

**ANNUAL REPORT OF
TATA TECHNOLOGIES PTE LTD**

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

DIRECTORS' REPORT

The Directors submit their report together with the audited accounts of the Company for the year ended 31 March 2015.

1 DIRECTORS

The names of the Directors in office at the date of this report are:

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

2 ARRANGEMENT FOR DIRECTORS TO ACQUIRE BENEFITS

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

3 DIRECTORS' INTEREST IN SHARES AND DEBENTURES

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

4 DIRECTORS' BENEFITS

Since the end of the previous financial year, no Director has received or has become entitled to receive benefits under contracts required to be disclosed by section 201 (8) of the Companies Act, Cap. 50.

5 SHARE OPTIONS

a) **Share Options Granted**

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

b) **Share Options Exercised**

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

c) **Unissued Shares Under Option**

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

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

DIRECTORS' REPORT

6 CARRYING VALUE OF SUBSIDIARIES AND LOAN TO SUBSIDIARIES

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

7 AUDITORS

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

ON BEHALF OF THE BOARD

PRAVEEN PURUSHOTTAM KADLE
DIRECTOR

WILLIAM CHAN KWOK WAH
DIRECTOR

DATED :

TATA TECHNOLOGIES PTE LTD

(Incorporated in the Republic of Singapore)

STATEMENT BY DIRECTORS

In the opinion of the Directors, the accompanying statement of financial position, statement of comprehensive income, statement of changes in equity and statement of cash flows together with the notes thereon are drawn up so as to give a true and fair view of the state of affairs of the Company as at 31 March 2015 and of the results of the business, changes in equity and cash flows of the Company for the year then ended and at the date of this statement there are reasonable grounds to believe that the Company will be able to pay its debts as and when they fall due.

ON BEHALF OF THE BOARD

PRAVEEN PURUSHOTTAM KADLE
DIRECTOR

WILLIAM CHAN KWOK WAH
DIRECTOR

DATED :

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF

TATA TECHNOLOGIES PTE LTD

(Incorporated in the Republic of Singapore)

We have audited the accompanying financial statements of **TATA TECHNOLOGIES PTE LTD** set out on pages 5 to 27 which comprise the statement of financial position as at 31 March 2015 and the statement of comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, and a summary of significant accounting policies and other explanatory notes.

MANAGEMENT'S RESPONSIBILITY FOR THE FINANCIAL STATEMENTS

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

AUDITOR'S RESPONSIBILITY

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with Singapore Standards on Auditing. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

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

OPINION

In our opinion, the financial statements are properly drawn up in accordance with the provisions of the Act and Singapore Financial Reporting Standards so as to give a true and fair view of the state of affairs of the Company as at 31 March 2015 and the results, changes in equity and cash flows of the Company for the year ended on that date.

EMPHASIS ON MATTER

CARRYING VALUE OF SUBSIDIARIES AND LOAN TO SUBSIDIARIES

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

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

REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

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

H. WEE & CO.

PUBLIC ACCOUNTANTS AND
CHARTERED ACCOUNTANTS

SINGAPORE
DATED:

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

**STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31 MARCH 2015**

	NOTE	2015		2014	
		US\$	₹	US\$	₹
REVENUES					
Sales	3	2,345,073	146,561,200	2,286,209	136,921,057
Commission	3	2,301,125	143,814,560	2,237,637	134,012,080
Other revenues	18	61,611	3,850,533	144,531	8,655,962
Total revenues		4,707,809	294,226,293	4,668,377	279,589,099
COSTS AND EXPENSES					
Purchases and related expenses		2,006,899	125,426,170	1,905,747	114,135,188
Amortisation of trade marks	7	13,900	868,715	10,404	623,096
Depreciation	8	47,373	2,960,694	60,011	3,594,059
Director's fees		3,990	249,365	-	-
Director's remuneration		712,177	44,509,282	720,322	43,140,085
Exchange difference		26,496	1,655,934	(88,905)	(5,324,520)
Group cost recharged		-	-	(13,787)	(825,703)
Salaries and employee benefits		824,547	51,532,123	897,674	53,761,695
Other operating expenses	18	299,563	18,721,939	316,893	18,978,722
Total costs and expenses		3,934,945	245,924,224	3,808,359	228,082,620
PROFIT BEFORE TAXATION		772,864	48,302,069	860,018	51,506,478
Taxation	19	(155,315)	(9,706,799)	(32,433)	(1,942,412)
PROFIT AFTER TAXATION		617,549	58,008,868	827,585	53,448,890
EXCEPTIONAL ITEM	20	4,949,000	309,300,129	-	-
PROFIT FOR THE YEAR		5,566,549	367,308,997	827,585	53,448,890
OTHER COMPREHENSIVE INCOME:					
<i>Item that may be reclassified subsequently to profit or loss:</i>					
Foreign currency translation		(51,772)	(3,235,621)	43,800	2,623,182
Realisation of capital reserve on disposal of a subsidiary	5	(6,840,817)	(427,533,960)	-	-
OTHER COMPREHENSIVE INCOME, net of tax		(6,892,589)	(430,769,581)	43,800	2,623,182
TOTAL COMPREHENSIVE (LOSS)/INCOME FOR THE YEAR		(1,326,040)	(63,460,584)	871,385	56,072,072

