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## **TATA INTERNATIONAL LIMITED**

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### **BOARD OF DIRECTORS (As on June 15, 2018)**

G K PILLAI- CHAIRMAN

N N TATA- MANAGING DIRECTOR

DEEPAK PREMNARAYEN

R MUKUNDAN

S S KUDTARKAR

### **REGISTERED OFFICE**

Trent House, G-Block,

Plot No. C 60, Next to Citibank,

Bandra Kurla Complex, Bandra East,

Mumbai-400 051.

CIN: U51900MH1962PLC012528

### **AUDITORS**

M/s. S R B C & CO LLP

### **BANKERS**

State Bank of India

Standard Chartered Bank

ICICI Bank

Hong Kong and Shanghai Banking Corporation Ltd.

BNP Paribas



YEAR IN BRIEF

Particulars	2018-19 (Rs. Lakhs)	2017-18 (Rs. Lakhs)
TURNOVER	469,668	235,067
EXPORTS	150,814	111,161
DOMESTIC	318,854	123,906
GROSS REVENUE	502,334	268,279
PROFIT/(LOSS) BEFORE TAX	7,092	11,822
PROFIT/(LOSS) AFTER TAX	7,968	8,081
DIVIDEND	501	-
TAX ON DISTRIBUTED PROFITS	72	
TRANSFER TO DEBENTURE REDEMPTION RESERVE	-	
TRANSFER FROM DEBENTURE REDEMPTION RESERVE	-	
RETAINED EARNINGS	7,394	8,081
<b>FIXED ASSETS</b>		
GROSS	20,295	19,519
NET	8,507	9,613
SHARE CAPITAL	4,010	4,010
RESERVES & SURPLUS	74,811	74,789
BORROWINGS	60,435	47,728
CAPITAL EMPLOYED	139,256	126,526
	Rupees	Rupees
EARNINGS PER SHARE	176	171
NET WORTH PER SHARE	19,656	19,651
	Ratio	Ratio
DEBT : EQUITY	0.77:1	0.61:1

**DIRECTORS' REPORT**

TO  
THE MEMBERS,

The Directors are pleased to submit the Fifty-Sixth Annual Report and the Audited financial statements for the year ended March 31, 2019.

**FINANCIAL RESULTS:**

	Stand-alone		Consolidated	
	(Rs. Lakhs)		(Rs. Lakhs)	
	2018-19	2017-18	2018-19	2017-18
Total Income	502,334.12	268,279.28	1,827,398.45	1,457,195.64
Total Expenditure	496,557.70	260,576.12	1,820,696.10	1,452,570.31
EBIDTA	12,896.79	14,563.63	36,080.85	30,286.01
Profit from continued businesses (net of tax) before exceptional items (A)	6,706.91	5,282.71	6,164.02	2,994.86
Exceptional items (net of tax) (B)	921.53	2,247.69	922.92	5,664.43
Profit / (Loss) from discontinued businesses (Net of tax) (C)	339.35	550.32	(10,690.37)	(7,629.10)
Profit / (Loss) after tax (A+B+C)	7,967.79	8,080.72	(3,603.43)	1,030.19
Other Comprehensive Income	(141.89)	1,210.23	(7,734.67)	8,208.39
Total comprehensive income for the year	7,825.90	9,290.95	(11,338.10)	9,238.58
Proposed Dividend (12.5%) (Previous Year 12.5%)	501.25	501.25	-	-
Amount transferred to General Reserve	-	-	-	-

**Operating Performance - Consolidated**

On a consolidated basis, the Company achieved total income of Rs 18273.98 crores 25.4% higher compared to previous year. On a consolidated basis, due to better operating efficiencies of continued businesses EBIDTA and profits (net of tax) have improved over previous year by 20% and 105% respectively.

**\*Global Economic Outlook**

The global expansion has weakened. Global growth for 2018 is estimated at 3.7 percent, as in the October 2018 World Economic Outlook (WEO) forecast, despite weaker performance in some economies, notably Europe and Asia. The global economy is projected to grow at 3.5 percent in 2019 and 3.6 percent in 2020, 0.2 and 0.1 percentage point below last October's projections.

\*(Source – From IMF Report)

**\*Commodity Prices and Markets**

The majority of energy, metal and mineral, and agricultural commodity prices declined in the last quarter of 2018, only to rebound in the first quarter of 2019. By March, more than half (although virtually none of the energy prices) had recouped their losses and returned to September 2018 levels. The weakness of energy, as well as metal and mineral prices in late 2018, mainly reflected concerns about global growth, especially in China amid trade tensions. Renewed fiscal stimulus and the resumption of U.S.-China trade negotiations in January, however, improved growth prospects and supported a rebound in commodity prices. This rebound was compounded by a series of commodity-specific supply factors.

As a result of the weak start into the year, energy prices are expected to average 5.4 percent lower in 2019 than in 2018 (a downward revision from October) followed by a slight decline in 2020.

Metal prices are expected to continue their recovery in 2019 and 2020 following sharp drops in the second half of 2018. Supply concerns (especially in copper and zinc), disruptions (in iron ore production due to the tailings dam disaster in Brazil),

and China's fiscal stimulus are expected to provide support. Risks are broadly balanced. Downside risks include a weaker-than expected demand boost from China's fiscal stimulus and a prolonged stall in U.S.-China trade negotiations; upside risks include tighter-than expected environmental policies and slower-than expected easing of supply bottlenecks.

Agricultural prices are expected to fall 2.6 % in 2019, on average, amid ample stocks. In 2020, prices are expected to rise 1.7 % on expected cuts in U.S. crop plantings and higher costs of energy and fertilizers. Risks to this outlook are to the upside. Higher-than-expected energy costs could lift prices of some crops such as grains and oilseeds. Greater-than-projected growth in biofuel production could also lead to higher prices for some food commodities.

(\*Source – world Bank – Commodity Market Outlook – April 2019)

#### Indian Markets:

India's growth accelerated to an estimated 7.3 per cent in FY 2018-19 (April to March) as economic activity continued to recover with strong domestic demand. While investment continued to strengthen amid the GST harmonisation and a rebound of credit growth, consumption remained the major contributor to growth. Private consumption is projected to remain robust and investment growth is expected to continue as the benefits of recent policy reforms begin to materialise and credit rebounds. Strong domestic demand is envisioned to widen the current account deficit to 2.6 per cent of GDP next year. Inflation is projected to rise somewhat above the midpoint of the Reserve Bank of India's target range of 2 to 6 per cent, mainly owing to energy and food prices, the bank said.

#### TRANSFER TO RESERVES-

The appropriations for the year are:

Rs. lakhs

Net Profit/(Loss) for the year	7967.79
Balance of Reserve at the beginning of the year	45538.11
Transfer to General Reserve	-
Balance of Reserve at the end of the year	53505.90

#### DIVIDEND-

The Board of Directors of the Company recommended for approval by the Shareholders the payment of dividend at the rate of 12.5% on 4,01,000 equity shares of the Company of face value Rs 1000/- per share. The dividend on Equity Shares, if approved by the Shareholders would involve cash payout of Rs. 501,25,000 plus a dividend distribution tax of Rs.103,80,687.

Transfer to Reserves: Your Company proposes to transfer Rs. Nil to the general reserve.

#### FIXED DEPOSITS

Your Company has not accepted or renewed any deposit from public in terms of the provisions of the Companies Act, 2013.

#### BUSINESS RESTRUCTURING

As part of its strategy, your Company periodically reviews its product portfolio and businesses to ascertain whether the Company should continue to pursue them, restructure the business model or exit from these products businesses if they do not promise profitable growth and return on capital employed.

As part of the above process, your Company has adopted two pronged strategy, a) Divest non-core assets / investments and b) exit from small / non-related, non-core businesses.

Company initiated the process of divesting from Module Mounting Structures (Solar Division), Bicycles business and investment in a joint venture to manufacture Trailers in India. During the current financial year, Company has sold the assets of solar division and unlocked the value. Company has also sold the investment in Joint Venture. Proceeds so realised have been utilised to repay the debts to improve the leverage and reduce the debts / finance cost. Benefits of these initiatives will reflect in the current financial year.

In FY 18-19, Company took several steps to exit from non-core products / businesses like Distribution of Specialty Products in African markets (ie Chemicals, Healthcare products, Agri Distribution, Infrastructure & Construction Equipment). The Company had to incur certain one-time exit costs by way of inventory impairment, write off of receivables, employee separation costs etc. These have adversely affected the performance of the Company for FY 18-19. However going forward, financial and operating performance of the Company would improve significantly due to such initiatives. The Company has already witnessed the significant improvements in performance of Footwear business due to similar initiatives implemented in FY 17-18.



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During the previous year (F.Y. 2017-18), the Company had sold its mining rights for chrome ore in Madagascar for a consideration of US\$ 50 million and recorded a capital gain of US\$ 8.2 million. Keeping in mind the long gestation of the project, the Company had agreed to receive the consideration on a 'deferred payment' basis over a period of four years. The Company was to receive the first instalment of US\$ 4 million by March 2019. The payment has not been received due to certain socio-economic factors prevailing in Madagascar. The buyer has confirmed the balance payable and requested the Company to grant it additional period until March 2020 for the payment of 1st installment of USD 4 million.

### Key Business Highlights in Tata International

1. **Trading** – The Company operates in the commodities trading space through 3 different sub verticals. The financial year 2018-19 saw significant volatility in commodity prices, particularly from the second quarter of the financial year, resulting in adverse swings in volumes and margins in the trading businesses.
  - a. **Metals** – The Metals vertical trades in both upstream and downstream products of Steel and Aluminum industries. We have also expanded into higher value added products in the Aluminum sector with addition of capacity to develop copper insert bars and expansion into Calcined Petroleum Coke (CPC). During the year under review, US Government imposed stiff import barriers by way of steep hike in import duty on steel imports into the US market. As a result Company's business in US was very adversely affected. Company had to renegotiate the commercial terms with buyers and sellers, divert the cargo suddenly to new markets and also cancel some of the contracts it had entered into. As a result of high volatility in prices, business in other geographies was also adversely affected. As a result though the Steel Trading Business achieved a marginal profit, margins and volumes were adversely affected during the year.
  - b. **Minerals** - The Minerals vertical operates primarily in the thermal coal segment with a presence in the base metals segment as well. The primary consumer market is India, with Vietnam growing into a significant market as well. A total of around 9 million tons plus coal was traded in FY 18-19, registering a growth of \_\_\_\_\_% over the previous year. Though there has been focus on the long term sustainability of coal generated power, the lack of a commercially viable alternative makes coal indispensable for developing economies. The vertical has also expanded its end customer base into other segments like sponge iron and cement manufacturers. Coal prices witnessed an unprecedented drop in the second quarter of the financial year resulting in a major volatility in the markets. Consequently, business had to hold the inventory for longer periods resulting in higher working capital and finance costs during the year. This adverse effect on the business was more than compensated by a very strong performance in the last quarter of the financial year wherein the business has achieved a significantly better performance over the previous year.
  - c. **Agri Products Trading** – The Agri Trading vertical primarily operates in agricultural commodities including but not limited to pulses, rice, sugar and cash-crops like sesame and raw cashew nuts. Though the vertical had made good profits till FY 16-17, due to continued regulatory restrictions in India, Myanmar and China, the performance of the business was adversely affected. The Company also had to incur additional costs / losses on raw cashew nuts imported from Africa due to sudden price fluctuations. The Company has taken steps to rationalize the product portfolio of this business. This business is expected to turn around in the current financial year due to certain steps initiated by the Company.
2. **Distribution**

**Auto** - The TIL Distribution business straddles automotive distribution across 14 markets in Sub Saharan Africa. Currently, the company is a distributor for 3 OEMs – Tata Motors, John Deere and Jaguar Land Rover. FY 19 saw significant improvement in volumes and margins compared to the previous year. A very conscious and focused effort on after sales service helped the business improve its margins. Encouraged by the positive results in the retail finance business in Tanzania, the Company has taken steps to set up retail finance entities in other countries like Nigeria, Zambia, Kenya, etc. These would become operational during the year and contribute to higher margins and volumes. As part of strategic initiative to reduce working capital level, during FY 18-19 the Company has sold part of its receivables on a non-recourse basis to lighten the asset size and reduce borrowings. Company would continue to aggressively pursue this initiative further as it helps Company to reduce working capital, borrowings and improve return on capital employed.
3. **Manufacturing**
  - a. **Footwear & Leather Articles** – India is the one of the largest footwear markets globally with an annual production capacity of 2.2 billion pairs. Company is one of the largest MTO footwear manufacturers in India and counts reputed brands like M&S, Clarks, Zara and Deichmann as key customers. Over the last 18-24 months the Company re-

structured the manufacturing facilities at some of its units. The manufacturing units in Dewas, Madhya Pradesh were shut and the business transferred to units in Chennai Tamil Nadu, resulting in significantly higher capacity utilization in the units in Tamil Nadu. Consequent to shutting down of loss making units in Dewas and enhanced capacity utilization in Chennai, the business has more than doubled its profits for the year. Better currency risk management also resulted in higher profits of the business for the year.

- b. Move On – Consequent to cessation of the licensing arrangement with Aerosoles in FY 17-18, the performance of Move On, Portugal has now stabilized. Due to change the business model from ‘fixed cost’ to ‘variable cost’ and rationalizing of manpower loss for the year is significantly reduced over the previous year. The Company now expects Move On to be a profitable venture from current financial year

### EXTRACT OF ANNUAL RETURN

The details forming part of the extract of the Annual Return in form MGT 9 as per section 92(3) of the Act is annexed herewith as **Annexure A**, which forms part of this Report.

### NUMBER OF MEETINGS OF THE BOARD

The Board met seven times in the current financial year viz., on April 02, 2018, May 2, 2018, May 28, 2018, June 15, 2018, July 28, 2018, October 30, 2018 & February 18, 2019. The maximum interval between any two meetings did not exceed 120 days.

Name of the Director	Category	02-Apr-18	02-May-18	28-May-18	15-Jun-18	28-Jul-18	30-Oct-18	18-Feb-19	Total no of Meeting Attended
Mr. Gopal K. Pillai	Independent Director	✓	✓	✓	✓	✓	✓	✓	7
Mr. D. Premnarayan	Independent Director	✓	✓	✓	✓	✓	✓	✓	7
Mr. N N Tata	Managing Director	✓	✓	✓	✓	✓	✓	✓	7
Mr. R Mukundan	Non- Executive Director	✓	✓	✓	✓	✓	✓	✓	7
Ms. Sandhya Kudtarkar	Non- Executive Director	✓	✓	✓	✓	✓	✓	✓	7

### DIRECTORS' RESPONSIBILITY STATEMENT

Based on the framework of compliance systems established and maintained by the Company, work performed by the internal, statutory, cost and secretarial auditors and external consultant(s) and the reviews performed by Management and the relevant Board Committees, including the Audit Committee, the Board is of the opinion that the Company's compliance systems were adequate and effective during the financial year 2018-19. Accordingly, pursuant to Section 134(5) of the Companies Act, 2013 ("Act"), the Board of Directors, to the best of their knowledge and ability, confirm that:

- in the preparation of the annual accounts for financial year ended 31st March, 2019 the applicable accounting standards had been followed and there were no material departures;
- they have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at March 31, 2019 and of the profit of the Company for that period;
- they have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- they have prepared the Annual Accounts for financial year ended March 31, 2019 on a 'going concern' basis;
- they have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

### INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY

The Company has an Internal Control System, commensurate with the size, scale and complexity of its operations. The scope and authority of the Internal Audit (IA) function is defined in the Internal Audit Charter. To maintain its objectivity and independence, the Internal Audit function reports to the Chairman of the Audit Committee of the Board.



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The Internal Audit Department monitors and evaluates the efficacy and adequacy of internal controls in the Company, its compliance with operating systems, accounting procedures and policies at all company locations and its subsidiaries. Based on the report of internal audit function, process owners undertake corrective action in their respective areas and thereby strengthen the controls. Significant audit observations and corrective actions thereon are presented to the Audit Committee of the Board.

### **COST AUDITORS**

Pursuant to Section 148 of the Act read with the Companies (Cost Records and Audit) Rules, 2014, as amended from time to time, the cost audit records maintained by the Company in respect of its steel division is required to be audited. Your Directors had, on the recommendation of the Audit Committee, appointed M/s Sohan Lal Jalan & Associates, Cost and Management Accountants, (Membership No. 7442 and Firm Registration No. 000521) to audit the cost accounts of the Company for the financial year 2018-19. The cost audit fees payable are Rs. 50,000 plus statutory levies. As required under the Act, the cost audit fees payable to the cost auditor is required to be placed before the Members in a General Meeting for their ratification. Accordingly, a Resolution seeking Members' ratification for the cost audit fees payable to M/s Sohan Lal Jalan & Associates is included in the Notice convening the Annual General Meeting.

### **SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS OR TRIBUNALS**

There are no significant material orders passed by the Regulators / Courts/Tribunals which would impact the going concern status of the Company and its future operations.

### **BOARD'S INDEPENDENCE**

The Independent Directors have submitted a declaration of independence, as required pursuant to Section 149(7) of the Act, stating that they meet the criteria of independence as provided in Section 149 (6) of the Act. The following 2 Non-Executive Directors are Independent in terms Section 149(6) of the Act:

- Mr. Gopal Krishna Pillai
- Mr. Deepak Premnarayen

### **NOMINATION AND REMUNERATION COMMITTEE**

In compliance with Section 178 of the Act the Board has, on the recommendation of the Nomination & Remuneration Committee framed a charter for laying down provisions relating to selection and appointment of Directors, Senior Management and their remuneration.

#### **Objectives & Scope of the Nomination and Remuneration Committee**

The Nomination and Remuneration Committee (the "Committee") of the Board of Directors (the "Board") of Tata International Limited (the "Company") shall discharge the Board's responsibilities towards shareholders, the investment community, society and other stakeholders with respect to Appointment, Performance Evaluation, Remuneration and Removal of Board members, Key Management Personnel and members of the Executive team. The Committee shall also perform such other duties and responsibilities as may be consistent with the provisions of this charter.

- Recommend to the Board the setup and composition of the Board and its committees. This shall include "Formulation of the criteria for determining qualifications, positive attributes and independence of a director". The committee will consider periodically reviewing the composition of the Board with the objective of achieving an optimum balance of size, skills, independence, knowledge, age, gender and experience.
- Recommend to the Board the appointment or reappointment of directors.
- Devise a policy on Board diversity.
- Recommend to the Board appointment of Key Managerial Personnel and Executive team members of the company.
- Support the Board and IDs in evaluation of the performance of the Board, its committees and individual directors. This shall include "Formulation of criteria for evaluation of Independent Directors and the Board." Additionally, the committee may also oversee the performance review process of the KMP and the Executive team members of the company.
- Recommend to the Board the remuneration policy for directors, KMP, Executive team members and for other employees of the Company.
- On an annual basis, recommend to the Board the remuneration payable to directors and KMP and Executive team members of the Company.



- Oversee familiarization programs for directors.
- Oversee the HR philosophy, HR and People strategy and HR practices including those for leadership development, rewards and recognition, talent management and succession planning (specifically for Board, KMP and Executive team).
- Provide guidelines for remuneration of directors on material subsidiaries.
- The Committee of a parent/ holding company shall recommend to its Board how the company will vote on resolutions for appointment and remuneration of directors on the Boards of its material subsidiary companies.
- Performing such other duties and responsibilities as may be consistent with the provisions of the committee charter.

The composition of the Nomination and Remuneration Committee as on March 31, 2019 and the details of Members' participation at the Meetings of the Committee are as under:

	Name of the Member	Category	Attendance at the Nomination and Remuneration Committee Meetings held on		Total
			02-May-18	29-Oct-18	
1	Mr. R. Mukundan (Chairman)	Non- Executive Director	✓	✓	2
2	Mr. G. K. Pillai (Member)	Independent Director	✓	✓	2
3	Mr. D. Premnarayen (Member)	Independent Director	✓	✓	2

#### AUDIT COMMITTEE

The Audit Committee acts as a link between the statutory and internal auditors and the Board of Directors. Its purpose is to assist the Board in fulfilling its oversight responsibilities of monitoring financial reporting processes, reviewing the Company's established systems and processes for internal financial controls, governance and reviewing the Company's statutory and internal audit activities. All recommendations of the Audit Committee were accepted by the Board of Directors.

The Board has constituted a well-qualified Audit Committee. All the members of the Committee are Non-Executive Directors with majority of them are Independent Directors including Chairman. They possess sound knowledge on accounts, audit, finance, taxation, internal controls etc.

The terms of reference of the Committee inter alia, include the following:

- Review the scope of the Statutory Auditors, the annual audit plan and the Internal Audit Plan with a view to ensure adequate coverage
- Examination of the financial statement and the auditors' report thereon
- Review the significant audit findings from the statutory and internal audits carried out, the recommendations and Management's response thereto
- Review and recommend to the Board the appointment/re-appointment of the Statutory Auditors considering their independence and effectiveness and their replacement and removal.
- To recommend to the Board the remuneration of the Statutory Auditors
- To discuss with the Statutory Auditors any significant difficulties encountered during the course of the Audit
- Approval or any subsequent modification of transactions of the company with related parties
- Scrutiny of inter-corporate loans and investments
- Valuation of undertakings or assets of the company, wherever it is necessary
- Evaluation of internal financial controls and risk management systems



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The current composition of the Audit Committee and details of the Members participation at the Meetings of the Committee are as under:

Name of the Member	Category	Attendance at the Audit Committee Meetings held on						Total
		02-May-18	28-May-18	15-Jun-18	28-Jul-18	29-Oct-18	18-Feb-19	
Mr. Deepak Premnarayan, Chairman	Independent Director	✓	✓	✓	✓	✓	✓	6
Mr. G. K. Pillai, Member	Independent Director	✓	✓	✓	✓	✓	✓	6
Ms. Sandhya Kudtarkar Member	Non- Executive Director	✓	✓	✓	✓	✓	✓	6

### PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS:

No loans and investments as per Section 186 of the Act were made by the Company during the financial year 2018-19. The Company has provided following guarantees pursuant to Section 186 of the Act:

As on 31-03-2019

Name of Subsidiary	Foreign Currency in Million	INR Lakh	Full Particulars	Purpose
Tata International Singapore Pte Limited (wholly-owned subsidiary)	SGD 88.81	45,322.41	Guarantee to the holders of perpetual bonds of value SGD 50.75 Million.	Repayment of debts, general corporate purpose and recapitalization of some subsidiaries in Africa
Tata International Singapore Pte Limited (wholly-owned subsidiary)	EUR 30.00	23,298.60	Guarantee to Exim Bank of India for term loan of EUR 30 Million.	Repayment of debts, general corporate purpose and recapitalization of some subsidiaries in Africa
Tata International Singapore Pte Limited (wholly-owned subsidiary)	USD 33.00	22,819.50	Guarantee to IndusInd Bank for term loan of USD 30 Million.	Repayment of debts, general corporate purpose and recapitalization of some subsidiaries in Africa
<b>Total</b>		<b>91,440.51</b>		

### RELATED PARTY TRANSACTIONS

In line with the requirements of the Act, your Company has formulated a policy on dealing with Related Party Transactions ('RPTs'). The Policy intends to ensure that proper reporting, approval and disclosure processes are in place for all transactions between the Company and Related Parties.

Prior omnibus approval is obtained for RPTs which are of a repetitive nature and entered in the Ordinary Course of Business and are at Arm's Length. A statement on RPTs specifying the details of the transactions, pursuant to each omnibus approval granted, has been placed on a quarterly basis for review by the Audit Committee. All RPTs that were entered into during the financial year were in the Ordinary Course of Business and at Arm's Length. No Material RPTs, i.e. transactions exceeding the prescribed limits under Section 188 of the Act were entered into during the year by your Company. Accordingly, the disclosure of RPTs in Form AOC-2 is not applicable.

The particulars of contracts or arrangements with related parties referred to in Section 188(1) of the Act in Form AOC -2, prescribed in Rule 8(2) of the Companies (Accounts) Rules, 2014 is appended as **Annexure B**.

**MATERIAL CHANGES AND COMMITMENTS AFFECTING THE FINANCIAL POSITION OF THE COMPANY**

There have been no material changes and commitments affecting the financial position of the Company which have occurred between the end of the financial year of the Company to which the financial statements relate and the date of this Report.

**HUMAN RESOURCES**

Q1 FY18-19 saw the completion of organization restructuring especially in the Distribution & Leather Products businesses. The year also saw a focus on enhancing productivity in businesses, enabled by improving manpower capability and introduction/strengthening of performance based incentive/bonus schemes. Documenting, assessing and improving people processes through the TBEM framework was another area of emphasis. The company continues its efforts on automation and strengthening shared services operations, also improving the quality of measurement & service delivery.

As of 31st March 2019, the Company had 7744 permanent employees on a consolidated basis.

**CORPORATE GOVERNANCE**

The policies and guidelines of Corporate Governance have been implemented in all facets of your Company's operations to build up an environment of trust and confidence amongst the stakeholders of the Company. Company believes in professional management of its business which ensures that decision making powers vested in executive management are used to meet stakeholders' aspiration and social expectations. It also ensures total transparency and complete accountability. The Company believes that good Corporate Governance is a continuous process and strives to improve the Corporate Governance practices to meet shareholder's expectations. The Company has a strong legacy of fair, transparent and ethical governance practices. The Company has adopted a Code of Conduct for its employees including the Managing Director to align with changing cultural and regulatory norms across the multiple jurisdictions in which the Company conducts its business. In addition, the Company has adopted a Code of Conduct for its non-executive directors which includes Code of Conduct for Independent Directors which suitably incorporates the duties of independent directors as laid down in the Act. These codes are available on the Company's website at <https://tatainternational.com/about-us/governance/>.

During the year, the Board of Directors convened Seven (7) meetings. The Audit Committee held Six (6) Meetings. The Nomination / Remuneration Committee held Two (2) meetings during the year. The Company has also revisited its Standard Operating Procedures for its various operations and has taken steps to strengthen its Risk Management process in keeping with the changes in the external environment and business needs. Risk Management Committee of the Board was formed to review various risk related with the Business. Independent Directors forms part of the Committee.

**CORPORATE SOCIAL RESPONSIBILITY AND AFFIRMATIVE ACTION**

The Company has formulated a Corporate Social Responsibility Committee under the provisions of Section 135 of the Act and the Companies (Corporate Social Responsibility Policy) Rules, 2014. The Corporate Social Responsibility Committee comprises of the following Board members:

1. Mr. R. Mukundan – Chairman and Non-Executive Director
2. Mr. Deepak Premnarayan – Non-Executive & Independent Director
3. Mr. N. N. Tata - Managing Director

The Company has framed a CSR policy in compliance with the provisions of the Act and the same is attached to this report as **Annexure C**. The Company is committed to improving the quality of life of the communities in which it operates.

Affirmative Action (AA) initiatives of the Company are a sub-set of the CSR, and the Company's CSR programmes are designed with major focus on AA initiatives. The Company's AA approach is integrated with the business strategy of its Leather and Leather Products Business and deployed at Dewas and Chennai. The Company participates in the annual external AA assessment conducted by Tata Affirmative Action Program (TAAP).

The Company partners with Madhya Pradesh Council of Employment and Training and Central Footwear Training Institute, Chennai for training youth in vocational skills relating to Leather and Footwear related trade. The "Employability" initiatives of the Company have received recognition from the Group.

The Company was recognized for being the 23rd highest contributor within the Tata Group in the Group Volunteering initiative, contributing 5200+ volunteering hours in areas of environment, education, health & hygiene.

**TATA CODE OF CONDUCT**

The Company being a signatory to the Brand Equity Business Promotion (BEBP) agreement with Tata Sons Pvt. Limited abides by the TCOC. The TCOC has been shared with the employees. TCOC awareness is also a part of the induction process for all employees. Translations of the TCOC in local languages are also circulated to employees in Dewas,



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Chennai and in Hong Kong / China regions. TCOG awareness sessions are also conducted for the benefit of employees of associate companies.

Company also has “Anti Bribery and Anti-Corruption” policy. Ethics Counsellors of the Company have been adequately sensitized with regard to the policy and its objectives.

### **SA 8000: 2008 CERTIFICATION**

The Company follows globally accepted SA 8000 : 2008 (the revised standards) and have obtained accreditation from renowned certified assessor - TUV Nord for its Leather Garments and Footwear operations in Dewas and Chennai.

### **DIRECTORS**

Pursuant to the provisions of Section 152 and other applicable provisions of the Act,

Ms. Sandhya Kudtarkar (DIN- 00021947) retires by rotation at the ensuing Annual General Meeting. The Board of Directors recommend the reappointment of Ms. Sandhya Kudtarkar at the 56th Annual General Meeting.

### **KMP**

Pursuant to the provisions of Section 203 of the Act, the KMPs of your Company as at March 31, 2019 are Mr. Noel Tata, MD & Mr. Ajay M Ponkshe, CFO & Company Secretary.

### **Particulars of Employees**

The statement containing particulars of top ten employees and the employees drawing remuneration in excess of limits prescribed under Section 197(12) of the Act read with Rule 5 (2) and (3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 is provided in a separate Annexure forming part of the Report. In terms of proviso to Section 136(1) of the Act, the Report and Accounts are being sent to the shareholders excluding the aforesaid Annexure. The said statement is also open for inspection at the Registered Office of the Company. Any member interested in obtaining a copy of the same may write to the Company Secretary.

### **AUDITORS**

Your Company in its 55th Annual General Meeting of the Company had approved the appointment of M/s. S R B C & CO LLP, Chartered Accountants (ICAI Firm Registration No. 324982E/E-300003) as the Statutory Auditors of the Company for a term of five years commencing from the Company's financial year ending March 31, 2018 to hold office from the conclusion of the 54th Annual General Meeting of the Company, till the conclusion of the 59th Annual General Meeting to be held in 2022 (subject to ratification of their appointment by the Members at every intervening Annual General Meeting, if so required under the Act).

However, pursuant to the Companies Amendment Act, 2017 which was notified on May 7, 2018, the provision related to ratification of appointment of auditors by Members at every AGM has been done away with.

The Statutory Auditors have not reported any incident of fraud to the Audit Committee of the Company in the year under review. However, the auditor's report on the financial statements of the Company contains certain observations those were addressed by the Board as follows:

### **Control Environment and Business Operations**

The Statutory Auditors have reported certain qualifications in its report on the Company's consolidated financials for the year 2018-19. These qualifications pertain to the following subsidiaries in Africa.

1. Tata Automobile Corporation (SA) (Pty) Ltd (TACSA), South Africa
2. Newshelf 1369 Proprietary Limited, South Africa
3. Tata Africa Holdings Tanzania Ltd (TAHTL) , South Africa
4. Tata Africa Cote D'ivoire SARL
5. TATA Holdings Mocambique, Limitada (THML), Mozambique
6. TATA de Mocambique, Limitada (TDML), Mozambique
7. Cometal SARL, Mozambique
8. TATA International Unitech Senegal SARL, Senegal

The Financial controllers in TACSA, Newshelf (South Africa) and Tanzania had left/ their services had been terminated and

the replacements were not in place during the audit time.

The qualifications for the remaining five entities are due to the inclusion of reporting period of 15 months in the consolidated financials. This was done for aligning the reporting date with the rest of the group.

#### **Explanations or comments by the Board on every qualification made by the Statutory Auditors in their Reports**

1. The Auditors of two subsidiaries i.e. Tata Automobile Corporation (SA) (Pty) Ltd (TACSA) and Newshelf 1369 Proprietary Limited (Newshelf) have reported that the financial statements of TACSA and Newshelf include cash sales over which limited controls exist prior to the cash received being recorded in the accounting records of those entities. Those auditors were unable to perform alternative procedures to satisfy themselves relating to the completeness of this revenue, and accordingly, they were unable to obtain sufficient appropriate audit evidence in this regard

*The company has now minimized the cash transactions and is encouraging all the customers to make direct remittances in the company's bank account through the electronic mode. The company has also strengthened the process of accounting and reconciling the cash sales transactions, which happen primarily for spare parts sale. In the current financial year, company would get this audited by internal auditors and also in the interim audit by statutory auditors. Therefore the company is confident that this qualification will not get repeated next year.*

2. The Auditors of TACSA and Newshelf have also reported that the financial statements of TACSA and Newshelf reflect trade and other receivables equivalent to INR 96.54 crore as at March 31, 2019. The Auditors were unable to obtain sufficient and appropriate audit evidence surrounding the existence, accuracy and valuation of these balances as they were unable to satisfy themselves of the significant number of journals processed in the debtors' ledger, and as a consequence, the resultant adjustments to profit or loss in respect of the write-off of certain debtors balances could also not be verified.

*The company could not get the balance confirmations in time before the audit closure. Subsequently approx. 95% of the value of receivables have either been paid or confirmed by the customers. Additionally, Company has now strengthened the process to reconcile the customers' accounts. Company has also put in place a process for recovery of dues in a structured and pro-active manner. Management is confident that with these improvements, this qualification will not get repeated for current financial year.*

3. The Auditors of Newshelf have also reported that the financial statements do not reflect a balance for work in progress in inventory, despite evidence existing of open job cards as at 31 March 2019. They were unable to confirm or verify by alternative means to satisfy themselves relating to the accuracy, existence and completeness of work in progress at year end. Consequently they were unable to determine the value of such balance and any resultant adjustments in the associated balances and transactions of the accounting records. Accordingly they were unable to obtain sufficient appropriate audit evidence for work in progress at year end.

*The Management is examining the adequacy of existing controls and will put in place proper process of recording the data on job cards to enable accurate valuation of work in progress inventory and will seek opinion from Internal and Statutory auditors. The qualification relates to 7 job cards open as of March 2019 amounting to USD 15,000 ie approx. Rs. 10 lakhs.*

4. The Auditors of Tata Africa Holdings (Tanzania) Limited have reported that, trade and other receivables include amounts of Rs. 4.52 crore as at 31 March, 2019 (Rs.2.67 crore relating to Tax Revenue Authority and Rs.1.85 crore relating to advances) which have not been supported. They were unable to confirm or verify by alternative means the accuracy and existence of such receivables included in the financial statement. Consequently, they were unable to determine whether any adjustments would be required to the carrying amount of receivables and expenses.

*Advances from customers and their subsequent transfers / reversals were lying in different accounts. Although customers have paid advances, the same had not been adjusted against receivables. The Management has now completed the reconciliation of advances from customers' vis-à-vis receivables from customers as appearing in the books. Going forward, these accounts will be reconciled periodically as an on-going process. The company would get this audited by internal auditors and also in the Interim audit by Statutory auditors. Therefore the company is confident that this qualification will not be repeated next year.*

5. The Consolidated Financial statements of the Group for the financial year ended March 31, 2019, are based on the audited financial statements of 5 subsidiaries for a reporting period of 15 months from January 1, 2018 to March 31, 2019 whereas the comparative information pertaining thereto relates to a reporting period of 12 months ended December 31, 2017. To the extent that the length of the reporting periods of these 5 subsidiaries considered in preparing the consolidated financial statements of the company for the year ended March 31, 2019 are not consistent, these



## TATA INTERNATIONAL LIMITED

consolidated financial statements are not in accordance with the requirements of Ind AS 110 'Consolidated Financial Statements.

*The Management did not re-cast the comparative data of the previous year for a like to like period, keeping in mind the system / ERP constraint and also keeping in mind the fact that it may not have material impact on the consolidated Financials.*

This qualification is of one-time in nature and will not be applicable in next year.

6. The Financial statements do not include disclosures of cash flow from discontinued operations as required by Ind AS 105-Non Current assets held for sale and discontinued operations for the comparative year ended March 31, 2018.

*In the absence of proper information system Company was unable to do bifurcation of information pertaining to FY 2016-17 between 'continued businesses' and 'discontinued businesses'. As a result Company could not segregate the cash flow statement of FY 17-18 between 'continued business' and 'discontinued businesses'*

### **CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EARNINGS AND OUTGO**

The information on conservation of energy, technology absorption and foreign exchange earnings and outgo stipulated under Section 134(3)(m) of the Act read with Rule 8(3) of the Companies (Accounts) Rules, 2014, is annexed herewith as **Annexure D.**

### **RISK MANAGEMENT POLICY**

The Company has in place a mechanism to identify, assess, monitor and mitigate various risks to key business objectives. Major risks identified by the businesses and functions are systematically addressed through mitigating actions on a continuing basis. These are discussed at the meetings of the Audit Committee and the Board of Directors of the Company and going forward Risk Management Committee shall deal with it.

Risk Management although not mandatory, your Company has constituted a Risk Management Committee as a measure of good governance. The Risk Management Committee is tasked with the responsibility to frame, implement and monitor the risk management plan for the Company. The Committee is responsible for reviewing the risk management plan and ensuring its effectiveness. Your Company has adopted a Risk Management Policy, pursuant to the provisions of Section 134 of the Act, to identify and evaluate business risks and opportunities for mitigation of the same on a continual basis. This framework seeks to create transparency, minimize adverse impact on business objective and enhance your Company's competitive advantage. The Risk Management framework defines the risk management approach across the enterprise at various levels including documentation and reporting. Your Company is faced with risks of different types, each of which need varying approaches for mitigation.

### **ANNUAL EVALUATION OF PERFORMANCE OF THE BOARD, ITS COMMITTEES AND THE INDIVIDUAL DIRECTORS**

Pursuant to the provisions of the Act, the Board of Directors ("Board") has carried out an annual evaluation of its own performance, and that of its committees and individual directors.

The Nomination and Remuneration Committee ("NRC") reviewed the performance of the individual directors and the overall board including the Chairperson. A separate meeting of independent Directors was also held to review the performance of non-independent directors; performance of the Board as a whole and performance of the Chairperson of the company, taking into account the views of executive directors and non-executive directors. This was followed by a Board meeting where all the above was discussed.

The criteria for performance evaluation of the Board included aspects like Board composition and structure; effectiveness of Board processes, information and functioning etc. The criteria for performance evaluation of committees of the Board included aspects like composition of committees, effectiveness of committee meetings etc. The criteria for performance evaluation of the individual directors included aspects on contribution to the Board and committee meetings like preparedness on the issues to be discussed, meaningful and constructive contribution and inputs in meetings etc. In addition, the Chairperson was also evaluated on the key aspects of his role.

### **VIGIL MECHANISM**

In staying true to our values of Strength, Performance and Passion and in line with our vision of being one of the most respected companies, we are committed to maintaining the high standards of Corporate Governance and Stakeholder responsibility.

The Company has adopted a Whistle Blower Policy to deal with instances of fraud and mismanagement, if any. The Whistle

Blower Policy is approved by the Board and placed on the Website of the Company. The policy ensures that strict confidentiality is maintained whilst dealing with concerns and also that no discrimination will be meted out to any person for a genuinely raised concern. A copy of the policy is available on our website [www.tatainternational.com](http://www.tatainternational.com).

The Company has also revised its Standard Operating Procedures for its various operations and has taken steps to further strengthen its Risk Management process, in keeping with the ever changing external environment and business needs.

The Company has zero tolerance for sexual harassment at workplace and has adopted a Policy on prevention, prohibition and redressal of sexual harassment at workplace in line with the provisions of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and the Rules thereunder for prevention and redressal of complaints of sexual harassment at workplace. An Internal Committee (IC) has been set up to redress complaints received regarding sexual harassment. All employees (permanent, contractual, temporary, trainees) are covered under this policy.

During the period under review, the following is a summary of sexual harassment complaints received and disposed of:

- No. of complaints received: 3
- No. of complaints disposed of: 2

Compliance with Secretarial Standards on Board Meetings and General Meetings

The Company has complied with Secretarial Standards issued by the Institute of Company Secretaries of India on Board Meetings and General Meetings.

#### **SECRETARIAL AUDIT REPORT**

The Board of Directors of the Company has appointed M/s. Gupta Baul & Associates; Practicing Company Secretaries, to conduct the Secretarial Audit and their Report on Company's Secretarial Audit is appended to this Report as **Annexure E**.

#### **STATEMENT CONTAINING SALIENT FEATURES OF SUBSIDIARY COMPANIES**

The Annual Consolidated Financial Statements of your Company and its Subsidiaries, prepared in accordance with the relevant Accounting Standards, duly audited by the Statutory Auditors, form a part of the Annual Report and are reflected in the Consolidated Accounts.

Pursuant to the provisions of Section 129(3) of the Act, read with Rule 5 of Companies (Accounts) Rules, 2014, a statement containing the salient features of the financial statements of subsidiaries/joint ventures & associates is attached as **Annexure-F**. The Company will make available the said Financial Statements and related detailed information of the Subsidiary Companies upon the request by any Member of the Company or its Subsidiary. The Financial Statements will also be kept open for inspection by any Member at the Registered Office of the Company and the Subsidiary Companies. Pursuant to the provisions of Section 136 of the Act, the Financial Statements of your Company, Consolidated Financial Statements along with relevant documents and separate audited accounts in respect of subsidiaries are available on the website of your Company.

#### **ACKNOWLEDGEMENTS**

The Directors thank the various Central and State Government Departments, Organizations and Agencies for the continued help and co-operation extended by them.

The Directors also gratefully acknowledge all stakeholders of the Company viz. customers, members, dealers, vendors, banks and other business partners for the excellent support received from them during the year. The Directors place on record their sincere appreciation to all employees of the Company for their unstinted commitment and continued contribution to the Company.

