Tata Motors Insurance Broking And Advisory Services Limited

2017 - 18

B S R & Co. LLP
Chartered Accountants

5th Floor, Lodha Excelus,
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Independent Auditor's Report

To the Board of Directors of Tata Motors Insurance Broking and Advisory Services Limited

Report on the Audit of the Ind AS Financial Statements

We have audited the accompanying Ind AS financial statements of Tata Motors Insurance Broking and Advisory Services Limited ("the Company"), which comprise the Balance Sheet as at 31 March 2018, the Statement of Profit and Loss, the Statement of Changes in Equity and the Statement of Cash Flows for the year then ended, and summary of the significant accounting policies and other explanatory information.

Management's Responsibility for the Ind AS 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 Ind AS financial statements that give a true and fair view of the state of affairs, profit (including other comprehensive income), changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) prescribed under section 133 of the Act.

This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding 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 Ind AS financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

NS.

B S R & Co (a partnership firm with Registration No. BA61223) converted into B S R & Co. LLP (a Limited Liability, Partnership with LLP Registration No. AAB-8181) with effect from October 14, 2013

Registered Office:
5th Floor, Lodha Excelus
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Independent Auditor's Report *(Continued)*

Tata Motors Insurance Broking and Advisory Services Limited

Auditor's Responsibility *(Continued)*

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

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Ind AS 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 31 March 2018, its profit (including other comprehensive income), changes in equity and its cash flows for the year ended on that date.

Other Matter

The comparative financial information of the Company for the year ended 31 March 2017 and the transition date opening balance sheet as at 1 April 2016 prepared in accordance with Ind AS included in these Ind AS financial statements have been audited by the predecessor auditor who had audited the financial statements for the relevant periods. The report of the predecessor auditor on the comparative financial information and the opening balance sheet dated 11 May 2017 expressed an unmodified opinion.

Report on Other Legal and Regulatory Requirements

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

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Independent Auditor's Report *(Continued)*

Tata Motors Insurance Broking and Advisory Services Limited

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

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

   a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.

   b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.

   c) The Balance Sheet, the Statement of Profit and Loss, the Cash Flow Statement and Statement of Changes in Equity dealt with by this Report are in agreement with the books of account.

   d) In our opinion, the aforesaid Ind AS financial statements comply with the Indian Accounting Standards prescribed under section 133 of the Act.

   e) On the basis of the written representations received from the directors as on 31 March 2018 taken on record by the Board of Directors, none of the directors 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 financial statements of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B".

   g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:

      i. The Company has disclosed the impact of pending litigations on its financial position in its Ind AS financial statements; - Refer Note 26 to the Ind AS financial statements.

      ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.

      iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

      iv. The disclosures in the 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.

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

Vaibhav Shah
Partner
Membership No. 117377

Mumbai
30 April 2018

Tata Motors Insurance Broking and Advisory Services Limited

Annexure A to the Independent Auditor's Report of even date on the financial statements of Tata Motors Insurance Broking and Advisory Services Limited

The Annexure referred to in the Independent Auditor's Report to the members of Tata Motors Insurance Broking and Advisory Services Limited (the "Company") on the financial statements for the year ended 31 March 2018, we report that:

i. (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.

(b) The Company has a regular programme of physical verification of its fixed assets by which all the fixed assets are verified once in three years. The last verification was conducted during the year ended 31 March 2017. In our opinion, this periodicity of physical verification is reasonable having regard to the size of the Company and the nature of its assets. No material discrepancies were noticed on such verification.

(c) The Company does not have any immovable property in its name, accordingly, clause 3(i)(c) of the Order is not applicable to the Company.

ii. The Company's business does not involve holding of any inventories. Accordingly, clause 3(ii) of the Order is not applicable to the Company.

iii. According to the information and explanations given to us, the Company has not granted any loans, secured or unsecured to companies, firms, Limited Liability Partnerships or other parties covered in the register maintained under section 189 of the Companies Act, 2013 (the "Act"). Accordingly, clause 3(iii) of the Order is not applicable to the Company.

iv. In our opinion and according to the information and explanations given to us, the Company has not granted any loans, made investments or provided guarantees and securities under Section 185 and 186 of the Act. Accordingly, clause 3(iv) of the Order is not applicable to the Company.

v. According to the information and explanations given to us, the Company has not accepted any deposits from the public. Accordingly, 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 section 148(1) of the Act, for any services rendered by the Company. Accordingly, 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 the 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, goods and service tax, cess and other material statutory dues have generally been regularly deposited during the year by the Company with the appropriate authorities though there has been a few delays in deposit of provident fund and employees' state insurance. As explained to us, the Company did not have any dues on account of duty of customs, duty of excise, sales tax and value added tax.

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Tata Motors Insurance Broking and Advisory Services Limited

Annexure A to the Independent Auditor's Report of even date on the financial statements of Tata Motors Insurance Broking and Advisory Services Limited *(Continued)*

(b) 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, goods and service tax, cess and other material statutory dues were in arrears as at 31 March 2018 for a period of more than six months from the date they became payable.

(c) According to the information and explanations given to us, the following amounts of service tax dues have not been deposited by the Company on account of dispute:

Name of the statute	Nature of dues	Amount	Period to which the amount relates	Forum where dispute is pending
The Finance Act, 1994	Service Tax	2,22,500	July 2003 to October 2005	CESTAT

viii. In our opinion and according to the information and explanations given to us, the Company did not have any dues to any financial institution, bank, government or debenture holders during the year. Accordingly, clause 3(viii) of the Order is not applicable to the Company.

ix. According to the information and explanations given to us, the Company did not raise moneys by way of initial public offer or further public offer (including debt instruments) and term loans during the year. Accordingly, clause 3(ix) of the Order is not applicable to the Company.

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 information and explanations given to us, no material fraud by the Company or on the Company by its officers or employees has been noticed or reported during year.

xi. The Company has not paid or provided for any managerial remuneration. Accordingly, clause 3(xi) of the Order is not applicable to the Company.

xii. In our opinion and according to the information and explanations given to us, the Company is not a Nidhi Company. Accordingly, clause 3(xii) of the Order is not applicable to the Company.

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 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 not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year. Accordingly, clause 3(xiv) of the Order is not applicable to the Company.

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Tata Motors Insurance Broking and Advisory Services Limited

Annexure A to the Independent Auditor's Report of even date on the financial statements of Tata Motors Insurance Broking and Advisory Services Limited *(Continued)*

xv. According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not entered into any non-cash transactions with directors or persons connected with him. Accordingly, clause 3(xv) of the Order is not applicable to the Company.

xvi. The Company is not required to get registered under section 45-IA of the Reserve Bank of India Act, 1934.

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

Vaibhav Shah
Partner
Membership No: 117377

Mumbai
30 April 2018

Tata Motors Insurance Broking and Advisory Services Limited

Annexure - B to the Independent Auditor's Report of even date on the financial statements of Tata Motors Insurance Broking and Advisory Services 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 Tata Motors Insurance Broking and Advisory Services Limited (the "Company") as of 31 March 2018 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

Management's responsibility for internal financial controls

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the "Guidance Note") issued by the Institute of Chartered Accountants of India (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 Company's policies, safeguarding of its assets, prevention and detection of frauds and errors, accuracy and completeness of the accounting records, and timely preparation of reliable financial information, as required under the Act.

Auditor's responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note 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 Company's internal financial controls system over financial reporting.

