

TATA MOTORS (SA) PROPRIETARY LIMITED
(Registration number: 2007/034689/07)

AUDITED ANNUAL FINANCIAL STATEMENTS

31 March 2016

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(Registration number: 2007/034689/07)
ANNUAL FINANCIAL STATEMENTS
31 March 2016

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The annual financial statements have been prepared by Kaushik Roy, AICWA (India) (Chief Financial Officer) of Tata Motors (SA) Proprietary Limited.

TATA MOTORS (SA) PROPRIETARY LIMITED
DIRECTORS' RESPONSIBILITY STATEMENT AND APPROVAL OF THE ANNUAL
FINANCIAL STATEMENTS
for the year ended 31 March 2016

Directors' responsibility statement

The directors are required by the South African Companies Act of 2008 to maintain adequate accounting records and are responsible for the content and integrity of the financial statements and related financial information included in this report. It is their responsibility to ensure that the financial statements fairly present that state of affairs to the company as at 31 March 2016 and the results of its operations and cash flows for the year then ended, in conformity with International Financial Reporting Standards. The external auditors are engaged to express an independent opinion on the financial statements.

The financial statements are prepared in accordance with International Financial Reporting Standards and are based upon appropriate accounting policies and supported by reasonable and prudent judgements and estimates.

The directors responsibility includes: designing, implementing and maintaining internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

The directors' responsibility also includes maintaining adequate accounting records and an effective system of risk management as well as the preparation of the supplementary schedules included in the annual financial statements.

The directors acknowledge that they are responsible for establishing internal controls, systems and procedures that provide reasonable assurance that all the assets are safeguarded, transactions properly executed and recorded and that the possibility of material loss or misstatement is minimised. To this end, proper delegation of responsibilities and an adequate approvals framework has been introduced to ensure an acceptable level of risk commensurate with the size of the operation. All employees are required to maintain the highest ethical standards in ensuring that appropriate infrastructure, controls systems and ethical behaviour are applied and managed within predetermined procedures and constraints.

The directors are of the opinion, based on the information and explanations given by management that the system of internal control provides reasonable assurance that the financial records may be relied on for the preparation of the financial statements. However, any system of internal financial control can provide only reasonable, and not absolute, assurance against material misstatement or loss.

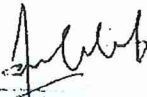
The financial statements have been prepared on the going concern basis, since the directors have every reason to believe that the company has adequate resources in place to continue in operation for the foreseeable future.


The external auditors are responsible for independently reviewing and reporting on the annual financial statements, which were examined by the external auditors and their unmodified report is presented on page 5.

TATA MOTORS (SA) PROPRIETARY LIMITED
DIRECTORS' RESPONSIBILITY STATEMENT AND APPROVAL OF THE ANNUAL
FINANCIAL STATEMENTS (continued)
for the year ended 31 March 2016

Approval of the annual financial statements

The annual financial statements of Tata Motors (SA) Proprietary Limited, as set out on pages 6 to 30, were approved by the board of directors on 16 May 2016 and were subsequently signed on its behalf by:


C Ramakrishnan
Director


BR Sabawala
Director

TATA MOTORS (SA) PROPRIETARY LIMITED
REPORT OF THE DIRECTORS
for the year ended 31 March 2016

DIRECTORS REPORT

The directors have pleasure in presenting their report on the activities of the company for the year ended 31 March 2016.

BUSINESS ACTIVITIES

The company manufactures and assembles commercial vehicles from the kits supplied by Tata Motors Limited, India and Tata Daewoo Commercial Vehicle Company Limited, South Korea. A site at Rosslyn has been obtained on lease from Tata Africa Holdings (SA) (Pty) Ltd. The commercial production of vehicles commenced during April 2012. The company sells its units to Tata Automobile Corporation (SA) (Pty) Ltd.

FINANCIAL STATEMENTS

The financial position of the company and the results of its operations for the year are set out in the attached annual financial statements on pages 6 to 30 and in the opinion of the directors require no further comment.

SHARE CAPITAL

The authorised share capital of the company is R 42 000 000 (2015: R 42 000 000). The issued share capital is R 19 837 000 (2015: R 19 837 000).

DIVIDEND

No dividend was declared or paid during the year (2015: R nil).

DIRECTORS

The directors of the company and during the year under review and up to the date of this report are:

R Pisharody *	
C Ramakrishnan *	
RT Wasan *	(Resigned on 01 Feb 2016)
R Maitra *	(Appointed on 01 Feb 2016)
BR Sabawala *	
XS Gobille **	(Resigned on 30 Jun 2015)
S Pandya *	(Appointed on 20 Jul 2015)

* Indian

** French

COMPANY SECRETARY

A company secretary has not been appointed and this position remains vacant.

HOLDING COMPANY

Tata Motors (SA) Proprietary Limited is a subsidiary of TML Holdings Pte. Ltd., which holds 60% of the company's ordinary shares. TML Holdings Pte. Ltd is incorporated in Singapore.

TATA MOTORS (SA) PROPRIETARY LIMITED
REPORT OF THE DIRECTORS (continued)
for the year ended 31 March 2016

POST BALANCE SHEET EVENTS

The directors are not aware of any events of a material nature that have occurred between the accounting date and the date of this report.

AUDITOR

Deloitte and Touche are the appointed auditor of Tata Motors (SA) Proprietary Limited.

REGISTERED OFFICE AND POSTAL ADDRESS

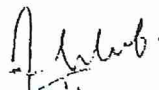
The registered and postal address of the company are.


Business address

39 Ferguson Road
Illovo
2196

Postal address

P.O. Box 55738
Northlands
2116


C Ramakrishnan
Director


BR Sabawala
Director

INDEPENDENT AUDITOR'S REPORT TO THE SHAREHOLDERS OF TATA MOTORS (SA) PROPRIETARY LIMITED

We have audited the annual financial statements of Tata Motors (SA) Proprietary Limited, set out on pages 6 to 30, which comprise the statement of financial position as at 31 March 2016, and the statement of comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, and the notes, comprising a summary of significant accounting policies and other explanatory information.

