

SHEBA PROPERTIES LIMITED

2014-15

**INDEPENDENT AUDITORS' REPORT
TO THE MEMBERS OF
SHEBA PROPERTIES LIMITED**

Report on the Financial Statements

We have audited the accompanying financial statements of **SHEBA PROPERTIES LIMITED** ("the Company"), which comprise the Balance Sheet as at March 31, 2015, the Statement of Profit and Loss and the Cash Flow Statement for the year then ended, and a summary of the significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

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

We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the

audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

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

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

Opinion

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

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2015 ("the Order") issued by the Central Government in terms of Section 143(11) of the Act, we give in the Annexure a statement on the matters specified in paragraphs 3 and 4 of the Order.
2. As required by Section 143 (3) of the Act, we report that:
 - (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it

appears from our examination of those books.

- (c) The Balance Sheet, the Statement of Profit and Loss, and the Cash Flow Statement dealt with by this Report are in agreement with the books of accounts.
- (d) In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
- (e) On the basis of the written representations received from the directors as on March 31, 2015 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2015 from being appointed as a director in terms of Section 164 (2) of the Act.
- (f) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
 - i. The Company has disclosed the impact of pending litigations on its financial position in its financial statements – Refer Note 21 (A) to the 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.

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

B.P.Shroff
Partner
(Membership No. 34382)

Place: Mumbai
Date:

ANNEXURE TO THE INDEPENDENT AUDITORS' REPORT

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

- (i) Having regard to the nature of the Company's business/activities/results during the year, clauses 3(ii), 3 (vi), of paragraph 3 the Order are not applicable to the Company.
- (ii) In respect of its fixed assets:
 - (a) The Company does not consider it necessary to maintain a fixed assets register having regard to the nature of its fixed assets, which in quantitative terms substantially comprise assets given on lease and fully depreciated except for leased building where the Company has maintained proper records showing full particulars including quantitative details and situation of fixed assets.
 - (b) Except for the leased building, other fixed assets have not been physically verified by the management, but having regard to the position stated in paragraph (ii)(a) above, the discrepancies, if any, as explained to us, are unlikely to be material.
- (iii) The Company has neither granted nor taken any loans, secured or unsecured, to/from companies, firms or other parties covered in the Register maintained under Section 189 of the Companies Act, 2013.
- (iv) In our opinion and according to the information and explanations given to us, there is an adequate internal control system commensurate with the size of the Company and the nature of its business with regard to purchase of fixed assets and sale of services. During the course of our audit, we have not observed any major weakness in internal control system.
- (v) According to the information and explanations given to us, the Company has not accepted deposits during the year.
- (vi) According to the information and explanations given to us in respect of statutory dues:
 - (a) The Company has generally been regular in depositing undisputed statutory dues, including, Income Tax, Service Tax, Cess and other material statutory dues applicable to it with the appropriate authorities.
 - (b) There were no undisputed amounts payable in respect of Income Tax, Service Tax, Cess and other material statutory dues in arrears as at March 31, 2015 for a period of more than six months from the date they became payable.
 - (c) There were no disputed amount payable in respect of Income Tax, Service Tax Cess and other material statutory dues in arrears as at March 31, 2015.

- (vii) The Company does not have any accumulated losses at the end of the financial year and the Company has not incurred cash losses during the financial year covered by our audit and in the immediately preceding financial year.
- (viii) In our opinion and according to the information and explanations given to us, the Company has not defaulted in the repayments of dues to financial institutions and banks. The company has not issued any debentures.
- (ix) According to the information and explanations given to us, the Company has not given guarantees for loans taken by others from banks and financial institutions.
- (x) According to the information and explanations given to us, the Company has not obtained any term loans during the year.
- (xi) To the best of our knowledge and according to the information and explanations given to us, no fraud by the Company and no fraud on the Company has been noticed or reported during the year.

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

B.P.Shroff
Partner
(Membership No. 34382)

Mumbai, May , 2015

May 21, 2015

The Board of Directors
Sheba Properties Limited
C/o Tata Motors Limited
3rd Floor, Nanavati Mahalaya,
18, Homi Mody Street,
Hutatma Chowk, Fort,
Mumbai – 400 001

Dear Sirs,

As required under the Reserve Bank of India's Notification No. DNBS.201 /DG(VL) – 2008 dated September 18, 2008, on the basis of our audit of the books of account and other records of **SHEBA PROPERTIES LIMITED** (the 'Company') for the year ended March 31, 2015 in accordance with the Generally Accepted Auditing Standards and according to the information, explanations and representations given to us by the Management, we report as follows, in terms of paragraphs 3 and 4 of the Notification:

1. The Company is engaged in the business of Non- Banking Financial Institution as defined in Section 45 I (a) of the Reserve Bank of India Act, 1934 and has obtained the Certificate of Registration (CoR) bearing No.13.00217 dated March 4, 1998 from the Reserve Bank of India ("the RBI").
2. The Company is entitled to continue to hold the CoR based on its asset / income pattern as on March 31, 2015, which has been computed in the manner laid down in the RBI Circular No. DNBS (PD) C.C. NO. 81 / 03.05.002 /2006-07 dated October 19, 2006.
3. The Board of Directors has passed a resolution on April 29, 2014 for non-acceptance of public deposits during the year 2014 -15.
4. The Company has not accepted any public deposit during the year 2014 -15.
5. The Company has complied with the prudential norms relating to income recognition, accounting standards, asset classification and provisioning for bad and doubtful debts as applicable to it in terms of the Non-Banking Financial (Non-Deposit Accepting or Holding) Companies Prudential Norms (Reserve Bank) Directions, 2007 .

