



25th ANNUAL REPORT

2018-19

INDEPENDENT AUDITORS' REPORT**TO THE MEMBERS OF TATA TECHNOLOGIES LIMITED****Report on the Audit of Consolidated Financial Statements****Opinion**

We have audited the consolidated financial statements of Tata Technologies Limited (hereinafter referred to as the 'Holding Company') and its subsidiaries (Holding Company and its subsidiaries together referred to as "the Group"), and its joint venture, which comprise the consolidated balance sheet as at 31 March 2019, and the consolidated statement of profit and loss (including other comprehensive income), consolidated statement of changes in equity and consolidated statement of cash flows for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies and other explanatory information (hereinafter referred to as "the consolidated financial statements").

In our opinion and to the best of our information and according to the explanations given to us, and based on the consideration of reports of other auditors on separate financial statements of such subsidiaries and joint venture as were audited by the other auditors, the aforesaid consolidated financial statements give the information required by the Companies Act, 2013 ("Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the consolidated state of affairs of the Group and its joint venture as at 31 March 2019, of its consolidated profit and other comprehensive income, consolidated changes in equity and consolidated cash flows for the year then ended.

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Act. Our responsibilities under those SAs are further described in the *Auditor's Responsibilities for the Audit of the Consolidated Financial Statements* section of our report. We are independent of the Group in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India, and we have fulfilled our other ethical responsibilities in accordance with the provisions of the Act. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Information Other than the Consolidated Financial Statements and Auditors' Report Thereon

The Holding Company's management and Board of Directors are responsible for the other information. The other information comprises the information included in the holding Company's annual report, but does not include the financial statements and our auditors' report thereon.

Our opinion on the consolidated financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed and based on the work done/ audit report of other auditors, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Management and those Charged with Governance for the Consolidated Financial Statements

The Holding Company's management and Board of Directors are responsible for the preparation and presentation of these consolidated financial statements in term of the requirements of the Act that give a true and fair view of the consolidated state of affairs, consolidated profit and other comprehensive income, consolidated statement of changes in equity and consolidated cash flows of the Group including its joint venture in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under section 133 of the Act. The respective Board of Directors of the companies included in the Group and of its joint venture are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of each company and for preventing and detecting frauds and other irregularities; the selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring accuracy and completeness of the accounting records, relevant to the preparation and presentation of the consolidated financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated financial statements by the Directors of the Holding Company, as aforesaid.

In preparing the consolidated financial statements, the respective management and Board of Directors of the companies included in the Group and of its joint venture are responsible for assessing the ability of each company to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The respective Board of Directors of the companies included in the Group and of its joint venture is responsible for overseeing the financial reporting process of each company.

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting in preparation of consolidated financial statements and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the appropriateness of this assumption. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group (company and subsidiaries) as well as joint venture to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of such entities or business activities within the Group and its joint venture to express an opinion on the consolidated financial statements, of which we are the independent auditors. We are responsible for the direction, supervision and performance of the audit of financial information of such entities. For the other entities included in the consolidated financial statements, which have been audited by other auditors, such other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion. Our responsibilities in this regard are further described in para (a) of the section titled 'Other Matters' in this audit report.

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

We communicate with those charged with governance of the Holding Company and such other entities included in the consolidated financial statements of which we are the independent auditors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

Other Matters

- (a) We did not audit the financial statements of 5 subsidiaries whose financial statements reflect total assets of ₹ 2,044.83 crores as at 31 March 2019, total revenues of ₹ 1,219.83 crores and net cash flows amounting to ₹80.19 crores for the year ended on that date, as considered in the consolidated financial statements. These financial statements have been audited by other auditors whose reports have been furnished to us by the Management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries and the joint venture, and our report in terms of sub-section (3) of Section 143 of the Act, in so far as it relates to the aforesaid subsidiaries and joint venture is based solely on the audit reports of the other auditors.

Certain of these subsidiaries are located outside India whose financial statements and other financial information have been prepared in accordance with accounting principles generally accepted in their respective countries and which have been audited by other auditors under generally accepted auditing standards applicable in their respective countries. The Company's management

has converted the financial statements of such subsidiaries located outside India from accounting principles generally accepted in their respective countries to accounting principles generally accepted in India. We have audited these conversion adjustments made by the Company's management. Our opinion in so far as it relates to the balances and affairs of such subsidiaries located outside India is based on the report of other auditors and the conversion adjustments prepared by the management of the Company and audited by us.

- (b) The financial statements of 7 subsidiaries whose financial statements reflect total assets of ₹ 206.15 crores as at 31 March 2019, total revenues of ₹ 94.03 crores and net cash flows amounting to ₹ 11.79 crores for the year ended on that date, as considered in the consolidated financial statements, have not been audited either by us or by other auditors. These unaudited financial statements have been furnished to us by the Management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries, and our report in terms of sub-sections (3) of Section 143 of the Act in so far as it relates to the aforesaid subsidiaries, is based solely on such unaudited financial statements. In our opinion and according to the information and explanations given to us by the Management, these financial statements are not material to the Group.

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

Report on Other Legal and Regulatory Requirements

- A. As required by Section 143(3) of the Act, based on our audit and on the consideration of reports of the other auditors on separate financial statements of such subsidiaries, and joint venture as were audited by other auditors, as noted in the 'Other Matters' paragraph, we report, to the extent applicable, that:
- We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid consolidated financial statements.
 - In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books and the reports of the other auditors.
 - The consolidated balance sheet, the consolidated statement of profit and loss (including other comprehensive income), the consolidated statement of changes in equity and the consolidated statement of cash flows dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated financial statements.
 - In our opinion, the aforesaid consolidated financial statements comply with the Ind AS specified under section 133 of the Act.
 - On the basis of the written representations received from the directors of the Holding Company as on 31 March 2019 taken on record by the Board of Directors of the Holding Company and the reports of the statutory auditors of its joint venture incorporated in India, none of the directors of the Group companies and its joint venture incorporated in India is disqualified as on 31 March 2019 from being appointed as a director in terms of Section 164(2) of the Act.
 - With respect to the adequacy of the internal financial controls with reference to financial statements of the Holding Company and its joint venture incorporated in India and the operating effectiveness of such controls, refer to our separate Report in "Annexure A".
- B. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditor's) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us and based on the consideration of the reports of the other auditor on separate financial statements of the subsidiaries and its joint venture as noted in the 'Other Matters' paragraph:
- The consolidated financial statements disclose the impact of pending litigations as at 31 March 2019 on the consolidated financial position of the Group and its joint venture. Refer Note 33(a) to the consolidated financial statements.
 - The Group and its joint ventures did not have any material foreseeable losses on long-term contracts including derivative contracts during the year ended 31 March 2019.
 - There was one instance of delay in transferring amounts, to the Investor Education and Protection Fund by the Holding Company during the year ended 31 March 2019:

Amount Credited to the Fund	Date of Payment	Date by which amount should have been credited to the fund	Delay (no. of days)
₹ 376,092	22 January 2019	30 September 2018	114

- The disclosures in the consolidated financial statements regarding holdings as well as dealings in specified bank notes during the period from 8 November 2016 to 30 December 2016 have not been made in the financial statements since they do not pertain to the financial year ended 31 March 2019.

C. With respect to the matter to be included in the Auditor's report under section 197(16):

In our opinion and according to the information and explanations given to us and based on the report of the statutory auditor of its joint venture incorporated in India which was not audited by us, the remuneration paid during the current year by the Holding Company and its joint venture to its directors is in accordance with the provisions of Section 197 of the Act. The remuneration paid to any director by the Holding Company and its joint venture is not in excess of the limit laid down under Section 197 of the Act. The Ministry of Corporate Affairs has not prescribed other details under Section 197(16) which are required to be commented upon by us.

For **B S R & Co. LLP**

Chartered Accountants

Firm's Registration No. 101248W/W-100022

Swapnil Dakshindas

Partner

Membership No. 113896

Place: Mumbai

Date: 7 May 2019

Annexure A to the Independent Auditors' report

Referred to in paragraph A(f) under 'Report on Other Legal and Regulatory Requirements' section of the Independent Auditors' Report of even date to the members of Tata Technologies Limited on the consolidated financial statements for the year ended 31 March 2019.

Opinion

In conjunction with our audit of the consolidated financial statements of the Company as of and for the year ended 31 March 2019, we have audited the internal financial controls with reference to consolidated financial statements of Tata Technologies Limited (hereinafter referred to as "the Holding Company") and its joint venture companies which is a company incorporated in India under the Companies Act, 2013, as of that date.

In our opinion, the Holding Company and such companies incorporated in India which is its joint venture company, have, in all material respects, adequate internal financial controls with reference to consolidated financial statements and such internal financial controls were operating effectively as at 31 March 2019, based on the internal financial controls with reference to consolidated financial statements criteria established by such companies considering the essential components of such internal controls stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India (the "Guidance Note").

Management's Responsibility for Internal Financial Controls

The respective Company's management and the Board of Directors are responsible for establishing and maintaining internal financial controls with reference to consolidated financial statements based on the criteria established by the respective Company considering the essential components of internal control stated in the Guidance Note. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the respective company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013 (hereinafter referred to as "the Act").

Auditors' Responsibility

Our responsibility is to express an opinion on the internal financial controls with reference to consolidated financial statements based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing, prescribed under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls with reference to consolidated financial statements. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to consolidated financial statements were established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls with reference to consolidated financial statements and their operating effectiveness. Our audit of internal financial controls with reference to consolidated financial statements included obtaining an understanding of internal financial controls with reference to consolidated financial statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of the internal controls based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained and the audit evidence obtained by the other auditor of the joint venture company in terms of their report referred to in the Other Matters paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the internal financial controls with reference to consolidated financial statements.

Meaning of Internal Financial controls with Reference to Consolidated Financial Statements

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

Inherent Limitations of Internal Financial controls with Reference to consolidated Financial Statements

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

Other Matters

Our aforesaid reports under Section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal financial controls with reference to consolidated financial statements insofar as it relates to its joint venture company, which is a company incorporated in India, is based on the corresponding report of the auditor of such company incorporated in India.

For **B S R & Co. LLP**

Chartered Accountants

Firm's Registration No. 101248W/W-100022

Swapnil Dakshindas

Partner

Membership No. 113896

Place: Mumbai

Date: 7 May 2019

Consolidated Balance Sheet

(Amount in ₹ Crore)

	Note No	As at March 31, 2019	As at March 31, 2018
I. ASSETS			
(1) Non-current Assets			
(a) Property, Plant and Equipment	3	99.80	119.09
(b) Capital work-in-progress		4.24	0.11
(c) Goodwill	4	662.02	656.20
(d) Other Intangible assets	5	57.23	77.32
(e) Intangible assets under development	5	20.76	12.54
(f) Investments in joint venture	6	-	-
(g) Financial assets:			
(i) Investments	7	33.83	36.79
(ii) Loans	8	9.89	11.05
(iii) Other bank balances	13	0.05	3.25
(iv) Other financial assets	14	30.27	19.51
(h) Deferred tax assets (net)	9	30.66	12.78
(i) Income tax assets (net)	9	13.29	9.32
(j) Other non-current assets	10	6.95	7.21
Total Non-current Assets		968.99	965.17
(2) Current Assets			
(a) Inventories		0.04	1.25
(b) Financial assets:			
(i) Investments	7	5.00	-
(ii) Trade receivables	11	575.68	605.05
(iii) Cash and cash equivalents	12	372.53	243.79
(iv) Other bank balances	13	11.40	13.02
(v) Loans	8	69.15	86.40
(vi) Other financial assets	14	142.81	208.52
(c) Current tax assets (net)	9	45.41	31.05
(d) Other current assets	10	77.98	48.91
Total Current Assets		1,300.00	1,237.99
Total assets		2,268.99	2,203.16
II. EQUITY AND LIABILITIES			
(1) Equity			
(a) Equity Share capital	15	42.10	42.10
(b) Other Equity	16	1,714.90	1,508.38
Total Equity		1,757.00	1,550.48
Liabilities			
(2) Non-current Liabilities			
(a) Financial Liabilities:			
(i) Trade payables	18	-	-
(1) total outstanding dues of micro enterprises and small enterprises		-	0.14
(2) total outstanding dues of creditors other than micro enterprises and small enterprises		-	-
(ii) Other financial liabilities	19	0.37	0.88
(b) Provisions	20	24.68	24.46
(c) Other non-current liabilities	21	15.98	16.30
Total Non-current liabilities		41.03	41.78
(3) Current Liabilities			
(a) Financial Liabilities:			
(i) Borrowings	17	-	67.37
(ii) Trade payables	18		
(1) total outstanding dues of micro enterprises and small enterprises		3.57	2.65
(2) total outstanding dues of creditors other than micro enterprises and small enterprises		291.25	313.92
(iii) Other financial liabilities	19	18.14	26.21
(b) Provisions	20	11.20	11.92
(c) Current tax liabilities (net)	9	25.50	49.37
(d) Other current liabilities	21	121.30	139.46
Total Current Liabilities		470.96	610.90
Total Liabilities		511.99	652.68
Total Equity and Liabilities		2,268.99	2,203.16

See accompanying notes forming integral part of the Consolidated Financial Statements

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As per our report of even date attached

 For **B S R & Co. LLP**

Chartered Accountants

Firm Registration No: 101248W/W -100022

Swapnil Dakshindas

Partner

Membership No: 113896

For and on behalf of the Board

S Ramadorai

Chairman

DIN: 00000002

J.K. Gupta

Chief Financial Officer

Warren Harris

Managing Director

DIN: 02098548

Vikrant Gandhi

Company Secretary

Mumbai, May 07, 2019

Mumbai, May 07, 2019

Consolidated Statement of Profit and Loss

(Amount in ₹ Crore)

	Note No	For the year ended	
		March 31, 2019	March 31, 2018
I. Revenue from operations	22	2,942.21	2,691.48
II. Other income	23	42.23	85.67
III. Total Revenue (I + II)		2,984.44	2,777.15
IV. Expenses :			
(a) Purchases of traded products	24	344.66	336.41
(b) Outsourcing and consultancy charges		370.67	389.37
(c) Employee benefits expense	25	1,390.09	1,323.25
(d) Finance costs	26	1.29	4.70
(e) Depreciation and amortisation expense	27	68.64	71.43
(f) Other expenses	28	331.93	307.13
Total Expenses		2,507.28	2,432.29
V. Profit before Exceptional items and tax (III-IV)		477.16	344.86
VI. Exceptional Items (Net)	29	6.22	8.33
VII. Profit before tax (V - VI)		470.94	336.53
VIII. Tax Expense :			
(a) Current tax		137.17	99.05
(b) Deferred Tax	9	(18.83)	(8.33)
		118.34	90.72
IX. Profit for the year (VII -VIII)		352.60	245.81
X. Other comprehensive income:			
Items that will not be reclassified to profit or loss:			
(i) Remeasurements of post employment benefit obligations		3.12	(3.12)
(ii) Income tax relating to above item		(1.09)	1.08
Items that may be reclassified to profit or loss:			
Exchange differences on translation of foreign operations		7.32	98.70
XI. Other comprehensive income for the year		9.35	96.66
XII. Total comprehensive income for the year (IX+XI)		361.95	342.47
XIII. Earnings Per Equity Share(Face value of ₹ 10 each)	32		
Ordinary shares:			
(i) Basic (₹)		83.77	58.39
(ii) Diluted (₹)		83.76	58.37

See accompanying notes forming integral part of the Consolidated Financial Statements 1-42

As per our report of even date attached
For **B S R & Co. LLP**
Chartered Accountants
Firm Registration No: 101248W/W -100022

For and on behalf of the Board

Swapnil Dakshindas
Partner
Membership No: 113896

S Ramadorai
Chairman
DIN: 00000002

Warren Harris
Managing Director
DIN: 02098548

J.K. Gupta
Chief Financial Officer

Vikrant Gandhe
Company Secretary

Mumbai, May 07, 2019

Mumbai, May 07, 2019

Consolidated Statement of Cash Flows

(Amount in ₹ Crore)

	For the year ended	
	March 31, 2019	March 31, 2018
A. CASH FLOW FROM OPERATING ACTIVITIES		
Profit for the year	352.60	245.81
Depreciation and amortisation	68.64	71.43
Disallowance of TDS abroad	0.22	0.21
Provision for income tax	137.17	99.05
Provision for deferred tax	(18.83)	(8.33)
Dividend income on investments	(0.42)	(0.53)
Profit on sale of investments	-	(0.25)
Loss on sale of tangible and intangible fixed assets	-	0.15
Interest income	(6.18)	(12.64)
Finance cost	1.29	4.70
Unrealised exchange loss / (gain)	7.89	(3.07)
Allowances for expected credit loss (net)	26.86	4.08
Change in fair value of investments	(2.05)	(1.62)
Operating profit before working capital changes	567.19	398.99
Working capital adjustments		
(Increase)/ Decrease in inventories	1.21	(1.23)
(Increase)/ Decrease in trade receivables	(0.46)	(19.84)
(Increase)/ Decrease in other current financial assets	54.41	6.08
(Increase)/ Decrease in other current assets	(28.09)	(57.36)
(Increase)/ Decrease in non-current loans	3.74	(0.34)
(Increase)/ Decrease in current loans	(0.73)	6.16
(Increase)/ Decrease in other non current assets	0.22	(15.81)
(Decrease)/ Increase in trade payables	(28.15)	(5.89)
(Decrease)/ Increase in other financial liabilities non current	(0.51)	(2.05)
(Decrease)/ Increase in other financial liabilities current	(5.81)	(10.58)
(Decrease)/ Increase in other liabilities	(19.29)	41.02
(Decrease)/ Increase in current provisions	0.03	2.32
(Decrease)/ Increase in non-current provisions	3.34	(0.59)
CASH GENERATED FROM OPERATIONS	547.10	340.88
Income taxes paid (net)	(178.09)	(70.77)
NET CASH FLOW GENERATED FROM OPERATING ACTIVITIES	369.01	270.11
B. CASH FLOW FROM INVESTING ACTIVITIES		
Proceeds from sale of tangible and intangible fixed assets	3.80	0.18
Dividend received	0.42	0.42
Interest received on bank deposit and others	2.48	3.40
Other Bank Balances	4.83	87.59
Payment for purchase of tangible and intangible fixed assets	(53.04)	(54.58)
Inter corporate deposits placed	(1,125.25)	(1,269.25)
Inter corporate deposits refunded	1,143.50	1,191.75
Loans to others	(3.43)	-
Interest received from inter corporate deposit/bonds	4.26	10.51
Purchase of mutual funds	-	(139.00)
Sale of mutual funds	-	324.61
Acquisition of Escenda Engineering AB, net of cash	-	(44.48)
NET CASH FLOW (USED IN)/GENERATED FROM INVESTING ACTIVITIES	(22.43)	111.15

Consolidated Statement of Cash Flows

(Amount in ₹ Crore)

	For the year ended	
	March 31, 2019	March 31, 2018
C. CASH FLOW FROM FINANCING ACTIVITIES		
Share application money received pending allotment	0.34	0.40
Payments for purchase of shares	(1.10)	(7.66)
Interest paid	(1.30)	(4.73)
Dividends paid (including dividend tax)	(152.74)	(204.85)
Proceeds from current borrowings	-	304.80
Repayment of current borrowings	(66.07)	(403.89)
Repayment of non-current borrowings	-	(57.70)
NET CASH FLOW (USED IN)/GENERATED FROM FINANCING ACTIVITIES	(220.87)	(373.63)
NET INCREASE IN CASH & CASH EQUIVALENTS	125.71	7.63
Cash & cash equivalents at the close of the year (Refer Note 12) #	372.53	243.79
Cash & cash equivalents at the beginning of the year (Refer Note 12) #	243.79	201.74
Less: Effect of exchange rate changes on cash and cash equivalents	(1.10)	1.87
Add: Translation adjustment on cash & bank balances of foreign subsidiaries	2.49	20.44
Add: Translation adjustment on reserves of foreign subsidiaries	(0.56)	15.85
	125.71	7.63

Notes:

- (a) The above Cash Flow Statement has been prepared under the Indirect method set out in Indian Accounting Standard (Ind AS) 7 on Statement of Cash Flows.
- (b) Prior year comparatives have been reclassified to confirm with current year's presentation, where applicable.
- # (c) For the purpose of cash flow Cash and cash equivalents comprise :

Cash and Cash Equivalents

(Amount in ₹ Crore)

	For the year ended	
	March 31, 2019	March 31, 2018
Cash on hand	0.01	0.04
Cheques, drafts on hand / funds in transit	5.05	3.23
Current account with banks	320.21	210.15
Bank deposits less than 3 months maturity	47.26	30.37
	372.53	243.79

Reconciliation of liabilities arising from financing activities

(Amount in ₹ Crore)

Particulars	31-Mar-18	Cash flows	Foreign Exchange Movement	31-Mar-19
Current borrowings	67.37	(66.07)	(1.30)	-

See accompanying notes forming integral part of the Consolidated Financial Statements

1-42

As per our report of even date attached
For **B S R & Co. LLP**
Chartered Accountants
Firm Registration No: 101248W/W -100022

Swapnil Dakshindas
Partner
Membership No: 113896

Mumbai, May 07, 2019

For and on behalf of the Board

S Ramadorai
Chairman
DIN: 00000002

J.K. Gupta
Chief Financial Officer

Mumbai, May 07, 2019

Warren Harris
Managing Director
DIN: 02098548

Vikrant Gandhe
Company Secretary

Consolidated Statement of Changes in equity

(Amount in ₹ Crore)

Particulars	Part A - Equity Share Capital		Part B - Other Equity					Total Other Equity	
	Equity Share Capital		Reserve and Surplus				Items of Other Comprehensive Income		
		Share Application money Pending Allotment	Securities Premium (Refer Note (i) below)	General reserve	Legal reserve	Surplus Reserve	Retained earnings		Foreign Currency Translation Reserve
Balance as at April 1, 2017	42.10	0.40	299.60	135.07	1.05	-	955.53	(12.71)	1,378.93
Profit for the year	-	-	-	-	-	-	245.81	-	245.81
Other comprehensive income for the year (net of tax)	-	-	-	-	-	-	(2.04)	98.70	96.66
Total comprehensive income for the year	-	-	-	-	-	-	243.77	98.70	342.47
Issue of equity shares under employee share option plan	0.01	(0.40)	0.39	-	-	-	-	-	(0.01)
Dividend paid (₹40 per share) (including dividend tax)	-	-	-	-	-	-	(205.75)	-	(205.75)
Issue of equity shares under employee share option pending allotment	-	0.40	-	-	-	-	-	-	0.40
Shares held by ESOP Trusts pending allotment to eligible employees and premium thereon	(0.01)	-	(7.66)	-	-	-	-	-	(7.66)
Balance as at March 31, 2018	42.10	0.40	292.33	135.07	1.05	-	993.55	85.99	1,508.38
Balance as at April 1, 2018	42.10	0.40	292.33	135.07	1.05	-	993.55	85.99	1,508.38
Profit for the year	-	-	-	-	-	-	352.60	-	352.60
Other comprehensive income for the year (net of tax)	-	-	-	-	-	-	2.03	7.32	9.35
Total comprehensive income for the year	-	-	-	-	-	-	354.63	7.32	361.95
Issue of equity shares under employee share option plan	0.01	(0.40)	0.39	-	-	-	-	-	(0.01)
Dividend paid (₹30 per share) (including dividend tax)	-	-	-	-	-	-	(154.67)	-	(154.67)
Issue of equity shares under employee share option pending allotment	-	0.34	-	-	-	-	-	-	0.34
Transfer to Surplus reserve	-	-	-	-	-	1.59	(1.59)	-	-
Less: Shares held by ESOP Trusts pending allotment to eligible employees	(0.01)	-	(1.10)	-	-	-	-	-	(1.10)
Balance as at March 31, 2019	42.10	0.34	291.62	135.07	1.05	1.59	1,191.92	93.31	1,714.90

(i) The Company has reduced the Share Capital by ₹ 0.01 crore (Previous Year- ₹ 0.01 crore) and Securities Premium Account by ₹ 1.10 crore (Previous Year- ₹ 7.66 crore) for 10,000 shares of ₹ 10 each (Previous Year- 10,000 shares of ₹ 10 each) held by the ESOP Trusts, pending allotment to the eligible employees.

See accompanying notes forming integral part of these standalone financial statements

1-42

As per our report of even date attached
For **B S R & Co. LLP**
Chartered Accountants
Firm Registration No: 101248W/W -100022

For and on behalf of the Board

Swapnil Dakshindas
Partner
Membership No: 113896

S Ramadorai
Chairman
DIN: 00000002

Warren Harris
Managing Director
DIN: 02098548

J.K. Gupta
Chief Financial Officer

Vikrant Gandhe
Company Secretary

Mumbai, May 07, 2019

Mumbai, May 07, 2019

Notes forming part of the Consolidated Financial Statements

Company overview and Significant Accounting Policies

1. COMPANY OVERVIEW

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

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

TTL together with its subsidiaries and joint venture is herein after referred to as the "Group".

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

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

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

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

In April 2017, the Group acquired 100% stake in Escenda Engineering AB, a Sweden based Company.

Tata Technologies Limited is a subsidiary of Tata Motors Limited (which is the holding company).

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

2.1. Basis of Preparation

(i) Statement of compliance

These financial statements comply in all material aspects with Indian Accounting Standards (Ind AS) notified under Section 133 of the Companies Act, 2013 (the Act), Companies (Indian Accounting Standards) Rules, 2015 and other relevant provisions of the Act.

(ii) Historical cost convention

These financial statements are prepared in accordance with Indian Accounting Standards (Ind AS) under the historical cost convention on the accrual basis, except for the following:

- certain financial assets and liabilities (including derivative instruments) which are measured at fair value;
- defined benefit plans - plan assets measured at fair value;
- share- based payments and
- assets and liabilities arising in a business combination

(iii) Current versus non-current classification

All assets and liabilities have been classified as current or non-current as per the Company's operating cycle and other criteria set out in the Schedule III to the Companies Act, 2013. Based on the nature of products and services and their realisation in cash and cash equivalents, the Company has ascertained its operating cycle as 12 months for the purpose of current -non current classification of assets and liabilities.

(iv) Use of estimates

The preparation of the financial statements requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from those estimates. Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimates are revised and in any future periods affected.

Critical accounting estimates:**a) Useful lives of Property, plant and equipment**

The Group reviews the useful life of property, plant and equipment at the end of each reporting period. This reassessment may result in change in depreciation expense in future periods.

b) Impairment of goodwill

Goodwill is tested for impairment at least annually and when events occur or changes in circumstances indicate that the recoverable amount of the cash generating unit is less than its carrying value. The recoverable amount of cash generating units is higher of value-in-use and fair value less cost to sell. The calculation involves use of significant estimates and assumptions which includes turnover and earnings multiples, growth rates and net margins used to calculate projected future cash flows, risk-adjusted discount rate, future economic and market conditions.

c) Business combination

In accounting for business combinations, judgment is required in identifying whether an identifiable intangible asset is to be recorded separately from goodwill. Additionally, estimating the acquisition date fair value of the identifiable assets (including useful life estimates) and liability acquired, and contingent consideration assumed involves management judgment. These measurements are based on information available at the acquisition date and are based on expectations and assumptions that have been deemed reasonable by management. Changes in these judgments, estimates and assumptions can materially affect the results of operations.

d) Income Taxes

The major tax jurisdictions for the Company are India, United Kingdom and the United States of America. Significant judgments are involved in determining the provision for income taxes including judgment on whether tax positions are probable of being sustained in tax assessments. A tax assessment can involve complex issues, which can only be resolved over extended time periods.

e) Deferred Taxes

Deferred tax is recorded on temporary differences between the tax bases of assets and liabilities and their carrying amounts, at the rates that have been enacted or substantively enacted at the reporting date. The ultimate realization of deferred tax assets is dependent upon the generation of future taxable profits during the periods in which those temporary differences and tax loss carryforwards become deductible. The Company considers the expected reversal of deferred tax liabilities and projected future taxable income in making this assessment. The amount of the deferred tax assets considered realizable, however, could be reduced in the near term if estimates of future taxable income during the carry-forward period are reduced.

f) Expected credit losses on financial assets

The impairment provisions of financial assets are based on assumptions about risk of default and expected timing of collection. The Company uses judgment in making these assumptions and selecting the inputs to the impairment calculation, based on the Company's past history, customer's creditworthiness, existing market conditions as well as forward looking estimates at the end of each reporting period.

g) Revenue Recognition and unbilled revenue (to the extent of projects where revenue is recognised on percentage completion method)

The Group uses the percentage of completion method in accounting for its fixed price contracts. Use of the percentage of completion method requires the Group to estimate the efforts or costs expended to date as a proportion of the total efforts or costs to be expended. Efforts or costs expended have been used to measure progress towards completion as there is a direct relationship between input and productivity. Provisions for estimated losses, if any, on uncompleted contracts are recorded in the period in which such losses become probable based on the expected contract estimates at the reporting date.

h) Defined benefit plans and compensated absences

The cost of the defined benefit plans, compensated absences and the present value of the defined benefit obligation are based on actuarial valuation using the projected unit credit method. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases and mortality rates. Due to the complexities involved in the valuation and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

2.2. Basis of consolidation

Subsidiaries

The Company consolidates all entities which are controlled by it.

The Company establishes control when; it has power over the entity, is exposed, or has rights, to variable returns from its involvement with the entity and has the ability to affect the entity's returns by using its power over the entity.

Subsidiaries are consolidated from the date control commences until the date control ceases.

The results of subsidiaries acquired, or sold, during the year are consolidated from the effective date of acquisition and up to the effective date of disposal, as appropriate.

When necessary, adjustments are made to the financial statements of subsidiaries to bring their accounting policies into line with the Group's accounting policies.

All inter-company transactions, balances and income and expenses are eliminated in full on consolidation.

Changes in the Company's interests in subsidiaries that do not result in a loss of control are accounted for as equity transactions. The carrying amount of the Company's interests and the non-controlling interests are adjusted to reflect the changes in their relative interests in the subsidiaries. Any difference between the amount by which the non-controlling interests are adjusted and the fair value of the consideration paid or received is recognised directly in equity and attributed to owners of the Company.

Investment in Joint venture

A joint venture is a joint arrangement whereby the parties that have joint control of the arrangement have rights to the net assets of the arrangement. The results, assets and liabilities of a joint venture are incorporated in these financial statements using the equity method of accounting as described below.

Equity method of accounting

An interest in a joint venture is accounted for using the equity method from the date in which the investee becomes a joint venture and is recognized initially at cost. The consolidated financial statements include the Company's share of profits or losses and equity movements of equity accounted investees, from the date joint control commences until the date joint control ceases. When the Company's share of losses exceeds its interest in an equity accounted investee, the carrying amount of that interest (including any long-term investments in the nature of net investments) is reduced to nil and the recognition of further losses is discontinued except to the extent that the Company has an obligation or has made payments on behalf of the investee.

When the Company transacts with a joint venture of the Company, unrealized profits and losses are eliminated to the extent of the Company's interest in its joint venture.

Treasury Shares:

When any entity within the Group (Tata Technologies Limited and its subsidiaries) purchases the Company's ordinary shares, the consideration paid including any directly attributable incremental cost is presented as a deduction from total equity, until they are cancelled, sold or reissued. When treasury shares are sold or reissued subsequently, the amount received is recognized as an increase in equity, and the resulting surplus or deficit on the transaction is transferred to/from share premium.

2.3. Foreign currency transaction and translation

(i) Functional and presentation currency:

Items included in the financial statements are measured using the currency of the primary economic environment in which the entity operates ('the functional currency'). The financial statements are presented in Indian rupee (INR), which is the Company's functional and presentation currency.

(ii) Transactions and balances

Transactions in foreign currency are translated into the functional currency using the exchange rates prevailing at the date of the transaction. Foreign-currency denominated monetary assets and liabilities are re-instated into the functional currency at exchange rates at the balance sheet date. The gains or losses resulting from such translations are included in the statement of profit and loss. Non-monetary assets and non-monetary liabilities denominated in a foreign currency and measured at fair value are translated at the exchange rate prevalent at the date when the fair value was determined. Non-monetary assets and non-monetary liabilities denominated in a foreign currency and measured at historical cost are translated at the exchange rate prevalent at the date of transaction.

On March 28, 2018, the Ministry of Corporate Affairs ('the MCA') notified the Companies (Indian Accounting Standards) Amendment Rules, 2018 containing Appendix B to Ind AS 21, Foreign currency transactions and advance consideration which clarifies the date of the transaction for the purpose of determining the exchange rate to use on initial recognition of the related asset, expense or income, when an entity has received or paid advance consideration in a foreign currency.

The amendment will come into force from April 1, 2018. The Company has evaluated the effect of this on the financial statements and the impact of is not material.

(iii) Foreign operations

The results and financial position of foreign operations (none of which has the currency of a hyperinflationary economy) that have a functional currency different from the presentation currency are translated into presentation currency as follows:

- Assets and liabilities are translated at the closing rate at the date of the Balance Sheet
- Income and expense items are translated at the average exchange rates for the respective months (unless this is not a reasonable approximation of the cumulative effect of the rates prevailing on the transaction dates, in which case income and expenses are translated at the dates of the transactions).
- All resulting exchange differences are recognized in other comprehensive income and held in foreign currency translation reserve (FCTR), a component of equity. When a foreign operation is disposed of, the relevant amount recognized in FCTR is transferred to the statement of income as part of the profit or loss on disposal.

2.4. Revenue recognition

The Group earns revenue primarily from providing Engineering, Research and Development (ER&D) services, Connected Enterprise IT (CEIT) services and Product Lifecycle Management (PLM) services and products.

Effective April 1, 2018, the Group has applied Ind AS 115 which establishes a comprehensive framework for determining whether, how much and when revenue is to be recognized. Ind AS 115 replaces Ind AS 18 Revenue and Ind AS 11 Construction Contracts.

The standard permits two possible methods of transition:

- Retrospective approach – Under this approach the standard is applied retrospectively to each prior reporting period presented in accordance with Ind AS 8, Accounting Policies, Changes in Accounting Estimates and Errors.
- Retrospectively with cumulative effect of initially applying the standard recognized at the date of initial application (Cumulative catch-up approach)

The Group has adopted Ind AS 115 using the cumulative effect method. The effect of initially applying this standard is recognized at the date of initial application (i.e. April 1, 2018). The standard is applied retrospectively only to contracts that are not completed as at the date of initial application and the comparative information in the statement of profit and loss is not restated – i.e. the comparative information continues to be reported under Ind AS 18 and Ind AS 11. The adoption of the standard did not have any material impact to the financial statements of the Group.

Revenue is recognized upon transfer of control of promised products or services to customers in an amount that reflects the consideration which the Group expects to receive in exchange for those products or services.

- Revenue from time and material contracts is recognized and measured by units delivered, efforts expended etc.
- Revenue related to fixed price maintenance and support services contracts where the Group is standing ready to provide services is recognized based on time elapsed mode and revenue is straight lined over the period of performance.
- In respect of other fixed-price contracts, revenue is recognized using percentage-of-completion method ('POC method') of accounting with contract cost incurred determining the degree of completion of the performance obligation.
- Revenue from the sale of internally developed software and third-party is recognized upfront at the point in time when the software is delivered to the customer. In cases where implementation and / or customization services rendered significantly modifies or customizes the software, these services and software are accounted for as a single performance obligation and revenue is recognized over time on a POC method.
- Revenue from the sale of third party manufactured products / hardware is recognized at the point in time when control is transferred to the customer.
- The Group is also in business of supply of third-party software. In such cases, revenue for supply of such third-party products are recorded at gross or net basis depending on whether the Group is acting as the principal or as an agent of the customer. The Group recognizes revenue in the gross amount of consideration when it is acting as a principal and at net amount of consideration when it is acting as an agent.

Revenue is measured based on the transaction price, which is the consideration, adjusted for volume discounts, service level credits, performance bonuses, price concessions and incentives, if any, as specified in the contract with the customer. Revenue also excludes taxes collected from customers.

Contract assets are recognized when there is excess of revenue earned over billings on contracts. Contract assets are classified as unbilled receivables (only act of invoicing is pending) when there is unconditional right to receive cash, and only passage of time is required, as per contractual terms.

Unearned and deferred revenue ("contract liability") is recognized when there are billings in excess of revenues.

In accordance with Ind AS 37, the Group recognizes an onerous contract provision when the unavoidable costs of meeting the obligations under a contract exceed the economic benefits to be received.

Contracts are subject to modification to account for changes in contract specification and requirements. The Group reviews modification to contract in conjunction with the original contract, basis which the transaction price could be allocated to a new performance obligation, or transaction price of an existing obligation could undergo a change. In the event transaction price is revised for existing obligation a cumulative adjustment is accounted for.

Use of significant judgements in revenue recognition

- The Group's contracts with customers could include promises to transfer multiple products and services to a customer. The Group assesses the products / services promised in a contract and identifies distinct performance obligations in the contract. Identification of distinct performance obligation involves judgement to determine the deliverables and the ability of the customer to benefit independently from such deliverables.
- Judgement is also required to determine the transaction price for the contract. The transaction price could be either a fixed amount of customer consideration or variable consideration with elements such as volume discounts, service level credits, performance bonuses, price concessions and incentives. The transaction price is also adjusted for the effects of the time value of money if the contract includes a significant financing component. Any consideration payable to the customer is adjusted to the transaction price, unless it is a payment for a distinct product or service from the customer. The estimated amount of variable consideration is adjusted in the transaction price only to the extent that it is highly probable that a significant reversal in the amount of cumulative revenue recognized will not occur and is reassessed at the end of each reporting period. The Group allocates the elements of variable considerations to all the performance obligations of the contract unless there is observable evidence that they pertain to one or more distinct performance obligations.
- The Group uses judgement to determine an appropriate standalone selling price for a performance obligation. The Group allocates the transaction price to each performance obligation on the basis of the relative stand-alone selling price of each distinct product or service promised in the contract. Where standalone selling price is not observable, the Group uses the expected cost-plus margin approach to allocate the transaction price to each distinct performance obligation.
- The Group exercises judgement in determining whether the performance obligation is satisfied at a point in time or over a period of time. The Group considers indicators such as how customer consumes benefits as services are rendered or who controls the asset as it is being created or existence of enforceable right to payment for performance to date and alternate use of such product or service, transfer of significant risks and rewards to the customer, acceptance of delivery by the customer, etc.
- Contract fulfilment costs are generally expensed as incurred except where they meet the criteria for capitalization. The assessment of this criteria requires the application of judgement, in particular when considering if costs generate or enhance resources to be used to satisfy future performance obligations and whether costs are expected to be recovered.

2.5. Property, plant and equipment

(i) Recognition and measurement:

Property, plant and equipment are stated at cost, less accumulated depreciation and impairment, if any. Cost includes expenditures directly attributable to the acquisition of the asset. General and specific borrowing costs directly attributable to the construction of a qualifying asset are capitalized as part of the cost. Costs directly attributable to acquisition are capitalized until the property, plant and equipment are ready for use, as intended by management.

When parts of an item of property, plant and equipment have different useful lives, they are accounted for as separate items (major components) of property, plant and equipment. Subsequent expenditure relating to property, plant and equipment is capitalized only when it is probable that future economic benefits associated with these will flow to the Company and the cost of the item can be measured reliably.

The carrying amount of any component accounted for as a separate asset is derecognised when discarded/scrapped.

All other repairs and maintenance costs are charged to profit and loss in the reporting period in which they occur.

Deposits and advances paid towards the acquisition of property, plant and equipment outstanding as of each reporting date and the cost of property, plant and equipment not available for use before such date are disclosed under capital work-in-progress.

As asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

(ii) Depreciation:

The Company depreciates property, plant and equipment over their estimated useful lives using the straight-line method. The estimated useful lives of assets are as follows:

Type of Asset	Useful life
Lease hold improvements	Lower of Lease period or estimated useful life
Buildings	15 to 25 years
Plant and machinery	1 to 21 years
Computer equipment's	1 to 4 years
Vehicles	3 to 11 years
Furniture & fixtures	1 to 21 years
Software	1 to 4 years

Depreciation methods, useful lives and residual values are reviewed periodically, including at each financial year end with the effect of any changes in the estimate accounted for on a prospective basis.

Assets held under finance leases are depreciated over their expected useful lives on the same basis as owned assets or, where shorter, the term of relevant lease.

2.6. Intangible assets

Intangible assets are stated at cost less accumulated amortization and impairment, if any. Intangible assets are amortized over their respective individual estimated useful lives on a straight-line basis, from the date that they are available for use. Amortization methods and useful lives are reviewed periodically including at each financial year end.

Internally generated intangible asset arising from development activity is recognised at cost on demonstration of its technical feasibility, the intention and ability of the Company to complete, use or sell it, only if, it is probable that the asset would generate future economic benefit and the expenditure attributable to the said assets during its development can be measured reliably.

Software not exceeding ₹ 25,000 is charged off to the statement of profit and loss.

2.7. Business combination

The Company accounts for its business combinations under acquisition method of accounting under the provisions of IND AS 103, Business Combinations. Acquisition related costs are recognised in profit or loss as incurred. The acquiree's identifiable assets, liabilities and contingent liabilities that meet the condition for recognition are recognised at their fair values at the acquisition date.

Purchase consideration paid in excess of the fair value of net assets acquired is recognised as goodwill. Where the fair value of identifiable assets and liabilities exceed the cost of acquisition, after reassessing the fair values of the net assets and contingent liabilities, the excess is recognised as capital reserve.

The interest of non-controlling shareholders (if any) is initially measured either at fair value or at the non-controlling interests' proportionate share of the acquiree's identifiable net assets. The choice of measurement basis is made on an acquisition-by-acquisition basis. Subsequent to acquisition, the carrying amount of non-controlling interests is the amount of those interests at initial recognition plus the non-controlling interests' share of subsequent changes in equity of subsidiaries.

Business combinations between entities under common control is accounted for at carrying value.

Transaction costs that the Group incurs in connection with a business combination such as finder's fees, legal fees, due diligence fees, and other professional and consulting fees are expensed as incurred.

2.8. Research and development cost

Research costs are expensed as incurred. Development expenditure incurred on an individual project is recognized as an intangible asset when the Company can demonstrate:

- technical feasibility of completing the intangible asset so that it will be available for use or sale;
- its intention to complete the asset;
- its ability to use or sell the asset;
- how the asset will generate probable future economic benefits and
- the availability of adequate resources to complete the development.

2.9. Financial instruments

(a) Financial assets:

(i) Classification

The Company classifies its financial assets in the following measurement categories:

- those to be measured subsequently at fair value (either through other comprehensive income, or through profit and loss), and
- those measured at amortised cost

The classification depends on the entity's business model for managing the financial assets and the contractual cash flow characteristics.

For investments in debt instruments, this will depend on business model in which the investment is held. For investments in equity instruments, this will depend on whether the company has made an irrevocable election at the time of initial recognition to account for the equity investment at fair value through other comprehensive income.

A financial asset which is not classified in any of the above categories are subsequently fair valued through profit or loss.

(ii) Initial recognition:

All financial assets are recognised initially at fair value plus, in the case of financial assets not recorded at fair value through profit or loss, transaction costs that are attributable to the acquisition of the financial asset.

(iii) Measurement:

Subsequent to initial recognition, non-derivative financial instruments are measured as described below:

Cash and cash equivalents:

The Group's cash and cash equivalents consist of cash on hand and in banks and demand deposits with banks (three months or less from the date of acquisition). For the purposes of the cash flow statement, cash and cash equivalents include cash on hand, in banks and demand deposits with banks (three months or less from the date of acquisition), net of outstanding bank overdrafts that are repayable on demand and are considered part of the Company's cash management system. In the balance sheet, bank overdrafts are presented under borrowings within current liabilities.

Financial assets carried at amortised cost:

A financial asset is subsequently measured at amortised cost if it is held within a business model whose objective is to hold the asset in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Financial assets at fair value through other comprehensive income (FVOCI):

A financial asset is subsequently measured at fair value through other comprehensive income if it is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding. Further, in cases where the Company has made an irrevocable election based on its business model, for its investments which are classified as equity instruments, the subsequent changes in fair value are recognized in other comprehensive income."

Financial assets at fair value through profit or loss (FVTPL):

A financial asset which is not classified in any of the above categories are subsequently fair valued through profit or loss.