Directors' responsibility for the financial statements

The company's directors are responsible for the preparation and fair presentation of these financial statements in accordance with International Financial Reporting Standards and the requirements of the Companies Act of South Africa, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with International Standards on Auditing. 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 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 control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, 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.

Opinion

In our opinion, the financial statements present fairly, in all material respects, the financial position of Tata Motors (SA) Proprietary Limited as at 31 March 2016, and its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards and the requirements of the Companies Act of South Africa.

Other reports required by the Companies Act

As part of our audit of the financial statements for the year ended 31 March 2016, we have read the Report of the Directors for the purpose of identifying whether there are material inconsistencies between the report and the audited financial statements. The Report of the Directors is the responsibility of the preparer. Based on reading the report we have not identified material inconsistencies between the report and the audited financial statements. However, we have not audited the Report of the Directors and accordingly do not express an opinion on the report.



Deloitte & Touche
Registered Auditors

Per: M Bardopoulos
Partner
16 May 2016

National Executive: *LL Barn Chief Executive *AE Swiegers Chief Operating Officer *GM Pinnock Audit
DL Kennedy Risk Advisory *NB Kader Tax TP Pillay Consulting S Gwala BPaaS *K Black Clients & Industries
*JK Mazzocco Talent & Transformation *MJ Jarvis Finance *M Jordan Strategy *TJ Brown Chairman of the Board
*MJ Comber Deputy Chairman of the Board
Office Managing Partner: *X Botha

A full list of partners and directors is available on request

* Partner and Registered Auditor

B-BBEE rating: Level 2 contributor in terms of the Chartered Accountancy Profession Sector Code

Member of Deloitte Touche Tohmatsu Limited

TATA MOTORS (SA) PROPRIETARY LIMITED
STATEMENT OF COMPREHENSIVE INCOME
for the year ended 31 March 2016

	<u>Notes</u>	<u>2016</u> <u>R</u>	<u>2015</u> <u>R</u>
Revenue	2	167 595 744	202 218 956
Cost of sales		(156 131 616)	(193 326 580)
Gross profit		<u>11 464 128</u>	<u>8 892 376</u>
Other income		558 358	665 751
Administrative and other expenses		<u>(9 399 283)</u>	<u>(8 398 734)</u>
Profit from operations	3	2 623 203	1 159 393
Interest received	4	314 618	2 505 145
Finance costs	5	<u>(2 055 111)</u>	<u>(1 957 229)</u>
Profit before taxation		882 710	1 707 309
Taxation	6	<u>(329 262)</u>	<u>861 463</u>
Total comprehensive profit for the year		<u><u>553 448</u></u>	<u><u>2 568 772</u></u>

TATA MOTORS (SA) PROPRIETARY LIMITED
STATEMENT OF FINANCIAL POSITION
at 31 March 2016

	<u>Notes</u>	<u>2016</u> <u>R</u>	<u>2015</u> <u>R</u>
Assets			
Non-current assets			
Plant and equipment	7	17 584 242	19 192 077
Intangible assets	7	-	670 065
		<hr/>	<hr/>
Total non-current assets		17 584 242	19 862 142
Current assets			
Inventory	8	50 865 702	58 166 667
Tax asset		592 867	-
Trade and other receivables	9	60 889 411	62 984 338
Cash and bank balances	10	1 323 807	7 899 801
		<hr/>	<hr/>
Total current assets		113 671 787	129 050 806
		<hr/>	<hr/>
Total Assets		<u>131 256 029</u>	<u>148 912 948</u>
Equity and liabilities			
Equity			
Share capital	11	19 837 000	19 837 000
Retained earnings		2 760 622	2 207 174
		<hr/>	<hr/>
Total shareholders' equity		22 597 622	22 044 174
Non-current liabilities			
Shareholders' loans	12	21 329 800	21 329 800
Deferred taxation	13	1 640 229	1 961 565
Deferred income - long term	14	2 462 406	2 626 566
		<hr/>	<hr/>
Total non-current liabilities		25 432 435	25 917 931
Current liabilities			
Trade and other payables	15	82 289 462	95 774 735
Bank overdraft	10	-	4 390 848
Provisions	16	772 350	621 100
Deferred income - short term	14	164 160	164 160
		<hr/>	<hr/>
Total current liabilities		83 225 972	100 950 843
		<hr/>	<hr/>
Total equity and liabilities		<u>131 256 029</u>	<u>148 912 948</u>

TATA MOTORS (SA) PROPRIETARY LIMITED
STATEMENT OF CHANGES IN EQUITY
for the year ended 31 March 2016

	Share capital	(Accumulated loss) / retained earnings	Total
Balance at 31 March 2014	19 837 000	(361 598)	19 475 402
Issue of ordinary shares	-	-	-
Total comprehensive profit for the year	-	2 568 772	2 568 772
Balance at 31 March 2015	19 837 000	2 207 174	22 044 174
Issue of ordinary shares	-	-	-
Total comprehensive profit for the year	-	553 448	553 448
Balance at 31 March 2016	19 837 000	2 760 622	22 597 622

TATA MOTORS (SA) PROPRIETARY LIMITED
STATEMENT OF CASH FLOWS
for the year ended 31 March 2016

	<u>Notes</u>	<u>2016</u> <u>R</u>	<u>2015</u> <u>R</u>
Cash flows from operating activities			
Cash flows generated / (utilised) from operations	17	991 581	(31 507)
Finance costs		(2 055 111)	(1 957 229)
Interest received		314 618	2 505 145
Taxation paid		<u>(1 243 465)</u>	<u>1 794 490</u>
Net cash (outflow) / inflow from operating activities		<u>(1 992 377)</u>	<u>2 310 899</u>
 Cash flow from investing activities			
Acquisition of plant and equipment and intangible assets to expand operations		<u>(192 769)</u>	<u>(1 170 476)</u>
Net cash (outflow) from investing activities		<u>(192 769)</u>	<u>(1 170 476)</u>
Net (decrease) / increase in cash and cash equivalents		(2 185 146)	1 140 423
Cash and cash equivalents at beginning of the period		<u>3 508 953</u>	<u>2 368 530</u>
Cash and cash equivalents at end of the period		<u><u>1 323 807</u></u>	<u><u>3 508 953</u></u>

TATA MOTORS (SA) PROPRIETARY LIMITED
NOTES TO THE ANNUAL FINANCIAL STATEMENTS
for the year ended 31 March 2016

1.1 Basis of preparation

The financial statements have been prepared in accordance with International Financial Reporting Standards, the interpretations of the International Financial Accounting Standards Board (the IASB) and the International Financial Reporting Interpretations Committee (IFRIC) of the IASB, and the requirements of the Companies Act of South Africa, 2008.