6. The Capital Adequacy Ratio (CRAR) of the Company as on March 31, 2015 as disclosed in the Return to be submitted to the Bank in form NBS-7 is 98.22% and the same has been correctly computed. The said ratio is in compliance with the minimum CRAR of 15% as prescribed by the RBI.
8. We are informed by your official designated as Manager, that the Annual statement of capital funds, risk assets/ exposure and risk assets etc. referred above, will be filed with the RBI within the stipulated period.

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

B.P.Shroff
Partner
(Membership No. 34382)

Place: Mumbai

SHEBA PROPERTIES LIMITED
Balance Sheet as at March 31, 2015

	Note	Page	As at March 31, 2015 (₹)	As at March 31, 2014 (₹)
I EQUITY AND LIABILITIES				
1 SHAREHOLDERS' FUNDS				
(a) Share capital	3	5	75,00,00,000	75,00,00,000
(b) Reserves and surplus	4	5	115,55,94,319	99,38,65,835
2 NON CURRENT LIABILITIES				
(a) Other long term liabilities	5	6	2,35,00,000	2,35,00,000
3 CURRENT LIABILITIES				
(a) Other current liabilities	6	6	33,79,824	18,06,629
(b) Short term provisions	7	6	63,52,475	65,19,975
TOTAL			193,88,26,618	177,56,92,439
II ASSETS				
1 NON CURRENT ASSETS				
(a) Fixed assets				
- Tangible assets	8	7	4,84,46,337	5,22,11,654
(b) Non current investments	9	8	135,75,93,426	129,51,04,677
(c) Deferred tax assets (net)	10	9	38,30,713	38,45,113
(d) Long term loans and advances	11	9	2,43,68,528	2,28,13,147
2 CURRENT ASSETS				
(a) Current investments	12	9	29,71,93,863	12,24,11,459
(b) Cash and bank balances	13	10	10,50,975	5,25,513
(c) Short term loans and advances	14	10	20,61,43,394	27,30,54,126
(d) Other current assets	15	10	1,99,382	57,26,750
TOTAL			193,88,26,618	177,56,92,439
III NOTES FORMING PART OF FINANCIAL STATEMENTS				

In terms of our report attached

For and on behalf of the Board of Directors

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

C Ramakrishnan

P D Karkaria

B. P. Shroff
Partner

V B Somaiya
Manager

S H Rajadhyaksha

Mahesh B Sathe
Company Secretary & Chief Financial Officer

H K Sethna
Directors

Mumbai May 21, 2015

Mumbai May 21, 2015

SHEBA PROPERTIES LIMITED

Statement of Profit and Loss for the Year Ended March 31, 2015

	<u>Note</u>	<u>Page</u>	2014-15 (₹)	2013-14 (₹)
I. REVENUE FROM OPERATIONS	16	11	10,97,89,408	10,26,96,435
II. PROFIT ON SALE OF LONG TERM INVESTMENTS (NET)			9,63,74,308	-
III. OTHER INCOME	17	11	8,71,800	19,99,583
IV. TOTAL REVENUE (I + II + III)			20,70,35,516	10,46,96,018
V. EXPENSES :				
(a) Depreciation and amortisation expense	8	7	37,65,317	37,65,317
(b) Other expenses	18	11	1,22,61,816	1,28,85,295
TOTAL EXPENSES			1,60,27,133	1,66,50,612
VI. PROFIT BEFORE TAX (IV - V)			19,10,08,383	8,80,45,406
VII. TAX EXPENSE :				
(a) Current tax	19	12	2,92,65,499	76,90,000
(b) Deferred tax			14,400	93,000
			2,92,79,899	77,83,000
VIII. PROFIT FOR THE YEAR FROM CONTINUING OPERATIONS (VI- VII)			16,17,28,484	8,02,62,406
IX. EARNINGS PER SHARE (BASIC AND DILUTED) (Face value of ₹ 100 each)	20	12	21.56	10.70
X. NOTES FORMING PART OF FINANCIAL STATEMENTS				

