

**Explanatory notes forming part of the Financial Statements for the year ended March 31, 2018**

In case of direct assignment, the amount of profit received in cash is recognised as a liability on an individual transaction basis and is amortised in the statement of profit and loss based on method prescribed by the RBI guidelines.

Legal and incidental expenses relating to securitisation / direct assignment are charged to the statement of profit and loss in the year in which the transaction is effected.

**3. Income from investments**

Dividend income is recognised in statement of profit and loss when the Company's right to receive the dividend is established.

Interest income on pass-through-certificates and debentures are recognised in statement of profit and loss on accrual basis.

**E. Discount and premium on issue/redemption of debenture**

Discount on issue of debentures and premium payable on redemption of debentures is amortised on straight line basis over the period of the instruments and is adjusted from securities premium account. Expenses incurred on issue of debentures are adjusted from securities premium account.

**F. Share issue expenses**

Share issue expenses are adjusted from securities premium account.

**G. Commission to agents**

Commission for sourcing of contracts through dealers is amortised over the term of the contract in the ratio of interest earned. Sourcing commission including target based commission for contracts sourced through networks other than dealers is amortised equally over the term of the contract. Further, commission on collection is charged to the statement of profit and loss when incurred.

**H. Employee benefits****1. Defined contribution plans**

Contributions to the Company's defined contribution plans are accounted for on an accrual basis and charged in the statement of profit and loss.

**i) Provident fund**

The employees are entitled to receive benefits under provident fund, where both, the employees and the Company, make monthly contributions at a specified percentage of the covered employees' basic salary. The contribution is paid to the fund managed by Tata Motors Limited (ultimate parent company), except that the employer's contribution towards pension fund is paid to the Regional Provident Fund office. The Company is liable for annual contribution and any shortfall to the extent of the Company's share in the fund managed by ultimate parent company, based on the Government specified minimum rates of return and recognises such contributions and shortfall, if any, as an expense in the year incurred.

**ii) Superannuation**

Contribution to the superannuation fund is made at 15% of basic salary for the employees who have opted to the scheme, managed by the ultimate parent company and is charged to the statement of profit and loss on accrual basis.

**2. Defined benefit plans**

Liability towards the Company's defined benefit plans are determined using the projected unit credit method, based on an independent actuarial valuation at the end of the year. Actuarial valuation of defined benefit plans is determined based on certain assumptions regarding rate of interest, salary growth, mortality and staff attrition. Actuarial gains and losses are charged to the statement of profit and loss in the period in which they occur.

**Explanatory notes forming part of the Financial Statements for the year ended March 31, 2018****i) Gratuity**

The Company provides for gratuity to all employees. The benefit is in the form of lump sum payments to eligible employees on resignation, retirement, or death while in employment or on termination of employment of an amount equivalent to 15 days' to 30 days' basic salary payable for each completed year of service. Vesting occurs upon completion of five years of service. The liability determined basis actuarial valuation is compared with the fair value of plan assets and the shortfall or excess is accounted for as a liability or an asset respectively.

**ii) Compensated absences**

The employees are entitled to accumulate leave subject to certain limits, for future encashment. The Company provides for compensated absences based on actuarial valuation conducted by an independent actuary.

**I. Leases****i) Assets taken on operating lease**

Operating lease rent is recognised on accrual basis as an expense in the statement of profit and loss.

**ii) Assets given on operating lease**

Assets given on operating lease are included in fixed assets. Lease income is recognised in the statement of profit & loss on an accrual basis. Costs including depreciation are recognised as an expense in the statement of profit and loss.

**J. Provision for standard / non-performing assets (NPAs)**

The Company classifies its finance receivables into performing and NPAs in accordance with the RBI guidelines. Provisions for finance receivables are recognised as per the prudential norms relating to income recognition, asset classification and provisioning issued by the RBI. In addition to the provisioning as per the RBI norms, provisions are recognised for the losses anticipated, if any.

The Company makes a provision on all outstanding standard assets as per the prudential norms issued by the RBI as applicable.

**K. Property, plant and equipment and depreciation and amortisation**

Property, plant and equipment are stated at cost of acquisition less accumulated depreciation / amortisation and impairment, if any. The cost comprises of purchase price, non-refundable taxes and levies and other directly attributable costs of bringing the assets to their working condition for the intended use.

Depreciation / amortisation is provided on the straight-line method over the useful life of the Property, plant and equipment as prescribed in the schedule II to the Companies Act, 2013 except, in case of vehicles and certain class of office equipment, depreciation is based on the nature, estimated usage, operating condition and past history of replacement.

- i. Capital assets located in the leasehold premises are depreciated over the estimated useful life or five years, whichever is lower.
- ii. Software of a cost in excess of Rs.25,000/- is amortised over a period of 5 years or over their estimated useful life, whichever is lower.
- iii. Assets costing less than Rs. 5,000/- are expensed off at the time of purchase.

**M. Investments**

The Company follows trade date method of accounting for purchase and sale of investments. Investments expected to mature after twelve months are taken as long term / non-current investment and stated at cost less provision for diminution, if any. Provision for diminution is recognised for decline, other than temporary, in the value of such investments. Current investments are stated at lower of cost and fair value.

**Explanatory notes forming part of the Financial Statements for the year ended March 31, 2018****N. Impairment of goodwill**

At each balance sheet date, the Company assesses whether there is any indication that the goodwill may be impaired. If any such impairment indicators exist, the recoverable amount of an asset is estimated to determine the extent of the impairment, if any. Where it is not possible to estimate the recoverable amount of an individual asset, the Company estimates the recoverable amount of the cash-generating unit to which the asset belongs. An impairment loss recognised for goodwill is not reversed in the subsequent period unless there are changes in external events.

**O. Taxation**

Tax expenses are aggregate of current tax and deferred tax charged or credited in the statement of profit and loss for the year.

Current tax is the amount of tax payable on the taxable income for the year, as determined in accordance with the applicable tax rates and the provisions of the Income-tax Act, 1961 and other applicable tax laws.

Deferred tax is recognised on timing differences, being the differences between taxable income and accounting income that originate in one period and are capable of reversal in one or more subsequent periods. Deferred tax assets and liabilities are measured using the tax rates and tax laws enacted or substantively enacted as at the reporting date. Deferred tax liabilities are recognised for all timing differences. Deferred tax assets are recognised for timing differences of items other than unabsorbed depreciation and carry forward losses only to the extent to that reasonable certainty exists that sufficient future taxable income will be available against which these can be realised. However, if there is unabsorbed depreciation and carry forward of losses and items relating to capital losses, deferred tax assets are recognised only if there is virtual certainty supported by convincing evidence that there will be sufficient future taxable income available to realise the assets. Deferred tax assets are reviewed at each balance sheet date for their realisability. Deferred tax asset and liability are netted off and disclosed in the balance sheet under the head "Deferred tax asset / liability".

Current and deferred taxes relating to items directly recognised in reserves are recognised in reserves and not in the statement of profit and loss.

Minimum Alternative tax (MAT) credit is recognised as an asset only when and to the extent there is convincing evidence that the Company will pay normal income tax during the specified period. In the year in which the MAT credit becomes eligible to be recognised as an asset in accordance with the recommendations contained in guidance note issued by the Institute of Chartered Accountants of India, the said asset is created by way of a credit to the statement of profit and loss and shown as MAT credit entitlement. The Company reviews the same at each balance sheet date and writes down the carrying amount of MAT credit entitlement to the extent there is no longer convincing evidence to the effect that the Company will pay normal income tax during the specified period.

**P. Earnings per share**

Basic earnings per share is calculated by dividing the net profit or loss for the year attributable to equity shareholders by the weighted average number of equity shares outstanding during the year.

Diluted earnings per share reflect the potential dilution that could occur if contracts to issue equity shares were exercised or converted during the year. Diluted earnings per equity share is calculated by dividing the net profit attributable to the equity shareholders after giving impact of amount relating to dilutive potential equity shares for the year by the weighted average number of equity shares and dilutive potential equity shares outstanding during the year, except where the results are anti-dilutive.

**Q. Provisions, contingent liability and contingent assets**

Provisions are recognised in accounts in respect of present probable obligations arising out of past events, the amount of which can be reliably estimated. In cases where the available information indicates that the loss on the contingency is reasonably possible but the amount of loss cannot be reasonably estimated, a disclosure is made in the financial statements. Provisions are reviewed at each balance sheet date and adjusted to reflect the current management estimates. If it is no longer probable that the outflow of resources would be required to settle the obligation, the provision is reversed.

Contingent liabilities are disclosed in respect of possible obligations that arise from the past events but their existence is confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of

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**Explanatory notes forming part of the Financial Statements for the year ended March 31, 2018**

the Company.

Contingent assets are neither recognised, nor disclosed in the financial statements.

**R. Dividend (including dividend distribution tax)**

Interim dividend declared to equity and / or preference shareholders, if any, is recognised as liability in the period in which the said dividend has been declared by the Directors. Final proposed dividend declared to equity and / or preference shareholders, if any, is recognised in the period in which the said dividend has been approved by the Shareholders.

**Notes forming part of the Financial Statements for the year ended March 31, 2018**
**Note 3**
**Share Capital**

(Rs. in Lakhs)

Particulars	As at March 31, 2018		As at March 31, 2017	
	Number	Rs.	Number	Rs.
<b>Authorised</b>				
Equity Shares of Rs.100 each with voting rights	150,000,000	1500,00.00	150,000,000	1500,00.00
Preference shares of Rs.100 each	50,000,000	500,00.00	50,000,000	500,00.00
<b>Total</b>		<b>2000,00.00</b>		<b>2000,00.00</b>
<b>Issued, Subscribed and Fully Paid up</b>				
Equity Shares of Rs.100 each	53,873,415	538,73.42	49,149,006	491,49.01
Cumulative, Non-Participating Compulsorily Convertible Preference Share (CCPS) of Rs. 100 each	37,500,000	375,00.00	22,500,000	225,00.00
<b>Total</b>		<b>913,73.42</b>		<b>716,49.01</b>

**a) Reconciliation of the shares outstanding at the beginning and at the end of the reporting period**

(Rs. in Lakhs)

Equity Shares	As at March 31, 2018		As at March 31, 2017	
	Number	Rs.	Number	Rs.
Shares outstanding at the beginning of the period	49,149,006	491,49.01	7,500,000	75,00.00
Shares Issued during the period	4,724,409	47,24.41	41,649,006	416,49.01
<b>Shares outstanding at the end of the period</b>	<b>53,873,415</b>	<b>538,73.42</b>	<b>49,149,006</b>	<b>491,49.01</b>
Cumulative, Non - Participating CCPS	As at March 31, 2018		As at March 31, 2017	
	Number	Rs.	Number	Rs.
Shares outstanding at the beginning of the period	22,500,000	225,00.00	-	-
Shares Issued during the period	15,000,000	150,00.00	22,500,000	225,00.00
<b>Shares outstanding at the end of the period</b>	<b>37,500,000</b>	<b>375,00.00</b>	<b>22,500,000</b>	<b>225,00.00</b>

**b) Details of shares held by holding company and its subsidiaries:**

Particulars	As at March 31, 2018		As at March 31, 2017	
	Number of shares held	% of holding	Number of shares held	% of holding
<b>A. Equity shares with voting rights</b>				
<b>Holding Company</b>				
TMF Holdings Limited (Formerly known as Tata Motors Finance Limited)	52,051,399	96.62	47,326,990	96.29
<b>Subsidiaries of holding company</b>				
Tata Motors Finance Solutions Limited	1,822,016	3.38	1,822,016	3.71
<b>B. Cumulative, Non-Participating CCPS</b>				
TMF Holdings Limited (Formerly known as Tata Motors Finance Limited)	15,000,000	40.00	22,500,000	100.00

**c) Details of shares held by each shareholder holding more than 5% of Shares:**

Particulars	As at March 31, 2018		As at March 31, 2017	
	Number of shares held	% of holding in that class of shares	Number of shares held	% of holding in that class of shares
<b>Equity Share with voting rights</b>				
TMF Holdings Limited (Formerly known as Tata Motors Finance Limited)	52,051,399	96.62	47,326,990	96.29
<b>Cumulative, Non-Participating CCPS</b>				
TMF Holdings Limited (Formerly known as Tata Motors Finance Limited)	15,000,000	40.00	22,500,000	100.00
Aditya Birla Finance Limited	10,000,000	26.67	-	-

Notes forming part of the Financial Statements for the year ended March 31, 2018

**d) Terms / rights attached to equity shares:**

The Company has a single class of equity shares. Accordingly, all equity shares ranked equally with regard to dividends and share in the Company's residual assets. The equity shares are entitled to receive dividend as declared from time to time subject to payment of dividend to preference shareholders. The voting rights of an equity shareholder on a poll are in proportion to its share of the paid-up equity capital of the company. On winding up of the Company, the holders of equity shares will be entitled to receive the residual assets of the Company, remaining after distribution of all preferential amounts in proportion to the number of the equity shares held.

**e) Terms / rights attached to preference shares:**

1) During FY 2016-17, the Company had issued 2,25,00,000 privately placed, cumulative, non-participating compulsorily convertible preference shares (CCPS) bearing a face value of Rs. 100 each at a price of Rs. 200 per share aggregating to Rs. 450,00.00 lakhs. The holders of the CCPS are entitled for dividend @ 8.20% on a yearly basis, in preference to the equity shareholders of the Company, subject to applicable law, availability of profits of the Company, after provision for depreciation. The CCPS shall fully and mandatorily be converted into equity shares of the Company on the date falling at the expiry of 7 years from the CCPS allotment date. 2.89 Preference shares will be converted into 1 equity shares of face value of Rs. 100 each. Fractional equity shares, if any, arising on conversion of the CCPS shall be disregarded.