The financial statements have been prepared on the historical cost basis. The principle accounting policies are set out below.

1.2 Presentation of the annual financial statements

The annual financial statements are presented in South African Rands since that is the currency in which the majority of the company transactions are denominated.

1.3 Adoption of revised accounting standards

Standards and Interpretations effective in the current year

All the new or revised standards and interpretations with effective dates of annual periods beginning on or before 01 April 2015 have been adopted in the current period, but were found not to effect the amounts reported.

At the date of authorisation of these financial statements, the following new and revised Standards and Interpretations applicable to the entity were in issue but not yet effective:

IFRS 1	First-time Adoption of International Financial Reporting Standards (effective for annual periods beginning on or after 1 January 2016)
IFRS 5	Non-current Assets Held for Sale and Discontinued Operations (effective for annual periods beginning on or after 1 January 2016)
IFRS 7	Financial Instruments: Disclosures (effective for annual periods beginning on or after 1 January 2016)
IFRS 9	Financial Instruments: Reissue to include requirements for the classification and measurement of financial liabilities and incorporate existing derecognition requirement (effective for annual periods beginning on or after 1 January 2018)
IFRS 12	Disclosure of Interest in Other Entities (effective for annual periods beginning on or after 1 January 2016)
IFRS 15	Revenue from Contracts with Customers (effective for annual periods beginning on or after 1 January 2018)
IFRS 16	Leases (effective for annual periods beginning on or after 1 January 2018)
IAS 1	Presentation of Financial Statements (effective for annual periods beginning on or after 1 January 2016)
IAS 7	Cash Flow Statement (effective for annual periods beginning on or after 1 January 2017)
IAS 12	Income Taxes: Recognition of deferred tax assets for unrealised losses (effective for annual periods beginning on or after 1 January 2017)
IAS 16	Property, Plant and Equipment (effective for annual periods beginning on or after 1 January 2016)
IAS 19	Employee Benefits: Amended standards resulting from the post-employment benefits and termination benefits projects (effective for annual periods beginning on or after 1 January 2016)
IAS 38	Intangible Assets (effective for annual periods beginning on or after 1 July 2016)

The directors have not yet quantified the impact of the adoption of these standards and interpretations. However, the directors do not believe that these statements will have a material impact on the financial statements.

TATA MOTORS (SA) PROPRIETARY LIMITED
NOTES TO THE ANNUAL FINANCIAL STATEMENTS (continued)
for the year ended 31 March 2016

1.4 Summary of significant accounting policies

Plant and equipment

Assets in the course of construction are carried at cost, less any recognised impairment loss. Cost includes professional fees and, for qualifying assets, borrowing costs capitalised in accordance with the Company's accounting policy. Such assets are classified to the appropriate categories of plant and equipment when completed and ready for intended use. Depreciation of these assets, on the same basis as other asset categories, commences when the assets are ready for their intended use.

Plant and equipment is stated at cost less accumulated depreciation and any accumulated impairment losses.

Depreciation is charged to income on the straight-line basis so as to write off the cost or valuation of the assets to their estimated residual values over their estimated useful lives. The estimated useful lives and residual values are reviewed at each year-end, with the effect of any changes in estimate accounted for on a prospective basis. The depreciation rates used are as follows:

Machinery	4 to 21 years
Furniture and fittings	4 to 21 years
Vehicles	9 years
Equipment	4 to 30 years
Leasehold improvements	5 to 30 years

An item of plant and equipment is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on the disposal or retirement of an item of plant and equipment is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognised in profit or loss.

Intangible assets

Intangible assets with finite useful lives that are acquired separately are carried at cost less accumulated amortisation and accumulated impairment losses. Amortisation is recognised on a straight-line basis over their estimated useful lives. The estimated useful life and amortisation method are reviewed at the end of each reporting year, with the effect of any changes in estimate being accounted for on a prospective basis.

Intangible assets relate to software and pre-operating expenses and are amortised over 4 to 5 years.

Inventories

Inventories are carried at the lower of cost, or net realisable value. Cost is calculated as the actual raw material cost and an appropriate proportion of variable and fixed overheads. Net realisable value presents the estimated selling price less all estimated costs of completion and costs to be incurred in marketing, selling and distribution.

TATA MOTORS (SA) PROPRIETARY LIMITED
NOTES TO THE ANNUAL FINANCIAL STATEMENTS (continued)
for the year ended 31 March 2016

1.4 Summary of significant accounting policies (continued)

Impairment

At each statement of financial position date, the company reviews the carrying amounts of its tangible and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). Where it is not possible to estimate the recoverable amount of an individual asset, the company estimates the recoverable amount of the cash-generating unit to which the asset belongs.

Where a reasonable and consistent basis of allocation can be identified, corporate assets are also allocated to individual cash-generating units, or otherwise they are allocated to the smallest group of cash-generating units for which a reasonable and consistent allocation basis can be identified.

Recoverable amount is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the impairment loss is treated as a revaluation decrease.

Where an impairment loss subsequently reverses, the carrying amount of the asset (cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (cash-generating unit) in prior years. A reversal of an impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the reversal of the impairment loss is treated as a revaluation increase.

Revenue

Revenue is measured at the fair value of the consideration received or receivable.