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Tata Motors Insurance Broking and Advisory Services Limited

Annexure - B to the Independent Auditor's Report of even date on the financial statements of Tata Motors Insurance Broking and Advisory Services Limited *(Continued)*

Meaning of internal financial controls over financial reporting

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

Inherent limitations of internal financial controls over financial reporting

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

Opinion

In our opinion, 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 31 March 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

Vaibhav

Vaibhav Shah
Partner
Membership No: 117377

Mumbai
30 April 2018

Tata Motors Insurance Broking and Advisory Services Limited

Balance Sheet as at 31 March, 2018

(Amount in ₹)

Particulars	Notes	As at 31 March, 2018	As at 31 March, 2017
ASSETS			
(1) Non-current assets			
(a) Property, plant and equipment	2	86,53,802	62,05,956
(b) Intangible assets	2	78,36,665	1,09,95,225
(c) Intangible assets under development	2	8,50,000	-
(d) Financial assets:			
Other financial assets	3	52,43,632	43,43,312
(e) Deferred tax assets (net)	4	90,61,169	1,10,12,683
(f) Income tax assets (net)	5	5,00,87,777	6,63,37,739
(g) Other non-current assets	6	7,87,580	11,43,658
		8,25,20,625	**10,00,38,573**
(2) Current assets			
(a) Financial assets:			
(i) Investments	7	33,84,84,041	10,67,16,619
(ii) Trade receivables	8	4,98,71,045	2,57,04,653
(iii) Cash and cash equivalents	9	1,71,40,543	42,02,486
(iv) Bank balances other than (iii) above	9	5,00,00,000	-
(v) Other financial assets	3	17,82,66,554	5,84,58,458
(b) Other current assets	10	2,01,37,021	72,26,505
		65,38,99,204	**20,23,08,721**
TOTAL		**73,64,19,829**	**30,23,47,294**
EQUITY AND LIABILITIES			
(1) Equity			
(a) Equity share capital	14	5,00,00,000	2,50,00,000
(b) Other equity		22,48,97,021	20,37,07,851
		27,48,97,021	**22,87,07,851**
(2) Non-current liabilities			
(a) Provisions	15	1,56,73,000	1,03,68,500
		1,56,73,000	**1,03,68,500**
(3) Current liabilities			
(a) Financial liabilities:			
(i) Trade payables	16	4,26,97,401	2,19,49,328
(ii) Other financial liabilities	17	9,45,68,801	2,82,06,015
(b) Provisions	15	24,71,000	17,02,000
(c) Other current liabilities	18	30,61,12,606	1,14,13,600
		44,58,49,808	**6,32,70,943**
TOTAL		**73,64,19,829**	**30,23,47,294**

Notes 1 to 35 form an integral part of the financial statements

This is the Balance Sheet
referred to in our report of even date

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

Vaibhav Shah
Partner

Membership No. 117377

Mumbai, 30 April 2018

For and on behalf of the Board of Directors

R T Wasan
Director
DIN - 06425463

V B Somaiya
Director
DIN - 03185227

Ravichandran Murugesan
Managing Director, Chief Executive Officer & Principal Officer
DIN - 07899184

Bhanu Bhai Sharma
Chief Financial Officer & Company Secretary

Mumbai, 30 April 2018

Tata Motors Insurance Broking And Advisory Services Limited
MUMBAI

Tata Motors Insurance Broking and Advisory Services Limited

Statement of Profit and Loss for year ended 31 March, 2018

(Amount in ₹)

Particulars	Notes	Year ended 31 March, 2018	Year ended 31 March, 2017
I. Income:			
(a) Revenue from operations	19	1,07,12,61,924	45,15,86,453
(b) Other income	20	1,97,97,413	37,92,303
Total Income (a+b)		**1,09,10,59,337**	**45,53,78,756**
II. Expenses:			
(a) Employee benefits expense	21	21,20,78,213	16,71,54,104
(b) Depreciation and amortisation expense	2	51,30,828	36,01,608
(c) Other expenses	22	67,25,09,301	12,48,84,562
Total Expenses (a+b+c)		**88,97,18,342**	**29,56,40,274**
III. Profit before tax (I-II)		**20,13,40,995**	**15,97,38,482**
IV. Tax expense:			
(a) Current tax		5,62,64,810	5,53,17,665
(b) Deferred tax		37,63,044	(5,38,478)
Total Tax Expenses (a+b)		**6,00,27,854**	**5,47,79,187**
V. Profit for the year (III-IV)		**14,13,13,141**	**10,49,59,295**
VI. Other comprehensive income:			
(a) Remeasurement losses on defined benefit obligations		(66,67,000)	(8,88,000)
(b) Income Tax relating to items that will not be reclassified in subsequent period		18,11,529	3,30,170
Net Other comprehensive income not to reclassified in subsequent period		**(48,55,471)**	**(5,57,830)**
VII. Total comprehensive income for the year (V+VI)		**13,64,57,670**	**10,44,01,465**
VIII. Earnings per equity share :			
Basic and Diluted Earning Per Share (Nominal Value per share ₹ 10)	28	**28.26**	**41.98**

Notes 1 to 35 form an integral part of the financial statements

This is the Statement of Profit and Loss referred to in our report of even date

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

Vaibhav Shah
Partner

Membership No. 117377

Mumbai, 30 April 2018

For and on behalf of the Board of Directors

R T Wasan
Director
DIN - 06425463

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Director
DIN - 03185227

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Managing Director, Chief Executive Officer & Principal Officer
DIN - 07899184

Bhanu Bhai Sharma
Chief Financial Officer & Company Secretary

Mumbai, 30 April 2018

Tata Motors Insurance Broking And Advisory Services Limited MUMBAI

Tata Motors Insurance Broking and Advisory Services Limited

Statement of Changes in Equity as at 31 March, 2018

(Amount in ₹)

Particulars	Equity Share Capital (a)	Other Equity (b)				Total equity attributable to equity holders of the Company
		Reserves and Surplus		Other Comprehensive Income	Total	
		General Reserve	Retained Earnings			
Balance as of 1 April, 2017	**2,50,00,000**	**60,90,000**	**19,91,65,679**	**(15,47,828)**	**20,37,07,851**	**22,87,07,851**
Profit for year ended 31 March 2018	-	-	14,13,13,141	-	14,13,13,141	**14,13,13,141**
Dividend (Refer Note No. 30)	-	-	(7,50,00,000)	-	(7,50,00,000)	**(7,50,00,000)**
Tax on Dividend	-	-	(1,52,68,500)	-	(1,52,68,500)	**(1,52,68,500)**
Remeasurement losses on defined benefit obligations (net of tax effect)	-	-	-	(48,55,471)	(48,55,471)	**(48,55,471)**
Issue of Bonus Shares (Refer Note No. 31)	2,50,00,000	-	(2,50,00,000)	-	(2,50,00,000)	-
Balance as of 31 March, 2018	**5,00,00,000**	**60,90,000**	**22,52,10,320**	**(64,03,299)**	**22,48,97,021**	**27,48,97,021**

(Amount in ₹)

Particulars	Equity Share Capital (a)	Other Equity (b)				Total equity attributable to equity holders of the Company
		Reserves and Surplus		Other Comprehensive Income	Total	
		General Reserve	Retained Earnings			
Balance as of 1 April, 2016	**2,50,00,000**	**60,90,000**	**9,42,06,384**	**(9,89,998)**	**9,93,06,386**	**12,43,06,386**
Profit for year ended 31 March 2017	-	-	10,49,59,295	-	10,49,59,295	**10,49,59,295**
Remeasurement losses on defined benefit obligations (net of tax effect)	-	-	-	(5,57,830)	(5,57,830)	**(5,57,830)**
Balance as of 31 March, 2017	**2,50,00,000**	**60,90,000**	**19,91,65,679**	**(15,47,828)**	**20,37,07,851**	**22,87,07,851**

Notes 1 to 35 form an integral part of the financial statements

This is the Statement of Changes in equity referred to in our report of even date

For and on behalf of the Board of Directors

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

Vaibhav Shah
Partner

Membership No. 117377

Mumbai, 30 April 2018

R T Wasan
Director
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Chief Financial Officer & Company Secretary

Mumbai, 30 April 2018

Tata Motors Insurance Broking And Advisory Services Limited MUMBAI

Tata Motors Insurance Broking and Advisory Services Limited

Cash Flow Statement for year ended 31 March, 2018

(Amount in ₹)

