

ANNUAL REPORT

2017 - 18

Empowering People. Powering Dreams.

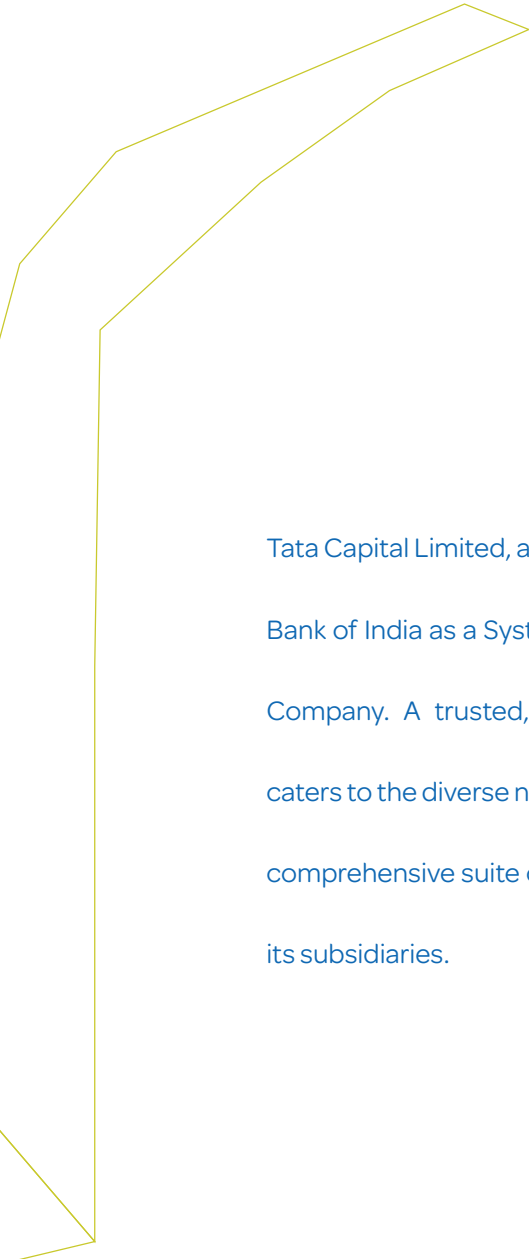


TATA CAPITAL

We only do what's right for you

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.

The background features a series of thin, yellow lines that intersect to form various geometric shapes, including triangles and polygons, creating a dynamic and abstract pattern.

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.



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.

OUR CULTURE

Know, Care and Do.

Abstract geometric lines in the bottom left corner, consisting of several thin, yellow lines forming a complex, overlapping pattern of triangles and polygons.

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.

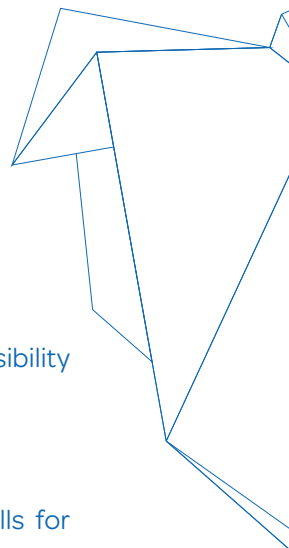
CARE

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

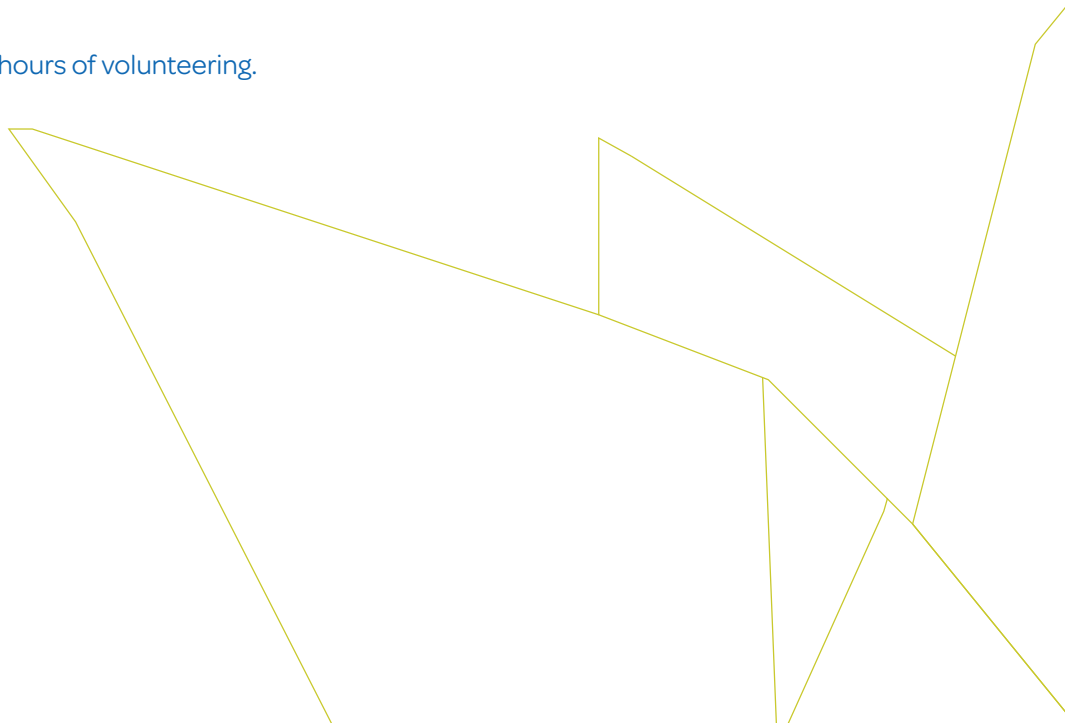
Do. It is what separates aspirations from reality. It calls for a heightened sense of responsibility and passion to give our best at all times. And to 'Do Right' is a higher calling.

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.



GIVING BACK

Creating enriching and sustainable livelihoods has been the bedrock of Tata Capital's CSR 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 and Employability, Health, Education and Environment. In FY 2017-18, Tata Capital implemented 30 projects with 57 partners and reached out to 66,945 beneficiaries from socially and economically underprivileged communities. In addition, volunteering activities were conducted, which saw participation from multiple volunteers and accounted for over 1948 hours of volunteering.



Some of the unique initiatives undertaken include:

- **Cluster Development Initiative** - For education of tribal children in Vikramgad
- **Dahanu Housing project** - For tribals with Habitat for Humanity
- **'JalAadhar'** - An integrated watershed management program at Pimpalegaon Rotha in association with Bharatiya Agro Industries Foundation
- **'Green Switch' Project** - To provide unelectrified tribal hamlets with solar micro grids in Jawahar
- **Pankh Scholarship Program**
- **DhanGyan** - The e-learning module for Financial Literacy

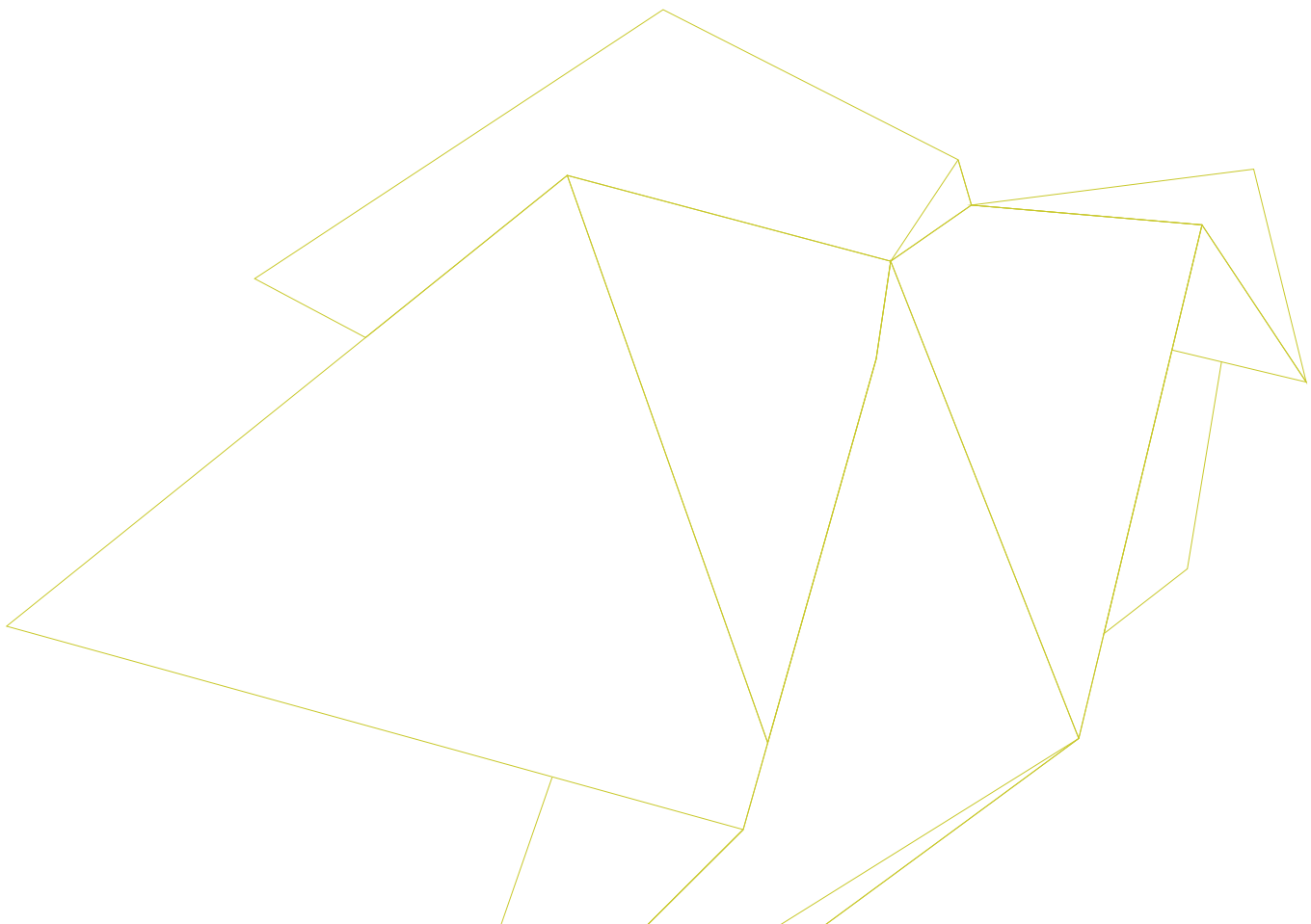




OUR RANGE OF OFFERINGS

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 | 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: Tower A, 11th Floor, Ganpatrao Kadam Marg, Lower Parel, Mumbai - 400 013. Tel No. +91 22 6606 9000. SEBI Registration Number: BSE INB010664150 INF011207954; NSE INB/F/E231288730; SEBI Registration Number: INZ000008839; Research Analyst: INH000002053; Merchant Banker INM 000011302 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. | 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.

LOANS UNCOMPLICATED



Personal Loan Is Just A Chat Away

Getting a personal loan has always been a cumbersome process often requiring the customers to fill a long application form amongst other things. And this is where Tata Capital's bot comes in, an assistant that guides our customers throughout the entire process of applying for a loan and getting it. Making the entire process effortless and finance easier.



The Online Store For Business Loans

Small businesses in India are on the rise, but so are the hardships they face. A major problem for small businesses is lack of support and options when it comes to getting loans, which is hindering businesses and hence the growth of the nation. Tata Capital's tie-up with an online store aims to make loans not just more accessible but also more convenient by allowing Tata Capital loan offerings on an online marketplace. And thereby boosting small businesses and entrepreneurship in India.



Salaam Loans - A Loan For Your Dreams

Not everyone has the credit score to be eligible for a personal loan. But everyone has a dream. And with Salaam Loans, Tata Capital made these dreams the eligibility criteria for personal loans. The power of a click was changed into a currency. Banking on the power of social media to approve a loan, Salaam Loans was a first of its kind initiative. The process was simplified for the applicants. They had to upload their video to the microsite, doright.in and every video to get more than a 1000 salaams was granted a loan within a week. This campaign didn't just garner eyeballs across the nation but more importantly made loans available for the people who needed it.



My Profile - myLoan

The younger generation wants immediate gratification, is always on the lookout for opportunities and always on their phones. Tata Capital mixed these three factors to come up with their latest offering, My Loans, that makes getting a personal loan faster and easier than ever. The myLoan mobile app allows users to link up their social media profile with their accounts and uses a highly sophisticated algorithm, to obtain a score that reflects the potential credit-worthiness of the applicant. The paperless 5-minute end to end journey is tailor-made for today's always on the move generation. Making the personal loans uncomplicated and trouble free for them.

BOOK SIZE
₹61,445 CR



19%

ONE OF
10

OUR
ACHIEVEMENTS
2017-18



GROWTH Y-O-Y

TOP NBFCs IN THE PRIVATE SECTOR





KamiKaze B2B Employee Engagement Awards

Felicitated with Best Use of Training in Employee Engagement & Best Use of Voice of the Employee awards.



Bureaucracy Today CSR Excellence Awards 2017

The CSR Company of the Year in the Private Sector category.



Spikes Asia Award 2017

A Gold Spike in the 'Digital – Social Purpose', and a Bronze Spike in the 'Public Relations – Financial Services' for Tata Capital's Salaam Loans initiative.



Asian Customer Engagement Forum 2017

The Salaam Loans initiative was felicitated with 2 awards – a Grand Prix for 'Marketing Campaign of the Year' and a Silver for the 'Most Admired B2C Marketing.'



National Awards for Best Housing Finance Companies 2017

National Award for the 'Best Housing Finance Company' of the year by CMO Asia.

ASPIRED AND ACHIEVED



IIA Excellence Award

Internal Audit team was honoured with the 'IIA Excellence Award' at the Annual Conference of the Institute of Internal Auditors – Bombay Chapter.



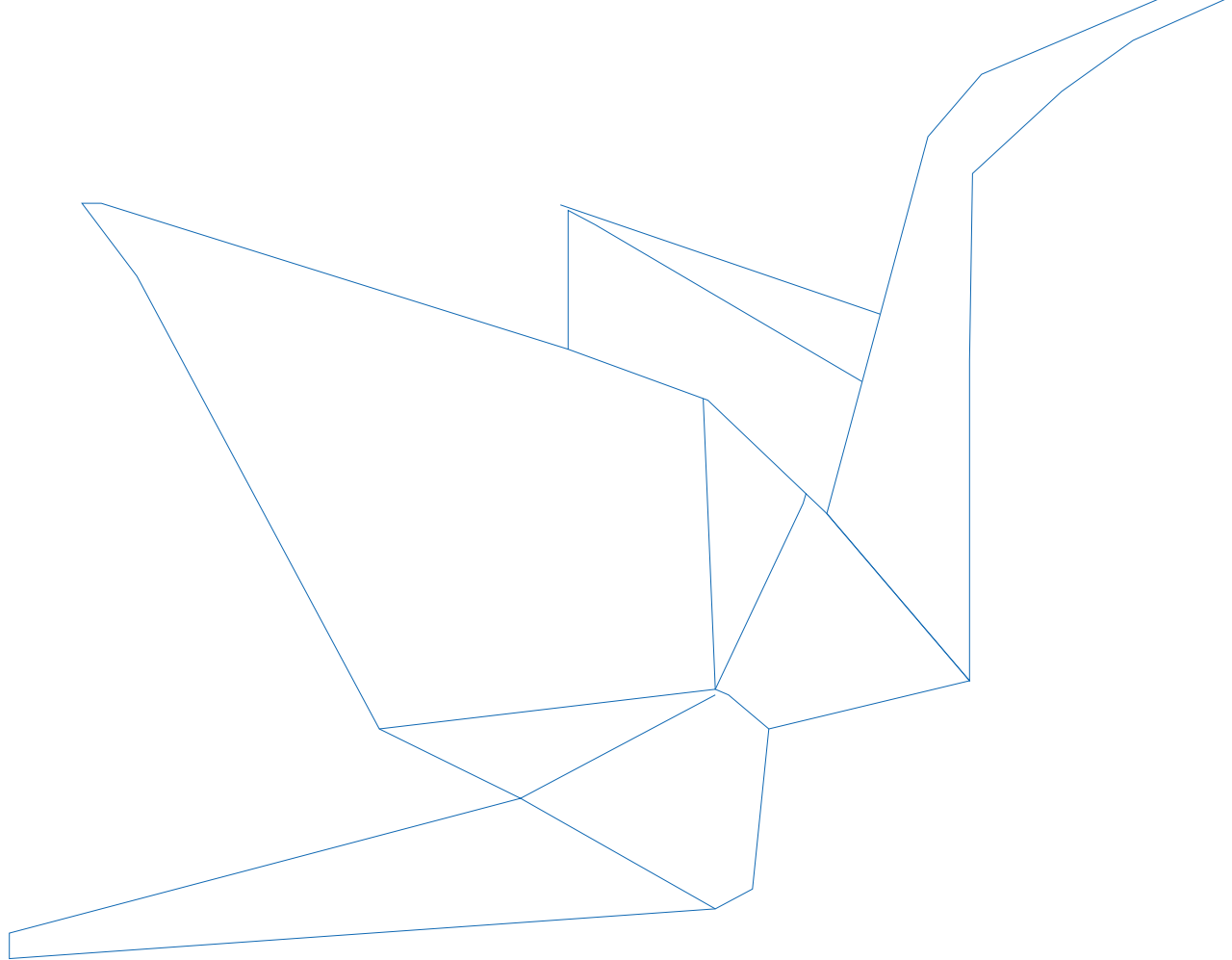
Economic Times BFSI Awards

Adjudged as one of the best BFSI brands by the Economic Times for the second consecutive year.



ADFEST 2018

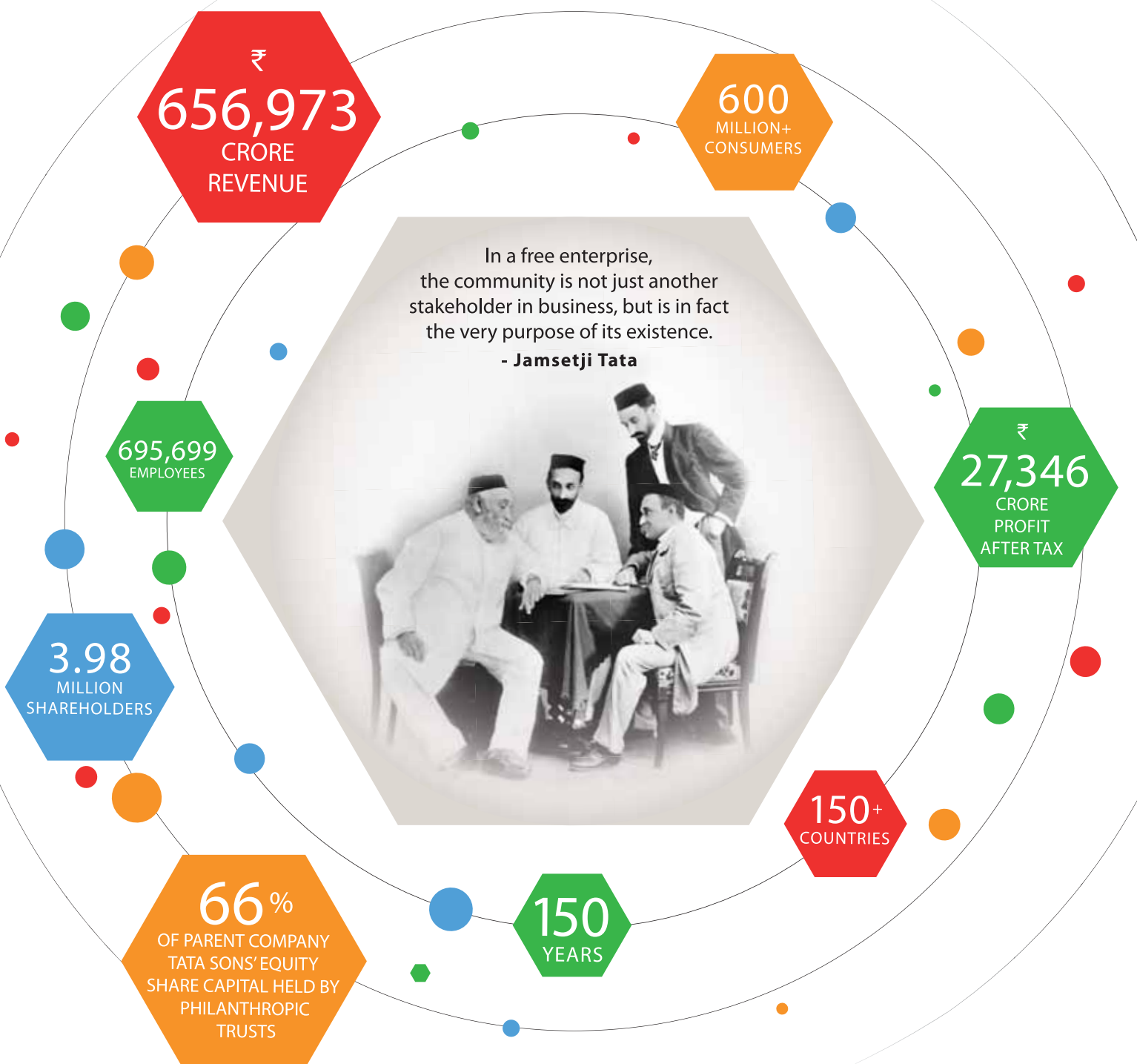
Winner of the 'Lotus Award' at Adfest 2018.



THE
150 YEARS
OF
TATA GROUP

LEADERSHIP WITH TRUST

SINCE 1868



The figures are aggregated for Tata companies for the financial year ended 31.03.2017.

From pioneering businesses, to pioneering welfare practices,
to pioneering national institutions,
the Tata Group remains committed to improving the lives of communities
we serve globally, based on leadership with trust.

Picture (left to right): The four partners - Jamsetji Tata, Founder of the Tata Group; R. D. Tata, father of J. R. D. Tata;
Sir Ratan Tata, younger son of the Founder; and Sir Dorabji Tata, elder son of the Founder.



tata150.com

CORPORATE INFORMATION

Board of Directors

Mr. Saurabh Agrawal
Mr. Nalin M. Shah
Mr. Mehernosh B. Kapadia
Mr. F.N. Subedar
Ms. Aarthi Subramanian
Mr. Rajiv Sabharwal – Managing Director & CEO

Chief Financial Officer

Puneet Sharma

Company Secretary

Avan Doomasia

Statutory Auditors

B S R & Co. LLP

Registrar & Transfer Agents

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

Registered Office

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

Corporate Identity Number

U65990MH1991PLC060670

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MESSAGE FROM THE MANAGING DIRECTOR



RAJIV SABHARWAL
MANAGING DIRECTOR & CEO
TATA CAPITAL LIMITED

Dear Shareholder,

Tata Capital completed 10 years of operations this year. The decade gone by is rich with milestones, achievements and successes. As we look back at our journey over the last 10 years, we feel proud that our goal of setting up a strong and diverse financial services organization was achieved. Despite all our accomplishments, we've only just begun our journey towards realizing the full potential and purpose of the platform we have so painstakingly built. We've made excellent progress, but we can collectively achieve greater heights. We will continue to take decisive action to strengthen and grow our businesses in a sustainable way.

Great companies start working towards the next milestone once the first is achieved. I see that happening at Tata Capital and am proud to be part of this new journey. Our Company has always had a big vision —of being 'the most admired financial solutions partner'. As we look forward, we see ourselves developing into a leading financial services player, which differentiates itself on customer service. We will aim to partner in the mission of making finance inclusive and accessible, both by our range of businesses as well as by their delivery, thus truly empowering people and powering dreams.

It is an incredible honor for me to lead and serve this great company of ours into its next phase. With an eye on the future, we have begun reorganizing our portfolio of businesses to focus on more relevant and profitable products, deploy resources more effectively, have nimble processes and develop an overall, sustainable, high-growth model. The year 2017-18 saw us grow our business across key focus products, channels and customer segments and the financial metrics for the year reflect this growth. Our overall book size crossed ₹ 61,000 crore, up from ₹ 51,847 crore in the previous year, representing a growth of over 19% and keeping us firmly among the top 10 private sector NBFCs by asset size.

Our growth has been buoyed by our flagship businesses – Housing Finance, Commercial Finance and Consumer Finance, each of which have grown in size and depth. Our net profit grew by 69% to close at ₹ 776 crore. We have also significantly grown our customer base and spread and now serve over 1.45 million customers from over 150 locations in the country.

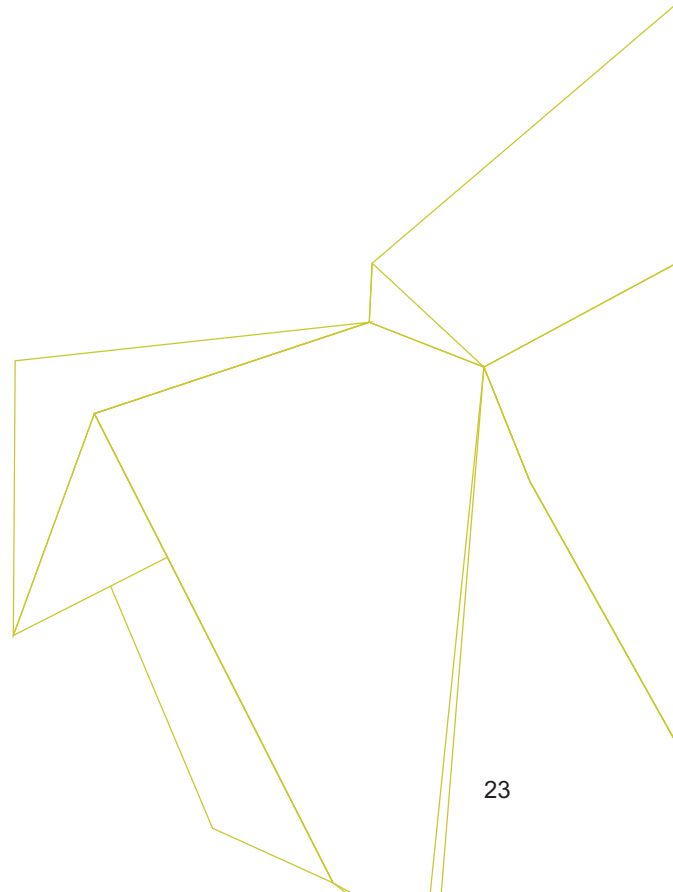
I could not have asked for a better foundation. Motivated and talented people and capital are the two critical elements for the success of any financial services business. We have both in abundance. In the next phase of our growth, we are aiming to digitize existing products and processes, innovate new products and services, significantly improve customer experience – both by listening intently to customer needs as well as by improving our sales and service framework, build a robust and cost-optimized business model and, with these as pillars, rapidly scale up our organization.

We will continue to make inroads into new segments that have high potential and that will solve the larger purposes of financial growth and inclusion. The growth in our Housing Finance business has been and will continue to be driven by affordable housing, which today accounts for about 20% of our loan book and has a special focus on low-income housing finance. Recognizing that SMEs and MSMEs will form the backbone of India's growth story, we have been steadily growing our products across commercial finance and small business finance. Going forward, we will introduce digital products and alternate credit scoring models for this segment to reach out to more entrepreneurs. The need for renewable energy and its criticality to our country's overall growth cannot be understated and we recognize that optimal financing is essential for this segment. Our clean technology financing business has been making rapid progress in this segment and will look at taking large steps forward in the future, with effective financing and advisory solutions. We also recognize the growing need for finance among the

youth especially those in the new-to-credit segment. We will have to innovate both on the product side, crafting need-based and relevant offerings, as well as on the delivery side to enable digital platforms, communication, access and service.

The Tata Group completed 150 years in January this year. A 150-year legacy that has been characterized, not just by setting the industry for trust and integrity, but also by pioneering innovation and nation building. Tata Capital, as one of the younger companies in the Group, will play a significant part in carrying forth this legacy. We will move ahead from measuring ourselves against industry standards to being the standard ourselves, move ahead from benchmarking ourselves against the best to being best-in-class ourselves. We will have to build a brand that leverages the legacy of the Tata Group's history as well as reflects its future. While these may sound like overly ambitious goals, the talent, grit and determination of team Tata Capital, which has carried us through the last decade, is up to the task and confident on breaking new ground, leaping to new heights.

I thank each one of you for your patronage of Tata Capital and request your continued support to collectively build a great institution.





TATA CAPITAL

We only do what's right for you

BOARD'S REPORT

To the Members,

The Board has pleasure in presenting the Twenty Seventh Annual Report and the Audited Financial Statements for the Financial Year ("FY") ended March 31, 2018.

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 providing / supplying a wide array of services/products in the financial services sector.

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

2. INDUSTRY AND ECONOMIC SCENARIO

The global economy is estimated to have grown by 3.2% in 2017, the best growth rate recorded since 2011. This growth was broad based with most major developed economies showing a positive growth trajectory. While the return of global growth is good for exports and developing economies like India in general, a consequence of the growth is tighter monetary policy at the margin by the leading central banks. The combined effect of home country growth, coupled with increasing global interest rates, will put pressure on surplus global liquidity and consequent inflows into India. Further, global commodities like oil and metals witnessed a very large run up in prices with oil nearly doubling from its 2016 lows. It is estimated that every US\$ 10 increase in oil prices beyond US\$ 68 per barrel has the potential impact of approximately 30 bps on Indian inflation and approximately 10 bps on growth. Oil prices will, hence, be one of the most crucial factors affecting India in the coming year, as it has an effect on inflation, fiscal deficit, balance of payments and currency.

India became the fifth largest global economy in US\$ terms in 2018. India continued on its structural reform path, which is beginning to receive global acknowledgement. Upgradation of India's sovereign rating by Moody's and inclusion of India in the top 100 economies in ease of doing business, are some of the significant outcomes of the reform process.

The economic activity is expected to gather pace in FY 2018-19, benefitting from a conducive domestic and global environment. The key drivers supporting growth will largely be domestic and policy driven. The economy is poised to benefit from receding implementation troubles on Goods and Service Tax ("GST") resulting in higher tax collections, the re-capitalisation of public sector banks and the resolution of distressed assets under the Insolvency and Bankruptcy Code, 2016. Given that this is a run up to the election year, the Government's thrust on Rural and Infrastructure sectors could rejuvenate Rural demand as well as Infrastructure and Consumer spending.

The problem of Non-Performing Assets ("NPA") in the banking sector is expected to peak by March 2019 at approximately 11% of gross banking advances. This will constrain the banking system from growing in aggregate. The changing behaviour of the retail consumer is reflected in credit off-take becoming increasingly broad-based and financialisation of savings. All of these factors augur well for Non - Banking Finance Companies ("NBFC").

Inflation decline in the month of February 2018 was only temporary and inflation is expected to remain within RBI's tolerance limits. RBI is, hence, expected to remain neutral on the policy rate front for most part of FY 2018-19, unless there is clearly an oil price based shock to inflation.

The Company has a cautiously optimistic outlook for the next financial year. Improving growth dynamics, domestic consumption and infrastructure spending and supportive tailwinds from global growth are likely positives for FY 2018-19. The Company will be closely watching the monsoons, timing of monetary policy tightening by the large central banks in advanced economies, protectionist tendencies of large global economies as they have the ability to impact liquidity and inflation, both critical variables impacting our largest resource – “Money”.

3. FINANCIAL RESULTS

(₹ in crore)

Particulars	Consolidated		Standalone	
	FY 2017-18	FY 2016-17	FY 2017-18	FY 2016-17
Gross Income	7,016	6,324	476	425
Less:				
Expenses				
Finance Costs	3,669	3,470	141	119
Employee Benefits Expenses	628	572	74	64
Other Operating Expenses	1,253	1,406	50	44
Depreciation	248	154	7	7
Amortization of Expenses	15	12	1	0
Profit Before Tax	1,202	710	204	189
Less: Tax Expense	413	240	2	9
Profit After Tax	789	470	202	180
Share of Associates and Minority Interest	(13)	(11)	-	-
Profit for the year	776	460	202	180
Balance brought forward from previous year	420	603	120	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	5	-	-
Amount available for Appropriations	1,201	743	321	293
Appropriations				
Special Reserve	212	152	40	36
Dividend on Cumulative Redeemable Preference Shares (including taxes)	200	171	156	137
Surplus carried to Balance Sheet carried to Reserves	789	420	124	120

Consolidated Results:

Tata Capital's book size increased from ₹ 51,847 crore as at March 31, 2017 to ₹ 61,445 crore as at March 31, 2018, on a consolidated basis. This increase of ₹ 9,598 crore was mainly due to the growth in the loan book of the three lending subsidiaries, viz. Tata Capital Financial Services Limited (“TCFSL”): ₹ 4,359 crore, Tata Capital Housing Finance Limited (“TCHFL”): ₹ 4,149 crore and Tata Cleantech Capital Limited (“TCCL”): ₹ 1,089 crore.

During FY 2017-18, Tata Capital recorded consolidated Total Income of ₹ 7,016 crore as against ₹ 6,324 crore in FY 2016-17, an increase of about 11%. The Total Income comprised Income from financing activities of ₹ 6,422 crore (FY 2016-17: ₹ 5,732 crore), Investment Income of ₹ 92 crore (FY 2016-17: ₹ 151 crore) and Other Income of ₹ 502 crore (FY 2016-17: ₹ 441 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 69%, to ₹ 776 crore (FY 2016-17: ₹ 460 crore).

During FY 2017-18, Tata Capital's consolidated interest expense was ₹ 3,669 crore (FY 2016-17: ₹ 3,470 crore). This increase was on account of higher borrowings of ₹ 8,685 crore (FY 2016-17: ₹ 6,312 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, decreased by 11% and stood at ₹ 1,253 crore, as against ₹ 1,406 crore in FY 2016-17. The Operating Expenses, excluding credit costs and provisions for diminution in value of investments, increased by 10%. Employee costs increased from ₹ 572 crore in FY 2016-17 to ₹ 628 crore in FY 2017-18, owing to increase in manpower strength to support new businesses, growth in existing businesses and on account of salary increments, which were broadly in line with the industry.

The consolidated Gross NPA showed a significant reduction from 3.4% in FY 2016-17 to 2.4%, in FY 2017-18. The Net NPA reduced from 0.9% in FY 2016-17 to 0.7% in FY 2017-18. A provision of ₹ 52 crore, at the rate of 0.40% for Standard Assets (FY 2016-17: ₹ 59 crore), was made. The consolidated Return on Assets ("RoA") for FY 2017-18 was 1.1% (FY 2016-17: 0.6%) while the Return on Equity ("RoE") was 12.8% (FY 2016-17: 6.7%).

Standalone Results:

During FY 2017-18, TCL recorded Gross Income of ₹ 476 crore (FY 2016-17: ₹ 425 crore) and a PAT of ₹ 202 crore (FY 2016-17: ₹ 180 crore). The increase in PAT was mainly on account of higher dividend income from subsidiary companies. The Company has transferred an amount of ₹ 40 crore to Special Reserve.

4. SHARE CAPITAL

The paid-up Equity Share Capital of the Company was ₹ 2,826 crore as on March 31, 2018, which was held by Tata Sons Limited (93.22%), Tata Investment Corporation Limited (2.73%) and TCL Employee Welfare Trust (through its Trustees) (1.89%). The balance 2.16% was held by a few 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, 2018, the number of Equity Shares held by the employees under the ESOP Scheme aggregated 1,67,56,520. Further details regarding the ESOP Scheme are given in para 40 below.

During FY 2017-18, the Company successfully raised funds by way of issuance of Cumulative Redeemable Preference Shares ("CRPS") of ₹ 1,000 each aggregating ₹ 514.75 crore. Further, consequent to the Call Option exercised by the Company, CRPS aggregating ₹ 484.35 crore were redeemed during the year. Accordingly, the paid up Preference Share Capital as on March 31, 2018, was ₹ 1861.85 crore. The details of CRPS issued and redeemed are available at Page Nos. 174 and 175 of the Annual Report.

Further, in accordance with Section 61 of the Companies Act, 2013 ("Act"), the Members of the Company had, at its Meeting held on March 29, 2018, approved the cancellation of 74,400 Equity Shares and 6,59,248 Preference Shares reflected in the Issued Equity Share Capital and Issued Preference Share Capital, which had been unsubscribed.

5. DIVIDEND

At the meeting of the Board of Directors held on March 21, 2018, the Directors declared Interim Dividend on the CRPS, for FY 2017-18, as under:

No. of Shares	Dividend Rate (%) p.a.	Dividend Amount (₹ in crore)
20,71,066	12.50	25.89
70,49,891	8.33	58.73
43,50,000	7.50	32.63
21,50,000*	7.50	11.47
14,97,500*	7.33	7.32
7,50,000*	7.15	2.91
7,50,000*	7.10	2.68
Total		141.63

**on a pro-rata basis from the date of allotment till March 31, 2018*

Further, consequent upon the exercise of Call Option by the Company, CRPS aggregating ₹ 484.35 crore were redeemed during the year and accordingly, Interim Dividend aggregating ₹ 14.85 crore was paid from April 1, 2017 upto the date of redemption. The details of Interim Dividend paid on redemption were, as under:

Tranche	Dividend Rate (%)	No. of CRPS	Redemption Date	Dividend Amount (₹ in crore)
G	8.33	8,99,000	July 31, 2017	2.50
H	8.33	25,00,000	July 31, 2017	6.96
I	8.33	9,96,050	September 15, 2017	3.82
J	8.33	3,69,660	July 31, 2017	1.03
K	8.33	27,900	January 31, 2018	0.19
L	8.33	50,900	January 31, 2018	0.36
Total		48,43,510		14.86

Since the Company has paid Dividend to the CRPS holders for FY 2017-18 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, the Directors do not recommend payment of Dividend on the Equity Shares for FY 2017-18.

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 ten 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 (“CEQ”) Finance and Leasing solutions to corporate customers. In the Retail segment, TCFSL provides Asset Finance across urban and rural geographies. TCFSL is also engaged in the business of distribution of investment products such as Mutual Funds under its Wealth Products Distribution business and is engaged in the distribution of White Label Credit Cards, in association with its bank partner.

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

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, 2018 to these Funds are ₹ 1,211 crore.

The performance of the above Funds, is reviewed below:

i) Tata Capital Growth Fund I (“TCGF”)

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

As at March 31, 2018, the TVPI multiple (Total Value, including Distributions, to Paid in Capital) is 2.16. During the year, TCGF recorded its second full exit in Agile Electric Sub Assembly Private Limited ("AESPL") with a Multiple on Invested Capital ("MOIC") of 1.7 times and an Investment IRR of 31%.

During FY 2016-17, the Company formed a trust vehicle and during FY 2017-18, the Company received approval from SEBI for the formation of Tata Capital Growth Fund II ("TCGF II"), the follow on fund to TCGF, 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. TCHF has provided growth capital funding to companies with an average deal size of approximately ₹ 35 crore and holding period ranging from two to eight years. TCHF declared its final close in April 2012, with commitments of ₹ 319 crore, of which, ₹ 245 crore was invested in portfolio companies. TCHF's commitment period ended on July 13, 2015 and its life cycle was extended by one year with the approval of TCHF's Advisory Board and Trustee and the same would terminate on July 12, 2019.

As at March 31, 2018, the TVPI multiple was 1.86. TCHF recorded a full exit in Amanta Healthcare Limited, with an MOIC of 1.9 times and Investment IRR of 15%.

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, ₹ 215 crore has been invested in portfolio companies, as at March 31, 2018. The TVPI multiple as at March 31, 2018, was 1.43. TCIF's commitment period ended on January 29, 2017 and its life cycle is expected to be completed by January 29, 2020.

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

TCSSF focuses on investing in turnaround opportunities. Of the aggregate drawn amount of ₹ 265 crore, ₹ 222 crore was invested in four portfolio companies. Of these, TCSSF has exited from two investments, realizing an average of 2.27 times the invested amount. TCSSF has distributed to the investors, over 98% of the amounts drawn from them. As at March 31, 2018, the multiple of Total Value (including distributions) to Paid in Capital is 1.58.

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, 2018 to the Overseas Funds was US\$ 727 million.

TOF declared its final close in March 2013, with commitments of US\$ 545 million, of which, approximately 82% has been drawn down as at March 31, 2018 and US\$ 380 million has been invested in eight portfolio companies. The fund's portfolio continues to perform well with average revenue and profit growth of above 20% per annum. TCL has a co-investment arrangement with TOF, whereby TCL (or a wholly-owned subsidiary of TCL) has a commitment to co-invest the Indian rupee equivalent of an amount of up to US\$ 50 million alongside TOF, subject to regulatory restrictions.

TCGFLP declared its final close in November 2011 with commitments of US\$ 167 million, of which, approximately 85% has been drawn down and US\$ 125 million has been invested in eight portfolio companies. TCGFLP has exited its investments in AESPL, at a MOIC of 1.8 times.

TCHHFLP declared its final close in January 2016 with commitments of US\$ 15 million, of which, approximately 92% has been drawn down and US\$ 11 million has been invested in portfolio companies.

6.3 Review of Subsidiaries, Associates and Joint Venture

6.3.1 Subsidiaries:

As on March 31, 2018, 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 two main areas of business, viz. Corporate Finance and Consumer Finance & Advisory which includes Rural Finance.

TCFSL's portfolio increased by ₹ 4,359 crore from ₹ 32,910 crore in FY 2016-17 to ₹ 37,269 crore in FY 2017-18. During FY 2017-18, the Gross Income increased by 9% and stood at ₹ 4,555 crore (FY 2016-17: ₹ 4,192 crore). The Net Interest Margin ("NIM") increased by 15% and stood at ₹ 1,630 crore (FY 2016-17: ₹ 1,419 crore). PAT for FY 2017-18 was ₹ 483 crore as compared to ₹ 216 crore in FY 2016-17, an increase of 123%. The Gross and Net NPAs decreased and stood at 3.3% and 0.9% in FY 2017-18 compared to 4.9% and 1.2%, respectively, in FY 2016-17. The Provision Coverage Ratio decreased from 76.2% in FY 2016-17 as compared to 73.4% in FY 2017-18. The Cost to Income ratio in FY 2017-18 was 49% as compared to 47.5% in FY 2016-17.

(a) Corporate Finance

The Corporate Finance Division ("CFD") comprises two broad business areas, viz. Commercial Finance and Infrastructure Finance, comprising the Special Assets Management Group ("SAMG").

The Closing Book of CFD stood at ₹ 21,352 crore (FY 2016-17: ₹ 19,264 crore), comprising Commercial Finance: ₹ 20,875 crore (97.8%) and SAMG: ₹ 477 crore (2.2%).

Commercial Finance

The Commercial Finance Business specializes in product offerings ranging from Vanilla Term Loans, Working Capital Term Loans, Channel Finance, Bill Discounting, CEQ Finance, Equipment Finance, Leasing Solutions, Lease Rental Discounting, Promoter Finance and Structured Products. This Business serves over 11,633 customers through its business verticals, viz. Large Corporate, Mid and Emerging Corporate and Government Business. All the verticals are supported by the respective Product teams, which help these verticals in extending the right product mix to the customer. Further, a Syndication and Structured Finance team supports all the business verticals, with special focus on debt syndications, down selling and structured transactions.

For the year under review, the Commercial Finance Business ended with a book of ₹ 20,875 crore as compared to ₹ 18,229 crore at the end of FY 2016-17. Gross Income grew by 7.4% from ₹ 1,928 crore in FY 2016-17 to ₹ 2,024 crore, in FY 2017-18. This segment disbursed loans of ₹ 63,960 crore during FY 2017-18, through its diverse, customer-centric product offerings.

During FY 2017-18, the Channel Finance Business continued to be the largest contributor of book in Commercial Finance. This business ended FY 2017-18 with a book of ₹ 8,167 crore (FY 2016-17: ₹ 6,733 crore).

During FY 2017-18, the CEQ Finance Business (including Rental Division) continued to be amongst the top five players in the industry. This Business ended FY 2017-18 with a book of ₹ 3,188 crore (FY 2016-17: ₹ 2,741 crore) and disbursed loans of ₹ 2,186 crore in FY 2017-18 (FY 2016-17: ₹ 1,874 crore).

During FY 2017-18, Leasing Business continued to report good growth in its book and maintained asset quality in both, primary and secondary leases, despite the headwinds faced by the business due to GST roll-out and impact. As at March 31, 2018, the outstanding book was about ₹ 1,136 crore consisting of a healthy mix of Capital Goods, Information Technology, Auto and Office Equipment leased to Corporate entities. Operating leases constitute nearly 64% of the equipment provided on lease.

TCFSL is emerging as a leading Leasing Solutions provider and a one-stop for customers providing a suite of financing and leasing solutions across varied assets. TCFSL aspires to scale up the business through strategic initiatives and leveraging a strong foothold in the Commercial Finance Business.

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.

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 April 1, 2016 which reduced to ₹ 477 crore as at March 31, 2018, 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 restructuring 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;
- Develop expertise to acquire stress portfolio from other NBFCs / Banks and undertake fee based stress advisory mandates.

During FY 2017-18, total Collections by the SAMG team was ₹ 311 crore, comprising cash recoveries of ₹ 251 crore, income recognized as realised ₹ 47 crore and realization on assets held for sale ₹ 13 crore.

