

Tata Motors Insurance Broking
& Advisory Services Limited

2015 - 16

Walker Chandiook & Co LLP

Walker Chandiook & Co LLP
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Independent Auditor's Report

To the Members of Tata Motors Insurance Broking & Advisory Services Limited

Report on the Financial Statements

1. We have audited the accompanying financial statements of Tata Motors Insurance Broking & Advisory Services Limited ("the Company"), which comprise the Balance Sheet as at 31 March 2016, the Statement of Profit and Loss, 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 Financial Statements

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

Auditor's Responsibility

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

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Chartered Accountants

Offices in Bengaluru, Chandigarh, Chennai, Gurgaon, Hyderabad, Kochi, Kolkata, Mumbai, New Delhi, Noida and Pune

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4. 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.
5. 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.
6. An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial controls relevant to the Company's preparation of the financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the financial statements.
7. 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

8. In our opinion and to the best of our information and according to the explanations given to us, the aforesaid 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 31 March 2016, and its profit and its cash flows for the year ended on that date.

Other Matters

9. The financial statements for the year ended 31 March 2015 were audited by another auditor who had expressed an unmodified opinion on the financial statements; vide their audit report dated 4 May 2015. Our opinion is not modified in respect of this matter.

Report on Other Legal and Regulatory Requirements

10. As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government of India in terms of Section 143(11) of the Act, we give in the Annexure I, a statement on the matters specified in paragraphs 3 and 4 of the Order.
11. As required by Section 143(3) of the Act, we report that:
 - a. we have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit;
 - b. in our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;
 - c. the financial statements dealt with by this report are in agreement with the books of account;

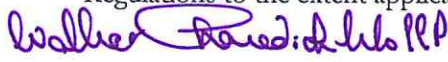
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- d. in our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014 (as amended);
 - e. on the basis of the written representations received from the directors as on 31 March 2016 and taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2016 from being appointed as a director in terms of Section 164(2) of the Act;
 - f. we have also audited the internal financial controls over financial reporting of the Company as of 31 March 2016 in conjunction with our audit of the financial statements of the Company for the year ended on that date and our report dated 04 May 2016 as per annexure II expressed an unmodified opinion.
 - g. with respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
 - i. as detailed in Note 22 to the financial statements, the Company has disclosed the impact of pending litigations on its financial position;
 - ii. the Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses
 - iii. there were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.
12. As required by the Regulation 29(6) of the Insurance Regulatory and Development Authority (Insurance Brokers) Regulation, 2013 ("IRDA Regulations"), we have issued a separate certificate dated 4 May 2016 on compliance by the Company of the IRDA Regulations to the extent applicable to the Company during the year.



For **Walker Chandiok & Co LLP**
(Formerly Walker, Chandiok & Co)
Chartered Accountants
Firm's Registration No.: 001076N/N500013



per **Khushroo B. Panthaky**
Partner
Membership No.: 42423

Place: Mumbai
Date: 4 May 2016



Walker Chandiook & Co LLP

Annexure I to the Independent Auditor's Report of even date to the members of Tata Motors Insurance Broking & Advisory Services Limited, on the financial statements for the year ended 31 March 2016

Based on the audit procedures performed for the purpose of reporting a true and fair view on the financial statements of the Company and taking into consideration the information and explanations given to us and the books of account and other records examined by us in the normal course of audit, we report that:

- (i) (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
- (b) All fixed assets have not been physically verified by the management during the year, however, there is a regular program of verification once in three year, which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. No material discrepancies were noticed on such verification.
- (c) The Company does not hold any immovable properties. Accordingly, the provisions of clause 3(i)(c) of the Order are not applicable.
- (ii) The Company does not have any inventory. Accordingly, the provisions of clause 3(ii) of the Order are not applicable.
- (iii) The Company has not granted any loan, secured or unsecured to companies, firms, Limited Liability Partnerships (LLPs) or other parties covered in the register maintained under Section 189 of the Act. Accordingly, the provisions of clauses 3(iii)(a), 3(iii)(b) and 3(iii)(c) of the Order are not applicable.
- (iv) In our opinion the, company has complied with the provisions of sections 185 and 186 of the Act in respect of loans, investments, guarantees, and security.
- (v) The Company has not accepted any deposits within the meaning of Sections 73 to 76 of the Act and the Companies (Acceptance of Deposits) Rules, 2014 (as amended). Accordingly, the provisions of clause 3(v) of the Order are not applicable.
- (vi) To the best of our knowledge and belief, the Central Government has not specified maintenance of cost records under sub-section (1) of Section 148 of the Act, in respect of Company's services. Accordingly, the provisions of clause 3(vi) of the Order are not applicable.
- (vii)(a) Undisputed statutory dues including provident fund, employees' state insurance, income-tax, sales-tax, service tax, duty of customs, duty of excise, value added tax, cess and other material statutory dues, as applicable, have generally been regularly deposited to the appropriate authorities, though there has been a slight delay in a few cases. Further, no undisputed amounts payable in respect thereof were outstanding at the year-end for a period of more than six months from the date they became payable.
- (b) The dues outstanding in respect of income-tax, sales-tax, service tax, duty of customs, duty of excise and value added tax on account of any dispute, are as follows.

Name of the statute	Nature of dues	Amount (₹)	Period to which the amount relates	Forum where dispute is pending
The Finance Act, 1994	Service Tax	2,14,800	July 2003 to October 2005	Customs, Excise and Service Tax Appellate Tribunal (CESTAT)


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Annexure I to the Independent Auditor's Report of even date to the members of Tata Motors Insurance Broking & Advisory Services Limited, on the financial statements for the year ended 31 March 2016

- (viii) The Company has no loans or borrowings payable to a financial institution or a bank or government and no dues payable to debenture-holders during the year. Accordingly, the provisions of clause 3(viii) of the Order are not applicable.
- (ix) The Company did not raise moneys by way of initial public offer or further public offer (including debt instruments) and did not have any term loans outstanding during the year. Accordingly, the provisions of clause 3(ix) of the Order are not applicable.
- (x) No fraud by the Company or on the company by its officers or employees has been noticed or reported during the period covered by our audit.
- (xi) In our opinion, provisions of section 197 read with the provisions of section 203 of the Act are not applicable to the Company.
- (xii) In our opinion, the Company is not a Nidhi Company. Accordingly, clause 3(xii) of the Order is not applicable.
- (xiii) In our opinion all transactions with the related parties are in compliance with sections 177 and 188 of Act, where applicable, and the requisite details have been disclosed in the financial statements, as required by the applicable accounting standards.
- (xiv) During the year, the company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures.
- (xv) The company has not entered into any non-cash transactions with directors or persons connected with them.
- (xvi) The company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934.


