

ANNUAL REPORT OF TATA TECHNOLOGIES PTE LTD

TATA TECHNOLOGIES PTE LTD

(Incorporated in the Republic of Singapore)

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DIRECTORS' STATEMENT

The Directors present their statement to the members together with the audited financial statements of the Company for the financial year ended 31 March 2016.

In the opinion of the Directors, the financial statements are drawn up so as to give a true and fair view of the financial position of the Company as at 31st March 2016 and the financial performance, changes in equity and cash flows of the Company for the financial year ended on that date and at the date of this statement there are reasonable grounds to believe that the Company will be able to pay its debts as and when they fall due.

DIRECTORS

The Directors in office at the date of this statement are:

**WILLIAM CHAN KWOK WAH
PRAVEEN PURUSHOTTAM KADLE
PATRICK RAYMON MCGOLDRICK**

ARRANGEMENT FOR DIRECTORS TO ACQUIRE SHARES AND DEBENTURES

Neither at the end of the financial year, nor at any time during that year, did there subsist any arrangements, to which the Company is a party, whereby Directors might acquire benefits by means of the acquisition of shares in, or debentures of, the Company or any other body corporate.

DIRECTORS' INTEREST IN SHARES

No Director of the Company who held office at the end of the financial year, had, according to the register required to be kept under Section 164 of the Companies Act, Cap. 50, an interest in shares of the Company at beginning or end of the year.

SHARE OPTIONS

a) Share Options Granted

No options were granted during the year to take up unissued shares of the Company.

b) Share Options Exercised

During the year, there were no shares issued by virtue of the exercise of options to take up shares of the Company.

c) Unissued Shares Under Option

There were no unissued shares of the Company under option as at the end of the financial year.

DIRECTORS' STATEMENT

CARRYING VALUE OF SUBSIDIARIES AND LOAN TO SUBSIDIARIES

The Directors are of the opinion that based on a professional valuation, the carrying values of the subsidiaries are stated at fair values and no impairment provision is necessary.

AUDITORS

The auditors, Messrs. H. WEE & CO., have expressed their willingness to accept re-appointment.

ON BEHALF OF THE BOARD

PRAVEEN PURUSHOTTAM KADLE
DIRECTOR

WILLIAM CHAN KWOK WAH
DIRECTOR

DATED : 29TH April, 2016

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF

TATA TECHNOLOGIES PTE LTD

(Incorporated in the Republic of Singapore)

We have audited the accompanying financial statements of **TATA TECHNOLOGIES PTE LTD** set out on pages 5 to 27 which comprise the statement of financial position as at 31 March 2016 and the statement of comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, and a summary of significant accounting policies and other explanatory notes.

MANAGEMENT'S RESPONSIBILITY FOR THE FINANCIAL STATEMENTS

Management is responsible for the preparation of financial statements that give a true and fair view in accordance with the provisions of the Singapore Companies Act, Chapter 50 (the "Act") and Singapore Financial Reporting Standards, and for devising and maintaining a system of internal accounting controls sufficient to provide a reasonable assurance that assets are safeguarded against loss from unauthorised use or disposition; and transactions are properly authorised and that they are recorded as necessary to permit the preparation of true and fair financial statements and to maintain accountability of assets.

AUDITOR'S RESPONSIBILITY

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with Singapore Standards on Auditing. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance 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 control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

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

OPINION

In our opinion, the financial statements are properly drawn up in accordance with the provisions of the Act and Singapore Financial Reporting Standards so as to give a true and fair view of the financial position of the Company as at 31 March 2016 and the financial performance, changes in equity and cash flows of the Company for the financial year ended on that date

EMPHASIS ON MATTER

CARRYING VALUE OF SUBSIDIARIES AND LOAN TO SUBSIDIARIES

The Directors are of the opinion that based on a professional valuation, the carrying values of investment in subsidiaries are stated at fair values and no impairment provision is necessary.

We have relied on the fair values adopted by the Directors and professional valuation.

REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

In our opinion, the accounting and other records required by the Act to be kept by the Company have been properly kept in accordance with the provisions of the Act.

H. WEE & CO.

PUBLIC ACCOUNTANTS AND
CHARTERED ACCOUNTANTS

SINGAPORE

DATED: 29th April, 2016

TATA TECHNOLOGIES PTE LTD
(Incorporated in the Republic of Singapore)

**STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31 MARCH 2016**

	NOTE	2016		2015	
		US\$	₹	US\$	₹
REVENUES					
Sales	3	3,804,820	252,059,813	2,345,073	146,561,200
Commission	3	(68,437)	(4,533,780)	2,301,125	143,814,560
Other revenues	18	32,346	2,142,842	61,611	3,850,533
Total revenues		3,768,729	249,668,875	4,707,809	294,226,293
COSTS AND EXPENSES					
Purchases and related expenses		3,245,149	214,983,008	2,006,899	125,426,170
Amortisation of trade marks	7	18,915	1,253,071	13,900	868,715
Depreciation	8	32,853	2,176,429	47,373	2,960,694
Director's fees		3,706	245,513	3,990	-
Director's remuneration		287,839	19,068,614	712,177	44,509,282
Exchange difference		(114,464)	(7,582,954)	26,496	1,655,934
Salaries and employee benefits		914,790	60,602,548	824,547	51,532,125
Other operating expenses	18	385,277	25,523,638	299,563	18,721,939
Total costs and expenses		4,774,065	316,269,867	3,934,945	245,924,224
PROFIT BEFORE TAXATION		(1,005,336)	(66,600,992)	772,864	48,302,069
Taxation	19	(26,040)	(1,725,085)	(155,315)	(9,706,799)
PROFIT AFTER TAXATION		(1,031,376)	(68,326,077)	617,549	58,008,868
EXCEPTIONAL ITEM	20	-	-	4,949,000	309,300,128
PROFIT FOR THE YEAR		(1,031,376)	(68,326,077)	5,566,549	367,308,997
OTHER COMPREHENSIVE INCOME:					
<u>Item that may be reclassified subsequently to profit or loss:</u>					
Foreign currency translation		(61,368)	(4,065,477)	(51,772)	(3,235,621)
Realisation of capital reserve on disposal of a subsidiary	5	-	-	(6,840,817)	(427,533,960)
OTHER COMPREHENSIVE INCOME, net of tax		(61,368)	(4,065,477)	(6,892,589)	(430,769,581)
TOTAL COMPREHENSIVE (LOSS)/INCOME FOR THE YEAR		(1,092,744)	(72,391,553)	(1,326,040)	(63,460,584)