(b) Consumer Finance

TCFSL offers, through its Consumer Finance & Advisory Business ("CFAB"), a wide range of consumer loans such as Auto Loans (New and Used Car Loans, Tractor Loans, Commercial Vehicle Loans and Two Wheeler Loans), Business Loans, Loans against Property, Personal Loans, Consumer Durables Loans and Loans against Securities. Disbursements in FY 2017-18 aggregated ₹ 10,868 crore as compared to ₹ 9,018 crore in FY 2016-17, representing an increase of about 21%. Gross Income grew by 14% from ₹ 1,966 crore in FY 2016-17 to ₹ 2,238 crore in FY 2017-18. Disbursement of Loans against Property increased from ₹ 2,854 crore in FY 2016-17 to ₹ 3,010 crore in FY 2017-18, representing a growth of 6% over the previous year. Disbursement of Personal Loans and Business Loans increased from ₹ 2,664 crore in FY 2016-17 to ₹ 3,285 crore in FY 2017-18, representing a growth of 23% over the previous year. Auto Loan disbursements of ₹ 2,530 crore constituted 23% of the overall CFAB disbursements for the year. Disbursements of high margin focus products remained flat at 35% during FY 2017-18.

CFAB continued its focus on margin expansion while the overall interest rates decreased in the Indian economy, which has an impact on the fixed yield portfolio. NIM increased from 6.6% in FY 2016-17 to 7% in FY 2017-18. Continued focus on leveraging the Tata ecosystem has resulted in disbursements increasing from ₹ 276 crore in FY 2016-17 to ₹ 432 crore, in FY 2017-18.

As at March 31, 2018, the Assets Under Management of the Wealth Management business was ₹ 5,033 crore, crossing a major milestone of ₹ 5,000 crore during FY 2017-18 and the business posted a profit of ₹ 3 crore. Tata Cards, a White Label Credit Card in partnership with SBI Cards and Payments Services Limited, has nearly 1.9 lakh cards in force as at March 31, 2018.

For FY 2017-18, CFAB's closing book of ₹ 15,859 crore (FY 2016-17: ₹ 13,579 crore) comprised Auto Loans of ₹ 4,887 crore (31%), Business Loans and Personal Loans of ₹ 4,470 crore (28%), Loans against Property of ₹ 5,816 crore (37%) and the balance being, other retail loans. Loans against Property grew by 22% whereas Business Loans and Personal Loans grew by 31% in FY 2017-18 as compared to the previous year. These products have attained a strong market position in key high growth markets like Delhi NCR, Mumbai, Bengaluru and Hyderabad. Owing to these changes, the financial contribution of these businesses has shown material improvement.

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

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

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

TCHFL is a wholly-owned subsidiary of the Company and is registered as a Housing Finance Company with the National Housing Bank 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 ₹ 9,377 crore (FY 2016-17: ₹ 8,236 crore), an increase of over 14%. This included Housing Loans of ₹ 5,660 crore (FY 2016-17: ₹ 4,783 crore). TCHFL's loan portfolio increased by 24% and stood at ₹ 21,090 crore, as at March 31, 2018 (March 31, 2017: ₹ 16,941 crore). TCHFL recorded Gross Income of ₹ 1,984 crore and PAT of ₹ 214 crore in FY 2017-18 as compared to Gross Income of ₹ 1,723 crore and PAT of ₹ 178 crore, in FY 2016-17.

In FY 2017-18, TCHFL availed refinance of ₹ 2,669 crore from the NHB under its 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 2017-18, 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 continuing focus on quality of services offered by TCCL. TCCL's asset book has grown by over 55% and its PAT has grown by more than 72%, in FY 2017-18. 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.

During the year, TCCL started its financial advisory services division, which includes providing strategic advice, private equity fund raise, Mergers & Acquisitions, joint venture advisory, structured finance solution and bid advisory to various clients with primary focus on Renewable Energy and other Infrastructure sectors.

At the end of FY 2017-18, TCCL had an aggregate exposure of ₹ 3,294 crore, of which, lending assets were ₹ 3,085 crore (FY 2016-17: ₹ 1,995 crore) and the off-Balance Sheet exposure was ₹ 209 crore. TCCL's Gross Income for financial year ended March 31, 2018 was ₹ 276 crore (FY 2016-17: ₹ 180 crore) and its PAT was ₹ 79 crore (FY 2016-17: ₹ 46 crore). TCCL's loan portfolio consists of projects in the area of Wind Energy, Solar Energy, Small Hydro Energy, Off-grid Solar, Waste Management, Water Management and Energy Efficiency.

iv) Tata Securities Limited ("Tata Securities")

Tata Securities is a wholly-owned subsidiary of the Company, engaged in the business of investment banking services and distribution of Mutual Fund units. Tata Securities also holds licenses for carrying on activities as a stock broker from the

National Stock Exchange of India Limited (“NSE”) and BSE Limited. Tata Securities is also a Depository Participant of the National Securities Depository Limited and the Central Depository Services (India) Limited and holds a license for Merchant Banking and Research Analyst issued by SEBI. During FY 2017-18, Tata Securities surrendered the Futures and Options and Currency Derivatives licenses of NSE.

During the year under review, Tata Securities reported a Gross Income of ₹ 18 crore (FY 2016-17: ₹ 24 crore) and PAT of ₹ 8 crore (FY 2016-17: ₹ 2 crore).

During the year, Tata Securities had a better margin leverage in the Institutional Distribution and Investment Banking segments as it enhanced 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”) and Tata Capital Forex Limited (“TCFL”)

During the year, TCL divested its entire shareholding in its wholly-owned subsidiaries i.e. TCTSL and TCFL to Thomas Cook (India) Limited or its affiliates and accordingly, they ceased to be the wholly-owned subsidiaries of the Company, with effect from October 30, 2017.

vi) 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 (“MAS”) for conducting regulated fund management activities. TCAPL acts as an Investment Manager to the offshore Private Equity Funds set up by TCPL. The aggregated commitments from investors in the offshore Private Equity Funds managed by TCAPL stands at US\$ 727 million, as at March 31, 2018.

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.

The Boards of TCMPL and TCPLC have made a decision to cease operations from the end of FY 2017-18.

During the year under review, TCPL recorded consolidated Gross Income of US\$ 12 million i.e. ₹ 75 crore (FY 2016-17: US\$ 14 million i.e. ₹ 97 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 the Commitment Period. As at March 31, 2018, PBT was at US\$ 1 million i.e. ₹ 6 crore (FY 2016-17: US\$ 3 million i.e. ₹ 19 crore) and PAT was at US\$ 0.70 million i.e. ₹ 4 crore (FY 2016-17: US\$ 3 million i.e. ₹ 17 crore) [US\$ amount translated at ₹ 64.4746, the annual average exchange rate for FY 2017-18].

vii) 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 2017-18, TACO recorded a Total Income of ₹ 3,149 crore (FY 2016-17: ₹ 1,741 crore) and PAT of ₹ 67 crore (FY 2016-17: ₹ 64 crore). TACO's paid-up Equity Share Capital and Net Worth as on March 31, 2018 were ₹ 201 crore and ₹ 822 crore, respectively.

ii) International Asset Reconstruction Company Private Limited ("IARC")

IARC is registered with 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.

During FY 2017-18, on account of acquisition of 51% stake in the Equity Share Capital of IARC by a new investor, TCFSL's shareholding in IARC reduced from 25.37% to 16.57%. Accordingly, IARC ceased to be an associate of TCFSL, with effect from March 9, 2018.

6.3.3 Other Investments:

As at March 31, 2018, the Company had, as per its Consolidated Financial Statements, total investments of ₹ 1,269 crore (FY 2016-17: ₹ 1,161 crore). Out of these, ₹ 457 crore (FY 2016-17: ₹ 523 crore) were investments in associate companies and the balance ₹ 808 crore (FY 2016-17: ₹ 638 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 ₹ 6,341 crore, as at March 31, 2018 (FY 2016-17: ₹ 5,438 crore), representing 87% of its total Assets (FY 2016-17: 81%), which amount is eliminated in the Consolidated Financial Statements, in accordance with the prevailing Accounting Standards.

6.3.4 Provision for Diminution in Value of Investments:

As at March 31, 2018, an aggregate provision on a consolidated basis, of ₹ 176 crore (FY 2016-17: ₹ 181 crore) has been made for diminution, other than temporary, in the value of investments.

As at March 31, 2018, an aggregate provision on a standalone basis, of ₹ 33.5 crore (FY 2016-17: ₹ 33.5 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.
- Tokyo Century Corporation to co-operate with and assist each other in connection with the operation of the Leasing Business of TCFSL.

8. CONSOLIDATED FINANCIAL STATEMENTS

Pursuant to the provisions of Section 129(3) of the Act, the Consolidated Financial Statements of the Company are included in the Annual Report. A separate statement containing the salient features of the Financial Statements of its subsidiaries, associates and joint venture, in the prescribed Form No. AOC-1, is also included in the Annual Report at Page No. 151. The Financial Statements of the subsidiary companies are kept open for inspection by the Members at the Registered Office of the Company. The Company shall provide, free of cost, a copy of the Financial Statements of the subsidiary companies to the Members upon their request. The said Financial Statements are also available on the website of the Company, www.tatacapital.com.

9. FINANCE

During FY 2017-18, the Company met its funding requirements through Commercial Papers, Unsecured Unlisted Non-Convertible Debentures and CRPS. During the year, the Company allotted CRPS aggregating ₹ 514.75 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 ₹ 550 crore (Face Value). The aggregate debt of the Company outstanding as at March 31, 2018 was ₹ 1,819 crore, of which, ₹ 1,244 crore is payable within one year. The Debt Equity ratio of the Company as at March 31, 2018 was 0.85 times.

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

On a consolidated basis, the Company had borrowings aggregating ₹ 53,310 crore as at March 31, 2018 (FY 2016 -17: ₹ 44,625 crore).

10. CREDIT RATING

During the year under review, the Company had its instruments rated and re-affirmed as "CRISIL AA+/Stable" for Long Term and "CRISIL A1+" and "ICRA A1+" for Short Term. 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. A 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 reviewed the design, adequacy and operating effectiveness of the Internal Financial Controls of the Company, broadly in accordance with the criteria established under the Internal Control - Integrated Framework (2013) issued by the Committee of Sponsoring Organisations of the Treadway Commission ("COSO"). Entity Level Control framework document based on COSO 2013 framework has been documented. The documentation of process maps, key controls, standard operating procedures and risk registers has been completed for all businesses and functions. Further, during FY 2017-18, Management testing has been conducted on a sample basis for all key processes. The Internal Audit team has also conducted a review of the Internal Financial Controls. Remedial action has been taken or agreed upon with a finite closure date for controls where weaknesses were identified. There are no material unaddressed Internal Financial Controls related observations outstanding as at March 31, 2018. Based on the above, the Board believes that adequate Internal Financial Controls exist and are effective.

14. INFORMATION TECHNOLOGY SUPPORT

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

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

Some key projects that had been initiated, would be completed this year and would transform the IT landscape. Tata Capital would be moving its data centre and key software assets to the cloud to achieve scalability and elasticity to support its business growth at optimum costs. Tata Capital will also enhance its Digital platform for both the Retail and the Corporate businesses, covering all aspects of Social, Mobility, Analytics and Cloud. Use of Artificial Intelligence and Machine Learning will also be a key focus area to drive business growth, automate processes, improve productivity and enhance customer experience.

15. DIGITAL PLATFORM

Tata Capital has continued to evolve on its digital journey and has, over the last year, invested in building a comprehensive set of products and a slew of new-to-market processes to improve efficiency, deliver best-in-class solutions to its customers and enhance productivity.

Tata Capital strongly believes that analytics, backed by top-of-the-line technology is core to its business strategy. It plays a key role in customer acquisition, developing predictive models to help while creating a more personalised and seamless customer experience across all platforms and building superior underwriting capabilities. It has leveraged this through various initiatives launched in the year, including developing a scoring model using alternate data sources for acquisition,

instituting a scorecard for small ticket Business Loans and through tie-ups with industry experts, co-created score cards for credit risk assessment for smaller ticket commercial finance loans.

With new-age solutions emerging at every corner, Tata Capital has adapted by creating a robust and scalable set of solutions for all its retail and institutional customers. 'TatkaCEQ loans', which is an industry first web application for CEQ finance, the 'Digital Lending Platform' for corporate customers, which makes borrowing a very convenient and transparent process for customers, implementation of a superior CRM platform for improving internal process efficiencies and the introduction of biometric e-KYC to enable faster on-boarding of customers, are some of the solutions that have been developed. Working with FinTechs has also helped Tata Capital tap new segments like Online Consumer Durable Loans and other End Use Loans.

It has also enhanced the experience across current products and processes, including the Online Chatbot - which has moved beyond the realm of a simple service to a sales engagement channel and stimulating the customer at every step through an assisted contact centre.

Over FY 2018-19, Tata Capital will continue to build platforms for sales and service, create seamless product journeys and enhance self-service solutions while partnering with FinTechs to create more robust ecosystems.

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 had 3887 permanent employees as at March 31, 2018.

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.

Tata Capital's third Cultural Survey, based on the ten identified attributes and conducted by the Gallup Organisation in 2017, has given it a very healthy and positive score of 4.31 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 in HR practices, Tata Capital has achieved its People Capability Maturity Model ("P-CMM") Level 3 Certification and further assessed at Level 4 (SCAMPI B equivalent assessment) and has now embarked on the journey of achieving Level 5 Certification. During the 8th CII HR Excellence Award process – 2017-18, Tata Capital was recognized with the "Significant Achievement in HR Excellence Award".

Tata Capital's Learning & Development ("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 Kamikaze B2B Employee Engagement Awards for 'Best Use of Training in Employee Engagement' and 'Best use of Voice of the Employee' for FY 2017-18. It was also awarded the Best Blended Learning Program by TISS - Leapvault CLO Awards 2017.

Tata Capital also achieved key milestones in FY 2017-18, whereby some of the key HR processes were digitized and made fully operational, 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.

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 fifth TBEM external assessment conducted by the Tata Business Excellence Group ("TBExG") (a division of Tata Sons Limited) in November 2017 and was placed in the 550-600 score band, which indicates the level of "Emerging Industry Leader". The score band has changed as compared to that in FY 2016-17.

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

TCFSL successfully underwent ISO 9001:2015 surveillance audit for the operations of its assets businesses, without any major non-conformity. Tata Capital is also beginning to implement Lean Six Sigma as a tool for improving its operational focus in order to enhance customer satisfaction and improve internal efficiencies. Tata Capital launched its Ideation and Innovation platform "Bright Ideas" in 2016 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. Many practices of Tata Capital have been recognized as Group wide Best Practices consistently, since January 2017.

18. THE TATA CAPITAL BRAND

The Tata Capital brand is built around its brand promise "We only do what's right for you". The brand stands by this promise and aims to deliver solutions that are 'right' for our customers, stakeholders and society at large, by combining genuine care and financial expertise. Since its launch in 2008, the brand has grown from strength to strength and now enjoys high awareness and consideration among its competition in the financial services sector, especially in the NBFC segment. This has been due to effective brand building initiatives with a combination of judicious use of media and customer-centric products to back up marketing efforts. This is the second year running that Tata Capital has been adjudged as one of the best BFSI brands by the Economic Times.

This year's brand campaigns saw the launch of Salaam Loans, the world's first democratized loan, which puts the power of loan approval of application, from deserving individuals, in the hands of the public. The campaign for Salaam Loans was shortlisted for a Cannes Lion in 2017 and has won a Spikes Asia 2018 Gold, a 'Lotus' at ADFEST 2018 and a Grand Prix at the Asia Consumer Engagement Forum 2017. The brand has also continued to focus on social and digital media with targeted campaigns around Wedding Loans, Business Loans, the myLoan Mobile App and overall, always-on Content Marketing.

19. BUSINESS DEVELOPMENT

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

20. CORPORATE SUSTAINABILITY AND CORPORATE SOCIAL RESPONSIBILITY

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

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

In FY 2017-18, the Company's subsidiaries, viz. TCFSL, TCHFL and TCCL, have spent an aggregate amount of approximately ₹ 15 crore on CSR activities in projects and programmes covered under Schedule VII of the Act.

Since the average net profit of the Company in the three immediately preceding financial years, calculated as per Section 198 of the Act, read with the Companies (Corporate Social Responsibility Policy) Rules, 2014, was negative, the Company was not required to spend any amount on CSR activities for FY 2017-18. Accordingly, the Company has not spent any amount on CSR. The Annual Report on CSR activities is annexed herewith as Annexure 'A'.

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

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

21. COMPLIANCE

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

22. DEPOSITS

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

23. PARTICULARS OF LOANS, GUARANTEES 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.

24. DIRECTORS

Based on the recommendation of the Nomination and Remuneration Committee ("NRC"), the Board of Directors and the Members of the Company approved the:

- (i) Re-appointment of Mr. Praveen P. Kadle (DIN: 00016814) as the Managing Director & CEO of the Company, with effect from September 18, 2017 up to March 31, 2018. Mr. Kadle was also re-appointed as the Managing Director & CEO of TCFSL, for the same period, his appointment in TCFSL being co-terminus with his appointment as Managing Director & CEO of TCL;
- (ii) Appointment of Mr. Mehernosh B. Kapadia (DIN: 00046612) as an Independent Director of the Company, for an initial term of three years, with effect from October 24, 2017;
- (iii) Appointment of Ms. Aarthi Subramanian (DIN: 07121802), as an Additional Director and as a Non-Executive Director of the Company, with effect from October 30, 2017;
- (iv) Re-appointment of Mr. Nalin M. Shah (DIN: 00882723) as an Independent Director of the Company, for a second term of three years commencing from April 1, 2018 to March 31, 2021; and
- (v) Appointment of Mr. Rajiv Sabharwal (DIN: 00057333) as the Managing Director & CEO of the Company for a period of five years, with effect from April 1, 2018. The said appointment was approved by the RBI vide its letter dated December 14, 2017.

During the year, Mr. Ishaat Hussain (DIN: 00027891) retired as the Non-Executive Director of the Company, with effect from September 3, 2017 and Mr. Janki Ballabh (DIN: 00011206) retired as an Independent Director of the Company, with effect from end of day on October 23, 2017, in accordance with the Governance Guidelines on Board Effectiveness adopted by the Company. Dr. Ritu Anand (DIN: 00363699) ceased to be a Non-Executive Director of the Company, with effect from the close of business hours on October 31, 2017 and Mr. Praveen P. Kadle (DIN: 00016814) retired as the Founding Managing Director & CEO of Company, with effect from the end of day on March 31, 2018.

The Directors place on record their appreciation for the valuable contribution made by Mr. Hussain, Mr. Ballabh, Dr. Anand and Mr. Kadle, during their tenure as Directors of the Company.

Mr. Saurabh Agrawal was appointed as the Chairman of the Company, with effect from September 1, 2017.

In accordance with the provisions of the Act and the Articles of Association of the Company, Mr. F. N. Subedar (DIN: 00028428), Director, is liable to retire by rotation at the ensuing Annual General Meeting ("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 Resume of Mr. Subedar.

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

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

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

The Guidance Note on Board Evaluation ("Guidance Note") issued by the Securities and Exchange Board of India ("SEBI") had encouraged companies which were not covered under Chapter IV of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("LODR Regulations") to follow the criteria mentioned in the Guidance Note. The Board of the Company followed the said criteria recommended under the Guidance Note for evaluating the performance of the Board as a whole, Committees of the Board, Individual Directors and Chairperson. The criteria for evaluation of the Board as a whole, *inter alia*, covered parameters such as Structure of the Board, Meetings of the Board and Functions of the Board. The criteria for evaluation of Individual

Directors covered parameters such as details of professional qualifications and prior experience relevant to the Company, knowledge and competency, fulfillment of functions, ability to function as a team, etc. The criteria for evaluation of the Board Committees covered areas related to mandate and composition, effectiveness of the Committee, structure of the Committee and meetings, etc.

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

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

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

27. KEY MANAGERIAL PERSONNEL

Mr. Praveen P. Kadle, Managing Director & CEO, Mr. Puneet Sharma, Chief Financial Officer and Ms. Avan Doomasia, Company Secretary, were the Key Managerial Personnel ("KMP") of the Company as also the KMPs of TCFSL, a wholly owned subsidiary of the Company, for FY 2017-18.

Mr. Praveen P. Kadle retired as the Managing Director & CEO of the Company and TCFSL, with effect from end of day on March 31, 2018 and consequently ceased to be a Key Managerial Personnel.

Mr. Rajiv Sabharwal is the Managing Director & CEO and Key Managerial Personnel of the Company, with effect from April 1, 2018.

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

28. DIRECTORS' RESPONSIBILITY STATEMENT

Based on the framework of internal financial controls and compliance systems established and maintained by the Company, work performed by the Internal, Statutory and Secretarial Auditors, including audit of internal financial controls over financial reporting by the statutory auditors and the reviews performed by the Management and the relevant Board Committees, including the Audit Committee, the Board is of the opinion that the Company's internal financial controls were adequate and effective, during FY 2017-18.

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 the Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- d) they had prepared the annual accounts on a going concern basis;
- e) they had laid down internal financial controls to be followed by the Company and that such internal financial controls were adequate and operating effectively; and
- f) they had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

29. CORPORATE GOVERNANCE

Company's Philosophy on Corporate Governance

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

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

As a part of the Tata Group, Tata Capital has a strong legacy of fair, transparent and ethical governance practices. The Corporate Governance philosophy is further strengthened with the adherence to the 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, an Occupational Health and Safety Management System, Information Technology Policy, Information Security Policy, Cyber Security Policy and an Anti-Bribery and Anti-Corruption ("ABAC") 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, 2018, the Board comprised six Directors, viz. Mr. Saurabh Agrawal, Chairman of the Board of Directors, Mr. Mehernosh B Kapadia, Mr. Nalin M. Shah, Mr. F. N. Subedar,

Ms. Aarthi Subramanian and Mr. Praveen P. Kadle as the Managing Director & CEO of the Company. Mr. Kapadia and Mr. Shah are the Independent Directors (“ID”) of the Company and Mr. Agrawal, Mr. Subedar and Ms. Subramanian are the Non-Executive Directors (“NED”) of the Company.

Mr. Praveen P. Kadle was re-appointed as the Managing Director & CEO of the Company, for a period commencing from September 18, 2017 and ending on March 31, 2018.

During the year, Mr. Ishaat Hussain retired as the Non-Executive Director of the Company, with effect from September 3, 2017 and Mr. Janki Ballabh retired as an Independent Director of the Company, with effect from end of day on October 23, 2017, in accordance with the Governance Guidelines on Board Effectiveness adopted by the Company. Dr. Ritu Anand ceased to be a Non-Executive Director of the Company, with effect from the close of business hours on October 31, 2017 and Mr. Praveen P. Kadle (DIN: 00016814) retired as the Founding Managing Director & CEO of Company, with effect from the end of day on March 31, 2018.

Mr. Rajiv Sabharwal (who was appointed as the Managing Director & CEO, Designate with effect from January 2, 2018) was appointed as the Managing Director & CEO of the Company, with effect from April 1, 2018.

Meetings of the Board were generally chaired by Mr. Ishaat Hussain upto August 31, 2017. Mr. Saurabh Agrawal was appointed as the Chairman of the Board of Directors, with effect from September 1, 2017.

During FY 2017-18, twelve Meetings of the Board of Directors were held on May 4, 2017, May 10, 2017, July 28, 2017, August 29, 2017, September 18, 2017, September 27, 2017, November 2, 2017, December 13, 2017, January 29, 2018, February 23, 2018, February 28, 2018 and March 21, 2018. 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 August 29, 2017
		Held	Attended	
Mr. Ishaat Hussain ¹	Non-Executive Director	12	3	Yes
Mr. Janki Ballabh ²	Independent Director	12	5	No
Mr. Nalin M. Shah	Independent Director	12	11	No
Mr. F. N. Subedar	Non-Executive Director	12	11	Yes
Dr. Ritu Anand ³	Non-Executive Director	12	4	Yes
Mr. Saurabh Agrawal ⁴	Non-Executive Director	12	8	Yes
Mr. Mehernosh B. Kapadia ⁵	Independent Director	12	6	No
Ms. Aarthi Subramanian ⁶	Non-Executive Director	12	6	No
Mr. Praveen P. Kadle ⁷	Managing Director & CEO	12	12	Yes

Notes:

1. Mr. Ishaat Hussain retired as a Director of the Company, with effect from September 3, 2017.
2. Mr. Janki Ballabh retired as a Director of the Company, with effect from end of day on October 23, 2017.
3. Dr. Ritu Anand ceased to be a Director of the Company, with effect from the close of business hours on October 31, 2017.

4. Mr. Saurabh Agrawal was appointed as a Director of the Company, with effect from July 28, 2017.
5. Mr. Mehernosh B. Kapadia was appointed as a Director of the Company, with effect from October 24, 2017.
6. Ms. Aarthi Subramanian was appointed as a Director of the Company, with effect from October 30, 2017.
7. Mr. Praveen P. Kadle retired as the Managing Director & CEO of the Company, with effect from the end of the day on March 31, 2018.

Mr. Nalin M. Shah, Chairman of the Audit Committee had authorized Mr. F. N. Subedar, a Member of the Audit Committee to attend the last AGM on his behalf and Mr. Janki Ballabh, Chairman of the NRC, had authorized Mr. Ishaat Hussain, a Member of the NRC, to attend the last AGM, on his behalf. Dr. Ritu Anand, Chairperson of the Stakeholders Relationship Committee had attended the last AGM of the Company.

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 for FY 2017-18, 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 2017-18	Commission paid for FY 2016-17	Commission to be paid for FY 2017-18
Mr. Ishaat Hussain ¹ , Non-Executive Director	2.00	20	11
Mr. Janki Ballabh ² , Independent Director	6.90	25	15
Mr. Nalin M. Shah, Independent Director	14.10	25	25
Mr. F. N. Subedar, Non-Executive Director	4.40	20	—
Dr. Ritu Anand, Non-Executive Director	3.00	20	—
Mr. Saurabh Agrawal, Non-Executive Director	3.00	—	—
Mr. Mehernosh B. Kapadia ³ , Independent Director	8.40	—	11
Ms. Aarthi Subramanian, Non-Executive Director	5.10	—	—

Notes:

1. Mr. Ishaat Hussain retired as a Director of the Company, with effect from September 3, 2017 and hence, Commission will be paid only for part of FY 2017-18.
2. Mr. Janki Ballabh retired as a Director of the Company, with effect from end of day on October 23, 2017 and hence, Commission will be paid only for part of FY 2017-18.

3. *Mr. Mehernosh B. Kapadia was appointed as a Director of the Company, with effect from October 24, 2017 and hence, Commission will be paid only for part of FY 2017-18.*

At the Meetings of the NRC and the Board of Directors, both held on May 7, 2018, an Incentive Remuneration of ₹ 3.10 crore was approved as payable to Mr. Praveen P. Kadle for FY 2017-18. With this, the total remuneration of Mr. Kadle for FY 2017-18, was ₹ 5.59 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 ("NRC"), Finance and Asset Liability Supervisory Committee ("ALCO"), Risk Management Committee ("RMC"), Stakeholders Relationship Committee ("SRC") and Corporate Social Responsibility Committee ("CSR"). The Company Secretary is the Secretary of all the aforementioned Committees. The Board of Directors and the Committees also take decisions by circular resolutions which are noted by the Board / respective Committees of the Board at their next meetings. The Minutes of meetings of all Committees of the Board are circulated to the Board of Directors, for noting.

i) Audit Committee

The Audit Committee of TCL, as at March 31, 2018, comprised Mr. Nalin M. Shah (Chairman), Mr. Mehernosh B Kapadia and 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 the RBI. The Charter is reviewed from time to time and is available on the website of Company, 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.

During FY 2017–18, nine Meetings of the Audit Committee were held on the following dates: May 4, 2017, May 30, 2017, June 28, 2017, July 28, 2017, November 2, 2017, December 13, 2017, January 29, 2018, February 28, 2018 and March 21, 2018.

The attendance of the Members at the Meetings of Audit Committee held during FY 2017-18 is, given below:

Name of the Member	Category	No. of Meetings	
		Held	Attended
Mr. Nalin M. Shah, Chairman	Independent Director	9	9
Mr. Mehernosh B. Kapadia ¹	Independent Director	9	5
Mr. F. N. Subedar	Non-Executive Director	9	8
Mr. Janki Ballabh ²	Independent Director	9	4

Notes:

1. Mr. Mehernosh B. Kapadia was appointed as a Member of the Audit Committee, with effect from October 24, 2017.
2. Mr. Janki Ballabh ceased to be a Member of Audit Committee, with effect from end of day on October 23, 2017.

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

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

ii) **Other Committees**

The composition of the various Board Committees of the Company, as on March 31, 2018, is as under:

Committee Director	NRC	RMC	ALCO	SRC	CSR
Mr. Saurabh Agrawal (Non-Executive Director)	✓	✓ CH	✓ CH	–	–
Mr. Nalin M. Shah (Independent Director)	✓ CH	✓	–	–	–
Mr. Mehernosh B Kapadia (Independent Director)	✓	✓	✓	✓	✓

Mr. F. N. Subedar (Non-Executive Director)	–	–	✓	–	✓ CH
Ms. Aarthi Subramanian (Non-Executive Director)	✓	–	–	✓ CH	✓
Mr. Praveen P. Kadle (Managing Director & CEO)	–	✓	✓	✓	✓

CH – Chairperson

Notes:

1. Consequent to the retirement of Mr. Praveen P. Kadle as the Managing Director & CEO of the Company, he ceased to be the Member of all the Committees in which he was a Member, with effect from end of day on March 31, 2018.
2. The Committees of the Board have been reconstituted as under, with effect from April 1, 2018:
 - a. Mr. Nalin M. Shah was appointed as a Member of ALCO, with effect from April 1, 2018;
 - b. Mr. Mehernosh B. Kapadia ceased to be a Member of RMC and ALCO, with effect from April 1, 2018;
 - c. Ms. Aarthi Subramanian ceased to be a Member of the NRC, with effect from April 1, 2018; and
 - d. Mr. Rajiv Sabharwal was appointed as a Member of RMC, ALCO, SRC and CSR, with effect from April 1, 2018.

c. Secretarial Standards

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

d. Registered Office

The Registered Office of the Company has shifted from One Forbes, Dr. V. B. Gandhi Marg, Fort, Mumbai - 400 001 to 11th floor, Tower A, Peninsula Business Park, Ganpatrao Kadam Marg, Lower Parel, Mumbai - 400 013, with effect from April 1, 2018.

e. Unclaimed Amount

As on March 31, 2018, the unclaimed amount with respect to the Dividend/Redemption of CRPS of the Company was, as under:

Particulars	Unclaimed Amount (in ₹)	Date of Transfer to the Investor Education and Protection Fund ("IEPF")
Dividend	1,24,950	April 29, 2024
Dividend	69,835	March 1, 2025
Redemption	10,00,000	March 1, 2025
Total	11,94,785	

Further, there was no amount required to be transferred to the IEPF Account, during FY 2017-18.

30. VIGIL MECHANISM

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

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

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

The Company is committed to providing and promoting a safe and healthy work environment for all its employees. A 'Prevention of Sexual Harassment' Policy, which is in line with the statutory requirements, along with a structured reporting and redressal mechanism, is in place.

During FY 2017-18, there were no complaints received under the provisions of The Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

32. STATUTORY AUDITORS

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

33. 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 an 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.

34. EXPLANATION ON STATUTORY AUDITORS' REPORT

There are no qualifications, reservations or adverse remarks or disclaimers made by B S R & Co. LLP, Statutory Auditors, in their Reports dated May 7, 2018 on the Financial Statements of the Company for FY 2017-18.

35. SECRETARIAL AUDITOR AND SECRETARIAL AUDIT REPORT

Pursuant to the provisions of Section 204 of the Act and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Board of Directors had appointed M/s. Parikh & Associates, a firm of Company Secretaries in Practice, to undertake the Secretarial Audit of the Company, for FY 2017-18. 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 7, 2018, on the secretarial and other related records of the Company, for FY 2017-18.

36. INFORMATION ON MATERIAL CHANGES AND COMMITMENTS

There are no material changes or commitments affecting the financial position of the Company which have occurred between March 31, 2018 and May 7, 2018, being the date of this Report.

37. RELATED PARTY TRANSACTIONS

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

A Statement containing details of material contracts or arrangements or transactions with Related Parties on an arm's length basis with respect to transactions covered under Section 188(1) of the

Act, in the prescribed Form No. AOC-2, is attached as Annexure '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.

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

(A) Conservation of energy:

i. Steps taken / impact on conservation of energy:

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

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

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

iii. Capital investment on energy conservation 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 is not applicable to the Company.

(C) Foreign Exchange Earnings and Outgo:

Foreign Exchange earned in terms of actual inflows during the year under review was ₹ 36 crore and the Foreign Exchange Outgo during the year under review in terms of actual outflows, was ₹ 1 crore.

39. EXTRACT OF ANNUAL RETURN

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

40. TATA CAPITAL LIMITED EMPLOYEE STOCK PURCHASE / OPTION SCHEME

In order to develop and implement a long term incentive 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 and Tata Securities.

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, 2018, out of 7,02,34,526 Equity Shares of the Company allotted to the Trust, 1,67,56,520 Equity Shares of the Company aggregating 0.59% 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, 2018)	ESOP 2011	ESOP 2013	ESOP 2016	ESOP 2017*
1	Options Granted	34,73,331	29,93,747	1,19,45,000	1,51,60,000
2	Options Vested	34,73,331	29,93,747	1,19,45,000	1,51,60,000
3	Options Exercised	26,72,387	6,59,627	37,73,847	Nil
4	Total number of shares arising out of exercise of Options	26,72,387	6,59,627	37,73,847	Nil
5	Options Lapsed	8,00,944	14,41,109	81,71,153	41,00,000
6	Exercise Price	₹ 17.77	₹ 25	₹ 30	₹ 33.40
7	Money realized by exercise of Options	₹ 4,74,88,311	₹ 1,64,90,675	₹ 11,32,15,410	Nil
8	Variation of terms of Options	—	—	—	—
9	Total number of Options in force	—	8,93,011	—	1,10,60,000

* Options granted under ESOP 2017 have vested 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 (upto March 31, 2018)	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	10,000	-
2	Mr. Puneet Sharma	80,000	80,000	NIL	NIL	10,000	10,000	10,000	-
3	Ms. Avan Doomasia	60,000	60,000	NIL	NIL	10,000	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.

41. GREEN INITIATIVE

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

A copy of this Annual Report along with the Annual Report for FY 2017-18 of each of the Company's subsidiaries is also available on the website of the Company, www.tatacapital.com.

42. ACKNOWLEDGEMENTS

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

For and on behalf of the Board of Directors

Mumbai
May 7, 2018

Saurabh Agrawal
Chairman
DIN: 02144558

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"). The composition of the Committee as at March 31, 2018 was, as under:

- a) Mr. F. N. Subedar, Non-Executive Director (Chairman)
- b) Mr. Mehernosh B. Kapadia, Independent Director
- c) Ms. Aarthi Subramanian, Non-Executive Director
- d) Mr. Praveen P. Kadle, Managing Director & CEO

It may be noted that Mr. Praveen P. Kadle ceased to be a Member of the CSR Committee, with effect from end of day on March 31, 2018, consequent upon his retirement as the Managing Director & CEO of the Company. Accordingly, Mr. Rajiv Sabharwal, Managing Director & CEO of the Company was inducted as a Member in place of Mr. Kadle, with effect from April 1, 2018.

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

(₹ in crore)

<u>Financial Year</u>	<u>Net Profit (net of dividend)</u>
FY 2014-15	9.92
FY 2015-16	7.90
FY 2016-17	(35.80)
Average Net Profit	(5.99)

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

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

Since the average net profits of the Company for the past three years were negative, the Company was not required to spend any amount on the CSR activities in FY 2017-18.

5. Details of CSR spend during FY 2017-18:

- a. Total amount to be spent : Not Applicable
- b. Amount unspent, if any : Not Applicable
- c. Manner in which the amount was spent during FY 2017-18 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
Not Applicable									

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

Not Applicable

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

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

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

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

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

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

Annexure B

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^(Note 1)

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

Hence, remuneration should be:

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

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

OR

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

2.3 Remuneration payable to Director for services rendered in other capacity

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

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

2.4 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, 2018**

(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, 2018 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, 2018 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 (Share Based Employee Benefits) Regulations, 2014 (Not applicable to the Company during the audit period);
 - (e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008 (Not applicable to the Company during the audit period);
 - (f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act, 2013 and dealing with client (Not

applicable to the Company during the audit period);

- (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009 (Not applicable to the Company during the audit period); and
- (h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998 (Not applicable to the Company during the audit period).

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

- (a) All the Rules, Regulations, Directions, Guidelines and Circulars including Master Direction - Core Investment Companies (Reserve Bank) Directions, 2016 ("Directions") issued by the Reserve Bank of India, as amended from time to time.
- (b) The Securities and Exchange Board of India Act, 1992 and The Securities and Exchange Board of India (Venture Capital Funds) Regulations, 1996, as amended from time to time.
- (c) The Securities and Exchange Board of India (Alternative Investment Funds) Regulations, 2012 as amended from time to time.

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

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

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

We further report that:

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

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

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.

- (i) The Company had issued and allotted 51,47,500 Cumulative Redeemable Preference Shares of ₹ 1,000 each aggregating ₹ 514.75 crore, on a private placement basis.
- (ii) The Company had redeemed 48,43,510 Cumulative Redeemable Preference Shares of ₹ 1,000 each aggregating ₹ 484.35 crore, on a private placement basis.
- (iii) The Company had issued and allotted 5,500 Unsecured Non Convertible Debentures for an aggregate amount of ₹ 550 crore.
- (iv) 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 28,42,572 Equity Shares to the employees of the Company and its subsidiary companies and has bought back 3,98,056 Equity Shares in terms of the ESOP Scheme.

- (v) The entire shareholding held by the Company in the subsidiary companies viz. Tata Capital Forex Limited and TC Travel And Services Limited has been divested during the year and they have ceased to be the subsidiaries of the Company with effect from October 30, 2017.

For **Parikh & Associates**
Company Secretaries

Mumbai
May 7, 2018

Jigyasa N. Ved
(Partner)
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 7, 2018

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:

Sr. No.	Name of the Related Party	Nature of Relationship	Nature of contracts/ arrangements/ transactions	Amount (₹ in lakh)	Duration of the contracts / arrangements/ transactions	Salient terms of the contracts or arrangements or transactions including the value, if any	Amount paid as advances, if any
1	Tata Capital Financial Services Limited ("TCFSL")	Subsidiary	a) Investment in Compulsorily Convertible Preference Shares ("CCCPS")	57,500	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 8.50% p.a., on a cumulative basis.	–
			b) Investment in Unsecured Perpetual Non-Convertible Debentures	12,500	Perpetual	Yield @ 8.90 % p.a.	–
			c) Inter Corporate Deposits ("ICD") placed during the year	4,63,617	Tenor upto 1 year	Cost of Funds for previous month plus 25 bps.	–
			d) ICDs repaid during the year	4,74,662	Tenor upto 1 year	Not Applicable	–
			e) Security Deposit Outstanding – Payable	5,847	Period of lease upto September 30, 2022	As per the Agreement entered into between the Company and TCFSL.	–
			f) Security Deposit Refunded	4,665	Period of lease upto September 30, 2017	Due to expiry of rental agreement on September 30, 2017.	–
			g) Dividend received during the year - Equity Shares and CCCPS	13,267	Not Applicable	Interim Dividend for FY 2017-18, at the rate of Re. 0.35 per Equity Share of ₹ 10 each. Interim Dividend for FY 2017-18 on CCCPS at the rate of 9% p.a. and 8.50% p.a., as may be applicable.	–
			h) Interest Income on ICDs during the year	6,748	Tenor of upto one year	Cost of Funds for previous month plus 25 bps.	–
			i) ICDs Outstanding - Receivable	33,784	Tenor upto 1 year	Cost of Funds for previous month plus 25 bps.	–

Sr. No.	Name of the Related Party	Nature of Relationship	Nature of contracts/ arrangements/ transactions	Amount (₹ in lakh)	Duration of the contracts / arrangements/ transactions	Salient terms of the contracts or arrangements or transactions including the value, if any	Amount paid as advances, if any
2	Tata Capital Housing Finance Limited	Subsidiary	a) Investment in CCCPS	30,100	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 8.5% p.a., on a cumulative basis.	–
			b) ICDs placed during the year	2,05,185	Tenor upto 1 year	Cost of Funds for previous month plus 25 bps.	–
			c) ICDs repaid during the year	2,15,185	Tenor upto 1 year	Not Applicable	–
			d) Dividend received during the year on CCCPS	8,047	Not Applicable	Interim Dividend for FY 2017-18 at the rate of 9% p.a. and 8.50% p.a., as may be applicable.	–
3	Tata Cleantech Capital Limited	Subsidiary	a) ICDs placed during the year	1,55,915	Tenor upto 1 year	Cost of Funds for previous month plus 25 bps.	–
			b) ICDs repaid during the year	1,58,642	Tenor upto 1 year	Not Applicable	–
4	Tata Capital Forex Limited	Subsidiary	a) ICDs placed during the year	2,300	Tenor upto 1 year	Cost of Funds for previous month plus 25 to 100 bps.	–
			b) ICDs repaid during the year	5,315	Tenor upto 1 year	Not Applicable	–
5	Tata Capital Advisors Pte Limited ("TCAPL")	Subsidiary	Income – Advisory Fees	3,637	Ongoing, subject to termination	Non-binding advice by the Company. Monthly invoices raised as per terms of agreement with currency risk to the account of TCAPL.	–
6	Tata Capital Growth Fund	Subsidiary	Proceeds from Divestment	4,086	Not Applicable	Proportionate divestment proceeds attributable to units held by Tata Capital Limited.	–
7	Tata Capital Healthcare Fund	Associate	Proceeds from Divestment	4,070	Not Applicable	Proportionate divestment proceeds attributable to units held by Tata Capital Limited.	–

Notes: 1. Appropriate approvals have been taken for Related Party Transactions.

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

For and on behalf of the Board of Directors

Mumbai
May 7, 2018

Saurabh Agrawal
Chairman
DIN: 02144558

Annexure

Form No. MGT-9

EXTRACT OF ANNUAL RETURN

as on the Financial Year ended on March 31, 2018

[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.
The Registered Office address has changed to 11th Floor, Tower A, Peninsula Business Park, Ganpatrao Kadam Marg, Lower Parel, Mumbai - 400013, with effect from April 1, 2018.
Contact details:
Telephone Number: 022 6606 9000
E-mail id: avan.doomasia@tatacapital.com
- vi) Whether listed company: No
- vii) Name, Address and Contact details of Registrar and Transfer Agent, if any
 - a) Registrar and Transfer Agent for the Company's Equity Shares, Preference Shares and Non Convertible Debentures
Name : TSR Darashaw Limited
Address : 6-10, Haji Moosa Patrawala Industrial Estate,
Near Famous Studio, 20, Dr. E Moses Road,
Mahalaxmi, Mumbai – 400011, Maharashtra, India
Contact Details : Mr. Deepak Tambe
Phone No.: 022-66178554
E-mail id: dtambe@tsrdarashaw.com

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

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

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	70
2	Advisory Services	66309, 66190	20

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)
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)
7	Tata Capital Pte. Limited 8 Shenton Way, #19-01, AXA Tower, Singapore 068811	N.A.	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 06881	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)

Sl. No.	Name and Address of the Company	CIN/GLN	Holding/ Subsidiary/ Associate	% of Shares Held	Applicable Section
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)
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)
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, those have 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	
19	Tata Capital Special Situations Fund Tata Trustee Company Limited, Mafatlal Centre, 9 th 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	

* The Registered Office address has changed from One Forbes, Dr. V. B. Gandhi Marg, Fort, Mumbai – 400001 to 11th Floor, Tower A, Peninsula Business Park, Ganpatrao Kadam Marg, Lower Parel, Mumbai – 400013, with effect from April 1, 2018.

Notes:

- During the year, TC Travel And Services Limited and Tata Capital Forex Limited have ceased to be the wholly owned subsidiaries of Tata Capital Limited (“TCL”), with effect from October 30, 2017.
- During the year, the shareholding of Tata Capital Financial Services Limited (a wholly owned subsidiary of TCL) in International Asset Reconstruction Company Private Limited (“IARC”) reduced from 25.37% to 16.57% and hence, IARC ceased to be an Associate of the Company, with effect from March 9, 2018.

IV. SHAREHOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity)
(i) Category-wise Shareholding

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

Category of Shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
(2) Non-Institutions									
a) Bodies Corp.									
i) Indian	11,67,21,517	–	11,67,21,517	4.13	11,67,21,517	–	11,67,21,517	4.13	–
ii) Overseas	–	–	–	–	–	–	–	–	–
b) Individuals									
i) Individual shareholders holding nominal share capital upto ₹ 1 lakh	14,05,653	–	14,05,653	0.05	18,46,329	–	18,46,329	0.07	0.02
ii) Individual shareholders holding nominal share capital in excess of ₹ 1 lakh	1,72,08,950	–	1,72,08,950	0.61	1,92,12,790	–	1,92,12,790	0.68	0.07
c) Others									
i) TCL Employee Welfare Trust (ESOP Trust)	5,59,22,522	–	5,59,22,522	1.98	5,34,78,006	–	5,34,78,006	1.89	(0.09)
ii) Non-Resident Indian	3,25,582	–	3,25,582	0.01	3,25,582	–	3,25,582	0.01	–
Sub-total (B)(2):-	19,15,84,224	–	19,15,84,224	6.78	19,15,84,224	–	19,15,84,224	6.78	–
Total Public Shareholding (B)=(B)(1)+(B)(2)	19,15,84,224	–	19,15,84,224	6.78	19,15,84,224	–	19,15,84,224	6.78	–
C. Shares held by Custodian for GDRs & ADRs	–	–	–	–	–	–	–	–	–
Grand Total (A+B+C)	2,82,60,18,170	–	2,82,60,18,170	100.00	2,82,60,18,170	–	2,82,60,18,170	100.00	–

(ii) Shareholding of Promoters (Equity Share Capital)

SI. No.	Shareholder's Name	Shareholding at the beginning of the year			Shareholding at the end of the year			% change in shareholding during the year
		No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	
1.	Tata Sons Limited	2,63,44,33,946	93.22	–	2,63,44,33,946	93.22	–	–
	Total	2,63,44,33,946	93.22	–	2,63,44,33,946	93.22	–	–

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

There is no change in promoter's shareholding during FY 2017-18.

