

ANNUAL REPORT OF
TATA TECHNOLOGIES (CANADA)
INC.

TATA TECHNOLOGIES (CANADA) INC, CANADA

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TATA TECHNOLOGIES (CANADA) INC, CANADA

DIRECTORS:

1. Mr. Warren Harris

**REGISTERED:
OFFICE**

4510, Rhodes Drive, Unit 300,
Windsor, Ontario,
Canada, N8W 5K5

TO THE MEMBERS OF

Tata Technologies (Canada) Inc.

The Directors hereby present the Twenty eighth Annual Report on the Business and Operations of the Company and Statement of Accounts for the period ended December 13, 2016.

1. FINANCIAL RESULTS

The Financial Results of the Company for the period ended December 13, 2016 are as follows:

	(In US\$)	(In ₹)
Income	2,282	148,010
Profit/(Loss) for the year after taxes	(276,275)	(17,916,412)

2. OPERATIONS

Tata Technologies (Canada) Inc., a wholly owned subsidiary of Tata Technologies Inc, provides services in the field of engineering automation, engineering design services, PLM products and related IT services to their respective customer bases, comprising primarily manufacturers and their suppliers in the international automotive and aerospace markets. During the period, the company registered a turnover of US \$ 2,282 (₹148,010) and has reported a loss of US \$ 276,275 (₹17,916,412).

There are no employees as on December 13, 2016.

3. PUBLIC DEPOSITS

The Company has not accepted any deposits from the public.

4. The Company has liquidated effective December 13, 2016.

5. CONSERVATION OF ENERGY TECHNOLOGY ABSORPTION

The operations of the Company are such that they are not deemed as energy intensive. However, the Company constantly makes effort to avoid excessive consumption of energy and encourage conservation of energy.

6. AUDIT

The Company is not required to obtain an audit opinion on the financial of the Company as per local regulations. Hence, during the year, no statutory audit has been conducted.

7. DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to section 134 (5) of the Companies Act, 2013 the directors, based on the representations received from the operating management, confirm that:-

1. in the preparation of the annual accounts, the applicable accounting standards have been followed and that there are no material departures;
2. they have, in selection of the accounting policies, applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the loss of the Company for that year;
3. they have taken proper and sufficient care, to the best of their knowledge and ability, for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013, for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities;
4. they have prepared the annual accounts on a "liquidation basis" since the Company was liquidated effective December 13, 2016
5. they have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

8. ACKNOWLEDGMENTS

Your Directors would like to express their heartfelt gratitude to all the customers, business partners and bankers for their continued support and association. The Directors also wish to thank the Government and all the statutory authorities for their support and co-operation.

The Directors would also like to place on record their appreciation of the dedicated, individual and collective contribution of all the employees.

On behalf of the Board of Directors

Warren Harris

Director

Place: Ontario, Canada

Date :

TATA TECHNOLOGIES (CANADA) INC.
Balance Sheet as at December 13, 2016

		(Amount in USD)	(Amount in ₹)	(Amount in USD)	(Amount in ₹)
Particulars	Note No	December 13, 2016	December 13, 2016	March 31, 2016	March 31, 2016
I. ASSETS					
(1) Current Assets					
(a) Financial assets:					
(i) Trade receivables	3	-	-	11,217	743,106
(ii) Cash and cash equivalents	4	-	-	537,452	35,604,853
(b) Current tax assets (net)		-	-	84,126	5,573,108
(c) Other current assets	5	-	-	429	28,391
Total Current Assets		-	-	633,223	41,949,459
Total Assets		-	-	633,223	41,949,459
II. EQUITY AND LIABILITIES					
(1) Equity					
(a) Equity Share capital		-	-	1,000	66,248
(b) Other Equity		-	-	615,094	40,748,399
Total Equity		-	-	616,094	40,814,647
Liabilities					
(1) Current Liabilities					
(a) Financial liabilities:					
(i) Trade payables		-	-	17,130	1,134,811
Total Current Liabilities		-	-	17,130	1,134,811
Total Liabilities		-	-	17,130	1,134,811
Total Equity and Liabilities		-	-	633,223	41,949,458

Notes forming part of Financial Statements

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For and on behalf of the Board of Directors

Place: Ontario, Canada
Date:

Warren Harris
Director

TATA TECHNOLOGIES (CANADA) INC.
Profit and Loss Statement for the period ended December 13, 2016