In terms of our report attached

For and on behalf of the Board of Directors

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

C Ramakrishnan

P D Karkaria

B. P. Shroff
Partner

V B Somaiya
Manager

S H Rajadhyaksha

Mahesh B Sathe

H K Sethna
Directors

Company Secretary & Chief Financial Officer

Mumbai May 21, 2015

Mumbai May 21, 2015

SHEBA PROPERTIES LIMITED
Cash Flow Statement for Year ended March 31, 2015

	2014-15 (₹)	2013-14 (₹)
A. Cash flow from operating activities		
Profit after tax	16,17,28,484	8,02,62,406
Adjustments for :		
Income tax	2,92,65,499	76,90,000
Deferred tax	14,400	93,000
Depreciation	37,65,317	37,65,317
Profit on sale of current Investments	(1,52,43,965)	(76,92,888)
Profit on sale of long term investments (net)	(9,63,74,308)	-
Reversal of provision for doubtful loans (net)	(1,71,862)	(3,37,187)
Liabilities written back	-	(1,061,040)
Loans and advances written off	-	40,215
Contingent provision against standard assets	(1,67,500)	50,000
Operating profit before working capital changes	8,28,16,065	8,28,09,823
Adjustments for :		
Other current and non Current assets	6,76,09,962	(2,03,35,968)
Other current and non current liabilities	15,73,195	52,086
Cash from operations	15,19,99,222	6,25,25,941
Direct taxes paid (net)	(3,08,20,880)	(80,83,325)
Net Cash from operating activities (A)	12,11,78,342	5,44,42,616
B Cash flow from investing activities		
Purchase of long term investment	(8,84,29,190)	(3,88,16,214)
Sale of long term investment	12,73,14,750	-
Sale / (purchase) of mutual fund (net)	(15,95,38,440)	(2,05,16,684)
Net cash (used in) investing activities (B)	(12,06,52,880)	(5,93,32,898)
C. Cash flow from financing activities		
Net cash (used in) financing activities (C)	-	-
Net increase / (decrease) in cash and cash equivalents [(A)+(B)+(C)]	5,25,462	(48,90,282)
Cash and cash equivalents as at April 1, (opening balance)	5,25,513	54,15,795
Cash and cash equivalents as at March 31, (closing balance)	10,50,975	5,25,513

Notes :

1. Previous year figures have been regrouped wherever necessary.
2. Since the Company is an investment company, purchase and sale of investments have been considered as "Cash flow from investing activities" and interest, dividend income and interest paid has been considered as arising from "Cash flow from operating activities" .

In terms of our report attached

For and on behalf of the Board of Directors

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

C Ramakrishnan

P D Karkaria

B. P. Shroff
Partner

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Mahesh B Sathe
Company Secretary & Chief Financial Officer

H K Sethna
Directors

Mumbai May 21, 2015

Mumbai May 21, 2015

SHEBA PROPERTIES LIMITED

Notes Forming Part of Financial Statements

Note 1

Corporate Information

The Company is a wholly owned subsidiary of Tata Motors Limited (TML) and is registered as a Non-Banking Financial (Non Deposit Accepting or Holding) Company with the Reserve Bank of India with effect from March 4, 1998.

Note 2

Significant Accounting Policies

a) Basis of preparation

The financial statements have been prepared and presented under the historical cost convention, on the accrual basis of accounting and in accordance with the Generally Accepted Accounting Principles in India (Indian GAAP) to comply with the Accounting Standards notified under section 211(3C) of the Companies Act, 1956 ("The 1956 Act") (which continue to be applicable in respect of Section 133 of the Companies Act, 2013 ("The 2013 Act") in terms of General Circular 15/2013 dated 13th September 2013 of ministry of corporate affairs) and the Act 2013 as applicable. Further, the Company follows the directions issued by the Reserve Bank of India (RBI) for Non-Banking Financial Companies (NBFCs).

b) Use of Estimates

The preparation of financial statements requires management to make estimates and assumptions that affect the reported amounts of assets, liabilities and disclosures of contingent liabilities as at the date of these financial statements and reported amounts of revenue and expenses for the years presented. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Any revision to accounting estimates is recognised prospectively in the current and future years.

c) Fixed Assets and Leased Assets

Fixed assets are valued at cost less depreciation. Finance lease, if any, entered into after April 01, 2001 shall be treated as loans in accordance with Accounting Standard 19 – Accounting for Leases.

d) Depreciation

Depreciation on assets other than those given on lease is provided on the basis of straight-line method at the rates prescribed in schedule II to the Companies Act, 2013. Depreciation on assets leased prior to April 01, 2001 is provided over primary period of the lease on straight-line basis.

e) Investments

Long Term Investments are stated at cost less provision to recognize a decline, other than temporary, in the value of such investments. Current investments are stated at lower of cost and fair value.

f) Revenue recognition

Dividend income is recognized as revenue once the right to receive the same is established. Interest income is recognized on time proportion basis.