(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 (1.4.2017 to 31.3.2018)	
		No. of Shares at the beginning (1.4.2017)/ end of the year (31.3.2018)	% 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, 2017	–	–	7,71,96,591	2.73
						Nil movement during the year		
		7,71,96,591	2.73	March 31, 2018			7,71,96,591	2.73
2	F. K. Kavarana, H. N. Sinor and Shuva Mandal Trustees of TCL Employee Welfare Trust	5,59,22,522	1.98	April 1, 2017	–	–	5,59,22,522	1.98
				May 23, 2017	(1,03,459)	Transfer	5,58,19,063	1.98
				May 26, 2017	34,380	Purchase	5,58,53,443	1.98
				July 10, 2017	(4,17,916)	Transfer	5,54,35,527	1.96
				July 14, 2017	19,122	Purchase	5,54,54,649	1.96
				August 21, 2017	(4,93,016)	Transfer	5,49,61,633	1.95
				September 4, 2017	1,69,053	Purchase	5,51,30,686	1.95
				September 15, 2017	(5,96,390)	Transfer	5,45,34,296	1.93
				September 28, 2017	(49,444)	Transfer	5,44,84,852	1.93
				October 18, 2017	(80,000)	Transfer	5,44,04,852	1.93
				November 3, 2017	18,052	Purchase	5,44,22,904	1.93
				December 4, 2017	(1,53,541)	Transfer	5,42,69,363	1.92
				December 15, 2017	59,043	Purchase	5,43,28,406	1.92
				January 11, 2018	(2,42,500)	Transfer	5,40,85,906	1.91
				January 17, 2018	28,259	Purchase	5,41,14,165	1.92
				February 14, 2018	(2,66,306)	Transfer	5,38,47,859	1.91
				February 21, 2018	70,147	Purchase	5,39,18,006	1.91
				March 14, 2018	(4,40,000)	Transfer	5,34,78,006	1.89
		5,34,78,006	1.89	March 31, 2018			5,34,78,006	1.89

Sl. No.	Name	Shareholding		Date	Increase/ Decrease in shareholding	Reason	Cumulative Shareholding during the year (1.4.2017 to 31.3.2018)	
		No. of Shares at the beginning (1.4.2017)/ end of the year (31.3.2018)	% of total shares of the Company				No. of Shares	% of total shares of the Company
3	Cyrus Investments Private Limited	1,29,78,905	0.46	April 1, 2017	–	–	1,29,78,905	0.46
						Nil movement during the year		
		1,29,78,905	0.46	March 31, 2018			1,29,78,905	0.46
4	Sterling Investment Corporation Private Limited	1,29,78,905	0.46	April 1, 2017	–	–	1,29,78,905	0.46
						Nil movement during the year		
		1,29,78,905	0.46	March 31, 2018			1,29,78,905	0.46
5	Tata Motors Limited	43,26,651	0.15	April 1, 2017	–	–	43,26,651	0.15
						Nil movement during the year		
		43,26,651	0.15	March 31, 2018			43,26,651	0.15
6	Tata Chemicals Limited	32,30,859	0.11	April 1, 2017	–	–	32,30,859	0.11
						Nil movement during the year		
		32,30,859	0.11	March 31, 2018			32,30,859	0.11
7	Af-Taab Investment Company Limited	23,33,070	0.08	April 1, 2017	–	–	23,33,070	0.08
						Nil movement during the year		
		23,33,070	0.08	March 31, 2018			23,33,070	0.08
8	Tata Industries Limited	22,72,346	0.08	April 1, 2017	–	–	22,72,346	0.08
						Nil movement during the year		
		22,72,346	0.08	March 31, 2018			22,72,346	0.08
9	Ratan Naval Tata	12,34,861	0.04	April 1, 2017	–	–	12,34,861	0.04
						Nil movement during the year		
		12,34,861	0.04	March 31, 2018			12,34,861	0.04
10	Noel Naval Tata	11,48,570	0.04	April 1, 2017	–	–	11,48,570	0.04
						Nil movement during the year		
		11,48,570	0.04	March 31, 2018			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 (1.4.2017 to 31.3.2018)	
		No. of Shares at the beginning (1.4.2017)/ end of the year (31.3.2018)	% 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, 2017	–	–	2,20,000	0.01
						Nil movement during the year		
		2,20,000	0.01	March 31, 2018			2,20,000	0.01
2	Mr. Janki Ballabh (Independent Director)	2,30,780	0.01	April 1, 2017	–	–	2,30,780	0.01
						Nil movement during the year		
		2,30,780	0.01	March 31, 2018			2,30,780	0.01
3	Mr. F. N. Subedar (Non - Executive Director)	2,43,716	0.01	April 1, 2017	–	–	2,43,716	0.01
						Nil movement during the year		
		2,43,716	0.01	March 31, 2018			2,43,716	0.01
4	Mr. Praveen P. Kadle (Managing Director & CEO)	14,58,580	0.05	April 1, 2017	–	–	14,58,580	0.05
				May 23, 2017	10,000	ESOP Allotment	14,68,580	0.05
		14,68,580	0.05	March 31, 2018			14,68,580	0.05
5	Mr. Puneet Sharma (Chief Financial Officer ("CFO"))	2,26,050	0.01	April 1, 2017	–	–	2,26,050	0.01
				August 21, 2017	10,000	ESOP Allotment	2,36,050	0.01
		2,36,050	0.01	March 31, 2018			2,36,050	0.01
6	Ms. Avan Doomasia (Company Secretary)	1,29,305	0.00	April 1, 2017	–	–	1,29,305	0.00
				September 15, 2017	30,000	ESOP Allotment	1,59,305	0.01
		1,59,305	0.01	March 31, 2018			1,59,305	0.01

Notes:

1. Mr. Ishaat Hussain retired as a Director of the Company, with effect from September 3, 2017.
2. Mr. Janki Ballabh retired as a Director of the Company, with effect from end of day on October 23, 2017.
3. Mr. Praveen P. Kadle retired as the Managing Director & CEO of the Company, with effect from end of day on March 31, 2018.

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

(i) Category-wise Shareholding

Category of Shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A. Promoters									
(1) Indian									
a) Individual/HUF	–	–	–	–	–	–	–	–	–
b) Central Govt	–	–	–	–	–	–	–	–	–
c) State Govt(s)	–	–	–	–	–	–	–	–	–
d) Bodies Corp.	–	–	–	–	–	–	–	–	–
e) Banks / FI	–	–	–	–	–	–	–	–	–
f) Any Other....	–	–	–	–	–	–	–	–	–
Sub-total (A)(1):–	–	–	–	–	–	–	–	–	–
(2) Foreign									
a) NRIs – Individuals	–	–	–	–	–	–	–	–	–
b) Other – Individuals	–	–	–	–	–	–	–	–	–
c) Bodies Corp.	–	–	–	–	–	–	–	–	–
d) Banks / FI	–	–	–	–	–	–	–	–	–
e) Any Other....	–	–	–	–	–	–	–	–	–
Sub-total (A)(2):–	–	–	–	–	–	–	–	–	–
Total shareholding of Promoter (A) = (A)(1)+(A)(2)	–	–	–	–	–	–	–	–	–
B. Public Shareholding									
(1) Institutions									
a) Mutual Funds	–	–	–	–	–	–	–	–	–
b) Banks / FI	2,40,000	–	2,40,000	1.31	2,40,000	–	2,40,000	1.29	(0.2)
c) Central Govt	–	–	–	–	–	–	–	–	–
d) State Govt(s)	–	–	–	–	–	–	–	–	–
e) Venture Capital Funds	–	–	–	–	–	–	–	–	–
f) Insurance Companies	2,00,000	–	2,00,000	1.09	2,00,000	–	2,00,000	1.07	(0.2)
g) FIs	–	–	–	–	–	–	–	–	–
h) Foreign Venture Capital Funds	–	–	–	–	–	–	–	–	–
i) Others (specify)	–	–	–	–	–	–	–	–	–
Sub-total (B)(1):–	4,40,000	–	4,40,000	2.40	4,40,000	–	4,40,000	2.36	(0.4)
(2) Non-Institutions									
a) Bodies Corp.									
i) Indian	69,06,887	–	69,06,887	37.71	92,01,339	–	92,01,339	49.42	11.71
ii) Overseas	–	–	–	–	–	–	–	–	–
b) Individuals									

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	
i) Individual shareholders holding nominal share capital upto ₹ 1 lakh	11,080	–	11,080	0.06	11,480	–	11,480	0.06	–
ii) Individual shareholders holding nominal share capital in excess of ₹ 1 lakh	98,15,283	3,000	98,18,283	53.61	82,26,363	–	82,26,363	44.18	(9.43)
c) Others									
(i) Trust	5,58,499	–	5,58,499	3.05	3,78,333	–	3,78,333	2.03	(1.02)
(ii) Club	3,400	–	3,400	0.02	3,400	–	3,400	0.02	–
(iii) Clearing Member	22,700	–	22,700	0.12	21,700	–	21,700	0.12	–
(iv) Hindu Undivided Family	5,12,668	–	5,12,668	2.80	2,99,992	–	2,99,992	1.61	(1.19)
(v) Non-Resident Indian	40,950	–	40,950	0.23	35,850	–	35,850	0.19	(0.04)
Sub-total (B)(2):–	1,78,71,467	3,000	1,78,74,467	97.60	1,81,78,457	–	1,81,78,457	97.64	0.5
Total Public Shareholding (B)=(B)(1)+(B)(2)	1,83,11,467	3,000	1,83,14,467	100	1,86,18,457	–	1,86,18,457	100	–
C. Shares held by Custodian for GDRs & ADRs	–	–	–	–	–	–	–	–	–
Grand Total (A+B+C)	1,83,11,467	3,000	1,83,14,467	100.00	1,86,18,457	–	1,86,18,457	100.00	–

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

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

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

Sl. No.	Name	Shareholding		Date	Increase/ Decrease in shareholding	Reason	Cumulative Shareholding during the year (1.4.2017 to 31.3.2018)	
		No. of Shares at the beginning (1.4.2017)/ end of the year (31.3.2018)	% of total shares of the Company				No. of Shares	% of total shares of the Company
1	Shree Cement Limited	20,00,000	10.92	April 1, 2017	–	–	20,00,000	10.92
				July 28, 2017	7,50,000	Allotment	27,50,000	14.77
		27,50,000	14.77	March 31, 2018			27,50,000	14.77
2	Wipro Enterprises Private Limited	5,00,000	2.73	April 1, 2017	–	–	5,00,000	2.73
				–	1,66,666	Purchase	6,66,666	3.58
		6,66,666	3.58	March 31, 2018			6,66,666	3.58

Sl. No.	Name	Shareholding		Date	Increase/ Decrease in shareholding	Reason	Cumulative Shareholding during the year (1.4.2017 to 31.3.2018)	
		No. of Shares at the beginning (1.4.2017)/ end of the year (31.3.2018)	% of total shares of the Company				No. of Shares	% of total shares of the Company
3	Claris Lifesciences Limited	–	–	April 1, 2017			–	–
				September 29, 2017	5,00,000	Allotment	5,00,000	2.69
		5,00,000	2.69	March 31, 2018			5,00,000	2.69
4	Balkrishna Industries Limited	–	–	April 1, 2017			–	–
				September 15, 2017	2,00,000	Allotment	2,00,000	1.07
				–	2,80,000	Purchase	4,80,000	2.58
		4,80,000	2.58	March 31, 2018			4,80,000	2.58
5	International Tractors Limited	4,33,700	2.37	April 1, 2017	–	–	4,33,700	2.37
						Nil movement during the year		
		4,33,700	2.33	March 31, 2018			4,33,700	2.33
6	Hindustan Composites Limited	1,50,000	0.82	April 1, 2017	–	–	1,50,000	0.82
				July 7, 2017	50,000	Allotment	2,00,000	1.07
				–	2,47,000	Purchase	4,47,000	2.40
				–	(1,00,000)	Sold	3,47,000	1.86
		3,47,000	1.86	March 31, 2018			3,47,000	1.86
7	Azim Premji Trust	4,99,999	2.73	April 1, 2017	–	–	4,99,999	2.73
				–	(1,66,666)	Sold	3,33,333	1.79
		3,33,333	1.79	March 31, 2018			3,33,333	1.79
8	Voltas Limited	–	–	April 1, 2017	–	–	–	–
				July 26, 2017	2,50,000	Allotment	2,50,000	1.34
				August 4, 2017	50,000	Allotment	3,00,000	1.61
		3,00,000	1.61	March 31, 2018			3,00,000	1.61
9	Shankar Resources Private Limited	2,50,000	1.36	April 1, 2017	–	–	2,50,000	1.36
						Nil movement during the year		
		2,50,000	1.34	March 31, 2018			2,50,000	1.34
10	Nucleus Software Exports Limited	2,11,500	1.15	April 1, 2017	–	–	2,11,500	1.15
						Nil movement during the year		
		2,11,500	1.14	March 31, 2018			2,11,500	1.14

(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 (1.4.2017 to 31.3.2018)	
		No. of Shares at the beginning (1.4.2017) / end of the year (31.3.2018)	% of total shares of the Company				No. of Shares	% of total shares of the Company
1	Mr. Ishaat Hussain (Non-Executive Director)	27,000	0.15	April 1, 2017	–	–	27,000	0.15
						Nil movement during the year		
		27,000	0.14	March 31, 2018			27,000	0.14
2	Mr. Nalin M. Shah (Independent Director)	9,200	0.05	April 1, 2017	–	–	9,200	0.05
				–	2,600	Purchase	11,800	0.06
		11,800	0.06	March 31, 2018			11,800	0.06
3	Mr. Praveen P. Kadle (Managing Director & CEO)	27,000	0.15	April 1, 2017	–	–	27,000	0.15
						Nil movement during the year		
		27,000	0.14	March 31, 2018			27,000	0.14
4	Mr. Janki Ballabh (Independent Director)	2,500	0.01	April 1, 2017	–	–	2,500	0.01
						Nil movement during the year		
		2,500	0.01	March 31, 2018			2,500	0.01
5	Dr. Ritu Anand (Non-Executive Director)	2,500	0.01	April 1, 2017	–	–	2,500	0.01
						Nil movement during the year		
		2,500	0.01	March 31, 2018			2,500	0.01
6	Mr. Puneet Sharma (CFO)	10	0.00	April 1, 2017	–	–	10	0.00
						Nil movement during the year		
		10	0.00	March 31, 2018			10	0.00

Notes:

1. Mr. Ishaat Hussain retired as a Director of the Company, with effect from September 3, 2017.
2. Mr. Janki Ballabh retired as a Director of the Company, with effect from end of day on October 23, 2017.
3. Mr. Praveen P. Kadle retired as the Managing Director & CEO of Company, with effect from the end of day on March 31, 2018.
4. Dr. Ritu Anand ceased to be a Director of the Company, with effect from the close of business hours on October 31, 2017.

VI. INDEBTEDNESS

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

(₹ in lakh)

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
i) Principal Amount	–	1,37,800	–	1,37,800
ii) Interest due but not paid	–	–	–	–
iii) Interest accrued but not due	–	–	–	–
Total (i+ii+iii)	–	1,37,800	–	1,37,800
Change in Indebtedness during the financial year				
• Addition	–	2,20,500	–	2,20,500
• Reduction	–	(1,75,300)	–	(1,75,300)
Net Change	–	45,200	–	45,200
Indebtedness at the end of the financial year				
i) Principal Amount	–	1,83,000	–	1,83,000
ii) Interest due but not paid	–	–	–	–
iii) Interest accrued but not due	–	–	–	–
Total (i+ii+iii)	–	1,83,000	–	1,83,000

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	431.37	431.37
	(b) Value of perquisites under section 17(2) of the Income-tax Act, 1961	36.13	36.13
	(c) Profits in lieu of salary under section 17(3) of the Income-tax Act, 1961	–	–
2	Stock Option (Number)	10,000	
3	Sweat Equity	–	–
4	Commission – as % of profit – others, specify...	–	–
5	Others, please specify	–	–
	Total (A)	467.50	467.50
	Ceiling as per the Act		893

Note:

- a. Mr. Praveen P. Kadle retired as the Managing Director & CEO of the Company, with effect from the end of day on March 31, 2018.

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	Mr. Mehernosh B Kapadia			
	• Fee for attending board / committee meetings	6.90	14.10	8.40			29.40
	• Commission	25.00	25.00	–			50.00
	• Others, please specify	–	–	–			–
	Total (1)	31.90	39.10	8.40			79.40
2	Other Non–Executive Directors	Mr. F. N. Subedar	Ms. Aarthi Subramanian	Mr. Saurabh Agrawal	Dr. Ritu Anand	Mr. Ishaat Hussain	
	• Fee for attending board / committee meetings	4.40	5.10	3.00	3.00	2.00	18.00
	• Commission	20.00	–	–	20.00	20.00	60.00
	• Others, please specify	–	–	–	–	–	–
	Total (2)	24.40	5.10	3.00	23.00	22.00	78.00
	Total (B)=(1+2)						157.40
	Total Managerial Remuneration						624.90
	Overall Ceiling as per the Act						1,965

Notes:

- The Remuneration details as mentioned above include Sitting fees paid in FY 2017-18 and Commission paid for FY 2016-17 in FY 2017-18.
- Mr. Ishaat Hussain retired as a Director of the Company, with effect from September 3, 2017.
- Mr. Janki Ballabh retired as a Director of the Company, with effect from end of day on October 23, 2017.
- Dr. Ritu Anand ceased to be a Director of the Company, with effect from the close of business hours on October 31, 2017.
- Mr. Saurabh Agrawal was appointed as a Director of the Company, with effect from July 28, 2017.
- Mr. Mehernosh B. Kapadia was appointed as a Director of the Company, with effect from October 24, 2017.
- Ms. Aarthi Subramanian was appointed as a Director of the Company, with effect from October 30, 2017.

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	206.20	107.96	314.16
	(b) Value of perquisites under section 17(2) of the Income-tax Act, 1961	0.87	7.21	8.08
	(c) Profits in lieu of salary under section 17(3) of the Income-tax Act, 1961	—	—	—
2	Stock Option (Number)	10,000	10,000	—
3	Sweat Equity	—	—	—
4	Commission — as % of profit — others, specify...	—	—	—
5	Others, please specify	—	—	—
	Total	207.07	115.17	322.24

VIII. PENALTIES/ PUNISHMENT/ COMPOUNDING OF OFFENCES:

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

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)
C. OTHER OFFICERS IN DEFAULT					
Penalty	–	–	–	–	–
Punishment	–	–	–	–	–
Compounding	–	–	–	–	–

Consolidated Financial Statements

INDEPENDENT AUDITOR'S REPORT ON CONSOLIDATED FINANCIAL STATEMENTS

TO THE MEMBERS OF TATA CAPITAL LIMITED

Report on audit of 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, which comprise the Consolidated Balance Sheet as at 31 March 2018, 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 state of affairs, consolidated profit and consolidated cash flows of the Group including its associates with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. The respective Board of Directors of the companies and the trustees of the trusts 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 of the assets of the Group and its associates 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 consolidated financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated financial statements by the Directors of the Holding Company, as aforesaid..

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

Auditor's Responsibility

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

While 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, as well as evaluating the overall presentation of the consolidated financial statements.

We are also responsible to conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the entity's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in the auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify the opinion. Our conclusions are based on the audit evidence obtained up to the date of the auditor's report. However, future events or conditions may cause an entity to cease to continue as a going concern.

We believe that the audit evidence we have obtained and the audit evidence obtained by the other auditors in terms of their reports referred to in sub-paragraph 2 (a) of the Other Matters paragraphs 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 the report of the other auditor and on the other financial information of the subsidiary and associates, 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 31 March 2018, and their consolidated profit and their consolidated cash flows for the year ended on that date.

Other Matters

- (1) The comparative financial information of the Group and its associates for the year ended 31 March 2017 as included in these consolidated financial statements have been audited by the predecessor auditor who had audited the consolidated financial statements for the year ended 31 March 2017. The report of the predecessor auditor on the comparative financial information dated 28 April 2017 expressed an unmodified opinion. Our opinion is not modified in respect of this matter.
- (2) (a) We did not audit the financial statements / information of one subsidiary, whose financial statements reflect total assets of Rs.29,866 lakhs as at 31 March 2018, total revenues of Rs. 7,494 lakhs and net cash outflows amounting to Rs. 14,070 lakhs for the year ended on that date, as considered in the consolidated financial statements. These financial statements / information have been audited by the other auditor whose report has been furnished to us by the Management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of this subsidiary and our report in terms of sub-section (3) of Section 143 of the Act, insofar as it relates to the aforesaid subsidiary is based solely on the report of the other auditor.

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

- (b) The consolidated financial statements also include the Group's share of net profit of Rs. 1,423 lakhs for the year ended 31 March 2018, as considered in the consolidated financial

statements, in respect of two associates whose financial statements / financial information have not been audited by us. These financial statements / financial information 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, and our report in terms of sub-sections (3) of Section 143 of the Act in so far as it relates to the aforesaid associates, is based solely on such unaudited financial statements / financial information. In our opinion and according to the information and explanations given to us by the Management, these financial statements / financial information are not material to the Group.

Our opinion above 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 report of the other auditor and the financial statements / financial information certified by 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 report of the other auditors on separate financial statements and the other financial statements / financial information of associates, as noted in the 'Other Matters' paragraph, we report, to the extent applicable, that:

- (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid consolidated financial statements.
- (b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books and the report of the other auditor.
- (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 specified under Section 133 of the Act.
- (e) On the basis of the written representations received from the directors of the Holding Company as on 31 March 2018 taken on record by the Board of Directors of the Holding Company and the reports of the statutory auditors of its subsidiary company and representations received from the directors of an associate company incorporated in India, none of the directors of the Group companies and its associate company incorporated in India is disqualified as on 31 March 2018 from being appointed as a director in terms of Section 164 (2) of the Act.
- (f) With respect to the adequacy of the internal financial controls with reference to the financial statements of the Holding Company, its subsidiary companies and an associate company incorporated in India and the operating effectiveness of such controls, refer to our separate Report in "Annexure A".
- (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, in our opinion and to the best of our information and according to the explanations given to us and based on the consideration of the report of the other auditor on separate financial statements as also the other financial information of the subsidiary, and the financial statements / financial information provided by management in respect of the associate companies, as noted in the 'Other Matters' paragraph:
 - i. The Consolidated Financial Statements disclose the impact of pending litigations on the consolidated state of affairs of the Group and its associates – Refer Note 37 to the consolidated financial statements in respect of such items as it relates to the Group and its associates;

- ii. Provision has been made in the consolidated financial statements, as required under the applicable law or accounting standards, for material foreseeable losses, on long-term contracts including derivative contracts. Refer Note 47 to the consolidated financial statements in respect of such items as it relates to the Group and its associates.
- iii. There are no amounts which are required to be transferred to the Investor Education and Protection Fund by the Holding Company and its subsidiary companies, an associate company incorporated in India during the year ended 31 March 2018.
- iv. The disclosures in the consolidated financial statements regarding holdings as well as dealings in specified bank notes during the period from 8 November 2016 to 30 December 2016 have not been made since they do not pertain to the financial year ended 31 March 2018. However, amounts as appearing in the audited consolidated financial statements for the year ended 31 March 2017 have been disclosed.

For B S R & Co. LLP

Chartered Accountants

Firm's Registration No: 101248W/W-100022

Manoj Kumar Vijai

Partner

Membership No: 046882

MUMBAI, 7 May 2018

ANNEXURE A TO THE INDEPENDENT AUDITOR'S REPORT OF EVEN DATE ON THE CONSOLIDATED FINANCIAL STATEMENTS OF TATA CAPITAL LIMITED

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

We have audited the internal financial controls over financial reporting of Tata Capital Limited as of 31 March 2018 in conjunction with our audit of the consolidated financial statements of Tata Capital Limited (hereinafter referred to as the 'Holding Company'), its subsidiaries and an associate company (collectively referred to as the 'Group') for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The respective Board of the Holding Company, its subsidiaries and an associate company, which are incorporated in India are responsible for establishing and maintaining internal financial controls based on "the internal control over financial reporting criteria established by the Holding 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" (the 'ICAI'). 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 Act.

Auditor's Responsibility

Our responsibility is to express an opinion on the internal financial controls over financial reporting of the Holding Company, its subsidiary companies and an associate company, 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, issued by the ICAI and deemed to be prescribed under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the ICAI. 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 judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained, is sufficient and appropriate to provide a basis for our audit opinion on the internal financial controls system over financial reporting of the Holding Company, its subsidiary companies and its associate which are incorporated in India.

ANNEXURE – A TO THE INDEPENDENT AUDITOR’S REPORT OF EVEN DATE ON THE CONSOLIDATED FINANCIAL STATEMENTS OF TATA CAPITAL LIMITED

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 authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized 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, the Holding Company, its subsidiary companies and its associate company, which are 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 31 March 2018, based on the internal control over financial reporting criteria established by the Holding Company considering the essential components of internal control stated in the Guidance Note issued by the ICAI.

Other Matter

Our opinion on the Internal Financial Controls under Clause (i) of sub-section 3 of Section 143 of the Act is not modified in respect of an associate company whose financial statements / financial information is unaudited and is not material to the Group.

For B S R & Co. LLP

Chartered Accountants

Firm’s Registration No: 101248W/W-100022

Manoj Kumar Vijai

Partner

Membership No: 046882

MUMBAI, 7 May 2018

CONSOLIDATED BALANCE SHEET AS AT MARCH 31, 2018

(₹ in lakh)

Particulars	Note No.	As at March 31, 2018	As at March 31, 2017
I EQUITY AND LIABILITIES			
1. Shareholders' Funds			
(a) Share Capital	2	4,62,850	4,60,038
(b) Reserves and Surplus	3	2,01,818	1,44,335
		6,64,668	6,04,373
2. Minority Interest		16,937	16,220
3. Non-current liabilities			
(a) Long-term borrowings	4	24,85,611	19,15,846
(b) Other long-term liabilities	5	11,429	17,537
(c) Long-term provisions	6	51,325	53,389
		25,48,365	19,86,772
4. Current liabilities			
(a) Short-term borrowings	7	19,39,389	14,53,050
(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		59,749	54,163
(c) Other current liabilities	9	10,83,968	12,67,533
(d) Short-term provisions	10	95,690	1,09,613
		31,78,796	28,84,359
Total		64,08,766	54,91,724
II ASSETS			
1. Non-current assets			
(a) Property, plant and equipment	11		
(i) Tangible assets		82,079	90,401
(ii) Intangible assets		2,314	1,113
(iii) Capital work-in-progress		275	656
(iv) Intangible assets under development		764	997
		85,432	93,167
(b) Goodwill on consolidation	12	—	—
(c) Non-current investments	13	1,13,963	1,14,278
(d) Deferred tax assets (net)	14	42,726	45,933
(e) Long-term Loans and advances - financing activity	15	38,38,105	32,88,026
(f) Long-term Loans and advances - others	16	28,096	18,400
(g) Other non-current assets	17	11,843	11,913
		41,20,165	35,71,717
2. Current assets			
(a) Current investments	13	12,907	1,786
(b) Trade receivables	18	7,096	8,268
(c) Cash and bank balances	19	24,149	35,796
(d) Short-term Loans and advances - financing activity	15	22,05,932	18,32,926
(e) Short-term Loans and advances - others	20	19,611	23,114
(f) Other current assets	21	18,906	18,117
		22,88,601	19,20,007
Total		64,08,766	54,91,724
See accompanying notes forming part of the financial statements	1-53		

In terms of our report attached

For and on behalf of the Board of Directors

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

Saurabh Agrawal
(Chairman)
DIN: 02144558

Mehernosh B. Kapadia
(Director)
DIN: 00046612

Nalin M. Shah
(Director)
DIN: 00882723

Manoj Kumar Vijai
Partner
Membership No. – 046882

F.N. Subedar
(Director)
DIN: 00028428

Aarthi Subramanian
(Director)
DIN: 07121802

Rajiv Sabharwal
(Managing Director & CEO)
DIN: 00057333

Mumbai
Date: May 07, 2018

Puneet Sharma
(Chief Financial Officer)

Avan Doomasia
(Company Secretary)

CONSOLIDATED STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED MARCH 31, 2018

(₹ in lakh)

Particulars	Note No.	For the Year Ended March 31, 2018	For the Year Ended March 31, 2017
I Revenue from operations	22	6,42,208	5,73,196
II Investment income	23	9,203	15,110
III Other income	24	50,179	44,117
IV Total Revenue (I + II + III)		7,01,590	6,32,423
V Expenses:			
Finance costs	25	3,66,875	3,47,025
Employee benefit expenses	26	62,847	57,193
Other operating expenses	27	1,25,320	1,40,566
Depreciation and amortisation	11	24,821	15,394
Amortisation of share and debenture issue expenses (Refer note 42)	21(a)	1,479	1,200
Total expenses		5,81,342	5,61,378
VI Profit before tax (IV - V)		1,20,248	71,045
VII Tax expense:			
(1) Current tax		39,287	32,180
(2) Deferred tax		3,207	(8,143)
(3) MAT Credit Entitlement		(1,163)	—
Total Tax expense		41,331	24,037
VIII Profit after tax before share of associates & minority interest (VI-VII)		78,917	47,008
IX Share of profit of associates		991	220
X Profit after tax before share of (profit)/loss attributable to minority interest (VIII + IX)		79,908	47,228
XI Share of profit of minority interest		(2,275)	(1,274)
XII Profit for the year attributable to the shareholders of the Company (X + XI)		77,633	45,954
XIII Earnings per equity shares:			
(1) Basic (in Rupees)		2.08	1.04
(2) Diluted (in Rupees)		2.04	1.02
Face Value per share (in ₹)		10.00	10.00
See accompanying notes forming part of the financial statements	1-53		

In terms of our report attached

For and on behalf of the Board of Directors

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

Saurabh Agrawal
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(Managing Director & CEO)
DIN: 00057333

Mumbai
Date: May 07, 2018

Puneet Sharma
(Chief Financial Officer)

Avan Doomasia
(Company Secretary)

CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED MARCH 31, 2018

(₹ in lakh)

Particulars	Note No.	For the Year Ended March 31, 2018	For the Year Ended March 31, 2017
1 CASH FLOW USED IN OPERATING ACTIVITIES			
Profit before tax		1,20,248	71,045
Adjustments for :			
Amortisation of share/debenture issue expenses		1,479	1,200
Depreciation and amortisation		24,821	15,394
Liabilities written back		—	(15)
Loss/(profit) on sale of fixed assets (net)		(1,059)	3,287
Interest expenses		2,99,034	2,67,469
Interest expenses on share application money		12	—
Discounting charges on commercial paper		67,381	78,019
Discounting charges on debentures		448	407
Discounting charges on Collateralised Borrowings and Lending Obligations (CBLO)		—	1,130
Interest income		(5,94,079)	(5,32,842)
Income from investments		(9,203)	(15,110)
Interest Income on fixed deposits		(294)	(129)
Loss on sale of investments		—	1,248
Interest on income tax refund		(935)	(21)
Amortisation of premium of forward foreign exchange cover		128	—
Exchange gains (net)		—	(6)
Provision for leave encashment		29	409
(Reversal)/Provision for diminution in value of investments		(435)	(455)
Provision for mark-to-market loss on current investments		1,463	383
Trade Receivables written off		4	10
Provision against trade receivables		443	135
Contingent provision against standard assets		5,247	5,948
Contingent provision against restructured advances (net)		(1,409)	(827)
Provision against assets held for sale		1,405	1,378
Provision against other doubtful advances		—	6
Provision for doubtful loans (net)		38,715	61,175
Operating Profit before working capital changes and adjustments for interest paid, interest received, dividend received and dividend received from Associates		(46,557)	(40,762)
Adjustments for :			
(Increase)/Decrease in trade receivables		2,584	(538)
(Increase)/Decrease in loans and advances - financing activity		(9,80,406)	(8,62,544)
(Increase)/Decrease in loans and advances - others		(7,362)	(5,889)
Increase/(Decrease) in other liabilities and provisions		16,323	27,945
Bank balance in client account		50	981
Fixed Deposits with Banks placed under lien with stock exchanges for trading margins		21	1,010
Cash used in operations before adjustments for interest paid, interest received, dividend received and dividend received from Associates		(10,15,347)	(8,79,797)
Interest paid		(3,79,319)	(3,25,521)
Interest received		5,93,865	5,30,951
Interest received on income tax refund		935	21
Dividend received		1,418	1,003
Dividend received from Associates		966	966
Taxes paid		(36,007)	(30,633)
NET CASH USED IN OPERATING ACTIVITIES		(8,33,489)	(7,03,010)
2 CASH FLOW USED IN INVESTING ACTIVITIES			
Purchase of fixed assets (including capital advances)		(32,340)	(33,385)
Proceeds from sale of fixed assets		7,467	2,104
Purchase of long-term investments		(21,191)	(1,917)
Purchase of mutual fund units		(12,92,269)	(21,18,689)
Proceeds from sale of mutual fund units		12,92,376	21,17,784
Proceeds from sale of current investments		244	—
Proceeds from sale of non-current investments		15,854	1,04,101
Fixed deposits with original maturity of more than 3 months but less than 12 months		(6,304)	751
NET CASH (USED IN) / FROM INVESTING ACTIVITIES		(36,163)	70,749

CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED MARCH 31, 2018

CASH FLOW (contd.....)

(₹ in lakh)

Particulars	Note No.	For the Year Ended March 31, 2018	For the Year Ended March 31, 2017
3 CASH FLOW FROM FINANCING ACTIVITIES			
Issue of Compulsory Convertible Cumulative Preference share capital		51,475	43,500
Redemption of Cumulative Redeemable Preference Shares		(48,435)	—
Interest paid on share application money pending allotment		(12)	—
Recovery of loan given to TCL Employees Welfare Trust		16	—
Infusion of capital by minority shareholders		107	4,029
Payout of income/ gain to Contributors		(1,688)	(1,314)
Dividend paid (including dividend distribution tax)		(19,988)	(17,104)
Recovery of loan given to employees for ESOP		9	10
Loan given to employees for ESOP		(748)	—
Proceeds from sale of investments in subsidiaries		1,500	—
Share issue expenses		(170)	(190)
Debenture issue/loan processing expenses		(897)	(1,930)
Proceeds from short-term borrowings with maturity period greater than 3 month		15,09,085	8,98,659
Repayment of short-term borrowings with maturity period greater than 3 month		(10,30,972)	(8,11,773)
Net proceeds from short-term borrowings		10,737	34,794
Proceeds from long-term borrowings		18,48,645	14,59,187
Repayment of long-term borrowings		(14,66,893)	(9,53,825)
NET CASH FROM FINANCING ACTIVITIES		8,51,772	6,54,043
NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS		(17,880)	21,782
CASH AND CASH EQUIVALENTS AS AT THE BEGINNING OF THE YEAR		34,449	12,667
CASH AND CASH EQUIVALENTS AS AT THE END OF THE YEAR		16,569	34,449
ADD : RESTRICTED CASH (Refer note 19)		53	53
CASH AND CASH EQUIVALENTS AS AT THE END OF THE YEAR		16,622	34,502
Reconciliation of cash and cash equivalents as above with cash and bank balances			
Cash and Cash equivalents at the end of the year as per above		16,622	34,502
Add: Deposits with banks and stock exchanges under lien		378	428
Add: Bank balance in client account		13	34
Add: Fixed deposits with original maturity of more than 3 months but less than 12 months		7,136	832
CASH AND BANK BALANCES AS AT THE END OF THE YEAR	19	24,149	35,796
See accompanying notes forming part of the financial statements	1-53		

In terms of our report attached

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

Manoj Kumar Vijai
Partner
Membership No. – 046882

Mumbai
Date: May 07, 2018

For and on behalf of the Board of Directors

Saurabh Agrawal
(Chairman)
DIN: 02144558

F.N. Subedar
(Director)
DIN: 00028428

Puneet Sharma
(Chief Financial Officer)

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Avan Doomasia
(Company Secretary)

Nalin M. Shah
(Director)
DIN: 00882723

Rajiv Sabharwal
(Managing Director & CEO)
DIN: 00057333

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 associates (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.

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 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 and associates used in the consolidation are drawn upto the same reporting date as that of the Company i.e., March 31, 2018, 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) The excess of cost to the Group of its investments in the subsidiaries over its share of equity of the subsidiaries, at the dates on which the investments in the subsidiaries were made, is recognised as "Goodwill on Consolidation" and is tested for impairment on annual basis. On the other hand, where the share of equity in the subsidiaries as on the date of investment is in excess of cost of investments of the Group, it is recognised as 'Capital Reserve' and shown under the head 'Reserves & Surplus' in the consolidated financial statements.
- e) In case of 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".
- f) The difference between the cost of investment in the associate and the share of net assets at the time of acquisition of shares in the associate is identified in the consolidated financial statements as Goodwill or Capital Reserve as the case may be and adjusted against the carrying amount of investment in the associate.

- g) 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 recognised on a time proportion basis taking into account the amount outstanding and the interest rate applicable, 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. EMIs commence once the entire loan is disbursed. Pending commencement of EMIs, pre-EMI interest is payable every month. Interest on loans is computed on a monthly rest basis.

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 goods and 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 as per the guidelines approved by the Board of Directors from time to time, where any of the installments are overdue:

- for a period exceeding 27 months for loan against property
- 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. In addition to the abovementioned provisioning norms as prescribed by NHB, the Company also fully provides for / writes off the entire receivables as per the Guidelines approved by the Board of Directors from time to time, where any of the installments are overdue for a period exceeding 27 months for home loans, loan against property and builder loans.

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.

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 Group 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.

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	As per lease period	As per lease period
Construction Equipment	Leased : 3 to 15 years	15 years
Furniture & Fixtures	Owned : 10 years	10 years
	Leased : 3 to 7 years	
Computer Equipment	Owned : 3 to 4 years	3 years
	Leased: 2 to 4 years	
Office Equipment	Owned : 5 years	5 years
	Leased : 3 to 5 years	
Vehicles	Owned : 4 years	6 years
	Leased : 1 to 5 years	
Software Licenses	Owned : 1 to 10 years	10 years
	Leased : 1 to 3 years	
Buildings	25 years	60 years
Plant & Machinery	Owned : 10 years	15 years
	Leased : 2 to 15 years	
Railway Wagons	Leased : 6 years	15 years
Electrical Installation & Equipments	Leased : 3 to 6 years	10 years
Networking Assets	Leased : 2 to 4 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. Borrowing costs

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.

xii. Loan sourcing costs

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

xiii. 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.

xiv. 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 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 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.

xv. 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.

xvi. 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.

xvii. 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.

xviii. 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.

xix. 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'.

xx. 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.

xxi. 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.

Minimum Alternate Tax (MAT) under the provisions of the Income Tax Act, 1961 is recognised as current tax in the Statement of Profit and Loss. The credit available under the Act in respect of MAT paid is recognised as an asset only when and to the extent there is convincing evidence that the Group will pay normal income tax during the period for which the MAT credit can be carried forward for set-off against the normal tax liability. MAT credit recognised as an asset is reviewed at each balance sheet date and written down to the extent the aforesaid convincing evidence no longer exists.

Goods & Service tax input credit is accounted for in the books in the year in which the underlying goods or service are received and paid and there is reasonable certainty in availing / utilizing the credits

xxii. 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.

xxiii. 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.

xxiv. 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.

xxv. 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.

xxvi. Securitised/Assignment Loans and Securitisation/Assignment Liabilities

Securitised/ Assigned assets are derecognised, if and only if, the Company 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 continues 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.

xxvii. 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, 2018

NOTE “2”

SHARE CAPITAL	Face value Per Unit ₹	As at March 31, 2018		As at March 31, 2017	
		No. of shares	₹ in lakh	No. of shares	₹ in lakh
AUTHORISED					
A) Equity Shares	10	4,75,00,00,000	4,75,000	4,75,00,00,000	4,75,000
B) Preference Shares	1,000	3,25,00,000	3,25,000	3,25,00,000	3,25,000
			8,00,000		8,00,000
ISSUED					
A) Equity Shares	10	2,82,60,18,170	2,82,602	2,82,60,92,570	2,82,609
B) Cumulative Redeemable Preference Shares					
Dividend rate - 12.50%	1,000	20,71,066	20,711	21,75,374	21,754
Dividend rate - 8.33%	1,000	70,49,891	70,499	1,24,45,841	1,24,458
Dividend rate - 7.50%	1,000	65,00,000	65,000	43,50,000	43,500
Dividend rate - 7.33%	1,000	14,97,500	14,975	—	—
Dividend rate - 7.15%	1,000	7,50,000	7,500	—	—
Dividend rate - 7.10%	1,000	7,50,000	7,500	—	—
			4,68,787		4,72,321
SUBSCRIBED & PAID UP					
A) Equity Shares	10	2,82,60,18,170	2,82,602	2,82,60,18,170	2,82,602
Less: Loan given to TCL Employees Welfare Trust			(5,684)		(5,700)
Less: Loans to Employees			(253)		(9)
B) Cumulative Redeemable Preference Shares					
Dividend rate - 12.50%	1,000	2,071,066	20,711	2,071,066	20,711
Dividend rate - 8.33%	1,000	7,049,891	70,499	11,893,401	118,934
Dividend rate - 7.50%	1,000	6,500,000	65,000	4,350,000	43,500
Dividend rate - 7.33%	1,000	1,497,500	14,975	—	—
Dividend rate - 7.15%	1,000	750,000	7,500	—	—
Dividend rate - 7.10%	1,000	750,000	7,500	—	—
Total			4,62,850		4,60,038

Tranches of Cumulative Redeemable Preference Shares (“CRPS”) issued and subscribed during the period

The Company has issued CRPS of face value ₹ 1,000/- each, at par, and redeemable at par, as per the terms of issuance disclosed herein below. The said CRPS carry a put option to the CRPS holder and a call option to the Company to seek early redemption as per the dates mentioned herein below.

Tranche	Particulars	No. of shares	Allotment Date	Redemption Date	Early Redemption Dates between
U	Dividend rate - 7.50%	6,50,000	July 7, 2017	July 6, 2024	July 30, 2021 - October 30, 2021
V	Dividend rate - 7.50%	7,50,000	July 12, 2017	July 11, 2024	July 30, 2021 - October 30, 2021
W	Dividend rate - 7.50%	7,50,000	July 26, 2017	July 25, 2024	July 30, 2021 - October 30, 2021
X	Dividend rate - 7.33%	7,50,000	July 28, 2017	July 27, 2024	July 30, 2021 - October 30, 2021
Y	Dividend rate - 7.33%	7,47,500	August 4, 2017	August 3, 2024	July 30, 2021 - October 30, 2021
Z	Dividend rate - 7.15%	7,50,000	September 15, 2017	September 14, 2024	October 31, 2021 - January 31, 2022
AA	Dividend rate - 7.10%	7,50,000	September 29, 2017	September 28, 2024	October 31, 2021 - January 31, 2022

Tranches of Cumulative Redeemable Preference Shares (“CRPS”) redeemed during the period

The Company has exercised its call option on CRPS of face value ₹ 1,000/- each, which were allotted and redeemable at par, within the range of Early Redemption Dates. The said CRPS were redeemed along with the pro-rated dividend up to the date of redemption.