Particulars	Schedule No	(Amount in USD)	(Amount in ₹)	(Amount in USD)	(Amount in ₹)
		Period ended December 13, 2016	Period ended December 13, 2016	Year ended March 31, 2016	Year ended March 31, 2016
I. Revenue from Operations	6	-	-	148,989	9,870,162
II. Other Income	7	2,282	155,025	42,936	2,844,429
III. Total Income (I + II)		2,282	155,025	191,925	12,714,591
IV. Expenses :					
(a) Cost of traded products		-	-	31,354	2,077,122
(b) Consultancy fees, softwares and others	8	2,030	137,904	74,779	4,953,913
(c) Employee benefits expense	9	810	54,998	145,272	9,623,888
(d) Other expenses	10	4,709	319,821	237,676	15,745,467
Total expenses (IV)		7,549	115,489,233	489,081	32,400,390
V. Profit before tax (III-IV) and Exceptional items		(5,266)	(357,698)	(297,156)	(19,685,799)
VI. Exceptional Items					
(a) (Gain)/loss on liquidation of subsidiaries (Net)		286,845	19,483,577	-	-
VII. Profit / (Loss) Before Tax		(292,111)	(19,841,275)	(297,156)	(19,685,799)
VIII. Tax Expense :					
(a) Current Tax		(15,836)	(1,075,667)	35,011	2,319,373
(15,836)		(15,836)	(1,075,667)	35,011	2,319,373
IX. Profit after Tax (VII-VIII)		(276,275)	(18,765,608)	(332,167)	(22,005,172)
Notes forming part of Standalone Financial Statements	1-10				

For and on behalf of the Board of Directors

Place: Ontario, Canada
Date:

Warren Harris
Director

TATA TECHNOLOGIES (Canada) Inc
Cash Flow Statement

	(Amount in USD)	(Amount in ₹)	(Amount in USD)	(Amount in ₹)
	Period ended	Period ended	Year ended	Year ended
	December 13, 2016	December 13, 2016	March 31, 2016	March 31, 2016
CASH FLOW FROM OPERATING ACTIVITIES				
Net Profit after Taxation and Extraordinary Items	(276,275)	(18,765,608)	(332,167)	(22,005,239)
Provision for Income Tax	(15,836)	(1,075,667)	35,011	2,319,373
Operating profit before Working Capital Changes	(292,111)	(19,841,275)	(297,156)	(19,685,865)
Adjustments for :				
Trade Receivables	11,217	761,909	4,251,219	281,632,622
Deposits	-	-	2,081	137,881
Prepaid Expenses	-	-	8,370	554,497
Trade Payables	(17,130)	(1,163,516)	(2,766,802)	(183,293,688)
Other Current Assets	429	29,109	(429)	(28,391)
Other Current liabilities	-	-	(717,631)	(47,541,282)
Advance Tax / Tax Deducted at Source	99,962	6,789,791	(52,815)	(3,498,870)
NET CASH FLOW (USED IN)/GENERATED FROM OPERATING ACTIVITIES	(197,633)	(13,423,982)	426,837	28,276,905
CASH FLOW FROM FINANCING ACTIVITIES				
Return of Equity	(1,000)	(67,924)	-	-
Dividends Paid (including Dividend Tax)	(338,819)	(23,013,851)	-	-
NET CASH FLOW (USED IN)/GENERATED FROM FINANCING ACTIVITIES	(339,819)	(23,081,775)	-	-
NET INCREASE / (DECREASE) IN CASH & CASH EQUIVALENTS	(537,452)	(36,505,757)	426,837	28,276,905
Cash & Cash equivalent at the close of the year	-	-	537,452	35,604,853
Cash & Cash equivalents at the beginning of the year	537,452	36,505,757	128,810	8,533,373
Translation Reserve	-	-	(18,196)	(1,205,414)
	(537,452)	(36,505,757)	426,837	28,276,895

Notes forming part of Standalone Financial Statements

1-10

For and on behalf of the Board of Directors

Place: Ontario, Canada
Date:

Warren Harris
Director

TATA TECHNOLOGIES (Canada) INC
Statement of changes in equity

(Amount in USD)

Other Equity	Equity Share Capital	Retained earnings	Translation Reserve	Total equity
Balance as at April 1, 2016	1,000	881,586	(266,492)	616,094
Income for the year	-	(276,275)	266,492	(9,782)
Other comprehensive income /(loss) for the year & tax effect thereon	-	-	-	-
Total comprehensive income/(loss) for the year	1,000	605,311	-	606,311
Return of Capital during the year	(1,000)	-	-	(1,000)
Dividend paid (including dividend tax)	-	(605,311)	-	(605,311)
Balance as at December 13, 2016	-	-	-	-
Balance as at April 1, 2015	1,000	1,213,753	(248,297)	966,456
Income for the year	-	(332,167)	(18,196)	(350,363)
Other comprehensive income /(loss) for the year & tax effect thereon	-	-	-	-
Total comprehensive income/(loss) for the year	1,000	881,586	(266,492)	616,094
Return of Capital during the year	-	-	-	-
Dividend paid (including dividend tax)	-	-	-	-
Balance as at March 31, 2016	1,000	881,586	(266,492)	616,094

