

TATA CAPITAL HOUSING FINANCE LIMITED
Annual Report 2014-15

DIRECTORS' REPORT

TO THE MEMBERS OF TATA CAPITAL HOUSING FINANCE LIMITED

The Directors have pleasure in presenting their Seventh Annual Report and the Audited Financial Statements for the Financial Year ("FY") ended March 31, 2015.

1. BACKGROUND

Tata Capital Housing Finance Limited ("Company" or "TCHFL"), is a wholly owned subsidiary of Tata Capital Limited ("TCL") and is registered with the National Housing Bank ("NHB") to carry on housing finance activities. The Company offers a range of Housing Loans and Loans against Property to various segments of society such as salaried individuals, self employed individuals, self employed professionals, corporates, etc. and has been focusing on business opportunities available within the Tata ecosystem.

Apart from Housing Loans and Loans against Property to the retail segment, TCHFL also provides project finance loans to developers. The Company intends to keep growing its business at a healthy rate with Rural and Affordable Housing Finance, as one of its focus areas.

2. INDUSTRY AND ECONOMIC SCENARIO

The Central and State elections were a mixed bag. India has a single party majority at the Centre after a long time, resulting in high policy intent, but, moderate action due to constraints. The Government's recent usage of the ordinance route to pass reforms in key issues such as land acquisition, coal auctions, mining and Foreign Direct Investment in insurance, reflects its conviction behind reforms and willingness to act outside of conventional avenues. The Government's flagship initiative 'Make in India' aims to promote manufacturing, which currently constitutes approximately 18% of the GDP versus a targeted 25%. India's unique combination of democracy, demography and demand would also help make it a suitable manufacturing destination.

India's growth story got a boost with the rebasing of GDP data. Based on the new series, the real GDP growth stands at 7.4% in FY 2015 and 6.9% in FY 2014 i.e. approximately 180 bps higher than earlier estimates. While the data shows that growth recovery has been swift and substantial, several on-ground indicators like growth in industrial output, credit and net tax revenues, suggest that activity is still sub-par. Even within the revised GDP data, fixed capital formation has been weak at 4% YOY, in FY 2015.

The housing finance market in India is growing fast over last 25 years and is served by multiple institutions that cater to people in diverse geographies and across income spreads. Mortgage lending has significantly contributed to the growth in housing construction and housing consumption activities.

The home loan industry is expected to grow at a compounded annual growth rate of 16.2% from FY 2012-13 to FY 2015-16 on a large base of ₹ 6.3 trillion. Mortgage penetration in India, despite a rising trend, is still quite low not only relative to advanced economies but even relative to its peers like Malaysia, Korea, Thailand and China. Mortgage to GDP ratio in India is currently only 9%. This implies a huge growth opportunity for the sector as also for the Company. As per estimates, the total outstanding mortgages in India will increase 8 fold with Mortgage to GDP ratio increasing to 20%, by FY 2020.

Most of the growth in the Housing Finance sector took place in upper and middle income groups. Low income groups still have little access to Housing Finance. The Government is working to achieve housing for all by 2022. Government focus on affordable housing and increasing penetration in Tier II and III towns by Housing Finance Company ("HFC") likely to fuel next leg of growth. New drivers of growth are low ticket housing and self employed segment. The medium and long-term demand for residential housing is likely to remain strong led by buoyant economic growth, resulting in better job prospects, job security and enhanced affordability of houses and increased finance penetration. Any increase in population directly impacts demand for housing units and, through this, floor space area requirements. As per CRISIL Research, urbanization will accelerate, translating into a Compounded Annual Growth Rate of 2.0-2.5% in urban population between 2010 and 2015, as compared to the overall population growth of 1.3 per cent during the same period. This difference in growth rates implies that the gap between urban and rural population will narrow. Finance penetration is expected to increase to 43% in urban areas and 8.8% in rural areas by FY 2015-16.

HFC have advantage of domain expertise, regulatory advantages (No CRR or SLR), NHB refinancing support and low cost income ratio model.

The year ahead will be challenging on the interest rate front. Against the above backdrop, the Company will continue to follow its strategy of maintaining a balanced housing loan book between the salaried and self-employed segment and grow its disbursements significantly to become one of the major players among the HFCs over the next few years.

3. FINANCIAL RESULTS

The performance of the Company for the FY 2014-15 and FY 2013-14 is, summarized below:

(₹ in crore)

Particulars	FY 2014-15	FY 2013-14
Total Income	910	643
Total Expenditure	807	559
Profit Before Tax	103	83
Provision for Tax (net of deferred tax)	35	25
Profit After Tax	68	58
Balance brought forward from the previous year	53	25
Adjustment of Deferred Tax Liability on Special Reserve u/s 36(1)(viii) of the Income Act, 1961	6	–
Amount available for appropriation	115	83
Appropriations		
Interim Dividend on Compulsorily Convertible Cumulative Preference Shares	26	–
Dividend Distribution Tax on interim dividend	5	–
Proposed dividend on Compulsorily Convertible Cumulative Preference Shares	3	15
Dividend Distribution Tax	1	3
Transfer to Special Reserve	14	12
Balance carried to Balance Sheet	66	53

During the year under review, the Company disbursed Mortgage Loans amounting to ₹ 4,563 crore (FY 2013-14: ₹ 3,159 crore), representing an increase of over 44%. This included Housing Loans of ₹ 3,255 crore in FY 2014-15 (FY 2013-14: ₹ 2,269 crore). The Company's loan portfolio stood at ₹ 9,088 crore as on March 31, 2015 (₹ 6,366 crore as on March 31, 2014), representing an increase of 43%. The Cost to Income ratio increased to 50.4% in FY 2014-15 as compared to 47% in FY 2013-14. Gross NPA and Net NPA was 0.61% and 0.41%, respectively, as on March 31, 2015 (0.39% and 0.29%, respectively, as on March 31, 2014).

The Company's Gross Income increased to ₹ 910 crore in FY 2014-15 from ₹ 643 crore in FY 2013-14, representing an increase of 42%. Interest expenses increased by 42% to ₹ 648 crore in FY 2014-15 from ₹ 456 crore, in FY 2013-14.

Total Income (Net Interest Margin plus other revenue) of the Company increased by 40%, from ₹ 185 crore in FY 2013-14 to ₹ 259 crore in FY 2014-15. Net Interest Margin as a percentage of average assets stood at 2.9% for FY 2014-15. Total Income included Investment and Fee Income of ₹ 4 crore and ₹ 5 crore, respectively, for FY 2014-15.

Operating Cost increased by 50% to ₹ 105 crore, in FY 2014-15, from ₹ 70 crore in FY 2013-14. Manpower expenses for FY 2014-15 were ₹ 49 crore as against ₹ 31 crore in FY 2013-14, an increase of 58%.

Cumulative provisioning on the asset book as on March 31, 2015 was ₹ 62 crore, of which, standard asset provisioning amounted to ₹ 44 crore. The provision for taxation during the year was ₹ 35 crore.

The Net Profit after Tax for the year increased by 17%, from ₹ 58 crore in FY 2013-14 to ₹ 68 crore in FY 2014-15.

An amount of ₹ 14 crore is proposed to be transferred to the Special Reserve Fund for FY 2014-15, pursuant to Section 29C of the National Housing Bank Act, 1987.

4. SHARE CAPITAL

During FY 2014-15, the Company increased its Authorised Share Capital from ₹ 1,250 crore divided into 75,00,00,000 Equity Shares of ₹ 10 each aggregating ₹ 750 crore and 50,00,00,000 Compulsorily Convertible Cumulative Preference Shares ("CCCPS") of ₹ 10 each aggregating ₹ 500 crore to ₹ 2,500 crore, divided into 140,00,00,000 Equity Shares of ₹ 10 each aggregating ₹ 1,400 crore and 110,00,00,000 CCCPS of ₹ 10 each aggregating ₹ 1,100 crore.

The Paid-up Share Capital of the Company as on March 31, 2015 was ₹ 667,33,33,320 consisting of 25,33,33,332 Equity Shares of ₹ 10 each and 41,40,00,000 CCCPS of ₹ 10 each.

During the year under review, the Company had issued and allotted to TCL, 16,00,00,000 CCCPS of ₹ 10 each, at par, aggregating ₹ 160 crore on a 'Right basis', details of which are, as under:

Sr. No.	Date of Allotment	No. of CCCPS
1.	May 28, 2014	3,00,00,000
2.	June 27, 2014	2,00,00,000
3.	August 28, 2014	1,50,00,000
4.	September 29, 2014	1,00,00,000
5.	November 28, 2014	3,50,00,000
6.	January 30, 2015	3,00,00,000
7.	March 31, 2015	2,00,00,000
TOTAL		16,00,00,000

5. DIVIDEND

During FY 2014-15, the Company had issued and allotted 1600,00,000 Compulsorily Convertible Cumulative Preference Shares ("CCCPS") of ₹ 10 each, at par, aggregating ₹ 160 crore more particularly mentioned in point no. 4 above and these CCCPS are entitled to a fixed cumulative dividend of 9% p.a.

At the Meeting of the Board of Directors of the Company held on March 30, 2015, the Directors declared an interim dividend on the CCCPS, aggregating ₹ 31,52,46,261 (including dividend distribution tax of ₹ 5,25,30,097), which was paid on a pro-rata basis on 39,40,00,000 CCCPS of ₹ 10 each, issued at par, aggregating ₹ 394 crore, issued and allotted upto February 28, 2015.

The Directors have, at their Meeting held on April 21, 2015, recommended for the approval of the Members, payment of the final dividend of 9% on 41,40,00,000 CCCPS, for the balance period of FY 2014-15. The said dividend, if approved by the Members, would involve a cash outflow of ₹ 3,63,07,107 (including dividend distribution tax of ₹ 61,41,079).

With a view to conserve the resources of the Company and for building up its reserves and after considering the business plans of the Company for FY 2015-16, the Board of Directors do not recommend payment of dividend on Equity Shares for the year ended March 31, 2015.

6. FINANCE

During FY 2014-15, the Company met its funding requirements through a combination of short term debt (comprising Commercial Paper and Bank Loans) and long term debt (comprising Non Convertible Debentures ("NCD"), Subordinated Debt and Bank Loans). During the year under review, the Company issued, on a private placement basis, Secured Redeemable NCDs of an aggregate Face Value of ₹ 1,859.30 crore and Unsecured Redeemable Non-Convertible Subordinated Debentures as Tier II Capital of an aggregate Face Value of ₹ 48.00 crore and received funding of ₹ 750.90 crore from NHB. The aggregate debt outstanding as at March 31, 2015 was ₹ 8,097.57 crore (of which ₹ 1,457.13 crore was payable within one year). The Debt Equity ratio of the Company as at March 31, 2015 was 10.4 times. The Company has been regular in repayment of its borrowings and payment of interest on borrowings.

7. CREDIT RATING

During the year under review, the Company received the following ratings:

RATING	NATURE OF SECURITIES
CRISIL A1+ stable	Short Term Debt (including Commercial Paper)
CRISIL AA+ stable	Secured NCDs, Subordinated Debt and Long Term Bank facilities
ICRA AA+ stable	Subordinated Debt

8. RISK MANAGEMENT

Risk Management is an integral part of the Company's business strategy. The Risk Management oversight structure includes Committees of the Board and senior management committees. The Board sets and approves the strategic plans and objectives for risk management and risk philosophy. The Board of Directors have adopted a Risk Management Policy.

The Risk Management Committee of the Board assists the Board in its oversight of various risks including credit risk, operational risk, market risk, liquidity risk, etc. The Committee approves and reviews compliance with risk policies, monitors risk tolerance limits, reviews and analyse risk exposure related to specific issues and provides oversight of risk across the organization. The Committee nurtures a healthy and independent risk management function to inculcate strong risk management culture in the Company. The risk management process is governed by an enterprise wide risk management framework. Risk measurement and monitoring is an ongoing process and along with sensitivity analysis, it assesses the impact of event based risks as a proactive risk management measure supported by a robust risk reporting framework.

Credit risk policies, *inter alia*, define prudential limits, portfolio criteria, exceptional approval metrics and cover risk assessment for new product offerings.

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

The Board of Directors have approved the Policy for Operational Risk Management and Process for Fraud Risk Management. Operational risks are monitored using Key Risk Indicators ("KRIs") on an on going basis. Causal analysis is carried out and corrective actions are implemented. Operational risks are monitored using KRIs on an on going basis. Causal analysis is carried out and corrective actions are implemented.

9. INTERNAL CONTROL SYSTEMS

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

10. INTERNAL FINANCIAL CONTROLS

During the course of FY 2014-15, the Management appointed an external consultant and formed a Cross Functional Team ("CFT") comprising Operating Managers, Internal Audit, Risk and Statutory Auditors to document and evaluate the effectiveness of the internal financial controls of the Company, broadly in accordance with the criteria established under the Internal Control — Integrated Framework (2013) issued by the Committee of Sponsoring Organizations of the Treadway Commission. The documentation of process maps, key controls and risk registers has been completed for key businesses and functions under the supervision of the CFT. Management testing was conducted on a sample basis and remedial action has been taken or agreed upon where control weaknesses were identified. The Management will put in place a more detailed testing plan for FY 2015-16. Based on the aforementioned, the Management believes adequate internal financial controls exist in relation to its Financial Statements.

14. INFORMATION TECHNOLOGY SUPPORT

Information Technology ("IT") at Tata Capital is on the verge of moving to the next level with a slew of key strategic projects that have been initiated and has achieved stability in its core systems, close to total automation of all its business processes. Tata Capital has entered into the digital space with several new products and its customer portal is being constantly enhanced and currently offers the customers, a view of their entire relationship with Tata Capital. Customers can also apply for loans and complete the end to end process online and also download statements. The emphasis is on continual improvement and upgradation of systems and the underlying processes.

The assessment of IT capability maturity of Tata Capital has been completed with a high score. There is a constant endeavour to move up the IT maturity curve (including benchmarking against internationally accepted IT Capability Maturity Framework) and to deliver value to businesses and customers. Several IT projects for the coming year that would give the Company a clear advantage and would benefit the stakeholders have been identified. Tata Capital is also on a 'digitalisation' journey wherein it will deploy latest technology covering the internet and cloud, analytics, social media and mobility areas. A mobile application for housing loan customers is being developed and would be launched soon. The focus is on digital property viz. online store for home search and flexi home loans.

Tata Capital is also in the process of changing its IT outsourcing model to rationalize and optimize the overall IT costs and is now moving into the leadership stage in its technology journey. The projects on the IT road map and the digital strategy initiative will enable Tata Capital to take the leadership position with the support of its IT partners and the business units representing a collaborative framework.

15. HUMAN RESOURCES

The Company had 946 employees as at March 31, 2015, including 532 Customer Relationship Executives. The Company recognizes the value of its human capital and is continuously upgrading the skill levels of its workforce through regular internal and external training and management development programmes.

16. CORPORATE SOCIAL RESPONSIBILITY

As per the provisions of Section 135 of the Companies Act, 2013 ("Act"), the Company has constituted the Corporate Social Responsibility Committee comprising Ms. Anuradha E. Thakur, Independent Director, (Chairperson), Mr. Shailesh H. Rajadhyaksha, Non-Executive Director and Mr. R. Vaithianathan, Managing Director, as Members. During FY 2014-15, the Company spent ₹ 1.07 crore (being 2 percent of the average net profit of the Company in the three immediately preceding financial years calculated as per Section 198 of the Act) in projects covered under Schedule VII of the Act.

The CSR Policy outlining four thrust areas of development viz. Livelihood & Employability, Health, Education and Environment was adopted by the Board and the same has been put up on the Company's website. The Annual Report on CSR activities is annexed herewith as 'Annexure - A'.

17. COMPLIANCE

The Company has complied and continues to comply with all applicable provisions of the Act and the National Housing Bank ("NHB") Act, 1987, NHB Directions, 2010 and other applicable rules/regulations/guidelines, issued from time to time.

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

The Capital Adequacy Ratio ("CAR") of the Company was 13.65% as on March 31, 2015 against the CAR of 12%, prescribed by the NHB.

18. REGULATORY ACTION

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

19. DEPOSITS

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

20. DETAILS OF LOANS, GUARANTEES AND INVESTMENTS

The provisions of Section 186 of the Act pertaining to giving of loans, guarantees, providing of security in connection with a loan and acquisition of securities of any body corporate are not applicable to the Company since the Company is a Housing Finance Company.

21. DIRECTORS

The appointment of Mr. Janki Ballabh, Independent Director, was formalized by the Board of Directors at its Meeting held on May 5, 2014 and the Members appointed him as Independent Director at the Annual General Meeting ("AGM") of the Company held on June 30, 2014. Mr. Ballabh's term as Independent Director would be upto October 23, 2017 i.e. upon his attaining the age of 75 years as per the Guidelines on Composition of the Board of Directors and Committees of the Board and Retirement Age of Directors, circulated by Tata Sons Limited and adopted by the Board.

The Board of Directors appointed Ms. Anuradha E. Thakur as Independent Director of the Company, with effect from February 16, 2015. The Members of the Company approved her appointment as Independent Director, for a period of 5 years with effect from February 16, 2015, at the Extraordinary General Meeting of the Company held on March 30, 2015.

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

In accordance with the provisions of the Act and the Articles of Association of the Company, Mr. Govind Sankaranarayanan is liable to retire by rotation at the ensuing AGM and is eligible, for re-appointment.

The Members of the Company may wish to refer to the accompanying Notice of the AGM of the Company, for brief Resume of Mr. Sankaranarayanan.