Tranche	Particulars	No. of shares	Allotment Date	Actual Redemption Date	Original Early Redemption Dates between
G	Dividend rate - 8.33%	8,99,000	June 6, 2013	July 31, 2017	June 30, 2017 - September 30, 2017
H	Dividend rate - 8.33%	25,00,000	May 22, 2013	July 31, 2017	June 30, 2017 - September 30, 2017
I	Dividend rate - 8.33%	9,96,050	July 9, 2013	September 15, 2017	June 30, 2017 - September 30, 2017
J	Dividend rate - 8.33%	3,69,660	September 5, 2013	July 31, 2017	June 30, 2017 - September 30, 2017
K	Dividend rate - 8.33%	27,900	November 7, 2013	January 31, 2018	December 31, 2017 - March 31, 2018
L	Dividend rate - 8.33%	50,900	April 1, 2014	January 31, 2018	December 31, 2017 - March 31, 2018

NOTES TO AND FORMING PART OF THE CONSOLIDATED BALANCE SHEET AS AT MARCH 31, 2018

2(a) Reconciliation of number of shares outstanding	Face Value per unit (₹)	No. of shares	₹ in lakh
Opening Share Capital as on April 1, 2016			
A) Equity Shares	10	2,82,60,18,170	2,82,602
B) Cumulative Redeemable Preference Shares			
Dividend Rate - 12.5%	1000	20,71,066	20,711
Dividend Rate - 8.33%	1000	1,18,93,401	1,18,934
			4,22,247
Additions during the year			
A) Equity Shares	10	—	—
B) Cumulative Redeemable Preference Shares			
Dividend Rate - 12.5%	1000	—	—
Dividend Rate - 8.33%	1000	—	—
Dividend Rate - 7.50%	1000	43,50,000	43,500
Closing Share Capital as on March 31, 2017			
A) Equity Shares	10	2,82,60,18,170	2,82,602
B) Cumulative Redeemable Preference Shares			
Dividend Rate - 12.5%	1000	20,71,066	20,711
Dividend Rate - 8.33%	1000	1,18,93,401	1,18,934
Dividend Rate - 7.50%	1000	43,50,000	43,500
			4,65,747
Additions during the year			
A) Equity Shares	10	—	—
B) Cumulative Redeemable Preference Shares			
Dividend Rate - 12.5%	1000	—	—
Dividend Rate - 8.33%	1000	—	—
Dividend Rate - 7.50%	1000	21,50,000	21,500
Dividend Rate - 7.33%	1000	14,97,500	14,975
Dividend Rate - 7.15%	1000	7,50,000	7,500
Dividend Rate - 7.10%	1000	7,50,000	7,500
Redemptions during the year			
A) Equity Shares	10	—	—
B) Cumulative Redeemable Preference Shares			
Dividend Rate - 8.33%	1000	48,43,510	48,435
Closing Share Capital as on March 31, 2018			
A) Equity Shares	10	2,82,60,18,170	2,82,602
B) Cumulative Redeemable Preference Shares			
Dividend Rate - 12.5%	1000	20,71,066	20,711
Dividend Rate - 8.33%	1000	70,49,891	70,499
Dividend Rate - 7.50%	1000	65,00,000	65,000
Dividend Rate - 7.33%	1000	14,97,500	14,975
Dividend Rate - 7.15%	1000	7,50,000	7,500
Dividend Rate - 7.10%	1000	7,50,000	7,500
			4,68,787

2(b) Rights, preferences and restrictions attached to Equity Shares

The Company has one class of equity shares having a par value of ₹ 10 per share. Each shareholder is eligible for one vote per share held. The dividend proposed by the Board of Directors, 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 CONSOLIDATED BALANCE SHEET AS AT MARCH 31, 2018

2(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)	Opening Balance as on April 01, 2016	2,55,14,33,946	2,55,143
	Add: Purchased	8,30,00,000	8,300
	Closing Balance as on March 31, 2017	2,63,44,33,946	2,63,443
	Add: Purchased	—	—
	Closing Balance as on March 31, 2018	2,63,44,33,946	2,63,443
Tata Investment Corporation Limited (Subsidiary of Tata Sons Limited)	Opening Balance as on April 01, 2016	7,71,96,591	7,720
	Add: Purchased	—	—
	Closing Balance as on March 31, 2017	7,71,96,591	7,720
	Add: Purchased	—	—
	Closing Balance as on March 31, 2018	7,71,96,591	7,720
Tata Industries Limited (Subsidiary of Tata Sons Limited)	Opening Balance as on April 01, 2016	22,72,346	227
	Add: Purchased	—	—
	Closing Balance as on March 31, 2017	22,72,346	227
	Add: Purchased	—	—
	Closing Balance as on March 31, 2018	22,72,346	227
Tata International Limited (Subsidiary of Tata Sons Limited)	Opening Balance as on April 01, 2016	7,90,592	79
	Add: Purchased	—	—
	Closing Balance as on March 31, 2017	7,90,592	79
	Add: Purchased	—	—
	Closing Balance as on March 31, 2018	7,90,592	79
Tata Motors Limited (Associate of Tata Sons Limited)	Opening Balance as on April 01, 2016	43,26,651	433
	Add: Purchased	—	—
	Closing Balance as on March 31, 2017	43,26,651	433
	Add: Purchased	—	—
	Closing Balance as on March 31, 2018	43,26,651	433
Tata Chemicals Limited (Associate of Tata Sons Limited)	Opening Balance as on April 01, 2016	32,30,859	323
	Add: Purchased	—	—
	Closing Balance as on March 31, 2017	32,30,859	323
	Add: Purchased	—	—
	Closing Balance as on March 31, 2018	32,30,859	323
Tata Global Beverages Limited (Associate of Tata Sons Limited)	Opening Balance as on April 01, 2016	6,13,598	61
	Add: Purchased	—	—
	Closing Balance as on March 31, 2017	6,13,598	61
	Add: Purchased	—	—
	Closing Balance as on March 31, 2018	6,13,598	61
Total	Opening Balance as on April 01, 2016	2,63,98,64,583	2,63,986
	Add: Purchased	8,30,00,000	8,300
	Closing Balance as on March 31, 2017	2,72,28,64,583	2,72,286
	Add: Purchased	—	—
	Closing Balance as on March 31, 2018	2,72,28,64,583	2,72,286

**NOTES TO AND FORMING PART OF THE CONSOLIDATED
BALANCE SHEET AS AT MARCH 31, 2018**

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, 2016	1,00,000	1,000
	Add: Purchased	—	—
	Closing Balance as on March 31, 2017	1,00,000	1,000
	Add: Purchased	—	—
	Closing Balance as on March 31, 2018	1,00,000	1,000

7.50% Cumulative Redeemable Preference Shares Face Value ₹ 1,000 fully paid up

Name of company	Particulars of issue	No. of preference shares	₹ in lakh
Voltas Limited (Associate of Tata Sons Limited)	Opening Balance as on April 1, 2016	—	—
	Add: Purchased	—	—
	Closing Balance as on March 31, 2017	—	—
	Add: Purchased	2,50,000	2,500
	Closing Balance as on March 31, 2018	2,50,000	2,500

7.33% Cumulative Redeemable Preference Shares Face Value ₹ 1,000 fully paid up

Name of company	Particulars of issue	No. of preference shares	₹ in lakh
Voltas Limited (Associate of Tata Sons Limited)	Opening Balance as on April 1, 2016	—	—
	Add: Purchased	—	—
	Closing Balance as on March 31, 2017	—	—
	Add: Purchased	50,000	500
	Closing Balance as on March 31, 2018	50,000	500

2(d) List of Shareholders holding more than 5% Equity Shares as at

Name of Shareholder	March 31, 2018		March 31, 2017	
	No. of Shares held	% of Holding	No. of Shares held	% of Holding
Tata Sons Limited	2,63,44,33,946	93.22%	2,63,44,33,946	93.22%

NOTES TO AND FORMING PART OF THE CONSOLIDATED BALANCE SHEET AS AT MARCH 31, 2018

2(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
8.33% Cumulative Redeemable Preference Shares of ₹ 1,000 each	M	20,49,891	August 19, 2014	August 18, 2021	September 30, 2018
	N	46,48,500	April 22, 2015	April 21, 2022	September 30, 2019
	O	3,51,500	September 7, 2015	September 6, 2022	September 30, 2019
7.50% Cumulative Redeemable Preference Shares of ₹ 1,000 each	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
	U	6,50,000	July 7, 2017	July 6, 2024	October 30, 2021
	V	7,50,000	July 12, 2017	July 11, 2024	October 30, 2021
	W	7,50,000	July 26, 2017	July 25, 2024	October 30, 2021
7.33% Cumulative Redeemable Preference Shares of ₹ 1,000 each	X	7,50,000	July 28, 2017	July 27, 2024	October 30, 2021
	Y	7,47,500	August 4, 2017	August 3, 2024	October 30, 2021
7.15% Cumulative Redeemable Preference Shares of ₹ 1,000 each	Z	7,50,000	September 15, 2017	September 14, 2024	January 31, 2022
7.10% Cumulative Redeemable Preference Shares of ₹ 1,000 each	AA	7,50,000	September 29, 2017	September 28, 2024	January 31, 2022
	Total	1,86,18,457			

* For 8.33% Cumulative Redeemable Preference Shares, 7.50% Cumulative Redeemable Preference Shares, 7.33% Cumulative Redeemable Preference Shares, 7.15% Cumulative Redeemable Preference Shares, 7.10% 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.

NOTES TO AND FORMING PART OF THE CONSOLIDATED BALANCE SHEET AS AT MARCH 31, 2018

Tranches of Cumulative Redeemable Preference Shares ("CRPS") redeemed during the period

The Company has exercised its call option on CRPS of face value ₹ 1,000/- each, which were allotted and redeemable at par, within the range of Early Redemption Dates. The said CRPS were redeemed along with the pro-rated dividend up to the date of redemption.

Particulars	Tranche	No. of Shares	Allotment Date	Actual Redemption Date	Original Redemption Date
8.33% Cumulative Redeemable Preference Shares of ₹ 1,000 each	G	8,99,000	June 6, 2013	July 31, 2017	June 05, 2020
	H	25,00,000	May 22, 2013	July 31, 2017	May 21, 2020
	I	9,96,050	July 9, 2013	September 15, 2017	July 8, 2020
	J	3,69,660	September 5, 2013	July 31, 2017	September 4, 2020
	K	27,900	November 7, 2013	January 31, 2018	November 6, 2020
	L	50,900	April 1, 2014	January 31, 2018	March 31, 2021
	Total	48,43,510			

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

Name of Shareholder	March 31, 2018		March 31, 2017	
	No. of Shares held	% of Holding	No. of Shares held	% of Holding
12.50% Cumulative Redeemable Preference Shares of ₹ 1,000 each				
Azim Premji Trust	3,33,333	16.09%	4,99,999	24.14%
Wipro Enterprises Private Limited	1,66,666	8.05%	—	—
International Tractors Limited	1,33,700	6.46%	1,33,700	6.46%
8.33% Cumulative Redeemable Preference Shares of ₹ 1,000 each				
Shree Cements Limited	14,00,000	19.86%	14,00,000	11.77%
7.50% Cumulative Redeemable Preference Shares of ₹ 1,000 each				
Shree Cement Limited	6,00,000	9.23%	6,00,000	13.79%
Wipro Enterprises Private Limited	5,00,000	7.69%	5,00,000	11.49%
International Tractors Limited	—	—	3,00,000	6.90%
Adurjee And Bros Private Limited	—	—	2,50,000	5.75%
7.33% Cumulative Redeemable Preference Shares of ₹ 1,000 each				
Hindustan Composites Limited	80,000	10.67%	—	—
Simran and Shanaya Company Limited	40,000	5.33%	—	—
7.10% Cumulative Redeemable Preference Shares of ₹ 1,000 each				
Claris Lifesciences Limited	5,00,000	66.67%	—	—
Hindustan Composites Limited	1,00,000	13.33%	—	—

NOTES TO AND FORMING PART OF THE CONSOLIDATED BALANCE SHEET AS AT MARCH 31, 2018

NOTE "3"

(₹ in lakh)

RESERVES AND SURPLUS		As at March 31, 2018		As at March 31, 2017	
(a)	Capital Redemption Reserve		575		575
(b)	Capital Reserve		43		43
(c)	Securities Premium Account				
	Opening Balance		12,460		27,082
	Add: Recovery of loan given to employees for ESOP	1		1	
	Less: Loan given to Employees for ESOP	(51)		—	
	Less: Share issue Expenses written off (Refer note 43)	(613)		(1,086)	
	Less: Write off of Investments pursuant to Capital Reduction Scheme (Refer note 44)	—	(663)	(13,537)	(14,622)
	Sub Total		11,797		12,460
	Less : Adjustment pursuant to Capital Reduction Scheme (Refer note 45)	—		(54,260)	
	Add : Adjustment of Tax pursuant to Reduction of Share Capital (Refer note 45)	—		13,702	
	Add: Appropriation from Surplus in the Statement of Profit and Loss	—	—	40,558	—
	Closing Balance		11,797		12,460
(d)	Special Reserve Account / Statutory Reserve (refer footnotes 1, 2 and 3 below)				
	Opening Balance		55,906		40,691
	Add: Transfer from Surplus in the Statement of Profit and Loss		21,213		15,215
	Closing Balance		77,119		55,906
(e)	Debenture Redemption Reserve		30,000		30,000
(f)	Surplus in the Statement of Profit and Loss				
	Opening Balance		42,039		60,252
	Additional Tax Liability on account of merger of subsidiaries with the Company (Refer note 48)		—		(17)
	Adjustment of Share issue Expenses (Refer note 43)		444		501
	Adjustment pursuant to Capital Reduction Scheme (Refer note 46)				
	- 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		77,633		45,954
	Profit available for Appropriations		1,20,116		74,358
	Less : Appropriations				
	- Transfer to Special Reserve Account	21,213		15,215	
	- Dividend on preference shares including dividend distribution tax	15,649		13,708	
	- Dividend distribution tax (including tax on interim dividend declared by subsidiaries to holding company)	4,339	41,201	3,396	32,319
	Closing Balance		78,915		42,039
(g)	Foreign Currency Translation Reserve				
	Opening Balance		3,312		4,073
	Add : Effect of foreign exchange rate variations during the year (incl. Associates share)		57		(761)
	Closing Balance		3,369		3,312
	TOTAL - RESERVES AND SURPLUS		2,01,818		1,44,335

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

- 1) ₹ 15,268 lakh (Previous Year: ₹ 8,835 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.
- 2) As required by section 29C of National Housing Bank Act, 1987, the Group has transferred an amount of ₹ 545 lakh (Previous Year ₹ 1,974 lakh) to Special Reserve.
- 3) ₹ 5,400 lakh (Previous Year: ₹ 4,406 lakh) to Special Reserve as prescribed under section 36(1)(viii) of Income Tax Act, 1961.
- 4) The Company has declared and paid on July 31, 2017, an interim dividend on redemption of Tranche G, H and J of Cumulative Redeemable Preference Shares aggregating to ₹ 1049 lakh.
- 5) The Company has declared and paid on September 30, 2017, an interim dividend on redemption of Tranche I of Cumulative Redeemable Preference Shares aggregating to ₹ 382 lakh.
- 6) The Company has declared and paid on January 31, 2018, an interim dividend on redemption of Tranche K and L of Cumulative Redeemable Preference Shares aggregating to ₹ 55 lakh.
- 7) The Company has declared on March 22, 2018 and paid on March 23, 2018, an interim dividend for Financial Year 2017-18 on Cumulative Redeemable Preference Shares aggregating to ₹ 14,163 lakh (Previous Year : 13,709 lakh).

NOTES TO AND FORMING PART OF THE CONSOLIDATED BALANCE SHEET AS AT MARCH 31, 2018

NOTE “4”

(₹ in lakh)

LONG-TERM BORROWINGS	As at March 31, 2018	As at March 31, 2017
a. Bonds/Debentures		
Secured		
(i) Privately Placed Non-Convertible Debentures (Refer notes 4.1 and 4.7 below) [Net of unamortised premium of ₹ 64 lakh (as at March 31, 2017 : NIL)]	10,49,434	7,90,040
(ii) Public issue of Non-Convertible Debentures (Refer notes 4.2 & 4.8 below)	–	28,818
Unsecured		
(i) Non-Convertible Subordinated Debentures (Refer note 4.9 below) [Net of unamortised discount of ₹ 851 lakh (as at March 31, 2017 : ₹ 1,299 lakh)]	2,46,064	2,45,616
(ii) Non-Convertible Perpetual Debentures (Refer note 4.10 below)	79,300	55,000
(iii) Privately Placed Non-Convertible Debentures (Refer note 4.11 below)	1,37,500	1,45,000
b. Term loans		
Secured		
(i) From Banks (Refer notes 4.3 & 4.4 below)	2,22,625	1,58,222
(ii) From National Housing Bank (Refer note 4.5 below)	5,10,688	3,13,150
(iii) From Others (Refer notes 4.3 & 4.4 below)	30,000	–
Unsecured		
(i) From Banks (Refer note 4.4 below)	2,10,000	1,80,000
Total	24,85,611	19,15,846

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 from banks and others are secured by *pari passu* charge on the receivables of the Company through Security Trustee.
- 4.4 As per terms of agreements loan from banks and others classified under long-term borrowings, short-term borrowings and current liabilities aggregating ₹ 795,722 lakh (Previous year: ₹ 495,278 lakh) are repayable at maturity ranging between 3 and 60 months from the date of respective loan. Rate of Interest payable on term loan varies between 7.35% to 8.90% (Previous year 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 (Previous year 28-60) quarterly installments. Rate of Interest payable on Term loan varies between 4.61% to 9.25% (Previous year 6.12% to 9.25%).
- 4.6 No default has been made in repayment of borrowings and interest for the year ended March 31, 2018.

NOTES TO AND FORMING PART OF THE CONSOLIDATED BALANCE SHEET AS AT MARCH 31, 2018

4.7 Particulars of Privately Placed Secured Non-Convertible Debentures ("NCDs") outstanding as on March 31, 2018

Description of NCDs	Issue Date	Redemption Date	As on March 31, 2018*		As on March 31, 2017*	
			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	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	06-Nov-15	06-Nov-25	350	3,500	350	3,500
TCHFL Series 'AG' FY 2015-16	08-Oct-15	08-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	09-Dec-14	09-Dec-24	2,000	20,000	2,000	20,000
TCFSL NCD AF FY 2014-15-Option-I	08-Dec-14	06-Dec-24	600	6,000	600	6,000
TCFSL NCD AF FY 2014-15-Option-I	08-Dec-14	06-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
TCCL NCD 'C' FY 2017-18	02-Jun-17	03-Jun-24	100	1,000	—	—
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	04-May-16	04-May-23	200	2,000	200	2,000
TCHFL Series 'U' FY 2012-13	12-Mar-13	10-Mar-23	100	1,000	100	1,000
TCFSL NCD "P" FY 2017-18	22-Jan-18	20-Jan-23	480	4,800	—	—
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	05-Sep-12	05-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	400	4,000
TCFSL NCD "I" FY 2017-18	20-Jul-17	28-Feb-22	750	7,500	—	—
TCFSL NCD "K" FY 2017-18	16-Aug-17	14-Jan-22	750	7,500	—	—
TCHFL Series 'W' FY 2016-17	28-Dec-16	28-Dec-21	4,080	40,800	4,080	40,800
TCFSL NCD "AG" FY 2016-17	28-Dec-16	28-Dec-21	2,720	27,200	2,720	27,200
TCCL NCD 'B' FY 2016-17	17-Oct-16	15-Oct-21	150	1,500	150	1,500
TCHFL Series 'T' FY 2016-17	15-Sep-16	15-Sep-21	100	1,000	100	1,000
TCHFL Series 'K' FY 2016-17	05-Jul-16	05-Jul-21	200	2,000	200	2,000
TCFSL NCD 'G' FY 2016-17	30-May-16	28-May-21	500	3,500	500	2,000
TCHFL Series 'A' FY 2016-17	12-Apr-16	12-Apr-21	1,200	12,000	1,200	12,000
TCFSL NCD "R" FY 2017-18	23-Mar-18	23-Mar-21	2,500	25,000	—	—
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

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Description of NCDs	Issue Date	Redemption Date	As on March 31, 2018*		As on March 31, 2017*	
			Number of NCDs	₹ in lakh	Number of NCDs	₹ in lakh
TCFSL NCD "O" FY 2017-18	12-Jan-18	22-Jan-21	750	7,500	—	—
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	06-Nov-15	06-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	04-Sep-15	04-Sep-20	200	2,000	200	2,000
TCHFL Series 'I' FY 2017-18	31-Aug-17	31-Aug-20	3,500	35,000	—	—
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	07-Aug-15	07-Aug-20	300	3,000	300	3,000
TCFSL NCD "E" FY 2017-18	06-Jul-17	06-Aug-20	500	5,000	—	—
TCCL NCD 'F' FY 2017-18	28-Jul-17	03-Aug-20	2,000	20,000	—	—
TCCL NCD 'C' FY 2015-16	20-Jul-15	20-Jul-20	200	2,000	200	2,000
TCFSL NCD "G" FY 2017-18	12-Jul-17	10-Jul-20	250	2,500	—	—
TCHFL Series 'T' FY 2015-16 Option I	09-Jul-15	09-Jul-20	100	1,000	100	1,000
TCFSL NCD "U" FY 2016-17	26-Aug-16	01-Jul-20	150	1,500	150	1,500
TCHFL Series 'E' FY 2017-18	07-Jun-17	30-Jun-20	50	500	—	—
TCHFL Series 'F' FY 2017-18	14-Jun-17	15-Jun-20	550	5,500	—	—
TCFSL NCD "D" FY 2017-18	09-Jun-17	09-Jun-20	10,150	1,01,500	—	—
TCCL NCD 'D' FY 2017-18	07-Jun-17	05-Jun-20	250	2,500	—	—
TCCL NCD 'A' FY 2017-18	15-May-17	15-May-20	200	2,000	—	—
TCCL NCD 'B' FY 2017-18	17-May-17	15-May-20	500	5,000	—	—
TCFSL NCD "E" FY 2015-16	05-May-15	05-May-20	3,300	33,000	3,300	33,000
TCHFL Series 'C' FY 2017-18	20-Apr-17	29-Apr-20	50	500	—	—
TCHFL Series 'Y' FY 2016-17	17-Mar-17	17-Mar-20	3,000	30,000	3,000	30,000
TCFSL NCD "AJ" FY 2016-17	01-Mar-17	28-Feb-20	250	2,500	250	2,500
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	07-Feb-20	514	5,140	514	5,140
TCFSL NCD "Q" FY 2017-18	24-Jan-18	24-Jan-20	7,000	70,000	—	—
TCHFL Series 'G' FY 2016-17 Option II	10-Jun-16	23-Dec-19	130	1,300	130	1,300
TCFSL NCD "I" FY 2016-17 Option - II	10-Jun-16	23-Dec-19	130	1,300	130	1,300
TCFSL NCD "AE" FY 2016-17	16-Nov-16	16-Dec-19	750	7,500	750	7,500
TCFSL NCD "AD" FY 2016-17	10-Nov-16	10-Dec-19	230	2,300	230	2,300
TCFSL NCD "AC" FY 2016-17	27-Oct-16	25-Oct-19	350	3,500	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	03-Oct-19	100	1,000	100	1,000

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BALANCE SHEET AS AT MARCH 31, 2018**

Description of NCDs	Issue Date	Redemption Date	As on March 31, 2018*		As on March 31, 2017*	
			Number of NCDs	₹ in lakh	Number of NCDs	₹ in lakh
TCFSL NCD "L" FY 2017-18	29-Sep-17	27-Sep-19	2,000	20,000	—	—
TCHFL Series 'R' FY 2016-17	30-Aug-16	30-Aug-19	250	2,500	250	2,500
TCFSL NCD "V" FY 2016-17 - Option II	31-Aug-16	30-Aug-19	250	2,500	250	2,500
TCFSL NCD "T" FY 2016-17	25-Aug-16	23-Aug-19	250	2,500	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	08-Aug-16	08-Aug-19	250	2,500	250	2,500
TCCL NCD 'G' FY 2017-18	08-Aug-17	08-Aug-19	500	5,000	—	—
TCCL NCD 'G' FY 2017-18	11-Sep-17	08-Aug-19	277	2,777	—	—
TCFSL NCD "J" FY 2017-18	07-Aug-17	07-Aug-19	5,500	55,000	—	—
TCFSL NCD "J" FY 2017-18 Further Issuance	01-Sep-17	07-Aug-19	2,478	24,837	—	—
TCHFL Series 'N' FY 2016-17	29-Jul-16	29-Jul-19	100	1,000	100	1,000
TCFSL NCD "P" FY 2016-17	29-Jul-16	29-Jul-19	100	1,000	100	1,000
TCCL NCD 'E' FY 2017-18	26-Jul-17	26-Jul-19	500	5,000	—	—
TCHFL Series 'B' FY 2014-15 Option II	22-Jul-14	22-Jul-19	100	1,000	100	1,000
TCHFL Series 'H' FY 2017-18	21-Jul-17	19-Jul-19	1,250	12,500	—	—
TCFSL NCD "O" FY 2016-17	19-Jul-16	19-Jul-19	250	2,500	250	2,500
TCFSL NCD "H" FY 2017-18	18-Jul-17	18-Jul-19	5,000	50,000	—	—
TCHFL Series 'M' FY 2016-17	14-Jul-16	12-Jul-19	100	1,000	100	1,000
TCHFL Series 'G' FY 2017-18	13-Jul-17	12-Jul-19	1,000	10,000	—	—
TCFSL NCD "N" FY 2016-17	12-Jul-16	12-Jul-19	2,000	20,000	2,000	20,000
TCFSL NCD "F" FY 2017-18	10-Jul-17	10-Jul-19	1,000	10,000	—	—
TCFSL NCD C FY 2014-15 - Option-II	09-Jul-14	09-Jul-19	350	3,500	350	3,500
TCHFL Series 'G' FY 2016-17 Option I	10-Jun-16	24-Jun-19	20	200	20	200
TCFSL NCD "I" FY 2016-17- Option I	10-Jun-16	24-Jun-19	250	2,500	250	2,500
TCHFL Series 'H' FY 2016-17	14-Jun-16	14-Jun-19	50	500	50	500
TCCL NCD 'A' FY 2016-17	14-Jun-16	14-Jun-19	250	2,500	250	2,500
TCHFL Series 'A' FY 2014-15 Option II	13-Jun-14	13-Jun-19	100	1,000	100	1,000
TCHFL Series 'D' FY 2017-18	30-May-17	30-May-19	250	2,500	—	—
TCFSL NCD "B" FY 2017-18	30-May-17	30-May-19	2,250	22,500	—	—
TCFSL NCD "N" FY 2017-18	29-Nov-17	29-May-19	500	5,000	—	—
TCFSL NCD "F" FY 2016-17	24-May-16	24-May-19	250	2,500	250	2,500
TCHFL Series 'AT' FY 2015-16	02-Mar-16	16-May-19	220	2,200	220	2,200
TCFSL NCD "Z" FY 2015-16	05-Feb-16	03-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	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	150	1,500
TCFSL NCD "AC" FY 2015-16	31-Mar-16	18-Apr-19	213	2,130	213	2,130

NOTES TO AND FORMING PART OF THE CONSOLIDATED BALANCE SHEET AS AT MARCH 31, 2018

Description of NCDs	Issue Date	Redemption Date	As on March 31, 2018*		As on March 31, 2017*	
			Number of NCDs	₹ in lakh	Number of NCDs	₹ in lakh
TCHFL Series 'B' FY 2017-18	17-Apr-17	17-Apr-19	1,750	17,500	—	—
TCFSL NCD "A" FY 2017-18	10-Apr-17	10-Apr-19	10,250	1,02,500	—	—
TCFSL NCD "B" FY 2016-17	07-Apr-16	08-Apr-19	200	2,000	200	2,000
TCHFL Series 'A' FY 2017-18	05-Apr-17	05-Apr-19	2,550	25,500	—	—
TCFSL NCD "M" FY 2017-18	16-Nov-17	28-Mar-19	7,500	75,000	—	—
TCFSL NCD "AK" FY 2016-17	27-Mar-17	27-Mar-19	190	1,900	190	1,900
TCCL NCD 'H' FY 2017-18	09-Nov-17	20-Mar-19	1,350	13,500	—	—
TCFSL NCD "AA" FY 2016-17	06-Oct-16	18-Mar-19	500	5,000	500	5,000
TCFSL NCD "X" FY 2016-17	08-Sep-16	08-Mar-19	2,500	25,000	2,500	25,000
TCFSL NCD "AI" FY 2016-17	08-Feb-17	04-Mar-19	1,000	10,000	1,000	10,000
TCFSL NCD "AH" FY 2016-17	06-Feb-17	06-Feb-19	1,500	15,000	1,500	15,000
TCHFL 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	08-Jan-16	08-Jan-19	250	2,500	250	2,500
TCHFL Series 'P' FY 2015-16 Option III	24-Jun-15	07-Jan-19	50	500	50	500
TCFSL NCD "C" FY 2017-18	02-Jun-17	30-Nov-18	1,000	10,000	—	—
TCFSL NCD "AF" FY 2016-17	29-Nov-16	29-Nov-18	3,000	30,000	3,000	30,000
TCHFL Series 'G' FY 2011-12	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	250	2,500
TCHFL Series 'AL' FY 2015-16	02-Nov-15	02-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	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	06-Sep-16	06-Sep-18	2,500	25,000	2,500	25,000
TCHFL Series 'S' FY 2016-17	31-Aug-16	31-Aug-18	250	2,500	250	2,500
TCFSL NCD "V" FY 2016-17 - Option I	31-Aug-16	31-Aug-18	300	3,000	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	40	400	40	400
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	1,300	13,000
TCFSL NCD "S" FY 2016-17	16-Aug-16	16-Aug-18	750	7,500	750	7,500

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Description of NCDs	Issue Date	Redemption Date	As on March 31, 2018*		As on March 31, 2017*	
			Number of NCDs	₹ in lakh	Number of NCDs	₹ in lakh
TCFSL NCD "R" FY 2016-17	12-Aug-16	13-Aug-18	250	2,500	250	2,500
TCCL NCD 'D' FY 2015-16 Option II	03-Aug-15	03-Aug-18	500	5,000	500	5,000
TCHFL Series 'O' FY 2016-17	02-Aug-16	02-Aug-18	1,000	10,000	1,000	10,000
TCFSL NCD "Q" FY 2016-17	02-Aug-16	02-Aug-18	1,500	15,000	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 Option I	13-Jul-15	13-Jul-18	50	500	50	500
TCFSL NCD "L" FY 2015-16	22-Jun-15	22-Jun-18	3,800	38,000	3,800	38,000
TCHFL Series 'K' FY 2015-16 Option IV	01-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	04-Jun-15	04-Jun-18	100	1,000	100	1,000
TCHFL Series 'K' FY 2015-16 Option I	01-Jun-15	01-Jun-18	2,600	26,000	2,600	26,000
TCHFL Series 'K' FY 2015-16 Option III	01-Jun-15	29-May-18	350	3,500	350	3,500
TCFSL NCD G FY 2013-14	22-May-13	22-May-18	2,000	20,000	2,000	20,000
TCFSL NCD H FY 2013-14	22-May-13	22-May-18	250	2,500	250	2,500
TCCL NCD 'B' FY 2015-16 Option II	20-May-15	18-May-18	600	6,000	600	6,000
TCHFL Series 'F' FY 2016-17	11-May-16	11-May-18	150	1,500	150	1,500
TCFSL NCD D FY 2013-14	07-May-13	07-May-18	200	2,000	200	2,000
TCFSL NCD E FY 2013-14	07-May-13	07-May-18	500	5,000	500	5,000
TCHFL 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
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	05-Apr-18	59	590	59	590
TCFSL NCD AX FY 2014-15-Option-II	20-Mar-15	03-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
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	04-Oct-16	26-Mar-18	—	—	3,500	35,000

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Description of NCDs	Issue Date	Redemption Date	As on March 31, 2018*		As on March 31, 2017*	
			Number of NCDs	₹ in lakh	Number of NCDs	₹ in lakh
TCFSL NCD "AY" FY 2014-15-Option-I	24-Mar-15	23-Mar-18	—	—	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	05-Apr-16	20-Mar-18	—	—	1,250	12,500
TCFSL NCD "E" FY 2016-17	22-Apr-16	20-Mar-18	—	—	700	7,000
TCHFL 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
TCHFL Series 'AC' FY 2014-15 Option II	10-Mar-15	09-Mar-18	—	—	600	6,000
TCFSL NCD AV FY 2014-15 - Option-II	10-Mar-15	09-Mar-18	—	—	500	5,000
TCFSL NCD AT FY 2014-15 - Option-I	02-Mar-15	02-Mar-18	—	—	650	6,500
TCHFL Series 'W' FY 2014-15 Option I	27-Jan-15	14-Feb-18	—	—	80	800
TCHFL Series 'AA' FY 2014-15 Option I	16-Feb-15	12-Feb-18	—	—	75	750
TCFSL NCD AQ FY 2014-15	20-Feb-15	12-Feb-18	—	—	60	600
TCHFL Series 'Y' FY 2014-15	04-Feb-15	02-Feb-18	—	—	150	1,500
TCFSL NCD AP FY 2014-15-Option-I	04-Feb-15	02-Feb-18	—	—	500	5,000
TCFSL NCD AN FY 2014-15	29-Jan-15	29-Jan-18	—	—	3,000	30,000
TCHFL Series 'U' FY 2014-15	20-Jan-15	24-Jan-18	—	—	190	1,900
TCFSL NCD AL FY 2014-15	20-Jan-15	24-Jan-18	—	—	210	2,100
TCFSL NCD AY FY 2012-13	22-Jan-13	22-Jan-18	—	—	2,000	20,000
TCFSL NCD BA FY 2012-13	22-Jan-13	22-Jan-18	—	—	250	2,500
TCFSL NCD 'AZ' FY 2012-13	22-Jan-13	22-Jan-18	—	—	3,000	30,000
TCFSL NCD AX FY 2012-13	16-Jan-13	16-Jan-18	—	—	650	6,500
TCFSL NCD AK FY 2014-15-Option-I	15-Jan-15	15-Jan-18	—	—	97	970
TCHFL Series 'T' FY 2014-15	14-Jan-15	10-Jan-18	—	—	162	1,620
TCFSL NCD AJ FY 2014-15	14-Jan-15	10-Jan-18	—	—	162	1,620
TCHFL Series 'L' FY 2016-17	07-Jul-16	08-Jan-18	—	—	300	3,000
TCFSL NCD "L" FY 2016-17	07-Jul-16	08-Jan-18	—	—	250	2,500
TCFSL NCD AH FY 2014-15-Option-III	16-Dec-14	04-Jan-18	—	—	90	900
TCHFL Series 'K' FY 2015-16 Option II	01-Jun-15	02-Jan-18	—	—	114	1,140
TCFSL NCD "K" FY 2016-17	24-Jun-16	26-Dec-17	—	—	250	2,500
TCHFL Series 'AO' FY 2015-16	23-Dec-15	22-Dec-17	—	—	200	2,000
TCFSL NCD "J" FY 2016-17- Option II	15-Jun-16	15-Dec-17	—	—	250	2,500
TCFSL NCD AF FY 2014-15-Option-III	08-Dec-14	08-Dec-17	—	—	50	500
TCHFL Series 'AN' FY 2015-16	07-Dec-15	07-Dec-17	—	—	150	1,500
TCFSL NCD AS FY 2012-13	05-Dec-12	05-Dec-17	—	—	250	2,500

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Description of NCDs	Issue Date	Redemption Date	As on March 31, 2018*		As on March 31, 2017*	
			Number of NCDs	₹ in lakh	Number of NCDs	₹ in lakh
TCFSL NCD AB FY 2014-15-Option-III	21-Nov-14	29-Nov-17	–	–	150	1,500
TCFSL NCD AB FY 2014-15-Option-II	21-Nov-14	27-Nov-17	–	–	200	2,000
TCHFL Series 'M' FY 2014-15 Option II	14-Nov-14	24-Nov-17	–	–	150	1,500
TCFSL NCD X FY 2014-15 - Option -II	14-Nov-14	24-Nov-17	–	–	150	1,500
TCHFL Series 'O' FY 2014-15	20-Nov-14	22-Nov-17	–	–	180	1,800
TCHFL Series 'N' FY 2014-15	18-Nov-14	21-Nov-17	–	–	70	700
TCFSL NCD Y FY 2014-15	18-Nov-14	20-Nov-17	–	–	100	1,000
TCFSL NCD AB FY 2014-15-Option-I	21-Nov-14	20-Nov-17	–	–	380	3,800
TCFSL NCD Z FY 2014-15	19-Nov-14	15-Nov-17	–	–	740	7,400
TCHFL Series 'J' FY 2014-15 Option II	07-Nov-14	13-Nov-17	–	–	120	1,200
TCFSL NCD AQ FY 2012-13	12-Nov-12	10-Nov-17	–	–	300	3,000
TCFSL NCD "W" FY 2015-16	10-Nov-15	10-Nov-17	–	–	200	2,000
TCFSL NCD AJ FY 2012-13	09-Nov-12	09-Nov-17	–	–	5,000	50,000
TCCL NCD 'G' FY 2015-16	06-Nov-15	06-Nov-17	–	–	250	2,500
TCHFL Series 'K' FY 2014-15	11-Nov-14	01-Nov-17	–	–	100	1,000
TCHFL Series 'AJ' FY 2015-16	21-Oct-15	20-Oct-17	–	–	100	1,000
TCFSL NCD U FY 2014-15	21-Oct-14	20-Oct-17	–	–	100	1,000
TCFSL NCD "V" FY 2015-16	21-Oct-15	20-Oct-17	–	–	1,000	10,000
TCFSL NCD T FY 2014-15 - Option -III	13-Oct-14	18-Oct-17	–	–	100	1,000
TCFSL NCD S FY 2014-15 - Option -I	09-Oct-14	09-Oct-17	–	–	50	500
TCFSL NCD R FY 2014-15 - Option -III	30-Sep-14	29-Sep-17	–	–	50	500
TCFSL NCD R FY 2014-15 - Option -II	30-Sep-14	28-Sep-17	–	–	100	1,000
TCFSL NCD 'U' FY 2015-16	28-Sep-15	28-Sep-17	–	–	2,000	20,000
TCFSL NCD S FY 2014-15 - Option -V	09-Oct-14	27-Sep-17	–	–	22	220
TCFSL NCD T FY 2014-15 - Option -V	13-Oct-14	26-Sep-17	–	–	250	2,500
TCFSL NCD T FY 2014-15 - Option -I	13-Oct-14	20-Sep-17	–	–	1,500	15,000
TCFSL NCD AG FY 2012-13	10-Sep-12	08-Sep-17	–	–	100	1,000
TCFSL NCD "M" FY 2016-17	08-Jul-16	08-Sep-17	–	–	1,500	15,000
TCFSL NCD M FY 2014-15	04-Sep-14	04-Sep-17	–	–	500	5,000
TCFSL NCD L FY 2014-15 - Option- I	01-Sep-14	01-Sep-17	–	–	4,000	40,000
TCFSL NCD R FY 2013-14	26-Aug-13	25-Aug-17	–	–	300	3,000
TCHFL Series 'D' FY 2014-15 Option I	22-Aug-14	22-Aug-17	–	–	600	6,000
TCFSL NCD M FY 2011-12 - Partial Redemption	17-Aug-11	17-Aug-17	–	–	30	300
TCFSL NCD "H" FY 2016-17	07-Jun-16	10-Aug-17	–	–	400	4,000
TCFSL NCD AE FY 2012-13	09-Aug-12	09-Aug-17	–	–	200	2,000
TCHFL Series 'C' FY 2014-15 Option II	07-Aug-14	07-Aug-17	–	–	200	2,000

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			Number of NCDs	₹ in lakh	Number of NCDs	₹ in lakh
TCCL NCD 'D' FY 2015-16 Option I	03-Aug-15	03-Aug-17	—	—	500	5,000
TCFSL NCD 'R' FY 2015-16	31-Jul-15	31-Jul-17	—	—	1,570	15,700
TCHFL Series 'B' FY 2014-15 Option I	22-Jul-14	21-Jul-17	—	—	100	1,000
TCFSL NCD "H" FY 2015-16 Option - I	15-May-15	17-Jul-17	—	—	1,270	12,700
TCHFL Series 'U' FY 2015-16	14-Jul-15	14-Jul-17	—	—	500	5,000
TCFSL NCD F FY 2014-15	14-Jul-14	14-Jul-17	—	—	100	1,000
TCFSL NCD C FY 2014-15 - Option-I	09-Jul-14	10-Jul-17	—	—	250	2,500
TCHFL Series 'S' FY 2015-16 Option II	07-Jul-15	07-Jul-17	—	—	50	500
TCFSL NCD 'O' FY 2015-16 Option II	07-Jul-15	07-Jul-17	—	—	250	2,500
TCFSL NCD 'P' FY 2015-16	09-Jul-15	07-Jul-17	—	—	2,500	25,000
TCHFL Series 'R' FY 2015-16	03-Jul-15	28-Jun-17	—	—	130	1,300
TCHFL Series 'Q' FY 2015-16 Option II	30-Jun-15	26-Jun-17	—	—	180	1,800
TCHFL Series 'S' FY 2015-16 Option I	07-Jul-15	23-Jun-17	—	—	250	2,500
TCFSL NCD "M" FY 2015-16 - Option I	24-Jun-15	23-Jun-17	—	—	1,000	10,000
TCFSL NCD "M" FY 2015-16 - Option II	24-Jun-15	23-Jun-17	—	—	750	7,500
TCFSL NCD "M" FY 2015-16 - Option III	24-Jun-15	23-Jun-17	—	—	750	7,500
TCFSL NCD 'O' FY 2015-16 Option I	07-Jul-15	23-Jun-17	—	—	2,500	25,000
TCHFL Series 'J' FY 2015-16 Option II	28-May-15	20-Jun-17	—	—	219	2,190
TCHFL Series 'Q' FY 2015-16 Option I	30-Jun-15	20-Jun-17	—	—	180	1,800
TCFSL NCD "H" FY 2015-16 Option - V	15-May-15	20-Jun-17	—	—	187	1,870
TCFSL NCD "I" FY 2015-16 Option - V	22-May-15	20-Jun-17	—	—	67	670
TCHFL Series 'A' FY 2014-15 Option III	13-Jun-14	13-Jun-17	—	—	250	2,500
TCFSL NCD "K" FY 2015-16	09-Jun-15	09-Jun-17	—	—	5,000	50,000
TCHFL Series 'N' FY 2015-16 Option II	12-Jun-15	07-Jun-17	—	—	240	2,400
TCHFL Series 'E' FY 2015-16 Option III	23-Apr-15	01-Jun-17	—	—	600	6,000
TCFSL NCD "C" FY 2015-16 OPTION-IV	22-Apr-15	01-Jun-17	—	—	340	3,400
TCFSL NCD "H" FY 2015-16 Option - VI	15-May-15	01-Jun-17	—	—	175	1,750
TCFSL NCD "I" FY 2015-16 Option - I	22-May-15	01-Jun-17	—	—	1,273	12,730
TCHFL Series 'I' FY 2015-16 Option I	13-May-15	24-May-17	—	—	220	2,200
TCFSL NCD "G" FY 2015-16 - Option I	13-May-15	24-May-17	—	—	350	3,500
TCFSL NCD "J" FY 2015-16 - Option II	26-May-15	24-May-17	—	—	5,250	52,500
TCFSL NCD "H" FY 2015-16 Option - IV	15-May-15	24-May-17	—	—	220	2,200
TCFSL NCD "B" FY 2015-16	20-Apr-15	22-May-17	—	—	1,026	10,260
TCFSL NCD "H" FY 2015-16 Option - II	15-May-15	22-May-17	—	—	780	7,800
TCCL NCD 'B' FY 2015-16 Option I	20-May-15	17-May-17	—	—	900	9,000
TCFSL NCD "I" FY 2015-16 Option - II	22-May-15	17-May-17	—	—	200	2,000

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			Number of NCDs	₹ in lakh	Number of NCDs	₹ in lakh
TCFSL NCD "H" FY 2015-16 Option - VIII	15-May-15	15-May-17	—	—	100	1,000
TCFSL NCD "H" FY 2015-16 Option - III	15-May-15	12-May-17	—	—	250	2,500
TCHFL Series 'G' FY 2015-16 Option III	06-May-15	04-May-17	—	—	167	1,670
TCHFL Series 'A' FY 2014-15 Option I	13-Jun-14	02-May-17	—	—	600	6,000
TCHFL Series 'H' FY 2015-16	08-May-15	02-May-17	—	—	400	4,000
TCFSL NCD AU FY 2014-15-Option-III	05-Mar-15	02-May-17	—	—	110	1,100
TCHFL Series 'C' FY 2015-16 Option II	17-Apr-15	27-Apr-17	—	—	870	8,700
TCHFL Series 'I' FY 2015-16 Option II	13-May-15	27-Apr-17	—	—	90	900
TCHFL Series 'J' FY 2015-16 Option I	28-May-15	27-Apr-17	—	—	150	1,500
TCFSL NCD "G" FY 2015-16 - Option II	13-May-15	27-Apr-17	—	—	90	900
TCHFL Series 'A' FY 2015-16 Option V	10-Apr-15	26-Apr-17	—	—	700	7,000
TCHFL Series 'A' FY 2015-16 Option VI	10-Apr-15	25-Apr-17	—	—	1,135	11,350
TCHFL Series 'E' FY 2015-16 Option II	23-Apr-15	25-Apr-17	—	—	236	2,360
TCHFL Series 'G' FY 2015-16 Option I	06-May-15	25-Apr-17	—	—	51	510
TCFSL NCD "C" FY 2015-16 OPTION-III	22-Apr-15	25-Apr-17	—	—	850	8,500
TCHFL Series 'A' FY 2015-16 Option II	10-Apr-15	24-Apr-17	—	—	180	1,800
TCHFL Series 'D' FY 2015-16 Option II	21-Apr-15	21-Apr-17	—	—	160	1,600
TCHFL Series 'A' FY 2015-16 Option IV	10-Apr-15	20-Apr-17	—	—	545	5,450
TCFSL NCD "C" FY 2015-16 OPTION-II	22-Apr-15	20-Apr-17	—	—	70	700
TCHFL Series 'A' FY 2015-16 Option I	10-Apr-15	19-Apr-17	—	—	50	500
TCFSL NCD "C" FY 2015-16 OPTION-I	22-Apr-15	19-Apr-17	—	—	326	3,260
TCHFL Series 'G' FY 2015-16 Option II	06-May-15	18-Apr-17	—	—	88	880
TCFSL NCD "D" FY 2015-16 OPTION-II	24-Apr-15	18-Apr-17	—	—	88	880
TCHFL Series 'AD' FY 2014-15 Option I	16-Mar-15	17-Apr-17	—	—	90	900
TCHFL Series 'B' FY 2015-16	15-Apr-15	13-Apr-17	—	—	117	1,170
TCFSL NCD "A" FY 2015-16	15-Apr-15	11-Apr-17	—	—	180	1,800
TCFSL NCD "H" FY 2015-16 Option - VII	15-May-15	11-Apr-17	—	—	120	1,200
TCHFL Series 'AB' FY 2014-15	05-Mar-15	10-Apr-17	—	—	100	1,000
TCFSL NCD AU FY 2014-15-Option-I	05-Mar-15	10-Apr-17	—	—	115	1,150
TCFSL NCD "D" FY 2015-16 OPTION-IV	24-Apr-15	05-Apr-17	—	—	510	5,100
TCHFL Series 'C' FY 2015-16 Option I	17-Apr-15	04-Apr-17	—	—	45	450
TCHFL Series 'D' FY 2015-16 Option I	21-Apr-15	03-Apr-17	—	—	180	1,800
TCHFL Series 'E' FY 2015-16 Option I	23-Apr-15	03-Apr-17	—	—	470	4,700
TCFSL NCD "D" FY 2015-16 OPTION-I	24-Apr-15	03-Apr-17	—	—	640	6,400
TCFSL NCD "D" FY 2015-16 OPTION-III	24-Apr-15	03-Apr-17	—	—	190	1,900
TOTAL				15,63,954		17,04,260
Of which current maturities classified under Current liabilities" in note 9				(5,14,520)		(9,14,220)
TOTAL				10,49,434		7,90,040

* Net of unamortised premium of ₹ 64 lakh (Previous Year : ₹ Nil).