**On behalf of the Board of Directors**

Sd/-  
**Gopal Krishna Pillai**  
Chairman  
DIN: 02340756

**Address:** D 241, 2nd Floor,  
Sarvodaya Enclave,  
New Delhi – 110017

July 16, 2019  
CIN U51900MH1962PLC012528

**ANNEXURE A**  
**Form No. MGT-9**

**EXTRACT OF ANNUAL RETURN**  
**As on the financial year ended on 31st March, 2019**

[Pursuant to section 92(3) of the Companies Act, 2013 and rule 12(1) of the Companies  
(Management and Administration) Rules, 2014]

**I. REGISTRATION DETAILS OF COMPANY–**

1.	CIN	U51900MH1962PLC012528
2.	Registration Date	30/11/1962
3.	Name of the Company	TATA INTERNATIONAL LIMITED
4.	Category/Sub-Category of the Company	Company Limited by Shares/ Indian Non-Government Company
5.	Address of the Registered office and contact details	7th Floor, Trent House, G -Block, Plot No. C-60, Beside Citi Bank, Bandra-Kurla Complex, Bandra(East), Mumbai-400051, Maharashtra Email ID: ajay.ponkshe@tatainternational.com Contact No : 022 6665 2200
6.	Whether listed Company (Yes/No)	No
7.	Name, Address and Contact details of Registrar and Transfer Agent, if any	Bigshares services Pvt. Ltd. 1st floor, Bharat Tin Works Building, Makwana Road, Marol, Andheri West, Mumbai 400059

**II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY:-**

All the business activities contributing 10% or more of the total turnover of the Company shall be stated:-

Sr. No	Name and Description of main products / services	NIC Code of the Product/Service	% to total turnover of the Company
1	Agro	4610	13.08%
2	Mineral	4661	49.53%
3	Footwear	6403	12.37%



**III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES—**

Sr. No	Name & Address of the Company	CIN / GLN	Holding / Subsidiary / Associate	% Of Shares Held	Applicable Section
1	Tata Sons Pvt. Ltd Bombay House 24 Homi Mody Street, Mumbai – 400 001	U99999MH1917PLC000478	Holding	41.75%	2(46)
2	Tata Africa Holdings (SA) (Proprietary) Limited, 39 Ferguson Road, c/o Ferguson and Rivonia Roads, Illovo, Johannesburg, 2196, South Africa	Foreign Company	Subsidiary	100.00%	2(87)
3	Tata South-East Asia Limited 25F, Enterprises Square II, ROOM NO.2506-2508,3 SHEUNG YUET ROAD, KOWLOON BAY,KOWLOON, HONGKONG	Foreign Company	Subsidiary	100.00%	2(87)
4	Tata West Asia FZE P.O. BOX 16980, ZB07, R/A 08, Blue Shed Area, Jebel Ali Free Zone, Dubai, United Arab Emirates	Foreign Company	Subsidiary	100.00%	2(87)
5	Tata Africa Holdings (Ghana) Limited No.13, SAMORA MACHEL ROAD, ASYLUM DOWN, P.O BOX GP 242, ACCRA Ghana	Foreign Company	Subsidiary	100.00%	2(87)
6	Tata Africa Holdings (Kenya) Limited LR No 209/10881/2 Off Mombasa Road Industrial Area, Nairobi	Foreign Company	Subsidiary	100.00%	2(87)
7	Tata Africa Holdings (Tanzania) Limited PLOT NO - 1&2 VINGUNGUTI NYERERE ROAD PO - 40207, DAR-ES-SALAAM	Foreign Company	Subsidiary	100.00%	2(87)
8	Tata Africa Services (Nigeria) Limited Plot C89 Amuwo Odofin Industrial Layout, Apapa-Oshodi Expressway, Lagos, Nigeria	Foreign Company	Subsidiary	100.00%	2(87)
9	Tata Africa Steel Processors (Proprietary) Limited 39 Ferguson Road, Cnr Ferguson and Rivonia Road, Illovo, 2196, Johannesburg, South Africa	Foreign Company	Subsidiary	100.00%	2(87)
10	Tata Automobile Corporation (SA) (Proprietary) Limited 17 North Reef Road, Activia Park Germiston, Johannesburg, South Africa	Foreign Company	Subsidiary	100.00%	2(87)
11	Tata Holdings Mocambique Limitada Av de Mozambique, No 2358, Caixa Postal 758, Maputo, Mozambique	Foreign Company	Subsidiary	100.00%	2(87)
12	Tata De Mocambique Limitada Av de Mozambique, No 2358, Caixa Postal 758, Maputo, Mozambique	Foreign Company	Subsidiary	100.00%	2(87)
13	Tata Uganda Limited Plot 47, Jinja Road P.O Box 7153 Kampala Uganda	Foreign Company	Subsidiary	100.00%	2(87)
14	Tata Zambia Limited 9219,Ben Bella Road, Lusaka	Foreign Company	Subsidiary	100.00%	2(87)



## TATA INTERNATIONAL LIMITED

Sr. No	Name & Address of the Company	CIN / GLN	Holding / Subsidiary / Associate	% Of Shares Held	Applicable Section
15.	Tata Zimbabwe (Private) Limited 94, Simon Mazorodze Road, Corner Beatrice and Hobbs Road, Southerton, HARARE, Zimbabwe	Foreign Company	Subsidiary	100.00%	2(87)
16	Blackwood Hodge Zimbabwe (Private) Limited Stand 4917, Simon Mazorodze Road, P O Box 1978, Harare, Zimbabwe	Foreign Company	Subsidiary	100.00%	2(87)
17	Cometal, S.A.R.L. AV. Milagre Mabote No 9, Caixa, Postal 758 Maputo, Mozambique	Foreign Company	Subsidiary	71.00%	2(87)
18	Pamodzi Hotels Plc Church Road, Lusaka, Zambia	Foreign Company	Subsidiary	90.00%	2(87)
19	Tata Africa (Senegal) S.A.R.L. Sacre Couer 3, Villa no 9434,Bis VDN, BP-16612,Dakar Senegal	Foreign Company	Subsidiary	70.00%	2(87)
20	TIL Leather Mauritius Limited 10 <sup>th</sup> Floor, Raffles Tower, 19, Cybercity, Ebene, Mauritius	Foreign Company	Subsidiary	100.00%	2(87)
21	Euro shoe components Limited NO 60, BHEL ROAD, MUKUNDARAYAPURAM SIPCOT RANIPET Vellore TN 632405 IN	U19116TN2005PLC056665	Subsidiary	100.00%	2(87)
22	Move On Componentes e Calçado, S.A. Rua do Alto da Torre, 100, 3885-436, Esmoriz, Portugal	Foreign Company	Subsidiary	100.00%	2(87)
23	Calsea Footwear Private Limited No. B/1, Ground Floor, Yamuna Flats, 16 <sup>th</sup> Street, Nanganallur, Chennai – 600061, Tamil Nadu	U19201TN2005PTC057816	Subsidiary	100.00%	2(87)
24	Motor Hub East Africa Limited PLOT NO - 1&2 VINGUNGUTI NYERERE ROAD PO - 40207, DAR-ES-SALAAM	Foreign Company	Subsidiary	100.00%	2(87)
25	Tata International Singapore Pte Limited 11, Keppel Road, 10-03 ABI Plaza Singapore, 089057	Foreign Company	Subsidiary	100.00%	2(87)
26	Monroa Portugal, Comércio E Serviços, Unipessoal Lda Rua do Alto da Torre, 100, 3885-436 Esmoriz – Portugal	Foreign Company	Subsidiary	100.00%	2(87)
27	Move On Retail Spain, S.L. Calle Juan de la Cierva, 31, 2º B, Elche Parque Empresarial, 03203 Elche Alicante Spain	Foreign Company	Subsidiary	100.00%	2(87)
28	Tata Africa Cote D'ivoire SARL Immeuble "Grand Siècle", 2ème étage, Route du Lycée Technique, CocodyDanga, Abidjan, Côte d'Ivoire.	Foreign Company	Subsidiary	100.00%	2(87)
29	Tata International Metals (Americas) Ltd. 160 Greentree DR Ste 101 Dover De 19904, United States of America	Foreign Company	Subsidiary	100.00%	2(87)

Sr. No	Name & Address of the Company	CIN / GLN	Holding / Subsidiary / Associate	% Of Shares Held	Applicable Section
30	Tata International Metals (Asia) Limited Unit 6-8, 25th Floor, Enterprise Square Two, 3 Sheung Yuet Road, Kowloon Bay, Kowloon, Hong Kong	Foreign Company	Subsidiary	100.00%	2(87)
31	Tata International Metals (UK) Limited 30 Millbank, London SW1P 4WY UK	Foreign Company	Subsidiary	100.00%	2(87)
32	Tata South East Asia (Cambodia) Limited 278H National Road, #6A, Kein Klang Village, Sangkat Prek Leap, Khan Russey Keo, Phnom Penh, Kingdom of Cambodia	Foreign Company	Subsidiary	100.00%	2(87)
33	Alliance Motors Ghana Limited C/O Accra Nominees Limited, No 13 Samora Machel road Asylum down, Po box gp242, Accra, Ghana	Foreign Company	Subsidiary	100.00%	2(87)
34	Tata International West Asia DMCC Office no 2001 to 2005, 20 <sup>th</sup> Floor, Jumeirah Bay X-3 Tower, Cluster X, Jumeirah Lake Tower, P.O. 120933, Dubai UAE	Foreign Company	Subsidiary	100.00%	2(87)
35	Tata International Vietnam Company Limited No. 21, Nguyen Trung Ngan Street, Ban Nghe Ward, District 1, Ho Chi Minh City, Vietnam	Foreign Company	Subsidiary	100.00%	2(87)
36	Tata International Canada Limited	Foreign Company	Subsidiary	100.00%	2(87)
37	Newshelf 1369 Pty Ltd 17 North Reef Road, Activia Park Germiston, Johannesburg, South Africa	Foreign Company	Subsidiary	100.00%	2(87)
38	Alliance Finance Corporation Limited Plot 1 & 2, Vingunguti Industrial Area, Nyerere Road, P.O.Box 40780, Dar es Salaam, Tanzania	Foreign Company	Subsidiary	100.00%	2(87)
39	Tata International DLT Private Limited Gat No. 281 & 284, Santosh Nagar (Waki), TalukaKhed, Off Pune Nasik Road, Pune 410501	U34200PN2005PTC152193	Joint Venture	50.00%	2(6)
40	Tata Precision Industries (India) Limited INDUSTRIALAREA NO.2, , DEWAS, Madhya Pradesh - 455001	U29120MP1995PLC009773	Joint Venture	50.00%	2(6)
41	Tata International GST AutoLeather Limited 7th Floor, Trent house, G Block, Plot No. C-60, BandraKurla Complex, Bandra East, Mumbai - 400051	U19115MH2014PLC254276	Joint Venture	50%	2(6)
42	Tata Ceramics Limited 26 COCHIN SPECIAL ECONOMIC ZONE, KAKKANAAAD, ERNAKULAM, Kerala - 682037	U26933KL1991PLC006018	Associate	40.54%	2(6)



## TATA INTERNATIONAL LIMITED

Sr. No	Name & Address of the Company	CIN / GLN	Holding / Subsidiary / Associate	% Of Shares Held	Applicable Section
43	Accordian Investments (Propreitary) Limited 7 Corobrik Road Meadowdale, Germiston 1614, South Africa	Foreign Company	Associate	40%	2(6)
44	Consillience Technologies (Proprietary) Limited South Wing The Place, No. 1 Sandton Drive Sandton, Johannesburg, 2196, South Africa	Foreign Company	Associate	50%	2(6)
45	IHMS Hotels (South Africa ) (Proprietary) Limited 39 Ferguson Road, Cnr Ferguson and Rivonia Road, Illovo Johannesburg South Africa	Foreign Company	Associate	50%	2(6)
46	Newshelf 919 (Proprietary) Limited 39 Ferguson Road, Cnr Ferguson and Rivonia Road, Illovo Johannesburg South Africa	Foreign Company	Associate	50%	2(6)
47	Tata Motors (SA) (Proprietary) Limited 39 Ferguson Road, Cnr Ferguson and Rivonia Road, Illovo Johannesburg South Africa	Foreign Company	Associate	40%	2(6)
48	Women in Transport 17 North Reef Road, Activia Park Germiston, 1429, Johannesburg, South Africa	Foreign Company	Associate	50%	2(6)
49	Imbanita Consulting And Engineering Services (Pty) Ltd 39 Ferguson Road, Illovo Gauteng, 2196, South Africa	Foreign Company	Associate	50%	2(6)

**IV. Shareholding pattern of the Company :**
**SHARE HOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity)**
**i) Category-wise Share Holding**

Category of Shareholders	No. of shares held at the beginning of the year			No. of shares held at the end of the year			% Change During the Year
	Demat	Physical	% of Total Shares	Demat	Physical	% of Total Shares	
<b>A. Promoters</b>							
<b>(1) Indian</b>							
a) Individual/HUF	-	-	-	-	-	-	-
b) Central Govt	-	-	-	-	-	-	-
c) State Govt(s)	-	-	-	-	-	-	-
d) Bodies Corp.	-	1,67,400	41.75	1,67,400	-	41.75	-
e) Banks / FI	-	-	-	-	-	-	-
f) Any Other....	-	-	-	-	-	-	-
<b>Sub-total (A) (1):-</b>	<b>-</b>	<b>1,67,400</b>	<b>41.75</b>	<b>1,67,400</b>	<b>-</b>	<b>41.75</b>	<b>-</b>
<b>(2) Foreign</b>							
a) NRIs - Individuals	-	-	-	-	-	-	-
b) Other – Individuals	-	-	-	-	-	-	-
c) Bodies Corp.	-	-	-	-	-	-	-
d) Banks / FI	-	-	-	-	-	-	-
e) Any Other....	-	-	-	-	-	-	-
<b>Sub-total (A) (2):-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total shareholding of Promoter (A) =(A)(1)+(A)(2)</b>	<b>-</b>	<b>1,67,400</b>	<b>41.75</b>	<b>1,67,400</b>	<b>-</b>	<b>41.75</b>	<b>-</b>
<b>B. Public Shareholding</b>							
<b>1. Institutions</b>							
a) Mutual Funds / UTI	-	-	-	-	-	-	-
b) Banks / FI	-	-	-	-	-	-	-
c) Central Govt	-	-	-	-	-	-	-
d) State Govt(s)	-	-	-	-	-	-	-
e) Venture Capital Funds	-	-	-	-	-	-	-
f) Insurance Companies	-	-	-	-	-	-	-
g) FIs	-	-	-	-	-	-	-
h) Foreign Venture Capital Funds	-	-	-	-	-	-	-
i) Others (specify)	-	-	-	-	-	-	-
<b>Sub-total (B)(1):-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>2. Non-Institutions</b>							
a) Bodies Corp.	-	2,33,088	58.13	2,21,536	11,552	58.13	-
i) Indian							
ii) Overseas							
b) Individuals	-	-	-	-	-	-	-
i) Individual shareholders holding nominal share capital upto Rs. 1 lakh							
ii) Individual shareholders holding nominal share capital in excess of Rs. 1 lakh		512	0.13	-	512	0.13	
c) Others (specify)	-	-	-	-	-	-	-
<b>Sub-total (B)(2):-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total Public Shareholding (B)=(B)(1)+(B)(2)</b>	<b>-</b>	<b>2,33,600</b>	<b>58.25</b>	<b>2,21,536</b>	<b>12,064</b>	<b>58.25</b>	<b>-</b>
<b>C. Shares held by Custodian for GDRs &amp; ADRs</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

**ii) Shareholding of Promoters**

Sr. No.	Shareholders Name	Shareholding at the beginning of the year			Shareholding at the end of the year			% change in shareholding during the year
		No. of shares	%of total shares of the Company	%of Shares Pledged / encumbered to total shares	No. of shares	%of total shares of the Company	%of Shares Pledged / encumbered to total shares	
	Tata Sons Pvt. Ltd.	167,400	41.75	-	167,400	41.75	-	-

**(iii) Change in Promoters' Shareholding ( please specify, if there is no change)**

Sr. No.		Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of Shares	% of total shares of the Company	No. of Shares	% of total shares of the Company
	At the Beginning of the Year				
1	Tata Sons Pvt. Ltd.	167,400	41.75	167,400	41.75
	<b>Date Wise Increase/Decrease in Promoters shareholding during the year specifying the reasons for increase/decrease (eg. allotment/transfer/bonus/sweat equity etc)</b>	<b>There was no change in the Promoter Shareholding during the year</b>			

**(iv) Shareholding Pattern of top ten Shareholders (other than Directors, Promoters and Holders of GDRs and ADRs):**

Sr. No.	For Each of top 10 Shareholders	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. Shares	% of total shares of the Company	No. Shares	% of total shares of the Company
	<b>At the Beginning of the Year</b>				
1	Tata Motors Limited	50,000	12.47	50,000	12.47
2	Tata Chemicals Ltd.	48,000	11.97	48,000	11.97
3	Tata Steel Ltd.	28,616	7.14	28,616	7.14
4	Ewart Investments Ltd.	25,000	6.23	25,000	6.23
5	Af-Taab Investment Co. Ltd.	20,500	5.11	20,500	5.11
6	Tata Motors Finance Limited( Formerly Known as Sheba Properties Ltd.)	19,350	4.83	19,350	4.83
7	Tata Industries Ltd.	17,122	4.27	17,122	4.27
8	Voltas Ltd.	10,000	2.49	10,000	2.49
9	The Indian Hotels Company Limited	8,000	2.00	8,000	2.00
10	Tata Power Limited	3,500	0.87	3,500	0.87
	<b>Date wise Increase/Decrease in Shareholding during the year specifying the reasons for increase/decrease (e.g. allotment/transfer/ bonus/sweat equity etc)</b>	<b>There was no change in the shareholding of top ten shareholders during the year</b>			
	<b>At the End of the Year (or on the date of separation, if separated during the year)</b>				
1	Tata Motors Limited	50,000	12.47	50,000	12.47
2	Tata Chemicals Ltd.	48,000	11.97	48,000	11.97
3	Tata Steel Ltd.	28,616	7.14	28,616	7.14
4	Ewart Investments Ltd.	25,000	6.23	25,000	6.23
5	Af-Taab Investment Co. Ltd.	20,500	5.11	20,500	5.11
6	Tata Motors Finance Limited( Formerly Known as Sheba Properties Ltd.)	19,350	4.83	19,350	4.83
7	Tata Industries Ltd.	17,122	4.27	17,122	4.27
8	Voltas Ltd.	10,000	2.49	10,000	2.49
9	The Indian Hotels Company Limited	8,000	2.00	8,000	2.00
10	Tata Power Limited	3,500	0.87	3,500	0.87

**(v) Shareholding of Directors and Key Managerial Personnel:**

For Each of the Directors and KMP	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
	No. of Shares	% of total shares of the Company	No. of Shares	% of total shares of the Company
<b>At the Beginning of the Year</b>	None of the Directors/KMP hold shares in the Company			
<b>Date Wise Increase/Decrease in shareholding during the year specifying the reasons for increase/decrease (eg. allotment/transfer/bonus/sweat equity etc)</b>	None of the Directors/KMP hold shares in the Company			
<b>At the End of the Year</b>	None of the Directors/KMP hold shares in the Company			

**V. INDEBTEDNESS –**
**Indebtedness of the Company including interest outstanding/accrued but not due for payment (Rs in Lakhs)**

Particulars	Secured loan excluding deposits	Unsecured loans	Deposits	Total Indebtedness
<b>Indebtedness at the beginning of the financial year</b>				
Principal Amount	15,492.80	32,234.86	-	47,727.66
Interest due but not paid	-	-	-	-
Interest accrued but not due	30.16	-	-	30.16
<b>Total (1+2+3)</b>	<b>15,522.96</b>	<b>32,234.86</b>	<b>-</b>	<b>47,757.82</b>
<b>Changes in Indebtedness during the financial year (net)</b>				
+ Addition	10,301.44	2,481.60		12,783.04
- Reduction	-			-
<b>Net Change</b>	<b>10,301.44</b>	<b>2,481.60</b>		<b>12,783.04</b>
<b>Indebtedness at the end of the financial year</b>				
Principal Amount	25,824.40	34,610.65		60,435.05
Interest due but not paid	-	-	-	-
Interest accrued but not due	-	105.81	-	105.81
<b>Total (1+2+3)</b>	<b>25,824.40</b>	<b>34,716.46</b>	<b>-</b>	<b>60,540.86</b>

**REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL**

**A. Remuneration to Managing Director, Whole-Time Directors and/or Manager:**

Particulars of remuneration	Mr. Noel N Tata, Managing Director	Total amount (Rs)
1. Gross Salary		
a) Salary as per provisions contained in Section 17(1) of the Income Tax Act, 1961		5,98,86,404
b) Value of perquisites u/s 17(2) of the Income Tax Act, 1961		39,600
c) Profits in lieu of salary u/s 17(3) of the Income Tax Act, 1961		-
2. Stock option		-
3. Sweat equity		-
4. Commission		
As a % of profits		-
Others (specify)		-
5. Others (please specify)		-
<b>TOTAL</b>		<b>5,99,26,004</b>

**Remuneration to other directors**

**1. Independent Directors**

Particulars of Remuneration	Mr. Gopal Krishna Pillai	Mr. DeepakPrem Narayan	Total Amount
Fee for attending Board / committee meetings	Rs. 8,60,000	Rs. 8,60,000	Rs. 17,20,000
Commission	NIL	NIL	
Others, please specify	NIL	NIL	
<b>Total (B)(1)</b>	<b>Rs. 8,60,000</b>	<b>Rs. 8,60,000</b>	<b>Rs. 17,20,000</b>

**2. Other Non-Executive Directors**

Particulars of Remuneration	Name of Directors		Total Amount
	Mr. Ramakrishnan Mukundan	Ms. Sandhya Kudtarkar	
Fee for attending Board / committee meetings	Rs. 4,10,000	Rs. 7,70,000	Rs. 11,80,000
Commission	NIL	NIL	NIL
Others, please specify	NIL	NIL	NIL
<b>Total (B)(2)</b>	<b>Rs. 4,10,000</b>	<b>Rs. 7,70,000</b>	<b>Rs. 11,80,000</b>



**B. Remuneration to Key Managerial Personnel Other Than MD/ Manager/ WTD**

Sr. No	Particulars of remuneration	Name of the Key Managerial Personnel Mr. Ajay Murlidhar Ponkshe (Company Secretary & CFO)	Total Amount (Rs)
1.	Gross Salary		
	a) Salary as per provisions contained in Section 17(1) of the Income Tax Act, 1961		1,55,56,518
	b) Value of perquisites u/s 17(2) of the Income Tax Act, 1961		0
	c) Profits in lieu of salary u/s 17(3) of the Income Tax Act, 1961		0
2.	Stock option		0
3.	Sweat equity		0
4.	Commission		0
	- As a % of profits		0
	- Others (specify)		0
5.	Others (please specify)		0
	<b>TOTAL</b>		<b>1,55,56,518</b>

**VI. Penalty or punishment imposed on the Company, its Directors or Officers and details of compounding of offences and appeals made against such penalty or punishment;**

Type	Section of the Companies Act 2013	Brief Description	Details of Penalty / Punishment/ Compounding fees imposed	Authority [RD / NCLT / COURT]	Appeal made, if any (give Details)
<b>Company</b>			NONE		
Penalty					
Punishment					
Compounding					
<b>Directors</b>			NONE		
Penalty					
Punishment					
Compounding					
<b>Other Officers In Default</b>			NONE		
Penalty					
Punishment					
Compounding					

**Gopal Krishna Pillai**  
**Chairman**  
**DIN: 02340756**

Mumbai  
 July 16, 2019

**ANNEXURE B  
FORM AOC-2**

Form for disclosure of particulars of contract/arrangements entered into by the company with related parties referred to in sub-sec (1) of sec 188 of Companies Act, 2013 including certain arms length transactions under third proviso thereto

**Details of contract entered into with related parties during FY 2018-19**

(a) In the ordinary course of business but difficult to prove Arm's Length

Name(s) of the related party	Nature of Relationship	Type of contracts/ arrangements/ transactions	Total Value of all the Contracts in the Fin Year	Duration of the contracts / arrangements/ transactions	Salient terms of the contracts or arrangements or transactions, if any	Justification for entering into contracts	Date(s) of approval by the Board	Amount paid as advances, if any
<b>Not Applicable</b>								

**Details of contract entered into with related parties during FY 2017-18**

(b) Not in ordinary course of business

<b>NA</b>								
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**G. K. PILLAI  
CHAIRMAN**

**N. N. TATA  
MANAGING DIRECTOR**

**AJAY M PONKSHE  
CHIEF FINANCIAL OFFICER & COMPANY SECRETARY**



**ANNEXURE C**

1. Tata International Limited is aligned to the Tata Group's core purpose of improving the quality of life of the communities we serve through long term stakeholder value creation. Enlarging the scope of Affirmative Action which gained positive momentum since 2009, through its CSR strategy, the company will continue to make need based, focused and exhaustive interventions in identified issues for the economically and socially disadvantaged sections of the society.

Tata International will focus its CSR initiatives in localities surrounding its business operations especially in Dewas & Chennai, taking concrete steps in areas of:

1. Education
  2. Skill Development & Employability
  3. Local level initiatives over and above the ones mentioned above to continue
2. The CSR Committee of the Board will govern and review the CSR initiatives of the company from time to time. The CSR Committee will recommend the Annual Business Plan for CSR to the Board for its approval. The plan will include resource requirements and allocation across interventions and locations. The composition of the CSR committee of the Board is as hereunder:

Mr. Deepak Premnarayen Independent Director

Mr. R Mukundan- Non-Executive Director

Mr. N N Tata- Managing Director

Mr. Manish Kumar, Head – Human Resources, also the CSR Co-coordinator for the company will provide required direction to the implementation team. The CSR Implementation committees will review and report activities, outcomes and impact of the initiatives on a periodic basis to the Board. This CSR policy document will be reviewed from time to time and any changes, if necessary, will be approved by the CSR Committee of the Board.

3. The average net profits of the company for the last three financial years- Rs. 477.54 Lakhs
4. Prescribed CSR expenditure- As per Section 135 of Companies Act, 2013, the Company is required to spend at least two per cent of the average net profits of the company made during the three immediately preceding financial years in pursuance of its Corporate Social Responsibility Policy i.e.,Rs. 9.55 Lakhs. However as a responsible corporate citizen the Company had spent 76.5 Lakhs for the F.Y. 2018-19
5. Details of CSR spent during the financial year
  - a. Total amount to be spent for the financial year- 76.5 Lakhs
  - b. Amount unspent, if any- Not applicable (see point 4)

c. Manner in which the amount spent during the financial year is detailed below:

**TIL - CSR Initiatives 2018 - 2019**

Serial No	CSR project or activity identified	Sector in which the project is covered	Projects or programs (1) Local area or other (2) Specify the state and district where projects or programs were undertaken	Amount outlay (budget) project or program wise	Amount spent on the projects or programs Sub-heads: 1) Direct expenditure on projects 2) Overheads	Cumulative expenditure up-to the reporting period	Amount spent: Direct or through implementing agency
1	Full shoe donation	Disadvantaged/ special children	Uttar Pradesh		45,00,000	45,00,000	Direct
2	Skill development - stitching	Employability	Dewas		28,04,617	73,04,617	Agency
3	Others – - Study material in school - Volunteering programs in Anganwadi - Health Camps	Education, Environment, Health	Dewas, Mumbai, Chennai		3,45,000	76,49,617	Direct/Agency
	<b>Total</b>			<b>15,00,000</b>	<b>76,49,617</b>	<b>76,49,617</b>	

6. We, Deepak Premnarayan, Ramakrishnan Mukundan and Noel Tata, the Members of the CSR Committee of Tata International Limited confirm that the implementation and monitoring of the CSR policy, is in compliance with the CSR objectives and policy of Tata International Limited.

**For & on behalf of the Corporate Social Responsibility Committee**

**Deepak Premnarayan**

**R. Mukundan**

**N. N. Tata**

Mumbai  
July 16, 2019

**ANNEXURE D****A. CONSERVATION OF ENERGY**

- I. The steps taken or impact on conservation of energy (total savings of ~1660 units/day).
  - a. Energy consumption in ETP and RO plant has been reduced by 900 units/day through various initiatives like changing the flow and making use of gravity, replacing old pumps with energy efficient pumps, reducing speed using VFDs, simple automations based on timers, finding alternate technology for high power consumption equipment's etc.
  - b. Speed reduction in 6 No.'s dose drums in LFU by installing VFD panels (360 units/day saving)
  - c. 10 nos. 250W street lights were replaced with 30W LED fittings (22 units/day saving)
  - d. Around 350 nos. LED tube rods of 18 W put in place of 40 W Mercury type (92.4 units/day saving)
  - e. Replaced high power blowers of 3.7 kw (2 nos.) with 1.1 kw (2 nos.) in hot rooms in Fashion Leather Plant (52 Units / day saving)
  - f. Replaced high power blowers of 7.5 kw (2 nos.) with 1.1 kw (4 nos.) in hot rooms in Fashion Leather Plant (106 units/day saving)
  - g. Replaced high power blowers of 3.7 kw (6 nos.) with 1.1 kw (8 nos.) in tunnel drier in Fashion Leather Plant (128 units / day saving)
- II. Purchase of solar power under open access. During 2018-19 total 3.85 M-Units were consumed
- III. The steps taken or impact on conservation of Fuel (total savings of ~ 20 Tons/day of coal)
  - a. Identification of poor Insulation of steam lines using Thermography Camera and fixing it
  - b. Identification and replacement of damaged condensate recovery line between Main Plant and Sheep plant to sustain 80% condensate recovery
  - c. Installation of shell and tube heat exchangers on hot water tank in Fashion Leather Plant to increase efficiency of heat transfer.
  - d. Replacement of old and non-functional traps with double orifice condensate traps to reduce losses
  - e. Replacement of one set out of four sets of boiler tubes in AVB 700 to have better heat transfer thus increasing the efficiency of boiler.

**B. TECHNOLOGY ABSORPTION**

- i. The efforts were made towards technology absorption-
  - (a) In-house innovative chemicals developed and implemented for inhibition of banned chemicals like Cr (VI) and Formaldehyde in leather processing. In order to overcome major Technical Trade Barrier for the industry due to formation of Cr (VI) and Formaldehyde in the final product.
  - (b) Tata International Ltd. in collaboration with TGBL and Tata Motors developed comprehensive solution includes treating and washing tea waste followed by filtration. Filtrate for making tanning agent for processing leather and leftover residue for burning in specially designed boiler/furnace for energy use and boiler ash as sale-able activated carbon, studied effluent treatment using recovered activated carbon w.r.t. >95% COD and colour removal. Also trial completed successfully with recovered tanning agent in leather making recipes. The solution is innovative and applied for patent.
  - (c) Steps initiated for the Usage of ZDHC-MRSL compliant chemicals.
  - (d) Physical Testing facility updated for Automotive Leather testing, this year purchased new instruments like Thermotron Heat and humidity Chamber, Low temperature flex tester and Microscope attached with camera and PC for Major OEM's like Suzuki, FCA ,Honda aligned to the GST Livonia Excellence Centre.
  - (e) Goat Natural Milled article had been developed in R&D using optimized water and chemical consumption. Per Sq. Ft. Chemical cost only INR 10.80 and water consumption 750%.

- (f) Fixing agent RD CFX developed and implemented in bulk with a cost saving of INR 65/Kg.
- (g) Re-tanning agent developed from the process Chrome Free Solid waste –a step towards value creation from waste and protect environment.
- (h) ETP pre & post treatment processes optimized w.r.t. electrical & chemical consumption and manpower uses thereby cost saving of INR 60 Lakhs/annum.

**Chemicals:**

- a. Sales of value added products from waste like Bio 40, Prota and Bio Prohyd have created revenue of Rs. 0.8 crore in FY-19 though the waste generation quantity less this year with better margins than previous year by working on production cost. Nearly 619 M tons of solid waste utilized for making value added products.
- b. Chemical Auxiliary Production Unit (CAPU) manufactured nearly 144 tons of chemicals in FY-19 thereby saved Rs. 1.20 crores against substitution of commercial chemicals in leather production.
- c. Recovery of usable water improved by improving primary treatment and RO operation of waste water treatment of tannery effluent.

**IV. Benefits derived like product improvement, cost reduction, product development or import substitution :**

- (a) R&D activities generated revenue and savings of 'Rs 1.20 and Rs 0.8 crores, respectively in FY-19 by producing in-house chemicals and selling waste recycling products.
- (b) Applied for patents like Cr (VI) inhibition way forward for sustainable leather production” and comprehensive solution for tea waste recycling.
- (c) Sustainable environment efforts made by R&D are well accepted globally in leather industry thereby creating benchmark across the industry
- (d) Leather solid waste generated in production process has been efficiently recycled into saleable products. This has provided an indirect saving on disposal of solid waste as well.
- (e) Environmental clearance obtained from pollution control board through our sustainable efforts on liquid and solid waste management.
- (f) Participating and presented in Educational institutes, Tata Innoverse and Tata Innovista.
- (g) Introduced new leather chemicals in production to cut cost & safe product production..
- (h) Certification like QMS, EMS and LWG gold rating.

**ANNEXURE E**  
**FORM NO. MR-3**  
**SECRETARIAL AUDIT REPORT**

**FOR THE FINANCIAL YEAR ENDED MARCH 31, 2019**

*[Pursuant to section 204(1) of the Companies Act, 2013 and rule  
No.9 of the Companies (Appointment and Remuneration of Managerial Personnel)  
Rules, 2014]*

**To,**  
**The Members,**  
**Tata International Limited**  
7th Floor, Trent House,  
G-Block, Plot No. C-60,  
Besides Citi Bank  
Bandra Kurla Complex,  
Bandra — East,  
Mumbai 400 051

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **Tata International Limited** (hereinafter called “the Company”). Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

Based on our verification of the Company’s books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, we hereby report that in our opinion, the Company has during the audit period covering the financial year ended March 31, 2019 complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on March 31, 2019 according to the provisions of:

- (1) The Companies Act, 2013 (the Act) and the rules made thereunder;
- (2) The Securities Contracts (Regulation) Act, 1956 (‘SCRA’) and the rules made thereunder; (Not Applicable to the Company)
- (3) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder; (Not Applicable to the Company)
- (4) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
- (5) The following Regulations and Guidelines prescribed under the Securities and Board of India Act, 1992 (‘SEBI Act’):-  
(Not Applicable to the Company)
  - (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;  
(Not Applicable to the Company)
  - (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015. (Not Applicable to the Company)
  - (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;  
(Not Applicable to the Company)

- (d) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999; (Not Applicable to the Company)
- (e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008; (Not Applicable to the Company)
- (f) The Securities and Exchange Board of India (Registrars to Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client; (Not Applicable to the Company)
- (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; (Not Applicable to the Company)
- (h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998; (Not Applicable to the Company)

The following laws, as identified by the management, are specifically applicable to the Company:

- (i) Environment (Protection) Act, 1986;
- (ii) Air (Prevention and Control of Pollution) Act, 1981 and Rules issued by the State Pollution Control Boards;
- (iii) Water (Prevention and Control of Pollution) Act, 1974 and Rules issued by the State Pollution Control Boards;
- (iv) Factories Act, 1948 and allied state laws;
- (v) Contract Labour (Regulation and Abolition Act), 1970
- (vi) Employees State Insurance Act, 1948
- (vii) Employees Compensation Act, 1923
- (viii) Employees Provident Fund and Miscellaneous Provisions Act, 1952
- (ix) Industrial Dispute Act, 1947
- (x) Minimum Wages Act, 1948
- (xi) Industrial Employment (Standing Orders) Act, 1946
- (xii) Payment of Bonus Act, 1965
- (xiii) Payment of Gratuity Act, 1936
- (xiv) Payment of Wages Act, 1936
- (xv) The Maternity Benefit Act, 1961
- (xvi) The Equal Remuneration Act, 1976

We have also examined compliance with the applicable clauses of the following:

- (i) Secretarial Standards 1 & 2 issued by The Institute of Company Secretaries of India.

During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above.

**We further report that:**

- (i) The Company has cleared the External Commercial Borrowings (ECB) facility availed from ICICI Bank, Bahrain Branch during the year.
- (ii) The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.





- (iii) Adequate notice was given to all Directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.
- (iv) All decisions at Board Meetings and Committee Meetings are carried out either unanimously or with majority as recorded in the minutes of the meetings of the Board of Directors or Committee of the Board as the case may be.
- (v) As per the explanations given to us in the representations made by the management and relied upon by us there are adequate systems and processes in the Company commensurate with the size and operations of the Company to monitor and ensure compliance with applicable rules, laws, regulations and guidelines.

**For Gupta Baul & Associates Company Secretaries**

**Hitesh Gupta**  
Partner  
ACS - 33684  
CP- 12722

Place: Mumbai  
Date: 2nd May, 2019

## ANNEXURE F

### Statement pursuant to first proviso to sub-section (3) of section 129 of the Companies Act, 2013, read with rule 5 of Companies (Accounts) Rules, 2014 in the prescribed Form AOC-1

Statement containing salient features of the financial statement of Subsidiaries / Associate companies / Joint Ventures

#### Part A: Subsidiaries

( crores)

Sr. No.	Name of the subsidiary	The date since when subsidiary was acquired	Reporting period for the subsidiary concerned, if different from the holding company's reporting period	Reporting currency	Exchange rate as on the last date of the relevant financial year in case of foreign subsidiaries	Share Capital	Reserves & Surplus	Total Assets	Total Liabilities	Investments	Turnover	Profit before taxation	Provision for taxation	Profit after taxation	Proposed dividend	% of shareholding *
1	Tata International Limited	1/Sep/2010	Apr-Mar	INR	1	40.10	1,947.29	3,698.35	1,710.96	409.14	4,809.95	70.92	-8.76	79.68	5.01	
2	Euro Shoe components Limited	26/Dec/2010	Apr-Mar	INR	1	0.06	29.01	40.75	11.69	5.65	75.03	9.18	2.54	6.63		100.00%
3	Calsea Footwear Private Limited	9/May/2011	Apr-Mar	INR	1	18.44	-28.11	54.42	64.09	-	66.25	-5.34	-	-5.34		100.00%
4	Tata West Asia FZE	1/Sep/2010	Apr-Mar	AED	18.8317	20.71	-11.16	9.65	0.09	-	-	-0.13	-	-0.13		100.00%
5	Tata Africa Holdings (SA) (Proprietary) Limited	1/Sep/2010	Apr-Mar	ZAR	4.7681	87.16	1.54	365.39	276.69	153.28	-	-38.07	1.35	-39.42		100.00%
6	Pamodzi Hotels Plc	1/Sep/2010	Apr-Mar	ZMW	5.7007	0.57	19.31	38.62	18.73	-	53.94	3.97	2.40	1.56		90.00%
7	Tata Zambia Limited	1/Sep/2010	Apr-Mar	ZMW	5.7007	0.61	61.66	202.65	140.38	0.00	210.99	-9.08	0.99	-10.06		100.00%
8	Tata Africa Holdings (Ghana) Limited	1/Sep/2010	Apr-Mar	USD	69.1500	53.03	-36.63	144.24	127.84	4.81	77.33	-2.63	2.10	-4.73		100.00%
9	Alliance Motors Ghana Limited	13/Nov/2012	Apr-Mar	USD	69.1500	56.29	-40.85	53.28	37.83	-	75.74	2.22	0.10	2.11		100.00%
10	Tata Automobile Corporation (SA) (Proprietary) Limited	1/Sep/2010	Apr-Mar	ZAR	4.7681	0.00	85.55	191.44	105.89	-	300.62	14.22	4.37	9.85		100.00%
11	Tata Holdings Mocambique Limitada	1/Sep/2010	Apr-Mar	MZN	1.0924	6.12	0.43	21.84	15.29	17.12	15.25	0.60	0.06	0.54		100.00%
12	Tata De Mocambique, Limitada	1/Sep/2010	Apr-Mar	MZN	1.0924	0.06	39.76	105.82	66.00	-	284.20	45.80	5.26	40.54		65.00%
13	Cometal, S.A.R.L.	1/Sep/2010	Apr-Mar	MZN	1.0924	3.93	-7.26	2.15	5.47	-	0.16	-4.02	0.00	-4.02		71.00%
14	Tata Uganda Limited	1/Sep/2010	Apr-Mar	UGX	0.0186	3.89	57.54	109.78	48.35	-	234.02	9.43	3.26	6.17		100.00%
15	Tata Africa Holdings (Tanzania) Limited	1/Sep/2010	Apr-Mar	TZS	0.0300	4.45	35.57	232.65	192.63	-	432.54	-8.95	-	-8.95		100.00%
16	Tata Africa Services (Nigeria) Limited	1/Sep/2010	Apr-Mar	NGN	0.1918	146.21	-72.88	332.39	259.06	-	343.73	-15.18	1.12	-16.31		100.00%
17	TATA Africa Holdings (Kenya) Limited	1/Sep/2010	Apr-Mar	KES	0.6867	57.43	-10.84	253.56	206.97	-	216.77	-40.76	-0.00	-40.76		100.00%
18	Blackwood Hodge Zimbabwe (Private) Limited	1/Sep/2010	Apr-Mar	USD	69.1500	8.71	6.53	64.81	49.57	-	36.36	1.36	0.39	0.97		100.00%
19	Tata Africa Steel Processors (Proprietary) Limited	1/Sep/2010	Apr-Mar	ZAR	4.7681	12.98	-19.59	8.81	15.42	-	0.73	-6.43	0.02	-6.45		100.00%

( crores)



Sr. No.	Name of the subsidiary	The date since when subsidiary was acquired	Reporting period for the subsidiary concerned, if different from the holding company's reporting period	Reporting currency	Exchange rate as on the last date of the relevant financial year in case of foreign subsidiaries	Share Capital	Reserves & Surplus	Total Assets	Total Liabilities	Investments	Turnover	Profit before taxation	Provision for taxation	Profit after taxation	Proposed dividend	% of shareholding*
20	Tata Africa (Senegal) S.A.R.L.	1/Sep/2010	Apr-Mar	XOF	0.1200	20.16	9.62	117.91	88.13	-	145.08	10.40	2.00	8.40		75.13%
21	Newsshelf 1369 Pty Ltd	1/Oct/2016	Apr-Mar	ZAR	4.7681	4.08	-0.31	35.90	32.13	23.95	16.94	0.15	-	0.15		100.00%
22	Tata Africa (Cote D'Ivoire) SARL	19/Mar/2012	Apr-Mar	XOF	0.1200	19.18	-11.80	51.07	43.69	-	61.21	2.13	0.35	1.79		100.00%
23	Tata International Singapore Pte Ltd	1/Nov/2011	Apr-Mar	USD	69.1500	97.50	-111.25	3,665.41	3,679.16	1,687.07	5,823.59	-110.75	-0.85	-109.90		100.00%
24	Tata International Metals (Americas) Limited	19/Nov/2012	Apr-Mar	USD	69.1500	124.47	102.10	987.67	761.09	-	2,695.32	16.04	3.60	12.44		100.00%
25	Tata International Metals (UK) Limited	19/Nov/2012	Apr-Mar	USD	69.1500	75.36	10.37	207.98	122.24	-	1,153.59	5.77	1.06	4.71		100.00%
26	Tata International Vietnam Company Limited	9/Jun/2016	Apr-Mar	VND	0.0030	0.99	-6.07	27.49	32.57	-	22.79	-2.35	-	-2.35		100.00%
27	Tata International Metals (Asia) Limited	19/Nov/2012	Apr-Mar	HKD	8.8654	82.49	20.39	811.64	708.76	-	2,682.91	-19.05	-3.93	-15.12		100.00%
28	Tata International West Asia DMCC	6/Nov/2014	Apr-Mar	USD	69.1500	17.26	12.39	589.41	559.76	-	2,941.03	9.69	-	9.69		100.00%
29	Motor-Hub East Africa Limited	29/May/2015	Apr-Mar	USD	69.1500	23.51	0.75	172.85	148.59	-	220.19	2.17	0.64	1.53		100.00%
30	Alliance Finance Corporation Limited	18/Apr/2017	Apr-Mar	USD	69.1500	27.01	4.58	108.01	76.42	-	12.72	7.06	2.12	4.94		100.00%
31	Tata South East Asia (Cambodia ) Limited	19/Mar/2013	Apr-Mar	USD	69.1500	0.01	-5.84	1.96	7.78	-	4.04	-1.47	0.04	-1.51		100.00%
32	Tata South-East Asia Limited	1/Sep/2010	Apr-Mar	HKD	8.8654	57.03	-48.87	55.47	47.30	0.03	163.41	-3.28	0.27	-3.55		100.00%
33	TIL Leather Mauritius Limited	10/Nov/2010	Apr-Mar	EUR	77.6620	284.67	-107.92	187.08	10.33	186.76	-	-1.11	-	-1.11		100.00%
34	Move On Componentes E Calçado S A	9/May/2011	Apr-Mar	EUR	77.6620	7.77	1.95	30.99	21.27	-	49.15	-26.14	0.09	-26.22		100.00%
35	Move On Retail Spain S L	3/Jan/2012	Apr-Mar	EUR	77.6620	26.23	-26.12	0.27	0.16	-	-	-0.04	-	-0.04		100.00%
36	Monroa Portugal, Comercio E Servicos, Unipessoal LDA	31/Dec/2011	Apr-Mar	EUR	77.6620	0.04	26.73	27.49	0.71	26.23	1.27	-1.66	0.00	-1.66	100.00%	
37	Tata International Canada Ltd	17/Nov/2016	Apr-Mar	USD	69.1500	0.00	-	-	-0.00	-	-	-	-	-		100.00%
38	Tata Zimbabwe (Private) Limited	1/Sep/2010	Dormant	NA		-	-	-	-	-	-	-	-	-	-	100%
39	Tata International Metal SA Pty. Ltd.	13/Jul/2017	Apr-Mar	ZAR	4.7681	7.15	-11.86	11.99	16.70	-	39.69	-12.64	-	-12.64	-	100%

\* % of share holding of the Company and its subsidiaries

Additional details:

**I Name of subsidiaries which are yet to commence operation**

Nil

**II Name of subsidiaries which have been liquidated or sold during the year**

1 TAH Pharmaceuticals Limited

**Part B : Associations and Joint Ventures**

**Statement Pursuant to Section 129(3) of the Companies Act, 2013 related to Associate Companies and Joint Ventures**

**Joint Ventures**

(Rs. in lakh)

	Name of the entity	Latest audited balance sheet date	Date on which the Associate or Joint Venture was associated or acquired	Reporting currency	Shares of the Associate / Joint Ventures held by the Company as on March 31, 2019			Description of how there is significant influence	Reason why the Associate/ Joint Venture is not consolidated	Networth attributable to shareholding as per latest balance sheet ( crores)	Share of Profit / Loss for the year	
					No of shares held by the company in associate / joint venture *	Amount of investment in associate/ joint venture* ( crores)	Extent of holding (in percentage)*				Considered in Consolidation ( crores)	Not Considered in Consolidation ( crores)
<b>A.</b>	<b>Associates</b>											
1	Tata Ceramics Limited	31st March 2019	12th Sep 2011	INR	39,564,942	-	40.54%	Representation on the board and active participation in meetings and deliberation				
2	Accordian Investments (Propreitary) Limited	31st March 2019	19th May 2004	ZAR	18,000,000	-	40.00%	Representation on the board and active participation in meetings and deliberation	-	-	-	
3	Tata Motors (SA) (Pty) Limited	31st March 2019	5th Dec 2007	ZAR	9,918,500	6.84	50.00%	Representation on the board and active participation in meetings and deliberation	5.74	0.63	0.94	
4	Consilience Technologies (Pty) Limited	31st December 2018	12th Dec 2006	ZAR	2,500,000	1.09	50.00%	Representation on the board and active participation in meetings and deliberation	-			
5	IHMS Hotels (SA) (Pty) Limited	31st March 2019	7th Jun 2006	ZAR	86,739,958	41.11	50.00%	Representation on the board and active participation in meetings and deliberation	(85.21)	(1.30)	(1.30)	
6	Newsshelf 919 (Pty) Limited	31st March 2019	18th Sep 2007	ZAR	200	15.68	50.00%	Representation on the board and active participation in meetings and deliberation	21.67	(1.31)	(1.31)	
7	AO Avron	Dormant		ZAR	Dormant							
<b>B.</b>	<b>Joint Ventures</b>											
1	Tata International DLT Private Limited	31st March 2019	29th June 2005	INR	85,400	8.54	50.00%	Representation on the board and active participation in meetings and deliberation	55.45	14.11	14.11	
2	Tata Precision Industries (India) Limited	31st March 2019	28th July 1995	INR	200,000	*	50.00%	Representation on the board and active participation in meetings and deliberation	2.08	0.50	0.50	
3	Tata International GST AutoLeather Limited	31st March 2019	13th March 2014	INR	2,150,000	2.15	50.00%	Representation on the board and active participation in meetings and deliberation	1.04	0.17	0.17	
4												

\* Number of shares, amount of investment and extent of holding by the Company and its subsidiaries

**Note :**

**I Name of associates or joint ventures which are yet to commence operation**

- 1 Imbanita Consulting And Engineering Services (Pty) Ltd
- 2 Women in Transport

**II Name of associates or joint ventures which have been liquidated or sold during the year**

- 1 Tata International Wolverine Brands Limited

## **INDEPENDENT AUDITOR'S REPORT**

**To the Members of Tata International Limited**

**Report on the Audit of the Standalone Ind AS Financial Statements**

### **Opinion**

We have audited the accompanying standalone Ind AS financial statements of **Tata International Limited** ("the Company"), which comprise the Balance sheet as at March 31 2019, the Statement of Profit and Loss, including the statement of Other Comprehensive Income, the Cash Flow Statement and the Statement of Changes in Equity for the year then ended, and notes to the financial statements, including a summary of 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 Ind AS financial statements give the information required by the Companies Act, 2013, as amended ("the Act") in the manner so required, and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2019, its profit including other comprehensive income, its cash flows and the changes in equity for the year ended on that date.

### **Basis for Opinion**

We conducted our audit of the standalone Ind AS financial statements in accordance with the Standards on Auditing (SAs), as specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the 'Auditor's Responsibilities for the Audit of the Standalone Ind AS 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 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 audit opinion on the standalone Ind AS financial statements.

### **Other Information**

The Company's Board of Directors is responsible for the Other Information. Other Information comprises the information included in the annual report, but does not include the standalone Ind AS financial statements and our auditor's report thereon.

Our opinion on the standalone Ind AS 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 Ind AS financial statements, our responsibility is to read the Other Information and in doing so, consider whether such Other Information is materially inconsistent with the standalone Ind AS financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

The annual report was not made available to us as at the date of this auditor's report. We have nothing to report in this regard.

### **Responsibility of Management for the Standalone Ind AS Financial Statements**

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these standalone Ind AS financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows and changes in equity 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, read with the Companies (Indian Accounting Standards) Rules, 2015, as amended. 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 the 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 Ind AS 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 Ind AS financial statements, management is 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.

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

**Auditor's Responsibilities for the Audit of the Standalone Ind AS Financial Statements**

Our objectives are to obtain reasonable assurance about whether the standalone Ind AS 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 Ind AS 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 Ind AS 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 system 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 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 Ind AS financial statements, including the disclosures, and whether the standalone Ind AS 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**

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the "Annexure 1" a statement on the matters specified in paragraphs 3 and 4 of the Order.
2. 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 Balance Sheet, the Statement of Profit and Loss including the Statement of Other Comprehensive Income, the Cash Flow Statement and Statement of Changes in Equity dealt with by this Report are in agreement with the books of account;

- (d) In our opinion, the aforesaid standalone Ind AS financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Companies (Indian Accounting Standards) Rules, 2015, as amended;
- (e) On the basis of the written representations received from the directors as on March 31, 2019 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 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 over financial reporting of the Company with reference to these standalone Ind AS financial statements and the operating effectiveness of such controls, refer to our separate Report in "Annexure 2" to this report;
- (g) In our opinion, the managerial remuneration for the year ended March 31, 2019 has been paid / provided by the Company to its director in accordance with the provisions of section 197 read with Schedule V to the Act;
- (h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended 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 on its financial position in its standalone Ind AS financial statements – Refer Note 28 (a) to the standalone Ind AS financial statements;
  - ii. The Company has made provision, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts – Refer Note 40 to the standalone Ind AS financial statements;
  - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

**For SRBC & COLLP**  
Chartered Accountants  
ICAI Firm Registration Number: 324982E/E300003

**per Vinayak Pujare**  
Partner  
Membership Number: 101143

Place of Signature: Mumbai  
Date: May 22, 2019



## TATA INTERNATIONAL LIMITED

### Annexure 1 referred to in paragraph 1 under the heading “Report on Other Legal and Regulatory Requirements” of our report of even date

#### Re: Tata International Limited (‘the Company’)

- (i) (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
- (b) Certain fixed assets were physically verified during the year by the management, in accordance with a regular programme of verification, which in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. No material discrepancies were noticed on such verification.
- (c) According to the information and explanations given by the management, the title deeds of immovable properties included in Property, Plant and Equipment are held in the name of the Company except the following:

Property	Carrying value as at March 31, 2019 (Rs. in lakhs)	Remarks
Land and building located at 148,149,160,161,46B, 46A & 46C Sipcot Indl Complex, land at 46, 48/B and land at pinchi village, Ranipet. Land and building located at 162, factory building located at Ambur.	703.54	Title deeds are in the name of Bachi Shoes India Private Limited, the erstwhile company that merged with the Company effective April 1, 2015.