(iv) Impairment of financial assets:

The Group assesses at each date of balance sheet whether a financial asset or a group of financial assets is impaired. Ind AS 109 requires expected credit losses to be measured through a loss allowance. In determining the allowances for doubtful trade receivables, the Group has used a practical expedient by computing the expected credit loss allowance for trade receivables based on a provision matrix. The provision matrix takes into account historical credit loss experience and is adjusted for forward looking information. The expected credit loss allowance is based on the ageing of the receivables that are due and rates used in the provision matrix. For all other financial assets, expected credit losses are measured at an amount equal to the 12-month expected credit losses or at an amount equal to the life time expected credit losses if the credit risk on the financial asset has increased significantly since initial recognition.

(v) Derecognition of financial assets:

The Company derecognizes a financial asset when

- the contractual rights to the cash flows from the financial asset expire or it transfers the financial asset and the transfer qualifies for derecognition under IND AS 109.
- retains contractual rights to receive the cash flows of the financial asset but assumes a contractual obligation to pay the cash flows to one or more recipients.

When the entity has neither transferred a financial asset nor retained substantially all risks and rewards of ownership of the financial asset, the financial asset is derecognised if the Company has not retained control of the financial asset. Where the Company retains control of the financial asset, the asset is continued to be recognised to extent of continuing involvement in the financial asset."

(b) Financial liabilities**(i) Initial recognition and measurement**

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss, loans and borrowings, payables, or as derivatives designated as hedging instruments in an effective hedge, as appropriate.

All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.

(ii) Subsequent measurement

The subsequent measurement of financial liabilities depends on their classification, as described below:

Financial liabilities at amortised cost :

Borrowings, trade and other payables are initially recognized at fair value, and subsequently carried at amortized cost using the effective interest method. For these financial instruments, the carrying amounts approximate fair value due to the short term maturity of these instruments.

(iii) Derecognition

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the statement of profit or loss.

(iv) Derivative financial instruments

The Company is exposed to foreign currency fluctuations on foreign currency assets, liabilities, net investment in foreign operations and forecasted cash flows denominated in foreign currency.

The Company limits the effect of foreign exchange rate fluctuations by following established risk management policies including the use of derivatives. The Company enters into derivative financial instruments where the counterparty is primarily a bank.

Although the Company believes that these derivatives constitute hedges from an economic perspective, they may not qualify for hedge accounting under Ind AS 109, Financial Instruments. Any derivative that is either not designated a hedge, or is so designated but is ineffective as per Ind AS 109, is categorized as a financial asset or financial liability, at fair value through profit or loss.

Derivatives not designated as hedges are recognized initially at fair value and attributable transaction costs are recognized in net profit in the statement of profit and loss when incurred. Subsequent to initial recognition, these derivatives are measured at fair value through profit or loss and the resulting exchange gains or losses are included in other income. Assets / liabilities in this category are presented as current assets / current liabilities if they are either held for trading or are expected to be realized within 12 months after the balance sheet date.

2.10. Impairment-Non Financial assets**Intangible assets and property, plant and equipment**

At each balance sheet date, the Company assesses whether there is any indication that any property, plant and equipment and intangible assets with finite lives may be impaired. If any such impairment exists the recoverable amount of an asset is estimated to determine the extent of 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.

Intangible assets with indefinite useful lives and intangible assets not yet available for use, are tested for impairment annually at each balance sheet date, or earlier, if there is an indication that the asset may be impaired.

Recoverable amount is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognized immediately in the income statement.

As at March 31, 2019, none of the Company's property, plant and equipment and intangible assets were considered impaired.

2.11. Provisions and contingent liabilities

A provision is recognised when the Company has a present obligation (legal or constructive) as a result of past event and it is probable that an outflow of resources will be required to settle the obligation, in respect of which the reliable estimate can be made. Provisions (excluding retirement benefits and compensated absences) are determined at present value based on best estimate required to settle the obligation at the balance sheet date. These are reviewed at each balance sheet date adjusted to reflect the current best estimates. Provisions for onerous contracts are recognized when the expected benefits to be derived by the Company from a contract are lower than the unavoidable costs of meeting the future obligations under the contract. Provisions for onerous contracts are measured at the present value of lower of the expected net cost of fulfilling the contract and the expected cost of terminating the contract.

Contingent liabilities are disclosed when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company or a present obligation that arises from past events where it is either not probable that an outflow of resources will be required to settle the obligation or a reliable estimate of the amount cannot be made. Contingent assets are neither recognised nor disclosed in the financial statements.

2.12. Earnings per equity share:

Basic earnings per share is computed using the weighted average number of equity shares outstanding during the year adjusted for treasury shares held. Diluted earnings per share is computed using the weighted average number of shares during the year adjusted for treasury shares held and dilutive potential shares, except where the result would be anti-dilutive.

2.13. Inventories:

Inventories are valued at the lower of cost and net realizable value. Cost of inventories is ascertained on a first in first out basis. Net realizable value is the estimated selling price in the ordinary course of business less estimated cost of completion and selling expenses.

2.14. Taxation

Income tax comprises current and deferred taxes. Income tax expense is recognized in the income statement except when they relate to items that are recognized outside profit or loss (whether in other comprehensive income or directly in equity), in which case tax is also recognized outside profit or loss, or where they arise from the initial accounting for business combination.

(i) Current income tax:

Current income tax for the current and prior periods are measured at the amount expected to be recovered from or paid to the taxation authorities based on the taxable income for the period. The tax rates and tax laws used to compute the current tax amount are those that are enacted or substantively enacted as at the reporting date and applicable for the year. The Company offsets current tax assets and current tax liabilities, where it has a legally enforceable right to set off the recognized amounts and where it intends either to settle on a net basis, or to realize the asset and liability simultaneously.

(ii) Deferred income tax:

Deferred income tax is recognized using the balance sheet approach. Deferred income tax assets and liabilities are recognized for deductible and taxable temporary differences arising between the tax base of assets and liabilities and their carrying amount in financial statements, except when the deferred income tax arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and affects neither accounting nor taxable profits or loss at the time of the transaction.

Deferred income tax assets are recognized to the extent it is probable that taxable profit will be available against which the deductible temporary differences and the carry forward of unused tax credits and unused tax losses can be utilized.

Deferred income tax liabilities are recognized for all taxable temporary differences except in respect of taxable temporary differences associated with investments in subsidiaries, associates and foreign branches where the timing of the reversal of the temporary difference can be controlled and it is probable that the temporary difference will not reverse in the foreseeable future.

The carrying amount of deferred income tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred income tax asset to be utilized. Deferred income tax assets and liabilities are measured at the tax rates that are expected to apply in the period when the asset is realized or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date.

The Company offsets deferred income tax assets and liabilities, where it has a legally enforceable right to offset current tax assets against current tax liabilities, and they relate to taxes levied by the same taxation authority on either the same taxable entity, or on different taxable entities where there is an intention to settle the current tax liabilities and assets on a net basis or their tax assets and liabilities will be realized simultaneously.

(iii) Minimum Alternate Tax (MAT)

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

2.15. Employee benefits:

(i) Post-employment benefit plans:

The Company participates in various employee benefit plans. Pensions and other post-employment benefits are classified as either defined contribution plans or defined benefit plans. Under a defined contribution plan, the Company's only obligation is to pay a fixed amount with no obligation to pay further contributions if the fund does not hold sufficient assets to pay all employee benefits. The related actuarial and investment risks fall on the employee. The expenditure for defined contribution plans is recognized as an expense during the period when the employee provides service. Under a defined benefit plan, it is the Company's obligation to provide agreed benefits to the employees. The related actuarial and investment risks fall on the Company. The present value of the defined benefit obligations is calculated by an independent actuary using the projected unit credit method.

The Company has the following employee benefit plans:

a. Provident fund

In accordance with Indian law, Eligible employees of the Company receive benefits from a provident fund, which is a defined contribution plan. Both, the eligible employee and the Company make monthly contributions to the provident fund plan equal to a specified percentage of the covered employee's salary. The Company contributes a portion to the Tata Technologies (India) Limited Employees Provident Fund (PF Trust). PF Trust invests in specific designated instruments as permitted by Indian law. The remaining portion is contributed to the government administered pension fund. The rate at which the annual interest is payable to the beneficiaries by the PF Trust is being administered by the government. The liability in respect of the shortfall of interest earnings of the Fund is determined on the basis of an actuarial valuation. The liability toward interest is a defined benefit. There is no shortfall as at March 31, 2019.

b. Superannuation

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

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

Re-measurements, comprising actuarial gains and losses, the effect of changes to asset ceiling (if applicable) and the return on plan assets (excluding net interest), is recognized in other comprehensive income in the period in which they occur. Re-measurements recognized in other comprehensive income is reflected immediately in retained earnings and is not reclassified to profit or loss. Past service cost is recognized in the Statement of Profit or Loss in the period of plan amendment.

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

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

c. Gratuity

The Company has an obligation towards gratuity, a defined benefit retirement plan covering eligible employees. The plan provides for a lump-sum payment to vested employees at retirement, death while in employment or on termination of employment of an amount equivalent to 15 to 30 days salary payable for each completed year of service. Vesting occurs upon completion of five years of service. The Company makes annual contributions to gratuity funds established as trusts. The Company account for the liability for gratuity benefits payable in the future based on an estimated basis for the period end and on an independent actuarial valuation under Projected Unit Cost method as on the Balance Sheet date.

Re-measurements, comprising actuarial gains and losses, the effect of changes to asset ceiling (if applicable) and the return on plan assets (excluding net interest), is recognized in other comprehensive income in the period in which they occur. Re-measurements recognized in other comprehensive income is reflected immediately in retained earnings and is not reclassified to profit or loss. Past service cost is recognized in the Statement of Profit or Loss in the period of plan amendment.

Costs comprising service cost (including current and past service cost and gains and losses on curtailments and settlements) and net interest expense or income is recognized in profit or loss.

The obligation recognized in the balance sheet represents the actual deficit or surplus in the Company's defined benefit plans. Any surplus resulting from this calculation is limited to the present value of any economic benefits available in the form of refunds from the plans or reductions in future contributions to the plans.

The obligations are presented as current liabilities in the balance sheet if the entity does not have an unconditional right to defer settlement for at least twelve months after the reporting period, regardless of when the actual settlement is expected to occur.

d. Bhavishya Kalyan Yojana (BKY)

Bhavishya Kalyan Yojana is an unfunded defined benefit plan for employees of the Company. The benefits of the plan include pension in certain cases, payable up to the date of normal superannuation had the employee been in service, to an eligible employee at the time of death or permanent disablement, while in service, either as a result of an injury or as certified by the appropriate authority. The monthly payment to dependents of the deceased / disabled employee under the plan equals 50% of the basic salary drawn at the time of death or accident or a specified amount, whichever is greater. The Company account for the liability for BKY benefits payable in the future based on an estimated basis for the period end and on an independent actuarial valuation under Projected Unit Cost method as on the Balance Sheet date.

Re-measurements, comprising actuarial gains and losses, the effect of changes to asset ceiling (if applicable) and the return on plan assets (excluding net interest), is recognized in other comprehensive income in the period in which they occur. Re-measurements recognized in other comprehensive income is reflected immediately in retained earnings and is not reclassified to profit or loss. Past service cost is recognized in the Statement of Profit or Loss in the period of plan amendment.

Costs comprising service cost (including current and past service cost and gains and losses on curtailments and settlements) and net interest expense or income is recognized in profit or loss.

The obligation recognized in the balance sheet represents the actual deficit or surplus in the Company's defined benefit plans. Any surplus resulting from this calculation is limited to the present value of any economic benefits available in the form of refunds from the plans or reductions in future contributions to the plans.

The obligations are presented as current liabilities in the balance sheet if the entity does not have an unconditional right to defer settlement for at least twelve months after the reporting period, regardless of when the actual settlement is expected to occur.

e. Post-retirement medicare scheme

Under this unfunded scheme, employees of the Company receive medical benefits subject to certain limits on amounts of benefits, periods after retirement and types of benefits, depending on their grade and location at the time of retirement. Employees separated from the Company as part of an Early Separation Scheme, on medical grounds or due to permanent disablement are also covered under the scheme. The Company account for the liability for post-retirement medical scheme based on an estimated basis for the period end and on an independent actuarial valuation under Projected Unit Cost method at the year end.

Re-measurements, comprising actuarial gains and losses, the effect of changes to asset ceiling (if applicable) and the return on plan assets (excluding net interest), is recognized in other comprehensive income in the period in which they occur. Re-measurements recognized in other comprehensive income is reflected immediately in retained earnings and is not reclassified to profit or loss. Past service cost is recognized in the Statement of Profit or Loss in the period of plan amendment.

Costs comprising service cost (including current and past service cost and gains and losses on curtailments and settlements) and net interest expense or income is recognized in profit or loss.

The obligation recognized in the balance sheet represents the actual deficit or surplus in the Company's defined benefit plans. Any surplus resulting from this calculation is limited to the present value of any economic benefits available in the form of refunds from the plans or reductions in future contributions to the plans.

The obligations are presented as current liabilities in the balance sheet if the entity does not have an unconditional right to defer settlement for at least twelve months after the reporting period, regardless of when the actual settlement is expected to occur.

(ii) Compensated absences

The Company provides for the encashment of leave or leave with pay subject to certain rules. The employees are entitled to accumulate leave subject to certain limits, for future encashment. The liability is provided based on number of days of unutilized leave at each balance sheet date based on an estimated basis for the period end and on an independent actuarial valuation under Projected Unit Cost method at the year end.

2.16.Share based payments

Share-based compensation benefits are provided to the employees via the Employee Stock Option Plan 2001(TTESOP 2001) and the various Employee Share Purchase Plans. All share based payment schemes of the company are administered through trusts set up by the Company for this purpose.

Equity-settled transactions

The cost of equity-settled transactions is determined by the fair value at the date when the grant is made using an appropriate valuation model. That cost is recognised, together with a corresponding increase in share-based payment (SBP) reserves in equity, over the period in which the performance and/or service conditions are fulfilled in employee benefits expense. The cumulative expense recognised for equity-settled transactions at each reporting date until the vesting date reflects the extent to which the vesting period has expired and the Group's best estimate of the number of equity instruments that will ultimately vest. The statement of profit and loss expense or credit for a period represents the movement in cumulative expense recognised as at the beginning and end of that period and is recognised in employee benefits expense.

Service and non-market performance conditions are not taken into account when determining the grant date fair value of awards, but the likelihood of the conditions being met is assessed as part of the Group's best estimate of the number of equity instruments that will ultimately vest. Market performance conditions are reflected within the grant date fair value. Any other conditions attached to an award, but without an associated service requirement, are considered to be non-vesting conditions. Non-vesting conditions are reflected in the fair value of an award and lead to an immediate expensing of an award unless there are also service and/or performance conditions.

No expense is recognised for awards that do not ultimately vest because non-market performance and/or service conditions have not been met. Where awards include a market or non-vesting condition, the transactions are treated as vested irrespective of whether the market or non-vesting condition is satisfied, provided that all other performance and/or service conditions are satisfied.

The dilutive effect of outstanding options is reflected as additional share dilution in the computation of diluted earnings per share.

Cash-settled transactions

The cost of cash-settled transactions is measured initially at fair value at the grant date. This fair value is expensed over the period until the vesting date with recognition of a corresponding liability. The liability is remeasured to fair value at each reporting date up to, and including the settlement date, with changes in fair value recognised in employee benefits expense

2.17.Dividends

Dividends on shares are recorded as a liability on the date of approval by the shareholders and interim dividends are recorded as a liability on the date of declaration by the Company's Board of Directors as per Ind AS 10.

2.18.Leases

At the inception of a lease, the lease arrangement is classified as either a finance lease or an operating lease, based on the substance of the lease arrangement. The arrangement is, or contains, a lease if fulfilment of the arrangement is dependent on the use of a specific asset or assets and the arrangement conveys a right to use the asset or assets, even if that right is not explicitly specified in an arrangement.

Assets taken on finance lease

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

Assets taken on operating lease

Lease arrangements where the risks and rewards incidental to ownership of an asset substantially vest with the lessor, are recognised as operating lease. Operating lease payments are recognised on a straight line basis over the lease term, unless the lease agreement explicitly states that increase is on account of inflation in the statement of profit and loss.

Deposits provided to lessors: The Company is generally required to pay refundable security deposits in order to obtain property leases from various lessors. Such security deposits are financial assets and are recorded at fair value on initial recognition. The difference between the initial fair value and the refundable amount of the deposit is recognized as a lease prepayment. The initial fair value is estimated as the present value of the refundable amount of security deposit, discounted using the market interest rates for similar instruments.

Subsequent to initial recognition, the security deposit is measured at amortized cost using the effective interest method with the carrying amount increased over the lease period up to the refundable amount. The amount of increase in the carrying amount of deposit is recognized as interest income. The lease prepayment is amortized on a straight line basis over the lease term as lease rental expense.

2.19. Cost recognition

Costs and expenses are recognised when incurred and have been classified according to their nature.

2.20. Exceptional items

The Company considers exceptional items to be those which derive from events or transactions which are significant for separate disclosure by virtue of their size or incidence in order for the user to obtain a proper understanding of the Company's financial performance. These items include, but are not limited to, acquisition costs, impairment charges, reorganisation costs and profits and losses on disposal of subsidiaries and other one off items which meet this definition. To provide a better understanding of the underlying results of the period, exceptional items are reported separately in the Statement of Profit and Loss.

2.21. Recent Accounting Pronouncements

Standards issued but not yet effective

Ministry of Corporate Affairs ("MCA"), through Companies (Indian Accounting Standards) Amendment Rules, 2019 and Companies (Indian Accounting Standards) Second Amendment Rules, has notified the following new and amendments to Ind ASs which the Group has not applied as they are effective from April 1, 2019:

Ind AS 116

The Group is required to adopt Ind AS 116, Leases from 1 April 2019. The Group has assessed the estimated impact that initial application of Ind AS 116 will have on its standalone financial statements, as described below. The actual impacts of adopting the standard on 1 April 2019 may change because:

- the Group has not finalised the testing and assessment of controls over its new IT systems; and
- the new accounting policies are subject to change until the Group presents its first financial statements that include the date of initial application.

Ind AS 116 introduces a single, on-balance sheet lease accounting model for lessees. A lessee recognises a right-of-use asset representing its right to use the underlying asset and a lease liability representing its obligation to make lease payments. There are recognition exemptions for short-term leases and leases of low-value items. Lessor accounting remains similar to the current standard – i.e. lessors continue to classify leases as finance or operating leases. It replaces existing leases guidance, Ind AS 17, Leases.

i. Leases in which the Group is a lessee

The Group will recognise new assets and liabilities for its operating leases of offices, warehouse and factory facilities (see Note 28). The nature of expenses related to those leases will now change because the Group will recognise a depreciation charge for right-of-use assets and interest expense on lease liabilities.

Previously, the Group recognised operating lease expense on a straight-line basis over the term of the lease, and recognised assets and liabilities only to the extent that there was a timing difference between actual lease payments and the expense recognised.

In addition, the Group will no longer recognise provisions for operating leases that it assesses to be onerous as described in Note 2.11. Instead, the Group will include the payments due under the lease in its lease liability and apply Ind AS 36, Impairment of Assets.

No significant impact is expected for the Group's finance leases.

Based on the information currently available, the Group estimates that it will recognise right to use asset of ₹ 291.06 crores and lease liabilities of ₹ 286.72 crores as at 1 April 2019.

ii. Leases in which the Group is a lessor

Based on the information currently available, there are no such lease arrangements.

iii. Transition

The Group plans to apply Ind AS 116 initially on 1 April 2019, using the modified retrospective approach. Therefore, the cumulative effect of adopting Ind AS 116 will be recognised as an adjustment to the opening balance of retained earnings at 1 April 2019, with no restatement of comparative information.

The Group plans to apply the practical expedient to grandfather the definition of a lease on transition. This means that it will apply Ind AS 116 to all contracts entered into before 1 April 2019 and identified as leases in accordance with Ind AS 17.

Ind AS 12 Income taxes (amendments relating to income tax consequences of dividend and uncertainty over income tax treatments)

The amendment relating to income tax consequences of dividend clarify that an entity shall recognise the income tax consequences of dividends in profit or loss, other comprehensive income or equity according to where the entity originally recognised those past transactions or events. The Group does not have any impact from this pronouncement. It is relevant to note that the amendment does not amend situations where the entity pays a tax on dividend which is effectively a portion of dividends paid to taxation authorities on behalf of shareholders. Such amount paid or payable to taxation authorities continues to be charged to equity as part of dividend, in accordance with Ind AS 12.

The amendment to Appendix C of Ind AS 12 specifies that the amendment is to be applied to the determination of taxable profit (tax loss), tax bases, unused tax losses, unused tax credits and tax rates, when there is uncertainty over income tax treatments under Ind AS 12. It outlines the following: (1) the entity has to use judgement, to determine whether each tax treatment should be considered separately or whether some can be considered together. The decision should be based on the approach which provides better predictions of the resolution of the uncertainty (2) the entity is to assume that the taxation authority will have full knowledge of all relevant information while examining any amount (3) entity has to consider the probability of the relevant taxation authority accepting the tax treatment and the determination of taxable profit (tax loss), tax bases, unused tax losses, unused tax credits and tax rates would depend upon the probability. The Group does not expect any significant impact of the amendment on its financial statements.

Ind AS 109 – Prepayment Features with Negative Compensation

The amendments relate to the existing requirements in Ind AS 109 regarding termination rights in order to allow measurement at amortised cost (or, depending on the business model, at fair value through other comprehensive income) even in the case of negative compensation payments. The Group does not have any such instruments and hence no impact on its financial statements from this amendment.

Ind AS 19 – Plan Amendment, Curtailment or Settlement

The amendments clarify that if a plan amendment, curtailment or settlement occurs, it is mandatory that the current service cost and the net interest for the period after the re-measurement are determined using the assumptions used for the remeasurement. In addition, amendments have been included to clarify the effect of a plan amendment, curtailment or settlement on the requirements regarding the asset ceiling. The Group does not expect this amendment to have any significant impact on its financial statements.

Ind AS 23 – Borrowing Costs

The amendments clarify that if any specific borrowing remains outstanding after the related asset is ready for its intended use or sale, that borrowing becomes part of the funds that an entity borrows generally when calculating the capitalisation rate on general borrowings. The Group does not have any such borrowings and hence no impact on its financial statements from this amendment.

Ind AS 28 – Long-term Interests in Associates and Joint Ventures

The amendments clarify that an entity applies Ind AS 109 Financial Instruments, to long-term interests in an associate or joint venture that form part of the net investment in the associate or joint venture but to which the equity method is not applied. The Group has one Joint venture which is accounted for under equity method and hence there is no impact on its financial statements from this amendment.

Ind AS 103 – Business Combinations and Ind AS 111 – Joint Arrangements

The amendments to Ind AS 103 relating to re-measurement clarify that when an entity obtains control of a business that is a joint operation, it re-measures previously held interests in that business. The amendments to Ind AS 111 clarify that when an entity obtains joint control of a business that is a joint operation, the entity does not re-measure previously held interests in that business. The Group will apply the pronouncement if and when it obtains control / joint control of a business that is a joint operation.

Notes forming part of the Consolidated Financial Statements

3. PROPERTY, PLANT AND EQUIPMENT

(Amount in ₹ Crore)

	Owned Assets							Total
	Buildings	Plant & Machinery and Equipments - Owned	Plant & Machinery and Equipments - Leased	Computers	Furniture and fixtures	Vehicles	Leasehold Improvements	
Gross carrying value as of April 1, 2017	17.35	34.00	0.07	82.23	16.42	1.51	23.48	175.06
Additions	0.40	2.05	-	16.06	10.50	1.23	2.81	33.05
Acquisitions through business combinations	-	0.21	-	0.21	0.28	-	0.10	0.80
Currency translation differences	-	2.19	0.02	4.89	0.85	0.01	1.88	9.84
Disposals	-	(0.06)	-	(0.72)	(0.31)	-	(0.80)	(1.89)
Other adjustments*	-	(0.91)	-	0.91	-	-	-	-
Gross carrying value as of March 31, 2018	17.75	37.48	0.09	103.58	27.74	2.75	27.47	216.86
Accumulated depreciation as of April 1, 2017	2.42	4.19	0.04	40.77	5.71	0.77	4.14	58.04
Depreciation for the year	1.28	4.14	-	26.08	3.04	0.48	2.60	37.62
Acquisitions through business combinations	-	0.07	-	0.17	0.14	-	0.03	0.41
Currency translation differences	-	0.15	0.02	1.59	0.79	0.20	0.51	3.26
Accumulated depreciation on disposals	-	(0.05)	-	(0.66)	(0.05)	-	(0.80)	(1.56)
Other adjustments*	-	(0.51)	-	0.51	-	-	-	-
Accumulated depreciation as of March 31, 2018	3.70	7.99	0.06	68.46	9.63	1.45	6.48	97.77
Net carrying value as at March 31, 2018	14.05	29.49	0.03	35.12	18.11	1.30	20.99	119.09
Gross carrying value as of April 1, 2018	17.75	37.48	0.09	103.58	27.74	2.75	27.47	216.86
Additions	0.01	0.58	-	18.12	2.82	0.22	0.26	22.01
Currency translation differences	-	0.05	-	(0.07)	1.00	0.09	0.36	1.43
Disposals	-	-	-	(2.93)	(2.09)	-	-	(5.02)
Other adjustments*#	-	(0.13)	-	(8.56)	-	-	-	(8.69)
Gross carrying value as of March 31, 2019	17.76	37.98	0.09	110.14	29.47	3.06	28.09	226.59
Accumulated depreciation as of April 1, 2018	3.70	7.99	0.06	68.46	9.63	1.45	6.48	97.77
Depreciation for the year	1.28	5.96	-	22.39	4.51	0.67	3.01	37.82
Currency translation differences	-	0.06	-	0.71	0.39	0.16	0.55	1.87
Accumulated depreciation on disposals	-	-	-	(1.46)	(0.98)	(0.03)	-	(2.47)
Other adjustments*#	-	(0.03)	-	(8.17)	-	-	-	(8.20)
Accumulated depreciation as of March 31, 2019	4.98	13.98	0.06	81.93	13.55	2.25	10.04	126.79
Net carrying value as at March 31, 2019	12.78	24.00	0.03	28.21	15.92	0.81	18.05	99.80

* Assets regrouped during the year

Assets regrouped from Computers to Finance Lease Receivable (Gross Block ₹ 8.49 Crore and Accumulated Depreciation ₹ 8.01 Crore)

(i). Contractual obligations: The estimated amount of contracts remaining to be executed on capital account, and not provided for is ₹ 11.10 Crore as at March 31, 2019 (₹ 4.55 Crore as at March 31, 2018).

Notes forming part of the Consolidated Financial Statements
3. (ii). Leases

The Company has taken building, plant and equipment and computers under operating lease. The following is the summary of future minimum lease rental payments under non-cancellable operating leases entered into by the Company:

(Amount in ₹ Crore)

Particulars	As at March 31, 2019			As at March 31, 2018		
	Operating	Finance		Operating	Finance	
	Minimum Lease Payments	Minimum Lease Payments	Present value of minimum lease payments	Minimum Lease Payments	Minimum Lease Payments	Present value of minimum lease payments
Not later than one year	29.32	0.70	0.61	34.90	-	-
Later than one year but not later than five years	74.01	0.88	0.81	71.10	-	-
Later than five years	114.89	-	-	99.67	-	-
Total minimum lease commitments	218.22	1.58	1.42	205.67	-	-
Less: future finance charges	-	0.16	-	-	-	-
Present value of minimum lease payments	218.22	1.42	1.42	205.67	-	-

Total operating lease rent expenses were ₹ 49.66 crore for the year ended March 31, 2019; ₹ 49.94 crore for the year ended March 31, 2018.

4. GOODWILL
4. (i). Goodwill Movement

(Amount in ₹ Crore)

	As at March 31, 2019	As at March 31, 2018
As at the beginning of the year	656.20	580.00
Goodwill on acquisition of Escenda Holding AB (formerly known as Tescab Holding AB) (Refer Note 39 (a))	-	20.54
Translation difference	5.82	55.66
Balance as at the end of the year	662.02	656.20

4. (ii). Goodwill Impairment

As at March 31, 2019, goodwill of ₹ 662.02 crore (₹ 656.20 crore as at March 31, 2018) has been allocated to a single cash generating unit – information technology services. The recoverable amount of the cash generating unit, as at March 31, 2019, has been determined based on fair value less cost to sell. Fair value has been determined based on capitalization of operating earnings before interest, tax, depreciation and amortization (operating EBITDA) after considering profits from normal business operations and adjustments for non-recurring/non-operating income/expenses, if any. The capitalization factor is the EV/EBITDA multiple of comparable companies, adjusted for specific factors such as product and customer concentration, historical revenue, EBITDA growth etc. The management believes that any reasonably possible change in the key assumptions would not cause the carrying amount to exceed the recoverable amount of the cash generating unit.

Notes forming part of the Consolidated Financial Statements

5. OTHER INTANGIBLE ASSETS (Other than internally generated)

(Amount in ₹ Crore)

	Copyrights	Software Licenses	Customer Relationship	Total
Gross carrying value as of April 1, 2017	1.40	124.86	-	126.26
Additions	0.07	19.95	-	20.02
Acquisitions through business combinations	-	0.90	22.31	23.21
Currency translation differences	0.01	2.43	1.92	4.36
Disposal	-	(0.09)	-	(0.09)
Gross carrying value as of March 31 2018	1.48	148.05	24.23	173.76
Accumulated amortisation as of April 1, 2017	0.27	59.84	-	60.11
Amortization for the year	0.16	32.23	1.42	33.81
Acquisitions through business combinations	-	0.46	-	0.46
Currency translation differences	0.01	1.74	0.40	2.15
Accumulated amortisation on disposals	-	(0.09)	-	(0.09)
Accumulated amortisation as of March 31, 2018	0.44	94.18	1.82	96.44
Net carrying value as of March 31 2018	1.04	53.87	22.41	77.32
Gross carrying value as of April 1, 2018	1.48	148.05	24.23	173.76
Additions	0.43	14.06	-	14.49
Currency translation differences	0.18	1.42	(1.17)	0.43
Disposal	(2.09)	(0.07)	-	(2.16)
Other adjustments*#	-	(56.93)	-	(56.93)
Gross carrying value as of March 31, 2019	-	106.53	23.06	129.59
Accumulated amortisation as of April 1, 2018	0.44	94.18	1.82	96.44
Amortization for the period	0.17	28.23	2.42	30.82
Currency translation differences	0.24	1.30	(0.20)	1.34
Accumulated amortisation on disposals	(0.85)	(0.06)	-	(0.91)
Other adjustments*#	-	(55.33)	-	(55.33)
Accumulated amortisation as of March 31, 2019	-	68.32	4.04	72.36
Net carrying value as of March 31, 2019	-	38.21	19.02	57.23

* Assets regrouped during the year

Assets regrouped from Intangible assets to Finance Lease Receivable (Gross Block ₹ 57.13 Crore and Accumulated Depreciation ₹ 55.53 Crore)

(i). **Details of Intangible assets under development are as under:**

	As at March 31, 2019	As at March 31, 2018
Balance at the beginning of the year		
Additions during the year	12.54	7.43
Capitalized during the year	22.71	24.11
Balance at the end of the year	(14.49)	(19.00)
	20.76	12.54

(ii). Contractual obligation : The estimated amount of contracts remaining to be executed on capital account, and not provided for is ₹ 10.65 Crore as at March 31, 2019 (₹ 8.67 Crore as at March 31, 2018).

Notes forming part of the Consolidated Financial Statements
6. INVESTMENT IN JOINT VENTURE
Joint ventures:

(i). Details of the Company's joint venture as at March 31, 2019 are as follows:

Name of joint venture	Principal place of the business	% of holding	
		As at March 31, 2019	As at March 31, 2018
TATA HAL Technologies Ltd (THTL)	India	50%	50%

The Company has a joint venture with Hindustan Aeronautics Ltd., TATA HAL Technologies Ltd (THTL) for providing engineering and design solutions and services in the domain of aerostructures for aerospace industry. The summarized financial information in respect of THTL that is accounted for using the equity method is set forth below.

(ii). Summarised financial information of the company in respect of the the Company's joint venture is set out below:

(Amount in ₹ Crore)

	As at March 31, 2019	As at March 31, 2018
Current assets	4.13	2.42
Non-current assets	0.88	0.89
Current liabilities	4.15	2.70
Non-current liabilities	0.28	0.37
The above amounts of assets and liabilities include the following:		
Cash and cash equivalents	0.36	0.84
Non-current financial liabilities	-	-
Share of net assets of joint venture	0.29	0.12
Less: Additional loss provision on an estimated basis	-	-
Carrying amount of the Company's interest in joint venture	-	-

(Amount in ₹ Crore)

	Year ended March 31, 2019	Year ended March 31, 2018
Revenue	5.53	5.84
Net income/(loss)	0.26	(1.43)
Other comprehensive income	0.08	(0.01)
Total comprehensive income for the year	0.34	(1.44)
The above net income includes the following:		
Depreciation and amortization	(0.04)	(0.12)
Interest income	0.07	0.04
Interest expense	(0.30)	(0.23)
Total	(0.26)	(0.31)

(iii). Reconciliation of above summarized financial information to the carrying amount of the interest in the joint venture recognized in the consolidated financial statements:

(Amount in ₹ Crore)

	As at March 31, 2019	As at March 31, 2018
Net assets of the joint venture	0.58	0.24
Proportion of the Company's interest in joint venture	0.29	0.12
Carrying amount of the Company's interest in joint venture	0.29	0.12

Notes forming part of the Consolidated Financial Statements

(Amount in ₹ Crore)

	Year ended March 31, 2019	Year ended March 31, 2018
Summary of Company's share of profit/(loss) in equity accounted investees:	0.13	(0.71)

(iv). Having regard to the future business strategy/plans of the joint venture and considering their current financial position, the Company recognized a provision for impairment loss of ₹ 0.84 crores during the year ended March 31, 2017, in respect of its investment in joint venture.

Aggregate book value of unquoted investments	5.07	5.07
Aggregate value of impairment	5.07	5.07

7. INVESTMENTS

(Amount in ₹ Crore)

	As at March 31, 2019		As at March 31, 2018	
	Units	Amount	Units	Amount
NON-CURRENT				
Quoted:				
i) Investment carried at Fair value through Profit and Loss (FVTPL)				
Investment in Mutual funds				
ICICI Prudential Fixed Maturity Plan Sr 80-1227 Days Plan Q Direct Plan Cumulative	5,000,000	5.79	5,000,000	5.37
Reliance Fixed Horizon Fund - XXXIII - Series 6- Direct Growth Plan	5,000,000	5.77	5,000,000	5.36
DSP BlackRock FMP - Series 205 - 37M- Direct Growth	5,000,000	5.77	5,000,000	5.36
IDFC Fixed Term Plan Series 131-Direct- Growth	5,000,000	5.75	5,000,000	5.35
Kotak FMP Series 202 - 1144 Days- Direct Plan-Growth	5,000,000	5.75	5,000,000	5.35
Total		28.83		26.79
ii) Investments carried at amortised cost - Investment in Debentures (See Note-1 below)				
Tata Motors Finance Limited	100	5.00	100	5.00
		5.00		5.00
Unquoted:				
i) Investments carried at amortised cost - Investment in Preference Shares (See Note-2 below)				
Tata Capital Limited	-	-	33,333	5.00
Total		0.00		5.00
Total Non-current Investments		33.83		36.79
CURRENT				
Unquoted:				
i) Investments carried at amortised cost - Investment in Preference Shares (See Note-2 below)				
Tata Capital Limited	33,333	5.00	-	-
Total Current Investments		5.00		-
Aggregate book value of quoted investments		33.83		31.79
Aggregate market value of quoted investments		33.83		31.79
Aggregate book value of unquoted investments		5.00		5.00
Aggregate book value of impairment		-		-

Notes:

- The debentures carry interest at 11% per annum payable annually and mature in September, 2021.
- The Preference shares bears dividend at 12.5% per annum payable annually and mature in September, 2019.

Notes forming part of the Consolidated Financial Statements
8. LOANS

(Amount in ₹ Crore)

	As at March 31, 2019	As at March 31, 2018
NON-CURRENT		
(Unsecured, considered good)		
(a) Security deposits	5.53	6.38
(b) Loans to employees	0.93	4.67
(c) Loans to others	3.43	-
Total	9.89	11.05
CURRENT		
(Unsecured, considered good)		
(a) Loans to related parties (Refer Note 38 (b))		
- Inter corporate deposits	59.25	77.50
(b) Security deposits	1.79	0.32
(c) Loans to employees	8.11	8.58
Total	69.15	86.40

9. (i). Income tax assets/(liabilities)

(Amount in ₹ Crore)

	As at March 31, 2019	As at March 31, 2018
Non-current Income Tax Assets (Net)	13.29	9.32
Current Income Tax Assets (Net)	45.41	31.05
Income Tax Liabilities (Net)	25.50	49.37
Net income tax assets /(liability)	33.20	(9.00)

9. (ii). Movement in income tax assets/(liabilities)

The gross movement in income tax assets/(liabilities) for the year ended March 31, 2019 and March 31, 2018 is as follows:

(Amount in ₹ Crore)

	As at March 31, 2019	As at March 31, 2018
Net Current Income Tax Assets /(Liability) at beginning	(9.00)	3.53
Income Tax Paid (Net)	179.37	86.52
Current Income Tax Expense	(137.17)	(99.05)
Net Income Tax Assets /(Liability) at the end	33.20	(9.00)

9. (iii). DEFERRED TAX ASSETS (NET)

(Amount in ₹ Crore)

Significant components and movements in deferred tax assets and liabilities for the year ended March 31, 2019:	As of April 1, 2018	Recognized in statement of profit and loss	Recognized in/reclassified from other comprehensive income	MAT Credit Utilisation	Acquisition of subsidiary	Currency Translation impact	As of March 31, 2019
Deferred tax assets:							
Depreciation carry forwards	2.44	0.46	-	-	-	(0.02)	2.88
Business loss carry forwards	-	2.36	-	-	-	(0.08)	2.28
Expenses deductible in future years	2.13	-	-	-	-	-	2.13
Provisions, allowances for doubtful receivables and others	2.13	(0.01)	-	-	-	(0.10)	2.02
Compensated absences and retirement benefits	13.24	4.83	-	-	-	-	18.07
Minimum alternate tax (MAT) Credit	3.78	-	-	-	-	-	3.78

Notes forming part of the Consolidated Financial Statements

(Amount in ₹ Crore)

Significant components and movements in deferred tax assets and liabilities for the year ended March 31, 2019:	As of April 1, 2018	Recognized in statement of profit and loss	Recognized in/reclassified from other comprehensive income	MAT Credit Utilisation	Acquisition of subsidiary	Currency Translation impact	As of March 31, 2019
Remeasurements of post employment benefit obligations	1.56	1.27	(1.09)	-	-	-	1.74
Others	1.60	6.38	-	-	-	0.06	8.04
Total deferred tax assets	26.88	15.29	(1.09)	-	-	(0.14)	40.94
Deferred tax liabilities:							
Property, plant and equipment and Intangible assets	5.61	(4.00)	-	-	-	-	1.61
Amortisation of Customer intangibles	4.85	(0.52)	-	-	-	(0.26)	4.07
Gain/Loss on Change in Fair Value of Investments (MTM on Investments)	0.62	0.72	-	-	-	-	1.34
Derivative financial instruments	(0.38)	0.40	-	-	-	-	0.02
Others	3.40	(0.14)	-	-	-	(0.02)	3.24
Total deferred tax liabilities	14.10	(3.54)	-	-	-	(0.28)	10.28
Net assets/(liabilities)	12.78	18.83	(1.09)	-	-	0.14	30.66

(Amount in ₹ Crore)

Movement in deferred tax assets and liabilities for the year ended March 31, 2018:	As of April 1, 2017	Recognized in statement of profit and loss	Recognized in/reclassified from other comprehensive income	MAT Credit Utilisation	Acquisition of subsidiary	Currency Translation impact	As of March 31, 2018
Deferred tax assets:							
Depreciation carry forwards	3.45	(1.04)	-	-	-	0.03	2.44
Expenses deductible in future years	2.13	-	-	-	-	-	2.13
Provisions, allowances for doubtful receivables and others	1.01	1.08	-	-	-	0.04	2.13
Compensated absences and retirement benefits	7.92	3.94	1.08	-	-	0.30	13.24
Minimum alternate tax carry-forward	22.28	-	-	(18.50)	-	-	3.78
Remeasurements of post employment benefit obligations	1.56	-	-	-	-	-	1.56
Others	2.18	(0.58)	-	-	-	-	1.60
Total deferred tax assets	40.53	3.40	1.08	(18.50)	-	0.37	26.88
Deferred tax liabilities:							
Property, plant and equipment and Intangible assets	8.60	(2.99)	-	-	-	-	5.61
Amortisation of Customer intangibles	-	(0.50)	-	-	5.33	0.02	4.85
Gain/Loss on Change in Fair Value of Investments (MTM on Investments)	0.06	0.56	-	-	-	-	0.62
Derivative financial instruments	0.52	(0.90)	-	-	-	-	(0.38)
Others	4.52	(1.10)	-	-	-	(0.02)	3.40
Total deferred tax liabilities	13.70	(4.93)	-	-	5.33	-	14.10
Net assets/(liabilities)	26.83	8.33	1.08	(18.50)	(5.33)	0.37	12.78

The Company has unutilised tax losses of US\$1,987,386 (Previous year : US\$2,120,303), ₹ 13.74 crores (Previous year : ₹ 13.82 crores), respectively in its subsidiary Tata Technologies Pte Ltd for which no deferred tax asset is recognised due to uncertainty of their recoverabilities. The use of these balances is subject to the agreement of the tax authority and compliance with relevant provisions of the Income Tax Act.

Notes forming part of the Consolidated Financial Statements
10. OTHER ASSETS

(Amount in ₹ Crore)

	As at March 31, 2019	As at March 31, 2018
NON-CURRENT		
(Unsecured, considered good)		
(a) Capital advances	0.18	-
(a) Prepaid expenses	2.68	2.22
(b) Prepaid lease rentals	3.26	3.30
(c) Deposits with government authorities	0.83	1.25
(d) Prepaid Defined Benefit Scheme	-	0.44
Total	6.95	7.21
CURRENT		
(Unsecured, considered good)		
Advances other than capital advances:		
(a) Advances to suppliers and contractors	2.72	12.12
(b) Other advances	0.33	-
Others:		
(c) Contract Assets	41.52	-
(d) Prepaid expenses	30.70	34.26
(e) Prepaid lease rentals	0.04	0.04
(f) Deposits with government authorities	1.66	1.29
(g) Balances with government authorities	1.01	1.20
Total	77.98	48.91

11. TRADE RECEIVABLES

(Unsecured unless otherwise stated)

(Amount in ₹ Crore)

	As at March 31, 2019	As at March 31, 2018
(a) Trade receivables considered good	583.97	618.10
Less : Expected credit loss allowance	18.10	13.05
	565.87	605.05
(b) Trade receivables which have significant increase in credit risk	31.50	-
Less : Expected credit loss allowance	21.69	-
	9.81	-
(c) Trade receivables which are credit impaired	-	-
	575.68	605.05

Above balance of Trade receivable include balances with related parties (Refer Note 38 (b))

In determining the allowance for doubtful trade receivables, the Company has used a practical expedient by computing the expected credit loss allowance for trade receivables based on a provision matrix. The provision matrix takes into account historical credit loss experience and is adjusted for forward looking information. The expected credit loss allowance is based on ageing of receivables that are due and rates used in the provision matrix.

Notes forming part of the Consolidated Financial Statements

12. CASH AND CASH EQUIVALENTS

(Amount in ₹ Crore)

	As at March 31, 2019	As at March 31, 2018
(a) Balances with banks:		
- Current account with banks	320.21	210.15
- Deposits with maturity of less than three months	47.26	30.37
(b) Cheques, drafts on hand/funds in transit	5.05	3.23
(c) Cash on hand	0.01	0.04
	372.53	243.79

13. OTHER BANK BALANCES

(Amount in ₹ Crore)

	As at March 31, 2019	As at March 31, 2018
NON-CURRENT		
(a) Earmarked balance with banks (Refer note 13(i))	0.05	3.25
	0.05	3.25
CURRENT		
(a) Earmarked balance with banks (Refer note 13(i))	7.85	9.29
(b) Bank deposits	3.55	3.46
(c) Deposits pledged/lien with banks (Refer note 13(ii))	-	0.27
	11.40	13.02
Notes :		
(i) Earmarked balance pertain to:		
Unclaimed dividend		
- Amounts in Escrow account for deferred consideration payable		
- Balances earmarked for Employees' Deposit Linked Insurance Benefit		
(ii) Deposits have been kept with bank as security for bank guarantee.		