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

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

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

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

The Nomination and Remuneration Committee ("NRC") of the Company comprises Mr. Janki Ballabh, Independent Director (Chairman), Ms. Anuradha E. Thakur, Independent Director and Mr. Praveen P. Kadle, Non-Executive Director, as Members. The NRC develops the competency requirements of the Board based on the industry and strategy of the Company, conducts a gap analysis and recommends the reconstitution of the Board as and when required. It also recommends to the Board, the appointment of Directors having good personal and professional reputation and conducts reference checks and due diligence of all Directors before recommending them to the Board. Besides the above, the NRC ensures that the new Directors are familiarized with the operations of the Company and endeavours to provide relevant training to the Directors.

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

24. KEY MANAGERIAL PERSONNEL

The appointments of Mr. R. Vaithianathan, Managing Director and Mr. S Balakrishna Kamath, Chief Financial Officer and Company Secretary, as Key Managerial Personnel of the Company were formalized by the Board of Directors on May 5, 2014.

25. DIRECTORS' RESPONSIBILITY STATEMENT

Based on the framework of internal financial controls and compliance systems established and maintained by the Company, work performed by the internal, statutory and secretarial auditors and the external consultants and the reviews performed by Management and the relevant Board Committees, including the Audit Committee, the Board is of the opinion that the Company's internal financial controls were adequate and effective during FY 2014-15.

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

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

26. CORPORATE GOVERNANCE

Company's Philosophy on Corporate Governance

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

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

a. Board of Directors

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

The Board of Directors of the Company has an optimum combination of Executive, Non-Executive and Independent Directors. The size of the Board is commensurate with the size and business of the Company. The names and categories of the Directors on the Board, their attendance at the Board Meetings held during FY 2014-15 and at the last AGM are, as under:

Name of Director	Category	Board Meetings		Whether present at previous AGM held on June 30, 2014
		Held	Attended	
Mr. Janki Ballabh	Independent Director	8	8	Yes
Ms. Anuradha E. Thakur*	Independent Director	8	1	No
Mr. Praveen P. Kadle	Non-Executive Director	8	8	Yes
Mr. Shailesh H. Rajadhyaksha	Non-Executive Director	8	8	Yes
Mr. Govind Sankaranarayanan	Non-Executive Director	8	8	Yes
Mr. R. Vaithianathan	Managing Director	8	8	Yes

*Appointed w.e.f. February 16, 2015

b. Remuneration to the Directors

The Company paid Sitting fees for attending Board Meetings and Meetings of Committees of the Board within the maximum prescribed limits. The details of the same are, as under:

Name of Director	Sitting Fees paid for attending Board and Committee Meetings during FY 2014-15 (₹)
Mr. Janki Ballabh	5,25,000
Ms. Anuradha E. Thakur	1,30,000
Mr. Shailesh H. Rajadhyaksha	4,75,000
Mr. Govind Sankaranarayanan	4,15,000

Mr. R. Vaithianathan has been appointed as the Managing Director of the Company for a period of 5 years with effect from June 1, 2012. Based on the recommendation of the Members of the NRC, the Directors approved a Performance Pay of ₹ 40,00,000/- for FY 2014-15, payable to Mr. Vaithianathan. With this, the total remuneration of Mr. Vaithianathan for FY 2014-15, is ₹ 1.63 crore.

No Commission is proposed to be paid to the Non-Executive Directors and the Independent Directors of the Company for FY 2014-15.

None of the Non-Executive Directors and the Independent Directors had any pecuniary relationships or transactions with the Company during the year under review.

c. Committees of the Board

The Audit Committee comprises Mr. Janki Ballabh Independent Director, (Chairman), Ms. Anuradha E. Thakur, Independent Director and Mr. Shailesh H Rajadhyaksha, Non-Executive Director, as Members.

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

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

During FY 2014-15, seven Audit Committee Meetings were held. The attendance of the Members of the Audit Committee at its Meetings held during FY 2014-15 is, given below:

Name of the Member	Category	Audit Committee Meetings	
		Held	Attended
Mr. Janki Ballabh	Independent Director	7	7
Ms. Anuradha E. Thakur*	Independent Director	7	2
Mr. Shailesh H. Rajadhyaksha	Non – Executive Director	7	7
Mr. Govind Sankaranarayanan#	Non – Executive Director	7	5

* Appointed as Member w.e.f. February 16, 2015

Ceased to be a Member w.e.f. February 16, 2015

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

Besides, the Members of the Audit Committee, meetings of the Audit Committee are attended by the Managing Director, Statutory Auditors, Head - Internal Audit, Head – Risk, Chief Financial Officer and Company Secretary. The Internal Audit function is headed by the Head – Internal Audit of the Company to ensure independence of operations.

The Chairman of the Audit Committee and the NRC had attended the last AGM of the Company.

The Board has also constituted Committees with specific terms of reference to focus on specific issues and ensure expedient resolution of diverse matters. These are Asset Liability Committee, Risk Management Committee, Corporate Social Responsibility Committee and Nomination and Remuneration Committee. The Company Secretary is the Secretary of all the aforementioned Committees.

d. Policy/Codes adopted by the Board

The Board has adopted the following important codes/policies for the Company, amongst others:

- a) TCOC for its employees including the Managing Director;
- b) Code of Conduct for Non Executive Directors;
- c) Fair Practices Code;
- d) Know Your Customer Policy;
- e) Anti Money Laundering Policy;
- f) Risk Management Policy;
- g) Policy for Operational Risk Management;
- h) Process for Fraud Risk Management;
- i) Corporate Social Responsibility Policy;
- j) Whistle - Blower Policy;
- k) Guidelines on Board Effectiveness;
- l) Resource Raising Policy;
- m) Customer Grievance Policy; and
- n) Vigil Mechanism.

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

27. VIGIL MECHANISM

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

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

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

The Company has zero tolerance towards sexual harassment at the workplace and has adopted a ‘Prevention of Sexual Harassment’ (“POSH”) policy that is in line with the provisions of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013, and the Rules framed thereunder for prevention and redressal of complaints of sexual harassment at workplace, along with a structured reporting and redressal mechanism. An Internal Complaints Committee, known as the POSH Committee, has been constituted to inquire into complaints of sexual harassment and recommend appropriate action. The POSH Policy is displayed on the Company’s Intranet and is also communicated to employees through e-mails and communication campaigns. Posters on the POSH Policy, giving contact details of POSH Committee Members are displayed in offices of the Company.

The Company has not received any complaint on sexual harassment during FY 2014-15.

29. STATUTORY AUDITORS

Deloitte Haskins & Sells LLP, Chartered Accountants, Mumbai ("DHS") (ICAI Firm Registration Number: 117366W/W-100018), who are the Statutory Auditors of the Company, hold office until the conclusion of the ensuing AGM and are eligible for re-appointment.

DHS were appointed as the First Statutory Auditors of the Company, at the Board Meeting held on October 17, 2008 upto the first AGM, on August 14, 2009 and have been re-appointed thereafter, at every AGM of the Company. The Company has received a letter from DHS to the effect that their appointment, if made, would be in accordance with the provisions of Section 139 of the Act and that, they are not disqualified for such appointment within the meaning of Section 141 of the Act. In accordance with the provisions of the Act, it is proposed to re-appoint DHS as the Statutory Auditors of the Company from the conclusion of the ensuing AGM till the conclusion of the next AGM.

30. ACCOUNTING STANDARDS FOLLOWED BY THE COMPANY

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

31. EXPLANATION ON STATUTORY AUDITORS' REPORT

There are no qualifications, reservations or adverse remarks or disclaimers made by DHS, Chartered Accountants, in their Report dated April 21, 2015, on the Financial Statements of the Company for FY 2014-15.

32. SECRETARIAL AUDITOR AND SECRETARIAL AUDIT REPORT

Pursuant to the provisions of Section 204 of the Act and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Board of Directors has appointed Messrs. Parikh & Associates, a firm of Company Secretaries in Practice, to undertake the Secretarial Audit of the Company for the FY ended March 31, 2015. The Secretarial Audit Report is annexed as 'Annexure D'.

There are no qualifications, reservations or adverse remarks or disclaimers made by Messrs. Parikh & Associates in their Audit Report dated April 21, 2015 on the Secretarial and other related records of the Company for FY 2014-15.

33. INFORMATION ON MATERIAL CHANGES AND COMMITMENTS

There are no material changes or commitments affecting the financial position of the Company which have occurred between March 31, 2015 and April 21, 2015, being the date of this report.

34. PARTICULARS OF RELATED PARTY TRANSACTIONS

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

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

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

35. ENERGY CONSERVATION, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS & OUTGO**A. Conservation of energy:****i. Steps taken / impact on conservation of energy**

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

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

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

iii. Capital investment on energy conservation equipments

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

B. Technology absorption:

- i. The efforts made towards technology absorption;
- ii. The benefits derived like product improvement, cost reduction, product development or import substitution;
- iii. In case of imported technology (imported during the last 3 years reckoned from the beginning of the financial year):
 - (a) The details of technology imported;
 - (b) The year of import;
 - (c) Whether the technology been fully absorbed;
 - (d) If not fully absorbed, areas where absorption has not taken place, and the reasons thereof; and
- iv. The expenditure incurred on Research and Development.

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

C. Foreign exchange earnings and Outgo:

The Foreign Exchange Outgo during the year under review in terms of actual outflows, was ₹ 10 lakh.

36. DETAILS PERTAINING TO REMUNERATION AS REQUIRED UNDER SECTION 197(12) OF THE ACT READ WITH RULE 5 OF THE COMPANIES (APPOINTMENT AND REMUNERATION OF MANAGERIAL PERSONNEL) RULES, 2014

The details required under Section 197(12) of the Act read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, is attached as 'Annexure F'.

The details required under Rule 5(2) and Rule 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, for the year ended March 31, 2015, forms part of this Report.

37. EXTRACT OF THE ANNUAL RETURN

An extract of the Annual Return as prescribed under Section 92 (3) of the Act and the Companies (Management and Administration) Rules, 2014, is attached as 'Annexure G'.

38. ACKNOWLEDGEMENTS

The Directors would like to place on record their gratitude for the valuable guidance and support received from the National Housing Bank, the Securities and Exchange Board of India, the Registrar of Companies and other government/regulatory agencies and to convey their appreciation to TCL, the holding company, the Company's Bankers, lenders, debenture holders and all other business associates for the continuous support given by them to the Company. The Directors also place on record their appreciation of the commitment, commendable efforts, team work and professionalism of all the employees of the Company.

For and on behalf of the Board of Directors

Mumbai, April 21, 2015

Praveen P Kadle
Chairman

ANNEXURE A

ANNUAL REPORT ON CORPORATE SOCIAL RESPONSIBILITY (“CSR”) ACTIVITIES

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

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

Purpose: To protect the interests of all the stakeholders of the Company/Tata Capital Housing Finance Limited (“TCHFL”) and contribute to society at large, by making a measurable and positive difference through the four causes the Company supports viz. Livelihood & Employability, Health, Education and Environment.

Sectors and Issues: To focus on education, employability, entrepreneurship, environment, disaster relief and Tata Group efforts.

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

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

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

- i. Ms. Anuradha E. Thakur, Independent Director, Chairperson;
- ii. Mr. Shailesh H. Rajadhyaksha, Non-Executive Director;
- iii. Mr. R. Vaithianathan, Managing Director.

3. **Average Net Profit of the Company for last 3 Financial Years:**

(₹ in lakh)

Financial Year (“FY”)	Net Profit
FY 2011-12	1,686.22
FY 2012-13	4,844.00
FY 2013-14	9,442.79
Average Net Profit	5,324.34

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

4. **CSR expenditure (2% of ₹ 5,324.34 lakh):**

The CSR expenditure for FY 2014-15 aggregated to ₹ 107 lakh.

5. **Details of CSR spend during FY 2014-15:**

- a. Total amount to be spent: ₹ 107 lakh
- b. Amount unspent, if any: Nil

c. Manner in which the amount was spent during FY 2014-15, is detailed below:

(₹ in lakh)

Sr. No.	CSR Projects or Activity Identified	Sector in which the project is covered	Projects or Programs 1) Local area or other, 2) Specify the state and District where the projects or programs was undertaken	Amount outlay (Budget) project or program wise	Amount spent on the projects or Programs Sub heads:		Cumulative expenditure upto the reporting period	Amount spent Direct or through implementing agency
					Direct Expenditure on projects or programs	Over-heads		
1	Contribution towards relief and rehabilitation work in Jammu & Kashmir.	Disaster Relief	Other: Jammu and Kashmir	5.06	5.06	-	5.06	Implementing Agency: Tata Relief Committee
2	In association with Xavier's Resource Centre for the Visually Challenged. TCHFL will support the vocational training initiative with the purchase of technology infrastructure, advocacy / awareness and creation of accessible study material in digital format.	Employment enhancement for differently abled	Local area: Mumbai, Maharashtra	12.00	11.20	0.80	12.00	Implementing Agency: Xavier's Resource Centre for the Visually Challenged
3	Providing soft skills coaching to SC/ST students from various professional courses thereby improving employability	Employment enhancing Vocational skills	Local area: Pune, Maharashtra	3.00	3.00	-	3.00	Implementing Agency: Confederation of Indian Industry ("CII")
4	Training underprivileged youth for employment in BFSI sector	Employment enhancing Vocational skills	Local area: Mumbai, Maharashtra	1.78	1.78	-	1.78	Implementing Agency: Swabhimaan Academy
5	Supporting CII job portal exclusively catering to the employment of the differently abled youth	Employment enhancing Vocational skills	Other: PAN India	2.50	2.50	-	2.50	Implementing Agency: CII
6	Reviving a bakery unit run by the Pragati Pratishthan and assisting them with market linkages to make the bakery sustainable.	Livelihood enhancement project	Local area: Jawahar, Maharashtra	23.31	23.31	-	23.31	Implementing Agency: Pragati Prathisthan
7	Infrastructure Development at Nilesh L. Murdeshwar School for the speech and hearing impaired tribal children in Jawahar and enhancing the nutrition level through a better diet plan for the children	Promoting Education	Local area: Jawahar, Maharashtra	13.00	13.00	-	13.00	Implementing Agency: Pragati Prathisthan
8	Education, Nutrition, Health and Hygiene programs for the children of migrant construction labourers through Mumbai Mobile Creches.	Promoting Education	Local area: Mumbai, Maharashtra	6.35	5.90	0.45	6.35	Implementing Agency: Mumbai Mobile Creches
9	Conservation of endangered species in association with WWF: (a) Indian One Horned Rhino in Assam (b) Great Indian Bustard in Rajasthan (c) Red Panda in Arunachal Pradesh	Ensuring environmental sustainability, ecological balance and protection of flora and fauna.	Others: Rajasthan, Assam and Auranchal Pradesh	40.00	35.00	5.00	40.00	Implementing Agency: WWF - India
TOTAL				107.00	100.75	6.25	107.00	

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

Nil

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

Sd/-

Ms. Anuradha E. Thakur,
Chairperson,
CSR Committee,
(Independent Director)

Sd/-

Mr. Shailesh H. Rajadhyaksha,
Member,
CSR Committee,
(Non-Executive Director)

Sd/-

Mr. R. Vaithianathan
Member,
CSR Committee,
(Managing Director)

ANNEXURE B

POLICY ON BOARD DIVERSITY AND DIRECTOR ATTRIBUTES

1. PURPOSE

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

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

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

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

2. OBJECTIVES OF THE POLICY

The Objectives of the Policy include:

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

3. POLICY STATEMENT

To meet the above Objectives:

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

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

4. MEASURABLE OBJECTIVES

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

5. MONITORING AND REPORTING

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

ANNEXURE C

REMUNERATION POLICY

1. COMPENSATION PHILOSOPHY

Tata Capital Housing Finance Limited (“Company”) has adopted a Remuneration Policy based on a defined formal compensation philosophy of Tata Capital Limited, the holding company. In order to build a high performance culture, aligned to the Company’s Vision and Goals, the Compensation Philosophy aims at providing a significant differential to superior performers and also segregating increments and performance payouts, based on the actual performance of various business verticals.

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

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

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

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

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

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

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

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

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

- (i) Independent Directors (“ID”) and Non-Independent Non-Executive Directors (“NED”) may be paid Sitting Fees (for attending the meetings of the Board and of Committees of the Board of which they may be Members) and Commission within regulatory limits.
- (ii) Within the parameters prescribed by law, the payment of Sitting Fees and Commission will be recommended by the NRC for approval of the Board.

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

2.2 Remuneration for Managing Director ("MD") / Executive Directors ("ED") / KMP / rest of the employees (Note 1)

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

Hence, remuneration should be:

- market competitive (market for every role is defined as companies from which the company attracts talent or companies to which the company loses talent);
 - driven by the role played by the individual;
 - reflective of the size of the company, complexity of the sector / industry / Company's operations and the Company's capacity to pay;
 - consistent with recognized best practices; and
 - aligned to any regulatory requirements.
- (ii) In terms of remuneration mix or composition,
 - the remuneration mix for the MD / EDs should be as per the contract approved by the Shareholders. In case of any change which is beyond the remuneration approved by the Shareholders, the same would require the approval of the Shareholders.
 - basic / fixed salary is provided to all employees to ensure that there is a steady income in line with their skills and experience.
 - in addition to the basic / fixed salary, the Company provides employees with certain perquisites, allowances and benefits to enable a certain level of lifestyle and to offer scope for savings and tax optimization, where possible. The Company also provides all employees with a social security net (subject to limits) by covering medical expenses and hospitalization through re-imbursments or insurance cover and accidental death and dismemberment through personal accident insurance.
 - the Company provides retirement benefits, as applicable.