- (ii) Inventories have been physically verified during the year by the management. In our opinion, the frequency of verification is reasonable. No material discrepancies were noticed on such physical verification. Substantial portion of inventories lying with third parties have been confirmed by them as at March 31, 2019 and no material discrepancies were noticed in respect of such confirmations.
- (iii) (a) The Company has granted unsecured loans to companies covered in the register maintained under section 189 of the Companies Act, 2013. In our opinion and according to the information and explanations given to us, the terms and conditions of the grant of such loans are not prejudicial to the Company’s interest.
- (b) The schedule of repayment of principal and payment of interest has been stipulated for the loans granted and the repayment / receipts are regular.
- (c) There are no amounts of loans granted to companies, firms or other parties listed in the register maintained under section 189 of the Companies Act, 2013 which are 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 in respect of any party covered under the section 185 of the Act. In respect of loans / advances given, investments made and, guarantees and securities given, the provisions of section 186 of the Act have been complied with.
- (v) The Company has not accepted any deposits within the meaning of Sections 73 to 76 of the Act and the Companies (Acceptance of Deposits) Rules, 2014 (as amended). Accordingly, the provisions of clause 3(v) of the Order are not applicable.
- (vi) We have broadly reviewed the books of account maintained by the Company pursuant to the rules made by the Central Government for the maintenance of cost records under section 148(1) of the Companies Act, 2013, related to the processing of steel and are of the opinion that prima facie, the specified accounts and records have been made and maintained. We have not, however, made a detailed examination of the same.
- (vii) (a) Undisputed statutory dues including provident fund, employees’ state insurance, sales-tax, service-tax, duty of customs, Goods and Services Tax, duty of excise, value added tax, income tax, cess and other material statutory dues have generally been regularly deposited with the appropriate authorities.
- (b) According to the information and explanations given to us, no undisputed amounts payable in respect of provident fund, employees’ state insurance, service-tax, Goods and Services tax, sales-tax, duty of customs, value added tax, income tax, cess and other material statutory dues were outstanding, at the year-end, for a period of more than six months from the date they became payable.



- (c) According to the records of the Company, the dues outstanding as of the balance sheet date, of income-tax, sales-tax, service-tax, duty of customs, duty of excise, value added tax and cess on account of any dispute, are as follows:

Name of the statute	Nature of dues	Amount Involved (Rupees in lakhs)	Year to which it relates	Forum where dispute is pending
The Central Excise Act, 1944	Excise duty	326.53	FY 2014-15	Custom, Excise & Service Tax Appellate Tribunal
The Customs Act, 1962	DEPB / Drawback claim	3,205.11	FY 2003-04 to FY 2010-11	Madhya Pradesh High Court
Finance Act, 1994	Service Tax	19.32	FY 2004-05 to 2008-09	Custom, Excise & Service Tax Appellate Tribunal
The Central Sales Tax Act, 1956	Sales Tax	356.76	FY 2005-06 to FY2012-13	Bihar High Court
The Central Sales Tax Act, 1956	Sales Tax	15.16	FY 2003-04	Sales Tax Appellate Tribunal
The Central Sales Tax Act, 1956	Sales Tax	9.87	FY 2005-06 & FY 2007-08	Assistant Commissioner
The Central Sales Tax Act, 1956	Sales Tax	387.41	FY 2014-15	Joint Commissioner
West Bengal Value Added Tax Act, 2003	VAT	326.07	FY 2014-15	Joint Commissioner

- (viii) In our opinion and according to the information and explanations given by the management, the Company has not defaulted in repayment of loans or borrowing to a financial institution, bank or government or dues to debenture holders.
- (ix) According to the information and explanations given by the management, the Company has not raised any money way of initial public offer / further public offer / debt instruments and term loans hence, reporting under clause (ix) is not applicable to the Company and hence not commented upon.
- (x) Based upon the audit procedures performed for the purpose of reporting the true and fair view of the financial statements and according to the information and explanations given by the management, we report that no fraud by the Company or on the Company by the officers and employees of the Company, has been noticed or reported during the year.
- (xi) According to the information and explanations given by the management, managerial remuneration has been paid / provided in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Companies Act, 2013.
- (xii) In our opinion, the Company is not a Nidhi company. Therefore, the provisions of clause 3(xii) of the Order are not applicable to the Company and hence not commented upon.
- (xiii) According to the information and explanations given by the management, transactions with the related parties are in compliance with section 177 and 188 of Companies Act, 2013 where applicable and the details have been disclosed in the notes to the financial statements, as required by the applicable accounting standards.
- (xiv) According to the information and explanations given to us and on an overall examination of the balance sheet, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review and hence, reporting requirements under clause 3(xiv) are not applicable to the Company and, not commented upon.
- (xv) According to the information and explanations given by the management, the Company has not entered into any non-cash transactions with directors or persons connected thereto as referred to in section 192 of Companies Act, 2013.
- (xvi) According to the information and explanations given to us, the provisions of section 45-IA of the Reserve Bank of India Act, 1934 are not applicable to the Company.

**For S R B C & CO LLP**  
Chartered Accountants  
ICAI Firm Registration Number: 324982E/E300003

**per Vinayak Pujare**  
Partner  
Membership Number: 101143

Place of Signature: Mumbai  
Date: May 22, 2019



## TATA INTERNATIONAL LIMITED

### ANNEXURE 2 TO THE INDEPENDENT AUDITOR'S REPORT OF EVEN DATE ON THE STANDALONE FINANCIAL STATEMENTS OF TATA INTERNATIONAL LIMITED

#### Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

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

#### Management's Responsibility for Internal Financial Controls

The Company's Management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India. 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 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.

#### Auditor's Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting with reference to these standalone financial statements based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing as specified under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting with reference to these standalone financial statements was 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 over financial reporting with reference to these standalone financial statements and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting with reference to these standalone financial statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

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

#### Meaning of Internal Financial Controls Over Financial Reporting with Reference to these Financial Statements

A company's internal financial control over financial reporting 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 control over financial reporting with reference to these standalone 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 Over Financial Reporting with Reference to these Standalone Financial Statements

Because of the inherent limitations of internal financial controls over financial reporting with reference to these standalone 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 over financial reporting with reference to these standalone financial statements to future periods are subject to the risk that the internal financial control over financial reporting with reference to these standalone financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

**Opinion**

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

**For S R B C & COLLP**  
Chartered Accountants  
ICAI Firm Registration Number: 324982E/E300003

**per Vinayak Pujare**  
Partner  
Membership Number: 101143

Place of Signature: Mumbai  
Date: May 22, 2019

## Standalone Balance Sheet as at 31st March, 2019

Particulars	Note No.	As at	As at
		31st March, 2019	31st March, 2018
		Rs. in lakhs	Rs. in lakhs
<b>(I) ASSETS</b>			
<b>(1) Non-current assets</b>			
(a) Property, plant and equipment	03 (a)	8,507.05	9,613.34
(b) Capital work-in-progress	03 (b)	214.96	814.69
(c) Goodwill		16,873.60	16,873.60
(d) Other intangible assets	03 (c)	211.10	207.66
(e) Intangible assets under development	03 (d)	107.11	107.11
(f) Investments in subsidiaries, associates and joint ventures	04 (a)	13,639.36	12,253.36
<b>(g) Financial assets</b>			
(i) Investments	04 (b)	27,274.56	27,549.79
(ii) Loans	05 (a)	-	116,630.84
(iii) Other financial assets	06 (a)	416.28	976.89
(iv) Derivative instruments	40	-	4,666.79
(h) Non-current tax asset (net)		3,073.27	-
(i) Deferred tax assets (net)	34	10,431.80	4,128.16
(j) Other non-current assets	07 (a)	898.45	1,382.41
<b>Total non-current assets</b>		<b>81,647.54</b>	<b>195,204.64</b>
<b>(2) Current assets</b>			
(a) Inventories	8	83,458.73	78,913.92
<b>(b) Financial assets</b>			
(i) Investments	04 (c)	-	470.67
(ii) Trade receivables	9	43,225.16	31,553.61
(iii) Cash and cash equivalents	10	3,706.33	4,431.92
(iv) Bank balances other than (iii) above	10	32.49	10.01
(v) Loans	05 (b)	125,740.47	187.50
(vi) Other financial assets	06 (b)	2,798.81	4,577.31
(vii) Derivative instruments	40	639.79	931.03
(c) Other current assets	07 (b)	20,817.94	20,408.52
(d) Assets classified as held for sale / disposal groups	39	7,849.16	-
<b>Total current assets</b>		<b>288,268.88</b>	<b>141,484.49</b>
<b>TOTAL ASSETS</b>		<b>369,916.42</b>	<b>336,689.13</b>
<b>(II) EQUITY AND LIABILITIES</b>			
<b>(1) Equity</b>			
(a) Equity share capital	11	4,010.00	4,010.00
(b) Unsecured perpetual securities	12	120,000.00	120,000.00
(c) Other equity	13	74,810.61	74,788.63
<b>Total equity</b>		<b>198,820.61</b>	<b>198,798.63</b>
<b>(2) Non-current liabilities</b>			
(a) Financial liabilities			
(i) Borrowings	14 (a)	-	-
(ii) Other financial liabilities	15 (a)	119.57	166.92
(b) Provisions	16 (a)	695.65	850.05
(c) Other non-current liabilities		39.01	-
<b>Total non-current liabilities</b>		<b>854.23</b>	<b>1,016.97</b>
<b>(3) Current liabilities</b>			
(a) Financial liabilities			
(i) Borrowings	14 (b)	60,435.05	46,827.14
(ii) Trade payables	17		
(i) total outstanding dues of micro enterprises and small enterprises		358.91	1,215.33
(ii) total outstanding dues of creditors other than micro enterprises and small enterprises		92,745.70	79,440.34
(iii) Other financial liabilities	15 (b)	293.90	985.95
(iv) Derivative instruments	40	2,295.64	249.14
(b) Provisions	16 (b)	512.41	554.62
(c) Other current liabilities	18	7,370.48	7,104.21
(d) Current tax liabilities (net)		39.27	496.80
(e) Liabilities directly associated with assets classified as held for sale / disposal group	39	6,190.22	-
<b>Total current liabilities</b>		<b>170,241.58</b>	<b>136,873.53</b>
<b>TOTAL EQUITY AND LIABILITIES</b>		<b>369,916.42</b>	<b>336,689.13</b>

See accompanying notes forming part of the standalone financial statements

as per our report of even date

For S R B C &amp; CO LLP

Chartered Accountants

ICAI Firm Registration No: 324982E/E300003

per Vinayak Pujare

Partner

Membership No: 101143

Place : Mumbai

Date : 22nd May, 2019

For and on behalf of the Board of Directors

G. K. Pillai

Chairman

DIN : 02340756

Place : Delhi

Date : 14th May, 2019

N N Tata

Managing Director

DIN : 00024713

Place : Mumbai

Date : 22nd May, 2019

A M Ponkshe

Chief Financial Officer &amp;

Company Secretary

Place : Mumbai

Date : 14th May, 2019

**Standalone Statement of Profit & Loss for the year ended 31st March, 2019**

Particulars	Note No.	For the year ended	For the year ended
		31st March, 2019	31st March, 2018
		Rs. in lakhs	Rs. in lakhs
<b>Continuing operations</b>			
<b>I</b> Revenue from operations	19	480,994.61	246,498.86
<b>II</b> Other income	20	21,339.51	21,780.42
<b>III Total income (I + II)</b>		<b>502,334.12</b>	<b>268,279.28</b>
<b>IV Expenses</b>			
(a) Cost of raw material consumed		66,474.86	64,918.32
(b) Purchase of stock-in-trade		354,242.20	147,517.85
(c) Changes in inventories of finished goods, work-in-progress and stock-in-trade	21	(1,270.18)	(15,571.80)
(d) Employee benefit expense	22	16,966.97	18,929.31
(e) Finance costs	23	4,746.67	4,032.59
(f) Depreciation and amortisation expense	24	2,373.70	2,827.88
(g) Other expenses	25	53,023.48	37,921.97
<b>Total expenses (IV)</b>		<b>496,557.70</b>	<b>260,576.12</b>
<b>V Profit before exceptional items and tax from continuing operations (III - IV)</b>		5,776.42	7,703.16
<b>VI</b> Exceptional items	26	793.68	3,277.55
<b>VII Profit before tax from continuing operations (V + VI)</b>		6,570.10	10,980.71
<b>VIII</b> Tax expense			
(1) Current tax	34	5,210.45	6,138.50
(2) Deferred tax	34	(6,268.79)	(2,688.19)
<b>Total tax expense</b>		<b>(1,058.34)</b>	<b>3,450.31</b>
<b>IX Profit from continuing operations (VII - VIII)</b>		<b>7,628.44</b>	<b>7,530.40</b>
<b>Discontinuing operations</b>	39		
Profit before tax for the year from discontinuing operations		521.62	841.59
Tax expense of discontinuing operations		(182.27)	(291.27)
<b>Profit for the year from discontinuing operations</b>		<b>339.35</b>	<b>550.32</b>
<b>Profit for the year</b>		<b>7,967.79</b>	<b>8,080.72</b>
<b>Other comprehensive income</b>			
(i) Items that will not be reclassified to profit or loss			
(a) Remeasurements of the defined benefit plans		3.46	65.06
(b) Fair value of investments through other comprehensive income		(275.14)	1,497.92
(ii) Income tax effect		(271.68)	1,562.98
(iii) Deferred tax effect		(94.94)	352.75
		(34.85)	-
<b>X Total other comprehensive income</b>		<b>(141.89)</b>	<b>1,210.23</b>
<b>XI Total comprehensive income for the year (IX + X)</b>		<b>7,825.90</b>	<b>9,290.95</b>
<b>XII Earnings per share for continuing operations</b>	41		
(1) Basic (in Rs.)		91.82	33.56
(2) Diluted (in Rs.)		91.82	33.56
<b>Earnings per share for discontinuing operations</b>	41		
(1) Basic (in Rs.)		84.63	137.24
(2) Diluted (in Rs.)		84.63	137.24
<b>Earnings per share for continuing and discontinuing operations</b>	41		
(1) Basic (in Rs.)		176.45	170.80
(2) Diluted (in Rs.)		176.45	170.80
See accompanying notes forming part of the standalone financial statements			

as per our report of even date

**For S R B C & CO LLP**

Chartered Accountants

ICAI Firm Registration No: 324982E/E300003

**per Vinayak Pujare**

Partner

Membership No: 101143

Place : Mumbai

Date : 22nd May, 2019

**For and on behalf of the Board of Directors**
**G. K. Pillai**

Chairman

DIN : 02340756

Place : Delhi

Date : 14th May, 2019

**N N Tata**

Managing Director

DIN : 00024713

Place : Mumbai

Date : 22nd May, 2019

**A M Ponkshe**

Chief Financial Officer &amp;

Company Secretary

Place : Mumbai

Date : 14th May, 2019

## Standalone Statement of Changes in Equity for the year ended 31st March, 2019

## A. Equity share capital

Particulars	Rs. in lakhs
<b>Balance as at 1st April, 2017</b>	4,010.00
Add : Issued during the year	-
Balance as at 31st March, 2018	4,010.00
<b>Balance as at 1st April, 2018</b>	<b>4,010.00</b>
Add : Issued during the year	-
<b>Balance as at 31st March, 2019</b>	<b>4,010.00</b>

## B. Unsecured perpetual securities

Particulars	Rs. in lakhs
<b>Balance as at 1st April, 2017</b>	120,000.00
Add : Issued during the year	-
Balance as at 31st March, 2018	120,000.00
<b>Balance as at 1st April, 2018</b>	120,000.00
Add : Issued during the year	-
<b>Balance as at 31st March, 2019</b>	<b>120,000.00</b>

## C. Other Equity

Rs. in lakhs

Particulars	Reserves & Surplus					Item of OCI	Total Other Equity
	General Reserve	Security Premium	Contingency Reserve	Foreign Projects Reserve	Retained earnings	Fair value of equity instrument through other comprehensive income	
Balance as at 1st April, 2017	10,872.01	18,090.00	50.00	35.00	43,709.45	137.03	72,893.49
Profit for the year	-	-	-	-	8,080.72	-	8,080.72
Other comprehensive income for the year	-	-	-	-	42.54	1,167.69	1,210.23
<b>Total comprehensive income for the year</b>	-	-	-	-	<b>8,123.26</b>	<b>1,167.69</b>	<b>9,290.95</b>
Realised gain on investment carried at fair value through OCI	-	-	-	-	1,101.21	(1,101.21)	-
Distribution on unsecured perpetual securities (net of tax)	-	-	-	-	(7,395.81)	-	(7,395.81)
<b>Balance as at 31st March, 2018</b>	<b>10,872.01</b>	<b>18,090.00</b>	<b>50.00</b>	<b>35.00</b>	<b>45,538.11</b>	<b>203.51</b>	<b>74,788.63</b>
<b>Balance as at 1st April, 2018</b>	<b>10,872.01</b>	<b>18,090.00</b>	<b>50.00</b>	<b>35.00</b>	<b>45,538.11</b>	<b>203.51</b>	<b>74,788.63</b>
Profit for the year	-	-	-	-	7,967.79	-	7,967.79
Other comprehensive income for the year	-	-	-	-	38.31	(180.20)	(141.89)
<b>Total comprehensive income for the year</b>	-	-	-	-	<b>8,006.10</b>	<b>(180.20)</b>	<b>7,825.90</b>
Dividend paid (including dividend tax thereon)	-	-	-	-	(543.67)	-	(543.67)
Distribution on unsecured perpetual securities (net of tax)	-	-	-	-	(7,260.25)	-	(7,260.25)
<b>Balance as at 31st March, 2019</b>	<b>10,872.01</b>	<b>18,090.00</b>	<b>50.00</b>	<b>35.00</b>	<b>45,740.29</b>	<b>23.31</b>	<b>74,810.61</b>

## Nature and purpose of reserves

**General reserve** : The general reserve is used from time to time to transfer profits from retained earnings for appropriation purposes. As the general reserve is created by a transfer from one component of equity to another and is not an item of other comprehensive income, items included in the general reserve will not be reclassified subsequently to profit or loss.

**Security Premium** : Security Premium reserve is used to record the premium on issue of shares. The reserve will be utilised in accordance with the provision of Companies Act, 2013.

**Standalone Statement of Changes in Equity for the year ended 31st March, 2019**

**Contingency Reserve** : Surplus arising out of transfer of assets and liabilities net of cost of the Company's investment in its former subsidiary CAMEO, are presented as a 'Contingency Reserve' which reserve as approved by the shareholders at an EGM and also as sanctioned by Order of the hon'ble High Court of judicature at Bombay, vide its order dated 11th February, 2005 may be utilised to the extent considered necessary by the Board of Directors of the Company from time to time for providing for any contingent liability (including but not limited to tax liabilities), diminution in value of and / or loss on sale of investments and other assets of the Company. If part or whole of the Contingency Reserve is no longer required for these purposes, the same can be transferred to General Reserve and shall be deemed to be the General Reserve for all purposes under the provisions of the Companies Act, 1956 as per the said Order.

**Reserve for equity instrument through other comprehensive income (OCI)** : This reserve represents the cumulative gains and losses arising on the revaluation of equity instruments measured at fair value through OCI, net of amounts reclassified to the retained earnings when those assets have been disposed off.

See accompanying notes forming part of the standalone financial statements

as per our report of even date

**For S R B C & CO LLP**

Chartered Accountants

ICAI Firm Registration No: 324982E/E300003

**per Vinayak Pujare**

Partner

Membership No: 101143

Place : Mumbai

Date : 22nd May, 2019

**For and on behalf of the Board of Directors****G. K. Pillai**

Chairman

DIN : 02340756

Place : Delhi

Date : 14th May, 2019

**N N Tata**

Managing Director

DIN : 00024713

Place : Mumbai

Date : 22nd May, 2019

**A M Ponkshe**

Chief Financial Officer &  
Company Secretary

Place : Mumbai

Date : 14th May, 2019

## Standalone Cash Flow Statement for the year ended 31 March, 2019

Particulars	For the year ended 31st March, 2019		For the year ended 31st March, 2018	
	Rs. in lakhs	Rs. in lakhs	Rs. in lakhs	Rs. in lakhs
<b>A. Cash flow from operating activities</b>				
Profit for the year from Total Operations		7,967.79		7,998.79
<u>Adjustments for:</u>				
Income tax expense recognised in profit & loss	(876.07)		3,741.58	
Unrealised exchange (gain) / loss	(1,014.70)		(617.54)	
Allowance for doubtful debts and bad debts	148.74		-	
Allowance for doubtful advances	117.38		-	
Depreciation and amortisation expense	2,430.81		2,885.15	
Profit on sale of property, plant and equipment	(793.68)		(3,312.31)	
Fair value (gain) / loss	-		11.04	
FV change on derivative	697.10		-	
Remeasurement of defined benefit plans	-		65.06	
Profit on sale of mutual fund investment	(156.07)		(268.72)	
Loss on property, Plant and equipment sold / scrapped / written off (net)	18.14		15.25	
Finance costs	4,994.60		4,113.10	
Realised gain on swap contract	(4,784.57)		(5,235.95)	
Commission income from subsidiaries	(954.16)		(772.37)	
Interest income	(9,115.67)		(7,703.54)	
Dividend income	(567.62)		(380.90)	
		(11,189.79)		(7,460.15)
Operating profit/(Loss) before working capital changes		(3,222.00)		538.64
<u>Changes in working capital:</u>				
Adjustments for (increase) / decrease in operating assets:				
Inventories	(5,984.91)		(22,565.87)	
Trade receivables	(17,053.87)		(11,339.78)	
Current Assets-Financial others	(461.73)		339.51	
Current Assets-Non Financial others	(588.94)		(10,397.39)	
Non Current Assets- Financial others	512.93		(118.82)	
Non Current Assets- Non Financial others	396.75		(473.95)	
		(23,179.77)		(44,556.30)
Adjustments for (increase) / decrease in operating liabilities:				
Trade payables	19,722.82		29,371.57	
Non current Liabilities - Financial Others	(47.35)		(8.54)	
Current Liabilities - Financial Others	132.82		(175.09)	
Current Liabilities - non financial Others	39.01		5,002.83	
Other current liabilities	434.70		-	
Current provisions	(31.90)		(175.30)	
Non current provisions	(124.92)	20,125.18	26.12	34,041.59
Cash generated from operations		(6,276.59)		(9,976.07)
Net income tax (paid) (net)		(4,928.74)		(433.53)
<b>Net cash flow from / (used in) operating activities (A)</b>		<b>(11,205.33)</b>		<b>(10,409.60)</b>





**Standalone Cash Flow Statement for the year ended 31 March, 2019**

Particulars	For the year ended 31st March, 2019		For the year ended 31st March, 2018	
	Rs. in lakhs	Rs. in lakhs	Rs. in lakhs	Rs. in lakhs
<b>B. Cash flow from investing activities</b>				
Purchase of fixed assets				
Capital expenditure on Property plant and equipment		(801.10)		(1,712.86)
<u>Sale of non current investments:</u>				
Subsidiaries		-		1,431.40
<u>Loans/Advances given:</u>				
Subsidiaries		(1,600.00)		-
Others		-		(187.50)
Commission income from Subsidiaries		954.16		780.35
Proceeds from sale of fixed assets		2,875.87		1,281.00
Current investments				
- Proceeds from sale (Mutual fund)		826.74		-
- Proceeds from sale of investment		-		10,891.67
- Advance towards purchase of mutual funds		-		(200.00)
Purchase of non current investments				
-Subsidiaries		(2,240.00)		(877.01)
- Others		-		(15.60)
Interest received				
- Others		9,070.54		7,556.76
Dividend from Subsidiaries/Joint Venture/Associates		448.35		149.76
Dividend from current investment		1.11		112.98
Dividend from Non current investment		118.16		118.16
Bank Balance not considered as cash and cash equivalents (net)		(23.91)		466.65
<b>Net cash flow from / (used in) investing activities (B)</b>		<b>9,629.92</b>		<b>19,795.76</b>
<b>C. Cash flow from financing activities</b>				
Repayment of long-term borrowings		(900.54)		(967.55)
Proceeds from short-term borrowings (net)		13,607.91		3,798.03
Interest and Finance cost		(4,918.95)		(4,181.72)
Interest on perpetual securities paid		(11,160.00)		(11,160.00)
Dividends paid		(540.21)		-
Realised gain on derivative assets		4,784.57		5,235.95
<b>Net cash flow from / (used in) financing activities (C)</b>		<b>872.78</b>		<b>(7,275.29)</b>
<b>Net increase/(decrease) in Cash and cash equivalents (A+B+C)</b>		<b>(702.63)</b>		<b>2,110.87</b>
Cash and cash equivalents at the beginning of the year		4,431.92		2,321.05
<b>Cash and cash equivalents at the end of the year</b>		<b>3,729.29</b>		<b>4,431.92</b>
Cash and cash equivalents as per Balance Sheet (Refer Note 10)		3,706.33		4,431.92
Add: Cash and Cash equivalent of discontinuing operations		22.96		-
<b>Total Cash and cash equivalents</b>		<b>3,729.29</b>		<b>4,431.92</b>

See accompanying notes forming part of the standalone financial statements

as per our report of even date

**For SRBC & CO LLP**

Chartered Accountants

ICAI Firm Registration No: 324982E/E300003

**per Vinayak Pujare**

Partner

Membership No: 101143

Place : Mumbai

Date : 22nd May, 2019

**For and on behalf of the Board of Directors**

**G. K. Pillai**

Chairman

DIN : 02340756

Place : Delhi

Date : 14th May, 2019

**N N Tata**

Managing Director

DIN : 00024713

Place : Mumbai

Date : 22nd May, 2019

**A M Ponshe**

Chief Financial Officer &

Company Secretary

Place : Mumbai

Date : 14th May, 2019

**Notes forming part of the standalone financial statements****1 General information**

Tata International Limited was incorporated on 30th November 1962 as the international business gateway of the Tata company of Companies. It has since evolved into an international entity with a global reach. Its main lines of businesses are manufacture and sale of leather & leather products, trading in metals, minerals and other commodities.

**2 Significant accounting policies****2.1 Statement of compliance**

The standalone financial statements have been prepared in accordance with Ind ASs notified under the Companies (Indian Accounting Standards) Rules, 2015 (as amended from time to time).

**2.2 Basis of preparation and presentation**

The standalone financial statements have been prepared on the historical cost basis except for certain financial instruments that are measured at fair values at the end of each reporting period, as explained in the accounting policies below.

**2.3 Use of estimates**

The preparation of separate financial statements in conformity with the recognition and measurement principles of Ind AS requires the management of the company to make estimates and assumptions that affect the reported balances of assets and liabilities, disclosures relating to contingent liabilities as at the date of the separate financial statements and the reported amounts of income and expense for the periods presented.

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

- Useful lives of Property, plant and equipment and Intangible (Refer Note 2.9 and 2.10)
- Impairment of Property, plant and equipment and Intangible (Refer Note 2.11)
- Assets and obligations relating to employee benefits (Refer Note 2.7)
- Valuation and measurement of income taxes and deferred taxes (Refer Note 2.8)
- Provisions (Refer Note 2.12)

**2.4 Revenue recognition**

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 recognised. Ind AS 115 replaces Ind AS 18 Revenue and Ind AS 11 Construction Contracts.

The Company has adopted Ind AS 115 using the Full Retrospective Method and accordingly previous year numbers are restated. The impact of adoption of the standard on the financial statements of the Company is insignificant.

Revenue is recognised 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 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 recognised 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 recognised when there is billings in excess of revenues.

In accordance with Ind AS 37, the Company recognises 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.

The Company disaggregates revenue from contracts with customers by industry verticals, geography.

#### **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.
- 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 recognised 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 standalone 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.
- Revenue for fixed-price contracts is recognised using percentage-of-completion method. The Company uses judgement to estimate the future cost-to-completion of the contracts which is used to determine the degree of the completion of the performance of the obligation.
- Contract fulfilment costs are generally expensed as incurred.

#### **Dividend, Rental and interest income**

Dividend income from investments is recognised when the shareholder's right to receive payment has been established (provided that it is probable that the economic benefits will flow to the company and the amount of income can be measured reliably).

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.

Rental income arising from operating leases is accounted for on a straight-line basis over the lease terms and is included in revenue in the statement of profit or loss due to its operating nature.

## 2.5 Foreign currencies

The Company's standalone financial statements are presented in INR, which is also the company's functional currency. In preparing the separate financial statements transactions in currencies other than the entity's functional currency (foreign currencies) are recognised at the rates of exchange prevailing at the dates of the transactions. At the end of each reporting period, monetary items denominated in foreign currencies are retranslated at the rates prevailing at that date. Non-monetary items carried at fair value that are denominated in foreign currencies are retranslated at the rates prevailing at the date when the fair value was determined. Non-monetary items that are measured in terms of historical cost in a foreign currency are not retranslated.

Exchange differences on monetary items are recognised in profit or loss in the period in which they arise.

## 2.6 Borrowing costs

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalised as part of the cost of the asset. All other borrowing costs are expensed in the period in which they occur. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds. Borrowing cost also includes exchange differences to the extent regarded as an adjustment to the borrowing costs.

## 2.7 Employee benefits

### 2.7.1 Retirement benefit costs and termination benefits

#### Provident Fund (Defined Contribution)

The Parent company makes monthly contributions to Provident Fund managed by Tata International Limited Provident Fund Trust for qualifying employees. The company meets the shortfall, if any, with respect to the interest rate guaranteed for exempt provident funds.

Payments to defined contribution retirement benefit plans are recognised as an expense when employees have rendered service entitling them to the contributions.

#### Gratuity (Defined Benefit Plan)

For defined benefit retirement benefit plans, the cost of providing benefits is determined using the projected unit credit method, with actuarial valuations being carried out at the end of each annual reporting period. Remeasurement, comprising actuarial gains and losses, the effect of the changes to the asset ceiling (if applicable) and the return on plan assets (excluding net interest), is reflected immediately in the balance sheet with a charge or credit recognised in other comprehensive income in the period in which they occur. Remeasurement recognised in other comprehensive income is reflected immediately in retained earnings and is not reclassified to profit or loss. Past service cost is recognised in profit or loss in the period of a plan amendment. Net interest is calculated by applying the discount rate at the beginning of the period to the net defined benefit liability or asset. Defined benefit costs are categorised as follows:

- service cost (including current service cost, past service cost, as well as gains and losses on curtailments and settlements);
- net interest expense or income; and
- remeasurement

The company presents the first two components of defined benefit costs in profit or loss in the line item 'Employee benefits expense'. Curtailment gains and losses are accounted for as past service costs.

The retirement benefit obligation recognised in the separate 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.

A liability for a termination benefit is recognised at the earlier of when the entity can no longer withdraw the offer of the termination benefit and when the entity recognises any related restructuring costs.

**2.7.2 Short-term and other long-term employee benefits**

A liability is recognised for benefits accruing to employees in respect of wages and salaries, annual leave and sick leave in the period the related service is rendered at the undiscounted amount of the benefits expected to be paid in exchange for that service.

Liabilities recognised in respect of short-term employee benefits are measured at the undiscounted amount of the benefits expected to be paid in exchange for the related service.

Liabilities recognised in respect of other long-term employee benefits are measured at the present value of the estimated future cash outflows expected to be made by the company in respect of services provided by employees up to the reporting date.

**2.8 Taxation**

Income tax expense represents the sum of the tax currently payable and deferred tax.

**2.8.1 Current tax**

The tax currently payable is based on taxable profit for the year. Taxable profit differs from 'profit before tax' as reported in the separate statement of profit and loss because of items of income or expense that are taxable or deductible in other years and items that are never taxable or deductible. The company's current tax is calculated using tax rates that have been enacted or substantively enacted by the end of the reporting period.

Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date in the countries where the Company operates and generates taxable income.

Current income tax relating to items recognised outside profit or loss is recognised outside profit or loss (either in other comprehensive income or in equity). Current tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

**2.8.2 Deferred tax**

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the separate financial statements and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are generally recognised for all taxable temporary differences. Deferred tax assets are generally recognised for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilised. Such deferred tax assets and liabilities are not recognised if the temporary difference arises from the initial recognition of assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit.

The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

Deferred tax liabilities and assets are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realised, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.

The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the company expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities.

Deferred tax assets and deferred tax liabilities are offset if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

**2.8.3 Current and deferred tax for the year**

Current and deferred tax are recognised in profit or loss, except when they relate to items that are recognised in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognised in other comprehensive income or directly in equity respectively.

**2.9 Property, plant and equipment**

Land and buildings held for use in the production or supply of goods or services, or for administrative purposes, are stated in the separate balance sheet at cost less accumulated depreciation and accumulated impairment losses. Freehold land is not depreciated.

Properties in the course of construction for production, supply or administrative purposes are carried at cost, less any recognised impairment loss. Cost includes professional fees and, for qualifying assets, borrowing costs capitalised in accordance with the company's accounting policy. Such properties are classified to the appropriate categories of property, plant and equipment when completed and ready for intended use. Depreciation of these assets, on the same basis as other property assets, commences when the assets are ready for their intended use.

Fixtures and equipment are stated at cost less accumulated depreciation and accumulated impairment losses.

Depreciation is recognised so as to write off the cost of assets (other than freehold land and properties under construction) less their residual values over their useful lives, using written down value method. The estimated useful lives, residual values and depreciation method are reviewed at the end of each reporting period, with the effect of any changes in estimate accounted for on a prospective basis.

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on the disposal or retirement of an item of property, plant and equipment is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognised in profit or loss.

**2.10 Goodwill and Intangible assets****2.10.1 Intangible assets acquired separately**

Intangible assets with finite useful lives that are acquired separately are carried at cost less accumulated amortisation and accumulated impairment losses. Amortisation is recognised on a straight-line basis over their estimated useful lives. The estimated useful life and amortisation method are reviewed at the end of each reporting period, with the effect of any changes in estimate being accounted for on a prospective basis.

**2.10.2 Derecognition of intangible assets**

An intangible asset is derecognised on disposal, or when no future economic benefits are expected from use or disposal. Gains or losses arising from derecognition of an intangible asset, measured as the difference between the net disposal proceeds and the carrying amount of the asset, are recognised in profit or loss when the asset is derecognised.

**2.10.3 Impairment of tangible and intangible assets**

Goodwill are not amortized but are tested for impairment annually or when significant events occur that indicate that the fair value is less than its carrying value. The Company determines fair value by estimating the present value of future cash flows.

At the end of each reporting period, the company reviews the carrying amounts of its tangible and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). When 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. When a reasonable and consistent basis of allocation can be identified, corporate assets are also allocated to individual cash-generating units, or otherwise they are allocated to the smallest company of cash-generating units for which a reasonable and consistent allocation basis can be identified.

Recoverable amount is the higher of fair value less costs of disposal 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 recognised immediately in profit or loss.

When an impairment loss subsequently reverses, the carrying amount of the asset (or a cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognised immediately in profit or loss.

### **2.11 Inventories**

Inventories are stated at the lower of cost and net realisable value. Costs of inventories are determined on a weighted average cost basis. Net realisable value represents the estimated selling price for inventories less all estimated costs of completion and costs necessary to make the sale.

### **2.12 Provisions**

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

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation. When a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows (when the effect of the time value of money is material).

When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, a receivable is recognised as an asset if it is virtually certain that reimbursement will be received and the amount of the receivable can be measured reliably.

#### **2.12.1 Onerous contracts**

Present obligations arising under onerous contracts are recognised and measured as provisions. An onerous contract is considered to exist where the company has a contract under which the unavoidable costs of meeting the obligations under the contract exceed the economic benefits expected to be received from the contract.

### **2.13 Financial instruments**

Financial assets and financial liabilities are recognised when a company entity becomes a party to the contractual provisions of the instruments.

Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognised immediately in profit or loss.

#### **2.13.1 Financial assets**

All regular way purchases or sales of financial assets are recognised and derecognised on a trade date basis. Regular way purchases or sales are purchases or sales of financial assets that require delivery of assets within the time frame established by regulation or convention in the marketplace.

All recognised financial assets are subsequently measured in their entirety at either amortized cost or fair value, depending on the classification of the financial assets

##### **2.13.1.1 Amortised cost and Effective interest method**

The effective interest method is a method of calculating the amortised cost of a debt instrument and of allocating interest income over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash receipts (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the debt instrument, or, where appropriate, a shorter period, to the net carrying amount on initial recognition.

Income is recognised on an effective interest basis for debt instruments other than those financial assets classified as at FVTPL. Interest income is recognised in profit or loss and is included in the "Other income" line item.

**2.13.12 Investments in equity instruments at FVTOCI**

On initial recognition, the company can make an irrevocable election (on an instrument-by-instrument basis) to present the subsequent changes in fair value in other comprehensive income pertaining to investments in equity instruments. This election is not permitted if the equity investment is held for trading. These elected investments are initially measured at fair value plus transaction costs. Subsequently, they are measured at fair value with gains and losses arising from changes in fair value recognised in other comprehensive income and accumulated in the 'Reserve for equity instruments through other comprehensive income'. The cumulative gain or loss is not reclassified to profit or loss on disposal of the investments.

A financial asset is held for trading if:

- it has been acquired principally for the purpose of selling it in the near term; or
- on initial recognition it is part of a portfolio of identified financial instruments that the company manages together and has a recent actual pattern of short-term profit-taking; or
- it is a derivative that is not designated and effective as a hedging instrument or a financial guarantee.

The company has equity investments in certain entities, and elected to FVTOCI irrevocable option for these investments.

Dividends on these investments in equity instruments are recognised in profit or loss when the company's right to receive the dividends is established, it is probable that the economic benefits associated with the dividend will flow to the entity, the dividend does not represent a recovery of part of cost of the investment and the amount of dividend can be measured reliably. Dividends recognised in profit or loss are included in the 'Other income' line item.

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

Investments in equity instruments are classified as at FVTPL, unless the company irrevocably elects on initial recognition to present subsequent changes in fair value in other comprehensive income for investments in equity instruments which are not held for trading (see note 2.13.1.2 above).

Debt instruments that do not meet the amortised cost criteria or FVTOCI criteria (see above) are measured at FVTPL. In addition, debt instruments that meet the amortised cost criteria or the FVTOCI criteria but are designated as at FVTPL are measured at FVTPL.

A financial asset that meets the amortised cost criteria or debt instruments that meet the FVTOCI criteria may be designated as at FVTPL upon initial recognition if such designation eliminates or significantly reduces a measurement or recognition inconsistency that would arise from measuring assets or liabilities or recognising the gains and losses on them on different bases. The company has not designated any debt instrument as at FVTPL.

Financial assets at FVTPL are measured at fair value at the end of each reporting period, with any gains or losses arising on re-measurement recognised in profit or loss. The net gain or loss recognised in profit or loss is included in the 'Other income' line item.

**2.13.14 Impairment of financial assets**

The company applies the expected credit loss model for recognising impairment loss on financial assets measured at amortised cost, debt instruments at FVTOCI, lease receivables, trade receivables other contractual rights to receive cash and other financial asset.

Expected credit losses are the weighted average of credit losses with the respective risks of default occurring as the weights. Credit loss is the difference between all contractual cash flows that are due to the company in accordance with the contract and all the cash flows that the company expects to receive (i.e. all cash shortfalls), discounted at the original effective interest rate (or credit adjusted effective interest rate for purchased or originated credit-impaired financial assets). The company estimates cash flows by considering all contractual terms of the financial instrument (for example prepayment, extension, call and similar options) through the expected life of that financial instrument.

The company measures the loss allowance for a financial instrument at an amount equal to the lifetime expected credit losses if the credit risk on that financial instrument has increased significantly since initial recognition. If the credit risk on a financial instrument has not increased significantly since initial recognition, the company measures the loss allowance for that financial instrument at an amount equal to 12-month expected credit losses. 12-month



expected credit losses are portion of the life-time expected credit losses and represent the lifetime cash shortfalls that will result if default occurs within the 12 months after the reporting date and thus, are not cash shortfalls that are predicted over the next 12 months.

If the company measures loss allowance for a financial instrument at life time expected credit loss model in the previous period, but determines at the end of reporting period that the credit risk has not increased significantly since initial recognition due to improvement in credit quality as compared to the previous period, the company again measures the loss allowances based on 12 months expected credit loss.

When making the assessment of whether there has been a significant increase in credit risk since initial recognition, the company uses the change in the risk of a default occurring over the expected life of the financial instrument instead of the change in the amount of expected credit losses. To make that assessment, the company compares the risk of a default occurring on the financial instrument as at the reporting date with the risk of a default occurring on the financial instrument as at the date of initial recognition and considers reasonable and supportable information, that is available without undue cost or effort, that is indicative of significant increases in credit risk since initial recognition.

For the trade receivables or any contractual right to receive cash or another financial asset that result from transactions that are within the scope of Ind AS 11 and Ind AS 18, the company always measures the loss allowance at an amount equal to lifetime expected credit losses.

Further, for the purpose of measuring lifetime expected credit loss allowance for trade receivables, the company has used a practical expedient as permitted under Ind AS 109. This expected credit loss allowance is computed based on a provision matrix which takes into account historical credit loss experience and adjusted for forward-looking information.

The impairment requirements for the recognition and measurement of a loss allowance are equally applied to debt instruments at FVTOCI except that the loss allowance is recognised in other comprehensive income and is not reduced from the carrying amount in the balance sheet.

#### **213.1.5 Derecognition of financial assets**

The company derecognises a financial asset when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another party. If the company neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred asset, the company recognises its retained interest in the asset and an associated liability for amounts it may have to pay. If the company retains substantially all the risks and rewards of ownership of a transferred financial asset, the company continues to recognise the financial asset and also recognises a collateralised borrowing for the proceeds received.

On derecognition of a financial asset in its entirety, the difference between the asset's carrying amount and the sum of the consideration received and receivable and the cumulative gain or loss that had been recognised in other comprehensive income and accumulated in equity is recognised in profit or loss if such gain or loss would have otherwise been recognised in profit or loss on disposal of that financial asset.

On derecognition of a financial asset other than in its entirety (e.g. when the company retains an option to repurchase part of a transferred asset), the company allocates the previous carrying amount of the financial asset between the part it continues to recognise under continuing involvement, and the part it no longer recognises on the basis of the relative fair values of those parts on the date of the transfer. The difference between the carrying amount allocated to the part that is no longer recognised and the sum of the consideration received for the part no longer recognised and any cumulative gain or loss allocated to it that had been recognised in other comprehensive income is recognised in profit or loss if such gain or loss would have otherwise been recognised in profit or loss on disposal of that financial asset. A cumulative gain or loss that had been recognised in other comprehensive income is allocated between the part that continues to be recognised and the part that is no longer recognised on the basis of the relative fair values of those parts.

#### **213.1.6 Foreign Exchange gain and losses**

For financial liabilities that are denominated in a foreign currency and are measured at amortised cost at the end of each reporting period, the foreign exchange gains and losses are determined based on the amortised cost of the instruments and are recognised in 'Other income'.

The fair value of financial liabilities denominated in a foreign currency is determined in that foreign currency and translated at the spot rate at the end of the reporting period. For financial liabilities that are measured as at FVTPL, the foreign exchange component forms part of the fair value gains or losses and is recognised in profit or loss.

**2.14 Financial liabilities and equity instruments****2.14.1 Classification as debt or equity**

Debt and equity instruments issued by a company entity are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument.

**2.14.2 Equity instruments**

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. Equity instruments issued by a company entity are recognised at the proceeds received, net of direct issue costs.

Repurchase of the company's own equity instruments is recognised and deducted directly in equity. No gain or loss is recognised in profit or loss on the purchase, sale, issue or cancellation of the company's own equity instruments.

**2.14.3 Financial liabilities**

All financial liabilities are subsequently measured at amortised cost using the effective interest method or at FVTPL. However, financial liabilities that arise when a transfer of a financial asset does not qualify for derecognition or when the continuing involvement approach applies, financial guarantee contracts issued by the company, and commitments issued by the company to provide a loan at below-market interest rate are measured in accordance with the specific accounting policies set out below.

**2.14.3.1 Financial liabilities subsequently measured at amortised cost**

Financial liabilities are classified as at FVTPL when the financial liability is either contingent consideration recognised by the company as an acquirer in a business combination to which Ind AS 103 applies or is held for trading or it is designated as at FVTPL. Financial liabilities at FVTPL are stated at fair value, with any gains or losses arising on remeasurement recognised in profit or loss. The net gain or loss recognised in profit or loss incorporates any interest paid on the financial liability and is included in the 'Other income' line item.

**2.14.3.2 Financial liabilities subsequently measured at amortised cost**

Financial liabilities that are not held-for-trading and are not designated as at FVTPL are measured at amortised cost at the end of subsequent accounting periods. The carrying amounts of financial liabilities that are subsequently measured at amortised cost are determined based on the effective interest method. Interest expense that is not capitalised as part of costs of an asset is included in the 'Finance costs' line item.

The effective interest method is a method of calculating the amortised cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the financial liability, or (where appropriate) a shorter period, to the net carrying amount on initial recognition.

**2.14.3.3 Foreign exchange gains and losses**

For financial liabilities that are denominated in a foreign currency and are measured at amortised cost at the end of each reporting period, the foreign exchange gains and losses are determined based on the amortised cost of the instruments and are recognised in 'Other income'.

The fair value of financial liabilities denominated in a foreign currency is determined in that foreign currency and translated at the spot rate at the end of the reporting period. For financial liabilities that are measured as at FVTPL, the foreign exchange component forms part of the fair value gains or losses and is recognised in profit or loss.

**2.14.3.4 Derecognition of financial liabilities**

The company derecognises financial liabilities when, and only when, the company's obligations are discharged, cancelled or have expired. An exchange between with a lender of debt instruments with substantially different terms is accounted for as an extinguishment of the original financial liability and the recognition of a new financial liability. Similarly, a substantial modification of the terms of an existing financial liability (whether or not attributable to the financial difficulty of the debtor) is accounted for as an extinguishment of the original financial liability and the recognition of a new financial liability. The difference between the carrying amount of the financial liability derecognised and the consideration paid and payable is recognised in profit or loss.

### **2.15 Derivative financial instruments**

The company enters into a variety of derivative financial instruments to manage its exposure to interest rate and foreign exchange rate risks, including foreign exchange forward contracts, interest rate swaps and cross currency swaps. Further details of derivative financial instruments are disclosed in notes.

Derivatives are initially recognised at fair value at the date the derivative contracts are entered into and are subsequently remeasured to their fair value at the end of each reporting period. The resulting gain or loss is recognised in profit or loss immediately unless the derivative is designated and effective as a hedging instrument, in which event the timing of the recognition in profit or loss depends on the nature of the hedging relationship and the nature of the hedged item.

### **2.16 Earning Per Share**

Basic earnings per share is calculated by dividing the net profit or loss attributable to equity holder of the Company (after deducting preference dividends and accruals on perpetual security and attributable taxes) by the weighted average number of equity shares outstanding during the period. Diluted earnings per share is computed by dividing the profit after tax by the weighted average number of equity and dilutive equity equivalent shares outstanding during the year, except where the results would be anti-dilutive.

### **2.17 Current versus non-current classification**

The Company presents assets and liabilities in the balance sheet based on current/ non-current classification. An asset is treated as current when it is:- Expected to be realised or intended to be sold or consumed in normal operating cycle- Held primarily for the purpose of trading- Expected to be realised within twelve months after the reporting period, or- Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period All other assets are classified as non-current. A liability is current when:- It is expected to be settled in normal operating cycle- It is held primarily for the purpose of trading- It is due to be settled within twelve months after the reporting period, or - There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period The Company classifies all other liabilities as non-current. Deferred tax assets and liabilities are classified as non-current assets and liabilities. The operating cycle is the time between the acquisition of assets for processing and their realisation in cash and cash equivalents. The Company has identified twelve months as its operating cycle.

### **2.18 Fair value measurement**

The Company measures financial instruments, such as, derivatives at fair value at each balance sheet date. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:- In the principal market for the asset or liability, or- In the absence of a principal market, in the most advantageous market for the asset or liability. The principal or the most advantageous market must be accessible by the Company. The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use. The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs. All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

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

Level 2 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable

Level 3 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable. For assets and liabilities that are recognised in the financial statements on a recurring basis, the Company determines whether transfers have occurred between levels in the hierarchy by re-assessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

For the purpose of fair value disclosures, the Company has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy as explained above.