14. OTHER FINANCIAL ASSETS

(Amount in ₹ Crore)

	As at March 31, 2019	As at March 31, 2018
NON-CURRENT		
(a) Deposits pledged/lien with banks	0.05	0.04
(b) Research and Development Expenditure Credit receivable	30.22	19.47
	30.27	19.51
CURRENT		
(a) Interest accrued on deposits and investments	0.31	0.38
(b) Bills of Exchange	17.05	11.21
(c) Derivative carried at fair value through Profit & Loss		
- Foreign currency forward cover	-	0.01
(d) Unbilled receivables	107.62	154.30
(e) Finance lease receivable	1.28	-
(f) Research and Development Expenditure Credit receivable	1.55	41.60
(g) SEIS licenses receivable	14.59	-
(h) Receivable from related parties for reimbursement of expenses (Refer note 35(b))	0.41	1.02
	142.81	208.52

Notes forming part of the Consolidated Financial Statements
15. EQUITY SHARE CAPITAL

(Amount in ₹ Crore)

	As at March 31, 2019	As at March 31, 2018
(a) Authorised:		
(i) 60,000,000 equity shares of ₹ 10/- each (as at March 31, 2018: 60,000,000 equity shares of ₹ 10/- each)	60.00	60.00
(ii) 700,000 0.01% Cumulative Non-participative Compulsorily convertible Preference Shares of ₹ 10/- each (P.Y. 700,000 0.01% Cumulative Non-participative Compulsorily)	0.70	0.70
	<u>60.70</u>	<u>60.70</u>
(b) Issued, Subscribed and Fully paid up capital:		
43,043,702 equity shares of ₹ 10/- each (43,037,514 equity shares of ₹ 10/- each as at March 31, 2018)	43.05	43.04
Less: Shares held by ESOP Trusts pending allotment to eligible employees (950,501 equity shares of ₹ 10 each), (940,501 equity shares of ₹ 10/- each as at March 31, 2018)	(0.95)	(0.94)
Adjusted issued and subscribed share capital	<u>42.10</u>	<u>42.10</u>
(c) The movement of number of shares and share capital		
Particulars	No. of Shares	Amount in ₹ Crore
Equity shares		
Number of shares as at April 1, 2017	42,100,825	42.10
Add: Shares issued under ESOP scheme	6,188	0.01
Less: Shares held by ESOP Trusts pending allotment to eligible employees	10,000	0.01
Number of shares as at March 31, 2018	<u>42,097,013</u>	<u>42.10</u>
Add: Shares issued under ESOP scheme	6,188	0.01
Less: Increase in shares held by ESOP Trusts pending allotment to eligible employees	10,000	0.01
Number of shares as at March 31, 2019	<u>42,093,201</u>	<u>42.10</u>

(d) Rights, preferences and restrictions attached to shares :
(i) Ordinary shares :

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

(e) Shares in the Company held by each shareholder holding more than 5% shares(including shares held by the Holding Company, it's subsidiaries and associates)

	As at March 31, 2019		As at March 31, 2018	
	No. of Shares	% Holding	No. of Shares	% Holding
Equity shares				
(a) Tata Motors Limited (Parent Company)	30,300,600	71.98%	30,300,600	71.98%
(b) Alpha TC Holdings Pte Ltd.	3,746,505	8.90%	3,746,505	8.90%
	<u>34,047,105</u>	<u>80.88%</u>	<u>34,047,105</u>	<u>80.88%</u>

(f) Information regarding issue of shares in the last five years:

- The Company has not issued any shares without payment being received in cash.
- The Company has not issued any bonus shares.
- The Company has not undertaken any buy-back of shares.

Notes forming part of the Consolidated Financial Statements

(g) Shares reserved for issue under options:

Option activity during the year under the plan is given as below

Number of options granted, exercised and forfeited	As at March 31, 2019	As at March 31, 2018
Options granted, beginning of the year	13,550	19,738
Granted during the year	-	-
Exercised during the year	(6,188)	(6,188)
Expired during the year	(2,114)	-
Forfeited during the year	-	-
Option exercisable at the end of the year	5,248	13,550
Weighted average share price at the date of exercise	₹ 645	₹ 645
Weighted average remaining contractual life (in years)	7	9
Range of exercise prices	₹ 60 to ₹ 645	₹ 60 to ₹ 645

During the fiscal year 2014-15, the Compensation Committee of the Board of Directors, Company had granted 30,000 options to the eligible employees. The options vest over 4-5 years and are exercisable during a maximum period of 11 years from the date of vesting. In terms of the ESOP plan, the options were granted at the exercise price equivalent to the fair value of the underlying shares. The Company has accounted the above options at fair value.

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

(h) Stock based incentive schemes by Tata Technologies Limited Employees Stock Option Trust (TTESOP Trust) and Zedra Corporate Services (Guernsey) Limited

To manage and implement various stock based incentive programs for employees of the Company, the Company has formed Tata Technologies Limited Employees Stock Option Trust (TTESOP Trust) and Zedra Corporate Services (Guernsey) Limited for employees of the Company and its subsidiaries. Since shares of the Company are not listed on Stock Exchange, Tata Technologies Limited Employees Stock Option Trust (TTESOP Trust) and Zedra Corporate Services (Guernsey) Limited purchase the shares from employees and ex-employees of the Company. The shares so purchased by the trusts are reissued to the employees through various stock based incentive schemes from time to time. These shares are issued at their fair values on the date of grant which is determined on the basis of latest audited balance sheet of the Company. Some of the ESPPs require the employees to offer the shares to trusts on cessation of employment for which the trusts have retained a first right of refusal. No employee has been allocated more than 1% of the issued capital of the Company.

(i) Shares allocated under Employee Stock Purchase Program are as follows

Scheme Name	No. of Shares	Price Per share ₹
Tata Technologies Employee Stock Purchase Program 2008	290,500	145
Tata Technologies Employee Stock Purchase Program 2009	18,800	196
Tata Technologies Employees Stock Purchase Program- Series III (ESPP- Series III)	52,251	196
Employees Stock Purchase Program- Series IV (ESPP – Series IV)	47,600	223
Employees Stock Purchase Program- Series V (ESPP – Series V)	22,500	417
Employees Stock Purchase Program- Series VI (ESPP – Series VI)	81,400	645
Employee Stock Ownership Program for INCAT Employees 2006	217,165	135
Employee Stock Ownership Program for INCAT Key Employees 2007	600,000	135
Employee Stock Ownership Program for INCAT General Employees 2007	148,066	145
Employee Stock Ownership Program 2009 (ESO 2009)	88,067	196
Employee Stock Ownership Program 2010 (ESO 2010)	709,000	223
Employee Stock Ownership Program 2012 (ESO 2012)	60,000	417
Employee Stock Ownership Program 2015 (ESO 2015)	70,000	645

Notes forming part of the Consolidated Financial Statements
(j) Number of shares held by the Trusts:

	As at March 31, 2019	As at March 31, 2018
Tata Technologies Limited Employees Stock Option Trust	49,486	49,486
Zedra Corporate Services (Guernsey) Limited	901,015	891,015
	950,501	940,501

16. (A). OTHER EQUITY:

(Amount in ₹ Crore)

	As at March 31, 2019	As at March 31, 2018
Share application money pending allotment	0.34	0.40
Securities Premium	291.62	292.33
General reserve	135.07	135.07
Legal reserve	1.05	1.05
Surplus Reserve	1.59	-
Retained earnings	1,191.92	993.55
Items of other comprehensive income	93.31	85.99
	1,714.90	1,508.38

16. (B). MOVEMENT IN OTHER EQUITY

(Amount in ₹ Crore)

	As at March 31, 2019	As at March 31, 2018
Share application money pending allotment		
Balance at the beginning of the year	0.40	0.40
Issue of equity shares under employee share option plan	(0.40)	(0.40)
Issue of equity shares under employee share option pending allotment	0.34	0.40
Balance as at the end of the year	0.34	0.40
Securities premium		
Balance as at the beginning of the year	292.33	299.60
Add: Received during the year on exercise of stock options issued to employees	0.39	0.39
Less: Premium on shares held by ESOP Trusts	(1.10)	(7.66)
Balance as at the end of the year	291.62	292.33
General reserve		
Balance as at the beginning of the year	135.07	135.07
Add : Transferred from Retained earnings	-	-
Balance as at the end of the year	135.07	135.07
Legal reserve		
Balance as at the beginning of the year	1.05	1.05
Add : Transferred from Retained earnings	-	-
Balance as at the end of the year	1.05	1.05
Surplus reserve		
Balance as at the beginning of the year	-	-
Add : Transferred from Retained earnings	1.59	-
Balance as at the end of the year	1.59	-

Notes forming part of the Consolidated Financial Statements

(Amount in ₹ Crore)

	As at March 31, 2019	As at March 31, 2018
Retained earnings		
Balance as at the beginning of the year	993.55	955.53
Add: Profit for the year	352.60	245.81
Add: Remeasurements of post employment benefits obligations (net of tax effect)	2.03	(2.04)
Less: Dividends, including taxes thereon	(154.67)	(205.75)
Less: Transferred to Surplus reserve	(1.59)	-
Balance as at the end of the year	1,191.92	993.55
Other Components of Equity:		
Balance as at the beginning of the year	85.99	(12.71)
Add: Exchange differences on translation of foreign operations	7.32	98.70
Balance as at the end of the year	93.31	85.99

Notes:

(i) Securities premium account

Securities premium reserve is used to record the premium on issue of shares. The reserve is utilised in accordance with the provision of the Companies Act, 2013.

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

Excess provisions for doubtful debts on account of the subsequent collections are being written back to the Securities Premium Account. Upto march 31, 2019, the subsidiary companies have realized ₹ 6.18 crores (March 31, 2018 ₹ 6.18 crores) which has been added back to the securities premium account.

(ii) General reserve

The Company has transferred a portion of the net profit of the Company before declaring dividend to general reserve pursuant to the earlier provisions of Companies Act 1956. Mandatory transfer to general reserve is not required under the Companies Act 2013.

(iii) Legal reserve

The Company has created this reserve based on the local requirements of the Romanian Law. Since the Company has reached maximum amount that can be transferred as required by the Law, there are no further transfers during financial years 2017-18 and 2018-19.

(iv) Surplus reserve

The Company has created this reserve based on the local requirements of the Chinese Law. The Company has transferred 50% of the paid up capital from profit for the period as required by the Law.

(v) Retained earnings

Retained earnings comprises of the Company's undistributed earnings after taxes.

Notes forming part of the Consolidated Financial Statements
17. BORROWINGS

(Amount in ₹ Crore)

	As at March 31, 2019	As at March 31, 2018
CURRENT		
Unsecured		
Loans repayable		
From Banks	-	67.37
Total	-	67.37

18. TRADE PAYABLES

(Amount in ₹ Crore)

	As at March 31, 2019	As at March 31, 2018
NON CURRENT		
(a) Total outstanding dues of micro enterprises and small enterprises *	-	-
(b) Total outstanding dues of creditors other than micro enterprises and small enterprises	-	0.14
Total	-	0.14
CURRENT		
(a) Total outstanding dues of micro enterprises and small enterprises *	3.57	2.65
(b) Total outstanding dues of creditors other than micro enterprises and small enterprises	291.25	313.92
Total	294.82	316.57

*** Note:**

The information as required to be disclosed under the 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. This has been relied upon by the auditors. The amount of principal and interest outstanding during the year is given below:

(Amount in ₹ Crore)

	As at March 31, 2019	As at March 31, 2018
(a) Amounts outstanding and remaining unpaid as at March 31	3.57	2.65
(b) Amounts paid after appointed date during the year	8.66	-
(c) Interest remaining due and payable for earlier years	-	-
(d) Amount of interest paid, other than under Section 16 of MSMED Act, to suppliers registered under the MSMED Act, beyond the appointed date during the year	-	-
(e) Amount of interest accrued and unpaid as at March 31	0.02	-

The average credit period on purchases of good and services ranges from 30 to 60 Days.

Notes forming part of the Consolidated Financial Statements

19. OTHER FINANCIAL LIABILITIES

(Amount in ₹ Crore)

	As at March 31, 2019	As at March 31, 2018
NON-CURRENT		
(a) Retention Bonus payable	0.37	0.88
Total	0.37	0.88
CURRENT		
(a) Unpaid dividends	4.81	2.88
(b) Derivative carried at fair value through P&L		
- Foreign currency forward cover	-	1.15
(c) Provision for employee benefits	3.11	7.51
(d) Retention Bonus payable	0.89	2.44
(e) Finance Lease Payable	1.42	-
(f) Capital creditors	5.33	9.52
(g) Other financial liabilities	2.58	2.71
Total	18.14	26.21

20. PROVISIONS

(Amount in ₹ Crore)

	As at March 31, 2019	As at March 31, 2018
NON CURRENT		
(a) Provision for employee benefits	24.68	24.46
Total	24.68	24.46
CURRENT		
(a) Provision for Employee Benefits	11.20	11.92
Total	11.20	11.92

21. OTHER LIABILITIES

(Amount in ₹ Crore)

	As at March 31, 2019	As at March 31, 2018
NON CURRENT		
(a) Advance and progress payments	24.68	24.46
Total	24.68	24.46
CURRENT		
(a) Unearned Revenue	48.91	69.26
(b) Statutory remittances (withholding taxes, Provident Fund, VAT, GST etc.)	62.80	67.88
(c) Advance and progress payments	9.59	2.32
Total	121.30	139.46

Notes forming part of the Consolidated Financial Statements
22. REVENUE FROM OPERATIONS

(Amount in ₹ Crore)

	For the year ended	
	March 31, 2019	March 31, 2018
(a) Sale of products	468.82	447.01
(b) Sale of services	2,441.83	2,229.33
(c) Other operating revenues		
(i) Export Incentive	30.47	13.86
(ii) Commission income	1.09	1.28
	2,942.21	2,691.48

22. (i). Revenue disaggregation by geography is as follows:

(Amount in ₹ Crore)

	For the year ended
	March 31, 2019
(a) India	815.60
(b) UK	836.34
(c) North America	724.60
(d) Rest of Europe	275.95
(e) Rest of the world	289.72
	2,942.21

22. (ii). Changes in Contract assets are as follows:

(Amount in ₹ Crore)

	For the year ended
	March 31, 2019
Balance at the beginning of the year	54.56
Revenue recognised during the year	734.25
Invoices raised during the year	(747.29)
Balance at the end of the year	41.52

22. (iii). Changes in unearned, deferred revenue and advance from customers are as follows:

(Amount in ₹ Crore)

	For the year ended
	March 31, 2019
Balance at the beginning of the year	71.59
Revenue recognised that was included in the unearned and deferred revenue balance and Advance from customers at the beginning of the year	(68.24)
Increase due to invoicing during the year, excluding amounts recognised as revenue during the year and increase in advances received during the year	55.15
Balance at the end of the year	58.50

22. (iv). Reconciliation of revenue recognized with the contracted price is as follows:

(Amount in ₹ Crore)

	For the year ended
	March 31, 2019
Contracted price	2,959.56
Reduction towards variable consideration components	(17.35)
Revenue from operations	2,942.21

The reduction towards variable consideration comprise of service level credits, upfront discounts etc.

22. (v). The aggregate value of transaction price allocated to unsatisfied (or partially satisfied) performance obligations is ₹ 48.20 crores and is expected to be recognised as revenue in the next year.

Notes forming part of the Consolidated Financial Statements

23. OTHER INCOME

(Amount in ₹ Crore)

	For the year ended	
	March 31, 2019	March 31, 2018
(a) Interest Income		
(i) Interest income-others	5.63	12.09
(ii) Interest income on debentures	0.55	0.55
(b) Dividend income		
All dividends from investments designated as FVTPL		
(i) Dividend income - mutual funds	-	0.11
(ii) Dividend income - Non current investments	0.42	0.42
(c) Other gains and losses		
(i) Change in fair value of investments measured at FVTPL - mutual fund units (net)	2.05	1.62
(ii) Fair value gain/(loss) on derivatives not designated as hedges (net)	1.14	(2.61)
(d) Other non-operating income		
(i) Research and Development Expenditure Credit (Refer below note)	23.74	60.09
(ii) Foreign currency gain/ (loss) (Net)	(1.99)	9.84
(iii) Other non-operating income	10.69	3.31
(iv) Profit on sale of investments measured at FVTPL - mutual fund units (net)	-	0.25
	42.23	85.67

Note:

During the year ended 31 March 2014 legislation was enacted to allow UK companies to elect for the Research and Development Expenditure Credit (RDEC) on qualifying expenditure incurred since 1 April 2013, instead of the previous superdeduction rules. In the year ended 31 March 2018, as a result of this election, £6.6 million (₹ 60.09 crore) ((2017-18: £2.1 million (₹ 17.95 crore), 2016-17: £2.6 million (₹ 25.90 crore), 2015-16: £1.9 million (₹ 16.24 crore)) of the RDEC has been recognised.

24. PURCHASE OF TRADED PRODUCTS

(Amount in ₹ Crore)

	For the year ended	
	March 31, 2019	March 31, 2018
Purchase of products	344.66	336.41
	344.66	336.41

25. EMPLOYEE BENEFITS EXPENSE

(Amount in ₹ Crore)

	For the year ended	
	March 31, 2019	March 31, 2018
(a) Salaries and wages	1,300.44	1,233.69
(b) Contribution to Provident and other funds	57.36	55.72
(c) Staff welfare Expenses	32.29	33.84
	1,390.09	1,323.25

Notes forming part of the Consolidated Financial Statements
26. FINANCE COSTS

(Amount in ₹ Crore)

	For the year ended	
	March 31, 2019	March 31, 2018
Interest	1.29	4.70
	1.29	4.70

27. DEPRECIATION AND AMORTISATION EXPENSE

(Amount in ₹ Crore)

	For the year ended	
	March 31, 2019	March 31, 2018
(a) Depreciation	37.82	37.62
(b) Amortisation	30.82	33.81
	68.64	71.43

28. OTHER EXPENSES

(Amount in ₹ Crore)

	For the year ended	
	March 31, 2019	March 31, 2018
(a) Rent	49.66	49.94
(b) Repairs & maintenance		
- Buildings	5.67	4.73
- Plant & Machinery	0.54	0.85
- Others	7.45	7.34
(c) Insurance	4.69	4.30
(d) Rates and taxes	5.44	5.98
(e) Overseas marketing expenses	0.93	2.31
(f) Advertisement and publicity	0.32	0.95
(g) Business promotion expenses	0.72	0.88
(h) Office expenses	16.45	14.34
(i) Travelling & conveyance	78.87	64.17
(j) Power & fuel	8.94	7.84
(k) Water charges	3.22	2.87
(l) Auditors remuneration (refer note 30 (a))	2.30	2.30
(m) Staff training and seminar expenses	2.17	2.90
(n) Staff recruitment expenses	9.39	8.92
(o) Commision to others	0.02	0.01
(p) AMC charges	38.31	35.88
(q) Software-internal use	27.83	27.74
(r) Professional fees	16.11	24.52
(s) Training costs	1.12	1.30
(t) Communication expenses	11.36	17.95
(u) Allowances for expected credit loss (net)	26.86	4.08
(v) Corporate social responsibility expenses (refer note 30 (b))	5.16	5.28
(w) Miscellaneous expenses	8.40	9.76
	331.93	307.13

Notes forming part of the Consolidated Financial Statements

29. EXCEPTIONAL ITEMS

(Amount in ₹ Crore)

	For the year ended	
	March 31, 2019	March 31, 2018
(a) Deferred consideration (Also refer Note 39 (e))	6.22	5.97
(b) Acquisition related expenditure (Also refer Note 39 (e))	-	1.93
(c) Reclassification of Translation Reserve on liquidation of subsidiary	-	0.43
	6.22	8.33

30. (a). Payment to auditors

(Amount in ₹ Crore)

	For the year ended	
	March 31, 2019	March 31, 2018*
For Holding Company		
i) For statutory audit, including quarterly audits/limited review	0.47	0.63
ii) For Tax audit	0.06	-
iii) For other attest services	0.02	-
iv) Reimbursement of out-of-pocket expenses	0.06	0.02
Sub-Total	0.61	0.65
For Subsidiaries & Joint venture		
i) For services as auditors, including quarterly audits/limited review	1.69	1.65
ii) For Tax audit	-	-
iii) For other attest services	-	-
Sub-Total	1.69	1.65
Total	2.30	2.30

*Includes remuneration paid to erstwhile auditors

30. (b). Corporate social responsibility expenditure

(Amount in ₹ Crore)

	For the year ended	
	March 31, 2019	March 31, 2018
Gross amount required to be spent	5.13	5.28
Total	5.13	5.28
Amount spent during the year on	-	-
(a) Construction/ acquisition of any asset	-	-
(b) On purposes other than (a) above	5.16	5.28
Total	5.16	5.28

31. INCOME TAX EXPENSE

This note provides an analysis of the Company's income tax expense, shows amounts that are recognised directly in equity and how the tax expense is affected by non- assessable and non-deductible items. It also explains significant estimates made in relation to Company's tax positions.

(Amount in ₹ Crore)

(i)	For the year ended	
	March 31, 2019	March 31, 2018
Income tax expense		
Current tax on profits for the year	137.17	99.05
Total current tax expense	137.17	99.05

Notes forming part of the Consolidated Financial Statements

(Amount in ₹ Crore)

	For the year ended	
	March 31, 2019	March 31, 2018
Deferred tax		
Decrease / (increase) in deferred tax assets	(15.29)	(3.89)
(Decrease) / increase in deferred tax liabilities	(3.54)	(4.44)
Total deferred tax expense / (benefit)	(18.83)	(8.33)
Income tax expense	118.34	90.72

The company has benefited from certain tax incentives that the Government of India has provided to the units registered under the Special Economic Zones Act 2005 (SEZ). SEZ units which began the provision of services on or after April 1, 2005 are eligible for a deduction of 100 percent of profits or gains derived from the export of services for the first five years from the financial year in which the unit commenced the provision of services and 50 percent of such profits or gains for further five years. Up to 50% of such profits or gains are also available for deduction for five years subject to certain conditions.

(ii) Reconciliation of tax expense and the accounting profit:

(Amount in ₹ Crore)

	For the year ended	
	March 31, 2019	March 31, 2018
Profit before taxes	470.94	338.46
Income tax expense at tax rates applicable to individual entities	134.26	102.85
Additional deduction for patent, research and product development cost	-	(2.21)
Impact of change in US Tax Regulations	-	5.40
Effect of income exempt from tax	(0.15)	(0.18)
Effect of non deductible expenses	6.12	6.49
Income taxed at higher/(lower) rates	(20.03)	(23.15)
Others	(1.86)	1.52
Total tax expense	118.34	90.72

(iii) Amounts recognised in OCI

(Amount in ₹ Crore)

	For the year ended	
	March 31, 2019	March 31, 2018
Income tax relating to items that will not be reclassified to profit and loss	(1.09)	1.08
Total	(1.09)	1.08

(iv) Tax losses

(Amount in ₹ Crore)

	For the year ended	
	March 31, 2019	March 31, 2018
Unused tax losses on which no deferred tax asset has been recognised	5.38	5.38
Potential tax benefit @ 23.072%	1.25	1.24

Capital losses pertain to A.Y. 2014-2015 - ₹ 4.12 crore A.Y. 2015 - 2016 ₹ 1.26 crore. Deferred tax asset was not recognised on unused capital losses since there was lack of reasonable certainty of taxable capital profits to utilize this deferred tax asset. The losses can be carried forward for a period of 8 years as per local tax regulations.

Notes forming part of the Consolidated Financial Statements

- (v) **Changes in tax rate** - The tax rate in USA has been reduced from 42% to 21% effective from 01.01.2018

Impact of the change in the US Tax Regulations (The Tax Cuts and Jobs Act) on the tax expense for the current year.

Particulars of change	Amount in ₹ Crore
Deferred tax charge due to reduction in tax rate	1.40
Saving in current tax due to reduction in tax rate	(0.50)
Mandatory transition tax – on deemed repatriation of existing earnings and profits of controlled foreign corporations*	2.50
Total	3.40

* Includes E&P in respect of Cambric GmbH, Cambric Romania and Tata Technologies Mexico. Company has elected to pay this amount over 8 years in accordance with the regulations.

32. EARNING PER SHARE

Particulars		For the year ended	
		March 31, 2019	March 31, 2018
(a) Profit attributable to equity shareholders	₹ Crore	352.60	247.74
(b) The weighted average number of Ordinary equity shares outstanding during the year*	.	42,093,201	42,097,013
(c) The nominal value per Ordinary Share	₹	10.00	10.00
(d) Earnings Per Share (Basic)	₹	83.77	58.85
(e) The weighted average number of Ordinary equity shares outstanding during the year*	Nos.	42,093,201	42,097,013
(f) Add: Adjustment for Employee Stock Options (Refer Note 15 (g))	.	5,248	13,550
(g) The weighted average number of Ordinary outstanding for diluted EPS	Nos.	42,098,449	42,110,563
(h) Earnings Per Shares (Diluted)	₹	83.76	58.83

*The above no. of shares are after adjusting shares held by ESOP Trusts pending allotment to eligible employees being 950,501 shares as of March 31, 2019 and 940,501 shares as of March 31, 2018.

33. (a). Contingent Liabilities

(Amount in ₹ Crore)

	As at March 31, 2019	As at March 31, 2018
(a) Bonus related to retrospective period (Refer note (i))	7.82	7.82
(b) Income Tax demands disputed in appeals (Refer note (ii))	11.88	2.76
(c) Sales Tax demands disputed in appeals	0.00	0.00
(d) Service Tax demands disputed in appeals (Refer note (iii) and (iv))	20.56	5.46

Notes:

- Statutory bonus at the revised rates pertaining to period retrospective to the notification dated on 01.01.2016 (i.e. from 01.04.2014 to 31.12.2015) was not provided pending similar cases contesting retrospective applicability of the said notification in various Honourable High Courts. During November 2016, considering the industry practices, the management after internal deliberations decided to and has paid the incremental bonus covering the fiscal year of the said notification i.e. from 01.04.2015 to 31.12.2015 aggregating to ₹ 5.55 crores, which has been presented as exceptional item in the financials for the year ended 31.03.2017. The incremental bonus for the FY 2014-15 is continued as contingent liability pending similar cases contesting retrospective applicability of the said notification in various Honourable High Courts.
- The Company has ongoing disputes with Income Tax Authorities relating to tax treatment of certain items. These mainly include disallowed expenses for Corporate tax, Transfer pricing adjustments, the tax treatment of certain expenses claimed by the Company as deductions and the computation of certain allowances.
- Pertains to disputes in relation to tax on reverse charge mechanism.

Notes forming part of the Consolidated Financial Statements

- (iv) Service Tax Department had raised demand amounting to ₹ 5.16 crores (for the period April 08 to September 08 - ₹ 1.62 crores and for the period October 08 to September 09 - ₹ 3.54 crores) for delay in filing the prescribed declaration for availing cenvat credit. Aggrieved by the order, company had preferred an appeal with CESTAT. The appeal was decided in favour of the company during January 2016. Subsequently service tax department filed an appeal with High Court in 2017. The case being question of law, the High Court admitted the appeal in December 18. Considering the merit of the case, confirmation of demand is likely to be remote, hence contingent liability has been disclosed to the tune of ₹ 14.56 crores consisting of demand of ₹ 4.62 crores and interest of ₹ 9.94 crores.
- (v) It is not practicable for the Company to estimate the timings of cash outflows, if any, in respect of the above pending resolution of the respective proceedings as it is determinable only on the receipt of the judgements/decisions pending with various forums/authorities.
- (vi) The Company does not expect any reimbursements in respect of the above contingent liabilities.

33. (b).

The Hon'ble Supreme Court of India ("SC") by their order dated February 28, 2019, set out the principles based on which allowances paid to the employees should be identified for inclusion in basic wages for the purposes of computation of Provident Fund contribution. Subsequently, a review petition against this decision has been filed and is pending before the SC for disposal.

Pending the outcome of the review petition and directions from the EPFO, the impact for past periods, if any, is not ascertainable and consequently no financial effect has been provided for in the financial statements. The Company has made a provision on a prospective basis, from the date of the SC order.

34. SEGMENT REPORTING

Ind AS 108 establishes standards for the way that business enterprises report information about operating segments and related disclosures about products and services, geographic areas, and major customers. The Group's operations predominantly relate to providing end-to-end engineering & designing solutions. Based on the "management approach" as defined in Ind AS 108, the Chief Operating Decision Maker (CODM) evaluates the Group's performance and allocates resources based on an analysis of various performance indicators by business segments and geographic segments. The accounting principles used in the preparation of the financial statements are consistently applied to record revenue and expenditure in individual segments, and areas set out in the significant accounting policies.

Tata Technologies Limited provides IT Consultancy, SAP implementation and maintenance, networking solutions, CAD/CAM engineering & design consultancy services in the automotive, industrial heavy machinery & aerospace verticals. The customers in these verticals are located at US / Europe / APAC region and to enable the company to serve their specific needs the company has set up legal entities in the respective geographies. The business is structured in such a way that the entire customer front ending and bidding process is carried out by these legal entities.

The Group thus drives business mainly through its subsidiaries. While management reviews performance for above verticals, they also review the risks and rewards in each geography. The risk and rewards of the company are directly affected by geographical location of its customers (i.e. place where its services are rendered). Decisions such as pricing, allocation of resources, allocation of assets etc. are taken based on opportunities in the respective geography. Since costs are incurred and accounted as per subsidiary set up and manpower skill sets are interchangeable, bottom line performance is reviewed with Geography being primary indicator and dominant source of risk and return.

Assets and liabilities used in the Group's business are not identified to any of the reportable segments, as these are used interchangeably between segments. Management believes that it is currently not practicable to provide segment disclosures relating to total assets and liabilities since a meaningful segregation of the available data is onerous. The cost incurred during the year to acquire Segment fixed assets, Depreciation / Amortisation and non-cash expenses are not attributable to any reportable segment

Geographical information on revenue and business segment revenue information is collated based on location of individual customers invoiced or in relation to which the revenue is otherwise recognized.

Notes forming part of the Consolidated Financial Statements

Geographic Segments

Year ended March 31, 2019 & March 31, 2018

(Amount in ₹ Crore)

Particulars	India	UK	NA	Rest of Europe	Rest of the World	Total
(a) Segment Revenue						
Total Segment Revenue	816.84	1,057.62	822.66	323.15	325.97	3,346.24
	725.13	1,006.22	754.07	304.49	297.22	3,087.12
Inter Segment Revenue	(1.24)	(221.28)	(98.06)	(47.20)	(36.25)	(404.03)
	(3.29)	(213.27)	(80.45)	(57.23)	(41.39)	(395.64)
Revenue from External Customers	815.60	836.34	724.60	275.95	289.72	2,942.21
	721.84	792.94	673.62	247.25	255.83	2,691.48
(b) Segment Results	238.06	189.77	76.48	13.48	56.58	574.37
	199.43	123.63	57.52	(27.79)	44.29	397.09
Unallocated Corporate Expenses (Net)						(141.18)
						(132.60)
Interest/Other Income						41.81
						84.54
Finance Cost						(1.29)
						(4.70)
Dividend Income						0.42
						0.53
Exceptional Items						(3.18)
						(8.33)
Profit before share of Equity accounted investees (net of tax)						470.94
						336.53
Profit before Tax and after exceptional items						470.94
						336.53
Income Tax						(137.17)
						(99.05)
Deferred Tax						18.83
						8.33
Profit/(Loss) after Tax						352.60
						245.81

Revenue of approximately ₹ 1,281.46 crores (Prior Period- ₹ 1,133.87 crores) are derived from two major customers. These revenue are attributed to the India and UK segment.

35. EMPLOYEE BENEFIT PLANS

35.1. Defined contribution plans

The Company's contribution to defined contribution plan for the year ended March 31, 2019 has been recognised in the statement of Profit and Loss as follows.

(Amount in ₹ Crore)

	31-Mar-19	31-Mar-18
Contribution to provident fund	16.99	16.44
Contribution to superannuation fund	4.25	4.25
	21.24	20.69

Notes forming part of the Consolidated Financial Statements
35.2. Defined benefit plans
Defined benefits plans / long term compensated absences:

The principal assumptions used for the purposes of the actuarial valuations were as follows.

	Gratuity (Funded)		Bhavishya Kalyan Yojana (BKY) (Unfunded)		Superannuation (Partly Funded)		Post Retirement Medicare Scheme (Unfunded)		Compensated Absence- Domestic Plans (Unfunded)		Compensated Absence - Foreign Plans (Unfunded)	
	Valuation as at		Valuation as at		Valuation as at		Valuation as at		Valuation as at		Valuation as at	
	31-Mar-19	31-Mar-18	31-Mar-19	31-Mar-18	31-Mar-19	31-Mar-18	31-Mar-19	31-Mar-18	31-Mar-19	31-Mar-18	31-Mar-19	31-Mar-18
Discount rate(s)	7.70%	7.70%	7.70%	7.70%	6.75%	6.75%	7.60%	7.70%	7.70%	7.70%	1.00%	0.00%
Expected rate(s) of salary increase	5.75%-6%	5.75%-6%	5.75%-6%	5.75%-6%	-	-	-	-	5.75%-6%	4%-5.5%	3.50%	0.00%
Medical inflation rate	-	-	-	-	-	-	6.00%	6.00%	-	-	-	-
Withdrawal rate:												
Age												
20 - 34 years	15%	15%	15%	15%	15%	15%	15%	15%	15%	15%	16%	0%
35 - 40 years	8%	8%	8%	8%	8%	8%	8%	8%	8%	8%		
41 - 50 years	4%	4%	4%	4%	4%	4%	4%	4%	4%	4%		
51 - 60 years	2%	2%	2%	2%	2%	2%	2%	2%	2%	2%		

Amounts recognised in standalone statement of profit and loss in respect of these defined benefit plans are as follows.

	Year Ended		Year Ended		Year Ended		Year Ended		Year Ended		Year Ended	
	31-Mar-19	31-Mar-18	31-Mar-19	31-Mar-18	31-Mar-19	31-Mar-18	31-Mar-19	31-Mar-18	31-Mar-19	31-Mar-18	31-Mar-19	31-Mar-18
	Amount in ₹ Crore	Amount in ₹ Crore	Amount in ₹ Crore	Amount in ₹ Crore	Amount in ₹ Crore	Amount in ₹ Crore	Amount in ₹ Crore	Amount in ₹ Crore	Amount in ₹ Crore	Amount in ₹ Crore	Amount in ₹ Crore	Amount in ₹ Crore
Service cost:												
Current service cost	5.39	5.73	0.75	0.75	0.11	0.19	1.09	1.04	3.90	3.80	0.40	-
Past service cost and (gain)/loss from settlements	-	-	-	-	-	-	(1.54)	-	-	-	-	-
Net interest expense	0.24	0.12	0.44	0.39	(0.03)	(0.08)	0.91	0.78	(1.28)	(0.76)	0.03	-
Components of defined benefit costs recognised in profit or loss	5.63	5.85	1.19	1.14	0.08	0.11	0.46	1.82	2.62	3.04	0.43	-
Remeasurement on the net defined benefit liability:												
Return on plan assets (excluding amounts included in net interest expense)	(2.11)	1.50	-	-	0.92	0.26	-	-	-	-	-	-
Actuarial (gains) / losses arising from changes in financial assumptions	-	(0.02)	-	(0.05)	-	-	(1.96)	0.18	-	-	4.51	-
Actuarial (gains) / losses arising from experience adjustments	0.10	1.78	0.05	(0.39)	(0.09)	0.35	(0.03)	(0.49)	-	-	-	-
Components of defined benefit costs recognised in other comprehensive income	(2.01)	3.26	0.05	(0.44)	0.83	0.61	(1.99)	(0.31)	-	-	4.51	-
Total	3.62	9.11	1.24	0.69	0.91	0.72	(1.53)	1.51	2.62	3.04	4.94	-

The current service cost and the net interest expense for the period are included in the 'Employee benefits expense' line item in the consolidated statement of profit and loss.

The remeasurement of the net defined benefit liability is included in other comprehensive income.

Notes forming part of the Consolidated Financial Statements

The amount included in the consolidated balance sheet arising from the entity's obligation in respect of its defined benefit plans is as follows:

	Gratuity (Funded)		Bhavishya Kalyan Yojana (BKY) (Unfunded)		Superannuation (Partly Funded)		Post Retirement Medicare Scheme (Unfunded)		Compensated Absence-Domestic Plans (Unfunded)		Compensated Absence - Foreign Plans (Unfunded)	
	As at		As at		As at		As at		As at		As at	
	31-Mar-19	31-Mar-18	31-Mar-19	31-Mar-18	31-Mar-19	31-Mar-18	31-Mar-19	31-Mar-18	31-Mar-19	31-Mar-18	31-Mar-19	31-Mar-18
	Amount in ₹ Crore	Amount in ₹ Crore	Amount in ₹ Crore	Amount in ₹ Crore	Amount in ₹ Crore	Amount in ₹ Crore	Amount in ₹ Crore	Amount in ₹ Crore	Amount in ₹ Crore	Amount in ₹ Crore	Amount in ₹ Crore	Amount in ₹ Crore
Present value of funded defined benefit obligation	(47.30)	(44.06)	(6.80)	(5.82)	(3.25)	(5.32)	(9.87)	(12.00)	(9.15)	(8.02)	(5.31)	-
Fair value of plan assets	44.20	36.55	-	-	2.86	5.76	-	-	-	-	-	-
Funded status	(3.10)	(7.51)	(6.80)	(5.82)	(0.39)	0.44	(9.87)	(12.00)	(9.15)	(8.02)	(5.31)	-
Net liability arising from defined benefit obligation	(3.10)	(7.51)	(6.80)	(5.82)	(0.39)	0.44	(9.87)	(12.00)	(9.15)	(8.02)	(5.31)	-

Movements in the present value of the defined benefit obligation are as follows.

	Gratuity (Funded)		Bhavishya Kalyan Yojana (BKY) (Unfunded)		Superannuation (Partly Funded)		Post Retirement Medicare Scheme (Unfunded)		Compensated Absence-Domestic Plans (Unfunded)		Compensated Absence - Foreign Plans (Unfunded)	
	Year Ended		Year Ended		Year Ended		Year Ended		Year Ended		Year Ended	
	31-Mar-19	31-Mar-18	31-Mar-19	31-Mar-18	31-Mar-19	31-Mar-18	31-Mar-19	31-Mar-18	31-Mar-19	31-Mar-18	31-Mar-19	31-Mar-18
Opening defined benefit obligation	44.06	37.83	5.82	5.22	5.32	6.34	12.00	10.80	8.02	7.07	5.40	5.40
Current service cost	5.39	5.73	0.75	0.75	0.11	0.19	1.09	1.04	3.90	3.80	0.40	-
Interest cost	3.18	2.70	0.44	0.39	0.28	0.42	0.91	0.78	0.56	0.45	0.03	-
Actuarial gains and losses arising from changes in financial assumptions	-	(0.02)	-	(0.05)	-	-	(1.96)	0.18	-	-	-	-
Actuarial gains and losses arising from experience adjustments	0.10	1.78	0.05	(0.39)	(0.09)	0.35	(0.03)	(0.49)	-	-	-	-
Transfer to/(from) Holding Company (Net)	(0.80)	-	(0.05)	-	-	-	(0.26)	-	(0.05)	-	4.51	-
Others	-	-	(0.03)	-	-	-	(1.54)	-	(1.84)	(1.22)	(0.03)	-
Benefits paid	(4.63)	(3.95)	(0.18)	-	(2.37)	(1.98)	(0.34)	(0.31)	(1.44)	(2.08)	(5.00)	-
Closing defined benefit obligation	47.30	44.06	6.80	5.82	3.25	5.32	9.87	12.00	9.15	8.02	5.31	5.40

Notes forming part of the Consolidated Financial Statements

Movements in the fair value of the plan assets are as follows.

	Gratuity (Funded)		Bhavishya Kalyan Yojana (BKY) (Unfunded)		Superannuation (Partly Funded)		Post Retirement Medicare Scheme (Unfunded)		Compensated Absence- Domestic Plans (Unfunded)		Compensated Absence - Foreign Plans (Unfunded)	
	Year Ended		Year Ended		Year Ended		Year Ended		Year Ended		Year Ended	
	31-Mar-19	31-Mar-18	31-Mar-19	31-Mar-18	31-Mar-19	31-Mar-18	31-Mar-19	31-Mar-18	31-Mar-19	31-Mar-18	31-Mar-19	31-Mar-18
Opening fair value of plan assets	36.55	33.15	-	-	5.76	7.42	-	-	-	-	-	-
Interest income	2.94	2.57	-	-	0.31	0.49	-	-	-	-	-	-
Remeasurement gain (loss): Return on plan assets (excluding amounts included in net interest expense)	2.11	(1.50)	-	-	(0.92)	(0.26)	-	-	-	-	-	-
Contributions from the employer	8.03	6.28	0.19	0.08	0.08	0.09	0.34	0.30	1.46	2.08	-	-
Benefits paid	(4.63)	(3.95)	(0.19)	(0.08)	(2.37)	(1.98)	(0.34)	(0.30)	(1.46)	(2.08)	-	-
Transfer to/(from) Holding Company (Net)	(0.80)	-	-	-	-	-	-	-	-	-	-	-
Closing fair value of plan assets	44.20	36.55	-	-	2.86	5.76	-	-	-	-	-	-

Other benefits relating to the subsidiaries / JVs:

Compensated Absences and Gratuity - Charged to Statement of Profit & Loss during the year - ₹ 4.88 Crore

(2017-18 ₹ 0.46 Crore) liabilities outstanding as at the year end ₹ 10.55 Crore (2017-18 ₹ 2.78 crore)

The major categories of plan assets as percentage of total plan assets:

	Gratuity (Funded)		Bhavishya Kalyan Yojana (BKY) (Unfunded)		Superannuation (Partly Funded)		Post Retirement Medicare Scheme (Unfunded)		Compensated Absence- Domestic Plans (Unfunded)		Compensated Absence - Foreign Plans (Unfunded)	
	100.00%	100.00%	N/A	N/A	100.00%	100.00%	N/A	N/A	N/A	N/A	N/A	N/A
Debt securities	100.00%	100.00%	N/A	N/A	100.00%	100.00%	N/A	N/A	N/A	N/A	N/A	N/A

Sensitivity Analysis

The table below outlines the effect on the service cost, the interest cost and the defined benefit obligation in the event of a decrease/increase of 1% in the assumed rate of discount rate, salary escalation and health care cost:

	Discount Rate	Salary Escalation Rate	Discount Rate	Salary Escalation Rate	Discount Rate	Salary Escalation Rate	Discount Rate	Medical Cost
Change in Assumption								
Increase by 1%	8.70%	Defined above	8.70%	Defined above	7.75%	Defined above	8.70%	7.00%
Decrease by 1%	6.70%	Defined above	6.70%	Defined above	5.75%	Defined above	6.70%	5.00%
Impact on defined benefit obligation								
Increase by 1%	(3.86)	4.36	(0.48)	0.28	-	N.A.	(1.47)	1.64
Decrease by 1%	4.50	(3.86)	0.56	(0.26)	-	N.A.	1.87	(1.31)
Impact on service cost and interest cost								
Increase by 1%	(0.81)	0.94	(0.06)	0.05	0.00	N.A.	(0.20)	0.33
Decrease by 1%	0.86	(0.83)	0.08	(0.04)	(0.00)	N.A.	0.25	(0.26)

Notes forming part of the Consolidated Financial Statements

Maturity profile of defined benefit obligation:

	Amount in ₹ Crore	Amount in ₹ Crore	Amount in ₹ Crore	Amount in ₹ Crore	Amount in ₹ Crore
Within 1 Year	4.46	0.30	0.21	0.29	1.00
1-2 years	5.58	0.38	0.13	0.30	1.01
2-3 years	5.46	0.47	-	0.32	0.84
3-4 years	5.42	0.56	0.07	0.31	0.80
4-5 years	5.11	0.67	-	0.32	0.64
5-10 years	32.37	4.59	0.08	1.80	3.04

Employee benefit plans

The plans typically expose the company to the actuarial risks such as: investments risk, interest risks, longevity risk and salary risk

Investment risk	The present value of the defined benefit plan liability (denominated in Indian Rupee) is calculated using a discount rate which is determined by reference to market yields at the end of the reporting period on government bonds. For other defined benefit plans, the discount rate is determined by reference to market yields at the end of the reporting period on high quality corporate bonds when there is a deep market for such bonds; if the return on plan asset is below this rate, it will create a plan deficit. Currently, for the plan in India, it has a relatively balanced mix of investments in government securities, and other debt instruments.
Interest risk	A decrease in the bond interest rate will increase the plan liability; however, this will be partially offset by an increase in the return on the plan's debt investments.
Longevity risk	The present value of the defined benefit plan liability is calculated by reference to the best estimate of the mortality of plan participants both during and after their employment. An increase in the life expectancy of the plan participants will increase the plan's liability.
Salary risk	The present value of the defined benefit plan liability is calculated by reference to the future salaries of plan participants. As such, an increase in the salary of the plan participants will increase the plan's liability.