- in addition to the basic / fixed salary, benefits, perquisites and allowances as provided above, the Company may provide MD / EDs such remuneration by way of Commission, calculated with reference to the Net Profits of the Company in a particular financial year, as may be determined by the Board, subject to the overall ceilings stipulated in Section 197 of the Act. The specific amount payable to the MD / EDs would be based on the performance of the MD/EDs as evaluated by the Board or the NRC and approved by the Board.

OR

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

2.3 Remuneration payable to Director for services rendered in other capacity

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

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

2.4 Loans to employees

The Company may grant loans to its employees on such terms and conditions as may be determined by the Board or any Committee of the Board, from time to time, in accordance with applicable laws.

2.5 Policy implementation

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

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

ANNEXURE D

FORM No. MR-3
SECRETARIAL AUDIT REPORT
FOR THE FINANCIAL YEAR ENDED 31ST MARCH, 2015

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

To,
The Members
Tata Capital Housing Finance Limited

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

Based on our verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorised representatives during the conduct of secretarial audit, we hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on March 31, 2015, complied with the statutory provisions listed hereunder and also that the Company has proper Board processes and compliance mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records made available to us and maintained by Company for the financial year ended on March 31, 2015, according to the provisions of:

- (i) The Companies Act, 2013 (the "Act") and the Rules made there under;
- (ii) The Depositories Act, 1996 and the Regulations and Bye-laws framed there under;
- (iii) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;
- (iv) Other laws including The National Housing Bank Act, 1987 and The Housing Finance Companies (NHB) Directions, 2010 as are and to the extent applicable to the Company as per the representations made by the Company.

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

- (i) Secretarial Standards issued by The Institute of Company Secretaries of India with respect to Board and General Meetings, which are not in force as on the date of this Report.
- (ii) The Listing Agreement for Debt securities entered into by the Company with the National Stock Exchange of India Limited with respect to Non-Convertible Debentures issued by the Company.

During the period under review and as per the explanations given to us and the representations made by the Management, the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, etc., Mentioned above.

We further report that:

- (i) The Board of Directors of the Company as on March 31, 2015 is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.
- (ii) Adequate notice for the Board/Committee Meetings was given at least seven days in advance to all the directors for holding the Board/Committee Meetings during the year except in respect of the Board Meeting

held on May 19, 2014 where the shorter notice was given and the Independent Director was present at the said Meeting. Agenda and detailed notes on Agenda were sent in advance, and there is a system for seeking and obtaining further information and clarifications on the Agenda items before the Meeting and for meaningful participation at the Meeting.

(iii) Decisions at the Board Meetings, as represented by the Management, were taken unanimously.

We further report that as represented by the Company and relied upon by us there are adequate systems and processes in the Company, commensurate with the size and operations of the Company to monitor and ensure compliance with applicable Laws, Rules, Regulations and Guidelines.

We further report that during the audit period, the Company had following events which had bearing on the Company's affairs in pursuance of the above referred Laws, Rules, Regulations, Guidelines, etc.

- a. The Company issued 16,00,00,000 Compulsorily Convertible Cumulative Preference Shares of ₹ 10/- each to Tata Capital Limited, the holding company, aggregating ₹ 160 crore, on a Rights basis.
- b. The Company issued 18,593 Secured Redeemable Non – Convertible Debentures for an aggregate amount of ₹ 1,859.30 crore.

The Company redeemed 9,583 Secured Redeemable Non – Convertible Debentures for an aggregate amount of ₹ 958.30 crore.

- c. The Company issued 480 Unsecured Redeemable Subordinated Debentures (Tier-II Bond) for an aggregate amount of ₹ 48 crore.

The Company had not redeemed any Unsecured Redeemable Subordinated Debentures (Tier-II Bond).

For **Parikh & Associates**

Jigyasa Ved

Partner

FCS No. 6488 CP No. 6018

Mumbai
April 21, 2015

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

Annexure I

To,
The Members
Tata Capital Housing Finance Limited

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

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

For **Parikh & Associates**

Jigyasa Ved

Partner

FCS No. 6488 CP No. 6018

Mumbai
April 21, 2015

ANNEXURE E

Form No. AOC- 2

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

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

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

(₹ in lakh)

Name of the Related Party	Nature of Relationship	Nature of contracts/ arrangements/transactions	Amount	Duration of the contracts/ arrangements/ transactions	Salient terms of the contracts or arrangements or transactions including the value, if any	Amount paid as advances, if any
Tata Capital Limited ("TCL")	Holding Company	a) Subscription of preference share capital	16,000	Long Term subscription	Issue of Compulsorily Convertible Cumulative Preference Shares. Rate of Dividend being 9% p.a.	–
		b) ICDs placed during the year	99,320	Tenor upto 1 year	Cost of Funds for previous month plus 25 bps.	–
		c) ICDs repaid back during the year	99,320	Tenor upto 1 year	Not Applicable	–
		d) Dividend payable	2,627	Not Applicable	Interim Dividend at the rate of 9% on the Compulsorily Convertible Cumulative Preference Shares	–

Note: Appropriate approvals have been taken for Related Party Transactions

For and on behalf of the Board of Directors

Mumbai
April 21, 2015

Praveen P. Kadle
Chairman

ANNEXURE F

DETAILS REQUIRED UNDER SECTION 197(12) OF THE ACT READ WITH RULE 5(1) OF THE COMPANIES (APPOINTMENT AND REMUNERATION OF MANAGERIAL PERSONNEL) RULES, 2014

1. The ratio of the remuneration of each Director to the median remuneration of the employees of the company for the financial year:

The ratio of the remuneration of each Director to the median remuneration of the employees of the Company for FY 2014-15 is, as under:

Name of Director(s)	Ratio to Median
Mr. Janki Ballabh	0.82:1
Ms. Anuradha E. Thakur*	0.20:1
Mr. Shailesh H. Rajadhyaksha	0.75:1
Mr. Govind Sankaranarayanan	0.65:1
Mr. R. Vaithianathan	25.62:1

*Ms. Anuradha E. Thakur was appointed as Independent Director w.e.f. February 16, 2015.

2. The percentage increase in remuneration of each Director Chief Financial Officer, Chief Executive Officer, Company Secretary, or Manager, if any, in the financial year:

The percentage increase in remuneration of each Director in FY 2014-15, is as under:

Name of Director(s)	% Increase in Remuneration
Mr. Janki Ballabh	59
Ms. Anuradha E. Thakur*	–
Mr. Shailesh H. Rajadhyaksha	44
Mr. Govind Sankaranarayanan	26
Mr. R. Vaithianathan	(3.6)

*Ms. Anuradha E. Thakur was appointed as Independent Director w.e.f. February 16, 2015.

The percentage increase in remuneration of Mr. S. Balakrishna Kamath, Chief Financial Officer and Company Secretary, for FY 2014-15 was 87.20% as compared to FY 2013-14. The reasons for the substantial increase in remuneration, as mentioned above, is due to the following:

- (i) Mr. Kamath was appointed w.e.f. August 8, 2013 and while computing his remuneration for FY 2013-14, only fixed salary from August 8, 2013 to March 31, 2014, has been considered.
- (ii) Mr. Kamath's remuneration for FY 2014-15, has been computed taking into consideration the fixed remuneration for FY 2014-15 and the incentive remuneration for FY 2013-14.

3. The percentage increase in the median remuneration of employees in the financial year:

There is a decrease in the median remuneration of employees in FY 2014-15 by 10% as compared to FY 2013-14.

4. The number of permanent employees on the rolls of Company:

The permanent employees on the rolls of Company as on March 31, 2015, were 414.

5. The explanation on the relationship between average increase in remuneration and Company performance:

The average increase in remuneration of employees for FY 2014-15 was 11.6%. Profit Before Tax increased by 24.10% to ₹ 103 crore in FY 2014-15 from ₹ 83 crore in FY 2013-14.

The Company and Business Unit / Functional performance are measured against Annual budgets / targets, set as per the Balanced Score Card (BSC).

Individual performance is measured against Key Result Areas (KRAs) set at the beginning of the year after considering any revision of target over the year. The rating of Annual Performance review is considered for the purpose of computing the Performance Pay. Rating is on a 5 point scale.

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

6. Comparison of the remuneration of the Key Managerial Personnel against the performance of the Company:

The remuneration for the Key Managerial Personnel, increased by 9.21%. Profit Before Tax increased by 24.10% to ₹ 103 crore in FY 2014-15 from ₹ 83 crore in FY 2013-14.

Note: It may be noted that Mr. S. Balakrishna Kamath, Chief Financial Officer and Company Secretary, a Key Managerial Personnel, was appointed w.e.f. August 8, 2013. While computing his remuneration for FY 2013-14, only fixed salary from August 8, 2013 to March 31, 2014, has been considered. Mr. Kamath's remuneration for FY 2014-15, has been computed taking into consideration the fixed remuneration for FY 2014-15 and the incentive remuneration for FY 2013-14.

7. Variations in the market capitalisation of the company, price earnings ratio as at the closing date of the current financial year and previous financial year and percentage increase over decrease in the market quotations of the shares of the company in comparison to the rate at which the company came out with the last public offer in case of listed companies, and in case of unlisted companies, the variations in the networth of the company as at the close of the current financial year and previous financial year:

TCHFL is a listed company since its debentures are listed on the National Stock Exchange of India Limited. Detail of variations in the Networth of the Company is, given below:

(₹ in crore)

Particulars	As on March 31, 2015	As on March 31, 2014	Variation
Networth	736.25	559.30	31.64%

8. Average percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration:

The average percentage increase already made in the salaries of employees other than that of the managerial personnel in FY 2014-15 is 13.1% and the percentage decrease in the overall managerial remuneration is 0.26%.

9. Comparison of the each remuneration of the Key Managerial Personnel against the performance of the Company:

Profit Before Tax increased by 24.10% to ₹ 103 crore in FY 2014-15 from ₹ 83 crore in FY 2013-14. The percentage remuneration of Mr. R. Vaithianathan, Managing Director decreased by 3.6% in FY 2014-15 as compared to FY 2013-14.

The percentage increase in remuneration of Mr. S. Balakrishna Kamath, Chief Financial Officer and Company Secretary, for FY 2014-15 was 87.20% as compared to FY 2013-14. The reasons for the substantial increase in remuneration, as mentioned above, is due to the following:

- (i) Mr. Kamath was appointed w.e.f. August 8, 2013 and while computing his remuneration for FY 2013-14, only fixed salary from August 8, 2013 to March 31, 2014, has been considered.
- (ii) Mr. Kamath's remuneration for FY 2014-15, has been computed taking into consideration the fixed remuneration for FY 2014-15 and the incentive remuneration for FY 2013-14.

10. The key parameters for any variable components of remuneration availed by the Directors:

The key parameters for variable components of remuneration availed by Non-Executive Directors and Independent Directors is based on the Company's performance, profits, returns to investors as also the criteria combining attendance at Meetings, contribution thereat and contribution other than at Meetings.

The key parameters for variable components of remuneration availed by the Managing Director are Annual budgets / targets, set as per the Balanced Score Card (BSC).

11. The ratio of the remuneration of the highest paid Director to that of the employees who are not Directors but receive remuneration in excess of the highest paid Director during the year:

The highest paid Director is the Managing Director of the Company. During FY 2014-15, no employee has received remuneration in excess of the remuneration received by the Managing Director.

12. Affirmation that the remuneration is as per the Remuneration Policy of the Company:

It is affirmed that the remuneration paid is as per the Remuneration Policy for Directors, Key Managerial Personnel and other employees, adopted by the Company.

ANNEXURE G

Form No. MGT-9

EXTRACT OF ANNUAL RETURN

as on the financial year ended on March 31, 2015

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

I. REGISTRATION AND OTHER DETAILS:

- i) CIN: U67190MH2008PLC187552
- ii) Registration Date: October 15, 2008
- iii) Name of the Company: Tata Capital Housing Finance Limited
- iv) a) Category: Company limited by shares
b) Sub-Category of the Company: Indian Non-Government Company
- v) Address of the Registered office and contact details:
One Forbes, Dr. V. B. Gandhi Marg, Fort, Mumbai - 400001, Maharashtra, India.
Contact details:
Direct Number: 022 6745 9000 / 022 6182 8282
E-mail id: balakrishna.kamath@tatacapital.com
- vi) Whether listed company: Yes. As per Section 2 (52) of the Companies Act, 2013, the Company is considered as a listed company as its Debentures are listed on the National Stock Exchange of India Limited.
- vii) Name, Address and Contact details of Registrar and Transfer Agent, if any
For Non – Convertible Debentures issued on a Private Placement basis
Name : Sharepro Services (India) Private Limited
Address : 13 AB, Samhita Warehousing Complex, Sakinaka Telephone Exchange Lane,
Kurla Andheri Road, Sakinaka, Mumbai - 400 072
Phone No. : 022-67720300, 022-67720400
Fax : 022-28508927
Website : www.shareproservices.com

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

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

Sr. No.	Name and Description of main products / services	NIC Code of the Product / service	% to total turnover of the company
1	Home Loan	64920	60
2	Home Equity	64920	22
3	Builder Loan	64920	18

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES

Sr. No.	Name and Address of the Company	CIN/GLN	Holding/ Subsidiary/ Associate	% Of Shares Held	Applicable Section
1	Tata Capital Limited One Forbes, Dr. V. B. Gandhi Marg, Fort, Mumbai - 400001, Maharashtra, India	U65990MH1991PLC060670	Holding Company	100	Section 2(46)

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

i) Category-wise Share Holding

Category of Shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A. Promoters									
(1) Indian									
a) Individual/HUF	-	-	-	-	-	-	-	-	-
b) Central Govt	-	-	-	-	-	-	-	-	-
c) State Govt (s)	-	-	-	-	-	-	-	-	-
d) Bodies Corp.	-	25,33,33,332	25,33,33,332	100	-	25,33,33,332	25,33,33,332	100	-
e) Banks / FI	-	-	-	-	-	-	-	-	-
f) Any Other....	-	-	-	-	-	-	-	-	-
Sub-total (A) (1):-	-	25,33,33,332	25,33,33,332	100	-	25,33,33,332	25,33,33,332	100	-
(2) Foreign									
a) NRIs - Individuals	-	-	-	-	-	-	-	-	-
b) Other – Individuals	-	-	-	-	-	-	-	-	-
c) Bodies Corp.	-	-	-	-	-	-	-	-	-
d) Banks / FI	-	-	-	-	-	-	-	-	-
e) Any Other....	-	-	-	-	-	-	-	-	-
Sub-total (A) (2):-									
Total shareholding of Promoter (A) = (A)(1)+(A)(2)	-	25,33,33,332	25,33,33,332	100	-	25,33,33,332	25,33,33,332	100	-
B. Public Shareholding									
1. Institutions									
a) Mutual Funds	-	-	-	-	-	-	-	-	-
b) Banks / FI	-	-	-	-	-	-	-	-	-
c) Central Govt	-	-	-	-	-	-	-	-	-
d) State Govt(s)	-	-	-	-	-	-	-	-	-
e) Venture Capital Funds	-	-	-	-	-	-	-	-	-
f) Insurance Companies	-	-	-	-	-	-	-	-	-
g) FIs	-	-	-	-	-	-	-	-	-
h) Foreign Venture Capital Funds	-	-	-	-	-	-	-	-	-
i) Others (specify)	-	-	-	-	-	-	-	-	-
Sub-total (B)(1):-	-	-	-	-	-	-	-	-	-
2. Non-Institutions									
a) Bodies Corp.									
i) Indian	-	-	-	-	-	-	-	-	-
ii) Overseas	-	-	-	-	-	-	-	-	-
b) Individuals									
i) Individual shareholders holding nominal share capital upto ₹ 1 lakh	-	-	-	-	-	-	-	-	-
ii) Individual shareholders holding nominal share capital in excess of ₹ 1 lakh	-	-	-	-	-	-	-	-	-
c) Others (specify)	-	-	-	-	-	-	-	-	-
Sub-total (B)(2):-	-	-	-	-	-	-	-	-	-
Total Public Shareholding (B) = (B)(1) + (B)(2)	-	-	-	-	-	-	-	-	-
C. Shares held by Custodian for GDRs & ADRs	-	-	-	-	-	-	-	-	-
Grand Total (A+B+C)	-	25,33,33,332	25,33,33,332	100	-	25,33,33,332	25,33,33,332	100	-

ii) Shareholding of Promoters (Equity Share Capital)

Sr. No.	Shareholder's Name	Shareholding at the beginning of the year			Share holding at the end			% change in share holding during the year
		No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	
1.	Tata Capital Limited	25,33,33,332	100	–	25,33,33,332	100	–	–
	Total	25,33,33,332	100	–	25,33,33,332	100	–	–

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

Sr. No.	Particulars	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1.	At the beginning of the year	25,33,33,332	100	25,33,33,332	100
2.	Date wise Increase/Decrease in Share holding during the year specifying the reasons for increase/decrease (e.g. allotment/transfer/bonus / sweat equity, etc.):	–	–	–	–
3.	At the end of the year	25,33,33,332	100	25,33,33,332	100

There is no change in promoter's shareholding during FY 2014-15.

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

Sr. No.	For each of the Top 10 Shareholders	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1.	At the beginning of the year	–	–	–	–
2.	Date wise Increase/Decrease in Share holding during the year specifying the reasons for increase/decrease (e.g. allotment/transfer/bonus/sweat equity, etc.):	–	–	–	–
3.	At the end of the year (or on the date of separation, if separated during the year)	–	–	–	–

The entire Equity Share Capital of the Company is held by the Promoters of the Company.