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

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

STATEMENT OF FINANCIAL POSITION AS AT 31 MARCH 2015

	NOTE	2015		2014	
		US\$	₹	US\$	₹
SHARE CAPITAL	4	54,000,000	3,374,865,000	54,000,000	3,234,060,000
CAPITAL RESERVE	5	45,935,488	2,870,853,161	52,776,305	3,160,772,906
CURRENCY TRANSLATION RESERVE	6	3,365,900	210,360,335	3,417,672	204,684,376
RETAINED EARNINGS		10,165,282	635,304,712	4,598,733	275,418,119
		<u>113,466,670</u>	<u>7,091,383,207</u>	<u>114,792,710</u>	<u>6,874,935,401</u>
Represented by:					
INTANGIBLE ASSETS	7	126,086	7,880,060	106,850	6,399,247
PLANT AND EQUIPMENT	8	143,227	8,951,329	186,211	11,152,177
SUBSIDIARY COMPANIES	9	106,852,458	6,678,011,494	108,244,275	6,482,749,630
CURRENT ASSETS					
Trade debtors	10	372,868	23,303,318	272,766	16,335,956
Trade debtors - related companies	11	585,366	36,583,912	130,066	7,789,653
Other debtors	12	110,404	6,899,974	130,434	7,811,692
Amount due from subsidiaries	9	870,571	54,408,511	2,225,229	133,268,965
Fixed deposits	13	4,451,185	278,187,933	1,100,011	65,879,657
Bank and cash balances	13	933,988	58,371,915	3,136,368	187,837,080
		<u>7,324,382</u>	<u>457,755,563</u>	<u>6,994,874</u>	<u>418,923,003</u>
Less: CURRENT LIABILITIES					
Trade creditors	14	381,529	23,844,609	569,080	34,082,201
Trade creditor-related company	15	278,470	17,403,679	142,879	8,557,023
Other creditors	16	189,199	11,824,465	18,511	1,108,624
Provision for taxation		110,285	6,892,537	9,030	540,807
		<u>959,483</u>	<u>59,965,289</u>	<u>739,500</u>	<u>44,288,655</u>
NET CURRENT ASSETS		6,364,899	397,790,273	6,255,374	374,634,348
NON CURRENT LIABILITIES					
Deferred tax liabilities	17	20,000	1,249,948	-	-
		<u>113,466,670</u>	<u>7,091,383,208</u>	<u>114,792,710</u>	<u>6,874,935,401</u>

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

**STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 MARCH 2015**

	SHARE CAPITAL		CAPITAL RESERVE		CURRENCY TRANSLATION RESERVE		RETAINED EARNINGS/ ACCUMULATED (LOSSES)		TOTAL EQUITY	
	US\$	₹	US\$	₹	US\$	₹	US\$	₹	US\$	₹
	Balance at 1 April 2013	54,000,000	3,234,060,000	52,776,305	3,160,772,906	3,373,872	202,061,194	3,771,148	225,854,053	113,921,325
Total comprehensive income for the year	-	-	-	-	43,800	2,623,182	827,585	49,564,066	871,385	52,187,247
Balance at 31 March 2014	54,000,000	3,234,060,000	52,776,305	3,160,772,906	3,417,672	204,684,376	4,598,733	275,418,119	114,792,710	6,874,935,401
Balance at 31 March 2014	54,000,000	3,374,865,000	52,776,305	3,298,387,122	3,417,672	213,595,956	4,598,733	287,409,316	114,792,710	7,174,257,393
Total comprehensive (loss) for the year	-	-	(6,840,817)	(427,533,960)	(51,772)	(3,235,621)	5,566,549	347,895,395	(1,326,040)	(82,874,186)
Balance at 31 March 2015	54,000,000	3,374,865,000	45,935,488	2,870,853,161	3,365,900	210,360,335	10,165,282	635,304,712	113,466,670	7,091,383,207

