



**TATA CAPITAL**

We only do what's right for you



# Breaking Digital Frontiers

Annual Report  
2016 - 2017



# About Tata Capital

---

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

# We only do what's right for you

---

The essence of the Tata Capital brand is encapsulated in its promise - 'We only do what's right for you'. The proposition reflects our strong resolve to deliver financial solutions that are 'right' for our customers and the society at large. We seek to build strong relationships with customers through deep understanding of their needs, strong financial expertise and the delivery of superior and consistent customer experience across all touch-points.

The Do Right initiative, an initiative that stems from our Brand Promise, aims to inspire people to 'Do Right', get people to participate in 'Doing Right' and to 'Do Right' ourselves.



Inspire



Participate



Act



# Our Vision

The most admired financial solutions partner.



# Our Mission

We will only do what's right - for all our stakeholders, including our employees, customers and society at large.





### **Know**

Knowledge. It is what empowers us to make a difference in the lives of our customers. It is the fuel that will power the engine of **innovation**. It is what will enhance our ability to predict change and **adapt** quickly and effectively. So, let us begin each day with a strong desire to know more, for only when we seek to know more, will we strengthen our pursuit towards **excellence**.

### **Care**

Care. It is at the core of our relationships. It is what forges bonds that endure the test of time. It is about demonstrating **humility** and **understanding** towards all. Care is an appreciation of the truth, that in **unity** and in keeping 'we' before 'me', we will truly progress.

### **Do**

Do. It is what separates aspirations from reality. It calls for a heightened sense of **responsibility** and **passion** to give our best at all times. And to 'Do Right' is a higher calling. It calls for **integrity** - a constant practice of honesty, transparency and fairness. It calls for **courage**. So, let's do right, for it is what gives us our unique identity, our unique strength.

# Contribution to Nation Building

---

Taking forward the legacy of the Group, Tata Capital has focused on launching products and services that aim to support and sustain the society and environment.

## Financing a greener future

---

Tata Cleantech Capital is engaged in providing advisory services and finance to companies involved in renewable energy, water, waste management and environmentally friendly initiatives, to ensure we have a brighter, cleaner future.



## Widening access to credit for deserving individuals

---

Salaam Loans, a unique Personal Loan offering, helps expand access to credit for deserving individuals who, otherwise fall out of the reach of conventional organized finance.

TATA CAPITAL  
**SALAAM  
—LOANS—**  
A Do Right Initiative



## Towards 'homes for all'

Tata Capital Housing Finance launched '*Prapti*' Home Loans - a special, subsidized home loan product that helps economically weaker sections of society get their dream home.





# The Future is 'Digital'

---



## MyLoan App

A unique mobile Personal Loan application that blends traditional and digital data to give users a unique myScore, and provides instant loan eligibility.



## Soham App

A mobile application for Commercial Finance customers that enables them to manage, review and transact with Tata Capital, all from the palms of their hands.





## Online Car Store

A unique, one-stop online platform that helps customers view and compare new and used cars and also apply for a Car Loan.

---



## Chatbot

An artificial intelligence powered, self-learning tool that gives website visitors a chat interface to ask queries and search for information, 24 x 7.

---



## DhanGyan

An online financial literacy platform that makes learning accessible to under-reached sections of society and provides certification in basic finance fundamentals.

---



## Finbit

An innovative blog that combines articles, videos and infographic modules to give users a rich, engaging experience when browsing for financial information.

---



## Social Media


A unique mobile-based tool that makes Tata Capital employees engage with the brand on Social Media, by giving them a consolidated view of all the brand's content and enabling them to share the same on their own social networks.



# Giving Back

---

Creating enriching and sustainable livelihoods has been the bedrock principle of Tata Capital's initiatives and is in line with the Company's mission to 'Do Right' by all its stakeholders. To this effect, we have taken steps to ensure that we contribute to society at large, to make a measurable and positive difference through four identified causes viz. Livelihood & Employability, Health, Education and Environment. In FY 2016-17, Tata Capital implemented 27 projects with 43 partners and reached out to 38,302 beneficiaries from socially and economically underprivileged communities. In addition, volunteering activities were conducted, which saw participation from multiple Volunteers and accounted for over 2800 hours of Volunteering.





Some of the unique initiatives undertaken includes the Dahanu Housing project with Habitat for Humanity, which involved constructing houses with a commitment to support the construction of 50 additional houses; the integrated watershed management program 'JalAadhar' at Pimpalegaon Rotha in Parner, Ahmednagar; the 'Green Switch' project to provide unelectrified tribal hamlets with solar micro grids in Jawhar, Palghar District & the Pankh Scholarship program.

# Corporate Information

---

**Board of Directors**

Ishaat Hussain  
Janki Ballabh  
Nalin M Shah  
F N Subedar  
Saurabh Agrawal  
Ritu Anand  
Praveen P Kadle - Managing Director & CEO

**Chief Financial Officer**

Puneet Sharma

**Company Secretary**

Avan Doomasia

**Statutory Auditors**

Deloitte Haskins & Sells LLP

**Registrar &  
Transfer Agents**

TSR Darashaw Limited  
6-10 Haji Moosa Patrawala Industrial Estate  
20, Dr E Moses Road, Mahalaxmi, Mumbai 400 011.  
Tel: +91 22 6656 8484

**Registered Office**

One Forbes  
Dr V B Gandhi Marg, Fort, Mumbai 400 001.  
Tel: +91 22 6745 9000, Fax: +91 22 6610 6701  
Website: [www.tatacapital.com](http://www.tatacapital.com)

**Corporate Identity Number**

U65990MH1991PLC060670

# Contents

---

<b>Message from the Managing Director &amp; CEO</b>	14
<b>Board's Report</b>	19
<b>Consolidated Financial Statements</b>	
• Independent Auditors' Report	78
• Financials for FY 2016-17	84
<b>Salient Features of Financial Statements of Subsidiaries / Associates / Joint Venture</b>	156
<b>Standalone Financial Statements</b>	
• Independent Auditors' Report	160
• Financials for FY 2016-17	166

# Our Range of Offerings

---

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

\* Home Loans | Personal Loans | Business Loans | Other Consumer Loans  
Loan Against Property | Home Equity | Investment Advisory Services  
Wealth Products Distribution | Commercial Finance | Leasing Solutions  
Cleantech Finance | Institutional Distribution | Private Equity  
Investment Banking | Rural Finance | Travel & Forex | Tata Cards



\*Home Loans are originated and serviced by Tata Capital Housing Finance Limited. Personal Loans, Business Loans and other Consumer Loans, Loan Against Property, Commercial Finance, Rural Finance, Wealth Management Services, Investment Advisory Services, Leasing Solutions are originated and serviced by Tata Capital Financial Services Limited (TCFSL). | Private Equity Advisory Services are brought to you by Tata Capital Limited. | Private Equity Funds are registered with SEBI as Domestic Venture Capital Funds. | Institutional Distribution Services and Investment Banking are brought to you by Tata Securities Limited. Regd Office: One Forbes, Dr V B Gandhi Marg, Fort, Mumbai – 400 001. Tel No. +91 22 67459000. SEBI Registration Number: BSE INB010664150 INF011207954; NSE INB/F/E231288730; SEBI Registration Number: INZ000008839; Research Analyst: INH000002053; Merchant Banker INM000011302 Depository Participant of CDSL: IN-DP-CDSL-450-2008 Depository Participant of NSDL: IN-DP-NSDL-298-2008. ARN 0021 - Distributors of IPO and MFs. | Travel & Forex - Travel services are brought to you by TC Travels And Services Limited & Forex services are brought to you by Tata Capital Forex Limited. | Tata Travel Card is a white label card issued, established and operated by Axis Bank. It is marketed and distributed by Tata Capital Forex Limited. | Tata Credit Card is a white label card issued, established and operated by SBI Cards and Payment Services Pvt. Ltd. It is marketed and distributed by TCFSL. | Cleantech Finance is brought to you by Tata Capital Cleantech Limited | Terms and Conditions apply. All loans and products are at the sole discretion of the respective entities.



# Message from the Managing Director

**Dear Shareholder,**

A strong financial services company should earn adequate margins, without taking excessive risk over long periods of time, regardless of the economic conditions and continue to invest in its people and businesses. We have collectively set out to build such a company and over the last nine years, have put in place the robust foundations of such an organization. I am now confident that, we shall achieve our goal of being a respected and admired financial services company. I have a deep sense of pride and feel privileged to work with the talented team at Tata Capital and Tata Group, towards this goal.

During FY 2016-17, we have pruned and simplified our business model, thereby allowing us to reduce risk and to focus on our productive resources. We have, most importantly, delivered on our dual commitment to focus on our businesses and improve the health of our Balance Sheet. We have done an extensive clean-up of our Balance Sheet and steadfastly

delivered our promise, without being guided by the short term impact of our decisions. It is with great pride with which we can now conclude, that what we had set out to achieve, has been achieved.

During FY 2016-17, we collectively achieved many milestones:

- (i) Our consolidated book size crossed the milestone of ₹ 50,000 crore and closed the year at ₹ 51,847 crore, representing a growth of over 18% over FY 2015-16 and a CAGR of 51% since inception;
- (ii) Each of our core business lines are now profitable and our operating profits touched ₹ 1,400 crore and registered a Y-O-Y growth of 37%;
- (iii) Our Gross and Net NPA declined over the previous year, despite the 120 day recognition aspect. Our net NPA declined significantly to 0.9% from 2.2% in the previous year;



- (iv) Our provision coverage improved from 42.3% to 73.8%;
- (v) Tata Capital, despite being in business for less than 10 years, has earned itself a position in the top 10 companies in the Tata Group, both in terms of revenue and profitability. Our market ranking reflects the improvement in performance as we moved up 21 places to 236 in the Fortune 500 rankings for India, in 2016.
- (vi) We have over 1.1 million customers currently, across products and services and across our 100+ locations.

The Corporate Finance, Consumer Finance & Advisory Business (“CFAB”) and Rural Finance businesses of Tata Capital, are housed under Tata Capital Financial Services Limited (“TCFSL”).

Our Commercial Finance business has done a good job of improving its segmentation and has now focused on more refined market segments. The improved combination of products and customer segments are showing initial positive results. This is one of our strongest businesses and we expect to see it grow further during the next financial year.

CFAB achieved both growth and profitability, closing with a total book size of ₹11,848 crore and a Net Profit of ₹128 crore. This year, we also saw the launch of a new Wealth Management offering - *'Wealth Prefere'*, to cater to the needs of High Net-worth Individuals, with a comprehensive and enhanced suite of services.

Tata Capital Housing Finance Limited (“TCHFL”) has been consistently growing at exceptional rates, both in its asset size and profitability. This year, it closed with a book size of over ₹16,941 crore, a growth of over 30% and Profit After Tax of ₹178 crore. TCHFL has continued with its focus on the affordable housing segment,

a notable example of this is the launch of *'Prapti'* Home Loans - subsidized home loans for economically weaker sections of society.

Cleantech Finance, which is housed under a separate subsidiary, Tata Cleantech Capital Limited (“TCCL”), one of our youngest businesses, which looks at financing companies in the space of renewable energy and environmental conservation, grew by leaps and bounds to close its book at ₹1,995 crore, with a Profit After Tax of ₹46 crore.

The Private Equity funds managed and / or advised by Tata Capital recorded their first set of exits in the current year, with a post tax IRR of approximately 22%. This reflects the quality of the investments made and value generated for the funds' investors.

The concerted focus and effort relating to process and controls over the last few years is now yielding real results and we believe that this will help to protect Tata Capital, in the future. We are half way through our process journey and we expect to forge ahead further, in the coming financial year. Our select accomplishments on the process front are:

**Risk:** We are the first company in India with an ISO 31000 certification for our risk processes;

**Tata Business Excellence Model (“TBEM”):** A Business Excellence framework implemented and monitored by the Tata Group. Our progress on the excellence journey is reflected by increasing scores in each assessment and the number of best practices that Tata Capital is recognized for.

## **Corporate Social Responsibility and**

**Affirmative Action:** We believe in giving back to the societies in which we operate. Our efforts are focused on developing lasting partnerships with NGOs and taking long-term positions in the areas of development of livelihood and the environment. We have positively impacted over 38,000 lives this year. The effectiveness of our Affirmative Action program is demonstrated by the improvement of two score-bands in our Affirmative Action Assessment during the financial year.

The 'Tata Capital' brand has grown over the years and today holds a strong position in the industry. The year saw the brand focus on building a strong association with 'financial expertise' as well as a brand that 'does right'. Tata Capital's 'Do Right' initiative won the Global Ethicmark® Award for Best Advertising Campaign, signifying global recognition for our 'Do Right' efforts.

The previous financial year also saw Tata Capital lay the foundation of a strong Digital, Data and Analytical framework, with a clear defined objective of becoming data-driven. Tata Capital is harnessing the power of Digital to build superior customer journeys and experiences, expand reach and enhance topline, and redefine all processes with a view to digitize them for greater efficiency and cost optimization. The year saw multiple IT-led digitization projects like e-verification and e-documents go live; various pilots with next-gen technology like - Natural Language Processing (NLP), Chat-bots, Artificial Intelligence (AI) got launched; and Tata Capital adopted a 'Cloud

First' approach. The year also saw Tata Capital living up to its promise of being 'Mobile First' by launching a new Mobile Application - myLoan, which uses alternate data points in addition to traditional data and reduces the loan application to conditional approval time to under five minutes.

As the customer and the eco-system is getting more digitized, the availability of Data has increased exponentially. Specific to the Financial Services sector, there are multiple business objectives that Data and Analytics can ably support, and one of them is superior Risk Management. In the last year, Tata Capital has worked extensively in this space and has developed multiple scorecards which utilize both traditional and non-traditional alternate and digital data for holistic Risk assessment.

There will continue to be uncertainty around the regulatory requirements, though we believe this will diminish over time, as the regulations for NBFCs and banks further converge. New regulations will impact both the structure and profitability of our business going forward, although, we have managed these transitions efficiently in the past and hope to continue to do that in the future.

To conclude, we have significant achievements in our short journey so far, and we shall have an equal number of opportunities and challenges going forward. It is with great pleasure and gratitude that I, once again, thank you for placing your faith in us.



**TATA CAPITAL**

---

We only do what's right for you



**TATA CAPITAL**

---

We only do what's right for you

## BOARD'S REPORT

### To the Members,

The Board has pleasure in presenting the Twenty Sixth Annual Report and the Audited Financial Statements for the Financial Year ("FY") ended March 31, 2017.

### 1. BACKGROUND

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

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

### 2. INDUSTRY AND ECONOMIC SCENARIO

The year proved that analysts and markets often get it completely wrong. The key surprises globally were Brexit, results of the US elections and impact of Demonetisation of the largest democracy in the world. It is heartening to note that, even in the weak global backdrop, our economy remains a visible bright spot. The macro economic conditions of India are amongst the best they have been in recent times.

This year, the incumbent Government pushed ahead with its reform agenda, backed by key wins in the State elections. The outcome of the State elections pushed the equity markets to an all time high in March 2017 and the Rupee witnessed considerable relative strengthening in the current fiscal. The top three reforms during the current fiscal were Demonetisation, Goods and Services Tax and operationalisation of the Monetary Policy Committee.

The third quarter economic growth, measured in terms of GDP growth positively surprised, when contrasted with estimates based on high frequency indicators, which had clearly pointed to subdued economic activity due to Demonetisation. The above average monsoon, after a span of two years, has further aided some recovery in the agriculture or agriculture dependent sectors.

During the year, consumer price inflation declined to a three year low on account of lower vegetable and pulses prices, but core consumer inflation remained sticky. The new Governor of the RBI cut rates by 25 bps in his first policy, but has since held rates, given that the inflation pressures are likely to be exerted by a reviving commodity cycle and global risks to the Indian economy. On the fiscal front, our country's position has improved, helped mainly by controlled spending and higher GDP to Tax ratio. The low crude prices and consequently lower subsidies and higher cesses played an important part in the fiscal strength demonstrated by the Government.

On the interest rate front globally, the Federal Reserve Bank raised rates for the first time, in December 2016 and indicated that they could further raise rates upto 3 times in the calendar year 2017. Closer home, the 10-year Government Securities rates declined by approximately 125 bps. The declining interest rates in India were helped by easing liquidity, which the RBI mopped up in the course of the year through the Market Stabilisation Scheme, in the latter part of the financial year. The outlook on interest rates is mixed, as the RBI will need to balance growth objectives, especially post Demonetisation, with Inflation targeting. FY 2017-18 may provide some pockets for rate reduction, but the key determinants will be the monsoon and uptick in commodity and crude prices driven largely by artificial supply constraints than demand side.

The asset quality and growth of the financial services sector saw significant deterioration in the current financial year. The Non – Performing Assets ("NPAs") of the Banking sector touched approximately 9.2%, by September 2016. Overall credit growth declined to single digits, with a divergence observed between the public sector and private sector in terms of credit growth. The lack of credit growth can be attributed partially to lack of capital expenditure by industry but more

so to a shift in well rated corporate borrowing through Commercial Papers and Non-Convertible Debentures. The Retail loans, both home and non-home, continued to record robust growth. Non Banking Financial Companies (“NBFCs”) other than Rural facing NBFCs, recorded healthy growth in their asset books and continued to demonstrate that they play a vital role in the credit system of our economy.

As we enter the new financial year, the economy is on the cusp of a major transformation, with several policy initiatives set to be implemented shortly. Enhanced spending on infrastructure, speedy implementation of projects and continuation of reforms are expected to drive growth. We have a cautiously optimistic outlook for the next financial year and shall closely track the impact of various Government policies, natural phenomena like the monsoon and impact of key global events on two key aspects of our business i.e. interest rates and credit quality.

### 3. FINANCIAL RESULTS

(₹ in crore)

Particulars	Consolidated		Standalone	
	FY 2016-17	FY 2015-16	FY 2016-17	FY 2015-16
<b>Gross Income</b>	<b>6,324</b>	<b>5,033</b>	<b>425</b>	<b>355</b>
Less:				
<b>Expenses</b>				
Finance Costs	3,470	2,847	119	90
Employee Benefits Expenses	574	451	64	47
Other Operating Expenses	1,403	978	44	45
Depreciation	154	128	7	7
Amortization of Expenses	12	13	0	5
<b>Profit Before Tax</b>	<b>710</b>	<b>616</b>	<b>189</b>	<b>161</b>
Less: Tax Expense	240	207	9	8
<b>Profit After Tax</b>	<b>470</b>	<b>409</b>	<b>180</b>	<b>153</b>
Share of Associates and Minority Interest	(11)	(4)	–	–
Profit for the year	460	405	180	153
Balance brought forward from previous year	603	468	112	112
Less: Adjustment pursuant to Capital Reduction Scheme	(323)	–	–	–
Less: Adjustment on account of acquisition of subsidiaries	(1)	–	–	–
Add: Adjustment of Share Issue Expenses	5	–	–	–
Amount available for Appropriations	743	873	293	265
<b>Appropriations</b>				
Special Reserve	152	119	36	31
Dividend on Cumulative Redeemable Preference Shares (including taxes)	171	151	137	121
<b>Surplus carried to Balance Sheet carried to Reserves</b>	<b>420</b>	<b>603</b>	<b>120</b>	<b>112</b>

### **Consolidated Results:**

Tata Capital's book size increased from ₹ 43,881 crore as at March 31, 2016 to ₹ 51,847 crore as at March 31, 2017, on a consolidated basis. This increase of about ₹ 7,966 crore was mainly due to the growth in the loan book of two major subsidiaries viz. Tata Capital Financial Services Limited ("TCFSL"): ₹ 3,254 crore and Tata Capital Housing Finance Limited ("TCHFL"): ₹ 3,936 crore. The loan Book of Tata Cleantech Capital Limited ("TCCL") grew by ₹ 775 crore.

During FY 2016-17, Tata Capital recorded consolidated Total Income of ₹ 6,324 crore as against ₹ 5,033 crore in FY 2015-16, an increase of about 26%. The Total Income comprised income from financing activities of ₹ 5,738 crore (FY 2015-16: ₹ 4,537 crore), Investment Income of ₹ 151 crore (FY 2015-16: ₹ 111 crore) and Other Income of ₹ 435 crore (FY 2015-16: ₹ 386 crore). The growth in income from financing activities was in line with the growth in average advances.

During the year, Tata Capital's Profit After Tax ("PAT") on a consolidated basis, increased by about 14%, to ₹ 460 crore (FY 2015-16: ₹ 405 crore).

During FY 2016-17, Tata Capital's consolidated interest expense was ₹ 3,470 crore (FY 2015-16: ₹ 2,847 crore). This increase was on account of higher borrowings of ₹ 6,312 crore (FY 2015-16: ₹ 7,979 crore), in line with the growth in the loan portfolio. Notwithstanding the tight liquidity conditions in the market, Tata Capital was able to ensure a comfortable liquidity position to support its business requirements.

Operating Expenses, including credit costs and provisions for diminution in value of investments, increased by 43% and stood at ₹ 1,403 crore, as against ₹ 978 crore in FY 2015-16. The Operating Expenses, excluding credit costs and provisions for diminution in value of investments, increased by 24%. Employee costs increased from ₹ 451 crore in FY 2015-16 to ₹ 574 crore in FY 2016-17, owing to increase in manpower strength to support new businesses and growth in existing businesses and on account of salary increments, which were broadly in line with the industry.

The consolidated Gross NPA reduced from 3.8% in FY 2015-16 to 3.4%, in FY 2016-17. The Net NPA reduced from 2.2% in FY 2015-16 to 0.9% in FY 2016-17. A provision of ₹ 59 crore at the rate of 0.35% for Standard Assets (FY 2015-16: ₹ 51 crore) was made. The consolidated Return on Assets ("RoA") for FY 2016-17 was 0.6% (FY 2015-16: 0.7%) while the Return on Equity ("RoE") was 6.7% (FY 2015-16: 6.0%).

### **Standalone Results:**

During FY 2016-17, TCL recorded Gross Income of ₹ 425 crore (FY 2015-16: ₹ 355 crore) and PAT of ₹ 180 crore (FY 2015-16: ₹ 153 crore). The increase in PAT was mainly on account of distribution by Private Equity Funds on divestment of portfolio companies. The Company has transferred an amount of ₹ 36 crore to Special Reserve.

## **4. SHARE CAPITAL**

The paid-up Equity Share Capital of the Company was ₹ 2,826 crore as on March 31, 2017, which was held by Tata Sons Limited (93.22%), Tata Investment Corporation Limited (2.73%) and TCL Employee Welfare Trust (through its Trustees) (1.98%). The balance 2.07% was held by other Tata companies, other corporates, individuals and employees of Tata Capital.

Under the Tata Capital Limited Employee Stock Purchase / Option Scheme ("ESOP Scheme"), the Company had allotted 7,02,34,526 Equity Shares of ₹ 10 each of the Company to the TCL Employee Welfare Trust (through its Trustees). The Trust was set up to administer and implement the ESOP Scheme. As on March 31, 2017, the number of Equity Shares held by the employees under the ESOP Scheme aggregated 1,43,12,004. Further details regarding the ESOP Scheme are given in para 41 below.

During FY 2016-17, the Company successfully raised funds by way of an issuance of 7.50% Cumulative Redeemable Preference Shares ("CRPS") of ₹ 1,000 each aggregating ₹ 435 crore, on a private placement basis and as a consequence of the aforesaid issuance, the paid-up

Preference Share Capital of the Company increased from ₹ 1,396.45 crore as on March 31, 2016 to ₹ 1,831.45 crore, as on March 31, 2017.

## 5. DIVIDEND

At the meeting of the Board of Directors held on March 30, 2017, the Directors declared Interim Dividend on the CRPS, for FY 2016-17, as under:

i)	On 20,71,066 CRPS at the coupon rate of 12.50% p.a.	: ₹ 25.89 crore
ii)	On 1,18,93,401 CRPS at the coupon rate of 8.33% p.a.	: ₹ 99.07 crore
iii)	On 43,50,000 CRPS at the coupon rate of 7.50% p.a. (on a pro-rata basis from the allotment date till March 31, 2017)	: ₹ 12.12 crore
iv)	Total Outgo	: ₹ 137.08 crore

Since the Company has paid the Dividend to the CRPS holders for FY 2016-17 by way of an Interim Dividend, the Directors do not recommend any final dividend on the CRPS issued by it.

In order to conserve the resources of the Company and to build up reserves and considering the Business Plans of the Company, the Directors do not recommend payment of Dividend on the Equity Shares, for FY 2016-17.

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

### 6.1 Structure of Business Operations at Tata Capital

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

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

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

Tata Capital also operates in the housing finance space through another wholly-owned subsidiary viz. Tata Capital Housing Finance Limited ("TCHFL"), which offers Housing Loans and Loans against Property, mainly in the Retail segment and Construction finance in the Corporate segment.

Tata Cleantech Capital Limited ("TCCL"), also a subsidiary of the Company, provides finance and advisory services to corporate customers for renewable energy, energy efficiency, water management projects and cash flow based infrastructure finance.

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



Tata Capital offers travel and forex related services to retail and corporate customers, through two wholly-owned subsidiaries viz. TC Travel And Services Limited and Tata Capital Forex Limited, respectively.

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

## 6.2 Private Equity

### 6.2.1 Domestic Funds

The Company has set up four Private Equity Funds in India viz. Tata Capital Growth Fund I, Tata Capital Healthcare Fund I, Tata Capital Innovations Fund and Tata Capital Special Situations Fund - Trust (collectively referred to as "Funds"). These Funds have been registered with SEBI as Venture Capital Funds. The Company has sponsored these Funds and acts as their Investment Manager and has also invested in the Funds by subscribing to units of these Funds. The aggregate commitments as at March 31, 2017 to these Funds are ₹ 1,203 crore.

The performance of the above Funds, is reviewed below:

#### i) Tata Capital Growth Fund I ("TCGF")

TCGF was set up to target private equity growth capital investments in companies that have a significant portion of their operations in India. TCGF's investment focus themes are Urbanisation, Discrete Manufacturing, Strategic Services and Growth Opportunities. TCGF has provided growth capital funding to industry-leading companies, with an average deal size of approximately ₹ 40 crore and an average holding period of three to five years. TCGF declared its final close in February 2011 with commitments of ₹ 339 crore, of which, ₹ 253 crore was invested in portfolio companies. TCGF's commitment period ended on November 8, 2015 and its life cycle is expected to be completed by November 2018.

As at March 31, 2017, the Net Asset Value per Class A unit was ₹ 1.15. The TVPI multiple (Total Value, including Distributions, to Paid in Capital) as at March 31, 2017 is 1.73. TCGF recorded its maiden full exit in Standard Greases & Specialties Private Limited with a Multiple on Invested Capital ("MOIC") of 1.4 times and investment IRR of 24%.

During the year, the Company formed the trust vehicle and made an application to SEBI for seeking registration of Tata Capital Growth Fund II ("TCGF II"), the follow on fund to Tata Capital Growth Fund I, as a Category II Alternative Investment Fund.

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

TCHF was set up to target long-term capital appreciation through private equity growth-capital investments in healthcare companies involved in pharmaceutical, contract research/manufacturing, hospital services, medical devices, diagnostic and other healthcare segments. TCHF's investment strategy is predicated on high growth consumption and competency themes within the Indian healthcare sector, driven by increasing per capita disposable income, rising urbanisation, growing health awareness, increasing chronic and life-style oriented disease pattern and growth in domestic healthcare infrastructure. TCHF targets significant minority positions in portfolio companies with Board representation and other significant shareholder rights, with an average deal size of approximately ₹ 40 crore and the average holding period of three to five years. TCHF declared its final close in April 2012 with commitments of ₹ 312 crore,

of which, ₹ 241 crore was invested in portfolio companies. TCHF's commitment period ended on July 13, 2015 and its life cycle is expected to be completed by July 2018.

As at March 31, 2017, the Net Asset Value per Class A unit was ₹ 1.11 and the TVPI multiple as at March 31, 2017, was 1.50. TCHF recorded full exit in Sandor Nephro Services Private Limited, with an MOIC of 1.9 times and investment IRR of 30%. TCHF's efforts are now focused on monitoring the portfolio with complete monetisation, expected by July 2018.

**iii) Tata Capital Innovations Fund ("TCIF")**

TCIF is a sector agnostic venture capital fund and invests in early stage companies, offering technology based solutions for Indian as well as global markets. TCIF focuses on investments which have a potential to create new growth opportunities, increase efficiency, bring affordability and accessibility to the industry or change the way business is conducted. TCIF declared its final close in April 2012 with commitments of ₹ 287 crore, of which, ₹ 210 crore has been invested in portfolio companies as at March 31, 2017. The Net Asset Value per Class A unit was ₹ 1,214 as at March 31, 2017. The TVPI multiple as at March 31, 2017, was 1.28. TCIF's commitment period ended on January 29, 2017.

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

TCSSF focuses on investing in turnaround opportunities. Of the aggregate utilisable commitment of ₹ 266 crore, ₹ 222 crore was invested in portfolio companies. TCSSF partially exited from Shriniwas Engineering Auto Components Private Limited and fully exited from IFMR Rural Channel and Services Private Limited, with an MOIC of 2.34 times and investment IRR of 20%. As at March 31, 2017, the Net Asset Value per Class A unit was ₹ 97,943. The TVPI multiple as at March 31, 2017, was 1.52.

## 6.2.2 Overseas Funds

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

The Company's subsidiary in Singapore, TCAPL, is the Investment Manager for TCGFLP, TCHHFLP and TOF. Overseas Funds accept commitments only from overseas investors. The aggregated commitments as at March 31, 2017 to the Overseas Funds, was US\$ 727 million.

TOF declared its final close in March 2013 with commitments of US\$ 545 million, of which, US\$ 380 million (excluding follow-on commitments) has been invested in portfolio companies as at March 31, 2017. TCL has a co-investment arrangement with TOF, whereby TCL has agreed to co-invest the Rupee equivalent of an amount of upto US\$ 50 million alongside TOF, subject to regulatory restrictions.

TCGFLP declared its final close in October 2011, with commitments of US\$ 167 million, of which, US\$ 109 million has been invested in six portfolio companies. TCGFLP has exited its investments in two portfolio companies viz. Standard Greases & Specialties Private Limited and Home First Finance Company, with an MOIC of 1.7 times and an investment IRR of 23%. Given the success of TCGFLP, the process of raising TCGF II Limited Partnership will commence in FY 2017-18.

TCHHFLP declared its final close in January 2016 with commitments of US\$ 15 million, of which, US\$ 11 million has been invested in portfolio companies. TCHHFLP recorded full exit in Sandor Nephro Services Private Limited, with an MOIC of 1.4 times and investment IRR of 23%.

### 6.3 Review of Subsidiaries, Associates and Joint Venture

#### 6.3.1 Subsidiaries:

As on March 31, 2017, the Company had the following subsidiaries, brief details of whose performance are given below:

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

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

TCFSL's portfolio increased by ₹ 3,254 crore from ₹ 29,656 crore in FY 2015-16 to ₹ 32,910 crore in FY 2016-17. During FY 2016-17, the Gross Income increased by 21% and stood at ₹ 4,192 crore (FY 2015-16: ₹ 3,471 crore). The Net Interest Margin (“NIM”) increased by 25% and stood at ₹ 1,419 crore (FY 2015-16: ₹ 1,136 crore). PAT for FY 2016-17 was ₹ 216 crore as compared to ₹ 266 crore in FY 2015-16, a decrease of 19%. The Gross and Net NPAs decreased and stood at 4.9% and 1.2% in FY 2016-17 compared to 5.3% and 3.1%, respectively in FY 2015-16. The Provision Coverage Ratio increased from 42.6% to 76.2%. The Cost to Income ratio in FY 2016-17 was 47.5% as compared to 48.8% in FY 2015-16.

##### (a) **Corporate Finance**

The Corporate Finance Division (“CFD”) had two broad business areas viz. Commercial Finance and Infrastructure Finance, comprising the Special Assets Management Group (“SAMG”). In order to improve its customer focus, Construction Equipment (“CEQ”) Business and the Leasing Business were integrated with the Commercial Finance Business.

The Closing Book of CFD stood at ₹ 19,264 crore (FY 2015-16: ₹ 17,885 crore), comprising Commercial Finance: ₹ 18,229 crore (94.6%) and SAMG: ₹ 1,034 crore (5.4%).

##### **Commercial Finance**

The Commercial Finance Business specialises in product offerings ranging from Vanilla Term Loans, Working Capital Term Loans, Channel Finance, Bill Discounting, CEQ Finance, Equipment Finance, Leasing Solutions, Lease Rental Discounting, Promoter Finance and Structured Products. This Business serves over 11,200 customers through its business verticals viz. Large Corporate, Mid and Emerging Corporate and Government Business. All the verticals are supported by the respective Product teams, which help these verticals in extending the right product mix to the customer. Further, a Syndication and Structured Finance team supports all the business verticals, with special focus on debt syndications, down selling and structured transactions.

The Commercial Finance Business ended the year under review with a book of ₹ 18,229 crore as compared to ₹ 16,205 crore at the end of FY 2015-16. Gross Income grew by 16.8% to ₹ 1,928 crore, in FY 2016-17 from ₹ 1,650 crore in FY 2015-16. This segment disbursed loans of ₹ 50,552 crore during FY 2016-17, through its diverse, customer-centric product offerings.

During FY 2016-17, the Channel Finance Business continued to be the largest contributor of book in Commercial Finance. This Business ended FY 2016-17 with a book of ₹ 6,733 crore (FY 2015-16: ₹ 5,383 crore).

During FY 2016-17, the CEQ Finance Business (including Rental Division) continued to be amongst the top five players in the industry. This Business ended FY 2016-17 with a

book of ₹ 2,741 crore (FY 2015-16: ₹ 2,304 crore) and disbursed loans of ₹ 1,874 crore in FY 2016-17 (FY 2015-16: ₹ 1,471 crore).

During FY 2016-17, Leasing Business continued to report good growth in its book and maintained good health of the book in both primary and secondary leases. As on March 31, 2017, the outstanding book was about ₹ 952 crore consisting of a healthy mix of Capital Goods, Information Technology, Auto and Office Equipment leased to corporate entities. Operating leases constitute nearly 71% of the equipment provided on lease.

The Leasing Business aspires to become the market leader in leasing of capital goods with a thrust on mid and emerging corporates and will focus on scale and services. The Leasing Business will expand its market reach and look for portfolio buy-out opportunities for scale and while on services, it shall channelize tools and systems for delivering superior customer promise.

The Commercial Finance Business is committed to being a complete financial solutions partner to its customers, through high quality service levels and innovative products, which provide value to its customers. Keeping the customer at the core of its strategy, this Business is planning to grow its portfolio while improving the asset quality.

During the Financial Year under review, there was a change in leadership at Tata Sons Limited, our holding company. Certain allegations were made in relation to the loans/facilities availed by Siva Ventures Limited and Siva Industries and Holdings Limited, companies promoted by Mr. C. Sivasankaran, from the Company and TCFSL. The Board of Directors of TCFSL closely monitored the events that unfolded during the leadership transition and the allegations that followed. The Audit Committee of the Board ("Audit Committee") of TCFSL reviewed the internal policies and processes and the statutory requirements applicable to TCFSL, as also the correspondence between the Regulators and the Company.

After due review and deliberations, the Audit Committee of TCFSL expressed its confidence in the Company's processes and due compliance with the applicable RBI and SEBI Regulations. The Audit Committee of TCFSL found no violation or non-compliance of applicable provisions of SEBI Act / Rules and SEBI Listing Regulations or other applicable regulations by TCFSL. It follows, therefore, that the aforesaid allegations in the various proceedings, representations and public statements against TCFSL were incorrect and without exercising proper care.

#### Infrastructure Finance/SAMG

SAMG was formed on April 1, 2015 to manage the Project Finance portfolio of the erstwhile Infrastructure Finance Division. SAMG managed a portfolio of ₹ 1,680 crore as at March 31, 2016 which reduced to ₹ 1,034 crore, as at March 31, 2017, as a result of recovery and write-off.

The key objectives of SAMG are, as under:

- Primary responsibility of identifying, quantifying and minimizing the loss that could be incurred on impaired assets, with focus on reduction in impaired asset portfolio through proactive asset management, legal actions, disposals, debt re-structuring and portfolio monitoring, on an ongoing basis;
- Work out settlement proposals in such a way that the loss is minimized;
- Identify/initiate dialogue with various Special Situation Funds/NBFCs/Lenders/Asset Reconstruction Companies for takeover of TCFSL's debt; and
- Develop expertise to acquire stress portfolio from other NBFCs/Banks and undertake fee based stress advisory mandates.

During the year, a cash recovery of approximately ₹ 445 crore was made from the NPA and Stressed Accounts of this portfolio.

**(b) Consumer Finance**

TCFSL offers, through its Consumer Finance & Advisory Business (“CFAB”), a wide range of consumer loans such as Auto Loans (Car and Two Wheeler), Commercial Vehicle Loans, Business Loans, Loans against Property, Personal Loans, Consumer Durables Loans and Loans against Securities. Disbursements in FY 2016-17 aggregated ₹ 8,128 crore as compared to ₹ 6,784 crore in FY 2015-16, representing an increase of about 20%, despite the impact of Demonetisation in the year under review. Gross Income grew by 32% from ₹ 1,275 crore in FY 2015-16 to ₹ 1,682 crore in FY 2016-17.

Disbursement of Loans against Property increased from ₹ 2,411 crore in FY 2015-16 to ₹ 2,854 crore in FY 2016-17, representing a growth of 18% over the previous year. Auto Loan disbursements of ₹ 1,526 crore constituted 19% of the overall CFAB disbursements for the year. The change in the disbursement mix, with focus on high margin products, gained strength in FY 2016-17 with disbursements of high margin focus products increasing from 77% in FY 2015-16 to 80%, in FY 2016-17.

CFAB continued its focus on margin expansion. NIM increased from 6.1% in FY 2015-16 to 6.5% in FY 2016-17. Gross Interest Income grew by 31.4% from ₹ 1,156 crore in FY 2015-16 to ₹ 1,519 crore in FY 2016-17. Continued focus on leveraging the Tata ecosystem has resulted in disbursement business increasing from ₹ 141 crore in FY 2015-16 to ₹ 276 crore, in FY 2016-17. The Business runs close to ₹ 3,900 crore of assets under Advisory in its Wealth Management business, which turned profitable this year.

CFAB's closing book of ₹ 11,848 crore (FY 2015-16: ₹ 9,807 crore) comprised Auto Loans of ₹ 3,164 crore (27%), Business Loans and Personal Loans of ₹ 3,418 crore (29%) and Loans against Property of ₹ 4,786 crore (40%), the balance being other retail loans. Loans against Property grew by 25% and Personal Loans and Business Loans by 42% in FY 2016-17, as compared to the previous year. These products have attained a strong market position in key high growth markets like Delhi NCR, Mumbai, Bengaluru and Hyderabad. Owing to these changes, the financial contribution of these businesses has shown material improvement.

Going forward, CFAB plans to grow its business through a continued focus on high NIM focus products, increase customer acquisition, especially through expanding its Two Wheeler business, balancing its product mix, ramping up fee based income, cross selling, optimising operating costs and improving collection efficiency for further enhancing its profitability. CFAB plans to enter new geographies in Tier-II and Tier-III cities with low cost branch model for topline growth and better return.

CFAB also plans to leverage analytics capabilities to explore opportunities in the market and offer unique products and solutions to new as well as existing customers. Cost optimisation initiatives have been taken to specifically focus on acquisition costs, manpower cost, process simplification, digitisation and infrastructure cost.

**(c) Rural Finance**

In FY 2016-17, the Rural Finance Business disbursed loans of ₹ 901 crore, registering a growth of 26% over FY 2015-16. The Total Income was ₹ 285 crore, up by 21% from the previous year. The Total Loans advanced as on March 31, 2017 stood at ₹ 1,736 crore, up 21% compared to ₹ 1,433 crore as on March 31, 2016. Currently, the business operates out of 45 branches and 305 locations across 13 States in India and disburses loans to progressive farmers for Farm Equipment and Agri and Allied Activities. The Demonetisation move by the Government of India impacted the Business in

H2 FY 2016-17, as the disbursements and collection efficiency got impacted. However, the rural economy has shown good signs of improvement in the past couple of months and is expected to normalise by Q1 FY 2017-18, with the arrival of the next crop. The business remains focussed on improving its credit quality.

**(d) Tata Cards**

Tata Card is a white label credit card launched in partnership with SBI Cards and Payments Services Limited. The cards business has nearly 1.8 lakh cards in force as of March 31, 2017 and is in the eighth year of operations at Tata Capital. Since its purchase from Tata Sons Limited, the business has grown considerably in distribution and profitability.

The business has clocked total spends of ₹ 1,580 crore for the year, which reflects an increase of 24% over FY 2015-16 and a book size of ₹ 438 crore. Multiple portfolio actions have been undertaken during the year, including e-commerce spends, which have grown by 23% in the current year to ₹ 492 crore, up from ₹ 400 crore in FY 2015-16.

The business has enhanced engagement through customer-centric programs and offering convenient payment options in the form of EMI. About ₹ 12.5 crore worth of points were redeemed in FY 2016-17 resulting in a redemption rate of 80% and confirming customer association with the card.

With the advent of new distribution channels, the business is well placed to register robust growth in FY 2017-18.

**ii) Tata Capital Housing Finance Limited (“TCHFL”)**

TCHFL is a wholly-owned subsidiary of the Company and is registered as a Housing Finance Company with the NHB to carry on housing finance activities. TCHFL offers Housing Loans and Loans against Property to various segments of society and has been focusing on business opportunities available within the Tata ecosystem. Apart from Housing Loans and Loans against Property to the retail segment, TCHFL also provides Project Finance Loans to developers. TCHFL has significantly grown its presence in providing Project Finance to eligible projects across the country and has also ramped up its Rural and Affordable Housing Finance business.

During the year under review, TCHFL disbursed Mortgage Loans amounting to ₹ 8,236 crore (FY 2015-16: ₹ 6,532 crore), an increase of over 26%. This included Housing Loans of ₹ 4,783 crore (FY 2015-16: ₹ 3,936 crore). TCHFL's loan portfolio increased by 30% and stood at ₹ 16,941 crore on March 31, 2017 (March 31, 2016: ₹ 13,005 crore).

In FY 2016-17, TCHFL recorded Gross Income of ₹ 1,723 crore and PAT of ₹ 178 crore as compared to Gross Income of ₹ 1,265 crore and PAT of ₹ 113 crore in FY 2015-16.

In FY 2016-17, TCHFL availed refinance of ₹ 1,937 crore from the NHB under various refinance assistance schemes.

As a strategy, TCHFL will continue to maintain a balanced housing loan book between the salaried and self-employed segments and grow its disbursements significantly to become one of the major players amongst the Housing Finance Companies in India over the next few years.

**iii) Tata Cleantech Capital Limited (“TCCL”)**

TCCL is registered with the RBI as a NBFC-ND-SI, engaged in the business of providing finance and advisory services for projects in renewable energy, energy efficiency, waste management, water management and cash flow based infrastructure finance. TCCL is a joint venture between TCL and International Finance Corporation (“IFC”), Washington D.C., USA, with equity holding in the ratio of 80.50:19.50. TCCL was registered with the RBI as an Infrastructure Finance Company, on October 15, 2015.

During FY 2016-17, TCCL has grown further on the strong foundations laid over the past two years. This is reflected in the accelerated growth of business of TCCL across all segments in renewable energy, coupled with the continuing focus on quality of services offered by TCCL. TCCL has forged new relationships with other important industry stakeholders such as Indian Renewable Energy Development Agency, to help expand renewable energy finance in India.

At the end of FY 2016-17, TCCL has been able to build an asset book of ₹ 2,407 crore, covering over 80 transactions, of which, the loan book was ₹ 1,995 crore (FY 2015-16: ₹ 1,220 crore) and the off-Balance Sheet exposure was ₹ 412 crore. TCCL's loan portfolio consists of projects across areas of Wind Energy, Solar Energy, Small Hydro Energy, Off-grid Solar, Waste Management, Water, Energy Efficiency and Power Transmission sectors. TCCL's Gross Income grew by 72 % in FY 2016-17 and stood at ₹ 180 crore (FY 2015-16: ₹ 105 crore) and its PAT was ₹ 46 crore (FY 2015-16: ₹ 27 crore). TCCL's Asset Book has grown by 64% and the PAT has grown by 70% in FY 2016-17 compared to the previous year.

**iv) Tata Securities Limited (“Tata Securities”)**

Tata Securities is a wholly-owned subsidiary of the Company, engaged in the business of investment banking services, distribution of mutual fund units and third party financial products as also depository participant services. Tata Securities also holds licenses for carrying on activities as a stock broker from the National Stock Exchange of India Limited and BSE Limited. Tata Securities is also a Depository Participant of the National Securities Depository Limited and the Central Depository Services (India) Limited and holds a license for Merchant Banking and Research Analyst issued by SEBI.

During the year under review, Tata Securities reported a Gross Income of ₹ 23.53 crore (FY 2015-16: ₹ 21.94 crore) and PAT of ₹ 1.67 crore (FY 2015-16: Loss of ₹ 11.83 crore).

During FY 2016-17, the Board of Directors of Tata Securities approved a plan to realign its business by scaling down its Retail Broking and Institutional Equities and the Depository businesses. The said realignment was consistent with its long-term strategy to focus on the other profitable segments viz. Investment Banking and Institutional Distribution which would leverage other businesses of Tata Capital.

Tata Securities has been making concerted efforts and is attempting to increase the revenue stream in the ensuing financial year through initiatives that will help Tata Securities to enhance its offering of advisory services to corporate entities investing in mutual fund units and third party financial products and execute mandates received for investment banking.

**v) TC Travel And Services Limited (“TCTSL”)**

TCTSL is a wholly-owned subsidiary of the Company, primarily engaged in travel and travel related services. The year ended March 31, 2017, was a difficult one and revenue recorded was ₹ 9.11 crore as compared to ₹ 11.89 crore in FY 2015-16. The Loss for the year was ₹ 2.63 crore (FY 2015-16: Loss of ₹ 13.63 crore).

**vi) Tata Capital Forex Limited (“TCFL”)**

TCFL (formerly known as TT Holdings & Services Limited), a wholly-owned subsidiary of the Company, with presence in 26 licensed locations spread across 20 cities in the country, holds a Full-Fledged Money Changer license from the RBI and is engaged in the money-changing business of sale and purchase of foreign currency notes, travel cards and traveller cheques. During the year, TCFL received an approval for setting up its branch in Vadodara, while it suspended operations at Vashi, Navi Mumbai. In spite of the aggressive competitive environment, TCFL acquired 350 new clients, including some large clients during the year and is currently exploring alternate revenue streams in fee-based income to boost its revenue.

During the year, TCFL continued with Digital Online Platform – Buy Forex Online, selling a volume of equivalent US\$ 8.75 million or ₹ 58.82 crore and earning a net revenue of ₹ 0.53 crore. In order to earn additional revenue during the year, TCFL procured its own import license through IndusInd Bank and imported 4 consignments of foreign currency amounting to US\$ 1,250,994.09 equivalent, which yielded a revenue of ₹ 0.06 crore.

In FY 2016-17, TCFL's revenue fell by 8.3% to ₹ 16.67 crore (FY 2015-16: ₹ 18.06 crore). Loss for the year was ₹ 0.57 crore compared to a loss of ₹ 1.24 crore, in the previous year.

**vii) India Collections Management Limited (“ICML”) and Tata Infrastructure Capital Limited (“TICL”)**

During the year, ICML and TICL, wholly-owned subsidiaries of the Company were amalgamated into TCL, with effect from May 16, 2016, pursuant to a Scheme of Amalgamation sanctioned by the Hon'ble High Court of Judicature at Madras vide its Order dated March 21, 2016 with respect to TICL and by the Hon'ble High Court of Judicature at Bombay vide its Order dated April 22, 2016 with respect to ICML. Hence, ICML and TICL ceased to be subsidiaries of TCL, with effect from the aforementioned dates.

**viii) Tata Capital Pte. Ltd., (“TCPL”) Singapore and its subsidiaries viz. Tata Capital Advisors Pte. Ltd. (“TCAPL”), Singapore, Tata Capital Markets Pte. Ltd. (“TCMPL”), Singapore and Tata Capital Plc. (“TCPLC”), U.K.**

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

TCAPL, a wholly-owned subsidiary of TCPL, holds a Capital Markets Services (“CMS”) licence under the Securities and Futures Act of Singapore, issued by the Monetary Authority of Singapore for conducting regulated fund management activities. TCAPL acts as an Investment Manager to the offshore Private Equity Funds set up by TCPL. The total commitments from investors in the offshore Private Equity Funds managed by TCAPL stands at US\$ 727 million, as at March 31, 2017.

TCMPL, a wholly-owned subsidiary of TCPL, holds a CMS licence from MAS for conducting regulated activities (excluding IPOs) such as corporate finance and dealings in securities.

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

During the year under review, TCPL recorded consolidated Gross Income of US\$ 14.40 million i.e. ₹ 96.50 crore (FY 2015-16: US\$ 16.4 million i.e. ₹ 107.1 crore). The reduction in Revenue is primarily attributable to the change in the basis of management fees collected from the Private Equity Funds after the end of Commitment Period. Profit Before Tax stands at US\$ 2.8 million i.e. ₹ 18.8 crore (FY 2015-16: US\$ 2.7 million i.e. ₹ 17.6 crore) and PAT stands at US\$ 2.6 million i.e. ₹ 17.4 crore (FY 2015-16: US\$ 2.3 million i.e. ₹ 15 crore); US\$ amount translated at ₹ 67, the annual average exchange rate for FY 2016-17.

**ix) Other Subsidiaries**

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

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



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

### 6.3.2 Associates/Joint Venture:

#### i) Tata Autocomp Systems Limited (“TACO”)

TACO, a Tata Group company, provides products and services in the automotive industry to Indian and global customers. TCL acquired a 24% equity stake in TACO in June 2008, at an aggregate investment amount of ₹ 185 crore. As per the Unaudited Financial Statements for FY 2016-17, TACO recorded a Total Income of ₹ 2,721 crore (FY 2015-16: ₹ 2,166 crore) and PAT of ₹ 69 crore (FY 2015-16: ₹ 52 crore). TACO's paid-up Equity Share Capital and Net Worth as on March 31, 2017 were ₹ 201 crore and ₹ 791 crore, respectively.

#### ii) International Asset Reconstruction Company Private Limited (“IARC”)

IARC is registered with the RBI under Section 3 of the Securitisation and Reconstruction of Financial Assets and Enforcement of Security Interest Act, 2002 (“SARFAESI”), as a Securitisation and Reconstruction Company. IARC was promoted in 2002 by professionals from the banking and financial services sector, for reconstruction of financial assets. TCFSL holds a 25.37% equity stake in IARC which involved an investment of ₹ 33.1 crore. As per the Unaudited Financial Statements for FY 2016-17, IARC recorded a Total Income of ₹ 32.72 crore (FY 2015-16: ₹ 31.83 crore) and PAT of ₹ 8.04 crore (FY 2015-16: ₹ 4.5 crore). IARC's paid-up Equity Share Capital and Net Worth as on March 31, 2017 were ₹ 55 crore and ₹ 132.80 crore, respectively.

#### iii) Nectar Loyalty Management India Limited (“Nectar”)

Nectar was incorporated as a Joint Venture Company between Tata Capital Limited and AIMIA Proprietary Loyalty Singapore Pte. Ltd. (“AIMIA”) in the ratio of 49:51, to launch a multi-party coalition loyalty program in India. However, its operations were kept in abeyance.

During FY 2016-17, the Company sold its entire investment in the Compulsorily Convertible Debentures and Equity Shares of Nectar to AIMIA and hence, exited from the Joint Venture.

### 6.3.3 Other Investments:

As at March 31, 2017, the Company had, as per its Consolidated Financial Statements, total investments of ₹ 1,161 crore (FY 2015-16: ₹ 2,221 crore). Of these, ₹ 523 crore (FY 2015-16: ₹ 558 crore) were investments in associate companies and the balance ₹ 638 crore (FY 2015-16: ₹ 1,663 crore) were in shares of other companies and in debt instruments such as Debentures, Pass Through Certificates, Commercial Paper, Government Securities, etc. The Company's investment in its subsidiaries (net of provisions, if any) stood at ₹ 5,406 crore, as at March 31, 2017 (FY 2015-16: ₹ 4,602 crore), representing 81% of its total Assets (FY 2015-16: 73%), which amount is eliminated in the Consolidated Financial Statements, in accordance with the prevailing Accounting Standards.

### 6.3.4 Provision for Investments:

As on March 31, 2017, an aggregate provision on a consolidated basis, of ₹ 181 crore (FY 2015-16: ₹ 186 crore) has been made for diminution, other than temporary, in the value of investments.

As on March 31, 2017, an aggregate provision on a standalone basis, of ₹ 33.5 crore (FY 2015-16: ₹ 33.1 crore) has been made for diminution, other than temporary, in the value of investments.

## 7. ALLIANCES

Tata Capital's alliances and partnerships are based on and are an extension of its core objects and values. These include alliances with:

- Mizuho Securities Company Limited to foster business co-operation in private equity, investment banking (including cross border mergers and acquisitions), securities business (including broking and distribution), structured finance and other business areas, such as Wealth Management.
- Mizuho Bank Limited to foster business co-operation, enhance cross-market value creation capabilities and strengthen competitive advantages in addition to aiding each other in gaining a deeper understanding of the Indian and Japanese markets.
- Mitsubishi UFJ Securities Company Limited to establish a basis for co-operation in a wide range of strategic business areas that include cross-border investment banking, global offering of Indian equities and working towards development of a local bond market.
- International Finance Corporation, Washington D.C., USA (a member of the World Bank Group) to foray into the area of climate change with the formation of TCCL.
- Century Tokyo Leasing Corporation to co-operate with and assist each other in connection with the operation of the Leasing Business of TCFSL and all other aspects related to the purchase of assets for leasing/hire purchase to corporate customers in India, sale of leased assets to any person and to establish at a future date, a joint venture company for carrying on leasing business in India.

## 8. CONSOLIDATED FINANCIAL STATEMENTS

Pursuant to the provisions of Section 129(3) of the Companies Act, 2013 ("Act"), the Consolidated Financial Statements of the Company are included in the Annual Report. A separate statement containing the salient features of the Financial Statements of its subsidiaries, associates and joint venture, in the prescribed Form No. AOC-1, is also included in the Annual Report at Page No. 156. The Financial Statements of the subsidiary companies are kept open for inspection by the Members at the Registered Office of the Company. The Company shall provide, free of cost, a copy of the Financial Statements of the subsidiary companies to the Members upon their request. The said Financial Statements are also available on the website of the Company, [www.tatacapital.com](http://www.tatacapital.com).

## 9. FINANCE

During FY 2016-17, the Company met its funding requirements through Commercial Papers, Unsecured Unlisted Non – Convertible Debentures and CRPS. During the year, the Company allotted CRPS aggregating ₹ 435 crore, with a tenure of seven years and with Put and Call Options at the end of four years and issued Unsecured Unlisted Non – Convertible Debentures of ₹ 750 crore (Face Value). The aggregate debt of the Company outstanding as at March 31, 2017 was ₹ 1,380 crore, of which, ₹ 630 crore is payable within one year. The Debt Equity ratio of the Company as at March 31, 2017 was 0.99 times.

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

On a consolidated basis, the Company had borrowing aggregating ₹ 44,625 crore as at March 31, 2017 (FY 2015 -16: ₹ 38,314 crore).

## 10. CREDIT RATING

During the year under review, the Company had its Long Term and Short Term instruments rated and re-affirmed by CRISIL Limited, as "CRISIL AA+/Stable and CRISIL A1+". Further, the CRPS issued by the Company were rated as "CRISIL AA+/Stable" by CRISIL Limited.

## 11. RISK MANAGEMENT

A Risk Management Policy for the Company has been adopted by the Board of Directors. Comprehensive Enterprise Risk Management Framework has been adopted across TCL which lays

down the guidelines for risk identification, assessment and monitoring in line with the business operations of entities in the group. Risk is managed by the Board / Risk Management Committee of the Board through appropriate structures, including suitable reporting mechanisms that are in place in TCL.

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

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

## **12. INTERNAL CONTROL SYSTEMS**

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

## **13. INTERNAL FINANCIAL CONTROLS**

The Management had appointed an external consultant and formed a Cross Functional Team ("CFT") comprising Operating Managers, Internal Audit and Risk 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 Organisations of the Treadway Commission ("COSO"). Entity Level Control framework document based on COSO 2013 framework has been documented. The documentation of process maps, key controls, standard operating procedures and risk registers has been completed for all businesses and functions under the supervision of the CFT. Further, during FY 2016-17, 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 control weaknesses were identified. There are no material unaddressed internal financial controls related observations outstanding as at March 31, 2017. Based on the above, the Board believes that adequate Internal Financial Controls exist.

## **14. INFORMATION TECHNOLOGY SUPPORT**

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

Tata Capital is well on its way on the 'digitalisation' journey, wherein it will deploy latest technology covering the internet, cloud, analytics, social media and mobility areas. Mobility applications for Retail loans have been deployed across multiple operating systems. Integration is key in this digital age and Tata Capital has built the capabilities for integration across systems, across entities and agencies for achieving a seamless customer experience.

Some key projects have been initiated this year to transform Tata Capital's IT landscape – the implementation of Salesforce.com to empower and enable the Sales teams and enhance productivity, transformation of the core lending system, the upgradation of data centre assets, the enhancement of the information security framework and the ongoing consolidation and building of the digital platform, for both the retail and the corporate businesses.

Tata Capital is now moving into the leadership stage in its technology journey. The innovation driven projects on the IT road map and the digital strategy initiative will enable Tata Capital to take the leadership position with the support of its technology partners and the Business units representing a collaborative framework.

## 15. DIGITAL PLATFORM

Tata Capital has embraced 'digital' as a critical part of its strategy. Cutting across multiple business units and functions, Tata Capital views digital as omnipresent and a strategic competitive advantage. Multiple initiatives are underway including - digitisation to build greater efficiency, developing new digital products especially suited to the needs of the growing digital customer segment, enhancing digital platforms to build a superior digital customer experience, innovating with agile technology, building collaborative digital eco-systems with various fin-tech companies and developing new digital business models.

Through new technology across the web, social media, mobile, cloud and big data, Tata Capital is working towards embracing digital to create maximum impact across multiple areas. A few initiatives that Tata Capital launched in the year are – the 'myLoan' Personal Loan Mobile App, the Online Car Store which is a one-stop shop for searching for the right car and right car loan, the Online Home Store which houses over 15,000 projects and the Artificial Intelligence-backed Chat-bot to help cater to growing customer queries. Digital data and analytics is a related area of focus for Tata Capital and over the last 12 months, Tata Capital has worked towards effectively capturing and using traditional and alternate data for superior underwriting.

Focused on meeting the needs of the new-age, digitally savvy customer, Tata Capital will continue to create advanced, personalised and customer-centric financial offerings and solutions in the digital space and to reach out to newer customer segments, targeting the business goals of customer-centricity, reach, growth and profitability.

## 16. HUMAN RESOURCES

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

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

Talent Management (Apex) is a key people planning tool that provides an integrated means of identifying, selecting, developing and retaining top talent within the organisation. Focus on behavioural and leadership traits through Learning and Development ("L&D") interventions and job rotations are planned for the employees who constitute the Talent Pool.

