securities issued	14	12,32,576	12,32,576	59,890	67,500	3,40,918	7,47,267	17,000	4,68,308	7,64,267
Borrowings	15	17,80,296	17,80,296	3,87,948	4,36,832	3,60,017	4,43,500	1,52,000	11,84,796	5,95,500
Subordinated liabilities	16	2,72,994	2,72,994	-	-	-	90,339	1,82,655	-	2,72,994
Other financial liabilities		1,65,535	1,65,535	3,589	8,201	1,21,255	32,490	-	1,33,045	32,490
Derivative liabilities		-	-	-	-	-	-	-	-	-
Total		**35,03,967**	**35,03,967**	**4,51,427**	**5,12,533**	**8,22,190**	**13,13,596**	**3,51,655**	**17,86,150**	**16,65,251**
Market Borrowings		21,87,932	21,87,932	1,87,904	5,04,332	4,58,435	8,37,606	1,99,655	11,50,671	10,37,261
Bank borrowings		9,45,934	9,45,934	2,59,934	-	2,42,500	4,43,500	-	5,02,434	4,43,500
Total Borrowings excluding CCCPS		**31,33,866**	**31,33,866**	**4,47,838**	**5,04,332**	**7,00,935**	**12,81,106**	**1,99,655**	**16,53,104**	**14,80,761**
Financial asset by type										
Non-derivative assets										
Cash and cash equivalents	4	8,128	8128	8,128	-	-	-	-	8,128	-
Bank balances	5	4,462	4462	4,462	-	-	-	-	4,462	-
Receivables	6	6,675	6675	6,675	-	-	-	-	6,675	-
Loans	7	36,98,664	36,98,664	2,65,026	7,79,313	8,47,782	12,73,789	5,32,755	18,92,120	18,06,544
Investments	8	29,472	29472	-	-	1,362	28,110	-	1,362	28,110
Other Financial Assets	9	64,666	64666	-	-	56581	8085	-	56,581	8,085
Derivative assets		-	-	-	-	-	-	-	-	-
Total		**38,12,067**	**38,12,067**	**2,84,291**	**7,79,313**	**9,05,724**	**13,09,984**	**5,32,755**	**19,69,328**	**18,42,739**

31. 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 Companies financial liabilities and financial assets:

As at April 1, 2017	Note	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		44,537	44,537	-	44,537	-	-	-	44,537	-
Debt securities issued	14	12,70,318	12,70,318	31,790	2,03,280	4,90,010	5,23,238	22,000	7,25,080	5,45,238
Borrowings	15	13,11,844	13,11,844	5,28,916	3,62,621	2,25,092	1,00,715	94,500	11,16,629	1,95,215
Subordinated liabilities	16	2,40,746	2,40,746	-	-	-	89,246	1,51,500	-	2,40,746
Other financial liabilities		1,48,720	1,48,720	7,148	5,723	1,09,003	26,845	-	1,21,875	26,845
Derivative liabilities		-	-	-	-	-	-	-	-	-
Total		**30,16,165**	**30,16,165**	**5,67,855**	**5,71,624**	**8,24,106**	**7,40,044**	**2,68,000**	19,63,584	10,08,044
Market Borrowings		21,24,240	21,24,240	1,57,537	5,60,901	6,19,102	6,13,199	1,73,500	13,37,541	7,86,699
Bank borrowings		6,04,169	6,04,169	4,03,169	5,000	96,000	1,00,000	-	5,04,169	1,00,000
Total Borrowings excluding CCCPS		**27,28,409**	**27,28,409**	**5,60,706**	**5,65,901**	**7,15,102**	**7,13,199**	**1,73,500**	**18,41,709**	**8,86,699**
Financial asset by type										
Non-derivative assets										
Cash and cash equivalents	4	7,337	7337	7337	-	-	-	-	7,337	-
Bank balances	5	3	3	3	-	-	-	-	3	-
Receivables	6	2,001	2001	2001	-	-	-	-	2,001	-
Loans	7	32,28,049	32,28,049	1,00,000	10,00,000	20,00,000	1,28,049	-	31,00,000	1,28,049
Investments	8	26,409	26409	-	-	802	25,608	-	802	25,608
Other Financial Assets	9	53,890	53890	-	-	48,114	5,776	-	48,114	5,776
Derivative assets		-	-	-	-	-	-	-	-	-
Total		**33,17,689**	**33,17,689**	**1,09,341**	**10,00,000**	**20,48,916**	**1,59,433**	**-**	**31,58,257**	**1,59,433**

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31. Financial risk review(continued)

B. **Liquidity risk**

iii. Financial assets available to support future funding

The Company 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									
Cash and cash equivalents	-	25,163	25,163	-	8,128	8,128	-	7,337	7,337
Bank Balance other than (a)	-	36	36	-	4,462	4,462	-	3	3
Derivatives financial	-	-	-	-	-	-	-	-	-
Trade Receivables	-	3,454	3,454	-	6,675	6,675	-	2,001	2,001
Loans	44,62,397	-	44,62,397	36,98,664	-	36,98,664	32,28,049	-	32,28,049
Investments	-	38,159	38,159	-	30,281	30,281	-	26,950	26,950
Other financial assets	-	40,045	40,045	-	64,666	64,666	-	53,890	53,890
Non-financial Assets									
Current tax asset	-	8,797	8,797	-	6,265	6,265	-	5,818	5,818
Deferred tax Assets (Net)	-	64,324	64,324	-	62,684	62,684	-	70,970	70,970
Investment property	-	-	-	-	-	-	-	-	-
Property, Plant and Equipment	25	91,462	91,487	25	68,975	69,000	25	77,027	77,052
Capital work-in-progress	-	62	62	-	101	101	-	518	518
Intangible assets under	-	108	108	-	39	39	-	655	655
Other Intangible assets	-	2,179	2,179	-	2,314	2,314	-	1,109	1,109
Other non-financial assets	-	47,743	47,743	-	36,705	36,705	-	26,216	26,216
Total Assets									

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 at February 28, 2019, March 31, 2018 and April 1, 2017 is shown in the preceding table.

31. Financial risk review(continued)

C. Market risk

i For the definition of market risk and information on how the company manages the market risks of trading and non-trading portfolios, see Note 31(D).

The following table sets out the allocation of assets and liabilities to non-trading portfolios. The Company does not allocate the assets and liabilities to trading portfolios.

Carrying amount		Market risk measure		
In millions of euro	Note	As at March 31, 2019	As at March 31, 2018	As at April 1, 2017
Assets subject to market risk				
Receivables	6	3,454	6,675	2,001
Loans	7	44,62,397	36,98,664	32,28,049
Investments	8	38,159	30,281	26,950
Other Financial Assets	9	40,045	64,666	53,890
Liabilities subject to market risk				
Debt securities issued	14	16,09,148	12,32,147	12,69,788
Borrowings (Other than Debt Securities)	15	20,41,658	17,80,252	13,11,798
Subordinated liabilities	16	3,29,760	2,72,040	2,39,777
Other Financial Liabilities	17	1,48,714	1,65,535	1,48,720
Derivatives held for risk management	30	-	98	-

31. Financial risk review(continued)

C. Market risk (continued)

ii Exposure to interest rate risk – Non-trading portfolios (continued)

Company 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 assets and rate sensitive liabilities.

As on March 31, 2019 Amt in Lakh

Rate sensitive	Less than 1 Year	@ 100bps change increase	@ 100bps change decrease
Rate Sensitive Asset	32,85,034	16,425	(16,425)
Rate Sensitive Liabilities	26,56,273	(13,281)	13,281
Net Gap (Asset - liability)	**6,28,761**	**3,144**	**(3,144)**

As on March 31, 2018

Rate sensitive	Less than 1 Year	@ 100bps change increase	@ 100bps change decrease
Rate Sensitive Asset	27,46,629	13,733	(13,733)
Rate Sensitive Liabilities	20,93,941	(10,470)	10,470
Net Gap (Asset - liability)	**6,52,688**	**3,263**	**(3,263)**

As on April 01, 2017

Rate sensitive	Less than 1 Year	@ 100bps change increase	@ 100bps change decrease
Rate Sensitive Asset	24,00,449	12,002	(12,002)
Rate Sensitive Liabilities	21,02,385	(10,512)	10,512
Net Gap (Asset - liability)	**2,98,063**	**1,490**	**(1,490)**

iii. Exposure to currency risks – Non-trading portfolios

There are no exposure to foreign currency risks in the non trading portfolio as on March 31, 2019

31. Financial risk review(continued)

D. Capital management

i Regulatory capital

The Reserve Bank of India (RBI) sets and monitors capital adequacy requirements for the Company from time to time.

The Companies regulatory capital consists of the sum of the following elements.

Tier 1 Capital includes:
1) Ordinary share capital,
2) Securities premium reserve,
3) Retained earnings,
4) Cummulative compulsorily convertible preference Shares (CCCPS),
5) Debenture redemption reserve
6) Perpetual debt
7) Special reserve
8) Retained earnings
9) Special reserve.
10) General reserve
Tier 1 Capital does not include unrealised fair value gain/loss booked for financial instruments measured at fair value through profit and loss statement and shares option outstanding account
Following items are deducted from Tier I
a) Intangibles
b) Deferred revenue expenditure for raising borrowings
c) Deferred tax assets
d) Prepaid expenses and unamortised direct sourcing cost

Tier II capital includes
1) subordinated debt
2) impairment allowance provisioning for stage 1 and stage 2 financial assets to the extent the same does not exceed 1.25% of Risk weighted assets,
3) perpetual debt to the extent not eligible for Tier I.

31. Financial risk review(continued)

D. Capital management

i Regulatory capital

Particulars	As at March 31, 2019	As at March 31, 2018	As at April 1, 2017
	IND AS	**IGAAP**	**IGAAP**
Tier 1 capital			
Ordinary share capital	1,37,556	1,29,755	1,29,755
Securities premium reserve	1,46,648	88,805	88,865
Retained earnings	36,491	60,176	37,538
cummulative compulsorily convertible preference Shares (CCCPS),	1,88,900	1,52,000	94,500
debenture redemption reserve	30,000	30,000	30,000
perpetual debt	74,573	59,709	53,852
special reserve	46,896	35,402	25,750
general reserve	429	-	-
Less			
-Deferred Revenue Expenditure	21,079	18,770	16,954
-Goodwill & Software	2,287	2,353	1,764
-Deferred Tax Asset	64,324	37,568	43,483
Tier I Capital	**5,73,804**	**4,97,156**	**3,98,059**
Subordinate Debt	1,48,640	1,09,439	127198
Standard Asset prov'n	58,411	15,255	11591
Perpetual debt	17,227	32,091	6148
Tier II Capital	**2,24,277**	**1,56,785**	**1,44,937**
Tier I + Tier II Capital	**7,98,081**	**6,53,941**	**5,42,996**

The Company has complied with the minimum stipulated capital requirement for Tier I and Tier II.

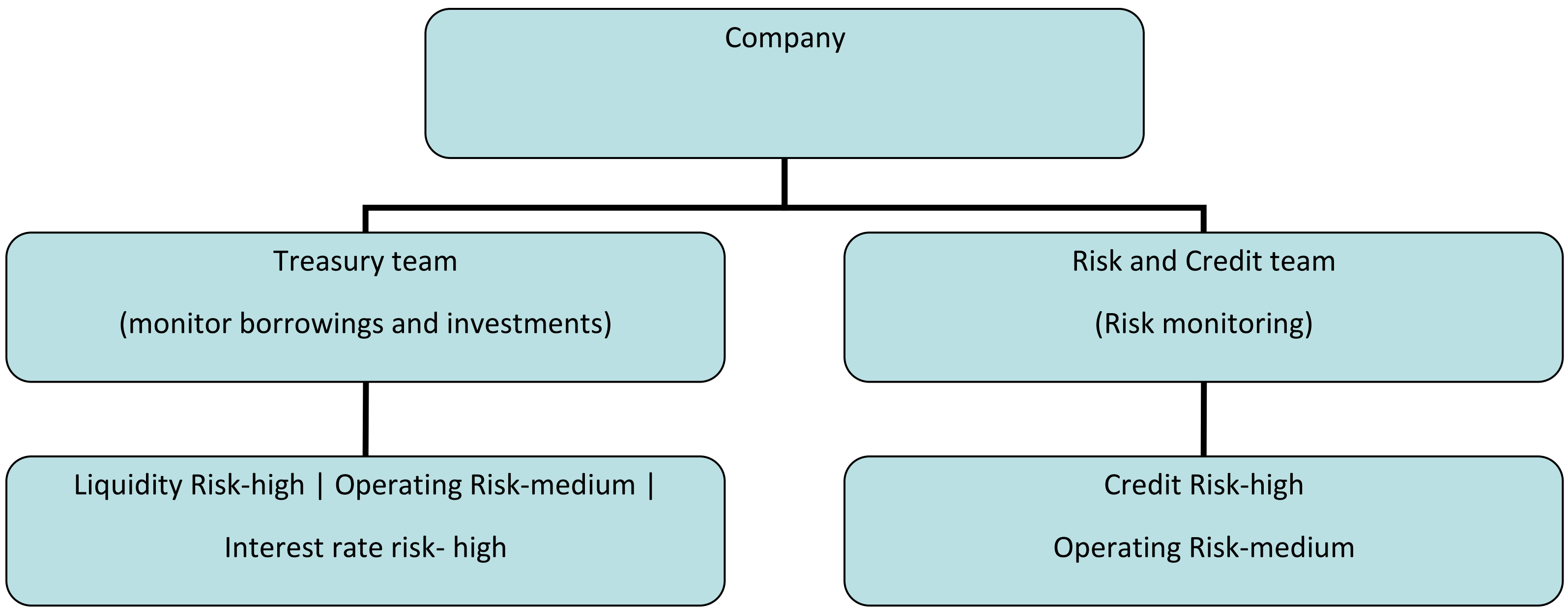
The Board of Directors (BOD) has authorised the Asset and Liability Management Committee (ALCO) to review the Capital requirement. Treasury team closely monitors the Tier I and Tier II capital requirement of the Company and reports to ALCO. The Company endeavour to maintain a balance between ensuring high level of return on capital employed and securing strong capital base.

32. Financial risk management

A. Introduction and overview;

Financial instruments of the Company has to credit risk, liquidity risk, market risks and operational risk.

1. The following chart provides a link between the Company's business units and the principal risks that they are exposed to:



2. <u>Company's Risk Management framework for measuring and managing risk:</u>

i. Risk management framework:

The Company'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 Company.

a) Asset and Liability Committee (ALCO): Review of the Asset and Liability position, liquidity risk and market risk of the Company.

b) Risk Management Committee: Review of the credit risk, operational risk and fraud risk management of the Company. 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 vendors.

c) Investment Committee (IC)and Credit Committee(CC): Review of the investment and credit proposal of the Company and oversight of credit risk. A separate Managing Credit Committee(MCC) reports to the Credit Committee, is responsible for managing the credit risk of the Company.

The Company's risk management policies are established to identify and analyse the risks faced by the Company, 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 Company. The Company, 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 Company. The Audit Committee is assisted in its oversight role by Internal Audit. Internal Audit undertakes both regular and adhoc reviews of risk management controls and procedures, the results of which are reported to the Audit Committee.

Sources of risk which the Company is exposed to and how the same is managed is illustrated in the table below:

Risk	**Exposure arising from**	**Measurement**	**Management**
Credit risk	Financial asset measured at amortised cost. Trade receivable and derivative financial instrument.	Review of ageing analysis and credit rating of the customer. Annual review of the Customer account as per the Credit monitoring policy of the company.	Granularity of portfolio, product, ticket size, collateral and customer segment.
Liquidity risk	Borrowings and other liabilities	Rolling cash flow forecasts	Availability of committed bank lines and borrowing facilities
Market risk – foreign exchange	Payable 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.
Market risk – interest rate	Long-term borrowings at variable rates	Sensitivity analysis for rate sensitive assets and liabilities	Managing the borrowing mix between market and bank borrowing.
Market risk – security prices	Investments in equity securities	Sensitivity analysis	Portfolio diversification

The Company's Credit risk and market 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 a treasury department as per the policies approved by the board of directors. Treasury identifies, evaluates and mitigates financial risks in close co-operation with the Company'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 Company for handling the various type of risks are 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 us. In its lending operations, the Company 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 Committee. 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 Company 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 portfolio level. The Company has a structured and standardized 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 Company has additionally taken the following measures for risk management;

1) single party and group borrower limit.

2) limit on secured and unsecured exposure for Commercial and SME finance division and at Company level.

3) establishment of a separate credit monitoring team to enhance focus on monitoring of borrowers and to facilitate proactive action wherever required.

4) enhanced monitoring of retail product portfolios through periodic reviews.

For risk management reporting purposes, the Company 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 company:

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. Investment Committee (IC) and Credit Committee (CC) approves 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 Company's risk grading to categorise exposures according to the degree of risk of default. The current risk grading framework of the company 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 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. Customer with highest level of safety are unlikely to be effected by change in circumstances, while customer with adequate safety are likely to be 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 favourable conditions continue.
TC10	Customer defaulter or expected to default	TC10: Customer 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.

f) Developing and maintaining the Company's processes for measuring ECL for CSFD and CFAB division 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) Regular reports on the credit quality of product portfolio are provided to Credit 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 Company in the management of credit risk.
7) Assess criteria of staging of the assets under qualitative parameters.

Each business unit is required to implement Company'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 Credit Committee and 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 Credit Committee. Regular audits of business units and credit processes are undertaken by Internal Audit.

iv. Credit Risk assessment methodology:

a) Credit management for Corporate Portfolio:

The Company 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 Credit Committee.

The Company 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 Company ensure 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 Company 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 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.

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 market risk officer is responsible for the development of detailed market risk management policies & periodic review along with day to day implementation.

Exposure to Market Risk:

Interest rate risk:

Core business of the Company is borrowing and lending as permitted by the Reserve Bank of India, exposing 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 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 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 monitor interest rate risk through above measures on a monthly basis. The interest rate risk limits are approved by the ALCO.

C. Liquidity risk;

A risk that the Company will encounter difficulty in meeting its day to day financial obligations.

Management of liquidity risk is done as follows;

i. ALCO sets the strategy for managing liquidity risk commensurate with the business objectives;

ii. ALCO has delegated the responsibility of managing overall liquidity risk and interest rate risk management to Treasury.

iii. Treasury department manages the liquidity position on a day-to-day basis and reviews daily reports covering the liquidity position of the Company. Treasury team ensures the regulatory compliance to the liquidity risk related limits approved in the ALM policy by ALCO.

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:

1) Maintaining a diversified funding through market and bank borrowings resources such as debentures, commercial papers, subordinated debt, perpetual debt, Intercorporate 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 Market scenario, the company 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. We monitor the behavioural characteristics of the Company's financial assets and financial liabilities while preparing the structural liquidity statement.

3) The company carries out stress testing of cash flows on periodic basis and shares the results with ALCO to gauge the adequacy of liquidity.

D. Operational Risk;

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 (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 organisation.

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.

Tata Capital has adopted "Framework for Improving Critical Infrastructure Cyber Security" published by the National Institute of Standards & Technology (NIST) and comply with regulatory guidelines. Various measures are adopted to effectively protect against phishing, social media threats and rogue mobile.

33. Operating segments

See accounting policy in Note 2(i)

A. Basis for segmentation

In accordance with Ind AS 108 on Segment Reporting, the Company 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 Company'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
Investment activity	Corporate investments
Others	advisory services, wealth management, distribution of financial products 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

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 company. 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.

33. Operating segments

B. Information about reportable segments

Information related to each reportable segment is set out below. Segment profit before tax, as included in internal management reports reviewed by the Board of Director's, is used to measure performance because management believes that this information is the most relevant in evaluating the results of the respective

(Rs. in lakh)

Particulars	**For the Year Ended March 31, 2019**	**For the Year Ended March 31, 2018**
Segment Revenue		
a) Financing Activity	4,89,767	4,02,173
b) Investment Activity	29,097	249
c) Others	39,701	32,083
Total	**5,58,565**	**4,34,505**
Less : Inter Segment Revenue	-	-
Add : Interest on Income Tax Refund	1	307
Total Income	**5,58,566**	**4,34,812**
Segment Results		
a) Financing Activity	67,199	81,685
b) Investment Activity	20,424	(2,109)
c) Others	4,946	3,290
Total	**92,569**	**82,866**
Less : Unallocated Corporate Expenses	27,208	14,869
Profit before taxation	**65,361**	**67,997**
Less : Provision for taxation	21,651	28,249
Profit after taxation	**43,710**	**39,748**

Particulars	**As at March 31, 2019**	**As at March 31, 2018**	**As at April 01, 2017**
Segment Assets			
a) Financing Activity	45,30,213	37,82,034	32,93,322
b) Investment Activity	38,170	30,122	26,962
c) Others	1,23,079	89,462	81,884
d) Unallocated	92,492	88,366	98,400
Total	**47,83,954**	**39,89,984**	**35,00,568**
Segment Liabilities			
a) Financing Activity	42,24,147	35,85,764	31,47,207
b) Investment Activity	-	-	-
c) Others	1,23,613	90,056	80,344
d) Unallocated	31,704	18,184	13,027
Total	**43,79,464**	**36,94,004**	**32,40,578**

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	-	-
b) Investment Activity	-	-
c) Others	53,438	27,391
d) Unallocated	2,325	3,446
Total	**55,763**	**30,837**
Depreciation and Amortisation		
a) Financing Activity	606	647
b) Investment Activity	-	-
c) Others	24,859	21,292
d) Unallocated	1,957	1,698
Total	**27,422**	**23,637**

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

Ultimate Holding Company	Tata Sons Private Limited (formerly known as Tata Sons Limited)
Holding Company	Tata Capital Limited
Fellow Subsidiaries (with which the company had transactions)	Tata Capital Housing Finance Limited Tata Securities Limited Tata Cleantech Capital Limited Tata Capital Pte. Limited Tata Capital Advisors Pte Limited Tata Capital Markets Pte Limited Tata Capital General Partners LLP Tata Capital Healthcare General Partners LLP Tata Opportunities General Partners LLP Tata Capital Plc TC Travel and Services Limited (ceased w.e.f. 30.10.2017) Tata Capital Forex Limited (ceased w.e.f. 30.10.2017)
Associates and Fellow Associates (with which the company had transactions)	International Asset Reconstruction Company Private Limited (Ceased w.e.f 08.03.2018) Shriram Properties Private Limited TVS Supply Chain Solutions Limited Fincare Business Services Limited Varroc Engineering Limited (ceased w.e.f. 06.07.2018) Roots Corporation Limited Kapsons Industries Limited Tata Projects Tata Technologies Limited
Plans	Tata Capital Limited Gratuity Scheme Tata Capital Limited Employees Provident Fund Trust Tata Capital Limited Employee Welfare Trust Tata Capital Limited Superannuation Scheme
Subsidiaries, Associates and Joint Venture of ultimate holding company (with which the company 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 Calsea Footwear Private Limited Tata Autocomp Systems Limited Automotive Stampings and Assemblies Limited Tata Toyo Radiator Limited (ceased to be a joint venture and became a subsidiary w.e.f. 01.07.2018) Tata Advanced Systems Limited Tata Lockheed Martin Aerostructures Limited Tata Sikorsky Aerospace Limited Tata Boeing Aerospace Limited Tata Asset Management Limited Tata Industries Limited (ceased to be subsidiary and became a joint venture w.e.f. 27.03.2019) 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 Taj Air Limited Inshaallah Investments Limited Niskalp Infrastructure Services Limited AirAsia (India) Limited Coastal Gujarat Power Limited Concorde Motors (India) Limited Industrial Energy Limited Jamshedpur Utilities & Services Co. Limited Maithon Power Limited Nelco Limited Powerlinks Transmission Limited Sir Ratan Tata Trust Tata AutoComp GY Batteries Private Limited (formerly Tata AutoComp GY Batteries Limited) Tata Communications Limited (Ceased to be an associate and became a subsidiary w.e.f. 28.05.2018) Tata Communications Transformation Services Limited

	Tata International DLT Private Limited Tata Metaliks Limited Tata Motors Finance Limited Tata Motors Limited Tata Power Solar Systems Limited Tata Power Trading Company Limited Tata Precision Industries (I) Limited Tata Steel Limited Tayo Rolls Limited The Associated Building Company Limited The Indian Hotels Company Limited TP Ajmer Distribution Limited Voltas Limited Fiora Hypermarket Limited Piem Hotels Limited Tata Elxsi Limited Tata Power Delhi Distribution Limited Titan Company Limited Trent Limited United Hotels Limited Tata Global Beverages Limited
Key Management Personnel	Mr. Rajiv Sabharwal (Director) Mr. F.N. Subedar (Director) Mr. Mukund S. Dharmadhikari (Director) Ms. Anuradha E. Thakur (Director) Mr. Kusal Roy (Managing Director) Mr. Praveen P. Kadle (Managing Director and CEO - ceased to be a KMP w.e.f. April 1, 2018) Mr. Puneet Sharma (Chief Financial Officer) Ms. Avan Doomasia (Company Secretary)

B) Transactions with Related Parties

(Rs. in Lakh)

Sr. No	Party Name	Nature of transaction	2018-19	2017-18	2016-17
1	Tata Sons Private Limited	a) Expenses			
		- Brand Equity and Business Promotion	1,503	1,243	-
		- Rent	-	29	-
		- Other charges	25	51	-
		b) Income			
		- Interest Income	5	6	-
		c) Asset			
		- Security deposit receivable	-	-	12
		- Security deposit refund received	-	12	-
		- Finance Lease			
		Repaid during year	9	8	-
		Outstanding facility	40	50	58
		- Balance receivable*	0	5	16
		d) Liability			
		- Balance Payable	1,503	1,243	1,171
		e) Commitments - Off balance sheet exposure	30	30	32
2	Tata Capital Limited	a) Expenses			
		- Interest Expenses on Inter-Corporate Deposit	4,954	6,747	-
		- Interest Expenses on debentures	1,113	89	-
		- Marketing & managerial service fee	3,496	2,657	-
		- Rent	949	1,036	-
		- Other Expenses	82	111	-
		b) Income			
		- Preference share arranger fees	113	515	-
		- Recovery of Expenses - Rent and others	22	41	-
		- FA transfer*	-	0	-
		c) Amount raised by issue of Perpetual Non-Convertible debentures	-	12,500	-
		d) Amount raised by issue of Compulsory Convertible Cumulative Preference Shares	1,02,500	57,500	-
		e) Conversion of Convertible Preference Shares into Equity Shares	65,600	-	-
		f) Interim dividend paid			
		- Equity Shares	-	4,541	-
		- Preference Shares	11,741	8,726	-
		g) Inter-Corporate Deposit accepted / repaid			
		- Inter-Corporate Deposit received	7,52,235	4,63,617	-
		- Inter-Corporate Deposit repaid	7,80,293	4,74,662	-
		h) Security Deposit accepted / repaid			
		- Security deposit given	-	5,849	-
		- Security deposit received	-	4,667	-
		i) Asset			
		- Security Deposit Receivable	5,847	5,847	4,665
		- Balance Receivable	-	-	61
		j) Liability			
		- Inter-Corporate Deposit Payable #	5,726	33,784	44,829
		- Perpetual Non-Convertible debentures	12,500	12,500	5,000
		- Balance Payable	330	374	-
		- Equity shares held	1,37,556	1,29,755	1,29,755

(Rs. in Lakh)

Sr. No	Party Name	Nature of transaction	2018-19	2017-18	2016-17
3	Tata Capital Housing Finance Limited	a) Expenses			
		- Rent & others	52	33	-
		b) Income			
		- Loan Sourcing Fee	14	-	-
		- Reimbursement of Rent & Others	1,060	988	-
		c) Fixed Asset			
		- Fixed Asset Purchased*	-	0	-
		- Fixed Asset Sold	-	25	-
		d) Asset			
		- Balance Receivable	298	121	235
4	Tata Securities Limited	a) Expenses			
		- Professional Fees	30	21	-
		b) Income			
		- Recovery of Expenses - Rent and others	47	49	-
		c) Fixed Asset			
		- Fixed Asset Purchased	1	1	-
		d) Asset			
		- Balance Receivable	5	1	28
5	Tata Cleantech Capital Limited	a) Expenses			
		- Rent & others	19	23	-
		b) Income			
		- Recovery of Expenses - Rent and others	98	136	-
		c) Fixed Asset			
		- Fixed Asset Purchased	-	1	-
		d) Asset			
		- Balance Receivable	9	6	16
6	Tata Capital Pte. Limited	a) Income			
		- Income- SLA fees	13	13	-
		- Reimbursement of Expenses	-	10	-
		b) Asset			
		Balance Receivable	13	13	13
7	Tata Capital Advisors Pte Limited	a) Income			
		- Income- SLA fees	7	7	-
		- Reimbursement of Expenses	-	3	-
		b) Asset			
		Balance Receivable	7	7	7
8	Tata Capital Markets Pte Limited	a) Income			
		- Income- SLA fees	7	7	-
		- Reimbursement of Expenses	-	3	-
		b) Asset			
		Balance Receivable	7	7	7
9	Tata Capital General Partners LLP	a) Income			
		- Income- SLA fees*	0	0	-
		- Reimbursement of Expenses	-	1	-
		b) Asset			
		Balance Receivable*	0	0	0

(Rs. in Lakh)

Sr. No	Party Name	Nature of transaction	2018-19	2017-18	2016-17
10	Tata Capital Healthcare General Partners LLP	a) Income			
		- Income- SLA fees*	0	0	-
		- Reimbursement of Expenses	-	1	-
		b) Asset			
		Balance Receivable*	0	0	0
11	Tata Opportunities General Partners LLP	a) Income			
		- Income- SLA fees*	0	0	-
		- Reimbursement of Expenses	-	1	-
		b) Asset			
		Balance Receivable*	0	0	0
12	Tata Capital Plc	a) Income			
		- Income- SLA fees	7	7	-
		- Reimbursement of Expenses	-	3	-
		b) Asset			
		Balance Receivable	7	7	7
13	TC Travel and Services Limited	a) Expenses			
		- Travel related services	-	492	-
		b) Income			
		- Reimbursement of Rent & Others	-	55	-
		c) Asset			
		- Balance Receivable	-	-	264
14	Tata Capital Forex Limited	a) Expenses			
		- Travel related services	-	4	-
		b) Income			
		- Reimbursement of Rent & Others	-	63	-
		c) Asset			
		- Balance Receivable	-	-	38
15	International Asset Reconstruction Company Private Limited (Ceased w.e.f 08.03.2018)	a) Asset			
		- Security Receipts			
		Redemption of Security Receipts during the year	-	304	-
		Balance of Security Receipts	-	-	748
		- Investment in Equity Shares			
		Balance in Equity Shares	-	-	3,313
16	Shriram Properties Private Limited	a) Asset			
		- Investment in Equity Shares	3,935	3,935	3,935
		- Provision for Diminution in value of Investment	(585)	(585)	-
17	TVS Supply Chain Solutions Limited	a) Income			
		- Dividend received	3	-	-
		- Interest Income	416	296	-
		- Bill Discounting	5	4	-
		- Processing Fees	15	-	-
		b) Asset			
		- 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 Receivables	105	77	94
		- Investment in Equity Shares	1,465	1,465	1,465
		c) Commitments - Off balance sheet exposure	1,040	726	906

(Rs. in Lakh)

Sr. No	Party Name	Nature of transaction	2018-19	2017-18	2016-17
18	Varroc Engineering Private Limited	a) Income			
		- Dividend received	-	8	-
		b) Asset			
		- Investment in Equity Shares	-	2,521	2,521
19	Fincare Business Services Limited	a) Asset			
		- Investment in Equity Shares	734	660	660
20	Roots Corporation Limited	a) Expenses			
		- Travelling Exp*	-	0	-
21	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
22	Tata Projects	a) Income			
		- Interest Income	99	-	-
		- Lease Rental	1,716	1,234	-
		b) Assets			
		- Finance Lease			
		Finance Lease given	802	-	-
		Finance Lease repayment received	122	-	-
		Finance Lease receivable	680	-	-
		- Balance Receivable	18	174	63
		c) Liability			
		- Security Deposit			
		Security Deposit received	337	105	-
		Security Deposit payable	492	155	50
		d) Commitments - Off balance sheet exposure	10,982	-	-
23	Tata Technologies Limited	a) Income			
		- Interest Income	12	7	-
		- Reimbursement of expenses	-	1	-
		b) Expenses			
		- 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	23
		d) Liability			
		- Balance Payable	-	8	-
		e) Commitments - Off balance sheet exposure	349	393	-

(Rs. in Lakh)

Sr. No	Party Name	Nature of transaction	2018-19	2017-18	2016-17
24	Tata Autocomp Systems Limited	a) Income			
		- Operating Lease Rentals	21	-	-
		- Processing fees	45	-	-
		b) Liability			
		- Security deposit received during period	326	-	-
		- Security deposit payable	326	-	-
		c) Asset			
		- Balance receivable	7	-	-
		d) Commitments - Off balance sheet exposure	350	-	-
25	Tata Capital Limited Gratuity Scheme	a) Contribution to Gratuity fund	414	-	-
26	Tata Capital Limited Employees Provident Fund	a) Contribution to Provident Fund	1,339	1,189	-
27	Tata Capital Limited Employee Welfare Trust	a) Asset			
		- Loan repaid	1,016	-	-
		- Outstanding loan	6,286	7,302	7,302
		- Balance Receivable	30	-	-
28	Tata Capital Limited Superannuation Scheme	a) Asset			
		- Balance Receivable	1	-	1
29	Conneqt Business Solutions Limited	a) Expenses			
		- Service Provider Charges	4,869	5,380	-
		b) Income			
		- Interest Income	240	168	-
		- Lease Rental	410	528	-
		- Sale of Fixed Assets	29	-	-
		- Reimbursement of Expenses	190	170	-
		c) Asset			
		- Loan given	-	2,409	-
		- Loan repaid	2,140	462	-
		- Outstanding loan	1,042	3,183	1,236
		- Balance receivable	216	163	122
		d) Liability			
		- Security Deposit	37	37	37
		- Balance Payable	1,889	1,293	896
		e) Commitments - Off balance sheet exposure	-	2,269	-
30	Tata Consultancy Services Limited	a) Expenses			
		- Information technology Expenses	5,773	5,511	-
		b) Income			
		- Interest Income	37	16	-
		c) Asset			
		- Fixed Assets Purchased	-	8	-
		- Finance Lease			
		Facility given	38	217	-
		Repaid during year	29	6	-
		Outstanding facility	220	211	-
		- Balance Receivable	38	-	4
		d) Liability			
		- Balance Payable	1,902	1,620	1,330
		e) Commitments - Off balance sheet exposure	1,542	2,087	-

(Rs. in Lakh)

Sr. No	Party Name	Nature of transaction	2018-19	2017-18	2016-17
31	Tata AIG General Insurance Company Limited	a) Expenses			
		- Insurance Expenses	14	6	-
		b) Income			
		- Insurance related revenue	857	541	-
		c) Assets			
		- Balance Receivable	165	511	70
32	Tata AIA Life Insurance Company Limited	a) Expenses			
		- Insurance Expenses	37	36	-
		b) Income			
		- Insurance related revenue	69	52	-
		c) Assets			
		- Balance Receivable	59	36	35
33	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	1	1	-
		b) Income			
		- Operating Lease Rentals	211	210	-
		- Processing fees	-	2	-
		c) Liability			
		- Security deposit payable	75	75	74
		- Balance payable	-	11	-
		d) Asset			
		- Balance Receivable	1	-	1
34	Calsea Footwear Private Limited	a) Income			
		- Interest income on Inter-Corporate Deposit	110	141	-
		b) Asset			
		- ICD given	-	1,500	-
		- ICD repaid	1,500	1,300	-
		- Outstanding Inter-Corporate Deposit #	-	1,500	1,300
		- Interest receivable	-	38	35
35	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
36	Tata Precision Industries (I) Limited	a) Income			
		- Interest Income	10	11	-
		b) Assets			
		- Loan repaid	23	-	-
		- Outstanding loan	68	90	90
		- Balance Receivable*	0	0	0

(Rs. in Lakh)