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

STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 MARCH 2015

	2015		2014	
	US\$	₹	US\$	₹
CASH FLOWS FROM OPERATING ACTIVITIES				
Net profit before taxation	772,864	48,302,069	860,018	51,506,479
Adjustments for:				
Amortisation of trade marks	13,900	868,715	10,404	623,095
Depreciation of plant and equipment	47,373	2,960,694	60,011	3,594,059
Interest income	(37,823)	(2,363,843)	(63,701)	(3,815,053)
(Gain)/Loss on disposal of plant and equipment	-	-	(1,088)	(65,160)
Currency translation differences	(51,772)	(3,235,621)	43,800	2,623,182
Unrealised exchange differences	15,645	977,773	-	-
Operating profit before working capital changes	760,187	47,509,788	909,444	54,466,599
(Increase)/Decrease in debtors	(535,372)	(33,459,412)	1,639,189	98,171,029
(Increase) in amount due from subsidiaries - trade	(160,987)	(10,061,285)	(577,099)	(34,562,459)
Increase/(Decrease) in creditors	118,728	7,420,203	(291,783)	(17,474,884)
Cash generated from operation	182,556	11,409,295	1,679,751	100,600,285
Interest income	37,823	2,363,842	63,701	3,815,052
Tax paid	(34,060)	(2,128,665)	(47,904)	(2,868,971)
Net cash flow from operating activities	186,319	11,644,471	1,695,548	101,546,367
CASH FLOWS FROM INVESTING ACTIVITIES				
Addition to investment in a subsidiary	-	-	(10,000,000)	(598,900,000)
Incorporation of a subsidiary	(500,000)	(31,248,750)	-	-
Acquisition of intangible assets	(33,136)	(2,070,917)	(36,428)	(2,181,673)
Proceed from sale of plant and equipment	-	-	1,144	68,514
Purchase of plant and equipment	(4,389)	(274,302)	(25,251)	(1,512,282)
Loan to subsidiaries-repayment	1,500,000	93,746,250	1,099,003	65,819,290
Loan to subsidiary	-	-	(1,500,000)	(89,835,000)
Net cash flow from/(used in) investing activities	962,475	60,152,281	(10,461,532)	(626,541,151)
NET CHANGE IN CASH AND CASH EQUIVALENTS	1,148,794	71,796,752	(8,765,984)	(524,994,785)
CASH AND CASH EQUIVALENTS AT BEGINNING OF YEAR	4,236,379	264,763,096	13,002,363	778,711,521
CASH AND CASH EQUIVALENTS AT END OF YEAR (Note 13)	5,385,173	336,559,848	4,236,379	253,716,736

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

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

NOTES TO THE ACCOUNTS - 31 MARCH 2015

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

1 SIGNIFICANT ACCOUNTING POLICIES

(a) Basis of Accounting

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

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

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

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

Investment in subsidiaries

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

Allowances for receivables

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

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

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

TATA TECHNOLOGIES PTE LTD

(Incorporated in the Republic of Singapore)

NOTES TO THE ACCOUNTS - 31 MARCH 2015

1 SIGNIFICANT ACCOUNTING POLICIES – (Cont'd)

(b) Consolidation

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

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

(c) Intangible Assets

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

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

(d) Plant and Equipment and Depreciation

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

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

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

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

(e) Subsidiary Companies

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

TATA TECHNOLOGIES PTE LTD

(Incorporated in the Republic of Singapore)

NOTES TO THE ACCOUNTS - 31 MARCH 2015

1 SIGNIFICANT ACCOUNTING POLICIES – (Cont'd)

(f) Financial Assets

(i) Classification

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

Loans and receivables

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

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

(ii) Recognition and derecognition

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

(iii) Initial measurement

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

(iv) Subsequent measurement

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

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

(v) Impairment of Assets

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

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

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

NOTES TO THE ACCOUNTS - 31 MARCH 2015

1 **SIGNIFICANT ACCOUNTING POLICIES – (Cont'd)**

(g) **Cash and Cash Equivalents**

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

(h) **Financial Liabilities**

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

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

(i) **Provision**

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

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

(j) **Foreign Currency**

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

(k) **Income Tax**

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

Deferred tax liabilities are recognised for all taxable temporary differences.

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

TATA TECHNOLOGIES PTE LTD
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NOTES TO THE ACCOUNTS - 31 MARCH 2015

1 SIGNIFICANT ACCOUNTING POLICIES – (Cont'd)

(l) Revenue Recognition

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

(i) Sales of good

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

(ii) Services rendered

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

(iii) Commission income

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

(iv) Interest income

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

(m) Employee Benefits

(i) Pension obligations

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

(ii) Employee leave entitlement

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

(n) Operating Lease

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

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

NOTES TO THE ACCOUNTS - 31 MARCH 2015

1 SIGNIFICANT ACCOUNTING POLICIES – (Cont'd)

(o) Related Parties

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

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

2 GENERAL

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

The Company has a branch in Korea.

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

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

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

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

The financial statements of the Company were authorised by the Board of Directors on

3 REVENUES

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

Sales represent invoiced value after trade discounts.

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

NOTES TO THE ACCOUNTS - 31 MARCH 2015

4 SHARE CAPITAL

	2015		2014			
	No. of Shares	US\$	₹	US\$	₹	
Ordinary shares						
Issued and fully paid						
Balance at beginning of year	54,000,000	54,000,000	54,000,000	3,374,865,000	54,000,000	3,234,060,000
Balance at end of year	54,000,000	54,000,000	54,000,000	3,374,865,000	54,000,000	3,234,060,000

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

5 CAPITAL RESERVE

Capital reserve of the Company was derived as follows:

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

The carrying values of these investments as at 31 March 2006 in the respective holding company's audited accounts were adopted for this in specie dividend, i.e. US\$85,935,488 (₹ 5,370,753,161) for INCAT International Plc and US\$6,840,817 (₹ 427,533,960) for iKnowledge Solutions Inc. As the surplus of the in specie dividend over the cost of investment arose from a group restructuring shortly after the investment was made, the Directors are of the opinion this surplus is capital in nature hence it has been taken to the Capital Reserve.

