TATA CLEANTECH CAPITAL LIMITED

ANNUAL REPORT 2015-16

DIRECTORS' REPORT

TO THE MEMBERS OF
TATA CLEANTECH CAPITAL LIMITED

The Directors have pleasure in presenting the Fifth Annual Report and the Audited Financial Statements for the Financial Year ("FY") ended March 31, 2016.

1. BACKGROUND

Tata Cleantech Capital Limited ("TCCL") is registered with the Reserve Bank of India ("RBI") as a Systemically Important Non Deposit Accepting Non Banking Financial Company, engaged in the business of providing finance and advisory services for projects in renewable energy, energy efficiency, waste management, water management and cash flow based infrastructure finance. TCCL is a joint venture between Tata Capital Limited ("TCL") and International Finance Corporation ("IFC"), Washington D.C., USA, in the ratio of 80.50:19.50. The Company was registered with the Reserve Bank of India as an Infrastructure Finance Company, on October 15, 2015.

2. INDUSTRY OVERVIEW & OUTLOOK

Pledges made in COP 21 at the 2015 United Nations Climate Conference in Paris promise to give new impetus to the move towards a low-carbon and more efficient energy system globally. By the year 2040, the energy use worldwide is set to grow by one-third, driven primarily by India, China, Africa, the Middle East and Southeast Asia. Substantial growth in the global renewable energy deployment has already taken place. The drop in oil prices over the past two years has not affected the prospects for renewable energy. Renewable energy technologies with improved efficiency with falling prices are fast becoming amongst the most cost-competitive options for power generation. The year 2015 saw a record high in global renewable energy investments of over USD 360 billion, with solar photovoltaic (PV) and wind capacity additions at an all-time high.

The power generation from renewable sources in India are also rising rapidly backed by conducive policy frameworks. The share of renewable energy in the Country's total installed capacity has grown from about 8% in 2010 to 13% in 2016. India had 38,821 MW of renewable energy capacity as on March 31, 2016. Wind accounts for 65% of this capacity, with 25,088 MW of installed capacity, making India the World's fourth largest wind energy producer. Solar Energy (4,879 MW), Small Hydro (4,177 MW), Biomass (4,550 MW) and Waste to Energy (127 MW) constitute the remaining capacity. Although the share of renewable energy in the overall energy generation mix has been rising steadily during the past few years, India still has large untapped renewable energy potential.

Recognizing the potential, the Government of India has announced a massive renewable power generation target of 175,000 MW, by the year 2022. This comprises generation of 100,000 MW from solar power, 60,000 MW from wind energy, 10,000 MW from biomass and 5,000 MW from small hydro power projects. The Government's immediate goal is to generate two trillion units (kilowatt hours) of energy by 2019, which means doubling the current production capacity to provide 24x7 “Power for All”.

The above target is followed by a series of new and significant policy initiatives. The Government has approved the Ujwal DISCOM Assurance Yojna (“UDAY”) for financial turnaround and revival of power distribution companies (“DISCOMs”), which is likely to improve the financial health of DISCOMs in the medium term. The Government has set ambitious target for installation of solar power plant for various Public Sector Undertakings (e.g. NTPC-15GW, ONGC-14GW). The strong focus of the present Government backed by supportive renewable energy policies has generated substantial interests among global and domestic players. Besides, a number of States have come up with investor friendly renewable energy policies. Around 290 global and domestic companies have announced to generate solar, wind, mini-hydel and biomass-based power in India over the next 5–10 years with aggregate capacity of over 260 GW. US Federal Agencies have committed USD 4 billion for projects and equipment sourcing, one of the biggest deals for the renewable energy sector in India. Improvements in the health of State owned DISCOMs though will remain a critical challenge in realising the target.

India, the subject of an in-depth country focus in the 2015 Climate Conference, contributes the single largest share of growth, around one-quarter, in global energy demand. India today is home to one-sixth of the world’s population, but accounts for only 6% of global energy use. With favourable policies in place to accelerate the Country’s renewable energy growth, India is entering a sustained period of rapid growth in energy consumption. The sector therefore, would provide immense opportunities in power generation, distribution, transmission and equipment.

On the conventional infrastructure front, a number of sectors continues to grapple with high concentration of stressed assets resulting in marginal recovery and lower than expected asset quality for lenders. However, the ongoing measures by the Government and regulators to address various shortcomings on the policy side are gradually rebuilding Private Investor’s confidence in these sectors. Introduction of innovative and viable project models in certain sectors such as roads, power transmission, railways, etc. will provide significant business opportunities in the medium term.

3. REVIEW OF BUSINESS OPERATIONS

During FY 2015-16, the Company has grown further on the strong foundations laid over the past two years. This is reflected in the accelerated growth of business of the Company across all segments in renewable energy, coupled with the continuing focus on quality of services offered by the Company. The Company’s asset book has grown by over 82% and its PAT has grown by more than 307%, in FY 2015-16. The Company has forged new relationships with other important Industry stakeholders such as IREDA (Indian Renewable Energy Development Agency) to help expand renewable energy finance in India.

At the end of FY 2015-16, TCCL had a loan book of Rs. 1,222 crore. TCCL’s Gross Income for the FY ended March 31, 2016 was Rs. 104.92 crore and its Net Profit after Tax was Rs. 27.47 crore. The Company’s loan portfolio consists of projects in the area of Wind Energy, Solar Energy, Small Hydro Energy, Off-grid Solar, Waste Management, Water Management and Energy Efficiency.

4. FINANCIAL RESULTS

The performance of the Company for the FY ended March 31, 2016 is, summarized below:

(Rs. in lakh)

Particulars	**For the year ended March 31, 2016**	**For the year ended March 31, 2015**
Total Income	10,492	2,845
Total Expenditure	6,631	1,853
Net Profit/(Loss) before tax	**3,861**	**992**
Provision for Tax (including deferred tax)	1,114	343
Net Profit/(Loss) after tax	**2,747**	**649**
Balance brought forward from the Previous Year	761	243
Amount available for appropriation	3,508	892
Appropriations		
Special Reserve Account	1,299	131
Surplus/(Loss) carried to Balance Sheet	**2,209**	**761**

During the year under review, the Company disbursed Loans amounting to Rs. 984.06 crore (FY 2014-15: Rs. 595.76 crore), representing an increase of over 65%. The Company's loan portfolio stood at Rs. 1,222.52 crore on March 31, 2016 (FY 2014-15: Rs. 671.19 crore), representing an increase of 82%. The Cost to Income ratio in FY 2015-16 was 33% as compared to 40% in FY 2014-15. The asset quality was stable with no NPAs, as on March 31, 2016.

The Company's Gross Income for the FY ended March 31, 2016 increased to Rs. 104.92 crore from Rs. 28.45 crore in FY 2014-15, an increase of 269%. Interest expenses have increased by 397% to Rs. 44.68 crore in FY 2015-16 from Rs. 8.99 crore, in FY 2014-15.

Total Income (Net Interest Margin plus Other Revenue) of the Company increased by 209% from Rs. 19.38 crore in FY 2014-15 to Rs. 59.89 crore in FY 2015-16. Net Interest Margin as a percentage of average assets stood at 6.6% for FY 2015-16. Total Income included Investment and Fee Income of Rs. 0.12 crore and Rs. 0.17 crore, respectively for FY 2015-16.

Operating Cost increased by 156% from Rs. 4.82 crore in FY 2014-15 to Rs. 12.33 crore in FY 2015-16. Manpower expenses for FY 2015-16 were Rs. 7.92 crore as against Rs. 4.25 crore in FY 2014-15, an increase of 86%.

The cumulative standard asset provisioning on the asset book as on March 31, 2016 was Rs. 3.67 crore. The provision for taxation during FY 2015-16 was Rs. 13.74 crore.

The Net Profit After Tax for the year increased by 323% from Rs. 6.49 crore in FY 2014-15 to Rs. 27.47 crore in FY 2015-16.

An amount of Rs. 5.49 crore is proposed to be transferred to Special Reserve Fund pursuant to Section 45-IC of the Reserve Bank of India Act, 1934 and Rs. 7.5 crore is proposed to be transferred to Special Reserve Fund pursuant to Section 36(i)(viii) of the Income Tax Act, 1961, for FY 2015-16.

5. SHARE CAPITAL

The Authorised Share Capital of the Company is Rs. 500 crore comprising 5,00,000,000 Equity Shares of Rs. 10 each. The Issued, Subscribed and Paid-up Equity Share Capital of the Company is Rs. 289.09 crore consisting of 28,90,90,909 Equity Shares of Rs. 10 each.

6. DIVIDEND

In order to conserve the resources of the Company and considering the business plan of the Company, the Board of Directors do not recommend any dividend on the Equity Shares of the Company for the FY ended March 31, 2016.

7. FINANCE

During FY 2015-16, the Company met its funding requirements through a combination of short term debt (comprising Commercial Paper, ICDs) and long term debt (comprising Non Convertible Debentures ("NCD") and Bank Loans). During FY 2015-16, the Company issued Secured Redeemable NCDs aggregating Rs. 385 crore (face value) through private placements. The Company's aggregate debt outstanding as at March 31, 2016 was Rs. 849.17 crore.

The Debt Equity ratio of the Company as at March 31, 2016 was 2.5 times.

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

8. CREDIT RATING

During FY 2015-16, the rating agencies have reaffirmed/issued the following ratings to the Company:

Nature of Securities/Instrument	Rating
Bank Facility	CRISIL AA+
Non Convertible Debentures	CRISIL AA+ and CARE AA+
Commercial Papers	CRISIL A1+

9. RISK MANAGEMENT

Risk Management is an integral part of the Company's business strategy. The Risk Management oversight structure includes Committees of the Board and Senior Management Committees. The Risk Management process is governed by the Comprehensive Enterprise Risk Management Framework which lays down guidelines for risk identification, assessment and monitoring on an ongoing basis that is supported by a robust risk reporting framework. Risk Management at TCCL covers Credit Risk, Market Risk, Operational Risk, Fraud Risk and Other Risks.

The Risk Management Committee of the Board assists the Board in its oversight of various risk mentioned above. The Risk Management Committee reviews compliance with risk policies, monitors risk tolerance limits, reviews and analyzes risk exposures related to specific issues and provides oversight of risk across the organization.

The Credit Risk management structure includes separate credit policies and procedures for various businesses. The risk policies define prudential limits, portfolio criteria, exceptional approval metrics, etc. and cover risk assessment for new product offerings. Concentration Risk is managed by analysing counter-party, industry sector, geographical region, single borrower and borrower group. While Credit Committees approve counter-party credit exposure in line with the Delegation of Power and Authority assigned by the Board of Directors, the Credit Monitoring Committee primarily focuses on post sanction monitoring. Periodic stress tests of the credit portfolio are conducted and a Risk Mitigation Plan based on the analysis, has been implemented.

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

The Company has a Board approved Operational Risk Management framework. Ongoing monitoring of Key Risk Indicators ("KRI") is done by a dedicated Operational Risk Management team. Causal analysis is carried out and corrective actions are implemented on KRI exceptions. A Senior Management oversight committee i.e. the Operational Risk Management Committee ("ORMC") meets periodically to review the operational risk profile of the organization.

Risks associated with frauds are mitigated through a Fraud Risk Management framework. A Fraud Risk Management Committee ("FRMC") comprising Senior Management representatives reviews matters relating to fraud risk, including corrective and remedial actions as regards people and processes.

10. INTERNAL CONTROL SYSTEMS

The Company's internal control system is designed to ensure operational efficiency, protection and conservation of resources, accuracy and promptness in financial reporting and compliance with laws and regulations. The internal control system is supported by an internal audit process for reviewing the adequacy and efficacy of the Company's internal controls, including its systems and processes and compliance with the 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.

11. INTERNAL FINANCIAL CONTROLS

The Management had 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 design, adequacy and operating effectiveness of the Internal Financial Controls of the Company, broadly in accordance with the criteria established under the Internal Control - Integrated Framework (2013) issued by the Committee of Sponsoring Organizations of the Treadway Commission (“COSO”). Entity Level Control framework document based on COSO 2013 framework has been documented. The documentation of process maps, key controls, standard operating procedures (SOP) and risk registers has been completed for all businesses and functions under the supervision of the CFT. Further, during FY 2015-16, Management testing has been conducted on a sample basis for all key processes and remedial action has been taken or agreed upon with a finite closure date where control weaknesses were identified. The Internal Audit team has also conducted a review of the Internal Financial Controls and remedial action has been taken or agreed upon with a finite closure date where in control weaknesses were identified. There are no material financial controls related observations outstanding as at March 31, 2016. Based on the above, the Management believes that adequate Internal Financial Controls exist in relation to its Financial Statements.

12. REGULATORY ACTION

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

13. HUMAN RESOURCES

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 programme. The Company had 31 employees on its rolls as at March 31, 2016.

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

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

A 'Prevention of Sexual Harassment' (POSH) policy that is in line with the statutory requirement, along with a structured reporting and redressal mechanism is in place. The POSH Policy is displayed on the Company’s Intranet and is also communicated to employees through e-mails and communication campaigns. An Apex POSH Committee based in Mumbai and 11 Regional POSH Committees (each having a woman as

Presiding Officer, and an external woman member) are in place. During the year, two training sessions - by subject matter experts – were conducted for POSH Committee members. Members of the Committees have conducted training and awareness sessions across the organization, to sensitise employees to the needs and concerns of women employees and understanding of the POSH policy. Posters on the POSH policy giving contact details of POSH Committee members are displayed in the Company's branch offices across the country. There is also a dedicated e-mail id (posh@tatacapital.com) for employees to communicate in strict confidence, directly with the Members of the POSH Committee.

The Company has not received any complaint under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 during FY 2015-16.

15. CORPORATE SUSTAINABILITY AND CORPORATE SOCIAL RESPONSIBILITY

The Tata Group has always epitomized philanthropy, ethical practices and an untiring quest for national betterment. As per the provisions of Section 135 of the Act, the Company has constituted a Corporate Social Responsibility ("CSR") Committee comprising Mr. Vittaldas Leeladhar (Chairman), Mr. Pradeep C. Bandivadekar and Ms. Padmini Khare Kaicker, as Members. During FY 2015-16, the CSR budget of the Company was Rs. 11 lakh (being two percent of the average net profit of the Company in the three immediately preceding financial years, computed as per Section 198 of the Act). The Company spent an amount of Rs. 16 lakh, which also included the provision of Rs. 5 lakh for FY 2014-15.

The CSR Policy outlining the thrust areas of development viz. Livelihood & Employability, Health, Education and Environment was adopted by the Board and the same has been put up on website, www.tatacapital.com.

The Company has initiated CSR programs in FY 2015-16 and aims to make a positive and measurable difference in the coming years. The Annual Report on CSR activities is annexed herewith as Annexure 'A'.

The Company believes in social equity and the principle of equal opportunity, irrespective of gender, religion, caste or creed. The Affirmative Action programme at the Company seeks to promote access to quality education and technical skills and competencies for members of the Scheduled Caste ("SC") and Schedule Tribe ("ST") communities, thus creating economic independence and sustainable livelihoods.

16. COMPLIANCE

The Company has complied with the Systemically Important Non- Banking Financial (Non-Deposit Accepting or Holding) Companies Prudential Norms (Reserve Bank) Directions, 2015 (as may be amended from time to time) issued to Non Banking Financial Companies ("NBFCs") relating to accounting standards, prudential norms for asset classification, income recognition, provisioning norms and capital adequacy, as also the applicable circulars/guidelines/notifications issued by the RBI to NBFCs.

The Company has also complied with the applicable provisions of the Companies Act, 2013, the Reserve Bank of India Act, 1934 and other applicable rules/regulations/guidelines, issued from time to time.