For Walker Chandiook & Co LLP
(Formerly Walker, Chandiook & Co)
Chartered Accountants
Firm's Registration No.: 001076N/N500013


per **Khushroo B. Panthaky**
Partner
Membership No.: 42423

Place: Mumbai
Date: 4 May 2016

Annexure II to the Independent Auditor's Report of even date to the members of Tata Motors Insurance Broking & Advisory Services Limited on the financial statements for the year ended 31 March 2016

Annexure II

Independent Auditor's report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

1. In conjunction with our audit of the financial statements of Tata Motors Insurance Broking & Advisory Services Limited ("the Company") as of and for the year ended 31 March 2016, we have audited the internal financial controls over financial reporting of the company of as of that date.

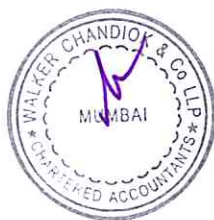
Management's Responsibility for Internal Financial Controls

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

Auditors' Responsibility

3. Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Standards on Auditing, issued by the Institute of Chartered Accountants of India (ICAI) and deemed to be prescribed under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls over financial reporting, and the Guidance Note issued by the ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting were established and maintained and if such controls operated effectively in all material respects.
4. Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.
5. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls over financial reporting.

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Annexure II to the Independent Auditor's Report of even date to the members of Tata Motors Insurance Broking & Advisory Services Limited on the financial statements for the year ended 31 March 2016

Meaning of Internal Financial Controls over Financial Reporting

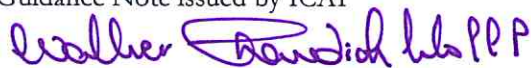
6. A company's internal financial controls over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's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

Inherent Limitations of Internal Financial Controls over Financial Reporting

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

Opinion

8. In our opinion, the Company has, in all material respects, adequate internal financial controls over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31 March 2016, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note issued by ICAI

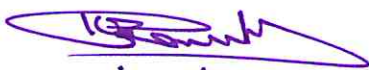


For Walker Chandiok & Co LLP

(Formerly Walker, Chandiok & Co)

Chartered Accountants

Firm's Registration No.: 001076N/N500013



per Khushroo B. Panthaky

Partner

Membership No.: 42423

Place: Mumbai

Date: 4 May 2016



Walker Chandiook & Co LLP

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INDEPENDENT AUDITOR'S CERTIFICATE

(Referred to in paragraph 3 under 'Report on Other Legal and Regulatory Requirements' section forming part of Independent Auditor's Report dated May 4, 2016)

1. We, M/s. Walker Chandiook & Co LLP, Mumbai, Chartered Accountants (Firm Registration Number 001076N/N500013), the auditors of Tata Motors Insurance Broking & Advisory Services Limited (the "broking company") having its registered office at Nanavati Mahalaya, 3rd Floor, Tamarind Lane, Homi Mody Street, Fort, Mumbai 400001 have verified the books of accounts and other records maintained by the broking company in the usual course of its business for the purpose of certifying the compliance of the Insurance Regulatory and Development Authority (Insurance Brokers) Regulations, 2013 ("IRDA Regulations") to the extent applicable to the company during the current financial year ended 31 March 2016 as required under Regulation 29(6) of IRDA Regulations.
2. The Management of the Company is responsible for ensuring the compliance with the IRDA Regulations during the current financial year ended 31 March 2016 as a Direct Broker and maintenance of proper books of accounts and such other records as prescribed under the IRDA Regulations. This includes collecting, collating and validating data and designing, implementing and monitoring of internal controls suitable for ensuring the compliance with the IRDA Regulations.
3. Our responsibility, for the purpose of this certificate, is limited to certifying the compliance of IRDA Regulations to the extent applicable to the Company during the current financial year ended 31 March 2016 as required under Regulation 29(6) of IRDA Regulations. We conducted our verification in accordance with the Guidance Note on Audit Reports and Certificates for Special Purposes and Standards on Auditing issued by Institute of Chartered Accountants of India, which includes the concept of test checks and materiality.
4. On the basis of our verification of such audited books of accounts and other relevant records and documents as verified to in paragraph 1 above, and according to the information, explanations and representations provided to us by the Management of the Company, we certify that:
 - i) The Company's paid up equity share capital has been in excess of prescribed minimum of ₹ 50 lakhs throughout the current financial year.
 - ii) The company has a net worth of ₹ 1,241.62 Lakhs as at 31 March 2016 and it has not fallen below the threshold of 100% of minimum capital/contribution prescribed under regulation 9 of IRDA Regulations during the year.



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Chartered Accountants

Offices in Bengaluru, Chandigarh, Chennai, Gurgaon, Hyderabad, Kochi, Kolkata, Mumbai, New Delhi, Noida and Pune

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- iii) The company has maintained the fixed deposits with scheduled banks aggregating ₹ 10 lakhs (which is 20% of the minimum capital/contribution prescribed under regulation 9 of IRDA Regulations) throughout the year.
- iv) The company has maintained, throughout the year, a professional indemnity insurance cover in respect of the risks identified in Schedule III of IRDA Regulations for a sum of ₹ 10,500 lakhs which exceeds three times the remuneration received by the company as at the end of previous financial year.
- v) The Company has paid the specified fees, in the manner and within the period prescribed in Schedule IV of the IRDA Regulations.
- vi) In respect of the Company's general insurance business, the Company has not recovered or contracted to recover by way of remuneration (including royalty or license fees or administration charges or in any other form), an amount exceeding the limits prescribed in regulation 25 of IRDA Regulations and circulars/regulations issued in the matter more particularly in relation to Circular No:-011/IRDA/Brok-Comm/Aug-08 dated 25 August 2008 issued in this behalf and as amended from time to time.
- vii) The Company has settled its accounts in respect of its remuneration at a monthly interval and there has been no cross settlement of outstanding balances.
- viii) The business of the Company has been carried in such a manner that, not more than 50% of the premium (excluding reinsurance premium, as well as premium towards insurance business emanating from public sector undertakings) emanates from any one client in current financial year.
- ix) The Company's account has not been credited by the insurer for any refund of premium which had become due to an insured on account of cancellation of a policy or alteration in the terms and conditions of a policy.
- x) The Company has abide by the Code of Conduct specified in Schedule VI-A of IRDA Regulations in the current financial year.
- xi) During the year, the Company has submitted a copy of the audited financial statements audited by predecessor auditor as at and for the year ended 31 March 2015 (comprising the Balance Sheet as at 31 March 2015; the Statement of Profit and Loss for the year ended on 31 March 2015 and the Cash Flow Statement for the year ended on 31 March 2015 and a summary of significant accounting policies and other explanatory information) with the Insurance Regulatory and Development Authority of India ("IRDA") before 30 September 2015.
- xii) All the books of account, statements, documents, and other relevant records, have been maintained by the Company at its head office at Tulsiani Chambers, 8th Floor, Unit 801-804-Free Press Journal Marg, Nariman Point, Mumbai-400021 from April 2015 to June 2015 and subsequently at 1st Floor, AFL House, Lok Bharti Complex, Marol Maroshi Road, Andheri East, Mumbai – 400059 from July 2015 to March 2016.
- xiii) The Company has submitted its unaudited financial statements as at and for the period/year ended 30 September 2015 and 31 March 2016, to the IRDA before 31 October 2015 and 30 April 2016, respectively.
- xiv) The Company has submitted for the half year ended 31 March 2016, the following certificates prescribed in Regulation 30 of IRDA Regulations to the IRDAI before 30 April 2016:

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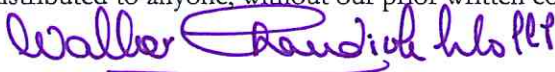
Chartered Accountants



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- (a) A certificate to the effect that the Company is maintaining required capital, the Company is not engaged in any other business other than insurance broker and also maintaining the required net worth as required under regulation 9 and 11 of IRDA Regulations.
 - (b) A certificate to the effect that the Company is maintaining a deposit in compliance with the regulation 12 of IRDA Regulations.
 - (c) A certificate to the effect that a Professional Indemnity Policy is in force in compliance of regulation 13 of IRDA Regulations. A certificate confirming that the Company has received the remuneration as per limits prescribed in regulation 25 of IRDA Regulations.
- xv) The Company has established a system of internal audit which is commensurate with its size, nature and complexity of its business. As on 31 March 2016, Company has appointed the designated Compliance Officer who will be responsible for the internal controls and systems.
- xvi) The Company has, before offering any claim consultancy, obtained a written mandate from its client to represent the client with the insurer concerned for the claim for which consultancy has been sought by the client.

This certificate is issued solely for submission to Insurance Regulatory and Development Authority of India as required under Regulation 29(6) of IRDA Regulations and should not be used, referred to or distributed to anyone, without our prior written consent.



For **Walker Chandiok & Co LLP**
(Formerly Walker, Chandiok & Co)
Chartered Accountants
Firm's Registration No.: 001076N/N500013



per **Khushroo B. Panthaky**
Partner
Membership No.: 42423

Place: Mumbai
Date: 4 May 2016



Tata Motors Insurance Broking & Advisory Services Limited

Balance Sheet as at March 31, 2016

	Note No.	As at March 31, 2016 Rupees	As at March 31, 2015 Rupees
I. EQUITY AND LIABILITIES			
1 Shareholder's Funds			
(a) Share Capital	"2"	25,000,000	25,000,000
(b) Reserves and Surplus	"3"	99,162,409	40,765,556
		124,162,409	65,765,556
2 Non-current Liabilities			
Long-term Provisions	"4"	7,218,000	6,177,000
3 Current Liabilities			
(a) Short-term Borrowings	"5"	-	33,000,000
(b) Trade Payables	"6"	13,578,836	31,585,783
(c) Other Current Liabilities	"7"	22,956,764	17,648,692
(d) Short-term Provisions	"4"	1,223,000	3,701,000
		37,758,600	85,935,475
TOTAL		169,139,009	157,878,031
II. ASSETS			
1 Non-Current Assets			
(a) Fixed Assets	"8"		
(i) Tangible Assets		3,135,909	1,579,960
(ii) Intangible Assets		9,706,636	1,725,624
(iii) Intangible Assets under development		3,837,800	11,475,000
		16,680,345	14,780,584
(b) Deferred Tax Assets	"9"	10,230,273	17,530,933
(c) Long Term Loans & Advances	"10"	78,197,650	66,592,165
(d) Other Non-Current Assets	"11"	1,159,595	1,072,411
		106,267,863	99,976,093
2 Current Assets			
(a) Current Investments	"12"	6,592,362	8,691,817
(b) Trade Receivables	"13"	22,667,058	22,206,254
(c) Cash and Bank balances	"14"	9,514,471	16,232,254
(d) Short Term Loans & Advances	"15"	662,580	6,566,400
(e) Other Current Assets	"16"	23,434,675	4,205,213
		62,871,146	57,901,938
TOTAL		169,139,009	157,878,031

Notes forming part of the financial statements

"-28"

This is the balance sheet referred to in our report of even date

For and on behalf of the Board

For Walker Chandiook & Co LLP
(formerly Walker, Chandiook & Co)
Chartered Accountants
Firm Registration No. 001076N/N500013

Shyam Mani
Director
DIN - 00273598

V B Somaiya
Director
DIN - 03185227

Khushroo B. Panthaky
Partner
Membership No. 42423

Tarun Samant
Chief Executive & Principal Officer

Bhanu Bhai Sharma
Chief Financial Officer

Mumbai, 4th May 2016

Mumbai, 4th May 2016



Tata Motors Insurance Broking & Advisory Services Limited

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

	Note No.	Year ended March 31, 2016 Rupees	Year ended March 31, 2015 Rupees
I. Revenue from Operations	"17"	259,309,468	92,010,687
II. Other Income	"18"	2,357,111	3,273,550
III. Total Revenue (I + II)		261,666,579	95,284,237
IV. Expenses :			
(a) Employee Cost / Benefits Expense	"19"	109,354,336	85,816,521
(b) Finance Cost		2,777,995	872,219
(c) Depreciation and amortisation expenses	"8"	3,036,177	1,679,913
(d) Other Expenses	"20"	79,781,612	56,411,694
Total Expenses		194,950,120	144,780,347
V. Profit / (Loss) Before Extraordinary Items and Tax (III-IV)		66,716,459	(49,496,110)
VI. Extraordinary Items			
(a) Prior Period Expense	"21"	-	387,862
VII Profit / (Loss) Before Tax (V - VI)		66,716,459	(49,883,972)
VIII Tax Expense :			
(a) Current Tax		10,960,670	-
(b) MAT Entitlement		(9,941,725)	-
(c) Deferred Tax		7,300,661	(2,773,205)
		8,319,606	(2,773,205)
IX Profit / (Loss) for the year (VII-VIII)		58,396,853	(47,110,767)
X i. Earnings Per Equity Share :	"24"		
Basic and Diluted Earning Per Share (Nominal Value per share Rs. 10)		23.36	(18.84)
ii. Earning per equity share (excluding extraordinary items)			
Basic and Diluted Earning Per Share (Nominal Value per share Rs. 10)		23.36	(18.69)

Notes forming part of the financial statements "1-28"

This is the Statement of Profit & Loss referred to in our report of even date.