Tata Capital's second Cultural Survey, based on the ten identified attributes and conducted by the Gallup Organisation, in August 2015, has given it a very healthy and positive score of 4.25 on a scale of 5.

Tata Capital's focus on Employee Engagement has resulted in its overall Employee Engagement Scores (Q12) climbing steadily from 3.52 in 2009 to 4.14 in 2016, in surveys, conducted by the Gallup Organisation.

As part of the journey to becoming a benchmark organisation as far as HR practices are concerned, Tata Capital has achieved its People Capability Maturity Model ("P-CMM") Level 3 Certification and further embarked on the journey of achieving Level 4 Certification.

Tata Capital's L&D initiatives are focused on enhancing the functional and behavioural competencies of its employees through L&D interventions, such as Executive Development Programs, e-learning and various classroom based training programs. Tata Capital was awarded the "Golden Peacock National Training Award – 2016" and also the "L&D Team of the year" by TISS

- Leapvault CLO Awards 2016. In order to encourage e-learning, several new modules such as New Employee Orientation e-learning module, Prevention of Sexual Harassment Policy, Tata Code of Conduct and other functional e-learning modules have been launched.

Tata Capital also achieved key milestones in FY 2016-17, whereby some of the key HR processes were digitised, supporting the fast pace of our growing manpower and thus achieving an objective of improved employee experience, better employee insight and moving towards a paperless environment.

Tata Capital is committed to maintain the highest standards of health, safety and security for its employees and business associates and to operate in a healthy and safe environment. To meet the same, Tata Capital has developed and implemented an Occupational Health & Safety (“OH&S”) Management System manual.

The OH&S Management System in Tata Capital, is within the framework of Tata Safety & Health Management System and OHSAS 18001:2007 standard. This document is a comprehensive manual detailing our safety processes, procedures and reports.

The manual describes the OH&S Management System, delineates authorities, inter relationships and responsibilities of the personnel performing within the system. The document is intended to create an empowered workforce by guiding Tata Capital’s employees and all stakeholders on various requirements of the standard that must be met and maintained in order to ensure occupational health and safety stewardship.

## **17. TATA BUSINESS EXCELLENCE MODEL**

Tata Capital continues to enhance its capabilities and processes in keeping with market and regulatory changes, using the framework of the Tata Business Excellence Model (“TBEM”) (based on Baldrige Criteria, USA), which covers aspects of Leadership and Governance, Strategic Planning, Customer Focus, Measurement, Analysis and Knowledge Management, Workforce Focus and Operations Focus. Tata Capital participated in its fourth TBEM external assessment conducted by the Tata Business Excellence Group (“TBExG”) (a division of Tata Sons Limited) in October 2016 and was placed in the 500-550 score band, which indicates “good performance”. While the score band is the same as that in FY 2015-16, there is an improvement in the absolute score.

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

Tata Capital also successfully underwent ISO 9001:2008 surveillance audit for the operations of its assets businesses, without any major non-conformity and became the first company in Banking, Financial Services and Insurance Industry to have been ISO 31000 Certified for Enterprise Risk Management practices. Many ‘Office of Strategy Management’ Strategic initiatives started in 2014, have started showing the impacts on the overall business. Tata Capital is also beginning to implement Lean Six Sigma as a tool for improving its operational focus in order to enhance customer satisfaction and improve internal efficiencies. Tata Capital also launched its Ideation and Innovation platform “Bright Ideas” for employees to contribute through ideas and suggestions on business impacting areas. Through this platform, the employees can also provide ideas against the challenges thrown by the Leadership Team.

## **18. THE TATA CAPITAL BRAND**

The brand ‘Tata Capital’ has grown from strength to strength and today holds a strong position in the industry. The Tata Capital brand currently enjoys Awareness and Consideration scores, as measured by the Brand Track of 73 and 72, respectively, for B2C businesses and 81 and 73, respectively, for B2B businesses. These scores are impressive for a young brand in a saturated financial services market and stand ahead of much older competitors in the segment.

The year saw the brand focus on building a strong association with 'financial expertise' as well as a brand that 'does right'. The 'Do Right' initiative won the Global Ethicmark® Award for 'Best Advertising Campaign', signifying global recognition for our 'Do Right' efforts. The brand also showcased its financial expertise through campaigns for innovative products like 'Prapti' Home Loans – a unique affordable housing loan and #OneWeddingWish – a social media campaign for the Wedding Loan product. The latter won the award for 'Best Social Media Campaign' at the National Digital Marketing Awards 2017.

In the coming years, Tata Capital will continue to focus on the 'Do Right' initiative, as well as product campaigns, with an aim to build a stronger association as a leading player in the financial services sector with innovative products and services.

## 19. BUSINESS DEVELOPMENT

During the year, the Business Development Group ("BDG") initiated opportunities by utilising its relationship network within and outside the Tata Group to the benefit of various businesses of Tata Capital. The BDG also enhanced its interactions with domestic industry, trade bodies and with other entities with a view to promoting the Tata Capital Brand and laying the groundwork for future business.

Additionally, the BDG continued its regular interactions and deepened relationships with trade bodies of Canada, the UK, Singapore and Australia, amongst others, to further Tata Capital's potential business interests in and from these geographies. The BDG also enhanced its interactions with domestic industry and trade bodies and with other entities - with a view to promoting the Tata Capital Brand, and laying the groundwork for future business. Along with the Corporate Affairs Department, the BDG organised an interaction between the CEO of SIX Swiss Exchange and directors and senior officials from Tata Group companies and other companies.

## 20. CORPORATE SUSTAINABILITY AND CORPORATE SOCIAL RESPONSIBILITY

The Tata Group's ethos is deeply ingrained in the philosophy of societal development and is especially focused upon the engagement and upliftment of the disadvantaged sections of the society. The Company has committed to a policy of inclusive and sustainable growth for the marginalised communities. The Company shares the Group's belief that our society can only truly progress, if every individual can be included and empowered.

To guide us in this journey, the Company has a well-defined Corporate Social Responsibility ("CSR") policy which outlines four thrust areas of development viz. Livelihood and Employability, Health, Education and Environment as adopted by the CSR Committee of the Board and the same is available on the website of the Company, [www.tatacapital.com](http://www.tatacapital.com). As per the provisions of Section 135 of the Act, the Company has constituted a CSR Committee comprising Mr. F. N. Subedar (Chairman), Mr. Janki Ballabh, Dr. Ritu Anand and Mr. Praveen P. Kadle, as Members. In FY 2016-17, the Company and its subsidiaries viz. TCFSL, TCHFL and TCCL, have spent an aggregate amount of ₹ 12.5 crore on CSR activities in projects and programmes covered under Schedule VII of the Act.

During FY 2016-17, the CSR Budget of TCL of ₹ 19 lakh (being 2 percent of the average net profit (net of dividend) of the Company in the three immediately preceding financial years calculated as per Section 198 of the Act read with the Companies (Corporate Social Responsibility Policy) Rules, 2014) was spent towards projects and programmes covered under Schedule VII to the Act. Basis the conceptualisation of the projects under the thrust areas, Tata Capital appraises and empanels reputed NGOs that help implement projects and programmes to bring the desired positive and measurable results for the target beneficiaries. The Annual Report on TCL's CSR activities is annexed herewith as Annexure 'A'.

Tata Capital has also adopted the Tata Group's Affirmative Action ("AA") Programme since 2008. The AA Programme addresses the 5Es - Essentials, Education, Employability, Employment and Entrepreneurship for the Scheduled Caste ("SC") and Schedule Tribe ("ST") communities. During the annual AA assessment of Tata Capital's AA strategy and projects conducted by the TBExG, Tata Capital moved up by two bands from 451-475 in FY 2015-16 to 501-525 in FY 2016-17. Tata Capital was recognised for taking a responsible business approach amongst other community driven projects, by giving subsidised loans to businesses owned and operated by SC/ST community members in partnership with Dalit Indian Chamber of Commerce and Industry.

## **21. COMPLIANCE**

The Company is registered with the RBI as a CIC. The Company has complied with and continues to comply with all applicable laws, rules, circulars and regulations, including the Directions of the RBI for a CIC, and it does not carry on any activities other than those specifically permitted by the RBI for CICs.

During FY 2016-17, there were no frauds committed by the Company and no material frauds committed on the Company by its officers or employees.

Further, during FY 2016-17, there were no frauds reported by the Statutory Auditors to the Audit Committee or the Board under Section 143(12) of the Act.

The Company has deployed “ComplianceCheck” (“Application”), an online platform to report and monitor compliances. The Application has features such as generation of compliance task alerts, generation of compliance reports and updating the compliance tasks based on regulatory developments. Compliance Status Reports are submitted on a regular basis to the Managing Director & CEO and are placed before the Board on a half-yearly basis by the Company Secretary.

Ms. Sarita Kamath, Head – Legal & Compliance, is the Compliance Officer of the Company.

## **22. REGULATORY ACTION**

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

## **23. DEPOSITS**

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

## **24. PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS**

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

Details of guarantees and/or security in connection with loans to other bodies corporates or persons as covered under the provisions of Section 186 of the Act, are given in Note No. 27 to the Standalone Financial Statements.

## **25. DIRECTORS**

Dr. Nirmalya Kumar (DIN : 00364637) stepped down as a Director from the Board of the Company, with effect from October 28, 2016, consequent upon his ceasing to be an employee of Tata Sons Limited, the holding company.

The Directors place on record their appreciation of the valuable contribution made by Dr. Kumar during his tenure as Director of the Company.

Based on the recommendation of the Nomination and Remuneration Committee (“NRC”), the Board of Directors of the Company approved the appointment of Mr. Saurabh Agrawal (DIN : 02144558), as an Additional Director of the Company, with effect from July 28, 2017 upto the date of the ensuing Annual General Meeting (“AGM”) and is eligible for appointment as a Director. Mr. Agrawal has been appointed as a Non-Executive Director of the Company.

The Company has received a Notice as per the provisions of Section 160 of the Act, from a Member proposing the appointment of Mr. Agrawal as a Director of the Company.

In accordance with the provisions of the Act and the Articles of Association of the Company, Dr. Ritu Anand (DIN : 00363699), Director, is liable to retire by rotation at the ensuing AGM of the Company and is eligible for re-appointment.

The Members of the Company may wish to refer to the accompanying Notice of the AGM of the Company, for the brief resumes of Dr. Anand and Mr. Agrawal.

The Company has received declarations from the Independent Directors viz. Mr. Janki Ballabh (DIN : 00011206) and Mr. Nalin M. Shah (DIN : 00882723), stating that they meet the criteria of independence as provided in Section 149(6) of the Act.

## **26. 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 in this by the NRC. The performance evaluation was carried out by seeking inputs from all the Directors / Members of the Committees, as the case may be. The 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.

Further, pursuant to the Guidance Note on Board Evaluation ("Guidance Note") issued by SEBI, additional criteria had been introduced and also those companies which were not covered under Chapter IV of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, were encouraged to follow the additional criteria. The Board of the Company followed the said additional criteria recommended under the Guidance Note.

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 the assessment of the quality, quantity and timeliness of flow of information between the Company Management and the Board, was taken into consideration by the Board in carrying out the performance evaluation.

## **27. POLICY ON APPOINTMENT OF DIRECTORS AND REMUNERATION POLICY OF THE COMPANY**

The NRC of the Company comprises Mr. Janki Ballabh (Chairman), Mr. Ishaat Hussain, Mr. Nalin M. Shah and Dr. Ritu Anand. The NRC develops the competency requirements of the Board based on the industry and the strategy of the Company, conducts a gap analysis and recommends the reconstitution of the Board, as and when required. It also recommends to the Board, the appointment of Directors having good personal and professional reputation and conducts reference checks and due diligence of all Directors before recommending them to the Board. Besides the above, the NRC ensures that the new Directors are familiarised with the operations of the Company and endeavours to provide relevant training to the Directors.

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

## **28. KEY MANAGERIAL PERSONNEL**

Mr. Praveen P. Kadle, Managing Director & CEO, Mr. Puneet Sharma, Chief Financial Officer and Ms. Avan Doomasia, Company Secretary, are the Key Managerial Personnel ("KMP") of the Company, as also the KMPs of TCFSL, a wholly-owned subsidiary of the Company.



## 29. DIRECTORS' RESPONSIBILITY STATEMENT

Based on the framework of internal financial controls and compliance systems established and maintained by the Company, work performed by the internal, statutory and secretarial auditors, including audit of internal financial controls over financial reporting by the statutory auditors and the reviews performed by the Management and the relevant Board Committees, including the Audit Committee, the Board is of the opinion that the Company's internal financial controls were adequate and effective, during FY 2016-17.

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

- a) in the preparation of the annual accounts, the applicable accounting standards and guidance provided by The Institute of Chartered Accountants of India 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 this 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.

The attention of the Members is specifically drawn to Note No. 40 in the Notes to Accounts to the Standalone Financial Statements for the year ended on March 31, 2017, in respect of the Reduction of Share Capital in accordance with Section 52 of the Companies Act, 2013 read with Sections 100 to 103 of the erstwhile Companies Act, 1956 approved by the Hon'ble High Court of Judicature at Bombay with regard to appropriating an amount of ₹ 13,537 lakh (net-off taxes, as applicable), standing to the credit of the Securities Premium Account, to the Statement of Profit and Loss.

## 30. CORPORATE GOVERNANCE

### Company's Philosophy on Corporate Governance

The Company recognises its role as a corporate citizen and endeavours to adopt the best practices and the highest standards of corporate governance through transparency in business ethics, accountability to its customers, Government and others. The Company's activities are carried out in accordance with good corporate practices and the Company is constantly striving to better these practices by adopting 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 maximising value for all its stakeholders. The Company will continue to focus its resources, strengths and strategies to achieve its vision of becoming a leading financial services company in India with a global footprint, while upholding the core values of transparency, integrity, honesty and accountability, which are fundamental to Tata companies.

As a part of the Tata Group, Tata Capital has a strong legacy of fair, transparent and ethical governance practices. The Corporate Governance philosophy is further strengthened with the adherence to the Tata Business Excellence Model as a means to drive excellence, the Key Performance Metrics for tracking progress on long-term strategic objectives and the Tata Code of Conduct ("TCOC"), which articulates the values, ethics and business principles and serves as a guide to the Company, its Directors and employees, supplemented with an appropriate mechanism to report any concern pertaining to non-adherence to the TCOC. In addition, the Company has

adopted 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 Policy on Board Diversity and Director Attributes, a Code of Conduct for Non-Executive Directors, Internal Guidelines on Corporate Governance, an Occupational Health and Safety Management System and an Anti-Bribery and Anti-Corruption Policy.

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

#### a. Board of Directors

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

- The size of the Board is commensurate with the size and business of the Company. As on March 31, 2017, the Board comprised six Directors viz. Mr. Ishaat Hussain, Mr. Janki Ballabh, Mr. Nalin M. Shah, Mr. F. N. Subedar, Dr. Ritu Anand and Mr. Praveen P. Kadle. Mr. Kadle is the Managing Director & CEO (“MD & CEO”) of the Company. Mr. Janki Ballabh and Mr. Nalin M. Shah are the Independent Directors (“ID”) of the Company and the other three Directors are Non-Executive Directors (“NED”). Board Meetings of the Company held during FY 2016-17 were generally chaired by Mr. Ishaat Hussain, NED. Mr. Saurabh Agrawal has been appointed as a NED, with effect from July 28, 2017.
- During FY 2016-17, nine Meetings of the Board of Directors were held on May 2, 2016, June 23, 2016, June 28, 2016, July 22, 2016, October 28, 2016, December 12, 2016, January 30, 2017, February 17, 2017 and March 30, 2017. The details of attendance at Board Meetings and at the previous AGM of the Company are, given below:

Name of Director	Category	Board Meetings		Whether present at previous AGM held on July 22, 2016
		Held	Attended	
Mr. Ishaat Hussain	Non-Executive Director	9	9	Yes
Mr. Janki Ballabh	Independent Director	9	9	Yes
Mr. Nalin M. Shah	Independent Director	9	9	Yes
Dr. Nirmalya Kumar*	Non-Executive Director	9	1	Yes
Mr. F. N. Subedar	Non-Executive Director	9	6	No
Dr. Ritu Anand	Non-Executive Director	9	5	No
Mr. Praveen P. Kadle	Managing Director & CEO	9	9	Yes

\* Dr. Nirmalya Kumar ceased to be a Director of the Company w.e.f. October 28, 2016.

- Mr. Nalin M. Shah, Chairman of the Audit Committee and Mr. Janki Ballabh, Chairman of the NRC, attended the last AGM of the Company. Dr. Ritu Anand, Chairperson of the Stakeholders Relationship Committee had authorised Mr. Janki Ballabh, a Member of the Stakeholders Relationship Committee to attend the last AGM on her behalf.
- The Company paid Sitting Fees to the NEDs and IDs, for attending meetings of the Board and the Committees of the Board and will pay Commission to the NEDs and IDs

who were Directors of the Company as at March 31, 2017 (as recommended by the NRC and approved by the Board at their meetings held on May 4, 2017), for FY 2016-17, within the maximum prescribed limits.

- Details of Sitting Fees and Commission are, given below:

(₹ in lakh)

Name of Director(s)	Sitting Fees paid for attending Board and Committee Meetings during FY 2016-17	Commission paid for FY 2015-16	Commission to be paid for FY 2016-17
Mr. Ishaat Hussain, Non-Executive Director	7.70	–	20
Mr. Janki Ballabh, Independent Director	13.10	20	25
Mr. Nalin M. Shah, Independent Director	11.60	20	25
Mr. F. N. Subedar, Non-Executive Director	2.60	–	20
Dr. Nirmalya Kumar, Non-Executive Director*	0.20	–	NIL
Dr. Ritu Anand, Non-Executive Director	5.40	–	20

\* Dr. Nirmalya Kumar ceased to be a Director of the Company w.e.f. October 28, 2016

- Mr. Kadle was re-appointed as the Managing Director & CEO of the Company as also of TCFSL, for a further period of 5 years commencing September 18, 2012. As at March 31, 2017, Mr. Kadle held 14,58,580 Equity Shares of the Company of ₹ 10 each, 10,000 - 7.50% CRPS, 10,000 - 8.33% CRPS and 7,000 - 12.5% CRPS of the Company of ₹ 1,000 each and 20,000 Employee Stock Options (including 10,000 Employee Stock Options given on March 31, 2017).
- At the Meetings of the NRC and the Board of Directors, both held on May 4, 2017, an Incentive Remuneration of ₹ 2.70 crore was approved as payable to Mr. Kadle for FY 2016-17. With this, the total remuneration of Mr. Kadle for FY 2016-17, was ₹ 5.02 crore.
- None of the NEDs and IDs had any pecuniary relationships or transactions with the Company during the year under review.
- A summary of the minutes of the meetings of the Boards of the subsidiary companies is placed before the Board, for noting on a quarterly basis.

#### b. Committees of the Board

The Board has constituted Committees with specific terms of reference to focus on specific issues and ensure expedient resolution of diverse matters. These include the Audit Committee, Nomination and Remuneration Committee, Finance and Asset Liability Supervisory Committee, Risk Management Committee, Stakeholders Relationship 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 / respective Committees at their next meetings. The Minutes of meetings of all Committees of the Board are circulated to the Board of Directors, for noting.

##### i) Audit Committee

The Audit Committee of TCL comprises two Independent Directors viz. Mr. Nalin M. Shah (Chairman) and Mr. Janki Ballabh and one Non-Executive Director, Mr. F. N. Subedar. 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 Guidelines issued by RBI. The Charter is reviewed from time to time and is available on the website of Company, [www.tatacapital.com](http://www.tatacapital.com). Given below, *inter alia*, is a gist of the responsibilities of the Audit Committee:

- Recommend the appointment and removal of the Auditors and their remuneration, nature and scope of audit
- Ensure adequacy of internal controls and compliances and recommend remedial measures
- Review adequacy of the Internal Audit function
- Review and monitor the auditors' independence and performance and effectiveness of the audit process
- Oversee financial reporting process and disclosure of financial information
- Examine the financial statements and the auditors' report thereon
- Evaluate internal financial controls and the risk management systems
- Act as a link between the Statutory Auditors, the Internal Auditors and the Board of Directors
- Review accounting policies
- Monitor compliance with TCOC
- Approve any transactions of the Company with related parties or any subsequent modifications thereof
- Scrutinise inter-corporate loans and investments
- Evaluate the valuation of undertakings or assets of the Company, if necessary
- Monitor the end use of funds raised through public offers and related matters
- Review findings of internal investigations / frauds / irregularities, etc.
- Carry out additional functions as 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 2016–17, eight Meetings of the Audit Committee were held on the following dates: April 13, 2016, May 2, 2016, June 28, 2016, July 22, 2016, October 28, 2016, January 3, 2017, January 30, 2017 and March 30, 2017. The composition of the Audit Committee and the attendance of its Members at its Meetings held during FY 2016-17 is, given below:

Name of the Member	Category	No. of Meetings	
		Held	Attended
Mr. Nalin M. Shah, Chairman	Independent Director	8	8
Mr. Janki Ballabh	Independent Director	8	8
Mr. F. N. Subedar	Non-Executive Director	8	5

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

Besides the Members of the Committee, meetings of the Audit Committee are attended by the Managing Director & CEO, the Chief Financial Officer, the Company Secretary, the Statutory Auditors and the Chief Internal Auditor. Further, Meetings of the Audit Committee for considering Financials are also attended by all the Directors. The Internal Audit function is headed by the Chief Internal Auditor of the Company who reports to the Chairman of the Audit Committee to ensure independence of operations.

ii) **Nomination and Remuneration Committee (“NRC”)**

During FY 2016–17, four Meetings of the NRC were held on the following dates: April 25, 2016, May 2, 2016, August 23, 2016 and February 17, 2017. The composition of the NRC and the attendance of its Members at its Meetings held during FY 2016-17 is, given below:

Name of the Member	Category	No. of Meetings	
		Held	Attended
Mr. Janki Ballabh, Chairman	Independent Director	4	4
Mr. Ishaat Hussain	Non-Executive Director	4	4
Mr. Nalin M. Shah	Independent Director	4	4
Dr. Ritu Anand	Non-Executive Director	4	4

iii) **Risk Management Committee (“RMC”)**

During FY 2016-17, two Meetings of the RMC were held on the following dates: June 28, 2016 and March 30, 2017. The composition of the RMC and the attendance of its Members at its Meetings held during FY 2016-17 is, given below:

Name of the Member	Category	No. of Meetings	
		Held	Attended
Mr. Ishaat Hussain, Chairman	Non-Executive Director	2	2
Mr. Janki Ballabh	Independent Director	2	2
Mr. Nalin M. Shah	Independent Director	2	2
Mr. Praveen P. Kadle	Managing Director & CEO	2	2

iv) **Finance and Asset Liability Supervisory Committee (“ALCO”)**

During FY 2016-17, two Meetings of the ALCO were held on the following dates: June 28, 2016 and March 30, 2017. The composition of the ALCO and the attendance of its Members at its Meetings held during FY 2016-17 is, given below:

Name of the Member	Category	No. of Meetings	
		Held	Attended
Mr. Ishaat Hussain, Chairman	Non-Executive Director	2	2
Mr. Janki Ballabh	Independent Director	2	2
Mr. F. N. Subedar	Non-Executive Director	2	1
Mr. Praveen P. Kadle	Managing Director & CEO	2	2

v) **Corporate Social Responsibility (“CSR”) Committee**

During FY 2016-17, two Meetings of the CSR Committee were held on the following dates: May 23, 2016 and March 30, 2017. The composition of the CSR Committee and the attendance of its Members at its Meetings held during FY 2016-17 is, given below:

Name of the Member	Category	No. of Meetings	
		Held	Attended
Mr. F. N. Subedar, Chairman	Non-Executive Director	2	1
Mr. Janki Ballabh	Independent Director	2	2
Dr. Ritu Anand	Non-Executive Director	2	2
Mr. Praveen P. Kadle	Managing Director & CEO	2	2

**vi) Stakeholders Relationship Committee (“SRC”)**

During FY 2016-17, one Meeting of the SRC was held on February 17, 2017. The composition of the SRC and the attendance of its Members at its Meeting held during FY 2016-17 is, given below:

Name of the Member	Category	No. of Meetings	
		Held	Attended
Dr. Ritu Anand, Chairperson	Non-Executive Director	1	1
Mr. Janki Ballabh	Independent Director	1	1
Mr. Praveen P. Kadle	Managing Director & CEO	1	1

**31. VIGIL MECHANISM**

The Company has established a Vigil Mechanism for its Directors and employees to report their genuine concerns or grievances. The said mechanism provides for adequate safeguards against victimisation of persons who use it and, *inter alia*, encompasses the Whistle Blower Policy, the Fraud Risk Management Process, the Ethics mechanism under the TCOC and also the Anti-Bribery and Anti-Corruption (“ABAC”) Policy which the Company adopted during the year. Mr. Nalin M. Shah is the Designated Director and Ms. Kashmira Mewawala is the Compliance Officer, for the purpose of the ABAC Policy. It also provides for direct access to the Chairman of the Audit Committee and the Chief Ethics Counsellor. Information regarding the mechanism, including the contact details for reporting concerns are communicated to relevant stakeholders. The Vigil Mechanism, Whistle Blower Policy, TCOC and the ABAC Policy have been put up on the Company’s website.

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

The Company is committed to providing 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 internal e-mail communications. 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, as required under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013, the Tata Capital’s Apex POSH Committee was reconstituted. Three training sessions – by subject matter experts were conducted for POSH Committee members. The Presiding Officer of the Apex POSH Committee also conducted two training sessions for POSH Committee members. Further, members of the POSH Committees have conducted training and awareness sessions across the organisation, 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 at the branch offices of Tata Capital across the country. There is also a dedicated e-mail id ([posh@tatacapital.com](mailto:posh@tatacapital.com)) for employees to communicate in strict confidence, directly with the Members of the POSH Committee.

During FY 2016-17, the Company received no complaints under the Provisions of The Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

**33. STATUTORY AUDITORS**

Deloitte Haskins & Sells LLP, Chartered Accountants (“DHS”) (ICAI Firm Registration Number: 117366W/W - 100018) were appointed as the Statutory Auditors of the Company at the AGM of the Company held on July 17, 2007 for FY 2007-08 and had been re-appointed thereafter at every AGM of the Company. At the conclusion of the ensuing AGM, DHS would be completing a period of ten years as Statutory Auditors of the Company, which is the prescribed tenor as per the provisions of the Act and the applicable Rules framed thereunder.

Accordingly, based on the recommendation of the Audit Committee, the Board of Directors of the Company had, at its Meeting held on July 28, 2017, approved the appointment of B S R & Co. LLP (“BSR”), Chartered Accountants (ICAI Firm Registration Number: 101248W/W-100022), as the Statutory Auditors of the Company for a term of five consecutive years commencing from the conclusion of the ensuing Twenty Sixth AGM up to the conclusion of the Thirty First AGM of the company to be held in 2022, subject to the approval of the Members of the Company at the ensuing AGM and ratification of their appointment at every AGM, if required under the Act.

BSR have expressed their willingness to act as the Auditors of the Company and have further confirmed that, if appointed, the said appointment would be in conformity with the provisions of Section 139 read with Section 141 of the Act, along with the Rules made thereunder.

The Board commends the appointment of BSR as Statutory Auditors of the Company.

The Members of the Company may wish to refer to the accompanying Notice of the AGM of the Company.

#### **34. 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. 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, except for change in the Accounting Policy for Share Issue Expenses as more fully described in Note No. 2(x) and change in the Accounting Policy for Dividend (including Dividend Distribution Tax) as more fully described in Note No. 2(xxiii) of the Standalone Financial Statements.

The attention of the Members is specifically drawn to Note No. 40 in the Notes to Accounts to the Standalone Financial Statements for the year ended on March 31, 2017, in respect of the Reduction of Share Capital in accordance with Section 52 of the Companies Act, 2013 read with Sections 100 to 103 of the erstwhile Companies Act, 1956 approved by the Hon’ble High Court of Judicature at Bombay with regard to appropriating an amount of ₹13,537 lakh (net-off taxes, as applicable), standing to the credit of the Securities Premium Account, to the Statement of Profit and Loss.

#### **35. EXPLANATION ON STATUTORY AUDITORS’ REPORT**

There are no qualifications, reservations or adverse remarks or disclaimers made by DHS in their Reports dated May 4, 2017 on the Financial Statements of the Company for FY 2016-17.

#### **36. SECRETARIAL AUDITOR AND SECRETARIAL AUDIT REPORT**

Pursuant to the provisions of Section 204 of the Act and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Board of Directors had appointed M/s. Parikh & Associates, a firm of Company Secretaries in Practice, to undertake the Secretarial Audit of the Company for FY 2016-17. The Secretarial Audit Report, in the prescribed Form No. MR-3, is annexed as Annexure ‘D’.

There are no qualifications, reservations or adverse remarks or disclaimers made by M/s. Parikh & Associates in their Secretarial Audit Report dated May 4, 2017, on the secretarial and other related records of the Company for FY 2016-17.

#### **37. INFORMATION ON MATERIAL CHANGES AND COMMITMENTS**

There are no material changes or commitments affecting the financial position of the Company which have occurred between March 31, 2017 and July 28, 2017, being the date of this Report.

#### **38. RELATED PARTY TRANSACTIONS**

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

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

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

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

#### (A) Conservation of energy:

- i. Steps taken / impact on conservation of energy:  
The operations of the Company, being financial services related, require normal consumption of electricity. The Company is taking every necessary step to reduce its consumption of energy.
- ii. Steps taken by the Company for utilising alternate sources of energy:  
Tata Capital has installed a solar panel at its Thane office which produces close to 750 Watts of energy and which self illuminates and provides power to the garden and security lights on the campus from dusk to dawn. The garden lights at the Thane office have been retrofitted with LED bulbs that consume less electricity as compared to the conventional incandescent or CFL bulbs.
- iii. Capital investment on energy conservation equipment:  
In view of the nature of the activities carried on by the Company, there is no capital investment on energy conservation equipment.

#### (B) Technology absorption:

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

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

#### (C) Foreign Exchange Earnings and Outgo:

Foreign Exchange earned in terms of actual inflows during the year under review was ₹ 39.14 crore and the Foreign Exchange Outgo during the year under review in terms of actual outflows was ₹ 1.51 crore.



#### 40. EXTRACT OF ANNUAL RETURN

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

#### 41. TATA CAPITAL LIMITED EMPLOYEE STOCK PURCHASE / OPTION SCHEME

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

For implementation of the Scheme, the TCL Employee Welfare Trust ("Trust") was set up and 7,02,34,526 Equity Shares of the Company aggregating 2.49% of its total paid up Equity Share Capital were allotted to the Trust. The Trust entrusted the ESOP Committee of the Board (which has now been combined with the NRC of the Board), with powers to effectively administer the Scheme. The NRC, *inter alia*, determines the employees to whom an offer is to be made, based on certain performance criteria, the price at which the options can be exercised, the quantum of offer to be made and the terms and conditions for vesting and exercise of the offer. For the purpose of the Scheme, the valuation of the Equity Shares of the Company is conducted by a Registered Valuer on a half-yearly basis.

As at March 31, 2017, out of 7,02,34,526 Equity Shares of the Company allotted to the Trust, 1,43,12,004 Equity Shares of the Company aggregating 0.51% of its total paid up Equity Share Capital were held by the Employees under the Schemes.

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

Sr. No.	Particulars (upto March 31, 2017)	ESOP 2011	ESOP 2013	ESOP 2016	ESOP 2017*
1	Options Granted	34,73,331	29,75,414	1,19,45,000	1,51,60,000
2	Options Vested	34,73,331	29,75,414	1,19,45,000	Nil
3	Options Exercised	21,88,053	2,09,972	Nil	Nil
4	Total number of shares arising out of exercise of Options	21,88,053	2,09,972	Nil	Nil
5	Options Lapsed	7,20,111	8,88,958	19,90,000	Nil
6	Exercise Price	₹ 17.77	₹ 25	₹ 30	₹ 33.4
7	Money realized by exercise of Options	₹ 3,88,81,702	₹ 52,49,300	Nil	Nil
8	Variation of terms of Options	–	–	–	–
9	Total number of Options in force	5,65,167	18,76,484	99,55,000	1,51,60,000

\* Options granted under ESOP 2017 will vest after a period of 1 year from the Date of Grant (i.e. March 31, 2017) and can be exercised anytime upto one year from the Date of Vesting (i.e. April 2, 2018).

Employee-wise details of options granted to:

i. Key Managerial Personnel:

Sr. No.	Name of Key Managerial Personnel	ESOP 2011		ESOP 2013		ESOP 2016		ESOP 2017	
		Offered	Exercised	Offered	Exercised	Offered	Exercised	Offered	Exercised
1	Mr. Praveen P. Kadle	2,40,000	2,40,000	NIL	NIL	10,000	-	10,000	-
2	Mr. Puneet Sharma	80,000	80,000	NIL	NIL	10,000	-	10,000	-
3	Ms. Avan Doomasia	60,000	40,000	NIL	NIL	10,000	-	10,000	-

- ii. Any other employee who receives a grant of Options in any one year of Options amounting to five percent or more of Options granted during that year: None.
- iii. Identified employees who were granted Options, during any one year, equal to or exceeding one percent of the issued capital (excluding outstanding warrants and Conversions) of the Company at the time of grant: None.

#### 42. GREEN INITIATIVE

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

A copy of this Annual Report along with the Annual Report for FY 2016-17 of each of the Company's subsidiaries is also available on the website of the Company, [www.tatacapital.com](http://www.tatacapital.com).

#### 43. ACKNOWLEDGEMENTS

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

For and on behalf of the Board of Directors

Mumbai  
July 28, 2017

**Ishaat Hussain**  
Director

**Praveen P. Kadle**  
Managing Director & CEO

## Annexure A

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

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

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

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

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

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

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

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

- a) Mr. F. N. Subedar, Non – Executive Director (Chairman)
- b) Mr. Janki Ballabh, Independent Director
- c) Dr. Ritu Anand, Non-Executive Director
- d) Mr. Praveen P. Kadle, Managing Director & CEO

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

(₹ in crore)

<b>Financial Year</b>	<b>Net Profit (net of dividend)</b>
FY 2013 -14	10.05
FY 2014-15	9.92
FY 2015-16	7.90
Average Net Profit	9.29

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

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

The prescribed CSR expenditure for FY 2016 – 17 was ₹ 19 lakh.

5. **Details of CSR spend during FY 2016-17:**

- a. Total amount to be spent : ₹ 19 lakh
- b. Amount unspent, if any : Nil

c. Manner in which the amount was spent during FY 2016-17 is detailed below:

Sr. No	CSR Projects or Activity Identified	Sector in which the project is covered	Projects or Programs 1) Local area or other, 2) Specify the state and District where the projects or programs 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	Forestation Project	Ensuring Environmental Sustainability	Sariska, Alwar Rajasthan	19,00,000	19,00,000	-	19,00,000	-	Bhartiya Dnyanpith Bahuudeshiya Gramin Vikas Sanstha

**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 amounts have 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 the implementation and monitoring of the CSR Policy, has been in compliance with the CSR objectives and CSR Policy adopted by the Company.

**F. N. Subedar**  
Chairman, CSR Committee  
Non-Executive Director

**Janki Ballabh**  
Member, CSR Committee  
Independent Director

**Ritu Anand**  
Member, CSR Committee  
Non-Executive Director

**Praveen P. Kadle**  
Member, CSR Committee  
Managing Director & CEO

## 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 Capital Limited (“TCL” 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 TCL 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, the Regulations/Guidelines issued by the RBI (as applicable to a Core Investment Company) as also the Guidelines circulated by Tata Sons Limited and review the measurable objectives for achieving diversity against these provisions and recommend the same to the Board for adoption. At any given point of time, the Board may seek to improve one or more aspects of its diversity and measure progress accordingly.

#### **5. MONITORING AND REPORTING**

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

## Annexure C

### REMUNERATION POLICY

#### 1. COMPENSATION PHILOSOPHY

Tata Capital Limited (“Company”) has a defined formal compensation philosophy for itself and its subsidiary companies. 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 the beginning of year and after considering any revision of target during the year. The Annual Performance Rating would be considered for calculating the Performance Pay. Rating would be on a 5 point scale.

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

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

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

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

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

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

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

- (i) Independent Directors (“ID”) and Non-Independent Non-Executive Directors (“NED”) may be paid Sitting Fees (for attending the meetings of the Board and of Committees of the Board of which they may be Members) and Commission within regulatory limits.

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

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

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

Hence, remuneration should be:

- market competitive ('market' for every role is defined as companies from which the company attracts talent or companies to which the company loses talent)
  - driven by the role played by the individual;
  - reflective of the size of the company, complexity of the sector / industry / Company's operations and the Company's capacity to pay;
  - consistent with recognized best practices; and
  - aligned to any regulatory requirements.
- (ii) In terms of remuneration mix or composition,
    - the remuneration mix for the MD/ EDs should be as per the contract approved by the Shareholders. In case of any change which is beyond the remuneration approved by the Shareholders, the same would require the approval of the Shareholders.
    - basic / fixed salary is provided to all employees to ensure that there is a steady income in line with their skills and experience.



- in addition to the basic / fixed salary, the Company provides employees with certain perquisites, allowances and benefits to enable a certain level of lifestyle and to offer scope for savings and tax optimization, where possible. The Company also provides all employees with a social security net (subject to limits) by covering medical expenses and hospitalization through re-imburements or insurance cover and accidental death and dismemberment through personal accident insurance.
- the Company provides retirement benefits, as applicable.
- in addition to the basic / fixed salary, benefits, perquisites and allowances as provided above, the Company may provide MD/EDs such remuneration by way of Commission, calculated with reference to the Net Profits of the Company in a particular financial year, as may be determined by the Board, subject to the overall ceilings stipulated in Section 197 of the Act. The specific amount payable to the MD / EDs would be based on the performance of the MD/EDs as evaluated by the Board or the NRC and approved by the Board.

OR

- In addition to the basic/fixed salary, benefits, perquisites and allowances as provided above, the Company may provide to its MD/ED, 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 Policy implementation**

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

---

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

## Annexure D

**FORM No. MR-3**  
**SECRETARIAL AUDIT REPORT**  
**FOR THE FINANCIAL YEAR ENDED MARCH 31, 2017**

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

To,  
The Members,  
Tata Capital Limited

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

Based on our verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company, the information provided by the Company, its officers, agents and authorised representatives during the conduct of Secretarial Audit, the explanations and clarifications given to us and the representations made by the Management, we hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on March 31, 2017 generally complied with the statutory provisions listed hereunder and also that the Company has proper Board processes and compliance mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records made available to us and maintained by the Company for the financial year ended on March 31, 2017 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, 2015;
  - (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 and amendments from time to time (Not applicable to the Company during the audit period);
  - (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 (Not applicable to the Company during the audit period);
  - (f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the 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 applicable specifically to the Company are:
- (a) All the Rules, Regulations, Directions, Guidelines and Circulars applicable to Core Investment Companies under the RBI Act, 1934
  - (b) Credit Information Companies (Regulation) Act, 2005 and Rules
  - (c) The Securities and Exchange Board of India Act, 1992 and The Securities and Exchange Board of India (Venture Capital Funds) Regulations, 1996.

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

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

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

We further report that:

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

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

Majority decision is carried through, while the dissenting Members' views, if any, are captured and recorded as part of the Minutes of the Meetings.

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

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

- a. The Company had issued and allotted 43,50,000 Cumulative Redeemable Preference Shares of ₹ 1,000 each aggregating ₹ 435 crore, on a private placement basis.
- b. The Company had issued and allotted 7,500 Unsecured Non Convertible Debentures for an aggregate amount of ₹ 750 crore.
- c. The Company has an Employee Stock Purchase / Option Scheme ("ESOP Scheme") which is implemented through the TCL Employee Welfare Trust ("Trust") to whom the Company had allotted Equity Shares in the past. During the year, the Trust has transferred 8,97,095 Equity Shares to the employees of the Company and its subsidiary companies and has bought back 2,79,437 Equity Shares in terms of the ESOP Scheme.
- d. India Collections Management Limited ("ICML") and Tata Infrastructure Capital Limited ("TICL"), wholly owned subsidiaries of Tata Capital Limited ("TCL") amalgamated into TCL with effect from May 16, 2016, pursuant to a Scheme of Amalgamation, sanctioned by the Hon'ble High Court of Judicature at Madras, vide its Order dated March 21, 2016 with

respect to TICL and by the Hon'ble High Court of Judicature at Bombay, vide its Order dated April 22, 2016 with respect to ICML.

- e. During the year, the Company has written off ₹ 13,537 lakh from the carrying value of investments in subsidiaries, in its Statement of Profit and Loss. The Shareholders of the Company at its meeting held on July 22, 2016, approved a Reduction of Share Capital (Securities Premium Account), in accordance with Section 52 of the Companies Act, 2013 read with Sections 100 to 103 of the Companies Act, 1956. The Hon'ble High Court of Judicature at Bombay approved the said arrangement by way of an Order dated September 8, 2016 which was filed with the Registrar of Companies on September 28, 2016. Pursuant to the Order, the Company has credited its Statement of Profit and Loss for the year ended March 31, 2017 by appropriating an amount of ₹ 13,537 lakh, being the aggregate amount of aforementioned write off (net of taxes as applicable) from the amount standing to the credit of the Securities Premium Account.
- f. Nectar Loyalty Management India Limited ("Nectar") was incorporated as a Joint Venture Company between Tata Capital Limited and AIMIA Proprietary Loyalty Singapore Pte. Ltd. ("AIMIA") in the ratio of 49:51, to launch a multi-party coalition loyalty program in India. However, its operations were kept in abeyance. During FY 2016-17, the Company sold its entire investment in the Compulsorily Convertible Debentures and Equity Shares of Nectar to AIMIA and hence, exited from the Joint Venture.

**For Parikh & Associates**  
Company Secretaries

**Jigyasa N. Ved**  
(Partner)

Mumbai  
May 4, 2017

FCS No: 6488 CP No: 6018

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

Annexure I

To,  
The Members  
Tata Capital Limited

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

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

For **Parikh & Associates**  
Company Secretaries

Mumbai  
May 4, 2017

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

**Annexure E**
**Form No. AOC- 2**

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

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

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

(₹ in lakh)

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 Financial Services Limited ("TCFSL")	Subsidiary	a) Investment in Compulsorily Convertible Cumulative Preference Shares ("CCCPS")	78,500	9 years	Compulsorily Convertible into Equity Shares after completion of 9 years from the date of allotment or voluntary conversion at the option of the CCCPS holder. Rate of dividend being 9% p.a., on a cumulative basis	-
			b) Investment in Unsecured Perpetual Non Convertible Debentures	5,000	Perpetual	Yield @ 9.80 % p.a.	-
			c) Inter Corporate Deposits ("ICD") placed during the year	6,93,970	Tenor upto 1 year	Cost of Funds for previous month plus 25 bps	-
			d) ICDs repaid back during the year	6,99,693	Tenor upto 1 year	Not Applicable	-
			e) Security Deposit Outstanding – Payable	4,665	Period of lease upto September 30, 2017	As per the Agreement entered into between the Company and TCFSL	-
			f) Dividend received during the year - Equity Shares and CCCPS	10,069	Not Applicable	Interim Dividend for FY 2016-17, at the rate of ₹ 0.45 per Equity Share of ₹ 10 each. Interim Dividend for FY 2016-17 on CCCPS at the rate of 9% p.a.	-
			g) Interest Income on ICDs during the year	4,622	Tenor of upto one year	Cost of Funds for previous month plus 25 bps	-
			h) Interest Income on Investment in Non Convertible Subordinated Debentures and Non Convertible Perpetual Debentures	1,124	Interest Income on investment with tenor of 10 years / Perpetual	Interest Income @ 9.37% p.a. on Subordinated Debentures and Interest Income @ 9.80% p.a. on Perpetual Debentures	-
			i) ICDs Outstanding - Receivable	44,829	Tenor upto 1 year	Cost of Funds for previous month plus 25 bps	-
2	Tata Capital Housing Finance Limited	Subsidiary	a) Investment in CCCPS	16,500	9 years	Compulsorily Convertible into Equity Shares after completion of 9 years from the date of allotment or voluntary conversion at the option of the CCCPS holder. Rate of dividend being 9% p.a., on a cumulative basis	-
			b) ICDs placed during the year	3,37,357	Tenor upto 1 year	Cost of Funds for previous month plus 25 bps	-
			c) ICDs repaid back during the year	3,48,577	Tenor upto 1 year	Not Applicable	-
			d) Dividend received during the year on CCCPS	6,613	Not Applicable	Interim Dividend at the rate of 9% p.a. for FY 2016-17	-
			e) Interest Income on Investment in Non Convertible Subordinated Debentures	77	Interest Income on investment with tenor of 10 years	Yield @ 10.25%	-
			f) Interest on ICDs	1,629	Tenor upto 1 year	Cost of Funds for previous month plus 25 bps	-
			g) ICDs Outstanding - Receivable	10,000	Tenor upto 1 year	Cost of Funds for previous month plus 25 bps	-

(₹ 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
3	Tata Cleantech Capital Limited	Subsidiary	a) Investment in Equity Shares made during the year	16,100	Long Term Investment	Investment in Equity Shares at premium derived on the basis of independent valuation report	-
			b) ICDs placed during the year	1,56,860	Tenor upto 1 year	Cost of Funds for previous month plus 25 bps	-
			c) ICDs repaid back during the year	1,76,769	Tenor upto 1 year	Not Applicable	-
			d) Interest Income on ICDs placed	1,567	Tenor upto 1 year	Cost of Funds for previous month plus 25 bps	-
			e) ICDs Outstanding - Receivable	2,727	Tenor upto 1 year	Cost of Funds for previous month plus 25 bps	-
4	TC Travel And Services Limited	Subsidiary	a) ICDs placed during the year	1,750	Tenor upto 1 year	Cost of Funds for previous month plus 25 to 100 bps	-
			b) ICDs repaid back during the year	1,725	Tenor upto 1 year	Not Applicable	-
			c) ICDs Outstanding Receivable	1,150	Tenor upto 1 year	Cost of Funds for previous month plus 25 bps to 100 bps	-
5	Tata Capital Forex Limited	Subsidiary	a) ICDs placed during the year	3,422	Tenor upto 1 year	Cost of Funds for previous month plus 25 to 100 bps	-
			b) ICDs repaid back during the year	3,907	Tenor upto 1 year	Not Applicable	-
			c) ICDs Outstanding - Receivable	3,015	Tenor upto 1 year	Cost of Funds for previous month plus 25 to 100 bps	-
6	Tata Capital Advisors Pte Limited ("TCAPL")	Subsidiary	Income – Advisory Fees	3,914	Ongoing, subject to termination	Non-binding advice by the Company. Monthly invoices raised as per terms of agreement with currency risk is to the account of TCAPL.	-
7	Tata Securities Limited	Subsidiary	a) ICDs placed during the year	900	Tenor upto 1 year	Cost of Funds for previous month plus 100 bps	-
			b) ICDs repaid back during the year	2,334	Tenor upto 1 year	Cost of Funds for previous month plus 100 bps	-
8	Tata Capital Growth Fund	Subsidiary	Proceeds from Divestment	3,208	Not Applicable	Proportionate divestment proceeds attributable to units held by Tata Capital Limited	-
9	Tata Capital Special Situations Fund	Associate	Proceeds from Divestment	6,430	Not Applicable	Proportionate divestment proceeds attributable to units held by Tata Capital Limited	-
10	Tata Capital Healthcare Fund	Associate	Proceeds from Divestment	1,013	Not Applicable	Proportionate divestment proceeds attributable to units held by Tata Capital Limited	-
11	Tata AutoComp Systems Limited	Associate	Dividend received during the year	966	Not Applicable	Dividend for FY 2015-16, at the rate of ₹ 2 per Equity Share of ₹ 10 each of the Company	-

- Notes:**
- Appropriate approvals have been taken for Related Party Transactions.
  - Materiality Thresholds for Reporting Related Party Transactions in the Ordinary Course of Business and on an Arm's Length basis:
    - Sale, purchase or supply of any goods or materials directly or through appointment of agents: Exceeding 2.5% of Turnover or ₹ 25 crore, whichever is lower.
    - Buying, selling or disposing of property of any kind directly or through appointment of agents: Exceeding 2.5% of Networth or ₹ 25 crore, whichever is lower.
    - Leasing of any kind of property: Exceeding 2.5% of Networth or 5% of Turnover or ₹ 25 crore, whichever is lower.
    - Availing or rendering of any services directly or through appointment of agents: Exceeding 5% of Turnover or ₹ 25 crore, whichever is lower.
    - Appointment to any office or place of profit in the company, its subsidiary / associate company: Monthly remuneration exceeding ₹ 1,25,000.
    - Remuneration for underwriting subscription of any securities in or derivatives thereof: Exceeding 0.5% of Networth.

For and on behalf of the Board of Directors

Mumbai  
July 28, 2017

**Ishaat Hussain**  
Director

**Praveen P. Kadle**  
Managing Director & CEO

## Annexure F

## Form No. MGT-9

## EXTRACT OF ANNUAL RETURN

as on the Financial Year ended on March 31, 2017

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

## I. REGISTRATION AND OTHER DETAILS:

- i) CIN: U65990MH1991PLC060670
- ii) Registration Date: March 8, 1991
- iii) Name of the Company: Tata Capital Limited
- iv) Category of the Company: Company Limited by shares  
Sub-category of the Company: Indian Non-Government Company
- v) Address of the Registered Office and contact details:  
One Forbes, Dr. V. B. Gandhi Marg, Fort, Mumbai – 400001, Maharashtra, India.  
Contact details:  
Telephone Number: 022 6745 9000  
E-mail id: avan.doomasia@tatacapital.com
- vi) Whether listed company: No
- vii) Name, Address and Contact details of Registrar and Transfer Agent, if any
- a) Registrar and Transfer Agent for the Company's Equity Shares, Preference Shares and Non Convertible Debentures  
Name : TSR Darashaw Limited\*  
Address : 6-10, Haji Moosa Patrawala Industrial Estate,  
Near Famous Studio, 20, Dr. E Moses Road,  
Mahalaxmi, Mumbai – 400011, Maharashtra, India  
Contact Details : Mr. Deepak Tambe  
Phone No.: 022-66178554  
E-mail id: dtambe@tsrdarashaw.com

*\*Note: Sharepro Services (India) Private Limited ("Sharepro") was the Registrar and Transfer Agent for the Preference Shares issued by the Company. The Company terminated the services of Sharepro, with effect from May 31, 2016 and appointed TSR Darashaw Limited as the Registrar and Transfer Agent for Preference Shares.*

## 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	Investment Activity	64200	66
2	Advisory Services	66309, 66190	27

## III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES

Sl. No.	Name and Address of the Company	CIN/GLN	Holding/ Subsidiary/ Associate	% of Shares Held	Applicable Section
1	Tata Sons Limited Bombay House, 24, Homi Mody Street, Mumbai - 400001	U99999MH1917PLC000478	Holding	93.22	Section 2(46)



Sl. No.	Name and Address of the Company	CIN/GLN	Holding/ Subsidiary/ Associate	% of Shares Held	Applicable Section
2	Tata Capital Financial Services Limited One Forbes, Dr. V. B. Gandhi Marg, Fort, Mumbai - 400001	U67100MH2010PLC210201	Subsidiary	100	Section 2(87)
3	Tata Capital Housing Finance Limited One Forbes, Dr. V. B. Gandhi Marg, Fort, Mumbai - 400001	U67190MH2008PLC187552	Subsidiary	100	Section 2(87)
4	Tata Securities Limited One Forbes, Dr. V. B. Gandhi Marg, Fort, Mumbai - 400001	U67120MH1994PLC080918	Subsidiary	100	Section 2(87)
5	Tata Cleantech Capital Limited One Forbes, Dr. V. B. Gandhi Marg, Fort, Mumbai - 400001	U65923MH2011PLC222430	Subsidiary	80.50	Section 2(87)
6	TC Travel And Services Limited One Forbes, Dr. V. B. Gandhi Marg, Fort, Mumbai - 400001	U63040MH2008PLC187559	Subsidiary	100	Section 2(87)
7	Tata Capital Pte. Limited 8 Shenton Way, #19-01, AXA Tower, Singapore 068811	N.A.	Subsidiary	100	Section 2(87)
8	Tata Capital Forex Limited One Forbes, Dr. V. B. Gandhi Marg, Fort, Mumbai - 400001	U65921MH2006PLC238745	Subsidiary	100	Section 2(87)
9	Tata Capital Markets Pte. Limited 8 Shenton Way, #19-01, AXA Tower, Singapore 068811	N.A.	Subsidiary	100	Section 2(87)
10	Tata Capital Advisors Pte. Limited 8 Shenton Way, #19-01, AXA Tower, Singapore 068811	N.A.	Subsidiary	100	Section 2(87)
11	Tata Capital Plc 30 Millbank, London, SW1P 4WY, England, United Kingdom	N.A.	Subsidiary	100	Section 2(87)
12	Tata Capital General Partners LLP 8 Shenton Way, #19-01, AXA Tower, Singapore 068811	N.A.	Subsidiary	80	Section 2(87)
13	Tata Capital Healthcare General Partners LLP 8 Shenton Way, #19-01, AXA Tower, Singapore 068811	N.A.	Subsidiary	100	Section 2(87)
14	Tata Opportunities General Partners LLP 8 Shenton Way, #19-01, AXA Tower, Singapore 068811	N.A.	Subsidiary	90	Section 2(87)

Sl. No.	Name and Address of the Company	CIN/GLN	Holding/ Subsidiary/ Associate	% of Shares Held	Applicable Section
15	Tata Autocomp Systems Limited TACO House, Plot No. - 20/B FPN085, V.G. Damle Path, Off Law College Road, Erandwane, Pune, Maharashtra 411004	U34100PN1995PLC158999	Associate	24	Section 2(6)
16	International Asset Reconstruction Company Private Limited 709, 7th Floor, Ansal Bhawan, 16, Kasturba Gandhi Marg, New Delhi – 110001	U74999DL2002PTC117357	Associate	25.37	Section 2(6)
17	Tata Capital Growth Fund One Forbes, Dr. V. B. Gandhi Marg, Fort, Mumbai - 400001	N.A.	Subsidiary	73.75	Though a Trust would not be considered as a body corporate under the Companies Act, 2013, this has been disclosed as a measure of good governance.
18	Tata Capital Healthcare Fund One Forbes, Dr. V. B. Gandhi Marg, Fort, Mumbai - 400001	N.A.	Associate	32.12	Though Trusts would not be considered as a body corporate under the Companies Act, 2013, these have been disclosed as a measure of good governance.
19	Tata Capital Special Situations Fund Tata Trustee Company Limited, Mafatlal Centre, 9 <sup>th</sup> Floor, Nariman Point, Mumbai - 400021	N.A.	Associate	28.18	
20	Tata Capital Innovations Fund One Forbes, Dr. V. B. Gandhi Marg, Fort, Mumbai - 400001	N.A.	Associate	27.13	

**Notes:**

1. During the year, India Collections Management Limited (“ICML”) and Tata Infrastructure Capital Limited (“TICL”), wholly-owned subsidiaries of Tata Capital Limited (“TCL”), amalgamated into TCL, with effect from May 16, 2016.
2. During the year, the Company sold its entire investment in the Joint Venture i.e. Nectar Loyalty Management India Limited to AIMIA Proprietary Loyalty Singapore Pte. Ltd. and hence, exited from the Joint Venture.