Sale of goods

Revenue from the sale of goods is recognised when all the following conditions are satisfied:

- the company has transferred to the buyer the significant risks and rewards of ownership of the goods;
- the company retains neither continuing managerial involvement to the degree usually associated with ownership nor effective control over the goods sold;
- the amount of revenue can be measured reliably;
- it is probable that the economic benefits associated with the transaction will flow to the entity; and
- the costs incurred or to be incurred in respect of the transaction can be measured reliably.

TATA MOTORS (SA) PROPRIETARY LIMITED
NOTES TO THE ANNUAL FINANCIAL STATEMENTS (continued)
for the year ended 31 March 2016

1.4 Summary of significant accounting policies (continued)

Foreign currency

Transactions in currencies other than the company's reporting currency (South African Rands) are initially recorded at the rates of exchange ruling on the dates of the transactions. Monetary assets and liabilities denominated in such currencies are retranslated at the rates ruling on the statement of financial position date. Exchange differences arising on the settlement of monetary items or on reporting an enterprise's monetary items at rates different from those at which they were initially recorded are recognised as income or expenses in the year in which they arise.

Lease rentals

Operating lease rentals are charged to income in a systematic manner related to the years of use of the assets concerned.

Taxation

Income tax expense represents the sum of the tax currently payable and deferred tax.

Current tax

The tax currently payable is based on taxable profit for the year. Taxable profit differs from profit as reported in the statement of comprehensive income because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. The company's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the statement of financial position date.

Deferred tax

Deferred tax is recognised on differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit, and is accounted for using the statement of financial position liability method. Deferred tax liabilities are generally recognised for all taxable temporary differences, and deferred tax assets are generally recognised for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilised. Such assets and liabilities are not recognised if the temporary difference arises from goodwill or from the initial recognition (other than in a business combination) of other assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit.

The carrying amount of deferred tax assets is reviewed at each statement of financial position date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year in which the liability is settled or the asset realised, based on tax rates (and tax laws) that have been enacted or substantively enacted by the statement of financial position date. The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the company expects, at the reporting date, to recover or settle the carrying amount of its assets and liabilities.

TATA MOTORS (SA) PROPRIETARY LIMITED
NOTES TO THE ANNUAL FINANCIAL STATEMENTS (continued)
for the year ended 31 March 2016

1.4 Summary of significant accounting policies (continued)

Taxation (continued)

Current and deferred tax for the year

Current and deferred tax are recognised as an expense or income in profit or loss, except when they relate to items credited or debited directly to equity, in which case the tax is also recognised directly in equity, or where they arise from the initial accounting for a business combination.

Retirement benefit cost

Contributions to defined contribution retirement benefits plans are recognised as an expense when employees have rendered services entitling them to the contributions.

Borrowing costs

Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use or sale, are added to the cost of those assets, until such time as the assets are substantially ready for their intended use or sale.

Investment income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalisation.

All other borrowing costs are recognised in profit or loss in the period in which they are incurred.

Provisions

Provisions are recognised when the company has a present obligation (legal or constructive) as a result of a past event, it is probable that the company will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation.

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the statement of financial position date, taking into account the risks and uncertainties surrounding the obligation.

Financial instruments

Financial assets and financial liabilities are recognised in the company's statement of financial position when the company has become a party to the contractual provisions of the instrument.

Financial assets

The company's financial assets are 'loans and receivables' including cash and cash equivalents. The classification depends on the nature and purpose of the financial assets and is determined at the time of initial recognition.

TATA MOTORS (SA) PROPRIETARY LIMITED
NOTES TO THE ANNUAL FINANCIAL STATEMENTS (continued)
for the year ended 31 March 2016

1.4 Summary of significant accounting policies (continued)

Financial instruments (continued)

Loans and receivables

Trade and other receivables that have fixed or determinable payments that are not quoted in an active market are classified as loans and receivables. Loans and receivables are measured at amortised cost using the effective interest method, less any impairment. Interest income is recognised by applying the effective interest rate, except for short-term receivables when the recognition of interest would be immaterial.

Effective interest method

The effective interest method is a method of calculating the amortised cost of a financial asset and of allocating interest income over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash receipts (including all fees on points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) or payments through the expected life of the financial asset or liability (respectively), or, where appropriate, a shorter period, to the net carrying amount on initial recognition.

Derecognition of financial assets

The company derecognises a financial asset only when the contractual rights to the cash flows from the asset expire; or it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another entity. If the company neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred asset, the company recognises its retained interest in the asset and an associated liability for amounts it may have to pay. If the company retains substantially all the risks and rewards of ownership of a transferred financial asset, the company continues to recognise the financial asset and also recognises a collateralised borrowing for the proceeds received.

Impairment of financial assets

Financial assets are assessed for indicators of impairment at each statement of financial position date. Financial assets are impaired where there is objective evidence that, as a result of one or more events that occurred after the initial recognition of the financial asset, the estimated future cash flows of the investment have been impacted. Financial assets, such as trade receivables, that are assessed not to be impaired individually are subsequently assessed for impairment on a collective basis. Objective evidence of impairment for a portfolio of receivables could include the Company's past experience of collecting payments, an increase in the number of delayed payments in the portfolio as well as observable changes in national or local economic conditions that correlate with default on receivables.

TATA MOTORS (SA) PROPRIETARY LIMITED
NOTES TO THE ANNUAL FINANCIAL STATEMENTS (continued)
for the year ended 31 March 2016

1.4 Summary of significant accounting policies (continued)

Financial instruments (continued)

Impairment of financial assets (continued)

The amount of the impairment is the difference between the asset's carrying amount and the present value of estimated future cash flows, discounted at the financial asset's original effective interest rate. The carrying amount of the financial asset is reduced by the impairment loss directly for all financial assets with the exception of trade receivables, where the carrying amount is reduced through the use of an allowance account. When a trade receivable is considered uncollectible, it is written off against the allowance account. Subsequent recoveries of amounts previously written off are credited against the allowance account. Changes in the carrying amount of the allowance account are recognised in the statement of comprehensive income.