2) During FY 2017-18, the Company had issued 1,50,00,000 privately placed, cumulative, non-participating compulsorily convertible preference shares (CCPS) bearing a face value of Rs. 100 each at a price of Rs. 200 per share aggregating to Rs. 300,00.00 lakhs. The holders of the CCPS are entitled for dividend @ 8.20% on a yearly basis, in preference to the equity shareholders of the Company, subject to applicable law, availability of profits of the Company, after provision for depreciation. The CCPS shall fully and mandatorily be converted into equity shares of the Company on the date falling at the expiry of 7 years from the CCPS allotment date. 3.17 Preference shares will be converted into 1 equity shares of face value of Rs. 100 each. Fractional equity shares, if any, arising on conversion of the CCPS shall be disregarded

**Note 4**

**Reserves & Surplus**

	(Rs. in Lakhs)	
Particulars	As at March 31, 2018	As at March 31, 2017
<b>a. Capital Redemption Reserve</b>		
Balance as per the last financial statements	0.02	0.02
Add: Transfer from surplus in the statement of profit and loss	-	-
<b>Closing Balance</b>	<b>0.02</b>	<b>0.02</b>
<b>b. Securities Premium Account</b>		
Balance as per the last financial statements	2187,37.53	-
Add: Premium on equity shares issued during the year	252,75.59	1990,51.00
Add: Premium on CCPS issued during the year	150,00.00	225,00.00
Less : Shares / Debentures issue expenses (Gross Rs 1,05.27 lakhs, net of tax of Rs 15.67 Lakhs; March 2017 Gross Rs 5,12.64, net of tax of Nil)	89.60	5,12.64
Less : Amortisation of premium on redemption of debentures (Gross Rs 269,99.71 lakhs, net of tax of Rs 93,44.05 Lakhs; March 2017 Gross Rs 35,18.52, net of tax of Rs 12,17.69 Lakhs)	176,55.66	23,00.83
<b>Closing Balance</b>	<b>2412,67.86</b>	<b>2187,37.53</b>
<b>c. Special Reserve*</b>		
Balance as per the last financial statements	68,60.88	59,82.69
Add: Transfer from surplus in the statement of profit and loss	65,51.63	8,78.19
<b>Closing Balance</b>	<b>134,12.51</b>	<b>68,60.88</b>
<b>d. General Reserve</b>		
Balance as per the last financial statements	17,85.59	17,85.59
Add: Transfer from surplus in the statement of profit and loss	-	-
<b>Closing Balance</b>	<b>17,85.59</b>	<b>17,85.59</b>

**Notes forming part of the Financial Statements for the year ended March 31, 2018**

(Rs. in Lakhs)

Particulars	As at March 31, 2018	As at March 31, 2017
<b>e. Surplus in the statement of profit and loss</b>		
Balance as per the last financial statements	<b>74,63.57</b>	<b>44,92.42</b>
Add: Net Profit for the year	327,58.13	43,90.95
Less: Transfer to Special Reserve*	65,51.63	8,78.19
Less: Dividend on equity shares (see note 1)	14,74.38	-
Less: Dividend on preference shares (see note 1)	18,45.00	-
Less: Interim dividend on equity shares (see note 2)	38,68.11	4,50.00
Less: Tax on dividend (see note 1 & 2)	14,63.31	91.61
<b>Net surplus in the Statement of Profit and Loss</b>	<b>250,19.27</b>	<b>74,63.57</b>
<b>Total</b>	<b>2814,85.25</b>	<b>2348,47.59</b>

**\*Transfer to Special reserve**

As per Section 45-IC of Reserve Bank of India Act, 1934 every non-banking financial company shall create a reserve fund and transfer therein a sum not less than twenty per cent of its net profit every year as disclosed in the Statement of profit and loss and before any dividend is declared. No appropriation of any sum from the reserve fund shall be made by the non-banking financial company except for the purpose as may be specified by the Reserve Bank of India from time to time and every such appropriation shall be reported to the Reserve Bank of India within twenty-one days from the date of such withdrawal. The said amount will be transferred at the end of the Financial Year.

**Note 1:** The Board of Directors, at its meeting held on May 19, 2017 recommended a final dividend of Rs. 3.00/- per Equity Share and dividend of Rs 8.20 per CCPS for the FY2016-17. The dividend has been declared in the Annual General Meeting held on July 26, 2017 and has been paid on July 31, 2017.

**Note 2:** The Board of Directors, at its meeting held on March 26, 2018 recommended an interim dividend of Rs 7.18/- per Equity Share. The dividend has been paid on March 31, 2018.

**Note 3:** The Board of Directors, at its meeting held on May 2, 2018 recommended a final dividend of Rs. 12.28 per equity share of Rs. 100 each (12.28%) and Rs 8.20 per CCPS of Rs 100 each (8.20%), subject to approval of the members of the company at the forthcoming annual general meeting. In terms of revised Accounting Standard (AS) 4 'Contingencies and Events occurring after the Balance sheet date' as notified by the Ministry of Corporate Affairs through amendments to Companies (Accounting Standards) Amendment Rules, 2016, the Company has not appropriated proposed dividend (including tax) from Statement of Profit and Loss for the year ended March 31, 2018.

**Note 5**  
**Long-term borrowings**

Particulars	(Rs. in Lakhs)	
	As at March 31, 2018	As at March 31, 2017
(i) Debentures		
(a) Privately placed non-convertible debentures (secured) (gross of accreted value of premium on redemption of Rs. 109,41.24 Lakhs; March 31, 2017 Rs. 95,03.49 Lakhs)	1886,41.23	2356,03.48
(b) Privately placed subordinated unsecured redeemable, non-convertible debentures (Dues to related party Rs 200,00.00 Lakhs; March 31, 2017 Rs. Nil)	1384,90.00	1134,90.00
(c) Privately placed subordinated unsecured non-convertible perpetual debentures	375,30.00	375,30.00
	<b>3646,61.23</b>	<b>3866,23.48</b>
(ii) Term loans from banks		
(a) Secured	3704,10.72	2758,92.86
(b) Unsecured	1125,00.00	1750,00.00
	<b>4829,10.72</b>	<b>4508,92.86</b>
<b>Total</b>	<b>8475,71.95</b>	<b>8375,16.34</b>

**1. Nature and extent of Security created and maintained for secured Non-convertible debentures (NCDs) (privately placed) listed on wholesale debt market segment of NSE as per SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015.**

1(A) Nature:

Privately placed non-convertible secured debentures are fully secured by first pari passu charge by way of registered mortgage on:

- i) Company's residential flat; (Refer note 11)
- ii) All receivables of the Company arising out of loan and lease transactions;
- iii) All other book debts, trade advances forming part of movable property of the Company; and
- iv) Any other security as identified by the Company and acceptable to the debenture trustee.

1 (B) Extent:

The minimum security of 100% for the NCDs outstanding has been maintained.

**2. Nature of security for secured term loans from banks :**

Secured term loans from banks are secured by a pari-passu charge in favour of the security trustee on:

- a) All receivables of the Company arising out of loan, lease and trade advances;
- b) All other book debts;
- c) Receivables from pass through certificates in which Company has invested;
- d) such other current assets as may be identified by the Company from time to time and accepted by the security trustee.

**3. Terms of repayment for Term Loans**

The term loans from banks are repayable at periodic intervals on a quarterly / half-yearly basis. The interest rate on term loans from banks are in the range of 7.85% to 9.35% per annum. Tenure of such loans ranges from 1 year 11 months to 5 years, loans are borrowed at a floating rate of interest linked to MCLR / bank's base rate plus spread with half-yearly / yearly reset options. On the reset date, the Company has an option to repay the loans.



**Notes forming part of the Financial Statements for the year ended March 31, 2018**
**Note 6**
**Other long-term liabilities**

Particulars	(Rs. in Lakhs)	
	As at March 31, 2018	As at March 31, 2017
Income received in advance	100,53.01	20,69.87
Unrealised gain on loan transfer transactions	20,63.73	15,73.15
Deposits (not covered in Section 2(31) of Companies Act, 2013) (Due to related party Rs 2,35.00 Lakhs: March 31, 2017 Rs. 2,35.00 Lakhs)	2,70.68	2,37.95
<b>Total</b>	<b>123,87.42</b>	<b>38,80.97</b>

**Note 7**
**Provisions**

Particulars	(Rs. in Lakhs)	
	As at March 31, 2018	As at March 31, 2017
<b>A) Long-term provisions</b>		
Provision for employee benefits	7,33.91	8,46.80
Provision for Indirect tax related contingencies	111,99.99	111,93.32
Provision for finance receivables	61,96.07	163,60.71
Contingent provisions against standard assets	54,24.02	36,47.96
<b>Total</b>	<b>235,53.99</b>	<b>320,48.79</b>
<b>B) Short-term provisions</b>		
Provision for employee benefits	88.95	47.77
Provision for income tax (net of advance tax)	8,02.42	57.81
Provision for finance receivables	249,13.08	311,97.57
Contingent provisions against standard assets	26,87.42	24,18.48
<b>Total</b>	<b>284,91.87</b>	<b>337,21.63</b>

**Movement of provisions (long-term and short-term)**
**Provision for indirect taxes related contingencies**

Particulars	(Rs. in Lakhs)	
	As at March 31, 2018	As at March 31, 2017
Opening Balance	111,93.32	-
Add: Acquired on business acquisition	-	111,86.67
Add: Provision	6.67	6.65
Closing Balance	<b>111,99.99</b>	<b>111,93.32</b>

The expected settlement period depends on relevant judgement of authorities in similar matters.

**Notes forming part of the Financial Statements for the year ended March 31, 2018**
**Terms of repayment of bonds / debentures outstanding as at March 31, 2018**
**A. Privately placed Non-Convertible Debentures (including Zero Coupon Debentures) - Face value of Rs. 10 Lakhs each (Redeemable at par) except otherwise stated**

Particulars	(Rs. in lakhs)	Redemption Date
9.00% Non Convertible Debentures "W" FY 2016-17	1,00.00	July 28, 2021
9.30% Non Convertible Debentures "S" FY 2016-17	22,00.00	June 28, 2021
9.20% Non Convertible Debentures "K" FY 2016-17	42,00.00	June 10, 2021
9.20% TMFL Zero Coupon Debentures "M" FY 2016-17*	7,76.58	June 10, 2021
9.20% Non Convertible Debentures "G" FY 2016-17	10,00.00	May 13, 2021
9.20% Non Convertible Debentures "C" FY 2016-17	20,00.00	April 6, 2021
9.25% Non Convertible Debentures "M" FY 2015-16	40,00.00	December 17, 2020
7.78% TMFL Zero Coupon Debentures "E" FY 2017-18*	189,08.10	August 25, 2020
8.32% TMFL Zero Coupon Debentures "D" FY 2017-18*	460,45.33	July 10, 2020
8.40% TMFL Zero Coupon Debentures "C" FY 2017-18*	318,51.03	June 2, 2020
8.40% TMFL Zero Coupon Debentures "B" FY 2017-18*	369,22.71	May 27, 2020
9.10% Non Convertible Debentures "J" FY 2015-16	10,00.00	November 19, 2019
9.85% Non Convertible Debentures "D" FY 2014-15	100,00.00	October 17, 2019
9.85% Non Convertible Debentures "A" FY 2014-15	55,00.00	October 10, 2019
9.00% TMFL Zero Coupon Debentures "V" FY 2016-17*	64,67.50	July 23, 2019
9.30% Non Convertible Debentures "T" FY 2016-17	69,00.00	June 28, 2019
9.20% Non Convertible Debentures "L" FY 2016-17	20,00.00	June 10, 2019
9.20% Non Convertible Debentures "J" FY 2016-17	20,00.00	May 31, 2019
TMFL Zero Coupon Debentures "H" FY 2015-16*	6,76.02	May 6, 2019
7.99% TMFL Zero Coupon Debentures "A" FY 2017-18*	145,77.31	April 24, 2019
TMFL Zero Coupon Debentures "L" FY 2015-16*	46,93.99	April 11, 2019
9.20% Non Convertible Debentures "B" FY 2016-17	73,00.00	April 8, 2019
9.20% TMFL Zero Coupon Debentures "A" FY 2016-17*	32,52.29	April 3, 2019
10.25% Non Convertible Debentures "X" FY 2013-14	20,00.00	March 20, 2019
10.25% Non Convertible Debentures "AF" FY 2013-14	5,00.00	March 19, 2019
9.35% TMFL Zero Coupon Debentures "E" FY 2016-17*	646,44.95	March 12, 2019
10.25% Non Convertible Debentures "V" FY 2013-14	15,00.00	March 5, 2019
TMFL Zero Coupon Debentures "AC" FY 2013-14*	21,06.27	February 27, 2019
10.25% Non Convertible Debentures "M" FY 2013-14	20,00.00	January 10, 2019
8.05% Non Convertible Debentures "AC" FY 2016-17	100,00.00	December 28, 2018
9.25% Non Convertible Debentures "N" FY 2015-16	85,00.00	December 17, 2018
7.86% Non Convertible Debentures "AA" FY 2016-17	200,00.00	December 2, 2018
TMFL Zero Coupon Debentures "K" FY 2015-16*	18,21.51	November 26, 2018
7.95% Non Convertible Debentures "Z" FY 2016-17	50,00.00	November 25, 2018
TMFL Zero Coupon Debentures "E" FY 2015-16*	130,10.51	October 15, 2018
TMFL Zero Coupon Debentures "B" FY 2015-16*	42,99.23	October 8, 2018
TMFL Zero Coupon Debentures "D" FY 2015-16*	145,01.97	September 25, 2018
8.58% Non Convertible Debentures "Y" FY 2016-17	100,00.00	August 17, 2018
9.20% Non Convertible Debentures "U" FY 2016-17	230,00.00	July 20, 2018
9.00% Non Convertible Debentures "X" FY 2016-17	50,00.00	June 28, 2018
9.20% Non Convertible Debentures "N" FY 2016-17	10,00.00	June 10, 2018
9.20% TMFL Zero Coupon Debentures "O" FY 2016-17*	4,76.76	June 8, 2018
9.20% TMFL Zero Coupon Debentures "F" FY 2016 -17*	130,66.60	April 27, 2018
	<b>4147,98.67</b>	
Less: Unamortised premium on redemption	301,25.55	
<b>Total</b>	<b>3846,73.12</b>	
Less: Current portion of long- term borrowings	1960,31.89	
<b>Total</b>	<b>1886,41.23</b>	

\* These NCDs are zero coupon NCDs issued at par value and redeemable at premium and the amount stated above are gross of premium on redemption.