The Capital Adequacy Ratio ("CAR") of the Company was 27.51% as on March 31, 2016 against the CAR of 15%, as prescribed by RBI.

The Company has deployed "ComplianceCheck" ("Application"), an online platform to report and monitor compliances. The Application has features such as generation of compliance alerts, generation of compliance reports and updating the compliance tasks based on regulatory developments.

Mr. Sunil Raut, Company Secretary, is the Compliance Officer of the Company.

17. DEPOSITS

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

18. DIRECTORS

In accordance with the provisions of Section 152 of the Act and the Articles of Association of the Company, Mr. Praveen P. Kadle is liable to retire by rotation at the ensuing Annual General Meeting ("AGM") and is eligible for re-appointment.

Mr. Manish Chourasia was appointed as the Chief Executive Officer w.e.f. July 15, 2015 by the Board of Directors at its Meeting held on June 22, 2015. The Nomination and Remuneration Committee had, on July 21, 2015, recommended the appointment of Mr. Chourasia as Additional Director and Managing Director of the Company for a period of five years with effect from the date of receipt of approval from the Reserve Bank of India. The Board of Directors had at their meeting held on July 21, 2015, approved the appointment of Mr. Chourasia as Additional Director and Managing Director of the Company with effect from the date of receipt of approval from RBI, as required under the RBI Circular DNBR (PD) CC.No.065/03.10.001/2015-16 dated July 9, 2015. RBI approved the appointment of Mr. Chourasia as Managing Director of the Company vide its letter no. DNBS.MRO.CMD.No.617/13.20.110/2015-16 dated August 21, 2015. Accordingly, the date of appointment of Mr. Chourasia as Managing Director of the Company was August 21, 2015. Mr. Manish Chourasia ceased to be the Chief Executive Officer of the Company with effect from the close of business hours on August 20, 2015.

Mr. Chourasia holds the office upto the ensuing Annual General Meeting of the Company and is eligible for appointment as Director and Managing Director. The Company has received a Notice as per the provisions of Section 160 of the Companies Act 2013, from a Member proposing the appointment of Mr. Chourasia as Director and Managing Director.

Pursuant to the ‘Fit and Proper’ Policy adopted by the Company under the Non Banking Financial Companies-Corporate Governance (Reserve Bank) Directions, 2015 issued by the Reserve Bank of India, the Company has received the ‘Fit and Proper’ declarations from Mr. Kadle and Mr. Chourasia for their re-appointment/appointment on the Board of the Company.

19. 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 on the basis of inputs received from all the Directors/Members of the Committees, as the case may be. 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 the Non-Independent Directors and the Board as a whole, the performance of the Chairman of the Company and their assessment of the quality, quantity and timeliness of the flow of information between the Company Management and the Board, was taken into consideration by the Board in carrying out the performance evaluation.

20. POLICY ON APPOINTMENT AND REMUNERATION POLICY OF THE COMPANY

The Company has constituted a Nomination and Remuneration Committee (“NRC”) comprising Mr. Praveen P. Kadle, Non-Executive Director (Chairman), Ms. Padmini Khare Kaicker (Independent Director), Mr. Vittaldas Leeladhar (Independent Director) and Mr. Pradeep C. Bandivadekar (Non-Executive Director). 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 has adopted a ‘Policy on Board Diversity and Director’s Attributes’ and a ‘Remuneration Policy’. The Policy on Board Diversity and Director Attributes has been framed to encourage diversity of thought, experience, knowledge, perspective, age and gender in the Board. The Remuneration Policy for Directors, Key Managerial Personnel and all other employees is aligned to the commitment of fostering a culture of leadership with trust. The 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.

The Directors have also adopted the 'Fit and Proper' Policy for ascertaining the 'fit and proper' criteria to be adopted at the time of appointment of directors and on a continuing basis, pursuant to the Non Banking Financial Companies – Corporate Governance (Reserve Bank) Directions, 2015 issued by the RBI.

21. KEY MANAGERIAL PERSONNEL

Mr. Manish Chourasia, Managing Director, was appointed as the Key Managerial Personnel of the Company w.e.f. August 21, 2015. Mr. Manish Kambli - Chief Financial Officer was appointed as Key Managerial Personnel on May 5, 2014 and Mr. Sunil Raut, Company Secretary, on November 25, 2015.

22. 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 based on 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 2015-16.

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 had been followed and that there are no material departures thereof;

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

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

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

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

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

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

The Corporate Governance philosophy is further strengthened with the adherence to the Tata Business Excellence Model as a means to drive excellence, the Balanced Scorecard methodology for tracking progress on long term strategic objectives and the Tata Code of Conduct ("TCOC"), which articulates the values, ethics and business principles and serves as a guide to the Company, its directors and employees, supplemented with an appropriate mechanism to report any concern pertaining to non-adherence to the said TCOC. In addition, the Company has adopted Governance Guidelines on Board Effectiveness, a Code of Conduct for Prevention of Insider Trading, a Code of Corporate Disclosure Practices, a Vigil Mechanism, a Fair Practices Code, an Affirmative Action Policy, a Policy against Sexual Harassment in the Workplace, a Fit and Proper Policy for ascertaining the fit and proper criteria of the directors at the time of appointment and on a continuing basis, a Policy on Board Diversity and Director Attributes, a Code of Conduct for Non-Executive Directors, Internal Guidelines on Corporate Governance and an Occupational Health and Safety Management System.

a) Board of Directors

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

The size of the Board is commensurate with the size and business of the Company. At present, the Board comprises six Directors viz. Mr. Vittaldas Leeladhar (Chairman and Independent Director), Ms. Padmini Khare Kaicker (Independent Director), Mr. Praveen P. Kadle (Non Executive Director), Mr. Pradeep C. Bandivadekar (Non Executive Director), Mr. Nihar Shah (Non Executive Director) and Mr. Manish

Chourasia (Managing Director). Mr. Vittaldas Leeladhar and Ms. Padmini Khare Kaicker, being Independent Directors of the Company, are not liable to retire by rotation. The Company has received declarations from the Independent Directors stating that they meet the criteria of independence as provided in Section 149(6) of the Act. In the opinion of the Board, Mr. Leeladhar and Ms. Khare Kaicker fulfill the conditions specified in the Act and the Rules for appointment as Independent Directors and that they are independent of the Management.

During FY 2015-16, eight Board Meetings were held on April 7, 2015, April 21, 2015, June 22, 2015, July 21, 2015, October 16, 2015, November 25, 2015, January 22, 2016 and March 3, 2016. The details of Directors, their attendance at Board Meetings and at the previous Annual General Meeting ("AGM") of the Company, are given below:

Name of Director	Director Identification Number	Category	Board Meetings Attended	Whether present at previous AGM held on June 30, 2015
Mr. Vittaldas Leeladhar	02630276	Chairman and Independent Director	8	Yes
Mr. Praveen P. Kadle	00016814	Non Executive Director	8	Yes
Mr. Pradeep C. Bandivadekar	00059330	Non Executive Director	7	Yes
Mr. Manish Chourasia *(Refer Note No.i)*	03547985	Managing Director	4	-
Mr. Nihar Shah	06969270	Non Executive Director	6	-
Ms. Padmini Khare Kaicker	00296388	Independent Director	8	-

Note:

(i) Mr. Manish Chourasia was appointed as Chief Executive Officer of the Company with effect from July 15, 2015. He was appointed as the Managing Director and Key Managerial Personnel of the Company from August 21, 2015. Mr. Avijit Bhattacharya ceased to be the CEO w.e.f. July 14, 2015.

None of the Non - Executive Directors/Independent Directors of the Company drew any remuneration from the Company in the nature of salary, benefits, bonuses, pensions, etc. during FY 2015-16 except that Sitting Fees were paid to following Directors, in accordance with and within the limits specified under the Companies Act 2013, for meetings of the Board/ Board Committees held during the year:

Name of Director	Amount (in Rs.)
Mr. Vittaldas Leeladhar	10,20,000
Ms. Padmini Khare Kaicker	6,00,000
Mr. Nihar Shah	1,53,768

Notes:

(i) The Sitting Fees in respect of the Director nominated by IFC, had been paid in US Dollars to IFC, based on invoices raised by IFC.

(ii) Mr. Praveen P. Kadle, Non-Executive Director, has informed the Company that he would not like to take any Sitting Fees from the Company, since he is the Managing Director & CEO of TCL, the holding company.

(iii) Mr. Pradeep C. Bandivadekar, Non-Executive Director, has also informed the Company that he would not like to take any Sitting Fees from the Company, as he is in the employment of Tata Capital Financial Services Limited, a fellow subsidiary.

None of the Non-Executive Directors and/or Independent Directors had any pecuniary relationship or transaction with the Company during the year under review. No Commission is proposed to be paid to the Non-Executive Directors for FY 2015-16.

b) Committees of the Board

The Board of Directors has constituted Committees with specific terms of reference/scope to focus on specific issues and to ensure a robust corporate governance mechanism in the Company. These Committees are the Audit Committee, Finance and Asset Liability Supervisory Committee, Risk Management Committee, Nomination and Remuneration Committee, Investment Credit Committee and Corporate Social Responsibility Committee. The Company Secretary is the Secretary of all the aforementioned Committees. The Board of Directors and the Committees also take decisions by circular resolutions which are noted by the Board at its next meeting. The minutes of the meetings of all Committees of the Board are placed before the Board for discussion / noting.

(i) Audit Committee

The Audit Committee comprises Ms. Padmini Khare Kaicker, Independent Director (Chairperson), Mr. Vittaldas Leeladhar, Independent Director and Mr. Pradeep C. Bandivadekar, Non Executive Director, all of whom are financially literate and have relevant finance and / or audit exposure. The composition of the Audit Committee is in line with the provisions of Section 177 of the Act. All the Members have the ability to read and understand financial statements and have relevant finance and/or audit experience.

The Board has adopted an Audit Committee Charter which defines the composition of the Audit Committee, its authority, role, responsibilities and powers and reporting functions in accordance with the Act and the Guidelines issued by the Reserve Bank of India. The Charter is reviewed from time to time. The Charter is available on the Company's website. Given below, *inter alia*, is a gist of the responsibilities of the Audit Committee:

- 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, Internal Auditors and the Board of Directors
- Review accounting policies
- Monitor compliance with the Tata Code of Conduct
- Approve any transactions of the Company with related parties or any subsequent modifications thereof
- Scrutinize inter-corporate loans and investments
- Evaluate the valuation of undertakings or assets of the Company, if necessary
- Monitoring the end use of funds raised through public offers and related matters
- Review the findings of internal investigations / frauds / irregularities, etc.
- Carry out additional functions as contained as per the 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 2015-16, seven Audit Committee Meetings were held on April 21, 2015, June 22, 2015, July 21, 2015, October 16, 2015, November 25, 2015, January 22, 2016 and March 18, 2016. The attendance of the Members of the Audit Committee at its Meetings held during FY 2015-16, is given below:

Name of the Member	Category	No. of Meetings	
		Held	Attended
Ms. Padmini Khare Kaicker (Chairperson)	Independent	7	7
Mr. Vittaldas Leeladhar	Independent	7	7
Mr. Pradeep C. Bandivadekar	Non-Executive	7	6

The Board has accepted all the recommendations made by the Audit Committee during the year. Besides the Members of the Committee, meetings of the Audit Committee were attended by the Managing Director, Chief Financial Officer, Company Secretary, Statutory Auditors and the Internal Auditor. The Head - Internal Audit functionally reports to the Chairperson of the Audit Committee, the holding company, to ensure independence of operations.

(ii) Nomination and Remuneration Committee

During FY 2015–16, four Meetings of the Nomination and Remuneration Committee were held on April 7, 2015, April 21, 2015, June 22, 2015 and March 18, 2016, respectively. The composition of the Nomination and Remuneration Committee and the attendance of the Members at its Meetings held during FY 2015-16, is given below:

Name of the Member	Category	No. of Meetings	
		Held	Attended
Mr. Praveen P. Kadle (Chairman)	Non-Executive	4	4
Mr. Vittaldas Leeladhar	Independent	4	4
Mr. Pradeep C. Bandivadekar	Non-Executive	4	4
Ms. Padmini Khare Kaicker	Independent	4	4

(iii) Finance and Asset Liability Supervisory Committee

During FY 2015-16, four Meetings of the Finance and Asset Liability Supervisory Committee were held on June 22, 2015, August 25, 2015, November 25, 2015 and March 18, 2016, respectively. The composition of the Finance and Asset Liability Supervisory Committee and the attendance of its Members at its Meetings held during FY 2015-16, is given below:

Name of the Member	Category	No. of Meetings	
		Held	Attended
Mr. Vittaldas Leeladhar (Chairman)	Independent	4	4
Mr. Praveen P. Kadle	Non-Executive	4	4
Mr. Pradeep C. Bandivadekar	Non-Executive	4	4

(iv) Investment Credit Committee

During FY 2015-16, fourteen Meetings of the Investment Credit Committee were held on April 7, 2015, May 28, 2015, June 22, 2015, August 11, 2015, August 25, 2015, September 22, 2015, October 16, 2015, November 25, 2015, December 15, 2015, January 15 2016, January 28 2016, February 19, 2016, March 3, 2016 and March 18, 2016, respectively. The composition of the Investment Credit Committee and the attendance of the Members at its Meetings held during FY 2015-16, is given below:

Name of the Member	Category	No. of Meetings	
		Held	Attended
Mr. Vittaldas Leeladhar (Chairman)	Independent	14	13
Mr. Praveen P. Kadle	Non-Executive	14	14
Mr. Pradeep C. Bandivadekar	Non-Executive	14	12

(v) Risk Management Committee

During FY 2015-16, four Meetings of the Risk Management Committee were held on June 22, 2015, August 25, 2015, November 25, 2015 and March 18, 2016, respectively. The composition of the Risk Management Committee and the attendance of the Members at its Meetings held during FY 2015-16, is given below:

Name of the Member	Category	No. of Meetings	
		Held	Attended
Mr. Vittaldas Leeladhar (Chairman)	Independent	4	4
Mr. Praveen P. Kadle	Non-Executive	4	4
Mr. Pradeep C. Bandivadekar	Non-Executive	4	4

(vi) Corporate Social Responsibility Committee

During FY 2015-16, two Meetings of the Corporate Social Responsibility Committee were held on June 22, 2015 and October 16, 2015. The composition of the Corporate Social Responsibility Committee and the attendance of the Members at its Meetings held during FY 2015-16, is given below:

Name of the Member	Category	No. of Meetings	
		Held	Attended
Mr. Vittaldas Leeladhar (Chairman)	Independent	2	2
Mr. Padmini Khare Kaicker	Independent	2	2
Mr. Pradeep C. Bandivadekar	Non-Executive	2	1

c) Means of Communication

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

d) General Information for Members and Debenture holders

The Half-Yearly Results of the Company are submitted to the Stock Exchange in accordance with the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and are published in a leading English daily newspaper. The information regarding the performance of the Company is shared with the debentureholders every six months through a half yearly communiqué. Official news releases, including on the half-yearly results, are also posted on the Company’s website www.tatacapital.com.

The Company is registered with the Registrar of Companies, Maharashtra, Mumbai. The Corporate Identity Number (“CIN”) allotted to the Company by the Ministry of Corporate Affairs (“MCA”) is U65923NH2011PLC222430. The Company’s Non-Convertible Debentures issued on private placement basis, are listed on the National Stock Exchange of India Limited (“NSE”). The following are the details of the debentures issued by the Company:

Type	ISIN	NSE	
		Series	Address
Option II	INE857Q07034	"B"	National Stock Exchange of India Limited, Listing Department Exchange Plaza, Bandra Kurla Complex, Bandra(East), Mumbai - 400 051 www.nseindia.com
Option II	INE857Q07042	"C"	
Option I	INE857Q07059	"D"	
Option II	INE857Q07067	"D"	
	INE857Q07075	"F"	
	INE857Q07083	"G"	
	INE857Q07091	"B"	
	INE857Q07034	"C"	

The Company has paid Annual Listing fees for FY 2015-16 to the Stock Exchange.