If, in a subsequent period, the amount of the impairment loss decreases and the decrease can be related objectively to an event occurring after the impairment was recognised, the previously recognised impairment loss is reversed through profit or loss to the extent that the carrying amount of the investment at the date the impairment is reversed does not exceed what the amortised cost would have been had the impairment not been recognised.

Trade and other payables

Trade and other payables and shareholders' loans are initially measured at fair value, and are subsequently measured at amortised cost, using the effective interest rate method.

Equity instruments

Equity instruments issued by the company are recorded at the proceeds received, net of direct issue costs. An equity instrument is any contract that evidences a residual interest in the assets of the company after deducting all of its liabilities

Related party transactions

Related parties are defined as those parties that:

- (a) directly, or indirectly through one or more intermediaries:
 - (i) control, are controlled by, or are under common control with, the entity (this includes parents, subsidiaries and fellow subsidiaries);
 - (ii) have an interest in the entity that gives it significant influence over the entity; or
- (b) are members of the key management personnel of the entity or its parent including close members of the family.

TATA MOTORS (SA) PROPRIETARY LIMITED
NOTES TO THE ANNUAL FINANCIAL STATEMENTS (continued)
for the year ended 31 March 2016

1.4 Summary of significant accounting policies (continued)

Significant accounting judgements

In the process of applying the company's accounting policies, management has made the following judgements, apart from those involving estimations, which have the most significant effect on the amounts recognised in the financial statements:

Residual value and useful life

The company depreciates their assets over their estimated lives taking into account residual values, which, following the adoption of International Accounting Standards (IAS16), Property, Plant and Equipment (revised), are re-assessed on an annual basis. The actual lives and residual values of these assets can vary depending on a variety of factors.

Income taxes and deferred taxes

The company recognises the net future tax benefit related to deferred income tax assets to the extent that it is probable that the deductible temporary differences will reverse in the foreseeable future. Assessing the recoverability of deferred income tax assets requires the company to make significant estimates related to expectations of future taxable income. Estimates of future taxable income are based on forecast cash flows from operations and the application of existing tax laws in each jurisdiction. To the extent that future cash flows and taxable income differ significantly from estimates, the ability of the company to realise the net deferred tax assets recorded at the reporting date could be impacted. Additionally, future changes in tax laws in the jurisdictions in which the company operates could limit the ability of the company to obtain tax deductions in future periods.

Other estimates made

The company also makes estimates for:

- the estimation of potential impairment of plant and equipment;
- the calculation of the doubtful debt allowance; and
- the calculation of any provision for claims, litigation and other legal matters.

TATA MOTORS (SA) PROPRIETARY LIMITED
NOTES TO THE ANNUAL FINANCIAL STATEMENTS (continued)
for the year ended 31 March 2016

	<u>2016</u> <u>R</u>	<u>2015</u> <u>R</u>
2 Revenue		
Sale of vehicles	<u>167 595 744</u>	<u>202 218 956</u>
3 Profit from operations		
Profit from operations is arrived at after taking the following items, amongst others, into account:		
Audit fees		
- current year	475 000	550 000
- prior year over provision	<u>(105 000)</u>	<u>(150 653)</u>
	<u>370 000</u>	<u>399 347</u>
Depreciation and amortization		
Machinery	268 420	256 546
Furniture and fittings	27 872	14 318
Vehicles	22 233	21 037
Equipment	899 118	841 043
Leasehold improvements	459 708	450 208
Intangible assets	<u>670 065</u>	<u>845 699</u>
	2 347 416	2 428 851
Asset scrapped	123 253	-
Consulting fees	3 189 730	1 646 947
Increase in provisions	151 250	385 909
Realised exchange rate differences	<u>-</u>	<u>314 509</u>
Rental of:		
- premises (note 3)	2 106 667	2 000 000
- vehicles	<u>240 100</u>	<u>356 273</u>
	<u>2 346 767</u>	<u>2 356 273</u>
Non-cancellable operating lease commitments specific to the premises:		
Not later than 1 year	2 275 200	2 106 667
Later than 1 year not later than 5 years	<u>6 018 002</u>	<u>8 293 202</u>
	<u>8 293 202</u>	<u>10 399 869</u>
Company's contribution to pension fund	1 137 896	969 915
Other staff costs	<u>17 795 045</u>	<u>17 226 944</u>
Total staff costs	<u>18 932 941</u>	<u>18 196 859</u>

TATA MOTORS (SA) PROPRIETARY LIMITED
NOTES TO THE ANNUAL FINANCIAL STATEMENTS (continued)
for the year ended 31 March 2016

	<u>2016</u>	<u>2015</u>
	R	R
4 Interest received		
Interest on late payments for vehicles sold	-	2 346 523
Bank interest	314 618	158 622
	<u>314 618</u>	<u>2 505 145</u>
5 Finance costs		
Interest on long-term loans (note 20)		
- TML Holdings Pte Ltd	1 233 059	1 174 330
- Tata Africa Holdings (SA) Proprietary Limited	822 052	782 899
	<u>2 055 111</u>	<u>1 957 229</u>
6 Taxation		
Income tax for the year		
Current taxation	650 598	49 828
Deferred taxation - current year	(391 952)	(911 291)
- prior year underprovision	70 617	-
	<u>329 262</u>	<u>(861 463)</u>
Reconciliation of South African tax rate	%	%
SA normal tax rate	28%	28%
Permanent differences	1%	9%
Assessed loss previously not raised, now utilized	0%	(90%)
Prior year underprovision	8%	0%
Other	0%	3%
	<u>37%</u>	<u>-50%</u>

The estimated tax losses available for set off against future taxable income amount to R nil (2015: R 1 097 925).