THE ATTACHED NOTES TO THE ACCOUNTS
FORM AN INTEGRAL PART OF THE ACCOUNTS

TATA TECHNOLOGIES PTE LTD
(Incorporated in the Republic of Singapore)

STATEMENT OF FINANCIAL POSITION AS AT 31 MARCH 2016

	NOTE	2016		2015	
		US\$	₹	US\$	₹
SHARE CAPITAL	4	54,000,000	3,577,365,000	54,000,000	3,374,865,000
CAPITAL RESERVE	5	45,935,488	3,043,111,241	45,935,488	2,870,853,161
CURRENCY TRANSLATION RESERVE	6	3,304,532	218,916,984	3,365,900	210,360,335
RETAINED EARNINGS		9,133,906	605,098,438	10,165,282	635,304,712
		<u>112,373,926</u>	<u>7,444,491,662.69</u>	<u>113,466,670</u>	<u>7,091,383,207</u>
Represented by:					
INTANGIBLE ASSETS	7	153,938	10,198,008	126,086	7,880,060
PLANT AND EQUIPMENT	8	122,358	8,105,912	143,227	8,951,329
SUBSIDIARY COMPANIES	9	106,852,458	7,078,708,211	106,852,458	6,678,011,494
CURRENT ASSETS					
Trade debtors	10	703,262	46,589,349	372,868	23,303,318
Trade debtors - related companies	11	218,343	14,464,678	585,366	36,583,912
Other debtors	12	127,825	8,468,087	110,404	6,899,974
Amount due from subsidiaries	9	-	-	870,571	54,408,511
Fixed deposits	13	-	-	4,451,185	278,187,933
Bank and cash balances	13	5,101,219	337,943,006	933,988	58,371,915
		<u>6,150,650</u>	<u>407,465,185</u>	<u>7,324,382</u>	<u>457,755,563</u>
Less: CURRENT LIABILITIES					
Trade creditors	14	466,449	30,901,080	381,529	23,844,609
Trade creditor-related company	15	354,307	23,471,953	278,470	17,403,679
Other creditors	16	5,000	331,238	189,199	11,824,465
Amount due to subsidiaries	9	8,561	567,145	-	-
Provision for taxation		71,160	4,714,172	110,285	6,892,537
		<u>905,477</u>	<u>59,985,588</u>	<u>959,483</u>	<u>59,965,289</u>
NET CURRENT ASSETS		5,245,173	347,479,597	6,364,899	397,790,273
NON CURRENT LIABILITIES	17	-	-	20,000	1,249,948
Deferred tax liabilities		<u>112,373,927</u>	<u>7,444,491,729</u>	<u>113,466,670</u>	<u>7,091,383,208</u>

THE ATTACHED NOTES TO THE ACCOUNTS
FORM AN INTEGRAL PART OF THE ACCOUNTS

TATA TECHNOLOGIES PTE LTD
(Incorporated in the Republic of Singapore)

**STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 MARCH 2016**

	SHARE CAPITAL		CAPITAL RESERVE		CURRENCY TRANSLATION RESERVE		RETAINED EARNINGS/ ACCUMULATED (LOSSES)		TOTAL EQUITY	
	US\$	₹	US\$	₹	US\$	₹	US\$	₹	US\$	₹
Balance at 1 April 2014	54,000,000	3,374,865,000	52,776,305	3,298,387,122	3,417,672	213,595,956	4,598,733	287,409,315	114,792,710	7,174,257,393
Total comprehensive income for the year	-	-	(6,840,817)	(427,533,960)	(51,772)	(3,235,621)	5,566,549	347,895,396	(1,326,040)	(82,874,186)
Balance at 31 March 2015	54,000,000	3,374,865,000	45,935,488	2,870,853,161	3,365,900	210,360,335	10,165,282	635,304,712	113,466,670	7,091,383,207
Balance at 31 March 2015	54,000,000	3,577,365,000	45,935,488	3,043,111,241	3,365,900	222,982,460	10,165,282	673,424,519	113,466,670	7,516,883,221
Total comprehensive (loss) for the year	-	-	-	-	(61,368)	(4,065,477)	(1,031,376)	(68,326,083)	(1,092,744)	(72,391,559)
Balance at 31 March 2016	54,000,000	3,577,365,000	45,935,488	3,043,111,241	3,304,532	218,916,984	9,133,906	605,098,438	112,373,926	7,444,491,662

THE ATTACHED NOTES TO THE ACCOUNTS
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TATA TECHNOLOGIES PTE LTD
(Incorporated in the Republic of Singapore)

STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 MARCH 2016

	2016		2015	
	US\$	₹	US\$	₹
CASH FLOWS FROM OPERATING ACTIVITIES				
Net profit before taxation	(1,005,336)	(66,600,996)	772,864	48,302,069
Adjustments for:				
Amortisation of trade marks	18,915	1,253,071	13,900	868,715.25
Depreciation of plant and equipment	32,853	2,176,429	47,373	2,960,694
Interest income	(18,449)	(1,222,200)	(37,823)	(2,363,843)
Currency translation differences	(61,368)	(4,065,477)	(51,772)	(3,235,621)
Unrealised exchange differences	74,360	4,926,164	15,645	977,773
Operating profit before working capital changes	(959,025)	(63,533,008)	760,187	47,509,788
(Increase)/Decrease in debtors	34,136	2,261,425	(535,372)	(33,459,412)
(Increase) in amount due from subsidiaries - trade	752,508	49,851,774	(160,987)	(10,061,285)
Increase/(Decrease) in creditors	(24,449)	(1,619,685)	118,728	7,420,203
Cash generated from operation	(196,830)	(13,039,494)	182,556	11,409,295
Interest income	18,449	1,222,199	37,823	2,363,842
Tax paid	(85,165)	(5,641,968)	(34,060)	(2,128,665)
Net cash flow from operating activities	(263,546)	(17,459,265)	186,319	11,644,471
CASH FLOWS FROM INVESTING ACTIVITIES				
Incorporation of a subsidiary	-	-	(500,000)	(31,248,750)
Acquisition of intangible assets	(46,767)	(3,098,197)	(33,136)	(2,070,917)
Purchase of plant and equipment	(11,984)	(793,910)	(4,389)	(274,302)
Loan to subsidiaries-repayment	126,652	8,390,378	1,500,000	93,746,250
Net cash flow from/(used in) investing activities	67,901	4,498,271	962,475	60,152,281
NET CHANGE IN CASH AND CASH EQUIVALENTS	(195,645)	(12,960,993)	1,148,794	71,796,752
Effect of exchange rates changes on cash and cash equivalents	(88,309)	(5,850,250)	-	-
CASH AND CASH EQUIVALENTS AT BEGINNING OF YEAR	5,385,173	356,754,247	4,236,379	264,763,097.55
CASH AND CASH EQUIVALENTS AT END OF YEAR (Note 13)	5,101,219	337,943,004	5,385,173	336,559,849.57

THE ATTACHED NOTES TO THE ACCOUNTS
FORM AN INTEGRAL PART OF THE ACCOUNTS

TATA TECHNOLOGIES PTE LTD

(Incorporated in the Republic of Singapore)

NOTES TO THE ACCOUNTS - 31 MARCH 2016

The notes on pages 9 to 27 form an integral part of and should be read in conjunction with these accounts.