For and on behalf of the Board

For Walker Chandiook & Co LLP
(formerly Walker, Chandiook & Co)
Chartered Accountants
Firm Registration No. 001076N/N500013

Khushroo B. Panthaky
Partner
Membership No. 42423

Mumbai, 4th May 2016

Shyam Mani
Director
DIN - 00273598

Tarun Samant
Chief Executive & Principal Officer

Mumbai, 4th May 2016

V B Somaiya
Director
DIN - 03185227

Bhanu Bhai Sharma
Chief Financial Officer



Cash Flow Statement for the year ended March 31, 2016

	Year ended March 31, 2016 Rupees	Year ended March 31, 2015 Rupees
A. Cash flows from Operating Activities		
Net Profit / (Loss) Before Tax as per Statement of Profit and Loss	66,716,459	(49,883,972)
Adjustments for:		
Depreciation and amortisation expenses	3,036,177	1,679,913
Rent equalisation	677,641	-
Provision for doubtful debts (net)	(3,888,825)	8,665,688
(Profit) / Loss on redemption of investments (net)	(400,547)	(2,812,511)
(Profit) / Loss on sale of Fixed Assets (net)	(9,013)	50,499
Interest on Income Tax Refund	(1,801,406)	-
Interest Expense	2,777,995	872,219
Interest Income	(146,145)	(461,039)
Operating Profit / (Loss) before Working Capital changes	66,962,336	(41,889,203)
Changes in Working Capital		
Adjustment for increase / decrease in operating assets / liabilities		
Trade receivables	3,428,021	(3,929,699)
Other Current & Non-Current Assets	(13,634,619)	(3,761,209)
Trade Payables	(18,006,947)	7,113,323
Other Current Liabilities	4,630,431	3,471,963
Provisions	(1,437,000)	4,383,000
Cash flow from / (used in) Operations	41,942,222	(34,611,825)
Taxes Paid	(10,790,024)	(8,694,359)
Net Cash flow (used) /from in Operating Activities	31,152,198	(43,306,184)
B. Cash Flows from Investing Activities		
Purchase of Fixed Assets	(6,016,924)	(13,272,652)
Proceeds from Sale of Fixed Assets	1,089,999	25,803
Interest received	334,937	580,624
Maturity Proceeds of Fixed Deposit	4,000,000	-
Purchase / Advance for Investments (Mutual Fund Units)	(37,999,999)	(68,500,000)
Sale of Investments (Mutual Fund Units)	40,500,001	98,600,000
Net Cash flow from / (used in) Investing Activities	1,908,014	17,433,775
C. Cash Flows from Financing Activities		
Proceeds from / (Repayments of) Inter Corporate Deposit (repayable on demand) (net)	(33,000,000)	33,000,000
Interest paid	(2,777,995)	(872,219)
Net Cash flow from / (used in) Financing Activities	(35,777,995)	32,127,781
Net Cash Inflow / (Outflow) in Cash and Cash Equivalents	(2,717,783)	6,255,372
Cash and Cash Equivalents as at beginning of the year	12,232,254	5,976,882
Cash and Cash Equivalents as at end of the year	9,514,471	12,232,254
Composition of Cash and Cash Equivalents		
Cash in Hand	18,040	17,471
Balances with Banks		
in Current Accounts	9,496,431	12,212,923
in Cheque in hand	-	1,860
Cash and cash equivalents as per Note No 14	9,514,471	12,232,254

Notes forming part of the financial statements

"1-28"

This is the Cash Flow Statement referred to in our report of even date.

For and on behalf of the Board

For Walker Chandiook & Co LLP
(formerly Walker, Chandiook & Co)
Chartered Accountants
Firm Registration No. 001076N/N500013

Shyam Mani
Director
DIN - 00273598

V B Somaiya
Director
DIN - 03185227

Khushroo B. Panthaky
Partner
Membership No. 42423

Tarun Samant
Chief Executive & Principal Officer

Bhanu Bhai Sharma
Chief Financial Officer

Mumbai, 4th May 2016

Mumbai, 4th May 2016



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TATA MOTORS INSURANCE BROKING & ADVISORY SERVICES LIMITED

Notes forming part of Financial Statements

Note "1" - Significant Accounting Policies

A. BACKGROUND

Tata Motors Insurance Broking & Advisory Services Limited ("TMIBASL" or "the Company" – Erstwhile – Tata Motors Insurance Services Limited) was incorporated in July 1997 under the Companies Act, 1956.

TMIBASL is Direct General Insurance Broker having license for the period from May 13, 2014 to May 12, 2017.

B. SIGNIFICANT ACCOUNTING POLICIES

i. Basis of Preparation

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 relevant provisions of the Companies Act, 2013 ('the 2013 Act'). 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.

Based on the nature of activities of the Company and the normal time between acquisition of assets and their realisation in cash or cash equivalents, the Company has determined its operating cycle as 12 months for the purpose of classification of its assets and liabilities as current and non-current.

ii. Use of Estimates

The preparation of financial statements in conformity with Indian GAAP requires the management to make estimates and assumptions that affect the reported amounts of assets and liabilities, revenues and expenses and disclosure of contingent liabilities. The Management believes that the estimates used in preparation of the financial statements are prudent and reasonable. Actual results could differ from those estimates. Any revision to accounting estimates is recognised prospectively in the current and future years.

iii. Cash and cash equivalents (for purposes of Cash Flow Statement)

Cash comprises cash on hand and demand deposits with banks. Cash equivalents are short-term balances (with an original maturity of three months or less from the date of acquisition), highly liquid investments that are readily convertible into known amounts of cash and which are subject to insignificant risk of changes in value.

iv. Cash flow statement

Cash flows are reported using the indirect method, whereby profit / (loss) before extraordinary items and tax is adjusted for the effects of transactions of non-cash nature and any deferrals or accruals of past or future cash receipts or payments. The cash flows from operating, investing and financing activities of the Company are segregated based on the available information.

v. Fixed Assets

Fixed assets are stated at cost, less accumulated depreciation/ amortisation and impairment losses, if any.

Cost includes the purchase price (excluding refundable taxes) and expenses directly attributable to the asset to bring the asset to the site and in the working condition for its intended use.

Intangible assets under development:

Expenditure on Software development eligible for capitalisation are carried as Intangible assets under development where such assets are not yet ready for their intended use.



TATA MOTORS INSURANCE BROKING & ADVISORY SERVICES LIMITED

Notes forming part of Financial Statements

vi. Depreciation and amortisation

Depreciation amount for assets is the cost of an asset, or other amount substituted for cost, less its estimated residual value.

Depreciation on tangible fixed assets has been provided on the straight-line method as per the useful life prescribed in Schedule II to the Companies Act, 2013 except in respect of the following categories of assets, in whose case the life of the assets has been assessed as under based on technical advice, taking into account the nature of the asset, the estimated usage of the asset, the operating conditions of the asset, past history of replacement, anticipated technological changes, manufacturers warranties and maintenance support, etc.:

- Vehicles - 4 years
- Computers - 4 years
- Mobile handsets are depreciated fully in the year of purchase.
- Assets costing Rs. 5,000 or less are fully depreciated in the year of purchase.

Intangible assets are amortised over their estimated useful life on straight line method as follows:

- Website development cost is amortised over three years.
- Software cost is amortised over five years.

vii. Impairment of assets

The carrying values of assets forming part of any cash generating units at each balance sheet are reviewed for impairment at each balance sheet date. If any indication for such impairment exists, the recoverable amounts of those assets are estimated and impairment loss is recognised if the carrying amount of those assets exceeds their recoverable amount. The recoverable amount is the greater of the net selling price and their value in use. Value in use is arrived at by discounting the estimated future cash flows to their present value based on an appropriate discount factor.

viii. Revenue Recognition

The Company earns brokerage from insurance companies on insurance policies placement and revenue therefore is recognised from the risk start date when the policy placement is substantially completed and accepted and the ultimate collection thereof is reasonably certain. Income is stated net of service tax.