** Note : Coupon rate of "NCDs" outstanding as on March 31, 2018 varies from 7.40% to 10.40% (Previous Year : from 7.58% to 10.75%)

NOTES TO AND FORMING PART OF THE CONSOLIDATED BALANCE SHEET AS AT MARCH 31, 2018

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

Description of NCD	Issue Date	Redemption Date	Number of NCDs	₹ in lakh
TCFSL NCD Option I (2009)	March 6, 2009	March 5, 2019	310	310
TCFSL NCD Option II (2009)	March 6, 2009	March 5, 2019	1,77,875	1,779
TCFSL NCD Option III (2009)	March 6, 2009	March 5, 2019	14,97,029	14,970
TCFSL NCD Option IV (2009)	March 6, 2009	March 5, 2019	11,75,939	11,759
Total				28,818
Of which current maturities classified under "Current liabilities" in note 9				(28,818)
Total				—

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

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)	March 6, 2009	March 5, 2019	310	310
TCFSL NCD Option II (2009)	March 6, 2009	March 5, 2019	1,77,875	1,779
TCFSL NCD Option III (2009)	March 6, 2009	March 5, 2019	14,97,029	14,970
TCFSL NCD Option IV (2009)	March 6, 2009	March 5, 2019	11,75,939	11,759
Total				28,818

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

4.9 Particulars of unsecured redeemable non-convertible subordinated debentures (Tier II Bonds) outstanding as on March 31, 2018

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, 2018

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	9-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	18-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	14-Aug-12	22-Aug-22	330	3,300
TCHFL Tier II Bonds 'C' FY-2012-13	21-May-12	30-May-22	300	3,000
TCHFL Tier II Bonds 'B' FY-2012-13	24-May-12	30-May-22	3	30
TCHFL Tier II Bonds 'A' FY-2012-13	25-Apr-12	10-May-22	10	100
TCHFL Tier II Bonds 'F' FY-2011-12	2-Mar-12	12-Mar-22	102	1,020
TCHFL Tier II Bonds 'E' FY-2011-12	18-Jan-12	25-Jan-22	135	1,350
TCHFL Tier II Bonds 'D' FY-2011-12	31-Oct-11	4-Nov-21	101	1,010
TCHFL Tier II Bonds 'C' FY-2011-12	9-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	27-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	4,824
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
Total				2,46,064

* Net of unamortised discount of ₹ 851 lakh

Note : Coupon rate of above outstanding as on March 31, 2018 varies from 8.45% to 10.50%.

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

NOTES TO AND FORMING PART OF THE CONSOLIDATED BALANCE SHEET AS AT MARCH 31, 2018

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
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
Total				2,45,616

* 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%.

NOTES TO AND FORMING PART OF THE CONSOLIDATED BALANCE SHEET AS AT MARCH 31, 2018

4.10 Particulars of unsecured non-convertible perpetual debentures outstanding as on March 31, 2018

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	05-May-11	20	100
TCL Perpetual 'B' FY 2011-12	08-Aug-11	61	305
TCL Perpetual 'C' FY 2011-12	28-Sep-11	10	50
TCL Perpetual 'D' FY 2011-12	07-Nov-11	5	25
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	06-Jan-16	500	5,000
TCFSL Perpetual 'C' FY 2015-16	02-Feb-16	500	5,000
TCFSL Perpetual 'D' FY 2015-16	09-Feb-16	1,000	10,000
TCFSL Perpetual 'E' FY 2015-16	23-Mar-16	1000	10,000
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	08-Mar-17	400	4,000
TCFSL Perpetual 'A' FY 2017-18	21-Jun-17	500	5,000
TCFSL Perpetual 'B' FY 2017-18	14-Jul-17	500	5,000
TCFSL Perpetual 'C' FY 2017-18	11-Sep-17	930	9,300
Total			79,300

Note : Coupon rate of above outstanding as on March 31, 2018 varies from 8.61% to 11.25%

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	05-May-11	20	100
TCL Perpetual B FY 2011-12	08-Aug-11	61	305
TCL Perpetual C FY 2011-12	28-Sep-11	10	50
TCL Perpetual D FY 2011-12	07-Nov-11	5	25
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	06-Jan-16	500	5,000
TCFSL Perpetual C FY 2015-16	02-Feb-16	500	5,000
TCFSL Perpetual D FY 2015-16	09-Feb-16	1,000	10,000
TCFSL Perpetual E FY 2015-16	23-Mar-16	1000	10,000
TCFSL Perpetual 'B' FY 2016-17	13-Jan-17	100	1,000
TCFSL Perpetual 'C' FY 2016-17	08-Mar-17	400	4,000
Total			55,000

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

**NOTES TO AND FORMING PART OF THE CONSOLIDATED
BALANCE SHEET AS AT MARCH 31, 2018**

Particulars for perpetual debt in respect of a wholly owned subsidiary company *	Year Ended March 31, 2018	Year Ended March 31, 2017
Funds raised during the year through Perpetual Debt Instruments	24,300	15,000
Amount outstanding at the end of year	79,300	55,000
Percentage of amount of Perpetual Debt Instruments of the amount of Tier I Capital of the wholly owned subsidiary company *	15.95%	13.82%
Financial year in which interest on Perpetual Debt Instruments is not paid on account of 'Lock-In Clause'.	N. A.	

* Tata Capital Financial Services Limited

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

Description of NCD	Issue Date	Redemption Date	Number of NCDs	₹ in lakh
TCL Unsecured NCD D FY 2017-18	5-Sep-17	5-Mar-20	2,000	20,000
TCL Unsecured NCD D FY 2016-17 Option II	18-Aug-16	19-Aug-19	250	2,500
TCFSL Unsecured NCD A FY 2017-18	27-Jun-17	27-Jun-19	8,000	80,000
TCL Unsecured NCD C FY 2017-18	22-Jun-17	21-Jun-19	1,000	10,000
TCL Unsecured NCD B FY 2017-18	31-May-17	31-May-19	2,250	22,500
TCL Unsecured NCD A FY 2017-18	26-Apr-17	26-Apr-19	250	2,500
TCL Unsecured NCD D FY 2016-17 Option I	18-Aug-16	17-Aug-18	2,250	22,500
TCFSL Unsecured NCD "A" FY 2015-16	12-Aug-15	10-Aug-18	2,000	20,000
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
Total				2,80,000
Of which current maturities classified under "Current liabilities" in note 9				(1,42,500)
Total				1,37,500

Note : Note : Coupon rate of above outstanding as on March 31, 2018 varies from 7.75% to 9.00%

NOTES TO AND FORMING PART OF THE CONSOLIDATED BALANCE SHEET AS AT MARCH 31, 2018

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 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
TCFSL Unsecured NCD A FY 2015-16	12-Aug-15	10-Aug-18	2,000	20,000
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
Total				1,60,000
Of which current maturities classified under "Current liabilities" in note 9				(15,000)
Total				1,45,000

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

4.12 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, 2018	As at March 31, 2017
(a) Premium on redemption payable to preference shareholders	10,355	10,355
(b) Others		
(i) Interest accrued but not due on borrowings	426	4,406
(ii) Income received in advance	193	289
(iii) Payable For Capital Expenditure	205	—
(iv) Sundry liabilities account (interest capitalisation)	250	2,487
Total	11,429	17,537

NOTE "6"

(₹ in lakh)

LONG-TERM PROVISIONS	As at March 31, 2018	As at March 31, 2017
(a) Provision for employee benefits	1,562	1,490
(b) Contingent Provision against Standard Assets (Refer note 31)	17,004	14,257
(c) Provision for doubtful loans and credit substitutes	32,651	37,572
(d) Provision for restructured loans and advances	108	70
Total	51,325	53,389

NOTES TO AND FORMING PART OF THE CONSOLIDATED BALANCE SHEET AS AT MARCH 31, 2018

NOTE “7”

(₹ in lakh)

SHORT-TERM BORROWINGS	As at March 31, 2018	As at March 31, 2017
(a) Loans repayable on demand		
Secured		
(i) From Banks		
(1) Working capital demand loan (Refer notes 4.3 above and 7.2 below)	3,00,400	82,000
(2) Bank Overdraft (Refer note 4.3 above)	3,42,064	3,35,195
Unsecured		
(i) From Banks		
(1) Working capital demand loan (Refer note 7.2 below)	45,000	11,200
(2) Bank Overdraft	36,739	30,557
(b) Term Loans		
Secured		
(i) From Banks	39,500	10,000
(ii) From Others	10,000	20,000
Unsecured		
(i) From Banks	1,22,500	—
(c) Deposits		
Unsecured		
Inter Corporate Deposits (Refer note 7.3 below)	11,000	2,000
(d) Other Loans		
Unsecured		
Commercial Papers (Refer note 7.1 below)	10,32,186	9,62,098
[Net of unamortised discount of ₹ 19,814 lakh (as at March 31, 2017 ₹ 15,401 lakh)]		
Total	19,39,389	14,53,050

Notes

- 7.1. Discount on Commercial Papers varies between 6.79% to 8.25%. (Previous year : 6.66% to 8.62%)
- 7.2. Rate of interest payable on WCDL varies between 7.60% to 9.10% (Previous Year : 7.95% to 9.95%.)
- 7.3. Rate of interest payable on Inter-corporate deposits varies between 7.10% to 8.87% (Previous Year : 7.65% to 8.87%.)

NOTE “8”

(₹ in lakh)

TRADE PAYABLES	As at March 31, 2018	As at March 31, 2017
(a) Accrued expenses	25,363	22,025
(b) Payable to dealers/vendors	31,326	26,712
(c) Others	3,060	5,426
Total	59,749	54,163

NOTES TO AND FORMING PART OF THE CONSOLIDATED BALANCE SHEET AS AT MARCH 31, 2018

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 “8(a)” : Total outstanding dues of micro enterprises and small enterprises (₹ in lakh)

Particulars	As at March 31, 2018	As at March 31, 2017
(a) Amounts outstanding but not due as at year end	—	—
(b) Amounts due but unpaid as at year end	—	—
(c) Amounts paid after appointed date during the year	—	—
(d) Amount of interest accrued and unpaid as at year end	—	—
(e) The amount of further interest due and payable even in the succeeding year	—	—
Total	—	—

NOTE “9” (₹ in lakh)

OTHER CURRENT LIABILITIES	As at March 31, 2018	As at March 31, 2017
(a) Current maturities of long-term debt		
(i) Inter Corporate Deposits (Refer note 7.3 above)	2,415	2,215
(ii) Debentures		
Secured		
Privately Placed non-convertible debentures (Refer notes 4.1 and 4.7 above)	5,14,520	9,14,220
Public issue of Non-Convertible Debentures (Refer notes 4.2 & 4.8 above)	28,818	—
Unsecured		
Privately Placed non-convertible debentures (Refer note 4.11 above)	1,42,500	15,000
(iii) Term Loans		
Secured		
(1) From Banks (Refer notes 4.3 & 4.4 above)	71,097	1,12,056
(2) From National Housing Bank (Refer note 4.5 above)	56,687	35,136
Unsecured		
(1) From Banks (Refer note 4.4 above)	90,000	15,000
(b) Interest accrued but not due on borrowings	1,13,317	1,19,702
(c) Accrued Employee Benefit expenses	11,490	7,816
(d) Income received in advance	4,748	6,000
(e) Unclaimed debenture application money and interest accrued thereon	53	53
(f) Other payables		
(i) Security deposits	31,720	22,477
(ii) Statutory dues	5,227	2,047
(iii) Payables for capital expenditure	1,647	919
(iv) Amounts payable - assigned loans	5,540	9,643
(v) Advances from customers	2,271	1,792
(vi) Other Miscellaneous payables	1,468	1,399
(g) Sundry liabilities account (interest capitalisation)	450	2,058
Total	10,83,968	12,67,533

NOTES TO AND FORMING PART OF THE CONSOLIDATED BALANCE SHEET AS AT MARCH 31, 2018

NOTE “10”

(₹ in lakh)

SHORT-TERM PROVISIONS	As at March 31, 2018	As at March 31, 2017
(a) Provision for employee benefits	420	307
(b) Provision - Others		
(i) Contingent Provision against Standard Assets (Refer note 31)	10,052	7,552
(ii) Provision for tax [Net of advance tax of ₹ 20,903 lakh (as at March 31, 2017 ₹ 39,844 lakh)]	12,802	10,333
(iii) Provision for doubtful loans and credit substitutes	72,381	91,380
(iv) Provision for restructured loans and advances	35	41
Total	95,690	1,09,613

NOTE “11” :

(₹ in lakh)

PROPERTY, PLANT AND EQUIPMENT	Gross Block					Accumulated depreciation and amortisation					Net Carrying Amount As at March 31, 2018
	Opening balance as at April 1, 2017	Additions	Deletions/ Adjustments	Written off during the year	Closing balance as at March 31, 2018	Opening balance as at April 1, 2017	Depreciation/ Amortisation for the year	Deletions	Other Adjustments	Closing balance as at March 31, 2018	
TANGIBLE FIXED ASSETS											
Buildings	16,462 16,511	160 —	66 49	— —	16,556 16,462	3,311 2,684	662 658	17 31	— —	3,956 3,311	12,600 13,151
Leasehold Improvements	4,292 4,799	557 501	231 1,008	— —	4,618 4,292	2,231 2,638	663 534	181 939	(3) (2)	2,710 2,231	1,908 2,061
Furniture & Fixtures	2,227 2,193	221 263	64 229	— —	2,384 2,227	1,183 1,083	232 269	49 169	— —	1,366 1,183	1,018 1,044
Computer Equipment	2,935 1,326	1,368 1,732	145 123	— —	4,158 2,935	1,080 829	757 374	132 123	— —	1,705 1,080	2,453 1,855
Office Equipment	2,620 2,334	294 445	200 159	— —	2,714 2,620	1,922 1,790	318 262	182 127	1 (3)	2,059 1,922	655 698
Plant & Machinery	791 921	51 27	21 157	— —	821 791	365 397	86 93	16 125	— —	435 365	386 426
Vehicles	1,287 1,331	173 385	238 429	— —	1,222 1,287	664 757	251 287	186 380	— —	729 664	493 623
ASSETS GIVEN UNDER OPERATING LEASE/ RENTAL											
Buildings	2,538 2,538	— —	— —	— —	2,538 2,538	368 266	102 102	— —	— —	470 368	2,068 2,170
Construction Equipment	24,047 22,843	1,788 1,435	7,602 231	— —	18,233 24,047	9,748 6,905	2,826 2,894	3,919 51	— —	8,655 9,748	9,578 14,299
Vehicles	3,497 4,769	1,913 793	2,210 2,065	— —	3,200 3,497	1,916 2,797	897 798	1,266 1,679	— —	1,547 1,916	1,653 1,581
Plant & Machinery	25,966 13,642	12,323 12,432	1,453 108	— —	36,836 25,966	4,347 2,153	6,515 2,214	322 20	— —	10,540 4,347	26,296 21,619
Computer Equipment	21,867 22,812	3,225 7,423	2,431 8,368	— —	22,661 21,867	8,967 8,222	7,153 4,687	1,894 3,942	— —	14,226 8,967	8,435 12,900
Furniture & Fixtures	1,046 635	123 411	— —	— —	1,169 1,046	212 126	296 86	— —	— —	508 212	661 834
Office Equipment	2,711 2,607	204 299	229 195	— —	2,686 2,711	1,466 862	792 769	224 165	— —	2,034 1,466	652 1,245
Railway Wagons	16,019 8,265	124 7,754	— —	— —	16,143 16,019	1,186 223	2,580 963	— —	— —	3,766 1,186	12,377 14,833
Electrical Installation & Equipments	1,176 289	12 887	— —	— —	1,188 1,176	114 2	228 112	— —	— —	342 114	846 1,062
TANGIBLE ASSETS - TOTAL	1,29,481 1,07,815	22,536 34,787	14,890 13,121	— —	1,37,127 1,29,481	39,080 31,734	24,358 15,102	8,388 7,751	(2) (5)	55,048 39,080	82,079 90,401
INTANGIBLE ASSETS (Acquired)											
Goodwill *	1,114 8,714	— —	1,114 —	— 7,600	— 1,114	— —	— —	— —	— —	— —	— 1,114
Software	2,342 1,879	1,700 480	170 17	— —	3,872 2,342	1,229 952	463 292	134 15	— —	1,558 1,229	2,314 1,113
Trading Rights in BSE	228 228	— —	— —	— —	228 228	228 228	— —	— —	— —	228 228	— —
INTANGIBLE ASSETS - TOTAL	3,684 10,821	1,700 480	1,284 17	— 7,600	4,100 3,684	1,457 1,180	463 292	134 15	— —	1,786 1,457	2,314 2,227
TANGIBLE & INTANGIBLE ASSETS - TOTAL	1,33,165 1,18,636	24,236 35,267	16,174 13,138	— 7,600	1,41,227 1,33,165	40,537 32,914	24,821 15,394	8,522 7,766	(2) (5)	56,834 40,537	84,393 92,628
Capital work-in- progress											275 656
Intangible assets under development											764 997
Accumulated Impairment on Goodwill											— (1,114)
TOTAL											85,432 93,167

NOTES TO AND FORMING PART OF THE CONSOLIDATED BALANCE SHEET AS AT MARCH 31, 2018

- Note :** (1) Previous year figures are given in Italics
- (2) During the year ended March 31, 2018, gross block amounting to ₹ 1,581 lakh and accumulated depreciation amounting to ₹ 312 lakh were sold off due to sale of subsidiaries. Accordingly, impairment of ₹ 1,114 was also reversed. (Refer note 50)

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

NOTE "12"

(₹ in lakh)

GOODWILL ON CONSOLIDATION	As at March 31, 2018	As at March 31, 2017
Goodwill on Consolidation	—	5,515
Less : Adjustment pursuant to Reduction of Share Capital (Refer note 46)	—	(5,515)
Total	—	—

NOTE "13" INVESTMENTS

(₹ in lakh)

Particulars	As at March 31, 2018		As at March 31, 2017	
	Non-Current Investments	Current portion of Non-Current Investments	Non-Current Investments	Current portion of Non-Current Investments
NON-CURRENT INVESTMENTS				
Investments in Associates				
Unquoted :				
Carrying amount of investments in associates (Refer note 29)	45,731	—	51,554	—
Investment in Security Receipts	—	—	748	—
Investments in Others				
Quoted :				
Investment in Equity Shares	21,041	7,000	23,692	—
Investment in Debentures	19,831	—	5,878	992
Investment in Mutual Funds	50	—	50	—
Unquoted :				
Investment in Equity Shares	23,587	12,020	36,098	—
Investment in Preference Shares	9,008	—	10,491	90
Investment in Mutual Funds	1,503	—	1,489	—
Investment in Venture Capital Fund	4,031	—	2,294	—
Investment in Security Receipts	395	—	—	—
Total Cost of Non-Current Investments	1,25,177	19,020	1,32,294	1,082
Less: Provision for diminution in value of investments	(11,214)	(6,366)	(18,016)	(90)
TOTAL NON-CURRENT INVESTMENTS	1,13,963	12,654	1,14,278	992
Particulars	As at March 31, 2018		As at March 31, 2017	
CURRENT INVESTMENTS				
Quoted :				
Investment in Equity Shares		170		794
Unquoted :				
Investment in Equity Shares *		0		0
Investment in Mutual Funds		83		—
TOTAL CURRENT INVESTMENTS		253		794
TOTAL INVESTMENTS	1,13,963	12,907	1,14,278	1,786

NOTES TO AND FORMING PART OF THE CONSOLIDATED BALANCE SHEET AS AT MARCH 31, 2018

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

(₹ in lakh)

Particulars	As at March 31, 2018		As at March 31, 2017	
	Non- Current Investment	Current Investment	Non- Current Investment	Current Investment
Cost of Quoted investments	40,922	9,306	29,620	2,376
Book value of Quoted investments (net)	31,347	804	18,390	1,786
Market value of Quoted investments	34,471	2,241	17,789	1,817
Cost of Unquoted investments	84,255	12,430	1,02,674	500
Book value of Unquoted investments (net)	82,616	12,103	95,888	—

* Amount less than ₹ 50,000

Scrip-wise details of Investments

Particulars	Face value Per Unit ₹ (unless stated otherwise)	No. of Units	As at March 31, 2018		No. of Units	As at March 31, 2017	
			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
NON - CURRENT INVESTMENTS							
Investments in Associates							
Unquoted :							
Investment in Equity Shares (Non-Trade)							
Tata Auto Comp Systems Limited	10	4,83,07,333	32,689	-	4,83,07,333	32,547	-
International Asset Reconstruction Company Private Limited (Refer note 29)	10	-	-	-	1,39,46,295	3,854	-
			32,689	-		36,401	-
Investment in Venture Capital Units (Trade)							
Tata Capital Innovation Fund	1,000	7,50,000	5,326	—	7,50,000	5,403	—
Tata Capital Innovations Fund - Class B Units	1	10,000	0*	—	10,000	0*	—
Tata Capital Healthcare Fund I	1	1,00,00,00,000	5,007	—	1,00,00,00,000	6,945	—
Tata Capital Healthcare Fund I - Class B Units	1	10,000	0*	—	10,000	0*	—
Tata Capital Special Situation Fund	1,00,000	4,181	2,709	—	4,463	2,805	—
Tata Capital Special Situations Fund - Class B Units	100	50	0*	—	50	0*	—
			13,042	—		15,153	—
Carrying amount of investments in associates (Refer note 29)			45,731	—		51,554	—
Investment in Security Receipts							
International Asset Reconstruction Company Private Limited (Refer Note 29)	1,000	—	—	—	1,04,135	748	—
			—	—		748	—

NOTES TO AND FORMING PART OF THE CONSOLIDATED BALANCE SHEET AS AT MARCH 31, 2018

Particulars	Face value Per Unit ₹ (unless stated otherwise)	No. of Units	As at March 31, 2018		No. of Units	As at March 31, 2017	
			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
NON - CURRENT INVESTMENTS							
Investments in Others							
Quoted :							
Investment in Equity Shares - Non-Trade (valued at cost, unless stated otherwise)							
The Indian Hotels Company Limited	1	17,640	12	—	14,700	10	—
Tata Steel Limited	10	13,500	111	—	13,500	100	—
Tata Steel Limited (Partly paid ₹ 2.504)	10	1,080	2	—	—	—	—
Hindustan Unilever Limited	1	2,000	5	—	2,000	5	—
Bombay Stock Exchange Limited	2	5,700	0*	—	5,700	0*	—
The New India Assurance company Limited	5	5,41,688	4,334	—	—	—	—
Praj Industries Limited	2	1,34,22,400	16,577	—	1,34,22,400	16,577	—
Commercial Engineers & Body Builders Company Limited	10	60,05,401	—	7,000	60,05,401	7,000	—
			21,041	7,000		23,692	—
Investment in Debentures (Non-Trade)							
6.44% State Bank of India - Indian Cash Bond	100 USD	—	—	—	15,340	—	992
7.14% State Bank of India - Indian Cash Bond	100 USD	—	—	—	4,600	305	—
4.50% BPCL - Indian Cash Bond	100 USD	20,000	1,381	—	—	—	—
7.00% ICICI Bank - Indian Cash Bond	100 USD	30,000	2,146	—	—	—	—
2.00% ONGC - Indian Cash Bond	100 USD	3,750	243	—	—	—	—
3.88% Syndicate Bank - Indian Cash Bond	100 USD	40,000	2,639	—	—	—	—
4.50% Union Bank of India - Indian Cash Bond	100 USD	10,000	667	—	—	—	—
5.95% Tata International Bond	100 USD	10,000	687	—	—	—	—
4.85% Tata International Bonds	100 USD	65,000	4,272	—	65,000	4,267	—
4.63% Tata Motors Limited Bond	100 USD	44,000	2,918	—	10,000	638	—
5.75% Tata Motors Limited Bond	100 USD	60,000	4,172	—	10,000	668	—
6.25% Bank of India Bond	100 USD	10,000	706	—	—	—	—
			19,831	—		5,878	992
Investment in Mutual Funds							
HDFC Debt Fund For Cancer Cure	10	5,00,000	50	—	5,00,000	50	—
			50	—		50	—
Unquoted :							
Investment in Equity Shares - Non-trade (valued at cost, unless stated otherwise)							
Adithya Automotives Private Limited	10	13,96,500	140	—	13,96,500	140	—
Arcent Technologies Holdings Limited	10	8	0*	—	8	0*	—
Roots Corporation Limited	10	20,89,269	1,880	—	20,89,269	1,880	—
Tata Sky Limited	10	1,00,72,871	5,242	—	1,00,72,871	5,242	—

NOTES TO AND FORMING PART OF THE CONSOLIDATED BALANCE SHEET AS AT MARCH 31, 2018

Particulars	Face value Per Unit ₹ (unless stated otherwise)	No. of Units	As at March 31, 2018		No. of Units	As at March 31, 2017	
			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
NON - CURRENT INVESTMENTS							
Tata Technologies Limited	10	18,73,253	–	4,707	18,73,253	4,707	–
Star Health & Allied Insurance Company Limited	10	2,40,45,296	–	6,000	2,40,45,296	6,000	–
SKS Ispat & Power Limited	10	3,39,31,831	1,028	–	3,39,31,831	1,028	–
Shriram Properties Private Limited	10	22,23,569	3,935	–	22,23,569	3,935	–
Agile Electric Sub Assembly Private Limited	10	–	–	–	24,42,333	3,202	–
Tata Projects Limited	10	44,810	2,823	–	44,810	2,823	–
Fincare Business Services Limited	10	2,35,992	660	–	2,35,992	660	–
TVS Logistics Services Limited	10	2,17,325	1,465	–	2,17,325	1,465	–
Varroc Engineering Private Limited	10	1,55,024	2,521	–	1,55,024	2,521	–
Sai Life Sciences Limited	10	4,58,579	–	1,313	4,58,579	1,313	–
International Asset Reconstruction Company Private Limited	10	1,39,46,295	3,893	–	–	–	–
Conneqt Business Solution Limited (formerly known as Tata Business Support Services Limited)	10	–	–	–	40,54,048	1,182	–
			23,587	12,020		36,098	–
Investment in Security Receipts							
International Asset Reconstruction Company Private Limited	1,000	1,04,135	395	–	–	–	–
			395	–		–	–
Investment in Preference Shares (Non-Trade)							
0.001% Share Microfin Limited Optionally Convertible Cumulative Redeemable Preference Shares	10	–	–	–	9,00,000	–	90
Uber Technologies Inc.		1,06,000	2,736	–	1,06,000	2,719	–
Vanu Inc		38,074	6,272	–	38,074	6,272	–
Conneqt Business Solution Limited (formerly known as Tata Business Support Services Limited)	10	–	–	–	1,50,00,000	1,500	–
			9,008	–		10,491	90
Investment in Mutual Funds							
Tata Money Market Fund - Growth	1,000	59,269	1,476	–	58,279	1,449	–
Tata Money Market Fund - Daily Dividend	1000	2,672	27	–	3,975	40	–
			1,503	–		1,489	–
Investment in Venture Capital Fund							
Pitango Venture Capital Fund VI L.P.			2,590	–		2,294	–
Pitango Venture Capital Fund VII L.P.			1,441	–		–	–
			4,031	–		2,294	–
Total Cost of Non-Current Investments			1,25,177	19,020		1,32,294	1,082
Less: Provision for diminution in value of investments			(11,214)	(6,366)		(18,016)	(90)
TOTAL NON-CURRENT INVESTMENTS			1,13,963	12,654		1,14,278	992

NOTES TO AND FORMING PART OF THE CONSOLIDATED BALANCE SHEET AS AT MARCH 31, 2018

NOTE “15”

(₹ in lakh)

INVESTMENTS	Face value Per Unit ₹ (unless stated otherwise)	No. of Units	As at March 31, 2018	No. of Units	As at March 31, 2017
CURRENT INVESTMENTS					
Quoted :					
Investment in Equity Shares					
IVRCL Limited	2	15,94,857	246	27,76,522	428
GOL Offshore Limited	10	6,44,609	282	6,44,609	282
3I Infotech Limited	10	2,32,80,000	1,013	—	—
Consolidated Construction Consortium Limited	2	4,16,472	8	—	—
Diamond Power Infra Limited	10	16,31,881	674	16,31,881	674
			2,223		1,384
Less: Provision and MTM loss on Current Investment			(2,053)		(590)
			170		794
Unquoted :					
Investment in Equity Shares					
Tata Teleservices Limited (Refer note 45)	10	6,22,50,000	0*	6,22,50,000	0*
Coastal Projects Limited	10	41,01,806	410	41,01,806	410
			410		410
Investment in Mutual Funds					
Tata Liquid Fund-Daily Dividend		7,465	83	—	—
			493		410
Less: Provision for diminution in value of investments			(410)		(410)
			83		—
Total Cost of Current Investments			253		794
TOTAL CURRENT INVESTMENTS			253		794

* Amount less than ₹ 50,000

NOTE “14”

(₹ in lakh)

DEFERRED TAX ASSETS	As at March 31, 2018	As at March 31, 2017
Deferred Tax Assets		
(a) On account of provisions for non-performing assets	34,655	43,170
(b) Provision for restructured advances	49	38
(c) Contingent provision for standard assets	9,364	7,548
(d) Employee benefits	494	451
(e) Timing difference in respect of depreciation on fixed assets	432	160
(f) Others	2,216	1,164
Deferred Tax Liabilities		
(a) Timing difference in respect of depreciation on fixed assets	—	(2,418)
(b) Debenture issue expenses	(492)	(525)
(c) Special Reserve u/s 36(1) (viii) of the Income tax Act, 1961	(3,992)	(3,655)
Total	42,726	45,933

**NOTES TO AND FORMING PART OF THE CONSOLIDATED
BALANCE SHEET AS AT MARCH 31, 2018**

NOTE “15”

(₹ in lakh)

LOANS AND ADVANCES - FINANCING ACTIVITY	As at March 31, 2018	As at March 31, 2017
NON-CURRENT		
(a) Secured Loans		
(i) Considered good	35,01,722	30,02,850
(ii) Considered doubtful	31,229	34,156
(iii) Retained portion of assigned loans	9,566	11,909
	35,42,517	30,48,915
(b) Unsecured Loans		
(i) Considered good	2,60,797	2,09,194
(ii) Considered doubtful	1,531	733
	2,62,328	2,09,927
(c) Secured Credit Substitutes (Refer note 15.1)		
(i) Considered good	17,030	16,508
(ii) Considered doubtful	—	2,752
	17,030	19,260
(d) Unsecured Credit Substitutes (Refer note 15.1)		
(i) Considered good	16,230	9,924
(ii) Considered doubtful	—	—
	16,230	9,924
Total	38,38,105	32,88,026
CURRENT		
(a) Secured Loans		
(i) Considered good	9,21,122	7,27,141
(ii) Considered doubtful	45,395	65,679
(iii) Retained portion of assigned loans	1,131	1,494
	9,67,648	7,94,314
(b) Unsecured Loans		
(i) Considered good	11,23,533	9,41,952
(ii) Considered doubtful	13,383	11,187
	11,36,916	9,53,139
(c) Secured Credit Substitutes (Refer note 15.1)		
(i) Considered good	985	4,756
(ii) Considered doubtful	13,623	14,554
	14,608	19,310
(d) Unsecured Credit Substitutes (Refer note 15.1)		
(i) Considered good	77,446	54,863
(ii) Considered doubtful	14	—
	77,460	54,863
(e) Unsecured Inter Corporate Deposits		
(i) Considered good	9,300	11,300
(ii) Considered doubtful	—	—
	9,300	11,300
Total	22,05,932	18,32,926
TOTAL - LOANS AND ADVANCES - FINANCING ACTIVITIES	60,44,037	51,20,952

- (i) Out of the above, loans given to Related Parties : Secured ₹ 2,935 lakh (Previous year : ₹ 10,672 lakh and Unsecured ₹ 2,307 lakh (Previous year : ₹ 1,300 lakh).

NOTES TO AND FORMING PART OF THE CONSOLIDATED BALANCE SHEET AS AT MARCH 31, 2018

NOTE “15.1” Scrip-wise details of Credit Substitutes:

(₹ in lakh)

PARTICULARS	Face value Per Unit ₹	No. of Units	As at March 31, 2018		No. of Units	As at March 31, 2017	
			Non-Current	Current		Non-Current	Current
Secured Quoted :							
Investment in Bonds and Debentures (Trade)							
12.75% Diamond Power Infra limited	1,00,000	—	—	—	1,700	1,027	—
12.90% Cholamandalam Investment & Finance Company Limited	5,00,000	1	5	—	1	—	5
10.50% Tulip Telecom Limited	10,00,000	1,623	—	—	1,623	—	—
12.65% Consolidated Construction Consortium Limited	10,00,000	—	—	—	200	1,840	139
12.90% Godawari Power and Ispat Limited	10,00,000	225	1,363	79	150	—	1,500
9.40% JM Financial Asset Reconstruction Company	10,00,000	—	—	—	400	4,000	—
9.36% JM Finance CSL NCD	10,00,000	400	4,000	—	—	—	—
11.5% Zuka Power Private Limited	1,00,000	8,500	8,462	95	8,500	8,373	139
10.50% Sattva Realtors Limited	10,00,000	400	3,200	800	—	—	—
			17,030	974		15,240	1,783
Secured Unquoted :							
Investment in Debentures (Trade)							
9% East Coast Constructions and Industries Limited	1,000	—	—	—	—	—	15
11.80% Elder Pharmaceuticals Limited	10,00,000	—	—	878	—	—	851
13.65% Metropolitan Infrahousing Private Limited	—	75	—	7,651	75	—	7,577
5.64% Mandava Holding Private Limited	—	—	—	1	—	—	1
8% JL Power Ventures Private Limited	1,00,00,000	—	—	—	40	2,800	1,200
14.50% Arohi Infrastructure Private Limited	100	—	—	5,092	—	—	2,871
			—	13,622		2,800	12,515
Investment in Pass Through Certificates							
Jindal ITF Limited - Series A to E	—	—	—	—		—	2,742
			—	—		—	2,742
Add: Interest accrued but not due			—	12		1,220	2,271
Total Secured			17,030	14,608		19,260	19,311
Unsecured Quoted :							
Investment in Bonds and Debentures (Trade)							
10.45% IDBI Bank Limited	10,00,000	—	—	—	50	507	—
10% Indian Overseas Bank Limited	10,00,000	400	4,000	—	400	4,000	—
11.50% TVS Credit Services Limited PDI	5,00,000	1,647	8,235	—	—	—	—
			12,235	—		4,507	—
Unsecured Unquoted :							
Investment in Preference Shares (Non-Trade)							
Kiri Industries Limited	10	43,33,500	—	433	43,33,500	—	433
McNally Bharath Engineering Co Limited	100	3,11,743	1,995	—	5,33,898	3,417	9
			1,995	433		3,417	442

NOTES TO AND FORMING PART OF THE CONSOLIDATED BALANCE SHEET AS AT MARCH 31, 2018

PARTICULARS	Face value Per Unit ₹	No. of Units	As at March 31, 2018		No. of Units	As at March 31, 2017	
			Non- Current	Current		Non- Current	Current
Investment in Debentures (Trade)							
10.90% Tata Motor Finance Limited	5,00,000	400	2,000	—	400	2,000	—
			2,000	—		2,000	—
Investment in Pass Through Certificates							
Capital DRL Trust NOV B			—	—		—	1,048
Capital DRL Trust DEC B 2016			—	—		—	4,453
Capital DRL Trust DEC B 2016			—	—		—	197
Capital DRL Trust JAN B 2017			—	—		—	529
Capital DRL Trust JAN B 2017			—	—		—	5,729
Capital DRL Trust FEB B 2017			—	—		—	4,022
Capital DRL Trust FEB B 2017			—	—		—	6,811
Capital DRL Trust MARCH C 2017			—	—		—	434
Capital DRL Trust MARCH B 2017			—	—		—	2,206
Capital DRL Trust MARCH B 2017			—	—		—	4,832
Capital DRL Trust MARCH B 2017 TRANCHE 2			—	—		—	1,108
Capital DRL Trust MARCH B 2017 TRANCHE 2			—	—		—	7,147
Capital DRL Trust MARCH B 2017 TRANCHE 2			—	—		—	13,894
Capital DRL Trust MARCH C 2017 TRANCHE 2			—	—		—	1,883
Capital DRL Trust 003 PTC D 30-03-2018 A			—	69		—	—
Capital DRL Trust 004 PTC D 30-03-2018 A			—	583		—	—
Capital DRL Trust 006 PTC D 29-04-2018 A			—	818		—	—
Capital DRL Trust 1C PTC D 29-04-2018			—	1,515		—	—
Capital DRL Trust JULY B TRANCH 2 2017 PTC D 27-01-2018 A			—	146		—	—
Capital DRL Trust JULY C 2017 PTC D 28-11-2017 A			—	143		—	—
Capital DRL Trust SEPTEMBER END 2017 B PTC D			—	403		—	—
Capital DRL Trust 007 PTC D 17-03-2018 B			—	514		—	—
Capital DRL Trust 007 PTC D 31-05-2018 A			—	1,391		—	—
Capital DRL Trust 2C PTC D 31-05-2018 A			—	1,034		—	—
Capital DRL Trust 008 PTC D 31-03-2018 A			—	13,822		—	—
Capital DRL Trust 010 PTC D 30-05-2018 A			—	41,238		—	—
Capital DRL Trust 009 PTC D 25-05-2018 A			—	14,915		—	—
			—	76,591		—	54,293
Add: Interest accrued but not due			—	436		—	127
Total Unsecured			16,230	77,460		9,924	54,862
Grand Total			33,260	92,068		29,184	74,173

NOTES TO AND FORMING PART OF THE CONSOLIDATED BALANCE SHEET AS AT MARCH 31, 2018

NOTE “16”

(₹ in lakh)

LONG-TERM LOANS AND ADVANCES - OTHERS (UNSECURED - CONSIDERED GOOD)	As at March 31, 2018	As at March 31, 2017
(a) Capital advances	17,459	7,807
(b) Security deposits	540	716
Less : Provision for security deposits	(1)	(24)
	539	692
(c) Prepaid expenses	224	379
(d) Advance payment of Income tax [Net of provision for tax ₹ 129,146 lakh (as at March 31, 2017 ₹ 74,707 lakh)]	8,711	9,522
(e) MAT credit entitlement	1,163	—
Total	28,096	18,400

NOTE “17”

(₹ in lakh)

OTHER NON-CURRENT ASSETS	As at March 31, 2018	As at March 31, 2017
(a) Deferred revenue expenditure (Refer note 21(a))	1,283	1,618
(b) Unamortised loan sourcing costs	10,270	9,501
(c) Gratuity Asset (Net)	142	420
(d) Fixed deposit with maturity more than 12 months	105	361
(e) Others	43	13
Total	11,843	11,913

NOTE “18”

(₹ in lakh)

TRADE RECEIVABLES	As at March 31, 2018	As at March 31, 2017
(a) Over six months (from the date due for payment)		
(i) Secured, considered good	—	—
(ii) Unsecured, considered good	335	169
(iii) Doubtful	520	512
	855	681
Less: Provision for trade receivables	(520)	(512)
	335	169
(b) Others		
(i) Secured, considered good	—	—
(ii) Unsecured, considered good	6,761	8,099
(iii) Doubtful	62	—
	6,823	8,099
Less: Provision for trade receivables	(62)	—
	6,761	8,099
Total	7,096	8,268

NOTES TO AND FORMING PART OF THE CONSOLIDATED BALANCE SHEET AS AT MARCH 31, 2018

NOTE “19”

(₹ in lakh)

CASH AND BANK BALANCES	As at March 31, 2018	As at March 31, 2017
(a) Cash on Hand	175	911
(b) Cheques on hand	3,643	3,323
(c) Balances with bank		
(i) In current accounts	12,498	14,754
(ii) In client accounts	13	34
(iii) In deposit accounts	7,820	16,774
Total	24,149	35,796

- (i) Of the above, the balances that meet the definition of Cash and Cash Equivalents as per AS 3 (Cash Flow Statements) is ₹ 16,568 lakh (as at March 31, 2017 : ₹ 34,450 lakh).
- (ii) Deposits includes lien with Banks and Stock Exchanges as margin, amounting to ₹ 378 lakh (as at March 31, 2017 ₹ 428 lakh).
- (iii) Balance in current accounts includes ₹ 53 lakh (as at March 31, 2017 ₹ 53 lakh) towards unclaimed debenture application money and interest accrued thereon.
- (iv) The disclosures in the consolidated financial statements regarding holdings as well as dealings in specified bank notes during the period from 08/11/2016 to 30/12/2016 have not been made since they do not pertain to the financial year ended 31 March 2018.
- (v) 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) :

Particulars	SBNs	Other Denomination Notes	Total
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
Closing cash in hand as on 30/12/2016	—	100	100

NOTE “20”

(₹ in lakh)

SHORT-TERM LOANS AND ADVANCES (UNSECURED-CONSIDERED GOOD)	As at March 31, 2018	As at March 31, 2017
(a) Capital advances	72	13
(b) Loans and advances to related parties	1	204
(c) Security deposits	2,701	2,956
(d) Prepaid expenses	2,380	1,480
(e) Balances with government authorities	4,955	1,462
(f) Others		
(i) Advances to vendors	—	85
(ii) Other advances	1,015	536
Less : Provision on other loans and advances	—	(6)
Net value of other advances	1,015	530
(iii) Share/debenture application money (Refundable)	7,919	16,249
(iv) Loans and advances to employees	568	135
Total	19,611	23,114

NOTES TO AND FORMING PART OF THE CONSOLIDATED BALANCE SHEET AS AT MARCH 31, 2018

NOTE "21"

(₹ in lakh)

OTHER CURRENT ASSETS	As at March 31, 2018	As at March 31, 2017
(a) Interest accrued but not due on deposits / investments	434	136
(b) Deferred revenue expenditure (Refer note 21(a))	831	1,078
(c) Unamortised loan sourcing costs	11,477	10,488
(d) Income accrued but not due	3,507	2,268
(e) Receivable on sale/redemption of Investment	173	83
Less : Provision for receivable on sale/redemption of Investment	(173)	(83)
Net Receivable	—	—
(f) Assets held for sale	4,447	5,295
Less : Provision for assets held for sale	(3,072)	(1,667)
Net receivable	1,375	3,628
(g) Others	1,282	519
Total	18,906	18,117

NOTE "21(a)"

(₹ in lakh)

Deferred Revenue Expenditure (to the extent not written off or adjusted)	As at March 31, 2018	As at March 31, 2017
(a) Unamortised share issue expenses		
Opening Balance	—	427
Add: expenses incurred during the year	—	—
Less: written off during the year	—	—
Less: written off against Securities Premium (Refer note 43)	—	427
Closing Balance	—	—
(b) Unamortised debenture issue expenses		
Opening Balance	2,313	1,457
Add: expenses incurred during the year	724	1,740
Less: written off during the year	1,144	884
Closing Balance	1,893	2,313
(c) Unamortised loan processing charges		
Opening Balance	383	509
Add: expenses incurred during the year	173	190
Less: written off during the year	335	316
Closing Balance	221	383
Total	2,114	2,696

	As at March 31, 2018		As at March 31, 2017	
	Non-Current	Current	Non-Current	Current
(a) Unamortised share issue expenses	—	—	—	—
(b) Unamortised debenture issue expenses	1,273	620	1,470	843
(c) Unamortised loan processing charges	10	211	148	235
Total	1,283	831	1,618	1,078
Grand Total		2,114		2,696

NOTES TO AND FORMING PART OF THE CONSOLIDATED STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED MARCH 31, 2018

NOTE “22”

(₹ in lakh)

REVENUE FROM OPERATIONS	For the Year Ended	
	March 31, 2018	March 31, 2017
(a) Interest Income		
(i) From secured loans and credit substitutes	4,60,432	4,13,931
(ii) From unsecured loans and credit substitutes	1,29,748	1,13,924
(b) Income from Bill Discounting	3,899	4,987
(c) Others	48,129	40,354
Total	6,42,208	5,73,196

NOTE “23”

(₹ in lakh)

INVESTMENT INCOME	For the Year Ended	
	March 31, 2018	March 31, 2017
(a) Dividend from Non-current Investments	1,411	1,000
(b) Dividend from Current Investments	7	4
(c) Profit on sale of Non-current Investments	7,076	10,543
(d) Profit on sale of Current Investments	141	584
(e) Interest on Non-current Investments	–	1,644
(f) Interest on Current Investments	568	1,335
Total	9,203	15,110

NOTE “24”

