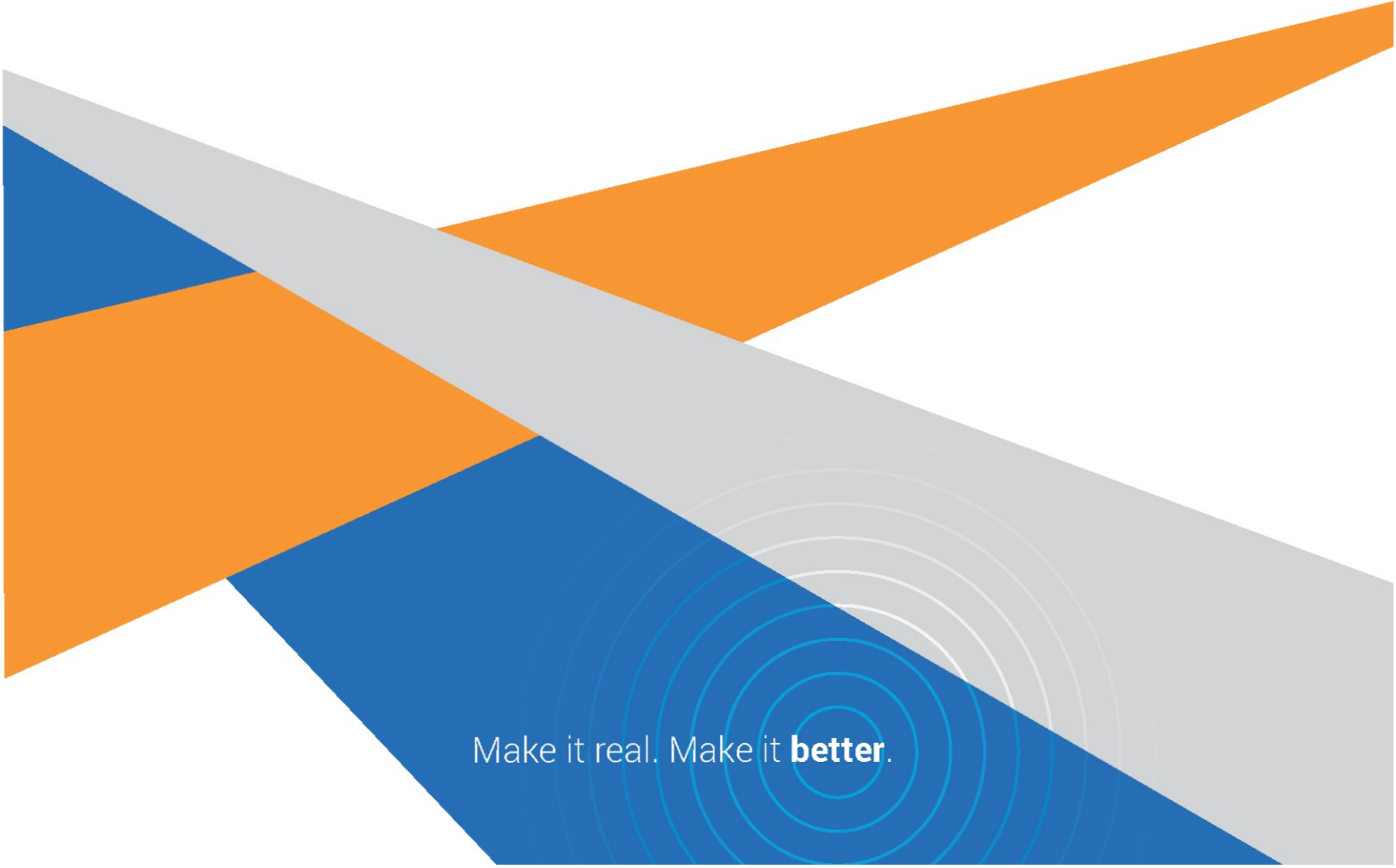


2014-15

# Intelligently Different by Design



Make it real. Make it **better.**

## Board's Report

### TO THE MEMBERS OF TATA TECHNOLOGIES LIMITED

The Directors are pleased to present their Twenty First Annual Report on the Business and Operations of your Company and the Audited Statement of Accounts for the year ended March 31, 2015.

#### 1. FINANCIAL RESULTS

The summary of financial results of the Company for the year ended March 31, 2015 is as follows:

(Amount in ₹ Crore)

| Particulars                                    | 2014-15  | 2013 -14 |
|--|----------|----------|
| Income from Operations                         | 985.18   | 886.18   |
| Other Income                                   | 39.61    | 43.16    |
| Total Income                                   | 1,024.79 | 929.34   |
| Operating Expenditure                          | 733.26   | 632.46   |
| Profit before Depreciation, Interest and Taxes | 291.53   | 296.88   |
| Interest                                       | 1.37     | 1.43     |
| Depreciation                                   | 40.26    | 36.15    |
| Profit/(Loss) before Taxes                     | 249.90   | 259.30   |
| Provision for taxes                            | 47.05    | 56.58    |
| Profit/(Loss) after Taxes                      | 202.85   | 202.72   |
| Balance brought forward from previous year     | 252.16   | 221.98   |
| Amount available for appropriations            | 455.01   | 424.70   |
| APPROPRIATIONS                                 |          |          |
| Interim Dividend                               | 64.53    | 51.64    |
| Proposed Final Dividend                        | 258.15   | 77.44    |
| Tax on Interim/Proposed Dividend               | 64.16    | 22.46    |
| General Reserve                                | 21.00    | 21.00    |
| Balance carried to Balance Sheet               | 47.17    | 252.16   |

#### 2. REVIEW OF BUSINESS OPERATIONS

The Company recorded an overall revenue growth of approximately 10.27% with an increase of approximately 11.17% in revenue from sale of products and services, from ₹ 886.18 crore in 2013-14 to ₹ 985.18 crore in 2014-15. The operating profit registered a decrease of approximately 1.80% over the last year, while profit before taxes (PBT), decreased at a rate of approximately 3.63% on a year-on-year basis. Profit after taxes (PAT) grew by approximately 0.06% during the same period.

During the period, services revenue increased by 9.47% and product sale increased by 21.70% over last year to reach figures of ₹ 835.12 crore and ₹ 148.62 crore respectively. The services revenue comprises:

- 1. Engineering Automation Group [EAG]:**  
EAG addresses the engineering and design needs of manufacturers through services for all stages of the product development and manufacturing process.
- 2. Enterprise Solutions Group [ESG]:**  
ESG addresses the Information Technology needs of manufacturers including business solutions, strategic consulting, ERP implementation, systems integration, IT networking and infrastructure solutions and program management.
- 3. Product Lifecycle Management [PLM]:**  
PLM addresses the product development technology solution requirements of manufacturers' including

end-to-end implementation of PLM technology, best practices and PLM consulting. PLM also includes the Company's proprietary applications iGET IT® and iCHECK IT®.

### 3. DIVIDEND

The Board declared an interim dividend of ₹ 10/- per share and ₹ 5/- per share for the first and third quarter respectively for the financial year 2014-15 totaling to ₹ 15/- per share. Considering the financial performance, the Board recommends a final dividend of ₹ 15/- per share and a special dividend of ₹ 45/- per share. If the shareholders approve the proposed dividend, the total dividend for the financial year 2014-15 would be ₹ 75/- per share (₹ 30 + ₹ 45 as a special dividend).

If the shareholders approve the proposed final dividend and a special dividend at the ensuing Annual General Meeting, the total dividend for the financial year 2014-15 will be ₹ 75/- per share. The total dividend for the financial year 2013-14 was ₹ 30/- per share (₹ 25 + ₹ 5 as special dividend)

### 4. BUSINESS OUTLOOK

Your Company is highly focused on delivery of value to its customers, marketing and sales and as such, it is seeing improved order bookings. The Company expects improved growth in revenue, EBITDA and profit after tax in the coming years. Please refer the section on Management Discussion and Analysis for more information.

### 5. CHANGES IN SHARE CAPITAL

During the year, the following changes have occurred in the authorized and the paid-up equity share capital of the Company:

- a) The authorized share capital of the Company remained unchanged at ₹ 60.70 crore divided into 6,00,00,000 equity shares of ₹ 10/- each and 7,00,000 0.01% cumulative non-participative compulsorily convertible preference shares of ₹ 10/- each.
- b) 500 equity shares were allotted on exercise of the employees stock options during the year. Hence, the paid up capital of the Company increased from ₹ 43,02,41,380 to ₹ 43,02,46,380.

The Company is committed to employee participation in the future of the Company and has promoted and implemented various stock based incentive and ownership schemes from time to time. The details for the last year are provided in Annexure I to this report.

### 6. HUMAN RESOURCE DEVELOPMENT

The Company employs 7804 permanent and contractual professionals, as on March 31, 2015. The corresponding total employee strength as on March 31, 2014 was 7020. This registered an increase in employee strength by 10% during the financial year 2014-15. Our employees serve clients across the globe in Automotive, Aerospace, Construction and Heavy Engineering domains spread over in 25 countries. Our strategy is to deploy a judicious mix of specialists from our key bases in India, North America and UK and local talent from the countries we operating in. This ensures seamless engagement with our customers, through clear understanding of local cultures for the provision of specialized solutions.

The section on Human Capital under the Management & Discussion Analysis Report provides details on our approach and initiatives on human resources.

### 7. CORPORATE SUSTAINABILITY

The Company's Corporate Sustainability vision is to co-create sustainable value for the Company's key stakeholders through engineering and technology innovation. The Company's mission is to make positive impact on the communities where the Company does business and on its internal and external stakeholders by enhancing the quality of life, committing to environmental enrichment and fostering innovation. Thereby, making it better for the planet, better for people, better for progress, better now and better for the future.

The shareholders are advised to refer the separate section on Corporate Sustainability in this report for more details.

Details of the projects undertaken by the Company during the year are given as Annexure II to this report.

## 8. QUALITY INITIATIVES

In order to enhance the deployment of Quality systems worldwide and to drive sustainable growth through a robust go-to-market strategy, the functions of Business Excellence and Global Quality are being further integrated and renamed Total Quality Management (TQM). This will strengthen the journey started last year to drive an overarching commitment and pervasive embrace of Quality systems and processes throughout the organization.

Company's revised Quality Policy commits to deliver a world class experience consistently to its customers using a continually improving and sustainable process framework that balances the interests of all stakeholders and communities that we impact.

Being part of the Tata family, your Company's processes are shaped around the TBEM model scoring 531 points in the last external assessment.

TQM will be structured around the TBEM model, as well as globally recognized Quality standards such as ISO 9001:2008, AS 9100 C and ISO 27001:2013 to which the Company is already certified by Dekra (The Netherlands and USA) along with principles of Prince2 - a project management methodology. Since the Company's Quality Management System (QMS) and Information Security Management System (ISMS) meet stringent requirements laid out by these Quality standards, customers are assured of consistent quality of service and predictable outcome while ensuring security of information.

In order to deliver high quality projects consistently on time and also to mitigate risks arising from increasingly stringent conditions imposed by customers; senior managers are being trained on the preventive measures that are part of the QMS. The Tata Technologies Certified Project Management Professional (TTCPMP) workshop is designed around this. This is an on-going program under which 11 batches covering 215 managers have been conducted.

All the major delivery centers are certified to relevant quality standards. While the delivery centers in Hinjewadi (Pune), Bangalore, Thailand, Blue Ridge (Hinjawadi, Pune), Romania and projects managed by the Company in Tata Motors were already certified, Thane location was included in the last year.

The best practices of the QMS of Tata Technologies Romania were incorporated in the Global QMS, benefiting the global organization. Internal and external quality audits, customer feedback and inputs from process group members have helped in continuously improving the QMS processes and related IT tools.

A team of over 300 trained and certified internal quality auditors ensure a high level of compliance to the organization's processes.

The information security standard (ISO 27001) has been revised. Process improvements triggered by the new version have been incorporated. External audit and certification to the new standard will follow.

The Company has also initiated alignment of key delivery and related processes with CMMi, yet another industry standard for the service industry.

An initiative to benchmark processes and templates with a Tata company was taken up. This helped validate your Company's QMS processes and triggered improvements in some areas.

The Company has taken up a Knowledge Management initiative to strengthen Project Deliveries. The Company has a dedicated knowledge management application which is acting as a Centralized repository of delivery wide knowledge of domain, tools and skills. The Company is actively promoting knowledge sharing culture by holding workshops, knowledge sharing sessions and trainings and technical seminars. The employees of the Company are rewarded on a regular basis for their contributions to building knowledge and creating a collaborative culture.

## 9. INFORMATION TECHNOLOGY (IT) INITIATIVES

Company's IT investments and operations were focused across its key areas of (a) Infrastructure and Operations (b) Enterprise Applications (c) Engineering Systems and Customer Collaboration and (d) Information Security Management System (ISMS). Key highlights of each of these areas are listed below.

In keeping with its "Practice what we preach" philosophy, the Company continues to internally leverage technologies it deploys to its manufacturing customers such as SAP, Oracle, Microsoft, Siemens, Dassault, Qlikview. Each of these technologies has been enhanced with internally developed IP/implementation best practices and the resulting solutions leveraged across its manufacturing customers globally. Examples of these include WAN Optimization, Engineering Resource Optimization, Infrastructure Management, Dashboarding/ Analytics and Human Capital Management. The Company has implemented robust project management in line with PRINCE2 methodologies which, is a widely accepted standard for effective project management and change management (CR) process to manage ongoing changes to its IT environment. The Company has its key Project and Program managers certified on PRINCE2 methodologies. IT leaders participated in events and awards in the industry across the IT and Security domain areas.

The Company leveraged its Internal Audit process to periodically assess its IT systems, processes and governance and improve associated areas of improvement. The Company continued to focus on the Governance and Risk Management to help scale the business, deploying a GRMC framework to track and manage compliance checks and risks.

#### **Infrastructure & Operations:**

Select focuses for this category are listed below:

- a) Reducing operating costs through IT consolidation using Virtualization / HPC technologies
- b) Reducing risks and improving efficiency by deploying better end point management system
- c) Improving End User performance leveraging APM & Uptime solutions
- d) Reducing risks by implementing DR & BCP across select delivery locations
- e) Increasing customer confidence through ISO 27001 recertification @ Global Delivery Centers
- f) Improving productivity, compliance, reducing risks & costs using robust SAM process
- g) The Company has provided infra support on CRM DMS application for key group companies
- h) The Company has upgraded messaging system to improve productivity for all employees

The Company upgraded its communication infrastructure with its key customers JLR, Chrysler and TML to foster a more help efficient service delivery system. The IT team worked closely with the Company's salesforce to win business in the area of infrastructure management services from its manufacturing customers and thus anchored in winning ESG and PLM businesses. The Company set up new delivery centers in SEZ and Non SEZ locations in Pune and Bengaluru to expand the operations.

#### **Enterprise Applications:**

Select focus areas of this category are listed below:

- a) Continuous improvement of employee productivity through HCM (SAP ESS) improvements
- b) Helping customer acquisition through Enhanced CRM (CRM 2015) along with improvements in Sales War Room analytics
- c) Support large Services opportunities through CRM Services Engagement tracking capabilities
- d) Improving new employee experience & productivity by streamlining Onboarding activities
- e) Enhanced User eXperience (EUX) Strategy for various Enterprise Applications

The Company continued to mature its enterprises processes & application deployments across major process areas (Hire 2 Retire, Deal 2 Delivery, Opportunity 2 Order, Billing & Finance and Dashboarding & Analytics). Across the Hire 2 Retire process areas: SAP Employee Self Services & Performance Appraisal / Competency Enhancement based processes (e.g. Travel, Employee Movement, Claims, Separation, PACE) were upgraded with an increasing focus on Enhanced User eXperience (EUX), Process Analytics and improvements. For the Deal 2 Delivery process areas: Delivery Project Execution & Control, Project Customer Satisfaction Processes were enhanced leveraging the Global Engagement Model (GEM) platform. Skills Management systems and Time Booking systems were also enhanced to help meet the increased requirements. Across the Opportunity 2 Order process areas: CRM is enhanced with the latest from MS CRM2015 as the first step towards the SPEED PMO Sales transformation initiative. In the area of Billing & Finance: An SAP based solution is being developed to streamline reporting activities globally. The same is being tested now. Each of the above process areas were further supported by leveraging analytics to both improve process efficiency while also improving the underlying data integrity across all enterprise systems.

**Engineering Systems & Customer Collaboration:**

Select focus areas for this category are listed below:

- a) Partnering with Anchor Customers to deploy PLM / Supplier Collaboration environments
- b) Improve performance of Customer ODC's Design environments across TTL Delivery Centers
- c) Implementing standard data transfer solutions across each of TTL Delivery Centers
- d) Streamline Ramp-up for new Customer ODCs (Eng. Procurement, Licenses and Hardware)
- e) Improve Design & Data collaboration capabilities with customers leveraging next-gen tools

The Company established HPC (High Performance Computing) capabilities in its UK and India Delivery Centres and improved design (CAD / CAE) collaboration efficiencies through an Improved / Faster data exchange mechanism. The Company also expanded its Engineering Resource Optimization value proposition leveraging it across key customers and enhancing it through ongoing assessments from external agencies. Each of these initiatives are aimed at quickly ramping up / down customer Offshore Delivery Centers across the globe while continuing to improve the design productivity yearly.

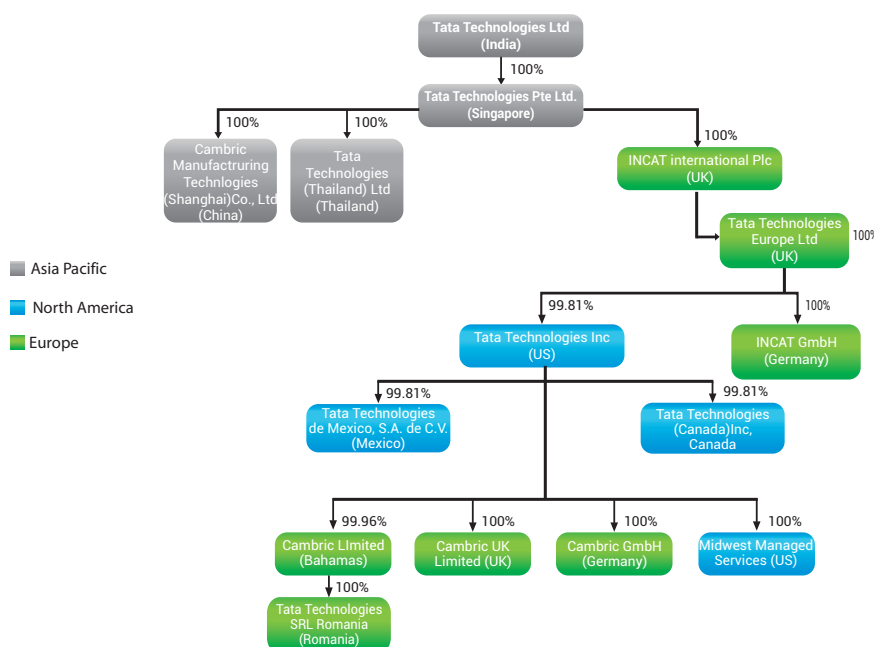
**Information Security Management System (ISMS) Operations:**

The Company completed many external and internal security assessments as part of its new customer acquisition/ existing projects governance process. Security controls such as web filtering, antivirus protection, visitor management systems and CCTV monitoring were enhanced as part of ongoing updates. The Company recertified its ISO 27001 Security Certification across its key delivery centers as part of an ongoing commitment towards data security and compliance. Periodic Vulnerability assessments (VAPT) on business applications strengthened the security of Company's business applications. The Company is now transiting for meeting security compliances with latest ISO standard i.e. ISO 27001:2013.

**10. SUBSIDIARY COMPANIES AND JOINT VENTURE**

The Company had 14 subsidiary companies as on March 31, 2015. The Company continued to review and recognize all its subsidiaries. The following changes occurred with respect to the company's corporate structure subsidiaries during the previous year:

**North Americas:** Cambric Holdings Inc and Cambric Corporation Inc. merged in to Tata Technologies Inc. w.e.f. December 31, 2014. Cambric Managed Services Inc, Utah was dissolved w.e.f. September 29, 2014. Due to the above mentioned changes during the year the number of subsidiaries of the Company has reduced from 17 to 14 during the year.



**Consolidated Results:** In accordance with the Statement of Accounting Standard on Consolidated Financial Statements (AS 21) issued by the Institute of Chartered Accountants of India (ICAI), subsidiaries of the Company and 50% share in Joint Venture Company have been considered in the Consolidated Financial Statements of the Company, attached in separate section of this report. As may be seen from the consolidated statements, the consolidated revenue was ₹ 2,644.23 crore, an increase of 10.42% against ₹ 2,394.73 crore in the previous year. The profit before tax was ₹ 429.76 crore as against ₹ 337.57 crore in the previous year, recording a growth of 27.31%. The profit after tax stood at ₹ 334.07 crore as against ₹ 273.22 crore recording a growth of 22.27%.

The Services/Products business mix was a 78/22 split respectively (₹ 2,019.35 crore for services and ₹ 565.38 crore for products) compared to FY 2014 when the Company recorded ₹ 1,799.21 crore for services and ₹ 542.35 crore for product or a 77/23 mix. The Americas produced ₹ 820.17 crore with Asia Pacific recording ₹ 1,103.43 crore and Europe generating ₹ 1,077.07 crore. The three territories combined produced ₹ 2,644.23 crore top lines after reducing inter-company billing, in FY 2015 compared to ₹ 2,394.73 crore for FY 2014.

**Joint Venture:** Tata HAL Technologies Limited is a 50:50 joint venture between Tata Technologies Limited and Hindustan Aeronautics Limited (HAL), with its corporate office situated at Bangalore, Karnataka. Tata HAL Technologies Limited is in the business of providing engineering and design solutions and services in the domain of aerostructures for the aerospace industry. The Company reported revenue of ₹ 12.66 crore for the FY 2014-2015 as against the revenue of ₹ 9.32 crore in FY 2013-14 an increase of 34.85% over the last year. The profit for the year was ₹ 1.38 crore as against loss of ₹ 1.56 crore in FY 2013-14. Considering the tax losses of the Company, no provision for tax has been made in the books of account.

The statement containing the salient feature of the financial statement of a Company's subsidiaries and associate company is enclosed herewith in Form AOC-1 as Annexure IV to this report.

## 11. DIRECTORS

In accordance with the requirements of the Companies Act, 2013 and the Articles of Association, Mr S Ramadorai (DIN 00000002) and Mr Praveen P Kadle (DIN 00016814) are liable to retire by rotation and eligible for the reappointment.

Mr Warren Harris (DIN 02098548) was appointed as the Chief Executive Officer and Managing Director w.e.f. September 09, 2014.

Ms Falguni Nayar (DIN-00003633) and Mr Rakesh Makhija (DIN-00117692) were appointed as Additional (Independent) Directors of the Company w.e.f. March 31, 2015.

## 12. STATUTORY AUDITORS

M/s Deloitte Haskins & Sells LLP, (DHS), Chartered Accountants (ICAI Firm Registration No. 117366W) (LLP Registration No: W-100018), the Company's Statutory Auditors, hold office until the conclusion of the ensuing Annual General Meeting. It is proposed to reappoint them to examine and audit the accounts of the Company for the financial year 2015-16 and 2016-17, subject to ratification of their appointment at every AGM. M/s Deloitte Haskins & Sells, LLP, have pursuant to Section 139(1) of the Companies Act, 2013, furnished the relevant letter confirming their eligibility and willingness for reappointment as the Statutory Auditors, should they be so appointed.

The members are requested to appoint Auditors for the financial years 2015-16 and 2016-17 and authorize the Board of Directors to fix their remuneration.

## 13. INTERNAL AUDITORS

The Company has appointed M/s Ernst & Young LLP, as Internal Auditors of the Company, to conduct the Internal Audit of the Company and its subsidiaries.

## 14. COMPLIANCE AUDITORS

To strengthen the compliance process of the Company, the Company has implemented system based compliance tool known as "iComply" in India, Europe, Thailand, Singapore, United States, Canada and Mexico. The Company has appointed M/s Ernst & Young LLP, as Compliance Auditors of the Company, to conduct the Compliance Audit at all locations where the iComply tool has been implemented.

## 15. PUBLIC DEPOSITS

Your Company has not accepted any deposits from the public in terms of Section 73 of the Companies Act, 2013 during the year under review. And hence, no amount is outstanding under the head Public Deposits as on March 31, 2015.

## 16. PARTICULARS OF EMPLOYEES

A statement containing the name and other particulars of employees of the Company as required under Section 197 of the Companies Act, 2013 read with Rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 is given as Annexure III to this Report.

## 17. MANAGEMENT DISCUSSION AND ANALYSIS

The shareholders are advised to refer the separate section on the Management Discussion and Analysis in this report.

## 18. CORPORATE GOVERNANCE REPORT

The shareholders are advised to refer the separate section on Corporate Governance in this Report.

## 19. CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO

**Conservation of Energy:** The operations carried out by the Company in all of its locations are such that they are not deemed as energy intensive. However, the Company constantly makes efforts to avoid excessive consumption of energy. Measures were taken to increase awareness about need to conserve power and water. At the Hinjawadi delivery center, solar water heaters are installed in the Guest House and the Wellness Centre. The schedule of switching on/off lights and AHU's was monitored continuously keeping in mind factors of climate, availability of power and working hours. LED lights are being considered as a replacement for CFL wherever possible in all new facilities. The Company remains committed to deploying more efficient energy saving measures. New technologies/options are regularly monitored and efforts will continue to conserve energy.

**Technology Absorption:** The Company has been investing in strategic technologies aligned with its business goals and customer needs, resulting in prudent investment in state-of-the-art software and hardware technology while delivering solution and service to all internal and external stakeholders.

**HPC Cluster facility for CAE simulation projects:** The Tata Technologies teams primarily from E&D are delivering very high end simulation projects in CAE and CFD areas. Teams in E&D Pune and VPD UK have recently started working on larger data sets on simulation front. To cater to these needs the company has deployed a new powerful and scalable high performance computing cluster in both UK and Hinjawadi. This hosts best-in-class processor technology configured to 264 cores with ultrafast Infiniband FDR interconnect between the nodes. This will help the team deliver CAE projects faster resulting in revenue growth, providing a competitive edge to gain and retain CAE customers.

**Data Center Infrastructure:** Tata Technologies recently added to its data center facility provisioning for new IT hardware and systems. It has deployed a new technology for High Performance Racks with Energy Efficient Cooling System in Data Centre. This contains the new in rack cooling technology helping save on the cooling costs and eliminates the need for complete data center cooling to server standards. It also employs state of the art safety and security features like automatic door opening for cooling failures as well as automated SMS alerts.

**Foreign Exchange Earnings and Outgo:** Information pertaining to the foreign exchange earnings and outgo during the year under review, in terms of the Notification 1029 of 31-12-1988 issued by the Department of Company Affairs is as follows:

| (Amount in ₹ Crore)             |          |           |
|---------------------------------|----------|-----------|
| Particulars                     | 2014- 15 | 2013 - 14 |
| Earnings in foreign currency    | 307.24   | 256.44    |
| Expenditure in foreign currency | 32.08    | 45.64     |

## 20. EXTRACT OF ANNUAL RETURN

Pursuant to Section 92(3) of the Companies Act, 2013 and Rule 12(1) of the Companies (Management and Administration) Rules, 2014, extract of Annual Return is enclosed in Form No MGT-9, as Annexure V to this report.

## 21. BOARD MEETINGS

The Board met seven times during the financial year 2014-15 on May 15, 2014, June 28, 2014, July 30, 2014, September 08, 2014, October 27, 2014, January 30, 2015 and February 17, 2015. The time gap between two meetings was less than 120 days.

## 22. SECRETARIAL AUDIT

A Report of Secretarial Audit by SVD and Associates, Company Secretaries, is enclosed separately as Annexure VI to this report. There are no qualifications or remarks made by the auditor.

## 23. LOANS AND INVESTMENTS

Your Company complied with the provisions of Section 186 of the Companies Act, 2013 during the year under review.

## 24. RELATED PARTY TRANSACTIONS

All the Related Party Transactions entered by the Company in FY 2014-15 were during the ordinary course of business and at Arm's length basis. All such transactions were reviewed and approved by the Audit Committee from time to time.

## 25. TRANSFER OF AMOUNTS TO RESERVES

The Company proposes to transfer ₹ 21 crore to General Reserves Account.

## 26. RISK MANAGEMENT POLICY

Shareholders are requested to refer a separate section on Risk Management in MD & A

## 27. QUALIFICATION OF DIRECTORS AND REMUNERATION

The Company has adopted the policies with respect to the Qualification and Remuneration of the Directors as on March 31, 2015 and the same is disclosed as Annexure VII of the report.

## 28. MANAGEMENT OF BUSINESS ETHICS

Tata Technologies has adopted the Tata Code of Conduct (TCOC). The Code of Conduct upholds the highest standards of corporate and personal conduct and is the guiding force on the ethical conduct behind every Tata Company, no matter what business they are in. It establishes the code of ethics that governs all Tata ventures, new and old. The Code of Conduct is communicated to the organization's partners/suppliers through interaction with them. The Company established procedures to deploy TCOC across the organization which promotes and ensures ethical behavior in all stakeholder interactions. The TCOC is disseminated through presentations, circulation of "Code" through various processes such as at the time of employee induction(joining), highlighting the same in posters at strategic locations "Employee Handbook" and a dedicated section as "Management of Business Ethics" on the intranet portal of the Company. To obtain a uniform measurable deployment of the TCOC across all employees and contractors of Tata Technologies, wherever they might exist globally, the Company created a specifically tailored training program on TCOC using 'i GET IT@'. This training program had been added to each employee's 'Learning Path'. The tool not only effectively tracks the number of employees who had undergone the training program but also monitors time taken on the program and each individual's score.

The Company has a committee on Prevention of Sexual Harassment (POSH) and a Whistle Blower Policy in place. The Whistle Blower Policy was adopted in February 2007 in extension of the Tata Code of Conduct (TCOC). Any actual or potential violation of the Code of Conduct, howsoever insignificant or as such, would be a matter of serious concern for the Company. Whistle Blower Policy has been established to provide a mechanism for

employees of the Company to approach the Ethics Counselor/Chairman of the Audit Committee of the Company to report any concerns. The Policy has been communicated to all the employees of the Company.

Possibility of breach of ethical behavior can be reported by various means to the Ethics Counsel such as by post, mail or phone calls. A dedicated email account [ethics@tatatechnologies.com](mailto:ethics@tatatechnologies.com) is available both at the intranet and internet sites for the stakeholders to report any ethical breach.

These are then managed by a well laid process. The required actions are implemented through the support functions such as HR, Finance and Legal.

Results are reported to the Chief Ethics Counselor on a quarterly basis and are reviewed by the Audit Committee. Apart from encouraging people to report ethical violations, the Company is also trying to establish a culture to report examples of good ethical behavior of employees to bring in ethical positivity at the workplace.

The Company has also adopted and implemented the Anti-Bribery and Gift Policy, in line with the Tata Code of Conduct and applicable laws, if any.

The organization structure for the Management of Business Ethics (MBE) in the Company comprises:

- a. Ethics Committee
- b. Chief Ethics Counselor
- c. Ethics Counselor and
- d. Chairperson Prevention of Sexual Harassment (POSH)

The Company received seven complaints during the year. Two of them were under POSH and all the complaints received were closed. The Ethics Committee has conducted various activities during the year including Ethics Day & Pledge, MBE Awareness Workshops, Customer feedback on Ethical behavior of Company's employees etc.

## **29. AUDIT COMMITTEE**

During the year the committee was comprised of three non-executive Directors, Mr. P. P. Kadle, Mr. S Ramadorai and Mr. C Ramakrishnan. The Board appointed Ms Falguni Nayar and Mr. Rakesh Makhija as members of the committee in place of Mr. S Ramadorai and Mr. C Ramakrishnan w.e.f. March 31, 2015.

Since Ms Nayar and Mr Makhija were appointed as members of the Committee w.e.f. March 31, 2015, they did not attend any of the meetings of the Committee held during the year.

During the year under review, the Board has accepted all the recommendations of the Committee.

## **30. DECLARATION OF INDEPENDENCE**

The Company has appointed Ms Falguni Nayar and Mr Rakesh Makhija as Independent Directors on the Board of the Company. The Company has received the declarations of Independence from them pursuant to Section 149(6) of the Companies Act, 2013.

## 31. DETAILS OF DIRECTORS AND Key Managerial Personnel (KMP)

The details of the Directors and KMP appointed/resigned during the year are as under:

| SI No | Name                    | Designation                                   | Date of Appointment as Director/KMP | Date of Resignation as Director/ KMP | Remarks  |
|-------|-------------------------|---|-------------------------------------|--------------------------------------|--|
| 01    | Mr Patrick McGoldrick   | Managing Director                             | May 15, 2014                        | September 08, 2014                   | Superannuated w.e.f. September 08, 2014 and also ceased to be a Director.  |
| 02    | Mr Samrat Gupta         | Chief Financial Officer                       | May 15, 2014                        | May 28, 2014                         | Left Employment  |
| 03    | Mr Anubhav Kapoor       | General Counsel and Company Secretary         | May 15, 2014                        | Continuing                           |  |
| 04    | Mr Saranu Venkateswarlu | Chief Financial Officer                       | May 28, 2014                        | Continuing                           | Appointed as CFO in place of Mr Samrat Gupta, w.e.f. May 28, 2014  |
| 05    | Mr Warren Harris        | Chief Executive Officer and Managing Director | September 08, 2014                  | -                                    | Appointed as Additional Director on May 15, 2014. Shareholders confirmed his appointment for regularizing his Directorship as a Director in the Annual General meeting held on June 28, 2014. Board appointed Mr Harris as the CEO & MD, w.e.f. September 09, 2014 for a period of five years. Subsequently, shareholders in the EGM held on December 06, 2014, appointed Mr Harris as the Chief Executive Officer and Managing Director of the Company w.e.f. September 09, 2014. |
| 06    | Ms Falguni Nayar        | Additional (Independent) Director             | March 31, 2015                      | -                                    |  |
| 07    | Mr Rakesh Makhija       | Additional (Independent) Director             | March 31, 2015                      | -                                    |  |

## 32. BOARD EVALUATION

The Company conducted the evaluation of the Board and its committees in fair and transparent manner for the financial year 2014-15. Results of the evaluation were taken on record by the Board.

## 33. ORDER OF COURT

The Company has not received any significant and material orders, if any, passed by the regulators and courts or tribunal impacting the ongoing status and Company's operations in the future.

## 34. 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:

- i. in the preparation of the annual accounts, the applicable accounting standards have been followed and that there are no material departures;

- ii. they have, in selection of the accounting policies, consulted the Statutory Auditors and have 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 profit of the Company for that period;
- iii. 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;
- iv. they have prepared the annual accounts on a going concern basis.
- v. they have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

### 35. ACKNOWLEDGMENTS

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

The Directors would also like to place on record their appreciation of the dedicated, individual and collective contribution of all the employees in the overall growth and progress of the Company during the last year.

The Directors, finally, would like to specially thank and place on record their gratitude to all the members of the Company for their faith in the management and continued affiliation with the Company.

On behalf of the Board of Directors'

Date: May 15, 2015  
Place: Mumbai

**S RAMADORAI**  
Chairman

## EMPLOYEE STOCK OWNERSHIPS SCHEMES

a) Tata Technologies Limited Employees Stock Option Plan (TTESOP - 2001)

Tata Technologies Limited Employees Stock Option Plan 2001 (TTESOP Plan 2001) was launched by the Company in the year 2001. The status of the options granted and exercised as well as options forfeited during the financial year ended March 31, 2015 as under:

**ESOPs as on March 31, 2015**

| Number of Options Granted, Forfeited and Exercised        |          |
|---|----------|
| Options granted as on April 1, 2014                       | 14,051   |
| Further options granted during the financial year 2014-15 | 30,000   |
| Options exercised during the year                         | (500)    |
| Cashless options exercised during the year                | Nil      |
| Options lapsed/forfeited during the year                  | (10,250) |
| Options granted as on March 31, 2015                      | 33,301   |

Since options during the year were granted on March 31, 2015 there was no dilution of EPS during the year.

b) Stock based incentive schemes by Tata Technologies Limited Employees Stock Option Trust (TTESOP Trust) and Barclays Wealth Trustees (Guernsey) Limited.

To manage and implement various stock based incentive programs for employees of the Company, the Company has formed Tata Technologies Limited Employees Stock Option Trust (TTESOP Trust) and Barclays Wealth Trustees (Guernsey) Limited for employees of the Company and its subsidiaries. Since shares of the Company are not listed on Stock Exchange, Tata Technologies Limited Employees Stock Option Trust (TTESOP Trust) and Barclays Wealth.

Trustees (Guernsey) limited purchase the shares from employees and ex-employees of the Company. The shares so purchased by the Trusts are reissued to the employees through various stock based incentive schemes from time to time.

**Tata Technologies Limited Employees Stock Option Trust (TTESOP Trust) has implemented the following stock based incentive programs:**

- 1) Tata Technologies Employee Stock Purchase Program 2008
- 2) Tata Technologies Employee Stock Purchase Program 2009
- 3) Tata Technologies Employees Stock Purchase Program- Series III (ESPP- Series III)
- 4) Employees Stock Purchase Program- Series IV (ESPP – Series IV)
- 5) Employees Stock Purchase Program- Series V (ESPP – Series V)
- 6) Employees Stock Purchase Program- Series VI (ESPP – Series VI)

**The Schemes implemented by Barclays Wealth Trustees (Guernsey) Limited are:**

- 1) Employee Stock Ownership Program for INCAT Employees 2006
- 2) Employee Stock Ownership Program for INCAT Key Employees 2007
- 3) Employee Stock Ownership Program for INCAT General Employees 2007
- 4) Employee Stock Ownership Program 2009 (ESO 2009)
- 5) Employee Stock Ownership Program 2010 (ESO 2010)
- 6) Employee Stock Ownership Program 2012 (ESO 2012)
- 7) Employee Stock Ownership Program 2015 (ESO 2015)

Details of the shares allocated by both the Trusts under the various stock based incentive schemes are as under:

**Shares Allocated under stock based incentive schemes of Tata Technologies Limited Employees Stock Option Trust**

| Sl No | Scheme Name                                   | No of Shares Allocated | Price per Share (Rs) | Money Realised by the Trust (Rs) |
|-------|---|------------------------|----------------------|----------------------------------|
| 1.    | Employees Stock Purchase Program 2008         | 290,500                | 145                  | 4,21,22,500                      |
| 2.    | Employees Stock Purchase Program 2009         | 18,800                 | 196                  | 36,84,800                        |
| 3.    | Employees Stock Purchase Program - Series III | 52,251                 | 196                  | 1,02,41,196                      |
| 4.    | Employees Stock Purchase Program - Series IV  | 47,600                 | 223                  | 1,06,14,800                      |
| 5.    | Employees Stock Purchase Program - Series V   | 22,500                 | 417                  | 93,82,500                        |
| 6.    | Employees Stock Purchase Program - Series VI  | 81,400                 | 645                  | 5,25,03,000                      |

**Shares Allocated under stock based incentive schemes of Barclays Wealth Trustees (Guernsey) Limited**

| Sl No | Scheme Name   | No of Shares Allocated | Price per Share (Rs) | Money Released by the Trust (Rs) |
|-------|---|------------------------|----------------------|----------------------------------|
| 1.    | Employee Stock Ownership Program for INCAT Employees 2006         | 217,165                | 135                  | 2,93,17,275                      |
| 2.    | Employee Stock Ownership Program for INCAT Key Employees 2007     | 600,000                | 135                  | 8,10,00,000                      |
| 3.    | Employee Stock Ownership Program for INCAT General Employees 2007 | 148,066                | 145                  | 2,14,69,570                      |
| 4.    | Employee Stock Ownership Program 2009                             | 88,067                 | 196                  | 1,72,61,132                      |
| 5.    | Employee Stock Ownership Program 2010                             | 709,000                | 223                  | 15,81,07,000                     |
| 6.    | Employee Stock Ownership Program 2012                             | 60,000                 | 417                  | 2,50,20,000                      |
| 7.    | Employee Stock Ownership Program 2015                             | 70,000                 | 645                  | 4,51,50,000                      |

**Notes:**

- Pricing Formula:** Price for shares allocated under the above mentioned schemes is determined on the basis of latest audited balance sheet.
- No employee was allocated more than 1% of the issued capital of the Company.

c) Status of shares held by both Trusts as on March 31, 2015:

| Tata Technologies Limited Employees Stock Option Trust | No. of Shares |
|--|---------------|
| (A) Opening balance as on April 01, 2014               | 73,744        |
| (B) Shares repurchased during the year                 | 40,442        |
| (C) Balance as on March 31, 2015 [(C)=(A)+(B)]         | 114,186       |

| Barclays Wealth Trustees (Guernsey) Limited     | No. of Shares |
|---|---------------|
| (A) Opening balance as on April 01, 2014        | 558,266       |
| (B) Shares repurchased during the year          | 253,174       |
| (C) Balances as on March 31, 2015 [(C)=(A)+(B)] | 811,440       |

## Corporate Social Responsibility (CSR) Activities

At TATA Technologies, our Corporate Sustainability (CS) vision is to co-create sustainable value for our key stakeholders through engineering and technology innovation. Our mission is to make a positive impact on the communities where the company does business and on our internal and external stakeholders by enhancing the quality of life, committing to environmental enrichment and fostering innovation. Thereby, making it better for the planet, better for people, better for progress, better now and better for the future.