Sr. No	Party Name	Nature of transaction	2018-19	2017-18	2016-17
37	Automotive Stampings and Assemblies Limited	a) Income			
		- Team Loan - Interest	476	242	-
		- Operating Lease Rentals	62	62	-
		- Processing fees	8	6	-
		b) Asset			
		- Loan given	17,160	4,900	-
		- Loan repaid	15,485	3,950	-
		- Outstanding loan	434	1,184	1,634
		- Outstanding loan #	3,790	1,400	-
		- Balance receivable	39	16	2
		c) Liability			
		- Balance in escrow account	-	35	-
		d) Commitments - Off balance sheet exposure	709	1,100	-
38	Tata Toyo Radiator Limited (ceased to be a joint venture and became a subsidiary w.e.f. 01.07.2018)	a) Income			
		- Operating Lease Rentals	144	-	-
		- Processing fees	14	-	-
		b) Liability			
		- Security deposit payable	490	-	-
		c) Asset			
		- Balance receivable	1	-	-
39	Tata AutoComp GY Batteries Private Limited (formerly Tata AutoComp	a) Income			
		- Interest Income Trade Advance	37	9	-
		- Processing Fees	-	3	-
		b) Assets			
		- Trade Advance #	501	1,001	837
		c) Commitments - Off balance sheet exposure	500	-	-
40	Tata Advanced Systems Limited	a) Income			
		- Interest Income	12	7	-
		b) Asset			
		- Facility given	85	33	-
		- Repaid during year	11	16	-
		- Outstanding facility	128	52	35
		- Balance receivable*	2	2	0
		c) Commitments - Off balance sheet exposure	122	351	396
41	Tata Lockheed Martin Aerostructures Limited	a) Income			
		- Interest Income	5	1	-
		b) Asset			
		- Facility given	70	-	-
		- Repaid during year	13	2	-
		- Outstanding facility	61	4	6
		- Balance receivable*	1	0	6
42	Tata Sikorsky Aerospace Limited	a) Income			
		- Interest Income	1	-	-
		b) Asset			
		- Facility given	8	-	-
		- Repaid during year	1	-	-
		- Outstanding facility	7	-	-
		- Balance receivable*	0	-	-

(Rs. in Lakh)

Sr. No	Party Name	Nature of transaction	2018-19	2017-18	2016-17
43	Tata Boeing Aerospace Limited	a) Income			
		- Interest Income*	0	-	-
		b) Asset			
		- Facility given	6	-	-
		- Repaid during year	0	-	-
		- Outstanding facility	6	-	-
		- Balance receivable*	0	-	-
44	Tata Asset Management Limited	a) Income			
		- Portfolio Management Service	18	17	-
		b) Asset			
		- Balance receivable	-	-	3
45	Tata Industries Limited (ceased to be subsidiary and became a joint venture w.e.f.	a) Expenses			
		- Professional Fees	-	22	-
		b) Income			
		- Interest Income	413	1,167	-
		- Recovery of Expenses*	0	-	-
		c) Asset			
		- Facility given	20	13	-
		- Repaid during year	46	155	-
		- Outstanding facility	178	216	358
		- Balance receivable*	76	119	7
		d) Liability			
		- Balance Payable	-	-	248
		e) Commitments - Off balance sheet exposure	1,876	933	1,149
46	Tata Teleservices Limited	a) Expenses			
		- Communication Expenses	95	111	-
		- Rent and other Expenses	92	25	-
		b) Income			
		- Interest Income	48	148	-
		- Operating Lease Rentals	165	600	-
		c) Asset			
		- Facility given	21	145	-
		- Repaid during year	495	854	-
		- Outstanding facility	151	625	1,333
		- Balance receivable	6	-	38
		- Security Deposit receivable	8	8	8
		- Investment in equity shares			
		- Balance equity shares	14,318	14,318	14,318
		- Provision for diminution in value	(14,318)	(14,318)	(14,318)
		d) Liability			
		- Balance payable	-	43	-
		e) Commitments - Off balance sheet exposure	4	22	976
47	Tata Teleservices (Maharashtra) Limited	a) Expenses			
		- Communication Expenses	205	277	-
		b) Income			
		- Operating Lease Rentals	12	71	-
		c) Liability			
		- Balance Payable*	0	10	-

(Rs. in Lakh)

Sr. No	Party Name	Nature of transaction	2018-19	2017-18	2016-17
48	MMP Mobi Wallet Payment Systems Limited	a) Income			
		- Operating Lease Rentals	-	4	-
		b) Expenses			
		Staff welfare Expenses	-	8	-
49	Tata Housing Development Company Limited	a) Income			
		- Referral Fee	-	5	-
		b) Asset			
		- Balance Receivable	-	-	14
50	Smart Value Homes (Peenya Project) Private Limited	a) Income			
		- Referral Fee	1	-	-
51	Sector 113 Gatevida Developers Private Limited	a) Income			
		- Referral Fee	-	8	-
52	Taj Air Limited	a) Income			
		- Interest Income	-	29	-
		b) Asset			
		- Loan given			
		- Loan Repaid during year	-	6,000	-
		- Loan Balance	-	-	3,500
		- Loan Balance #	-	-	2,500
		- Balance receivable	-	-	39
53	Niskalp Infrastructure Services Limited	a) Income			
		- Rent and others*	0	-	-
54	Inshaallah Investments Limited	a) Income			
		- Rent and others*	-	0	-
55	AirAsia (India) Limited	a) Income			
		- Interest Income	358	-	-
		- Processing Fees	50	-	-
		b) Assets			
		- Loan given	10,000	-	-
		- Loan Balance	10,000	-	-
		- Balance Receivable	80	-	-
56	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
57	TP Ajmer Distribution Limited	a) Income			
		- Interest Income*	3	0	-
		b) Assets			
		- Loan given	16	5	-
		- Loan repayment received *	4	0	-
		- Loan Balance	17	5	-
		- Balance Receivable*	0	5	-

(Rs. in Lakh)

Sr. No	Party Name	Nature of transaction	2018-19	2017-18	2016-17
58	Industrial Energy Limited	a) Income			
		- Interest Income	2	-	-
		b) Assets			
		- Loan given	35	-	-
		- Loan repayment received	1	-	-
		- Loan Balance	33	-	-
		- Balance Receivable*	0	-	-
59	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
60	Nelco Limited	a) Income			
		- Interest Income	2	158	-
		- Processing Fees	-	8	-
		b) 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
		c) Commitments - Off balance sheet exposure	418	433	448
61	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	-
62	Tata Power Delhi Distribution Limited	a) Expenses			
		- Business promotion Expenses*	0	0	-
63	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
64	Tata Power Trading Company Limited	a) Income			
		- Interest Income*	1	0	-
		b) Assets			
		- Loan given	-	6	-
		- Loan repayment received *	1	0	-
		- Loan Balance	6	6	-
		- Balance Receivable*	0	0	-

(Rs. in Lakh)

Sr. No	Party Name	Nature of transaction	2018-19	2017-18	2016-17
65	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
		c) Commitments - Off balance sheet exposure	74	74	74
66	Tata Motors Finance Limited	a) Income			
		- Interest Income	218	218	-
		b) Expenses			
		- FA Purchased	2	-	-
		c) Assets			
		- Balance Receivable	2,042	2,042	2,042
67	Concorde Motors (India) Limited	a) Income			
		- Interest Income	1,854	944	-
		- Lease Rental	486	460	-
		- Processing Fees	19	1	-
		b) Expenses			
		- FA Purchased	-	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	-
68	Tata Steel Limited	a) Expenses			
		- Rent and Other Expenses	1	3	-
69	Tata Metaliks Limited	a) Income			
		- Operating Lease Rental	13	-	-
		b) Liability			
		- Security Deposit Payable	8	-	-
70	Jamshedpur Utilities & Services Co. Limited	a) Assets			
		- Balance Receivable*	0	-	-
		b) Commitments - Off balance sheet exposure	15	-	-
71	Tayo Rolls Limited	a) Income			
		- ODC Income*	1	0	-
		b) Assets			
		- Loan outstanding #	3	3	1
72	Tata Communications Limited (Ceased to be an associate and became a subsidiary w.e.f. 28.05.2018)	a) Income			
		- Interest Income	5	7	-
		b) Expenses			
		- IT Expenses	285	432	-
		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

(Rs. in Lakh)

Sr. No	Party Name	Nature of transaction	2018-19	2017-18	2016-17
73	Tata Communications Transformation Services	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
74	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	-	-
75	The Indian Hotels Company Limited	a) Income			
		- Interest Income	21	22	-
		b) Expenses			
		- Business promotion Expenses	74	3	-
		- Staff Welfare Expenses	11	4	-
		c) Assets			
		- Loan given	-	61	-
		- Loan repayment received	17	53	-
		- Loan Balance	143	160	152
		- Balance Receivable	8	26	4
		d) Commitments - Off balance sheet exposure	231	231	304
76	Piem Hotels Limited	a) Expenses			
		- Travelling Exp	11	4	-
77	United Hotels Limited	a) Expenses			
		- Travelling Exp*	0	0	-
78	Voltas Limited	a) Income			
		- Subvention Income	60	101	-
		- Bill Discounting	31	15	-
		b) Expenses			
		- Repairs & Maintenance	37	34	-
		- Commission	29	13	-
		- FA Purchased	32	27	-
		c) Assets			
		- Balance Receivable*	64	(1)	0
79	Trent Limited	a) Expenses			
		- NSR payment	282	183	-
		- Staff Welfare Exp	-	3	-
		b) Assets			
		- Balance Receivable*	-	0	-
80	Fiora Hypermarket Limited	a) Expenses			
		- Commission on Cards and Gift Cards	9	-	-
		- NSR Payment	129	30	-

(Rs. in Lakh)

Sr. No	Party Name	Nature of transaction	2018-19	2017-18	2016-17
81	Tata Elxsi Limited	a) Expenses			
		- Staff Welfare Expenses	9	-	-
82	Titan Company Limited	a) Expenses			
		- NSR payment	6	9	-
		- Staff Welfare Exp	33	30	-
		b) Assets			
		- Balance Receivable	1	1	3
83	Tata Global Beverages Limited	a) Income			
		- Lease Rental	49	22	-
84	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
85	Key Management	a) Remuneration to KMP			
		- Short Term Employee Benefits	341	-	-
		- Post Employment Benefits	12	-	-
		- Share based payemnts (No. of Shares)			
		Options granted **	6,00,000	-	-
		Options exercised	-	-	-
		- Director Sitting Fees & Commission	109	174	-
		b) Expenses			
		- Interest Expenses on debenture	-	2	-
		c) Liability			
		- Outstanding Debenture	-	20	20

Notes :

a) * less than Rs.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.

C) List of Associates

		Ownership Interest	
Country of Incorporation	**Name of Associate**	**March 31, 2019**	**March 31, 2018**
India	Shriram Properties Private Limited	1.50%	1.50%
India	TVS Supply Chain Solutions Limited	0.68%	0.68%
India	Fincare Business Services Limited	0.80%	0.80%
India	Varroc Engineering Ltd. (ceased w.e.f. 06.07.2018)	0.00%	1.26%

35. Share based payment

The Company is required to present disclosures as required by Para 44, 45, 46, 47, 50, 51 and 52 of Ind AS 102. It is required to present scheme wise terms and conditions of the ESOP schemes, present for the employees of the Company.

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.**

B. Summary of share based payments

31 March 2019

Particulars	ESOP 2011	ESOP 2013	ESOP 2016	ESOP 2017	ESOP 2018	Total
Outstanding balance at the beginning of the year	**-**	**7,41,902**	**-**	**77,45,000**	**-**	84,86,902
Less:						
Options granted	-	-	-	-	26,05,000	26,05,000
Options forfeited	-	2,67,904	-	17,50,000	-	20,17,904
Options exercised	-	1,81,222	-	13,58,194	-	15,39,416
Options expired	-	-	-	-	-	-
Options lapsed	-	-	-	-	-	-
Options outstanding at the end of the year	**-**	**2,92,776**	**-**	**46,36,806**	**26,05,000**	**75,34,582**
Options exercisable at the end of the year	-	2,92,776	-	46,36,806	-	49,29,582
For share options exercised:						
Weighted average exercise price at date of exercise						32.41
Money realized by exercise of options (INR)						4,98,94,230
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	2.26

31 March 2018

Particulars	ESOP 2011	ESOP 2013	ESOP 2016	ESOP 2017	ESOP 2018	Total
Outstanding balance at the beginning of the year	**3,39,222**	**16,35,138**	**66,15,000**	**97,75,000**	**-**	1,83,64,360
Less:						
Options granted	-	-	-	-	-	-
Options forfeited	79,444	4,83,721	-	19,40,000	-	25,03,165
Options exercised	2,59,777	3,54,515	27,30,833	-	-	33,45,125
Options expired	-	-	38,84,167	-	-	38,84,167
Options lapsed	-	-	-	-	-	-
Options outstanding at the end of the year	**1**	**7,96,902**	**-**	**78,35,000**	**-**	**86,31,902**
Options exercisable at the end of the year	1	7,96,902	-	78,35,000	-	86,31,902
For share options exercised:						
Weighted average exercise price at date of exercise						28.52
Money realized by exercise of options (INR)						9,54,04,102
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

1 April 2017

Particulars	ESOP 2011	ESOP 2013	ESOP 2016	ESOP 2017	ESOP 2018	Total
Outstanding balance at the beginning of the year	**8,36,386**	**18,83,790**	**78,00,000**	**-**	**-**	1,05,20,176
Less:						
Options granted	-	-	-	98,20,000	-	98,20,000
Options forfeited	1,21,222	1,42,583	11,45,000	-	-	14,08,805
Options exercised	3,75,944	86,069	-	-	-	4,62,013
Options expired						-
Options lapsed						-
Options outstanding at the end of the year	**3,39,219**	**16,55,138**	**66,55,000**	**98,20,000**	**-**	**1,84,69,357**
Options exercisable at the end of the year	3,39,219	16,55,138	66,55,000	-	-	86,49,357
For share options exercised:						
Weighted average exercise price at date of exercise						19.12
Money realized by exercise of options (INR)						88,32,256
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	1.00	-	1.02

C. Valuation of stock options

Particulars	ESOP 2011	ESOP 2013	ESOP 2016	ESOP 2017	ESOP 2018
Share price:	**17.77**	**25**	**30**	**33.4**	**50.6**
Exercise Price:	**17.77**	**25**	**30**	**33.4**	**50.6**
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:	-	-	-	-	-
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

The Company is required to present the following terms of the ESOPs, for the key managerial employees and other employees

As at March 31, 2019

Particulars	ESOP 2011	ESOP 2013	ESOP 2016	ESOP 2017	ESOP 2018	Total
Fair value at grant date	17.77	25.00	30.00	33.40	50.60	
Share price at grant date	17.77	25.00	30.00	33.40	50.60	
Exercise price	17.77	25.00	30.00	33.40	50.60	
Expected volatility (weighted average volatility)	0.49	0.37	0.38	0.35	0.38	
Expected life (expected weighted average life)	0.00	0.33	0.00	0.00	6.51	
Expected dividends	0.00	0.00	0.00	0.00	0.00	
Risk-free interest rate (based on government bonds)	8.00%	8.00%	8.00%	6.57%	8.04%	
Key managerial employees						
Mr. Kusal Roy, Managing Director						
Options granted	-	-	-	-	6,00,000	6,00,000
Options exercised	-	-	-	-	-	-
Mr. Puneet Sharma, Chief Financial Officer						
Options granted	80,000	-	10,000	10,000	4,00,000	5,00,000
Options exercised	80,000	-	10,000	10,000	-	1,00,000
Ms. Avan Doomasia, Company Secretary						
Options granted	60,000	-	10,000	10,000	1,25,000	2,05,000
Options exercised	60,000	-	10,000	10,000	-	80,000

As at March 31, 2018

Particulars	ESOP 2011	ESOP 2013	ESOP 2016	ESOP 2017	ESOP 2018	Total
Fair value at grant date	17.77	25.00	30.00	33.40	50.60	
Share price at grant date	17.77	25.00	30.00	33.40	50.60	
Exercise price	17.77	25.00	30.00	33.40	50.60	
Expected volatility (weighted average volatility)	0.49	0.37	0.38	0.35	0.38	
Expected life (expected weighted average life)	0.00	0.86	0.00	1.00	0.00	
Expected dividends	0.00	0.00	0.00	0.00	0.00	
Risk-free interest rate (based on government bonds)	8.00%	8.00%	8.00%	6.57%	8.04%	
Key managerial employees						
Mr. Praveen P. Kadle, Managing Director & CEO						
Options granted	2,40,000	-	10,000	10,000	-	2,60,000
Options exercised	2,40,000	-	10,000	-	-	2,50,000
Mr. Puneet Sharma, Chief Financial Officer						
Options granted	80,000	-	10,000	10,000	-	1,00,000
Options exercised	80,000	-	10,000	10,000	-	1,00,000
Ms. Avan Doomasia, Company Secretary						
Options granted	60,000	-	10,000	10,000	-	80,000
Options exercised	60,000	-	10,000	10,000	-	80,000

As at 1 April 2017

Particulars	ESOP 2011	ESOP 2013	ESOP 2016	ESOP 2017	ESOP 2018	Total
Fair value at grant date	17.77	25.00	30.00	33.40	50.60	
Share price at grant date	17.77	25.00	30.00	33.40	50.60	
Exercise price	17.77	25.00	30.00	33.40	50.60	
Expected volatility (weighted average volatility)	0.49	0.37	0.38	0.35	0.38	
Expected life (expected weighted average life)	0.42	1.35	1.00	2.00	0.00	
Expected dividends	0.00	0.00	0.00	0.00	0.00	
Risk-free interest rate (based on government bonds)	8.00%	8.00%	8.00%	6.57%	8.04%	
Key managerial employees						
Mr. Praveen P. Kadle, Managing Director & CEO						
Options granted	2,40,000	-	10,000	-	-	2,50,000
Options exercised	2,40,000	-	10,000	-	-	2,50,000
Mr. Puneet Sharma, Chief Financial Officer						
Options granted	80,000	-	10,000	-	-	90,000
Options exercised	80,000	-	10,000	-	-	90,000
Ms. Avan Doomasia, Company Secretary						
Options granted	60,000	-	10,000	-	-	70,000
Options exercised	60,000	-	10,000	-	-	70,000

36. Contingent Liabilities and Commitments:

(i) Contingent Liabilities :-

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 :

(Rs. in lakh)

Particulars	As at March 31, 2019	As at March 31, 2018	As at April 01, 2017
Income Tax (Pending before Appellate authorities)	2,586	1,916	1,786
VAT (Pending before Appellate authorities)	245	71	420

(ii) Commitments :-

(a) Undrawn Commitment given to Borrowers

As on March 31, 2019 Rs. 377,351 lakh (Year ended March, 31, 2018 : Rs. 212,864 lakh, April 01, 2017 : Rs 211,584 lakh)

Less than 1 Year: Rs. 289,205 lakh (Year ended March, 31, 2018 : Rs. 165,763 lakh, April 01, 2017 : Rs 178,908 lakh)

More than 1 Year: Rs. 88,146 lakh (Year ended March, 31, 2018 : Rs. 47,101 lakh, April 01, 2017 : Rs 32,676 lakh)

(b) Letter of Credit, Buyers Credit and Other Guarantees Rs. 7,909 lakh (Year ended March, 31, 2018 : Rs. 781 lakh, April 01 2017 : Rs. 677 lakh)

(c) Leases entered but not executed Rs. 88,210 lakh (Year ended March, 31, 2018 : Rs. 89,148 lakh, April 01, 2017 : Rs 66,473 lakh)

(d) Unamortised Forward Contract exposure Rs. Nil (Year ended March, 31, 2018 : Rs. 98 lakh, April 01, 2017 : Rs Nil)

(e) Estimated amount of contracts remaining to be executed on capital account and not provided for Rs.1,325 lakh (as at March 31, 2018: Rs. 1,310 lakh and April 01, 2017 : Rs. 2,276 lakh).

- Tangible: Rs. 692 lakh (Year ended March, 31, 2018 : Rs. 1,111 lakh, April 01, 2017 : Rs. 817 lakh)
- Intangible: Rs. 633 lakh (Year ended March, 31, 2018 : Rs. 199 lakh, April 01, 2017 : Rs. 1,459 lakh)

37. The Company 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 Company is committed to make is:

(Rs in lakh)

Lease Payments	As at March 31, 2019	As at March 31, 2018
- Within one year	378	15
- Later than one year and not later than five years	536	-
- Later than five years	-	-

The amount charged towards lease rentals (as part of Rent expenditure) is Rs. 3,191 lakh (Year ended March, 31, 2018 : Rs. 2,249 lakh).

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

(Rs in lakh)

Lease Payments	As at March 31, 2019	As at March 31, 2018
- Within one year	31,976	20,259
- Later than one year and not later than five years	56,530	40,649
- Later than five years	2,716	1,759

Accumulated Depreciation on lease assets is Rs. 41,837 lakh (Year ended March, 31, 2018 : Rs. 19,366 lakh).
Accumulated Impairment losses on the leased assets Rs. Nil (Previous year Rs. Nil)

38. Earnings per Share (EPS):

Particulars		2018-19	2017-18
Profit after tax	Rs. in lakh	43,281	40,293
Add: Preference dividend on Compulsorily Convertible Cumulative Preference shares (including dividend distribution tax)	Rs. in lakh	14,194	10,643
Profit after tax atttributable to parent company	Rs. in lakh	57,475	50,936
Weighted average number of equity shares in computing Basic / Diluted earnings per share	Nos.	1,53,76,07,864	1,44,58,04,831
Face value of equity shares	Rupees	10	10
Earnings per share (Basic and Diluted)	Rupees	3.74	3.52

39. Movement in Contingent provisions against Standard Assets during the year is as under:

(Rs in lakh)

Particulars	As at March 31, 2019	As at March 31, 2018
	Rs in lakh	**Rs in lakh**
Opening Balance	49,559	42,176
Add : Additions during the year	8,852	7,383
Less : Utilised during the year	-	-
Closing Balance	58,411	49,559

40. Capital to Risk Assets Ratio (CRAR)

Particulars	As at March 31, 2019	As at March 31, 2018	As at March 31, 2018
	Ind AS	Ind AS	IGAAP*
CRAR (%)	16.85%	15.60%	16.68%
CRAR – Tier I Capital (%)	12.11%	10.77%	12.68%
CRAR – Tier II Capital (%)	4.73%	4.84%	4.00%
Amount of subordinated debt raised as Tier-II Capital	57,140	-	-
Amount rasied by issue of Perpetual Debt Instruments	-	31,800	31,800

41. Asset Liability Management

Maturity pattern of certain items of Assets and Liabilities.

As on March 31, 2019

(Rs in lakh)

Particulars	Liabilities			Assets		
	Borrowings from Banks	Market Borrowings	Foreign Currency Borrowings	Advances	Investments	Foreign Currency Assets
1 day to 30/31 days (One month)	2,12,879	2,01,865	-	1,28,653	-	-
Over One months to 2 months	-	-	-	-	-	-
Over 2 months upto 3 months	5,53,148	3,14,500	-	10,00,000	-	-
Over 3 months to 6 months	-	-	-	-	-	-
Over 6 months to 1 year	6,77,154	2,18,442	-	20,00,000	1,379	-
Over 1 year to 3 years	-	-	-	13,62,397	-	-
Over 3 years to 5 years	8,89,271	4,75,000	-	-	38,054	-
Over 5 years	2,55,767	-	-	-	-	-
Total	**25,88,219**	**12,09,807**	**-**	**44,91,050**	**39,433**	**-**

Assets and liabilities bifurcation into various buckets is based on RBI guidelines.

As on March 31, 2018

Particulars	Liabilities			Assets		
	Borrowings from Banks	Market Borrowings	Foreign Currency Borrowings	Advances	Investments	Foreign Currency Assets
1 day to 30/31 days (One month)	1,87,904	2,59,934	-	1,19,265	-	-
Over One months to 2 months	-	-	-	-	-	-
Over 2 months upto 3 months	5,04,332	-	-	10,00,000	-	-
Over 3 months to 6 months	-	-	-	-	-	-
Over 6 months to 1 year	4,58,435	2,42,500	-	20,00,000	1,362	-
Over 1 year to 3 years	-	-	-	-	-	-
Over 3 years to 5 years	8,37,606	4,43,500	-	5,98,664	30,054	-
Over 5 years	1,99,655	-	-	-	-	-
Total	**21,87,932**	**9,45,934**	**-**	**37,17,929**	**31,416**	**-**

Assets and liabilities bifurcation into various buckets is based on RBI guidelines.

As on April 1, 2017

(Rs in lakh)

Particulars	Liabilities			Assets		
	Borrowings from Banks	Market Borrowings	Foreign Currency Borrowings	Advances	Investments	Foreign Currency Assets
1 day to 30/31 days (One month)	1,57,537	4,03,169	-	1,09,341	-	-
Over One months to 2 months	-	-	-	-	-	-
Over 2 months upto 3 months	5,60,901	5,000	-	10,00,000	-	-
Over 3 months to 6 months	-	-	-	-	-	-
Over 6 months to 1 year	6,19,102	96,000	-	20,00,000	802	-
Over 1 year to 3 years	-	-	-	-	-	-
Over 3 years to 5 years	6,13,199	1,00,000	-	1,28,049	26,177	-
Over 5 years	1,73,500	-	-	-	-	-
Total	**21,24,240**	**6,04,169**	**-**	**32,37,390**	**26,978**	**-**

42. Disclosure of details as required by Revised Para 18 of the Non Banking Financial Company - Systemically Important Non-Deposit taking Company and Deposit taking Company (Reserve Bank) Directions, 2016, earlier Para 13 of Non Banking Financial Companies Prudential Norms (Reserve Bank) Directions, 2007. -

43. Loans and advances - Financing Activity (Secured) include Rs.433 lakh (Year ended March, 31, 2018 : Rs. 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 Rs. Nil (Year ended March, 31, 2018 : Rs. 1,326 lakh) being the value of immovable property, necessary provision for which is made. Investments include Rs. 1,379 lakh (Year ended March, 31, 2018 : Rs. 1,354 lakh) being the value of the unqouted equity shares acquired in satisfaction of the respective loans under the Settlement Agreement. Other loans and advances include Rs. Nil (Year ended March, 31, 2018 : Rs. Nil) being the assignment receivable, necessary provision for whcih is made.

44. The company has earned commission from non-life insurance companies amounting to Rs. 857 lakh (Year ended March, 31, 2018 : Rs. 541 lakh) and from life insurance companies amounting to Rs. 69 lakh (Year ended March, 31, 2018 : Rs. 52 lakh)

45. The value of a unhedged foreign currency transaction for purchase of Operating Lease asset as on March 31, 2019 is Rs.12 lakh (Year ended March, 31, 2018 : Rs 37 lakh)

46. During the previous year ended March 31, 2018, the Company had re-assessed the useful life of its leased assets and has changed the life of the assets given on operating lease. As a result of the change in the useful life of the asset, depreciation for year ended March 31, 2018 was higher by Rs. 8,145 lakh.

47. The company has reported frauds aggregating Rs. 1,574 lakh (Year ended March, 31, 2018 : Rs. 340 lakh) based on management reporting to risk committee and to the RBI through prescribed returns.

48 The Company has investments in the following associates, which are accounted for on the Equity Method in accordance with the Ind AS 28 on 'Investment in Associates':

The Particulars of investments in associates as on March 31, 2019 are as follows :

(Rs. in lakh)

Sr No	Name of Associates	Country of Incorporation	Ownership Interest (%)	Original Cost of Investment	Amount of goodwill/ (Capital Reserve) in original cost	Share of post acquisition Reserves & Surplus	Carrying Amount of Investments
1	International Asset Reconstruction Company Private Limited (Refer footnote 1 below)	India	NA	NA	NA	NA	NA
			NA	*NA*	*NA*	*NA*	*NA*
2	Fincare Business Services Limited (Refer footnote 2 below)	India	0.72%	734	-	38	772
			0.80%	*660*	-	*-59*	*601*
3	Shriram Properties Limited (Refer footnote 2 below)	India	1.50%	3,935	-	-	3,935
			1.50%	*3,935*	-	-	*3,935*
4	TVS Supply Chain Solutions Limited Refer footnote 2 below)	India	0.68%	1,465	-	89	1,554
			0.68%	*1,465*	-	*48*	*1,513*
5	Varroc Engineering Private Limited (ceased to be an associate w.e.f. July 6, 2018)	India	NA	NA	NA	NA	NA
			1.26%	*2,521*	-	*820*	*3,341*
	Total			**6,134**	**-**	**127**	**6,261**
				8,581	-	*809*	*9,390*

Note:

1) International Asset Reconstruction Company Private Limited has ceased to be an Associate with effect from March 9th, 2018, figures in italics refer to March 31, 2018.

2) The company's share in voting rights does not exceed 20%. However, the presumption of significant influence is overcome and it has been concluded that company has significant influence as the company represents the board of directors and management participates in policy making processes.

3) The goodwill / Capital Reserve is not computed as the investments have become associates pursuant to adoption of Ind AS

4) Figures in Italics represent previous year.

49 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

Name of the entity	As at March 31,2019		As at March 31,2018		For the period ended March 31,2019		For the period ended March 31,2018		For the period ended March 31,2019		For the period ended March 31,2018	
	Net assets, i.e., total assets minus total liabilities		Net assets, i.e., total assets minus total liabilities		Share of profit or loss		Share of profit or loss		Share in Other Comprehensive Income		Share in Other Comprehensive Income	
	As % of consolidated net assets	Rs in lakh	As % of consolidated net assets	Rs in lakh	As % of consolidated profit or loss	Rs in lakh	As % of consolidated profit or loss	Rs in lakh	As % of consolidated profit or loss	Rs in lakh	As % of consolidated profit or loss	Rs in lakh
Parent:												
Tata Capital Financial Services Limited	99.87%	47,77,693	99.76%	39,80,594	100.99%	43,710	98.65%	39,748	40.70%	(173)	23.69%	82
Associates (Investment as per the equity method)												
Indian												
Fincare Business Services Limited	0.02%	772	0.02%	601	0.23%	97	-0.15%	(59)	0.00%	-	0.00%	-
Shriram Properties Limited	0.08%	3,935	0.10%	3,935	0.00%	-	0.00%	-	0.15%	(1)	0.00%	-
TVS Supply Chain Solutions Limited	0.03%	1,554	0.04%	1,513	0.10%	42	0.09%	36	0.00%	-	3.59%	12
Varroc Engineering Private Limited	0.00%	-	0.08%	3,341	-1.31%	(568)	1.41%	568	59.15%	(252)	72.72%	252
International Asset Reconstruction Company Private Limited	NA	NA	NA	NA	NA	NA	0.00%	-	NA	NA	0.00%	-
Total	**100.00%**	**47,83,954**	**100.00%**	**39,89,984**	**100.00%**	**43,281**	**100.00%**	**40,293**	**100.00%**	**(426)**	**100.00%**	**346**

50 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 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 **B S R & Co. LLP**
Chartered Accountants
Firms Registration No – 101248W/W-100022

Manoj Kumar Vijai
Partner
Membership No: 046882

Mumbai
Date : April 30, 2019

For and on behalf of the Board of Directors

Rajiv Sabharwal
(Director)
(DIN No. : 00057333)

F.N. Subedar
(Director)
(DIN No. : 00028428)

Mukund S. Dharmadhikari
(Director)
(DIN No. : 05003224)

Anuradha E. Thakur
(Director)
(DIN No. : 06702919)

Varsha Purandare
(Director)
(DIN No : 05288076)

Kusal Roy
(Managing Director)
(DIN No. : 02268654)

Puneet Sharma
(Chief Financial Officer)

Avan Doomasia
(Company Secretary)

Form AOC - 1

(Pursuant to the first proviso to Sub-section (3) of section 129 read with Rule 5 of Companies (Accounts) Rules, 2014)

Statement containing salient features of the financial statements of subsidiaries/associates/joint ventures

Part "A": Subsidiaries (Rs. In lakh)

Sr. No	Name of Subsidiary	The date since when subsidiary was acquired	Reporting period for the subsidiary concerned, if different from the holding company's reporting period	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 shareholding
NIL															

Part "B": Associates and Joint Ventures

Statement pursuant to Section 129 (3) of the Companies Act, 2013 related to Associates Companies and Joint Ventures Rs. 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	5. Reason why the associate/joint venture has not been consolidated	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	Shriram Properties Private Limited	March 31, 2018	July 10, 2014	22,23,569	3,935	1.50%	Based on rights under definitive documents	-	15	-	4,358
2	TVS Supply Chain Solutions Limited	March 31, 2018	September 3, 2015	2,17,325	1,465	0.68%			431	42	6,062
3	Fincare Business Services Limited	March 31, 2018	March 21, 2017	2,54,791	734	0.80%			407	97	12,078

Rajiv Sabharwal
(Chairman)
(DIN:00057333)

F.N. Subedar
(Director)
(DIN: 00028428)

Mukund. S. Dharmadhikari
(Director)
(DIN: 05003224)

Anuradha Thakur
(Director)
(DIN: 06702919)

Varsha Purandare
(Director)
(DIN:05288076)

Mumbai
April 30, 2019

Kusal Roy
(Managing Director)
(DIN: 02268654)

Puneet Sharma
(Chief Financial Officer)

Avan Doomasia
(Company Secretary)

Standalone Financial Statements

INDEPENDENT AUDITOR'S REPORT

To the Members of
Tata Capital Financial Services Limited

Report on the Audit of the Standalone Financial Statements

Opinion

We have audited the accompanying Standalone Financial Statements of Tata Capital Financial Services Limited (the 'Company'), which comprise the standalone balance sheet as at 31 March 2019, and the standalone statement of profit and loss (including standalone other comprehensive income), standalone statement of changes in equity and standalone 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 31 March 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 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.

INDEPENDENT AUDITOR'S REPORT ***(Continued)***

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the Standalone Financial Statements of the current period. These matters were addressed in the context of our audit of the Standalone Financial Statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

<table>
<tr><th>Key audit matter</th><th>How the matter was addressed in our audit</th></tr>
<tr><td colspan="2">Transition date accounting policies</td></tr>
<tr><td colspan="2">Refer to the accounting policies in the Standalone Financial Statements: Significant Accounting Policies- 'Statement of Compliance' and 'Note 3 to the Standalone Financial Statements: 'Explanation of Transition to Ind AS'</td></tr>
<tr><td>Adoption of new accounting framework (Ind AS)

Effective 1 April 2018, the Company adopted the Indian Accounting Standards ('Ind AS') notified by the Ministry of Corporate Affairs with the transition date of 1 April 2017.

The following are the major impact areas for the Company upon transition:

- Classification and measurement of financial assets and financial liabilities
- Measurement of loan losses (expected credit losses)
- Accounting for loan fees and costs
- Accounting for employee stock options

The migration to the new accounting framework (Ind AS) is a complicated process involving multiple decision points upon transition. Ind AS 101, First Time Adoption prescribes choices and exemptions for first time application of Ind AS principles at the transition date.</td><td>Our key audit procedures included:

Substantive tests

▪ Evaluated management's transition date choices and exemptions for compliance/acceptability under Ind AS 101.

▪ Understood the methodology implemented by management to give impact on the transition.

▪ Tested the system reports with the help of our IT specialists to check the completeness and accuracy of the data and reports used to perform computations for giving effect to Ind AS transition adjustments.

▪ Assessed the accuracy of the computations

▪ Assessed areas of significant estimates and management judgment in line with principles under Ind AS.

▪ Assessed the appropriateness of the disclosures made in the Standalone Financial Statements.</td></tr>
</table>

Key Audit Matters ***(Continued)***

Key audit matter	**How the matter was addressed in our audit**
Impairment on financial instruments **Charge: Rs. [45,189 lakh] for year ended 31 March 2019** **Provision: Rs. [150,712 lakh] at 31 March 2019**	
Refer to the accounting policies in 'Note 2.ix to the Standalone Financial Statements: Financial Instruments' and 'Note 2.iv to the Standalone Financial Statements : Significant Accounting Policies- use of estimates and judgements' and 'Note 31' to the Standalone Financial Statements : Financial risk review: Credit risk 'Note 31(A)'.	
Subjective estimate Recognition and measurement of impairment of loans involve significant management judgement. With the applicability of Ind AS 109: Financial Instruments, credit loss assessment is now based on expected credit loss ('ECL') model. The Company's impairment allowance is derived from estimates including the historical default and loss ratios. Management exercises judgement in determining the quantum of loss based on a range of factors. The most significant areas are: - Segmentation of loan book - Loan staging criteria - Calculation of probability of default / Loss given default - Consideration of probability weighted scenarios and forward looking macro-economic factors - Management overlays There is a large increase in the data inputs required by the ECL model. This increases the risk of completeness and accuracy of the data that has been used to create assumptions in the model. In some cases, data is unavailable and reasonable alternatives have been applied to allow calculations to be performed.	Our audit procedures included: **Design and operating effectiveness of controls** • Evaluated the appropriateness of the impairment principles based on the requirements of Ind AS 109, our business understanding and industry practice. • We obtained understanding of the management's new / revised processes, systems and controls implemented in relation to impairment allowance process. • Assessed the design and implementation of key internal financial controls over loan impairment process used to determine the impairment charge. • We used our internal specialist to test the model methodology and reasonableness of assumptions used. • We tested the management review controls over measurement of impairment allowances and disclosures in the Standalone Financial Statements. **Substantives tests** • We focused on appropriate application of accounting principles, validating completeness and accuracy of the data and reasonableness of assumptions used in the model. • Test of details over calculation of impairment allowance to assess the completeness, accuracy and relevance of data. • The appropriateness of management's judgments was also independently reconsidered in respect of calculation methodologies, segmentation, economic factors, the period of historical loss rates used and the valuation of recovery assets and collateral.