Details of Debenture Trustees and the Registrar and Transfer Agents for the Debentures are given below:

Debenture Trustees
IDBI Trusteeship Services Limited Asian Building, Ground Floor, 17, R. Kamani Marg, Ballard Estate, Mumbai - 400001 Web: www.idbitrustee.com Tel: +91 22 4080 7000, Fax: +91 22 6631 1776 e-mail: itsl@idbitrustee.com

Registrar and Transfer Agents
Non - Convertible Debentures issued on a Private Placement basis
Sharepro Services (India) Private Limited 13 AB, Samhita Warehousing Complex, Behind Sakinaka Telephone Exchange, Kurla Andheri Road, Sakinaka, Mumbai - 400072 Tel: +91 22 67720300, +91 22 67720400 www.shareproservices.com e-mail: sachins@shareproservices.com

The Company is in the process of appointing TSR Darashaw Limited ("TSR") as the RTA for the securities issued by the Company, consequent upon the issue of the Order by SEBI dated March 22, 2016, restraining the management of Sharepro Services (I) Pvt. Limited ("Sharepro") from buying, selling or dealing in the securities market or associating themselves with securities market, either directly or indirectly, in any manner, till further directions. In terms of the said Order, an audit of the records and systems of Sharepro is in progress.

As per the provisions of Section 125 of the Act, interest on application money, matured debentures and interest on matured debentures remaining unclaimed for a period of seven years from the date they become due for payment, have to be transferred to the Investor Education and Protection Fund ("IEPF") established by the Central Government. However, no such amount had to be transferred to the IEPF during the year, as the seven year period has not yet elapsed for the Company's debentures. In case any of the above dues remain outstanding, the debenture holders are requested to claim the same at the earliest by contacting the

Company or the Registrar. In terms of the said Section, no claims would lie against the Company or the IEPF after the transfer of any amount to the IEPF.

e) <u>Other Information</u>

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

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

Tata Capital lays strong emphasis on the Health, Safety and Welfare of all its employees. Towards this, Tata Capital has now become OHSAS 18001:2007 compliant - an internationally recognized standard for health and safety.

24. 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 Tata Code of Conduct mechanism, etc. and provides for adequate safeguards against victimization of persons who use such mechanism and also provides direct access to the Chairperson of the Audit Committee. The Vigil Mechanism has been put up on the Company's website.

25. EXTRACT OF THE ANNUAL RETURN

An extract of the Annual Return as prescribed under Section 92(3) of the Companies Act, 2013 ("Act") and the Companies (Management & Administration) Rules, 2014, in the prescribed Form No. MGT-9 is attached as Annexure D.

26. MANAGEMENT DISCUSSION AND ANALYSIS REPORT

The Management Discussion and Analysis Report is attached as Annexure E.

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

(A) Conservation of energy:

(i) Steps taken / impact on conservation of energy;
(ii) Steps taken by the Company for utilising alternate sources of energy;
(iii) Capital investment on energy conservation equipments.

The nature of the activities of the Company does not give much scope for introducing measures for energy conservation and hence, there is nothing to report under the above.

(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 earned in terms of actual inflows during the year under review was Nil and the Foreign Exchange outgo during the year under review in terms of actual outflows was Nil.

28. STATUTORY AUDITORS

Deloitte Haskins & Sells, Ahmedabad ("DHS-A"), Chartered Accountants (ICAI Firm Registration Number: 117365W), who are the Statutory Auditors of the Company, hold office until the conclusion of the ensuing Annual General Meeting ("AGM") and are eligible for re-appointment.

DHS-A were appointed as the Statutory Auditors of the Company at the AGM of the Company held on August 10, 2012, for FY 2012-13 and have been re-appointed thereafter, at every AGM of the Company. At the conclusion of the ensuing AGM of the Company, DHS-A will complete a period of four years as Auditors of the Company. As per the provisions of the Act read with the Companies (Audit and Auditors) Rules, 2014, it is proposed to re-appoint DHS-A as the Auditors of the Company to hold office from the conclusion of this Meeting until the conclusion of the next AGM of the Company.

The Company has received a letter from DHS-A to the effect that their appointment, if made, would be in accordance with Section 139 of the Act and that they are not disqualified for such appointment within the meaning of Section 141 of the Act.

As per the provisions of the Act read with the Companies (Audit and Auditors) Rules, 2014, it is proposed to re-appoint DHS-A as the Auditors of the Company to hold office from the conclusion of this Meeting until the conclusion of the next AGM of the Company.

29. 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 Act and the Guidelines prescribed by the RBI, as applicable.

30. EXPLANATION ON STATUTORY AUDITORS REPORT

There are no qualifications, reservations or adverse remarks or disclaimers made by Deloitte Haskins & Sells, Ahmedabad, in their Report dated April 25, 2016 on the Financial Statements of the Company for FY 2015-16.

31. SECRETARIAL AUDITOR AND SECRETARIAL AUDIT REPORT

Pursuant to the provisions of Section 204 of the Act and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Board of Directors had appointed M/s. Parikh & Associates, a firm of Company Secretaries in Practice, to undertake the Secretarial Audit of the Company for the FY ended March 31, 2016. The Secretarial Audit Report, in the prescribed Form No. MR-3 is attached herewith as Annexure F.

There are no qualifications, reservations or adverse remarks or disclaimers made by M/s. Parikh & Associates in their Audit Report dated April 23, 2016 on the Secretarial and other related records of the Company for FY 2015-16.

32. PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS

The provisions of Section 186 of the Act pertaining to granting of loans to any person or body corporate and giving of guarantees or providing security in connection with a loan to any other body corporate or persons are not applicable to the Company, since it is a Non Banking Financial Company, registered with Reserve Bank of India. The Company has, from time to time, made investments in liquid Mutual Funds arising out of temporary surplus funds. As on March 31, 2016, there were no outstanding Investments in Mutual Funds.

33. RELATED PARTY TRANSACTIONS

The Company has adopted a Framework on Related Party Transactions ("RPT") for the purpose of identification and monitoring of RPTs.

Details of material contracts or arrangements or transactions with Related Parties on an arm's length basis with respect to transactions covered under Section 188 (1) of the Act and the applicable Rules framed thereunder, in the prescribed Form No. AOC-2, are given in Annexure G. 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 transaction with Related Parties which are not in its ordinary course of business or not on an arm's length basis and which require disclosure in this Report in terms of the provisions of Section 188(1) of the Act.

34. 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, for the year ended March 31, 2016, is attached as Annexure H.

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, 2016, are provided in a separate annexure forming part of this Report. Further, the Report and the Accounts are being sent to the Members excluding the aforesaid Annexure. In terms of Section 136 of the Act, the said Annexure is open for inspection at the Registered Office of the Company. Any shareholder interested in obtaining a copy of the same may write to the Company Secretary. None of the employees listed in the said Annexure is related to any Director of the Company.

35. INFORMATION ON MATERIAL CHANGES AND COMMITMENTS

There are no material changes or commitments affecting the financial position of the Company which have occurred after March 31, 2016 and April 25, 2016, being the date of this Report.

36. ACKNOWLEDGEMENTS

The Directors would like to place on record their gratitude for the valuable guidance and support received from the RBI, Securities and Exchange Board of India, Registrar of Companies and from other government and regulatory agencies and to convey their appreciation to TCL, IFC and the Company's bankers, lenders, vendors and all other business associations 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 the employees of the Company.

For and on behalf of the Board of Directors

Sd/-
Vittaldas Leeladhar
Chairman

Mumbai
April 25, 2016

Annexure A

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

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

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

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

   Sectors and Issues: To focus on education, environment and entrepreneurship.

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

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

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

   a) Mr. Vittaldas Leeladhar, Independent Director (Chairman)
   b) Mr. Pradeep C. Bandivadekar, Non- Executive Director
   c) Ms. Padmini Khare Kaicker, Independent Director

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

(Rs. in lakh)

Financial Year	Net Profit
FY 2012 - 13	10
FY 2013 -14	490
FY 2014 - 15	970
Average Net Profit	**490 (rounded off)**

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

   The prescribed CSR expenditure for FY 2015-16 was Rs. 9.8 lakh. However, the Company spent Rs. 16 lakh as CSR expenditure.

5. **Details of CSR spend during FY 2015-16:**

   a. Total amount to be spent : Rs.16 lakh
   b. Amount unspent, if any: Nil
   c. Manner in which the amount was spent during FY 2015-16 is detailed below:

(Rs. 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 Expenditure on projects or Programs	Overheads		Direct	Implementing Agency
1	Distribution of Solar lights to children	Promoting Education (ii) and enhancing the Environment (iv)	Mahbubnagar, Telangana	12.00	12.00	-	12.00	-	• One Child One Light
2	Entrepreneurship trainings	Livelihood enhancement projects (ii)	Hyderabad	4.00	4.00	-	4.00	-	• One Child One Light
TOTAL				16.00	16.00	-	16.00	-	

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:**

   Not Applicable as the amount has been spent.

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

   We hereby confirm that implementation and monitoring of the CSR Policy are in compliance with the CSR objectives and CSR Policy of the Company.

Sd/-

Vittaldas Leeladhar
Chairman – CSR Committee
(Independent Director)

Sd/-

Pradeep C. Bandivadekar
Member – CSR Committee
(Non-Independent Director)

Sd/-
Padmini Khare Kaicker
Member – CSR Committee
(Independent Director)

ANNEXURE - B

BOARD DIVERSITY POLICY 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 Cleantech Capital Limited (“TCCL” 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 TCCL 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 RBI 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 Cleantech Capital 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”) / Manager / CEO / KMP / rest of the employees (Note 1)

(i) The extent of overall remuneration to the MD / ED / KMPs / Manager / CEO /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 / ED / Manager / CEO 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-imbursements 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/ ED / Manager / CEO 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 / Manager / CEO would be based on the performance of the MD / ED / Manager / CEO 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 / ED / Manager / CEO, 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. MGT-9

EXTRACT OF ANNUAL RETURN

as on the financial year ended on March 31, 2016
[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: U65923MH2011PLC222430

ii) Registration Date: September 27, 2011

iii) Name of the Company: Tata Cleantech Capital 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

E-mail id: sunil.raut@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 since its debentures are listed on the National Stock Exchange of India Limited.

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

Non – Convertible Debentures issued on a Private Placement basis
Sharepro Services (India) Private Limited 13 AB, Samhita Warehousing Complex, Behind Sakinaka Telephone Exchange, Kurla Andheri Road, Sakinaka, Mumbai - 400 072 Tel: 022-67720300, 67720400 Fax: 022-28508927 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:-

Sl. No.	Name and Description of main products / services	NIC Code of the Product/ service	% to total turnover of the company
1	Non Banking Financial Company	64990	100%

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES

Sl. N0	NAME AND ADDRESS OF THE COMPANY	CIN/GLN	HOLDING/ SUBSIDIARY/ ASSOCIATE	% OF SHARES HELD	APPLICABLE SECTION
1	TATA CAPITAL LIMITED	U65990MH1991PLC060670	Holding Company	80.50%	Section 2(46)

IV. 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.	-	23,27,18,182	23,27,18,182	80.50	-	23,27,18,182	23,27,18,182	80.50	-
e) Banks / FI	-	-	-	-	-	-	-	-	-
f) Any other…	-	-	-	-	-	-	-	-	-
Sub-total (A) (1):-	-	23,27,18,182	23,27,18,182	80.50	-	**23,27,18,182**	**23,27,18,182**	**80.50**	-
(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)	**-**	**23,27,18,182**	**23,27,18,182**	**80.50**	**-**	**23,27,18,182**	**23,27,18,182**	**80.50**	-

B. Public Shareholding									
1. **Institutions**									
a) Mutual Funds	-	-	-	-	-	-	-	-	-
b) Banks / FI	-	-	-	-	-	-	-	-	-
c) Central Govt	-	-	-	-	-	-	-	-	-
d) State Govt(s)	-	-	-	-	-	-	-	-	-
e) Venture Capital Funds	-	-	-	-	-	-	-	-	-
f) Insurance Companies	-	-	-	-	-	-	-	-	-
g) FIIs	-	-	-	-	-	-	-	-	-
h) Foreign Venture Capital Funds	-	-	-	-	-	-	-	-	-
i) Others (Multilateral Financial Institutions)	-	5,63,72,727	5,63,72,727	19.50	-	5,63,72,727	5,63,72,727	19.50	-
Sub-total (B)(1):-	**-**	**5,63,72,727**	**5,63,72,727**	**19.50**	-	**5,63,72,727**	**5,63,72,727**	**19.50**	-
2. **Non-Institutions**									
a) Bodies Corp.									
i) Indian	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
ii) Overseas	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
b) Individuals i) Individual shareholders holding nominal share capital upto Rs. 1 lakh	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
ii) Individual shareholders holding nominal share capital in excess of Rs 1 lakh	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
c) Others (specify)	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
Sub-total (B)(2):-	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
Total Public Shareholding (B)=(B)(1)+ (B)(2)	**-**	**5,63,72,727**	**5,63,72,727**	**19.50**	**-**	**5,63,72,727**	**5,63,72,727**	**19.50**	**-**
C. Shares held by Custodian for GDRs & ADRs	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
Grand Total (A+B+C)	**-**	**28,90,90,909**	**28,90,90,909**	**100**	**-**	**28,90,90,909**	**28,90,90,909**	**100**	**-**

(ii) ***Shareholding of Promoters***

Sl No.	Shareholder's Name	Shareholding at the beginning of the year			Share holding at the end			
		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**	**% change in share holding during the year**
1.	Tata Capital Limited and its nominees	23,27,18,182	80.50	NIL	23,27,18,182	80.50	NIL	-
	Total	**23,27,18,182**	**80.50**	NIL	**23,27,18,182**	**80.50**	NIL	**-**

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

Sl. No.		Shareholding at the beginning of the year		Cumulative Shareholding during the year	
1.		**No. of shares**	**% of total shares of the company**	**No. of shares**	**% of total shares of the company**
2.	At the beginning of the year	-	-	-	-
3.	Date wise Increase / Decrease in Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus / sweat equity etc): *The Company had issued equity shares of the Company on Rights Basis to the shareholders of the Company, in proportion to their existing share holding.*	-	-	-	-
4..	At the End of the year	-	-	-	-

There is no change in promoters' shareholding.