**B. Privately placed Subordinated Non Convertible Unsecured Redeemable Debentures**

Particulars	(Rs. in lakhs)	Redemption Date
<b>Face value of Rs. 10 Lakhs each (Redeemable at par)</b>		
9.00% TMFL – Tier II Debentures – "B" FY 2017-18	200,00.00	March 28, 2028
8.35% TMFL – Tier II Debentures – "A" FY 2017-18	50,00.00	November 13, 2027
9.70% TMFL – Tier II Debentures – "C" FY 2014-15	150,00.00	December 19, 2024
10.35% TMFL – Tier II Debentures – "B" FY 2014-15	60,00.00	September 26, 2024
10.60% TMFL – Tier II Debentures – "A" FY 2014-15	25,00.00	September 12, 2024
10.15% TMFL – Tier II Debentures – "A" FY 2013-14	55,10.00	May 28, 2023
9.85% TMFL – Tier II Debentures – "B" FY 2013-14	100,00.00	May 24, 2023
10.46% TMFL – Tier II Debentures – "C" FY 2012-13	28,00.00	December 28, 2022
<b>Face value of Rs. 5 Lakhs each (Redeemable at par)</b>		
10.65% TMFL – Tier II Debentures – "B" FY 2012-13	25,00.00	August 3, 2022
11.00% TMFL – Tier II Debentures – "A" FY 2012-13	37,40.00	May 22, 2022
11.00% TMFL – Tier II Debentures – "C" FY 2011-12	10,00.00	March 26, 2022
11.00% TMFL – Tier II Debentures – "B" FY 2011-12	69,15.00	March 2, 2022
11.00% TMFL – Tier II Debentures – "A" FY 2011-12	75,30.00	September 17, 2021
10.70% TMFL – Tier II Debentures – "D" FY 2009-10	111,00.00	April 28, 2020
10.70% TMFL – Tier II Debentures – "C" FY 2009-10	100,00.00	April 10, 2020
10.75% TMFL – Tier II Debentures – "B" FY 2009-10	88,95.00	March 25, 2020
10.90% TMFL – Tier II Debentures – "A" FY 2009-10	200,00.00	January 20, 2020
<b>1384,90.00</b>		

**C. Privately placed Subordinated Unsecured Non Convertible Perpetual Debentures**

Particulars	(Rs. in Lakhs)	Face Value (Rs.)
11.35% TMFL Perpetual "A" FY 2010-11	150,00.00	5 Lakhs
11.50% TMFL Perpetual "A" FY 2012-13	26,90.00	5 Lakhs
11.25% TMFL Perpetual "B" FY 2012-13	73,10.00	5 Lakhs
11.03% TMFL Perpetual "A" FY 2013-14	52,70.00	10 Lakhs
11.33% TMFL Perpetual "B" FY 2013-14	22,30.00	10 Lakhs
11.10% TMFL Perpetual "A" FY 2014-15	50,30.00	10 Lakhs
<b>375,30.00</b>		

**Terms of redemption:**

Redemption period is not applicable as the NCDs are perpetual. The Company has a call option which can be exercised, with prior approval of the Reserve Bank of India, at the expiry of 10 years from the date of allotment and at the end of every coupon month thereafter. In case of non-exercise of the option at the expiry of 10 years from the date of allotment, coupon rate will be increased by 50 bps.

**Notes forming part of the Financial Statements for the year ended March 31, 2018**
**Note 8**  
**Short-term borrowings**

(Rs. in Lakhs)

Particulars	As at March 31, 2018	As at March 31, 2017
Loans repayable on demand		
From Banks		
- Cash credit (including WCDL) (secured)	2096,04.01	1326,19.05
Inter corporate deposits (Unsecured) (Due to related party Rs. 50,00,00 Lakhs: March 31, 2017 Rs. Nil)	80,00.00	-
Commercial papers (unsecured) (net of unamortised discounting charges Rs. 54,65.37 Lakhs ranging from 6.94% to 8.06%; March 31, 2017 Rs. 47,40.36 Lakhs ranging from 6.25% to 9.55%) (Maximum amount outstanding Rs. 6110,00.00 Lakhs; March 31, 2017: Rs. 5300,00.00 Lakhs)	5630,34.63	2657,59.64
<b>Total</b>	<b>7806,38.64</b>	<b>3983,78.69</b>

**Nature of security for Cash credit (including WCDL) as on March 31, 2018**

Cash credit is secured by a pari-passu charge in favour of the security trustee on:

- All receivables of the Company arising out of loan, lease and trade advances;
- All other book debts;
- Receivables from pass through certificates in which Company has invested; and
- Such other current assets as may be identified by the Company from time to time and accepted by the security trustee.

**Note 9**
**Trade payables**

(Rs. in Lakhs)

Particulars	As at March 31, 2018	As at March 31, 2017
Dues to Micro, Small and Medium enterprises *	-	-
Dues to Others (Due to related party Rs 2,60.91 Lakhs: March 31, 2017 Rs 11.33 lakhs)	125,38.83	159,22.21
<b>Total</b>	<b>125,38.83</b>	<b>159,22.21</b>

\* Information in respect of micro enterprises and small enterprises to whom the Company owes dues, which are outstanding as at the balance sheet date and disclosed above as defined under Micro, Small and Medium Enterprises Development Act, 2006 has been determined to the extent such parties have been identified on the basis of information available with the Company and relied upon by the auditors.

**Notes forming part of the Financial Statements for the year ended March 31, 2018**
**Note 10**
**Other Current liabilities**
**(Rs. in Lakhs)**

Particulars	As at March 31, 2018	As at March 31, 2017
Current maturities of long-term debt:		
Privately placed non-convertible debentures (secured) (Gross of accreted value of premium on redemption of Rs. 189,31.89 lakhs; March 31, 2017 Rs. 155,71.22 lakhs)	1960,31.89	1857,01.23
Term loans from banks		
-Secured	184,82.14	41,07.14
-Unsecured	375,00.00	550,00.00
	<b>2520,14.03</b>	<b>2448,08.37</b>
Interest accrued but not due on borrowings ( (Due to related party Rs 17.75 Lakhs: March 31, 2017 Rs. Nil)	153,89.43	194,05.23
Income received in advance	36,89.48	13,24.16
Unrealised gain on loan transfer transactions	52,68.36	41,96.10
Payable to investors of assigned / securitised receivables (Due to related party Rs 67,65.63 Lakhs: March 31, 2017 Rs Nil)	164,92.52	73,92.31
Statutory dues	28,90.54	8,33.93
Other Liabilities# (Due to related party Rs 5,91.06 Lakhs: March 31, 2017 Rs Nil)	104,47.55	88,85.38
<b>Total</b>	<b>3061,91.91</b>	<b>2868,45.48</b>

# includes provision of Rs 56.44 lakhs (Rs 75.42 lakhs as of March 31, 2017) on account of pending litigation.

**1. Nature of security for secured borrowings outstanding as on March 31, 2018**

Nature and extent of Security created and maintained for secured non-convertible debentures (privately placed) listed on WDM segment of NSE as per SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015

**1(A) Nature**

Privately placed non-convertible secured debentures are fully secured by first pari passu charge by way of registered mortgage on:

- i) Company's residential flat (Refer note 11) and
- ii) a) All receivables of the Company arising out of loan and lease transactions  
b) All other book debts, trade advances forming part of movable assets of the Company  
c) Any other security as identified by the Company and acceptable to the debenture trustee

**1 (B) Extent:**

The minimum security of 100 % for the NCDs outstanding has been maintained for these Secured NCDs.

**2. Nature of Security for secured term loans from banks:**

Secured term loans from banks are secured by a pari-passu charge in favour of the security trustee on:

- a) All receivables of the Company arising out of loan, lease transactions and trade advances.
- b) All other book debts.
- c) Receivables from pass through certificates in which Company has invested.
- d) Such other current assets as may be identified by the Company from time to time and accepted by the security trustee.

**Notes to the Financial Statements for the year ended March 31, 2018**
**Note 11**
**Property, Plant and Equipment**

Particulars	Gross Block				Depreciation			Net Block	
	Opening balance as at April 01, 2017	Additions	Deletions	Closing balance as at March 31, 2018	Opening balance as at April 01, 2017	Depreciation for the year	Deletions	Closing balance as at March 31, 2018	As at March 31, 2018
Residential flat	61.48	-	-	61.48	0.18	1.09	-	1.26	60.22
	<i>61.48</i>	-	-	<i>61.48</i>	-	<i>0.18</i>	-	<i>0.18</i>	<i>61.30</i>
Building - given on lease	7,53.06	-	-	7,53.06	3,43.91	10.48	-	3,54.39	3,98.67
	<i>7,53.06</i>	-	-	<i>7,53.06</i>	<i>3,06.25</i>	<i>37.66</i>	-	<i>3,43.91</i>	<i>4,09.15</i>
Furniture and fixtures	11,32.59	77.18	17.88	11,91.88	89.88	3,80.66	13.46	4,57.08	7,34.80
	<i>11,25.25</i>	<i>7.34</i>	-	<i>11,32.59</i>	-	<i>89.88</i>	-	<i>89.88</i>	<i>10,42.71</i>
Vehicles	2,65.60	1,98.37	50.42	4,13.55	24.13	1,25.66	19.68	1,30.10	2,83.44
	<i>2,11.55</i>	<i>57.89</i>	<i>3.84</i>	<i>2,65.60</i>	-	<i>24.42</i>	<i>0.29</i>	<i>24.13</i>	<i>2,41.47</i>
Vehicles - given on lease	-	22,70.54	-	22,70.54	-	1,72.14	-	172.14	20,98.40
	-	-	-	-	-	-	-	-	-
Plant and equipments - given on lease	3,15.06	-	-	3,15.06	3,15.06	-	-	3,15.06	-
	<i>3,15.06</i>	-	-	<i>3,15.06</i>	<i>3,15.06</i>	-	-	<i>3,15.06</i>	-
Office equipments	4,17.49	4,08.73	1,35.49	6,90.73	37.94	1,90.05	59.21	1,68.78	5,21.95
	<i>4,04.81</i>	<i>12.68</i>	-	<i>4,17.49</i>	-	<i>37.94</i>	-	<i>37.94</i>	<i>3,79.55</i>
Data processing machines	2,11.88	2,33.43	54.04	3,91.27	12.19	1,38.65	-	1,50.84	2,40.43
	<i>1,93.44</i>	<i>18.44</i>	-	<i>2,11.88</i>	-	<i>12.19</i>	-	<i>12.19</i>	<i>1,99.69</i>
<b>Total</b>	<b>31,57.16</b>	<b>31,88.25</b>	<b>2,57.84</b>	<b>60,87.58</b>	<b>8,23.28</b>	<b>10,18.72</b>	<b>92.35</b>	<b>17,49.64</b>	<b>43,37.91</b>
As of March 31, 2017	30,64.65	96.35	3.84	31,57.17	6,21.31	2,02.27	0.29	8,23.29	23,33.88

1. Residential flat / Building include

(a) Rs. 1,000/- being value of investment in 20 shares of Rs. 50/- each in Nilgiri Upvan Co-operative Housing Society Limited., certificate in respect of which is yet to be recorded in name of the Company.

(b) Rs. 500 (as at March 31, 2017: Rs. 500) being value of investment in 10 equity shares of Rs. 50 each in the Pallonji Mansion Co-operative Housing Society Limited.

2. Amount in italics pertain to previous year ended March 31, 2017.

Notes to the Financial Statements for the year ended March 31, 2018

Note 12

Intangible Assets - Other than internally generated

(Rs. in Lakhs)

Particulars	Gross Block			Closing balance as at March 31, 2018	Opening balance as at April 01, 2017	Amortisation		Closing balance as at March 31, 2018	Net Block As at March 31, 2018
	Opening balance as at April 01, 2017	Additions	Deletions			Amortisation during the year	Deletions		
Goodwill on business acquisition	1253,68.87	-	-	1253,68.87	-	-	-	-	1253,68.87
Computer Software	1,98.25	5,97.40	-	7,95.65	41.48	2,36.06	-	2,77.55	5,18.10
	1,98.25	-	-	1,98.25	-	41.48	-	41.48	1,56.77
<b>Total</b>	<b>1255,67.12</b>	<b>5,97.40</b>	<b>-</b>	<b>1261,64.52</b>	<b>41.48</b>	<b>2,36.06</b>	<b>-</b>	<b>2,77.55</b>	<b>1258,86.97</b>
As of March 31, 2017	1,98.25	1253,68.87	-	1255,67.12	-	41.48	-	41.48	1255,25.64

1. Amount in italics pertain to previous year ended March 31, 2017.

2. Total depreciation and amortisation (note 11 and note 12) for the period is Rs. 12,54.78 Lakhs; for the period ended March 31, 2017 was Rs. 2,43.74 Lakhs.