1 SIGNIFICANT ACCOUNTING POLICIES

(a) Basis of Accounting

The accounts expressed in United States Dollar (US\$), which is the Company's functional currency, have been prepared under the historical cost convention (except as disclosed in the accounting policies below) and in accordance with Singapore Financial Reporting Standards (FRS) as required by the Companies Act.

The preparation of financial statements requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised and in any future periods affected.

Information about critical judgements, key assumptions and accounting estimates that have the most significant effect on the amounts recognised in the financial statements is included in the following notes:

Investment in subsidiaries

The carrying amount of investment in subsidiaries and loans to subsidiaries is disclosed in Note 9. Management has evaluated whether there is any indication of impairment by considering both internal and external sources of information, and is of the opinion no impairment provision is necessary.

Allowances for receivables

The Company makes allowances for bad and doubtful debts based on an assessment of the recoverability of trade and other receivables. Allowances are applied to trade and other receivables where events or changes in circumstances indicate that the balances may not be collectible. The identification of bad and doubtful debts requires the use of judgement and estimates. Judgement is required in assessing the ultimate realisation of these receivables, including the current creditworthiness, past collection history of each customer and on-going dealings with them. Where the expectation is different from the original estimate, such difference will impact the carrying value of trade and other receivables and doubtful debts expenses in the period in which such estimate has been changed. The carrying amounts of the Company's trade and other receivables are disclosed in Notes 9, 10, 11 and 12 respectively.

In the current financial year, the Company has adopted all the new and revised FRS and Interpretations of FRS ("INT FRS") issued by the Accounting Standards Council that are relevant to its operations and effective for the current financial year.

The adoption of these new/revised FRSs has no material effect on the financial statements.

TATA TECHNOLOGIES PTE LTD

(Incorporated in the Republic of Singapore)

NOTES TO THE ACCOUNTS - 31 MARCH 2016

1 SIGNIFICANT ACCOUNTING POLICIES – (Cont'd)

(b) Consolidation

Consolidated financial statements of the Company and its subsidiaries have not been prepared. Its immediate holding company, Tata Technologies Limited, a company incorporated in India, prepares consolidated financial statements which include the results of the Company and all its subsidiaries. Copies of the consolidated financial statements can be obtained from 25, Pune Infotech Park, Hlnjawadi, Pune, India.

A list of the Company's subsidiary companies is shown in Note 9.

(c) Intangible Assets

Intangible assets are measured at fair value upon initial recognition. Subsequent to initial recognition, the intangible assets are measured at cost less accumulated amortisation and accumulated impairment losses.

Intangible assets comprise of legal fees incurred in registering trade marks and patents. They are amortised over their estimated useful lives of ten years.

(d) Plant and Equipment and Depreciation

Plant and equipment are stated at cost less accumulated depreciation and any impairment loss. The cost of an asset comprises its purchase price and any directly attributable costs of bringing the asset to working condition for its intended use. Expenditure for additions, improvements and renewals is capitalised and expenditure for maintenance and repairs is charged to profit or loss. When assets are sold or retired, their cost and accumulated depreciation are removed from the financial statements and any gain or loss resulting from their disposal is included in profit or loss.

Depreciation is calculated on the straight line method to write off the cost of the assets over their estimated useful lives. The estimated useful lives are as follows:

Computer equipment	1 to 3 years
Office furniture and equipment	5 to 10 years
Motor vehicle	10 years

Fully depreciated assets are retained in the accounts until they are no longer in use and no further charge for depreciation is made in respect of these assets.

(e) Subsidiary Companies

Shares in subsidiary companies are stated at cost (except for two of the subsidiaries which were re-stated at fair values – Notes 5 and 9). Provision for impairment in value of the investments would be made if the directors consider that their value had permanently fallen below cost.

TATA TECHNOLOGIES PTE LTD
(Incorporated in the Republic of Singapore)

NOTES TO THE ACCOUNTS - 31 MARCH 2016

1 SIGNIFICANT ACCOUNTING POLICIES – (Cont'd)

(f) Financial Assets

(i) Classification

The Company classifies its financial assets according to the purpose for which the assets were acquired. Management determines the classification of its financial assets at initial recognition and re-evaluates this designation at every reporting date. The Company's only financial assets are loans and receivables.

Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. They are presented as current assets, except for those maturing later than 12 months after the statement of financial position date which are presented as non-current assets.

Loans and receivables include 'bank and cash balances', 'fixed deposit' and 'trade and other debtors' excluding prepayment.

(ii) Recognition and derecognition

Regular purchases and sales of financial assets are recognised on trade-date – the date on which the Company commits to purchase or sell the asset. Financial assets are derecognised when the rights to receive cash flows from the financial assets have expired or have been transferred and the Company has transferred substantially all risks and rewards of ownership. On disposal of a financial asset, the difference between the net sale proceeds and its carrying amount is recognised in profit or loss. Any amount in the fair value reserve relating to that asset is also transferred to profit or loss.

(iii) Initial measurement

Financial assets are initially recognised at fair value plus transaction costs except for financial assets at fair value through profit or loss, which are recognised at fair value. Transaction costs for financial assets at fair value through profit or loss are recognised as expenses.

(iv) Subsequent measurement

Loans and receivables are carried at amortised cost using the effective interest method.

Interest income on financial assets is recognised separately in profit or loss.

(v) Impairment of Assets

The carrying amounts of the Company's assets are reviewed at each statement of financial position date to determine whether there is any indication of any impairment. If any such indication exists, the asset's recoverable amount is estimated. All impairment losses are recognised in profit or loss whenever the carrying amount of an asset of its cash-operating unit exceeds its recoverable amount.