Key Audit Matters ***(Continued)***

Key audit matter	**How the matter was addressed in our audit**
Information technology	
IT systems and controls The Company's key financial accounting and reporting processes are highly dependent on the automated controls in information systems, such that there exists a risk that gaps in the IT control environment could result in the financial accounting and reporting records being materially misstated. From a financial reporting perspective the Company uses and we have tested the financial accounting and reporting system and loan management systems and other tools for it overall financial reporting. We have focused on user access management, change management, segregation of duties, system reconciliation controls and system application controls over key financial accounting and reporting systems.	Our audit procedures included the following: • We tested a sample of key controls operating over the information technology in relation to financial accounting and reporting systems, including system access and system change management, program development and computer operations. • We tested the design and operating effectiveness of key controls over user access management which includes granting access right, new user creation, removal of user rights and preventative controls designed to enforce segregation of duties. • For a selected group of key controls over financial and reporting system, we independently performed procedures to determine that these control remained unchanged during the year or were changed following the standard change management process. • evaluated the design, implementation and operating effectiveness of the significant accounts-related IT automated controls which are relevant to the accuracy of system calculation, and the consistency of data transmission. • Other areas that were independently assessed included password policies, security configurations, system interface controls, controls over changes to applications and databases and that business users, developers and production support did not have access to change applications, the operating system or databases in the production environment. • Obtained report related to information technology audit carried out by the subject matter expert engaged by the management and assessed the impact if any on our audit procedures.

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 Standalone Financial Statements and our auditor's report thereon.

Our opinion on the Standalone 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 Standalone Financial Statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the Standalone 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.

Auditor's Responsibilities for the Audit of the Standalone Financial Statements ***(Continued)***

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 the 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.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the Standalone Financial Statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

INDEPENDENT AUDITOR'S REPORT *(Continued)*

Other Matter

The comparative financial information of the Company for the transition date opening balance sheet as at 1 April 2017 included in these Standalone Financial Statements, are based on the previously issued statutory financial statements for the year ended 31 March 2017 prepared in accordance with the Companies (Accounting Standards) Rules, 2006 audited by the predecessor auditor whose report dated 28 April 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 (Auditor's 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 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 standalone balance sheet, the standalone statement of profit and loss (including other comprehensive income), the standalone statement of changes in equity and the standalone 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 31 March 2019 taken on record by the Board of Directors, none of the directors are disqualified as on 31 March 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 31 March 2019 on its financial position in its Standalone Financial Statements - Refer Note 37 to the Standalone Financial Statements;

Report on Other Legal and Regulatory Requirements ***(Continued)***

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 50 (xxiv) to the 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 8 November 2016 to 30 December 2016 have not been made in these 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 by the company to its directors during the current year is in accordance with the provisions of Section 197 of the Act. The remuneration paid to any director is not in excess of the limit laid down under 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 Registration No. 101248W/W-100022

Manoj Kumar Vijai
Partner
Membership No. 046882

Mumbai
30 April 2019

Tata Capital Financial Services Limited

Annexure A to the Independent Auditor's Report of even date on the Standalone Financial Statements

(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 fixed assets given on operating lease on an annual basis and all other 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 as at 30 June 2017 were physically verified by management. 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 is a Non-Banking Financial Company ('NBFC') and is in the business of providing financial services and 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 any 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, the Company has not granted any loans, made investments or provided guarantees under Section 185 of the Act and has complied with the provisions of Section 186 (1) of the Act. The Company being a NBFC, nothing contained in Section 186 is applicable, except subsection (1) of that section.

(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 thereunder apply. Accordingly, the provision of clause 3(v) of the Order is not applicable to the Company.

(vi) The Central Government of India 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 31 March 2019 for a period of more than six months from the date they became payable.

b) According to the information and explanations given to us, the Company did not have any dues on account of provident fund, employees' state insurance, sales tax, duty of customs, duty of excise, service tax, goods and service tax, cess, which have not been deposited on account of dispute. Details of dues of value added tax and income tax as on 31 March 2019 on account of disputes are given below:

Particulars	Period to which the amount relate (Financial Year)	Forum where dispute is pending	Amount in Rupees
Value Added Tax	2012-13	Deputy Commissioner (Commercial Taxes)	63,127
Value Added Tax	2015-16	Deputy Commissioner (Commercial Taxes)	2,308,429
Value Added Tax	2015-16	Deputy Commissioner (Commercial Taxes)	7,865,064
Value Added Tax	2015-16 2016-17 2017-18	Deputy Commissioner (Commercial Taxes)	235,541
Value Added Tax	2016-17	Deputy Commissioner (Commercial Taxes)	478,397
Income Tax	2015-16	Commissioner of Income Tax (Appellate Authority)	46,124,130

(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, money raised by way of further public offer of debt instruments and the term loans taken by the Company have been applied for the purpose for which they were raised. During the year, the Company did not raise any money by way of initial public offer.

(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 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 section 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.

Annexure A to the Independent Auditor's Report of even date on the Standalone Financial Statements *(Continued)*

(xiv) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year. Accordingly, the provision of clause 3(xiv) of the Order is not applicable.

(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 4 November 2011.

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

Manoj Kumar Vijai
Partner
Membership No: 046882

Mumbai
30 April 2019

Annexure B to the Independent Auditor's report on the Standalone Financial Statements of Tata Capital Financial Services Limited for the year ended 31 March 2019.

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

(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 Financial Services Limited (the 'Company') as of 31 March 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 31 March 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 standalone 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 standalone 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 standalone 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 standalone financial statements were established and maintained and whether such controls operated effectively in all material respects.

Annexure B to the Independent Auditor’s Report of even date on the Standalone Financial Statements *(Continued)*

Auditor’s Responsibility

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls with reference to standalone financial statements and their operating effectiveness. Our audit of internal financial controls with reference to standalone 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 judgement, including the assessment of the risks of material misstatement of the standalone 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 financial statements.

Meaning of Internal Financial controls with Reference to Standalone Financial Statements

A company's internal financial controls with reference to standalone financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of standalone financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial controls with reference to standalone 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 standalone 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 standalone financial statements.

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

Because of the inherent limitations of internal financial controls with reference to standalone 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 standalone financial statements to future periods are subject to the risk that the internal financial controls with reference to standalone 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
30 April 2019

TATA CAPITAL FINANCIAL SERVICES LIMITED

STANDALONE BALANCE SHEET AS AT MARCH 31, 2019

(Rs. in lakh)

Particulars	Note	As at March 31, 2019	As at March 31, 2018	As at April 1, 2017
ASSETS				
(1) Financial assets				
(a) Cash and cash equivalents	4	25,163	8,128	7,337
(b) Bank balances other than (a) above	5	36	4,462	3
(c) Derivative financial instruments		-	-	-
(c) Receivables				
(i) Trade receivables	6	3,454	6,675	2,001
(ii) Other receivables		-	-	-
(d) Loans	7	44,62,397	36,98,664	32,28,049
(e) Investments	8	38,032	29,472	26,409
(f) Other financial assets	9	40,045	64,666	53,890
Total financial assets		**45,69,127**	**38,12,067**	**33,17,689**
(2) Non-financial assets				
(a) Current tax assets (net)	10	8,797	6,265	5,818
(b) Deferred tax assets (net)	10	64,324	62,684	70,970
(c) Investment property		-	-	-
(d) Property, plant and equipment	11	91,487	69,000	77,052
(e) Capital work-in-progress		62	101	518
(f) Intangible assets under development		108	39	655
(g) Goodwill		-	-	-
(h) Other intangible assets	11	2,179	2,314	1,109
(i) Other non-financial assets	12	47,743	36,705	26,216
Total non-financial assets		**2,14,700**	**1,77,108**	**1,82,338**
Total Assets		**47,83,827**	**39,89,175**	**35,00,027**
LIABILITIES AND EQUITY				
LIABILITIES				
(1) Financial liabilities				
(a) Derivative financial instruments	30	-	98	-
(b) Payables				
(i) Trade payables				
- Total outstanding dues of micro enterprises and small enterprises		-	-	-
- Total outstanding dues of creditors other than micro enterprises and small enterprises	13	55,910	52,566	44,537
(ii) Other trade 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	16,09,148	12,32,147	12,69,788
(d) Borrowings (Other than debt securities)	15	20,41,658	17,80,252	13,11,798
(e) Deposits		-	-	-
(f) Subordinated liabilities	16	3,29,760	2,72,040	2,39,777
(g) Other financial liabilities	17	1,48,714	1,65,535	1,48,720
Total financial liabilities		**41,85,190**	**35,02,638**	**30,14,620**
(2) Non-Financial liabilities				
(a) Current tax liabilities (net)	10	13,110	10,114	8,575
(b) Provisions	18	1,52,241	1,58,057	2,00,561
(c) Other non-financial liabilities	19	28,923	23,195	16,822
Total non-financial liabilities		**1,94,274**	**1,91,366**	**2,25,958**
(3) Equity				
(a) Share capital	20	1,37,556	1,29,755	1,29,755
(b) Other equity	21	2,66,807	1,65,416	1,29,694
Total Equity		**4,04,363**	**2,95,171**	**2,59,449**
Total Liabilities and Equity		**47,83,827**	**39,89,175**	**35,00,027**
Summary of significant accounting policies	2			
See accompanying notes forming part of the financial statements	1-50			

In terms of our report of even date

For and on behalf of the Board of Directors

For **B S R & Co. LLP**
Chartered Accountants
Firms Registration No – 101248W/W-100022

Rajiv Sabharwal
(Director)
(DIN No. : 00057333)

F.N. Subedar
(Director)
(DIN No. : 00028428)

Manoj Kumar Vijai
Partner
Membership No: 046882

Mukund S. Dharmadhikari
(Director)
(DIN No. : 05003224)

Anuradha E. Thakur
(Director)
(DIN No. : 06702919)

Varsha Purandare
(Director)
(DIN No. : 05288076)

Place: Mumbai
Date : April 30, 2019

Kusal Roy
(Managing Director)
(DIN No. : 02268654)

Puneet Sharma
(Chief Financial Officer)

Avan Doomasia
(Company Secretary)

TATA CAPITAL FINANCIAL SERVICES LIMITED

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

(Rs. in lakh)

	Particulars	Note	For the year ended March 31, 2019	For the year ended March 31, 2018
I	**Revenue from operations**			
(i)	Interest income	22	4,81,069	3,92,838
(ii)	Dividend income		503	249
(iii)	Rental income		34,200	25,555
(iv)	Fees and commission income		8,602	8,526
(v)	Net gain on fair value changes	23	16,814	-
(vi)	Net gain on derecognition of investment in associates		11,780	-
	Total Revenue from operations		**5,52,968**	**4,27,168**
II	**Other income**	24	5,598	7,644
III	**Total Income (I+II)**		**5,58,566**	**4,34,812**
IV	**Expenses**			
(i)	Finance costs	25	3,12,501	2,34,316
(ii)	Fees and commission expense		-	-
(iii)	Net loss on fair value changes	23	-	1,231
(iv)	Impairment of investment in associates		-	585
(v)	Impairment on financial instruments	27	45,153	18,305
(vi)	Employee benefits expense	26	45,476	40,612
(vii)	Depreciation and amortisation and impairment	11	27,422	23,637
(viii)	Other expenses	28	62,653	47,588
	Total expenses (IV)		**4,93,205**	**3,66,274**
V	**Profit before exceptional items and tax (III-IV)**		**65,361**	**68,538**
VI	**Exceptional Items**		**-**	**-**
VII	**Profit before tax (V-VI)**		**65,361**	**68,538**
VIII	**Tax expense**	10		
	(1) Current tax		23,390	19,981
	(2) Deferred tax		(1,739)	8,268
	Net tax expense		**21,651**	**28,249**
IX	**Profit for the year from continuing operations (VII-VIII)**		**43,710**	**40,289**
X	Profit from discontinued operations before tax		-	-
XI	Tax expense of discontinued operations		-	-
XII	**Profit from discontinued operations (after tax) (X-XI)**		**-**	**-**
XIII	**Profit for the year (IX+XII)**		**43,710**	**40,289**
XIV	**Other Comprehensive Income**			
A	**(i) Items that will be reclassified subsequently to statement of profit and loss**			
	(a) Fair value gain on Financial Assets carried at FVTOCI		283	52
	(b) Income tax relating to items that will be reclassified to profit or loss		(99)	(18)
	(ii) Items that will not be reclassified subsequently to statement of profit and loss			
	(a) Remeasurement of defined employee benefit plans		(548)	74
	(b) Income tax relating to items that will not be reclassified to profit or loss		191	(26)
	Total Other Comprehensive (Loss)/Income		**(173)**	**82**
XV	**Total Comprehensive Income for the year (XIII+XIV)(Comprising Profit and Other Comprehensive (Loss)/Income for the year)**		**43,537**	**40,371**

Particulars	Note	For the year ended March 31, 2019	For the year ended March 31, 2018
XVI Earnings per equity share (for continuing operation):			
(1) Basic (Rupees)		**3.77**	**3.52**
(2) Diluted (Rupees)		**3.77**	**3.52**
XVII Earnings per equity share (for discontinued operation):			
(1) Basic (Rupees)		-	-
(2) Diluted (Rupees)		-	-
XVIII Earnings per equity share (for continuing and discontinued operations)			
(1) Basic (Rupees)		**3.77**	**3.52**
(2) Diluted (Rupees)		**3.77**	**3.52**
Summary of significant accounting policies	2		
See accompanying notes forming part of the financial statements	1-50		

In terms of our report of even date

For and on behalf of the Board of Directors

For B S R & Co. LLP
Chartered Accountants
Firms Registration No – 101248W/W-100022

Rajiv Sabharwal
(Director)
(DIN No. : 00057333)

F.N. Subedar
(Director)
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Manoj Kumar Vijai
Partner
Membership No: 046882

Mukund S. Dharmadhikari
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Anuradha E. Thakur
(Director)
(DIN No. : 06702919)

Varsha Purandare
(Director)
(DIN No. : 05288076)

Place: Mumbai
Date : April 30, 2019

Kusal Roy
(Managing Director)
(DIN No. : 02268654)

Puneet Sharma
(Chief Financial Officer)

Avan Doomasia
(Company Secretary)

TATA CAPITAL FINANCIAL SERVICES LIMITED

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

a. Equity share capital

Particulars	Note	Rs. in Lakh
Balance as at April 1, 2017		**1,29,755**
Changes in equity share capital during the year	20	-
Balance at March 31, 2018		**1,29,755**
Changes in equity share capital during the year	20	7,801
Balance at March 31, 2019		**1,37,556**

b. Other equity

(Rs. in lakh)

Particulars	Equity component of compound financial instruments	Reserves and surplus				Debt instruments through Other Comprehensive Income	Share options outstanding account	Remeasurement of defined benefit liability /asset	Fair value gain / (loss) on Financial Assets carried at FVTOCI	General Reserve	**Total equity**
		Securities premium	Debenture Redemption Reserve	Special Reserve Account	Retained earnings						
Balance at April 1, 2017	-	88,942	30,000	25,750	(14,998)	-	-	-	-	-	**1,29,694**
Profit for the year	-	-	-	-	40,289	-	-	-	-	-	**40,289**
Other comprehensive income for the year, net of income tax	-	-	-	-	-	-	-	48	34	-	**82**
Total comprehensive income for the year	**-**	**88,942**	**30,000**	**25,750**	**25,291**	**-**	**-**	**48**	**34**	**-**	**1,70,065**
Interim Dividend on equity shares (including tax on dividend)	-	-	-	-	(5,466)	-	-	-	-	-	**(5,466)**
Transfer to stock reserve - equity settled options	-	-	-	-	-	-	655	-	-	162	**817**
Transfer to Special Reserve Account	-	-	-	9,651	(9,651)	-	-	-	-	-	**-**
Balance at March 31, 2018	**-**	**88,942**	**30,000**	**35,401**	**10,174**	**-**	**655**	**48**	**34**	**162**	**1,65,416**
Profit for the year	-	-	-	-	43,710	-	-	-	-	-	**43,710**
Other comprehensive income for the year, net of income tax	-	-	-	-	-	-		(357)	184		**(173)**
Total comprehensive income for the year	**-**	**-**	**-**	**-**	**43,710**	**-**	**-**	**(357)**	**184**	**-**	**43,537**
Interim Dividend on equity shares (including tax on dividend)	-	-	-	-	-	-	-	-	-	-	**-**
Transfer to stock reserve - equity settled options	-	-	-	-	-	-	(119)	-	-	267	**148**
Premium on issue of Equity Shares	-	57,799	-	-	-	-	-	-	-	-	**57,799**
Share issue expenses		(93)									**(93)**
Transfer to Special Reserve Account	-	-	-	11,581	(11,581)	-	-	-	-	-	**-**
Balance at March 31, 2019	**-**	**1,46,648**	**30,000**	**46,982**	**42,303**	**-**	**536**	**(309)**	**218**	**429**	**2,66,807**

Summary of significant accounting policies

See accompanying notes forming part of the financial statements

In terms of our report of even date

For and on behalf of the Board of Directors

For B S R & Co. LLP
Chartered Accountants
Firms Registration No – 101248W/W-100022

Rajiv Sabharwal
(Director)
(DIN No. : 00057333)

F.N. Subedar
(Director)
(DIN No. : 00028428)

Manoj Kumar Vijai
Partner
Membership No: 046882

Mukund S. Dharmadhikari
(Director)
(DIN No. : 05003224)

Anuradha E. Thakur
(Director)
(DIN No. : 06702919)

Varsha Purandare
(Director)
(DIN No. : 05288076)

Place: Mumbai
Date : April 30, 2019

Kusal Roy
(Director)
(DIN No. : 02268654)

Puneet Sharma
(Chief Financial Officer)

Avan Doomasia
(Company Secretary)

TATA CAPITAL FINANCIAL SERVICES LIMITED

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

(Rs. in lakh)

Particulars	Note	For the year ended March 31, 2019	For the year ended March 31, 2018
1 CASH FLOW USED IN OPERATING ACTIVITIES			
Profit before tax		65,361	68,538
Adjustments for :			
Depreciation and amortisation		27,422	23,637
Net gain/(loss) on derecognition of property, plant and equipment		(198)	(1,059)
Interest expenses		2,58,332	1,91,667
Discounting charges on commercial paper		53,675	42,201
Discounting charges on debentures		494	448
Interest income		(4,81,069)	(3,92,838)
Dividend Income		(503)	(249)
Net gain on fair value changes			
- Realised		(9,087)	60
- Unrealised		(7,727)	1,171
Net gain on derecognition of investment in Associates		(11,780)	-
Impairment of investment in Associates		-	585
Share based payments- Equity-settled		148	817
Provision for leave encashment		316	79
Contingent provision against Standard Assets		8,923	7,393
Provision against Restructured Advances		(325)	(1,448)
Provision for doubtful loans (net)		36,591	12,100
Provision against trade receivables		(36)	260
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		(58,016)	(45,233)
Adjustments for :			
(Increase) / Decrease in trade receivables		3,257	(4,934)
(Increase) / Decrease in Loans		(7,90,372)	(5,24,100)
(Increase) / Decrease in other financial/non financial assets		2,092	(36,930)
(Increase) / Decrease in other financial/ non financial liabilities		467	58,310
Cash used in operations before adjustments for interest received, interest paid and dividend received		(8,42,572)	(5,52,886)
Interest paid		(2,89,637)	(2,31,554)
Interest received		4,57,714	3,89,035
Dividend received		503	249
Cash used in operations		(6,73,992)	(3,95,156)
Taxes paid		(22,735)	(18,889)
NET CASH USED IN OPERATING ACTIVITIES		**(6,96,727)**	**(4,14,045)**
2 CASH FLOW FROM INVESTING ACTIVITIES			
Purchase of property, plant and equipment (including capital advances)		(55,763)	(30,837)
Proceeds from sale of property, plant and equipment		1,739	7,304
Purchase of investments		(3,911)	(4,334)
Purchase of mutual fund units		(2,52,63,615)	(3,89,500)
Proceeds from redemption of mutual fund units		2,52,70,958	3,89,572
Proceeds from sale of investments		16,602	404
Fixed deposits - matured / (placed)		4,400	(4,459)
NET CASH USED IN INVESTING ACTIVITIES		**(29,590)**	**(31,850)**
3 CASH FLOW FROM FINANCING ACTIVITIES			
Issue of Compulsory Convertible Cumulative Preference share capital		1,02,500	57,500
Collection of Loan given to "TCL Employees Welfare Trust"		1,016	-
Share issue expenses		(93)	-
Debenture issue / loan processing expenses		(6,478)	(539)
Interim dividend paid on equity and preference shares (including dividend distribution tax)		(14,154)	(15,968)
Proceeds from borrowings (Other than debt securities)		54,53,127	23,27,530
Proceeds from Debt Securities and Subordinated liabilities		9,32,340	7,19,462
Repayment of Borrowings (Other than debt securities)		(52,31,597)	(19,15,932)
Repayment of Debt Securities and Subordinated liabilities		(4,93,308)	(7,25,368)
NET CASH GENERATED FROM FINANCING ACTIVITIES		**7,43,353**	**4,46,685**

Particulars		For the year ended March 31, 2019	For the year ended March 31, 2018
NET INCREASE IN CASH AND CASH EQUIVALENTS		**17,036**	**791**
CASH AND CASH EQUIVALENTS AS AT THE BEGINNING OF THE YEAR		**8,075**	**7,284**
CASH AND CASH EQUIVALENTS AS AT THE END OF THE YEAR		**25,111**	**8,075**
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		**25,111**	**8,075**
Add : Restricted Cash [Refer note 4 (ii)]		**52**	**53**
Add: Fixed deposits with original maturity over 3 months		**36**	**4,462**
CASH AND CASH EQUIVALENTS AND OTHER BANK BALANCES AS AT THE END OF THE YEAR [REFER NOTE 4 & 5]		**25,199**	**12,590**
Summary of significant accounting policies	2		
See accompanying notes forming part of the financial statements	1-50		

In terms of our report of even date

For and on behalf of the Board of Directors

For **B S R & Co. LLP**
Chartered Accountants
Firms Registration No – 101248W/W-100022

Rajiv Sabharwal
(Director)
(DIN No. : 00057333)

F.N. Subedar
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Manoj Kumar Vijai
Partner
Membership No: 046882

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Anuradha E. Thakur
(Director)
(DIN No. : 06702919)

Varsha Purandare
(Director)
(DIN No. : 05288076)

Place: Mumbai
Date : April 30, 2019

Kusal Roy
(Managing Director)
(DIN No. : 02268654)

Puneet Sharma
(Chief Financial Officer)

Avan Doomasia
(Company Secretary)

TATA CAPITAL FINANCIAL SERVICES LIMITED

Notes forming part of the Standalone Financial Statements

1. CORPORATE INFORMATION

Tata Capital Financial Services Limited (the "Company") is a wholly owned subsidiary of Tata Capital Limited and a Systemically Important Non Deposit Accepting Non-Banking Finance Company ("NBFC"), holding a Certificate of Registration from the Reserve Bank of India ("RBI") dated November 4, 2011.

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.

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

ii. Presentation of financial statements

The Balance Sheet, Statement of Profit and Loss and Statement of changes in Equity are prepared and presented in the format prescribed in the Division III of Schedule III of 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 Lakh.

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 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 is 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 Company can access at measurement date

b) Level 2: inputs are 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.

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

Refer note 30A and 30B.

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 effect are disclosed in the notes to the financial statements.

Judgements:

Information about judgements made in applying accounting policies that have most significant effect on the amount recognised in the financial statements is included in the following note:

- 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 of uncertainties:

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

- Note x - impairment test of non-financial assets: key assumption underlying recoverable amounts.
- Note x - useful life of property, plant, equipment and intangibles.
- Note xviii – recognition of deferred tax assets: availability of future taxable profit against which carry forward deferred tax asset can be set off.

- Notes xx – recognition and measurement of provisions and contingencies: key assumptions about the likelihood and magnitude of an outflow of resources.
- Note 29 – measurement of defined benefit obligations: key actuarial assumptions.
- Note 30A and Note 30B – determination of the fair value of financial instruments with significant unobservable inputs.
- Note 31A(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 31A(iii) – impairment of financial instruments: key assumptions used in estimating recoverable cash flows.

v. 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 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 and distribution of financial products

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 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.

vii. Dividend income

Income from dividend on investment in equity shares of corporate bodies and units of mutual funds is accounted when the Company’s right to receive dividend 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 rentals 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.

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. 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 measured 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 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

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 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 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 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 profit and loss statement. 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 gain/loss realised is recorded in the Statement of Profit and Loss and the unrealised gain/losses is 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 at 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.

Investments 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.

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 for the 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 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 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 Reserve Bank of India 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.

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

Product	Overdue criteria
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 are 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 31A(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 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 a right to apply enforcement activities to recover such written off financial assets. Subsequent recoveries of amounts previously written off are credited to the income statement.

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
Financial assets measured at FVTOCI	
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".

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 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 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. 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.

Compound instruments

The component parts of compound instruments (e.g. cumulative compulsorily convertible preference shares CCCPS) issued by the Company 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 profit or loss upon conversion or expiration of the conversion option.

A 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 is 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 Company uses derivative financial instrument such as foreign currency forward cover contract to mitigate foreign exchange rate risk. 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 profit or 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.

x. 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 an asset to its working condition net of tax/duty credits availed, which comprises of purchase consideration and 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 the 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 Company 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 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**
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. Reclassification to 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 Company reviews the carrying amounts of its PPE, investment property and intangible asset 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 cost 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 so 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 PPE 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 .

xi. **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 Company 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.

xii. Employee Benefits

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

Defined contribution benefits includes gratuity fund, compensated absences, long service awards and post-employment medical 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's Provident Scheme, 1952 is recognised as an expense in the year in which it is determined.

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.

Share based payment transaction

The stock options of the Parent Company are 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 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 a free reserve in nature.

xiii.Securities premium account

The Company 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.

xiv.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.

xv. Operating Segments

The Company's main business is financing by way of loans for retail and corporate borrowers in India. The Company's operating segments consist of "Financing Activity", " Investment Activity" and "Others". All other activities of the Company revolve around the main businesses. This 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, all operating segment's operating results 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 "Financing Activity" segment consists of asset financing, term loans (corporate and retail), 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, 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.

xvi. Investments in associates

The Company has elected to measure investment in associate 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.

xvii. Earnings per share

Basic earnings per share has been computed by adding back the dividend on CCCPS along with dividend distribution tax (DDT) to the net income and dividing the same by the weighted average number of shares outstanding during the year including potential weighted average number of equity shares that could arise on conversion of preference shares. 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

xviii. 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 recognized 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 law) enacted or substantively enacted by the reporting date.

Current tax assets 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 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 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 realised or the liability is 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 Company intends to settle its current tax assets and liabilities on a net basis.

xix. Goods and Services Input Tax Credit

Goods and Services Input tax 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.

xx. 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

xxi. 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

xxii. 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.

xxiii. 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.

xxiv. 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 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 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.

The Company is evaluating the following 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 - 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 1 April 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

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

The Company has adopted Indian Accounting Standards (Ind AS) as notified by the Ministry of Corporate Affairs with effect from April 01, 2018, with a transition date of 1st April, 2017. The financial statements for the year ended **March 31, 2019** are the first financial statements, the Company has prepared under Ind AS. For all periods up to and including the year ended March 31, 2018, the Company prepared its financial statements 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 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

These 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 Company 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 Company 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 Company in restating its IGAAP financial statements, including the Balance Sheet as at April 1, 2017 and the financial statements as at and 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 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.

Reconciliations between IGAAP and Ind AS

(i) Equity reconciliation **(Rs. in lakh)**

	Particulars	As at March 31, 2018	As at April 1, 2017
Equity as reported under IGAAP		4,96,139	4,06,408
Adjusted for reduction:			
a	Reclassification of Cumulative Compulsorily Convertible Preference shares (CCCPS) to Borrowings	(1,52,000)	(94,500)
b	Dividend accrued on CCCPS and dividend distribution tax thereon	(81)	-
c	Impairment allowance on Financial Instruments measured at Amortised cost and trade receivables	(51,083)	(62,106)
d	Impact of EIR method on Financial Instruments measured at Amortised cost	(21,716)	(17,346)
e	Impact of EIR method on other financial assets measured at amortised cost	35	-
f	Net fair value loss on Investment at FVTPL	(1,296)	(494)
g	Fair value gain on Financial Assets carried at FVTOCI	34	-
Adjusted for addition:			
a	Net Deferred tax asset on above adjustments	25,140	27,487
Equity under Ind AS		**2,95,171**	**2,59,449**

(ii) Total Comprehensive income reconciliation **(Rs. in lakh)**

Particulars	As at March 31, 2018
Net profit as reported under IGAAP	48,259
Add /(Less) :	
Impairment allowance on Financial Instruments measured at Amortised cost and FVTOCI	11,023
Impact of EIR method on Financial Instruments measured at Amortised cost and FVTOCI	(4,370)
Impact of EIR method on other financial assets measured at amortised cost	35
Dividend accrued on CCCPS and dividend distribution tax thereon	(10,643)
Net Fair value gain/(loss) on Investment measured at FVTPL	(802)
Amortisation of Option cost for Equity settled ESOP's	(817)
Remeasurement of the defined benefit obligation	(74)
Income tax relating to remeasurement of the defined benefit obligation	26
Net Deferred tax charged on above adjustments	(2,347)
Net profit under Ind AS	**40,289**
Other comprehensive income (OCI)	-
Remeasurement of the defined benefit obligation	74
Income tax relating to remeasurement of defined benefit obligation	(26)
Fair value gain / (loss) on Financial Assets carried at FVTOCI	52
Income tax relating to fair value gain/(loss) on Financial Assets carried at FVTOCI	(18)
Total Comprehensive income under Ind AS	**40,371**

(iii) Reconciliation of Statement of Cash Flow

There are no material adjustments to the Statements of Cash Flows as reported under the Previous GAAP.

Exemptions from retrospective application:

For transition to Ind AS, the Company 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.

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

(Rs. in lakh)

Particulars	Note	Amount as per IGAAP	Reclassification	Measurement	Amount as per Ind AS
ASSETS					
(1) Financial assets					
(a) Cash and cash equivalents	4	8,128	-	-	8,128
(b) Bank balances other than (a) above	5	4,462	-	-	4,462
(c) Derivative financial instruments		-	-	-	-
(d) Receivables		-	-	-	-
(i) Trade receivables	6	6,753	-	(78)	6,675
(ii) Other receivables		-	-	-	-
(e) Loans	7	36,91,324	7,302	38	36,98,664
(f) Investments	8	30,768	-	(1,296)	29,472
(g) Other financial assets	9	28,590	36,117	(41)	64,666
Total financial assets		**37,70,025**	**43,419.00**	**(1,377)**	**38,12,067**
(2) Non-financial assets					
(a) Current tax assets (net)	10	6,265	-	-	6,265
(b) Deferred tax assets (Net)	10	37,568	-	25,116	62,684
(c) Investment Property		-	-	-	-
(d) Property, plant and equipment	11	69,000	-	-	69,000
(e) Capital work-in-progress	11	101	-	-	101
(f) Intangible assets under development	11	39	-	-	39
(f) Goodwill		-	-	-	-
(c) Other intangible assets	11	2,314	-	-	2,314
(i) Other non-financial assets	12	41,422	-	(4,717)	36,705
Total non-financial assets		**1,56,709**	**-**	**20,399**	**1,77,108**
Total Assets		**39,26,733**	**43,419**	**19,023**	**39,89,175**
LIABILITIES AND EQUITY					
LIABILITIES					
(1) Financial liabilities					
(a) Derivative financial instruments		(0)	98	0	98
(b) Payables		-	-	-	-
(i) Trade payables		-	-	-	-
- Total outstanding dues of micro enterprises and small enterprises		-	-	-	-
- Total outstanding dues of creditors other than micro enterprises and small enterprises	13	52,664	(98)	(0)	52,566
(c) Debt Securities	14	12,32,147	-	-	12,32,147
(d) Borrowings (Other than debt securities)	15	16,28,252	1,52,000	-	17,80,252
(e) Deposits		-	-	-	-
(f) Subordinated liabilities	16	2,72,040	-	-	2,72,040
(g) Other financial liabilities	17	1,22,035	43,419	81	1,65,535
Total financial liabilities		**33,07,138**	**1,95,419**	**81**	**35,02,638**
(2) Non-Financial liabilities					
(a) Current tax liabilities (Net)	10	10,114	-	-	10,114
(b) Provisions	18	1,07,065	-	50,992	1,58,057
(c) Other non-financial liabilities	19	6,276	-	16,919	23,195
Total non-financial liabilities		**1,23,456**	**-**	**67,910**	**1,91,366**
(3) Equity					
(a) Share capital	20	2,81,755	(1,52,000)	-	1,29,755
(b) Other equity	21	2,14,385	-	(48,969)	1,65,416
Total equity		**4,96,140**	**(1,52,000)**	**(48,969)**	**2,95,171**
Total Liabilities and Equity		**39,26,734**	**43,419**	**19,023**	**39,89,175**

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

(Rs. in lakh)

Particulars	Note	Amount as per IGAAP	Reclassification	Measurement	Amount as per Ind AS
ASSETS					
(1) Financial assets					
(a) Cash and cash equivalents	4	7,337	-	-	7,337
(b) Bank balances other than (a) above	5	3	-	-	3
(c) Derivative financial instruments		-	-	-	-
(d) Receivables		-	-	-	-
(i) Trade receivables	6	2,049	-	(48)	2,001
(ii) Other receivables		-	-	-	-
(e) Loans	7	32,20,747	7,302	-	32,28,049
(f) Investments	8	26,903	-	(494)	26,409
(g) Other financial assets	9	34,075	21,069	(1,254)	53,890
Total financial assets		**32,91,113**	**28,371.00**	**(1,795)**	**33,17,689**
(2) Non-financial assets					
(a) Current tax assets (net)	10	5,818	-	-	5,818
(b) Deferred tax assets (Net)	10	43,483	-	27,487	70,970
(c) Investment Property		-	-	-	-
(d) Property, plant and equipment	11	77,052	-	-	77,052
(e) Capital work-in-progress	11	518	-	-	518
(f) Intangible assets under development	11	655	-	-	655
(f) Goodwill		-	-	-	-
(c) Other intangible assets	11	1,109	-	-	1,109
(i) Other non-financial assets	12	28,712	-	(2,496)	26,216
Total non-financial assets		**1,57,347**	**-**	**24,991**	**1,82,338**
Total Assets		**34,48,460**	**28,371**	**23,196**	**35,00,027**
LIABILITIES AND EQUITY					
LIABILITIES					
(1) Financial liabilities					
(a) Derivative financial instruments		-	-	-	-
(b) Payables		-	-	-	-
(i) Trade payables		-	-	-	-
- Total outstanding dues of micro enterprises and small enterprises		-	-	-	-
- Total outstanding dues of creditors other than micro enterprises and small enterprises	13	44,537	-	-	44,537
(c) Debt Securities	14	12,69,788	-	-	12,69,788
(d) Borrowings (Other than debt securities)	15	12,17,298	94,500	-	13,11,798
(e) Deposits		-	-	-	-
(f) Subordinated liabilities	16	2,39,777	-	-	2,39,777
(g) Other financial liabilities	17	1,20,349	28,368	3	1,48,720
Total financial liabilities		**28,91,749**	**1,22,868**	**3**	**30,14,620**
(2) Non-Financial liabilities					
(a) Current tax liabilities (Net)	10	8,575	-	-	8,575
(b) Provisions	18	1,38,503	-	62,058	2,00,561
(c) Other non-financial liabilities	19	3,226	-	13,596	16,822
Total non-financial liabilities		**1,50,304**	**-**	**75,654**	**2,25,958**
(3) Equity					
(a) Share capital	20	2,24,255	(94,500)	-	1,29,755
(b) Other equity	21	1,82,153	-	(52,459)	1,29,694
Total equity		**4,06,408**	**(94,500)**	**(52,459)**	**2,59,449**
Total Liabilities and Equity		**34,48,460**	**28,368**	**23,199**	**35,00,027**

E. Reconciliation of profit or loss for the year ended March 31, 2018

	Particulars	Amount as per IGAAP	Reclassification	Measurement	Amount as per Ind AS
I	**Revenue from operations**				
(i)	Interest income	3,97,058		(4,220)	3,92,838
(ii)	Dividend income	249		-	249
(iii)	Rental income	25,555		-	25,555
(iv)	Fees and commission income	8,526		-	8,526
(v)	Net gain on fair value changes	802		(802)	-
(vi)	Net gain on derecognition of financial instruments under amortised cost category	-		-	-
(vii)	Sale of services	-		-	-
	Total Revenue from operations	**4,32,190**	**-**	**(5,022)**	**4,27,168**
II	**Other income**	7,644		-	7,644
III	**Total Income (I+II)**	**4,39,834**	**-**	**(5,022)**	**4,34,812**
IV	**Expenses**				
	Finance costs	2,23,673		10,643	2,34,316
	Fees and commission expense	-		-	-
	Net loss on fair value changes	1,231		-	1,231
	Net loss on derecognition of financial instruments under amortised cost category	585		-	585
	Impairment on financial instruments	29,328		(11,023)	18,305
	Employee benefits expense	39,721	74	817	40,612
	Depreciation and amortisation and impairment	23,637		-	23,637
	Other expenses	47,473		115	47,588
	Total expenses (IV)	**3,65,647**	**74**	**553**	**3,66,274**
V	**Profit/(loss) before exeptional items and tax (III-IV)**	**74,187**	**(74)**	**(5,575)**	**68,538**
VI	**Exceptional Items**	-		-	-
VII	**Profit/(loss) before tax (V-VI)**	**74,187**	**(74)**	**(5,575)**	**68,538**
VIII	Tax expense				
	(1) Current tax	20,007	(26)	-	19,981
	(2) Deferred tax	5,920		2,348	8,268
	Net tax expense	**25,927**	**(26)**	**2,348**	**28,249**
IX	**Profit for the year from continuing operations (VII-VIII)**	**48,260**	**(48)**	**(7,923)**	**40,289**
X	Profit from discontinued operations before tax	-		-	-
XI	Tax expense of discontinued operations	-		-	-
XII	**Profit from discontinued operations (after tax) (X-XI)**	-		-	-
XIII	**Profit for the year (IX+XII)**	**48,260**	**(48)**	**(7,923)**	**40,289**
XIV	**Other Comprehensive Income**				
A	**(i) Items that will be reclassified subsequently to statement of profit and loss**				
	- Net changes in fair values of investment other than equity shares carried at fair value	-		**52**	52
	(ii) Income tax relating to items that will be reclassified to profit or loss	-		**(18)**	(18)
	(i) Items that will not be reclassified subsequently to statement of profit and loss	-			-
	- Remeasurement of defined employee benefit plans (net of tax)	-	74	-	74
	(ii) Income tax relating to items that will not be reclassified to profit or loss	-	(26)	-	(26)
	Total Other Comprehensive Income/(Loss)	**-**	**48**	**34**	**82**
XV	**Total Comprehensive Income for the year (XIII+XIV)(Comprising Profit/(Loss) and Other Comprehensive Income/(loss) for the year)**	**48,260**	**-**	**(7,889)**	**40,371**

3. EXPLANATION OF TRANSITION TO IND AS

Note: Explanation to IND AS adjustments:

a. Fair valuation of investments

Under IGAAP, investments in equity instruments 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 Subsidiaries/Associates/Joint Ventures and equity instruments designated as FVOCI) have been recognised in retained earnings as at the date of transition (i.e. April 01, 2017). Subsequent changes to fair value have been recognised in the statement of profit or loss for the year ended March 31, 2018.