Particulars	Year ended 31 March, 2018	Year ended 31 March, 2017
A. Cash flows from operating activities		
Net profit before tax as per statement of profit and loss	20,13,40,995	15,97,38,482
Adjustments for:		
Depreciation and amortisation expenses	51,30,828	36,01,608
Rent equalisation	98,181	5,10,296
Provision for doubtful debts	79,41,891	29,48,095
Net gain on sale of investments	(30,77,512)	(15,57,506)
Loss on sale of property, plant and equipment	32,885	4,558
Net gain on fair value of investments	(86,89,908)	(18,05,927)
Amortisation of prepaid rent	2,52,978	2,52,978
Interest income on lease deposits	(2,48,066)	(2,29,101)
Interest income on deposit with banks	(66,015)	(1,99,769)
Operating profit before working capital changes	**20,27,16,257**	**16,32,63,714**
Changes in working capital		
Adjustment for increase / decrease in work capital		
Trade receivables	(3,21,08,283)	(59,85,690)
Other current & non-current assets	(18,34,50,859)	(4,16,65,360)
Trade payables	2,07,48,073	83,70,492
Other financial liabilities	61,83,786	1,39,19,821
Other current liabilities	29,46,00,825	22,32,733
Provisions	(5,93,500)	27,41,500
Cash flow from operating activities	30,80,96,299	14,28,77,210
Taxes paid	(4,00,14,848)	(4,76,48,134)
Net cash flows from operating activities	**26,80,81,451**	**9,52,29,076**
B. Cash flows from investing activities		
Acquisition of property, plant and equipment	(53,30,999)	(41,53,587)
Proceeds from sale of property, plant and equipment	28,000	26,585
Interest received	2,49,105	85,942
Purchase of investments in mutual funds	(38,00,00,000)	(17,60,00,000)
Proceeds from redemption of investments in mutual funds	16,00,00,000	7,94,99,999
Net cash flows used in investing activities	**(22,50,53,894)**	**(10,05,41,061)**
C. Cash Flows from Financing Activities		
Dividend Paid	(2,50,00,000)	-
Dividend Tax Paid	(50,89,500)	-
Net cash flow used in financing activities	**(3,00,89,500)**	-
Net increase in cash and cash equivalents	**1,29,38,057**	**(53,11,985)**
Cash and cash equivalents as at beginning of the period	42,02,486	95,14,471
Cash and cash equivalents as at end of the period	**1,71,40,543**	**42,02,486**
Composition of cash and cash equivalents		
Balances with banks in current accounts	1,71,16,215	41,97,969
Cash on hand	24,328	4,517
Cash and cash equivalents as per Note No. 9	**1,71,40,543**	**42,02,486**

Notes 1 to 35 form an integral part of the financial statements

This is the Cash Flow Statement referred to in our report of even date.

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

Vaibhav Shah
Partner

Membership No. 117377

Mumbai, 30 April 2018

For and on behalf of the Board of Directors

R T Wasan
Director
DIN - 06425463

V B Somaiya
Director
DIN - 03185227

Ravichandran Murugesan
Managing Director, Chief Executive Officer & Principal Officer
DIN - 07899184

Bhanu Bhai Sharma
Chief Financial Officer & Company Secretary

Mumbai, 30 April 2018

Tata Motors Insurance Broking And Advisory Services Limited MUMBAI

Note "1" – Company Overview

A. BACKGROUND

Tata Motors Insurance Broking & Advisory Services Limited ("TMIBASL" or "the Company" – Erstwhile – Tata Motors Insurance Services Limited) is a public limited company, incorporated in July 1997 under the Companies Act, 1956 domiciled in India and has its registered office at Mumbai, Maharashtra, India. TMIBASL is a wholly owned subsidiary of Tata Motors Limited.

TMIBASL is Direct General Insurance Broker having license for the period from May 13, 2017 to May 12, 2020. Further the Company has applied for Composite license with the Insurance Regulatory and Development Authority.

B. SIGNIFICANT ACCOUNTING POLICIES

i. Basis of Preparation

The financial statements have been prepared in accordance with Indian Accounting Standards (Ind AS) under the historical cost convention on the accrual basis except for certain financial instruments which are measured at fair values and the provisions of the Companies Act, 2013 ('Act') (to the extent notified). The Ind AS are prescribed under Section 133 of the Act read with Companies (Indian Accounting Standards) Rules as amended from time to time.

ii. Use of Estimates

The preparation of financial statements in conformity with Indian Accounting Standards requires management to make estimates, judgments and assumptions that affect the reported amounts of assets and liabilities, revenues and expenses and disclosure of contingent liabilities. Management believes that the estimates used in preparation of the financial statements are prudent and reasonable. Actual results could differ from those estimates. Any revision to accounting estimates is recognised in the period in which such revisions are made and, if material, their effects are disclosed in the notes to the financial statements.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised and future periods are affected.

Key source of estimation of uncertainty at the date of financial statements, which may cause adjustment to the carrying amounts of assets and liabilities within the next financial year, is in respect of useful lives of property, plant and equipment, valuation of deferred tax assets, provisions and contingent liabilities and fair value measurement of financial instruments.

iii. Cash flow statement

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

iv. Property, plant & equipment

Property, plant & equipment are stated at cost, less accumulated depreciation/ amortisation and impairment losses, if any.

Cost includes the purchase price (excluding refundable taxes) and expenses directly attributable to the asset to bring the asset to the site and in the working condition for its intended use and estimated costs of dismantling and removing the item and restoring the site on which it is located.

Depreciation is calculated on cost of items of Property, plant & equipment, less their estimated residual value over their estimated useful lives using straight line method and is recognised in the Statement of Profit and Loss.

Tata Motors Insurance Broking And Advisory Services Limited MUMBAI

The estimated useful lives of assets are as follows:

Tangible Assets	Useful lives as determined by Management	Useful lives as per Companies Act
Office equipment	5 years	5 years
Furniture and fixtures	15 years	10 years
Computers	4 years	3 years
Motor vehicles	4 years	8 years

Based on technical evaluation, management believes that the useful lives as given above best represent the period over which management expects to use these assets. Hence, the useful lives for these assets are different from the useful lives as prescribed under Part C of Schedule II of the Companies Act 2013.

v. Intangible assets

Intangible assets purchased are measured at cost less accumulated amortisation and impairment, if any.

Intangible assets are amortised on a straight-line basis over their estimated useful lives as given below:

- Website development costs (3 years)
- Software (5 years)

Amortisation methods and useful lives are reviewed at each financial year end.

vi. Intangible assets under development

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

vii. Impairment

(i) Financial assets (other than fair value):

The Company assesses at each reporting period whether financial assets are impaired. Ind AS 109 requires expected credit losses to be measured through a loss allowance. The Company recognises lifetime expected losses for all contract assets and/or all trade receivables that do not constitute financing transaction. For all other financial assets, expenses or losses are measured at an amount equal to the 12-months expected credit loss or at an amount equal to life time expected credit loss if the credit risk on the financial assets has increased significantly since initial recognition.

(ii) Non-financial assets – tangible, intangible assets:

Property, plant & equipment and intangible assets with finite life are evaluated for recoverability whenever there is any indication that their carrying value may not be recoverable. If any such indication exists, the recoverable amount (i.e. higher of fair value less cost to sell and value-in-use) is determined on individual asset basis unless asset does not generate cash flows that are largely independent of those from other assets. In such cases, the recoverable amount is determined for the cash generating unit (CGU) to which the asset belongs.
If the recoverable amount of an asset (or CGU) is estimated to be less than its carrying amount, the carrying amount of the asset (or CGU) is reduced to its recoverable amount. An impairment loss is recognised in the statement of profit and loss.

viii. Revenue Recognition

The Company earns brokerage from insurance companies on placement of insurance policies and revenue is recognised from the policy risk start date when the policy placement is substantially completed and accepted and the ultimate collection thereof is reasonably certain. The Company presents revenue net of applicable taxes in the Statement of Profit and loss.

VS

Tata Motors Insurance Broking And Advisory Services Limited MUMBAI

Unbilled revenue, included in other financial assets represents revenue recognised from last bill cycle date to the end of the reporting period. These are billed in subsequent periods based on the terms of the billing plans / contractual arrangements.

Interest income is accrued evenly over the year on the instrument.

ix. Employee Benefits

(a) Gratuity

The Company provides for gratuity, a defined benefit retirement plan covering all regular employees. Benefits under the defined plans are typically based on years of service and the employee's compensation (generally immediately before separation). Expenses for defined-benefit gratuity payable to employees is computed as at the balance sheet date by independent actuary using projected unit credit method in a manner that distributes expenses over the employee's working life. These commitments are valued at the present value of expected future payments, with consideration for calculated future salary increases, utilising a discount rate corresponding to the interest rate estimated by the actuary having regard to the interest rate on government bonds with a remaining term that is almost equivalent to the average balance working period of employees on an actuarial basis. This liability is not externally funded.

(b) Superannuation

The Company has defined contribution superannuation plan. The contribution to superannuation fund is at the option of the Employee. Contributions towards superannuation are to be paid into a Superannuation fund. The Company recognises such contributions as an expense when incurred and has no further obligation beyond this contribution. The Company contributes up to 15% of the eligible employees' salary to the trust every year, subject to maximum of Rs.1 Lakh. The Superannuation contribution is paid to the superannuation Fund of Tata Motors Limited.