#### 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	
<b>A. Promoters</b>									
<b>(1) Indian</b>									
a) Individual/HUF	-	-	-	-	-	-	-	-	-
b) Central Govt	-	-	-	-	-	-	-	-	-
c) State Govt(s)	-	-	-	-	-	-	-	-	-
d) Bodies Corp.	2,55,14,33,946	-	2,55,14,33,946	90.28	2,63,44,33,946	-	2,63,44,33,946	93.22	2.94
e) Banks / FI	-	-	-	-	-	-	-	-	-
f) Any Other....	-	-	-	-	-	-	-	-	-
<b>Sub-total (A) (1):-</b>	2,55,14,33,946	-	2,55,14,33,946	90.28	2,63,44,33,946	-	2,63,44,33,946	93.22	2.94
<b>(2) Foreign</b>									
a) NRIs – Individuals	-	-	-	-	-	-	-	-	-
b) Other – Individuals	-	-	-	-	-	-	-	-	-
c) Bodies Corp.	-	-	-	-	-	-	-	-	-
d) Banks / FI	-	-	-	-	-	-	-	-	-
e) Any Other....	-	-	-	-	-	-	-	-	-
<b>Sub-total (A) (2):-</b>	-	-	-	-	-	-	-	-	-
<b>Total shareholding of Promoter (A) = (A)(1)+(A)(2)</b>	2,55,14,33,946	-	2,55,14,33,946	90.28	2,63,44,33,946	-	2,63,44,33,946	93.22	2.94
<b>B. Public Shareholding</b>									
<b>(1) Institutions</b>									
a) Mutual Funds	-	-	-	-	-	-	-	-	-
b) Banks / FI	-	-	-	-	-	-	-	-	-
c) Central Govt	-	-	-	-	-	-	-	-	-
d) State Govt(s)	-	-	-	-	-	-	-	-	-
e) Venture Capital Funds	-	-	-	-	-	-	-	-	-
f) Insurance Companies	-	-	-	-	-	-	-	-	-
g) FIs	-	-	-	-	-	-	-	-	-
h) Foreign Venture Capital Funds	-	-	-	-	-	-	-	-	-
i) Others (specify)	-	-	-	-	-	-	-	-	-
<b>Sub-total (B)(1):-</b>	-	-	-	-	-	-	-	-	-
<b>(2) Non-Institutions</b>									
a) Bodies Corp.									
i) Indian	11,67,21,517	-	11,67,21,517	4.13	11,67,21,517	-	11,67,21,517	4.13	-
ii) Overseas	-	-	-	-	-	-	-	-	-
b) Individuals									
i) Individual shareholders holding nominal share capital upto ₹ 1 lakh	15,39,080	-	15,39,080	0.05	14,05,653	-	14,05,653	0.05	-
ii) Individual shareholders holding nominal share capital in excess of ₹ 1 lakh	1,64,97,865	-	1,64,97,865	0.59	1,72,08,950	-	1,72,08,950	0.61	0.02
c) Others									
i) Public Charitable Trust	8,30,00,000	-	8,30,00,000	2.94	-	-	-	-	(100)
ii) TCL Employee Welfare Trust (ESOP Trust)	5,65,40,180	-	5,65,40,180	2.00	5,59,22,522	-	5,59,22,522	1.98	(0.02)
ii) Non-Resident Indian	2,85,582	-	2,85,582	0.01	3,25,582	-	3,25,582	0.01	-
<b>Sub-total (B)(2):-</b>	27,45,84,224	-	27,45,84,224	9.72	19,15,84,224	-	19,15,84,224	6.78	(2.94)
<b>Total Public Shareholding (B)=(B)(1)+ (B)(2)</b>	27,45,84,224	-	27,45,84,224	9.72	19,15,84,224	-	19,15,84,224	6.78	(2.94)
<b>C. Shares held by Custodian for GDRs &amp; ADRs</b>	-	-	-	-	-	-	-	-	-
<b>Grand Total (A+B+C)</b>	2,82,60,18,170	-	2,82,60,18,170	100.00	2,82,60,18,170	-	2,82,60,18,170	100.00	-

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

Sl. No.	Shareholder's Name	Shareholding at the beginning of the year			Share holding at the end of the year			% change in share holding during the year
		No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	
1.	Tata Sons Limited	2,55,14,33,946	90.28	–	2,63,44,33,946	93.22	–	2.94
	<b>Total</b>	<b>2,55,14,33,946</b>	<b>90.28</b>	<b>–</b>	<b>2,63,44,33,946</b>	<b>93.22</b>	<b>–</b>	<b>2.94</b>

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

Sl. No.	Name	Shareholding		Date	Increase / Decrease in shareholding (No. of shares)	Reason	Cumulative Shareholding during the year (1.4.2016 to 31.3.2017)	
		No. of Shares at the beginning (1.4.2016)/end of the year (31.3.2017)	% of total shares of the Company				No. of Shares	% of total shares of the Company
1.	Tata Sons Limited	2,55,14,33,946	90.28	April 1, 2016	–	–	2,55,14,33,946	90.28
				–	8,30,00,000	Transfer of shares		
		2,63,44,33,946	93.22	March 31, 2017			2,63,44,33,946	93.22

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

Sl. No.	Name	Shareholding		Date	Increase/ Decrease in shareholding	Reason	Cumulative Shareholding during the year (1.4.2016 to 31.3.2017)	
		No. of Shares at the beginning (1.4.2016)/ end of the year (31.3.2017)	% of total shares of the Company				No. of Shares	% of total shares of the Company
1	Tata Investment Corporation Limited	7,71,96,591	2.73	April 1, 2016	–	–	7,71,96,591	2.73
						Nil movement during the year		
		7,71,96,591	2.73	March 31, 2017			7,71,96,591	2.73

Sl. No.	Name	Shareholding		Date	Increase/ Decrease in shareholding	Reason	Cumulative Shareholding during the year (1.4.2016 to 31.3.2017)	
		No. of Shares at the beginning (1.4.2016)/ end of the year (31.3.2017)	% of total shares of the Company				No. of Shares	% of total shares of the Company
2	F. K. Kavarana, H. N. Sinor and Eruch Kapadia Trustees of TCL Employee Welfare Trust	5,65,40,180	2.00	April 1, 2016	–	–	5,65,40,180	2.00
				May 31, 2016	(1,05,250)	Transfer	5,64,34,930	2.00
				June 8, 2016	57,837	Purchase	5,64,92,767	2.00
				July 8, 2016	(56,667)	Transfer	5,64,36,100	2.00
				July 20, 2016	17,979	Purchase	5,64,54,079	2.00
				August 8, 2016	(1,31,138)	Transfer	5,63,22,941	1.99
				August 12, 2016	22,257	Purchase	5,63,45,198	1.99
				September 8, 2016	(480,444)	Transfer	5,58,64,754	1.98
				October 5, 2016	(11,819)	Transfer	5,58,52,935	1.98
				October 20, 2016	27,317	Purchase	5,58,80,252	1.98
				November 17, 2016	38,131	Purchase	5,59,18,383	1.98
				November 24, 2016	(45,556)	Transfer	5,58,72,827	1.98
				December 28, 2016	(2,000)	Transfer	5,58,70,827	1.98
				December 29, 2016	4,404	Purchase	5,58,75,231	1.98
				March 2, 2017	(26,444)	Transfer	5,58,48,787	1.98
				March 6, 2017	41,640	Purchase	5,58,90,427	1.98
				March 30, 2017	(37,777)	Transfer	5,58,52,650	1.98
		March 31, 2017	69,872	Purchase	5,59,22,522	1.98		
		5,59,22,522	1.98	March 31, 2017		5,59,22,522	1.98	
3	Cyrus Investments Private Limited	1,29,78,905	0.46	April 1, 2016			1,29,78,905	0.46
						Nil movement during the year		
		1,29,78,905	0.46	March 31, 2017			1,29,78,905	0.46
4	Sterling Investment Corporation Private Limited	1,29,78,905	0.46	April 1, 2016			1,29,78,905	0.46
						Nil movement during the year		
		1,29,78,905	0.46	March 31, 2017			1,29,78,905	0.46

Sl. No.	Name	Shareholding		Date	Increase/ Decrease in shareholding	Reason	Cumulative Shareholding during the year (1.4.2016 to 31.3.2017)	
		No. of Shares at the beginning (1.4.2016)/ end of the year (31.3.2017)	% of total shares of the Company				No. of Shares	% of total shares of the Company
5	Tata Motors Limited	43,26,651	0.15	April 1, 2016			43,26,651	0.15
						Nil movement during the year		
		43,26,651	0.15	March 31, 2017			43,26,651	0.15
6	Tata Chemicals Limited	32,30,859	0.11	April 1, 2016			32,30,859	0.11
						Nil movement during the year		
		32,30,859	0.11	March 31, 2017			32,30,859	0.11
7	Af-Taab Investment Company Limited	23,33,070	0.08	April 1, 2016			23,33,070	0.08
						Nil movement during the year		
		23,33,070	0.08	March 31, 2017			23,33,070	0.08
8	Tata Industries Limited	22,72,346	0.08	April 1, 2016			22,72,346	0.08
						Nil movement during the year		
		22,72,346	0.08	March 31, 2017			22,72,346	0.08
9	Ratan Naval Tata	12,34,861	0.04	April 1, 2016			12,34,861	0.04
						Nil movement during the year		
		12,34,861	0.04	March 31, 2017			12,34,861	0.04
10	Noel Naval Tata	11,48,570	0.04	April 1, 2016			11,48,570	0.04
						Nil movement during the year		
		11,48,570	0.04	March 31, 2017			11,48,570	0.04

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

Sl. No.	Name	Shareholding		Date	Increase/ Decrease in shareholding	Reason	Cumulative Shareholding during the year (1.4.2016 to 31.3.2017)	
		No. of Shares at the beginning (1.4.2016)/ end of the year (31.3.2017)	% of total shares of the Company				No. of Shares	% of total shares of the Company
1	Mr. Ishaat Hussain (Non - Executive Director)	2,20,000	0.01	April 1, 2016			2,20,000	0.01
						Nil movement during the year		
		2,20,000	0.01	March 31, 2017			2,20,000	0.01
2	Mr. Janki Ballabh (Independent Director)	2,30,780	0.01	April 1, 2016			2,30,780	0.01
						Nil movement during the year		
		2,30,780	0.01	March 31, 2017			2,30,780	0.01
3	Mr. F. N. Subedar (Non - Executive Director)	2,43,716	0.01	April 1, 2016			2,43,716	0.01
						Nil movement during the year		
		2,43,716	0.01	March 31, 2017			2,43,716	0.01
4	Mr. Praveen P. Kadle (Managing Director & CEO)	14,58,580	0.05	April 1, 2016			14,58,580	0.05
						Nil movement during the year		
		14,58,580	0.05	March 31, 2017			14,58,580	0.05
5	Mr. Puneet Sharma (Chief Financial Officer ("CFO"))	1,76,050	0.01	April 1, 2016			1,76,050	0.01
				May 31, 2016	30,000	ESOP Allotment	2,06,050	0.01
				August 8, 2016	20,000	ESOP Allotment	2,26,050	0.01
		2,26,050	0.01	March 31, 2017			2,26,050	0.01
6	Ms. Avan Doomasia (Company Secretary)	1,09,305	0.00	April 1, 2016			1,09,305	0.00
				May 31, 2016	20,000	ESOP Allotment	1,29,305	0.00
		1,29,305	0.00	March 31, 2017			1,29,305	0.00

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

**(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	
<b>A. Promoters</b>									
<b>(1) Indian</b>									
a) Individual/HUF	-	-	-	-	-	-	-	-	-
b) Central Govt	-	-	-	-	-	-	-	-	-
c) State Govt (s)	-	-	-	-	-	-	-	-	-
d) Bodies Corp.	-	-	-	-	-	-	-	-	-
e) Banks / FI	-	-	-	-	-	-	-	-	-
f) Any Other....	-	-	-	-	-	-	-	-	-
<b>Sub-total (A) (1):-</b>	-	-	-	-	-	-	-	-	-

Category of Shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
<b>(2) Foreign</b>									
a) NRIs – Individuals	–	–	–	–	–	–	–	–	–
b) Other – Individuals	–	–	–	–	–	–	–	–	–
c) Bodies Corp.	–	–	–	–	–	–	–	–	–
d) Banks / FI	–	–	–	–	–	–	–	–	–
e) Any Other....	–	–	–	–	–	–	–	–	–
<b>Sub-total (A) (2):-</b>	–	–	–	–	–	–	–	–	–
<b>Total shareholding of Promoter (A) = (A)(1)+(A)(2)</b>	–	–	–	–	–	–	–	–	–
<b>B. Public Shareholding</b>									
<b>(1) Institutions</b>									
a) Mutual Funds	–	–	–	–	–	–	–	–	–
b) Banks / FI	2,00,000	–	2,00,000	1.43	2,40,000	–	2,40,000	1.31	(0.12)
c) Central Govt	–	–	–	–	–	–	–	–	–
d) State Govt(s)	–	–	–	–	–	–	–	–	–
e) Venture Capital Funds	–	–	–	–	–	–	–	–	–
f) Insurance Companies	2,00,000	–	2,00,000	1.43	2,00,000	–	2,00,000	1.09	(0.34)
g) FIs	–	–	–	–	–	–	–	–	–
h) Foreign Venture Capital Funds	–	–	–	–	–	–	–	–	–
i) Others (specify)	–	–	–	–	–	–	–	–	–
<b>Sub-total (B)(1):-</b>	<b>4,00,000</b>	–	<b>4,00,000</b>	<b>2.86</b>	<b>4,40,000</b>	–	<b>4,40,000</b>	<b>2.40</b>	<b>(0.46)</b>
<b>(2) Non-Institutions</b>									
a) Bodies Corp.									
i) Indian	41,95,888	–	41,95,888	30.05	69,06,887	–	69,06,887	37.71	7.66
ii) Overseas	–	–	–	–	–	–	–	–	–
b) Individuals									
i) Individual shareholders holding nominal share capital upto ₹ 1 lakh	9,150	–	9,150	0.06	11,080	–	11,080	0.06	–
ii) Individual shareholders holding nominal share capital in excess of ₹ 1 lakh	86,38,818	3,000	86,41,818	61.89	98,15,283	3,000	98,18,283	53.61	(8.27)
c) Others									
(i) Trust	2,45,000	–	2,45,000	1.75	5,58,499	–	5,58,499	3.05	1.3
(ii) Club	3,400	–	3,400	0.02	3,400	–	3,400	0.02	–
(iii) Clearing Member	–	–	–	–	22,700	–	22,700	0.12	100
(iv) Hindu Undivided Family	4,44,961	–	4,44,961	3.19	5,12,668	–	5,12,668	2.80	(0.39)
(v) Non-Resident Indian	24,250	–	24,250	0.18	40,950	–	40,950	0.23	0.05
<b>Sub-total (B)(2):-</b>	<b>1,35,61,467</b>	<b>3,000</b>	<b>1,35,64,467</b>	<b>97.14</b>	<b>1,78,71,467</b>	<b>3,000</b>	<b>1,78,74,467</b>	<b>97.60</b>	<b>0.46</b>
<b>Total Public Shareholding (B)=(B)(1)+ (B)(2)</b>	<b>1,39,61,467</b>	<b>3,000</b>	<b>1,39,64,467</b>	<b>100</b>	<b>1,83,11,467</b>	<b>3,000</b>	<b>1,83,14,467</b>	<b>100</b>	<b>–</b>
<b>C. Shares held by Custodian for GDRs &amp; ADRs</b>	–	–	–	–	–	–	–	–	–
<b>Grand Total (A+B+C)</b>	<b>1,39,61,467</b>	<b>3,000</b>	<b>1,39,64,467</b>	<b>100.00</b>	<b>1,83,11,467</b>	<b>3,000</b>	<b>1,83,14,467</b>	<b>100.00</b>	<b>–</b>



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

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

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

Sl. No.	Name	Shareholding		Date	Increase/ Decrease in shareholding	Reason	Cumulative Shareholding during the year (1.4.2016 to 31.3.2017)	
		No. of Shares at the beginning (1.4.2016)/ end of the year (31.3.2017)	% of total shares of the Company				No. of Shares	% of total shares of the Company
1	Shree Cement Limited	14,00,000	10.03	April 1, 2016			14,00,000	10.03
				September 16, 2016	6,00,000	Allotment	20,00,000	10.92
		20,00,000	10.92	March 31, 2017			20,00,000	10.92
2	Wipro Enterprises Private Limited	–	–	April 1, 2016			–	–
				March 10, 2017	5,00,000	Allotment	5,00,000	
		5,00,000	2.73	March 31, 2017			5,00,000	2.73
3	Azim Premji Trust	2,00,000	1.43	April 1, 2016			2,00,000	1.43
				–	2,99,999	Purchase	4,99,999	2.73
		4,99,999	2.73	March 31, 2017			4,99,999	2.73
4	International Tractors Limited	1,33,700	0.96	April 1, 2016			1,33,700	0.96
				March 10, 2017	2,00,000	Allotment	3,33,700	1.82
				–	1,00,000	Purchase	4,33,700	2.37
		4,33,700	2.37	March 31, 2017			4,33,700	2.37
5	Vicco Products (Bombay) Limited	3,00,000	2.15	April 1, 2016			3,00,000	2.15
						Nil movement during the year		
		3,00,000	1.64	March 31, 2017			3,00,000	1.64
6	Jayant Keshav Pendharkar	2,90,000	2.08	April 1, 2016			2,90,000	2.08
						Nil movement during the year		
		2,90,000	1.58	March 31, 2017			2,90,000	1.58
7	Amrit Petroleums Private Limited	2,50,000	1.79	April 1, 2016			2,50,000	1.79
						Nil movement during the year		
		2,50,000	1.37	March 31, 2017			2,50,000	1.37

Sl. No.	Name	Shareholding		Date	Increase/ Decrease in shareholding	Reason	Cumulative Shareholding during the year (1.4.2016 to 31.3.2017)	
		No. of Shares at the beginning (1.4.2016)/ end of the year (31.3.2017)	% of total shares of the Company				No. of Shares	% of total shares of the Company
8	Ashok Keshav Pendharkar	2,50,000	1.79	April 1, 2016			2,50,000	1.79
						Nil movement during the year		
		2,50,000	1.37	March 31, 2017			2,50,000	1.37
9	Shankar Resources Private Limited	2,50,000	1.79	April 1, 2016			2,50,000	1.79
						Nil movement during the year		
		2,50,000	1.36	March 31, 2017			2,50,000	1.36
10	Adurjee And Bros Pvt Ltd	-	-	April 1, 2016			-	-
					2,50,000	Purchase	2,50,000	1.36
		2,50,000	1.36	March 31, 2017			2,50,000	1.36

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

Sl. No.	Name	Shareholding		Date	Increase/ Decrease in shareholding	Reason	Cumulative Shareholding during the year (1.4.2016 to 31.3.2017)	
		No. of Shares at the beginning (1.4.2016) / end of the year (31.3.2017)	% of total shares of the Company				No. of Shares	% of total shares of the Company
1	Mr. Ishaat Hussain (Director)	27,000	0.19	April 1, 2016			27,000	0.19
						Nil movement during the year		
		27,000	0.15	March 31, 2017			27,000	0.15
2	Mr. Nalin M. Shah (Director)	3,000	0.02	April 1, 2016			3,000	0.02
				-	6,200	Purchase	9,200	0.05
		9,200	0.05	March 31, 2017			9,200	0.05
3	Mr. Praveen P. Kadle (Managing Director & CEO)	17,000	0.12	April 1, 2016			17,000	0.12
				September 2, 2016	10,000	Allotment	27,000	0.15
		27,000	0.15	March 31, 2017			27,000	0.15
4	Mr. Janki Ballabh (Director)	-	-	April 1, 2016			-	-
				-	2,500	Purchase	2,500	0.01
		2,500	0.01	March 31, 2017			2,500	0.01

5	Dr. Ritu Anand (Director)	–	–	April 1, 2016			–	–
				–	2,500	Purchase	2,500	0.01
		2,500	0.01	March 31, 2017			2,500	0.01
6	Mr. Puneet Sharma (CFO)	10	0.00	April 1, 2016			10	0.00
						Nil movement during the year		
		10	0.00	March 31, 2017			10	0.00

## VI. INDEBTEDNESS

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

(₹ in lakh)

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
<b>Indebtedness at the beginning of the financial year</b>				
i) Principal Amount	–	1,41,000	–	1,41,000
ii) Interest due but not paid	–	–	–	–
iii) Interest accrued but not due	–	–	–	–
<b>Total (i+ii+iii)</b>	<b>–</b>	<b>1,41,000</b>	<b>–</b>	<b>1,41,000</b>
<b>Change in Indebtedness during the financial year</b>				
• Addition	–	3,53,800	–	3,53,800
• Reduction	–	(3,57,000)	–	(3,57,000)
<b>Net Change</b>	<b>–</b>	<b>(3,200)</b>	<b>–</b>	<b>(3,200)</b>
<b>Indebtedness at the end of the financial year</b>				
i) Principal Amount	–	1,37,800	–	1,37,800
ii) Interest due but not paid	–	–	–	–
iii) Interest accrued but not due	–	–	–	–
<b>Total (i+ii+iii)</b>	<b>–</b>	<b>1,37,800</b>	<b>–</b>	<b>1,37,800</b>

## VII. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

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

(₹ in lakh)

Sl. No.	Particulars of Remuneration	Name of MD	Total Amount
		Mr. Praveen P. Kadle	
1	Gross salary		
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	394.97	394.97
	(b) Value of perquisites under section 17(2) of the Income-tax Act, 1961	33.76	33.76
	(c) Profits in lieu of salary under section 17(3) of the Income-tax Act, 1961	–	–
2	Stock Option (Number)	20,000	20,000
3	Sweat Equity	–	–
4	Commission – as % of profit – others, specify...	–	–
5	Others, please specify	–	–
	<b>Total (A)</b>	<b>428.73</b>	<b>428.73</b>
	Ceiling as per the Act		771

**B. Remuneration to other directors:**

(₹ in lakh)

Sl. No.	Particulars of Remuneration	Name of Directors				Total Amount
1	Independent Directors	Mr. Janki Ballabh		Mr. Nalin Shah		
	• Fee for attending board / committee meetings	13.10		11.60		24.70
	• Commission	20.00		20.00		40.00
	• Others, please specify	–		–		–
	Total (1)	33.10		31.60		64.70
2	Other Non-Executive Directors	Mr. Ishaat Hussain	Mr. F. N. Subedar	Dr. Nirmalya Kumar	Dr. Ritu Anand	
	• Fee for attending board / committee meetings	7.70	2.60	0.20	5.40	15.90
	• Commission	–	–	–	–	–
	• Others, please specify	–	–	–	–	–
	Total (2)	7.70	2.60	0.20	5.40	15.90
	Total (B)=(1+2)					80.60
	Total Managerial Remuneration					509.33
	Overall Ceiling as per the Act					1,696

**Notes:**

- a. The Remuneration details as mentioned above include sitting fees paid in FY 2016-17 and Commission paid for FY 2015-16 in FY 2016-17.
- b. Dr. Nirmalya Kumar ceased to be the Director of the Company w.e.f. October 28, 2016.

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

(₹ in lakh)

Sl. No.	Particulars of Remuneration	Key Managerial Personnel		
		Mr. Puneet Sharma, CFO	Ms. Avan Doomasia, Company Secretary	Total
1	Gross salary			
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	181.84	93.93	275.77
	(b) Value of perquisites under section 17(2) of the Income-tax Act, 1961	7.45	8.99	16.44
	(c) Profits in lieu of salary under section 17(3) of the Income-tax Act, 1961	–	–	–
2	Stock Option (Number)	20,000	40,000	60,000
3	Sweat Equity	–	–	–
4	Commission – as % of profit – others, specify...	–	–	–
5	Others, please specify	–	–	–
	<b>Total</b>	<b>189.29</b>	<b>102.92</b>	<b>292.21</b>

**VIII. PENALTIES/ PUNISHMENT/ COMPOUNDING OF OFFENCES:**

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

**TATA CAPITAL**

---

We only do what's right for you

# **Consolidated Financial Statements**

## **INDEPENDENT AUDITOR'S REPORT**

### **TO THE MEMBERS OF TATA CAPITAL LIMITED**

#### **Report on the Consolidated Financial Statements**

We have audited the accompanying consolidated financial statements of Tata Capital Limited (hereinafter referred to as "the Holding Company") and its subsidiaries (the Holding Company and its subsidiaries together referred to as "the Group") and its associates comprising of the Consolidated Balance Sheet as at 31st March, 2017, the Consolidated Statement of Profit and Loss, the Consolidated Cash Flow Statement for the year then ended, and a summary of the significant accounting policies and other explanatory information (hereinafter referred to as "the consolidated financial statements").

#### **Management's Responsibility for the Consolidated Financial Statements**

The Holding Company's Board of Directors is responsible for the preparation of these consolidated financial statements in terms of the requirements of the Companies Act, 2013 (hereinafter referred to as "the Act") that give a true and fair view of the consolidated financial position, consolidated financial performance and consolidated cash flows of the Group including its Associates in accordance with the accounting principles generally accepted in India, including the Accounting Standards prescribed under Section 133 of the Act. The respective Board of Directors of the companies included in the Group and of its associates are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group and its associates and for preventing and detecting frauds and other irregularities; the selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring 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, which have been used for the purpose of preparation of the consolidated financial statements by the Directors of the Holding Company, as aforesaid.

#### **Auditor's Responsibility**

Our responsibility is to express an opinion on these consolidated financial statements based on our audit. In conducting our audit, we have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder.

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

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the consolidated financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Holding Company's preparation of the consolidated 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 Holding Company's Board of Directors, as well as evaluating the



overall presentation of the consolidated financial statements.

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

### **Opinion**

In our opinion and to the best of our information and according to the explanations given to us, and based on the consideration of reports of other auditors on separate financial statements of the subsidiaries and associates referred to in the Other Matters paragraph below, the aforesaid consolidated 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 consolidated state of affairs of the Group and its associates as at 31st March, 2017, and their consolidated profit and their consolidated cash flows for the year ended on that date.

### **Emphasis of Matter**

We draw attention to note no. 43 to 45 of the accompanying Consolidated financial statements, regarding the Reduction of Share Capital in accordance with Section 52 of the Companies Act, 2013 read with Sections 100 to 103 of the Companies Act, 1956 approved by the Hon'ble High Court of Judicature at Bombay with regard to appropriating an amount of ₹ 45,869 lakh (net-off taxes, as applicable), standing to the credit of Securities Premium Account and the Opening balance of Surplus in the Statement of Profit and Loss to the Statement of Profit and Loss.

Our opinion is not modified in respect of this matter.

### **Other Matters**

- (a) We did not audit the financial statements of a subsidiary, whose financial statements reflects total assets of Rs 28,948 lakh as at 31st March, 2017, total revenues of Rs 9,626 lakh and net cash flows amounting to Rs 80 lakh for the year ended on that date, as considered in the consolidated financial statements. These financial statements have been audited by other auditors whose reports have been furnished to us by the Management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of this subsidiary, and our report in terms of subsection (3) of Section 143 of the Act, in so far as it relates to the aforesaid subsidiary, is based solely on the report of the other auditors.
- (b) The consolidated financial statements also include the Group's share of profit of Rs 1,671 lakh for the year ended 31st March, 2017, as considered in the consolidated financial statements, in respect of two associates, whose financial statements have not been audited by us. These financial statements are unaudited and have been furnished to us by the Management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of these associates, is based solely on such unaudited financial statements. In our opinion and according to the information and explanations given to us by the Management, these financial statements are not material to the Group.

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

**Report on Other Legal and Regulatory Requirements**

As required by Section 143(3) of the Act, based on our audit and on the consideration of the report of the other auditors on separate financial statements and the other financial information of subsidiaries and associates, referred in the Other Matters paragraph above we report, to the extent applicable, that:

- (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid consolidated financial statements.
- (b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept, so far as it appears from our examination of those books, returns and the reports of the other auditors.
- (c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss, and the Consolidated Cash Flow Statement dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated financial statements.
- (d) In our opinion, the aforesaid consolidated financial statements comply with the Accounting Standards prescribed under Section 133 of the Act.
- (e) On the basis of the written representations received from the directors of the Holding Company and taken on record by the Board of Directors of the Holding Company and the reports of the statutory auditors of its subsidiary companies and associate companies incorporated in India, none of the directors of the Group companies and its associate companies incorporated in India is disqualified as on 31st March, 2017 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 and the operating effectiveness of such controls, refer to our separate Report in "Annexure A", which is based on the auditors' reports of the Holding company and subsidiary companies, incorporated in India. Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Holding company's and subsidiary companies' 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 Auditor's) Rules, 2014, as amended, in our opinion and to the best of our information and according to the explanations given to us:
  - i. The consolidated financial statements disclose the impact of pending litigations on the consolidated financial position of the Group.
  - ii. The Group did not have any material foreseeable losses on long-term contracts including derivative contracts.
  - iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Holding Company and its subsidiary companies, incorporated in India.
  - iv. The Holding Company has provided requisite disclosures in the consolidated financial statements as regards the holding and dealings in Specified Bank Notes as defined in the Notification S.O. 3407(E) dated the 8th November, 2016 of the Ministry of Finance, during the period from 8th November, 2016 to 30th December, 2016 of the Group entities as

applicable. Based on audit procedures performed and the representations provided to us by the management, we report that the disclosures are in accordance with the relevant books of accounts maintained by those entities for the purpose of preparation of the consolidated financial statements and as produced to us by the Management of the respective Group entities.

For **DELOITTE HASKINS & SELLS LLP**  
Chartered Accountants  
(Firm's Registration No. 117366W/W-100018)

**Rupen K. Bhatt**  
Partner  
(Membership No. 46930)

**MUMBAI**, May 04, 2017

## 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 Act

In conjunction with our audit of the consolidated financial statements of the Company as at and for the year ended March 31, 2017, we have audited the internal financial controls over financial reporting of Tata Capital Limited (hereinafter referred to as “the Holding Company”) and its subsidiary companies, which are companies incorporated in India, as of that date.

#### Management’s Responsibility for Internal Financial Controls

The respective Board of Directors of the Holding company and its subsidiary companies, which are companies incorporated in India, are responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the respective Companies considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India (ICAI) (the “Guidance Note”). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the respective company’s policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

#### Auditors’ Responsibility

Our responsibility is to express an opinion on the Internal financial controls over financial reporting of the Holding Company and its subsidiary companies which are companies incorporated in India, based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing, prescribed under Section 143(10) of the Companies Act, 2013, 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 and the audit evidence obtained by the other auditors of the associate companies, which are companies incorporated in India, in terms of their reports referred to in the Other Matters paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the Internal financial controls system over financial reporting of the Holding Company and its subsidiary companies, which are companies incorporated in India.

#### 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 Holding Company and its subsidiary companies which are companies incorporated in India, have, 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 March 31, 2017, based on the internal control over financial reporting criteria established by the respective companies considering the essential components of internal control stated in the Guidance Note.

For **DELOITTE HASKINS & SELLS LLP**  
Chartered Accountants  
(Firm's Registration No. 117366W/W-100018)

**Rupen K. Bhatt**  
Partner  
(Membership No. 46930)

**MUMBAI**, May 04, 2017

**CONSOLIDATED BALANCE SHEET AS AT MARCH 31, 2017**

(₹ in lakh)

Particulars	Note No.	As at March 31, 2017	As at March 31, 2016
<b>I EQUITY AND LIABILITIES</b>			
<b>1. Shareholders' Funds</b>			
(a) Share Capital	2	4,60,038	4,16,528
(b) Reserves and Surplus	3	1,44,335	1,62,716
		<b>6,04,373</b>	<b>5,79,244</b>
<b>2. Minority Interest</b>		<b>16,220</b>	12,275
<b>3. Non-current liabilities</b>			
(a) Long-term borrowings	4	19,15,846	20,01,694
(b) Other long-term liabilities	5	17,542	27,733
(c) Long-term provisions	6	14,500	11,094
		<b>19,47,888</b>	<b>20,40,521</b>
<b>4. Current liabilities</b>			
(a) Short-term borrowings	7	14,53,050	13,27,663
(b) Trade payables	8		
(i) total outstanding dues of micro enterprises and small enterprises	8(a)	–	–
(ii) total outstanding dues of creditors other than micro enterprises and small enterprises		62,238	49,648
(c) Other current liabilities	9	12,59,418	6,28,986
(d) Short-term provisions	10	19,293	15,418
		<b>27,93,999</b>	<b>20,21,715</b>
<b>Total</b>		<b>53,62,480</b>	<b>46,53,755</b>
<b>II ASSETS</b>			
<b>1. Non-current assets</b>			
(a) Property, plant and equipment	11		
(i) Tangible assets		90,401	76,081
(ii) Intangible assets		1,113	8,527
(iii) Capital work-in-progress		656	208
(iv) Intangible assets under development		997	364
		<b>93,167</b>	85,180
(b) Goodwill on consolidation	12	–	5,515
(c) Non-current investments	13	1,14,278	2,19,135
(d) Deferred tax assets (net)	14	45,933	24,087
(e) Long-term Loans and advances - financing activity	15	32,50,386	26,87,834
(f) Long-term Loans and advances - others	16	18,343	23,155
(g) Other non-current assets	17	11,132	9,633
		<b>35,33,239</b>	<b>30,54,539</b>
<b>2. Current assets</b>			
(a) Current investments	13	1,786	2,924
(b) Trade receivables	18	8,204	7,876
(c) Cash and bank balances	19	36,157	17,115
(d) Short-term Loans and advances - financing activity	15	17,41,571	15,46,931
(e) Short-term Loans and advances - others	20	23,708	8,216
(f) Other current assets	21	17,815	16,154
		<b>18,29,241</b>	<b>15,99,216</b>
<b>Total</b>		<b>53,62,480</b>	<b>46,53,755</b>
See accompanying notes forming part of the financial statements	1-48		

In terms of our report attached

For and on behalf of the Board of Directors

**For Deloitte Haskins & Sells LLP**  
 Chartered Accountants

**Ishaat Hussain**  
 (Director)

**Janki Ballabh**  
 (Director)

**Nalin M. Shah**  
 (Director)

**Rupen K Bhatt**  
 Partner

**F.N. Subedar**  
 (Director)

**Ritu Anand**  
 (Director)

**Praveen P. Kadle**  
 (Managing Director & CEO)

 Mumbai  
 Date: May 04, 2017

**Puneet Sharma**  
 (Chief Financial Officer)

**Avan Doomasia**  
 (Company Secretary)

## CONSOLIDATED STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED MARCH 31, 2017

(₹ in lakh)

Particulars	Note No.	For the Year Ended March 31, 2017	For the Year Ended March 31, 2016
<b>I</b> Revenue from operations	22	5,73,763	4,53,651
<b>II</b> Investment income	23	15,109	11,064
<b>III</b> Other income	24	43,538	38,571
<b>IV Total Revenue (I + II + III)</b>		<b>6,32,410</b>	<b>5,03,286</b>
<b>V Expenses:</b>			
Finance costs	25	3,47,025	2,84,678
Employee benefit expenses	26	57,379	45,068
Other operating expenses	27	1,40,367	97,803
Depreciation and amortisation	11	15,394	12,799
Amortisation of share and debenture issue expenses (Refer note 42)	21(a)	1,200	1,320
<b>Total expenses</b>		<b>5,61,365</b>	<b>4,41,668</b>
<b>VI Profit before tax (IV - V)</b>		<b>71,045</b>	<b>61,618</b>
<b>VII Tax expense:</b>			
(1) Current tax		32,180	27,519
(2) Deferred tax		(8,143)	(6,793)
(3) MAT Credit Entitlement		-	(10)
<b>Total Tax expense</b>		<b>24,037</b>	<b>20,716</b>
<b>VIII Profit after tax before share of associates &amp; minority interest (VI-VII)</b>		<b>47,008</b>	<b>40,902</b>
<b>IX</b> Share of profit of associates		220	406
<b>X Profit after tax before share of (profit)/loss attributable to minority interest (VIII + IX)</b>		<b>47,228</b>	<b>41,308</b>
<b>XI</b> Share of (profit)/loss of minority interest		(1,274)	(807)
<b>XII Profit for the year attributable to the shareholders of the Company (X + XI)</b>		<b>45,954</b>	<b>40,501</b>
<b>XIII Earnings per equity shares:</b>			
(1) Basic (in Rupees)		1.04	1.02
(2) Diluted (in Rupees)		1.02	1.00
Face Value per share (in ₹)		10.00	10.00
See accompanying notes forming part of the financial statements	1-48		

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

For **Deloitte Haskins & Sells LLP**  
Chartered Accountants

**Ishaat Hussain**  
(Director)

**Janki Ballabh**  
(Director)

**Nalin M. Shah**  
(Director)

**Rupen K Bhatt**  
Partner

**F.N. Subedar**  
(Director)

**Ritu Anand**  
(Director)

**Praveen P. Kadle**  
(Managing Director & CEO)

Mumbai  
Date: May 04, 2017

**Puneet Sharma**  
(Chief Financial Officer)

**Avan Doomasia**  
(Company Secretary)

**CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED MARCH 31, 2017**

(₹ in lakh)

Particulars	Note No.	For the Year Ended March 31, 2017	For the Year Ended March 31, 2016
<b>1. CASH FLOW USED IN OPERATING ACTIVITIES</b>			
Profit before tax		71,045	61,618
<b>Adjustments for :</b>			
Amortisation of share/debenture issue expenses		1,200	1,320
Depreciation and amortisation		15,394	12,799
Liabilities written back		(15)	–
Impairment of Assets		–	1,114
Write off of Assets		–	93
Loss on sale of fixed assets		3,287	1,113
Interest expenses		2,67,469	2,25,448
Discounting charges on commercial paper		78,019	56,012
Discounting charges on debentures		407	371
Discounting charges on Collateralised Borrowings and Lending Obligations (CBLO)		1,130	2,847
Interest income		(5,32,842)	(4,24,675)
Income from investments		(15,109)	(11,064)
Interest Income on fixed deposits		(129)	(300)
Loss on sale of investments		1,248	–
Unrealised exchange gain		(6)	(5)
Provision for leave encashment		407	128
(Reversal)/Provision for diminution in value of investments		(455)	(865)
Provision for mark-to-market loss on investments		383	190
Trade Recievables written off		–	169
Provision against trade recievables		135	166
Contingent provision against standard assets		5,948	5,074
Contingent provision against restructured advances (net)		(827)	(465)
Provision against assets held for sale		1,115	200
Provision against other doubtful advances		268	–
Provision for doubtful loans (net)		61,187	35,527
<b>Operating Profit before working capital changes and adjustments for interest paid, interest received, dividend received and dividend received from Associates</b>		<b>(40,741)</b>	<b>(33,185)</b>
<b>Adjustments for :</b>			
Increase in trade receivables		(421)	(617)
Increase in loans and advances - financing activity		(8,62,475)	(9,26,851)
Increase in loans and advances - others		(5,889)	(6,232)
Increase in other liabilities and provisions		27,759	19,805
Bank balance in client account		991	786
Fixed Deposits with Banks placed under lien with stock exchanges for trading margins		1,010	250
<b>Cash used in operations before adjustments for interest paid, interest received, dividend received and dividend received from Associates</b>		<b>(8,79,766)</b>	<b>(9,46,044)</b>
Interest paid		(3,25,521)	(2,46,311)
Interest received		5,30,951	4,24,625
Dividend received		1,003	2,205
Dividend received from Associates		966	966
Taxes paid		(30,633)	(27,350)
<b>NET CASH USED IN OPERATING ACTIVITIES</b>		<b>(7,03,000)</b>	<b>(7,91,909)</b>



## CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED MARCH 31, 2017

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

(₹ in lakh)

Particulars	Note No.	For the Year Ended March 31, 2017	For the Year Ended March 31, 2016
<b>2. CASH FLOW USED IN INVESTING ACTIVITIES</b>			
Purchase of fixed assets (including capital advances)		(33,385)	(30,091)
Proceeds from sale of fixed assets		2,104	1,506
Refund of Taxes on fixed assets (Refer footnote 3 to Note 11)		–	99
Purchase of long-term investments		(1,917)	(20,077)
Purchase of mutual fund units		(2,118,689)	(34,68,405)
Proceeds from sale of mutual fund units		21,17,784	34,69,501
Proceeds from sale of long-term investments		1,04,101	12,218
Fixed deposits with banks having maturity over 3 months		751	1,187
<b>NET CASH USED IN INVESTING ACTIVITIES</b>		<b>70,749</b>	<b>(34,062)</b>
<b>3. CASH FLOW FROM FINANCING ACTIVITIES</b>			
Issue of preference share capital		43,500	50,000
Infusion of capital by minority shareholders		4,029	1,549
Payout of income/ gain to Contributors		(1,314)	(571)
Dividend paid (including dividend distribution tax)		(17,104)	(24,922)
Collection of loan given to employees for ESOP		10	31
Share issue expenses		(190)	(284)
Debenture issue/loan processing expenses		(1,930)	(1,134)
Net proceeds from short-term borrowings		1,21,680	3,63,722
Proceeds from long-term borrowings		14,59,187	12,36,090
Repayment of long-term borrowings		(9,53,825)	(8,03,347)
<b>NET CASH FROM FINANCING ACTIVITIES</b>		<b>6,54,043</b>	<b>8,21,134</b>
<b>NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS</b>		<b>21,792</b>	<b>(4,837)</b>
<b>CASH AND CASH EQUIVALENTS AS AT THE BEGINNING OF THE YEAR</b>		<b>12,667</b>	<b>17,504</b>
<b>CASH AND CASH EQUIVALENTS AS AT THE END OF THE YEAR</b>		<b>34,459</b>	<b>12,667</b>
ADD : RESTRICTED CASH (Refer note No. 19)		53	51
<b>CASH AND CASH EQUIVALENTS AS AT THE END OF THE YEAR</b>		<b>34,512</b>	<b>12,718</b>
<b>Reconciliation of cash and cash equivalents as above with cash and bank balances</b>			
Cash and Cash equivalents at the end of the year as per above		34,512	12,718
Add: Deposits with banks and stock exchanges under lien		428	1,438
Add: Bank balance in client account		24	1,015
Add: Fixed deposits with original maturity over 3 months		1,193	1,944
<b>CASH AND BANK BALANCES AS AT THE END OF THE YEAR</b>	<b>19</b>	<b>36,157</b>	<b>17,115</b>
See accompanying notes forming part of the financial statements	1-48		

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

For Deloitte Haskins & Sells LLP  
Chartered Accountants

Ishaat Hussain  
(Director)

Janki Ballabh  
(Director)

Nalin M. Shah  
(Director)

Rupen K Bhatt  
Partner

F.N. Subedar  
(Director)

Ritu Anand  
(Director)

Praveen P. Kadle  
(Managing Director & CEO)

Mumbai  
Date: May 04, 2017

Puneet Sharma  
(Chief Financial Officer)

Avan Doomasia  
(Company Secretary)

## SIGNIFICANT ACCOUNTING POLICIES AND NOTES TO ACCOUNTS

### 1 SIGNIFICANT ACCOUNTING POLICIES

#### i Basis of accounting and preparation of the consolidated financial statements

The consolidated financial statements of Tata Capital Limited (the 'Company') and its subsidiaries and jointly controlled entities (together the 'Group') 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 (the 'Act') and the relevant provisions of the Act, as applicable. The consolidated financial statements have been prepared on accrual basis under the historical cost convention. The accounting policies adopted in the preparation of the consolidated financial statements are consistent with those followed in the previous year except for change in the accounting policy for share issue expenses as more fully described in Note 2(xii) and change in accounting policy for dividend (including dividend distribution tax) as more fully described in Note 2(xxvi).

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 Principles of Consolidation

The consolidated financial statements relate to Tata Capital Limited, its subsidiaries, jointly controlled entities and the Group's share of profit / loss in its associates. The consolidated financial statements have been prepared on the following basis:

- a) The financial statements of the subsidiaries, jointly controlled entities and associates used in the consolidation are drawn upto the same reporting date as that of the Company i.e., March 31, 2017, except for certain associates for which financial statements as on the reporting date are not available. These have been consolidated based on their latest available financial statements. Necessary adjustments have been made for the effects of significant transactions and other events between the reporting dates of such financial statements and the consolidated financial statements.
- b) The financial statements of the Company and its subsidiaries have been combined on a line-by-line basis by adding together like items of assets, liabilities, income and expenses, after eliminating intra-group balances, intra-group transactions and resulting unrealised profits or losses, unless cost cannot be recovered.
- c) The consolidated financial statements include the share of profit/ (loss) of associates, which have been accounted for using the equity method as per AS 23 (Accounting for Investments in Associates in Consolidated Financial Statements). Accordingly, the share of profit/ (loss) of the associates (the loss being restricted to the cost of the investment) have been added/deducted to the costs of investments.
- d) Share of profit / loss, assets and liabilities in the jointly controlled entities, which are not subsidiaries, have been consolidated on a line-by-line basis by adding together the book values of like items of assets, liabilities, incomes and expenses on a proportionate basis to the extent of the Group's equity interest in such entity as per AS 27 (Financial Reporting of Interests in Joint Ventures). The intra-group balances, intra-group transactions and unrealised profits or losses have been eliminated to the extent of the Group's share in the entity. Jointly controlled entities that are considered subsidiaries under AS 21 (Consolidated Financial Statements) are consolidated similar to the manner of consolidating subsidiaries (Refer (b) above) and the share of interest of the other venturers in such entities is included as part of minority interest.
- e) The excess of cost to the Group of its investments in the subsidiaries over its share of equity of the subsidiaries, at the dates on which the investments in the subsidiaries were made, is recognised as "Goodwill on Consolidation" and is tested for impairment

on annual basis. On the other hand, where the share of equity in the subsidiaries as on the date of investment is in excess of cost of investments of the Group, it is recognised as 'Capital Reserve' and shown under the head 'Reserves & Surplus' in the consolidated financial statements.

- f) In case of a foreign subsidiary, being a non-integral operation, revenue items are consolidated at the average rate prevailing during the year. All assets and liabilities are converted at the rates prevailing at the end of the year. Any exchange difference arising on consolidation is recognised in the "Foreign Currency Translation Reserve".
- g) The difference between the cost of investment in the associate and the share of net assets at the time of acquisition of shares in the associate is identified in the consolidated financial statements as Goodwill or Capital Reserve as the case may be and adjusted against the carrying amount of investment in the associate.
- h) Minority Interest in the net assets of the subsidiaries consists of the amount of equity attributable to the minority shareholders at the date on which investments in the subsidiaries were made and further movements in their share in the equity, subsequent to the dates of investments. Net profit / loss for the year of the subsidiaries attributable to minority interest is identified and adjusted against the profit after tax of the Group in order to arrive at the profit attributable to shareholders of the Company.

### iii. Operating Cycle

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

### iv. Use of Estimates

The preparation of the consolidated financial statements requires the Management to make estimates and assumptions that affect the reported balances of assets and liabilities and disclosures relating to 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 financials statements are prudent and reasonable. Future results could differ from these estimates. Any revision to accounting estimates is recognised prospectively in the current and future periods. Estimates include provisions for doubtful debts and advances, employee benefit plans, provision for income taxes and provision for diminution in the value of investments.

### v 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/NHB for NBFCs/HFC's and Accounting Standard 9 (Revenue Recognition). 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. These are accounted as income when the amounts become due provided recovery thereof is reasonably certain.

Dealer subvention income and service charges are collected at the time of inception of the contract. These are accounted over the tenure of the loans in the proportion of interest earned to total interest receivable during the tenure of loans.

Repayment of housing loans is generally by way of Equated Monthly Instalments (EMIs)

comprising principal and interest. EMI's commence once the entire loan is disbursed. Pending commencement of EMI's, pre-EMI interest is payable every month. Interest on loans is computed on a monthly rest basis.

**b) Income from Non-current and Current Investments**

Income from dividend on shares of corporate bodies and units of mutual funds is accounted when the Group's right to receive dividend is established except for the Holding Company wherein the dividend is recognised on receipt basis pursuant to Core Investment Companies (Reserve Bank) Directions, 2016, issued on August 25, 2016. Interest income on bonds and debentures is recognised on time proportion basis taking into account the amount outstanding and the rate applicable.

Premium / Discount on investments, which is the difference between the acquisition cost and face value of debt instrument is recognised as interest income over the tenor of the instruments.

Redemption premium on investments (except on preference shares ) is recognised as income over the tenor of the investment.

Distribution by Private Equity Funds is accounted when received.

**c) Income from Services**

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

Income from property management is recognised on a straight-line basis to the extent that rental income is deemed collectible.

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

**d) Income from distribution of financial products**

Revenue from brokerage is recognised when the service is performed. Trail brokerage is recognised at the end of the measurement period when the pre-defined thresholds are met. Revenue is net of taxes and sub-brokerage.

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

**e) Income from Travel related services**

Income from services is net of service tax. Revenue is recognised upon rendering the service, the price being determined and collection of the receivable is reasonably certain.

**f) Lease income**

Assets given on operating lease are capitalised at cost. Rentals received or receivable by the Company are recognised in the Statement of Profit and Loss on a straight-line basis over the lease term, provided recovery is certain.

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

**vi. Provisions for Standard/Non-Performing Assets and Doubtful Debts**

The Group provides an allowance for loan receivables and debentures/bonds in the nature of advances based on the prudential norms issued by the Reserve Bank of India ('RBI') relating to income recognition, asset classification and provisioning for non-performing assets. The provision for standard assets is made as per prudential norms prescribed by the RBI, through

master directions or notifications as amended. In addition to the abovementioned provisioning norms as prescribed by the RBI, the Group also fully provides for/ writes off the entire receivables, where any of the installments is overdue :- for a period exceeding 11 months for construction equipments, auto and commercial vehicles- for a period exceeding 10 months for two wheeler and personal loan and - for a period exceeding 6 months for consumer durables.

In case of housing loans, the Group provides an allowance for loan receivables based on prudential norms issued by the National Housing Bank (“NHB”) relating to income recognition, asset classification and provisioning for non-performing assets. The provision on Standard and Non-Performing Loans is made as per the prudential norms prescribed in the Housing Finance Companies (NHB) Directions, 2010 as amended. Additional provisions (over and above the prudential norms), if required, is made as per the Guidelines approved by the Board of Directors from time to time.

In addition, the Group provides for Restructured Assets (Standard Assets and Non-performing) as required by the directions issued by the RBI from time to time.

At March 31, 2017, the Group considers debtor balances outstanding for greater than 1 year relating to its foreign exchange and travel services business as doubtful and makes a 100% provision for such debtor balances.

## **vii. Investments**

Investments are classified into non-current and current investments.

### **a. Long-term investments**

Non-current investments are investments intended to be held for a period of more than a year. Non-current investments are carried individually at cost less provision for diminution, other than temporary, in the value of such investments. Non-current investments made by the Group in equity shares, preference shares or debentures in its associates or any other entities primarily intended to fulfill its business objective are classified as Trade Investments. It is intended to hold these to further the long-term interests of the Group and not for the purpose of frequent selling / trading of these investments.

### **b. Current investments**

Current investments are investments intended to be held for a period of less than a year. Current investments are stated at the lower of cost and market value, determined on an individual investment basis.

## **viii. Property, plant and equipment**

### **a. Tangible:**

Tangible property, plant and equipment acquired by the Company are reported at acquisition cost, with deductions for accumulated depreciation and impairment losses, if any. The acquisition cost includes any cost attributable for bringing asset to its working condition, which comprises of purchase consideration, other directly attributable costs of bringing the assets to their working condition for their intended use and attributable interest.

Foreign exchange differences arising on reporting of long-term foreign currency monetary items at rates different from those at which they were initially recorded during the period, or reported in previous financial statements, in so far as they relate to the acquisition of a depreciable capital asset, have been added to or deducted from the cost of the asset and are depreciated over the balance life of the asset.

The Group has adopted the provisions of para 46 / 46A of AS 11 (The Effects of Changes in Foreign Exchange Rates), accordingly, exchange differences arising on restatement / settlement of long-term foreign currency borrowings relating to acquisition

of depreciable property, plant and equipment are adjusted to the cost of the respective assets and depreciated over the remaining useful life of such assets.

**b. Intangible:**

Acquired intangible assets other than Goodwill are measured at cost less amortisation.

Goodwill is stated at cost. Goodwill comprises the portion of a purchase price for an acquisition that exceeds the market value of the identifiable assets, with deductions for liabilities, calculated on the date of acquisition.

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

**c. Capital work -in- progress :**

Projects under which tangible fixed assets are not yet ready for their intended use are carried at cost, comprising direct costs, related incidental expenses and attributable interest.

**d. Intangible assets under development:**

Expenditure on development eligible for capitalisation is carried as Intangible assets under development where such assets are not yet ready for their intended use.

**ix. Depreciation and Amortisation**

Depreciable amount for assets is the cost of an asset, or other amount substituted for cost, less its estimated residual value. Depreciation on tangible property, plant and equipment has been provided on the straight-line method as per the useful life prescribed in Schedule II to the Companies Act, 2013 except in respect of Building, Computer Equipment, networking assets, electrical installation and equipments and Vehicles, in whose case the life of the assets has been assessed based on the nature of the asset, the estimated usage of the asset, the operating conditions of the asset, past history of replacement, etc.

Purchased software/licenses are amortised over the period the benefits are expected to accrue, while Goodwill is tested for impairment at each Balance Sheet date. An impairment loss is recognised if the carrying amount of Goodwill exceeds its recoverable amount.

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

Estimated useful lives considered by the Group are:

Asset	Estimated Useful Life	As per Schedule II
Leasehold Improvements	Lease Period (ranging from 1 to 9 years)	As per lease period
Construction Equipment	Leased : 7 to 15 years	15 years
Furniture & Fixtures	Owned : 10 years	10 years
	Leased : 9 to 10 years	
Computer Equipment	Owned : 3 to 4 years	3 years
	Leased: 2 to 5 years	
Office Equipment	Owned : 5 years	5 years
	Leased : 2 to 5 years	
Vehicles	Owned : 4 years	6 years
	Leased : 4 years	
Software Licenses	Owned : 4 to 10 years	10 years
	Leased : 1 to 5 years	
Buildings	25 years	30 years

Asset	Estimated Useful Life	As per Schedule II
Plant & Machinery	Owned : 10 years	15 years
	Leased : 4 to 15 years	
Railway Wagons	Leased : 15 years	15 years
Electrical Installation & Equipments	Leased : 9 years	10 years
Networking Assets	2 to 5 years	6 years
Trading Rights in BSEL	Over a period of 10 years	10 years

**x. Impairment of Assets**

At each Balance Sheet date, the Group reviews whether there is any indication of impairment of an asset. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of impairment loss.

Recoverable amount of the asset is the higher of an asset's net selling price and value in use. In assessing the value in use, the estimated future cash flow expected from continuing use of the asset and from its disposal is discounted to its present value using a pre-tax discount rate that reflects the current market assessments of time value of money and the risk specific to the asset. If the recoverable amount of an asset is estimated to be less than the carrying amount, the carrying amount of the asset is reduced to its recoverable amount. An impairment loss is recognised immediately in the Statement of Profit and Loss. After impairment, depreciation is provided on the revised carrying amount of the asset over their remaining useful life. A previously recognised impairment loss is increased or reversed depending on changes in circumstances. However, the carrying value after reversal is not increased above the lower of the recoverable amount and the carrying value that would have prevailed by charging usual depreciation if there was no impairment.

**xi. Deferred revenue expenditure**

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 Group has incurred the expenditure.

Loan sourcing costs are amortised over the average tenor of the loan which varies based on products financed.

**xii. Share issue expenses**

Share issue expenses are adjusted against the Securities Premium Account as permissible under Section 52 of the Companies Act, 2013, to the extent balance is available for utilisation in the Securities Premium Account. Share issue expenses in excess of the balance in the Securities Premium Account are expensed in the Statement of Profit and Loss.

**xiii Employee Benefits**

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

**a. Defined contribution plans**

The eligible employees of the Group are entitled to receive benefits under the provident fund, a defined contribution plan, in which both employees and the Group make monthly contributions at a specified percentage of the covered employees' salary (currently 12% of employees' salary), which is recognised as an expense in the Statement of Profit and Loss in the year in which they occur. The contributions as specified under the law are paid to the provident fund set up as irrevocable trust by the Company for participating subsidiaries and for other subsidiaries, the contributions are paid to the provident fund administered by the Regional Provident Fund Commissioner. The Group is generally liable

for annual contributions and any shortfall in the fund assets based on the government specified minimum rates of return and recognises such contributions and shortfall as an expense in the year incurred.

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

**b. 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 year 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.

**c. Short-term employee benefits**

The undiscounted amount of short-term employee benefits expected to be paid in exchange for the services rendered by employees is 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 employees render 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.

**d. Long-term employee benefits**

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

**xiv. Employees Share Purchase / Option Scheme**

As per the Guidance Note on Accounting for Employee Share-based Payments issued by The Institute of Chartered Accountants of India ("ICAI"), the Company has adopted the intrinsic value method in accounting for the Employee Stock Purchase Scheme offered by the Company.

**xv. Share Based Payment Transactions**

Equity settled stock options granted to employees pursuant to the Group's stock option schemes are accounted for as per the intrinsic value method prescribed by Employee Stock Option Scheme as per the Guidance Note on Share Based Payment issued by the ICAI. The intrinsic value of the option, being excess of market value of the underlying share at the date of grant of option, over its exercise price is recognised as deferred employee compensation with a credit to Employee Stock Options Outstanding Account. The deferred employee compensation is amortized to Statement of Profit and Loss on straight-line basis over the



vesting period of the option. In case of forfeiture of option, which is not vested, amortised portion is reversed by credit to employee compensation expense. In a situation where the stock option expires unexercised, the related balance standing to the credit of the Employees Stock Options Outstanding Account is transferred to the General Reserve.

**xvi. Provisions, Contingent Liabilities and Contingent Assets**

A provision is recognised when the Group has a present obligation as a result of past event and it is probable that an outflow of resources will be required to settle the obligation, in respect of which reliable estimate can be made. Provisions (excluding retirement benefits) are not discounted to their present value and are determined based on best estimate required to settle the obligation at the Balance Sheet date. These are reviewed at each Balance Sheet date and adjusted to reflect the current best estimates. Contingent liabilities are not recognised but disclosed in the financial statements. Contingent assets are neither recognised nor disclosed in the financial statements.

**xvii. Leases**

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

**xviii. Foreign currency transactions and translations**

Accounting of forward contracts :

Premium/discount on forward exchange contracts, which are not intended for trading or speculation purposes, are amortised over the period of the contracts if such contracts relate to monetary items as at the Balance Sheet date.

**Initial recognition :-**

Transactions in foreign currencies entered into by the Group are accounted at the exchange rates prevailing on the date of the transactions or at rates that closely approximate the rate on the date of the transactions.

**Settlement of Transactions :-**

Gains and losses resulting from the settlement of such transactions are recognised in the Statement of Profit and Loss.

**Measurement at the Balance Sheet date :-**

- (a) Foreign currency monetary items (other than derivative contracts) of the Group, outstanding as at the Balance Sheet date are restated at the year-end rates. Non-monetary items of the Group are carried at historical cost.
- (b) Foreign currency monetary assets and liabilities other than net investments in non-integral foreign operations are translated at the exchange rate prevailing on the Balance Sheet date and the exchange gains or losses are recognised in the Statement of Profit and Loss. Exchange differences arising on a monetary item that, in substance, form part of an enterprise's net investments in a non-integral foreign operation are accumulated in a foreign currency translation reserve.
- (c) The exchange differences arising on settlement / restatement of long-term foreign currency monetary items are capitalised as part of the depreciable fixed assets to which the monetary item relates and depreciated over the remaining useful life of such asset.
- (d) For the purpose of consolidation, income and expenses are translated at average rates and the assets and liabilities are stated at closing rate. The net impact of such change is accumulated in 'Foreign Currency Translation Reserve Account'.

**xix. Derivative Contracts**

The Group enters into derivative contracts in the nature of forward contracts with an intention to hedge its existing assets and liabilities. Derivative contracts which are closely linked to the existing assets and liabilities are accounted as per the policy stated for foreign currency transactions and translations. All other derivative contracts are marked-to-market and losses are recognised in the Statement of Profit and Loss. Gains arising on the same are not recognised, until realised, on grounds of prudence.

**xx. 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 the 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 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 Group 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.

**xxi. Business segment**

The Group's reportable segments consist of Financing, Investments and Others and one geographic segment viz India. Financing consists of asset financing, housing finance, term loans (corporate and retail), channel financing, credit substitutes, investments linked to / arising out of lending business and bill discounting. Investments consist of corporate investments and treasury activities. Others primarily include advisory services, wealth management, travel and tourist related services, broking services and distribution of financial products.

Revenue and expense directly attributable to segments are reported under each reportable segment. Expenses not directly identifiable to each of the segments have been allocated to each segment on the basis of associated revenues of each segment. All other expenses which are not attributable or allocable to segments have been disclosed as unallocable expenses.

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

**xxii. Cash Flow Statement**

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

**xxiii. 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 year, 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 year presented. The number of equity shares and potentially dilutive equity shares are adjusted for share splits / reverse share splits and bonus shares, as appropriate.

**xxiv. Assets held for sale**

An asset is classified as held for sale if its carrying amount will be recovered or settled principally through a sale transaction rather than through continuing use. Assets classified as held for sale are measured at the lower of carrying amount and fair value. In the event an asset held for sale is acquired in settlement of an existing claim or existing asset, it is initially recorded in the books at its fair value or value of the asset given up, whichever is better determined. Impairment losses on initial classification as held for sale and losses on subsequent re-measurements are included in the Statement of Profit and Loss. No depreciation is charged on assets classified as held for sale.

**xxv. Securitised/Assignment Loans and Securitisation/Assignment Liabilities**

Securitised/ Assigned assets are derecognised, if and only if, the Group loses control of the contractual rights that comprise the corresponding pools or mortgages transferred. Transfers of pools of mortgages under the current programs involve transfer of proportionate shares in the pools of mortgages. Such transfers result in de-recognition only of that proportion of the mortgages as meet the de-recognition criteria. The portion retained by the Group continue to be accounted for as loans as described above. As stated in the Guidance Note on Accounting for Securitisation issued by the Institute of Chartered Accountants of India, on de-recognition, the difference between the book value of the securitised/ assigned asset and consideration received is recognised as gain arising on securitization/ assignment in the Statement of Profit and Loss over the balance maturity period of the pool transferred. Losses, if any, arising from such transactions, are recognised immediately in the Statement of Profit and Loss.