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

Sl. No.		Shareholding at the beginning of the year		Cumulative Shareholding during the year	
	For Each of the Top 10 Shareholders	**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	5,63,72,727	19.50	5,63,72,727	19.50
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): *The Company had issued equity shares of the Company on Rights Basis to the shareholders of the Company, in proportion to their existing share holding.*	-	-	-	-
3.	At the End of the year (or on the date of separation, if separated during the year)	5,63,72,727	19.50	5,63,72,727	19.50

(v) Shareholding of Directors and Key Managerial Personnel:

Sl. No.		Shareholding at the beginning of the year		Cumulative Shareholding during the year	
1.	For Each of the Directors and KMP	No. of shares	No. of shares	No. of shares	No. of shares
2.	At the beginning of the year	-	-	-	-
3.	Date wise Increase / Decrease in Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc):	-	-	-	-

4.	At the End of the year	-	-	-	-

V. INDEBTEDNESS

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

(Rs. in crore)

	Secured Loans (excluding deposits)	**Unsecured Loans**	**Deposits**	**Total Indebtedness**
Indebtedness at the beginning of the financial year				
i) Principal Amount	25.00	340.16	0	365.16
ii) Interest due but not paid	0	0	0	0
iii) Interest accrued but not due	0.22	0	0	0.22
Total (i+ii+iii)	25.22	340.16	0	365.38
Change in Indebtedness during the financial year				
• Addition (Net)	475.00	1,184.46	0	1,659.46
• Reduction	5.56	1,169.89	0	1,175.45
Net Change	469.44	14.57	0	484.01
Indebtedness at the end of the financial year				
i) Principal Amount	494.44	354.73	0	849.17
ii) Interest due but not paid	0	0	0	0
iii) Interest accrued but not due	25.99	2.43	0	28.42
Total (i+ii+iii)	520.43	357.16	0	877.59

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

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

(Rs. in Lakh)

Sl. no.	**Particulars of Remuneration**	**Name of Managing Director**	**Name of CEO**	**Total Amount**
		Mr. Manish Chourasia (August 21, 2015 to March	**Mr. Avijit Bhattacharya** (April 1, 2015	

		31, 2016)	to July 14, 2015)	
1.	Gross salary (a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961 (b) Value of perquisites u/s 17(2) Income-tax Act, 1961 (c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	60.18 0.16 ---	62.22 0.93 ---	122.40 1.09 ---
2.	Stock Option	----	----	----
3.	Sweat Equity	----	----	----
4.	Commission - as % of profit - others, specify…	----	----	----
5.	Others, please specify	----	----	----
	Total (A)	60.34	63.15	123.49
	Ceiling as per the Act			445.28

B. Remuneration to other directors:

(Rs. in Lakh)

Sl. no.	Particulars of Remuneration	Name of Directors			Total Amount
	Independent Directors	**Mr. Vittaldas Leeladhar**	**Ms. Padmini Khare Kaicker**		
1.	• Fee for attending board / committee meetings • Commission • Others, please specify	10.20 - -	6.00 - -		16.20 - -
	Total (1)	10.20	6.00		16.20
2.	**Other Non-Executive Directors**	**Mr. Praveen Kadle**	**Mr. Nihar Shah**	**Mr. Pradeep Bandivadekar**	

	• Fee for attending board / committee meetings • Commission • Others, please specify	- - -	1.54 - -	- - -	1.54 - -
	Total (2)	-	1.54	-	1.54
	Total (B)=(1+2)	10.20	7.54	-	17.74
	Total Managerial Remuneration (A+B)	70.54	70.69	-	141.23
	Overall Ceiling as per the Act				445.28

C. REMUNERATION TO KEY MANAGERIAL PERSONNEL OTHER THAN MD/MANAGER/WTD

(Rs. in Lakh)

Sl. no.	**Particulars of Remuneration**	**Key Managerial Personnel**			
		CFO	**Company Secretary**		**Total**
		Mr. Manish Kambli (April 1, 2015 to March 31, 2016)	**Mr. Binoy Parikh** (April 1, 2015 to October 9, 2015)	**Mr. Sunil Raut** (November 25, 2015 to March 31, 2016)	
1.	Gross salary (a)Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961 (a) Value of perquisites u/s 17(2) Income-tax Act, 1961 (c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	37.81 1.07 ---	11.66 0 ---	5.84 0 ---	55.31 1.07 ---
2.	Stock Option	---	---	---	---
3.	Sweat Equity	---	---	---	---
4.	Commission	---	---	---	---

	- as % of profit - others, specify…				
5.	Others, please specify	---	---	---	---
	Total	38.88	11.66	5.84	56.38

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	-	-	-	-	-

Annexure E

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

1. INDUSTRY OVERVIEW & OUTLOOK

Please refer to para 2 of the Directors Report.

2. OPPORTUNITIES & THREATS

The Global renewable energy landscape is poised for progressive growth. Many nations, including India, is placing strong emphasis on energy security, aiming for affordable and accessible energy for all, within the gambit of climate change. Majority of the power generation in India is presently carried out by conventional energy sources, coal and fossil fuels being the primary ones, which contribute heavily to greenhouse gas emission and global warming. However, Indian Renewable energy sector (especially wind and solar) is poised for exponential growth with the Government's thrust on clean energy backed by conducive policy framework and improved business environment. The Government has set an ambitious target of 175 GW of renewable energy by 2022 that comprises 100 GW of solar and 60 GW of wind energy. The Government's vision towards energy security is further aided by tangible emphasis on transmission linkages and related infrastructure.

The Government’s commitment to renewable energy is further manifested in some of the measures such as reinstatement of Accelerated Depreciation (“AD”), increasing the coal cess from Rs. 100 to Rs. 200 during the Union Budget, thereby providing an impetus to clean energy. The Reserve Bank of India’s (“RBI”) move to include smaller renewable energy under priority sector lending will also help to further enhance India’s renewable energy portfolio and achieve energy security. Many international energy majors have already entered into this segment in India with confidence in the new Government's thrust on renewable energy. The reinstatement of AD has encouraged many SMEs to set up renewable energy projects. Besides, quite a few large Corporate Houses and PSU sectors have announced their plans to actively invest more in renewable power in addition to their captive power consumption and need to hedge their power cost for a longer period. Owing to rapid technological improvements and declining capital cost, the renewable energy sources such as wind and solar are becoming less expensive than the prevailing commercial or industrial tariffs. In fact, both of these energy sources have almost achieved grid-parity in India.

India has the potential and capability to lead the global transition to renewable energy sources and become the renewable energy technology hub to the world, subject to continuance of conducive and stable policy frame works. Having said that, the availability of grid and land infrastructure at the State level may hamper the sector viability and the State Governments need to invest in that area well in advance based on available renewable resources in the respective states.

Renewable energy needs large-scale funding. Domestic banks and financial institutions will continue to provide significant funding for such projects. However, going forward, greater funding diversity would be needed. Hence, attracting institutional debt will clearly support development of India's renewable energy sector. Multilateral Development Banks (“MDB”) have already been involved in supporting renewable energy projects in India, but given the scale of India's renewable energy growth plan, it will necessitate greater participation by MDBs to crowd in institutional capital. The financiers and lenders will have to carefully and critically evaluate the projects to avoid cash flow mismatch and NPA issues which are currently prevalent in other infrastructure sectors like conventional energy and transport sectors. Almost all distribution companies exhibit very weak financial profiles, mainly due to the burden of heavily subsidized power prices. This heightens counterparty risk for renewable projects. The successful and timely implementation of Ujwal DISCOM Assurance Yojna (“UDAY”) scheme-which includes recapitalizing distribution companies - will lower counterparty risk and support the financing of renewable energy projects. Lenders will also have to be careful in choosing projects and avoid aggressively bid projects.

With the Government’s strong focus on the Infrastructure sector, certain other Infrastructure sectors such as Roads, Ports, Power Transmission, Railways, etc. are likely to provide opportunities. However, given the weak and over leveraged Balance Sheet of most of the infrastructure developers, the opportunities in these sectors would be limited in near term.

3. SEGMENT WISE OR PRODUCT WISE PERFORMANCE OF THE COMPANY

Please refer to para 3 of the Directors Report .

4. RISK AND CONCERNS

Key risks in Renewable Energy (“RE”) financing are project implementation risk, poor health of Power Distribution Company, technology risk and resource estimation risks.

Project implementation risk arises primarily on account of delay in equity & debt tie-up, land acquisition, power evacuation approval, execution of power purchase agreement and sub-optimal performance of Engineering, Procurement & Construction Contractor. To mitigate the risk, appropriate due diligence on all these aspects is required to be carried out with emphasis on project execution and financial capability of developers and contractors. Developer with a weak Balance Sheet and lack of liquidity should be discouraged.

Poor financial health of DISCOM poses a big risk to the RE sector, as in most of the cases they are the power offtaker. Most of the State Electricity Boards (“SEB”) are under huge debt burden and their accumulated losses are mounting. To address the issue, the Government of India has come out with Ujwal DISCOM Assurance Yojna (UDAY). With the implementation of UDAY, most of the DISCOMs are expected to become profitable in next two to three years by reducing the gap between Average Revenue Realized (“ARR”) and Average Cost to Supply (“ACS”) to zero. Review of DISCOMs’ financial health and payment cycle on periodic basis must be carried out to minimize the risk.

Technology in the Wind sector is well established and we have adequate operational data for projects in India. However, in the solar sector, we do not have performance track record for the full life cycle. To mitigate the risk, lenders need to select the project with modules from proven supplier backed by adequate performance guarantee. Services of an Independent Engineer are generally being retained to carry out technical due diligence of the project. Performance Ratio (“PR”) and degradation are critically reviewed and financials are sensitized by assuming increased degradation than the standard industry rate.

Project revenue is largely dependent upon the generation volume, for which lender relies on estimation of Plant Load Factor (“PLF”). Any estimation error or change in resource pattern may cause adverse effect on the project cash flows. To mitigate the risk, lenders avail services of reputed resource consultants, who have proven track record in this field. Base case business plans are sensitized under various stress case scenario like lower PLF, higher interest cost, delay in receipt of payment, etc.

In other Infrastructure sector, key concerns include delay in land acquisition, prolonged project commissioning periods on account of delay in approvals from Government agencies, and frequent policy changes, which results into project becoming unviable. The Infrastructure sector requires high level of capex and in many cases, we see challenges in equity funding for the project on account of weak Balance Sheet and liquidity issues with the promoters. However, with the emphasis on infrastructure by the present Government, outlook of certain sectors, such as, Road, Power Transmission, Port, etc. are improving.

Funding of projects with high leverage and inflated revenue projection may result into a big risk for the sector, which must be avoided.

5. DISCUSSION ON FINANCIAL PERFORMANCE WITH RESPECT TO OPERATIONAL PERFROMANCE

Please refer to para 4 of the Directors Report.

6. INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY

Please refer to para 10 of the Directors Report.

7. MATERIAL DEVELOPMENTS IN HUMAN RESOURCES/INDUSTRIAL RELATIONS FRONT, INCLUDING NUMBER OF PEOPLE EMPLOYED

Please refer to para 13 of the Directors Report.

Annexure F

FORM No. MR-3

SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED 31ST MARCH, 2016

(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 Cleantech Capital Limited

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

Based on our verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the company, the information provided by the company, its officers, agents and authorised representatives during the conduct of secretarial audit, the explanations and clarifications given to us and the representations made by the Management, we hereby report that in our opinion, the company has, during the audit period covering the financial year ended on 31st March, 2016 generally complied with the statutory provisions listed hereunder and also that the Company has proper Board processes and compliance mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records made available to us and maintained by the Company for the financial year ended on 31st March, 2016 according to the provisions of:

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

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

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

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

(v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act')

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

(b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992 and Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;

(c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 and amendments from time to time;

(d) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999 and The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014; (Not applicable to the Company during the audit period)

(e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;

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

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

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

(vi) Other laws specifically applicable to the Company, namely:

(a) All the Rules, Regulations, Guidelines and Circulars applicable to Non Banking Financial Companies under the RBI Act, 1934

(b) Credit Information Companies (Regulation) Act, 2005 and Rules

(c) Guidelines with respect to SEBI KYC registration agency (KRA) Regulations, 2011

(d) SEBI (Research Analysts) Regulations, 2014

(e) The Prevention of Money-Laundering Act, 2002 and The Prevention of Money Laundering (Maintenance of Records, etc) Rules, 2005

(f) SEBI (Prohibition of Fraudulent and Unfair Trade Practices relating to Securities Market) Regulations, 2003

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.

(ii) The Listing Agreements entered into by the Company with National Stock Exchange of India Limited read with the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

During the period under review, the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, standards etc. mentioned above. The Company is in process of updating the website as required under regulation 62 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

We further report that:

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

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

Decisions at the Board Meetings were taken unanimously.

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

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

Issued 3850 Secured Redeemable Non-Convertible Debentures for an aggregate amount of Rs. 385 crore.

For Parikh & Associates
Company Secretaries

Place: Mumbai
Date :April 25, 2016

Sd/-
Signature:
Shalini Bhat
Partner

FCS No: 6484 CP No: 6994

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

'Annexure A'

To,
The Members
Tata Cleantech Capital Limited

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

1. Maintenance of Secretarial record is the responsibility of the management of the Company. Our responsibility is to express an opinion on these secretarial records based on our audit.

2. We have followed the audit practices and process as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in Secretarial records. We believe that the process and practices, we followed provide a reasonable basis for our opinion.

3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.

4. Where ever required, we have obtained the Management representation about the Compliance of laws, rules and regulations and happening of events etc.

5. The Compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. Our examination was limited to the verification of procedure on test basis.

6. The Secretarial Audit report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

For Parikh & Associates
Company Secretaries
Sd/-
Signature:
Shalini Bhat
Partner
FCS No: 6484 CP No: 6994

Place: Mumbai
Date :April 25, 2016

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 arms 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:

(Rs. in lakh)

Sr. No.	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
1	Tata Capital Limited ("TCL")	Holding Company	a) ICDs accepted during the year	87,069	Tenor upto 1 year	Cost of Funds below Bank Borrowing Rate	-
			b) ICDs repaid back during the	95,993	Tenor upto 1 year	Not Applicable	-
			c) ICDs Outstanding Payable	22,636	Tenor upto 1 year	Cost of Funds below Bank Borrowing Rate	-
			d) Interest expense on ICDs during the year	835	Tenor upto 1 year	Cost of Funds below Bank Borrowing Rate	-

Note: Appropriate approvals have been taken for all Related Party Transactions

For and on behalf of the Board of Directors

Sd/-
Vittaldas Leeladhar
(Chairman)

Mumbai
Date: April 25, 2016

ANNEXURE H

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 2015-16 is, as under:

Name of Director(s)	Ratio to Median
Mr. Vittaldas Leeladhar	0.52:1
Mr. Nihar Shah	0.08:1
Ms. Padmini Khare Kaicker	0.31:1
Mr. Manish Chourasia	5.63:1

Note:

(i) Mr. Praveen P. Kadle, Non-Executive Director, does not draw any remuneration from the Company, since he is the Managing Director & CEO of Tata Capital Ltd, the holding company.

(ii) Mr. Pradeep C. Bandivadekar, Non-Executive Director, does not draw any remuneration from the Company, as he is in the employment of Tata Capital Financial Services Limited, a fellow subsidiary.

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 Directors in FY 2015-16, is as under:

Name of Director(s)	% Increase in Remuneration
Mr. Vittaldas Leeladhar	119%
Mr. Nihar Shah[1]	284%
Ms. Padmini Khare Kaicker[1]	1,100%
Mr. Manish Chourasia[2]	--------

(i) Since Mr. Nihar Shah and Ms. Padmini Khare Kaicker joined in 2014-15, the remuneration for FY 2014-15 and FY 2015-16 is not comparable. The percentage increase in managerial remuneration can be attributed to the increase in the sitting fees paid to the Non-Executive Directors, on account of increase in the number of meetings of the Board and its Committees.

(ii) Mr. Manish Chourasia was appointed as Managing Director with effect from August 21, 2015 and Mr. Sunil Raut was appointed as Company Secretary with effect from November 25, 2016. Hence, the

percentage change in remuneration paid during FY 2015-16 is not comparable to FY 2014-15.

The percentage increase in remuneration of Mr. Manish Kambli, Chief Financial Officer, for FY 2015-16 was 23.61% as compared to FY 2014-15.

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

   There is a decrease in the median remuneration of employees in FY 2015-16 by 17.1% as compared to FY 2014-15.

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

   The permanent employees on the rolls of Company as on March 31, 2016, were 31.

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

   The average increase in remuneration of employees for FY 2015-16 was 19.12%. Profit Before Tax increased by 289% to Rs 38.61 crore in FY 2015-16 from Rs. 9.92 crore in FY 2014-15.