(c) Provident Fund

The eligible employees of the Company are entitled to receive benefits under the provident fund, a defined contribution plan, in which both employees and the Company make monthly contributions at a specified percentage of the covered employees' salary (currently 12% of employees' salary). The Provident Fund under the law is paid to the provident fund set up by Tata Motors Limited and Pension contributions are paid to the Regional Provident Fund Commissioner. The Company's payment to the defined contribution plan is recognised as an expense during the period in which the employees perform the services that the payment covers.

(d) Compensated absences

The Company provides for encashment of leave or leave with pay subject to certain rules. The employees are entitled to accumulate leave subject to certain limits for future encashment. The expected cost of accumulating compensated absences is determined by actuarial valuation performed by an independent actuary at each balance sheet date using projected unit credit method on the additional amount expected to be paid/availed as a result of the unused entitlement that has accumulated at the balance sheet date.

x. Financial Instruments

Financial assets and liabilities are recognised when the Company becomes a party to the contractual provisions of the instrument. Financial assets and liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value measured on initial recognition of financial asset or financial liability.

- **Cash and cash equivalents :**

The Company considers all highly liquid financial instruments, which are readily convertible into known amounts of cash that are subject to an insignificant risk of change in value and having original maturities of three months or less from the date of purchase, to be cash equivalents. Cash and cash equivalents consist of balances with banks which are unrestricted for withdrawal and/or usage.

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- **Financial assets carried at amortised cost**

Financial assets are subsequently measured at amortised cost if these financial assets are held within a business whose objective is to hold these
assets in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

- **Financial assets at fair value through other comprehensive income**

Financial assets are subsequently measured at fair value through other comprehensive income if these financial assets are held within a business whose objective is achieved by both collecting contractual cash flows and selling financial assets and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

- **Financial assets at fair value through profit or loss**

Financial assets are subsequently measured at fair value through profit or loss unless it is measured at amortised cost or at fair value through other comprehensive income on initial recognition. The transaction costs directly attributable to the acquisition of financial assets and liabilities at fair value through profit or loss are immediately recognised in profit or loss.

- **Financial Liabilities**

Financial liabilities are subsequently measured at amortised cost using the effective interest method. For trade and other payables maturing within one year from the balance sheet date, the carrying amounts approximate fair value due to the short maturity of these instruments.

xi. Income Taxes

Income tax expense comprises current tax expense and the net change in the deferred tax asset or liability during the year. Current and deferred tax are recognised in profit or loss, except when they relate to items that are recognised in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognised in other comprehensive income or directly in equity, respectively.

Current income taxes

Current income tax for current and prior periods is recognized at the amount expected to be paid to or recovered from the tax authorities using the tax rates and tax laws that have been enacted or substantively enacted by the balance sheet date.

Deferred income taxes

Deferred income tax is recognised using the balance sheet approach. Deferred income tax assets and liabilities are recognized for all temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements.

Deferred income tax asset are recognised to the extent that it is probable that taxable profit will be available against which the deductible temporary differences and the carry forward of unused tax credits and unused tax losses can be utilised.

Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realised.

Deferred income tax assets and liabilities are measured using tax rates and tax laws that have been enacted or substantively enacted at the reporting date and expected to apply when the asset is realised or the liability is settled.

Tata Motors Insurance Broking And Advisory Services Limited MUMBAI

xii. Lease

Lease arrangements where the risks and rewards incidental to ownership of an asset substantially vest with the lessor, are recognised as operating lease. Operating lease payments are recognised on a straight line basis over the lease term in the Statement of profit and loss.

xiii. Provisions and Contingencies

A provision is recognised when the Company has a present obligation (legal or constructive) 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 its 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 disclosed in respect of possible obligations that arise from past events, whose existence would be confirmed by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the company.

A contingent asset is neither recognised nor disclosed.

xiv. Goods & Service tax input credit

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

xv. Earnings per share

Earnings per share is calculated by dividing the profit or loss attributable to equity shareholders by the weighted average number of equity shares outstanding during the year. The number of shares used in computing the diluted earnings per share comprises the weighted average number of equity shares considered for deriving basic earnings per share and also weighted average number of shares which could have been issued on convergence of all dilutive potential equity shares. The Company did not have any potentially dilutive securities in any of the periods presented.

Tata Motors Insurance Broking And Advisory Services Limited MUMBAI

Tata Motors Insurance Broking and Advisory Services Limited

Notes forming part of Financial Statements for year ended 31 March, 2018

Note No. "2"
Property, plant and equipment and Intangible assets

(Amount in ₹)

Particulars	Gross book value				Accumulated depreciation / amortisation				Net book value	
	Opening balance as at 1 April, 2017	Additions	Disposals	Closing balance as at 31 March, 2018	Opening balance as at 1 April, 2017	Depreciation and amortisation expense for the period	Disposals	Closing balance as at 31 March, 2018	As at 31 March, 2018	As at 31 March, 2017
(i) Tangible assets										
Leasehold improvement	3,04,768	-	-	3,04,768	3,04,768	-	-	3,04,768	-	-
Office equipment	19,44,446	3,35,070	1,70,192	21,09,324	10,41,318	2,73,890	1,09,307	12,05,901	9,03,423	9,03,128
Furniture and fixtures	7,93,871	48,980	-	8,42,851	31,489	51,766	-	83,255	7,59,596	7,62,382
Computer	43,61,064	25,30,992	-	68,92,056	5,11,419	13,31,406	-	18,42,825	50,49,231	38,49,645
Motor vehicle	10,51,300	15,65,957	-	26,17,257	3,60,499	3,15,206	-	6,75,705	19,41,552	6,90,801
Total tangible assets (A)	84,55,449	44,80,999	1,70,192	1,27,66,256	22,49,493	19,72,268	1,09,307	41,12,454	86,53,802	62,05,956
(ii) Intangible assets										
Website development	1,62,746	-	-	1,62,746	1,62,746	-	-	1,62,746	-	-
Software	1,57,65,345	-	-	1,57,65,345	47,70,120	31,58,560	-	79,28,680	78,36,665	1,09,95,225
Total intangible assets (B)	1,59,28,091	-	-	1,59,28,091	49,32,866	31,58,560	-	80,91,426	78,36,665	1,09,95,225
Intangible Assets under development (C)	-	8,50,000	-	8,50,000	-	-	-	-	8,50,000	-
Grand total (A)+(B)+(C)	2,43,83,540	53,30,999	1,70,192	2,95,44,347	71,82,359	51,30,828	1,09,307	1,22,03,880	1,73,40,467	1,72,01,181

(Amount in ₹)

Particulars	Gross book value				Accumulated depreciation / amortisation				Net book value	
	Opening balance as at 1 April, 2016	Additions	Disposals	Closing balance as at 31 March, 2017	Opening balance as at 1 April, 2016	Depreciation and amortisation expense	Disposals	Closing balance as at 31 March, 2017	As at 31 March, 2017	As at 31 March, 2016
(i) Tangible Assets										
Leasehold Improvement	3,04,768	-	-	3,04,768	3,04,768	-	-	3,04,768	-	-
Office Equipment	20,26,707	1,62,716	2,44,977	19,44,446	10,49,590	2,32,147	2,40,419	10,41,318	9,03,128	9,77,117
Furniture Fixtures	2,84,903	5,08,968	-	7,93,871	9,654	21,835	-	31,489	7,62,382	2,75,249
Computer	9,15,951	34,53,513	8,400	43,61,064	26,893	4,92,926	8,400	5,11,419	38,49,645	8,89,058
Motor Vehicle	15,83,107	-	5,31,807	10,51,300	5,88,622	2,77,099	5,05,222	3,60,499	6,90,801	9,94,485
Total Tangible Assets (A)	51,15,436	41,25,197	7,85,184	84,55,449	19,79,527	10,24,007	7,54,041	22,49,493	62,05,956	31,35,909
(ii) Intangible Assets										
Website Development	1,62,746	-	-	1,62,746	1,62,746	-	-	1,62,746	-	-
Software	1,18,99,155	38,66,190	-	1,57,65,345	21,92,519	25,77,601	-	47,70,120	1,09,95,225	97,06,636
Total Intangible Assets (B)	1,20,61,901	38,66,190	-	1,59,28,091	23,55,265	25,77,601	-	49,32,866	1,09,95,225	97,06,636
Intangible Assets under development (C)	38,37,800	-	38,37,800	-	-	-	-	-	-	38,37,800
Grand Total (A)+(B)+(C)	2,10,15,137	79,91,387	46,22,984	2,43,83,540	43,34,792	36,01,608	7,54,041	71,82,359	1,72,01,181	1,66,80,345