**xxvi. Dividend (including dividend distribution tax)**

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

**NOTES TO AND FORMING PART OF THE CONSOLIDATED  
BALANCE SHEET AS AT MARCH 31, 2017**

## NOTE "2"

(₹ in lakh)

PARTICULARS	As at March 31, 2017	As at March 31, 2016
<b>AUTHORISED</b>		
4,750,000,000 (as at March 31, 2016: 4,750,000,000 shares) Equity shares of ₹ 10 each	<b>4,75,000</b>	4,75,000
32,500,000 (as at March 31, 2016: 32,500,000 shares) Preference shares of ₹ 1,000 each.	<b>3,25,000</b>	3,25,000
	<b>8,00,000</b>	8,00,000
<b>ISSUED</b>		
2,826,092,570 (as at March 31, 2016: 2,826,092,570 shares) Equity shares of ₹ 10 each	<b>2,82,609</b>	2,82,609
2,175,374 (as at March 31, 2016: 2,175,374 shares) 12.50% Cumulative Redeemable Preference shares of ₹ 1,000 each	<b>21,754</b>	21,754
12,445,841 (as at March 31, 2016: 12,445,841 shares) 8.33% Cumulative Redeemable Preference shares of ₹ 1,000 each	<b>1,24,458</b>	124,458
4,350,000 (as at March 31, 2016: NIL) 7.50% Cumulative Redeemable Preference Shares of ₹ 1,000 each	<b>43,500</b>	–
	<b>4,72,321</b>	4,28,821
<b>SUBSCRIBED</b>		
2,826,018,170 (as at March 31, 2016: 2,826,018,170 shares) Equity shares of ₹ 10 each	<b>2,82,602</b>	2,82,602
2,071,066 (as at March 31, 2016: 2,071,066 shares) 12.50% Cumulative Redeemable Preference shares of ₹ 1,000 each	<b>20,711</b>	20,711
11,893,401 (as at March 31, 2016: 11,893,401 shares) 8.33% Cumulative Redeemable Preference shares of ₹ 1,000 each	<b>1,18,934</b>	1,18,934
4,350,000 (as at March 31, 2016: NIL) 7.50% Cumulative Redeemable Preference Shares of ₹ 1,000 each	<b>43,500</b>	–
	<b>4,65,747</b>	4,22,247
<b>PAID UP</b>		
2,826,018,170 (as at March 31, 2016: 2,826,018,170 Shares) Equity Shares of ₹ 10 each fully paid up	<b>2,82,602</b>	2,82,602
Less: Loan given to TCL Employees Welfare Trust	<b>(5,700)</b>	(5,704)
Less: Loans to Employees	<b>(9)</b>	(15)
2,071,066 (as at March 31, 2016: 2,071,066 Shares) 12.50% Cumulative Redeemable Preference Shares of ₹ 1,000 each fully paid up	<b>20,711</b>	20,711
11,893,401 (as at March 31, 2016: 11,893,401 Shares) 8.33% Cumulative Redeemable Preference Shares of ₹ 1,000 each fully paid up	<b>1,18,934</b>	1,18,934
43,50,000 (as at March 31, 2016: NIL) 7.50% Cumulative Redeemable Preference Shares of ₹ 1,000 each fully paid up	<b>43,500</b>	–
<b>TOTAL</b>	<b>4,60,038</b>	<b>4,16,528</b>

**NOTES TO AND FORMING PART OF THE CONSOLIDATED  
BALANCE SHEET AS AT MARCH 31, 2017**

**a. Reconciliation of number of shares outstanding**

PARTICULARS	No. of shares	₹ in lakh
<b>Opening Share Capital as on April 1, 2015</b>		
Equity Shares Face Value ₹ 10 fully paid up	2,82,60,18,170	2,82,602
12.50% Cumulative Redeemable Preference Shares Face Value ₹ 1,000 fully paid up	20,71,066	20,711
8.33% Cumulative Redeemable Preference Shares Face Value ₹ 1,000 fully paid up	68,93,401	68,934
	<b>2,83,49,82,637</b>	<b>3,72,247</b>
<b>Additions during the year</b>		
Equity Share Capital	-	-
12.50% Cumulative Redeemable Preference Shares Face Value ₹ 1,000 fully paid up - Privately Placed	-	-
8.33% Cumulative Redeemable Preference Shares Face Value ₹ 1,000 fully paid up - Privately Placed	50,00,000	50,000
<b>Closing Share Capital as on March 31, 2016</b>		
Equity Shares Face Value ₹ 10 fully paid up	2,82,60,18,170	2,82,602
12.50% Cumulative Redeemable Preference Shares Face Value ₹ 1,000 fully paid up	20,71,066	20,711
8.33% Cumulative Redeemable Preference Shares Face Value ₹ 1,000 fully paid up	1,18,93,401	1,18,934
	<b>2,83,99,82,637</b>	<b>4,22,247</b>
<b>Additions during the year</b>		
Equity Share Capital	-	-
12.50% Cumulative Redeemable Preference Shares Face Value ₹ 1,000 fully paid up - Privately Placed	-	-
8.33% Cumulative Redeemable Preference Shares Face Value ₹ 1,000 fully paid up - Privately Placed	-	-
7.50% Cumulative Redeemable Preference Shares Face Value ₹ 1,000 fully paid up - Privately Placed	43,50,000	43,500
<b>Closing Share Capital as on March 31, 2017</b>		
Equity Shares Face Value ₹ 10 fully paid up	2,82,60,18,170	2,82,602
12.50% Cumulative Redeemable Preference Shares Face Value ₹ 1,000 fully paid up	20,71,066	20,711
8.33% Cumulative Redeemable Preference Shares Face Value ₹ 1,000 fully paid up	1,18,93,401	1,18,934
7.50% Cumulative Redeemable Preference Shares Face Value ₹ 1,000 fully paid up	43,50,000	43,500
	<b>2,84,43,32,637</b>	<b>4,65,747</b>

**b. Rights, preferences and restrictions attached to Equity Shares**

The Company has one class of equity shares having a face value of ₹ 10 per share. Each shareholder is eligible for one vote per share held. The dividend proposed by the Board of Directors is subject to the approval of the shareholders at the ensuing Annual General Meeting, except in case of interim dividend. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Company after distribution of all preferential amounts, in proportion to their shareholding.

**NOTES TO AND FORMING PART OF THE CONSOLIDATED  
BALANCE SHEET AS AT MARCH 31, 2017**

**c. Investment by Tata Sons Limited (the Holding Company) and its Subsidiaries/Associates/JVs.**

Name of company	Particulars of issue	No. of equity shares	₹ in lakh
Tata Sons Limited (the Holding Company)	<b>Opening Balance as on April 1, 2015</b>	2,55,14,33,946	2,55,143
	Add: Purchased / (Sold)	–	–
	<b>Closing Balance as on March 31, 2016</b>	2,55,14,33,946	2,55,143
	Add: Purchased / (Sold)	8,30,00,000	8,300
	<b>Closing Balance as on March 31, 2017</b>	2,63,44,33,946	2,63,443
Tata Investment Corporation Limited (Subsidiary of Tata Sons Limited)	<b>Opening Balance as on April 1, 2015</b>	7,71,96,591	7,720
	Add: Purchased / (Sold)	–	–
	<b>Closing Balance as on March 31, 2016</b>	7,71,96,591	7,720
	Add: Purchased / (Sold)	–	–
	<b>Closing Balance as on March 31, 2017</b>	7,71,96,591	7,720
Tata Industries Limited (Subsidiary of Tata Sons Limited)	<b>Opening Balance as on April 1, 2015</b>	22,72,346	227
	Add: Purchased / (Sold)	–	–
	<b>Closing Balance as on March 31, 2016</b>	22,72,346	227
	Add: Purchased / (Sold)	–	–
	<b>Closing Balance as on March 31, 2017</b>	22,72,346	227
Tata International Limited (Subsidiary of Tata Sons Limited)	<b>Opening Balance as on April 1, 2015</b>	790,592	79
	Add: Purchased / (Sold)	–	–
	<b>Closing Balance as on March 31, 2016</b>	790,592	79
	Add: Purchased / (Sold)	–	–
	<b>Closing Balance as on March 31, 2017</b>	790,592	79
Tata Motors Limited (Associate of Tata Sons Limited)	<b>Opening Balance as on April 1, 2015</b>	43,26,651	433
	Add: Purchased / (Sold)	–	–
	<b>Closing Balance as on March 31, 2016</b>	43,26,651	433
	Add: Purchased / (Sold)	–	–
	<b>Closing Balance as on March 31, 2017</b>	43,26,651	433
Tata Chemicals Limited (Associate of Tata Sons Limited)	<b>Opening Balance as on April 1, 2015</b>	32,30,859	323
	Add: Purchased / (Sold)	–	–
	<b>Closing Balance as on March 31, 2016</b>	32,30,859	323
	Add: Purchased / (Sold)	–	–
	<b>Closing Balance as on March 31, 2017</b>	32,30,859	323
Tata Global Beverages Limited (Associate of Tata Sons Limited)	<b>Opening Balance as on April 1, 2015</b>	6,13,598	61
	Add: Purchased / (Sold)	–	–
	<b>Closing Balance as on March 31, 2016</b>	6,13,598	61
	Add: Purchased / (Sold)	–	–
	<b>Closing Balance as on March 31, 2017</b>	6,13,598	61
<b>Total</b>	<b>Opening Balance as on April 1, 2015</b>	2,63,98,64,583	2,63,986
	Add: Purchased / (Sold)	–	–
	<b>Closing Balance as on March 31, 2016</b>	2,63,98,64,583	2,63,986
	Add: Purchased / (Sold)	8,30,00,000	8,300
	<b>Closing Balance as on March 31, 2017</b>	2,72,28,64,583	2,72,286

**NOTES TO AND FORMING PART OF THE CONSOLIDATED  
BALANCE SHEET AS AT MARCH 31, 2017**

8.33% Cumulative Redeemable Preference Shares Face Value ₹ 1,000 fully paid up

Name of company	Particulars of issue	No. of equity shares	₹ in lakh
Trent Limited (Associate of Tata Sons Limited)	<b>Opening Balance as on April 1, 2015</b>	–	–
	Add: Purchased / (Sold)	1,00,000	1,000
	<b>Closing Balance as on March 31, 2016</b>	1,00,000	1,000
	Add: Purchased / (Sold)	–	–
	<b>Closing Balance as on March 31, 2017</b>	1,00,000	1,000

**d. List of Shareholders holding more than 5% Equity Shares as at**

Name of Shareholder	March 31, 2017		March 31, 2016	
	No. of Shares held	% of Holding	No. of Shares held	% of Holding
Tata Sons Limited	<b>2,63,44,33,946</b>	<b>93.22%</b>	2,55,14,33,946	90.28%

**e. Rights, preferences and restrictions attached to Preference Shares**

The Company has issued Cumulative Redeemable Preference Shares (“CRPS”) of face value ₹ 1,000/- each, in tranches, having terms of issuance disclosed herein below. The CRPS holders have a right to receive dividend, prior to the Equity Shareholders. The dividend proposed by the Board of Directors on the CRPS, if any, is subject to the approval of the Shareholders at the ensuing Annual General Meeting, except in case of interim dividend. In the event of liquidation, the Preference Shareholders are eligible to receive the remaining assets of the Company before distribution to the Equity Shareholders, in proportion to their shareholding.

Particulars	Tranche	No. of Shares	Allotment Date	Redemption Date	Early Redemption Date *
12.50% Cumulative Redeemable Preference Shares of ₹ 1,000 each issued at premium of ₹ 500 per share and redeemable at a premium of ₹ 500 per share.	A	9,84,078	August 10, 2012	August 9, 2019	N/A
	B	4,11,614	October 22, 2012	October 21, 2019	N/A
	C	1,66,666	December 10, 2012	December 9, 2019	N/A
	D	1,04,308	January 21, 2013	January 20, 2020	N/A
	E	2,00,000	February 27, 2013	February 26, 2020	N/A
	F	2,04,400	March 28, 2013	March 27, 2020	N/A

**NOTES TO AND FORMING PART OF THE CONSOLIDATED  
BALANCE SHEET AS AT MARCH 31, 2017**

Particulars	Tranche	No. of Shares	Allotment Date	Redemption Date	Early Redemption Date *
8.33% Cumulative Redeemable Preference Shares of ₹ 1,000 each	G	8,99,000	June 6, 2013	June 5, 2020	September 30, 2017
	H	25,00,000	May 22, 2013	May 21, 2020	September 30, 2017
	I	9,96,050	July 9, 2013	July 8, 2020	September 30, 2017
	J	3,69,660	September 5, 2013	September 4, 2020	September 30, 2017
	K	27,900	November 7, 2013	November 6, 2020	March 31, 2018
	L	50,900	April 1, 2014	March 31, 2021	March 31, 2018
	M	20,49,891	August 19, 2014	August 18, 2021	September 30, 2018
	N	46,48,500	April 22, 2015	April 21, 2022	June 30, 2019
7.50% Cumulative Redeemable Preference Shares of ₹ 1,000 each	O	3,51,500	September 7, 2015	September 6, 2022	September 30, 2019
	P	7,50,000	September 2, 2016	September 1, 2023	November 30, 2020
	Q	10,00,000	September 16, 2016	September 15, 2023	November 30, 2020
	R	5,00,000	October 7, 2016	October 6, 2023	November 30, 2020
	S	7,50,000	October 27, 2016	October 26, 2023	November 30, 2020
	T	13,50,000	March 10, 2017	March 9, 2024	May 31, 2021

\* For 8.33% Cumulative Redeemable Preference Shares & 7.50% Cumulative Redeemable Preference Shares of ₹ 1,000 each, the CRPS holder has a Put Option and the Company has a Call Option to seek early redemption of the CRPS by the dates as specified.

**(f) List of Shareholders holding more than 5% Preference Shares as at**

Name of Shareholder	March 31, 2017		March 31, 2016	
	No. of Shares held	% of Holding	No. of Shares held	% of Holding
<b>12.50% Cumulative Redeemable Preference Shares of ₹ 1,000 each</b>				
Azim Hasham Premji	4,99,999	24.14%	2,99,999	14.49%
Azim Premji Trust	–	–	2,00,000	9.66%
International Tractors Limited	1,33,700	6.46%	1,33,700	6.46%
<b>8.33% Cumulative Redeemable Preference Shares of ₹ 1,000 each</b>				
Shree Cements Ltd.	14,00,000	11.77%	14,00,000	11.77%
<b>7.50% Cumulative Redeemable Preference Shares of ₹ 1,000 each</b>				
Shree Cement Ltd	600,000	13.79%	-	-
Wipro Enterprises Pvt. Ltd.	500,000	11.49%	-	-
International Tractors Ltd	300,000	6.90%	-	-
Adurjee And Bros Pvt Ltd	250,000	5.75%	-	-



**NOTES TO AND FORMING PART OF THE CONSOLIDATED  
BALANCE SHEET AS AT MARCH 31, 2017**

**NOTE "3"**

(₹ in lakh)

<b>RESERVES AND SURPLUS</b>	<b>As at March 31, 2017</b>		<b>As at March 31, 2016</b>	
<b>a. Capital Redemption Reserve</b>		575		575
<b>b. Capital Reserve</b>		43		43
<b>c. Securities Premium Account</b>				
Opening Balance		27,082		27,074
Add: Recovery of loan given to employees for ESOP	1		8	
Less: Share issue Expenses written off (Refer note 42)	(1,086)		-	
Less: Write off of Investments pursuant to Capital Reduction Scheme (Refer note 43)	(13,537)	(14,662)	-	8
Sub Total		12,460		27,082
Less : Adjustment pursuant to Capital Reduction Scheme (Refer note 44)	(54,260)		-	
Add : Adjustment of Tax pursuant to Reduction of Share Capital (Refer note 44)	13,702		-	
Add: Appropriation from Surplus in the Statement of Profit and Loss	40,558	-	-	-
<b>Closing Balance</b>		12,460		27,082
<b>d. Special Reserve Account / Statutory Reserve (refer footnotes 1, 2 and 3 below)</b>				
Opening Balance		40,691		28,767
Add: Transfer from Surplus in the Statement of Profit and Loss		15,215		11,924
<b>Closing Balance</b>		55,906		40,691
<b>e. Debenture Redemption Reserve</b>		30,000		30,000
<b>f. Surplus in the Statement of Profit and Loss</b>				
Opening Balance		60,252		46,778
Additional Tax Liability on account of merger of subsidiaries with the Company (Refer note 47)		(17)		-
Adjustment of Share issue Expenses (Refer note 42)		501		-
Adjustment pursuant to Capital Reduction Scheme (Refer note 45)				
- Goodwill on consolidation written off	(5,515)		-	
- Reversal of Goodwill on acquisition of sub-broker network	204		-	
- Reversal of write off of subsidiaries charged through Securities Premium Account by the Company	13,537		-	
- Provisions and write offs made under the scheme	(40,558)	(32,332)	-	
Profit for the year		45,954		40,501
Profit available for Appropriations		74,358		87,279
<b>Less : Appropriations</b>				
- Transfer to Special Reserve Account	15,215		11,924	
- Dividend on preference shares including dividend distribution tax (net)	13,708		12,147	
- Dividend distribution tax (including tax on interim dividend declared by subsidiaries to holding company)	3,396	32,319	2,956	27,027
<b>Closing Balance</b>		42,039		60,252
<b>g. Foreign Currency Translation Reserve</b>				
Opening Balance		4,073		2,942
Add : Effect of foreign exchange rate variations during the year		(761)		1,131
<b>Closing Balance</b>		3,312		4,073
<b>TOTAL - RESERVES AND SURPLUS</b>		144,335		162,716

**Note:** The amounts appropriated out of the surplus in the Statement of Profit and Loss are as under:

- ₹ 8,835 lakh (Previous Year: ₹ 8,922 lakh) 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.
- As required by section 29C of National Housing Bank Act, 1987 and Section 36 (1) (viii) of the Income Tax Act, 1961, the Group has transferred an amount of ₹ 5,200 lakh ( Previous Year ₹ 3,002 lakh) to Special Reserve.
- ₹ 1,180 lakh (Previous Year: ₹ 750 lakh) to Special Reserve as prescribed under section 36(1)(viii) of Income Tax Act, 1961.
- During the current and previous year, the Company has declared and paid an interim dividend on Cumulative

## NOTES TO AND FORMING PART OF THE CONSOLIDATED BALANCE SHEET AS AT MARCH 31, 2017

Redeemable Preference shares at their respective dividend rates.

### NOTE "4"

(₹ in lakh)

LONG-TERM BORROWINGS	As at March 31, 2017	As at March 31, 2016
<b>a. Bonds/Debentures</b>		
<b>Secured</b>		
Privately Placed Non-Convertible Debentures (Refer notes 4.1 and 4.6 below)	790,040	1,100,920
Public issue of Non-Convertible Debentures (Refer notes 4.2 & 4.7 below)	28,818	28,818
<b>Unsecured</b>		
Non-Convertible Subordinated Debentures (Refer note 4.8 below)	245,616	195,409
[Net of unamortised discount of ₹ 1,299 lakh (as at March 31, 2016 ₹ 1,706 lakh)]		
Non-Convertible Perpetual Debentures (Refer note 4.9 below)	55,000	40,000
Privately Placed Non-Convertible Debentures (Refer note 4.10 below)	145,000	35,000
<b>b. Term loans</b>		
<b>Secured</b>		
(i) From Banks (Refer notes 4.3 & 4.4 below)	158,222	274,778
(ii) From National Housing Bank (Refer note 4.5 below)	313,150	159,554
<b>Unsecured</b>		
(i) From Banks (Refer note 4.4 below)	180,000	165,000
<b>c. Deposits</b>		
<b>Unsecured</b>		
Inter corporate Deposits	-	2,215
<b>Total</b>	<b>1,915,846</b>	<b>2,001,694</b>

#### Notes:

- 4.1. Privately Placed Non-Convertible Debentures are secured by a *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 certain current assets of the Group.
- 4.2. Public issue of Non-Convertible Debentures are secured by a *pari passu* charge on the specific immovable property, receivables against unsecured loans, bills discounted and trade advances and other current assets of the Group.
- 4.3. Loans and advances from banks are secured by a *pari passu* charge on certain current assets of the Group.

#### Terms of repayment of term loans and rate of interest:

- 4.4. As per terms of agreements loan from banks classified under long-term borrowings, short-term borrowings and current liabilities aggregating ₹ 471,278 lakh (Previous Year: ₹ 537,277 lakh) are repayable at maturity ranging between 15 and 60 months from the date of respective loan. Rate of Interest payable on term loan varies between 7.95 % to 9.70%
- 4.5. Loan from National Housing Bank is secured by way of hypothecation of book debt and is repayable in 28/60 quarterly installments. Rate of Interest payable on term loans varies between 6.12% to 9.25% (Previous year between 6.12% to 9.50%)

## NOTES TO AND FORMING PART OF THE CONSOLIDATED BALANCE SHEET AS AT MARCH 31, 2017

(f) Particulars of Public issue of Secured Non-Convertible Debentures outstanding as on March 31, 2016

Description of NCDs	Issue Date	Redemption Date	As on March 31, 2017*		As on March 31, 2016*	
			Number of NCDs	₹ in lakh	Number of NCDs	₹ in lakh
TCHFL - Series J - FY 2016-17	30-Jun-16	30-Jun-26	100	1,000	-	-
TCHFL - Series AU - FY 2015-16 - Option I	30-Mar-16	30-Mar-26	150	1,500	150	1,500
TCHFL - Series AM - FY 2015-16 - Option I	6-Nov-15	6-Nov-25	350	3,500	350	3,500
TCHFL - Series AG - FY 2015-16	8-Oct-15	8-Oct-25	75	750	75	750
TCHFL - Series AE - FY 2015-16	31-Aug-15	29-Aug-25	200	2,000	200	2,000
TCHFL - Series O - FY 2015-16	16-Jun-15	16-Jun-25	200	2,000	200	2,000
TCHFL - Series V - FY 2014-15	23-Jan-15	23-Jan-25	1,500	15,000	1,500	15,000
TCHFL - Series R - FY 2014-15	9-Dec-14	9-Dec-24	2,000	20,000	2,000	20,000
TCFSL NCD AF FY 2014-15-Option-I	8-Dec-14	6-Dec-24	600	6,000	600	6,000
TCFSL NCD AF FY 2014-15-Option-I	8-Dec-14	6-Dec-24	150	1,500	150	1,500
TCFSL NCD AA FY 2014-15	20-Nov-14	20-Nov-24	950	9,500	950	9,500
TCHFL - Series AP - FY 2015-16 - Option II	12-Jan-16	12-Jan-24	150	1,500	150	1,500
TCHFL - Series E - FY 2016-17	4-May-16	4-May-23	200	2,000	-	-
TCHFL - Series U - FY 2012-13	12-Mar-13	10-Mar-23	100	1,000	100	1,000
TCHFL - Series R - FY 2012-13	18-Jan-13	18-Jan-23	150	1,500	150	1,500
TCHFL - Series AP - FY 2015-16 - Option I	12-Jan-16	12-Jan-23	150	1,500	150	1,500
TCHFL - Series Q - FY 2012-13	24-Dec-12	28-Dec-22	100	1,000	100	1,000
TCFSL NCD 'AH' FY 2012-13	5-Sep-12	5-Sep-22	500	5,000	500	5,000
TCHFL - Series X - FY 2015-16	29-Jul-15	29-Jul-22	750	7,500	750	7,500
TCHFL - Series G - FY 2012-13	15-May-12	18-May-22	100	1,000	100	1,000
TCFSL NCD "AL" FY 2016-17	31-Mar-17	31-Mar-22	400	4,000	-	-
TCHFL - Series W - FY 2016-17	28-Dec-16	28-Dec-21	4,080	40,800	-	-
TCFSL NCD "AG" FY 2016-17	28-Dec-16	28-Dec-21	2,720	27,200	-	-
TCCL NCD 'B' FY 2016-17	17-Oct-16	15-Oct-21	150	1,500	-	-
TCHFL - Series I - FY 2016-17	15-Sep-16	15-Sep-21	100	1,000	-	-
TCHFL - Series K - FY 2016-17	5-Jul-16	5-Jul-21	200	2,000	-	-
TCFSL NCD 'G' FY 2016-17	30-May-16	28-May-21	500	2,000	-	-
TCHFL - Series A - FY 2016-17	12-Apr-16	12-Apr-21	1,200	12,000	-	-
TCFSL NCD "AB" FY 2015-16	21-Mar-16	19-Mar-21	100	1,000	100	1,000
TCFSL NCD "AA" FY 2015-16	16-Mar-16	16-Mar-21	70	700	70	700
TCHFL - Series AS - FY 2015-16	22-Jan-16	22-Jan-21	200	2,000	200	2,000
TCFSL NCD "X" FY 2015-16	16-Dec-15	16-Dec-20	100	1,000	100	1,000
TCHFL - Series AM - FY 2015-16 - Option II	6-Nov-15	6-Nov-20	50	500	50	500
TCCL NCD 'F' FY 2015-16	19-Oct-15	19-Oct-20	200	2,000	200	2,000
TCHFL - Series AI - FY 2015-16	16-Oct-15	16-Oct-20	500	5,000	500	5,000
TCHFL - Series AH - FY 2015-16	14-Oct-15	14-Oct-20	200	2,000	200	2,000
TCCL NCD 'E' FY 2015-16	4-Sep-15	4-Sep-20	200	2,000	200	2,000
TCHFL - Series AB - FY 2015-16	20-Aug-15	20-Aug-20	100	1,000	100	1,000
TCHFL - Series AA - FY 2015-16	17-Aug-15	17-Aug-20	1,000	10,000	1,000	10,000
TCHFL - Series Z - FY 2015-16	7-Aug-15	7-Aug-20	300	3,000	300	3,000
TCCL NCD 'C' FY 2015-16	20-Jul-15	20-Jul-20	200	2,000	200	2,000
TCHFL - Series T - FY 2015-16 - Option I	9-Jul-15	9-Jul-20	100	1,000	100	1,000
TCFSL NCD "U" FY 2016-17	26-Aug-16	1-Jul-20	150	1,500	-	-
TCFSL NCD "E" FY 2015-16	5-May-15	5-May-20	3,300	33,000	3,300	33,000

**NOTES TO AND FORMING PART OF THE CONSOLIDATED  
BALANCE SHEET AS AT MARCH 31, 2017**

Description of NCDs	Issue Date	Redemption Date	As on March 31, 2017*		As on March 31, 2016*	
			Number of NCDs	₹ in lakh	Number of NCDs	₹ in lakh
TCHFL - Series Y - FY 2016-17	17-Mar-17	17-Mar-20	3,000	30,000	-	-
TCFSL NCD "AJ" FY 2016-17	1-Mar-17	28-Feb-20	250	2,500	-	-
TCHFL - Series Z - FY 2014-15	12-Feb-15	12-Feb-20	100	1,000	100	1,000
TCHFL - Series X - FY 2016-17	10-Feb-17	7-Feb-20	514	5,140	-	-
TCHFL - Series G - FY 2016-17 - Option II	10-Jun-16	23-Dec-19	130	1,300	-	-
TCFSL NCD "I" FY 2016-17 Option - II	10-Jun-16	23-Dec-19	130	1,300	-	-
TCFSL NCD "AE" FY 2016-17	16-Nov-16	16-Dec-19	750	7,500	-	-
TCFSL NCD "AD" FY 2016-17	10-Nov-16	10-Dec-19	230	2,300	-	-
TCFSL NCD "AC" FY 2016-17	27-Oct-16	25-Oct-19	350	3,500	-	-
TCHFL - Series G - FY 2014-15	22-Oct-14	22-Oct-19	550	5,500	550	5,500
TCHFL - Series K - FY 2012-13	28-Sep-12	3-Oct-19	100	1,000	100	1,000
TCHFL - Series R - FY 2016-17	30-Aug-16	30-Aug-19	250	2,500	-	-
TCFSL NCD "V" FY 2016-17 - Option II	31-Aug-16	30-Aug-19	250	2,500	-	-
TCFSL NCD "T" FY 2016-17	25-Aug-16	23-Aug-19	250	2,500	-	-
TCHFL - Series D - FY 2014-15 - Option II	22-Aug-14	22-Aug-19	100	1,000	100	1,000
TCHFL - Series P - FY 2016-17	8-Aug-16	8-Aug-19	250	2,500	-	-
TCHFL - Series N - FY 2016-17	29-Jul-16	29-Jul-19	100	1,000	-	-
TCFSL NCD "P" FY 2016-17	29-Jul-16	29-Jul-19	100	1,000	-	-
TCHFL - Series B - FY 2014-15 - Option II	22-Jul-14	21-Jul-19	100	1,000	100	1,000
TCFSL NCD "O" FY 2016-17	19-Jul-16	19-Jul-19	250	2,500	-	-
TCHFL - Series M - FY 2016-17	14-Jul-16	12-Jul-19	100	1,000	-	-
TCFSL NCD "N" FY 2016-17	12-Jul-16	12-Jul-19	2,000	20,000	-	-
TCFSL NCD C FY 2014-15 - Option-II	9-Jul-14	9-Jul-19	350	3,500	350	3,500
TCHFL - Series G - FY 2016-17 - Option I	10-Jun-16	24-Jun-19	20	200	-	-
TCFSL NCD "I" FY 2016-17- Option I	10-Jun-16	24-Jun-19	250	2,500	-	-
TCHFL - Series H - FY 2016-17	14-Jun-16	14-Jun-19	50	500	-	-
TCCL NCD 'A' FY 2016-17	14-Jun-16	14-Jun-19	250	2,500	-	-
TCHFL - Series A - FY 2014-15 - Option II	13-Jun-14	13-Jun-19	100	1,000	100	1,000
TCFSL NCD "F" FY 2016-17	24-May-16	24-May-19	250	2,500	-	-
TCHFL - Series AT - FY 2015-16	2-Mar-16	16-May-19	220	2,200	220	2,200
TCFSL NCD "Z" FY 2015-16	5-Feb-16	3-May-19	1,000	10,000	1,000	10,000
TCFSL NCD "D" FY 2016-17	20-Apr-16	19-Apr-19	100	1,000	-	-
TCHFL - Series AU - FY 2015-16 - Option II	30-Mar-16	18-Apr-19	100	1,000	100	1,000
TCHFL - Series B - FY 2016-17	18-Apr-16	18-Apr-19	150	1,500	-	-
TCFSL NCD "AC" FY 2015-16	31-Mar-16	18-Apr-19	213	2,130	213	2,130
TCFSL NCD "B" FY 2016-17	7-Apr-16	8-Apr-19	200	2,000	-	-
TCFSL NCD "AK" FY 2016-17	27-Mar-17	27-Mar-19	190	1,900	-	-
TCFSL NCD "AA" FY 2016-17	6-Oct-16	18-Mar-19	500	5,000	-	-
TCFSL NCD "X" FY 2016-17	8-Sep-16	8-Mar-19	2,500	25,000	-	-
TCFSL NCD "AI" FY 2016-17	8-Feb-17	4-Mar-19	1,000	10,000	-	-
TCFSL NCD "AH" FY 2016-17	6-Feb-17	6-Feb-19	1,500	15,000	-	-
TCHFL - Series N - FY 2013-14	20-Jan-14	18-Jan-19	50	500	50	500
TCHFL - Series AQ - FY 2015-16	18-Jan-16	18-Jan-19	1,000	10,000	1,000	10,000
TCHFL - Series AR - FY 2015-16	20-Jan-16	18-Jan-19	100	1,000	100	1,000
TCFSL NCD "Y" FY 2015-16	8-Jan-16	8-Jan-19	250	2,500	250	2,500

**NOTES TO AND FORMING PART OF THE CONSOLIDATED  
BALANCE SHEET AS AT MARCH 31, 2017**

Description of NCDs	Issue Date	Redemption Date	As on March 31, 2017*		As on March 31, 2016*	
			Number of NCDs	₹ in lakh	Number of NCDs	₹ in lakh
TCHFL - Series P - FY 2015-16 - Option III	24-Jun-15	7-Jan-19	50	500	50	500
TCFSL NCD "AF" FY 2016-17	29-Nov-16	29-Nov-18	3,000	30,000	-	-
TCHFL - Series G - FY 2011-12	11-Nov-11	18-Nov-18	100	1,000	100	1,000
TCHFL - Series V - FY 2016-17	17-Nov-16	16-Nov-18	250	2,500	-	-
TCHFL - Series AL - FY 2015-16	2-Nov-15	2-Nov-18	120	1,200	120	1,200
TCHFL - Series AK - FY 2015-16	26-Oct-15	26-Oct-18	130	1,300	130	1,300
TCFSL NCD AA FY 2011-12	21-Oct-11	21-Oct-18	150	1,500	150	1,500
TCFSL NCD "AB" FY 2016-17	14-Oct-16	12-Oct-18	5,450	54,500	-	-
TCFSL NCD R FY 2011-12	23-Sep-11	23-Sep-18	100	1,000	100	1,000
TCFSL NCD "W" FY 2016-17	6-Sep-16	6-Sep-18	2,500	25,000	-	-
TCHFL - Series S - FY 2016-17	31-Aug-16	31-Aug-18	250	2,500	-	-
TCFSL NCD "V" FY 2016-17 - Option I	31-Aug-16	31-Aug-18	300	3,000	-	-
TCHFL - Series AC - FY 2015-16 - Option I	24-Aug-15	24-Aug-18	50	500	50	500
TCFSL NCD "S" FY 2015-16	26-Aug-15	24-Aug-18	250	2,500	250	2,500
TCHFL - Series Y - FY 2015-16 - Option I	31-Jul-15	21-Aug-18	217	2,170	217	2,170
TCHFL - Series AC - FY 2015-16 - Option II	24-Aug-15	20-Aug-18	350	3,500	350	3,500
TCFSL NCD O FY 2013-14	20-Aug-13	20-Aug-18	430	4,300	430	4,300
TCFSL NCD M FY 2011-12	17-Aug-11	17-Aug-18	100	400	100	1,000
TCHFL - Series AD - FY 2015-16	26-Aug-15	16-Aug-18	158	1,580	158	1,580
TCHFL - Series Q - FY 2016-17	18-Aug-16	16-Aug-18	1,300	13,000	-	-
TCFSL NCD "S" FY 2016-17	16-Aug-16	16-Aug-18	750	7,500	-	-
TCFSL NCD "R" FY 2016-17	12-Aug-16	13-Aug-18	250	2,500	-	-
TCCL NCD 'D' FY 2015-16 Option II	3-Aug-15	3-Aug-18	500	5,000	500	5,000
TCHFL - Series O - FY 2016-17	2-Aug-16	2-Aug-18	1,000	10,000	-	-
TCFSL NCD "Q" FY 2016-17	2-Aug-16	2-Aug-18	1,500	15,000	-	-
TCHFL - Series V - FY 2015-16	16-Jul-15	26-Jul-18	440	4,400	440	4,400
TCHFL - Series Y - FY 2015-16 - Option II	31-Jul-15	23-Jul-18	260	2,600	260	2,600
TCHFL - Series W - FY 2015-16	24-Jul-15	19-Jul-18	200	2,000	200	2,000
TCFSL NCD 'Q' FY 2015-16	13-Jul-15	13-Jul-18	50	500	50	500
TCFSL NCD "L" FY 2015-16	22-Jun-15	22-Jun-18	4,000	38,000	4,000	40,000
TCHFL - Series K - FY 2015-16 - Option IV	1-Jun-15	20-Jun-18	250	2,500	250	2,500
TCHFL - Series P - FY 2015-16 - Option II	24-Jun-15	19-Jun-18	200	2,000	200	2,000
TCHFL - Series P - FY 2015-16 - Option I	24-Jun-15	18-Jun-18	115	1,150	115	1,150
TCHFL - Series N - FY 2015-16 - Option I	12-Jun-15	12-Jun-18	471	4,710	471	4,710
TCHFL - Series L - FY 2015-16	4-Jun-15	4-Jun-18	100	1,000	100	1,000
TCHFL - Series K - FY 2015-16 - Option I	1-Jun-15	1-Jun-18	2,600	26,000	2,600	26,000
TCHFL - Series K - FY 2015-16 - Option III	1-Jun-15	29-May-18	350	3,500	350	3,500
TCFSL NCD G FY 2013-14	22-May-13	22-May-18	2,000	20,000	2,000	20,000
TCFSL NCD H FY 2013-14	22-May-13	22-May-18	250	2,500	250	2,500
TCCL NCD 'B' FY 2015-16 Option II	20-May-15	18-May-18	600	6,000	600	6,000
TCHFL - Series F - FY 2016-17	11-May-16	11-May-18	150	1,500	-	-
TCFSL NCD D FY 2013-14	7-May-13	7-May-18	200	2,000	200	2,000
TCFSL NCD E FY 2013-14	7-May-13	7-May-18	500	5,000	500	5,000
TCHFL - Series F - FY 2015-16	27-Apr-15	27-Apr-18	210	2,100	210	2,100
TCHFL - Series C - FY 2013-14	23-Apr-13	23-Apr-18	100	1,000	100	1,000

**NOTES TO AND FORMING PART OF THE CONSOLIDATED  
BALANCE SHEET AS AT MARCH 31, 2017**

Description of NCDs	Issue Date	Redemption Date	As on March 31, 2017*		As on March 31, 2016*	
			Number of NCDs	₹ in lakh	Number of NCDs	₹ in lakh
TCFSL NCD A FY 2013-14 - Option-I	23-Apr-13	23-Apr-18	850	8,500	850	8,500
TCCL NCD 'A' FY 2015-16	22-Apr-15	20-Apr-18	500	5,000	500	5,000
TCHFL - Series AE - FY 2014-15	26-Mar-15	10-Apr-18	340	3,400	340	3,400
TCHFL - Series A - FY 2015-16 - Option III	10-Apr-15	10-Apr-18	552	5,520	552	5,520
TCHFL - Series C - FY 2015-16 - Option III	17-Apr-15	10-Apr-18	90	900	90	900
TCFSL NCD AK FY 2014-15-Option-II	15-Jan-15	5-Apr-18	59	590	59	590
TCFSL NCD AX FY 2014-15-Option-II	20-Mar-15	3-Apr-18	80	800	80	800
TCHFL - Series U - FY 2016-17	10-Oct-16	28-Mar-18	4,000	40,000	-	-
TCFSL NCD BF FY 2012-13	26-Mar-13	26-Mar-18	50	500	50	500
TCFSL NCD "J" FY 2016-17- Option I	15-Jun-16	26-Mar-18	300	3,000	-	-
TCFSL NCD "Y" FY 2016-17	30-Sep-16	26-Mar-18	1,500	15,000	-	-
TCFSL NCD "Z" FY 2016-17	4-Oct-16	26-Mar-18	3,500	35,000	-	-
TCFSL NCD "AY" FY 2014-15-Option-I	24-Mar-15	23-Mar-18	150	1,500	150	1,500
TCHFL - Series C - FY 2016-17	22-Apr-16	20-Mar-18	950	9,500	-	-
TCHFL - Series D - FY 2016-17	29-Apr-16	20-Mar-18	600	6,000	-	-
TCFSL NCD "A" FY 2016-17	5-Apr-16	20-Mar-18	1,250	12,500	-	-
TCFSL NCD "E" FY 2016-17	22-Apr-16	20-Mar-18	700	7,000	-	-
TCHFL - Series I - FY 2016-17	15-Jun-16	15-Mar-18	250	2,500	-	-
TCFSL NCD "C" FY 2016-17	13-Apr-16	15-Mar-18	2,500	25,000	-	-
TCHFL - Series AD - FY 2014-15 - Option II	16-Mar-15	12-Mar-18	50	500	50	500
TCHFL - Series AC - FY 2014-15 - Option II	10-Mar-15	9-Mar-18	600	6,000	600	6,000
TCFSL NCD AV FY 2014-15 - Option-II	10-Mar-15	9-Mar-18	500	5,000	500	5,000
TCFSL NCD AT FY 2014-15 - Option-I	2-Mar-15	2-Mar-18	650	6,500	650	6,500
TCHFL - Series W - FY 2014-15 - Option I	27-Jan-15	14-Feb-18	80	800	80	800
TCHFL - Series AA - FY 2014-15 - Option I	16-Feb-15	12-Feb-18	75	750	75	750
TCFSL NCD AQ FY 2014-15	20-Feb-15	12-Feb-18	60	600	60	600
TCHFL - Series Y - FY 2014-15	4-Feb-15	2-Feb-18	150	1,500	150	1,500
TCFSL NCD AP FY 2014-15-Option-I	4-Feb-15	2-Feb-18	500	5,000	500	5,000
TCFSL NCD AN FY 2014-15	29-Jan-15	29-Jan-18	3,000	30,000	3,000	30,000
TCHFL - Series U - FY 2014-15	20-Jan-15	24-Jan-18	190	1,900	190	1,900
TCFSL NCD AL FY 2014-15	20-Jan-15	24-Jan-18	210	2,100	210	2,100
TCFSL NCD AY FY 2012-13	22-Jan-13	22-Jan-18	2,000	20,000	2,000	20,000
TCFSL NCD BA FY 2012-13	22-Jan-13	22-Jan-18	250	2,500	250	2,500
TCFSL NCD 'AZ' FY 2012-13	22-Jan-13	22-Jan-18	3,000	30,000	3,000	30,000
TCFSL NCD AX FY 2012-13	16-Jan-13	16-Jan-18	650	6,500	650	6,500
TCFSL NCD AK FY 2014-15-Option-I	15-Jan-15	15-Jan-18	97	970	97	970
TCHFL - Series T - FY 2014-15	14-Jan-15	10-Jan-18	162	1,620	162	1,620
TCFSL NCD AJ FY 2014-15	14-Jan-15	10-Jan-18	162	1,620	162	1,620
TCHFL - Series L - FY 2016-17	7-Jul-16	8-Jan-18	300	3,000	-	-
TCFSL NCD "L" FY 2016-17	7-Jul-16	8-Jan-18	250	2,500	-	-
TCFSL NCD AH FY 2014-15-Option-III	16-Dec-14	4-Jan-18	90	900	90	900
TCHFL - Series K - FY 2015-16 - Option II	1-Jun-15	2-Jan-18	114	1,140	114	1,140
TCFSL NCD "K" FY 2016-17	24-Jun-16	26-Dec-17	250	2,500	-	-
TCHFL - Series AO - FY 2015-16	23-Dec-15	22-Dec-17	200	2,000	200	2,000
TCFSL NCD "J" FY 2016-17- Option II	15-Jun-16	15-Dec-17	250	2,500	-	-

**NOTES TO AND FORMING PART OF THE CONSOLIDATED  
BALANCE SHEET AS AT MARCH 31, 2017**

Description of NCDs	Issue Date	Redemption Date	As on March 31, 2017*		As on March 31, 2016*	
			Number of NCDs	₹ in lakh	Number of NCDs	₹ in lakh
TCFSL NCD AF FY 2014-15-Option-III	8-Dec-14	8-Dec-17	50	500	50	500
TCHFL - Series AN - FY 2015-16	7-Dec-15	7-Dec-17	150	1,500	150	1,500
TCFSL NCD AS FY 2012-13	5-Dec-12	5-Dec-17	250	2,500	250	2,500
TCFSL NCD AB FY 2014-15-Option-III	21-Nov-14	29-Nov-17	150	1,500	150	1,500
TCFSL NCD AB FY 2014-15-Option-II	21-Nov-14	27-Nov-17	200	2,000	200	2,000
TCHFL - Series M - FY 2014-15 - Option II	14-Nov-14	24-Nov-17	150	1,500	150	1,500
TCFSL NCD X FY 2014-15 - Option -II	14-Nov-14	24-Nov-17	150	1,500	150	1,500
TCHFL - Series O - FY 2014-15	20-Nov-14	22-Nov-17	180	1,800	180	1,800
TCHFL - Series N - FY 2014-15	18-Nov-14	21-Nov-17	70	700	70	700
TCFSL NCD Y FY 2014-15	18-Nov-14	20-Nov-17	100	1,000	100	1,000
TCFSL NCD AB FY 2014-15-Option-I	21-Nov-14	20-Nov-17	380	3,800	380	3,800
TCFSL NCD Z FY 2014-15	19-Nov-14	15-Nov-17	740	7,400	740	7,400
TCHFL - Series J - FY 2014-15 - Option II	7-Nov-14	13-Nov-17	120	1,200	120	1,200
TCFSL NCD AQ FY 2012-13	12-Nov-12	10-Nov-17	300	3,000	300	3,000
TCFSL NCD "W" FY 2015-16	10-Nov-15	10-Nov-17	200	2,000	200	2,000
TCFSL NCD AJ FY 2012-13	9-Nov-12	9-Nov-17	5,000	50,000	5,000	50,000
TCCL NCD 'G' FY 2015-16	6-Nov-15	6-Nov-17	250	2,500	250	2,500
TCHFL - Series K - FY 2014-15	11-Nov-14	1-Nov-17	100	1,000	100	1,000
TCHFL - Series AJ - FY 2015-16	21-Oct-15	20-Oct-17	100	1,000	100	1,000
TCFSL NCD U FY 2014-15	21-Oct-14	20-Oct-17	100	1,000	100	1,000
TCFSL NCD "V" FY 2015-16	21-Oct-15	20-Oct-17	1,000	10,000	1,000	10,000
TCFSL NCD T FY 2014-15 - Option -III	13-Oct-14	18-Oct-17	100	1,000	100	1,000
TCFSL NCD S FY 2014-15 - Option -I	9-Oct-14	9-Oct-17	50	500	50	500
TCFSL NCD R FY 2014-15 - Option -III	30-Sep-14	29-Sep-17	50	500	50	500
TCFSL NCD R FY 2014-15 - Option -II	30-Sep-14	28-Sep-17	100	1,000	100	1,000
TCFSL NCD 'U' FY 2015-16	28-Sep-15	28-Sep-17	2,000	20,000	2,000	20,000
TCFSL NCD S FY 2014-15 - Option -V	9-Oct-14	27-Sep-17	22	220	22	220
TCFSL NCD T FY 2014-15 - Option -V	13-Oct-14	26-Sep-17	250	2,500	250	2,500
TCFSL NCD T FY 2014-15 - Option -I	13-Oct-14	20-Sep-17	1,500	15,000	1,500	15,000
TCFSL NCD AG FY 2012-13	10-Sep-12	8-Sep-17	100	1,000	100	1,000
TCFSL NCD "M" FY 2016-17	8-Jul-16	8-Sep-17	1,500	15,000	-	-
TCFSL NCD M FY 2014-15	4-Sep-14	4-Sep-17	500	5,000	500	5,000
TCFSL NCD L FY 2014-15 - Option- I	1-Sep-14	1-Sep-17	4,000	40,000	4,000	40,000
TCFSL NCD R FY 2013-14	26-Aug-13	25-Aug-17	300	3,000	300	3,000
TCHFL - Series D - FY 2014-15 - Option I	22-Aug-14	22-Aug-17	600	6,000	600	6,000
TCFSL NCD M FY 2011-12 - Partial Redemption	17-Aug-11	17-Aug-17	100	300	-	-
TCFSL NCD "H" FY 2016-17	7-Jun-16	10-Aug-17	400	4,000	-	-
TCFSL NCD AE FY 2012-13	9-Aug-12	9-Aug-17	200	2,000	200	2,000
TCCL NCD 'D' FY 2015-16 Option I	3-Aug-15	3-Aug-17	500	5,000	500	5,000
TCHFL - Series C - FY 2014-15 - Option II	7-Aug-14	1-Aug-17	200	2,000	200	2,000
TCFSL NCD 'R' FY 2015-16	31-Jul-15	31-Jul-17	1,570	15,700	1,570	15,700
TCHFL - Series B - FY 2014-15 - Option I	22-Jul-14	21-Jul-17	100	1,000	100	1,000
TCFSL NCD "H" FY 2015-16 Option - I	15-May-15	17-Jul-17	1,270	12,700	1,270	12,700
TCHFL - Series U - FY 2015-16	14-Jul-15	14-Jul-17	500	5,000	500	5,000
TCFSL NCD F FY 2014-15	14-Jul-14	14-Jul-17	100	1,000	100	1,000

**NOTES TO AND FORMING PART OF THE CONSOLIDATED  
BALANCE SHEET AS AT MARCH 31, 2017**

Description of NCDs	Issue Date	Redemption Date	As on March 31, 2017*		As on March 31, 2016*	
			Number of NCDs	₹ in lakh	Number of NCDs	₹ in lakh
TCFSL NCD C FY 2014-15 - Option-I	9-Jul-14	10-Jul-17	250	2,500	250	2,500
TCHFL - Series S - FY 2015-16 - Option II	7-Jul-15	7-Jul-17	50	500	50	500
TCFSL NCD 'O' FY 2015-16 Option II	7-Jul-15	7-Jul-17	250	2,500	250	2,500
TCFSL NCD 'P' FY 2015-16	9-Jul-15	7-Jul-17	2,500	25,000	2,500	25,000
TCHFL - Series R - FY 2015-16	3-Jul-15	28-Jun-17	130	1,300	130	1,300
TCHFL - Series Q - FY 2015-16 - Option II	30-Jun-15	26-Jun-17	180	1,800	180	1,800
TCHFL - Series S - FY 2015-16 - Option I	7-Jul-15	23-Jun-17	250	2,500	250	2,500
TCFSL NCD "M" FY 2015-16 - Option I	24-Jun-15	23-Jun-17	1,000	10,000	1,000	10,000
TCFSL NCD "M" FY 2015-16 - Option II	24-Jun-15	23-Jun-17	750	7,500	750	7,500
TCFSL NCD "M" FY 2015-16 - Option III	24-Jun-15	23-Jun-17	750	7,500	750	7,500
TCFSL NCD 'O' FY 2015-16 Option I	7-Jul-15	23-Jun-17	2,500	25,000	2,500	25,000
TCHFL - Series J - FY 2015-16 - Option II	28-May-15	20-Jun-17	219	2,190	219	2,190
TCHFL - Series Q - FY 2015-16 - Option I	30-Jun-15	20-Jun-17	180	1,800	180	1,800
TCFSL NCD "H" FY 2015-16 Option - V	15-May-15	20-Jun-17	187	1,870	187	1,870
TCFSL NCD "I" FY 2015-16 Option - V	22-May-15	20-Jun-17	67	670	67	670
TCHFL - Series A - FY 2014-15 - Option III	13-Jun-14	13-Jun-17	250	2,500	250	2,500
TCFSL NCD "K" FY 2015-16	9-Jun-15	9-Jun-17	5,000	50,000	5,000	50,000
TCHFL - Series N - FY 2015-16 - Option II	12-Jun-15	7-Jun-17	240	2,400	240	2,400
TCHFL - Series E - FY 2015-16 - Option III	23-Apr-15	1-Jun-17	600	6,000	600	6,000
TCFSL NCD "C" FY 2015-16 Option-IV	22-Apr-15	1-Jun-17	340	3,400	340	3,400
TCFSL NCD "H" FY 2015-16 Option - VI	15-May-15	1-Jun-17	175	1,750	175	1,750
TCFSL NCD "I" FY 2015-16 Option - I	22-May-15	1-Jun-17	1,273	12,730	1,273	12,730
TCHFL - Series I - FY 2015-16 - Option I	13-May-15	24-May-17	220	2,200	220	2,200
TCFSL NCD "G" FY 2015-16 - Option I	13-May-15	24-May-17	350	3,500	350	3,500
TCFSL NCD "J" FY 2015-16 - Option II	26-May-15	24-May-17	5,250	52,500	5,250	52,500
TCFSL NCD "H" FY 2015-16 Option - IV	15-May-15	24-May-17	220	2,200	220	2,200
TCFSL NCD "B" FY 2015-16	20-Apr-15	22-May-17	1,026	10,260	1,026	10,260
TCFSL NCD "H" FY 2015-16 Option - II	15-May-15	22-May-17	780	7,800	780	7,800
TCCL NCD 'B' FY 2015-16 Option I	20-May-15	17-May-17	900	9,000	900	9,000
TCFSL NCD "I" FY 2015-16 Option - II	22-May-15	17-May-17	200	2,000	200	2,000
TCFSL NCD "H" FY 2015-16 Option - VIII	15-May-15	15-May-17	100	1,000	100	1,000
TCFSL NCD "H" FY 2015-16 Option - III	15-May-15	12-May-17	250	2,500	250	2,500
TCHFL - Series G - FY 2015-16 - Option III	6-May-15	4-May-17	167	1,670	167	1,670
TCHFL - Series A - FY 2014-15 - Option I	13-Jun-14	2-May-17	600	6,000	600	6,000
TCHFL - Series H - FY 2015-16	8-May-15	2-May-17	400	4,000	400	4,000
TCFSL NCD AU FY 2014-15-Option-III	5-Mar-15	2-May-17	110	1,100	110	1,100
TCHFL - Series C - FY 2015-16 - Option II	17-Apr-15	27-Apr-17	870	8,700	870	8,700
TCHFL - Series I - FY 2015-16 - Option II	13-May-15	27-Apr-17	90	900	90	900
TCHFL - Series J - FY 2015-16 - Option I	28-May-15	27-Apr-17	150	1,500	150	1,500
TCFSL NCD "G" FY 2015-16 - Option II	13-May-15	27-Apr-17	90	900	90	900
TCHFL - Series A - FY 2015-16 - Option V	10-Apr-15	26-Apr-17	700	7,000	700	7,000
TCHFL - Series A - FY 2015-16 - Option VI	10-Apr-15	25-Apr-17	1,135	11,350	1,135	11,350
TCHFL - Series E - FY 2015-16 - Option II	23-Apr-15	25-Apr-17	236	2,360	236	2,360
TCHFL - Series G - FY 2015-16 - Option I	6-May-15	25-Apr-17	51	510	51	510
TCFSL NCD "C" FY 2015-16 Option-III	22-Apr-15	25-Apr-17	850	8,500	850	8,500



**NOTES TO AND FORMING PART OF THE CONSOLIDATED  
BALANCE SHEET AS AT MARCH 31, 2017**

Description of NCDs	Issue Date	Redemption Date	As on March 31, 2017*		As on March 31, 2016*	
			Number of NCDs	₹ in lakh	Number of NCDs	₹ in lakh
TCHFL - Series A - FY 2015-16 - Option II	10-Apr-15	24-Apr-17	180	1,800	180	1,800
TCHFL - Series D - FY 2015-16 - Option II	21-Apr-15	21-Apr-17	160	1,600	160	1,600
TCHFL - Series A - FY 2015-16 - Option IV	10-Apr-15	20-Apr-17	545	5,450	545	5,450
TCFSL NCD "C" FY 2015-16 Option-II	22-Apr-15	20-Apr-17	70	700	70	700
TCHFL - Series A - FY 2015-16 - Option I	10-Apr-15	19-Apr-17	50	500	50	500
TCFSL NCD "C" FY 2015-16 Option-I	22-Apr-15	19-Apr-17	326	3,260	326	3,260
TCHFL - Series G - FY 2015-16 - Option II	6-May-15	18-Apr-17	88	880	88	880
TCFSL NCD "D" FY 2015-16 Option-II	24-Apr-15	18-Apr-17	88	880	88	880
TCHFL - Series AD - FY 2014-15 - Option I	16-Mar-15	17-Apr-17	90	900	90	900
TCHFL - Series B - FY 2015-16	15-Apr-15	13-Apr-17	117	1,170	117	1,170
TCFSL NCD "A" FY 2015-16	15-Apr-15	11-Apr-17	180	1,800	180	1,800
TCFSL NCD "H" FY 2015-16 Option - VII	15-May-15	11-Apr-17	120	1,200	120	1,200
TCHFL - Series AB - FY 2014-15	5-Mar-15	10-Apr-17	100	1,000	100	1,000
TCFSL NCD AU FY 2014-15-Option-I	5-Mar-15	10-Apr-17	115	1,150	115	1,150
TCFSL NCD "D" FY 2015-16 Option-IV	24-Apr-15	5-Apr-17	510	5,100	510	5,100
TCHFL - Series C - FY 2015-16 - Option I	17-Apr-15	4-Apr-17	45	450	45	450
TCHFL - Series D - FY 2015-16 - Option I	21-Apr-15	3-Apr-17	180	1,800	180	1,800
TCHFL - Series E - FY 2015-16 - Option I	23-Apr-15	3-Apr-17	470	4,700	470	4,700
TCFSL NCD "D" FY 2015-16 Option-I	24-Apr-15	3-Apr-17	640	6,400	640	6,400
TCFSL NCD "D" FY 2015-16 Option-III	24-Apr-15	3-Apr-17	190	1,900	190	1,900
TCHFL - Series M - FY 2015-16	9-Jun-15	28-Mar-17	-	-	250	2,500
TCFSL NCD AG FY 2014-15-Option-II	10-Dec-14	24-Mar-17	-	-	250	2,500
TCFSL NCD "AY" FY 2014-15-Option-II	24-Mar-15	24-Mar-17	-	-	250	2,500
TCFSL NCD "AW" FY 2014-15	18-Mar-15	17-Mar-17	-	-	3,000	30,000
TCFSL NCD "AX" FY 2014-15-Option-I	20-Mar-15	16-Mar-17	-	-	187	1,870
TCHFL - Series AC - FY 2014-15 - Option I	10-Mar-15	10-Mar-17	-	-	1,850	18,500
TCFSL NCD AV FY 2014-15 - Option-I	10-Mar-15	10-Mar-17	-	-	5,550	55,500
TCFSL NCD X FY 2013-14	16-Sep-13	6-Mar-17	-	-	220	2,200
TCFSL NCD AU FY 2014-15-Option-II	5-Mar-15	2-Mar-17	-	-	126	1,260
TCHFL - Series AA - FY 2014-15 - Option II	16-Feb-15	27-Feb-17	-	-	40	400
TCFSL NCD AS FY 2014-15	27-Feb-15	27-Feb-17	-	-	100	1,000
TCFSL NCD AT FY 2014-15-Option-II	2-Mar-15	27-Feb-17	-	-	170	1,700
TCHFL - Series J - FY 2015-16 - Option V	28-May-15	24-Feb-17	-	-	270	2,700
TCFSL NCD AR FY 2014-15 - Option-III	26-Feb-15	23-Feb-17	-	-	250	2,500
TCFSL NCD AR FY 2014-15-Option-II	26-Feb-15	23-Feb-17	-	-	100	1,000
TCFSL NCD "I" FY 2015-16 Option - III	22-May-15	20-Feb-17	-	-	150	1,500
TCFSL NCD AR FY 2014-15-Option-I	26-Feb-15	16-Feb-17	-	-	325	3,250
TCFSL NCD P FY 2013-14	22-Aug-13	15-Feb-17	-	-	500	5,000
TCFSL NCD AP FY 2014-15-Option-II	4-Feb-15	3-Feb-17	-	-	100	1,000
TCFSL NCD AO FY 2014-15	2-Feb-15	2-Feb-17	-	-	500	5,000
TCHFL - Series W - FY 2014-15 - Option II	27-Jan-15	24-Jan-17	-	-	44	440
TCHFL - Series J - FY 2015-16 - Option III	28-May-15	23-Jan-17	-	-	75	750
TCFSL NCD "H" FY 2015-16 Option - IX	15-May-15	23-Jan-17	-	-	217	2,170
TCFSL NCD "J" FY 2015-16 Option - I	26-May-15	23-Jan-17	-	-	70	700
TCFSL NCD AI FY 2014-15	13-Jan-15	19-Jan-17	-	-	110	1,100
TCFSL NCD AK FY 2014-15-Option-III	15-Jan-15	12-Jan-17	-	-	880	8,800