As a part of the Tata culture, Tata Technologies aims to go beyond the minimum requirement by law and has developed the CSR policy which applies to all the three operational locations. The policy also comes with an annexure to highlight the India CSR projects as per the Section 135 and Schedule VII requirements. The policy highlights the focus areas, monitoring and evaluation method as well as encourages all the employees to volunteer their time and skills for the benefit of the society. As per the policy, Tata Technologies will focus on areas that accord to our business as well as address issues like talent development in **science, technology, engineering and maths (STEM), enrichment of the environment and innovation for the society.**

The guidance, advice and approval for CSR policy, projects and evaluation comes from our eminent **CSR Committee of the Board**. The CSR Committee comprises of the following Board members:

- Mr P P Kadle
- Ms Falguni Nayar (Appointed as a member w.e.f. March 31, 2015)
- Mr C. Ramakrishnan (Ceased to be a member w.e.f. March 31, 2015)
- Mr Patrick McGoldrick (Former CEO and Managing Director, retired in September 2014)
- Mr Warren Harris (Current CEO and Managing Director)

For FY14-15, implementation of Section 135 of the Companies Act 2013, the CSR projects for the company are funded through the CSR budget calculated as 2% average of the net profit for the last three financial years, totalling to INR 3.57 crores.

| Description   | INR Crores |
|---|------------|
| Average net profit for the financial years 31st March 2012, 2013 and 2014           | 178.28     |
| 2% of the average net profits for the financial year 31st March 2012, 2013 and 2014 | 3.57       |
| CSR budget for FY14-15  | 3.57       |

Our main areas of CSR work are **STEM and Engineering Education, Enriching the Environment and Innovation** for the benefit of the society. In FY14-15, we have set up the education pillar under our **'Ready Engineer'** brand that address the different levels of learning to ensure promotion of STEM subjects, provide clarity of STEM fundamentals and orient the students towards application based learning which will help reduce the academia-industry gap and ensure that the future engineers are ready for the industry. The CSR projects completed or in progress for FY14-15 are highlighted in the table below.

| Sl no | Projects                                    | Description  | Duration | Impact  | Partner  |
|-------|---|--|----------|---|--|
| 1     | <b>EARTH Project</b>                        | A sustainable plantation project to increase the green cover of the city   | 3 Years  | 2000 saplings   | NGO Tree Public Foundation   |
| 2     | <b>Ready Engineer</b>                       | Experts training the 3rd year mechanical engineering students in application of automotive engineering technology using Tata Technologies iGET IT® platform                                    | Annual   | 130 students  | -National Institute for Technology, Jamshedpur<br>-SDM College of Engineering & Technology, Dharwad                                  |
| ii    | Distance Ready Engineer (DRE)               | e-Learning and Train the Professors based model for the 3rd year mechanical engineering students in application of automotive engineering technology using Tata Technologies iGET IT® platform | Annual   | 11 Professors<br>82 Students  | Consultant to develop the eLearning Module NK Orchid College of Engineering and Technology, Solapur                                  |
| iii   | Empowerment Via Education (EVE)             | Encouraging girl students from low income category to pursue engineering degree by providing scholarships and mentoring their personal and professional growth                                 | 4 Years  | 51 girl students*<br>*We have also committed an additional batch of 50 girls for the next 3 years   | NGO Lila Poonawalla Foundation   |
| iv    | School & Teaching Excellence Program (STEP) | Technology based integrated learning solution for students to develop aptitude for science & maths, a base for engineering education.  | 3 Years  | 408 eLearning installations in 301 Schools reaching out directly to 66,496 students in 8th-9th-10th classes and potential students beneficiaries from 1st to 10th classes totalling to 1,66,617 | NGO The Poona North Rotary Charitable Trust and Hardware and software providers SumConcepts Technologies Pvt. Ltd and Tata ClassEdge |
| 3     | Flood Relief Rehabilitation Program         | Jammu & Kashmir Flood Relief   | Annual   | Project with The Poona North Rotary Charitable Trust and Tata ClassEdge for 27 installations in 9 schools is in progress.   | Tata Relief Committee Jammu & Kashmir  |

**The below is the details on the amount spent for each of the CSR projects as per the prescribed format:**

| Sl no | CSR project identified   | Project Area<br>District, State  | Project Sector<br>As per Sch. VII | Amount outlay Project wise |              | Amount spent on the projects Crores INR |             | Cumulative expenditure FY14- 15<br>Crores INR | Amount spent Crores INR |                       |
|-------|--|--|-----------------------------------|----------------------------|--------------|---|-------------|---|-------------------------|-----------------------|
|       |  |  |                                   | Crores INR                 | Project wise | Direct Expenditure                      | Overheads   |   | Direct                  | Implementation Agency |
| 1     | EARTH Project - Sustainable Tree Plantation  | Pune, Maharashtra  | Sch. VII (iv)                     | 0.05                       |              | 0.05                                    |             | 0.05  |                         | 0.05                  |
| 2     | Ready Engineer Direct Learning model   | -East Singhbhum district, Jamshedpur, Jharkhand<br>-Dhavalagiri, Dharwad, Karnataka                                | Sch. VII (ii)                     | 0.24                       |              | 0.24                                    |             | 0.24  | 0.24                    |                       |
|       | Distance Ready Engineer (DRE)  | Hipparaga, Solapur, Maharashtra  | Sch. VII (ii)                     | 0.22                       |              | 0.22                                    |             | 0.22  | 0.16                    | 0.06                  |
|       | Empowerment via Education (EVE)  | Pune, Maharashtra  | Sch. VII (ii) (iii)               | 0.26                       |              | 0.26                                    |             | 0.26  |                         | 0.26                  |
|       | School and Teaching Excellence Program (STEP)  | Ahmednagar, Kolhapur, Mumbai, Osmanabad, Pune, Raigad, Ratnagiri, Sangli, Satara, Sindhudurg, Solapur, Maharashtra | Sch. VII (ii)                     | 2.69                       |              | 2.69                                    |             | 2.69  |                         | 2.69                  |
| 3     | Flood Relief Rehabilitation Program  | Jammu and Kashmir  | Sch. VII (i)                      | 0.03                       |              | 0.03                                    |             | 0.03  |                         | 0.03                  |
| 4     | Administration - All Projects, admin, salary for consultant and capacity building cost |  |                                   | 0.12                       |              |   | 0.12        | 0.12  | 0.12                    |                       |
|       |  | <b>TOTAL</b>   |                                   | <b>3.61</b>                |              | <b>3.49</b>                             | <b>0.12</b> | <b>3.61</b>                                   | <b>0.52</b>             | <b>3.08</b>           |

## RESPONSIBILITY STATEMENT

The Corporate Sustainability vision aims to co-create sustainable value for our key stakeholders through engineering and technology innovation and tends to go beyond the minimum requirement of the law to create a positive impact for the internal and external stakeholders. The Company strives to strategically integrate social development with operational sustainability by leveraging our skills, knowledge and resources to opt for sustainable practices and continuously improve our efforts to create a better impact for a better world.

In the first year of enduring the CSR projects, specifically in India as per the CSR Rules, the Company has set up vigorous processes to strategize, conceptualize, select partners, implement, monitor and evaluate, measure the impact and aim for continual improvement for all the CSR projects. Through the implemented CSR projects in FY14-15, we have reached out to 166,617 school children in 301 schools, 51 engineering undergraduate girl students, 212 undergraduate engineering students, 11 Professors through our educational programs and planted 2000 saplings through a sustainable plantation project. The impact was possible by partnering with 3 engineering colleges in Maharashtra, Jharkhand and Karnataka and 5 NGOs in Maharashtra and Jammu & Kashmir.

To continue our journey in creating positive impact, We, the CSR Committee of the Board, intent to review the CSR policy on a timely basis to check the integrity and purpose of the policy and the undertaken CSR projects in accordance with the company's purpose, resources and skills as well as any changes as per the applicable law. The implementation and monitoring of the projects will be in compliance with the CSR policy and processes.

**Mr P P Kadle**  
Chairman, CSR Committee

**Ms Falguni Nayar**  
Member, CSR Committee

**Mr Warren Harris**  
Member, CSR Committee

Place: Mumbai

Date: May 15, 2015

**Information as per Section 197 of the Companies Act, 2013 read with the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 forming part of the Director's Report for the year ended March 31, 2015**

| Sl no | Name                       | Age (Years) | Designation/Nature of duties                 | Gross Remuneration ₹ | Net Remuneration ₹ | Qualifications                          | Total experience (Years) | Date of Commencement of employment | Last Employment/Designation-Period   | No. of Shares   |
|-------|----------------------------|-------------|--|----------------------|--------------------|---|--------------------------|------------------------------------|--|---|
| 1     | Bhade Anand                | 42          | Vice President- Services & Tech Solutions    | 9,541,699            | 6,568,471          | B.E., MBA                               | 14                       | 16-Apr-13                          | TATA Technologies Limited, US / Vice President Global Services- NA - 2 yrs 6 months  | 200 shares are held directly while 24,867 shares are held through Barclays Wealth Trustees (Guernsey) Ltd |
| 2     | Bhageria Kumar Pawan       | 54          | Senior VP - Manufacturing & IT Practice      | 11,763,471           | 7,629,734          | BE (Mech)/MBA (Finance & Systems)       | 32                       | 18-Sep-12                          | General Motors - Regional Manager IT (International Operations)- 6 yrs   | 22,500  |
| 3     | Chandra R                  | 55          | Vice President - Global Enterprise Solution  | 9,610,549            | 6,642,236          | BE (Mech) PGDBM                         | 34                       | 02-Sep-81                          | Tata Motors Limited-Sr Manager-1 yr  | 26,200  |
| 4     | Choudhury Roy Aditya*      | 51          | President - Global Delivery                  | 3,475,722            | 2,422,733          | B.E                                     | 28                       | 31-Oct-14                          | TCL / Vice President (Strategy, TOM, IT) - 1Yr 6Months   | NIL   |
| 5     | Dobson Steve               | 61          | IPLM Offshore Support Service Manager        | 8,316,086            | 5,632,279          | MBA                                     | 32                       | 01-Oct-14                          | TATA Technologies Limited, UK / IPLM Offshore Support Services Manager - 6 months  | NIL   |
| 6     | Dole Shradh*               | 60          | Practice Manager - Systems Integration       | 4,171,077            | 2,988,306          | BE                                      | 39                       | 15-Oct-07                          | IBM / Delivery Project Executive - 6 months  | 17,367  |
| 7     | Ghanshyam Sharan Singh     | 59          | General Manager - Automotive Embedded System | 7,419,316            | 5,089,918          | B.Tech                                  | 37                       | 02-Jul-01                          | E.Vyapar-CEO-1 yr  | 27,500  |
| 8     | Ghosh S                    | 54          | Executive VP-Global Engineering & Design     | 9,271,838            | 6,480,636          | B.Tech                                  | 34                       | 01-Jul-81                          | Tata Motors Limited-Manager-3 yrs  | 10,600  |
| 9     | Gupta Samrat*              | 42          | Chief Financial Officer                      | 6,123,319            | 4,479,831          | B.Com, MBA, CFA                         | 17                       | 18-Apr-07                          | HCL-general Manger - Finance-6 mths  | 60,000  |
| 10    | Jain K Manoj               | 58          | Head - Customer Relationship Management      | 7,309,859            | 5,066,315          | B.Tech, M.Tech (Information Technology) | 34                       | 01-Dec-81                          | Tata Motors Limited - Manager - 15 years   | 10,700  |
| 11    | Janothkar R K              | 56          | General Manager - PLM Solutions              | 6,353,824            | 4,454,837          | DEI/BE                                  | 32                       | 01-Oct-83                          | TATA Motors / 14 Years   | 3,850   |
| 12    | Jones Donald*              | 72          | Senior Design Engineer - VPD                 | 2,844,404            | 2,136,952          | BSME                                    | 36                       | 30-May-14                          | TATA Technologies Limited, US/Project Engineer-6 months  | NIL   |
| 13    | Joshi Ashok G              | 59          | Head-Vehicle Attributes & Technical Services | 10,195,143           | 6,998,182          | BE (Mech)                               | 37                       | 01-Jul-78                          | Tata Motors Limited-Manager-8 yrs  | 6,400   |
| 14    | Julka Wishwas              | 54          | Vice President - Global Tata Group Sales     | 9,824,337            | 6,837,987          | DEE, B.Tech, MBA                        | 17                       | 09-Feb-05                          | Comsat Max Ltd-Business Manager-6 mths   | 8,500   |
| 15    | K Chandru                  | 56          | Senior General Manager-Engines               | 6,536,215            | 4,588,214          | BE, ME (Mechanical)                     | 33                       | 30-Jul-82                          | Tata Motors Limited - Manager - 18 years   | 4,500   |
| 16    | Khedkar GM                 | 54          | VP Business Development - APAC GS            | 6,995,551            | 4,980,121          | DIM/BE                                  | 33                       | 02-Jul-82                          | TATA Motors / 15 Years   | 4,967   |
| 17    | Krishnan Seshadri          | 50          | Program Manager - Enterprise Solutions       | 6,570,297            | 4,652,822          | CA I.C.W.A.I                            | 21                       | 30-Jun-04                          | BM Associates, Detroit, USA / Chief Operating Officer - 5 months   | 500   |
| 18    | McGoldrick Patrick*        | 65          | CEO and Managing Director                    | 3,676,400            | 2,579,252          | MCS, AMP                                | 45                       | 01-Apr-81                          | Lawrence Livermore National Laboratory / Chief Computer Architect - 40,000 shares are held directly while 40,000 shares are held through Barclays Wealth Trustees (Guernsey) Ltd | 6,000   |
| 19    | Milind Dnyaneshwar Peshave | 53          | General Manager - Engines                    | 7,089,500            | 5,024,631          | BE, ME (Mechanical)                     | 29                       | 4-Jan-86                           | Tata Motors Limited - Manager - 4 yrs  | 6,000   |
| 20    | Petkar M Rajendra          | 48          | Head - Power Systems Engineering             | 9,603,754            | 6,711,412          | BE, M.Tech                              | 27                       | 01-Feb-89                          | Tata Motors Limited-Manager-2 yrs  | 5,200   |
| 21    | Roy Avijit                 | 54          | GM - DPDS KBE - PLM Solutions                | 7,360,977            | 5,148,375          | BE, ME (Mechanical)                     | 30                       | 17-May-85                          | Tata Motors Limited-Manager-12 yrs   | 2,500   |
| 22    | Saranu Venkateswarlu       | 43          | Chief Financial Officer                      | 6,378,507            | 4,513,649          | B.Com, CA                               | 22                       | 18-Jun-07                          | KPMG / Sr. Manager - 13 yrs  | 2,500   |
| 23    | Shreekanth Moorthy         | 46          | Vice President - Global PLM                  | 8,998,619            | 6,287,167          | BE, MS                                  | 21                       | 17-Mar-09                          | Siemens Product Lifecycle Management INC- Director- 11 yrs   | NIL   |
| 24    | Shukla Vineer Babu         | 52          | Program Manager - Enterprise Solutions       | 6,186,357            | 4,409,813          | B.E                                     | 27                       | 28-Jun-93                          | TATA Motors / Manager - Management Services Division - 5 years   | 9,600   |
| 25    | Syed Zahid Habibullah      | 35          | Head COC-Cockpit                             | 6,628,991            | 4,737,411          | B.E, MS                                 | 12                       | 16-Apr-14                          | TATA Technologies Limited, US / Head COC-Cockpit - 15 days   | NIL   |
| 26    | Tamekar A M                | 50          | General Manager - KBE & DPD Systems          | 7,583,314            | 5,290,459          | M.Tech                                  | 26                       | 12-Apr-89                          | Tata Motors Limited-Dy. Manager-8 yrs  | 6,500   |
| 27    | Tilley Robert*             | 55          | Senior Design Engineer - VPD                 | 5,717,570            | 4,112,209          | HIC                                     | 38                       | 21-Jun-14                          | TATA Technologies Limited, US / Senior Design Engineer- VPD - 6 months   | NIL   |
| 28    | Umamaheswaran T N          | 53          | Chief Technology Officer                     | 12,666,438           | 8,210,111          | M.Tech                                  | 30                       | 17-Jul-85                          | Tata Motors Limited-Divisional Manager-4 yrs   | 36,600  |
| 29    | Yajnik Samir               | 52          | President Global Services & COO APAC         | 19,416,722           | 12,733,809         | M.S., B.Tech                            | 30                       | 01-Apr-07                          | TPL, Singapore-Vice President - EAG-5 yrs  | 116,500   |

The Gross remuneration shown above is subject to tax and comprises of salary, allowances, monetary value of perquisites as per income-tax rules, and Company's contribution to provident fund and superannuation fund.

In addition to the above remuneration, employees are entitled to gratuity, medical benefits, etc., in accordance with the Company's rules. The net remuneration is arrived at by deducting from the gross remuneration, income-tax, Company's contribution to provident fund, superannuation fund, and the monetary value of non-cash perquisites, wherever applicable.

All the employees have adequate experience to discharge the responsibilities assigned to them.

The nature of employment in all cases is contractual.

None of the employees mentioned above is a relative of any director of the Company.

\* indicates that the employee was in service only for a part of the year.

On behalf of the Board of Directors

**SRAMADORAI**  
Chairman

Date: May 15, 2015  
Place: Mumbai

**Form AOC-1**  
**[Pursuant to first proviso to sub section 3 of Section 129 read with Rule 5 of Companies (Accounts) Rules, 2014]**  
**Statement containing salient features of the financial statement of subsidiaries/associate companies/joint venture**

| Sr. No. | Name of Subsidiary Company  | Country   | Reporting Currency | Exchange Rate | Capital | Reserves | Total Assets | Total Liabilities | Investments Other than Investment in Subsidiaries | Turnover | Profit Before Taxation | Provision for taxation | Profit After taxation | Proposed Dividend | % share-holding |
|---------|---|-----------|--------------------|---------------|---------|----------|--------------|-------------------|---|----------|------------------------|------------------------|-----------------------|-------------------|-----------------|
| 1       | INCAT International Plc.  | U.K.      | GBP                | 92.45         | 2.24    | 43.29    | 47.26        | 1.72              | -   | 1.34     | 1.33                   | -                      | 1.33                  | -                 | 100             |
| 2       | Tata Technologies Inc. **   | USA       | USD                | 62.50         | 748.12  | (447.46) | 506.38       | 205.72            | -   | 711.39   | 15.15                  | 8.15                   | 7.01                  | -                 | 99.81           |
| 3       | Tata Technologies (Canada) Inc.   | USA       | USD                | 62.50         | 0.01    | 6.03     | 26.11        | 20.07             | -   | 8.45     | 2.72                   | 0.72                   | 2.00                  | -                 | 99.81           |
| 4       | Tata Technologies de Mexico, S.A. de C.V.   | USA       | USD                | 62.50         | 0.97    | 3.01     | 10.60        | 6.62              | -   | 17.61    | 0.48                   | 0.11                   | 0.36                  | -                 | 99.81           |
| 5       | Cambic Holdings Inc. #  | USA       | USD                | 62.50         | -       | -        | -            | -                 | -   | 5.02     | (3.35)                 | 2.92                   | (6.27)                | -                 | 100             |
| 6       | Cambic Corporation, Delaware #  | USA       | USD                | 62.50         | -       | -        | -            | -                 | -   | 109.00   | 12.45                  | 0.01                   | 12.44                 | -                 | 100             |
| 7       | Cambic Limited, Bahama  | USA       | USD                | 62.50         | 16.87   | 1.00     | 17.65        | (0.22)            | -   | 5.30     | 0.58                   | -                      | 0.58                  | -                 | 100             |
| 8       | Cambic UK Ltd.  | U.K.      | USD                | 62.50         | 0.00    | 2.71     | 7.30         | 4.59              | -   | 62.59    | 1.84                   | 0.53                   | 1.31                  | -                 | 100             |
| 9       | Cambic Managed Services Inc, Utah \$  | USA       | USD                | 62.50         | -       | -        | -            | -                 | -   | 0.03     | 0.01                   | -                      | 0.01                  | -                 | 100             |
| 10      | Cambic GmbH   | Germany   | USD                | 62.50         | 0.19    | 1.22     | 2.03         | 0.62              | -   | 5.02     | 0.36                   | 0.13                   | 0.23                  | -                 | 100             |
| 11      | Midwest Managed Services, Utah  | USA       | USD                | 62.50         | 0.00    | (0.03)   | 0.00         | 0.03              | -   | -        | (0.01)                 | -                      | (0.01)                | -                 | 100             |
| 12      | Tata Technologies SRL, Romania (erstwhile Cambic Consulting SRL was renamed w.e.f February 4, 2015) | Romania   | USD                | 62.50         | 8.47    | (5.40)   | 6.06         | 3.00              | -   | 55.37    | 2.06                   | 0.41                   | 1.65                  | -                 | 100             |
| 13      | Cambic Manufacturing Technologies (Shanghai) Co. Ltd. *   | China     | USD                | 62.50         | 3.12    | (1.06)   | 3.41         | 1.34              | -   | 1.49     | (1.04)                 | -                      | (1.04)                | -                 | 100             |
| 14      | Tata Technologies Europe Limited  | UK        | GBP                | 92.45         | 0.10    | 434.15   | 979.94       | 545.69            | -   | 1,010.55 | 132.03                 | 32.98                  | 99.06                 | -                 | 100             |
| 15      | INCAT GmbH  | Germany   | EURO               | 67.20         | 1.10    | 12.93    | 14.64        | 0.61              | -   | 0.37     | 0.32                   | (0.00)                 | 0.33                  | -                 | 100             |
| 16      | Tata Technologies (Thailand) Limited  | Thailand  | BAHT               | 1.92          | 6.77    | 4.34     | 12.61        | 1.50              | -   | 13.83    | 1.36                   | 0.10                   | 1.25                  | -                 | 100             |
| 17      | TATA Technologies Pte Ltd.  | Singapore | USD                | 62.50         | 10.36   | 11.41    | 21.97        | 0.19              | -   | 1.85     | 1.10                   | 0.97                   | 1.07                  | -                 | 100             |

1. Names of the subsidiaries which are yet to commence operations NIL  
2. Names of the subsidiaries which have been liquidated or sold during the year NIL

\* Incorporated w.e.f. March 10, 2014  
\*\* Subsidiary of Tata Technologies Europe Limited w.e.f March 20, 2015  
# Merged into Tata Technologies Inc w.e.f. January 1, 2015  
\$ Dissolved w.e.f. September 29, 2014

Part B

## Statement pursuant to Section 129(3) of the Companies Act, 2013 related to Joint Venture

| Name of the Joint Venture  | Tata HAL Technologies Limited      |
|--|------------------------------------|
| 1. Latest audited Balance Sheet Date   | March 31, 2015                     |
| 2. Shares of Joint Venture held by the Company on the year end date<br>No.<br>Amount of Investment in Joint Venture<br>Extent of Holding % | 10,140,000<br>50,700,000<br>50     |
| 3. Description of how there is significant influence   | There is no significant influence. |
| 4. Reason why the joint venture is not consolidated  | Not Applicable                     |
| 5. Net worth attributable to Shareholding as per latest audited Balance Sheet  | 42,666,458                         |
| 6. Profit/Loss of the year<br>i. Considered in Consolidation<br>ii. Not Considered in Consolidation  | 13,762,857<br>6,881,429<br>-       |

- |  |     |
|--|-----|
| 1. Names of the Joint Venture which are yet to commence operations           | NIL |
| 2. Names of Joint Venture which have been liquidated or sold during the year | NIL |

**FORM NO. MGT 9**  
**EXTRACT OF ANNUAL RETURN**  
as on Financial year ended on 31.03.2015  
[Pursuant to Section 92 (3) of the Companies Act, 2013 and rule 12(1) of the Company (Management & Administration) Rules, 2014.]

**I REGISTRATION & OTHER DETAILS:**

|     |   |  |
|-----|---|--|
| i   | CIN   | U72200PN1994PLC013313  |
| ii  | Registration Date   | 22-Aug-94  |
| iii | Name of the Company   | Tata Technolgies Limited   |
| iv  | Category/Sub-category of the Company  | Public Company   |
| v   | "Address of the Registered office & contact details"                        | 25, Rajiv Gandhi Infotech Park, Hinjawadi, Pune 411 057, India   |
| vi  | Whether listed company  | No   |
| vii | Name , Address & contact details of the Registrar & Transfer Agent, if any. | <b>TSR Darashaw Limited</b><br>6-10, Haji Moosa Patrawala Industrial Estate,<br>20, Dr. E. Moses Road,<br>Nr. Famous Studio<br>Mahalaxmi,<br>Mumbai<br>400011<br>Tel : 91 22 66568484 Fax : 91 22 66568494 |

**II PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY**

All the business activities contributing 10% or more of the total turnover of the company shall be stated

| SL No | Name & Description of main products/services | NIC Code of the Product /service | % to total turnover of the company |
|-------|--|----------------------------------|------------------------------------|
| 1     | Information technology services              | NIL                              | 84.89                              |
| 2     | Trading in computer hardware/ software       | NIL                              | 15.11                              |

### III PARTICULARS OF HOLDING , SUBSIDIARY & ASSOCIATE COMPANIES

| SI No | Name & Address of the Company                          | CIN/GLN                                   | HOLDING/ SUBSIDIARY/ ASSOCIATE | % OF SHARES HELD | APPLICABLE SECTION |
|-------|--|---|--------------------------------|------------------|--------------------|
| 1     | Tata Motors Limited                                    | L28920MH1945PLC004520                     | Holding                        | 70.43            | 2(87)              |
| 2     | Tata Technologies Pte Ltd                              | 198100504W                                | Subsidiary                     | 100              | 2(87)              |
| 3     | Tata Technologies (Thailand) Ltd                       | 010554812171                              | Subsidiary                     | 100              | 2(87)              |
| 4     | Tata Technologies Europe Ltd                           | Formerly No: 017554824090<br>2016440      | Subsidiary                     | 100              | 2(87)              |
| 5     | INCAT International Plc.                               | 2377350                                   | Subsidiary                     | 100              | 2(87)              |
| 6     | INCAT GmbH   | HRB 18622                                 | Subsidiary                     | 100              | 2(87)              |
| 7     | Tata Technologies Inc.                                 | 476-730                                   | Subsidiary                     | 99.81            | 2(87)              |
| 8     | Tata Technologies de Mexico SA de SV                   | TTM-990127-V84                            | Subsidiary                     | 99.81            | 2(87)              |
| 9     | Tata Technologies (Canada), Inc.                       | 860826                                    | Subsidiary                     | 99.81            | 2(87)              |
| 10    | Cambric Limited  | Company Number: 57500                     | Subsidiary                     | 99.96            | 2(87)              |
| 11    | Tata Technologies Romania SRL                          | Registration Certificate Number: B1766921 | Subsidiary                     | 100              | 2(87)              |
| 12    | Cambric GmbH   | Entity Registration #: HR B14269          | Subsidiary                     | 100              | 2(87)              |
| 13    | Cambric UK, Ltd.                                       | Company Number: 06559783                  | Subsidiary                     | 100              | 2(87)              |
| 14    | Midwest Managed Services, Inc.                         | Utah Entity/File Number: 8513733-0142     | Subsidiary                     | 100              | 2(87)              |
| 15    | Cambric Manufacturing Technologies (Shanghai) Co., Ltd | Registration Number: 310000400732137      | Subsidiary                     | 100              | 2(87)              |
| 16    | Tata HAL Technologies Ltd.                             | U93000KA2008PLC046588                     | Associate                      | 50               | 2(6)               |

**IV SHAREHOLDING PATTERN (Equity Share capital Break up as % to total Equity)**

| Category of Shareholders  | No. of Shares held at the beginning of the year 1-4-2014 |                |                 |                   | No. of Shares held at the end of the year 31-03-2015 |                |                 |                   | % change during the year |
|---|--|----------------|-----------------|-------------------|--|----------------|-----------------|-------------------|--------------------------|
|   | Demat  | Physical       | Total           | % of Total Shares | Demat  | Physical       | Total           | % of Total Shares |                          |
| <b>A. Promoters</b>   |  |                |                 |                   |  |                |                 |                   |                          |
| (1) Indian  | 0  | 0              | 0               | 0.00              | 0  | 0              | 0               | 0.00              | 0.00                     |
| a) Individual/HUF   | 0  | 0              | 0               | 0.00              | 0  | 0              | 0               | 0.00              | 0.00                     |
| b) Central Govt. or State Govt."  | 0  | 0              | 0               | 0.00              | 0  | 0              | 0               | 0.00              | 0.00                     |
| c) Bodies Corporates  | 30300600   | 0              | 30300600        | 70.43             | 30300600   | 0              | 30300600        | 70.43             | 0.00                     |
| d) Bank/FI  | 0  | 0              | 0               | 0.00              | 0  | 0              | 0               | 0.00              | 0.00                     |
| e) Any other  | 0  | 0              | 0               | 0.00              | 0  | 0              | 0               | 0.00              | 0.00                     |
| <b>SUB TOTAL:(A) (1)</b>  | <b>30300600</b>  | <b>0</b>       | <b>30300600</b> | <b>70.43</b>      | <b>30300600</b>                                      | <b>0</b>       | <b>30300600</b> | <b>70.43</b>      | <b>0.00</b>              |
| (2) Foreign   |  |                |                 |                   |  |                |                 |                   |                          |
| a) NRI- Individuals   | 0  | 734699         | 734699          | 1.71              | 11690  | 678067         | 689757          | 1.60              | -0.11                    |
| b) Other Individuals  | 0  | 0              | 0               | 0.00              | 0  | 0              | 0               | 0.00              | 0.00                     |
| c) Bodies Corp.   | 3746505  | 2874897        | 6621402         | 15.39             | 3746505  | 2874897        | 6621402         | 15.39             | 0.00                     |
| d) Banks/FI   | 0  | 0              | 0               | 0.00              | 0  | 0              | 0               | 0.00              | 0.00                     |
| e) Any other...   | 0  | 0              | 0               | 0.00              | 0  | 0              | 0               | 0.00              | 0.00                     |
| <b>SUB TOTAL (A) (2)</b>  | <b>3746505</b>   | <b>3609596</b> | <b>7356101</b>  | <b>17.10</b>      | <b>3758195</b>                                       | <b>3552964</b> | <b>7311159</b>  | <b>16.99</b>      | <b>-0.11</b>             |
| "Total Shareholding of Promoter (A)= (A)(1)+(A)(2)"                               | 34047105   | 3609596        | 37656701        | 87.53             | 34058795   | 3552964        | 37611759        | 87.42             | -0.11                    |
| <b>B. PUBLIC SHAREHOLDING</b>   |  |                |                 |                   |  |                |                 |                   |                          |
| <b>(1) Institutions</b>   |  |                |                 |                   |  |                |                 |                   |                          |
| a) Mutual Funds   | 0  | 0              | 0               | 0.00              | 0  | 0              | 0               | 0.00              | 0.00                     |
| b) Banks/FI   | 0  | 0              | 0               | 0.00              | 0  | 0              | 0               | 0.00              | 0.00                     |
| c) Central govt   | 0  | 0              | 0               | 0.00              | 0  | 0              | 0               | 0.00              | 0.00                     |
| d) State Govt.  | 0  | 0              | 0               | 0.00              | 0  | 0              | 0               | 0.00              | 0.00                     |
| e) Venture Capital Fund   | 0  | 0              | 0               | 0.00              | 0  | 0              | 0               | 0.00              | 0.00                     |
| f) Insurance Companies  | 0  | 0              | 0               | 0.00              | 0  | 0              | 0               | 0.00              | 0.00                     |
| g) FIIS 0   | 0  | 0              | 0.00            | 0                 | 0  | 0              | 0.00            | 0.00              | 0.00                     |
| "h) Foreign Venture Capital Funds"  | 0  | 0              | 0               | 0.00              | 0  | 0              | 0               | 0.00              | 0.00                     |
| i) Others (specify)   | 0  | 0              | 0               | 0.00              | 0  | 0              | 0               | 0.00              | 0.00                     |
| <b>SUB TOTAL (B)(1):</b>  | <b>0</b>   | <b>0</b>       | <b>0</b>        | <b>0.00</b>       | <b>0</b>   | <b>0</b>       | <b>0</b>        | <b>0.00</b>       | <b>0.00</b>              |
| <b>(2) Non Institutions</b>   |  |                |                 |                   |  |                |                 |                   |                          |
| a) Bodies corporates  | 2695205  | 73744          | 2768949         | 6.44              | 2693788  | 115686         | 2809474         | 6.53              | 0.09                     |
| i) Indian   | 0  | 0              | 0               | 0.00              | 0  | 0              | 0               | 0.00              | 0.00                     |
| ii) Overseas  | 0  | 0              | 0               | 0.00              | 0  | 0              | 0               | 0.00              | 0.00                     |
| b) Individuals  | 0  | 0              | 0               | 0.00              | 0  | 0              | 0               | 0.00              | 0.00                     |
| i) Individual shareholders holding nominal share capital upto ₹ 1 lakhs           | 558613   | 1339755        | 1898368         | 4.41              | 777621   | 1102692        | 1880313         | 4.37              | -0.04                    |
| ii) Individuals shareholders holding nominal share capital in excess of ₹ 1 lakhs | 407375   | 292745         | 700120          | 1.63              | 352817   | 370275         | 723092          | 1.68              | 0.05                     |
| c) Others (specify)   | 0  | 0              | 0               | 0.00              | 0  | 0              | 0               | 0.00              | 0.00                     |
| <b>SUB TOTAL (B)(2):</b>  | <b>3661193</b>   | <b>1706244</b> | <b>5367437</b>  | <b>12.48</b>      | <b>3824226</b>                                       | <b>1588653</b> | <b>5412879</b>  | <b>12.58</b>      | <b>0.11</b>              |
| <b>"Total Public Shareholding (B)= (B)(1)+(B)(2)"</b>                             | <b>3661193</b>   | <b>1706244</b> | <b>5367437</b>  | <b>12.48</b>      | <b>3824226</b>                                       | <b>1588653</b> | <b>5412879</b>  | <b>12.58</b>      | <b>0.11</b>              |
| <b>"C. Shares held by Custodian for GDRs &amp; ADRs"</b>                          | <b>0</b>   | <b>0</b>       | <b>0</b>        | <b>0.00</b>       | <b>0</b>   | <b>0</b>       | <b>0</b>        | <b>0.00</b>       | <b>0.00</b>              |
| <b>Grand Total (A+B+C)</b>  | <b>37708298</b>  | <b>5315840</b> | <b>43024138</b> | <b>100.00</b>     | <b>37883021</b>                                      | <b>5141617</b> | <b>43024638</b> | <b>100.00</b>     | <b>0.00</b>              |

## (ii) SHARE HOLDING OF PROMOTERS

| Sl No. | Shareholders Name   | Shareholding at the beginning of the year |                                  |  | Shareholding at the end of the year |                                  |  | % change in share holding during the year |
|--------|---------------------|---|----------------------------------|--|-------------------------------------|----------------------------------|--|---|
|        |                     | NO of shares                              | % of total shares of the company | % of shares pledged encumbered to total shares | NO of shares                        | % of total shares of the company | % of shares pledged encumbered to total shares |   |
| 1      | Tata Motors Limited | 30300600                                  | 70.43                            | -  | 30300600                            |                                  | 70.43  | - No Change                               |
|        | <b>Total</b>        |   |                                  |  |                                     |                                  |  |   |

## (iii) CHANGE IN PROMOTERS' SHAREHOLDING ( SPECIFY IF THERE IS NO CHANGE)

| Sl. No. | Share holding at the beginning of the Year   |                                  | Share holding at the beginning of the Year |                                  |
|---------|--|----------------------------------|--|----------------------------------|
|         | No. of Shares  | % of total shares of the company | No. of Shares                              | % of total shares of the company |
|         |  |                                  |  |                                  |
|         | At the beginning of the year<br>Date wise increase/decrease in Promoters Share holding during the year specifying the reasons for increase/decrease (e.g. allotment/transfer/bonus/sweat equity etc)<br>At the end of the year<br>NO CHANGE IN PROMOTERS' SHAREHOLDING |                                  |  |                                  |

(iv) Shareholding Pattern of top ten Shareholders (other than Directors, Promoters & Holders of GDRs & ADRs)

| For Each of the Top 10 Shareholders   | Shareholding at the end of the year |   | Cumulative Shareholding during the year |                                  |
|---|-------------------------------------|---|---|----------------------------------|
|   | No. of Shares                       | % of total shares of the Company                      | No. of Shares                           | % of total shares of the Company |
| <b>At the beginning of the year</b>   |                                     |   |   |                                  |
| Alpha Tc Holdings Pte. Ltd.   | 3,746,505                           | 8.71  | 3,746,505                               | 8.71                             |
| Tata Capital Growth Fund I  | 1,873,253                           | 4.35  | 1,873,253                               | 4.35                             |
| Barclays Wealth Corporate Services (Guernsey) Limited   | 852,567                             | 1.98  | 852,567                                 | 1.98                             |
| Sheba Properties Limited  | 811,992                             | 1.89  | 811,992                                 | 1.89                             |
| Tata Enterprises Overseas Limited   | 707,820                             | 1.65  | 707,820                                 | 1.65                             |
| Walbrook Nominees (No.5) Ltd  | 689,166                             | 1.60  | 689,166                                 | 1.60                             |
| P R McGoldrick  | 560,000                             | 1.30  | 560,000                                 | 1.30                             |
|   | 40,000*                             |   | 40,000*                                 |                                  |
| MCCC Engineering Establishment  | 330,178                             | 0.77  | 330,178                                 | 0.77                             |
| Barclays Wealth Trustees (Guernsey) Limited   | 294,807                             | 0.69  | 294,807                                 | 0.69                             |
| Tata Technologies Limited   |                                     |   |   |                                  |
| Employees Stock Option Trust  | 73,744                              | 0.17  |   |                                  |
| <b>Date wise increase/decrease in Share holding during the year specifying the reasons for increase/decrease (e.g. allotment/transfer/bonus/sweat equity etc): Tata Technologies Limited Employees Stock Option Trust</b> |                                     |   |   |                                  |
|   |                                     | August 15, 2014                                       | 1,000                                   |                                  |
|   |                                     | September 30, 2014                                    | 24,192                                  |                                  |
|   |                                     | October 10, 2014                                      | 250                                     |                                  |
|   |                                     | January 9, 2015                                       | 5,000                                   |                                  |
|   |                                     | March 13, 2015  | 10,000                                  |                                  |
|   |                                     | November 14, 2014                                     | 1,500                                   |                                  |
| <b>At the end of the year (or on the date of separation, if separated during the year)</b>  |                                     |   |   |                                  |
|   |                                     | Alpha Tc Holdings Pte. Ltd.                           | 3,746,505                               | 8.71                             |
|   |                                     | Tata Capital Growth Fund I                            | 1,873,253                               | 4.35                             |
|   |                                     | Barclays Wealth Corporate Services (Guernsey) Limited | 852,567                                 | 1.98                             |
|   |                                     | Sheba Properties Limited                              | 811,992                                 | 1.89                             |
|   |                                     | Tata Enterprises Overseas Limited                     | 707,820                                 | 1.65                             |
|   |                                     | Walbrook Nominees (No.5) Ltd                          | 689,166                                 | 1.60                             |
|   |                                     | P R McGoldrick  | 560,000                                 | 1.30                             |
|   |                                     |   | 40,000*                                 |                                  |
|   |                                     | MCCC Engineering Establishment                        | 330,178                                 | 0.77                             |
|   |                                     | Barclays Wealth Trustees (Guernsey) Ltd               | 294,807                                 | 0.69                             |
|   |                                     | Tata Technologies Limited                             |   |                                  |
|   |                                     | Employees Stock Option Trust                          | 115,686                                 | 0.27                             |

\* Holds through Barclays Wealth Trustees (Guernsey) Ltd

(v) Shareholding of Directors & KMP

| For Each of the Directors & KMP   | Shareholding at the end of the year |                                  | Cumulative Shareholding during the year |                                  |
|---|-------------------------------------|----------------------------------|---|----------------------------------|
|   | No. of Shares                       | % of total shares of the Company | No. of Shares                           | % of total shares of the Company |
| <b>At the beginning of the year</b>   |                                     |                                  |   |                                  |
| Mr S Ramadorai  | 132000                              | 0.31                             | 132000                                  | 0.31                             |
| Mr R Gopalakrishnan   | 64200                               | 0.15                             | 64200                                   | 0.15                             |
| Mr Praveen P Kadle  | 139200                              | 0.32                             | 139200                                  | 0.32                             |
| Mr C Ramakrishnan   | 44200                               | 0.1                              | 44200                                   | 0.10                             |
| Mr Warren Harris  | 400000*                             |                                  |   | 400000*                          |
| Mr Saranu Venkateswarlu   | 2500                                | 0.01                             | 2500                                    | 0.01                             |
| Mr Anubhav Kapoor   | 17000                               | 0.03                             | 17000                                   | 0.03                             |
| <b>Date wise increase/decrease in Share holding during the year specifying the reasons for increase/decrease (e.g. allotment/transfer/bonus/sweat equity etc)</b> | No Change                           | No Change                        | No Change                               | No Change                        |
| <b>At the end of the year</b>   |                                     |                                  |   |                                  |
| Mr S Ramadorai  |                                     |                                  | 132000                                  | 0.31                             |
| Mr R Gopalakrishnan   |                                     |                                  | 64200                                   | 0.15                             |
| Mr Praveen P Kadle  |                                     |                                  | 139200                                  | 0.32                             |
| Mr C Ramakrishnan   |                                     |                                  | 44200                                   | 0.10                             |
| Mr Warren Harris  |                                     |                                  | 400000*                                 |                                  |
| Mr Saranu Venkateswarlu   |                                     |                                  | 2500                                    | 0.01                             |
| Mr Anubhav Kapoor   |                                     |                                  | 17000                                   | 0.03                             |

\* Holds through Barclays Wealth Trustees (Guernsey) Limited

## V INDEBTEDNESS

Indebtedness of the Company including interest outstanding/accrued but not due for payment (Amount in ₹ Crore)

| Particulars  | Secured Loans excluding deposits | Unsecured Loans | Deposits | Total Indebtedness |
|--|----------------------------------|-----------------|----------|--------------------|
| <b>Indebtness at the beginning of the financial year</b> |                                  |                 |          |                    |
| i) Principal Amount                                      | 0.15                             | 89.84           | -        | 89.99              |
| ii) Interest due but not paid                            | -                                | -               | -        | 0.00               |
| iii) Interest accrued but not due                        | -                                | 0.04            | -        | 0.04               |
| <b>Total (i+ii+iii)</b>                                  | <b>0.15</b>                      | <b>89.88</b>    | <b>-</b> | <b>90.03</b>       |
| <b>Change in Indebtedness during the financial year</b>  |                                  |                 |          |                    |
| Additions  | -                                | 132.07          | -        | 132.07             |
| Reduction  | 0.11                             | 128.15          | -        | 128.26             |
| Net Change   | -0.11                            | 3.91            | -        | 3.80               |
| <b>Indebtedness at the end of the financial year</b>     |                                  |                 |          |                    |
| i) Principal Amount                                      | 0.05                             | 93.79           | -        | 93.83              |
| ii) Interest due but not paid                            | 0.00                             | 0.00            | -        | 0.00               |
| iii) Interest accrued but not due                        | 0.00                             | 0.04            | -        | 0.04               |
| <b>Total (i+ii+iii)</b>                                  | <b>0.05</b>                      | <b>93.83</b>    | <b>-</b> | <b>93.87</b>       |

## VI REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

### A. Remuneration to Managing Director

(Amount in ₹ Crore)

| Sl.No. | Particulars of Remuneration  | Mr Patrick McGoldrick* | Mr Warren Harris# | Total Amount  |
|--------|--|------------------------|-------------------|---------------|
| 1      | <b>Gross salary</b>  |                        |                   |               |
|        | (a) Salary as per provisions contained in section 17(1) of the Income Tax, 1961. | 0.08                   | -                 | -             |
|        | (b) Value of perquisites u/s 17(2) of the Income tax Act, 1961                   | -                      | -                 | -             |
|        | (c) Profits in lieu of salary under section 17(3) of the Income Tax Act, 1961    | -                      | -                 | 0.08          |
| 2      | Stock option   | -                      | -                 | -             |
| 3      | Sweat Equity   | -                      | -                 | -             |
| 4      | Commission as % of profit  | -                      | -                 | -             |
|        | others (specify)   | -                      | -                 | -             |
| 5      | <b>Others, please specify</b>  | -                      | -                 | -             |
|        | Incentives   | 0.09                   | -                 | 0.09          |
|        | <b>Total (A)</b>   |                        | -                 | <b>0.17</b>   |
|        | <b>Ceiling as per the Act</b>  |                        | -                 | <b>254.15</b> |

\* Up to September 8, 2014.