**2.19 Leases**

The determination of whether an arrangement is (or contains) a lease is based on the substance of the arrangement at the inception of the lease. 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.

**Company as a lessee**

A lease is classified at the inception date as a finance lease or an operating lease. A lease that transfers substantially all the risks and rewards incidental to ownership to the Company is classified as a finance lease. Finance leases are capitalised at the commencement of the lease at the inception date fair value of the leased property or, if lower, at the present value of the minimum lease payments. Lease payments are apportioned between finance charges and reduction of the lease liability so as to achieve a constant rate of interest on the remaining balance of the liability. Finance charges are recognised in finance costs in the statement of profit and loss, unless they are directly attributable to qualifying assets, in which case they are capitalized in accordance with the Company's general policy on the borrowing costs. Contingent rentals are recognised as expenses in the periods in which they are incurred. A leased asset is depreciated over the useful life of the asset. However, if there is no reasonable certainty that the Company will obtain ownership by the end of the lease term, the asset is depreciated over the shorter of the estimated useful life of the asset and the lease term. Operating lease payments are recognised as an expense in the statement of profit and loss on a straight-line basis over the lease term.

**Company as a lessor**

Leases in which the Company does not transfer substantially all the risks and rewards of ownership of an asset are classified as operating leases. Rental income from operating lease is recognised on a straight-line basis over the term of the relevant lease. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised over the lease term on the same basis as rental income. Contingent rents are recognised as revenue in the period in which they are earned. Leases are classified as finance leases when substantially all of the risks and rewards of ownership transfer from the Company to the lessee. Amounts due from lessees under finance leases are recorded as receivables at the Company's net investment in the leases. Finance lease income is allocated to accounting periods so as to reflect a constant periodic rate of return on the net investment outstanding in respect of the lease.

**2.20 Cash and cash equivalents**

Cash and cash equivalent in the balance sheet comprise cash at banks and on hand and short-term deposits with an original maturity of three months or less, which are subject to an insignificant risk of changes in value. For the purpose of the Statement of cash flows, cash and cash equivalents consist of cash and short-term deposits, as defined above, net of outstanding bank overdrafts as they are considered an integral part of the Company's cash management.

**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 amendments to Ind AS which the Company has not applied as they are effective from April 1, 2019:

**Ind AS 116 - Leases**

Ind AS 116 will replace the existing leases standard, Ind AS 17 Leases. Ind AS 116 sets out the principles for the recognition, measurement, presentation and disclosure of leases for both lessees and lessors. It introduces a single, on-balance sheet lessee accounting model for lessees. A lessee recognises right-of-use asset representing its right to use the underlying asset and a lease liability representing its obligation to make lease payments. The standard also contains enhanced disclosure requirements for lessees. Ind AS 116 substantially carries forward the lessor accounting requirements in Ind AS 17.

Based on the preliminary assessment, the Company does not expect any significant impacts on transition to Ind AS 116. This assessment is based on currently available information and may be subject to changes arising from further reasonable and supportable information when the standard will be adopted. The quantitative impacts would be

finalised based on a detailed assessment which has been initiated to identify the key impacts along with evaluation of appropriate transition options.

**Amendments to existing Ind AS:**

The following amendments to existing standards are not expected to have a significant impact on the Company's financial statements. This assessment is based on currently available information and may be subject to changes arising from further reasonable and supportable information being made available to the Company when it will adopt the respective amended standards.

1. Amendment to Ind AS 12 Income Taxes
2. Amendment to Ind AS 19 Employee Benefits
3. Amendment to Ind AS 23 Borrowing Costs
4. Amendment to Ind AS 28 Investments in Associate and Joint Ventures
5. Amendment to Ind AS 103 Business Combinations
6. Amendment to Ind AS 109 Financial Instruments
7. Amendment to Ind AS 111 Joint Arrangements

## Notes forming part of the standalone financial statements

## 03 (a). Property, plant and equipment

Rs. in lakhs

Particulars	Freehold Land	Building	Road	Leasehold Improvement	Plant and Machinery	Furniture and fixtures	Vehicles	Office Equipments	Computer	Electric Installation	Air Conditioner and Refrigerators	Hydraulic works, pipelines & Sluices	Lab Equipments	Total
<b>Deemed cost</b>														
<b>Balance as at 1st April, 2017</b>	<b>1,301.34</b>	<b>5,969.30</b>	<b>1.09</b>	<b>119.22</b>	<b>9,576.82</b>	<b>460.18</b>	<b>97.23</b>	<b>206.08</b>	<b>431.47</b>	<b>555.00</b>	<b>48.27</b>	<b>6.25</b>	<b>12.50</b>	<b>18,784.75</b>
Additions	-	89.72	-	-	565.81	63.75	164.73	19.39	65.32	5.16	11.76	-	-	985.64
Disposals	-	(106.03)	-	-	(138.98)	(0.02)	(2.95)	(0.50)	(3.36)	(0.04)	-	-	-	(251.88)
<b>Balance at March 31, 2018</b>	<b>1,301.34</b>	<b>5,952.99</b>	<b>1.09</b>	<b>119.22</b>	<b>10,003.65</b>	<b>523.91</b>	<b>259.01</b>	<b>224.97</b>	<b>493.43</b>	<b>560.14</b>	<b>60.03</b>	<b>6.25</b>	<b>12.50</b>	<b>19,518.51</b>
Additions	346.43	192.64	-	-	683.13	13.24	0.64	10.68	60.59	16.75	1.76	1.59	-	1,327.44
Forming part of Disposal Group	-	-	-	-	-	(126.79)	(23.65)	(0.00)	(44.00)	(30.23)	(3.86)	-	-	(228.53)
Disposals	-	(18.22)	-	-	(273.74)	(2.20)	(3.61)	(12.18)	(0.95)	(10.58)	(0.77)	-	-	(322.26)
<b>Balance at March 31, 2019</b>	<b>1,647.77</b>	<b>6,127.41</b>	<b>1.09</b>	<b>119.22</b>	<b>10,413.04</b>	<b>408.16</b>	<b>232.39</b>	<b>223.46</b>	<b>509.07</b>	<b>536.08</b>	<b>57.16</b>	<b>7.84</b>	<b>12.50</b>	<b>20,295.17</b>
<b>Accumulated depreciation</b>														
Balance as at 1st April, 2017	-	1,508.97	0.98	17.88	4,664.66	246.79	65.35	142.72	291.08	317.50	28.83	3.00	7.91	7,295.66
Depreciation expense	-	628.76	0.06	23.84	1,678.58	90.01	57.81	46.54	111.07	95.93	14.71	0.91	1.74	2,749.95
Disposals	-	(57.95)	-	-	(76.68)	(0.02)	(2.29)	(0.48)	(3.02)	(0.02)	-	-	-	(140.46)
<b>Balance at March 31, 2018</b>	<b>-</b>	<b>2,079.78</b>	<b>1.04</b>	<b>41.73</b>	<b>6,266.56</b>	<b>336.78</b>	<b>120.87</b>	<b>188.78</b>	<b>399.13</b>	<b>413.41</b>	<b>43.53</b>	<b>3.91</b>	<b>9.65</b>	<b>9,905.17</b>
Depreciation expense	-	555.61	-	23.84	1,395.79	71.07	53.52	24.51	87.57	60.01	8.70	1.07	1.10	2,282.80
Forming part of Disposal Group	-	-	-	-	-	(70.35)	(14.45)	-	(36.72)	(22.28)	(2.89)	-	-	(146.69)
Disposals	-	(6.39)	-	-	(220.91)	(1.99)	(2.57)	(11.04)	(0.84)	(8.65)	(0.75)	-	-	(253.15)
<b>Balance at March 31, 2019</b>	<b>-</b>	<b>2,628.99</b>	<b>1.04</b>	<b>65.57</b>	<b>7,441.44</b>	<b>335.51</b>	<b>157.37</b>	<b>202.24</b>	<b>449.15</b>	<b>442.49</b>	<b>48.58</b>	<b>4.98</b>	<b>10.76</b>	<b>11,788.12</b>
<b>Carrying amount</b>														
<b>Balance as at 1st April, 2017</b>	<b>1,301.34</b>	<b>4,460.33</b>	<b>0.11</b>	<b>101.34</b>	<b>4,912.16</b>	<b>213.39</b>	<b>31.88</b>	<b>63.35</b>	<b>140.39</b>	<b>237.51</b>	<b>19.44</b>	<b>3.25</b>	<b>4.59</b>	<b>11,489.09</b>
<b>Balance at March 31, 2018</b>	<b>1,301.34</b>	<b>3,873.21</b>	<b>0.05</b>	<b>77.50</b>	<b>3,737.08</b>	<b>187.13</b>	<b>138.13</b>	<b>36.18</b>	<b>94.30</b>	<b>146.72</b>	<b>16.48</b>	<b>2.34</b>	<b>2.84</b>	<b>9,613.34</b>
<b>Balance at March 31, 2019</b>	<b>1,647.77</b>	<b>3,498.41</b>	<b>0.05</b>	<b>53.65</b>	<b>2,971.58</b>	<b>72.65</b>	<b>75.01</b>	<b>21.22</b>	<b>59.92</b>	<b>93.59</b>	<b>8.56</b>	<b>2.85</b>	<b>1.73</b>	<b>8,507.05</b>

Note 1: Refer note 14(a) for information on property, plant and equipment pledged as security by the company.

Note 2: Refer note 29(a) for disclosure of contractual commitment for acquisition of property, plant and equipment.

**Notes forming part of the standalone financial statements**
**Note 03 (b). Capital work-in-progress**

Particulars	As at	As at
	31st March, 2019	31st March, 2018
	Rs. in lakhs	Rs. in lakhs
<b>Carrying amount at beginning of year</b>	814.69	202.60
Additions	436.36	1,138.13
Transferred to property, plant and equipment	(1,036.09)	(526.04)
<b>Carrying amount at end of year</b>	<b>214.96</b>	<b>814.69</b>

**03 (c). Other intangible assets**

Rs. in lakhs

Particulars	Computer Software	Other Intangibles	Total
<b>Deemed cost</b>			
Balance as at 1st April, 2017	453.66	582.62	1,036.28
Additions	94.72	-	94.72
<b>Balance at March 31, 2018</b>	<b>548.38</b>	<b>582.62</b>	<b>1,131.00</b>
Additions	171.39	-	171.39
Disposals	(53.76)	-	(53.76)
Forming part of Disposal Group	(80.03)	-	(80.03)
<b>Balance at March 31, 2019</b>	<b>585.98</b>	<b>582.62</b>	<b>1,168.60</b>
<b>Accumulated amortisation</b>			
Balance as at 1st April, 2017	205.53	582.62	788.15
Amortisation expense	135.19	-	135.19
<b>Balance at March 31, 2018</b>	<b>340.72</b>	<b>582.62</b>	<b>923.34</b>
Amortisation expense	148.05	-	148.05
Disposals	(55.82)	-	(55.82)
Forming part of Disposal Group	(58.06)	-	(58.06)
<b>Balance at March 31, 2019</b>	<b>374.89</b>	<b>582.62</b>	<b>957.51</b>
<b>Carrying amount</b>			
Balance as at 1st April, 2017	248.13	-	248.13
<b>Balance at March 31, 2018</b>	<b>207.66</b>	<b>-</b>	<b>207.66</b>
<b>Balance at March 31, 2019</b>	<b>211.10</b>	<b>-</b>	<b>211.10</b>

**Note 03 (d). Intangible assets under development**

Particulars	As at	As at
	31st March, 2019	31st March, 2018
	Rs. in lakhs	Rs. in lakhs
<b>Carrying amount at beginning of year</b>	107.11	19.73
Additions	-	87.38
<b>Carrying amount at end of year</b>	<b>107.11</b>	<b>107.11</b>

## Notes forming part of the standalone financial statements

## Note 04 (a). Investments in subsidiaries, associates and joint ventures

Particulars	As at 31st March, 2019		As at 31st March, 2018	
	No. of shares	Rs. in lakhs	No. of shares	Rs. in lakhs
<b>Investment carried at cost (Unquoted)</b>				
<b>(a) Investments in subsidiaries (equity shares)</b>				
TIL Leather (Mauritius) Ltd	1,000	0.44	1,000	0.44
Calsea Footwear Private limited *	18,435,087	2,240.00	-	-
Euro Shoes Components Private Limited	60,000	3,307.36	60,000	3,307.36
Tata International Singapore Pte Limited	14,100,000	7,726.56	14,100,000	7,726.56
		<b>13,274.36</b>		<b>11,034.36</b>
<b>(b) Investments in associates (equity shares)</b>				
Tata Ceramics Limited	39,564,952	-	39,564,952	-
<b>(c) Investments in joint ventures (equity shares)</b>				
Tata International DLT Private Limited #	-	-	85,400	854.00
Tata International GST AutoLeather Limited	2,150,000	215.00	2,150,000	215.00
<b>(d) Investments in joint ventures (preference shares)</b>				
Tata Precision Industries (India) Limited (6% Non Cumulative Redeemable Preference Shares)	150,000	150.00	150,000	150.00
		<b>365.00</b>		<b>1,219.00</b>
<b>Total</b>		<b>13,639.36</b>		<b>12,253.36</b>

\* During the current year the Company has purchased 1,84,35,087 shares of Calsea Footwear Private limited from Move on Componentes e calçado, S.A. for Rs. 2,240 lakhs, subsequent to which Calsea Footwear Private limited has become a direct subsidiary of the Company effective 1st November, 2019

# During the current year the Company has shown Tata International DLT Private Limited under Assets classified as Held for Sale. (Refer note 39)



**Notes forming part of the standalone financial statements**
**Note 04 (b). Non current other investments**

Particulars	As at 31st March, 2019		As at 31st March, 2018	
	No. of shares	Rs. in lakhs	No. of shares	Rs. in lakhs
<b>Investment carried at fair value through OCI</b>				
<b>Quoted :</b>				
<b>(a) Investments in equity instruments</b>				
Indian Overseas Bank	15,600	2.78	15,600	2.25
<b>(b) Investments in debentures or bonds</b>				
The Tata Power Company Limited (11.40% Perpetual Bond)	150	1,560.90	150	1,594.95
Tata Steel Limited (11.80% Perpetual Bond)	500	5,222.16	500	5,380.46
Tata Steel Limited (11.50% Perpetual Bond)	250	2,595.00	250	2,677.31
		<b>9,380.84</b>		<b>9,654.97</b>
<b>Unquoted :</b>				
<b>(c) Investments in equity instruments</b>				
Tata Sons Limited	1,477	11,901.69	1,477	11,901.69
Tata Industries Limited	3,384,486	5,812.99	3,384,486	5,812.99
Tata Capital Limited	790,592	134.81	790,592	134.81
Tata Services Limited	198	1.98	198	1.98
Tata Employees Consumers Co-operative Society Limited	50	0.05	50	0.05
Dewas Tanneries Private Limited	804	-	804	-
Oriental Floratech India Limited	560,000	-	560,000	-
Surat Diamond Industries Limited	1,000	-	1,000	-
Ambur Effluent Treatment Co-operative Society Limited	11,120	10.12	11,120	11.12
Lotus Clean Power Venture Private Limited	141,500	14.15	161,500	16.15
Olive Ecopower Private Limited	154,850	15.49	135,850	13.59
<b>(d) Investments in preference shares</b>				
Drive India Enterprise Solutions Limited (0.001% Cumulative Redeemable Preference Shares) (refer note 27 (a))	117,328	1.17	117,328	1.17
TVS Logistics Services Limited (0.001% cumulative redeemable non-convertible participating preference shares) (refer note 27 (a))	7,677	0.77	7,677	0.77
Pran Agro Services Limited (5% Non Cumulative Redeemable Preference Shares)	500	0.50	500	0.50
		<b>17,893.72</b>		<b>17,894.82</b>
<b>Total</b>		<b>27,274.56</b>		<b>27,549.79</b>
<b>Total [4(a)+4(b)]</b>		<b>40,913.92</b>		<b>39,803.15</b>
<b>Note :</b> Details of quoted / unquoted investments				
Aggregate book value of quoted investments		9,380.84		9,654.97
Aggregate market value of quoted investments		9,380.84		9,654.97
Aggregate value of unquoted investments		31,533.08		30,148.18
Aggregate amount of Impairment in value of investments		-		-



## TATA INTERNATIONAL LIMITED

### Notes forming part of the standalone financial statements

#### Note 04 (c). Current investments

Particulars	As at	As at
	31st March, 2019	31st March, 2018
	Rs. in lakhs	Rs. in lakhs
<b>Investment carried at fair value through profit and loss</b>		
<b>Mutual Funds (Quoted)</b>		
Tata Liquid Fund Direct Plan - Growth - Nil (31st March, 2018 - 14,689.73 units)	-	470.67
<b>Total</b>	-	<b>470.67</b>
<b>Note :</b>		
Aggregate book value of quoted investments	-	470.67
Aggregate market value of quoted investments	-	470.67
Aggregate value of unquoted investments	-	-
Aggregate amount of impairment in value of investments	-	-

#### Note 05 (a). Non current loans

Particulars	As at	As at
	31st March, 2019	31st March, 2018
	Rs. in lakhs	Rs. in lakhs
<b>Unsecured, considered good</b>		
Loans to subsidiary	-	116,570.84
Loans to others	-	60.00
<b>Total</b>	-	<b>116,630.84</b>

#### Note 05 (b). Current loans

Particulars	As at	As at
	31st March, 2019	31st March, 2018
	Rs. in lakhs	Rs. in lakhs
<b>Unsecured, considered good</b>		
Loans to subsidiary	125,619.36	90.00
Loans to others	121.11	97.50
<b>Total</b>	<b>125,740.47</b>	<b>187.50</b>

#### Note:

During the year 2016-17, the Company has given unsecured shareholder loan of US\$ 1792.18 lakhs at an interest rate of 5.5% per annum to Tata International Singapore Pte Limited, its wholly owned subsidiary for a period of three years. The loan is repayable in total at the end of 3rd year on 20 February, 2020. The interest on the Loan is to be paid on half yearly basis on August 20 and February 20 of each year.

#### Note 06 (a) - Other financial assets - non current

Particulars	As at	As at
	31st March, 2019	31st March, 2018
	Rs. in lakhs	Rs. in lakhs
<b>Unsecured, considered good (unless otherwise stated)</b>		
Security deposits	416.28	976.89
<b>Total</b>	<b>416.28</b>	<b>976.89</b>

**Notes forming part of the standalone financial statements**
**Note 06 (b) - Other financial assets - current**

Particulars	As at	As at
	31st March, 2019	31st March, 2018
	Rs. in lakhs	Rs. in lakhs
<b>Unsecured, considered good (unless otherwise stated)</b>		
Security deposits	624.67	126.26
Export incentive receivable	980.20	1026.24
<b>Interest accrued on:</b>		
Deposits, loans and advances	12.97	4.84
Non current Investments	205.50	206.98
Loan to subsidiary	751.11	712.63
Advance towards purchase of mutual fund	-	200
Advances to employees	224.36	220.36
Receivables on sale of property, plant and equipment	-	2,080.00
<b>Total</b>	<b>2,798.81</b>	<b>4,577.31</b>

**Note 07 (a). Other non current assets**

Particulars	As at	As at
	31st March, 2019	31st March, 2018
	Rs. in lakhs	Rs. in lakhs
<b>Unsecured, considered good (unless otherwise stated)</b>		
Capital advances	5.27	14.10
VAT credit receivable	5.23	5.23
Premium on leasehold land	21.60	21.88
Other prepaid payments	8.83	1.83
<b>Advances to Suppliers</b>		
Unsecured, considered good	443.61	1,097.99
Unsecured, considered doubtful	231.59	231.59
	<b>675.20</b>	<b>1,329.58</b>
Less: Allowances for doubtful debts	231.59	231.59
	<b>443.61</b>	<b>1,097.99</b>
<b>Other advances</b>		
Unsecured, considered good	413.91	241.38
Unsecured, considered doubtful	204.17	229.34
	<b>618.08</b>	<b>470.72</b>
Less: Allowances for doubtful debts	204.17	229.34
	<b>413.91</b>	<b>241.38</b>
<b>Total</b>	<b>898.45</b>	<b>1,382.41</b>

**Note 07 (b). Other current assets**

Particulars	As at	As at
	31st March, 2019	31st March, 2018
	Rs. in lakhs	Rs. in lakhs
<b>Unsecured, considered good (unless otherwise stated)</b>		
Balances with government authorities		
VAT receivable	226.35	1,076.99
Export incentive receivable	3,377.94	3,452.06
GST receivable	12,741.52	9,600.81
Premium on leasehold land	0.28	0.28
Other prepaid payments	436.15	258.13
Advances to suppliers	771.41	2,875.31
Deposits with port trust, customs etc.	131.20	280.85
Other advances	3,133.09	2,864.09
<b>Total</b>	<b>20,817.94</b>	<b>20,408.52</b>

**Notes forming part of the standalone financial statements**

**Note 8. Inventories**

Particulars	As at	As at
	31st March, 2019	31st March, 2018
	Rs. in lakhs	Rs. in lakhs
Raw materials	20,955.26	17,588.26
Work-in-progress	3,790.45	4,120.66
Finished goods	9,607.95	8,424.23
Stock in Trade:		
Traded	46,339.19	41,695.60
Goods-in-transit	11.42	4,407.36
	<b>46,350.61</b>	<b>46,102.96</b>
Consumables	158.46	119.43
Stores and spares	2,549.48	2,418.43
Goods-in-transit (stores and spares)	46.52	139.95
	<b>2,754.46</b>	<b>2,677.81</b>
<b>Total</b>	<b>83,458.73</b>	<b>78,913.92</b>

**Note :** Write down of inventory to net realisable value amounted to Rs. 659.43 lakhs (Rs. 1,232.75 lakhs). These were recognised as expense during the year.

**Note 09. Current trade receivables**

Particulars	As at	As at
	31st March, 2019	31st March, 2018
	Rs. in lakhs	Rs. in lakhs
Trade Receivables	40,950.75	28,376.93
Receivables from related parties (refer note 38)	2,999.78	3,648.81
	<b>43,950.53</b>	<b>32,025.74</b>
Less: Allowance for significant increase in credit risk	725.37	472.13
<b>Total</b>	<b>43,225.16</b>	<b>31,553.61</b>
<b>Breakup for security details:</b>		
Secured, considered good	-	-
Unsecured, considered good	43,225.16	31,553.61
Trade Receivable which has significant increase in credit risk	725.37	472.13
	<b>43,950.53</b>	<b>32,025.74</b>
Less: Allowance for significant increase in credit risk	725.37	472.13
<b>Total</b>	<b>43,225.16</b>	<b>31,553.61</b>

- i) The credit period given to customers generally range from 0 to 60 days. No interest is charged on the overdue amounts. 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 adjusted for forward-looking information.
- ii) Out of the Trade Receivable as at March 31, 2019, there are 2 customers (31st March 2018 - Nil) amounting to Rs. 16,131.79 lakhs (31st March 2018 - Nil), who represent more than 5% of the total balance of Trade Receivables. Out of the customers more than 5%, customers amounting to Rs. 13,577.16 lakhs was not due as on 31st March, 2019.
- iii) The carrying amounts of the trade receivables include receivables which are subject to a factoring arrangement. Under this arrangement, the company has transferred the relevant receivables to the factor in exchange for cash. However, the company has retained credit risk. The company therefore continues to recognise the transferred assets in their entirety in its balance sheet. The amount repayable under the factoring agreement is presented as borrowing.

**The relevant carrying amounts are as follows:**

Particulars	31st March, 2019	31st March, 2018
Total transferred trade receivables	688.36	4,117.03
Associated borrowings [refer note 14(b)]	688.36	4,117.03

- iv) No trade or other receivable are due from directors or other officers of the company either severally or jointly with any other person. Nor any trade or other receivable are due from firms or private companies respectively in which any director is a partner, a director or a member.

**Notes forming part of the standalone financial statements**
**Note 10. Cash and bank balances**

Particulars	As at	As at
	31st March, 2019	31st March, 2018
	Rs. in lakhs	Rs. in lakhs
<b>Cash and cash equivalents</b>		
Cash on hand	11.18	15.35
<b>Balances with banks:</b>		
In current account	3,347.50	4,335.57
In EEFC account	2.45	12.75
In deposit account - original maturity of 3 months or less	0.88	24.10
Remittance in transit	344.32	44.15
	<b>3,706.33</b>	<b>4,431.92</b>
<b>Other Bank Balances</b>		
In deposit accounts	32.49	10.01
	<b>32.49</b>	<b>10.01</b>
<b>Total</b>	<b>3,738.82</b>	<b>4,441.93</b>
<b>For the purpose of statement of cash flow, cash and cash equivalent comprises of following:</b>		
<b>Cash and cash equivalents</b>		
Cash on hand	11.65	15.35
<b>Balances with banks:</b>		
In current account	3,369.99	4,335.57
In EEFC account	2.45	12.75
In deposit account - original maturity of 3 months or less	0.88	24.10
Remittance in transit	344.32	44.15
<b>Total</b>	<b>3,729.29</b>	<b>4,431.92</b>

**Changes in liabilities arising from financing activities**

Particulars	As at	Cash flows	Accrual	Foreign exchange	Reclassifications	As at
	31st March, 2017					31st March, 2018
	Rs. in lakhs	Rs. in lakhs	Rs. in lakhs	Rs. in lakhs	Rs. in lakhs	Rs. in lakhs
Current borrowings	43,029.11	3,798.03	-	-	-	46,827.14
Non current borrowings	839.23	-	-	-	(839.23)	-
Current maturity of long term debts	1,046.25	(967.55)	-	(17.41)	839.23	900.52
Interest on borrowings	98.77	(4,181.72)	4,113.10	-	-	30.15
Unsecured perpetual securities	120,000.00	-	-	-	-	120,000.00
Dividend	-	(11,160.00)	11,160.00	-	-	-
<b>Total liabilities from financing activities</b>	<b>165,013.36</b>	<b>(12,511.24)</b>	<b>15,273.10</b>	<b>(17.41)</b>	<b>-</b>	<b>167,757.81</b>

Particulars	As at	Cash flows	Accrual	Foreign exchange	Reclassifications	As at
	31st March, 2018					31st March, 2019
	Rs. in lakhs	Rs. in lakhs	Rs. in lakhs	Rs. in lakhs	Rs. in lakhs	Rs. in lakhs
Current borrowings	46,827.14	13,607.91	-	-	-	60,435.05
Non current borrowings	-	-	-	-	-	-
Current maturity of long term debts	900.52	(900.52)	-	-	-	-
Interest on borrowings	30.16	-	75.98	-	-	106.14
Unsecured perpetual securities	120,000.00	-	-	-	-	120,000.00
Dividend	-	(11,160.00)	11,160.00	-	-	-
<b>Total liabilities from financing activities</b>	<b>167,757.82</b>	<b>1,547.39</b>	<b>11,235.98</b>	<b>-</b>	<b>-</b>	<b>180,541.19</b>

**Notes forming part of the standalone financial statements**
**Note 11. Equity share capital**

Particulars	As at 31st March, 2019		As at 31st March, 2018	
	Number of shares	Rs. in lakhs	Number of shares	Rs. in lakhs
<b>Authorised</b>				
Equity shares of Rs. 1,000 each with voting rights	501,000	5,010.00	501,000	5,010.00
Preference Shares of Rs. 1000 each	200,000	2,000.00	200,000	2,000.00
		<b>7,010.00</b>		<b>7,010.00</b>
<b>Issued, subscribed and fully paid up</b>				
Equity shares of Rs. 1,000 each with voting rights	401,000	4,010.00	401,000	4,010.00
<b>Total</b>	<b>401,000</b>	<b>4,010.00</b>	<b>401,000</b>	<b>4,010.00</b>

**Notes:**
**(i) Reconciliation of the number of shares:**

Particulars	As at 31st March, 2019		As at 31st March, 2018	
	Number of shares	Rs. in lakhs	Number of shares	Rs. in lakhs
<b>Authorised</b>				
Equity shares of Rs. 1,000 each with voting rights Opening balance and closing balance	501,000	5,010.00	501,000	5,010.00
Preference Shares of Rs. 1000 each Opening balance and closing balance	200,000	2,000.00	200,000	2,000.00
<b>Issued, subscribed and fully paid up</b>				
Equity shares of Rs. 1000 each with voting rights Opening balance and closing balance	401,000	4,010.00	401,000	4,010.00

**(ii) Details of shares held by the holding company, their subsidiaries and associates:**

Particulars	As at 31 March, 2019	As at 31 March, 2018
	Number of shares	Number of shares
<b>Equity shares with voting rights</b>		
Tata Sons Limited (TSL), the Holding company	167,400	167,400
Tata Motors Limited (associate of TSL)	50,000	50,000
Tata Chemicals Limited (associate of TSL)	48,000	48,000
Tata Steel Limited (associate of TSL)	28,616	28,616
Ewart Investments Limited (subsidiary of TSL)	25,000	25,000
Tata Industries Limited (subsidiary of TSL)	17,122	17,122
The Indian Hotels Company Ltd. (earlier held by TIFCO Holdings Limited) (associate of TSL)	8,000	8,000
Tata Power Limited (earlier held by Chemicals Trombay Limited) (associate of TSL)	3,500	3,500
Voltas Limited (associate of TSL)	10,000	10,000

- (iii) The company has issued only one class of equity shares having a par value of Rupees 1,000 /- per share. Each holder of equity shares is entitled to one vote per share. The company declares and pays dividend in Indian Rupees. The dividend proposed by board of directors is subject to the approval of shareholders in the ensuing Annual General Meeting. In the event of liquidation of the company, the holder of equity shares will be entitled to receive remaining assets of the company after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the share holders.

**Notes forming part of the standalone financial statements**
**(iv) Details of shares held by each shareholder holding more than 5%**

Name of shareholder	As at 31st March, 2019		As at 31st March, 2018	
	Number of shares held	% holding	Number of shares held	% holding
<b>Equity shares with voting rights</b>				
Tata Sons Limited	167,400	41.75%	167,400	41.75%
Tata Motors Limited	50,000	12.47%	50,000	12.47%
Tata Chemicals Limited	48,000	11.97%	48,000	11.97%
Tata Steel Limited	28,616	7.14%	28,616	7.14%
Ewart Investments Limited	25,000	6.23%	25,000	6.23%
AF-TAAB Investment Company Limited	20,500	5.11%	20,500	5.11%

**Note 12. Unsecured perpetual securities**

Particulars	As at	As at
	31st March, 2019	31st March, 2018
	Rs. in lakhs	Rs. in lakhs
Unsecured Non-convertible perpetual securities (refer note below)	120,000.00	120,000.00
<b>Total</b>	<b>120,000.00</b>	<b>120,000.00</b>

**Note - Details of bondholders of Unsecured perpetual securities:**

Particulars	As at 31 March, 2019		As at 31 March, 2018	
	Number of shares	% holding	Number of shares	% holding
<b>Unsecured perpetual securities issued by Tata International Limited</b>				
ICICI Prudential Balanced Advantage Fund	1,500.00	12.50%	1,500.00	12.50%
HDFC Trustee Company Ltd A/C Hdfc Banking And PSU Debt Fund	1,250.00	10.42%	1,250.00	10.42%
Trent Limited	500.00	4.17%	500.00	4.17%
Voltas Limited	1,000.00	8.33%	1,000.00	8.33%
Tata Investment Corporation Limited	200.00	1.67%	200.00	1.67%
HDFC Trustee Company Ltd. A/C HDFC Hybrid Debt Fund	600.00	5.00%	600.00	5.00%
HDFC Trustee Company Ltd A/C HDFC Credit Risk Debt Fund	6,950.00	57.92%	6,950.00	57.92%
	<b>12,000.00</b>	<b>100.00%</b>	<b>12000.00</b>	<b>100.00%</b>

During the year 2016-17, the Company raised Rs.120,000 lakhs through issue of Senior Perpetual Hybrid Securities in the form of Non-convertible debentures ("the Securities"). The Securities are perpetual in nature with no maturity or redemption and are callable only at the option of the Company. The distribution on the said Securities, which may be deferred at the option of the Company under certain circumstances, is set at 9.30% p.a., with a step up provision if the securities are called after 3 years. As these securities are perpetual in nature & rank and will rank at all times pari passu and at least equally with all other present and future outstanding direct, unconditional, unsecured and unsubordinated obligations of the Company, these are considered to be in the nature of equity instruments and are not classified as "Debt" and the distribution on such securities is not considered under "Interest". Unless all arrears of distribution are fully paid on these securities, the Company shall not declare or pay any dividends or distributions or make any other payment on, or will procure that no dividend, distribution or other payment is made on any securities of the Company of its subsidiaries ranking pari passu with, or junior to, the securities, or redeem, reduce, cancel, buy-back or acquire for any consideration any security of the Company or its subsidiaries ranking pari passu with, or junior to, the securities.

## Notes forming part of the standalone financial statements

## Note 13. Other equity

Particulars	As at	As at
	31st March, 2019	31st March, 2018
	Rs. in lakhs	Rs. in lakhs
General reserve	10,872.01	10,872.01
Security premium	18,090.00	18,090.00
Contingency reserve	50.00	50.00
Foreign projects reserve	35.00	35.00
Retained earnings	45,705.44	45,538.11
Reserve for equity instrument through other comprehensive income	58.16	203.51
<b>Total</b>	<b>74,810.61</b>	<b>74,788.63</b>

- (i) **General reserve** : The general reserve is used from time to time to transfer profits from retained earnings for appropriation purposes. As the general reserve is created by a transfer from one component of equity to another and is not an item of other comprehensive income, items included in the general reserve will not be reclassified subsequently to profit or loss.
- (ii) **Security Premium Reserve** : Security Premium reserve is used to record the premium on issue of shares. The reserve will be utilised in accordance with the provision of Companies Act, 2013.
- (iii) **Contingency Reserve** : Surplus arising out of transfer of assets and liabilities net of cost of the Company's investment in its former subsidiary CAMEO, are presented as a 'Contingency Reserve' which reserve as approved by the shareholders at an EGM and also as sanctioned by Order of the hon'ble High Court of judicature at Bombay, vide its order dated 11th February, 2005 may be utilised to the extent considered necessary by the Board of Directors of the Company from time to time for providing for any contingent liability (including but not limited to tax liabilities), diminution in value of and / or loss on sale of investments and other assets of the Company. If part or whole of the Contingency Reserve is no longer required for these purposes, the same can be transferred to General Reserve and shall be deemed to be the General Reserve for all purposes under the provisions of the Companies Act, 1956 as per the said Order.
- (iv) **Reserve for equity instrument through other comprehensive income (OCI)** : This reserve represents the cumulative gains and losses arising on the revaluation of equity instruments measured at fair value through OCI, net of amounts reclassified to the retained earnings when those assets have been disposed of.



**Notes forming part of the standalone financial statements**
**Note 14 (a). Non current borrowings**

Particulars	As at 31st March, 2019			As at 31st March, 2018		
	Non current	Current maturities (refer note 15(b))	Total	Non current	Current maturities (refer note 15(b))	Total
		Rs. in lakhs			Rs. in lakhs	
External commercial borrowing (secured)	-	-	-		900.52	900.52
<b>Total</b>	-	-	-	-	<b>900.52</b>	<b>900.52</b>

**(i) Details of security provided in respect of secured long term borrowings:**

Particulars	As at 31st March, 2019 Rs. in lakhs	As at 31st March, 2018 Rs. in lakhs	Details of security
External commercial borrowings from ICICI Bank, Bahrain	-	900.52	Secured against exclusive charge by way of mortgage of immovable property, plant & equipment and hypothecation of the company's movable property, plant & equipment respectively acquired out of the bank finance.
<b>Total</b>	-	<b>900.52</b>	

**Note 14 (b). Current borrowings**

Particulars	As at 31st March, 2019	As at 31st March, 2018
	Rs. in lakhs	Rs. in lakhs
<b>Secured</b>		
<b>Loans from banks</b>		
Export packing credit	16,376.99	14,591.65
Cash credit accounts	45.23	0.63
Debtors bill discounted	4,002.18	-
Working capital demand loan	5,400.00	-
<b>Total (secured)</b>	<b>25,824.40</b>	<b>14,592.28</b>
<b>Unsecured</b>		
<b>Loans from banks</b>		
Export packing credit	13,061.01	10,344.61
Buyers credit	-	589.08
Debtors bill discounted	688.36	4,117.03
Working capital demand loan	13,009.87	3,420.00
Commercial paper	7,851.41	13,764.14
<b>Total (unsecured)</b>	<b>34,610.65</b>	<b>32,234.86</b>
<b>Total</b>	<b>60,435.05</b>	<b>46,827.14</b>

**Note:**

Details of security in respect of secured loans :-

**Export Packing Credit**

Secured against whole of the Inventory and trade receivables of the Company

**Cash Credit Accounts**

First charge on all current assets of the Company

**Bill Discounting**

Secured against receivables of Company.

**Working Capital Demand Loan**

Secured by hypothecation of Inventory, Receivables ranking pari-passu with other secured loans and by equitable mortgage of Factory Land and Building, Plant and Machinery as collateral cover for the exposure.

Secured against whole of the current assets of the Company

## Notes forming part of the standalone financial statements

## Note 15 (a). Other financial liabilities - non current

Particulars	As at	As at
	31st March, 2019	31st March, 2018
	Rs. in lakhs	Rs. in lakhs
Security deposits	119.57	166.92
<b>Total</b>	<b>119.57</b>	<b>166.92</b>

## Note 15 (b). Other financial liabilities - current

Particulars	As at	As at
	31st March, 2019	31st March, 2018
	Rs. in lakhs	Rs. in lakhs
Current maturities of non current debt (refer note 14(a))	-	900.52
Interest accrued but not due on borrowings	105.81	30.16
Interest accrued and due on borrowings	0.33	-
Security deposits	-	15.60
Book overdraft	187.76	39.67
<b>Total</b>	<b>293.90</b>	<b>985.95</b>

## Note 16(a). Non current provisions

Particulars	As at	As at
	31st March, 2019	31st March, 2018
	Rs. in lakhs	Rs. in lakhs
<b>Provision for employee benefits:</b>		
Provision for compensated absences	216.05	283.37
Provision for gratuity	95.52	168.93
Provision for pension	384.08	397.75
<b>Total</b>	<b>695.65</b>	<b>850.05</b>

## Note 16(b). Current provisions

Particulars	As at	As at
	31st March, 2019	31st March, 2018
	Rs. in lakhs	Rs. in lakhs
<b>Provision for employee benefits:</b>		
Provision for compensated absences	385.40	368.18
Provision for gratuity	50.65	103.41
Provision for pension	75.22	75.83
	<b>511.27</b>	<b>547.42</b>
Provision - others:		
Provision for disputed tax liabilities	1.14	7.20
	<b>1.14</b>	<b>7.20</b>
<b>Total</b>	<b>512.41</b>	<b>554.62</b>

**Notes forming part of the standalone financial statements**
**Note 17. Trade payables**

Particulars	As at	As at
	31st March, 2019	31st March, 2018
	Rs. in lakhs	Rs. in lakhs
- Micro and small enterprises (Refer note 32)	358.91	1,215.33
- Others		
- Related party	55,633.08	43,521.54
- Other than related party	37,112.62	35,918.80
<b>Total</b>	<b>93,104.61</b>	<b>80,655.67</b>

**Note 18. Other non-financial liabilities - current**

Particulars	As at	As at
	31st March, 2019	31st March, 2018
	Rs. in lakhs	Rs. in lakhs
Advances received from customers	7,134.88	6,506.45
Statutory dues (Excise duty, service tax, sales tax, TDS etc)	155.60	417.53
Payables on purchase of property, plant and equipment	65.97	108.13
Deferred income	14.03	72.10
<b>Total</b>	<b>7,370.48</b>	<b>7,104.21</b>



## TATA INTERNATIONAL LIMITED

### Notes forming part of the standalone financial statements

#### Note 19. Revenue from operations

Particulars	For the year ended 31st March, 2019	For the year ended 31st March, 2018
	Rs. in lakhs	Rs. in lakhs
<b>Sale of products</b>		
Leather	96,958.73	93,048.79
Minerals	233,797.28	93,806.92
Metals	75,910.39	44,096.23
Agri	62,885.17	4,017.10
<b>Sale of services</b>		
Leather	116.63	98.12
<b>Other operating revenue</b>		
Sale of scrap	318.16	621.40
Duty drawback and other export incentives	6,531.96	6,416.89
Cargo handling and storage charges	2,300.13	4,278.14
Commission from Agency Contracts	2,123.55	73.19
Others	52.61	42.08
<b>Total</b>	<b>480,994.61</b>	<b>246,498.86</b>

#### Note: The effect of adoption of Ind AS 115 is as follows:-

Impact on statement of profit/loss / (decrease) in profit)

Particulars	For the year ended 31st March, 2018
	Rs. in lakhs
Revenue from contracts with customers	(2,268.44)
Change in inventory	(1,912.61)
<b>Loss for the year</b>	<b>(355.83)</b>

Impact on consolidated balance sheet (increase / (decrease)):

Particulars	For the year ended 31st March, 2018
	Rs. in lakhs
Inventories	5,989.18
Trade receivables	(8,301.85)
Trade payable	(2,845.62)

#### Note 3: Breakup of Contract assets and Contract liabilities

Particulars	For the year ended 31st March, 2019	For the year ended 31st March, 2018
	Rs. in lakhs	Rs. in lakhs
Trade receivables	43,225.16	31,553.61
Contract assets	-	-
Contract liabilities	7,148.91	6,578.55

**Notes forming part of the standalone financial statements**

Trade receivables has increased in line with increase in sales during the year. For terms of trade receivables refer note 9.

Contract liabilities include advance received from customers. The outstanding balance has decreased due to the fact that group had received advance for large order for agro business near to the year end in previous year, however group has not received such advance in the current year.

**Note 4:**

There is no significant difference between contract price and revenue recognised

**Note 5:**

Revenue from operations for previous periods up to 30 June 2017 includes excise duty. From 1 July 2017 onwards the excise duty and most indirect taxes in India have been replaced by Goods and Service Tax (GST). The group collects GST on behalf of the Government. Hence, GST is not included in Revenue from operations. In view of the aforesaid change in indirect taxes, Revenue from operations year ended 31 March 2019 is not comparable 31 March 2018.

**Note 20. Other Income**

Particulars	For the year ended 31st March, 2019	For the year ended 31st March, 2018
	Rs. in lakhs	Rs. in lakhs
<b>Interest income from</b>		
Bank deposit	992.70	194.74
Non current investments	1,030.93	1,054.56
Loan to subsidiary	7,050.01	6,400.11
Other	13.79	17.32
	<b>9,087.43</b>	<b>7,666.73</b>
<b>Dividend income from</b>		
Subsidiaries	-	149.76
Current investments	1.11	112.98
Non current investments	566.51	118.16
	<b>567.62</b>	<b>380.90</b>
Net gain on sale of property plant & equipments	33.34	34.26
Realised gain on swap contract	4,784.57	5,235.95
Net gain on foreign currency transactions and translation	-	3,897.67
Fair value changes on derivative	697.10	-
Commission on guarantee to subsidiary	954.16	772.37
Profit on sale of mutual fund	132.89	160.23
Shared service fee from subsidiaries	2,739.55	2,627.37
Rental income from operating leases	559.68	258.01
Cash discount received	110.52	59.12
Liabilities / provisions no longer required written back	1,319.02	522.85
Miscellaneous income	353.63	164.96
	<b>11,684.46</b>	<b>13,732.79</b>
<b>Total</b>	<b>21,339.51</b>	<b>21,780.42</b>

**Notes forming part of the standalone financial statements**
**Note 21. Changes in inventories of finished goods, work-in-progress and stock-in-trade**

Particulars	For the year ended 31st March, 2019	For the year ended 31st March, 2018
	Rs. in lakhs	Rs. in lakhs
<b>Inventories at the beginning of the year:</b>		
Stock-in-trade	46,102.96	10,302.67
Finished goods	8,424.23	28,083.30
Work-in-progress	4,120.66	4,521.06
Discontinued operation	(169.02)	-
	<b>58,478.83</b>	<b>42,907.03</b>
<b>Inventories at the end of the year:</b>		
Stock-in-trade	46,350.61	46,102.96
Finished goods	9,607.95	8,424.23
Work-in-progress	3,790.45	4,120.66
Discontinued operation	-	(169.02)
	<b>59,749.01</b>	<b>58,478.83</b>
<b>Total</b>	<b>(1,270.18)</b>	<b>(15,571.80)</b>

**Note 22. Employee benefit expense**

Particulars	For the year ended 31st March, 2019	For the year ended 31st March, 2018
	Rs. in lakhs	Rs. in lakhs
Salaries and wages	14,815.37	16,695.28
Contribution to provident and other funds (refer note 35)	1,149.65	1,097.01
Staff welfare expenses	1,001.95	1,137.02
<b>Total</b>	<b>16,966.97</b>	<b>18,929.31</b>

**Note 23. Finance costs**

Particulars	For the year ended 31st March, 2019	For the year ended 31st March, 2018
	Rs. in lakhs	Rs. in lakhs
<b>Interest expense on:</b>		
Borrowings	3,999.37	3,255.76
<b>Others</b>		
- Interest on bill discounting	77.74	228.12
- Others	26.35	10.86
Other borrowing costs	643.21	537.85
<b>Total</b>	<b>4,746.67</b>	<b>4,032.59</b>

**Note 24. Depreciation and amortisation expense**

Particulars	For the year ended 31st March, 2019	For the year ended 31st March, 2018
	Rs. in lakhs	Rs. in lakhs
Property, plant & equipment	2,245.12	2,712.27
Intangible assets	128.58	115.61
<b>Total</b>	<b>2,373.70</b>	<b>2,827.88</b>

**Notes forming part of the standalone financial statements**
**Note 25. Other expenses**

Particulars	For the year ended 31st March, 2019	For the year ended 31st March, 2018
	Rs. in lakhs	Rs. in lakhs
Consumption of stores and spare parts	4,765.04	7,724.36
Consumption of packing materials	974.40	684.65
Processing charges	11,083.09	8,356.72
Duty, clearing, forwarding & other charges	6,657.49	5,430.87
Service charges	6,613.04	3,139.54
Power and fuel	1,914.45	2,057.71
Rent including lease rentals	1,277.90	1,254.78
Repairs and maintenance - buildings	186.87	235.78
Repairs and maintenance - machinery	389.28	364.88
Repairs and maintenance - others	782.64	708.75
Insurance	113.42	112.70
Rates and taxes	85.53	97.77
Travelling and conveyance	793.75	596.72
Sales expense	3,060.89	2,550.17
Sales commission	84.75	-
Legal and professional	2,344.89	1,626.56
Payments to auditors	89.78	87.52
Trade, other receivables and advances written off	117.38	8.31
Provision for doubtful debts	148.74	95.96
Loss on foreign exchange re instatement	6,638.42	-
Fair value changes on derivative	-	305.03
Other fair value changes	0.62	11.04
Loss on property, plant and equipment sold / scrapped / written off	18.14	15.22
Security and conservancy	193.03	167.38
Corporate social responsibility expense	76.52	31.94
Miscellaneous expenses	4,613.42	2,257.61
<b>Total</b>	<b>53,023.48</b>	<b>37,921.97</b>

**Note (i) Payments to auditors**

Particulars	For the year ended 31st March, 2019	For the year ended 31st March, 2018
	Rs. in lakhs	Rs. in lakhs
Audit fees	76.00	81.00
<b>In other capacities:</b>		
Taxation matters	5.00	5.00
Other services	2.75	1.25
Reimbursement of expenses	6.03	0.27
<b>Total</b>	<b>89.78</b>	<b>87.52</b>

**Note 26 Exceptional Items**

Particulars	For the year ended 31st March, 2019	For the year ended 31st March, 2018
	Rs. in lakhs	Rs. in lakhs
Gain on sale of property, plant & equipment (Refer note below)	793.68	3,277.55
<b>Total</b>	<b>793.68</b>	<b>3,277.55</b>

**Note**

During the year, the company has sold a guest house situated at Dewas. The sale consideration of sale was Rs. 795.87 lakhs as against carrying value of Rs. 2.19 Lakhs resulted in profit of Rs. 793.68 Lakhs. During the previous year the company has sold two guest house and a building situated at Mumbai, Delhi and Dewas location respectively. The sale consideration of such sale was Rs. 3,325.63 lacs as against carrying value of Rs. 48.08 Lakhs resulted in profit of Rs. 3,277.55 Lakhs.