(Amount in ₹)

Other Equity	Equity Share Capital			Total equity
		Retained earnings	Translation Reserve	
Balance as at April 1, 2016	67,924	59,880,633	(18,101,158)	41,847,399
Income for the year	-	(18,765,608)	18,101,158	(664,450)
Other comprehensive income /(loss) for the year & tax effect thereon	-	-	-	-
Total comprehensive income/(loss) for the year	67,924	41,115,024	-	41,182,948
Return of Capital during the year	(67,924)	-	-	(67,924)
Dividend paid (including dividend tax)	-	(41,115,024)	-	(41,115,024)
Balance as at December 13, 2016	-	-	-	-
Balance as at April 1, 2015	66,248	80,408,097	(16,449,036)	64,025,309
Income for the year	-	(22,005,249)	(1,205,414)	(23,210,663)
Other comprehensive income /(loss) for the year & tax effect thereon	-	-	-	-
Total comprehensive income/(loss) for the year	66,248	58,402,849	(17,654,450)	40,814,646
Return of Capital during the year	-	-	-	-
Dividend paid (including dividend tax)	-	-	-	-
Balance as at March 31, 2016	66,248	58,402,849	(17,654,450)	40,814,646

Notes forming part of Standalone Financial Statements

1-10

For and on behalf of the Board of Directors

Place: Ontario, Canada
Date:

Warren Harris
Director

Twenty eighth annual report 2016-17

Tata Technologies (Canada) Inc.

Notes forming part of financial statements

1. SIGNIFICANT ACCOUNTING POLICIES

a. Basis of Preparation of Financial Statements

The financial statements have been prepared in accordance with Indian Accounting Standard ("Ind AS") notified under the Companies (Indian Accounting Standards) Rules, 2015.

The transition was carried out from Accounting principles generally accepted in India, which was the previous GAAP (referred as "previous GAAP"), which includes Standards notified under the Companies (Accounting Standards) Rules, 2006 which was followed upto the year ended March 31, 2016. These are the Company's first Ind AS financial statements. The date of transition to Ind AS is April 1, 2015.

These financial statements have been prepared in accordance with Ind AS as notified under the Companies (Indian Accounting Standards) Rules, 2015 read with Section 133 of the Companies Act, 2013.

b. Use of Estimates

The preparation of the financial statements in conformity with Ind AS requires management to make estimates, judgments and assumptions. These estimates, judgments and assumptions affect the application of accounting policies and the reported amounts of assets and liabilities, the disclosures of contingent assets and liabilities at the date of the financial statements and reported amounts of revenues and expenses during the year. Application of accounting policies that require critical accounting estimates involving complex and subjective judgments and the use of assumptions in these financial statements have been disclosed below. Accounting estimates could change from year to year. Actual results could differ from those estimates. Appropriate changes in estimates are made as management becomes aware of changes in circumstances surrounding the estimates. Changes in estimates are reflected in the financial statements in the year in which changes are made.

d. Revenue Recognition

Revenue from services on time and materials contracts is recognized when services are rendered and related costs are incurred i.e. based on certification of time sheets and billed to clients as per the terms of specific contracts. In case of fixed price contracts, revenue is recognized over the life of the contract based on milestones achieved as specified in the contracts or by proportionate completion method on the basis of the work completed. Foreseeable losses on such contracts are recognized when probable.

Revenue from rendering Annual Maintenance Services (SAP-ERP) is recognized proportionately over the period of contract. Revenue from third party software products and hardware sale is recognized upon

delivery. Income from interest and rent is recognized on time proportion basis. Dividend from investments is recognized when the right to receive the payment is established and when no significant uncertainty as to measurability or collectability exists.