# Share holders have approved USD 49,572 (equivalent to ₹ 29,74,320) in India. The Company is awaiting an approval from the Central Government for appointment of Mr Warren Harris. However, his global Salary is considered in consolidated financial statements.

## B. Remuneration to other directors:

| Sl.No.   | Particulars of Remuneration                    | Name of the Directors | Total Amount (₹) |
|----------|--|-----------------------|------------------|
| <b>1</b> | <b>Independent Directors</b>                   | -                     | -                |
|          | (a) Fee for attending board committee meetings | -                     | -                |
|          | (b) Commission                                 | -                     | -                |
|          | (c) Others, please specify                     | -                     | -                |
|          | <b>Total (1)</b>                               | -                     | -                |
| <b>2</b> | <b>Other Non Executive Directors</b>           |                       |                  |
|          | (a) Fee for attending board committee meetings | Mr S Ramadorai        | 285,000.00       |
|          |  | Mr R Gopalakrishnan   | 60,000.00        |
|          |  | Mr Praveen P Kadle    | 315,000.00       |
|          |  | Mr C Ramakrishnan     | 270,000.00       |
|          | (b) Commission                                 | -                     | -                |
|          | (c) Others, please specify.                    | -                     | -                |
|          | <b>Total (2)</b>                               |                       | 930,000.00       |
|          | <b>Total (B)=(1+2)</b>                         |                       | 930,000.00       |
|          | <b>Total Managerial Remuneration</b>           |                       | 930,000.00       |

## C. REMUNERATION TO KEY MANAGERIAL PERSONNEL OTHER THAN MD/MANAGER/WTD

| Sl.No.   | Particulars of Remuneration  | Key Managerial Personnel |                |       |                      | Total Amount (₹ crores) |
|----------|--|--------------------------|----------------|-------|----------------------|-------------------------|
|          |  | CEO                      |                | CFO** | Company Secretary*** |                         |
|          |  | Patrick McGoldrick*      | Warren Harris# |       |                      |                         |
| <b>1</b> | <b>Gross Salary</b>  |                          |                |       |                      |                         |
|          | (a) Salary as per provisions contained in section 17(1) of the Income Tax Act, 1961. | 0.08                     | -              | 1.2   | -                    | 1.28                    |
|          | (b) Value of perquisites u/s 17(2) of the Income Tax Act, 1961                       | -                        | -              | 0.02  | -                    | 0.02                    |
|          | (c) Profits in lieu of salary under section 17(3) of the Income Tax Act, 1961        | -                        | -              | -     | -                    | -                       |
| 2        | Stock Option   | -                        | -              | -     | -                    | -                       |
| 3        | Sweat Equity   | -                        | -              | -     | -                    | -                       |
| 4        | Commission as % of profit  | -                        | -              | -     | -                    | -                       |
|          | others, specify  | -                        | -              | -     | -                    | -                       |
| 5        | Others, please specify   | 0.09                     | -              | -     | -                    | 0.09                    |
|          | Incentives   |                          |                |       |                      |                         |
|          | <b>Total</b>   | 0.17                     | -              | 1.22  | -                    | 1.39                    |

\* Up to September 8, 2014.

# Share holders have approved USD 49,572 (equivalent to ₹ 29,74,320) in India. The Company is awaiting an approval from the Central Government for appointment of Mr Warren Harris. However, his global Salary is considered in consolidated financial statements.

\*\* Includes salaries of Mr Samrat Gupta and Saranu Venkateswarlu.

\*\*\* Salary is not considered in standalone financial statements as it is considered in consolidated financial statements.

**B. Remuneration to other directors:**

| Type  | Section of the Companies Act | Brief Description | Details of Penalty/<br>Punishment/<br>Compounding<br>fees imposed | Authority<br>(RD/NCLT/Court) | Appeal<br>made if any<br>(give details) |
|---|------------------------------|-------------------|---|------------------------------|---|
| <b>A. COMPANY</b><br><br>Penalty<br>Punishment<br>Compounding                       |                              |                   |   |                              |   |
| <b>B. DIRECTORS</b><br><br>Penalty<br>Punishment<br>Compounding                     |                              |                   | NIL   |                              |   |
| <b>C. OTHER OFFICERS<br/>IN DEFAULT</b><br><br>Penalty<br>Punishment<br>Compounding |                              |                   |   |                              |   |

**Form No. MR-3  
SECRETARIAL AUDIT REPORT**

FOR THE FINANCIAL YEAR ENDED 31st March, 2015

[Pursuant to section 204 (1) of the Companies Act, 2013 and rule No.9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

To,  
The Members,  
TATA TECHNOLOGIES LIMITED  
Plot no. 25, Pune Infotechpark, MIDC  
Taluka - Mulshi Hinjawadi, Pune - 27,  
CIN: U72200PN1994PLC013313

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by Tata Technologies Limited (hereinafter called the "Company"). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

Based on our verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, we hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on 31st March, 2015 complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on 31st March, 2015 according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the rules made thereunder so far as they are made applicable;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder (not applicable to the Company during audit period since the Company is unlisted);
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder to the extent of the equity shares held in dematerialized form;
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment and Overseas Direct Investment;
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-
  - (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011 (not applicable to the Company during audit period since the Company is unlisted);
  - (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992 (not applicable to the Company during audit period since the Company is unlisted);
  - (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 (not applicable to the Company during audit period since the Company is unlisted);
  - (d) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999 (not applicable to the Company during audit period since the Company is unlisted);
  - (e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008 (not applicable to the Company during audit period since the Company is unlisted);
  - (f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations,

1993 regarding the Companies Act and dealing with client (not applicable to the Company during audit period since the Company is unlisted);

- (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009 (not applicable to the Company during audit period since the Company is unlisted); and
- (h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998 (not applicable to the Company during audit period since the Company is unlisted);

We have also examined compliance with the applicable clauses of the following:

- (i) Secretarial Standards issued by The Institute of Company Secretaries of India. (not notified hence not applicable to the Company during the audit period).
- (ii) The Listing Agreements entered into by the Company with Stock Exchange(s), if applicable-(not applicable to the Company during audit period since the Company is unlisted);

During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above.

We further report that, having regard to the compliance system prevailing in the Company and on examination of the relevant documents and records in pursuance thereof, on test-check basis, the Company has complied with the following laws applicable specifically to the Company:

- (i) Special Economic Zone Act, 2005 and the Rules made thereunder.
- (ii) Trade Mark Act 1999 and the Rules made thereunder.
- (iii) Information Technology Act, 2000 and the Rules made thereunder.
- (iv) Policy relating to Software Technology Parks of India and its Regulations.
- (v) The Export and Import Policy of India.

We further report that

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The Company has appointed two Additional Directors categorized as Independent Directors on 31st March, 2015 and this appointment is subject to approval of shareholders. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

All decisions at Board Meetings and Committee Meetings are carried out unanimously as recorded in the minutes of the meetings of the Board of Directors or Committee of the Board, as the case may be.

We further report that there are adequate systems and processes in the Company commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

We further report that during the audit period the company has:

- (i) Passed a special resolution for Borrowing in terms of section 180 (1) (c) of the Companies Act, 2013.

Place: Pune  
Date: 15th May, 2015

For SVD & Associates

Sridhar Mudaliar  
Partner  
FCS No. 6156  
C P No. 2664

## Remuneration Policy of Tata Technologies Limited For Directors, Key Managerial Personnel and other employees

The philosophy for remuneration of directors, Key Managerial Personnel ("KMP") and all other employees of Tata Technologies Limited ("the Company") is based on the commitment of fostering a culture of leadership with trust. The remuneration policy is aligned to this philosophy.

This remuneration policy has been prepared pursuant to the provisions of Section 178(3) of the Companies Act, 2013 ("Act"). While formulating this policy, the Nomination and Remuneration Committee ("NRC") has considered the factors laid down under Section 178(4) of the Act, which are as under:

- "(a) *the level and composition of remuneration is reasonable and sufficient to attract, retain and motivate directors of the quality required to run the company successfully;*
- (b) *relationship of remuneration to performance is clear and meets appropriate performance benchmarks; and*
- (c) *remuneration to directors, key managerial personnel and senior management involves a balance between fixed and incentive pay reflecting short and long-term performance objectives appropriate to the working of the company and its goals"*

Key principles governing this remuneration policy are as follows:

### Remuneration for independent directors and non-independent non- executive directors

- fi Independent directors ("ID") and non-independent non-executive directors ("NED") may be paid sitting fees (for attending the meetings of the Board and of committees of which they may be members). In addition to the sitting fees, ID may be paid commission within regulatory limits.
- fi Within the parameters prescribed by law, the payment of sitting fees and commission will be recommended by the NRC and approved by the Board.
- fi Overall remuneration (sitting fees and commission) should be reasonable and sufficient to attract, retain and motivate directors aligned to the requirements of the Company (taking into consideration the challenges faced by the company and its future growth imperatives).
- fi Overall remuneration should be reflective of size of the Company, complexity of the sector/ industry/ Company's operations and the Company's capacity to pay the remuneration.
- fi Overall remuneration practices should be consistent with recognized best practices.
- fi Quantum of sitting fees may be subject to review on a periodic basis, as required.
- fi The commission payable to IDs will be recommended by the NRC to the Board based on Company performance, profits, return to investors, shareholder value creation and any other significant qualitative parameters as may be decided by the Board.
- fi The NRC will recommend to the Board the quantum of commission for each ID based upon the outcome of the evaluation process which is driven by various factors including attendance and time spent in the Board and committee meetings, individual contributions at the meetings and contributions made by IDs other than in meetings.
- fi In addition to the sitting fees and commission if any, the Company may pay to any director such fair and reasonable expenditure, as may have been incurred by the director while performing his/her role as a director of the Company. This could include reasonable expenditure incurred by the director for attending Board/ Board committee meetings, general meetings, court convened meetings, meetings with shareholders/creditors/management, site visits, induction and training (organized by the company for directors) and in obtaining professional advice from independent advisors in the furtherance of his/ her duties as a director.

### ? Remuneration for managing director ("MD")/ executive directors ("ED")/ KMP/ rest of the employees<sup>1</sup>

- fi The extent of overall remuneration to MD/ED/KMP should be sufficient to attract and retain talented and qualified individuals suitable for every role. Hence, remuneration should be:
  - fi Market competitive (market for every role is defined as companies from which the Company attracts talent or companies to which the company loses talent)

- fi Driven by the role played by the individual,
  - fi Reflective of size of the Company, complexity of the sector/ industry/ Company's operations and the Company's capacity to pay,
  - fi Consistent with recognized best practices and
  - fi Aligned to any regulatory requirements.
- fi In terms of remuneration mix or composition,
- fi The remuneration mix for the MD/ EDs will be as per the contract approved by the shareholders. In case of any change, the same would require the approval of the shareholders.
  - fi Basic/ fixed salary is provided to all employees to ensure that there is a steady income in line with their skills and experience.
  - In addition to the basic/fixed salary, the Company provides employees with certain perquisites, allowances and benefits to enable a certain level of lifestyle and to offer scope for savings and tax optimization, where possible. The Company also provides all employees with a social security net (subject to limits) by covering medical expenses and hospitalization through re-imbursing or insurance cover and accidental death and dismemberment through personal accident insurance.
  - fi The Company provides retirement benefits as applicable.
- fi In addition to the basic/ fixed salary, benefits, perquisites and allowances as provided above, the Company provides MD/ EDs such remuneration by way of an annual incentive remuneration/ performance linked bonus subject to the achievement of certain performance criteria and such other parameters as may be considered appropriate from time to time by the Board. An indicative list of factors that may be considered for determination of the extent of this component are:
- fi Company performance on certain defined qualitative and quantitative parameters as may be decided by the Board from time to time,
  - fi Industry benchmarks of remuneration,
  - fi Performance of the individual.]3
- fi The Company also provides stock based incentive schemes to the employees from time to time based on the recommendation of the NRC
- fi The Company provides the rest of the employees a performance linked bonus. The performance linked bonus would be driven by the outcome of the performance appraisal process and the performance of the Company.
- ? **Remuneration payable to Director for services rendered in other capacity**
- The remuneration payable to the Directors shall be inclusive of any remuneration payable for services rendered by such director in any other capacity unless:
- a) The services rendered are of a professional nature; and
  - b) The NRC is of the opinion that the director possesses requisite qualification for the practice of the profession.
- ? **Policy implementation**
- The NRC is responsible for recommending the remuneration policy to the Board. The Board is responsible for approving and overseeing implementation of the remuneration policy.
1. *Excludes employees covered by any long term settlements or specific term contracts. The remuneration for these employees would be driven by the respective long term settlements or contracts.*

## INDEPENDENT AUDITORS' REPORT

### TO THE MEMBERS OF TATA TECHNOLOGIES LIMITED

#### Report on the Standalone Financial Statements

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

#### Management's Responsibility for the 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 specified under section 133 of the Act, read with rule 7 of the Companies (Accounts) Rules, 2014. This responsibility also includes maintenance of adequate accounting records in accordance with the provision of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of the appropriate accounting policies; making judgements 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.

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

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. 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. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on whether the Company has in place an adequate internal financial controls system over financial reporting and the operating effectiveness of such controls. An audit also includes evaluating the appropriateness of 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, 2015, and its profit and its cash flows for the year ended on that date.

#### Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2015 ("the Order") issued by the Central Government of India in terms of Section 143 (11) of the Act, we give in the Annexure a statement on the matters specified in paragraphs 3 and 4 of the Order.

2. As required under provisions of 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 appears from our examination of those books.
  - c. The Balance Sheet, the Statement of Profit and Loss and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.
  - d. In our opinion, the aforesaid standalone financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
  - e. On the basis of the written representations received from the directors as on 31st March, 2015 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2015, from being appointed as a director in terms of section 164(2) of the Act.
  - f. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
    - (i) The Company has disclosed the impact of pending litigations on its financial position in its financial statements – Refer Note 25(ii) to the financial statements.
    - (ii) The Company did not have any long term contracts including derivative contracts that require provision under any law or accounting standards for which there were any material foreseeable losses.
    - (iii) There were no amounts which are required to be transferred to the Investor Education and Protection Fund by the Company during the year.

**Sunil S Kothari**  
Partner  
(Membership No. 208238)

Date: May 15, 2015  
Place: Pune

For **Deloitte Haskins & Sells LLP**  
Chartered Accountants  
(Firm Registration No. 117366W/W-100018)

## ANNEXURE TO THE INDEPENDENT AUDITORS' REPORT

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

- (i) Having regard to the nature of the Company's business / activities / result, clause (vi) of the Order is not applicable.
- (ii) In respect of its fixed assets:
  - (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of the fixed assets.
  - (b) The Company has a program of verification of fixed assets to cover all the items in a phased manner over a period of three years which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. Pursuant to the program, certain fixed assets were physically verified by the Management during the year. According to the information and explanations given to us no material discrepancies were noticed on such verification.
- (iii) In respect of the Company's inventories which comprises of software licenses in demat form where physical verification is not possible and traded hardware products procured per requirements on projects,
  - (a) As explained to us and having regard to above, the hardware products were physically verified during the year by the Management at reasonable intervals.
  - (b) In our opinion and according to the information and explanation given to us, the procedures of physical verification of hardware products followed by the Management were reasonable and adequate in relation to the size of the Company and the nature of its business.
  - (c) In our opinion and according to the information and explanations given to us, the Company has maintained proper records of its inventories and no material discrepancies were noticed on physical verification.
- (iv) The Company has not granted any loans, secured or unsecured, to companies, firms or other parties covered in the register maintained under Section 189 of the Act.
- (v) In our opinion and according to the information and explanations given to us, having regard to the explanations that some of the items purchased are of special nature and suitable alternative sources are not readily available for obtaining comparable quotations, there is an adequate internal control system commensurate with the size of the Company and the nature of its business with regard to purchases of inventory and fixed assets and the sale of goods and services. During the course of our audit, we have not observed any major weakness in such internal control system.
- (vi) According to the information and explanations given to us, the Company has not accepted any deposit within the meaning of provisions of sections 73 to 76 or any other relevant provisions of the Act and the rules framed thereunder.
- (vii) According to the information and explanations given to us, in respect of statutory dues:
  - (a) The Company has generally been regular in depositing undisputed statutory dues, including provident fund, income tax, sales tax, wealth tax, service tax, duty of customs, duty of excise, value added tax, cess and other material statutory dues applicable to it with the appropriate authorities. As explained to us, the provisions of Employees State Insurance Act, 1948 is not applicable to the Company for the year ended March 31, 2015.
  - (b) There were no undisputed amounts payable in respect of provident fund, income tax, sales tax, wealth tax, service tax, duty of customs, duty of excise, value added tax, cess and other material statutory dues in arrears as at March 31, 2015 for a period of more than six months from the date they became payable.
  - (c) Details of dues of income-tax, sales tax, wealth tax, service tax, duty of customs, duty of excise, value added tax and cess which have not been deposited as on March 31, 2015 on account of disputes are given below:

| Statute                                    | Nature of Dues | Forum where Dispute is pending             | Period to which the amount relates | Amount involved (₹ in crore) |
|--|----------------|--|------------------------------------|------------------------------|
| Income tax Act, 1961                       | Income Tax     | Income Tax Apellate Tribunal               | 2006-07                            | 0.13                         |
|  |                | Income Tax Apellate Tribunal               | 2008-09                            | 0.11                         |
| Central Sales Tax, 1956                    | Sales Tax      | Deputy Commissioner of Sales Tax (Appeals) | 1997-98                            | 0.03                         |
|  |                | Deputy Commissioner of Sales Tax (Appeals) | 1998-99                            | 0.45                         |
|  |                | Deputy Commissioner of Sales Tax (Appeals) | 2003-04                            | 0.003                        |
|  |                | Joint Commissioner of Sales tax (Appeals)  | 2004-05                            | 21.03                        |
| Finance Act, 1994 (Service Tax Provisions) | Service tax    | Commissioner (Appeals)                     | 2003-06                            | 0.87                         |
|  |                | Commissioner (Appeals)                     | 2004-06                            | 0.38                         |
|  |                | Commissioner (Appeals)                     | 2006-08                            | 4.86                         |
|  |                | Commissioner (Appeals)                     | 2008-09                            | 3.39                         |

- (d) There are no amounts that are due to be transferred to the Investor Education and Protection Fund in accordance with the relevant provisions of the Companies Act, 1956 (1 of 1956) and Rules made thereunder.
- (viii) The Company does not have accumulated losses at the end of the financial year and the Company has not incurred cash losses during the financial year covered by the audit and in the immediately preceding financial year.
- (ix) In our opinion and according to the information and explanations given to us, the Company has not defaulted in the repayment of dues to financial institutions and banks. The Company has not issued any debentures.
- (x) In our opinion and according to the information and explanations given to us, the terms and conditions of the guarantees given by the Company for loans taken by others from banks and financial institutions are not, prima facie, prejudicial to the interests of the Company.
- (xi) According to the information and explanations given to us, the term loans have been applied by the Company during the year for the purpose for which they were obtained, other than temporary deployment pending application.
- (xii) To the best of our knowledge and according to the information and explanations given to us, no fraud by the Company and no material fraud on the Company has been noticed or reported during the year.

**Sunil S Kothari**  
Partner  
(Membership No. 208238)

For **Deloitte Haskins & Sells LLP**  
Chartered Accountants  
(Firm Registration No. 117366W/W-100018)

Date: May 15, 2015  
Place: Pune

## Balance Sheet as at March 31, 2015

(Amount in ₹ Crore)

| Particulars                                      | Note No. | March 31, 2015 | March 31, 2014 |
|--|----------|----------------|----------------|
| <b>I. EQUITY AND LIABILITIES</b>                 |          |                |                |
| <b>(1) Shareholders' Funds</b>                   |          |                |                |
| (a) Share capital                                | 3        | 43.02          | 43.02          |
| (b) Reserves and surplus                         | 4        | 532.49         | 716.47         |
|  |          | 575.51         | 759.49         |
| <b>(2) Non-current Liabilities</b>               |          |                |                |
| (a) Long-term borrowings                         | 5        | -              | 0.05           |
| (b) Deferred tax liabilities (Net)               | 6        | 4.09           | 3.44           |
| (c) Trade payables                               |          | 0.99           | 0.45           |
| (d) Long-term provisions                         | 7        | 14.85          | 10.63          |
|  |          | 19.93          | 14.57          |
| <b>(3) Current Liabilities</b>                   |          |                |                |
| (a) Short-term borrowings from banks (Unsecured) |          | 93.75          | 89.84          |
| (b) Trade payables (Refer Note 25 (iv))          |          | 119.62         | 129.46         |
| (c) Other current liabilities                    | 8        | 7.73           | 8.86           |
| (d) Short-term provisions                        | 9        | 312.34         | 98.10          |
| (e) Income tax liabilities (Net)                 |          | 0.14           | 0.28           |
|  |          | 533.58         | 326.54         |
|  |          | 1,129.02       | 1,100.60       |
| <b>II. ASSETS</b>                                |          |                |                |
| <b>(1) Non-current Assets</b>                    |          |                |                |
| (a) Fixed assets                                 |          |                |                |
| (i) Tangible assets                              | 10       | 75.23          | 74.08          |
| (ii) Intangible assets                           | 11       | 44.69          | 39.39          |
| (iii) Capital work-in-progress                   |          | 3.16           | 0.49           |
| (iv) Intangible assets under development         |          | 3.71           | 1.88           |
|  |          | 126.79         | 115.84         |
| (b) Non-current investments                      | 12       | 233.98         | 233.98         |
| (c) Long-term loans and advances                 | 13       | 19.92          | 8.19           |
| (d) Income tax assets (Net)                      |          | 33.18          | 26.09          |
|  |          | 413.87         | 384.10         |
| <b>(2) Current Assets</b>                        |          |                |                |
| (a) Current investments                          | 14       | 271.87         | 492.90         |
| (b) Inventories (Traded)                         |          | 0.75           | -              |
| (c) Trade receivables                            | 15       | 126.09         | 115.08         |
| (d) Cash and bank balances                       | 16       | 78.97          | 88.90          |
| (e) Other current assets                         | 17       | 24.50          | 8.46           |
| (f) Short-term loans and advances                | 18       | 212.97         | 11.16          |
|  |          | 715.15         | 716.50         |
|  |          | 1,129.02       | 1,100.60       |
| Significant Accounting Policies                  | 2        |                |                |
| Accompanying Notes to the Financial Statements   | 25       |                |                |

### For and on behalf of the Board

In terms of our report attached  
For **Deloitte Haskins & Sells LLP**  
Chartered Accountants

**Sunil S Kothari**  
Partner

Date: May 15, 2015  
Place: Pune

**S Ramadorai**  
Chairman  
DIN: 00000002

**R Gopalakrishnan**  
Director  
DIN: 00027858

**S Venkateswarlu**  
Chief Financial  
Officer

Date: May 15, 2015  
Place: Mumbai

**P P Kadle**  
Director  
DIN: 00016814

**C Ramakrishnan**  
Director  
DIN: 00020076

**Falguni Nayar**  
Director  
DIN: 00003633

**Rakesh Makhija**  
Director  
DIN: 00117692

**Warren Harris**  
Managing Director  
DIN: 02098548

**Anubhav Kapoor**  
Company Secretary

## Statement of Profit and Loss for the year ended March 31, 2015

(Amount in ₹ Crore)

| Particulars   | Note No. | Year ended<br>March 31, 2015 | Year ended<br>March 31, 2014 |
|---|----------|------------------------------|------------------------------|
| <b>I. Revenue from operations</b>                           | 19       | <b>985.18</b>                | 886.18                       |
| <b>II. Other income</b>                                     | 20       | <b>39.61</b>                 | 43.16                        |
| <b>III. Total Revenue (I + II)</b>                          |          | <b>1,024.79</b>              | 929.34                       |
| <b>IV. Expenses :</b>                                       |          |                              |                              |
| (a) Cost of traded products                                 |          | <b>125.18</b>                | 98.23                        |
| (b) Consultancy fees, softwares and others                  | 21       | <b>52.81</b>                 | 60.80                        |
| (c) Employee benefits expense                               | 22       | <b>466.23</b>                | 399.61                       |
| (d) Finance costs   | 23       | <b>1.37</b>                  | 1.43                         |
| (e) Depreciation and amortisation expense                   | 10 & 11  | <b>40.26</b>                 | 36.15                        |
| (f) Other expenses  | 24       | <b>89.04</b>                 | 73.82                        |
| <b>Total expenses</b>                                       |          | <b>774.89</b>                | 670.04                       |
| <b>V. Profit before tax (III - IV)</b>                      |          | <b>249.90</b>                | 259.30                       |
| <b>VI. Tax Expense :</b>                                    |          |                              |                              |
| (a) Current tax   |          | <b>51.42</b>                 | 57.70                        |
| (b) MAT Credit Entitlement                                  |          | <b>(5.02)</b>                | -                            |
| (c) Deferred tax  |          | <b>0.65</b>                  | (1.12)                       |
|   |          | <b>47.05</b>                 | 56.58                        |
| <b>VII. Profit after tax (V- VI)</b>                        |          | <b>202.85</b>                | 202.72                       |
| <b>VIII. Earnings Per Equity Share : (Refer Note 25(i))</b> |          |                              |                              |
| (a) Basic   |          | <b>47.15</b>                 | 47.12                        |
| (b) Diluted   |          | <b>47.11</b>                 | 47.10                        |
| Significant Accounting Policies                             | 2        |                              |                              |
| Accompanying Notes to the Financial Statements              | 25       |                              |                              |

### For and on behalf of the Board

In terms of our report attached  
For **Deloitte Haskins & Sells LLP**  
Chartered Accountants

**Sunil S Kothari**  
Partner

Date: May 15, 2015  
Place: Pune

**S Ramadorai**  
Chairman  
DIN: 00000002

**R Gopalakrishnan**  
Director  
DIN: 00027858

**S Venkateswarlu**  
Chief Financial  
Officer

Date: May 15, 2015  
Place: Mumbai

**P P Kadle**  
Director  
DIN: 00016814

**C Ramakrishnan**  
Director  
DIN: 00020076

**Falguni Nayar**  
Director  
DIN: 00003633

**Rakesh Makhija**  
Director  
DIN: 00117692

**Warren Harris**  
Managing Director  
DIN: 02098548

**Anubhav Kapoor**  
Company Secretary

## Cash Flow Statement

(Amount in ₹ Crore)

| Cash Flow Statement for the  | Year ended<br>March 31, 2015 | Year ended<br>March 31, 2014 |
|--|------------------------------|------------------------------|
| <b>CASH FLOW FROM OPERATING ACTIVITIES</b>   |                              |                              |
| Net profit after taxation  | 202.85                       | 202.72                       |
| Depreciation and amortization  | 40.26                        | 36.15                        |
| Disallowance of TDS abroad   | 0.23                         | 0.28                         |
| Provision for wealth taxes   | 0.01                         | 0.01                         |
| Provision for income tax   | 51.42                        | 57.70                        |
| Provision for deferred tax   | 0.65                         | (1.12)                       |
| Dividend income on investments   | (7.07)                       | (13.85)                      |
| (Profit)/Loss on sale of investments (net)   | (7.08)                       | (4.74)                       |
| (Profit)/Loss on sale of tangible and intangible fixed assets                            | (0.02)                       | 0.22                         |
| Interest income  | (22.54)                      | (12.50)                      |
| Finance costs  | 1.37                         | 1.43                         |
| Unrealised exchange loss / (gain)  | 1.93                         | (1.29)                       |
| Effect of exchange differences on translation of foreign currency cash & cash equivalent | 0.91                         | 0.55                         |
| Allowances for doubtful debts (Net)  | (0.62)                       | (1.64)                       |
| Operating profit before working capital changes  | <u>262.30</u>                | <u>263.92</u>                |
| <b>Adjustments for (Increase) / Decrease in operating assets and liabilities</b>         |                              |                              |
| Trade receivables  | (10.46)                      | 11.44                        |
| Inventories  | (0.76)                       | -                            |
| Other current assets   | (16.04)                      | 3.58                         |
| Short term loans and advances  | (5.32)                       | 1.78                         |
| Long term loans and advances   | (4.37)                       | 1.41                         |
| Trade payables   | (10.23)                      | 6.72                         |
| Other current liabilities  | (0.97)                       | (0.44)                       |
| Income received in advance   | (0.43)                       | (0.53)                       |
| Short term provision   | (5.87)                       | 0.37                         |
| Long term provision  | 4.22                         | 7.87                         |
| <b>CASH GENERATED FROM OPERATIONS</b>  | <u>212.07</u>                | <u>296.12</u>                |
| Income taxes paid (net)  | (63.92)                      | (70.74)                      |
| <b>NET CASH FLOW (USED IN)/GENERATED FROM OPERATING ACTIVITIES</b>                       | <u>148.15</u>                | <u>225.38</u>                |
| <b>CASH FLOW FROM INVESTING ACTIVITIES</b>   |                              |                              |
| Dividend received  | 0.42                         | 1.48                         |
| Income from sale of investment   | 7.08                         | 4.74                         |
| Interest received on bank deposit and others   | 1.24                         | 0.03                         |
| Inter corporate deposits placed  | (1,080.90)                   | (926.60)                     |
| Inter corporate deposits refunded  | 884.40                       | 1,110.50                     |
| Loans to others  | (1.87)                       | (2.97)                       |
| Interest received from inter corporate deposit / bonds                                   | 21.30                        | 12.47                        |
| Purchase of mutual funds   | (668.13)                     | (1,758.02)                   |
| Sale of mutual funds   | 895.82                       | 1,552.43                     |
| Fixed deposit with banks (net) having maturity over three months                         | -                            | (0.26)                       |
| Proceeds from sale of tangible and intangible fixed assets                               | 0.05                         | 0.11                         |
| Payment for purchase of tangible and intangible fixed assets                             | (50.78)                      | (43.23)                      |
| <b>NET CASH FLOW (USED IN)/GENERATED FROM INVESTING ACTIVITIES</b>                       | <u>8.63</u>                  | <u>(49.32)</u>               |
| <b>CASH FLOW FROM FINANCING ACTIVITIES</b>   |                              |                              |
| Interest paid  | (1.37)                       | (1.46)                       |
| Dividends paid (including Dividend Tax)  | (166.42)                     | (140.70)                     |
| Proceeds from short term borrowings  | 131.77                       | 217.75                       |
| Repayment of short term borrowings   | (129.67)                     | (181.05)                     |
| Repayment of long term borrowings  | (0.11)                       | (0.47)                       |
| <b>NET CASH FLOW (USED IN)/GENERATED FROM FINANCING ACTIVITIES</b>                       | <u>(165.80)</u>              | <u>(105.93)</u>              |
| <b>NET INCREASE / (DECREASE) IN CASH &amp; CASH EQUIVALENTS</b>                          | <u>(9.02)</u>                | <u>70.13</u>                 |
| <b>Cash &amp; Bank balances at the close of the year (Refer Note 16) #</b>               | <u>78.97</u>                 | <u>88.90</u>                 |
| Less: Bank deposits with original maturity over three months for the year                | 0.30                         | 0.30                         |
| Cash & Bank balances at the beginning of the year (Refer Note 16) #                      | 88.90                        | 19.07                        |
| Less: Bank deposits with original maturity over three months for the previous year       | 0.30                         | 0.05                         |
| Less: Effect of exchange rate changes on cash and cash equivalents                       | 0.91                         | 0.55                         |
|  | <u>(9.02)</u>                | <u>70.13</u>                 |
| <b># Cash &amp; Bank balances comprises :</b>  |                              |                              |
| a) Cash and Cash Equivalents   |                              |                              |
| Cash on hand   | 0.02                         | 0.02                         |
| Cheques, drafts on hand / funds in transit   | 3.22                         | 35.15                        |
| Current account with banks   | 74.06                        | 50.14                        |
| Bank deposits less than 3 months maturity  | -                            | 2.25                         |
| b) Other bank balances (with more than 3 months but less than 12 months maturity)        |                              |                              |
| Earmarked balance with banks   | 1.37                         | 1.04                         |
| Pledged/lien with banks  | -                            | 0.27                         |
| c) Other bank balances (with more than 12 months maturity)                               |                              |                              |
| Pledged/lien with banks  | 0.30                         | 0.03                         |
|  | <u>78.97</u>                 | <u>88.90</u>                 |

### For and on behalf of the Board

In terms of our report attached  
For **Deloitte Haskins & Sells LLP**  
Chartered Accountants

**Sunil S Kothari**  
Partner

Date: May 15, 2015  
Place: Pune

**S Ramadorai**  
Chairman  
DIN: 00000002

**R Gopalakrishnan**  
Director  
DIN: 00027858

**S Venkateswarlu**  
Chief Financial  
Officer

**P P Kadle**  
Director  
DIN: 00016814

**C Ramakrishnan**  
Director  
DIN: 00020076

**Falguni Nayar**  
Director  
DIN: 00003633

**Rakesh Makhija**  
Director  
DIN: 00117692

**Warren Harris**  
Managing Director  
DIN: 02098548

**Anubhav Kapoor**  
Company Secretary

Date: May 15, 2015  
Place: Mumbai

## Notes forming part of Financial Statements

### Note 1

#### Company Overview

TATA Technologies Limited ("TTL or the Company") was incorporated on August 22, 1994 as a Private Limited company in the name of Core Software Systems Private Limited. The name of the Company was subsequently changed to Tata Technologies (India) Limited. On February 8, 2001, the Company changed its name from Tata Technologies (India) Limited to Tata Technologies Limited. The Company's range of services includes IT Consultancy, SAP implementation and maintenance, trading, providing networking solutions, CAD/CAM engineering & design consultancy. The Company is headquartered in Pune, India. The Company has five branches located at Mumbai, Lucknow, Jamshedpur, Bangalore and Chennai that enables it to provide high quality, cost-effective services to clients in India.

### Note 2

#### Significant Accounting Policies

##### a. Basis of Preparation of Financial Statements

The financial statements of the Company 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 the Companies Act, 2013, read with Rule 7 of the Companies (Accounts) Rules, 2014 and the relevant provisions of the 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. The accounting policies adopted in the preparation of the financial statements are consistent with those followed in the previous year except for change in the accounting policy for depreciation as more fully described in Note 2 (e) below.

##### b. Use of Estimates

The preparation of the financial statements in conformity with GAAP requires the management of the Company (Management) to make estimates and assumptions that affect the reported amounts of revenue and expenses during the period / year and balances of assets and liabilities and disclosures relating to contingent liabilities as at the date of financial statements. Provisions are made for all known losses and liabilities, future unforeseeable factors that may affect the profit on fixed price service contracts and also towards likely expenses for providing post-sales client support on such contracts.

##### c. 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. Cost and earnings in excess of billings are classified as unbilled revenue while billings in excess of cost and earnings is classified as unearned revenue.

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.

##### d. Fixed Assets

Tangible 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. Capital work in progress and Intangible assets in progress comprises the cost of fixed assets that are not yet ready for their intended use at the reporting date. Intangible assets are recorded at the consideration paid for acquisition of such assets and are carried at cost less accumulated amortization and impairment.

Software not exceeding ₹ 25,000 is charged off to the Statement of Profit and Loss.

**e. Depreciation/Amortisation**

Depreciation on Fixed Assets is provided on Straight Line Method (SLM) at the rates as below based on their estimated useful lives.

| Type of Asset           | Useful Life    |
|-------------------------|----------------|
| Leasehold land          | Lease period   |
| lease hold improvements | Lease period   |
| IT equipment on lease   | Lease period   |
| Buildings               | 15 to 25 years |
| Plant and machinery     | 1 to 21 years  |
| Computer equipment's    | 1 to 4 years   |
| Vehicles                | 3 to 11 years  |
| Furniture & fixtures    | 1 to 21 years  |
| Software                | 1 to 4 years   |

Depreciation/Amortisation on additions to Fixed Assets is provided from the month of acquisition of the Asset. Depreciation/Amortisation 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/amortisation on assets individually costing less than ₹ 5000 in the year of purchase.

In terms of the proviso to clause 3(i) of Part A of Schedule II to the Companies Act, 2013 (the Act), the Company has decided to retain the useful life hitherto adopted for various categories of fixed assets, which are in certain cases, different from those prescribed in Schedule II to the Act. Based on the policy followed by the Company of continuous and periodic assessment, the estimated useful life and residual value adopted so far is appropriate.

Considering the technical assessments carried out by the management, the useful lives of the assets and their residual value determined by the Company in case of Buildings, Plant and Machinery, Computer Equipments, Furniture & Fixtures and Vehicles are different from that indicated in Part C of Schedule II to the Companies Act, 2013 (the 'Schedule').

Further during the year, in case of office equipments with the useful lives more than 5 years, the company has changed their useful life to 5 years based on the technical assessment. Such change has resulted in the depreciation charge for the current period being higher by ₹ 1.28 crores.

**f. 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 incidental 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.

**g. Foreign Currency transactions**

Income and expenses in foreign currencies are recorded at the exchange rates prevailing on the date of the transaction.

Monetary current assets and current liabilities are reinstated at year-end exchange rates and the profit / loss so determined and also the realized exchange gains / losses are recognized in the Statement of Profit & Loss.

Any profit or loss arising on cancellation or renewal of such a forward exchange contract is recognised as income or as expense in the year in which such cancellation or renewal is made.

Premium or discount on forward contracts is amortised over the life of such contract and is recognized as income or expense in the Statement of Profit & Loss.

**h. Investments**

Trade investments are the investments made to enhance the Group's business interests.

Investments are classified into current investments & long term investments.

Current investments are carried at lower of cost and market value. Any reduction in carrying amount and reversals of such reductions are charged or credited to the Statement of Profit & Loss.

Long term investments are stated at cost less provision for diminution in the value of such investments. Diminution in value is provided for where the management is of the opinion that the diminution is other than temporary in nature.

Cost of overseas investments comprises the Indian rupee value of the consideration paid for the investment translated at the exchange rate prevalent at the date of investment.

**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 Statement of Profit & Loss.

**j. Inventories**

Inventories comprising of traded software and hardware products are valued at lower of cost or net realizable value.

**k. Employee Benefits**

**i. Gratuity**

The Company has an obligation towards gratuity, a defined benefit retirement plan covering eligible employees. The plan provides for a lump sum payment to vested employees at retirement, death while in employment or on termination of employment of an amount equivalent to 15 to 30 days salary payable for each completed year of service. Vesting occurs upon completion of five years of service. The Company makes annual contributions to gratuity fund established as trust. The Company accounts for the liability for gratuity benefits payable in future based on an independent actuarial valuation as on Balance Sheet date.

**ii. Superannuation**

The Company has two superannuation plans, a defined benefit plan and a defined contribution plan. An eligible employee on April 1, 1996 could elect to be member of either plan.

Employees who are the members of the defined benefit superannuation plan are entitled to benefits depending on the years of service and salary drawn. The monthly pension benefits after retirement range from 0.75% to 2% of the annual basic salary for each year of service. The Company account for superannuation benefits payable in future under the plan based on an independent actuarial valuation as on the Balance Sheet date.

With effect from April 1, 2003, this plan was amended and benefits earned by covered employees have been protected as at March 31, 2003. Employees covered by this plan are prospectively entitled to benefits computed on a basis that ensures that the annual cost of providing the pension benefits would not exceed 15% of salary.

The Company maintains separate irrevocable trusts for employees covered and entitled to benefits. The Company contributes up to 15% of the eligible employees' salary to the trust every year. Such contributions are recognized as an expense when incurred. The Company has no further obligation beyond this contribution.

**iii. Bhavishya Kalyan Yojana (BKY)**

Bhavishya Kalyan Yojana is an unfunded defined benefit plan. The benefits of the plan accrue to an eligible employee at the time of death or permanent disablement, while in service, either as a result of an injury or as certified by the appropriate authority. The monthly payment to dependents of the deceased /disabled employee under the plan equals 50% of the salary drawn at the time of death or accident or a specified amount, whichever is higher. The Company accounts for the liability for BKY benefits payable based on an independent actuarial valuation as on the Balance Sheet date.

**iv. Post-retirement Medicare Scheme**

Under this Scheme employees get medical benefits subject to certain limits of amount, periods after retirement and types of benefits, depending on their grade and location at the time of retirement. The Company account for the liability for post-retirement medical scheme based on an independent actuarial valuation as on the Balance Sheet date.

**v. Provident Fund**

The eligible employees of the Company are entitled to receive benefits under the provident fund, a defined contribution plan, in which both employees and the company make monthly contributions at a specified percentage of the covered employees' salary (currently 12% of employees' salary). The provident fund contributions, as specified under the law, are paid to the provident fund set up as irrevocable trust by the Company and pension amount is paid to Regional Provident Fund Commissioner and the Central Provident Fund under the State Pension Scheme. The contributions paid during the year are charged to Statement of Profit and Loss.

**vi. Compensated absences**

The Company provides for the 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 number of days of unutilized leave at each balance sheet date based on an independent actuarial valuation as on the Balance Sheet date.

**I. 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 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.

Minimum Alternate Tax (MAT) paid in accordance with the tax laws, which gives future economic benefits in the form of adjustment to future income tax liability, is considered as an asset if there is convincing evidence that the Company will pay normal income tax. Accordingly, MAT is recognised as an asset in the Balance

Sheet when it is highly probable that future economic benefit associated with it will flow to the Company.

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 such assets.

**m. Employee Stock Options \Employee Stock Purchase Program:**

In accordance with the Employee Stock Option Scheme and Employee Stock Purchase Scheme Guidelines, 1999 issued by Securities and Exchange Board of India (SEBI), the Company introduced Employee Stock Option Plan 2001 (TTESOP 2001) in 2000-01. As per the Plan, the options were granted at fair value as determined by an independent valuer as on the date of the grant and hence no compensation cost has been recognized.

The Company has also introduced Employee Stock Purchase Program offering to select employees, to purchase shares of the Company held by 'Tata Technologies Limited Employee Stock Option Trust'. As per the plan the shares are offered at the fair value as determined by an independent valuer and hence no compensation cost has been recognized.

**n. Cash flow statement**

Cash flows are reported using indirect method, whereby net profits after tax is adjusted for the effects of transactions of a non-cash nature and any deferrals or accruals of past or future cash receipts or payments. The cash flows from regular revenue generating, investing and financing activities of the Company are segregated.

**o. Cash and Cash Equivalent**

The Company considers all highly liquid financial instruments, which are readily convertible into cash and have original maturities of three months or less from the date of purchase, to be cash equivalents.

**p. Earnings per share**

The earnings considered in ascertaining the Company's earnings per share comprise the net profit after tax and include the post-tax effect of any extra-ordinary items. The number of shares used in computing basic earnings per share, is the weighted average number of shares outstanding during the period. The number of shares used in computing diluted earnings per share comprises the shares considered for deriving basic earnings per share and also number of equity shares that could have been issued on the conversion of all dilutive potential equity shares.