**Notes forming part of the standalone financial statements**

**27(a)** During the financial year 2015-16, as per the Share Purchase Agreement (“SPA”) dated May 22, 2015 entered into between the Selling Shareholders (Tata Industries Limited (“TIL”) and Tata International Limited (the Company)), Drive India Enterprise Solutions Limited (“DIESL”) and TVS Logistics Services Limited (“TSL”), the Selling Shareholders have jointly sold their entire shareholding in DIESL to TSL for a total consideration of Rs. 8,581.00 lakhs (Company’s share Rs. 4,290 lakhs).

As per the SPA, the Selling Shareholders have severally provided certain general and specific indemnities to TSL. General indemnities up to 100% of total consideration received for breach of Representations and Warranties (R&W) relating to title of sale shares and demand, if any, raised on TSL/DIESL under Section 281 of the Income tax Act, 1961. Specific indemnity up to Rs. 3,003.00 lakhs on account of liabilities in respect of demands from statutory authorities presently pending against DIESL and claims that may arise in future in respect of certain matters identified in SPA. Specific indemnities up to 20% of total consideration received in respect of claims arising from breaches of R&W relating to tax compliances, no pending investigations and inquiries (10%) and other general representations (10%).

However, within the sub limits applicable to general and specific indemnities as specified above, the maximum aggregate liability of each Selling Shareholder under this agreement shall not exceed the aggregate amounts received by it from TSL under the SPA and/or DIESL under the Preference Share Agreement entered into on May 19, 2015 and the liability of each Selling Shareholder to indemnify TSL/DIESL shall be proportionate to their respective pre closing equity shareholding percentage. The claims can be made before expiration of eight years from the closing date which is August 31, 2015.

The Selling Shareholders are also liable to indemnify, without limit, TSL/DIESL in respect of two legal proceedings identified in the SPA for which there are no claims on DIESL presently. The potential future impact of such indemnities provided, if any, cannot be ascertained presently.

**27 (b)** During the previous year, 500,001 preference share held in Drive India Enterprise Solutions Limited were split into 10,002 shares of TVS Logistics Services Limited and 399,999 shares of Drive India Enterprise Solutions Limited as a result of demerger.

Out of above shares, 282,671 share held in Drive India Enterprise Solutions Limited shares and 2,325 shares held in TVS Logistics Services Limited are redeemed at the redemption premium of 1,128.88 lakhs. Further the company has received Rs. 302.56 lakhs arrears of consideration for sale of investment in Drive India Enterprise Solutions Limited.

Gain on redemption of preference share along with arrears of consideration for sale of investment in Drive India Enterprise Solutions Limited aggregating to Rs. 1,431.44 is recognised in other comprehensive income as fair value of equity instruments / preference share through other comprehensive income in the previous year.

**27 (c)** During the year, the Company Management were in discussion with various interested parties for sale of its solar business. Subsequent to year end on April 17th, 2019, the company has entered into an asset transfer agreement for solar division with one of the interested party. Effective date for such transfer is expected to be 1st June 2019. The Company has classified this division as a discontinuing operation. The Company has also classified assets and liability which are going to be transferred to interested party as disposal group.

**27 (d)** During the year, the Company Management were in discussion with few interested parties for sale of its Bicycle business. The Management is actively perusing the sale and it is expected that sale will happen in next 12 months. The Company has classified this division as a discontinuing operation. The Company has also classified assets and liabilities associated with bicycle division as disposal Company. The Company is planning to demerge this division and transfer it to a newly incorporated wholly owned subsidiary company, viz. Stryder Cycle Pvt. Ltd.

**27 (e)** The Company is in the advanced stage of finalising the contract for sale of its shareholding in Tata International DLT Pvt Ltd, a joint venture. Board of the Company has already given its consent to sell the shareholding in favour of identified buyer. Transaction is expected to be completed in next few weeks. The Company has classified this as assets held for sale on March 31, 2019.



**Notes forming part of the standalone financial statements****28 Contingent Liability**

(a) Claims against the Company not acknowledged as debts comprise of :

**(i) Sales tax / Entry Tax**

Demand notices aggregating to Rs. 1133.10 lakhs (31 March 2018- Rs. 1255.36 lakhs) have been issued by various State Sales Tax Authorities relating to issue of applicability and classification.

**(ii)** The State Government of Madhya Pradesh had issued a Permanent Eligibility Certificate recognizing the Company as an "Exporting Industrial Unit", thus exempting it from payment of Sales Tax and Entry Tax, till 24th January, 2007. In accordance there with the Company has lodged claims for refund of Rs. 215.08 lakhs (31st March, 2018 - Rs. 215.08 lakhs), being Entry Tax paid by the Company during the period 1994-1995 to 2006-2007. The said amount has been included in Note 07 (a) - 'Other non-financial assets - Non Current' under the heading Other Advance.

**(iii) Service tax**

The Service Tax department, Mumbai has issued demand and recovery notices aggregating to Rs. 0.55 lakhs (31 March 2018- Rs. 0.55 lakhs) including interest, towards service tax allegedly payable by the Company for the period 2005 to 2009. The Service Tax Authorities contend that the Company was rendering services as "Clearing & Forwarding Agents" during the said period and was, therefore chargeable to service tax in respect of those services.

The Service Tax department, Dewas has raised demands of Rs. 18.77 lakhs (31 March 2018- Rs. 18.77 lakhs) for import of services during the period 2004 to 2009. The matter is under appeal.

**(iv) Taxation matters**

Demand against the Company not acknowledged as debts and not provided for relating to issues of transfer pricing, deductibility and taxability in respect of which the Company is in appeal :-

Income Tax: Rs. 6,975.09 lakhs (31 March 2018- Rs. 2,423.37 lakhs)

**(v) DEPB / Drawback claims**

DEPB / Drawback claims rejected by Commissioner of Customs (Appeals) disputed by the Company relating to issue of inadmissibility aggregating to Rs. 3,205.11 lakhs (31 March 2018 - Rs. 3,205.11 lakhs).

**(vi) Excise Duty**

The Excise Department at Dewas has raised a demand of Rs. 359.43 lakhs (31 March 2018 - Rs. 326.54 lakhs) alleging that the activity of mixing of chemicals amounts to manufacturing and hence eligible to excise duty. The Company is contesting the claim before Commissioner of Central Excise.

**(vii) Other Matters Rs. 1,045.08 lakhs (31 March 2018- Rs. 959.21 lakhs).**

Future cash outflows in respect of above matters are determinable only on receipt of judgments / decisions pending at various forums / authorities.

**(viii)** During the year, the Company has given counter-corporate guarantee to Indian Hotels Company Limited (IHCL) to the extent of 50% against Corporate guarantee they have issued to SCB, UK and SCB, Johannesburg for a facility of USD 38 million and ZAR 11 million respectively, equivalent to Rs. 26,801.49 lakhs in respect of borrowing by IHMS Hotels (SA) (Pty) Limited, South Africa (a joint venture between the company's subsidiary Tata Africa Holdings (SA) Pty Ltd and IHCL). The proceeds were used for refinancing the loan taken from ICICI bank PLC, UK.

The Company has given counter-indemnity to Indian Hotels Company Limited (IHCL) against Letter of Comfort issued by IHCL to ICICI Bank PLC, UK for the loan provided by them to IHMS Hotels (SA) (Pty) Limited, South Africa for a value of Rs. 15,558.75 lakhs (equivalent to USD 225 lakhs).

**(ix)** There are numerous interpretative issues relating to the Supreme Court (SC) judgement on PF dated 28th February, 2019. As a matter of caution, the company has made a provision on a prospective basis from the date of the SC order. The company will update its provision, on receiving further clarity on the subject."

**(x)** The Company had in the books provision for workers bonus, worth Rs. 181.29 lakhs, with respect to the amendments in the Payment of Bonus (Amendment) Bill 2015 passed by Lok Sabha on 22.12.2015. The amendments included eligibility limit of bonus from Rs. 10000 to Rs. 21000 and calculation ceiling increased from Rs. 3500 pm to Rs. 7000 pm.

During 2018-19, company has decided to write back this provision considering that already five years have passed and it is not anticipating any liability on this account.

**Notes forming part of the standalone financial statements**

**28(b) i)** Full particulars of guarantees given together with purpose in terms of section 186 (4) of the Companies Act, 2013

Name of entity	Amount				Full Particulars of guarantees	Purpose
	As at 31st March 2019		As at 31st March 2018			
	FC in lakhs	Rs. in lakhs	FC in lakhs	Rs. in lakhs		
<b>Guarantees Given</b>						
Tata International Singapore Pte Limited (wholly-owned subsidiary)	SGD 888.1	45,322.41	SGD 888.1	43,975.87	Guarantee to the holders of Senior bonds of value SGD 500 lakhs (Fully repaid) and the holders of perpetual bonds of value SGD 1500 lakhs (Outstanding value as on 31st March 19 is SGD 507.50 lakhs).	Repayment of debts, general corporate purpose and re-capitalization of some subsidiaries at Africa
Tata International Singapore Pte Limited (wholly-owned subsidiary)	EUR 300	23,298.60	-	-	Corporate guarantee issued by Tata International Ltd. As security of a term loan raised by Australia and NewZealand Banking Group Limited.	Repayment of debts, general corporate purpose and re-capitalization of some subsidiaries at Africa
Tata International Singapore Pte Limited (wholly-owned subsidiary)	USD 330	22,819.50	EUR 300	23,960.00	Corporate guarantee issued by Tata International Limited as security of a term loan raised EXIM bank	Repayment of debts, general corporate purpose and re-capitalization of some subsidiaries at Africa
Tata International Singapore Pte Limited (wholly-owned subsidiary)			USD 330	21,391.60	Corporate guarantee issued by Tata International Limited as security of a term loan raised Indusind bank	Repayment of debts, general corporate purpose and re-capitalization of some subsidiaries at Africa
<b>Total</b>		<b>91,440.51</b>		<b>89,327.47</b>		

**29 (a) Capital Commitment**

Estimated amount of contracts remaining to be executed on capital account and not provided for as at 31 March 2019 is Rs. 596.48 lakhs (31 March 2018 - Rs. 247.16 lakhs).

**(b) Other Commitment**

- (i) As per the Agreement dated 21 September 2012, between the Company and a contractor, the Company has commitment of minimum procurement of 14,000 units of component or compensation up to Rs. 31.50 Lakhs per month. The termination clause has 9 months notice period, by which the minimum purchase commitment amounts to Rs. 31.50 Lakhs (31 March 2018- Rs. 31.50 Lakhs).
- (ii) As per the Agreement dated 19 November 2013, between the Company and Collector, Naupada, Odisha for supply of bicycles to Coal India Limited towards their Corporate Social Responsibility obligations, the Company has pledged in favour of the Collector, a fixed deposit receipt of Rs. Nil (31 March 2018 - NIL) as security for performance of the contract.

**Notes forming part of the standalone financial statements**

**30** The Company has given undertakings to banks / other entities for non-disposal of its shareholding in its subsidiaries against loans and other facilities extended by them to its subsidiaries as listed below:

- Tata Africa Holdings (SA) (Pty) Limited
- Tata Zambia Limited
- Tata South East Asia Limited
- Tata South East Asia (Cambodia) Limited
- Tata International Singapore Pte Limited
- Tata International Metals (UK) Limited
- Tata International Metals (Asia) Limited
- Tata International Metals (Americas) Limited
- Tata International Vietnam Co. Ltd.
- Calsea Footwear Private Limited
- Moveon Componentes e Calçado S.A.
- Tata International West Asia DMCC
- Tata Africa Services (Nigeria) Limited
- Tata Uganda Limited
- Tata De Mocambique Limitada
- Tata Africa Holdings (Tanzania) Limited
- Tata Africa Holdings (Kenya) Limited
- Tata Africa Holdings (Ghana) Limited

**31** Full particulars of loans given, investment made, security provided together with purpose in terms of section 186 (4) of the Companies Act, 2013

Name of entity	Amount				Full Particulars	Purpose
	As at 31st March 2019		As at 31st March 2018			
	Foreign Currency in lakhs	Rs. in lakhs	Foreign Currency in lakhs	Rs. in lakhs		
<b>(a) Loans Given</b> Tata International Singapore Pte Limited (wholly-owned subsidiary)	-	-	-	-	Loans given during the year	Refinance the high cost debts at the subsidiary and to re-capitalize certain step-down subsidiaries to enable the step-down subsidiaries, in turn, to retire their high cost debts.
	USD 1792.2	123,929.36	USD 1792.2	116,570.84	Loans outstanding	
Calsea Footwear Private Limited		1,600.00	-	1,590.00	Loans given during the year	To augment working capital requirements temporarily
		1,690.00	-	90.00	Loans outstanding	
<b>(b) Investments made</b>	As detailed in Note 4(a) to the financial statements					
<b>(c)</b> Security provided as on 31st March 2019 - Nil (31st March 2018 - Nil). For details of guarantee given refer Note 28(b)(i).						

**Notes forming part of the standalone financial statements**

**32 Disclosures required under Section 22 of the Micro, Small and Medium Enterprises Development Act, 2006:**

Rs in lakhs

Particulars	As at 31st March 2019	As at 31st March 2018
(a) Dues remaining unpaid as on 31st March		
Principal	1,003.46	1,204.00
Interest	2.90	11.33
(b) (i) Amounts paid to suppliers beyond the appointed day	-	2,155.26
(ii) Interest paid in terms of Sec.16 of the Act	2,457.49	-
(c) Interest due and payable for the period of delay in payments made beyond the appointed day during the year	2.65	1.77
(d) Interest accrued and remaining unpaid as on 31st March	8.02	1.77
(e) Interest due and payable even in the succeeding years until actually paid	12.11	16.54

Dues to Micro and Small Enterprises have been determined to the extent such parties have been identified on the basis of information collected by the Management. This has been relied upon by the auditors.

**33 Operating Lease**

Lease of assets under which all the risk and rewards of ownership are effectively retained by the lessor are classified as operating lease. Lease payments under operating leases are recognized as expense on straight line basis as per the lease agreements.

The Company has entered into cancellable leasing arrangements for premises for period ranging between eleven months to five years which are renewable at mutual consent. Lease rentals aggregating to Rs. 1,440.03 lakhs are charged as rent to the statement of Profit and Loss (as at 31st March, 2018: Rs.1,393.4 lakhs)

Rs in lakhs

Particulars	For the year ended 31 March, 2019	For the year ended 31 March, 2018
Future Non-Cancellable minimum lease commitments		
not later than one year	108.56	678.60
later than one year and not later than five years	287.52	1,043.69
later than five years	244.76	197.79
<b>Total</b>	<b>640.84</b>	<b>1,920.08</b>

**34 (a) Income Tax Expense**

Rs in lakhs

Particulars	For the year ended 31 March, 2019	For the year ended 31 March, 2018
<b>Current Tax:</b>		
Current Tax	5,392.71	6,429.77
<b>Deferred Tax</b>		
Deferred tax	(6,268.79)	(2,688.19)
<b>Total Tax Expense recognised in profit and loss account</b>	<b>(876.08)</b>	<b>3,741.58</b>

**Notes forming part of the standalone financial statements**

- (b) The reconciliation of estimated income tax expenses at Indian statutory income tax rate to income tax expense reported in the statement of profit and loss is as follows:

Rs in lakhs

Particulars	For the year ended 31 March, 2019	For the year ended 31 March, 2018
<b>Profit Before Income tax</b>	6,820.04	12,113.15
Indian statutory income tax rate 34.944%	2,383.19	4,192.12
<b>Tax Effect of :</b>		
Effect of income that is exempt from taxation	(198.35)	(131.82)
Effect of expenses that are not deductible in determining taxable profit	3,180.19	477.60
Effect of expenses that are deductible in determining taxable profit but not included in profit	(4,663.36)	(61.00)
Effect of concessions (Capital gains on sale of investments and property, plant & Equipment))	(27.27)	(844.44)
Effect of previously unrecognised and unused tax losses and deductible temporary differences now recognised as deferred tax assets	(6,059.26)	
Provision for Interest on Income Tax recognised as tax expense	-	182.52
Effect on account of reclassification of Tax on Interest on perpetual bonds	3,899.75	-
Effect on account of Tax on MAT	818.56	-
Effect on account of MAT Credit Recognised	(209.54)	-
Others	-	(73.41)
<b>Total income tax expense</b>	<b>(876.08)</b>	<b>3,741.58</b>

- (c) **Income Tax on Other Comprehensive Income:**

Rs in lakhs

Particulars	For the year ended 31 March, 2019	For the year ended 31 March, 2018
Net fair value in gain on investments in investment carried at FVTOCI	(129.79)	330.23
Remeasurement of defined benefit obligation	-	22.52
<b>Total</b>	<b>(129.79)</b>	<b>352.75</b>

- (d) **Amounts on which deferred tax asset has not been created:**

Rs in lakhs

Particulars	For the year ended 31 March, 2019	For the year ended 31 March, 2018
Deductible Temporary differences	-	121.02
Unused Tax losses	1,486.39	16,019.02
Unused tax Credits (MAT)	1,684.92	1,188.77
<b>Total</b>	<b>3,171.31</b>	<b>17,328.81</b>

**Notes forming part of the standalone financial statements**

Under the Indian Income Tax Act, 1961, unabsorbed business losses expire 8 years after the year in which they originate.

Unrecognised Deferred Tax assets relate primarily to business losses and tax credit entitlement. This unexpired business losses will expire based on the year of origination as follows :

**Rs. in lakhs**

Particulars	Unused Tax losses	Unused tax credits
<b>Mar-31</b>		
2019	5,319.90	-
2020	6,855.46	-
2021	1,633.52	-
2022	-	-
thereafter	6,374.93	1,050.27

**(e) Movement of Deferred Tax**
**Rs. in lakhs**

Particulars	For the Year ended 31 March 2019			
	Opening Balance	Recognised in profit and Loss	Recognised in OCI	Closing Balance
<u>Tax effect of items constituting deferred tax liabilities</u>				
FVTPL financial asset	98.41	(98.41)	-	-
	<b>98.41</b>	<b>(98.41)</b>	-	-
<u>Tax effect of items constituting deferred tax assets</u>	-			
Property, Plant and Equipment and intangible assets	500.17	42.29	-	542.46
Employee Benefits	159.11	261.43	1.21	421.75
FVTOCI financial asset	(8.28)	-	33.64	25.26
Other Items	5.12	982.49	-	987.70
Minimum Alternate Tax Credit	-	4,674.64	-	4,674.64
	3,570.45	209.54	-	3,779.99
	<b>4,226.57</b>	<b>6,170.38</b>	<b>34.85</b>	<b>10,431.80</b>
<b>Net Tax Asset (Liabilities)</b>	<b>4,128.16</b>	<b>6,268.79</b>	<b>34.85</b>	<b>10,431.80</b>

**Rs. in lakhs**

Particulars	For the Year ended 31 March 2018			
	Opening Balance	Recognised in profit and Loss	Recognised in OCI	Closing Balance
<u>Tax effect of items constituting deferred tax liabilities</u>				
FVTPL financial asset	98.41	-	-	98.41
	<b>98.41</b>	-	-	<b>98.41</b>
<u>Tax effect of items constituting deferred tax assets</u>				
Property, Plant and Equipment and intangible assets	500.17	-	-	500.17
Employee Benefits	159.11	-	-	159.11
FVTOCI financial asset	(8.28)	-	-	(8.28)
Other Items	5.12	-	-	5.12
Minimum Alternate Tax Credit	882.26	2,688.19	-	3,570.45
	<b>1,538.38</b>	<b>2,688.19</b>	-	<b>4,226.57</b>
<b>Net Tax Asset (Liabilities)</b>	<b>1,439.97</b>	<b>2,688.19</b>	-	<b>4,128.16</b>

**Notes forming part of the standalone financial statements**
**35 (a) Defined Contribution Plan**

The Company makes contributions to Family Pension Fund, Superannuation Fund, ESIC contribution to Defined contribution retirement benefit plans for qualifying employees. Under the schemes, the Company is required to contribute a specified percentage of the payroll costs to fund the benefits.

Company's contribution paid / payable during the year to Family Pension Fund and ESIC are recognized in Statement of Profit and Loss. These amounts are recognized as an expense and included in Note 22 'Employee Benefit Expenses' under the heading 'Contribution to Provident and other funds'.

The Company has recognized the following amounts in the Statement of Profit and Loss for the year:

Particulars	Rs in lakhs	
	2018-19	2017-18
Contribution to Employees' Family Pension Fund	167.46	225.75
Provident Fund	359.10	340.03
EDLI Fund	14.28	15.44
Contribution to Employees' Superannuation Fund	26.40	32.20
Employees' State Insurance Scheme	175.34	285.53

**(b) Defined Benefit Plans:**
**Provident Fund**

The Company makes monthly contributions to Provident Fund managed by Tata International Limited Provident Fund Trust (the "Trust") for qualifying employees. Under the Scheme, the Company is required to contribute a specified percentage of the payroll costs to fund the benefits. During the year the Company has contributed Rs. 184.10 lakhs (31 March 2018: Rs.202.81 lakhs) to the Provident fund trust.

In accordance with Indian law, employer established provident fund trusts are treated as Defined Benefit Plans, since the Company is obliged to meet interest shortfall, if any, with respect to covered employees. According to the actuarial valuation, the Defined Benefit Obligation of Interest rate Guarantee on exempted Provident Fund in respect of employees of the Company as at 31 March 2019 works out to ₹31.23 lakhs and hence provision is made in the books of accounts (31 March 2018 - ₹Nil ) towards the guarantee given for notified interest rates.

In carrying out an actuarial valuation of interest rate guarantee on exempt provident fund liability, expected investment return is compared with the guaranteed rate of interest and the expected shortfall is determined for a projection period of 3 year. This is further applied to accumulated value of the provident fund to arrive at the Defined Benefit Obligation.

The above process is carried out for 3 scenarios, one based on the prevailing rate of return, and the other two with 100 Basis Points upward and downward shifts in the expected rate of return and Defined Benefit Obligation of the interest rate guarantee is determined under these three scenarios. Defined Benefit Obligation of the interest rate guarantee is equal to the average of the Defined Benefit Obligation determined under all three scenarios above. The actuarial valuation is carried out using the projected accrued benefit method.

The major categories of plan assets in which the contributions are invested by Tata International Limited Provident Fund Trust are as under:

Particulars	2018-19	2017-18
Bonds and Securities of Central Government	227.38	236.57
Bonds and Securities of State Government	2,043.96	1,955.96
Corporate Bonds	2,208.26	2,408.85
Special Deposits with Banks	1,230.32	1,230.32
Equity Fund	223.80	195.33
Other Investments	166.43	172.06
<b>Total Assets</b>	<b>6,100.15</b>	<b>6,199.09</b>

## Notes forming part of the standalone financial statements

Actuarial assumptions made to determine Interest Rate Guarantee on Exempt Provident Fund Liabilities are as follows:

Particulars	2018-19	2017-18
Discount Rate for the term of the Obligation	7.07%	7.68%
Remaining term to Maturity (years) of plan assets	5.08	5.16
Weighted Average YTM	8.61%	8.51%
Attrition rate	15.00%	10.00%
Guaranteed Rate of Return	8.65%	8.55%

**Gratuity and Pension Plan**

The Company provides Gratuity benefit to all employees. The Company provides post retirement pension for retired whole-time directors. The assets of the gratuity plans are held separately from those of the Company in funds under the control of the trustees of the independent trusts or with the life insurance companies. The board of trustees of the gratuity fund composed of an equal number of representatives from both employees and employers. The board of the Fund is required by law and by the trust deed to act in the interest of the Fund and of all relevant stakeholders in the scheme. The board of trustee of the fund and management of life insurance company is responsible for the investment policy with regard to the assets of the Fund. Post retirement pension plan is not funded.

Under the gratuity plan, the employees with minimum five years of continuous service are entitled to lumpsum payment at the time of separation calculated based on the last drawn salary and number of years of service rendered with the company. Under the post retirement pension, the Company pays monthly pension to retired whole-time directors as decided by the board of directors.

These plans expose the Company to actuarial risks such as investment risk, interest rate risk, 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 benefits plans, the discount rate is determined by reference to bonds when there is deep market for such bonds. Currently, for the plan in India, it has 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.

Particulars	Funded Plan		Unfunded Plan	
	Gratuity		Pension Scheme	
	2019	2018	2019	2018
<b>I. Expenses Recognised in Profit and Loss Account for Current Period</b>				
1. Current Service Cost	200.34	234.70	-	-
2. Net Interest Cost	20.05	29.79	36.37	33.22
3. Past Service Cost	-	1.57	-	-
4. (Expected Contribution by the Employees)	-	-	-	-
5. (Gain)/Losses on Curtailment And Settlements	-	-	-	-
6. Net Effect of Changes in Foreign Exchange Rates	-	-	-	-
<b>7. Expenses Recognised</b>	<b>220.40</b>	<b>266.06</b>	<b>36.37</b>	<b>33.22</b>



**Notes forming part of the standalone financial statements**

	Particulars	Funded Plan		Unfunded Plan	
		Gratuity		Pension Scheme	
		2019	2018	2019	2018
<b>II.</b>	<b>Expenses Recognised in Other Comprehensive Income (OCI) for Current Period</b>				
1.	Actuarial (Gain)/ Losses on Obligation For the Period	(76.33)	(108.93)	31.82	58.89
2.	Return on Plan Assets, Excluding Interest Income	10.95	(15.02)	-	-
3.	Change in Asset Ceiling	-	-	-	-
4.	<b>Net (Income)/Expense for the Period Recognised in OCI</b>	<b>(65.37)</b>	<b>(123.95)</b>	<b>31.82</b>	<b>58.89</b>
<b>III.</b>	<b>Net Asset/(Liability) recognised in the Balance Sheet as at 31st March</b>				
1.	Present value of defined benefit obligation as at 31st March	(2,416.30)	(2,579.34)	(459.30)	(473.58)
2.	Fair value of plan assets as at 31st March	2,259.82	2,307.00	-	-
3.	Surplus/(Deficit)	(156.48)	(272.34)	(459.30)	(473.58)
4.	Current portion of the above	(60.96)	(103.41)	(75.22)	(75.83)
5.	Non current portion of the above	(95.52)	(168.93)	(384.08)	(397.75)
<b>IV.</b>	<b>Change in the obligation during the year ended 31st March</b>				
1.	Present value of defined benefit obligation at the beginning of the year	2,579.34	2,642.60	473.58	460.70
2.	Add/(Less) Liability transfer in/acquisition	4.49	1.07	-	-
	Transfer	-	-	-	-
3.	Current Service Cost	200.34	234.70	-	-
4.	Past Service Cost	-	1.57	-	-
5.	Interest Expense (Income)	194.05	189.54	36.37	33.22
6.	Actuarial Gain (Loss) arising from:	-	-	-	-
	i. Demographic Assumptions	12.84	-	-	-
	ii. Financial Assumptions	(20.12)	(71.44)	3.21	(8.28)
	iii. Experience Adjustments	(69.04)	(33.41)	28.61	67.17
7.	Benefit payments	(485.60)	(385.29)	(82.47)	(79.23)
8.	Others (Specify)	-	-	-	-
9.	<b>Present value of defined benefit obligation at the end of the year</b>	<b>2,416.30</b>	<b>2,579.34</b>	<b>459.30</b>	<b>473.58</b>
<b>V.</b>	<b>Change in fair value of assets during the year ended 31st March</b>				
1.	Fair value of plan assets at the beginning of the year	2,307.00	2,254.09	-	-
2.	Add/(Less) Liability transfer in/acquisition	4.49	1.07	-	-
3.	Expected return on plan assets	174.00	159.76	-	-
4.	Actual Return on plan assets in excess of the expected return	(10.95)	19.10	-	-
5.	Contributions by employer (including benefit payments recoverable)	270.88	258.28	-	-
6.	Benefit payments	(485.60)	(385.29)	-	-
7.	<b>Fair value of plan assets at the end of the year</b>	<b>2,259.82</b>	<b>2,307.00</b>	<b>-</b>	<b>-</b>
<b>VI.</b>	<b>The Major categories of plan assets</b>				
	Government of India assets	466.22	467.13	-	-
	State Government Securities	268.06	312.38	-	-
	Special Deposit Scheme	279.04	279.04	-	-
	Debt Instruments	79.47	93.48	-	-
	Corporate Bonds	490.63	604.02	-	-
	Cash & Cash equivalents	9.95	54.37	-	-
	Insurance Fund	100.00	100.00	-	-
	Asset - backed securities	-	-	-	-
	Structured debt	-	-	-	-
	Other	90.33	99.85	-	-
	Amount (payable) to Company	(147.60)	(227.96)	-	-
	<b>Total</b>	<b>1,636.11</b>	<b>1,782.31</b>	<b>-</b>	<b>-</b>
<b>VII.</b>	<b>Actuarial assumptions</b>				
1.	Discount rate	7.68% / 7.00%	7.68% / 7.60%	7.48%	7.68%
2.	Expected rate of return on plan assets	7.68% / 7.60%	7.68% / 7.00%	NA	NA
3.	Attrition rate	15.00%	10.00%	NA	NA
4.	Expected rate of salary increase	5.00%/7.00%	5.00%/7.00%	NA	NA
5.	Medical premium inflation	NA	NA	0%	0%

## Notes forming part of the standalone financial statements

Sensitivity analysis for each significant actuarial assumption is shown in table below:

Particulars	Funded Plan Gratuity		Unfunded Plans Post retirement Benefits	
	2019	2018	2019	2018
Effect of one percentage point change				
Projected Benefit Obligation on Current Assumptions	<b>2,416.30</b>	2,642.60	<b>459.30</b>	473.58
Delta Effect of +0.5% Change in Rate of Discounting	<b>(42.73)</b>	(5.22)	<b>(7.94)</b>	(8.47)
Delta Effect of -0.5% Change in Rate of Discounting	<b>45.56</b>	61.02	<b>8.25</b>	8.81
Delta Effect of +0.5% Change in Rate of Salary Increase	<b>46.14</b>	61.59		
Delta Effect of -0.5% Change in Rate of Salary Increase	<b>(43.83)</b>	(5.76)		
Delta Effect of +0.5% Change in Rate of Employee Turnover	<b>3.22</b>	4.15		
Delta Effect of -0.5% Change in Rate of Employee Turnover	<b>(3.65)</b>	(3.95)		
Delta Effect of +10% Change in Rate of Employee Turnover				
Delta Effect of -10% Change in Rate of Employee Turnover				
Delta Effect of +10.0% Change in Rate of Mortality Rate			<b>(20.10)</b>	(19.99)
Delta Effect of -10.0% Change in Rate of Mortality Rate			<b>22.50</b>	22.32

VIII. Experience Adjustments :	For the period ended				
	2019	2018	2017	2016	2015
	<b>Gratuity</b>				
1. Defined Benefit Obligation	(2,416.30)	(2,579.34)	(2,642.60)	(2,325.00)	(2,077.85)
2. Fair value of plan assets	2,259.82	2,307.00	2,254.09	2,020.70	1,967.42
3. Surplus/(Deficit)	(156.48)	(272.34)	(388.51)	(304.30)	(110.43)
4. Experience adjustment on plan liabilities [(Gain)/Loss]	69.04	33.41	(57.45)	166.66	87.52
5. Experience adjustment on plan assets [Gain/(Loss)]	(10.95)	19.10	3.89	(6.16)	(13.15)
	<b>Post retirement benefit</b>				
1. Defined Benefit Obligation	(459.30)	(473.58)	(460.70)	(438.83)	(910.07)
2. Plan assets	-	-	-	-	-
3. Surplus/(Deficit)	-	-	-	-	-
4. Experience adjustment on plan liabilities [(Gain)/Loss]	(28.61)	53.20	20.80	-	-

## 36 Financial instruments

## 36.01 Capital management

The Company manages its capital to ensure that entities will be able to continue as going concerns while maximising the return to stakeholders through the optimisation of the debt and equity balance. The Capital structure of the Company consists of net debt (borrowings as detailed in notes 14(a) and 14(b) offset by cash and bank balances) and the total equity of the Company.

The Company manages its capital structure and makes adjustments in light of changes in economic conditions and the requirements of the financial covenants. To maintain or adjust the capital structure, the Company may adjust the dividend payment to shareholders, return capital to shareholders or issue new shares. The Company monitors capital using a gearing ratio, which is net debt divided by total equity. The Company includes within net debt, long term-term borrowings, short-term borrowings, less cash and cash equivalents.

**Notes forming part of the standalone financial statements**
**Gearing Ratio**

The gearing ratio at end of the reporting period was as follows

Particulars	As at 31st March 2019 Rs. in lakhs	As at 31st March 2018 Rs. in lakhs
<b>Debt</b>		
Current borrowings	60,435.05	46,827.14
Current maturity of long-term debts	-	900.52
Interest accrued	105.81	30.16
Less: Cash and bank balances	(3,738.82)	(4,441.93)
<b>Net debt</b>	<b>56,802.04</b>	<b>43,315.89</b>
<b>Total equity</b>	<b>198,820.61</b>	<b>198,770.77</b>
Equity share capital	4,010.00	4,010.00
Unsecured perpetual securities	120,000.00	120,000.00
Other equity	74,810.61	74,788.63
<b>Net debt to equity ratio</b>	<b>0.29</b>	<b>0.22</b>

**36.02 Financial risk management objectives and policies**

The Company's principal financial liabilities, other than derivatives, comprise loans and borrowings and trade and other payables. The Company's principal financial assets include loans, trade and other receivables, and cash and short-term deposits that derive directly from its operations. The Company also holds FVTOCI investments and enters into derivative transactions. The Company is exposed to market risk (including currency risk, interest rate risk and other price risk), credit risk and liquidity risk.

The Company seeks to minimise the effects of these risks by using derivative financial instruments to hedge risk exposures. The use of financial derivatives is governed by the Company's policies approved by the board of directors, which provide written principles on foreign exchange risks, interest rate risk, credit risk, the use of financial derivatives and non-derivative financial instruments. The Company does not enter into or trade financial instruments including derivative financial instruments, for speculative purposes.

**36.02.1 Market risk**

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. The Company's activities expose it primarily to the financial risks of changes in foreign currency exchange rates and interest rates. The Company enters into derivative financial instruments to manage its exposure to foreign currency risk and interest rate risk.

**36.02.2 Commodity Risk**

Commodity price risk arises due to fluctuation in prices of metals, leather, minerals and agro products. The company has a risk management framework aimed at prudently managing the risk arising from the volatility in commodity prices and freight costs. The company's commodity risk is managed centrally through well-established trading operations and control processes. The Company enters into various transactions using derivatives and Exchange Traded Forwards, Options and Swap contracts to hedge its commodity and freight exposure.

**36.02.3 Foreign currency risk management**

The Company enter into sale and purchase transactions and borrowings denominated in foreign currencies; consequently, exposures to exchange rate fluctuations arise.



## TATA INTERNATIONAL LIMITED

### Notes forming part of the standalone financial statements

The carrying amounts of the Company's unhedged foreign currency denominated monetary assets and monetary liabilities at the end of the reporting period are as follows:

Monetary assets	As at	As at	As at	As at
	31st March 2019	31st March 2019	31st March 2018	31st March 2018
	Foreign currency in lakhs	Rs. in lakhs	Foreign currency in lakhs	Rs. in lakhs
US Dollar in India	206.63	14,288.72	1,959.93	127,048.67
Euro in India	19.86	1,542.64	15.96	1,274.78
GBP in India	3.66	330.05	0.76	69.15
VND in India	-	-	1,481.41	4.21
ZAR in India	-	-	12.17	66.46
Others *	-	-	-	8.77

  

Monetary liabilities	As at	As at	As at	As at
	31st March 2019	31st March 2019	31st March 2018	31st March 2018
	Foreign currency in lakhs	Rs. in lakhs	Foreign currency in lakhs	Rs. in lakhs
US Dollar in India	941.63	65,113.64	726.52	47,095.01
Euro in India	5.89	457.08	12.98	1,036.96
GBP in India	0.14	12.70	0.13	12.05
ZAR in India	0.03	0.14	-	-
Others *	-	-	-	0.01

### Foreign currency sensitivity analysis

Particulars	Net exposure	Impact on Profit/other components of equity	Net exposure	Impact on Profit/other components of equity
	Rs. in lakhs	(Rs. in lakhs)	Rs. in lakhs	(Rs. in lakhs)
	As at 31st March 2019		As at 31st March 2018	
USD/INR Increase by 10%	(50,824.92)	5,082.49	79,953.66	(7,995.37)
USD/INR Decrease by 10%		(5,082.49)	-	7,995.37
EUR/INR Increase by 10%	1,085.56	(108.56)	237.82	(23.78)
EUR/INR Decrease by 10%		108.56	-	23.78
GBP/INR Increase by 10%	317.35	(31.74)	57.10	(5.71)
GBP/INR Decrease by 10%		31.74		5.71
VND/INR Increase by 10%	-	-	4.21	(0.42)
VND/INR Decrease by 10%			-	0.42
ZAR/INR Increase by 10%	(0.14)	0.01	66.46	6.65
ZAR/INR Decrease by 10%		(0.01)		(6.65)

\* Other currencies includes HKD, BIRR, Taka, THB

**Notes forming part of the standalone financial statements**
**36.02.4 Outstanding Contracts**

Fair value hedges	Average Exchange rates		Amount in INR Lakhs		Nominal Value in respective currency		Fair value	
	As at 31st March 2019 Rs	As at 31st March 2018 Rs	As at 31st March 2019 Rs. in lakhs	As at 31st March 2018 Rs. in lakhs	As at 31st March 2019 in Lakhs	As at 31st March 2018 in Lakhs	As at 31st March 2019 Rs. in lakhs	As at 31st March 2018 Rs. in lakhs
<b>Export</b>								
USD	72.45	65.38	56,126.42	45,757.44	774.64	699.89	1,740.73	(230.97)
EUR	86.80	77.60	5,807.08	7,580.70	66.90	97.69	476.19	(292.86)
AUD	49.34	52.12	94.24	546.79	1.91	10.49	0.05	13.92
GBP	95.44	91.53	596.52	549.15	6.25	6.00	20.25	(15.16)
<b>Import</b>								
USD	71.01	65.38	22,932.86	11,719.00	322.97	179.04	3,800.50	(1.66)
EUR	83.47	-	2,006.58	-	24.04	-	92.59	-

**36.02.5 Interest Rate Risk**

- i) Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of change in market interest rates. The company's exposure to the risk of changes in market interest rates relates primarily to the company's long -term debt obligations with floating interest rates.

The company manages its interest rate risk by entering into interest rate swap contracts to swap floating interest rates for fixed interest rates over the duration of its borrowings. As 31 March 2018, after taking into account the effect of interest rate swaps all of the company's borrowings are at a fixed rate of interest.

- ii) **Interest rate swap contracts**

The Company enters into interest rate swaps to hedge interest rate risks. Under the interest rate swaps contracts, the Company exchange the difference between fixed and floating rate interest amounts calculated on agreed notional principal amounts. Such contracts enable the Company to mitigate the risk of changing interest rates on the fair value of fixed rate debt and cash flow exposures on variable rate debt. The fair value of interest rate swaps at the end of the reporting period is determined by discounting the future cash flows using the curves at the end of the reporting period and credit risk inherent in the contract.

The following table details the nominal amounts and remaining terms of interest rate swap contracts at the end of the reporting period.

Particulars	Average Contracted fixed interest rate		Nominal Value		Fair Value asset / (liabilities)	
	As at 31st March 2019 %	As at 31st March 2018 %	As at 31st March 2019 USD Lakhs	As at 31st March 2018 USD Lakhs	As at 31st March 2019 Rs. lakhs	As at 31st March 2018 Rs. lakhs
Outstanding - receive floating pay fixed contracts	4.99%	4.99%	1,344.29	1,344.29	(2,594.97)	3,478.96
	4.94%	4.94%	447.89	447.89	(842.33)	1,187.83
Outstanding - receive Floating LIBOR and pay Fixed LIBOR to bank	-	0.970%	-	65.00	-	0.88

The interest rate swap contracts are settled on cash basis. The Company settles the difference between the fixed and floating interest rate on a net basis. The fair value of these interest rate swap contracts are included in line items "Derivative liabilities/assets". The net change in fair value of the above Derivative instruments (forward exchange contracts) during the current year ended March 31, 2019 is Rs. 8,104.09 lakhs (for the year ended March 31, 2018 : Rs. 1,853.21 lakhs)

## Notes forming part of the standalone financial statements

## 36.02.6 Credit risk management

Credit risks refers to risk that a counterparty will default on its contractual obligations resulting in financial loss to the Company. The Company has adopted 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 uses other publically available financial information and its own trading records to rate its major customers.

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

The credit risk on bank balances and derivative financial instruments is limited because the counterparties are banks with high credit ratings.

In addition, the company is exposed to credit risk in relation to financial guarantees given to banks for loans given to subsidiaries. The company's maximum exposure in this respect is the maximum amount the company could have to pay if the guarantee is called on ( Refer note 28 (b)).

The company has a prudent and conservative process for managing its credit risk arising in the course of its business activities. Credit risk is actively managed through Letters of Credit, Bank Guarantees, advance payments and factoring & forfeiting with recourse to the Company.

## 36.02.7 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. Furthermore, the Company has access to funds from debt markets through commercial paper programs and other debt instruments. 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:

Rs. in lakhs

Particulars	Less than 1 year	1 to 5 years	> 5 years	Total	Carrying amount
Borrowing (including interest)	60,541.19	-	-	60,435.05	60,435.05
Derivative liabilities	2,295.64	-	-	2,295.64	2,295.64
Trade payables	-	-	-	-	-
Other financial liabilities	187.76	119.57	-	307.33	307.33
<b>Total</b>	<b>63,024.59</b>	<b>119.57</b>	<b>-</b>	<b>63,038.02</b>	<b>63,038.02</b>

The table below provides details regarding the contractual maturities of financial liabilities, including estimated interest payments as at March 31, 2018:

Rs. in lakhs

Particulars	Less than 1 year	1 to 5 years	> 5 years	Total	Carrying amount
Borrowing (including interest)	48,455.70	-	-	48,455.70	47,727.66
Derivative liabilities	249.14	-	-	249.14	249.14
Trade payables	80,655.67	-	-	80,655.67	80,655.67
Other financial liabilities	85.43	166.92	-	252.35	252.35
<b>Total</b>	<b>129,445.94</b>	<b>166.92</b>	<b>-</b>	<b>129,612.86</b>	<b>128,884.82</b>

**Notes forming part of the standalone financial statements**
**37 Fair Value Measurement**

The Significant accounting policies, including the criteria for recognition, the basis of measurement and the basis on which income and expenses are recognised, in respect of each class of financial asset, financial liability and equity instrument as disclosed in significant accounting policies of consolidated financial statements.

**(a) Financial Assets and Liabilities :**

- i) The Carrying Value and fair value of financial instruments by categories as at March 31, 2019 and March 31, 2018 is as follows :

Rs. in lakhs

Particulars	As at 31st March 2019		As at 31st March 2018	
	Total Carrying Value	Total Fair Value	Total Carrying Value	Total Fair Value
<b>Financial Assets:</b>				
<b>Fair Value through Profit or Loss</b>				
Current investments	-	-	470.67	470.67
Derivative assets	639.79	639.79	5,597.82	5,597.82
<b>Fair Value through OCI</b>				
Other Investment	27,274.56	27,274.56	27,549.79	27,549.79
<b>Amortised Cost</b>				
Trade receivables	43,225.16	43,225.16	31,553.61	34,419.88
Loans	125,740.47	125,740.47	116,818.34	187.50
Cash and Bank balances	3,763.21	3,763.21	4,441.93	4,441.93
Other financial assets	3,215.09	3,215.09	5,554.20	5,554.20

<b>Financial Liabilities</b>				
<b>Fair Value through Profit or Loss</b>				
Derivative liabilities	2,295.64	2,295.64	249.14	249.14
<b>Amortised Cost</b>				
Trade payable	93,104.61	93,104.61	80,655.67	80,655.67
Long term borrowings	-	-	-	-
Short Term borrowings	60,435.05	60,435.05	46,827.14	46,827.14
Other financial liabilities	413.47	413.47	1,152.87	1,152.87

## Notes forming part of the standalone financial statements

## (b) Fair Value Measurement

ii) The fair value hierarchy is based on inputs to valuation techniques that are used to measure fair value that are either observable or unobservable and consists of the following three levels:

- “ Level 1- Inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities.
- “ Level 2 - Inputs are other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).
- “ Level 3 - Inputs are not based on observable market data (unobservable inputs). Fair values are determined in whole or in part using a valuation model based on assumptions that are neither supported by prices from observable current market transactions in the same instrument nor are they based on available market data.

The investments included in Level 2 of Fair value Hierarchy have been valued using quotes available for similar assets and liabilities in the active market.

The investments included in Level 3 of fair value hierarchy have been valued using the cost approach to arrive at their fair value. The cost of unquoted investments approximate the fair value because there is a wide range of possible fair value measurements and the cost represents estimate of fair value within that range.