**NOTES TO AND FORMING PART OF THE CONSOLIDATED  
BALANCE SHEET AS AT MARCH 31, 2017**

Description of NCDs	Issue Date	Redemption Date	As on March 31, 2017*		As on March 31, 2016*	
			Number of NCDs	₹ in lakh	Number of NCDs	₹ in lakh
TCHFL - Series L - FY 2013-14	10-Jan-14	10-Jan-17	-	-	250	2,500
TCFSL NCD "F" FY 2015-16	8-May-15	9-Jan-17	-	-	150	1,500
TCFSL NCD "I" FY 2015-16 Option - IV	22-May-15	28-Dec-16	-	-	100	1,000
TCHFL - Series E - FY 2014-15	23-Sep-14	23-Dec-16	-	-	400	4,000
TCHFL - Series S - FY 2014-15 - Option I	16-Dec-14	15-Dec-16	-	-	118	1,180
TCFSL NCD AH FY 2014-15-Option-II	16-Dec-14	15-Dec-16	-	-	40	400
TCFSL NCD AG FY 2014-15-Option-I	10-Dec-14	9-Dec-16	-	-	50	500
TCFSL NCD AF FY 2014-15-Option-II	8-Dec-14	8-Dec-16	-	-	170	1,700
TCHFL - Series S - FY 2014-15 - Option II	16-Dec-14	6-Dec-16	-	-	101	1,010
TCFSL NCD AH FY 2014-15-Option-I	16-Dec-14	6-Dec-16	-	-	151	1,510
TCFSL NCD AJ FY 2013-14	13-Dec-13	5-Dec-16	-	-	45	450
TCHFL - Series K - FY 2013-14	2-Dec-13	2-Dec-16	-	-	200	2,000
TCHFL - Series Q - FY 2014-15 - Option I	4-Dec-14	2-Dec-16	-	-	139	1,390
TCFSL NCD AE FY 2014-15-Option-I	4-Dec-14	2-Dec-16	-	-	1,500	15,000
TCFSL NCD AE FY 2014-15-Option-III	4-Dec-14	30-Nov-16	-	-	130	1,300
TCHFL - Series Q - FY 2014-15 - Option II	4-Dec-14	29-Nov-16	-	-	274	2,740
TCFSL NCD AE FY 2014-15-Option-II	4-Dec-14	29-Nov-16	-	-	164	1,640
TCHFL - Series J - FY 2015-16 - Option IV	28-May-15	24-Nov-16	-	-	250	2,500
TCFSL NCD AC FY 2013-14	8-Nov-13	11-Nov-16	-	-	55	550
TCFSL NCD W FY 2014-15 - Option -II	12-Nov-14	11-Nov-16	-	-	100	1,000
TCFSL NCD AM FY 2011-12	10-Nov-11	10-Nov-16	-	-	100	1,000
TCHFL - Series J - FY 2013-14	7-Nov-13	7-Nov-16	-	-	50	500
TCHFL - Series J - FY 2014-15 - Option I	7-Nov-14	7-Nov-16	-	-	60	600
TCFSL NCD AF FY 2013-14	2-Dec-13	7-Nov-16	-	-	50	500
TCHFL - Series I - FY 2014-15 - Option II	3-Nov-14	3-Nov-16	-	-	70	700
TCHFL - Series H - FY 2014-15	31-Oct-14	31-Oct-16	-	-	182	1,820
TCFSL NCD V FY 2014-15 - Option -II	27-Oct-14	27-Oct-16	-	-	500	5,000
TCFSL NCD L FY 2014-15 - Option- II	1-Sep-14	26-Oct-16	-	-	85	850
TCFSL NCD V FY 2014-15 - Option -I	27-Oct-14	20-Oct-16	-	-	145	1,450
TCFSL NCD T FY 2014-15 - Option -IV	13-Oct-14	18-Oct-16	-	-	150	1,500
TCFSL NCD S FY 2014-15 - Option -IV	9-Oct-14	17-Oct-16	-	-	40	400
TCHFL - Series F - FY 2014-15 - Option II	20-Oct-14	10-Oct-16	-	-	188	1,880
TCFSL NCD O FY 2014-15	12-Sep-14	5-Oct-16	-	-	320	3,200
TCFSL NCD K FY 2014-15 - Option-I	7-Aug-14	29-Sep-16	-	-	100	1,000
TCHFL - Series AF - FY 2015-16	3-Sep-15	27-Sep-16	-	-	65	650
TCFSL NCD 'T' FY 2015-16	3-Sep-15	27-Sep-16	-	-	65	650
TCFSL NCD S FY 2014-15 - Option -III	9-Oct-14	26-Sep-16	-	-	100	1,000
TCFSL NCD Q FY 2014-15	24-Sep-14	23-Sep-16	-	-	100	1,000
TCFSL NCD S FY 2014-15 - Option -II	9-Oct-14	21-Sep-16	-	-	103	1,030
TCHFL - Series T - FY 2015-16	9-Jul-15	20-Sep-16	-	-	110	1,100
TCFSL NCD 'Q' FY 2015-16	13-Jul-15	20-Sep-16	-	-	110	1,100
TCFSL NCD "I" FY 2015-16 Option - VI	22-May-15	20-Sep-16	-	-	65	650
TCFSL NCD P FY 2014-15	19-Sep-14	14-Sep-16	-	-	100	1,000
TCFSL NCD N FY 2014-15	10-Sep-14	12-Sep-16	-	-	85	850
TCHFL - Series H - FY 2013-14	10-Sep-13	9-Sep-16	-	-	300	3,000
TCFSL NCD Y FY 2013-14	24-Sep-13	8-Sep-16	-	-	400	4,000

**NOTES TO AND FORMING PART OF THE CONSOLIDATED  
BALANCE SHEET AS AT MARCH 31, 2017**

Description of NCDs	Issue Date	Redemption Date	As on March 31, 2017*		As on March 31, 2016*	
			Number of NCDs	₹ in lakh	Number of NCDs	₹ in lakh
TCFSL NCD U FY 2013-14	3-Sep-13	2-Sep-16	-	-	250	2,500
TCFSL NCD V FY 2013-14	5-Sep-13	2-Sep-16	-	-	50	500
TCFSL NCD W FY 2013-14	13-Sep-13	2-Sep-16	-	-	30	300
TCFSL NCD T FY 2013-14	3-Sep-13	30-Aug-16	-	-	62	620
TCFSL NCD S FY 2013-14	30-Aug-13	22-Aug-16	-	-	99	990
TCFSL NCD Q FY 2013-14	23-Aug-13	8-Aug-16	-	-	40	400
TCFSL NCD J FY 2014-15	6-Aug-14	4-Aug-16	-	-	100	1,000
TCFSL NCD K FY 2014-15 - Option-II	7-Aug-14	4-Aug-16	-	-	210	2,100
TCHFL - Series C - FY 2014-15 - Option III	7-Aug-14	2-Aug-16	-	-	200	2,000
TCFSL NCD I FY 2014-15 - Option-II	4-Aug-14	2-Aug-16	-	-	250	2,500
TCFSL NCD I FY 2014-15 -Option-I	4-Aug-14	2-Aug-16	-	-	650	6,500
TCHFL - Series C - FY 2014-15 - Option I	7-Aug-14	1-Aug-16	-	-	1,000	10,000
TCHFL - Series C - FY 2014-15 - Option IV	7-Aug-14	1-Aug-16	-	-	70	700
TCFSL NCD K FY 2014-15 - Option-III	7-Aug-14	1-Aug-16	-	-	70	700
TCFSL NCD G FY 2014-15	16-Jul-14	27-Jul-16	-	-	144	1,440
TCFSL NCD "N" FY 2015-16	26-Jun-15	25-Jul-16	-	-	1,500	15,000
TCFSL NCD D FY 2014-15	10-Jul-14	8-Jul-16	-	-	2,500	25,000
TCHFL - Series I - FY 2013-14	25-Oct-13	28-Jun-16	-	-	180	1,800
TCFSL NCD B FY 2014-15	20-Jun-14	21-Jun-16	-	-	250	2,500
TCFSL NCD A FY 2014-15 - Option-I	26-May-14	26-May-16	-	-	800	8,000
TCHFL - Series E - FY 2013-14	16-May-13	16-May-16	-	-	100	1,000
TCHFL - Series T - FY 2012-13	12-Mar-13	10-May-16	-	-	20	200
TCHFL - Series A - FY 2013-14	9-Apr-13	10-May-16	-	-	30	300
TCFSL NCD BE FY 2012-13	12-Mar-13	10-May-16	-	-	30	300
TCFSL NCD AP FY 2014-15-Option-III	6-Feb-15	6-May-16	-	-	1,000	10,000
TCHFL - Series S - FY 2012-13	5-Feb-13	28-Apr-16	-	-	626	6,260
TCFSL NCD A FY 2011-12	27-Apr-11	27-Apr-16	-	-	370	3,700
TCFSL NCD AM FY 2014-15	23-Jan-15	22-Apr-16	-	-	250	2,500
TCHFL - Series P - FY 2014-15	2-Dec-14	15-Apr-16	-	-	1,000	10,000
TCFSL NCD AD FY 2014-15	2-Dec-14	13-Apr-16	-	-	1,000	10,000
<b>TOTAL</b>				<b>1,704,260</b>		<b>1,465,870</b>
Of which current maturities classified under "Current liabilities" in note No. 9				<b>(914,220)</b>		<b>(364,950)</b>
<b>TOTAL</b>				<b>790,040</b>		<b>1,100,920</b>

\* Note : Coupon rate of "NCDs" outstanding as on March 31, 2017 varies from 7.58% to 10.75% (Previous Year : from 8.40% to 11.25%)

**NOTES TO AND FORMING PART OF THE CONSOLIDATED  
BALANCE SHEET AS AT MARCH 31, 2017**

4.7 Particulars of Public issue of Secured Non-Convertible Debentures outstanding as on March 31, 2017

Description of NCD	Issue Date	Redemption Date	Number of NCDs	₹ in lakh
TCFSL NCD Option I (2009)	06-Mar-09	05-Mar-19	310	310
TCFSL NCD Option II (2009)	06-Mar-09	05-Mar-19	177,875	1,779
TCFSL NCD Option III (2009)	06-Mar-09	05-Mar-19	1,497,029	14,970
TCFSL NCD Option IV (2009)	06-Mar-09	05-Mar-19	1,175,939	11,759
<b>Total</b>				<b>28,818</b>

**Note :** Coupon rate of above outstanding as on March 31, 2017 varies from 9.75% to 10.50%

Particulars of Public issue of Secured Non-Convertible Debentures outstanding as on March 31, 2016

Description of NCD	Issue Date	Redemption Date	Number of NCDs	₹ in lakh
TCFSL NCD Option I (2009)	06-Mar-09	05-Mar-19	310	310
TCFSL NCD Option II (2009)	06-Mar-09	05-Mar-19	177,875	1,779
TCFSL NCD Option III (2009)	06-Mar-09	05-Mar-19	1,497,029	14,970
TCFSL NCD Option IV (2009)	06-Mar-09	05-Mar-19	1,175,939	11,759
<b>Total</b>				<b>28,818</b>

**Note :** Coupon rate of above outstanding as on March 31, 2016 varies from 9.75% to 10.50%

4.8 Particulars of unsecured redeemable non-convertible subordinated debentures (Tier II Bonds) outstanding as on March 31, 2017

Description of NCD	Issue Date	Redemption Date	Number of NCDs	₹ in lakh*
TCFSL Tier-II Bond 'B' FY 2016-17	26-Oct-16	26-Oct-26	150	1,500
TCFSL Tier-II Bond 'A' FY 2016-17	11-Aug-16	11-Aug-26	2,000	20,000
TCHFL Tier II Bonds 'A' FY-2016-17	4-Aug-16	4-Aug-26	2,000	20,000
TCFSL Tier II Bond 'B' FY 2015-16	30-Mar-16	30-Mar-26	2,000	20,000
TCHFL Tier II Bonds 'H' FY-2015-16	15-Mar-16	13-Mar-26	200	2,000
TCHFL Tier II Bonds 'G' FY-2015-16	17-Dec-15	17-Dec-25	250	2,500
TCHFL Tier II Bonds 'F' FY-2015-16	15-Dec-15	15-Dec-25	250	2,500
TCHFL Tier II Bonds 'E' FY-2015-16	4-Nov-15	4-Nov-25	300	3,000
TCHFL Tier II Bonds 'D' FY-2015-16	21-Sep-15	19-Sep-25	150	1,500
TCHFL Tier II Bonds 'C' FY-2015-16	16-Sep-15	16-Sep-25	100	1,000
TCHFL Tier II Bonds 'B' FY-2015-16	22-Jul-15	22-Jul-25	350	3,500
TCFSL Tier II Bond 'A' FY 2015-16	22-Jul-15	22-Jul-25	900	9,000
TCHFL Tier II Bonds 'A' FY-2015-16	28-Apr-15	28-Apr-25	400	4,000
TCFSL Tier II Bond 'D' FY 2014-15	31-Mar-15	31-Mar-25	2,000	20,000
TCFSL Tier II Bond 'C' FY 2014-15	30-Jan-15	30-Jan-25	750	7,500
TCFSL Tier II Bond 'B' FY 2014-15	7-Jan-15	7-Jan-25	350	3,500
TCHFL Tier II Bonds 'A' FY-2014-15	26-Sep-14	26-Sep-24	480	4,800
TCFSL Tier II Bond 'A' FY 2014-15	26-Sep-14	26-Sep-24	1,000	10,000

**NOTES TO AND FORMING PART OF THE CONSOLIDATED  
BALANCE SHEET AS AT MARCH 31, 2017**

Description of NCD	Issue Date	Redemption Date	Number of NCDs	₹ in lakh*
TCHFL Tier II Bonds 'E' FY-2013-14	18-Mar-14	18-Mar-24	4	40
TCHFL Tier II Bonds 'D' FY-2013-14	10-Jan-14	10-Jan-24	77	770
TCHFL Tier II Bonds 'C' FY-2013-14	20-May-13	19-May-23	10	100
TCHFL Tier II Bonds 'B' FY-2013-14	23-Apr-13	23-Apr-23	21	210
TCHFL Tier II Bonds 'A' FY-2013-14	15-Apr-13	15-Apr-23	250	2,500
TCHFL Tier II Bonds 'E' FY-2012-13	28-Mar-13	28-Mar-23	150	1,500
TCHFL Tier II Bonds 'D' FY-2012-13	22-Aug-12	22-Aug-22	330	3,300
TCHFL Tier II Bonds 'C' FY-2012-13	30-May-12	30-May-22	300	3,000
TCHFL Tier II Bonds 'B' FY-2012-13	30-May-12	30-May-22	3	30
TCHFL Tier II Bonds 'A' FY-2012-13	10-May-12	10-May-22	10	100
TCHFL Tier II Bonds 'F' FY-2011-12	12-Mar-12	12-Mar-22	102	1,020
TCHFL Tier II Bonds 'E' FY-2011-12	25-Jan-12	25-Jan-22	135	1,350
TCHFL Tier II Bonds 'D' FY-2011-12	4-Nov-11	4-Nov-21	101	1,010
TCHFL Tier II Bonds 'C' FY-2011-12	28-Oct-11	28-Oct-21	11	110
TCHFL Tier II Bonds 'B' FY-2011-12	29-Sep-11	29-Sep-21	253	2,530
TCHFL Tier II Bonds 'A' FY-2011-12	29-Jul-11	29-Jul-21	250	2,500
TCL Tier II Bond 'H' FY 2009-10	24-Dec-09	24-Dec-19	1,000	5,000
TCL Tier II Bond 'G' FY 2009-10	18-Dec-09	18-Dec-19	3,000	15,000
TCL Tier II Bond 'E' FY 2009-10	15-Dec-09	15-Dec-19	5,725	28,625
TCL Tier II Bond 'F' FY 2009-10	30-Nov-09	30-Nov-19	1,135	4,376
TCL Tier II Bond 'D' FY 2009-10	28-Oct-09	28-Oct-19	1,479	7,395
TCL Tier II Bond 'C' FY 2009-10	28-Oct-09	28-Oct-19	1,580	7,900
TCL Tier II Bond 'B' FY 2009-10	9-Sep-09	9-Sep-19	1,704	17,040
TCL Tier II Bond 'A' FY 2009-10	4-Aug-09	4-Aug-19	391	3,910
<b>Total</b>				<b>245,616</b>

\* Net of unamortised discount of ₹ 1,299 lakh

Note : Coupon rate of above outstanding as on March 31, 2017 varies from 8.45% to 10.50%.

Particulars of unsecured redeemable non-convertible subordinated debentures (Tier II Bonds) outstanding as on March 31, 2016

Description of NCD	Issue Date	Redemption Date	Number of NCDs	₹ in lakh*
TCFSL Tier II Bond 'B' FY 2015-16	30-Mar-16	30-Mar-26	2,000	20,000
TCHFL Tier II Bonds 'H' FY-2015-16	15-Mar-16	13-Mar-26	200	2,000
TCHFL Tier II Bonds 'G' FY-2015-16	17-Dec-15	17-Dec-25	250	2,500
TCHFL Tier II Bonds 'F' FY-2015-16	15-Dec-15	15-Dec-25	250	2,500
TCHFL Tier II Bonds 'E' FY-2015-16	4-Nov-15	4-Nov-25	300	3,000
TCHFL Tier II Bonds 'D' FY-2015-16	21-Sep-15	19-Sep-25	150	1,500
TCHFL Tier II Bonds 'C' FY-2015-16	16-Sep-15	16-Sep-25	100	1,000
TCFSL Tier II Bond 'A' FY 2015-16	22-Jul-15	22-Jul-25	900	9,000

**NOTES TO AND FORMING PART OF THE CONSOLIDATED  
BALANCE SHEET AS AT MARCH 31, 2017**

TCHFL Tier II Bonds 'B' FY-2015-16	22-Jul-15	22-Jul-25	350	3,500
TCHFL Tier II Bonds 'A' FY-2015-16	28-Apr-15	28-Apr-25	400	4,000
TCFSL Tier II Bond 'D' FY 2014-15	31-Mar-15	31-Mar-25	1,500	15,000
TCFSL Tier II Bond 'C' FY 2014-15	30-Jan-15	30-Jan-25	750	7,500
TCFSL Tier II Bond 'B' FY 2014-15	7-Jan-15	7-Jan-25	350	3,500
TCFSL Tier II Bond 'A' FY 2014-15	26-Sep-14	26-Sep-24	1,000	10,000
TCHFL Tier II Bonds 'A' FY 2014-15	26-Sep-14	26-Sep-24	480	4,800
TCHFL Tier II Bonds 'E' FY-2013-14	18-Mar-14	18-Mar-24	4	40
TCHFL Tier II Bonds 'D' FY-2013-14	10-Jan-14	10-Jan-24	77	770
TCHFL Tier II Bonds 'C' FY-2013-14	20-May-13	19-May-23	10	100
TCHFL Tier II Bonds 'B' FY-2013-14	23-Apr-13	23-Apr-23	21	210
TCHFL Tier II Bonds 'A' FY-2013-14	15-Apr-13	15-Apr-23	250	2,500
TCHFL Tier II Bonds 'E' FY-2012-13	28-Mar-13	28-Mar-23	150	1,500
TCHFL Tier II Bonds 'C' FY-2012-13	30-May-12	30-May-22	300	3,000
TCHFL Tier II Bonds 'B' FY-2012-13	30-May-12	30-May-22	3	30
TCHFL Tier II Bonds 'A' FY-2012-13	10-May-12	10-May-22	10	100
TCHFL Tier II Bonds 'F' FY-2011-12	12-Mar-12	12-Mar-22	102	1,020
TCHFL Tier II Bonds 'E' FY-2011-12	25-Jan-12	25-Jan-22	135	1,350
TCHFL Tier II Bonds 'D' FY-2011-12	4-Nov-11	4-Nov-21	101	1,010
TCHFL Tier II Bonds 'C' FY-2011-12	28-Oct-11	28-Oct-21	11	110
TCHFL Tier II Bonds 'B' FY-2011-12	29-Sep-11	29-Sep-21	253	2,530
TCHFL Tier II Bonds 'A' FY-2011-12	29-Jul-11	29-Jul-21	250	2,500
TCL Tier II Bond 'H' FY 2009-10	24-Dec-09	24-Dec-19	1,000	5,000
TCL Tier II Bond 'G' FY 2009-10	18-Dec-09	18-Dec-19	3,000	15,000
TCL Tier II Bond 'E' FY 2009-10	15-Dec-09	15-Dec-19	5,725	28,625
TCL Tier II Bond 'F' FY 2009-10	30-Nov-09	30-Nov-19	1,135	3,969
TCL Tier II Bond 'C' FY 2009-10	28-Oct-09	28-Oct-19	1,479	7,395
TCL Tier II Bond 'D' FY 2009-10	28-Oct-09	28-Oct-19	1,580	7,900
TCL Tier II Bond 'B' FY 2009-10	9-Sep-09	9-Sep-19	1,704	17,040
TCL Tier II Bond 'A' FY 2009-10	4-Aug-09	4-Aug-19	391	3,910
<b>Total</b>				<b>195,409</b>

\* Net of unamortised discount of ₹ 1,706 lakh

Note : Coupon rate of above outstanding as on March 31, 2016 varies from 8.99% to 10.50%.

4.9 Particulars of unsecured non convertible perpetual debentures outstanding as on March 31, 2017

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

**NOTES TO AND FORMING PART OF THE CONSOLIDATED  
BALANCE SHEET AS AT MARCH 31, 2017**

TCFSL Perpetual A FY 2013-14	27-Mar-14	1,871	9,355
TCFSL Perpetual A FY 2015-16	16-Jul-15	1,000	10,000
TCFSL Perpetual B FY 2015-16	6-Jan-16	500	5,000
TCFSL Perpetual C FY 2015-16	2-Feb-16	500	5,000
TCFSL Perpetual D FY 2015-16	9-Feb-16	1,000	10,000
TCFSL Perpetual E FY 2015-16	23-Mar-16	500	5,000
TCFSL Perpetual 'A' FY 2016-17	30-Jun-16	500	5,000
TCFSL Perpetual 'B' FY 2016-17	13-Jan-17	100	1,000
TCFSL Perpetual 'C' FY 2016-17	8-Mar-17	400	4,000
<b>Total</b>			<b>55,000</b>

**Note :** Coupon rate of above outstanding as on March 31, 2017 varies from 9.00% to 11.25%

Particulars of unsecured non convertible perpetual debentures outstanding as on March 31, 2016

Description of NCD	Issue Date	Number of NCDs	₹ in lakh
TCFSL Perpetual D FY 2015-16	9-Feb-16	1,000	10,000
TCFSL Perpetual C FY 2015-16	2-Feb-16	500	5,000
TCFSL Perpetual B FY 2015-16	6-Jan-16	500	5,000
TCFSL Perpetual A FY 2015-16	16-Jul-15	1,000	10,000
TCFSL Perpetual A FY 2013-14	27-Mar-14	1,871	9,355
TCL Perpetual D FY 2011-12	7-Nov-11	5	25
TCL Perpetual C FY 2011-12	28-Sep-11	10	50
TCL Perpetual B FY 2011-12	8-Aug-11	61	305
TCL Perpetual A FY 2011-12	5-May-11	20	100
TCL Perpetual B FY 2010-11	14-Jan-11	18	90
TCL Perpetual A FY 2010-11	15-Nov-10	15	75
<b>Total</b>			<b>40,000</b>

**Note :** Coupon rate of above outstanding as on March 31, 2016 varies from 9.80% to 11.25%

Particulars	Year Ended March 31, 2017	Year Ended March 31, 2016
Funds Raised through Perpetual Debt Instruments	15,000	30,000
Amount outstanding at the end of year	55,000	40,000
Percentage of amount of Perpetual Debt Instruments of the amount of Tier I Capital	9.37%	8.09%
Financial year in which interest on Perpetual Debt Instruments is not paid on account of 'Lock-In Clause'.	N. A.	

4.10 Particulars of Privately Placed unsecured non-convertible debentures ("NCDs") outstanding as on March 31, 2017

Description of NCD	Issue Date	Redemption Date	Number of NCDs	₹ in lakh
TCL Unsecured NCD D FY 2016-17 Option I	18-Aug-16	17-Aug-18	2,250	22,500
TCL Unsecured NCD D FY 2016-17 Option II	18-Aug-16	17-Aug-18	250	2,500
TCFSL Unsecured NCD A FY 2015-16	12-Aug-15	10-Aug-18	2,000	20,000

**NOTES TO AND FORMING PART OF THE CONSOLIDATED  
BALANCE SHEET AS AT MARCH 31, 2017**

TCL Unsecured NCD C FY 2016-17	28-Jul-16	27-Jul-18	1,000	10,000
TCL Unsecured NCD B FY 2016-17	25-Jul-16	25-Jul-18	2,000	20,000
TCL Unsecured NCD A FY 2016-17	28-Jun-16	28-Jun-18	2,000	20,000
TCFSL Unsecured NCD B FY 2016-17	27-Apr-16	27-Apr-18	2,000	20,000
TCFSL Unsecured NCD A FY 2016-17	25-Apr-16	25-Apr-18	3,000	30,000
TCFSL Unsecured NCD B FY 2015-16 Option-I	1-Sep-15	1-Sep-17	1,500	15,000
<b>Total</b>				<b>1,60,000</b>
Of which current maturities classified under "Current liabilities" in note 9				<b>(15,000)</b>
<b>Total</b>				<b>1,45,000</b>

**Note :** Coupon rate of above outstanding as on March 31, 2017 varies from 8.65% to 9.00%

Particulars of Privately Placed unsecured non-convertible debentures ("NCDs") outstanding as on March 31, 2016

Description of NCD	Issue Date	Redemption Date	Number of NCDs	₹ in lakh
TCFSL Unsecured NCD A FY 2015-16	12-Aug-15	10-Aug-18	2000	20,000
TCFSL Unsecured NCD B FY 2015-16 Option-I	1-Sep-15	1-Sep-17	1500	15,000
TCFSL Unsecured NCD B FY 2015-16 Option-II	1-Sep-15	1-Mar-17	1500	15,000
<b>Total</b>				<b>50,000</b>
Of which current maturities classified under "Current liabilities" in note 9				<b>(15,000)</b>
<b>Total</b>				<b>35,000</b>

**Note :** Coupon rate of above outstanding as on March 31, 2016 varies from 8.80% to 8.91%

4.11 Unsecured redeemable non-convertible subordinated debentures includes the debentures issued to Key Management Personnel ₹ 20 lakh (Previous Year : ₹ 20 lakh).

**NOTE "5"**

(₹ in lakh)

OTHER LONG-TERM LIABILITIES	As at March 31, 2017	As at March 31, 2016
(a) Premium on redemption payable to preference shareholders	10,355	10,355
(b) Others		
(i) Interest accrued but not due on borrowings	4,406	13,690
(ii) Income received in advance	294	367
(iii) Sundry liabilities account (interest capitalisation)	2,487	3,321
<b>Total</b>	<b>17,542</b>	<b>27,733</b>

**NOTE "6"**

(₹ in lakh)

LONG-TERM PROVISIONS	As at March 31, 2017	As at March 31, 2016
(a) Provision for employee benefits	243	633
(b) Contingent Provision against standard assets (Refer note 31)	14,257	10,461
<b>Total</b>	<b>14,500</b>	<b>11,094</b>



**NOTES TO AND FORMING PART OF THE CONSOLIDATED  
BALANCE SHEET AS AT MARCH 31, 2017**

**NOTE “7”**

(₹ in lakh)

<b>SHORT-TERM BORROWINGS</b>	<b>As at March 31, 2017</b>	<b>As at March 31, 2016</b>
<b>(a) Loans repayable on demand</b>		
<b>Secured</b>		
(i) From Banks		
(1) Working capital demand loan (Refer note 4.3 above)	<b>82,000</b>	80,085
(2) Bank Overdraft (Refer note 4.3 above)	<b>335,195</b>	381,418
<b>Unsecured</b>		
(i) From Banks		
(1) Working capital demand loan	<b>11,200</b>	8,439
(2) Bank Overdraft	<b>30,557</b>	35,856
<b>(b) Term loans</b>		
<b>Secured</b>		
(i) From Banks	<b>10,000</b>	–
(i) From Others	<b>20,000</b>	–
<b>(c) Collateralised Borrowings and Lending Obligations (CBLO)</b>	<b>–</b>	47,971
<b>(Secured)</b> (Refer notes 7.2 and 7.3 below)		
[Net of unamortised discount of ₹ Nil		
(as at March 31, 2016: ₹ 29 lakh)]		
<b>(d) Deposits</b>		
<b>Secured</b>		
Inter Corporate Deposits From Others	<b>2,000</b>	–
<b>(e) Other loans and advances</b>		
<b>Unsecured</b>		
Commercial Papers (Refer note 7.1 below)	<b>962,098</b>	773,894
[ Net of unamortised discount of ₹ 15,401 lakh		
(as at March 31, 2016 ₹ 12,106 lakh)]		
<b>Total</b>	<b>1,453,050</b>	<b>1,327,663</b>

**Notes**

- 7.1. Discount on Commercial Papers varies between 6.66% to 8.62%. (Previous year: 7.31% to 9.68%)
- 7.2. Discount on Collateralised Borrowings and Lending Obligations (CBLO) is NIL (Previous year : 7.30%).
- 7.3. Collateralised Borrowings and Lending Obligations (CBLO) were secured by the Company's investment in Government Securities and are repayable in 7 days.

**NOTE “8”**

(₹ in lakh)

<b>TRADE PAYABLES</b>	<b>As at March 31, 2017</b>	<b>As at March 31, 2016</b>
(a) Accrued employee benefit expense	<b>7,812</b>	5,518
(b) Accrued expenses	<b>22,466</b>	16,185
(c) Payable to dealers/vendors	<b>27,147</b>	22,022
(d) Others	<b>4,813</b>	5,923
<b>Total</b>	<b>62,238</b>	<b>49,648</b>

## NOTES TO AND FORMING PART OF THE CONSOLIDATED BALANCE SHEET AS AT MARCH 31, 2017

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 :

### 8. (a) Total outstanding dues of micro enterprises and small enterprises

Particulars	As at March 31, 2017	As at March 31, 2016
(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	-	-
<b>Total</b>	<b>-</b>	<b>-</b>

### NOTE "9"

(₹ in lakh)

OTHER CURRENT LIABILITIES	As at March 31, 2017	As at March 31, 2016
(a) <b>Current maturities of long-term debt</b>		
(i) <b>Inter Corporate Deposits</b>	2,215	4,000
(ii) <b>Bonds/Debentures</b>		
<b>Secured</b>		
Privately Placed non-convertible debentures (Refer notes 4.1 and 4.6 above)	914,220	364,950
[Net of unamortised discount of ₹ Nil (as at March 31, 2016: ₹ 2 lakh)]		
<b>Unsecured</b>		
Privately Placed non-convertible debentures (Refer note 4.10 above)	15,000	15,000
(iii) <b>Term Loans</b>		
<b>Secured</b>		
(1) From Banks (Refer notes 4.3 & 4.4 above)	112,056	37,500
(2) From National Housing Bank (Refer note 4.5 above)	35,136	20,560
<b>Unsecured</b>		
(1) From Banks (Refer note 4.4 above)	15,000	60,000
(b) Interest accrued but not due on borrowings	119,702	93,028
(c) Income received in advance	6,000	6,701
(d) Unclaimed debenture application money and interest accrued thereon	53	51
(e) Other payables		
(i) Security deposits	22,477	13,187
(ii) Statutory dues	1,747	2,469
(iii) Payables for capital expenditure	919	2,379
(iv) Amounts payable - assigned loans	9,643	-
(v) Advances from customers	1,792	5,116
(vi) Exchange settlement / due to clients	1	1,106
(vii) Margin money due to clients	-	289
(viii) Other Miscellaneous payables	1,399	1,023
(f) Sundry liabilities account (interest capitalisation)	2,058	1,627
<b>Total</b>	<b>1,259,418</b>	<b>628,986</b>

## NOTES TO AND FORMING PART OF THE CONSOLIDATED BALANCE SHEET AS AT MARCH 31, 2017

### NOTE "10"

(₹ in lakh)

SHORT-TERM PROVISIONS	As at March 31, 2017	As at March 31, 2016
(a) Provision for employee benefits	1,408	1,001
(b) Provision - Others		
(i) Contingent Provision against Standard Assets (Refer note 31)	7,552	5,400
(ii) Provision for tax [Net of advance tax ₹ 55,093 lakh (as at March 31, 2016 ₹ 17,793 lakh)]	10,333	9,017
<b>Total</b>	<b>19,293</b>	<b>15,418</b>

### NOTE "11"

(₹ in lakh)

PROPERTY, PLANT AND EQUIPMENT	Gross Block					Accumulated depreciation and amortisation					Net Carrying Amount As at March 31, 2017
	Opening balance as at April 1, 2016	Additions	Deletions	Written off during the year	Closing balance as at March 31, 2017	Opening balance as at April 1, 2016	Depreciation/ Amortisation for the year	Deletions	Other Adjustments	Closing balance as at March 31, 2017	
<b>TANGIBLE FIXED ASSETS</b>											
Buildings (Refer footnote 3 below)	16,511	-	49	-	16,462	2,684	658	31	-	3,311	13,151
	<i>16,103</i>	<i>548</i>	<i>140</i>	<i>-</i>	<i>16,511</i>	<i>2,042</i>	<i>658</i>	<i>16</i>	<i>-</i>	<i>2,684</i>	<i>13,827</i>
Leasehold Improvements	4,799	501	1,008	-	4,292	2,638	534	939	(2)	2,231	2,061
	<i>3,938</i>	<i>1,010</i>	<i>149</i>	<i>-</i>	<i>4,799</i>	<i>2,272</i>	<i>484</i>	<i>118</i>	<i>-</i>	<i>2,638</i>	<i>2,161</i>
Furniture & Fixtures	2,193	263	229	-	2,227	1,083	269	169	-	1,183	1,044
	<i>1,941</i>	<i>292</i>	<i>40</i>	<i>-</i>	<i>2,193</i>	<i>831</i>	<i>280</i>	<i>28</i>	<i>-</i>	<i>1,083</i>	<i>1,110</i>
Computer Equipment	1,326	1,732	123	-	2,935	829	374	123	-	1,080	1,855
	<i>769</i>	<i>588</i>	<i>31</i>	<i>-</i>	<i>1,326</i>	<i>756</i>	<i>104</i>	<i>31</i>	<i>-</i>	<i>829</i>	<i>497</i>
Office Equipment	2,334	445	159	-	2,620	1,790	262	127	(3)	1,922	698
	<i>1,884</i>	<i>483</i>	<i>33</i>	<i>-</i>	<i>2,334</i>	<i>1,342</i>	<i>475</i>	<i>27</i>	<i>-</i>	<i>1,790</i>	<i>544</i>
Plant & Machinery	921	27	157	-	791	397	93	125	-	365	426
	<i>799</i>	<i>136</i>	<i>14</i>	<i>-</i>	<i>921</i>	<i>309</i>	<i>96</i>	<i>8</i>	<i>-</i>	<i>397</i>	<i>524</i>
Vehicles	1,331	385	429	-	1,287	757	287	380	-	664	623
	<i>1,365</i>	<i>344</i>	<i>378</i>	<i>-</i>	<i>1,331</i>	<i>763</i>	<i>315</i>	<i>321</i>	<i>-</i>	<i>757</i>	<i>574</i>
<b>ASSETS GIVEN UNDER OPERATING LEASE/RENTAL</b>											
Buildings (Refer footnote 2 and 3 below)	2,538	-	-	-	2,538	266	102	-	-	368	2,170
	<i>2,588</i>	<i>-</i>	<i>50</i>	<i>-</i>	<i>2,538</i>	<i>164</i>	<i>102</i>	<i>-</i>	<i>-</i>	<i>266</i>	<i>2,272</i>
Construction Equipment	22,843	1,435	231	-	24,047	6,905	2,894	51	-	9,748	14,299
	<i>21,113</i>	<i>2,126</i>	<i>396</i>	<i>-</i>	<i>22,843</i>	<i>4,653</i>	<i>2,466</i>	<i>214</i>	<i>-</i>	<i>6,905</i>	<i>15,938</i>
Vehicles	4,769	793	2,065	-	3,497	2,797	798	1,679	-	1,916	1,581
	<i>7,115</i>	<i>230</i>	<i>2,576</i>	<i>-</i>	<i>4,769</i>	<i>3,432</i>	<i>1,250</i>	<i>1,885</i>	<i>-</i>	<i>2,797</i>	<i>1,972</i>
Plant & Machinery	13,642	12,432	108	-	25,966	2,153	2,214	20	-	4,347	21,619
	<i>7,354</i>	<i>6,288</i>	<i>-</i>	<i>-</i>	<i>13,642</i>	<i>1,120</i>	<i>1,033</i>	<i>-</i>	<i>-</i>	<i>2,153</i>	<i>11,489</i>
Computer Equipment	22,812	7,423	8,368	-	21,867	8,222	4,687	3,942	-	8,967	12,900
	<i>20,163</i>	<i>5,367</i>	<i>2,718</i>	<i>-</i>	<i>22,812</i>	<i>4,873</i>	<i>4,511</i>	<i>1,162</i>	<i>-</i>	<i>8,222</i>	<i>14,590</i>
Furniture & Fixtures	635	411	-	-	1,046	126	86	-	-	212	834
	<i>530</i>	<i>105</i>	<i>-</i>	<i>-</i>	<i>635</i>	<i>65</i>	<i>61</i>	<i>-</i>	<i>-</i>	<i>126</i>	<i>509</i>
Office Equipment	2,607	299	195	-	2,711	862	769	165	-	1,466	1,245
	<i>1,080</i>	<i>1,527</i>	<i>-</i>	<i>-</i>	<i>2,607</i>	<i>340</i>	<i>522</i>	<i>-</i>	<i>-</i>	<i>862</i>	<i>1,745</i>
Railway Wagons	8,265	7,754	-	-	16,019	223	963	-	-	1,186	14,833
	<i>-</i>	<i>8,265</i>	<i>-</i>	<i>-</i>	<i>8,265</i>	<i>-</i>	<i>223</i>	<i>-</i>	<i>-</i>	<i>223</i>	<i>8,042</i>
Electrical Installation & Equipments	289	887	-	-	1,176	2	112	-	-	114	1,062
	<i>-</i>	<i>289</i>	<i>-</i>	<i>-</i>	<i>289</i>	<i>-</i>	<i>2</i>	<i>-</i>	<i>-</i>	<i>2</i>	<i>287</i>
<b>TANGIBLE ASSETS - TOTAL</b>	<b>107,815</b>	<b>34,787</b>	<b>13,121</b>	<b>-</b>	<b>129,481</b>	<b>31,734</b>	<b>15,102</b>	<b>7,751</b>	<b>(5)</b>	<b>39,080</b>	<b>90,401</b>
	<i>86,742</i>	<i>27,598</i>	<i>6,525</i>	<i>-</i>	<i>107,815</i>	<i>22,962</i>	<i>12,582</i>	<i>3,810</i>	<i>-</i>	<i>31,734</i>	<i>76,081</i>
<b>INTANGIBLE ASSETS (Acquired)</b>											
Goodwill *	8,714	-	-	7,600	1,114	-	-	-	-	-	1,114
	<i>8,714</i>	<i>-</i>	<i>-</i>	<i>-</i>	<i>8,714</i>	<i>-</i>	<i>-</i>	<i>-</i>	<i>-</i>	<i>-</i>	<i>8,714</i>
Software	1,879	480	17	-	2,342	952	292	15	-	1,229	1,113
	<i>1,666</i>	<i>230</i>	<i>17</i>	<i>-</i>	<i>1,879</i>	<i>752</i>	<i>217</i>	<i>17</i>	<i>-</i>	<i>952</i>	<i>927</i>
Trading Rights in BSE	228	-	-	-	228	228	-	-	-	228	-
	<i>228</i>	<i>-</i>	<i>-</i>	<i>-</i>	<i>228</i>	<i>228</i>	<i>-</i>	<i>-</i>	<i>-</i>	<i>228</i>	<i>-</i>
<b>INTANGIBLE ASSETS - TOTAL</b>	<b>10,821</b>	<b>480</b>	<b>17</b>	<b>7,600</b>	<b>3,684</b>	<b>1,180</b>	<b>292</b>	<b>15</b>	<b>-</b>	<b>1,457</b>	<b>2,227</b>
	<i>10,608</i>	<i>230</i>	<i>17</i>	<i>-</i>	<i>10,821</i>	<i>980</i>	<i>217</i>	<i>17</i>	<i>-</i>	<i>1,180</i>	<i>9,641</i>
<b>Total</b>	<b>118,636</b>	<b>35,267</b>	<b>13,138</b>	<b>7,600</b>	<b>133,165</b>	<b>32,914</b>	<b>15,394</b>	<b>7,766</b>	<b>(5)</b>	<b>40,537</b>	<b>92,628</b>
	<i>97,350</i>	<i>27,828</i>	<i>6,542</i>	<i>-</i>	<i>118,636</i>	<i>23,942</i>	<i>12,799</i>	<i>3,827</i>	<i>-</i>	<i>32,914</i>	<i>85,722</i>
<b>Capital work-in- progress</b>											656
											208
<b>Intangible assets under development</b>											997
											364
<b>Accumulated Impairment on Goodwill</b>											(1,114)
											(1,114)
<b>TOTAL</b>											93,167
											85,180

#### Note :

- Previous year figures are given in Italics
- Buildings - Given on operating lease, represent premises let out to company's related party under operating lease arrangement. This arrangement is cancellable and does not contain any minimum lease or contingency lease rentals.
- During the FY 2015-16, the Company had received ₹ 99 lakh towards refund of taxes on purchase of building, which was earlier capitalized. The refund amount was reduced from the gross block, and depreciation had been provided prospectively on the revised amount over the remaining useful life of the asset.

\* Goodwill included as intangible assets is other than that arising on account of consolidation.

**NOTES TO AND FORMING PART OF THE CONSOLIDATED  
BALANCE SHEET AS AT MARCH 31, 2017**
**NOTE "12"**

(₹ in lakh)

<b>GOODWILL ON CONSOLIDATION</b>	<b>As at March 31, 2017</b>	<b>As at March 31, 2016</b>
Goodwill on Consolidation	5,515	5,515
Less : Adjustment pursuant to Reduction of Share Capital [Refer note 45]	(5,515)	-
<b>Total</b>	<b>-</b>	<b>5,515</b>

**NOTE "13"**

(₹ in lakh)

<b>INVESTMENTS</b>	<b>As at March 31, 2017</b>		<b>As at March 31, 2016</b>	
	<b>Non-Current Investments</b>	<b>Current portion of Non-Current Investments</b>	<b>Non-Current Investments</b>	<b>Current portion of Non-Current Investments</b>
<b>Non-Current Investments</b>				
<b>Investments in Associates</b>				
<b>Unquoted:</b>				
Carrying amount of investments in associates (Refer note 29)	51,554	-	54,805	-
Investment in Security Receipts	748	-	983	-
<b>Investments in Others</b>				
<b>Quoted:</b>				
Investment in Equity Shares	23,692	-	28,217	-
Investment in Debentures	5,878	992	40,847	-
Investment in Mutual Fund	50	-	-	-
Investment in Government Securities	-	-	46,554	1,998
<b>Unquoted:</b>				
Investment in Equity Shares	36,098	-	46,821	-
Investment in Preference Shares	10,491	90	17,406	342
Investment in Mutual Funds	1,489	-	-	-
Investment in Venture Capital Fund	2,294	-	2,062	-
<b>Total Cost of Non-Current Investments</b>	<b>132,294</b>	<b>1,082</b>	<b>237,695</b>	<b>2,340</b>
Less: Provision for diminution in value of investments	(18,016)	(90)	(18,560)	(36)
<b>Total Non-Current Investments</b>	<b>114,278</b>	<b>992</b>	<b>219,135</b>	<b>2,304</b>

(₹ in lakh)

<b>INVESTMENTS</b>	<b>As at March 31, 2017</b>	<b>As at March 31, 2016</b>
<b>CURRENT INVESTMENTS</b>		
<b>Quoted :</b>		
Investment in Equity Shares	794	178
Investment in Units of Mutual Funds	-	50
<b>Unquoted :</b>		
Investment in Equity Shares	-	392
<b>Total Current Investments</b>	<b>794</b>	<b>620</b>

<b>Total Investments</b>	<b>114,278</b>	<b>1,786</b>	<b>219,135</b>	<b>2,924</b>
--------------------------	----------------	--------------	----------------	--------------

## NOTES TO AND FORMING PART OF THE CONSOLIDATED BALANCE SHEET AS AT MARCH 31, 2017

### NOTE "13" INVESTMENTS (contd.....)

(₹ in lakh)

INVESTMENTS	As at March 31, 2017		As at March 31, 2016	
	Non-Current Investments	Current Investments	Non-Current Investments	Current Investments
Cost of Quoted investments	29,620	2,376	115,618	2,476
Book value of Quoted investments (net)	18,390	1,786	103,419	2,231
Market value of Quoted investments	17,789	1,817	106,174	2,245
Cost of Unquoted investments	102,674	500	122,077	752
Book value of Unquoted investments (net)	95,888	-	115,716	693

### Scrip-wise details of Investments

INVESTMENTS	Face value Per Unit ₹	No. of Units	As at March 31, 2017		No. of Units	As at March 31, 2016	
			Non- Current Investments	Current portion of Non-Current Investments		Non- Current Investments	Current portion of Non-Current Investments
			₹ in lakh	₹ in lakh		₹ in lakh	₹ in lakh
<b>NON - CURRENT INVESTMENTS</b>							
<b>Investments in Associates</b>							
<b>Unquoted :</b>							
<b>Investment in Equity Shares (Non-Trade)</b>							
Tata Autocomp Systems Limited	10	48,307,333	32,547	-	48,307,333	32,046	-
International Asset Reconstruction Company Private Limited	10	13,946,295	3,854	-	13,946,295	3,650	-
			<b>36,401</b>	<b>-</b>		<b>35,696</b>	<b>-</b>
<b>Investment in Venture Capital Units (Trade)</b>							
Tata Capital Innovation Fund	1,000	750,000	5,403	-	750,000	5,289	-
Tata Capital Innovations Fund - Class B Units	1	10,000	0*	-	-	-	-
Tata Capital Healthcare Fund I	1	1,000,000,000	6,945	-	1,000,000,000	7,564	-
Tata Capital Healthcare Fund I - Class B Units	1	10,000	0*	-	-	-	-
Tata Capital Special Situation Fund	100,000	4,463	2,805	-	7,240	6,256	-
Tata Capital Special Situation Fund - Class B Units	100	50	0*	-	-	-	-
			<b>15,153</b>	<b>-</b>		<b>19,109</b>	<b>-</b>
<b>Carrying amount of investments in associates (Refer note 29)</b>							
			<b>51,554</b>	<b>-</b>		<b>54,805</b>	<b>-</b>
<b>Investment in Security Receipts</b>							
International Asset Reconstruction Company Private Limited		104,135	748	-	104,135	983	-
			<b>748</b>	<b>-</b>		<b>983</b>	<b>-</b>
<b>Investments in Others</b>							
<b>Quoted:</b>							
<b>Investment in Equity Shares (Non-Trade)</b>							
The Indian Hotels Company Limited	10	14,700	10	-	14,700	10	-
Tata Steel Limited	10	13,500	100	-	13,500	100	-
Hindustan Unilever Limited	1	2,000	5	-	2,000	5	-
Bombay Stock Exchange Limited	2	5,700	0*	-	5,700	0*	-
Development Credit Bank Limited	10	-	-	-	4,309,949	4,525	-
Praj Industries Limited	2	13,422,400	16,577	-	13,422,400	16,577	-
Commercial Engineers & Body Builders Company Limited (Trade)	10	6,005,401	7,000	-	6,005,401	7,000	-
			<b>23,692</b>	<b>-</b>		<b>28,217</b>	<b>-</b>

**NOTES TO AND FORMING PART OF THE CONSOLIDATED  
BALANCE SHEET AS AT MARCH 31, 2017**

INVESTMENTS	Face value Per Unit ₹	No. of Units	As at March 31, 2017		No. of Units	As at March 31, 2016	
			Non- Current Investments	Current portion of Non-Current Investments		Non- Current Investments	Current portion of Non-Current Investments
			₹ in lakh	₹ in lakh		₹ in lakh	₹ in lakh
<b>NON - CURRENT INVESTMENTS</b>							
<b>Investment in Debentures (Non-Trade)</b>							
7.25% ICICI Bank - Indian Cash Bond	100 USD	-	-	-	17,170	1,105	-
6.38% ICICI Bank - Indian Cash Bond	100 USD	-	-	-	20,550	1,317	-
5.75% ICICI Bank - Indian Cash Bond	100 USD	-	-	-	30,000	2,125	-
6.44% State Bank of India - Indian Cash Bond	100 USD	15,340	-	992	32,340	2,117	-
7.14% State Bank of India - Indian Cash Bond	100 USD	4,600	305	-	4,600	312	-
6.25% BOI- Indian Cash Bond	100 USD	-	-	-	40,000	2,848	-
5.00% IDBI Bank Bonds	100 USD	-	-	-	30,000	1,943	-
4.13% IDBI Bank Bonds	100 USD	-	-	-	10,000	667	-
5.63% Indian Oil Corporation Limited	100 USD	-	-	-	60,000	4,220	-
4.55% Union Bank Bond	100 USD	-	-	-	36,000	2,430	-
5.63% NTPC Bond	100 USD	-	-	-	20,000	1,402	-
6.65% Tata International Bond	100 SGD	-	-	-	300,000	14,521	-
4.85% ABJA Bonds	100 USD	65,000	4,267	-	65,000	4,378	-
4.63% Tata Motors Limited Bond	100 USD	10,000	638	-	10,000	654	-
5.75% Tata Motors Limited Bond	100 USD	10,000	668	-	10,000	687	-
6.50% BOI- Indian Cash Bond	100 USD	-	-	-	1,900	121	-
			<b>5,878</b>	<b>992</b>		<b>40,847</b>	<b>-</b>
<b>Investment in Government Securities (Non-Trade)</b>							
6.90% GOI 2019	100	-	-	-	1,500,000	1,501	-
8.07% GOI 2017	100	-	-	-	2,000,000	-	1,998
7.16% GOI 2023	100	-	-	-	7,500,000	7,005	-
7.80% GOI 2020	100	-	-	-	6,500,000	6,377	-
8.12% GOI 2020	100	-	-	-	8,000,000	7,948	-
8.35% GOI 2022	100	-	-	-	10,000,000	9,996	-
8.83% GOI 2023	100	-	-	-	8,000,000	8,204	-
8.40% GOI 2024	100	-	-	-	1,500,000	1,502	-
8.07% GOI 2017	100	-	-	-	2,500,000	2,482	-
7.94% GOI 2021	100	-	-	-	1,500,000	1,539	-
						<b>46,554</b>	<b>1,998</b>
<b>Investment in Mutual Funds</b>							
HDFC Debt Fund For Cancer Cure	10	500,000	50	-	-	-	-
			<b>50</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Unquoted :</b>							
<b>Investment in Equity Shares (Non-Trade unless otherwise stated)</b>							
Adithya Automotives Private limited	10	1,396,500	140	-	1,396,500	140	-
Roots Corporation Limited	90	2,089,269	1,880	-	2,089,269	1,880	-
Tata Sky Limited	10	10,072,871	5,242	-	10,072,871	5,242	-
Tata Technologies Limited (Trade)	10	1,873,253	4,707	-	1,873,253	4,707	-
Star Health & Allied Insurance Company Limited (Trade)	10	24,045,296	6,000	-	24,045,296	6,000	-
SKS Ispat & Power Limited	10,000	22,621,225	1,028	-	22,621,225	1,028	-
Shriram Properties Private Limited	10	2,223,569	3,935	-	2,223,569	3,935	-
Tata Tele Services Limited (Refer note 44)	10	-	-	-	62,250,000	14,318	-
Agile Electric Sub Assembly Private Limited	10	2,442,333	3,202	-	2,442,333	3,202	-
Tata Projects Limited	10	44,810	2,823	-	44,810	2,823	-
Fincare Business Services Limited	10	235,992	660	-	-	-	-
TVS Logistics Services Limited	10	217,325	1,465	-	151,143	1,050	-
Standard Greases and Specialities Private Limited	10	-	-	-	200	1	-

**NOTES TO AND FORMING PART OF THE CONSOLIDATED  
BALANCE SHEET AS AT MARCH 31, 2017**

INVESTMENTS	Face value Per Unit ₹	No. of Units	As at March 31, 2017		No. of Units	As at March 31, 2016	
			Non- Current Investments	Current portion of Non-Current Investments		Non- Current Investments	Current portion of Non-Current Investments
			₹ in lakh	₹ in lakh		₹ in lakh	₹ in lakh
<b>NON - CURRENT INVESTMENTS</b>							
Varroc Engineering Private Limited	10	155,024	2,521	-	1	-	-
Sai Life Sciences Limited	10	458,579	1,313	-	458,579	1,313	-
Tata Business Support Services Limited (Trade)	10	4,054,048	1,182	-	4,054,048	1,182	-
			<b>36,098</b>	<b>-</b>		<b>46,821</b>	<b>-</b>
<b>Investment in Preference Shares (Non-Trade)</b>							
0.001% Spandana Spoorthy Financial Limited Optionally Convertible Redeemable Preference Shares	10	-	-	-	19,635,000	1,122	306
0.001% Share Microfin Limited Optionally Convertible Cumulative Redeemable Preference Shares	10	900,000	-	90	1,260,000	90	36
Uber		106,000	2,719	-	106,000	2,777	-
Vanu Inc		-	6,272	-	-	6,272	-
Varroc Engineering Private Limited Series A CCPS	100	-	-	-	2,521,007	2,521	-
Standard Greases and Specialities Private Limited (Trade)	10	-	-	-	555,998	3,124	-
Tata Business Support Services Limited	10	15,000,000	1,500	-	15,000,000	1,500	-
			<b>10,491</b>	<b>90</b>		<b>17,406</b>	<b>342</b>
<b>Investment in Mutual Funds</b>							
Tata Money Market Fund	1,000	62,254	1,489	-		-	-
			<b>1,489</b>	<b>-</b>		<b>-</b>	<b>-</b>
<b>Investment in Venture Capital Fund</b>							
Pitango Venture Capital Fund VI L.P.			2,294	-		2,062	-
			<b>2,294</b>	<b>-</b>		<b>2,062</b>	<b>-</b>
<b>Total Cost of Non-Current Investments</b>			<b>132,294</b>	<b>1,082</b>		<b>237,695</b>	<b>2,340</b>
Less: Provision for diminution in value of investments			(18,016)	(90)		(18,560)	(36)
<b>TOTAL NON-CURRENT INVESTMENTS</b>			<b>114,278</b>	<b>992</b>		<b>219,135</b>	<b>2,304</b>

(₹ in lakh)

INVESTMENTS	Face value Per Unit ₹	No. of Units	As at March 31, 2017	No. of Units	As at March 31, 2016
<b>CURRENT INVESTMENTS</b>					
<b>Quoted :</b>					
<b>Investment in Equity Shares</b>					
IVRCL limited	2	2,776,552	428	2,776,552	428
GOL Offshore Limited	10	644,609	282	-	-
Diamond Power Infra Limited	10	1,631,881	674	-	-
<b>Investment in Units of Mutual Funds</b>					
HDFC Debt Fund For Cancer Cure	10	-	-	500,000	50
			<b>1,384</b>		<b>478</b>
<b>Less: Provision and MTM loss on Current Investment</b>			(590)		(250)
			<b>794</b>		<b>228</b>
<b>Unquoted :</b>					
<b>Investment in Equity Shares</b>					
Coastal Projects Limited	10	4,101,806	410	4,101,806	410
Tata Tele services Limited (Refer Note 44)	10	62,250,000	0*	-	-
			<b>410</b>		<b>410</b>
<b>Less: Provision for diminution in value of investments</b>			(410)		(18)
			<b>-</b>		<b>392</b>
<b>Total Cost of Current Investments</b>			<b>794</b>		<b>620</b>
<b>TOTAL CURRENT INVESTMENTS</b>			<b>1,786</b>		<b>2,924</b>

\* Amount less than ₹ 50,000

**NOTES TO AND FORMING PART OF THE CONSOLIDATED  
BALANCE SHEET AS AT MARCH 31, 2017**

**NOTE "14"**

(₹ in lakh)

<b>DEFERRED TAX ASSETS</b>	<b>As at March 31, 2017</b>	<b>As at March 31, 2016</b>
<b>Deferred Tax Assets</b>		
(a) On account of provisions for non-performing assets	<b>43,170</b>	23,891
(b) Provision for restructured advances	<b>38</b>	938
(c) Contingent provision for standard assets	<b>7,548</b>	5,489
(d) Employee benefits	<b>451</b>	308
(e) Timing difference in respect of depreciation on fixed assets	<b>160</b>	138
(f) Others	<b>1,164</b>	713
<b>Deferred Tax Liabilities</b>		
(a) Timing difference in respect of depreciation on fixed assets	<b>(2,418)</b>	(5,122)
(b) Debenture issue expenses	<b>(525)</b>	(413)
(c) Special Reserve u/s 36(1) (viii) of Income tax Act, 1961	<b>(3,655)</b>	(1,855)
<b>Total</b>	<b>45,933</b>	<b>24,087</b>

**NOTE "15"**

(₹ in lakh)

<b>LOANS AND ADVANCES - FINANCING ACTIVITY</b>	<b>As at March 31, 2017</b>	<b>As at March 31, 2016</b>
<b>NON-CURRENT</b>		
<b>(a) Secured Loans</b>		
(i) Considered good	<b>3,002,919</b>	2,502,059
(ii) Considered doubtful	<b>34,088</b>	12,683
(iii) Retained portion of assigned loans	<b>11,909</b>	-
	<b>3,048,916</b>	2,514,742
Less: Provision for doubtful loans	<b>(34,088)</b>	(12,683)
Less: Provision against restructured standard assets	<b>(68)</b>	(1,782)
	<b>3,014,760</b>	<b>2,500,277</b>
<b>(b) Unsecured Loans</b>		
(i) Considered good	<b>209,196</b>	154,372
(ii) Considered doubtful	<b>731</b>	657
	<b>209,927</b>	155,029
Less: Provision for doubtful loans	<b>(731)</b>	(657)
Less: Provision against restructured standard assets	<b>(2)</b>	(304)
	<b>209,194</b>	<b>154,068</b>



**NOTES TO AND FORMING PART OF THE CONSOLIDATED  
BALANCE SHEET AS AT MARCH 31, 2017**

<b>LOANS AND ADVANCES - FINANCING ACTIVITY</b>	<b>As at March 31, 2017</b>	<b>As at March 31, 2016</b>
<b>(c) Secured Credit Substitutes (Refer note 15.1)</b>		
(i) Considered good	16,508	16,482
(ii) Considered doubtful	2,752	16,074
	<b>19,260</b>	32,556
Less: Provision for doubtful credit substitutes	<b>(2,752)</b>	(16,074)
	<b>16,508</b>	16,482
<b>(d) Unsecured Credit Substitutes (Refer note 15.1)</b>		
(i) Considered good	9,924	17,007
(ii) Considered doubtful	-	-
	<b>9,924</b>	17,007
<b>Total</b>	<b>3,250,386</b>	2,687,834
<b>CURRENT</b>		
<b>(a) Secured Loans</b>		
(i) Considered good	727,243	695,580
(ii) Considered doubtful	65,642	30,623
(iii) Retained portion of assigned loans	1,494	-
	<b>794,379</b>	726,203
Less: Provision for doubtful loans	<b>(65,642)</b>	(30,623)
Less: Provision against restructured standard assets	<b>(37)</b>	(533)
	<b>728,700</b>	<b>695,047</b>
<b>(b) Unsecured Loans</b>		
(i) Considered good	941,955	792,007
(ii) Considered doubtful	11,184	3,994
	<b>953,139</b>	796,001
Less: Provision for doubtful loans	<b>(11,184)</b>	(3,994)
Less: Provision against restructured standard assets	<b>(3)</b>	(91)
	<b>941,952</b>	<b>791,916</b>
<b>(c) Secured Credit Substitutes (Refer note 15.1)</b>		
(i) Considered good	4,756	21,010
(ii) Considered doubtful	14,554	5,018
	<b>19,310</b>	26,028
Less: Provision for doubtful credit substitutes	<b>(14,554)</b>	(5,018)
	<b>4,756</b>	<b>21,010</b>
<b>(d) Unsecured Credit Substitutes (Refer note 15.1)</b>		
(i) Considered good	54,863	33,558
(ii) Considered doubtful	-	-
	<b>54,863</b>	<b>33,558</b>

**NOTES TO AND FORMING PART OF THE CONSOLIDATED  
BALANCE SHEET AS AT MARCH 31, 2017**

<b>LOANS AND ADVANCES - FINANCING ACTIVITY</b>	<b>As at March 31, 2017</b>	<b>As at March 31, 2016</b>
<b>(e) Unsecured Inter Corporate Deposits</b>		
(i) Considered good	<b>11,300</b>	5,400
(ii) Considered doubtful	-	-
	<b>11,300</b>	<b>5,400</b>
<b>Total</b>	<b>1,741,571</b>	<b>1,546,931</b>
<b>TOTAL - LOANS AND ADVANCES - FINANCING ACTIVITIES</b>	<b>4,991,957</b>	<b>4,234,765</b>

**NOTE "15-1" Scrip-wise details of Credit Substitutes.**

(₹ in lakh)

PARTICULARS	Face value Per Unit	No. of Units	As at March 31, 2017		No. of Units	As at March 31, 2016	
			Non- Current	Current		Non- Current	Current
<b>Secured Quoted :</b>							
<b>Investment in Bonds and Debentures (Trade)</b>							
12.75% Diamond Power Infra Limited	100,000	1,700	<b>1,027</b>	-	1,700	1,496	204
12.90% Cholamandalam Investment & Finance Company Limited	500,000	1	-	<b>5</b>	1	-	5
10.50% Tulip Telecom Limited	1,000,000	1,623	-	-	1,748	14,948	2,957
12.65% Consolidated Construction Consortium Limited	1,000,000	200	<b>1,840</b>	<b>139</b>	200	1,920	79
12.90% Godawari Power and Ispat Limited	1,000,000	150	-	<b>1,500</b>	225	375	1,500
9.40% JM Financial Asset Reconstruction Company	1,000,000	400	<b>4,000</b>	-	-	-	-
11.5% Zuka Power Private Limited	100,000	8,500	<b>8,373</b>	<b>139</b>	-	-	-
10.50% JM Financial Credit Solution Limited	600	600	-	-	600	6,000	-
			<b>15,240</b>	<b>1,783</b>		<b>24,739</b>	<b>4,745</b>
<b>Secured Unquoted :</b>							
<b>Investment in Debentures (Trade)</b>							
9% East Coast Constructions and Industries Limited	1,000	-	-	<b>15</b>	245,000	-	3,326
11.80% Elder Pharmaceuticals Limited	1,000,000	-	-	<b>851</b>	-	-	841
13.65% Metropolitan Infrahousing Private Limited	10,000,000	75	-	<b>7,577</b>	75	-	7,500
5.64% Mandava Holding Private Limited	-	-	-	<b>1</b>	-	-	1
8% JL Power Ventures Private Limited	10,000,000	40	<b>2,800</b>	<b>1,200</b>	40	4,000	-
11% Cargo Solar Power Gujarat Limited	20,000	-	-	-	15,000	-	1,500
14.50% Arohi Infrastructure Private Limited	100	5,000,000	-	<b>2,871</b>	5,000,000	-	5,007
			<b>2,800</b>	<b>12,515</b>		<b>4,000</b>	<b>18,175</b>
<b>Investment in Pass Through Certificates</b>							
Jindal ITF Limited - Series A to E		-	-	<b>2,742</b>		2,370	2,816
			-	<b>2,742</b>		2,370	2,816
Add: Interest accrued but not due			<b>1,221</b>	<b>2,271</b>		1,447	291
Less: Provision for doubtful credit substitutes			<b>2,753</b>	<b>14,555</b>		16,074	5,017
<b>Total Secured</b>			<b>16,508</b>	<b>4,756</b>		<b>16,482</b>	<b>21,010</b>
<b>Unsecured Quoted :</b>							
<b>Investment in Bonds and Debentures (Trade)</b>							
10.25% Shriram Transport Finance Company Limited	1,000,000	-	-	-	250	2,500	-
12.25% Kolte Patil Developers Limited	1,000,000	-	-	-	400	4,000	-
10.45% IDBI Bank Limited	1,000,000	50	<b>507</b>	-	50	507	-
10% Indian Overseas Bank Limited	1,000,000	400	<b>4,000</b>	-	400	4,000	-
			<b>4,507</b>	-		<b>11,007</b>	-
<b>Unsecured Unquoted :</b>							
<b>Investment in Preference Shares (Non-Trade)</b>							
10.75% Kiri Industries Limited	10	4,333,500	-	<b>433</b>	4,333,500	-	433

**NOTES TO AND FORMING PART OF THE CONSOLIDATED  
BALANCE SHEET AS AT MARCH 31, 2017**

PARTICULARS	Face value Per Unit	No. of Units	As at March 31, 2017		No. of Units	As at March 31, 2016	
			Non- Current	Current		Non- Current	Current
11.50% Monthly Bharat Engineering Co Limited Cumulative Non Convertible Redeemable Preference Shares	100	533,898	3,417	9	625,000	4,000	9
<b>Investment in Debentures (Trade)</b>			3,417	442		4,000	442
10.90% Tata Motor Finance Limited	500,000	400	2,000	-	400	2,000	-
<b>Investment in Pass Through Certificates</b>			2,000	-		2,000	-
Capital DRL Trust			-	54,293		-	32,893
			-	54,293		-	32,893
Add: Interest accrued but not due			-	128		-	223
<b>Total Unsecured</b>			9,924	54,863		17,007	33,558
<b>Grand Total</b>			26,432	59,619		33,489	54,568

**NOTE "16"**

(₹ in lakh)

LONG-TERM LOANS AND ADVANCES - OTHERS (UNSECURED - CONSIDERED GOOD)	As at March 31, 2017	As at March 31, 2016
(a) Capital advances	7,807	12,231
(b) Security deposits	659	648
Less : Provision for security deposits	(24)	-
	635	648
(c) Prepaid expenses	379	352
(d) Advances payment of Income tax [Net of provision for tax ₹ 76,050 lakh (as at March 31, 2016 ₹ 80,442 lakh)]	9,522	9,725
(e) MAT credit entitlement	-	29
(f) Others		
- Deposits	-	170
<b>Total</b>	<b>18,343</b>	<b>23,155</b>

**NOTE "17"**

(₹ in lakh)

OTHER NON-CURRENT ASSETS	As at March 31, 2017	As at March 31, 2016
(a) Deferred revenue expenditure [Refer Note No. 21(a)]	1,618	1,487
(b) Unamortised loan sourcing costs	9,501	8,053
(c) Others	13	93
<b>Total</b>	<b>11,132</b>	<b>9,633</b>

**NOTE "18"**

(₹ in lakh)

TRADE RECEIVABLES	As at March 31, 2017	As at March 31, 2016
(a) Over six months (from the date due for payment)		
(i) Secured, considered good	-	-
(ii) Unsecured, considered good	170	276
(iii) Doubtful	468	323
	638	599
Less: Provision for trade receivables	(468)	(323)
	170	276

**NOTES TO AND FORMING PART OF THE CONSOLIDATED  
BALANCE SHEET AS AT MARCH 31, 2017**

<b>TRADE RECEIVABLES</b>	<b>As at March 31, 2017</b>	<b>As at March 31, 2016</b>
<b>(b) Others</b>		
(i) Secured, considered good	-	-
(ii) Unsecured, considered good	8,034	7,600
(iii) Doubtful	-	57
	8,034	7,657
Less: Provision for trade receivables	-	(57)
	8,034	7,600
<b>Total</b>	<b>8,204</b>	<b>7,876</b>

**NOTE "19"**

(₹ in lakh)

<b>CASH AND BANK BALANCES</b>	<b>As at March 31, 2017</b>	<b>As at March 31, 2016</b>
(a) Cash on Hand	911	1,179
(b) Cheques on hand	3,323	1,730
(c) Balances with bank		
(i) In current accounts	14,763	9,016
(ii) In client accounts	24	1,015
(iii) In deposit accounts	17,136	4,175
<b>Total</b>	<b>36,157</b>	<b>17,115</b>

Of the above, the balances that meet the definition of Cash and Cash Equivalents as per AS 3 (Cash Flow Statements) is ₹ 34,459 lakh ( as at March 31, 2016: ₹ 12,667 lakh).