**q. 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 period in which they are incurred.

**r. Provisions, contingent liabilities and contingent assets**

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

### Notes forming part of Financial Statements

#### Note 3

(Amount in ₹ Crore)

| Particulars   | As at<br>March 31, 2015 | As at<br>March 31, 2014 |
|---|-------------------------|-------------------------|
| <b>SHARE CAPITAL</b>  |                         |                         |
| <b>Authorised :</b>   |                         |                         |
| 60,000,000 equity shares of ₹ 10/- each<br>(P.Y. 60,000,000 equity shares of ₹ 10/- each)   | 60.00                   | 60.00                   |
| 700,000 0.01% Cumulative Non-participative Compulsorily convertible<br>Preference Shares<br>of ₹ 10/- each (P.Y. 700,000 0.01% Cumulative Non-participative Compulsorily<br>Convertible Preference Shares of ₹ 10/- each) | 0.70                    | 0.70                    |
|   | <u>60.70</u>            | <u>60.70</u>            |
| <b>Issued, subscribed and fully paid :</b>  |                         |                         |
| 43,024,638 equity shares of ₹ 10/- each (P.Y. 43,024,138 equity shares<br>of ₹ 10/- each)   | 43.02                   | 43.02                   |
|   | <u>43.02</u>            | <u>43.02</u>            |

#### Note 3(i) Reconciliation of number of shares and amount outstanding at the beginning and at the end of the reporting periods :

| Particulars                           | As at March 31, 2015 |                      | As at March 31, 2014 |                      |
|---------------------------------------|----------------------|----------------------|----------------------|----------------------|
|                                       | No. of Shares        | Amount in<br>₹ crore | No. of Shares        | Amount in<br>₹ crore |
| <b>Equity shares</b>                  |                      |                      |                      |                      |
| Number of shares as at April 1, 2014  | 43,024,138           | 43.02                | 43,023,538           | 43.02                |
| Add: Shares issued under ESOP scheme  | 500                  | 0.00                 | 600                  | 0.00                 |
| Number of shares as at March 31, 2015 | <u>43,024,638</u>    | <u>43.02</u>         | <u>43,024,138</u>    | <u>43.02</u>         |

#### Note 3(ii) Shares in the Company held by each shareholder holding more than 5% shares

| Particulars                               | As at March 31, 2015 |              | As at March 31, 2014 |              |
|---|----------------------|--------------|----------------------|--------------|
|   | No. of Shares        | %<br>Holding | No. of Shares        | %<br>Holding |
| <b>Equity Shares</b>                      |                      |              |                      |              |
| (a) Tata Motors Limited (Holding Company) | 30,300,600           | 70.43        | 30,300,600           | 70.43        |
| (b) Alpha TC Holdings Pte Ltd.            | 3,746,505            | 8.71         | 3,746,505            | 8.71         |
|   | <u>34,047,105</u>    | <u>79.14</u> | <u>34,047,105</u>    | <u>79.14</u> |

## Notes forming part of Financial Statements

**Note 3(iii)** Equity shares of ₹ 10/- each allocated towards employee stock options granted/available for grant as at March 31, 2015 - 60,171 shares (60,671 shares as at March 31, 2014).

**Note 3(iv)**

| Number of options granted, exercised and forfeited                  | As at<br>March 31, 2015 | As at<br>March 31, 2014 |
|---|-------------------------|-------------------------|
| Options granted, beginning of the year                              | 14,051                  | 14,651                  |
| Granted during the year   | 30,000                  | -                       |
| Exercised during the year   | (500)                   | (600)                   |
| Expired during the year   | NIL                     | NIL                     |
| Forfeited during the year   | (10,250)                | NIL                     |
| Option exercisable at the year end                                  | 33,301                  | 14,051                  |
| Weighted average remaining contractual life (years) at the year end | ₹ 645                   | ₹ 607                   |

During the year on March 31, 2015, the Compensation Committee of the Board of Directors Company has granted 30,000 options to the eligible employees. The options vest over 4-5 years and are exercisable during a maximum period of 11 years from the date of vesting. In terms of the ESOP plan, the options are granted at the exercise price equivalent to the fair value of the underlying shares. The Company has accounted the above options using the intrinsic value method and thus there is no amount charged to the statement of profit and loss.

The guidance note issued by the ICAI requires the disclosure of pro forma net results and EPS both basic & diluted, had the Company adopted the fair value method. Had the Company accounted these options under fair value method, amortising the stock compensation expense there on over the vesting period, considering that the options are granted on March 31, 2015, the impact on the reported profit and the basic and diluted EPS for the year ended March 31, 2015 is insignificant.

The fair value of the stock option is calculated through the use of option pricing models, requiring subjective assumptions which greatly affect the calculated values. The said fair value of the options have been calculated using Black-Scholes option pricing model, considering the expected term of the options to be 4 & 5 years, an expected dividend rate of 3.88% on the underlying equity shares, a risk free rate of 7.81% and volatility in the share price of 37.5% since the company being closely held and its shares not being freely traded. The Company's calculations are based on a single option valuation approach, and forfeitures are recognized as they occur.

**Note 3 (v)** The Company has only one class of shares having par value of ₹ 10/- per share. Each holder of equity share is entitled to one vote per share and in the event of liquidation, has rights proportionate to their shareholdings over the residual assets after paying out all the liabilities.

## Notes forming part of Financial Statements

### Note 4

#### RESERVES AND SURPLUS

(Amount in ₹ Crore)

| Particulars   | As at<br>March 31,<br>2014 | Additions     | Deductions    | As at<br>March 31,<br>2015 |
|---|----------------------------|---------------|---------------|----------------------------|
| <b>(a) Securities Premium Account</b>   |                            |               |               |                            |
| i) Securities Premium Account (Note 4 (i) & 4 (iv))                                     | 350.50                     | 0.01          | -             | <b>350.51</b>              |
| ii) Securities Premium identified separately for consolidation adjustment (Note 4 (iv)) | 23.16                      | -             | -             | <b>23.16</b>               |
| <b>(b) General Reserve (Note 4 (iii))</b>   | 90.65                      | 21.00         | -             | <b>111.65</b>              |
| <b>(c) Surplus i.e. balance in statement of Profit and Loss (Note 4 (ii))</b>           | 252.16                     | 202.85        | 407.84        | <b>47.17</b>               |
|   | <u>716.47</u>              | <u>223.86</u> | <u>407.84</u> | <u><b>532.49</b></u>       |

#### Note 4(i) Changes in Securities Premium Account

(Amount in ₹ Crore)

| Particulars                                       | 2014-15     |            | 2013-14   |            |
|---|-------------|------------|-----------|------------|
|   | Additions   | Deductions | Additions | Deductions |
| (a) Capital Reduction adjustments during the year | 0.01        | -          | -         | -          |
|   | <u>0.01</u> | <u>-</u>   | <u>-</u>  | <u>-</u>   |

#### Note 4(ii) Changes in Statement of Profit and Loss :

(Amount in ₹ Crore)

| Particulars                 | 2014-15       |               | 2013-14       |               |
|-----------------------------|---------------|---------------|---------------|---------------|
|                             | Additions     | Deductions    | Additions     | Deductions    |
| (a) Profit for the year     | 202.85        | -             | 202.72        | -             |
| (b) Final Dividend          | -             | 258.15        | -             | 77.44         |
| (c) Interim Dividend        | -             | 64.53         | -             | 51.64         |
| (d) Tax on Final Dividend   | -             | 52.55         | -             | 13.69         |
| (e) Tax on Interim Dividend | -             | 11.61         | -             | 8.77          |
| (f) General Reserve         | -             | 21.00         | -             | 21.00         |
|                             | <u>202.85</u> | <u>407.84</u> | <u>202.72</u> | <u>172.54</u> |

## Notes forming part of Financial Statements

### Note 4(iii) Changes in General Reserve :

(Amount in ₹ Crore)

| Particulars                                       | 2014-15      |            | 2013-14      |            |
|---|--------------|------------|--------------|------------|
|   | Additions    | Deductions | Additions    | Deductions |
| (a) Transferred from Statement of Profit and Loss | 21.00        | -          | 21.00        | -          |
|   | <u>21.00</u> | <u>-</u>   | <u>21.00</u> | <u>-</u>   |

### Note 4(iv)

During 2010, based on the approval of Shareholders of the Company at the Extra-Ordinary General Meeting held on March 5, 2010 and the Order of the Honourable High Court of Judicature at Mumbai dated April 16, 2010, the Company had utilized balance in the securities premium account to the tune of ₹ 46.66 Crore towards one time charges/cost (including change in accounting policy for provision for doubtful debts) incurred by the Company and its subsidiary companies. The amounts relating to the Company amounting to ₹17.32 Crore had been adjusted to the Securities Premium Account. An amount of ₹29.34 Crore equivalent to the total amount of adjustments relating to the subsidiaries had been identified and segregated from the balance in the Securities Premium Account for adjustment on consolidation. Of this total adjustment made, ₹1.58 Crore and ₹16.58 Crore related to provision for doubtful debts of the Company and its subsidiary companies respectively on account of change in accounting with regard to provision for doubtful debts.

During the year ended March 31, 2015, the Company and its subsidiary companies have received amounts aggregating to ₹ 0.01 crore (₹ Nil for the year ended March 31, 2014) against the balances adjusted in the Securities Premium Account as above. Consequently, such excess provisions for doubtful debts on account of the said collections have been written back to the Securities Premium Account.

Since realisation of doubtful debts provided for the adjustments above upto March 31, 2015 amounted to ₹ 6.18 Crore (₹ 6.18 Crore as on March 31, 2014) relating to the subsidiaries. Accordingly, balance amount of ₹ 23.16 Crore relating to the subsidiaries is continued to be disclosed separately as securities premium account for adjustment on consolidation.

### Note 5

(Amount in ₹ Crore)

| Particulars  | As at March 31, 2015 | As at March 31, 2014 |
|--|----------------------|----------------------|
| <b>LONG TERM BORROWINGS</b>  |                      |                      |
| (A) Secured  |                      |                      |
| (i) Long term maturity of finance lease obligations # (Refer Note 5 (i))<br>(Secured against fixed assets obtained under finance lease arrangements) | -                    | 0.05                 |
|  | <u>-</u>             | <u>0.05</u>          |

## Notes forming part of Financial Statements

### Note 5(i) Long term maturity of finance lease obligations

(Amount in ₹ Crore)

| Particulars                                       | As at<br>March 31, 2015 | As at<br>March 31, 2014 |
|---|-------------------------|-------------------------|
| <b>Total of Minimum lease payments</b>            |                         |                         |
| Not later than one year                           | 0.05                    | 0.10                    |
| Later than one year and not later than five years | -                       | 0.05                    |
|   | 0.05                    | 0.15                    |
| <b>Less: Interest</b>                             |                         |                         |
|   | -                       | 0.01                    |
|   | 0.05                    | 0.14                    |
| <b>Present Value of Minimum lease payments</b>    |                         |                         |
| Not later than one year                           | 0.05                    | 0.09                    |
| Later than one year and not later than five years | -                       | 0.05                    |
|   | 0.05                    | 0.14                    |

The company has entered into finance lease arrangements for servers.

### Note 6

(Amount in ₹ Crore)

| Particulars  | As at<br>March 31, 2015 | As at<br>March 31, 2014 |
|--|-------------------------|-------------------------|
| <b>DEFERRED TAX LIABILITIES (NET)</b>  |                         |                         |
| <b>Tax effect of items constituting deferred tax liabilities :</b>             |                         |                         |
| On difference between book balance and tax balance of fixed assets             | 10.39                   | 8.99                    |
| Sub-total  | 10.39                   | 8.99                    |
| <b>Deferred tax assets:</b>  |                         |                         |
| Provision for expenses disallowed under section 43B of The Income Tax Act,1961 | 5.91                    | 4.37                    |
| Provision for doubtful debts   | 0.39                    | 0.76                    |
| Others   | -                       | 0.42                    |
| Sub-total  | 6.30                    | 5.55                    |
| <b>Deferred tax liabilities (net)</b>  | 4.09                    | 3.44                    |

### Note 7

(Amount in ₹ Crore)

| Particulars   | As at<br>March 31, 2015 | As at<br>March 31, 2014 |
|---|-------------------------|-------------------------|
| <b>LONG - TERM PROVISIONS</b>                                 |                         |                         |
| (a) Provision for employee benefits (Refer Note 7(i) & 7(ii)) | 14.85                   | 10.43                   |
| (b) Other Long term Liabilities                               | -                       | 0.20                    |
|   | 14.85                   | 10.63                   |

**Note 7(i) :** Defined benefits plans / long term compensated absences as per actuarial valuations as on March 31, 2015 (Amount in ₹Crore)

|             | Gratuity   |         |         |        |        | Superannuation |        |        |        |        | Compensated absences |         |        |        |        | Post-retirement Medicare scheme |        |        |        |        | BKV     |         |        |        |        |
|-------------|--|---------|---------|--------|--------|----------------|--------|--------|--------|--------|----------------------|---------|--------|--------|--------|---------------------------------|--------|--------|--------|--------|---------|---------|--------|--------|--------|
|             | 2015   | 2014    | 2013    | 2012   | 2011   | 2015           | 2014   | 2013   | 2012   | 2011   | 2015                 | 2014    | 2013   | 2012   | 2011   | 2015                            | 2014   | 2013   | 2012   | 2011   | 2015    | 2014    | 2013   | 2012   | 2011   |
| <b>i</b>    | <b>Components of employer expense</b>  |         |         |        |        |                |        |        |        |        |                      |         |        |        |        |                                 |        |        |        |        |         |         |        |        |        |
|             | Employer Service cost  | 2.71    | 2.30    | 2.25   | 1.34   | 0.24           | 0.25   | 0.25   | 0.24   | 0.20   | 1.43                 | 1.52    | 1.20   | 0.88   | 0.60   | 0.95                            | 0.69   | 0.11   | 0.08   | 0.19   | 0.30    | 0.31    | 0.24   | 0.16   | 0.09   |
|             | Interest cost  | 2.44    | 1.77    | 1.52   | 1.16   | 0.92           | 0.39   | 0.37   | 0.35   | 0.33   | 0.49                 | 0.36    | 0.35   | 0.29   | 0.28   | 0.32                            | 0.22   | 0.16   | 0.17   | 0.17   | 0.19    | 0.14    | 0.12   | 0.09   | 0.06   |
|             | Expected return on plan assets   | (1.90)  | (1.75)  | (1.66) | (1.25) | (0.88)         | (0.54) | (0.49) | (0.41) | (0.41) | -                    | -       | -      | -      | -      | -                               | -      | -      | -      | -      | -       | -       | -      | -      | -      |
|             | Actuarial Losses/(Gains)   | 0.47    | 3.42    | 0.34   | 2.84   | 1.71           | (0.61) | 0.07   | (0.78) | 0.51   | 0.62                 | 0.93    | 0.36   | 1.05   | 0.94   | 2.10                            | 0.10   | 0.67   | (0.17) | (0.31) | 0.21    | 0.02    | (0.08) | 0.21   | 0.28   |
|             | <b>Total expense / (Income) recognised in the Statement of Profit &amp; Loss</b> | 4.23    | 6.15    | 2.50   | 5.00   | 3.10           | (0.49) | 0.22   | (0.57) | 0.69   | 2.54                 | 2.81    | 1.91   | 2.22   | 1.82   | 3.37                            | 1.01   | 0.94   | 0.07   | 0.05   | 0.70    | 0.47    | 0.28   | 0.46   | 0.44   |
| <b>ii</b>   | <b>Actual Contribution and Benefit Payments</b>                                  |         |         |        |        |                |        |        |        |        |                      |         |        |        |        |                                 |        |        |        |        |         |         |        |        |        |
|             | Actual benefit payments  | 2.84    | 1.35    | 1.16   | 1.39   | 2.52           | -      | 0.14   | 0.19   | -      | 0.82                 | 1.77    | 1.84   | 1.60   | 1.42   | 0.22                            | 0.15   | 0.17   | 0.12   | 0.08   | 0.06    | 0.06    | 0.06   | 0.07   | 0.06   |
|             | Actual Contributions   | 6.47    | (1.05)  | 1.77   | 9.91   | -              | 0.24   | 0.24   | 0.25   | 0.24   | 0.24                 | 1.77    | 1.84   | 1.60   | 1.42   | 0.22                            | 0.15   | 0.17   | 0.11   | 0.09   | 0.06    | 0.06    | 0.06   | 0.07   | 0.07   |
| <b>iii</b>  | <b>Net asset/(liability) recognised in balance sheet</b>                         |         |         |        |        |                |        |        |        |        |                      |         |        |        |        |                                 |        |        |        |        |         |         |        |        |        |
|             | Present Value of Defined Benefit Obligation                                      | 34.41   | 27.94   | 21.89  | 18.44  | 14.37          | 6.83   | 6.40   | 5.85   | 5.61   | 6.96                 | 6.19    | 5.22   | 4.92   | 4.14   | 6.76                            | 3.61   | 2.74   | 1.97   | 2.01   | 2.77    | 2.13    | 1.72   | 1.50   | 1.11   |
|             | Fair value of plan assets  | 30.66   | 21.94   | 23.11  | 20.38  | 11.40          | 6.67   | 6.67   | 6.11   | 5.05   | 6.67                 | 6.19    | 5.22   | 4.92   | 4.14   | (6.76)                          | (3.61) | (2.74) | (1.97) | (2.01) | (2.77)  | (2.13)  | (1.72) | (1.50) | (1.11) |
|             | <b>Net asset/(liability) recognised in balance sheet</b>                         | (0.09)  | 1.58    | (1.02) | (2.54) | (2.79)         | (0.09) | 0.05   | 0.07   | 0.15   | 0.21                 | (0.80)  | (0.36) | (1.12) | (0.99) | 1.05                            | 0.19   | (0.28) | 0.17   | (0.27) | (0.07)  | 0.06    | 0.01   | (0.22) | (0.30) |
|             | Experience adjustment on plan liabilities  | 0.51    | 0.51    | 0.46   | (0.78) | 0.80           | 0.05   | 0.03   | 0.59   | (0.67) | (1.05)               | -       | -      | -      | -      | -                               | -      | -      | -      | -      | -       | -       | -      | -      | -      |
|             | Experience adjustment on plan assets   | -       | -       | -      | -      | -              | -      | -      | -      | -      | -                    | -       | -      | -      | -      | -                               | -      | -      | -      | -      | -       | -       | -      | -      | -      |
| <b>iv</b>   | <b>Change in Defined Benefit Obligations (DBO)</b>                               |         |         |        |        |                |        |        |        |        |                      |         |        |        |        |                                 |        |        |        |        |         |         |        |        |        |
|             | Present Value of DBO at beginning of year  | 27.94   | 21.89   | 18.44  | 14.37  | 12.12          | 6.40   | 5.85   | 5.61   | 5.17   | 6.19                 | 5.23    | 4.92   | 4.14   | 4.21   | 3.61                            | 2.74   | 1.97   | 2.01   | 2.04   | 2.13    | 1.72    | 1.50   | 1.11   | 0.74   |
|             | Employer Service cost  | 3.22    | 2.71    | 2.30   | 2.25   | 1.34           | 0.24   | 0.25   | 0.24   | 0.20   | 1.43                 | 1.52    | 1.20   | 0.88   | 0.60   | 0.95                            | 0.69   | 0.11   | 0.08   | 0.19   | 0.30    | 0.31    | 0.24   | 0.16   | 0.09   |
|             | Interest cost  | 2.44    | 1.77    | 1.52   | 1.16   | 0.92           | 0.42   | 0.39   | 0.37   | 0.33   | 0.49                 | 0.36    | 0.35   | 0.29   | 0.28   | 0.32                            | 0.22   | 0.16   | 0.17   | 0.17   | 0.19    | 0.14    | 0.12   | 0.09   | 0.06   |
|             | Actuarial gains)/ losses   | 3.65    | 2.92    | 0.79   | 2.05   | 2.51           | (0.09) | 0.05   | (0.19) | (0.15) | 0.62                 | 0.93    | 0.36   | 1.03   | 0.94   | 2.10                            | 0.10   | 0.67   | (0.17) | (0.31) | 0.21    | 0.02    | (0.08) | 0.21   | 0.28   |
|             | Benefits paid  | (2.84)  | (1.35)  | (1.16) | (1.39) | (2.52)         | (0.14) | (0.14) | (0.19) | -      | (0.82)               | (1.77)  | (1.84) | (1.60) | (1.89) | (0.22)                          | (0.15) | (0.17) | (0.12) | (0.08) | (0.06)  | (0.06)  | (0.06) | (0.07) | (0.06) |
|             | <b>Present Value of DBO at the end of year</b>                                   | 34.41   | 27.94   | 21.89  | 18.44  | 14.37          | 6.83   | 6.40   | 5.85   | 5.17   | 6.96                 | 6.19    | 5.22   | 4.92   | 4.14   | 6.76                            | 3.61   | 2.74   | 1.97   | 2.01   | 2.77    | 2.13    | 1.72   | 1.50   | 1.11   |
| <b>v</b>    | <b>Change in Fair Value of Assets</b>  |         |         |        |        |                |        |        |        |        |                      |         |        |        |        |                                 |        |        |        |        |         |         |        |        |        |
|             | Plan assets at beginning of year   | 21.94   | 23.11   | 20.39  | 11.39  | 12.24          | 6.67   | 6.11   | 5.05   | 5.06   | 6.67                 | 6.19    | 5.22   | 4.92   | 4.14   | N/A                             | N/A    | N/A    | N/A    | N/A    | N/A     | N/A     | N/A    | N/A    | N/A    |
|             | Actual return on plan assets   | 5.09    | 1.23    | 2.11   | 0.47   | 1.68           | 1.05   | 0.46   | 1.00   | (0.25) | 0.21                 | N/A     | N/A    | N/A    | N/A    | N/A                             | N/A    | N/A    | N/A    | N/A    | N/A     | N/A     | N/A    | N/A    | N/A    |
|             | Actual Company contributions   | 6.47    | (1.05)  | 1.77   | 9.91   | -              | 0.24   | 0.24   | 0.25   | 0.24   | 0.24                 | 1.77    | 1.84   | 1.60   | 1.42   | 0.22                            | 0.15   | 0.17   | 0.11   | 0.09   | 0.06    | 0.06    | 0.06   | 0.07   | 0.07   |
|             | Benefits paid  | (2.84)  | (1.35)  | (1.16) | (1.39) | (2.52)         | (0.14) | (0.14) | (0.19) | -      | (0.82)               | (1.77)  | (1.84) | (1.60) | (1.87) | (0.22)                          | (0.15) | (0.17) | (0.11) | (0.09) | (0.06)  | (0.06)  | (0.06) | (0.07) | (0.07) |
|             | <b>Plan assets at the end of year</b>  | 30.66   | 21.94   | 23.11  | 20.38  | 11.40          | 7.82   | 6.67   | 6.11   | 5.06   | N/A                  | N/A     | N/A    | N/A    | N/A    | N/A                             | N/A    | N/A    | N/A    | N/A    | N/A     | N/A     | N/A    | N/A    | N/A    |
| <b>vi</b>   | <b>Actuarial Assumptions</b>   |         |         |        |        |                |        |        |        |        |                      |         |        |        |        |                                 |        |        |        |        |         |         |        |        |        |
|             | Discount Rate  | 8.00%   | 9.20%   | 8%     | 9%     | 9%             | 6.75%  | 6.75%  | 7%     | 7%     | 8.00%                | 9.20%   | 8%     | 9%     | 9%     | 8.00%                           | 9.20%  | 8%     | 9%     | 9%     | 8.00%   | 9.20%   | 8%     | 9%     |        |
|             | Expected return on plan assets   | 8%      | 8%      | 8%     | 8%     | 8%             | 8%     | 8%     | 8%     | 8%     | 8%                   | 8%      | 8%     | 8%     | 8%     | 8%                              | 8%     | 8%     | 8%     | 8%     | 8%      | 8%      | 8%     | 8%     | 8%     |
|             | Salary escalation  | 5%-6.2% | 5%-6.2% | 4%     | 5%     | 2%-5%          | N/A    | N/A    | N/A    | N/A    | 5%-6.2%              | 5%-6.2% | 4%     | 5%     | 2%-5%  | N/A                             | N/A    | N/A    | N/A    | N/A    | 5%-6.2% | 5%-6.2% | 4%     | 5%     | 2%-5%  |
|             | Medical cost inflation   | N/A     | N/A     | N/A    | N/A    | N/A            | N/A    | N/A    | N/A    | N/A    | N/A                  | N/A     | N/A    | N/A    | N/A    | 6%                              | N/A    | 6%     | 5%     | 4%     | 4%      | N/A     | N/A    | N/A    | N/A    |
| <b>vii</b>  | <b>The major categories of plan assets as percentage of total plan assets</b>    |         |         |        |        |                |        |        |        |        |                      |         |        |        |        |                                 |        |        |        |        |         |         |        |        |        |
|             | Debt securities  | 100%    | 98%     | 99%    | 74%    | 100%           | 100%   | 100%   | 100%   | 100%   | N/A                  | N/A     | N/A    | N/A    | N/A    | N/A                             | N/A    | N/A    | N/A    | N/A    | N/A     | N/A     | N/A    | N/A    | N/A    |
|             | Balances with banks  | 0%      | 2%      | 1%     | 26%    | 0%             | 0%     | 0%     | 0%     | 0%     | 0%                   | 0%      | 0%     | 0%     | 0%     | 0%                              | 0%     | 0%     | 0%     | 0%     | 0%      | 0%      | 0%     | 0%     | 0%     |
| <b>viii</b> | <b>Effect of one percentage point change in assumed Medical inflation rate</b>   |         |         |        |        |                |        |        |        |        |                      |         |        |        |        |                                 |        |        |        |        |         |         |        |        |        |
|             | DBO as at 31 March   | -       | -       | -      | -      | -              | -      | -      | -      | -      | -                    | -       | -      | -      | -      | -                               | -      | -      | -      | -      | -       | -       | -      | -      | -      |
|             | Service cost for the year  | -       | -       | -      | -      | -              | -      | -      | -      | -      | -                    | -       | -      | -      | -      | -                               | -      | -      | -      | -      | -       | -       | -      | -      | -      |
|             | Interest cost for the year   | -       | -       | -      | -      | -              | -      | -      | -      | -      | -                    | -       | -      | -      | -      | -                               | -      | -      | -      | -      | -       | -       | -      | -      | -      |

## Notes forming part of Financial Statements

### Note 7 (ii):

#### Defined Contribution Plans-

The Company's contribution to defined contribution plan aggregated ₹ 18.57 crores (P.Y. ₹. 17.07 crores) for the year ended March 31, 2015 has been recognised in the statement of Profit and Loss.

- (a) The expected rate of return on plan assets is based on market expectation, at the beginning of the year, for returns over the entire life of the related obligation.
- (b) The assumption of future salary increases, considered in actuarial valuation, takes into account of inflation, seniority, promotion and other relevant factors, such as supply and demand in the employment market.
- (c) Also refer note 2(k) for brief description of employee benefit schemes.

### Note 8

(Amount in ₹ Crore)

| Particulars   | As at<br>March 31, 2015 | As at<br>March 31, 2014 |
|---|-------------------------|-------------------------|
| <b>OTHER CURRENT LIABILITIES</b>                                      |                         |                         |
| (a) Interest accrued but not due on borrowings                        | 0.04                    | 0.04                    |
| (b) Current maturities of long-term debt (Refer Note 5)               | -                       | 0.02                    |
| (c) Current maturities of finance lease obligations (Refer Note 5(i)) | 0.05                    | 0.08                    |
| (d) Income received in advance  | -                       | 0.43                    |
| (e) Unclaimed / unpaid dividends                                      | 1.37                    | 1.04                    |
| (f) Statutory remittances (withholding taxes, VAT, etc.)              | 4.84                    | 5.82                    |
| (g) Advance and progress payments                                     | 1.43                    | 1.43                    |
|   | <b>7.73</b>             | <b>8.86</b>             |

### Note 9

(Amount in ₹ Crore)

| Particulars   | As at<br>March 31, 2015 | As at<br>March 31, 2014 |
|---|-------------------------|-------------------------|
| <b>SHORT-TERM PROVISIONS</b>                                  |                         |                         |
| (a) Provision for Employee benefits (Refer Note 7(i) & 7(ii)) | 1.64                    | 7.50                    |
| (b) Provision for Final Dividend                              | 258.15                  | 77.44                   |
| (c) Provision for Tax on Dividend                             | 52.55                   | 13.16                   |
|   | <b>312.34</b>           | <b>98.10</b>            |

**Notes forming part of financial statements**

**Note 10**

(Amount in ₹ Crore)

|   | Cost as at<br>Apr 1, 2014 | Additions        | Deductions     | Cost as at<br>March 31, 2015 | Accumulated<br>depreciation<br>up to<br>Apr 1, 2014 | Depreciation<br>for the year<br>ended<br>March 31, 2015 | Deductions     | Accumulated<br>depreciation<br>up to<br>March 31, 2015 | Net Book<br>Value<br>as at<br>March 31, 2015 | Net Book<br>Value<br>as at<br>March 31, 2014 |
|---|---------------------------|------------------|----------------|------------------------------|---|---|----------------|--|--|--|
| <b>[A] TANGIBLE ASSETS</b>                    |                           |                  |                |                              |   |   |                |  |  |  |
| (a) Leasehold land                            | 4.09<br>(4.09)            | -<br>(-)         | -<br>(-)       | 4.09<br>(4.09)               | 0.57<br>(0.53)                                      | 0.04<br>(0.04)  | -<br>(-)       | 0.61<br>(0.57)   | 3.48<br>(3.52)                               | 3.52<br>(3.56)                               |
| (b) Buildings                                 | 22.83<br>(22.79)          | 1.28<br>(0.04)   | -<br>(-)       | 24.11<br>(22.83)             | 8.51<br>(7.56)                                      | 0.99<br>(0.95)  | -<br>(-)       | 9.50<br>(8.51)   | 14.61<br>(14.32)                             | 14.32<br>(15.23)                             |
| (c) Plant & machinery and equipments - Owned  | 19.69<br>(17.26)          | 1.80<br>(2.60)   | 0.02<br>(0.17) | 21.47<br>(19.69)             | 7.11<br>(5.89)                                      | 1.53<br>(1.32)  | 0.01<br>(0.10) | 8.63<br>(7.11)   | 12.84<br>(12.58)                             | 12.58<br>(11.37)                             |
| (d) Plant & machinery and equipments - Leased | 0.43<br>(0.43)            | -<br>(-)         | -<br>(-)       | 0.43<br>(0.43)               | 0.36<br>(0.25)                                      | 0.07<br>(0.11)  | -<br>(-)       | 0.43<br>(0.36)   | -<br>(0.07)                                  | 0.07<br>(0.18)                               |
| (e) Office equipments                         | 3.92<br>(3.20)            | 0.99<br>(0.97)   | -<br>(0.25)    | 4.91<br>(3.92)               | 0.98<br>(0.88)                                      | 1.68<br>(0.21)  | -<br>(0.11)    | 2.66<br>(0.98)   | 2.25<br>(2.94)                               | 2.94<br>(2.32)                               |
| (f) Computers                                 | 70.77<br>(51.91)          | 16.11<br>(20.01) | 2.78<br>(1.15) | 84.10<br>(70.77)             | 45.12<br>(35.65)                                    | 13.99<br>(10.62)  | 2.78<br>(1.15) | 56.33<br>(45.12)                                       | 27.77<br>(25.65)                             | 25.65<br>(16.26)                             |
| (g) Furniture and fixtures                    | 9.74<br>(8.15)            | 0.75<br>(1.59)   | -<br>(-)       | 10.49<br>(9.74)              | 3.81<br>(3.20)                                      | 0.62<br>(0.61)  | -<br>(-)       | 4.43<br>(3.81)   | 6.06<br>(5.93)                               | 5.93<br>(4.95)                               |
| (h) Vehicles (Refer Note 10 (i))              | 2.08<br>(2.82)            | 0.29<br>(0.69)   | 0.42<br>(1.43) | 1.95<br>(2.08)               | 1.12<br>(1.67)                                      | 0.47<br>(0.77)  | 0.40<br>(1.32) | 1.19<br>(1.12)   | 0.76<br>(0.96)                               | 0.96<br>(1.15)                               |
| (i) Leasehold Improvements                    | 10.32<br>(5.87)           | 0.59<br>(4.45)   | -<br>(-)       | 10.91<br>(10.32)             | 2.21<br>(1.04)                                      | 1.24<br>(1.17)  | -<br>(-)       | 3.45<br>(2.21)   | 7.46<br>(8.11)                               | 8.11<br>(4.83)                               |
| <b>Total</b>                                  | <b>143.87</b>             | <b>21.81</b>     | <b>3.22</b>    | <b>162.46</b>                | <b>69.79</b>  | <b>20.63</b>  | <b>3.19</b>    | <b>87.23</b>   | <b>75.23</b>                                 | <b>74.08</b>                                 |
|   | (116.52)                  | (30.35)          | (3.00)         | (143.87)                     | (56.67)   | (15.80)   | (2.68)         | (69.79)  | (74.08)                                      |  |

- Notes :**
- (i) Vehicles includes gross block as at March 31, 2015 ₹ Nil (W.D.V. ₹ Nil) acquired on loan, hypothecated with Tata Motor Finance Ltd (as at March 31, 2014 ₹ 0.37 Crore) (W.D.V ₹ 0.03 Crore))
  - (ii) Capital Commitment : The estimated amount of contracts remaining to be executed on capital account, and not provided for is ₹ 20.10 Crore as at March 31, 2015 (as at March 31, 2014 : ₹ 11.75 Crore).
  - (iii) Previous year's figures are shown in the brackets

## Notes forming part of Financial Statements

### Note 11

(Amount in ₹ Crore)

|   | Cost as at<br>Apr 1, 2014 | Additions        | Deductions  | Cost as at<br>March 31, 2015 | Accumulated<br>amortisation<br>up to<br>Apr 1, 2014 | Amortisation<br>for the year<br>ended<br>March 31, 2015 | Deductions  | Accumulated<br>amortisation<br>up to<br>March 31, 2015 | Net Book<br>Value<br>as at<br>March 31, 2015 | Net Book<br>Value<br>as at<br>March 31, 2014 |
|---|---------------------------|------------------|-------------|------------------------------|---|---|-------------|--|--|--|
| <b>[B] INTANGIBLE ASSETS</b><br>(Other than internally generated) |                           |                  |             |                              |   |   |             |  |  |  |
| (a) Software licenses   | 106.09<br>(84.80)         | 24.93<br>(23.62) | -<br>(2.33) | 131.02<br>(106.09)           | 66.70<br>(48.68)                                    | 19.63<br>(20.35)  | -<br>(2.33) | 86.33<br>(66.70)                                       | 44.69<br>(39.39)                             | 39.39<br>(36.12)                             |
| Total   | 106.09<br>(84.80)         | 24.93<br>(23.62) | -<br>(2.33) | 131.02<br>(106.09)           | 66.70<br>(48.68)                                    | 19.63<br>(20.35)  | -<br>(2.33) | 86.33<br>(66.70)                                       | 44.69<br>(39.39)                             | 39.39<br>(36.12)                             |

**Notes:** (i) Capital Commitment : The estimated amount of contracts remaining to be executed on capital account, and not provided for is ₹ 8.53 Crore as at March 31, 2015 (as at March 31, 2014: ₹ 2.51 Crore).

(ii) Previous year's figures are shown in the brackets.

## Notes forming part of Financial Statements

### Note 12

(Amount in ₹ Crore)

| Particulars  | As at<br>March 31, 2015 | As at<br>March 31, 2014 |
|--|-------------------------|-------------------------|
| <b>NON-CURRENT INVESTMENTS</b>   |                         |                         |
| <b>Trade Investments</b>   |                         |                         |
| <b>Investments in Equity instruments (Unquoted at cost)</b>  |                         |                         |
| <b>i) Subsidiaries</b>   |                         |                         |
| (a) Tata Technologies Inc.<br>(150,000 (P.Y. 150,000) shares of non-voting Class 'A' common stock with no Par value)   | 15.57                   | 15.57                   |
| (b) Tata Technologies Pte Ltd, Singapore, a 100% subsidiary company<br>(86,463,759 (P.Y. 86,463,759) ordinary shares with no par value)                          | 203.34                  | 203.34                  |
| <b>ii) Joint Ventures</b>  |                         |                         |
| Tata HAL Technologies Ltd (formerly known as INCAT HAL Aerostructures Ltd)<br>5,070,000 (P.Y. 5,070,000) equity shares of ₹ 10 each fully paid (50% JV with HAL) | 5.07                    | 5.07                    |
| <b>Other Investments (Quoted)*</b>   |                         |                         |
| <b>i) Investment in Debentures</b>   |                         |                         |
| <b>Tata Motors Finance Limited</b><br>100 (P.Y. 100) 11% Non Convertible Debentures of ₹ 0.05 Crore each fully paid  | 5.00                    | 5.00                    |
| * (Note: Market value of quoted investments based on last traded information<br>₹ 5.12 Crore ( P.Y. ₹ 5.18 Crore)  |                         |                         |
| <b>Other Investments (Unquoted)</b>  |                         |                         |
| <b>i) Investment in Preference Shares</b>  |                         |                         |
| <b>Tata Capital Limited</b><br>33,333 (P.Y. 33,333) Cumulative redeemable non participating preference<br>shares of ₹ 1,500 each fully paid                      | 5.00                    | 5.00                    |
|  | <b>233.98</b>           | <b>233.98</b>           |

### Note 13

(Amount in ₹ Crore)

| Particulars                             | As at<br>March 31, 2015 | As at<br>March 31, 2014 |
|---|-------------------------|-------------------------|
| <b>LONG - TERM LOANS AND ADVANCES</b>   |                         |                         |
| (a) Security deposits                   | 4.55                    | 0.47                    |
| (b) Loans to employees                  | 0.90                    | 1.14                    |
| (c) Loans to others                     | 6.94                    | 5.07                    |
| (d) Capital advances                    | 0.78                    | 0.32                    |
| (e) Prepaid expenses                    | 0.38                    | 0.11                    |
| (f) Deposits with government and others | 1.35                    | 1.08                    |
| (g) MAT Credit Entitlement              | 5.02                    | -                       |
|   | <b>19.92</b>            | <b>8.19</b>             |

## Notes forming part of Financial Statements

### Note 14

(Amount in ₹ Crore)

| Particulars   | As at<br>March 31, 2015 | As at<br>March 31, 2014 |
|---|-------------------------|-------------------------|
| <b>CURRENT INVESTMENTS - OTHERS</b>   |                         |                         |
| <b>a) Investments in Mutual Funds (Unquoted)</b>  |                         |                         |
| Birla Sun Life Cash Plus - Direct - Growth  | 10.00                   | 25.00                   |
| SBI Premier Liquid Fund - Direct Plan -Daily Dividend Reinvestment                          | -                       | 5.93                    |
| IDFC Cash Fund - Direct Plan - Daily Dividend Reinvestment                                  | -                       | 7.62                    |
| Reliance Liquid Fund - Treasury Plan - Direct Plan Daily Dividend Reinvestment              | -                       | 25.13                   |
| ICICI Prudential Liquid - Direct Plan - Daily Dividend Reinvestment                         | -                       | 18.29                   |
| Birla Sun Life Cash Plus - Direct Plan - Daily Dividend Reinvestment                        | -                       | 25.91                   |
| Tata Liquid Fund-Direct- Daily Dividend Reinvestment  | -                       | 10.72                   |
| HDFC Liquid Fund Direct Daily Dividend Reinvestment   | -                       | 18.22                   |
| Kotak Liquid-Plan A - Direct Plan - Daily Dividend Reinvestment                             | -                       | 8.61                    |
| L&T Liquid Fund - Direct Plan -Daily Dividend   | -                       | 13.76                   |
| UTI- Liquid Fund-Cash Plan-Institutional Daily Dividend Reinvestment                        | -                       | 13.66                   |
| HDFC Cash Management Savings Plan - Direct - Growth   | -                       | 15.00                   |
| Reliance Liquidity Fund - Direct - Growth   | -                       | 20.00                   |
| Reliance Short Term Fund - Direct Monthly Dividend Reinvestment                             | 3.05                    | -                       |
| Tata Liquid Fund - Direct - Growth  | -                       | 36.75                   |
| Birla Sun Life Floating Rate Fund - Short Term Plan - Direct - Growth                       | -                       | 50.00                   |
| HDFC Liquid Fund - Direct - Growth  | -                       | 10.00                   |
| ICICI Prudential Liquid - Direct - Growth   | -                       | 30.00                   |
| IDFC Cash Fund - Direct - Growth  | 13.00                   | 7.80                    |
| L & T Liquid Fund - Direct - Growth   | 15.00                   | 16.00                   |
| SBI Premier Liquid Fund - Direct - Growth   | -                       | 10.00                   |
| DSP BlackRock Liquidity Fund - Direct Plan - Growth   | -                       | 7.00                    |
| Kotak Liquid Scheme Plan A - Direct - Growth  | 8.50                    | 15.00                   |
| HDFC Short Term Opportunities Fund - Direct Monthly Dividend Reinvestment                   | 7.06                    | -                       |
| Birla Sun Life Short Term Fund - Direct Monthly Dividend Reinvestment                       | 9.07                    | -                       |
| Kotak Bond Short Term Plan - Direct Monthly Dividend Reinvestment                           | 4.05                    | -                       |
| Tata Short Term Bond Fund - Direct Monthly Dividend Reinvestment                            | 7.54                    | -                       |
| Axis Short Term Fund - Direct Monthly Dividend Reinvestment                                 | 8.08                    | -                       |
| Religare Invesco Short Term Fund - Direct Monthly Dividend Reinvestment                     | 1.52                    | -                       |
| SBI Magnum Insta Cash Fund Liquid Floater   | 10.00                   | -                       |
| Axis Banking Debt Fund  | 20.00                   | -                       |
| UTI Banking & PSU Debt Fund   | 5.00                    | -                       |
| TATA Money Market Fund Direct Plan-Growth   | 10.00                   | -                       |
| ICICI Prudential Money Market Fund-Direct Plan-Growth                                       | 20.00                   | -                       |
| IDFC Money Manager Fund-Treasury Plan-Growth  | 20.00                   | -                       |
| Reliance Money Manager Fund-Direct Growth Plan Growth Option                                | 10.00                   | -                       |
| HDFC Floating Rate Income Fund-Short Term Plan-Direct Plan-Wholesale-Growth                 | 10.00                   | -                       |
| Birla Sun Life Saving Fund-Direct Plan-Growth   | 15.00                   | -                       |
| SBI Ultra Short Term Debt Fund-Direct Plan-Growth   | 15.00                   | -                       |
| ICICI Prudential Flexible Income-Direct Plan-Growth   | 15.00                   | -                       |
| Reliance Liquid Fund Treasury Plan Direct Growth  | 20.00                   | 25.00                   |
|   | 256.87                  | 415.40                  |
| <b>b) Investments in Mutual Funds (Quoted)*</b>   |                         |                         |
| Reliance Yearly Interval Fund-Series1-Direct Plan-Growth                                    | 5.00                    | 5.00                    |
| Tata Fixed Maturity Plan - Series 42 Scheme H - Direct Plan - Growth                        | -                       | 2.00                    |
| BNP Paribas Fixed Term Fund Series - 24A - Direct Plan - Growth                             | -                       | 3.00                    |
| DWS Fixed Maturity Plan - Series 26 - Direct Plan - Growth                                  | -                       | 2.50                    |
| JP Morgan Fixed Maturity Plan Series 16 - Direct Plan Growth                                | -                       | 5.00                    |
| Birla Sun Life Fixed Term Plan - Series JY (367 Days) Direct Plan - Growth                  | 5.00                    | 5.00                    |
| Birla Sun Life Fixed Term Plan - Series JZ (368 Days) Direct Plan - Growth                  | -                       | 3.00                    |
| DSP BlackRock Fixed Maturity Plan Series 144 - 12M - Direct Plan - Growth                   | -                       | 5.00                    |
| Reliance Fixed Horizon Fund-XXV- Series 18- Direct Plan - Growth                            | -                       | 3.00                    |
| Tata Fixed Maturity Plan Series 46 L - Direct Plan - Growth                                 | -                       | 5.00                    |
| ICICI Prudential Fixed Maturity Plan Series 72 - (366 Days) - Plan K - Direct Plan - Growth | 5.00                    | 5.00                    |
| Birla Sun Life Fixed Term Plan - Series KC (368 Days) Direct Plan - Growth                  | -                       | 2.00                    |
| HDFC Fixed Maturity Plan 370D February 2014 (1) - Series 29 - Direct Plan - Growth          | -                       | 4.00                    |
| ICICI Prudential Fixed Maturity Plan Series 72 - (366 Days) - Plan M - Direct Plan - Growth | -                       | 4.00                    |
| JP Morgan Fixed Maturity Plan Series 31 - Direct Plan - Growth                              | -                       | 7.00                    |
| Kotak Fixed Maturity Plan Series 137 - Direct Plan - Growth                                 | -                       | 2.00                    |
| IDFC Fixed Maturity Plan Series 76 (366 Days) - Direct Plan - Growth                        | -                       | 2.00                    |
| Kotak Fixed Maturity Plan Series 143 - Direct Plan - Growth                                 | -                       | 3.00                    |
| L & T Fixed Maturity Plan Series 10 - Plan N - Direct Plan - Growth                         | -                       | 5.00                    |
| DSP BlackRock Fixed Maturity Plan - Series 151 - 12 M - Direct Plan - Growth                | -                       | 5.00                    |
|   | 15.00                   | 77.50                   |
| * (Note: Market value of quoted investments ₹ 16.68 Crore ( P.Y. ₹ 79.72 Crore))            |                         |                         |
|   | 271.87                  | 492.90                  |