g) Interest Income on Loan Transactions

- (i) Interest income on loan contracts is accounted on accrual basis except that no interest income is recognized on Non-Performing Assets as per the Prudential Norms for income recognition issued by the RBI for NBFCs. Interest income on such assets is recognized when received.
- (ii) The Company being a Non-Banking Financial Company follows the Prudential norms issued by the RBI for provisioning on Non-Performing Assets. In addition to the provisioning as per RBI norms, the Company also fully provides for total receivables, where any instalments are due for a period exceeding 11 months less estimated value of repossessed vehicles.

h) Tax on Income

- (i) Current tax is the amount of tax payable on the taxable income for the year as determined in accordance with the provisions of Income-tax Act, 1961. Current tax is net of credit for entitlement for Minimum Alternative Tax.
- (ii) Deferred tax is recognized, on timing differences, being difference between taxable income and accounting income that originate in one period and are capable of reversal in one or more subsequent periods.
- (iii) Deferred tax assets and liabilities are measured based on the tax rates that are expected to apply in the period when asset is realised or the liability is settled, based on tax rates and tax laws that have been enacted or substantially enacted by the balance sheet date.

i) Liabilities and contingent liabilities

The Company records a liability for any claims where a potential loss is probable and capable of being estimated and discloses such matters in its financial statements, if material. For potential losses that are considered possible, but not probable, the Company provides disclosure in the financial statements but does not record a liability in its accounts unless the loss becomes probable.

SHEBA PROPERTIES LIMITED
Notes Forming Part of Financial Statements

3. Share capital

a. Authorised:

75,00,000 (As at March 31, 2014 : 75,00,000) Equity Shares of ₹ 100 each.

b. Issued, subscribed and fully paid:

75,00,000 (as at March 31, 2014 : 75,00,000) Equity Shares of ₹ 100 each.

As at March 31, 2015	As at March 31, 2014
(₹)	(₹)
75,00,00,000	75,00,00,000
75,00,00,000	75,00,00,000
75,00,00,000	75,00,00,000
75,00,00,000	75,00,00,000

c. Movement of number of shares and share capital :

	2014-15		2013-14	
	No. of shares	(₹)	No. of shares	(₹)
Equity shares as on April 1	75,00,000	75,00,00,000	75,00,000	75,00,00,000
Add : Shares issued during the year	-	-	-	-
Equity shares as on March 31	75,00,000	75,00,00,000	75,00,000	75,00,00,000

d. Terms / rights attached to the equity shares :

The Company has only one class of equity shares having a par value of ₹ 100 per share. Each holder of equity shares is entitled to one vote per share. The Company declares and pays dividend in Indian Rupees as proposed by the Board of Directors.

In the event of liquidation of the company, the holders of equity shares will be entitled to receive remaining assets of the company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

e. Shares in the company held by each shareholder holding more than 5 % shares

All shares are held by Tata Motors Limited, the Holding Company, and its nominees.

4. Reserves and surplus

	As at March 31, 2014	Additions	Deductions	As at March 31, 2015
	(₹)	(₹)	(₹)	(₹)
(a) Capital redemption reserve	1,800	-	-	1,800
	1,800	-	-	1,800
(b) Special reserve (see note (i) below)	54,38,84,253	3,23,45,697	-	57,62,29,950
	52,78,31,772	1,60,52,481	-	54,38,84,253
(c) General reserve	17,85,58,875	-	-	17,85,58,875
	17,85,58,875	-	-	17,85,58,875
(d) Surplus in statement of profit and loss (see note (ii) below)	27,14,20,907	16,17,28,484	3,23,45,697	40,08,03,694
	20,72,10,982	8,02,62,406	1,60,52,481	27,14,20,907
	99,38,65,835	19,40,74,181	3,23,45,697	115,55,94,319
	91,36,03,429	9,63,14,887	1,60,52,481	99,38,65,835

Note (i)

Special reserve of ₹ 57,62,29,950 (as at March 31, 2014 ₹ 54,38,84,253) represents reserve created pursuant to the Reserve Bank of India (Amendment) Ordinance, 1997, under Section 45-IC of the Reserve Bank of India Act, 1934. The amount transferred to the special reserve is equivalent to 20% of profit after tax for the year.

Note (ii)

Changes in surplus in profit and loss statement

	2014-15		2013-14	
	(₹)		(₹)	
	Additions	Deductions	Additions	Deductions
Profit for the year	16,17,28,484		8,02,62,406	
Transfer to special reserve		3,23,45,697		1,60,52,481

SHEBA PROPERTIES LIMITED
Notes Forming Part of Financial Statements

5. Other long term liabilities

Others

Security deposit [See Note 23(b)]

As at March 31, 2015	As at March 31, 2014
(₹)	(₹)
2,35,00,000	2,35,00,000
2,35,00,000	2,35,00,000

6. Other current liabilities

Professional fees payable to holding company

Statutory dues

Provision for interest on service tax

Others

As at March 31, 2015	As at March 31, 2014
(₹)	(₹)
13,82,521	-
1,75,988	21,911
15,00,000	15,00,000
3,21,315	2,84,718
33,79,824	18,06,629

7. Short term provisions

Provision for taxation (net of advance tax)

Contingent provision against standard assets (see note below)

As at March 31, 2015	As at March 31, 2014
(₹)	(₹)
58,37,475	58,37,475
5,15,000	6,82,500
63,52,475	65,19,975

Note : Contingent provision against standard assets

The Reserve Bank of India issued Notification No. RBI/2010-11/370 DNBS.PD.CC.No.207/03.02.002/2010-11 dated January 17, 2011 requiring all NBFCs to make a general provision at 0.25 per cent of the outstanding standard assets. The contingent provision against standard assets for the Company as at March 31, 2015 is ₹ 5,15,000 (as at March 31, 2014 ₹ 6,82,500).