Tata Motors Insurance Broking and Advisory Services Limited

Notes forming part of Financial Statements for year ended 31 March, 2018

(Amount in ₹)

	As at 31 March, 2018	As at 31 March, 2017
Note No. "3"		
Other financial assets		
Non-current		
Interest accrued but not due	49,249	-
Restricted bank deposits with maturity of more than 12 months (Represents fixed deposit under lien with Insurance Regulatory & Development Authority of India)	10,00,000	10,00,000
Lease deposits	41,94,383	33,43,312
	52,43,632	**43,43,312**
Current		
Unbilled revenue	17,75,21,321	5,76,82,293
Interest accrued but not due	-	2,53,445
Lease deposits	7,45,233	5,22,720
	17,82,66,554	**5,84,58,458**
Note No. "4"		
Deferred tax assets (net)		
Property, plant and equipment	40,61,850	53,15,846
Provision for employee benefits	28,89,407	29,99,057
Allowance for bad and doubtful debts	47,92,042	30,01,921
Others	4,20,091	4,11,121
Deferred Tax Assets	**1,21,63,390**	**1,17,27,945**
Unrealised gain on investments carried at fair value	31,02,221	7,15,262
Deferred Tax Liabilities	**31,02,221**	**7,15,262**
Net Deferred Tax Assets	**90,61,169**	**1,10,12,683**

Deferred tax assets and deferred tax liabilities have been offset as the Company has a legally enforceable right to set off current tax assets against current tax liabilities and the deferred tax assets and deferred tax liabilities relate to income taxes levied by the same taxation authority.

	As at 31 March, 2018	As at 31 March, 2017
Note No. "5"		
Income tax assets (net)		
Advance income tax (net of provision)	**5,00,87,777**	**6,63,37,739**
Note No. "6"		
Other non-current assets		
Unsecured, Considered good		
(a) Security deposits	76,350	75,900
(b) Prepaid expense	7,11,230	10,67,758
	7,87,580	**11,43,658**

Note No. "7"

Investments (Investments carried at fair value through profit and loss)

Investment in mutual funds: unquoted	**Face Value**	**No. of Units**	As at 31 March, 2018	As at 31 March, 2017
HDFC Liquid Fund - Direct Plan - Growth Option	10	11,676.64 (1,271.94)	3,99,79,418	40,81,552
Aditya Birla Sun Life Saving Fund - Growth - Direct Plan	100	3,21,965.66 (80,052.00)	11,07,31,941	2,56,25,508
Kotak Liquid Scheme Plan A - Direct Plan - Growth	1000	4,422.60 (11,366.85)	1,55,76,203	3,74,81,920
Kotak Treasury Advantage Fund - Direct Plan - Growth	10	9,15,482.79 (6,26,481.80)	2,58,44,628	1,65,13,496
ICICI Prudential Money Market Fund - Direct Plan - Growth	100	1,49,066.86 (16,519.70)	3,58,45,213	37,17,319
ICICI Prudential Flexible Income - Direct Plan - Growth	10	3,29,791.01 (48,938.30)	11,05,06,638	1,52,96,824
			33,84,84,041	**10,27,16,619**
Advance for investments				
Kotak Liquid Scheme Plan A - Direct Plan - Growth			-	40,00,000
			-	**40,00,000**
			33,84,84,041	**10,67,16,619**

Note : Figures in ( ) relate to no. of units as at March 31, 2017.

Chartered Accountants Mumbai India

Tata Motors Insurance Broking And Advisory Services Limited MUMBAI

Tata Motors Insurance Broking and Advisory Services Limited

Notes forming part of Financial Statements for year ended 31 March, 2018

(Amount in ₹)

	As at 31 March, 2018	As at 31 March, 2017
Note No. "8"		
Trade receivables		
Unsecured, considered good	4,98,71,045	2,57,04,653
Doubtful	1,66,15,956	86,74,065
Less: Allowance for bad and doubtful debts	(1,66,15,956)	(86,74,065)
	4,98,71,045	**2,57,04,653**
Note No. "9"		
Cash and cash equivalents		
a) Balances with banks - in current account	1,71,16,215	41,97,969
b) Cash on hand	24,328	4,517
	1,71,40,543	42,02,486
Bank balances other than cash and cash equivalents		
a) Earmarked balances with bank for unpaid dividend	5,00,00,000	-
	5,00,00,000	-
Note No. "10"		
Other current assets		
Considered good		
Indirect tax recoverable	1,33,21,953	22,80,263
Prepaid expenses	25,42,360	49,17,292
Others	42,72,708	28,950
	2,01,37,021	**72,26,505**

B S R & Co. LLP
5th Floor, Lodha Excelus, Apollo Mills Compound, N. M. Joshi Marg, Mahalaxmi, Mumbai - 400 011, India.
Chartered Accountants

Tata Motors Insurance Broking And Advisory Services Limited
MUMBAI

Tata Motors Insurance Broking and Advisory Services Limited

Notes forming part of Financial Statements for year ended 31 March, 2018

Note No. "11"

Disclosures on Financial Instruments

1) The carrying value and fair value of financial instruments by categories as of 31 March, 2018 were as follows:

(Amount in ₹)

Particulars	Amortised Cost	Fair Value Through Profit / Loss	Fair Value Through Other Comprehensive Income	Total Carrying Value	Total Fair Value
Financial Assets					
a) Investments in mutual funds	-	33,84,84,041	-	33,84,84,041	33,84,84,041
b) Trade receivables	4,98,71,045	-	-	4,98,71,045	4,98,71,045
c) Cash and cash equivalents	1,71,40,543	-	-	1,71,40,543	1,71,40,543
d) Other financial assets - non-current	52,43,632	-	-	52,43,632	52,43,632
e) Other financial assets - current	17,82,66,554	-	-	17,82,66,554	17,82,66,554
Total	25,05,21,774	33,84,84,041	-	58,90,05,815	58,90,05,815
Financial Liabilities					
a) Trade payables	4,26,97,401	-	-	4,26,97,401	4,26,97,401
b) Other financial liabilities	9,45,68,801	-	-	9,45,68,801	9,45,68,801
Total	13,72,66,202	-	-	13,72,66,202	13,72,66,202

A) The hierarchy of financial instruments measured at fair value on recurring basis as of 31 March, 2018:

(Amount in ₹)

Particulars	Level 1	Level 2	Level 3	Total
Financial Assets				
a) Investments in Mutual Funds	33,84,84,041	-	-	33,84,84,041
Total	33,84,84,041	-	-	33,84,84,041

2) The carrying value and fair value of financial instruments by categories as of 31 March, 2017 were as follows:

(Amount in ₹)

Particulars	Amortised Cost	Fair Value Through Profit / Loss	Fair Value Through Other Comprehensive Income	Total Carrying Value	Total Fair Value
Financial Assets					
a) Investments in mutual funds	-	10,67,16,619	-	10,67,16,619	10,67,16,619
b) Trade receivables	2,57,04,653	-	-	2,57,04,653	2,57,04,653
c) Cash and cash equivalents	42,02,486	-	-	42,02,486	42,02,486
d) Other financial assets - non-current	43,43,312	-	-	43,43,312	43,43,312
e) Other financial assets - current	5,84,58,458	-	-	5,84,58,458	5,84,58,458
Total	9,27,08,909	10,67,16,619	-	19,94,25,528	19,94,25,528
Financial Liabilities					
a) Trade payables	2,19,49,328	-	-	2,19,49,328	2,19,49,328
b) Other financial liabilities	2,82,06,015	-	-	2,82,06,015	2,82,06,015
Total	5,01,55,343	-	-	5,01,55,343	5,01,55,343

B) The hierarchy of financial instruments measured at fair value on recurring basis as of 31 March, 2017:

(Amount in ₹)

Particulars	Level 1	Level 2	Level 3	Total
Financial Assets				
a) Investments in Mutual Funds	10,67,16,619	-	-	10,67,16,619
Total	10,67,16,619	-	-	10,67,16,619

The management assessed that cash and cash equivalents, other current financial assets, trade receivables, trade payables, and other current liabilities approximate their carrying amounts largely due to the short-term maturities of these instruments.
Other non-current financial asset is shown at amortised cost.

The fair value of investments in mutual funds are based on closing NAV at respective reporting dates.

Fair value hierarchy

Level 1 - This hierarchy includes financial instruments measured using Quoted prices.

Level 2 – Inputs other than quoted prices included within Level 1 that are observable for the financial instrument, either directly (i.e. as prices) or indirectly (i.e. derived from prices).