TATA MOTORS (SA) PROPRIETARY LIMITED
NOTES TO THE ANNUAL FINANCIAL STATEMENTS (continued)
for the year ended 31 March 2016

7 Plant and equipment and intangible assets

	Assets under construction	Machinery		Furniture and fittings		Vehicles		Equipment		Leasehold improvements		Total plant and equipment		Intangible assets		Total	
		R	R	R	R	R	R	R	R	R	R	R	R	R	R	R	R
2016																	
Cost																	
Balance at beginning of the year	142 800	4 956 312	179 452	186 000	10 082 762	9 816 959	25 364 285	4 083 582	29 447 867								
Transfer from assets under construction	(142 800)	-	-	-	142 800	-	-	-	-								
Additions to assets under construction	32 962	-	-	-	-	-	32 962	-	32 962								
Additions	-	118 822	39 390	1 595	-	-	159 807	-	159 807							159 807	
Scrapped	-	(202)	-	-	(165 335)	-	(165 537)	-	(165 537)							(165 537)	
Balance at end of year	32 962	5 074 932	218 842	187 595	10 060 227	9 816 959	25 391 517	4 083 582	29 475 099								
Accumulated depreciation and amortisation																	
Balance at beginning of the year	-	981 612	41 381	84 147	3 469 936	1 595 132	6 172 208	3 413 517	9 585 725								
Depreciation	-	268 420	27 872	22 233	899 118	459 708	1 677 351	670 065	2 347 416								
Scrapped	-	(93)	-	-	(42 191)	-	(42 284)	-	(42 284)								
		1 249 939	69 253	106 380	4 326 863	2 054 840	7 807 275	4 083 582	11 890 857								
Carrying value																	
Beginning of the year	142 800	3 974 700	138 071	101 853	6 612 826	8 221 827	19 192 077	670 065	19 862 142								
End of the year	32 962	3 824 993	149 589	81 215	5 733 364	7 762 119	17 584 242	-	17 584 242								

TATA MOTORS (SA) PROPRIETARY LIMITED
NOTES TO THE ANNUAL FINANCIAL STATEMENTS (continued)
for the year ended 31 March 2016

7 Plant and equipment and intangible assets (continued)

	Assets under construction	Machinery	Furniture and fittings	Vehicles	Equipment	Leasehold improvements	Total plant and equipment	Intangible assets	Total
	R	R	R	R	R	R	R	R	R
2015									
Cost									
Beginning of the year	-	4 936 040	178 049	186 000	9 180 787	9 712 933	24 193 809	4 083 582	28 277 391
Transfer from assets under construction	-	-	-	-	-	-	-	-	-
Additions	142 800	20 272	1 403	-	901 975	104 026	1 170 476	-	1 170 476
Scrapped	-	-	-	-	-	-	-	-	-
Balance at end of year	142 800	4 956 312	179 452	186 000	10 082 762	9 816 959	25 364 285	4 083 582	29 447 867
Accumulated depreciation and amortisation									
Balance at beginning of the year	-	725 066	27 063	63 110	2 628 893	1 144 924	4 589 056	2 567 818	7 156 874
Depreciation	-	256 546	14 318	21 037	841 043	450 208	1 583 152	845 699	2 428 851
Scrapped	-	-	-	-	-	-	-	-	-
		981 612	41 381	84 147	3 469 936	1 595 132	6 172 208	3 413 517	9 585 725
Carrying value									
Beginning of the year	-	4 210 974	150 986	122 890	6 551 894	8 568 008	19 604 753	1 515 764	21 120 517
End of the year	142 800	3 974 700	138 071	101 853	6 612 826	8 221 827	19 192 077	670 065	19 862 142

TATA MOTORS (SA) PROPRIETARY LIMITED
NOTES TO THE ANNUAL FINANCIAL STATEMENTS (continued)
for the year ended 31 March 2016

	<u>2016</u> R	<u>2015</u> R
8 Inventory		
Finished goods	15 698 035	14 468 187
Raw materials (kits)	34 297 888	42 799 252
Inventory of consumable tools, stores and spares	869 779	899 228
	<u>50 865 702</u>	<u>58 166 667</u>

The value of inventory through cost of sale in the current year was R133 333 541 (2015: R170 699 027).

9 Trade and other receivables

Trade accounts receivable		
- Related parties (note 20)	58 122 294	59 169 036
- External	-	592 867
	<u>58 122 294</u>	<u>59 761 903</u>
South African Revenue Service (VAT)	1 442 528	568 475
Tata Automobile Corporation (SA) (Pty) Limited - interest (note 20)	-	2 346 523
Tata Africa Holdings (SA) (Pty) Limited - roof repair	1 272 531	-
Other	110 604	307 437
Provision for doubtful debts	(58 546)	-
	<u>60 889 411</u>	<u>62 984 338</u>

Included above is an amount of R nil (2015: R 2 346 523) on account of interest at 18% due from Tata Automobile Corporation (SA) (Pty) Limited towards delays in payments over 60 days. This is in line with the Vehicle Purchase Agreement.

Included above is an amount of R 1 272 531 (2015: R nil) on account of roof repair expenses due from Tata Africa Holdings (SA) (Pty) Limited. The amount will be repaid over the next 9 months.

The carrying amount of the trade and other receivables is considered by key management to approximate their fair values and is deemed as Level 3, as defined by IFRS 13 Fair Value Measurement. Arm's length transactions are used to determine fair values.

There were no transfers between Levels 1, 2 and 3 during the financial year.

Based on ageing and credit risk, the directors consider all trade receivables to be fully recoverable, and as such have not raised any provision for doubtful debts. All current year trade receivables are inter-company and none are past due. The provision for doubtful debt reflected above is in respect of 'Other'.

10 Cash and bank balances

Cash and bank balances	1 323 807	7 899 801
Bank overdraft	-	(4 390 848)
	<u>1 323 807</u>	<u>3 508 953</u>

Bank balances and cash comprise cash held by the company and short-term bank deposits with an original maturity of three months or less. The carrying amounts of these assets approximate their fair value.

TATA MOTORS (SA) PROPRIETARY LIMITED
NOTES TO THE ANNUAL FINANCIAL STATEMENTS (continued)
for the year ended 31 March 2016

	<u>2016</u> <u>R</u>	<u>2015</u> <u>R</u>
11 Share capital		
<u>Authorised</u>		
42 000 000 ordinary shares of R1 each	<u>42 000 000</u>	<u>42 000 000</u>
<u>Issued</u>		
19 837 000 ordinary shares of R1 each	<u>19 837 000</u>	<u>19 837 000</u>

The issued shares are under the control of the board until the next annual general meeting.