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

Sr. No.	For each of the Directors and KMP	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1.	At the beginning of the year	–	–	–	–
2.	Date wise Increase/Decrease in Share holding during the year specifying the reasons for increase/decrease (e.g. allotment/transfer/bonus/ sweat equity, etc.):	–	–	–	–
3.	At the end of the year	–	–	–	–

The Directors and Key Managerial Personnel do not hold any Equity Shares of the Company.

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

i) Category-wise Share Holding

Category of Shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A. Promoters									
(1) Indian									
a) Individual/HUF	–	–	–	–	–	–	–	–	–
b) Central Govt	–	–	–	–	–	–	–	–	–
c) State Govt (s)	–	–	–	–	–	–	–	–	–
d) Bodies Corp.	–	25,40,00,000	25,40,00,000	100	–	41,40,00,000	41,40,00,000	100	63
e) Banks / FI	–	–	–	–	–	–	–	–	–
f) Any Other....	–	–	–	–	–	–	–	–	–
Sub-total (A) (1):-	–	25,40,00,000	25,40,00,000	100	–	41,40,00,000	41,40,00,000	100	63
(2) Foreign									
a) NRIs - Individuals	–	–	–	–	–	–	–	–	–
b) Other – Individuals	–	–	–	–	–	–	–	–	–
c) Bodies Corp.	–	–	–	–	–	–	–	–	–
d) Banks / FI	–	–	–	–	–	–	–	–	–
e) Any Other....	–	–	–	–	–	–	–	–	–
Sub-total (A) (2):-	–	–	–	–	–	–	–	–	–
Total shareholding of Promoter (A) = (A)(1)+(A)(2)	–	25,40,00,000	25,40,00,000	100	–	41,40,00,000	41,40,00,000	100	63

Category of Shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
B. Public Shareholding									
1. Institutions									
a) Mutual Funds	-	-	-	-	-	-	-	-	-
b) Banks / FI	-	-	-	-	-	-	-	-	-
c) Central Govt	-	-	-	-	-	-	-	-	-
d) State Govt(s)	-	-	-	-	-	-	-	-	-
e) Venture Capital Funds	-	-	-	-	-	-	-	-	-
f) Insurance Companies	-	-	-	-	-	-	-	-	-
g) FIs	-	-	-	-	-	-	-	-	-
h) Foreign Venture Capital Funds	-	-	-	-	-	-	-	-	-
i) Others (specify)	-	-	-	-	-	-	-	-	-
Sub-total (B)(1):-	-	-	-	-	-	-	-	-	-
2. Non-Institutions									
a) Bodies Corp.									
i) Indian	-	-	-	-	-	-	-	-	-
ii) Overseas	-	-	-	-	-	-	-	-	-
b) Individuals									
i) Individual shareholders holding nominal share capital upto ₹ 1 lakh	-	-	-	-	-	-	-	-	-
ii) Individual shareholders holding nominal share capital in excess of ₹ 1 lakh	-	-	-	-	-	-	-	-	-
c) Others (specify)	-	-	-	-	-	-	-	-	-
Sub-total (B)(2):-	-	-	-	-	-	-	-	-	-
Total Public Shareholding (B)=(B)(1)+(B)(2)	-	-	-	-	-	-	-	-	-
C. Shares held by Custodian for GDRs & ADRs	-	-	-	-	-	-	-	-	-
Grand Total (A+B+C)	-	25,40,00,000	25,40,00,000	100	-	41,40,00,000	41,40,00,000	100	63

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

Sr. No.	Shareholder's Name	Type of Shares	Shareholding at the beginning of the year			Share holding at the end			% change in share holding during the year
			No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	
1.	Tata Capital Limited	Compulsorily Convertible Cumulative Preference Shares	25,40,00,000	100	-	41,40,00,000	100	-	63
Total			25,40,00,000	100	-	41,40,00,000	100	-	63

iii) Change in Promoters' Shareholding (Preference Share Capital)

Sr. No.	Name	Shareholding		Date	Increase/ Decrease in shareholding	Reason	Cumulative Shareholding during the year (1.4.2014 to 31.3.2015)	
		No. of Shares at the beginning (1.4.2014)/end of the year (31.3.2015)	% of total shares of the Company				No. of Shares	% of total shares of the Company
1.	Tata Capital Limited	25,40,00,000	100	April 1, 2014			25,40,00,000	100
				May 28, 2014	3,00,00,000	Allotment on a Rights basis	28,40,00,000	100
				June 27, 2014	2,00,00,000	Allotment on a Rights basis	30,40,00,000	100
				August 18, 2014	1,50,00,000	Allotment on a Rights basis	31,90,00,000	100
				September 29, 2014	1,00,00,000	Allotment on a Rights basis	32,90,00,000	100
				November 28, 2014	3,50,00,000	Allotment on a Rights basis	36,40,00,000	100
				January 30, 2015	3,00,00,000	Allotment on a Rights basis	39,40,00,000	100
				March 31, 2015	2,00,00,000	Allotment on a Rights basis	41,40,00,000	100
				41,40,00,000	100	March 31, 2015		41,40,00,000

Notes:

1. During FY 2014-15, the Company had only issued Compulsorily Convertible Cumulative Preference Shares.
2. All the allotments were made to Tata Capital Limited on 'right basis', the holding company.

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

Sr. No.	For each of the Top 10 Shareholders	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1.	At the beginning of the year	—	—	—	—
2.	Date wise Increase/Decrease in Share holding during the year specifying the reasons for increase/decrease (e.g. allotment/transfer/bonus/sweat equity, etc.):	—	—	—	—
3.	At the end of the year (or on the date of separation, if separated during the year)	—	—	—	—

The entire Preference Share Capital of the Company is held by the Promoters of the Company.

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

Sr. No.	For each of the Directors and KMP	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1.	At the beginning of the year	–	–	–	–
2.	Date wise Increase/Decrease in Share holding during the year specifying the reasons for increase/decrease (e.g. allotment/transfer/bonus/sweat equity, etc.):	–	–	–	–
3.	At the end of the year	–	–	–	–

The Directors and Key Managerial Personnel do not hold any Preference Shares of the Company.

V. **INDEBTEDNESS**

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

(₹ in crore)

Particulars	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
i) Principal Amount	3,880.92	1,772.42	–	5,653.34
ii) Interest due but not paid	–	–	–	–
iii) Interest accrued but not due	119.48	–	–	119.48
Total (i+ii+iii)	4,000.40	1,772.42	–	5,772.82
Change in Indebtedness during the financial year				
• Addition	2,628.33	–	–	2,628.33
• Reduction	–	154.95	–	154.95
Net Change	2,628.33	154.95	–	2,473.38
Indebtedness at the end of the financial year				
i) Principal Amount	6,480.10	1,617.47	–	8,097.57
ii) Interest due but not paid	–	–	–	–
iii) Interest accrued but not due	148.63	–	–	148.63
Total (i+ii+iii)	6,628.73	1,617.47	–	8,246.2

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

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

(₹ in lakh)

Sr. No.	Particulars of Remuneration	Name of MD: Mr. R. Vaithianathan	Total Amount
1.	Gross salary		
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	145.96	145.96
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	5.97	5.97
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	–	–
2.	Stock Option	–	–
3.	Sweat Equity	–	–
4.	Commission- as % of profit- others, specify...	–	–
5.	Others, please specify	–	–
	Total (A)	151.93	151.93
	Ceiling as per the Act		631.05

B. Remuneration to other directors :

(₹ in lakh)

Sr. No.	Particulars of Remuneration	Name of Directors		Total Amount
1	Independent Directors	Mr. Janki Ballabh	Ms. Anuradha E Thakur	
	• Fee for attending board / committee meetings	5.25	1.30	6.55
	• Commission	–	–	–
	• Others, please specify	–	–	–
	Total (1)	5.25	1.30	6.55
2	Other Non-Executive Directors	Mr. Govind Sankaranarayanan	Mr. Shailesh H Rajadhyaksha	
	• Fee for attending board / committee meetings	4.15	4.75	8.90
	• Commission	–	–	–
	• Others, please specify	–	–	–
	Total (2)	4.15	4.75	8.90
	Total (B) = (1+2)			15.45
	Total Managerial Remuneration			167.38
	Overall Ceiling as per the Act			1,388.31

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

(₹ in lakh)

Sr. No.	Particulars of Remuneration	Key Managerial Person		Total
		CEO	CFO & Company Secretary : Mr. S Balakrishna Kamath	
1.	Gross salary			
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	–	38.55	38.55
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	–	4.39	4.39
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	–	–	–
2.	Stock Option	–	–	–
3.	Sweat Equity	–	–	–
4.	Commission- as % of profit- others, specify...	–	–	–
5.	Others, please specify	–	–	–
	Total	–	42.94	42.94

VII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES:

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

INDEPENDENT AUDITORS' REPORT**TO THE MEMBERS OF
TATA CAPITAL HOUSING FINANCE LIMITED****Report on the Financial Statements**

We have audited the accompanying Financial Statements of **Tata CAPITAL Housing FINANCE LIMITED** ("the Company"), which comprises the Balance Sheet as at 31st March 2015, the Statement of Profit and Loss and the Cash Flow Statement for the year then ended, and a summary of significant accounting policies and the explanatory information.

Management's Responsibility for the Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 (the "Act") with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit.

We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder.

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

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

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

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2015, and its profit and its cash flows for the year ended on that date.

Emphasis of Matter

We draw attention to the notes number 31 to the financial statements, which describes the accounting treatment used by the Company in creating the Deferred Tax Liability on Special Reserve under section 36 (1)(viii) of the Income Tax Act, 1961 as at April 1, 2014, which is in accordance with the NHB's Circular No. NHB (ND)/DRS/Pol. Circular No. 62/2014 dated May 27, 2014.

Our conclusion is not modified in respect of this matter.

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

1. As required by the Companies (Auditor's Report) Order, 2015 (the "Order") issued by the Central Government in terms of Section 143(11) of the Act, we give in the Annexure a statement on the matters specified in paragraphs 3 and 4 of the Order.
2. As required by Section 143 (3) of the Act, we report that:
 - a. We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - b. In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
 - c. The Balance Sheet, the Statement of Profit and Loss, and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.
 - d. In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
 - e. On the basis of the written representations received from the directors as on 31st March, 2015 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2015 from being appointed as a director in terms of Section 164 (2) of the Act.
 - f. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
 - vii. The Company has disclosed the impact of pending litigations on its financial position in its financial statements - Refer Note 27 to the financial statements.
 - viii. The Company has made provisions, as required under the applicable law or accounting standards, for material foreseeable losses on long term contracts. The Company does not have any outstanding derivative contracts as at the year end.
 - ix. As at the year end, there were no amounts that were required to be transferred, to the Investor Education and Protection Fund by the Company.

For **DELOITTE HASKINS & SELLS LLP**
Chartered Accountants
(FRN No. 117366W/W-100018)

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

Mumbai, April 21, 2015

ANNEXURE TO THE INDEPENDENT AUDITORS' REPORT

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

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

1. In respect of the Company's fixed assets:
 - 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 of fixed assets to cover all the items in a phased manner over a period of 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, certain fixed assets were physically verified by the Management during the year. According to the information and explanations given to us no material discrepancies were noticed on such verification.
2. According to the information and explanations given to us, the Company is primarily engaged in the business of providing long term finance for housing loans and therefore does not hold any physical inventories. Accordingly, the provisions of paragraph 3 (ii) of the Order are not applicable to the Company.
3. According to the information and explanations given to us, the Company has not granted, secured or unsecured, to companies, firms or other parties covered in the Register maintained under Section 189 of the Act.
4. In our opinion and according to the information and explanations given to us, there are adequate internal control systems commensurate with the size of the Company and the nature of its business for the purchase of fixed assets and for the sale of services. The nature of the Company's business is such that it does not involve purchase of inventories and sale of goods. During the course of our audit, we have not observed any major weaknesses in such internal control system.
5. In our opinion and according to the information and explanations given to us, the Company has not accepted deposits. Therefore, the provisions of the clause 3 (v) of the Order are not applicable to the Company.
6. The provisions of clause (3)(vi) of the Order are not applicable to the Company as the Company is not engaged in the production of goods and services covered by the Companies (Cost Records and Audit) Rules, 2014.
7. According to the information and explanations given to us, in respect of statutory dues:
 - a. The Company has generally been regular in depositing undisputed statutory dues, including Provident Fund, Employees' State Insurance, Income Tax, Service Tax, Cess and other material statutory dues applicable to it with the appropriate authorities.
 - b. There were no undisputed amounts payable in respect of Provident Fund, Employees' State Insurance, Income Tax, Sales Tax, Wealth Tax, Service Tax, Duty of Customs, Duty of Excise, Value Added Tax, Cess and other material statutory dues in arrears as at March 31, 2015 for a period of more than six months from the date they became payable.
 - c. According to the information and explanations given to us, there are no dues of Income Tax, Sales Tax, Service Tax, Wealth Tax, Custom Duty, Excise Duty and Cess which have not been deposited on account of any dispute.
 - d. In our opinion and according to the information and explanations given to us, the amount required to be transferred to investor education and protection fund in accordance with the relevant provisions of the Companies Act, 1956 (1 of 1956) and rules made thereunder has been transferred to such fund within time.

8. The Company does not have accumulated losses at the end of financial year and the Company has not incurred cash losses during the financial year covered by our audit and in the immediately preceding financial year.
9. In our opinion and according to the information and explanations given to us, the Company has not defaulted in repayment of dues to banks or debenture holders. Further, in our opinion and according to information and explanations given to us, the Company has not taken any loan from financial institutions.
10. In our opinion and according to the information and explanations given to us, the Company has not given any guarantee for loans taken by others from banks and financial institutions.
11. According to the information and explanations given to us, the term loans availed during the year by the Company has been applied for the purpose for which it was obtained.
12. To the best of our knowledge and belief and according to the information and explanations given to us, no fraud by the Company and no material fraud on the Company has been noticed or reported during the year.

For **DELOITTE HASKINS & SELLS LLP**
Chartered Accountants
(FRN No. 117366W/W-100018)

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

Mumbai, April 21, 2015

BALANCE SHEET AS AT MARCH 31, 2015

(₹ in Lakh)

PARTICULARS	Note No.	As at March 31, 2015	As at March 31, 2014
I. EQUITY AND LIABILITIES			
1. Shareholders' funds			
(a) Share Capital	3	66,733	50,733
(b) Reserves and Surplus	4	12,160	9,509
		78,893	60,242
2. Non-current liabilities			
(a) Long-term borrowings	5	530,675	374,658
(b) Other long-term liabilities	6	2,455	2,956
(c) Long-term provisions	7	4,099	2,808
		537,229	380,422
3. Current liabilities			
(a) Short-term borrowings	8	133,369	101,506
(b) Trade payables	9	2,567	1,743
(c) Other current liabilities	10	165,759	99,102
(d) Short-term provisions	11	1,686	2,233
		303,381	204,584
TOTAL		919,503	645,248
II. ASSETS			
1. Non-Current assets			
(a) Fixed Assets	12		
(i) Tangible assets		621	192
(ii) Capital work-in-progress		6	32
(b) Deferred tax assets (net)	13	1,131	1,321
(c) Long-term loans and advances - financing activity	14	852,015	594,503
(d) Long-term loans and advances - others	15	883	231
(e) Other non-current assets	16	3,442	3,029
		858,098	599,308
2. Current assets			
(a) Current investments		-	-
(b) Trade receivables	17	133	-
(c) Cash and bank balances	18	2,463	2,502
(d) Short-term loans and advances - financing activity	14	56,796	42,069
(e) Short-term loans and advances - others	19	187	86
(f) Other current assets	20	1,826	1,283
		61,405	45,940
TOTAL		919,503	645,248
See accompanying notes forming a part of the financial statements	1-37		

In terms of our report attached

For and on Behalf of the Board of Directors

For Deloitte Haskins & Sells LLP
Chartered AccountantsPraveen P. Kadle
(Chairman)Janki Ballabh
(Director)Anuradha E. Thakur
(Director)Sanjiv V. Pilgaonkar
PartnerG. Sankaranarayanan
(Director)S. H. Rajadhyaksha
(Director)R. Vaithianathan
(Managing Director)Mumbai
Date : April 21, 2015S Balakrishna Kamath
(Chief Financial Officer & Company Secretary)

STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED MARCH 31, 2015

(₹ in Lakh)

PARTICULARS	Note No.	For the Year ended March 31, 2015	For the Year ended March 31, 2014
I. Revenue from operations	21	90,367	63,862
II. Investment income	22	387	382
III. Other income	23	259	11
IV. Total Revenue (I + II + III)		91,013	64,255
V. Expenses :			
Finance costs	24	64,768	45,592
Employee benefits expenses	25	4,905	3,066
Other operating expenses	26	10,497	6,984
Amortisation of expenses	20(a)	404	264
Depreciation	12	109	40
Total Expenses		80,683	55,946
VI. Profit before tax (IV - V)		10,330	8,309
VII. Tax expense:			
(1) Current tax		3,973	3,022
(2) Deferred tax		(436)	(541)
Total Tax expense		3,537	2,481
VIII. Profit after tax (VI - VII)		6,793	5,828
IX. Earnings per share:			
(1) Basic (in ₹)		1.29	1.60
(2) Diluted (in ₹)		1.29	1.60
Face value of share (in ₹)		10	10
See accompanying notes forming a part of the financial statements	1-37		