Level 3 - Inputs for the financial instruments that are not based on observable market data (unobservable inputs).

Tata Motors Insurance Broking And Advisory Services Limited MUMBAI

Tata Motors Insurance Broking and Advisory Services Limited

Notes forming part of Financial Statements for year ended 31 March, 2018

Note No. "12"

Financial risk management

In the course of its business, the Company is exposed primarily to fluctuations in market, credit and liquidity risk, which may adversely impact the fair value of its financial instruments.

1) Market risk

Market risk is the risk of any loss in future earnings, in realizable fair values or in future cash flows that may result from a change in the price of a financial instrument. The value of a financial instrument may change as a result of changes in the interest rates, foreign currency exchange rates, equity price fluctuations, liquidity and other market changes. Future specific market movements cannot be normally predicted with reasonable accuracy.

The Company is not exposed to any of the market risks. In its insurance broking business, the Company solicits insurance policies for insurance companies (customers) which primarily result in receivables in INR at pre-determined rates, hence there is no impact of foreign currency fluctuations. There are no debt obligations which could be subject to variable interest rates. Further, investments of the Company are not subject to fluctuations in equity price.

2) Credit risk

Credit risk is the risk of financial loss arising from counterparty failure to repay or service debt according to the contractual terms or obligations. Credit risk encompasses both the direct risk of default and the risk of deterioration of creditworthiness as well as concentration risks.

Financial instruments that are subject to concentrations of credit risk, principally consist of investments in mutual funds, security deposits, trade receivables and cash equivalents. None of the financial instruments of the Company result in material concentrations of credit risks.

Exposure to credit risk

The carrying amount of financial assets represents the maximum credit exposure. The maximum exposure to credit risk was ₹ 639,005,815/- as of 31 March, 2018, ₹ 199,425,528/- as of 31 March, 2017 , being the total of the carrying amount of balances with banks, time deposits with banks, trade receivables, security deposits and investments in mutual funds.

Financial assets that are neither past due nor impaired

None of the Company's cash equivalents, including time deposits with banks, are past due or impaired. Regarding trade receivables and other financial instruments that are neither impaired nor past due, there were no indications as of 31 March, 2018, that defaults in payment obligations will occur.

Credit quality of trade receivables and impairment loss

The ageing of trade receivables as of balance sheet date is given below.

(Amount in ₹)

Period (in months)	As at 31 March, 2018			As at 31 March, 2017		
	Gross	Allowance	Net	Gross	Allowance	Net
(a) Not past due up to 1 month	4,67,63,641	-	4,67,63,641	1,99,96,183	-	1,99,96,183
(b) Past due up to 3 months	51,00,955	-	51,00,955	25,66,271	-	25,66,271
(c) Past due 3 - 6 months	5,72,060	-	5,72,060	19,43,898	-	19,43,898
(d) Past due more than 6 months *	1,40,50,346	(1,66,15,956)	(25,65,610)	98,72,366	(86,74,065)	11,98,301
Total	6,64,87,001	(1,66,15,956)	4,98,71,045	3,43,78,718	(86,74,065)	2,57,04,653

* The negative balance of trade receivables is due to allowance considered on gross receivables

3) Liquidity risk

Liquidity risk refers to the risk that the Company will encounter difficulty in meeting the financial obligations. The objective of liquidity risk management is to maintain sufficient liquidity and ensure that funds are available for use as per requirements.

The Company does not have any obligation arising on account of interest bearing liabilities. The Company invests its surplus funds in liquid schemes of mutual funds, which carry no/low mark to market risks. The Company also constantly monitors expected working capital requirements, accordingly investments are made / redeemed with a view to maintaining financial flexibility.

As at 31 March, 2018 and 31 March, 2017 financial liabilities of ₹ 77,087,202/- and ₹ 50,155,343/- respectively, was payable with maturity profile of one year.

Note No. "13"

Capital Management

The Company's capital management is intended to create value for shareholders by facilitating the meeting of long-term and short-term goals of the Company. The Company determines the amount of capital required on the basis of annual operating plans and long-term

The Company monitors the capital structure on the basis of total debt to equity ratio (capital gearing ratio) and maturity profile of the overall debt portfolio of the Company.

There are no debt obligations for the Company as at 31 March, 2018 & 31 March, 2017, thereby capital gearing ratio will be Nil.

Tata Motors Insurance Broking And Advisory Services Limited MUMBAI

(Amount in ₹)

	As at 31 March, 2018	As at March 31, 2017
Note No. "14"		
Equity share capital		
Authorised:		
189,000,000 (as at 31 March, 2017 : 189,000,000) Equity Shares of ₹10 each	1,89,00,00,000	1,89,00,00,000
	1,89,00,00,000	**1,89,00,00,000**
Issued, subscribed & paid up:		
5,000,000 (as at 31 March, 2017 : 2,500,000) Equity Shares of ₹ 10 each fully paid-up	5,00,00,000	2,50,00,000
	5,00,00,000	**2,50,00,000**
Reconciliation of number of shares outstanding :		
Opening balance	**25,00,000**	**25,00,000**
Changes in equity share capital during the year	25,00,000	-
Closing balance	**50,00,000**	**25,00,000**

Notes :-

(A) Terms / Rights attached to Equity Shares

The Company has issued only one class of equity shares having a par value of ₹ 10 per share. Each holder of equity share is entitled to one vote per share. The Company declares and pays dividend in Indian rupees. The dividend proposed by the board of director's is subject to the approval of shareholders in the ensuing Annual General Meeting.

In the event of liquidation of the Company the holder of equity shares will be entitled to receive remaining assets of the Company after distribution of all preferential amounts. Distribution will be in proportion of equity shares held by the shareholders.

(B) Shares held by Holding Company / Shareholding in excess of 5%

All the above equity shares are held by Tata Motors Limited (the holding company) and its nominees.

(C) Aggregate number of bonus shares issued, shares issued for consideration other than cash and shares bought back during the five years immediately preceding the reporting date

The Company has issued 25,00,000 equity shares as bonus shares during the reporting year. Further the Company has not issued any shares for consideration other than cash and bought back any shares during the five years immediately preceding the reporting date.

	As at 31 March, 2018	As at March 31, 2017
Note No. "15"		
Non-current provisions		
Provision for employee benefits :		
Provision for compensated absences	34,85,000	28,69,000
Provision for gratuity	1,17,96,000	72,63,500
Provision for long term services awards	3,92,000	2,36,000
	1,56,73,000	**1,03,68,500**
Current provisions		
Provision for employee benefits :		
Provision for long term services awards	53,000	31,000
Provision for compensated absences	9,25,000	6,93,000
Provision for gratuity	14,93,000	9,78,000
	24,71,000	**17,02,000**
Note No. "16"		
Trade payables		
Payable to related parties	1,33,40,225	1,34,11,915
Other payables	2,93,57,176	85,37,413
	4,26,97,401	**2,19,49,328**
Note No. "17"		
Other financial liabilities		
Dues to employees	3,35,43,693	2,68,00,919
Unpaid dividend	5,00,00,000	-
Tax on unpaid dividend	1,01,79,000	-
Others	8,46,108	14,05,096
	9,45,68,801	**2,82,06,015**
Note No. "18"		
Other current liabilities		
Statutory dues	5,02,32,239	46,82,354
Unearned income	26,07,852	1,853
Provision for expenses	25,29,86,088	64,41,888
Others	2,86,427	2,87,505
	30,61,12,606	**1,14,13,600**

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Tata Motors Insurance Broking and Advisory Services Limited

Notes forming part of Financial Statements for year ended 31 March, 2018

(Amount in ₹)