(₹ in lakh)

OTHER INCOME	For the Year Ended	
	March 31, 2018	March 31, 2017
(a) Income from advisory services *	8,628	9,764
(b) Income from operating leases	25,794	24,317
(c) Interest income on fixed deposits	294	129
(d) Income from ticketing & other travel related services	475	829
(e) Income from forex services	672	1,224
(f) Brokerage Income	592	941
(g) Exchange gains (net)	12	6
(h) Advertisement income	5,150	1,970
(i) Income from distribution of financial products	3,745	3,930
(j) Profit on sale of Assets	2,226	68
(k) Interest on Income Tax Refund	935	21
(l) Miscellaneous Income	1,656	918
Total	50,179	44,117

* Includes income in foreign currency ₹ 239 lakh (Previous Year ₹ 43 lakh)

NOTES TO AND FORMING PART OF THE CONSOLIDATED STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED MARCH 31, 2018

NOTE “25”

(₹ in lakh)

FINANCE COSTS	For the Year Ended	
	March 31, 2018	March 31, 2017
(a) Interest expense	2,99,046	2,67,469
(b) Discounting charges		
(i) On commercial papers	67,381	78,019
(ii) On debentures	448	407
(iii) On Collateralised Borrowings and Lending Obligations	–	1,130
Total	3,66,875	3,47,025

NOTE “26”

(₹ in lakh)

EMPLOYEE BENEFIT EXPENSES	For the Year Ended	
	March 31, 2018	March 31, 2017
(a) Salaries, wages and bonus	57,365	51,414
(b) Contribution to provident and other funds (Refer note 33)	2,765	3,532
(c) Staff welfare expenses	2,717	2,247
Total	62,847	57,193

NOTE “27”

(₹ in lakh)

OTHER OPERATING EXPENSES	For the Year Ended	
	March 31, 2018	March 31, 2017
(a) Advertisements and publicity	2,461	2,541
(b) Brand Equity and Business Promotion	1,951	1,869
(c) Corporate social responsibility expenses (Refer note 27 (b))	1,544	1,253
(d) Directors’ remuneration	598	523
(e) Donations	5	5
(f) Equipment hire charges	348	316
(g) Incentive / commission/ brokerage	20,336	16,304
(h) Information technology expenses	11,154	8,960
(i) Insurance charges	1,079	958
(j) Legal and professional fees	7,633	6,920
(k) Loan processing fees	4,122	3,860
(l) Printing and stationery	978	832
(m) Provision for doubtful loans	44,446	92,964
Less : Adjustment pursuant to Reduction of Share Capital (Refer note 45)	–	(31,789)
Less : Delinquency Support	(5,731)	–
(n) Write off - Loans and advances	66,924	34,856
Less : Provision reversal on write off	(66,924)	(34,856)

NOTES TO AND FORMING PART OF THE CONSOLIDATED STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED MARCH 31, 2018

OTHER OPERATING EXPENSES	For the Year Ended			
	March 31, 2018		March 31, 2017	
(o) Provision against trade receivables / security deposits		443		135
(p) Trade Receivables written off		4		10
(q) Contingent provision against standard assets		5,247		5,948
(r) Contingent provision against restructured advances		(1,409)		(827)
(s) Provision for diminution in value of investments (net of reversals)		(435)		(455)
(t) Provision on Current Investment	1,463		732	
Less : Adjustment pursuant to Reduction of Share Capital (Refer note 45)	–	1,463	(349)	383
(u) Write-off - Investments	–		14,318	
Less : Adjustment pursuant to Reduction of Share Capital (Refer note 45)	–	–	(14,318)	–
(v) Write-off - Goodwill (including Goodwill on consolidation)	–		7,804	
Less : Adjustment pursuant to Reduction of Share Capital (Refer note 45)	–	–	(7,804)	–
(w) Provision for assets held for sale		1,405		1,378
(x) Provision against other doubtful advances		–		6
(y) Power and fuel		1,063		993
(z) Repairs and maintenance				
(i) Buildings	132		69	
(ii) Annual maintenance charges	132		377	
(iii) Others	193	457	155	601
(aa) Rent		3,506		3,185
(ab) Rates and taxes *		(185)		863
(ac) Stamp charges		544		607
(ad) Service providers' charges		12,871		10,421
(ae) Training and recruitment		803		769
(af) Telephone, telex and leased line		945		925
(ag) Traveling and conveyance		3,981		3,497
(ah) Loss on sale of long term Investment		–		1,248
(ai) Loss on sale / disposal of assets		1,191		3,355
(aj) Amortisation of premium of forward foreign exchange cover		128		–
(ak) Other Expenses (Refer note 27 (a))		2,374		2,008
Total		1,25,320		1,40,566

* The company has paid Property Tax of ₹ 474 lakh for its property '11th & 12th floor, Peninsula Business Park, Parel' for the period of FY 13-14 to FY 17-18 pursuant to the revised notice received from Mumbai Municipal Corporation. The company was carrying a total provision of ₹ 956 lakh of which now additional provision amounting to ₹ 482 lakh is reversed. (Reversal for the previous year ended March 31, 2017: Nil)

NOTES TO AND FORMING PART OF THE CONSOLIDATED STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED MARCH 31, 2018

NOTE “27(a)”

(₹ in lakh)

AUDITORS' REMUNERATION (excl. Taxes)	For the Year Ended	
	March 31, 2018	March 31, 2017
(a) Audit Fees	223	279
(b) Tax Audit Fees	11	17
(c) Other Services	29	40
(d) Towards reimbursement of expenses	2	2
	265	338

(Auditors' Remuneration is included in Other Expenses)

NOTE “27(b)” : CORPORATE SOCIAL RESPONSIBILITY EXPENSES

(i) Gross amount required to be spent by the Group during the year was ₹ 1,544 lakh (P. Y. 1,253 lakh)

(ii) Amount spent during the year on: (₹ in lakh)

Particulars	Paid	Yet to be paid	Total
Construction/acquisition of any asset	–	–	–
On purposes other than above	1,544	–	1,544

NOTE “28”

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

Name of the Subsidiary	Country of Incorporation	% Holding as at March 31, 2018	% Holding as at March 31, 2017
Tata Securities Limited	India	100	100
Tata Capital Housing Finance Limited	India	100	100
Tata Capital Financial Services Limited	India	100	100
TC Travel and Services Limited (Refer note 50)	India	–	100
Tata Capital Forex Limited (Refer note 50)	India	–	100
Tata Capital Growth Fund	India	73.75	73.75
Tata Cleantech Capital Limited	India	80.50	80.50
Tata Capital Pte. Limited	Singapore	100	100
Tata Capital Markets Pte. Limited (Subsidiary of Tata Capital Pte. Limited)	Singapore	100	100
Tata Capital Advisors Pte. Limited (Subsidiary of Tata Capital Pte. Limited)	Singapore	100	100
Tata Capital Plc (Subsidiary of Tata Capital Pte. Limited)	United Kingdom	100	100
Tata Capital General Partners LLP (Subsidiary of Tata Capital Pte. Limited)	Singapore	80	80
Tata Capital Healthcare General Partners LLP (Subsidiary of Tata Capital Pte. Limited)	Singapore	100	100
Tata Opportunities General Partners LLP (Subsidiary of Tata Capital Pte. Limited)	Singapore	90	90

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, 2018 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	24.00% 24.00%	18,528 18,528	12,145 12,145	14,161 14,019	32,689 32,547
2	Tata Capital Special Situation Fund	India	28.18% 28.18%	4,181 4,464	– –	(1,472) (1,659)	2,709 2,805
3	Tata Capital Health Care Fund	India	32.12% 32.12%	6,552 8,457	– –	(1,545) (1,512)	5,007 6,945
4	Tata Capital Innovation Fund	India	27.13% 27.13%	7,516 7,152	– –	(2,190) (1,749)	5,326 5,403
5	International Asset Reconstruction Company Private Limited (Refer footnote 1 and 2)	India	NA 25.37%	NA 3,313	NA 483	NA 541	NA 3,854
	Total			36,777 41,914	12,145 12,628	8,954 9,640	45,731 51,554

Notes:

- 1) Consolidated based on unaudited financial statements as at the year/relevant period during the year.
- 2) International Asset Reconstruction Company Private Limited has ceased to be an Associate with effect from March 9, 2018.
- 3) 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)

Sr. No.	Particulars	Nectar Loyalty Management India Ltd (Incorporated and Registered in India)	
		For the year ended March 31, 2018 [Refer Footnote 1]	For the year ended March 31, 2017 [Refer Footnote 1]
	% Shares Held		
(a)	Assets	NA	NA
(b)	Liabilities		
(c)	Income		
(d)	Expenses		
(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 previous year at a loss of ₹ 1,297 lakhs. 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.

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, 2018	March 31, 2017
Opening Balance	21,809	15,861
Additions during the year	5,247	5,948
Utilised during the year	–	–
Closing Balance	27,056	21,809
Long-term Provision (Refer Note 6)	17,004	14,257
Short-term Provision (Refer Note 10)	10,052	7,552

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

(₹ in lakh)

Particulars	For the Year Ended	
	March 31, 2018	March 31, 2017
Opening Balance	21,398	19,565
Additions during the year	2,876	1,441
Provided through Capital Reduction (Refer note 45)	–	392
Adjustment for companies ceasing to be subsidiaries (Refer note 50)	(403)	–
Closing Balance	23,871	21,398

- 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, 2018	As at March 31, 2017
Income Tax (Pending before Appellate Authorities)	12,451	11,468
VAT (Pending before Sales Tax Appellate Authorities)	173	584
Total	12,623	12,052

NOTE “32” : COMMITMENTS

- i. Commitment to invest in Tata Capital Special Situations Fund amounting to ₹ 22 lakh (as at March 31, 2017 : ₹ 22 lakh).
- ii. Commitment to invest in Tata Capital Healthcare Fund I amounting to ₹ 735 lakh (as at March 31, 2017 : ₹ 1,015 lakh).
- iii. Commitment to invest in Tata Capital Innovations Fund amounting to ₹ 259 lakh (as at March 31, 2017 : ₹ 622 lakh).
- iv. Commitment to co-invest with Omega TC Holdings Pte. Ltd USD 15.46 Million (₹ 10,068 lakh) (as at March 31, 2017 : USD 15.46 Million (₹ 10,007 lakh)).
- v. Commitment to invest in Pitango Venture Capital Fund USD 6.08 Million (₹ 3,960 lakh) (as at March 31, 2017 : USD 1.38 Million (₹ 890 lakh)).
- vi. Guarantees issued to National Housing Bank ₹ 120,000 lakh (as at March 31, 2017 ₹ 120,000 lakh) against which the outstanding amount is ₹ 67,498 lakh (as at March 31, 2017 ₹ 80,767 lakh). Pursuant to the terms of the Guarantee, the liability on invocation is capped at the outstanding amount.
- vii. Uncalled liability on 1080 partly paid equity shares of Tata Steel Limited amounting to ₹ 5 Lakh (as at March 31, 2017 : Nil)
- viii. Undrawn Commitment given to Borrowers
As on March 31, 2018 ₹ 518,982 lakh (Previous Year : ₹ 478,545 lakh)
Less than 1 Year : ₹ 171,288 lakh (Previous Year : ₹ 182,927 lakh)
More than 1 Year : ₹ 347,694 lakh (Previous Year : ₹ 295,618 lakh)
- ix. Letter of Credit, Letter of Comfort, Buyers Credit and Other Guarantees ₹ 65,172 lakh (Previous Year : ₹ 70,273 lakh)
- x. Leases entered but not executed ₹ 89,148 lakh (Previous Year : ₹ 67,473 lakh)
- xi. Unamortised Forward Contract exposure ₹ 98 lakh (Previous Year : ₹ Nil)
- xii. Estimated amount of contracts remaining to be executed on capital account and not provided for ₹ 1,766 lakh (as at March 31, 2017: ₹ 2,957 lakh).
– Tangible: ₹ 1,546 lakh (Previous year ₹ 1,187 lakh)
– Intangible: ₹ 220 lakh (Previous year ₹ 1,770 lakh)

NOTE “33” : 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 & 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 : NIL).
- (d) 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.
- (e) The following is the disclosure as required under the aforementioned 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, 2018	March 31, 2017
Net Profit (as reported)	20,178	18,016
Less: Fair value compensation costs	1,138	530
Net Profit (proforma)	19,039	17,486
Basic EPS (Reported) - (in rupees)	0.16	0.15
Diluted EPS (Reported) - (in rupees)	0.16	0.15
Basic EPS (Proforma) - (in rupees)	0.12	0.13
Diluted EPS (Proforma) - (in rupees)	0.12	0.13

- (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, 2018		March 31, 2017	
	No. of options#	WAEP ₹*	No. of options#	WAEP ₹*
Outstanding at the beginning of the year	2,76,62,719	31.25	1,57,64,994	28.09
Granted during the year	—	—	1,51,60,000	33.40
Forfeited / Lapsed during the year	1,09,85,873	30.90	23,51,513	28.75
Exercised during the year	47,23,835	28.23	9,10,762	18.64
Outstanding at the end of the year	1,19,53,011	32.77	2,76,62,719	31.25
Exercisable at the end of the year	1,19,53,011	32.77	1,25,02,719	28.65

* WAEP = Weighted Average Exercise Price

No. of options for previous year have been regrouped/ reclassified/ rectified as applicable.

- (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	0.00
Exercise period post vesting (in years)	0.00	1.33	0.00	1.00

- (v) No other instruments were granted during the year other than the stock options as disclosed above.
- (vi) 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.
- (vii) Other information regarding employee share-based payment plans is as below

(₹ in lakh)

Particulars	For the Year Ended	
	March 31, 2018	March 31, 2017
Weighted average share price during the year	43.27	32.20
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 "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 Group manages the contributions from the Group and other participating subsidiaries. As of March 31, 2018, the accumulated members' corpus of the Group is ₹ 20,658 lakh whereas the total fair value of the assets of the fund and the total accumulated members' corpus is ₹ 21,026 lakh and ₹ 20,658 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 8.55%. The actuarial assumptions include discount rate of 7.70%.

The Group recognised a charge of ₹ 1,816 lakh (Previous year ₹ 1,718 lakh) for provident fund and family pension fund contribution and ₹ 205 lakh (Previous year ₹ 191 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). 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	2017-18	2016-17
Change in Defined Benefit Obligation		
Opening Defined Benefit Obligation	4,926	3,189
Current Service Cost	772	537
Interest Cost	348	252
Acquisitions Cost / (Credit)	10	—
Actuarial Losses / (Gain)	(118)	1,172
Benefits Paid	(440)	(224)
Closing Defined Benefit Obligation	5,498	4,926
Change in the Fair Value of Assets		
Opening Fair Value of Plan Assets	5,328	2,741
Acquisition Cost / Transfer in	10	—
Expected Return on Plan Assets	415	310
Contributions by Employer	—	2,259
Actuarial Gains / (Losses)	(17)	28
Benefits paid	(135)	(10)
Closing Fair Value of Plan Assets	5,601	5,328
Composition of Plan Assets		
Investment Pattern		
Government Bonds	44%	33%
Equity mutual funds	12%	16%
Bonds / Debentures	43%	41%
Others (including assets under Schemes of Insurance)	1%	10%
Total	100%	100%
Reconciliation of present value of the obligation and the fair value of the plan assets		
Fair Value of plan assets at the end of the year	5,601	5,328
Present value of the defined obligations at the end of the year	5,498	4,926
Funded status [Surplus / (Deficit)]	103	402
Net Asset / (Liability) recognised in the Balance Sheet	103	402
Net Gratuity cost		
Service Cost	772	537
Interest on Defined benefit Obligation	348	252
Expected return on plan assets	(415)	(310)
Settlement Cost / (Credit)	—	—
Net actuarial (gain) / loss recognised in the year	(101)	1,144
Net Gratuity Cost (Refer note 26(b))	604	1,623
Actual Contribution and benefit payments for the year		
Actual benefit payments	(440)	(224)
Actual contributions	—	2,259
Assumptions		
Discount Rate	7.70%	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 6% 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 History	2017-18	2016-17	2015-16	2014-15	2013-14
Defined Benefit Obligation	(5,498)	(4,926)	(3,189)	(2,630)	(1,770)
Plan Assets	5,601	5,328	2,741	2,537	1,728
Funded Status	103	402	(448)	(93)	(42)
Experience Gain / (Loss) Adjustment :					
– On Plan Liabilities	53	(423)	(330)	(88)	(141)
– On Plan Assets	(17)	28	(145)	192	72
Actuarial Gain / (Loss) due to change in assumptions	64	(749)	85	(427)	206

The Group expects to contribute approximately ₹ 28 lakh (Previous year ₹ 751 lakh) to the gratuity fund for the year 2018-19.

Long-Term Service Awards :

Long-Term Service award is an employee benefit in recognition for their loyalty and continuity of service for five years and above, the same is actuarially valued (Unfunded). The Long-Term Service awards expense for financial year 2017-18 is ₹ 13 lakh (Previous year ₹ 81 lakh) and the provision as at March 31, 2018 is ₹ 232 lakh (Previous year ₹ 229 lakh).

NOTE “35” : Disclosure as required by Accounting Standard 18 (Related Party Disclosures).

i. List of related parties and relationship:

Holding Company	Tata Sons Limited
Associates	International Asset Reconstruction Company Private Limited (ceased w.e.f. March 9, 2018) Tata AutoComp Systems Limited Tata Capital Healthcare Fund Tata Capital Innovation Fund Tata Capital Special Situation Fund
Fellow Subsidiaries (with which the Group had transactions)	Conneqt Business Solutions Limited (formerly known as Tata Business Support Services Limited) (ceased w.e.f. November 27, 2017) 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 Petrodyne Limited Tata Realty & Infrastructure Limited Tata Consulting Engineers Limited Tata Investment Corporation Limited Ewart Investments Limited Niskalp Infrastructure Services Limited (Formerly Niskalp Energy Limited) Tata Advanced Materials Limited Tata Advanced System Limited Tata Industries Limited Indian Rotorcraft Limited

Fellow Subsidiaries (<i>contd..</i>) (with which the Group had transactions)	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 Calsea Footwear Private Limited TRIF Real Estate and Development Limited Simto Investment Company Limited TASEC Limited (formerly TAS-AGT Systems Limited) Tata Value Homes Limited TRIF Kochi Project 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 Tata Boeing Aerospace Limited International Finance Corporation MMP Mobi Wallet Payment Systems Limited Inshaallah Investments Limited Gurgaon Construct Well Private Limited Matheran Roapway Pvt. Ltd. Mikado Realators Pvt. Ltd. TRIL IT4 Private Limited TRIL Amritsar Projects Limited TRIL Urban Transport Limited International Infrabuild Pvt. Ltd. Eurofins Advinus Limited (formerly Advinus Therapeutics Limited) (ceased to be subsidiary w.e.f. 05.10.2017) Kolkata-One Excelton Private Limited Sector 113 Gatevida Developers Private Limited
Key Management Personnel (of the holding company)	Mr. Praveen P Kadle - Managing Director & CEO

ii. Transactions with related parties :

Sr.No.	Party Name		Nature Of Transaction	2017-18	2016-17
1	Tata Sons Limited	a)	Expenditure		
			– Brand Equity Contribution	1,951	1,869
			– Other Charges	73	57
		b)	Income		
			– Services rendered	542	893
		c)	Deposit for premises paid	–	103
		d)	Deposit for premises refund received	103	–
		e)	Share of Rent and Expenses	135	186
		f)	Finance Lease:		
			Facility given during the year	–	65
			Repaid during year	8	7
			Outstanding facility	50	58
			Balance receivable	5	–
		g)	Balance Payable	1,951	1,825
2	Conneqt Business Solutions Limited (formerly known as Tata Business Support Services Limited) (ceased w.e.f. November 27, 2017)	a)	Services rendered	118	292
		b)	Income		
			– Lease Income	453	512
			– Processing Fee Received	–	2
			– Rental Income	238	303
			– Interest income on ICDs placed	–	13
			– Reimbursement of Expenses	106	309
			– Interest income on Loan	14	122
		c)	Dividend received during the year	197	197
		d)	Expenditure		
			– Service Providers' charges	5,773	8,168
		e)	Loan/ Finance Lease facility given during the year	–	–
		f)	Repayment of Loan/ICD/Finance Lease facility	–	1,682
		g)	Outstanding Lease facility/Loan/ICD	–	1,246
		h)	Lease Debtors	–	2
		i)	Security Deposit Received	–	37
		j)	Investment in Compulsorily Convertible Cumulative Preference Share - Outstanding	–	1,500
		k)	Balance Payable	–	829
3	International Asset Reconstruction Company Private Limited (ceased w.e.f. March 9, 2018)	a)	Redemption of Security Receipts during the year	353	236
		b)	Balance in Security Receipts	–	748
4	Tata Capital Healthcare Fund	a)	Investment in Units of Fund	279	105
		b)	Proceeds from Divestment	4,070	1,013
		c)	Income		
			– Management Fees & Set-up cost	369	445
			– FD Interest	–	9
			– Distribution of Interest and sitting fees	5	–
			– Distribution of Dividend*	0	–
			– Reimbursement of Expenses	13	–
		d)	Advance income received	16	23
		e)	Balance Receivable		
			– Towards Reimbursement of Expenses	8	6

Sr.No.	Party Name		Nature Of Transaction	2017-18	2016-17
5	Tata Capital Innovation Fund	a)	Investment in Units of Fund	364	736
		b)	Income		
			– Management Fees	400	547
			– FD Interest	–	2
			– Reimbursement of Expenses	7	–
		c)	Advance Income received	132	138
6	Tata Capital Special Situation Fund	d)	Provision for doubtful debts	168	–
		e)	Balance Receivable	193	44
		a)	Income – Management Fees	150	470
		b)	Advance Income received	178	195
		c)	Management Fees Paid during year	87	99
		d)	Proceeds from Divestment	541	6,430
7	Tata Sky Limited	e)	Distribution of Director sitting Fees	–	8
		f)	Distribution of Dividend Income	13	31
		g)	Balance Receivable	–	3
		a)	Services rendered	7	17
		b)	Balance Receivable	–	3
8	Tata Consultancy Services Limited	a)	Expenditure		
			– Information Technology Expenses	7,930	6,589
		b)	Reimbursement of expenses	–	4
		c)	Fixed Assets		
			– Software & other maintenance cost	8	385
		d)	Income		
			– Services rendered	509	39,194
		e)	Finance Lease:		
			– Facility given during the year	217	–
			– Repaid during year	6	–
9	Tata AIG General Insurance Company Limited		– Outstanding facility	211	–
		f)	Balance Payable	2,449	1,117
		a)	Expenditure -Insurance Expenses	10	21
		b)	Services rendered	277	351
10	Tata AIA Life Insurance Company Limited	c)	Insurance related revenue	621	720
		d)	Balance Receivable	515	73
		a)	Expenditure -Insurance Expenses	56	49
11	Infiniti Retail Limited	b)	Insurance related revenue	52	36
		c)	Balance receivable	56	41
		a)	Expenses-Incentive	904	727
12	Tata AutoComp Systems Limited	b)	Services rendered	232	242
		c)	Purchase of Fixed Assets	2	4
		d)	Security Deposit	75	74
13	Tata Housing Development Company Limited	e)	Balance (Payable) / Receivable	(11)	28
		a)	Dividend received during the year	966	966
		b)	Services rendered	257	1,635
14	Tata Asset Management Limited	c)	Balance Receivable	–	109
		a)	Income		
		b)	Services rendered	10	35
15	Tata Petrodyne Limited	c)	Balance Receivable	–	14
		a)	Services rendered	35	21
		b)	Income - Portfolio Management Service	17	17
16	Tata Petrodyne Limited	c)	Balance Receivable	–	4
		a)	Services rendered	–	–
17	Tata Petrodyne Limited	b)	Balance Receivable *	–	0
		c)	Balance Receivable	–	–

Sr.No.	Party Name		Nature Of Transaction	2017-18	2016-17
16	Tata Realty & Infrastructure Limited	a)	Services rendered	55	163
		b)	Balance Receivable	–	8
17	Tata Consulting Engineers Limited	a)	Services rendered	412	1,481
		b)	Interest Income	–	93
		c)	Services received*	–	0
		d)	ICD given during the year	–	1,000
		e)	ICD repaid during the year	–	2,000
		f)	Balance Receivable	–	135
18	Tata Investment Corporation Limited	a)	Equity Brokerage Income	–	4
		b)	Reimbursement of Expenses	–	1
		c)	Balance Receivable *	–	0
19	Ewart Investments Limited	a)	Services rendered*	0	–
		b)	Rent Expense	19	18
		c)	Security Deposit Outstanding	190	190
20	Niskalp Infrastructure Services Limited (Formerly Niskalp Energy Limited)	a)	Reimbursement of Salary	2	11
		b)	Balance Receivable	–	4
21	Tata Advanced Materials Limited	a)	Services rendered	88	121
		b)	Balance Receivable	–	42
22	Tata Advanced System Limited	a)	Services rendered	65	138
		b)	Lease Income	7	3
		c)	Lease Facility given during the year	33	30
		d)	Lease Facility repaid during the year	16	4
		e)	Outstanding Facility	52	35
		f)	Balance Receivable	2	2
23	Tata Industries Limited	a)	Services rendered	50	83
		b)	Lease Income	1,118	1,234
		c)	Sale of fixed assets	49	6
		d)	Lease Facility given during the year	13	199
		e)	Lease Facility repaid during the year	155	327
		f)	Outstanding Facility	216	358
		g)	Project Expenses	22	47
		h)	Balance (Payable) / Receivable	119	(230)
24	Indian Rotorcraft Limited	a)	Services rendered	1	4
		b)	Balance Receivable	–	–
25	Tata International Limited	a)	Services rendered	7	14
		b)	Services received	–	124
		c)	Balance Receivable *	–	0
26	Tata Trustee Company Limited	a)	Expenses-Trusteeship Fees	–	6
27	TRIL Roads Private Limited	a)	Services rendered	16	33
		b)	Balance Receivable	–	4
28	TRIL Infopark Limited	a)	Services rendered	5	5
		b)	Balance Payable *	–	0
29	TRIL Constructions Limited	a)	Services rendered	5	7
		b)	Balance Receivable	–	1
30	Taj Air Metrojet Aviation Limited	a)	Services rendered	–	7
		b)	Balance Receivable	–	–
31	Automotive Stampings and Assemblies Limited	a)	Services rendered	68	79
		b)	Interest income on loan	242	188
		c)	Loan given during the year	4,900	–
		d)	Loan Repaid during the year	3,950	240
		e)	Loan Outstanding	2,584	1,634
		f)	Interest receivable	16	2
		g)	Balance payable	35	–

Sr.No.	Party Name		Nature Of Transaction	2017-18	2016-17
32	Taj Air Limited	a)	Services rendered	73	526
		b)	Loan given during the year	–	2,500
		c)	Loan repayment received during the year	6,000	–
		d)	Interest receivable	–	39
		e)	Outstanding loan	–	6,000
33	Tata Sikorsky Aerospace Limited	a)	Services rendered	11	18
34	Tata Toyo Radiator Limited	a)	Services rendered	16	96
		b)	Balance Receivable	–	8
35	Tata Unistore Limited (Formerly Tata Industrial Services Limited)	a)	Services rendered	1	51
		b)	Balance Receivable	–	3
36	Ardent Properties Private Limited	a)	Services rendered	–	8
		b)	Balance Receivable	–	10
37	Tata Lockheed Martin Aerostructure Limited	a)	Services rendered	6	11
		b)	Lease Facility repaid during the year	2	9
		c)	Accrued Interest receivable*	0	0
		d)	Outstanding Facility	4	6
38	Tata SIA Airlines Limited	a)	Services rendered	63	50
		b)	Balance Receivable	–	1
39	CMC Limited	a)	Services rendered	–	4
		b)	Balance Receivable	–	4
40	Nova Integrated Systems Limited	a)	Services rendered	–	1
41	TRIL Amritsar Projects Limited	a)	Services rendered	10	17
		b)	Balance receivable	–	1
42	Calsea Footwear Private Limited	a)	Loan/ICD given during the year	1,500	1,300
		b)	Loan/ICD repaid during the year	1,300	1,100
		c)	Interest Income	141	124
		d)	Interest Accrued	38	35
		e)	Outstanding Loan/ICD balance	1,500	1,300
43	TRIF Real Estate and Development Limited	a)	Services rendered	13	18
		b)	Balance receivable	–	1
44	Simto Investment Company Limited	a)	Equity Brokerage Income	–	3
45	TASEC Limited (formerly TAS-AGT Systems Limited)	a)	Services rendered	1	1
46	Tata Value Homes Limited	a)	Services rendered	1	–
47	TRIF Kochi Project Private Limited	a)	Services rendered	1	3
		b)	Balance receivable*	–	0
48	Hampi Expressways Private Limited	a)	Services rendered	–	19
		b)	Balance receivable	–	2
49	Dharamshala Ropeway Limited	a)	Services rendered	6	13
		b)	Balance receivable	–	1
50	Tata Teleservices Limited	a)	Expenditure		
			– Communication Expenses	129	37
			– Rent and Other Exp	25	4
		b)	Operating Lease Income	748	277
		c)	Services Rendered	2	23
		d)	Advance paid towards Lease Facility	–	37
		e)	Security Deposit	8	8
		f)	Balance Payable	43	4
		g)	Finance Lease Facility:		
			– Facility given during the year	145	1,235
			– Repaid during year	854	555
			– Outstanding facility	625	1,333

Sr.No.	Party Name		Nature Of Transaction	2017-18	2016-17
51	Tata Teleservices Maharashtra Limited	a)	Communication Expenses	334	141
		b)	Operating Lease Income	71	2
		c)	Balance payable	10	8
52	Gurgaon Realtech Limited	a)	Services rendered	11	1
		b)	Balance receivable	–	1
53	Manali Ropeways Limited	a)	Services rendered	2	4
		b)	Balance receivable	–	1
54	Qubit Investment Private Limited	a)	Services rendered	18	2
		b)	Balance receivable	–	2
55	Tata Boeing Aerospace Limited	a)	Services rendered	16	26
		b)	Balance receivable	–	1
56	International Finance Corporation	a)	Income		
		–	Advisory fees	43	57
		b)	Expenses		
		–	Director's nomination fees	2	1
57	MMP Mobi Wallet Payment Systems Limited	a)	Income:		
		–	Lease Income	4	–
		b)	Asset		
		–	Balance receivable	–	–
58	Inshaallah Investments Limited	a)	Income:		
		–	Guest house recovery*	0	–
		b)	Asset		
		–	Balance receivable*	0	–
59	Apex Investments (Mauritius) Holding Private Limited	a)	Services rendered	2	–
60	Gurgaon Construct Well Private Limited	a)	Services rendered*	0	–
61	Matheran Roapway Pvt. Ltd.	a)	Services rendered*	0	–
62	Mikado Realators Pvt. Ltd.	a)	Services rendered	1	–
63	TRIL IT4 Private Limited	a)	Services rendered	1	–
64	TRIL Urban Transport Limited	a)	Services rendered	1	–
65	International Infrabuild Pvt. Ltd.	a)	Services rendered	5	–
66	Eurofins Advinus Limited (formerly Advinus Therapeutics Limited) (ceased to be subsidiary w.e.f. 05.10.2017)	a)	Services rendered	1	–
67	Kolkata-One Excelton Private Limited	a)	Services rendered	2	–
68	Sector 113 Gatevida Developers Private Limited	a)	Services rendered	8	–
69	Key Management Personnel (KMP)	a)	Remuneration	559	502
		b)	Issue of Cumulative Redeemable Preference Shares	–	100
		c)	Payment of Dividend on Cumulative Redeemable Preference Shares	25	21

(* Amount less than ₹ 50,000/-)

NOTE “36” :

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

(₹ in lakh)

Lease Payments	As at March 31, 2018	As at March 31, 2017
- Within one year	67	271
- Later than one year and not later than five years	—	299
- Later than five years	—	25

The amount charged towards lease rentals (as part of Rent expenditure) is ₹3,506 lakh (Previous year : ₹ 3,185 lakh).

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

(₹ in lakh)

Lease Payments	As at March 31, 2018	As at March 31, 2017
- Within one year	20,259	17,254
- Later than one year and not later than five years	40,649	42,168
- Later than five years	1,759	403

Accumulated Depreciation on lease assets is ₹ 42,088 lakh (Previous year: ₹ 28,324 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	2017-18	2016-17
Gross Investments:		
– Within one year	16,385	10,925
– Later than one year and not later than five years	30,283	21,389
– Later than five years	533	228
Total	47,201	32,542
Unearned Finance Income:		
– Within one year	4,138	2,780
– Later than one year and not later than five years	4,601	3,394
– Later than five years	100	76
Total	8,839	6,250
Present Value of Rentals*:		
– Within one year	12,247	8,145
– Later than one year and not later than five years	25,682	17,995
– Later than five years	433	152
Total	38,362	26,292

* The Present Value of Rentals represent the common future outstanding principal.

NOTE “37” : EARNINGS PER SHARE (EPS):

Particulars		2017-18	2016-17
Profit after tax	₹ in lakh	77,633	45,954
Less : Dividend on Preference Shares (including dividend distribution tax)	₹ in lakh	19,988	17,104
Profit after tax available for equity shareholders	₹ in lakh	57,645	28,850
Weighted average number of equity shares used in computing Basic EPS	Nos	2,76,91,73,847	2,76,88,74,469
Face value of equity shares	Rupees	10	10
Basic EPS	Rupees	2.08	1.04
Profit after tax available for equity shareholders	₹ in lakh	57,645	28,850
Weighted Average Number of equity shares used in computing Basic earnings per share	Nos	2,76,91,73,847	2,76,88,74,469
Add: Potential weighted average number of equity shares	Nos	5,68,44,323	5,71,43,701
Weighted average number of shares in computing Diluted EPS	Nos	2,82,60,18,170	2,82,60,18,170
Face value of equity shares	Rupees	10	10
Diluted EPS	Rupees	2.04	1.02

Notes :

- 1) Shares under the ESOP Schemes are issued at intrinsic value. [Refer Note 1(xv)]
- 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 “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	2017-18		2016-17		2017-18		2016-17	
	Net assets, i.e., total assets minus total liabilities		Net assets, i.e., total assets minus total liabilities		Share of profit or loss		Share of profit or loss	
	As % of consolidated net assets	Amount	As % of consolidated net assets	Amount	As % of consolidated profit or loss	Amount	As % of consolidated profit or loss	Amount
Parent:								
Tata Capital Limited	77.53	5,15,312	84.11	5,08,357	25.99	20,176	39.20	18,016
Subsidiaries								
Indian								
Tata Capital Financial Services Limited	74.64	4,96,138	67.24	4,06,408	62.16	48,258	47.00	21,597
Tata Capital Housing Finance Limited	26.67	1,77,272	22.41	1,35,448	27.59	21,420	38.77	17,818
Tata Cleantech Capital Limited	10.08	67,011	9.78	59,107	10.18	7,904	9.94	4,566
Tata Securities Limited	0.34	2,254	0.25	1,482	0.99	772	0.36	167
TC Travel & Services Limited**	—	—	0.05	294	(0.07)	(54)	(0.57)	(263)
Tata Capital Forex Limited**	—	—	0.01	66	(0.06)	(48)	(0.13)	(58)
Tata Capital Growth Fund	1.90	12,637	2.63	15,881	3.58	2,778	3.14	1,442

(₹ In lakh)

Name of the entity	2017-18		2016-17		2017-18		2016-17	
	Net assets, i.e., total assets minus total liabilities		Net assets, i.e., total assets minus total liabilities		Share of profit or loss		Share of profit or loss	
	As % of consolidated net assets	Amount	As % of consolidated net assets	Amount	As % of consolidated profit or loss	Amount	As % of consolidated profit or loss	Amount
Foreign								
Tata Capital Pte. Limited	4.10	27,245	4.38	26,471	0.57	441	3.71	1,705
Minority Interests in all subsidiaries								
Indian								
Tata Capital Growth Fund	0.50	3,336	0.69	4,168	(0.94)	(729)	(0.82)	(379)
Tata Cleantech Capital Limited	1.97	13,067	1.91	11,526	(1.99)	(1541)	(1.94)	(890)
Foreign								
Tata Capital Pte. Limited	0.08	534	0.09	526	0.01	4	0.01	5
Associates (Investment as per the equity method)								
Indian								
Tata Capital Healthcare Fund	0.75	5,007	1.15	6,945	(0.20)	(159)	(0.41)	(187)
Tata Capital Special Situations Fund	0.41	2,709	0.46	2,805	0.22	168	(1.40)	(643)
Tata Capital Innovations Fund	0.80	5,326	0.89	5,403	(0.57)	(441)	(1.35)	(621)
Tata AutoComp Systems Limited	4.92	32,689	5.39	32,547	1.78	1,384	3.19	1,468
International Asset Reconstruction Company Private Limited *	—	—	0.64	3,854	0.05	39	0.44	203
Joint Ventures (as per proportionate consolidation)								
Nectar Loyalty Management India Limited (Refer Note 30)	—	—	—	—	—	—	—	—
Eliminations	(104.63)	(6,95,870)	(102.08)	(6,16,916)	(29.29)	(22,739)	(39.15)	(17,992)
Total	100.00	6,64,668	100.00	6,04,373	100.00	77,633	100.00	45,954

* Ceased to be an Associate with effect from March 9, 2018.

** Ceased to be Subsidiary with effect from October 30, 2017.

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, 2018	March 31, 2017
I Segment Revenue		
(a) Financing Activity	6,51,094	5,73,820
(b) Investment Activity	29,848	37,946
(c) Others	61,380	56,669
Total	7,42,322	6,68,435
Less : Inter Segment Revenue	41,667	36,033
Add : Interest on Income Tax refund	935	21
Total Income	7,01,590	6,32,423

(₹ in lakh)

Particulars	For the Year Ended	
	March 31, 2018	March 31, 2017
II Segment Results		
(a) Financing Activity	1,21,981	70,095
(b) Investment Activity	5,878	10,610
(c) Others	5,113	3,554
Total	1,32,972	84,259
Less : Unallocated Corporate Expenses	12,724	13,214
Profit before taxation	1,20,248	71,045
Less : Provision for taxation	41,331	24,037
Profit after taxation	78,917	47,008

(₹ in lakh)

Particulars	As at	
	March 31, 2018	March 31, 2017
III Segment Assets		
(a) Financing Activity	61,18,364	51,86,586
(b) Investment Activity	1,27,185	1,15,529
(c) Others	96,356	1,21,268
(d) Unallocated	66,861	68,341
Total	64,08,766	54,91,724
IV Segment Liabilities		
(a) Financing Activity	55,66,617	46,84,689
(b) Investment Activity	42,324	84,035
(c) Others	99,729	90,008
(d) Unallocated	35,428	28,619
Total	57,44,098	48,87,351
V Capital Expenditure (including Capital Work-in-Progress and intangibles under development)		
(a) Financing Activity	1,386	—
(b) Investment Activity	—	—
(c) Others	27,359	28,458
(d) Unallocated	3,595	4,927
Total	32,340	33,385
VI Depreciation and amortisation		
(a) Financing Activity	1,089	867
(b) Investment Activity	—	—
(c) Others	21,948	13,255
(d) Unallocated	1,784	1,272
Total	24,821	15,394
VII Significant Non-Cash Expenses Other than Depreciation		
(a) Financing Activity	47,301	69,229
(b) Investment Activity	(858)	(455)
(c) Others	469	141
(d) Unallocated	—	32
Total	46,912	68,947

NOTE “40” : DERIVATIVE INSTRUMENTS EXPOSURES AND UNHEDGED FOREIGN CURRENCY TRANSACTION :

There are no derivative positions open as at March 31, 2018 (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.

The value of a unhedged foreign currency transaction for purchase of Operating Lease asset as on March 31, 2018 is ₹37 lakh.

NOTE “41” :

Investments in bonds, debentures and other financial instruments which, in substance, form a part of the Group's financing activities (“Credit Substitutes”) have been classified under Loans and Advances – Financing Activity (Note 15). In the past these were classified as a part of Investments (Note 13). Management believes that the current period's classification results in a better presentation of the substance of these receivables and is in alignment with regulatory filings.

NOTE “42” :

To comply with the RBI Master Direction DNBR - PD 008/03.10.119/2016-17 - RBI/DNBR/2016-17/45 dated September 01, 2016, the Group has made an incremental standard asset provision of ₹ 1,718 lakh (Previous year : ₹ 1,444 Lakh) being 0.05% (CY 17-18 0.40%, PY 16-17 0.35%) of Standard Assets as of March 31, 2017.

NOTE “43” :

During the previous 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 was higher by ₹ 553 lakh (net of taxes, as applicable) for the year ended March 31, 2017 and deferred revenue expenditure was lower by ₹ 616 lakh (net of taxes, as applicable) as on March 31, 2017.

NOTE “44” :

During the previous year, the Company had 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 “45” :

During the previous year ended March 31, 2017, Tata Capital Financial Services Limited (“TCFSL”), a wholly-owned subsidiary of the Company, had 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 had 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 “46” :

In the consolidated financial statements for the financial year ended March 31, 2017 the net impact of ₹ 32,332 lakh had 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.

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 Group has assessed its obligations arising in the normal course of business, proceedings pending with tax authorities and other contracts including derivative and long term contracts. In accordance with the provisions of Accounting Standard - 29 on 'Provisions, Contingent Liabilities and Contingent Assets', the Group recognises a provision for material foreseeable losses when it has a present obligation as a result of a past event and it is probable that an outflow of resources will be required to settle the obligation, in respect of which a reliable estimate can be made. In cases where the available information indicates that the loss on the contingency is reasonably possible but the amount of loss cannot be reasonably estimated, a disclosure to this effect is made as contingent liabilities in the financial statements. The Group does not expect the outcome of these proceedings to have a materially adverse effect on its financial results.

NOTE “48” :

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 “49” :

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

NOTE “50” :

During the year ended March 31, 2018, the Company has sold 10,933,969 equity shares translating to 100% stake in Tata Capital Forex Limited for a consideration of ₹ 12 cr to TC Tours on October 30, 2017. During the year ended March 31, 2018, the Company has sold 25,000,000 equity shares translating to 100% stake in TC Travel and Services Limited for a consideration of ₹ 3 cr to Thomas Cook on October 30, 2017.

NOTE “51” :

During the year ended March 31, 2018, the Company has sold 4,054,048 equity shares translating to 4.43% stake in Tata Business Support Services Limited for a consideration of ₹ 12.8 cr to Qess Corp Limited on November 27, 2017.

NOTE “52” :

The figures for the year ended March 31, 2017 were audited by previous statutory auditors.

NOTE “53” :

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

Description	31-Mar-18		31-Mar-17		Amount (₹ in Lakh)	Reason
	Schedule	Schedule	Schedule	Schedule		
Income received in advance	Current liabilities	Other current liabilities	Non-Current liabilities	Other Long-Term Liabilities	5	Reclass of Income received in advance from Long term liabilities to Current Liabilities
Provision for doubtful loans and credit substitutes	Non-current liabilities	Long-term provisions	Non-Current assets	Long-term Loans and advances - financing activity	37,572	Loans and advances and related provisions are presented on Gross basis in line with the requirements of the Master Direction - Non Banking Financial Company- Systemically Important Non-Deposit taking Company Directions, 2016 (“the RBI Directions”)
Provision for restructured standard assets	Non-current liabilities	Long-term provisions	Non-Current assets	Long-term Loans and advances - financing activity	70	Loans and advances and related provisions are presented on Gross basis in line with the requirements of the Master Direction - Non Banking Financial Company- Systemically Important Non-Deposit taking Company Directions, 2016 (“the RBI Directions”)
Compensated ansences Current & Non-Current classification	Non-current liabilities	Long-term provisions	Current liabilities	Short-term provisions	1,101	Short-term and Long-term compensated ansences has been presented in accordance with the report of the Actuary and as per requirements of Schedule III of the Companies Act, 2013.
Provision for Employee Benefits	Non-current liabilities	Long-term provisions	Current liabilities	Trade payables	150	Accrued employee and retirement benefits shown as Long Term Provisions as per the requirement of Schedule III of the Companies Act, 2013.