   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 23.61%. Profit Before Tax increased by 289 % **to** Rs. 38.61 crore **in FY 2015-16** from Rs. 9.92 crore **in FY 2014-15.**

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:**

   TCCL is a listed company by virtue of its debentures being listed on the National

Stock Exchange of India Limited. The Company's equity shares are not listed on any exchange. Detail of variations in the Networth of the Company is, given below:

(Rs. in crore)

Particulars	As on March 31, 2016	As on March 31, 2015	Variation
Networth	345.21	310.98	34.23

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 in the salaries of employees other than that of the managerial personnel in FY 2015-16 is 19.12% and the percentage increase in the overall managerial remuneration is 2,090%. The Company appointed Mr. Manish Chourasia as the Managing Director in FY 2015-16 and hence, the percentage is not comparable. Also, the percentage increase in managerial remuneration can be attributed to the increase in the sitting fees paid to the Non-Executive Directors, on account of increase in the number of meetings of the Board and its Committees.

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

Profit Before Tax increased by 289% to Rs.38.61 crore in FY 2015-16 from Rs. 9.92 crore in FY 2014-15. The percentage remuneration of Mr. Manish Kambli, Chief Financial Officer, increased by 23.61% in FY 2015-16 as compared to FY 2014-15.

Since Mr. Manish Chourasia was appointed as Managing Director with effect from August 21, 2015 and Mr. Sunil Raut was appointed as Company Secretary with effect from November 25, 2016, there has been no percentage change in remuneration paid during the year.

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 2015-16, 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.

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF TATA CLEANTECH CAPITAL LIMITED

Report on the Financial Statements

We have audited the accompanying financial statements of **TATA CLEANTECH CAPITAL LIMITED** (the "Company"), which comprise the Balance Sheet as at 31st March, 2016, the Statement of Profit and Loss and the Cash Flow Statement for the year then ended, and a summary of the significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

The Company's 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 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 prescribed under section 133 of the Act, as applicable.

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.

Auditor's 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 and the Order under section 143 (11) of the Act.

We conducted our audit of the financial statements 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 financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal 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. 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 31st March, 2016, and its profit and its cash flows for the year ended on that date.

Report on Other Legal and Regulatory Requirements

1. 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 prescribed under section 133 of the Act, as applicable.

e) On the basis of the written representations received from the directors taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2016 from being appointed as a director in terms of Section 164 (2) of the Act.

f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure A". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting.

g) 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:
   i. The Company does not have any pending litigations which would impact its financial position in its financial statements.
   ii. The Company did not have any long-term contracts including derivative contracts as at year end for which there were any material foreseeable losses.
   iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

2. As required by the Companies (Auditor's Report) Order, 2016 (the "Order") issued by the Central Government in terms of Section 143(11) of the Act, we give in "Annexure B" a statement on the matters specified in paragraphs 3 and 4 of the Order.

For **DELOITTE HASKINS & SELLS**
Chartered Accountants
(Firm Reg. No. 117365W)

G. K. Subramaniam
Partner
(Membership No. 109839)

MUMBAI, 25th April, 2016

ANNEXURE "A" TO THE INDEPENDENT AUDITOR'S REPORT
(Referred to in paragraph 1(f) under 'Report on Other Legal and Regulatory Requirements' of our report of even date)

Report on the Internal Financial Controls Over Financial Reporting under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

We have audited the internal financial controls over financial reporting of **TATA CLEANTECH CAPITAL LIMITED** (the "Company") as of 31st March, 2016 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") issued by the Institute of Chartered Accountants of India. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

Auditor's Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note issued by the Institute of Chartered Accountants of India and the Standards on Auditing prescribed under Section 143(10) of the Act, to the extent applicable to an audit of internal financial controls. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

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

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.

Meaning of Internal Financial Controls over Financial Reporting

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

Inherent Limitations of Internal Financial Controls over Financial Reporting

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

Opinion

In our opinion, to the best of our information and according to the explanations given to us, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31st March 2016, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note issued by the Institute of Chartered Accountants of India.

For **DELOITTE HASKINS & SELLS**
Chartered Accountants
(Firm Reg. No. 117365W)

G. K. Subramaniam
Partner
(Membership No. 109839)

MUMBAI, 25th April, 2016

ANNEXURE "B" TO THE INDEPENDENT AUDITOR'S REPORT

(Referred to in paragraph 2 under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

(i) (a) According to the information and explanations given to us, the Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.

(b) The fixed assets were physically verified during the year by the Management in accordance with a regular programme of verification which, in our opinion, provides for physical verification of all the fixed assets at reasonable intervals. According to the information and explanation given to us, no material discrepancies were noticed on such verification.

(c) According to the information and explanations given to us and the records examined by us and based on the examination of the registered sale deed provided to us, we report that, the title deeds, comprising all the immovable properties of land and buildings which are freehold, are held in the name of the Company as at the balance sheet date.

(ii) According to the information and explanations given to us, the Company does not have any inventory and hence reporting under clause 3(ii) of the Order is not applicable.

(iii) The Company has not granted any loans, secured or unsecured, to companies, firms, Limited Liability Partnerships or other parties covered in the register maintained under section 189 of the Act.

(iv) In our opinion and according to the information and explanations given to us, the Company has complied with the provisions of Sections 185 and 186 of the Companies Act, 2013 in respect of grant of loans, making investments and providing guarantees and securities, as applicable.

(v) According to the information and explanations given to us, the Company has not accepted any deposit during the year and no order in this respect has been passed by the Company Law Board or National Company Law Tribunal or the Reserve Bank of India or any Court or any other Tribunals.

(vi) To the best our knowledge and according to the information and explanations given to us, the Central Government has not prescribed the maintenance of cost records under section 148(1) of the Act, in respect of the services rendered by the Company.

(vii) 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 Income-tax, Service Tax, Provident Fund, Employees' State Insurance, cess and other material statutory dues applicable to it to the appropriate authorities.

(b) There were no undisputed amounts payable in respect of Income-tax, Service Tax, Provident Fund, Employees' State Insurance, cess and other material statutory dues in arrears as at 31st March, 2016 for a period of more than six months from the date they became payable.

(c) There are no dues of Income-tax and Service Tax as on 31st March, 2016 on account of disputes.

(viii) In our opinion and according to the information and explanations given to us, the Company has not defaulted in the repayment of loans or borrowings to banks and dues to debenture holders. The Company has not taken any loan from government and financial institution.

(ix) In our opinion and according to the information and explanations given to us, the money raised by way of the term loans and debentures have been applied by the Company during the year for the purposes for which they were raised other than temporary deployment pending application of proceeds. The Company has not raised moneys by way of initial public offer/ further public offer (including debt instruments).

(x) To the best of our knowledge and according to the information and explanations given to us, no fraud by the Company and no material fraud by its officers or employees on the Company has been noticed or reported during the year.

(xi) In our opinion and according to the information and explanations given to us, the Company has paid / provided managerial remuneration in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Act.

(xii) The Company is not a Nidhi Company and hence reporting under clause (xii) of the Order is not applicable.

(xiii) In our opinion and according to the information and explanations given to us the Company is in compliance with Section 188 and 177 of the Companies Act, 2013, where applicable, for all transactions with the related parties and the details of related party transactions have been disclosed in the financial statements etc. as required by the applicable accounting standards.

(xiv) During the year the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures and hence reporting under clause 3(xiv) of the Order is not applicable to the Company.

(xv) In our opinion and according to the information and explanations given to us, during the year the Company has not entered into any non-cash transactions with its directors or persons connected with him and hence provisions of section 192 of the Act are not applicable.

(xvi) The Company is required to be registered under section 45-IA of the Reserve Bank of India Act, 1934 and it has obtained the registration.

For **DELOITTE HASKINS & SELLS**
Chartered Accountants
(Firm Reg. No. 117365W)

G. K. Subramaniam
Partner
(Membership No. 109839)

MUMBAI, 25th April, 2016

TATA CLEANTECH CAPITAL LIMITED

BALANCE SHEET AS AT MARCH 31, 2016

PARTICULARS	Note No.	As at March 31, 2016	As at March 31, 2015
		Rs. in Lakh	Rs. in Lakh
I. EQUITY AND LIABILITIES			
1 **Shareholders' funds**			
(a) Share capital	3	28,909	28,909
(b) Reserves and Surplus	4	5,791	3,044
		34,700	**31,953**
2 **Non - current liabilities**			
(a) Long-term borrowings	5	47,833	1,944
(b) Deferred tax liabilities (net)	6	-	133
(c) Other Long-term liabilities	7	55	-
(d) Long-term provisions	8	349	144
		48,237	**2,221**
3 **Current liabilities**			
(a) Short-term borrowings	9	31,973	34,016
(b) Trade payables	10		
i) Total outstanding dues of micro enterprises and small enterprises	10(a)	-	-
ii) Total outstanding dues of creditors other than micro enterprises and small enterprises		421	181
(c) Other current liabilities	11	7,957	647
(d) Short-term provisions	12	72	41
		40,423	**34,885**
TOTAL		**123,360**	**69,059**
II. ASSETS			
1 **Non-current assets**			
(a) Fixed assets - Tangible assets	13	298	29
(b) Deferred tax assets (net)	14	127	-
(c) Long-term Loans and advances - financing activity	15	115,438	56,886
(d) Long-term Loans and advances - others	16	136	414
(e) Other non-current assets	17	84	670
		116,083	**57,999**
2 **Current assets**			
(a) Cash and bank balances	18	343	563
(b) Short-term Loans and advances - financing activity	15	6,814	10,233
(c) Loans and advances - Others	19	7	18
(d) Other current assets	20	113	246
		7,277	**11,060**
TOTAL		**123,360**	**69,059**
See accompanying notes forming part of the financial statements	1-42		

In terms of our report attached

For and on behalf of the Board of Directors

For **Deloitte Haskins & Sells**
Chartered Accountants

Vittaldas Leeladhar
(Chairman)

Praveen P. Kadle
(Director)

G. K. Subramaniam
Partner

Pradeep C. Bandivadekar
(Director)

Nihar Shah
(Director)

Padmini Khare Kaicker
(Director)

Manish Chourasia
(Managing Director)

Place : Mumbai
Date: April 25, 2016

Manish Kambli
(Chief Financial Officer)

Sunil Raut
(Company Secretary)

TATA CLEANTECH CAPITAL LIMITED

STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED MARCH 31, 2016

	PARTICULARS	Note No.	For the year ended March 31, 2016	For the year ended March 31, 2015
			Rs. in Lakh	Rs. in Lakh
I	Revenue from operations	21	10,463	2,561
II	Investment income	22	12	19
III	Other income	23	17	265
IV	**Total Revenue (I+II+III)**		**10,492**	**2,845**
V	**Expenses**			
	Finance costs	24	4,468	899
	Employee benefit expenses	25	792	425
	Other operating expenses	26	1,233	482
	Depreciation and amortisation	13	23	9
	Amortisation of expenses	20(a)	115	38
	Total expenses		**6,631**	**1,853**
VI	**Profit before tax (IV-V)**		**3,861**	**992**
VII	**Tax expense**			
	(i) Current tax		1,374	243
	(ii) MAT Credit Entitlement		-	(12)
	(iii) Deferred tax		(260)	112
	Total Tax expense		**1,114**	**343**
VIII	**Profit for the year (VI-VII)**		**2,747**	**649**
IX	**Earnings per equity share:**			
	(i) Basic (in Rupees)		0.95	0.71
	(ii) Diluted (in Rupees)		0.95	0.71
	Face Value per share (in Rupees)		10	10
	See accompanying notes forming part of the financial statements	1-42		

In terms of our report attached

For and on behalf of the Board of Directors

For **Deloitte Haskins & Sells**
Chartered Accountants

G. K. Subramaniam
Partner

Vittaldas Leeladhar
(Chairman)

Praveen P. Kadle
(Director)

Pradeep C. Bandivadekar
(Director)

Nihar Shah
(Director)

Padmini Khare Kaicker
(Director)

Manish Chourasia
(Managing Director)

Place : Mumbai
Date: April 25, 2016

Manish Kambli
(Chief Financial Officer)

Sunil Raut
(Company Secretary)

TATA CLEANTECH CAPITAL LIMITED

CASH FLOW STATEMENT FOR THE YEAR ENDED MARCH 31, 2016

PARTICULARS	Note No.	For the year ended March 31, 2016 Rs. in Lakh	For the year ended March 31, 2015 Rs. in Lakh
1 CASH FLOW USED IN OPERATING ACTIVITIES			
Profit before tax		3,861	992
Adjustments for :			
Amortisation of share/debenture issue expenses/loan processing expenses		115	38
Interest expenses		3,957	652
Discounting charges on commercial paper		511	247
Interest income		(10,039)	(2,363)
Interest income on fixed deposits		-	-
Profit on sale of investment		(12)	(19)
Contingent provision against standard assets		199	135
Contingent provision against restructured advances		(37)	37
Provision for doubtful loans		-	-
Provision for employee benefits		4	1
Depreciation and amortisation		23	9
Operating Profit before working capital changes and adjustments for interest received, interest paid and dividend received		(1,418)	(271)
Adjustments for:			
Increase/(Decrease) in current liabilities and provisions		365	(48)
(Increase) in loans and advances - financing activity		(55,023)	(53,800)
(Increase)/Decrease in Loans and advances - others		511	(478)
Cash used in operations before adjustments for interest received, interest paid and dividend received		(55,565)	(54,597)
Interest paid		(1,574)	(818)
Interest received		9,966	2,258
Cash used in operations		(47,173)	(53,157)
Taxes paid		(1,342)	(378)
NET CASH USED IN OPERATING ACTIVITIES		**(48,515)**	**(53,535)**
2 CASH FLOW USED IN INVESTING ACTIVITIES			
Purchase of fixed assets (including capital advances)		(21)	(284)
Proceed from Sale of Fixed Assets		8	-
Purchase of mutual fund units		(43,505)	49,600
Proceed from Sale of mutual fund units		43,518	(49,619)
NET CASH USED IN INVESTING ACTIVITIES		**-**	**(303)**
3 CASH FLOW FROM FINANCING ACTIVITIES			
Proceeds from issue of equity share capital		-	23,000
Share/Debenture issue expenses		(33)	(247)
Proceeds from long-term borrowings		51,000	2,500
Repayment of long-term borrowings		(556)	-
Net proceeds (repayment)/from of short-term borrowings		(2,116)	29,074
NET CASH FROM FINANCING ACTIVITIES		**48,295**	**54,327**
Net Increase in cash and cash equivalents		**(220)**	**489**
Cash and cash equivalents as at the beginning of the year		**563**	**74**
Cash and cash equivalents as at the end of the year (Refer Note 18)		**343**	**563**
See accompanying notes forming part of the financial statements	1-42		

In terms of our report attached — For and on behalf of Board of Directors

For **Deloitte Haskins & Sells** Chartered Accountants	**Vittaldas Leeladhar** (Chairman)	**Praveen P. Kadle** (Director)
G. K. Subramaniam Partner	**Pradeep C. Bandivadekar** (Director)	**Nihar Shah** (Director)
	Padmini Khare Kaicker (Director)	**Manish Chourasia** (Managing Director)
Place : Mumbai Date: April 25, 2016	**Manish Kambli** (Chief Financial Officer)	**Sunil Raut** (Company Secretary)

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

1. CORPORATE INFORMATION

Tata Cleantech Capital Limited is a wholly owned subsidiary of Tata Capital Limited and a Systemically Important Non Deposit Accepting Non-Banking Finance Company("NBFC"), holding a Certificate of Registration from the Reserve Bank of India ("RBI") received on October 19, 2012. The Company has received the Certificate of Registration as a "Infrastructure Finance Company" from RBI dated October 15, 2015. The Company is engaged in the business of providing finance and advisory services for renewable energy, energy efficiency & water management projects.