Unbilled revenue represent revenue recognised from last bill cycle date to the end of the reporting period. These are billed in subsequent periods based on the terms of the billing plans / contractual Arrangements.

Interest income is accrued evenly over the year on the instrument.

ix. Employee Benefits

(a) Gratuity

The Company provides for gratuity, a defined benefit retirement plan covering all regular employees. Benefits under the defined plans are typically based on years of service and the employee's compensation (generally immediately before separation). Expenses for defined-benefit gratuity payable to employees is computed as at the balance sheet date by independent actuary in a manner that distributes expenses over the employee's working life. These commitments are valued at the present value of expected future payments, with consideration for calculated future salary increases, utilising a discount rate corresponding to the interest rate estimated by the actuary having regard to the interest rate on government bonds with a remaining term that is almost equivalent to the average balance working period of employees on an actuarial basis. This liability is not externally funded.

(b) Superannuation

The Company has defined contribution superannuation plan. The contribution to superannuation fund is at the option of the Employee. Contributions towards superannuation are to be paid into a Superannuation fund. The Company recognises such contributions as an expense when incurred. The Company has no further obligation beyond this contribution. The Company contributes up to 15% of the eligible employees' salary to the trust every year,



TATA MOTORS INSURANCE BROKING & ADVISORY SERVICES LIMITED

Notes forming part of Financial Statements

subject to maximum of Rs.1 Lakh. The Superannuation contribution is paid to the superannuation Fund of Tata Motors Limited.

(c) 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 under the law is paid to the provident fund set up by Tata Motors Limited and Pension contributions are paid to the Regional Provident Fund Commissioner. The Company's payment to the defined contribution plan is reported as expense during the period in which the employees perform the services that the payment covers.

(d) Compensated absences

The Company provides for encashment of leave or leave with pay subject to certain rules. The employees are entitled to accumulate leave subject to certain limits for future encashment. The liability is provided based on the number of days of unutilised leave at each balance sheet date on the basis of an independent actuarial valuation.

x. Investments

Investments that are readily realisable and intended to be held for not more than a year from the date on which such investments are made, are classified as Current investments. All other investments are classified as Non-Current investments (Long Term Investment)

Long term Investments are carried at cost less provision for diminution other than temporary, in value of such investments, if any.

Current investments are stated at cost or fair value whichever is lower.

Cost includes the purchase and related expenses such as brokerage and stamp duties. The difference between the cost and the redemption / sale proceeds net of expenses is recognised in the Statement of Profit and Loss.

On disposal of an investment the difference between the carrying value and the net disposal proceeds is charged or credited to the State of Profit and Loss. For calculation of profit / loss on investment, cost is calculated on weighted average basis. Dividend income is accounted when the right to receive the income is established.

xi. Taxes on Income

Current Tax

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

Minimum Alternate tax (MAT) paid in accordance to the tax laws, which gives rise to future economic benefits in the form of adjustment of future income tax liability, is considered as assets if there is convincing evidence supporting the Company's expectations of future economic benefits in the form of adjustment against discharge of normal tax liability.

Deferred Tax

Deferred tax is recognized, on timing differences, being the difference between taxable incomes and accounting income that originate in one period and are capable of reversal in one or more subsequent periods.

Deferred tax assets in respect of unabsorbed depreciation and carried forward of losses are recognized if there is virtual certainty supported by convincing evidence that there will be sufficient future taxable income available to realise such losses.



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TATA MOTORS INSURANCE BROKING & ADVISORY SERVICES LIMITED

Notes forming part of Financial Statements

Deferred tax assets and liabilities are measured based on the tax rates that are expected to apply in the period when asset is realized or the liability is settled, based on tax rates and tax laws that have been enacted or substantially enacted by the balance sheet date

xii. Lease

Leases are classified as operating lease where significant portion of risks and reward of ownership of assets acquired under lease are retained by the lessor. Lease rentals for such leases are charged to Statement of Profit and Loss on a straight-line basis over the lease term.

xiii. Provisions and Contingencies

A provision is recognised when the Company has a present obligation as a result of past event and it is probable that an outflow of resources will be required to settle the obligation, in respect of which reliable estimate can be made. 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 the current best estimates.

Contingent liabilities are disclosed in respect of possible obligations that arise from past events, whose existence would be confirmed by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the company.

A contingent asset is neither recognised nor disclosed.

xiv. Service tax input credit

Service tax input credit is accounted for in the books in the period in which the underlying service received is accounted and when there is reasonable certainty in availing / utilising the credits.

xv. Earnings per share

Earnings per share is calculated by dividing the net profit or loss after tax for the year attributable to equity shareholders by the weighted average number of equity shares outstanding during the year. The number of share used in computing the diluted earnings per share comprises the weighted average number of equity shares considered for deriving basic earnings per share and also weighted average number of shares which could have been issued on convergence of all dilutive potential equity shares.



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Tata Motors Insurance Broking & Advisory Services Limited

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

	As at March 31, 2016 Rupees	As at March 31, 2015 Rupees
Note No. "2"		
Share Capital		
Authorised:		
189,000,000 (as at March 31, 2015: 189,000,000) Equity Shares of Rs.10 each	1,890,000,000	1,890,000,000
	<u>1,890,000,000</u>	<u>1,890,000,000</u>
Issued, subscribed & paid up:		
2,500,000 (as at March 31, 2015: 2,500,000) Equity Shares of Rs.10 each fully paid-up	25,000,000	25,000,000
	<u>25,000,000</u>	<u>25,000,000</u>
Notes :-		
(A) Terms / Rights attached to Equity Shares		
The Company has issued only one class of equity shares having a par value of Rs. 10/- per share. Each holder of equity share is entitled to one vote per share. The company declares and pays dividend in Indian rupees. The dividend proposed by the board of director's is subject to the approval of shareholders in the ensuing Annual General Meeting. In the event of liquidation of the company the holder of equity shares will be entitled to receive remaining assets of the company after distribution of all preferential amounts. Distribution will be in proportion of equity shares held by the shareholders.		
(B) Shares held by Holding Company / Shareholding in excess of 5%		
All the above equity shares are held by Tata Motors Limited (the holding company) and its nominees.		
(C) Aggregate number of bonus shares issued, shares issued for consideration other than cash and shares bought back during the five years immediately preceding the reporting date		
The company has not issued bonus shares, shares issued for consideration other than cash and bought back any shares during the five years immediately preceding the reporting date.		
Note No. "3"		
Reserves and Surplus		
(i) General Reserve :	6,090,000	6,090,000
(ii) Surplus in Statement of Profit & Loss		
Opening balance	34,675,556	81,786,323
Add: Profit / (Loss) for the year	58,396,853	(47,110,767)
Balance carried forward	<u>93,072,409</u>	<u>34,675,556</u>
	<u>99,162,409</u>	<u>40,765,556</u>
Note No. "4"		
Long - Term Provisions		
Provision for employee benefits :		
Provision for Gratuity (unfunded)	4,971,000	3,613,000
Provision for Long Term Services Awards	145,000	135,000
Provision for Compensated Absences (unfunded)	2,102,000	2,429,000
	<u>7,218,000</u>	<u>6,177,000</u>
Short term provisions		
Provision for employee benefits :		
Provision for Gratuity (unfunded)	650,000	2,621,000
Provision for Long Term Services Awards	66,000	13,000
Provision for Compensated Absences (unfunded)	507,000	1,067,000
	<u>1,223,000</u>	<u>3,701,000</u>
Note No. "5"		
Short-term Borrowings		
Unsecured Loans and Advance from Related Party (repayable on demand)	-	33,000,000
	<u>-</u>	<u>33,000,000</u>
Note No. "6"		
Trade Payables	13,578,836	31,585,783
	<u>13,578,836</u>	<u>31,585,783</u>
Note:-		
The Company has sought confirmation from "suppliers" regarding their status under Micro Small and Medium Enterprises Development Act, 2006. Based on the information available with company, there are no amounts unpaid as at 31st March 2016		
Note No. "7"		
Other Current Liabilities		
Statutory dues	3,527,981	2,813,449
Employee Benefit (Superannuation and Bonus)	12,866,811	12,421,128
Income received in advance (Unearned Income)	3,832	299,241
Others	6,558,140	2,114,874
	<u>22,956,764</u>	<u>17,648,692</u>