Description	31-Mar-18		31-Mar-17		Amount (₹ in Lakh)	Reason
	Schedule	Schedule	Schedule	Schedule		
Certain receivables netted off in trade payables reclassified	Other current assets	Other current assets	Current liabilities	Trade payables	174	Certain receivables is reclassified to Other current assets instead of netting off from trade payables for better disclosure.
TDS On Provision For Expenses	Current liabilities	Other current liabilities	Current liabilities	Trade payables	292	TDS on provision for expenses has been presented as a part of Other Current Liabilities instead of Trade Payable in accordance with the requirement of Schedule III of the Companies Act, 2013.
Accrued employee benefit expense	Current liabilities	Other current liabilities	Current liabilities	Trade payables	7,816	Bonus accrual for employees has been presented as a part of Other Current Liabilities instead of Trade payables in accordance with the requirement of Schedule III of the Companies Act, 2013.
Trade receivables regrouped from loans and advances	Current assets	Trade receivables	Current assets	Short-term Loans and advances - financing activity	65	An item is shown as trade receivables instead of loans and advances.
Provision for doubtful loans and credit substitutes	Current liabilities	Short-term provisions	Current assets	Short-term Loans and advances - financing activity	91,380	Loans and advances and related provisions are presented on Gross basis in line with the requirements of the Master Direction - Non Banking Financial Company- Systematically Important Non-Deposit taking Company Directions, 2016 ("the RBI Directions")
Provision for restructured standard assets	Current liabilities	Short-term provisions	Current assets	Short-term Loans and advances - financing activity	41	Loans and advances and related provisions are presented on Gross basis in line with the requirements of the Master Direction - Non Banking Financial Company- Systematically Important Non-Deposit taking Company Directions, 2016 ("the RBI Directions")
Security Deposit Reclass	Non-Current assets	Long-term Loans and advances - others	Current assets	Short-term Loans and advances - others	57	Security Deposit reclassified as long term from Short term
Gratuity Asset Reclass to Non-current	Non-Current assets	Other non-current assets	Current assets	Other current assets	420	Gratuity is shown as non-current asset as per the actuarial report and is appropriately reclassified as per Schedule III.
Fixed Deposits with more than 12 months	Non-Current assets	Other non-current assets	Current assets	Cash and bank balances	361	Reclass of Fixed Deposits with more than 12 months to Other Non-current assets which is as per the the guidelines to the Revised Schedule VI.
Receivable-Assignment of Loan	Current assets	Other current assets	Current assets	Short-term Loans and advances - others	810	Reclassified to Assets held for sale for better presentation
Cash and bank balances	Current assets	Cash - On client accounts	Current assets	Cash - On current accounts	10	Reclassified as per nature of bank account maintained for equity business

Description	31-Mar-18		31-Mar-17		Amount (₹ in Lakh)	Reason
	Schedule	Schedule	Schedule	Schedule		
Exchange Settlement / Dues from clients	Current liabilities	Trade Payable	Current liabilities	Other Current Liabilities	1	Reclassified as trade payable as the same is payable to client of equity business.
Doubtful Trade receivable	Current liabilities	Trade receivable	Current assets	Other current assets	42	Reclassified as per the nature of amount receivable from client of equity business.
Provision for doubtful trade receivable	Current liabilities	Trade receivable	Current assets	Other current assets	42	Reclassified as per the nature of amount receivable from client of equity business.
Provision- Receivable- Assignment of Loan	Current assets	Other current assets	Current assets	Short-term Loans and advances - others	263	Reclassified to Assets held for sale for better presentation
Advertisement income	Income	Other income	Income	Revenue from operations	567	Income earned from advertisements is shown as Other income which helps in better disclosure.
Directors Remuneration	Income	Other operating expenses	Income	Employee benefit expenses	180	Directors remuneration forming part of Employee Benefit Expenses reclassified to other Operating Expenses.

In terms of our report attached

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

Manoj Kumar Vijai
Partner
Membership No. – 046882

Mumbai
Date: May 07, 2018

For and on behalf of the Board of Directors

Saurabh Agrawal
(Chairman)
DIN: 02144558

F.N. Subedar
(Director)
DIN: 00028428

Puneet Sharma
(Chief Financial Officer)

Mehernosh B. Kapadia
(Director)
DIN: 00046612

Aarthi Subramanian
(Director)
DIN: 07121802

Avan Doomasia
(Company Secretary)

Nalin M. Shah
(Director)
DIN: 00882723

Rajiv Sabharwal
(Managing Director & CEO)
DIN: 00057333

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 / Unitholder's Capital	Reserves & Surplus	Total Assets	Total Liabilities	Investments	Turnover	Profit / (Loss) before Taxation	Provision for taxation	Profit / (Loss) After Taxation	Proposed Dividend	% of Shareholding
1	Tata Capital Financial Services Limited	November 19, 2010	₹	2,81,755	2,14,383	39,28,112	34,31,974	30,769	4,55,537	74,180	25,922	48,258	-	100.00
2	Tata Capital Housing Finance Limited	October 15, 2008	₹	1,37,833	39,437	20,66,878	18,89,609	257	1,98,355	32,932	11,512	21,420	-	100.00
3	Tata Cleantech Capital Limited	September 27, 2011	₹	35,576	31,435	3,10,985	2,43,974	38	27,564	11,244	3,340	7,904	-	80.50
4	Tata Capital Pte. Limited ⁽¹⁾	April 25, 2008	1 USD = 65.1200 INR	14,121	14,308	40,557	12,128	28,975	1,485	436	83	353	-	100.00
5	Tata Capital Markets Pte. Limited ⁽¹⁾	October 29, 2008	1 USD = 65.1200 INR	5,037	(2,499)	2,689	151	-	343	(456)	(35)	(420)	-	100.00
6	Tata Capital Advisors Pte. Limited ⁽¹⁾	April 25, 2008	1 USD = 65.1200 INR	4,930	331	7,056	1,795	-	6,029	258	11	247	-	100.00
7	Tata Capital General Partners LLP ⁽¹⁾	January 28, 2010	1 USD = 65.1200 INR	3,256	(591)	2,669	4	-	1,194	22	-	22	-	80.00
8	Tata Capital Healthcare General Partners LLP ⁽¹⁾	June 17, 2010	1 USD = 65.1200 INR	33	(13)	24	4	-	139	2	-	2	-	100.00
9	Tata Opportunities General Partners LLP ⁽¹⁾	November 1, 2010	1 USD = 65.1200 INR	7	1	19	10	-	4,678	0	-	0	-	90.00
10	Tata Capital PLC ⁽¹⁾	November 10, 2009	1 GBP = 91.6800 INR	972	683	1,733	78	-	547	272	53	220	-	100.00
11	Tata Securities Limited	July 27, 2007	₹	1,883	373	2,666	410	110	1,799	964	192	772	-	100.00
12	Tata Capital Growth Fund - Trust ⁽²⁾	July 26, 2010	₹	23,190	(10,553)	12,693	56	12,653	3,392	2,813	35	2,778	-	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, 2018 as: 1 USD = 65.1200 INR and 1 GBP = 91.6800 INR whereas Turnover, Profit before Taxation, Provision for Taxation and Profit after Taxation are translated at annual average rate of 1 USD = ₹64.4746 INR and 1 GBP = 86.3327.
- 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) TC Travel And Services Limited ("TCTSL") and Tata Capital Forex Limited ("TCFL") ceased to be subsidiaries of the Company with effect from October 30, 2017 due to divestment of the entire 100% stake of the Company in TCTSL and TCFL.

PART “B”: ASSOCIATES AND JOINT VENTURES

Statement pursuant to Section 129 (3) of the Companies Act, 2013 related to Associate Companies and Joint Venture

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 ⁽¹⁾	31.03.2018	May 5, 2010	N.A	6,552	32.12%	Since the Company holds more than 20% of voting power, significant influence is assumed	N.A	4,918	1,726	3,648
2	Tata Capital Special Situations Fund - Trust ⁽¹⁾	31.03.2018	March 15, 2010	N.A	4,181	28.18%		N.A	2,809	428	1,090
3	Tata Capital Innovations Fund - Trust ⁽¹⁾	31.03.2018	August 31, 2010	N.A	7,516	27.13%		N.A	5,232	(441)	(1,184)
4	Tata Autocomp Systems Limited	31.03.2017	June 28, 2008	48,307,333	18,528	24.00%		N.A	19,910	1,600	5,068

(₹ in lakh)

Notes - Part “B”

- 1) Though Trusts would not be considered as body corporates under the Companies Act 2013, these have been disclosed as a measure of good governance.
2) International Asset Reconstruction Company Private Limited (IARC) ceased to be an Associate of the Company with effect from March 9, 2018.

Saurabh Agrawal
(Chairman)

Mehernosh B. Kapadia
(Director)

Nalin M. Shah
(Director)

F.N. Subedar
(Director)

Aarthi Subramanian
(Director)

Rajiv Sabharwal
(Managing Director & CEO)
Mumbai
May 7, 2018

Puneet Sharma
(Chief Financial Officer)

Avan Doomasia
(Company Secretary)

Standalone Financial Statements

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF TATA CAPITAL LIMITED

Report on the Standalone Financial Statements

We have audited the accompanying Standalone financial statements of **TATA CAPITAL LIMITED** (the "Company"), which comprise the Balance Sheet as at March 31, 2018, 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 Standalone Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 (the "Act") with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.

This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the standalone financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Auditor's Responsibility

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

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

We conducted our audit of the standalone financial statement 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 standalone financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the standalone financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the standalone 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 standalone 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 standalone financial statements.

We are also responsible to conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the entity's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in the auditor's report to the related disclosures in the standalone financial statements or, if such disclosures are inadequate, to modify the opinion. Our conclusions are based on the audit evidence obtained up to the date of the auditor's report. However, future events or conditions may cause an entity to cease to continue as a going concern.

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

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone 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, 2018 and its profit and its cash flows for the year ended on that date.

Other matter

The comparative financial information of the Company for the year ended March 31, 2017 as included in these standalone financial statements have been audited by the predecessor auditor who had audited the standalone financial statements for the year ended March 31, 2017. The report of the predecessor auditor on the comparative standalone financial information dated May 4, 2017 expressed an unmodified opinion. Our opinion is not modified in respect of this matter.

Report on Other Legal and Regulatory Requirements

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

As required by Section 143 (3) of the Act, we report that:

- (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;
- (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;
- (c) The Balance Sheet, the Statement of Profit and Loss, and the Cash Flow Statement dealt with by this Report are in agreement with the books of account;
- (d) In our opinion, the aforesaid standalone financial statements comply with the Accounting Standards specified under Section 133 of the Act;
- (e) On the basis of the written representations received from the directors as on March 31, 2018 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2018 from being appointed as a director in terms of Section 164 (2) of the Act;
- (f) With respect to the adequacy of the internal financial controls with reference to the standalone financial statements of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B"; and
- (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) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
 - i. The Company has disclosed the impact of pending litigations on its financial position in its standalone financial statements – Refer note 26 to the standalone financial statements;
 - ii. The Company has made provision, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts including derivatives contracts – Refer Note 42 to the standalone financial statements;
 - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company; and
 - iv. The disclosures in the standalone financial statements regarding holdings as well as dealings in specified bank notes during the period from November 8, 2016 to December 30, 2016 have not been made since they do not pertain to the financial year ended March 31, 2018. and the company did not have any holdings or dealings in Specified Bank Notes during the financial year ended March 31, 2017.

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

Manoj Kumar Vijai
Partner
(Membership No: 046882)

Mumbai
May 7, 2018

**ANNEXURE “A” TO THE INDEPENDENT AUDITOR’S REPORT
OF EVEN DATE ON THE STANDALONE FINANCIAL STATEMENTS**

- (i) a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
- b) The Company has a program of verification to cover all the items of fixed assets once in three years which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. Pursuant to the program, all the fixed assets were physically verified by the management as at March 31, 2017. According to the information and explanation given to us, no material discrepancies were noticed on such verification.
- c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the title deeds of the immovable properties included in fixed assets are held in the name of the Company.
- (ii) The Company is in the business of providing financial services and does not have any inventories. Accordingly, the provision of clause 3(ii) of the Order is not applicable to the Company.
- (iii) According to the information and explanations given to us, the Company has granted loans, secured or unsecured to companies, firms, Limited Liability Partnerships or other parties covered in the register maintained under section 189 of the Companies Act, 2013 (the “Act”).
 - a) In our opinion, the terms and conditions on which the loans had been granted to the company listed in the register maintained under Section 189 of the Act, were not, prima facie, prejudicial to the interest of the Company.
 - b) In the case of the loans granted to the company listed in the register maintained under Section 189 of the Act, the borrower has been regular in the payment of the principal and interest as stipulated.
 - c) There is no overdue amount of the loan granted to the company listed in the register maintained under section 189 of the Act.
- (iv) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has complied with the provisions of section 185 and 186 of the Act in respect of loans, investments, guarantees and security, as applicable.
- (v) According to the information and explanations given to us, the Company has not accepted any deposits from the public to which the directives issued by the Reserve Bank of India and the provisions of Section 73 to 76 or any other relevant provisions of the Act and the rules framed there under apply. Accordingly, the provision of clause 3(v) of the Order is not applicable to the Company.
- (vi) The Central Government has not prescribed the maintenance of cost records under sub section (1) of section 148 of the Act for any of the services rendered by the Company. Accordingly, the provision of clause 3(vi) of the Order is not applicable to the Company.
- (vii) a) According to the information and explanations given to us and on the basis of our examination of records of the Company, amounts deducted / accrued in the books of account in respect of undisputed statutory dues including provident fund, employees’ state insurance, income tax, service tax, cess, goods and service tax and other material statutory dues have generally been regularly deposited by the Company with the appropriate authorities, except for one month, where a delay of one day in the deposit of provident fund with the relevant authority was noted. As explained to us the Company did not have any dues on account of sales tax, duty of customs, value added tax or duty of excise.

According to the information and explanations given to us, no undisputed amounts payable in respect of provident fund, employees’ state insurance, income tax, service tax, cess, goods and service tax and other material statutory dues were in arrears as at March 31, 2018 for a period of more than six months from the date they became payable.

- b) According to the information and explanations given to us, the Company did not have any dues on account of income tax, sales tax, service tax, duty of customs or duty of excise which have not been deposited on account of dispute. Details of dues of Value Added Tax as on March 31, 2018 on account of disputes are given below:

Name of Statutes	Nature of dues	Amount (₹ in lakhs)	Period to which the amount relate (Financial Year)	Forum where dispute is pending
West Bengal Value Added Tax, 2003	Value Added Tax	18	2011-12	Joint Commissioner of Sales Tax
Maharashtra Value Added Tax, 2002	Value Added Tax	33	2011-12	Deputy Commissioner
Delhi Value Added Tax, 2004	Value Added Tax	11	2011-12	Joint Commissioner (Trade and Taxes)
Andra Pradesh Value Added Tax, 2005	Value Added Tax	2	2009-10	Tribunal (Commercial Taxes)

- (viii) In our opinion and according to the information and explanations given to us, the Company has not defaulted in the repayment of loans or borrowings to financial institutions, banks, government or debenture holders during the year. During the year, the Company did not have any loans or borrowing from the Government.
- (ix) In our opinion and according to the information and explanations given to us the Company has not raised any money by way of initial public offer or further public offer (including debt instruments) during the year.
- (x) During the course of our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India, and according to the explanation and information given to us, no fraud by the Company or on the Company by its officers or employees has been noticed or reported during the course of our audit.
- (xi) According to the information and explanations give to us and based on our examination of the records of the Company, the Company has paid/provided for managerial remuneration in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Act.
- (xii) In our opinion and according to the information and explanations given to us, the Company is not a Nidhi Company. Accordingly, the provision of clause 3(xii) of the Order is not applicable.
- (xiii) According to the information and explanations given to us and on the basis of our examination of the records of the Company, transactions with the related parties are in compliance with section 177 and 188 of the Act where applicable and the details have been disclosed in the standalone financial statements, as required by the applicable accounting standards.
- (xiv) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has made private placement of shares during the year. Accordingly to the information and explanations given to us and based on our examination of the records of the Company, the Company has complied with the requirements of Section 42 of the Act and the amount raised have been used for the purposes for which the funds were raised.
- (xv) According to the information and explanations given to us and based on our examination of the records, during the year, the Company has not entered into any non-cash transactions with directors or persons connected with him. Accordingly the provision of clause 3(xii) of the Order is not applicable.
- (xvi) The Company is required to be registered under section 45-IA of the Reserve Bank of India Act, 1934 and it has obtained certificate of registration dated May 10, 2012.

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

Manoj Kumar Vijai
Partner
(Membership No: 046882)

Mumbai
May 7, 2018

ANNEXURE “B” TO THE INDEPENDENT AUDITOR’S REPORT OF EVEN DATE ON THE STANDALONE FINANCIAL STATEMENTS

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

We have audited the internal financial controls over financial reporting of the Company as of March 31, 2018 in conjunction with our audit of the standalone 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 (the ‘ICAI’). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company’s policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

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, issued by ICAI and deemed to be prescribed under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the ICAI. 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 judgment, including the assessment of the risks of material misstatement of the standalone financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company’s internal financial controls 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 standalone financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company’s assets that could have a material effect on the standalone financial statements.

Inherent Limitations of Internal Financial Controls 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, 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, 2018, 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 ICAI.

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

Manoj Kumar Vijai
Partner
(Membership No: 046882)

Mumbai
May 7, 2018

BALANCE SHEET AS AT MARCH 31, 2018

(₹ in lakh)

Particulars	Note No.	As at March 31, 2018	As at March 31, 2017
I EQUITY AND LIABILITIES			
1. Shareholders' Funds			
(a) Share Capital	3	4,68,787	4,65,747
(b) Reserves and Surplus	4	46,529	42,613
Total Shareholders' Funds		5,15,316	5,08,360
2. Non-current liabilities			
(a) Long-term borrowings	5	57,500	75,000
(b) Other long-term liabilities	6	16,526	10,355
(c) Long-term provisions	7	355	339
Total Non-current liabilities		74,381	85,694
3. Current liabilities			
(a) Short-term borrowings	8	51,932	62,203
(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		1,042	1,821
(c) Other current liabilities	10	84,597	11,728
(d) Short-term provisions	11	566	498
Total Current liabilities		1,38,137	76,250
Total Equity and Liabilities		7,27,834	6,70,304
II ASSETS			
1. Non-Current assets			
(a) Property, plant and equipment	12	10,913	11,523
(i) Tangible assets		—	1
(ii) Capital work-in-progress		10,913	11,524
(b) Non-current Investments	13	6,77,816	5,91,797
(c) Deferred tax assets	14	472	362
(d) Long-term loans and advances	15	3,349	2,493
(e) Other non-current assets	16	95	125
Total Non-current assets		6,92,645	6,06,301
2. Current assets			
(a) Trade receivables	17	666	1,012
(b) Cash and cash equivalents	18	49	96
(c) Short-term loans and advances	19	34,288	62,223
(d) Other current assets	20	186	672
Total Current assets		35,189	64,003
Total Assets		7,27,834	6,70,304
See accompanying notes forming part of the Financial Statements	1-43		

In terms of our report attached

For and on behalf of the Board of Directors

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

Saurabh Agrawal
 (Chairman)
 DIN: 02144558

Mehernosh B. Kapadia
 (Director)
 DIN: 00046612

Nalin M. Shah
 (Director)
 DIN: 00882723

Manoj Kumar Vijai
 Partner
 Membership No. – 046882

F.N.Subedar
 (Director)
 DIN: 00028428

Aarthi Subramanian
 (Director)
 DIN: 07121802

Rajiv Sabharwal
 (Managing Director & CEO)
 DIN: 00057333

 Mumbai
 May 07, 2018

Puneet Sharma
 (Chief Financial Officer)

Avan Doomasia
 (Company Secretary)

STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED MARCH 31, 2018

(₹ in lakh)

Particulars	Note No.	For the year ended March 31, 2018	For the year ended March 31, 2017
I Revenue from operations	21	36,528	33,667
II Profit on sale of non-current investments		6,124	5,460
III Other income	22	4,996	3,355
IV Total Revenue (I + II + III)		47,648	42,482
V Expenses:			
Finance costs	23	14,094	11,946
Employee benefits expenses	24	7,358	6,441
Other operating expenses	25	4,988	4,443
Depreciation	12	698	715
Amortisation of issue expenses		113	32
Total Expenses		27,251	23,577
VI Profit before tax for the year (IV - V)		20,397	18,905
VII Tax expense :			
(1) Current tax		1,493	932
(2) Deferred tax		(111)	(43)
(3) MAT credit entitlement		(1,163)	—
Total Tax expense		219	889
VIII Profit after tax for the year (VI - VII)		20,178	18,016
IX Earnings per equity share:	31		
(1) Basic (in ₹)		0.16	0.15
(2) Diluted (in ₹)		0.16	0.15
Face value per share (Amount in ₹)		10	10
See accompanying notes forming part of the Financial Statements	1-43		

In terms of our report attached

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

Manoj Kumar Vijai
Partner
Membership No. – 046882

Mumbai
May 07, 2018

For and on behalf of the Board of Directors

Saurabh Agrawal
(Chairman)
DIN: 02144558

F.N.Subedar
(Director)
DIN: 00028428

Puneet Sharma
(Chief Financial Officer)

Mehernosh B. Kapadia
(Director)
DIN: 00046612

Aarthi Subramanian
(Director)
DIN: 07121802

Avan Doomasia
(Company Secretary)

Nalin M. Shah
(Director)
DIN: 00882723

Rajiv Sabharwal
(Managing Director & CEO)
DIN: 00057333

CASH FLOW STATEMENT FOR THE YEAR ENDED MARCH 31, 2018

(₹ in lakh)

Particulars	Note No.	For the year ended March 31, 2018	For the year ended March 31, 2017
1. CASH FLOW FROM OPERATING ACTIVITIES			
Profit before tax		20,397	18,905
Adjustments for :			
Dividend income		(23,261)	(18,383)
Interest income		(8,432)	(9,581)
Discounting charges on Commercial Paper		4,163	7,381
Interest expense on Non Convertible Debentures		9,918	4,565
Provision for employee benefits		48	(19)
Provision against Standard Assets		89	20
Provision for diminution in value of investments		2,628	1,339
Provision for Bad & Doubtful Debts		171	—
Distribution of Interest on Fixed Deposits by PE funds		(55)	(8)
Interest expenses on share application money		12	—
Amortisation of share issue expenses		113	32
Depreciation		698	715
Profit on sale of non-current investments		(6,124)	(5,460)
Interest on Income Tax Refund		(607)	—
Operating Profit before working capital changes and adjustments for interest paid, interest received and dividend received		(242)	(494)
Adjustments for :			
Decrease / (Increase) in Trade receivables		178	(534)
Decrease in Loans and advances and Other current assets		28,030	39,506
(Decrease) / Increase in Trade payables		(782)	1,929
Increase / (Decrease) in Other liabilities and provisions		3,299	(551)
Cash used in operations before adjustments for interest paid, interest received and dividend received		30,483	39,856
Interest paid		(10,087)	(8,389)
Interest received		8,847	9,336
Interest received on Income Tax refund		607	—
Dividend received		23,261	18,383
Cash used in operations		53,111	59,186
Taxes paid		(1,197)	(1,322)
NET CASH FROM OPERATING ACTIVITIES		51,914	57,864

CASH FLOW STATEMENT FOR THE YEAR ENDED MARCH 31, 2018 *(contd...)*

(₹ in lakh)

Particulars	Note No.	For the year ended March 31, 2018	For the year ended March 31, 2017
2. CASH FLOW FROM INVESTING ACTIVITIES			
Purchase of property, plant & equipments (including capital advances)		(149)	(81)
Proceeds from sale of property, plant & equipments		3	7
Interest income on fixed deposit		55	8
Investment in subsidiaries and associates		(1,00,100)	(1,16,150)
Proceeds from divestments by PE Funds		4,611	10,651
Investment in PE Funds		(870)	(1,203)
Investment in other entities		(15)	—
Investment in mutual funds		(11)	(190)
Proceeds from sale of investments in subsidiaries and associates		10,780	18,719
Proceeds from sale of investments in other entities		3,083	—
CASH USED IN INVESTING ACTIVITIES		(82,613)	(88,240)
3. CASH FLOW FROM FINANCING ACTIVITIES			
Collection of loan given to employees for ESOP		—	4
Issue of preference shares		51,475	43,500
Redemption of preference shares		(48,435)	—
Interest on share application money pending allotment		(12)	—
Dividend paid on preference shares including dividend distribution tax		(15,649)	(13,709)
Share issue expenses		(613)	(512)
NCD issue expenses		(89)	(142)
Proceeds from long term borrowings		55,000	75,000
Payment of short-term borrowings		(1,72,090)	(3,48,421)
Proceeds from short-term borrowings		1,61,065	2,73,690
NET CASH FROM FINANCING ACTIVITIES		30,652	29,410
Net (decrease) in cash and cash equivalents		(47)	(966)
CASH AND CASH EQUIVALENTS AS AT THE BEGINNING OF THE YEAR		96	288
CASH AND CASH EQUIVALENTS ON MERGER		—	774
CASH AND CASH EQUIVALENTS AS AT THE BEGINNING OF THE YEAR		96	1,062
CASH AND CASH EQUIVALENTS AS AT THE END OF THE YEAR	18	49	96
See accompanying notes forming part of the financial statements	1-43		

In terms of our report attached

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

Manoj Kumar Vijai
Partner
Membership No. – 046882

Mumbai
May 07, 2018

For and on behalf of the Board of Directors

Saurabh Agrawal
(Chairman)
DIN: 02144558

F.N.Subedar
(Director)
DIN: 00028428

Puneet Sharma
(Chief Financial Officer)

Mehernosh B. Kapadia
(Director)
DIN: 00046612

Aarthi Subramanian
(Director)
DIN: 07121802

Avan Doomasia
(Company Secretary)

Nalin M. Shah
(Director)
DIN: 00882723

Rajiv Sabharwal
(Managing Director & CEO)
DIN: 00057333

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.

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 financial 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.

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

v. Provisions for standard assets

The Company provides an allowance for inter-corporate deposits and debentures in the nature of advances 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. Intangible

Acquired intangible assets other than Goodwill are measured at cost less amortisation. Expenses on software support and maintenance are charged to statement of Profit and Loss during the year in which such costs are incurred.

c. 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 property, plant and equipment 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	60 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, of which Company's contribution of 12% is 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 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 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 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

a. Income Tax

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

Deferred tax corresponds to the net effect of tax on all timing differences, which occur as a result of items 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.

b. Goods and Service Tax

Goods & Service tax input credit is accounted for in the books in the year in which the underlying service received is accounted and when there is reasonable certainty in availing / utilizing the credits.

c. Minimum Alternate Tax

Minimum Alternate Tax (MAT) under the provisions of the Income Tax Act, 1961 is recognised as current tax in the Statement of Profit and Loss. The credit available under the Act in respect of MAT paid is recognised as an asset only when and to the extent there is convincing evidence that the company will pay normal income tax during the period for which the MAT credit can be carried forward for set-off against the normal tax liability. MAT credit recognised as an asset is reviewed at each balance sheet date and written down to the extent the aforesaid convincing evidence no longer exists.

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.

**NOTES TO AND FORMING PART OF THE BALANCE SHEET
AS AT MARCH 31, 2018**

NOTE “3”

(₹ in lakh)

SHARE CAPITAL	Face value Per Unit ₹	As at March 31, 2018		As at March 31, 2017	
		No. of shares	₹ in lakh	No. of shares	₹ in lakh
AUTHORISED					
A) Equity Shares	10	4,75,00,00,000	4,75,000	4,75,00,00,000	4,75,000
B) Preference Shares	1,000	3,25,00,000	3,25,000	3,25,00,000	3,25,000
			8,00,000		8,00,000
ISSUED					
A) Equity Shares	10	2,82,60,18,170	2,82,602	2,82,60,92,570	2,82,609
B) Cumulative Redeemable Preference Shares					
Dividend rate - 12.50%	1,000	20,71,066	20,711	21,75,374	21,754
Dividend rate - 8.33%	1,000	70,49,891	70,499	1,24,45,841	1,24,458
Dividend rate - 7.50%	1,000	65,00,000	65,000	43,50,000	43,500
Dividend rate - 7.33%	1,000	14,97,500	14,975	—	—
Dividend rate - 7.15%	1,000	7,50,000	7,500	—	—
Dividend rate - 7.10%	1,000	7,50,000	7,500	—	—
			4,68,787		4,72,321
SUBSCRIBED & PAID UP					
A) Equity Shares	10	2,82,60,18,170	2,82,602	2,82,60,18,170	2,82,602
B) Cumulative Redeemable Preference Shares					
Dividend rate - 12.50%	1,000	20,71,066	20,711	20,71,066	20,711
Dividend rate - 8.33%	1,000	70,49,891	70,499	1,18,93,401	1,18,934
Dividend rate - 7.50%	1,000	65,00,000	65,000	43,50,000	43,500
Dividend rate - 7.33%	1,000	14,97,500	14,975	—	—
Dividend rate - 7.15%	1,000	7,50,000	7,500	—	—
Dividend rate - 7.10%	1,000	7,50,000	7,500	—	—
Total			4,68,787		4,65,747

**NOTES TO AND FORMING PART OF THE BALANCE SHEET
AS AT MARCH 31, 2018**

NOTE “3” (Continued)

3(a) Reconciliation of number of shares outstanding	Face value Per Unit ₹	No. of shares	₹ in lakh
Opening Share Capital as on April 1, 2016			
A) Equity Shares	10	2,82,60,18,170	2,82,602
B) Cumulative Redeemable Preference Shares			
Dividend Rate - 12.5%	1,000	20,71,066	20,711
Dividend Rate - 8.33%	1,000	1,18,93,401	1,18,934
			4,22,247
Additions during the year			
A) Equity Shares	10	—	—
B) Cumulative Redeemable Preference Shares			
Dividend Rate - 12.5%	1,000	—	—
Dividend Rate - 8.33%	1,000	—	—
Dividend Rate - 7.50%	1,000	43,50,000	43,500
Closing Share Capital as on March 31, 2017			
A) Equity Shares	10	2,82,60,18,170	2,82,602
B) Cumulative Redeemable Preference Shares			
Dividend Rate - 12.5%	1,000	20,71,066	20,711
Dividend Rate - 8.33%	1,000	1,18,93,401	1,18,934
Dividend Rate - 7.50%	1,000	43,50,000	43,500
			4,65,747
Additions during the year			
A) Equity Shares	10	—	—
B) Cumulative Redeemable Preference Shares			
Dividend Rate - 12.5%	1,000	—	—
Dividend Rate - 8.33%	1,000	—	—
Dividend Rate - 7.50%	1,000	21,50,000	21,500
Dividend Rate - 7.33%	1,000	14,97,500	14,975
Dividend Rate - 7.15%	1,000	7,50,000	7,500
Dividend Rate - 7.10%	1,000	7,50,000	7,500
Redemptions during the year			
A) Equity Shares	10	—	—
B) Cumulative Redeemable Preference Shares			
Dividend Rate - 8.33%	1,000	48,43,510	48,435
Closing Share Capital as on March 31, 2018			
A) Equity Shares	10	2,82,60,18,170	2,82,602
B) Cumulative Redeemable Preference Shares			
Dividend Rate - 12.5%	1,000	20,71,066	20,711
Dividend Rate - 8.33%	1,000	70,49,891	70,499
Dividend Rate - 7.50%	1,000	65,00,000	65,000
Dividend Rate - 7.33%	1,000	14,97,500	14,975
Dividend Rate - 7.15%	1,000	7,50,000	7,500
Dividend Rate - 7.10%	1,000	7,50,000	7,500
			4,68,787

NOTES TO AND FORMING PART OF THE BALANCE SHEET AS AT MARCH 31, 2018

NOTE "3" (Continued)

3(b) Rights, preferences and restrictions attached to Equity Shares

The Company has one class of equity shares having a par value of ₹10 per share. Each shareholder is eligible for one vote per share held. The dividend proposed by the Board of Directors, 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.

3(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)	Opening Balance as on April 01, 2016	2,55,14,33,946	2,55,143
	Add: Purchased	8,30,00,000	8,300
	Closing Balance as on March 31, 2017	2,63,44,33,946	2,63,443
	Add: Purchased	—	—
	Closing Balance as on March 31, 2018	2,63,44,33,946	2,63,443
Tata Investment Corporation Limited (Subsidiary of Tata Sons Limited)	Opening Balance as on April 01, 2016	7,71,96,591	7,720
	Add: Purchased	—	—
	Closing Balance as on March 31, 2017	7,71,96,591	7,720
	Add: Purchased	—	—
	Closing Balance as on March 31, 2018	7,71,96,591	7,720
Tata Industries Limited (Subsidiary of Tata Sons Limited)	Opening Balance as on April 01, 2016	22,72,346	227
	Add: Purchased	—	—
	Closing Balance as on March 31, 2017	22,72,346	227
	Add: Purchased	—	—
	Closing Balance as on March 31, 2018	22,72,346	227
Tata International Limited (Subsidiary of Tata Sons Limited)	Opening Balance as on April 01, 2016	7,90,592	79
	Add: Purchased	—	—
	Closing Balance as on March 31, 2017	7,90,592	79
	Add: Purchased	—	—
	Closing Balance as on March 31, 2018	7,90,592	79
Tata Motors Limited (Associate of Tata Sons Limited)-	Opening Balance as on April 01, 2016	43,26,651	433
	Add: Purchased	—	—
	Closing Balance as on March 31, 2017	43,26,651	433
	Add: Purchased	—	—
	Closing Balance as on March 31, 2018	43,26,651	433
Tata Chemicals Limited (Associate of Tata Sons Limited)	Opening Balance as on April 01, 2016	32,30,859	323
	Add: Purchased	—	—
	Closing Balance as on March 31, 2017	32,30,859	323
	Add: Purchased	—	—
	Closing Balance as on March 31, 2018	32,30,859	323

**NOTES TO AND FORMING PART OF THE BALANCE SHEET
AS AT MARCH 31, 2018**

NOTE “3” (Continued)

Name of company	Particulars of issue	No. of equity shares	₹ in lakh
Tata Global Beverages Limited (Associate of Tata Sons Limited)	Opening Balance as on April 01, 2016	6,13,598	61
	Add: Purchased	—	—
	Closing Balance as on March 31, 2017	6,13,598	61
	Add: Purchased	—	—
	Closing Balance as on March 31, 2018	6,13,598	61
Total	Opening Balance as on April 01, 2016	2,63,98,64,583	2,63,986
	Add: Purchased	8,30,00,000	8,300
	Closing Balance as on March 31, 2017	2,72,28,64,583	2,72,286
	Add: Purchased	—	—
	Closing Balance as on March 31, 2018	2,72,28,64,583	2,72,286

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, 2016	1,00,000	1,000
	Add: Purchased	—	—
	Closing Balance as on March 31, 2017	1,00,000	1,000
	Add: Purchased	—	—
	Closing Balance as on March 31, 2018	1,00,000	1,000

7.50% Cumulative Redeemable Preference Shares Face Value ₹ 1,000 fully paid up

Name of company	Particulars of issue	No. of preference shares	₹ in lakh
Voltas Limited (Associate of Tata Sons Limited)	Opening Balance as on April 1, 2016	—	—
	Add: Purchased	—	—
	Closing Balance as on March 31, 2017	—	—
	Add: Purchased	2,50,000	2,500
	Closing Balance as on March 31, 2018	2,50,000	2,500

7.33% Cumulative Redeemable Preference Shares Face Value ₹ 1,000 fully paid up

Name of company	Particulars of issue	No. of preference shares	₹ in lakh
Voltas Limited (Associate of Tata Sons Limited)	Opening Balance as on April 1, 2016	—	—
	Add: Purchased	—	—
	Closing Balance as on March 31, 2017	—	—
	Add: Purchased	50,000	500
	Closing Balance as on March 31, 2018	50,000	500

NOTES TO AND FORMING PART OF THE BALANCE SHEET AS AT MARCH 31, 2018

NOTE “3” (Continued)

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

Name of Shareholder	March 31, 2018		March 31, 2017	
	No. of Shares held	% of Holding	No. of Shares held	% of Holding
Tata Sons Limited	2,63,44,33,946	93.22	2,63,44,33,946	93.22

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	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
8.33% Cumulative Redeemable Preference Shares of ₹ 1,000 each	M	20,49,891	August 19, 2014	August 18, 2021	September 30, 2018
	N	46,48,500	April 22, 2015	April 21, 2022	September 30, 2019
	O	3,51,500	September 7, 2015	September 6, 2022	September 30, 2019
7.50% Cumulative Redeemable Preference Shares of ₹ 1,000 each	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
	U	6,50,000	July 7, 2017	July 6, 2024	October 30, 2021
	V	7,50,000	July 12, 2017	July 11, 2024	October 30, 2021
	W	7,50,000	July 26, 2017	July 25, 2024	October 30, 2021
7.33% Cumulative Redeemable Preference Shares of ₹ 1,000 each	X	7,50,000	July 28, 2017	July 27, 2024	October 30, 2021
	Y	7,47,500	August 4, 2017	August 3, 2024	October 30, 2021
7.15% Cumulative Redeemable Preference Shares of ₹ 1,000 each	Z	7,50,000	September 15, 2017	September 14, 2024	January 31, 2022
7.10% Cumulative Redeemable Preference Shares of ₹ 1,000 each	AA	7,50,000	September 29, 2017	September 28, 2024	January 31, 2022
	Total	1,86,18,457			

NOTES TO AND FORMING PART OF THE BALANCE SHEET AS AT MARCH 31, 2018

NOTE “3” (Continued)

* For 8.33% Cumulative Redeemable Preference Shares, 7.50% Cumulative Redeemable Preference Shares, 7.33% Cumulative Redeemable Preference Shares, 7.15% Cumulative Redeemable Preference Shares, 7.10% 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.

Tranches of Cumulative Redeemable Preference Shares (“CRPS”) redeemed during the year

The Company has exercised its call option on CRPS of face value ₹ 1,000/- each, which were allotted and redeemable at par, within the range of Early Redemption Dates. The said CRPS were redeemed along with the pro-rated dividend up to the date of redemption.

Particulars	Tranche	No. of Shares	Allotment Date	Actual Redemption Date	Original Redemption Date
8.33% Cumulative Redeemable Preference Shares of ₹ 1,000 each	G	8,99,000	June 6, 2013	July 31, 2017	June 05, 2020
	H	25,00,000	May 22, 2013	July 31, 2017	May 21, 2020
	I	9,96,050	July 9, 2013	September 15, 2017	July 8, 2020
	J	3,69,660	September 5, 2013	July 31, 2017	September 4, 2020
	K	27,900	November 7, 2013	January 31, 2018	November 6, 2020
	L	50,900	April 1, 2014	January 31, 2018	March 31, 2021
	Total	48,43,510			

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

Name of Shareholder	March 31, 2018		March 31, 2017	
	No. of Shares held	% of Holding	No. of Shares held	% of Holding
12.50% Cumulative Redeemable Preference Shares of ₹ 1,000 each				
Azim Premji Trust	3,33,333	16.09%	4,99,999	24.14%
Wipro Enterprises Pvt Ltd	1,66,666	8.05%	—	—
International Tractors Ltd	1,33,700	6.46%	1,33,700	6.46%
8.33% Cumulative Redeemable Preference Shares of ₹ 1,000 each				
Shree Cements Limited	14,00,000	19.86%	14,00,000	11.77%
7.50% Cumulative Redeemable Preference Shares of ₹ 1,000 each				
Shree Cement Ltd	6,00,000	9.23%	6,00,000	13.79%
Wipro Enterprises Private Limited	5,00,000	7.69%	5,00,000	11.49%
International Tractors Ltd	—	—	3,00,000	6.90%
Adurjee And Bros Pvt Ltd	—	—	2,50,000	5.75%
7.33% Cumulative Redeemable Preference Shares of ₹ 1,000 each				
Hindustan Composites Limited	80,000	10.67%	—	—
Simran and Shanaya Company Limited	40,000	5.33%	—	—
7.10% Cumulative Redeemable Preference Shares of ₹ 1,000 each				
Claris Lifesciences Ltd	5,00,000	66.67%	—	—
Hindustan Composites Limited	1,00,000	13.33%	—	—

NOTES TO AND FORMING PART OF THE BALANCE SHEET AS AT MARCH 31, 2018

NOTE "4"

(₹ in lakh)

RESERVES AND SURPLUS	As at March 31, 2018		As at March 31, 2017	
(a) Capital Redemption Reserve				
Opening Balance		575		575
Closing Balance		575		575
(b) Securities Premium Account				
Opening Balance		14,144		28,767
Less: Transfer to Statement of Profit and Loss pursuant to Scheme of Reduction of Share Capital (Securities Premium Account) (Refer Note 39)		—		(13,537)
Less: Adjustment of share issue expenses		(613)		(1,086)
Closing Balance		13,531		14,144
(c) Special Reserve Account/Statutory Reserve				
Opening Balance		15,839		12,235
Add: Transfer from Surplus in the Statement of Profit and Loss (Refer Footnote 1)		4,036		3,604
Closing Balance		19,875		15,839
(d) Capital Reserve				
Opening Balance		93		—
Add: Created on Scheme of Amalgamation		—		93
Closing Balance		93		93
(e) Surplus in Statement of Profit and Loss				
Opening Balance		11,962		11,243
Add: Increase in balance on Scheme of Amalgamation (net of taxes)		—		16
Add: Profit for the year		20,178		18,016
Profit available for appropriations		32,140		29,275
Less : Appropriations				
Transfer to Special Reserve Account (Refer Footnote 1)	(4,036)		(3,604)	
Dividend on Preference Shares including dividend distribution tax (Refer Footnote 2 to 5)	(15,649)	(19,685)	(13,709)	(17,313)
Closing Balance		12,455		11,962
TOTAL		46,529		42,613

Footnotes:-

The amount appropriated out of surplus in the Statement of Profit and Loss is as under:

- 1) Transfer to Special Reserve ₹ 4,036 lakh (Previous Year: ₹ 3,604 lakh) as prescribed by section 45-IC of the Reserve Bank of India Act, 1934, being 20% of the profit after taxes for the year ended March 31, 2018.
- 2) The Company has declared and paid on July 31, 2017, an interim dividend on redemption of Tranche G, H and J of Cumulative Redeemable Preference Shares aggregating to ₹ 1,049 lakh.
- 3) The Company has declared and paid on September 30, 2017, an interim dividend on redemption of Tranche I of Cumulative Redeemable Preference Shares aggregating to ₹ 382 lakh.
- 4) The Company has declared and paid on January 31, 2018, an interim dividend on redemption of Tranche K and L of Cumulative Redeemable Preference Shares aggregating to ₹ 55 lakh.
- 5) The Company has declared on March 22, 2018 and paid on March 23, 2018, an interim dividend for Financial Year 2017-18 on Cumulative Redeemable Preference Shares aggregating to ₹ 14,163 lakh (Previous Year : 13,709 lakh).

NOTES TO AND FORMING PART OF THE BALANCE SHEET AS AT MARCH 31, 2018

NOTE “5”

(₹ in lakh)

LONG-TERM BORROWINGS	As at March 31, 2018	As at March 31, 2017
(a) Debentures (unsecured)		
Non Convertible Debentures (NCDs) (Refer note 5(a))	57,500	75,000
Total	57,500	75,000

NOTE “5(a)” Particulars of Privately Placed Unsecured Non-Convertible Debentures (“NCDs”) outstanding as on March 31, 2018

Description of NCD	Issue Date	Redemption Date	Number of NCDs	As at March 31, 2018 ₹ in lakh	As at March 31, 2017 ₹ in lakh
TCL Unsecured NCD A FY 2016-17	June 28, 2016	June 28, 2018	2,000	20,000	20,000
TCL Unsecured NCD B FY 2016-17	July 25, 2016	July 25, 2018	2,000	20,000	20,000
TCL Unsecured NCD C FY 2016-17	July 28, 2016	July 27, 2018	1,000	10,000	10,000
TCL Unsecured NCD D FY 2016-17 Option I	August 18, 2016	August 17, 2018	2,250	22,500	22,500
TCL Unsecured NCD D FY 2016-17 Option II	August 18, 2016	August 19, 2019	250	2,500	2,500
TCL Unsecured NCD A FY 2017-18	April 26, 2017	April 26, 2019	250	2,500	—
TCL Unsecured NCD B FY 2017-18	May 31, 2017	May 31, 2019	2,250	22,500	—
TCL Unsecured NCD C FY 2017-18	June 22, 2017	June 21, 2019	1,000	10,000	—
TCL Unsecured NCD D FY 2017-18	September 5, 2017	March 5, 2020	2,000	20,000	—
TOTAL				1,30,000	75,000
Of which current maturities classified under “Other Current liabilities” in note 10				(72,500)	—
TOTAL				57,500	75,000

Note: Coupon rate of above outstanding as at March 31, 2018 varies from 7.75% to 9.00% (Previous Year 8.65% to 9.00%)

NOTE “6”

(₹ in lakh)

OTHER LONG-TERM LIABILITIES	As at March 31, 2018	As at March 31, 2017
(a) Premium on redemption payable to preference shareholders	10,355	10,355
(b) Security deposit	6,171	—
Total	16,526	10,355

NOTES TO AND FORMING PART OF THE BALANCE SHEET AS AT MARCH 31, 2018

NOTE “7”

(₹ in lakh)

LONG - TERM PROVISIONS	As at March 31, 2018	As at March 31, 2017
(a) Provision for employee and retirement benefits	305	321
(b) Contingent provision against standard assets (Refer Note 26(i))	50	18
Total	355	339

NOTE “8”

(₹ in lakh)

SHORT-TERM BORROWINGS	As at March 31, 2018	As at March 31, 2017
(a) Other loans and advances (unsecured) Commercial papers (Refer note 8(a)) [Net of unamortised discount of ₹ 1068 lakh (as at March 31, 2017: ₹ 797 lakh)]	51,932	62,003
(b) Bank Overdraft (secured)	—	200
Total	51,932	62,203

NOTE “8(a)” Discount on Commercial papers varies from 7.25% to 8.06% (Previous Year 6.74% to 8.55%)

NOTE “9”

(₹ in lakh)

TRADE PAYABLES	As at March 31, 2018	As at March 31, 2017
Other than micro enterprises and small enterprises		
(a) Accrued expenses	1,042	1,821
Total	1,042	1,821

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

NOTE “9(a)”

(₹ in lakh)

TOTAL OUTSTANDING DUES OF MICRO ENTERPRISES AND SMALL ENTERPRISES	As at March 31, 2018	As at March 31, 2017
(a) Principal amount and interest thereon remaining unpaid at the end of year	—	—
(b) Interest paid including payment made beyond appointed day during the year	—	—
(c) Interest due and payable for delay during the year	—	—
(d) Amount of interest accrued and unpaid as at year end	—	—
(e) The amount of further interest due and payable even in the succeeding year	—	—
Total	—	—

**NOTES TO AND FORMING PART OF THE BALANCE SHEET
AS AT MARCH 31, 2018**

NOTE “10”

(₹ in lakh)

OTHER CURRENT LIABILITIES	As at March 31, 2018	As at March 31, 2017
(a) Current maturities of long-term borrowings (unsecured) - Non Convertible Debentures (NCDs) (Refer note 5(a))	72,500	—
(b) Interest accrued but not due	7,797	4,556
(c) Security deposit	—	4,665
(d) Accrued employee benefits expense	3,432	2,039
(e) Income received in advance	539	356
(f) Statutory dues	325	108
(g) Unpaid dividend	0*	—
(h) Other payables	4	4
Total	84,597	11,728

* Amount less than ₹ 50,000

NOTE “11”

(₹ in lakh)

SHORT - TERM PROVISIONS	As at March 31, 2018	As at March 31, 2017
(a) Provision for employee and retirement benefits	56	45
(b) Contingent provision against standard assets (Refer Note 26 (i))	510	453
Total	566	498

NOTES TO AND FORMING PART OF THE BALANCE SHEET AS AT MARCH 31, 2018

NOTE "12" : PROPERTY, PLANT AND EQUIPMENT

(₹ in lakh)

Particulars	Gross Block				Accumulated depreciation				Net Carrying Amount as at March 31, 2018
	Opening balance as at	Additions	Deletions	Closing balance as at	Opening balance as at	Depreciation for the year	Deletions	Closing balance as at	
	April 1, 2017			March 31, 2018	April 1, 2017			March 31, 2018	
Tangible Assets									
Buildings - (Refer Footnote 2)	5,281	–	–	5,281	956	211	–	1,166	4,115
	5,281	–	–	5,281	745	211	–	956	4,325
Buildings - Given on operating lease (Refer Footnote 3)	7,818	0*	–	7,818	1,324	312	–	1,636	6,181
	7,818	–	–	7,818	1,011	313	–	1,324	6,494
Plant and Machinery	175	–	–	175	81	19	–	100	75
	180	0*	(5)	175	65	19	(3)	81	94
Furniture & Fixtures	829	1	–	830	357	85	–	442	388
	829	0*	–	829	268	89	–	357	472
Vehicles	190	75	(61)	204	96	40	(58)	78	126
	175	63	(48)	190	99	41	(44)	96	94
Office Equipment	337	4	–	341	303	26	–	329	12
	345	1	(9)	337	275	37	(9)	303	34
Computer Equipment	23	11	–	34	13	5	–	18	16
	23	4	(4)	23	12	4	(3)	13	10
TOTAL	14,653	91	(61)	14,683	3,130	698	(58)	3,770	10,913
	14,651	68	(66)	14,653	2,475	715	(59)	3,130	11,523
Capital work-in-progress									–
									1
TOTAL									10,913
									11,524

* 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 subsidiaries 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 company's subsidiaries and other than related party under operating lease arrangement. This arrangement is cancellable and does not contain any minimum lease or contingency lease rentals.