**Notes forming part of the Financial Statements for the year ended March 31, 2018**
**Note 13**
**Non-current investments (at cost unless otherwise stated)**

Face Value per unit (in Rs)	Description	Quantity (in nos.) as at March 31, 2018	Cost as at March 31, 2018	Quantity (in nos.) as at March 31, 2017	Cost as at March 31, 2017
<b>(1) Other investments (at Cost)</b>					
<b>(A) Investment in Equity instruments</b>					
<b>(a) Fully Paid Equity shares (quoted)</b>					
<b>Others (Refer note 1)</b>					
10	Tata Steel Limited	570,188	20,62.60	491,542	16,61.53
10	Tata Steel Limited (face value of Rs. 2.5 per share)	39,323	60.56	-	-
10	Tata Chemicals Limited	10,060	24.12	10,060	24.12
1	Tata Power Limited	9,120	1.59	9,120	1.59
2	ICICI Bank Limited	-	-	157,300	1,65.17
10	NTPC Limited	130,000	2,51.18	195,752	3,78.22
1	NMDC Limited	20,000	51.29	258,369	6,62.56
10	Coal India Limited	11,904	38.19	91,904	2,94.87
10	Automobile Corporation of Goa Limited	48,315	1,40.81	48,315	1,40.81
5	Oil and Natural Gas Corporation Limited	-	-	21,675	42.00
1	Colgate-Palmolive (India) Limited	-	-	9,650	88.90
2	HDFC Bank Limited	-	-	4,000	42.38
1	State Bank of India	-	-	26,280	65.20
1	Aurobindo Pharma Limited	-	-	18,930	144.54
<b>Sub Total (a)</b>			<b>26,30.34</b>		<b>37,11.90</b>
<b>(b) Fully paid equity shares (unquoted)</b>					
<b>Fellow subsidiaries</b>					
10	Tata Technologies Limited	811,992	19,12.97	811,992	19,12.97
<b>Others</b>					
10	Taj Air Limited	4,200,000	4,20.00	4,200,000	4,20.00
1,000	Tata International Limited	19,350	15,55.60	19,350	15,55.60
100	Tata Industries Limited	993,753	20,50.00	993,753	20,50.00
10	Tata Hitachi Construction Machinery Company Private Limited (35,714 equity shares received on conversion of 100,000 nos. of 9% Optionally Convertible Preference Shares during the year ended March 31, 2017)	285,714	1,70.00	285,714	1,70.00
<b>Sub Total (b)</b>			<b>61,08.57</b>		<b>61,08.57</b>
<b>Total (A)</b>			<b>87,38.91</b>		<b>98,20.47</b>
<b>(B) Investment in Preference shares</b>					
<b>Fully Paid Non - Cumulative Redeemable Preference shares (unquoted)</b>					
<b>Others</b>					
100	6% Tata Precision Industries (India) Limited	40,000	40.00	40,000	40.00
<b>Fully Paid Cumulative Redeemable Preference shares (unquoted)</b>					
<b>Others</b>					
100	8.50% Tata Precision Industries (India) Limited	150,000	1,50.00	150,000	1,50.00
<b>Fully Paid Cumulative Redeemable Non Participating Preference shares (unquoted) Others</b>					
1,000	12.50% Tata Capital Limited	6,665	99.98	6,665	99.98
<b>Total (B)</b>			<b>2,89.98</b>		<b>2,89.98</b>
<b>(C) Investment in trust securities (Partly paid)</b>					
<b>Others</b>					
10	SBI Macquarie Infrastructure Trust (Partly paid upto Rs 8.32 (at March 31, 2017: Rs 8.39 per unit) (Refer Note 31 (ii) (iii))	15,000,000	12,48.11	15,000,000	12,58.37
<b>Total (C)</b>			<b>12,48.11</b>		<b>12,58.37</b>



**Notes forming part of the Financial Statements for the year ended March 31, 2018**

Face Value per unit (in Rs)	Description	Quantity (in nos.) as at March 31, 2018	Cost as at March 31, 2018	Quantity (in nos.) as at March 31, 2017	Cost as at March 31, 2017
	<b>(D) Investments in Debentures and Bonds</b>				
	<b>Fully Paid Secured, Non - Cumulative, Non - Convertible, Redeemable Debentures (quoted)</b>				
12.50	8.49% NTPC Limited (issued as bonus)	275,752	-	275,752	-
	<b>Fully Paid Secured Redeemable Non - Convertible Debentures (unquoted)</b>				
	<b>Others</b>				
100	10% Tata Precision Industries (India) Limited	350,000	3,50.00	350,000	3,50.00
	<b>Total (D)</b>		<b>3,50.00</b>		<b>3,50.00</b>
	<b>(E) Investment in Senior Pass Through Certificates (unquoted)</b>		32,76.42	-	23,34.13
	<b>Total (2) = (A+B+C+D)+(E)</b>		<b>139,03.41</b>		<b>140,52.95</b>
	<b>(2) Less : Provision for diminution in value of non-current investments</b>		4,78.50		7,92.04
	<b>Total (1-2)</b>		<b>134,24.91</b>		<b>132,60.91</b>

Descriptions	As at March 31, 2018	(Rs in lakhs) As at March 31, 2017
Book Value of Quoted Investments	25,71.84	33,39.85
Market Value of Quoted Investments	42,03.10	45,18.65
Book Value of Un-Quoted Investments	108,53.07	99,21.05

**Note 1** The Investment Committee of the Board at its meeting held on November 15, 2016 has approved to dispose these investment in near future and has also recommended the selling price-range for each security.

**Note 14 Current investments**

(Rs. in lakhs)

Face Value per unit	Description	Quantity (in nos.) as at March 31, 2018	Cost as at March 31, 2018	Quantity (in nos.) as at March 31, 2018	Cost as at March 31, 2018
	<b>Investments in mutual funds - Unquoted</b>				
	<b>(At cost or net realizable value whichever is lower)</b>				
100	ICICI Prudential Money Market Fund-Growth	-	-	1,059,865	23,45.62
1000	Tata Money Market Fund Regular Plan - Growth	-	-	59,820	15,00.00
1000	Kotak Floater Short Term Regular Plan - Growth	-	-	180,519	47,40.00
100	Birla Sun life Floating Rate Fund Short Term Regular Plan - Growth	-	-	473,368	10,05.05
	<b>Senior Pass Through Certificates (Unquoted)</b>		39,54.94		29,68.49
	<b>Total</b>		<b>39,54.94</b>		<b>125,59.16</b>

**Notes forming part of the Financial Statements for the year ended March 31, 2018**
**Note 15**  
**Tax Expense**

(Rs. in Lakhs)

Particulars	For the year ended March 31, 2018	For the year ended March 31, 2017
Current tax	-	-
MAT credit	(19,15.12)	-
Tax impact of items routed through reserves	93,59.73	-
Deferred tax	(44,49.36)	12,53.56
<b>Net tax expense</b>	<b>29,95.25</b>	<b>12,53.56</b>

**Note "15B"**  
**Deferred Tax Assets (net)**
**Major components of deferred tax arising on account of timing differences**

(Rs. in Lakhs)

Particulars	As at April 01, 2017	Charge / (Credit) for the year	As at March 31, 2018
<b>Assets</b>			
Provision for doubtful finance receivables, assigned/securitised receivables, expected loss on future assigned/securitised receivables and standard assets.	-	(137,10.06)	137,10.06
Retirement benefits/expenses allowable on payment basis	-	(3,68.04)	3,68.04
Disallowances u/s 43B of the Income Tax Act.	-	(39,13.72)	39,13.72
<b>Liabilities</b>	-	<b>(179,91.82)</b>	<b>179,91.82</b>
DSA/Dealer Commission claimed on incurrence basis	-	26,76.00	(26,76.00)
Depreciation	-	108,66.46	(108,66.46)
	-	<b>135,42.46</b>	<b>(135,42.46)</b>
<b>Net deferred tax assets</b>	-	<b>(44,49.36)</b>	<b>44,49.36</b>
<i>previous year</i>	-	-	-

Deferred tax arising out of unabsorbed depreciation and business loss of Rs 127,73.29 Lakhs has not been recognised

**Notes forming part of the Financial Statements for the year ended March 31, 2018**
**Note 16**  
**Finance Receivables**

(Rs. in Lakhs)

Particulars	As at March 31, 2018	As at March 31, 2017
<b>A) Finance Receivables - Non-Current</b>		
<b>Vehicle Loans (#)</b>		
- To Other than Related Parties		
- Secured, considered good	13464,59.72	9607,75.79
- Considered doubtful* (refer note 7)	61,96.07	163,60.71
<b>Total</b>	<b>13526,55.79</b>	<b>9771,36.50</b>
<b>B) Finance Receivables - Current</b>		
<b>Vehicle Loans (#)</b>		
- To Other than Related Parties		
- Secured, considered good	7438,77.15	6563,68.13
- Considered Doubtful* (refer note 7)	249,13.08	311,97.57
<b>Total</b>	<b>7687,90.23</b>	<b>6875,65.70</b>

\*Represents amount equivalent to provision as per the Company's accounting policy on non-performing assets

# Vehicle loans are secured against hypothecation of the underlying vehicle.

**Note 17**  
**Long-term loans and advances**

(Rs. in Lakhs)

Particulars	As at March 31, 2018	As at March 31, 2017
<b>Unsecured, considered good</b>		
Capital advances	6,16.84	1,19.30
Security deposits (Due from related party Rs 13,24 Lakhs: March 31, 2017 Rs. 13,24 lakhs)	10,56.75	8,90.62
Other loans and advances		
- Loans to employees	0.41	0.42
- Advance payment of income tax (net of provision)	77,44.35	6,64.19
- Taxes paid under protest	3,96.73	3,71.71
<b>Total</b>	<b>98,15.08</b>	<b>20,46.24</b>

**Notes forming part of the Financial Statements for the year ended March 31, 2018**
**Note 18  
Other Assets**

(Rs. in lakhs)		
Particulars	As at March 31, 2018	As at March 31, 2017
<b>A) Other Non-Current Assets</b>		
<b>Unsecured, considered good</b>		
Margin Money/ Cash collateral with banks (Note 21)	104,06.46	73,45.40
Interest only strip	20,63.73	15,73.15
Interest accrued but not due	2,59.31	2,37.47
Prepaid expenses	29,01.28	2,38.94
<b>Total</b>	<b>156,30.78</b>	<b>93,94.96</b>
<b>B) Other Current Assets</b>		
Interest only strip	52,68.36	41,96.10
Interest accrued but not due (Due from related party Rs 17.21 Lakhs: March 31, 2017 Rs Nil)	2,10.13	2,00.09
Prepaid expenses	14,26.96	48.35
Stamp papers	4,32.49	2,46.00
Receivables in respect of sale/redemption of investments	-	1,36.20
<b>Total</b>	<b>73,37.94</b>	<b>48,26.74</b>

**Note 19**
**Short - term loans and advances**

(Rs. in lakhs)		
Particulars	As at March 31, 2018	As at March 31, 2017
<b>Unsecured, considered good unless otherwise stated</b>		
<b>Security Deposits</b>		
-Considered good	29.47	1,97.63
-Doubtful	92.34	36.62
	<b>1,21.81</b>	<b>2,34.25</b>
Less: Provision for doubtful security deposits	92.34	36.62
	<b>29.47</b>	<b>1,97.63</b>
Loans/advances to employees	67.76	63.21
<b>Other advances</b>		
-To related parties	-	7,07.25
- To others - Considered good	23,56.61	66,27.51
- Doubtful	24,09.22	7,99.70
Less: Provision for doubtful advances	24,09.22	7,99.70
	<b>23,56.61</b>	<b>73,34.76</b>
<b>Total</b>	<b>24,53.84</b>	<b>75,95.60</b>

Notes forming part of the Financial Statements for the year ended March 31, 2018

**Note 20**  
**Trade Receivables**

(Rs. in Lakhs)

Particulars	As at March 31, 2018	As at March 31, 2017
<b>Receivables on account of service charges, incentives and others (Unsecured, considered good)</b>		
From Related Parties		
Due for less than 6 months	15,03.52	7,09.57
From others (due for less than 6 months)	8,62.98	3,10.31
<b>Total</b>	<b>23,66.50</b>	<b>10,19.88</b>

**Note 21**  
**Cash and cash equivalents**

(Rs. in Lakhs)

Particulars	As at March 31, 2018	As at March 31, 2017
<b>Cash and cash equivalents</b>		
Cash on hand	23,34.47	27,97.78
Cheques/drafts on hand	19,90.38	26,50.66
Balances with banks - Current accounts	145,81.73	60,47.46
Deposits with banks	-	100,49.60
<b>Total - Cash and cash equivalents (A)</b>	<b>189,06.58</b>	<b>215,45.50</b>
<b>Other Bank Balances</b>		
-Margin money/ Cash collateral with banks	145,77.61	73,45.40
-Deposits with banks	500,00.00	500,00.00
<b>Total - Other Bank Balances (B)</b>	<b>645,77.61</b>	<b>573,45.40</b>
Less: Margin money/ Cash collateral with banks having residual maturity of more than 12 months (Note 18) (C)	104,06.46	73,45.40
<b>Total (A+B -C)</b>	<b>730,77.73</b>	<b>715,45.50</b>

Notes forming part of the Financial Statements for the year ended March 31, 2018

**Note 22**  
**Revenue from operations**

Particulars	(Rs. in Lakhs)	
	For the year ended March 31, 2018	For the year ended March 31, 2017
Interest Income:		
-Interest Income from finance receivables	2104,35.83	337,17.26
	<b>2104,35.83</b>	<b>33,717.26</b>
Net Income on assignment/secured receivables	37,89.53	9,47.30
Loan Processing fees and other charges	68,51.58	9,13.14
Interest income on pass through certificate investments	3,20.27	69.26
Interest income on margin money/cash collateral with banks	5,40.97	86.18
Service charges	4,09.81	86.54
Support services income	86,10.02	11,59.01
Others	12,90.15	6,19.45
	<b>218,12.33</b>	<b>38,80.88</b>
<b>Total</b>	<b>2322,48.16</b>	<b>375,98.14</b>