Commission Income on sale of PLM products is recognized upon delivery of products by the vendor to the end user.

e. Fixed assets

Fixed assets are stated at cost, less accumulated depreciation. Costs include all expenses incurred to bring the assets to its present location and condition. Direct costs are capitalized till the assets are ready for use and include financing costs relating to any borrowing attributable to the acquisition of qualifying fixed assets.

f. Depreciation

Depreciation on Fixed Assets except on Computers & Peripherals (included in Plant & Machinery) is provided on Straight Line Method (SLM) at the rates specified in the schedule XIV to the Companies Act, 1956. In case of Computers & Peripherals, the benefit period is considered to be of four years. Accordingly, depreciation is provided on SLM at the rate of 25% per annum. Depreciation on additions to Fixed Assets is provided from the month of acquisition of the Asset. Depreciation on Assets sold / scraped during the period is provided for prior to the month of sale / scrap as the case may be.

The Company charges 100% depreciation on assets individually costing less than Rs. 5000. The value of leasehold land is amortized over the lease period of 95 years. The value of vehicles acquired on loan is depreciated over a period of 3 & 5 years depending on the term of the Loan agreement. The value of Softwares (Intangibles) is being amortised over its useful life i.e. between 2 to 4 years.

g. Leases

Assets leased by the Company in its capacity as lessee, where the Company has substantially all the risks and rewards of ownership are classified as finance lease. Such lease are capitalised at the inception of the lease at lower of the fair value or the present value of the minimum lease payments and a liability is created for an equivalent amount. Each lease rental paid is allocated between the liability and the interest cost so as to obtain a constant periodic rate of interest on the outstanding liability for each year.

Lease arrangements where the risks and rewards incident to ownership of an asset substantially vest with the lessor, are recognized as operating lease. Lease payments under operating leases are recognized in the Statement of Profit & Loss on a straight line basis.

h. Foreign Currency transactions and translation

Foreign-currency denominated monetary assets and liabilities are re-instated at exchange rates at the balance sheet date. The gains or losses resulting from such translations are included in the statement of profit and loss. Non-monetary assets and non-monetary liabilities denominated in a foreign currency and measured at fair value are translated at the exchange rate prevalent at the date when the fair value was determined. The functional currency of the Company and its foreign branch is the Indian Rupee.

Transaction gains or losses realized upon settlement of foreign currency transactions are included in determining net profit/loss for the year in which the transaction is settled and is charged to the statement of Profit & Loss. Revenue, expense and cash-flow items denominated in foreign currencies are re-instated using the exchange rate in effect on the date of the transaction.

i. Impairment of Assets

At each balance sheet date, the Company reviews using internal resources the carrying amounts of its fixed assets to determine whether there is any indication that the assets suffered an impairment loss. If any such condition exists, the recoverable amount of the asset is estimated in order to determine the extent of impairment loss. Recoverable amount is the higher of an asset's net selling price and value in use. In assessing value in use, the estimated future cash flows expected from continuing use of the asset and from its disposal are discounted to their present value using a pre tax rate that reflects the current market assessments of time value of money and the risks specific to the asset.

Reversal of impairment loss is recognized immediately as income in the Profit and Loss Account.

k. Taxation

Current income tax expense is determined in accordance with tax laws applicable in countries where such operations are domiciled. Deferred tax expense or benefit is recognized on timing differences being the difference 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 the tax laws that have been enacted or substantively enacted by the balance sheet date. Deferred tax assets in respect of unabsorbed depreciation and carry forward of losses are recognized only to the extent that there is virtual certainty that taxable income will be available to realize these assets. All other deferred tax assets are recognized only to the extent that there is reasonable certainty that future taxable income will be available to realize these assets.

l. Borrowing costs

Borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying asset are capitalized as part of the cost of that asset. Borrowing costs are capitalized as part of the cost of a qualifying asset when it is probable that they will result in future economic benefits to the enterprise and the costs can be measured reliably. Other borrowing costs are recognized as an expense in the year in which they are incurred.

m. Provisions

A provision is recognised when the Company has a present obligation as a result of past event and it is probable that an outflow of resources will be required to settle the obligation, in respect of which the reliable estimate can be made. Provisions (excluding retirement benefits and compensated absences) are determined at present value based on best estimate required to settle the obligation at the balance sheet date. These are reviewed at each balance sheet date adjusted to reflect the current best estimates. Contingent liabilities are not recognised in the financial statements. A contingent asset is neither recognised nor disclosed in the financial statements.

2. NOTES TO ACCOUNTS

2.1 Capital commitments

Estimated amount of contracts remaining to be executed on capital account and not provided for (net of advances) is US \$ Nil (₹ Nil) as at December 13, 2016 and as at March 31, 2016.

2.2 Contingent liabilities

There were no contingent liabilities as at December 13, 2016 and as at March 31, 2016.