In terms of our report attached

For and on Behalf of the Board of Directors

For Deloitte Haskins & Sells LLP
Chartered Accountants

Praveen P. Kadle
(Chairman)

Janki Ballabh
(Director)

Anuradha E. Thakur
(Director)

Sanjiv V. Pilgaonkar
Partner

G. Sankaranarayanan
(Director)

S. H. Rajadhyaksha
(Director)

R.Vaithianathan
(Managing Director)

Mumbai
Date : April 21, 2015

S Balakrishna Kamath
(Chief Financial Officer & Company Secretary)

CASH FLOW STATEMENT FOR THE YEAR ENDED MARCH 31, 2015

(₹ in Lakh)

PARTICULARS	For the Year ended March 31, 2015	For the Year ended March 31, 2014
1 NET CASH FLOW (USED IN) / FROM OPERATING ACTIVITIES		
Profit before taxes	10,330	8,309
Adjustments for :		
Amortisation of share / debenture issue expenses	404	264
Profit on sale of mutual fund investments (current investments non-trade)	(387)	(382)
Discounting charges on commercial paper	10,654	7,318
Discounting charges on zero coupon bond	163	598
Depreciation	109	40
Provision for employee benefits	76	41
Provision against standard assets	1,374	1,085
Provision for doubtful debts	1,120	476
Interest income	(86,586)	(61,137)
Interest expenses	53,951	37,676
Operating Profit / (Loss) before working capital changes and adjustment for interest received and interest paid	(8,792)	(5,712)
Adjustments for :		
(Increase)/decrease in loans and advances - financing activity	(271,578)	(211,736)
(Increase)/decrease in loans and advances - others	(1,357)	(919)
Increase/(decrease) in current liabilities and provisions	1,614	(128)
Cash used in operations before adjustment for interest received and interest paid	(280,113)	(218,495)
Interest received	87,523	59,927
Interest paid	(62,697)	(40,748)
Cash used in operations	(255,287)	(199,316)
Taxes paid	(3,510)	(3,070)
NET CASH FLOW USED IN OPERATING ACTIVITIES	(258,797)	(202,386)
2 NET CASH FLOW (USED IN) / FROM INVESTING ACTIVITIES		
Proceeds from sale of fixed assets	7	-
Purchase of fixed assets (including capital advances)	(853)	(97)
Purchase of mutual fund units	(1,061,300)	(949,000)
Redemption of mutual fund units	1,061,687	949,382
NET CASH FLOW (USED IN) / FROM INVESTING ACTIVITIES	(459)	285

CASH FLOW STATEMENT FOR THE YEAR ENDED MARCH 31, 2014

(₹ in Lakh)

PARTICULARS	For the Year ended March 31, 2015	For the Year ended March 31, 2014
3 NET CASH FLOW FROM FINANCING ACTIVITIES		
Issue of preference share capital	16,000	14,900
Share issue expenses	(16)	(16)
Dividend paid (including dividend distribution tax)	(1,779)	–
Proceeds from long-term borrowings	363,319	273,285
Repayment of long-term borrowings	(150,301)	(91,484)
Debenture issue / loan processing expenses	(255)	(960)
Net proceeds from short- term borrowings	32,249	3,915
NET CASH FLOW FROM FINANCING ACTIVITIES	259,217	199,640
NET (DECREASE) IN CASH AND CASH EQUIVALENTS	(39)	(2,461)
CASH AND CASH EQUIVALENTS AS AT THE BEGINNING OF THE YEAR	2,502	4,963
CASH AND CASH EQUIVALENTS AS AT THE END OF THE YEAR	2,463	2,502
See accompanying notes forming a part of the financial statements 1-37		

In terms of our report attached

For and on Behalf of the Board of Directors

For Deloitte Haskins & Sells LLP
Chartered Accountants

Praveen P. Kadle
(Chairman)

Janki Ballabh
(Director)

Anuradha E. Thakur
(Director)

Sanjiv V. Pilgaonkar
Partner

G. Sankaranarayanan
(Director)

S. H. Rajadhyaksha
(Director)

R.Vaithianathan
(Managing Director)

Mumbai
Date : April 21, 2015

S Balakrishna Kamath
(Chief Financial Officer & Company Secretary)

NOTES FORMING PART OF THE FINANCIAL STATEMENTS ENDED MARCH 31, 2015**1 CORPORATE INFORMATION**

Tata Capital Housing Finance Limited (the "Company") was incorporated on October 15, 2008. The Company obtained the Certificate of Registration under the National Housing Bank ("NHB") as required under Section 29A of the NHB Act, 1987 on April 2, 2009. The Company is a wholly owned subsidiary of Tata Capital Limited. The main objects of the Company, inter alia are to carry out the business of providing long term finance to individuals, companies, corporations, societies or association of persons for purchase / construction / repair and renovation of new / existing flats / houses for residential purposes and provide property related services.

2 SIGNIFICANT ACCOUNTING POLICIES**i BASIS FOR PREPARATION OF ACCOUNTS**

The financial statements of the Company have been prepared in accordance with the Generally Accepted Accounting Principles in India (Indian GAAP) to comply with the Accounting Standards specified under Section 133 of the Companies Act, 2013, read with Rule 7 of the Companies (Accounts) Rules, 2014 and the relevant provisions of the Companies Act, 2013 ("the 2013 Act") / Companies Act, 1956 ("the 1956 Act"), as applicable, the National Housing Bank Act, 1987 and the Housing Finance Companies, (NHB) Directions, 2010. The financial statements have been prepared on accrual basis under the historical cost convention. The accounting policies adopted in the preparation of the financial statements are consistent with those followed in the previous year.

ii USE OF ESTIMATES

The preparation of financial statements require the management of the Company to make estimates and assumptions 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 management believes that the estimates used in preparation of the financial statements are prudent and reasonable. Future results could differ from these estimates. Any revision to accounting estimates is recognised prospectively in the current and future periods. Example of such estimates includes provision for non - performing loans, provision for employee benefit plans and provision for income taxes.

iii REVENUE RECOGNITION**Interest income on loans**

Income on loan transactions is accounted for by using the Internal Rate of Return method. Consequently, a constant rate of return on net outstanding amount is accrued over the period of the contract, except that no income is recognised on non-performing assets as per the prudential norms for income recognition issued by the NHB for Housing Finance Companies (the "HFC's"). Interest income on such assets is recognised on receipt basis. Repayment of housing loans is generally by way of Equated Monthly Installments ("EMIs") comprising principal and interest. EMIs commences once the entire loan is disbursed. Pending commencement of EMIs, pre-EMI interest is payable every month. Interest on loans is computed on a monthly rest basis.

Upfront / Processing fees collected from the customer for processing loans are primarily towards documentation charges. This is accounted as income when the amount becomes due provided recovery thereof is not uncertain.

Income from Current and Long-term Investments

Income from sale of units of mutual funds is accounted on cash basis when the units of mutual funds are actually sold.

iv PROVISION ON NON PERFORMING / STANDARD LOANS AND DOUBTFUL DEBTS

Loans are initially recorded at the disbursed principal amounts and are subsequently adjusted for recoveries and any unearned income. Loans are carried net of the allowances for credit losses.

A loan is recognised as non-performing ("NPA") at the earlier of the date it has been individually provided for when the Company is no longer reasonably assured of the timely collection of the full amount of principal and interest and a loan the repayment installment or interest has been in arrears for 90 days.

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

Provisions are established on a collective basis against loan assets classified as “Standard” to absorb credit losses on the aggregate exposures in each of the Company’s loan portfolios based on the NHB Directions.

v INVESTMENTS

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

vi FIXED ASSETS

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

vii DEPRECIATION

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

Depreciation on tangible fixed assets has been provided on the straight-line method as per the useful life prescribed in Schedule II to the Companies Act, 2013 except in respect of building 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.

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

Estimated useful life considered by the Company are:

Asset	Estimated Useful Life
Building	25 Years
Office Equipment	5 Years
Vehicles	4 Years
Plant & Machinery	4 Years
Furniture & Fixtures	Higher of 10 Years or rate determined based on period of lease
Leasehold improvements	Lease Period

viii LEASES

Leases are classified as operating lease where the risks and rewards incidental to ownership of an asset substantially vest with the lessor, are charged to the Statement of Profit and Loss as per terms of lease agreement.

ix TAXATION

Income Tax

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

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

Deferred tax is recognised on timing differences, being the differences between the taxable income and the accounting income that originate in one period and are capable of reversal in one or more subsequent periods. Deferred tax is measured using the tax rates and the tax laws enacted or substantively enacted as at the reporting date.

Deferred tax liabilities are recognised for all timing differences. Deferred tax assets are recognised for timing differences of items other than unabsorbed depreciation and carry forward losses only to the extent that reasonable certainty exists that sufficient future taxable income will be available against which these can be realised. However, if there are unabsorbed depreciation and carry forward of losses and items relating to capital losses, deferred tax assets are recognised only if there is virtual certainty supported by convincing evidence that there will be sufficient future taxable income available to realise the assets. Deferred tax assets and liabilities are offset if such items relate to taxes on income levied by the same governing tax laws and the Company has a legally enforceable right for such set off. Deferred tax assets are reviewed at each balance sheet date for their realisability.

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

x SERVICE TAX INPUT CREDIT

Service tax input credit is accounted for in the books in the period in which the underlying service received is accounted and when there is reasonable certainty in availing / utilising the credits.

xi DEFERRED REVENUE EXPENDITURE

Miscellaneous expenditure comprising share issue expenses such as stamp duty and registration fees is amortised over a period of 36 months from the month in which the Company has incurred the expenditure. Debenture issue expenses and Loan processing charges incurred on debentures / loans taken is amortised over the tenure of debentures / loan or over a period of 36 months whichever is earlier.

Loan sourcing cost is amortised over a period of 84 / 60 / 18 months for Home loan, Home equity and Builder loan respectively.

xii PROVISIONS, CONTINGENT LIABILITIES AND CONTINGENT ASSETS

Provisions are recognised when the Company has present obligations, as result of past events, for which it is probable that an outflow of economic benefits will be required to settle the obligation and a reliable estimate can be made for the amount of obligation. Contingent liabilities are not recognised but disclosed in the financial statements. A Contingent asset is neither recognised nor disclosed in the financial statements.

xiii CASH FLOW STATEMENT

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

xiv EARNINGS PER SHARE

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

xv EMPLOYEE BENEFITS

Employee benefits include provident fund, superannuation fund, employee state insurance scheme, 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 during the period. The contributions as specified under the law are paid to the provident fund set up as irrevocable trust by the Company. The Company is generally liable for annual contributions and any shortfall in the fund assets based on the government specified minimum rates of return and recognises such contributions and shortfall, if any, as an expense in the year incurred.

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

Defined-benefit plans

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

Short-term employee benefits

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

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

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

Long-term employee benefits

Compensated absences which are not expected to occur within twelve months after the end of the period in which the employee renders the related service are recognised as a liability at the present value of the defined benefit obligation as at the balance sheet date less the fair value of the plan assets out of which the obligations are expected to be settled. Long Service Awards are recognised as a liability at the present value of the defined benefit obligation as at the balance sheet date.

xvi SEGMENT REPORTING

The Company is engaged in the business of providing loans for purchase, construction, repairs and renovation etc, of houses/ flats to individuals and corporate bodies and has its operations within India. There being only one 'business segment' and 'geographical segment', the segment information is not provided.

NOTES TO AND FORMING PART OF THE BALANCE SHEET AS AT MARCH 31, 2015

3. SHARE CAPITAL

(₹ in Lakh)

PARTICULARS	As at March 31, 2015	As at March 31, 2014
AUTHORISED		
1,400,000,000 (As at March 31, 2014: 750,000,000) Equity shares of ₹ 10 each	140,000	75,000
1,100,000,000 (As at March 31, 2014: 500,000,000) 9% Compulsorily Convertible Cumulative Preference shares of ₹ 10 each	110,000	50,000
	250,000	125,000
ISSUED, SUBSCRIBED & PAID UP		
253,333,332 (as at March 31, 2014: 253,333,332) Equity shares of ₹ 10 each fully paid up	25,333	25,333
414,000,000 (as at March 31, 2014: 254,000,000) 9% Compulsorily Convertible Cumulative Preference shares of ₹ 10 each fully paid up	41,400	25,400
Total	66,733	50,733

Note : All the equity shares & preference shares are held by the holding company, Tata Capital Limited and its nominees.

3(a) Reconciliation of number of shares outstanding

PARTICULARS	No. of shares	₹ in Lakh
Opening Share Capital as on April 01, 2013		
Equity Face Value ₹ 10 fully paid up	253,333,332	25,333
9% Preference Share Capital, Face Value of ₹ 10 fully paid up	105,000,000	10,500
Additions during the previous year		
9% Preference Share Capital		
Rights Issue (Preference shares of ₹ 10 each, compulsorily convertible after 9 years)	149,000,000	14,900
Opening Share Capital as on April 01, 2014		
Equity Face Value ₹ 10 fully paid up	253,333,332	25,333
9% Preference Share Capital, Face Value of ₹ 10 fully paid up	254,000,000	25,400
Total	507,333,332	50,733
Additions during the year		
9% Preference Share Capital		
Rights Issue (Preference shares of ₹ 10 each, compulsorily convertible after 9 years)	160,000,000	16,000
Total	160,000,000	16,000
Closing Share Capital as on March 31, 2015		
Equity Face Value ₹ 10 fully paid up	253,333,332	25,333
9% Preference Share Capital of ₹ 10 fully paid up	414,000,000	41,400
Total	667,333,332	66,733

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

Equity Shares: The Company has one class of equity shares having a par value of ₹ 10 per share. Each shareholder is eligible for one vote per share held. The dividend proposed by the Board of Directors is subject to the approval of the shareholders 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.

Preference Shares: The Company has issued 414,000,000, 9% Compulsorily Convertible Cumulative Preference Shares (“CCCPS”) of face value ₹ 10/- each, convertible after 9 years from the date of issue. However, CCCPS holders have an option to convert into equity share at an earlier date. 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 the ensuing Annual General Meeting, except in case of interim dividend. In the event of liquidation, the Preference Shareholders are eligible to receive the remaining assets of the Company before distribution to the Equity Shareholders, in proportion to their shareholding.

Tranche wise due date details for Compulsorily Convertible Preference Shares (“CCCPS”)

(₹ in Lakh)

Date of Allotment	Date of Conversion	Amount
12-Nov-12	12-Nov-21	2,600
3-Dec-12	3-Dec-21	2,400
4-Jan-13	4-Jan-22	3,000
28-Mar-13	28-Mar-22	2,500
4-Jun-13	4-Jun-22	1,000
28-Jun-13	28-Jun-22	1,000
30-Jul-13	30-Jul-22	2,000
8-Aug-13	8-Aug-22	2,000
20-Sep-13	20-Sep-22	2,000
2-Dec-13	2-Dec-22	2,000
6-Feb-14	6-Feb-23	2,900
26-Mar-14	26-Mar-23	2,000
29-May-14	29-May-24	3,000
30-Jun-14	30-Jun-23	2,000
28-Aug-14	28-Aug-23	1,500
29-Sep-14	29-Sep-23	1,000
28-Nov-14	28-Nov-23	1,000
28-Nov-14	28-Nov-23	2,500
30-Jan-15	30-Jan-24	3,000
31-Mar-15	31-Mar-24	2,000
Total		41,400

3 (c) Investment by Tata Capital Limited (Holding company)

(₹ in Lakh)

Name of Company	Particulars of Issue	No. of Shares
Tata Capital Limited (Holding Company)	<u>Equity Shares</u>	
	Opening Balance as on April 1, 2013	253,333,332
	Closing Balance as on March 31, 2014	253,333,332
	Closing Balance as on March 31, 2015	253,333,332
	<u>Preference Shares</u>	
	Opening Balance as on April 1, 2013	105,000,000
	Addition during the FY: 13-14	149,000,000
	Closing Balance as on March 31, 2014	254,000,000
	Addition during the FY: 14-15	160,000,000
	Closing Balance as on March 31, 2015	414,000,000

4 RESERVES AND SURPLUS

(₹ in Lakh)

PARTICULARS		As at March 31, 2015	As at March 31, 2014
(a)	Securities Premium Reserve		
	Opening Balance	2,267	2,267
	Closing Balance	2,267	2,267
(b)	Statutory Reserve (Refer Note No 4.1 below) (As per Section 29C of National Housing Bank Act,1987)		
	Opening Balance	1,922	742
	Addition during the year	1,360	1,180
	Closing Balance	3,282	1,922
(c)	Surplus in the Statement of Profit and Loss		
	Opening Balance	5,320	2,451
	Less : Adjustment of Deferred Tax Liability on Special Reserve u/s 36(1) (viii) (Refer Note No. 34)	626	–
	Add : Profit for the year	6,793	5,828
	Profit available for Appropriations	11,487	8,279
	Less : Appropriations		
	- Transfer to Special Reserve	1,360	1,180
	- Interim Dividend on Preference Shares	2,627	–
	- Dividend distribution tax on Interim Dividend	525	–
	- Proposed Dividend on Preference Shares	302	1,521
	- Dividend distribution tax on Proposed Dividend	62	258
	Closing Balance	6,611	5,320
	Total	12,160	9,509

4.1 Notes :

As required by Section 29C of National Housing Bank Act, 1987, and Section 36 (1) (viii) of the Income Tax Act,1961 the Company has transferred an amount of ₹ 1,360 Lakh (FY 2013-14 ₹1,180 Lakh) to Special Reserve.