Tata Motors Insurance Broking & Advisory Services Limited

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

Note No. "g"

Fixed Assets

Particulars	Gross Book Value				Accumulated Depreciation			Net Book Value		
	Opening Balance as at April 1, 2015	Additions	Disposals	Closing Balance as at March 31, 2016	Opening Balance as at April 1, 2015	Depreciation /Amortisation expenses for the period	Disposals	Closing Balance as at March 31, 2016	As at March 31, 2016	As at March 31, 2015
(i) Tangible Assets										
Leasehold Improvement	304,768	-	-	304,768	304,768	-	-	304,768	-	-
Office Equipment	1,347,297	914,450	235,040	2,026,707	1,023,166	241,377	214,953	1,049,590	977,117	324,131
Furniture & Fixtures	9,558	275,345	-	284,903	1,145	8,509	-	9,654	275,249	8,413
Computer	167,076	907,551	158,676	915,951	117,954	32,582	123,643	26,893	889,058	49,122
Motor Vehicle	3,141,462	1,583,107	3,141,482	1,583,107	1,943,188	761,050	2,115,616	588,622	994,485	1,198,294
Total Tangible Assets (A)	4,970,181	3,680,453	3,535,198	5,115,436	3,390,221	1,043,518	2,454,212	1,979,527	3,135,909	1,579,960
(ii) Intangible Assets										
Website Development	162,746	-	-	162,746	152,624	10,122	-	162,746	-	10,122
Software	1,925,484	9,973,671	-	11,899,155	209,982	1,982,537	-	2,192,519	9,706,636	1,715,502
Total Intangible Assets (B)	2,088,230	9,973,671	-	12,061,901	362,606	1,992,659	-	2,355,265	9,706,636	1,725,624
Intangible Assets under development (C)	11,475,000	862,800	8,500,000	3,837,800	-	-	-	-	3,837,800	11,475,000
Grand Total (A)+(B)+(C)	18,533,411	14,516,924	12,035,198	21,015,137	3,752,827	3,036,177	2,454,212	4,334,792	16,680,345	14,780,584
Previous Year	5,433,001	13,272,652	172,242	18,533,411	2,188,857	1,679,910	95,940	3,752,827	14,780,584	3,264,144

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Tata Motors Insurance Broking & Advisory Services Limited

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

	As at March 31, 2016 Rupees	As at March 31, 2015 Rupees
Note No. "9"		
Depreciation	6,653,431	8,851,450
Unabsorbed depreciation carried forward	-	377,912
Employee benefits / expenses allowable on payment basis	1,683,664	2,239,458
Allowance for bad and doubtful debts	1,893,178	6,062,113
Deferred Tax Assets	10,230,273	17,530,933
Note No. "10"		
Long Term Loans & Advances		
Unsecured and considered good		
(a) Advance Income Tax (net of provision)	62,834,424	61,203,664
(b) MAT Credit entitlement	11,172,846	1,231,121
(c) Deposits	4,190,380	4,157,380
	78,197,650	66,592,165
Note No. "11"		
Other Non-Current Assets		
Unsecured and Considered good		
Accrued Interest	159,595	72,411
Restricted Bank Deposits	1,000,000	1,000,000
	1,159,595	1,072,411
<i>Note - Includes Fixed Deposit of Rs. 1,000,000/- under lien with Insurance Regulatory & Development Authority</i>		
Note No. "12"		
Current Investments (at Cost or Fair Value whichever is lower)		
Investment in Mutual Funds: Unquoted	Face Value	No. of Units
HDFC Liquid Fund - Direct Plan - Growth Option	10	486.41 (34,606.83)
Birla Sun Life Saving Fund - Growth - Direct Plan	100	4,875.27 (3,684.86)
Kotak Liquid Scheme Plan A - Direct Plan - Growth	1000	394.67 (160.84)
Kotak Treasury Advantage Fund - Direct Plan - Growth	10	23,624.17 (53,624.80)
ICICI Prudential Money Market Fund - Direct Plan - Growth	100	8,515.96 (3,753.65)
ICICI Prudential Flexible Income - Direct Plan - Growth	10	1,369.28 (5,727.84)
		6,592,362
Advance for Investments		
Birla Sun Life Saving Fund - Growth - Direct Plan		-
HDFC Liquid Fund - Direct Plan - Growth Option		-
		3,000,000
		6,592,362
Net Asset Value	6,853,189	8,842,015

Note : Figures in bracket relate to units as on March 31, 2015



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Tata Motors Insurance Broking & Advisory Services Limited

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

	As at March 31, 2016 Rupees	As at March 31, 2015 Rupees
Note No. "13"		
Trade Receivables		
(i) Due over six months (unsecured)		
Considered good	6,824,964	3,673,080
Considered doubtful	5,725,970	18,684,274
Less: Allowance for bad and doubtful debts	(5,725,970)	(18,684,274)
	6,824,964	3,673,080
(ii) Others (unsecured)		
Considered good	15,842,094	18,533,174
	15,842,094	18,533,174
	22,667,058	22,206,254
Note No. "14"		
Cash and Bank balances		
(i) Cash and cash equivalents		
Cash on hand	18,040	17,471
Cheques on hand	-	1,860
Balances with Banks - in Current Account	9,496,431	12,212,923
	9,514,471	12,232,254
(ii) Other bank balances		
Bank deposits (with more than 3 months but less than 12 months maturity)	-	4,000,000
	-	4,000,000
	9,514,471	16,232,254
Note No. "15"		
Short-term Loans and Advances		
(Unsecured and considered good)		
Security Deposits	662,580	6,566,400
	662,580	6,566,400
Note No. "16"		
Other Current Assets		
Interest Accrued on Fixed Deposits	-	290,589
Service Tax Input	2,173,045	1,463,891
Prepaid Expenses	1,833,592	2,449,233
Unbilled Revenue	19,416,501	-
Others	11,537	1,500
	23,434,675	4,205,213