## Notes forming part of Financial Statements

### Note 15

(Amount in ₹ Crore)

| Particulars  | As at<br>March 31, 2015 | As at<br>March 31, 2014 |
|--|-------------------------|-------------------------|
| <b>TRADE RECEIVABLES</b>   |                         |                         |
| <b>(Unsecured, considered good unless otherwise stated)</b>        |                         |                         |
| <b>(a) Trade receivables due for a period exceeding six months</b> |                         |                         |
| Considered good  | 0.19                    | 1.11                    |
| Considered doubtful  | 1.15                    | 1.77                    |
|  | <u>1.34</u>             | <u>2.88</u>             |
| Less : Allowances for doubtful debts                               | 1.15                    | 1.77                    |
|  | <u>0.19</u>             | <u>1.11</u>             |
| <b>(b) Other Trade receivables</b>                                 |                         |                         |
| Considered good  | 125.90                  | 113.97                  |
| Considered doubtful  | -                       | -                       |
|  | <u>125.90</u>           | <u>113.97</u>           |
| Less : Allowances for doubtful debts                               | -                       | -                       |
|  | <u>125.90</u>           | <u>113.97</u>           |
|  | <u>126.09</u>           | <u>115.08</u>           |

### Note 16

(Amount in ₹ Crore)

| Particulars  | As at<br>March 31, 2015 | As at<br>March 31, 2014 |
|--|-------------------------|-------------------------|
| <b>CASH AND CASH BALANCES</b>  |                         |                         |
| <b>(A) Cash and Cash Equivalents</b>                                     |                         |                         |
| (a) Cash on hand   | 0.02                    | 0.02                    |
| (b) Cheques, drafts on hand/funds in transit (Refer note 16 (ii)& (iii)) | 3.22                    | 35.15                   |
| (c) Current account with banks (Refer note 16 (i))                       | 74.06                   | 50.14                   |
| (d) Bank deposits less than 3 months maturity                            | -                       | 2.25                    |
|  | <u>77.30</u>            | <u>87.56</u>            |
| <b>(B) Other bank balances</b>   |                         |                         |
| <b>(with more than 3 months but less than 12 months maturity)</b>        |                         |                         |
| (a) Earmarked balance with banks   | 1.37                    | 1.04                    |
| (b) Pledged/lien with banks  | -                       | 0.27                    |
|  | <u>1.37</u>             | <u>1.31</u>             |
| <b>(C) Other bank balances (with more than 12 months maturity)</b>       |                         |                         |
| (a) Pledged/lien with banks  | 0.30                    | 0.03                    |
|  | <u>0.30</u>             | <u>0.03</u>             |
|  | <u>78.97</u>            | <u>88.90</u>            |
| Notes :  |                         |                         |
| (i) In foreign currencies  | 67.75                   | 45.23                   |
| (ii) Cheques, drafts on hand   | 0.94                    | 12.53                   |
| (iii) Remittances in transit   | 2.28                    | 22.62                   |

## Notes forming part of financial statements

### Note 17

(Amount in ₹ Crore)

| Particulars   | As at<br>March 31, 2015 | As at<br>March 31, 2014 |
|---|-------------------------|-------------------------|
| <b>OTHER CURRENT ASSETS</b>                                   |                         |                         |
| (a) Interest accrued on deposits and investments              | 0.30                    | 0.30                    |
| (b) Bills of Exchange   | 4.87                    | -                       |
| (c) Unbilled revenue  | 5.80                    | 2.58                    |
| (d) Advances to suppliers and contractors                     | 4.35                    | 1.42                    |
| (e) Prepaid expenses  | 7.27                    | 3.74                    |
| (f) Others (VAT, Service tax, other taxes recoverables, etc.) | 1.91                    | 0.42                    |
|   | <b>24.50</b>            | <b>8.46</b>             |

### Note 18

(Amount in ₹ Crore)

| Particulars   | As at<br>March 31, 2015 | As at<br>March 31, 2014 |
|---|-------------------------|-------------------------|
| <b>SHORT TERM LOANS AND ADVANCES</b>                        |                         |                         |
| <b>Unsecured (considered good, unless otherwise stated)</b> |                         |                         |
| (a) Inter corporate deposits (Refer Note 25 (vi) (b))       | 196.50                  | -                       |
| (b) Loans and advances to related parties                   | 15.99                   | 9.74                    |
| (c) Security deposits                                       | 0.02                    | 1.00                    |
| (d) Loans and advances employees                            | 0.43                    | 0.41                    |
| Less : Allowances for doubtful loans and advances           | (0.04)                  | (0.04)                  |
| (e) Deposits with government and others                     | 0.07                    | 0.05                    |
|   | <b>212.97</b>           | <b>11.16</b>            |

### Note 19

(Amount in ₹ Crore)

| Particulars                    | Year ended<br>March 31, 2015 | Year ended<br>March 31, 2014 |
|--------------------------------|------------------------------|------------------------------|
| <b>REVENUE FROM OPERATIONS</b> |                              |                              |
| (a) Sale of products           | 148.62                       | 122.12                       |
| (b) Sale of services           | 835.12                       | 762.89                       |
| (c) Commission income          | 1.44                         | 1.17                         |
|                                | <b>985.18</b>                | <b>886.18</b>                |

## Notes forming part of financial statements

### Note 20

(Amount in ₹ Crore)

| Particulars   | Year ended<br>March 31, 2015 | Year ended<br>March 31, 2014 |
|---|------------------------------|------------------------------|
| <b>OTHER INCOME</b>   |                              |                              |
| (a) Interest income-others  | 21.99                        | 11.95                        |
| (b) Interest income-Long term investments   | 0.55                         | 0.55                         |
| (c) Dividend income - Other current investments                                   | 6.65                         | 13.67                        |
| (d) Dividend income - Non current investments                                     | 0.42                         | 0.18                         |
| (e) Foreign currency gain (net)   | -                            | 2.31                         |
| (f) Doubtful debts written back   | 0.86                         | 1.64                         |
| (g) Profit on sale of investments (net)   | 7.11                         | 4.74                         |
| (h) Other non-operating income *  | 2.03                         | 8.12                         |
|   | <u>39.61</u>                 | <u>43.16</u>                 |
| * Other non-operating income includes provisions no longer required, written back | 0.88                         | 7.31                         |

### Note 21

(Amount in ₹ Crore)

| Particulars                                   | Year ended<br>March 31, 2015 | Year ended<br>March 31, 2014 |
|---|------------------------------|------------------------------|
| <b>CONSULTANCY FEES, SOFTWARES AND OTHERS</b> |                              |                              |
| (a) Outsourcing charges                       | 15.74                        | 26.80                        |
| (b) Software-internal use                     | 5.77                         | 0.50                         |
| (c) Professional fees                         | 31.30                        | 33.50                        |
|   | <u>52.81</u>                 | <u>60.80</u>                 |

### Note 22

(Amount in ₹ Crore)

| Particulars                               | Year ended<br>March 31, 2015 | Year ended<br>March 31, 2014 |
|---|------------------------------|------------------------------|
| <b>EMPLOYEE BENEFIT EXPENSE</b>           |                              |                              |
| (a) Salaries and wages                    | 423.53                       | 361.88                       |
| (b) Contribution to provident fund        | 13.75                        | 12.59                        |
| (c) Contribution to superannuation scheme | 4.10                         | 4.46                         |
| (d) Contribution to gratuity fund         | 4.23                         | 6.15                         |
| (e) Staff welfare expenses                | 20.62                        | 14.53                        |
|   | <u>466.23</u>                | <u>399.61</u>                |

### Note 23

(Amount in ₹ Crore)

| Particulars                         | Year ended<br>March 31, 2015 | Year ended<br>March 31, 2014 |
|-------------------------------------|------------------------------|------------------------------|
| <b>FINANCE COSTS</b>                |                              |                              |
| <b>Interest Expense</b>             |                              |                              |
| - Interest on short term borrowings | 1.36                         | 1.39                         |
| - Interest on long term borrowings  | 0.01                         | 0.04                         |
|                                     | <u>1.37</u>                  | <u>1.43</u>                  |

## Notes forming part of financial statements

### Note 24

(Amount in ₹ Crore)

| Particulars                                   | Year ended<br>March 31, 2015 | Year ended<br>March 31, 2014 |
|---|------------------------------|------------------------------|
| <b>OTHER EXPENSES</b>                         |                              |                              |
| (a) Repairs & maintenance                     |                              |                              |
| - Buildings                                   | 0.36                         | 0.41                         |
| - Plant & machinery                           | 1.37                         | 0.39                         |
| - Others                                      | 4.56                         | 3.92                         |
| (b) Rent*                                     | 8.98                         | 7.14                         |
| (c) Rates and taxes                           | 0.51                         | 0.39                         |
| (d) Provision for wealth tax                  | 0.01                         | 0.01                         |
| (e) Insurance                                 | 0.36                         | 0.38                         |
| (f) Business promotion expenses               | 2.31                         | 2.76                         |
| (g) Office expenses                           | 4.82                         | 4.52                         |
| (h) Travelling & conveyance                   | 17.64                        | 15.32                        |
| (i) Power & fuel                              | 4.63                         | 3.68                         |
| (j) Water charges                             | 0.62                         | 0.48                         |
| (k) Auditors remuneration**                   | 0.46                         | 0.46                         |
| (l) Staff training and seminar expenses       | 2.14                         | 1.84                         |
| (m) Staff recruitment expenses                | 1.98                         | 1.08                         |
| (n) Commission to others                      | 5.80                         | 5.24                         |
| (o) AMC charges                               | 17.97                        | 16.33                        |
| (p) Communication expenses                    | 7.14                         | 6.06                         |
| (q) Loss on diminution of current investments | 0.03                         | -                            |
| (r) Allowances for doubtful debts             | 0.25                         | -                            |
| (s) Bad debts written off                     | -                            | 1.80                         |
| (t) Foreign currency loss (net)               | 2.22                         | -                            |
| (v) CSR Expenditure                           | 3.61                         | -                            |
| (u) Miscellaneous expenses                    | 1.27                         | 1.61                         |
|   | <b>89.04</b>                 | <b>73.82</b>                 |

#### \*Obligations under operating lease

(Amount in ₹ Crore)

| Obligation towards non-cancellable lease                      | Year ended<br>March 31, 2015 | Year ended<br>March 31, 2014 |
|---|------------------------------|------------------------------|
| <b>Lease Obligations</b>                                      |                              |                              |
| Dues not later than one year                                  | 3.88                         | 2.81                         |
| Due later than one year but not later than five years         | 5.41                         | 1.01                         |
|   | <b>9.29</b>                  | <b>3.82</b>                  |
| Lease payments recognised in the statement of profit and loss | <b>8.98</b>                  | <b>7.14</b>                  |

The Company has entered into operating lease arrangements for office premises.

#### \*\*Auditors' Remuneration (Excluding Service tax)

(Amount in ₹ Crore)

| Particulars   | Year ended<br>March 31, 2015 | Year ended<br>March 31, 2014 |
|---|------------------------------|------------------------------|
| i) For services as auditors, including quarterly audits | 0.35                         | 0.35                         |
| ii) For Tax audit/Transfer pricing audit                | 0.04                         | 0.04                         |
| iii) For other attest services                          | 0.05                         | 0.05                         |
| iv) Reimbursement of out-of-pocket expenses             | 0.02                         | 0.02                         |
|   | <b>0.46</b>                  | <b>0.46</b>                  |

## Additional information to the Financial Statements

### Note 25

#### Note 25 (i): Earning per Share

(Amount in ₹ Crore)

| Particulars |  | Year Ended<br>March 31, 2015 | Year Ended<br>March 31, 2014 |            |
|-------------|--|------------------------------|------------------------------|------------|
| (a)         | Profit after tax   | ₹ Crore                      | 202.85                       | 202.72     |
| (b)         | The weighted average number of Ordinary Shares for Basic EPS   | Nos.                         | 43,024,638                   | 43,024,138 |
| (c)         | The nominal value per Ordinary Share                           | ₹                            | 10.00                        | 10.00      |
| (d)         | Earnings Per Share (Basic)                                     | ₹                            | 47.15                        | 47.12      |
| (e)         | Profit after tax for Diluted EPS                               | ₹ Crore                      | 202.85                       | 202.72     |
| (f)         | The weighted average number of Ordinary Shares for Basic EPS   | Nos.                         | 43,024,638                   | 43,024,138 |
| (g)         | Add: Adjustment for Employee Stock Options                     | Nos.                         | 33,301                       | 14,051     |
| (h)         | The weighted average number of Ordinary Shares for Diluted EPS | Nos.                         | 43,057,939                   | 43,038,189 |
| (i)         | Earnings Per Shares (Diluted)                                  | ₹                            | 47.11                        | 47.10      |

#### Note 25 (ii): Contingent Liabilities

(Amount in ₹ Crore)

| Particulars |  | As at<br>March 31, 2015 | As at<br>March 31, 2014 |
|-------------|--|-------------------------|-------------------------|
| (a)         | Bills discounted   | 127.07                  | 113.61                  |
| (b)         | Income Tax demands disputed in appeals   | 2.05                    | 2.11                    |
| (c)         | Sales Tax demands disputed in appeals  | 21.81                   | 21.83                   |
| (d)         | Service Tax demands disputed in appeals  | 9.50                    | 8.67                    |
| (e)         | Corporate Guarantees issued to Bank in respect of loan taken by subsidiary companies | -                       | 159.71                  |

As on March 31, 2015, the company's management does not expect any outflow in respect of these pending litigations related to direct and indirect tax matters stated above based on the legal advice obtained.

#### Note 25 (iii): Derivative transactions

The Company uses forward exchange contracts to hedge its exposure in foreign currency. The information on derivative instruments is as follows:

1. Derivative instruments outstanding as at March 31, 2015:

| Particulars                      | As At          | Bought/sold |         | Amount in<br>Foreign currency<br>in crore | Amount in<br>₹ crore |
|----------------------------------|----------------|-------------|---------|---|----------------------|
| Forward<br>Exchange<br>contracts | March 31, 2015 | Sold        | GBP/USD | GBP 0.55                                  | 50.85                |
|                                  |                | Sold        | USD/INR | USD 0.67                                  | 41.87                |
|                                  | March 31, 2014 | Sold        | GBP/INR | GBP 0.17                                  | 16.92                |

## Additional information to the Financial Statements

### 2. Foreign exchange currency exposures not covered by derivative instruments as at March 31, 2015

(Amount in ₹ Crore)

| Particulars  | Currency | As At March 31, 2015       |                        | As At March 31, 2014       |                        |
|--|----------|----------------------------|------------------------|----------------------------|------------------------|
|  |          | Amount in Foreign Currency | Equivalent Amount in ₹ | Amount in Foreign Currency | Equivalent Amount in ₹ |
| Trade Receivables  | EUR      | 0.04                       | 2.37                   | 0.13                       | 11.01                  |
|  | CAD      | 0.00                       | 0.04                   | 0.00                       | 0.22                   |
|  | GBP      | 0.01                       | 1.34                   | 0.03                       | 3.27                   |
|  | USD      | 0.51                       | 32.12                  | 0.40                       | 23.96                  |
|  | ZAR      | 0.02                       | 0.08                   | 0.02                       | 0.09                   |
|  | CNY      | 0.10                       | 1.02                   | -                          | -                      |
|  | SGD      | 0.01                       | 0.26                   | -                          | -                      |
| Loans & Advances   | EUR      | 0.00                       | 0.05                   | 0.00                       | 0.37                   |
|  | GBP      | -                          | -                      | 0.01                       | 1.02                   |
|  | THB      | 0.02                       | 0.04                   | 0.04                       | 0.08                   |
|  | USD      | 0.11                       | 6.75                   | 0.13                       | 7.56                   |
| Trade Payables   | EUR      | 0.00                       | 0.22                   | 0.01                       | 0.56                   |
|  | GBP      | 0.00                       | 0.03                   | 0.00                       | 0.01                   |
|  | SGD      | 0.00                       | 0.02                   | 0.00                       | 0.03                   |
|  | THB      | 0.89                       | 1.71                   | 0.75                       | 1.38                   |
|  | USD      | 0.08                       | 5.23                   | 0.06                       | 3.49                   |
| Unsecured Loan   | USD      | 1.50                       | 93.75                  | 1.50                       | 89.84                  |
| Current account with Bank<br>(including cheques in<br>hand/money in transit) | USD      | 1.01                       | 62.93                  | 0.30                       | 18.22                  |
|  | EUR      | 0.00                       | 0.29                   | 0.00                       | 0.28                   |
|  | GBP      | 0.07                       | 6.81                   | 0.27                       | 26.73                  |

**Note 25 (iv) Dues to micro, small and medium scale enterprises**

The Company is currently in the process of compiling the relevant information from its suppliers about their coverage under the Micro, Small and Medium Enterprises Development Act, 2006 and such information will be presented on completion of the said exercise. Based on and to the extent of the available information there are no amounts outstanding overdue for more than 45 days to such suppliers. This has been relied upon by the auditors.

## Additional information to the Financial Statements

### Note 25 (v) Segment Reporting

#### Primary Segment - Business

The complete operations of the Company have been treated as single segment "Information technology services".

#### Secondary Segment

Segment Reporting is made on the basis of geographical location of the customers.

(Amount in ₹ Crore)

| Particulars                     | India         | UK            | USA          | Rest of Europe | Rest of the World | Total         |
|---------------------------------|---------------|---------------|--------------|----------------|-------------------|---------------|
| Revenues                        | <b>678.65</b> | <b>205.42</b> | <b>68.88</b> | <b>15.50</b>   | <b>16.73</b>      | <b>985.18</b> |
|                                 | <i>629.05</i> | <i>160.35</i> | <i>59.55</i> | <i>17.75</i>   | <i>19.48</i>      | <i>886.18</i> |
| Identifiable operating expenses | <b>486.32</b> | <b>104.20</b> | <b>41.95</b> | <b>12.56</b>   | <b>11.26</b>      | <b>656.29</b> |
|                                 | <i>428.25</i> | <i>72.76</i>  | <i>43.88</i> | <i>12.83</i>   | <i>11.39</i>      | <i>569.11</i> |
| Allocated expenses              | <b>18.44</b>  | <b>13.19</b>  | <b>4.42</b>  | <b>1.00</b>    | <b>0.95</b>       | <b>38.00</b>  |
|                                 | <i>21.27</i>  | <i>8.64</i>   | <i>3.18</i>  | <i>0.95</i>    | <i>0.75</i>       | <i>34.79</i>  |
| Segmental operating income      | <b>173.89</b> | <b>88.03</b>  | <b>22.51</b> | <b>1.94</b>    | <b>4.52</b>       | <b>290.89</b> |
|                                 | <i>179.53</i> | <i>78.95</i>  | <i>12.49</i> | <i>3.97</i>    | <i>7.34</i>       | <i>282.28</i> |
| Unallocable expenses            |               |               |              |                |                   | <b>79.21</b>  |
|                                 |               |               |              |                |                   | <i>63.07</i>  |
| Other Income                    |               |               |              |                |                   | <b>38.22</b>  |
|                                 |               |               |              |                |                   | <i>40.09</i>  |
| <b>Net profit before taxes</b>  |               |               |              |                |                   | <b>249.90</b> |
|                                 |               |               |              |                |                   | <i>259.30</i> |
| Income taxes                    |               |               |              |                |                   | <b>52.07</b>  |
|                                 |               |               |              |                |                   | <i>56.58</i>  |
| Income taxes - MAT Credit       |               |               |              |                |                   | <b>(5.02)</b> |
|                                 |               |               |              |                |                   | <i>-</i>      |
| <b>Net profit after taxes</b>   |               |               |              |                |                   | <b>202.85</b> |
|                                 |               |               |              |                |                   | <i>202.72</i> |

Fixed assets used in the Company's business or liabilities contracted have not been identified to any of the reported segments, as fixed assets and services are used interchangeably between reported segments

Previous year figures are shown in italic.

## Additional information to the Financial Statements

### Note 25 (vi) Related Party Disclosures for the year ended March 31, 2015.

#### a) Related party and their relationship

|   |                       |   |
|---|-----------------------|---|
| 1 | Parent Company        | Tata Motors Limited   |
| 2 | Subsidiary            | Tata Technologies Pte.Limited, Singapore  |
| 3 | Indirect Subsidiaries | <ol style="list-style-type: none"> <li>1 Tata Technologies (Thailand) Limited</li> <li>2 INCAT International Plc.</li> <li>3 Tata Technologies Europe Limited</li> <li>4 INCAT GmbH (under liquidation)</li> <li>5 Tata Technologies Inc (Subsidiary of Tata Technoloies Europe Limited w.e.f March 20, 2015)</li> <li>6 Tata Technologies de Mexico, S.A. de C.V.</li> <li>7 Tata Technologies (Canada) Inc.</li> <li>8 Cambric Holdings Inc. (Merged into Tata Technologies Inc w.e.f January 1, 2015)</li> <li>9 Cambric Corporation, Delaware (Merged into Tata Technologies Inc w.e.f January 1, 2015)</li> <li>10 Cambric Limited, Bahama</li> <li>11 Cambric UK Ltd.</li> <li>12 Cambric Managed Services Inc, Utah (Dissolved w.e.f. September 29, 2014)</li> <li>13 Cambric GmbH</li> <li>14 Midwest Managed Services, Utah</li> <li>15 Tata Technolgies SRL, Romania (erstwhile Cambric Consulting SRL was renamed w.e.f February 4, 2015)</li> <li>16 Cambric Manufacturing Technologies (Shanghai) Co. Ltd. (incorporated on March 10, 2014)</li> </ol>   |
| 4 | Fellow subsidiaries   | <ol style="list-style-type: none"> <li>1 Concorde Motors (India) Ltd.</li> <li>2 Sheba Properties Ltd.</li> <li>3 TAL Manufacturing Solutions Ltd.</li> <li>4 Tata Motors European Technical Centre PLC</li> <li>5 Tata Motors Insurance Broking &amp; Advisory Services Ltd.</li> <li>6 Tata Motors Finance Ltd.</li> <li>7 TML Holdings Pte. Ltd.</li> <li>8 TML Distribution Company Ltd.</li> <li>9 Tata Hispano Motors Carrocera S.A.</li> <li>10 TML Drivelines Ltd.</li> <li>11 PT Tata Motors Indonesia (Indirect Subsidiary of Tata Motors Limited w.e.f October 20, 2014)</li> <li>12 Trilix S.r.l.</li> <li>13 Tata Precision Industries Pte. Ltd.</li> <li>14 Tata Marcopolo Motors Ltd.</li> <li>15 Jaguar Land Rover Automotive Plc</li> <li>16 Jaguar Land Rover Limited</li> <li>17 Jaguar Land Rover Austria GmbH</li> <li>18 Jaguar Land Rover Japan Limited</li> <li>19 JLR Nominee Company Limited</li> <li>20 Jaguar Land Rover Deutschland GmbH</li> <li>21 Jaguar Land Rover North America LLC</li> <li>22 Jaguar Land Rover Nederland BV</li> <li>23 Jaguar Land Rover Portugal - Veiculos e Peças, Lda.</li> <li>24 Jaguar Land Rover Australia Pty Ltd.</li> <li>25 Jaguar Land Rover Italia Spa</li> <li>26 Jaguar Land Rover Korea Company Limited</li> <li>27 Jaguar Land Rover Automotive Trading (Shanghai) Co. Ltd.</li> <li>28 Jaguar Land Rover Canada ULC</li> <li>29 Jaguar Land Rover France, SAS</li> </ol> |

## Additional information to the Financial Statements

|   |  |  |
|---|--|--|
|   | 30   | Jaguar Land Rover South Africa (Pty) Ltd.  |
|   | 31   | Jaguar e Land Rover Brasil Importacao e Comercia de Veiculos Ltda  |
|   | 32   | Limited Liability Company "Jaguar Land Rover" (Russia)   |
|   | 33   | Jaguar Land Rover (South Africa) Holdings Limited  |
|   | 34   | Jaguar Land Rover India Limited  |
|   | 35   | Jaguar Land Rover Espana SL  |
|   | 36   | Jaguar Land Rover Belux NV   |
|   | 37   | Jaguar Cars South Africa (Pty) Ltd.  |
|   | 38   | The Jaguar Collection Limited  |
|   | 39   | Jaguar Cars Limited  |
|   | 40   | Jaguar Land Rover Holdings Limited   |
|   | 41   | Land Rover Group Limited (Liquidated with effect from June 30, 2014)   |
|   | 42   | Land Rover Exports Limited   |
|   | 43   | Land Rover Ireland Ltd.  |
|   | 44   | Land Rover Parts Ltd.  |
|   | 45   | The Daimler Motor Company Ltd.   |
|   | 46   | Daimler Transport Vehicles Ltd.  |
|   | 47   | S.S. Cars Ltd.   |
|   | 48   | The Lanchester Motor Company Ltd.  |
|   | 49   | Tata Hispano Motors Carrocerries Maghreb SA (Direct Subsidiary of Tata Motors Ltd. W.e.f June 23, 2014)  |
|   | 50   | Shanghai Jaguar Land Rover Automotive Services Company Limited (Incorporated on March 10, 2014)  |
|   | 51   | Jaguar Land Rover Pension Trustee Limited  |
|   | 52   | JDHT Limited (Acquired by Tata Motors Limited with effect from February 2, 2015)   |
|   | 53   | Tata Daewoo Commercial Vehicle Co. Ltd.  |
|   | 54   | Tata Daewoo Commercial Vehicle Sales and Distribution Co. Ltd.   |
|   | 55   | Tata Motors (Thailand) Limited   |
|   | 56   | Tata Motors (SA) (Proprietary) Ltd.  |
|   | 57   | Tata Motors Finance Solutions Pvt. Ltd (Rajasthan Leasing Private Limited acquired w.e.f January 19, 2015)   |
|   | 58   | PT Tata Motors Distribusi Indonesia (Indirect Subsidiary of Tata Motors Limited w.e.f October 20, 2014)  |
| 5 | Joint Venture                                  | TATA HAL Technologies Limited  |
| 6 | Associates and Joint Venture of Parent Company | 1 Tata Cummins Private Limited (converted from Public Ltd w.e.f December 16, 2014)<br>2 Tata Precision Industries (India) Ltd.<br>3 Fiat India Automobiles Private Limited (Converted from Public Ltd w.e.f January 19, 2015)<br>4 Spark44 (JV) Ltd.<br>5 Jaguar Cars Finance Ltd.<br>6 Automobile Corporation of Goa Ltd<br>7 Nita Co Ltd<br>8 Cherry Jaguar Land Rover Automotive Co. Limited<br>9 Tata Hitachi Construction Machinery Company Pvt. Limited (Converted from Public Ltd w.e.f March 5, 2015)<br>10 Tata AutoComp Systems Ltd<br>11 Chery Jaguar Land Rover Auto Sales Company Limited (A wholly owned subsidiary of Chery Jaguar Land Rover Automotive Co. Ltd w.e.f November 2013 and name changed from Suzhou Chery Jaguar Land Rover Trading Co. Ltd . (Interim J.V) w.e.f November 5, 2014) |
| 7 | Key Management Personnel                       | 1 Mr. P. R. McGoldrick, Managing Director (upto September 8, 2014)<br>2 Mr. Warren Harris, Managing Director (w.e.f. September 9, 2014)<br>3 Mr. Samrat Gupta, Chief Financial Officer (upto May 28, 2014)<br>4 Mr. S Venkateswarlu, Chief Financial Officer (w.e.f. May 28, 2014)<br>5 Mr. Anubhav Kapoor, Company Secretary  |

## Additional information to the Financial Statements

**Note 25 (vi) Related Party Disclosures for the year ended March 31, 2015.**

**b) Transactions with related parties**

(Amount in ₹ Crore)

| Particulars   | Parent Company       | Fellow subsidiaries | Subsidiaries       | Joint Venture  | Associates & Joint Venture of Parent company | Key Management Personnel | Total                |
|---|----------------------|---------------------|--------------------|----------------|--|--------------------------|----------------------|
| Purchase of products  | -<br>(-)             | 0.01<br>(-)         | 0.65<br>(0.16)     | -<br>(-)       | -<br>(-)                                     | -<br>(-)                 | 0.66<br>(0.16)       |
| Sale of products  | 41.48<br>(39.56)     | 1.48<br>(2.29)      | 1.21<br>(0.73)     | 0.88<br>(3.28) | 1.51<br>(1.82)                               | -<br>(-)                 | 46.56<br>(47.68)     |
| Services received   | 2.50<br>(-)          | 1.23<br>(0.88)      | 14.80<br>(28.41)   | 4.39<br>(1.13) | -<br>(-)                                     | -<br>(-)                 | 22.92<br>(30.42)     |
| Services rendered   | 456.88<br>(439.35)   | 16.85<br>(19.28)    | 285.77<br>(238.58) | -<br>(-)       | 3.19<br>(2.44)                               | -<br>(-)                 | 762.69<br>(699.65)   |
| Finance placed (including loans, equity & ICD)              | 985.90<br>(926.60)   | -<br>(-)            | -<br>(-)           | -<br>(-)       | -<br>(-)                                     | -<br>(-)                 | 985.90<br>(926.60)   |
| Finance received back (including loans, equity & ICD)       | 884.40<br>(1,110.50) | 0.00<br>(0.00)      | -<br>(-)           | -<br>(-)       | -<br>(-)                                     | -<br>(-)                 | 884.40<br>(1,110.50) |
| Dividend paid   | 281.80<br>(84.84)    | -<br>(-)            | -<br>(-)           | -<br>(-)       | -<br>(-)                                     | -<br>(-)                 | 281.80<br>(84.84)    |
| Interest paid / (received)(net)                             | (15.95)<br>(-11.62)  | (0.55)<br>(-0.55)   | -<br>(-)           | -<br>(-)       | -<br>(-)                                     | -<br>(-)                 | (16.50)<br>(-12.17)  |
| Remuneration  | -<br>(-)             | -<br>(-)            | -<br>(-)           | -<br>(-)       | -<br>(-)                                     | 1.53<br>(0.30)           | 1.53<br>(0.30)       |
| Amount receivable   | 31.44<br>(31.47)     | 3.54<br>(5.89)      | 78.56<br>(57.78)   | 0.31<br>(0.32) | 1.26<br>(0.60)                               | -<br>(-)                 | 115.11<br>(96.06)    |
| Amount payable  | 3.29<br>(2.10)       | -<br>(-)            | 6.73<br>(4.18)     | 0.67<br>(1.13) | -<br>(-)                                     | -<br>(0.20)              | 10.69<br>(7.61)      |
| Amount receivable (in respect of loans, Equity, ICD, Bonds) | 101.50<br>(-)        | 5.29<br>(5.29)      | -<br>(-)           | -<br>(-)       | -<br>(-)                                     | -<br>(-)                 | 106.79<br>(5.29)     |
| Amount payable (in respect of loans, Equity, ICD, Bonds)    | -<br>(-)             | 0.00<br>(-)         | -<br>(-)           | -<br>(-)       | -<br>(-)                                     | -<br>(-)                 | 0.00<br>(-)          |

The above transactions are excluding reimbursement of expenses

\* Previous year's figures are shown in the brackets

**Disclosure of material transactions:**

**Purchase of Goods:**

Tata Technologies Inc. ₹ 0.65 crore (March 31, 2014 ₹ 0.16 crore)

**Services received:**

Tata Technologies Thailand Limited ₹ 6.79 crore (March 31, 2014 ₹ 7.46 crore)

Tata Technologies Pte. Limited ₹ 5.80 crore (March 31, 2014 ₹ 5.09 crore)

Tata HAL Technologies ₹ 4.39 crore (March 31, 2014 ₹ 1.13 crore)

Tata Technologies Inc. ₹ 1.76 crore (March 31, 2014 ₹ 11.78 crore)

**Services rendered:**

Tata Technologies Europe Limited ₹ 209.97 crore (March 31, 2014 ₹ 170.55 crore)

## Additional information to the Financial Statements

### Note 25 (vii)

The Company has a joint venture with Hindustan Aeronautics Ltd., TATA HAL Technologies Ltd (THTL) for providing engineering and design solutions and services in the domain of aerostructures for aerospace industry. The Company has an investment of ₹ 5.07 crores as at March 31, 2015, representing 50% shareholding in THTL.

The proportionate share of assets and liabilities as on March 31, 2015 and income and expenditure for the year ended March 31, 2015 of THTL are given below.

(Amount in ₹ Crore)

| Particulars                    | As on March 31, 2015 | As on March 31, 2014 | Particulars                     | Year Ended March 31, 2015 | Year Ended March 31, 2014 |
|--------------------------------|----------------------|----------------------|---------------------------------|---------------------------|---------------------------|
| <b>RESERVES AND SURPLUS</b>    |                      |                      | <b>INCOME</b>                   |                           |                           |
| Share Capital                  | -                    | -                    | Service Income                  | 6.21                      | 4.09                      |
| Profit & Loss                  | (2.94)               | (3.62)               | Other income                    | 0.12                      | 0.57                      |
|                                | (2.94)               | (3.62)               | <b>Sub Total</b>                | <b>6.33</b>               | <b>4.66</b>               |
| <b>NON-CURRENT LIABILITIES</b> | <b>0.10</b>          | 0.09                 |                                 |                           |                           |
| <b>CURRENT LIABILITIES</b>     | <b>0.73</b>          | 1.39                 |                                 |                           |                           |
|                                | (2.11)               | (2.14)               |                                 |                           |                           |
| <b>NON-CURRENT ASSETS</b>      |                      |                      | <b>EXPENDITURE</b>              |                           |                           |
| Net Block (including CWIP)     | 0.31                 | 0.37                 | Cost of Traded Items & Services | 0.03                      | 1.34                      |
| Long Term Loans and Advances   | 0.44                 | 0.35                 | Salary & other general expenses | 5.38                      | 3.78                      |
| Other non current assets       | 0.07                 | -                    | Depreciation                    | 0.23                      | 0.32                      |
| <b>Sub Total</b>               | <b>0.82</b>          | 0.72                 | <b>Sub Total</b>                | <b>5.64</b>               | <b>5.44</b>               |
| <b>CURRENT ASSETS</b>          |                      |                      |                                 |                           |                           |
| Trade Receivables              | 1.77                 | 1.83                 |                                 |                           |                           |
| Projects work in progress      | -                    | 0.10                 |                                 |                           |                           |
| Cash and Cash Equivalents      | 0.17                 | 0.13                 |                                 |                           |                           |
| Short Term loans and advances  | 0.03                 | 0.10                 |                                 |                           |                           |
| Other Current Assets           | 0.17                 | 0.04                 |                                 |                           |                           |
| <b>Sub Total</b>               | <b>2.14</b>          | 2.20                 |                                 |                           |                           |
| <b>Total</b>                   | <b>2.96</b>          | 2.92                 | <b>Total</b>                    | <b>0.69</b>               | <b>(0.78)</b>             |

### Note 25 (viii) Information regarding earnings and expenditure in foreign currency

(Amount in ₹ Crore)

| Particulars                         | 2014-15       | 2013-14       |
|-------------------------------------|---------------|---------------|
| <b>Earnings in foreign currency</b> |               |               |
| Services & Products                 | 307.18        | 256.17        |
| Commission                          | 0.06          | 0.27          |
| <b>Sub Total</b>                    | <b>307.24</b> | <b>256.44</b> |
| CIF Value of imports                |               |               |
| Capital Goods                       | 9.15          | 7.64          |
| Revenue Items (Inventories)         | 1.28          | 2.24          |
| <b>Sub Total</b>                    | <b>10.43</b>  | <b>9.88</b>   |
| Expenditure in foreign currency:    |               |               |
| Travel / Training Expenses          | 4.15          | 3.73          |
| Software Services                   | 10.57         | 25.61         |
| Interest                            | 0.68          | 0.79          |
| Commission                          | 5.80          | 5.24          |
| Other Expenses                      | 0.45          | 0.39          |
| <b>Sub Total</b>                    | <b>21.65</b>  | <b>35.76</b>  |

## Additional information to the Financial Statements

### Note 25 (ix) Remittances in Foreign Currency for Dividend

The particulars of dividends remitted in foreign currencies to non-resident shareholders are as under:

| Particulars                                | 2014 - 2015   | 2013 - 2014 |
|--|---------------|-------------|
| <b>Number of non-resident shareholders</b> |               |             |
| FY 2012-13 - Final Dividend                | No. -         | 18          |
| FY 2013-14 - Interim Dividend              | No. -         | 18          |
| FY 2013-14 - Final dividend                | No. 18        | -           |
| FY 2014-15 - Interim dividend              | No. 18        | -           |
| <b>Number of shares held by them</b>       |               |             |
| FY 2012-13 - Final Dividend                | No. -         | 7,251,902   |
| FY 2013-14 - Interim Dividend              | No. -         | 7,251,902   |
| FY 2013-14 - Final dividend                | No. 7,251,902 | -           |
| FY 2014-15 - Interim dividend              | No. 7,246,902 | -           |
| <b>Gross amount of dividend</b>            |               |             |
| FY 2012-13 - Final Dividend                | ₹ Crore -     | 11.60       |
| FY 2013-14 - Interim Dividend              | ₹ Crore -     | 8.68        |
| FY 2013-14 - Final dividend                | ₹ Crore 13.05 | -           |
| FY 2014-15 - Interim dividend              | ₹ Crore 10.88 | -           |

### Note 25 (x) Quantitative Details & Value of Inventories Traded

| Description                             | Opening stock         | Purchases | Sales    | Closing Stock |      |
|---|-----------------------|-----------|----------|---------------|------|
| <b>Networking Items</b>                 | <b>Value ₹ crores</b> | -         | 1.69     | 1.12          | 0.66 |
|   | Value ₹ crores        | -         | (-)      | (-)           | (-)  |
|   | <b>Qty (Nos.)</b>     | -         | 489      | 29            | 460  |
|   | Qty (Nos.)            | -         | (-)      | (-)           | (-)  |
| <b>Software &amp; End user Licenses</b> | <b>Value ₹ crores</b> | -         | 123.49   | 147.50        | 0.09 |
|   | Value ₹ crores        | -         | (98.24)  | (122.12)      | (-)  |
|   | <b>Qty (Nos.)</b>     | -         | 19,091   | 18,878        | 213  |
|   | Qty (Nos.)            | -         | (12,595) | (12,595)      | (-)  |
| <b>Total</b>                            | <b>Value ₹ crores</b> | -         | 125.18   | 148.62        | 0.75 |
|   | Value ₹ crores        | -         | (98.24)  | (122.12)      | (-)  |
|   | <b>Qty (Nos.)</b>     | -         | 19,580   | 18,907        | 673  |
|   | Qty (Nos.)            | -         | (12,595) | (12,595)      | (-)  |

Previous year figures are shown in brackets.

**Note 25 (xi) Previous year figures have been regrouped/reclassified wherever necessary to correspond with the current year's classifications / disclosures.**

## Independent Auditors' Report

### TO THE MEMBERS OF TATA TECHNOLOGIES LIMITED

#### Report on the Consolidated Financial Statements

We have audited the accompanying consolidated financial statements of **TATA TECHNOLOGIES LIMITED** (hereinafter referred to as "the Holding Company") and its subsidiaries (the Holding Company and its subsidiaries together referred to as "the Group") and its jointly controlled entity, comprising of the Consolidated Balance Sheet as at 31st March, 2015, the Consolidated Statement of Profit and Loss, the Consolidated Cash Flow Statement for the year then ended, and a summary of the significant accounting policies and other explanatory information (hereinafter referred to as "the consolidated financial statements").

#### Management's Responsibility for the Consolidated Financial Statements

The Holding Company's Board of Directors is responsible for the preparation of these consolidated financial statements in terms of the requirements of the Companies Act, 2013 (hereinafter referred to as "the Act") that give a true and fair view of the consolidated financial position, consolidated financial performance and consolidated cash flows of the Group including its jointly controlled entity in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. The respective Board of Directors of the companies included in the Group and of its jointly controlled entity are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group and its jointly controlled entity and for preventing and detecting frauds and other irregularities; the selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the 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, which have been used for the purpose of preparation of the consolidated financial statements by the Directors of the Holding Company, as aforesaid.