The following table summarises financial assets and liabilities measured at fair value on a recurring basis and financial assets that are not measured at fair value on a recurring basis (but fair value disclosure are required):

The fair value hierarchy is based on inputs to valuation techniques that are used to measure fair value that are either observable or unobservable and consists of the following three levels:

Rs. in lakhs

Particulars	As at 31st March 2019			
	Level 1	Level 2	Level 3	Total
<b>Financial assets:</b>				
Derivative financial assets		639.79		639.79
Other investments classified as fair value through OCI - Non current	9,380.84		17,893.72	27,274.56
Current investments classified as fair value through PL	-		-	-
<b>Total</b>	<b>9,380.84</b>	<b>639.79</b>	<b>17,893.72</b>	<b>27,914.35</b>

Rs. in lakhs

Particulars	As at 31st March 2018			
	Level 1	Level 2	Level 3	Total
<b>Financial assets:</b>				
Derivative financial assets		5,597.82		5,597.82
Other investments classified as fair value through OCI - Non current	9,654.97		17,619.59	27,274.56
Current investments classified as fair value through PL	-		-	-
<b>Total</b>	<b>9,654.97</b>	<b>5,597.82</b>	<b>17,619.59</b>	<b>32,872.38</b>



**Notes forming part of the standalone financial statements****38 (a) Related Party Disclosures****(A) Holding Company**

- 1 Tata Sons Limited
- Related Parties where control exists

**(B) Subsidiaries**

- 1 Alliance Finance Corporation
- 2 Alliance Motors Ghana Limited
- 3 Blackwood Hodge Zimbabwe (Private) Limited
- 4 Calsea Footwear Private Limited
- 5 Cometal, S.A.R.L.
- 6 Euro Shoe Components Limited
- 7 Monroa Portugal, Comércio E Serviços, Unipessoal LDA
- 8 Motor-Hub East Africa Limited
- 9 Move on Componentes e calçado,S.A.
- 10 Move On Retail Spain, S.L.
- 11 Newshelf 1369 Pty Ltd
- 12 Pamodzi Hotels Plc
- 13 TAH Pharmaceuticals Limited
- 14 Tata Africa (Senegal) S.A.R.L.
- 15 Tata Africa Cote D'Ivoire SARL
- 16 Tata Africa Holdings (Ghana) Limited
- 17 TATA Africa Holdings (Kenya) Limited
- 18 Tata Africa Holdings (SA) (Proprietary) Limited
- 19 Tata Africa Holdings (Tanzania) Limited
- 20 Tata Africa Services (Nigeria) Limited
- 21 Tata Africa Steel Processors (Proprietary) Limited
- 22 Tata Automobile Corporation (SA) (Proprietary) Limited
- 23 Tata De Mocambique, Limitada
- 24 Tata Holdings Mocambique Limitada
- 25 Tata International Canada Limited
- 26 Tata International Metals (Americas) Limited
- 27 Tata International Metals (Asia) Limited
- 28 Tata International Metals (UK) Limited
- 29 Tata International Singapore Pte Limited
- 30 Tata International Trading Brasil Ltda (ceased w.e.f. 30-11-2017)
- 31 Tata International Vietnam Company Limited
- 32 Tata International West Asia DMCC
- 33 Tata South East Asia (Cambodia) Limited
- 34 Tata South-East Asia Limited
- 35 Tata Uganda Limited
- 36 Tata West Asia FZE
- 37 Tata Zambia Limited
- 38 Tata Zimbabwe (Private) Limited
- 39 TIL Leather Mauritius Limited
- 40 Tata International Metals (South Africa) (Pty) Ltd

**Notes forming part of the standalone financial statements****(C) Other related parties where transactions have taken place during the year****(a) Fellow Subsidiaries**

- 1 Tata Communications Limited
- 2 Tata Consultancy Services Limited
- 3 Tata Teleservices Limited
- 4 Tata Investment Corporation Limited
- 5 Tata Teleservices (Maharashtra) Limited
- 6 Tata Limited
- 7 Tata Autocomp Systems Limited
- 8 Tata SIA Airlines Limited
- 9 Conneqt Business Solutions Limited
- 10 Tata Consulting Engineers Limited
- 11 Infiniti Retail Limited
- 12 Tata Capital Limited
- 13 Tata Industries Limited
- 14 Tata Chemicals Limited
- 15 Ewart Investments Limited
- 16 Taj Air Limited

**(b) Joint Ventures**

- 1 Tata International DLT Private Limited
- 2 Tata Precision Industries (India) Limited
- 3 Tata International GST AutoLeather Limited

**(c) Associates of Holding Company**

- 1 Titan Company Limited
- 2 Voltas Limited
- 3 Trent Limited
- 4 Tata Steel Limited
- 5 The Indian Hotels Company Limited
- 6 The Tata Power Company Limited
- 7 Tata Motors Limited
- 8 Tata Global Beverages Limited

**(d) Joint Venture of Holding Company**

- 1 Tata AIG General Insurance Company Limited

**(e) Key Management Personnel**

- 1 Managing Director - Mr Noel Tata
- 2 Company Secretary & CFO - Mr Ajay M Ponkshe
- 3 Director - Ms Sandhya S Kudtarkar
- 4 Director - Mr Deepak I Premnarayan
- 5 Director - Mr Ramakrishnan Mukundan
- 6 Director - Mr Gopal K Pillai

**Notes forming part of the standalone financial statements**
**38 (b) Related Party Transactions**

Transaction	Year	Associates of Holding Company	Fellow Subsidiaries	Holding Company	Joint Venture of Holding Company	Joint Venture	Key Management Personnel	Subsidiaries
Amount Payable	2017-18	123.29	469.23	-	-	-	-	42,929.02
	2018-19	724.14	181.78	4.32	-	-	-	54,722.84
Amount Receivable	2017-18	46.06	27.35	22.92	-	462.29	-	3,090.19
	2018-19	252.14	202.28	6.23	0.83	208.34	-	2,329.96
Claims Income	2017-18	-	1.83	-	-	-	-	-
	2018-19	-	-	-	0.08	8.51	-	-
Commission Expense	2017-18	-	-	-	-	-	-	604.93
	2018-19	-	-	-	-	-	-	438.56
Commission Income	2017-18	-	-	-	-	-	-	772.37
	2018-19	-	-	-	-	-	-	954.16
Deposit Given	2017-18	269.30	-	-	-	-	-	-
	2018-19	277.76	-	-	-	-	-	-
Interest / Dividend Income	2017-18	-	-	118.16	-	-	-	6,562.15
	2018-19	1,048.50	-	118.16	-	448.35	-	37.93
Interest Accrued Payable	2017-18	-	19.36	-	-	-	-	-
	2018-19	-	-	-	-	-	-	-
Interest Accrued Receivable	2017-18	-	-	-	-	-	-	712.38
	2018-19	-	-	-	-	-	-	757.35
Interest/ Dividend Expense	2017-18	930.00	186.00	-	-	-	-	-
	2018-19	1,343.12	298.65	209.25	-	-	-	7,010.74
Loan Given outstanding	2017-18	-	-	-	-	-	-	116,660.84
	2018-19	-	-	-	-	-	-	125,619.36
Long term Borrowings-unsecured	2017-18	-	2,000.00	-	-	-	-	-
	2018-19	-	-	-	-	-	-	-
Managerial Remuneration	2017-18	-	-	-	-	-	740.61	-
	2018-19	-	-	-	-	-	619.86	-
Other Income	2017-18	-	-	-	-	-	-	0.73
	2018-19	0.27	9.14	-	-	-	-	102.12
Purchase of capital goods	2017-18	-	-	-	-	-	-	-
	2018-19	18.32	-	-	-	-	-	-
Purchase of goods	2017-18	11,730.68	1.45	-	-	-	-	102,226.44
	2018-19	19,707.42	5.49	-	-	-	-	243,144.97
Receiving of Services	2017-18	847.54	3,758.22	5.11	-	-	-	485.87
	2018-19	857.98	8,696.54	6.14	31.50	-	-	514.94
Recovery of Expenses	2017-18	74.87	-	116.25	-	67.71	-	372.40
	2018-19	6.96	223.30	107.05	-	64.42	-	480.93
Reimbursement of expenses	2017-18	126.82	2.52	-	-	-	-	107.05
	2018-19	243.95	4.19	-	-	-	-	442.48
Rendering of Services (excluding service tax)	2017-18	-	13.28	-	-	-	-	2,593.79
	2018-19	6.57	-	-	-	-	-	3,253.48
Sale of goods	2017-18	8.18	85.44	-	-	2,209.52	-	4,727.67
	2018-19	1,768.84	171.04	-	-	1,207.05	-	11,773.96
Instruments entirely equity in nature	2017-18	10,000.00	2,000.00	-	-	-	-	-
	2018-19	15,000.00	2,000.00	-	-	-	-	-

Notes forming part of the standalone financial statements

38 (c) Related Party Transactions

Transaction	Associate of Holding Company											
	Tata Communications Limited		Tata Global Beverages Limited		Tata Motors Limited		Tata Steel Limited		The Indian Hotels Company Limited		The Tata Power Company Limited	
	2018-19.	2017-18.	2018-19.	2017-18.	2018-19.	2017-18.	2018-19.	2017-18.	2018-19.	2017-18.	2018-19.	2017-18.
Amount Payable	-	13.91	-	-	-	-	656.29	72.61	-	(0.04)	0.17	0.17
Amount Receivable	-	0.71	-	-	4.28	0.17	159.42	5.98	1.25	-	83.61	34.77
Claims Income	-	-	-	-	-	-	-	-	-	-	-	-
Commission Expense	-	-	-	-	-	-	-	-	-	-	-	-
Commission Income	-	-	-	-	-	-	-	-	-	-	-	-
Deposit Given	-	-	-	-	-	-	-	-	-	-	1.16	1.16
Interest / Dividend Income	-	-	-	-	-	-	877.50	-	-	-	171.00	-
Interest Accrued Payable	-	-	-	-	-	-	-	-	-	-	-	-
Interest Accrued Receivable	-	-	-	-	-	-	-	-	-	-	-	-
Interest/ Dividend Expense	-	-	-	-	86.69	-	35.77	-	10.00	-	30.00	-
Loan Given outstanding	-	-	-	-	-	-	-	-	-	-	-	-
Long term Borrowings-unsecured	-	-	-	-	-	-	-	-	-	-	-	-
Managerial Remuneration	-	-	-	-	-	-	-	-	-	-	-	-
Other Income	-	-	-	-	-	-	-	-	0.27	-	-	-
Purchase of capital goods	-	-	-	-	-	18.32	-	-	-	-	-	-
Purchase of goods	-	-	-	-	-	-	19,486.50	11,721.62	-	-	-	-
Receiving of Services	-	62.99	-	-	0.06	0.48	-	-	14.70	4.70	5.87	5.62
Recovery of Expenses	-	-	-	1.32	2.36	-	-	0.28	-	-	4.30	72.28
Reimbursement of expenses	-	-	-	-	-	-	243.95	-	-	-	-	126.82
Rendering of Services (excluding service tax)	-	-	-	-	-	-	6.57	-	-	-	-	-
Sale of goods	-	-	-	-	29.97	-	1,725.16	-	10.15	-	-	-
Instruments entirely equity in nature	-	-	-	-	-	-	-	-	-	-	-	-



Notes forming part of the standalone financial statements

38 (c) Related Party Transactions (Contd.)

Transaction	Associates of Holding Company				Fellow Subsidiaries							
	Titan Company Limited		Trent Limited		Voltas Limited		Conneqt Business Solutions Limited		Ewart Investments Limited		Infiniti Retail Limited	
	2018-19.	2017-18.	2018-19.	2017-18.	2018-19.	2017-18.	2018-19.	2017-18.	2018-19.	2017-18.	2018-19.	2017-18.
Amount Payable	-	-	65.65	36.09	2.03	0.55	1.61	-	-	-	-	-
Amount Receivable	3.58	3.58	-	0.84	-	-	-	-	-	-	12.82	-
Claims Income	-	-	-	-	-	-	-	-	-	-	-	-
Commission Expense	-	-	-	-	-	-	-	-	-	-	-	-
Commission Income	-	-	-	-	-	-	-	-	-	-	-	-
Deposit Given	-	-	274.95	268.14	1.65	-	-	-	-	-	-	-
Interest / Dividend Income	-	-	-	-	-	-	-	-	-	-	-	-
Interest Accrued Payable	-	-	-	-	-	-	-	-	-	-	-	-
Interest Accrued Receivable	-	-	-	-	-	-	-	-	-	-	-	-
Interest/ Dividend Expense	-	-	468.75	465.00	711.91	465.00	-	-	31.25	-	-	-
Loan Given outstanding	-	-	-	-	-	-	-	-	-	-	-	-
Long term Borrowings-unsecured	-	-	-	-	-	-	-	-	-	-	-	-
Managerial Remuneration	-	-	-	-	-	-	-	-	-	-	-	-
Other Income	-	-	-	-	-	-	-	-	-	-	-	-
Purchase of capital goods	-	-	-	-	-	-	-	-	-	-	-	-
Purchase of goods	98.08	1.26	121.03	3.77	1.81	4.02	-	-	-	-	5.49	-
Receiving of Services	-	-	825.31	722.99	12.05	50.76	20.60	2.37	-	-	-	-
Recovery of Expenses	-	-	-	0.99	0.30	-	-	-	-	-	-	-
Reimbursement of expenses	-	-	-	-	-	-	-	-	-	-	-	-
Rendering of Services (excluding service tax)	-	-	-	-	-	-	-	-	-	-	-	-
Sale of goods	-	-	3.56	8.18	-	-	-	-	-	-	56.98	-
Instruments entirely equity in nature	-	-	5,000.00	5,000.00	10,000.00	5,000.00	-	-	-	-	-	-



Notes forming part of the standalone financial statements

38 (c) Related Party Transactions (Contd.)

Transaction	Fellow Subsidiaries											
	Tata AIG General Insurance Company Limited		Tata Autocomp Systems Limited		Tata Capital Limited		Tata Chemicals Limited		Tata Communications Limited		Tata Consultancy Services Limited	
	2018-19.	2017-18.	2018-19.	2017-18.	2018-19.	2017-18.	2018-19.	2017-18.	2018-19.	2017-18.	2018-19.	2017-18.
Amount Payable	-	-	-	-	-	-	0.07	-	7.53	-	171.52	460.65
Amount Receivable	-	10.15	6.44	6.70	10.27	-	-	-	-	-	-	6.17
Claims Income	-	1.83	-	-	-	-	-	-	-	-	-	-
Commission Expense	-	-	-	-	-	-	-	-	-	-	-	-
Commission Income	-	-	-	-	-	-	-	-	-	-	-	-
Deposit Given	-	-	-	-	-	-	-	-	-	-	-	-
Interest / Dividend Income	-	-	-	-	-	-	-	-	-	-	-	-
Interest Accrued Payable	-	-	-	-	-	-	-	-	-	-	-	-
Interest Accrued Receivable	-	-	-	-	-	-	-	-	-	-	-	-
Interest/ Dividend Expense	-	-	-	-	-	-	60.00	-	-	-	-	-
Loan Given outstanding	-	-	-	-	-	-	-	-	-	-	-	-
Long term Borrowings-unsecured	-	-	-	-	-	-	-	-	-	-	-	-
Managerial Remuneration	-	-	-	-	-	-	-	-	-	-	-	-
Other Income	-	-	-	-	0.25	-	-	-	-	-	-	-
Purchase of capital goods	-	-	-	-	-	-	-	-	-	-	-	-
Purchase of goods	-	-	-	-	-	-	-	-	-	-	-	-
Receiving of Services	-	35.73	-	-	223.10	-	0.07	-	76.77	-	8,351.86	3,612.94
Recovery of Expenses	-	-	-	-	-	-	-	-	-	-	-	-
Reimbursement of expenses	-	-	-	-	-	-	-	-	-	-	-	-
Rendering of Services (excluding service tax)	-	-	-	-	-	-	-	-	-	-	-	-
Sale of goods	-	-	6.13	28.18	94.20	-	-	-	-	-	7.71	34.33
Instruments entirely equity in nature	-	-	-	-	-	-	-	-	-	-	-	-

Notes forming part of the standalone financial statements

38 (c) Related Party Transactions (Contd.)

Transaction	Fellow Subsidiaries											
	Tata Consulting Engineers Limited		Tata Industries Limited		Tata Investment Corporation Limited		Tata Limited		Tata SIA Airlines Limited		Tata Teleservices (Maharashtra) Limited	
	2018-19.	2017-18.	2018-19.	2017-18.	2018-19.	2017-18.	2018-19.	2017-18.	2018-19.	2017-18.	2018-19.	2017-18.
Amount Payable	-	5.40	-	-	-	-	-	-	-	-	0.39	0.96
Amount Receivable	-	-	171.04	-	-	-	-	-	-	-	-	-
Claims Income	-	-	-	-	-	-	-	-	-	-	-	-
Commission Expense	-	-	-	-	-	-	-	-	-	-	-	-
Commission Income	-	-	-	-	-	-	-	-	-	-	-	-
Deposit Given	-	-	-	-	-	-	-	-	-	-	-	-
Interest / Dividend Income	-	-	-	-	-	-	-	-	-	-	-	-
Interest Accrued Payable	-	-	-	-	-	19.36	-	-	-	-	-	-
Interest Accrued Receivable	-	-	-	-	-	-	-	-	-	-	-	-
Interest/ Dividend Expense	-	-	21.40	-	186.00	186.00	-	-	-	-	-	-
Loan Given outstanding	-	-	-	-	-	-	-	-	-	-	-	-
Long term Borrowings-unsecured	-	-	-	-	-	2,000.00	-	-	-	-	-	-
Managerial Remuneration	-	-	-	-	-	-	-	-	-	-	-	-
Other Income	-	-	-	-	-	-	-	-	-	-	-	-
Purchase of capital goods	-	-	-	-	-	-	-	-	-	-	-	-
Purchase of goods	-	-	-	-	-	-	-	-	-	-	-	-
Receiving of Services	-	5.00	-	-	-	-	-	66.50	-	-	18.93	20.56
Recovery of Expenses	-	-	223.30	-	-	-	-	-	-	-	-	-
Reimbursement of expenses	-	-	-	-	-	-	-	-	-	-	-	-
Rendering of Services (excluding service tax)	-	-	-	-	-	-	-	-	-	-	-	-
Sale of goods	-	-	-	-	-	-	-	-	5.84	22.94	-	-
Instruments entirely equity in nature	-	-	-	-	2,000.00	2,000.00	-	-	-	-	-	-



Notes forming part of the standalone financial statements

38 (c) Related Party Transactions (Contd.)

Transaction	Fellow Subsidiaries						Holding Company		Joint Ventures of Holding		Joint Ventures	
	Tata Teleservices Limited		Tata Unistore Limited		Taj Air Limited		Tata Sons Limited		Tata AIG General Insurance Company Limited		Tata International DLT Private Limited	
	2018-19.	2017-18.	2018-19.	2017-18.	2018-19.	2017-18.	2018-19.	2017-18.	2018-19.	2017-18.	2018-19.	2017-18.
Amount Payable	0.65	2.23	-	-	-	-	4.32	-	-	-	-	-
Amount Receivable	1.70	4.33	-	-	-	-	6.23	22.92	0.83	-	-	-
Claims Income	-	-	-	-	-	-	-	-	0.08	-	-	-
Commission Expense	-	-	-	-	-	-	-	-	-	-	-	-
Commission Income	-	-	-	-	-	-	-	-	-	-	-	-
Deposit Given	-	-	-	-	-	-	-	-	-	-	-	-
Interest / Dividend Income	-	-	-	-	-	-	118.16	118.16	-	-	448.35	-
Interest Accrued Payable	-	-	-	-	-	-	-	-	-	-	-	-
Interest Accrued Receivable	-	-	-	-	-	-	-	-	-	-	-	-
Interest/ Dividend Expense	-	-	-	-	-	-	209.25	-	-	-	-	-
Loan Given outstanding	-	-	-	-	-	-	-	-	-	-	-	-
Long term Borrowings-unsecured	-	-	-	-	-	-	-	-	-	-	-	-
Managerial Remuneration	-	-	-	-	-	-	-	-	-	-	-	-
Other Income	8.88	-	-	-	0.01	-	-	-	-	-	-	-
Purchase of capital goods	-	-	-	-	-	-	-	-	-	-	-	-
Purchase of goods	-	-	-	1.45	-	-	-	-	-	-	-	-
Receiving of Services	5.20	15.12	-	-	-	-	6.14	5.11	31.50	-	-	-
Recovery of Expenses	-	-	-	-	-	-	107.05	116.25	-	-	51.77	36.38
Reimbursement of expenses	4.19	2.52	-	-	-	-	-	-	-	-	-	-
Rendering of Services (excluding service tax)	-	13.28	-	-	-	-	-	-	-	-	-	-
Sale of goods	-	-	-	-	0.19	-	-	-	-	-	-	-
Instruments entirely equity in nature	-	-	-	-	-	-	-	-	-	-	-	-





Notes forming part of the standalone financial statements

38 (c) Related Party Transactions (Contd.)

Transaction	Joint Ventures				Key Management		Subsidiaries					
	Tata International GST AutoLeather Limited		Tata Precision Industries (India) Limited		Key Management Personnel		Alliance Finance Corporation		Alliance Motors Ghana Limited		Blackwood Hodge Zimbabwe (Private) Limited	
	2018-19.	2017-18.	2018-19.	2017-18.	2018-19.	2017-18.	2018-19.	2017-18.	2018-19.	2017-18.	2018-19.	2017-18.
Amount Payable	-	-	-	-	-	-	-	-	-	-	-	-
Amount Receivable	208.34	462.29	-	-	-	-	1.11	-	19.18	-	71.12	32.55
Claims Income	8.51	-	-	-	-	-	-	-	-	-	-	-
Commission Expense	-	-	-	-	-	-	-	-	-	-	-	-
Commission Income	-	-	-	-	-	-	-	-	-	-	-	-
Deposit Given	-	-	-	-	-	-	-	-	-	-	-	-
Interest / Dividend Income	-	-	-	-	-	-	-	-	-	-	-	-
Interest Accrued Payable	-	-	-	-	-	-	-	-	-	-	-	-
Interest Accrued Receivable	-	-	-	-	-	-	-	-	-	-	-	-
Interest/ Dividend Expense	-	-	-	-	-	-	-	-	-	-	-	-
Loan Given outstanding	-	-	-	-	-	-	-	-	-	-	-	-
Long term Borrowings-unsecured	-	-	-	-	-	-	-	-	-	-	-	-
Managerial Remuneration	-	-	-	-	619.86	740.61	-	-	-	-	-	-
Other Income	-	-	-	-	-	-	-	-	-	-	-	-
Purchase of capital goods	-	-	-	-	-	-	-	-	-	-	-	-
Purchase of goods	-	-	-	-	-	-	-	-	-	-	-	-
Receiving of Services	-	-	-	-	-	-	-	-	-	-	-	-
Recovery of Expenses	12.66	28.85	-	2.47	-	-	55.12	-	-	0.55	-	2.90
Reimbursement of expenses	-	-	-	-	-	-	-	-	-	-	-	-
Rendering of Services (excluding service tax)	-	-	-	-	-	-	-	-	26.73	20.55	37.40	18.41
Sale of goods	1,207.05	2,209.52	-	-	-	-	-	-	-	-	-	-
Instruments entirely equity in nature	-	-	-	-	-	-	-	-	-	-	-	-

Notes forming part of the standalone financial statements

38 (c) Related Party Transactions (Contd.)

Transaction	Subsidiaries											
	Calsea Footwear Private Limited		Cometal, S.A.R.L.		Euro Shoe Components Limited		Monroa Portugal, Comércio E Serviços, Unipessoal LDA		Motor-Hub East Africa Limited (w.e.f. 29.05.2015)		Move On Componentes E Calcado, S.A.	
	2018-19.	2017-18.	2018-19.	2017-18.	2018-19.	2017-18.	2018-19.	2017-18.	2018-19.	2017-18.	2018-19.	2017-18.
Amount Payable	85.26	7.71	-	-	146.38	974.23	-	-	-	-	43.93	48.80
Amount Receivable	1,029.75	713.80	7.33	7.18	10.47	31.35	0.15	(0.15)	0.59	-	(1.01)	18.19
Claims Income	-	-	-	-	-	-	-	-	-	-	-	-
Commission Expense	-	-	-	-	-	-	-	-	-	-	-	-
Commission Income	-	-	-	-	-	-	-	-	-	-	-	-
Deposit Given	-	-	-	-	-	-	-	-	-	-	-	-
Interest / Dividend Income	37.93	6.29	-	-	-	149.76	-	-	-	-	-	-
Interest Accrued Payable	-	-	-	-	-	-	-	-	-	-	-	-
Interest Accrued Receivable	-	-	-	-	-	-	-	-	-	-	-	-
Interest/ Dividend Expense	8.10	-	-	-	-	-	-	-	-	-	-	-
Loan Given outstanding	1,690.00	90.00	-	-	-	-	-	-	-	-	-	-
Long term Borrowings-unsecured	-	-	-	-	-	-	-	-	-	-	-	-
Managerial Remuneration	-	-	-	-	-	-	-	-	-	-	-	-
Other Income	102.12	-	-	-	-	-	-	-	-	-	-	-
Purchase of capital goods	-	-	-	-	-	-	-	-	-	-	-	-
Purchase of goods	238.65	14.29	-	-	3,544.75	2,530.13	-	-	-	-	-	14.01
Receiving of Services	-	24.78	-	-	407.58	408.20	-	-	-	-	5.23	-
Recovery of Expenses	13.93	8.48	-	0.05	7.20	14.84	-	0.25	0.59	-	-	80.07
Reimbursement of expenses	-	0.15	-	-	-	-	-	-	-	-	-	1.02
Rendering of Services (excluding service tax)	56.34	64.27	-	-	72.31	28.11	-	-	-	-	-	-
Sale of goods	1,386.43	1,108.66	-	-	1,003.95	32.91	-	-	-	-	3.83	73.05
Instruments entirely equity in nature	-	-	-	-	-	-	-	-	-	-	-	-

Notes forming part of the standalone financial statements

38 (c) Related Party Transactions (Contd.)

Transaction	Subsidiaries											
	TAH Pharmaceuticals Limited		Tata Africa (Cote D'Ivoire) SARL		Tata Africa (Senegal) S.A.R.L.		Tata Africa Holdings (Ghana) Limited		TATA Africa Holdings (Kenya) Limited		Tata Africa Holdings (SA) (Proprietary) Limited	
	2018-19.	2017-18.	2018-19.	2017-18.	2018-19.	2017-18.	2018-19.	2017-18.	2018-19.	2017-18.	2018-19.	2017-18.
Transactions												
Amount Payable	-	-	-	0.09	-	-	-	-	-	-	-	3.40
Amount Receivable	39.63	-	13.91	8.25	0.60	5.48	(0.12)	23.47	8.72	-	81.25	66.26
Claims Income	-	-	-	-	-	-	-	-	-	-	-	-
Commission Expense	-	-	-	-	-	-	-	-	-	-	-	-
Commission Income	-	-	-	-	-	-	-	-	-	-	-	-
Deposit Given	-	-	-	-	-	-	-	-	-	-	-	-
Interest / Dividend Income	-	-	-	-	-	-	-	-	-	-	-	-
Interest Accrued Payable	-	-	-	-	-	-	-	-	-	-	-	-
Interest Accrued Receivable	-	-	-	-	-	-	-	-	-	-	-	-
Interest/ Dividend Expense	-	-	-	-	-	-	-	-	-	-	-	-
Loan Given outstanding	-	-	-	-	-	-	-	-	-	-	-	-
Long term Borrowings-unsecured	-	-	-	-	-	-	-	-	-	-	-	-
Managerial Remuneration	-	-	-	-	-	-	-	-	-	-	-	-
Other Income	-	-	-	-	-	-	-	-	-	-	-	-
Purchase of capital goods	-	-	-	-	-	-	-	-	-	-	-	-
Purchase of goods	-	-	-	-	-	-	-	-	-	-	-	-
Receiving of Services	-	-	-	1.16	-	-	-	-	-	-	-	-
Recovery of Expenses	0.59	0.06	6.18	2.85	8.05	17.10	-	10.00	23.63	17.24	96.60	52.74
Reimbursement of expenses	-	-	-	-	-	-	-	-	-	-	1.49	3.40
Rendering of Services (excluding service tax)	45.01	13.40	38.77	19.69	45.83	30.30	64.95	47.78	99.34	111.23	142.10	135.52
Sale of goods	-	-	-	-	-	-	-	-	-	-	-	-
Instruments entirely equity in nature	-	-	-	-	-	-	-	-	-	-	-	-



Notes forming part of the standalone financial statements

38 (c) Related Party Transactions (Contd.)

Transaction	Subsidiaries											
	Tata Africa Holdings (Tanzania) Limited		Tata Africa Services (Nigeria) Limited		Tata Africa Steel Processors (Proprietary) Limited		Tata Automobile Corporation (SA) (Proprietary) Limited		Tata De Mocambique, Limitada		Tata Holdings Mocambique Limitada	
	2018-19.	2017-18.	2018-19.	2017-18.	2018-19.	2017-18.	2018-19.	2017-18.	2018-19.	2017-18.	2018-19.	2017-18.
Amount Payable	-	-	-	-	-	14.14	-	-	-	-	-	-
Amount Receivable	55.39	4.68	2.32	2.46	13.28	2.90	0.19	-	61.84	104.02	0.48	-
Claims Income	-	-	-	-	-	-	-	-	-	-	-	-
Commission Expense	-	-	-	-	-	-	-	-	-	-	-	-
Commission Income	-	-	-	-	-	-	-	-	-	-	-	-
Deposit Given	-	-	-	-	-	-	-	-	-	-	-	-
Interest / Dividend Income	-	-	-	-	-	-	-	-	-	-	-	-
Interest Accrued Payable	-	-	-	-	-	-	-	-	-	-	-	-
Interest Accrued Receivable	-	-	-	-	-	-	-	-	-	-	-	-
Interest/ Dividend Expense	-	-	-	-	-	-	-	-	-	-	-	-
Loan Given outstanding	-	-	-	-	-	-	-	-	-	-	-	-
Long term Borrowings-unsecured	-	-	-	-	-	-	-	-	-	-	-	-
Managerial Remuneration	-	-	-	-	-	-	-	-	-	-	-	-
Other Income	-	0.35	-	0.38	-	-	-	-	-	-	-	-
Purchase of capital goods	-	-	-	-	-	-	-	-	-	-	-	-
Purchase of goods	-	-	-	-	-	-	-	-	-	-	-	-
Receiving of Services	-	-	-	-	-	-	-	-	-	-	-	-
Recovery of Expenses	47.23	17.63	39.49	19.10	-	6.05	-	32.90	11.17	6.27	0.48	-
Reimbursement of expenses	-	-	-	-	-	-	-	-	-	-	-	-
Rendering of Services (excluding service tax)	177.22	172.02	66.04	74.56	-	40.52	223.24	89.20	86.21	90.48	-	-
Sale of goods	-	-	-	-	-	-	-	-	-	-	-	-
Instruments entirely equity in nature	-	-	-	-	-	-	-	-	-	-	-	-



Notes forming part of the standalone financial statements

38 (c) Related Party Transactions (Contd.)

Transaction	Subsidiaries											
	Tata International Metals (Americas) Limited		Tata International Metals (Asia) Limited		Tata International Metals (South Africa) (Pty) Ltd		Tata International Metals (UK) Limited		Tata International Singapore Pte Limited		Tata International Vietnam Company Limited (w.e.f. 09.06.2016)	
	2018-19.	2017-18.	2018-19.	2017-18.	2018-19.	2017-18.	2018-19.	2017-18.	2018-19.	2017-18.	2018-19.	2017-18.
Amount Payable	-	-	4.60	3.23	-	-	8.10	-	54,333.82	40,837.69	8.73	-
Amount Receivable	44.96	774.74	-	7.32	33.26	-	0.06	7.68	349.78	891.60	7.79	1.90
Claims Income	-	-	-	-	-	-	-	-	-	-	-	-
Commission Expense	-	-	-	-	-	-	-	-	-	-	-	-
Commission Income	-	-	-	-	-	-	-	-	954.16	772.37	-	-
Deposit Given	-	-	-	-	-	-	-	-	-	-	-	-
Interest / Dividend Income	-	-	-	-	-	-	-	-	-	6,406.10	-	-
Interest Accrued Payable	-	-	-	-	-	-	-	-	-	-	-	-
Interest Accrued Receivable	-	-	-	-	-	-	-	-	757.35	712.38	-	-
Interest/ Dividend Expense	-	-	-	-	-	-	-	-	7,002.64	-	-	-
Loan Given outstanding	-	-	-	-	-	-	-	-	123,929.36	116,570.84	-	-
Long term Borrowings-unsecured	-	-	-	-	-	-	-	-	-	-	-	-
Managerial Remuneration	-	-	-	-	-	-	-	-	-	-	-	-
Other Income	-	-	-	-	-	-	-	-	-	-	-	-
Purchase of capital goods	-	-	-	-	-	-	-	-	-	-	-	-
Purchase of goods	-	-	-	-	-	-	-	-	239,076.30	96,513.44	-	-
Receiving of Services	68.71	-	-	-	-	-	3.86	-	-	-	29.36	-
Recovery of Expenses	0.02	1.22	0.67	7.69	1.63	-	12.44	3.17	70.74	20.47	5.73	1.31
Reimbursement of expenses	-	-	9.71	-	-	-	0.45	-	362.35	31.02	-	-
Rendering of Services (excluding service tax)	-	117.38	301.98	242.39	42.18	-	137.46	86.83	1,262.50	912.54	-	-
Sale of goods	650.23	2,055.24	-	-	-	-	-	-	8,424.36	739.86	-	-
Instruments entirely equity in nature	-	-	-	-	-	-	-	-	-	-	-	-

Notes forming part of the standalone financial statements

38 (c) Related Party Transactions (Contd.)

Transaction	Subsidiaries											
	Tata International West Asia DMCC		Tata South East Asia (Cambodia) Limited		Tata South-East Asia Limited		Tata Uganda Limited		Tata West Asia FZE Limited		Tata Zambia Limited	
	2018-19.	2017-18.	2018-19.	2017-18.	2018-19.	2017-18.	2018-19.	2017-18.	2018-19.	2017-18.	2018-19.	2017-18.
Amount Payable	-	8.36	-	-	92.04	1,031.38	-	-	-	-	-	-
Amount Receivable	8.73	14.29	0.64	-	42.08	225.48	131.14	2.53	-	-	294.74	96.30
Claims Income	-	-	-	-	-	-	-	-	-	-	-	-
Commission Expense	-	-	-	-	438.56	604.93	-	-	-	-	-	-
Commission Income	-	-	-	-	-	-	-	-	-	-	-	-
Deposit Given	-	-	-	-	-	-	-	-	-	-	-	-
Interest / Dividend Income	-	-	-	-	-	-	-	-	-	-	-	-
Interest Accrued Payable	-	-	-	-	-	-	-	-	-	-	-	-
Interest Accrued Receivable	-	-	-	-	-	-	-	-	-	-	-	-
Interest/ Dividend Expense	-	-	-	-	-	-	-	-	-	-	-	-
Loan Given outstanding	-	-	-	-	-	-	-	-	-	-	-	-
Long term Borrowings-unsecured	-	-	-	-	-	-	-	-	-	-	-	-
Managerial Remuneration	-	-	-	-	-	-	-	-	-	-	-	-
Other Income	-	-	-	-	-	-	-	-	-	-	-	-
Purchase of capital goods	-	-	-	-	-	-	-	-	-	-	-	-
Purchase of goods	285.28	-	-	-	-	3,124.30	-	-	-	-	-	30.27
Receiving of Services	0.19	8.36	-	-	-	43.37	-	-	-	-	-	-
Recovery of Expenses	1.08	2.55	0.64	3.54	28.97	17.84	16.09	9.37	-	-	32.06	15.86
Reimbursement of expenses	-	-	-	-	68.47	71.47	-	-	-	-	-	-
Rendering of Services (excluding service tax)	84.09	72.41	-	-	0.50	-	117.78	113.79	-	-	125.49	92.44
Sale of goods	-	-	-	-	171.73	683.56	133.44	-	-	-	-	34.39
Instruments entirely equity in nature	-	-	-	-	-	-	-	-	-	-	-	-



Notes forming part of the standalone financial statements

38 (c) Related Party Transactions (Contd.)

Transaction	Subsidiaries			
	Tata Zambia Limited - Malawi branch		Pamodzi Hotels Plc	
	2018-19.	2017-18.	2018-19.	2017-18.
Amount Payable	-	-	-	-
Amount Receivable	-	47.90	0.59	-
Claims Income	-	-	-	-
Commission Expense	-	-	-	-
Commission Income	-	-	-	-
Deposit Given	-	-	-	-
Interest / Dividend Income	-	-	-	-
Interest Accrued Payable	-	-	-	-
Interest Accrued Receivable	-	-	-	-
Interest/ Dividend Expense	-	-	-	-
Loan Given outstanding	-	-	-	-
Long term Borrowings-unsecured	-	-	-	-
Managerial Remuneration	-	-	-	-
Other Income	-	-	-	-
Purchase of capital goods	-	-	-	-
Purchase of goods	-	-	-	-
Receiving of Services	-	-	-	-
Recovery of Expenses	-	0.30	0.59	-
Reimbursement of expenses	-	-	-	-
Rendering of Services (excluding service tax)	-	-	-	-
Sale of goods	-	-	-	-
Instruments entirely equity in nature	-	-	-	-

**Notes forming part of the standalone financial statements**

**39 Divestment / Discontinuing Operations :**

During the year, the Company Management were in discussion with various interested parties for sale of its solar business. Subsequent to year end on April 17th, 2019, the company has entered into an asset transfer agreement for solar division with one of the interested party. Effective date for such transfer is expected to be 1st June 2019. The Company has classified this division as a discontinuing operation. The Company has also classified assets and liability which are going to be transferred to interested party as disposal group.

During the year, the Company Management were in discussion with few interested parties for sale of its Bicycle business. The Management is actively perusing the sale and it is expected that sale will happen in next 12 months. The Company has classified this division as a discontinuing operation. The Company has also classified assets and liability associated with bicycle division as disposal Company. The Company is planning to demerge this division and transfer it to a newly incorporated wholly owned subsidiary company, viz. Stryder Cycle Pvt. Ltd.

The Company is in the advanced stage of finalising the contract for sale of its shareholding in Tata International DLT Pvt Ltd, a joint venture. Board of the Company has already given its consent to sell the shareholding in favour of identified buyer. Transaction is expected to be completed in next few weeks. The Company has classified this as assets held for sale on March 31, 2019.

**Results for discontinued operations as below:**

Rs. In Lakhs

Particulars	For the year ended	For the year ended
	31st March, 2019	31st March, 2018
	Total	Total
Revenue from operations	28,230.86	27,785.41
Other income	105.82	184.20
<b>Total income</b>	<b>28,336.68</b>	<b>27,969.61</b>
<b>Expenses</b>		
Cost of raw material consumed	12,821.08	11,971.92
Purchase of stock-in-trade	8,039.93	8,174.71
Changes in inventories of finished goods, work-in-progress and stock-in-trade	(283.47)	(169.02)
Employee benefit expense	1,105.68	1,001.22
Finance costs	247.93	80.51
Depreciation and amortisation expense	57.11	57.27
Other expenses	5,826.80	6,011.41
<b>Total expenses</b>	<b>27,815.06</b>	<b>27,128.02</b>
Profit before tax	521.62	841.59
Total tax expense	(182.27)	(291.27)
<b>Profit from discontinued operations</b>	<b>703.89</b>	<b>1,132.86</b>

Particulars	As at
	31st March, 2019
	Total
<b>ASSETS</b>	
Total non-current assets	1,083.59
Total current assets	6,765.57
<b>Assets classified as held for sale</b>	<b>7,849.16</b>
<b>EQUITY AND LIABILITIES</b>	
Total non-current liabilities	29.48
Total current liabilities	6,160.74
<b>Liabilities directly associated with assets classified as held for sale</b>	<b>6,190.22</b>
<b>Net assets directly associated with disposal group</b>	<b>1,658.94</b>



**Notes forming part of the standalone financial statements**
**The net cash flows from discontinued operations, as follows:**

Particulars	Mar-19
Operating	1,572.87
Investing	17.18
Financing	-
<b>Net cash (outflow)/inflow</b>	<b>1,590.05</b>
<b>Earnings per share from discontinued operation:</b>	
Basic	84.63
Diluted	84.63

**40 Derivative Instruments**
**Outstanding Derivative Contracts**

Fair value hedges	As at	As at
	31st March 2019	31st March 2018
	Rs in Lakhs	Rs in Lakhs
<b>Options &amp; Forward Contract</b>		
more than 1 year	-	-
less than 1 year	1,781.45	681.89
<b>Interest Swap</b>		
more than 1 year	-	4,666.79
less than 1 year	(3,437.30)	-
<b>Total</b>	<b>(1,655.85)</b>	<b>5,348.68</b>
Non Current assets	-	<b>4,666.79</b>
Current assets	<b>639.79</b>	<b>931.03</b>
Current Liabilities	<b>(2,295.64)</b>	<b>(249.14)</b>

**41 Earnings per share**
**Rs. in lakhs**

Particulars	For the year ended 31 March, 2019	For the year ended 31 March, 2018
Profit for the year	7,967.79	7,530.40
Less: Distribution on perpetual security (net of tax)	(7,260.25)	(7,395.81)
Adjusted Profit for the year	707.54	134.59
Profit for the year used in the calculation of basic/diluted earning per share from continuing operations	368.19	550.32
Profit for the year used in the calculation of basic/diluted earning per share from discontinuing operations	339.35	134.59
Weighted Average number of equity shares	401,000	401,000
Earning per share basic - and diluted from continuing operations(Rs.)	91.82	33.56
Earning per share basic - and diluted from discontinued operations(Rs.)	84.63	137.24
Earning per share basic - and diluted from continuing & discontinued operations(Rs.)	176.45	170.80
Face value per equity share (Rs.)	1,000	1,000



## TATA INTERNATIONAL LIMITED

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### Notes forming part of the standalone financial statements

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

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as per our report of even date

**For S R B C & CO LLP**

Chartered Accountants

ICAI Firm Registration No: 324982E/E300003

**per Vinayak Pujare**

Partner

Membership No: 101143

Place : Mumbai

Date : 22nd May, 2019

**For and on behalf of the Board of Directors**

**G. K. Pillai**

Chairman

DIN : 02340756

Place : Delhi

Date : 14th May, 2019

**N N Tata**

Managing Director

DIN : 00024713

Place : Mumbai

Date : 22nd May, 2019

**A M Ponkshe**

Chief Financial Officer &  
Company Secretary

Place : Mumbai

Date : 14th May, 2019

**FINANCIAL SUMMARY**

Year	Share Capital	Reserve and Surplus	Borrowings	Gross Block	Net Block	Gross Revenue	Profit Before Tax	Profit After Tax	Dividend (Excluding Tax on Distributed Profits)	Earnings Per Share Rs.	Debt Equity Ratio	Number of Employees
( Rupees Lakhs )												
1966-68	10	(7)	20	3	2	873	(6)	(6)	0	(600)	0	50
1972-73	25	86	524	7	5	1867	54	27	1	1080	4.7:1	100
1977-78	100	427	937	545	383	9859	127	124	20	1240	1.3:1	639
1982-83	400	468	5269	1131	621	11193	123	123	50	305	5.2:1	1161
1987-88	600	836	5704	1613	590	15795	251	193	90	322	2.8:1	1542
1992-93	1403	2990	7525	3544	1654	55769	352	349	161	175	0.5:1	1689
1993-94	1750	3755	10311	4047	1893	58997	318	315	229	157	1:1	1644
1994-95	1750	4495	15057	4226	1774	107874	1366	1091	350	623	1.3:1	1615
1995-96	2000	6707	15726	4630	1882	162836	2426	2301	464	1150	0.8:1	1615
1996-97	2000	8099	13228	5423	2324	170180	2383	2052	600	1026	0.4:1	1634
1997-98	2000	8708	13859	6449	2987	174505	1054	1049	400	524	0.4:1	1622
1998-99	2000	9426	13209	6888	3048	169417	1167	1162	400	581	0.2:1	1631
1999-2000	2000	9504	17064	8690	4252	168067	709	521	400	261	0.4:1	1526
2000-2001	2000	9645	16314	8598	4019	217176	788	582	400	291	0.3:1	1589
2001-2002	2000	8815	17652	9410	4315	194953	(750)	(830)	0	(415)	0.3:1	1529
2002-2003	2000	9669	18063	9136	3928	234884	1134	993	200	496	0.2:1	1590
2003-2004	2000	11299	19450	9171	3798	324233	2937	2309	600	1154	0.2:1	1589
2004-2005	2000	14817	19320	10641	4752	443882	3832	2371	600	1186	0.1:1	1613
2005-2006	2000	16862	20124	11899	5419	338622	6367	4369	400	2185	0.05:1	1585
2006-2007	2000	24236	12704	11980	4844	79382	9941	7843	400	3921	0.48:1	1371
2007-2008	2000	29049	14422	14133	6885	76705	6739	5514	600	2757	0.46:1	1384
2008-2009	2000	30511	15864	16102	7679	96336	3044	1813	300	907	0.49:1	1376
2009-2010	2000	31581	19244	17001	7153	73483	2300	1362	250	681	0.57:1	1420
2010-2011	2000	23803	55360	22375	11371	88540	(7061)	(7026)	-	(3513)	2.15:1	2371
2011-2012	4010	45656	61482	25036	12542	101895	4052	3837	206	1081	1.24:1	1434
2012-2013	4010	45043	53151	27001	13206	121539	-611	-613	-	(153)	1.08:1	1994
2013-2014	4010	45799	64720	27320	12089	150750	1844	1817	401	453	1.3:1	2106
2014-2015	4010	45594	60559	26066	8180	164948	664	439	401	109	1.22:1	2955
2015-2016 (IND AS)	4010	76807	44048	17518	13055	196359	20414	13475	606	3360	0.55:1	2976
2016-2017 (IND AS)	4010	72575	44915	19821	11737	250535	-3175	-3191	603	(985)	0.59:1	3175
2017-2018 (IND AS)	4010	74789	47728	19519	9613	268279	11822	8081	0	170	0.61:1	1868
2018-2019 (IND AS)	4010	74811	60435	20295	8507	502334	7092	7968	501	176	0.77:1	1834

# **CONSOLIDATED FINANCIAL STATEMENTS**

## INDEPENDENT AUDITOR'S REPORT

To the Members of Tata International Limited

Report on the Audit of the Consolidated Ind AS Financial Statements

### Qualified Opinion

We have audited the accompanying consolidated Ind AS financial statements of **Tata International Limited** (hereinafter referred to as "the Holding Company"), its subsidiaries (the Holding Company and its subsidiaries together referred to as "the Group") and its associates and joint ventures comprising the consolidated Balance sheet as at March 31 2019, the consolidated Statement of Profit and Loss including other comprehensive income, the consolidated Cash Flow Statement and the consolidated Statement of Changes in Equity for the year then ended, and notes to the consolidated Ind AS financial statements, including a summary of significant accounting policies and other explanatory information (hereinafter referred to as "the consolidated Ind AS 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 and on the other financial information of the subsidiaries, associates and joint ventures, except for the possible effects of the matters described in the 'Basis for Qualified Opinion' section of our report, the aforesaid consolidated Ind AS financial statements give the information required by the Companies Act, 2013, as amended ("the Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the consolidated state of affairs of the Group, its associates and joint ventures as at March 31, 2019, their consolidated loss including other comprehensive income, their consolidated cash flows and the consolidated statement of changes in equity for the year ended on that date.

### Basis for Qualified Opinion

- a. The auditor of two subsidiary companies of the Group i.e. Tata Automobile Corporation (SA) (Pty) Ltd ('TACSA') and Newshelf 1369 Proprietary Limited ('Newshelf') have reported that the financial statements of TACSA and Newshelf include cash sales, over which limited controls exist prior to the cash received being recorded in the accounting records of those entities. Those auditors were unable to perform alternative procedures to satisfy themselves relating to the completeness of this revenue, and accordingly, they were unable to obtain sufficient appropriate audit evidence in this regard.
- b. The auditor of TACSA and Newshelf have also reported that the financial statements of TACSA and Newshelf reflect trade and other receivables equivalent to INR 96.54 Crore as at March 31, 2019. Those auditors were unable to obtain sufficient and appropriate audit evidence surrounding the existence, accuracy and valuation of these balances as they were unable to satisfy themselves of the significant number of journals processed in the debtors' ledger, and as a consequence, the resultant adjustments to profit or loss in respect of the write-off of certain debtors balances could also not be verified.
- c. The auditor of Newshelf has also reported that the financial statements of that entity do not reflect the balance for work-in-progress in inventory, despite evidence existing of open job cards as at March 31, 2019. They were unable to confirm or verify by alternative means to satisfy themselves relating to the accuracy, existence and completeness of work-in-progress at year-end. Consequently, they were unable to determine the value of such balance and any resultant adjustments in the associated balances and transactions of the accounting records. Accordingly, they were unable to obtain sufficient appropriate audit evidence for work-in-progress at year-end.
- d. The auditor of Tata Africa Holdings (Tanzania) Limited has reported that trade and other receivables include amounts aggregating Rs. 4.52 Crore as at March 31, 2019 (Rs. 2.67 Crore relating to Tax Revenue Authority and Rs. 1.85 Crore relating to advances) which have not been supported. They were unable to confirm or verify by alternative means the accuracy and existence of such receivables included in the Financial Statements. Consequently, they were unable to determine whether any adjustments would be required to the carrying amount of receivables and expenses.
- e. The Consolidated Financial statements of the Group for the financial year ended March 31, 2019 are based on the audited financial statements of 5 subsidiaries for a reporting period of 15 months from January 1, 2018 to March 31, 2019 whereas the comparative information pertaining thereto relates to a reporting period of 12 months ended December 31, 2017. To the extent that the lengths of the current and comparative reporting periods of these 5 subsidiaries considered in preparing the consolidated financial statements of the Company for the year ended March 31, 2019 are not consistent, these consolidated financial statements are not in accordance with the requirements of Ind AS 110 'Consolidated Financial Statements'.



