

Tata Motors Finance Limited

CIN: U65923MH2006PLC162503

2015 – 16

Registered Office:
10th Floor, 106 A & B,
Maker Chambers III,
Nariman Point,
Mumbai 400021

INDEPENDENT AUDITORS' REPORT

TO THE MEMBERS OF TATA MOTORS FINANCE LIMITED

Report on the Standalone Financial Statements

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

Management's Responsibility for the Standalone Financial Statements

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

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

Auditor's Responsibility

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



We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder and the Order under section 143 (11) of the Act.

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

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the financial statements.

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

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31st March, 2016, and its profit and its cash flows for the year ended on that date.

Report on Other Legal and Regulatory Requirements

1. As required by Section 143 (3) of the Act, we report that:
 - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
 - c) The Balance Sheet, the Statement of Profit and Loss, and the Cash Flow Statement dealt with by this Report

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are in agreement with the books of account.

- d) In our opinion, the aforesaid standalone financial statements comply with the Accounting Standards prescribed under section 133 of the Act, as applicable.
 - e) On the basis of the written representations received from the directors as on 31st March, 2016 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2016 from being appointed as a director in terms of Section 164 (2) of the Act.
 - f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure A". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting.
 - g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
 - i. The Company has disclosed the impact of pending litigations on its financial position in its financial statements- Refer Note 9 and Note 31 to the financial statements;
 - ii. The Company has made provision, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts;
 - iii. There were no amounts which were required to be transferred, to the Investor Education and Protection Fund by the Company.
2. As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government in terms of Section 143(11) of the Act, we give in "Annexure B" a statement on the matters specified in paragraphs 3 and 4 of the Order.

For **DELOITTE HASKINS & SELLS LLP**

Chartered Accountants

(Firm's Registration No. 117366W/W-100018)



V. Srikumar

(Partner)

(Membership No. 84494)

Place: *Gurgaon*
Date: *19* May, 2016

ANNEXURE "A" TO THE INDEPENDENT AUDITOR'S REPORT

(Referred to in paragraph 1 (f) under 'Report on Other Legal and Regulatory Requirements' of our report of even date)

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

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

Management's Responsibility for Internal Financial Controls

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

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 on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") issued by the Institute of Chartered Accountants of India and the Standards on Auditing prescribed under Section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

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

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

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Meaning of Internal Financial Controls Over Financial Reporting

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

Inherent Limitations of Internal Financial Controls Over Financial Reporting

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

Opinion

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

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



V. SRIKUMAR

(Partner)

(Membership No. 84494)

Place: 
Date: 19 May, 2016

ANNEXURE B TO THE INDEPENDENT AUDITOR'S REPORT

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

- (i) (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
- (b) Some of the fixed assets were physically verified during the year by the Management in accordance with a programme of verification, which in our opinion provides for physical verification of all the fixed assets at reasonable intervals. According to the information and explanations given to us no material discrepancies were noticed on such verification.
- (c) With respect to immovable properties of land and buildings that are freehold, according to the information and explanations given to us and the records examined by us and based on the examination of the registered sale deed / transfer deed / conveyance deed provided to us, we report that, the title deeds of such immovable properties are held in the name of the Company as at the balance sheet date.
- (ii) The Company does not have any inventory and hence reporting under clause (ii) of the CARO 2016 is not applicable.
- (iii) The Company has not granted any loans, secured or unsecured, to companies, firms, Limited Liability Partnerships or other parties covered in the register maintained under section 189 of the Companies Act, 2013.
- (iv) The Company has not granted any loans, made investments or provide guarantees and hence reporting under clause (iv) of the CARO 2016 is not applicable.
- (v) According to the information and explanations given to us, the Company has not accepted any deposit during the year.
- (vi) Having regard to the nature of the Company's business / activities, reporting under clause (vi) CARO 2016 is not applicable.
- (vii) According to the information and explanations given to us, in respect of statutory dues:

- (a) The Company has been generally regular in depositing undisputed statutory dues, including Provident Fund, Income-tax, Sales Tax, Service Tax, Value Added Tax, cess and other material statutory dues applicable to it to the appropriate authorities. As informed to us, the provisions of Investor Education and Protection Fund, Employees' State Insurance, Customs Duty and Excise Duty were not applicable to the Company during the year.
- (b) There were no undisputed amounts payable in respect of Provident Fund, Income-tax, Sales Tax, Service Tax, Value Added Tax, cess and other material statutory dues in arrears as at March 31, 2016 for a period of more than six months from the date they became payable.
- (c) Details of dues of Income-tax, Sales Tax, Service Tax, and Value Added Tax which have not been deposited as on March 31, 2016 on account of disputes are given below:

Name of Statute	Nature of Dues	Forum where Dispute is Pending	Period to which the Amount Relates	Amount Involved (In Rs. Lakhs)	Net of Amount paid under protest (In Rs. Lakhs)
Income Tax Act, 1961	Income Tax	Commissioner of Income Tax (Appeals)	F.Y.2011-12 & FY 2012-13	22,85.14	8,71.53
Andhra Pradesh Value Added Tax Act, 2005	Sales Tax	High Court	FY 2007-08 to 2012-13	10,05.28	6,70.19
West Bengal Value Added Tax Act, 2003	Sales Tax	Supreme Court	FY 2007-08 to 2011-12	3,64.93	Nil
The Madhya Pradesh Value Added Tax Act, 2006	Entry Tax	Appellate Authority, Commercial Tax Bhopal	F.Y.2010-11	1,00.34	64.97
Uttarakhand Value Added Tax Act, 2005	Sales Tax Penalty	Commercial Tax Tribunal, Dehradun (Uttarakhand) (Appeal)	FY 2008-09 & 2010-11	12.19	8.13
The Uttar Pradesh Value Added Tax	Sales Tax	Commercial Tax Tribunal,	F.Y.2007-08 & 2008-09	9.00	Nil

Act,2008		Lucknow (Appeal)			
Jharkhand Value Added Tax Act,2006	Sales tax	Commercial Tax Tribunal Jharkhand & Ranchi (Appeal)	FY 2010-11	5.51	5.51

- (viii) In our opinion and according to the information and explanations given to us, the Company has not defaulted in the repayment of loans or borrowings to financial institutions, banks and government and dues to debenture holders.
- (ix) The Company has not raised moneys by way of initial public offer or further public offer (including debt instruments). Further in respect of moneys borrowed through term loans, in our opinion and according to the information and explanations given to us, the Company has utilized the money for the purposes for which they were borrowed, other than temporary deployment pending application of proceeds.
- (x) To the best of our knowledge and according to the information and explanations given to us, no material fraud by the Company and no material fraud on the Company by its officers or employees has been noticed or reported during the year.
- (xi) In our opinion and according to the information and explanations given to us, the Company has paid / provided managerial remuneration in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Companies Act, 2013.
- (xii) The Company is not a Nidhi Company and hence reporting under clause (xii) of the CARO 2016 Order is not applicable.
- (xiii) In our opinion and according to the information and explanations given to us the Company is in compliance with Section 188 and 177 of the Companies Act, 2013, where applicable, for all transactions with the related parties and the details of related party transactions have been disclosed in the financial statements etc. as required by the applicable accounting standards.
- (xiv) According to the information and explanations given to us, during the year under review the Company has made private placement of 4,34,00,000 Cumulative, Non-Participating Compulsorily Convertible Preference Shares ("CCPS") bearing a face value of Rs.100/-.

In respect of the above issue, we further report that:

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Haskins & Sells LLP

- a) the requirement of Section 42 of the Companies Act, 2013, as applicable, have been complied with;
and
 - b) the amounts raised have been applied by the Company during the year for the purposes for which the funds were raised, other than temporary deployment pending application.
- (xv) In our opinion and according to the information and explanations given to us, during the year the Company has not entered into any non-cash transactions with its directors or persons connected with him and hence provisions of section 192 of the Companies Act, 2013 are not applicable.
- (xvi) The Company is required to be registered under section 45-I of the Reserve Bank of India Act, 1934 and it has obtained the registration.

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



V. Srikumar
(Partner)

(Membership No. 84494)

Place: *Gurgaon*
Date: *29* May, 2016

Balance Sheet as at March 31, 2016

(Rs. in Lakhs)

Particulars	Notes	As at March 31, 2016	As at March 31, 2015
I. EQUITY AND LIABILITIES			
(1) Shareholders' Funds			
(a) Share Capital	3	1753,02.08	1319,02.08
(b) Reserves and Surplus	4	1846,96.03	1857,24.12
		3599,98.11	3176,26.20
(2) Non-Current Liabilities			
(a) Long-term borrowings	5	6345,42.54	8872,29.07
(b) Other Long term liabilities	6	407,29.98	551,25.29
(c) Long term provisions	7	42,04.43	83,64.05
		6794,76.95	9507,18.41
(3) Current Liabilities			
(a) Short-term borrowings	8	5408,45.77	1677,68.40
(b) Trade payables	9	137,92.44	132,54.39
(c) Other Current liabilities	10	4596,15.25	3586,52.46
(d) Short-term provisions	7	70,80.45	55,81.03
		10213,33.91	5442,56.28
Total		20608,08.97	18126,00.89
II. ASSETS			
(1) Non-current assets			
(a) Fixed assets			
(i) Tangible assets	11	80,56.31	96,25.30
(ii) Intangible assets	12	3,52.45	5,96.86
(iii) Capital work-in-progress		42.81	23.75
(b) Non-current investments	13	1916,52.51	1519,87.85
(c) Deferred tax assets (net)	15B	399,50.00	408,19.26
(d) Finance receivables	16	9517,56.53	7929,78.69
(e) Long term loans and advances	17	422,74.67	255,27.10
(f) Other non-current assets	18	15,82.44	111,32.77
		12356,67.72	10326,71.58
(2) Current assets			
(a) Current investments	14	443,15.86	275,13.82
(b) Trade receivables	20	65,39.82	45,77.16
(c) Cash and cash equivalent	21	649,60.29	1520,52.82
(d) Finance receivables	16	6593,55.57	5504,46.46
(e) Short term loans and advances	19	493,04.06	424,25.12
(f) Other current assets	18	6,65.65	29,13.93
		8251,41.25	7799,29.31
Total		20608,08.97	18126,00.89
See accompanying notes forming part of the financial statements			

In terms of our report attached

For DELOITTE HASKINS & SELLS LLP
Chartered AccountantsV. Srikumar
PartnerPlace: Gurgaon
Date: May 19, 2016

For and on behalf of the Board of Directors

NASSER MUNJEE
Chairman
(DIN - 00010180)C. RAMAKRISHNAN
Director
(DIN - 0020076)SAMRAT GUPTA
Chief Financial OfficerPlace: Mumbai
Date: May 19, 2016H. N. SINOR
Director
(DIN - 00074905)SHYAM MANI
Managing Director
(DIN - 00273598)VINAY LAVANNIS
Company Secretary

Statement of Profit and Loss for the year ended March 31, 2016

(Rs. in Lakhs)

Particulars	Notes	April 01, 2015 to March 31, 2016	April 01, 2014 to March 31, 2015
I. Revenue from operations	22	2252,51.02	2611,86.61
II. Other income	23	286,73.00	136,58.42
III. Total Revenue (I + II)		2539,24.02	2748,45.03
IV. Expenses:			
Employee benefits expense	24	164,46.54	187,99.36
Finance costs	26	1252,55.99	1758,94.13
Depreciation and amortisation expense	11,12	24,16.53	23,88.32
Other expenses	25	966,14.94	1573,14.12
Total expenses		2407,34.00	3543,95.93
V. Profit / (Loss) before exceptional and extraordinary items and tax (III-IV)		131,90.02	(795,50.90)
VI. Exceptional items		-	742,82.74
VII. Profit / (Loss) before extraordinary items and tax (V + VI)		131,90.02	(52,68.16)
(b) Trade payables			
VIII. Extraordinary Items		-	-
IX. Profit before tax (VII - VIII)		131,90.02	(52,68.16)
X. Tax expense	15A	36,27.82	(233,34.62)
XI. Net Profit for the year from continuing operations (IX - X)		95,62.20	180,66.46
XII. Earnings per equity share (of Rs. 10/- each)			
Basic (in Rs.)	28	0.72	1.38
Diluted (in Rs.)		0.72	1.38
See accompanying notes forming part of the financial statements			

In terms of our report attached


For and on behalf of the Board of Directors

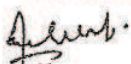
For DELOITTE HASKINS & SELLS LLP
Chartered Accountants



V. Srikumar
Partner


Place: *Gurgaon*
Date: May 19, 2016



NASSER MUNJEE
Chairman
(DIN - 00010180)



C. RAMAKRISHNAN
Director
(DIN - 0020076)


SAMRAT GUPTA
Chief Financial Officer

Place: Mumbai
Date: May 19, 2016


H. N. SINOR
Director
(DIN - 00074905)


SHYAM MANI
Managing Director
(DIN - 00273598)