12 Shareholders' loans

TML Holdings Pte Ltd	12 797 800	12 797 800
Tata Africa Holdings (SA) Proprietary Limited	8 532 000	8 532 000
	<u>21 329 800</u>	<u>21 329 800</u>

These loans are unsecured and Rand denominated, bear interest at PLR and are repayable in the 2018 fiscal year.

13 Deferred taxation

Opening balance	1 961 565	2 872 856
Provision for the year	(321 336)	(911 291)
Closing balance	<u>1 640 229</u>	<u>1 961 565</u>

The deferred taxation liability is attributable to temporary differences relating to

- Plant and equipment	2 623 250	2 931 834
- Provisions	(983 021)	(662 850)
- Assessed loss	-	(307 419)
	<u>1 640 229</u>	<u>1 961 565</u>

14 Deferred income

Government grants:		
- Non-current	2 462 406	2 626 566
- Current	164 160	164 160
	<u>2 626 566</u>	<u>2 790 726</u>

The government grants relate to EIP grants received for R3 447 366 worth of capital expenditure in 2014. The income release to the statement of comprehensive income of R 164 160 (2015: R 164 160) is reflected in other income.

TATA MOTORS (SA) PROPRIETARY LIMITED
NOTES TO THE ANNUAL FINANCIAL STATEMENTS (continued)
for the year ended 31 March 2016

	<u>2016</u>	<u>2015</u>
	R	R
15 Trade and other payables		
Trade payables		
- Related parties (note 20)	77 124 448	91 134 398
- External	666 475	1 748 430
	<u>77 790 923</u>	<u>92 882 828</u>
Accrued interest on shareholders' loans (note 20)	2 183 726	919 588
Payroll related accruals	969 095	497 323
Other payables	1 345 718	1 474 996
	<u>82 289 462</u>	<u>95 774 735</u>

Included above are amounts on account of interest on shareholders' loans to Tata Africa Holdings (SA) (Pty) Limited of R 508 543 (2015: R 477 464) and to TML Holdings Pte. Ltd. of R 1 675 183 (2015: R 442 124)

The carrying value of the trade and other payables is considered to approximate their fair values due to the short maturity of these financial instruments.

Trade and other payables is deemed as Level 3, as defined by IFRS 13 Fair Value Measurement.

There were no transfers between Levels 1, 2 and 3 during the financial year.

16 Provisions

Opening balance	621 100	1 021 400
Additions during the year	151 250	385 909
Utilisation	-	(786 209)
Closing balance	<u>772 350</u>	<u>621 100</u>

The above pertains to warranty provisions for possible assembly defects.

TATA MOTORS (SA) PROPRIETARY LIMITED
NOTES TO THE ANNUAL FINANCIAL STATEMENTS (continued)
for the year ended 31 March 2016

	<u>2016</u>	<u>2015</u>
	R	R
17 Cash flows generated / (utilised) from operations		
Profit before taxation	882 710	1 707 309
Adjustments for:		
Income from EIP grant	(164 160)	(164 160)
Assets scrapped	123 252	-
Finance costs	2 055 111	1 957 229
Depreciation	1 677 351	1 583 152
Increase in provisions	151 250	(400 300)
Amortisation	670 065	845 699
Interest received	(314 618)	(2 505 145)
	<u>5 080 961</u>	<u>3 023 784</u>
Adjustments for working capital changes:		
Decrease / (increase) in trade and other receivables	2 094 927	(8 020 065)
(Decrease) / increase in trade and other payables	(13 485 273)	31 536 639
Decrease / (increase) in inventory	7 300 965	(26 571 865)
Cash flow generated / (utilised) from operations	<u>991 581</u>	<u>(31 507)</u>

18 Financial instruments

Capital risk management

The company manages its capital to ensure that it will be able to continue as a going concern while maximising the return to stakeholders through the optimisation of the debt and equity balances.

The company monitors capital on a basis of debt to equity. Debt comprises interest bearing debt from shareholders. Equity comprises share capital and reserves.

The gearing ratio at end year end is as follows:

Debt	21 329 800	21 329 800
Cash and cash equivalents	(1 323 807)	(3 508 953)
Net debt	<u>20 005 993</u>	<u>17 820 847</u>
Share capital	19 837 000	19 837 000
Retained earnings	2 760 622	2 207 174
Shareholders' equity	<u>22 597 622</u>	<u>22 044 174</u>
Gearing Ratio	89%	81%

Tata Motors (SA) Proprietary Limited engages with the Board and shareholders to ensure the company is sufficiently funded.

TATA MOTORS (SA) PROPRIETARY LIMITED
NOTES TO THE ANNUAL FINANCIAL STATEMENTS (continued)
for the year ended 31 March 2016

18 Financial instruments (continued)

Interest rate risk

Interest rate risk

The company manages liquidity risk through the compilation and monitoring of cashflow forecasts, as well as ensuring that adequate borrowing facilities and resources are maintained within the company.

Interest rate sensitivity analysis

The sensitivity of the entity to changes in the interest rate has been determined based on the exposure to interest rates for financial instruments at the statement of financial position date.

If interest rates had been 100 basis points higher/lower and all other variables were held constant the difference to the loss for the year ended 31 March 2016 would increase/decrease by R 141 653 (2015: R 213 298).

Credit risk

Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in financial loss to the company. The company has adopted a policy of only dealing with creditworthy counterparties verifying their credit worthiness by performing credit checks, as a means of mitigating the risk of financial loss from defaults. The vast majority of customers are related parties.

The credit risk on liquid funds is limited because the counterparties are banks with high credit-ratings assigned by international credit-rating agencies.

Liquidity risk management

The responsibility for liquidity risk management rests with Tata Motors (SA) Proprietary Limited management and ultimately the Board of Directors. The company manages liquidity risk by maintaining adequate reserves, banking facilities and reserve borrowing facilities by monitoring actual cash flows. Tata Motors (SA) Proprietary Limited engages with the Board and shareholders to ensure that the company has adequate funds to cover its commitments over the next twelve months.