	Year ended 31 March, 2018	Year ended 31 March, 2017
Note No. "19"		
Revenue from operations		
Brokerage income	1,07,12,61,924	45,15,86,453
	1,07,12,61,924	**45,15,86,453**
Note No. "20"		
Other income		
Interest income		
- on lease deposits carried at amortised costs	2,48,066	2,29,101
- on deposits with banks	66,015	1,99,769
Net gain on sale of current investments	30,77,512	15,57,506
Interest on IT Refund	77,15,912	-
Net gain on fair valuation of investments	86,89,908	18,05,927
	1,97,97,413	**37,92,303**
Note No. "21"		
Employee benefits expenses		
Salaries, wages and bonus	19,58,90,967	14,90,15,983
Contribution to provident and other funds	89,46,748	76,22,114
Gratuity expenses	(21,61,751)	18,75,000
Staff welfare	94,02,249	86,41,007
	21,20,78,213	**16,71,54,104**
Note No. "22"		
Other expenses		
Rent	1,36,53,372	1,19,17,183
Electricity & water charges	14,50,108	13,66,959
Rates and taxes	1,41,225	54,379
Insurance premium	26,96,044	18,95,525
Repairs and maintenance	18,46,985	13,89,938
Travelling & conveyance expenses	1,75,44,569	1,59,17,212
Legal & professional charges	96,34,105	1,15,31,917
Auditors' remuneration (Refer Note No. 29)	10,74,308	11,88,919
Allowance for bad & doubtful debts (net of reversals)	79,41,891	29,48,095
Loss on sale of property, plant and equipment	32,885	4,558
MISP Expense (Refer Note No. 34)	51,52,90,693	-
IT support expenses	4,48,64,947	4,14,91,490
Call centre expenses	3,86,94,642	1,86,06,516
Communication	83,12,799	75,16,205
Recruitment expenses	10,24,928	26,10,688
Corporate Social Responsibility Expenses (Refer Note 33)	12,13,582	1,51,031
Miscellaneous expenses	70,92,218	62,93,947
	67,25,09,301	**12,48,84,562**

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Tata Motors Insurance Broking And Advisory Services Limited MUMBAI

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Notes forming part of Financial Statements for year ended 31 March, 2018

Note No. "23"

Lease

The Company has taken premises under operating lease. The following is the summary of future minimum lease rental payments under non-cancellable operating lease entered into by the Company:

(Amount in ₹)

Particulars	As at March 31, 2018	As at March 31, 2017
Not later than one year	90,87,131	86,54,415
Later than one year but not later than five years	1,13,33,146	2,04,20,277
Later than five years	-	-
Total minimum lease commitments	**2,04,20,277**	**2,90,74,692**

Operating lease expense were ₹ 13,653,372/- and ₹ 11,917,183/- for the year ended March 2018 and March 2017 respectively.

Note No. "24"

Income Taxes

	2018	2017
Income tax expenses in the statement of profit and loss comprises of,		
Current taxes	5,62,64,810	5,53,17,665
Deferred taxes		
Relating to origination and reversal of temporary differences	37,63,044	(5,38,478)
	6,00,27,854	5,47,79,187

The major components of tax expenses and the reconciliation of the expected tax expenses based on the domestic effective tax rate of the company at 28.84% (2016-17 34.608%) and the reported tax expenses in statement of profit and loss are as follows,

	2018	2017
Profit before tax	**20,13,40,995**	**15,97,38,482**
Expected tax expenses	5,80,66,743	5,52,82,294
Items (net) not deductible for tax / not liable to tax :		
Tax effect of expenses that are not deductible for tax purposes	3,95,688	2,61,869
Tax effect due to not taxable income for tax purposes	(71,542)	(79,287)
Previously not considered deferred tax on timing differences	-	(2,34,518)
Tax effect on carry forwarded losses and unabsorbed depreciation not earlier recognised	-	-
Impact of change in tax rates	16,36,963	(4,51,171)
Tax expense reported	**6,00,27,854**	**5,47,79,187**

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Notes forming part of Financial Statements for year ended 31 March, 2018

Note No. "25"

Related Party Disclosure

The Company's related parties principally consist of Tata Motors Limited (Holding Company), fellow subsidiaries and subsidiaries of Tata Sons Ltd. The Company routinely enters into transactions with these related parties in the ordinary course of business. The Company enters into transactions for services with its related parties.

List of related parties with which transactions carried during the financial year

S.No.	Name of the Party	Relationship
1	Tata Motors Limited	Holding Company
2	Concorde Motor India Limited	Fellow Subsidiary
3	Tata Business Support Services Limited	Subsidiaries of Tata Sons Ltd.
4	Tata Consultancy Services Limited	Subsidiaries of Tata Sons Ltd.
5	TC Travel and Services Limited	Subsidiaries of Tata Sons Ltd.
6	Tata Teleservices Limited	Subsidiaries of Tata Sons Ltd.
7	Tata AIG General Insurance Company Limited	Subsidiaries of Tata Sons Ltd.
8	Ravichandran Murgesan	Key Managerial Personnel

The following table summarizes related-party transactions and balances included in the financial statements for the year ended and as of 31 March, 2018:

(Amount in ₹)

	Holding company	Fellow subsidiary	Subsidiaries of Tata Sons Ltd.	Key Managerial Personnel
Transactions :				
(a) Services received	30,49,152	2,16,18,971	4,84,35,905	-
(b) Services rendered	-	-	8,91,60,184	-
(c) Purchase of property, plant and equipment	-	11,73,818	-	-
(d) Managerial Compensation	-	-	-	66,18,495
Balances:				
(a) Trade and other receivables	-	-	1,72,07,633	-
(b) Trade payables	8,54,168	-	1,24,86,057	-

The following table summarizes related-party transactions and balances included in the financial statements for the year ended and as of 31 March, 2017:

(Amount in ₹)

	Holding company	Fellow subsidiary	Subsidiaries of Tata Sons Ltd.	Key Managerial Personnel
Transactions :				
(a) Services received	77,47,659	-	4,31,60,389	-
(b) Services rendered	-	-	5,23,20,109	-
Balances:				
(a) Trade and other receivables	-	-	2,26,39,897	-
(b) Trade payables	13,53,203	-	1,20,58,712	-

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Notes forming part of Financial Statements for year ended 31 March, 2018

26. Contingent liabilities in respect of service tax claims against the Company not acknowledged as debt ₹ 230,100 (Previous year: ₹ 222,500).

27. The Company has received a license from the IRDA to act as a Direct Broker identified in the Insurance Regulatory and Development Authority (Insurance Brokers) Regulations, 2002 effective from 13 May, 2017. Apart from insurance broking activities, the Company does not have any other business segments. Also, in absence of separate geographical segments, segment information as required by the Indian Accounting Standard (Ind-AS) 108 on "Operations Segments" has not been furnished.

28. Particulars of earnings per share (EPS)

Particulars	**Year ended 31 March, 2018**	**Year ended 31 March, 2017**
Profit for the year - (in ₹)	141,313,141	104,959,295
Weighted average number of equity shares outstanding for calculation of Basic EPS for the year	5,000,000	2,500,000
Weighted average number of equity shares outstanding for calculation of Diluted EPS for the year	5,000,000	2,500,000
Nominal value of shares	10.00	10.00
Earnings per share – Basic and Diluted (in ₹)	28.26	41.98

29. Auditors' remuneration #

Amount (₹)

Particulars	**Year ended 31 March, 2018**	**Year ended 31 March, 2017**
Audit fees	705,492	803,877
Tax audit fees	46,147	50,253
Other certification fees	268,626	301,025
Reimbursement of expenses	54043	33,764
Total *	**1,074,308**	**1,188.919**

**Excluding applicableTaxes ₹ 142,959/- (Service Tax in Previous year: ₹ 171,915/-) claimed as input credit.*

 # This also includes fees for the 1st quarter paid to the erstwhile auditors including certification fees.

30. Dividend expense during the year ended 31 March, 2018 include an interim dividend of ₹ 5,00,00,000/- (₹ 10 per fully paid equity share). The Board of Directors of the Company at its meeting dated 28 March, 2018 have proposed & declared interim dividend. The liability in this respect is recognised in the financial statements for the year ended 31 March, 2018. The interim dividend is subsequently paid on 10 April, 2018.

31. The Board of Directors at its meeting held on 28 March, 2018 approved a bonus issue of equity shares, subject to approval of shareholders, in the ratio of one equity share of ₹ 10 each for every one equity share of the Company held by the shareholders.