No other post-retirement benefits are provided to these employees.

In respect of the plan in India, the actuarial valuation of the plan assets and the present value of the defined benefit obligation are carried out for March 31, 2019 by Willis Towers Watson, Fellow of the Institute of Actuaries of India. The present value of the defined benefit obligation, and the related current service cost and past service cost, are measured using the projected unit credit method on a proportionate basis.

The fair value of plan assets are majorly balance mix of investments in government securities and other debt instruments. The Trust activities are managed by mix of professional employees representing management and employees.

36. CAPITAL MANAGEMENT

The Group's capital comprises equity share capital, share premium, retained earnings and other equity attributable to equity holders.

The Group's objectives when managing capital are to :

- safeguard their ability to continue as a going concern, so that they can continue to provide returns for shareholders and benefits for other stakeholders, and
- maintain an optimal capital structure to reduce the cost of capital.

As there is no debt in the Company, hence the debt ratio is not applicable.

No changes were made in the objectives, policies or processes for managing capital of the Group during the current year and previous year.

Notes forming part of the Consolidated Financial Statements
Dividends

(Amount in ₹ Crore)

	For the year ended	
	March 31, 2019	March 31, 2018
(i) Equity shares		
Final dividend for the year ended 31 March 2018	76.43	-
Interim dividend declared during the year aggregating ₹ 15 per fully paid equity share (₹ 40 per fully paid equity share for FY 17-18)*	78.24	205.75
(ii) Dividends not recognised at the end of the reporting period		
In addition to the above dividends, the directors have recommended the payment of a final dividend of Nil per fully paid equity share on May 07, 2019 (final dividend of ₹ 15 per fully paid equity share on April 20, 2018 for FY 17-18). This proposed dividend is subject to the approval of shareholders in the ensuing annual general meeting*	-	76.43

*The above amounts are arrived after adjusting shares held by ESOP Trusts pending allotment to eligible employees being 950,501 shares as of March 31, 2019 and 940,501 shares as of March 31, 2018.

37.1. Categories of financial instruments

(Amount in ₹ Crore)

Particulars	As at March 31, 2019		As at March 31, 2018	
	FVTPL	Amortised cost	FVTPL	Amortised cost
Financial assets				
Investments :				
- mutual funds*	28.83	-	26.79	-
- debentures	-	5.00	-	5.00
- preference shares	-	5.00	-	5.00
Security deposits	-	7.32	-	6.70
Loans to others	-	3.43	-	-
Loans to related parties- Inter-corporate deposits	-	59.25	-	77.50
Bills of exchange	-	17.05	-	11.21
Derivative financial assets	-	-	0.01	-
Unbilled receivables	-	107.62	-	154.30
Trade receivables	-	575.68	-	605.05
Finance lease receivable	-	1.28	-	-
Research and Development Expenditure Credit receivable	-	31.77	-	61.07
SEIS licenses receivable	-	14.59	-	-
Cash and cash equivalents	-	372.53	-	243.79
Other bank balances	-	11.45	-	13.02
Others	-	9.81	-	14.69
Total financial assets	28.83	1,221.78	26.80	1,197.33
Financial liabilities				
Borrowings	-	-	-	67.37
Trade payables	-	294.82	-	316.71
Derivative financial liability	-	-	1.15	-
Others	-	18.51	-	25.94
Total financial liabilities	-	313.33	1.15	410.02

Notes forming part of the Consolidated Financial Statements

37.2. (a). FAIR VALUE HIERARCHY

This section explains the judgements and estimates made in determining the fair values of the financial instruments that are recognised and measured at fair value

To provide an indication about the reliability of the inputs used in determining fair value, the company has classified its financial instruments into three levels prescribed under the accounting standard. An explanation of each level follows underneath the table:

(Amount in ₹ Crore)

Particulars	As at March 31, 2019	Fair value measurement at the end of the year		
		Level 1	Level 2	Level 3
Financial Assets				
Investments in Mutual Funds	28.83	28.83	-	-

The following table presents fair value hierarchy of assets and liabilities measured at fair value on a recurring basis as of March 31, 2018.

(Amount in ₹ Crore)

Particulars	As at March 31, 2019	Fair value measurement at the end of the year		
		Level 1	Level 2	Level 3
Financial Assets				
Investments in Mutual Funds	26.79	26.79	-	-
Derivative Financial instrument- Foreign currency forward contracts	0.01	-	0.01	-
Financial Liabilities				
Derivative Financial instrument- Foreign currency forward contracts	1.15	-	1.15	-

* Based on Net Asset Value (NAV) as published daily by respective Fund Houses.

Level 1 - Quoted prices (unadjusted) in active markets for identical assets or liabilities

Level 2 - Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (ie prices) or indirectly (ie derived from prices)

Level 3 - Inputs for the assets or liabilities that are not based on observable market data (unobservable inputs)

37.2. (b). Valuation technique used to determine fair value

The following methods and assumptions were used to estimate the fair value of the level 2 financial instruments included in the above tables:

- Investments in mutual funds: The fair value is derived based on the closing Net Asset value published by the respective mutual fund houses.
- Derivative instruments: The Company enters into foreign currency forward contracts with banks with investment grade credit ratings. These are valued using the forward pricing valuation technique, using present value calculations. The models incorporate various inputs including the credit quality of counterparties and foreign exchange spot and forward rates.

37.2. (c). As per Ind AS 107 "Financial Instrument:Disclosure", fair value disclosures are not required when the carrying amounts reasonably approximate the fair value. Accordingly fair value disclosures have not been made for the following financial instruments:-

- Trade receivables
- Cash and Cash Equivalent
- Other Bank Balances
- Loans
- Borrowings
- Trade payables
- Other financial liabilities (except derivatives)
- Other financial assets (except derivatives)

Notes forming part of the Consolidated Financial Statements

37.3. Financial risk management

In the course of its business, the Group is exposed primarily to fluctuations in foreign currency exchange rates, interest rates, equity prices, liquidity and credit risk, which may adversely impact the fair value of its financial instruments.

The Group has a risk management policy which not only covers the foreign exchange risks but also other risks associated with the financial assets and liabilities such as interest rate risks and credit risks. The risk management policy is approved by the Board of Directors. The risk management framework aims to:

Create a stable business planning environment by reducing the impact of currency and interest rate fluctuations on the Group's business plan.

Achieve greater predictability to earnings by determining the financial value of the expected earnings in advance.

37.4. Market risk

Market risk is the risk of any loss in future earnings, in realizable fair values or in future cash flows that may result from a change in the price of a financial instrument. The value of a financial instrument may change as a result of changes in the interest rates, foreign currency exchange rates, equity price fluctuations, liquidity and other market changes. Future specific market movements cannot be normally predicted with reasonable accuracy.

37.5. Foreign currency exchange rate risk:

The fluctuation in foreign currency exchange rates may have potential impact on the income statement and equity, where any transaction references more than one currency or where assets/liabilities are denominated in a currency other than the functional currency of the respective consolidated entities.

Considering the countries and economic environment in which the Group operates, its operations are subject to risks arising from fluctuations in exchange rates in those countries. The risks primarily relate to fluctuations in U.S. dollar, Great Britain Pounds, Euro and Swedish Krona, against the respective functional currencies of Tata Technologies Limited and its subsidiaries.

The Group, as per its risk management policy, uses foreign exchange and other derivative instruments primarily to hedge foreign exchange and interest rate exposure. The Group evaluates the impact of foreign exchange rate fluctuations by assessing its exposure to exchange rate risks. It hedges a part of these risks by using derivative financial instruments in accordance with its risk management policies. For further details with respect to Foreign Currency Risk (other than risk arising from derivatives) refer below details.

Furthermore, any movement in the functional currencies of the various operations of the Group against major foreign currencies may impact the Group's revenues from its international operations. Any weakening of the functional currency may impact the Group's cost of imports and cost of borrowings and consequently may increase the cost of financing the Group's capital expenditures.

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

Derivative instruments outstanding as at March 31, 2019 & March 31, 2018 are as follows:

Particulars	As At	Bought/sold		(Amount in crore)	
				Amount in Foreign currency	Amount in ₹
Forward Exchange contracts	March 31, 2019	Sold	USD/INR	-	-
		Sold	GBP/INR	-	-
	March 31, 2018	Sold	USD/INR	USD 0.29	18.58
		Sold	GBP/INR	GBP 1.00	92.28

The table below analyzes the derivative financial instruments into relevant maturity groupings based on the remaining period as of the balance sheet date:

	(Amount in ₹ Crore)	
	As at March 31, 2019	As at March 31, 2018
Not later than one month	-	6.19
Later than one month and not later than three months	-	58.53
Later than three months and not later than one year	-	46.14
	-	110.86

Notes forming part of the Consolidated Financial Statements

Foreign exchange currency exposures not covered by derivative instruments as at March 31, 2019 and March 31, 2018

(Amount in Crore)

Particulars	Currency	As at March 31, 2019		As at March 31, 2018	
		Amount in Foreign Currency	Equivalent amount in ₹	Amount in Foreign Currency	Equivalent amount in ₹
Financial Assets:					
Trade Receivables and unbilled revenue*	EUR	0.18	14.00	0.55	44.75
	GBP	1.72	155.70	0.61	56.06
	USD	1.09	75.07	1.30	84.85
	SGD	0.17	8.54	0.10	5.17
	RON	-	-	0.00	0.08
	CAD	0.01	0.73	-	0.00
	CNY	0.39	4.04	1.16	11.98
	JPY	0.01	0.01	0.03	0.02
	THB	0.20	0.44	0.69	1.44
	INR	0.01	0.01	-	-
	CHF	0.02	1.37	0.01	0.69
	ZAR	0.00	0.02	0.01	0.05
	SEK	4.77	35.51	1.63	12.75
Loans & Advances*	EUR	-	-	0.00	0.23
	GBP	-	-	0.00	0.01
Current account with Bank (including cheques in hand/money in transit)	USD	0.33	22.55	0.43	28.10
	EUR	0.16	12.67	0.12	9.73
	GBP	0.05	4.09	0.09	8.59
	SGD	0.18	9.27	0.01	0.64
	CAD	0.00	0.01	0.00	0.02
	CNY	0.00	0.00	0.00	0.00
Total		-	344.02	-	265.16
Financial Liabilities:					
Trade Payables & unearned revenue*	EUR	0.04	3.05	0.16	13.09
	SGD	0.03	1.28	0.01	0.52
	INR	0.29	0.29	0.83	0.83
	USD	0.23	15.59	0.69	45.21
	SEK	0.07	0.49	0.03	0.26
	GBP	0.03	2.41	0.06	5.88
	THB	0.10	0.21	0.19	0.41
	CAD	-	-	-	-
	AED	0.00	0.01	0.00	0.01
	CNY	0.00	0.01	0.02	0.22
Unsecured Loan	USD	-	-	-	-
Total		-	23.34	-	66.43

* The above balances are before considering intra-company balances elimination on consolidation.

10% appreciation/depreciation of the respective foreign currencies with respect to functional currency of the Company would result in increase/decrease in the Company's net income before tax by approximately ₹ 34.40 crores as at March 31, 2019 (₹ 26.52 crores as at March 31, 2018) and ₹ 2.33 crores as at March 31, 2019 (₹ 6.64 crores as at March 31, 2018) for financial assets and financial liabilities respectively.

37.6. Interest rate risk

The Company's investments are primarily in fixed rate interest bearing deposits/debentures and long term growth mutual funds. Hence, the Company is not significantly exposed to interest rate risk

Notes forming part of the Consolidated Financial Statements

37.7.Credit risk management

Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in financial loss to the Company. The Company has adopted a policy of only dealing with creditworthy counterparties and obtaining sufficient collateral, where appropriate, as a means of mitigating the risk of financial loss from defaults. The Company only transacts with entities that are rated the equivalent of investment grade and above. This information is supplied by independent rating agencies where available and, if not available, the Company uses other publicly available financial information and its own trading records to rate its major customers. The Company's exposure and the credit ratings of its counterparties are continuously monitored and the aggregate value of transactions concluded is spread amongst approved counterparties. Credit exposure is controlled by counterparty limits that are reviewed and approved by the risk management committee annually.

Trade receivables consist of a large number of customers, spread across diverse industries and geographical areas. Ongoing credit evaluation is performed on the financial condition of accounts receivable and, where appropriate, credit guarantee insurance cover is purchased.

(Amount in ₹ Crore)

	As at March 31, 2019	As at March 31, 2018
Movement in the expected credit loss allowance		
Balance at the beginning of the year	13.05	8.89
Movement in expected credit allowance on trade receivables	28.29	13.47
Exchange fluctuation	(0.14)	0.08
Reversal of provisions for debts paid	(1.41)	(9.39)
Balance at the end of the year	39.79	13.05

37.8 Liquidity risk

Liquidity risk refers to the risk that the Company cannot meet its financial obligations. The objective of liquidity risk management is to maintain sufficient liquidity and ensure that funds are available for use as per requirements.

The Company has obtained fund and non-fund based working capital lines from various banks. The Company invests its surplus funds in bank fixed deposit and liquid and liquid plus schemes of mutual funds, which carry no/low mark to market risks.

The Company also constantly monitors funding options available in the debt and capital markets with a view to maintaining financial flexibility.

The table below provides details regarding the contractual maturities of financial liabilities, including estimated interest payments as at March 31, 2019:

(Amount in ₹ Crore)

Financial liabilities	Carrying amount	Due in 1st Year	Due in 2nd Year	Due in 3rd to 5th Year	Total contractual cash flows
(a) Trade payables	294.82 (311.13)	294.82 (311.13)	- 0.00	- (-)	294.82 (311.13)
(b) Borrowings and interest thereon	- (67.37)	- (67.37)	- 0.00	- (-)	0 (67.37)
(c) Derivative liabilities	- (1.15)	0 (1.15)	- (-)	- (-)	0 (1.15)
(d) Other financial liabilities	18.51 (25.94)	18.14 (23.01)	0.37 (2.93)	- (-)	18.51 (25.94)
Total	313.33 (405.59)	312.96 (402.66)	0.37 (2.93)	- (-)	313.33 (405.59)

* Previous years figures are shown in the brackets

Notes forming part of the Consolidated Financial Statements

38 RELATED PARTY DISCLOSURES FOR THE YEAR ENDED MARCH 31, 2019.

a) Related party and their relationship

1	Parent Company		Tata Motors Limited
2	Fellow subsidiaries	1	Concorde Motors (India) Limited
		2	TAL Manufacturing Solutions Limited
		3	Tata Motors European Technical Centre PLC
		4	Tata Motors Insurance Broking and Advisory Services Limited
		5	TMF Holdings Limited
		6	TML Holdings Pte. Limited
		7	TML Distribution Company Limited
		8	Tata Hispano Motors Carrocera S.A.
		9	Tata Hispano Motors Carroceries Maghreb SA
		10	TML Drivelines Limited (Merged into Tata Motors Limited w.e.f. April 30, 2018)
		11	Trilix S.r.l. (Shareholding increased from 80% to 100% w.e.f. December 6, 2018)
		12	Tata Precision Industries Pte. Limited
		13	Tata Marcopolo Motors Limited
		14	Tata Daewoo Commercial Vehicle Company Limited
		15	Tata Daewoo Commercial Vehicle Sales and Distribution Company Limited
		16	Tata Motors (Thailand) Limited (increase in shareholding from 95.49% to 95.81% on account of further allotment of 2,500,000 shares to TML Holdings Pte. Ltd. w.e.f. April 2, 2018 & from 95.81% to 95.87% on account of further allotment of 548,000 shares to TML Holdings Pte. Ltd. w.e.f. November 22, 2018)
		17	Tata Motors (SA) (Proprietary) Limited
		18	PT Tata Motors Indonesia
		19	PT Tata Motors Distribusi Indonesia
		20	TMNL Motor Services Nigeria Limited
		21	Jaguar Land Rover Automotive Plc
		22	Jaguar Land Rover Limited
		23	Jaguar Land Rover Austria GmbH
		24	Jaguar Land Rover Japan Limited
		25	JLR Nominee Company Limited (dormant)
		26	Jaguar Land Rover Deutschland GmbH
		27	Jaguar Land Rover North America LLC
		28	Jaguar Land Rover Nederland BV
		29	Jaguar Land Rover Portugal - Veículos e Peças, Lda.
		30	Jaguar Land Rover Australia Pty Limited
		31	Jaguar Land Rover Italia Spa
		32	Jaguar Land Rover Korea Company Limited
		33	Jaguar Land Rover (China) Investment Co., Ltd.
		34	Jaguar Land Rover Canada ULC
		35	Jaguar Land Rover France, SAS
		36	Jaguar Land Rover (South Africa) (Pty) Limited
		37	Jaguar e Land Rover Brasil Indústria e Comércio de Veículos LTDA
		38	Limited Liability Company "Jaguar Land Rover" (Russia)
		39	Jaguar Land Rover (South Africa) Holdings Limited
		40	Jaguar Land Rover Classic Deutschland GmbH (Incorporated w.e.f. August 10, 2018)
		41	Jaguar Land Rover Hungary KFT (Incorporated w.e.f. July 30, 2018)
		42	Jaguar Land Rover India Limited
		43	Jaguar Land Rover Espana SL
		44	Jaguar Land Rover Belux NV
		45	Jaguar Land Rover Holdings Limited

Notes forming part of the Consolidated Financial Statements

	46	Jaguar Cars South Africa (Pty) Limited (dormant)
	47	The Jaguar Collection Limited (Dissolved June 19, 2018)
	48	Jaguar Cars Limited (dormant)
	49	Land Rover Exports Limited (dormant)
	50	Land Rover Ireland Limited
	51	The Daimler Motor Company Limited (dormant)
	52	Daimler Transport Vehicles Limited (dormant)
	53	S.S. Cars Limited
	54	The Lanchester Motor Company Limited (dormant)
	55	Shanghai Jaguar Land Rover Automotive Services Company Limited
	56	Jaguar Land Rover Pension Trustees Limited (dormant)
	57	Jaguar Land Rover Slovakia s.r.o
	58	Jaguar Land Rover Singapore Pte. Ltd.
	59	Jaguar Racing Limited
	60	InMotion Ventures Limited
	61	InMotion Ventures 1 Limited
	62	InMotion Ventures 2 Limited
	63	InMotion Ventures 3 Limited
	64	Jaguar Land Rover Colombia S.A.S
	65	Jaguar Land Rover Ireland (Services) Limited (Incorporated w.e.f. July 28, 2017)
	66	Jaguar Land Rover Taiwan Company Limited (Incorporated w.e.f. November 17, 2017)
	67	Jaguar Land Rover Servicios México, S.A. de C.V. (Servicios GDV Mexico S.A. de C.V. incorporated w.e.f October 2, 2017 and was renamed w.e.f. December 11, 2017)
	68	Jaguar Land Rover México, S.A.P.I. de C.V. (GDV Imports Mexico SAPI de C.V. ncorporated w.e.f October 2, 2017 and was renamed w.e.f. December 11, 2017)
	69	Jaguar Land Rover Classic USA LLC (Incorporated June 1, 2018) (dormant)
	70	Tata Motors Finance Solutions Limited
	71	Tata Motors Finance Limited (Name changed from Sheba Properties Limited w.e.f. June 30, 2017)
	72	Spark44 (JV) Limited
	73	Spark44 Pty. Ltd. (Sydney, Australia)
	74	Spark44 GmbH (Frankfurt, Germany)
	75	Spark44 LLC (LA & NYC, USA)
	76	Spark44 Shanghai Limited (Shanghai, China)
	77	Spark44 DMCC (Dubai, UAE)
	78	Spark44 Demand Creation Partners Pvt. Limited (Mumbai, India)
	79	Spark44 Limited (London & Birmingham, UK)
	80	Spark44 Singapore Pte. Ltd. (Singapore)
	81	Spark44 Communications SL (Madrid, Spain)
	82	Spark44 S.r.l. (Rome, Italy)
	83	Spark44 Seoul Limited (Korea)
	84	Spark44 Japan K.K. (Tokyo, Japan)
	85	Spark44 Canada Inc (Toronto, Canada)
	86	Spark44 Pty. Limited (South Africa)
	87	Spark44 Colombia S.A.S. (Colombia) (Incorporated w.e.f. May 10, 2018)
	88	Spark44 Taiwan Limited (Taiwan) (Incorporated w.e.f. May 7, 2018)
	89	Tata Toyo Radiator Limited (ceased to be a joint venture and became a subsidiary w.e.f. 01.07.2018)
3	Joint Venture	TATA HAL Technologies Limited
4	Associates and	1 Tata Sons Limited
	Joint Venture of	2 Jaguar Cars Finance Limited
	Parent Company	3 Automobile Corporation of Goa Limited
		4 Nita Company Limited

Notes forming part of the Consolidated Financial Statements

5	Tata Hitachi Construction Machinery Company Private Limited
6	Tata Precision Industries (India) Limited
7	Tata AutoComp Systems Limited
8	Loginomic Tech Solutions Private Limited ("TruckEasy") (Acquired stake w.e.f. July 10, 2018)
9	Serviplem S.A.U. (Liquidated w.e.f. Feb 6, 2019)
10	Automotive Skill Training Pvt. Ltd. (It has been converted into Private Limited Company from Section 25 Company w.e.f. December 10th 2018 (formerly Automotive Skills Training Foundation)
11	Automotive Stampings and Assemblies Limited
12	Nanjing Tata Autocomp Systems Limited
13	TACO Engineering (UK) Limited (ceased w.e.f. 11.08.2017)
14	TACO Engineering Services GmbH
15	TACO Holdings (Mauritius) Limited
16	TACO Kunststofftechnik GmbH (Dissolved w.e.f. 23.10.2017)
17	TACO Grundstuckverwaltungs GmbH (Dissolved w.e.f. 24.11.2017)
18	Ryhpez Holding (Sweden) AB
19	TitanX Holding AB
20	TCE SOUTH AFRICA (Pty) Ltd (w.e.f. 16.07.2018)
21	TitanX Engine Cooling Inc.
22	TitanX Engine Cooling Kunshan Co. Ltd.
23	TitanX Engine Cooling AB
24	TitanX Engine Cooling, Poland (formed on 25-04-2018)
25	TitanX Refrigeração de Motores LTDA
26	TitanX Engine Cooling Holding AB (Merged with TitanX Holding AB w.e.f. 19.03.2018)
27	Tata Ficosa Automotive Systems Private Limited (Tata Ficosa Automotive Systems Limited)
28	Tata AutoComp GY Batteries Private Limited (formerly Tata AutoComp GY Batteries Limited)
29	Tata Autocomp Hendrickson Suspensions Private Limited (formerly Taco Hendrickson Suspensions Private Limited)
30	Air International TTR Thermal Systems Limited
31	Tata Autocomp Katcon Exhaust Systems Private Limited (formerly Katcon India Private Limited)
32	TM Automotive Seating Systems Private Limited
33	TACO Sasken Automotive Electronics Limited (excluded from consolidation by TACO from 01.10.2010) (under liquidation w.e.f. 30.09.2010)
34	Tata Cummins Private Limited
35	Fiat India Automobiles Private Limited
36	Chery Jaguar Land Rover Automotive Company Limited
37	Chery Jaguar Land Rover Auto Sales Company Limited (100% Subsidiaries of Chery Jaguar Land Rover Automotive Company Limited)
38	JT Special Vehicles Pvt. Limited (Incorporated as a JV with effect from July 13, 2016 with Jayem Automotives Pvt. Limited)
39	Ewart Investments Limited
40	Tata Limited
41	Tata AIA Life Insurance Company Limited
42	Tata AIG General Insurance Company Limited
43	Indian Rotorcraft Limited
44	Panatone Finvest Limited
45	TS Investments Limited
46	Tata SIA Airlines Limited
47	Infiniti Retail Limited
48	Tata Incorporated
49	Tata Business Support Services Limited
50	TBSS Healthcare TPA Services Limited (Amalgamated with Tata Business Support Services Limited pursuant to the order dated 30.11.2016 of the Hon'ble High Court of Judicature at Hyderabad for the State of Telangana and Andhra Pradesh. Effective Date: 23.03.2017. Appointed Date: 01.04.2016)

Notes forming part of the Consolidated Financial Statements

51	Global Information Services Private Limited (formerly Global Information Services Limited) (ceased to be an associate and is a subsidiary w.e.f. 13.05.2016) (Amalgamated with Tata Business Support Services Limited pursuant to the order dated 09.03.2017 of the Hon'ble National Company Law Tribunal bench at Mumbai. Effective Date: 23.03.2017. Appointed Date: 01.04.2016)
52	Tata Investment Corporation Limited
53	Simto Investment Company Limited
54	Tata Asset Management Limited
55	Tata Asset Management (Mauritius) Private Limited
56	Tata Pension Management Limited
57	Tata Consulting Engineers Limited
58	Ecofirst Services Limited
59	TCE QSTP-LLC (in liquidation)
60	Tata International AG, Zug
61	Tata AG, Zug
62	TRIF Investment Management Limited
63	Rockbourne Holding B.V. (ceased to be an associate and became a subsidiary w.e.f. 22.03.2018) (under liquidation)
64	Tata Petrodyne Limited
65	Belida B.V.
66	Dian Energy B.V.
67	Merangin B.V.
68	Meruap B.V.
69	Tata Advanced Systems Limited
70	Aurora Integrated Systems Private Limited
71	HELA Systems Private Limited
72	Nova Integrated Systems Limited
73	TASEC Limited (formerly TAS-AGT Systems Limited)
74	TASL Aerostructures Private Limited
75	Tata Lockheed Martin Aerostructures Limited
76	Tata Sikorsky Aerospace Limited (formerly Tara Aerospace Systems Limited)
77	Tata Boeing Aerospace Limited (formerly Tata Aerospace Limited)
78	Tata Capital Limited
79	India Collections Management Limited (Amalgamated with Tata Capital Limited w.e.f. 16.05.2016, Appointed Date: 01.04.2015)
80	Tata Capital Advisors Pte. Limited
81	Tata Capital Financial Services Limited
82	Tata Capital Forex Limited (formerly TT Holdings & Services Limited) (ceased w.e.f. 30.10.2017)
83	TATA Capital General Partners LLP
84	Tata Capital Growth Fund I
85	Tata Capital Healthcare General Partners LLP
86	Tata Capital Housing Finance Limited
87	Tata Capital Markets Pte. Limited
88	Tata Capital Plc
89	Tata Capital Pte. Limited
90	Tata Cleantech Capital Limited
91	Tata Infrastructure Capital Limited (Amalgamated with Tata Capital Limited w.e.f. 16.05.2016, Appointed Date: 01.04.2015)
92	Tata Opportunities General Partners LLP
93	Tata Securities Limited
94	Tata Capital Special Situation Fund
95	Tata Capital Healthcare Fund I
96	Tata Capital Innovations Fund
97	TC Travel and Services Limited (ceased w.e.f. 30.10.2017)

Notes forming part of the Consolidated Financial Statements

98	Tata Housing Development Company Limited
99	Apex Realty Private Limited
100	Ardent Properties Private Limited
101	Concept Developers & Leasing Limited (formerly Concept Marketing and Advertising Limited)
102	Gurgaon Infratech Private Limited (Merged with Tata Housing Development Co. Ltd. pursuant to the order dated April 29, 2016 of the Hon'ble High Court of Judicature at Mumbai w.e.f. April 1, 2014)
103	HLT Residency Private Limited
104	Kriday Realty Private Limited
105	Landscape Structures Private Limited (Merged with Tata Housing Development Co. Ltd. pursuant to the order dated April 29, 2016 of the Hon'ble High Court of Judicature at Mumbai w.e.f. April 1, 2014)
106	North Bombay Real Estate Private Limited
107	One-Colombo Project (Private) Limited
108	Promont Hillside Private Limited
109	Smart Value Homes (Boisar) Private Limited (formerly Niyati Sales Private Limited)
110	Tata Value Homes Limited (formerly Smart Value Homes Limited)
111	THDC Management Services Limited (formerly THDC Facility Management Limited)
112	World-One (Sri Lanka) Projects Pte. Limited
113	World-One Development Company Pte. Limited
114	Synergizers Sustainable Foundation (incorporated under Section 25 of the Companies Act, 1956)
115	Tata Realty and Infrastructure Limited
116	Acme Living Solutions Private Limited
117	Arrow Infraestate Private Limited
118	Gurgaon Construct Well Private Limited
119	Gurgaon Realtech Limited
120	HV Farms Private Limited
121	TRIF Gurgaon Housing Projects Private Limited
122	TRIL Amritsar Projects Limited (formerly TRIF Amritsar Projects Limited)
123	TRIL Constructions Limited
124	Wellkept Facility Mangement Services Private Limited (formerly TRIL Hospitality Private Limited)
125	TRIL Roads Private Limited
126	TRIL Urban Transport Private Limited
127	TRIL Infopark Limited
128	Hampi Expressways Private Limited
129	TRIF Real Estate And Development Limited
130	Dharamshala Ropeway Limited
131	Manali Ropeways Private Limited
132	International Infrabuild Private Limited
133	Uchit Expressways Private Limited
134	TRPL Roadways Private Limited
135	Tata Consultancy Services Limited
136	Alti HR S.A.S. (Merged with Alti S.A. w.e.f. 01.04.2017)
137	Alti Infrastructures Systemes & Reseaux S.A.S. (Merged with Alti S.A. w.e.f. 01.04.2017)
138	Alti NV (Merged with Tata Consultancy Services Belgium S.A. w.e.f. 01.10.2017)
139	Alti S.A.
140	Alti Switzerland S.A. (Merged with Tata Consultancy Services Switzerland Ltd. w.e.f. 01.10.2017)
141	APTOnline Limited (formerly APOne Limited)
142	C-Edge Technologies Limited
143	CMC Americas Inc.
144	CMC eBiz Inc. (liquidated w.e.f. 20.06.2018)
145	Diligenta Limited
146	MahaOnline Limited
147	MGDC S.C.

Notes forming part of the Consolidated Financial Statements

148	MP Online Limited
149	Planaxis Technologies Inc. (Liquidated w.e.f. 31.03.2018)
150	PT Tata Consultancy Services Indonesia
151	Tata America International Corporation
152	Tata Consultancy Services (Africa) (PTY) Ltd.
153	Tata Consultancy Services (China) Co., Ltd.
154	Tata Consultancy Services (Philippines) Inc.
155	Tata Consultancy Services (South Africa) (PTY) Ltd.
156	Tata Consultancy Services (Thailand) Limited
157	Tata Consultancy Services Argentina S.A.
158	Tata Consultancy Services Asia Pacific Pte Ltd.
159	Tata Consultancy Services Belgium (formerly Tata Consultancy Services Belgium S.A.)
160	Tata Consultancy Services Canada Inc.
161	Tata Consultancy Services Chile S.A.
162	Tata Consultancy Services Danmark ApS
163	Tata Consultancy Services De Espana S.A.
164	Tata Consultancy Services De Mexico S.A.,De C.V.
165	Tata Consultancy Services Deutschland GmbH
166	Tata Consultancy Services Do Brasil Ltda
167	Tata Consultancy Services France SA (formerly Alti S.A.)
168	Tata Consultancy Services France SAS (Merged with Alti S.A. w.e.f. 01.04.2017)
169	Tata Consultancy Services Luxembourg S.A.
170	Tata Consultancy Services Malaysia Sdn Bhd
171	Tata Consultancy Services Netherlands BV
172	Tata Consultancy Services Osterreich GmbH
173	Tata Consultancy Services Portugal Unipessoal Limitada
174	Tata Consultancy Services Qatar S.S.C.
175	Tata Consultancy Services Sverige AB
176	Tata Consultancy Services Switzerland Ltd.
177	TCS e-Serve America, Inc.
178	TCS Financial Solutions (Beijing) Co., Ltd.
179	TCS Financial Solutions Australia Holdings Pty Limited
180	TCS Financial Solutions Australia Pty Limited
181	TCS FNS Pty Limited
182	TCS Iberoamerica SA
183	TCS Inversiones Chile Limitada
184	TCS Italia SRL
185	TCS Solution Center S.A.
186	TCS Uruguay S. A.
187	Teamlink (Liquidated with effect from 31.01.2018)
188	TESCOM (France) Software Systems Testing S.A.R.L. (Merged with Alti S.A. w.e.f. 01.04.2017)
189	TCS e-Serve International Limited
190	Tata Consultancy Services Japan, Ltd.
191	TCS Foundation(formed under Section 8 of the Companies Act, 2013)
192	W12 Studios Limited (w.e.f. 01.11.2018)
193	Tata Consultancy Services Saudi Arabia
194	Technology Outsourcing S.A.C.
195	MS CJV Investments Corporation (dissolved w.e.f. 24.01.2017)
196	Diligenta 2 Limited (dissolved w.e.f. 14.03.2017)
197	PT Financial Network Services (liquidated w.e.f. 16.03.2017)
198	Tata Trustee Company Limited

Notes forming part of the Consolidated Financial Statements

199	Tata Sky Limited
200	ACTVE Digital Services Private Limited
201	Tata Sky Broadband Private Limited (formerly Quickest Broadband Private Limited)
202	Eurofins Advinus Limited (formerly Advinus Therapeutics Limited) (ceased to be subsidiary w.e.f. 05.10.2017)
203	Advinus Therapeutics Inc. (ceased to be subsidiary w.e.f. 05.10.2017)
204	Impetis Biosciences Limited (w.e.f. 24.07.2017) (ceased to be subsidiary w.e.f. 05.10.2017)
205	Niskalp Infrastructure Services Limited (formerly Niskalp Energy Limited)
206	India Emerging Companies Investment Limited
207	Inshaallah Investments Limited
208	Tata Industries Limited
209	Apex Investments (Mauritius) Holding Private Limited (Amalgamated with Tata Industries Limited pursuant to the order dated 18.10.2017 of the Hon'ble NCLT at Mumbai Bench. Effective Date: 12.12.2017. Appointed Date: 01.04.2017)
210	Tata Advanced Materials Limited
211	Tata Interactive Systems AG (ceased 05.07.2018)
212	Tata Interactive Systems GmbH (ceased w.e.f. 02.07.2018)
213	Tata Unistore Limited (formerly Tata Industrial Services Limited) (Ceased to be a subsidiary and became a joint venture w. e. f. 29.03.2018)
214	Landmark E-tail Limited (Amalgamated with Tata Unistore Limited pursuant to the order dated 29.06.2017 of the Hon'ble NCLT at Mumbai Bench. Effective Date: 30.06.2017. Appointed Date: 01.07.2015)
215	Inzpera Healthsciences Limited
216	Qubit Investments Pte. Limited
217	Tata SmartFoodz Limited (formerly SmartFoodz Limited) (w.e.f. 16.11.2017)
218	Tata Autocomp Systems Limited (Included above as a Direct Associate of Tata Motors Limited)
219	Tata International Limited
220	Alliance Motors Ghana Limited
221	Bachi Shoes Limited (Amalgamated with Tata International Limited pursuant to the order dated 05.07.2017 of the National Company Law Tribunal at Chennai and order dated 11.07.2017 of the National Company Law Tribunal at Mumbai. Effective Date: 01.04.2015. Appointed Date: 01.04.2015)
222	Blackwood Hodge Zimbabwe (Private) Limited
223	Calsea Footwear Private Limited
224	Cometal, S.A.R.L.
225	Euro Shoe Components Limited
226	Monroa Portugal, Comércio E Serviços, Unipessoal LDA
227	Move On Componentes E Calçado, S.A.
228	Move On Retail Spain, S.L.
229	M'Pumalanga Mining Resources SA (ceased w.e.f. 16.03.2018)
230	M'Pumalanga Mining Investment Holdings Limited (formerly TAHL (Mauritius) Mining Projects Limited) (ceased w.e.f. 16.03.2018)
231	Tata International Metal (S.A) Pty Ltd (w.e.f. 01.04.2018)
232	Pamodzi Hotels Plc
233	TAH Pharmaceuticals Limited
234	TAHL (Mauritius) Mining Projects Limited
235	Tata Africa (Cote D'Ivoire) SARL
236	Tata Africa Holdings (Ghana) Limited
237	TATA Africa Holdings (Kenya) Limited
238	Tata Africa Holdings (SA) (Proprietary) Limited
239	Tata Africa Holdings (Tanzania) Limited
240	Tata Africa Services (Nigeria) Limited
241	Tata Africa Steel Processors (Proprietary) Limited
242	Tata Automobile Corporation (SA) (Proprietary) Limited

Notes forming part of the Consolidated Financial Statements

243	Tata De Mocambique, Limitada
244	Tata Holdings Mocambique Limitada
245	Tata International Metals (Americas) Limited (formerly Tata Steel International (North America) Limited)
246	Tata International Metals (Asia) Limited (formerly Tata Steel International (Hongkong) Limited)
247	Tata International Metals (UK) Limited (formerly Tata Steel International (UK) Limited)
248	Tata International Singapore Pte Limited
249	Tata International Trading Brasil Ltda (ceased w.e.f. 30.11.2017)
250	Tata South East Asia (Cambodia) Limited
251	Tata South-East Asia Limited
252	Tata Uganda Limited
253	Tata West Asia FZE
254	Tata Zambia Limited
255	Tata Zimbabwe (Private) Limited
256	TIL Leather Mauritius Limited
257	Tata International West Asia DMCC
258	Motor-Hub East Africa Limited
259	Tata International Vietnam Company Limited
260	Tata Africa (Senegal) S.A.R.L.
261	Tata International Canada Limited
262	Newshelf 1369 Pty Ltd.
263	TAHL (Mauritius) Power Projects Limited (ceased w.e.f. 14.04.2016)
264	Tata International Unitech Senegal (formerly Unitech Motors S.A) (merged with Tata Africa (Senegal) S.A.R.L. w.e.f 30.06.2016)
265	Taj Air Limited
266	Taj Air Metrojet Aviation Limited (Amalgamated with Taj Air Limited pursuant to the order dated 12.04.2018 of the Hon'ble NCLT. Effective Date: 11.05.2018. Appointed Date: 01.04.2017)
267	AirAsia (India) Limited
268	Strategic Energy Technology Systems Private Limited
269	Tata Teleservices Limited
270	MMP Mobi Wallet Payment Systems Limited
271	NVS Technologies Limited
272	Tata Internet Services Limited (Amalgamated with Tata Teleservices Limited pursuant to the order dated 24.04.2017 of the Hon'ble High Court of Judicature at New Delhi. Effective Date: 04.05.2017. Appointed Date: 01.01.2015)
273	TTL Mobile Private Limited (formerly Virgin Mobile (India) Private Limited (ceased to be a joint venture and is a subsidiary w.e.f. 10.11.2017)
274	A & T Road Construction Management and Operation Private Limited
275	Pune Solapur Expressways Private Limited
276	TRIL IT4 Private Limited (formerly Albrecht Builder Private Limited)
277	Mikado Realtors Private Limited
278	MIA Infrastructure Private Limited
279	Industrial Minerals and Chemicals Company Private Limited
280	Nectar Loyalty Management India Limited (ceased w.e.f. 22.08.2016)
281	Arvind and Smart Value Homes LLP
282	Princeton Infrastructure Private Limited
283	Sohna City LLP
284	Technopolis Knowledge Park Limited
285	HL Promoters Private Limited
286	Kolkata-One Excelton Private Limited
287	Sector 113 Gatevida Developers Private Limited (formerly Lemon Tree Land & Developers Private Limited)
288	Promont Hilltop Private Limited

Notes forming part of the Consolidated Financial Statements

289	Smart Value Homes (Peenya Project) Private Limited (formerly Smart Value Homes (Boisar Project) Private Limited)
290	Smart Value Homes (New Project) LLP
291	One Bangalore Luxury Projects LLP
292	Tata International DLT Private Limited
293	Tata International Wolverine Brands Limited
294	Tata International GST AutoLeather Limited
295	Synaptiv Limited (InMotion Ventures Limited holds Equity Investments valued at GB£1,56,000) (GB£100,000 - 30 April 2018)
296	DriveClubService Pte. Ltd. (InMotion Ventures Limited holds Equity Investments valued at US\$2,50,000)
297	Cloud Car Inc
298	Durg Shivnath Expressways Private Limited (formerly SMS Shivnath Infrastructure Private Limited (w.e.f. 26.04.2017))
299	Matheran Rope-Way Private Limited (w.e.f. 19.06.2017)
300	TATASOLUTION CENTER S.A.
301	Alliance Finance Corporation Limited (w.e.f. 18.04.2017)
302	Ardent Properties Private Limited (Ceased to be a subsidiary and is a joint venture w.e.f. 04.12.2017)
303	MIA Infrastructure Private Limited (Ceased to be a joint venture and is a subsidiary w.e.f. 17.10.2017)
304	SmartFoodz Limited (w.e.f. 16.11.2017)
305	Flisom - AG (Ceased to be an associate and is a subsidiary w.e.f. 15.06.2018)
306	Impetis Biosciences Limited (w.e.f. 05.10.2017)
307	Tata Communications Limited
308	Tata Communications Transformation Services Limited
309	Tata Communications Collaboration Services Private Limited
310	Tata Communications Payment Solutions Limited
311	Tata Communications Lanka Limited
312	Tata Communications Services (International) Pte. Limited
313	Tata Communications (Bermuda) Limited
314	Tata Communications (Netherlands) B.V.
315	Tata Communications (Hong Kong) Limited
316	ITXC IP Holdings S.A.R.L.
317	Tata Communications (America) Inc.
318	Tata Communications (International) Pte Limited
319	Tata Communications (Canada) Limited
320	Tata Communications (Belgium) S.P.R.L.
321	Tata Communications (Italy) SRL
322	Tata Communications (Portugal) Unipessoal LDA
323	Tata Communications (France) SAS
324	Tata Communications (Nordic) AS
325	Tata Communications (Guam) L.L.C.
326	Tata Communications (Portugal) Instalacao E Manutencao De Redes LDA
327	Tata Communications (Australia) Pty Limited
328	Tata Communications Services (Bermuda) Limited
329	Tata Communications (Poland) SP.Z.O.O.
330	Tata Communications (Japan) KK.
331	Tata Communications (UK) Limited
332	Tata Communications Deutschland GMBH
333	Tata Communications (Middle East) FZ-LLC
334	Tata Communications (Hungary) LLC
335	Tata Communications (Ireland) DAC
336	Tata Communications (Russia) LLC
337	Tata Communications (Switzerland) GmbH

Notes forming part of the Consolidated Financial Statements

		338	Tata Communications (Sweden) AB
		339	TCPOP Communication GmbH
		340	Tata Communications (Taiwan) Limited
		341	Tata Communications (Thailand) Limited
		342	Tata Communications (Malaysia) Sdn. Bhd.
		343	Tata Communications Transformation Services South Africa (Pty) Ltd
		344	Tata Communications (Spain) S.L.
		345	Tata Communications (Beijing) Technology Limited
		346	VSNL SNOSPV Pte. Limited
		347	Tata Communications (South Korea) Limited
		348	Tata Communications Transformation Services (Hungary) Kft.
		349	Tata Communications Transformation Services Pte Limited
		350	Tata Communications (Brazil) Participacoes Limitada
		351	Tata Communications Transformation Services (US) Inc
		352	Tata Communications Comunicacoes E Multimidia (Brazil) Limitada
		353	Nexus Connexion (SA) Pty Limited
		354	SEPCO Communications (Pty) Limited
		355	Tata Communications (New Zealand) Limited
		356	Tata Communications MOVE B.V.(formerly Teleena Holding B.V.) (w.e.f. 02.10.2018)
		357	Tata Communications MOVE Nederland B.V. (formerly Teleena Nederland B.V.) (w.e.f. 02.10.2018)
		358	Tata Communications MOVE UK Limited (formerly Teleena UK Limited) (w.e.f. 02.10.2018)
		359	Tata Communications MOVE Singapore Pte. Ltd. (formerly Teleena Singapore Pte. Ltd.) (w.e.f. 02.10.2018)
		360	MuCosso B.V. (w.e.f. 02.10.2018)
		361	Tata Teleservices (Maharashtra) Limited
		362	Tata Elxsi Limited
5	Post employment benefit plans	1	Tata Technologies (India) Limited Gratuity Fund
		2	Tata Technologies (India) Limited Superannuation Fund
		3	Tata Technologies (India) Limited Provident Fund
6	Key Management Personnel of the Company	1	Mr. Warren Harris, Managing Director
		2	Mr Anubhav Kapoor, Company Secretary (upto July 14, 2018)
		3	Mr. Venkateswarlu S, Chief Financial Officer (upto August 31, 2017)
		4	Mr. J.K. Gupta, Chief Financial Officer (w.e.f. September 1, 2017)
		5	Mr. S. Ramadorai, Director
		6	Mr. P.P. Kadle, Director
		7	Mr. C. Ramakrishnan, Director (upto March 29, 2018)
		8	Mr. Rakesh Makhija, Director
		9	Mr. Falguni Nayar, Director
		10	Guenter Butschek, Director (w.e.f. March 30, 2018)
		11	PB Balaji, Director (w.e.f. March 30, 2018)
		12	Vikrant Gandhe, Company Secretary (w.e.f July 16, 2018)
7	Key Management Personnel in subsidiary companies & Joint Venture	1	Mr. Fernando Oviedo
		2	Mrs. Sonal Ramrakhiani
		3	Mr. Rajarajan Shanmugam

Notes forming part of the Consolidated Financial Statements

38 Related Party Disclosures for the year ended March 31, 2019.

b) Transactions with related parties

(Amount in ₹ Crore)

Particulars	Parent Company	Fellow subsidiaries	Joint Venture	Associates and joint venture of Parent company	Key Management Personnel (**)	Total
Purchase of products	- (-)	0.43 (0.27)	- (-)	0.41 (0.26)	- (-)	0.84 (0.53)
Sale of products	29.35 (41.70)	3.55 (2.61)	- (0.01)	34.90 (20.24)	- (-)	67.80 (64.56)
Services received	1.91 (1.70)	0.24 (5.77)	0.57 (0.61)	18.70 (7.53)	- (-)	21.42 (15.61)
Services rendered	527.54 (465.07)	774.50 (723.91)	- (-)	95.57 (89.20)	- (-)	1,397.61 (1,278.18)
Finance placed (including loans, equity & ICD)	1,125.25 (1,269.25)	- (-)	- (-)	- (-)	- (-)	1,125.25 (1,269.25)
Finance received back (including loans, equity & ICD)	1,143.50 (1,191.75)	- (-)	- (-)	- (-)	- (-)	1,143.50 (1,191.75)
Dividend paid	90.90 (121.20)	2.44 (3.25)	- (-)	16.86 (22.48)	2.06 (1.47)	112.26 (148.40)
Interest paid / (received)(net)	(3.71) (-9.42)	(0.55) (-0.55)	- (-)	(0.11) (-)	- (-)	(4.37) (-9.97)
Remuneration	- (-)	- (-)	- (-)	- (-)	11.79 (8.41)	11.79 (8.41)
Amount receivable including unbilled receivables	114.84 (86.34)	127.58 (230.79)	- (0.09)	34.62 (18.74)	- (-)	277.04 (335.96)
Amount payable	0.26 (0.87)	6.89 (0.27)	0.12 (0.25)	7.41 (6.43)	1.96 (0.16)	16.64 (7.98)
Lease receivables	- (-)	- (-)	- (-)	1.28 (-)	- (-)	1.28 (-)
Amount receivable (in respect of loans and bonds)	59.25 (77.50)	5.29 (5.29)	- (-)	- (-)	- (-)	64.54 (82.79)
Commission	- (-)	- (-)	- (-)	- (-)	0.72 (0.35)	0.72 (0.35)
Sitting fees	- (-)	- (-)	- (-)	- (-)	0.17 (0.27)	0.17 (0.27)

The above transactions are excluding reimbursement of expenses

* Previous year's figures are shown in the brackets

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

Notes forming part of the Consolidated Financial Statements
Disclosure of material transactions:
Purchase of products:

TAL Manufacturing Solutions Limited: ₹ 0.43 crore (March 31, 2018 ₹ 0.27 crore)

Tata Elxsi Limited : ₹ 0.39 crore (March 31, 2018 ₹ Nil)

Sale of products:

Tata Consultancy Services: ₹ 26.13 crores (March 31, 2018 ₹ 17.48 crores)

Services received:

Tata Sons Limited: ₹ 6.13 crore (March 31, 2018 ₹ 5.25 crore)

Tata Communications Limited: ₹ 7.56 crores (March 31, 2018 ₹ Nil)

Services Rendered:

Jaguar Land Rover Limited ₹ 753.92 crore (March 31, 2018 ₹ 668.80 crores)

Interest received:

Tata Motors Finance Limited ₹ 0.55 crores (March 31, 2018 ₹ 0.55 crores)

Dividend paid:

TATA Capital General Partners LLP: ₹ 11.24 crores (March 31, 2018 ₹ 14.99 crores)

(Amount in ₹ Crore)

Consideration of key management personnel	Year ended March 31, 2019	Year ended March 31, 2018
Short term benefits	12.77	8.93
Post employment benefits	0.30	0.10

Notes:

1. Consideration of benefits payables to Key Managerial Management Personnel are in respect of holding company.
2. Includes provision for encashable leave and gratuity for certain key management personnels on estimate basis as a separate actuarial valuation is not available

39. BUSINESS COMBINATION
Business combination occurring in the previous reporting period:

On April 19, 2017, Tata Technologies Europe Ltd. (TTEL), entered into a Share Purchase agreement to acquire 100% shares in Escenda Holding AB (formerly know as Tescan Holding AB). Escenda is an engineering service company, headquartered in Gothenburg, Sweden.