VINAY LAVANNIS
Company Secretary

Particulars	April 01, 2015 to March 31, 2016	April 01, 2014 to March 31, 2015
A. CASH FLOW USED IN OPERATING ACTIVITY		
Net Profit/ (loss) Before Tax for the year	131,99.02	(52,68.16)
Adjustments for:		
Interest income	(1924,88.44)	(2021,34.45)
Interest income on long term trade investments, bank deposits, etc.	(49,73.10)	(51,33.11)
Discounting charges, amortisation on Zero Coupon Bonds and Discounting charges on Commercial Paper	296,47.56	332,74.93
Depreciation and amortisation expense	24,16.53	23,88.32
Net gains on sale/ redemption of Investments	(12,04.36)	(37,35.19)
Share issue expense	-	10.00
Interest expense and other borrowing costs	956,08.43	1426,19.20
Write off / Loss on sale of fixed assets (net)	38.73	1,36.92
Provision for employee benefit schemes	1,01.80	7,49.30
Provision for Indirect tax	(49,20.85)	19,30.05
Provision for doubtful finance receivables and finance receivables written off	521,24.11	1591,53.99
Provision for credit loss on securitisation	-	(17,00.85)
Provision in respect of liability for servicing direct assigned receivables	-	(9.01)
Provisions on Standard Assets	11,45.00	3,00.00
Provision for doubtful loans and advances and security deposits	7,75.31	261.68
Surplus on slump sale pursuant to Business transfer	-	(74,282.74)
Operating cash flow before working capital changes and discounting charges	(85,39.28)	485,60.88
Movements in working capital:		
Other assets	25,72.68	84,62.46
Short term advances	(76,54.25)	(128,25.42)
Finance Receivables	(3227,05.68)	(603,22.25)
Long term advances	(64,46.92)	(2,657.68)
Trade Receivables	(19,62.66)	(546,16.86)
Trade payables	5,38.05	18,91.72
Other current liabilities	(164,57.96)	432,82.06
Senior Pass Through Certificates - assignment receivables	(293,66.56)	-
Other Long term liabilities	(143,95.31)	(44,05.17)
Margin Money/ Cash Collateral with banks*	83,86.63	35,51.32
	(3874,93.98)	(780,39.82)
Current taxes paid (net)	(103,41.42)	(149,49.87)
Discounting charges on commercial papers and Zero coupon bonds paid	(295,02.78)	(383,11.96)
Interest expense	(959,75.97)	(1450,61.82)
Interest income	1963,10.54	2035,74.51
Net Cash used in operating activities	(3355,42.89)	(242,28.08)
B. CASH FLOW (USED IN) / FROM INVESTING ACTIVITY		
Purchase of fixed assets (including capital work-in-progress and capital advances)	(6,73.73)	(78.51)
Proceeds from sale of fixed assets	45.34	43.59
Realisation from long term Senior Pass Through Certificates	35,52.65	(87,92.30)
Purchase of current investments	(20712,40.91)	(47293,83.15)
Proceeds from sale / redemption of current investments	20821,90.83	47489,67.99
Redemption of trade investments (Note 2)	1,22.80	5,45.23
Purchase of trade investments (Note 2)	-	(3,68.35)
Consideration paid for acquisition of subsidiary	(405,41.15)	(150,116.95)
Interest income on long term trade investments, bank deposits, etc.	48,84.93	5,038.41
Consideration received on sale of business	-	6350,00.00
Expenses paid on sale of Business	-	(14,06.45)
Net cash flow (used in) / from investing activity	(216,59.24)	4994,49.51
C. CASH FLOW FROM / (USED IN) FINANCING ACTIVITIES		
Share issue expenses	(5,75.40)	(10.00)
Issue of share capital (including securities premium thereon)	434,00.00	-
Increase in cash credit (net)	354,25.24	259,22.36
Proceeds / repayments from short term borrowings less than 3 months	1469,73.70	(432,53.51)
Proceeds from short term borrowings 3 months and above	4185,89.17	1964,68.49
Repayment of short term borrowings 3 months and above	(2347,92.10)	(2449,22.92)
Proceeds from long term borrowings	3039,00.00	2404,30.00
Repayment of long term borrowings	(4380,48.36)	(5719,43.25)
Dividend Paid (including Corporate Dividend Tax)	(47,62.62)	(45,25.41)
Net cash from / (used in) financing activities	2701,09.62	(4018,34.24)
Net increase / (decrease) in cash and cash equivalents	(870,92.53)	733,87.19

* Not freely available for use by the Company.

(Rs. in Lakhs)

Particulars	April 01, 2015 to March 31, 2016	April 01, 2014 to March 31, 2015
Cash and cash equivalents as at the beginning of the year	1020,52.82	286,65.63
Cash and cash equivalents as at the end of the year	149,60.29	1020,52.82
Net increase / (decrease) in cash and cash equivalents	(870,92.53)	733,87.19

Notes:

1. Finance costs has been considered as arising from operating activities in view of the nature of the Company's business.
2. Previous year figures includes effect of non-cash transaction on account of gain on redemption of long-term investment.
3. Previous year figures have been regrouped, wherever necessary.

In terms of our report attached


For and on behalf of the Board of Directors

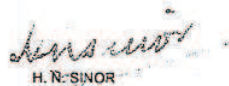
For DELOITTE HASKINS & SELLS LLP
Chartered Accountants




V. Srikumar
Partner


Place: *Gurgaon*
Date: May 19, 2016



NASSER MUNJEE
Chairman
(DIN - 00010180)


H. N. SINOR
Director
(DIN - 00074905)


C. RAMAKRISHNAN
Director
(DIN - 0020076)


SHYAM MANI
Managing Director
(DIN - 00273598)


SAMRAT GUPTA
Chief Financial Officer


VINAY LAVANNIS
Company Secretary

Place : Mumbai
Date : May 19, 2016

Significant accounting policies

Note 1 – CORPORATE INFORMATION

The Company is registered as a Non-Banking Financial (Non deposit accepting or holding) Company with the Reserve Bank of India with effect from August 09, 2006. The Company is a subsidiary of Tata Motors Limited (TML).

Note 2 – SIGNIFICANT ACCOUNTING POLICIES

A. Basis for preparation of financial statements

The financial statements have been prepared in accordance with the Generally Accepted Accounting Principles in India (Indian GAAP), to comply with the Accounting Standards specified under section 133 of Companies Act, 2013, read with rule 7 of the Companies (Accounts) Rules, 2014 and the relevant provision of Companies Act, 2013 ("the 2013 Act")/Companies Act, 1956 ("the 1956 Act") as applicable. The financial statements have been prepared on accrual basis under the historical cost convention. Further, the Company follows the directions issued by the Reserve Bank of India (RBI) for Non- Banking Financial Companies (NBFC). The accounting policies adopted in the preparation of the financial statements are consistent with those followed in the previous year except as stated in note 2 (p).

B. Use of estimates

The preparation of financial statements requires management to make estimates and assumptions that are considered in the reported amounts of assets, liabilities and disclosures of contingent liabilities and reported amounts of revenue and expenses. 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.

C. Revenue recognition

1. Income on finance receivables and loans

Interest income is recognised in the statement of profit and loss on an accrual basis, except in the case of non-performing assets (NPA), where it is recognised upon realisation as per RBI norms.

Late payment charges are accounted on receipt basis on account of uncertainty of ultimate collection.

2. Income from securitisation transactions

i) Revenue recognition consequent to revised securitisation guidelines

The RBI on August 21, 2012 had, issued revised guidelines on securitisation of standard assets. The Company has applied these guidelines to the securitisation transactions effected post August 21, 2012. In accordance with the guidelines, the amount of profit received in cash is

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recorded as a liability on individual transaction basis and is amortised in the statement of profit and loss based on a formula given in the aforesaid guidelines.

In case of securitisation transactions where the Company retains the contractual right to receive some of the interest amount due on the transferred assets, the present value of such interest receivable from the Special Purpose Vehicle (SPV) is capitalised as an Interest Only Strip (I/O Strip). The corresponding gain is recognised in the statement of profit and loss when the I/O Strip is redeemed in cash.

ii) In respect of securitisation transaction effected prior to August 21, 2012

Profits on assignment through SPV (net of expenses such as Direct Selling Agents (DSA)/dealer commission, securitisation expenses, liability for servicing assigned receivables and gross of income such as interest subsidy, etc.) are amortised over the balance life of the securities issued/to be issued to the investor, in the ratio of interest that would have been earned on the securitised receivables over such balance period.

Legal and incidental expenses are charged to the statement of profit and loss in the year in which the securitisation is effected.

3. Income from investments

Dividend income is accounted on accrual basis when the right to receive is established.

Interest income on pass-through-certificates and debentures is accounted on accrual basis.

4. Income from service charges

Income from service charges is recognised as per contractual terms on an accrual basis.

5. Compensation towards interest loss

Compensation towards interest loss receivable from parent company is accrued and recognised as per the contractual terms when such loss occurs.

6. Utilisation of delinquency support

The Company accounts upfront the delinquency support (subvention amount) received in the statement of profit and loss. [also refer note 2 (P) (1)].

D. Provision for standard/non-performing assets

The Company classifies its finance receivable and loans into performing and NPAs in accordance with RBI guidelines. The Company provides an allowance for finance receivables and loans based on the prudential norms issued by the RBI relating to income recognition, asset classification and non-performing assets. In addition to the provisioning as per the RBI norms, provision is also made for the losses anticipated, if any.

The Company makes a provision on all outstanding standard assets as per the prudential norms/guidelines issued by the RBI.

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E. Fixed assets and depreciation

Fixed assets are stated at cost of acquisition less depreciation, which comprises of purchase price and other directly attributable costs of bringing the assets to their working condition for the intended use.

Depreciation and amortisation is provided on the straight-line method over the useful life of the fixed assets as prescribed in the schedule II to the Companies Act, 2013 except in case of vehicles and certain class of office equipments.

- i. Capital assets located in the leasehold premises are depreciated over the estimated useful life or five years, whichever is lower.
- ii. Software of a cost in excess of Rs. 0.25 Lacs is amortised over a period of 5 years or over their estimated useful life, whichever is lower.
- iii. Assets costing less than Rs. 50,00/- are expensed off at the time of purchase.

F. Investments

Long term investments are stated at cost less provision for diminution, if any. Provision for diminution is made to recognise a decline, other than temporary, in the value of such investments. Current investments are stated at lower of cost and fair value.

G. Commission to agents

Commission for sourcing of contracts through dealers is amortised over the term of the contract in the ratio of interest earned. Sourcing commission including target based commission for contracts sourced through networks other than dealers is amortised equally over the term if the contract. Further, commission on collection is charged to the statement of profit and loss when incurred.

H. Employee benefits

1. Defined contribution plans

Contributions to the Company's defined contribution plans, as described below, are charged to the statement of profit and loss.

i) Provident fund

The employees are entitled to receive benefits under provident fund, where both, the employees and the Company, make monthly contributions at a specified percentage of the covered employees' basic salary. The contribution is paid to the fund managed by the Tata Motors Limited (parent company), except that the employer's contribution towards pension fund is paid to the Regional Provident Fund office. The Company is generally liable for annual contribution and any shortfall to the extent of Company's share in the fund managed by parent company, based on the Government specified minimum rates of return and recognises such contributions and shortfall, if any, as an expense in the year incurred.

ii) Superannuation

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Contribution to the superannuation fund is made at 15% of basic salary for the employees who have opted to the scheme, managed by the parent company and is charged to the statement of profit and loss.

2. Defined benefit plans

Provision for the Company's defined benefit plans, as described below, are actuarially determined using the projected unit credit method, based on an independent actuarial valuation at the end of the year. Actuarial valuation of defined benefit plans is determined based on certain assumptions regarding rate of interest, salary growth, mortality and staff attrition. Actuarial gains and losses are charged to the statement of profit and loss.

i) Gratuity

Contributions are made towards gratuity, covering eligible employees, which provides for a lump sum payment of an amount equivalent to 15 to 30 days salary at the time of resignation or retirement, payable for each completed year of service. Vesting occurs upon completion of five years of service. The actuarially determined liability is compared with the fair value of plan assets and the shortfall or excess is accounted for as a liability or an asset respectively.

ii) Compensated absences

Provision is made 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 liability is provided based on the number of days of unutilised leave at each balance sheet date.

iii) Post retirement medicare scheme

Under this scheme, the employees are provided medical benefits after retirement, subject to certain limits.

iv) Bhavishya Kalyan Yojana (BKY)

The benefits of the plan are provided to eligible employees based on their entitlement on death or permanent disablement, while in service.

I. Leases

i) Assets taken on operating lease

Leases, where the lessor effectively retains substantially all the risks and rewards incidental to ownership of the leased assets are classified as operating leases. Operating lease rent paid is recognised as an expense in the statement of profit and loss on the straight line basis over the lease term.

ii) Assets given on operating lease

Assets given on operating lease are included in fixed assets. Lease income is recognised in the statement of profit & loss on a straight line basis over the lease term. Costs including

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depreciation are recognised as an expense in the statement of profit and loss. Initial direct costs such as insurance cost etc. are recognised immediately in the statement of profit and loss.

J. Earnings per share

Basic earnings per share is calculated by dividing the net profit or loss for the year attributable to equity shareholders by the weighted average number of equity shares outstanding during the year.

Diluted earnings per share reflect the potential dilution that could occur if contracts to issue equity shares were exercised or converted during the year. Diluted earnings per equity share is calculated using the weighted average number of equity shares and dilutive potential equity shares during the year, except where the results are anti-dilutive.