2.4 Conversion into Indian Rupees

The financial information is expressed in US \$ only in the audited Accounting packs based on which the attached financial statements have been reformatted. . Solely for the convenience of the reader and to meet the requirement of section 129 of the Companies (Accounts) Rules, 2014, the amounts appearing in Indian Rupees have been translated at a fixed exchange rate of 1 US \$ = ₹ 67.92375 as on December 13, 2016 and 1 US \$ = ₹ 62.4975 as on March 31, 2016. These translations should not be construed as a representation that any or all the amounts could be converted to Indian Rupees at this or any other rate.

2.5 The above Financial Statements are prepared from the internally prepared accounts of the Company. These accounts are audited by Deloitte Haskins & Sells in order to give an audit opinion in relation to the consolidated accounts of the ultimate holding company i.e. Tata Technologies Limited. However, no separate audit report is issued in respect of the Company. An audit report for the ultimate holding company is issued by Deloitte Haskins & Sells and is included in its financial statements.

	(Amount in USD)	(Amount in ₹)	(Amount in USD)	(Amount in ₹)
	As at	As at	As at	As at
	December 13, 2016	December 13, 2016	March 31, 2016	March 31, 2016
3 TRADE RECEIVABLES				
(Unsecured, considered good unless otherwise stated)				
(a) Other Trade receivables				
Considered good	-	-	11,217	743,106
	-	-	11,217	743,106
4 CASH AND CASH EQUIVALENTS				
	(Amount in USD)	(Amount in ₹)	(Amount in USD)	(Amount in ₹)
	As at	As at	As at	As at
	December 13, 2016	December 13, 2016	March 31, 2016	March 31, 2016
(a) Current account with banks	-	-	537,452	35,604,853
	-	-	537,452	35,604,853
5 OTHER CURRENT ASSETS				
VAT, other taxes recoverable, statutory deposits and dues from government	-	-	429	28,391
	-	-	429	28,391

6 REVENUE FROM OPERATIONS

	(Amount in USD) Period ended December 13, 2016	(Amount in ₹) Period ended December 13, 2016	(Amount in USD) Year ended March 31, 2016	(Amount in ₹) Year ended March 31, 2016
(a) Sale of products	-	-	37,831	2,506,195
(b) Sale of services	-	-	82,322	5,453,610
(c) Commission income	-	-	28,836	1,910,290
	-	-	148,989	9,870,096

7 OTHER INCOME

	(Amount in USD) Period ended December 13, 2016	(Amount in ₹) Period ended December 13, 2016	(Amount in USD) Year ended March 31, 2016	(Amount in ₹) Year ended March 31, 2016
(i) Other non-operating income	-	-	42,936	2,844,429
(ii) Foreign Currency (Gain)/Loss - (Net)	2,282	155,025	-	-
	2,282	155,025	42,936	2,844,429

8 CONSULTANCY FEES, SOFTWARES AND OTHERS

	(Amount in USD) Period ended December 13, 2016	(Amount in ₹) Period ended December 13, 2016	(Amount in USD) Year ended March 31, 2016	(Amount in ₹) Year ended March 31, 2016
(a) Outsourcing charges	-	-	23,354	1,547,159
(b) Software-internal use	-	-	7,474	495,136
(c) Professional fees	2,030	137,904	43,951	2,911,617
	2,030	137,904	74,779	4,953,913

9 EMPLOYEE BENEFIT EXPENSE

	(Amount in USD) Period ended December 13, 2016	(Amount in ₹) Period ended December 13, 2016	(Amount in USD) Year ended March 31, 2016	(Amount in ₹) Year ended March 31, 2016
(a) Salaries and wages	810	54,998	145,272	9,623,888
	810	54,998	145,272	9,623,888

10 OTHER EXPENSES

	Period ended December 13, 2016	Period ended December 13, 2016	Year ended March 31, 2016	Year ended March 31, 2016
(a) Repairs & maintenance				
- Buildings	-	-	6,645	440,207
(b) Rent	-	-	8,037	532,405
(c) Rates and Taxes	3,940	267,605	7,767	514,538
(d) Office Expenses	46	3,132	285	18,883
(e) Travelling & Conveyance	-	-	1,991	131,880
(f) Power & Fuel	-	-	2,144	142,017
(g) Staff Training and Seminar Expenses	-	-	1,217	80,644
(h) Foreign Currency (Gain)/Loss - (Net)	-	-	200,225	13,264,408
(i) Communication Expenses	-	-	8	505
(j) Miscellaneous Expenses	723	49,084	9,357	619,846
	4,709	319,821	237,674	15,745,335