#### Auditor's Responsibility

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

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

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

We believe that the audit evidence obtained by us and the audit evidence obtained by the other auditors in terms of their reports referred to in sub-paragraph (a) of the Other Matters paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the consolidated financial statements.

### Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid consolidated 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 consolidated state of affairs of the Group and its jointly controlled entity as at 31st March, 2015, and their consolidated profits and their consolidated cash flows for the year ended on that date.

### Other Matters

- (a) We did not audit the financial statements of five subsidiaries, whose financial statements reflect total assets of ₹ 441.91 crores as at March 31, 2015, total revenues of ₹ 1,089.75 and net cash outflows amounting to ₹ 25.68 crores for the year ended on that date, as considered in the consolidated financial statements. These financial statements have been audited by other auditors whose reports have been furnished to us by the Management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries and jointly controlled entity, and our report in terms of sub-sections (3) and (11) of Section 143 of the Act, insofar as it relates to the aforesaid subsidiaries and jointly controlled entity, is based solely on the reports of the other auditors.

Our opinion on the consolidated financial statements, and our report on Other Legal and Regulatory Requirements below, is not modified in respect of the above matters with respect to our reliance on the work done and the reports of the other auditors.

### Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2015 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of Section 143 of the Act, based on the comments in the auditors' reports of the Holding company, subsidiary companies and jointly controlled entity incorporated in India, we give in the Annexure a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
2. As required by Section 143(3) of the Act, we report, to the extent applicable, 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 of the aforesaid consolidated financial statements.
  - (b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books and the reports of the other auditors.
  - (c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss, and the Consolidated Cash Flow Statement dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated financial statements.
  - (d) In our opinion, the aforesaid consolidated financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
  - (e) On the basis of the written representations received from the directors of the Holding Company as on 31st March, 2015 taken on record by the Board of Directors of the Holding Company and the reports of the statutory auditors of its subsidiary companies and its jointly controlled entity incorporated in India, none of the directors of the Group companies and its jointly controlled entity incorporated in India is disqualified as on 31st March, 2015 from being appointed as a director in terms of Section 164 (2) of the Act.
  - (f) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditor's) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:

- i. The consolidated financial statements disclose the impact of pending litigations on the consolidated financial position of the Group and its jointly controlled entity – Refer Note 27(ii) to the consolidated financial statements.
- ii. The Group and its jointly controlled entity did not have any material foreseeable losses on long-term contracts including derivative contracts.
- iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Holding Company, its subsidiary companies and jointly controlled entity incorporated in India.

**Sunil S Kothari**  
Partner  
(Membership No. 208238)

Date: May 15, 2015  
Place: Pune

For **Deloitte Haskins & Sells LLP**  
Chartered Accountants  
(Firm Registration No. 117366W/W-100018)

## ANNEXURE TO THE INDEPENDENT AUDITORS' REPORT ON THE CONSOLIDATED FINANCIAL STATEMENTS

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

Our reporting on the Order includes one jointly controlled entity incorporated in India, to which the Order is applicable, which have been audited by us and our report in respect of this entity is based solely on the same, to the extent considered applicable for reporting under the Order in the case of the consolidated financial statements.

- (i) Having regard to the nature of the Holding Company's and its jointly controlled entity's business / activities / result, clause (vi) of the Order is not applicable.
- (ii) In respect of the fixed assets of the Holding Company and its jointly controlled entity incorporated in India:
  - (a) The respective entities have maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
  - (b) The Holding Company has a program of verification of fixed assets to cover all the items in a phased manner over a period of three years which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. Pursuant to the program, certain fixed assets were physically verified by the Management during the year. In case of the jointly controlled entity, some of the fixed assets were physically verified during the year by their 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.
- (iii) In respect of the Holding Company's inventories which comprises of software licenses in demat form where physical verification is not possible and traded hardware products procured per requirements on projects,
  - (a) As explained to us and having regard to above, the hardware products were physically verified during the year by the Management at reasonable intervals.
  - (b) In our opinion and according to the information and explanation given to us, the procedures of physical verification of hardware products followed by the Management were reasonable and adequate in relation to the size of the Company and the nature of its business.
  - (c) In our opinion and according to the information and explanations given to us, the Company has maintained proper records of its inventories and no material discrepancies were noticed on physical verification.
- (iv) The Holding Company and its jointly controlled entity incorporated in India have not granted any loans, secured or unsecured, to companies, firms or other parties covered in the Register maintained under Section 189 of the Companies Act, 2013 by the respective entities.
- (v) In our opinion and according to the information and explanations given to us, having regard to the explanations that some of the items purchased are of special nature and suitable alternative sources are not readily available for obtaining comparable quotations, there is an adequate internal control system in the Holding Company and its jointly controlled company incorporated in India commensurate with the size of the respective entities and the nature of their business with regard to purchases of inventory and fixed assets and the sale of goods and services. During the course of our and the other auditor's audit, no major weakness in such internal control system has been observed.
- (vi) According to the information and explanations given to us, the Holding Company and its jointly controlled entity incorporated in India have not accepted any deposit within the meaning of provisions of sections 73 to 76 or

any other relevant provisions of the Act and the rules framed thereunder.

(vii) According to the information and explanations given to us, in respect of statutory dues of the Holding Company and its jointly controlled entity incorporated in India:

(a) The respective entities have generally been regular in depositing undisputed statutory dues, including Provident Fund, Employees' State Insurance, Income-tax, Sales Tax, Wealth Tax, Service Tax, Customs Duty, Excise Duty, Value Added Tax, Cess and other material statutory dues applicable to the respective entities with the appropriate authorities. As explained to us, the provisions of Employees State Insurance Act, 1948 is not applicable to the Holding Company for the year ended March 31, 2015.

(b) There were no undisputed amounts payable by the respective entities in respect of Provident Fund, Employees' State Insurance, Income-tax, Sales Tax, Wealth Tax, Service Tax, Customs Duty, Excise Duty, Value Added Tax, Cess and other material statutory dues in arrears as at March 31, 2015 for a period of more than six months from the date they became payable.

(c) Details of dues of Income-tax, Sales Tax, Wealth Tax, Service Tax, Customs Duty, Excise Duty, Value Added Tax and Cess which have not been deposited as on March 31, 2015 on account of disputes by the Holding Company are given below:

| Statute                                    | Nature of Dues | Forum where Dispute is pending             | Period to which the amount relates | Amount involved (₹ in crore) |
|--|----------------|--|------------------------------------|------------------------------|
| Income tax Act, 1961                       | Income Tax     | Income Tax Appellate Tribunal              | 2006-07                            | 0.13                         |
|  |                | Income Tax Appellate Tribunal              | 2008-09                            | 0.11                         |
| Central Sales Tax, 1956                    | Sales Tax      | Deputy Commissioner of Sales Tax (Appeals) | 1997-98                            | 0.03                         |
|  |                | Deputy Commissioner of Sales Tax (Appeals) | 1998-99                            | 0.45                         |
|  |                | Deputy Commissioner of Sales Tax (Appeals) | 2003-04                            | 0.003                        |
|  |                | Joint Commissioner of Sales tax (Appeals)  | 2004-05                            | 21.03                        |
| Finance Act, 1994 (Service Tax Provisions) | Service tax    | Commissioner (Appeals)                     | 2003-06                            | 0.87                         |
|  |                | Commissioner (Appeals)                     | 2004-06                            | 0.38                         |
|  |                | Commissioner (Appeals)                     | 2006-08                            | 4.86                         |
|  |                | Commissioner (Appeals)                     | 2008-09                            | 3.39                         |

(d) There are no amounts that are due to be transferred by the Holding Company and no amounts were required to be transferred by its jointly controlled entity to the Investor Education and Protection Fund in accordance with the relevant provisions of the Companies Act, 1956 (1 of 1956) and Rules made thereunder.

(viii) The Group and its jointly controlled entity does not have consolidated accumulated losses at the end of the financial year and the Group and its jointly controlled entity have not incurred cash losses on a consolidated basis

during the financial year covered by our audit and in the immediately preceding financial year.

- (ix) In our opinion and according to the information and explanations given to us, the Holding Company and its jointly controlled entity incorporated in India have not defaulted in the repayment of dues to financial institutions and banks. The Holding Company and jointly controlled entity incorporated in India have not issued any debentures.
- (x) In our opinion and according to the information and explanations given to us, the terms and conditions of the guarantees given by the Holding Company for loans taken by others from banks and financial institutions are not, prima facie, prejudicial to the interests of the Group. The jointly controlled entity incorporated in India has not given guarantees for loans taken by others from banks and financial institutions.
- (xi) In our opinion and according to the information and explanations given to us, the term loans have been applied by the Holding Company during the year for the purposes for which they were obtained, other than temporary deployment pending application. There were no term loans availed by the jointly controlled entity incorporated in India.
- (xii) To the best of our knowledge and according to the information and explanations given to us, no fraud by the Holding Company and its jointly controlled entity incorporated in India and no material fraud on the Holding Company and its jointly controlled entity incorporated in India has been noticed or reported during the year.

**Sunil S Kothari**  
Partner  
(Membership No. 208238)

For **Deloitte Haskins & Sells LLP**  
Chartered Accountants  
(Firm Registration No. 117366W/W-100018)

Date: May 15, 2015  
Place: Pune

## Consolidated Balance Sheet as at March 31, 2015

(Amount in ₹ Crore)

| Particulars   | Note No. | March 31, 2015  | March 31, 2014  |
|---|----------|-----------------|-----------------|
| <b>I. EQUITY AND LIABILITIES</b>                        |          |                 |                 |
| <b>(1) Shareholders' Funds</b>                          |          |                 |                 |
| (a) Share capital                                       | 3        | 43.02           | 43.02           |
| (b) Reserves and surplus                                | 4        | 1,022.14        | 1,137.62        |
|   |          | <u>1,065.16</u> | <u>1,180.64</u> |
| <b>(2) Non-current Liabilities</b>                      |          |                 |                 |
| (a) Long-term borrowings                                | 5        | 154.14          | 199.68          |
| (b) Deferred tax liabilities (Net)                      | 6        | 4.22            | 3.44            |
| (c) Trade payables                                      |          | 0.99            | 0.45            |
| (d) Long-term provisions                                | 7        | 14.96           | 11.81           |
|   |          | <u>174.31</u>   | <u>215.38</u>   |
| <b>(3) Current Liabilities</b>                          |          |                 |                 |
| (a) Short-term borrowings from banks                    | 8        | 131.25          | 131.01          |
| (b) Trade payables                                      |          | 358.93          | 385.15          |
| (c) Other current liabilities                           | 9        | 198.13          | 192.10          |
| (d) Short-term provisions                               | 10       | 316.22          | 103.23          |
| (e) Income tax liabilities (Net)                        |          | 39.48           | 15.73           |
|   |          | <u>1,044.01</u> | <u>827.22</u>   |
|   |          | <u>2,283.48</u> | <u>2,223.24</u> |
| <b>II. ASSETS</b>                                       |          |                 |                 |
| <b>(1) Non-current Assets</b>                           |          |                 |                 |
| <b>(a) Fixed assets</b>                                 |          |                 |                 |
| (i) Tangible assets                                     | 11       | 86.01           | 85.40           |
| (ii) Intangible assets                                  | 12       | 50.63           | 45.71           |
| (iii) Capital work-in-progress                          |          | 3.16            | 0.57            |
| (iv) Intangible assets under development                |          | 3.71            | 1.88            |
|   |          | <u>143.51</u>   | <u>133.56</u>   |
| <b>(b) Goodwill</b>                                     |          |                 |                 |
| (i) Goodwill on consolidation (Refer Note 27 (iii) (a)) |          | 461.21          | 489.98          |
| (ii) Goodwill on acquisition (Refer Note 27 (iii) (b))  |          | 162.14          | 155.37          |
|   |          | <u>623.35</u>   | <u>645.35</u>   |
| (c) Non-current investments                             | 13       | 10.00           | 10.00           |
| (d) Deferred tax assets (Net)                           | 6        | 10.26           | 14.34           |
| (e) Long-term loans and advances                        | 14       | 58.46           | 40.42           |
| (f) Income tax assets (Net)                             |          | 33.65           | 26.36           |
|   |          | <u>879.23</u>   | <u>870.03</u>   |
| <b>(2) Current Assets</b>                               |          |                 |                 |
| (a) Current investments                                 | 15       | 271.87          | 492.90          |
| (b) Inventories (Traded)                                |          | 0.75            | -               |
| (c) Trade receivables                                   | 16       | 363.42          | 307.16          |
| (d) Cash and bank balances                              | 17       | 485.33          | 465.45          |
| (e) Other current assets                                | 18       | 79.07           | 73.90           |
| (f) Short-term loans and advances                       | 19       | 201.30          | 6.94            |
| (g) Current income tax assets                           |          | 2.51            | 6.86            |
|   |          | <u>1,404.25</u> | <u>1,353.21</u> |
|   |          | <u>2,283.48</u> | <u>2,223.24</u> |
| Significant Accounting Policies                         | 2        |                 |                 |
| Accompanying Notes to the Financial Statements          | 27       |                 |                 |

### For and on behalf of the Board

In terms of our report attached  
For **Deloitte Haskins & Sells LLP**  
Chartered Accountants

**Sunil S Kothari**  
Partner

Date: May 15, 2015  
Place: Pune

**S Ramadorai**  
Chairman  
DIN: 00000002

**R Gopalakrishnan**  
Director  
DIN: 00027858

**S Venkateswarlu**  
Chief Financial Officer

Date: May 15, 2015  
Place: Mumbai

**P P Kadle**  
Director  
DIN: 00016814

**C Ramakrishnan**  
Director  
DIN: 00020076

**Falguni Nayar**  
Director  
DIN: 00003633

**Rakesh Makhija**  
Director  
DIN: 00117692

**Warren Harris**  
Managing Director  
DIN: 02098548

**Anubhav Kapoor**  
Company Secretary

## Statement of Consolidated Profit and Loss for the year ended March 31, 2015

(Amount in ₹ Crore)

| Particulars   | Note No | Year ended<br>March 31, 2015 | Year ended<br>March 31, 2014 |
|---|---------|------------------------------|------------------------------|
| <b>I. Revenue from operations</b>                           | 20      | 2,594.20                     | 2,344.45                     |
| <b>II. Other income</b>                                     | 21      | 50.03                        | 50.28                        |
| <b>III. Total Revenue (I + II)</b>                          |         | 2,644.23                     | 2,394.73                     |
| <b>IV. Expenses :</b>                                       |         |                              |                              |
| (a) Cost of traded products                                 | 22      | 437.97                       | 402.23                       |
| (b) Consultancy fees, softwares and others                  | 23      | 367.53                       | 367.47                       |
| (c) Employee benefits expense                               | 24      | 1,153.92                     | 1,055.21                     |
| (d) Finance costs   | 25      | 8.99                         | 7.66                         |
| (e) Depreciation and amortisation expense                   | 11 & 12 | 51.22                        | 48.11                        |
| (f) Other expenses  | 26      | 194.84                       | 176.48                       |
| <b>Total Expenses</b>                                       |         | 2,214.47                     | 2,057.16                     |
| <b>V. Profit before tax (III - IV)</b>                      |         | 429.76                       | 337.57                       |
| <b>VI. Tax Expense :</b>                                    |         |                              |                              |
| (a) Current tax   |         | 95.58                        | 72.15                        |
| (b) MAT Credit Entitlement                                  |         | (5.02)                       | -                            |
| (c) Deferred tax  |         | 5.13                         | (7.80)                       |
|   |         | 95.69                        | 64.35                        |
| <b>VII. Profit after tax (V - VI)</b>                       |         | 334.07                       | 273.22                       |
| <b>VIII. Earnings Per Equity Share : (Refer Note 27(i))</b> |         |                              |                              |
| (i) Basic   |         | 77.64                        | 63.51                        |
| (ii) Diluted  |         | 77.58                        | 63.48                        |
| Significant Accounting Policies                             | 2       |                              |                              |
| Accompanying Notes to the Financial Statements              | 27      |                              |                              |

### For and on behalf of the Board

In terms of our report attached  
For **Deloitte Haskins & Sells LLP**  
Chartered Accountants

**Sunil S Kothari**  
Partner

Date: May 15, 2015  
Place: Pune

**S Ramadorai**  
Chairman  
DIN: 00000002

**R Gopalakrishnan**  
Director  
DIN: 00027858

**S Venkateswarlu**  
Chief Financial  
Officer

Date: May 15, 2015  
Place: Mumbai

**P P Kadle**  
Director  
DIN: 00016814

**C Ramakrishnan**  
Director  
DIN: 00020076

**Falguni Nayar**  
Director  
DIN: 00003633

**Rakesh Makhija**  
Director  
DIN: 00117692

**Warren Harris**  
Managing Director  
DIN: 02098548

**Anubhav Kapoor**  
Company Secretary

## Consolidated Cash Flow Statement

(Amount in ₹ Crore)

| Consolidated Cash Flow Statement for the   | Year ended<br>March 31, 2015 | Year ended<br>March 31, 2014 |
|--|------------------------------|------------------------------|
| <b>CASH FLOW FROM OPERATING ACTIVITIES</b>   |                              |                              |
| Net profit after taxation  | 334.07                       | 273.22                       |
| Depreciation and amortization  | 51.22                        | 48.11                        |
| Disallowance of TDS abroad   | 0.23                         | 0.28                         |
| Provision for wealth taxes   | 0.01                         | 0.01                         |
| Provision for income tax   | 90.56                        | 72.15                        |
| Provision for deferred tax   | 5.13                         | (7.80)                       |
| Dividend income on investments   | (7.07)                       | (13.85)                      |
| (Profit)/Loss on sale of investments   | (7.11)                       | (4.74)                       |
| (Profit) / Loss on sale tangible and intangible fixed assets                             | (0.02)                       | 0.22                         |
| Finance cost   | 8.99                         | 7.66                         |
| Interest income  | (26.38)                      | (14.40)                      |
| Unrealised exchange loss / (gain)  | (0.90)                       | (2.15)                       |
| Effect of exchange differences on translation of foreign currency cash & cash equivalent | (4.33)                       | (0.23)                       |
| Allowances for doubtful debts  | 2.38                         | (6.99)                       |
| Operating profit before working capital changes  | <u>446.78</u>                | <u>351.49</u>                |
| <b>Adjustments for :</b>   |                              |                              |
| Income Accrued   |                              |                              |
| Inventories  | (0.75)                       | 0.07                         |
| Trade receivables  | (58.26)                      | 84.56                        |
| Other current assets   | (3.55)                       | 12.41                        |
| Short term loans and advances  | 2.13                         | 6.03                         |
| Long term loans and advances   | (9.33)                       | (7.77)                       |
| Trade payables   | (17.56)                      | (7.96)                       |
| Other current liabilities  | 11.68                        | 13.29                        |
| Short term provision   | (1.10)                       | 3.24                         |
| Long term provision  | (2.79)                       | 7.60                         |
| <b>CASH GENERATED FROM OPERATIONS</b>  | <u>367.25</u>                | <u>462.96</u>                |
| Income taxes paid (net)  | <u>(68.48)</u>               | <u>(98.77)</u>               |
| <b>NET CASH FLOW (USED IN)/GENERATED FROM OPERATING ACTIVITIES</b>                       | <u>298.77</u>                | <u>364.19</u>                |
| <b>CASH FLOW FROM INVESTING ACTIVITIES</b>   |                              |                              |
| Proceeds from sale of tangible and intangible fixed assets                               | 0.38                         | 0.30                         |
| Dividend received  | 0.42                         | 1.48                         |
| Income from sale of investment   | 7.08                         | 4.74                         |
| Interest received on bank deposit and others   | 3.08                         | 1.93                         |
| Payment for purchase of tangible and intangible fixed assets                             | (60.98)                      | (48.58)                      |
| Inter corporate deposits placed  | (1,080.90)                   | (926.60)                     |
| Inter corporate deposits refunded  | 884.40                       | 1,110.50                     |
| Loans to others  | (8.86)                       | (2.97)                       |
| Interest received from intercorporate deposit  | 21.30                        | 12.47                        |
| Purchase of mutual funds   | (668.13)                     | (1,758.02)                   |
| Sale of mutual funds   | 895.82                       | 1,552.43                     |
| Addition to fixed deposit with banks (net) having maturity over three months             | (165.52)                     | (2.93)                       |
| Repayment of fixed deposit with banks (net) having maturity over three months            | 5.99                         | 6.84                         |
| Acquisition of Cambric Holding Inc.  | -                            | (184.56)                     |
| <b>NET CASH FLOW (USED IN)/GENERATED FROM INVESTING ACTIVITIES</b>                       | <u>(165.92)</u>              | <u>(232.97)</u>              |
| <b>CASH FLOW FROM FINANCING ACTIVITIES</b>   |                              |                              |
| Interest paid  | (9.14)                       | (7.87)                       |
| Dividends paid (including dividend tax)  | (166.42)                     | (140.70)                     |
| Proceeds from short term borrowings  | 218.30                       | 302.90                       |
| Repayment of short term borrowings   | (220.49)                     | (252.45)                     |
| Proceeds from long term borrowings   | 231.05                       | 119.78                       |
| Repayment of long term borrowings  | (291.66)                     | (80.32)                      |
| <b>NET CASH FLOW (USED IN)/GENERATED FROM FINANCING ACTIVITIES</b>                       | <u>(238.36)</u>              | <u>(58.66)</u>               |
| <b>NET INCREASE / (DECREASE) IN CASH &amp; CASH EQUIVALENTS</b>                          | <u>(105.51)</u>              | <u>72.56</u>                 |
| Cash & Bank balances at the close of the year (Refer Note 17) #                          | 485.33                       | 465.45                       |
| Less: Bank deposits with original maturity over three months for the year                | 163.45                       | 3.93                         |
| Cash & Bank balances at the beginning of the year (Refer Note 17) #                      | 465.45                       | 306.16                       |
| Less: Bank deposits with original maturity over three months for the previous year       | 3.93                         | 7.83                         |
| Cash & cash equivalents of Cambric Holding Inc. as on the date of acquisition            | -                            | 40.51                        |
| Less: Effect of exchange rate changes on cash and cash equivalents                       | (4.33)                       | (0.23)                       |
| Add: Translation adjustment on cash & bank balances of foreign subsidiaries              | (20.16)                      | 50.21                        |
| Add: Translation adjustment on reserves of foreign subsidiaries                          | (18.30)                      | (0.32)                       |
|  | <u>(105.51)</u>              | <u>72.56</u>                 |
| <b># Cash &amp; Bank balances comprises :</b>  |                              |                              |
| <b>a) Cash and Cash Equivalents</b>  |                              |                              |
| Cash on hand   | 0.04                         | 0.04                         |
| Cheques, drafts on hand / funds in transit   | 3.39                         | 36.74                        |
| Current account with banks   | 307.86                       | 414.31                       |
| Bank deposits less than 3 months maturity  | 9.14                         | 9.35                         |
| <b>b) Other bank balances (with more than 3 months but less than 12 months maturity)</b> |                              |                              |
| Earmarked balance with banks   | 1.37                         | 1.04                         |
| Bank deposits  | 163.16                       | 3.63                         |
| Pledged/lien with banks  | -                            | 0.27                         |
| <b>c) Other bank balances (with more than 12 months maturity)</b>                        |                              |                              |
| Pledged/lien with banks  | 0.30                         | 0.03                         |
| Bank deposits  | 0.07                         | 0.04                         |
|  | <u>485.33</u>                | <u>465.45</u>                |

In terms of our report attached  
For **Deloitte Haskins & Sells LLP**  
Chartered Accountants

**Sunil S Kothari**  
Partner

Date: May 15, 2015  
Place: Pune

### For and on behalf of the Board

**S Ramadorai**  
Chairman  
DIN: 00000002

**R Gopalakrishnan**  
Director  
DIN: 00027858

**S Venkateswarlu**  
Chief Financial Officer

**P P Kadle**  
Director  
DIN: 00016814

**C Ramakrishnan**  
Director  
DIN: 00020076

**Falguni Nayar**  
Director  
DIN: 00003633

**Rakesh Makhija**  
Director  
DIN: 00117692

**Warren Harris**  
Managing Director  
DIN: 02098548

**Anubhav Kapoor**  
Company Secretary

## Notes forming part of Consolidated Financial Statements

### Note 1

#### Company Overview

TATA Technologies Limited ("TTL or the Company") was incorporated on August 22, 1994 as a Private Limited Company in the name of Core Software Systems Private Limited. The name of the Company was subsequently changed to Tata Technologies (India) Limited. On February 8, 2001, the Company changed its name from Tata Technologies (India) Limited to Tata Technologies Limited. The Company's range of services includes IT Consultancy, SAP implementation and maintenance, providing networking solutions, CAD/CAM engineering & design consultancy. The Company is headquartered in Pune, India. The Company has five branches located at Mumbai, Lucknow, Jamshedpur, Bangalore, and Chennai that enables it to provide high quality, cost-effective services to clients.

During October 2005, the Company incorporated a wholly owned subsidiary in Thailand to cater the need of automotive companies in Thailand and South East Asian countries. Also during October 2005 the Company acquired, through its subsidiary, 100% equity of INCAT International Plc., UK which had various subsidiaries in US, Europe, Japan and Singapore. A reorganization of various entities under INCAT was undertaken, to have a single representative legal entity in each country in which the Company operates, to improve operational efficiency. The Company now has a global presence, through its subsidiaries, in US, UK, Germany, Mexico, Canada, Singapore, South Korea, Netherlands, Thailand and China.

In December, 2005, the Company acquired 100% stake in Tata Technologies Pte Ltd. a Singapore based Company.

In October 2006, the Company sold its 100% equity stake in Tata Technologies (Thailand) Ltd. to its wholly owned subsidiary viz. Tata Technologies Pte Ltd., Singapore at a value determined by an independent valuer.

During May 2013 the group acquired US based engineering services company - Cambric Holdings Inc. The Group has also set up a wholly owned subsidiary in China in March-2014.

The Company provides Engineering and Design services (E&D) and Product Lifecycle Management (PLM) products and services, primarily to manufacturers and their suppliers in the international automotive, aerospace and engineering markets. The offshore capabilities of the Company in the field of engineering automation services combined with the high-end onshore strengths of subsidiaries are expected to offer a strong and seamless onshore/offshore delivery capability to the international customers in the automotive, aerospace and engineering industries.

### Note 2

#### Significant Accounting Policies

**a. Basis of consolidation**

The consolidated financial statements relate to the Company, its subsidiary companies and joint venture. The Company, its subsidiaries and joint venture constitute the Group.

**b. Basis of accounting**

The consolidated financial statements of the Company and its subsidiaries and jointly controlled entities (together the 'Group') 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 the Companies Act, 2013, read with Rule 7 of the Companies (Accounts) Rules, 2014 and the relevant provisions of the Companies Act, 2013 ("the 2013 Act") / Companies Act, 1956 ("the 1956 Act"), as applicable. The consolidated financial statements have been prepared on accrual basis under the historical cost convention. The accounting policies adopted in the preparation of the consolidated financial statements are consistent with those followed in the previous year.

**c. Principles of consolidation**

The consolidated financial statements have been prepared on the following basis-

- a) The consolidated financial statements are prepared in accordance with the principles and procedures required for the preparation and presentation of consolidated financial statements as laid down under the Accounting Standard on Consolidated Financial Statements issued under Companies (Accounting Standards) Rules, 2006.
- b) The financial statements of the Company and its subsidiary companies have been combined on a line by line basis by adding together like items of assets, liabilities, income and expenses. The intra-group balances and intra-group transactions and unrealized profits or losses have been fully eliminated. The consolidated financial statements are prepared by applying uniform accounting policies in use at the Group.
- c) The excess of cost to the Company of its investments in the subsidiary companies over its share of equity of the subsidiary companies, at the dates on which the investments in the subsidiary companies are made, is recognized as 'Goodwill' being an asset in the consolidated financial statements. Alternatively, where the share of equity in the subsidiary companies as on the date of investment is in excess of cost of investment of the Company, it is recognized as 'Capital Reserve' and shown under the head 'Reserves and Surplus'; in the consolidated financial statements.
- d) Minority interest in the net assets of consolidated subsidiaries consists of the amount of equity attributable to the minority shareholders at the dates on which investments are made by the Company in the subsidiary companies and further movements in their share in the equity, subsequent to the dates of investments as stated above.
- e) For the purpose of consolidation, the financial statements of foreign subsidiaries have been translated into its immediate parent companies currency and the same has been on the following basis:
  - All income and expenses items are converted at the average rate of exchange applicable for the year. All assets and liabilities are translated at the closing rate as on the balance sheet date. The resulting exchange differences on account of translation at the year end are transferred to translation reserve.
- f) The financial statements of the joint venture company has been combined by using proportionate consolidation method and accordingly, venturer's share of each of the assets, liabilities, income and expenses of jointly controlled entity is reported as separate line item in the consolidated financial statements.

**d. Subsidiary and joint venture Companies considered in the consolidated financial statements:**

The following subsidiary companies are considered in the consolidated financial statements

| Sr. No | Name of the Subsidiary Company  | Country of Incorporation | % of holding either directly or through subsidiary as at |                |
|--------|---|--------------------------|--|----------------|
|        |   |                          | March 31, 2015   | March 31, 2014 |
|        | <b>Direct Subsidiary</b>  |                          |  |                |
| 1      | TATA Technologies Pte. Ltd.   | Singapore                | 100  | 100            |
|        | <b>Indirect Subsidiaries</b>  |                          |  |                |
| 2      | Tata Technologies (Thailand) Limited  | Thailand                 | 100  | 100            |
| 3      | Cambric Manufacturing Technologies (Shanghai) Co. Ltd.  | China                    | 100  | 100            |
| 4      | INCAT International Plc.  | UK                       | 100  | 100            |
| 5      | Tata Technologies Europe Limited  | UK                       | 100  | 100            |
| 6      | INCAT GmbH (in process of liquidation)  | Germany                  | 100  | 100            |
| 7      | Tata Technologies Inc. ** ###   | USA                      | 99.81  | 99.24          |
| 8      | Tata Technologies (Canada) Inc. **  | Canada                   | 99.81  | 99.24          |
| 9      | Tata Technologies de Mexico, S.A. de C.V **   | Mexico                   | 99.81  | 99.24          |
| 10     | Cambric Holdings Inc. ##  | Delaware, USA            | 100  | 100            |
| 11     | Cambric Corporation, Delaware ##  | Delaware, USA            | 100  | 100            |
| 12     | Cambric Limited, Bahama ##  | Bahama, USA              | 100  | 100            |
| 13     | Cambric UK Ltd. ##  | UK                       | 100  | 100            |
| 14     | Cambric Managed Services, Utah ## (Dissolved w.e.f. September 29, 2014)                                 | Utah, USA                | 100  | 100            |
| 15     | Cambric GmbH ##   | Germany                  | 100  | 100            |
| 16     | Midwest Managed Services, Utah ##   | Utah, USA                | 100  | 100            |
| 17     | Tata Technologies SRL, Romania ## (erstwhile Cambric Consulting SRL was renamed w.e.f February 4, 2015) | Romania                  | 100  | 100            |

\*\* For these subsidiaries though the holding is 99.81 %, the indirect voting power is 100%.

## Due to acquisition of Cambric Holdings Inc., these subsidiaries have become indirect subsidiaries of the Company w.e.f. May 01, 2013. Effective from January 1, 2015 Cambric Corporation Delaware has been merged with Cambric Holdings Inc., which inturn has been merged with Tata Technologies Inc.

### Became subsidiary of Tata Technologies Europe Limited w.e.f. March 20, 2015

**e. The following joint venture company is considered in the consolidated financial statements:**

| Sr. no | Name of the Joint Venture Company | Country of Incorporation | % of holding either directly or through subsidiary as at |                |
|--------|-----------------------------------|--------------------------|--|----------------|
|        |                                   |                          | March 31, 2015   | March 31, 2014 |
| 1      | TATA HAL Technologies Limited     | India                    | 50   | 50             |

**f. Conversion into Indian Rupees**

For the purpose of consolidation, the financial statements of foreign subsidiaries have been translated into its immediate parent companies currency and the same has been on the following basis:

All income and expenses items are converted at the average rate of exchange applicable for the period. All assets and liabilities are translated at the closing rate as on the balance sheet date. The resulting exchange differences on account of translation at the period end are transferred to translation reserve.

**g. Use of Estimates**

The preparation of the financial statements in conformity with GAAP requires the management of the Company (Management) to make estimates and assumptions that affect the reported amounts of revenue and expenses during the year and balances of assets and liabilities and disclosures relating to contingent

liabilities as at the date of financial statements.

Provisions are made for all known losses and liabilities, future unforeseeable factors that may affect the profit on fixed price service contracts and also towards likely expenses for providing post-sales client support on such contracts.

**h. 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 in which services are rendered.

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.

**i. Fixed assets**

Tangible 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. Capital work in progress and Intangible assets in progress comprises the cost of fixed assets that are not yet ready for their intended use at the reporting date. Intangible assets are recorded at the consideration paid for acquisition of such assets and are carried at cost less accumulated amortization and impairment.

Software not exceeding ₹ 25,000 is charged off to the Statement of Profit & Loss. Acquired goodwill is carried at cost and assessed for impairment at each year end.

**j. Depreciation/amortisation**

Depreciation/amortisation is provided on Straight Line Method (SLM) over the estimated useful lives of the assets. Estimated useful lives of assets are as follows:

| Type of Asset           | Useful life    |
|-------------------------|----------------|
| Leasehold land          | Lease period   |
| lease hold improvements | Lease period   |
| IT equipment on lease   | Lease period   |
| Buildings               | 15 to 25 years |
| Plant and machinery     | 1 to 21 years  |
| Computer equipment's    | 1 to 4 years   |
| Vehicles                | 3 to 11 years  |
| Furniture & fixtures    | 1 to 21 years  |
| Software                | 1 to 4 years   |

Depreciation/amortisation on additions to Fixed Assets is provided from the month of acquisition of the Asset. Depreciation/amortisation 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/amortisation on assets individually costing less than ₹ 5,000 in the year of purchase.

**k. 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.

**l. Foreign Currency transactions and translations of foreign operations**

Income and expenses in foreign currencies are recorded at the exchange rates prevailing on the date of the transaction.

Monetary current assets and current liabilities that are denominated in foreign currency translated at the exchange rates prevalent as at the Balance Sheet date and the profit / loss so determined and also the realized exchange gains / losses are recognized in the Statement of Profit & Loss.

Any profit or loss arising on cancellation or renewal of such a forward exchange contract is recognised as income or as expense in the period in which such cancellation or renewal is made.

All foreign operations have been identified as non-integral to the operations of the Company. The translations of functional currency into reporting currency is performed for balance sheet accounts using the exchange rates in effect at the balance sheet date and for the revenue and expense accounts using appropriate average exchange rates for the respective periods. The gains or losses resulting from such translations are accumulated in a foreign currency translation reserve.

Premium or discount on forward contracts is amortised over the life of such contract and is recognized as income or expense in the Statement of Profit & Loss.

**m. Investments**

Investments are classified into current investments and long term investments.

Current investments are carried at lower of cost and market value. Any reduction in carrying amount and reversals of such reductions are charged or credited to the Statement of Profit and Loss.

Long term investments are stated at cost less provision for diminution in the value of such investments. Diminution in value is provided for where the management is of the opinion that the diminution is other than temporary in nature.

**n. 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 Statement of Profit & Loss.

**o. Inventories**

Inventories comprising of traded software and hardware products are valued at lower of cost or net realizable value.

**p. Employee Benefits**

**(i) Gratuity**

The Company has an obligation towards gratuity, a defined benefit retirement plan covering eligible employees. The plan provides for a lump sum payment to vested employees at retirement, death while in employment or on termination of employment of an amount equivalent to 15 to 30 days salary payable for each completed year of service. Vesting occurs upon completion of five years of service. The Company makes annual contributions to gratuity fund established as trust. The Company accounts for the liability for gratuity benefits payable in future based on independent actuarial valuation as on Balance Sheet date.

**(ii) Superannuation**

The Company has two superannuation plans, a defined benefit plan and a defined contribution plan. An eligible employee on April 1, 1996 could elect to be member of either plan.

Employees who are the members of the defined benefit superannuation plan are entitled to benefits depending on the years of service and salary drawn. The monthly pension benefits after retirement range from 0.75% to 2% of the annual basic salary for each year of service. The Company account for superannuation benefits payable in future under the plan based on an estimated basis for the period end and on the independent actuarial valuation at the year end.

With effect from April 1, 2003, this plan was amended and benefits earned by covered employees have been protected as at March 31, 2003. Employees covered by this plan are prospectively entitled to benefits computed on a basis that ensures that the annual cost of providing the pension benefits would not exceed 15% of salary.

The Company maintains separate irrevocable trusts for employees covered and entitled to benefits. The Company contributes up to 15% of the eligible employees' salary to the trust every year. Such contributions are recognized as an expense when incurred. The Company has no further obligation beyond this contribution.

**(iii) Bhavishya Kalyan Yojana (BKY)**

Bhavishya Kalyan Yojana is an unfunded defined benefit plan. The benefits of the plan accrue to an eligible employee at the time of death or permanent disablement, while in service, either as a result of an injury or as certified by the appropriate authority. The monthly payment to dependents of the deceased /disabled employee under the plan equals 50% of the salary drawn at the time of death or accident or a specified amount, whichever is higher. The Company accounts for the liability for BKY benefits payable based on the independent actuarial valuation as on the Balance Sheet date.

**(iv) Post-retirement Medicare Scheme**

Under this Scheme employees get medical benefits subject to certain limits of amount, periods after retirement and types of benefits, depending on their grade and location at the time of retirement. The Company account for the liability for post-retirement medical scheme based on the independent actuarial valuation as on the Balance Sheet date.

**(v) Provident Fund**

The eligible employees of the Company are entitled to receive benefits under the provident fund, a defined contribution plan, in which both employees and the company make monthly contributions at a specified percentage of the covered employees' salary (currently 12% of employees' salary). The provident fund contributions, as specified under the law, are paid to the provident fund set up as irrevocable trust by the

Company and pension amount is paid to Regional Provident Fund Commissioner and the Central Provident Fund under the State Pension Scheme. The contributions paid during the period are charged to Statement of Profit and Loss.

**(vi) Compensated absences**

The Company provides for the 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 number of days of unutilized leave at each balance sheet date based on an estimated basis for the period end and on the independent actuarial valuation at the year end.

The subsidiaries of the company have no defined benefit schemes and the information mentioned above is with respect to Tata Technologies Limited on a standalone basis only.

**q. Taxation**

Current income tax expense comprises taxes on income from operations in India and foreign tax jurisdictions. Income tax payable in India is determined in accordance with the provisions of Income Tax Act, 1961. Tax expense relating to overseas operations 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.

Minimum Alternate Tax (MAT) paid in accordance with the tax laws, which gives future economic benefits in the form of adjustment to future income tax liability, is considered as an asset if there is convincing evidence that the Company will pay normal income tax. Accordingly, MAT is recognised as an asset in the Balance Sheet when it is highly probable that future economic benefit associated with it will flow to the Company.

Deferred tax assets in respect of unabsorbed depreciation and carry forward of losses are recognized 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 to the extent that there is reasonable certainty that future taxable income will be available to realize these assets.

**r. Employee Stock Options \Employee Stock Purchase Program:**

In accordance with the Employee Stock Option Scheme and Employee Stock Purchase Scheme Guidelines, 1999 issued by Securities and Exchange Board of India (SEBI), the Company introduced Employee Stock Option Plan 2001 (TTESOP 2001) in 2000-01. As per the Plan, the options were granted at fair value as determined by an independent valuer as on the date of the grant and hence no compensation cost has been recognized.

The Company has also introduced Employee Stock Purchase Program offering to select employees, to purchase shares of the Company held by 'Tata Technologies Limited \_ Employee Stock Option Trust'. As per the plan the shares are offered at the fair value as determined by an independent valuer and hence no compensation cost has been recognized.

**s. Earnings per share**

The earnings considered in ascertaining the Company's earnings per share comprise the net profit after tax and include the post-tax effect of any extra-ordinary items. The number of shares used in computing basic earnings per share, is the weighted average number of shares outstanding during the year. The number of shares used in computing diluted earnings per share comprises the shares considered for deriving basic earnings per share and also number of equity shares that could have been issued on the conversion of all dilutive potential equity shares.

**t. 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.

**u. Provisions, contingent liabilities and contingent assets**

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

**NOTE -3**

(Amount in ₹ Crore)

| Particulars   | As at<br>March 31, 2015 | As at<br>March 31, 2014 |
|---|-------------------------|-------------------------|
| <b>SHARE CAPITAL</b>  |                         |                         |
| <b>Authorised :</b>   |                         |                         |
| 60,000,000 equity shares of ₹ 10/- each<br>(P.Y. 60,000,000 equity shares of ₹ 10/- each)   | 60.00                   | 60.00                   |
| 700,000 0.01% Cumulative Non-participative Compulsorily<br>convertible Preference Shares<br>of ₹ 10/- each (P.Y. 700,000 0.01% Cumulative Non-participative Compulsorily<br>Convertible Preference Shares of ₹ 10/- each) | 0.70                    | 0.70                    |
|   | <u>60.70</u>            | <u>60.70</u>            |
| <b>Issued, subscribed and fully paid :</b>  |                         |                         |
| 43,024,638 equity shares of ₹ 10/- each<br>(P.Y. 43,024,138 equity shares of ₹ 10/- each)   | 43.02                   | 43.02                   |
|   | <u>43.02</u>            | <u>43.02</u>            |

## Notes forming part of Consolidated Financial Statements

**Note 3(i) Reconciliation of number of shares and amount outstanding at the beginning and at the end of the reporting periods :**

| Particulars                           | As at March 31, 2015 |                   | As at March 31, 2014 |                   |
|---------------------------------------|----------------------|-------------------|----------------------|-------------------|
|                                       | No. of Shares        | Amount in ₹ crore | No. of Shares        | Amount in ₹ crore |
| <b>Equity shares</b>                  |                      |                   |                      |                   |
| Number of shares as at April 1, 2014  | 43,024,138           | 43.02             | 43,023,538           | 43.02             |
| Add: Shares issued under ESOP scheme  | 500                  | 0.00              | 600                  | 0.00              |
| Number of shares as at March 31, 2015 | 43,024,638           | 43.02             | 43,024,138           | 43.02             |

**Note 3(ii) Shares in the Company held by each shareholder holding more than 5 percent shares**

| Particulars                              | As at March 31, 2015 |           | As at March 31, 2014 |           |
|--|----------------------|-----------|----------------------|-----------|
|  | No. of Shares        | % Holding | No. of Shares        | % Holding |
| <b>Equity Shares</b>                     |                      |           |                      |           |
| (a) Tata Motors Limited (Parent Company) | 30,300,600           | 70.43     | 30,300,600           | 70.43     |
| (b) Alpha TC Holdings Pte Ltd.           | 3,746,505            | 8.71      | 3,746,505            | 8.71      |
|  | 34,047,105           | 79.14     | 34,047,105           | 79.14     |

**Note 3(iii) Equity shares of ₹ 10/- each allocated towards employee stock options granted/available for grant as at March 31, 2015 - 60,171 shares (60,671 shares as at March 31, 2014).**

**Note 3(iv) Option activity during the year under the plan is given as below**

| Number of options granted, exercised and forfeited                  | As at March 31, 2015 | As at March 31, 2014 |
|---|----------------------|----------------------|
| Options granted, beginning of the year                              | 14,051               | 14,651               |
| Granted during the year   | 30,000               | NIL                  |
| Exercised during the year   | (500)                | (600)                |
| Forfeited during the year   | (10,250)             | NIL                  |
| Expired during the year   | NIL                  | NIL                  |
| Option exercisable at the year end                                  | 33,301               | 14,051               |
| Weighted average remaining contractual life (years) at the year end | ₹ 645                | ₹ 607                |

During the year on March 31, 2015, the Compensation Committee of the Board of Directors Company has granted 30,000 options to the eligible employees. The options vest over 4-5 years and are exercisable during a maximum period of 11 years from the date of vesting. In terms of the ESOP plan, the options are granted at the exercise price equivalent to the fair value of the underlying shares. The Company has accounted the above options using the intrinsic value method and thus there is no amount charged to the statement of profit and loss.