K. Taxation

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

Deferred tax is recognised on timing differences, being the differences between taxable income and accounting income that originate in one period and are capable of reversal in one or more subsequent periods. Deferred tax assets and liabilities are measured using the tax rates and tax laws enacted or substantively enacted as at the reporting date. Deferred tax liabilities are recognised for all timing differences. Deferred tax assets are recognised for timing differences of items other than unabsorbed depreciation and carry forward losses only to the extent to that reasonable certainty exists that sufficient future taxable income will be available against which these can be realised. However, if there is unabsorbed depreciation and carry forward of losses and items relating to capital losses, deferred tax assets are recognised only if there is virtual certainty supported by convincing evidence that there will be sufficient future taxable income available to realise the assets. Deferred tax assets are reviewed at each balance sheet date for their realisability.

Current and deferred taxes relating to items directly recognised in reserves are recognised in reserves and not in the statement of profit and loss.

Minimum Alternative tax (MAT) credit is recognised as an asset only when and to the extent there is convincing evidence that the Company will pay normal income tax during the specified period. In the year in which the MAT credit becomes eligible to be recognised as an asset in accordance with the recommendations contained in guidance note issued by the Institute of Chartered Accountants of India, the said asset is created by way of a credit to the statement of profit and loss and shown as MAT credit entitlement. The Company reviews the same at each balance sheet date and writes down the carrying amount of MAT credit entitlement to the extent there is no longer convincing evidence to the effect that the company will pay normal income tax during the specified period.

L. Provisions, contingent liability and contingent assets

Provisions are recognised in accounts in respect of present probable obligations arising out of past events, the amount of which can be reliably estimated.

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Contingent liabilities are disclosed in respect of possible obligations that arise from the past events but their existence is confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company.

Contingent assets are neither recognised, nor disclosed in the financial statements.

M. Delinquency support

Delinquency support receivable from parent company, being compensation towards provision/write off of finance receivable, is credited to the Statement of Profit and Loss as per the contractual terms when the provision / write off charge on the underlying portfolio of contracts is recognised.

N. Share issue expenses

Share issue expenses are adjusted from securities premium account.

O. Discount and premium on issue/redemption of debenture

Discount on issue of debentures and premium payable on redemption of debentures is amortised on straight line basis over the period of the instruments and is adjusted from securities premium account.

P. Changes in accounting policy

1. Delinquency support

During the year, the Company has reviewed and changed its accounting policy for utilisation of delinquency support. The Management is of the opinion that the change would reflect a more appropriate presentation of the financial statements. As per the new policy, the Company accounts upfront the delinquency support received (subvention amount) in the statement of profit and loss, which was hitherto accounted on portfolio of contract basis taking into account the estimates of expected future losses. Had the Company followed its earlier policy the profit after tax for the year and the reserves as on March 31, 2016 would have been lower by Rs. 73,15.40 lacs.

2. Discount and premium on issue/redemption of debenture

During the year, the Company has reviewed and changed its accounting policy for amortising discount on issuance and providing the premium payable on redemption of debentures. As per the new policy, as permitted under sub-section (2) of section 52 of Companies Act, 2013, the Company utilises the balance in Securities Premium Account to provide for the premium payable on redemption of debentures and to amortise the discount on issue of debentures. The Company hitherto amortized discount on issuance and premium on redemption of debentures in its statement of profit & loss. The Management is of the opinion that the change would reflect a more appropriate presentation of the financial statements. Had the Company followed its earlier policy, the profit after tax for the year would have been lower by Rs. 52,01.79 lacs.

Note "3"

Share Capital

Particulars	As at March 31, 2016		As at March 31, 2015	
	Number	Amount	Number	Amount
Authorised				
Equity Shares of Rs.10 each with voting rights	2,000,000,000	2000,00.00	2,000,000,000	2000,00.00
Preference shares of Rs.100 each (redeemable)	75,000,000	750,00.00	75,000,000	750,00.00
	2,075,000,000	2750,00.00	2,075,000,000	2750,00.00
Issued, Subscribed and Fully Paid up				
Equity Shares of Rs.10 each	1,319,020,771	1319,02.08	1,319,020,771	1319,02.08
Cumulative, Non-Participating Compulsorily Convertible Preference Share (CCPS) of Rs 100 each	43,400,000	43,400.00	-	-
Total	1,362,420,771	1753,02.08	1,319,020,771	1319,02.08

a) Reconciliation of the shares outstanding at the beginning and at the end of the reporting year

Equity Shares	As at March 31, 2016		As at March 31, 2015	
	Number	Amount	Number	Amount
Shares outstanding at the beginning of the year	1,319,020,771	1319,02.08	1,289,347,181	1289,34.72
Shares Issued during the year	-	-	29,673,590	29,67.36
Shares outstanding at the end of the year	1,319,020,771	1319,02.08	1,319,020,771	1319,02.08

As at March 31, 2016 and March 31, 2015 all the Equity Shares were held by Tata Motors Ltd.(TML), the holding company and its nominees.

Cumulative, Non-Participating CCPS	As at March 31, 2016		As at March 31, 2015	
	Number	Amount	Number	Amount
Shares outstanding at the beginning of the year	-	-	-	-
Shares Issued during the year	43,400,000	434,00.00	-	-
Shares outstanding at the end of the year	43,400,000	434,00.00	-	-

None of the Cumulative non-participating CCPS as at March 31, 2016 were held by TML, their subsidiaries and associates.

b) Details of shares held by each shareholder holding more than 5% of Shares:

Name	As at March 31, 2016		As at March 31, 2015	
	Number of shares held	% of holding in that class of shares	Number of shares held	% of holding in that class of shares
Equity Share with voting rights				
Tata Motors Ltd and its nominees	1,319,020,771	100.00	1,319,020,771	100.00
Cumulative, Non-Participating CCPS				
HDFC Standard Life Insurance Company Limited	13,000,000	29.95	-	-
Apurva Goswamy	2,200,000	5.07	-	-

c) Terms / rights attached to equity shares:

The Company has issued only one class of equity shares having a par value of Rs. 10 per share. Each holder of equity share is entitled to one vote per share. The holders of equity shares are also entitled for the dividend as proposed by the Board of Directors and approved in the Annual General Meeting. 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.

Terms / rights attached to preference shares:

During the year the Company has issued 4,34,00,000 privately placed, cumulative, non-participating Compulsorily Convertible Preference Shares (CCPS) bearing a face value of Rs 100 each aggregating to Rs 434,00,00,000, at par. The holders of the CCPS are entitled for dividend @ 3% on a yearly basis, in preference to the equity shareholders of the Company, subject to applicable law, availability of profits of the Company, after provision for depreciation. The CCPS shall fully and mandatorily be converted into equity shares of the Company on the date falling at the expiry of 7 years from the CCPS closing date. The Conversion ratio of the CCPS shall be 2.15: 1. Fractional equity shares, if any, arising on conversion of the CCPS shall be disregarded.

Note "4"

Reserves & Surplus

(Rs. in Lakhs)		
Particulars	As at March 31, 2016	As at March 31, 2015
a. Securities Premium Account		
Balance as per the last financial statements	1180,97.92	1110,65.28
Add: Premium on shares issued during the year	-	70,32.64
Less : CCPS issue expenses	5,75.40	-
Less: Amortisation of premium on redemption and Discount on issue of debentures (Gross Rs 79,54.79 lakhs, net of tax of Rs 27,53.00 Lakhs) (Refer Note 2(P)(2))	52,01.79	-
Closing Balance	1123,20.73	1180,97.92
b. Special Reserve*		
Balance as per the last financial statements	211,91.69	175,78.40
Add: Transfer from surplus in the statement of Profit and Loss	1,912.44	36,13.29
Closing Balance	231,04.12	211,91.69
c. Surplus in the statement of profit and loss		
Balance as per the last financial statements	464,34.51	368,44.34
Add: Net Profit for the year	95,62.20	180,66.46
Less: Transfer to Special Reserve	19,12.44	36,13.29
Less: Depreciation on account of transition to Schedule II of the Companies Act, 2013 on tangible fixed assets with Nil remaining useful life (Net of deferred tax of Rs Nil - : P.Y. Rs 51.68 Lakhs)	-	1,00.38
Less: Proposed equity dividend	39,57.07	39,57.06
Less: Proposed preference dividend	41.93	-
Less: Tax on dividend	8,14.10	8,05.56
Net surplus in the Statement of Profit and Loss	492,71.18	464,34.51
Total	1846,96.03	1857,24.12

***Transfer to Special reserve**

As per Section 45-IC of Reserve Bank of India Act, 1934 every non-banking financial company shall create a reserve fund and transfer therein a sum not less than twenty per cent of its net profit every year as disclosed in the Statement of profit and loss and before any dividend is declared. No appropriation of any sum from the reserve fund shall be made by the non-banking financial company except for the purpose as may be specified by the Reserve Bank of India from time to time and every such appropriation shall be reported to the Reserve Bank of India within twenty-one days from the date of such withdrawal.

Note: The Board of Directors, at its meeting held on May 19, 2016 recommended a dividend of Rs 0.30/- per share on equity share capital and pro rata dividend on CCPS @ 3%, which will be subject to approval of the share holders in their ensuing Annual General meeting.

Note "5"

Long term Borrowings

(Rs. in Lakhs)

Particulars	As at March 31, 2016	As at March 31, 2015
(i) Debentures		
(a) Privately placed non convertible debentures (Secured) (Net of unamortised discount on issue Rs. Nil lakhs; March 31, 2015 Rs.11,76.96 lakhs and gross of accreted value of premium on redemption of Rs. 58,92.54 lakhs; March 31, 2015 Rs. 31,96.00 lakhs)	1610,22.54	1793,34.07
(b) Privately Placed Subordinated Unsecured Redeemable, Non-Convertible Debentures	1134,90.00	1134,90.00
(c) Privately Placed Subordinated Unsecured Non-Convertible Perpetual Debentures	375,30.00	375,30.00
	3120,42.54	3303,54.07
(ii) Term loans from banks		
(a) Secured	1500,00.00	2175,00.00
(b) Unsecured	1725,00.00	3393,75.00
	3225,00.00	5568,75.00
Total	6345,42.54	8872,29.07

1. Nature and extent of Security created and maintained for Secured NCDs (Privately placed) listed on WDM segment of NSE as per SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015

1(A) Nature:

Privately placed non-convertible secured debentures are fully secured by first pari passu charge by way of registered mortgage on:

- i) Company's residential flat and
- ii) a) All receivables of the Company arising out of loan, lease and hire purchase transactions.
- b) All other book debts, trade advances forming part of movable property of the Company.
- c) Any other security as identified by the Company and acceptable to the debenture trustee.

1 (B) Extent:

The minimum security of 100 % for the NCDs outstanding has been maintained for these Secured NCDs

2. Nature of Security for Secured Bank Term Loans :

Secured Term Loans from banks are secured by a pari-passu charge in favour of the security trustee on:

- a) All receivables of the Company arising out of loan, lease and hire purchase transactions
- b) All other book debts
- c) Receivables from senior and junior pass through certificates in which Company has invested
- d) such other current assets as may be identified by the Company from time to time and accepted by the security trustee.

Terms of repayment for Term Loans

Term Loan from Banks have different maturity pattern. Tenure of such loans ranges between 1 to 5 years. Majority of the term loans are borrowed at a floating rate of interest linked to bank's base rate plus spread with quarterly / half-yearly / yearly reset option. On the reset date the Company has an option to repay the loans.

Notes forming part of the Financial Statements for the year ended March 31, 2016

Note "6"

Other long term liabilities

(Rs. in Lakhs)

Particulars	As at March 31, 2016	As at March 31, 2015
Income received in advance	6,63.00	1,95.31
Unrealised Gain on Loan Transfer Transactions	4.00	2,55.34
Delinquency support (Note 2(P)(1))	-	145,80.38
Deposits (not covered in Section 2(31) of Companies Act, 2013)	62.98	94.26
Other liabilities	400,00.00	400,00.00
Total	407,29.98	551,25.29

Note "7"

Provisions

(Rs. in Lakhs)

Particulars	As at March 31, 2016	As at March 31, 2015
A) Long Term Provisions		
Provision for employee benefits	11,83.15	11,24.49
Provision for Indirect tax related Contingencies	1,93.63	51,14.48
Contingent provisions against standard assets	28,27.65	21,25.08
Total	42,04.43	83,64.05
B) Short Term Provisions		
Provision for employee benefits	39.10	27.90
Provision for income tax, net of advances	1,82.32	1,87.01
Contingent provisions against standard assets	20,45.93	16,03.50
Provision for proposed equity dividend	39,57.07	39,57.06
Provision for proposed preference dividend	41.93	-
Provision for tax on proposed dividend	8,14.10	8,05.56
Total	70,80.45	65,81.03

Movement of provisions (Long Term and Short Term)

a. Provision for Indirect taxes related Contingencies

(Rs. in Lakhs)

Particulars	As at March 31, 2016	As at March 31, 2015
Opening Balance	51,14.48	31,84.42
Add: (Reversal) / Provision	(49,20.85)	19,71.10
Less: Utilisation	-	41.04
Closing Balance	1,93.63	51,14.48

The expected settlement period depends on relevant judgement of authorities in similar matters.

b. Provision in respect of liability for servicing direct assigned receivables

(Rs. in Lakhs)

Particulars	As at March 31, 2016	As at March 31, 2015
Opening Balance	-	9.01
Less: Utilisation	-	9.01
Closing Balance	-	-

c. Provision for expected loss on future direct assigned / securitised receivables