SHEBA PROPERTIES LIMITED
Notes Forming Part of Financial Statements

8. Fixed assets

I. Tangible assets

Particulars	Gross Block				Accumulated Depreciation				Net Block
	Opening Balance as at April 01, 2014	Additions	Disposals	Closing Balance as at March 31, 2015	Opening Balance as at April 01, 2014	Depreciation for the year	Disposals	Closing Balance as at March 31, 2015	Closing Balance as at March 31, 2015
	(₹)	(₹)	(₹)	(₹)	(₹)	(₹)	(₹)	(₹)	(₹)
Assets given on lease									
1. Building	7,53,06,340	-	-	7,53,06,340	2,30,94,686	37,65,317	-	2,68,60,003	4,84,46,337
(see note 1 below)	<i>7,53,06,340</i>	-	-	<i>7,53,06,340</i>	<i>1,93,29,369</i>	<i>37,65,317</i>	-	<i>2,30,94,686</i>	<i>5,22,11,654</i>
2. Plant and equipments	3,15,06,100	-	-	3,15,06,100	3,15,06,100	-	-	3,15,06,100	-
	<i>3,15,06,100</i>	-	-	<i>3,15,06,100</i>	<i>3,15,06,100</i>	-	-	<i>3,15,06,100</i>	-
Total	10,68,12,440	-	-	10,68,12,440	5,46,00,786	37,65,317	-	5,83,66,103	4,84,46,337
	<i>10,68,12,440</i>	-	-	<i>10,68,12,440</i>	<i>5,08,35,469</i>	<i>37,65,317</i>	-	<i>5,46,00,786</i>	<i>5,22,11,654</i>

Note :

1. Building includes :

- (a) ₹ 500 (as at March 31, 2014: ₹ 500) being value of investment in 10 shares of ₹ 50 each in the Pallonji Mansion Co-operative Housing Society Limited.
(b) Residential Flat of ₹ 6,69,97,700 (as at March 31, 2014 ₹ 6,69,97,700).

2. Figures in *Italics* pertains to previous year

9. Non current investments

165.47.87.289

SHEBA PROPERTIES LIMITED
Notes Forming Part of Financial Statements

10. Deferred tax assets (net)

	As at March 31, 2015	As at March 31, 2014
	(₹)	(₹)
(a) Major components of deferred tax arising on account of timing differences are :		
Provision for doubtful loans	35,67,737	36,23,676
Provision for standard assets	1,67,265	2,21,437
Difference in carrying amount of current investments	95,711	-
Net deferred tax assets	38,30,713	38,45,113
(b) Deferred tax charge for the year :		
Opening deferred tax assets	38,45,113	39,38,113
Closing deferred tax assets	38,30,713	38,45,113
Deferred tax charge for the year	14,400	93,000

11. Long term loans and advances

	As at March 31, 2015	As at March 31, 2014
	(₹)	(₹)
Advance payment against taxes (net of provisions)	2,43,68,528	2,28,13,147
	2,43,68,528	2,28,13,147

12. Current investments

Number	Face value per unit	Description	Cost as at March 31, 2015	Cost as at March 31, 2014
	(₹)		(₹)	(₹)
		Investments in mutual funds - Unquoted (At cost or fair value whichever is lower)		
		Birla Sun Life Mutual Fund :		
155,340.2130	100	Birla Sunlife Savings Fund Instl.- Growth	3,58,02,089	2,18,02,089
-	-	Birla Sunlife Cash Plus-Growth	-	82,12,985
		ICICI Prudential Mutual Fund :		
58,178.264	100	ICICI Prudential Liquid Regular Plan Growth	1,17,00,000	-
		Tata Mutual Fund :		
-	-	Tata Money Market Fund Plan A- Growth	-	30,08,191
		UTI Mutual Fund :		
-	-	UTI Floting Rate Fund - Short Term Plan -Growth	-	2,00,26,365
		Franklin Tempelton Mutual Fund :		
2,530,115.112	10	Franklin India Ultra Short Bond Fund Super Institutional Plan - Growth	4,27,53,557	1,80,00,000
100,979.029	1000	Franklin India Treasury Management Account -Super Institutional Plan - Growth	20,69,38,217	-
		J.P. Morgan Asset Management :		
-	-	J P Morgan India Liquid Fund Super Institutional Growth	-	60,00,000
		HDFC Mutual Fund :		
-	-	HDFC Liquid Fund Growth	-	4,13,61,829
		SBI Mutual Fund :		
-	-	SBI Premier Liquid Fund - Regular Plan - Growth	-	40,00,000
			29,71,93,863	12,24,11,459