During the current financial year, on 12 February 2015, the Company disposed of its entire interest of 885,520 Class B shares in Tata Technologies, Inc for a total consideration of 697 shares in Tata Technologies Europe Limited which were valued at US\$19,449,000 (₹ 1,215,513,878). Capital reserve of US\$6,840,817 (₹ 427,533,960) was realised in the income statement on disposal of the subsidiary (Notes 9 and 20).

	2015		2014	
	US\$	₹	US\$	₹
Balance at beginning and end of year	52,776,305	3,298,387,122	52,776,305	3,160,772,906
Realisation of reserve to income statement on disposal of subsidiary	(6,840,817)	(427,533,960)	-	-
Balance at the end of the year	45,935,488	2,870,853,161	52,776,305	3,160,772,906

6 CURRENCY TRANSLATION RESERVE

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

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7 INTANGIBLE ASSETS

	2015		2014	
	US\$	₹	US\$	₹
Trade marks, at cost				
At 1 April	125,492	7,842,936	89,064	5,334,043
Additions	33,136	2,070,917	36,428	2,181,673
At 31 March	158,628	9,913,853	125,492	7,515,716
Less: Amortisation	32,542	2,033,794	18,642	1,116,469
	126,086	7,880,060	106,850	6,399,247
Analysis of amortisation				
At 1 April	18,642	1,165,077	8,238	493,374
Current year's amortisation	13,900	868,715	10,404	623,096
At 31 March	32,542	2,033,794	18,642	1,116,469

8 PLANT AND EQUIPMENT

	Computer equipment	Office furniture & equipment	Motor vehicle	Total	Computer equipment	Office furniture & equipment	Motor vehicle	Total
	US\$	US\$	US\$	US\$	₹	₹	₹	₹
COST								
At 1.4.2013	124,557	124,195	181,632	430,384	7,784,501	7,761,877	11,351,546	26,897,924
Additions	13,736	11,515	-	25,251	858,467	719,659	-	1,578,125
Disposals	(88)	(12,916)	-	(13,004)	(5,500)	(807,218)	-	(812,717)
At 31.3.2014	138,205	122,794	181,632	442,631	8,637,468	7,674,318	11,351,546	27,663,332
Additions	4,007	382	-	4,389	250,427	23,874	-	274,302
Disposals	(1,119)	(337)	-	(1,456)	(69,935)	(21,062)	-	(90,995)
Reclassified	39	(39)	-	-	2,437	(2,437)	-	1
At 31.3.2015	141,132	122,800	181,632	445,564	8,820,399	7,674,693	11,351,546	27,846,637
ACCUMULATED DEPRECIATION								
At 1.4.2013	95,440	88,185	25,732	209,357	5,964,761	5,511,342	1,608,186	13,084,289
Additions	16,305	25,543	18,163	60,011	1,019,022	1,596,374	1,135,142	3,750,536
Disposals	(32)	(12,916)	-	(12,948)	(2,000)	(807,218)	-	(809,218)
At 31.3.2014	111,713	100,812	43,895	256,420	6,981,783	6,300,498	2,743,329	16,025,608
Additions	15,190	14,020	18,163	47,373	949,337	876,214	1,135,146	2,960,696
Disposals	(1,119)	(337)	-	(1,456)	(69,935)	(21,062)	-	(90,995)
Reclassified	39	(39)	-	-	2,437	(2,437)	-	-
At 31.3.2015	125,823	114,456	62,058	302,337	7,861,186	7,155,650	3,878,475	18,895,308
NET BOOK VALUE								
At 31.3.2015	15,309	8,344	119,574	143,227	956,775	521,480	7,473,075	8,951,329
At 31.3.2014	26,492	21,982	137,737	186,211	1,586,606	1,316,502	8,249,069	11,152,177

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

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9 **SUBSIDIARY COMPANIES**

	2015		2014	
	US\$	₹	US\$	₹
Investment in subsidiaries:				
Unquoted shares				
Balance at beginning of year				
- at cost	15,467,969	966,709,394	5,467,969	327,476,663
- at fair value	92,776,306	5,798,287,184	92,776,306	5,556,372,966
Disposal				
- at fair value	(6,840,817)	(427,533,960)	-	-
- at cost	(14,500,000)	(906,213,750)	-	-
Addition, at cost	19,949,000	1,246,762,628	10,000,000	598,900,000
Balance at end of year	106,852,458	6,678,011,495	108,244,275	6,482,749,630
Amount due from subsidiaries:				
Loan to an indirect subsidiary *	86,816	5,425,783	97,540	5,841,671
Loan to a subsidiary *	39,836	2,489,650	44,757	2,680,497
Loan to a subsidiary ^	-	-	1,500,000	89,835,000
Trade debts due from a subsidiary	743,264	46,452,142	600,612	35,970,652
Trade debts due (to) a subsidiary	655	40,936	(17,680)	(1,058,855)
	870,571	54,408,511	2,225,229	133,268,965

During the current financial year, on 12 February 2015, the Company disposed of its entire interest of 885,520 Class B shares in Tata Technologies, Inc for a total consideration of 697 shares in Tata Technologies Europe Limited which were valued at US\$19,449,000 (₹ 1,215,513,878) (Notes 5 and 20). The Company also contributed US\$500,000 (₹ 31,248,750) to complete its incorporation of a wholly-owned subsidiary in China.