The guidance note issued by the ICAI requires the disclosure of pro forma net results and EPS both basic & diluted, had the Company adopted the fair value method. Had the Company accounted these options under

## Notes forming part of Consolidated Financial Statements

fair value method, amortising the stock compensation expense there on over the vesting period, considering that the options are granted on March 31, 2015, the impact on the reported profit and the basic and diluted EPS for the year ended March 31, 2015 is insignificant.

The fair value of the stock option is calculated through the use of option pricing models, requiring subjective assumptions which greatly affect the calculated values. The said fair value of the options have been calculated using Black-Scholes option pricing model, considering the expected term of the options to be 4 & 5 years, an expected dividend rate of 3.88% on the underlying equity shares, a risk free rate of 7.81% and volatility in the share price of 37.5% since the company being closely held and its shares not being freely traded. The Company's calculations are based on a single option valuation approach, and forfeitures are recognized as they occur.

**Note 3 (v)** The Company has only one class of shares having par value of ₹ 10/- per share. Each holder of equity share is entitled to one vote per share and in the event of liquidation, has rights proportionate to their shareholdings over the residual assets after paying out all the liabilities.

### Note 4

#### RESERVES AND SURPLUS

(Amount in ₹ Crore)

| Particulars |   | As at<br>March 31,<br>2014 | Additions     | Deductions    | As at<br>March 31,<br>2015 |
|-------------|---|----------------------------|---------------|---------------|----------------------------|
| (a)         | Securities Premium Account [Note 4 (iv)]                            | 350.50                     | 0.01          | -             | 350.51                     |
| (b)         | Capital Reserve   | 0.63                       | -             | -             | 0.63                       |
| (c)         | Translation Reserves  | 127.90                     | -             | 62.72         | 65.18                      |
| (d)         | General Reserve [Note 4 (i)]  | 90.83                      | 21.00         | -             | 111.83                     |
| (e)         | Legal Reserve [Note 4 (ii)]   | 0.33                       | 0.11          | -             | 0.44                       |
| (f)         | Surplus i.e. balance in statement of Profit and Loss [Note 4 (iii)] | 567.43                     | 334.07        | 407.95        | 493.55                     |
|             |   | <u>1,137.62</u>            | <u>355.19</u> | <u>470.67</u> | <u>1,022.14</u>            |

#### Note 4(i) Changes in General Reserve :

(Amount in ₹ Crore)

| Particulars                                       | 2014-15      |            | 2013-14      |            |
|---|--------------|------------|--------------|------------|
|   | Additions    | Deductions | Additions    | Deductions |
| (a) Transferred from Statement of Profit and Loss | 21.00        | -          | 21.00        | -          |
|   | <u>21.00</u> | <u>-</u>   | <u>21.00</u> | <u>-</u>   |

## Notes forming part of Consolidated Financial Statements

### Note 4(ii) Changes in Legal Reserve :

(Amount in ₹ Crore)

| Particulars   | 2014-15     |            | 2013-14     |            |
|---|-------------|------------|-------------|------------|
|   | Additions   | Deductions | Additions   | Deductions |
| (a) Legal Reserve on acquisition of Cambric Holdings Inc. | -           | -          | 0.23        | -          |
| (b) Transferred from current year's Retained earnings     | 0.11        | -          | 0.10        | -          |
|   | <u>0.11</u> | <u>-</u>   | <u>0.33</u> | <u>-</u>   |

### Note 4(iii) Changes in Statement of Profit and Loss :

(Amount in ₹ Crore)

| Particulars                        | 2014-15       |               | 2013-14       |               |
|------------------------------------|---------------|---------------|---------------|---------------|
|                                    | Additions     | Deductions    | Additions     | Deductions    |
| (a) Profit for the year            | 334.07        | -             | 273.22        | -             |
| (b) Final Dividend                 | -             | 258.15        | -             | 77.44         |
| (c) Interim Dividend               | -             | 64.53         | -             | 51.64         |
| (d) Tax on Final Dividend          | -             | 52.55         | -             | 13.69         |
| (e) Tax on Interim Dividend        | -             | 11.61         | -             | 8.77          |
| (f) Transferred to General Reserve | -             | 21.00         | -             | 21.00         |
| (g) Transferred to Legal Reserve   | -             | 0.11          | -             | 0.10          |
|                                    | <u>334.07</u> | <u>407.95</u> | <u>273.22</u> | <u>172.64</u> |

### Note 4 (iv)

During 2010, based on the approval of Shareholders of the Company at the Extra-Ordinary General Meeting held on March 5, 2010 and the Order of the Honourable High Court of Judicature at Mumbai dated April 16, 2010, the Company had utilized balance in the securities premium account to the tune of ₹ 46.66 Crore towards one time charges/cost (including change in accounting policy for provision for doubtful debts) incurred by the Company and its subsidiary companies. The amounts relating to the Company amounting to ₹ 17.32 Crore had been adjusted to the Securities Premium Account. An amount of ₹ 29.34 Crore equivalent to the total amount of adjustments relating to the subsidiaries had been identified and segregated from the balance in the Securities Premium Account for adjustment on consolidation. Of this total adjustment made, ₹ 1.58 Crore and ₹ 16.58 Crore related to provision for doubtful debts of the Company and its subsidiary companies respectively on account of change in accounting with regard to provision for doubtful debts.

During the year ended March 31, 2015, the Company and its subsidiary companies have received amounts aggregating to ₹ 0.01 crore (₹ Nil for the year ended March 31, 2014) against the balances adjusted in the Securities Premium Account as above. Consequently, such excess provisions for doubtful debts on account of the said collections have been written back to the Securities Premium Account.

Since realisation of doubtful debts provided for the adjustments above upto March 31, 2015 amounted to ₹ 6.18 Crore relating to the subsidiaries. Accordingly, balance amount of ₹ 23.16 Crore relating to the subsidiaries is continued to be disclosed separately as securities premium account for adjustment on consolidation.

## Notes forming part of Consolidated Financial Statements

### Note 5

(Amount in ₹ Crore)

| Particulars  | As at<br>March 31, 2015 | As at<br>March 31, 2014 |
|--|-------------------------|-------------------------|
| <b>LONG TERM BORROWINGS</b>  |                         |                         |
| <b>(A) Secured</b>   |                         |                         |
| <b>a) Banks</b>  |                         |                         |
| (i) Loan from Banks  |                         |                         |
| Citi Bank  | -                       | 79.85                   |
| <b>b) Others</b>   |                         |                         |
| (i) Long term maturity of finance lease obligations (Refer Note 5 (i)) #<br>(Secured against fixed assets obtained under finance arrangements) | -                       | 0.05                    |
|  | <u>-</u>                | <u>79.90</u>            |
|  | (A)                     | (A)                     |
| Notes: # Terms of repayment - Equated Quarterly Installment  |                         |                         |
| <b>(B) Unsecured</b>   |                         |                         |
| <b>a) Banks</b>  |                         |                         |
| (i) Term Loan From Banks   |                         |                         |
| Bank of America #  | 154.14                  | 119.78                  |
| Terms of repayment - Current Year - Equated Quarterly Installment<br>(P.Y April 30, 2016)  |                         |                         |
|  | <u>154.14</u>           | <u>119.78</u>           |
|  | (B)                     | (B)                     |
|  | <u>154.14</u>           | <u>199.68</u>           |

### Note 5(i) Long term maturity of finance lease obligations

(Amount in ₹ Crore)

| Particulars                                       | As at<br>March 31, 2015 | As at<br>March 31, 2014 |
|---|-------------------------|-------------------------|
| <b>Total of Minimum lease payments</b>            |                         |                         |
| Not later than one year                           | 0.05                    | 0.10                    |
| Later than one year and not later than five years | -                       | 0.05                    |
|   | <u>0.05</u>             | <u>0.15</u>             |
| Less: Interest                                    | -                       | 0.01                    |
|   | <u>0.05</u>             | <u>0.14</u>             |
| Present Value of Minimum lease payments           |                         |                         |
| Not later than one year                           | 0.05                    | 0.09                    |
| Later than one year and not later than five years | -                       | 0.05                    |
|   | <u>0.05</u>             | <u>0.14</u>             |

The company has entered into finance lease arrangements for servers.

## Notes forming part of Consolidated Financial Statements

### Note 6

(Amount in ₹ Crore)

| Particulars  | As at<br>March 31, 2015 | As at<br>March 31, 2014 |
|--|-------------------------|-------------------------|
| <b>DEFERRED TAX ASSET / (LIABILITIES) (NET)</b>                                |                         |                         |
| <b>Tax effect of items constituting deferred tax liabilities :</b>             |                         |                         |
| On difference between book balance and tax balance of fixed assets             | 10.38                   | 8.99                    |
| Others   | (0.36)                  | 0.43                    |
| Sub-total  | 10.02                   | 9.42                    |
| <b>Deferred tax assets:</b>  |                         |                         |
| Depreciation in excess of capital allowances                                   | 5.46                    | 2.10                    |
| Provision for expenses disallowed under section 43B of The Income Tax Act,1961 | 5.90                    | 4.36                    |
| Others   | 4.70                    | 13.86                   |
| Sub-total  | 16.06                   | 20.32                   |
| <b>Deferred Tax Asset (Net)</b>  | 6.04                    | 10.90                   |

The Components of deferred tax assets (DTA) / deferred tax liabilities (DTL) referred above have been aggregated based on the nature of items across various tax jurisdictions. For the purpose of Balance Sheet disclosure such aggregation has not been made. The break up of the same is as follows:

|  |        |        |
|--|--------|--------|
| Deferred tax liabilities                     | (4.22) | (3.44) |
| Deferred tax assets                          | 10.26  | 14.34  |
| <b>Deferred Tax Asset /(Liabilities) Net</b> | 6.04   | 10.90  |

### Note 7

(Amount in ₹ Crore)

| Particulars   | As at<br>March 31, 2015 | As at<br>March 31, 2014 |
|---|-------------------------|-------------------------|
| <b>LONG - TERM PROVISIONS</b>                                 |                         |                         |
| (a) Provision for Employee Benefits (Refer Note 7(i) & 7(ii)) | 14.96                   | 11.61                   |
| (b) Other Long term Liabilities                               | -                       | 0.20                    |
|   | 14.96                   | 11.81                   |

**Notes forming part of Consolidated Financial Statements**

(Amount in ₹Crore)

|             | Gratuity  |               |               |              |              | Superannuation |               |             |               |               | Compensated absences |               |               |               |               | Post-retirement/Medicare scheme |               |               |               |               | BKY           |               |               |               |               |               |     |
|-------------|---|---------------|---------------|--------------|--------------|----------------|---------------|-------------|---------------|---------------|----------------------|---------------|---------------|---------------|---------------|---------------------------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|-----|
|             | 2015  | 2014          | 2013          | 2012         | 2011         | 2015           | 2014          | 2013        | 2012          | 2011          | 2015                 | 2014          | 2013          | 2012          | 2011          | 2015                            | 2014          | 2013          | 2012          | 2011          | 2015          | 2014          | 2013          | 2012          | 2011          |               |     |
| <b>i</b>    | <b>Defined benefits plans / long term compensated absences as per actuarial valuations as on March 31, 2015</b> |               |               |              |              |                |               |             |               |               |                      |               |               |               |               |                                 |               |               |               |               |               |               |               |               |               |               |     |
|             | <b>Components of employer expense</b>   |               |               |              |              |                |               |             |               |               |                      |               |               |               |               |                                 |               |               |               |               |               |               |               |               |               |               |     |
|             | Employer Service cost   | 3.22          | 2.71          | 2.30         | 2.25         | 1.34           | 0.24          | 0.25        | 0.25          | 0.24          | 0.20                 | 1.43          | 1.52          | 1.20          | 0.88          | 0.60                            | 0.95          | 0.69          | 0.11          | 0.08          | 0.19          | 0.30          | 0.31          | 0.24          | 0.16          | 0.09          |     |
|             | Interest cost   | 2.44          | 1.77          | 1.52         | 1.16         | 0.92           | 0.42          | 0.39        | 0.37          | 0.35          | 0.33                 | 0.49          | 0.36          | 0.35          | 0.29          | 0.28                            | 0.32          | 0.22          | 0.16          | 0.17          | 0.17          | 0.19          | 0.14          | 0.12          | 0.09          | 0.06          |     |
|             | Expected return on plan assets  | (1.90)        | (1.75)        | (1.66)       | (1.25)       | (0.88)         | (0.54)        | (0.49)      | (0.41)        | (0.41)        | (0.41)               | -             | -             | -             | -             | -                               | -             | -             | -             | -             | -             | -             | -             | -             | -             | -             |     |
|             | Actuarial Losses/(Gains)  | 0.47          | 3.42          | 0.34         | 2.84         | 1.71           | (0.61)        | 0.07        | (0.78)        | 0.51          | 0.35                 | 0.62          | 0.93          | 0.36          | 1.05          | 0.94                            | 2.10          | 0.10          | 0.67          | (0.17)        | (0.31)        | 0.21          | 0.02          | (0.08)        | 0.21          | 0.28          |     |
|             | <b>Total expense / (income) recognised in the Statement of Profit &amp; Loss</b>                                | <b>4.23</b>   | <b>6.15</b>   | <b>2.50</b>  | <b>5.00</b>  | <b>3.10</b>    | <b>(0.49)</b> | <b>0.22</b> | <b>(0.57)</b> | <b>0.69</b>   | <b>0.47</b>          | <b>2.54</b>   | <b>2.81</b>   | <b>1.91</b>   | <b>2.22</b>   | <b>1.82</b>                     | <b>3.37</b>   | <b>1.01</b>   | <b>0.94</b>   | <b>0.07</b>   | <b>0.05</b>   | <b>0.70</b>   | <b>0.47</b>   | <b>0.28</b>   | <b>0.46</b>   | <b>0.44</b>   |     |
| <b>ii</b>   | <b>Actual Contribution and Benefit Payments</b>   |               |               |              |              |                |               |             |               |               |                      |               |               |               |               |                                 |               |               |               |               |               |               |               |               |               |               |     |
|             | Actual benefit payments   | 2.84          | 1.35          | 1.16         | 1.39         | 2.52           | -             | 0.14        | 0.19          | -             | 0.82                 | 1.77          | 1.84          | 1.60          | 1.42          | 1.89                            | 0.22          | 0.15          | 0.17          | 0.12          | 0.08          | 0.06          | 0.06          | 0.06          | 0.07          | 0.06          |     |
|             | Actual Contributions  | 6.47          | (1.05)        | 1.77         | 9.91         | -              | 0.24          | 0.24        | 0.25          | 0.24          | 0.20                 | 1.77          | 1.84          | 1.60          | 1.42          | 1.87                            | 0.22          | 0.15          | 0.17          | 0.11          | 0.09          | 0.06          | 0.06          | 0.06          | 0.07          | 0.07          |     |
| <b>iii</b>  | <b>Net asset/(liability) recognised in balance sheet</b>  |               |               |              |              |                |               |             |               |               |                      |               |               |               |               |                                 |               |               |               |               |               |               |               |               |               |               |     |
|             | Present Value of Defined Benefit Obligation   | 34.41         | 27.94         | 21.89        | 18.44        | 14.37          | 6.83          | 6.40        | 5.85          | 5.61          | 5.17                 | 6.96          | 6.19          | 5.22          | 4.92          | 4.14                            | 6.76          | 3.61          | 2.74          | 1.97          | 2.01          | 2.77          | 2.13          | 1.72          | 1.50          | 1.11          |     |
|             | Fair value of plan assets   | 30.66         | 21.94         | 23.11        | 20.38        | 11.40          | 6.67          | 6.67        | 6.11          | 5.05          | 5.06                 | (6.96)        | (6.19)        | (5.22)        | (4.92)        | (4.14)                          | (6.76)        | (3.61)        | (2.74)        | (1.97)        | (2.01)        | (2.77)        | (2.13)        | (1.72)        | (1.50)        | (1.11)        |     |
|             | <b>Net asset/(liability) recognised in balance sheet</b>  | <b>(3.75)</b> | <b>(6.00)</b> | <b>1.22</b>  | <b>1.93</b>  | <b>(2.97)</b>  | <b>(0.16)</b> | <b>0.27</b> | <b>0.26</b>   | <b>(0.56)</b> | <b>(0.11)</b>        | <b>(6.96)</b> | <b>(6.19)</b> | <b>(5.22)</b> | <b>(4.92)</b> | <b>(4.14)</b>                   | <b>(6.76)</b> | <b>(3.61)</b> | <b>(2.74)</b> | <b>(1.97)</b> | <b>(2.01)</b> | <b>(2.77)</b> | <b>(2.13)</b> | <b>(1.72)</b> | <b>(1.50)</b> | <b>(1.11)</b> |     |
|             | Experience adjustment on plan liabilities   | (0.09)        | 1.58          | (1.02)       | (2.54)       | (2.79)         | (0.09)        | 0.05        | 0.07          | 0.15          | (0.15)               | 0.21          | (0.80)        | (0.36)        | (1.12)        | (0.99)                          | 1.05          | 0.19          | (0.28)        | 0.17          | (0.27)        | (0.07)        | 0.06          | 0.01          | (0.22)        | (0.30)        |     |
|             | Experience adjustment on plan assets  | 0.51          | 0.51          | 0.46         | (0.78)       | 0.80           | 0.05          | 0.03        | 0.59          | (0.67)        | (1.05)               | -             | -             | -             | -             | -                               | -             | -             | -             | -             | -             | -             | -             | -             | -             | -             |     |
| <b>iv</b>   | <b>Change in Defined Benefit Obligations (DBO)</b>  |               |               |              |              |                |               |             |               |               |                      |               |               |               |               |                                 |               |               |               |               |               |               |               |               |               |               |     |
|             | Present Value of DBO at beginning of year   | 27.94         | 21.89         | 18.44        | 14.37        | 12.12          | 6.40          | 5.85        | 5.61          | 5.17          | 5.31                 | 6.19          | 5.23          | 4.92          | 4.14          | 4.21                            | 3.61          | 2.74          | 1.97          | 2.01          | 2.04          | 2.13          | 1.72          | 1.50          | 1.11          | 0.74          |     |
|             | Employer Service cost   | 3.22          | 2.71          | 2.30         | 2.25         | 1.34           | 0.24          | 0.25        | 0.25          | 0.24          | 0.20                 | 1.43          | 1.52          | 1.20          | 0.88          | 0.60                            | 0.95          | 0.69          | 0.11          | 0.08          | 0.19          | 0.30          | 0.31          | 0.24          | 0.16          | 0.09          |     |
|             | Interest cost   | 2.44          | 1.77          | 1.52         | 1.16         | 0.92           | 0.42          | 0.39        | 0.37          | 0.35          | 0.33                 | 0.49          | 0.36          | 0.35          | 0.29          | 0.28                            | 0.32          | 0.22          | 0.16          | 0.17          | 0.17          | 0.19          | 0.14          | 0.12          | 0.09          | 0.06          |     |
|             | Actuarial (gains)/ losses   | 3.65          | 2.92          | 0.79         | 2.05         | 2.51           | (0.09)        | 0.05        | (0.19)        | (0.15)        | 0.15                 | 0.62          | 0.93          | 0.36          | 1.03          | 0.94                            | 2.10          | 0.10          | 0.67          | (0.17)        | (0.31)        | 0.21          | 0.02          | (0.08)        | 0.21          | 0.28          |     |
|             | Benefits paid   | (2.84)        | (1.35)        | (1.16)       | (1.39)       | (2.52)         | (0.14)        | (0.14)      | (0.19)        | -             | (0.82)               | (1.77)        | (1.84)        | (1.60)        | (1.42)        | (1.89)                          | (0.22)        | (0.15)        | (0.17)        | (0.12)        | (0.08)        | (0.06)        | (0.06)        | (0.06)        | (0.07)        | (0.06)        |     |
|             | <b>Present Value of DBO at the end of year</b>  | <b>34.41</b>  | <b>27.94</b>  | <b>21.89</b> | <b>18.44</b> | <b>14.37</b>   | <b>6.83</b>   | <b>6.40</b> | <b>5.85</b>   | <b>5.61</b>   | <b>5.17</b>          | <b>6.96</b>   | <b>6.19</b>   | <b>5.22</b>   | <b>4.92</b>   | <b>4.14</b>                     | <b>6.76</b>   | <b>3.61</b>   | <b>2.74</b>   | <b>1.97</b>   | <b>2.01</b>   | <b>2.77</b>   | <b>2.13</b>   | <b>1.72</b>   | <b>1.50</b>   | <b>1.11</b>   |     |
| <b>v</b>    | <b>Change in Fair Value of Assets</b>   |               |               |              |              |                |               |             |               |               |                      |               |               |               |               |                                 |               |               |               |               |               |               |               |               |               |               |     |
|             | Plan assets at beginning of year  | 21.94         | 23.11         | 20.39        | 11.39        | 12.24          | 6.67          | 6.11        | 5.05          | 5.06          | 5.47                 | N/A           | N/A           | N/A           | N/A           | N/A                             | N/A           | N/A           | N/A           | N/A           | N/A           | N/A           | N/A           | N/A           | N/A           | N/A           | N/A |
|             | Actual return on plan assets  | 5.09          | 1.23          | 2.11         | 0.47         | 1.68           | 1.05          | 0.46        | 1.00          | (0.25)        | 0.21                 | N/A           | N/A           | N/A           | N/A           | N/A                             | N/A           | N/A           | N/A           | N/A           | N/A           | N/A           | N/A           | N/A           | N/A           | N/A           | N/A |
|             | Actual Company contributions  | 6.47          | (1.05)        | 1.77         | 9.91         | -              | 0.24          | 0.24        | 0.25          | 0.24          | 0.20                 | 1.77          | 1.84          | 1.60          | 1.42          | 1.87                            | 0.22          | 0.15          | 0.17          | 0.11          | 0.09          | 0.06          | 0.06          | 0.06          | 0.07          | 0.07          |     |
|             | Benefits paid   | (2.84)        | (1.35)        | (1.16)       | (1.39)       | (2.52)         | (0.14)        | (0.14)      | (0.19)        | -             | (0.82)               | (1.77)        | (1.84)        | (1.60)        | (1.42)        | (1.87)                          | (0.22)        | (0.15)        | (0.17)        | (0.11)        | (0.09)        | (0.06)        | (0.06)        | (0.06)        | (0.07)        | (0.07)        |     |
|             | <b>Plan assets at the end of year</b>   | <b>30.66</b>  | <b>21.94</b>  | <b>23.11</b> | <b>20.38</b> | <b>11.40</b>   | <b>7.82</b>   | <b>6.67</b> | <b>6.11</b>   | <b>5.05</b>   | <b>5.06</b>          | <b>6.96</b>   | <b>6.19</b>   | <b>5.22</b>   | <b>4.92</b>   | <b>4.14</b>                     | <b>6.76</b>   | <b>3.61</b>   | <b>2.74</b>   | <b>1.97</b>   | <b>2.01</b>   | <b>2.77</b>   | <b>2.13</b>   | <b>1.72</b>   | <b>1.50</b>   | <b>1.11</b>   |     |
| <b>vi</b>   | <b>Actuarial Assumptions</b>  |               |               |              |              |                |               |             |               |               |                      |               |               |               |               |                                 |               |               |               |               |               |               |               |               |               |               |     |
|             | Discount Rate   | 8.00%         | 9.20%         | 8%           | 9%           | 9%             | 6.75%         | 6.75%       | 7%            | 7%            | 7%                   | 8.00%         | 9.20%         | 8%            | 9%            | 9%                              | 8.00%         | 9.20%         | 8%            | 9%            | 9%            | 8.00%         | 9.20%         | 8%            | 9%            | 9%            |     |
|             | Expected Return on plan assets  | 8%            | 8%            | 8%           | 8%           | 8%             | 8%            | 8%          | 8%            | 8%            | 8%                   | N/A           | N/A           | N/A           | N/A           | N/A                             | N/A           | N/A           | N/A           | N/A           | N/A           | N/A           | N/A           | N/A           | N/A           | N/A           |     |
|             | Salary escalation   | 5%-6.2%       | 5%-6.2%       | 4%           | 5%           | 2%-5%          | N/A           | N/A         | N/A           | N/A           | N/A                  | 5%-6.2%       | 5%-6.2%       | 4%            | 5%            | 2%-5%                           | N/A           | N/A           | N/A           | N/A           | N/A           | N/A           | N/A           | N/A           | N/A           | N/A           |     |
|             | Medical cost inflation  | N/A           | N/A           | N/A          | N/A          | N/A            | N/A           | N/A         | N/A           | N/A           | N/A                  | N/A           | N/A           | N/A           | N/A           | N/A                             | 6%            | 6%            | 5%            | 4%            | 4%            | 4%            | 5%            | 5%            | 4%            | 4%            |     |
| <b>vii</b>  | <b>The major categories of plan assets as percentage of total plan assets</b>                                   |               |               |              |              |                |               |             |               |               |                      |               |               |               |               |                                 |               |               |               |               |               |               |               |               |               |               |     |
|             | Debt securities   | 100%          | 98%           | 99%          | 74%          | 100%           | 100%          | 100%        | 100%          | 100%          | 100%                 | N/A           | N/A           | N/A           | N/A           | N/A                             | N/A           | N/A           | N/A           | N/A           | N/A           | N/A           | N/A           | N/A           | N/A           | N/A           | N/A |
|             | Balances with banks   | 0%            | 2%            | 1%           | 26%          | 0%             | 0%            | 0%          | 0%            | 0%            | 0%                   | N/A           | N/A           | N/A           | N/A           | N/A                             | N/A           | N/A           | N/A           | N/A           | N/A           | N/A           | N/A           | N/A           | N/A           | N/A           |     |
| <b>viii</b> | <b>Effect of one percentage point change in assumed Medical inflation rate</b>                                  |               |               |              |              |                |               |             |               |               |                      |               |               |               |               |                                 |               |               |               |               |               |               |               |               |               |               |     |
|             | DBO as at 31 March  |               |               |              |              |                |               |             |               |               |                      |               |               |               |               |                                 |               |               |               |               |               |               |               |               |               |               |     |
|             | Service cost for the year   |               |               |              |              |                |               |             |               |               |                      |               |               |               |               |                                 |               |               |               |               |               |               |               |               |               |               |     |
|             | Interest cost for the year  |               |               |              |              |                |               |             |               |               |                      |               |               |               |               |                                 |               |               |               |               |               |               |               |               |               |               |     |

## Notes forming part of Consolidated Financial Statements

### Note 7(ii):

#### Defined Contribution Plans-

The Company's contribution to defined contribution plan aggregated ₹ 25.31 crores (2013-14 ₹ 23.15 crores) for the year ended March 31, 2015 has been recognised in the statement of Profit and Loss.

#### Other benefits relating to the subsidiaries / JVs:

Compensated Absences and Gratuity- Charged to Statement of Profit & Loss during the year- ₹ (0.15) Crore (2013-14 ₹ 1.17 Crore) liabilities outstanding as at the year end ₹ 3.99 Crore (2013-14 ₹ 6.31 crore)

#### Notes:

- (a) The expected rate of return on plan assets is based on market expectation, at the beginning of the year, for returns over the entire life of the related obligation.
- (b) The assumption of future salary increases, considered in actuarial valuation, takes into account of inflation, seniority, promotion and other relevant factors, such as supply and demand in the employment market.
- (c) Also refer note 2(k) for brief description of employee benefit schemes.

### Note 8

#### SHORT TERM BORROWINGS FROM BANKS

(Amount in ₹ Crore)

| Particulars  | As at<br>March 31, 2015 | As at<br>March 31, 2014 |
|--|-------------------------|-------------------------|
| <b>(A) Secured</b>   |                         |                         |
| Loans repayable on demand - (Refer Note (i))   | 37.50                   | 33.69                   |
| Note (i) :-  | 37.50                   | 33.69                   |
| (a) The loan of USD 6,000,000/- (P.Y. USD 5,500,000) taken from Chase commercial Bank, The same is repayable on call basis. The loan carries interest rate at Libor+1.75%. [Secured by hypothecation of book debts/accounts receivable and movable fixed assets (excluding certain vehicle)] | 37.50                   | 32.94                   |
| (b) Overdraft Facility provided by YES Bank. The same was repayable on call basis. The loan carries interest rate at 12.50%. [Secured by hypothecation of stocks and book debts]   | -                       | 0.75                    |
| <b>(B) Unsecured</b>   |                         |                         |
| Loans repayable on demand  | 93.75                   | 97.32                   |
|  | 93.75                   | 97.32                   |
|  | <b>131.25</b>           | <b>131.01</b>           |

### Note 9

(Amount in ₹ Crore)

| Particulars   | As at<br>March 31, 2015 | As at<br>March 31, 2014 |
|---|-------------------------|-------------------------|
| <b>OTHER CURRENT LIABILITIES</b>                                      |                         |                         |
| (a) Interest accrued but not due on borrowings                        | 0.04                    | 0.18                    |
| (b) Current maturities of long term debt (Refer Note 5)               | 77.01                   | 79.88                   |
| (c) Current maturities of finance lease obligations (Refer Note 5(i)) | 0.05                    | 0.08                    |
| (d) Unpaid dividends  | 1.37                    | 1.04                    |
| (e) Income received in advance  | 64.63                   | 50.35                   |
| (f) Statutory dues  | 51.67                   | 57.33                   |
| (g) Advance and progress payments                                     | 3.36                    | 3.24                    |
|   | <b>198.13</b>           | <b>192.10</b>           |

## Notes forming part of Consolidated Financial Statements

### Note 10

(Amount in ₹ Crore)

| Particulars  | As at<br>March 31, 2015 | As at<br>March 31, 2014 |
|--|-------------------------|-------------------------|
| <b>SHORT-TERM PROVISIONS</b>   |                         |                         |
| (a) Provision for Employee benefits ( <i>Refer Note 7(i) &amp; 7(ii)</i> ) | 5.52                    | 12.63                   |
| (b) Provision for Final Dividend   | 258.15                  | 77.44                   |
| (c) Provision for Tax on Dividend  | 52.55                   | 13.16                   |
|  | <u>316.22</u>           | <u>103.23</u>           |

## Notes forming part of Consolidated Financial Statements

### Note 11

|              |   | (Amount in ₹ Crore)       |                     |   |                        |                                    |                           |                          |                          |   |                    |   |                        |                                   |                         |                                   |              |  |
|--------------|---|---------------------------|---------------------|---|------------------------|------------------------------------|---------------------------|--------------------------|--------------------------|---|--------------------|---|------------------------|-----------------------------------|-------------------------|-----------------------------------|--------------|--|
| FIXED ASSETS |   | Cost as at                |                     | Additions on account of acquisition of Cambric Holding Inc. |                        | Deductions Translation Adjustments |                           | Cost as at               |                          | Accumulated depreciation on acquisition of Cambric Holding Inc. |                    | Accumulated depreciation up to Mar 31, 2015 |                        | Net Book Value as at Mar 31, 2015 |                         | Net Book Value as at Mar 31, 2014 |              |  |
|              |   | Apr 1, 2014               | Mar 31, 2015        | Apr 1, 2014   | Mar 31, 2015           | Apr 1, 2014                        | Mar 31, 2015              | Apr 1, 2014              | Mar 31, 2015             | Apr 1, 2014   | Mar 31, 2015       | Apr 1, 2014                                 | Mar 31, 2015           | Apr 1, 2014                       | Mar 31, 2015            | Apr 1, 2014                       | Mar 31, 2015 |  |
| [A]          | <b>TANGIBLE ASSETS</b>                    |                           |                     |   |                        |                                    |                           |                          |                          |   |                    |   |                        |                                   |                         |                                   |              |  |
| (a)          | Leasehold Land                            | 4.09<br>(4.09)            | -<br>(-)            | -<br>(-)  | -<br>(-)               | -<br>(-)                           | -<br>(-)                  | -<br>(-)                 | 4.09<br>(4.09)           | 0.57<br>(0.53)  | -<br>(-)           | 0.04<br>(0.04)                              | -<br>(-)               | 0.61<br>(0.57)                    | 3.48<br>(3.52)          | 3.52<br>(3.56)                    |              |  |
| (b)          | Buildings                                 | 22.83<br>(22.79)          | -<br>(-)            | 1.28<br>(0.04)  | -<br>(-)               | -<br>(-)                           | -<br>(-)                  | 24.11<br>(22.83)         | 8.51<br>(7.56)           | 8.51<br>(7.56)  | -<br>(-)           | 0.99<br>(0.95)                              | -<br>(-)               | 9.50<br>(8.51)                    | 14.61<br>(14.32)        | 14.32<br>(15.23)                  |              |  |
| (c)          | Plant & Machinery and Equipments - Owned  | 19.69<br>(17.26)          | -<br>(-)            | 1.81<br>(2.60)  | 0.02<br>(0.17)         | -<br>(-)                           | 21.48<br>(19.69)          | 7.11<br>(5.89)           | 7.11<br>(5.89)           | 7.11<br>(5.89)  | -<br>(-)           | 1.53<br>(1.32)                              | 0.01<br>(0.10)         | 8.63<br>(7.11)                    | 12.85<br>(12.58)        | 12.58<br>(11.37)                  |              |  |
| (d)          | Plant & Machinery and Equipments - Leased | 0.52<br>(0.50)            | -<br>(-)            | 0.09<br>(-)   | -<br>(-)               | -<br>(-)                           | 0.60<br>(0.52)            | 0.45<br>(0.32)           | 0.45<br>(0.32)           | 0.45<br>(0.32)  | -<br>(-)           | 0.10<br>(0.11)                              | -<br>(-)               | 0.54<br>(0.45)                    | 0.06<br>(0.07)          | 0.07<br>(0.18)                    |              |  |
| (e)          | Computers                                 | 103.96<br>(75.40)         | -<br>(8.66)         | 21.64<br>(23.45)  | 4.89<br>(7.28)         | (2.18)<br>(3.73)                   | 118.53<br>(103.96)        | 71.86<br>(54.08)         | 71.86<br>(54.08)         | 71.86<br>(54.08)  | -<br>(6.74)        | 18.51<br>(15.28)                            | 4.89<br>(7.22)         | 83.40<br>(71.86)                  | 35.13<br>(32.10)        | 32.10<br>(21.32)                  |              |  |
| (f)          | Furniture and fixtures                    | 23.69<br>(18.05)          | -<br>(2.45)         | 2.42<br>(3.41)  | 0.35<br>(1.43)         | (0.46)<br>(1.21)                   | 25.30<br>(23.69)          | 12.90<br>(9.17)          | 12.90<br>(9.17)          | 12.90<br>(9.17)   | -<br>(2.16)        | 3.26<br>(1.88)                              | 0.33<br>(1.28)         | 15.40<br>(12.90)                  | 9.90<br>(10.79)         | 10.79<br>(8.88)                   |              |  |
| (g)          | Vehicles (Refer Note 11 (i))              | 3.47<br>(4.31)            | -<br>(0.08)         | 0.42<br>(0.90)  | 0.47<br>(2.00)         | 0.06<br>(0.18)                     | 3.48<br>(3.47)            | 1.50<br>(2.18)           | 1.50<br>(2.18)           | 1.50<br>(2.18)  | -<br>(0.03)        | 0.67<br>(0.99)                              | 0.45<br>(1.76)         | 1.74<br>(1.50)                    | 1.74<br>(1.97)          | 1.97<br>(2.13)                    |              |  |
| (h)          | Leasehold Improvements                    | 19.02<br>(12.30)          | -<br>(1.47)         | 0.80<br>(4.51)  | 0.70<br>(-)            | (0.11)<br>(0.74)                   | 19.01<br>(19.02)          | 8.97<br>(5.25)           | 8.97<br>(5.25)           | 8.97<br>(5.25)  | -<br>(0.79)        | 2.42<br>(2.43)                              | 0.50<br>(-)            | 10.77<br>(8.97)                   | 8.24<br>(10.05)         | 10.05<br>(7.05)                   |              |  |
|              | <b>Total</b>                              | <b>197.27</b><br>(154.70) | <b>-</b><br>(12.66) | <b>28.46</b><br>(34.91)                                     | <b>6.43</b><br>(10.88) | <b>(2.70)</b><br>(5.88)            | <b>216.60</b><br>(197.27) | <b>111.87</b><br>(84.98) | <b>111.87</b><br>(84.98) | <b>111.87</b><br>(84.98)  | <b>-</b><br>(9.72) | <b>27.52</b><br>(23.00)                     | <b>6.18</b><br>(10.36) | <b>130.59</b><br>(111.87)         | <b>86.01</b><br>(85.40) | <b>85.40</b><br>(85.40)           |              |  |

### Notes:

- (i) Vehicles includes gross block as at March 31, 2015 ₹ Nil (W.D.V. ₹ Nil) acquired on loan, hypothecated with Tata Finance Ltd (as at March 31, 2014 ₹ 0.37 Crore) (W.D.V ₹ 0.03 Crore)
- (ii) Capital Commitment : The estimated amount of contracts remaining to be executed on capital account, and not provided for is ₹ 20.10 Crore as at March 31, 2015 (as at March 31, 2014 : ₹ 11.75 Crore).
- (iii) Previous year's figures are shown in the brackets

**Notes forming part of Consolidated Financial Statements**

**Note 12**

(Amount in ₹ Crore)

|   | Cost as at April 1, 2014 | Additions on account of acquisition of Cambic Holding Inc. | Additions        | Deductions     | Translation Adjustments | Cost as at Mar 31, 2015 | Accumulated amortization up to April 1, 2014 | Accumulated amortization for the year ended Mar 31, 2015 | Deductions     | Translation Adjustments | Accumulated amortization up to Mar 31, 2015 | Net Book Value as at Mar 31, 2015 | Net Book Value as at Mar 31, 2014 |
|---|--------------------------|--|------------------|----------------|-------------------------|-------------------------|--|--|----------------|-------------------------|---|-----------------------------------|-----------------------------------|
| <b>[B] INTANGIBLE ASSETS</b><br>(Other than internally generated) |                          |  |                  |                |                         |                         |  |  |                |                         |   |                                   |                                   |
| (a) Copyrights  | 0.81<br>(0.54)           | -<br>(-)   | 0.21<br>(0.22)   | -<br>(-)       | 0.03<br>(0.05)          | 1.05<br>(0.81)          | 0.12<br>(0.05)                               | 0.08<br>(0.06)   | -<br>(-)       | 0.01<br>(-)             | 0.21<br>(0.11)                              | 0.84<br>(0.70)                    | 0.70<br>(0.49)                    |
| (b) Software Licenses   | 140.11<br>(101.05)       | -<br>(20.91)   | 28.34<br>(24.09) | 1.28<br>(8.37) | 0.28<br>(2.43)          | 167.45<br>(140.11)      | 95.09<br>(62.30)                             | 23.62<br>(25.05)   | 1.17<br>(8.37) | 0.12<br>(2.10)          | 117.66<br>(95.10)                           | 49.79<br>(45.01)                  | 45.01<br>(38.75)                  |
| Total   | 140.92<br>(101.59)       | -<br>(20.91)   | 28.55<br>(24.31) | 1.28<br>(8.37) | 0.31<br>(2.48)          | 168.50<br>(140.92)      | 95.21<br>(62.35)                             | 23.70<br>(25.11)   | 1.17<br>(8.37) | 0.13<br>(2.10)          | 117.87<br>(95.21)                           | 50.63<br>(45.71)                  | 45.71<br>(38.75)                  |

**Notes:** (i) Capital Commitment : The estimated amount of contracts remaining to be executed on capital account, and not provided for is ₹ 8.53 Crore as at March 31, 2015 (as at March 31, 2014: ₹ 2.51 Crore).