In accordance with the National Housing Bank circular no.NHB(ND)/ DRS/ Pol.Circular.61/ 2013-14 dated April 7,2014 following disclosure is made.

(₹ in Lakh)

PARTICULARS		As at March 31, 2015	As at March 31, 2014
Balance at the beginning of the year			
a)	Statutory Reserve as per Section 29C of National Housing Bank Act, 1987	112	32
b)	Amount of Special Reserve u/s 36 (1) (viii) of Income Tax Act,1961 taken into account for the purposes of Statutory Reserve under section 29C of NHB Act, 1987	1,810	710
c)	Total	1,922	742
Addition / Appropriation / withdrawal during the year			
Add: a)	Amount transferred u/s 29C of the NHB Act,1987	35	80
b)	Amount of Special Reserve u/s 36 (1) (viii) of Income Tax Act,1961 taken into account for the purposes of Statutory Reserve under section 29C of NHB Act, 1987	1,325	1,100
Less: a)	Amount appropriated from the Statutory Reserve u/s 29 C of the NHB Act 1987	–	–
b)	Amount withdrawn from the Special Reserve u/s 36 (1) (viii) of Income Tax Act,1961 which has been taken into account for the purpose of provision u/s 29C of NHB Act, 1987	–	–
c)	Total	1,360	1,180
Balance at the end of the year			
a)	Statutory Reserve u/s 29C of the NHB Act, 1987	147	112
b)	Amount of special reserve u/s 36(1)(viii) of Income Tax Act, 1961 taken into account for the purposes of Statutory Reserve under Section 29C of the NHB Act, 1987	3,135	1,810
c)	Total	3,282	1,922

4.2 The Company has transferred an amount of ₹ 1,325 Lakh (FY 2013-14 ₹ 1,100 Lakh) to Special Reserve Account in terms of section 36(1)(viii) of the Income Tax Act, 1961 which has also been considered as a transfer of profit to a reserve fund for the purpose of compliance with section 29 C (i) of the National Housing Bank Act,1987.

5 LONG TERM BORROWINGS

(₹ in Lakh)

PARTICULARS		As at March 31, 2015	As at March 31, 2014
(a) Debentures			
	Secured		
	(i) Privately Placed Non-Convertible Debentures (Refer Note No. 5.1 below)	169,490	94,520
	(ii) Zero coupon Debenture (Refer Note No. 5.1 below)	–	5,200
	Unsecured		
	(i) Non-Convertible Subordinated Debentures (Refer Note No. 5.2 below)	24,870	20,070
(b) Term loans			
	Secured		
	(i) From Banks (Refer Note No. 5.3 below)	215,049	153,333
	(ii) From National Housing Bank (Refer Note No. 5.4 below)	91,266	31,535
	Unsecured		
	(i) From Banks (Refer Note No. 5.5 below)	30,000	70,000
Total		530,675	374,658

5.1 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 by cover by way of a pari passu charge on the current assets of the Company.

Description of Secured Redeemable Non Convertible Debentures (NCD)	Issue Date	Redemption Date	No. of NCDs	As at March 31, 2015 ₹ in Lakh	No. of NCDs	As at March 31, 2014 ₹ in Lakh
[A] Long Term NCD (Issued at par redeemable at Premium)						
TCHFL - Series U-FY 2014-15	20-Jan-15	24-Jan-28	190	1,900	–	–
TCHFL - Series M - FY 2014-15-Option II	14-Nov-14	24-Nov-27	150	1,500	–	–
TCHFL - Series V - FY 2014-15	23-Jan-15	23-Jan-25	1,500	15,000	–	–
TCHFL - Series R - FY 2014-15	09-Dec-14	09-Dec-24	2,000	20,000	–	–
TCHFL - Series U - FY 2012-13	12-Mar-13	10-Mar-23	100	1,000	100	1,000
TCHFL - Series R - FY 2012-13	18-Jan-13	18-Jan-23	150	1,500	150	1,500
TCHFL - Series Q - FY 2012-13	24-Dec-12	28-Dec-22	100	1,000	100	1,000
TCHFL - Series G - FY 2012-13	15-May-12	18-May-22	100	1,000	100	1,000
TCHFL - Series Z - FY 2014-15	12-Feb-15	12-Feb-20	100	1,000	–	–
TCHFL - Series G - FY 2014-15	22-Oct-14	22-Oct-19	550	5,500	–	–
TCHFL - Series K - FY 2012-13	03-Oct-12	03-Oct-19	100	1,000	100	1,000
TCHFL - Series D - FY 2014-15-Option II	22-Aug-14	22-Aug-19	100	1,000	–	–
TCHFL - Series B - FY 2014-15-Option II	22-Jul-14	21-Jul-19	100	1,000	–	–
TCHFL - Series A - FY 2014-15-Option II	13-Jun-14	13-Jun-19	100	1,000	–	–

Description of Secured Redeemable Non Convertible Debentures (NCD)	Issue Date	Redemption Date	No. of NCDs	As at March 31, 2015 ₹ in Lakh	No. of NCDs	As at March 31, 2014 ₹ in Lakh
TCHFL - Series N - FY 2013-14	20-Jan-14	18-Jan-19	50	500	50	500
TCHFL - Series G - FY 2011-12	18-Nov-11	18-Nov-18	100	1,000	100	1,000
TCHFL - Series C - FY 2013-14	23-Apr-13	23-Apr-18	100	1,000	100	1,000
TCHFL - Series AE - FY 2014-15	26-Mar-15	10-Apr-18	340	3,400	–	–
TCHFL - Series AD - FY 2014-15- Option II	16-Mar-15	12-Mar-18	50	500	–	–
TCHFL - Series AC - FY 2014-15- Option II	10-Mar-15	09-Mar-18	600	6,000	–	–
TCHFL - Series W - FY 2014-15- Option I	28-Jan-15	14-Feb-18	80	800	–	–
TCHFL - Series AA - FY 2014-15- Option I	16-Feb-15	12-Feb-18	75	750	–	–
TCHFL - Series Y - FY 2014-15	04-Feb-15	02-Feb-18	150	1,500	–	–
TCHFL - Series T - FY 2014-15	13-Jan-15	10-Jan-18	162	1,620	–	–
TCHFL - Series O - FY 2014-15	21-Nov-14	22-Nov-17	180	1,800	–	–
TCHFL - Series N - FY 2014-15	18-Nov-14	21-Nov-17	70	700	–	–
TCHFL - Series J - FY 2014-15- Option II	07-Nov-14	13-Nov-17	120	1,200	–	–
TCHFL - Series K - FY 2014-15	11-Nov-14	01-Nov-17	100	1,000	–	–
TCHFL - Series D - FY 2014-15- Option I	22-Aug-14	22-Aug-17	600	6,000	–	–
TCHFL - Series C - FY 2014-15- Option II	07-Aug-14	01-Aug-17	200	2,000	–	–
TCHFL - Series B - FY 2014-15- Option I	22-Jul-14	21-Jul-17	100	1,000	–	–
TCHFL - Series A - FY 2014-15- Option III	13-Jun-14	13-Jun-17	250	2,500	–	–
TCHFL - Series A - FY 2014-15- Option I	13-Jun-14	02-May-17	600	6,000	–	–
TCHFL - Series AD - FY 2014-15- Option I	16-Mar-15	17-Apr-17	90	900	–	–
TCHFL - Series AB - FY 2014-15	05-Mar-15	10-Apr-17	100	1,000	–	–
TCHFL - Series AC - FY 2014-15- Option I	10-Mar-15	10-Mar-17	1,850	18,500	–	–
TCHFL - Series AA - FY 2014-15- Option II	16-Feb-15	27-Feb-17	40	400	–	–
TCHFL - Series W - FY 2014-15- Option II	27-Jan-15	24-Jan-17	44	440	–	–

Description of Secured Redeemable Non Convertible Debentures (NCD)	Issue Date	Redemption Date	No. of NCDs	As at March 31, 2015 ₹ in Lakh	No. of NCDs	As at March 31, 2014 ₹ in Lakh
TCHFL - Series L - FY 2013-14	10-Jan-14	10-Jan-17	250	2,500	250	2,500
TCHFL - Series E - FY 2014-15	23-Sep-14	23-Dec-16	400	4,000	–	–
TCHFL - Series S - FY 2014-15- Option I	16-Dec-14	15-Dec-16	118	1,180	–	–
TCHFL - Series S - FY 2014-15- Option II	16-Dec-14	06-Dec-16	101	1,010	–	–
TCHFL - Series K - FY 2013-14	02-Dec-13	02-Dec-16	200	2,000	200	2,000
TCHFL - Series Q - FY 2014-15- Option I	04-Dec-14	02-Dec-16	139	1,390	–	–
TCHFL - Series Q - FY 2014-15- Option II	04-Dec-14	29-Nov-16	274	2,740	–	–
TCHFL - Series J - FY 2013-14	07-Nov-13	07-Nov-16	50	500	50	500
TCHFL - Series J - FY 2014-15- Option I	07-Nov-14	07-Nov-16	60	600	–	–
TCHFL - Series I - FY 2014-15- Option II	03-Nov-14	03-Nov-16	70	700	–	–
TCHFL - Series H - FY 2014-15	31-Oct-14	31-Oct-16	182	1,820	–	–
TCHFL - Series F - FY 2014-15- Option II	20-Oct-14	10-Oct-16	188	1,880	–	–
TCHFL - Series H - FY 2013-14	10-Sep-13	09-Sep-16	300	3,000	300	3,000
TCHFL - Series C - FY 2014-15- Option III	07-Aug-14	02-Aug-16	200	2,000	–	–
TCHFL - Series C - FY 2014-15- Option IV	07-Aug-14	01-Aug-16	70	700	–	–
TCHFL - Series C - FY 2014-15- Option I	07-Aug-14	01-Aug-16	1,000	10,000	–	–
TCHFL - Series I - FY 2013-14	25-Oct-13	28-Jun-16	180	1,800	180	1,800
TCHFL - Series E - FY 2013-14	16-May-13	16-May-16	100	1,000	100	1,000
TCHFL - Series A - FY 2013-14	09-Apr-13	10-May-16	30	300	30	300
TCHFL - Series T - FY 2012-13	12-Mar-13	10-May-16	20	200	20	200
TCHFL - Series S - FY 2012-13	05-Feb-13	28-Apr-16	626	6,260	626	6,260
TCHFL - Series P - FY 2014-15	02-Dec-14	15-Apr-16	1,000	10,000	–	–
TCHFL - Series F - FY 2014-15- Option I	20-Oct-14	25-Mar-16	1,000	10,000	–	–
TCHFL - Series X - FY 2014-15	02-Feb-15	03-Mar-16	250	2,500	–	–
TCHFL - Series L - FY 2014-15	12-Nov-14	01-Mar-16	250	2,500	–	–
TCHFL - Series M - FY 2014-15- Option I	14-Nov-14	14-Dec-15	1,700	17,000	–	–

Description of Secured Redeemable Non Convertible Debentures (NCD)	Issue Date	Redemption Date	No. of NCDs	As at March 31, 2015 ₹ in Lakh	No. of NCDs	As at March 31, 2014 ₹ in Lakh
TCHFL - Series I - FY 2014-15 -Option I	03-Nov-14	23-Nov-15	1,000	10,000	–	–
TCHFL - Series O - FY 2012-13	30-Oct-12	30-Oct-15	100	1,000	100	1,000
TCHFL - Series N - FY 2012-13	29-Oct-12	29-Oct-15	500	5,000	500	5,000
TCHFL - Series L - FY 2012-13	12-Oct-12	12-Oct-15	200	2,000	200	2,000
TCHFL - Series P - FY 2013-14	28-Jan-14	30-Jun-15	100	1,000	100	1,000
TCHFL - Series E - FY 2012-13	29-May-12	29-May-15	51	510	51	510
TCHFL - Series F - FY 2013-14	21-May-13	21-May-15	–	–	2,000	20,000
TCHFL - Series U - FY 2013-14	20-Feb-14	20-May-15	250	2,500	250	2,500
TCHFL - Series M - FY 2013-14	09-Jan-14	12-May-15	60	600	60	600
TCHFL - Series T - FY 2013-14	14-Feb-14	08-May-15	210	2,100	210	2,100
TCHFL - Series S - FY 2013-14	10-Feb-14	04-May-15	210	2,100	210	2,100
TCHFL - Series V - FY 2013-14	21-Feb-14	04-May-15	350	3,500	350	3,500
TCHFL - Series Z - FY 2013-14	13-Mar-14	27-Apr-15	50	500	50	500
TCHFL - Series O - FY 2013-14	28-Jan-14	23-Apr-15	100	1,000	100	1,000
TCHFL - Series X - FY 2013-14	03-Mar-14	20-Apr-15	250	2,500	250	2,500
TCHFL - Series B - FY 2012-13	17-Apr-12	17-Apr-15	17	170	17	170
TCHFL - Series Q - FY 2013-14	06-Feb-14	15-Apr-15	190	1,900	190	1,900
TCHFL - Series AB - FY 2013-14	13-Mar-14	13-Apr-15	292	2,920	292	2,920
TCHFL - Series AA - FY 2013-14	13-Mar-14	10-Apr-15	35	350	35	350
TCHFL - Series AC - FY 2013-14	14-Mar-14	06-Apr-15	350	3,500	350	3,500
TCHFL - Series AD - FY 2013-14	14-Mar-14	06-Apr-15	50	500	50	500
TCHFL - Series AE - FY 2013-14	18-Mar-14	06-Apr-15	170	1,700	170	1,700
TCHFL - Series R - FY 2013-14	07-Feb-14	06-Apr-15	160	1,600	160	1,600
TCHFL - Series Y - FY 2013-14	06-Mar-14	06-Apr-15	31	310	31	310
TCHFL - Series AF - FY 2013-14	19-Mar-14	31-Mar-15	–	–	750	7,500
TCHFL - Series W - FY 2013-14	03-Mar-14	31-Mar-15	–	–	420	4,200
TCHFL - Series P - FY 2012-13	26-Dec-12	26-Dec-14	–	–	2,500	25,000
TCHFL - Series C - FY 2011-12	24-Oct-11	23-Oct-14	–	–	70	700
TCHFL - Series D - FY 2011-12	02-Nov-11	23-Oct-14	–	–	30	300
TCHFL - Series B - FY 2013-14	18-Apr-13	23-May-14	–	–	403	4,030
Total (A)				248,750		124,550

Description of Secured Redeemable Non Convertible Debentures (ZCB)	Issue Date	Redemption Date	No. of NCDs	As at March 31,2015 ₹ In Lakh	No. of NCDs	As at March 31,2014 ₹ In Lakh
[B] Long Term NCD (Zero Coupon Bond redeemable at Premium)						
TCHFL - Series H - FY 2012-13	16-Jul-12	01-Oct-15	40	400	40	400
TCHFL - Series C - FY 2012-13	04-May-12	04-Aug-15	50	500	50	500
TCHFL - Series BC - FY 2011-12	23-Feb-12	01-Jun-15	180	1,800	180	1,800
TCHFL - Series A - FY 2012-13	10-Apr-12	02-Apr-15	-	-	250	2,500
TCHFL - Series BF - FY 2011-12	07-Mar-12	06-Mar-15	-	-	100	1,000
TCHFL - Series BB- FY 2011-12	17-Feb-12	09-Feb-15	-	-	100	1,000
TCHFL - Series W- FY 2011-12	01-Feb-12	03-Feb-15	-	-	50	500
TCHFL - Series T- FY 2011-12	25-Jan-12	23-Jan-15	-	-	50	500
TCHFL - Series H - FY 2011-12	23-Nov-11	10-Nov-14	-	-	600	6,000
TCHFL - Series I - FY 2012-13	24-Jul-12	24-Jul-14	-	-	200	2,000
TCHFL - Series Q - FY 2011-12	16-Jan-12	10-Jul-14	-	-	300	3,000
TCHFL - Series Y- FY 2011-12	09-Feb-12	13-May-14	-	-	160	1,600
TCHFL - Series F - FY 2012-13	15-May-12	08-May-14	-	-	330	3,300
TCHFL - Series P - FY 2011-12	16-Jan-12	25-Apr-14	-	-	350	3,500
TCHFL - Series V - FY 2012-13	15-Mar-13	11-Apr-14	-	-	200	2,000
TCHFL - Series W - FY 2012-13	15-Mar-13	10-Apr-14	-	-	250	2,500
TCHFL - Series BH - FY 2011-12	20-Mar-12	08-Apr-14	-	-	220	2,200
Total (B)				2,700		34,300

Description of Secured Redeemable Non Convertible Debentures (ZCB)	Issue Date	Redemption Date	No. of NCDs	As at March 31,2015 ₹ In Lakh	No. of NCDs	As at March 31,2014 ₹ In Lakh
[C] Long Term NCD (Zero Coupon Bond issued at Discount)						
TCHFL - Series O - FY 2011-12	13-Jan-12	13-Jan-15	-	-	250	2,500
Total				-		2,500
Less : Unamortised discount as on March 31,2014				-		163
Total (C)				-		2,337
Total (A+B+C)				251,450		161,187
Of which Current maturities have been classified under other Current Liabilities (Note No.9)				81,960		61,467
Long term borrowings				169,490		99,720

Note: Coupon rate of "NCDs" outstanding as on March 31, 2015 varies from 8.72% to 10.70% (Previous year varies from 8.98% to 10.75%).