## TATA INTERNATIONAL LIMITED

We are unable to quantify impact of this matter on the consolidated financial statements of the Company.

- f. Financial statements do not include disclosures of cash flows from discontinued operations, as required by Ind AS 105 'Non-Current Assets Held for Sale and Discontinued Operations' for the comparative period i.e. year ended March 31, 2018.

We conducted our audit of the consolidated Ind AS financial statements in accordance with the Standards on Auditing (SAs), as specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the 'Auditor's Responsibilities for the Audit of the Consolidated Ind AS 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 together with the ethical requirements that are relevant to our audit of the 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 qualified audit opinion on the consolidated Ind AS financial statements.

### **Other Information**

The Holding Company's Board of Directors is responsible for the Other Information. The Other Information comprises the information included in the Annual Report, but does not include the consolidated Ind AS financial statements and our auditor's report thereon.

Our opinion on the consolidated Ind AS 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 Ind AS financial statements, our responsibility is to read the Other Information and, in doing so, consider whether such other information is materially inconsistent with the consolidated Ind AS financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

The Annual Report is not made available to us as at the date of this auditor's report. We have nothing to report in this regard.

### **Responsibilities of Management for the Consolidated Ind AS Financial Statements**

The Holding Company's Board of Directors is responsible for the preparation and presentation of these consolidated Ind AS financial statements in terms of the requirements of the Act that give a true and fair view of the consolidated financial position, consolidated financial performance including other comprehensive income, consolidated cash flows and consolidated statement of changes in equity of the Group including its associates and joint ventures in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended. The respective Board of Directors of the companies included in the Group and of its associates and joint ventures are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Group and of its associates and joint ventures 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 the 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 consolidated Ind AS 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 Ind AS financial statements by the Directors of the Holding Company, as aforesaid.

In preparing the consolidated financial statements, the respective Board of Directors of the companies included in the Group and of its associates and joint ventures are responsible for assessing the ability of the respective entities and of its associates and joint ventures 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 entities or to cease operations, or has no realistic alternative but to do so.

Those respective Board of Directors of the companies included in the Group and of its associates and joint ventures are also responsible for overseeing the financial reporting process of the respective entities and of its associates and joint ventures.

### **Auditor's Responsibilities for the Audit of the Consolidated Ind AS Financial Statements**

Our objectives are to obtain reasonable assurance about whether the consolidated Ind AS 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 Ind AS 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 Ind AS 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 Holding Company has adequate internal financial controls system 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 ability of the Group and its associates and joint ventures 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 consolidated Ind AS 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 and its associates and joint ventures to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated Ind AS financial statements, including the disclosures, and whether the consolidated Ind AS 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 the entities or business activities within the Group and its associates and joint ventures of which we are the independent auditors and whose financial information we have audited, to express an opinion on the consolidated Ind AS financial statements. We are responsible for the direction, supervision and performance of the audit of the financial statements of such entities included in the consolidated financial statements of which we are the independent auditors. 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.

We communicate with those charged with governance of the Holding Company and such other entities included in the consolidated Ind AS 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 and other financial information, in respect of 28 subsidiaries, whose Ind AS financial statements include total assets of Rs. 3,76,522 lakhs as at March 31, 2019, and total revenues of Rs 5,80,798 lakhs and net cash inflows of Rs 6,018 lakhs for the year ended on that date. Such Ind AS financial statements and other financial information have been audited by other auditors, which financial statements, other financial information and auditor's reports thereon have been furnished to us by the Management. The consolidated Ind AS financial statements also include the Group's share of net profit of Rs. 1,394 lakhs for the year ended March 31, 2019, as considered in the consolidated Ind AS financial statements, in respect of 4 associates and joint ventures, whose financial statements, other financial information have been audited by other auditors and whose reports have been furnished to us by the

Management. Our opinion on the consolidated Ind AS financial statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries, joint ventures and associates, and our report in terms of sub-sections (3) of Section 143 of the Act, in so far as it relates to such of the subsidiaries, joint ventures and associates is based solely on the reports of such other auditors.

Certain of these subsidiaries, associates and joint ventures 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 of incorporation, and which have been audited by other auditors under generally accepted auditing standards applicable in those countries. The Company's management has converted the financial statements of such subsidiaries, associates and joint ventures 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, associates and joint ventures located outside India, is based on the report of other auditors and the conversion adjustments prepared by Management of the Company, and audited by us.

- (b) The accompanying consolidated Ind AS financial statements are based on unaudited financial statements and other unaudited financial information in respect of 2 subsidiaries, whose financial statements and other financial information reflect total assets of Rs 233 lakhs as at March 31, 2019, and total revenues of Rs 403 lakhs and net cash outflows of Rs 255 lakhs for the year ended on that date. These unaudited financial statements and other unaudited financial information have been furnished to us by the Management. The consolidated Ind AS financial statements also include the Group's share of net loss of Rs. 131.09 Lakhs for the year ended March 31, 2019, as considered in the consolidated Ind AS financial statements, in respect of 6 associates and joint ventures, whose financial statements and other financial information have not been audited and whose unaudited financial statements and other unaudited financial information have been furnished to us by the Management. Our opinion, in so far as it relates to amounts and disclosures included in respect of these subsidiaries, joint ventures and associates, and our report in terms of sub-sections (3) of Section 143 of the Act in so far as it relates to such of the subsidiaries, joint ventures and associates, is based solely on such unaudited financial statements and other unaudited financial information. In our opinion, and according to the information and explanations given to us by Management, these financial statements and other financial information are not material to the Group.

Our opinion above on the consolidated Ind AS 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 and other financial information certified by the Management.

#### **Report on Other Legal and Regulatory Requirements**

As required by Section 143(3) of the Act, based on our audit and on the consideration of report of the other auditors on separate financial statements and the other financial information of subsidiaries, associates and joint ventures, as noted in the 'Other Matters' paragraph we report, to the extent applicable, that:

- (a) We / the other auditors whose reports we have relied upon, have sought and except for the matters described in the Basis for Qualified Opinion paragraph 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 Ind AS financial statements;
- (b) Except for the matters described in the Basis for Qualified Opinion paragraph, in our opinion, proper books of account as required by law, relating to preparation of the aforesaid consolidation of the financial statements, have been kept so far as it appears from our examination of those books and reports of the other auditors;
- (c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss including the Statement of Other Comprehensive Income, the Consolidated Cash Flow Statement and Consolidated Statement of Changes in Equity dealt with by this Report are in agreement with the books of account maintained for the purpose of preparation of the consolidated Ind AS financial statements;
- (d) Except for the possible effects of the matter described in the Basis for Qualified Opinion paragraph above, in our opinion, the aforesaid consolidated Ind AS financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Companies (Indian Accounting Standards) Rules, 2015, as amended;
- (e) The matter described in the Basis for Qualified Opinion paragraph above, in our opinion, may have an adverse effect on the functioning of the Group;
- (f) On the basis of the written representations received from the directors of the Holding Company as on March 31, 2019 taken on record by the Board of Directors of the Holding Company and the reports of the statutory auditors who are



appointed under Section 139 of the Act, of its subsidiary companies, associate company and joint ventures, none of the directors of the Group's companies, its associate and joint ventures incorporated in India, is disqualified as on March 31, 2019 from being appointed as a director in terms of Section 164 (2) of the Act;

- (g) The qualification relating to the maintenance of accounts and other matters connected therewith are as stated in the Basis for Qualified Opinion paragraph above;
- (h) With respect to the adequacy and the operating effectiveness of the internal financial controls over financial reporting with reference to these consolidated Ind AS financial statements of the Holding Company and its subsidiary companies, associate company and joint ventures incorporated in India, refer to our separate Report in "Annexure 1" to this report;
- (i) In our opinion and based on the consideration of reports of other statutory auditors of joint ventures incorporated in India, the managerial remuneration for the year ended March 31, 2019 has been paid / provided by the Holding Company, its subsidiaries, associates, and joint ventures incorporated in India, to their directors in accordance with the provisions of section 197 read with Schedule V to the Act;
- (j) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended, 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 report of the other auditors on separate financial statements as also the other financial information of the subsidiaries, associates and joint ventures, as noted in the 'Other Matters' paragraph:
  - i. The consolidated Ind AS financial statements disclose the impact of pending litigations on its consolidated financial position of the Group, its associates and joint ventures in its consolidated Ind AS financial statements – Refer Note 30(a) to the consolidated Ind AS financial statements;
  - ii. Provision has been made in the consolidated Ind AS financial statements, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts – Refer (a) Note 38 to the consolidated Ind AS financial statements in respect of such items as it relates to the Group, its associates and joint ventures and (b) the Group's share of net profit/loss in respect of its associates;
  - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Holding Company, its subsidiaries, associates and joint ventures incorporated in India during the year ended March 31, 2019.

**For SRBC & COLLP**

Chartered Accountants

ICAI Firm Registration Number: 324982E/E300003

**per Vinayak Pujare**

Partner

Membership Number: 101143

Place of Signature: Mumbai

Date: May 22, 2019



## TATA INTERNATIONAL LIMITED

### ANNEXURE 1 TO THE INDEPENDENT AUDITOR'S REPORT OF EVEN DATE ON THE CONSOLIDATED FINANCIAL STATEMENTS OF TATA INTERNATIONAL LIMITED

#### Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

In conjunction with our audit of the consolidated financial statements of **Tata International Limited** as of and for the year ended March 31, 2019, we have audited the internal financial controls over financial reporting of Tata International Limited (hereinafter referred to as the "Holding Company") and its subsidiary companies, its associate company, joint ventures, which are companies incorporated in India, as of that date.

#### Management's Responsibility for Internal Financial Controls

The respective Board of Directors of the Holding Company, its subsidiary companies, its associate company and joint ventures, which are companies incorporated in India, are responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Holding 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. 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 Act.

#### Auditor's Responsibility

Our responsibility is to express an opinion on the company's internal financial controls over financial reporting with reference to these consolidated financial statements based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing, both issued by Institute of Chartered Accountants of India, and deemed to be prescribed under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting with reference to these consolidated financial statements was 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 over financial reporting with reference to these consolidated financial statements and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting with reference to these consolidated financial statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained and the audit evidence obtained by the other auditors in terms of their reports 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 over financial reporting with reference to these consolidated financial statements.

#### Meaning of Internal Financial Controls Over Financial Reporting with Reference to these Consolidated Financial Statements

A company's internal financial control over financial reporting with reference to these 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 control over financial reporting with reference to these 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 Over Financial Reporting with Reference to these Consolidated Financial Statements**

Because of the inherent limitations of internal financial controls over financial reporting with reference to these 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 over financial reporting with reference to these consolidated financial statements to future periods are subject to the risk that the internal financial control over financial reporting with reference to these consolidated financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

**Opinion**

In our opinion, the Holding Company, its subsidiary companies, its associate company and joint ventures, which are companies incorporated in India, have maintained in all material respects, adequate internal financial controls over financial reporting with reference to these consolidated financial statements and such internal financial controls over financial reporting with reference to these consolidated financial statements were operating effectively as at March 31, 2019 based on the internal control over financial reporting criteria established by the Holding 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.

**Other Matters**

Our report under Section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal financial controls over financial reporting with reference to these consolidated financial statements of the Holding Company, insofar as it relates to these 2 joint ventures, which are companies incorporated in India, is based on the corresponding reports of the auditors of such joint ventures incorporated in India.

**For S R B C & COLLP**

Chartered Accountants

ICAI Firm Registration Number: 324982E/E300003

**per Vinayak Pujare**

Partner

Membership Number: 101143

Place of Signature: Mumbai

Date: May 22, 2019

Consolidated Balance Sheet as at 31st March, 2019

Particulars	Note No.	As at	As at
		31st March, 2019	31st March, 2018
		Rs. in lakhs	Rs. in lakhs
<b>(I) ASSETS</b>			
<b>(1) Non-current assets</b>			
(a) Property, plant and equipment	03 (a)	34,132.62	36,488.40
(b) Capital work-in-progress	03 (b)	790.16	1,105.45
(c) Investment property	03 (c)	156.44	204.95
(d) Goodwill	03 (d)	19,899.66	22,016.96
(e) Other intangible assets	03 (e)	488.82	572.06
(f) Intangible assets under development	03 (f)	235.22	124.24
(g) Investments in associates and joint ventures	04 (a)	3,305.77	5,711.58
<b>(h) Financial assets</b>			
(i) Investments	04 (b)	27,274.71	27,549.93
(ii) Trade receivables	05 (a)	-	2,734.59
(iii) Loans		-	60.00
(iv) Other financial assets	06 (a)	23,685.60	25,794.53
(v) Derivative assets	38	-	4,666.79
(i) Non current tax asset (net)		5,896.18	2,734.15
(j) Deferred tax assets (net)	34	14,723.76	7,713.94
(k) Other non-current assets	07 (a)	6,541.28	4,078.26
<b>Total Non Current Assets</b>		<b>137,130.22</b>	<b>141,555.83</b>
<b>(2) Current assets</b>			
(a) Inventories	08	242,313.40	200,144.42
<b>(b) Financial assets</b>			
(i) Investments	09	565.15	556.56
(ii) Trade receivables	05 (b)	278,572.48	199,242.68
(iii) Cash and cash equivalents	10	42,490.13	36,278.34
(iv) Bank balances other than (iii) above	10	250.25	39.66
(v) Loans		121.11	97.50
(vi) Other financial assets	06 (b)	12,490.61	8,339.44
(vii) Derivative instruments	38	709.35	1,693.22
(c) Other current assets	07 (b)	45,046.92	41,943.26
(d) Assets classified as held for sale/ Disposal groups	36	9,995.58	-
<b>Total Current Assets</b>		<b>632,554.98</b>	<b>488,335.08</b>
<b>TOTAL ASSETS</b>		<b>769,685.20</b>	<b>629,890.91</b>
<b>(II) EQUITY AND LIABILITIES</b>			
<b>(1) Equity</b>			
(a) Equity share capital	11 (a)	4,010.00	4,010.00
(b) Unsecured perpetual securities	11 (b)	144,793.75	144,378.72
(c) Other equity	12	(8,465.51)	14,366.39
<b>Equity Attributable to Equity holders of the Parent</b>		<b>140,338.24</b>	<b>162,755.11</b>
(d) Non controlling interest		1,430.76	1,871.27
<b>Total Equity</b>		<b>141,769.00</b>	<b>164,626.38</b>
<b>(2) Non-current liabilities</b>			
<b>(a) Financial liabilities</b>			
(i) Borrowings	13 (a)	30,116.21	54,621.71
(ii) Other financial liabilities	14 (a)	514.83	768.93
(b) Provisions	15 (a)	888.87	996.79
(c) Deferred tax liabilities (net)	34	1,145.29	1,113.54
(d) Other non-current liabilities	16	653.95	349.00
<b>Total Non Current Liabilities</b>		<b>33,319.15</b>	<b>57,849.97</b>
<b>(3) Current liabilities</b>			
<b>(a) Financial liabilities</b>			
(i) Borrowings	13 (b)	296,073.78	236,481.56
(ii) Trade payables	17		
(i) total outstanding dues of micro enterprises and small enterprises		375.63	1,215.33
(ii) total outstanding dues of creditors other than micro enterprises and small enterprises		253,649.66	127,428.65
(iii) Other financial liabilities	14 (b)	16,400.44	17,223.27
(iv) Derivative instruments	38	3,849.99	259.50
(b) Provisions	15 (b)	2,067.25	2,875.37
(c) Other current liabilities	16	12,857.72	18,629.11
(d) Current tax liabilities (net)		3,132.35	3,301.77
(e) Liabilities directly associated with assets classified as held for sale/ Disposal groups	36	6,190.23	-
<b>Total Current Liabilities</b>		<b>594,597.05</b>	<b>407,414.56</b>
<b>TOTAL EQUITY AND LIABILITIES</b>		<b>769,685.20</b>	<b>629,890.91</b>

See accompanying notes forming part of the consolidated financial statements

as per our report of even date  
**For S R B C & CO LLP**  
 Chartered Accountants  
 ICAI Firm Registration No: 324982E/E300003

per **Vinayak Pujare**  
 Partner  
 Membership No: 101143

Place : Mumbai  
 Date : 22nd May, 2019

**For and on behalf of the Board of Directors**

**G. K. Pillai**  
 Chairman  
 DIN : 02340756

Place : Delhi  
 Date : 14th May, 2019

**N N Tata**  
 Managing Director  
 DIN : 00024713

Place : Mumbai  
 Date : 22nd May, 2019

**A M Ponshe**  
 Chief Financial Officer &  
 Company Secretary

Place : Mumbai  
 Date : 14th May, 2019

**Consolidated Statement of Profit & Loss for the year ended 31st March, 2019**

Particulars	Note No.	For the year ended 31st March, 2019	For the year ended 31st March, 2018
		Rs. in lakhs	Rs. in lakhs
I Revenue from operations	18	1,806,820.66	1,437,165.45
II Other income	19	20,577.79	20,030.19
<b>III Total income (I + II)</b>		<b>1,827,398.45</b>	<b>1,457,195.64</b>
<b>IV Expenses</b>			
(a) Cost of raw material consumed		77,024.25	79,633.27
(b) Purchase of stock in trade		1,533,144.05	1,174,120.28
(c) Changes in inventories of finished goods, work-in-progress and stock-in-trade	20	(38,690.24)	(24,203.70)
(d) Employee benefit expense	21	49,357.08	51,380.05
(e) Finance costs	22	24,579.15	20,013.13
(f) Depreciation and amortisation expense	23	4,799.35	5,647.55
(g) Other expenses	24	170,482.46	145,979.73
<b>Total expenses (IV)</b>		<b>1,820,696.10</b>	<b>1,452,570.31</b>
<b>V Profit before exceptional items, share of net profits of investments accounted for using equity method and tax from continuing operations(III - IV)</b>		<b>6,702.35</b>	<b>4,625.33</b>
<b>VI Share of profit / (loss) of joint ventures and associates</b>			
(1) Share of profit of joint ventures		1,478.35	750.96
(2) Share of profit/ (loss) of associates		(198.38)	65.82
		<b>1,279.97</b>	<b>816.78</b>
<b>VII Profit before exceptional items and tax from continuing operations (V + VI)</b>		<b>7,982.32</b>	<b>5,442.11</b>
<b>VIII Exceptional items</b>	25	1,195.17	10,293.13
<b>IX Profit before tax from continuing operations (VII + VIII)</b>		<b>9,177.49</b>	<b>15,735.24</b>
<b>X Tax expense</b>			
(1) Current tax	34	9,131.68	9,812.57
(2) Deferred tax	34	(7,041.13)	(2,736.62)
<b>Total tax expense</b>		<b>2,090.55</b>	<b>7,075.95</b>
<b>XI Profit from continuing operations (IX - X)</b>		<b>7,086.94</b>	<b>8,659.29</b>
<b>Discontinued operations</b>			
Loss before tax for the year from discontinued operations	36	(10,474.81)	(7,119.29)
Tax expense of discontinued operations		215.56	509.81
<b>Loss for the year from discontinued operations</b>		<b>(10,690.37)</b>	<b>(7,629.10)</b>
<b>Profit/ (loss) for the year</b>		<b>(3,603.43)</b>	<b>1,030.19</b>
<b>Other comprehensive income</b>			
<b>A</b>			
(i) Items that will not be reclassified to profit or loss			
(a) Remeasurement of defined benefit plans		(16.13)	102.69
(b) Fair value of investments through other comprehensive income		(275.13)	1,497.92
		<b>(291.26)</b>	<b>1,600.61</b>
(ii) Income tax effect		(94.94)	352.75
(iii) Deferred tax effect		(34.76)	-
<b>B</b>			
(i) Items that will be reclassified to profit or loss			
(a) Exchange differences in translating the financial statements of a foreign operation		(7,573.11)	6,960.53
		<b>(7,573.11)</b>	<b>6,960.53</b>
(ii) Income tax effect		-	-
<b>XII Total other comprehensive income ( A + B )</b>		<b>(7,734.67)</b>	<b>8,208.39</b>
<b>XIII Total comprehensive income for the year (XI + XII)</b>		<b>(11,338.10)</b>	<b>9,238.58</b>
<b>Profit/(Loss) for the year attributable to:</b>			
Equity holders of the parent		(5,169.02)	362.26
Non controlling interests		1,565.59	667.93
		<b>(3,603.43)</b>	<b>1,030.19</b>
<b>Other comprehensive income for the year attributable to:</b>			
Equity holders of the parent		(7,734.67)	8,208.39
Non controlling interests		-	-
		<b>(7,734.67)</b>	<b>8,208.39</b>
<b>Total comprehensive income for the year attributable to:</b>			
Equity holders of the parent		(12,903.69)	8,570.65
Non controlling interests		1,565.59	667.93
		<b>(11,338.10)</b>	<b>9,238.58</b>
<b>Earnings per share (for continuing operations)</b>	43		
(1) Basic (in Rs.)		(870.08)	(251.18)
(2) Diluted (in Rs.)		(870.08)	(251.18)
<b>Earnings per share (for discontinued operations)</b>	43		
(1) Basic (in Rs.)		(2,665.93)	(1,902.52)
(2) Diluted (in Rs.)		(2,665.93)	(1,902.52)
<b>Earnings per share (for discontinued and continuing operations)</b>	43		
(1) Basic (in Rs.)		(3,536.01)	(2,153.70)
(2) Diluted (in Rs.)		(3,536.01)	(2,153.70)

See accompanying notes forming part of the consolidated financial statements

as per our report of even date  
**For S R B C & CO LLP**  
 Chartered Accountants  
 ICAI Firm Registration No: 324982E/E300003

per Vinayak Pujare  
 Partner  
 Membership No: 101143

Place : Mumbai  
 Date : 22nd May, 2019

**For and on behalf of the Board of Directors**

**G. K. Pillai**  
 Chairman  
 DIN : 02340756  
 Place : Delhi  
 Date : 14th May, 2019

**N N Tata**  
 Managing Director  
 DIN : 00024713  
 Place : Mumbai  
 Date : 22nd May, 2019

**A M Panksh**  
 Chief Financial Officer &  
 Company Secretary  
 Place : Mumbai  
 Date : 14th May, 2019

## Notes forming part of the financial statements

## Consolidated Statement of Changes in Equity for the year ended 31st March, 2019

## A. Equity Share Capital

Particulars	Rs. in lakhs
Balance as at 1st April, 2017	4,010.00
Add : Issued during the year	-
<b>Balance as at 31st March, 2018</b>	<b>4,010.00</b>
Balance as at 1st April, 2018	4,010.00
Add : Issued during the year	-
<b>Balance as at 31st March, 2019</b>	<b>4,010.00</b>

## B. Unsecured perpetual securities

Particulars	Rs. in lakhs
Balance as at 1st April, 2017	144,777.53
Less: Exchange difference/other adjustments	(398.81)
<b>Balance as at 31st March, 2018</b>	<b>144,378.72</b>
Balance as at 1st April, 2018	144,378.72
Less: Exchange difference/other adjustments	415.03
<b>Balance as at 31st March, 2019</b>	<b>144,793.75</b>

## Consolidated Statement of Changes in Equity for the year ended 31st March, 2019

### C. Other Equity

Rs. in lakhs

Particulars	Reserves & Surplus							Items of OCI		Attributable to equity-holders of the parent	Non-controlling interest	Total
	General Reserve	Security Premium	Contingency Reserve	Foreign Projects Reserve	Legal Reserve	Capital Reserve on Consolidation	Retained earnings	Equity instrument through OCI	Foreign Currency Translation Reserve			
<b>Balance as at 1st April, 2017</b>	11,033.28	18,090.00	1,020.33	35.00	21.59	245.61	1,886.58	135.38	(16,986.34)	15,481.43	781.84	16,263.27
Profit for the year	-	-	-	-	-	-	362.26	-	-	362.26	667.93	1,030.19
Other comprehensive income for the year	-	-	-	-	-	-	80.17	1,167.69	6,960.53	8,208.39	-	8,208.39
<b>Total comprehensive income for the year</b>	-	-	-	-	-	-	<b>442.43</b>	<b>1,167.69</b>	<b>6,960.53</b>	<b>8,570.65</b>	<b>667.93</b>	<b>9,238.58</b>
Payment of dividends	-	-	-	-	-	-	-	-	-	-	(25.47)	(25.47)
Purchase of non controlling interest	-	-	-	-	-	-	(698.47)	-	-	(698.47)	223.46	(475.01)
Realised gain on investment carried at fair value through OCI	-	-	-	-	-	-	1,101.21	(1,101.21)	-	-	-	-
Foreign currency translation difference	-	-	-	-	-	-	-	-	-	-	223.51	223.51
Distribution on unsecured perpetual securities (net of tax)	-	-	-	-	-	-	(8,987.22)	-	-	(8,987.22)	-	(8,987.22)
<b>Balance as at 31st March, 2018</b>	<b>11,033.28</b>	<b>18,090.00</b>	<b>1,020.33</b>	<b>35.00</b>	<b>21.59</b>	<b>245.61</b>	<b>(6,255.47)</b>	<b>201.86</b>	<b>(10,025.81)</b>	<b>14,366.39</b>	<b>1,871.27</b>	<b>16,237.66</b>
<b>Balance as at 1st April, 2018</b>	<b>11,033.28</b>	<b>18,090.00</b>	<b>1,020.33</b>	<b>35.00</b>	<b>21.59</b>	<b>245.61</b>	<b>(6,255.47)</b>	<b>201.86</b>	<b>(10,025.81)</b>	<b>14,366.39</b>	<b>1,871.27</b>	<b>16,237.66</b>
(Loss) for the year	-	-	-	-	-	-	(5,169.02)	-	-	(5,169.02)	1,565.59	(3,603.43)
Other comprehensive income for the year	-	-	-	-	-	-	18.63	(180.19)	(7,573.11)	(7,734.67)	-	(7,734.67)
<b>Total comprehensive income for the year</b>	-	-	-	-	-	-	<b>(5,150.39)</b>	<b>(180.19)</b>	<b>(7,573.11)</b>	<b>(12,903.69)</b>	<b>1,565.59</b>	<b>(11,338.10)</b>
Payment of dividends	-	-	-	-	-	-	(542.17)	-	-	(542.17)	(333.10)	(875.27)
Purchase of non controlling interest	-	-	-	-	-	-	(375.65)	-	-	(375.65)	-	(708.75)
Foreign currency translation difference	-	-	-	-	-	-	-	-	-	-	(1,673.00)	(1,673.00)
Distribution on unsecured perpetual securities (net of tax)	-	-	-	-	-	-	(9,010.39)	-	-	(9,010.39)	-	(9,010.39)
<b>Balance as at 31st March, 2019</b>	<b>11,033.28</b>	<b>18,090.00</b>	<b>1,020.33</b>	<b>35.00</b>	<b>21.59</b>	<b>245.61</b>	<b>(21,334.07)</b>	<b>21.67</b>	<b>(17,598.92)</b>	<b>(8,465.51)</b>	<b>1,430.76</b>	<b>(7,034.75)</b>

**Consolidated Statement of Changes in Equity for the year ended 31st March, 2019****Nature and purpose of reserves**

**General reserve :** The general reserve is used from time to time to transfer profits from retained earnings for appropriation purposes. As the general reserve is created by a transfer from one component of equity to another and is not an item of other comprehensive income, items included in the general reserve will not be reclassified subsequently to profit or loss.

**Security Premium :** Security Premium is used to record the premium on issue of shares. The reserve will be utilised in accordance with the provision of Companies Act, 2013.

**Contingency Reserve :** Surplus arising out of transfer of assets and liabilities net of cost of the Group's investment in its former subsidiary CAMEO, are presented as a 'Contingency Reserve' which reserve as approved by the shareholders at an EGM and also as sanctioned by Order of the hon'ble High Court of judicature at Bombay, vide its order dated 11th February, 2005 may be utilised to the extent considered necessary by the Board of Directors of the Group from time to time for providing for any contingent liability (including but not limited to tax liabilities), diminution in value of and / or loss on sale of investments and other assets of the Group. If part or whole of the Contingency Reserve is no longer required for these purposes, the same can be transferred to General Reserve and shall be deemed to be the General Reserve for all purposes under the provisions of the Companies Act, 1956 as per the said Order.

**Foreign currency translation reserve :** Foreign operation for which settlement is neither planned nor likely to occur (therefore forming part of the net investment in the foreign operation), which are recognised initially in other comprehensive income and reclassified from equity to profit and loss on disposal of investment.

**Reserve for equity instrument through other comprehensive income (OCI) :** This reserve represents the cumulative gains and losses arising on the revaluation of equity instruments measured at fair value through OCI, net of amounts reclassified to the retained earnings when those assets have been disposed off.

as per our report of even date

**For S R B C & CO LLP**

Chartered Accountants

ICAI Firm Registration No: 324982E/E300003

**per Vinayak Pujare**

Partner

Membership No: 101143

Place : Mumbai

Date : 22nd May, 2019

**For and on behalf of the Board of Directors**

**G. K. Pillai**

Chairman

DIN : 02340756

Place : Delhi

Date : 14th May, 2019

**N N Tata**

Managing Director

DIN : 00024713

Place : Mumbai

Date : 22nd May, 2019

**A M Ponshe**

Chief Financial Officer &  
Company Secretary

Place : Mumbai

Date : 14th May, 2019



**Consolidated Cash Flow Statement for the year ended 31st March, 2019**

Particulars	For the year ended 31st March, 2019		For the year ended 31st March, 2018	
	Rs. In lakhs	Rs. In lakhs	Rs. In lakhs	Rs. In lakhs
<b>A. Cash flow from operating activities</b>				
Net (Loss)/ Profit after tax		(3,603.43)		1,030.19
<u>Adjustments for:</u>				
Income tax expense recognised in profit & loss	2,306.11		7,585.76	
Share of (profit) / loss of joint ventures	(1,478.35)		(750.96)	
Share of (profit) / loss of associates	198.38		(65.82)	
Net unrealised exchange (gain) / loss	(3,730.45)		(7,794.38)	
Depreciation and amortisation expense	4,856.46		5,884.83	
Allowance for doubtful debts and bad debts	4,070.58		5,936.27	
Allowance for doubtful advances	99.30		238.40	
Liabilities / provisions no longer required written back	(1,783.74)		(1,475.14)	
Loss on sale of fixed assets including assets written off	-		209.45	
(Profit) on sale of fixed assets	(3,605.22)		(5,075.31)	
Impairment of Fixed Assets	-		14.03	
Other fair value changes	-		11.04	
FV change on derivative	520.29		305.03	
Gain/ loss on own perpetual investments	-		(42.52)	
Profit on sale of mutual fund investment	(156.07)		(268.72)	
Unitech provision for contingent consideration written back	0.00		629.94	
Finance costs	24,827.08		19,762.08	
Interest income	(3,090.39)		(2,506.26)	
Dividend income	(128.29)		(231.08)	
Swap gain on perpetual bonds	(4,784.57)		(5,235.95)	
Impairment of Goodwill	2,117.30		-	
Remeasurement of defined benefit plan			102.69	
(Gain) on sale of investments	-		(5,252.58)	
Operating profit before working capital changes		20,238.42		11,980.80
		16,634.99		13,010.99
<u>Changes in working capital:</u>				
Adjustments for (increase) / decrease in operating assets:				
Inventories	(43,609.08)		(26,100.42)	
Trade receivables - long term	2,734.59		(253.13)	
Trade receivables - short term	(88,516.68)		(26,577.55)	
Loans - long term	60.00		(60.00)	
Loans - short term	(23.61)		(97.50)	
Other financial assets - non current	(1,817.88)		(62.81)	
Other financial assets - current	(657.64)		2,582.19	
Other non-current assets	(2,476.81)		(380.06)	
Other current assets	(3,525.37)	(137,832.48)	(12,534.93)	(63,484.21)
Adjustments for (increase) / decrease in operating liabilities:				
Trade payables	133,104.89		9,933.15	
Other financial liabilities - non current	(39.58)		(8.54)	
Other financial liabilities - current	3,548.00		908.95	
Other non current liabilities	304.95		44.78	
Other current liabilities	(6,261.80)		5,516.48	
Short term provisions	(797.81)		10.16	
Long term provisions	(78.44)	129,780.21	(543.14)	15,861.84
Cash generated from operations		8,582.72		(34,611.38)
Net income tax (paid) (net)		(8,715.88)		(2,058.29)
<b>Net cash flow from / (used in) operating activities (A)</b>		<b>(133.16)</b>		<b>(36,669.67)</b>

Particulars	For the year ended 31st March, 2019		For the year ended 31st March, 2018	
	Rs. In lakhs	Rs.In lakhs	Rs.In lakhs	Rs.In lakhs
<b>B. Cash flow from investing activities</b>				
Purchase of fixed assets		(2,805.86)		(759.37)
Proceeds from sale of fixed assets		6,055.56		3,702.97
Current investments				
- Proceeds from sale (Mutual fund)		147.48		10,928.13
- Proceeds from fixed income bonds		-		4,974.48
- Advance towards purchase of mutual funds		200.00		(200.00)
Purchase of long-term investments				
- Additional stake in Subsidiaries		(2,456.82)		(1,385.88)
- Associate		-		(289.78)
- Others		-		(15.74)
Proceeds from sale of long-term investments				
- Subsidiary		775.83		-
- JV		430.63		-
- Associate		(198.38)		6,011.54
- Others		0.22		-
Interest received				
- Others		3,016.58		3,013.01
Dividend from Associates and Joint Ventures		-		177.29
Dividend from Mutual funds		128.29		231.08
Bank Balance not considered as cash and cash equivalents (net)		(212.02)		604.61
<b>Net cash flow from / (used in) investing activities (B)</b>		<b>5,081.51</b>		<b>26,992.34</b>
<b>C. Cash flow from financing activities</b>				
Premium paid on redemption of perpetual securities		-		-
Distribution on unsecured perpetual securities		(12,910.14)		(12,752.22)
Proceeds from long-term borrowings		1,326.39		-
Repayment of long-term borrowings		(14,358.13)		9,290.18
Proceeds from short-term borrowings (net)		46,489.20		7,835.80
Finance cost		(23,403.99)		(19,593.44)
Swap gain on perpetual bonds		4,784.57		5,235.95
Dividends paid to minority shareholder		(122.30)		(55.91)
Dividends paid		(542.17)		-
Tax on dividend		-		-
<b>Net cash flow from / (used in) financing activities (C)</b>		<b>1,263.44</b>		<b>(10,039.64)</b>
<b>Net increase / (decrease) in Cash and cash equivalents (A+B+C)</b>		<b>6,211.79</b>		<b>(19,716.97)</b>
Cash and cash equivalents at the beginning of the year		36,278.34		55,995.31
<b>Cash and cash equivalents at the end of the year</b>		<b>42,490.13</b>		<b>36,278.34</b>

as per our report of even date

**For S R B C & CO LLP**

Chartered Accountants

ICAI Firm Registration No: 324982E/E300003

**per Vinayak Pujare**

Partner

Membership No: 101143

Place : Mumbai

Date : 22nd May, 2019

**For and on behalf of the Board of Directors**

**G. K. Pillai**

Chairman

DIN : 02340756

Place : Delhi

Date : 14th May, 2019

**N N Tata**

Managing Director

DIN : 00024713

Place : Mumbai

Date : 22nd May, 2019

**A M Ponshe**

Chief Financial Officer &

Company Secretary

Place : Mumbai

Date : 14th May, 2019

**Notes forming part of the consolidated financial statements****1 General information**

1.1 Tata International Limited was incorporated on 30th November 1962 as the international business gateway of the Tata Group of Companies. It has since evolved into an international entity with a global reach. Its main lines of businesses are manufacture and sale of leather & leather products, trading in metals, minerals and other commodities and in distribution business.

**2 Significant accounting policies****2.1 Statement of compliance**

The consolidated financial statements have been prepared in accordance with Ind ASs notified under the Companies (Indian Accounting Standards) Rules, 2015 (as amended from time to time).

**2.2 Basis of preparation and presentation**

The consolidated financial statements have been prepared on the historical cost basis except for certain financial instruments that are measured at fair values at the end of each reporting period, as explained in the accounting policies below.

**2.3 Basis of consolidation**Subsidiaries

The consolidated financial statements include Tata International Limited and its subsidiaries. Subsidiaries are entities controlled by the group. Control exists when the group

- (a) has power over the investee,
- (b) it is exposed, or has rights, to variable returns from its involvement with the investee and
- (c) has the ability to affect those returns through its power over the investee. The group reassesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements listed above. In assessing control, potential voting rights that currently are exercisable are taken into account. The results of subsidiaries acquired or disposed off during the year are included in the consolidated financial statements from the effective date of acquisition and up to the effective date of disposal, as appropriate

Consolidated financial statements are prepared using uniform accounting policies for like transactions and other events in similar circumstances. If a member of the group uses accounting policies other than those adopted in the consolidated financial statements for like transactions and events in similar circumstances, appropriate adjustments are made to that group member's financial statements in preparing the consolidated financial statements to ensure conformity with the group's accounting policies.

The financial statements of all entities used for the purpose of consolidation are drawn up to same reporting date as that of the parent company, i.e., year ended on 31 March except for certain subsidiary. When the end of the reporting period of the parent is different from that of a subsidiary, the subsidiary prepares, for consolidation purposes, additional financial information as of the same date as the financial statements of the parent to enable the parent to consolidate the financial information of the subsidiary, unless it is impracticable to do so.

Consolidation procedure:

- (a) Combine like items of assets, liabilities, equity, income, expenses and cash flows of the parent with those of its subsidiaries. For this purpose, income and expenses of the subsidiary are based on the amounts of the assets and liabilities recognised in the consolidated financial statements at the acquisition date.
- (b) Offset (eliminate) the carrying amount of the parent's investment in each subsidiary and the parent's portion of equity of each subsidiary. Business combinations policy explains how to account for any related goodwill.
- (c) Eliminate in full intragroup assets and liabilities, equity, income, expenses and cash flows relating to transactions between entities of the group (profits or losses resulting from intragroup transactions that are recognised in assets, such as inventory and fixed assets, are eliminated in full).

Profit or loss and each component of other comprehensive income (OCI) are attributed to the equity holders of the parent of the Group and to the non-controlling interests, even if this results in the non-controlling interests having a

deficit balance. 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 intra-group assets and liabilities, equity, income, expenses and cash flows relating to transactions between members of the Group are eliminated in full on consolidation.

Non-controlling interests in the net assets (excluding goodwill) of consolidated subsidiaries are identified separately from the group's equity. The interest of non-controlling shareholders may be initially measured either at fair value or at the non-controlling interests' proportionate share of the fair value of the acquirer'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. Total comprehensive income is attributed to non-controlling interests even if it results in the non-controlling interest having a deficit balance

#### Changes in the Group's ownership interest in existing subsidiaries

Changes in the group's interests in subsidiaries that do not result in a loss of control are accounted for as equity transactions. The carrying amount of the group'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 recognized directly in equity and attributed to owners of the group.

When the group loses control of a subsidiary, the profit or loss on disposal is calculated as the difference between (i) the aggregate of the fair value of consideration received and the fair value of any retained interest and (ii) the previous carrying amount of the assets (including goodwill), and liabilities of the subsidiary and any non-controlling interests. Amounts previously recognized in other comprehensive income in relation to the subsidiary are accounted for (i.e., reclassified to profit or loss) in the same manner as would be required if the relevant assets or liabilities were disposed off. The fair value of any investment retained in the former subsidiary at the date when control is lost is regarded as the fair value on initial recognition for subsequent accounting under IND AS 109 Financial Instruments: Recognition and Measurement or, when applicable, the cost on initial recognition of an investment in an associate or jointly controlled entity

#### Joint ventures

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.

#### Associates

Associates are those entities in which the group has significant influence. Significant influence is the power to participate in the financial and operating policy decisions of the investee but not control or joint control those policies. Significant influence is presumed to exist when the group holds between 20 and 50 percent of the voting power of another entity. The results, assets and liabilities of associates are incorporated in these financial statements using the equity method of accounting as described below.

#### Equity method of accounting (equity accounted investees)

An interest in an associate or joint venture is accounted for using the equity method from the date in which the investee becomes an associate or a joint venture and are recognized initially at cost. The group's investment includes goodwill identified on acquisition, net of any accumulated impairment losses. The consolidated financial statements include the group's share of profits or losses and equity movements of equity accounted investees, from the date that significant influence or joint control commences until the date that significant influence or joint control ceases. When the group'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 group has an obligation or has made payments on behalf of the investee.

When the group transacts with an associate or joint venture of the group, unrealized profits and losses are eliminated to the extent of the group's interest in its associate or joint venture.

## **2.4 Business combination**

Acquisitions of subsidiaries and businesses are accounted for using the acquisition method. Acquisition related costs are recognized in profit or loss as incurred. The acquiree's identifiable assets, liabilities and contingent liabilities that meet the conditions for recognition are recognized at their fair value at the acquisition date, except certain assets and liabilities required to be measured as per the applicable standard.

Purchase consideration in excess of the group's interest in the acquiree's net fair value of identifiable assets, liabilities and contingent liabilities is recognized as goodwill. Excess of the group's interest in the net fair value of the acquiree's identifiable assets, liabilities and contingent liabilities over the purchase consideration is recognized, after reassessment of fair value of net assets acquired, in the income statement.

## **2.5 Goodwill**

Goodwill arising on an acquisition of a business is carried at cost as established at the date of acquisition of the business less accumulated impairment losses, if any. For the purposes of impairment testing, goodwill is allocated to each of the Group's cash-generating units that is expected to benefit from the synergies of the combination.

A cash-generating unit to which goodwill has been allocated is tested for impairment annually, or more frequently when there is an indication that the unit may be impaired. If the recoverable amount of the cash-generating unit is less than its carrying amount, the impairment loss is allocated first to reduce the carrying amount of any goodwill allocated to the unit and then to the other assets of the unit on pro rated basis on the carrying amount of each asset in the unit. Any impairment loss for goodwill is recognised directly in the statement of profit and loss. Any impairment loss recognised for goodwill is not reversed in subsequent periods.

On disposal of the relevant cash-generating unit, the attributable amount of goodwill is included in the determination of the profit or loss on disposal.

## **2.6 Use of estimates**

The preparation of consolidated financial statements in conformity with the recognition and measurement principles of Ind AS requires the management of the group to make estimates and assumptions that affect the reported balances of assets and liabilities, disclosures relating to contingent liabilities as at the date of the separate financial statements and the reported amounts of income and expense for the periods presented.

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

- Impairment of Goodwill (Refer Note 2.5)
- Useful lives of Property, plant and equipment and Intangible (Refer Note 2.12 and 2.13)
- Impairment of Property, plant and equipment and Intangible (Refer Note 2.14)
- Assets and obligations relating to employee benefits (Refer Note 2.10.1)
- Valuation and measurement of income taxes and deferred taxes (Refer Note 2.11)
- Provisions and Contingencies (Refer Note 2.15)

## **2.7 Revenue recognition**

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 recognised. Ind AS 115 replaces Ind AS 18 Revenue and Ind AS 11 Construction Contracts.

The Group has adopted Ind AS 115 using the Full Retrospective Method and accordingly previous year numbers are restated. The impact of adoption of the standard on the financial statements of the Group is insignificant.

Revenue is recognised 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 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 recognised 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 recognised when there is billings in excess of revenues.

In accordance with Ind AS 37, the Group recognises 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.

The Group disaggregates revenue from contracts with customers by industry verticals, geography.

#### **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 recognised 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.

Revenue for fixed-price contracts is recognised using percentage-of-completion method. The Group uses judgement to estimate the future cost-to-completion of the contracts which is used to determine the degree of the completion of the performance of the obligation.

Contract fulfilment costs are generally expensed as incurred.

#### **Dividend, Rental and interest income**

Dividend income from investments is recognised when the shareholder's right to receive payment has been established (provided that it is probable that the economic benefits will flow to the group and the amount of income can be measured reliably).

Interest income from a financial asset is recognised when it is probable that the economic benefits will flow to the group 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.

Rental income arising from operating leases is accounted for on a straight-line basis over the lease terms and is included in revenue in the statement of profit or loss due to its operating nature.

**2.7.1 *Sale of goods***

Revenue from the sale of goods is recognised when all the following conditions are satisfied:

- the group has transferred to the buyer the significant risks and rewards of ownership of the goods;
- the group retains neither continuing managerial involvement to the degree usually associated with ownership nor effective control over the goods sold;
- the amount of revenue can be measured reliably;
- it is probable that the economic benefits associated with the transaction will flow to the group; and
- the costs incurred or to be incurred in respect of the transaction can be measured reliably.

All the above conditions are generally met when the goods are delivered and titles have passed.

The Group has assumed that recovery of excise duty flows to the group on its own account. This is for the reason that it is a liability of the manufacturer which forms part of the cost of production, irrespective of whether the goods are sold or not. Since the recovery of excise duty flows to the group on its own account, revenue includes excise duty. However, sales tax/ value added tax (VAT) / Goods and Service Tax (GST) is not received by the group on its own account. Rather, it is tax collected on value added to the commodity by the seller on behalf of the government. Accordingly, it is excluded from revenue.

**2.7.2 *Sale of Service***

Revenue from sale of services is recognised in the accounting period in which the services are rendered.

**2.7.3 *Dividend, Rental and interest income***

Dividend income from investments is recognised when the shareholder's right to receive payment has been established (provided that it is probable that the economic benefits will flow to the group and the amount of income can be measured reliably).

Interest income from a financial asset is recognised when it is probable that the economic benefits will flow to the group 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.

Rental income arising from operating leases is accounted for on a straight-line basis over the lease terms and is included in revenue in the statement of profit or loss due to its operating nature.

**2.8 *Foreign currencies***

The Group's consolidated financial statements are presented in INR, which is also the parent company's functional currency. For each entity the Group determines the functional currency and items included in the financial statements of each entity are measured using that functional currency. The Group uses the direct method of consolidation and on disposal of a foreign operation the gain or loss that is reclassified to profit or loss reflects the amount that arises from using this method.

**Transactions and balances'**

In preparing the separate financial statements transactions in currencies other than the entity's functional currency (foreign currencies) are recognised at the rates of exchange prevailing at the dates of the transactions. At the end of each reporting period, monetary items denominated in foreign currencies are retranslated at the rates prevailing at that date. Non-monetary items carried at fair value that are denominated in foreign currencies are retranslated at the rates prevailing at the date when the fair value was determined. Non-monetary items that are measured in terms of historical cost in a foreign currency are not retranslated. Exchange differences on monetary items are recognised in profit or loss in the period in which they arise.

**Consolidation**

On consolidation, the assets and liabilities of foreign operations are translated into INR at the rate of exchange prevailing at the reporting date and their statements of profit or loss are translated at exchange rates prevailing at the dates of the transactions. For practical reasons, the group uses an average rate to translate income and expense items, if the average rate approximates the exchange rates at the dates of the transactions. The exchange differences arising on translation for consolidation are recognised in OCI. On disposal of a foreign operation, the component of OCI relating to that particular foreign operation is recognised in profit or loss.

## 2.9 Borrowing costs

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalised as part of the cost of the asset. All other borrowing costs are expensed in the period in which they occur. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds. Borrowing cost also includes exchange differences to the extent regarded as an adjustment to the borrowing costs.

## 2.10 Employee benefits

### 2.10.1 Retirement benefit costs and termination benefits

#### **Provident Fund (Defined Contribution)**

The Parent company makes monthly contributions to Provident Fund managed by Tata International Limited Provident Fund Trust for qualifying employees. The group meets the shortfall, if any, with respect to the interest rate guaranteed for exempt provident funds.