NOTES TO AND FORMING PART OF THE BALANCE SHEET AS AT MARCH 31, 2018

NOTE "13" : NON - CURRENT INVESTMENTS

Scrip-wise details of Investments as on March 31, 2018

Particulars	Face value Per Unit ₹	As at March 31, 2018		As at March 31, 2017	
		No. of Units	₹ In lakh	No. of Units	₹ In lakh
INVESTMENT IN SUBSIDIARIES					
Unquoted :					
Investment in Equity Shares (Trade)			3,38,717		3,41,341
Tata Capital Financial Services Limited	10	1,29,75,50,000	2,59,255	1,29,75,50,000	2,59,255
Tata Capital Housing Finance Limited	10	25,33,33,332	27,600	25,33,33,332	27,600
Tata Securities Limited (Refer note 39)	10	38,29,418	0*	38,29,418	0*
Tata Capital Pte Limited	SGD 1	3,22,82,000	10,807	3,22,82,000	10,807
Tata Cleantech Capital Limited	10	28,63,84,842	41,055	28,63,84,842	41,055
TC Travel and Services Limited (Refer note 40)	10	—	—	2,50,00,000	2,500
Tata Capital Forex Limited (Refer note 39 and 40)	10	—	—	1,09,33,969	124
Investment in Compulsorily Convertible Cumulative Preference Shares (Trade)			2,65,817		1,78,217
Tata Capital Financial Services Limited	10	1,52,00,00,000	1,52,000	94,50,00,000	94,500
Tata Capital Housing Finance Limited	10	1,12,50,00,000	1,12,500	82,40,00,000	82,400
Tata Securities Limited (Refer note 39)	10	1,50,00,000	1,317	1,50,00,000	1,317
Investment in Non-Convertible Debentures (Trade)			12,500		5,000
8.90% Perpetual Debentures of Tata Capital Financial Services Limited	10,00,000	1,250	12,500	—	—
9.80% Perpetual Debentures of Tata Capital Financial Services Limited	10,00,000	—	—	500	5,000
Investment in Venture Capital Units			17,082		19,217
Tata Capital Growth Fund	1	2,50,00,00,000	17,082	2,50,00,00,000	19,217
Tata Capital Growth Fund- Class B Units	1	10,000	0*	10,000	0*
INVESTMENTS IN ASSOCIATES / JOINT VENTURE					
Unquoted :					
Investment in Equity Shares			18,528		18,528
Tata Autocomp Systems Limited (Non-Trade)	10	4,83,07,333	18,528	4,83,07,333	18,528
Investment in Venture Capital Units			18,251		20,074
Tata Capital Special Situations Fund	1,00,000	4,181	4,181	4,463	4,463
Tata Capital Special Situations Fund - Class B Units	100	50	0*	50	0*
Tata Capital Healthcare Fund I	1	1,00,00,00,000	6,553	1,00,00,00,000	8,457
Tata Capital Healthcare Fund I - Class B Units	1	10,000	0*	10,000	0*
Tata Capital Innovations Fund	1,000	750,000	7,516	750,000	7,153
Tata Capital Innovations Fund - Class B Units	1	10,000	0*	10,000	0*
INVESTMENTS IN OTHERS					
Investments in Equity Shares					
Quoted (Non-Trade)			125		110
Tata Steel Limited (Fully paid)	10	15,660	111	13,500	100
Tata Steel Limited (Partly paid) (Refer note 27 (vii))	10	1,080	2	—	—
The Indian Hotels Company Limited	1	17,640	12	14,700	10
Unquoted			9,945		10,967
Tata Sky Limited (Non-Trade)	10	10,072,871	5,242	10,072,871	5,242
Roots Corporation Limited (Non-Trade)	10	2,089,269	1,880	2,089,269	1,880
Tata Projects Limited (Non-Trade)	10	44,810	2,823	44,810	2,823
Tata Business Support Services Limited (Trade)	10	—	—	4,054,048	1,022
Investments in Preference Shares (Trade)			—		1,500
12.33% Cumulative Redeemable Preference Shares of Tata Business Support Services Limited	10	—	—	15,000,000	1,500
Investments in Mutual Funds (Non - Trade)	1,000	8,056	201	7,658	190
Total Cost of Non-Current Investments (A)			681,167		595,144
Provision for diminution in value of investments (B)			(3,351)		(3,347)
Total Non-Current Investments (A + B)			677,816		591,797

Particulars	Non-Current Investment	Non-Current Investment
	₹ in lakh	₹ in lakh
Cost of Quoted Investments	125	110
Book Value of Quoted Investments (net)	107	46
Market value of Quoted Investments	114	84
Cost of Unquoted Investments	6,81,042	5,95,034
Book Value of Unquoted Investments (net)	6,77,709	5,91,751

* Amount less than ₹ 50,000

NOTES TO AND FORMING PART OF THE BALANCE SHEET AS AT MARCH 31, 2018

NOTE “14”

(₹ in lakh)

DEFERRED TAX ASSETS	As at March 31, 2018	As at March 31, 2017
(a) Employee benefits	74	73
(b) Timing difference in respect of depreciation on property, plant & equipment	138	126
(c) Contingent provision against standard assets	193	163
(d) Deferred revenue expenditure	8	—
(e) Provision for bad debts	59	—
Total	472	362

NOTE “15”

(₹ in lakh)

LONG-TERM LOANS AND ADVANCES (Unsecured, Considered Good)	As at March 31, 2018	As at March 31, 2017
(a) Security deposits	287	276
(b) Others		
(i) Prepaid expenses	64	86
(ii) Advance payment of income tax [Net of provision for tax ₹ 1,493 Lakh (as at March 31, 2017 ₹ 858 Lakh)]	1,835	2,131
(iii) MAT credit entitlement	1,163	—
Total	3,349	2,493

NOTE “16”

(₹ in lakh)

OTHER NON-CURRENT ASSETS	As at March 31, 2018	As at March 31, 2017
(a) Deferred revenue expenditure (Refer note 20(a))	19	26
(b) Rental income accrued	43	13
(c) Gratuity asset (Net)	33	86
Total	95	125

NOTES TO AND FORMING PART OF THE BALANCE SHEET AS AT MARCH 31, 2018

NOTE "17"

(₹ in lakh)

TRADE RECEIVABLES	As at March 31, 2018	As at March 31, 2017
(a) Over six months	—	—
(i) Secured, considered good	—	—
(ii) Unsecured, considered good	—	25
(iii) Doubtful	106	—
	106	25
Less: Provision for trade receivables	(106)	—
	—	25
(b) Other	—	—
(i) Secured, considered good	—	—
(ii) Unsecured, considered good	666	987
(iii) Doubtful	62	—
	728	987
Less: Provision for trade receivables	(62)	—
	666	987
Total	666	1,012

NOTE "18"

(₹ in lakh)

CASH AND CASH EQUIVALENTS	As at March 31, 2018	As at March 31, 2017**
(a) Balances with banks in current account	49	96
(b) In earmarked accounts	—	—
— Unpaid dividend	0*	—
Total	49	96

* Amount less than ₹ 50,000

** The Company did not hold any cash on hand as on March 31, 2017 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)

SHORT-TERM LOANS AND ADVANCES (Unsecured, Considered Good)	As at March 31, 2018	As at March 31, 2017
(a) Capital advances	72	13
(b) Loans and advances to related parties	5	107
(c) Security deposits	198	198
(d) Inter-corporate deposits to related parties	33,784	61,721
(e) Others	—	—
(i) Other Advances	62	80
(ii) Prepaid expenses	122	97
(iii) Balances with government authorities	45	7
Total	34,288	62,223

NOTES TO AND FORMING PART OF THE BALANCE SHEET AS AT MARCH 31, 2018

NOTE “20”

(₹ in lakh)

OTHER CURRENT ASSETS	As at March 31, 2018	As at March 31, 2017
(a) Deferred revenue expenditure (Refer note 20(a))	67	84
(b) Interest accrued but not due	59	474
(c) Assets held for sale*	47	47
(d) Rental income accrued	13	67
Total	186	672

* The Company had repossessed assets (land and buildings) of ₹ 223 lakhs on behalf of its subsidiary Tata Capital Financial Services Limited in settlement of its loan outstanding. During FY16-17, the Company realized an amount aggregating to ₹ 176 lakhs on account of disposal of some of the repossessed assets.

NOTE “20(a)”

(₹ in lakh)

DEFERRED REVENUE EXPENDITURE	As at March 31, 2018	As at March 31, 2017
(a) Unamortised share issue expenses		
Opening Balance	—	575
Add: expenses incurred during the year	—	—
Less: written off against Securities Premium	—	575
Less: written off during the year	—	—
Closing Balance	—	—
(b) Unamortised debenture issue expenses		
Opening Balance	110	—
Add: expenses incurred during the year	89	142
Less: written off during the year	113	32
Closing Balance	86	110
Total	86	110

NOTES TO AND FORMING PART OF THE STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED MARCH 31, 2018

NOTE “21”

(₹ in lakh)

REVENUE FROM OPERATIONS	For the year ended March 31, 2018	For the year ended March 31, 2017
(a) Dividend from Non-Current Investments *	23,261	18,383
(b) Income from advisory services **	4,835	5,703
(c) Interest on Inter Corporate Deposits	8,342	8,380
(d) Interest on non-current investments	90	1,201
Total	36,528	33,667

* Includes dividend income from subsidiary companies ₹ 21,314 lakh (Previous Year ₹ 16,682 lakh)

** Includes income in foreign currency ₹3,637 lakh (Previous Year ₹ 3,914 lakh)

NOTE “22”

(₹ in lakh)

OTHER INCOME	For the year ended March 31, 2018	For the year ended March 31, 2017
(a) Income from managerial services	2,901	1,829
(b) Income from property management	1,217	1,188
(c) Miscellaneous income *	878	338
Total	4,996	3,355

* Miscellaneous Income for the year ended March 31, 2018 includes interest on refund of Income Tax for A.Y.2011-12 amounting to ₹ 607 Lakh (Year ended March, 31 2017 : Nil)

NOTE “23”

(₹ in lakh)

FINANCE COSTS	For the year ended March 31, 2018	For the year ended March 31, 2017
(a) Interest expense	9,931	4,565
(b) Discounting charges on commercial papers	4,163	7,381
Total	14,094	11,946

NOTE “24”

(₹ in lakh)

EMPLOYEE BENEFITS EXPENSES	For the year ended March 31, 2018	For the year ended March 31, 2017
(a) Salaries, wages and bonus	6,973	5,879
(b) Contribution to provident and other funds (Refer note 29)	320	503
(c) Staff welfare expenses	65	59
Total	7,358	6,441

NOTES TO AND FORMING PART OF THE STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED MARCH 31, 2018

NOTE “25”

(₹ in lakh)

OTHER OPERATING EXPENSES	For the year ended March 31, 2018		For the year ended March 31, 2017	
(a) Advertisements and publicity		98		39
(b) Brand Equity and Business Promotion		72		73
(c) Corporate social responsibility (Refer note 25(c))		—		19
(d) Directors' remuneration		184		157
(e) Power and fuel		26		39
(f) Insurance		38		85
(g) IT costs		136		122
(h) Legal and professional fees		927		753
(i) Printing and stationery		25		29
(j) Provision for diminution in value of non-current investments		2,628		1,339
(k) Write off of non-current investment	—		13,537	
Less: transfer from securities premium (Refer Note 39)	—	—	(13,537)	—
(l) Provisions against standard assets		89		20
(m) Provision for Bad and Doubtful Debts		171		—
(n) Rates and taxes *		(334)		711
(o) Rent (including maintenance)		285		266
(p) Repairs to buildings		6		17
(q) Travelling and conveyance		490		547
(r) Others (Refer note 25(a))		147		226
Total		4,988		4,443

* As at March 31, 2017, the Company was carrying a provision for Property tax pertaining to its property at Peninsula Business Park, Parel. The provision was in line with the demand notice received for FY 13-14 to FY 17-18. Pursuant to a revised demand notice received in the current financial year, the Company paid Property tax amounting to ₹ 474 lakh and reversed the remaining provision amounting to ₹ 483 lakh in the Statement of Profit & Loss.

NOTE “25(a)”

(₹ in lakh)

AUDITORS' REMUNERATION (excl. GST)	For the year ended March 31, 2018	For the year ended March 31, 2017
(a) Audit fees	21	17
(b) Tax audit fees	2	2
(c) Other services *	2	1
(d) Towards reimbursement of expenses	1	1
Total	26	21

* Other services include fees for certification

NOTES TO AND FORMING PART OF THE STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED MARCH 31, 2018

NOTE “25(b)”

(₹ in lakh)

EXPENDITURE IN FOREIGN CURRENCIES	For the year ended March 31, 2018	For the year ended March 31, 2017
(a) Advertisements and Publicity	7	—
(b) Membership and subscription	29	23
(c) Legal and professional fees	11	7
(d) Travelling and conveyance	99	119
(e) Staff welfare expenses	1	2
(f) IT Expenses	2	—
Total	149	151

NOTE “25(c)” : CORPORATE SOCIAL RESPONSIBILITY

Gross amount required to be spent by the Company during the year is NIL (Previous Year 19 lakh).

NOTE “26” : 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, 2018	For the year ended March 31, 2017
Opening Balance	471	451
Additions during the year	89	20
Utilised during the year	—	—
Closing Balance	560	471

- ii. Claims not acknowledged by the Company relating to cases contested by the Company and which are not likely to be devolved on the Company relating to the following areas :

(₹ in lakh)

Particulars	As at March 31, 2018	As at March 31, 2017
Income Tax (Pending before Appellate authorities)	10,535	10,261
Value Added Tax (Pending before Sales Tax Appellate Authorities)	102	164
Total	10,637	10,425

NOTE “27” : COMMITMENTS :

- i. Commitment to invest in Tata Capital Special Situations Fund amounting to ₹ 22 lakh (as at March 31, 2017 : ₹ 22 lakh).
- ii. Commitment to invest in Tata Capital Healthcare Fund I amounting to ₹ 735 lakh (as at March 31, 2017 : ₹ 1,015 lakh).
- iii. Commitment to invest in Tata Capital Growth Fund amounting to ₹ 3,251 lakh (as at March 31, 2017 : ₹ 3,479 lakh).
- iv. Commitment to invest in Tata Capital Innovations Fund amounting to ₹ 259 lakh (as at March 31, 2017 : ₹ 622 lakh).
- v. Commitment to co-invest with Omega TC Holdings Pte. Ltd USD 15.46 Million (₹ 10,068 lakh) (as at March 31, 2017 : USD 15.46 Million (₹ 10,007 lakh)).
- vi. Guarantees issued to National Housing Bank on behalf of Tata Capital Housing Finance Limited ₹ 1,20,000 lakh (As at March 31, 2017 ₹ 1,20,000 lakh) against which the amount liable by Tata Capital Housing Finance Limited is ₹ 67,498 lakh as at March 31, 2018 (As at March 31, 2017 ₹ 80,767 lakh). Pursuant to the terms of the Guarantee, the Company's liability on invocation is capped at the outstanding amount.
- vii. Uncalled liability on 1,080 partly paid equity shares of Tata Steel Limited amounting to ₹ 5 Lakh (as at March 31, 2017 : Nil)

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 6,34,00,000 Equity Shares of ₹ 10 each at a premium of ₹ 2 per share in FY 2009-10 and 68,34,526 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 & 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.
- (d) 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.
- (e) The following is the disclosure as required under the aforementioned 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, 2018	March 31, 2017
Net Profit (as reported)	20,178	18,016
Less: Fair value compensation costs	1,138	530
Net Profit (proforma)	19,040	17,486
Basic EPS (as reported) - (₹)	0.16	0.15
Diluted EPS (as reported) - (₹)	0.16	0.15
Basic EPS (proforma) - (₹)	0.12	0.13
Diluted EPS (proforma) - (₹)	0.12	0.13

- (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, 2018		March 31, 2017	
	No. of options #	WAEP (₹)*	No. of options #	WAEP (₹)*
Outstanding at the beginning of the year	2,76,62,719	31	1,57,64,994	28
Granted during the year	—	—	1,51,60,000	33
Forfeited / Lapsed during the year	1,09,85,873	31	23,51,513	29
Exercised during the year	47,23,835	28	9,10,762	19
Outstanding at the end of the year	1,19,53,011	33	2,76,62,719	31
Exercisable at the end of the year	1,19,53,011	33	1,25,02,719	29

* WAEP = Weighted Average Exercise Price

No. of options for previous year have been regrouped/ reclassified/ rectified as applicable.

- (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	0.00
Exercise period post vesting (in years)	0.00	0.86	0.00	1.00

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

- (vi) 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.
- (vii) Other information regarding employee share-based payment plans is as below

(₹ in lakh)

Particulars	For the year ended	
	March 31, 2018	March 31, 2017
Weighted average share price during the year	43.25	32.20
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, 2018, the accumulated members’ corpus of the Company is ₹ 4,646 lakh whereas the total fair value of the assets of the fund and the total accumulated members’ corpus is ₹ 21,026 lakh and ₹ 20,658 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 8.55%. The actuarial assumptions include discount rate of 7.70%.

The Company recognised a charge of ₹ 177 lakh (Previous year ₹ 162 lakh) for provident fund and family pension fund contribution and ₹ 81 lakh (Previous year ₹ 73 lakh) for Superannuation contribution, in 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	2017-18	2016-17
Change in Defined Benefit Obligation		
Opening Defined Benefit Obligation	1,113	606
Current Service Cost	97	71
Interest Cost	83	50
Acquisitions Cost / (Credit)	(4)	160
Actuarial Losses / (Gain)	(19)	226
Benefits Paid	(10)	0
Closing Defined Benefit Obligation	1,261	1,113
Change in the Fair Value of Assets		
Opening Fair Value of Plan Assets	1,200	520
Transfer in	(4)	160
Expected Return on Plan Assets	96	60
Contributions by Employer	0	441
Actuarial Gains / (Losses)	3	18
Benefits paid	0	0
Closing Fair Value of Plan Assets	1,294	1,200
Composition of the plan assets		
Investment Pattern		
Government bonds	44%	33%
Equity mutual funds	12%	16%
Bonds / Debentures	43%	41%
Others (including assets under Schemes of Insurance)	1%	10%
Total	100%	100%
Reconciliation of present value of the obligation and the fair value of the plan assets		
Fair Value of plan assets at the end of the year	1,294	1,200
Present value of the defined obligations at the end of the year	1,261	1,113
Funded status [Surplus / (Deficit)]	33	87
Net Asset /(Liability) recognised in the Balance Sheet	33	87
Net Gratuity cost		
Service Cost	97	71
Interest on Defined benefit Obligation	83	50
Expected return on plan assets	(96)	(60)
Net actuarial loss recognised in the year	(22)	208
Net Gratuity Cost as included in Employee Benefit Expenses [Refer Note 24 (b)]	63	268
Actual Contribution and benefit payments for the year		
Actual benefit payments	(10)	0
Actual contributions	0	441

Particulars	2017-18	2016-17
Assumptions		
Discount Rate	7.70%	7.50%
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 6% 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	2017-18	2016-17	2015-16	2014-15	2013-14
Defined Benefit Obligation	(1,261)	(1,113)	(607)	(446)	(289)
Plan Assets	1,294	1,200	520	414	281
Funded Status	33	87	(87)	(32)	(8)
Experience Gain/ (Loss) Adjustment :					
- On Plan Liabilities	12	(102)	(52)	(63)	(13)
- On Plan Assets	3	18	(25)	22	11
Actuarial Gain / (Loss) due to change in assumptions	7	(123)	12	(56)	31

The Company expects to contribute approximately NIL (Previous year ₹ 92 lakh) to the gratuity fund for the year 2018-19.

Long-Term Service Award :

Long-Term Service award is an employee benefit in recognition for their loyalty and continuity of service for five years and above, the same is actuarially valued (Unfunded). The Long-Term Service awards expense for financial year 2017-18 is NIL (Previous year ₹ 2 lakh) and the provision as at March 31, 2018 is ₹ 7 lakh (Previous year ₹ 8 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:

Holding Company	Tata Sons Limited
Subsidiaries	Tata Capital Financial Services Limited Tata Capital Housing Finance Limited Tata Cleantech Capital Limited Tata Capital Pte. Limited Tata Securities Limited TC Travel and Services Limited (ceased w.e.f. October 30, 2017) Tata Capital Forex Limited (formerly TT Holdings & Services Limited) (ceased w.e.f. October 30, 2017) Tata Capital Growth Fund
Indirect Subsidiaries	Tata Capital Markets Pte. Limited Tata Capital Advisors Pte. Limited Tata Capital Plc Tata Capital General Partners LLP Tata Capital Healthcare General Partners LLP Tata Opportunities General Partners LLP
Associates	Tata AutoComp Systems Limited Tata Capital Special Situations Fund Tata Capital Healthcare Fund Tata Capital Innovation Fund
Fellow Subsidiaries (with which the Company had transactions)	Tata AIG General Insurance Company Limited Tata AIA Life Insurance Company Limited Tata Consultancy Services Limited Conneqt Business Solutions Limited (formerly Tata Business Support Services Limited) (ceased w.e.f. November 27, 2017) Tata Teleservices (Maharashtra) Limited Ewart Investments Limited
Key Management Personnel	Mr. Praveen P Kadle - Managing Director & CEO

ii. Transactions with related parties :

(₹ in lakh)

Sr.No.	Party Name	Nature of transaction	2017-18	2016-17
1	Tata Sons Ltd	a) Expenditure – Brand Equity Contribution – Training Expenses – Consultancy charges b) Reimbursement of Expenses c) Balance Payable d) Balance Receivable	72 2 15 0* 72 0*	73 – – – 73 –
2	Tata Capital Financial Services Limited	a) Investments in Compulsorily convertible Cumulative Preference shares made during the year b) Investment in Perpetual Debt c) ICDs placed during the year d) ICDs repaid back during the year e) Security Deposit outstanding - Payable f) Security Deposit refunded g) Security Deposit paid h) Security Deposit refund received i) Dividend received during the year j) Interest Income on ICD's and Investments k) Rental Income l) Marketing & Managerial Service Fees Income m) Expenditure – Rent expense – Guest house charges – Other Expenses n) Reimbursement of Expenses – Insurance Expenses – Electricity expense – Telephone expense – Other expenses – Marketing & Managerial Service o) Payment towards arranger fees p) ICDs Outstanding - Receivable q) Balance Receivable r) Balance Payable	57,500 12,500 4,63,617 4,74,662 5,847 4,665 2 2 13,267 6,837 953 2,091 43 2 0* 26 51 21 3 351 561 33,784 412 9	78,500 5,000 6,93,970 6,99,693 4,665 – 1 1 10,069 5,747 1,036 1,321 37 2 – 31 64 – – 333 500 44,829 396 –
3	Tata Capital Housing Finance Limited	a) Investments in Compulsorily Convertible Cumulative Preference shares made during the year b) ICDs placed during the year c) ICDs repaid back during the year d) ICDs Outstanding - Receivable e) Security Deposit paid f) Security Deposit refund received g) Interest on Deposits and Investments h) Marketing & Managerial Service Fees Income i) Dividend received during the year j) Reimbursement of Expenses – Telephone Expenses – Insurance Expenses – Marketing & Managerial Service k) Balance Receivable	30,100 2,05,185 2,15,185 – 3 3 611 801 8,047 0* 7 147 124	16,500 3,37,357 3,48,577 10,000 – – 1,706 508 6,613 – 9 140 121

(₹ in lakh)

Sr.No.	Party Name	Nature of transaction	2017-18	2016-17
4	Tata Cleantech Capital Limited	a) Investment in Equity Shares made during the year	–	16,100
		b) ICDs placed during the year	1,55,915	1,56,860
		c) ICDs repaid back during the year	1,58,642	1,76,769
		d) ICDs Outstanding - Receivable	–	2,727
		e) Security Deposit outstanding - Payable	324	–
		f) Security Deposit paid	1	1
		g) Security Deposit refund received	1	1
		h) Interest income on ICDs placed	744	1,567
		i) Rental Income	24	–
		j) Marketing & Managerial Service Fees Income	9	–
		k) Reimbursement of Expenses		
		– Electricity Expense	2	–
		– Insurance Expenses	1	1
		l) Balance Receivable	7	–
5	Tata Securities Limited	a) ICDs placed during the year	–	900
		b) ICDs repaid back during the year	–	2,334
		c) Interest income on ICDs placed	–	96
		d) Reimbursement of Insurance Expenses	0*	1
6	TC Travel & Services Limited (ceased w.e.f. October 30, 2017)	a) ICDs placed during the year	875	1,750
		b) ICDs repaid back during the year	2,025	1,725
		c) Interest income on ICDs placed	54	105
		d) Travelling Expenses	332	306
		e) Security Deposit paid	–	2
		f) Security Deposit refund received	–	2
		g) ICDs Outstanding Receivable	–	1,150
		h) Reimbursement of Insurance Expenses	0*	1
7	Tata Capital Forex Limited (ceased w.e.f. October 30, 2017)	a) ICDs placed during the year	2,300	3,422
		b) ICDs repaid back during the year	5,315	3,907
		c) Interest income on ICDs placed	186	347
		d) Expenditure - Purchase Foreign exchange	90	111
		e) Security Deposit paid	1	1
		f) Security Deposit refund received	1	1
		g) ICDs Outstanding Receivable	–	3,015
		h) Investment in Equity Shares made during the year	–	50
		i) Reimbursement of Insurance Expenses	1	1
8	Tata Capital Growth Fund	a) Investment in Units of Fund made during the year	227	363
		b) Proceeds from Divestment	4,086	3,208
		c) Income – Asset Management Fees	279	327
		d) Distribution of FD Interest and Sitting Fees	49	1
		e) Distribution of dividend	553	484
		f) Reimbursement of Expenses	23	–
		g) Balance Receivable		
		– Towards Advisory Fees	37	11
		– Towards Reimbursement of Expenses	7	–

(₹ in lakh)

Sr.No.	Party Name	Nature of transaction	2017-18	2016-17
9	Tata Capital Pte. Limited	a) Reimbursement of Insurance Expenses	1	–
10	Tata Capital Advisors Pte Limited	a) Income – Advisory Fees	3,637	3,914
		b) Reimbursement of Expenses	117	–
		c) Balance Receivable	26	330
11	Tata Autocomp Systems Limited	a) Dividend received during the year	966	966
12	Tata Capital Special Situations Fund	a) Management Fees Paid during year	87	99
		b) Proceeds from Divestment	541	6,430
		c) Income – Asset Management Fees	150	470
		d) Distribution of Director sitting Fees	–	8
		e) Advance Income received	178	195
		f) Distribution of Dividend Income	13	31
		g) Balance Receivable	–	3
13	Tata Capital Healthcare Fund	a) Investment in Units of Fund made during the year	279	105
		b) Proceeds from Divestment	4,070	1,013
		c) Income - Asset Management Fees	369	445
		d) Distribution of Interest on delayed Capital Call and FD Interest	–	9
		e) Distribution of Interest	5	–
		f) Distribution of Dividend	0*	–
		g) Advance income received	16	23
		h) Reimbursement of Expenses	13	–
		i) Balance Receivable	8	6
14	Tata Capital Innovation Fund	a) Investment in Units of Fund made during the year	364	736
		b) Income - Asset Management Fees	400	547
		c) Distribution of FD Interest	–	2
		d) Advance Income received	132	138
		e) Reimbursement of Expenses	7	–
		f) Management Fees Receivable	183	43
		g) Balance Receivable	10	2
		h) Provision for doubtful debts	168	–
15	Tata AIG General Insurance Company Limited	a) Expenditure - Insurance Premium	3	7
		b) Advance to vendor	2	3
16	Conneqt Business Solutions Limited (formerly Tata Business Support Services Limited) (ceased w.e.f. November 27, 2017)	a) ICDs repaid back during the year	–	600
		b) Interest income on ICDs placed	–	13
		c) Rental Income	153	227
		d) Dividend received during the year	197	197
		e) Expenditure - Service providers' charges	2	20
		f) Recovery of expenses – Electricity Expenses	94	208
		g) Balance Receivable	–	108
		h) Balance Payable	–	3

(₹ in lakh)

Sr.No.	Party Name	Nature of transaction	2017-18	2016-17
17	Tata Consultancy Services Limited	a) Expenditure - IT Expenses b) Balance Payable	80 –	70 18
18	Tata AIA Life Insurance Company Limited	a) Expenditure - Insurance Premium b) Advance to vendor	6 6	5 6
19	Tata Teleservices (Maharashtra) Limited	a) Telephone Services Expenses	26	2
20	Ewart Investments Limited	a) Rent Expenses b) Security Deposit	19 190	18 190
21	Key Management Personnel (KMP)	a) Remuneration to KMP b) Issue of Cumulative Redeemable Preference Shares c) Payment of Dividend on Cumulative Redeemable Preference Shares	559 – 25	502 100 21

* Amount less than 50,000

NOTE “31” :

EARNINGS PER SHARE (EPS)		2017-18	2016-17
Profit after tax	₹ in lakh	20,178	18,016
Less: Preference dividend paid to cumulative redeemable preference shareholders	₹ in lakh	15,649	13,709
Profit after tax available for equity shareholders	₹ in lakh	4,529	4,307
Weighted average number of Equity shares used in computing Basic EPS	Nos	2,82,60,18,170	2,82,60,04,320
Face value of equity shares	₹	10	10
Basic EPS	₹	0.16	0.15
Profit after tax available for equity shareholders	₹ in lakh	4,529	4,307
Weighted average number of Equity Shares used in computing Basic EPS	Nos	2,82,60,18,170	2,82,60,04,320
Add: Potential weighted average number of Equity shares	Nos	–	13,850
Weighted average number of shares in computing Diluted EPS	Nos	2,82,60,18,170	2,82,60,18,170
Face value of equity shares	₹	10	10
Diluted EPS	₹	0.16	0.15

Notes :

- Shares under the ESOP Schemes are issued at intrinsic value. [Refer note 2(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 “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, 2018	For the year ended March 31, 2017
I Segment Revenue		
(a) Investment Activity	33,383	27,876
(b) Advisory services	9,329	11,278
(c) Others	4,329	3,328
(d) Unallocated	607	0
Total	47,648	42,482
II Segment Results		
(a) Investment Activity	22,909	18,174
(b) Advisory services	(2,572)	1,951
(c) Others	1,510	522
(d) Unallocated	(1,450)	(1,742)
Profit before taxation	20,397	18,905
Less : Provision for taxation	219	889
Profit after taxation	20,178	18,016
Particulars	As at March 31, 2018	As at March 31, 2017
III Segment Assets		
(a) Investment Activity	6,79,080	6,14,911
(b) Advisory services	33,170	40,033
(c) Others	10,064	10,739
(d) Unallocated	5,520	4,622
Total	7,27,834	6,70,304
IV Segment Liabilities		
(a) Investment Activity	1,53,442	1,01,640
(b) Advisory services	38,482	42,223
(c) Others	6,587	5,583
(d) Unallocated	14,007	12,498
Total	2,12,518	1,61,944
Particulars	For the year ended March 31, 2018	For the year ended March 31, 2017
V Capital Expenditure (including Capital Work-in-Progress)		
(a) Investment Activity	—	—
(b) Advisory services	—	—
(c) Others	—	—
(d) Unallocated	149	81
Total	149	81

(₹ in lakh)

Particulars	For the year ended March 31, 2018	For the year ended March 31, 2017
VI Depreciation		
(a) Investment Activity	–	–
(b) Advisory services	24	37
(c) Others	588	595
(d) Unallocated	87	83
Total	698	715
VII Significant Non-Cash Expenses Other than Depreciation		
(a) Investment Activity	255	1,228
(b) Advisory services	2,745	131
(c) Others	–	–
(c) Unallocated	–	32
Total	3,000	1,391

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, 2018	For the year ended March 31, 2017 [Refer footnote 1]
	% Shares Held	0%	0%
(a)	Assets		
(b)	Liabilities		
(c)	Income	N.A	N.A
(d)	Expenses		
(e)	Other Matters – Contingent Liability		

Footnote:

- 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 FY 16-17 at a loss of ₹ 1,297 lakhs. 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.

NOTE “34” : Core Investment Company (“CIC”) Compliance Ratios

Sr. No.	Particulars	As at March 31, 2018	As at March 31, 2017
(a)	Investments & loans to group companies as a proportion of Net Assets (%)	94%	92%
(b)	Investments in equity shares and compulsorily convertible instruments of group companies as a proportion of Net Assets (%)	87%	82%
(c)	Capital Adequacy Ratio (%) [Adjusted Net worth / Risk Weighted Assets]	41%	43%
(d)	Leverage Ratio (Times) [Outside liabilities / Adjusted Network]	0.85	0.75

NOTE “35” : Exposure to Real Estate Sector

(₹ in lakh)

Category		As at March 31, 2018	As at March 31, 2017
i)	Direct Exposure Residential Mortgages - 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 - Individual housing loans above ₹ 15 lakh Commercial Real Estate - Lending secured by mortgages on commercial real estates (office buildings, retail space, multipurpose commercial premises, multi-family residential buildings, multi-tenanted commercial premises, industrial or warehouse space, hotels, land acquisition, development and construction, etc). Exposure includes non-fund based (NFB) limits. Investments in Mortgage Backed Securities (MBS) and other securitised exposures - 1. Residential 2. Commercial Real Estate	NIL NIL NIL NIL NIL NIL	NIL NIL NIL NIL NIL NIL
ii)	Indirect Exposure Fund based exposure on Housing Finance Companies Non-fund based exposure on National Housing Bank [Refer note 27(vi)]	1,40,100 1,20,000	1,20,000 1,20,000

NOTE “36” : Asset Liability Management

Maturity pattern of certain items of Assets and Liabilities (Based on RBI Guidelines)

For the year 2017-18

(₹ in lakh)

Particulars	Liabilities		Assets	
	Borrowings from Banks	Market Borrowings	Advances	Investments
1 day to 30/31 days (One month)	—	—	—	—
Over 1 month to 2 months	—	19,812	—	—
Over 2 months to 3 months	—	46,073	—	—
Over 3 months to 6 months	—	52,500	—	—
Over 6 months to 1 year	—	6,046	33,784	1,317
Over 1 year to 3 years	—	57,500	—	—
Over 3 years to 5 years	—	—	—	—
Over 5 years	—	—	—	676,499
Total	—	1,81,932	33,784	6,77,816

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	—	—	—	5,90,297
Total	200	1,37,003	61,721	5,91,797

NOTE “37” : Disclosure of details as required by RBI/DNBR/2016-17/39 i.e. Master Direction - Core Investment Companies (Reserve Bank) Directions, 2016 dated August 25, 2016 (Updated as on November 09, 2017)

Liabilities Side:

(₹ in lakh)

Sr. No.	Particulars	Amount Outstanding as at		Amount Overdue as at	
		March 31, 2018	March 31, 2017	March 31, 2018	March 31, 2017
(1)	Loans and advances availed by the CIC inclusive of interest accrued thereon but not paid:				
	(a) Debentures: (other than those falling within the meaning of Public deposits)				
	(i) Secured	—	—	—	—
	(ii) Unsecured	1,37,797	79,556	—	—
	b) Deferred Credits	—	—	—	—
	c) Term Loans	—	—	—	—
	d) Inter-corporate loans and borrowing	—	—	—	—
	e) Commercial Paper	51,932	62,003	—	—
	f) Other loans (Bank Overdraft)	—	200	—	—

Assets Side:

(₹ in lakh)

Sr. No.	Particulars	Amount Outstanding as at	
		March 31, 2018	March 31, 2017
(2)	Break up of Loans and Advances including bills receivables (other than those included in (4) below)		
	a) Secured	—	—
	b) Unsecured	37,637	64,716
(3)	Break up of Leased Assets and stock on hire and other assets counting towards AFC activities		
	i) Lease assets including lease rentals under sundry debtors:		
	(a) Financial Lease	—	—
	(b) Operating Lease	—	—
	ii) Stock on hire including hire charges under sundry debtors		
	(a) Assets on hire	—	—
	(b) Repossessed assets	—	—
	iii) Other loans counting towards Asset Financing Company activities		
	(a) Loans where assets have been repossessed	—	—
	(b) Loans other than (a) above	—	—

Sr. No.	Particulars	Amount Outstanding as at	
		March 31, 2018	March 31, 2017
(4)	Break up of Investments		
	<u>Current Investments:</u>		
	(1) Quoted:		
	(i) Shares : (a) Equity	—	—
	(b) Preference	—	—
	(ii) Debentures and Bonds	—	—
	(iii) Units of Mutual Funds	—	—
	(iv) Government Securities	—	—
	(v) Others	—	—
	(2) Unquoted:		
	(i) Shares : (a) Equity	—	—
	(b) Preference	—	—
	(ii) Debentures and Bonds	—	—
	(iii) Units of Mutual Funds	—	—
	(iv) Government Securities	—	—
	(v) Others	—	—
	<u>Long Term Investments :</u>		
	(1) Quoted:		
	(i) Shares : (a) Equity	125	110
	(b) Preference	—	—
	(ii) Debentures and Bonds	—	—
	(iii) Units of Mutual Funds	—	—
	(iv) Government Securities	—	—
	(v) Others	—	—
	(2) Unquoted:		
	(i) Shares : (a) Equity	3,67,190	3,70,836
	(b) Preference	2,65,817	1,79,717
	(ii) Debentures and Bonds	12,500	5,000
	(iii) Units of Mutual Funds	201	190
	(iv) Government Securities	—	—
	(v) Others (Venture Capital Funds)	35,333	39,290

(5) Borrower group-wise classification of assets financed as in (2) and (3) above :
For 2017-18

(₹ in lakh)

Category	Amount net of provisions		
	Secured	Unsecured	Total
(1) <u>Related Parties</u> :			
(a) Subsidiaries	—	33,788	33,788
(b) Companies in the same group	—	—	—
(c) Other related parties	—	269	269
(d) Other than related parties	—	3,580	3,580
Total	—	37,637	37,637

For 2016-17

(₹ in lakh)

Category	Amount net of provisions		
	Secured	Unsecured	Total
(1) <u>Related Parties</u> :			
(a) Subsidiaries	—	61,756	61,756
(b) Companies in the same group	—	—	—
(c) Other related parties	—	269	269
(d) Other than related parties	—	2,691	2,691
Total	—	64,716	64,716

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, 2018		As at March 31, 2017	
	Market Value / Breakup Value or Fair Value or NAV *	Book Value (Net of Provisions)	Market Value / Breakup Value or Fair Value or NAV *	Book Value (Net of Provisions)
(1) <u>Related Parties</u> :				
(a) Subsidiaries	6,33,057	6,33,057	5,40,623	5,40,623
(b) Companies in the same group	18,528	18,528	18,528	18,528
(c) Other related Parties	21,340	21,340	27,707	27,707
(d) Other than related parties	4,898	4,891	4,978	4,939
TOTAL	6,77,823	6,77,816	5,91,836	5,91,797

* Market value / Break-up value / Fair value / NAV of unquoted non-current investments is considered to be same as their book value (net of provisions).

(7) Other Information

(₹ in lakh)

Particulars	As at March 31, 2018	As at March 31, 2017
(i) Gross Non-Performing Assets		
(a) Related Parties	—	—
(b) Other than Related Parties	—	—
(ii) Net Non-Performing Assets		
(a) Related Parties	—	—
(b) Other than Related Parties	—	—
(iii) Assets Acquired in satisfaction of debt (Refer note 20(c))	47	47

38. The Company has made an incremental standard asset provision of ₹ 89 lakh, being 0.40% (FY16-17: 0.35%) of Standard Assets, as of March 31, 2018, as specified by RBI Notification No. DNBR. PD. 003/03.10.119/2016-17 dated August 25, 2016 (Updated as on November 09, 2017)).

39. During Financial Year 2016-17, the Company had 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 had 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 Mumbai had 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 had 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.

40. During the Financial Year 2017-18, the Company has sold 1,09,33,969 equity shares representing 100% stake in Tata Capital Forex Limited for a consideration of ₹ 1200 lakh to Thomas Cook on October 30, 2017, and has sold 2,50,00,000 equity shares representing 100% stake in TC Travel and Services Limited for a consideration of ₹ 300 lakh to TC Tours on October 30, 2017.

41. During the Financial Year 2017-18 the Company has sold 40,54,048 equity shares translating to 4.43% stake in Tata Business Support Services Limited for a consideration of ₹ 1,283 lakh to Qness Corp Limited on November 27, 2017.

42. The Company has assessed its obligations arising in the normal course of business, proceedings pending with tax authorities and other contracts including derivative and long term contracts. In accordance with the provisions of Accounting Standard - 29 on 'Provisions, Contingent Liabilities and Contingent Assets', the Company recognises a provision for material foreseeable losses when it has a present obligation as a result of a past event and it is probable that an outflow of resources will be required to settle the obligation, in respect of which a reliable estimate can be made. In cases where the available information indicates that the loss on the contingency is reasonably possible but the amount of loss cannot be reasonably estimated, a disclosure to this effect is made as contingent liabilities in the financial statements. The Company does not expect the outcome of these proceedings to have a materially adverse effect on its financial results.

43. Figures for the previous year have been regrouped wherever necessary to correspond with the current year classification / disclosure.

Description	March 31, 2018	March 31, 2017	Amount	Reason
	Schedule	Schedule	₹ in lakh	
Leave encashment Current and Non-Current classification	Long Term Provision	Short Term Provision	164	Short-term and Long-term Leave encashment has been presented in accordance with the report of the Actuary and as per requirements of Schedule III of the Companies Act, 2013.
Accrued Employee Retirement Benefit Expenses	Long Term Provision	Trade Payable	150	Accrued employee and retirement benefits shown as Long Term Provisions as per the requirement of Schedule III of the Companies Act, 2013.
Accrued Employee Retirement Benefit Expenses	Other Current Liabilities	Trade Payable	2,039	Bonus accrual for employees has been presented as a part of Other Current Liabilities instead of Trade payables in accordance with the requirement of Schedule III of the Companies Act, 2013.
Gratuity Asset Current & Non-Current classification	Other Non-Current Assets	Other Current Assets	86	Non-current portion of Gratuity Asset bifurcated as per the report of the Actuary and as per requirements of Schedule III of the Companies Act, 2013.

In terms of our report attached

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

Manoj Kumar Vijai
Partner
Membership No. – 046882

Mumbai
May 07, 2018

For and on behalf of the Board of Directors

Saurabh Agrawal
(Chairman)
DIN: 02144558

F.N.Subedar
(Director)
DIN: 00028428

Puneet Sharma
(Chief Financial Officer)

Mehernosh B. Kapadia
(Director)
DIN: 00046612

Aarthi Subramanian
(Director)
DIN: 07121802

Avan Doomasia
(Company Secretary)

Nalin M. Shah
(Director)
DIN: 00882723

Rajiv Sabharwal
(Managing Director & CEO)
DIN: 00057333

TATA CAPITAL

We only do what's right for you

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