An impairment loss is only reversed to the extent the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised. All reversals of impairment losses are recognised in profit or loss.

TATA TECHNOLOGIES PTE LTD

(Incorporated in the Republic of Singapore)

NOTES TO THE ACCOUNTS - 31 MARCH 2016

1 SIGNIFICANT ACCOUNTING POLICIES – (Cont'd)

(g) Cash and Cash Equivalents

Cash and cash equivalents comprise cash in hand and at bank and fixed deposits which are subject to an insignificant risk of changes in value. Cash equivalents are stated at amounts at which they are convertible into cash.

(h) Financial Liabilities

Financial liabilities include trade payables, other amounts payable and interest-bearing loans. Financial liabilities are recognised on the statement of financial position when, and only when, the Company becomes a party to the contractual provisions of the financial instrument. Financial liabilities are initially recognised at fair value of consideration received less directly attributable transaction costs and subsequently measured at amortised cost using the effective interest rate method.

Gains and losses are recognised in profit or loss when the liabilities are derecognised as well as through the amortisation process. The liabilities are derecognised when the obligation under the liability is discharged, cancelled or expired.

(i) Provision

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

Provisions are reviewed at each statement of financial position date and adjusted to reflect the current best estimate. If it is no longer probable that an outflow of economic resources will be required to settle the obligation, the provision is reversed.

(j) Foreign Currency

The Company's functional currency is the United States Dollar. Transactions in other currencies during the financial year are converted to United States Dollar at the rates of exchange prevailing on the transaction dates. Monetary assets and liabilities denominated in other currencies are translated into United States Dollar at the rates of exchange prevailing at the statement of financial position date or at the contracted rates where they are covered by forward exchange contracts. All exchange adjustments are taken to profit or loss.

(k) Income Tax

Income tax expense is determined on the basis of tax effect accounting, using the liability method, and is applied to all temporary differences at the statement of financial position date between the carrying amounts of assets and liabilities and the amounts used for tax purposes.

Deferred tax liabilities are recognised for all taxable temporary differences.

Deferred tax assets are recognised for all deductible temporary differences to the extent that it is probable that taxable profit will be available against which the deductible temporary difference can be utilised.

TATA TECHNOLOGIES PTE LTD

(Incorporated in the Republic of Singapore)

NOTES TO THE ACCOUNTS - 31 MARCH 2016

1 SIGNIFICANT ACCOUNTING POLICIES – (Cont'd)

(l) Revenue Recognition

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured. The following specific recognition criteria must also be met before revenue is recognised:

(i) Sales of good

Revenue is recognised upon the transfer of significant risk and rewards of ownership of the goods to the customer, which generally coincides with delivery and acceptance of the goods sold. Revenue is not recognised to the extent where there are significant uncertainties regarding recovery of the consideration due, associated costs or the possible return of goods.

(ii) Services rendered

Revenue is recognised upon when services are rendered to and accepted by customers.

(iii) Commission income

Commission income is recognised when the Company's rights to receive payment is established.

(iv) Interest income

Interest income is recognised as interest accrues (using the effective interest method) unless collectability is in doubt.

(m) Employee Benefits

(i) Pension obligations

As required by law, the Company makes contributions to the contribution pension scheme, the Central Provident Fund (CPF). CPF contributions are recognised as compensation expense in the same period as the employment that gives rise to the contribution.

(ii) Employee leave entitlement

Employee entitlements to annual leave are recognised when they accrue to employees. A provision is made for the estimated liability for leave as a result of services rendered by employees up to the statement of financial position date.

(n) Operating Lease

Rental payable/receivable under operating leases is accounted for in the statement of comprehensive income on a straight-line basis over the periods of the respective leases.

TATA TECHNOLOGIES PTE LTD

(Incorporated in the Republic of Singapore)

NOTES TO THE ACCOUNTS - 31 MARCH 2016

1 SIGNIFICANT ACCOUNTING POLICIES – (Cont'd)

(o) Related Parties

A party is considered to be related to the Company if:

- i) The party, directly or indirectly through one or more intermediaries,
 - controls, is controlled by, or is under common control with, the Company;
 - has an interest in the Company that gives it significant influence over the Company;or
 - has joint control over the Company;
- ii) The party is an associate;
- iii) The party is a jointly-controlled entity;
- iv) The party is a member of the key management personnel of the Company;
- v) The party is a close member of the family of any individual referred to in (i) or (iv); or
- vi) The party is an entity that is controlled, jointly controlled or significantly influenced by or for which significant voting power in such entity resides with, directly or indirectly, any individual referred to in (iv) or (v).

2 GENERAL

The Company is a limited liability company incorporated and domiciled in Singapore.

The Company has a branch in Korea.

The principal activities of the Company are that of development of software and marketing of computer systems and software, provision of engineering support and maintenance services and computer consultancy and related services.

The principal activities of the subsidiary companies are set out in Note 9 to the accounts.

There have been no significant changes in the nature of these activities during the financial year.

The registered office of the Company is located at 8 Shenton Way, #19-05 AXA Tower, Singapore 068811.

The financial statements of the Company were authorised by the Board of Directors on 29th April, 2016

3 REVENUES

Revenues of the Company consist of revenues from sales of goods and services, maintenance income, commission income and other revenues (Note 18).

Sales represent invoiced value after trade discounts.

TATA TECHNOLOGIES PTE LTD

(Incorporated in the Republic of Singapore)

NOTES TO THE ACCOUNTS - 31 MARCH 2016

4 SHARE CAPITAL

	2016		2015		2016		2015	
	No. of Shares		US\$		₹		US\$	
Ordinary shares								
Issued and fully paid								
Balance at beginning of year	86,463,759	86,463,759	54,000,000	3,577,365,000	54,000,000	3,374,865,000		
Balance at end of year	86,463,759	86,463,759	54,000,000	3,577,365,000	54,000,000	3,374,865,000		

All issued shares are fully paid and have no par value. The Company has one class of ordinary shares which carries no right to fixed income. The holders of ordinary shares are entitled to receive dividends as and when declared by the Company. All ordinary shares carry one vote per share without restriction. The Company is not subject to any externally imposed capital requirements.