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Tata Motors Insurance Broking & Advisory Services Limited

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

	Year ended March 31, 2016 Rupees	Year ended March 31, 2015 Rupees
Note No. "17"		
Revenue From Operation		
Brokerage Income	259,309,468	92,010,687
	259,309,468	92,010,687
Note No. "18"		
Other Income		
Net gain on sale of current investments	400,547	2,812,511
Interest on Fixed deposit with bank	146,145	461,039
Interest on IT Refund	1,801,406	-
Profit on sale of Fixed Assets (net)	9,013	-
	2,357,111	3,273,550
Note No. "19"		
Employee Costs / Benefit Expenses		
Salary, bonus and wages	95,188,084	77,076,541
Contribution to Provident and Other Funds	5,843,827	4,207,580
Gratuity Expenses (Unfunded)	3,092,233	1,759,058
Staff Welfare Expenses	5,230,192	2,773,342
	109,354,336	85,816,521
Note No. "20"		
Other Expenses		
Rent	14,859,608	16,969,776
Electricity & Water Charges	1,265,308	935,690
Rates and Taxes	48,291	28,887
Insurance Premium	1,650,409	2,043,489
Repairs and Maintenance (Other than on buildings and plant & machinery)	1,312,577	1,310,779
Travelling & Conveyance Expenses	9,543,963	7,972,609
Legal & Professional Charges	6,468,209	6,738,825
Auditors' Remuneration	752,903	856,706
Allowance for bad & doubtful debts (net of reversals)	(3,888,825)	8,665,688
Loss on sale of Fixed Assets (net)	-	50,499
IT Support Expense	28,213,627	3,499,044
Call Centre Expense	9,272,564	-
Communication	5,310,659	1,789,086
Recruitment Expenses	1,149,943	692,813
Miscellaneous Expenses	3,822,376	4,857,803
	79,781,612	56,411,694



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TATA MOTORS INSURANCE BROKING & ADVISORY SERVICES LIMITED

Notes forming part of Financial Statements

21. Prior Period Expense

Particulars	Year ended March 31, 2016	Year ended March 31, 2015
Housing Loan Subsidy to employees	-	387,862
Total	-	387,862

22. Contingent liabilities in respect of service tax claims against the Company not acknowledged as debt Rs. 214,800 (Previous year: Rs. 207,100).

23. The Company has received a license from the IRDA to act as a Direct Broker identified in the Insurance Regulatory and Development Authority (Insurance Brokers) Regulations, 2002 effective from May 13, 2014. Apart from insurance broking activities, the Company does not have any other business segments. Also, in absence of separate geographical segments, segment information as required by the Accounting Standard (AS) 17 on "Segment Reporting" has not been furnished.

24. Particulars of earnings per share (EPS)

Particulars	Year ended March 31, 2016	Year ended March 31, 2015
Net Profit / (Loss) attributable to equity shareholders - Rs.	58,396,853	(47,110,767)
Weighted average number of equity shares outstanding for calculation of Basic EPS for the year	2,500,000	2,500,000
Weighted average number of equity shares outstanding for calculation of Diluted EPS for the year	2,500,000	2,500,000
Nominal value of shares - Rs.	10.00	10.00
Earnings per share – Basic and Diluted - Rs.	23.36	(18.84)

Earnings Per Share (excluding extraordinary item)

Particulars	Year ended March 31, 2016	Year ended March 31, 2015
Net Profit / (Loss) for the year	58,396,853	(47,110,767)
(Add) / Less: Extraordinary items (net of tax)	-	387,862
Profit / (loss) for the year attributable to the equity shareholders, excluding extraordinary items	58,396,853	(46,722,905)
Weighted average number of equity shares outstanding for calculation of Basic EPS for the year	2,500,000	2,500,000
Weighted average number of equity shares outstanding for calculation of Diluted EPS for the year	2,500,000	2,500,000
Nominal value of shares - Rs.	10.00	10.00
Earnings per share – Basic and Diluted - Rs.	23.36	(18.69)

25. Auditors' remuneration

Particulars	Amount (Rs.)	
	Year ended March 31, 2016	Year ended March 31, 2015
Audit fees	600,625	5,00,000
Tax audit fees	50,000	50,000
Other matters	75,000	2,40,000
Reimbursement of expenses	27,278	66,706
Total *	7,52,903	8,56,706

*Excluding Service Tax Rs.62,286 (Previous year: Rs 59,328) claimed as input credit.



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TATA MOTORS INSURANCE BROKING & ADVISORY SERVICES LIMITED

Notes forming part of Financial Statements

26. Defined benefit plan /Long term Compensated absences - As per actuarial valuation as on March 31, 2016 Amount (Rs.)

S. No.	Particulars	Gratuity				
		2016	2015	2014	2013	2012
I	Component of employer expenses					
	Current Service Cost	1,47,37,000	1,55,90,000	68,26,605	36,03,033	31,70,33
	Interest Cost	3,44,000	2,97,000	21,38,47	10,83,75	8,56,50
	Expected return on plan assets	-	-	-	-	-
	Actuarial (Gains) /Losses	1,47,90,000	1,17,60,000	(12,65,29)	8,88,405	(19,82,56)
	Total expenses	3,26,00,000	3,03,20,000	76,92,923	1,35,70,000	20,42,7
	Less:- Received from Other employers	1,67,767	12,72,942	-	-	-
	Total expenses recognised in the Statement of Profit and Loss	3,09,2,233	17,59,058	76,92,923	1,35,70,000	20,42,7
II	Actual Contribution and Benefit Payments					
	Actual benefit payments	3,87,30,000	58,000	1,41,923	-	-
	Actual Contribution	-	-	-	-	-
III	Net liability recognised in Balance Sheet					
	Present Value of Defined Benefit Obligation	5,62,10,000	6,23,40,000	3,26,00,000	2,63,20,000	1,27,50,000
	Fair Value of plan assets	-	-	-	-	-
	Experience adjustment on plan liabilities	-	-	-	-	-
	Experience adjustment on plan assets	-	-	-	-	-
	Net liability recognised in the Balance Sheet	(5,62,10,000)	(6,23,40,000)	(3,26,00,000)	(2,63,20,000)	(1,27,50,000)
IV	Change in Defined Benefit Obligations (DBO)					
	Present Value of DBO at the beginning of the year	6,23,40,000	3,26,00,000	2,63,20,000	1,27,50,000	1,00,76,52
	Current Service Cost	1,47,37,000	1,55,90,000	68,26,605	36,03,033	31,70,33
	Acquisitions/ Transfer in	-	-	-	-	62,921
	Interest cost	3,44,000	2,97,000	21,38,47	10,83,75	8,56,50
	Actuarial (Gains) /Losses	1,47,90,000	1,17,60,000	(12,65,29)	8,88,405	(19,82,56)
	Benefits paid	(3,87,30,000)	(58,000)	(1,41,923)	-	-
	Present Value of DBO	5,62,10,000	6,23,40,000	3,26,00,000	2,63,20,000	1,27,50,000
V	Actuarial Assumptions					
	Discount rate (%)	8.00%	8.00%	9.20%	8.35%	8.50%
	Expected Return on plan assets (%)	N/A	N/A	N/A	N/A	N/A
	Salary escalation	10% For First Two Years and 7.5% thereafter	10% For First Two Years and 7.5% thereafter	10% For First Five Years and 7.5% thereafter	10% For First Five Years and 7.5% thereafter	7.5% For First Five Years and 5% thereafter
	Mortality	Indian Assured Lives Mortality (2006-08)	Indian Assured Lives Mortality (2006-08)	Indian Assured Lives Mortality (2006-08)	Indian Assured Lives Mortality (2006-08)	LIC (1994-96) Ultimate