(a) Details of the purchase consideration, assets and liabilities recognised and goodwill are as follows:

Particulars	Amount in SEK Million	Amount in ₹ Crore
Cash paid	67.28	48.81
Total purchase consideration	67.28	48.81
The assets and liabilities recognised as a result of the acquisition are as follows:		
Property, Plant and Equipment	1.15	0.83
Current assets	36.07	26.68
Current liabilities	(24.44)	(17.74)
Intangible asset identified on acquisition and recognised separately from goodwill	31.00	23.72
Fair values of Escenda's identifiable assets and liabilities (excluding deferred tax)	43.78	33.49
Deferred tax on Intangible asset	6.82	5.22
Goodwill*	30.32	20.54

*Goodwill is not deductible for income tax purposes.

Notes forming part of the Consolidated Financial Statements

(b) The assets and liabilities recognized as a result of the acquisition are as follows:

Particulars	Amount in SEK Million	Amount in ₹ Crore
Property, Plant and Equipment		
Tangible assets	0.54	0.39
Intangible assets	0.61	0.44
Total Fixed assets	1.15	0.83
Current assets		
Trade Receivables	26.25	19.55
Current Account with banks	5.98	4.33
Prepaid expenses	1.29	0.94
Unbilled Revenue	1.82	1.32
Loans and Advances to employees	0.46	0.34
Current income tax assets	0.27	0.20
Total Current assets	36.07	26.68
Current liabilities		
Trade Payables	10.63	7.71
Deferred Revenue	0.05	0.04
Statutory dues	6.30	4.57
Provision for employee benefits	7.46	5.42
Total Current liabilities	24.44	17.74

(c) **Acquired receivables**

The fair value of acquired trade receivables is ₹ 19.55 Crores. The gross contractual amount for trade receivables due is ₹ 19.55 Crores and hence expected uncollectible receivables are nil.

(d) **Revenue and profit contribution**

The acquired business has contributed revenues of ₹ 132.96 crores and loss before tax of ₹ 10.91 crores to the group revenue and profit before tax respectively for the year ended March 31, 2018.

(e) **Transactions recorded separately in the business combination:**

Acquisition related costs

Acquisition related costs of ₹ 1.93 crore paid towards professional and legal fees, stamp duty etc. are included in 'exceptional items' in the Statement of Profit and Loss.

Deferred consideration

The deferred consideration is payable to the selling shareholders of Escenda in four bi-annual installments and is contingent upon their continued employment for a period of two years. The deferred consideration is being recognised on a proportionate basis over a period of two years from the date of acquisition. An amount of ₹ 6.22 crores and ₹ 5.97 crores representing the proportionate charge of the deferred consideration has been recognised as an expense during the year ended March 31, 2019 and March 31, 2018 respectively, which was included in 'exceptional items' in the Statement of Profit and Loss.

Notes forming part of the Consolidated Financial Statements
40. DETAILS OF SUBSIDIARIES

The following subsidiary companies are considered in the consolidated financial statements

Sr. no	Name of the Subsidiary Company	Country of Incorporation	% of holding either directly or through subsidiary as at	
			March 31, 2019	March 31, 2018
	Direct Subsidiary			
1	TATA Technologies Pte. Ltd.	Singapore	100	100
	Indirect Subsidiaries			
2	Tata Technologies (Thailand) Limited	Thailand	100	100
3	Tata Manufacturing Technologies Consulting (Shanghai) Limited (named changed from Cambric Manufacturing Technologies (Shanghai) Co. Ltd. effective April 1, 2017)	China	100	100
4	INCAT International Plc.	UK	100	100
5	Tata Technologies Europe Limited	UK	100	100
6	Escenda Engineering AB (Tata Technologies Europe Limited acquired 100% stake in the company w.e.f. May 1, 2017)	Sweden	100	-
7	INCAT GmbH (in process of liquidation)	Germany	100	100
8	Tata Technologies Inc. ** (Including Midwest Managed Services Inc. which got merged into Tata Technologies Inc. w.e.f. Feb 28, 2018)	USA	99.81	99.81
9	Tata Technologies de Mexico, S.A. de C.V **	Mexico	99.81	99.81
10	Cambric Limited, Bahama **	Bahama, USA	99.76	99.76
11	Cambric GmbH (in process of liquidation) **	Germany	99.81	99.81
12	Tata Technologies SRL, Romania ** (erstwhile Cambric Consulting SRL was renamed w.e.f February 4, 2015)	Romania	99.76	99.76
13	Tata Technologies Limited Employees Stock Option Trust	India	100	100
14	Zedra Corporate Services (Guernsey) Limited	UK	100	100

** For these subsidiaries though the holding is 99.81 % and 99.76 %, the indirect voting power is 100%.

41. ADDITIONAL INFORMATION PURSUANT TO PARA 2 OF GENERAL INSTRUCTIONS FOR THE PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS

Sr. No	Name of the entity in the group	Net Assets, i.e., total assets minus total liabilities		Share in (profit) or loss		Share in other comprehensive income		Share in total comprehensive income	
		As % of consolidated net assets	₹ Crores	As % of consolidated (profit) or loss	₹ Crores	As % of consolidated other comprehensive income	₹ Crores	As % of total comprehensive income	₹ Crores
	Parent Company								
	Tata Technologies Limited	43.21%	(759.25)	54.22%	(191.18)	22.96%	(2.15)	53.41%	(193.33)
	Direct Subsidiaries - Indian								
	Tata Technologies Limited Employees Stock Option Trust	0.16%	(2.82)	0.04%	(0.13)	0.00%	-	0.04%	(0.13)
	Direct and Indirect Subsidiaries - Foreign								
1	TATA Technologies Pte. Ltd.	43.93%	(771.88)	0.50%	(1.78)	469.86%	(43.93)	12.63%	(45.71)
2	Tata Technologies (Thailand) Limited	0.68%	(11.90)	0.36%	(1.28)	5.58%	(0.52)	0.50%	(1.81)
3	Tata Manufacturing Technologies Consulting (Shanghai) Limited (named changed from Cambric Manufacturing Technologies (Shanghai) Co. Ltd. effective April 1, 2017)	3.44%	(60.50)	6.26%	(22.06)	-4.83%	0.45	5.97%	(21.60)

Notes forming part of the Consolidated Financial Statements

Sr. No	Name of the entity in the group	Net Assets, i.e., total assets minus total liabilities		Share in (profit) or loss		Share in other comprehensive income		Share in total comprehensive income	
		As % of consolidated net assets	₹ Crores	As % of consolidated (profit) or loss	₹ Crores	As % of consolidated other comprehensive income	₹ Crores	As % of total comprehensive income	₹ Crores
4	INCAT International Plc.	2.51%	(44.18)	0.24%	(0.84)	-9.26%	0.87	-0.01%	0.03
5	Tata Technologies Europe Limited	46.26%	(812.87)	32.60%	(114.94)	-213.02%	19.92	26.26%	(95.02)
6	Escenda Engineering AB (Tata Technologies Europe Limited acquired 100% stake in the company w.e.f. May 1, 2017)	0.03%	(0.48)	-0.69%	2.45	29.55%	(2.76)	0.10%	(0.31)
7	INCAT GmbH (in process of liquidation)	1.01%	(17.68)	0.08%	(0.28)	-7.64%	0.71	-0.12%	0.44
8	Tata Technologies Inc. (Including Midwest Managed Services Inc. which got merged into Tata Technologies Inc. w.e.f. Feb 28, 2018)	22.00%	(386.61)	3.23%	(11.39)	223.21%	(20.87)	8.91%	(32.26)
9	Tata Technologies de Mexico, S.A. de C.V	0.33%	(5.80)	-0.16%	0.56	-5.16%	0.48	-0.29%	1.04
10	Cambric Limited, Bahama	1.10%	(19.35)	-0.25%	0.89	0.00%	-	-0.25%	0.89
11	Cambric GmbH (in process of liquidation)	0.10%	(1.83)	-0.02%	0.06	-2.10%	0.20	-0.07%	0.26
12	Tata Technologies SRL, Romania	2.25%	(39.61)	4.06%	(14.31)	-33.08%	3.09	3.10%	(11.22)
13	Zedra Corporate Services (Guernsey) Limited	0.57%	(10.09)	-0.19%	0.67	-1.88%	0.18	-0.23%	0.84
	Joint Ventures (investment as per the equity method) - Indian								
	Tata HAL Technologies Ltd	0.00%	-	0.00%	-	0.00%	-	0.00%	-
	Consolidation Adjustment	-67.61%	1,187.85	-0.28%	1.00	-374.18%	34.99	-9.94%	35.98
	Total	100.00%	(1,757.00)	100.00%	(352.60)	100.00%	(9.35)	100.00%	(361.95)

42. Previous year's figures have been regrouped / reclassified wherever necessary to correspond with current year's classification / disclosure.

As per our report of even date attached

For **B S R & Co. LLP**

Chartered Accountants

Firm Registration No: 101248W/W -100022

For and on behalf of the Board

Swapnil Dakshindas

Partner

Membership No: 113896

S Ramadorai

Chairman

DIN: 00000002

Warren Harris

Managing Director

DIN: 02098548

J.K. Gupta

Chief Financial Officer

Vikrant Gandhe

Company Secretary

Mumbai, May 07, 2019

Mumbai, May 07, 2019

INDEPENDENT AUDITORS' REPORT**TO THE MEMBERS OF TATA TECHNOLOGIES LIMITED****Report on the Audit of the Standalone Financial Statements****Opinion**

We have audited the accompanying standalone financial statements of Tata Technologies Limited ("the Company"), which comprise the standalone balance sheet as at 31 March 2019, the standalone statement of profit and loss (including other comprehensive income), standalone statement of changes in equity and standalone statement of cash flows for the year then ended, and notes to the standalone financial statements, including a summary of the significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Companies Act, 2013 ("Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31 March 2019, and profit and other comprehensive income, changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Act. Our responsibilities under those SAs are further described in the *Auditor's Responsibilities for the Audit of the Standalone Financial Statements* section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the standalone financial statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Information Other than the Standalone Financial Statements and Auditors' Report Thereon

The Company's management and Board of Directors are responsible for the other information. The other information comprises the information included in the Company's annual report, but does not include the financial statements and our auditors' report thereon.

Our opinion on the standalone financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the standalone financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the standalone financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Management's Responsibility for the Standalone Financial Statements

The Company's management and Board of Directors are responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these standalone financial statements that give a true and fair view of the state of affairs, profit/loss and other comprehensive income, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the standalone financial statements, management and Board of Directors are responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Board of Directors is also responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Standalone Financial Statements

Our objectives are to obtain reasonable assurance about whether the standalone financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these standalone financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the standalone financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the standalone financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the standalone financial statements, including the disclosures, and whether the standalone financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

Report on Other Legal and Regulatory Requirements

- (A) As required by the Companies (Auditors' Report) Order, 2016 ("the Order") issued by the Central Government in terms of section 143 (11) of the Act, we give in the "Annexure A" a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
- (B) As required by Section 143(3) of the Act, we report that:
- a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
 - c) The standalone balance sheet, the standalone statement of profit and loss (including other comprehensive income), the standalone statement of changes in equity and the standalone statement of cash flows dealt with by this Report are in agreement with the books of account.
 - d) In our opinion, the aforesaid standalone financial statements comply with the Ind AS specified under section 133 of the Act.
 - e) On the basis of the written representations received from the directors as on 31 March 2019 and taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2019 from being appointed as a director in terms of Section 164(2) of the Act.
 - f) With respect to the adequacy of the internal financial controls with reference to financial statements of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B".
- (C) With respect to the other matters to be included in the Auditors' Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
- i. The Company has disclosed the impact of pending litigations as at March 31, 2019 on its financial position in its standalone financial statements - Refer Note 28 to the standalone financial statements;
 - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses;

- iii. There was one instance of delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company, the details of which are as follows :

Amount Credited to the Fund	Date of Payment	Date by which amount should have been credited to the fund	Delay (no. of days)
₹ 376,092	22 January 2019	30 September 2018	114

- iv. The disclosures in the standalone financial statements regarding holdings as well as dealings in specified bank notes during the period from 8 November 2016 to 30 December 2016 have not been made in these financial statements since they do not pertain to the financial year ended 31 March 2019.

- (D) With respect to the matter to be included in the Auditors' Report under section 197(16):

In our opinion and according to the information and explanations given to us, the remuneration paid by the company to its directors during the current year is in accordance with the provisions of Section 197 of the Act. The remuneration paid to any director is not in excess of the limit laid down under Section 197 of the Act. The Ministry of Corporate Affairs has not prescribed other details under Section 197(16) which are required to be commented upon by us.

For **B S R & Co. LLP**

Chartered Accountants

Firm's Registration No. 101248W/W-100022

Swapnil Dakshindas

Partner

Membership No. 113896

Place: Mumbai

Date: 7 May 2019

Annexure "A" to Independent Auditor's Report

Referred to in paragraph (A) under 'Report on Other Legal and Regulatory Requirements' section of our report of even date to the members of Tata Technologies Limited on the standalone financial statements as of and for the year ended 31 March 2019

- (i) (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
- (b) The Company has a physical verification programme whereby items of fixed assets are physically verified according to a phased programme designed to cover all the items over a period of three years. In our opinion, the frequency of such physical verification programme is reasonable having regard to the size of the Company and the nature of its assets. Pursuant to the programme, a portion of the fixed assets has been physically verified by the Management during the year and no material discrepancies have been noticed on such verification.
- (c) According to the information and explanation given to us and on the basis of our examination of the records of the Company, the title deeds of the immovable properties are held in the name of the Company.
- (ii) The Company is in the business of providing services and does not have any physical inventories. Accordingly, reporting under clause 3 (ii) of the Order is not applicable to the Company.
- (iii) According to the information and explanations given to us, and based on the audit procedures performed by us, the Company has granted unsecured loans to one party amounting to ₹ 59.25 crores to its holding company, which is a party covered in the register maintained under Section 189 of the Act.
- (a) In respect of the aforesaid loans, the terms and conditions under which such loans were granted are not, prima facie, prejudicial to the Company's interest.
- (b) The aforesaid loans are repayable on demand. The holding company is repaying the principal amounts whenever called and is also regular in payment of interest.
- (c) In respect of the aforesaid loans, there is no amount which is overdue for more than ninety days.
- (iv) In our opinion and according to the information and explanations given to us, the Company has not granted any loans or provided any guarantees or security to the parties covered under Section 185. In our opinion and according to the information and explanations given to us, the Company has complied with the provisions of Section 186 of the Act in respect of the loans and investments made. The Company however, has not issued any guarantees or provided any security.
- (v) The Company has not accepted any deposits from the public in terms of directives issued by the Reserve Bank of India and the provisions of Sections 73 to 76 of the Act and the rules made there under to the extent notified. Therefore, the provision of Clause 3(v) of the said Order are not applicable to the Company.
- (vi) The Central Government has not prescribed the maintenance of cost records under section 148(1) of the Act, for any of the products of the Company.
- (vii) (a) According to the information and explanations given to us and the records of the Company examined by us, in our opinion, the Company is generally regular in depositing undisputed statutory dues in respect of Professional tax, though there has been a slight delay in few cases, and is regular in depositing undisputed statutory dues including Provident fund, Income tax, Goods and service tax, Duty of customs, Cess and other material statutory dues, as applicable, with the appropriate authorities except in connection with certain employee related dues as more fully described in note 28(b) to the financial statements.

According to the information and explanations given to us, no undisputed amounts payable in respect of professional tax, provident fund, Income tax, Goods and Service tax, Duty of customs, Cess and other material statutory dues were in arrears as at 31 March 2019, for a period of more than six months from the date they became payable except in connection with certain employee related dues as more fully described in note 28(b) to the financial statements.

- (b) According to information and explanation given to us and the records of the Company examined by us, there are no dues of sales-tax, duty of customs, duty of excise and value added tax which have not been deposited on account of any dispute. The particulars of dues of Income tax and service tax which have not been deposited on account of any dispute, are as follows:

Name of the Statute	Nature of dues	Forum where dispute is pending)	Period to which the amount relates	Amount involved (₹ in crore)	Amount unpaid (₹ in crore)
Income Tax Act, 1961	Income Tax	Income Tax Appellate Tribunal	2013-14	15.78	10.72
Finance Act, 1994 (Service tax provisions)	Service Tax	CESTAT	2006-08	6.00	6.00
Central Sales Tax Act, 1956	Sales Tax	Deputy Commissioner of Sales Tax (Appeals)	2003-04	0.003	0.003

- (viii) According to the information and explanations given to us, the Company does not have any loans or borrowings from any financial institution, banks, government or debenture holders during the year. Accordingly, paragraph 3(viii) of the Order is not applicable to the Company.
- (ix) The Company has not raised any moneys by way of initial public offer or further public offer (including debt instruments) and term loans. Accordingly, the provisions of Clause 3(ix) of the Order are not applicable to the Company.
- (x) During the course of our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanations given to us, we have neither come across any instance of material fraud by the Company or on the Company by its officers or employees, noticed or reported during the year, nor have we been informed of any such case by the Management.
- (xi) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has paid / provided for managerial remuneration for the year ended March 31, 2019 in accordance with the requisite approvals mandated by the provisions of Section 197 read with Schedule V of the Act.
- (xii) As the Company is not a Nidhi Company, the provisions of Clause 3(xii) of the Order are not applicable to the Company.
- (xiii) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has entered into transactions with related parties in compliance with the provisions of Sections 177 and 188 of the Act. The details of such related party transactions have been disclosed in the financial statements as required under Indian Accounting Standard (Ind AS) 24, Related Party Disclosures specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
- (xiv) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review. Accordingly, the provisions of Clause 3(xiv) of the Order are not applicable to the Company.
- (xv) According to the information and explanations given to us, the Company has not entered into any non-cash transactions with directors or persons connected with them during the year. Accordingly, the provisions of Clause 3(xv) of the Order are not applicable to the Company.
- (xvi) The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, the provisions of Clause 3(xvi) of the Order are not applicable to the Company.

For **B S R & Co. LLP**

Chartered Accountants

Firm's Registration No. 101248W/W-100022

Swapnil Dakshindas

Partner

Membership No. 113896

Place: Mumbai

Date: 7 May 2019

Annexure B to the Independent Auditors' report

Referred to in paragraph (B) (f) under 'Report on Other Legal and Regulatory Requirements' section of the Independent Auditors' Report of even date to the members of Tata Technologies Limited on the standalone financial statements for the year ended 31 March 2019

Opinion

We have audited the internal financial controls with reference to financial statements of Tata Technologies Limited ("the Company") as of 31 March 2019 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

In our opinion, the Company has, in all material respects, adequate internal financial controls with reference to financial statements and such internal financial controls were operating effectively as at 31 March 2019, based on the internal financial controls with reference to financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India (the "Guidance Note").

Management's Responsibility for Internal Financial Controls

The Company's management and the Board of Directors are responsible for establishing and maintaining internal financial controls based on the internal financial controls with reference to financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013 (hereinafter referred to as "the Act").

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls with reference to financial statements based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing, prescribed under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls with reference to financial statements. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to financial statements were established and maintained and whether such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls with reference to financial statements and their operating effectiveness. Our audit of internal financial controls with reference to financial statements included obtaining an understanding of such internal financial controls, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the standalone financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls with reference to financial statements.

Meaning of Internal Financial controls with Reference to Financial Statements

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

Inherent Limitations of Internal Financial controls with Reference to Financial Statements

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

For **B S R & Co. LLP**
Chartered Accountants
Firm's Registration No. 101248W/W-100022

Swapnil Dakshindas
Partner
Membership No. 113896

Place: Mumbai
Date: 7 May 2019

Standalone Balance Sheet

(Amount in ₹ Crore)

	Note No	As at March 31, 2019	As at March 31, 2018
I. ASSETS			
(1) Non-current Assets			
(a) Property, Plant and Equipment	3	61.63	70.56
(b) Capital work-in-progress		3.98	0.11
(c) Intangible assets	4	35.63	50.37
(d) Intangible assets under development	4	21.06	12.84
(e) Investments in subsidiaries and joint venture	5	218.91	218.91
(f) Financial assets:			
(i) Investments	6	33.83	36.79
(ii) Loans	7	7.71	8.13
(iii) Other bank balances	8	0.05	0.05
(iv) Other financial assets	9	0.05	0.04
(g) Income tax assets (net)	10	13.29	9.14
(h) Deferred tax assets (net)	10	24.70	16.33
(i) Other non-current assets	11	6.95	7.15
Total Non-current Assets		427.79	430.42
(2) Current Assets			
(a) Inventories		-	1.21
(b) Financial assets:			
(i) Investments	6	5.00	-
(ii) Trade receivables	12	365.24	339.08
(iii) Cash and cash equivalents	13	11.38	20.94
(iv) Other bank balances	8	4.80	3.15
(v) Loans	7	60.73	77.72
(vi) Other financial assets	9	64.07	61.22
(c) Other current assets	11	38.78	13.55
Total Current Assets		550.00	516.87
Total Assets		977.79	947.29
II. EQUITY AND LIABILITIES			
(1) Equity			
(a) Equity Share capital	14	43.05	43.04
(b) Other Equity	15	716.20	678.21
(c) Equity attributable to Owners of the Company		759.25	721.25
Total Equity		759.25	721.25
Liabilities			
(2) Non-current Liabilities			
(a) Financial liabilities:			
(i) Trade payables	16	-	-
(a) total outstanding dues of micro enterprises and small enterprises		-	0.15
(b) total outstanding dues of creditors other than micro enterprises and small enterprises	17	0.37	0.88
(ii) Other financial liabilities	18	24.68	24.46
(b) Provisions	18	24.68	24.46
Total Non-current Liabilities		25.05	25.49
(3) Current Liabilities			
(a) Financial liabilities:			
(i) Trade payables	16	-	-
(a) total outstanding dues of micro enterprises and small enterprises		3.57	2.65
(b) total outstanding dues of creditors other than micro enterprises and small enterprises	17	118.27	123.96
(ii) Other financial liabilities	17	15.45	22.76
(b) Provisions	18	1.54	1.38
(c) Current tax liabilities (net)	10	10.38	6.49
(d) Other current liabilities	19	44.28	43.31
Total Current Liabilities		193.49	200.55
Total Liabilities		218.54	226.04
Total Equity and Liabilities		977.79	947.29

See accompanying notes forming integral part of these standalone financial statements

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As per our report of even date attached
 For **B S R & Co. LLP**
 Chartered Accountants
 Firm Registration No: 101248W/W -100022

For and on behalf of the Board

Swapnil Dakshindas
 Partner
 Membership No: 113896

S Ramadorai
 Chairman
 DIN: 00000002

Warren Harris
 Managing Director
 DIN: 02098548

J.K. Gupta
 Chief Financial Officer

Vikrant Gandhe
 Company Secretary

Mumbai, May 07, 2019

Mumbai, May 07, 2019

Standalone Statement of Profit and Loss

(Amount in ₹ Crore)

	Note No	For the year ended	
		March 31, 2019	March 31, 2018
I. Revenue from operations	20	1,217.30	1,124.96
II. Other income	21	11.03	24.58
III. Total Income (I + II)		1,228.33	1,149.54
IV. Expenses :			
(a) Purchases of traded products		134.76	121.34
(b) Outsourcing and consultancy charges		43.29	53.95
(c) Employee benefits expense	22	588.41	542.99
(d) Finance costs	23	0.04	2.22
(e) Depreciation and amortisation expense	24	48.78	50.40
(f) Other expenses	25	146.97	143.69
Total expenses (IV)		962.25	914.59
V. Profit before tax (III-IV)		266.08	234.95
VI. Tax Expense :			
(a) Current tax		84.36	69.07
(b) Deferred tax	10	(9.46)	(11.59)
		74.90	57.48
VII. Profit for the year (V-VI)		191.18	177.47
Other comprehensive income/(loss) for the year			
Items that will not be reclassified to profit or loss:			
(i) Remeasurement of post employment benefits obligations		3.12	(3.12)
(ii) Income tax relating to above items		(1.09)	1.08
Items that may be reclassified to profit or loss			
(i) Exchange differences on translation of operations of a foreign branch		0.12	0.53
VIII. Other comprehensive income/(loss) for the year		2.15	(1.51)
IX. Total comprehensive income for the year (VII+VIII)		193.33	175.96
X. Earnings Per Equity Share (Face value of ₹ 10 each):	27		
(a) Basic (in ₹)		45.42	42.16
(b) Diluted (in ₹)		45.41	42.15

See accompanying notes forming integral part of these standalone financial statements 1-34

As per our report of even date attached
For **B S R & Co. LLP**
Chartered Accountants
Firm Registration No: 101248W/W -100022

For and on behalf of the Board

Swapnil Dakshindas
Partner
Membership No: 113896

S Ramadorai
Chairman
DIN: 00000002

Warren Harris
Managing Director
DIN: 02098548

J.K. Gupta
Chief Financial Officer

Vikrant Gandhe
Company Secretary

Mumbai, May 07, 2019

Mumbai, May 07, 2019

Standalone Statement of Cash Flows

(Amount in ₹ Crore)

	For the year ended	
	March 31, 2019	March 31, 2018
A. CASH FLOW FROM OPERATING ACTIVITIES		
Profit for the year	191.18	177.47
Adjustments for:		
Depreciation and amortisation	48.78	50.40
Disallowance of TDS abroad	0.22	0.21
Tax expense	74.90	57.48
Dividend income on investments	(0.42)	(0.53)
(Profit)/Loss on sale of investments (net)	-	(0.25)
(Profit)/Loss on sale of tangible and intangible fixed assets	-	0.14
Interest income	(4.68)	(10.98)
Finance costs	0.04	2.22
Unrealised exchange loss / (gain)	8.97	(5.74)
Allowance for expected credit loss (net)	2.14	2.49
Change in fair value of investments	(2.05)	(1.62)
Operating profit before working capital changes	319.08	271.29
Working capital adjustments		
(Increase) / decrease in trade receivables	(36.92)	(108.65)
(Increase) / decrease in inventories	1.21	(1.21)
(Increase) / decrease in other current assets	(25.24)	5.07
(Increase) / decrease in other current financial assets	(2.92)	(10.76)
(Increase) / decrease in current loans	(0.90)	1.08
(Increase) / decrease in non-current loans	0.20	(0.21)
(Increase) / decrease in other non-current assets	0.38	1.34
Increase / (decrease) in trade payables	(5.28)	2.44
Increase / (decrease) in other financial liabilities	(6.19)	3.82
Increase / (decrease) in other current liabilities	0.97	26.69
Increase / (decrease) in current provisions	0.16	0.23
Increase / (decrease) in non-current provisions	3.34	(0.59)
CASH GENERATED FROM OPERATIONS	247.89	190.54
Income taxes paid (net)	(84.84)	(37.84)
NET CASH FLOW GENERATED FROM OPERATING ACTIVITIES	163.05	152.70
B. CASH FLOW FROM INVESTING ACTIVITIES		
Dividend received	0.42	0.42
Other bank Balances	(1.65)	(0.95)
Interest received on bank deposit and others	0.68	0.14
Inter corporate deposits placed	(1,125.25)	(1,269.25)
Inter corporate deposits refunded	1,143.50	1,191.75
Loans to others	0.22	-
Interest received from inter corporate deposits / bonds	3.71	10.51
Purchase of mutual funds	-	(139.00)
Sale of mutual funds	-	324.61
Proceeds from sale of tangible and intangible fixed assets	-	0.20
Payment for purchase of tangible and intangible fixed assets (including capital work in progress)	(40.95)	(38.97)
NET CASH FLOW GENERATED/(USED) FROM INVESTING ACTIVITIES	(19.32)	79.46

Standalone Statement of Cash Flows

(Amount in ₹ Crore)

	For the year ended	
	March 31, 2019	March 31, 2018
C. CASH FLOW FROM FINANCING ACTIVITIES		
Share application money received pending allotment	0.34	0.40
Proceeds from issue of shares including securities premium	-	-
Interest paid	(0.04)	(2.25)
Dividends paid (including dividend tax)	(153.74)	(206.29)
Proceeds from current borrowings	-	150.41
Repayment of current borrowings	-	(252.03)
NET CASH FLOW (USED) IN FINANCING ACTIVITIES	(153.44)	(309.77)
NET (DECREASE) IN CASH & CASH EQUIVALENTS	(9.71)	(77.62)
Cash and cash equivalents at the end of the year (Refer note iii)	11.38	20.94
Cash and cash equivalents at the beginning of the year	20.94	96.87
Less: Effect of exchange rate changes on cash and cash equivalents	(0.03)	(1.16)
Add: Translation adjustment on reserves of foreign branch	0.12	0.53
	(9.71)	(77.62)

Notes:

- (i) The above Cash Flow Statement has been prepared under the Indirect method set out in Indian Accounting Standard (Ind AS) 7 on Statement of Cash Flows.
- (ii) Prior year comparatives have been reclassified to conform with current year's presentation, where applicable.
- (iii) For the purpose of cash flow, Cash and cash equivalents comprise :

(Amount in ₹ Crore)

	For the year ended	
	March 31, 2019	March 31, 2018
Balances with banks:		
- Current account	10.00	18.43
Cheques, drafts on hand/funds in transit	1.38	2.49
Cash on hand	-	0.02
	11.38	20.94

See accompanying notes forming integral part of these standalone financial statements

1-34

As per our report of even date attached
For **B S R & Co. LLP**
Chartered Accountants
Firm Registration No: 101248W/W -100022

Swapnil Dakshindas
Partner
Membership No: 113896

Mumbai, May 07, 2019

For and on behalf of the Board

S Ramadorai
Chairman
DIN: 00000002

J.K. Gupta
Chief Financial Officer

Mumbai, May 07, 2019

Warren Harris
Managing Director
DIN: 02098548

Vikrant Gandhe
Company Secretary

Standalone Statement of Changes in Equity

(Amount in ₹ Crore)

Equity	Part A - Equity Share Capital	Part B - Other Equity						Total Other Equity
	Equity share capital	Share application money pending allotment	Reserve and Surplus				Items of other comprehensive income	
			Securities Premium	Securities Premium identified seperately for consolidation adjustment	General reserve	Retained earnings	Foreign Currency Translation Reserve	
Balance as at April 1, 2017	43.03	0.40	350.92	23.16	134.65	200.02	(0.09)	709.06
Profit for the year	-	-	-	-	-	177.47	-	177.47
Other comprehensive loss for the year (net of tax)	-	-	-	-	-	(2.04)	0.53	(1.51)
Total comprehensive income for the year	-	-	-	-	-	175.43	0.53	175.96
Issue of equity shares under employee share option plan	0.01	(0.40)	0.39	-	-	-	-	(0.01)
Dividend paid (₹40 per share) (including dividend distribution tax)	-	-	-	-	-	(207.20)	-	(207.20)
Issue of equity shares under employee share option pending allotment	-	0.40	-	-	-	-	-	0.40
Balance as at March 31, 2018	43.04	0.40	351.31	23.16	134.65	168.25	0.44	678.21
Balance as at April 1, 2018	43.04	0.40	351.31	23.16	134.65	168.25	0.44	678.21
Profit for the year	-	-	-	-	-	191.18	-	191.18
Other comprehensive income for the year (net of tax)	-	-	-	-	-	2.03	0.12	2.15
Total comprehensive income for the year	-	-	-	-	-	193.21	0.12	193.33
Issue of equity shares under employee share option plan	0.01	(0.40)	0.39	-	-	-	-	(0.01)
Dividend paid (₹30 per share) (including dividend distribution tax)	-	-	-	-	-	(155.67)	-	(155.67)
Issue of equity shares under employee share option pending allotment	-	0.34	-	-	-	-	-	0.34
Balance as at March 31, 2019	43.05	0.34	351.70	23.16	134.65	205.79	0.56	716.20

See accompanying notes forming integral part of these standalone financial statements

1-34

As per our report of even date attached

 For **B S R & Co. LLP**

Chartered Accountants

Firm Registration No: 101248W/W -100022

For and on behalf of the Board

Swapnil Dakshindas

Partner

Membership No: 113896

S Ramadorai

Chairman

DIN: 00000002

Warren Harris

Managing Director

DIN: 02098548

J.K. Gupta

Chief Financial Officer

Vikrant Gandhe

Company Secretary

Mumbai, May 07, 2019

Mumbai, May 07, 2019

Notes forming part of the Standalone Financial Statements

COMPANY OVERVIEW AND SIGNIFICANT ACCOUNTING POLICIES

1. COMPANY OVERVIEW

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

The Company is the subsidiary of Tata Motors Limited (which is the Holding Company).

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

2.1. Basis of Preparation

(i) Statement of compliance

These financial statements comply in all material aspects with Indian Accounting Standards (Ind AS) notified under Section 133 of the Companies Act, 2013 (the Act), Companies (Indian Accounting Standards) Rules, 2015 and other relevant provisions of the Act.

(ii) Historical cost convention

These financial statements are prepared in accordance with Indian Accounting Standards (Ind AS) under the historical cost convention on the accrual basis, except for the following:

- certain financial assets and liabilities which are measured at fair value;
- share- based payments

(iii) Current versus non-current classification

All assets and liabilities have been classified as current or non-current as per the Company's operating cycle and other criteria set out in the Schedule III to the Companies Act, 2013. Based on the nature of products and services and their realisation in cash and cash equivalents, the Company has ascertained its operating cycle as 12 months for the purpose of current -noncurrent classification of assets and liabilities.

(iv) Critical estimates and judgements

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

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimates are revised and in any future periods affected. In particular, information about significant areas of estimation uncertainty and critical judgments in applying accounting policies that have the most significant effect on the amounts recognized in the financial statements are included in the following notes:

(a) Useful lives of Property, plant and equipment

The Company reviews the useful life of property, plant and equipment at the end of each reporting period. This reassessment may result in change in depreciation expense in future periods.

(b) Income Taxes

Significant judgments are involved in determining the provision for income taxes including judgment on whether tax positions are probable of being sustained in tax assessments. A tax assessment can involve complex issues, which can only be resolved over extended time periods.

(c) Deferred Taxes

Deferred tax is recorded on temporary differences between the tax bases of assets and liabilities and their carrying amounts, at the rates that have been enacted or substantively enacted at the reporting date. The ultimate realization of deferred tax assets is dependent upon the generation of future taxable profits during the periods in which those temporary differences and tax loss carryforwards become deductible. The Company considers the expected reversal of deferred tax liabilities and projected future taxable income in making this assessment. The amount of the deferred tax assets considered realizable, however, could be reduced in the near term if estimates of future taxable income during the carry-forward period is reduced.

Notes forming part of the Standalone Financial Statements

(d) Expected credit losses on financial assets

The impairment provisions of financial assets are based on assumptions about risk of default and expected timing of collection. The Company uses judgment in making these assumptions and selecting the inputs to the impairment calculation, based on the Company's past history, customer's creditworthiness, existing market conditions as well as forward looking estimates at the end of each reporting period.

(e) Revenue Recognition and unbilled revenue (to the extent of projects where revenue is recognized on percentage completion method)

The Company uses the percentage-of-completion method in accounting for its fixed-price contracts. Use of the percentage-of-completion method requires the Company to estimate the efforts or costs expended to date as a proportion of the total efforts or costs to be expended. Efforts or costs expended have been used to measure progress towards completion as there is a direct relationship between input and productivity. Provisions for estimated losses, if any, on uncompleted contracts are recorded in the period in which such losses become probable based on the expected contract estimates at the reporting date.

(f) Defined benefit plans and compensated absences

The cost of the defined benefit plans, compensated absences and the present value of the defined benefit obligation are based on actuarial valuation using the projected unit credit method. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases and mortality rates. Due to the complexities involved in the valuation and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

2.2. Foreign currency transaction and translation

(i) Functional and presentation currency:

Items included in the financial statements are measured using the currency of the primary economic environment in which the entity operates ('the functional currency'). The financial statements are presented in Indian rupee (INR), which is the Company's functional and presentation currency.

(ii) Transactions and balances

Transactions in foreign currency are translated into the functional currency using the exchange rates prevailing at the date of the transaction. Foreign-currency denominated monetary assets and liabilities are re-instated into the functional currency at exchange rates at the balance sheet date. The gains or losses resulting from such translations are included in the statement of profit and loss. Non-monetary assets and non-monetary liabilities denominated in a foreign currency and measured at fair value are translated at the exchange rate prevalent at the date when the fair value was determined. Non-monetary assets and non-monetary liabilities denominated in a foreign currency and measured at historical cost are translated at the exchange rate prevalent at the date of transaction.

On March 28, 2018, the Ministry of Corporate Affairs ('the MCA') notified the Companies (Indian Accounting Standards) Amendment Rules, 2018 containing Appendix B to Ind AS 21, Foreign currency transactions and advance consideration which clarifies the date of the transaction for the purpose of determining the exchange rate to use on initial recognition of the related asset, expense or income, when an entity has received or paid advance consideration in a foreign currency.

The amendment will come into force from April 1, 2018. The Company has evaluated the effect of this on the financial statements and the impact of it is not material.

(iii) Foreign operations

The results and financial position of foreign operations (none of which has the currency of a hyperinflationary economy) that have a functional currency different from the presentation currency are translated into presentation currency as follows:

- Assets and liabilities are translated at the closing rate at the date of the Balance Sheet
- Income and expense items are translated at the average exchange rates for the respective months (unless this is not a reasonable approximation of the cumulative effect of the rates prevailing on the transaction dates, in which case income and expenses are translated at the dates of the transactions).
- All resulting exchange differences are recognized in other comprehensive income and held in foreign currency translation reserve (FCTR), a component of equity. When a foreign operation is disposed of, the relevant amount recognized in FCTR is transferred to the statement of income as part of the profit or loss on disposal.

Notes forming part of the Standalone Financial Statements

2.3. Revenue recognition

The Company earns revenue primarily from providing Engineering, Research and Development (ER&D) services, Connected Enterprise IT (CEIT) services and Product Lifecycle Management (PLM) services and products.

Effective April 1, 2018, the Company has applied Ind AS 115 which establishes a comprehensive framework for determining whether, how much and when revenue is to be recognized. Ind AS 115 replaces Ind AS 18 Revenue and Ind AS 11 Construction Contracts.