SHEBA PROPERTIES LIMITED
Notes Forming Part of Financial Statements

13. Cash and bank balances

Cash and cash equivalents
(a) Current accounts with banks

As at March 31, 2015	As at March 31, 2014
(₹)	(₹)
10,50,975	5,25,513
10,50,975	5,25,513

14. Short term loans and advances

(a) Fellow subsidiaries
Unsecured - considered good
Inter Corporate Deposits

Total (a)

(b) Others

(1) Secured

Vehicle loans
Considered good
Considered doubtful

Less: Provision for doubtful loans

Note : Vehicle loans are secured against hypothecation of the underlying vehicle.

(2) Unsecured - considered good

Inter Corporate Deposits
Deposits with government, public bodies and others

Total (b)

As at March 31, 2015	As at March 31, 2014
(₹)	(₹)
20,30,00,000	27,00,00,000
20,30,00,000	27,00,00,000
-	-
1,09,96,262	1,11,68,124
1,09,96,262	1,11,68,124
1,09,96,262	1,11,68,124
-	-
30,00,000	30,00,000
1,43,394	54,126
31,43,394	30,54,126
20,61,43,394	27,30,54,126

15. Other current assets

Interest accrued on :

Non-Convertible Debentures
Dividend receivable
Receivable from redemption of redeemable non convertible debentures

As at March 31, 2015	As at March 31, 2014
(₹)	(₹)
1,58,182	-
41,200	7,26,750
-	50,00,000
1,99,382	57,26,750

SHEBA PROPERTIES LIMITED
Notes Forming Part of Financial Statements

16. Revenue from operations

Interest and other operational income

- (a) Income from loan transactions (See Note (i) below)
- (b) Dividend income(See Note (ii) below)
- (c) Profit on sale of short term investments
- (d) Interest income (See note (iii) below)
- (e) Income from Flying Hours
- (f) Provision for doubtful loans written back

2014-15	2013-14
(₹)	(₹)
18,466	90,881
5,15,51,494	4,99,14,883
1,52,43,965	76,96,884
2,86,68,065	2,49,78,590
1,41,35,556	1,96,78,010
1,71,862	3,37,187
10,97,89,408	10,26,96,435

Notes :

(i) Income from loan transactions include :

- (a) Interest income from loan contracts
- (b) Late payment charges income from loan contracts

(ii) Dividend income from :

- (a) Long term investments

(iii) Interest income include :

- (a) Interest income from Inter Corporate Deposits
- (b) Interest Income on Long Term Investments

2014-15	2013-14
(₹)	(₹)
18,245	12,551
221	77,743
5,15,51,494	4,99,14,883
2,51,47,965	2,18,28,591
35,20,100	31,49,999

17. Other income

- (a) Rent income
- (b) Interest income on fixed deposit / Application Money
- (c) Liabilities written back
- (d) Miscellaneous Income

2014-15	2013-14
(₹)	(₹)
8,71,800	8,71,800
-	60,833
-	10,61,040
-	5,910
8,71,800	19,99,583

18. Other expenses

- (a) Expenses on flying hours
- (b) Payment to auditors (see note below)
- (c) Professional fees
- (d) Provision against standard assets
- (e) Loans and advances written off
- (f) Reversal of service tax credit
- (g) Expenditure on Corporate Social Responsibility
- (h) Interest on TDS deducted but not paid
- (i) Miscellaneous expenses

2014-15	2013-14
(₹)	(₹)
83,05,480	1,13,78,580
5,36,217	5,31,500
20,15,134	2,250
(1,67,500)	50,000
34,468	40,215
5,67,351	7,68,690
7,00,000	-
4,608	-
2,66,058	1,14,060
1,22,61,816	1,28,85,295

Note :

Payment to auditors for

- Audit
- Tax audit
- Other services
- Out of pocket expenses

2014-15	2013-14
(₹)	(₹)
3,75,000	3,75,000
75,000	75,000
81,500	81,500
4,717	-
5,36,217	5,31,500

SHEBA PROPERTIES LIMITED
Notes Forming Part of Financial Statements

19. Current tax

	2014-15 (₹)	2013-14 (₹)
Current tax	2,92,65,499	1,36,08,000
Less : MAT credit entitlement	-	(59,18,000)
Current tax (net of credit for Minimum Alternate Tax)	2,92,65,499	76,90,000

20. Earnings per share

	2014-15 (₹)	2013-14 (₹)
(a) Profit after tax..... ₹	16,17,28,484	8,02,62,406
(b) Weighted average number of shares for Basic and Diluted EPS Nos.	75,00,000	75,00,000
(c) Nominal value per share ₹	100	100
(d) Earnings per share (basic and diluted) ₹	21.56	10.70