*These represent unpaid interest and are denominated in Sterling Pound.

^This loan was disbursed in previous financial year at an interest rate of 2% per annum. It was fully repaid during the current financial year.

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

	2015		2014	
	US\$	₹	US\$	₹
Current	119,673	7,479,263	228,032	13,656,836
30 days	100,042	6,252,375	87,102	5,216,539
60 days	112,787	7,048,906	173,301	10,378,997
90 days and above^	411,417	25,712,533	112,177	6,718,281
	743,919	46,493,077	600,612	35,970,652

^Trade debtors past due but not impaired. Substantially paid after year-end.

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9 **SUBSIDIARY COMPANIES – (Cont'd)**

Details of the subsidiaries are as follows:

Name of Company	Country of incorporation & place of business	Percentage		Principal activities
		2015 %	2014 %	
+^Tata Technologies Inc (Sole stockholder of Class B common stock)	Michigan, USA	-	84	Information technology & consultancy services
+* INCAT International Plc	United Kingdom	100	100	Information technology & consultancy services
+*Tata Technologies Europe Limited	United Kingdom	#7 ##93	- 100	Information technology & consultancy services
+*Tata Technologies (Thailand) Limited	Thailand	100	100	Information technology & consultancy services
+*Cambric Manufacturing Technologies (Shanghai) Co. Ltd	China	100	-	Information technology & consultancy services

^Not required to be audited by local laws.

*Audited by other firms.

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

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

Held by Incat International Plc

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

10 **TRADE DEBTORS**

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

The ageing analysis of trade debtors is as follows:

	2015		2014	
	US\$	₹	US\$	₹
Current	141,889	8,867,708	257,074	15,396,162
30 days	121,554	7,596,821	12,923	773,958
60 days	71,971	4,498,009	2,769	165,836
90 days and above^	37,454	2,340,780.37	-	-
	372,868	23,303,318	272,766	16,335,956

^Trade debtors past due but not impaired

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10 **TRADE DEBTORS – (Cont'd)**

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

	2015		2014	
	US\$	₹	US\$	₹
Singapore Dollar	125,770	7,860,311	9,178	549,670
Sterling Pound	65,669	4,104,148	6,981	418,092

11 **TRADE DEBTORS - RELATED COMPANIES**

Trade debtors comprise of amounts due from:

	2015		2014	
	US\$	₹	US\$	₹
Ultimate holding company	434,397	27,148,727	-	-
Related companies	150,969	9,435,185	130,066	7,789,653
	585,366	36,583,912	130,066	7,789,653

The ageing analysis of trade debtors is as follows:

	2015		2014	
	US\$	₹	US\$	₹
Current	270,410	16,899,949	130,066	7,789,653
30 days	20,119	1,257,387	-	-
60 days	20,154	1,259,575	-	-
90 days and above*	274,683	17,167,001	-	-
	585,366	36,583,912	130,066	7,789,653

*Trade debtors past due but not impaired.

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

	2015		2014	
	US\$	₹	US\$	₹
Singapore Dollar	2,786	174,118	404	24,196

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12 **OTHER DEBTORS**

	2015		2014	
	US\$	₹	US\$	₹
Cost billed in advance	3,066	191,617	4,770	285,675
Deposits	50,322	3,144,999	75,793	4,539,243
Prepayments	49,151	3,071,815	46,563	2,788,658
Recoverables	-	-	2,742	164,218
Staff advance	7,865	491,543	566	33,898
	<u>110,404</u>	<u>6,899,974</u>	<u>130,434</u>	<u>7,811,692</u>

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

	2015		2014	
	US\$	₹	US\$	₹
Chinese Renminbi	-	-	22,978	-
Singapore Dollar	58,187	3,636,542	50,310	3,013,066

13 **CASH AND CASH EQUIVALENTS**

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

	2015		2014	
	US\$	₹	US\$	₹
Fixed deposits	4,451,185	278,187,933	1,100,011	65,879,657
Bank and cash balances	933,988	58,371,915	3,136,368	187,837,080
	<u>5,385,173</u>	<u>336,559,849</u>	<u>4,236,379</u>	<u>253,716,736</u>

Fixed deposits bear interest at effective interest rates ranging between 0.07% and 0.6525% (2014: 0.00% and 0.02%) per annum and for a tenure of approximately 7 to 182 days (2014: 1 to 7 days).