Thus, fair value decrease of Rs. 494 lakh has been recognised in retained earnings as at April 01, 2017 and subsequent decrease in fair value of Rs. 802 lakh has been recognised in the statement of profit or loss for the year ended March 31, 2018, resulting in a decrease in the total equity of Rs. 1,296 lakh as at March 31, 2018.

b. Fair valuation of 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 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.

Consequent to the above, interest income net of rent expense recognised in the Statement of Profit and Loss for the year ended March 31, 2018 is Rs. 35 lakh.

c. 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 Reserve Bank of India (RBI). 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 and additional provisioning as per management judgement and estimates.

As per Ind AS 109, the company is required to apply Expected Credit Loss (ECL) model for Stage 1 assets, Stage 2 assets and Stage 3 assets 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 offs on the revenue recognised. Such provision is in addition to provision made based on actual losses under IGAAP.

Consequent to the above, the impairment allowance increased by Rs. 51,083 lakh as at March 31, 2018 (April 01, 2017 Rs. 62,106 lakh). Consequently, the total equity as at March 31, 2018 decreased by Rs. 51,083 lakh (April 01, 2017 Rs. 62,106 lakh) and profit for the year ended March 31, 2018 decreased by Rs. 11,023 lakh.

d. Remeasurement of defined benefit obligation

Under IGAAP, acturial gain/loss on remeasurement of defined benefit obligation was recognised as part of the gratuity cost in the Statement of Profit and Loss.

Under Ind AS, such acturial gain/loss is recognised under Other Comprehensive Income Statement (OCI) along with its current income tax charge.

Consequent to the above, employee cost recorded in the Statement of Profit and Loss has increased by Rs. 74 lakh and corresponding Other Comprehensive Income has increased by Rs. 74 lakh for the year ended as at 31 March 31, 2018

e. 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.

f. Employee share based payment adjustments

The grant date fair value of equity settled share-based payment options granted to employees of the Company by its Holding company 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 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 Rs. 817 lakh for the year ended as at 31 March 31, 2018 and a corresponding ESOP outstanding reserve is created of Rs. 817 lakh.

g. Interest as per effective interest rate on financial assets measured at amortised cost

Under IGAAP, processing fees & subvention income was accounted upfront and direct sourcing cost was amortised over the contractual tenure. Under Ind AS, such income and expenses are required to be amortised over the behavioural tenure. The total equity as at March 31, 2018 decreased by Rs. 21,716 lakh (April 01, 2017 Rs. 17,346 lakh) and the interest income in the Statement of Profit and Loss account for the year ended March 31, 2018 decreased by Rs. 4,370 lakh.

The unamortised processing fees and subvention income is recorded as a liability and correspondingly equity is decreased. The unamortised direct sourcing agency cost is decreased and accordingly the equity is reduced. Consequently, unamortised processing fees and subvention income increased by Rs. 16,924 lakh (April 01, 2017 Rs. 13,596 lakh) and unamortised direct sourcing agency cost decreased by Rs. 4,792 lakh (April 01, 2017 Rs. 3,750 lakh)

h. Reclassification of Cumulative Compulsorily Convertible Preference shares (CCCPS) to Borrowings

Under IGAAP, Cumulative Compulsorily Convertible Preference shares (CCCPS) formed part of the Share Capital. As per Ind AS 32, since the terms of conversion of the CCCPS on the date of issuance does not mandate fixed number of instruments at a fixed rate, such instrument are classified as a liability and interest cost is accrued at the rate of dividend applicable along with dividend distribution tax (DDT). Equity has decreased by Rs. 152,000 lakh as on March 31, 2018 (April 01. 2017 Rs. 94,500 lakh) with a corresponding increase in borrowings. Interest cost on account of dividend accrued on CCCPS along with DDT has increased in the Statement of Profit and Loss Account for the year ended March 31, 2018 by Rs. 10,643 lakh. Liability for dividend accrued on CCCPS along with DDT has increased as on March 31, 2018 by Rs. 81 lakh.

i. Derivatives held for risk management measured at fair value through statement of profit and loss account

Under IGAAP, the cost of the premium on the forward purchase agreement was amortised over the life of the forward contract. Further under Ind AS, the mark to market gain/loss is recorded in the statement of profit and loss account and corresponding derivative asset/liability is recorded. Equity has decreased by Rs. 98 lakh as on March 31, 2018 (April 01.

2017 Rs. Nil lakh) with a corresponding increase in Derivative liability. Marked to market loss in the statement of profit and loss account has increased for the year ended March 31, 2018 by Rs. 98 lakh.

j. Amortisation of Option cost for Equity settled ESOP's

Under IGAAP, the ESOPs of the holding company 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 account and a corresponding liability for ESOP outstanding is created. As a result, the manpower cost has increased by Rs. 817 lakh as at March 31, 2018. Consequently, the total equity as at March 31, 2018 decreased by Rs. 817 lakh and profit for the year ended March 31, 2018 decreased by Rs.817 lakh.

k. 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, such gain/loss is recognised under other comprehensive income statement along with consequent current tax charge. Employee cost recorded in the Statement of Profit and Loss has increased by Rs. 74 lakh for the year ended as at 31 March 31, 2018 and corresponding other comprehensive income has increased by Rs. 74 lakh. Accordingly the current tax has decreased in the statement of profit and loss account by Rs. 26 lakh and increased in the statement of other comprehensive income.

l. 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 Company and same is recoverable from the customer by the Company. Accordingly the receivable of Rs. 43,378 lakh is recorded under other financial asset and a corresponding liability is recorded under other financial liability.

m. Financial instrument 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 2(ix) for treatment of financial assets measured at FVTOCI).

Under Ind AS, the fair value gain/loss is recognised under other comprehensive income statement along with consequent tax charge. Financial asset has increased by Rs. 34 lakh and correspondingly there is an increase in FVTOCI.

n. Investment in Associate

The Company has made investment in equity shares of investee company, classified as a long term investment under IGAAP.

The Company is able to participate in the operating decision making and exercise significant influence over the investee and according the same are re-classified as investment in associate, measured at cost under Ind AS 27.

o. Tax effects of adjustments

Deferred tax asset/liability have been recognised on the adjustments made on transition to Ind AS. Deferred tax asset has increased by Rs. 25,139 lakh as at 31 March 31, 2018 (April 01, 2017 - Rs. 27,487 lakh). Consequent to the above, the total equity as at March 31, 2018 increased by Rs. 25,139 lakh (April 01, 2017 Rs. 27,487 lakh) and profit and other comprehensive income for the year ended March 31, 2018 decreased by Rs. 2,322 lakh respectively.

4. CASH AND CASH EQUIVALENTS

(Rs. in lakh)

PARTICULARS	As at March 31, 2019	As at March 31, 2018	As at April 1, 2017
(a) Cash on hand	59	102	573
(b) Balances with banks in current accounts	24,824	6,812	5,187
(c) Cheques on hand	280	1,214	1,577
Total	**25,163**	**8,128**	**7,337**

Note:

(i) Of the above, the balances that meet the definition of Cash and Cash Equivalents as per Ind AS 7 Cash Flow Statements is Rs. 25,111 lakh (March 31, 2018 : Rs. 8,075 lakh and April 1, 2017 : Rs. 7,284 lakh)

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

5. OTHER BALANCES WITH BANKS

(Rs. 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 note below)	36	4,462	3
Total	**36**	**4,462**	**3**

Note:

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

6. TRADE RECEIVABLES

(Rs. in lakh)

PARTICULARS	As at March 31, 2019	As at March 31, 2018	As at April 1, 2017
(i) Receivables considered good - secured	-	-	-
(ii) Receivables considered good - unsecured	3,454	6,675	2,001
(iii) Receivables which have significant increase in credit risk - unsecured	26	78	48
(iv) Receivables - credit impaired - unsecured	246	230	-
	3,726	6,983	2,049
Less: Allowance for impairment loss	-	-	-
(i) siginificant increase in credit risk	26	78	48
(ii) credit impaired	246	230	-
Total	**3,454**	**6,675**	**2,001**

Trade receivables include amounts due from the related parties Rs. 174 lakh (March 31, 2018: Rs. 697 lakh and April 01, 2017 : Rs. 143 lakh)

7. LOANS

(Rs. in lakh)

PARTICULARS	As at March 31, 2019	As at March 31, 2018	As at April 1, 2017
LOANS			
(A)			
- Amortised Cost			
(i) Bills purchased and bills discounted	32,612	52,394	40,969
(ii) Loans repayable on demand	-	-	-
(iii) Term loans	41,82,619	34,60,619	30,34,771
(iv) Credit substitutes (refer note 7(a) below)	1,60,381	1,16,771	94,846
(v) Finance lease and hire purchase	51,874	43,438	31,843
(vi) Factoring	-	-	-
(vii) Retained portion of assigned loans	3,420	5,567	7,018
(viii) Inter - Company Deposits	4,125	9,300	11,300
(ix) Loan to TCL employee welfare trust	6,286	7,302	7,302
- At Fair Value through Other Comprehensive Income			
- Term loans	21,080	3,273	-
Total (A) - Gross	**44,62,397**	**36,98,664**	**32,28,049**
(B)			
(i) Secured by tangible assets	25,39,692	21,89,139	19,81,463
(ii) Secured by intangible assets	-	-	1,102
(iii) Covered by bank / government guarantees	-	-	-
(iv) Unsecured	19,22,705	15,09,525	12,45,484
Total (B) - Gross	**44,62,397**	**36,98,664**	**32,28,049**
(C)			
(I) Loans in India			
(i) Public sector	2,081	6,136	4,593
(ii) Others	44,60,316	36,92,528	32,23,456
Total - Loans in India	**44,62,397**	**36,98,664**	**32,28,049**
(II) Loans outside India			
(i) Public sector	-	-	-
(ii) Others	-	-	-
Total - Loans outside India	-	-	-
Total (C)	**44,62,397**	**36,98,664**	**32,28,049**

7. a. Investments in bonds, debentures and other financial instruments which, in substance, form a part of the Company's financing activities ("Credit Substitutes") have been classified under Loans . In the past these were classified as a part of Investments. Management believes that the classification results in a better presentation of the substance of these investments and is in alignment with regulatory filings.

7. b. **The details of Gross investments and unearned finance income in respect of assets given under finance lease are as under:**

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.

7. c. **Break up of Loans as under:**

(Rs. 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	23,74,443	20,00,015	17,48,821
(ii) Unsecured	18,61,083	14,32,200	11,70,182
(iii) Significant Increase in Credit Risk	1,17,603	1,44,080	1,25,540
(iv) Impaired Asset	1,09,268	1,22,368	1,83,505
Gross Carrying value of Loans	**44,62,397**	**36,98,664**	**32,28,049**

8. INVESTMENTS

(Rs. in lakh)

PARTICULARS	As at March 31, 2019	As at March 31, 2018	As at April 1, 2017
Investments in India			
(A) Investments carried at fair value through profit or loss			
Fully paid equity shares (quoted)	24,029	16,028	11,565
Fully paid equity shares (unquoted)	3,503	3,723	762
Investment in preference shares	3,500	-	-
Mutual and other funds (quoted)	53	50	51
Mutual and other funds (unquoted)	1,272	1,075	1,007
Security receipts	126	600	1,130
	32,483	**21,476**	**14,515**
(B) Investments carried at cost			
Associates companies			
Fully paid equity shares (unquoted)	6,134	8,581	11,894
Less: Diminution in value of investments	585	585	-
Net Carrying value of investments	**5,549**	**7,996**	**11,894**
Total Investments	**38,032**	**29,472**	**26,409**

The market value of quoted investment is equal to the book value.

Note : There are no investments outside India.

8a. Scrip-wise details of Investments:

(Rs. in lakh)

PARTICULARS	Face value Per Unit (in Rs)	As at March 31, 2019		As at March 31, 2018		As at April 1, 2017	
		No. of Units	Rs in lakh	No. of Units	Rs in lakh	No. of Units	Rs in lakh
(A) Investments carried at cost							
Associates companies							
Fully paid equity shares (unquoted)							
Fincare Business Services Limited	10	2,54,791	734	2,35,992	660	2,35,992	660
Shriram Properties 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	1,465	2,17,325	1,465	2,17,325	1,465
Varroc Engineering Private Limited	10	-	-	1,55,024	2,521	1,55,024	2,521
International Asset Reconstruction Company Private Limited	10	-	-		-	1,39,46,295	3,313
			6,134		**8,581**		**11,894**
Less: Diminution in value of investments			585		585		-
			5,549		**7,996**		**11,894**
(B) Investments carried at fair value through profit or loss							
Mutual and other funds (quoted)							
HDFC Debt Fund For Cancer Cure	10	5,00,000	53	5,00,000	50	5,00,000	51
			53		**50**		**51**
Mutual and other funds (unquoted)							
Tata Liquid Fund Regular Plan - Growth	1,000	43,423	1,272	39412	1,075	39412	1,007
			1,272		**1,075**		**1,007**
Fully paid equity shares (quoted)							
Hindustan Unilever Limited	1	2,000	34	2,000	27	2,000	18
Praj Industries Limited	2	1,34,22,400	20,560	1,34,22,400	10,778	1,34,22,400	10,745
The New India Assurance company Limited	5	10,83,376	2,056	5,41,688	3,861	-	-
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	-	-
Diamond Power Infra Limited	10	16,31,881	26	16,31,881	122	16,31,881	565
Gol Offshore Limited	10	6,44,609	-	6,44,609	-	6,44,609	100
Commercial Engineers & Body Builder Company Limited	10	21,85,192	436	-	-	-	-
IVRCL Limited	2	15,94,857	13	15,94,857	48	27,76,522	137
			24,029		**16,028**		**11,565**
Fully paid equity shares (unquoted)							
Adithya Automotives Private Limited	10	-	-	13,96,500	376	13,96,500	247
Aricent Technologies Holdings Limited *	10	8	0	8	0	8	0
International Asset Reconstruction Company Private Limited	10	1,39,46,295	3,503	1,39,46,295	3,347	-	-
SKS Ispat & Power Limited *	10	3,39,31,831	-	3,39,31,831	-	3,39,31,831	515
Coastal Projects Limited *	10	41,01,806	-	41,01,806	-	41,01,806	-
Tata Tele Services Limited *	10	6,22,50,000	0	6,22,50,000	0	6,22,50,000	0
			3,503		**3,723**		**762**
Security Receipts							
International Asset Reconstruction Company Private Limited	1,000	1,04,135	126	1,04,135	600	1,04,135	1,130
			126		**600**		**1,130**
Fully paid investment in Preference Shares (Non-Trade)							
0.001% Share Microfin Limited Optionally Cumulative Convertible Redeemable Preference Shares	10	-	-		-	9,00,000	-
Kotak Mahindra Bank Limited	5	7,00,00,000	3,500		-		-
			3,500		**-**		**-**
Total Non-Current Investments			**38,032**		**29,472**		**26,409**

* Amount less than Rs. 50,000.

9. OTHER FINANCIAL ASSETS

(Rs. in lakh)

PARTICULARS	As at March 31, 2019	As at March 31, 2018	As at April 1, 2017
(a) Security deposits	6,912	8,085	5,776
(b) Advances recoverable in cash or kind from related parties	595	597	802
(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	6,433	3,494	2,245
(f) Advances to employees	563	686	103
(g) Receivable under letter of credit/buyer's credit facility	14,617	43,419	28,371
(h) Other receivables	326	466	344
Total	**40,045**	**64,666**	**53,890**

10. INCOME TAXES

A The income tax expense consist of the following:

(Rs. 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	23,390	19,981
Current tax expense / (benefit) pertaining to prior years	-	-
	23,390	**19,981**
Deferred tax benefit		
Origination and reversal of temporary differences	(1,131)	8,268
Change in tax rates	(609)	-
	(1,739)	**8,268**
Total income tax expense recognised in the year	**21,651**	**28,249**

The reconciliation of estimated income tax expense at statutory income tax rate income tax expense reported in

(Rs. in lakh)

Particulars	**For the year ended March 31, 2019**	**For the year ended March 31, 2018**
Profit before income taxes	65,361	68,538
Indian statutory income tax rate	34.944%	34.608%
Expected income tax expense	22,840	23,719
Tax effect of adjustments to reconcile expected income tax expense to		
Income exempt from tax	(270)	(138)
Non deductible expenses	2,696	4,617
Tax on income at different rates	(3,007)	51
Change in tax rates	(609)	-
Total income tax expense	**21,651**	**28,249**

Note:
The Company's reconciliation of the effective tax rate is based on its domestic tax rate applicable to respective financial years.

10(i) INCOME TAXES

B. Amounts recognised in OCI

(Rs. in lakh)	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)	(548)	191	(357)	74	(26)	48
Items that are or may be reclassified subsequently to profit or loss						
Net amount transferred to profit or loss	283	(99)	184	52	(18)	34
	(265)	**93**	**(172)**	**126**	**(44)**	**82**

10(ii). DEFERRED TAX ASSET

The major components of deferred tax assets and liabilities for the year ended March 31, 2019 are as follows:

(Rs. in lakh)

Particulars	Opening Balance	Recognised / reversed through profit and loss	Recognised in OCI	Closing Balance
Deferred Tax Assets :-				
(a) Impairment loss allowance - Stage III	35,861	(4,988)	-	30,872
(b) Impairment loss allowance - Stage I & II	17,151	3,285	(29)	20,406
(d) Employee benefits	330	114	-	444
(e) Deferred income	7,515	2,296	(82)	9,728
(f) Other deferred tax assets	2,150	593	-	2,743
Deferred Tax Liabilities :-				
(a) Debenture issue expenses	(478)	(1,672)	-	(2,150)
(b) Depreciation on property, plant, equipment & intangibles	228	2,582	-	2,810
(c) Investments measured at fair value	(60)	(470)	-	(530)
(d) Loans measured at FVTOCI	(13)	(0)	13	(0)
Net Deferred Tax Asset	**62,684**	**1,738**	**(99)**	**64,324**

The major components of deferred tax assets and liabilities for the year ended March 31, 2018 are as follows:

(Rs. in lakh)

Particulars	Opening Balance	Recognised / reversed through profit and loss	Recognised in OCI	Closing Balance
Deferred Tax Assets :-				
(a) Impairment loss allowance - Stage III	51,842	(15,981)	-	35,861
(b) Impairment loss allowance - Stage I & II	14,599	2,557	(5)	17,151
(c) Employee benefits	303	27	-	330
(d) Deferred income	6,003	1,512	-	7,515
(e) Other deferred tax assets	1,168	982	-	2,150
Deferred Tax Liabilities :-				
(a) Debenture issue expenses	(518)	40	-	(478)
(b) Depreciation on property, plant, equipment & intangibles	(2,417)	2,645	-	228
(c) Investments measured at fair value	(10)	(50)	-	(60)
(d) Loans measured at FVTOCI	-	-	(13)	(13)
Net Deferred Tax Asset	**70,970**	**(8,268)**	**(18)**	**62,684**

Gross deferred tax assets and liabilities are as follows:

(Rs. 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	30,872	35,861	51,842
(b) Impairment loss allowance - Stage I & II	20,406	17,151	14,599
(d) Employee benefits	444	330	303
(e) Deferred income	9,728	7,515	6,003
(f) Other deferred tax assets	2,743	2,150	1,168
Deferred Tax Liabilities :-			
(a) Debenture issue expenses	(2,150)	(478)	(518)
(b) Depreciation on property, plant & equipment	2,810	228	(2,417)
(c) Fair value of investments	(530)	(60)	(10)
(d) Loans measured at FVTOCI	(0)	(13)	-
Net Deferred Tax Asset	**64,324**	**62,684**	**70,970**

11. PROPERTY, PLANT AND EQUIPMENT

(Rs. 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	Depreciation/ Amortisation for the year	Deletions/ Adjustments	Closing balance as at March 31, 2019	As at March 31, 2019
TANGIBLE ASSETS									
Buildings	3,677	-	-	3,677	200	200	-	400	3,277
	3,677	-	-	*3,677*	-	*200*	-	*200*	*3,477*
Leasehold Improvements	2,055	266	67	2,254	546	479	31	994	1,260
	1,701	*365*	*11*	*2,055*	-	*547*	*1*	*546*	*1,509*
Furniture & Fixtures	616	133	19	730	100	127	7	219	511
	492	*132*	*8*	*616*	-	*101*	*1*	*100*	*516*
Computer Equipment	2,600	1,026	2	3,624	604	843	1	1,446	2,178
	1,618	*982*	-	*2,600*	-	*604*	-	*604*	*1,996*
Office Equipment	690	364	28	1,026	203	229	11	421	604
	482	*210*	*2*	*690*	-	*203*	-	*203*	*487*
Plant & Machinery	255	-	15	240	51	46	7	90	150
	257	*4*	*6*	*255*	-	*52*	*1*	*51*	*204*
Vehicles	483	176	197	462	167	144	98	213	250
	452	*83*	*52*	*483*	-	*181*	*14*	*167*	*316*
ASSETS GIVEN UNDER OPERATING LEASE/RENTAL									
Construction Equipment	11,355	3,497	370	14,482	1,779	2,801	156	4,424	10,058
	14,299	*1,787*	*4,731*	*11,355*	-	*2,827*	*1,048*	*1,779*	*9,576*
Vehicles	2,351	2,355	389	4,317	698	1,359	250	1,806	2,510
	1,581	*1,913*	*1,143*	*2,351*	-	*897*	*199*	*698*	*1,653*
Plant & Machinery	32,711	34,031	1,568	65,174	6,416	11,018	741	16,693	48,481
	21,619	*12,323*	*1,231*	*32,711*	-	*6,515*	*99*	*6,416*	*26,295*
Computer Equipment	15,018	6,104	1,288	19,834	6,584	5,563	1,105	11,042	8,792
	12,900	*3,225*	*1,107*	*15,018*	-	*7,154*	*570*	*6,584*	*8,434*
Furniture & Fixtures	957	252	43	1,166	296	317	41	572	594
	834	*123*	-	*957*	-	*296*	-	*296*	*661*
Office Equipments	1,438	1,952	100	3,291	785	713	96	1,402	1,889
	1,245	*204*	*11*	*1,438*	-	*792*	*7*	*785*	*653*
Railway Wagons	14,957	53	-	15,010	2,580	2,751	-	5,331	9,679
	14,833	*124*	-	*14,957*	-	*2,580*	-	*2,580*	*12,377*
Electrical Installation & Equipments	1,074	747	-	1,821	228	339	-	567	1,255
	1,062	*12*	-	*1,074*	-	*228*	-	*228*	*846*
TANGIBLE ASSETS - TOTAL	**90,237**	**50,957**	**4,086**	**1,37,108**	**21,237**	**26,928**	**2,544**	**45,621**	**91,487**
	77,052	*21,487*	*8,302*	*90,237*	-	*23,177*	*1,940*	*21,237*	*69,000*

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	Depreciation/ Amortisation for the year	Deletions/ Adjustments	Closing balance as at March 31, 2019	As at March 31, 2019
INTANGIBLE ASSETS (other than internally generated)									
Goodwill	-	-	-	-	-	-	-	-	-
	-	-	-	-	-	-	-	-	-
Software	2,769	359	-	3,128	455	495	-	950	2,179
	1,109	*1,671*	*11*	*2,769*	-	*460*	*5*	*455*	*2,314*
INTANGIBLE ASSETS - TOTAL	**2,769**	**359**	**-**	**3,128**	**455**	**495**	**-**	**950**	**2,179**
	1,109	*1,671*	*11*	*2,769*	-	*460*	*5*	*455*	*2,314*
Total	**93,006**	**51,316**	**4,086**	**1,40,236**	**21,692**	**27,422**	**2,544**	**46,570**	**93,666**
	78,161	*23,158*	*8,313*	*93,006*	-	*23,637*	*1,945*	*21,692*	*71,314*

Figures in italics relate to March 31, 2018

12. OTHER NON-FINANCIAL ASSETS (UNSECURED - CONSIDERED GOOD)

(Rs. in lakh)

PARTICULARS	As at March 31, 2019	As at March 31, 2018	As at April 1, 2017
(a) Capital advances	22,640	17,452	7,806
(b) Prepaid expenses	2,116	1,927	2,579
(c) Gratuity asset (Net)	-	49	239
(d) Balances with government authorities	10,163	4,868	1,431
(e) Non Current Assets held-for-sale	-	1,326	3,582
(f) Unamortised loan sourcing costs	12,602	10,702	10,335
(g) Other advances	222	381	244
Total	**47,743**	**36,705**	**26,216**

13. TRADE PAYABLES

(Rs. in lakh)

PARTICULARS	As at March 31, 2019	As at March 31, 2018	As at April 1, 2017
(a) Others			
(i) Accrued expenses	29,707	18,580	16,171
(ii) Payable to related parties	-	142	28
(iii) Payable to dealers/vendors/customer	25,405	33,253	27,422
(iv) Others	798	591	916
Total	**55,910**	**52,566**	**44,537**

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 :

13. (ii). Total outstanding dues of micro enterprises and small enterprises **(Rs. 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	**-**	**-**	**-**

14. DEBT SECURITIES

(Rs. in lakh)

PARTICULARS	As at March 31, 2019	As at March 31, 2018	As at April 1, 2017
DEBT SECURITIES In India			
At amortised cost			
Secured			
Privately Placed Non-Convertible Debentures (Refer note 14.1 and 14.3 below) [Net of unamortised discount of Rs. 47 lakh (March 31, 2018 : Nil and April 1, 2017 : Nil) and premium of Rs. 307 lakh (March 31, 2018 : Rs. 57 lakh and April 1, 2017 : Nil]	12,21,527	10,53,378	11,56,047
Public issue of Non-Convertible Debentures (Refer notes 14.2 and 14.4 to 14.6 below)	2,95,826	28,799	28,779
Unsecured			
Privately Placed Non-Convertible Debentures (Refer notes 14.7 to 14.10 below)	91,795	1,49,970	84,962
DEBT SECURITIES Outside India	-	-	-
Total	**16,09,148**	**12,32,147**	**12,69,788**

Notes

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 Company.

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 Company.

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	Rs in lakh	Number of NCDs	Rs in lakh	Number of NCDs	Rs 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	-	-	-	-
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
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	-	-	-	-
TCFSL NCD "P" FY 2017-18	22-Jan-18	20-Jan-23	480	4,800	480	4,800	-	-
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
TCFSL NCD "I" FY 2018-19	03-Jan-19	10-Jun-22	400	4,000	-	-	-	-
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	-	-	-	-
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
TCFSL NCD "E" FY 2018-19	26-Oct-18	26-Oct-21	3,262	32,620	-	-	-	-
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	-	-	-	-
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	-	-
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
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	-	-	-	-
TCFSL Market Linked Tranche "A" 2018-19 Tranch-I Reissuance 1	28-Mar-19	14-Aug-20	340	3,400	-	-	-	-
TCFSL NCD "E" FY 2017-18	06-Jul-17	06-Aug-20	500	5,000	500	5,000	-	-
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	-	-
TCFSL NCD "U" FY 2016-17	26-Aug-16	01-Jul-20	150	1,500	150	1,500	150	1,500
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	-	-	-	-
TCFSL NCD "D" FY 2017-18	09-Jun-17	09-Jun-20	10,150	1,01,500	10,150	1,01,500	-	-
TCFSL NCD "E" FY 2015-16	05-May-15	05-May-20	3,300	33,000	3,300	33,000	3,300	33,000
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	-	-	-	-
TCFSL NCD "AJ" FY 2016-17	01-Mar-17	28-Feb-20	250	2,500	250	2,500	250	2,500
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
TCFSL NCD "AE" FY 2016-17	16-Nov-16	16-Dec-19	750	7,500	750	7,500	750	7,500
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
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
TCFSL NCD "T" FY 2016-17	25-Aug-16	23-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	-	-
TCFSL NCD "P" FY 2016-17	29-Jul-16	29-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
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
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
TCFSL NCD "B" FY 2017-18	30-May-17	30-May-19	2,250	22,500	2,250	22,500	-	-
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
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
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
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
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
TCFSL NCD "Y" FY 2015-16	08-Jan-16	08-Jan-19	-	-	250	2,500	250	2,500

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	Rs in lakh	Number of NCDs	Rs in lakh	Number of NCDs	Rs in lakh
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
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
TCFSL NCD "S" FY 2015-16	26-Aug-15	24-Aug-18	-	-	250	2,500	250	2,500
TCFSL NCD "O" FY 2013-14	20-Aug-13	20-Aug-18	-	-	430	4,300	430	4,300
TCFSL NCD "M" FY 2011-12	17-Aug-11	17-Aug-18	-	-	40	400	40	400
TCFSL NCD "S" FY 2016-17	16-Aug-16	16-Aug-18	-	-	750	7,500	750	7,500
TCFSL NCD "R" FY 2016-17	12-Aug-16	13-Aug-18	-	-	250	2,500	250	2,500
TCFSL NCD "Q" FY 2016-17	02-Aug-16	02-Aug-18	-	-	1,500	15,000	1,500	15,000
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
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
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
TCFSL NCD "A" FY 2013-14 Op-I	23-Apr-13	23-Apr-18	-	-	850	8,500	850	8,500
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
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
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
TCFSL NCD "C" FY 2016-17	13-Apr-16	15-Mar-18	-	-	-	-	2,500	25,000
TCFSL NCD "AV" FY 2014-15 Op-II	10-Mar-15	09-Mar-18	-	-	-	-	500	5,000
TCFSL NCD "AT" FY 2014-15 Op-I	02-Mar-15	02-Mar-18	-	-	-	-	650	6,500
TCFSL NCD "AQ" FY 2014-15	20-Feb-15	12-Feb-18	-	-	-	-	60	600
TCFSL NCD "AP" FY 2014-15 Op-I	04-Feb-15	02-Feb-18	-	-	-	-	500	5,000
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
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
TCFSL NCD "L" FY 2016-17	07-Jul-16	08-Jan-18	-	-	-	-	250	2,500
TCFSL NCD "AH" FY 2014-15 Op-III	16-Dec-14	04-Jan-18	-	-	-	-	90	900
TCFSL NCD "K" FY 2016-17	24-Jun-16	26-Dec-17	-	-	-	-	250	2,500
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
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
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
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
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
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
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
TCFSL NCD "R"' FY 2015-16	31-Jul-15	31-Jul-17	-	-	-	-	1,570	15,700
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
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
TCFSL NCD "P"' FY 2015-16	09-Jul-15	07-Jul-17	-	-	-	-	2,500	25,000
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
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
TCFSL NCD "K" FY 2015-16	09-Jun-15	09-Jun-17	-	-	-	-	5,000	50,000
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
TCFSL NCD "G" FY 2015-16 Op-I	13-May-15	24-May-17	-	-	-	-	350	3,500

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	Rs in lakh	Number of NCDs	Rs in lakh	Number of NCDs	Rs in lakh
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
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
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
TCFSL NCD "AU" FY 2014-15 Op-III	05-Mar-15	02-May-17	-	-	-	-	110	1,100
TCFSL NCD "G" FY 2015-16 Op-II	13-May-15	27-Apr-17	-	-	-	-	90	900
TCFSL NCD "C" FY 2015-16 Op-III	22-Apr-15	25-Apr-17	-	-	-	-	850	8,500
TCFSL NCD "C" FY 2015-16 Op-II	22-Apr-15	20-Apr-17	-	-	-	-	70	700
TCFSL NCD "C" FY 2015-16 Op-I	22-Apr-15	19-Apr-17	-	-	-	-	326	3,260
TCFSL NCD "D" FY 2015-16 Op-II	24-Apr-15	18-Apr-17	-	-	-	-	88	880
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
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
Total (A)				**12,22,172**		**10,53,700**		**11,56,500**
Add : Unamortised premium				307		57		-
Total (B)				**307**		**57**		**-**
Less : Unamortised borrowing cost				(906)		(379)		(453)
Less : Unamortised discount				(46)		-		-
Total (C)				**(952)**		**(379)**		**(453)**
TOTAL (A+B+C)				**12,21,527**		**10,53,378**		**11,56,047**

*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 01, 2017 : 7.58% to 10.75%)
Note: Information about the company's exposure to interest rate risk, and liquidity risk is included in note 31B and 31C

14. 4. Particulars of Public issue of Secured Non-Convertible Debentures outstanding as on March 31, 2019

Description of NCD	Issue Date	Redemption Date	Number of NCDs	Rs in lakh
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 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
				3,00,200
Less: Unamortised borrowing cost				**(4,374)**
Total				**2,95,826**

Note : Coupon rate of above outstanding as on March 31, 2019 varies from 8.70% to 8.90%

14. 5. Particulars of Public issue of Secured Non-Convertible Debentures outstanding as on March 31, 2018

Description of NCD	Issue Date	Redemption Date	Number of NCDs	Rs in lakh
TCFSL NCD Option I (2009)	6-Mar-09	5-Mar-19	310	310
TCFSL NCD Option II (2009)	6-Mar-09	5-Mar-19	1,77,875	1,779
TCFSL NCD Option IIII (2009)	6-Mar-09	5-Mar-19	14,97,029	14,970
TCFSL NCD Option IV (2009)	6-Mar-09	5-Mar-19	11,75,939	11,759
				28,818
Less: Unamortised borrowing cost				**(19)**
Total				**28,799**

Note : Coupon rate of above outstanding as on March 31, 2018 varies from 9.75% to 10.50%

14. 6. Particulars of Public issue of Secured Non-Convertible Debentures outstanding as on April 01, 2017

Description of NCD	Issue Date	Redemption Date	Number of NCDs	Rs in lakh
TCFSL NCD Option I (2009)	6-Mar-09	5-Mar-19	310	310
TCFSL NCD Option II (2009)	6-Mar-09	5-Mar-19	1,77,875	1,779
TCFSL NCD Option IIII (2009)	6-Mar-09	5-Mar-19	14,97,029	14,970
TCFSL NCD Option IV (2009)	6-Mar-09	5-Mar-19	11,75,939	11,759
				28,818
Less: Unamortised borrowing cost				**(39)**
Total				**28,779**

Note : Coupon rate of above outstanding as on April 01, 2017 varies from 9.75% to 10.50%

14 7. Particulars of Privately Placed unsecured non-convertible debentures ("NCDs") outstanding as on March 31, 2019

Description of NCD	Issue Date	Redemption Date	Number of NCDs	Rs in lakh
TCFSL Unsecured NCD A FY 2017-18	27-Jun-17	27-Jun-19	8,000	80,000
TCFSL Unsecured NCD Partly paid "A" FY 2018-19	19-Mar-19	10-Aug-18	118	11,800
TOTAL				**91,800**
Less: Unamortised borrowing cost				**(5)**
Total				**91,795**

Note : Coupon rate of above outstanding as on March 31, 2019 varies from 7.90% to 8.93%

14 8. Particulars of Privately Placed unsecured non-convertible debentures ("NCDs") outstanding as on March 31, 2018

Description of NCD	Issue Date	Redemption Date	Number of NCDs	Rs in lakh
TCFSL Unsecured NCD A FY 2017-18	27-Jun-17	27-Jun-19	8,000	80,000
TCFSL Unsecured NCD "A" FY 2015-16	12-Aug-15	10-Aug-18	2,000	20,000
TCFSL Unsecured NCD B FY 2016-17	27-Apr-16	27-Apr-18	2,000	20,000
TCFSL Unsecured NCD A FY 2016-17	25-Apr-16	25-Apr-18	3,000	30,000
TOTAL				**1,50,000**
Less: Unamortised borrowing cost				**(30)**
Total				**1,49,970**

Note : Coupon rate of above outstanding as on March 31, 2018 varies from 7.90% to 9.20%

14 9. Particulars of Privately Placed unsecured non-convertible debentures ("NCDs") outstanding as on April 01, 2017

Description of NCD	Issue Date	Redemption Date	Number of NCDs	Rs in lakh
TCFSL Unsecured NCD A FY 2015-16	12-Aug-15	10-Aug-18	2,000	20,000
TCFSL Unsecured NCD A FY 2016-17	25-Apr-16	25-Apr-18	3,000	30,000
TCFSL Unsecured NCD B FY 2016-17	27-Apr-16	27-Apr-18	2,000	20,000
TCFSL Unsecured NCD B FY 2015-16 Option-I	1-Sep-15	1-Sep-17	1,500	15,000
TOTAL				**85,000**
Less: Unamortised borrowing cost				**(38)**
Total				**84,962**

Note : Coupon rate of above outstanding as on April 01, 2017 varies from 8.80% to 8.91%

14 10. Unsecured redeemable Non-convertible subordinated debentures includes the debentures issued to Key Management Personnel of Rs. Nil lakh (Year ended March, 31, 2018 : Rs. 20 lakh).