5.2 Particulars of Unsecured Redeemable Non Convertible Subordinated Debentures (Tier II Bonds) outstanding as on March 31,2015

(₹ in Lakh)

Description of NCD	Issue Date	Redemption Date	No. of NCDs	As at March 31, 2015 ₹ In Lakh	No. of NCDs	As at March 31, 2014 ₹ In Lakh
TCHFL Tier II Bonds 'A' FY 2014-15	26-Sep-14	26-Sep-24	480	4,800	–	–
TCHFL Tier II Bonds 'E' FY-2013-14	18-Mar-14	18-Mar-24	4	40	4	40
TCHFL Tier II Bonds 'D' FY-2013-14	10-Jan-14	10-Jan-24	77	770	77	770
TCHFL Tier II Bonds 'C' FY-2013-14	20-May-13	19-May-23	10	100	10	100
TCHFL Tier II Bonds 'B' FY-2013-14	23-Apr-13	23-Apr-23	21	210	21	210
TCHFL Tier II Bonds 'A' FY-2013-14	15-Apr-13	15-Apr-23	250	2,500	250	2,500
TCHFL Tier II Bonds 'E' FY-2012-13	28-Mar-13	28-Mar-23	150	1,500	150	1,500
TCHFL Tier II Bonds 'D' FY-2012-13	22-Aug-12	22-Aug-22	330	3,300	330	3,300
TCHFL Tier II Bonds 'C' FY-2012-13	30-May-12	30-May-22	300	3,000	300	3,000
TCHFL Tier II Bonds 'B' FY-2012-13	30-May-12	30-May-22	3	30	3	30
TCHFL Tier II Bonds 'A' FY-2012-13	10-May-12	10-May-22	10	100	10	100
TCHFL Tier II Bonds 'F' FY-2011-12	12-Mar-12	12-Mar-22	102	1,020	102	1,020
TCHFL Tier II Bonds 'E' FY-2011-12	25-Jan-12	25-Jan-22	135	1,350	135	1,350
TCHFL Tier II Bonds 'D' FY-2011-12	04-Nov-11	04-Nov-21	101	1,010	101	1,010
TCHFL Tier II Bonds 'C' FY-2011-12	28-Oct-11	28-Oct-21	11	110	11	110
TCHFL Tier II Bonds 'B' FY-2011-12	29-Sep-11	29-Sep-21	253	2,530	253	2,530
TCHFL Tier II Bonds 'A' FY-2011-12	29-Jul-11	29-Jul-21	250	2,500	250	2,500
Total				24,870		20,070

Note: Coupon rate of "NCDs" outstanding as on March 31, 2015 varies from 8.72% to 10.70% (Previous year it varied from 9.30% to 10.25%).

5.3 Loans and advances from banks are secured by pari passu charge on the current assets of the Company and are repayable at maturity ranging between 3 years to 5 years from the date of loan taken. Rate of Interest payable on Term loan varies between 10.00% to 10.25% (Previous year varies between 10.00% to 10.70%).

5.4 Loan from National Housing Bank is secured by way of hypothecation of book debt and is repayable in 28/60 quarterly installments. Rate of Interest payable on Term loan varies between 7.10% to 10.00% (Previous year varies between 7.35% to 10.00%).

5.5 Unsecured term loan comprises a loan taken from Bank of India & Bank of Baroda

5.6 Discount on Commercial Paper varies between 8.73% to 9.90% (Previous year varies between 10.25% to 10.95%).

6. OTHER LONG-TERM LIABILITIES

(₹ in Lakh)

PARTICULARS	As at March 31, 2015	As at March 31, 2014
(a) Interest accrued but not due on borrowings	2,445	2,953
(b) Liability for capital expenditure	10	3
Total	2,455	2,956

7. LONG-TERM PROVISIONS

(₹ in Lakh)

PARTICULARS	As at March 31, 2015	As at March 31, 2014
(a) Provision for employee benefits	19	27
(b) Contingent provision against standard assets (Refer Note No. 33)	4,080	2,781
Total	4,099	2,808

8. SHORT-TERM BORROWINGS

(₹ in Lakh)

PARTICULARS	As at March 31, 2015	As at March 31, 2014
(a) Loans repayable on demand		
Secured		
- Cash Credit (Refer Note No. 5.3 above)	51,492	19,334
(b) Other loans and advances		
Unsecured		
(i) Book Bank Overdraft	15,569	12,863
(ii) Commercial Paper (Refer Note No. 5.6 above) [Net of unamortised discount of ₹ 1,042 Lakh (as at March 31, 2014 ₹ 1,271 Lakhs)]	66,308	69,309
Total	133,369	101,506

9. TRADE PAYABLES

(₹ in Lakh)

PARTICULARS	As at March 31, 2015	As at March 31, 2014
(a) Other		
(i) Accrued employee benefit expenses	505	404
(ii) Accrued expenses	1,787	999
(iii) Others	275	340
Total	2,567	1,743

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

10. OTHER CURRENT LIABILITIES

(₹ in Lakh)

PARTICULARS	As at March 31, 2015	As at March 31, 2014
(a) Current maturities of long-term debt		
(i) Debentures		
Secured		
- Privately Placed Non-Convertible Debentures (Refer Note No. 5.1 above)	79,260	30,030
[Net of unamortised Discount ₹ NIL (as on March 2014 ₹ 163 Lakh)]		
- Zero coupon Debenture (Refer Note No. 5.1 above)	2,700	31,437
(ii) Term Loan		
Secured		
- From Banks (Refer Note No. 5.3 above)	25,784	17,502
- From National Housing Bank (Refer Note No. 5.4 above)	12,969	5,201
Unsecured		
- From Banks (Refer Note No. 5.5 above)	25,000	5,000
(b) Interest accrued but not due on borrowings	12,418	8,995
(c) Income received in advance	3,348	630
(d) Interim dividend payable	2,627	-
(e) Tax payable on interim dividend	525	-
(f) Other payables		
(i) Statutory remittances	364	225
(ii) Payable to group companies	718	72
(ii) Other payable	46	10
Total	165,759	99,102

11. SHORT-TERM PROVISIONS

(₹ in Lakh)

PARTICULARS	As at March 31, 2015	As at March 31, 2014
(a) Provision for employee benefits	104	59
(b) Contingent provision against Standard Assets (Refer Note No. 33)	271	197
(c) Provision for proposed dividend	302	1,521
(d) Provision for dividend distribution tax on proposed dividend	62	258
(e) Provision for Income tax	947	198
[Net of Advance Tax ₹ 3,026 Lakh, (as on March 2014 ₹ 2,870 Lakh)]		
Total	1,686	2,233

12. FIXED ASSETS

(₹ in Lakh)

Particulars	Gross Block				Accumulated depreciation				Net Block	
	Opening balance as at April 1, 2014	Additions	Disposals	Closing balance as at March 31, 2015	Opening balance as at April 1, 2014	Depreciation/Amortisation for the Year	Disposals	Closing balance as at March 31, 2015	As at March 31, 2015	As at March 31, 2014
TANGIBLE FIXED ASSETS										
Building	48 (48)	265 –	– –	313 (48)	7 (5)	8 (2)	– –	15 (7)	298 (41)	41
Office Equipment	49 (32)	45 (17)	– –	94 (49)	9 (4)	25 (5)	– –	34 (9)	60 (40)	40
Vehicles	69 (59)	25 (10)	22 –	72 (69)	35 (20)	16 (15)	15 –	36 (35)	36 (34)	34
Plant & Machinery	12 (9)	29 (3)	– –	41 (12)	2 (1)	4 (1)	– –	6 (2)	35 (10)	10
Furniture & Fixtures	22 (16)	52 (6)	– –	74 (22)	5 (2)	21 (3)	– –	26 (5)	48 (17)	17
Leasehold Improvements	73 (44)	129 (29)	2 –	200 (73)	23 (9)	35 (14)	2 –	56 (23)	144 (50)	50
Intangible Fixed Assets	– –	– –	– –	– –	– –	– –	– –	– –	– –	–
Total	273	545	24	794	81	109	17	173	621	192
Previous financial year	(208)	(65)	–	(273)	(41)	(40)	–	(81)	(192)	
Add: Capital Work In Progress									6	32
Total									627	224

Note: Figures in brackets relate to Previous year.

13 DEFERRED TAX ASSETS

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

(₹ in Lakh)

PARTICULARS	As at March 31, 2015	As at March 31, 2014
Deferred Tax Assets on account of :-		
(a) Employee benefits	38	44
(b) Provision for non-performing asset	628	236
(c) Contingent provision for standard assets	1,506	1,012
(d) Disallowance u/s 40(a)	17	29
(e) Timing difference in respect of depreciation on fixed assets	27	–
Total	2,216	1,321
Less : Deferred Tax Liability on account of :-		
(a) Special Reserve u/s 36(1) (viii) (Refer Note No. 34)	1,085	–
Total	1,085	–
Net Deferred Tax Assets	1,131	1,321

14. LOANS AND ADVANCES - FINANCING ACTIVITY-SECURED UNLESS OTHERWISE STATED (₹ in Lakh)

PARTICULARS	As at March 31, 2015	As at March 31, 2014
NON-CURRENT		
(a) Housing Loans		
(i) Considered good	708,550	482,982
(ii) Considered doubtful	1,205	416
	709,755	483,398
Less: Provision for Doubtful loans (Refer Note No 14.1)	1,205	416
	708,550	482,982
(b) Non Housing Loans		
(i) Considered good	143,465	111,521
(i) Considered doubtful	559	259
	144,024	111,780
Less: Provision for Doubtful loans (Refer Note No 14.1)	559	259
	143,465	111,521
Total	852,015	594,503
CURRENT		
(a) Housing Loans		
(i) Considered good	47,116	33,087
(i) Considered doubtful	29	9
	47,145	33,096
Less: Provision for Doubtful loans (Refer Note No 14.1)	29	9
	47,116	33,087
(b) Non Housing Loans		
(i) Considered good	9,680	8,982
(i) Considered doubtful	22	10
	9,702	8,992
Less: Provision for Doubtful loans (Refer Note No 14.1)	22	10
	9,680	8,982
Total	56,796	42,069
Total - Loans and advances - Financing Activities	908,811	636,572

14.1 As per the Housing Finance Companies (NHB) Directions, 2010, non-performing assets are recognised on the basis of ninety days overdue. The total provision carried by the Company in terms of paragraph 25(2) of the Housing Finance Companies (NHB) Directions, 2010 and NHB circular NHB(ND)/(DRS)/Pol-No.09/2004-05 dated May 18, 2005 in respect of Housing and Non Housing Loans is as follows:

(₹ in Lakh)

Category	Provision against Sub-Standard Assets		Provision against Doubtful Assets		Provision against Loss Assets	
	Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year
Housing Loan						
Gross Non Performing Assets	3,411	1,180	541	465	452	16
Provision	512	177	271	232	452	16
Net Non Performing Assets	2,899	1,003	270	233	-	-
Non Housing Loan						
Gross Non Performing Assets	571	454	189	389	401	7
Provision	86	68	94	194	401	7
Net Non Performing Assets	485	386	95	195	-	-
Total						
Gross Non Performing Assets	3,982	1,634	730	854	853	23
Provision	598	245	365	426	853	23
Net Non Performing Assets	3,384	1,389	365	428	-	-

14.2 Loans granted by the company are secured against hypothecation of mortgage of property.

14.3 The company has reported frauds aggregating ₹ NIL (Previous year : ₹ 7 Lakhs) based on management reporting to risk committee.

15. LONG-TERM LOANS AND ADVANCES - OTHERS (UNSECURED CONSIDERED GOOD) (₹ in Lakh)

PARTICULARS	As at March 31, 2015	As at March 31, 2014
Others		
(a) Deposits	120	87
(b) Capital advances	333	–
(c) Loan To TCL Employee Welfare Trust	66	66
(d) Advance payment of Income tax	364	78
[Net of Provision for Tax ₹ 5,187 Lakh, (as on March 2014 ₹ 4,377 Lakh)]		
Total	883	231

16. OTHER NON-CURRENT ASSETS (₹ in Lakh)

PARTICULARS	As at March 31,2015	As at March 31, 2014
Others		
(a) Deferred revenue expenditure (to the extent not written off or adjusted) [Refer Note 20 (a)]	589	709
(b) Unamortised loan sourcing costs	2,853	2,320
Total	3,442	3,029

17. TRADE RECEIVABLES (₹ in Lakh)

PARTICULARS	As at March 31,2015	As at March 31, 2014
(a) Over six months (from the date due for payment)		
(i) Secured, considered good	–	–
(ii) Unsecured, considered good	–	–
(iii) Doubtful	–	–
	–	–
Less: Provision for trade receivables	–	–
	–	–
(b) Others		
(i) Secured, considered good	–	–
(ii) Unsecured, considered good	133	–
(iii) Doubtful	–	–
	133	–
Less: Provision for trade receivables	–	–
	133	–
Total	133	–

18 CASH AND BANK BALANCES

(₹ in Lakh)

PARTICULARS	As at March 31, 2015	As at March 31, 2014
(a) Cash on hand	82	44
(b) Cheques on hand	568	1,084
(c) Balances with banks -In current accounts (Refer Note No. 18.1 below)	1,813	1,374
Total	2,463	2,502

18.1 Of the above, the balances that meet the definition of Cash and Cash Equivalents as per AS 3 Cash Flow Statements is ₹ 2,463 Lakh. (Previous year : ₹ 2,502 Lakh)

19 SHORT-TERM LOANS AND ADVANCES - OTHERS (UNSECURED CONSIDERED GOOD)

(₹ in Lakh)

PARTICULARS	As at March 31, 2015	As at March 31, 2014
Others		
(a) Prepaid expenses	82	1
(b) Others	105	85
Total	187	86

20. OTHER CURRENT ASSETS

(₹ in Lakh)

PARTICULARS	As at March 31, 2015	As at March 31, 2014
Others		
(a) Deferred Revenue Expenditure (to the extent not written off or adjusted) (Refer Note 20 (a) below)	268	282
(b) Unamortised loan sourcing costs	1,558	1,001
Total	1,826	1,283

20(a) DEFERRED REVENUE EXPENDITURE (to the extent not written off or adjusted)

(₹ in Lakh)

PARTICULARS	As at March 31, 2015	As at March 31, 2014
(b) Unamortised share issue expenses		
Opening balance	40	92
Add: expenses incurred during the year	16	16
Less: written off during the year	33	68
Closing balance	23	40
(b) Unamortised debenture issue expenses		
Opening balance	148	152
Add: expenses incurred during the year	207	166
Less: written off during the year	190	170
Closing balance	165	148
(C) Unamortised loan processing charges		
Opening balance	803	35
Add: expenses incurred during the year	47	794
Less: written off during the year	181	26
Closing balance	669	803
Total	857	991

PARTICULARS	As at March 31, 2015		As at March 31, 2014	
	Current	Non- Current	Current	Non- Current
(a) Unamortised share issue expenses	12	11	30	10
(b) Unamortised debenture issue expenses	73	92	82	66
(c) Unamortised loan processing charges	183	486	170	633
Total	268	589	282	709
GRAND TOTAL		857		991

**NOTES TO AND FORMING PART OF THE STATEMENT OF PROFIT & LOSS
FOR YEAR ENDED MARCH 31, 2015**

21. REVENUE FROM OPERATIONS

(₹ in Lakh)

PARTICULARS	For the Year ended March 31, 2015	For the Year ended March 31, 2014
(a) Interest Income	86,586	61,137
(b) Income from Financing activity (Refer note below)	3,781	2,725
Total	90,367	63,862

Note : Income from Financing activity includes loan processing fees and other charges.

22. INVESTMENT INCOME

(₹ in Lakh)

PARTICULARS	For the Year ended March 31, 2015	For the Year ended March 31, 2014
(a) Profit on sale of current investments	387	382
Total	387	382

23. OTHER INCOME

(₹ in Lakh)

PARTICULARS	For the Year ended March 31, 2015	For the Year ended March 31, 2014
(a) Miscellaneous Income	259	10
(b) Interest on income tax refund	-	1
Total	259	11

24. FINANCE COST

(₹ in Lakh)

PARTICULARS	For the Year ended March 31, 2015	For the Year ended March 31, 2014
(a) Interest expense		
(i) On loans from banks	32,622	21,650
(ii) On non - convertible debentures	21,099	15,924
(iii) On inter corporate deposit	230	102
(b) Discounting charges		
(i) On zero coupon debentures	163	598
(ii) On commercial paper	10,654	7,318
Total	64,768	45,592

25. EMPLOYEE BENEFIT EXPENSES

(₹ in Lakh)

PARTICULARS	For the Year ended March 31, 2015	For the Year ended March 31, 2014
(a) Salaries, wages and bonus	4,475	2,790
(b) Contribution to provident fund and other funds (Refer Note No. 29)	245	136
(c) Staff welfare expenses	185	140
Total	4,905	3,066

26 OTHER OPERATING EXPENSES

(₹ in Lakh)

PARTICULARS	For the Year ended March 31, 2015	For the Year ended March 31, 2014
(a) Advertisement and publicity	128	280
(b) Business development expenses	260	141
(c) Direct marketing agents' commission expenses	1,711	1,062
(d) Director's sitting fee	16	11
(e) Facility management and office upkeep charges	57	38
(f) Insurance	6	2
(g) IT outsourcing expenses	1,286	930
(h) Legal and professional fees	702	401
(i) Loan processing charges	1,165	780
(j) Postage and courier expenses	32	18
(k) Printing and stationery	82	45
(l) Provision for doubtful loans	1,120	476
(m) Provision for standard assets - home loan	1,086	922
(n) Provision for standard assets - home equity	288	163
(o) Rates and taxes	7	6
(p) Record management charges	17	15
(q) Rent	977	681
(r) Repairs and maintenance expenses	11	8
(s) Stamping charges	18	10
(t) Service providers charges	602	502
(u) Telephone expenses	75	56
(v) Travelling and conveyance	365	272
(w) Corporate social responsibility expenses	107	–
(x) Power and fuel	32	22
(y) Others	347	143
Total	10,497	6,984

26. (a) The Company has made a standard asset provision of ₹ 1,374 Lakh (Previous year : ₹ 1,085 Lakh) being 0.40% / 0.75% / 1% of the Standard Housing / Non Housing loans as specified by the National Housing Bank circular No. NHB(ND)/DRS/DIR-3/CMD/2011 dated August 5,2011.
- (b) National Housing Bank (NHB) has issued circular No. NHB.HFC./CMD/2013 dated September 6, 2013 for provision on Standard Asset relating to Commercial Real Estate Loans. Accordingly, the Company is required to make general provision
- (i) at the rate of 1% on Commercial Real Estate and
- (ii) at the rate of 0.75% on Commercial Real Estate-Residential. The Company has made provision of ₹ 223 Lakhs on all commercial real estate loans and ₹ 197 Lakhs on Commercial Real Estate - Residential.
- (c) Other expenses includes Audit Fee (excluding service tax) as below.