(Rs. in Lakhs)

Particulars	As at March 31, 2016	As at March 31, 2015
Opening Balance	-	8,40.03
Add: Provision for the period	-	0.28
Less: Utilizations during the period	-	1,64.75
Less: Other adjustments	-	675.56
Closing Balance	-	-

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Terms of repayment of debentures outstanding as at March 31, 2016

A. Privately placed Non Convertible Debentures (including Zero Coupon Debentures) - Face value of Rs. 10 Lakhs each (Redeemable at par) except otherwise stated

Particulars	(Rs. In lakhs)	Redemption Date
10.25% Non Convertible Debentures- "Z" FY 2013-14	18,20.00	4-Apr-16
TMFL Zero Coupon Debentures "U" FY 2013-14*	22,75.90	18-Apr-16
TMFL Zero Coupon Debentures - "O" FY 2012-13	84,80.00	28-Apr-16
10.21% Non Convertible Debentures-"N" FY 2013-14	50,00.00	3-May-16
TMFL Zero Coupon Debentures "AB" FY 2013-14*	24,63.07	7-May-16
9.60% Non Convertible Debentures-"C" FY 2013-14	75,00.00	9-May-16
TMFL Zero Coupon Debentures - "C" FY 2013-14	4,00.00	10-May-16
10.23% Non Convertible Debentures-"AE" FY 2013-14	20,00.00	16-May-16
TMFL Zero Coupon Debentures "O" FY 2013-14*	10,45.94	25-May-16
9.60% Non Convertible Debentures-"H" FY 2013-14	50,00.00	30-May-16
9.40% Non Convertible Debentures-"I" FY 2013-14	250,00.00	31-May-16
TMFL Zero Coupon Debentures - "F" FY 2013-14*	26,20.61	2-Jun-16
9.40% Non Convertible Debentures-"J" FY 2013-14	270,00.00	5-Jun-16
TMFL Zero Coupon Debentures "S" FY 2013-14*	8,35.34	7-Jun-16
9.40% Non Convertible Debentures-"K" FY 2013-14	200,00.00	10-Jun-16
TMFL Zero Coupon Debentures "G" FY 2013-14	45,30.00	28-Jun-16
TMFL Zero Coupon Debentures "I" FY 2013-14*	6,50.43	20-Oct-16
TMFL Zero Coupon Debentures "H" FY 2013-14*	21,32.65	20-Jan-17
TMFL Zero Coupon Debentures "K" FY 2013-14*	24,03.68	27-Jan-17
10.25% Non Convertible Debentures-"W" FY 2013-14	8,00.00	23-Feb-17
TMFL Zero Coupon Debentures "R" FY 2013-14*	8,97.38	2-Mar-17
10.25% Non Convertible Debentures-"Y" FY 2013-14	44,00.00	20-Mar-17
10.25% Non Convertible Debentures-"AD" FY 2013-14	50,00.00	20-Mar-17
TMFL Zero Coupon Debentures "Q" FY 2013-14*	4,06.55	6-Apr-17
TMFL Zero Coupon Debentures "T" FY 2013-14*	9,88.79	13-Apr-17
TMFL Zero Coupon Debentures "J" FY 2013-14*	63,00.70	25-Jul-17
TMFL Zero Coupon Debentures "P" FY 2013-14*	56,16.30	17-Aug-17
10.25% Non Convertible Debentures-"M" FY 2013-14	20,00.00	10-Jan-19
TMFL Zero Coupon Debentures "AC" FY 2013-14*	21,06.27	27-Feb-19
10.25% Non Convertible Debentures-"V" FY 2013-14	15,00.00	5-Mar-19
10.25% Non Convertible Debentures-"AF" FY 2013-14	5,00.00	19-Mar-19
10.25% Non Convertible Debentures-"X" FY 2013-14	20,00.00	20-Mar-19
9.85% Non Convertible Debentures-"A" FY 2014-15	55,00.00	10-Oct-19
9.80% Non Convertible Debentures-"B" FY 2014-15	85,00.00	10-Oct-17
9.77% Non Convertible Debentures-"C" FY 2014-15	79,00.00	26-Feb-18
9.85% Non Convertible Debentures-"D" FY 2014-15	100,00.00	17-Oct-19
TMFL Zero Coupon Debentures "A" FY 2015-16*	124,05.58	9-Mar-18
TMFL Zero Coupon Debentures "B" FY 2015-16*	42,99.23	8-Oct-18
TMFL Zero Coupon Debentures "C" FY 2015-16*	170,22.17	28-Mar-17
TMFL Zero Coupon Debentures "D" FY 2015-16*	145,01.97	25-Sep-18
TMFL Zero Coupon Debentures "E" FY 2015-16*	130,10.51	15-Oct-18
TMFL Zero Coupon Debentures "F" FY 2015-16*	29,67.55	28-Sep-17
TMFL Zero Coupon Debentures "G" FY 2015-16*	425,99.18	22-Dec-17
TMFL Zero Coupon Debentures "H" FY 2015-16*	6,76.02	6-May-19
9.10% Non Convertible Debentures "I" FY 2015-16	150,00.00	20-Nov-17
9.10% Non Convertible Debentures "J" FY 2015-16	10,00.00	19-Nov-19
TMFL Zero Coupon Debentures "K" FY 2015-16*	18,21.51	26-Nov-18

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TMFL Zero Coupon Debentures "L" FY 2015-16*	46,93.99	11-Apr-19
9.25% Non Convertible Debentures "M" FY 2015-16	40,00.00	17-Dec-20
9.25% Non Convertible Debentures "N" FY 2015-16	85,00.00	17-Dec-18
	3280,71.32	
Less: Unamortised Discount allowed on issue	1,47.32	
Less: Unamortised Premium on redemption	196,52.39	
Total	3082,71.61	
Less: Current portion of Long Term borrowings	1472,49.07	
Total	1610,22.54	

* These NCDs are zero coupon NCDs issued at par value and redeemable at premium and the figures stated above are gross of premium on redemption.

B. Privately placed Subordinated Non Convertible Unsecured Redeemable Debentures

Face value of Rs. 10 Lakhs each (Redeemable at par)

Particulars	Rs. (In lakhs)	Redemption Date
10.46% TMFL – Tier II Debentures – C FY 2012-13	28,00.00	28-Dec-22
9.85% TMFL – Tier II Debentures – B FY 2013-14	100,00.00	24-May-23
10.15% TMFL – Tier II Debentures – A FY 2013-14	55,10.00	28-May-23
10.60% TMFL – Tier II Debentures – A FY 2014-15	25,00.00	12-Sep-24
10.35% TMFL – Tier II Debentures – B FY 2014-15	60,00.00	26-Sep-24
9.70% TMFL – Tier II Debentures – C FY 2014-15	150,00.00	19-Dec-24
Face value of Rs. 5 Lakhs each (Redeemable at par)		
10.90% TMFL – Tier II Debentures – A FY 2009-10	200,00.00	20-Jan-20
10.75% TMFL – Tier II Debentures – B FY 2009-10	88,95.00	25-Mar-20
10.70% TMFL – Tier II Debentures – C FY 2009-10	100,00.00	10-Apr-20
10.70% TMFL – Tier II Debentures – D FY 2009-10	111,00.00	28-Apr-20
11.00% TMFL – Tier II Debentures – A FY 2011-12	75,30.00	17-Sep-21
11.00% TMFL – Tier II Debentures – B FY 2011-12	69,15.00	2-Mar-22
11.00% TMFL – Tier II Debentures – C FY 2011-12	10,00.00	26-Mar-22
11.00% TMFL – Tier II Debentures – A FY 2012-13	37,40.00	22-May-22
10.65% TMFL – Tier II Debentures – B FY 2012-13	25,00.00	3-Aug-22
	1134,90.00	

C. Privately placed Subordinated Unsecured Non Convertible Perpetual Debentures

Particulars	Rs. (in Lakhs)	Face Value (Rs.)
11.35% TMFL Perpetual "A" FY 2010-11	150,00.00	5 Lakhs
11.50% TMFL Perpetual "A" FY 2012-13	26,90.00	5 Lakhs
11.25% TMFL Perpetual "B" FY 2012-13	73,10.00	5 Lakhs
11.03% TMFL Perpetual "A" FY 2013-14	52,70.00	10 Lakhs
11.33% TMFL Perpetual "B" FY 2013-14	22,30.00	10 Lakhs
11.10% TMFL Perpetual "A" FY 2014-15	50,30.00	10 Lakhs
	375,30.00	

Terms of Redemption:

Redemption period is not applicable as the NCDs are perpetual. The Company has a call option which can be exercised, after the prior approval of the Reserve Bank of India, at the expiry of 10 years from the date of allotment and at the end of every month thereafter. In case of non-exercise of the option at the expiry of 10 years from the date of allotment, coupon rate will be increased by 50 bps.

Note "8"

Short term borrowings

(Rs. in Lakhs)

Particulars	As at March 31, 2016	As at March 31, 2015
(i) Loans repayable on demand		
From Banks		
-Cash Credit (Secured)	1378,33.61	1024,08.37
	1378,33.61	1024,08.37
(ii) Inter Corporate Deposits (Unsecured)		
-from other than related parties	-	60,00.00
(iii) Commercial Papers (Unsecured)		
(net of unamortised discounting charges Rs. 89,87.84 Lakhs ranging from 6.97% to 9.60%; March 31, 2015 Rs. 13,79.97 Lakhs ranging from 8.17% to 9.60%)	4030,12.16	593,60.03
(Maximum amount outstanding Rs. 4865,00.00 Lakhs; March 31, 2015: Rs. 48,25.40 Lakhs)		
Total	5408,45.77	1677,68.40

Nature of Security for Cash Credit and Working Capital Demand Loan as on March 31, 2016

Cash credit, working capital demand loans and Secured loans are fully secured by a pari-passu charge in favour of the security trustee on:

- All receivables of the Company arising out of loan, lease and hire purchase transactions
- All other book debts
- Receivables from senior and junior pass through certificates in which Company has invested
- Such other current assets as may be identified by the Company from time to time and accepted by the security trustee.

Note "9"

Trade payables

(Rs. in Lakhs)

Particulars	As at March 31, 2016	As at March 31, 2015
Dues to Micro, Small and Medium enterprises *	-	-
Dues to Others #	137,92.44	132,54.39
Total	137,92.44	132,54.39

* Information in respect of micro enterprises and small enterprises to whom the Company owes dues, which are outstanding as at the balance sheet date and disclosed above as defined under Micro, Small and Medium Enterprises Development Act, 2006 has been determined to the extent such parties have been identified on the basis of information available with the Company. This has been relied upon by the auditors.

Includes provision of Rs 59.97 lakhs (Rs 65.53 as of March 31, 2015) on account of pending litigation.

Note "10"

Other Current liabilities

(Rs. in Lakhs)

Particulars	As at March 31, 2016	As at March 31, 2015
Current maturities of long-term debt:		
Privately placed non-convertible debentures (Secured) (Net of unamortised discount on issue of Rs.1,47.32 lakhs; March 31, 2015 Rs.4,17.25 lakhs and gross of accreted value of premium on redemption of Rs. 35,36.39 lakhs; March 31, 2015 Rs.Nil)	1472,49.07	878,67.72
Term loans from banks		
-Secured	750,00.00	1915,00.00
-Unsecured	2018,75.00	250,00.00
	4241,24.07	3043,67.72
Interest accrued but not due on borrowings	216,39.44	220,06.98
Income received in advance	9,25.13	3,91.29
Unrealised Gain on Loan Transfer Transactions	1,08.37	24,01.89
Payable to investors of assigned / securitised receivables	7,48.47	80,04.79
Current dues of long term employee benefits	4,49.14	4,17.20
Statutory dues	13,85.18	9,75.03
Other Liabilities (includes Delinquency Support of Rs Nil; March 31, 2015 Rs 17,59.95 Lakhs)	102,34.45	180,87.56
Total	4596,15.25	3566,52.46

Nature of Security for Secured Borrowings outstanding as on March 31, 2016

1. Nature and extent of Security created and maintained for Secured NCDs (Privately placed) listed on WDM segment of NSE as per SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015

1(A) Nature

Privately placed non-convertible secured debentures are fully secured by first pari passu charge by way of registered mortgage on:

- Company's residential flat and
- a) All receivables of the Company arising out of loan, lease and hire purchase transactions
- b) All other book debts, trade advances forming part of movable property of the Company
- c) Any other security as identified by the Company and acceptable to the debenture trustee

1 (B)Extent:

The minimum security of 100 % for the NCDs outstanding has been maintained for these Secured NCDs

2. Nature of Security for Secured Bank Term Loans :

Secured Term Loans from banks are secured by a pari-passu charge in favour of the security trustee on:

- All receivables of the Company arising out of loan, lease and hire purchase transactions
- All other book debts
- Receivables from senior and junior pass through certificates in which Company has invested.
- Such other current assets as may be identified by the Company from time to time and accepted by the security trustee.