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 Act"), as applicable. Further, the Company follows the Reserve Bank of India (RBI) Directions issued for Non-Banking Financial Companies (NBFC). 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.

Current assets do not include elements which are not expected to be realised within one year and current liabilities do not include items which are due after one year.

ii. Use of Estimates

The preparation of financial statements in conformity with Indian GAAP requires 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

a. Income on Loan transactions

Income on loan transactions is accounted for by using the internal rate of return method. Consequently, a constant rate of return on net outstanding amount is accrued over the period of the contract, except that no income is recognised on non-performing assets as per the prudential norms for income recognition issued by the RBI for NBFCs. Interest income on such assets is recognised on receipt basis.

Upfront/processing fees collected from the customer for processing loans are primarily towards documentation charges. This is accounted as income when the amount becomes due provided recovery thereof is certain.

Service charges are collected at the time of inception of the contract. This is accounted over the tenure of the loan in the proportion of interest earned to total interest receivable during the tenure of loan.

Income from sale/assignment of loan assets is recognised at the time of sale.

b. Income from Current and Long-term Investments

Income from dividend on shares of corporate bodies and units of mutual funds is accounted on accrual basis when the Company's right to receive dividend is established.

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

c. Income from Advisory Services

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

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

The Company provides an allowance for loan receivables based on the prudential norms issued by the RBI relating to income recognition, asset classification and provisioning for non-performing assets.
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 where the repayment of installment or interest has been in arrears for 90 days.

In addition, the Company provides for Restructured Assets including (Standard Assets) as required by the directions issued by the RBI.

v. Investments

Investments are classified into long-term investments and current investments.

a. Long-term investments

Long-term investments are stated at cost. Provision for diminution is made to recognise a decline, other than temporary, in the value of such investments.

b. Current investments

Current investments are stated at the lower of cost or market value, 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 which have 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.

Purchased software / licenses are amortised over the period the benefits are expected to accrue.

All capital assets with individual value less than Rs 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
Buildings	25 years
Furniture and Fixtures	10 years
Vehicles	4 years

viii. Deferred revenue expenditure

Share issue expenses are amortised over a period of 36 months from the month in which the company has incurred the expenditure. From the financial year 2015-16 share issue expenses incurred during the year are charged to the Statement of Profit and Loss.

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

Loan sourcing cost is charged to the Statement of Profit and Loss in the year in which it is incurred.

ix. Employee Benefits

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

Defined contribution plans

The eligible employees of the Company are entitled to receive benefits under the provident fund, a defined contribution plan, in which both employees and the Company make monthly contributions at a specified percentage of the covered employees' salary (currently 12% of employees' salary), which is recognised as an expense in the Statement of Profit and Loss in the year in which they occur. These contributions to Provident fund are administered by the Regional Provident Fund Commissioner.

The Company's contribution to superannuation fund and employee state insurance scheme is 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, 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 year in which the employee renders the related service.

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

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

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

Long-term employee benefits

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

x. 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.

xi. Taxation

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

Minimum Alternate Tax (MAT) paid in accordance with the tax laws, which gives future economic benefits in the form of adjustment to future income tax liability, is considered as an asset if there is convincing evidence that the Company will pay normal income tax. Accordingly, MAT is recognised as an asset in the Balance Sheet when it is highly probable that future economic benefit associated with it will flow to the Company.

xii. 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.

xiii. Operating Cycle

Based on the nature of products / activities of the Company and the normal time between acquisition of assets and their realisation in cash or cash equivalents, the Company has determined its operating cycle as 12 months for the purpose of classification of its assets and liabilities as current and non-current.

xiv. Business segment

The Company is engaged in the business of asset financing. There being only one "business segment" and "geographical segment", the segment information is not provided.

xv. Cash Flow Statement

Cash flows are reported using the indirect method, whereby profit/(loss) before 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.

xvi. 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.

3 SHARE CAPITAL

PARTICULARS	As at March 31, 2016	As at March 31, 2015
	Rs. in Lakh	Rs. in Lakh
AUTHORISED		
500,000,000 (as at March 31, 2015 : 500,000,000 shares) Equity shares of Rs.10 each	50,000	50,000
	50,000	50,000
ISSUED, SUBSCRIBED & PAID UP		
289,090,909 (as at March 31, 2015 : 289,090,909 shares) Equity shares of Rs.10 each fully paid up	28,909	28,909
Total	**28,909**	**28,909**

3. (a) Reconciliation of number of shares outstanding

PARTICULARS	No. of Shares	Rs in Lakh
Opening Equity Share Capital as on April 01, 2014	**80,000,000**	**8,000**
Additions during the year		
Rights issue	209,090,909	20,909
Closing Equity Share Capital as on March 31, 2015	289,090,909	28,909
Additions during the year	-	-
Closing Equity Share Capital as on March 31, 2016		
Equity Face Value Rs. 10 fully paid up	**289,090,909**	**28,909**

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

The Company has issued only one class of equity shares having a par value of Rs. 10 per share. Each shareholder is eligible for one vote per share held. The dividend proposed by the Board of Directors' if any, is subject to the approval of 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.

During the year, the Company has not issued Equity Shares. (F.Y. 2014-15, 209,090,909 Equity Shares of Rs 10 each at a premium of Re.1 on March 12, 2015).

3. (c) Investment by Tata Capital Limited (Holding Company) and International Finance Corporation

Name of Company	Particulars of Issue	No. of Equity shares	Rs. In Lakh
Tata Capital Limited	Opening Balance as on April 1, 2014	64,400,000	6,440
	a) Purchased	168,318,182	16,832
	Closing Balance as on March 31, 2015	232,718,182	23,272
	a) Purchased	-	-
	Closing Balance as on March 31, 2016	232,718,182	23,272
International Finance Corporation	Opening Balance as on April 1, 2014	15,600,000	1,560
	a) Purchased	40,772,727	4,077
	Closing Balance as on March 31, 2015	56,372,727	5,637
	a) Purchased	-	-
	Closing Balance as on March 31, 2016	56,372,727	5,637

3. (d) List of Shareholders holding more than 5% Equity shares as at

Name of Shareholder	March 31, 2016		March 31, 2015	
	No. of Shares held	% of Holding	No. of Shares held	% of Holding
Tata Capital Limited (Including shares held jointly with nominees)	232,718,182	80.50%	232,718,182	80.50%
International Finance Corporation	56,372,727	19.50%	56,372,727	19.50%

4 RESERVES AND SURPLUS

PARTICULARS	As at March 31, 2016	As at March 31, 2015
	Rs. in Lakh	**Rs. in Lakh**
(a) Securities Premium Account		
Opening balance	2,091	-
Add: Premium on issue of equity shares	-	2,091
Closing balance	**2,091**	**2,091**
(b) Special Reserve Account u/s 45-IC of Reserve Bank of India Act, 1934		
Opening balance	192	61
Addition during the year	549	131
Closing balance	**741**	**192**
(c) Special Reserve Account u/s 36(1)(viii) of Income tax Act, 1961		
Opening balance	-	-
Addition during the year	750	-
Closing balance	**750**	**-**
(d) Surplus in Statement of Profit & Loss		
Opening balance	761	243
Add: Profit for the year	2,747	649
Profit available for appropriation	3,508	892
Less: Appropriation		
- Transfer to reserve u/s. 45-IC of Reserve Bank of India Act,1934	549	131
- Transfer to reserve u/s 36(1)(viii) of Income tax Act, 1961	750	-
Closing Balance	**2,209**	**761**
TOTAL	**5,791**	**3,044**

Note:
The amounts appropriated out of the Surplus in the Statement of Profit and Loss are as under:
Rs. 549 Lakhs (Previous Year: Rs. 131 Lakhs) to Special Reserve as prescribed by section 45-IC of the Reserve Bank of India Act, 1934, being 20% of the profits after taxes for the year and Rs. 750 Lakhs (Previous Year: Nil) to Special Reserve as prescribed under section 36(1)(viii) of Income Tax Act, 1961.

5 LONG TERM BORROWINGS

PARTICULARS	As at March 31, 2016	As at March 31, 2015
	Rs. in Lakh	**Rs. in Lakh**
(a) Debentures		
Secured		
Privately Placed Non-Convertible Debentures (Refer Note Nos. 5.1 & 5.4 below)	38,500	-
(b) Term loans		
Secured		
From Banks (Refer Note Nos. 5.2 & 5.3 below)	7,833	1,944
(c) Other loans and advances		
Unsecured		
Inter Corporate Deposits from others (Refer Note No. 5.5 below)	1,500	-
TOTAL	**47,833**	**1,944**

Notes

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

5.2. Loans and advances from banks are secured by way of hypothecation of Company's stock and book debts and first pari passu charge on receivables.

5.3 **Terms of repayment of term loans and rate of interest:**
As per terms of agreements loan from banks classified under long term borrowing and current liabilities aggregating Rs. 8,944 Lakh (Previous Year: Rs. 2,500 Lakh) are repayable at maturity ranging between 36 and 60 months from the date of respective loan. Rate of interest payable on term loan varies between 9.33 % to 9.70%

5.4 Particulars of Privately Placed Secured Non-Convertible Debentures ("NCDs") outstanding as on March 31, 2016

Description of NCDs	Issue Date	Redemption Date	As on March 31, 2016		As on March 31, 2015	
			Number of NCDs	Rs. in Lakh	Number of NCDs	Rs. in Lakh
TCCL NCD 'F' FY 2015-16	19-Oct-15	19-Oct-20	200	2,000	-	-
TCCL NCD 'E' FY 2015-16	04-Sep-15	04-Sep-20	200	2,000	-	-
TCCL NCD 'C' FY 2015-16	20-Jul-15	20-Jul-20	200	2,000	-	-
TCCL NCD 'D' FY 2015-16 Option II	03-Aug-15	03-Aug-18	500	5,000	-	-
TCCL NCD 'B' FY 2015-16 Option II	20-May-15	18-May-18	600	6,000	-	-
TCCL NCD 'A' FY 2015-16	22-Apr-15	20-Apr-18	500	5,000	-	-
TCCL NCD 'G' FY 2015-16	06-Nov-15	06-Nov-17	250	2,500	-	-
TCCL NCD 'D' FY 2015-16 Option I	03-Aug-15	03-Aug-17	500	5,000	-	-
TCCL NCD 'B' FY 2015-16 Option I	20-May-15	17-May-17	900	9,000	-	-
TOTAL				**38,500**	-	-

Note : Coupon rate of "NCDs" outstanding as on March 31, 2016 varies from 8.57% to 9.15% (Previous Year : Nil)

5.5 Interest rate of "ICDs" outstanding as on March 31, 2016 varies from 8.18% to 9.41% (Previous Year: Varies from 9.22% to 9.35%)

6 DEFERRED TAX LIABILITIES

PARTICULARS	As at March 31, 2016	As at March 31, 2015
	Rs. in Lakh	Rs. in Lakh
Deferred Tax Liability (net) (Refer Note No.14.a)	-	133
TOTAL	**-**	**133**

7 OTHER LONG-TERM LIABILITIES

PARTICULARS	As at March 31, 2016	As at March 31, 2015
	Rs. in Lakh	Rs. in Lakh
(a) Interest accrued but not due on borrowings	55	-
TOTAL	**55**	**-**

8 LONG-TERM PROVISIONS

PARTICULARS	As at March 31, 2016	As at March 31, 2015
	Rs. in Lakh	Rs. in Lakh
(a) Provision for employee benefits	2	2
(b) Contingent provision against Standard Assets (Refer Note No.32)	347	142
TOTAL	**349**	**144**

9 SHORT-TERM BORROWINGS

PARTICULARS	As at March 31, 2016	As at March 31, 2015
	Rs. in Lakh	Rs. in Lakh
Other Loans and Advances		
Unsecured		
(a) Commercial paper (Refer Note No. 9.1 below)		
[Net of unamortised discount of Rs. 163 Lakh (as at March 31, 2015 : Rs. 44 Lakh)]	7,337	2,456
(b) Inter corporate deposit (Repayable on demand) (Refer Note No. 5.5 above)		
- From Related parties	22,636	31,560
Secured		
(a) Bank Overdraft (Refer Note No. 5.2 above)	2,000	-
TOTAL	**31,973**	**34,016**

9.1. Discount on commercial paper varies between 8.50% to 8.90% (Previous Year: 8.73%)

10 TRADE PAYABLES

PARTICULARS	As at March 31, 2016	As at March 31, 2015
	Rs. in Lakh	Rs. in Lakh
(i) Accrued employee benefit expenses	159	91
(ii) Accrued expenses	261	85
(iii) Others	1	5
TOTAL	**421**	**181**

Note - The information as required to be disclosed under the Micro, Small and Medium Enterprises Development Act, 2006 has been determined to the extent such parties have been identified on the basis of information available with the Company. The amount of principal and interest outstanding during the year is given below :

10(a) Total outstanding dues of micro enterprises and small enterprises

PARTICULARS	As at March 31, 2016	As at March 31, 2015
	Rs. in Lakh	Rs. in Lakh
(a) Amounts outstanding but not due as at year end	-	-
(b) Amounts due but unpaid as at year end	-	-
(c) Amounts paid after appointed date during the year	-	-
(d) Amount of interest accrued and unpaid as at year end	-	-
(e) The amount of further interest due and payable even in the succeeding year	-	-
Total	-	-

11 OTHER CURRENT LIABILITIES

PARTICULARS	As at March 31, 2016	As at March 31, 2015
	Rs. in Lakh	Rs. in Lakh
(a) Current maturities of long-term debt		
Secured		
Term loan from bank (Refer Note Nos. 5.2 & 5.3 above)	1,111	556
Unsecured		
Inter corporate deposit (Repayable on demand) (Refer Note No. 5.5 above)	4,000	-
(b) Interest accrued but not due on borrowings	2,787	22
(c) Other Payables		
- Statutory Dues	58	68
(d) Others	1	1
TOTAL	**7,957**	**647**

12 SHORT-TERM PROVISIONS

PARTICULARS	As at March 31, 2016	As at March 31, 2015
	Rs. in Lakh	Rs. in Lakh
(a) Provision for employee benefits	19	15
(b) Provision - Others		
(i) Provision for tax [Net of advance tax Rs.1,341 Lakh (As at March 31, 2015 Rs.Nil)]	33	-
(ii) Contingent provision against Standard Assets (Refer Note No. 32)	20	26
TOTAL	**72**	**41**

TATA CLEANTECH CAPITAL LIMITED

13. FIXED ASSETS

Particulars	Gross Block				Accumulated depreciation				Net Carrying Value
	Opening balance as at April 1, 2015	**Additions / Adjustments**	**Deletions**	**Closing balance as at March 31, 2016**	**Opening balance as at April 1, 2015**	**Depreciation / Amortisation for the year**	**Deletions / Adjustments**	**Closing balance as at March 31, 2016**	**As at March 31, 2016**
TANGIBLE FIXED ASSETS									
Buildings	-	279	-	279	-	10	-	10	269
	-	-	-	-	-	-	-	-	-
Motor vehicles	42	20	10	52	13	13	3	23	29
	37	*5*	-	*42*	*4*	*9*	-	*13*	*29*
Furniture & Fixture *	-	-	-	-	-	-	-	-	-
	-	-	-	-	-	-	-	-	-
Total	**42**	**299**	**10**	**331**	**13**	**23**	**3**	**33**	**298**
Previous financial year	***37***	***5***	**-**	***42***	***4***	***9***	**-**	***13***	***29***

Previous year figures are given in Italics
(* Amount less than Rs. 50,000/-)

14 DEFERRED TAX ASSET

PARTICULARS	As at March 31, 2016	As at March 31, 2015
	Rs. in Lakh	Rs. in Lakh
Deferred Tax Asset (net) (Refer Note No. 14.a)	127	-
TOTAL	**127**	**-**