(ii) Previous year's figures are shown in the brackets

## Notes forming part of Consolidated Financial Statements

### Note 13

(Amount in ₹ Crore)

| Particulars   | As at<br>March 31, 2015 | As at<br>March 31, 2014 |
|---|-------------------------|-------------------------|
| <b>NON-CURRENT INVESTMENTS (NON TRADE)</b>  |                         |                         |
| <b>Other Investments (Quoted) *</b>   |                         |                         |
| <b>i) Investment in Debentures</b>  |                         |                         |
| Tata Motors Finance Limited   | 5.00                    | 5.00                    |
| 100 (P.Y. 100) 11% Non Convertible Debentures of ₹ 0.05 Crore each fully paid                                     |                         |                         |
| * (Note: Market value of quoted investments based on last traded information<br>₹ 5.12 Crore ( P.Y. ₹ 5.18 Crore) |                         |                         |
| <b>Other Investments (Unquoted)</b>   |                         |                         |
| <b>i) Investment in Preference Shares</b>   |                         |                         |
| Tata Capital Limited  |                         |                         |
| - 33,333 (P.Y. 33,333) Cumulative redeemable non participating Preference<br>shares of ₹ 1,500 each fully paid    | 5.00                    | 5.00                    |
|   | <u>10.00</u>            | <u>10.00</u>            |

### Note 14

(Amount in ₹ Crore)

| Particulars                             | As at<br>March 31, 2015 | As at<br>March 31, 2014 |
|---|-------------------------|-------------------------|
| <b>LONG - TERM LOANS AND ADVANCES</b>   |                         |                         |
| <b>Unsecured (Considered good)</b>      |                         |                         |
| (a) Security deposits                   | 5.55                    | 1.32                    |
| (b) Loans to employees                  | 2.66                    | 3.32                    |
| (c) Loans to others                     | 42.14                   | 33.28                   |
| (d) Capital advances                    | 0.78                    | 0.32                    |
| (e) Prepaid expenses                    | 0.39                    | 0.54                    |
| (f) Deposits with government and others | 1.92                    | 1.64                    |
| (g) MAT Credit Entitlement              | 5.02                    | -                       |
|   | <u>58.46</u>            | <u>40.42</u>            |

## Notes forming part of Consolidated Financial Statements

### Note 15

(Amount in ₹ Crore)

| Particulars   | As at<br>March 31, 2015 | As at<br>March 31, 2014 |
|---|-------------------------|-------------------------|
| <b>CURRENT INVESTMENTS - OTHERS</b>   |                         |                         |
| <b>a) Investments in Mutual Funds (Unquoted)</b>  |                         |                         |
| Birla Sun Life Cash Plus - Direct - Growth  | 10.00                   | 25.00                   |
| SBI Premier Liquid Fund - Direct Plan - Daily Dividend Reinvestment                       | -                       | 5.93                    |
| IDFC Cash Fund - Direct Plan - Daily Dividend Reinvestment                                | -                       | 7.62                    |
| Reliance Liquid Fund - Treasury Plan - Direct Plan Daily Dividend Reinvestment            | -                       | 25.13                   |
| ICICI Prudential Liquid - Direct Plan - Daily Dividend Reinvestment                       | -                       | 18.29                   |
| Birla Sun Life Cash Plus - Direct Plan - Daily Dividend Reinvestment                      | -                       | 25.91                   |
| Tata Liquid Fund-Direct- Daily Dividend Reinvestment                                      | -                       | 10.72                   |
| HDFC Liquid Fund Direct Daily Dividend Reinvestment                                       | -                       | 18.22                   |
| Kotak Liquid-Plan A - Direct Plan - Daily Dividend Reinvestment                           | -                       | 8.61                    |
| L&T Liquid Fund - Direct Plan -Daily Dividend   | -                       | 13.76                   |
| UTI- Liquid Fund-Cash Plan-Institutional Daily Dividend Reinvestment                      | -                       | 13.66                   |
| HDFC Cash Management Savings Plan - Direct - Growth                                       | -                       | 15.00                   |
| Reliance Liquidity Fund - Direct - Growth   | -                       | 20.00                   |
| Reliance Short Term Fund - Direct Monthly Dividend Reinvestment                           | 3.05                    | -                       |
| Tata Liquid Fund - Direct - Growth  | -                       | 36.75                   |
| Birla Sun Life Floating Rate Fund - Short Term Plan - Direct - Growth                     | -                       | 50.00                   |
| HDFC Liquid Fund - Direct - Growth  | -                       | 10.00                   |
| ICICI Prudential Liquid - Direct - Growth   | -                       | 30.00                   |
| IDFC Cash Fund - Direct - Growth  | 13.00                   | 7.80                    |
| L & T Liquid Fund - Direct - Growth   | 15.00                   | 16.00                   |
| SBI Premier Liquid Fund - Direct - Growth   | -                       | 10.00                   |
| DSP BlackRock Liquidity Fund - Direct Plan - Growth                                       | -                       | 7.00                    |
| Kotak Liquid Scheme Plan A - Direct - Growth  | 8.50                    | 15.00                   |
| HDFC Short Term Opportunities Fund - Direct Monthly Dividend Reinvestment                 | 7.06                    | -                       |
| Birla Sun Life Short Term Fund - Direct Monthly Dividend Reinvestment                     | 9.07                    | -                       |
| Kotak Bond Short Term Plan - Direct Monthly Dividend Reinvestment                         | 4.05                    | -                       |
| Tata Short Term Bond Fund - Direct Monthly Dividend Reinvestment                          | 7.54                    | -                       |
| Axis Short Term Fund - Direct Monthly Dividend Reinvestment                               | 8.08                    | -                       |
| Religare Invesco Short Term Fund - Direct Monthly Dividend Reinvestment                   | 1.52                    | -                       |
| SBI Magnum Insta Cash Fund Liquid Floater   | 10.00                   | -                       |
| Axis Banking Debt Fund  | 20.00                   | -                       |
| UTI Banking & PSU Debt Fund   | 5.00                    | -                       |
| TATA Money Market Fund Direct Plan-Growth   | 10.00                   | -                       |
| ICICI Prudential Money Market Fund-Direct Plan-Growth                                     | 20.00                   | -                       |
| IDFC Money Manager Fund-Treasury Plan-Growth  | 20.00                   | -                       |
| Reliance Money Manager Fund-Direct Growth Plan Growth Option                              | 10.00                   | -                       |
| HDFC Floating Rate Income Fund-Short Term Plan-Direct Plan-Wholesale-Growth               | 10.00                   | -                       |
| Birla Sun Life Saving Fund-Direct Plan-Growth   | 15.00                   | -                       |
| SBI Ultra Short Term Debt Fund-Direct Plan-Growth   | 15.00                   | -                       |
| ICICI Prudential Flexible Income-Direct Plan-Growth                                       | 15.00                   | -                       |
| Reliance Liquid Fund Treasury Plan Direct Growth  | 20.00                   | 25.00                   |
|   | <b>256.87</b>           | <b>415.40</b>           |
| <b>b) Investments in Mutual Funds (Quoted)*</b>   |                         |                         |
| Reliance Yearly Interval Fund-Series1-Direct Plan-Growth                                  | 5.00                    | 5.00                    |
| Tata Fixed Maturity Plan - Series 42 Scheme H - Direct Plan - Growth                      | -                       | 2.00                    |
| BNP Paribas Fixed Term Fund Series - 24A - Direct Plan - Growth                           | -                       | 3.00                    |
| DWS Fixed Maturity Plan - Series 26 - Direct Plan - Growth                                | -                       | 2.50                    |
| JP Morgan Fixed Maturity Plan Series 16 - Direct Plan Growth                              | -                       | 5.00                    |
| Birla Sun Life Fixed Term Plan - Series JY (367 Days) Direct Plan - Growth                | 5.00                    | 5.00                    |
| Birla Sun Life Fixed Term Plan - Series JZ (368 Days) Direct Plan - Growth                | -                       | 3.00                    |
| DSP BlackRock Fixed Maturity Plan Series 144 - 12M - Direct Plan - Growth                 | -                       | 5.00                    |
| Reliance Fixed Horizon Fund-XXV- Series 18- Direct Plan - Growth                          | -                       | 3.00                    |
| Tata Fixed Maturity Plan Series 46 L - Direct Plan - Growth                               | -                       | 5.00                    |
| ICICI Prudential Fixed Maturity Plan Series 72 - 366 Days - Plan K - Direct Plan - Growth | 5.00                    | 5.00                    |
| Birla Sun Life Fixed Term Plan - Series KC (368 Days) Direct Plan - Growth                | -                       | 2.00                    |
| HDFC Fixed Maturity Plan 370D February 2014 (1) - Series 29 - Direct Plan - Growth        | -                       | 4.00                    |
| ICICI Prudential Fixed Maturity Plan Series 72 - 366 Days - Plan M - Direct Plan - Growth | -                       | 4.00                    |
| JP Morgan Fixed Maturity Plan Series 31 - Direct Plan - Growth                            | -                       | 7.00                    |
| Kotak Fixed Maturity Plan Series 137 - Direct Plan - Growth                               | -                       | 2.00                    |
| IDFC Fixed Maturity Plan Series 76 (366 Days) - Direct Plan - Growth                      | -                       | 2.00                    |
| Kotak Fixed Maturity Plan Series 143 - Direct Plan - Growth                               | -                       | 3.00                    |
| L & T Fixed Maturity Plan Series 10 - Plan N - Direct Plan - Growth                       | -                       | 5.00                    |
| DSP BlackRock Fixed Maturity Plan - Series 151 - 12 M - Direct Plan - Growth              | -                       | 5.00                    |
| * (Note: Market value of quoted investments ₹ 16.68 Crore ( P.Y. ₹ 79.72 Crore))          | 15.00                   | 77.50                   |
|   | <b>271.87</b>           | <b>492.90</b>           |

## Notes forming part of Consolidated Financial Statements

### Note 16

(Amount in ₹ Crore)

| Particulars  | As at<br>March 31, 2015 | As at<br>March 31, 2014 |
|--|-------------------------|-------------------------|
| <b>TRADE RECEIVABLES</b>   |                         |                         |
| <b>(Unsecured, considered good unless otherwise stated)</b>        |                         |                         |
| <b>(a) Trade receivables due for a period exceeding six months</b> |                         |                         |
| Considered good  | 1.24                    | 1.72                    |
| Considered doubtful  | 7.20                    | 10.05                   |
|  | 8.44                    | 11.77                   |
| Less : Allowances for doubtful debts                               | 7.20                    | 10.05                   |
|  | 1.24                    | 1.72                    |
| <b>(b) Other Trade receivables</b>                                 |                         |                         |
| Considered good  | 362.18                  | 305.44                  |
| Considered doubtful  | -                       | 0.63                    |
|  | 362.18                  | 306.07                  |
| Less : Allowances for doubtful debts                               | -                       | 0.63                    |
|  | 362.18                  | 305.44                  |
|  | 363.42                  | 307.16                  |

### Note 17

(Amount in ₹ Crore)

| Particulars   | As at<br>March 31, 2015 | As at<br>March 31, 2014 |
|---|-------------------------|-------------------------|
| <b>CASH AND BANK BALANCES</b>   |                         |                         |
| <b>(A) Cash and Cash Equivalents</b>  |                         |                         |
| (a) Cash on hand  | 0.04                    | 0.04                    |
| (b) Cheques, drafts on hand/funds in transit <i>(Refer note 17 (ii)&amp; (iii))</i> | 3.39                    | 36.74                   |
| (c) Current account with banks <i>(Refer Note 17 (i))</i>                           | 307.86                  | 414.31                  |
| (d) Bank deposits less than 3 months maturity                                       | 9.14                    | 9.35                    |
|   | 320.43                  | 460.44                  |
| <b>(B) Other Bank Balances</b>  |                         |                         |
| (with more than 3 months but less than 12 months maturity)                          |                         |                         |
| (a) Earmarked balance with banks  | 1.37                    | 1.04                    |
| (b) Bank deposits   | 163.16                  | 3.63                    |
| (c) Pledged/lien with banks   | -                       | 0.27                    |
|   | 164.53                  | 4.94                    |
| <b>(C) Other Bank Balances (with more than 12 months maturity)</b>                  |                         |                         |
| (a) Pledged/lien with banks   | 0.30                    | 0.03                    |
| (b) Bank deposits   | 0.07                    | 0.04                    |
|   | 0.37                    | 0.07                    |
|   | 485.33                  | 465.45                  |
| Notes:  |                         |                         |
| (i) In foreign currencies   | 375.61                  | 409.38                  |
| (ii) Remittances in transit   | 2.28                    | 22.62                   |
| (iii) Cheques on hand   | 1.11                    | 14.12                   |

## Notes forming part of Consolidated Financial Statements

### Note 18

(Amount in ₹ Crore)

| Particulars  | As at<br>March 31, 2015 | As at<br>March 31, 2014 |
|--|-------------------------|-------------------------|
| <b>OTHER CURRENT ASSETS</b>                                  |                         |                         |
| (a) Interest accrued on deposits and investments             | 2.30                    | 0.30                    |
| (b) Bills of Exchange  | 4.87                    | -                       |
| (c) Unbilled revenue   | 28.25                   | 24.94                   |
| (d) Advances to suppliers and contractors                    | 6.91                    | 22.80                   |
| (e) Prepaid expenses   | 33.85                   | 24.72                   |
| (f) Others (VAT, Service tax, other taxes recoverables etc.) | 2.89                    | 1.14                    |
|  | <u>79.07</u>            | <u>73.90</u>            |

### Note 19

(Amount in ₹ Crore)

| Particulars   | As at<br>March 31, 2015 | As at<br>March 31, 2014 |
|---|-------------------------|-------------------------|
| <b>SHORT TERM LOANS AND ADVANCES</b>                        |                         |                         |
| <b>Unsecured (considered good, unless otherwise stated)</b> |                         |                         |
| (a) Inter corporate deposits (Refer Note 27(iv) (b))        | 196.50                  | -                       |
| (b) Loans and advances to related parties                   | 1.07                    | 1.50                    |
| (c) Security deposits                                       | 1.17                    | 2.69                    |
| (d) Loans and advances employees                            | 1.87                    | 2.60                    |
| Less : Allowances for doubtful loans and advances           | (0.04)                  | (0.04)                  |
| (e) Deposits with government and others                     | 0.73                    | 0.19                    |
|   | <u>201.30</u>           | <u>6.94</u>             |

### Note 20

(Amount in ₹ Crore)

| Particulars                    | Year ended<br>March 31, 2015 | Year ended<br>March 31, 2014 |
|--------------------------------|------------------------------|------------------------------|
| <b>REVENUE FROM OPERATIONS</b> |                              |                              |
| (a) Sale of products           | 565.38                       | 542.35                       |
| (b) Sale of services           | 2,019.35                     | 1,799.21                     |
| (c) Commission income          | 9.47                         | 2.89                         |
|                                | <u>2,594.20</u>              | <u>2,344.45</u>              |

### Note 21

(Amount in ₹ Crore)

| Particulars   | Year ended<br>March 31, 2015 | Year ended<br>March 31, 2014 |
|---|------------------------------|------------------------------|
| <b>OTHER INCOME</b>   |                              |                              |
| (a) Interest income-others  | 25.83                        | 13.85                        |
| (b) Interest income-Long term investments   | 0.55                         | 0.55                         |
| (c) Dividend income - Other current investments                                   | 6.65                         | 13.67                        |
| (d) Dividend income - Non current investments                                     | 0.42                         | 0.18                         |
| (e) Foreign currency gain (Net)   | 1.46                         | 1.08                         |
| (f) Doubtful debts written back   | 5.89                         | 6.99                         |
| (g) Profit on sale of investments (Net)   | 7.11                         | 4.74                         |
| (h) Other non-operating income*   | 2.12                         | 9.22                         |
|   | <u>50.03</u>                 | <u>50.28</u>                 |
| * Other non-operating income includes provisions no longer required, written back | 0.88                         | 7.31                         |

## Notes forming part of Consolidated Financial Statements

### Note 22

(Amount in ₹ Crore)

| Particulars                               | Year ended<br>March 31, 2015 | Year ended<br>March 31, 2014 |
|---|------------------------------|------------------------------|
| <b>COST OF TRADED PRODUCTS</b>            |                              |                              |
| (a) Purchase of products                  | 437.97                       | 402.17                       |
| (b) (Increase)/Decrease in stock in trade | -                            | 0.06                         |
|   | 437.97                       | 402.23                       |

### Note 23

(Amount in ₹ Crore)

| Particulars                                   | Year ended<br>March 31, 2015 | Year ended<br>March 31, 2014 |
|---|------------------------------|------------------------------|
| <b>CONSULTANCY FEES, SOFTWARES AND OTHERS</b> |                              |                              |
| (a) Outsourcing charges                       | 303.10                       | 306.29                       |
| (b) Software-internal use                     | 17.32                        | 8.32                         |
| (c) Professional fees                         | 46.50                        | 52.44                        |
| (d) Training costs                            | 0.61                         | 0.42                         |
|   | 367.53                       | 367.47                       |

### Note 24

(Amount in ₹ Crore)

| Particulars  | Year ended<br>March 31, 2015 | Year ended<br>March 31, 2014 |
|--|------------------------------|------------------------------|
| <b>EMPLOYEE BENEFIT EXPENSE</b>                                    |                              |                              |
| (a) Salaries and wages   | 1,086.00                     | 1,004.44                     |
| (b) Contribution to provident fund                                 | 14.58                        | 12.67                        |
| (c) Contribution to superannuation scheme                          | 4.19                         | 4.60                         |
| (d) Contribution to gratuity fund                                  | 4.25                         | 6.17                         |
| (e) Social security and other benefit plans for overseas employees | 13.78                        | 6.01                         |
| (f) Staff welfare expenses   | 31.12                        | 21.32                        |
|  | 1,153.92                     | 1,055.21                     |

### Note 25

(Amount in ₹ Crore)

| Particulars                           | Year ended<br>March 31, 2015 | Year ended<br>March 31, 2014 |
|---------------------------------------|------------------------------|------------------------------|
| <b>FINANCE COSTS</b>                  |                              |                              |
| (a) Interest on short term borrowings | 4.02                         | 1.67                         |
| (b) Interest on long term borrowings  | 4.97                         | 5.99                         |
|                                       | 8.99                         | 7.66                         |

## Notes forming part of Consolidated Financial Statements

### Note 26

(Amount in ₹ Crore)

| Particulars                             | Year ended<br>March 31, 2015 | Year ended<br>March 31, 2014 |
|---|------------------------------|------------------------------|
| <b>OTHER EXPENSES</b>                   |                              |                              |
| (a) Repairs & maintenance               |                              |                              |
| - Buildings                             | 4.42                         | 4.60                         |
| - Plant & machinery                     | 2.56                         | 0.70                         |
| - Others                                | 4.92                         | 3.99                         |
| (b) Rent*                               | 32.05                        | 28.88                        |
| (c) Rates and taxes                     | 2.70                         | 2.58                         |
| (d) Provision for wealth tax            | 0.01                         | 0.01                         |
| (e) Insurance                           | 4.13                         | 4.53                         |
| (f) Overseas marketing expenses         | 2.12                         | 1.73                         |
| (g) Advertisement and publicity         | 1.06                         | 0.42                         |
| (h) Business promotion expenses         | 2.34                         | 2.78                         |
| (i) Office expenses                     | 13.29                        | 10.25                        |
| (j) Travelling & conveyance             | 55.90                        | 47.49                        |
| (k) Power & fuel                        | 5.59                         | 4.77                         |
| (l) Water charges                       | 2.21                         | 2.05                         |
| (m) Auditors remuneration**             | 2.01                         | 2.09                         |
| (n) Staff training and seminar expenses | 4.42                         | 4.07                         |
| (o) Staff recruitment expenses          | 5.69                         | 4.26                         |
| (p) Commission to others                | 0.04                         | -                            |
| (q) AMC charges                         | 19.97                        | 16.98                        |
| (r) Communication expenses              | 17.16                        | 16.47                        |
| (s) Loss from investments               | 0.03                         | -                            |
| (t) Bad debts written off               | 0.35                         | 11.94                        |
| (u) Allowances for doubtful debts       | 2.38                         | -                            |
| (v) CSR Expenditure                     | 3.61                         | -                            |
| (w) Miscellaneous expenses              | 5.88                         | 5.89                         |
|   | <b>194.84</b>                | <b>176.48</b>                |

#### \*Obligations under operating lease

(Amount in ₹ Crore)

| Obligation towards non cancellable lease                                   | Year ended<br>March 31, 2015 | Year ended<br>March 31, 2014 |
|--|------------------------------|------------------------------|
| <b>Lease obligations</b>   |                              |                              |
| Dues not later than one year   | 34.33                        | 22.10                        |
| Due later than one year but not later than five years                      | 17.26                        | 19.04                        |
| Later than five years  | 0.80                         | 1.13                         |
|  | <b>52.39</b>                 | <b>42.27</b>                 |
| Lease payments recognised in the statement of profit and loss for the year | <b>32.05</b>                 | <b>28.88</b>                 |

The Company has entered into operating lease arrangements for office premises.

## Additional information to the Consolidated Financial Statements

### \*\*Auditors' Remuneration (Excluding Service tax)

(Amount in ₹ Crore)

| Particulars   | Year ended<br>March 31, 2015 | Year ended<br>March 31, 2014 |
|---|------------------------------|------------------------------|
| <b>For Holding Company</b>                              |                              |                              |
| i) For services as auditors, including quarterly audits | 0.35                         | 0.35                         |
| ii) For Tax audit/Transfer pricing audit                | 0.04                         | 0.04                         |
| iii) For other attest services                          | 0.05                         | 0.05                         |
| iv) Reimbursement of out-of-pocket expenses             | 0.02                         | 0.02                         |
| <b>Sub-Total</b>  | <b>0.46</b>                  | <b>0.46</b>                  |
| <b>For Subsidiaries &amp; Joint venture</b>             |                              |                              |
| i) For services as auditors, including quarterly audits | 1.24                         | 1.43                         |
| ii) For Tax audit/Transfer pricing audit                | 0.07                         | 0.07                         |
| iii) For other attest services                          | 0.12                         | 0.13                         |
| iv) Reimbursement of out-of-pocket expenses             | 0.12                         | 0.00                         |
| <b>Sub-Total</b>  | <b>1.55</b>                  | <b>1.63</b>                  |
| <b>Total</b>  | <b>2.01</b>                  | <b>2.09</b>                  |

### Note 27

#### Note 27 (i): Earnings per Share

(Amount in ₹ Crore)

| Particulars  |         | Year ended<br>March 31, 2015 | Year ended<br>March 31, 2014 |
|--|---------|------------------------------|------------------------------|
| (a) Profit after tax   | ₹ Crore | 334.07                       | 273.22                       |
| (b) The weighted average number of Ordinary Shares for Basic EPS   | Nos.    | 43,024,638                   | 43,024,138                   |
| (c) The nominal value per Ordinary Share                           | ₹       | 10.00                        | 10.00                        |
| (d) Earnings Per Share (Basic)                                     | ₹       | 77.64                        | 63.51                        |
| (e) Profit after tax for Diluted EPS                               | ₹ Crore | 334.07                       | 273.22                       |
| (f) The weighted average number of Ordinary Shares for Basic EPS   | Nos.    | 43,024,638                   | 43,024,138                   |
| (g) Add: Adjustment for Employee Stock Options (Refer Note 3 (iv)) | Nos.    | 33,301                       | 14,051                       |
| (h) The weighted average number of Ordinary Shares for Diluted EPS | Nos.    | 43,057,939                   | 43,038,189                   |
| (i) Earnings Per Shares (Diluted)                                  | ₹       | 77.58                        | 63.48                        |

#### Note 27 (ii): Contingent Liabilities

(Amount in ₹ Crore)

| Particulars                                 | As at<br>March 31, 2015 | As at<br>March 31, 2014 |
|---|-------------------------|-------------------------|
| (a) Bills discounted                        | 127.07                  | 113.61                  |
| (b) Income Tax demands disputed in appeals  | 2.05                    | 2.11                    |
| (c) Sales Tax demands disputed in appeals   | 21.81                   | 21.83                   |
| (d) Service Tax demands disputed in appeals | 9.50                    | 8.67                    |

As on March 31, 2015, the company's management does not expect any outflow in respect of these pending litigations related to direct and indirect tax matters stated above based on the legal advice obtained.

## Additional information to the Consolidated Financial Statements

### Note 27 (iii): Movement in Goodwill

(a) Goodwill on consolidation (Amount in ₹ Crore)

| Particulars                     | As at<br>March 31, 2015 | As at<br>March 31, 2014 |
|---------------------------------|-------------------------|-------------------------|
| As at the beginning of the year | 489.98                  | 404.60                  |
| Translation difference          | (28.77)                 | 85.38                   |
| As at the end of the year       | 461.21                  | 489.98                  |

(b) Goodwill on acquisition (Refer Note 27 (vi)) (Amount in ₹ Crore)

| Particulars                                      | As at<br>March 31, 2015 | As at<br>March 31, 2014 |
|--|-------------------------|-------------------------|
| As at the beginning of the year                  | 155.37                  | -                       |
| Additions on acquisition of Cambric Holding Inc. | -                       | 139.60                  |
| Translation difference                           | 6.77                    | 15.77                   |
| As at the end of the year                        | 162.14                  | 155.37                  |

### Note 27 (iv) Segment Reporting

#### Primary Segment

The complete operations of the Company have been treated as single segment "Information technology services".

#### Secondary Segment

Segment Reporting is made on the basis of geographical location of the customers.

(Amount in ₹ Crore)

| Particulars                       | India         | UK            | USA           | Rest of<br>Europe | Rest of the<br>World | Total           |
|-----------------------------------|---------------|---------------|---------------|-------------------|----------------------|-----------------|
| Revenues                          | 679.95        | 975.56        | 745.80        | 138.14            | 54.75                | 2,594.20        |
|                                   | <i>629.90</i> | <i>823.39</i> | <i>663.97</i> | <i>173.86</i>     | <i>53.33</i>         | <i>2,344.45</i> |
| Identifiable operating expenses   | 478.09        | 656.74        | 658.30        | 104.60            | 29.31                | 1,927.04        |
|                                   | <i>425.61</i> | <i>584.37</i> | <i>607.67</i> | <i>145.90</i>     | <i>34.82</i>         | <i>1,798.37</i> |
| Allocated expenses                | 27.97         | 89.25         | 9.44          | 20.95             | 10.71                | 158.32          |
|                                   | <i>24.92</i>  | <i>66.28</i>  | <i>6.96</i>   | <i>26.23</i>      | <i>7.59</i>          | <i>131.98</i>   |
| <b>Segmental operating income</b> | <b>173.89</b> | <b>229.57</b> | <b>71.94</b>  | <b>12.59</b>      | <b>14.73</b>         | <b>502.72</b>   |
|                                   | <i>179.37</i> | <i>172.74</i> | <i>49.34</i>  | <i>1.73</i>       | <i>10.92</i>         | <i>414.10</i>   |
| Unallocable expenses              |               |               |               |                   |                      | 112.55          |
|                                   |               |               |               |                   |                      | <i>117.35</i>   |
| Other Income                      |               |               |               |                   |                      | 39.59           |
|                                   |               |               |               |                   |                      | <i>40.82</i>    |
| <b>Net profit before taxes</b>    |               |               |               |                   |                      | <b>429.76</b>   |
|                                   |               |               |               |                   |                      | <i>337.57</i>   |
| Income taxes                      |               |               |               |                   |                      | 100.71          |
|                                   |               |               |               |                   |                      | <i>64.35</i>    |
| Income taxes - MAT Credit         |               |               |               |                   |                      | (5.02)          |
|                                   |               |               |               |                   |                      | <i>-</i>        |
| <b>Net profit after taxes</b>     |               |               |               |                   |                      | <b>334.07</b>   |
|                                   |               |               |               |                   |                      | <i>273.22</i>   |

Fixed assets used in the Company's business or liabilities contracted have not been identified to any of the reported segments, as fixed assets and services are used interchangeably between reported segments

Previous year figures are shown in italic.

## Additional information to the Consolidated Financial Statements

### Note 27 (v) Related Party Disclosures for the year ended March 31, 2015

#### a) Related party and their relationship

|   |                     |   |
|---|---------------------|---|
| 1 | Parent Company      | Tata Motors Limited   |
| 2 | Fellow subsidiaries | <ol style="list-style-type: none"> <li>1 Concorde Motors (India) Ltd.</li> <li>2 Sheba Properties Ltd.</li> <li>3 TAL Manufacturing Solutions Ltd.</li> <li>4 Tata Motors European Technical Centre PLC</li> <li>5 Tata Motors Insurance Broking &amp; Advisory Services Ltd.</li> <li>6 Tata Motors Finance Ltd.</li> <li>7 TML Holdings Pte. Ltd.</li> <li>8 TML Distribution Company Ltd.</li> <li>9 Tata Hispano Motors Carrocera S.A.</li> <li>10 TML Drivelines Ltd.</li> <li>11 PT Tata Motors Indonesia (Indirect Subsidiary of Tata Motors Limited w.e.f October 20, 2014)</li> <li>12 Trilix S.r.l.</li> <li>13 Tata Precision Industries Pte. Ltd.</li> <li>14 Tata Marcopolo Motors Ltd.</li> <li>15 Jaguar Land Rover Automotive Plc</li> <li>16 Jaguar Land Rover Limited</li> <li>17 Jaguar Land Rover Austria GmbH</li> <li>18 Jaguar Land Rover Japan Limited</li> <li>19 JLR Nominee Company Limited</li> <li>20 Jaguar Land Rover Deutschland GmbH</li> <li>21 Jaguar Land Rover North America LLC</li> <li>22 Jaguar Land Rover Nederland BV</li> <li>23 Jaguar Land Rover Portugal - Veículos e Peças, Lda.</li> <li>24 Jaguar Land Rover Australia Pty Ltd.</li> <li>25 Jaguar Land Rover Italia Spa</li> <li>26 Jaguar Land Rover Korea Company Limited</li> <li>27 Jaguar Land Rover Automotive Trading (Shanghai) Co. Ltd.</li> <li>28 Jaguar Land Rover Canada ULC</li> <li>29 Jaguar Land Rover France, SAS</li> <li>30 Jaguar Land Rover South Africa (Pty) Ltd.</li> <li>31 Jaguar e Land Rover Brasil Importacao e Comercia de Veiculos Ltda</li> <li>32 Limited Liability Company "Jaguar Land Rover" (Russia)</li> <li>33 Jaguar Land Rover (South Africa) Holdings Limited</li> <li>34 Jaguar Land Rover India Limited</li> <li>35 Jaguar Land Rover Espana SL</li> <li>36 Jaguar Land Rover Belux NV</li> <li>37 Jaguar Cars South Africa (Pty) Ltd.</li> <li>38 The Jaguar Collection Limited</li> <li>39 Jaguar Cars Limited</li> <li>40 Jaguar Land Rover Holdings Limited</li> <li>41 Land Rover Group Limited (Liquidated with effect from June 30, 2014)</li> <li>42 Land Rover Exports Limited</li> <li>43 Land Rover Ireland Ltd.</li> <li>44 Land Rover Parts Ltd.</li> <li>45 The Daimler Motor Company Ltd.</li> </ol> |

## Additional information to the Consolidated Financial Statements

|   |  |   |
|---|--|---|
|   | 46   | Daimler Transport Vehicles Ltd.   |
|   | 47   | S.S. Cars Ltd.  |
|   | 48   | The Lanchester Motor Company Ltd.   |
|   | 49   | Tata Hispano Motors Carrocerries Maghreb SA (Direct Subsidiary of Tata Motors Ltd. W.e.f June 23, 2014)   |
|   | 50   | Shanghai Jaguar Land Rover Automotive Services Company Limited (Incorporated on March 10, 2014)   |
|   | 51   | Jaguar Land Rover Pension Trustee Limited   |
|   | 52   | JDHT Limited (Acquired by Tata Motors Limited with effect from February 2, 2015)  |
|   | 53   | Tata Daewoo Commercial Vehicle Co. Ltd.   |
|   | 54   | Tata Daewoo Commercial Vehicle Sales and Distribution Co. Ltd.  |
|   | 55   | Tata Motors (Thailand) Limited  |
|   | 56   | Tata Motors (SA) (Proprietary) Ltd.   |
|   | 57   | Tata Motors Finance Solutions Pvt. Ltd (Rajasthan Leasing Private Limited acquired w.e.f January 19, 2015)  |
|   | 58   | PT Tata Motors Distribusi Indonesia (Indirect Subsidiary of Tata Motors Limited w.e.f October 20, 2014)   |
| 3 | Joint Venture  | TATA HAL Technologies Limited   |
| 4 | Associates and Joint Venture of Parent Company                   | <ol style="list-style-type: none"> <li>1 Tata Cummins Private Limited (converted from Public Ltd w.e.f. December 16, 2014)</li> <li>2 Tata Precision Industries (India) Ltd.</li> <li>3 Fiat India Automobiles Private Limited (Converted from Public Ltd w.e.f January 19, 2015)</li> <li>4 Spark44 (JV) Ltd.</li> <li>5 Jaguar Cars Finance Ltd.</li> <li>6 Automobile Corporation of Goa Ltd</li> <li>7 Nita Co Ltd</li> <li>8 Cherry Jaguar Land Rover Automotive Co. Limited</li> <li>9 Tata Hitachi Construction Machinery Company Pvt. Limited (Converted from Public Ltd w.e.f March 5, 2015)</li> <li>10 Tata AutoComp Systems Ltd</li> <li>11 Chery Jaguar Land Rover Auto Sales Company Limited (A wholly owned subsidiary of Chery Jaguar Land Rover Automotive Co. Ltd w.e.f November 2013 and name changed from Suzhou Chery Jaguar Land Rover Trading Co. Ltd . (Interim J.V) w.e.f November 5, 2014)</li> </ol> |
| 5 | Key Management Personnel   | <ol style="list-style-type: none"> <li>1 Mr. P. R. McGoldrick, Managing Director (upto September 8, 2014)</li> <li>2 Mr. Warren Harris, Managing Director (w.e.f. September 9, 2014)</li> <li>3 Mr. Samrat Gupta, Chief Financial Officer (upto May 28, 2014)</li> <li>4 Mr. S Venkateswarlu, Chief Financial Officer (w.e.f. May 28, 2014)</li> <li>5 Mr. Anubhav Kapoor, Company Secretary</li> </ol>   |
| 6 | Key Management Personnel in subsidiary companies & Joint Venture | <ol style="list-style-type: none"> <li>1 Mr. Fernando Oviedo</li> <li>2 Mr. Nick Sale (upto September 1, 2014)</li> <li>3 Mr. Ramesh Indhewat</li> <li>4 Mr. Lokesh Ranjan Srivastava (upto July 31, 2014)</li> <li>5 Mr. Rajarajan Shanmugam (w.e.f August 1, 2014)</li> <li>6 Mr. Timothy Hayes</li> </ol>  |

## Additional information to the Consolidated Financial Statements

### Note 27 (v) Related Party Disclosures for the year ended March 31, 2015.

#### b) Transactions with related parties

(Amount in ₹ Crore)

| Particulars   | Parent Company | Fellow subsidiaries | Joint Venture | Key Management Personnel** | Total           |
|---|----------------|---------------------|---------------|----------------------------|-----------------|
| Purchase of products                                  | -              | <b>0.01</b>         | -             | -                          | <b>0.01</b>     |
|   | (-)            | (-)                 | (-)           | (-)                        | (-)             |
| Sale of products                                      | <b>41.48</b>   | <b>3.00</b>         | <b>0.44</b>   | -                          | <b>44.92</b>    |
|   | (39.56)        | (2.29)              | (1.64)        | (-)                        | (43.49)         |
| Services received                                     | <b>2.50</b>    | <b>23.85</b>        | <b>2.20</b>   | -                          | <b>28.55</b>    |
|   | (-)            | (9.10)              | (0.56)        | (-)                        | (9.66)          |
| Services rendered                                     | <b>456.88</b>  | <b>920.81</b>       | -             | -                          | <b>1,377.69</b> |
|   | (439.35)       | (736.40)            | (-)           | (-)                        | (1,175.75)      |
| Finance placed (including loans, equity & ICD)        | <b>985.90</b>  | -                   | -             | -                          | <b>985.90</b>   |
|   | (926.60)       | (-)                 | (-)           | (-)                        | (926.60)        |
| Finance received back (including loans, equity & ICD) | <b>884.40</b>  | -                   | -             | -                          | <b>884.40</b>   |
|   | (1,110.50)     | (-)                 | (-)           | (-)                        | (1,110.50)      |
| Dividend paid   | <b>281.80</b>  | -                   | -             | -                          | <b>281.80</b>   |
|   | (84.84)        | (-)                 | (-)           | (-)                        | (84.84)         |
| Interest paid / (received)(net)                       | <b>(15.95)</b> | <b>(0.55)</b>       | -             | -                          | <b>(16.50)</b>  |
|   | (-11.62)       | (-0.55)             | (-)           | (-)                        | (-12.17)        |
| Remuneration  | -              | -                   | -             | <b>13.93</b>               | <b>13.93</b>    |
|   | (-)            | (-)                 | (-)           | (12.67)                    | (12.67)         |
| Amount receivable                                     | <b>31.44</b>   | <b>239.85</b>       | <b>0.16</b>   | -                          | <b>271.45</b>   |
|   | (31.47)        | (144.27)            | (0.16)        | (-)                        | (175.90)        |
| Amount payable  | <b>3.29</b>    | -                   | <b>0.34</b>   | <b>2.69</b>                | <b>6.32</b>     |
|   | (2.10)         | (8.51)              | (0.56)        | (1.43)                     | (12.60)         |
| Amount receivable (in respect of loans, Equity & ICD) | <b>101.50</b>  | <b>5.29</b>         | -             | -                          | <b>106.79</b>   |
|   | (-)            | (5.29)              | (-)           | (-)                        | (5.29)          |
| Amount payable (in respect of loans, Equity & ICD)    | -              | <b>0.00</b>         | -             | -                          | -               |
|   | (-)            | (-)                 | (-)           | (-)                        | (-)             |

The above transactions are excluding reimbursement of expenses

\* Previous year's figures are shown in the brackets

\*\* Includes transactions with the key management personnel in subsidiary companies and joint venture.

Disclosure of material transactions:

**Services Received:**

Tata HAL Technologies ₹ 4.39 crore (March 31, 2014 ₹ 1.13 crore)

Jaguar Land Rover Limited ₹ 22.62 crore (March 31, 2014 ₹ NIL)

**Services Rendered:**

Jaguar Land Rover Limited ₹ 866.04 crore (March 31, 2014 ₹ 677.09 crores)

Jaguar Land Rover North America LLC ₹ 17.97 crore (March 31, 2014 ₹ 24.83 crores)

## Additional information to the Consolidated Financial Statements

### Note 27 (vi)

The Company has a joint venture with Hindustan Aeronautics Ltd., TATA HAL Technologies Ltd (THTL) for providing engineering and design solutions and services in the domain of aerostructures for aerospace industry. The Company has an investment of ₹ 5.07 crores as at March 31, 2015, representing 50% shareholding in THTL.

The proportionate share of assets and liabilities as on March 31, 2015 and income and expenditure for the year ended March 31, 2015 of THTL are given below.

(Amount in ₹ Crore)

| Particulars                    | As on March 31, 2015 | As on March 31, 2014 | Particulars                     | As on March 31, 2015 | As on March 31, 2014 |
|--------------------------------|----------------------|----------------------|---------------------------------|----------------------|----------------------|
| <b>RESERVES AND SURPLUS</b>    |                      |                      | <b>INCOME</b>                   |                      |                      |
| Share Capital                  | -                    | -                    | Service Income                  | 6.21                 | 4.09                 |
| Profit & Loss                  | (2.94)               | (3.62)               | Other income                    | 0.12                 | 0.57                 |
| <b>Sub Total</b>               | <b>(2.94)</b>        | <b>(3.62)</b>        | <b>Sub Total</b>                | <b>6.33</b>          | <b>4.66</b>          |
| <b>NON-CURRENT LIABILITIES</b> | <b>0.10</b>          | 0.09                 |                                 |                      |                      |
| <b>CURRENT LIABILITIES</b>     | <b>0.73</b>          | 1.39                 |                                 |                      |                      |
|                                | <b>(2.11)</b>        | <b>(2.14)</b>        |                                 |                      |                      |
| <b>NON-CURRENT ASSETS</b>      |                      |                      | <b>EXPENDITURE</b>              |                      |                      |
| Net Block (including CWIP)     | 0.31                 | 0.37                 | Cost of Traded Items & Services | 0.03                 | 1.34                 |
| Long Term Loans and Advances   | 0.44                 | 0.35                 | Salary & other general expenses | 5.38                 | 3.78                 |
| Other non current assets       | 0.07                 | -                    | Depreciation                    | 0.23                 | 0.32                 |
| <b>Sub Total</b>               | <b>0.82</b>          | 0.72                 | <b>Sub Total</b>                | <b>5.64</b>          | <b>5.44</b>          |
| <b>CURRENT ASSETS</b>          |                      |                      |                                 |                      |                      |
| Trade Receivables              | 1.77                 | 1.83                 |                                 |                      |                      |
| Projects work in progress      | -                    | 0.10                 |                                 |                      |                      |
| Cash and Cash Equivalents      | 0.17                 | 0.13                 |                                 |                      |                      |
| Short Term loans and advances  | 0.03                 | 0.10                 |                                 |                      |                      |
| Other Current Assets           | 0.17                 | 0.04                 |                                 |                      |                      |
| <b>Sub Total</b>               | <b>2.14</b>          | <b>2.20</b>          |                                 |                      |                      |
| <b>Total</b>                   | <b>2.96</b>          | <b>2.92</b>          | <b>Total</b>                    | <b>0.53</b>          | <b>(0.78)</b>        |

### Note 27 (vii) Derivative transactions

The Company uses forward exchange contracts to hedge its exposure in foreign currency. The information on derivative instruments is as follows:

#### 1. Derivative instruments outstanding as at March 31, 2015:

| Particulars                | As At          | Bought/sold |         | Amount in Foreign currency in crore | Amount in ₹ crore |
|----------------------------|----------------|-------------|---------|-------------------------------------|-------------------|
| Forward Exchange contracts | March 31, 2015 | Sold        | GBP/USD | GBP 0.55                            | 50.85             |
|                            |                | Sold        | USD/INR | USD 0.67                            | 41.87             |
|                            | March 31, 2014 | Buy         | RON/USD | RON 0.60                            | 9.09              |
|                            |                | Sold        | GBP/INR | GBP 0.17                            | 16.92             |

## Additional information to the Consolidated Financial Statements

### 2. Foreign exchange currency exposures not covered by derivative instruments as at March 31, 2015

(Amount in ₹ Crore)

| Particulars   | Currency | As At March 31, 2015       |                        |
|---|----------|----------------------------|------------------------|
|   |          | Amount in Foreign Currency | Equivalent Amount in ₹ |
| Sundry Debtors  | EUR      | 0.69                       | 46.38                  |
|   | CAD      | 0.14                       | 7.04                   |
|   | GBP      | 1.64                       | 151.31                 |
|   | THB      | 0.99                       | 1.91                   |
|   | USD      | 3.57                       | 222.96                 |
|   | ZAR      | 0.02                       | 0.08                   |
|   | CNY      | 0.10                       | 1.02                   |
|   | SGD      | 0.02                       | 1.07                   |
|   | JPY      | 0.00                       | 0.00                   |
|   | RON      | 0.29                       | 4.46                   |
| Loans & Advances  | EUR      | 0.00                       | 0.09                   |
|   | THB      | 0.03                       | 0.06                   |
|   | USD      | 0.11                       | 6.82                   |
|   | ZAR      | 0.00                       | 0.00                   |
| Sundry Creditors  | EUR      | 0.33                       | 22.28                  |
|   | GBP      | 0.64                       | 58.95                  |
|   | SGD      | 0.01                       | 0.25                   |
|   | THB      | 1.13                       | 2.17                   |
|   | USD      | 1.98                       | 123.75                 |
|   | RMB      | 0.13                       | 1.31                   |
|   | CAD      | 0.21                       | 10.32                  |
|   | MXN      | 0.13                       | 0.52                   |
| RON   | 0.30     | 4.58                       |                        |
| Secured Loan  | USD      | 0.60                       | 37.50                  |
| Unsecured Loan  | USD      | 1.50                       | 93.75                  |
|   | GBP      | 2.50                       | 231.15                 |
| Deposits with Bank  | GBP      | 1.50                       | 138.66                 |
|   | THB      | 2.96                       | 5.68                   |
|   | USD      | 0.45                       | 27.82                  |
| Cash on hand  | USD      | 0.00                       | 0.01                   |
|   | THB      | 0.00                       | 0.00                   |
| Current account with Bank<br>(including cheques in hand/money in transit) | USD      | 2.54                       | 159.00                 |
|   | EUR      | 0.00                       | 0.29                   |
|   | GBP      | 1.55                       | 143.46                 |
|   | THB      | 0.63                       | 1.21                   |

\* The above balances are before considering intra-company balances eliminations on consolidation

**Note 27 (viii)** Previous year figures have been regrouped/reclassified wherever necessary to correspond with the current year's classifications / disclosures.