Notes forming part of the Financial Statements for the year ended March 31, 2016

Note "11"

Tangible Assets

(Rs. in Lakhs)													
Tangible Assets	Particulars	Gross Block					Depreciation					Net Block	
		Opening balance as at April 01, 2015	Additions	Deletions	Transfer	Closing balance as at March 31, 2016	Opening balance as at April 01, 2015	Adjustment against Reserves	Depreciation for the year	Deletions	Transfer	Closing balance as at March 31, 2016	As at March 31, 2016
	Office Premises/ Residential flat	40,53.62	-	-	-	40,53.62	2,10.55	-	63.22	-	-	2,73.77	37,79.85
		40,53.62	-	-	-	40,53.62	1,47.34	-	63.21	-	-	2,10.55	38,43.07
	Furniture and fixtures	55,93.62	1,27.82	3,40.03	-	53,81.41	25,57.00	-	8,81.93	3,18.59	-	31,20.33	22,61.08
		54,01.71	3,82.64	1,90.73	-	55,93.62	17,55.37	-	9,08.28	1,06.65	-	25,57.00	30,36.62
	Vehicles	7,87.18	1,19.81	2,19.01	-	6,87.98	4,58.48	-	1,62.54	1,99.73	-	4,21.29	2,66.69
		9,04.12	1,47.12	1,83.18	80.88	7,87.18	4,59.67	-	1,95.89	1,52.92	44.16	4,58.48	3,28.70
	Vehicles - Operating lease	11,21.56	2,15.97	96.34	-	12,41.19	2,77.78	-	2,88.35	69.30	-	4,96.82	7,44.37
		4,01.08	7,35.19	14.71	-	11,21.56	1,19.40	-	1,64.67	6.29	-	2,77.78	8,43.78
	Office equipments	31,59.27	1,01.40	93.89	-	31,66.78	16,46.77	-	7,47.74	79.66	-	23,14.85	8,51.93
		32,74.32	1,62.46	88.00	1,89.51	31,59.27	8,25.93	1,51.24	8,13.02	44.06	99.36	16,46.77	15,12.50
	Data processing machines	11,45.96	1,21.69	41.72	-	12,25.93	10,85.33	-	27.85	39.64	-	10,73.54	1,52.39
		13,41.96	3.90	1,99.90	-	11,45.96	12,72.21	0.82	(1.60)	1,86.10	-	10,85.33	60.63
	Total	158,61.20	6,86.69	7,90.99	-	157,56.91	62,35.91	-	21,71.63	7,06.92	-	77,00.60	80,56.31
	As of March 31, 2015	153,76.81	14,31.31	6,76.52	2,70.39	158,61.21	45,79.92	1,52.06	21,43.47	4,96.02	1,43.52	62,35.91	96,25.30

Note : Office Premises/ Residential flat include Rs. 1,000/- being value of investment in 20 shares of Rs. 50/- each in Nilgiri Upvan Co-operative Housing Society Limited., certificate in respect of which is yet to be received.

Note "12"

Intangible Assets - Other than internally generated

Intangible Assets - Other than internally generated											(Rs. In Lakhs)
Particulars	Gross Block					Amortisation				Net Block	
	Opening balance as at April 01, 2015	Additions	Deletions	Transfer	Closing balance as at March 31, 2016	Opening balance as at April 01, 2015	Amortisation for the year ended	Deletions	Transfer	Closing balance as at March 31, 2016	As at March 31, 2016
Computer Software	15,32.82	0.49	-	-	15,33.31	9,35.96	2,44.90	-	-	11,80.86	3,52.45
As of March 31, 2015	15,32.82	-	-	-	15,32.82	6,91.11	2,44.85	-	-	9,35.96	5,96.86

Note: Total Depreciation and Amortisation for the year is Rs. 24,16.53 Lakhs; for the previous year ended 31st March 2015 is Rs. 23,88.32 Lakhs. Figures in italics pertain to previous year ended March 31, 2015.

Notes forming part of the Financial Statements for the year ended March 31, 2016

Note "13"

Non current investments (Unquoted) (at cost unless otherwise stated)

(Rs. in Lakhs)

Particulars	As at March 31, 2016	As at March 31, 2015
Trade investments		
Investments in debentures (unquoted)		
- Fortune Cars Pvt. Ltd -14% (Unit 1 as of March 31, 2016; Unit 1 as of March 31, 2015) Non Convertible Debentures of Rs. 300 lakhs each	2,02.87	2,54.62
- Pandit Automotive Pvt. Ltd -14% (Unit 1 as of March 31, 2016; Unit 1 as of March 31, 2015) Non Convertible Debentures of Rs. 400 lakhs each	2,70.49	3,39.48
- Ebony Motors -14% (Unit 1 as of March 31, 2016; Unit 1 as of March 31, 2015) Non Convertible Debentures of Rs. 350 lakhs each	2,36.69	2,97.05
- Mohandas Motors -14% (Unit 1 as of March 31, 2016; Unit 1 as of March 31, 2015) Non Convertible Debentures of Rs. 400 lakhs each	2,70.00	3,40.00
Other investments		
Investment in Senior Pass Through Certificates (unquoted)	14.36	6,19.75
Investment in Subsidiary Company (unquoted)		
15,00,00,000 Equity shares (as at March 31,2015: 15,00,00,000) shares of Rs 100 each fully paid up in Tata Motors Finance Solutions Limited.	1906,58.10	1501,16.95
75,00,000 Equity shares (as at March 31,2015: NIL) shares of Rs 100 each fully paid up in Sheba Properties Limited		
Total	1916,52.51	1519,67.85

Note "14"

Current Investments (at cost unless otherwise stated)

(Rs. in Lakhs)

Particulars	As at March 31, 2016	As at March 31, 2015
Investment in Debentures		
Investments in debentures (Unquoted)		
- Jayem Automotive Limited Nil (as of March 31, 2015; 16,18,000 -14% Optionally Convertible Debentures of Rs. 100/- each)	-	1,49.49
- Fortune Cars Pvt. Ltd -14% (Unit 1 as of March 31, 2016; Unit 1 as of March 31, 2015) Non Convertible Debentures of Rs. 300 lakhs each	51.74	45.39
- Pandit Automotive Pvt. Ltd -14% (Unit 1 as of March 31, 2016; Unit 1 as of March 31,2015) Non Convertible Debentures of Rs. 400 lakhs each	68.99	60.52
- Ebony Motors -14% (Unit 1 as of March 31, 2016; Unit 1 as of March 31,2015) Non Convertible Debentures of Rs. 350 lakhs each	60.36	52.95
- Mohandas Motors -14% (Unit 1 as of March 31, 2016; Unit 1 as of March 31,2015) Non Convertible Debentures of Rs. 400 lakhs each	70.00	60.00
Investment in trust securities	440,64.77	176,45.47
Senior Pass Through Certificates (Unquoted)		
Investment in Mutual Funds (at Cost or fair value whichever is lower) (Unquoted)		
Entity Scheme		
Tata Mutual Fund Money Market Fund Plan A-Growth	-	95,00.00
Total	443,15.86	275,13.82

The aggregate amount of unquoted investments (Note 13 and 14) is Rs. 2359,68.39 Lakhs (as at March 31, 2015 Rs. 1794,81.67 Lakhs).

Note "15A"
Tax Expense

Particulars	(Rs. in Lakhs)	
	April 01, 2015 to March 31, 2016	April 01, 2014 to March 31, 2015
Current tax	18,45.47	68,13.90
Less : MAT credit availed	(18,45.47)	(6,813.90)
Excess provision for tax relating to prior year	5.57	(144,59.20)
Deferred Tax Expense	36,22.25	(88,75.42)
Net tax expense	36,27.82	(233,34.52)

Note "15B"
Deferred Tax Assets (net)

Particulars	(Rs. in Lakhs)			
	As at March 31, 2015	(Charge) / Credit for the year	(Charge) / Credit to reserves	As at March 31, 2016
Assets				
Provision for doubtful finance receivables, other loans and advances and standard assets.	413,02.80	3,22.75	-	416,25.55
Retirement benefits/expenses allowable on payment basis	2,20.42	29.40	-	2,49.82
Disallowances u/s 43B of the Income Tax Act.	17,17.21	(16,71.59)	-	45.62
Depreciation	3,28.55	341.92	-	6,70.47
Others	79.07	22.07	-	1,01.14
Total	436,48.05	(9,55.45)	-	426,92.60
Liabilities				
DSA/Dealer Commission claimed on incurrence basis	(28,28.79)	86.19	-	(27,42.60)
	(28,28.79)	86.19	-	(27,42.60)
Net deferred tax assets / (liabilities)	408,19.26	(8,69.26)	-	399,50.00
<i>previous year</i>	<i>318,92.15</i>	<i>88,75.42</i>	<i>51.68</i>	<i>408,19.26</i>

TATA MOTORS FINANCE LIMITED

Notes forming part of the Financial Statements for the year ended March 31, 2016

Note "16"

Finance Receivables

(Rs. in Lakhs)

Particulars	As at March 31, 2016	As at March 31, 2015
A) Finance Receivables - Non Current		
Vehicle Loans (#)		
- Other than Related Parties		
-Secured, considered good	9517,56.53	7929,78.69
-Considered Doubtful	106,84.03	140,38.11
Less: Provision for Doubtful Loans	106,84.03	140,38.11
	9517,56.53	7929,78.69
Total	9517,56.53	7929,78.69
B) Finance Receivables - Current		
Vehicle Loans (#)		
- To Related Parties (Secured, considered good) (Note 30)	13.89	2,61.97
- To Others		
-Secured, considered good	6593,41.68	5501,84.49
-Considered Doubtful	647,85.73	664,79.26
Less: Provision for Doubtful Loans	647,85.73	664,79.26
Total	6593,55.57	5504,46.46

Vehicle loans are secured against hypothecation of the underlying vehicle.

Note "17"

Long Term Loans and Advances

(Rs. in Lakhs)

Particulars	As at March 31, 2016	As at March 31, 2015
Unsecured, considered good		
Capital Advances	16.31	48.82
Security Deposits	8,56.39	8,48.96
Other Loans and advances		
- Loans to employees	0.59	0.79
- Prepaid expenses	23,95.77	29,86.84
- Advance payment of income tax, net of provisions	292,03.84	188,72.68
- Taxes paid under protest	3,54.95	-
- Loans to Others	6,95.36	-
Secured Considered good		
- Loans to Others	87,51.46	27,69.01
Total	422,74.67	255,27.10

Note "18"

Other Assets

	(Rs. in Lakhs)	
	As at March 31, 2016	As at March 31, 2015
Particulars		
A) Other Non Current Assets		
Unsecured, considered good	15,24.00	99,10.63
Margin Money/ Cash collateral with banks (Note 21)	4.00	2,55.34
Interest only Strip	54.44	9,66.80
Interest accrued but not due on Bank deposits, Margin Money/ Cash Collateral with banks	15,82.44	111,32.77
Total		
B) Other Current Assets		
Unsecured, considered good	1,08.37	24,01.89
Interest only Strip	1,78.11	2,41.40
Interest accrued but not due on Bank deposits, Margin Money/ Cash Collateral with banks	1,83.94	47.59
Interest accrued on Investments	1,95.23	2,23.05
Stamp papers	6,65.65	29,13.93
Total		

Note "19"

Short Term Loans and Advances

	(Rs. in Lakhs)	
	As at March 31, 2016	As at March 31, 2015
Particulars		
Unsecured, considered good unless otherwise stated		
Security Deposits	2,02.56	1,13.92
-Considered good	37.79	37.17
-Doubtful	2,40.35	1,51.09
Less: Provision for Doubtful Security Deposits	37.79	37.17
	2,02.56	1,13.92
Prepaid expenses	47,04.24	45,04.00
Loans / advances to employees	54.58	87.44
Loans / advances to others		
-To Related Parties (Note 34)	8,25.09	9,36.22
- To Others - Considered good	293,65.42	279,85.89
- Doubtful	4,28.20	29.41
Less: Provision for doubtful loans	4,28.20	29.41
	301,90.51	289,22.11
Other advances		
-To Related Parties (Note 34)	2,48.86	-
- To Others - Considered good	113,55.02	83,04.02
- Doubtful	8,74.94	4,99.05
Less: Provision for doubtful advances	8,74.94	4,99.05
	116,03.88	83,04.02
Secured, considered good	25,48.29	4,93.63
Total	493,04.06	424,25.12

Note "20"

Trade Receivables

(Rs. in Lakhs)

Particulars	As at March 31, 2016	As at March 31, 2015
Receivables on account of service charges, incentives and others. (Unsecured, considered good)		
From Related Parties (Note 34)	62,65.63	44,24.71
Due for less than 6 months	2,74.19	1,52.45
From Others (Due for less than 6 months)	65,39.82	45,77.16
Total		

Note "21"

Cash and cash equivalents

(Rs. in Lakhs)

Particulars	As at March 31, 2016	As at March 31, 2015
Cash and cash equivalents (as per AS 3 Cash Flow Statements)	36,17.52	32,52.02
Cash on hand	52,72.81	39,75.17
Cheques/drafts on hand	60,69.96	78,25.63
Balances with banks - Current accounts	-	870,00.00
Deposits with Banks		
Total - Cash and cash equivalents (as per AS 3 Cash Flow Statements) (A)	149,60.29	1020,52.82
Other Bank Balances	15,24.00	99,10.63
-Margin Money/ Cash Collateral with banks	500,00.00	500,00.00
-Deposits with banks	515,24.00	599,10.63
Total - Other Bank Balances (B)		
Less: Margin Money/ Cash Collateral with banks having residual maturity of more than 12 months (Note 18) (C)	15,24.00	99,10.63
Total Cash and cash equivalents (A+B-C)	649,60.29	1520,52.82