5 CAPITAL RESERVE

Capital reserve of the Company was derived as follows:

Tata Technologies, USA, a subsidiary of the Company acquired during the financial year ended 31 March 2006, made a 338(g) election as per US IRS provisions to treat the acquisition of INCAT International Plc as a deemed asset sale resulting in INCAT International Plc's investment in INCAT Holdings USA/iKnowledge Solutions Inc. getting distributed as in specie dividend to Tata Technologies, USA. In turn Tata Technologies, USA has distributed in specie dividend to the Company, the shares of iKnowledge Solutions Inc. and INCAT International Plc.

The carrying values of these investments as at 31 March 2006 in the respective holding company's audited accounts were adopted for this in specie dividend, i.e. US\$85,935,488 (₹ 5,693,011,241) for INCAT International Plc and US\$6,840,817 (₹ 453,187,024) for iKnowledge Solutions Inc. As the surplus of the in specie dividend over the cost of investment arose from a group restructuring shortly after the investment was made, the Directors are of the opinion this surplus is capital in nature hence it has been taken to the Capital Reserve.

During the current financial year, on 12 February 2015, the Company disposed of its entire interest of 885,520 Class B shares in Tata Technologies, Inc for a total consideration of 697 shares in Tata Technologies Europe Limited which were valued at US\$19,449,000 (₹ 1,288,447,628). Capital reserve of US\$6,840,817 (₹453,187,024) was realised in the income statement on disposal of the subsidiary (Notes 9 and 20).

	2016		2015	
	US\$	₹	US\$	₹
Balance at beginning and end of year	45,935,488	3,043,111,241	52,776,305	3,298,387,122
Realisation of reserve to income statement on disposal of subsidiary	-	-	(6,840,817)	(427,533,961)
Balance at the end of the year	45,935,488	3,043,111,241	45,935,488	2,870,853,161

6 CURRENCY TRANSLATION RESERVE

The currency translation reserve comprises all foreign exchange differences arising from change in the Company's functional currency from Singapore Dollar to United States Dollar in financial year ended 31 March 2013 and the translation of the financial statements of its Korea Branch's foreign operations whose functional currency is different from the functional currency of the Company.

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7 INTANGIBLE ASSETS

	2016		2015	
	US\$	₹	US\$	₹
Trade marks, at cost				
At 1 April	158,628	10,508,708	125,492	7,842,936
Additions	46,767	3,098,197	33,136	2,070,917
At 31 March	205,395	13,606,905	158,628	9,913,853
Less: Amortisation	51,457	3,408,898	32,542	2,033,794
	153,938	10,198,008	126,086	7,880,060
Analysis of amortisation				
At 1 April	32,542	2,155,825	18,642	1,165,078
Current year's amortisation	18,915	1,253,071	13,900	868,715
At 31 March	51,457	3,408,898	32,542	2,033,794

8 PLANT AND EQUIPMENT

	Computer equipment US\$	Office furniture & equipment US\$	Motor vehicle US\$	Total US\$	Computer equipment ₹	Office furniture & equipment ₹	Motor vehicle ₹	Total ₹
COST								
At 1.4.2014	138,205	122,794	181,632	442,631	9,155,736	8,134,796	12,032,666	29,323,197
Additions	4,007	382	-	4,389	265,455	25,307	-	290,761
Disposals	(1,119)	(337)	-	(1,456)	(74,131)	(22,325)	-	(96,456)
Reclassified	39	(39)	-	-	-	-	-	-
At 31.3.2015	141,132	122,800	181,632	445,564	9,349,643	8,135,193	12,032,666	29,517,502
Additions	11,122	862	-	11,984	736,805	57,105	-	793,910
Disposals	-	(37)	-	(37)	-	(2,451)	-	(2,450)
At 31.3.2016	152,254	123,625	181,632	457,511	10,086,449	8,189,847	12,032,666	30,308,961
ACCUMULATED DEPRECIATION								
At 1.4.2014	111,713	100,812	43,895	256,420	7,400,707	6,678,543	2,907,934	16,987,184
Additions	15,190	14,020	18,163	47,373	1,006,300	928,790	1,203,253	3,138,342
Disposals	(1,119)	(337)	-	(1,456)	(74,131)	(22,325)	-	(96,456)
Reclassified	39	(39)	-	-	-	-	-	-
At 31.3.2015	125,823	114,456	62,058	302,337	8,335,459	7,582,424	4,111,188	20,029,069
Additions	11,695	2,995	18,163	32,853	774,765	198,410	1,203,257	2,176,431
Disposals	-	(37)	-	(37)	-	(2,451)	-	(2,451)
At 31.3.2016	137,518	117,414	80,221	335,153	9,110,224	7,778,383	5,314,446	22,203,049
NET BOOK VALUE								
At 31.3.2016	14,736	6,211	101,411	122,358	976,224	411,464	6,718,224	8,105,912
At 31.3.2015	15,309	8,344	119,574	143,227	956,774	521,479	7,473,076	8,951,329

Motor vehicle is held in trust by a Director for the Company.

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SUBSIDIARY COMPANIES

	2016		2015	
	US\$	₹	US\$	₹
Investment in subsidiaries:				
Unquoted shares				
Balance at beginning of year				
- at cost	20,916,969	1,385,696,904	15,467,969	966,709,393
- at fair value	85,935,489	5,693,011,307	92,776,306	5,798,287,184
Disposal				
- at fair value	-	-	(6,840,817)	(427,533,960)
- at cost	-	-	(14,500,000)	(906,213,750)
Addition, at cost	-	-	19,949,000	1,246,762,628
Balance at end of year	106,852,458	7,078,708,211	106,852,458	6,678,011,494
Amount due from subsidiaries:				
Loan to an indirect subsidiary *	-	-	86,816	5,425,783
Loan to a subsidiary *	-	-	39,836	2,489,650
Trade debts due from a subsidiary	-	-	743,264	46,452,141
Trade debts due (to) a subsidiary	(8,561)	(567,145)	655	40,936
	(8,561)	(567,145)	870,571	54,408,511
	106,843,897	7,078,141,067	107,723,029	6,732,420,005

During the current financial year, on 12 February 2015, the Company disposed of its entire interest of 885,520 Class B shares in Tata Technologies, Inc for a total consideration of 697 shares in Tata Technologies Europe Limited which were valued at US\$19,449,000 (₹ 1,288,447,628) (Notes 5 and 20). The Company also contributed US\$500,000 (₹ 33,123,750) to complete its incorporation of a wholly-owned subsidiary in China.

*These represent unpaid interest and are denominated in Sterling Pound. The interest has been fully repaid during the financial year.