**Note 23**  
**Other Income**

Particulars	(Rs. in Lakhs)	
	For the year ended March 31, 2018	For the year ended March 31, 2017
Interest income:		
- on long term investments	40.57	35.00
- on inter corporate deposits	-	23.01
- on bank deposits	34,19.38	6,18.72
Net gain on sale of current investments	8,05.37	5,81.16
Gain on sale / redemption of long term investments	90.68	15,84.95
Recovery of bank charges (net of bank charges incurred and taxes thereon of Rs.10,00.58 lakhs for the year ended March 31, 2018; PY- Rs 1,53.88 lakhs)	9,47.75	1,65.61
Profit on sale of assets (net)	-	0.16
Balances written back	6,87.26	21.12
Dividend income	4,05.80	4,85.48
Miscellaneous receipts	7,01.48	1,06.27
<b>Total</b>	<b>70,98.29</b>	<b>36,21.48</b>

Notes forming part of the Financial Statements for the year ended March 31, 2018

**Note 24**  
**Employee benefits expenses**

(Rs. in Lakhs)

Particulars	For the year ended March 31, 2018	For the year ended March 31, 2017
Salaries and Bonus	217,81.65	33,98.85
Contributions to employee benefit funds	7,83.02	1,26.79
Staff welfare expenses	20,54.24	3,48.38
<b>Total</b>	<b>246,18.91</b>	<b>38,74.02</b>

**Note 25**  
**Finance costs**

(Rs. in Lakhs)

Particulars	For the year ended March 31, 2018	For the year ended March 31, 2017
Interest expense	765,90.09	137,75.46
Discounting charges on commercial papers	304,91.79	37,37.35
Other borrowing costs	2,36.91	37.60
<b>Total</b>	<b>1073,18.79</b>	<b>17,550.41</b>

**Note 26**  
**Other expenses**

(Rs. in Lakhs)

Particulars	For the year ended March 31, 2018	For the year ended March 31, 2017
Electricity	7,99.53	98.59
Rent (net of recoveries)	24,75.37	4,48.86
Repairs and maintenance	3,69.09	1,20.34
Insurance	90.84	15.24
Rates and taxes	71.67	24.04
Incentive/commission	80,26.60	19,41.24
Information technology/consultancy expense	62,71.77	13,23.46
Service providers fees	87,37.51	23,73.37
Payment to Auditors (Note (i))	1,10.64	7.99
<b>Provisions and Write Offs:</b>		
-Provision for doubtful loans and advances (others)	12,37.76	11.89
-Provision for doubtful Finance Receivables (164,49.13)		(73,00.74)
Less: Delinquency support (4,60.74)	(169,09.87)	(2,48.30)
-Finance receivables written off (net of recoveries of Rs.144,97.22 lakhs for the year ended March 31, 2018; previous year - Rs 46,41.58 lakhs) 467,72.94		121,95.84
Less: Delinquency support (32,50.54)	435,22.40	57.84
<b>Total</b>	<b>278,50.29</b>	<b>47,16.53</b>
Contingent provisions on standard assets	20,45.00	2,58.80
Provision for diminution in the value of investment	(3,13.54)	2,92.04
Provision on consumer disputes	(18.98)	6.94

Notes forming part of the Financial Statements for the year ended March 31, 2018

(Rs. in Lakhs)

Particulars	For the year ended March 31, 2018	For the year ended March 31, 2017
Loss on sale of assets	1,30.70	-
Support services charges	34.94	27.87
Corporate social responsibility expense #	1,89.21	4.60
Other expenses	135,29.95	22,47.03
<b>Total</b>	<b>704,00.59</b>	<b>13,906.94</b>

# CSR expenses are spent towards various schemes of Corporate Social Responsibility (CSR) as prescribed under Section 135 of the Companies Act, 2013. No amount has been spent on construction/acquisition of an asset of the Company.

(I). Auditors' remuneration (excluding taxes):

(Rs. in Lakhs)

Particulars	For the year ended March 31, 2018	For the year ended March 31, 2017
As Auditors - Statutory audit (Note)	89.74	7.24
Tax audit (Note)	0.75	0.75
For other Services	12.00	-
Reimbursement of out of pocket expenses	8.15	-
<b>Total</b>	<b>110.64</b>	<b>7.99</b>

Note: The above includes fee towards audit of first quarter and Tax Audit for the year ended March 31, 2017 paid to erstwhile auditors

**Note 27**

**Expenditure in foreign currency (on accrual basis)**

(Rs. in Lakhs)

Particulars	For the year ended March 31, 2018	For the year ended March 31, 2017
Travelling	2,00.59	20.68
<b>Total</b>	<b>2,00.59</b>	<b>20.68</b>



**Notes forming part of the Financial Statements for the year ended March 31, 2018**
**28. Earnings per share**

Basic and diluted earnings per equity share are computed in accordance with Accounting Standard 20 – Earnings per share. Basic earnings per equity share are computed by dividing net profit after tax by the weighted average number of equity shares outstanding during the year. The diluted earnings per equity share is computed by dividing the net profit after tax as adjusted for dividend related to dilutive potential equity shares by the weighted average number of equity shares and weighted average number of dilutive potential equity shares outstanding during the year. The following table sets forth, for the periods indicated, the computation of earnings per share.

Particulars	Rs. in lakhs, except per share data	
	Year ended March 31, 2018	Year ended March 31, 2017
<b>Basic</b>		
Weighted average no. of equity shares outstanding	501,71,549	76,36,266
Net profit attributable to equity share holders	290,57.07	21,70.31
Basic earnings per share ( Rs.)	57.92	28.42
<b>Diluted</b>		
Weighted average no. of equity shares outstanding	579,69,960	76,36,266
Net profit	327,58.14	21,70.31
Diluted earnings per share ( Rs.)	56.51	28.42
Face value per share ( Rs.)	100	100

For the year ended March 31, 2017, the effect of compulsorily convertible preference shares (CCPS) was anti-dilutive. Hence, CCPSs were ignored in calculation of diluted earnings per share.

**29. Segment**

The Company has been operating only in one segment viz, financing activities and the operations being only in India, the disclosure requirements of Accounting Standard-17 Segment Reporting are not applicable.

**30. Operating lease**
**a. Assets taken on lease**

The Company has entered into cancellable operating lease arrangements for commercial properties. Total lease payment recognised in the statement of profit and loss for the year ended March 31, 2018 was Rs. 24,75.37 lakhs (March 31, 2017: Rs. 4,26.63 lakhs).

**b. Assets given on lease**

The Company has entered into non-cancellable operating lease arrangements for passenger vehicles. Maturity pattern of future minimum lease receivable is given below.

Particulars	Rs. In lakhs	
	As at March 31, 2018	As at March 31, 2017
Not later than one year	3,51.82	-
later than one year and not later than five years	11,92.89	-
More than five years	-	-
<b>Total</b>	<b>15,44.71</b>	<b>-</b>

Notes forming part of the Financial Statements for the year ended March 31, 2018

**31. Contingent liabilities and commitments**

**a. Contingent liabilities to the extent not provided for - Claims against the Company not acknowledged as debts:**

Particulars	Rs. in lakhs	
	At March 31, 2018	At March 31, 2017
In respect of value added tax and entry tax matters	1,09.54	1,21.73
In respect of service tax matters	60,09.79	5,23.33
In respect of consumer disputes	4,55.77	13.67
In respect of bonus under Payment of Bonus (Amendment) Act, 2015	26.15	26.15
<b>Total</b>	<b>66,01.25</b>	<b>13,84.82</b>

**a) Other money for which the Company is contingently liable:**

Particulars	Rs. in lakhs	
	At March 31, 2018	At March 31, 2017
Cash collateral with banks in respect of finance receivables assigned/secured	145,77.61	73,45.40
In respect of guarantees given by banks for liability against receivables assigned by way of securitisation	125,10.63	109,85.00
In respect of guarantees given by banks for liability against insurance portal business	1,50.00	3,10.00
In respect of guarantees given by banks for CST and VAT registrations	10.40	-
In respect of guarantees given by banks for Income tax matters	93.00	-

**a. Commitments**

- i. Estimated amount of contracts remaining to be executed on capital account and not provided for Rs. 2,94.67 (at March 31, 2017: Rs. 2,53.84 lakhs).
- ii. Loan commitment towards vehicle financing Rs. 2,67.43 lakhs (at March 31, 2017: Rs. 63.09 lakhs).
- iii. Commitment for investment Rs. 2,27.59 lakhs (at March 31, 2017: Rs. 63.17 lakhs).

The Company's pending litigations comprise of claims against the Company primarily by the customers and proceedings pending with tax authorities. The Company has reviewed all its pending litigations and proceedings and has adequately provided for where provisions are required and disclosed the contingent liabilities where applicable, in its financial statements. The Company does not expect the outcome of these proceedings to have a material adverse effect on its financial position at March 31, 2018. The Company has a process whereby periodically all long term contracts (including derivative contracts) are assessed for material foreseeable losses. At the year end, the Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.

Notes forming part of the Financial Statements for the year ended March 31, 2018

**32. Employee benefits**
**1. Defined benefits plans**

Rs. in lakhs

Particulars	Gratuity	Compensated absence
<b>Components of expense recognised in the statement of profit and loss</b>		
Current service cost	5,59.76	132.76
	96.12	23.46
Interest cost	2,94.79	60.63
	48.36	10.88
Expected return on plan assets	(3,14.93)	-
	(50.55)	-
Actuarial losses/(gains)	(6,67.11)	(40.86)
	(1,00.05)	(29.91)
<b>Total expense recognised in the statement of profit and loss</b>	<b>(1,27.49)</b>	<b>1,52.53</b>
	<b>(6.12)</b>	<b>4.43</b>
<b>Actual benefit payments and contribution</b>		
Actual benefit payments	(1,62.93)	(1,72.45)
	(1,35.94)	(7.96)
Actual contributions	-	-
	(3,66.80)	-
<b>Net asset/(liability) recognised in the balance sheet at respective year ends and experience adjustments Present value of defined benefit obligation</b>		
March 31, 2018	(36,92.41)	(8,22.86)
March 31, 2017	(40,11.97)	(8,94.57)
<b>Fair value of plan assets</b>		
March 31, 2018	38,26.02	-
March 31, 2017	40,18.09	-
<b>Net asset/(liability) recognised in balance sheet</b>		
March 31, 2018	1,33.61	(8,22.86)
March 31, 2017	6.12	(8,94.71)
<b>Experience adjustments arising on</b>		
<b>a. Plan liabilities [gain/(loss)]</b>		
March 31, 2018	7,04.65	(77.70)
March 31, 2017	39.51	3.15
<b>b. Plan assets [gain/(loss)]</b>		
March 31, 2018	(37.54)	-
March 31, 2017	60.54	-
<b>Change in present value of defined benefit obligation (DBO)</b>		
Present value at the beginning of the year	40,11.97	8,94.57
	-	-
Addition on business acquisition	-	-
	40,42.94	8,98.10
Current service cost	5,59.76	1,32.76
	96.12	23.46
Interest cost	2,94.79	60.63
	48.36	10.88
Acquisitions Cost/(Credit)	(3,06.53)	(51.79)
	-	-

**Notes forming part of the Financial Statements for the year ended March 31, 2018**

Particulars	Rs. in lakhs	
	Gratuity	Compensated absence
Actuarial (gains)/ losses	(7,04.65)	(40.86)
	(39.51)	(29.91)
Benefits paid	(1,62.93)	(1,72.45)
	(1,35.94)	(7.96)
Present value at the end of the year	<b>36,92.41</b>	<b>8,22.86</b>
	<b>40,11.97</b>	<b>8,94.57</b>
<b>Change in fair value of plan assets for the year ended March 31, 2018</b>		
Plan assets at beginning of the year	40,18.09	
	-	
Transfer under the scheme of arrangement	-	
	36,76.14	
Expected return on plan assets	3,14.93	
	50.55	
Actual Company contributions	-	
	3,66.80	N.A.
Acquisition Adjustments	(3,06.53)	
	-	
Actuarial gains/(loss)	(37.54)	
	60.54	
Benefits paid	(1,62.93)	
	(1,35.94)	
Plan assets at the end of the year	38,26.02	
	40,18.09	
<b>Actuarial assumptions</b>		
Discount rate	7.70%	7.70%
	7.50%	7.50%
Expected rate of return on plan assets	8.00%	-
	8.00%	
Salary escalation	8.50%	8.50%
	9.00%	9.00%
Indian Assured Lives Mortality (2006 -08) (modified) ultimate		
<b>The major categories of plan assets as percentage of total plan assets</b>		
Government bonds	48.88%	
	38.80%	
Infrastructure bonds	17.93%	
	24.30%	N.A.
Corporate bonds	30.26%	
	29.07%	
Others	2.93%	
	7.83%	
<b>Net assets/(liabilities) – current and non -current</b>		
Current	1,33.61	(88.95)
	-	(47.77)
Non-current	-	(7,33.91)
	6.12	(8,46.80)

**Notes forming part of the Financial Statements for the year ended March 31, 2018****Notes**

- a. The assumption of future salary increases, considered in actuarial valuation, take account of inflation, seniority, promotion and other relevant factors, such as supply and demand in the employment market.
- b. The plan assets in respect of gratuity represent funds are managed by the insurers. The company does not expect any contribution in next financial year (March 31, 2017: Rs. Nil) towards gratuity fund.
- c. Discount rate is based on government bond yields as at the respective year end.
- d. Figures in italics pertain to previous year.

**2. Defined contribution plans**

The Company's contribution to defined contribution plan aggregating Rs. 9,16.63 lakhs for the year ended March 31, 2018 (March 31, 2017: Rs. 1,26.79 lakhs) has been recognised in the statement of profit and loss.

**33. Related party transactions**

The Company's related parties principally consist of parent company, fellow subsidiaries and affiliates. The Company routinely enters into transactions with these related parties in the ordinary course of business.