Note "22"

Revenue from operations

Particulars	(Rs. in Lakhs)	
	April 01, 2015 to March 31, 2016	April 01, 2014 to March 31, 2015
Interest Income:	1856,12.59	1977,57.82
-Interest Income from Finance Receivables	42,31.41	28,30.92
-Interest from other loans (Secured and Unsecured)	1898,44.00	2005,88.74
Net Income on assignment / securitised receivables	71,05.87	24,84.58
Loan Processing fees and other closure / recovery charges	108,93.06	115,89.14
Interest income on Pass Through Certificates investment	18,94.22	4,11.63
Interest income on Margin Money / Cash Collateral with banks	7,50.22	11,34.08
Compensation towards interest loss	4,06.92	332,30.01
Service charges	3,94.55	4,21.03
Support services income	113,74.75	88,36.77
Others	25,87.43	24,90.63
	354,07.02	605,97.87
Total	2252,51.02	2611,86.61

Note "23"

Other Income

Particulars	(Rs. in Lakhs)	
	April 01, 2015 to March 31, 2016	April 01, 2014 to March 31, 2015
Interest income:	1,96.83	69.43
- on long term investments	47,76.27	50,63.68
- on bank deposits (gross)	11,98.83	33,55.96
Net gain on sale of current investments	5.55	3,79.23
Gain on redemption of Long term investments	8,21.47	21,74.32
Recovery of bank charges (net of bank charges incurred and service tax thereon of Rs. 7,29.47 lakhs; previous year Rs.13,03.53 lakhs).	-	17,00.85
Provision write back for direct assigned / securitised receivables	163,39.95	-
Balances written back - Delinquency Support (Note 2(P)(1))	49,47.63	-
Provision written back (Note 7(a))	3,86.47	9,14.95
Miscellaneous Receipts	286,73.00	136,58.42
Total		

Note "24"

Employee benefits Expenses

(Rs. in Lakhs)

Particulars	April 01, 2015 to March 31, 2016	April 01, 2014 to March 31, 2015
Salaries	136,42.93	156,54.58
Contributions to employee benefit funds	12,05.52	15,27.29
Staff welfare expenses	15,98.09	16,17.49
Total	164,46.54	187,99.36

Note "25"

Other expenses

(Rs. in Lakhs)

Particulars	April 01, 2015 to March 31, 2016	April 01, 2014 to March 31, 2015
Electricity	8,13.60	7,62.58
Rent (net of recoveries)	18,76.68	18,23.45
Repairs to office premises	1,53.22	1,45.10
Insurance	59.05	61.25
Rates and taxes	78.22	72.63
Incentive / commission	90,13.59	109,03.11
Information Technology / consultancy expense	56,07.37	54,21.57
Service providers Fees	101,37.03	124,10.42
Payment to Auditors (Note (i))	1,05.55	64.23
Provisions and Write Offs:		
-Provision for doubtful loans and advances (others)	7,75.31	2,61.68
-Provision for doubtful Finance Receivables	(50,47.60)	780,99.66
Less: Delinquency support	18,89.98	(31,57.62)
-Finance receivables written off (net of recoveries of Rs. 38,54.03 lakhs; previous year Rs.20,12.68 lakhs)	571,71.71	810,54.33
Less: Delinquency support	(48,98.10)	(106,77.83)
Total	498,91.30	1080,26.28
Provisions on Standard Assets	11,45.00	3,00.00
Provision on consumer disputes	59.97	65.54
Loss on sale of assets (net)	38.73	1,36.92
Support services charges	40,47.83	38,93.91
Corporate Social Responsibility expense #	61.98	-
Other expenses	135,25.82	132,27.13
Total	966,14.94	1573,14.12

Gross amount required to be spent by the Company during the year was Rs.2,09.97 Lakhs. Amount spent during the year Rs. 61.98 lakhs is towards various schemes of Corporate Social Responsibility (CSR) as prescribed under Section 135 of the Companies Act, 2013. No amount has been spent on construction / acquisition of an asset of the Company.

Notes forming part of the Financial Statements for the year ended March 31, 2016

(i). Auditors' remuneration (excluding service tax):

(Rs. in Lakhs)

Particulars	April 01, 2015 to March 31, 2016	April 01, 2014 to March 31, 2015
As Auditors - Statutory audit	65.00	46.00
Tax audit	7.50	5.00
For other Services	26.60	5.00
Reimbursement of out of pocket expenses	6.45	8.23
Total	1,05.55	64.23

Note "26"

Finance Costs

(Rs. in Lakhs)

Particulars	April 01, 2015 to March 31, 2016	April 01, 2014 to March 31, 2015
Interest expense	953,56.37	1421,59.06
Discounting charges on Commercial Paper	296,47.56	332,74.93
Other borrowing costs	2,52.06	4,60.14
Total	1252,55.99	1758,94.13

Note "27"

Expenditure in foreign currency (on accrual basis)

(Rs. in Lakhs)

Particulars	April 01, 2015 to March 31, 2016	April 01, 2014 to March 31, 2015
Travelling	46.57	4.57
Professional fees	-	1.57
Total	46.57	6.14

Notes forming part of the financial statements**28. Earnings per share**

Basic and diluted earnings per equity share are computed in accordance with AS 20 – Earnings per share. Basic earnings per equity share are computed by dividing net profit after tax by the weighted average number of equity shares outstanding during the year. The diluted earnings per equity share is computed using the weighted average number of equity shares and weighted average number of dilutive potential equity shares outstanding during the year.

The following table sets forth, for the periods indicated, the computation of earnings per share.

Rs. in lakhs, except per share data		
Particulars	Year ended March 31, 2016	Year ended March 31, 2015
Basic		
Weighted average no. of equity shares outstanding	1,319,020,771	1,313,655,136
Net profit attributable to equity share holders	95,11.73	180,66.46
Basic earnings per share (Rs.)	0.72	1.38
Diluted		
Weighted average no. of equity shares outstanding	1,319,020,771	1,313,655,136
Net profit	95,11.73	180,66.46
Diluted earnings per share (Rs.)	0.72	1.38
Face value per share (Rs.)	10.00	10.00

The effect of compulsorily convertible preference shares (CCPS) is anti-dilutive. Hence, CCPSs are ignored in calculation of diluted earnings per share.

29. Segment

The Company has been operating only in one segment vis, financial activities and the operations being only in India, the disclosure requirements of Accounting Standard-17 Segment Reporting are not applicable.

30. Operating lease**a. Assets taken on lease**

The Company has entered into cancellable operating lease arrangements for commercial properties. Total lease payment recognised in the statement of profit and loss for the year ended March 31, 2016 was Rs. 17,34.04 lakhs (March 31, 2015: Rs. 16,22.38 lakhs).

b. Assets given on lease

The Company has entered into non-cancellable operating lease arrangements for passenger vehicles. Maturity pattern of future minimum lease receivable is given below.

Rs. In lakhs		
Particulars	At March 31, 2016	At March 31, 2015
Not later than one year	1,87.66	2,74.17

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Particulars	At March 31, 2016	At March 31, 2015
later than one year and not later than five years	1,69.13	1,84.61
Total	3,56.79	4,58.78

31. Contingent liabilities and commitments

a. Commitments

- i. Estimated amount of contracts remaining to be executed on capital account and not provided for Rs. 3,07.10 lakhs (at March 31, 2015: Rs. 51.58 lakhs).
- ii. Loan commitment towards vehicle financing Rs. 1,21.18 lakhs (at March 31, 2015: Rs. 2,83.94 lakhs).

b. Contingent liabilities to the extent not provided for

a) Claims against the Company not acknowledged as debts:

Rs. in lakhs

Particulars	At March 31, 2016	At March 31, 2015
In respect of income tax matters	32.01	15.27
In respect of value added tax and entry tax matters	11,25.01	38.42
In respect of consumer disputes	5,39.69	4,79.45
In respect of bonus under Payment of Bonus (Amendment) Act, 2015	26.15	-
Total	17,22.86	5,33.14

b) Other money for which the company is contingently liable:

Rs. in lakhs

Particulars	At March 31, 2016	At March 31, 2015
Cash collateral with banks in respect of finance receivables assigned/secured	15,24.00	99,10.63
In respect of guarantees given by banks for liability against receivables assigned by way of securitisation	28,30.00	240,89.37
In respect of subordinated overdues on securitisation transactions	0.10	92.59
In respect of guarantees given by banks for liability against insurance portal business	5,00.00	5,00.00

32. Employee benefits

Rs. in lakhs

Particulars	Gratuity	Compensated absence	Post employment medicare scheme	Bhavishya kalyan Yojana
Components of expense recognised in the statement of profit and loss				
Current service cost	5,17.07	1,20.46	22.22	77.05

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Particulars	Gratuity	Compensated absence	Post employment medicare scheme	Bhavishya kalyan Yojana
	3,81.41	82.26	18.21	57.33
Interest cost	2,34.43	46.55	12.05	23.37
	2,10.66	37.80	11.76	22.35
Expected return on plan assets	(2,17.74)	-	-	-
	(1,95.71)	-	-	-
Actuarial losses/(gains)	(30.69)	76.54	(23.54)	(57.66)
	4,30.00	2,79.02	(7.19)	(30.45)
Total expense recognised in the statement of profit and loss	5,03.07	2,43.55	10.73	42.76
	8,26.36	3,99.08	22.78	49.23
Actual benefit payments and contribution				
Actual benefit payments	(1,20.42)	(1,70.18)	-	-
	(1,20.45)	(1,81.60)	-	-
Actual contributions	(4,17.20)	(1,70.18)	-	-
	-	(1,81.60)	-	-
Net asset/(liability) recognised in the balance sheet at respective year ends and experience adjustments				
Present value of defined benefit obligation				
March 31, 2016	(36,50.63)	(7,25.98)	(1,61.38)	(3,34.89)
March 31, 2015	(29,90.60)	(6,67.00)	(1,50.65)	(2,92.13)
March 31, 2014	(23,50.06)	(5,01.67)	(1,27.87)	(2,42.90)
March 31, 2013	(24,95.57)	(5,92.70)	(1,25.81)	(2,35.03)
March 31, 2012	(17,10.08)	(4,35.02)	(99.88)	(1,85.29)
Fair value of plan assets				
March 31, 2016	32,01.49	N.A.	N.A.	N.A.
March 31, 2015	25,73.41			
March 31, 2014	25,06.63			
March 31, 2013	17,47.49			
March 31, 2012	9,25.61			
Net asset/(liability) recognised in balance sheet				
March 31, 2016	(4,49.14)	(7,25.98)	(1,61.38)	(3,34.89)
March 31, 2015	(6,54.79)	(6,67.00)	(1,50.65)	(2,92.13)
March 31, 2014	1,56.56	(5,01.67)	(1,27.87)	(2,42.90)
March 31, 2013	(7,48.08)	(5,92.70)	(1,25.81)	(2,35.03)
March 31, 2012	(7,84.47)	(4,35.02)	(99.88)	(1,85.29)
Experience adjustments arising on				
a. Plan liabilities [gain/(loss)]				
March 31, 2016	82.87	76.54	(10.27)	(57.66)
March 31, 2015	(69.11)	1,65.41	(40.13)	(51.19)
March 31, 2014	60.85	30.16	(30.74)	(25.56)
March 31, 2013	6.21	(2,04.11)	12.56	25.04
March 31, 2012	(3,33.66)	22.69	56.00	18.96
b. Plan assets [gain/(loss)]				
March 31, 2016	-	N.A.	N.A.	N.A.

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Particulars	Gratuity	Compensated absence	Post employment medicare scheme	Bhavishya kalyan Yojana
Indian Assured Lives Mortality (2006-08)(modified) ultimate				
The major categories of plan assets as percentage of total plan assets				
Government bonds	45.23%		N.A.	
	38.64%			
Infrastructure bonds	34.70%		N.A.	
	29.31%			
Corporate bonds	16.77%		N.A.	
	11.20%			
Others	3.30%		N.A.	
	20.85%			
Net assets/(liabilities) – current and non-current				
Current	4,49.14	36.45	0.24	2.41
	4,17.19	25.37	0.26	2.07
Non-current	-	6,89.53	1,61.14	3,32.48
	-	6,41.63	1,50.39	2,90.06
Total	4,49.14	7,25.98	1,61.38	3,34.89
	4,17.19	6,67.00	1,50.65	2,92.13
Effect of one percentage point change in assumed medical inflation rate				
	One percentage point increase in medical inflation rate		One percentage point decrease in medical inflation rate	
Revised defined benefit obligation	2,00.78		1,30.80	
	1,87.85		1,21.81	
Revised service cost	35.30		21.03	
	26.13		16.33	
Revised interest cost	54.18		33.17	
	43.24		27.37	

Notes

1. Defined contribution plans – The Company's contribution to defined contribution plan aggregating Rs. 7,02.46 lakhs for the year ended March 31, 2016 (March 31, 2015: Rs. 7,00.93 lakhs) has been recognised in the statement of profit and loss.
2. The assumption of future salary increases, considered in actuarial valuation, take account of inflation, seniority, promotion and other relevant factors, such as supply and demand in the employment market.
3. The plan assets in respect of gratuity represent funds are managed by the insurers. The company expects to contribute Rs. 4,49.14 lakhs in next financial year. (March 31, 2015: Rs. 4,17.19 lakhs) towards gratuity fund.
4. Discount rate is based on government bond yields as at the year end.
5. Figures in italics pertain to previous year.