The ageing analysis of trade debts due from subsidiaries is as follows:

	2016		2015	
	US\$	₹	US\$	₹
Current	-	-	119,673	7,479,263
30 days	-	-	100,042	6,252,375
60 days	-	-	112,787	7,048,906
90 days and above	-	-	411,417	25,712,534
	-	-	743,919	46,493,077

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9 SUBSIDIARY COMPANIES – (Cont'd)

Details of the subsidiaries are as follows:

Name of Company	Country of incorporation & place of business	Percentage		Principal activities
		2016 %	2015 %	
+^Tata Technologies Inc. (Sole stockholder of Class B common stock)	Michigan, USA	#96	#96	Information technology & consultancy services
+* INCAT International Plc	United Kingdom	100	100	Information technology & consultancy services
+*Tata Technologies Europe Limited	United Kingdom	#7 ##93	- 100	Information technology & consultancy services
+*Tata Technologies (Thailand) Limited	Thailand	100	100	Information technology & consultancy services
+*Cambric Manufacturing Technologies (Shanghai) Co. Ltd	China	100	100	Information technology & consultancy services

^Not required to be audited by local laws.

*Audited by other firms.

+Subsidiaries consolidated by immediate holding company, Tata Technologies Limited.

#Percentage of shareholding held by subsidiary, Tata Technologies Europe Limited in Tata Technologies Inc.

Percentage of shareholding held by subsidiary, Incat International Plc in Tata Technologies Europe Limited.

Copies of the consolidated financial statements of Tata Technologies Limited can be obtained from 25, Pune Infotech Park, Hinjawadi, Pune, India.

10 TRADE DEBTORS

Trade debtors are non-interest bearing and are normally settled on 30 - 60 days terms.

The ageing analysis of trade debtors is as follows:

	2016		2015	
	US\$	₹	US\$	₹
Current	275,221	18,232,701.20	141,889	8,867,708
30 days	223,554	14,809,894	121,554	7,596,821
60 days	18,388	1,218,160	71,971	4,498,009
90 days and above^	186,099	12,328,594	37,454	-
	703,262	46,589,349	372,868	23,303,318

^Trade debtors past due but not impaired

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10 TRADE DEBTORS – (Cont'd)

Trade debtors included debtors denominated in the following foreign currencies at statement of financial position date:

	2016		2015	
	US\$	₹	US\$	₹
Singapore Dollar	474,965	31,465,244	125,770	7,860,311
Sterling Pound	-	-	65,669	4,104,148

11 TRADE DEBTORS - RELATED COMPANIES

Trade debtors comprise of amounts due from:

	2016		2015	
	US\$	₹	US\$	₹
Ultimate holding company	433	28,685	434,397	27,148,727
Related companies	217,910	14,435,993	150,969	9,435,185
	218,343	14,464,678	585,366	36,583,912

The ageing analysis of trade debtors is as follows:

	2016		2015	
	US\$	₹	US\$	₹
Current	218,343	14,464,678	270,410	16,899,949
30 days	-	-	20,119	1,257,387
60 days	-	-	20,154	1,259,575
90 days and above*	-	-	274,683	17,167,001
	218,343	14,464,678	585,366	36,583,912

*Trade debtors past due but not impaired.

Trade debtors – related companies included balances denominated in the following foreign currency at statement of financial position date:

	2016		2015	
	US\$	₹	US\$	₹
Singapore Dollar	652	43,193	2,786	174,118

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12 OTHER DEBTORS

	2016		2015	
	US\$	₹	US\$	₹
Cost billed in advance	9,041	598,944	3,066	191,617
Deposits	51,427	3,406,910	50,322	3,144,999
Prepayments	22,623	1,498,717	49,151	3,071,815
Staff advance	44,734	2,963,516	7,865	491,543
	<u>127,825</u>	<u>8,468,087</u>	<u>110,404</u>	<u>6,899,974</u>

Deposits and staff advance included balances denominated in the following foreign currencies at statement of financial position date:

	2016		2015	
	US\$	₹	US\$	₹
Singapore Dollar	94,161	6,237,931	58,187	3,636,542

13 CASH AND CASH EQUIVALENTS

Cash and cash equivalents consist of bank and cash balances and short term deposits with banks. Cash and cash equivalents included in the statement of cash flows comprise the following statement of financial position amounts:

	2016		2015	
	US\$	₹	US\$	₹
Fixed deposits	-	-	4,451,185	278,187,933
Bank and cash balances	5,101,219	337,943,006	933,988	58,371,915
	<u>5,101,219</u>	<u>337,943,006</u>	<u>5,385,173</u>	<u>336,559,848</u>

Fixed deposits bear interest at effective interest rates ranging between 0.07% and 0.6525% per annum and for a tenure of approximately 7 to 182 days.

Cash and cash equivalents were denominated in the following currencies at statement of financial position date:

	2016		2015	
	US\$	₹	US\$	₹
Korean Won	27,100	1,795,307	52,308	3,269,119
Singapore Dollar	149,420	9,898,701	127,453	7,965,494
Sterling Pound	232,747	15,418,906	332,723	20,794,355
United States Dollar	4,691,952	310,830,090	4,872,689	304,530,881
	<u>5,101,219</u>	<u>337,943,004</u>	<u>5,385,173</u>	<u>336,559,849</u>

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14 TRADE CREDITORS

Trade creditors are non-interest bearing and are normally settled on 30 - 60 days terms.

Trade creditors included creditors denominated in the following foreign currencies at statement of financial position date:

	2016		2015	
	US\$	₹	US\$	₹
Australian Dollar	4,314	285,792	4,266	266,614
Korean Won	54,115	3,584,983	40,624	2,538,898
Singapore Dollar	305,654	20,248,813	266,502	16,655,709
Sterling Pound	21,915	1,451,814	22,499	1,406,131

15 TRADE CREDITORS – RELATED COMPANIES

	2016		2015	
	US\$	₹	US\$	₹
Trade creditors comprise of amounts due to :				
Immediate Holding Company	349,156	23,130,712	276,524	17,282,059
Related company	5,151	341,241	1,946	121,620
	354,307	23,471,953	278,470	17,403,679

Trade creditors – related companies included balances denominated in the following foreign currency at statement of financial position date:

	2016		2015	
	US\$	₹	US\$	₹
New Zealand Dollar	99	6,559	-	-
Singapore Dollar	142,678	9,452,061	42,751	2,671,831

16 OTHER CREDITORS

	2016		2015	
	US\$	₹	US\$	₹
Unearned Income (Billed in advance)	5,000	331,238	189,199	11,824,465