The standard permits two possible methods of transition:

- Retrospective approach – Under this approach the standard is applied retrospectively to each prior reporting period presented in accordance with Ind AS 8, Accounting Policies, Changes in Accounting Estimates and Errors.
- Retrospectively with cumulative effect of initially applying the standard recognized at the date of initial application (Cumulative catch-up approach)

The Company has adopted Ind AS 115 using the cumulative effect method. The effect of initially applying this standard is recognized at the date of initial application (i.e. April 1, 2018). The standard is applied retrospectively only to contracts that are not completed as at the date of initial application and the comparative information in statement of profit and loss is not restated – i.e. the comparative information continues to be reported under Ind AS 18 and Ind AS 11. The adoption of the standard did not have any material impact to the financial statements of the Company.

Revenue is recognized upon transfer of control of promised products or services to customers in an amount that reflects the consideration which the Company expects to receive in exchange for those products or services.

- Revenue from time and material contracts is recognized and measured by units delivered, efforts expended etc.
- Revenue related to fixed price maintenance and support services contracts where the Company is standing ready to provide services is recognized based on time elapsed mode and revenue is straight lined over the period of performance.
- In respect of other fixed-price contracts, revenue is recognized using percentage-of-completion method ('POC method') of accounting with contract cost incurred determining the degree of completion of the performance obligation.
- Revenue from the sale of third-party software is recognized upfront at the point in time when the software is delivered to the customer. In cases where implementation and / or customization services rendered significantly modifies or customizes the software, these services and software are accounted for as a single performance obligation and revenue is recognized over time on a POC method.
- Revenue from the sale of third party manufactured products / hardware is recognized at the point in time when control is transferred to the customer.
- The company is also in business of supply of third-party software. In such cases, revenue for supply of such third-party products are recorded at gross or net basis depending on whether the Company is acting as the principal or as an agent of the customer. The Company recognizes revenue in the gross amount of consideration when it is acting as a principal and at net amount of consideration when it is acting as an agent.

Revenue is measured based on the transaction price, which is the consideration, adjusted for volume discounts, service level credits, performance bonuses, price concessions and incentives, if any, as specified in the contract with the customer. Revenue also excludes taxes collected from customers.

Contract assets are recognized when there is excess of revenue earned over billings on contracts. Contract assets are classified as unbilled receivables (only act of invoicing is pending) when there is unconditional right to receive cash, and only passage of time is required, as per contractual terms.

Unearned and deferred revenue ("contract liability") is recognized when there are billings in excess of revenues.

In accordance with Ind AS 37, the Company recognizes an onerous contract provision when the unavoidable costs of meeting the obligations under a contract exceed the economic benefits to be received.

Contracts are subject to modification to account for changes in contract specification and requirements. The Company reviews modification to contract in conjunction with the original contract, basis which the transaction price could be allocated to a new performance obligation, or transaction price of an existing obligation could undergo a change. In the event transaction price is revised for existing obligation a cumulative adjustment is accounted for.

Use of significant judgements in revenue recognition

- The Company's contracts with customers could include promises to transfer multiple products and services to a customer. The Company assesses the products / services promised in a contract and identifies distinct performance obligations in the contract. Identification of distinct performance obligation involves judgement to determine the deliverables and the ability of the customer to benefit independently from such deliverables.

Notes forming part of the Standalone Financial Statements

- Judgement is also required to determine the transaction price for the contract. The transaction price could be either a fixed amount of customer consideration or variable consideration with elements such as volume discounts, service level credits, performance bonuses, price concessions and incentives. The transaction price is also adjusted for the effects of the time value of money if the contract includes a significant financing component. Any consideration payable to the customer is adjusted to the transaction price, unless it is a payment for a distinct product or service from the customer. The estimated amount of variable consideration is adjusted in the transaction price only to the extent that it is highly probable that a significant reversal in the amount of cumulative revenue recognized will not occur and is reassessed at the end of each reporting period. The Company allocates the elements of variable considerations to all the performance obligations of the contract unless there is observable evidence that they pertain to one or more distinct performance obligations.
- The Company uses judgement to determine an appropriate standalone selling price for a performance obligation. The Company allocates the transaction price to each performance obligation on the basis of the relative stand-alone selling price of each distinct product or service promised in the contract. Where standalone selling price is not observable, the Company uses the expected cost-plus margin approach to allocate the transaction price to each distinct performance obligation.
- The Company exercises judgement in determining whether the performance obligation is satisfied at a point in time or over a period of time. The Company considers indicators such as how customer consumes benefits as services are rendered or who controls the asset as it is being created or existence of enforceable right to payment for performance to date and alternate use of such product or service, transfer of significant risks and rewards to the customer, acceptance of delivery by the customer, etc.
- Contract fulfilment costs are generally expensed as incurred except where they meet the criteria for capitalization. The assessment of this criteria requires the application of judgement, in particular when considering if costs generate or enhance resources to be used to satisfy future performance obligations and whether costs are expected to be recovered.

(i) Interest income:

Interest income from a financial asset is recognised when it is probable that the economic benefits will flow to the Company and the amount of income can be measured reliably. Interest income is accrued on a time basis, by reference to the principal outstanding and at the effective interest rate applicable, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to that asset's net carrying amount on initial recognition.

(ii) Dividend income:

Dividend from investments is recognized when the right to receive the payment is established and when no significant uncertainty as to measurability or collectability exists.

(iii) Export incentive:

Export incentives/entitlements are recognized in the Statement of Profit & Loss when the right to receive credit as per the terms of the entitlement and certainty of its realization is established in respect of the exports made and where there is no significant uncertainty regarding the ultimate collection of the relevant export proceeds.

2.4. Property, plant and equipment

(i) Recognition and measurement:

Property, plant and equipment are stated at cost, less accumulated depreciation and impairment, if any.

Cost includes expenditures directly attributable to the acquisition of the asset. General and specific borrowing costs directly attributable to the construction of a qualifying asset are capitalized as part of the cost. Costs directly attributable to acquisition are capitalized until the property, plant and equipment are ready for use, as intended by management.

When parts of an item of property, plant and equipment have different useful lives, they are accounted for as separate items (major components) of property, plant and equipment. Subsequent expenditure relating to property, plant and equipment is capitalized only when it is probable that future economic benefits associated with these will flow to the Company and the cost of the item can be measured reliably.

The carrying amount of any component accounted for as a separate asset is derecognised when discarded/scrapped.

All other repairs and maintenance costs are charged to profit and loss in the reporting period in which they occur.

Deposits and advances paid towards the acquisition of property, plant and equipment outstanding as of each reporting date and the cost of property, plant and equipment not available for use before such date are disclosed under capital work-in-progress.

As asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

Notes forming part of the Standalone Financial Statements

(ii) Depreciation:

The Company depreciates property, plant and equipment over their estimated useful lives using the straight-line method, from the month in which they are put to use. The estimated useful lives of assets are as follows:

Type of Asset	Useful life
Lease hold improvements	Lower of Lease period or estimated useful life
Buildings	15 to 25 years
Plant and machinery	1 to 21 years
Computer equipment's	1 to 4 years
Vehicles	3 to 11 years
Furniture & fixtures	1 to 21 years
Software	1 to 4 years

Depreciation methods, useful lives and residual values are reviewed periodically, including at each financial year end with the effect of any changes in the estimate accounted for on a prospective basis.

Assets held under finance leases are depreciated over their expected useful lives on the same basis as owned assets or, where shorter, the term of relevant lease.

2.5. Intangible assets

Intangible assets are stated at cost less accumulated amortization and impairment, if any. Intangible assets are amortized over their respective individual estimated useful lives on a straight-line basis, from the month in which they are put to use. Amortization methods and useful lives are reviewed periodically at each financial year end.

Internally generated intangible asset arising from development activity is recognised at cost on demonstration of its technical feasibility, the intention and ability of the Company to complete, use or sell it, only if, it is probable that the asset would generate future economic benefit and the expenditure attributable to the said assets during its development can be measured reliably.

Software not exceeding ₹ 25,000 is charged off to the statement of profit and loss.

2.6. Research and development cost

Research costs are expensed as incurred. Development expenditure incurred on an individual project is recognized as an intangible asset when the Company can demonstrate:

- technical feasibility of completing the intangible asset so that it will be available for use or sale;
- its intention to complete the asset;
- its ability to use or sell the asset;
- how the asset will generate probable future economic benefits and
- the availability of adequate resources to complete the development.

2.7. Financial instruments

(a) Financial assets:

(i) Classification

The Company classifies its financial assets in the following measurement categories:

- those to be measured subsequently at fair value (either through other comprehensive income, or through profit and loss), and
- those measured at amortised cost

The classification depends on the entity's business model for managing the financial assets and the contractual cash flow characteristics.

For investments in debt instruments, this will depend on business model in which the investment is held. For investments in equity instruments, this will depend on whether the company has made an irrevocable election at the time of initial recognition to account for the equity investment at fair value through other comprehensive income.

A financial asset which is not classified in any of the above categories are subsequently fair valued through profit or loss.

Notes forming part of the Standalone Financial Statements

(ii) Initial recognition:

All financial assets are recognised initially at fair value plus, in the case of financial assets not recorded at fair value through profit or loss, transaction costs that are attributable to the acquisition of the financial asset.

(iii) Measurement:

Subsequent to initial recognition, non-derivative financial instruments are measured as described below:

Cash and cash equivalents:

The Company's cash and cash equivalents consist of cash on hand and in banks and demand deposits with banks (three months or less from the date of acquisition). For the purposes of the cash flow statement, cash and cash equivalents include cash on hand, in banks and demand deposits with banks (three months or less from the date of acquisition), net of outstanding bank overdrafts that are repayable on demand and are considered part of the Company's cash management system. In the balance sheet, bank overdrafts are presented under borrowings within current liabilities.

Investment in subsidiaries:

The Company has accounted for its investment in subsidiaries at cost less impairment.

Financial assets carried at amortised cost:

A financial asset is subsequently measured at amortised cost if it is held within a business model whose objective is to hold the asset in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Financial assets at fair value through other comprehensive income (FVOCI):

A financial asset is subsequently measured at fair value through other comprehensive income if it is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding. Further, in cases where the Company has made an irrevocable election based on its business model, for its investments which are classified as equity instruments, the subsequent changes in fair value are recognized in other comprehensive income.

Financial assets at fair value through profit or loss (FVTPL):

A financial asset which is not classified in any of the above categories are subsequently fair valued through profit or loss.

(iv) Impairment of financial assets:

The Company assesses at each date of balance sheet whether a financial asset or a group of financial assets is impaired. Ind AS 109 requires expected credit losses to be measured through a loss allowance. In determining the allowances for doubtful trade receivables, the Company has used a practical expedient by computing the expected credit loss allowance for trade receivables based on a provision matrix. The provision matrix takes into account historical credit loss experience and is adjusted for forward looking information. The expected credit loss allowance is based on the ageing of the receivables that are due and rates used in the provision matrix. For all other financial assets, expected credit losses are measured at an amount equal to the 12-month expected credit losses or at an amount equal to the life time expected credit losses if the credit risk on the financial asset has increased significantly since initial recognition.

(v) Derecognition of financial assets:

The Company derecognizes a financial asset when

- the contractual rights to the cash flows from the financial asset expire or it transfers the financial asset and the transfer qualifies for derecognition under IND AS 109.
- retains contractual rights to receive the cash flows of the financial asset but assumes a contractual obligation to pay the cash flows to one or more recipients.

When the entity has neither transferred a financial asset nor retained substantially all risks and rewards of ownership of the financial asset, the financial asset is derecognised if the Company has not retained control of the financial asset. Where the Company retains control of the financial asset, the asset is continued to be recognised to extent of continuing involvement in the financial asset."

Notes forming part of the Standalone Financial Statements

2.9. Financial liabilities

(i) Initial recognition and measurement

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss, loans and borrowings, payables, or as derivatives designated as hedging instruments in an effective hedge, as appropriate.

All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.

(ii) Subsequent measurement

The subsequent measurement of financial liabilities depends on their classification, as described below:

Financial liabilities at amortised cost:

Borrowings, trade and other payables are initially recognized at fair value, and subsequently carried at amortized cost using the effective interest method. For these financial instruments, the carrying amounts approximate fair value due to the short-term maturity of these instruments.

(iii) Derecognition

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the statement of profit or loss.

(iv) Derivative financial instruments

The Company is exposed to foreign currency fluctuations on foreign currency assets, liabilities, net investment in foreign operations and forecasted cash flows denominated in foreign currency.

The Company limits the effect of foreign exchange rate fluctuations by following established risk management policies including the use of derivatives. The Company enters into derivative financial instruments where the counterparty is primarily a bank.

Although the Company believes that these derivatives constitute hedges from an economic perspective, they may not qualify for hedge accounting under Ind AS 109, Financial Instruments. Any derivative that is either not designated a hedge, or is so designated but is ineffective as per Ind AS 109, is categorized as a financial asset or financial liability, at fair value through profit or loss.

Derivatives not designated as hedges are recognized initially at fair value and attributable transaction costs are recognized in net profit in the statement of profit and loss when incurred. Subsequent to initial recognition, these derivatives are measured at fair value through profit or loss and the resulting exchange gains or losses are included in other income. Assets / liabilities in this category are presented as current assets / current liabilities if they are either held for trading or are expected to be realized within 12 months after the balance sheet date.

2.10. Impairment-Non- Financial assets

Intangible assets and property, plant and equipment

At each balance sheet date, the Company assesses whether there is any indication that any property, plant and equipment and intangible assets with finite lives may be impaired. If any such impairment exists the recoverable amount of an asset is estimated to determine the extent of 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.

Intangible assets with indefinite useful lives and intangible assets not yet available for use, are tested for impairment annually at each balance sheet date, or earlier, if there is an indication that the asset may be impaired.

Recoverable amount is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognized immediately in the income statement.

As at March 31, 2019, none of the Company's property, plant and equipment and intangible assets were considered impaired.

Notes forming part of the Standalone Financial Statements

2.11. Provisions and contingent liabilities

A provision is recognised when the Company has a present obligation (legal or constructive) as a result of past event and it is probable that an outflow of resources will be required to settle the obligation, in respect of which the reliable estimate can be made. Provisions (excluding retirement benefits and compensated absences) are determined at present value based on best estimate required to settle the obligation at the balance sheet date. These are reviewed at each balance sheet date adjusted to reflect the current best estimates. Provisions for onerous contracts are recognized when the expected benefits to be derived by the Company from a contract are lower than the unavoidable costs of meeting the future obligations under the contract. Provisions for onerous contracts are measured at the present value of lower of the expected net cost of fulfilling the contract and the expected cost of terminating the contract.

Contingent liabilities are disclosed when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company or a present obligation that arises from past events where it is either not probable that an outflow of resources will be required to settle the obligation or a reliable estimate of the amount cannot be made. Contingent assets are neither recognised nor disclosed in the financial statements.

2.12. Earnings per equity share:

Basic earnings per share is computed by dividing net income by the weighted average number of shares outstanding during the year adjusted for treasury shares held. Diluted earnings per share is computed using the weighted average number of shares outstanding during the year adjusted for treasury shares held and dilutive potential shares, except where the result would be anti-dilutive.

2.13. Inventories:

Inventories are valued at the lower of cost and net realizable value. Cost of inventories is ascertained on a first in first out basis. Net realizable value is the estimated selling price in the ordinary course of business less estimated cost of completion and selling expenses.

2.14. Taxation

Income tax comprises current and deferred taxes. Income tax expense is recognized in the income statement except when they relate to items that are recognized outside profit or loss (whether in other comprehensive income or directly in equity), in which case tax is also recognized outside profit or loss, or where they arise from the initial accounting for business combination.

(i) Current income tax:

Current income tax for the current and prior periods are measured at the amount expected to be recovered from or paid to the taxation authorities based on the taxable income for the year. The tax rates and tax laws used to compute the current tax amount are those that are enacted or substantively enacted as at the reporting date and applicable for the year. The Company offsets current tax assets and current tax liabilities, where it has a legally enforceable right to set off the recognized amounts and where it intends either to settle on a net basis, or to realize the asset and liability simultaneously.

(ii) Deferred income tax:

Deferred income tax is recognized using the balance sheet approach. Deferred income tax assets and liabilities are recognized for deductible and taxable temporary differences arising between the tax base of assets and liabilities and their carrying amount in financial statements, except when the deferred income tax arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and affects neither accounting nor taxable profits or loss at the time of the transaction.

Deferred income tax assets are recognized to the extent it is probable that taxable profit will be available against which the deductible temporary differences and the carry forward of unused tax credits and unused tax losses can be utilized.

Deferred income tax liabilities are recognized for all taxable temporary differences except in respect of taxable temporary differences associated with investments in subsidiaries, associates and foreign branches where the timing of the reversal of the temporary difference can be controlled and it is probable that the temporary difference will not reverse in the foreseeable future.

The carrying amount of deferred income tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred income tax asset to be utilized. Deferred income tax assets and liabilities are measured at the tax rates that are expected to apply in the period when the asset is realized or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date.

The Company offsets deferred income tax assets and liabilities, where it has a legally enforceable right to offset current tax assets against current tax liabilities, and they relate to taxes levied by the same taxation authority on either the same taxable entity, or on different taxable entities where there is an intention to settle the current tax liabilities and assets on a net basis or their tax assets and liabilities will be realized simultaneously.

Notes forming part of the Standalone Financial Statements

(iii) Minimum Alternate Tax (MAT)

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

2.15. Employee benefits:

(i) Post-employment benefit plans:

The Company participates in various employee benefit plans. Pensions and other post-employment benefits are classified as either defined contribution plans or defined benefit plans. Under a defined contribution plan, the Company's only obligation is to pay a fixed amount with no obligation to pay further contributions if the fund does not hold sufficient assets to pay all employee benefits. The related actuarial and investment risks fall on the employee. The expenditure for defined contribution plans is recognized as an expense during the year when the employee provides service. Under a defined benefit plan, it is the Company's obligation to provide agreed benefits to the employees. The related actuarial and investment risks fall on the Company. The present value of the defined benefit obligations is calculated by an independent actuary using the projected unit credit method.

The Company has the following employee benefit plans:

a. Provident fund

In accordance with Indian law, Eligible employees of the Company receive benefits from a provident fund, which is a defined contribution plan. Both, the eligible employee and the Company make monthly contributions to the provident fund plan equal to a specified percentage of the covered employee's salary. The Company contributes a portion to the Tata Technologies (India) Limited Employees Provident Fund (PF Trust). PF Trust invests in specific designated instruments as permitted by Indian law. The remaining portion is contributed to the government administered pension fund. The rate at which the annual interest is payable to the beneficiaries by the PF Trust is being administered by the government. The liability in respect of the shortfall of interest earnings of the Fund is determined on the basis of an actuarial valuation. The liability toward interest is a defined benefit. There is no shortfall as at March 31, 2019.

b. Superannuation

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

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

Re-measurements, comprising actuarial gains and losses, the effect of changes to asset ceiling (if applicable) and the return on plan assets (excluding net interest), is recognized in other comprehensive income in the period in which they occur. Re-measurements recognized in other comprehensive income is reflected immediately in retained earnings and is not reclassified to profit or loss. Past service cost is recognized in the Statement of Profit or Loss in the year of plan amendment.

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

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

c. Gratuity

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

Re-measurements, comprising actuarial gains and losses, the effect of changes to asset ceiling (if applicable) and the return on plan assets (excluding net interest), is recognized in other comprehensive income in the year in which they occur. Re-measurements recognized in other comprehensive income is reflected immediately in retained earnings and is not reclassified to profit or loss. Past service cost is recognized in the Statement of Profit or Loss in the year of plan amendment.

Notes forming part of the Standalone Financial Statements

Costs comprising service cost (including current and past service cost and gains and losses on curtailments and settlements) and net interest expense or income is recognized in profit or loss.

The obligation recognized in the balance sheet represents the actual deficit or surplus in the Company's defined benefit plans. Any surplus resulting from this calculation is limited to the present value of any economic benefits available in the form of refunds from the plans or reductions in future contributions to the plans.

The obligations are presented as current liabilities in the balance sheet if the entity does not have an unconditional right to defer settlement for at least twelve months after the reporting period, regardless of when the actual settlement is expected to occur.

d. Bhavishya Kalyan Yojana (BKY)

Bhavishya Kalyan Yojana is an unfunded defined benefit plan for employees of the Company. The benefits of the plan include pension in certain cases, payable up to the date of normal superannuation had the employee been in service, to an eligible employee at the time of death or permanent disablement, while in service, either as a result of an injury or as certified by the appropriate authority. The monthly payment to dependents of the deceased / disabled employee under the plan equals 50% of the basic salary drawn at the time of death or accident or a specified amount, whichever is greater. The Company account for the liability for BKY benefits payable in the future based on an estimated basis for the period end and on an independent actuarial valuation under Projected Unit Cost method as on the Balance Sheet date.

Re-measurements, comprising actuarial gains and losses, the effect of changes to asset ceiling (if applicable) and the return on plan assets (excluding net interest), is recognized in other comprehensive income in the period in which they occur. Re-measurements recognized in other comprehensive income is reflected immediately in retained earnings and is not reclassified to profit or loss. Past service cost is recognized in the Statement of Profit or Loss in the period of plan amendment.

Costs comprising service cost (including current and past service cost and gains and losses on curtailments and settlements) and net interest expense or income is recognized in profit or loss.

The obligation recognized in the balance sheet represents the actual deficit or surplus in the Company's defined benefit plans. Any surplus resulting from this calculation is limited to the present value of any economic benefits available in the form of refunds from the plans or reductions in future contributions to the plans.

The obligations are presented as current liabilities in the balance sheet if the entity does not have an unconditional right to defer settlement for at least twelve months after the reporting period, regardless of when the actual settlement is expected to occur.

e. Post-retirement medicare scheme

Under this unfunded scheme, employees of the Company receive medical benefits subject to certain limits on amounts of benefits, periods after retirement and types of benefits, depending on their grade and location at the time of retirement. Employees separated from the Company as part of an Early Separation Scheme, on medical grounds or due to permanent disablement are also covered under the scheme. The Company account for the liability for post-retirement medical scheme based on an estimated basis for the period end and on an independent actuarial valuation under Projected Unit Cost method at the year end.

Re-measurements, comprising actuarial gains and losses, the effect of changes to asset ceiling (if applicable) and the return on plan assets (excluding net interest), is recognized in other comprehensive income in the period in which they occur. Re-measurements recognized in other comprehensive income is reflected immediately in retained earnings and is not reclassified to profit or loss. Past service cost is recognized in the Statement of Profit or Loss in the period of plan amendment.

Costs comprising service cost (including current and past service cost and gains and losses on curtailments and settlements) and net interest expense or income is recognized in profit or loss.

The obligation recognized in the balance sheet represents the actual deficit or surplus in the Company's defined benefit plans. Any surplus resulting from this calculation is limited to the present value of any economic benefits available in the form of refunds from the plans or reductions in future contributions to the plans.

The obligations are presented as current liabilities in the balance sheet if the entity does not have an unconditional right to defer settlement for at least twelve months after the reporting period, regardless of when the actual settlement is expected to occur.

Notes forming part of the Standalone Financial Statements

(ii) Compensated absences

The Company provides for the encashment of leave or leave with pay subject to certain rules. The employees are entitled to accumulate leave subject to certain limits, for future encashment. The liability is provided based on number of days of unutilized leave at each balance sheet date based on an estimated basis for the period end and on an independent actuarial valuation under Projected Unit Cost method at the year end.

2.16. Share based payments

Share-based compensation benefits are provided to the employees via the Employee Stock Option Plan 2001 (TTESOP 2001) and the various Employee Share Purchase Plans. All share based payment schemes of the company are administered through trusts set up by the Company for this purpose.

Equity-settled transactions

The cost of equity-settled transactions is determined by the fair value at the date when the grant is made using an appropriate valuation model. That cost is recognised, together with a corresponding increase in share-based payment (SBP) reserves in equity, over the period in which the performance and/or service conditions are fulfilled in employee benefits expense. The cumulative expense recognised for equity-settled transactions at each reporting date until the vesting date reflects the extent to which the vesting period has expired and the Company's best estimate of the number of equity instruments that will ultimately vest. The statement of profit and loss expense or credit for a period represents the movement in cumulative expense recognised as at the beginning and end of that period and is recognised in employee benefits expense.

Service and non-market performance conditions are not taken into account when determining the grant date fair value of awards, but the likelihood of the conditions being met is assessed as part of the Company's best estimate of the number of equity instruments that will ultimately vest. Market performance conditions are reflected within the grant date fair value. Any other conditions attached to an award, but without an associated service requirement, are considered to be non-vesting conditions. Non-vesting conditions are reflected in the fair value of an award and lead to an immediate expensing of an award unless there are also service and/or performance conditions.

No expense is recognised for awards that do not ultimately vest because non-market performance and/or service conditions have not been met. Where awards include a market or non-vesting condition, the transactions are treated as vested irrespective of whether the market or non-vesting condition is satisfied, provided that all other performance and/or service conditions are satisfied.

The dilutive effect of outstanding options is reflected as additional share dilution in the computation of diluted earnings per share.

Cash-settled transactions

The cost of cash-settled transactions is measured initially at fair value at the grant date. This fair value is expensed over the period until the vesting date with recognition of a corresponding liability. The liability is remeasured to fair value at each reporting date up to, and including the settlement date, with changes in fair value recognised in employee benefits expense.

2.17. Dividends

Dividends on shares are recorded as a liability on the date of approval by the shareholders and interim dividends are recorded as a liability on the date of declaration by the Company's Board of Directors as per Ind AS 10.

2.18. Leases

At the inception of a lease, the lease arrangement is classified as either a finance lease or an operating lease, based on the substance of the lease arrangement. The arrangement is, or contains, a lease if fulfilment of the arrangement is dependent on the use of a specific asset or assets and the arrangement conveys a right to use the asset or assets, even if that right is not explicitly specified in an arrangement.

Assets taken on finance lease

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

Assets taken on operating lease

Lease arrangements where the risks and rewards incidental to ownership of an asset substantially vest with the lessor, are recognised as operating lease. Operating lease payments are recognised on a straight-line basis over the lease term, unless the lease agreement explicitly states that increase is on account of inflation in the statement of profit and loss.

Notes forming part of the Standalone Financial Statements

Deposits provided to lessors: The Company is generally required to pay refundable security deposits in order to obtain property leases from various lessors. Such security deposits are financial assets and are recorded at fair value on initial recognition. The difference between the initial fair value and the refundable amount of the deposit is recognized as a lease prepayment. The initial fair value is estimated as the present value of the refundable amount of security deposit, discounted using the market interest rates for similar instruments.

Subsequent to initial recognition, the security deposit is measured at amortized cost using the effective interest method with the carrying amount increased over the lease period up to the refundable amount. The amount of increase in the carrying amount of deposit is recognized as interest income. The lease prepayment is amortized on a straight-line basis over the lease term as lease rental expense.

2.19. Cost recognition

Costs and expenses are recognised when incurred and have been classified according to their nature.

2.20. Exceptional items

The Company considers exceptional items to be those which derive from events or transactions which are significant for separate disclosure by virtue of their size or incidence in order for the user to obtain a proper understanding of the Company's financial performance. These items include, but are not limited to, acquisition costs, impairment charges, reorganisation costs and profits and losses on disposal of subsidiaries and other one-off items which meet this definition. To provide a better understanding of the underlying results of the period, exceptional items are reported separately in the Statement of Profit and Loss.

2.21. Recent Accounting Pronouncements

Standards issued but not yet effective

Ministry of Corporate Affairs ("MCA"), through Companies (Indian Accounting Standards) Amendment Rules, 2019 and Companies (Indian Accounting Standards) Second Amendment Rules, has notified the following new and amendments to Ind ASs which the Company has not applied as they are effective from April 1, 2019:

Ind AS 116

The Company is required to adopt Ind AS 116, Leases from 1 April 2019. The Company has assessed the estimated impact that initial application of Ind AS 116 will have on its standalone financial statements, as described below. The actual impacts of adopting the standard on 1 April 2019 may change because:

- the Company has not finalised the testing and assessment of controls over its new IT systems; and
- the new accounting policies are subject to change until the Company presents its first financial statements that include the date of initial application.

Ind AS 116 introduces a single, on-balance sheet lease accounting model for lessees. A lessee recognises a right-of-use asset representing its right to use the underlying asset and a lease liability representing its obligation to make lease payments. There are recognition exemptions for short-term leases and leases of low-value items. Lessor accounting remains similar to the current standard – i.e. lessors continue to classify leases as finance or operating leases. It replaces existing leases guidance, Ind AS 17, Leases.

i. Leases in which the Company is a lessee

The Company will recognise new assets and liabilities for its operating leases of offices, warehouse and factory facilities (see Note 25). The nature of expenses related to those leases will now change because the Company will recognise a depreciation charge for right-of-use assets and interest expense on lease liabilities.

Previously, the Company recognised operating lease expense on a straight-line basis over the term of the lease, and recognised assets and liabilities only to the extent that there was a timing difference between actual lease payments and the expense recognised.

In addition, the Company will no longer recognise provisions for operating leases that it assesses to be onerous as described in Note 2.11. Instead, the Company will include the payments due under the lease in its lease liability and apply Ind AS 36, Impairment of Assets.

No significant impact is expected for the Company's finance leases.

Based on the information currently available, the Company estimates that it will recognise right to use asset of ₹ 89.09 crores and lease liabilities of ₹ 84.75 crores as at 1 April 2019.

ii. Leases in which the Company is a lessor

Based on the information currently available, there are no such lease arrangements.

Notes forming part of the Standalone Financial Statements

iii. Transition

The Company plans to apply Ind AS 116 initially on 1 April 2019, using the modified retrospective approach. Therefore, the cumulative effect of adopting Ind AS 116 will be recognised as an adjustment to the opening balance of retained earnings at 1 April 2019, with no restatement of comparative information.

The Company plans to apply the practical expedient to grandfather the definition of a lease on transition. This means that it will apply Ind AS 116 to all contracts entered into before 1 April 2019 and identified as leases in accordance with Ind AS 17.

Ind AS 12 Income taxes (amendments relating to income tax consequences of dividend and uncertainty over income tax treatments)

The amendment relating to income tax consequences of dividend clarify that an entity shall recognise the income tax consequences of dividends in profit or loss, other comprehensive income or equity according to where the entity originally recognised those past transactions or events. The Company does not have any impact from this pronouncement. It is relevant to note that the amendment does not amend situations where the entity pays a tax on dividend which is effectively a portion of dividends paid to taxation authorities on behalf of shareholders. Such amount paid or payable to taxation authorities continues to be charged to equity as part of dividend, in accordance with Ind AS 12.

The amendment to Appendix C of Ind AS 12 specifies that the amendment is to be applied to the determination of taxable profit (tax loss), tax bases, unused tax losses, unused tax credits and tax rates, when there is uncertainty over income tax treatments under Ind AS 12. It outlines the following: (1) the entity has to use judgement, to determine whether each tax treatment should be considered separately or whether some can be considered together. The decision should be based on the approach which provides better predictions of the resolution of the uncertainty (2) the entity is to assume that the taxation authority will have full knowledge of all relevant information while examining any amount (3) entity has to consider the probability of the relevant taxation authority accepting the tax treatment and the determination of taxable profit (tax loss), tax bases, unused tax losses, unused tax credits and tax rates would depend upon the probability. The Company does not expect any significant impact of the amendment on its financial statements.

Ind AS 109 – Prepayment Features with Negative Compensation

The amendments relate to the existing requirements in Ind AS 109 regarding termination rights in order to allow measurement at amortised cost (or, depending on the business model, at fair value through other comprehensive income) even in the case of negative compensation payments. The Company does not have any such instruments and hence no impact on its financial statements from this amendment.

Ind AS 19 – Plan Amendment, Curtailment or Settlement

The amendments clarify that if a plan amendment, curtailment or settlement occurs, it is mandatory that the current service cost and the net interest for the period after the re-measurement are determined using the assumptions used for the remeasurement. In addition, amendments have been included to clarify the effect of a plan amendment, curtailment or settlement on the requirements regarding the asset ceiling. The Company does not expect this amendment to have any significant impact on its financial statements.

Ind AS 23 – Borrowing Costs

The amendments clarify that if any specific borrowing remains outstanding after the related asset is ready for its intended use or sale, that borrowing becomes part of the funds that an entity borrows generally when calculating the capitalisation rate on general borrowings. The Company does not have any such borrowings and hence no impact on its financial statements from this amendment.

Ind AS 28 – Long-term Interests in Associates and Joint Ventures

The amendments clarify that an entity applies Ind AS 109 Financial Instruments, to long-term interests in an associate or joint venture that form part of the net investment in the associate or joint venture but to which the equity method is not applied. The Company has one Joint venture which is accounted for under equity method and hence there is no impact on its financial statements from this amendment.

Ind AS 103 – Business Combinations and Ind AS 111 – Joint Arrangements

The amendments to Ind AS 103 relating to re-measurement clarify that when an entity obtains control of a business that is a joint operation, it re-measures previously held interests in that business. The amendments to Ind AS 111 clarify that when an entity obtains joint control of a business that is a joint operation, the entity does not re-measure previously held interests in that business. The Company will apply the pronouncement if and when it obtains control / joint control of a business that is a joint operation.

Notes forming part of the Standalone Financial Statements
3. PROPERTY, PLANT AND EQUIPMENT

(Amount in ₹ Crore)

	Owned Assets							Total
	Buildings	Plant and equipment	Office equipments	Computers	Furniture and fixtures	Vehicles	Leasehold Improvements	
Gross carrying value at at April 1, 2017	17.35	18.61	4.93	60.06	9.30	0.52	12.52	123.29
Additions	0.40	0.81	0.52	10.12	0.75	1.23	2.54	16.37
Disposals	-	(0.03)	(0.02)	(0.46)	(0.31)	-	(0.55)	(1.37)
Other adjustments*	-	(0.04)	(0.87)	0.91	-	-	-	-
Gross carrying value as at March 31, 2018	17.75	19.35	4.56	70.63	9.74	1.75	14.51	138.29
Accumulated depreciation at at April 1, 2017	2.42	4.06	2.21	31.08	2.52	0.36	3.40	46.05
Depreciation for the year	1.28	1.98	1.01	15.06	0.95	0.33	2.12	22.73
Disposals	-	(0.03)	(0.02)	(0.40)	(0.05)	-	(0.55)	(1.05)
Other adjustments*	-	(0.01)	(0.50)	0.51	-	-	-	-
Accumulated depreciation as of March 31, 2018	3.70	6.00	2.70	46.25	3.42	0.69	4.97	67.73
Net carrying value as at March 31, 2018	14.05	13.35	1.86	24.38	6.32	1.06	9.54	70.56
Gross carrying value at at April 1, 2018	17.75	19.35	4.56	70.63	9.74	1.75	14.51	138.29
Additions	0.01	0.11	0.45	13.45	0.54	0.22	-	14.78
Disposals	-	-	-	(0.04)	-	-	-	(0.04)
Other adjustments*#	-	-	(0.13)	(8.56)	-	-	-	(8.69)
Gross carrying value as at March 31, 2019	17.76	19.46	4.88	75.48	10.28	1.97	14.51	144.34
Accumulated depreciation at at April 1, 2018	3.70	6.00	2.70	46.25	3.42	0.69	4.97	67.73
Depreciation for the year	1.28	3.15	0.78	14.37	0.99	0.53	2.11	23.21
Disposals	-	-	-	(0.03)	-	-	-	(0.03)
Other adjustments*#	-	-	(0.03)	(8.17)	-	-	-	(8.20)
Accumulated depreciation as of March 31, 2019	4.98	9.15	3.45	52.42	4.41	1.22	7.08	82.71
Net carrying value as at March 31, 2019	12.78	10.31	1.43	23.06	5.87	0.75	7.43	61.63

* Assets regrouped during the year

Assets regrouped from Computers to Finance Lease Receivable (Gross Block ₹ 8.49 Crore and Accumulated Depreciation ₹ 8.01 Crore)

(i). Contractual obligations: The estimated amount of contracts remaining to be executed on capital account, and not provided for is ₹ 11.10 Crore as at March 31, 2019 (₹ 4.55 Crore as at March 31, 2018).

Notes forming part of the Standalone Financial Statements

3. (ii). Leases

The Company has taken building, plant and equipment and computers under operating lease. The following is the summary of future minimum lease rental payments under non-cancellable operating leases entered into by the Company:

(Amount in ₹ Crore)

Particulars	As at March 31, 2019			As at March 31, 2018		
	Operating	Finance		Operating	Finance	
	Minimum Lease Payments	Minimum Lease Payments	Present value of minimum lease payments	Minimum Lease Payments	Minimum Lease Payments	Present value of minimum lease payments
Not later than one year	2.06	0.70	0.61	2.82	-	-
Later than one year but not later than five years	1.23	0.88	0.81	1.52	-	-
Later than five years	3.09	-	-	3.13	-	-
Total minimum lease commitments	6.38	1.58	1.42	7.47	-	-
Less: future finance charges	-	0.16	-	-	-	-
Present value of minimum lease payments	6.38	1.42	1.42	7.47	-	-

Total operating lease rent expenses were ₹ 15.75 crores for the year ended March 31, 2019 and ₹ 15.59 crores for the year ended March 31, 2018.

4. INTANGIBLE ASSETS

(Other than internally generated)

(Amount in ₹ Crore)

	Software Licenses	Total
Gross carrying value at at April 1, 2017	111.67	111.67
Additions	19.00	19.00
Disposals	(0.18)	(0.18)
Gross carrying value as at March 31, 2018	130.49	130.49
Accumulated amortisation at at April 1, 2017	52.61	52.61
Amortization for the year	27.67	27.67
Accumulated amortisation on disposals	(0.16)	(0.16)
Accumulated amortisation as of March 31, 2018	80.12	80.12
Net carrying value as at March 31, 2018	50.37	50.37
Gross carrying value at at April 1, 2018	130.49	130.49
Additions	12.43	12.43
Disposals	-	-
Other adjustments*#	(56.93)	(56.93)
Gross carrying value as at March 31, 2019	85.99	85.99
Accumulated amortisation at at April 1, 2018	80.12	80.12
Amortization for the year	25.57	25.57
Accumulated amortisation on disposals	-	-
Other adjustments*#	(55.33)	(55.33)
Accumulated amortisation as of March 31, 2019	50.36	50.36
Net carrying value as at March 31, 2019	35.63	35.63

* Assets regrouped during the year

Assets regrouped from Intangible assets to Finance Lease Receivable (Gross Block ₹ 57.13 Crore and Accumulated Depreciation ₹ 55.53 Crore)

Notes forming part of the Standalone Financial Statements
(i) Intangibles under development

	As at March 31, 2019	As at March 31, 2018
Balance at the beginning of the year	12.84	7.71
Additions during the year	20.65	24.13
Capitalized during the year	(12.43)	(19.00)
Balance at the end of the year	<u>21.06</u>	<u>12.84</u>

(ii) Contractual obligation : The estimated amount of contracts remaining to be executed on capital account, and not provided for is ₹ 10.65 Crore as at March 31, 2019 (₹ 8.67 Crore as at March 31, 2018).

5. INVESTMENTS IN SUBSIDIARIES AND JOINT VENTURE

(Amount in ₹ Crore)

	As at March 31, 2019		As at March 31, 2018	
	Units	Amount	Units	Amount
Unquoted:				
(i) Investments in Equity of Subsidiaries- carried at cost				
(a) Tata Technologies Inc.- (3.75% Holding)	150,000	15.57	150,000	15.57
(b) Tata Technologies Pte Ltd, Singapore, a 100% subsidiary company	86,463,759	203.34	86,463,759	203.34
(ii) Investments in joint venture - carried at cost				
(a) Tata HAL Technologies Limited	5,070,000	5.07	5,070,000	5.07
Less: Provision for Impairment in value of investment*		(5.07)		(5.07)
		-		-
Total Aggregate Unquoted Investments [(i)+(ii)]		<u>218.91</u>		<u>218.91</u>

(iii) Information about Joint Venture:

Name of the Company	Principal place of the business	% of Holding	
		As at March 31, 2019	As at March 31, 2018
TATA HAL Technologies Limited (THTL)	India	50%	50%

The Company has a joint venture (JV) with Hindustan Aeronautics Ltd., THTL for providing engineering and design solutions and services in the domain of aerostructures for aerospace industry.

*Having regard to the future business strategy/plans of the joint venture and considering their current financial position, the Company recognized a provision for impairment loss of ₹ 5.07 crores during the year ended March 31, 2017, in respect of its investment in joint venture.

(iv) Aggregate book value of unquoted investments	218.91	218.91
Aggregate value of impairment	5.07	5.07

Notes forming part of the Standalone Financial Statements

6. INVESTMENTS

(Amount in ₹ Crore)

	As at March 31, 2019		As at March 31, 2018	
	Units	Amount	Units	Amount
NON-CURRENT				
Quoted:				
i) Investment carried at Fair value through Profit and Loss (FVTPL)				
Investment in Mutual funds				
ICICI Prudential Fixed Maturity Plan Sr 80-1227 Days Plan Q Direct Plan Cumulative	5,000,000	5.79	5,000,000	5.37
Reliance Fixed Horizon Fund - XXXIII - Series 6- Direct Growth Plan	5,000,000	5.77	5,000,000	5.36
DSP BlackRock FMP - Series 205 - 37M- Direct Growth	5,000,000	5.77	5,000,000	5.36
IDFC Fixed Term Plan Series 131-Direct- Growth	5,000,000	5.75	5,000,000	5.35
Kotak FMP Series 202 - 1144 Days- Direct Plan-Growth	5,000,000	5.75	5,000,000	5.35
		28.83		26.79
ii) Investments carried at amortised cost - Investment in Debentures (See Note-1 below)				
Tata Motors Finance Limited	100	5.00	100	5.00
Unquoted:				
i) Investments carried at amortised cost - Investment in Preference Shares (See Note-2 below)				
Tata Capital Limited	-	-	33,333	5.00
Total Non-current Investments		33.83		36.79
CURRENT				
Unquoted:				
i) Investments carried at amortised cost - Investment in Preference Shares (See Note-2 below)				
Tata Capital Limited	33,333	5.00	-	-
Total Current Investments		5.00		-
Aggregate book value of quoted investments		33.83		31.79
Aggregate market value of quoted investments		33.83		31.79
Aggregate book value of unquoted investments		5.00		5.00
Aggregate book value of impairment		-		-

Notes:

- 1 The debentures carry interest at 11% per annum, payable annually and will mature in September,2021.
- 2 The preference shares bear dividend at 12.5% per annum, payable annually and will mature in September,2019.

Notes forming part of the Standalone Financial Statements
7. LOANS

(Amount in ₹ Crore)

	As at March 31, 2019	As at March 31, 2018
NON-CURRENT		
(Unsecured, considered good)		
(a) Security deposits	4.79	4.83
(b) Loans to employees	0.35	0.51
(c) Loans to related parties (Refer note 31(ii))	2.57	2.79
	<u>7.71</u>	<u>8.13</u>
CURRENT		
(Unsecured, considered good)		
(a) Loans to related parties (Refer note 31(ii))		
- Inter corporate deposits	59.25	77.50
(b) Security deposits	1.34	0.07
(c) Loans to employees	0.14	0.15
	<u>60.73</u>	<u>77.72</u>

8. OTHER BANK BALANCES

(Amount in ₹ Crore)

	As at March 31, 2019	As at March 31, 2018
NON-CURRENT		
(a) Earmarked balance with banks	0.05	0.05
	<u>0.05</u>	<u>0.05</u>
Note :		
(i) Balances earmarked for Employees Deposit Linked Insurance benefit		
CURRENT		
(a) Earmarked balance with banks	4.80	2.88
(b) Deposits pledged/lien with banks	-	0.27
	<u>4.80</u>	<u>3.15</u>
Notes :		
(i) Earmarked balances with banks pertain to unclaimed dividends		
(ii) Deposits have been kept with bank as security for bank guarantee.		