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

PARTICULARS	As at March 31, 2016	As at March 31, 2015
	Rs. in Lakh	Rs. in Lakh
Deferred Tax Assets on :-		
(a) Contingent provision for standard assets	127	58
(b) Provision for restructured asset	-	13
(c) On preliminary expenses*	-	-
(d) Disallowance u/s 40(a)	7	4
(e) Timing difference in respect of depreciation on fixed assets	1	1
	135	**76**
Deferred Tax Liabilities:-		
(a) On loan sourcing cost	-	(206)
(b) Debenture issue expenses	(8)	(3)
	(8)	**(209)**
Net Deferred Tax Assets / (Liability)	**127**	**(133)**

(* Amount less than Rs. 50,000/-)

15 LOANS AND ADVANCES - FINANCING ACTIVITY

PARTICULARS	As at March 31, 2016	As at March 31, 2015
	Rs. in Lakh	Rs. in Lakh
NON-CURRENT		
Secured Loans		
(i) Considered good	115,438	56,923
(ii) Considered doubtful	-	-
	115,438	56,923
Less: Provision for doubtful loans	-	-
Less: Provision against restructured standard assets	-	37
TOTAL	**115,438**	**56,886**
CURRENT		
Secured Loans		
(i) Considered good	6,814	10,233
(ii) Considered doubtful	-	-
	6,814	10,233
Less: Provision for doubtful loans	-	-
Less: Provision against restructured standard assets	-	-
TOTAL	**6,814**	**10,233**
TOTAL - LOANS AND ADVANCES - FINANCING ACTIVITY	**122,252**	**67,119**

16 LONG-TERM LOANS AND ADVANCES - OTHERS (UNSECURED - CONSIDERED GOOD)

PARTICULARS	As at March 31, 2016	As at March 31, 2015
	Rs. in Lakh	Rs. in Lakh
(a) Capital advances	-	279
(b) Advance tax [Net of provision for tax Rs. 377 Lakh (As at 31 March 31, 2015 Rs. 377 Lakh)]	135	123
(c) MAT credit entitlement	-	12
(d) Security Deposits	1	-
TOTAL	**136**	**414**

17 OTHER NON-CURRENT ASSETS

PARTICULARS	As at March 31, 2016	As at March 31, 2015
	Rs. in Lakh	Rs. in Lakh
(a) Deferred revenue expenditure (to the extent not written off or adjusted) (Refer Note No. 20 (a) below)	84	153
(b) Unamortised loan sourcing cost (Refer Note No. 40)	-	517
TOTAL	**84**	**670**

18 CASH AND BANK BALANCES

PARTICULARS	As at March 31, 2016	As at March 31, 2015
	Rs. in Lakh	Rs. in Lakh
(a) Cash on Hand	-	-
(b) Cheques on Hand	2	-
(c) Balances with banks		
- in current accounts	341	563
TOTAL	**343**	**563**

Note : Of the above, the balance that meet the definition of Cash and Cash Equivalents as per AS 3 Cash Flow Statement is Rs. 343 Lakh (As at March 31, 2015 - Rs.563 Lakh).

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

PARTICULARS	As at March 31, 2016	As at March 31, 2015
	Rs. in Lakh	Rs. in Lakh
(a) Service tax receivable	1	13
(b) Prepaid expenses	5	3
(c) Loans to Employees	1	2
TOTAL	**7**	**18**

20 OTHER CURRENT ASSETS

PARTICULARS	As at March 31, 2016	As at March 31, 2015
	Rs. in Lakh	Rs. in Lakh
(a) Deferred revenue expenditure (to the extent not written off or adjusted) (Refer Note No.20 (a) below)	89	104
(b) Unamortised loan sourcing cost (Refer Note No. 40)	-	79
(c) Gratuity assets (Net)	17	27
(d) Other receivables from related parties	7	36
TOTAL	**113**	**246**

20 (a). Deferred Revenue Expenditure (to the extent not written off or adjusted)

PARTICULARS	As at March 31, 2016	As at March 31, 2015
	Rs. in Lakh	Rs. in Lakh
(a) Unamortised share issue expenses		
Opening balance	236	47
Add: expenses incurred during the year*	0	227
Less: written off during the year	97	38
Closing balance	**139**	**236**
(b) Unamortised debenture issue expenses		
Opening balance	20	-
Add: expenses incurred during the year	29	20
Less: written off during the year	18	-
Closing balance	**31**	**20**
(c) Unamortised Loan Processing expenses		
Opening balance	-	-
Add: expenses incurred during the year	4	-
Less: written off during the year	1	-
Closing balance	**3**	**-**
TOTAL	**173**	**256**

PARTICULARS	As at March 31, 2016		As at March 31, 2015	
	Non-Current	Current	Non-Current	Current
	Rs. in Lakh	Rs. in Lakh	Rs. in Lakh	Rs. in Lakh
(a) Unamortised share issue expenses	64	75	139	97
(b) Unamortised debenture issue expenses	18	13	15	5
(c) Unamortised Loan Processing expenses*	2	1	0	-
Total	84	89	154	102
Grand Total		**173**		**256**

(* Amount less than Rs. 50,000/-)

21 REVENUE FROM OPERATIONS

PARTICULARS	For the year ended March 31, 2016	For the year ended March 31, 2015
	Rs. in Lakh	Rs. in Lakh
(a) Interest income - From secured loans	10,039	2,363
(b) Others	424	198
TOTAL	**10,463**	**2,561**

22 INVESTMENT INCOME

PARTICULARS	For the year ended March 31, 2016	For the year ended March 31, 2015
	Rs in Lakh	Rs in Lakh
Profit on sale of mutual fund investments (Current Investments)	12	19
TOTAL	**12**	**19**

23 OTHER INCOME

PARTICULARS	For the year ended March 31, 2016	For the year ended March 31, 2015
	Rs. in Lakh	Rs. in Lakh
(a) Sourcing fees	-	257
(b) Advisory income	17	8
TOTAL	**17**	**265**

24 FINANCE COST

PARTICULARS	For the year ended March 31, 2016	For the year ended March 31, 2015
	Rs. in Lakh	**Rs. in Lakh**
(a) Interest expense		
(i) On fixed period loans	2,849	104
(ii) On inter-corporate deposit	1,106	542
(iii) On others	2	6
(b) Discounting charges - on commercial paper	511	247
TOTAL	**4,468**	**899**

25 EMPLOYEE BENEFIT EXPENSES

PARTICULARS	For the year ended March 31, 2016	For the year ended March 31, 2015
	Rs. in Lakh	**Rs. in Lakh**
(a) Salaries, wages and bonus	744	375
(b) Contribution to provident and other funds (Refer Note No.28)	33	31
(c) Staff welfare expenses	15	19
TOTAL	**792**	**425**

26 OTHER OPERATING EXPENSES

PARTICULARS	For the year ended March 31, 2016	For the year ended March 31, 2015
	Rs. in Lakh	Rs. in Lakh
(a) Advertising & publicity	3	3
(b) Brand Equity and Business Promotion	29	7
(c) Audit fees [Refer Note No. 26 (a)]	11	5
(d) Contingent provision against Standard Assets (Refer Note No. 32)	199	135
(e) Contingent provision against restructured advances	(37)	37
(f) Corporate social responsibility expenses [Refer Note No. 26 (c)]	11	5
(g) Donations	-	1
(h) Directors sitting fees	19	6
(i) Insurance charges	7	4
(j) Information technology expenses	206	78
(k) Legal and professional fees	48	48
(l) Loan processing fees (Refer Note No. 40)	601	60
(m) Repairs & maintenance	7	-
(n) Rent	29	28
(o) Rates & taxes	1	7
(p) Stamp charges	5	4
(q) Service provider charges	1	2
(r) Telephone, telex and leased line	5	4
(s) Travelling and conveyance	40	36
(t) Training and recruitment	31	6
(u) Other expenses	17	6
TOTAL	**1,233**	**482**

26 (a) Auditors' Remuneration (excluding Service Tax)

PARTICULARS	For the year ended March 31, 2016	For the year ended March 31, 2015
	Rs. in Lakh	Rs. in Lakh
Audit fees	9	4
Tax audit fees	1	1
Other Services	1	-
TOTAL	11	5

26 (b) Expenditure in Foreign Currency

PARTICULARS	For the year ended March 31, 2016	For the year ended March 31, 2015
	Rs. in Lakh	Rs. in Lakh
Processing fees	2	-
Directors sitting fees	2	1
Travelling and conveyance	-	1
TOTAL	**4**	**2**

26 (c) Corporate social responsibility expenses

(i) Gross amount required to be spent by the company during the year was Rs. 11 Lakh.

(ii) Amount spent during the year on:

PARTICULARS	Paid	Yet to be paid	Total
	Rs in Lakh	Rs in Lakh	Rs in Lakh
Construction/acquisition of any asset	-	-	-
On purposes other than above	11	-	11
TOTAL	**11**	**-**	**11**

27 Contingent Liabilities and Commitments:

a) Contingent liabilities Rs. Nil (Previous year Rs.Nil).
b) Commitments Rs.663 Lakh (Previous year Rs.Nil)

28 Employee benefits

Defined Contribution Plans

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

The Company recognised a charge of Rs.22 Lakh (previous year: Rs.15 Lakh) for provident fund and family pension fund contribution.

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 provident and other funds in Note No. 25 Employee Benefit Expense). Benefits under the defined benefit plans are typically based on years of service and the employee's compensation (generally immediately before separation). The gratuity scheme covers all regular employees. Commitments are actuarially determined at year end. These commitments are valued at the present value of the expected future payments, with consideration for calculated future salary increases, using a discount rate corresponding to the interest rate estimated by the actuary having regard to the interest rate on government bonds with a remaining term that is almost equivalent to the average balance working period of employees. Actuarial valuation is done based on "Projected Unit Credit" method. Gains and losses of changed actuarial assumptions are charged to the Statement of Profit and Loss.

Reconciliation of Benefit Obligations and Plan Assets

Particulars	2015-16	2014-15
	Rs in Lakh	Rs in Lakh
Change in Defined Benefit Obligation		
Opening defined benefit obligation	93	84
Current service cost	9	7
Interest cost	7	8
Acquisition cost / (credit)	(41)	(17)
Actuarial losses / (gain)	(1)	12
Benefits paid*	0	(1)
Closing defined benefit obligation	67	93
Experience Gain / (Loss) adjusted on plan liability	(1)	4
Change in the Fair Value of Assets		
Opening fair value of plan assets	119	121
Acquisition adjustment	(40)	(12)
Expected return on plan assets	8	10
Contributions by employer	-	-
Actuarial gains / (losses)	(4)	1
Benefits paid	-	-
Closing fair value of plan assets	83	119
Experience Gain / (Loss) adjusted on plan assets	(4)	1
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	83	119
Present value of the defined obligations at the end of the year	67	93
Funded status [surplus / (deficit)]	17	26
Unrecognised past service cost	-	-
Net asset recognised in the balance sheet	17	26
Net Gratuity cost for the year ended March 31, 2016		
Service cost	9	7
Interest on defined benefit obligation	7	8
Expected return on plan assets	(8)	(10)
Net actuarial loss recognised in the year	3	11
Net gratuity cost	11	16
Actual Contribution and benefit payments for the year		
Actual benefit payments*	0	(1)
Actual Contribution	-	-

(* Amount less than Rs. 50,000/-)

Categorization of plan assets is as follows

Investment Pattern	**2015-16**	**2014-15**
Government Bonds	44%	40%
Equity mutual funds	23%	17%
Bonds/ Debentures	24%	35%
Others (including assets under Schemes of Insurance)	9%	8%
Total	100%	100%
Assumptions		
Discount rate	8.20%	7.80%
Expected rate of return on plan assets	8.00% p.a.	8.00% p.a.
Salary escalation rate	7.50% p.a for first 5 years and 5% thereafter.	7.50% p.a for first 5 years and 5% thereafter.
Mortality rate	Indian Assured Lives Mortality (2006-08) (modified) Ult.	Indian Assured Lives Mortality (2006-08) (modified) Ult.
Withdrawal rate	0-2 years - 10% 3-4 years - 5% 5-9 years - 2.5% 10 years and more - 1%	0-2 years - 10% 3-4 years - 5% 5-9 years - 2.5% 10 years and more - 1%

Particulars	**2015-16**	**2014-15**	**2013-14**	**2012-13**	**2011-12**
Experience adjustment	**Rs in Lakh**	**Rs in Lakh**	**Rs in Lakh**	**Rs in Lakh**	**Rs in Lakh**
- On plan liabilities	(1)	4	8	-	NA
- On plan assets	(4)	1	27	-	NA
Present value of benefit obligation	(67)	(93)	(84)	-	NA
Fair value of plan assets	83	119	121	-	NA
Excess of (obligation over plan assets)	17	27	37	-	NA
Actuarial gain/(loss) due to change on assumptions	2	(16)	15	-	NA

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

The contributions expected to be made by the Company during the financial year 2016-17 is Rs. 20 Lakh. (Previous year Rs. 25 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 financial year 2015-16 is Rs.0.03 Lakh (Previous year Rs. 0.23 Lakh) and the provision as at March 31, 2016 is Rs. 2.08 Lakh (Previous year Rs. 2.05 Lakh)

29 Segment Reporting

The Company is engaged in the business of asset financing. There being only one "business segment" and "geographical segment", the segment information is not provided.

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

i. List of related parties and relationship:

Ultimate Holding Company	Tata Sons Limited
Holding Company	Tata Capital Limited
Fellow Subsidiaries (with which the company had transactions)	Tata Capital Financial Services Limited TC Travel and Services Limited Tata Capital Housing Finance Limited Tata Capital Forex Limited Tata Securities Limited
Subsidiaries of ultimate holding company (with which the company had transactions)	Niskalp Infrastructure Services Limited Tata Consultancy Services Limited Tata AIG General Insurance Company Limited Tata AIA Life Insurance Company Limited Tata Business Support Services Limited
Key Management Personnel	Mr. Avijit Bhattacharya (till July 31, 2015) Mr. Manish Chourasia (w.e.f July 15, 2015)

ii. Transactions with related parties :

(Rs. in Lakh)

Sr. No.	Party Name	Nature of transaction	2015-16	2014-15
1	Tata Sons Limited	a) Expenses :		
		- Brand equity contribution	29	7
		b) Liability:		
		- Balance payable	29	7
2	Tata Capital Limited	a) Expenses :		
		- Telephone*	0	1
		- Reimbursement of expenses	4	-
		- Interest expenses on ICD	835	542
		b) Liability:		
		- Equity shares issued during the year	-	16,832
		- Share Premium received during the year	-	1,683
		- ICD accepted during the year	87,069	57,245
		- ICD repaid during the year	95,993	30,568
		- ICD outstanding payable	22,636	31,560
3	Tata Capital Financial Services Limited	a) Expenses:		
		- Reimbursement of expenses	35	34
		- Rent	40	26
		- Loan processing fee	4	490
		b) Income:		
		- Management fees	22	-
		- Income referral fees	-	108
		- Guest House Recovery	10	-
		- Advisory fees	8	-
		c) Asset:		
		- Assignment of portfolio	-	38,003
		- Balance receivable	7	36
4	Tata Capital Housing Finance Limited	a) Expenses :		
		- Stipend*	0	0
5	TC Travel and Services Limited	a) Expenses :		
		- Travel related expenses	12	21
		b) Asset:		
		- Balance receivable*	-	0
6	Tata Capital Forex Limited	a) Expenses :		
		- Travel related expenses	1	-
		- Guest House Recovery*	0	-
7	Tata Securities Limited	a) Expenses :		
		- Professional Fees expenses	0	-
		- Guest House Recovery	1	-
8	Tata Business Support Services Limited	a) Expenses :		
		- Service provider charges	1	1
9	Niskalp Infrastructure Services Limited	a) Income:		
		- Reimbursement of expenses	11	11
10	Tata AIG General Insurance Company Limited	a) Expenses :		
		- Insurance expenses	1	1
11	Tata AIA Life Insurance Company Limited	a) Expenses :		
		- Insurance expenses	1	-
12	Tata Consultancy Services Limited	a) Expenses :		
		- IT outsourcing expenses	203	78
		b) Liability:		
		- Balance payable	203	21
13	Key Management Personnel	Remuneration:		
		- Mr. Avijit Bhattacharya	68	140
		- Mr. Manish Chourasia	101	-