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TATA MOTORS INSURANCE BROKING & ADVISORY SERVICES LIMITED

Notes forming part of Financial Statements

Amount (Rs.)

S. No.	Particulars	Compensated Absences				
		2016	2015	2014	2013	2012
I	Component of employer expenses					
	Current Service Cost	554,000	341,000	374,891	336,350	245,211
	Interest Cost	207,000	170,000	135,657	69,101	81,537
	Expected return on plan assets	-	-	-	-	-
	Actuarial (Gains) /Losses	158,000	1,288,000	15,186	882,650	60,862
	Total expenses recognised in the Statement of Profit and Loss	919,000	1,799,000	525,734	1,288,101	387,610
II	Actual Contribution and Benefit Payments					
	Actual benefit payments	1,806,000	294,000	318,734	634,101	433,729
	Actual Contribution	-	-	-	-	-
III	Net liability recognised in Balance Sheet					
	Present Value of Defined Benefit Obligation	2,609,000	3,496,000	1,991,000	1,784,000	1,130,000
	Fair Value of plan assets	-	-	-	-	-
	Experience adjustment on plan liabilities	-	-	-	-	-
	Experience adjustment on plan assets	-	-	-	-	-
	Net liability recognised in the Balance Sheet	(2,609,000)	(3,496,000)	(1,991,000)	(1,784,000)	(1,130,000)
IV	Change in Defined Benefit Obligations (DBO)					
	Present Value of DBO at the beginning of the year	3,496,000	1,991,000	1,784,000	1,130,000	1,176,119
	Current Service Cost	554,000	341,000	374,891	336,350	245,211
	Acquisitions/ Transfer in	-	-	-	-	-
	Interest cost	207,000	170,000	135,657	69,101	81,537
	Actuarial (Gains) /Losses	158,000	1,288,000	15,186	882,650	60,862
	Benefits paid	(1,806,000)	(294,000)	(318,734)	(634,101)	(433,729)
	Present Value of DBO	2,609,000	3,496,000	1,991,000	1,784,000	1,130,000
V	Actuarial Assumptions					
	Discount rate (%)	8.00%	8.00%	9.20%	8.35%	8.50%
	Expected Return on plan assets (%)	N/A	N/A	N/A	N/A	N/A
	Salary escalation	10% For First Two Years and 7.5% thereafter	10% For First Two Years and 7.5% thereafter	10% For First Five Years and 7.5% thereafter	10% For First Five Years and 7.5% thereafter	7.5% For First Five Years and 5% thereafter
	Mortality	Indian Assured Lives Mortality (2006-08)	Indian Assured Lives Mortality (2006-08)	Indian Assured Lives Mortality (2006-08)	Indian Assured Lives Mortality (2006-08)	LIC (1994-96) Ultimate

(a) Defined Contribution Plan

The Company's contribution to defined contribution plan aggregated Rs. 5,843,827 (Previous year Rs. 4,207,580) for the year ended March 31, 2015 has been recognised in the Statement of Profit and Loss in note no 19.

(b) The assumptions 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.



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TATA MOTORS INSURANCE BROKING & ADVISORY SERVICES LIMITED

Notes forming part of Financial Statements

27. Related Party Disclosure

1. Name of the related party where control exists - Tata Motors Limited (Holding Company)

2. Details of the transactions done with related party during Financial year 2015-16

Sr.No.	Name of the Related Party	Description of the relationship	Nature of Transaction	Amount		Outstanding	
				Year ended March 31, 2016	Year ended March 31, 2015	Year ended March 31, 2016	Year ended March 31, 2015
1	Tata Motors Limited	Holding Company	1. Expenses a. IT support b. Payroll & Claim processing charges c. Secondment charges d. Purchase of Software license 2. Reimbursement of Expenses Receipt of Gratuity & Leave encashment balance of transferred employee 3. Closing Balance	473,552 531,727 1,774,372 1,678,958 (248,727) -	- 347,790 - - -	- - - -	- - - -
2	Sheba Properties Limited	Fellow Subsidiary	1. Inter Corporate deposit received during the year 2. Inter Corporate deposit repaid during the year 3. Interest on Inter Corporate Deposit 4. Closing balance	5,000,000 38,000,000 2,777,995 -	50,500,000 17,500,000 872,219 -	- - -	66,210
3	Tata Motors Finance Limited	Fellow Subsidiary	1. Expenses a. Insurance of transferred employee car b. Transfer of Car allotted to employee c. Salary reimbursement of transferred employee d. Reimbursement of Car expenses of transferred employee 2. Reimbursement of Expenses Receipt of Gratuity & Leave encashment balance of transferred employee 3. Closing Balance	16,818 531,807 - - - 61,302 -	- - 403,207 145,527 - 1,804,176 -	- - - -	33,000,000 - - - - - 145,527



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TATA MOTORS INSURANCE BROKING & ADVISORY SERVICES LIMITED

Notes forming part of Financial Statements

28. Previous year's figure's have been regrouped / reclassified wherever necessary to correspond with the current year's classification / disclosure.

Signature to note 1 to 28

For Walker Chandiook & Co LLP
(formerly Walker, Chandiook & Co)
Chartered Accountants
Firm Registration No. 001076N/N500013

Khushroo B. Panthaky
Partner
Membership No. 42423

Place: Mumbai
Date: 4th May, 2016

For and on behalf of the Board

Shyam Mani
Director
DIN – 00273598

V B Somaiya
Director
DIN - 03185227

Tarun Samat
**Chief Executive &
Principal Officer**

Bhanu Bhai Sharma
Chief Financial Officer

Place: Mumbai
Date: 4th May, 2016