	<1 year	2 to 5 years	Total
	R	R	R
2016			
Trade and other payables	81 320 367	-	81 320 367
Shareholders' loans	-	21 329 800	21 329 800
	<1 year	2 to 5 years	Total
	R	R	R
2015			
Trade and other payables	95 277 412	-	95 277 412
Shareholders' loans	-	21 329 800	21 329 800

TATA MOTORS (SA) PROPRIETARY LIMITED
NOTES TO THE ANNUAL FINANCIAL STATEMENTS (continued)
for the year ended 31 March 2016

	<u>2016</u>	<u>2015</u>
	R	R
18 Financial instruments (continued)		
Liquidity risk management (continued)		
Categories of financial instruments		
Loans and receivables		
Trade receivables	59 446 883	62 415 863
Cash and bank balances	<u>1 323 807</u>	<u>7 899 801</u>
Financial liabilities at amortised cost		
Trade and other payables	81 320 367	95 277 412
Bank overdraft	-	4 390 848
Shareholder's loans	<u>21 329 800</u>	<u>21 329 800</u>
All the above are level 3 instruments.		
19 Guarantees		
The following bank guarantees exist:		
South African Revenue Service	<u>1 420 000</u>	<u>1 420 000</u>

TATA MOTORS (SA) PROPRIETARY LIMITED
NOTES TO THE ANNUAL FINANCIAL STATEMENTS (continued)
for the year ended 31 March 2016

	<u>2016</u> R	<u>2015</u> R
20 Related party transactions		
During the year, the company entered into the following transactions with related parties		
<u>Tata Automobile Corporation (SA) (Pty) Limited</u>		
- Payment for expenses incurred for TMSA	(247 993)	(721 279)
- Purchase of spare parts	(31 078)	(5 937)
- Revenue sale of vehicles	<u>167 595 744</u>	<u>202 218 956</u>
<u>Tata Africa Holdings (SA) (Pty) Limited</u>		
- Rental of premises (note 3)	(2 106 667)	(2 000 000)
- Insurance premium paid on leased assets	(68 412)	(136 824)
- Interest on loan (note 5)	<u>(822 052)</u>	<u>(782 899)</u>
<u>Tata Daewoo Commercial Vehicle Company Limited</u>		
- Supply of SKD kits	<u>-</u>	<u>50 241 000</u>
<u>Tata Motors Limited</u>		
- Services rendered	(2 521 177)	(1 082 759)
- Supply of SKD kits	(108 090 966)	(136 919 916)
- IT chargeback	<u>(889 641)</u>	<u>(786 209)</u>
<u>TML Holdings Pte. Ltd.</u>		
- Interest on loan (note 5)	<u>(1 233 059)</u>	<u>(1 174 330)</u>
<u>Tata Technologies Limited</u>		
- Services rendered	<u>(557 021)</u>	<u>(819 845)</u>
<u>Tata Sons Limited</u>		
- Brand equity	<u>(85 365)</u>	<u>-</u>

TATA MOTORS (SA) PROPRIETARY LIMITED
NOTES TO THE ANNUAL FINANCIAL STATEMENTS (continued)
for the year ended 31 March 2016

	<u>2016</u>	<u>2015</u>
	R	R
20 Related party transactions (continued)		
As at year end, the company had the following outstanding balances with related parties:		
<u>Trade receivables (note 9)</u>		
- Tata Automobile Corporation (SA) (Pty) Limited	43 335 917	56 479 076
- Tata Motors Limited	14 786 377	2 689 960
	<u>58 122 294</u>	<u>59 169 036</u>
<u>Other receivables - interest receivable / roof repair (note 9)</u>		
- Tata Africa Holdings (SA) (Pty) Limited	1 272 531	-
- Tata Automobile Corporation (SA) (Pty) Limited	<u>-</u>	<u>2 346 523</u>
<u>Trade payables (note 15)</u>		
- Tata Motors Limited	46 577 249	59 780 481
- Tata Automobile Corporation (SA) (Pty) Limited	136 415	97 615
- Tata Daewoo Commercial Vehicle Company Limited	30 410 784	31 256 302
	<u>77 124 448</u>	<u>91 134 398</u>
<u>Accrued interest on shareholders' loans (note 15)</u>		
- Tata Africa Holdings (SA) (Pty) Limited	508 543	477 464
- TML Holdings Pte. Ltd.	1 675 183	442 124
	<u>2 183 726</u>	<u>919 588</u>
<u>Payables for services rendered (note 15)</u>		
- Tata Technologies Limited	<u>100 249</u>	<u>165 469</u>
<u>Shareholders' loans</u>		
- TML Holdings Pte. Ltd.	12 797 800	12 797 800
- Tata Africa Holdings (SA) (Pty) Limited	8 532 000	8 532 000
	<u>21 329 800</u>	<u>21 329 800</u>

The above mentioned entities are related parties by virtue of being:

Tata Automobile Corporation (SA) (Pty) Limited	Fellow subsidiary within the Tata Group
Tata Africa Holdings (SA) (Pty) Limited	Shareholder
Tata Daewoo Commercial Vehicle Company Limited	Fellow subsidiary within the Tata Group
Tata Motors Limited	Fellow subsidiary within the Tata Group
TML Holdings Pte. Ltd.	Shareholder
Tata Technologies Limited	Fellow subsidiary within the Tata Group
Tata Sons Limited	Promoter of major companies within the Tata Group.

TATA MOTORS (SA) PROPRIETARY LIMITED
NOTES TO THE ANNUAL FINANCIAL STATEMENTS (continued)
for the year ended 31 March 2016

21 Going concern

The financial statements have been prepared on the basis of accounting policies applicable to a going concern. The basis presumes that funds will be available to finance future operations and the realisation of assets and settlement of liabilities, contingent obligations and commitments will occur in the normal course of business.

22 Events after reporting period

There were no significant events that took place after the reporting period.