9. OTHER FINANCIAL ASSETS

(Amount in ₹ Crore)

	As at March 31, 2019	As at March 31, 2018
NON-CURRENT		
(a) Deposits pledged/lien with banks	0.05	0.04
	<u>0.05</u>	<u>0.04</u>
CURRENT		
(a) Interest accrued on deposits and investments	0.30	0.37
(b) Bills of Exchange	17.05	11.21
(c) Derivative carried at fair value through profit & loss		
- Foreign currency forward cover	-	0.01
(d) Unbilled receivables	28.95	45.57
(e) Receivable from related parties for reimbursement of expenses (Refer note 31(ii))	1.90	4.06
(f) SEIS licenses receivable	14.59	-
(g) Lease receivables	1.28	-
	<u>64.07</u>	<u>61.22</u>

Notes forming part of the Standalone Financial Statements

10. (i). Income tax assets/(liabilities)

(Amount in ₹ Crore)

	As at March 31, 2019	As at March 31, 2018
Income Tax Assets (Net)	13.29	9.14
Income Tax Liabilities (Net)	10.38	6.49
Net current income tax assets /(liabilities)	2.91	2.65

10. (ii). Movement in income tax assets/(liabilities)

The gross movement in income tax assets/(liabilities) for the year ended March 31, 2019 and March 31, 2018 is as follows:

(Amount in ₹ Crore)

	As at March 31, 2019	As at March 31, 2018
Net current income tax assets /(liability) at beginning	2.65	15.59
Income tax paid (net)	84.62	56.13
Current income tax expense	(84.36)	(69.07)
Net current income tax assets /(liability) at the end	2.91	2.65

10. DEFERRED TAX ASSETS (NET)

(Amount in ₹ Crore)

Significant components and movement of deferred tax assets and liabilities for the year ended March 31, 2019:	As at April 1, 2018	Recognized in the statement of profit or loss	Recognized in/ reclassified from other comprehensive income	MAT Credit Utilisation	As at March 31, 2019
Deferred tax assets:					
Provisions and allowances for doubtful receivables and others	2.52	0.08	-	-	2.60
Compensated absences and retirement benefits	14.86	4.79	-	-	19.65
Minimum alternate tax (MAT) credit	3.78	-	-	-	3.78
Remeasurement of post employment benefits obligations	1.56	1.27	(1.09)	-	1.74
Total deferred tax assets	22.72	6.14	(1.09)	-	27.77
Deferred tax liabilities:					
Property, plant and equipment and intangible assets	5.61	(4.01)	-	-	1.60
Gain/Loss on Change in Fair Value of Investments	0.61	0.72	-	-	1.33
Derivative financial instruments	(0.38)	0.38	-	-	-
Others	0.55	(0.41)	-	-	0.14
Total deferred tax liabilities	6.39	(3.32)	-	-	3.07
Net Deferred tax assets/(liabilities)	16.33	9.46	(1.09)	-	24.70

Notes forming part of the Standalone Financial Statements

(Amount in ₹ Crore)

Significant components of deferred tax assets and liabilities for the year ended March 31, 2018:	As at April 1, 2017	Recognized in the statement of profit and loss	Recognized/ reclassified from other comprehensive income	MAT Credit Utilisation	As at March 31, 2018
Deferred tax assets:					
Provisions and allowances for doubtful receivables and others	1.66	0.86	-	-	2.52
Compensated absences and retirement benefits	7.25	6.53	1.08	-	14.86
Minimum alternate tax (MAT) credit	22.28	-	-	(18.50)	3.78
Remeasurement of post employment benefits obligations	1.56	-	-	-	1.56
Total deferred tax assets	32.75	7.39	1.08	(18.50)	22.72
Deferred tax liabilities:					
Property, plant and equipment and intangible assets	8.60	(2.99)	-	-	5.61
Gain/Loss on Change in Fair Value of Investments	0.05	0.56	-	-	0.61
Derivative financial instruments	0.52	(0.90)	-	-	(0.38)
Others	1.42	(0.87)	-	-	0.55
Total deferred tax liabilities	10.59	(4.20)	-	-	6.39
Net Deferred tax assets/(liabilities)	22.16	11.59	1.08	(18.50)	16.33

11. OTHER ASSETS

(Amount in ₹ Crore)

	As at March 31, 2019	As at March 31, 2018
NON-CURRENT		
(Unsecured, considered good)		
(a) Capital advances	0.18	-
(b) Prepaid expenses	2.68	2.16
(c) Prepaid lease rentals	3.26	3.30
(d) Prepaid defined benefit superannuation	-	0.44
(e) Deposits with government authorities	0.83	1.25
	6.95	7.15
CURRENT		
(a) Advances to suppliers and contractors	0.97	3.80
(b) Prepaid expenses	12.60	8.94
(c) Prepaid lease rentals	0.04	0.04
(d) Balances with government authorities	0.98	0.56
(e) Contract Assets	24.10	-
(f) Deposits with government authorities	0.09	0.21
	38.78	13.55

Notes forming part of the Standalone Financial Statements

12. TRADE RECEIVABLES

(Unsecured unless otherwise stated)

(Amount in ₹ Crore)

	As at March 31, 2019	As at March 31, 2018
(a) Trade receivables considered good	372.75	344.45
Less : Expected credit loss allowance	7.51	5.37
	<u>365.24</u>	<u>339.08</u>
(b) Trade receivables which have significant increase in credit risk	-	-
(c) Trade receivables which are credit impaired	-	-
	<u>365.24</u>	<u>339.08</u>

Above balance of Trade receivable include balances with related parties (Refer Note 31 (ii))

In determining the allowance for doubtful trade receivables, the Company has used a practical expedient by computing the expected credit loss allowance for trade receivables based on a provision matrix. The provision matrix takes into account historical credit loss experience and is adjusted for forward looking information. The expected credit loss allowance is based on ageing of receivables that are due and rates used in the provision matrix.

13. CASH AND CASH EQUIVALENTS

(Amount in ₹ Crore)

	As at March 31, 2019	As at March 31, 2018
(a) Balances with banks:		
- Current account	10.00	18.43
(b) Cheques, drafts on hand/funds in transit	1.38	2.49
(c) Cash on hand	-	0.02
	<u>11.38</u>	<u>20.94</u>

14. EQUITY SHARE CAPITAL

(Amount in ₹ Crore)

	As at March 31, 2019	As at March 31, 2018
(a) Authorised:		
(i) 60,000,000 equity shares of ₹ 10/- each (as at March 31, 2018: 60,000,000 equity shares of ₹ 10/- each)	60.00	60.00
(ii) 700,000 0.01% Cumulative Non-participative Compulsorily convertible Preference Shares of ₹ 10/- each (as at March 31, 2018: 700,000 0.01% Cumulative Non-participative Compulsorily convertible Preference Shares of ₹ 10/- each)	0.70	0.70
	<u>60.70</u>	<u>60.70</u>
(b) Issued, Subscribed and Fully paid up capital:		
43,043,702 equity shares of ₹ 10/- each (as at March 31, 2018: 43,037,514 equity shares of ₹ 10/- each)	43.05	43.04
	<u>43.05</u>	<u>43.04</u>
(c) The movement of number of shares and share capital		
Particulars	No. of Shares	Amount in ₹ Crore
Equity shares		
Number of shares as at April 1, 2017	43,031,326	43.03
Add: Shares issued under ESOP scheme	6,188	0.01
Number of shares as at March 31, 2018	<u>43,037,514</u>	<u>43.04</u>
Add: Shares issued under ESOP scheme	6,188	0.01
Number of shares as at March 31, 2019	<u>43,043,702</u>	<u>43.05</u>

Notes forming part of the Standalone Financial Statements
(d) Rights, preferences and restrictions attached to shares :
(i) Ordinary shares :

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

(e) Shares in the Company held by each shareholder holding more than 5% shares (including shares held by the Holding Company, its subsidiaries and associates)

	As at March 31, 2019		As at March 31, 2018	
	No. of Shares	% Holding	No. of Shares	% Holding
Equity shares				
(a) Tata Motors Limited (Holding Company)	30,300,600	70.39	30,300,600	70.41
(b) Alpha TC Holdings Pte Ltd.	3,746,505	8.70	3,746,505	8.71
	34,047,105	79.09	34,047,105	79.12

(f) Information regarding issue of shares in the last five years:

- (i) The Company has not issued any shares without payment being received in cash.
- (ii) The Company has not issued any bonus shares.
- (iii) The Company has not undertaken any buy-back of shares.

(g) Shares reserved for issue under options:

Option activity during the year under the plan is given as below

Number of options granted, exercised and forfeited	As at March 31, 2019	As at March 31, 2018
Options granted, beginning of the year	13,550	19,738
Granted during the year	-	-
Exercised during the year	(6,188)	(6,188)
Expired during the year	(2,114)	-
Option exercisable at the year end	5,248	13,550
Weighted average share price at the date of exercise	₹ 645	₹ 645
Weighted average remaining contractual life (in years)	7	9
Range of exercise prices	₹ 60 to ₹ 645	₹ 60 to ₹ 645

During the fiscal year 2014-15, the Compensation Committee of the Board of Directors, Company had granted 30,000 options to the eligible employees. The options vest over 4-5 years and are exercisable during a maximum period of 11 years from the date of vesting. In terms of the ESOP plan, the options were granted at the exercise price equivalent to the fair value of the underlying shares. The Company has accounted the above options at fair value.

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

(h) Stock based incentive schemes by Tata Technologies Limited Employees Stock Option Trust (TTESOP Trust) and Zedra Corporate Services (Guernsey) Limited

To manage and implement various stock based incentive programs for employees of the Company, the Company has formed Tata Technologies Limited Employees Stock Option Trust (TTESOP Trust) and Zedra Corporate Services (Guernsey) Limited for employees of the Company and its subsidiaries. Since shares of the Company are not listed on Stock Exchange, Tata Technologies Limited Employees Stock Option Trust (TTESOP Trust) and Zedra Corporate Services (Guernsey) Limited purchase the shares from employees and ex-employees of the Company. The shares so purchased by the Trusts are reissued to the employees through various stock based incentive schemes from time to time. These shares are issued at their fair values on the date of grant which is determined on the basis of latest audited balance sheet of the Company. Some of the ESPPs require the employees to offer the shares to trusts on cessation of employment for which the trusts have retained a first right of refusal. No employee has been allocated more than 1% of the issued capital of the Company.

Notes forming part of the Standalone Financial Statements

(i) Shares allocated under Employee Stock Purchase Program are as follows

Scheme Name	No. of Shares	Price Per share ₹
Tata Technologies Employee Stock Purchase Program 2008	290,500	145
Tata Technologies Employee Stock Purchase Program 2009	18,800	196
Tata Technologies Employees Stock Purchase Program- Series III (ESPP- Series III)	52,251	196
Employees Stock Purchase Program- Series IV (ESPP – Series IV)	47,600	223
Employees Stock Purchase Program- Series V (ESPP – Series V)	22,500	417
Employees Stock Purchase Program- Series VI (ESPP – Series VI)	81,400	645
Employee Stock Ownership Program for INCAT Employees 2006	217,165	135
Employee Stock Ownership Program for INCAT Key Employees 2007	600,000	135
Employee Stock Ownership Program for INCAT General Employees 2007	148,066	145
Employee Stock Ownership Program 2009 (ESO 2009)	88,067	196
Employee Stock Ownership Program 2010 (ESO 2010)	709,000	223
Employee Stock Ownership Program 2012 (ESO 2012)	60,000	417
Employee Stock Ownership Program 2015 (ESO 2015)	70,000	645

(j) Number of shares held by the Trusts:

	As at March 31, 2019	As at March 31, 2018
Tata Technologies Limited Employees Stock Option Trust	49,486	49,486
Zedra Corporate Services (Guernsey) Limited	901,015	891,015
	950,501	940,501

15. (i). Other Equity:

(Amount in ₹ Crore)

	As at March 31, 2019	As at March 31, 2018
Share application money pending allotment	0.34	0.40
Securities Premium	351.70	351.31
Securities Premium identified separately for consolidation adjustment	23.16	23.16
General reserve	134.65	134.65
Retained earnings	205.79	168.25
Items of other comprehensive income	0.56	0.44
	716.20	678.21

15. (ii). Movement in other equity

(Amount in ₹ Crore)

	As at March 31, 2019	As at March 31, 2018
Share application money pending allotment		
Balance at the beginning of the year	0.40	0.40
Issue of equity shares under employee share option plan	(0.40)	(0.40)
Issue of shares under employee share option plan pending allotment	0.34	0.40
Balance at the end of the year	0.34	0.40
Securities premium		
Balance at the beginning of the year	351.31	350.92
Add: Received during the year on exercise of stock options issued to employees (including from share based payment reserve)	0.39	0.39
Balance at the end of the year	351.70	351.31

Notes forming part of the Standalone Financial Statements

(Amount in ₹ Crore)

	As at March 31, 2019	As at March 31, 2018
Securities Premium identified seperately for consolidation adjustment		
Balance at the beginning of the year	23.16	23.16
Balance at the end of the year	23.16	23.16
General reserve		
Balance at the beginning of the year	134.65	134.65
Balance at the end of the year	134.65	134.65
Retained earnings		
Balance at the beginning of the year	168.25	200.02
Add: Profit for the year	191.18	177.47
Less: Dividends, including taxes thereon	(155.67)	(207.20)
Add: Remeasurements of post employment benefits obligations (net of tax effect)	2.03	(2.04)
Balance at the end of the year	205.79	168.25
Other Components of Equity:		
Balance at the beginning of the year	0.44	(0.09)
Foreign Currency Translation Reserve	0.12	0.53
Balance at the end of the year	0.56	0.44

Notes:
(i) Securities Premium

Securities premium is used to record the premium on issue of shares. The reserve is utilised in accordance with the provision of the Companies Act, 2013.

(ii) Securities Premium identified seperately for consolidation adjustment

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

Consequently, such excess provisions for doubtful debts on account of the said collections have been written back to the Securities Premium Account. The subsidiary companies have realized from doubtful debts upto March 31, 2019 ₹ 6.18 crores (March 31, 2018 ₹ 6.18 crores). Accordingly the said amount has been transferred from the Securities Premium identified seperately for consolidated adjustment to Securities Premium Account and the balance amount of ₹ 23.16 crores (March 31, 2018 ₹ 23.16 crores) relating to the subsidiaries is continued to be disclosed separately as securities premium account for adjustment on consolidation.

(iii) General reserve

The Company has transferred a portion of the net profit of the Company before declaring dividend to general reserve pursuant to the earlier provisions of Companies Act 1956. Mandatory transfer to general reserve is not required under the Companies Act 2013.

(iv) Retained earnings

Retained earnings comprises of the Company's undistributed earnings after taxes.

Notes forming part of the Standalone Financial Statements

16. TRADE PAYABLES

(Amount in ₹ Crore)

	As at March 31, 2019	As at March 31, 2018
NON CURRENT		
(a) Total outstanding dues of micro enterprises and small enterprises*	-	-
(b) Total outstanding dues of creditors other than micro enterprises and small enterprises	-	0.15
	-	0.15
CURRENT		
(a) Total outstanding dues of micro enterprises and small enterprises*	3.57	2.65
(b) Total outstanding dues of creditors other than micro enterprises and small enterprises	118.27	123.96
	121.84	126.61

*** Note:**

The information as required to be disclosed under the 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. This has been relied upon by the auditors. The amount of principal and interest outstanding during the year is given below:

(Amount in ₹ Crore)

	As at March 31, 2019	As at March 31, 2018
(a) Amounts outstanding and remaining unpaid as at March 31,	3.57	2.65
(b) Amounts paid after appointed date during the year	8.66	-
(c) Interest remaining due and payable for earlier years	-	-
(d) Amount of interest paid, other than under Section 16 of MSMED Act, to suppliers registered under the MSMED Act, beyond the appointed date during the year	-	-
(e) Amount of interest accrued and unpaid as at March 31,	0.02	-

The average credit period on purchases of good and services ranges from 30 to 60 Days.

17. OTHER FINANCIAL LIABILITIES

(Amount in ₹ Crore)

	As at March 31, 2019	As at March 31, 2018
NON-CURRENT		
(a) Retention Bonus payable	0.37	0.88
	0.37	0.88
CURRENT		
(a) Capital creditors	5.23	8.79
(b) Unpaid dividends	4.80	2.87
(c) Provision for employee benefits	3.11	7.51
(d) Retention Bonus payable	0.89	2.44
(e) Finance lease payable	1.42	-
(f) Derivative carried at fair value through P&L		
- Foreign currency forward cover	-	1.15
	15.45	22.76

Notes forming part of the Standalone Financial Statements
18. PROVISIONS

(Amount in ₹ Crore)

	As at March 31, 2019	As at March 31, 2018
NON CURRENT		
(a) Provision for employee benefits	24.68	24.46
	<u>24.68</u>	<u>24.46</u>
CURRENT		
(a) Provision for employee benefits	1.54	1.38
	<u>1.54</u>	<u>1.38</u>

19. OTHER CURRENT LIABILITIES

(Amount in ₹ Crore)

	As at March 31, 2019	As at March 31, 2018
(a) Statutory remittances (withholding taxes, Provident Fund, VAT, GST, etc.)	23.68	27.85
(b) Advance and Progress payments	4.15	0.16
(c) Unearned revenue	16.45	15.30
	<u>44.28</u>	<u>43.31</u>

20. REVENUE FROM OPERATIONS

(Amount in ₹ Crore)

	For the year ended	
	March 31, 2019	March 31, 2018
(a) Sale of products	175.37	151.30
(b) Sale of services	1,010.40	958.73
(c) Other operating revenue		
(i) Export Incentive	30.47	13.86
(ii) Commission income	1.06	1.07
	<u>1,217.30</u>	<u>1,124.96</u>

20. (i). Revenue disaggregation by geography is as follows:

(Amount in ₹ Crore)

	For the year ended	
	March 31, 2019	March 31, 2018
(a) India	815.59	722.58
(b) UK	198.78	191.97
(c) North America	106.83	78.20
(d) Rest of Europe	41.90	49.31
(e) Rest of the world	54.20	82.90
	<u>1,217.30</u>	<u>1,124.96</u>
Geographical revenue is allocated based on the location of the customers		

Notes forming part of the Standalone Financial Statements

20. (ii). Changes in Contract assets are as follows:

(Amount in ₹ Crore)

	For the year ended	
	March 31, 2019	
Balance at the beginning year	14.69	
Revenue recognised during the year	239.00	
Invoices raised during the year	(229.59)	
Translation exchange difference	-	
Balance at the end year	24.10	

20. (iii). Changes in unearned and deferred revenue and advance from customers are as follows:

(Amount in ₹ Crore)

	For the year ended	
	March 31, 2019	
Balance at the beginning year	15.46	
Revenue recognised that was included in unearned and deferred revenue at the beginning the year	(13.95)	
Increase due to invoicing during the year, excluding amounts recognised as revenue and increase in advances received during the year	19.09	
Translation exchange difference	-	
Balance at the end year	20.60	

20. (iv). Reconciliation of revenue recognized with the contracted price is as follows:

(Amount in ₹ Crore)

	For the year ended	
	March 31, 2019	
Contracted price	1,218.26	
Reductions towards variable consideration components	(0.95)	
Revenue recognised	1,217.31	

The reduction towards variable consideration comprise of service level credits.

20. (v). The aggregate value of transaction price allocated to unsatisfied (or partially satisfied) performance obligations is ₹ 32.74 crores and is expected to be recognised as revenue in the next year.

21. OTHER INCOME

(Amount in ₹ Crore)

	For the year ended	
	March 31, 2019	March 31, 2018
(a) Interest income		
(i) Interest income-others	4.13	10.43
(ii) Interest income on debentures	0.55	0.55
(b) Dividend income on investments designated as FVTPL		
(i) Dividend income - mutual funds	-	0.11
(ii) Dividend income on investments	0.42	0.42
(c) Other gains/(losses)		
(i) Change in fair value of investments measured at FVTPL - mutual fund units	2.05	1.62
(ii) Fair value gain/(loss) on derivatives not designated as hedges (net)	1.14	(2.61)
(d) Other non-operating income		
(i) Foreign currency gain/(loss) (net)	(2.16)	11.86
(ii) Other non-operating income	4.90	1.95
(iii) Profit on sale of investments measured at FVTPL - mutual fund units (net)	-	0.25
	11.03	24.58

Notes forming part of the Standalone Financial Statements
22. EMPLOYEE BENEFITS EXPENSE

(Amount in ₹ Crore)

	For the year ended	
	March 31, 2019	March 31, 2018
(a) Salaries and wages	535.31	489.42
(b) Contribution to provident and other funds	26.77	26.49
(c) Staff welfare expenses	26.33	27.08
	588.41	542.99

23. FINANCE COSTS

(Amount in ₹ Crore)

	For the year ended	
	March 31, 2019	March 31, 2018
(a) Interest	0.04	2.22
	0.04	2.22

24. DEPRECIATION AND AMORTISATION EXPENSE

(Amount in ₹ Crore)

	For the year ended	
	March 31, 2019	March 31, 2018
(a) Depreciation	23.21	22.73
(b) Amortisation	25.57	27.67
	48.78	50.40

25. OTHER EXPENSES

(Amount in ₹ Crore)

	For the year ended	
	March 31, 2019	March 31, 2018
(a) Rent	15.75	15.59
(b) Repairs & maintenance		
- Buildings	1.19	0.52
- Plant & machinery	0.41	0.48
- Others	7.40	7.30
(c) Insurance	0.37	0.32
(d) Rates and taxes	1.08	1.67
(e) Advertisement and publicity	0.01	0.01
(f) Business promotion expenses	0.64	0.88
(g) Office expenses	6.33	5.86
(h) Travelling & conveyance	24.86	17.79
(i) Power & fuel	8.23	6.87
(j) Water charges	0.30	0.39
(k) Auditors remuneration (refer note 25 (i))	0.60	0.65
(l) Staff training and seminar expenses	1.94	1.42
(m) Staff recruitment expenses	4.68	3.48
(n) Commission to others	0.02	0.01
(o) AMC charges	37.45	35.23
(p) Software-internal use	12.14	10.68
(q) Professional fees	6.43	11.30
(r) Communication expenses	6.83	10.65
(s) Allowances for expected credit loss (net)	2.14	2.49
(t) Corporate social responsibility	5.16	5.28
(u) Miscellaneous expenses	3.01	4.82
	146.97	143.69

Notes forming part of the Standalone Financial Statements

25. (i). Payment to auditors

(Amount in ₹ Crore)

	For the year ended	
	March 31, 2019	March 31, 2018*
(a) For statutory audit, including quarterly audits/limited review	0.47	0.63
(b) For Tax audit	0.06	-
(c) For other attest services	0.02	-
(d) For reimbursement of expenses	0.05	0.02
	0.60	0.65

*Includes remuneration paid to erstwhile auditors

25. (ii). Corporate social responsibility expenditure

(Amount in ₹ Crore)

	For the year ended	
	March 31, 2019	March 31, 2018
Gross amount required to be spent	5.13	5.28
Total	5.13	5.28
Amount spent during the year on		
(a) Construction/ acquisition of any asset	-	-
(b) On purposes other than (i) above	5.16	5.28
	5.16	5.28

26. INCOME TAX EXPENSE

This note provides an analysis of the Company's income tax expense, shows amounts that are recognised directly in equity and how the tax expense is affected by non- assessable and non-deductible items. It also explains significant estimates made in relation to Company's tax positions.

(Amount in ₹ Crore)

(i)	For the year ended	
	March 31, 2019	March 31, 2018
Income tax expense		
Current Tax		
Current tax on profits for the year	84.36	69.07
Total current tax expense	84.36	69.07
Deferred tax		
Decrease / (increase) in deferred tax assets	(6.14)	(7.39)
(Decrease) / increase in deferred tax liabilities	(3.32)	(4.20)
Total deferred tax expense / (benefit)	(9.46)	(11.59)
Income tax expense	74.90	57.48

The company has benefited from certain tax incentives that the Government of India has provided to the units registered under the Special Economic Zones Act 2005 (SEZ). SEZ units which began the provision of services on or after April 1, 2005 are eligible for a deduction of 100 percent of profits or gains derived from the export of services for the first five years from the financial year in which the unit commenced the provision of services and 50 percent of such profits or gains for further five years. Up to 50% of such profits or gains are also available for deduction for five years subject to certain conditions.

Notes forming part of the Standalone Financial Statements
(ii) Reconciliation of tax expense and the accounting profit multiplied by statutory tax rate in India:

(Amount in ₹ Crore)

	For the year ended	
	March 31, 2019	March 31, 2018
Profit before taxes	266.08	234.95
Enacted income tax rate in India	34.94%	34.61%
Computed expected tax expenses	92.98	81.32
Effect of income exempt from tax	(0.15)	(0.18)
Effect of non deductible expenses	2.19	1.88
Income taxed at higher/(lower) rates	(20.03)	(22.94)
Others	(0.09)	(2.60)
Total tax expense	74.90	57.48

(iii) Amounts recognised in OCI

(Amount in ₹ Crore)

	For the year ended	
	March 31, 2019	March 31, 2018
Income tax relating to items that will not be reclassified to profit and loss	(1.09)	1.08
Total	(1.09)	1.08

(iv) Tax losses

(Amount in ₹ Crore)

	For the year ended	
	March 31, 2019	March 31, 2018
Unused tax losses on which no deferred tax asset has been recognised	5.38	5.38
Potential tax benefit @23.296% (@ 23.072% for March 31, 2018)	1.25	1.24

Capital losses pertain to A.Y. 2014-2015 - ₹ 4.12 crore A.Y. 2015 - 2016 ₹ 1.26 crore. Deferred tax asset was not recognised on unused capital losses since there was lack of reasonable certainty of taxable capital profits to utilize this deferred tax asset. The losses can be carried forward for a period of 8 years as per local tax regulations.

(v) Changes in tax rate -

The applicable Indian statutory tax rate for the financial year 2018-19 is 34.94% and financial year 2017-18 is 34.61%.

27. EARNING PER SHARE

Particulars		For the year ended	
		March 31, 2019	March 31, 2018
(a) Profit attributable to equity shareholders	₹ Crore	191.18	177.47
(b) The weighted average number of ordinary equity shares outstanding during the year	Nos.	42,093,201	42,097,013
(c) The nominal value per ordinary Share	₹	10.00	10.00
(d) Earnings Per Share (Basic)	₹	45.42	42.16
(e) The weighted average number of ordinary equity shares outstanding during the year	Nos.	42,093,201	42,097,013
(f) Add: Adjustment for Employee Stock Options	Nos.	5,248	13,550
(g) The weighted average number of equity shares outstanding for diluted EPS	Nos.	42,098,449	42,110,563
(h) Earnings Per Shares (Diluted)	₹	45.41	42.15

The above number of shares are after adjusting shares held by ESOP Trusts pending allotment to eligible employees being 950,501 shares as of March 31, 2019 and 940,501 shares as of March 31, 2018.

Notes forming part of the Standalone Financial Statements

28. (a). Contingent Liabilities

(Amount in ₹ Crore)

	As at March 31, 2019	As at March 31, 2018
(a) Bonus related to retrospective period (Refer note (i))	7.82	7.82
(b) Income Tax demands disputed in appeals (Refer note (ii))	11.88	2.76
(c) Sales Tax demands disputed in appeals	0.00	0.00
(d) Service Tax demands disputed in appeals (Refer note (iii) and (iv))	20.56	5.46

Notes:

- (i) Statutory bonus at the revised rates pertaining to period retrospective to the notification dated on 01.01.2016 (i.e. from 01.04.2014 to 31.12.2015) was not provided pending similar cases contesting retrospective applicability of the said notification in various Honourable High Courts. During November 2016, considering the industry practices, the management after internal deliberations decided to and has paid the incremental bonus covering the fiscal year of the said notification i.e. from 01.04.2015 to 31.12.2015 aggregating to ₹. 5.55 crores, which has been presented as exceptional item in the financials for the year ended 31.03.2017. The incremental bonus for the FY 2014-15 is continued as contingent liability pending similar cases contesting retrospective applicability of the said notification in various Honourable High Courts.
- (ii) The Company has ongoing disputes with Income Tax Authorities relating to tax treatment of certain items. These mainly include disallowed expenses for Corporate tax, transfer pricing adjustment, the tax treatment of certain expenses claimed by the Company as deductions and the computation of certain allowances.
- (iii) Pertains to disputes in relation to tax on reverse charge mechanism.
- (iv) Service Tax Department had raised demand amounting to ₹ 5.16 crores (for the period April 08 to September 08 - ₹ 1.62 crores and for the period October 08 to September 09 - ₹ 3.54 crores) for delay in filing the prescribed declaration for availing cenvat credit. Aggrieved by the order, company had preferred an appeal with CESTAT. The appeal was decided in favour of the company during January 2016. Subsequently service tax department filed an appeal with High Court in 2017. The case being question of law, the High Court admitted the appeal in December 18. Considering the merit of the case, confirmation of demand is likely to be remote, hence contingent liability has been disclosed to the tune of ₹ 14.56 crores consisting of demand of ₹ 4.62 crores and interest of ₹ 9.94 crores.
- (v) It is not practicable for the Company to estimate the timings of cash outflows, if any, in respect of the above pending resolution of the respective proceedings as it is determinable only on the receipt of the judgements/decisions pending with various forums/authorities.
- (vi) The Company does not expect any reimbursements in respect of the above contingent liabilities.

28. (b).

The Hon'ble Supreme Court of India ("SC") by their order dated February 28, 2019, set out the principles based on which allowances paid to the employees should be identified for inclusion in basic wages for the purposes of computation of Provident Fund contribution. Subsequently, a review petition against this decision has been filed and is pending before the SC for disposal.

Pending the outcome of the review petition and directions from the EPFO, the impact for past periods, if any, is not ascertainable and consequently no financial effect has been provided for in the financial statements. The Company has made a provision on a prospective basis, from the date of the SC order.

29. SEGMENT REPORTING

Where a financial report contains both consolidated financial statements and separate financial statements of the parent, segment information needs to be presented only in case of consolidated financial statements. Accordingly, segment information has been provided only in the consolidated financial statements.

30. DEFINED BENEFIT PLANS

The Company's contribution to defined contribution plan for the year ended March 31, 2019 has been recognised in the statement of Profit and Loss as follows.

(Amount in ₹ Crore)

	31-Mar-19	31-Mar-18
Contribution to provident fund	16.99	16.44
Contribution to superannuation fund	4.16	4.20
	<u>21.15</u>	<u>20.64</u>

Notes forming part of the Standalone Financial Statements
Defined benefit plans

The principal assumptions used for the purposes of the actuarial valuations were as follows.

	Gratuity (Funded)		Bhavishya Kalyan Yojana (BKY) (Unfunded)		Superannuation (Partly Funded)		Post Retirement Medicare Scheme (Unfunded)		Compensated Absence (Unfunded)	
	Valuation as at		Valuation as at		Valuation as at		Valuation as at		Valuation as at	
	31-Mar-19	31-Mar-18	31-Mar-19	31-Mar-18	31-Mar-19	31-Mar-18	31-Mar-19	31-Mar-18	31-Mar-19	31-Mar-18
Discount rate(s)	7.70%	7.70%	7.70%	7.7%	6.75%	6.75%	7.60%	7.70%	7.70%	7.70%
Expected rate(s) of salary increase	5.75%-6%	5.75%-6%	5.75%-6%	5.75%-6%	-	-	-	-	5.75%-6%	5.75%-6%
Medical inflation rate	-	-	-	-	-	-	6.00%	6.00%	-	-
Withdrawal rate:										
Age										
20 - 34 years	15%	15%	15%	15%	15%	15%	15%	15%	15%	15%
35 - 40 years	8%	8%	8%	8%	8%	8%	8%	8%	8%	8%
41 - 50 years	4%	4%	4%	4%	4%	4%	4%	4%	4%	4%
51 - 60 years	2%	2%	2%	2%	2%	2%	2%	2%	2%	2%

Amounts recognised in standalone statement of profit and loss in respect of these defined benefit plans are as follows.

	Year Ended		Year Ended		Year Ended		Year Ended		Year Ended	
	31-Mar-19	31-Mar-18	31-Mar-19	31-Mar-18	31-Mar-19	31-Mar-18	31-Mar-19	31-Mar-18	31-Mar-19	31-Mar-18
	Amount in ₹ Crore	Amount in ₹ Crore	Amount in ₹ Crore	Amount in ₹ Crore	Amount in ₹ Crore	Amount in ₹ Crore	Amount in ₹ Crore	Amount in ₹ Crore	Amount in ₹ Crore	Amount in ₹ Crore
Service cost:										
Current service cost	5.39	5.73	0.75	0.75	0.11	0.19	1.09	1.04	3.90	3.80
Past service cost and (gain)/loss from settlements	-	-	-	-	-	-	(1.54)	-	-	-
Net interest expense	0.24	0.12	0.44	0.39	(0.03)	(0.08)	0.91	0.78	(1.28)	(0.76)
Components of defined benefit costs recognised in profit or loss	5.63	5.85	1.19	1.14	0.08	0.11	0.46	1.82	2.63	3.04
Remeasurement on the net defined benefit liability:										
Return on plan assets (excluding amounts included in net interest expense)	(2.11)	1.50	-	-	0.92	0.26	-	-	-	-
Actuarial (gains) / losses arising from changes in financial assumptions	-	(0.02)	-	(0.05)	-	-	(1.96)	0.18	-	-
Actuarial (gains) / losses arising from experience adjustments	0.10	1.78	0.05	(0.39)	(0.09)	0.35	(0.03)	(0.49)	-	-
Components of defined benefit costs recognised in other comprehensive income	(2.01)	3.26	0.05	(0.44)	0.83	0.61	(1.99)	(0.31)	-	-
Total	3.62	9.11	1.24	0.70	0.91	0.72	(1.53)	1.51	2.63	3.04

The current service cost and the net interest expense for the Year are included in the 'Employee benefits expense' line item in the standalone statement of profit and loss.

The remeasurement of the net defined benefit liability is included in other comprehensive income.

Notes forming part of the Standalone Financial Statements

The amount included in the standalone balance sheet arising from the entity's obligation in respect of its defined benefit plans is as follows:

	Gratuity (Funded)		Bhavishya Kalyan Yojana (BKY) (Unfunded)		Superannuation (Partly Funded)		Post Retirement Medicare Scheme (Unfunded)		Compensated Absence (Unfunded)	
	As at		As at		As at		As at		As at	
	31-Mar-19	31-Mar-18	31-Mar-19	31-Mar-18	31-Mar-19	31-Mar-18	31-Mar-19	31-Mar-18	31-Mar-19	31-Mar-18
	Amount in ₹ Crore	Amount in ₹ Crore	Amount in ₹ Crore	Amount in ₹ Crore	Amount in ₹ Crore	Amount in ₹ Crore	Amount in ₹ Crore	Amount in ₹ Crore	Amount in ₹ Crore	Amount in ₹ Crore
Present value of funded defined benefit obligation	(47.30)	(44.06)	(6.80)	(5.82)	(3.25)	(5.32)	(9.87)	(12.00)	(9.15)	(8.02)
Fair value of plan assets	44.20	36.55	-	-	2.86	5.76	-	-	-	-
Funded status	(3.10)	(7.51)	(6.80)	(5.82)	(0.39)	0.44	(9.87)	(12.00)	(9.15)	(8.02)
Net liability arising from defined benefit obligation	(3.10)	(7.51)	(6.80)	(5.82)	(0.39)	0.44	(9.87)	(12.00)	(9.15)	(8.02)

Movements in the present value of the defined benefit obligation are as follows.

	Gratuity (Funded)		Bhavishya Kalyan Yojana (BKY) (Unfunded)		Superannuation (Partly Funded)		Post Retirement Medicare Scheme (Unfunded)		Compensated Absence (Unfunded)	
	Year Ended		Year Ended		Year Ended		Year Ended		Year Ended	
	31-Mar-19	31-Mar-18	31-Mar-19	31-Mar-18	31-Mar-19	31-Mar-18	31-Mar-19	31-Mar-18	31-Mar-19	31-Mar-18
Opening defined benefit obligation	44.06	37.83	5.82	5.22	5.32	6.34	12.00	10.80	8.02	7.07
Current service cost	5.39	5.73	0.75	0.75	0.11	0.19	1.09	1.04	3.90	3.80
Interest cost	3.18	2.70	0.44	0.39	0.28	0.42	0.91	0.78	0.57	0.45
Actuarial gains and losses arising from changes in financial assumptions	-	(0.02)	-	(0.05)	-	-	(1.96)	0.18	-	-
Actuarial gains and losses arising from experience adjustments	0.10	1.78	0.05	(0.39)	(0.09)	0.35	(0.03)	(0.49)	-	-
Transfer to/(from) Holding Company (Net)	(0.80)	-	(0.05)	-	-	-	(0.26)	-	(0.05)	-
Others	-	-	(0.02)	-	-	-	(1.54)	-	(1.84)	(1.22)
Benefits paid	(4.63)	(3.95)	(0.19)	(0.10)	(2.37)	(1.98)	(0.34)	(0.31)	(1.45)	(2.08)
Closing defined benefit obligation	47.30	44.06	6.80	5.82	3.25	5.32	9.87	12.00	9.15	8.02

Notes forming part of the Standalone Financial Statements

Reconciliation of the fair value of the plan assets are as follows.

	Gratuity (Funded)		Bhavishya Kalyan Yojana (BKY) (Unfunded)		Superannuation (Partly Funded)		Post Retirement Medicare Scheme (Unfunded)		Compensated Absence (Unfunded)	
	Year Ended		Year Ended		Year Ended		Year Ended		Year Ended	
	31-Mar-19	31-Mar-18	31-Mar-19	31-Mar-18	31-Mar-19	31-Mar-18	31-Mar-19	31-Mar-18	31-Mar-19	31-Mar-18
Opening fair value of plan assets	36.55	33.15	-	-	5.76	7.42	-	-	-	-
Interest income	2.94	2.57	-	-	0.31	0.49	-	-	-	-
Remeasurement gain (loss): Return on plan assets (excluding amounts included in net interest expense)	2.11	(1.50)	-	-	(0.92)	(0.26)	-	-	-	-
Contributions from the employer	8.03	6.28	0.19	0.08	0.08	0.09	0.34	0.30	1.45	2.08
Benefits paid	(4.63)	(3.95)	(0.19)	(0.08)	(2.37)	(1.98)	(0.34)	(0.30)	(1.45)	(2.08)
Transfer to/(from) Holding Company (Net)	(0.80)	-	-	-	-	-	-	-	-	-
Closing fair value of plan assets	44.20	36.55	-	-	2.86	5.76	-	-	-	-

The major categories of plan assets as percentage of total plan assets:

	Gratuity (Funded)		Bhavishya Kalyan Yojana (BKY) (Unfunded)		Superannuation (Partly Funded)		Post Retirement Medicare Scheme (Unfunded)		Compensated Absence (Unfunded)	
Debt securities	100.00%	100.00%	N/A	N/A	100.00%	100.00%	N/A	N/A	N/A	N/A

Not Applicable (N/A)

Sensitivity Analysis

The table below outlines the effect on the service cost, the interest cost and the defined benefit obligation in the event of a decrease/increase of 1% in the assumed rate of discount rate, salary escalation and health care cost:

	Discount Rate	Salary Escalation Rate	Discount Rate	Salary Escalation Rate	Discount Rate	Salary Escalation Rate	Discount Rate	Medical Cost
Change in Assumption								
Increase by 1%	8.70%	Defined above	8.70%	Defined above	7.75%	Defined above	8.60%	7.00%
Decrease by 1%	6.70%	Defined above	6.70%	Defined above	5.75%	Defined above	6.60%	5.00%
Impact on defined benefit obligation								
Increase by 1%	(3.86)	4.36	(0.48)	0.28	-	N.A.	(1.47)	1.64
Decrease by 1%	4.50	(3.86)	0.56	(0.26)	-	N.A.	1.87	(1.31)
Impact on service cost and interest cost								
Increase by 1%	(0.81)	0.94	(0.06)	0.05	0.00	N.A.	(0.20)	0.33
Decrease by 1%	0.86	(0.83)	0.08	(0.04)	(0.00)	N.A.	0.25	(0.26)

Maturity profile of defined benefit obligation:

	Amount in ₹ Crore	Amount in ₹ Crore	Amount in ₹ Crore	Amount in ₹ Crore	Amount in ₹ Crore
Within 1 Year	4.46	0.30	0.21	0.29	1.00
1-2 years	5.58	0.38	0.13	0.30	1.01
2-3 years	5.46	0.47	-	0.32	0.84
3-4 years	5.42	0.56	0.07	0.31	0.80
4-5 years	5.11	0.67	-	0.32	0.64
5-10 years	32.37	4.59	0.08	1.80	3.04

Notes forming part of the Standalone Financial Statements

Employee benefit plans

The plans typically expose the company to the actuarial risks such as: investments risk, interest risks, longevity risk and salary risk

Investment risk	The present value of the defined benefit plan liability (denominated in Indian Rupee) is calculated using a discount rate which is determined by reference to market yields at the end of the reporting Year on government bonds. For other defined benefit plans, the discount rate is determined by reference to market yields at the end of the reporting Year on high quality corporate bonds when there is a deep market for such bonds; if the return on plan asset is below this rate, it will create a plan deficit. Currently, for the plan in India, it has a relatively balanced mix of investments in government securities, and other debt instruments.
Interest risk	A decrease in the bond interest rate will increase the plan liability; however, this will be partially offset by an increase in the return on the plan's debt investments.
Longevity risk	The present value of the defined benefit plan liability is calculated by reference to the best estimate of the mortality of plan participants both during and after their employment. An increase in the life expectancy of the plan participants will increase the plan's liability.
Salary risk	The present value of the defined benefit plan liability is calculated by reference to the future salaries of plan participants. As such, an increase in the salary of the plan participants will increase the plan's liability.

No other post-retirement benefits are provided to these employees.

In respect of the plan in India, the actuarial valuation of the plan assets and the present value of the defined benefit obligation are carried out for March 31, 2019 by Willis Towers Watson, Fellow of the Institute of Actuaries of India. The present value of the defined benefit obligation, and the related current service cost and past service cost, are measured using the projected unit credit method on a proportionate basis.

The fair value of plan assets are majorly balance mix of investments in government securities and other debt instruments. The Trust activities are managed by mix of professional employees representing management and employees.