Balance with bank includes deposits amounting to ₹ 361 lakh (as at March 31, 2016 ₹ 1,846 lakh) which have an original maturity of more than 12 months. Deposits includes deposits with Banks and Stock Exchanges under lien as margin, amounting to ₹ 428 lakh (as at March 31, 2016 ₹ 1,438 lakh). Balance in current accounts includes ₹ 53 lakh (as at March 31, 2016 ₹ 51 lakh) towards unclaimed debenture application money and interest accrued thereon.

The details of the Specified Bank Notes (SBN) held and transacted during the period 08/11/2016 to 30/12/2016 are as below (as per MCA Notification G.S.R. 307 (E) dated 30th March 2017) :

<b>Particulars</b>	<b>SBNs</b>	<b>Other Denomination</b>	<b>Total</b>
Opening Cash in hand as on 08/11/2016	1,244	5	1,249
(+) Permitted receipts	-	1,140	1,140
(-) Permitted payments	-	72	72
(-) Amounts deposited in Banks	1,244	973	2,217
<b>Closing cash in hand as on 30/12/2016</b>	-	100	100

**NOTE "20"**

(₹ in lakh)

<b>SHORT TERM LOANS AND ADVANCES (UNSECURED - CONSIDERED GOOD)</b>	<b>As at March 31, 2017</b>	<b>As at March 31, 2016</b>
(a) Capital advances	13	-
(b) Loans and advances to related parties	204	138
(c) Security deposits	3,012	2,869
(d) Prepaid expenses	1,480	785
(e) Balances with government authorities	1,443	1,097

**NOTES TO AND FORMING PART OF THE CONSOLIDATED  
BALANCE SHEET AS AT MARCH 31, 2017**

<b>SHORT TERM LOANS AND ADVANCES (UNSECURED - CONSIDERED GOOD)</b>	<b>As at March 31, 2017</b>	<b>As at March 31, 2016</b>
(f) Others		
(i) Advances to vendors	85	93
(ii) Other advances	1,355	614
Less : Provision on other loans and advances	(268)	-
Net value of other advances	1,087	614
(iii) Share/debenture application money (Refundable)	16,249	2,527
(iv) Loans and advances to employees	135	93
<b>Total</b>	<b>23,708</b>	<b>8,216</b>

**NOTE "21"**

(₹ in lakh)

<b>OTHER CURRENT ASSETS</b>	<b>As at March 31, 2017</b>	<b>As at March 31, 2016</b>
(a) Interest accrued but not due on deposits / investments	136	2,429
(b) Deferred revenue expenditure (Refer note 21(a))	1,078	907
(c) Unamortised loan sourcing costs	10,488	8,186
(d) Exchange settlement / dues from clients	42	581
Less : Provision for Exchange settlement dues	(42)	(35)
Net receivable	-	546
(e) Income accrued but not due	2,268	1,249
(f) Receivable on sale of Investment	83	353
Less : Provision for receivable on sale of Investment	(83)	(47)
Net Receivable	-	306
(g) Assets held for sale	4,485	2,502
Less : Provision for assets held for sale	(1,404)	(289)
Net Receivable	3,081	2,213
(h) Gratuity Asset (Net)	421	29
(i) Others	343	289
<b>Total</b>	<b>17,815</b>	<b>16,154</b>

**NOTE "21 (a)"**

(₹ in lakh)

<b>DEFERRED REVENUE EXPENDITURE (TO THE EXTENT NOT WRITTEN OFF OR ADJUSTED)</b>	<b>As at March 31, 2017</b>	<b>As at March 31, 2016</b>
(a) <b>Unamortised share issue expenses</b>		
Opening Balance	427	513
Add: expenses incurred during the year	-	284
Less: written off during the year	-	370
Less: written off against Securities Premium (Refer note 42)	427	-
<b>Closing Balance</b>	<b>-</b>	<b>427</b>

**NOTES TO AND FORMING PART OF THE CONSOLIDATED  
BALANCE SHEET AS AT MARCH 31, 2017**

DEFERRED REVENUE EXPENDITURE (TO THE EXTENT NOT WRITTEN OFF OR ADJUSTED)	As at March 31, 2017	As at March 31, 2016
<b>(b) Unamortised debenture issue expenses</b>		
Opening Balance	1,457	988
Add: expenses incurred during the year	1,740	1,019
Less: written off during the year	884	550
<b>Closing Balance</b>	<b>2,313</b>	<b>1,457</b>
<b>(c) Unamortised loan processing charges</b>		
Opening Balance	509	793
Add: expenses incurred during the year	190	116
Less: written off during the year	316	400
<b>Closing Balance</b>	<b>383</b>	<b>509</b>
<b>Total</b>	<b>2,696</b>	<b>2,393</b>

(₹ in lakh)

PARTICULARS	As at March 31, 2017		As at March 31, 2016	
	Non-Current	Current	Non-Current	Current
(a) Unamortised share issue expenses	-	-	180	247
(b) Unamortised debenture issue expenses	1,470	843	990	467
(c) Unamortised loan processing charges	148	235	317	193
<b>Total</b>	<b>1,618</b>	<b>1,078</b>	<b>1,487</b>	<b>907</b>
<b>Grand Total</b>	<b>2,696</b>		<b>2,394</b>	

**NOTES TO AND FORMING PART OF THE CONSOLIDATED STATEMENT OF  
PROFIT AND LOSS FOR THE YEAR ENDED MARCH 31, 2017**

**NOTE “22”**

(₹ in lakh)

<b>REVENUE FROM OPERATIONS</b>	<b>For the Year Ended March 31, 2017</b>	<b>For the Year Ended March 31, 2016</b>
(a) Interest Income		
(i) From secured loans & credit substitutes	<b>413,931</b>	324,411
(ii) From unsecured loans & credit substitutes	<b>113,924</b>	95,910
(b) Income from Bill Discounting	<b>4,987</b>	4,354
(c) Others	<b>40,921</b>	28,976
<b>Total</b>	<b>573,763</b>	<b>453,651</b>

**NOTE “23”**

(₹ in lakh)

<b>INVESTMENT INCOME</b>	<b>For the Year Ended March 31, 2017</b>	<b>For the Year Ended March 31, 2016</b>
(a) Dividend from Non-current Investments	<b>1,000</b>	2,202
(b) Dividend from Current Investments	<b>3</b>	3
(c) Profit on sale of Non-current Investments	<b>10,543</b>	1,352
(d) Profit on sale of Current Investments	<b>584</b>	1,096
(e) Interest on Non-current Investments	<b>1,644</b>	4,085
(f) Interest on Current Investments	<b>1,335</b>	2,326
<b>Total</b>	<b>15,109</b>	<b>11,064</b>

**NOTE “24”**

(₹ in lakh)

<b>OTHER INCOME</b>	<b>For the Year Ended March 31, 2017</b>	<b>For the Year Ended March 31, 2016</b>
(a) Income from advisory services	<b>9,764</b>	9,519
(b) Income from operating leases	<b>24,317</b>	19,951
(c) Interest Income on fixed deposits	<b>129</b>	300
(d) Income from ticketing & other travel related services	<b>829</b>	795
(e) Income from forex services	<b>1,224</b>	1,329
(f) Brokerage Income	<b>941</b>	1,460
(g) Exchange gains (net)	<b>6</b>	5
(h) Miscellaneous Income	<b>6,328</b>	5,212
<b>Total</b>	<b>43,538</b>	<b>38,571</b>

**NOTE “25”**

(₹ in lakh)

<b>FINANCE COSTS</b>	<b>For the Year Ended March 31, 2017</b>	<b>For the Year Ended March 31, 2016</b>
(a) Interest expense	<b>267,469</b>	225,448
(b) Discounting charges		
(i) On commercial papers	<b>78,019</b>	56,012
(ii) On debentures	<b>407</b>	371
(iii) On Collateralised Borrowings and Lending Obligations	<b>1,130</b>	2,847
<b>Total</b>	<b>347,025</b>	<b>284,678</b>

**NOTES TO AND FORMING PART OF THE CONSOLIDATED STATEMENT OF  
PROFIT AND LOSS FOR THE YEAR ENDED MARCH 31, 2017**

**NOTE "26"**

(₹ in lakh)

<b>EMPLOYEE BENEFIT EXPENSES</b>	<b>For the Year Ended March 31, 2017</b>	<b>For the Year Ended March 31, 2016</b>
(a) Salaries, wages and bonus	<b>51,600</b>	40,509
(b) Contribution to provident and other funds (Refer note 34)	<b>3,530</b>	2,558
(c) Staff welfare expenses	<b>2,249</b>	2,001
<b>Total</b>	<b>57,379</b>	<b>45,068</b>

**NOTE "27"**

(₹ in lakh)

<b>OTHER OPERATING EXPENSES</b>	<b>For the Year Ended March 31, 2017</b>		<b>For the Year Ended March 31, 2016</b>	
(a) Advertisements and publicity		<b>2,541</b>		3,140
(b) Brand Equity and Business Promotion		<b>1,869</b>		1,428
(c) Corporate social responsibility expenses (Refer note 27 (c))		<b>1,253</b>		1,054
(d) Directors' remuneration		<b>343</b>		269
(e) Donations		<b>5</b>		3
(f) Equipment hire charges		<b>316</b>		279
(g) Incentive / commission/ brokerage		<b>16,314</b>		11,981
(h) Information technology expenses		<b>8,960</b>		7,811
(i) Insurance charges		<b>958</b>		463
(j) Legal and professional fees		<b>6,920</b>		5,709
(k) Loan processing fees		<b>3,860</b>		3,076
(l) Printing and stationery		<b>832</b>		652
(m) Provision for doubtful loans	<b>92,976</b>		35,527	
Less : Adjustment pursuant to Reduction of Share Capital (Refer note 44)	<b>(31,789)</b>	<b>61,187</b>	-	35,527
(n) Write off - Loans and advances	<b>34,846</b>		16,582	
Less : Provision reversal on write off	<b>(34,846)</b>	-	(16,582)	-
(o) Provision against trade receivables / security deposits		<b>135</b>		166
(p) Trade Receivables written off		-		169
(q) Contingent provision against standard assets		<b>5,948</b>		5,074
(r) Contingent provision against restructured advances		<b>(827)</b>		(465)
(s) Provision for diminution in value of investments (net of reversals)		<b>(455)</b>		(865)
(t) Provision on Current Investment	<b>732</b>		190	
Less : Adjustment pursuant to Reduction of Share Capital (Refer note 44)	<b>(349)</b>	<b>383</b>	-	190



**NOTES TO AND FORMING PART OF THE CONSOLIDATED STATEMENT OF  
PROFIT AND LOSS FOR THE YEAR ENDED MARCH 31, 2017**

OTHER OPERATING EXPENSES	For the Year Ended March 31, 2017		For the Year Ended March 31, 2016	
(u) Write-off - Investments	14,318		-	
Less : Adjustment pursuant to Reduction of Share Capital (Refer note 44)	(14,318)	-	-	-
(v) Write-off - Goodwill	7,804		-	
Less : Adjustment pursuant to Reduction of Share Capital (Refer note 44)	(7,804)	-	-	-
(w) Provision for assets held for sale		1,115		200
(x) Provision against other doubtful advances		268		-
(y) Power and fuel		954		793
(z) Repairs and maintenance				
(i) Buildings	69		30	
(ii) Annual maintenance charges	377		377	
(iii) Others	155	601	164	571
(aa) Rent		3,034		3,125
(ab) Rates and taxes		862		392
(ac) Stamp charges		607		451
(ad) Service providers' charges		8,167		6,112
(ae) Training and recruitment		769		701
(af) Telephone, telex and leased line		957		860
(ag) Traveling and conveyance		3,512		3,280
(ah) Loss on sale of long term Investment		1,248		-
(ai) Loss on sale / disposal of assets		3,355		1,181
(aj) Impairment on Assets		-		1,207
(ak) Other Expenses (Refer note 27 (a))		4,376		3,269
<b>Total</b>		<b>140,367</b>		<b>97,803</b>

**NOTE "27(a)"**

(₹ in lakh)

AUDITORS' REMUNERATION (excl. Service Tax)	For the Year Ended March 31, 2017	For the Year Ended March 31, 2016
(a) Audit Fees	279	279
(b) Tax Audit Fees	17	17
(c) Other Services	40	41
(d) Towards reimbursement of expenses	2	2

(Auditors' Remuneration is included in Other expenses)

**NOTES TO AND FORMING PART OF THE CONSOLIDATED STATEMENT OF  
PROFIT AND LOSS FOR THE YEAR ENDED MARCH 31, 2017**

**NOTE "27(b)"**

(₹ in lakh)

<b>EXPENDITURE IN FOREIGN CURRENCY</b>	<b>For the Year Ended March 31, 2017</b>	<b>For the Year Ended March 31, 2016</b>
(a) Legal and professional fees	490	110
(b) Membership and subscription	23	18
(c) Advertisement and publicity	-	1
(d) Travelling and conveyance	121	73
(e) Training and recruitment	28	13
(f) Directors Sitting Fees	1	2
(g) Processing Fees	2	2
(h) Commission paid	214	-
(i) Other expenses	10	9

**NOTE "27(c)" CORPORATE SOCIAL RESPONSIBILITY EXPENSES**

- (i) Gross amount required to be spent by the group during the year was ₹ 1,253 lakh. (P. Y. 1,054 lakh)  
(ii) Amount spent during the year on:

(₹ in lakh)

<b>PARTICULARS</b>	<b>PAID</b>	<b>YET TO BE PAID</b>	<b>TOTAL</b>
Construction / acquisition of any asset	-	-	-
On purposes other than above	1,253	-	1,253

**NOTE “28”**

The financial statements of the following subsidiaries have been consolidated as per Accounting Standard 21 on ‘Consolidated Financial Statements’:

<b>Name of the Subsidiary</b>	<b>Country of Incorporation</b>	<b>% Holding as at March 31, 2017</b>	<b>% Holding as at March 31, 2016</b>
Tata Securities Limited	India	<b>100</b>	100
Tata Capital Housing Finance Limited	India	<b>100</b>	100
TC Travel and Services Limited	India	<b>100</b>	100
Tata Capital Forex Limited	India	<b>100</b>	100
Tata Infrastructure Capital Limited*	India	<b>–</b>	100
Tata Capital Financial Services Limited	India	<b>100</b>	100
Tata Capital Growth Fund	India	<b>73.75</b>	73.75
Tata Cleantech Capital Limited	India	<b>80.50</b>	80.50
India Collections Management Limited*	India	<b>–</b>	100
Tata Capital Pte. Limited	Singapore	<b>100</b>	100
Tata Capital Markets Pte. Limited (Subsidiary of Tata Capital Pte. Limited)	Singapore	<b>100</b>	100
Tata Capital Advisors Pte. Limited (Subsidiary of Tata Capital Pte. Limited)	Singapore	<b>100</b>	100
Tata Capital Plc (Subsidiary of Tata Capital Pte. Limited)	United Kingdom	<b>100</b>	100
Tata Capital General Partners LLP (Subsidiary of Tata Capital Pte. Limited)	Singapore	<b>80</b>	80
Tata Capital Healthcare General Partners LLP (Subsidiary of Tata Capital Pte. Limited)	Singapore	<b>100</b>	100
Tata Opportunities General Partners LLP (Subsidiary of Tata Capital Pte. Limited)	Singapore	<b>90</b>	90

\* The companies are amalgamated with Tata Capital Limited (Holding Company) under a Scheme of Amalgamation effective from May 16, 2016 with an appointed date of April 01, 2015.

**NOTE “29”**

The Group has investments in the following associates, which are accounted for on the Equity Method in accordance with the Accounting Standard 23 on ‘Accounting for Investments in Associates in Consolidated Financial Statements’:

The Particulars of investments in associates as on March 31, 2017 are as follows :

(₹ In lakh)

Sr. No.	Name of Associates	Country of Incorporation	Ownership Interest (%)	Original Cost of Investment	Amount of goodwill/ (Capital Reserve) in original cost	Share of post acquisition Reserves & Surplus	Carrying Amount of Investments
1	Tata Autocomp Systems Limited (Refer footnote 1)	India	<b>24.00%</b> <i>24.00%</i>	<b>18,528</b> <i>18,528</i>	<b>12,145</b> <i>12,145</i>	<b>14,019</b> <i>13,518</i>	<b>32,547</b> <i>32,046</i>
2	Tata Capital Special Situation Fund	India	<b>28.18%</b> <i>28.18%</i>	<b>4,464</b> <i>7,240</i>	– –	<b>(1,659)</b> <i>(984)</i>	<b>2,805</b> <i>6,256</i>
3	Tata Capital Healthcare Fund	India	<b>32.12%</b> <i>31.30%</i>	<b>8,457</b> <i>8,880</i>	– –	<b>(1,512)</b> <i>(1,316)</i>	<b>6,945</b> <i>7,564</i>
4	Tata Capital Innovation Fund	India	<b>27.13%</b> <i>27.13%</i>	<b>7,152</b> <i>6,416</i>	– –	<b>(1,749)</b> <i>(1,127)</i>	<b>5,403</b> <i>5,289</i>
5	International Asset Reconstruction Company Private Limited (Refer footnote 1)	India	<b>25.37%</b> <i>25.37%</i>	<b>3,313</b> <i>3,313</i>	<b>483</b> <i>483</i>	<b>541</b> <i>337</i>	<b>3,854</b> <i>3,650</i>
<b>Total</b>				<b>41,914</b> <i>44,377</i>	<b>12,628</b> <i>12,628</i>	<b>9,640</b> <i>10,428</i>	<b>51,554</b> <i>54,805</i>

**Notes:**

- 1) Consolidated based on unaudited financial statements as at/for the year ended March 31, 2017 and March 31, 2016
- 2) Figures in Italics represent previous year.

**NOTE “30”**
**Details of the Company’s interest in its Joint Venture, having Joint Control, as per the requirement of Accounting Standard (AS) - 27 on “Financial Reporting of Interests in Joint Venture”**

The following amounts are included in the Financial Statements in respect of the jointly controlled entity, based on the proportionate consolidation method:

(₹ in lakh)

PARTICULARS	Nectar Loyalty Management India Limited (Incorporated and registered in India)	
	For the year ended March 31, 2017 [Refer footnote 1]	For the year ended March 31, 2016 [Refer footnote 2]
% Shares Held		49%
(a) Assets		201
(b) Liabilities		473
(c) Income	NA	–
(d) Expenses		–
(e) Other Matters – Contingent Liability		–

**Footnotes:-**

- Nectar Loyalty Management India Limited was a joint venture with AIMIA (formerly known as Groupe Aeroplan Inc.), to launch a multi-party coalition loyalty program in India. Tata Capital held 49% in the joint venture, which was divested during the year at a loss of ₹ 1,297 lakh. The Company had fully provided for its investment in debentures and equity shares in the joint venture as the operations of Nectar were held in abeyance since a couple of years.
- As per the latest available audited financial statements as at and for the year ended March 31, 2015, with the share of loss restricted up to the aggregate amount of investment by the Company.

**NOTE “31” PROVISIONS AND CONTINGENT LIABILITIES:**

- i. Movement in Contingent Provision against Standard Assets during the year is as under:

(₹ in lakh)

Particulars	For the Year Ended March 31, 2017	For the Year Ended March 31, 2016
<b>Opening Balance</b>	<b>15,861</b>	10,787
Additions during the year	5,948	5,074
Utilised during the year	-	-
<b>Closing Balance</b>	<b>21,809</b>	<b>15,861</b>
Long-term Provision (Refer note 6)	14,257	10,461
Short-term Provision (Refer note 10)	7,552	5,400

- ii Movement in Other Provision during the year is as under:

(₹ in lakh)

Particulars	For the Year Ended March 31, 2017	For the Year Ended March 31, 2016
<b>Opening Balance</b>	-	-
Additions during the year	268	-
Utilised during the year	-	-
<b>Closing Balance</b>	<b>268</b>	-

- iii. **Claims not acknowledged by the Group relating to cases contested by the Group and which are not likely to be devolved on the Group relating to the following areas :** (₹ in lakh)

Particulars	As at March 31, 2017	As at March 31, 2016
Income Tax (Pending before Appellate Authorities)	11,468	9,908
VAT (Pending before Sales Tax Appellate Authorities)	584	140
<b>Total</b>	<b>12,052</b>	<b>10,048</b>

**NOTE “32” COMMITMENTS :**

- Commitment to invest in Tata Capital Special Situations Fund amounting to ₹ 22 lakh (as at March 31, 2016 : ₹ 22 lakh).
- Commitment to invest in Tata Capital Health Care Fund amounting to ₹ 1,015 lakh (as at March 31, 2016 : ₹ 1,119 lakh).
- Commitment to invest in Tata Capital Innovation Fund amounting to ₹ 622 lakh (as at March 31, 2016 : ₹ 1,358 lakh).
- Commitment to co-invest with Omega TC Holdings Pte. Ltd USD 15.46 Million (₹ 10,007 lakh) (as at March 31, 2016 : USD 17.10 Million (₹ 11,308 lakh)).
- Guarantees issued to National Housing Bank ₹ 120,000 lakh (As at March 31, 2016 ₹ 120,000 lakh) against which the outstanding amount is ₹ 80,767 lakh (As at March 31, 2016 ₹ 94,036 lakh). Pursuant to the terms of the Guarantee, the liability on invocation is capped at the outstanding amount.
- Estimated amount of contracts remaining to be executed on capital account and not provided for ₹ 2,957 lakh (as at March 31, 2016: ₹ 2,337 lakh).

**NOTE “33” EMPLOYEE STOCK PURCHASE / OPTION SCHEME :**

- In March 2010, the Company at its extra-ordinary general meeting approved the “Tata Capital Limited Employee Stock Purchase/Option Scheme” (the “ESOP Scheme”). Pursuant to this scheme, a Trust under the name of “TCL Employee Welfare Trust” has been constituted to administer the ESOP scheme.
- The Company has issued 63,400,000 Equity Shares of ₹ 10 each at a premium of ₹ 2 per share in FY 2009-10 and 6,834,526 Equity Shares of ₹ 10 each at a premium of ₹ 10 per share in FY 2012-13 to the Trust. The Trust transfers shares to the employees of the Company and its subsidiaries under the ESOP scheme.
- The Company had provided finance of ₹ 6,904 lakh in the FY 2009-10 to the Trust to enable it to finance the Company’s shares subscribed for by it. The outstanding balance of loan to the Trust / Employees is ₹ NIL (Previous Year : ₹ 4 lakh).
- Based on the guidance note on “Employee Share - Based Payments” issued by Institute of Chartered Accountants of India, the Company has adopted the intrinsic method of accounting for ESOP.
- The following is the disclosure as required under the aforesaid guidance note on “Employee Share - Based Payments”.
  - The impact on Earnings per Share if the ‘fair value’ of the options (on the date of the grant) were considered instead of the ‘intrinsic value’ is as under: (₹ in lakh)

	For the year ended March 31, 2017	For the year ended March 31, 2016
Net Profit (as reported)	18,015	15,280
Less: Fair value compensation costs	530	85
Net Profit (proforma)	17,485	15,194
Basic EPS (Reported & Proforma) - (in rupees)	0.15	0.11
Diluted EPS (Reported & Proforma) - (in rupees)	0.15	0.11

- ii. Description of each type of employee share-based payment plan that existed at any time during the year includes the following - (₹ in lakh)

Particulars	Plan 2011	Plan 2013	Plan 2016	Plan 2017
Year in which Plan rolled out	2011-12	2012-13	2015-16	2016-17
Vesting conditions	1/3rd each at the end of 12 months, 24 months and 36 months from the grant date.	1/3rd each at the end of 12 months, 24 months and 36 months from the grant date.	100% vesting at the end of 12 months from the grant date.	<b>100% vesting at the end of 12 months from the grant date.</b>
Range of Vesting period	1 to 3 years	1 to 3 years	1 year	<b>1 year</b>
Range of Exercise period	3 years from vesting date	3 years from vesting date	1 year from vesting date	<b>1 year from vesting date</b>
Method of settlement	Equity Settled	Equity Settled	Equity Settled	<b>Equity Settled</b>

- iii Employee stock options details as on the Balance Sheet date are as follows: (₹ in lakh)

Particulars	For the year ended			
	March 31, 2017		March 31, 2016	
	No. of options	WAEP ₹*	No. of options	WAEP ₹*
Outstanding at the beginning of the year	15,640,259	28.15	4,980,494	21.52
Granted during the year	15,160,000	33.40	11,945,000	30.00
Forfeited / Lapsed during the year	2,346,514	28.96	684,263	20.69
Exercised during the year	897,094	18.66	600,972	18.46
Outstanding at the end of the year	27,556,651	31.28	15,640,259	28.15
Exercisable at the end of the year	12,396,651	28.69	2,921,761	21.43

\* WAEP = Weighted Average Exercise Price

- iv. Range of exercise price and weighted average remaining contractual life for options outstanding at the end of the year (₹ in lakh)

	Plan 2011	Plan 2013	Plan 2016	Plan 2017
Range of exercise prices	17.77	25.00	30.00	<b>33.40</b>
Weighted average remaining contractual life				
Vesting period (in years)	0.00	0.00	0.00	<b>1.00</b>
Exercise period post vesting (in years)	0.33	2.36	1.00	<b>1.00</b>

- v. The fair value of the options granted during the year has been determined under the Black-Scholes model. The assumptions used in this model for calculating fair value are as below:

(₹ in lakh)

	Plan 2017
Weighted average share price	<b>33.40</b>
Exercise price	<b>33.40</b>
Expected volatility (based on volatility of comparable companies over 2 years)	<b>0.35</b>
Option life (vesting and exercise period)	<b>2 Years</b>
Expected dividends	<b>Nil</b>
Risk free interest rate	<b>6.57%</b>

- vi. No other instruments were granted during the year other than the stock options as disclosed above.

- vii. No modifications were made to the Schemes that require disclosures under Guidance Note on "Employee Share - Based Payments" issued by Institute of Chartered Accountants of India.

viii. Other information regarding employee share-based payment plans is as below :

(₹ in lakh)

Particulars	For the year ended March 31, 2017	For the year ended March 31, 2016
Weighted average share price during the year	32.20	30.00
Expense arising from employee share-based payment plans	Nil	Nil
Expense arising from share and stock option plans	Nil	Nil
Closing balance of liability for cash stock appreciation plan	Nil	Nil
Expense arising from increase in fair value of liability for cash stock appreciation plan	Nil	Nil

### 34. EMPLOYEE BENEFITS

#### Defined Contribution Plans

The Group makes Provident Fund and Superannuation Fund contributions to defined contribution retirement benefit plans for eligible employees. Under the schemes, the Group is required to contribute a specified percentage of the payroll costs to fund the benefits. The contributions as specified under the law are paid to the provident fund set up as a Trust by the Group. The Group is generally liable for annual contributions and any deficiency, in interest cost compared to interest computed based on the rate of interest declared by the Central Government under the Employees' Provident Fund Scheme, 1952 is recognised as an expense in the year it is determined.

The provident fund set up as a Trust by the Company manages the contributions from the Company and other participating subsidiaries. As of March 31, 2017, the accumulated members' corpus of the Company is ₹ 16,500 lakh whereas the total fair value of the assets of the fund and the total accumulated members' corpus is ₹ 17,933 lakh and ₹ 16,500 lakh respectively. In accordance with an actuarial valuation, there is no deficiency in the interest cost as the present value of the expected future earnings on the fund is greater than the expected amount to be credited to the individual members based on the expected guaranteed rate of interest of 8.60%. The actuarial assumptions include discount rate of 7.50%.

The Group recognised a charge of ₹ 1,718 lakh (Previous year ₹ 1,431 lakh) for provident fund and family pension fund contribution and ₹ 189 lakh (Previous year ₹ 195 lakh) for Superannuation fund contribution in the Statement of Profit and Loss.

#### Defined Benefits Plans

The Group offers its employees defined-benefit plans in the form of a gratuity scheme (a lump sum amount) (included as a part of Contribution to provident and other funds in Note 26 Employee Benefits Expenses). 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

(₹ in lakh)

Particulars	2016-17	2015-16
<b>Change in Defined Benefit Obligation</b>		
Opening Defined Benefit Obligation	3,189	2,631
Current Service Cost	537	456
Interest Cost	252	192
Acquisitions Cost/(Credit)	-	(1)
Actuarial Losses / (Gain)	1,172	244
Benefits Paid	(224)	(333)
Closing Defined Benefit Obligation	4,926	3,189
<b>Change in the Fair Value of Assets</b>		
Opening Fair Value of Plan Assets	2,741	2,537
Acquisition Cost / Transfer in	-	-
Expected Return on Plan Assets p	310	210
Contributions by Employer	2,259	145
Actuarial Gains / (Losses)	28	(145)
Benefits paid	(10)	(5)
Closing Fair Value of Plan Assets	5,328	2,741
<b>Composition of Plan Assets</b>		
<b>Investment Pattern</b>		
Government Bonds	33%	44%
Equity mutual funds	16%	23%
Bonds / Debentures	41%	24%
Others (including assets under Schemes of Insurance)	10%	9%
<b>Total</b>	<b>100%</b>	<b>100%</b>
<b>Reconciliation of present value of the obligation and the fair value of the plan assets</b>		
Fair Value of plan assets at the end of the year	5,328	2,741
Present value of the defined obligations at the end of the year	4,926	3,189
Funded status [Surplus / (Deficit)]	402	(448)
Net Asset /(Liability) recognised in the Balance Sheet	402	(448)
<b>Net Gratuity cost</b>		
Service Cost	537	456
Interest on Defined benefit Obligation	252	192
Expected return on plan assets	(310)	(210)
Settlement Cost / (Credit)	-	-
Net actuarial (gain) / loss recognised in the year	1,144	494
Net Gratuity Cost (Refer note 26(b))	1,623	932
<b>Assumptions</b>		
Discount Rate	7.50%	8.20%
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 6% 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%

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

Experience adjustment	2016-17	2015-16	2014-15	2013-14	2012-13
- On Plan Liabilities	(423)	(329)	(88)	(141)	15
- On Plan Assets	28	(145)	192	72	(23)
Present value of benefit obligation	(4,926)	(3,189)	(2,631)	(1,770)	(1,529)
Fair value of Plan Assets	5,328	2,741	2,537	1,710	1,369
Excess of (obligation over plan assets)	402	(448)	(94)	(60)	(160)
Actuarial Gain / (Loss) due to change in Assumptions	(749)	85	(427)	206	(129)

The Group expects to contribute approximately ₹ 683 lakh ( March 31, 2016 ₹ 448 lakh) to the gratuity fund in the following year.

#### Long-Term Service Awards :

Long-Term Service awards are employee benefits 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 2016-17 is ₹ 81 lakh (Previous year : ₹ 39 lakh) and the provision as at March 31, 2017 is ₹ 229 lakh (Previous year ₹ 147 lakh).

#### NOTE "35"

#### Disclosure as required by Accounting Standard 18 (Related Party Disclosures).

##### i. List of related parties and relationship:

<b>Holding Company</b>	Tata Sons Limited
<b>Associates</b>	International Asset Reconstruction Company Private Limited Tata AutoComp Systems Limited Tata Capital Healthcare Fund Tata Capital Innovation Fund Tata Capital Special Situation Fund
<b>Fellow Subsidiaries</b> (with which the Group had transactions)	Tata Sky Limited Tata Consultancy Services Limited Tata AIG General Insurance Company Limited Tata AIA Life Insurance Company Limited Infiniti Retail Limited Tata Housing Development Company Limited Tata Asset Management Limited Tata Business Support Services Limited Tata Petrodyne Limited Tata Realty & Infrastructure Limited Tata Consulting Engineers Limited Tata Investment Corporation Limited Ewart Investments Limited Niskalp Infrastructure Services Limited Tata Advanced Materials Limited Tata Advanced Systems Limited Tata Industries Limited Indian Rotorcraft Limited Tata International Limited Tata Trustee Company Limited

	TRIL Roads Private Limited TRIL Infopark Limited TRIL Constructions Limited Taj Air Metrojet Aviation Limited Automotive Stampings and Assemblies Limited Taj Air Limited Tata Sikorsky Aerospace Limited Tata Toyo Radiator Limited Tata Unistore Limited (Formerly Tata Industrial Services Limited) Ardent Properties Private Limited Tata Lockheed Martin Aerostructure Limited Tata SIA Airlines Limited CMC Limited Nova Integrated Systems Limited Panatone Finvest Limited TRIF Amritsar Projects Limited Calsea Footwear Private Limited Kriday Realty Private Limited TRIF Real Estate And Development Limited Simto Investment Company Limited TASEC Limited (formerly TAS-AGT Systems Limited) Tata Value Homes Limited Peepul Tree Properties Limited TRIF Kochi Project Private Limited Acme Living Solutions Private Limited Hampi Expressways Private Limited Dharamshala Ropeway Limited Tata Teleservices Limited Tata Teleservices Maharashtra Limited Gurgaon Realtech Limited Manali Ropeways Limited Qubit Investment Private Limited
<b>Key Management Personnel (of the holding company)</b>	Mr. Praveen P Kadle - Managing Director & CEO

ii. Transactions with related parties:

(₹ in lakh)

Sr. No.	Party Name	Nature Of Transaction	2016-17	2015-16
1.	Tata Sons Limited	a. Expenditure - Brand Equity Contribution - Other Charges b. Income - Services rendered - Equity Brokerage Income - Interim Interest c. Deposit given for premises d. Share of Rent and Expenses e. Finance lease Facility given during the year Repaid during year Outstanding facility f. Balance Payable	 <b>1,869</b> <b>56</b>  <b>893</b> <b>-</b> <b>-</b> <b>103</b> <b>187</b>  <b>65</b> <b>7</b> <b>58</b> <b>1,696</b>	 1,428 34  812 41 3 104 184  - - - 1,193

(₹ in lakh)

Sr. No.	Party Name	Nature Of Transaction	2016-17	2015-16
2.	Tata Business Support Services Limited	a. Services rendered	292	223
		b. Income		
		- Operating Lease Income	512	302
		- Processing Fee Received	2	-
		- Rental Income	299	227
		- Interest income on ICDs placed	13	34
		- Reimbursement of Expenses	309	366
		- Interest income on Loan	122	161
		- Other Income	4	3
		c. Dividend received during the year	197	197
		d. Expenditure		
		- Service Providers' charges	8,147	7,231
		- Administration and Support Expenses	19	35
- Professional and Legal Fees	1	1		
e. Loan/ Finance Lease facility given during the year	-	204		
f. ICDs placed during the year	-	1,100		
g. Repayment of Loan/ICD/Finance Lease facility	1,597	882		
h. Outstanding Lease facility/Loan/ICD	1,246	2,921		
i. Lease Debtors	2	2		
j. Security Deposit Received	37	37		
k. Investment in Compulsorily Convertible Cumulative Preference Share - Outstanding	1,500	1,500		
l. Balance Payable	827	826		
3.	International Asset Reconstruction Company Private Limited	a. Investment in Security Receipts during the year	-	159
		b. Investment in Security Redemption during the year	236	58
		c. Balance in Security Receipts	748	984
4.	Tata Capital Healthcare Fund	a. Investment in Units of Fund	105	3,954
		b. Proceeds from Divestment	1,013	-
		c. Income		
		- Management Fees & Set-up cost	445	431
		- FD Interest	9	34
		- Distribution of Interest on delayed Capital Call	-	1
d. Advance income received	23	24		
e. Balance Receivable				
		Towards Reimbursement of Expenses	6	11
5.	Tata Capital Innovation Fund	a. Investment in Units of Fund	736	2,476
		b. Income		
		- Management Fees	547	574
		- FD Interest	2	4
c. Advance Income received	138	188		
d. Balance Receivable	44	1		
6.	Tata Capital Special Situation Fund	a. Investment made during the year	-	172
		b. Income – Management Fees	470	535
		c. Advance Income received	195	362
		d. Proceeds from Divestment	6,430	519
		e. Director sitting fees	8	-
		f. Balance Receivable	3	1
7.	Tata Sky Limited	a. Services rendered	17	17
		b. Balance Receivable/(Payable)	3	(1)
8.	Tata Consultancy Services Limited	a. Expenditure		
		- Information Technology Expenses	6,592	7,004
		b. Reimbursement of expenses	4	83
		c. Fixed Assets		
		- Software & other maintenance cost	385	12
d. Income				
- Services rendered	39,194	53,247		
e. Balance (Payable) / Receivable	(1,117)	7,709		

(₹ in lakh)

Sr. No.	Party Name	Nature Of Transaction	2016-17	2015-16
9.	Tata AIG General Insurance Company Limited	a. Expenditure -Insurance Expenses	21	22
		b. Insurance premium paid on behalf customer	6,638	746
		c. Services rendered	351	537
		d. Insurance related Revenue	720	811
		e. Claims Received during the year	-	7
		f. Balance Receivable	73	125
10	Tata AIA Life Insurance Company Limited	a. Expenditure -Insurance Expenses	49	45
		b. Shared Expenses	2	485
		c. Insurance related Revenue	36	-
		d. Claims Received during the year	215	185
		e. Balance Payable	35	202
11.	Infiniti Retail Limited	a. Expenses-Incentive	727	461
		b. Services rendered	242	70
		c. Purchase of Fixed Assets	4	3
		d. Security Deposit	74	-
		e. Balance Receivable	28	11
12.	Tata AutoComp Systems Limited	a. Dividend received during the year	966	966
		b. Services rendered	1,635	322
		c. Balance Receivable	109	92
13.	Tata Housing Development Company Limited	a. Income		
		- Referral Fees	35	31
		- Interest income on Loan	-	20
		- Syndication Fees	-	25
b. Loan repaid during the year	-	2,000		
c. Balance Receivable	14	1		
14.	Tata Asset Management Limited	a. Services rendered	21	29
		b. Income - Portfolio Management Service	17	20
		c. Balance Receivable*	4	0
15.	Tata Petrodyne Limited	a. Services rendered	-	11
		b. Balance Receivable*	0	0
16.	Tata Realty & Infrastructure Limited	a. Services rendered	163	86
		b. Balance Receivable	8	13
17.	Tata Consulting Engineers Limited	a. Services rendered	1,481	1,194
		b. Interest Income	93	21
		c. Services received*	0	-
		d. ICD given during the year	1,000	1,000
		e. ICD repaid during the year	2,000	-
		f. Outstanding ICDs	-	1,000
		g. Professional Charges	-	4
		h. Balance Receivable	135	330
18.	Tata Investment Corporation Limited	a. Equity Brokerage Income	4	5
		b. Re-imburement of Expenses	1	3
		c. Balance Receivable*	0	0
19.	Ewart Investments Limited	a. Equity Brokerage Income	-	1
		b. Rent Expense	18	17
		c. Security Deposit outstanding	190	190
20.	Niskalp Infrastructure Services Limited	a. Reimbursement of Salary	11	11
		b. Balance Receivable	4	-
21.	Tata Advanced Materials Limited	a. Services rendered	121	94
		b. Balance Receivable	42	34
22.	Tata Advanced System Limited	a. Services rendered	138	403
		b. Lease Income	3	1
		c. Lease Facility given during the year	30	9
		d. Lease Facility repaid during the year	4	1
		e. Outstanding Facility	35	8
		f. Balance Receivable	2	2
23.	Drive India Enterprise Solutions Limited	a. Services rendered	-	1
24.	Tata Industries Limited	a. Services rendered	83	107
		b. Lease Income	1,553	839
		c. Lease Facility given during the year	199	625
		d. Lease Facility repaid during the year	327	161
		e. Outstanding Facility	358	487
		f. Project Expenses	47	55
		g. Balance Payable	230	258

(₹ in lakh)

Sr. No.	Party Name	Nature Of Transaction	2016-17	2015-16
25.	Indian Rotorcraft Limited	a. Services rendered	4	14
		b. Balance Receivable	–	2
26.	Tata International Limited	a. Services rendered	14	13
		b. Services received	124	–
		c. Purchase of equity shares of Tata Projects Limited	–	476
		d. Balance Receivable*	0	1
27.	Tata Trustee Company Limited	a. Expenses-Trusteeship Fees	6	6
28.	TRIL Roads Private Limited	a. Services rendered	33	31
		b. Balance Receivable	4	2
29.	TRIL Infopark Limited	a. Services rendered	5	17
		b. Balance (Payable)/Receivable*	(0)	3
30.	TRIL Constructions Limited	a. Services rendered	7	11
		b. Balance Receivable	1	3
31.	Taj Air Metrojet Aviation Limited	a. Services rendered	7	22
		b. Balance Receivable	–	3
32.	Automotive Stampings and Assemblies Limited	a. Services rendered	79	20
		b. Interest income on loan	188	218
		c. Loan given during the year	–	1
		d. Loan Repaid during the year	240	149
		e. Loan Outstanding	1,635	1,851
		f. Balance Receivable*	0	2
33.	Taj Air Limited	a. Services rendered	526	411
		b. Loan given during the year	2,500	–
		c. Outstanding loan	6,000	3,500
34.	Tata Sikorsky Aerospace Limited	a. Services rendered	18	4
35.	Tata Toyo Radiator Limited	a. Services rendered	96	91
		b. Balance Receivable	8	51
36.	Tata Unistore Limited (Formerly Tata Industrial Services Limited)	a. Services rendered	51	133
		b. Balance Receivable	3	18
37.	Ardent Properties Private Limited	a. Services rendered	8	2
		b. Balance Receivable	10	–
38.	Tata Lockheed Martin Aerostructure Limited	a. Services rendered	11	39
		b. Lease Income	–	1
		c. Lease Facility given during the year	–	15
		d. Lease Facility repaid during the year	9	1
		e. Outstanding Facility	6	14
39.	Tata SIA Airlines Limited	a. Services rendered	50	28
		b. Balance Receivable	1	1
40.	CMC Limited	a. Services rendered	4	330
		b. Balance Receivable	4	2
41.	Nova Integrated Systems Limited	a. Services rendered	1	9
42.	TRIF Amritsar Projects Limited	a. Investment redeemed in NCD during the year	–	4,910
		b. Interest Income on NCDs	–	321
		c. Services rendered	17	17
		d. Balance receivable	1	4
43.	Calsea Footwear Private Limited	a. Loan/ICD given during the year	1,300	1,100
		b. Loan/ICD repaid during the year	1,100	1,000
		c. Interest Income	124	115
		d. Interest Accrued	35	30
		e. Outstanding Loan/ICD balance	1,300	1,100
44.	TRIF Real Estate and Development Limited	a. Income: Referral Fee	–	2
		b. Services rendered	18	33
		c. Balance receivable	1	5
45.	Simto Investment Company Limited	a. Equity Brokerage Income	3	4
46.	TASEC Limited (formerly TAS-AGT Systems Limited)	a. Services rendered	1	4
47.	Tata Value Homes Limited	a. Services rendered*	–	0
48.	Peepul Tree Properties Limited	a. Services rendered*	–	0
49.	TRIF Kochi Project Private Limited	a. Services rendered	3	31
		b. Balance receivable*	0	4
50.	Acme Living Solutions Private Limited	a. Balance Payable*	–	0
51.	Hampi Expressways Private Limited	a. Services rendered	19	8
		b. Balance receivable	2	2

(₹ in lakh)

Sr. No.	Party Name	Nature Of Transaction	2016-17	2015-16
52.	Dharamshala Ropeway Limited	a. Services rendered b. Balance receivable	13 1	5 1
53.	Tata Teleservices Limited	a. Expenditure: Communication Expenses Rent and Other Expenses b. Operating Lease Income c. Services rendered d. Advance paid towards Lease Facility e. Security Deposit f. Balance receivable g. Outstanding facility	48 4 277 25 37 8 2 1,326	– – – – – – – –
54.	Tata Teleservices Maharashtra Limited	a. Communication Expenses b. Operating Lease Income	112 2	– –
55.	Gurgaon Realtech Limited	a. Services rendered b. Balance receivable	1 1	– –
56.	Manali Ropeways Limited	a. Services rendered b. Balance receivable	4 1	– –
57.	Qubit Investment Private Limited	a. Services rendered b. Balance receivable	2 2	– –
58.	Tata Boeing Aerospace Limited	a. Services rendered b. Balance receivable	26 1	– –
59.	Key Management Personnel (KMP)	a. Remuneration b. Issue of Cumulative Redeemable Preference Shares c. Payment of Dividend on Cumulative Redeemable Preference Shares	502 100 21	458 – 31

(\*Amount less than ₹ 50,000/-)

Services rendered includes amounts billed to customers on account of amounts payable to principals.

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

(₹ in lakh)

Lease Payments	As at March 31, 2017	As at March 31, 2016
- Within one year	271	187
- Later than one year and not later than five years	299	265
- Later than five years	25	46

The amount charged towards lease rentals (as part of Rent expenditure) is ₹ 3,034 lakh (Previous year : ₹ 3,125 lakh).

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

(₹ in lakh)

Lease Payments	As at March 31, 2017	As at March 31, 2016
- Within one year	16,686	11,844
- Later than one year and not later than five years	41,938	25,772
- Later than five years	403	33

Accumulated Depreciation on lease assets is ₹ 28,324 lakh (Previous year: ₹ 21,556 lakh).  
Accumulated Impairment losses on the leased assets ₹ Nil (Previous year ₹ Nil)

The details of Gross investments, unearned finance income in respect of assets given under finance lease are as under:

(₹ in lakh)

Particulars	2016-17	2015-16
<b>Gross Investments:</b>		
- Within one year	10,568	6,877
- Later than one year and not later than five years	20,944	14,975
- Later than five years	225	-
<b>Total</b>	<b>31,737</b>	<b>21,852</b>

(₹ in lakh)

Particulars	2016-17	2015-16
<b>Unearned Finance Income:</b>		
- Within one year	2,712	1,914
- Later than one year and not later than five years	3,330	2,570
- Later than five years	76	-
<b>Total</b>	<b>6,118</b>	<b>4,484</b>
<b>Present Value of Rentals:</b>		
- Within one year	7,856	4,963
- Later than one year and not later than five years	17,614	12,405
- Later than five years	149	-
<b>Total</b>	<b>25,619</b>	<b>17,368</b>

**NOTE "37" Earnings per Share (EPS):**

Particulars		2016-17	2015-16
Profit after tax	₹ in lakh	45,954	40,501
Less : Dividend on Preference Shares (including dividend distribution tax)	₹ in lakh	17,104	12,147
Profit after tax available for equity shareholders	₹ in lakh	28,850	28,354
Weighted average number of equity shares used in computing Basic EPS	Nos	2,768,874,469	2,768,827,547
Face value of equity shares	₹	10	10
<b>Basic EPS</b>	₹	<b>1.04</b>	<b>1.02</b>
Profit after tax available for equity shareholders	₹ in lakh	28,850	28,354
Weighted Average Number of equity shares used in computing Basic earnings per share	Nos	2,768,874,469	2,768,827,547
Add: Potential weighted average number of equity shares	Nos	57,143,701	57,190,623
Weighted average number of shares in computing Diluted EPS	Nos	2,826,018,170	2,826,018,170
Face value of equity shares	₹	10	10
<b>Diluted EPS</b>	₹	<b>1.02</b>	<b>1.00</b>

Notes :

- Shares under the ESOP Schemes are issued at intrinsic value. [Refer Note 1(xiv)]
- The earnings per equity share is calculated on the basis of net profit for the year after deducting the amount of preference dividends on cumulative redeemable preference shares and taxes attributable thereto, net of set off available.



**NOTE “38”**
**38. Additional information as required by Paragraph 2 of the General Instructions for Preparation of Consolidated Financial Statements to Schedule III to the Companies Act, 2013**

(₹ in lakh)

Name of the Entity	2016-17		2015-16		2016-17		2015-16	
	Net assets, i.e., total assets minus total liabilities		Net Assets, i.e. total assets minus total liabilities		Share of profit or loss		Share in profit or loss	
	As % of consolidated net assets	Amount	As % of consolidated net assets	Amount	As % of consolidated net assets	Amount	As % of consolidated net assets	Amount
<b>Parent:</b>								
Tata Capital Limited	84.11	508,357	82.01	475,061	39.20	18,016	37.73	15,280
<b>Subsidiaries</b>								
<b>Indian</b>								
Tata Capital Financial Services Limited	67.24	406,408	61.99	359,064	47.00	21,597	65.62	26,579
Tata Capital Housing Finance Limited	22.41	135,448	18.84	109,116	38.77	17,818	27.80	11,261
Tata Cleantech Capital Limited	9.78	59,107	5.99	34,700	9.94	4,566	6.78	2,746
Tata Securities Limited	0.25	1,482	0.23	1,315	0.36	167	(2.92)	(1,183)
TC Travel & Services Limited	0.05	294	0.10	558	(0.57)	(263)	(3.37)	(1,363)
Tata Capital Forex Limited	0.01	66	0.01	74	(0.13)	(58)	(0.31)	(124)
Tata Capital Growth Fund	2.63	15,881	3.27	18,956	3.14	1,442	2.51	1,017
India Collections Management Limited	-	-	0.13	776	-	-	0.13	54
Tata Infrastructure Capital Limited	-	-	0.01	63	-	-	0.00	0
<b>Foreign</b>								
Tata Capital Pte. Limited	4.38	26,471	4.41	25,527	3.71	1,705	3.62	1,465
<b>Minority Interests in all subsidiaries</b>								
<b>Indian</b>								
Tata Capital Growth Fund	0.69	4168	0.86	4976	(0.82)	(379)	(0.66)	(267)
Tata Cleantech Capital Limited	1.91	11526	1.17	6766	(1.94)	(890)	(1.32)	(536)
<b>Foreign</b>								
Tata Capital Pte. Limited	0.09	526	0.09	532	0.01	5	0.01	5
<b>Associates (Investment as per the equity method)</b>								
<b>Indian</b>								
Tata Capital Healthcare Fund	1.15	6,945	1.31	7,564	(0.41)	(187)	(0.34)	(139)
Tata Capital Special Situations Fund	0.46	2,805	1.08	6,256	(1.40)	(643)	(1.11)	(448)
Tata Capital Innovations Fund	0.89	5,403	0.91	5,289	(1.35)	(621)	(0.45)	(183)
Tata Autocomp Systems Limited	5.39	32,547	5.53	32,046	3.19	1,468	2.61	1,059
International Asset Reconstruction Company Private Limited	0.64	3,854	0.63	3,650	0.44	203	0.29	117
<b>Joint Ventures (as per proportionate consolidation)</b>								
Nectar Loyalty Management India Limited (Refer note 30)	-	-	(0.26)	(1,519)	-	-	-	-
<b>Eliminations</b>	(102.08)	(616,916)	(88.31)	(511,528)	(39.15)	(17,992)	(36.64)	(14,838)
<b>Total</b>	<b>100.00</b>	<b>604,373</b>	<b>100.00</b>	<b>579,244</b>	<b>100.00</b>	<b>45,954</b>	<b>100.00</b>	<b>40,501</b>

**NOTE “39” SEGMENT REPORTING**

In accordance with Accounting Standard 17 (Segment Reporting) the Group has identified three business segments i.e. Financing Activity, Investment Activity, and Others and one Geographical Segment viz. India, as secondary segment.