15. BORROWINGS (OTHER THAN DEBT SECURITIES) (IN INDIA)

(Rs. 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 below)	4,79,963	1,29,486	85,989
Unsecured			
From Banks	2,44,942	2,97,500	1,30,000
(b) Loans repayable on demand			
Secured			
From Banks			
(i) Working capital demand loan (Refer note 15.1 below)	3,05,000	2,68,000	75,000
(ii) Bank Overdraft (Refer note 15.1 below)	1,44,704	2,10,912	3,01,953
Unsecured			
From Banks			
(i) Working capital demand loan (Refer note 15.1 below)	35,000	40,000	11,200
(c) Loan from related parties			
(i) 1,889,000,000 (March 31, 2018 : 1,520,000,000 shares and April 1, 2017 : 945,000,000 shares) Compulsorily Convertible Cumulative Preference shares of Rs.10 each fully paid up (Refer note 15.4 and 15.5 below)	1,88,900	1,52,000	94,500
(ii) Inter corporate deposits from related parties	5,726	33,784	44,829
(d) Other loans			
Unsecured			
(i) Commercial paper [Net of unamortised discount of Rs. 13,068 lakh (March 31, 2018 : Rs. 12,637 lakh and April 1, 2017 : Rs. 9,868 lakh)]	6,32,423	6,41,355	5,67,612
(ii) Inter corporate deposits from others	5,000	7,215	715
Total	**20,41,658**	**17,80,252**	**13,11,798**

Note:

15.1. Loans and advances from banks are secured by pari passu charge on the receivables of the Company through Security Trustee.

15.2 Terms of repayment of borrowings and rate of interest:

As per terms of agreements loan from banks aggregating Rs. 724,942 lakh (Previous Year: Rs. 426,986 lakh) are repayable at maturity ranging between 12 and 49 months from the date of respective loan. 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%)

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%)
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%)

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%)

15.3. All the above borrowings have been borrowed in India.

15.4. During the year ended March 31, 2019, the Company has issued 1,025,000,000, 8.50% Compulsorily Convertible Cumulative Preference Shares ("CCCPS") of face value Rs. 10/- each aggregating Rs. 1,025 crore, which are mandatorily convertible into equity shares after the completion of 9 years from the date of allotment. The CCCPS holders have a right to receive dividend, prior to the equity shareholders. The dividend proposed by the Board of Directors on the CCCPS is subject to the approval of the shareholders at an Annual General Meeting, except in case of interim dividend. In the event of liquidation, the Preference Shareholders will carry a preferential right over the holder of equity shares for payment of dividend and for payment of capital, in proportion to their shareholding.

The CCCPS holders have an option to convert all or any part of the holding into equity shares at any time prior to the completion of 9 years. Conversion of CCCPS into equity shares will be based on the fair value to be determined by an independent valuer closer to the conversion date. In the year in which CCCPS are converted to equity shares, the dividend on such CCCPS, if declared by the Board, shall be paid on pro-rata basis. On February 1, 2019, the Company converted CCCPS aggregating Rs. 656 crore of face value Rs. 10/- each. The Board had not declared dividend on the CCCPS prior to conversion to equity shares.

Tranch-wise due date details for Compulsorily Convertible Cumulative Preference Shares ("CCCPS")

Date of Allotment	Date of Conversion	No. of Units	Rs in lakh
26-Mar-19	26-Mar-28	27,50,00,000	27,500
28-Dec-18	28-Dec-27	10,00,00,000	10,000
28-Sep-18	28-Sep-27	10,00,00,000	10,000
29-Jun-18	29-Jun-27	55,00,00,000	55,000
31-Mar-18	31-Mar-27	15,00,00,000	15,000
21-Mar-18	21-Mar-27	25,00,00,000	25,000
08-Mar-18	08-Mar-27	10,00,00,000	10,000
29-Dec-17	29-Dec-26	7,50,00,000	7,500
31-Mar-17	31-Mar-26	10,00,00,000	10,000
28-Feb-17	28-Feb-26	18,90,00,000	18,900
Total		**1,88,90,00,000**	**1,88,900**

15.5. The CCCPS holders may, at any time prior to the aforesaid period of conversion, make such request to convert all or any part of its holding into Equity Shares.

a) During the year ended March 31, 2019, the Company has declared and paid on March 26, 2019, an interim dividend for financial year 2018-19 on Compulsorily Convertible Cumulative Preference Shares aggregating to Rs. 11,673 lakh and dividend distribution tax thereon of Rs. 2,399 lakh.

b) During the previous year ended March 31, 2018, the Company has declared and paid on July 27, 2017, an interim dividend for financial year 2017-18 on Compulsorily Convertible Cumulative Preference Shares aggregating to Rs. 2,120 lakh and dividend distribution tax thereon of Rs. 431 lakh.

c) During the previous year ended March 31, 2018, the Company has declared and paid on August 22, 2017, a final dividend for financial year 2016-17 on Compulsorily Convertible Cumulative Preference Shares aggregating to Rs. 3 lakh and dividend distribution tax thereon of Rs. 1 lakh.

d) During the previous year ended March 31, 2018, the Company has declared on March 20, 2018 and paid on March 21, 2018, an interim dividend for financial year 2017-18 on Compulsorily Convertible Cumulative Preference Shares aggregating to Rs. 6,603 lakh (April 01, 2017 : 4,230 lakh) and dividend distribution tax thereon of Rs. 1,344 lakh (April 01, 2017 : 861 lakh).

16. SUBORDINATED LIABILITIES

(Rs. in lakh)

PARTICULARS	As at March 31, 2019	As at March 31, 2018	As at April 1, 2017
Unsecured			
Debentures			
Non-Convertible Subordinated Debentures (Refer note 16.1 and 16.2 below) [Net of unamortised discount of Rs. 357 lakh (March 31, 2018 : Rs. 851 lakh and April 1, 2017 : Rs. 1,299 lakh)]	2,38,374	1,80,686	1,80,094
Non-Convertible Perpetual Debentures (Refer note 16.3 below)	91,386	91,354	59,683
Total	**3,29,760**	**2,72,040**	**2,39,777**

Note:

All the subordinated liabilities have been borrowed in India.

16. 1. **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	Rs in lakh	Number of NCDs	Rs in lakh	Number of NCDs	Rs 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**		**-**		**-**

*Note : Coupon rate of above outstanding as on March 31, 2019 varies from 9.00% to 9.10% (March 31, 2018: Nil, April 01, 2017: Nil)

16. 2. **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	Rs in lakh	Number of NCDs	Rs in lakh	Number of NCDs	Rs 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
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
TCFSL Tier II Bond "A" FY 2015-16	22-Jul-15	22-Jul-25	900	9,000	900	9,000	900	9,000
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
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
Total (A)				**2,01,688**		**1,81,194**		**1,80,746**
Less: Unamortised borrowing cost				**(454)**		**(508)**		**(652)**
				2,01,234		**1,80,686**		**1,80,094**

*Net of unamortised discount as on March 31,2019 Rs.357 lakh (March 31, 2018 : Rs 851 lakh, April 01, 2017 : Rs 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 01, 2017: 8.45% to 10.50%)

16. 3 **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	Rs in lakh	Number of NCDs	Rs in lakh	Number of NCDs	Rs in lakh
TCFSL Perpetual 'D' FY 2017-18	26-Mar-18	26-Mar-28	1,000	10,000	1,000	10,000	-	-
TCFSL Perpetual 'D' FY 2017-18	26-Mar-18	26-Mar-28	250	2,500	250	2,500	-	-
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	500	5,000
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)				**91,800**		**91,800**		**60,000**
Less: Unamortised borrowing cost				**(414)**		**(446)**		**(317)**
				91,386		**91,354**		**59,683**

*Note : Coupon rate of above outstanding as on March 31, 2019 varies from 8.61% to 11.25% (March 31, 2018: 8.61% to 11.25%, April 01, 2017 : 9.00% to 11.25%)

Description of NCDs	As at March 31, 2019	As at March 31, 2018	As at April 1, 2017
Funds Raised through Perpetual Debt Instruments	-	620	19,380
Amount outstanding at the end of year	91,800	91,800	60,000
Percentage of amount of Perpetual Debt Instruments of the amount of Tier I Capital	18.43%	18.43%	18.43%
Financial year in which interest on Perpetual Debt Instruments is not paid on account of 'Lock-In Clause'.	NA	NA	NA

17. OTHER FINANCIAL LIABILITIES

(Rs. in lakh)

PARTICULARS	As at March 31, 2019	As at March 31, 2018	As at April 1, 2017
(a) Security deposit	38,512	31,719	22,475
(b) Payable for capital expenditure	2,613	1,842	908
(c) Advances from customers	2,196	1,677	1,402
(d) Interest accrued but not due on borrowings	80,871	77,304	85,466
(e) Accrued employee benefit expense	8,410	6,524	4,321
(f) Unclaimed matured debentures and accrued interest thereon	52	53	53
(g) Payable under letter of credit/buyer's credit facility	14,617	43,419	28,368
(h) Amounts payable - assigned loans	1,443	2,997	5,727
Total	**1,48,714**	**1,65,535**	**1,48,720**

18. PROVISIONS

(Rs. in lakh)

PARTICULARS	As at March 31, 2019	As at March 31, 2018	As at April 1, 2017
(a) Provision for gratuity	55	-	-
(b) Provision for compensated absences	1,271	954	875
(c) Provision for long-term service award	81	164	158
(d) Impairment loss allowance			
- at amortised cost			
- Stage I & II	58,411	49,559	42,176
- Stage III	92,301	1,06,680	1,52,807
(e) Sundry liabilities account (interest capitalisation)	122	700	4,545
Total	**1,52,241**	**1,58,057**	**2,00,561**

19. OTHER NON-FINANCIAL LIABILITIES

(Rs. in lakh)

PARTICULARS	As at March 31, 2019	As at March 31, 2018	As at April 1, 2017
(a) Statutory dues	3,730	3,758	1,305
(b) Revenue received in advance	24,358	18,671	14,919
(c) Others	835	766	598
Total	**28,923**	**23,195**	**16,822**

20. SHARE CAPITAL

(Rs. in lakh)

PARTICULARS	As at March 31, 2019	As at March 31, 2018	As at April 1, 2017
AUTHORISED			
2,500,000,000 (March 31, 2018: 2,500,000,000 shares and April 1, 2017 : 2,500,000,000 shares) Equity shares of Rs.10 each	2,50,000	2,50,000	2,50,000
3,000,000,000 (March 31, 2018: 3,000,000,000 shares and April 1, 2017 : 3,000,000,000 shares) Preference shares of Rs.10 each	3,00,000	3,00,000	3,00,000
	5,50,000	5,50,000	5,50,000
ISSUED, SUBSCRIBED & PAID UP			
1,375,561,658 (March 31, 2018: 1,297,550,000 shares and April 1, 2017 : 1,297,550,000 shares) Equity shares of Rs.10 each fully paid up	1,37,556	1,29,755	1,29,755
Total	**1,37,556**	**1,29,755**	**1,29,755**

20. (a). Reconciliation of number of equity shares outstanding

Particulars	No. of shares	Rs in lakh
Equity Shares		
Opening balance as on April 01, 2017	1,29,75,50,000	1,29,755
Additions during the year	-	-
Closing Balance as on March 31, 2018	1,29,75,50,000	1,29,755
Conversion of Compulsorily Convertible Cumulative Preference share	7,80,11,658	7,801
Closing Balance as on March 31, 2019	**1,37,55,61,658**	**1,37,556**

20. (b). Rights, preferences and restrictions attached to shares

Equity Shares : The Company has one class of equity shares having a face value of Rs.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 Limited is the ultimate holding company.

20. (c). Investment by Tata Capital Limited (Holding company). The entire share capital is held by Tata Capital Limited and its nominees.

Name of company	Particulars of issue	No. of shares	Rs in lakh
Tata Capital Limited (Holding Company)			
Equity Shares	Opening Balance as on April 1, 2017	1,29,75,50,000	1,29,755
	Closing Balance as on March 31, 2018	1,29,75,50,000	1,29,755
	Add: Conversion of Compulsorily Convertible Cumulative Preference share	7,80,11,658	7,801
	Closing Balance as on March 31, 2019	**1,37,55,61,658**	**1,37,556**

20. (d). There are no shares in the preceding 5 years allotted as fully paid up without payment being received in cash / bonus shares / bought back.

20. (e). There are no shares reserved for issue under options and contracts/commitments for the sale of shares or disinvestment.

21. OTHER EQUITY

(Rs. in lakh)

PARTICULARS	As at March 31, 2019	As at March 31, 2018	As at April 1, 2017
(a) Securities Premium Account	1,46,648	88,942	88,942
(b) Debenture Redemption Reserve	30,000	30,000	30,000
(c) Special Reserve Account	46,982	35,401	25,750
(d) Surplus in Statement of Profit and Loss	42,303	10,174	(14,998)
(e) Other Comprehensive Income	(91)	82	-
(f) Share options outstanding account	536	655	-
(g) General Reserve	429	162	-
Total	**2,66,807**	**1,65,416**	**1,29,694**

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	Securities Premium Account	Premium received upon issuance of equity shares
2	Debenture Redemption Reserve	As per section 71(4) of the Companies Act 2013, created out of the profits of the Company available for paymnet of dividend and credited to such account, shall not be utilised except for redemption of debentures
3	Special Reserve Account/Statutory Reserve	As prescribed by section 45-IC of the Reserve Bank of India Act, 1934
4	Surplus in profit and loss account	Created out of accretion of profits.
5	General Reserve	Created upon completion of the vesting period of employees stock option or upon forfeiture of options granted
6	Share Options Outstanding Account	Created upon grant of options to employees.
7	Other Comprehensive Income	Created on account of items measured through other comprehensive income

22. INTEREST INCOME

(Rs. 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	4,80,360	3,92,663
(b) Interest income on deposits with banks	316	30
On Financial Assets measured at fair value through OCI		
(a) Interest on loans and credit substitutes	393	145
Total	**4,81,069**	**3,92,838**

23. NET GAIN / (LOSS) ON FAIR VALUE CHANGES

(Rs. 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	16,814	(1,231)
(C)	Total Net gain/(loss) on fair value changes	**16,814**	**(1,231)**
(D)	Fair value changes :		
	-Realised	9,087	(60)
	-Unrealised	7,727	(1,171)
	Total Net gain/(loss) on fair value changes	**16,814**	**(1,231)**

24. OTHER INCOME

(Rs. in lakh)

PARTICULARS		For the year ended March 31, 2019	For the year ended March 31, 2018
(a)	Branch advertisement income	832	1,787
(b)	Income from distribution of financial products	3,790	4,225
(c)	Net gain/(loss) on derecognition of property, plant and equipment	198	1,034
(d)	Interest on Income Tax Refund	1	307
(e)	Miscellaneous Income	777	291
Total		**5,598**	**7,644**

25. FINANCE COSTS

(Rs. in lakh)

PARTICULARS	For the year ended March 31, 2019	For the year ended March 31, 2018
At amortised cost		
(a) Interest on borrowings	1,01,271	41,504
(b) Interest on debt securities	1,15,331	1,14,114
(c) Interest on subordinated liabilities	26,354	24,197
(d) Other interest expense	1,182	1,209
(e) Dividend on compulsorily convertible cumulative preference shares (including dividend distribution tax thereon) (refer note 15.5 above)	14,194	10,643
(f) Discounting Charges		
(i) On commercial paper	53,675	42,201
(ii) On debentures	494	448
Total	**3,12,501**	**2,34,316**

26. EMPLOYEE BENEFIT EXPENSES

(Rs. in lakh)

PARTICULARS	For the year ended March 31, 2019	For the year ended March 31, 2018
(a) Salaries, wages and bonus	41,275	36,037
(b) Contribution to provident and other fund	1,419	1,279
(c) Staff welfare expenses	2,108	2,000
(d) Expenses related to post-employment defined benefit plans	526	479
(e) Share based payments to employees	148	817
Total	**45,476**	**40,612**

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 Company has made an estimate of the liability and as a matter of caution, the Company has made a provision Rs. 630 lakh 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.

27. Impairment on financial instruments

(Rs. in lakh)

PARTICULARS	For the year ended March 31, 2019		For the year ended March 31, 2018	
	On financial instruments measured at Amortised Cost		On financial instruments measured at Amortised Cost	
(I) Loans and credit substitutes				
(a) Provision for doubtful loans (net of recoveries)	37,354		17,831	
Less : Delinquency Support	(763)	36,591	(5,731)	12,100
(b) Write off - Loans and credit substitutes	51,408		62,501	
Less : Provision reversal on write off	(51,408)	-	(62,501)	-
(c) Contingent provision against Standard Assets				
- at amortised cost	8,839		7,380	
- at FVTOCI	84	8,923	13	7,393
(d) Provision against Restructured Advances		(325)		(1,448)
		45,189		18,045
(II) Trade receivables		(36)		260
Total		**45,153**		**18,305**

28. OTHER OPERATING EXPENSES

(Rs. in lakh)

PARTICULARS	For the year ended March 31, 2019	For the year ended March 31, 2018
(a) Advertisements and publicity	4,029	2,000
(b) Brand Equity and Business Promotion	1,503	1,243
(c) Corporate social responsibility cost	1,016	1,014
(d) Donations	1,470	4
(e) Equipment hire charges	219	348
(f) Information technology expenses	11,738	8,045
(g) Insurance charges	916	744
(h) Incentive / commission/ brokerage	225	268
(i) Legal and professional fees	3,806	3,867
(j) Loan processing fees	2,059	2,199
(k) Printing and stationery	993	783
(l) Provision against assets held for sale	1,446	1,405
(m) Power and fuel	975	905
(n) Repairs and maintenance	318	402
(o) Rent	3,191	2,249
(p) Rates and taxes	146	119
(q) Stamp charges	705	502
(r) Service providers' charges	23,327	15,976
(s) Training and recruitment	678	510
(t) Communication cost	704	767
(u) Travelling and conveyance	2,898	2,630
(v) Directors fees,allowances and expenses	120	221
(w) Other expenses	171	1,387
Total	**62,653**	**47,588**

(a) Auditors' Remuneration (excluding taxes):

(Rs. in lakh)

Particulars	**For the year ended March 31, 2019**	**For the year ended March 31, 2018**
Audit Fees	88	106
Tax Audit Fees	4	4
Other Services (includes out of pocket expenses)	3	21
	94	**131**

(Auditors' remuneration is included in Other expenses)

(b) Expenditure in Foreign Currency

Particulars	**For the year ended March 31, 2019**	**For the year ended March 31, 2018**
Legal and professional fees	29	137
Commission paid	38	79
Information Technology Expenses	204	1,084
Training and recruitment	49	6
Other expenses	2	7
	322	**1,313**

(c) Corporate social responsibility expenses

(i) Gross amount required to be spent by the company during the year was Rs. 1,016 lakh (Year ended March, 31, 2018 : 1,014 lakh)

(ii) Amount spent during the year on:

Particulars	**Paid**	**Yet to be paid**	**Total**
`	**Rs in lakh**	**Rs in lakh**	**Rs in lakh**
Construction/acquisition of any asset	-	-	-
On purposes other than above	1,016	-	1,016

29. Employee benefit expenses

A. Defined contribution plans

The Company makes Provident Fund and Superannuation Fund contributions to defined contribution retirement benefit plans for eligible employees. Under the schemes, the Company is required to contribute a specified percentage of 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 recognised as an expense in the year in which it is determined.

The Company recognised a charge of Rs. 1,339 Lakh (FY 2017-18 Rs.1,189 Lakh) towards provident fund and family pension fund contribution and Rs.80 Lakh (FY 2017-18 Rs. 89 Lakh) towards contribution to superannuation fund in the Statement of Profit and Loss during the current year.

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 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 Company offers the following long term 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:

Movement in net defined benefit (asset) liability

a) Reconciliation of balances of Defined Benefit Obligations.

	Year ended March 31, 2019		Year ended March 31, 2018	
Particulars	**Total Funded**	**Total Unfunded**	**Total Funded**	**Total Unfunded**
Defined Obligations at the beginning of the year	3,326	-	2,926	
Current service cost	533	-	509	-
Interest cost	236	-	211	-
Plan paritcipant's contributions	-	-	-	-
Exchange (gain) / loss	-	-	-	-
Benefits paid	-	-	-	-
Past service cost	-	-	-	-
Amalgamations / Acquisitions	(277)	-	(25)	-
Liabilities assumed on transfer of employees	-	-	-	-
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	478	-	(44)	-
b. Due to change in experience adjustments	86	-	(34)	-
c. Due to experience adjustments	(43)	-	-	-
Others (please specify below)	-	-	-	-
Benefits paid directly by the Company	(524)	-	(219)	-
Defined Obligations at the end of the year	**3,815**	**-**	**3,326**	**-**

b) Reconciliation of balances of Fair Value of Plan Assets

	Year ended March 31, 2019		Year ended March 31, 2018	
Particulars	**Total Funded**	**Total Unfunded**	**Total Funded**	**Total Unfunded**
As on 31 March 2019				
Fair Value at the beginning of the year	**3,375**	**-**	3,165	
Expected return on plan assets	(27)	-	(3)	-
Actuarial gain / (loss) on plan assets	-	-	-	-
Exchange gain/(loss)	-	-	-	-
Employer contributions	414	-	-	-
Plan paritcipant's contributions	-	-	-	-
Benefits paid	-	-	-	-
Amalgamations / Acquisitions	(277)	-	(25)	-
Assets transferred on transfer of employees	-	-	-	-
Adjustment on plan settlement	-		-	
Change in secured pensioner value	-	-	-	-
Others (please specify below)	-	-	-	-
Interest Income on Plan Assets	276	-	237	-
Due to company ceasing to be a subsidiary		-	-	-
Fair Value of Plan Assets at the end of the year	**3,760**	**-**	**3,375**	**-**

c) Funded status

Particulars	**Year ended March 31, 2019**		**Year ended March 31, 2018**		**As at April 1, 2017**	
As on 31 March 2019	**Total Funded**	**Total Unfunded**	**Total Funded**	**Total Unfunded**	**Total Funded**	**Total Unfunded**
Deficit of plan assets over obligations						
Surplus of plan assets over obligations	-55	0	49	0	239	0
Unrecognised asset due to asset ceiling						
Total	**-55**	**0**	**49**	**0**	**239**	**0**

d) Categories of plan assets

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**
Corporate bonds	16	-	15	-	1,298	-
Equity shares	4	-	4	-	506	-
Government securities	17	-	15	-	1,044	-
Cash including special deposits	3,723	-	3,341	-	317	-
Total	**3,760**	**-**	**3,375**	**-**	**3,165**	**-**

Note : All the above are in India

e) Amount recognised in Balance sheet

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	3,815	-	3,326	-	-	-
Fair value of plan assets	3,760	-	3,375	-	-	-
Unrecognised asset due to asset ceiling	-	-	-	-	-	-
Unrecognised past service costs	-	-	-	-	-	-
Net asset / (liability) recognised in the Balance Sheet	**(55)**	**-**	**49**	**-**	**-**	**-**

f) Amount recognised in Statement of Profit and Loss	**Year ended March 31, 2019**		**Year ended March 31, 2018**	
	Total Funded	**Total Unfunded**	**Total Funded**	**Total Unfunded**
Current Service Cost	533	-	509	-
Past Service cost	-	-	-	-
Interest Cost (net)	(40)	-	(26)	-
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 (please specify)	-	-	-	-
Expenses for the year	**494**	**-**	**483**	**-**
		-		

g) Amount recognised in OCI	**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	**478**	**-**	**(44)**	**-**
b. Due to change in experience adjustments	**86**	**-**	**(34)**	**-**
c. Due to experience adjustments	**(43)**	-	-	-
d. (Return) on plan assets (excl. interest income)	27	-	3	-
e. Change in Asset Ceiling				
Total remeasurements in OCI	**548**	**-**	**(74)**	**-**
Total defined benefit cost recognized in P&L and OCI	**1,042**	**-**	**409**	**-**

h) Expected cash flows for the following year

Particulars	**Year ended March 31, 2019**	**Year ended March 31, 2018**
Expected total benefit payments	**6,061**	**2,681**
Year 1	**417**	**116**
Year 2	**507**	**136**
Year 3	**434**	**206**
Year 4	**582**	**251**
Year 5	**603**	**264**
Next 5 years	**3,516**	**1,709**

i) Major Actuarial Assumptions

Particulars	**Year ended March 31, 2019**	**Year ended March 31, 2018**	**As at April 1, 2017**
Discount Rate (%)	7.20%	7.70%	7.50%
Salary Escalation/ Inflation (%)	Non CRE : 8.25% CRE and J Grade : 6%	7.5% for fist 5 years and 6% thereafter	7.5% for fist 5 years and 6% thereafter
Expected Return on Plan assets (%)	8.00%	8.00%	8.00%
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 5 Years : 25% 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	417	116	

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.

i) 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.

Particulars	March 31, 2019		March 31, 2018		April 1, 2017	
	Increase	Decrease	Increase	Decrease	Increase	Decrease
Discount rate (1% movement)	(248)	281	(373)	445		
Future salary growth (1% movement)	276	(249)	446	(380)		
Others (Withdrawal rate 5% movement)	(177)	252	77	(25)		

j) Provision for leave encashment

Particulars	March 31, 2019		March 31, 2018		April 1, 2017	
	Non current	Current	Non current	Current	Non current	Current
Liability for compensated absences	901	325	797	112	733	100

Experience adjustments	Defined benefit obligation	Plan assets	Surplus/ (deficit)	Experience adjustments on plan liabilities	Experience adjustments on plan assets
Funded					
2018-19	3,815	3,760	-	(86)	(27)
2017-18	3326	3375	49	34	(3)
2016-17	2926	3165	239	(313)	74
Unfunded					
2018-19	-	-	-	-	-
2017-18	-	-	-	-	-
2016-17	-	-	-	-	-

30. Fair values of financial instruments

See accounting policy in Note 2(iii).

A. Valuation models

The Company 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 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; (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 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.

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 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 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.

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 Company 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

30 Fair values of financial instruments

See accounting policy in Note 2(iii).

B. Valuation framework

The Company 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 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.

30. Fair values of financial instruments

See accounting policy in Note 2(iii).

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	-	21,080	-	-	44,41,317	44,62,397
Investments (Other than in Associate)	32,483	-	-	-	5,549	38,032
Total	**32,483**	**21,080**	**-**	**-**	**44,46,866**	**45,00,429**
Financial Liabilities:						
Borrowings *	-	-	-	-	39,80,566	39,80,566
Total	**-**	**-**	**-**	**-**	**39,80,566**	**39,80,566**

* Borrowings includes Debt Securities, Subordinated liabilities and Borrowings (Other than debt securities).

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	-	3,273	-	-	36,95,391	36,98,664
Investments (Other than in Associate)	21,476	-	-	-	7,996	29,472
Total	**21,476**	**3,273**	**-**	**-**	**37,10,062**	**37,34,811**
Financial Liabilities:						
Borrowings	-	-	-	-	32,84,439	32,84,439
Total	**-**	**-**	**-**	**-**	**32,84,439**	**32,84,439**

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	-	-	-	-	32,28,049	32,28,049
Investments (Other than in Associate)	14,515	-	-	-	11,894	26,409
Total	**14,515**	**-**	**-**	**-**	**32,39,943**	**32,54,458**
Financial Liabilities:						
Borrowings	-	-	-	-	28,21,363	28,21,363
Total	**-**	**-**	**-**	**-**	**28,21,363**	**28,21,363**

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 Company 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	-	1,325	-	1,325
Equity Shares	24,029	-	3,503	27,532
Preference shares	-	-	3,500	3,500
Security Receipts	-	126	-	126
Loans	-	-	21,080	21,080
Total	24,029	1,451	28,083	53,563

As at March 31, 2018	Level 1	Level 2	Level 3	Total
Financial Assets:				
Mutual fund units	-	1,125	-	1,125
Equity Shares	16,028	-	3,723	19,751
Preference shares	-	-	-	-
Security Receipts	-	600	-	600
Loans			3,273	3,273
Total	16,028	1,725	6,996	24,749

As at April 1, 2017	Level 1	Level 2	Level 3	Total
Financial Assets:				
Mutual fund units	-	1,058	-	1,058
Equity Shares	11,565	-	762	12,327
Preference shares	-	-	-	-
Security Receipts	-	1,130	-	1,130
Loans			-	-
Total	11,565	2,188	762	14,515

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	44,41,317	44,78,737	36,95,391	37,37,330	32,28,049	32,55,546
Total	**44,41,317**	**44,78,737**	**36,95,391**	**37,37,330**	**32,28,049**	**32,55,546**
Financial Liabilities at amortised cost:						
Borrowings	39,80,566	39,87,327	32,84,439	32,97,121	28,21,363	28,61,808
Total	**39,80,566**	**39,87,327**	**32,84,439**	**32,97,121**	**28,21,363**	**28,61,808**

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 deposits of similar maturities and terms. The fair value of deposits payable on demand is the amount payable at the reporting date.

30. Fair values of financial instruments

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				
Equity Shares - unquoted**	3,503	3,723	762	Level 3	Net asset value, based on valuation report or latest financial statements of the company	NA	NA
Preference shares	3,500	-	-	Level 3	Dividend accrued, as per the sanction letter.	NA	NA
Loans - FVTOCI	21,080	3,273	-	Level 3	Discounted contractual cash flows.*	NA	NA
Financial Assets at FVTPL/FVTOCI (B)	**28,083**	**6,996**	**762**				

*** Refer note 30 A**

**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.

30 Fair values of financial instruments

See accounting policy in Note 2(iii).

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.

i

(Rs. in lakh)	FVTOCI Loans	FVTPL Invetsments	Total
As at March 31, 2018	3,273	3,723	6,996
Total gains or losses:			-
in profit or loss	-	156	156
in OCI	(23)	-	(23)
Purchases	21,065	-	21,065
Settlements	(3,235)	(376)	(3,611)
Transfers into Level 3	-	-	-
Transfers out of Level 3	-	-	-
As at March 31, 2019	**21,080**	**3,503**	**24,583**

Total gains or losses for the year in the above table are presented in the statement of profit or loss and OCI as follows.

ii

(Rs. in lakh) For the year ended March 31, 2019	FVTOCI Loans	FVTPL Invetsments	Total
Total gains and losses recognised in profit or loss:			
Fair value changes :			
-Realised	-	1,077	1,077
-Unrealised	-	(80)	(80)
Recognised in FVTOCI	(23)	-	-
Total Net gain/(loss) on fair value changes	**(23)**	**997**	**974**
Dividend Income		-	-
Interest Income		-	-
Total		-	-

iii (Rs. in lakh)	FVTOCI	FVTPL	Total
	Loans	Invetsments	
As at April 1, 2017	-	762	762
Total gains or losses:			-
in profit or loss	-	(386)	(386)
in OCI	38	-	38
Purchases/transfer*	3,235	3,347	6,582
Settlements	-	-	-
Transfers into Level 3	-	-	-
Transfers out of Level 3	-	-	-
As at March 31, 2018	**3,273**	**3,723**	**6,996**

Total gains or losses for the year in the above table are presented in the statement of profit or loss and OCI as follows.

iv (Rs. in lakh)	FVTOCI	FVTPL	Total
For the year ended March 31, 2018	Loans	Invetsments	
Total gains and losses recognised in profit or loss:			
(A) Net Gain / (loss) on financial instruments at fair value through profit or loss			
Fair value changes :			
-Realised	-	-	-
-Unrealised	-	(386)	(386)
Recognised in FVTOCI	(38)	-	-
Total Net gain/(loss) on fair value changes	(38)	(386)	(386)
Dividend Income	-	-	-
Interest Income	-	-	-
Total	-	-	-

31 Financial risk review

This note presents information about the Company's exposure to financial risks and its management of capital.

For information on the financial risk management framework, see Note 31

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
   ii. Capital allocation

A. Credit risk

For the definition of credit risk and information on how credit risk is mitigated by the Company, see Note 31.

i. Credit quality analysis

The following table 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. For loan commitments, the amounts in the table represent the amounts committed.

Explanation of the terms: 12-month ECL, lifetime ECL and credit-impaired are included in Note 2ix.

31. Financial risk review(continued)

A. **Credit risk**

Loans by Division

1) Credit quality analysis continued

Loans exposure by Financing division

(Rs. 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	25,87,106	20,39,039	17,49,710
(ii) Consumer finance & advisory buisness and rural finance	18,64,137	16,08,290	13,75,394
(iii) Others	11,154	51,336	1,02,945
Total - Gross	**44,62,397**	**36,98,665**	**32,28,050**
Less : Impairment loss allowance	1,50,797	1,56,252	1,94,983
Total- Net Loans	**43,11,601**	**35,42,413**	**30,33,067**

Notes:

Note: Gross carrying amount does not include loan commitments Rs. 346,180 (As on March 31, 2018: Rs. 362,584 lakh ; As on 01, April 2017 : Rs. 310,845 lakh). The EAD considered for loan commitments is after applying credit conversion factor (CCF) as per RBI norms.