(* Amount less than Rs. 50,000/-)

31 Earnings per Share (EPS):

Particulars		2015-16	2014-15
Profit after tax for Basic EPS	(Rs. in Lakh)	2,747	649
Weighted average number of Equity shares used in computing Basic EPS & Diluted EPS	Nos	289,090,909	91,457,036
Face value of equity shares	Rupees	10	10
Basic earnings per share	Rupees	0.95	0.71
Diluted earnings per share	Rupees	0.95	0.71

32 Movement in Contingent provision against Standard Assets during the year is as under:

(Rs. in Lakh)

Particulars	2015-16	2014-15
Opening Balance	168	33
Additions during the year	199	135
Utilised during the year	-	-
Closing Balance	**367**	**168**

33 Asset Liability Management

Maturity pattern of certain items of Assets and Liabilities (Based on RBI Guidelines)
For the year 2015-16

(Rs. in Lakh)

Particulars	Liabilities			Assets		
	Borrowings from Banks	Market Borrowings	Foreign Currency Borrowings	Advances	Investments	Foreign Currency Assets
1 day to 30/31 days (One month)	278	-	-	350	-	-
Over One month to 2 months	-	-	-	275	-	-
Over 2 months upto 3 months	-	4,910	-	791	-	-
Over 3 months to 6 months	2,704	-	-	1,793	-	-
Over 6 months to 1 year	2,556	26,636	-	8,541	-	-
Over 1 year to 3 years	3,333	34,000	-	30,956	-	-
Over 3 years to 5 years	4,500	6,000	-	17,079	-	-
Over 5 years	-	-	-	62,466	-	-
Total	**13,370**	**71,546**	**-**	**122,252**	**-**	**-**

Note: The Company has a relatively unseasoned asset book of Rs.120,000 Lakh as at March, 31, 2016. Since the Company has experienced significant prepayments during FY16, the Asset Liability Management Statement as on 31st March 2016 has been prepared assuming a total prepayment of 16% amounting to Rs 20,000 Lakh. Of this, Rs 5,000 Lakh is factored in the 6 months to 1 year bucket while the larger prepayment is taken into the 1 year to 3 year bucket. No prepayments have been assumed in the 0 to 6 months bucket on a conservative basis.

For the year 2014-15

(Rs. in Lakh)

Particulars	Liabilities			Assets		
	Borrowings from Banks	Market Borrowings	Foreign Currency Borrowings	Advances	Investments	Foreign Currency Assets
1 day to 30/31 days (One month)	-	-	-	204	-	-
Over One month to 2 months	-	-	-	209	-	-
Over 2 months upto 3 months	2,456	-	-	1,148	-	-
Over 3 months to 6 months	-	5,000	-	1,160	-	-
Over 6 months to 1 year	556	26,560	-	7,375	-	-
Over 1 year to 3 years	1,944	-	-	10,882	-	-
Over 3 years to 5 years	-	-	-	10,333	-	-
Over 5 years	-	-	-	35,810	-	-
Total	**4,956**	**31,560**	**-**	**67,120**	**-**	**-**

34 Capital to Risk Asset Ratio (CRAR)

Particulars	As at March 31, 2016	As at March 31, 2015
CRAR (%)	27.51%	38.41%
CRAR - Tier I Capital (%)	27.22%	38.19%
CRAR - Tier II Capital (%)	0.29%	0.22%
Amount of Subordinated Debt raised as Tier II Capital	Nil	Nil
Amount raised by issue of Perpetual Debt Instruments	Nil	Nil

35 Disclosure of details as required by Revised Para 13 of Systemically Important Non-Banking Financial (Non-Deposit Accepting or Holding) Companies Prudential Norms (Reserve Bank) Directions, 2015, earlier Para 13 of Non Banking Financial Companies Prudential Norms (Reserve Bank) Directions, 2007.

Liabilities Side:

(Rs. in Lakh)

Particulars	**Amount Outstanding**		**Amount Overdue**	
	31.03.16	**31.03.15**	**31.03.16**	**31.03.15**
1) Loans and advances availed by NBFC inclusive of interest accrued thereon but not paid				
a) Debentures:				
(other than those falling within the meaning of public deposit)				
- Secured	38,500	-	-	-
- Unsecured	-	-	-	-
b) Deferred Credits	-	-	-	-
c) Term Loans	8,944	2,500	-	-
d) Inter-corporate loans and borrowing	24,136	31,560	-	-
e) Commercial Paper	7,337	2,456	-	-
f) Other loans	-	-	-	-
g) Loan from Bank	-	-	-	-
- Working Capital Demand Loan	-	-	-	-
- Overdraft	2,000	-	-	-

36. Disclosure of Restructured Accounts Mar 16

Sl No	Type of Restructuring		Under CDR Mechanism					Under SME Debt Restructuring Mechanism					Others					Total				
	Asset Classification																					
	Details		Standard	Sub-standard	Doubtful	Loss	Total	Standard	Sub-standard	Doubtful	Loss	Total	Standard	Sub-standard	Doubtful	Loss	Total	Standard	Sub-standard	Doubtful	Loss	Total
1	Restructured accounts as on 1st April, 2015 (Opening figures)*	No. of borrowers	-	-	-	-	-	-	-	-	-	-	1				1	1	-	-	-	1
		Amt. outstanding	-	-	-	-	-	-	-	-	-	-	730				730	730	-	-	-	730
		Provision thereon	-	-	-	-	-	-	-	-	-	-	37				37	37	-	-	-	37
2	Fresh restructuring during the year	No. of borrowers	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
		Amt. outstanding	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
		Provision thereon	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
3	Upgradations of restructured accounts to Standard category	No. of borrowers	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
		Amt. outstanding	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
		Provision thereon	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
4	Restructured advances which ceases to attract higher provisioning and/ or additional risk weight at the end of the FY and hence need not be shown as restructured standard advances at the beginning of the next FY	No. of borrowers	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
		Amt. outstanding	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
		Provision thereon	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
5	Downgradations of restructured accounts during the FY	No. of borrowers	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
		Amt. outstanding	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
		Provision thereon	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
6	Wrire-offs of restructured accounts during the FY	No. of borrowers	-	-	-	-	-	-	-	-	-	-	(1)	-	-	-	(1)	(1)	-	-	-	(1)
		Amt. outstanding	-	-	-	-	-	-	-	-	-	-	(730)	-	-	-	(730)	(730)	-	-	-	(730)
		Provision thereon	-	-	-	-	-	-	-	-	-	-	(37)	-	-	-	(37)	(37)	-	-	-	(37)
7	Restructured accounts as on 31st March, 2016 (Closing figures)*	No. of borrowers	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
		Amt. outstanding	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
		Provision thereon	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-

* Excluding the figures of Standard Restructured Advances which do not attaract higher provisioning or risk weight (if applicable)

Note: Write offs includes Rs. 730 Lakh (1 contract, Provision of Rs. 37 Lakh of reduction from existing restructured accounts by way of recovery).

Assets side: (Rs. in Lakh)

Particulars	Amount Outstanding	
	2015-16	**2014-15**
2) Break up of loans and advances including bills receivables		
(other than those included in (3) below)		
- Secured	122,252	67,119
- Unsecured	-	-
3) Break up of Leased Assets and stock on hire and other assets counting towards AFC activities		
a) Lease assets including lease rentals under sundry debtors:		
- Financial Lease	-	-
- Operating Lease	-	-
b) Stock on hire including hire charges under sundry debtors		
- Assets on hire	-	-
- Repossessed assets	-	-
c) Other loans counting towards Asset Financing Company activities		
- Loans where assets have been repossessed	-	-
- Other loans	-	-
4) Break up of Investments		
Current Investments:		
a) **Quoted:**		
- Shares: Equity	-	-
Preference	-	-
- Debentures and Bonds	-	-
- Units of Mutual Funds	-	-
- Government Securities	-	-
- Others	-	-
b) **Unquoted:**		
- Shares: Equity	-	-
Preference	-	-
- Debentures and Bonds	-	-
- Units of Mutual Funds	-	-
- Government Securities	-	-
- Others (Pass through certificate)	-	-
Long-Term Investments:	-	-
a) **Quoted:**		
- Shares: Equity (Net of provision)	-	-
Preference	-	-
- Debentures and Bonds	-	-
- Units of Mutual Funds	-	-
- Government Securities	-	-
- Others	-	-
b) **Unquoted:**	-	-
- Shares: Equity	-	-
Preference	-	-
- Debentures and Bonds	-	-
- Units of Mutual Funds	-	-
- Government Securities	-	-
- Others	-	-

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

(Rs. in Lakh)

Particulars	Amount net of provisions					
	Secured		Unsecured		Total	
	2015-16	2014-15	2015-16	2014-15	2015-16	2014-15
a) Related parties						
(i) Subsidiaries	-	-	-	-	-	-
(ii) Companies in the same group	-	5,000	-	-	-	5,000
(iii) Other related parties	-	-	-	-	-	-
b) Other than related parties	122,252	62,119	-	-	122,252	62,119
TOTAL	**122,252**	**67,119**	**-**	**-**	**122,252**	**67,119**

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

(Rs. in Lakh)

Particulars	Market Value/Break up or fair value or NAV		Book Value (Net of Provisions)	
	2015-16	2014-15	2015-16	2014-15
a) Related parties				
i) Subsidiaries	-	-	-	-
ii) Companies in the same group	-	-	-	-
iii) Other related Parties	-	-	-	-
b) Other than related parties	-	-	-	-
TOTAL	**-**	**-**	**-**	**-**

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

7) Other Information

(Rs. in Lakh)

Particulars	2015-16	2014-15
a) Gross Non-Performing Assets		
1) Related parties	-	-
2) Other than related parties	-	-
b) Net Non-Performing Assets		
1) Related parties	-	-
2) Other than related parties	-	-
c) Assets acquired in satisfaction of debt	-	-

37 As per RBI Notification No. DNBR. 019/CGM (CDS)-2015 dated April 10, 2015, Additional Disclosures are required in the Annual Financial Statements as follows

(i) **Registration**

Issuing Authority	Registration No., if any	Date of registration	Valid upto	Registered as
Reserve Bank of India	N-13.02032	19-Oct-12	-	NBFC-ND-SI converted to NBFC- IFC w.e.f 15 Oct 2015

(ii) **Ratings assigned by credit rating agencies and migration of ratings during the year**

(i) Rating Assigned to	Commercial Papers, Debentures & Bank Loan facility
(ii) Date of Rating	7th December 2015
(iii) Rating Valid up to	4th June 2016
(iv) Name of the Rating Agency	CRISIL Limited (CRISIL), Credit Analysis and Research Limited (CARE)
(v) Rating of products	
(a) Commercial Paper	CRISIL A1+
(b) Debentures	CRISIL AA+/Stable , CARE AA+
(c) Bank Loan Facility	CRISIL AA+/Stable

(iii) **Penalties levied by RBI**

RBI has not levied any penalties on the Company during the year.

(iv) **Off Balance Sheet Exposure as on March 31, 2016 is as follows:**

a) Undrawn Commitment given to the Borrower is Rs. 6,279 Lakh (Loans sanctioned tenor more than 1 year) (Previous Year: Rs. 17,942 Lakh)

b) Financial and Other Guarantees Rs. 663 Lakh (Previous Year: Nil)

(v) **Provisions and Contingencies**

Break up of 'Provisions and Contingencies' shown under the head Expenditure in Statement of Profit and Loss	2015-16	2014-15
Provisions for depreciation on investment	-	-
Provision towards NPA	-	-
Provision towards restructured standard assets	(37)	37
Provision made towards Income tax	1,114	342
Other provision and contingencies (with details)	-	-
Provision for standard assets	199	135
Total	**1,276**	**514**

(vi) **Concentration of Advances & Exposures** (Rs. In Lakh)

Particulars	2015-16	2014-15
Total advances to twenty largest borrowers	94,316	64,377
Percentage of advances to twenty largest borrowers to total advances of the NBFC	77.3%	96.0%

(vii) The Company has Rs. Nil exposure to Non Performing Assets (NPAs). Accordingly the disclosure on "Concentration of NPAs" and "Sector wise NPAs" are not applicable

(viii) The Company does not have any Joint Ventures and Subsidiaries abroad. The Company has not sponsored any SPVs. Accordingly there is no disclosure applicable

(ix) The Company had Nil Complaints at the beginning of the year. No Complaints were received during the year.

(x) The Company has not done any Securitisation during the financial year. (Previous Year: Nil)

(xi) No Parent Company Products are financed during the year (Previous Year Nil)

(xii) The Exposure to a single borrower and the group of borrower does not exceed the limit stipulated by the RBI Concentration norms applicable to NBFCs.

(xiii) No exposure to unsecured advances during the year. (Previous year NIL)

(xiv) Since the Company does not have significant uncertainties pending resolutions, revenue recognition has not been postponed.

(xv) Company has not made any drawdown of reserves during the year (Previous year : Nil)

(xvi) The disclosure of the Concentration of Deposits taken is not applicable since the Company is not in the business of accepting deposits being a Systemically Important Non Deposit Accepting NBFC.

(xvii) NPA Movement during the year

(Rs. In Lakh)

Particulars		2015-16	2014-15
(i)	**Net NPAs to Net Advances (%)**	0%	0%
(ii)	**Movement of NPAs (Gross)**		
	(a) Opening Balance	-	-
	(b) Additions during the year	295	-
	(c) Reductions during the year	(295)	-
	(d) Closing balance	-	-
(iii)	**Movement of provisions for NPAs (excluding provisions on standard assets)**		
	(a) Opening Balance	-	-
	(b) Additions during the year	29	-
	(c) Write-off / write-back of excess provisions	(29)	-
	(d) Closing balance	-	-
(iv)	**Movement of Net NPAs**		
	(a) Opening Balance	-	-
	(b) Additions during the year	265	-
	(c) Reductions during the year	(265)	-
	(d) Closing balance	-	-

(xviii) No exposure to Capital market during the year. (Previous year Nil)

38 For the year ended March 31, 2016 the Company has, in the ordinary course of business not purchased loan by way of assignment from a fellow subsidiary (Previous year: Rs. 38,003 Lakh)

39 During the current year, the Company has made an incremental standard asset provision of Rs.34 Lakh being 0.30% (FY 14-15: 0.25%) of Standard Assets as of March 31, 2015, as specified by RBI Notification No.DNBR.009/ CGM(CDS)-2015 dated March 27, 2015.

40 The Company has charged loan sourcing cost amounting to Rs. 347 Lakh in the Statement of Profit and Loss.[(Refer note 2(viii)]

41 The Company has reported frauds aggregating Rs.Nil (Previous year : Rs. Nil) based on management reporting to risk committee and to the RBI through prescribed returns.

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

For and on behalf of Board of Directors

Vittaldas Leeladhar (Chairman)	**Praveen P. Kadle** (Director)	**Pradeep C. Bandivadekar** (Director)
Nihar Shah (Director)	**Padmini Khare Kaicker** (Director)	**Manish Chourasia** (Managing Director)
Place : Mumbai Date: April 25, 2016	**Manish Kambli** (Chief Financial Officer)	**Sunil Raut** (Company Secretary)