33. Acquisition of Sheba Properties Limited

The Board of Directors, at its meeting held on February 19, 2016 had approved to acquire 100% stake in Sheba Properties Limited (Sheba), registered as a Non-Banking Finance (Non-Deposit Accepting or Holding) Company with the RBI. Consequently, the company has acquired entire equity shares of Sheba from TATA Motors Limited, for a total cash consideration of Rs. 405,37.00 lakhs. The transaction was completed on March 31, 2016.

34. Related party transactions**1. Related parties and their relationship****a. Holding Company**

Tata Motors Limited

b. Subsidiaries

Tata Motors Finance Solutions Private Limited (Formerly known as Rajasthan Leasing Private Limited)

Sheba Properties Limited (w.e.f. March 31, 2016)

c. Fellow subsidiaries (with whom there are transactions)

Concorde Motors (India) Limited

Tata Technologies Limited

Tata Motors Insurance Broking and Advisory Services Limited

d. Key managerial personnel

Mr. Shyam Mani – Managing Director

2. Transactions and balances**a. Holding company**

Rs. in lakhs			
Sr. No.	Particulars	Year ended March 31, 2016	Year ended March 31, 2015
1	Subscription towards equity share capital and securities premium	-	100,00.00
2	Acquisition of a subsidiary	405,37.00	-
3	Dividend paid	39,57.06	38.68.04
4	Service charges – income	4,27.25	4,41.46
5	Rent – expenditure	35.41	17.72
6	Delinquency support	34,15.04	1261,47.11
7	Claim rights		
	- towards interest compensation	-	109,06.60
	- towards principal and others	-	290,93.40
8	Incentive received	27,37.39	4,27.85

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Sr. No.	Particulars	Year ended March 31, 2016	Year ended March 31, 2015
9	Lease charges received	80.62	33.50
10	Information technology support service charges	2,87.16	-
11	Security deposit given for leasehold premises	4.18	-
12	Purchase of fixed assets	37.93	-

Net payable to Tata Motors Limited at March 31, 2016 was Rs. 337,51.50 lakhs (March 31, 2015: Rs. 355,74.29 lakhs).

b. Subsidiary company - TATA Motors Finance Solutions Private Limited

Rs. in lakhs

Sr. No.	Particulars	Year ended March 31, 2016	Year ended March 31, 2015
1	Subscription made towards equity share capital and securities premium	-	1500,00.00
2	Transfer of business on slump sale basis	-	6350,00.00
3	Service providers fees - Income	20,48.00	-
4	Interest cost reimbursed	6,86.00	-
5	Reimbursement of refurbishment expenses	1,53.83	-
6	Reimbursement of other expenses	2,76.94	60.0

Net receivable from Tata Motors Finance Solutions Private Limited at March 31, 2016 was Rs. 3,24.16 lakhs (March 31, 2015: Rs. 60.00 lakhs).

c. Fellow subsidiaries

Rs. in lakhs

Sr. No.	Particulars	Year ended March 31, 2016	Year ended March 31, 2015
Concorde Motors (India) Limited			
1	Commission – expenditure (includes unamortised commission)	3,44.37	2,23.70
2	Vehicle loan given	73.05	3,40.85
3	Vehicle loan principal repayments	3,59.64	78.88
4	Interest Income on vehicle loan	14.22	15.15
5	Channel financing	181,60.28	113,66.63
6	Channel financing principal repayments	182,71.41	104,30.42
7	Interest income on channel financing	1,12.37	36.81
8	Lease charges received	1,48.73	208.24
9	Insurance commission received	2,67.81	150.51
Tata Technologies Limited			
1	Information technology support service charges	1,82.77	-
2	Interest on long term debenture -unsecured rated non-convertible debenture TIER II	55.00	55.00
3	Vehicle loan principal repayments received	-	0.25

Sr. No.	Particulars	Year ended March 31, 2016	Year ended March 31, 2015
4	Lease charges received	1,38.17	1,23.38
Tata Motors Insurance Broking and Advisory Services Limited			
1	Reimbursement of expenses	-	4.03

Closing balances

Rs. in lakhs

Sr. No.	Particulars	At March 31, 2016	At March 31, 2015
1	Concorde Motors (India) Limited – net receivable	7,81.55	11,30.50
2	Tata Technologies Limited – net payable	6,86.14	5,29.23

d. Key Managerial Personnel

Remuneration to Mr. Shyam Mani for the year ended March 31, 2016 was Rs. 2,04.55 lakhs (March 31, 2015: Rs. 196.94 lakhs). Remuneration excludes provision for encashable leave and gratuity as separate actuarial valuation is not available.

35. Maturity pattern

Rs. in lakhs

Particulars	Deposits (note 4)	Advances (note 1)	Investments	Borrowings from banks/financial institutions	Market borrowings (note 2 and 3)
Up to 30/31 days	- 870,00.00	1541,68.97 1301,18.67	21,99.00 100,17.84	12,50.00 -	1075,75.90 211,20.00
1 to 2 months	- -	475,66.91 371,91.58	25.93 110,11.34	6,25.00 56,25.00	1434,09.01 421,20.00
2 to 3 months	- -	473,67.72 366,43.46	330,86.89 3,38.36	93,75.00 56,25.00	1349,85.65 378,90.00
3 to 6 months	- -	1401,72.11 1083,49.12	87,02.84 47,49.06	1156,25.00 252,50.00	1020,00.00 298,10.00
6 months to 1 year	515,24.00 500,00.00	2685,70.78 2062,15.03	3,01.21 13,97.20	2878,33.61 2824,08.37	733,06.31 240,84.97
1 to 3 years	- 99,10.63	7914,20.30 6132,96.29	6,26.14 11,57.27	1043,75.00 4731,25.00	1529,24.46 1619,67.34
3 to 5 years	- -	2390,11.55 2915,94.39	3,68.28 6,93.62	2181,25.00 837,50.00	908,64.99 525,01.27
Over 5 years	- -	409,17.34 349,79.35	1906,58.10 1501,16.95	- -	860,25.00 1221,25.00
Total	515,24.00 1469,10.63	17291,95.68 14583,87.89	2359,68.39 1794,81.64	7372,08.61 8757,83.37	8910,91.32 4916,18.58

Notes

- Advances are gross of provision for non-performing assets.

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2. Includes commercial paper and secured zero coupon debentures issued at discount, which are considered gross of unamortised discounting charges and unamortised discount on issue, respectively.
3. Includes premium payable on redemption of zero coupon debentures.
4. Represents fixed deposits with banks.
5. Amounts in italics pertain to previous year.

36. Disclosure of loan and advances given to parent company, associates etc. as required by SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

There were no loans and advances in the nature of loan given to parent company, associates etc. (as certified by the management).

37. Capital to Risk Assets Ratio (CRAR)

The ratios calculated in accordance with the Reserve Bank of India guidelines are as under:

Sr. No.	Particulars	Rs. in lakhs	
		At March 31, 2016	At March 31, 2015
1	CRAR (%)	16.07%	16.49%
2	CRAR – Tier I (%)	10.14%	11.57%
3	CRAR – Tier II (%)	5.93%	4.92%
4	Amount of subordinated debt raised as Tier-II capital during the year	-	235,00.00
5	Amount raised by issue of Perpetual Debt Instruments during the year	-	50,30.00

38. Real estate sector

The company does not have exposure to the real estate sector.

39. Perpetual debt Instruments

Sr. No.	Particulars	Rs. in lakhs	
		Year ended March 31, 2016	Year ended March 31, 2015
1	Funds raised through perpetual debt instruments	-	50,30.00
2	Amount outstanding at the end of year	375,30.00	375,30.00
3	Percentage of amount of perpetual debt instrument of the amount of Tier I Capital (note 1)	20.83%	20.15%
4	Financial year in which interest on perpetual debt instruments is not paid on account of 'Lock-in Clause	N.A.	N.A.

Notes

1. Before adjusting securitisation exposure.

40. Disclosure on securitisation/direct assignment of standard assets

Securitisation of standard assets effected in line with the revised guidelines issued by RBI, dated August 21, 2012

Rs. in lakhs			
Sr. No.	Particulars	At March 31, 2016	At March 31, 2015
1	No. of special purpose vehicles (SPVs) sponsored by the Company for securitisation transactions	1	11
2	Total amount of securitised assets as per books of the SPVs sponsored by the Company (as certified by the SPV's auditors)	42,16.83	654,69.85
3	Total amount of exposures retained by the company to comply with Minimum Retention Requirement (MRR) as on the date of balance sheet		
	a. Off-balance sheet exposures		
	First loss	-	-
	Others	-	-
	b. On-balance sheet exposures		
	First loss	15,24.00	99,10.63
	Others	2,07.89	37,60.54
4	Amount of exposures to securitisation transactions other than MRR		
	a. Off-balance sheet exposures		
	i) Exposures to own securitisations		
	First loss	-	-
	Others	28,30.00	240,89.37
	ii) Exposures to third party securitisations		
	First loss	-	-
	Others	-	-
	b. On-balance sheet exposures		
	i) Exposures to own securitisations		
	First loss	-	-
	Others	1,16.99	28,16.76
	ii) Exposures to third party securitisations		
	First loss	-	-
	Others	-	-

The above information is based on information submitted by the SPVs, which is duly submitted by the SPV's auditors.

41. Restructured advances

The Company has not done any restructuring under CDR mechanism and SME debt restructuring mechanism.

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Notes forming part of the financial statements for the year ended March 31, 2016

A. Disclosure for movement in restructuring done under 'others mechanism' for the year ended March 31, 2016 is given below.

Rs. in lakhs

Sr. No.	Particulars	Others				
		Standard	Sub-standard	Doubtful	Loss	Total
1	Restructured accounts at April 1, 2015					
	No. of borrowers	-	462	13	-	475
	Outstanding	-	80,97.78	3,55.45	-	84,53.23
	Provision	-	10,87.87	3,03.77	-	13,91.64
2	Fresh restructuring during the year					
	No. of borrowers	-	135	44	-	179
	Outstanding	-	18,84.09	5,40.75	-	24,24.84
	Provision	-	4,12.12	3,86.16	-	7,98.28
3	Upgradations to restructured standard category during the year					
	No. of borrowers	-	(67)	(1)	-	(68)
	Outstanding	-	(7,57.02)	(9.38)	-	(7,66.40)
	Provision	-	(1,04.21)	(9.40)	-	(1,13.61)
4	Restructured standard advances which cease to attract higher provisioning and/or additional risk weight at March 31, 2016 and hence need not be shown as restructured standard advances at April 1, 2016					
	No. of borrowers	-	-	-	-	-
	Outstanding	-	-	-	-	-
	Provision	-	-	-	-	-
5	Downgradations of restructured advances during the year					
	No. of borrowers	-	(97)	97	-	-
	Outstanding	-	(13,95.49)	10,79.68	-	(3,15.81)
	Provision	-	(1,89.59)	8,30.94	-	6,41.35
6	Write offs of restructured accounts during the year					
	No. of borrowers	-	(56)	(1)	-	(57)
	Outstanding	-	(7,16.72)	(0.76)	-	(7,17.48)
	Provision	-	(76.85)	(0.69)	-	(77.54)
7	Recovery from restructured accounts during the year					
	No. of borrowers	-	(147)	(3)	-	(150)
	Outstanding	-	(27,98.57)	(1,83.24)	-	(29,81.81)
	Provision	-	(2,43.45)	(1,79.64)	-	(4,23.09)
8	Sale of restructured accounts during the year					
	No. of borrowers	-	-	-	-	-
	Outstanding	-	-	-	-	-
	Provision	-	-	-	-	-
9	Restructured accounts at March 31, 2016					
	No. of borrowers	-	230	149	-	379
	Outstanding	-	43,14.07	17,82.50	-	60,96.57
	Provision	-	8,85.89	13,31.14	-	22,17.03

Provision on restructured advances includes provision on diminution in fair value amounting to Rs. 2,69.14 lakhs.

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B. Disclosure for movement in restructuring done under 'others mechanism' for the year ended March 31, 2015 is given below.