(₹ in lakh)

Particulars	For the year ended March 31, 2017	For the year ended March 31, 2016
<b>I Segment Revenue</b>		
(a) Financing Activity	573,820	453,616
(b) Investment Activity	37,946	36,692
(c) Others	56,690	46,754
<b>Total</b>	<b>668,456</b>	<b>537,062</b>
Less : Inter Segment Revenue	36,046	33,776
<b>Total Income</b>	<b>632,410</b>	<b>503,286</b>
<b>II Segment Results</b>		
(a) Financing Activity	70,095	59,257
(b) Investment Activity	10,610	8,140
(c) Others	3,554	5,608
<b>Total</b>	<b>84,259</b>	<b>73,005</b>
Less : Unallocated Corporate Expenses	13,214	11,387
<b>Profit before taxation</b>	<b>71,045</b>	<b>61,618</b>
Less : Provision for taxation	24,037	20,716
<b>Profit after taxation</b>	<b>47,008</b>	<b>40,902</b>

(₹ in lakh)

<b>Particulars</b>	<b>As at March 31, 2017</b>	<b>As at March 31, 2016</b>
<b>III Segment Assets</b>		
(a) Financing Activity	<b>5,057,363</b>	4,279,262
(b) Investment Activity	<b>115,529</b>	230,351
(c) Others	<b>121,248</b>	98,517
(d) Unallocated	<b>68,340</b>	45,198
<b>Total</b>	<b>5,362,480</b>	<b>4,653,328</b>
<b>IV Segment Liabilities</b>		
(a) Financing Activity	<b>4,555,466</b>	3,901,743
(b) Investment Activity	<b>84,035</b>	63,519
(c) Others	<b>89,988</b>	81,182
(d) Unallocated	<b>28,618</b>	28,067
<b>Total</b>	<b>4,758,107</b>	<b>4,074,511</b>
<b>V Capital Expenditure (including Capital Work-in-Progress)</b>		
(a) Financing Activity	–	–
(b) Investment Activity	–	–
(c) Others	<b>28,458</b>	27,179
(d) Unallocated	<b>4,927</b>	2,913
<b>Total</b>	<b>33,385</b>	<b>30,092</b>
<b>VI. Depreciation and Amortisation</b>		
(a) Financing Activity	<b>867</b>	775
(b) Investment Activity	–	–
(c) Others	<b>13,255</b>	10,774
(d) Unallocated	<b>1,272</b>	1,250
<b>Total</b>	<b>15,394</b>	<b>12,799</b>
<b>VII. Significant Non-Cash Expenses other than Depreciation</b>		
(a) Financing Activity	<b>69,237</b>	41,139
(b) Investment Activity	<b>(455)</b>	(674)
(c) Others	<b>141</b>	1,840
(d) Unallocated	<b>32</b>	215
<b>Total</b>	<b>68,955</b>	<b>42,520</b>

**NOTE “40”****DERIVATIVE INSTRUMENTS EXPOSURES:**

There are no derivative positions open as at March 31, 2017 (Previous Year : Nil) towards Forward Contracts (payment for Capital Expenditure).

Forward exchange contracts (being derivative instrument), which are not intended for trading or speculation purposes but for hedge purposes to establish the amount of reporting currency required or available at the settlement date at certain payables and receivables.

**NOTE “41”**

During the current year, the Group has made an incremental standard asset provision of ₹ 1,444 lakh (Previous year : ₹ 1,166 lakh) being 0.35% (Previous year: 0.30%) of Standard Assets as of March 31, 2016, as specified by RBI Notification No.DNBR.009/ CGM(CDS)-2015 dated March 27, 2015.

**NOTE “42”**

During the year, the Group changed its accounting policy with respect to amortisation of deferred revenue expenditure for share issue expenses. The Group now charges off the share issue expenses against amount standing to the credit of the Securities Premium Account. Prior to this change, the Group amortised the said share issue expenses over a period of 36 months from the month in which the expenses were incurred. The change in accounting policy is in accordance with the provisions of Section 52 of the Companies Act 2013 and it would result in a more appropriate presentation of financial statements of the Group.

On account of the change in the accounting policy, the profit before tax of the Group is higher by ₹ 553 lakh for the year ended March 31, 2017 and deferred revenue expenditure is lower by ₹ 616 lakh as on March 31, 2017.

**NOTE “43”**

During the year, the Company has written off ₹ 13,537 lakh from the carrying value of investments in subsidiaries, in its Statement of Profit and Loss. The Shareholders of the Company at their meeting held on July 22, 2016 approved a Reduction of Share Capital (Securities Premium Account) in accordance with Section 52 of the Companies Act, 2013 read with Sections 100 to 103 of the Companies Act, 1956. The Hon'ble High Court of Judicature at Bombay approved the said arrangement by way of order dated September 08, 2016 which was filed with the Registrar of Companies on September 28, 2016. Pursuant to the order, the Company has credited its Statement of Profit and Loss for the year ended March 31, 2017 by appropriating an amount of ₹ 13,537 lakh, being the aggregate amount of aforementioned write off (net of taxes as applicable) from the amount standing to the credit of Securities Premium Account.

**NOTE “44”**

Tata Capital Financial Services Limited (“TCFSL”), a wholly-owned subsidiary of the Company, has in its Statement of Profit and Loss provided/written off certain amounts comprising carrying value of investments acquired in settlement of claim, goodwill, loans and credit substitutes and investment. The Shareholders of TCFSL at their meeting held on June 24, 2016 approved a Reduction of Share Capital (Securities Premium Account) in accordance with Section 52 of the Companies Act, 2013 read with Sections 100 to 103 of the Companies Act, 1956. The Hon'ble High Court of Judicature at Bombay approved the said arrangement by way of order dated August 5, 2016 which was filed with the Registrar of Companies on August 26, 2016. Pursuant to the order, TCFSL has credited its Statement of Profit and Loss for the year ended March 31, 2017 by appropriating an amount of ₹ 40,558 lakh, being the aggregate amount of (i) investments acquired in settlement of claim written off ₹ 14,318 lakh, (ii) goodwill written off ₹ 7,804 lakh, (iii) loans and credit substitutes provided ₹ 31,789 lakh and (iv) marked to market loss on current investment provided ₹ 349 lakh (net of taxes as applicable) from the amount standing to the credit of Securities Premium Account.

**NOTE “45”**

In the consolidated financial statements for the financial year ended March 31, 2017 the net impact of ₹ 32,332 lakh has been appropriated from the surplus of profit and loss account. The aforementioned

amount, being the aggregate amount of (i) Provisions and write offs made under the arrangement described in Note 45 ₹ 40,558 lakh ; (ii) Goodwill on consolidation written off ₹ 5,515 lakh ; (iii) Reversal of Goodwill on acquisition of sub-broker network ₹ 204 lakh ; (iv) Reversal of write off of subsidiaries charged through Securities Premium account by the Company ₹ 13,537 lakh.

**NOTE “46”**

The disclosures that are made in Notes 44 and 45 by the Group are pursuant to the Institute of Chartered Accountant of India’s guidance on disclosures relating to court order.

**NOTE “47”**

The Hon’ble High Courts of Judicature at Madras and Bombay respectively sanctioned the Scheme of Amalgamation of Tata Infrastructure Capital Limited (“TICL”) and India Collections Management Limited (“ICML”) with the Company on March 21, 2016 and April 22, 2016, respectively. The filing of the authenticated copy of the Order of the Hon’ble High Courts of Madras and Bombay with the Registrars of Companies at Chennai and Mumbai, respectively, has taken place on May 09, 2016 and May 16, 2016, respectively. As a result, the said Scheme of Amalgamation is effective from May 16, 2016 with an Appointed Date of April 01, 2015.

On the scheme becoming effective, the Assets and Liabilities of TICL and ICML have been transferred to the Company. The Amalgamation has been accounted under the “Pooling of Interest Method” as per Accounting Standard 14 “Accounting on Amalgamations”. Since TICL and ICML were wholly-owned subsidiaries of the Company, all the shares held by the Company in TICL and ICML have been cancelled. The excess of assets over liabilities and reserves of ₹ 93 lakh has been recorded as Capital Reserve in the Holding Company’s financial statements as per the Scheme of Amalgamation. The above scheme does not have any impact on the consolidated financial statements.

Since the Appointed Date of the said Scheme of Amalgamation was with effect from April 01, 2015, and the filing with the Registrar of Companies at Chennai and Mumbai was executed after the adoption of annual Financial Statements of the Company for the financial year 2015-16, the profit of the respective subsidiaries for Financial Year 2015-16 amounting to ₹ 33 lakh, net of effect of taxation amounting to ₹ 17 lakh, has been adjusted along-with retained earnings.

**NOTE “48”**

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

For and on behalf of the Board of Directors

**Ishaat Hussain**  
(Director)

**Janki Ballabh**  
(Director)

**Nalin M. Shah**  
(Director)

**F. N. Subedar**  
(Director)

**Ritu Anand**  
(Director)

**Praveen P. Kadle**  
(Managing Director & CEO)

**Puneet Sharma**  
(Chief Financial Officer)

**Avan Doomasia**  
(Company Secretary)

Mumbai  
Date: May 04, 2017

**Form AOC - 1**

(Pursuant to first proviso to sub-section (3) of Section 129 read with Rule 5 of the Companies (Accounts) Rules, 2014)  
Statement containing salient features of the financial statements of subsidiaries/associates/joint ventures

**Part "A": SUBSIDIARIES**

Sr. No.	Name of Subsidiary	The date since when subsidiary was acquired	Reporting currency and exchange rate as on the last date of the relevant Financial Year in the case of foreign subsidiaries	Share Capital / Partner's Capital / Unit holder's Capital	Reserves & Surplus	Total Assets	Total Liabilities	Investments	Turnover	Profit/ (Loss) Before Taxation	Provision for Taxation	Profit/ (Loss) After Taxation	Proposed Dividend	% of Share-holding
1	Tata Capital Financial Services Limited	November 19, 2010	₹	224,255	182,153	3,328,506	2,922,098	26,903	419,204	33,247	11,649	21,598	-	100.00
2	Tata Capital Housing Finance Limited	October 15, 2008	₹	107,733	27,713	1,712,833	1,577,387	245	172,307	27,322	9,505	17,817	-	100.00
3	Tata Cleantech Capital Limited	September 27, 2011	₹	35,576	23,531	202,133	143,026	34	18,024	6,372	1,806	4,566	-	80.50
4	Tata Capital Pte. Ltd <sup>(1)</sup>	April 25, 2008	1 USD = 64.72 INR	14,035	13,482	39,350	11,833	13,563	4,573	1,441	203	1,237	-	100.00
5	Tata Capital Markets Pte. Ltd <sup>(1)</sup>	October 29, 2008	1 USD = 64.72 INR	4,586	(2,061)	2,776	251	-	618	(378)	(82)	(296)	-	100.00
6	Tata Capital Advisors Pte. Ltd <sup>(1)</sup>	April 25, 2008	1 USD = 64.72 INR	4,900	405	6,759	1,455	-	6,483	382	17	365	-	100.00
7	Tata Capital General Partners LLP <sup>(1)</sup>	January 28, 2010	1 USD = 64.72 INR	3,236	(609)	2,632	5	-	1,624	24	-	24	-	80.00
8	Tata Capital Healthcare General Partners LLP <sup>(1)</sup>	June 17, 2010	1 USD = 64.72 INR	32	(15)	22	5	-	201	1	-	1	-	100.00
9	Tata Opportunities General Partners LLP <sup>(1)</sup>	November 1, 2010	1 USD = 64.72 INR	7	1	32	24	-	4,644	2	-	2	-	90.00
10	Tata Capital PLC <sup>(1)</sup>	November 10, 2009	1 GBP = 80.82 INR	808	450	1,336	77	-	551	221	47	174	-	100.00
11	Tata Securities Limited	July 27, 2007	₹	1,883	(399)	2,043	559	40	2,353	167	-	167	-	100.00
12	TC Travel And Services Limited	October 15, 2008	₹	2,500	(2,206)	2,705	2,411	-	911	(263)	-	(263)	-	100.00
13	Tata Capital Forex Limited	August 25, 2010	₹	1,093	(1,027)	5,958	5,891	-	1,667	(58)	-	(58)	-	100.00
14	Tata Capital Growth Fund - Trust <sup>(3)</sup>	July 26, 2010	₹	26,058	(10,176)	15,907	25	15,855	1,883	1,443	1	1,442	-	73.75

**Notes - Part "A"**

- (1) Share Capital, Partner's Capital, Unitholder's Capital, Reserves & Surplus, Total Assets, Total Liabilities and Investments are translated at exchange rate as on March 31, 2017 as: 1 USD = 64.72 INR and 1 GBP = 80.82 INR whereas Turnover, Profit before Taxation, Provision for Taxation and Profit after Taxation are translated at annual average rate of 1 USD = 66.97 INR and 1 GBP = 87.52 INR.
- (2) Reporting period for all subsidiaries is the same as holding company.
- (3) Though Trusts would not be considered as the body corporates under the Companies Act 2013, these have been disclosed as a measure of good governance.
- (4) During the year, India Collections Management Limited ("ICML") and Tata Infrastructure Capital Limited ("TICL"), wholly owned subsidiaries of the Company were amalgamated into the Company, with effect from May 16, 2016, pursuant to a Scheme of Amalgamation sanctioned by the Hon'ble High Court of Judicature at Madras vide its Order dated March 21, 2016 with respect to TICL and by the Hon'ble High Court of Judicature at Bombay vide its Order dated April 22, 2016 with respect to ICML. Hence, ICML and TICL ceased to be subsidiaries of TCL, with effect from the aforementioned dates.

**PART "B": ASSOCIATES AND JOINT VENTURES**

Statement pursuant to Section 129(3) of the Companies Act, 2013 related to Associate Companies and Joint Venture

(₹ in lakh)

Sr. No	Name of Associate / Joint Venture	1. Latest audited Balance Sheet date	2. Date on which the Associate or Joint Venture was associated or acquired	3. Shares of Associate/Joint Venture held by the Company on the year end		4. Description of how there is significant influence	5. Reason why the Associate/Joint Venture has not been consolidated	6. Networth attributable to shareholding as per latest audited Balance Sheet		7. Profit/(Loss) for the year	
				No. of Shares	Amount of investment in Associate / Joint Venture			Extent of Holding %	i. Considered in Consolidation	ii. Not Considered in Consolidation	
1	Tata Capital Healthcare Fund - Trust <sup>(2)</sup>	31.03.2017	May 5, 2010	N.A	8,457	32.12%	N.A	6,966	298	631	
2	Tata Capital Special Situations Fund -Trust <sup>(2)</sup>	31.03.2017	March 15, 2010	N.A	4,464	28.18%	N.A	2,820	3,009	7,670	
3	Tata Capital Innovations Fund - Trust <sup>(2)</sup>	31.03.2017	August 31, 2010	N.A	7,152	27.13%	N.A	5,403	(562)	(1,510)	
4	Tata Autocomp Systems Limited	31.03.2016	June 28, 2008	48,307,333	18,528	24.00%	N.A	18,736	1,666	5,276	
5	International Asset Reconstruction Company Private Limited	31.03.2016	July 7, 2013	13,946,295	3,313	25.37%	N.A	3,165	203	599	

**Notes - Part "B"**

- (1) The Company had fully provided for its investment in equity shares in the joint venture with Nectar Loyalty Management India Limited ("Nectar") during the FY2014-15. Tata Capital held 49% in the joint venture, which was divested during the year at a loss of ₹ 1,297 lakhs.
- (2) Though Trusts would not be considered as body corporates under the Companies Act 2013, these have been disclosed as a measure of good governance.

**Ishaat Hussain**  
(Director)

**Janki Ballabh**  
(Director)

**Nalin M. Shah**  
(Director)

**F. N. Subedar**  
(Director)

**Ritu Anand**  
(Director)

**Praveen P. Kadle**  
(Managing Director & CEO)

**Puneet Sharma**  
(Chief Financial Officer)

**Avan Doomasia**  
(Company Secretary)

Mumbai

Date: May 4, 2017

**TATA CAPITAL**

---

We only do what's right for you



# **Standalone Financial Statements**

## INDEPENDENT AUDITORS' REPORT

### TO THE MEMBERS OF TATA CAPITAL LIMITED

#### Report on the Financial Statements

We have audited the accompanying financial statements of **TATA CAPITAL LIMITED** (the "Company"), which comprise the Balance Sheet as at March 31, 2017, 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.

#### Auditors' Responsibility

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

In conducting 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 and the 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 obtained by us is sufficient and appropriate to provide a basis for our audit opinion on the financial statements.

#### Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2017, and its profit and its cash flows for the year ended on that date.

### Emphasis of Matter

We draw attention to the matter in the note no. 40 of the accompanying financial statements, which describes the Reduction of Share Capital in accordance with Section 52 of the Companies Act, 2013 read with Sections 100 to 103 of the Companies Act, 1956 approved by the Hon'ble High Court of Judicature at Bombay with regard to appropriating an amount of ₹ 13,537 lakh (net-off taxes, as applicable), standing to the credit of Securities Premium Account to the Statement of Profit and Loss.

Our audit report is not modified in respect of this matter.

### Report on Other Legal and Regulatory Requirements

1. As required by Section 143 (3) of the Act, based on our audit, we report, to the extent applicable that:
  - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
  - 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 relevant 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 and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2017 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 Auditors' Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended, 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 statements except, as disclosed in Note no. 26 of the financial statements
    - ii. The Company did not have any long-term contracts including derivative contracts as at March 31, 2017, 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.
    - iv. The Company did not have any holdings or dealings in Specified Bank Notes as defined in the Notification S.O. 3407(E) dated the November 08, 2016 of the Ministry of Finance, during the period from November 08, 2016 to December 30, 2016.
2. As required by the Companies (Auditors' Report) Order, 2016 (the "Order") issued by the Central Government in terms of Section 143(11) of the Act, we give in "Annexure B" a statement on the matters specified in paragraphs 3 and 4 of the Order.

For DELOITTE HASKINS & SELLS LLP  
Chartered Accountants  
(Firm's Registration No. 117366W/W-100018)

**Rupen K. Bhatt**  
Partner  
(Membership No. 46930)

Mumbai  
May 4, 2017

## ANNEXURE “A” TO THE INDEPENDENT AUDITORS’ REPORT

(Referred to in paragraph 1 (f) under ‘Report on Other Legal and Regulatory Requirements’ section 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 Act Companies Act, 2013 (“the Act”)

We have audited the internal financial controls over financial reporting of TATA CAPITAL LIMITED (the “Company”) as of March 31, 2017 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 the 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.

#### Auditors’ 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 and the Standards on Auditing prescribed under Section 143(10) of the Companies Act, 2013, 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 March 31, 2017, 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 LLP**  
Chartered Accountants  
(Firm's Registration No. 117366W/W-100018)

Mumbai  
May 4, 2017

**Rupen K. Bhatt**  
Partner  
(Membership No. 46930)

**ANNEXURE “B” TO THE INDEPENDENT AUDITORS’ 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) The Company does not have any inventory and hence reporting under clause 3(ii) of the Order is not applicable.
- (iii) According to the information and explanations given to us, the Company has granted loans, secured or unsecured, to companies, firms, Limited Liability Partnerships or other parties covered in the register maintained under section 189 of the Companies Act, 2013, in respect of which:
  - a. The terms and conditions of the grant of such loans are, in our opinion, prima facie, not prejudicial to the Company’s interest.
  - b. The schedule of repayment of principal and payment of interest has been stipulated and repayments or receipts of principal amounts and interest have been regular as per stipulations.
  - c. There is no overdue amount remaining outstanding as at the year-end.
- (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) To the best of our knowledge and 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) To the best of our knowledge and 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, and Employees’ State Insurance, Value Added Tax, 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, Value Added Tax, Cess and other material statutory dues in arrears as at March 31, 2017 for a period of more than six months from the date they became payable.

Details of dues of Income-tax, Value Added Tax and Service Tax as on March 31, 2017 on account of disputes are given below

Particulars	Period to which the amount relates (FY)	Forum where the dispute is pending	Amount
			(₹ lakh)
Income Tax	2011-12, 2012-13 & 2013-14	Commissioner of Income Tax (Appeals)	1,988
	2009-10	Tribunal (Commercial Taxes)	907
Value Added Tax	2011-12	Deputy Commissioner (Commercial Taxes)	64
	2009-10	Tribunal (Commercial Taxes)	2
	2010-11	Joint Commissioner	29

- (viii) To the best of our knowledge 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 institutions.
- (ix) The Company has not raised moneys by way of initial public offer or further public offer (including debt instruments) or term loans and hence reporting under clause (ix) of the CARO 2016 Order is not applicable.
- (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 on the Company by its officers or employees has been noticed or reported during the year.
- (xi) To the best of our knowledge 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 the erstwhile Companies Act, 1956 and 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) To the best of our knowledge and according to the information and explanations given to us, the Company is in compliance with Section 188 and 177 of the Act, 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) According to the information and explanations given to us, the Company has made private placement of shares during the year under review.  
In respect of the above issue, we further report that:
- the requirement of Section 42 of the Companies Act, 2013, as applicable, have been complied with; and
  - the amounts raised have been applied by the Company during the year for the purposes for which the funds were raised, other than temporary deployment pending application.
- (xv) To the best of our knowledge 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 LLP**  
Chartered Accountants  
(Firm's Registration No. 117366W/W-100018)

**Rupen K. Bhatt**  
Partner  
(Membership No. 46930)

Mumbai  
May 4, 2017

**BALANCE SHEET AS AT MARCH 31, 2017**

(₹ in lakh)

Particulars	Note No.	As at March 31, 2017	As at March 31, 2016
<b>I. EQUITY AND LIABILITIES</b>			
<b>1. Shareholders' Funds</b>			
(a) Share Capital	3	465,747	422,244
(b) Reserves and Surplus	4	42,613	52,820
		<b>508,360</b>	<b>475,064</b>
<b>2. Non-current liabilities</b>			
(a) Long-term borrowings	5	75,000	–
(b) Other long-term liabilities	6	10,355	15,020
(c) Long-term provisions	7	26	151
		<b>85,381</b>	<b>15,171</b>
<b>3. Current liabilities</b>			
(a) Short-term borrowings	8	62,203	137,930
(b) Trade payables	9		
(i) total outstanding dues of micro enterprises and small enterprises	9(a)	–	–
(ii) total outstanding dues of creditors other than micro enterprises and small enterprises		4,009	2,081
(c) Other current liabilities	10	9,689	1,019
(d) Short-term provisions	11	662	536
		<b>76,563</b>	<b>141,566</b>
<b>Total</b>		<b>670,304</b>	<b>631,801</b>
<b>II. ASSETS</b>			
<b>1. Non-Current assets</b>			
(a) Property, plant and equipment	12		
(i) Tangible assets		11,523	12,176
(ii) Capital work-in-progress		1	–
		<b>11,524</b>	<b>12,176</b>
(b) Non-current Investments	13	591,797	513,751
(c) Deferred tax assets	14	362	319
(d) Long-term loans and advances	15	2,493	3,515
(e) Other non-current assets	16	39	315
		<b>606,215</b>	<b>530,076</b>
<b>2. Current assets</b>			
(a) Trade receivables	17	1,012	478
(b) Cash and cash equivalents	18	96	288
(c) Short-term loans and advances	19	62,223	100,091
(d) Other current assets	20	758	868
		<b>64,089</b>	<b>101,725</b>
<b>Total</b>		<b>670,304</b>	<b>631,801</b>
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 LLP**  
Chartered Accountants

**Ishaat Hussain**  
(Director)

**Janki Ballabh**  
(Director)

**Nalin M. Shah**  
(Director)

**Rupen K. Bhatt**  
Partner

**F.N. Subedar**  
(Director)

**Ritu Anand**  
(Director)

**Praveen P. Kadle**  
(Managing Director & CEO)

**Puneet Sharma**  
(Chief Financial Officer)

**Avan Doomasia**  
(Company Secretary)

 Mumbai  
May 04, 2017



## STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED MARCH 31, 2017

(₹ in lakh)

Particulars	Note No.	For the year ended March 31, 2017	For the year ended March 31, 2016
I Revenue from Operations	21	33,667	32,708
II Profit on sale of non-current investments		5,460	286
III Other Income	22	3,355	2,477
<b>IV Total Revenue (I + II + III)</b>		<b>42,482</b>	<b>35,471</b>
<b>V Expenses:</b>			
Finance costs	23	11,946	8,976
Employee benefits expenses	24	6,441	4,670
Other operating expenses	25	4,443	4,474
Depreciation	12	715	745
Amortisation (Refer note 41)		32	535
<b>Total Expenses</b>		<b>23,577</b>	<b>19,400</b>
<b>VI Profit before tax for the year (IV - V)</b>		<b>18,905</b>	<b>16,071</b>
<b>VII Tax expense :</b>			
(1) Current tax		932	922
(2) Deferred tax		(43)	(131)
<b>Total Tax Expense</b>		<b>889</b>	<b>791</b>
<b>VIII Profit after tax for the year (VI - VII)</b>		<b>18,016</b>	<b>15,280</b>
<b>IX Earnings per equity share : (Refer Note 31)</b>			
(1) Basic (in ₹)		0.15	0.11
(2) Diluted (in ₹)		0.15	0.11
Face Value per share (Amount in ₹)		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 LLP**  
Chartered Accountants

**Ishaat Hussain**  
(Director)

**Janki Ballabh**  
(Director)

**Nalin M. Shah**  
(Director)

**Rupen K. Bhatt**  
Partner

**F.N. Subedar**  
(Director)

**Ritu Anand**  
(Director)

**Praveen P. Kadle**  
(Managing Director & CEO)

**Puneet Sharma**  
(Chief Financial Officer)

**Avan Doomasia**  
(Company Secretary)

Mumbai  
May 04, 2017

## CASH FLOW STATEMENT FOR THE YEAR ENDED MARCH 31, 2017

(₹ in lakh)

Particulars	Note No.	For the year ended March 31, 2017	For the year ended March 31, 2016
<b>1. CASH FLOW FROM OPERATING ACTIVITIES</b>			
Profit before tax		18,905	16,071
<b>Adjustments for :</b>			
Dividend income		(18,383)	(17,588)
Interest income		(9,589)	(10,119)
Interest expenses		4,565	62
Discounting charges on Commercial Paper		7,381	8,914
Provision for employee benefits		(19)	83
Provision against Standard Assets		20	299
Provision for diminution in value of investments		1,339	2,008
Amortisation of share issue expenses		32	535
Depreciation		715	745
Profit on sale of investments		(5,460)	(286)
Profit on sale of fixed assets		-	(10)
<b>Operating Profit before working capital changes and adjustments for interest paid, interest received and dividend received</b>		(494)	714
<b>Adjustments for :</b>			
(Increase) / Decrease in Trade receivables		(534)	201
Decrease / (Increase) in loans and advances and Other current assets		39,506	(63,719)
Increase in Trade payables		1,929	216
(Decrease) / Increase in Other liabilities and provisions		(551)	422
<b>Cash used in operations before adjustments for interest paid, interest received and dividend received</b>		39,856	(62,166)
Interest paid		(8,389)	(8,980)
Interest received		9,336	10,100
Dividend received		18,383	28,000
<b>Cash used in operations</b>		59,186	(33,046)
Taxes paid		(1,322)	(1,463)
<b>CASH USED IN OPERATING ACTIVITIES</b>		57,864	(34,509)
<b>2. CASH FLOW FROM INVESTING ACTIVITIES</b>			
Purchase of fixed assets (including capital advances)		(81)	(81)
Proceeds from sale of fixed assets		7	90
Refund of taxes on fixed assets (Refer footnote 4 to Note 12)		-	99
Interest income on fixed deposits		8	-
Investment in subsidiaries and associates		(112,353)	(61,448)
Investment in other entities		-	(2,823)
Investment in mutual funds		(190)	-
Proceeds from sale of investments in subsidiaries and associates		24,369	15,519
Proceeds from sale of investments in other entities		-	5
<b>NET CASH USED IN INVESTING ACTIVITIES</b>		(88,240)	(48,639)
<b>3. CASH FLOW FROM FINANCING ACTIVITIES</b>			
Collection of loan given to employees for ESOP		4	1
Issue of preference shares		43,500	50,000
Dividend paid on preference shares including dividend distribution tax (net)		(13,709)	(19,823)
Share issue expenses		(654)	(582)
Net proceeds from long term borrowings		75,000	-
Net proceeds from short-term borrowings		(74,731)	46,817
<b>NET CASH FROM FINANCING ACTIVITIES</b>		29,410	76,413
<b>Net (decrease) in cash and cash equivalents</b>		(966)	(6,735)
CASH AND CASH EQUIVALENTS AS AT THE BEGINNING OF THE YEAR		288	7,023
CASH AND CASH EQUIVALENTS ON MERGER (Refer note 39)		774	-
CASH AND CASH EQUIVALENTS AS AT THE BEGINNING OF THE YEAR		1,062	7,023
CASH AND CASH EQUIVALENTS AS AT THE END OF THE YEAR	18	96	288
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 LLP  
Chartered AccountantsRupen K. Bhatt  
PartnerMumbai  
May 04, 2017Ishaat Hussain  
(Director)F. N. Subedar  
(Director)Puneet Sharma  
(Chief Financial Officer)Janki Ballabh  
(Director)Ritu Anand  
(Director)Avan Doomasia  
(Company Secretary)Nalin M. Shah  
(Director)Praveen P. Kadle  
(Managing Director & CEO)

## TATA CAPITAL LIMITED

### SIGNIFICANT ACCOUNTING POLICIES AND NOTES TO ACCOUNTS

#### 1 CORPORATE INFORMATION

Tata Capital Limited (the “Company” or “TCL”) is a subsidiary of Tata Sons Limited. In May 2012, TCL was registered with the Reserve Bank of India (“RBI”) as a Core Investment Company (“CIC”).

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

#### 2 SIGNIFICANT ACCOUNTING POLICIES

##### i. Basis of accounting and preparation of the financial statements

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, (“the Act”), and the relevant provisions of the Act as applicable. The financial statements have been prepared on accrual basis under the historical cost convention. Further, the Company follows the Directions issued by the RBI for CICs and Non-Banking Financial Companies (“NBFC’s”) as applicable. The accounting policies adopted in the preparation of the financial statements are consistent with those followed in the previous year except for change in the accounting policy for share issue expenses as more fully described in Note 2x and change in the accounting policy for dividend (including dividend distribution tax) as more fully described in Note 2xxiii

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. Operating Cycle

Based on the nature of 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.

##### iii. Use of Estimates

The preparation of the financial statements requires the Management to make estimates and assumptions that affect the reported balances of assets and liabilities, and disclosures relating to 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 financials statements are prudent and reasonable. Future results could differ from these estimates. Any revision to the accounting estimates is recognised prospectively in the current and future periods. Estimates include provisions for doubtful debts and advances, employee benefit plans, provision for income taxes and provision for diminution in the value of investments.

##### iv. Revenue recognition

###### a. Income from Non-current and Current Investments

Income from dividend on shares of corporate bodies and units of mutual funds, is accounted when received, pursuant to Core Investment Companies (Reserve Bank) Directions, 2016, issued on August 25, 2016.

Interest income on bonds and debentures is recognised on a time proportion basis taking into account the amount outstanding and the rate applicable.

Distribution by Private Equity Funds, is accounted when received.

**b. Income on Inter-corporate deposits**

Interest income on inter-corporate deposits is recognised on a time proportion basis taking into account the amount outstanding and the rate applicable.

**c. Income from Services**

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

Income from property management is recognised on a straight-line basis to the extent that rental income is deemed collectible.

Income from managerial and marketing services is accounted on cost plus markup basis as and when the underlying costs are incurred. Reimbursement of expenses incurred for rendering the services are reduced from such expense heads.

**v. Provisions for standard assets**

The Company provides an allowance for inter-corporate deposits and debentures based on the prudential norms issued by the RBI relating to income recognition, asset classification and provisioning.

**vi. Investments**

Investments are classified into non-current investments and current investments.

**a. Non-Current investments**

Non-Current investments are investments intended to be held for a period of more than a year. Non-Current investments are carried individually at cost. Provision for diminution is made to recognise a diminution, other than temporary, in the value of such investments.

Investments in Subsidiary Companies are classified as Trade Investments. Non-Current Investments made by the Company in equity shares, preference shares or debentures in its associates or any other entities primarily intended to fulfill its business objective are also classified as Trade Investments. It is intended to hold these to further the long-term interests of the Company and not for the purpose of frequent selling / trading of these investments.

**b. Current investments**

Current investments are investments intended to be held for a period of less than a year. Current Investments are stated at the lower of cost and the market value, determined on an individual investment basis.

**vii. Property, plant and equipment****a. Tangible:**

Tangible property, plant and equipment acquired by the Company are reported at acquisition cost, with deductions for accumulated depreciation and impairment losses, if any.

The acquisition cost includes any cost attributable for bringing asset to its working condition, which comprises of purchase consideration, other directly attributable costs of bringing the assets to their working condition for their intended use and attributable interest.

**b. Capital work-in-progress:**

Tangible property, plant and equipment which are not yet ready for their intended use are carried at cost, comprising direct cost (excluding refundable taxes), related incidental expenses and attributable interest.

### viii. 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 is provided using the straight-line method in accordance with the useful life prescribed in Schedule II to the Companies Act, 2013 except in respect of Buildings, Vehicles, Plant and Machinery and Computer Equipment in whose case, the life of the assets has been assessed based on the nature of the asset, the estimated usage of the asset, the operating conditions of the asset, past history of replacement, etc. The following table sets out the estimated useful lives considered by the Company:

Asset	Estimated useful life	As per Schedule II
Building	25 years	30 years
Plant and Machinery	10 years	15 years
Computer Equipment	4 years	3 years
Furniture and Fixtures	10 years	10 years
Office Equipment	5 years	5 years
Vehicles	4 years	6 years

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

### ix. Impairment of Assets

At each Balance Sheet date, the Company reviews whether there is any indication of impairment of asset. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of impairment loss.

Recoverable amount of the asset is the higher of an asset's net selling price and value in use. In assessing the value in use, the estimated future cash flow expected from continuing use of the asset and from its disposal is discounted to its present value using a pre-tax discount rate that reflects the current market assessments of time value of money and the risk specific to the asset. If the recoverable amount of an asset is estimated to be less than the carrying amount, the carrying amount of the asset is reduced to its recoverable amount. An impairment loss is recognised immediately in the Statement of Profit and Loss. After impairment, depreciation is provided on the revised carrying amount of the asset over its remaining useful life. A previously recognised impairment loss is increased or reversed depending on changes in circumstances. However, the carrying value after reversal is not increased above the lower of the recoverable amount and the carrying value that would have prevailed by charging usual depreciation if there was no impairment.

### x. Share issue expenditure

Share issue expenses are adjusted against the Securities Premium Account as permissible under Section 52 of the Companies Act, 2013, to the extent balance is available for utilisation in the Securities Premium Account. Share issue expenses in excess of the balance in the Securities Premium Account is expensed in the Statement of Profit and Loss.

### xi. Deferred revenue expenditure

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.

### xii. Employee Benefits

Employee Benefits include provident fund, superannuation fund, gratuity fund, compensated absences and long service awards.

**a. Defined-contribution plans**

The eligible employees of the Company are entitled to receive benefits under 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 are recognised as expenses in the Statement of Profit and Loss in the year in which they occur. The contributions as specified under the law are paid to the provident fund set up as irrevocable trust by the Company.

The Company's contribution to the superannuation fund is considered as a defined contribution plan and is charged as an expense in the Statement of Profit and Loss based on the amount of contribution required to be made as and when services are rendered by the employees.

**b. 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 year 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.

**c. Short-term employee benefits**

The undiscounted amount of short-term employee benefits expected to be paid in exchange for the services rendered by employees is 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 employees render the related service. The cost of short-term compensated absences is accounted as under :

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

**d. Long-term employee benefits**

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

**xiii. Employees Share Purchase / Option Scheme**

As per Guidance Note on Accounting for Employee Share-based Payments issued by The Institute of Chartered Accountants of India ("ICAI"), the Company has adopted the intrinsic value method in accounting for the Employee Stock Purchase Scheme offered by the Company.

**xiv. Share Based Payment Transactions**

Equity settled stock options granted to employees pursuant to the Company's stock option schemes are accounted for as per the intrinsic value method prescribed by Employee Stock Option Scheme as per the Guidance Note on Share Based Payment issued by the ICAI. The intrinsic value of the option, being excess of market value of the underlying share at the date of grant of option, over its exercise price is recognised as deferred employee compensation with a credit to Employee Stock Options Outstanding Account. The deferred employee

compensation is amortised to Statement of Profit and Loss on straight-line basis over the vesting period of the option. In case of forfeiture of option, which is not vested, amortised portion is reversed by credit to employee compensation expense. In a situation where the stock option expires unexercised, the related balance standing to the credit of the Employees Stock Options Outstanding Account is transferred to the General Reserve.

**xv. Provisions, Contingent Liabilities and Contingent Assets**

A provision is recognised when the Company has a present obligation as a result of past event and it is probable that an outflow of resources will be required to settle the obligation, in respect of which reliable estimate can be made. Provisions (excluding long-term employee benefits) are not discounted to their present values and are determined based on best estimate required to settle the obligation at the Balance Sheet date. These are reviewed at each Balance Sheet date and adjusted to reflect the current best estimates. Contingent liabilities are not recognised but disclosed in the financial statements. Contingent assets are neither recognised nor disclosed in the financial statements.

**xvi. Leases**

Leases of assets under which substantially all of the risks and rewards of ownership are effectively retained by the lessor are classified as operating leases. Income is recognised on a straight-line basis over the lease period.

**xvii. Foreign currency transactions and translations**

**a. Initial recognition:-**

Transactions in foreign currencies entered into by the Company are accounted at the exchange rates prevailing on the date of the transactions or at rates that closely approximate the rate at the date of the transactions.

**b. Settlement of Transactions:-**

Gains and losses resulting from the settlement of such transactions are recognised in the Statement of Profit and Loss.

**c. Measurement at the Balance Sheet date:-**

Foreign currency monetary items (other than derivative contracts), outstanding at the Balance Sheet date are restated at the closing rates. Non-monetary items are carried at historical cost.

**xviii. 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 allowed for income tax purposes during a year being different from when they were recognised in the financial statements.

Deferred tax is recognised on the 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 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.

**xix. Business segment**

The Company's reportable segments consist of Investments, Advisory Services and Others and one Geographical Segment viz. India, as secondary segment. Investments consist of corporate investments and treasury activities. Advisory Services consists of investment management and support services activities and Others include property management services and managerial and marketing services.

Revenues and expenses directly attributable to segments are reported under each reportable segment. All other expenses which are not attributable to the segments have been disclosed as unallocable expenses.

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

**xx. Cash Flow Statement**

Cash flows are reported using the indirect method, whereby profit 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.

**xxi. Earnings Per Share**

Basic earnings per share is computed by dividing the profit after tax available for equity shareholders by the weighted average number of equity shares outstanding during the year. Diluted earnings per share is computed by dividing the profit after tax available for equity shareholders 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 year, 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 year presented. The number of equity shares and potentially dilutive equity shares are adjusted for share splits / reverse share splits and bonus shares, as appropriate.

**xxii. Assets held for sale**

An asset is classified as held for sale if its carrying amount will be recovered or settled principally through a sale transaction rather than through continuing use. Assets classified as held for sale are measured at the lower of carrying amount and fair value. In the event an asset held for sale is acquired in settlement of an existing claim or existing asset, it is initially recorded in the books at its fair value or value of the asset given up, whichever is better determined. Impairment losses on initial classification as held for sale and losses on subsequent re-measurements are included in the Statement of Profit and Loss. No depreciation is charged on assets classified as held for sale.

**xxiii. Dividend (including Dividend Distribution Tax)**

Interim dividend declared to equity and / or preference shareholders, if any, is recognized as liability in the period in which the said dividend has been declared by the Directors. Final proposed dividend declared to equity and / or preference shareholders, if any, is recognized as liability in the period in which the said dividend has been approved by the Shareholders. (There is no impact of the change in accounting policy for the year ended March 31, 2017)



**NOTES TO AND FORMING PART OF THE BALANCE SHEET  
AS AT MARCH 31, 2017**

**NOTE “3”**

(₹ in lakh)

<b>SHARE CAPITAL</b>	<b>As at March 31, 2017</b>	<b>As at March 31, 2016</b>
<b>AUTHORISED</b>		
4,750,000,000 (as at March 31, 2016: 4,750,000,000 Shares) Equity Shares of ₹ 10 each	<b>475,000</b>	475,000
32,500,000 (as at March 31, 2016: 32,500,000 Shares) Preference Shares of ₹ 1,000 each	<b>325,000</b>	325,000
	<b>800,000</b>	<b>800,000</b>
<b>ISSUED</b>		
2,826,092,570 (as at March 31, 2016: 2,826,092,570 Shares) Equity Shares of ₹ 10 each	<b>282,609</b>	282,609
2,175,374 (as at March 31, 2016: 2,175,374 Shares) 12.50% Cumulative Redeemable Preference Shares of ₹ 1,000 each	<b>21,754</b>	21,754
12,445,841 (as at March 31, 2016: 12,445,841 Shares) 8.33% Cumulative Redeemable Preference Shares of ₹ 1,000 each	<b>124,458</b>	124,458
4,350,000 (as at March 31, 2016: NIL) 7.50% Cumulative Redeemable Preference Shares of ₹ 1,000 each	<b>43,500</b>	–
	<b>472,321</b>	<b>428,821</b>
<b>SUBSCRIBED</b>		
2,826,018,170 (as at March 31, 2016: 2,826,018,170 Shares) Equity Shares of ₹ 10 each	<b>282,602</b>	282,602
2,071,066 (as at March 31, 2016: 2,071,066 Shares) 12.50% Cumulative Redeemable Preference Shares of ₹ 1,000 each	<b>20,711</b>	20,711
11,893,401 (as at March 31, 2016: 11,893,401 Shares) 8.33% Cumulative Redeemable Preference Shares of ₹ 1,000 each	<b>118,934</b>	118,934
4,350,000 (as at March 31, 2016: NIL) 7.50% Cumulative Redeemable Preference Shares of ₹ 1,000 each	<b>43,500</b>	–
	<b>465,747</b>	<b>422,247</b>
<b>PAID UP</b>		
2,826,018,170 (as at March 31, 2016: 2,826,018,170 Shares) Equity Shares of ₹ 10 each fully paid up	<b>282,602</b>	282,602
Less: Loan given to TCL Employee Welfare Trust	–	(3)
2,071,066 (as at March 31, 2016: 2,071,066 Shares) 12.50% Cumulative Redeemable Preference Shares of ₹ 1,000 each fully paid up	<b>20,711</b>	20,711
11,893,401 (as at March 31, 2016: 11,893,401 Shares) 8.33% Cumulative Redeemable Preference Shares of ₹ 1,000 each fully paid up	<b>118,934</b>	118,934
4,350,000 (as at March 31, 2016: NIL) 7.50% Cumulative Redeemable Preference Shares of ₹ 1,000 each fully paid up	<b>43,500</b>	–
<b>Total</b>	<b>465,747</b>	<b>422,244</b>

**NOTES TO AND FORMING PART OF THE BALANCE SHEET  
AS AT MARCH 31, 2017**

**NOTE “3” (Continued)**

3 (a) Reconciliation of number of shares outstanding	No. of shares	₹ in lakh
<b>Opening Share Capital as on April 1, 2015</b>		
Equity Shares Face Value ₹ 10 fully paid up	2,826,018,170	282,602
12.50% Cumulative Redeemable Preference Shares Face Value ₹ 1,000 fully paid up	2,071,066	20,711
8.33% Cumulative Redeemable Preference Shares Face Value ₹ 1,000 fully paid up	6,893,401	68,934
		<b>372,247</b>
<b>Additions during the year</b>		
Equity Shares Face Value ₹ 10 fully paid up	-	-
12.50% Cumulative Redeemable Preference Shares Face Value ₹ 1,000 fully paid up - Privately Placed	-	-
8.33% Cumulative Redeemable Preference Shares Face Value ₹ 1,000 fully paid up - Privately Placed	5,000,000	50,000
<b>Closing Share Capital as on March 31, 2016</b>		
Equity Shares Face Value ₹ 10 fully paid up	2,826,018,170	282,602
12.50% Cumulative Redeemable Preference Shares Face Value ₹ 1,000 fully paid up	2,071,066	20,711
8.33% Cumulative Redeemable Preference Shares Face Value ₹ 1,000 fully paid up	11,893,401	118,934
		<b>422,247</b>
<b>Additions during the year</b>		
Equity Shares Face Value ₹ 10 fully paid up	-	-
12.50% Cumulative Redeemable Preference Shares Face Value ₹ 1,000 fully paid up - Privately Placed	-	-
8.33% Cumulative Redeemable Preference Shares Face Value ₹ 1,000 fully paid up - Privately Placed	-	-
7.50% Cumulative Redeemable Preference Shares Face Value ₹ 1,000 fully paid up - Privately Placed	4,350,000	43,500
<b>Closing Share Capital as on March 31, 2017</b>		
Equity Shares Face Value ₹ 10 fully paid up	2,826,018,170	282,602
12.50% Cumulative Redeemable Preference Shares Face Value ₹ 1,000 fully paid up	2,071,066	20,711
8.33% Cumulative Redeemable Preference Shares Face Value ₹ 1,000 fully paid up	11,893,401	118,934
7.50% Cumulative Redeemable Preference Shares Face Value ₹ 1,000 fully paid up	4,350,000	43,500
		<b>465,747</b>

**3 (b) Rights, preferences and restrictions attached to Equity Shares**

The Company has one class of equity shares having a face value of ₹ 10 per share. Each shareholder is eligible for one vote per share held. The dividend proposed by the Board of Directors, if any, is subject to the approval of the shareholders at 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.

**NOTES TO AND FORMING PART OF THE BALANCE SHEET  
AS AT MARCH 31, 2017**

**NOTE “3” (Continued)**

**3 (c) Investment by Tata Sons Limited (the Holding Company) and its Subsidiaries/Associates/JVs.**

<b>Name of company</b>	<b>Particulars of issue</b>	<b>No. of equity shares</b>	<b>₹ in lakh</b>
<b>Tata Sons Limited (the Holding Company)</b>	<b>Opening Balance as on April 1, 2015</b>	2,551,433,946	255,143
	Add: Purchased	—	—
	<b>Closing Balance as on March 31, 2016</b>	2,551,433,946	255,143
	Add: Purchased	83,000,000	8,300
	<b>Closing Balance as on March 31, 2017</b>	2,634,433,946	263,443
<b>Tata Investment Corporation Limited (Subsidiary of Tata Sons Limited)</b>	<b>Opening Balance as on April 1, 2015</b>	77,196,591	7,720
	Add: Purchased	—	—
	<b>Closing Balance as on March 31, 2016</b>	77,196,591	7,720
	Add: Purchased	—	—
	<b>Closing Balance as on March 31, 2017</b>	77,196,591	7,720
<b>Tata Industries Limited (Subsidiary of Tata Sons Limited)</b>	<b>Opening Balance as on April 1, 2015</b>	2,272,346	227
	Add: Purchased	—	—
	<b>Closing Balance as on March 31, 2016</b>	2,272,346	227
	Add: Purchased	—	—
	<b>Closing Balance as on March 31, 2017</b>	2,272,346	227
<b>Tata International Limited (Subsidiary of Tata Sons Limited)</b>	<b>Opening Balance as on April 1, 2015</b>	790,592	79
	Add: Purchased	—	—
	<b>Closing Balance as on March 31, 2016</b>	790,592	79
	Add: Purchased	—	—
	<b>Closing Balance as on March 31, 2017</b>	790,592	79
<b>Tata Motors Limited (Associate of Tata Sons Limited)</b>	<b>Opening Balance as on April 1, 2015</b>	4,326,651	433
	Add: Purchased	—	—
	<b>Closing Balance as on March 31, 2016</b>	4,326,651	433
	Add: Purchased	—	—
	<b>Closing Balance as on March 31, 2017</b>	4,326,651	433
<b>Tata Chemicals Limited (Associate of Tata Sons Limited)</b>	<b>Opening Balance as on April 1, 2015</b>	3,230,859	323
	Add: Purchased	—	—
	<b>Closing Balance as on March 31, 2016</b>	3,230,859	323
	Add: Purchased	—	—
	<b>Closing Balance as on March 31, 2017</b>	3,230,859	323
<b>Tata Global Beverages Limited (Associate of Tata Sons Limited)</b>	<b>Opening Balance as on April 1, 2015</b>	613,598	61
	Add: Purchased	—	—
	<b>Closing Balance as on March 31, 2016</b>	613,598	61
	Add: Purchased	—	—
	<b>Closing Balance as on March 31, 2017</b>	613,598	61
<b>Total</b>	<b>Opening Balance as on April 1, 2015</b>	2,639,864,583	263,986
	Add: Purchased	—	—
	<b>Closing Balance as on March 31, 2016</b>	2,639,864,583	263,986
	Add: Purchased	83,000,000	8,300
	<b>Closing Balance as on March 31, 2017</b>	2,722,864,583	272,286

**NOTES TO AND FORMING PART OF THE BALANCE SHEET  
AS AT MARCH 31, 2017**

**NOTE "3" (Continued)****8.33% Cumulative Redeemable Preference Shares Face Value ₹ 1,000 fully paid up**

Name of company	Particulars of issue	No. of preference shares	₹ in lakh
Trent Limited (Associate of Tata Sons Limited)	Opening Balance as on April 1, 2015	–	–
	Add: Purchased	100,000	1,000
	Closing Balance as on March 31, 2016	100,000	1,000
	Add: Purchased	–	–
	Closing Balance as on March 31, 2017	100,000	1,000

**3 (d) List of Shareholders holding more than 5% Equity Shares as at**

Name of Shareholder	March 31, 2017		March 31, 2016	
	No. of Shares held	% of Holding	No. of Shares held	% of Holding
Tata Sons Limited	2,634,433,946	93.22%	2,551,433,946	90.28%

**3 (e) Rights, preferences and restrictions attached to Preference Shares**

The Company has issued Cumulative Redeemable Preference Shares ("CRPS") of face value ₹ 1,000/- each, in tranches, having terms of issuance disclosed herein below. The CRPS holders have a right to receive dividend, prior to the Equity Shareholders. The dividend proposed by the Board of Directors on the CRPS, if any, is subject to the approval of the Shareholders at the ensuing Annual General Meeting, except in case of interim dividend. In the event of liquidation, the Preference Shareholders are eligible to receive the remaining assets of the Company before distribution to the Equity Shareholders, in proportion to their shareholding.

Particulars	Tranche	No. of Shares	Allotment Date	Redemption Date	Early Redemption Date *
12.50% Cumulative Redeemable Preference Shares of ₹ 1,000 each issued at premium of ₹ 500 per share and redeemable at a premium of ₹ 500 per share.	A	984,078	August 10, 2012	August 9, 2019	N/A
	B	411,614	October 22, 2012	October 21, 2019	N/A
	C	166,666	December 10, 2012	December 9, 2019	N/A
	D	104,308	January 21, 2013	January 20, 2020	N/A
	E	200,000	February 27, 2013	February 26, 2020	N/A
	F	204,400	March 28, 2013	March 27, 2020	N/A
8.33% Cumulative Redeemable Preference Shares of ₹ 1,000 each	G	899,000	June 6, 2013	June 5, 2020	September 30, 2017
	H	2,500,000	May 22, 2013	May 21, 2020	September 30, 2017
	I	996,050	July 9, 2013	July 8, 2020	September 30, 2017
	J	369,660	September 5, 2013	September 4, 2020	September 30, 2017
	K	27,900	November 7, 2013	November 6, 2020	March 31, 2018
	L	50,900	April 1, 2014	March 31, 2021	March 31, 2018
	M	2,049,891	August 19, 2014	August 18, 2021	September 30, 2018
	N	4,648,500	April 22, 2015	April 21, 2022	June 30, 2019
O	351,500	September 7, 2015	September 6, 2022	September 30, 2019	

**NOTES TO AND FORMING PART OF THE BALANCE SHEET  
AS AT MARCH 31, 2017**

**NOTE “3” (Continued)**

Particulars	Tranche	No. of Shares	Allotment Date	Redemption Date	Early Redemption Date *
7.50% Cumulative Redeemable Preference Shares of ₹ 1,000 each	P	750,000	September 2, 2016	September 1, 2023	November 30, 2020
	Q	1,000,000	September 16, 2016	September 15, 2023	November 30, 2020
	R	500,000	October 7, 2016	October 6, 2023	November 30, 2020
	S	750,000	October 27, 2016	October 26, 2023	November 30, 2020
	T	1,350,000	March 10, 2017	March 9, 2024	May 31, 2021
	<b>Total</b>		<b>18,314,467</b>		

\* For 8.33% Cumulative Redeemable Preference Shares and 7.50% Cumulative Redeemable Preference Shares of ₹ 1,000 each, the CRPS holder has a Put Option and the Company has a Call Option to seek early redemption of the CRPS by the dates as specified.

**3 (f) List of Shareholders holding more than 5% Preference Shares as at**

Name of Shareholder	March 31, 2017		March 31, 2016	
	No. of Shares held	% of Holding	No. of Shares held	% of Holding
<b>12.50% Cumulative Redeemable Preference Shares of ₹ 1,000 each</b>				
Azim Premji Trust	499,999	24.14%	200,000	9.66%
Azim Hasham Premji	–	–	299,999	14.49%
International Tractors Ltd.	133,700	6.46%	133,700	6.46%
<b>8.33% Cumulative Redeemable Preference Shares of ₹ 1,000 each</b>				
Shree Cements Ltd.	1,400,000	11.77%	1,400,000	11.77%
<b>7.50% Cumulative Redeemable Preference Shares of ₹ 1,000 each</b>				
Shree Cement Ltd.	600,000	13.79%	–	–
Wipro Enterprises Pvt. Ltd.	500,000	11.49%	–	–
International Tractors Ltd.	300,000	6.90%	–	–
Adurjee And Bros Pvt Ltd.	250,000	5.75%	–	–

**NOTES TO AND FORMING PART OF THE BALANCE SHEET  
AS AT MARCH 31, 2017**

## NOTE "4"

(₹ in lakh)

RESERVES AND SURPLUS	As at March 31, 2017		As at March 31, 2016	
<b>(a) Capital Redemption Reserve</b>		575		575
<b>(b) Securities Premium Account</b>				
Opening Balance		28,767		28,767
Less: Transfer to Statement of Profit and Loss pursuant to Scheme of Reduction of Share Capital (Securities Premium Account) (Refer note 40)		(13,537)		—
Less: Adjustment of share issue expenses (Refer note 41)		(1,086)		
<b>Closing Balance</b>		<b>14,144</b>		<b>28,767</b>
<b>(c) Special Reserve Account/Statutory Reserve</b>				
Opening Balance		12,235		9,179
Add: Transfer from Surplus in the Statement of Profit and Loss (Refer footnote 1)		3,604		3,056
<b>Closing Balance</b>		<b>15,839</b>		<b>12,235</b>
<b>(d) Capital Reserve</b>				
Opening Balance		—		—
Add: Created on Scheme of Amalgamation (Refer note 39)		93		—
<b>Closing Balance</b>		<b>93</b>		<b>—</b>
<b>(e) Surplus in Statement of Profit and Loss</b>				
Opening Balance		11,243		11,166
Add: Increase in balance on Scheme of Amalgamation (net of taxes) (Refer note 39)		16		—
Add: Profit for the year		18,016		15,280
<b>Profit available for Appropriations</b>		<b>29,275</b>		<b>26,446</b>
Less : Appropriations				
Transfer to Special Reserve Account (Refer footnote 1)	3,604		3,056	
Dividend on Preference Shares including dividend distribution tax (net) (Refer footnote 2)	13,709	17,313	12,147	15,203
<b>Closing Balance</b>		<b>11,962</b>		<b>11,243</b>
<b>TOTAL</b>		<b>42,613</b>		<b>52,820</b>

**Footnotes:-** The amounts appropriated out of the surplus in the Statement of Profit and Loss are as under:

- 1) Transfer to Special Reserve ₹ 3,604 lakh (Previous Year: ₹ 3,056 lakh) as prescribed by section 45-IC of the Reserve Bank of India Act, 1934, being 20% of the profit after tax for the year.
- 2) During the current year and previous year, the Company has declared and paid an interim dividend on Cumulative Redeemable Preference shares at their respective dividend rates.