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

	2015		2014	
	US\$	₹	US\$	₹
Korean Won	52,308	3,269,119	43,929	2,630,908
Singapore Dollar	127,453	7,965,494	118,378	7,089,658
Sterling Pound	332,723	20,794,355	1,270,934	76,116,236
United States Dollar	4,872,689	304,530,881	2,803,138	167,879,935
	<u>5,385,173</u>	<u>336,559,849</u>	<u>4,236,379</u>	<u>253,716,736</u>

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14 TRADE CREDITORS

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

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

	2015		2014	
	US\$	₹	US\$	₹
Australian Dollar	4,266	266,614	-	-
Chinese Renminbi	-	-	13,998	838,340
Korean Won	40,624	2,538,898	35,444	2,122,741
Singapore Dollar	266,502	16,655,709	433,120	25,939,557
Sterling Pound	22,499	1,406,131	-	-

15 TRADE CREDITORS – RELATED COMPANIES

	2015		2014	
	US\$	₹	US\$	₹
Trade creditors comprise of amounts due to :				
Immediate Holding Company	276,524	17,282,059	142,879	8,557,023
Related company	1,946	121,620	-	-
	<u>278,470</u>	<u>17,403,679</u>	<u>142,879</u>	<u>8,557,023</u>

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

	2015		2014	
	US\$	₹	US\$	₹
Singapore Dollar	42,751	2,671,831	-	-

16 OTHER CREDITORS

	2015		2014	
	US\$	₹	US\$	₹
Unearned Income	189,199	11,824,465	18,511	1,108,624

17 DEFERRED TAX LIABILITIES

	2015		2014	
	US\$	₹	US\$	₹
Balance at the beginning	-	-	-	-
Transfer from Profit	20,000	1,249,950	-	-
Balance at the end of the year	<u>20,000</u>	<u>1,249,950</u>		

Deferred taxation as at 31 March related to the following:

Difference in depreciation of plant and equipment for accounting and tax purpose	20,000	1,249,950	-	-
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18 **REVENUES AND EXPENSES**

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

	2015		2014	
	US\$	₹	US\$	₹
Other revenues				
Interest received	37,823	2,363,843	63,701	3,815,053
Gain on disposal of plant and equipment	-	-	1,088	65,160
Sundry	23,788	1,486,690	79,742	4,775,747
	<u>61,611</u>	<u>3,850,533</u>	<u>144,531</u>	<u>8,655,962</u>
Other operating expenses				
Legal and professional fee	70,411	4,400,510	56,316	3,372,764
Rent	134,767	8,422,601	140,042	8,387,115
Travel and transport	30,035	1,877,113	34,943	2,092,737
Others	64,350	4,021,715	85,592	5,126,105
	<u>299,563</u>	<u>18,721,939</u>	<u>316,893</u>	<u>18,978,722</u>

19 **TAXATION**

	2015		2014	
	US\$	₹	US\$	₹
Foreign tax	68,315	4,269,517	32,433	1,942,412
Current year's provision	67,000	4,187,332	-	-
Deferred taxation	20,000	1,249,949		
	<u>155,315</u>	<u>9,706,797</u>	<u>32,433</u>	<u>1,942,412</u>

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

	2015		2014	
	US\$	₹	US\$	₹
Accounting profit	772,864	48,302,069	860,018	51,506,478
Tax at the applicable tax rates of 17%	131,387	8,211,359	146,203	8,756,098
Tax effect of:				
- Expenses not deductible for tax purposes	74,185	4,636,376	13,322	797,861
- Income not taxable	(2,746)	(171,618)	(25,388)	(1,520,487)
- Utilisation of brought forward tax losses	(5,271)	(329,424)	(73,612)	(4,408,623)
- S13(8)	(52,351)	(3,271,807)	(39,096)	(2,341,459)
- PIC relief	(16,602)	(1,037,583)	(24,450)	(1,464,311)
- Partial tax exemption	(20,052)	(1,253,200)	-	-
- Tax rebate	(20,000)	(1,249,950)	-	-
- Others	(1,550)	(96,877)	3,021	180,922
Foreign tax	68,315	4,269,517	32,433	1,942,412
	<u>155,315</u>	<u>9,706,799</u>	<u>32,433</u>	<u>1,942,412</u>

The Company has unutilised tax losses and unabsorbed wear and tear allowances of US\$NIL (2014: US\$47,044) (₹ 2,817,465) and US\$31,034 (₹ 1,939,547) (2014: US\$133,040) (₹ 7,967,766) respectively for which no deferred tax asset is recognised due to uncertainty of their recoverabilities. The use of these balances is subject to the agreement of the tax authority and compliance with relevant provisions of the Income Tax Act.

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20 **EXCEPTIONAL ITEM**

	2015		2014	
	US\$	₹	US\$	₹
Gain on disposal of subsidiary company	4,949,000	309,300,129	-	-

During the current financial year, on 12 February 2015, the Company disposed of its entire interest of 885,520 Class B shares in Tata Technologies, Inc for a total consideration of 697 shares in Tata Technologies Europe Limited which were valued at US\$19,449,000 (₹ 1,215,513,878) (Notes 5 and 9)

21 **RELATED PARTY TRANSACTIONS**

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

	2015		2014	
	US\$	₹	US\$	₹
Sales	1,681,024	105,059,797	1,587,146	95,054,174
Commission	2,213,860	138,360,715	2,125,046	127,269,005
Purchases	1,530,043	95,623,862	1,618,036	96,904,176
Interest income	30,083	1,880,112	55,973	3,352,223
Other income	-	-	41,480	2,484,237
Group cost recharged	-	-	13,787	825,703
General expenses	6,082	380,110	10,512	629,564