**1. Related parties and their relationship****a. Ultimate Holding Company**

Tata Motors Limited

**b. Holding Company**

TMF Holdings Limited (formerly known as Tata Motors Finance Limited)

**c. Fellow subsidiaries and associates of ultimate holding company (with whom there were transactions during the year)**

Tata Motors Finance Solutions Limited (Formerly known as Rajasthan Leasing Private Limited)

Concorde Motors (India) Limited

Tata Technologies Limited

Tata Precision Industries (India) Limited

Automobile Corporation of Goa Limited

TML Distribution Company Limited

**d. Key Managerial person**

Chief Executive officer - Mr. Samrat Gupta

Notes forming part of the Financial Statements for the year ended March 31, 2018

## 2. Transactions and balances

### a. Ultimate Holding company - Tata Motors Limited

(Rs. in lakhs)

Sr. No.	Particulars	Year ended March 31, 2018	Year ended March 31, 2017
1	Incentive received	127,46.31	3,91.20
2	Service charges - income	3,75.91	75.54
3	Purchase of fixed assets	3,72.78	-
4	Common cost reimbursement	1,01.69	19.60
5	Lease charges received	67.99	-
6	Delinquency support – reversal	57.64	46.03
7	Information technology service charges	50.60	-
8	Rent – expenditure	31.32	5.08
9	Rent – income	6.33	9.38
10	Cross charges	2.35	-

Net receivable from Tata Motors Limited at March 31, 2018 was Rs. 12,87.74 Lakhs (March 31, 2017: Rs. 4,76.51 Lakhs).

### b. Holding company- TMF Holdings Limited (formerly known as Tata Motors Finance Limited)

(Rs. in lakhs)

Sr. No.	Particulars	Year ended March 31, 2018	Year ended March 31, 2017
1	Inter corporate deposits accepted	525,00.00	-
2	Inter corporate deposits refunded	475,00.00	-
3	Issue of equity shares (including share premium)	300,00.00	2302,00.00
4	Issue of Compulsorily Convertible Preference shares (including share premium)	300,00.00	450,00.00
5	Issue of unsecured Tier - II debenture	200,00.00	-
6	Advance given	5.00	-
7	Advance received back	5.00	-
8	Purchase of new vehicle finance business	-	2752,00.00
11	Dividend paid on equity shares	51,57.10	7,80.00
12	Dividend paid on compulsorily Convertible Preference Shares	18,45.00	-
13	Rent – Expenses	8,43.35	-
14	Interest expense on inter corporate deposits	1,39.14	-
15	Common cost sharing	62.02	11.10
16	Reimbursement of expenses received	32.83	-
17	Interest expense on unsecured Tier - II debenture	19.73	-

### Closing balances

(Rs. in lakhs)

Sr. No.	Particulars	At March 31, 2018	At March 31, 2017
1	TMF Holdings Limited - Net Receivable	-	3,19.05
2	TMF Holdings Limited - Net Payable	50,30.40	-
3	TMF Holdings Limited - Net Payable - Debenture	200,00.00	-

**Notes forming part of the Financial Statements for the year ended March 31, 2018**
**c. Fellow subsidiaries & associates of Ultimate Holding Company**

Rs. in lakhs

Sr. No.	Particulars	Year ended March 31, 2018	Year ended March 31, 2017
<b>Tata Motors Finance Solution Limited</b>			
1	ICDs repaid during the period	1064,00.00	87,00.00
2	ICDs accepted during the period	1064,00.00	-
3	Assignment of receivable	557,17.21	-
4	Allotment of equity shares	-	105,00.00
5	Service providers' fees – Income	23,99.22	3,54.50
6	Interest paid on ICDs	4,14.02	96.46
7	Dividend paid on equity shares	1,85.48	-
8	Reimbursement of other expenses received	72.61	3.76
9	Reimbursement of refurbishment expenses	4.09	0.90
<b>Concorde Motors (India) Limited</b>			
1	Purchase of fixed assets	6,44.96	-
2	Inter-corporate deposits repaid	-	4,00.00
3	Commission - expenditure (includes unamortised commission)	3,74.82	41.41
4	Lease charges received	61.08	-
5	Car maintenance charges	0.44	-
6	Interest Income on Inter Corporate Deposit given	-	23.01
<b>Tata Technologies Limited</b>			
1	Information technology support service charges	3,79.32	1,39.08
2	Dividend received	3,24.80	2,84.20
3	Interest on long term debenture	55.00	8.89
<b>Tata Precision Industries (India) Limited</b>			
1	Interest Income on investment in non-convertible Debentures	35.00	35.00
<b>Automobile Corporation of Goa Limited</b>			
1	Dividend Income received	8.46	2.42
<b>TML Distribution Company Limited</b>			
1	Advance for purchase of Vehicles	17.87	-

**Closing balances**

Rs. in lakhs

Sr. No.	Particulars	At March 31, 2018	At March 31, 2017
1	TATA Motors Finance Solutions Limited- net receivable	-	3,86.25
2	TATA Motors Finance Solutions Limited- net payable	61,87.22	-
3	Concorde Motors (India) Limited – net payable	1,55.07	11.33
4	Tata Technologies Limited – net payable	6,29.10	5,01.48
5	Tata Precision Industries (India) Limited – net receivable	17.45	-
6	Tata Precision Industries (India) Limited – Investment in Debentures	3,50.00	3,50.00
7	TML Distribution Company Limited- net receivable	-	-

**d. Key Managerial Personnel**

Remuneration to Mr. Samrat Gupta for the year ended March 31, 2018 was Rs. 2,54.28 lakhs (March 31, 2017: Rs.NIL). Remuneration excludes provision for encashable leave and gratuity as separate actuarial valuation is not available.

**Notes forming part of the Financial Statements for the year ended March 31, 2018**
**34. Scheme of Arrangement**

Pursuant to the Scheme of arrangement (Scheme) between the Company and its holding company Tata Motors Finance Limited (TMFL, now known as TMF Holdings Limited) under section 391 to 394 of the Companies Act, 1956, the assets and liabilities pertaining to New Vehicle Finance business (NVF) of TMFL were transferred to and vested in the Company. The Scheme was approved by the National Company Law Tribunal, Mumbai on April 17, 2017. The Scheme was filed on May 9, 2017 with Registrar of Companies, Mumbai on which the transfer became effective. As per the approved Scheme, the appointed date of transfer was close of business hours on January 31, 2017.

The Company has acquired all the assets and liabilities of NVF as a going concern on slump sale basis. All assets and liabilities has been accounted for at their respective fair values determined by an independent valuer and difference between purchase price and value of net assets acquired has been attributed to Goodwill. Consequently, the results for the current financial year and Balance Sheet figures are not comparable with the previous financial year.

The Cash consideration for the transfer was Rs. 2752,00.00 lakhs. The list of assets and liabilities acquired as on 31st January, 2017 is given below.

<b>Particulars</b>	<b>Amount (Rs. in lakhs)</b>
<b>Assets</b>	
Fixed assets	19,95.56
Intangible assets	1,98.25
Non-current investments	30,23.05
Non-current finance receivables	9249,19.44
Long-term loans and advances	13,75.62
Other non-current assets	97,06.60
Current investments	28,82.39
Trade receivables	31,26.79
Cash and cash equivalent	606,82.32
Finance receivables	6391,10.26
Short term loans and advances	48,75.61
Other current assets	559,30.22
<b>Total Assets</b>	<b>17078,26.11</b>
<b>Liabilities</b>	
Long-term borrowings	8998,13.98
Other long-term liabilities	41,08.41
Long-term provisions	156,63.31
Short-term borrowings	3598,47.81
Trade payables	70,29.88
Other Current liabilities	2692,96.53
Short-term provisions	22,35.06
<b>Total liabilities</b>	<b>15579,94.98</b>
<b>Net assets (Total assets less total liabilities)</b>	<b>1498,31.13</b>
Consideration paid	2752,00.00
<b>Goodwill</b>	<b>1253,68.87</b>

In addition to above, as part of the Scheme, the authorised share capital of the Tata Motors Finance Limited to the extent of Rs. 500,00.00 lakhs divided into 5,00,00,000 equity shares of face value Rs.100/- each has also been transferred to the Company.



Notes forming part of the Financial Statements for the year ended March 31, 2018

### 35. Disclosure of Specified Bank Notes (SBN) held and transacted during the period from November 8, 2016 to December 30, 2016 in accordance with notification G.S.R. 307 (E) issued by Ministry of Corporate Affairs

The company was not having any cash balances on November 8, 2016 and had not transacted in SBNs during the period from November 8, 2016 to December 30, 2016. Hence, the required disclosure was not provided.

Specified bank notes means bank notes of existing series of denomination of the value of five hundred rupees and one thousand rupees.

### 36. Disclosure of loan and advances given to parent company, associates etc. as required by SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

There were no loans and advances in the nature of loan given to parent company, associates etc. (as certified by management).

### Additional disclosures given in terms of the Non-Banking Financial Companies Systematically Important Non-Deposit Taking Company and Deposit Taking Company (Reserve Bank) Directions, 2016

### 37. Asset Liability Maturity Pattern of certain items of Assets and Liabilities as per Annexure 4 of the Non-Banking Financial Companies Corporate Governance (Reserve Bank) Direction 2015

(Rs.in Lakhs)					
Particulars	Deposits (note 1)	Advances (note 2)	Investments	Borrowings from banks/financial institutions	Market borrowings (note 3 and 4)
<b>Up to 30/31 days</b>	- <i>100,35.00</i>	1056,59.31 <i>876,30.63</i>	3,71.40 <i>98,62.92</i>	1116,78.57 <i>139,29.00</i>	780,66.60 <i>13,95.34</i>
<b>Over 1 month to 2 months</b>	541,71.15	535,95.19 <i>458,85.91</i>	3,58.62 <i>34,64.90</i>	- <i>250,00.00</i>	2685,00.00 <i>500,00.00</i>
<b>Over 2 months up to 3 months</b>	-	548,80.48 <i>469,03.62</i>	3,56.30 <i>2,65.99</i>	- <i>1015,00.00</i>	1264,76.76 <i>-</i>
<b>Over 3 months up to 6 months</b>	-	1655,16.66 <i>1391,17.43</i>	10,25.70 <i>7,81.59</i>	235,00.00 <i>185,00.00</i>	475,01.97 <i>748,84.55</i>
<b>Over 6 months up to 1 year</b>	81,72.46 <i>500,01.00</i>	3359,36.88 <i>2666,32.56</i>	18,42.92 <i>13,82.85</i>	2454,07.68 <i>1902,98.05</i>	1353,82.47 <i>1678,51.42</i>
<b>Over 1 year up to 3 years</b>	22,34.00 <i>10.90</i>	10150,20.91 <i>7801,06.30</i>	35,19.22 <i>27,34.70</i>	3159,10.71 <i>1853,41.00</i>	2670,89.28 <i>2811,12.60</i>
<b>Over 3 years up to 5 years</b>	- <i>73,48.10</i>	3604,96.39 <i>2767,15.94</i>	1,07.19 <i>49.40</i>	1670,00.00 <i>2655,51.00</i>	447,61.58 <i>658,21.58</i>
<b>Over 5 years</b>	-	303,40.21 <i>216,52.05</i>	97,98.52 <i>72,75.71</i>	-	765,40.00 <i>705,80.00</i>
<b>Total</b>	<b>645,77.61</b> <b><i>673,95.00</i></b>	<b>21214,46.02</b> <b><i>16646,44.44</i></b>	<b>173,79.87</b> <b><i>258,18.06</i></b>	<b>8634,96.97</b> <b><i>8001,19.05</i></b>	<b>10443,18.67</b> <b><i>7116,45.49</i></b>

#### Notes

1. Represents fixed deposits with banks.
2. Advances are gross of provision for non-performing assets.
3. Includes commercial paper issued at discount, which are considered gross of unamortised discounting charges and unamortised discount on issue.
4. Includes premium payable on redemption of zero coupon debentures.
5. Amounts in italics pertain to previous year.

**Notes forming part of the Financial Statements for the year ended March 31, 2018**
**38. Capital to Risk Assets Ratio (CRAR)**

The ratios calculated in accordance with the Reserve Bank of India guidelines are as under:

		(Rs. in Lakhs)	
Sr. No.	Particulars	At March 31, 2018	At March 31, 2017
1	CRAR (%)	16.56%	17.49%
2	CRAR – Tier I (%)	11.81%	10.45%
3	CRAR – Tier II (%)	4.75%	7.04%
4	Amount of subordinated debt raised as Tier - II capital during the year	250,00.00	-
5	Amount raised by issue of Perpetual Debt Instruments during the year	-	-

**39. Perpetual debt Instruments**

		(Rs. in Lakhs)	
Sr. No.	Particulars	Year ended March 31, 2018	Year ended March 31, 2017
1	Funds raised through perpetual debt instruments	-	-
2	Amount outstanding at the end of year	375,30.00	375,30.00
3	Percentage of amount of perpetual debt instrument of the amount of Tier I Capital (note 1)	14.19%	20.52%
4	Financial year in which interest on perpetual debt instruments is not paid on account of 'Lock -in Clause'	Nil	Nil

Notes

1. Before adjusting securitisation exposure.

**40. Disclosure on securitisation/direct assignment of standard assets**
**A) Securitisation of standard assets effected in line with the revised guidelines issued by RBI, dated August 21, 2012**

		(Rs. in Lakhs)	
Sr. No.	Particulars	At March 31, 2018	At March 31, 2017
1	No. of special purpose vehicles (SPVs) sponsored by the Company for securitisation transactions	5	3
2	Total amount of securitised assets as per books of the SVPs sponsored by the Company (as certified by the SPV's auditors)	1393,16.93	1080,41.46
3	Total amount of exposures retained by the company to comply with Minimum Retention Requirement (MRR) as on the date of balance sheet		
	a. Off-balance sheet exposures		
	First loss	-	-
	Others	-	-
	b. On-balance sheet exposures		
	First loss	104,06.46	73,45.40
	Others	72,31.35	53,02.61
4	Amount of exposures to securitisation transactions other than MRR		
	a. Off-balance sheet exposures		
	i) Exposures to own securitizations		
	First loss	-	-
	Others	125,10.63	109,85.00

**Notes forming part of the Financial Statements for the year ended March 31, 2018**

(Rs. in Lakhs)

Sr. No.	Particulars	At March 31, 2018	At March 31, 2017
ii)	Exposures to third party securitizations		
	First loss	-	-
	Others	-	-
b.	On-balance sheet exposures		
i)	Exposures to own securitizations		
	First loss	-	-
	Second Loss (In the Form of Fixed Deposits)	41,71.15	-
	Others	79,92.06	62,25.54
ii)	Exposures to third party securitizations		
	First loss	-	-
	Others	-	-

The above information is based on information submitted by the SPVs, which is duly submitted by the SPV's auditors.