Tata Motors Insurance Broking And Advisory Services Limited MUMBAI

Tata Motors Insurance Broking and Advisory Services Limited

Notes forming part of Financial Statements for year ended 31 March, 2018

32. Defined benefit plan / Long term Compensated absences

Amount (₹)

S. No.	Particulars	Gratuity	
		31 March, 2018	**31 March, 2017**
I	**Component of employer expenses**		
	Current Service Cost	2,004,000	1,431,000
	Interest Cost	465,000	444,000
	Expected return on plan assets	-	-
	Actuarial Losses	6,667,000	888,000
	Total expenses	9,136,000	2,763,000
	Less : Received from other employers	-	-
	Total expenses recognised in the Statement of Profit and Loss	9,136,000	2,763,000
Ii	**Actual Contribution and Benefit Payments**		
	Actual benefit payments	4,088,000	143,000
	Actual Contribution	-	-
Iii	**Net liability recognised in Balance Sheet**		
	Present Value of Defined Benefit Obligation	13,289,000	8,241,000
	Fair Value of plan assets	-	-
	Experience adjustment on plan liabilities	-	-
	Experience adjustment on plan assets	-	-
	Net liability recognised in the Balance Sheet	(13,289,000)	(8,241,000)
Iv	**Change in Defined Benefit Obligations (DBO)**		
	Present Value of DBO at the beginning of the year	8,241,000	5,621,000
	Current Service Cost	2,004,000	1,431,000
	Acquisitions/ Transfer in	-	-
	Interest cost	465,000	444,000
	Actuarial Losses / (Gains)	6,667,000	888,000
	Benefits paid	(4,088,000)	(143,000)
	Present Value of DBO	13,289,000	8,241,000
V	**Actuarial Assumptions**		
	The actuarial assumptions used in account for the defined benefit obligation are set out below :		
	Discount rate (%)	7.70%	7.50%
	Expected Return on plan assets (%)	N/A	N/A
	Salary escalation	10% For First Two Years and 7.5% thereafter	10% For First Two Years and 7.5% thereafter
	Mortality	Indian Assured Lives Mortality (2006-08)	Indian Assured Lives Mortality (2006-08)

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Tata Motors Insurance Broking And Advisory Services Limited MUMBAI

Tata Motors Insurance Broking and Advisory Services Limited

Notes forming part of Financial Statements for year ended 31 March, 2018

Amount (₹)

S. No.	Particulars	Compensated Absences	
		31 March, 2018	31 March, 2017
I	**Component of employer expenses**		
	Current Service Cost	1,016,000	708,000
	Interest Cost	228,000	192,000
	Expected return on plan assets	-	-
	Actuarial Losses	637,000	480,000
	Total expenses recognised in the Statement of Profit and Loss	1,881,000	1,380,000
Ii	**Actual Contribution and Benefit Payments**		
	Actual benefit payments	1,033,000	427,000
	Actual Contribution	-	-
Iii	**Net liability recognised in Balance Sheet**		
	Present Value of Defined Benefit Obligation	4,410,000	3,562,000
	Fair Value of plan assets	-	-
	Experience adjustment on plan liabilities	-	-
	Experience adjustment on plan assets	-	-
	Net liability recognised in the Balance Sheet	(4,410,000)	(3,562,000)
Iv	**Change in Defined Benefit Obligations (DBO)**		
	Present Value of DBO at the beginning of the year	3,562,000	2,609,000
	Current Service Cost	1,016,000	708,000
	Acquisitions/ Transfer in	-	-
	Interest cost	228,000	192,000
	Actuarial Losses	637,000	480,000
	Benefits paid	(1,033,000)	(427,000)
	Present Value of DBO	4,410,000	3,562,000
V	**Actuarial Assumptions**		
	The actuarial assumptions used in account for the defined benefit obligation are set out below :		
	Discount rate (%)	7.70%	7.50%
	Expected Return on plan assets (%)	N/A	N/A
	Salary escalation	10% For First Two Years and 7.5% thereafter	10% For First Two Years and 7.5% thereafter
	Mortality	Indian Assured Lives Mortality (2006-08)	Indian Assured Lives Mortality (2006-08)

(a) Significant actuarial assumptions used for the determination defined benefit obligation are discount rate and salary escalation rate. Sensitivity analysis below have been determined based on reasonably possible changes of the respective assumptions occurring at the end of reporting period, while holding other assumptions constant.

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(b) Sensitivity Analysis

Amount (₹)

Effect on defined benefit Obligation	31 March, 2018		31 March, 2017	
	Increase 1%	Decrease 1%	Increase 1%	Decrease 1%
Discount rate	(729,000)	802,000	(458,000)	505,000
Salary escalation rate	792,000	(734,000)	498,000	(460,000)

(c) Defined Contribution Plan

The Company's contribution to defined contribution plan aggregated ₹ 8,946,748 (Previous year ₹ 7,622,114) for the year ended 31 March, 2018 has been recognised in the Statement of Profit and Loss in Note no 21.

(d) The assumptions of future salary increases, considered in actuarial valuation, takes into account of inflation, seniority, promotion and other relevant factors, such as supply and demand in the employment market.

(e) The present value of the defined benefit obligation calculated with the same method (project unit credit) as the defined benefit obligation recognised in the balance sheet. The sensitivity analyses are based on a change in one assumption while not changing all other assumptions. This analysis may not be representative of the actual change in the defined benefit obligation as it is unlikely that the change in the assumptions would occur in isolation of one another as some of the assumptions may be correlated.

33. Corporate Social Responsibility (CSR) Expenditure

The Company has incurred a total expenditure of ₹ 1,213,582/- which is being debited to the Statement of Profit and Loss for the year ended 31 March 2018.

Amount (₹)

Nature of expenses	Schedules in the financial statements	31 March, 2018	31 March, 2017
Donation to Prasad Chikitsa	Other expenses	798,582	151,031
Donation to Childline India Foundation	Other expenses	415,000	-
Total		**1,213,582**	**151,031**

The CSR committee constituted by the Board of Directors of the Company under sec 135 of the Act supervises all the expenditure incurred for CSR purposes.

Following is the information regarding projects undertaken and expenses incurred on CSR activities during the year ended 31 March, 2018

a. Gross amount required to be spent by the Company during the year - ₹ 1,213,582/-
b. Amount spent during the year on CSR activities:

Amount (₹)

Sr. No.	Nature of expenses	Amount paid	Amount yet to be paid	Total
(i)	Construction/acquisition of any asset	-	-	-
(ii)	On purposes other than (i) above	1,213,582	-	1,213,582
Total		**1,213,582**	**-**	**1,213,582**

Following is the information regarding projects undertaken and expenses incurred on CSR activities during the year ended 31 March, 2017

a. Gross amount required to be spent by the Company during the year - ₹ 151,031/-
b. Amount spent during the year on CSR activities:

Sr. No.	Nature of expenses	Amount paid	Amount yet to be paid	Total
(i)	Construction/acquisition of any asset	-	-	-
(ii)	On purposes other than (i) above	151,031	-	151,031
Total		**151,031**	**-**	**151,031**

Tata Motors Insurance Broking And Advisory Services Limited MUMBAI

34. The impact of MISP guidelines, effective 1 November, 2017, have been incorporated.

35. Recent accounting pronouncements

Revenue from Contracts with Customers

Ind AS 115 establishes a single comprehensive model for entities to use in accounting for revenue arising from contracts with customers. Ind AS 115 will supersede the current revenue recognition standard Ind AS 18 Revenue, Ind AS 11 Construction Contracts when it becomes effective.

The core principle of Ind AS 115 is that an entity should recognise revenue to depict the transfer of promised goods or services to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services. Specifically, the standard introduces a 5-step approach to revenue recognition:

- Step 1: Identify the contract(s) with a customer
- Step 2: Identify the performance obligation in contract
- Step 3: Determine the transaction price
- Step 4: Allocate the transaction price to the performance obligations in the contract
- Step 5: Recognise revenue when (or as) the entity satisfies a performance obligation

Under Ind AS 115, an entity recognises revenue when (or as) a performance obligation is satisfied, i.e. when 'control' of the goods or services underlying the particular performance obligation is transferred to the customer.

The Company has completed its evaluation of the possible impact of Ind AS 115 and will adopt the standard with all related amendments to all contracts with customers retrospectively with the cumulative effect of initially applying the standard recognised at the date of initial application. Under this transition method, cumulative effect of initially applying IND AS 115 is recognised as an adjustment to the opening balance of retained earnings of the annual reporting period. The standard is applied retrospectively only to contracts that are not completed contracts at the date of initial application. The Company does not expect the impact of the adoption of the new standard to be material on its retained earnings and to its net income on an ongoing basis.

Signature to note 1 to 35

For B S R & Co. LLP
Chartered Accountants

Firm Registration No. 101248W/W-100022

Vaibhav Shah
Partner

Membership No. 117377

Mumbai, 30 April 2018

For and on behalf of the Board of Directors

R T Wasan
Director
DIN - 06425463

V B Somaiya
Director
DIN - 03185227

Ravichandran Murugesan
Managing Director, Chief Executive Officer & Principal Officer
DIN - 07899184

Bhanu Bhai Sharma
Chief Financial Officer & Company Secretary

Mumbai, 30 April 2018

Tata Motors Insurance Broking And Advisory Services Limited MUMBAI