Notes forming part of the Standalone Financial Statements
31. RELATED PARTY DISCLOSURES FOR THE YEAR ENDED MARCH 31, 2019
(i). Related party and their relationship

1	Parent Company		Tata Motors Limited
2	Subsidiary		Tata Technologies Pte.Limited, Singapore
3	Indirect Subsidiaries	1	Tata Technologies (Thailand) Limited
		2	INCAT International Plc.
		3	Tata Technologies Europe Limited
		4	INCAT GmbH (under liquidation)
		5	Tata Technologies Inc (Subsidiary of Tata Technologies Europe Limited w.e.f March 20, 2015)
		6	Tata Technologies de Mexico, S.A. de C.V.
		7	Cambric Limited
		8	Cambric UK Limited (Dissolved w.e.f. May 23, 2017)
		9	Cambric GmbH
		10	Midwest Managed Services Inc.(Merged into Tata Technologies Inc. w.e.f. Feb 28, 2018)
		11	Tata Technologies SRL, Romania (erstwhile Cambric Consulting SRL was renamed w.e.f February 4, 2015)
		12	Tata Manufacturing Technologies (Shanghai) Limited (Renamed from Cambric Manufacturing Technologies (Shanghai) Co. Ltd. w.e.f. April 1, 2017)
		13	Escenda Engineering AB (Tata Technologies Europe Limited acquired 100% stake in the company w.e.f. May 1, 2017)
		14	Tata Technologies Limited Employees Stock Option Trust
		15	Zedra Trust Company (Guernsey) Limited
4	Fellow subsidiaries	1	Concorde Motors (India) Limited
		2	TAL Manufacturing Solutions Limited
		3	Tata Motors European Technical Centre PLC
		4	Tata Motors Insurance Broking and Advisory Services Limited
		5	TMF Holdings Limited
		6	TML Holdings Pte. Limited
		7	TML Distribution Company Limited
		8	Tata Hispano Motors Carrocera S.A.
		9	Tata Hispano Motors Carroceries Maghreb SA
		10	TML Drivelines Limited (Merged into Tata Motors Limited w.e.f. April 30, 2018)
		11	Trilix S.r.l. (Shareholding increased from 80% to 100% w.e.f. December 6, 2018)
		12	Tata Precision Industries Pte. Limited
		13	Tata Marcopolo Motors Limited
		14	Tata Daewoo Commercial Vehicle Company Limited
		15	Tata Daewoo Commercial Vehicle Sales and Distribution Company Limited
		16	Tata Motors (Thailand) Limited (increase in shareholding from 95.49% to 95.81% on account of further allotment of 2,500,000 shares to TML Holdings Pte. Ltd. w.e.f. April 2, 2018 & from 95.81% to 95.87% on account of further allotment of 548,000 shares to TML Holdings Pte. Ltd. w.e.f. November 22, 2018)
		17	Tata Motors (SA) (Proprietary) Limited
		18	PT Tata Motors Indonesia
		19	PT Tata Motors Distribusi Indonesia
		20	TMNL Motor Services Nigeria Limited
		21	Jaguar Land Rover Automotive Plc

Notes forming part of the Standalone Financial Statements

22	Jaguar Land Rover Limited
23	Jaguar Land Rover Austria GmbH
24	Jaguar Land Rover Japan Limited
25	JLR Nominee Company Limited (dormant)
26	Jaguar Land Rover Deutschland GmbH
27	Jaguar Land Rover North America LLC
28	Jaguar Land Rover Nederland BV
29	Jaguar Land Rover Portugal - Veículos e Peças, Lda.
30	Jaguar Land Rover Australia Pty Limited
31	Jaguar Land Rover Italia Spa
32	Jaguar Land Rover Korea Company Limited
33	Jaguar Land Rover (China) Investment Co., Ltd.
34	Jaguar Land Rover Canada ULC
35	Jaguar Land Rover France, SAS
36	Jaguar Land Rover (South Africa) (Pty) Limited
37	Jaguar e Land Rover Brasil Indústria e Comércio de Veículos LTDA
38	Limited Liability Company "Jaguar Land Rover" (Russia)
39	Jaguar Land Rover (South Africa) Holdings Limited
40	Jaguar Land Rover Classic Deutschland GmbH (Incorporated w.e.f. August 10, 2018)
41	Jaguar Land Rover Hungary KFT (Incorporated w.e.f. July 30, 2018)
42	Jaguar Land Rover India Limited
43	Jaguar Land Rover Espana SL
44	Jaguar Land Rover Belux NV
45	Jaguar Land Rover Holdings Limited
46	Jaguar Cars South Africa (Pty) Limited (dormant)
47	The Jaguar Collection Limited (Dissolved June 19, 2018)
48	Jaguar Cars Limited (dormant)
49	Land Rover Exports Limited (dormant)
50	Land Rover Ireland Limited
51	The Daimler Motor Company Limited (dormant)
52	Daimler Transport Vehicles Limited (dormant)
53	S.S. Cars Limited
54	The Lanchester Motor Company Limited (dormant)
55	Shanghai Jaguar Land Rover Automotive Services Company Limited
56	Jaguar Land Rover Pension Trustees Limited (dormant)
57	Jaguar Land Rover Slovakia s.r.o
58	Jaguar Land Rover Singapore Pte. Ltd.
59	Jaguar Racing Limited
60	InMotion Ventures Limited
61	InMotion Ventures 1 Limited
62	InMotion Ventures 2 Limited
63	InMotion Ventures 3 Limited
64	Jaguar Land Rover Colombia S.A.S
65	Jaguar Land Rover Ireland (Services) Limited (Incorporated w.e.f. July 28, 2017)

Notes forming part of the Standalone Financial Statements

	66	Jaguar Land Rover Taiwan Company Limited (Incorporated w.e.f. November 17, 2017)
	67	Jaguar Land Rover Servicios México, S.A. de C.V. (Servicios GDV Mexico S.A. de C.V. incorporated w.e.f October 2, 2017 and was renamed w.e.f. December 11, 2017)
	68	Jaguar Land Rover México, S.A.P.I. de C.V. (GDV Imports Mexico SAPI de C.V. ncorporated w.e.f October 2, 2017 and was renamed w.e.f. December 11, 2017)
	69	Jaguar Land Rover Classic USA LLC (Incorporated June 1, 2018) (dormant)
	70	Tata Motors Finance Solutions Limited
	71	Tata Motors Finance Limited (Name changed from Sheba Properties Limited w.e.f. June 30, 2017)
	72	Spark44 (JV) Limited
	73	Spark44 Pty. Ltd. (Sydney, Australia)
	74	Spark44 GmbH (Frankfurt, Germany)
	75	Spark44 LLC (LA & NYC, USA)
	76	Spark44 Shanghai Limited (Shanghai, China)
	77	Spark44 DMCC (Dubai, UAE)
	78	Spark44 Demand Creation Partners Pvt. Limited (Mumbai, India)
	79	Spark44 Limited (London & Birmingham, UK)
	80	Spark44 Singapore Pte. Ltd. (Singapore)
	81	Spark44 Communications SL (Madrid, Spain)
	82	Spark44 S.r.l. (Rome, Italy)
	83	Spark44 Seoul Limited (Korea)
	84	Spark44 Japan K.K. (Tokyo, Japan)
	85	Spark44 Canada Inc (Toronto, Canada)
	86	Spark44 Pty. Limited (South Africa)
	87	Spark44 Colombia S.A.S. (Colombia) (Incorporated w.e.f. May 10, 2018)
	88	Spark44 Taiwan Limited (Taiwan) (Incorporated w.e.f. May 7, 2018)
	89	Tata Toyo Radiator Limited (ceased to be a joint venture and became a subsidiary w.e.f. 01.07.2018)
5	Joint Venture	TATA HAL Technologies Limited
6	Associates and Joint Venture of Parent Company	1 Tata Sons Limited 2 Jaguar Cars Finance Limited 3 Automobile Corporation of Goa Limited 4 Nita Company Limited 5 Tata Hitachi Construction Machinery Company Private Limited 6 Tata Precision Industries (India) Limited 7 Tata AutoComp Systems Limited 8 Loginomic Tech Solutions Private Limited ("TruckEasy") (Acquired stake w.e.f. July 10, 2018) 9 Serviplem S.A.U. (Liquidated w.e.f. Feb 6, 2019) 10 Automotive Skill Training Pvt. Ltd. (It has been converted into Private Limited Company from Section 25 Company w.e.f. December 10th 2018 (formerly Automotive Skills Training Foundation) 11 Automotive Stampings and Assemblies Limited 12 Nanjing Tata Autocomp Systems Limited 13 TACO Engineering (UK) Limited (ceased w.e.f. 11.08.2017) 14 TACO Engineering Services GmbH 15 TACO Holdings (Mauritius) Limited 16 TACO Kunststofftechnik GmbH (Dissolved w.e.f. 23.10.2017)

Notes forming part of the Standalone Financial Statements

17	TACO Grundstuckverwaltungs GmbH (Dissolved w.e.f. 24.11.2017)
18	Ryhpez Holding (Sweden) AB
19	TitanX Holding AB
20	TCE SOUTH AFRICA (Pty) Ltd (w.e.f. 16.07.2018)
21	TitanX Engine Cooling Inc.
22	TitanX Engine Cooling Kunshan Co. Ltd.
23	TitanX Engine Cooling AB
24	TitanX Engine Cooling, Poland (formed on 25-04-2018)
25	TitanX Refrigeraco de Motores LTDA
26	TitanX Engine Cooling Holding AB (Merged with TitanX Holding AB w.e.f. 19.03.2018)
27	Tata Ficosa Automotive Systems Private Limited (Tata Ficosa Automotive Systems Limited)
28	Tata AutoComp GY Batteries Private Limited (formerly Tata AutoComp GY Batteries Limited)
29	Tata Autocomp Hendrickson Suspensions Private Limited (formerly Taco Hendrickson Suspensions Private Limited)
30	Air International TTR Thermal Systems Limited
31	Tata Autocomp Katcon Exhaust Systems Private Limited (formerly Katcon India Private Limited)
32	TM Automotive Seating Systems Private Limited
33	TACO Sasken Automotive Electronics Limited (excluded from consolidation by TACO from 01.10.2010) (under liquidation w.e.f. 30.09.2010)
34	Tata Cummins Private Limited
35	Fiat India Automobiles Private Limited
36	Chery Jaguar Land Rover Automotive Company Limited
37	Chery Jaguar Land Rover Auto Sales Company Limited (100% Subsidiaries of Chery Jaguar Land Rover Automotive Company Limited)
38	JT Special Vehicles Pvt. Limited (Incorporated as a JV with effect from July 13, 2016 with Jayem Automotives Pvt. Limited)
39	Ewart Investments Limited
40	Tata Limited
41	Tata AIA Life Insurance Company Limited
42	Tata AIG General Insurance Company Limited
43	Indian Rotorcraft Limited
44	Panatone Finvest Limited
45	TS Investments Limited
46	Tata SIA Airlines Limited
47	Infiniti Retail Limited
48	Tata Incorporated
49	Tata Business Support Services Limited
50	TBSS Healthcare TPA Services Limited (Amalgamated with Tata Business Support Services Limited pursuant to the order dated 30.11.2016 of the Hon'ble High Court of Judicature at Hyderabad for the State of Telangana and Andhra Pradesh. Effective Date: 23.03.2017. Appointed Date: 01.04.2016)
51	Global Information Services Private Limited (formerly Global Information Services Limited) (ceased to be an associate and is a subsidiary w.e.f. 13.05.2016) (Amalgamated with Tata Business Support Services Limited pursuant to the order dated 09.03.2017 of the Hon'ble National Company Law Tribunal bench at Mumbai. Effective Date: 23.03.2017. Appointed Date: 01.04.2016)
52	Tata Investment Corporation Limited

Notes forming part of the Standalone Financial Statements

53	Simto Investment Company Limited
54	Tata Asset Management Limited
55	Tata Asset Management (Mauritius) Private Limited
56	Tata Pension Management Limited
57	Tata Consulting Engineers Limited
58	Ecofirst Services Limited
59	TCE QSTP-LLC (in liquidation)
60	Tata International AG, Zug
61	Tata AG, Zug
62	TRIF Investment Management Limited
63	Rockbourne Holding B.V. (ceased to be an associate and became a subsidiary w.e.f. 22.03.2018) (under liquidation)
64	Tata Petrodyne Limited
65	Belida B.V.
66	Dian Energy B.V.
67	Merangin B.V.
68	Meruap B.V.
69	Tata Advanced Systems Limited
70	Aurora Integrated Systems Private Limited
71	HELA Systems Private Limited
72	Nova Integrated Systems Limited
73	TASEC Limited (formerly TAS-AGT Systems Limited)
74	TASL Aerostructures Private Limited
75	Tata Lockheed Martin Aerostructures Limited
76	Tata Sikorsky Aerospace Limited (formerly Tara Aerospace Systems Limited)
77	Tata Boeing Aerospace Limited (formerly Tata Aerospace Limited)
78	Tata Capital Limited
79	India Collections Management Limited (Amalgamated with Tata Capital Limited w.e.f. 16.05.2016, Appointed Date: 01.04.2015)
80	Tata Capital Advisors Pte. Limited
81	Tata Capital Financial Services Limited
82	Tata Capital Forex Limited (formerly TT Holdings & Services Limited) (ceased w.e.f. 30.10.2017)
83	TATA Capital General Partners LLP
84	Tata Capital Growth Fund I
85	Tata Capital Healthcare General Partners LLP
86	Tata Capital Housing Finance Limited
87	Tata Capital Markets Pte. Limited
88	Tata Capital Plc
89	Tata Capital Pte. Limited
90	Tata Cleantech Capital Limited
91	Tata Infrastructure Capital Limited (Amalgamated with Tata Capital Limited w.e.f. 16.05.2016, Appointed Date: 01.04.2015)
92	Tata Opportunities General Partners LLP
93	Tata Securities Limited

Notes forming part of the Standalone Financial Statements

94	Tata Capital Special Situation Fund
95	Tata Capital Healthcare Fund I
96	Tata Capital Innovations Fund
97	TC Travel and Services Limited (ceased w.e.f. 30.10.2017)
98	Tata Housing Development Company Limited
99	Apex Realty Private Limited
100	Ardent Properties Private Limited
101	Concept Developers & Leasing Limited (formerly Concept Marketing and Advertising Limited)
102	Gurgaon Infratech Private Limited (Merged with Tata Housing Development Co. Ltd. pursuant to the order dated April 29, 2016 of the Hon'ble High Court of Judicature at Mumbai w.e.f. April 1, 2014)
103	HLT Residency Private Limited
104	Kriday Realty Private Limited
105	Landscape Structures Private Limited (Merged with Tata Housing Development Co. Ltd. pursuant to the order dated April 29, 2016 of the Hon'ble High Court of Judicature at Mumbai w.e.f. April 1, 2014)
106	North Bombay Real Estate Private Limited
107	One-Colombo Project (Private) Limited
108	Promont Hillside Private Limited
109	Smart Value Homes (Boisar) Private Limited (formerly Niyati Sales Private Limited)
110	Tata Value Homes Limited (formerly Smart Value Homes Limited)
111	THDC Management Services Limited (formerly THDC Facility Management Limited)
112	World-One (Sri Lanka) Projects Pte. Limited
113	World-One Development Company Pte. Limited
114	Synergizers Sustainable Foundation (incorporated under Section 25 of the Companies Act, 1956)
115	Tata Realty and Infrastructure Limited
116	Acme Living Solutions Private Limited
117	Arrow Infraestate Private Limited
118	Gurgaon Construct Well Private Limited
119	Gurgaon Realtech Limited
120	HV Farms Private Limited
121	TRIF Gurgaon Housing Projects Private Limited
122	TRIL Amritsar Projects Limited (formerly TRIF Amritsar Projects Limited)
123	TRIL Constructions Limited
124	Wellkept Facility Management Services Private Limited (formerly TRIL Hospitality Private Limited)
125	TRIL Roads Private Limited
126	TRIL Urban Transport Private Limited
127	TRIL Infopark Limited
128	Hampi Expressways Private Limited
129	TRIF Real Estate And Development Limited
130	Dharamshala Ropeway Limited
131	Manali Ropeways Private Limited
132	International Infrabuild Private Limited
133	Uchit Expressways Private Limited
134	TRPL Roadways Private Limited
135	Tata Consultancy Services Limited

Notes forming part of the Standalone Financial Statements

- 136 Alti HR S.A.S. (Merged with Alti S.A. w.e.f. 01.04.2017)
 - 137 Alti Infrastructures Systemes & Reseaux S.A.S. (Merged with Alti S.A. w.e.f. 01.04.2017)
 - 138 Alti NV (Merged with Tata Consultancy Services Belgium S.A. w.e.f. 01.10.2017)
 - 139 Alti S.A.
 - 140 Alti Switzerland S.A. (Merged with Tata Consultancy Services Switzerland Ltd. w.e.f. 01.10.2017)
 - 141 APTOnline Limited (formerly APOne Limited)
 - 142 C-Edge Technologies Limited
 - 143 CMC Americas Inc.
 - 144 CMC eBiz Inc. (liquidated w.e.f. 20.06.2018)
 - 145 Diligenta Limited
 - 146 MahaOnline Limited
 - 147 MGDC S.C.
 - 148 MP Online Limited
 - 149 Planaxis Technologies Inc. (Liquidated w.e.f. 31.03.2018)
 - 150 PT Tata Consultancy Services Indonesia
 - 151 Tata America International Corporation
 - 152 Tata Consultancy Services (Africa) (PTY) Ltd.
 - 153 Tata Consultancy Services (China) Co., Ltd.
 - 154 Tata Consultancy Services (Philippines) Inc.
 - 155 Tata Consultancy Services (South Africa) (PTY) Ltd.
 - 156 Tata Consultancy Services (Thailand) Limited
 - 157 Tata Consultancy Services Argentina S.A.
 - 158 Tata Consultancy Services Asia Pacific Pte Ltd.
 - 159 Tata Consultancy Services Belgium (formerly Tata Consultancy Services Belgium S.A.)
 - 160 Tata Consultancy Services Canada Inc.
 - 161 Tata Consultancy Services Chile S.A.
 - 162 Tata Consultancy Services Danmark ApS
 - 163 Tata Consultancy Services De Espana S.A.
 - 164 Tata Consultancy Services De Mexico S.A.,De C.V.
 - 165 Tata Consultancy Services Deutschland GmbH
 - 166 Tata Consultancy Services Do Brasil Ltda
 - 167 Tata Consultancy Services France SA (formerly Alti S.A.)
 - 168 Tata Consultancy Services France SAS (Merged with Alti S.A. w.e.f. 01.04.2017)
 - 169 Tata Consultancy Services Luxembourg S.A.
 - 170 Tata Consultancy Services Malaysia Sdn Bhd
 - 171 Tata Consultancy Services Netherlands BV
 - 172 Tata Consultancy Services Osterreich GmbH
 - 173 Tata Consultancy Services Portugal Unipessoal Limitada
 - 174 Tata Consultancy Services Qatar S.S.C.
 - 175 Tata Consultancy Services Sverige AB
 - 176 Tata Consultancy Services Switzerland Ltd.
 - 177 TCS e-Serve America, Inc.
 - 178 TCS Financial Solutions (Beijing) Co., Ltd.
 - 179 TCS Financial Solutions Australia Holdings Pty Limited
-

Notes forming part of the Standalone Financial Statements

180	TCS Financial Solutions Australia Pty Limited
181	TCS FNS Pty Limited
182	TCS Iberoamerica SA
183	TCS Inversiones Chile Limitada
184	TCS Italia SRL
185	TCS Solution Center S.A.
186	TCS Uruguay S. A.
187	Teamlink (Liquidated with effect from 31.01.2018)
188	TESCOM (France) Software Systems Testing S.A.R.L. (Merged with Alti S.A. w.e.f. 01.04.2017)
189	TCS e-Serve International Limited
190	Tata Consultancy Services Japan, Ltd.
191	TCS Foundation(formed under Section 8 of the Companies Act, 2013)
192	W12 Studios Limited (w.e.f. 01.11.2018)
193	Tata Consultancy Services Saudi Arabia
194	Technology Outsourcing S.A.C.
195	MS CJV Investments Corporation (dissolved w.e.f. 24.01.2017)
196	Diligenta 2 Limited (dissolved w.e.f. 14.03.2017)
197	PT Financial Network Services (liquidated w.e.f. 16.03.2017)
198	Tata Trustee Company Limited
199	Tata Sky Limited
200	ACTVE Digital Services Private Limited
201	Tata Sky Broadband Private Limited (formerly Quickest Broadband Private Limited)
202	Eurofins Advinus Limited (formerly Advinus Therapeutics Limited) (ceased to be subsidiary w.e.f. 05.10.2017)
203	Advinus Therapeutics Inc. (ceased to be subsidiary w.e.f. 05.10.2017)
204	Impetis Biosciences Limited (w.e.f. 24.07.2017) (ceased to be subsidiary w.e.f. 05.10.2017)
205	Niskalp Infrastructure Services Limited (formerly Niskalp Energy Limited)
206	India Emerging Companies Investment Limited
207	Inshaallah Investments Limited
208	Tata Industries Limited
209	Apex Investments (Mauritius) Holding Private Limited (Amalgamated with Tata Industries Limited pursuant to the order dated 18.10.2017 of the Hon'ble NCLT at Mumbai Bench. Effective Date: 12.12.2017. Appointed Date: 01.04.2017)
210	Tata Advanced Materials Limited
211	Tata Interactive Systems AG (ceased 05.07.2018)
212	Tata Interactive Systems GmbH (ceased w.e.f. 02.07.2018)
213	Tata Unistore Limited (formerly Tata Industrial Services Limited) (Ceased to be a subsidiary and became a joint venture w. e. f. 29.03.2018)
214	Landmark E-tail Limited (Amalgamated with Tata Unistore Limited pursuant to the order dated 29.06.2017 of the Hon'ble NCLT at Mumbai Bench. Effective Date: 30.06.2017. Appointed Date: 01.07.2015)
215	Inzpera Healthsciences Limited
216	Qubit Investments Pte. Limited
217	Tata SmartFoodz Limited (formerly SmartFoodz Limited) (w.e.f. 16.11.2017)
218	Tata Autocomp Systems Limited (Included above as a Direct Associate of Tata Motors Limited)

Notes forming part of the Standalone Financial Statements

219	Tata International Limited
220	Alliance Motors Ghana Limited
221	Bachi Shoes Limited (Amalgamated with Tata International Limited pursuant to the order dated 05.07.2017 of the National Company Law Tribunal at Chennai and order dated 11.07.2017 of the National Company Law Tribunal at Mumbai. Effective Date: 01.04.2015. Appointed Date: 01.04.2015)
222	Blackwood Hodge Zimbabwe (Private) Limited
223	Calsea Footwear Private Limited
224	Cometal, S.A.R.L.
225	Euro Shoe Components Limited
226	Monroa Portugal, Comércio E Serviços, Unipessoal LDA
227	Move On Componentes E Calcado, S.A.
228	Move On Retail Spain, S.L.
229	M'Pumalanga Mining Resources SA (ceased w.e.f. 16.03.2018)
230	M'Pumalanga Mining Investment Holdings Limited (formerly TAHL (Mauritius) Mining Projects Limited) (ceased w.e.f. 16.03.2018)
231	Tata International Metal (S.A) Pty Ltd (w.e.f. 01.04.2018)
232	Pamodzi Hotels Plc
233	TAH Pharmaceuticals Limited
234	TAHL (Mauritius) Mining Projects Limited
235	Tata Africa (Cote D'Ivoire) SARL
236	Tata Africa Holdings (Ghana) Limited
237	TATA Africa Holdings (Kenya) Limited
238	Tata Africa Holdings (SA) (Proprietary) Limited
239	Tata Africa Holdings (Tanzania) Limited
240	Tata Africa Services (Nigeria) Limited
241	Tata Africa Steel Processors (Proprietary) Limited
242	Tata Automobile Corporation (SA) (Proprietary) Limited
243	Tata De Mocambique, Limitada
244	Tata Holdings Mocambique Limitada
245	Tata International Metals (Americas) Limited (formerly Tata Steel International (North America) Limited)
246	Tata International Metals (Asia) Limited (formerly Tata Steel International (Hongkong) Limited)
247	Tata International Metals (UK) Limited (formerly Tata Steel International (UK) Limited)
248	Tata International Singapore Pte Limited
249	Tata International Trading Brasil Ltda (ceased w.e.f. 30.11.2017)
250	Tata South East Asia (Cambodia) Limited
251	Tata South-East Asia Limited
252	Tata Uganda Limited
253	Tata West Asia FZE
254	Tata Zambia Limited
255	Tata Zimbabwe (Private) Limited
256	TIL Leather Mauritius Limited
257	Tata International West Asia DMCC
258	Motor-Hub East Africa Limited
259	Tata International Vietnam Company Limited

Notes forming part of the Standalone Financial Statements

260	Tata Africa (Senegal) S.A.R.L.
261	Tata International Canada Limited
262	Newshelf 1369 Pty Ltd.
263	TAHL (Mauritius) Power Projects Limited (ceased w.e.f. 14.04.2016)
264	Tata International Unitech Senegal (formerly Unitech Motors S.A) (merged with Tata Africa (Senegal) S.A.R.L. w.e.f 30.06.2016)
265	Taj Air Limited
266	Taj Air Metrojet Aviation Limited (Amalgamated with Taj Air Limited pursuant to the order dated 12.04.2018 of the Hon'ble NCLT. Effective Date: 11.05.2018. Appointed Date: 01.04.2017)
267	AirAsia (India) Limited
268	Strategic Energy Technology Systems Private Limited
269	Tata Teleservices Limited
270	MMP Mobi Wallet Payment Systems Limited
271	NVS Technologies Limited
272	Tata Internet Services Limited (Amalgamated with Tata Teleservices Limited pursuant to the order dated 24.04.2017 of the Hon'ble High Court of Judicature at New Delhi. Effective Date: 04.05.2017. Appointed Date: 01.01.2015)
273	TTL Mobile Private Limited (formerly Virgin Mobile (India) Private Limited (ceased to be a joint venture and is a subsidiary w.e.f. 10.11.2017)
274	A & T Road Construction Management and Operation Private Limited
275	Pune Solapur Expressways Private Limited
276	TRIL IT4 Private Limited (formerly Albrecht Builder Private Limited)
277	Mikado Realtors Private Limited
278	MIA Infrastructure Private Limited
279	Industrial Minerals and Chemicals Company Private Limited
280	Nectar Loyalty Management India Limited (ceased w.e.f. 22.08.2016)
281	Arvind and Smart Value Homes LLP
282	Princeton Infrastructure Private Limited
283	Sohna City LLP
284	Technopolis Knowledge Park Limited
285	HL Promoters Private Limited
286	Kolkata-One Excelton Private Limited
287	Sector 113 Gatevida Developers Private Limited (formerly Lemon Tree Land & Developers Private Limited)
288	Promont Hilltop Private Limited
289	Smart Value Homes (Peenya Project) Private Limited (formerly Smart Value Homes (Boisar Project) Private Limited)
290	Smart Value Homes (New Project) LLP
291	One Bangalore Luxury Projects LLP
292	Tata International DLT Private Limited
293	Tata International Wolverine Brands Limited
294	Tata International GST AutoLeather Limited
295	Synaptiv Limited (InMotion Ventures Limited holds Equity Investments valued at GB£1,56,000) (GB£100,000 - 30 April 2018)
296	DriveClubService Pte. Ltd. (InMotion Ventures Limited holds Equity Investments valued at US\$2,50,000)
297	Cloud Car Inc

Notes forming part of the Standalone Financial Statements

298	Durg Shivnath Expressways Private Limited (formerly SMS Shivnath Infrastructure Private Limited (w.e.f. 26.04.2017)
299	Matheran Rope-Way Private Limited (w.e.f. 19.06.2017)
300	TATASOLUTION CENTER S.A.
301	Alliance Finance Corporation Limited (w.e.f. 18.04.2017)
302	Ardent Properties Private Limited (Ceased to be a subsidiary and is a joint venture w.e.f. 04.12.2017)
303	MIA Infrastructure Private Limited (Ceased to be a joint venture and is a subsidiary w.e.f. 17.10.2017)
304	SmartFoodz Limited (w.e.f. 16.11.2017)
305	Flisom - AG (Ceased to be an associate and is a subsidiary w.e.f. 15.06.2018)
306	Impetis Biosciences Limited (w.e.f. 05.10.2017)
307	Tata Communications Limited
308	Tata Communications Transformation Services Limited
309	Tata Communications Collaboration Services Private Limited
310	Tata Communications Payment Solutions Limited
311	Tata Communications Lanka Limited
312	Tata Communications Services (International) Pte. Limited
313	Tata Communications (Bermuda) Limited
314	Tata Communications (Netherlands) B.V.
315	Tata Communications (Hong Kong) Limited
316	ITXC IP Holdings S.A.R.L.
317	Tata Communications (America) Inc.
318	Tata Communications (International) Pte Limited
319	Tata Communications (Canada) Limited
320	Tata Communications (Belgium) S.P.R.L.
321	Tata Communications (Italy) SRL
322	Tata Communications (Portugal) Unipessoal LDA
323	Tata Communications (France) SAS
324	Tata Communications (Nordic) AS
325	Tata Communications (Guam) L.L.C.
326	Tata Communications (Portugal) Instalacao E Manutencao De Redes LDA
327	Tata Communications (Australia) Pty Limited
328	Tata Communications Services (Bermuda) Limited
329	Tata Communications (Poland) SP.Z.O.O.
330	Tata Communications (Japan) KK.
331	Tata Communications (UK) Limited
332	Tata Communications Deutschland GMBH
333	Tata Communications (Middle East) FZ-LLC
334	Tata Communications (Hungary) LLC
335	Tata Communications (Ireland) DAC
336	Tata Communications (Russia) LLC
337	Tata Communications (Switzerland) GmbH
338	Tata Communications (Sweden) AB
339	TCPOP Communication GmbH
340	Tata Communications (Taiwan) Limited

Notes forming part of the Standalone Financial Statements

		341	Tata Communications (Thailand) Limited
		342	Tata Communications (Malaysia) Sdn. Bhd.
		343	Tata Communications Transformation Services South Africa (Pty) Ltd
		344	Tata Communications (Spain) S.L.
		345	Tata Communications (Beijing) Technology Limited
		346	VSNL SNOSPV Pte. Limited
		347	Tata Communications (South Korea) Limited
		348	Tata Communications Transformation Services (Hungary) Kft.
		349	Tata Communications Transformation Services Pte Limited
		350	Tata Communications (Brazil) Participacoes Limitada
		351	Tata Communications Transformation Services (US) Inc
		352	Tata Communications Comunicacoes E Multimidia (Brazil) Limitada
		353	Nexus Connexion (SA) Pty Limited
		354	SEPCO Communications (Pty) Limited
		355	Tata Communications (New Zealand) Limited
		356	Tata Communications MOVE B.V.(formerly Teleena Holding B.V.) (w.e.f. 02.10.2018)
		357	Tata Communications MOVE Nederland B.V. (formerly Teleena Nederland B.V.) (w.e.f. 02.10.2018)
		358	Tata Communications MOVE UK Limited (formerly Teleena UK Limited) (w.e.f. 02.10.2018)
		359	Tata Communications MOVE Singapore Pte. Ltd. (formerly Teleena Singapore Pte. Ltd.) (w.e.f. 02.10.2018)
		360	MuCoso B.V. (w.e.f. 02.10.2018)
		361	Tata Teleservices (Maharashtra) Limited
		362	Tata Elxsi Limited
7	Post employment benefit plans	1	Tata Technologies (India) Limited Gratuity Fund
		2	Tata Technologies (India) Limited Superannuation Fund
		3	Tata Technologies (India) Limited Provident Fund
8	Key Management Personnel	1	Mr. Warren Harris, Managing Director
		2	Mr Anubhav Kapoor, Company Secretary (upto July 14, 2018)
		3	Mr. Venkateswarlu S, Chief Financial Officer (upto August 31, 2017)
		4	Mr. J.K. Gupta, Chief Financial Officer (w.e.f. September 1, 2017)
		5	Mr. S. Ramadorai, Director
		6	Mr. P.P. Kadle, Director
		7	Mr. C. Ramakrishnan, Director (upto March 29, 2018)
		8	Mr. Rakesh Makhija, Director
		9	Mr. Falguni Nayar, Director
		10	Guenter Butschek, Director (w.e.f. March 30, 2018)
		11	PB Balaji, Director (w.e.f. March 30, 2018)
		12	Vikrant Gandhe, Company Secretary (w.e.f July 16, 2018)

Notes forming part of the Standalone Financial Statements
31. (ii). Transactions with related parties

(Amount in ₹ Crore)

Particulars	Parent Company	Fellow subsidiaries	Subsidiaries	Joint Venture	Associates and joint venture of Parent company	Key Management Personnel	Total
Purchase of products	- (-)	0.43 (0.27)	0.19 (0.22)	- (-)	0.41 (0.26)	- (-)	1.03 (0.75)
Sale of products	29.35 (41.70)	1.27 (0.59)	0.04 (0.97)	- (0.01)	34.89 (20.24)	- (-)	65.55 (63.51)
Services received	1.91 (1.70)	0.24 (0.59)	1.81 (20.45)	1.13 (1.22)	14.75 (3.68)	- (-)	19.84 (27.64)
Services rendered	527.54 (465.07)	12.57 (19.08)	365.86 (340.88)	- (-)	17.46 (17.32)	- (-)	923.43 (842.35)
Finance placed (including loans, equity & ICD)	1,125.25 (1,269.25)	- (-)	- (-)	- (-)	- (-)	- (-)	1,125.25 (1,269.25)
Finance received back (including loans, equity & ICD)	1,143.50 (1,191.75)	- (-)	- (-)	- (-)	- (-)	- (-)	1,143.50 (1,191.75)
Dividend paid	90.90 (121.20)	2.44 (3.25)	- (-)	- (-)	16.86 (22.48)	2.06 (1.68)	112.26 (148.61)
Interest paid / (received)(net)	(3.71) (-9.42)	(0.55) (-0.55)	(0.21) (-)	- (-)	(0.11) (-)	- (-)	(4.58) (-9.97)
Remuneration	- (-)	- (-)	- (-)	- (-)	- (-)	2.69 (2.34)	2.69 (2.34)
Amount receivable (Including unbilled receivables)	114.84 (86.34)	3.34 (5.82)	195.61 (191.25)	- (0.19)	5.90 (4.77)	- (-)	319.69 (288.37)
Amount payable	0.26 (0.87)	0.27 (0.27)	1.92 (15.59)	0.23 (0.46)	3.45 (2.21)	0.72 (-)	6.85 (19.40)
Amount receivable (in respect of advances, loans, Equity, ICD, Bonds)	59.25 (77.50)	5.29 (5.29)	2.57 (2.79)	- (-)	- (-)	- (-)	67.11 (85.58)
Lease receivables	- (-)	- (-)	- (-)	- (-)	1.28 (-)	- (-)	1.28 (-)
Commission	- (-)	- (-)	- (-)	- (-)	- (-)	0.72 (0.35)	0.72 (0.35)
Sitting fees	- (-)	- (-)	- (-)	- (-)	- (-)	0.17 (0.27)	0.17 (0.27)

The above transactions are excluding reimbursement of expenses
 Previous year's figures are shown in the brackets

Notes forming part of the Standalone Financial Statements

Disclosure of material transactions:

Purchase of Goods:

TAL Manufacturing Solutions Limited: ₹ 0.43 crore (March 31, 2018 ₹ 0.27 crore)

Tata Technologies Inc.: ₹ 0.19 crores (March 31, 2018 ₹ 0.22 crores)

Tata Elxsi Limited : ₹ 0.39 crore (March 31, 2018 ₹ Nil)

Sale of products:

Tata Consultancy Services: ₹ 26.13 crores (March 31, 2018 ₹ 17.48 crores)

Services received:

Tata Communications Limited: ₹ 7.56 crores (March 31, 2018 ₹ Nil)

Services rendered:

Tata Technologies Europe Limited ₹ 236.05 crores (March 31, 2018 ₹ 236.98 crores)

Tata Technologies Inc.: ₹ 95.56 crores (March 31, 2018 ₹ 77.46 crores)

Interest received:

Tata Motors Finance Limited ₹ 0.55 crores (March 31, 2018 ₹ 0.55 crores)

Dividend paid:

TATA Capital General Partners LLP: ₹ 11.24 crores (March 31, 2018 ₹ 14.99 crores)

(Amount in ₹ Crore)

Consideration of key management personnel*	Year ended	Year ended
	March 31, 2019	March 31, 2018
Short term benefits	3.36	2.77
Post employment benefits	0.30	0.10
Total	3.66	2.87

*Includes provision for encashable leave and gratuity for certain key management personnels on estimate basis as a separate actuarial valuation is not available

Refer note 30 for information on transactions with post-employment benefit plans.

32. CAPITAL MANAGEMENT

(a). Risk Management

The Company's capital comprises equity share capital, share premium, retained earnings and other equity attributable to equity holders.

The Company's objectives when managing capital are to :

- safeguard their ability to continue as a going concern, so that they can continue to provide returns for shareholders and benefits for other stakeholders, and
- maintain an optimal capital structure to reduce the cost of capital."

As there is no debt in Company, hence the debt ratio is not applicable.

No changes were made in the objectives, policies or processes for managing capital of the Company during the current year and previous year.

Notes forming part of the Standalone Financial Statements
(b). Dividends

(Amount in ₹ Crore)

	For the year ended	
	March 31, 2019	March 31, 2018
(i) Equity shares		
Final dividend for the year ended 31 March 2018 of ₹ 15 (Nil for the year ended 31 March 2017)	77.84	-
Interim dividend declared during the year aggregating ₹15 per fully paid equity share	77.83	207.20
(ii) Dividends not recognised at the end of the reporting period		
In addition to the above dividends, the directors have recommended the payment of a final dividend of Nil per fully paid equity share on May 07, 2019 (final dividend of ₹ 15 per fully paid equity share on April 20, 2018. This proposed dividend is subject to the approval of shareholders in the ensuing annual general meeting.	-	77.84

33.1. Categories of financial instruments

(Amount in ₹ Crore)

	As at March 31, 2019		As at March 31, 2018	
	FVTPL	Amortised cost	FVTPL	Amortised cost
Financial assets				
Investments :				
- mutual funds	28.83	-	26.79	-
- debentures	-	5.00	-	5.00
- preference shares	-	5.00	-	5.00
Security deposits	-	6.13	-	4.90
Loans to others	-	2.57	-	2.79
Loans to related parties- Inter-corporate deposits	-	59.25	-	77.50
Bills of exchange	-	17.05	-	11.21
Derivative financial assets	-	-	0.01	-
Unbilled receivables	-	28.95	-	45.57
Trade receivables	-	365.24	-	339.08
Cash and cash equivalents	-	11.38	-	20.94
Other bank balances	-	4.85	-	3.20
SEIS licenses receivable	-	14.59	-	-
Lease Receivable	-	1.28	-	-
Others	-	2.74	-	5.13
Total financial assets	28.83	524.03	26.80	520.32
Financial liabilities				
Trade payables	-	121.84	-	126.76
Derivative financial liability	-	-	1.15	-
Others	-	15.82	-	22.49
Total financial liabilities	-	137.66	1.15	149.25

Notes forming part of the Standalone Financial Statements

33.2. (a). Fair Value Hierarchy

This section explains the judgements and estimates made in determining the fair values of the financial instruments that are recognised and measured at fair value.

To provide an indication about the reliability of the inputs used in determining fair value, the company has classified its financial instruments into three levels prescribed under the accounting standard. An explanation of each level follows underneath the table.

(Amount in ₹ Crore)

Financial assets and liabilities measured at fair value - recurring fair value measurements at March 31, 2019	Total	Fair value measurement at end of reporting period		
		Level 1	Level 2	Level 3
Financial Assets				
Investments in Mutual Funds	28.83	28.83	-	-

(Amount in ₹ Crore)

Financial assets and liabilities measured at fair value - recurring fair value measurements at March 31, 2018	Total	Fair value measurement at end of reporting period		
		Level 1	Level 2	Level 3
Financial Assets				
Investments in Mutual Funds	26.79	26.79	-	-
Derivative Financial instrument- Foreign currency forward contracts	0.01	-	0.01	-
Financial Liabilities				
Derivative Financial instrument- Foreign currency forward contracts	1.15	-	1.15	-

Level 1: Level 1 hierarchy includes financial instruments measured using quoted prices. This includes mutual funds that have quoted price.

Level 2: Fair value of financial instruments that are not traded in an active market (for example, traded bonds, over the counter derivatives) is determined using valuation techniques which maximize the use of observable market data and rely as little as possible on entity-specific estimates. If all significant inputs required to fair value an instrument as observable, the instrument is included in level 2.

Level 3: If one or more of the significant inputs is not based on observable data, the instrument is included in level 3. This is the case for unlisted equity securities, contingent consideration and indemnification assets.

33.2. (b). Valuation technique used to determine fair value

The following methods and assumptions were used to estimate the fair value of the level 2 financial instruments included in the above tables:

- Investments in mutual funds:** The fair value is derived based on the closing Net Asset value published by the respective mutual fund houses.
- Derivative instruments:** The Company enters into foreign currency forward contracts with banks with investment grade credit ratings. These are valued using the forward pricing valuation technique, using present value calculations. The models incorporate various inputs including the credit quality of counterparties and foreign exchange spot and forward rates.

33.2. (c). As per Ind AS 107 "Financial Instrument:Disclosure", fair value disclosures are not required when the carrying amounts reasonably approximate the fair value. Accordingly fair value disclosures have not been made for the following financial instruments:-

- Trade receivables
- Cash and Cash Equivalent
- Other Bank Balances
- Loans
- Borrowings
- Trade payables
- Other financial liabilities (except derivatives)
- Other financial assets (except derivatives)

Notes forming part of the Standalone Financial Statements

33.3. Financial risk management

In the course of its business, the Company is exposed primarily to fluctuations in foreign currency exchange rates, interest rates, equity prices, liquidity and credit risk, which may adversely impact the fair value of its financial instruments.

The Company has a risk management policy which not only covers the foreign exchange risks but also other risks associated with the financial assets and liabilities such as interest rate risks and credit risks. The risk management policy is approved by the board of directors. The risk management framework aims to:

- Create a stable business planning environment by reducing the impact of currency and interest rate fluctuations on the Company's business plan.
- Achieve greater predictability to earnings by determining the financial value of the expected earnings in advance.

33.4. Market risk

Market risk is the risk of any loss in future earnings, in realizable fair values or in future cash flows that may result from a change in the price of a financial instrument. The value of a financial instrument may change as a result of changes in the interest rates, foreign currency exchange rates, equity price fluctuations, liquidity and other market changes. Future specific market movements cannot be normally predicted with reasonable accuracy.

33.5. Foreign currency exchange rate risk:

The fluctuation in foreign currency exchange rates may have potential impact on the income statement and equity, where any transaction references more than one currency or where assets/liabilities are denominated in a currency other than the functional currency of the respective consolidated entities.

Considering the countries and economic environment in which the Company operates, its operations are subject to risks arising from fluctuations in exchange rates in those countries. The risks primarily relate to fluctuations in U.S. dollar, Great Britain Pounds, Euro and Swedish Krona, against the respective functional currencies of Tata Technologies Limited and its subsidiaries.

The Company, as per its risk management policy, uses foreign exchange and other derivative instruments .

The Company evaluates the impact of foreign exchange rate fluctuations by assessing its exposure to exchange rate risks. It hedges a part of these risks by using derivative financial instruments in accordance with its risk management policies.

Derivative instruments outstanding as at March 31, 2019 & March 31,2018 are as follows:

(Amount in ₹ Crore)

Particulars	As At	Bought/sold		Amount	Amount ₹
Forward Exchange contracts	March 31, 2019	Sold	USD/INR	-	-
		Sold	GBP/INR	-	-
	March 31, 2018	Sold	GBP/INR	GBP 1.00	92.28
		Sold	USD/INR	USD 0.29	18.58

The table below analyses the derivative financial instruments into relevant maturity groupings based on the remaining period as of the balance sheet date:

(Amount in ₹ Crore)

	As at March 31, 2019	As at March 31, 2018
Not later than one month	-	6.19
Later than one month and not later than three months	-	58.53
Later than three months and not later than one year	-	46.14
	-	110.86

Notes forming part of the Standalone Financial Statements

Foreign exchange currency exposures not covered by derivative instruments are as follows:

(Amount in ₹ Crore)

Particulars	Currency	As at March 31, 2019		As at March 31, 2018	
		Amount in Foreign Currency	Equivalent amount in INR	Amount in Foreign Currency	Equivalent amount in INR
Financials Assets:					
Trade Receivables & Unbilled Revenue	EUR	0.06	4.59	0.11	9.26
	CAD	0.01	0.73	-	-
	GBP	1.71	154.58	0.59	54.70
	THB	0.20	0.44	0.69	1.44
	USD	0.61	41.87	0.64	41.53
	ZAR	0.00	0.02	0.01	0.05
	CNY	0.33	3.39	1.02	10.59
	SGD	0.03	1.70	0.02	0.80
	JPY	0.00	0.00	0.03	0.02
	SEK	0.68	5.05	1.51	11.78
	CHF	0.02	1.37	0.01	0.69
	RON	0.00	0.00	0.00	0.08
Current account with Bank (including cheques in hand/money in transit)	USD	0.00	0.15	0.01	0.33
Total			213.89		131.27
Financials Liabilities:					
Trade Payables & Unearned Revenue	EUR	0.01	0.42	0.01	1.01
	GBP	0.01	1.25	0.06	5.21
	THB	0.10	0.21	0.19	0.41
	USD	0.08	5.53	0.44	28.98
	SEK	0.02	0.14	-	-
	CNY	-	-	0.02	0.21
	AED	0.00	0.01	0.00	0.01
Total			7.56		35.83

10% appreciation/depreciation of the respective foreign currencies with respect to functional currency of the Company would result in increase/decrease in the Company's net income before tax by approximately ₹ 23.08 crores as at March 31, 2019 (₹ 13.13 crores as at March 31, 2018) and ₹ 0.76 crores as at March 31, 2019 (₹ 3.58 crores as at March 31, 2018) for financial assets and financial liabilities respectively.

33.6. Interest rate risk

The Company's investments are primarily in fixed rate interest bearing deposits/debentures and long term growth mutual funds. Hence, the Company is not significantly exposed to interest rate risk

33.7. Credit risk management

Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in financial loss to The Company. The Company has adopted a policy of only dealing with creditworthy counterparties and obtaining sufficient collateral, where appropriate, as a means of mitigating the risk of financial loss from defaults. The Company only transacts with entities that are rated the equivalent of investment grade and above. This information is supplied by independent rating agencies where available and, if not available, the Company uses other publicly available financial information and its own trading records to rate its major customers. The Company's exposure and the credit ratings of its counterparties are continuously monitored and the aggregate value of transactions concluded is spread amongst approved counterparties. Credit exposure is controlled by counterparty limits that are reviewed and approved by the risk management committee annually. Trade receivables consist of a large number of customers, spread across diverse industries and geographical areas. Ongoing credit evaluation is performed on the financial condition of accounts receivable and, where appropriate, credit guarantee insurance cover is purchased. Tata Motors Limited, is the largest customer of the Company (Refer note 31 (ii)).