2. The above includes impairment allowance towards loan designated as FVTOCI amounting to Rs. 85 lakh (as on March 31, 2018 : Rs. 13 lakh ; as on April 01, 2017 : Nil)

2) **Days past due based method implemented by Company 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.

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	39,53,074	47	354	39,53,475	29,85,727	-	839	29,86,566	24,99,861	-	443	25,00,303
1-29 days	2,82,452	10,179	299	2,92,931	4,46,489	-	571	4,47,060	4,19,143	-	1,360	4,20,503
30-59 days	-	59,733	401	60,134	-	99,240	254	99,495	-	94,546	682	95,228
60-89 days	-	47,644	955	48,599	-	44,840	271	45,111	-	30,994	443	31,438
90 or more days	-	-	1,07,259	1,07,259	-	-	1,20,432	1,20,432	-	-	1,80,578	1,80,578
Total	42,35,526	1,17,603	1,09,268	44,62,397	34,32,216	1,44,080	1,22,368	36,98,664	29,19,003	1,25,540	1,83,505	32,28,049

Note: Gross carrying amount does not include loan commitments Rs. 346,180 (As on March 31, 2018: Rs. 362,584 lakh ; As on April 01, 2017 : Rs. 310,845 lakh) which are categorised as Stage I asset under zero overdue.

3)

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	28,198	2	275	28,475	20,015	-	540	20,554	17,840	-	-	17,840
1-29 days	6,329	2,475	189	8,994	10,281	-	540	10,822	9,166	-	-	9,166
30-59 days	-	10,100	321	10,421	-	9,767	219	9,987	-	8,856	-	8,856
60-89 days	-	11,391	533	11,924	-	9,509	244	9,753	-	6,314	-	6,314
90 or more days			90,983	90,983			1,05,136	1,05,136	-		1,52,807	1,52,807
Total	34,527	23,969	92,301	1,50,797	30,296	19,276	1,06,679	1,56,252	27,006	15,170	1,52,807	1,94,983

Notes:

1. Includes impairment allowance on loan commitments Rs. 1,458 lakh (As on March 31, 2018 1,503 lakh ; As on April 01, 2017 ; 1,152 Lakh)

2. The above includes impairment allowance towards loan designated as FVTOCI amounting to Rs. 85 lakh (as on March 31, 2018 : Rs. 13 lakh ; as on April 01, 2017 : Nil)

31. Financial risk review(continued)

A. **Credit risk**

Loans by Division

i. Credit quality analysis continued

As at March 31, 2019		Asset group	Days past due	Estimated gross carrying amount at default	Expected credit loss rates	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	39,53,074	0.71%	28,198	39,24,876
			1-29	2,82,452	2.24%	6,329	2,76,123
			Total	42,35,526	0.82%	34,527	42,00,999
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	7,703.60
			30-59	59,733	16.91%	10,100	49,632
			60-89	47,644	23.91%	11,391	36,252
			Total	1,17,603	20.38%	23,969	93,634
	Financial assets for which credit risk has increased significantly and credit-impaired	Loans, Credit Substitutes, Finance Leases	0	354	77.80%	275	79
			1-29	299	63.29%	189	110
			30-59	401	80.02%	321	80
			60-89	955	55.75%	533	423
			90 days and above	1,07,259	84.83%	90,983	16,276
			Total	1,09,268	84.47%	92,301	16,967
			Total	**44,62,397**	**3.38%**	**1,50,797**	**43,11,601**

March 31, 2018		Asset group	Days past due	Estimated gross carrying amount at default	Expected credit loss rates	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	Loans, Credit Substitutes, Finance Leases	0	29,85,727	0.67%	20,015	29,65,712
			1-29	4,46,489	2.30%	10,281	4,36,208
			Total	34,32,216	0.88%	30,296	34,01,920
Loss allowance measured at life-time expected credit losses	Financial assets for which credit risk has increased significantly	Loans, Credit Substitutes, Finance Leases	30-59	99,240	9.84%	9,767	89,473
			60-89	44,840	21.21%	9,509	35,331
			Total	1,44,080	13.38%	19,276	1,24,804
	Financial assets for which credit risk has increased significantly and credit-impaired	Loans, Credit Substitutes, Finance Leases	0	839	64.29%	540	300
			1-29	571	94.63%	540	31
			30-59	254	86.21%	219	35
			60-89	271	89.98%	244	27
			90 days and above	1,20,432	87.30%	1,05,136	15,296
			Total	1,22,368	87.18%	1,06,679	15,689
			Total	**36,98,664**	**4.22%**	**1,56,252**	**35,42,412**

April 1, 2017		Asset group	Days past due	Estimated gross carrying amount at default	Expected credit loss rates	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	Loans, Credit Substitutes, Finance Leases	0	24,99,861	0.71%	17,840	24,82,020
			1-29	4,19,143	2.19%	9,166	4,09,977
			Total	29,19,003	0.93%	27,006	28,91,997
Loss allowance measured at life-time expected credit losses	Financial assets for which credit risk has increased significantly	Loans, Credit Substitutes, Finance Leases	30-59	94,546	9.37%	8,856	85,690
			60-89	30,994	20.37%	6,314	24,680
			Total	1,25,540	12.08%	15,170	1,10,370
	Financial assets for which credit risk has increased significantly and credit-impaired	Loans, Credit Substitutes, Finance Leases	0	443	0.00%	-	443
			1-29	1,360	0.00%	-	1,360
			30-59	682	0.00%	-	682
			60-89	443	0.00%	-	443
			90 days and above	1,80,578	84.62%	1,52,807	27,770
			Total	1,83,505	83.27%	1,52,807	30,698
			Total	**32,28,049**	**6.04%**	**1,94,983**	**30,33,066**

Note 1 : Gross carrying amount does not include loan commitments Rs. 346,180 (As on March 31, 2018: Rs. 362,584 lakh ; As on 01, April 2017 : Rs. 310,845 lakh).

Note 2 : Includes impairment allowance on loan commitments Rs. 1,458 lakh (As on March 31, 2018 1,503 lakh ; As on April 01, 2017 ; 1,152 Lakh)

31. Financial risk review(continued) Amt in Lakh

A. **Credit risk**

4)

PARTICULARS	**As at March 31, 2019**	**As at March 31, 2018**	**As at April 1, 2017**
LOANS			
- Amortised Cost	44,41,317	36,95,391	32,28,049
- At Fair Value through Other Comprehensive Income	21,080	3,273	-
Total - Gross Loans	**44,62,397**	**36,98,664**	**32,28,049**
Less: Un-Amortized Processing Fees net of DMA Commission	(11,756)	(7,969)	(4,584)
Total - Carrying Value of Loans	**44,50,641**	**36,90,695**	**32,23,465**
Less : Impairment Allowance	(1,50,797)	(1,56,252)	(1,94,983)
Total - Net Loans	**42,99,844**	**35,34,443**	**30,28,482**

31. Financial risk review(continued)

A. Credit risk

i. Credit quality analysis continued

Derivative Financial Instruments

The Company enters into derivatives contract for risk management purposes and has elected not to apply hedge accounting requirements. 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 February 28, 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	-	-	-	3,718	65	-	-	-	-
Total	-	-	-	3,718	65	-	-	-	-

Derivatives held for risk management purposes, not designated as hedging instruments:

The Company is exposed to foreign currency risk related to plant and equipment imported and deployed under operating leases to its customer and the primary risk of payment terms in foreign currency is managed by entering into a forward rate purchase agreement.
The Corporation's risk management strategy and how it is applied to manage risk are explained in Note 2(ix).

The foreign exchange forward contracts are not designated in a hedging relationship and are entered into for periods consistent with exposure of the underlying transactions, generally from 6 to 12 months.

31. Financial risk review(continued)

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.
The main types of collateral obtained are as follows:
For corporate and small business lending, first charge over real estate properties, plant and machineries, inventory and trade receivables, equity and debt securities, floating charge over the corporate assets, lien, promoter guarantee and bank guarantees are obtained. For Construction equipment finance, the asset is hypothecated to the Company.

For retail lending, mortgages over residential properties is obtained. For vehicle and tractor loans, the respective movable asset is hypothecated to the Company.
The table represents categories of collaterals available against the loan exposures:

Particulars	Categories of collaterals available	As at March 31, 2019	As at March 31, 2018	As at April 1, 2017
Financial assets				
Loans				
Bills purchased and bills discounted	Charge on Trade receivables and inventories	32,612	52,394	40,969
Term loans	A) Charges 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	41,82,619	34,60,619	30,34,771
Credit substitutes		1,60,381	1,16,771	94,846
Finance lease and hire purchase	Hypothecation of the underlying asset financed, primarily includes plant and equipment	51,874	43,438	31,843
Retained portion of assigned loans	mortgages over residential properties	3,420	5,567	7,018
Total		**44,30,906**	**36,78,789**	**32,09,447**

Assets obtained by taking possession of collateral

The Companies collection policy is to pursue timely realisation of the collateral in an orderly manner.The Company 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 as applicable.
As on March 31, 2019, the Company is in possession of non current assets held for sale (NCAHS) which have been recorded in the financial statements amounting to Rs. NIL lakh (As on March 31, 2018 Rs 1,326 lakh ; As on April 1, 2017 Rs 3,582 lakh)

The Company has written-off loans of Rs. 51,408 lakh in financial year ended March 31, 2019 (Previous year : Rs. 62,501 lakh). The Company 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 Company:

Particulars	Categories of collaterals available	As at March 31, 2019	As at March 31, 2018	As at April 1, 2017
Financial assets				
Loans				
Bills purchased and bills discounted	Charge on Trade receivables and inventories	229	229	-
Term loans	A) Charges 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	6,172	25,715	44,344
Credit substitutes		826	13,326	7,806
Total		**7,228**	**39,271**	**52,150**

Note: Fresh valuation is obtained for stage 3 assets upon becoming overdue for more than 15 months for CSFD division.

31. Financial risk review(continued)

A. **Credit risk**

iii **Amounts arising from ECL**

Impairment allowance on financial asset is covered in note (ix)

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 Company 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 Company’s historical experience, expert credit assessment and including forward looking information.

The Company 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. Additionally, for CSFD, Executive committee for labelling reviews accounts having breach of criteria’s such as 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 credit risk. The determination of the credit risk is for each product, considering the unique risk and rewards associated with it. The Company has observed varied level of risk across various buckets within each stage and a significant increase in risk in stage 2.

The objective of the 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 Expected Credit Loss (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(ix) in Significant accounting policies for definition of Stages of Asset

2) Assumptions:

The Company has applied 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 Company 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 shall be 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 Company 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 Company 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 pessimistic outcome consistently as a matter of prudence than optimistic outcome.

The below table 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 pa)	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 pa)	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)
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 pa)	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 pa; 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 Company 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 Company are 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 as breaching pre-defined critical credit risk parameters will also be classified as stage 2. Accordingly, the financial assets shall be classified as Stage 2, based on the quantitative as well as qualitative factors.

3) Estimation techniques:

The Company has applied the following estimation technique for ECL model:

1) The Company has used historic default rates for calculating the 12-month PD and Lifetime PDs

2) Loss given default is calculated after considering outstanding at the time of default and adjusting for actual recoveries basis time value of money, absent availability of internal data we have used information to the extent available from Basel norms.

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 are a primary input for the determination of the PD for exposures. The Company collects performance and default information about its credit risk exposures analysed by product. For some portfolios, information published in Basel IRB norms is also used.

The Company 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 includes but is 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 Company considered 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 Company 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 Company 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 Company 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. Company 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.

ix) Techniques for computation of EAD

a) EAD represents the expected exposure in the event of a default. The Company 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 RBI 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 Company if the holder of the commitment draws down the loan and the cash flows that the Company expects to receive if the loan is drawn down. Outstanding exposure for utilised limit as well as un-utilised limit post applying the credit conversion factor as prescribed under RBI guidelines, absent availability of information of past history of conversion of un-utilised limits into utilised limits is considered as exposure at default for non-fund based facilities.

31. **Financial risk review(continued)**

A. **Credit risk**

iii Amounts arising from ECL

An analysis of changes in the gross carrying amount and the corresponding ECL allowances in relation to lending is, as follows:

a)

Particulars	For the period ended March 31, 2019				For the period ended March 31, 2018			
	Stage 1	Stage 2	Stage 3	Total	Stage 1	Stage 2	Stage 3	Total
Gross carrying amount opening balance	34,32,216	1,44,080	1,22,368	36,98,664	29,19,003	1,25,540	1,83,505	32,28,049
New assets originated or purchased	23,32,521	-	-	23,32,521	19,76,451	-	-	19,76,451
Assets derecognised or repaid (excluding write offs)	(13,96,631)	(34,947)	(26,323)	(14,57,901)	(13,40,718)	(28,922)	(45,646)	(14,15,286)
Transfers to Stage 1	46,288	(57,073)	(4,357)	(15,142)	62,104	(57,594)	(7,464)	(2,954)
Transfers to Stage 2	(1,17,654)	93,772	(2,331)	(26,213)	(1,38,574)	1,26,633	(4,348)	(16,289)
Transfers to Stage 3	(56,264)	(25,253)	66,433	(15,085)	(44,095)	(19,357)	51,544	(11,909)
Amounts written off	(4,950)	(2,977)	(46,521)	(54,448)	(1,955)	(2,219)	(55,224)	(59,398)
Gross carrying amount closing balance	**42,35,526**	**1,17,603**	**1,09,268**	**44,62,397**	**34,32,216**	**1,44,080**	**1,22,368**	**36,98,664**

Note : Gross carrying amount does not include loan commitments Rs. 346,180 (As on March 31, 2018: Rs. 362,584 lakh ; As on 01, April 2017 : Rs. 310,845 lakh).

b)

Particulars	For the period ended March 31, 2019				For the period ended March 31, 2018			
	Stage 1	Stage 2	Stage 3	Total	Stage 1	Stage 2	Stage 3	Total
ECL allowance - opening balance	30,296	19,276	1,06,679	1,56,252	27,006	15,170	1,52,807	1,94,983
New assets originated or purchased	34,429	-	-	34,429	36,070	-	-	36,070
Assets derecognised or repaid (excluding write offs)	(12,873)	(4,243)	(22,752)	(39,868)	(13,140)	(3,694)	(33,178)	(50,012)
Transfers to Stage 1	355	(5,520)	(2,374)	(7,538)	746	(5,088)	(5,234)	(9,576)
Transfers to Stage 2	(4,782)	19,516	(1,242)	13,492	(6,011)	16,561	(2,096)	8,454
Transfers to Stage 3	(12,641)	(4,006)	57,418	40,770	(14,307)	(3,185)	46,006	28,515
Amounts written off	(257)	(1,055)	(45,429)	(46,740)	(68)	(488)	(51,626)	(52,182)
ECL allowance - closing balance	**34,527**	**23,969**	**92,301**	**1,50,797**	**30,296**	**19,276**	**1,06,679**	**1,56,252**

Note : Includes impairment allowance on loan commitments Rs. 1,458 lakh (As on March 31, 2018 1,503 lakh ; As on April 01, 2017 ; 1,152 Lakh)

31. Financial risk review(continued)

A. **Credit risk**

iii Amounts arising from ECL

Modified financial assets

The Company 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 Companies 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

(Rs. 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**	5,360	18,004	51,756
(ii) Impairment allowance	2,431	13,616	42,577
(iii) Net carrying amount	**2,929**	**4,388**	**9,178**

31. 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.

STAGE	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
SBU												
Consumer Finance & Advisory Business	17,15,155	82,360	66,622	18,64,137	14,95,226	58,891	54,134	16,08,251	12,80,048	42,215	53,130	13,75,393
Corporate & SME Finance Division	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
Others	9,683		1,471	11,154	14,176	-	37,160	51,336	30,598	277	72,070	1,02,945
Total	**42,35,526**	**1,17,603**	**1,09,268**	**44,62,397**	**34,32,216**	**1,44,080**	**1,22,368**	**36,98,664**	**29,19,003**	**1,25,540**	**1,83,505**	**32,28,049**

Note : Gross carrying amount does not include loan commitments Rs. 346,180 (As on March 31, 2018: Rs. 362,584 lakh ; As on 01, April 2017 : Rs. 310,845 lakh).

STAGE	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
SBU												
Consumer Finance & Advisory Business	20,217	19,938	56,182	96,338	17,122	12,474	42,588	72,184	15,092	8,937	37,325	61,354
Corporate & SME Finance Division	14,147	4,031	36,119	54,296	12,587	6,802	25,211	44,600	9,851	6,161	43,070	59,082
Others	163			163	587	-	38,880	39,467	2,063	72	72,412	74,547
Total	**34,527**	**23,969**	**92,301**	**1,50,797**	**30,296**	**19,276**	**1,06,679**	**1,56,252**	**27,006**	**15,170**	**1,52,807**	**1,94,983**

Note : Includes impairment allowance on loan commitments Rs. 1,458 lakh (As on March 31, 2018 1,503 lakh ; As on April 01, 2017 ; 1,152 Lakh)

31. Financial risk review(continued)

B. **Liquidity risk**

For the definition of liquidity risk and information on how liquidity risk is managed by the Company, see Note 31.

i. **Exposure to liquidity risk**

The Company has set tolerance limits in the light of the Company's business objectives, strategic direction and overall risk appetite. The tolerance limits reflects balance between profitability and managing liquidity risk and considers Company's current financial condition and funding capacity. The Company maintains liquidity buffer of unencumbered highly liquid assets (if required) to insure against liquidity stress events.

31. Financial risk review(continued)

B. **Liquidity risk**

ii. Maturity analysis of assets and liabilities

The table below set out carrying amount of non-derivative financial assets and financial liability according to when they are expected to be recovered or settled. With regard to loans and advances to customers, the Company uses the same basis of expected repayment behaviour as used for estimating the EIR. Issued debt reflect the contractual coupon amortisations.

	As at March 31, 2019			As at March 31, 2018			April 1, 2017		
ASSETS	**Within 12 months**	**After 12 months**	**Total**	**Within 12 months**	**After 12 months**	**Total**	**Within 12 months**	**After 12 months**	**Total**
Financial assets	**24,12,903**	**21,56,224**	**45,69,127**	**20,51,618**	**17,60,449**	**38,12,067**	**17,63,436**	**15,54,253**	**33,17,689**
Cash and cash equivalents	25,163	-	25,163	8,128	-	8,128	7,337	-	7,337
Bank Balance other than (a) above	36	-	36	-	4,462	4,462	3	-	3
Trade Receivables	3,454	-	3,454	6,675	-	6,675	2,001	-	2,001
Loans	23,49,241	21,13,156	44,62,397	19,78,905	17,19,759	36,98,664	17,04,903	15,23,146	32,28,049
Investments	1,887	36,145	38,032	1,077	28,395	29,472	795	25,614	26,409
Other financial assets	33,122	6,923	40,045	56,833	7,833	64,666	48,397	5,493	53,890
Non-financial Assets	**47,222**	**1,67,478**	**2,14,700**	**35,162**	**1,41,946**	**1,77,108**	**22,919**	**1,59,419**	**1,82,338**
Current tax asset	8,797	-	8,797	6,265	-	6,265	5,818	-	5,818
Deferred tax Assets (Net)	-	64,324	64,324	-	62,684	62,684	-	70,970	70,970
Investment property	-	-	-	-	-	-	-	-	-
Property, Plant and Equipment	-	91,487	91,487	-	69,000	69,000	-	77,052	77,052
Capital work-in-progress	-	62	62	-	101	101	-	518	518
Intangible assets under development	-	108	108	-	39	39	-	655	655
Other Intangible assets	-	2,179	2,179	-	2,314	2,314	-	1,109	1,109
Other non-financial assets	38,425	9,318	47,743	28,897	7,808	36,705	17,101	9,115	26,216
Asset held for sale									
Total Assets	**24,60,125**	**23,23,702**	**47,83,827**	**20,86,781**	**19,02,394**	**39,89,175**	**17,86,354**	**17,13,673**	**35,00,027**
LIABILITIES									
Financial Liabilities	**23,37,251**	**18,47,939**	**41,85,190**	**18,55,600**	**16,47,038**	**35,02,638**	**20,17,719**	**9,96,901**	**30,14,620**
Derivative financial instruments	-	-	-	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	55,910	-	55,910	52,566	-	52,566	44,537	-	44,537
Debt Securities	7,04,193	9,04,955	16,09,148	467880	7,64,267	12,32,147	7,24,550	5,45,238	12,69,788
Borrowings (Other than debt securities)	13,77,758	6,63,900	20,41,658	1184752	5,95,500	17,80,252	11,16,583	1,95,215	13,11,798
Deposits	-	-	-	-	-	-	-	-	-
Subordinated liabilities	89,677	2,40,083	3,29,760	-	2,72,040	2,72,040	-	2,39,777	2,39,777
Other financial liabilities	1,09,713	39,001	1,48,714	1,50,304	15,231	1,65,535	1,32,049	16,671	1,48,720
Non-Financial Liabilities	**1,15,573**	**78,701**	**1,94,274**	**1,22,949**	**68,417**	**1,91,366**	**1,46,151**	**79,807**	**2,25,958**
Current tax liability	13,110	-	13,110	10,114	-	10,114	8,575	-	8,575
Provisions	102463	49,778	1,52,241	1,12,835	45,222	1,58,057	1,37,576	62,985	2,00,561
Deferred tax liabilities (Net)	-	28,923	28,923	-	23,195	23,195	-	16,822	16,822
Liability and disposal groups held for sale									
Total liabilities	**24,52,823**	**19,26,641**	**43,79,464**	**19,78,549**	**17,15,455**	**36,94,004**	**21,63,870**	**10,76,708**	**32,40,578**
Net	7,301	3,97,062	4,04,363	1,08,231	1,86,940	2,95,171	- 3,77,516	6,36,965	2,59,449

31. 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.
Loans disbursed to customers and unrecognised loan commitments	Earliest possible contractual maturity.
Derivative financial liabilities and financial assets held for risk management purposes	The Derivative liability amount represents the Mark to market(MTM) gain.

The Companies expected cash flows on some financial assets and financial liabilities vary significantly from the contractual cash flows. The principal differences are as follows:

Unrecognised loan commitments are not all expected to be drawn down immediately; and retail loans (includes personal loan, business loan, consumer durable loan, auto loan, home equity) 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. 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 respectively.

As part of the management of liquidity risk arising from financial liabilities, the Company holds liquid assets comprising cash and cash equivalents to meet liquidity requirements. In addition, the Company maintains agreed lines of credit with other banks to maintain the liquidity requirements.

31. 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 Companies financial liabilities and financial assets:

As at March 31, 2019	Note	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		55,910	55,910	-	55,910	-	-	-	55,910	-
Debt securities issued	14	16,14,433	16,14,433	1,07,630	1,22,500	4,79,348	8,79,628	25,327	7,09,478	9,04,955
Borrowings	15	20,41,864	20,41,864	3,07,114	7,45,148	3,25,702	4,75,000	1,88,900	13,77,964	6,63,900
Subordinated liabilities	16	3,30,628	3,30,628	-	-	90,545	9,643	2,30,440	90,545	2,40,083
Other financial liabilities		1,48,714	1,48,714	2,918	10,606	95,293	39,898	-	1,08,817	39,898
Derivative liabilities			-	-	-	-	-	-	-	-
Total		**41,91,549**	**41,91,549**	**4,17,662**	**9,34,164**	**9,90,888**	**14,04,169**	**4,44,667**	**23,42,714**	**18,48,836**
Market Borrowings		25,88,219	25,88,219	2,12,879	5,53,148	6,77,154	8,89,271	2,55,767	14,43,181	11,45,038
Bank borrowings		12,09,807	12,09,807	2,01,865	3,14,500	2,18,442	4,75,000	-	7,34,807	4,75,000
Total Borrowings excluding CCCPS		**37,98,025**	**37,98,025**	**4,14,744**	**8,67,648**	**8,95,595**	**13,64,271**	**2,55,767**	**21,77,988**	**16,20,038**
Financial asset by type										
Non-derivative assets										
Cash and cash equivalents	4	25,163	25,163	25,163	-	-	-	-	25,163	-
Bank balances	5	36	36	36	-	-	-	-	36	-
Receivables	6	3,454	3,454	3,454	-	-	-	-	3,454	-
Loans	7	44,62,397	44,62,397	2,90,974	8,52,930	10,53,399	15,49,542	7,15,552	21,97,302	22,65,095
Investments	8	38,032	38,032	-	-	1,379	36,653	-	1,379	36,653
Other Financial Assets	9	40,045	40,045			33,133	6,912	-	33,133	6,912
Derivative assets										
Total		**45,69,127**	**45,69,127**	**3,19,627**	**8,52,930**	**10,87,910**	**15,93,107**	**7,15,552**	**22,60,467**	**23,08,660**

31. **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 Companies financial liabilities and financial assets:

As at March 31, 2018	Note	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		52,566	52,566	-	52,566	-	-	-	52,566	-
Debt securities issued	14	12,32,576	12,32,576	59,890	67,500	3,40,918	7,47,267	17,000	4,68,308	7,64,267
Borrowings	15	17,80,296	17,80,296	3,87,948	4,36,832	3,60,017	4,43,500	1,52,000	11,84,796	5,95,500
Subordinated liabilities	16	2,72,994	2,72,994	-	-	-	90,339	1,82,655	-	2,72,994
Other financial liabilities		1,65,535	1,65,535	3,589	8,201	1,21,255	32,490	-	1,33,045	32,490
Derivative liabilities										
Total		**35,03,967**	**35,03,967**	**4,51,427**	**5,12,533**	**8,22,190**	**13,13,596**	**3,51,655**	**17,86,150**	**16,65,251**
Market Borrowings		21,87,932	21,87,932	1,87,904	5,04,332	4,58,435	8,37,606	1,99,655	11,50,671	10,37,261
Bank borrowings		9,45,934	9,45,934	2,59,934	-	2,42,500	4,43,500	-	5,02,434	4,43,500
Total Borrowings excluding CCCPS		**31,33,866**	**31,33,866**	**4,47,838**	**5,04,332**	**7,00,935**	**12,81,106**	**1,99,655**	**16,53,104**	**14,80,761**
Financial asset by type										
Non-derivative assets										
Cash and cash equivalents	4	8,128	8,128	8,128	-	-	-	-	8,128	-
Bank balances	5	4,462	4,462	4,462	-	-	-	-	4,462	-
Receivables	6	6,675	6,675	6,675	-	-	-	-	6,675	-
Loans	7	36,98,664	36,98,664	2,65,026	7,79,313	8,47,782	12,73,789	5,32,755	18,92,120	18,06,544
Investments	8	29,472	29,472	-	-	1,362	28,110	-	1,362	28,110
Other Financial Assets	9	64,666	64,666	-	-	56,581	8,085	-	56,581	8,085
Derivative assets										
Total		**38,12,067**	**38,12,067**	**2,84,291**	**7,79,313**	**9,05,724**	**13,09,984**	**5,32,755**	**19,69,328**	**18,42,739**

31. 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 Companies financial liabilities and financial assets:

As at April 1, 2017	Note	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		44,537	44,537	-	44,537	-	-	-	44,537	-
Debt securities issued	14	12,70,318	12,70,318	31,790	2,03,280	4,90,010	5,23,238	22,000	7,25,080	5,45,238
Borrowings	15	13,11,844	13,11,844	5,28,916	3,62,621	2,25,092	1,00,715	94,500	11,16,629	1,95,215
Subordinated liabilities	16	2,40,746	2,40,746	-	-	-	89,246	1,51,500	-	2,40,746
Other financial liabilities		1,48,720	1,48,720	7,148	5,723	1,09,003	26,845	-	1,21,875	26,845
Derivative liabilities		-	-	-	-	-	-	-	-	-
Total		**30,16,165**	**30,16,165**	**5,67,855**	**5,71,624**	**8,24,106**	**7,40,044**	**2,68,000**	19,63,584	10,08,044
Market Borrowings		21,24,240	21,24,240	1,57,537	5,60,901	6,19,102	6,13,199	1,73,500	13,37,541	7,86,699
Bank borrowings		6,04,169	6,04,169	4,03,169	5,000	96,000	1,00,000	-	5,04,169	1,00,000
Total Borrowings excluding CCCPS		**27,28,409**	**27,28,409**	**5,60,706**	**5,65,901**	**7,15,102**	**7,13,199**	**1,73,500**	**18,41,709**	**8,86,699**
Financial asset by type										
Non-derivative assets										
Cash and cash equivalents	4	7,337	7337	7337	-	-	-	-	7,337	-
Bank balances	5	3	3	3	-	-	-	-	3	-
Receivables	6	2,001	2001	2001	-	-	-	-	2,001	-
Loans	7	32,28,049	32,28,049	5,26,808	5,46,566	6,67,356	9,22,588	5,64,730	17,40,731	14,87,318
Investments	8	26,409	26409	-	-	802	25,608	-	802	25,608
Other Financial Assets	9	53,890	53890	-	-	48,114	5,776	-	48,114	5,776
Derivative assets		-	-	-	-	-	-	-	-	-
Total		**33,17,689**	**33,17,689**	**5,36,149**	**5,46,566**	**7,16,272**	**9,53,971**	**5,64,730**	**17,98,987**	**15,18,702**

31. Financial risk review(continued)

B. **Liquidity risk**

iii. Financial assets available to support future funding

The Company has assets which are not pledged as securities. Details of assets pledged/not pledged as securities are as follows:

	As at March 31, 2019			As at March 31, 2018			As at April 1, 2017		
ASSETS	**Pledged**	**Not Pledged**	**Total**	**Pledged**	**Not Pledged**	**Total**	**Pledged**	**Not Pledged**	**Total**
Financial assets									
Cash and cash equivalents	-	25,163	25,163	-	8,128	8,128	-	7,337	7,337
Bank Balance other than (a) above	-	36	36	-	4,462	4,462	-	3	3
Derivatives financial instruments	-	-	-	-	-	-	-	-	-
Trade Receivables	-	3,454	3,454	-	6,675	6,675	-	2,001	2,001
Loans	44,62,397	-	44,62,397	36,98,664	-	36,98,664	32,28,049	-	32,28,049
Investments	-	38,032	38,032	-	29,472	29,472	-	26,409	26,409
Other financial assets	-	40,045	40,045	-	64,666	64,666	-	53,890	53,890
Non-financial Assets									
Current tax asset	-	8,797	8,797	-	6,265	6,265	-	5,818	5,818
Deferred tax Assets (Net)	-	64,324	64,324	-	62,684	62,684	-	70,970	70,970
Investment property	-	-	-	-	-	-	-	-	-
Property, Plant and Equipment	25	91,462	91,487	26	68,974	69,000	28	77,024	77,052
Capital work-in-progress	-	62	62	-	101	101	-	518	518
Intangible assets under	-	108	108	-	39	39	-	655	655
Other Intangible assets	-	2,179	2,179	-	2,314	2,314	-	1,109	1,109
Other non-financial assets	-	47,743	47,743	-	36,705	36,705	-	26,216	26,216
Total Assets	**44,62,422**	**3,21,405**	**47,83,827**	**36,98,690**	**2,90,485**	**39,89,175**	**32,28,077**	**2,71,950**	**35,00,027**

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 at March 31, 2019, March 31, 2018 and April 1, 2017 is shown in the preceding table.

31. Financial risk review(continued)

C. Market risk

i For the definition of market risk and information on how the company manages the market risks of trading and non-trading portfolios, see Note 31(D).

The following table sets out the allocation of assets and liabilities to non-trading portfolios. The Company does not allocate the assets and liabilities to trading portfolios.

Carrying amount		Market risk measure		
Assets subject to market risk	Note	As at March 31, 2019	As at March 31, 2018	As at April 1, 2017
Receivables	6	3,454	6,675	2,001
Loans	7	44,62,397	36,98,664	32,28,049
Investments	8	38,032	29,472	26,409
Other Financial Assets	9	40,045	64,666	53,890
Liabilities subject to market risk				
Debt securities issued	14	16,09,148	12,32,147	12,69,788
Borrowings (Other than Debt Securities)	15	20,41,658	17,80,252	13,11,798
Subordinated liabilities	16	3,29,760	2,72,040	2,39,777
Other Financial Liabilities	17	1,48,714	1,65,535	1,48,720
Derivatives held for risk management	30	-	98	-

31. Financial risk review(continued)

C. Market risk (continued)

ii Exposure to interest rate risk – Non-trading portfolios (continued)

Company 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 assets and rate sensitive liabilities.

As on March 31, 2019 Amt in Lakh

Rate sensitive	Less than 1 Year	@ 100bps change increase	@ 100bps change decrease
Rate Sensitive Assets	32,85,034	16,425	(16,425)
Rate Sensitive Liabilities	26,56,273	(13,281)	13,281
Net Gap (Asset - liability)	**6,28,761**	**3,144**	**(3,144)**

As on March 31, 2018

Rate sensitive	Less than 1 Year	@ 100bps change increase	@ 100bps change decrease
Rate Sensitive Assets	27,46,629	13,733	(13,733)
Rate Sensitive Liabilities	20,93,941	(10,470)	10,470
Net Gap (Asset - liability)	**6,52,688**	**3,263**	**(3,263)**

As on April 01, 2017

Rate sensitive	Less than 1 Year	@ 100bps change increase	@ 100bps change decrease
Rate Sensitive Assets	24,00,449	12,002	(12,002)
Rate Sensitive Liabilities	21,02,385	(10,512)	10,512
Net Gap (Asset - liability)	**2,98,063**	**1,490**	**(1,490)**

iii. Exposure to currency risks – Non-trading portfolios

There are no exposure to foreign currency risks in the non trading portfolio as on March 31, 2019

31. Financial risk review(continued)

D. Capital management

i Regulatory capital

The Reserve Bank of India (RBI) sets and monitors capital adequacy requirements for the Company from time to time.

The Companies regulatory capital consists of the sum of the following elements.

Tier 1 Capital includes:
1) Ordinary share capital,
2) Securities premium reserve,
3) Retained earnings,
4) Cummulative compulsorily convertible preference Shares (CCCPS),
5) Debenture redemption reserve
6) Perpetual debt
7) Special reserve
8) Retained earnings
9) Special reserve.
10) General reserve
Tier 1 Capital does not include unrealised fair value gain/loss booked for financial instruments measured at fair value through profit and loss statement and shares option outstanding account
Following items are deducted from Tier I
a) Intangibles
b) Deferred revenue expenditure for raising borrowings
c) Deferred tax assets
d) Prepaid expenses and unamortised direct sourcing cost

Tier II capital includes
1) subordinated debt
2) impairment allowance provisioning for stage 1 and stage 2 financial assets to the extent the same does not exceed 1.25% of Risk weighted assets,
3) perpetual debt to the extent not eligible for Tier I.

31. **Financial risk review(continued)**

D. **Capital management**

i **Regulatory capital**

Particulars	As at March 31, 2019	As at March 31, 2018	As at April 1, 2017
	IND AS	**IGAAP**	**IGAAP**
Tier 1 capital			
Ordinary share capital	1,37,556	1,29,755	1,29,755
Securities premium reserve	1,46,648	88,805	88,865
Retained earnings	36,289	60,176	37,538
cummulative compulsorily convertible preference Shares (CCCPS),	1,88,900	1,52,000	94,500
debenture redemption reserve	30,000	30,000	30,000
perpetual debt	74,573	59,709	53,852
special reserve	46,982	35,402	25,750
general reserve	429	-	-
Less			
-Deferred Revenue Expenditure	21,079	18,770	16,954
-Goodwill & Software	2,287	2,353	1,764
-Deferred Tax Asset	64,324	37,568	43,483
Tier I Capital	**5,73,688**	**4,97,156**	**3,98,059**
Subordinate Debt	1,48,640	1,09,439	127198
Standard Asset prov'n	58,411	15,255	11591
Perpetual debt	17,227	32,091	6148
Tier II Capital	**2,24,277**	**1,56,785**	**1,44,937**
Tier I + Tier II Capital	**7,97,965**	**6,53,941**	**5,42,996**

The Company has complied with the minimum stipulated capital requirement for Tier I and Tier II.