**B) Direct assignment of standard assets effected in line with the revised guidelines issued by RBI, dated August 21, 2012**

(Rs. in Lakhs)

Sr. No.	Particulars	At March 31, 2018	At March 31, 2017
1	No. of contracts assigned during the year	38140	-
2	Amount of contracts assigned during the year (Future receivable including interest receivable of Rs. 35,33.76 Lakhs and overdues)	639,64.97	-
3	Retained amount at the time of direct assignment	60,43.12	-
4	Retained amount outstanding	34,55.18	-

**41. Restructured advances**

The Company has not done any restructuring under CDR mechanism and SME debt restructuring mechanism. Disclosure for movement in restructuring done under 'others mechanism' for the year ended March 31, 2018 is given below.

(Rs. in Lakhs)

Sr. No.	Particulars	Others				Total
		Standard	Sub-standard	Doubtful	Loss	
<b>1</b>	<b>Restructured accounts at April 1, 2017</b>					
	No. of borrowers	-	12	89	-	101
	Outstanding	-	2,57.15	7,86.84	-	10,44.00
	Provision	-	38.34	5,80.24	-	6,18.57
<b>2</b>	<b>Additions on business acquisition</b>					
	No. of borrowers	-	-	-	-	-
	Outstanding	-	-	-	-	-
	Provision	-	-	-	-	-
<b>3</b>	<b>Fresh restructuring during the year</b>					
	No. of borrowers	-	7	-	-	7
	Outstanding	-	7,62.41	-	-	7,62.41
	Provision	-	1,12.31	-	-	1,12.31
<b>4</b>	<b>Upgradations to restructured standard category during the year</b>					
	No. of borrowers	-	(5)	(8)	-	(13)
	Outstanding	-	(1,90.63)	(1,27.17)	-	(3,17.80)
	Provision	-	(28.46)	(95.70)	-	(1,24.17)

Notes forming part of the Financial Statements for the year ended March 31, 2018

(Rs. in Lakhs)

Sr. No.	Particulars	Others				Total
		Standard	Sub-standard	Doubtful	Loss	
<b>5</b>	<b>Restructured standard advances which cease to attract higher provisioning and/or additional risk weight at March 31, 2017 and hence need not be shown as restructured standard advances at April 1, 2017</b>					
	No. of borrowers	-	-	-	-	-
	Outstanding	-	-	-	-	-
	Provision	-	-	-	-	-
<b>6</b>	<b>Downgradations of restructured advances during the year</b>					
	No. of borrowers	-	(5)	5	-	-
	Outstanding	-	(57.44)	47.10	-	(10.34)
	Provision	-	(8.51)	36.10	-	27.59
<b>7</b>	<b>Write offs of restructured accounts during the year</b>					
	No. of borrowers	-	-	(10)	-	(10)
	Outstanding	-	-	(1,22.78)	-	(1,22.78)
	Provision	-	-	(89.10)	-	(89.10)
<b>8</b>	<b>Recovery from restructured accounts during the year</b>					
	No. of borrowers	-	(1)	(50)	-	(51)
	Outstanding	-	(5.04)	(4,78.36)	-	(4,83.40)
	Provision	-	(0.77)	(3,38.99)	-	(3,39.76)
<b>9</b>	<b>Sale of restructured accounts during the year</b>					
	No. of borrowers	-	-	-	-	-
	Outstanding	-	-	-	-	-
	Provision	-	-	-	-	-
<b>10</b>	<b>Restructured accounts at March 31, 2018</b>					
	No. of borrowers	-	8	26	-	34
	Outstanding	-	7,66.45	1,05.63	-	8,72.08
	Provision	-	1,12.90	92.54	-	2,05.44

Disclosure for movement in restructuring done under 'others mechanism' for the year ended March 31, 2017 is given below.

(Rs. in Lakhs)

Sr. No.	Particulars	Others				Total
		Standard	Sub-standard	Doubtful	Loss	
<b>1</b>	<b>Restructured accounts at April 1, 2016</b>					
	No. of borrowers	-	-	-	-	-
	Outstanding	-	-	-	-	-
	Provision	-	-	-	-	-
<b>2</b>	<b>Additions on business acquisition</b>					
	No. of borrowers	-	12	123	-	135
	Outstanding	-	2,79.43	12,11.91	-	14,91.34
	Provision	-	41.57	8,99.20	-	9,40.77
<b>3</b>	<b>Fresh restructuring during the year</b>					
	No. of borrowers	-	4	1	-	5
	Outstanding	-	39.91	2.38	-	42.28
	Provision	-	5.93	1.78	-	7.71
<b>4</b>	<b>Upgradations to restructured standard category during the year</b>					
	No. of borrowers	-	(1)	(5)	-	(6)
	Outstanding	-	(10.68)	(10.38)	-	(21.06)
	Provision	-	(1.57)	(7.96)	-	(9.53)

Sr. No.	Particulars	Others			Total
		Standard	Sub-standard	Doubtful Loss	
<b>5</b>	<b>Restructured standard advances which cease to attract higher provisioning and/or additional risk weight at March 31, 2016 and hence need not be shown as restructured standard advances at April 1, 2016</b>				
	No. of borrowers	-	-	-	-
	Outstanding	-	-	-	-
	Provision	-	-	-	-
<b>6</b>	<b>Downgradations of restructured advances during the year</b>				
	No. of borrowers	-	(2)	2	-
	Outstanding	-	(42.72)	39.28	(3.43)
	Provision	-	(6.25)	30.70	24.45
<b>7</b>	<b>Write offs of restructured accounts during the year</b>				
	No. of borrowers	-	-	(14)	(14)
	Outstanding	-	-	(2,76.70)	(2,76.70)
	Provision	-	-	(1,90.44)	(1,90.44)
<b>8</b>	<b>Recovery from restructured accounts during the year</b>				
	No. of borrowers	-	-	(22)	(22)
	Outstanding	-	(8.78)	(1,79.64)	(1,88.43)
	Provision	-	(1.35)	(1,53.04)	(1,54.39)
<b>9</b>	<b>Sale of restructured accounts during the year</b>				
	No. of borrowers	-	-	-	-
	Outstanding	-	-	-	-
	Provision	-	-	-	-
<b>10</b>	<b>Restructured accounts at March 31, 2017</b>				
	No. of borrowers	-	12	89	101
	Outstanding	-	2,57.15	7,86.84	10,44.00
	Provision	-	38.34	5,80.24	6,18.57

Provision on restructured advances includes provision on diminution in fair value amounting to Rs. 42.54 lakhs.

#### 42. Provisions and contingencies

(Rs. in Lakhs)

Sr. No.	Particulars	Year ended March 31, 2018	Year ended March 31, 2017
1	Provision for diminution in value of investment	(3,13.54)	- 2,92.04
2	Provision for doubtful loan and advances	12,37.76	- 11.89
3	Provision for doubtful finance receivables	(164,49.13)	(73,00.74) -
	Less: Delinquency support	(4,60.74 )	(169,09.87) (2,48.30) (75,49.04)
4	Provision made towards income tax (tax expense)	29,95.25	- 12,53.56
5	Provision for consumer disputes	(18.45)	- 6.94
6	Provision on standard assets	20,45.00	- 2,58.80

**Notes forming part of the Financial Statements for the year ended March 31, 2018**
**43. Investments**

(Rs. in lakhs)

Sr. No.	Particulars	At March 31, 2018	At March 31, 2017
<b>Value of investments</b>			
<b>Gross value of investments</b>			
a)	In India	178,58.36	266,12.11
b)	Outside India	-	-
<b>Provision for depreciation</b>			
a)	In India	4,78.50	7,92.04
b)	Outside India	-	-
<b>Net value of investments</b>			
a)	In India	173,79.86	258,20.07
b)	Outside India	-	-
<b>Movement of provisions held towards depreciation of investments</b>			
1	Opening balance	7,92.04	5,00.00
2	Add: Provision made during the year	-	2,92.04
3	Less: Utilised	(3,13.54)	-
4	Closing balance	4,78.50	7,92.04

**44. Capital Market**

(Rs. in lakhs)

Sr. No	Particulars	At March 31, 2018	At March 31, 2017
i)	direct investment in equity shares, convertible bonds, convertible debentures and units of equity oriented mutual funds the corpus of which is not exclusively invested in corporate debt;	89,20.19	98,20.46
ii)	advances against shares / bonds / debentures or other securities or on clean basis to individuals for investment in shares (including IPOs / ESOPs), convertible bonds, convertible debentures, and units of equity oriented mutual funds;	-	-
iii)	advances for any other purposes where shares or convertible bonds or convertible debentures or units of equity oriented mutual funds are taken as primary security;	-	-
iv)	advances for any other purposes to the extent secured by the collateral security of shares or convertible bonds or convertible debentures or units of equity oriented mutual funds i.e. where the primary security other than shares / convertible bonds / convertible debentures / units of equity oriented mutual funds does not fully cover the advances;	-	-
v)	secured and unsecured advances to stockbrokers and guarantees issued on behalf of stockbrokers and market makers;	-	-
vi)	loans sanctioned to corporate against the security of shares / bonds / debentures or other securities or on clean basis for meeting promoter's contribution to the equity of new companies in anticipation of raising resources;	-	-
vii)	bridge loans to companies against expected equity flows / issues;	-	-
viii)	underwriting commitments taken up by the banks in respect of primary issue of shares or convertible bonds or convertible debentures or units of equity oriented mutual funds;	-	-
ix)	financing to stockbrokers for margin trading;	-	-
x)	all exposures to Venture Capital Funds (both registered and unregistered)	12,94.42	13,21.54
<b>Total Exposure to Capital Market</b>		<b>102,14.61</b>	<b>111,42.00</b>

**Notes forming part of the Financial Statements for the year ended March 31, 2018**
**45. Ratings assigned by credit rating agencies and migrations of ratings during the year**

Instrument	CRISIL		ICRA		CARE	
	At March 31, 2018	At March 31, 2017 *	At March 31, 2018	At March 31, 2017 *	At March 31, 2018	At March 31, 2017 *
Non-convertible debentures (NCDs)	CRISIL AA/ Positive	CRISIL AA/ Positive	ICRA AA/Positive	ICRA AA/ Positive	CARE AA +Stable	N.A.
Subordinated Tier II NCDs	CRISIL AA/ Positive	CRISIL AA/ Positive	ICRA AA/Positive	ICRA AA/ Positive	CARE AA + Stable	N.A.
Subordinated perpetual NCDs	CRISIL A+/ Positive	CRISIL A + Positive	ICRA A+/Positive	ICRA A + Positive	CARE AA - Stable	N.A.
Long term bank facilities	CRISIL AA/ Positive	CRISIL AA/ Positive	ICRA AA/Positive	ICRA AA/ Positive	CARE AA + Stable s	N.A.
Short term bank facilities	CRISIL A1+	CRISIL A1 +	ICRA A1+	ICRA A1 +	N.A.	N.A.
Commercial papers	CRISIL A1+	CRISIL A1 +	ICRA A1 +	ICRA A1 +	CARE A1+	N.A.

\*Pursuant to the scheme of arrangement for transfer of business undertaking the company had acquired certain borrowings i.e. bank facilities, debt instruments and Commercial papers from its holding Company TMF Holdings Limited (formerly known as Tata Motors Finance Limited). Considering the scheme became effective from May 9, 2017 (i.e. date of filing of NCLT order with Registrar of Company), the rating agencies had assigned ratings to the above facilities acquired by the Company on May 9, 2017. The ratings mentioned above is of TMF Holdings Limited.

**46. Details of financing of parent company's products**

(Rs. in lakhs)

Particulars	For the year ended March 31, 2018		For the year ended March 31, 2017	
	Nos.	Amount	Nos.	Amount
Commercial vehicle#	115689	11447,82	14830	1500,04
Passenger vehicle#	42619	2344,53	5554	269,90

#Represents financing of products of ultimate parent entity 'Tata Motors Limited'.

**47. Concentration of advances**

(Rs. in lakhs)

Particulars	At March 31, 2018	At March 31, 2017
Total advances on 20 largest borrowers/customers	371,20.22	348,73.16
Percentage of advances to twenty largest borrowers to total advances of the NBFC on borrowers	1.75%	2.09%

**48. Concentration of exposures**

(Rs. in lakhs)

Particulars	March 31, 2018	At March 31, 2017
Total exposure on 20 largest borrowers/customers	371,20.22	348,73.16
Percentage of exposures to twenty largest borrowers/customers to total exposure of the NBFC on borrowers/customers	1.75%	2.09%

**49. Concentration of NPAs**

(Rs. in lakhs)

Particulars	March 31, 2018	At March 31, 2017
Total exposure to top four NPAs*	18,53.47	18,86.34

\*Gross of over due interest and overdue expenses

**50. Sector-wise NPAs**

(Rs. in lakhs)

Sr. No.	Sector	At March 31, 2018	At March 31, 2017 (Note 1)
1	Agricultural and allied activities	-	-
2	MSME	-	-
3	Corporate borrowers	-	-
4	Services	-	-



**Notes forming part of the Financial Statements for the year ended March 31, 2018**

5	Unsecured personal loans	-	-
6	Auto loan	4.69%	9.84%
7	Other personal loan	-	-

- The Company has not availed relief in the classification and provision for non-performing assets against the exposure to micro, small and medium borrowers registered under Goods and Service Tax as provided by RBI through its circular no. RBI/2017-18/129 DBR.No.BP.BC.100/21.04.048/2017-18 dated February 7, 2018.
- The Company had considered the relaxation provided by RBI due to demonetisation effect for classification of accounts as sub-standard asset, nonetheless, has continued to record a provision on these overdue assets in line with the extant policy for NPA provisioning. Accordingly, for the purpose of NPA related disclosures, the Company has excluded the above assets, however, has considered the provision created in respect of the same.