Rs. in lakhs

Sr. No.	Particulars	Others				
		Standard	Sub-standard	Doubtful	Loss	Total
1	Restructured accounts at April 1, 2014					
	No. of borrowers	-	253	1	-	254
	Outstanding	-	10,26.44	0.00	-	10,26.44
	Provision	-	1,17.70	0.00	-	1,17.70
2	Fresh restructuring during the year					
	No. of borrowers	-	325	7	-	332
	Outstanding	-	74,74.52	2,93.71	-	77,68.23
	Provision	-	10,36.49	2,62.71	-	12,99.20
3	Upgradations to restructured standard category during the year					
	No. of borrowers	-	-	-	-	-
	Outstanding	-	-	-	-	-
	Provision	-	-	-	-	-
4	Restructured standard advances which cease to attract higher provisioning and/or additional risk weight at March 31, 2015 and hence need not be shown as restructured standard advances at April 1, 2015					
	No. of Borrowers	-	-	-	-	-
	Outstanding	-	-	-	-	-
	Provision	-	-	-	-	-
5	Downgradations of restructured advances during the year					
	No. of Borrowers	-	(10)	10	-	-
	Outstanding	-	(74.51)	80.14	-	5.63
	Provision	-	(25.37)	54.69	-	29.32
6	Write offs of restructured accounts during the year					
	No. of Borrowers	-	(10)	-	-	(10)
	Outstanding	-	(79.38)	-	-	(79.38)
	Provision	-	(7.36)	-	-	(7.36)
7	Recovery from restructured accounts during the year					
	No. of Borrowers	-	(51)	(1)	-	(52)
	Outstanding	-	(63.29)	(0.00)	-	(63.29)
	Provision	-	(6.14)	(0.00)	-	(6.14)
8	Sale of restructured accounts during the year					
	No. of Borrowers	-	(53)	(4)	-	(57)
	Outstanding	-	(1,85.99)	(18.40)	-	(2,04.39)
	Provision	-	(27.46)	(13.64)	-	(41.10)
9	Restructured accounts at March 31, 2015					
	No. of Borrowers	-	462	13	-	475
	Outstanding	-	80,97.78	3,55.45	-	84,53.23
	Provision	-	10,87.87	3,03.77	-	13,91.64

Provision on restructured advances includes provision on diminution in fair value amounting to Rs. 3,72.00 lakhs.

42. Provisions and contingencies

Rs. in lakhs

Sr. No.	Particulars	Year ended March 31, 2016		Year ended March 31 2015	
1	Provision for doubtful loan and advances		7,75.31		261.88
2	Provision for doubtful finance receivables	(50,47.60)		780,99.66	
	Less: Delinquency support	18,89.98	(31,57.62)	(407,11.56)	373,88.10
3	Finance receivable written-off (net of recoveries of Rs. 18,14.82 lakhs (March 31, 2015: Rs. 20,12.68 lakhs)	571,71.71		810,54.33	
	Less: Delinquency support	(48,98.10)	522,73.61	(106,77.83)	703,76.50
4	Provision on standard assets		11,45.00		3,00.00
5	Provision for diminution in value of investment		-		-
6	Provision for consumer disputes		59.97		65.54
7	Provision made towards income tax (Tax Expense)		36,27.82		(233,34.62)

43. Investments

Rs. in lakhs

Sr. No.	Particulars	At March 31, 2016	At March 31, 2015
Value of investments			
Gross value of investments			
a)	In India	2359,68.39	1794,81.66
b)	Outside India	-	-
Provision for depreciation			
a)	In India	-	-
b)	Outside India	-	-
Net value of investments			
a)	In India	2359,68.39	1794,81.66
b)	Outside India	-	-
Movement of provisions held towards depreciation of investments			
1	Opening balance	-	41.10
2	Add: Provision made during the year	-	-
3	Less: Write-off/write-back of excess provision during the year	-	41.10
4	Closing balance	-	-

TATA MOTORS FINANCE LIMITED

(CIN - U65923MH2006PLC162503)

Notes forming part of the financial statements for the year ended March 31, 2016

44. Ratings assigned by credit rating agencies and migrations of ratings during the year

Instrument	CRISIL		ICRA	
	At March 31, 2016	At March 31, 2015	At March 31, 2016	At March 31, 2015
Secured non-convertible debentures (NCDs)	CRISIL AA/Stable	CRISIL AA/Stable	N.A.	N.A.
Unsecured subordinated Tier II NCDs	CRISIL AA/Stable	CRISIL AA/Stable	ICRA AA/Stable	ICRA AA/Stable
Unsecured subordinated perpetual NCDs	CRISIL A+/Stable	CRISIL A+/Stable	ICRA A+/Stable	ICRA A+/Stable
Long term bank facilities	CRISIL AA/Stable	CRISIL AA/Stable	ICRA AA/Stable	ICRA AA/Stable
Short term bank facilities	CRISIL A1+	CRISIL A1+	ICRA A1+	ICRA A1+
Commercial papers	N.A.	N.A.	ICRA A1+	ICRA A1+

45. Details of financing of parent company's products

Rs. in lakhs

Particulars	For the year ended March 31, 2016		For the year ended March 31, 2015	
	Nos.	Amount	Nos.	Amount
Commercial vehicle	75,970	7485,11.37	74,344	5818,03.16
Passenger vehicle	33,185	1349,94.72	38,444	1497,53.92

46. Concentration of advances

Particulars	At March 31, 2016	At March 31, 2015
Total exposure on 20 largest borrowers/customers	469,78.01	227,88.97
Percentage of exposures to twenty largest borrowers to total exposure of the NBFC on borrowers	2.69%	1.56%

47. Concentration of exposures

Rs. in lakhs

Particulars	At March 31, 2016	At March 31, 2015
Total exposure on 20 largest borrowers/customers	842,56.68	227,88.97
Percentage of exposures to twenty largest borrowers/customers to total exposure of the NBFC on borrowers/customers	4.70%	1.56%

TATA MOTORS FINANCE LIMITED

(CIN - U65923MH2006PLC162503)

Notes forming part of the financial statements for the year ended March 31, 2016

48. Concentration of NPAs

Rs. in lakhs

Particulars	At March 31, 2016	At March 31, 2015
Total exposure to top four NPAs	28,85.68	24,77.54

49. Sector-wise NPAs

Sr. No.	Sector	At March 31, 2016	At March 31, 2015
1	Agricultural and allied activities	-	-
2	MSME	-	-
3	Corporate borrowers	-	-
4	Services	-	-
5	Unsecured personal loans	-	-
6	Auto loan	9.81%	15.84%
7	Other personal loan	-	-

50. Details of non-performing financial assets sold

Rs. in lakhs

Sr. No.	Particulars	Year ended March 31, 2016	Year ended March 31, 2015
1	No. of account sold	-	110,706
2	Aggregate outstanding (gross of interest income and other charges reversal)	-	3561,87.74
3	Aggregate consideration received	-	note 1

Notes

1. Transferred to subsidiary company as part of slump sale basis, without values being assigned to individual assets and liabilities.

51. Movement of NPAs

Rs. in lakhs

Sr. No.	Particulars	At March 31, 2016	At March 31, 2015
1	Net NPAs to net advances (%)	5.71%	10.87%
2. Movement of gross NPAs			
a)	Opening balance	2304,13.98	3000,85.68
b)	Addition during the year	688,01.63	3345,11.60
c)	Reduction during the year	(1279,84.28)	(4041,83.30)
d)	Closing balance	1712,31.33	2304,13.98
3. Movement of net NPAs			
a)	Opening balance	1498,67.20	2049,15.83
b)	Addition during the year	221,17.81	2330,63.27
c)	Reduction during the year	(766,51.64)	(2881,11.90)
d)	Closing balance	953,33.37	1498,67.20
4. Movement of provision for NPAs (excluding provision on standard assets)			

TATA MOTORS FINANCE LIMITED

(CIN - U65923MH2006PLC162503)

Notes forming part of the financial statements for the year ended March 31, 2016

Sr. No.	Particulars	At March 31, 2016	At March 31, 2015
b)	Opening balance	805,46.78	951,69.85
b)	Addition during the year	466,83.83	1014,48.32
C)	Reduction during the year	(513,32.65)	(1160,71.39)
d)	Closing balance	758,97.96	805,46.78

52. Customer complaints


Sr. No.	Particulars	Year ended March 31, 2016	Year ended March 31, 2015
1	No. of complaints pending at the beginning of the year	43	109
2	No. of complaints received during the year	2,546	14,285
3	No. of complaints redressed during the year	2,563	14,351
4	No. of complaints pending at the end of the year	26	43

53. Frauds

As required by Reserve Bank of India circular No RBI/2011-12/424 DNBS.PD.CC. No. 256 /03.10.042 / 2011-12 dated March 02, 2012 on monitoring of frauds, the Company has reported fraud amounting to Rs. 56.61 lakhs during the year ended March 31, 2016 (during the year ended March 31, 2015: Rs. 66.23 lakhs) vide form FMR 1.

54. Comparative figures

Previous year's amounts have been re-grouped/re-classified wherever necessary to correspond with the current year's classification/disclosure. Current year's information with respect to statement of profit and loss account and corresponding notes are not comparable with previous year's information due to sale of certain businesses on slump sale basis as on March 31, 2015.

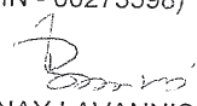

NASSER MUNJEE
 Chairman
 (DIN - 00010180)


H.N. SINOR
 Director
 (DIN - 00074905)


C. RAMAKRISHNAN
 Director
 (DIN - 0020076)


SHYAM MANI
 Managing Director
 (DIN - 00273598)


SAMRAT GUPTA
 Chief Financial Officer


VINAY LAVANNIS
 Company Secretary

Place: Mumbai
 Date: May 19, 2016

Schedule to the Balance Sheet as at March 31, 2016 of a 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)

(Rs. In lakhs)

Particulars		
Liabilities side:		Amount outstanding
(1) Loans and advances availed by the non-banking financial Company inclusive of interest accrued thereon but not paid:		Amount overdue
(a) Debentures : Secured (Note-1)	3082,71.61	-
: Unsecured	1510,20.00	-
(other than falling within the meaning of public deposits)		
(b) Deferred Credits	-	-
(c) Term Loans	5993,75.00	-
(d) Inter-corporate loans and borrowings	-	-
(e) Commercial Papers (Note-2)	4030,12.16	-
(f) Other Loans		
- Working capital demand loan	-	-
- Cash Credit		
- From banks	1378,33.61	-
- From others		
Assets side:		Amount Outstanding
(2) Break-up of Loans and Advances including bills receivables [other than those included in (4) below]:		
(a) Secured		112,99.75
(b) Unsecured		306,18.71
(3) Break up of Leased Assets and stock on hire and other assets towards AFC activities		
(i) Lease assets including lease rentals under sundry debtors :		
(a) Financial lease		-
(b) Operating lease		7,45.85
(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		145,22.73
(b) Loans other than (a) above (refer note 1 & note 2 below)		16720,59.12
(4) Break-up of Investments:		
<u>Current Investments:</u>		
1 Quoted :		
(i) Shares : (a) Equity		-
(b) Preference		-
(ii) Debentures and Bonds		-
(iii) Units of mutual funds		-
(iv) Government Securities		-
(v) Others		-
2 Unquoted:		
(i) Shares : (a) Equity		-
(b) Preference		-
(ii) Debentures and Bonds		2,51.09
(iii) Units of mutual funds		-
(iv) Government Securities		-
(v) Others		-
Investment in Senior Pass Through Certificates		440,64.77
<u>Long Term Investments:</u>		
1 Quoted :		
(i) Shares : (a) Equity (Investment in subsidiary)		-
(b) Preference		-
(ii) Debentures and Bonds		-
(iii) Units of mutual funds		-
(iv) Government Securities		-
(v) Others		-

2	Unquoted:			190,658.10
	(i) Shares :	(a) Equity (Investment in subsidiaries)		-
		(b) Preference		9,80.06
	(ii) Debentures and Bonds			-
	(iii) Units of mutual funds			-
	(iv) Government Securities			-
	(v) Others			14.36
	Investment in Senior Pass Through Certificates			
(5) Borrower group-wise classification of assets financed as in (2) and (3) above :				
		Amount net of provisions		
	Category	Secured	Unsecured	Total
1	Related Parties			
	(a) Subsidiaries			
	(b) Companies in the same group	759.74	8,25.09	15,84.82
	(c) Other related parties			
2	Other than Related Parties	16978,67.72	297,93.62	17276,61.34
	Total	16986,27.46	306,18.71	17292,46.17
(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 or fair value or NAV	Book Value (Net of Provision)	
1	Related Parties			
	(a) Subsidiaries	1906,58.10	1906,58.10	
	(b) Companies in the same group	-	-	
	(c) Other related parties	-	-	
2	Other than Related Parties			
	<u>Quoted</u>			
	Investment in Equity Shares	-	-	
	<u>Unquoted</u>			
	Investment in NCDs	12,31.15	12,31.15	
	Investment in Senior Pass Through Certificates	440,79.13	440,79.13	
	Investment in Units of Mutual fund	-	-	
	Total	2359,68.38	2359,68.38	
(7) Other information				
	Particulars			
(i)	Gross Non-Performing Assets			
	(a) Related parties			
	(b) Other than related parties	1712,31.33		
(ii)	Net Non-Performing Assets			
	(a) Related parties			
	(b) Other than related parties	953,33.37		
(iii)	Assets acquired in satisfaction of debt			

Note 1: Includes Zero coupon debentures of Rs. 134,10.00 lakhs and Zero coupon debentures redeemable on premium of Rs. 1447,41.32 net of unamortised discount on issue of Rs. 1,47.32 lakhs and gross of accredited value of premium on redemption of Rs. 97,03.90 lakhs respectively.

Note 2: Commercial Paper of Rs. 4030,12.16 lakhs are net of unamortised discounting charges amounting to Rs. 89,87.84 lakhs.

For and on behalf of the Board of Directors

NASSER MUNJEE
Chairman
(DIN - 00010180)

C. RAMAKRISHNAN
Director
(DIN - 0020076)

SAMRAT GUPTA
Chief Financial Officer

H. N. SINOR
Director
(DIN - 00074905)

SHYAM MANI
Managing Director
(DIN - 00273598)

VINAY LAVANNIS
Company Secretary

Mumbai
Date : May 19, 2016