(₹ in Lakh)

PARTICULARS	For the Year ended March 31, 2015	For the Year ended March 31, 2014
(i) Statutory audit fees	22	22
(ii) Tax audit fees	2	2
(iii) Other services	2	2
Total	26	26

- (d) Expenditure in foreign currency

(₹ in Lakh)

PARTICULARS	For the Year ended March 31, 2015	For the Year ended March 31, 2014
(i) Travelling, conveyance and accommodation	10	–
Total	10	–

27. Contingent Liabilities and Commitments:

- (a) Contingent Liabilities: ₹ Nil (Previous year : ₹ Nil)
 (b) Commitments: ₹ 113 Lakh (Previous year : ₹ 72 Lakh)

- 28** During the year, pursuant to the notification of Schedule II to the Companies Act, 2013 with effect from April 1, 2014 the Company has revised the estimated useful life of some of its assets to align the useful life with those specified in Schedule II. The details of previously applied depreciation method, rates / useful life are as follows:

Asset	Previous Estimated Useful Life	Current Estimated Useful Life
Office Equipment	10 years	5 years

The depreciation expense in the Statement of Profit and Loss for the year is higher by ₹ 12 lakh consequent to the change in the useful life of the assets.

29. Employee benefits

Defined Contribution Plans

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

The Company recognised a charge of ₹ 170 Lakh (FY 2013-14 : ₹ 102 Lakh) towards provident fund and family pension fund contribution and ₹ 15 Lakh (FY 2013-14 : ₹ 13 Lakh) towards contribution to superannuation fund in the Statement of Profit and Loss during the current year.

The provident fund set up as a trust by the Company manages the contributions from the Company and other participating subsidiaries. As of March 31, 2015 the accumulated members' corpus of the Company is ₹ 1,042 lakh whereas the total fair value of the assets of the fund and the total accumulated members' corpus is ₹ 12,871 lakh and ₹ 11,904 lakh respectively. In accordance with an actuarial valuation, there is no deficiency in the interest cost as the present value of the expected future earnings on the fund is greater than the expected amount to be credited to the individual members based on the expected guaranteed rate of interest of 8.75% for the first year and 8.60% thereafter. The actuarial assumptions include discount rate of 7.80%.

Defined Benefits Plans

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 25 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 Accounting Standard (AS 15) on "Employee Benefits", actuarial valuation is done based on "Projected Unit Credit" method. Gains and losses of changed actuarial assumptions are charged to the Statement of Profit and Loss.

Reconciliation of Benefit Obligations and Plan Assets

(₹ in Lakh)

PARTICULARS	2014-15	2013-14
Change in Defined Benefit Obligation		
Opening Defined Benefit Obligation	153	118
Current Service Cost	30	12
Interest Cost	14	9
Acquisition Cost / Transfer in	13	6
Actuarial Losses / (Gain)	36	9
Transfer In	–	–
Benefits Paid	(8)	(1)
Closing Defined Benefit Obligation	238	153
Change in the Fair Value of Assets		
Opening Fair Value of Plan Assets	134	103
Acquisition Cost / Transfer in	15	6
Expected Return on Plan Assets	13	9
Contributions by Employer	63	15
Actuarial Gains / (Losses)*	7	1
Benefits paid	–	–
Closing Fair Value of Plan Assets	232	134
Reconciliation of present Value of the obligation and the Fair value of the plan Assets		
Fair Value of plan assets at the end of the year	232	134
Present value of the defined obligations at the end of the year	238	153
Funded status [Surplus / (Deficit)]	(6)	(19)
Net Asset / (Liability) recognised in the balance sheet	(6)	(19)
Net Gratuity cost for the year ended March 31, 2015		
Service Cost	30	12
Interest on Defined benefit Obligation	14	10
Expected return on plan assets	(13)	(9)
Net actuarial loss recognised in the year	29	8
Net Gratuity Cost	60	21
Actual contribution and benefit payments for the year		
Actual benefit payments	8	1
Actual contributions	63	15
Categorisation of plan assets is as follows		
Investor Pattern	2014-15	2013-14
Insurer managed funds:		
Government Securities	40%	40%
Deposit & money market securities	8%	19%
Debentures / Bonds	35%	32%
Equity Shares	17%	9%
	100%	100%

Particulars	2014-15	2013-14
Assumptions		
Discount Rate	7.80%	9.30%
Expected Rate of Return on Plan Assets	8.00%	8.00%
Salary Escalation Rate	7.50% p.a for first 5 years and 5% thereafter.	7.50% p.a for first 5 years and 5% thereafter.
Mortality table	Indian Assured Lives Mortality (2006-08) (modified)	Indian Assured Lives (1994-96) (modified) Ultimate
Withdrawal rate	0 - 2 years:10%	0 - 2 years:10%
	3 - 4 years: 5%	3 - 4 years: 5%
	5 - 9 years: 2.5%	5 - 9 years: 2.5%
	10 and more: 1%	10 and more: 1%

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

Experience adjustment	2014-15	2013-14	2012-13	2011-12	2010-11
- On Plan Liabilities	(3)	(26)	*	*	(3)
- On Plan Assets	7	1	*	-	-
Present value of benefit obligation	238	153	118	15	6
Fair value of Plan Assets	232	134	103	13	-
Excess of (obligation over plan assets)	6	19	15	2	6

*less than ₹ 50,000/-

The Company expects to contribute approximately ₹ 6 Lakh to the gratuity fund during FY 2015-16. (Previous Year ₹ 19 Lakh)

Long Term Service Awards :

Long Term Service award is an employee benefit in recognition for their loyalty and continuity of service for five years and above, the same is actuarially valued (Unfunded). The Long Term Service awards expense for FY 2014-15 is ₹ 7 Lakh (Previous year ₹ 3 Lakh) and the provision as at March 31, 2015 is ₹ 15 Lakh (Previous year ₹ 8 Lakh)

30. Disclosure as required by Accounting Standard (AS) – 18 on “Related Party Disclosures” notified under Section 133 of the Companies Act, 2013

A. List of related parties and relationship

Ultimate holding Company	Tata Sons Limited
Holding Company	Tata Capital Limited
Fellow Subsidiaries (with which the company had transactions)	TC Travel and Services Limited Tata Securities Limited Tata Capital Financial Services Limited Tata Cleantech Capital Limited Tata Capital PLC Limited
Subsidiaries of ultimate holding company (with which the company had transactions)	Tata Consultancy Services Limited e-Nxt Financials Limited Tata Business Support Services Limited Tata AIA Life Insurance Company Limited Tata AIG General Insurance Company Limited
Key Management Personnel	Mr.R.Vaithianathan

B. Transactions carried out with related parties referred in "A" above.

(₹ in Lakh)

Sr. No.	Party Name	Nature of transaction	2014-15	2013-14
1	Tata Sons Limited	a) Expenses		
		-Brand equity contribution	241	160
		b) Balance payable	241	160
2	Tata Capital Limited	a) Subscription of share capital		
		- Preference shares	16,000	14,900
		b) ICD accepted / repaid during the year		
		-ICDs accepted during the year	99,320	57,605
		-ICDs repaid during the year	99,320	61,655
		c) Interest expense on		
		-ICDs	230	102
		-Debentures	338	338
		d) Reimbursement of expenses to TCL	30	1
		e) Management fee expenses	312	325
f) Dividend paid	1,521	227		
g) Security deposit payable	1	-		
h) Balance payable	30	33		
i) Dividend payable	2,627	-		
3	Tata Capital Financial Services Limited	a) Liability transfer from TCFSL		
		-Transfer of employee Loan	-	2
		b) Asset transfer from TCFSL		
		Security deposit receivable	8	-
		c) Expenses		
		-Reimbursement of expenses	151	178
		-Rent expenses	870	536
		-Brokerage expenses	-	2
		-Loan sourcing fee	392	106
		d) Income		
-Loan sourcing fee	3	10		
-Rent recovery	58	-		
-Reimbursement of expenses	2	-		
e) Consideration received towards sale of right in property	290	-		
f) Balance payable	718	36		
4	e-Nxt Financials Limited	a) Expenses		
		-Service provider charges	808	439
		b) Balance payable	89	96
5	TC Travel and Services Limited	a) Expenses		
		-Travel related services	92	52
		b) Balance payable	3	8
6	Tata Consultancy Services Limited	a) Expenses		
		-I.T. outsourcing charges	1,283	876
		b) Balance payable	466	345
7	Tata AIA Life Insurance Company Limited	a) Balance payable	160	82

Sr. No.	Party Name	Nature of transaction	2014-15	2013-14
8	Tata AIG General Insurance Company Limited	a) Expenses	5	1
9	Tata Business Support Services	a) Expenses -Call centre and other charges	3	7
10	Tata Cleantech Capital Limited	a) Recovery of expenses*	-	-
11	Tata Capital PLC Limited	a) Expenses - travelling expenses	10	-
12	Key Management Personnel	a) Remuneration	163	157

*Less than ₹ 50,000/-

31 Earnings per Share (EPS):

(₹ in Lakh)

Particulars		2014-15	2013-14
Profit after tax		6,793	5,828
Less: Preference dividend (including dividend distribution tax)		364	1,779
Profit after tax for Basic EPS	₹ in Lakh	6,429	4,049
Weighted average number of Equity shares used in computing Basic EPS	Nos	253,333,332	253,333,332
Face value of equity shares	in ₹	10	10
Basic earnings per share	in ₹	1.29	1.60
Profit after tax for Basic EPS	₹ in Lakh	6,429	4,049
Add: Preference dividend (including dividend distribution tax)	₹ in Lakh	364	1,779
Profit after tax for Diluted EPS		6,793	5,828
Weighted average number of Equity shares used in computing Diluted earnings per share	Nos	351,946,865	342,260,513
Face value of equity shares	in ₹	10	10
Diluted earnings per share (Anti dilutive)	in ₹	1.93	1.70
Diluted earnings per share	in ₹	1.29	1.60

32 Lease Payments

The company avails time to time non-cancellable long term leases for office premises. The total of future minimum lease payment that the company is committed to make is:

(₹ in Lakh)

Lease Payments	2014-15	2013-14
-Within one year	195	99
-Later than one year and not later than five years	673	314
-Later than five years	295	38

The amount charged towards lease rental as part of Rent expenditure is ₹ 977 Lakh (Previous year ₹ 681 Lakh)

33 Movement in Provisions against Standard assets during the year is as under:

(₹ in Lakh)

Particulars	2014-15	2013-14
Opening Balance	2,977	1,892
Additions during the year	1,374	1,085
Utilised during the year	-	-
Closing Balance	4,351	2,977

- 34 Vide circular NHB(ND)/DRS/Pol. Circular No. 62/2014 dated May 27, 2014, the National Housing Bank ("NHB") has directed Housing Finance Companies ("HFCs") to provide for a deferred tax liability in respect of the balance in the "Special Reserve" created under section 36(1)(viii) of the Income Tax Act, 1961. NHB has, within the same circular, clarified that the deferred tax liability in respect of the opening balance in the Special Reserve as at April 1, 2014 may be created by adjusting the opening reserves as of that date, but has mandated charging the Statement of Profit and Loss for the period in respect of additional appropriations to Special Reserve out of the net profit after tax.

Accordingly, the Company has adjusted its opening reserves as at April 1, 2014 with the amount of deferred tax liability in respect of the opening balance in the Special Reserve as of that date and has charged its Statement of Profit and Loss for the year ended March 31, 2015 with the deferred tax liability on the additional amount appropriated during the year towards Special Reserve out of profits after tax. Accordingly an amount of ₹ 626 lakh has been against opening balance of Statement of Profit & Loss.

Vide circular NHB(ND)/DRS/Policy Circular 65/2014-15 dated August 22, 2014 NHB has given an option to HFCs to create the deferred tax liability on the opening balance of special reserves over a period of 3 years in a ratio of 25:25:50. As stated above the Company has already created the Deferred Tax Liability on the entire amount.

- 35 The Company declared an interim dividend aggregating to ₹ 2,627 lakh (Previous year ₹ Nil) and dividend distribution tax (DDT) thereon of ₹ 525 lakh (Previous year ₹ Nil). This represents pro-rated dividend payable by the Company from the beginning of this year to February 28, 2015.
- 36 Disclosure of details as required under amended guidelines on Asset Liability Management (ALM) issued by NHB vide circular dated October 11, 2010 NHB(ND)/DRS/Pol No.35/2010-11.

I Capital to Risk Assets Ratio (CRAR)

Items	As at March 31, 2015	As at March 31, 2014
CRAR (%)	13.60%	15.14%
CRAR - Tier I Capital (%)	9.69%	10.65%
CRAR - Tier II Capital (%)	3.91%	4.49%

II Exposure to Real Estate Sector

(₹ in Lakh)

Category	2014-15	2013-14
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:		
(a) Individual housing loans up to ₹ 15 Lakh	110,002	64,073
(b) Individual housing loans above ₹ 15 Lakh	580,605	410,127

Category	2014-15	2013-14
(c) Other housing loans		
- Loan given to corporate	8,623	9,636
- Loan given to Builder	66,066	39,973
- Non Housing Loan against residential property	77,526	57,666
- Non Housing Loan against non residential property	14,537	21,924
(ii) Commercial Real Estate -		
Lending secured by mortgages on commercial real estates (office buildings, retail space, multipurpose commercial premises, multi-family residential buildings, multi-tenanted commercial premises, industrial or warehouse space, hotels, land acquisition, development and construction etc). Exposure includes non-fund based (NFB) limits.	49,214	30,912
(iii) Investments in Mortgage Backed Securities (MBS) and other securitised exposures -		
a. Residential	—	—
b. Commercial Real Estate	—	—
b) Indirect Exposure		
Fund based and non-fund based exposures on National Housing Bank (NHB) and Housing Finance Companies (HFCs)	—	—
Total	906,573	634,311

Note : Exposure to Real Estate Sector excludes accrued interest and provisions.

III Asset Liability Management

Maturity pattern of certain items of Assets and Liabilities

For the year 2014-15

(₹ in Lakh)

Particulars	Liabilities		Assets	
	Borrowings from Banks	Market Borrowings	Advances	Investments
1 day to 30/31 days (One month)	67,062	22,936	10,116	—
Over One months to 2 months	—	53,277	4,109	—
Over 2 months unto 3 months	3,242	6,584	3,967	—
Over 3 months to 6 months	19,909	15,071	12,275	—
Over 6 months to 1 year	40,601	50,400	26,196	—
Over 1 year to 3 years	168,159	110,190	110,289	—
Over 3 years to 5 years	128,054	16,400	96,220	—
Over 5 to 7 years	15,339	7,500	109,255	—
Over 7 to 10 years	12,724	56,870	166,743	—
Over 10 years	12,040	3,400	369,641	—
Total	467,130	342,628	908,811	—

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

Maturity pattern of certain items of Assets and Liabilities as per NHB format

For the year 2013-14

Particulars	Liabilities		Assets	
	Borrowings from Banks	Market Borrowings	Advances	Investments
1 day to 30/31 days (One month)	34,697	25,185	7,758	–
Over One months to 2 months	–	40,365	3,441	–
Over 2 months to 3 months	1,300	4,897	3,333	–
Over 3 months to 6 months	12,967	18,161	9,395	–
Over 6 months to 1 year	10,935	42,169	18,044	–
Over 1 year to 3 years	121,236	91,720	70,287	–
Over 3 years to 5 years	122,799	2,500	64,163	–
Over 5 to 7 years	6,821	1,000	73,869	–
Over 7 to 10 years	2,217	24,570	118,943	–
Over 10 years	1,795	–	267,339	–
Total	314,767	250,567	636,572	–

37 Previous year's figures have been regrouped / reclassified wherever necessary to correspond with the Current Year's classification / disclosure

For and on behalf of the Board of Directors

Praveen P. Kadle
(Chairman)

Janki Ballabh
(Director)

Anuradha E. Thakur
(Director)

G. Sankaranarayanan
(Director)

S. H. Rajadhyaksha
(Director)

R.Vaithianathan
(Managing Director)

S Balakrishna Kamath
(Chief Financial Officer & Company Secretary)

Mumbai,
April 21, 2015