21. (A) Contingent liabilities and commitments (to the extent not provided for) :

	As at March 31, 2015 (₹)	As at March 31, 2014 (₹)
(i) Income tax in respect of matters :		
(a) Pending before the Appellate authority in respect of which the Company is in appeal.	75,18,090	52,87,016

- (ii) Income-tax on long term capital gains arising on sale of equity shares during the year ended March 31, 2008 in Tata Steel Limited to the Holding Company, Tata Motors Limited, estimated at ₹ 1,05,25,000 as the corresponding income had been claimed as exempt under section 47(v) read with section 47A of the Income-tax Act, 1961; but would be taxable if the holding company does not continue to hold its shareholding in the company for at least a further period of eight years from the date of sale (now one year), as stipulated in the said section.

	As at March 31, 2015 (₹)	As at March 31, 2014 (₹)
(B) Commitment to invest in SBI Macquarie Infrastructure Trust	1,52,12,495	3,30,72,893

- 22.** The Company is a non-deposit taking Non-Banking Financial Company engaged mainly in Investment activities operating primarily in India. This in the context of Accounting Standard 17 on segment reporting, as specified in the Companies (Accounting Standards) Rules, 2006 is considered to constitute one single primary segment. Further there is no reportable secondary segment i.e. Geographical Segment.

SHEBA PROPERTIES LIMITED
Notes Forming Part of Financial Statements

23. Related Party disclosures:

(a) Related parties and their relationship

- (i) Holding Company
 - Tata Motors Limited
- (ii) Fellow Subsidiaries, with whom there are transactions
 - Concorde Motors India Limited
 - Tata Marcopolo Motors Limited
 - Tata Technologies Limited
 - Tata Motors Insurance Broking and Advisory Services Limited
 - TAL Manufacturing Solutions Limited
 - Tata Motors Distribution Company Limited

(b) Transactions with related parties

(₹)
2014-15

Nature of Relationship

Holding Company

Tata Motors Limited

**Concorde
Motors India
Limited**

**Tata
Marcopolo
Motors Limited**

Fellow Subsidiaries

**Tata Motors
Insurance
Broking and
Advisory
Services
Limited**

**TAL
Manufacturing
Solutions
Limited**

**Tata Motors
Distribution
Company
Limited**

**Tata
Technologies
Limited**

Particulars

Income from aircraft transactions

1,41,35,556
1,96,78,010

-
-

-
-

-
-

-
-

-
-

-
-

Interest income on Inter Corporate Deposit given

-
-

52,58,626
1,05,05,480

1,36,70,136
1,09,88,628

8,72,219
-

48,84,657
-

1,32,329
-

-
-

Inter Corporate Deposits given

-
-

26,00,00,000
16,00,00,000

12,00,00,000
-

5,05,00,000
-

17,00,00,000
-

7,00,00,000
-

-
-

Inter Corporate Deposits recovered

-
-

32,00,00,000
14,00,00,000

20,00,00,000
-

1,75,00,000
-

13,00,00,000
-

7,00,00,000
-

-
-

Advance taken

1,00,00,000
-

-
-

-
-

-
-

-
-

-
-

-
-

Advance refunded

1,00,00,000
-

-
-

-
-

-
-

-
-

-
-

-
-

Rent income

8,71,800
8,71,800

-
-

-
-

-
-

-
-

-
-

-
-

Professional Fees

15,36,134
-

-
-

-
-

-
-

-
-

-
-

-
-

Dividend Income

-
-

-
-

-
-

-
-

-
-

-
-

2,67,95,736
2,27,35,776

Payables :

Security Deposit towards Residential Flat

2,35,00,000
2,35,00,000

-
-

-
-

-
-

-
-

-
-

-
-

Professional Fees payable

13,82,521
-

-
-

-
-

-
-

-
-

-
-

-
-

Receivables :

Inter Corporate Deposits

-
-

4,00,00,000
10,00,00,000

9,00,00,000
17,00,00,000

3,30,00,000
-

4,00,00,000
-

-
-

-
-

Note: Figures in *Italics* pertains to previous year

SHEBA PROPERTIES LIMITED
Notes Forming Part of Financial Statements

24. Capital Risk Adequacy Ratio (CRAR)

As At March 31, 2015	As At March 31, 2014
(i) CRAR %	97.86
(ii) CRAR - Tier I Capital (%)	97.81
(iii) CRAR - Tier II Capital (%)	0.05

25. Exposure to real estate sector

The Company does not have any exposure to the real estate sector as per Notification No. DNBS. 200 / CGM(PK)-2008 dated August 1, 2008.