17 DEFERRED TAX LIABILITIES

	2016		2015	
	US\$	₹	US\$	₹
Balance at the beginning	20,000	1,324,950	-	-
Transfer (to)/ from Profit	(20,000)	(1,324,950)	20,000	1,249,950
Balance at the end of the year	-	-	-	-

Deferred taxation as at 31 March related to the following:

Difference in depreciation of plant and equipment for accounting and tax purpose	-	-	20,000	1,249,950
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NOTES TO THE ACCOUNTS - 31 MARCH 2016

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REVENUES AND EXPENSES

Other revenues, other operating expenses and finance costs comprise of:

	2016		2015	
	US\$	₹	US\$	₹
Other revenues				
Interest received	18,449	1,222,200	37,823	2,363,843
Sundry	13,897	920,641.51	23,788	1,486,690
	32,346	2,142,842	61,611	3,850,533
Other operating expenses				
Legal and professional fee	90,126	5,970,621	70,411	4,400,510
Rent	123,187	8,160,831	134,767	8,422,601
Travel and transport	61,153	4,051,234	30,035	1,877,113
Others	110,811	7,340,951.72	64,350	4,021,714
	385,277	25,523,638	299,563	18,721,939

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TAXATION

	2016		2015	
	US\$	₹	US\$	₹
Foreign tax	46,040	3,050,035	68,315	4,269,517
Current year's provision	-	-	67,000	4,187,333
Deferred taxation	(20,000)	(1,324,950)	20,000	1,249,949
	26,040	1,725,085	155,315	9,706,799

The reconciliation of the tax expense and the product of accounting profit multiplied by the applicable tax rate is as follows:

	2016		2015	
	US\$	₹	US\$	₹
Accounting profit	(1,005,336)	(66,600,996)	772,864	48,302,068
Tax at the applicable tax rates of 17%	(170,907)	(11,322,161)	131,387	8,211,359
Tax effect of:				
- Expenses not deductible for tax purposes	12,483	826,967	74,185	4,636,383
- Income not taxable	(594)	(39,351)	(2,746)	(171,618)
- Utilisation of brought forward tax losses	-	-	(5,271)	(329,424)
- S13(8)	(61,214)	(4,055,274)	(52,351)	(3,271,807)
- PIC relief	(31,789)	(2,105,942)	(16,602)	(1,037,583)
- Partial tax exemption	-	-	(20,052)	(1,253,200)
- Tax rebate	-	-	(20,000)	(1,249,950)
- Carry back current year tax losses to YA2016 under Section 37E	12,636	837,103	-	-
- Tax losses not recognised as deferred tax asset	233,672	15,480,186	-	-
- Deferred taxation	(20,000)	(1,324,950)	-	-
- Others	5,713	378,466	(1,550)	(96,877)
Foreign tax	46,040	3,050,035	68,315	4,269,517
	26,040	1,725,085	155,315	9,706,799

The Company has unutilised tax losses and unabsorbed wear and tear allowances of US\$1,374,534 (₹ 91,059,441) (2015: US\$NIL) (₹ NIL) and US\$19,611 (₹ 1,299,180) (2015: US\$31,034) (₹ 1,939,547) respectively for which no deferred tax asset is recognised due to uncertainty of their recoverabilities. The use of these balances is subject to the agreement of the tax authority and compliance with relevant provisions of the Income Tax Act.

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20 EXCEPTIONAL ITEM

	2016		2015	
	US\$	₹	US\$	₹
Gain on disposal of subsidiary company	-	-	4,949,000	309,300,128

During the current financial year, on 12 February 2015, the Company disposed of its entire interest of 885,520 Class B shares in Tata Technologies, Inc for a total consideration of 697 shares in Tata Technologies Europe Limited which were valued at US\$19,449,000 (₹1,288,447,628) (Notes 5 and 9)

21 RELATED PARTY TRANSACTIONS

During the year, significant transactions between the Company and its related companies, on terms as agreed with the respective related companies, were as follows:

	2016		2015	
	US\$	₹	US\$	₹
Sales	1,698,387	112,513,893	1,681,024	105,059,797
Commission	-	-	2,213,860	138,360,715
Purchases	1,951,331	129,270,800	1,530,043	95,623,862
Interest income	-	-	30,083	1,880,112
General expenses	-	-	6,082	380,110

22 EMPLOYEE BENEFITS

The Company's contribution to the Central Provident Fund was in respect of:

	2016		2015	
	US\$	₹	US\$	₹
Director	-	-	2,478	154,869
Staff	74,770	4,953,326	77,425	4,838,869
	74,770	4,953,326	79,903	4,993,738

Compensation of directors and key management personnel

The compensation comprised:

	2016		2015	
	US\$	₹	US\$	₹
Director's fees	3,706	245,513	3,990	249,365
Director's remuneration	287,839	19,068,614	712,177	44,509,282

There are no other key members of management except for the directors of the Company.

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23 OPERATING LEASE COMMITMENTS

At the statement of financial position date, the Company was committed to make the following payments in respect of rental of premises under a non-cancellable operating lease:

	2016		2015	
	US\$	₹	US\$	₹
Lease which expires:				
Within one year	99,586	6,597,324	195,987	12,248,698
Later than one year but not more than five years	-	-	97,449	6,090,319
	<u>99,586</u>	<u>6,597,324</u>	<u>293,436</u>	<u>18,339,016</u>

Rental of premises (net) charged to statement of comprehensive income during the financial year amounted to US\$123,187 (₹ 8,160,831) (2015: US\$134,767) (₹8,422,601)

24 FINANCIAL ASSETS AND LIABILITIES

Financial assets and liabilities can be categorised as follows:

	Loans and receivables		Financial liabilities at amortised cost		Total	
	US\$	₹	US\$	₹	US\$	₹
2016						
Trade debtors	703,262	46,589,349	-	-	703,262	46,589,349
Trade debtors - related companies	218,343	14,464,678	-	-	218,343	14,464,678
Other debtors (excluding prepayments)	96,161	6,370,426	-	-	96,161	6,370,426
Bank and cash balances	5,101,219	337,943,006	-	-	5,101,219	337,943,006
	<u>6,118,985</u>	<u>405,367,459</u>	<u>-</u>	<u>-</u>	<u>6,118,985</u>	<u>405,367,459</u>
Liabilities						
Trade creditors	-	-	391,726	25,950,868	391,726	25,950,868
Trade creditor-related company	-	-	354,307	23,471,953	354,307	23,471,953
Amount due to subsidiaries	-	-	8,561	567,145	8,561	567,145
	<u>-</u>	<u>-</u>	<u>754,594</u>	<u>49,989,967</u>	<u>754,594</u>	<u>49,989,967</u>
2015						
Assets						
Trade debtors	372,868	23,303,318	-	-	372,868	23,303,318
Trade debtors - related companies	585,366	36,583,912	-	-	585,366	36,583,912
Other debtors (excluding prepayments)	58,187	3,636,542	-	-	58,187	3,636,542
Amount due from subsidiaries	870,571	54,408,511	-	-	870,571	54,408,511
Fixed deposits	4,451,185	278,187,933	-	-	4,451,185	278,187,933
Bank and cash balances	933,988	58,371,915	-	-	933,988	58,371,915
	<u>7,272,165</u>	<u>454,492,130</u>	<u>-</u>	<u>-</u>	<u>7,272,165</u>	<u>454,492,130</u>
Liabilities						
Trade creditors	-	-	334,629	20,913,476	334,629	20,913,476
Trade creditor-related company	-	-	278,470	17,403,679	278,470	17,403,679
	<u>-</u>	<u>-</u>	<u>613,099</u>	<u>38,317,156</u>	<u>613,099</u>	<u>38,317,156</u>

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25 FINANCIAL RISK MANAGEMENT

The main risks arising from the Company's financial statements are credit risk, foreign exchange risk, interest rate risk, liquidity risk, capital management and fair values. The directors review and agree on policies for managing each of these risks and they are summarised below:

(i) Credit risk

The management monitors the Company's exposure to credit risks on an ongoing basis.

Cash and cash equivalents are placed with financial institutions with good credit ratings.

As at the statement of financial position date, there was no significant concentration of credit risk. The maximum exposure to credit risk is represented by the carrying amount of each financial asset.

(ii) Foreign exchange risk

The Company is exposed to foreign exchange risk arising from certain currency exposures. The Company monitors foreign currency exchange rates movements closely to ensure that their exposures are minimised.

Sensitivity analysis for foreign currency risk

The following table demonstrates the sensitivity of the profit net of tax to a reasonably possible change in foreign currencies exchange rates against the United States dollar, with all other variables held constant.

	2016		2015	
	US\$	₹	US\$	₹
S\$/US\$ (Strengthened 5%)	(2,882)	(190,925)	232	14,499
(Weakened 5%)	2,882	190,925	(232)	(14,499)
Sterling Pound/US\$ (Strengthened 5%)	(10,255)	(679,368)	20,856	1,303,448
(Weakened 5%)	10,255	679,368	(20,856)	(1,303,448)

(iii) Interest rate risk

The Company is exposed to interest rate risk through the impact of rate changes on interest bearing loan from bank and to subsidiaries and fixed deposits. The Company adopts a policy of constantly monitoring movement in interest rates to ensure that borrowings and lending are maintained at favourable rates. The sensitivity analysis for changes in interest rate is not disclosed as the effect on profit or loss is considered not significant.

(iv) Liquidity risk

Liquidity risk refers to the risk in which the Company encounters difficulties in meeting its short-term obligations. Liquidity risks are managed by matching the payment and receipt cycle.

The Company actively manages its operating cash flows so as to finance the Company's operations. As part of its overall prudent liquidity management, the Company minimises liquidity risk by ensuring availability of funding through an adequate amount of committed credit facilities from financial institutions and maintains sufficient level of cash to meet its working capital requirements.

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25 FINANCIAL RISK MANAGEMENT – (Cont'd)

(iv) Liquidity risk – (Cont'd)

The following table details the Company's remaining contractual maturity for their non-derivative financial instruments. The table has been drawn up based on undiscounted cash flows of financial instruments based on the earlier of the contractual date or when the Company is expected to receive or pay.

Contractual maturity analysis

	Within one financial year		After one financial year but within five financial years		Total	
	US\$	₹	US\$	₹	US\$	₹
2016						
Financial assets						
Non-interest bearing	2,312,412	153,191,513	-	-	2,312,412	153,191,513
Variable interest bearing	3,806,573	252,175,945	-	-	3,806,573	252,175,945
	6,118,985	405,367,459	-	-	6,118,985	405,367,459
Financial liabilities						
Non-interest bearing	754,594	49,989,966	-	-	754,594	49,989,966
	754,594	49,989,966	-	-	754,594	49,989,966
2015						
Financial assets						
Non-interest bearing	2,481,628	155,095,546	-	-	2,481,628	155,095,546
Variable interest bearing	4,790,537	299,396,586	-	-	4,790,537	299,396,586
	7,272,165	454,492,132	-	-	7,272,165	454,492,132
Financial liabilities						
Non-interest bearing	612,739	38,294,656	-	-	612,739	38,294,656
	612,739	38,294,656	-	-	612,739	38,294,656

The Company's operations are financed mainly through equity, retained earnings and bank loan. Adequate lines of credits are maintained to ensure the necessary liquidity is available when required.

The repayment terms and the interest rates, where applicable, have been disclosed in the respective notes to the financial statements.

(v) Capital Management

The primary objective of the Company's capital management is to ensure that it has sufficient capital in order to support its business and to generate sufficient returns to its shareholders.

(vi) Fair Values

The carrying amounts of bank and cash balances, fixed deposits, receivables and payables approximate their fair values due to their short term nature.

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26 HOLDING COMPANIES

The Company is a wholly-owned subsidiary of Tata Technologies Limited, a company incorporated in India. Its ultimate holding company is Tata Motor Limited, a company incorporated in India.

27 CONTINGENT LIABILITIES

The Company acts as a guarantor for an overseas subsidiary who entered into an agreement for the lease of premises. The Company will thus be liable for any claims by the landlord which is not fulfilled by the subsidiary.

The Company also provide guarantee for the performance and discharge of an overseas subsidiary's obligations and liabilities under a master supply agreement entered into between Airbus SAS and the overseas subsidiary.

This agreement was extended from 31 March 2014 to 31 December 2018.

28. CONVERSION TO INDIAN RUPEES

Solely for the convenience of the reader and to meet the requirement of section 129 of the Companies (Accounts) Rules, 2014 the amounts appearing in Indian Rupees have been translated at a fixed exchange rate of 1 US \$ = ₹ 66.2475 as on March 31, 2016 and 1 US \$ = ₹ 62.4975 as on March 31, 2015. These translations should not be construed as a representation that any or all the amounts could be converted to Indian Rupees at this or any other rate.