22 **EMPLOYEE BENEFITS**

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

	2015		2014	
	US\$	₹	US\$	₹
Director	2,478	154,869	4,733	283,459
Staff	77,425	4,838,869	73,918	4,426,949
	79,903	4,993,738	78,651	4,710,408

Compensation of directors and key management personnel

The compensation comprised:

	2015		2014	
	US\$	₹	US\$	₹
Director's fees	3,990	249,365	-	-
Director's remuneration	712,177	44,509,282	720,322	43,140,085

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

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23 OPERATING LEASE COMMITMENTS

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

	2015		2014	
	US\$	₹	US\$	₹
Lease which expires:				
Within one year	195,987	12,248,698	79,506	4,761,614
Later than one year but not more than five years	97,449	6,090,319	-	-
	<u>293,436</u>	<u>18,339,016</u>	<u>79,506</u>	<u>4,761,614</u>

Rental of premises (net) charged to statement of comprehensive income during the financial year amounted to US\$134,767 (₹ 8,422,601) (2014: US\$140,042) (₹ 8,387,115)

24 FINANCIAL ASSETS AND LIABILITIES

Financial assets and liabilities can be categorised as follows:

	Loans and receivables		Financial liabilities at amortised cost		Total	
	US\$	₹	US\$	₹	US\$	₹
2015						
Trade debtors	372,868	23,303,318	-	-	372,868	23,303,318
Trade debtors - related companies	585,366	36,583,912	-	-	585,366	36,583,912
Other debtors (excluding prepayments)	58,187	3,636,542	-	-	58,187	3,636,542
Amount due from subsidiaries	870,571	54,408,511	-	-	870,571	54,408,511
Fixed deposits	4,451,185	278,187,933	-	-	4,451,185	278,187,933
Bank and cash balances	933,988	58,371,915	-	-	933,988	58,371,915
	<u>7,272,165</u>	<u>454,492,130</u>	<u>-</u>	<u>-</u>	<u>7,272,165</u>	<u>454,492,130</u>
Liabilities						
Trade creditors	-	-	334,269	20,890,977	334,269	20,890,977
Trade creditor-related company	-	-	278,470	17,403,679	278,470	17,403,679
	<u>-</u>	<u>-</u>	<u>612,739</u>	<u>38,294,657</u>	<u>612,739</u>	<u>38,294,657</u>
2014						
Assets						
Trade debtors	272,766	16,335,956	-	-	272,766	16,335,956
Trade debtors - related companies	130,066	7,789,653	-	-	130,066	7,789,653
Other debtors (excluding prepayments)	83,871	5,023,034	-	-	83,871	5,023,034
Amount due from subsidiaries	2,225,229	133,268,965	-	-	2,225,229	133,268,965
Fixed deposits	1,100,011	65,879,657	-	-	1,100,011	65,879,657
Bank and cash balances	3,136,368	187,837,080	-	-	3,136,368	187,837,080
	<u>6,948,311</u>	<u>416,134,344</u>	<u>-</u>	<u>-</u>	<u>6,948,311</u>	<u>416,134,344</u>
Liabilities						
Trade creditors	-	-	525,704	31,484,413	525,704	31,484,413
Trade creditor-related company	-	-	142,879	8,557,023	142,879	8,557,023
	<u>-</u>	<u>-</u>	<u>668,583</u>	<u>40,041,437</u>	<u>668,583</u>	<u>40,041,437</u>

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25 **FINANCIAL RISK MANAGEMENT**

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

(i) **Credit risk**

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

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

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

(ii) **Foreign exchange risk**

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

Sensitivity analysis for foreign currency risk

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

	2015		2014	
	US\$	₹	US\$	₹
S\$/US\$ (Strengthened 5%)	232	14,499	(10,576)	(633,397)
(Weakened 5%)	(232)	(14,499)	10,576	633,397
Sterling Pound/US\$ (Strengthened 5%)	20,856	1,303,448	58,939	3,529,857
(Weakened 5%)	(20,856)	(1,303,448)	(58,939)	(3,529,857)

(iii) **Interest rate risk**

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

(iv) **Liquidity risk**

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

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

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25 **FINANCIAL RISK MANAGEMENT – (Cont'd)**