**51. Details of non-performing financial assets purchased**

(Rs. in lakhs)

Sr. No.	Particulars	Year ended March 31, 2018	Year ended March 31, 2017
1	a) No. of account purchased (Included as part of business acquisition)	-	61438
	b) Aggregate outstanding (gross of overdue interest and overdue charges)	-	2357,54.88
2	a) Of these, number of accounts restructured during the year	N.A.	Note 1
	b) Aggregate Outstanding	-	-

1. Excludes restructuring of accounts made prior to acquisition of business.

**52. Movement of NPAs**

(Rs. in lakhs)

Sr. No.	Particulars	At March 31, 2018 (Note 1)	At March 31, 2017 (Note 2)
1	Net NPAs to net advances (%)	3.27%	7.19%
<b>1.</b>	<b>Movement of gross NPAs</b>		
a)	Opening balance	1638,79.95	-
b)	Acquired on business acquisition	-	1866,96.18
c)	Addition during the year	642,73.69	171,82.28
d)	Reduction during the year	(1285,94.94)	(399,98.51)
d)	Closing balance	995,58.70	1638,79.95
<b>2.</b>	<b>Movement of net NPAs</b>		
a)	Opening balance	1163,21.67	-
b)	Acquired on business acquisition	-	1319,44.45
c)	Addition during the year	417,28.98	55,93.67
d)	Reduction during the year	(896,01.10)	(212,16.45)
e)	Closing balance	684,49.55	1163,21.67
<b>3.</b>	<b>Movement of provision for NPAs (excluding provision on standard assets)</b>		
a)	Opening balance	475,58.28	-
b)	Acquired on business acquisition	-	547,51.73
c)	Addition during the year	225,44.71	115,88.61
d)	Reduction during the year	(389,93.84)	(187,82.06)
e)	Closing balance	311,09.15	475,58.28

- The Company has not availed relief in the classification and provision for non-performing assets against the exposure to micro, small and medium borrowers registered under Goods and Service Tax as provided by RBI through its circular no. RBI/2017-18/129 DBR.No.BP.BC.100/21.04.048/2017-18 dated February 7, 2018.
- The Company has considered the relaxation provided by RBI due to demonetisation effect for classification of accounts as sub-standard asset, nonetheless, has continued to record a provision on these overdue assets in line with the extant policy for NPA provisioning. Accordingly, for the purpose of NPA related disclosures, the Company has excluded the above assets, however, has considered the provision created in respect of the same.



**Notes forming part of the Financial Statements for the year ended March 31, 2018**
**53. Customer Complaints**

(Rs. in lakhs)

Sr. No.	Particulars	Year ended March 31, 2018	Year ended March 31, 2017
1	Pending at the beginning of the year	50	-
2	Included on business acquisition	-	93
3	Received during the year	3360	516
4	Redressed during the year	3226	559
5	Pending at the end of the year	184	50

**54. Frauds**

As required by Reserve Bank of India circular No RBI/2011-12/424 DNBS.PD.CC. No. 256 /03.10.042 / 2011-12 dated March 02, 2012 on monitoring of frauds, the Company has reported fraud amounting to Rs.1,59.24 lakhs during the year ended March 31, 2018 (during the year ended March 31, 2017: Rs.28.35 lakhs) vide form FMR 1.

**55. Other disclosures**

- a) No penalties were imposed by RBI and other regulators during the financial year 2017-18. (financial year 2016-17: Nil).
- b) The Company does not have exposure to the real estate sector (March 31, 2017: Nil).
- c) The Company has not exceeded the prudential exposure limits in respect to single borrower limit / group borrower limit during the financial year 2017-18 (financial year 2016-17: Nil).
- d) The Company is only registered with Reserve Bank of India as a Systematically Important Non-Deposit Taking Non-Banking Financial Company.
- e) The Company has not entered in to any derivative contracts during the financial year 2017-18 or holds any exposure in respect of derivative transactions as on March 31, 2018. (financial year 2016-17: Nil)
- f) The Company has not drawn down any amounts from the reserves during the financial year 2017-18. (financial year 2016-17: Nil).
- g) The Company has not sold Financial Assets to Securitisation / Reconstruction Company for Asset Reconstruction during financial year (financial year 2016-17: Nil)

**56. Comparative figures**

Previous year's amounts have been re-grouped/re-classified wherever necessary to conform to current period's classification/disclosure.

**57. Previous year's amounts have been audited by predecessor auditors.**

As per our report of even date attached

**For B S R & Co. LLP**  
 Chartered Accountants  
 Firm Registration Number:  
 101248W/W-100022

**Manoj Kumar Vijai**  
 Partner  
 Membership No. 046882

Place: Mumbai  
 Date: May 2, 2018

For and on behalf of the Board of Directors

**NASEER MUNJEE**  
 Chairman  
 (DIN - 00010180)

**P.B. BALAJI**  
 Director  
 (DIN - 02762983)

**SAMRAT GUPTA**  
 Chief Executive Officer

**VINAY LAVANNIS**  
 Company Secretary

Place: Mumbai  
 Date: May 2, 2018

**H. N. SINOR**  
 Director  
 (DIN - 00074905)

**SHYAM MANI**  
 Director  
 (DIN - 00273598)

**ANAND BANG**  
 Chief Financial Officer

**Schedule to the Balance Sheet as at March 31, 2018 of a non-deposit taking non-banking financial Company**  
(Disclosure as per Annexure 1 of Non-Banking Financial (Non-Deposit Accepting or Holding) Companies Prudential Norms (Reserve Bank) Directions, 2015)

(Rs. In lakhs)

Liabilities side:	Particulars	Amount outstanding	Amount overdue
<b>(1)</b>	<b>Loans and advances availed by the non-banking financial Company inclusive of interest accrued thereon but not paid: *</b>		
(a)	Debentures : Secured (Note-1)	3846,73.12	-
	: Unsecured (other than falling within the meaning of public deposits)	1760,20.00	-
(b)	Deferred Credits	-	-
(c)	Term Loans	5388,92.86	-
(d)	Inter-corporate loans and borrowings	80,00.00	-
(e)	Commercial Papers (Note-2)	5630,34.63	-
(f)	Other Loans		
	- Working capital demand loan	595,00.00	-
	- Cash Credit from banks	1501,04.01	-

(Rs. In lakhs)

Assets side:		Amount Outstanding
<b>(2)</b>	<b>Break-up of Loans and Advances including bills receivables [other than those included in (4) below]:</b>	
(a)	Secured	-
(b)	Unsecured	-
<b>(3)</b>	<b>Break up of Leased Assets and stock on hire and other assets towards AFC activities</b>	
(i)	Lease assets including lease rentals under sundry debtors :	
(a)	Financial lease	-
(b)	Operating lease	4,21.20
(ii)	Stock on hire including hire charges under sundry debtors :	
(a)	Assets on hire	-
(b)	Repossessed Assets	-
(iii)	Other loans counting towards AFC activities	
(a)	Loans where assets have been repossessed	139,11.18
(b)	Loans other than (a) above (refer note 1 & note 2 below)	21075,34.84
<b>(4)</b>	<b>Break-up of Investments:</b>	
	<b>Current Investments:</b>	
1	Quoted :	
(i)	Shares : (a) Equity	-
	(b) Preference	-
(ii)	Debentures and Bonds	-
(iii)	Units of mutual funds	-
(iv)	Government Securities	-
(v)	Others	-
	Investment in Senior Pass Through Certificates	-
2	Unquoted:	
(i)	Shares : (a) Equity	-
	(b) Preference	-
(ii)	Debentures and Bonds	-
(iii)	Units of mutual funds	-
(iv)	Government Securities	-
(v)	Others	-
	Investment in Senior Pass Through Certificates	39,54.94

(Rs. In lakhs)

**Assets side:**

**Amount  
Outstanding**

**Long Term Investments:**

1	Quoted :		
	(i)	Shares : (a) Equity (Investment in subsidiary)	-
		(b) Preference	-
	(ii)	Debentures and Bonds	-
	(iii)	Units of mutual funds	-
	(iv)	Government Securities	-
	(v)	Others	25,71.84
2	Unquoted:		
	(i)	Shares : (a) Equity (Investment in subsidiaries)	56,88.57
		(b) Preference	2,89.98
	(ii)	Debentures and Bonds	3,50.00
	(iii)	Units of mutual funds	-
	(iv)	Government Securities	-
	(v)	Others	12,48.11
	(vi)	Investment in Senior Pass Through Certificates	32,76.42

**(5) Borrower group-wise classification of assets financed as in (2) and (3) above :**

(Rs. In lakhs)

Category	Amount net of provisions		
	Secured	Unsecured	Total
1 Related Parties			
(a) Subsidiaries	-	-	-
(b) Companies in the same group	-	-	-
(c) Other related parties	-	-	-
2 Other than Related Parties	21218,67.22	-	21218,67.22
<b>Total</b>	<b>21218,67.22</b>	<b>-</b>	<b>21218,67.22</b>

**(6) Investor group-wise classification of all investments (current and long term) in shares and securities (both quoted and unquoted):**

(Rs. In lakhs)

Category	Market Value/ Break up or fair value or NAV	Book Value (Net of Provision)
	1 Related Parties	
(a) Subsidiaries	-	-
(b) Companies in the same group	102,53.56	86,18.22
(c) Other related parties	-	-
2 Other than Related Parties		
<b>Quoted</b>		
Investment in Equity Shares	2,78.09	4,83.98
<b>Unquoted</b>		
Investment in NCDs	-	-
Investment in Senior Pass Through Certificates	72,31.36	72,31.36
Investment in Units of Mutual fund	-	-
Others	18,34.50	12,48.11
<b>Total</b>	<b>195,97.51</b>	<b>175,81.67</b>

(7) Other information		(Rs. In lakhs)
Particulars		
(i)	Gross Non-Performing Assets	
	(a) Related parties	-
	(b) Other than related parties	995,58.70
(ii)	Net Non-Performing Assets	
	(a) Related parties	-
	(b) Other than related parties	684,49.55
(iii)	Assets acquired in satisfaction of debt	-

Note 1: Includes Zero coupon debentures of Rs. 2479,73.12 lakhs, net of unamortised premium on redemption of Rs. 301,25.55 lakhs and gross of accreted value of premium on redemption of Rs. 298,73.12 lakhs.

Note 2: Commercial Paper of Rs. 5630,34.63 lakhs are net of unamortised discounting charges amounting to Rs. 54,65.37 lakhs.

**NASSER MUNJEE**

Chairman  
(DIN - 00010180)

**H. N. SINOR**

Director  
(DIN - 00074905)

**P.B. BALAJI**

Director  
(DIN - 02762983)

**SHYAM MANI**

Director  
(DIN - 00273598)

**SAMRAT GUPTA**

Chief Executive Officer

**ANAND BANG**

Chief Financial Officer

Mumbai

Date : May 02, 2018

**VINAY LAVANNIS**

Company Secretary

<b>TML = Tata Motors Limited</b>
<b>TMF = Tata Motors Finance</b>
<b>ROE = Return on Equity</b>
<b>HDFC - Housing Development Finance Corporation</b>
<b>CV = Commercial Vehicle</b>
<b>PV = Passenger Vehicle</b>
<b>AUM = Assets Under Management</b>
<b>GNPA = Gross Non-Performing Assets</b>
<b>DPD = Days Past Due</b>
<b>NBFC = Non-Banking Finance Company</b>
<b>RBI = Reserve Bank of India</b>
<b>NCLT = National Company Law Tribunal</b>
<b>GST = Goods and Service Tax</b>
<b>GDP = Gross Domestic Production</b>
<b>M&amp;HCV = Medium and Heavy Commercial vehicle</b>
<b>LCV = Light Commercial vehicle</b>
<b>SCV = Small Commercial Vehicle</b>
<b>R&amp;D = Research and Development</b>
<b>SME = Small and Medium Enterprises</b>
<b>CCPS = Compulsorily Convertible Preference Shares</b>
<b>AS = Accounting Standards</b>
<b>NVF = New Vehicle Finance</b>
<b>PBT = Profit before Tax</b>
<b>PAT = Profit after Tax</b>
<b>ICD = Inter-Corporate Deposits</b>
<b>NCD = Non-Convertible Debentures</b>
<b>SPV = Special Purpose Vehicle</b>
<b>FLF = First Loss Facility</b>
<b>SLF = Second Loss Facility</b>
<b>EIS = Excess Interest Spread</b>
<b>MHP = Minimum Holding Period</b>
<b>MRR= Minimum Retention Requirement</b>
<b>CSR = Corporate Social Responsibility</b>
<b>KMP = Key Managerial Personnel</b>
<b>SOP = Standard Operating Procedures</b>
<b>RCM = Risk Control Matrices</b>
<b>ORM = Operational Risk Management</b>
<b>TCOC = Tata Code of Conduct</b>
<b>ALCO = Asset Liability Committee</b>
<b>SRC = Stakeholders Relationship Committee</b>
<b>ICC = Internal Complaints Committee</b>
<b>UV = Used Vehicle</b>
<b>CRAR = Capital to Risk Assets Ratio</b>
<b>I/O Strip = Interest Only Strip</b>
<b>NPA = Non-Performing Assets</b>
<b>MAT = Minimum Alternate Tax</b>