26. Maturity pattern of certain items of assets and liabilities

(₹)

	1 day to 30/31 days (one month)	Over one month to two months	Over two months to three months	Over three months to six months	Over six months to one year	Over one year to three years	Over three years to five years	Over five years	Total
Liabilities									
Borrowings from Bank	-	-	-	-	-	-	-	-	-
	-	-	-	-	-	-	-	-	-
Market Borrowings	-	-	-	-	-	-	-	-	-
	-	-	-	-	-	-	-	-	-
Assets									
Advances	21,69,96,262	-	-	-	1,43,394	2,43,68,528	-	-	24,15,08,184
	28,41,68,124	-	-	-	54,126	2,28,13,147	-	-	30,70,35,397
Investments	29,71,93,863	-	-	-	-	3,50,00,000	-	132,25,93,426	165,47,87,289
	12,24,11,459	-	-	-	-	3,00,00,000	-	126,51,04,677	141,75,16,136

Note:

- Advances are reported gross of provision for non performing assets.
- Figures in *Italics* pertains to previous year.

SHEBA PROPERTIES LIMITED
Notes Forming Part of Financial Statements

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

C Ramakrishnan

P D Karkaria

S H Rajadhyaksha

H K Sethna
Directors

Mahesh B Sathe
Company Secretary & Chief Financial Officer

V B Somaiya
Manager

Mumbai May 21, 2015

SHEBA PROPERTIES LIMITED

Schedule to the Balance Sheet of Non Deposit taking Non-Banking Financial Company

Disclosure as per Annexure 1 of Non-Banking Financial (Non-Deposit Accepting or Holding) Companies Prudential Norms (Reserve Bank) Directions, 2015.

₹ in Lakhs

Particulars		Amount Outstanding	Amount Overdue
Liabilities Side :			
(1)	Loans and advances availed by the non - banking financial company inclusive of interest accrued thereon but not paid :		
(a)	Debentures : Secured	-	-
	Unsecured	-	-
	(other than falling within the meaning of public deposits)		
(b)	Deferred Credits	-	-
(c)	Term Loans	-	-
(d)	Inter Corporate Loans and Borrowing	-	-
(e)	Commercial Paper	-	-
(f)	Other Loans (specify nature)	-	-

Asset Side :		Amount Outstanding
(2)	Break up of Loans and Advances including bills receivables [other than those included in (4) below]	
(a)	Secured	-
(b)	Unsecured	2,305.12
(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 AFC activities	
(a)	Loans where assets have been repossessed	-
(b)	Loans other than (a) above	-
(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 (please specify)	-
2.	Unquoted :	
(i)	Shares : (a) Equity	-
	(b) Preference	-
(ii)	Debentures and Bonds	-
(iii)	Units of mutual funds	2,971.94
(iv)	Government Securities	-
(v)	Others (please specify)	-
	<u>Long Term Investments (See Note 1)</u>	
1.	Quoted :	
(i)	Shares : (a) Equity	5,819.51
	(b) Preference	-
(ii)	Debentures and Bonds	-
(iii)	Units of mutual funds	-
(iv)	Government Securities	-
(v)	Others (please specify)	-
2.	Unquoted :	
(i)	Shares : (a) Equity	6,008.57
	(b) Preference	399.98
(ii)	Debentures and Bonds	350.00
(iii)	Units of mutual funds	-
(iv)	Government Securities	-
(v)	Others - Investment in Trust Securities (Investment in SBI Macquarie Infrastructure Trust)	1,347.88

₹ in Lakhs

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

		Category	Amounts net of provisions		
			Secured	Unsecured	Total
1.	Related Parties				
(a)	Subsidiaries		-	-	-
(b)	Companies in the same group		-	2,060.00	2,060.00
(c)	Other related parties		-	-	-
2.	Other than related parties		-	245.12	245.12
Total			-	2,305.12	2,305.12

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

		Category	Market Value / Break up of fair value or NAV	Book Value (net of Provisions)
1.	Related Parties			
(a)	Subsidiaries		-	-
(b)	Companies in the same group		8,580.90	8,236.60
(c)	Other related parties		-	-
2.	Other than related parties		9,563.36	8,311.27
(In case of unquoted investments in shares the break up / fair value / NAV is the Book Value.)				
Total			18,144.26	16,547.87

(7) Other Information		
	Particulars	Amount
(i)	Gross Non Performing Assets	
(a)	Related Parties	-
(b)	Other than Related parties	109.96
(ii)	Net Non Performing Assets	-
(a)	Related Parties	-
(b)	Other than Related parties	-
(iii)	Assets acquired in satisfaction of debt	-

Notes :

1. Gross value of Long Term Investments are considered. Provision for Diminution in value of Long Term Investments of ₹ 350 Lakh is not considered in point (4).
2. Net non performing assets are Nil in point (7) as non performing assets are fully provided.

For and on behalf of the Board of Directors

V B Somaiya
Manager

C Ramakrishnan

P D Karkaria

S H Rajadhyaksha

Mahesh B Sathe
Company Secretary & Chief Financial Officer

H K Sethna
Directors

Mumbai May 21, 2015

Mumbai May 21, 2015