(iv) **Liquidity risk – (Cont'd)**

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

Contractual maturity analysis

	Within one financial year		After one financial year but within five financial years		Total	
	US\$	₹	US\$	₹	US\$	₹
2015						
Financial assets						
Non-interest bearing	2,481,628	155,095,545	-	-	2,481,628	155,095,545
Variable interest bearing	4,790,537	299,396,586	-	-	4,790,537	299,396,586
	<u>7,272,165</u>	<u>454,492,132</u>	-	-	<u>7,272,165</u>	<u>454,492,132</u>
Financial liabilities						
Non-interest bearing	612,739	38,294,656	-	-	612,739	38,294,656
	<u>612,739</u>	<u>38,294,656</u>	-	-	<u>612,739</u>	<u>38,294,656</u>
2014						
Financial assets						
Non-interest bearing	1,926,256	115,363,472	-	-	1,926,256	115,363,472
Variable interest bearing	5,017,285	300,485,199	-	-	5,017,285	300,485,199
	<u>6,943,541</u>	<u>415,848,670</u>	-	-	<u>6,943,541</u>	<u>415,848,670</u>
Financial liabilities						
Non-interest bearing	668,853	40,057,606	-	-	668,853	40,057,606
	<u>668,853</u>	<u>40,057,606</u>	-	-	<u>668,853</u>	<u>40,057,606</u>

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

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

(v) **Capital Management**

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

(vi) **Fair Values**

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

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NOTES TO THE ACCOUNTS - 31 MARCH 2015

26 HOLDING COMPANIES

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

27 CONTINGENT LIABILITIES

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

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

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

28. CONVERSION TO INDIAN RUPEES

Solely for the convenience of the reader and to meet the requirement of section 129 of the Companies (Accounts) Rules, 2014 the amounts appearing in Indian Rupees have been translated at a fixed exchange rate of 1 US \$ = ` 62.4975 as on March 31, 2015 and 1 US \$ = ` 59.8900 as on March 31, 2014. These translations should not be construed as a representation that any or all the amounts could be converted to Indian Rupees at this or any other rate.

TATA TECHNOLOGIES PTE LTD
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**DETAILED STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31 MARCH 2015**

	2015		2014	
	US\$	₹	US\$	₹
INCOME				
Sales	2,345,073	146,561,200	2,286,209	136,921,057
	2,345,073	146,561,200	2,286,209	136,921,058
Less: COST OF SALES				
Purchases and related expenses	2,006,899	125,426,170	1,905,747	114,135,188
	2,006,899	125,426,170	1,905,747	114,135,188
GROSS PROFIT	338,174	21,135,030	380,462	22,785,869
Add: OTHER INCOME				
Commission	2,301,125	143,814,560	2,237,637	134,012,080
Interest received	37,823	2,363,843	63,701	3,815,053
Gain on disposal of plant and equipment	-	-	1,088	65,160
Sundry	23,788	1,486,691	79,742	4,775,748
	2,700,910	168,800,122	2,762,630	165,453,909
Less: EXPENSES (Schedule 1)	1,928,046	120,498,053	1,916,399	114,773,136
Group cost recharged	-	-	(13,787)	(825,705)
NET PROFIT FOR THE YEAR BEFORE TAXATION	772,864	48,302,069	860,018	51,506,479

**THIS SCHEDULE DOES NOT FORM PART
OF THE AUDITED STATUTORY ACCOUNTS**

TATA TECHNOLOGIES PTE LTD
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**DETAILED STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31 MARCH 2015**

SCHEDULE 1

	2015		2014	
	US\$	₹	US\$	₹
EXPENSES				
Amortisation of trade marks	13,900	868,715	10,404	623,096
Audit fee	10,647	665,411	11,580	693,526
Bank charges	2,044	127,745	2,911	174,340
Central Provident Fund & SDF	80,914	5,056,923	79,701	4,773,293
Computer expenses	407	25,436	796	47,672
Depreciation	47,373	2,960,694	60,011	3,594,059
Director's fees	3,990	249,365	-	-
Entertainment	6,281	392,547	8,322	498,405
Exchange difference	26,496	1,655,934	(88,905)	(5,324,520)
General expenses	10,090	630,600	18,032	1,079,936
Housing and relocation	219,044	13,689,702	105,138	6,296,715
Insurance	1,865	116,558	1,057	63,304
Legal and professional fee	70,411	4,400,511	56,316	3,372,765
Medical expenses	55,186	3,448,987	54,302	3,252,147
Motor vehicle expenses	520	32,499	7,954	476,365
Pension	139,580	8,723,401	-	-
Postage and freight	1,541	96,309	2,245	134,453
Printing and stationery	1,307	81,684	1,517	90,853
Rent	134,767	8,422,601	140,042	8,387,115
Repair and maintenance		-		-
- Equipment	1,587	99,184	1,980	118,582
- Premises	2,397	149,807	3,447	206,441
Salaries	760,600	47,535,599	1,048,188	62,775,979
Sales commission	27,665	1,728,993	29,668	1,776,817
Staff bonus	235,076	14,691,662	282,424	16,914,373
Staff insurance	16,546	1,034,084	16,478	986,867
Staff recruitment	363	22,687	-	-
Subscription and publication	13,968	872,965	10,924	654,238
Telephone	10,231	639,412	13,104	784,799
Training and seminar	1,749	109,308	2,097	125,589
Travel and transport	30,035	1,877,110	34,943	2,092,736
Utilities	1,466	91,621	1,723	103,190
	1,928,046	120,498,053	1,916,399	114,773,136

**THIS SCHEDULE DOES NOT FORM PART
OF THE AUDITED STATUTORY ACCOUNTS**

TATA TECHNOLOGIES PTE LTD

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