**NOTES TO AND FORMING PART OF THE BALANCE SHEET  
AS AT MARCH 31, 2017**

**NOTE “5”**

(₹ in lakh)

<b>LONG-TERM BORROWINGS</b>	<b>As at March 31, 2017</b>	<b>As at March 31, 2016</b>
Debentures (unsecured)		
Non Convertible Debentures (NCDs) (Refer note 5(a))	75,000	–
<b>Total</b>	<b>75,000</b>	<b>–</b>

**NOTE “5(a)” Particulars of Privately Placed Unsecured Non-Convertible Debentures (“NCDs”) outstanding as at March 31, 2017**

<b>Description of NCD</b>	<b>Issue Date</b>	<b>Redemption Date</b>	<b>Number of NCDs</b>	<b>As at March 31, 2017 ₹ in lakh</b>	<b>As at March 31, 2016 ₹ in lakh</b>
TCL Unsecured NCD D FY 2016-17 Option II	18-Aug-16	19-Aug-19	250	2,500	–
TCL Unsecured NCD D FY 2016-17 Option I	18-Aug-16	17-Aug-18	2,250	22,500	–
TCL Unsecured NCD C FY 2016-17	28-Jul-16	27-Jul-18	1,000	10,000	–
TCL Unsecured NCD B FY 2016-17	25-Jul-16	25-Jul-18	2,000	20,000	–
TCL Unsecured NCD A FY 2016-17	28-Jun-16	28-Jun-18	2,000	20,000	–
<b>Total</b>			<b>7,500</b>	<b>75,000</b>	<b>–</b>

**Note:** Coupon rate of above outstanding as at March 31, 2017 varies from 8.65% to 9.00% (Previous Year NIL)

**NOTE “6”**

(₹ in lakh)

<b>OTHER LONG-TERM LIABILITIES</b>	<b>As at March 31, 2017</b>	<b>As at March 31, 2016</b>
(a) Premium on redemption payable to preference shareholders	10,355	10,355
(b) Security deposit	–	4,665
<b>Total</b>	<b>10,355</b>	<b>15,020</b>

**NOTE “7”**

(₹ in lakh)

<b>LONG - TERM PROVISIONS</b>	<b>As at March 31, 2017</b>	<b>As at March 31, 2016</b>
(a) Provision for employee benefits	8	92
(b) Contingent Provision against Standard Assets (Refer note 26 (i))	18	59
<b>Total</b>	<b>26</b>	<b>151</b>

**NOTES TO AND FORMING PART OF THE BALANCE SHEET  
AS AT MARCH 31, 2017**

**NOTE "8"**

(₹ in lakh)

<b>SHORT-TERM BORROWINGS</b>	<b>As at March 31, 2017</b>	<b>As at March 31, 2016</b>
(a) Other loans and advances (unsecured) Commercial Papers (Refer note 8(a)) [Net of unamortised discount of ₹ 797 lakh (as at March 31, 2016: ₹ 3,070 lakh)]	<b>62,003</b>	137,930
(b) Bank Overdraft (secured)	<b>200</b>	–
<b>Total</b>	<b>62,203</b>	<b>137,930</b>

**NOTE "8(a)"** Discount on Commercial papers varies from 6.74% to 8.55% (Previous Year 8.40% to 9.39%)

**NOTE "9"**

(₹ in lakh)

<b>TRADE PAYABLES</b>	<b>As at March 31, 2017</b>	<b>As at March 31, 2016</b>
(a) Accrued employee benefits expense	<b>2,038</b>	1,030
(b) Accrued expenses	<b>1,970</b>	1,048
(c) Others	<b>1</b>	3
<b>Total</b>	<b>4,009</b>	<b>2,081</b>

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

**NOTE "9(a)"**

<b>TOTAL OUTSTANDING DUES OF CREDITORS OTHER THAN MICRO ENTERPRISES AND SMALL ENTERPRISES</b>	<b>As at March 31, 2017</b>	<b>As at March 31, 2016</b>
(a) Principal amount and interest thereon remaining unpaid at the end of year	–	–
(b) Interest paid including payment made beyond appointed day during the year	–	–
(c) Interest due and payable for delay during the year	–	–
(d) Amount of interest accrued and unpaid as at year end	–	–
(e) The amount of further interest due and payable even in the succeeding year	–	–
<b>Total</b>	<b>–</b>	<b>–</b>



**NOTES TO AND FORMING PART OF THE BALANCE SHEET  
AS AT MARCH 31, 2017**

**NOTE “10”**

(₹ in lakh)

<b>OTHER CURRENT LIABILITIES</b>	<b>As at March 31, 2017</b>	<b>As at March 31, 2016</b>
(a) Interest accrued but not due	4,556	–
(b) Income received in advance	356	885
(c) Statutory dues	108	130
(d) Security deposit	4,665	–
(e) Other payables	4	4
<b>Total</b>	<b>9,689</b>	<b>1,019</b>

**NOTE “11”**

(₹ in lakh)

<b>SHORT - TERM PROVISIONS</b>	<b>As at March 31, 2017</b>	<b>As at March 31, 2016</b>
(a) Provision for employee benefits	209	144
(b) Contingent Provision against Standard Assets (Refer note 26 (i))	453	392
<b>Tota</b>	<b>662</b>	<b>536</b>

**NOTES TO AND FORMING PART OF THE BALANCE SHEET  
AS AT MARCH 31, 2017**

**NOTE "12" : PROPERTY PLANT AND EQUIPMENT**

(₹ in lakh)

Particulars	Gross Block				Accumulated depreciation				Net Carrying Amount as at March 31, 2017
	Opening balance as at	Additions	Deletions / Adjustments	Closing balance as at	Opening balance as at	Depreciation for the year	Deletions	Closing balance as at	
	April 1, 2016			March 31, 2017	April 1, 2016			March 31, 2017	
<b>Tangible Assets</b>									
Buildings - (Refer footnotes 2 and 4)	5,281 <i>5,421</i>	-	- <i>(140)</i>	5,281 <i>5,281</i>	745 <i>548</i>	211 <i>213</i>	- <i>(16)</i>	956 <i>745</i>	4,325 <i>4,536</i>
Buildings - Given on operating lease (Refer footnotes 3 and 4)	7,818 <i>7,868</i>	-	- <i>(50)</i>	7,818 <i>7,818</i>	1,011 <i>697</i>	313 <i>314</i>	-	1,324 <i>1,011</i>	6,494 <i>6,807</i>
Plant and Machinery	180 <i>180</i>	0* -	(5) -	175 <i>180</i>	65 <i>45</i>	19 <i>20</i>	(3) -	81 <i>65</i>	94 <i>115</i>
Furniture and Fixtures	829 <i>829</i>	0* -	- -	829 <i>829</i>	268 <i>179</i>	89 <i>89</i>	- -	357 <i>268</i>	472 <i>561</i>
Vehicles	175 <i>173</i>	63 <i>31</i>	(48) <i>(29)</i>	190 <i>175</i>	99 <i>83</i>	41 <i>41</i>	(44) <i>(25)</i>	96 <i>99</i>	94 <i>76</i>
Office Equipment	345 <i>337</i>	1 <i>8</i>	(9) -	337 <i>345</i>	275 <i>210</i>	37 <i>65</i>	(9) -	303 <i>275</i>	34 <i>70</i>
Computer Equipment	23 <i>13</i>	4 <i>10</i>	(4) -	23 <i>23</i>	12 <i>9</i>	4 <i>3</i>	(3) -	13 <i>12</i>	10 <i>11</i>
<b>TANGIBLE ASSETS - TOTAL</b>	<b>14,651</b> <i>14,821</i>	<b>68</b> <i>49</i>	<b>(66)</b> <i>(219)</i>	<b>14,653</b> <i>14,651</i>	<b>2,475</b> <i>1,771</i>	<b>714</b> <i>745</i>	<b>(59)</b> <i>(41)</i>	<b>3,130</b> <i>2,475</i>	<b>11,523</b> <i>12,176</i>
Capital work-in-progress									1 -
<b>TOTAL</b>									<b>11,524</b> <i>12,176</i>

\* Amount less than ₹ 50,000

**Footnotes: -**

- 1) Previous year figures are given in *Italics*
- 2) Portion of the Company's building has been let out to its subsidiary under operating lease arrangement. This arrangement is cancellable and does not contain any minimum lease or contingency lease rentals.
- 3) Buildings - Given on operating lease, represent premises let out to the Company's subsidiary and other related party under operating lease arrangement. This arrangement is cancellable and does not contain any minimum lease or contingency lease rentals.
- 4) During the previous year, the Company had received ₹ 99 lakh towards refund of taxes on purchase of building, which were earlier capitalised. The refund amount was reduced from the gross block, and depreciation had been provided prospectively on the revised amount over the remaining useful life of the asset.

**NOTES TO AND FORMING PART OF THE BALANCE SHEET  
AS AT MARCH 31, 2017**

**NOTE "13" : NON - CURRENT INVESTMENTS**

**Scrip-wise details of Investments as on March 31, 2017**

Particulars	Face Value Per Unit ₹	As at March 31, 2017		As at March 31, 2016	
		No. of Units	₹ In lakh	No. of Units	₹ In lakh
<b>INVESTMENT IN SUBSIDIARIES</b>					
<b>Unquoted :</b>					
<b>Investment in Equity Shares (Trade)</b>					
Tata Capital Financial Services Limited	10	1,297,550,000	341,341	1,297,550,000	339,257
Tata Capital Housing Finance Limited	10	253,333,332	259,255	253,333,332	259,255
Tata Securities Limited (Refer note 40)	10	3,829,418	27,600	3,829,418	27,600
Tata Capital Pte Ltd.	SGD 1	32,282,000	0*	32,282,000	11,312
Tata Cleantech Capital Limited	10	286,384,842	10,807	232,718,182	10,807
TC Travel and Services Limited	10	25,000,000	41,055	25,000,000	24,955
Tata Capital Forex Limited (Refer note 40)	10	10,933,969	2,500	10,433,969	2,500
India Collections Management Limited (Refer note 39)	10	-	124	7,500,000	2,116
Tata Infrastructure Capital Limited (Refer note 39)	10	-	-	550,000	657
<b>Investment in Compulsorily Convertible Cumulative Preference Shares (Trade)</b>					
Tata Capital Financial Services Limited	10	945,000,000	178,217	160,000,000	83,400
Tata Capital Housing Finance Limited	10	824,000,000	94,500	659,000,000	16,000
Tata Securities Limited (Refer note 40)	10	15,000,000	82,400	15,000,000	65,900
<b>Investment in Non-Convertible Debentures (Trade)</b>					
9.37% Subordinated Debentures of Tata Capital Financial Services Limited	1,000,000	-	5,000	500	1,500
9.80% Perpetual Debentures of Tata Capital Financial Services Limited	1,000,000	500	-	1,000	18,300
10.25% Subordinated Debentures of Tata Capital Housing Finance Limited	1,000,000	-	-	330	10,000
<b>Investment in Venture Capital Units</b>					
Tata Capital Growth Fund	1	2,500,000,000	19,217	2,500,000,000	21,159
Tata Capital Growth Fund- Class B Units	1	10,000	19,217	-	21,159
<b>INVESTMENTS IN ASSOCIATES / JOINT VENTURE</b>					
<b>Unquoted :</b>					
<b>Investment in Equity Shares</b>					
Tata Autocomp Systems Limited (Non-Trade)	10	48,307,333	18,528	48,307,333	18,577
Nectar Loyalty Management India Limited (Joint Venture) (Trade)	10	-	-	490,000	18,528
<b>Investment in Debentures</b>					
Nectar Loyalty Management India Limited (Joint Venture) (Trade)	10	-	-	12,480,000	1,248
<b>Investment in Venture Capital Units</b>					
Tata Capital Special Situations Fund	100,000	4,463	20,074	7,240	22,538
Tata Capital Special Situations Fund - Class B Units	100	50	4,463	-	7,240
Tata Capital Healthcare Fund I	1	1,000,000,000	0*	-	-
Tata Capital Healthcare Fund I - Class B Units	1	10,000	8,457	-	8,881
Tata Capital Innovations Fund	1,000	750,000	0*	750,000	-
Tata Capital Innovations Fund - Class B Units	1	10,000	7,153	-	6,417
<b>INVESTMENTS IN OTHERS</b>					
<b>Investments in Equity Shares</b>					
<b>Quoted (Non-Trade)</b>					
Tata Steel Limited	10	13,500	110	13,500	110
The Indian Hotels Company Limited	1	14,700	100	14,700	100
<b>Unquoted</b>					
Tata Sky Limited (Non-Trade)	10	10,072,871	10,967	10,072,871	10,967
Roots Corporation Limited (Non-Trade)	10	2,089,269	5,242	2,089,269	5,242
Tata Projects Limited (Non-Trade)	10	44,810	1,880	44,810	1,880
Tata Business Support Services Limited (Trade)	10	4,054,048	2,823	4,054,048	2,823
<b>Investments in Preference Shares (Trade)</b>					
12.33% Cumulative Redeemable Preference Shares of Tata Business Support Services Limited	10	15,000,000	1,022	15,000,000	1,022
<b>Investments in Mutual Funds (Non - Trade)</b>					
	1,000	7,658	1,500	-	1,500
<b>Total Cost of Non-Current Investments (A)</b>			<b>595,144</b>		<b>517,056</b>
Provision for diminution in value of investments (B)			(3,347)		(3,305)
<b>Total Non-Current Investments (A + B)</b>			<b>591,797</b>		<b>513,751</b>

Particulars	Non-Current Investment	Non-Current Investment
	₹ in lakh	₹ in lakh
Cost of Quoted Investments	110	110
Book Value of Quoted Investments (net)	46	46
Market value of Quoted Investments	84	58
Cost of Unquoted Investments	595,034	516,946
Book Value of Unquoted Investments (net)	591,751	513,705

\* Amount less than ₹ 50,000

**NOTES TO AND FORMING PART OF THE BALANCE SHEET  
AS AT MARCH 31, 2017**

**NOTE "14"**

(₹ in lakh)

<b>DEFERRED TAX ASSETS</b>	<b>As at March 31, 2017</b>	<b>As at March 31, 2016</b>
(a) Employee benefits	73	50
(b) Timing difference in respect of depreciation on fixed assets	126	113
(c) Contingent Provision for standard assets	163	156
<b>Total</b>	<b>362</b>	<b>319</b>

**NOTE "15"**

(₹ in lakh)

<b>LONG-TERM LOANS AND ADVANCES (Unsecured, Considered Good)</b>	<b>As at March 31, 2017</b>	<b>As at March 31, 2016</b>
(a) Security deposits	276	258
(b) Inter-corporate deposits to related parties	-	1,434
(c) Others		
(i) Prepaid expenses	86	95
(ii) Advance payment of income tax, net of provision	2,131	1,728
<b>Total</b>	<b>2,493</b>	<b>3,515</b>

**NOTE "16"**

(₹ in lakh)

<b>OTHER NON-CURRENT ASSETS</b>	<b>As at March 31, 2017</b>	<b>As at March 31, 2016</b>
(a) Deferred revenue expenditure [Refer note 20 (a)]	26	247
(b) Rental income accrued	13	68
<b>Total</b>	<b>39</b>	<b>315</b>

**NOTE "17"**

(₹ in lakh)

<b>TRADE RECEIVABLES</b>	<b>As at March 31, 2017</b>	<b>As at March 31, 2016</b>
(a) Over six months (from the due date for payment) - Unsecured, considered good	25	-
(b) Others - Unsecured, considered good	987	478
<b>Total</b>	<b>1,012</b>	<b>478</b>

**NOTES TO AND FORMING PART OF THE BALANCE SHEET  
AS AT MARCH 31, 2017**

**NOTE “18”**

(₹ in lakh)

<b>CASH AND CASH EQUIVALENTS</b>	<b>As at March 31, 2017</b>	<b>As at March 31, 2016</b>
(a) Balances with banks in current account	96	287
(b) Cheques on hand	–	1
<b>Total</b>	<b>96</b>	<b>288</b>

**NOTE “18(a)”** The Company does not hold any cash on hand and hence, details of the Specified Bank Notes (SBN) held and transacted during the period November 08, 2016 to December 30, 2016 (as per MCA Notification G.S.R. 307 (E) dated March 30, 2017) are not applicable.

**NOTE “19”**

(₹ in lakh)

<b>SHORT-TERM LOANS AND ADVANCES (Unsecured, Considered Good)</b>	<b>As at March 31, 2017</b>	<b>As at March 31, 2016</b>
(a) Capital advances	13	–
(b) Loans and advances to related parties	107	33
(c) Security deposits	198	215
(d) Inter-corporate deposits to related parties	61,721	99,633
(e) Others		
(i) Other Advances	80	55
(ii) Prepaid expenses	97	151
(iii) Balances with government authorities	7	4
<b>Total</b>	<b>62,223</b>	<b>100,091</b>

**NOTE “20”**

(₹ in lakh)

<b>OTHER CURRENT ASSETS</b>	<b>As at March 31, 2017</b>	<b>As at March 31, 2016</b>
(a) Deferred revenue expenditure [Refer note 20 (a)]	84	328
(b) Interest accrued but not due	474	230
(c) Assets held for sale*	47	223
(d) Rental income accrued	67	87
(e) Gratuity Asset (net)	86	–
<b>Total</b>	<b>758</b>	<b>868</b>

\* The Company had repossessed assets (land and buildings) of ₹ 223 lakh on behalf of its subsidiary Tata Capital Financial Services Limited in settlement of its loan outstanding. During the year, the Company has realised an amount aggregating ₹ 176 lakh on account of disposal of some of the repossessed assets.

**NOTES TO AND FORMING PART OF THE BALANCE SHEET  
AS AT MARCH 31, 2017**

## NOTE "20(a)"

(₹ in lakh)

<b>DEFERRED REVENUE EXPENDITURE</b>	<b>As at March 31, 2017</b>	<b>As at March 31, 2016</b>
<b>(a) Unamortised share issue expenses</b>		
Opening Balance	575	528
Add: expenses incurred during the year	–	582
Less: written off against Securities Premium (Refer note 41)	575	–
Less: written off during the year	–	535
<b>Closing Balance</b>	<b>–</b>	<b>575</b>
<b>(b) Unamortised debenture issue expenses</b>		
Opening Balance	–	–
Add: expenses incurred during the year	142	–
Less: written off during the year	32	–
<b>Closing Balance</b>	<b>110</b>	<b>–</b>
<b>Total</b>	<b>110</b>	<b>575</b>

**NOTES TO AND FORMING PART OF THE STATEMENT OF  
PROFIT AND LOSS FOR THE YEAR ENDED MARCH 31, 2017**

**NOTE “21”**

(₹ in lakh)

<b>REVENUE FROM OPERATIONS</b>	<b>For the year ended March 31, 2017</b>	<b>For the year ended March 31, 2016</b>
(a) Dividend from Non-Current Investments *	18,383	17,588
(b) Income from advisory services **	5,703	5,001
(c) Interest on Inter Corporate Deposits	8,380	9,243
(d) Interest on non-current investments	1,201	876
<b>Total</b>	<b>33,667</b>	<b>32,708</b>

\* Includes dividend income from subsidiaries ₹ 16,682 lakh (Previous Year ₹ 14,822 lakh)

\*\* Includes income in foreign currency ₹ 3,914 lakh (Previous Year ₹ 3,141 lakh)

**NOTE “22”**

(₹ in lakh)

<b>OTHER INCOME</b>	<b>For the year ended March 31, 2017</b>	<b>For the year ended March 31, 2016</b>
(a) Income from managerial services	1,829	1,080
(b) Income from property management	1,188	1,188
(c) Miscellaneous Income	338	209
<b>Total</b>	<b>3,355</b>	<b>2,477</b>

**NOTE “23”**

(₹ in lakh)

<b>FINANCE COSTS</b>	<b>For the year ended March 31, 2017</b>	<b>For the year ended March 31, 2016</b>
(a) Interest expense	4,565	62
(b) Discounting charges on commercial papers	7,381	8,914
<b>Total</b>	<b>11,946</b>	<b>8,976</b>

**NOTE “24”**

(₹ in lakh)

<b>EMPLOYEE BENEFITS EXPENSES</b>	<b>For the year ended March 31, 2017</b>	<b>For the year ended March 31, 2016</b>
(a) Salaries, wages and bonus	5,879	4,301
(b) Contribution to provident and other funds [Refer note 29]	503	323
(c) Staff welfare expenses	59	46
<b>Total</b>	<b>6,441</b>	<b>4,670</b>

**NOTES TO AND FORMING PART OF THE STATEMENT OF  
PROFIT AND LOSS FOR THE YEAR ENDED MARCH 31, 2017**

**NOTE "25"**

(₹ in lakh)

<b>OTHER OPERATING EXPENSES</b>	<b>For the year ended March 31, 2017</b>		<b>For the year ended March 31, 2016</b>
(a) Advertisements and publicity		39	38
(b) Brand Equity and Business Promotion		73	61
(c) Corporate social responsibility expenses		19	–
(d) Directors' remuneration		157	86
(e) Power and fuel		39	47
(f) Insurance		85	49
(g) IT costs		122	19
(h) Legal and professional fees		753	656
(i) Loss on sale of non-current investment	1,297		
Less: reversal of diminution on sale of non-current investment	(1,297)	–	–
(j) Printing and stationery		29	24
(k) Provision for diminution in value of non-current investments		1,339	2,008
(l) Write off of non-current investment	13,537		
Less: transfer from securities premium (Refer note 40)	(13,537)	–	–
(m) Contingent provision for standard assets		20	299
(n) Rates and taxes		711	256
(o) Rent (including maintenance)		266	235
(p) Repairs to buildings		17	8
(q) Travelling and conveyance		568	475
(r) Others		206	213
<b>Total</b>		<b>4,443</b>	<b>4,474</b>



**NOTES TO AND FORMING PART OF THE STATEMENT OF  
PROFIT AND LOSS FOR THE YEAR ENDED MARCH 31, 2017**

**NOTE “25(a)”**

(₹ in lakh)

AUDITOR’S REMUNERATION (excl. Service Tax)	For the year ended March 31, 2017	For the year ended March 31, 2016
(a) Audit fees	17	17
(b) Tax audit fees	2	2
(c) Other services	1	1
(d) Towards reimbursement of expenses	1	1
<b>Total</b>	<b>21</b>	<b>21</b>

(Auditors’ Remuneration is included in Others)

**NOTE “25(b)”**

(₹ in lakh)

EXPENDITURE IN FOREIGN CURRENCIES	For the year ended March 31, 2017	For the year ended March 31, 2016
(a) Advertisements and Publicity	–	1
(b) Membership and subscription	23	18
(c) Legal and professional fees	7	2
(d) Travelling and conveyance	119	68
(e) Staff welfare expenses	2	–
<b>Total</b>	<b>151</b>	<b>89</b>

**NOTE “25(c)”**

- (i) Gross amount required to be spent on Corporate Social Responsibility by the Company during the year was ₹ 19 lakh (Previous Year NIL)
- (ii) Amount spent during the year on:

(₹ in lakh)

CORPORATE SOCIAL RESPONSIBILITY	Paid	Yet to be paid	Total
Construction/acquisition of any asset	–	–	–
On purposes other than above	19	–	19

## NOTES TO AND FORMING PART OF THE STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED MARCH 31, 2017

### NOTE "26" : PROVISIONS AND CONTINGENT LIABILITIES

i. Movement in Contingent Provision against Standard Assets during the year is as under:

(₹ in lakh)

Particulars	As at March 31, 2017	As at March 31, 2016
<b>Opening Balance</b>	<b>451</b>	<b>152</b>
Additions during the year	20	299
Utilised during the year	-	-
<b>Closing Balance</b>	<b>471</b>	<b>451</b>

ii. Claims not acknowledged by the Company relating to cases contested by the Company and which are not likely to be devolved on the Company relating to the following areas :

(₹ in lakh)

Particulars	As at March 31, 2017	As at March 31, 2016
Income Tax (Pending before Appellate Authorities)	9,682	7,096
Value Added Tax (Pending before Sales Tax Appellate Authorities)	164	104
<b>Total</b>	<b>9,846</b>	<b>7,200</b>

### NOTE "27" : COMMITMENTS :

- i. Commitment to invest in Tata Capital Special Situations Fund amounting to ₹ 22 lakh (as at March 31, 2016 : ₹ 22 lakh).
- ii. Commitment to invest in Tata Capital Healthcare Fund I amounting to ₹ 1,015 lakh (as at March 31, 2016 : ₹ 1,119 lakh).
- iii. Commitment to invest in Tata Capital Growth Fund amounting to ₹ 3,479 lakh (as at March 31, 2016 : ₹ 3,841 lakh).
- iv. Commitment to invest in Tata Capital Innovations Fund amounting to ₹ 622 lakh (as at March 31, 2016 : ₹ 1,358 lakh).
- v. Commitment to co-invest with Omega TC Holdings Pte. Ltd USD 15.46 Million (₹ 10,007 lakh) (as at March 31, 2016 : USD 17.10 Million (₹ 11,308 lakh)).
- vi. Guarantees issued to National Housing Bank on behalf of Tata Capital Housing Finance Limited ₹ 120,000 lakh (As at March 31, 2016 ₹ 120,000 lakh) against which the outstanding amount is ₹ 80,767 lakh (As at March 31, 2016 ₹ 94,036 lakh). Pursuant to the terms of the Guarantee, the Company's liability on invocation is capped at the outstanding amount.

## NOTES TO AND FORMING PART OF THE STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED MARCH 31, 2017

### NOTE “28” : EMPLOYEE STOCK PURCHASE / OPTION SCHEME:

- (a) In March 2010, the Company at its extra-ordinary general meeting approved the “Tata Capital Limited Employee Stock Purchase/Option Scheme” (the “ESOP Scheme”). Pursuant to this scheme, a Trust under the name of “TCL Employee Welfare Trust” has been constituted to administer the ESOP scheme.
- (b) The Company has issued 63,400,000 Equity Shares of ₹ 10 each at a premium of ₹ 2 per share in FY 2009-10 and 6,834,526 Equity Shares of ₹ 10 each at a premium of ₹ 10 per share in FY 2012-13 to the Trust. The Trust transfers shares to the employees of the Company and its subsidiaries under the ESOP scheme.
- (c) The Company had provided finance of ₹ 6,904 lakh in the FY 2009-10 to the Trust to enable it to finance the Company’s shares subscribed for by it. The outstanding balance of loan to the Trust / Employees is ₹ NIL (Previous Year : ₹ 3 lakh).
- (d) Based on the guidance note on “Employee Share - Based Payments” issued by ICAI, the Company has adopted the intrinsic method of accounting for ESOP.
- (e) The following is the disclosure as required under the aforesaid guidance note.
- (i) The impact on Earnings per Share if the ‘fair value’ of the options (on the date of the grant) were considered instead of the ‘intrinsic value’ is as under:

(₹ in lakh)

Particulars	For the year ended	
	March 31, 2017	March 31, 2016
Net Profit (as reported)	18,016	15,280
Less: Fair value compensation costs	530	85
Net Profit (proforma)	17,486	15,195
Basic EPS (Reported & Proforma) - (₹)	0.15	0.11
Diluted EPS (Reported & Proforma) - (₹)	0.15	0.11

- (ii) Description of each type of employee share-based payment plan that existed at any time during the year including the following:

Particulars	Plan 2011	Plan 2013	Plan 2016	Plan 2017
Year in which Plan rolled out	2011-12	2012-13	2015-16	2016-17
Vesting conditions	1/3rd each at the end of 12 months, 24 months and 36 months from the grant date.	1/3rd each at the end of 12 months, 24 months and 36 months from the grant date.	100% vesting at the end of 12 months from the grant date.	100% vesting at the end of 12 months from the grant date.
Range of Vesting period	1 to 3 years	1 to 3 years	1 year	1 year
Range of Exercise period	3 years from vesting date	3 years from vesting date	1 year from vesting date	1 year from vesting date
Method of settlement	Equity Settled	Equity Settled	Equity Settled	Equity Settled

- (iii) Employee stock options details as on the Balance Sheet date are as follows:

Particulars	For the year ended			
	March 31, 2017		March 31, 2016	
	No. of options	WAEP (₹)*	No. of options	WAEP (₹)*
Outstanding at the beginning of the year	15,640,259	28.15	4,980,494	21.52
Granted during the year	15,160,000	33.40	11,945,000	30.00
Forfeited / Lapsed during the year	2,346,514	28.96	684,263	20.69
Exercised during the year	897,094	18.66	600,972	18.46
Outstanding at the end of the year	27,556,651	31.28	15,640,259	28.15
Exercisable at the end of the year	12,396,651	28.69	2,921,761	21.43

\* WAEP = Weighted Average Exercise Price

- (iv) Range of exercise price and weighted average remaining contractual life for options outstanding at the end of the year.

Particulars	Plan 2011	Plan 2013	Plan 2016	Plan 2017
Range of exercise prices	17.77	25.00	30.00	33.40
Weighted average remaining contractual life				
Vesting period (in years)	0.00	0.00	0.00	1.00
Exercise period post vesting (in years)	0.33	2.33	1.00	1.00

- (v) The fair value of the options granted during the year has been determined under the Black-Scholes model. The assumptions used in this model for calculating fair value are as below:

Particulars	Plan 2017
Weighted average share price	33.40
Exercise price	33.40
Expected volatility (based on volatility of comparable companies over 2 years)	0.35
Option life (vesting and exercise period)	2 years
Expected dividends	Nil
Risk free interest rate	6.57%

- (vi) No other instruments were granted during the year other than the stock options as disclosed above.
- (vii) No modifications were made to the scheme that require disclosures under Guidance Note on “Employee Share - Based Payments” issued by Institute of Chartered Accountants of India.
- (viii) Other information regarding employee share-based payment plans is as below:

(₹ in lakh)

Particulars	For the year ended	
	March 31, 2017	March 31, 2016
Weighted average share price during the year	32.20	30.00
Expense arising from employee share-based payment plans	Nil	Nil
Expense arising from share and stock option plans	Nil	Nil
Closing balance of liability for cash stock appreciation plan	Nil	Nil
Expense arising from increase in fair value of liability for cash stock appreciation plan	Nil	Nil

## NOTE “29” : EMPLOYEE BENEFITS

### Defined Contribution Plans

The Company makes Provident Fund and Superannuation Fund contributions to defined contribution retirement benefit plans for eligible employees. Under the schemes, the Company is required to contribute a specified percentage of the payroll costs to fund the benefits. The contributions as specified under the law are paid to the provident fund set up as a Trust by the Company. The Company is generally liable for annual contributions and any deficiency in interest cost compared to interest computed based on the rate of interest declared by the Central Government under the Employees’ Provident Fund Scheme, 1952 is recognised, as an expense in the year it is determined.

The provident fund set up as a Trust by the Company manages the contributions from the Company and other participating subsidiaries. As of March 31, 2017, the accumulated members’ corpus of the Company is ₹ 3,945 lakh whereas the total fair value of the assets of the fund and the total accumulated members’ corpus is ₹ 17,933 lakh and ₹ 16,500 lakh respectively. In accordance with an actuarial valuation, there is no deficiency in the interest cost as the present value of the expected future earnings on the fund is greater than the expected amount to be credited to the individual members based on the expected guaranteed rate of interest of 8.60%. The actuarial assumptions include discount rate of 7.50%.

The Company recognised a charge of ₹ 162 lakh (Previous year Rs 141 lakh) for provident fund and family pension fund contribution and ₹ 73 lakh (Previous year ₹ 61 lakh) for Superannuation contribution, in the Statement the Profit and Loss.

### Defined Benefits Plans

The Company offers its employees defined-benefit plans in the form of a gratuity scheme (a lump sum amount). Benefits under the defined benefit plans are typically based on years of service and the employee’s compensation (generally immediately before separation). The gratuity scheme covers all regular employees. Commitments are actuarially determined at the 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

(₹ in lakh)

Particulars	2016-17	2015-16
<b>Change in Defined Benefit Obligation</b>		
Opening Defined Benefit Obligation	606	446
Current Service Cost	71	58
Interest Cost	50	34
Acquisitions Cost / (Credit)	160	45
Actuarial Losses / (Gain)	226	41
Benefits Paid	0	(18)
Closing Defined Benefit Obligation	1,113	606
<b>Change in the Fair Value of Assets</b>		
Opening Fair Value of Plan Assets	520	414
Transfer in	160	61
Expected Return on Plan Assets	60	37
Contributions by Employer	441	51
Actuarial Gains / (Losses)	18	(25)
Benefits paid	0	(18)
Closing Fair Value of Plan Assets	1,199	520
<b>Composition of the plan assets</b>		
<b>Investment Pattern</b>		
Government bonds	33%	44%
Equity mutual funds	16%	23%
Bonds / Debentures	41%	24%
Others (including assets under Schemes of Insurance)	10%	9%
<b>Total</b>	<b>100%</b>	<b>100%</b>
<b>Reconciliation of present value of the obligation and the fair value of the plan assets</b>		
Fair Value of plan assets at the end of the year	1,199	520
Present value of the defined obligations at the end of the year	1,113	606
Funded status [Surplus / (Deficit)]	86	(86)
Net Asset /(Liability) recognised in the Balance Sheet	86	(86)
<b>Net Gratuity cost</b>		
Service Cost	71	58
Interest on Defined benefit Obligation	50	34
Expected return on plan assets	(60)	(37)
Net actuarial loss recognised in the year	208	66
Net Gratuity Cost as included in Employee Benefit Expenses [Refer note 24 (b)]	268	121

Particulars	2016-17	2015-16
<b>Assumptions</b>		
Discount Rate	7.50%	8.20%
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 6% 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 & more 1%	0-2 years 10% 3-4 years 5% 5-9 years 2.5% 10 years & more 1%

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.

Experience History	2016-17	2015-16	2014-15	2013-14	2012-13
Defined Benefit Obligation	(1,113)	(606)	(446)	(288)	(257)
Plan Assets	1,199	520	414	280	192
Funded Status	86	(86)	(32)	(8)	(65)
Experience Gain/ (Loss) Adjustment :					
– On Plan Liabilities	(102)	(52)	(63)	(13)	(8)
– On Plan Assets	18	(25)	22	11	(19)
Actuarial Gain / (Loss) due to change in assumptions	(123)	12	(56)	31	(17)

The Company expects to contribute approximately ₹ 92 lakh (Previous year ₹ 24 lakh) to the gratuity fund for the following year.

#### Long-Term Service Award :

Long-Term Service awards are employee benefits 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 2016-17 is ₹ 2 lakh (Previous year ₹ 1 lakh) and the provision as at March 31, 2017 is ₹ 8 lakh (Previous year ₹ 5 lakh).

**NOTE “30” : Disclosure as required by Accounting Standard (AS) – 18 on “Related Party Disclosures” notified under the Companies (Accounting Standard) Rules, 2006:**

**i. List of related parties and relationship:**

<b>Holding Company</b>	Tata Sons Limited
<b>Subsidiaries</b>	Tata Capital Financial Services Limited Tata Capital Housing Finance Limited Tata Cleantech Capital Limited Tata Capital Pte. Ltd. Tata Securities Limited TC Travel and Services Limited Tata Capital Forex Limited Tata Capital Growth Fund Tata Infrastructure Capital Limited (upto March 21, 2016 ) (Refer note 39) India Collections Management Limited (upto April 22, 2016) (Refer note 39)
<b>Indirect Subsidiaries</b>	Tata Capital Markets Pte. Ltd. Tata Capital Advisors Pte. Ltd. Tata Capital Plc Tata Capital General Partners LLP Tata Capital Healthcare General Partners LLP Tata Opportunities General Partners LLP
<b>Associates</b>	Tata AutoComp Systems Limited Tata Capital Special Situations Fund Tata Capital Healthcare Fund Tata Capital Innovation Fund
<b>Fellow Subsidiaries</b> (with which the Company had transactions)	Tata AIG General Insurance Company Limited Tata Sky Limited Tata Business Support Services Limited Tata Consultancy Services Limited Tata International Limited Tata AIA Life Insurance Company Limited Tata Teleservices (Maharashtra) Limited Ewart Investments Limited
<b>Key Management Personnel</b>	Mr. Praveen P Kadle - Managing Director & CEO



**ii. Transactions with related parties :**

(₹ in lakh)

Sr. No.	Party Name	Nature of transaction	2016-17	2015-16
1	Tata Sons Limited	a) Expenditure – Brand Equity Contribution	73	58
		b) Security Deposit paid	–	2
		c) Security Deposit refund received	–	3
		d) Balance Payable	73	52
2	Tata Capital Financial Services Limited	a) Investments in Compulsorily Convertible Cumulative Preference shares made during the year	78,500	16,000
		b) Investment in Perpetual Debt	5,000	10,000
		c) ICDs placed during the year	693,970	700,373
		d) ICDs repaid back during the year	699,693	652,421
		e) Security Deposit outstanding - Payable	4,665	4,665
		f) Security Deposit paid	1	–
		g) Security Deposit refund received	1	3
		h) Dividend received during the year	10,069	17,704
		i) Interest Income on ICD's and Investments	5,747	6,991
		j) Rental Income	1,036	941
		k) Marketing & Managerial Service Fees Income	1,321	780
		l) Expenditure – Rent expense	37	14
		– Guest house charges	2	3
		– Insurance expenses	–	8
		m) Reimbursement of Expenses – Insurance expenses	31	–
		– Electricity expenses	64	70
		– Marketing & Managerial Service	333	342
		n) Payment towards arranger fees	500	188
		o) ICDs Outstanding - Receivable	44,829	50,552
		p) Balance Receivable	396	190
3	Tata Capital Housing Finance Limited	a) Investments in Compulsorily Convertible Cumulative Preference shares made during the year	16,500	24,500
		b) ICDs placed during the year	337,357	353,190
		c) ICDs repaid back during the year	348,577	331,970
		d) ICDs Outstanding - Receivable	10,000	21,220
		e) Security Deposit refund received	–	1
		f) Interest on Deposits and Investments	1,706	1,775
		g) Marketing & Managerial Service Fees Income	508	300
		h) Dividend received during the year	6,613	7,530
		i) Reimbursement of Expenses – Telephone Expenses	–	1
		– Insurance Expenses	9	–
		– Marketing & Managerial Service	140	140
		j) Balance Receivable	121	63

Sr. No.	Party Name	Nature of transaction	2016-17	2015-16
4	Tata Cleantech Capital Limited	a) Investment in Equity Shares made during the year	<b>16,100</b>	–
		b) ICDs placed during the year	<b>156,860</b>	87,069
		c) ICDs repaid back during the year	<b>176,769</b>	95,993
		d) ICDs Outstanding Receivable	<b>2,727</b>	22,636
		e) Security Deposit paid	<b>1</b>	2
		f) Security Deposit refund received	<b>1</b>	2
		g) Interest income on ICDs placed	<b>1,567</b>	835
		h) Expenditure - Employee benefits expense	<b>–</b>	4
		i) Reimbursement of Insurance Expenses	<b>1</b>	0*
5	Tata Securities Limited (Refer note 40)	a) ICDs placed during the year	<b>900</b>	1,034
		b) ICDs repaid back during the year	<b>2,334</b>	–
		c) ICDs Outstanding Receivable	<b>–</b>	1,434
		d) Security Deposit paid	<b>–</b>	2
		e) Security Deposit refund received	<b>–</b>	2
		f) Interest income on ICDs placed	<b>96</b>	111
		g) Reimbursement of Insurance Expenses	<b>1</b>	14
		h) Payment towards arranger fees	<b>–</b>	173
6	TC Travel & Services Limited	a) ICDs placed during the year	<b>1,750</b>	4,500
		b) ICDs repaid back during the year	<b>1,725</b>	4,025
		c) Interest income on ICDs placed	<b>105</b>	71
		d) Travelling Expenses	<b>306</b>	260
		e) Security Deposit paid	<b>2</b>	3
		f) Security Deposit refund received	<b>2</b>	3
		g) ICDs Outstanding Receivable	<b>1,150</b>	1,125
		h) Reimbursement of Insurance Expenses	<b>1</b>	–
7	Tata Capital Forex Limited (Refer note 40)	a) ICDs placed during the year	<b>3,422</b>	5,250
		b) ICDs repaid back during the year	<b>3,907</b>	4,050
		c) Interest income on ICDs placed	<b>347</b>	302
		d) Expenditure - Purchase Foreign exchange	<b>111</b>	90
		e) Security Deposit paid	<b>1</b>	2
		f) Security Deposit refund received	<b>1</b>	2
		g) ICDs Outstanding Receivable	<b>3,015</b>	3,500
		h) Investment in Equity Shares made during the year	<b>50</b>	–
		i) Reimbursement of Insurance Expenses	<b>1</b>	–

Sr. No.	Party Name	Nature of transaction	2016-17	2015-16
8	Tata Capital Growth Fund	a) Investment in Units of Fund made during the year	363	4,350
		b) Proceeds from Divestment	3,208	–
		c) Income – Asset Management Fees	327	321
		d) Distribution of FD Interest and Sitting Fees	1	38
		e) Distribution of dividend	484	1,601
		f) Balance Receivable	11	17
9	Tata Infrastrucutre Capital Limited	a) Security Deposit paid	–	1
		b) Security Deposit refund received	–	1
10	Tata Capital Advisors Pte Limited	a) Income – Advisory Fees	3,914	3,141
		b) Balance Receivable	330	190
11	Tata Autocomp Systems Limited	a) Dividend received during the year	966	966
12	Tata Capital Special Situations Fund	a) Investment in Units of Fund made during the year	–	172
		b) Management Fees Paid during year	99	–
		c) Proceeds from Divestment	6,430	519
		d) Income – Asset Management Fees	470	535
		e) Distribution of Director sitting Fees	8	–
		f) Advance Income received	195	362
		g) Distribution of Dividend Income	31	
		h) Balance Receivable	3	1
13	Tata Capital Healthcare Fund	a) Investment in Units of Fund made during the year	105	3,954
		b) Proceeds from Divestment	1,013	–
		c) Income - Asset Management Fees	445	431
		d) Distribution of Interest on delayed Capital Call And FD Interest	9	35
		e) Advance income received	23	24
		f) Balance Receivable	6	11
14	Tata Capital Innovation Fund	a) Investment in Units of Fund made during the year	736	2,476
		b) Income - Asset Management Fees	547	574
		c) Distribution of FD Interest	2	4
		d) Advance Income received	138	188
		e) Management Fees Receivable	43	–
		f) Balance Receivable	2	1
15	Tata AIG General Insurance Company Limited	a) Expenditure - Insurance Premium	7	6
		b) Insurance claim received	–	7
		c) Advance to vendor	3	–

Sr. No.	Party Name	Nature of transaction	2016-17	2015-16
16	Tata Business Support Services Limited	a) ICDs placed during the year	–	1,100
		b) ICDs repaid back during the year	600	500
		c) ICDs Outstanding Receivable	–	600
		d) Interest income on ICDs placed	13	34
		e) Rental Income	227	227
		f) Dividend received during the year	197	197
		g) Expenditure - Service providers' charges	20	10
		h) Recovery of expenses - Electricity Expenses	208	188
		i) Balance Receivable	108	37
		j) Balance Payable	3	–
17	Tata Consultancy Services Limited	a) Expenditure - IT Expenses	70	13
		b) Dividend received during the year	–	0*
		c) Balance Payable	18	12
18	Tata International Limited	a) Purchase of shares of Tata Projects Limited	–	476
19	Tata AIA Life Insurance Company Limited	a) Expenditure - Insurance Premium	5	4
		b) Insurance claim received	14	4
		c) Advance to vendor	6	–
20	Tata Teleservices (Maharashtra) Limited	a) Telephone Services Expenses	2	–
21	Ewart Investments Limited	a) Rent Expenses	18	17
		b) Security Deposit	190	190
22	Key Management Personnel (KMP)	a) Remuneration to KMP	502	458
		b) Issue of Cumulative Redeemable Preference Shares	100	–
		c) Payment of Dividend on Cumulative Redeemable Preference Shares	21	31

\* Amount less than 50,000

**NOTE “31” :**

<b>EARNINGS PER SHARE (EPS)</b>		<b>2016-17</b>	<b>2015-16</b>
Profit after tax	₹ in lakh	<b>18,016</b>	15,280
Less: Preference dividend paid to cumulative redeemable preference shareholders	₹ in lakh	<b>13,709</b>	12,147
Profit after tax available for equity shareholders	₹ in lakh	<b>4,307</b>	3,133
Weighted average number of Equity shares used in computing Basic EPS	Nos	<b>2,826,004,320</b>	2,825,982,144
Face Value of equity shares	₹	<b>10</b>	10
<b>Basic EPS</b>	₹	<b>0.15</b>	<b>0.11</b>
Profit after tax available for equity shareholders	₹ in lakh	<b>4,307</b>	3,133
Weighted average number of Equity Shares used in computing Basic EPS	Nos	<b>2,826,004,320</b>	2,825,982,144
Add: Potential weighted average number of Equity shares	Nos	<b>13,850</b>	36,026
Weighted average number of shares in computing Diluted EPS	Nos	<b>2,826,018,170</b>	2,826,018,170
Face Value of equity shares	₹	<b>10</b>	10
<b>Diluted EPS</b>	₹	<b>0.15</b>	<b>0.11</b>

**Footnotes :**

- 1) Shares under the ESOP Schemes are issued at intrinsic value. [Refer note 2(xiv)]
- 2) The earnings per equity share is calculated on the basis of net profit for the year after deducting the amount of preference dividends on Cumulative Redeemable Preference Shares and taxes attributable thereto, net of set off available.

**NOTE “32” : SEGMENT REPORTING**

In accordance with Accounting Standard 17 on Segment Reporting, the Company has identified three business segments i.e. Investment Activity, Advisory services and Others (includes property management services and managerial & marketing services) and one Geographical Segment viz. India, as secondary segment.

(₹ in lakh)

Particulars	For the year ended March 31, 2017	For the year ended March 31, 2016
<b>I Segment Revenue</b>		
(a) Investment Activity	27,876	26,111
(b) Advisory services	11,278	6,956
(c) Others	3,328	2,393
(d) Unallocated	–	11
<b>Total</b>	<b>42,482</b>	<b>35,471</b>
<b>II Segment Results</b>		
(a) Investment Activity	18,197	18,191
(b) Advisory services	1,960	(799)
(c) Others	522	601
(d) Unallocated	(1,774)	(1,922)
<b>Profit before taxation</b>	<b>18,905</b>	<b>16,071</b>
Less : Provision for taxation	889	791
<b>Profit after taxation</b>	<b>18,016</b>	<b>15,280</b>
<b>Particulars</b>	<b>As at March 31, 2017</b>	<b>As at March 31, 2016</b>
<b>III Segment Assets</b>		
(a) Investment Activity	614,942	571,352
(b) Advisory services	40,001	44,304
(c) Others	10,739	10,897
(d) Unallocated	4,622	4,673
<b>Total</b>	<b>670,304</b>	<b>631,226</b>

(₹ in lakh)

Particulars	As at March 31, 2017	As at March 31, 2016
<b>IV Segment Liabilities</b>		
(a) Investment Activity	102,874	94,689
(b) Advisory services	40,776	45,091
(c) Others	5,583	5,322
(d) Unallocated	12,711	11,636
<b>Total</b>	<b>161,944</b>	<b>156,737</b>
Particulars	For the year ended March 31, 2017	For the year ended March 31, 2016
<b>V Capital Expenditure</b> (including Capital Work-in-Progress)		
(a) Investment Activity	–	–
(b) Advisory services	–	–
(c) Others	–	–
(d) Unallocated	81	49
<b>Total</b>	<b>81</b>	<b>49</b>
<b>VI Depreciation</b>		
(a) Investment Activity	–	–
(b) Advisory services	37	41
(c) Others	595	616
(d) Unallocated	83	88
<b>Total</b>	<b>715</b>	<b>745</b>
<b>VII Significant Non-Cash Expenses Other than Depreciation</b>		
(a) Investment Activity	1,228	2,307
(b) Advisory services	131	–
(c) Others	–	–
(d) Unallocated	32	535
<b>Total</b>	<b>1,391</b>	<b>2,842</b>

**NOTE “33” : Details of the Company’s interest in its Joint Venture, having Joint Control, as per the requirement of Accounting Standard (AS) - 27 on “Financial Reporting of Interests in Joint Venture”**

(₹ in lakh)

Sr. No.	Particulars	Nectar Loyalty Management India Ltd (Incorporated and Registered in India)	
		For the year ended March 31, 2017 [Refer footnote 1]	For the year ended March 31, 2016 [Refer footnote 2]
	% Shares Held	0%	49%
(a)	Assets		201
(b)	Liabilities		605
(c)	Income	N.A.	–
(d)	Expenses		521
(e)	Other Matters – Contingent Liability		–

**Footnotes:**

- 1) Nectar Loyalty Management India Limited was a joint venture with AIMIA (formerly known as Groupe Aeroplan Inc.), to launch a multi-party coalition loyalty program in India. Tata Capital held 49% in the joint venture, which was divested during the year at a loss of ₹ 1,297 lakh. The Company had fully provided for its investment in debentures and equity shares in the joint venture as the operations of Nectar were held in abeyance since a couple of years.
- 2) As per the latest available audited financial statements as at and for the year ended March 31, 2015, with the share of loss restricted up to the aggregate amount of investment by the Company.

**NOTE “34” : Core Investment Company (“CIC”) Compliance Ratios**

Sr. No.	Particulars	As at March 31, 2017	As at March 31, 2016
(a)	Investments & loans to group companies as a proportion of Net Assets (%)	92%	91%
(b)	Investments in equity shares and compulsorily convertible instruments of group companies as a proportion of Net Assets (%)	82%	72%
(c)	Capital Adequacy Ratio (%) [Adjusted Net worth / Risk Weighted Assets]	43%	46%
(d)	Leverage Ratio (Times) [Outside liabilities / Adjusted Network]	0.75	0.75



**NOTE “35” : Exposure to Real Estate Sector**

(₹ in lakh)

Category		As at March 31, 2017	As at March 31, 2016
i)	<b>Direct Exposure</b>		
	<b>Residential Mortgages -</b>	<b>NIL</b>	<b>NIL</b>
	Lending fully secured by mortgages on residential property that is or will be occupied by the borrower or that is rented:		
	- Individual housing loans up to ₹ 15 lakh	<b>NIL</b>	<b>NIL</b>
	- Individual housing loans above ₹ 15 lakh	<b>NIL</b>	<b>NIL</b>
	<b>Commercial Real Estate -</b>	<b>NIL</b>	<b>NIL</b>
	Lending secured by mortgages on commercial real estates (office buildings, retail space, multipurpose commercial premises, multi-family residential buildings, multi-tenanted commercial premises, industrial or warehouse space, hotels, land acquisition, development and construction, etc). Exposure includes non-fund based (NFB) limits.		
Investments in Mortgage Backed Securities (MBS) and other securitised exposures -			
1. Residential	<b>NIL</b>	<b>NIL</b>	
2. Commercial Real Estate	<b>NIL</b>	<b>NIL</b>	
ii)	<b>Indirect Exposure</b>		
	Fund based exposure on Housing Finance Companies	<b>120,000</b>	118,020
	Non-fund based exposure on National Housing Bank [Refer Note 27(vi)]	<b>120,000</b>	120,000

**NOTE "36" : Asset Liability Management**

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

**For the year 2016-17**

(₹ in lakh)

Particulars	Liabilities		Assets	
	Borrowings from Banks	Market Borrowings	Advances	Investments
1 day to 30/31 days (One month)	200	7,761	58,149	–
Over 1 month to 2 months	–	19,801	150	–
Over 2 months to 3 months	–	29,552	100	–
Over 3 months to 6 months	–	4,889	425	–
Over 6 months to 1 year	–	–	2,897	–
Over 1 year to 3 years	–	75,000	–	1,500
Over 3 years to 5 years	–	–	–	–
Over 5 years	–	–	–	590,297
<b>Total</b>	<b>200</b>	<b>137,003</b>	<b>61,721</b>	<b>591,797</b>

**For the year 2015-16**

(₹ in lakh)

Particulars	Liabilities		Assets	
	Borrowings from Banks	Market Borrowings	Advances	Investments
1 day to 30/31 days (One month)	–	29,822	50,552	–
Over 1 month to 2 months	–	41,529	884	–
Over 2 months to 3 months	–	39,308	21,220	–
Over 3 months to 6 months	–	9,701	950	–
Over 6 months to 1 year	–	17,570	27,461	–
Over 1 year to 3 years	–	–	–	1,500
Over 3 years to 5 years	–	–	–	–
Over 5 years	–	–	–	512,251
<b>Total</b>	<b>–</b>	<b>137,930</b>	<b>101,067</b>	<b>513,751</b>

**NOTE “37” : Disclosure of details as required by RBI/DNBR/2016-17/39 ie Master Direction - Core Investment Companies (Reserve Bank) Directions, 2016 dated August 25, 2016**

**Liabilities Side:**

(₹ in lakh)

Sr. No.	Particulars	Amount Outstanding as at		Amount Overdue as at	
		March 31, 2017	March 31, 2016	March 31, 2017	March 31, 2016
(1)	<b>Loans and advances availed by the CIC inclusive of interest accrued thereon but not paid:</b>				
	(a) Debentures: (other than those falling within the meaning of Public deposits)				
	(i) Secured	-	-	-	-
	(ii) Unsecured	75,000	-	-	-
	(b) Deferred Credits	-	-	-	-
	(c) Term Loans	-	-	-	-
	(d) Inter-corporate loans and borrowing	-	-	-	-
	(e) Commercial Paper	62,003	137,930	-	-
	(f) Other loans (Bank Overdraft)	200	-	-	-

**Assets Side:**

(₹ in lakh)

Sr. No.	Particulars	Amount Outstanding as at	
		March 31, 2017	March 31, 2016
(2)	<b>Break up of Loans and Advances including bills receivable (other than those included in (4) below) :</b>		
	(i) Secured	-	-
	(ii) Unsecured	64,716	103,606
(3)	<b>Break up of Leased Assets and stock on hire and other assets counting towards AFC activities</b>		
	(i) Lease assets including lease rentals under sundry debtors:		
	(a) Financial Lease	-	-
	(b) Operating Lease	-	-
	(ii) Stock on hire including hire charges under sundry debtors		
	(a) Assets on hire	-	-
	(b) Repossessed Assets	-	-
	(iii) Other loans counting towards Asset Financing Company activities		
	(a) Loans where assets have been repossessed	-	-
	(b) Loans other than (a) above	-	-



For 2015-16

(₹ in lakh)

Category	Amount net of provisions		
	Secured	Unsecured	Total
(1) <u>Related Parties:</u>			
(a) Subsidiaries	–	100,485	100,485
(b) Companies in the same group	–	–	–
(c) Other related parties	–	805	805
(d) Other than related parties	–	2,316	2,316
<b>Total</b>	<b>–</b>	<b>103,606</b>	<b>103,606</b>

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

(₹ in lakh)

Category	As at March 31, 2017		As at March 31, 2016	
	Market Value / Breakup Value or fair value or NAV	Book Value (Net of Provisions)	Market Value / Breakup Value or fair value or NAV	Book Value (Net of Provisions)
(1) <u>Related Parties:</u>				
(a) Subsidiaries	540,623	540,623	460,172	460,172
(b) Companies in the same group	18,528	18,528	18,528	18,528
(c) Other related Parties	27,707	27,707	30,302	30,302
(d) Other than related parties	4,978	4,939	4,761	4,749
<b>TOTAL</b>	<b>591,836</b>	<b>591,797</b>	<b>513,763</b>	<b>513,751</b>

(7) **Other Information**

(₹ in lakh)

Particulars	As on March 31, 2017	As on March 31, 2016
<b>(i) Gross Non-Performing Assets</b>		
(a) Related Parties	–	–
(b) Other than Related Parties	–	–
<b>(ii) Net Non-Performing Assets</b>		
(a) Related Parties	–	–
(b) Other than Related Parties	–	–
<b>(iii) Assets Acquired in satisfaction of debt (Refer note 20(c))</b>	<b>47</b>	<b>223</b>

38. The Company has made an incremental Standard Asset provision of ₹ 20 lakh, being 0.35% (FY15-16: 0.30%) of Standard Assets, as of March 31, 2016, as specified by RBI Notification No. DNBR. 009/CGM (CDS)-2015 dated March 27, 2015.
39. The Hon'ble High Courts of Judicature at Madras and Bombay respectively sanctioned the Scheme of Amalgamation of Tata Infrastructure Capital Limited ("TICL") and India Collections Management Limited ("ICML") with the Company on March 21, 2016 and April 22, 2016, respectively. The filing of the authenticated copy of the Order of the Hon'ble High Courts of Madras and Bombay with the Registrars of Companies at Chennai and Mumbai, respectively, has taken place on May 09, 2016 and May 16, 2016, respectively. As a result, the said Scheme of Amalgamation is effective from May 16, 2016 with an Appointed Date of April 01, 2015.

On the scheme becoming effective, the Assets and Liabilities of TICL and ICML have been transferred to the Company. The Amalgamation has been accounted under the "Pooling of Interest Method" as per Accounting Standard 14 "Accounting on Amalgamations". As TICL and ICML were wholly-owned subsidiaries of the Company, all the shares held by the Company in TICL and ICML have been cancelled. The excess of assets over liabilities and reserves of ₹ 93 lakh has been recorded as Capital Reserve as per the Scheme of Amalgamation.

Following are the details of Assets and Liabilities as on Appointed date i.e April 01, 2015

Sr. No.	Particulars	TICL	ICML	Total
<b>I</b>	<b>ASSETS</b>			
(a)	Balances with banks in current account	2	3	5
(b)	Balances with banks in fixed deposits	59	667	726
(c)	Other Current Assets	2	9	11
(d)	Long - term loans and advances	1	20	21
(f)	Short- term loans and advances	–	25	25
	<b>Sub-total(I)</b>	<b>64</b>	<b>724</b>	<b>788</b>
<b>II</b>	<b>LIABILITIES</b>			
(a)	Trade Payables	1	2	3
	<b>Sub-total(II)</b>	<b>1</b>	<b>2</b>	<b>3</b>
III	SURPLUS IN THE STATEMENT OF PROFIT AND LOSS	8	(28)	(20)
IV	NET ASSETS TRANSFERRED (I)-(II)-(III)	55	750	805
V	CARRYING VALUE OF INVESTMENTS OF COMPANY	55	657	712
<b>VI</b>	<b>CAPITAL RESERVE (IV)-(V)</b>			<b>93</b>

As the Appointed Date of the said Scheme of Amalgamation was with effect from April 01, 2015, and the filing with the Registrar of Companies at Chennai and Mumbai was executed after the adoption of annual Financial Statements of the Company for the Financial Year 2015-16, the profit of the respective subsidiaries for Financial Year 2015-16 amounting to ₹ 33 lakh, net of effect of taxation amounting to ₹ 16 lakh, has been adjusted along-with retained earnings. In addition, all Assets and Liabilities of the respective subsidiaries as on March 31, 2016, have been adjusted along-with the respective Assets and Liabilities of the Company as on April 01, 2016. This includes cash and cash equivalents of the respective subsidiaries as on March 31, 2016, amounting to ₹ 774 lakh, which have been adjusted along-with the cash and cash equivalents of the company as on April 01, 2016.

40. During the year, the Company has written off ₹ 13,537 lakh from the carrying value of investments in subsidiaries, in the Statement of Profit and Loss. The Shareholders of the Company at their meeting held on July 22, 2016 approved a Reduction of Share Capital (Securities Premium Account) in accordance with Section 52 of the Companies Act, 2013 read with Sections 100 to 103 of the Companies Act, 1956. The Hon'ble High Court of Judicature at Bombay approved the said arrangement by way of order dated September 08, 2016 which was filed with the Registrar of Companies on September 28, 2016. Pursuant to the order, the Company has credited its Statement of Profit and Loss for the year ended March 31, 2017 by appropriating an amount of ₹ 13,537 lakh being the aggregate amount of aforementioned write off (net of taxes as applicable) from the amount standing to the credit of Securities Premium Account.
41. During the year, the Company changed its accounting policy with respect to amortisation of deferred revenue expenditure for share issue expenses. The Company now charges off the share issue expenses against amount standing to the credit of the Securities Premium Account. Prior to this change, the Company amortised the said share issue expenses over a period of 36 months from the month in which the expenses were incurred. The change in accounting policy is in accordance with the provisions of Section 52 of the Companies Act, 2013, as it would result in a more appropriate presentation of Financial Statements of the Company.

On account of the change in the accounting policy, the profit before tax is higher by ₹ 389 lakh (net of taxes, as applicable) for the year ended March 31, 2017 and deferred revenue expenditure is lower by ₹ 698 lakh (net of taxes, as applicable) as on March 31, 2017.

42. Figures for the previous year have been regrouped wherever necessary to correspond with the current year classification / disclosure.

For and on behalf of the Board of Directors

**Ishaat Hussain**  
(Director)

**Janki Ballabh**  
(Director)

**Nalin M. Shah**  
(Director)

**F.N. Subedar**  
(Director)

**Ritu Anand**  
(Director)

**Praveen P. Kadle**  
(Managing Director & CEO)

**Puneet Sharma**  
(Chief Financial Officer)

**Avan Doomasia**  
(Company Secretary)

Mumbai  
May 04, 2017

**TATA CAPITAL**

---

We only do what's right for you





# Talk to Us

---



[www.tatacapital.com](http://www.tatacapital.com)



[corporatecommunication@tatacapital.com](mailto:corporatecommunication@tatacapital.com)

## **Mumbai**

Tata Capital Limited  
One Forbes, Dr V B Gandhi Marg  
Fort, Mumbai - 400 001.  
Tel +91 22 67459000

## **Singapore**

Tata Capital Pte. Limited  
8 Shenton Way, #19-01 AXA Tower  
Singapore - 068 811.  
Tel +65 9126 9670

## **London**

Tata Capital PLC  
30 Millbank, London  
SW1P 4WY, UK.  
Tel +44 20 7975 8336



## **TATA CAPITAL LIMITED**

Registered Office Address:

One Forbes, Dr. V.B. Gandhi Marg, Fort, Mumbai 400001, India  
Telephone No. +91 22 67459000, Facsimile +91 22 6610 6701.