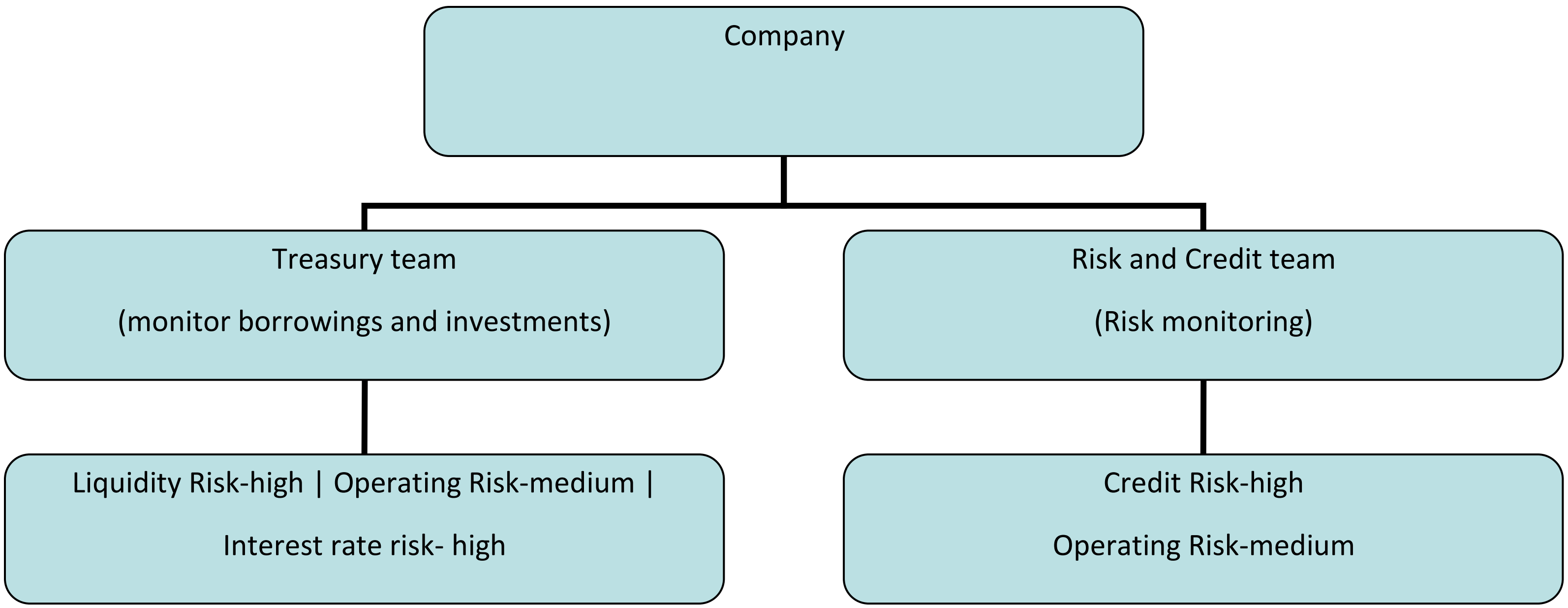
The Board of Directors (BOD) has authorised the Asset and Liability Management Committee (ALCO) to review the Capital requirement. Treasury team closely monitors the Tier I and Tier II capital requirement of the Company and reports to ALCO. The Company endeavour to maintain a balance between ensuring high level of return on capital employed and securing strong capital base.

32. Financial risk management

A. Introduction and overview;

Financial instruments of the Company has to credit risk, liquidity risk, market risks and operational risk.

1. The following chart provides a link between the Company's business units and the principal risks that they are exposed to:



2. <u>Company's Risk Management framework for measuring and managing risk:</u>

i. Risk management framework:

The Company'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 Company.

a) Asset and Liability Committee (ALCO): Review of the Asset and Liability position, liquidity risk and market risk of the Company.
b) Risk Management Committee: Review of the credit risk, operational risk and fraud risk management of the Company. 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 vendors.
c) Investment Committee (IC)and Credit Committee(CC): Review of the investment and credit proposal of the Company and oversight of credit risk. A separate Managing Credit Committee(MCC) reports to the Credit Committee, is responsible for managing the credit risk of the Company.

The Company's risk management policies are established to identify and analyse the risks faced by the Company, 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 Company. The Company, 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 Company. The Audit Committee is assisted in its oversight role by Internal Audit. Internal Audit undertakes both regular and adhoc reviews of risk management controls and procedures, the results of which are reported to the Audit Committee.

Sources of risk which the Company is exposed to and how the same is managed is illustrated in the table below:

Risk	**Exposure arising from**	**Measurement**	**Management**
Credit risk	Financial asset measured at amortised cost. Trade receivable and derivative financial instrument.	Review of ageing analysis and credit rating of the customer. Annual review of the Customer account as per the Credit monitoring policy of the company.	Granularity of portfolio, product, ticket size, collateral and customer segment.
Liquidity risk	Borrowings and other liabilities	Rolling cash flow forecasts	Availability of committed bank lines and borrowing facilities
Market risk – foreign exchange	Payable 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.
Market risk – interest rate	Long-term borrowings at variable rates	Sensitivity analysis for rate sensitive assets and liabilities	Managing the borrowing mix between market and bank borrowing.
Market risk – security prices	Investments in equity securities	Sensitivity analysis	Portfolio diversification

The Company's Credit risk and market 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 a treasury department as per the policies approved by the board of directors. Treasury identifies, evaluates and mitigates financial risks in close co-operation with the Company'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 Company for handling the various type of risks are 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 us. In its lending operations, the Company 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 Committee. 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 Company 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 portfolio level. The Company has a structured and standardized 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 Company has additionally taken the following measures for risk management;

1) single party and group borrower limit.

2) limit on secured and unsecured exposure for Commercial and SME finance division and at Company level.

3) establishment of a separate credit monitoring team to enhance focus on monitoring of borrowers and to facilitate proactive action wherever required.

4) enhanced monitoring of retail product portfolios through periodic reviews.

For risk management reporting purposes, the Company 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 company:

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. Investment Committee (IC) and Credit Committee (CC) approves 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 Company's risk grading to categorise exposures according to the degree of risk of default. The current risk grading framework of the company 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 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. Customer with highest level of safety are unlikely to be effected by change in circumstances, while customer with adequate safety are likely to be 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 favourable conditions continue.
TC10	Customer defaulter or expected to default	TC10: Customer 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.

f) Developing and maintaining the Company's processes for measuring ECL for CSFD and CFAB division 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) Regular reports on the credit quality of product portfolio are provided to Credit 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 Company in the management of credit risk.
7) Assess criteria of staging of the assets under qualitative parameters.

Each business unit is required to implement Company'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 Credit Committee and 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 Credit Committee. Regular audits of business units and credit processes are undertaken by Internal Audit.

iv. Credit Risk assessment methodology:

a) Credit management for Corporate Portfolio:

The Company 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 Credit Committee.

The Company 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 Company ensure 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 Company 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 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.

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 market risk officer is responsible for the development of detailed market risk management policies & periodic review along with day to day implementation.

Exposure to Market Risk:

Interest rate risk:

Core business of the Company is borrowing and lending as permitted by the Reserve Bank of India, exposing 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 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 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 monitor interest rate risk through above measures on a monthly basis. The interest rate risk limits are approved by the ALCO.

C. Liquidity risk;

A risk that the Company will encounter difficulty in meeting its day to day financial obligations.

Management of liquidity risk is done as follows;

i. ALCO sets the strategy for managing liquidity risk commensurate with the business objectives;

ii. ALCO has delegated the responsibility of managing overall liquidity risk and interest rate risk management to Treasury.

iii. Treasury department manages the liquidity position on a day-to-day basis and reviews daily reports covering the liquidity position of the Company. Treasury team ensures the regulatory compliance to the liquidity risk related limits approved in the ALM policy by ALCO.

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:

1) Maintaining a diversified funding through market and bank borrowings resources such as debentures, commercial papers, subordinated debt, perpetual debt, Intercorporate 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 Market scenario, the company 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. We monitor the behavioural characteristics of the Company's financial assets and financial liabilities while preparing the structural liquidity statement.

3) The company carries out stress testing of cash flows on periodic basis and shares the results with ALCO to gauge the adequacy of liquidity.

D. Operational Risk;

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 (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 organisation.

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.

Tata Capital has adopted “Framework for Improving Critical Infrastructure Cyber Security” published by the National Institute of Standards & Technology (NIST) and comply with regulatory guidelines. Various measures are adopted to effectively protect against phishing, social media threats and rogue mobile.

33. Operating segments -Basis for segmentation

See accounting policy in Note 2(i)

In accordance with Ind AS 108 on Segment Reporting, the Company 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 Company'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
Investment activity	Corporate investments
Others	advisory services, wealth management, distribution of financial products 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

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 company. 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.

34. Operating segments - Information about reportable segments

Information related to each reportable segment is set out below. Segment profit before tax, as included in internal management reports reviewed by the Board of Director's, is used to measure performance because management believes that this information is the most relevant in evaluating the results of the respective segments relative to other entities that operate within the same type of business. Inter-segment pricing is determined on an arm's length basis.

(Rs. in lakh)

Particulars	**For the Year Ended March 31, 2019**	**For the Year Ended March 31, 2018**
Segment Revenue		
a) Financing Activity	4,89,767	4,02,173
b) Investment Activity	29,097	249
c) Others	39,701	32,083
Total	**5,58,565**	**4,34,505**
Less : Inter Segment Revenue	-	-
Add : Interest on Income Tax Refund	1	307
Total Income	**5,58,566**	**4,34,812**
Segment Results		
a) Financing Activity	67,199	81,685
b) Investment Activity	20,424	(1,568)
c) Others	4,946	3,290
Total	**92,569**	**83,407**
Less : Unallocated Corporate Expenses	27,208	14,869
Profit before taxation	**65,361**	**68,538**
Less : Provision for taxation	21,651	28,249
Profit after taxation	**43,710**	**40,289**

Particulars	**As at March 31, 2019**	**As at March 31, 2018**	**As at April 01, 2017**
Segment Assets			
a) Financing Activity	45,30,213	37,82,034	32,93,322
b) Investment Activity	38,043	29,313	26,421
c) Others	1,23,079	89,462	81,884
d) Unallocated	92,492	88,366	98,400
Total	**47,83,827**	**39,89,175**	**35,00,027**
Segment Liabilities			
a) Financing Activity	42,24,147	35,85,764	31,47,207
b) Investment Activity	-	-	-
c) Others	1,23,613	90,056	80,344
d) Unallocated	31,704	18,184	13,027
Total	**43,79,464**	**36,94,004**	**32,40,578**

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	-	-
b) Investment Activity	-	-
c) Others	53,438	27,391
d) Unallocated	2,325	3,446
Total	**55,763**	**30,837**
Depreciation and Amortisation		
a) Financing Activity	606	647
b) Investment Activity	-	-
c) Others	24,859	21,292
d) Unallocated	1,957	1,698
Total	**27,422**	**23,637**

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

Ultimate Holding Company	Tata Sons Private Limited (formerly known as Tata Sons Limited)
Holding Company	Tata Capital Limited
Fellow Subsidiaries (with which the company had transactions)	Tata Capital Housing Finance Limited Tata Securities Limited Tata Cleantech Capital Limited Tata Capital Pte. Limited Tata Capital Advisors Pte Limited Tata Capital Markets Pte Limited Tata Capital General Partners LLP Tata Capital Healthcare General Partners LLP Tata Opportunities General Partners LLP Tata Capital Plc TC Travel and Services Limited (ceased w.e.f. 30.10.2017) Tata Capital Forex Limited (ceased w.e.f. 30.10.2017)
Associates and Fellow Associates (with which the company had transactions)	International Asset Reconstruction Company Private Limited (Ceased w.e.f 08.03.2018) Shriram Properties Private Limited TVS Supply Chain Solutions Limited Fincare Business Services Limited Varroc Engineering Limited (ceased w.e.f. 06.07.2018) Roots Corporation Limited Kapsons Industries Limited Tata Projects Tata Technologies Limited
Plans	Tata Capital Limited Gratuity Scheme Tata Capital Limited Employees Provident Fund Trust Tata Capital Limited Employee Welfare Trust Tata Capital Limited Superannuation Scheme
Subsidiaries, Associates and Joint Venture of ultimate holding company (with which the company 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 Calsea Footwear Private Limited Tata Autocomp Systems Limited Automotive Stampings and Assemblies Limited Tata Toyo Radiator Limited (ceased to be a joint venture and became a subsidiary w.e.f. 01.07.2018) Tata Advanced Systems Limited Tata Lockheed Martin Aerostructures Limited Tata Sikorsky Aerospace Limited Tata Boeing Aerospace Limited Tata Asset Management Limited Tata Industries Limited (ceased to be subsidiary and became a joint venture w.e.f. 27.03.2019) 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 Taj Air Limited Inshaallah Investments Limited Niskalp Infrastructure Services Limited AirAsia (India) Limited Coastal Gujarat Power Limited Concorde Motors (India) Limited Industrial Energy Limited Jamshedpur Utilities & Services Co. Limited Maithon Power Limited Nelco Limited Powerlinks Transmission Limited Sir Ratan Tata Trust Tata AutoComp GY Batteries Private Limited (formerly Tata AutoComp GY Batteries Limited) Tata Communications Limited (Ceased to be an associate and became a subsidiary w.e.f. 28.05.2018) Tata Communications Transformation Services Limited

	Tata International DLT Private Limited Tata Metaliks Limited Tata Motors Finance Limited Tata Motors Limited Tata Power Solar Systems Limited Tata Power Trading Company Limited Tata Precision Industries (I) Limited Tata Steel Limited Tayo Rolls Limited The Associated Building Company Limited The Indian Hotels Company Limited TP Ajmer Distribution Limited Voltas Limited Fiora Hypermarket Limited Piem Hotels Limited Tata Elxsi Limited Tata Power Delhi Distribution Limited Titan Company Limited Trent Limited United Hotels Limited Tata Global Beverages Limited
Key Management Personnel	Mr. Rajiv Sabharwal (Director) Mr. F.N. Subedar (Director) Mr. Mukund S. Dharmadhikari (Director) Ms. Anuradha E. Thakur (Director) Mr. Kusal Roy (Managing Director) Mr. Praveen P. Kadle (Managing Director and CEO - ceased to be a KMP w.e.f. April 1, 2018) Mr. Puneet Sharma (Chief Financial Officer) Ms. Avan Doomasia (Company Secretary)

B) Transactions with Related Parties

(Rs. in Lakh)

Sr. No	Party Name	Nature of transaction	2018-19	2017-18	2016-17
1	Tata Sons Private Limited	a) Expenses			
		- Brand Equity and Business Promotion	1,503	1,243	-
		- Rent	-	29	-
		- Other charges	25	51	-
		b) Income			
		- Interest Income	5	6	-
		c) Asset			
		- Security deposit receivable	-	-	12
		- Security deposit refund received	-	12	-
		- Finance Lease			
		Repaid during year	9	8	-
		Outstanding facility	40	50	58
		- Balance receivable*	0	5	16
		d) Liability			
		- Balance Payable	1,503	1,243	1,171
		e) Commitments - Off balance sheet exposure	30	30	32
2	Tata Capital Limited	a) Expenses			
		- Interest Expenses on Inter-Corporate Deposit	4,954	6,747	-
		- Interest Expenses on debentures	1,113	89	-
		- Marketing & managerial service fee	3,496	2,657	-
		- Rent	949	1,036	-
		- Other Expenses	82	111	-
		b) Income			
		- Preference share arranger fees	113	515	-
		- Recovery of Expenses - Rent and others	22	41	-
		- FA transfer*	-	0	-
		c) Amount raised by issue of Perpetual Non-Convertible debentures	-	12,500	-
		d) Amount raised by issue of Compulsory Convertible Cumulative Preference Shares	1,02,500	57,500	-
		e) Conversion of Convertible Preference Shares into Equity Shares	65,600	-	-
		f) Interim dividend paid			
		- Equity Shares	-	4,541	-
		- Preference Shares	11,741	8,726	-
		g) Inter-Corporate Deposit accepted / repaid			
		- Inter-Corporate Deposit received	7,52,235	4,63,617	-
		- Inter-Corporate Deposit repaid	7,80,293	4,74,662	-
		h) Security Deposit accepted / repaid			
		- Security deposit given	-	5,849	-
		- Security deposit received	-	4,667	-
		i) Asset			
		- Security Deposit Receivable	5,847	5,847	4,665
		- Balance Receivable	-	-	61
		j) Liability			
		- Inter-Corporate Deposit Payable #	5,726	33,784	44,829
		- Perpetual Non-Convertible debentures	12,500	12,500	5,000
		- Balance Payable	330	374	-
		- Equity shares held	1,37,556	1,29,755	1,29,755

(Rs. in Lakh)

Sr. No	Party Name	Nature of transaction	2018-19	2017-18	2016-17
3	Tata Capital Housing Finance Limited	a) Expenses			
		- Rent & others	52	33	-
		b) Income			
		- Loan Sourcing Fee	14	-	-
		- Reimbursement of Rent & Others	1,060	988	-
		c) Fixed Asset			
		- Fixed Asset Purchased*	-	0	-
		- Fixed Asset Sold	-	25	-
		d) Asset			
		- Balance Receivable	298	121	235
4	Tata Securities Limited	a) Expenses			
		- Professional Fees	30	21	-
		b) Income			
		- Recovery of Expenses - Rent and others	47	49	-
		c) Fixed Asset			
		- Fixed Asset Purchased	1	1	-
		d) Asset			
		- Balance Receivable	5	1	28
5	Tata Cleantech Capital Limited	a) Expenses			
		- Rent & others	19	23	-
		b) Income			
		- Recovery of Expenses - Rent and others	98	136	-
		c) Fixed Asset			
		- Fixed Asset Purchased	-	1	-
		d) Asset			
		- Balance Receivable	9	6	16
6	Tata Capital Pte. Limited	a) Income			
		- Income- SLA fees	13	13	-
		- Reimbursement of Expenses	-	10	-
		b) Asset			
		Balance Receivable	13	13	13
7	Tata Capital Advisors Pte Limited	a) Income			
		- Income- SLA fees	7	7	-
		- Reimbursement of Expenses	-	3	-
		b) Asset			
		Balance Receivable	7	7	7
8	Tata Capital Markets Pte Limited	a) Income			
		- Income- SLA fees	7	7	-
		- Reimbursement of Expenses	-	3	-
		b) Asset			
		Balance Receivable	7	7	7
9	Tata Capital General Partners LLP	a) Income			
		- Income- SLA fees*	0	0	-
		- Reimbursement of Expenses	-	1	-
		b) Asset			
		Balance Receivable*	0	0	0

(Rs. in Lakh)

Sr. No	Party Name	Nature of transaction	2018-19	2017-18	2016-17
10	Tata Capital Healthcare General Partners LLP	a) Income			
		- Income- SLA fees*	0	0	-
		- Reimbursement of Expenses	-	1	-
		b) Asset			
		Balance Receivable*	0	0	0
11	Tata Opportunities General Partners LLP	a) Income			
		- Income- SLA fees*	0	0	-
		- Reimbursement of Expenses	-	1	-
		b) Asset			
		Balance Receivable*	0	0	0
12	Tata Capital Plc	a) Income			
		- Income- SLA fees	7	7	-
		- Reimbursement of Expenses	-	3	-
		b) Asset			
		Balance Receivable	7	7	7
13	TC Travel and Services Limited	a) Expenses			
		- Travel related services	-	492	-
		b) Income			
		- Reimbursement of Rent & Others	-	55	-
		c) Asset			
		- Balance Receivable	-	-	264
14	Tata Capital Forex Limited	a) Expenses			
		- Travel related services	-	4	-
		b) Income			
		- Reimbursement of Rent & Others	-	63	-
		c) Asset			
		- Balance Receivable	-	-	38
15	International Asset Reconstruction Company Private Limited (Ceased w.e.f 08.03.2018)	a) Asset			
		- Security Receipts			
		Redemption of Security Receipts during the year	-	304	-
		Balance of Security Receipts	-	-	748
		- Investment in Equity Shares			
		Balance in Equity Shares	-	-	3,313
16	Shriram Properties Private Limited	a) Asset			
		- Investment in Equity Shares	3,935	3,935	3,935
		- Provision for Diminution in value of Investment	(585)	(585)	-
17	TVS Supply Chain Solutions Limited	a) Income			
		- Dividend received	3	-	-
		- Interest Income	416	296	-
		- Bill Discounting	5	4	-
		- Processing Fees	15	-	-
		b) Asset			
		- 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 Receivables	105	77	94
		- Investment in Equity Shares	1,465	1,465	1,465
		c) Commitments - Off balance sheet exposure	1,040	726	906

(Rs. in Lakh)

Sr. No	Party Name	Nature of transaction	2018-19	2017-18	2016-17
18	Varroc Engineering Private Limited	a) Income			
		- Dividend received	-	8	-
		b) Asset			
		- Investment in Equity Shares	-	2,521	2,521
19	Fincare Business Services Limited	a) Asset			
		- Investment in Equity Shares	734	660	660
20	Roots Corporation Limited	a) Expenses			
		- Travelling Exp*	-	0	-
21	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
22	Tata Projects	a) Income			
		- Interest Income	99	-	-
		- Lease Rental	1,716	1,234	-
		b) Assets			
		- Finance Lease			
		Finance Lease given	802	-	-
		Finance Lease repayment received	122	-	-
		Finance Lease receivable	680	-	-
		- Balance Receivable	18	174	63
		c) Liability			
		- Security Deposit			
		Security Deposit received	337	105	-
		Security Deposit payable	492	155	50
		d) Commitments - Off balance sheet exposure	10,982	-	-
23	Tata Technologies Limited	a) Income			
		- Interest Income	12	7	-
		- Reimbursement of expenses	-	1	-
		b) Expenses			
		- 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	23
		d) Liability			
		- Balance Payable	-	8	-
		e) Commitments - Off balance sheet exposure	349	393	-

(Rs. in Lakh)

Sr. No	Party Name	Nature of transaction	2018-19	2017-18	2016-17
24	Tata Autocomp Systems Limited	a) Income			
		- Operating Lease Rentals	21	-	-
		- Processing fees	45	-	-
		b) Liability			
		- Security deposit received during period	326	-	-
		- Security deposit payable	326	-	-
		c) Asset			
		- Balance receivable	7	-	-
		d) Commitments - Off balance sheet exposure	350	-	-
25	Tata Capital Limited Gratuity Scheme	a) Contribution to Gratuity fund	414	-	-
26	Tata Capital Limited Employees Provident Fund	a) Contribution to Provident Fund	1,339	1,189	-
27	Tata Capital Limited Employee Welfare Trust	a) Asset			
		- Loan repaid	1,016	-	-
		- Outstanding loan	6,286	7,302	7,302
		- Balance Receivable	30	-	-
28	Tata Capital Limited Superannuation Scheme	a) Asset			
		- Balance Receivable	1	-	1
29	Conneqt Business Solutions Limited	a) Expenses			
		- Service Provider Charges	4,869	5,380	-
		b) Income			
		- Interest Income	240	168	-
		- Lease Rental	410	528	-
		- Sale of Fixed Assets	29	-	-
		- Reimbursement of Expenses	190	170	-
		c) Asset			
		- Loan given	-	2,409	-
		- Loan repaid	2,140	462	-
		- Outstanding loan	1,042	3,183	1,236
		- Balance receivable	216	163	122
		d) Liability			
		- Security Deposit	37	37	37
		- Balance Payable	1,889	1,293	896
		e) Commitments - Off balance sheet exposure	-	2,269	-
30	Tata Consultancy Services Limited	a) Expenses			
		- Information technology Expenses	5,773	5,511	-
		b) Income			
		- Interest Income	37	16	-
		c) Asset			
		- Fixed Assets Purchased	-	8	-
		- Finance Lease			
		Facility given	38	217	-
		Repaid during year	29	6	-
		Outstanding facility	220	211	-
		- Balance Receivable	38	-	4
		d) Liability			
		- Balance Payable	1,902	1,620	1,330
		e) Commitments - Off balance sheet exposure	1,542	2,087	-

(Rs. in Lakh)

Sr. No	Party Name	Nature of transaction	2018-19	2017-18	2016-17
31	Tata AIG General Insurance Company Limited	a) Expenses			
		- Insurance Expenses	14	6	-
		b) Income			
		- Insurance related revenue	857	541	-
		c) Assets			
		- Balance Receivable	165	511	70
32	Tata AIA Life Insurance Company Limited	a) Expenses			
		- Insurance Expenses	37	36	-
		b) Income			
		- Insurance related revenue	69	52	-
		c) Assets			
		- Balance Receivable	59	36	35
33	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	1	1	-
		b) Income			
		- Operating Lease Rentals	211	210	-
		- Processing fees	-	2	-
		c) Liability			
		- Security deposit payable	75	75	74
		- Balance payable	-	11	-
		d) Asset			
		- Balance Receivable	1	-	1
34	Calsea Footwear Private Limited	a) Income			
		- Interest income on Inter-Corporate Deposit	110	141	-
		b) Asset			
		- ICD given	-	1,500	-
		- ICD repaid	1,500	1,300	-
		- Outstanding Inter-Corporate Deposit #	-	1,500	1,300
		- Interest receivable	-	38	35
35	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
36	Tata Precision Industries (I) Limited	a) Income			
		- Interest Income	10	11	-
		b) Assets			
		- Loan repaid	23	-	-
		- Outstanding loan	68	90	90
		- Balance Receivable*	0	0	0

(Rs. in Lakh)

Sr. No	Party Name	Nature of transaction	2018-19	2017-18	2016-17
37	Automotive Stampings and Assemblies Limited	a) Income			
		- Team Loan - Interest	476	242	-
		- Operating Lease Rentals	62	62	-
		- Processing fees	8	6	-
		b) Asset			
		- Loan given	17,160	4,900	-
		- Loan repaid	15,485	3,950	-
		- Outstanding loan	434	1,184	1,634
		- Outstanding loan #	3,790	1,400	-
		- Balance receivable	39	16	2
		c) Liability			
		- Balance in escrow account	-	35	-
		d) Commitments - Off balance sheet exposure	709	1,100	-
38	Tata Toyo Radiator Limited (ceased to be a joint venture and became a subsidiary w.e.f. 01.07.2018)	a) Income			
		- Operating Lease Rentals	144	-	-
		- Processing fees	14	-	-
		b) Liability			
		- Security deposit payable	490	-	-
		c) Asset			
		- Balance receivable	1	-	-
39	Tata AutoComp GY Batteries Private Limited (formerly Tata AutoComp	a) Income			
		- Interest Income Trade Advance	37	9	-
		- Processing Fees	-	3	-
		b) Assets			
		- Trade Advance #	501	1,001	837
		c) Commitments - Off balance sheet exposure	500	-	-
40	Tata Advanced Systems Limited	a) Income			
		- Interest Income	12	7	-
		b) Asset			
		- Facility given	85	33	-
		- Repaid during year	11	16	-
		- Outstanding facility	128	52	35
		- Balance receivable*	2	2	0
		c) Commitments - Off balance sheet exposure	122	351	396
41	Tata Lockheed Martin Aerostructures Limited	a) Income			
		- Interest Income	5	1	-
		b) Asset			
		- Facility given	70	-	-
		- Repaid during year	13	2	-
		- Outstanding facility	61	4	6
		- Balance receivable*	1	0	6
42	Tata Sikorsky Aerospace Limited	a) Income			
		- Interest Income	1	-	-
		b) Asset			
		- Facility given	8	-	-
		- Repaid during year	1	-	-
		- Outstanding facility	7	-	-
		- Balance receivable*	0	-	-

(Rs. in Lakh)

Sr. No	Party Name	Nature of transaction	2018-19	2017-18	2016-17
43	Tata Boeing Aerospace Limited	a) Income			
		- Interest Income*	0	-	-
		b) Asset			
		- Facility given	6	-	-
		- Repaid during year	0	-	-
		- Outstanding facility	6	-	-
		- Balance receivable*	0	-	-
44	Tata Asset Management Limited	a) Income			
		- Portfolio Management Service	18	17	-
		b) Asset			
		- Balance receivable	-	-	3
45	Tata Industries Limited (ceased to be subsidiary and became a joint venture w.e.f.	a) Expenses			
		- Professional Fees	-	22	-
		b) Income			
		- Interest Income	413	1,167	-
		- Recovery of Expenses*	0	-	-
		c) Asset			
		- Facility given	20	13	-
		- Repaid during year	46	155	-
		- Outstanding facility	178	216	358
		- Balance receivable*	76	119	7
		d) Liability			
		- Balance Payable	-	-	248
		e) Commitments - Off balance sheet exposure	1,876	933	1,149
46	Tata Teleservices Limited	a) Expenses			
		- Communication Expenses	95	111	-
		- Rent and other Expenses	92	25	-
		b) Income			
		- Interest Income	48	148	-
		- Operating Lease Rentals	165	600	-
		c) Asset			
		- Facility given	21	145	-
		- Repaid during year	495	854	-
		- Outstanding facility	151	625	1,333
		- Balance receivable	6	-	38
		- Security Deposit receivable	8	8	8
		- Investment in equity shares			
		- Balance equity shares	14,318	14,318	14,318
		- Provision for diminution in value	(14,318)	(14,318)	(14,318)
		d) Liability			
		- Balance payable	-	43	-
		e) Commitments - Off balance sheet exposure	4	22	976
47	Tata Teleservices (Maharashtra) Limited	a) Expenses			
		- Communication Expenses	205	277	-
		b) Income			
		- Operating Lease Rentals	12	71	-
		c) Liability			
		- Balance Payable*	0	10	-

(Rs. in Lakh)

Sr. No	Party Name	Nature of transaction	2018-19	2017-18	2016-17
48	MMP Mobi Wallet Payment Systems Limited	a) Income			
		- Operating Lease Rentals	-	4	-
		b) Expenses			
		Staff welfare Expenses	-	8	-
49	Tata Housing Development Company Limited	a) Income			
		- Referral Fee	-	5	-
		b) Asset			
		- Balance Receivable	-	-	14
50	Smart Value Homes (Peenya Project) Private Limited	a) Income			
		- Referral Fee	1	-	-
51	Sector 113 Gatevida Developers Private Limited	a) Income			
		- Referral Fee	-	8	-
52	Taj Air Limited	a) Income			
		- Interest Income	-	29	-
		b) Asset			
		- Loan given			
		- Loan Repaid during year	-	6,000	-
		- Loan Balance	-	-	3,500
		- Loan Balance #	-	-	2,500
		- Balance receivable	-	-	39
53	Niskalp Infrastructure Services Limited	a) Income			
		- Rent and others*	0	-	-
54	Inshaallah Investments Limited	a) Income			
		- Rent and others*	-	0	-
55	AirAsia (India) Limited	a) Income			
		- Interest Income	358	-	-
		- Processing Fees	50	-	-
		b) Assets			
		- Loan given	10,000	-	-
		- Loan Balance	10,000	-	-
		- Balance Receivable	80	-	-
56	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
57	TP Ajmer Distribution Limited	a) Income			
		- Interest Income*	3	0	-
		b) Assets			
		- Loan given	16	5	-
		- Loan repayment received *	4	0	-
		- Loan Balance	17	5	-
		- Balance Receivable*	0	5	-

(Rs. in Lakh)

Sr. No	Party Name	Nature of transaction	2018-19	2017-18	2016-17
58	Industrial Energy Limited	a) Income			
		- Interest Income	2	-	-
		b) Assets			
		- Loan given	35	-	-
		- Loan repayment received	1	-	-
		- Loan Balance	33	-	-
		- Balance Receivable*	0	-	-
59	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
60	Nelco Limited	a) Income			
		- Interest Income	2	158	-
		- Processing Fees	-	8	-
		b) 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
		c) Commitments - Off balance sheet exposure	418	433	448
61	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	-
62	Tata Power Delhi Distribution Limited	a) Expenses			
		- Business promotion Expenses*	0	0	-
63	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
64	Tata Power Trading Company Limited	a) Income			
		- Interest Income*	1	0	-
		b) Assets			
		- Loan given	-	6	-
		- Loan repayment received *	1	0	-
		- Loan Balance	6	6	-
		- Balance Receivable*	0	0	-

(Rs. in Lakh)

Sr. No	Party Name	Nature of transaction	2018-19	2017-18	2016-17
65	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
		c) Commitments - Off balance sheet exposure	74	74	74
66	Tata Motors Finance Limited	a) Income			
		- Interest Income	218	218	-
		b) Expenses			
		- FA Purchased	2	-	-
		c) Assets			
		- Balance Receivable	2,042	2,042	2,042
67	Concorde Motors (India) Limited	a) Income			
		- Interest Income	1,854	944	-
		- Lease Rental	486	460	-
		- Processing Fees	19	1	-
		b) Expenses			
		- FA Purchased	-	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	-
68	Tata Steel Limited	a) Expenses			
		- Rent and Other Expenses	1	3	-
69	Tata Metaliks Limited	a) Income			
		- Operating Lease Rental	13	-	-
		b) Liability			
		- Security Deposit Payable	8	-	-
70	Jamshedpur Utilities & Services Co. Limited	a) Assets			
		- Balance Receivable*	0	-	-
		b) Commitments - Off balance sheet exposure	15	-	-
71	Tayo Rolls Limited	a) Income			
		- ODC Income*	1	0	-
		b) Assets			
		- Loan outstanding #	3	3	1
72	Tata Communications Limited (Ceased to be an associate and became a subsidiary w.e.f. 28.05.2018)	a) Income			
		- Interest Income	5	7	-
		b) Expenses			
		- IT Expenses	285	432	-
		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

(Rs. in Lakh)

Sr. No	Party Name	Nature of transaction	2018-19	2017-18	2016-17
73	Tata Communications Transformation Services	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
74	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	-	-
75	The Indian Hotels Company Limited	a) Income			
		- Interest Income	21	22	-
		b) Expenses			
		- Business promotion Expenses	74	3	-
		- Staff Welfare Expenses	11	4	-
		c) Assets			
		- Loan given	-	61	-
		- Loan repayment received	17	53	-
		- Loan Balance	143	160	152
		- Balance Receivable	8	26	4
		d) Commitments - Off balance sheet exposure	231	231	304
76	Piem Hotels Limited	a) Expenses			
		- Travelling Exp	11	4	-
77	United Hotels Limited	a) Expenses			
		- Travelling Exp*	0	0	-
78	Voltas Limited	a) Income			
		- Subvention Income	60	101	-
		- Bill Discounting	31	15	-
		b) Expenses			
		- Repairs & Maintenance	37	34	-
		- Commission	29	13	-
		- FA Purchased	32	27	-
		c) Assets			
		- Balance Receivable*	64	(1)	0
79	Trent Limited	a) Expenses			
		- NSR payment	282	183	-
		- Staff Welfare Exp	-	3	-
		b) Assets			
		- Balance Receivable*	-	0	-
80	Fiora Hypermarket Limited	a) Expenses			
		- Commission on Cards and Gift Cards	9	-	-
		- NSR Payment	129	30	-

(Rs. in Lakh)

Sr. No	Party Name	Nature of transaction	2018-19	2017-18	2016-17
81	Tata Elxsi Limited	a) Expenses			
		- Staff Welfare Expenses	9	-	-
82	Titan Company Limited	a) Expenses			
		- NSR payment	6	9	-
		- Staff Welfare Exp	33	30	-
		b) Assets			
		- Balance Receivable	1	1	3
83	Tata Global Beverages Limited	a) Income			
		- Lease Rental	49	22	-
84	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
85	Key Management	a) Remuneration to KMP			
		- Short Term Employee Benefits	341	-	-
		- Post Employment Benefits	12	-	-
		- Share based payemnts (No. of Shares)			
		Options granted **	6,00,000	-	-
		Options exercised	-	-	-
		- Director Sitting Fees & Commission	109	174	-
		b) Expenses			
		- Interest Expenses on debenture	-	2	-
		c) Liability			
		- Outstanding Debenture	-	20	20

Notes :

a) * less than Rs.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.

C) List of Associates

		Ownership Interest	
Country of Incorporation	**Name of Associate**	**March 31, 2019**	**March 31, 2018**
India	Shriram Properties Private Limited	1.50%	1.50%
India	TVS Supply Chain Solutions Limited	0.68%	0.68%
India	Fincare Business Services Limited	0.80%	0.80%
India	Varroc Engineering Ltd. (ceased w.e.f. 06.07.2018)	0.00%	1.26%

36. Share based payment

The Company is required to present disclosures as required by Para 44, 45, 46, 47, 50, 51 and 52 of Ind AS 102. It is required to present scheme wise terms and conditions of the ESOP schemes, present for the employees of the Company.

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.**

B. Summary of share based payments

31 March 2019

Particulars	ESOP 2011	ESOP 2013	ESOP 2016	ESOP 2017	ESOP 2018	Total
Outstanding balance at the beginning of the year	**-**	**7,41,902**	**-**	**77,45,000**	**-**	84,86,902
Less:						
Options granted	-	-	-	-	26,05,000	26,05,000
Options forfeited	-	2,67,904	-	17,50,000	-	20,17,904
Options exercised	-	1,81,222	-	13,58,194	-	15,39,416
Options expired	-	-	-	-	-	-
Options lapsed	-	-	-	-	-	-
Options outstanding at the end of the year	**-**	**2,92,776**	**-**	**46,36,806**	**26,05,000**	**75,34,582**
Options exercisable at the end of the year	-	2,92,776	-	46,36,806	-	49,29,582
For share options exercised:						
Weighted average exercise price at date of exercise						32.41
Money realized by exercise of options (INR)						4,98,94,230
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	2.26

31 March 2018

Particulars	ESOP 2011	ESOP 2013	ESOP 2016	ESOP 2017	ESOP 2018	Total
Outstanding balance at the beginning of the year	**3,39,222**	**16,35,138**	**66,15,000**	**97,75,000**	**-**	1,83,64,360
Less:						
Options granted	-	-	-	-	-	-
Options forfeited	79,444	4,83,721	-	19,40,000	-	25,03,165
Options exercised	2,59,777	3,54,515	27,30,833	-	-	33,45,125
Options expired	-	-	38,84,167	-	-	38,84,167
Options lapsed	-	-	-	-	-	-
Options outstanding at the end of the year	**1**	**7,96,902**	**-**	**78,35,000**	**-**	**86,31,902**
Options exercisable at the end of the year	1	7,96,902	-	78,35,000	-	86,31,902
For share options exercised:						
Weighted average exercise price at date of exercise						28.52
Money realized by exercise of options (INR)						9,54,04,102
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

1 April 2017

Particulars	ESOP 2011	ESOP 2013	ESOP 2016	ESOP 2017	ESOP 2018	Total
Outstanding balance at the beginning of the year	**8,36,386**	**18,83,790**	**78,00,000**	**-**	**-**	1,05,20,176
Less:						
Options granted	-	-	-	98,20,000	-	98,20,000
Options forfeited	1,21,222	1,42,583	11,45,000	-	-	14,08,805
Options exercised	3,75,944	86,069	-	-	-	4,62,013
Options expired						-
Options lapsed						-
Options outstanding at the end of the year	**3,39,219**	**16,55,138**	**66,55,000**	**98,20,000**	**-**	**1,84,69,357**
Options exercisable at the end of the year	3,39,219	16,55,138	66,55,000	-	-	86,49,357
For share options exercised:						
Weighted average exercise price at date of exercise						19.12
Money realized by exercise of options (INR)						88,32,256
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	1.00	-	1.02

C. Valuation of stock options

Particulars	ESOP 2011	ESOP 2013	ESOP 2016	ESOP 2017	ESOP 2018
Share price:	**17.77**	**25**	**30**	**33.4**	**50.6**
Exercise Price:	**17.77**	**25**	**30**	**33.4**	**50.6**
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:	-	-	-	-	-
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

The Company is required to present the following terms of the ESOPs, for the key managerial employees and other employees

As at March 31, 2019

Particulars	Mr. Kusal Roy		Mr. Puneet Sharma		Ms. Avan Doomasia	
Scheme	**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 2013	-	-	-	-	-	-
ESOP 2016	-	-	10,000	10,000	10,000	10,000
ESOP 2017	-	-	10,000	10,000	10,000	10,000
ESOP 2018	6,00,000	-	4,00,000	-	1,25,000	-
Total	**6,00,000**	**-**	**6,46,050**	**2,46,050**	**2,94,305**	**1,69,305**

As at March 31, 2018

Particulars	Mr. Praveen P. Kadle		Mr. Puneet Sharma		Ms. Avan Doomasia	
Scheme	**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 2013	-	-	-	-	-	-
ESOP 2016	10,000	10,000	10,000	10,000	10,000	10,000
ESOP 2017	10,000	-	10,000	10,000	10,000	10,000
ESOP 2018	-	-	-	-	-	-
Total	**14,78,580**	**14,68,580**	**2,46,050**	**2,46,050**	**1,69,305**	**1,69,305**

As at 1 April 2017

Particulars	Mr. Praveen P. Kadle		Mr. Puneet Sharma		Ms. Avan Doomasia	
Scheme	**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 2013	-	-	-	-	-	-
ESOP 2016	10,000	10,000	10,000	10,000	10,000	10,000
ESOP 2017	10,000	-	10,000	10,000	10,000	10,000
ESOP 2018	-	-	-	-	-	-
TOTAL	**14,78,580**	**14,68,580**	**2,46,050**	**2,46,050**	**1,69,305**	**1,69,305**

37. Contingent Liabilities and Commitments:

(i) Contingent Liabilities :-

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 :

(Rs. in lakh)

Particulars	As at March 31, 2019	As at March 31, 2018	As at April 01, 2017
Income Tax (Pending before Appellate authorities)	2,586	1,916	1,786
VAT (Pending before Appellate authorities)	245	71	420

(ii) Commitments :-

(a) Undrawn Commitment given to Borrowers

As on March 31, 2019 Rs. 377,351 lakh (Year ended March, 31, 2018 : Rs. 212,864 lakh, April 01, 2017 : Rs 211,584 lakh)

Less than 1 Year: Rs. 289,205 lakh (Year ended March, 31, 2018 : Rs. 165,763 lakh, April 01, 2017 : Rs 178,908 lakh)

More than 1 Year: Rs. 88,146 lakh (Year ended March, 31, 2018 : Rs. 47,101 lakh, April 01, 2017 : Rs 32,676 lakh)

(b) Letter of Credit, Buyers Credit and Other Guarantees Rs. 7,909 lakh (Year ended March, 31, 2018 : Rs. 781 lakh, April 01 2017 : Rs. 677 lakh)

(c) Leases entered but not executed Rs. 88,210 lakh (Year ended March, 31, 2018 : Rs. 89,148 lakh, April 01, 2017 : Rs 66,473 lakh)

(d) Unamortised Forward Contract exposure Rs. Nil (Year ended March, 31, 2018 : Rs. 98 lakh, April 01, 2017 : Rs Nil)

(e) Estimated amount of contracts remaining to be executed on capital account and not provided for Rs.1,325 lakh (as at March 31, 2018: Rs. 1,310 lakh and April 01, 2017 : Rs. 2,276 lakh).

- Tangible: Rs. 692 lakh (Year ended March, 31, 2018 : Rs. 1,111 lakh, April 01, 2017 : Rs. 817 lakh)
- Intangible: Rs. 633 lakh (Year ended March, 31, 2018 : Rs. 199 lakh, April 01, 2017 : Rs. 1,459 lakh)

38. The Company 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 Company is committed to make is:

(Rs in lakh)

Lease Payments	**As at March 31, 2019**	**As at March 31, 2018**
- Within one year	378	15
- Later than one year and not later than five years	536	-
- Later than five years	-	-

The amount charged towards lease rentals (as part of Rent expenditure) is Rs. 3,191 lakh (Year ended March, 31, 2018: Rs. 2,249 lakh).

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

(Rs in lakh)

Lease Payments	**As at March 31, 2019**	**As at March 31, 2018**
- Within one year	31,976	20,259
- Later than one year and not later than five years	56,530	40,649
- Later than five years	2,716	1,759

Accumulated Depreciation on lease assets is Rs. 41,837 lakh (Year ended March, 31, 2018: Rs. 19,366 lakh).
Accumulated Impairment losses on the leased assets Rs. Nil (Year ended March, 31, 2018 Rs. Nil)

39. Earnings per Share (EPS):

Particulars		**2018-19**	**2017-18**
Profit after tax	Rs. in lakh	43,710	40,289
Add: Preference dividend on Compulsorily Convertible Cumulative Preference shares (including dividend distribution tax)	Rs. in lakh	14,194	10,643
Profit after tax atttributable to parent company	Rs. in lakh	57,904	50,932
Weighted average number of equity shares in computing Basic / Diluted earnings per share	Nos.	1,53,76,07,864	1,44,58,04,831
Face value of equity shares	Rupees	10	10
Earnings per share (Basic and Diluted)	Rupees	3.77	3.52

40. Movement in Contingent provisions against Standard Assets during the year is as under:

(Rs in lakh)

Particulars	**As at March 31, 2019**	**As at March 31, 2018**
	Rs in lakh	**Rs in lakh**
Opening Balance	49,559	42,176
Add : Additions during the year	8,852	7,383
Less : Utilised during the year	-	-
Closing Balance	58,411	49,559

41. Capital to Risk Assets Ratio (CRAR)

Particulars	As at March 31, 2019	As at March 31, 2018	As at March 31, 2018
	Ind AS	Ind AS	IGAAP*
CRAR (%)	16.84%	15.60%	16.68%
CRAR – Tier I Capital (%)	12.11%	10.77%	12.68%
CRAR – Tier II Capital (%)	4.73%	4.84%	4.00%
Amount of subordinated debt raised as Tier-II Capital	57,140	-	-
Amount rasied by issue of Perpetual Debt Instruments	-	31,800	31,800

* Capital to risk asset ratio as at March 31, 2018 has been calculated as per RBI Directions basis financial statements prepared under IGAAP.

42. Asset Liability Management

Maturity pattern of certain items of Assets and Liabilities.

As on March 31, 2019

(Rs in lakh)

Particulars	Liabilities			Assets		
	Borrowings from Banks	Market Borrowings	Foreign Currency Borrowings	Advances	Investments	Foreign Currency Assets
1 day to 30/31 days (One month)	2,12,879	2,01,865	-	3,19,627	-	-
Over One months to 2 months	-	-	-	-	-	-
Over 2 months upto 3 months	5,53,148	3,14,500	-	8,52,930	-	-
Over 3 months to 6 months	-	-	-	-	-	-
Over 6 months to 1 year	6,77,154	2,18,442	-	10,53,399	1,379	-
Over 1 year to 3 years	-	-	-	-	-	-
Over 3 years to 5 years	8,89,271	4,75,000	-	15,49,542	36,653	-
Over 5 years	2,55,767	-	-	7,15,552	-	-
Total	**25,88,219**	**12,09,807**	**-**	**44,91,050**	**38,032**	**-**

Assets and liabilities bifurcation into various buckets is based on RBI guidelines.

As on March 31, 2018

Particulars	Liabilities			Assets		
	Borrowings from Banks	Market Borrowings	Foreign Currency Borrowings	Advances	Investments	Foreign Currency Assets
1 day to 30/31 days (One month)	1,87,904	2,59,934	-	2,84,291	-	-
Over One months to 2 months	-	-	-	-	-	-
Over 2 months upto 3 months	5,04,332	-	-	7,79,313	-	-
Over 3 months to 6 months	-	-	-	-	-	-
Over 6 months to 1 year	4,58,435	2,42,500	-	8,47,782	1,362	-
Over 1 year to 3 years	-	-	-	-	-	-
Over 3 years to 5 years	8,37,606	4,43,500	-	12,73,789	28,110	-
Over 5 years	1,99,655	-	-	5,32,755		-
Total	**21,87,932**	**9,45,934**	**-**	**37,17,929**	**29,472**	**-**

Assets and liabilities bifurcation into various buckets is based on RBI guidelines.

As on April 1, 2017

(Rs in lakh)

Particulars	Liabilities			Assets		
	Borrowings from Banks	Market Borrowings	Foreign Currency Borrowings	Advances	Investments	Foreign Currency Assets
1 day to 30/31 days (One month)	1,57,537	4,03,169	-	5,36,149	-	-
Over One months to 2 months	-	-	-	-	-	-
Over 2 months upto 3 months	5,60,901	5,000	-	5,46,566	-	-
Over 3 months to 6 months	-	-	-	-	-	-
Over 6 months to 1 year	6,19,102	96,000	-	6,67,356	802	-
Over 1 year to 3 years	-	-	-	-	-	-
Over 3 years to 5 years	6,13,199	1,00,000	-	9,22,588	25,608	-
Over 5 years	1,73,500	-	-	5,64,730	-	-
Total	**21,24,240**	**6,04,169**	**-**	**32,37,390**	**26,409**	**-**

43. Disclosure of details as required by Revised Para 18 of the Non Banking Financial Company - Systemically Important Non-Deposit taking Company and Deposit taking Company (Reserve Bank) Directions, 2016, earlier Para 13 of Non Banking Financial Companies Prudential Norms (Reserve Bank) Directions, 2007. -

44. Loans and advances - Financing Activity (Secured) include Rs.433 lakh (Year ended March, 31, 2018 : Rs. 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 Rs. Nil (Year ended March, 31, 2018 : Rs. 1,326 lakh) being the value of immovable property, necessary provision for which is made. Investments include Rs. 1,379 lakh (Year ended March, 31, 2018 : Rs. 1,354 lakh) being the value of the unqouted equity shares acquired in satisfaction of the respective loans under the Settlement Agreement.

45. The company has earned commission from non-life insurance companies amounting to Rs. 857 lakh (Year ended March, 31, 2018 : Rs. 541 lakh) and from life insurance companies amounting to Rs. 69 lakh (Year ended March, 31, 2018 : Rs. 52 lakh)

46. The value of a unhedged foreign currency transaction for purchase of Operating Lease asset as on March 31, 2019 is Rs.12 lakh (Year ended March, 31, 2018 : Rs 37 lakh)

47. During the previous year ended March 31, 2018, the Company had re-assessed the useful life of its leased assets and has changed the life of the assets given on operating lease. As a result of the change in the useful life of the asset, depreciation for year ended March 31, 2018 was higher by Rs. 8,145 lakh.

48. The company has reported frauds aggregating Rs. 1,574 lakh (Year ended March, 31, 2018 : Rs. 340 lakh) based on management reporting to risk committee and to the RBI through prescribed returns.

49 Disclosure of Restructured Accounts As on 31-Mar-19

Amt in Lakhs

Sl No	Type of Restructuring / Asset Classification / Details		Under CDR Mechanism					Under SME Debt Restructuring Mechanism					Others					Total				
			Standard	Sub-standard	Doubtful	Loss	Total	Standard	Sub-standard	Doubtful	Loss	Total	Standard	Sub-standard	Doubtful	Loss	Total	Standard	Sub-standard	Doubtful	Loss	Total
1	Restructured accounts as on 1st April, 2018 (Opening figures)*	No. of borrowers	-	-	3	-	3	-	-	-	-	-	24	94	20	-	138	24	94	23	-	141
		Amt. outstanding	0	(0)	2,150	-	2,150	-	-	-	-	-	2,819	2,173	10,861	-	15,854	2,819	2,173	13,011	-	18,004
		Provision thereon	-	0	1,708	-	1,708	-	-	-	-	-	455	1,637	9,816	-	11,908	455	1,637	11,524	-	13,616
2	Fresh restructuring during the year	No. of borrowers	-	-	-	-	-	-	-	-	-	-	-	12	2	-	14	-	12	2	-	14
		Amt. outstanding	-	-	23	-	23	-	-	-	-	-	0	205	55	-	260	0	205	77	-	283
		Provision thereon	-	-	57	-	57	-	-	-	-	-	55	152	42	-	249	55	152	99	-	306
3	Upgradations of restructured accounts to Standard category	No. of borrowers	-	-	-	-	-	-	-	-	-	-	16	(15)	(1)	-	-	16	(15)	(1)	-	-
		Amt. outstanding	-	-	-	-	-	-	-	-	-	-	338	(379)	(2)	-	(43)	338	(379)	(2)	-	(43)
		Provision thereon	-	-	-	-	-	-	-	-	-	-	23	(293)	(2)	-	(273)	23	(293)	(2)	-	(273)
4	Restructured advances which ceases to attract higher provisioning and/ or additional risk weight at the end of the FY and hence need not be shown as restructured standard advances at the beginning of the next FY	No. of borrowers	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
		Amt. outstanding	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
		Provision thereon	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
5	Downgradations of restructured accounts during the FY	No. of borrowers	-	-	-	-	-	-	-	-	-	-	(2)	(49)	51	-	-	(2)	(49)	51	-	-
		Amt. outstanding	-	-	-	-	-	-	-	-	-	-	(17)	(1,136)	1,251	-	98	(17)	(1,136)	1,251	-	98
		Provision thereon	-	-	-	-	-	-	-	-	-	-	(1)	(858)	865	-	6	(1)	(858)	865	-	6
6	Write-offs of restructured accounts during the FY	No. of borrowers	-	-	(1)	-	(1)	-	-	-	-	-	(8)	(20)	(9)	-	(37)	(8)	(20)	(10)	-	(38)
		Amt. outstanding	-	-	(1,613)	-	(1,613)	-	-	-	-	-	(789)	(243)	(10,336)	-	(11,369)	(789)	(243)	(11,949)	-	(12,982)
		Provision thereon	-	(0)	(1,334)	-	(1,334)	-	-	-	-	-	(299)	(276)	(9,316)	-	(9,890)	(299)	(276)	(10,650)	-	(11,224)
7	Restructured accounts as on 31st Mar, 2019 (Closing figures)*	No. of borrowers	**-**	**-**	**2**	**-**	**2**	**-**	**-**	**-**	**-**		**30**	**22**	**63**	**-**	**115**	**30**	**22**	**65**	**-**	**117**
		Amt. outstanding	**0**	**(0)**	**560**	**-**	**560**	**-**	**-**	**-**	**-**		**2,351**	**621**	**1,828**	**-**	**4,800**	**2,351**	**621**	**2,388**	**-**	**5,360**
		Provision thereon	**-**	**(0)**	**431**	**-**	**431**	**-**	**-**	**-**	**-**		**232**	**363**	**1,405**	**-**	**2,000**	**232**	**363**	**1,836**	**-**	**2,431**

* Excluding the figures of Standard Restructured Advances which do not attaract higher provisioning or risk weight (if applicable)

NOTES

1. Fresh restucturing during the year includes Rs 31.74 Lakh of fresh /additional Sanction (8 account),provision of Rs.112.32 Lakhs to the existing restructured accounts.
2. Write offs includes Rs (788.93) Lakh 25 accounts , Provision of Rs. (383.42 Lakh) towards reduction from existing restructured accounts by way of sale/recovery

This also includes provision made on opening standard restructured assets

50. **As per RBI Master Direction DNBR. PD. 008/03.10.119/2016-17 dated September 1, 2016, additional disclosures are required in the Annual Financial Statements as follows:**

(i) **The Company has following Registrations effective as on March 31, 2019:**

Issuing Authority	Registration No., if any	Date of registration	Valid upto	Registered as
Reserve Bank of India	13.02005	04-Nov-11	-	NBFC-ND-SI
Reserve Bank of India	-	15-Jan-19	14-Jan-21	Marketing and distribution of Co-branded Credit Card
Association of Mutual Fund of India	ARN No. 84894	12-Mar-15	11-Mar-21	Distributor of MF products (ARN)
Securities and Exchange Board of India	INA000002215	17-Sep-14	16-Sep-19	Investment Advisor
Insurance Regulatory and Development Authority of India	CA 0076	01-Apr-16	31-Mar-19 (renewed w.e.f. April 1, 2019 to March 31, 2022)	Corporate Agent

(ii) **Ratings assigned by credit rating agencies and migration of ratings during the year**

(i) Rating Assigned to	Short Term Debt, Long Term Debt, Perpetual Debt, Tier II Debt
(ii) Date of Rating	ICRA- January 21 2019, CARE- January 31, 2019, CRISIL- February 8, 2019, India Rating August 22, 2018
(iii) Rating Valid up to	Till the Date of reaffiramation
(iv) Name of the Rating Agency	ICRA Limited (ICRA), CRISIL Limited (CRISIL), Credit Analysis and Research Limited (CARE), India Ratings & Research Private Limited (IND)
(v) Rating of products	
(a) Commercial Paper	ICRA A1+ , CRISIL A1+ (no change in the rating)
(b) Debentures	**Secured/Unsecured Non Convertible Debentures** Current year **:** ICRA AAA (Stable), CRISIL AAA (Stable) and CARE AAA (Stable) *Previous year : ICRA AA+, CRISIL AA+ and CARE AA+* **Secured Non Convertible Debentures - MLD** **Current year :** CRISIL PP-MLD AAAr (Stable) *Previous year : Not applicable* **Tier II Debentures** Current year **:**ICRA AAA (Stable), CRISIL AAA (Stable) and CARE AAA (Stable) *Previous year :ICRA AA+, CRISIL AA+ and CARE AA+* **Perpetual Debentures** Current year **:** CRISIL AA+(Stable), CARE AA+(Stable) and ICRA AA+(Stable) *Previous year : ICRA AA, CRISIL AA and CARE AA*
(c) Others	**Short Term Bank Loans** ICRA A1+ (no change in the rating) **Long Term Bank Loans** Current year : ICRA AAA (Stable) , CARE AAA (Stable) and India Ratings IND AAA(Stable) *Previous year : ICRA AA+ and CARE AA+*

(iii) RBI has not levied any penalties on the Company during the year.

(iv) **Off Balance Sheet Exposure as on March 31, 2019 is as follows :-**

(a) Undrawn Commitment given to Borrowers

As on March 31, 2019 Rs. 377,351 lakh (Year ended March, 31, 2018 : Rs. 487,453 lakh)

Less than 1 Year: Rs. 289,205 lakh (Year ended March, 31, 2018 : Rs. Rs. 262,691 lakh)

More than 1 Year: Rs. 88,146 lakh (Year ended March, 31, 2018 : Rs. 224,762 lakh)

(b) Other Guarantees Rs. 7,909 lakh (Year ended March, 31, 2018 : Rs. 781 lakh)

(c) Leases entered but not executed Rs. 88,210 lakh (Year ended March, 31, 2018 : Rs. 89,148 lakh)

(d) Unamortised Forward Contract exposure Rs. Nil (Year ended March, 31, 2018 : Rs. 98 lakh)

(e) Others (Tax Matters) Rs. 2,766 lakh (Year ended March, 31, 2018 : Rs.1,987 lakh)

(v) **Provisions and Contingencies**

(Rs in lakh)

Break up of 'Provisions and Contingencies' shown under the head Expenditure in the Statement of Profit and Loss (refer Note 1)	**FY 18-19**	**FY 17-18**
Provision for depreciation on Investments (net of fair value changes)	(7,727)	1,756
Provision towards NPA (refer Note 2)	36,591	12,100
Provision against assets held for sale	1,446	1,405
Provision towards Restructured Standard Assets	(325)	(1,448)
Provision against other doubtful advances	(36)	260
Provision made towards Income tax	21,651	28,249
Other Provision and Contingencies (with details):		
- Provision for Employee Benefits	338	275
- Provision for Standard Assets	8,923	7,393
Total	**60,861**	**49,990**

Note :

1. The Company has assessed its obligations arising in the normal course of business, including pending litigations, proceedings pending with tax authorities and other contracts including derivative and long term contracts. In accordance with the provisions of Accounting Standard - 29 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 seperately as contingent liabilities in the notes to the accounts forming part of the financial statements (refer Note no 28(i)). The Company does not expect the outcome of these proceedings to have a materially adverse effect on its financial results.

2. The Company has not availed relief in the classification and provision for non-performing assets against the exposure to micro, small and medium borrowers registered under Goods and Service Tax as provided by RBI through its circular no. RBI/2017-18/129 DBR.No.BP.BC.100/21.04.048/2017-18 dated February 7, 2018.

(vi) **Concentration of Advances & Exposures stood as follows:**

Advances# **(Rs in lakh)**

Particulars	**FY 18-19**	**FY 17-18**
Total Advances to twenty largest borrowers	4,60,162	2,97,779
Percentage of Advances to twenty largest borrowers to Total Advances of the NBFC	10.31%	8.05%

Includes Loans, Advances & Credit Substitutes (Advance includes interest accrued but not due)

Exposure * **(Rs in lakh)**

Particulars	**FY 18-19**	**FY 17-18**
Total Exposure to twenty largest borrowers	4,81,662	3,09,904
Percentage of Exposure to twenty largest borrowers to Total Exposure of the NBFC **	9.70%	7.18%

* Includes Loans, Advances, Credit Substitutes & Investment in Equity Shares, Preference Shares, Security Receipts & Mutual Funds (including sanctioned part disbursed)

** Total Exposure includes off balance sheet exposure and interst accrued but not due (refer schedule 50(iv)(a,b and c)

(vii) The Company does not have any Joint Ventures and Subsidiaries abroad. The Company has not sponsored any SPVs. Accordingly there is no disclosure applicable

(viii) **The status of the Customer Complaints during the year is as follows :**

Sr No	**Particulars**	**FY 18-19**	**FY 17-18**
(a)	No. of complaints pending at the beginning of the year	9	51
(b)	No. of complaints received during the year	6,336	6,458
(c)	No. of complaints redressed during the year	6,191	6,500
(d)	No. of complaints pending at the end of the year*	154	9

(ix) **Details of Assignment transactions undertaken by NBFCs:**

(Rs in lakh)

S No.	Particulars	FY 18-19	FY 17-18
1	No. of accounts*	Nil	559
2	Aggregate value (net of provisions) of accounts sold	Nil	37,299
3	Aggregate consideration	Nil	37,299
4	Additional consideration realized in respect of accounts transferred in earlier years	Nil	Nil
5	Aggregate gain / loss over net book value	Nil	Nil

* Total value of the Loans sold under direct assignment route is Rs. Nil (Year ended March, 31, 2018 : Rs. 41,443 lakh). Company has retained 10% interest in the Loans sold

(x) (a) Non Performing Assets purchased during the year - Nil (Previous Year : Nil).

(b) Details of Non Performing Assets sold :

S No.	Particulars	FY 18-19	FY 17-18
1	No. of accounts sold (Count)	21	2
2	Aggregate outstanding [net of provision] (Rs in lakh)*	741	438
a)	Aggregate outstanding (Rs in lakh)	1,964	977
b)	Provision held on date of sale	1,223	566
3	Aggregate consideration received (Rs in lakh)*	574	492

(xi) No Parent Company Products are financed during the year (Year ended March, 31, 2018 : Nil).

(xii) The Exposure to a single borrower and group of borrower does not exceed the limit stipulated by the RBI Concentration norms applicable to NBFCs.

(xiii) The Exposure to Unsecured Advances is Rs. 1,922,705 lakh (Year ended March, 31, 2018 : Rs. 1,509,525 lakh) constituting 43.09% of the Total Loans and Advances (Year ended March, 31, 2018 : 40.81%). The Exposure to Secured Loans includes Rs. Nil (Year ended March, 31, 2018 : Rs. Nil) towards a Loan given against Copy Rights for motion films in the nature of intangible asset.

(xiv) Concentration of NPAs

Particulars	March 31, 2019 (Rs in lakh)	March 31, 2018 (Rs in lakh)
Total Exposure to top four NPA accounts	10,986	22,538

(xv) Sector-wise NPAs

Sl. No.	Sector	Percentage of NPAs to Total Advances in that sector	
		March 31, 2019	March 31, 2018
1	Agriculture & allied activities	15.56%	7.55%
2	MSME (refer Note 1)	1.79%	1.74%
3	Corporate borrowers (refer Note 2)	1.93%	3.81%
4	Services (refer Note 3)	0.84%	5.85%
5	Unsecured personal loans	2.85%	2.54%
6	Auto loans	3.86%	4.72%
7	Other personal loans (refer Note 4)	2.23%	2.09%

Note:
1. includes borrowers classifed as per the Master Direction FIDD.MSME & NFS.3/06.02.31/2016-17 dated July 21, 2016.
2. includes borrowers classified as Industry excluding the MSME.
3. includes borrowers classified as Services excluding the MSME.
4. Other Personal Loans include : Loan against Property, Loan against Shares and Consumer Durables.

(xvi) Since the Company does not have significant uncertainties pending resolutions as at March 31, 2019, revenue recognition has not been postponed.

(xvii) Drawdown of reserves made during current year of Rs. 93 lakh on account of Share issue expenses (Year ended March, 31, 2018 : Nil)

(xviii) The disclosure of the Concentration of Deposits taken is not applicable since the Company is not in the business of accepting deposits being a Systemically Important Non Deposit Accepting NBFC.

(xix) **Derivative Instruments Exposures:**

Derivative position are open as at March 31, 2019 (Year ended March, 31, 2018 : Nil) in the form of Forward exchange contract is disclosed below. These transaction was undertaken to act as economic hedges for the Company's exposures to various risks in foreign exchange markets and may / may not qualify or be designated as hedging instruments. The accounting for these transactions is stated in note 2 (xvi).

The Company did not enter into any derivative instrument which is intended for trading or speculation other than forward exchange contracts entered for purchase of Operating lease assets as mentioned below.

Outstanding forward exchange contract entered into by the Company: -

Particulars	**Buy / Sell**	**For the Year ended March 31, 2019**		**For the Year ended March 31, 2018**	
		Euros (Actual)	**Rs. In lakh**	**Euros (Actual)**	**Rs. In lakh**
Forward Contracts (Payment for Capital Expenditure) i.e Notional principal of Swap Agreements (Spot rate on date of transaction * Fixed Asset cost in Euros)	Buy	Nil	Nil	48,12,680	3,703
Losses which would be incurred if counterparties failed to fulfill their obligations under the agreements (Closing rate - Spot Rate) * Fixed Asset cost in Euros	Buy	NA	NA	NA	49
Collateral required by the NBFC upon entering into swaps	Buy	NA	NA	NA	NA
Concentration of credit risk arising from the swaps $	Buy	NA	NA	NA	NA
The fair value of the swap book @	Buy	NA	NA	NA	NA

In terms of our report attached

For and on behalf of the Board of Directors

For **B S R & Co. LLP**
Chartered Accountants
Firms Registration No – 101248W/W-100022

Rajiv Sabharwal
(Director)
(DIN No. : 00057333)

F.N. Subedar
(Director)
(DIN No. : 00028428)

Manoj Kumar Vijai
Partner
Membership No: 046882

Mukund S. Dharmadhikari
(Director)
(DIN No. : 05003224)

Anuradha E. Thakur
(Director)
(DIN No. : 06702919)

Varsha Purandare
(Director)
(DIN No. : 05288076)

Kusal Roy
(Managing Director)
(DIN No. : 02268654)

Puneet Sharma
(Chief Financial Officer)

Avan Doomasia
(Company Secretary)

Mumbai
Date : April 30, 2019

(xx) **NPA Movement during the year**

				(Rs in lakh)
Particulars			**FY 18-19**	**FY 17-18**
(i)	**Net NPAs to Net Advances (%)**		0.39%	0.44%
(ii)	**Movement of NPAs (Gross)**			
	(a)	Opening balance	1,22,431	1,59,147
	(b)	Additions during the year	66,433	57,650
	(c)	Reductions during the year	(79,526)	(94,366)
	(d)	Closing balance	1,09,338	1,22,431
(iii)	**Movement of provisions for NPAs (excluding provision on standard assets)**			
	(a)	Opening balance	1,06,679	1,38,720
	(b)	Additions during the year	57,418	49,797
	(c)	Write-off / write-back of excess provisions	(71,796)	(81,838)
	(d)	Closing balance	92,301	1,06,679
(iv)	**Movement of Net NPAs**			
	(a)	Opening balance	15,752	20,427
	(b)	Additions during the year	9,015	7,853
	(c)	Reductions during the year	(7,730)	(12,528)
	(d)	Closing balance	17,037	15,752

Note:

The movement of Gross NPA, Provisions for NPA and Net NPA presented above excludes NPA identified and regularized in the same financial year.

(xxi) **Exposure to Capital Market :-**

			(Rs in lakh)
Particulars		**FY 18-19**	**FY 17-18**
(i)	Direct investment in equity shares, convertible bonds, convertible debentures and units of equity-oriented mutual funds the corpus of which is not exclusively invested in corporate debt; (Refer note (c) below)	39,935	31,900
(ii)	Advances against shares / bonds / debentures or other securities or on clean basis to individuals for investment in shares (including IPOs / ESOPs), convertible bonds, convertible debentures, and units of equity-oriented mutual funds; (Refer notes (a) and (b) below)	3,04,936	2,30,263
(iii)	Advances for any other purposes where shares or convertible bonds or convertible debentures or units of equity oriented mutual funds are taken as primary security;	-	4,417
(iv)	Advances for any other purposes to the extent secured by the collateral security of shares or convertible bonds or convertible debentures or units of equity oriented mutual funds i.e. where the primary security other than shares / convertible bonds / convertible debentures / units of equity oriented mutual funds 'does not fully cover the advances;	-	-
(v)	Secured and unsecured advances to stockbrokers and guarantees issued on behalf of stockbrokers and market makers;	-	-
(vi)	Loans sanctioned to corporates against the security of shares / bonds / debentures or other securities or on clean basis for meeting promoter's contribution to the equity of new companies in anticipation of raising resources;	-	-
(vii)	Bridge loans to companies against expected equity flows / issues;	-	-
(viii)	All exposures to Venture Capital Funds (both registered and unregistered)	-	-
Total Exposure to Capital Market		**3,44,872**	**2,66,580**

Note:

Exposure to Capital Market includes:

a) Rs.Nil lakh (Previous year: Rs. 7,963 lakh) (of which loan sanctioned part disbursed is Rs. Nil lakh (Year ended March, 31, 2018 : Rs. 3,200 lakh)) on account of Loan give to a customer in the business of Commercial Real estate.

b) Limits given to Borrowers but part un-utilised of Rs. 44,252 lakh (Year ended March, 31, 2018 : Rs. 20,181 lakh) .

c) Investment in equity shares of Rs. 3,350 lakh in a Commercial Real Estate customer i.e. Shriram properties private limited (Year ended March, 31, 2018 : Rs. 3,350 lakh), net of the provision for diminution of Rs. 585 lakh

(xxii) **Investments**

				FY 18-19	FY 17-18
					(Rs. in lakh)
Particulars				**FY 18-19**	**FY 17-18**
(1)	**Value of Investments**				
	(i)	Gross Value of Investments		38,879	38,035
		(a)	In India	38,879	38,035
		(b)	Outside India	-	-
	(ii)	Provision for Depreciation		847	8,563
		(a)	In India	847	8,563
		(b)	Outside India	-	-
	(iii)	Net value of investments		38,032	29,472
		(a)	In India	38,032	29,472
		(b)	Outside India	-	-
(2)	**Movement of Provisions held towards depreciation on investments**				
	(i)	Opening Balance		8,563	6,897
	(ii)	Add: Provision/fair value loss during the year		2,463	2,258
	(iii)	Less: Write-off / write-back of excess provisions or fair value gain during the year#		10,178	592
	(iv)	Closing balance		847	8,563

Note: The above details does not include investment in the form of Credit Substitutes.

(xxiii) **Exposure to Real Estate Sector**

					(Rs. in lakh)
Category				**FY 18-19**	**FY 17-18**
(a)	Direct Exposure				
	(i)	**Residential Mortgages -**			
		Lending fully secured by mortgages on residential property that is or will be occupied by the borrower or that is rented		3,90,294	3,40,234
	(ii)	**Commercial Real Estate -**			
		Lending secured by mortgages on commercial real estates (office buildings, retail space, multi-purpose commercial premises, multi-family residential buildings, multi-tenanted commercial premises, industrial or warehouse space, hotels, land acquisition, development and construction, etc.). Exposure would also include non-fund based limits		4,09,985	3,13,038
	(iii)	**Investments in Mortgage Backed Securities (MBS) and other securitised exposures -**			
		a.	Residential	-	-
		b.	Commercial Real Estate	-	-
Total Exposure to Real Estate Sector				**8,00,279**	**6,53,272**

Note:
Exposure to Real Estate Sector includes:
a) Limits given to Borrowers but part un-utilised of Rs. 15,687 lakh (Previous year : Rs. 16,651 lakh).

50.

(xxiv) 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 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.

For B S R & Co. LLP *Chartered Accountants* Firms Registration No – 101248W/W-100022	**Rajiv Sabharwal** *(Director)* (DIN No. : 00057333)	**F.N. Subedar** *(Director)* (DIN No. : 00028428)	
Manoj Kumar Vijai *Partner* Membership No: 046882	**Mukund S. Dharmadhikari** *(Director)* (DIN No. : 05003224)	**Anuradha E. Thakur** *(Director)* (DIN No. : 06702919)	**Varsha Purandare** *(Director)* (DIN No. : 05288076)
Mumbai Date : April 30, 2019	**Kusal Roy** *(Managing Director)* (DIN No. : 02268654)	**Puneet Sharma** *(Chief Financial Officer)*	**Avan Doomasia** *(Company Secretary)*