Payments to defined contribution retirement benefit plans are recognised as an expense when employees have rendered service entitling them to the contributions.

#### **Gratuity (Defined Benefit Plan)**

For defined benefit retirement benefit plans, the cost of providing benefits is determined using the projected unit credit method, with actuarial valuations being carried out at the end of each annual reporting period. Remeasurement, comprising actuarial gains and losses, the effect of the changes to the asset ceiling (if applicable) and the return on plan assets (excluding net interest), is reflected immediately in the balance sheet with a charge or credit recognised in other comprehensive income in the period in which they occur. Remeasurement recognised in other comprehensive income is reflected immediately in retained earnings and is not reclassified to profit or loss. Past service cost is recognised in profit or loss in the period of a plan amendment. Net interest is calculated by applying the discount rate at the beginning of the period to the net defined benefit liability or asset. Defined benefit costs are categorised as follows:

- service cost (including current service cost, past service cost, as well as gains and losses on curtailments and settlements);
- net interest expense or income; and
- remeasurement

The group presents the first two components of defined benefit costs in profit or loss in the line item 'Employee benefits expense'. Curtailment gains and losses are accounted for as past service costs.

The retirement benefit obligation recognised in the consolidated balance sheet represents the actual deficit or surplus in the group'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.

A liability for a termination benefit is recognised at the earlier of when the entity can no longer withdraw the offer of the termination benefit and when the entity recognises any related restructuring costs.

### 2.10.2 Short-term and other long-term employee benefits

A liability is recognised for benefits accruing to employees in respect of wages and salaries, annual leave and sick leave in the period the related service is rendered at the undiscounted amount of the benefits expected to be paid in exchange for that service.

Liabilities recognised in respect of short-term employee benefits are measured at the undiscounted amount of the benefits expected to be paid in exchange for the related service.

Liabilities recognised in respect of other long-term employee benefits are measured at the present value of the estimated future cash outflows expected to be made by the group in respect of services provided by employees up to the reporting date.

## 2.11 Taxation

Income tax expense represents the sum of the tax currently payable and deferred tax.



**2.11.1 Current tax**

The tax currently payable is based on taxable profit for the year. Taxable profit differs from 'profit before tax' as reported in the separate statement of profit and loss because of items of income or expense that are taxable or deductible in other years and items that are never taxable or deductible. The group's current tax is calculated using tax rates that have been enacted or substantively enacted by the end of the reporting period.

Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date in the countries where the Group operates and generates taxable income.

Current income tax relating to items recognised outside profit or loss is recognised outside profit or loss (either in other comprehensive income or in equity). Current tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

**2.11.2 Deferred tax**

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the standalone financial statements and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are generally recognised for all taxable temporary differences. Deferred tax assets are generally recognised for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilised. Such deferred tax assets and liabilities are not recognised if the temporary difference arises from the initial recognition of assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit.

Deferred tax liabilities are recognised for all taxable temporary differences, except:- When the deferred tax liability arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss- In respect of taxable temporary differences associated with investments in subsidiaries, associates and interests in joint ventures, when the timing of the reversal of the temporary differences can be controlled and it is probable that the temporary differences will not reverse in the foreseeable future

The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

Deferred tax liabilities and assets are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realised, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.

The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the group expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities.

Deferred tax assets and deferred tax liabilities are offset if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

**2.11.3 Current and deferred tax for the year**

Current and deferred tax are recognised in profit or loss, except when they relate to items that are recognised in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognised in other comprehensive income or directly in equity respectively.

**2.12 Property, plant and equipment**

Land and buildings held for use in the production or supply of goods or services, or for administrative purposes, are stated in the consolidated balance sheet at cost less accumulated depreciation and accumulated impairment losses. Freehold land is not depreciated.

Properties in the course of construction for production, supply or administrative purposes are carried at cost, less any recognised impairment loss. Cost includes professional fees and, for qualifying assets, borrowing costs capitalised in accordance with the group's accounting policy. Such properties are classified to the appropriate categories of property, plant and equipment when completed and ready for intended use. Depreciation of these assets, on the same basis as other property assets, commences when the assets are ready for their intended use.

Fixtures and equipment are stated at cost less accumulated depreciation and accumulated impairment losses.

Depreciation is recognised so as to write off the cost of assets (other than freehold land and properties under construction) less their residual values over their useful lives, using written down value method. The estimated useful lives, residual values and depreciation method are reviewed at the end of each reporting period, with the effect of any changes in estimate accounted for on a prospective basis.

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on the disposal or retirement of an item of property, plant and equipment is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognised in profit or loss.

## **2.13 Intangible assets**

### **2.13.1 *Intangible assets acquired separately***

Intangible assets with finite useful lives that are acquired separately are carried at cost less accumulated amortisation and accumulated impairment losses. Amortisation is recognised on a straight-line basis over their estimated useful lives. The estimated useful life and amortisation method are reviewed at the end of each reporting period, with the effect of any changes in estimate being accounted for on a prospective basis.

### **2.13.2 *Derecognition of intangible assets***

An intangible asset is derecognised on disposal, or when no future economic benefits are expected from use or disposal. Gains or losses arising from derecognition of an intangible asset, measured as the difference between the net disposal proceeds and the carrying amount of the asset, are recognised in profit or loss when the asset is derecognised.

## **2.14 Impairment of tangible and intangible assets other than goodwill**

At the end of each reporting period, the group reviews the carrying amounts of its tangible and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). When it is not possible to estimate the recoverable amount of an individual asset, the group estimates the recoverable amount of the cash-generating unit to which the asset belongs. When a reasonable and consistent basis of allocation can be identified, corporate assets are also allocated to individual cash-generating units, or otherwise they are allocated to the smallest group of cash-generating units for which a reasonable and consistent allocation basis can be identified.

Recoverable amount is the higher of fair value less costs of disposal 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 recognised immediately in profit or loss.

When an impairment loss subsequently reverses, the carrying amount of the asset (or a cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognised immediately in profit or loss.

## **2.15 Provisions**

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

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation. When a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows (when the effect of the time value of money is material).

When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, a receivable is recognised as an asset if it is virtually certain that reimbursement will be received and the amount of the receivable can be measured reliably.

### 2.15.1 ***Onerous contracts***

Present obligations arising under onerous contracts are recognised and measured as provisions. An onerous contract is considered to exist where the group has a contract under which the unavoidable costs of meeting the obligations under the contract exceed the economic benefits expected to be received from the contract.

## 2.16 **Financial instruments**

Financial assets and financial liabilities are recognised when a group entity becomes a party to the contractual provisions of the instruments.

Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognised immediately in profit or loss.

### 2.16.1 **Financial assets**

All regular way purchases or sales of financial assets are recognised and derecognised on a trade date basis. Regular way purchases or sales are purchases or sales of financial assets that require delivery of assets within the time frame established by regulation or convention in the marketplace.

All recognised financial assets are subsequently measured in their entirety at either amortised cost or fair value, depending on the classification of the financial assets

#### 2.16.1.1 ***Amortised cost and Effective interest method***

The effective interest method is a method of calculating the amortised cost of a debt instrument and of allocating interest income over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash receipts (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the debt instrument, or, where appropriate, a shorter period, to the net carrying amount on initial recognition.

Income is recognised on an effective interest basis for debt instruments other than those financial assets classified as at FVTPL. Interest income is recognised in profit or loss and is included in the "Other income" line item.

#### 2.16.1.2 ***Investments in equity instruments at FVTOCI***

On initial recognition, the group can make an irrevocable election (on an instrument-by-instrument basis) to present the subsequent changes in fair value in other comprehensive income pertaining to investments in equity instruments. This election is not permitted if the equity investment is held for trading. These elected investments are initially measured at fair value plus transaction costs. Subsequently, they are measured at fair value with gains and losses arising from changes in fair value recognised in other comprehensive income and accumulated in the 'Reserve for equity instruments through other comprehensive income'. The cumulative gain or loss is not reclassified to profit or loss on disposal of the investments.

A financial asset is held for trading if:

- it has been acquired principally for the purpose of selling it in the near term; or
- on initial recognition it is part of a portfolio of identified financial instruments that the group manages together and has a recent actual pattern of short-term profit-taking; or
- it is a derivative that is not designated and effective as a hedging instrument or a financial guarantee.

The group has equity investments in certain entities, and elected to FVTOCI irrevocable option for these investments.

Dividends on these investments in equity instruments are recognised in profit or loss when the group's right to receive the dividends is established, it is probable that the economic benefits associated with the dividend will flow to the entity, the dividend does not represent a recovery of part of cost of the investment and the amount of dividend can be measured reliably. Dividends recognised in profit or loss are included in the 'Other income' line item.

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

Investments in equity instruments are classified as at FVTPL, unless the group irrevocably elects on initial recognition to present subsequent changes in fair value in other comprehensive income for investments in equity instruments which are not held for trading (see note 2.16.1.2 above).

Debt instruments that do not meet the amortised cost criteria or FVTOCI criteria (see above) are measured at FVTPL. In addition, debt instruments that meet the amortised cost criteria or the FVTOCI criteria but are designated as at FVTPL are measured at FVTPL.

A financial asset that meets the amortised cost criteria or debt instruments that meet the FVTOCI criteria may be designated as at FVTPL upon initial recognition if such designation eliminates or significantly reduces a measurement or recognition inconsistency that would arise from measuring assets or liabilities or recognising the gains and losses on them on different bases. The group has not designated any debt instrument as at FVTPL.

Financial assets at FVTPL are measured at fair value at the end of each reporting period, with any gains or losses arising on re-measurement recognised in profit or loss. The net gain or loss recognised in profit or loss is included in the 'Other income' line item.

**2.16.1.4 *Impairment of financial assets***

The group applies the expected credit loss model for recognising impairment loss on financial assets measured at amortised cost, debt instruments at FVTOCI, lease receivables, trade receivables other contractual rights to receive cash and other financial asset.

Expected credit losses are the weighted average of credit losses with the respective risks of default occurring as the weights. Credit loss is the difference between all contractual cash flows that are due to the group in accordance with the contract and all the cash flows that the group expects to receive (i.e. all cash shortfalls), discounted at the original effective interest rate (or credit adjusted effective interest rate for purchased or originated credit-impaired financial assets). The group estimates cash flows by considering all contractual terms of the financial instrument (for example prepayment, extension, call and similar options) through the expected life of that financial instrument.

The group measures the loss allowance for a financial instrument at an amount equal to the lifetime expected credit losses if the credit risk on that financial instrument has increased significantly since initial recognition. If the credit risk on a financial instrument has not increased significantly since initial recognition, the group measures the loss allowance for that financial instrument at an amount equal to 12-month expected credit losses. 12-month expected credit losses are portion of the life-time expected credit losses and represent the lifetime cash shortfalls that will result if default occurs within the 12 months after the reporting date and thus, are not cash shortfalls that are predicted over the next 12 months.

If the group measures loss allowance for a financial instrument at life time expected credit loss model in the previous period, but determines at the end of reporting period that the credit risk has not increased significantly since initial recognition due to improvement in credit quality as compared to the previous period, the group again measures the loss allowances based on 12 months expected credit loss.

When making the assessment of whether there has been a significant increase in credit risk since initial recognition, the group uses the change in the risk of a default occurring over the expected life of the financial instrument instead of the change in the amount of expected credit losses. To make that assessment, the group compares the risk of a default occurring on the financial instrument as at the reporting date with the risk of a default occurring on the financial instrument as at the date of initial recognition and considers reasonable and supportable information, that is available without undue cost or effort, that is indicative of significant increases in credit risk since initial recognition.

For the trade receivables or any contractual right to receive cash or another financial asset that result from transactions that are within the scope of Ind AS 11 and Ind AS 18, the group always measures the loss allowance at an amount equal to lifetime expected credit losses.

Further, for the purpose of measuring lifetime expected credit loss allowance for trade receivables, the group has used a practical expedient as permitted under Ind AS 109. This expected credit loss allowance is computed based on a provision matrix which takes into account historical credit loss experience and adjusted for forward-looking information.

The impairment requirements for the recognition and measurement of a loss allowance are equally applied to debt instruments at FVTOCI except that the loss allowance is recognised in other comprehensive income and is not reduced from the carrying amount in the balance sheet.

**2.16.1.5 *Derecognition of financial assets***

The group derecognises a financial asset when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another party. If the group neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred asset, the group recognises its retained interest in the asset and an associated liability for amounts it may have to pay. If the group retains substantially all the risks and rewards of ownership of a transferred financial asset, the group continues to recognise the financial asset and also recognises a collateralised borrowing for the proceeds received.

On derecognition of a financial asset in its entirety, the difference between the asset's carrying amount and the sum of the consideration received and receivable and the cumulative gain or loss that had been recognised in other comprehensive income and accumulated in equity is recognised in profit or loss if such gain or loss would have otherwise been recognised in profit or loss on disposal of that financial asset.

On derecognition of a financial asset other than in its entirety (e.g. when the group retains an option to repurchase part of a transferred asset), the group allocates the previous carrying amount of the financial asset between the part it continues to recognise under continuing involvement, and the part it no longer recognises on the basis of the relative fair values of those parts on the date of the transfer. The difference between the carrying amount allocated to the part that is no longer recognised and the sum of the consideration received for the part no longer recognised and any cumulative gain or loss allocated to it that had been recognised in other comprehensive income is recognised in profit or loss if such gain or loss would have otherwise been recognised in profit or loss on disposal of that financial asset. A cumulative gain or loss that had been recognised in other comprehensive income is allocated between the part that continues to be recognised and the part that is no longer recognised on the basis of the relative fair values of those parts.

**2.16.1.6 *Foreign Exchange gain and losses***

For financial liabilities that are denominated in a foreign currency and are measured at amortised cost at the end of each reporting period, the foreign exchange gains and losses are determined based on the amortised cost of the instruments and are recognised in 'Other income'.

The fair value of financial liabilities denominated in a foreign currency is determined in that foreign currency and translated at the spot rate at the end of the reporting period. For financial liabilities that are measured as at FVTPL, the foreign exchange component forms part of the fair value gains or losses and is recognised in profit or loss.

**2.17 Financial liabilities and equity instruments****2.17.1 *Classification as debt or equity***

Debt and equity instruments issued by a group entity are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument.

**2.17.2 *Equity instruments***

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. Equity instruments issued by a group entity are recognised at the proceeds received, net of direct issue costs.

Repurchase of the group's own equity instruments is recognised and deducted directly in equity. No gain or loss is recognised in profit or loss on the purchase, sale, issue or cancellation of the group's own equity instruments.

**2.17.3 *Financial liabilities***

All financial liabilities are subsequently measured at amortised cost using the effective interest method or at FVTPL. However, financial liabilities that arise when a transfer of a financial asset does not qualify for derecognition or when the continuing involvement approach applies, financial guarantee contracts issued by the group, and commitments issued by the group to provide a loan at below-market interest rate are measured in accordance with the specific accounting policies set out below.

**2.17.3.1 *Financial liabilities subsequently measured at amortised cost***

Financial liabilities are classified as at FVTPL when the financial liability is either contingent consideration recognised by the group as an acquirer in a business combination to which Ind AS 103 applies or is held for trading or it is designated as at FVTPL. Financial liabilities at FVTPL are stated at fair value, with any gains or losses arising on remeasurement recognised in profit or loss. The net gain or loss recognised in profit or loss incorporates any interest paid on the financial liability and is included in the 'Other income' line item.

**2.17.3.2 *Financial liabilities subsequently measured at amortised cost***

Financial liabilities that are not held-for-trading and are not designated as at FVTPL are measured at amortised cost at the end of subsequent accounting periods. The carrying amounts of financial liabilities that are subsequently measured at amortised cost are determined based on the effective interest method. Interest expense that is not capitalised as part of costs of an asset is included in the 'Finance costs' line item.

The effective interest method is a method of calculating the amortised cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the financial liability, or (where appropriate) a shorter period, to the net carrying amount on initial recognition.

**2.17.3.3 *Foreign exchange gains and losses***

For financial liabilities that are denominated in a foreign currency and are measured at amortised cost at the end of each reporting period, the foreign exchange gains and losses are determined based on the amortised cost of the instruments and are recognised in 'Other income'.

The fair value of financial liabilities denominated in a foreign currency is determined in that foreign currency and translated at the spot rate at the end of the reporting period. For financial liabilities that are measured as at FVTPL, the foreign exchange component forms part of the fair value gains or losses and is recognised in profit or loss.

**2.17.3.4 *Derecognition of financial liabilities***

The group derecognises financial liabilities when, and only when, the group's obligations are discharged, cancelled or have expired. An exchange between with a lender of debt instruments with substantially different terms is accounted for as an extinguishment of the original financial liability and the recognition of a new financial liability. Similarly, a substantial modification of the terms of an existing financial liability (whether or not attributable to the financial difficulty of the debtor) is accounted for as an extinguishment of the original financial liability and the recognition of a new financial liability. The difference between the carrying amount of the financial liability derecognised and the consideration paid and payable is recognised in profit or loss.

**2.18 *Derivative financial instruments***

The group enters into a variety of derivative financial instruments to manage its exposure to interest rate and foreign exchange rate risks, including foreign exchange forward contracts, interest rate swaps and cross currency swaps. Further details of derivative financial instruments are disclosed in notes.

Derivatives are initially recognised at fair value at the date the derivative contracts are entered into and are subsequently remeasured to their fair value at the end of each reporting period. The resulting gain or loss is recognised in profit or loss immediately unless the derivative is designated and effective as a hedging instrument, in which event the timing of the recognition in profit or loss depends on the nature of the hedging relationship and the nature of the hedged item.

**2.19 *Earning Per Share***

Basic earnings per share is calculated by dividing the net profit or loss attributable to equity holder of parent company (after deducting preference dividends and accruals on perpetual security and attributable taxes) by the weighted average number of equity shares outstanding during the period. Diluted earnings per share is computed by dividing the profit after tax by the weighted average number of equity and dilutive equity equivalent shares outstanding during the year, except where the results would be anti-dilutive.

## 2.20 Segment Reporting

Information reported to the Chief operating decision maker (CODM) for the purpose of resource allocation and assessment of segment performance focuses based on products and services. Accordingly, directors of the Group have chosen to organise the segment based on its product and services as follows:

- Leather and Leather products
- Minerals
- Metals
- Distribution
- Agri

The Group's chief operating decision maker is the Managing Director. Revenue and expenses directly attributable to segment are reported under each reportable segment. Expenses which are not directly identifiable to each reporting segment have been allocated on the basis of associated revenue of the segment and manpower efforts. All other expenses which are not attributable or allocable to segments have been disclosed as Unallocable expenses. Assets and liabilities that are directly attributable or allocable to segments are disclosed under each reportable segment. All other assets and liabilities are disclosed as Unallocable.

The Group's financing and income taxes are managed on a Group level and are not allocated to operating segment.

## 2.21 Current versus non-current classification

The Group presents assets and liabilities in the balance sheet based on current/ non-current classification. An asset is treated as current when it is:

- Expected to be realised or intended to be sold or consumed in normal operating cycle
- Held primarily for the purpose of trading
- Expected to be realised within twelve months after the reporting period, or
- Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period

All other assets are classified as non-current.

A liability is current when:

- It is expected to be settled in normal operating cycle
- It is held primarily for the purpose of trading- It is due to be settled within twelve months after the reporting period, or
- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period

The Group classifies all other liabilities as non-current.

Deferred tax assets and liabilities are classified as non-current assets and liabilities.

The operating cycle is the time between the acquisition of assets for processing and their realisation in cash and cash equivalents.

The group has identified twelve months as its operating cycle.

## 2.22 Fair value measurement

The Group measures financial instruments, such as, derivatives at fair value at each balance sheet date. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- In the principal market for the asset or liability, or
- In the absence of a principal market, in the most advantageous market for the asset or liability

The principal or the most advantageous market must be accessible by the Group.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Group uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

- Level 1 — Quoted (unadjusted) market prices in active markets for identical assets or liabilities
- Level 2 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable
- Level 3 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable

For assets and liabilities that are recognised in the financial statements on a recurring basis, the Group determines whether transfers have occurred between levels in the hierarchy by re-assessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

For the purpose of fair value disclosures, the Group has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy as explained above.

### **2.23 Investment properties**

Investment properties are measured initially at cost, including transaction costs. Subsequent to initial recognition, investment properties are stated at cost less accumulated depreciation and accumulated impairment loss, if any.

The cost includes the cost of replacing parts and borrowing costs if the recognition criteria are met. When significant parts of the investment property are required to be replaced at intervals, the Group depreciates them separately based on their specific useful lives. All other repair and maintenance costs are recognised in profit or loss as incurred.

Though the group measures investment property using cost based measurement, the fair value of investment property is disclosed in the notes. Investment properties are derecognised either when they have been disposed of or when they are permanently withdrawn from use and no future economic benefit is expected from their disposal. The difference between the net disposal proceeds and the carrying amount of the asset is recognised in profit or loss in the period of derecognition.

### **2.24 Leases**

The determination of whether an arrangement is (or contains) a lease is based on the substance of the arrangement at the inception of the lease. 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.

#### **Group as a lessee**

A lease is classified at the inception date as a finance lease or an operating lease. A lease that transfers substantially all the risks and rewards incidental to ownership to the Group is classified as a finance lease.

Finance leases are capitalised at the commencement of the lease at the inception date fair value of the leased property or, if lower, at the present value of the minimum lease payments. Lease payments are apportioned between finance charges and reduction of the lease liability so as to achieve a constant rate of interest on the remaining balance of the liability. Finance charges are recognised in finance costs in the statement of profit and loss, unless they are directly attributable to qualifying assets, in which case they are capitalized in accordance with the Group's general policy on the borrowing costs. Contingent rentals are recognised as expenses in the periods in which they are incurred.

A leased asset is depreciated over the useful life of the asset. However, if there is no reasonable certainty that the Group will obtain ownership by the end of the lease term, the asset is depreciated over the shorter of the estimated useful life of the asset and the lease term.



Operating lease payments are recognised as an expense in the statement of profit and loss on a straight-line basis over the lease term

**Group as a lessor**

Leases in which the Group does not transfer substantially all the risks and rewards of ownership of an asset are classified as operating leases. Rental income from operating lease is recognised on a straight-line basis over the term of the relevant lease. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised over the lease term on the same basis as rental income. Contingent rents are recognised as revenue in the period in which they are earned.

Leases are classified as finance leases when substantially all of the risks and rewards of ownership transfer from the Group to the lessee. Amounts due from lessees under finance leases are recorded as receivables at the Group's net investment in the leases. Finance lease income is allocated to accounting periods so as to reflect a constant periodic rate of return on the net investment outstanding in respect of the lease.

**2.25 Cash and cash equivalents**

Cash and cash equivalent in the balance sheet comprise cash at banks and on hand and short-term deposits with an original maturity of three months or less, which are subject to an insignificant risk of changes in value.

For the purpose of the Statement of cash flows, cash and cash equivalents consist of cash and short-term deposits, as defined above, net of outstanding bank overdrafts as they are considered an integral part of the Group's cash management.

**2.26 Inventories**

Inventories are stated at the lower of cost and net realisable value. Costs of inventories are determined on a weighted average cost basis. Net realisable value represents the estimated selling price for inventories less all estimated costs of completion and costs necessary to make the sale.

**2.27 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 AS which the Group has not applied as they are effective from April 1, 2019:

**Ind AS 116 – Leases:**

Ind AS 116 Leases replaces existing lease accounting guidance i.e. Ind AS 17 Leases. It sets out principles for the recognition, measurement, presentation and disclosure of leases and requires lessees to account for all leases, except short-term leases and leases for low-value items, under a single on-balance sheet lease accounting model. 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. Lessor accounting largely unchanged from the existing standard – i.e. lessors continue to classify leases as finance or operating leases.

Based on the preliminary assessment, the Group does not expect any significant impacts on transition to Ind AS 116. This assessment is based on currently available information and may be subject to changes arising from further reasonable and supportable information when the standard will be adopted. The quantitative impacts would be finalised based on a detailed assessment which has been initiated to identify the key impacts along with evaluation of appropriate transition options. Management is under process of evaluating final impact.

**Amendments to existing Ind AS:**

The following amendments to existing standards are not expected to have a significant impact on the Group's financial statements. This assessment is based on currently available information and may be subject to changes arising from further reasonable and supportable information being made available to the Company when it will adopt the respective amended standards. Management is under process of evaluating final impact.

1. Amendment to Ind AS 12 Income Taxes
2. Amendment to Ind AS 19 Employee Benefits
3. Amendment to Ind AS 23 Borrowing Costs
4. Amendment to Ind AS 28 Investments in Associate and Joint Ventures
5. Amendment to Ind AS 103 Business Combinations
6. Amendment to Ind AS 109 Financial Instruments
7. Amendment to Ind AS 111 Joint Arrangements

## Notes forming part of the consolidated financial statements

### 03 (a). Property, plant and equipment

Rs. in lakhs

Particulars	Freehold Land	Building	Leasehold Improvement	Plant and Machinery	Furniture and fixtures	Vehicles	Office Equipments	Computer	Electric Installation	Total
<b>Deemed cost</b>										
<b>Balance at 1st April, 2017</b>	<b>3,158.05</b>	<b>28,136.75</b>	<b>721.99</b>	<b>15,549.01</b>	<b>2,396.88</b>	<b>1,418.37</b>	<b>1,942.34</b>	<b>1,688.94</b>	<b>631.95</b>	<b>55,644.28</b>
Additions	-	280.48	3.25	1,134.49	170.36	421.37	103.40	134.95	5.24	2,253.54
Other Adjustments (Refer note 3 below)	2.47	(371.84)	-	57.69	32.09	-	(82.27)	4.88	-	(356.98)
Adjustment for companies ceasing to be subsidiaries	-	-	-	(30.17)	(69.24)	(14.71)	(5.85)	(5.84)	-	(125.81)
Effect of foreign currency exchange differences	25.44	658.63	69.32	497.10	158.14	152.97	115.36	38.37	13.34	1,728.66
Disposals	(216.86)	(817.94)	-	(411.58)	(109.43)	(462.57)	(23.93)	(103.09)	(19.06)	(2,164.46)
<b>Balance at March 31, 2018</b>	<b>2,969.10</b>	<b>27,886.08</b>	<b>794.56</b>	<b>16,796.54</b>	<b>2,578.80</b>	<b>1,515.43</b>	<b>2,049.05</b>	<b>1,758.21</b>	<b>631.47</b>	<b>56,979.24</b>
Additions	466.30	517.81	25.91	1,576.73	130.50	190.07	62.97	94.76	19.08	3,084.14
Other Adjustments	107.70	-	-	-	-	-	-	-	-	107.70
Adjustment for companies ceasing to be subsidiaries	0.22	15.03	-	64.80	2.29	(13.76)	1.19	1.32	4.52	75.61
Effect of foreign currency exchange differences	23.33	(265.14)	(51.15)	(474.36)	(129.16)	(193.40)	59.68	(72.82)	(6.72)	(1,109.75)
Disposals	(45.76)	(51.01)	(99.47)	(879.04)	(4.62)	(167.12)	(85.33)	(69.38)	(6.00)	(1,407.73)
Forming part of Disposal group	-	-	-	(126.79)	(23.65)	-	(47.86)	(30.23)	-	(228.53)
<b>Balance at March 31, 2019</b>	<b>3,520.90</b>	<b>28,102.77</b>	<b>669.85</b>	<b>16,957.87</b>	<b>2,554.15</b>	<b>1,331.22</b>	<b>2,039.70</b>	<b>1,681.86</b>	<b>642.35</b>	<b>57,500.68</b>
<b>Accumulated Depreciation</b>										
<b>Balance at 1st April, 2017</b>	<b>-</b>	<b>2,428.58</b>	<b>139.77</b>	<b>8,263.83</b>	<b>1,040.91</b>	<b>558.41</b>	<b>1,421.23</b>	<b>1,155.57</b>	<b>356.92</b>	<b>15,365.22</b>
Depreciation expense (Refer note 3 below)	-	1,449.61	110.89	2,620.09	415.99	362.11	196.15	210.05	109.84	5,474.73
Adjustment for companies ceasing to be subsidiaries	-	-	-	(9.15)	(19.81)	(11.22)	(2.04)	(3.97)	-	(46.19)
Effect of foreign currency exchange differences	-	196.25	22.70	394.75	132.17	111.76	89.88	26.48	13.33	987.32
Other Adjustments (Refer note 3 below)	-	(159.52)	-	-	-	-	-	-	-	(159.52)
Disposals	-	(302.34)	-	(328.46)	(51.27)	(270.58)	(74.97)	(84.05)	(19.05)	(1,130.72)
<b>Balance at March 31, 2018</b>	<b>-</b>	<b>3,612.58</b>	<b>273.36</b>	<b>10,941.06</b>	<b>1,517.99</b>	<b>750.48</b>	<b>1,630.25</b>	<b>1,304.08</b>	<b>461.05</b>	<b>20,490.84</b>
Depreciation expense	-	1,365.93	101.33	2,153.50	376.52	325.79	169.67	176.80	69.95	4,739.50
Adjustment for companies ceasing to be subsidiaries	-	11.81	-	51.68	2.17	(12.19)	1.16	(0.26)	4.37	58.74
Effect of foreign currency exchange differences	-	(64.51)	(15.50)	(297.24)	(153.41)	(179.56)	80.63	(41.25)	(9.77)	(680.60)
Disposals	-	(15.92)	(99.47)	(704.18)	(3.32)	(119.70)	(79.11)	(67.45)	(4.57)	(1,093.72)
Forming part of Disposal group	-	-	-	(70.35)	(14.45)	-	(39.61)	(22.28)	-	(146.69)
<b>Balance at March 31, 2019</b>	<b>-</b>	<b>4,909.89</b>	<b>259.73</b>	<b>12,074.47</b>	<b>1,725.50</b>	<b>764.82</b>	<b>1,762.98</b>	<b>1,349.64</b>	<b>521.02</b>	<b>23,368.07</b>
<b>Carrying amount</b>										
<b>Balance at 1st April, 2017</b>	<b>3,158.05</b>	<b>25,708.17</b>	<b>582.22</b>	<b>7,288.43</b>	<b>1,354.36</b>	<b>858.64</b>	<b>521.10</b>	<b>533.05</b>	<b>275.03</b>	<b>40,279.06</b>
<b>Balance at March 31, 2018</b>	<b>2,969.10</b>	<b>24,273.50</b>	<b>521.20</b>	<b>5,855.48</b>	<b>1,060.81</b>	<b>764.95</b>	<b>418.80</b>	<b>454.13</b>	<b>170.43</b>	<b>36,488.40</b>
<b>Balance at March 31, 2019</b>	<b>3,520.90</b>	<b>23,192.87</b>	<b>410.13</b>	<b>4,883.40</b>	<b>828.65</b>	<b>566.40</b>	<b>276.71</b>	<b>332.22</b>	<b>121.34</b>	<b>34,132.62</b>
<p>Note 1: Refer note 13(a) &amp; 13(b) for information on property, plant and equipment pledged as security by the group.</p> <p>Note 2: Refer note 31(a) for disclosure of contractual commitment for acquisition of property, plant and equipment.</p> <p>Note 3: Other adjustments made during FY 2017-18, in buildings includes Rs. 371.84 lakhs for an Property plant and equipment transferred to Investment property and accumulated depreciation of Rs. 159.52 lakhs and depreciation expense for the year of Rs. 7.37 lakhs on the same.</p>										

**Notes forming part of the consolidated financial statements**
**Note 03 (b). Capital work-in-progress**

Particulars	As at	As at
	31st March, 2019	31st March, 2018
	Rs. in lakhs	Rs. in lakhs
Carrying amount at beginning of year	1,105.45	327.21
Additions	825.79	1,522.80
Transferred to property, plant and equipment	(1,141.08)	(744.56)
<b>Carrying amount at end of year</b>	<b>790.16</b>	<b>1,105.45</b>

**Note 03 (c). Investment property**

Particulars	As at	As at
	31st March, 2019	31st March, 2018
	Rs. in lakhs	Rs. in lakhs
Carrying amount at beginning of year	204.95	234.93
Depreciation expense	(17.33)	(7.37)
Effect of foreign currency exchange differences	(31.18)	(22.61)
<b>Carrying amount at end of year</b>	<b>156.44</b>	<b>204.95</b>

**(i) Amounts recognised in profit or loss for investment properties**

Particulars	As at	As at
	31st March, 2019	31st March, 2018
	Rs. in lakhs	Rs. in lakhs
Rental income	273.70	178.53
Direct operating expenses from property that generated rental income	(41.41)	(31.91)
<b>Profit from investment properties before depreciation</b>	<b>232.29</b>	<b>146.62</b>
Depreciation	(17.33)	(7.37)
<b>Profit from investment properties</b>	<b>214.96</b>	<b>139.25</b>

**(ii) Fair value**

Particulars	As at	As at
	31st March, 2019	31st March, 2018
	Rs. in lakhs	Rs. in lakhs
Investment properties (level 3)	3,110.00	3,666.39

**Estimation of fair value**

The group obtains independent valuations for its investment properties at periodic intervals. The fair values of investment properties have been determined by independent surveyor. The main inputs used are the rental growth rates, expected vacancy rates, terminal yields and discount rates based on comparable transactions and industry data.

**Note 03 (d). Goodwill**

Particulars	As at	As at
	31st March, 2019	31st March, 2018
	Rs. in lakhs	Rs. in lakhs
Balance at the Beginning of the year	22,016.96	31,071.31
Less : Deductions for the year (refer note 27 & note 29(a))	(2,136.35)	(10,535.89)
Add : Effect of foreign currency exchange differences	19.05	1,481.54
<b>Balance at the end of the year</b>	<b>19,899.66</b>	<b>22,016.96</b>



## TATA INTERNATIONAL LIMITED

### Notes forming part of the consolidated financial statements

#### 03 (e). Other Intangible assets

Rs. in lakhs

Particulars	Computer Software	Tenancy Rights of Shops on Lease	Mining licenses	Total
<b>Deemed cost</b>				
<b>Balance at 1st April, 2017</b>	<b>1,001.69</b>	<b>656.48</b>	<b>1,758.26</b>	<b>3,416.43</b>
Additions	253.86	-	62.77	316.63
Other Adjustments	35.63	-	-	35.63
Adjustment for companies ceasing to be subsidiaries	(0.64)	-	(2,166.42)	(2,167.06)
Effect of foreign currency exchange differences	29.22	95.07	345.39	469.68
Disposals	(4.73)	(589.28)	-	(594.01)
<b>Balance at March 31, 2018</b>	<b>1,315.03</b>	<b>162.27</b>	<b>-</b>	<b>1,477.30</b>
Additions	348.88	-	-	348.88
Adjustment for companies ceasing to be subsidiaries	1.23	-	-	1.23
Effect of foreign currency exchange differences	58.88	-	-	58.88
Disposals	(204.25)	-	-	(204.25)
Forming part of Disposal group	(80.03)	-	-	(80.03)
<b>Balance at March 31, 2019</b>	<b>1,439.74</b>	<b>162.27</b>	<b>-</b>	<b>1,602.01</b>
<b>Accumulated Amortisation</b>				
<b>Balance at 1st April, 2017</b>	<b>384.10</b>	<b>294.89</b>	<b>14.75</b>	<b>693.74</b>
Amortisation expense	327.95	74.80	-	402.75
Adjustment for companies ceasing to be subsidiaries	(0.56)	-	(43.80)	(44.36)
Effect of foreign currency exchange differences	35.31	62.49	29.05	126.85
Disposals	(3.83)	(269.91)	-	(273.74)
<b>Balance at March 31, 2018</b>	<b>742.97</b>	<b>162.27</b>	<b>-</b>	<b>905.24</b>
Amortisation expense	343.72	-	-	343.72
Adjustment for companies ceasing to be subsidiaries	2.65	-	-	2.65
Effect of foreign currency exchange differences	34.11	-	-	34.11
Disposals	(114.46)	-	-	(114.46)
Forming part of Disposal group	(58.06)	-	-	(58.06)
<b>Balance at March 31, 2019</b>	<b>950.92</b>	<b>162.27</b>	<b>-</b>	<b>1,113.20</b>
<b>Carrying amount</b>				
<b>Balance at 1st April, 2017</b>	<b>617.59</b>	<b>361.59</b>	<b>1,743.51</b>	<b>2,722.69</b>
<b>Balance at March 31, 2018</b>	<b>572.06</b>	<b>-</b>	<b>-</b>	<b>572.06</b>
<b>Balance at March 31, 2019</b>	<b>488.82</b>	<b>-</b>	<b>-</b>	<b>488.82</b>

#### Note 03 (f). Intangible assets under development

Particulars	As at	As at
	31st March, 2019	31st March, 2018
	Rs. in lakhs	Rs. in lakhs
<b>Carrying amount at beginning of year</b>	124.24	54.07
Additions	55.52	105.98
Transferred to cost of other intangible assets	-	(39.76)
Effect of foreign currency exchange differences	55.46	3.95
<b>Carrying amount at end of year</b>	<b>235.22</b>	<b>124.24</b>

**Notes forming part of the consolidated financial statements**
**Note 04 (a). Investments in associates and joint ventures**

Particulars	No of Shares	As at	
		31st March, 2019 Rs. in lakhs	31st March, 2018 Rs. in lakhs
<b>Carrying amount of the Company's interest in associates using equity method (refer note 04(c))</b>			
Tata Motors (SA) (Pty) Limited	7,934,800	789.97	848.01
Accordian Investments (Pty) Limited	18,000,000	-	-
Tata Ceramics Limited	39,564,952	-	-
Imbanita Consulting & Engineering (Pty) Ltd	490	0.02	-
		<b>789.99</b>	<b>848.01</b>
<b>Carrying amount of the Company's interest in joint ventures using equity method (refer note 04(d))</b>			
Ferguson Place (Pty) Limited (formerly known as Newshelf 919 (Pty) Limited)	200	2,167.02	2,750.84
Tata International DLT Private Limited *	-	-	1,867.02
Tata Precision Industries (India) Limited	200,000	208.86	158.76
Tata International GST Autoleather Limited	2,150,000	104.41	86.95
Consilience Technologies (Pty) Limited	2,500,000	-	-
IHMS Hotels (SA) (Pty) Limited	500	-	-
Tata International Wolverine Brands Limited	-	-	-
Women in Transport	-	35.50	-
		<b>2,515.78</b>	<b>4,863.57</b>
<b>Total</b>		<b>3,305.77</b>	<b>5,711.58</b>

\* During the year, the Company has shown Tata International DLT Private Limited under assets classified as held for sale.

**Note 04 (b). Non current investments**

Particulars	As at 31st March, 2019		As at 31st March, 2018	
	No. of shares	Rs. in lakhs	No. of shares	Rs. in lakhs
<b>Investment carried at fair value through OCI</b>				
<b>Quoted :</b>				
<b>(a) Investments in equity instruments</b>				
Indian Overseas Bank	15,600	2.78	15,600	2.25
<b>(b) Investments in debentures or bonds</b>				
The Tata Power Company Limited (11.40% Perpetual Bond)	150	1,560.90	150	1,594.95
Tata Steel Limited ( 11.80% Perpetual Bond)	500	5,222.16	500	5,380.46
Tata Steel Limited ( 11.50% Perpetual Bond)	250	2,595.00	250	2,677.31
		<b>9,380.84</b>		<b>9,654.97</b>

**Notes forming part of the consolidated financial statements**

Particulars	As at 31st March, 2019		As at 31st March, 2018	
	No. of shares	Rs. in lakhs	No. of shares	Rs. in lakhs
<b>Unquoted :</b>				
<b>(c) Investments in equity instruments</b>				
Oriental Floratech India Limited	560,000	-	560,000	-
Tata Industries Limited	3,384,486	5,812.99	3,384,486	5,812.99
Tata Sons Limited	1,477	11,901.69	1,477	11,901.69
Tata Services Limited	198	1.98	198	1.98
Tata Capital Limited	790,592	134.81	790,592	134.81
Virendra Garments Manufactures Limited*	1,200	-	1,200	-
Pran Agro Services Limited*	500	-	500	-
Tata Employees Consumers Co-operative Society Limited	50	0.05	50	0.05
Surat Diamond Industries Limited	1,000	-	1,000	-
Ambur Effluent Treatment Cooperative Society Limited	11,120	10.12	11,120	11.12
Lotus Clean Power Venture Private Limited	141,500	14.15	161,500	16.15
Dewas Tanneries Private Limited	804	-	804	-
Tata Steel (KZN) (Pty) Limited	14,400,000	-	14,400,000	-
Olive Ecopower Private Limited	154,850	15.49	135,850	13.59
Zega Limited	10,000	0.15	10,000	0.15
		<b>17,891.43</b>		<b>17,892.53</b>
<b>(d) Investments in preference shares</b>				
Pran Agro Services Limited(5% Non Cumulative Redeemable Preference Shares)	500	0.50	500	0.50
Drive India Enterprises Solutions Limited(0.001% Cumulative Redeemable Preference Shares) [refer note 26 (b)]	117,328	1.17	117,328	1.17
TVS Logistics Services Limited (0.001% cumulative redeemable non-convertible participating preference shares) [refer note 26 (b)]	7,677	0.77	7,677	0.76
		<b>2.44</b>		<b>2.43</b>
<b>Total</b>		<b>27,274.71</b>		<b>27,549.93</b>
<b>Notes:</b>				
Aggregate book value of quoted investments		9,380.84		9,654.97
Aggregate market value of quoted investments		9,380.84		9,654.97
Aggregate value of unquoted investments		17,893.87		17,894.96
Aggregate amount of Impairment in value of investments		-		-

\*Value less than Rs. 500/-

**Notes forming part of the consolidated financial statements**
**Note 04 (c). Associates**
**(i) The following associates are material in the Group:**

Name of the associate	Principal activity	Place of incorporation	Proportion of ownership interest / voting right held by the Group	
			As at 31st March, 2019	As at 31st March, 2018
Tata Motors (SA) (Pty) Limited	Assembly of commercial vehicles	South Africa	40.00%	40.00%

**(ii) Details of associates:**

The Group's interest in associates is accounted for using the equity method in the consolidated financial statements.

The following table summarised financial information:

Rs in lakhs

Particulars	Tata Motors (SA) (Pty) Limited	
	As at 31st March, 2019	As at 31st March, 2018
Non current assets	1,238.47	841.78
Current assets	8,805.54	5,950.35
Non current liabilities	(1,256.83)	(819.41)
Current liabilities	(7,352.45)	(4,479.46)
<b>Net asset</b>	<b>1,434.73</b>	<b>1,493.26</b>
Profit for the year	157.46	164.54
Other comprehensive income	-	-
Total comprehensive income for the year	157.46	164.54
<b>Group's share of profit for the year</b>	<b>62.99</b>	<b>65.82</b>
Net Assets of the associate	1,434.73	1,493.26
Proportion of group's ownership (%)	40.00%	40.00%
Proportion of group's ownership	573.89	597.31
Loan given	216.08	250.71
<b>Carrying amount of group's interest</b>	<b>789.97</b>	<b>848.01</b>
Capital commitment of Associate	-	-
Contingent liability of Associate	27.00	27.00

**Notes forming part of the consolidated financial statements**

**(iii) Financial information in respect of individually not material associates**

Aggregate financial information of associates that are individually not material:

Rs in lakhs

<b>Particulars</b>	<b>As at 31 March, 2019</b>	<b>As at 31 March, 2018</b>
Group's share of profit / (loss)	-	(425.00)
Group's share of other comprehensive income	-	-
Group's share of Total comprehensive income	-	<b>(425.00)</b>

<b>Particulars</b>	<b>As at 31st March, 2019</b>	<b>As at 31st March, 2018</b>
Aggregate carrying amount of Group's interest in these associates	0.02	-

**Note 04 (d). Joint ventures**

**(i) The following joint ventures are material in the Group:**

<b>Name of the joint venture</b>	<b>Principal Activity</b>	<b>Place of Incorporation</b>	<b>Proportion of ownership interest / voting right held by the Group</b>	
			<b>As at 31st March, 2019</b>	<b>As at 31st March, 2018</b>
Consilience Technologies (Pty) Limited	Provision of various information technology related services in Africa	South Africa	50.00%	50.00%
IHMS Hotels (SA) (Pty) Limited	Investing in, managing and operating hotels	South Africa	50.00%	50.00%
Ferguson Place (Pty) Limited (formerly known as Newshelf 919 (Pty) Limited)	Holding of investment property to earn rental income	South Africa	50.00%	50.00%
Tata International DLT Private Limited	Trailer manufacturing	India	50.00%	50.00%
Tata International Wolverine Brands Limited (sold during the year)	Retail business	India	-	50.00%
Tata Precision Industries (India) Limited	Manufacturing of High precision parts	India	50.00%	50.00%
Tata International GST AutoLeather Ltd	Manufacturing Leather	India	50.00%	50.00%



**Notes forming part of the consolidated financial statements**
**(ii) Details of joint ventures:**

The Group's interest in Joint Ventures is accounted for using the equity method in the consolidated financial statements. The following table summarised financial information:

Rs in lakhs

Particulars	Consilience Technologies (Pty) Limited	
	As at 31st March, 2019	As at 31st March, 2018
Non current assets	1,446.57	1,678.33
Current assets	729.31	846.15
Non current liabilities	-	-
Current liabilities	(2,175.88)	(2,524.48)
<b>Net asset</b>	-	-
Loss for the year	(7,166.22)	(311.00)
Other comprehensive income	-	-
Total comprehensive income for the year	(7,166.22)	(311.00)
<b>Group's share of profit for the year (restricted to carrying amount of investment)</b>	-	<b>(205.05)</b>
Net assets of the associate	-	-
Proportion of Group's ownership (%)	50.00%	50.00%
Proportion of Group's ownership	-	-
<b>Carrying amount of Group's interest</b>	-	-
Unrecognised share of loss for the year	(3,583.11)	-
Accumulated share of unrecognised losses	(3,583.11)	-
Capital commitment of joint venture	-	-
Contingent liability in joint venture	-	-

Rs in lakhs

Particulars	IHMS Hotels (SA) (Pty) Limited	
	As at 31st March, 2019	As at 31st March, 2018
Non current assets	16,271.21	19,393.94
Current assets	1,819.73	1,722.64
Non current liabilities	(33,096.78)	(28,623.70)
Current liabilities	(2,036.07)	(3,941.67)
<b>Net liability</b>	<b>(17,041.91)</b>	<b>(11,448.79)</b>
Revenue	7,207.66	6,689.00
Depreciation and amortisation	665.71	7,119.00
Interest expense	1,578.99	624.00
Income tax expense	-	-
Profit for the year	(7,643.28)	2,296.00
Other comprehensive income	-	-
Total comprehensive income for the year	(7,643.28)	2,295.93
<b>Group's share of profit for the year (restricted to carrying amount of investment)</b>	<b>(130.28)</b>	<b>(259.55)</b>
Net liability of the associate	(17,041.91)	(11,448.79)
Proportion of Group's ownership (%)	50.00%	50.00%
Proportion of Group's ownership	(8,520.95)	(5,724.40)
<b>Carrying amount of Group's interest</b>	<b>(8,520.95)</b>	<b>(5,724.40)</b>
Unrecognised Share of loss for the year	-	-
Accumulated share of unrecognised losses	(8,520.95)	(5,724.40)
Capital commitment of joint venture	-	-
Contingent liability in joint venture	-	-

**Notes forming part of the consolidated financial statements**

Rs in lakhs

Particulars	Ferguson Place (Pty) Limited (formerly known as Newshelf 919 (Pty) Limited)	
	As at 31st March, 2019	As at 31st March, 2018
Non current assets	4,403.16	5,830.72
Current assets	332.96	217.84
Non current liabilities	(60.33)	(68.70)
Current liabilities	(341.76)	(478.19)
<b>Net assets</b>	<b>4,334.03</b>	<b>5,501.67</b>
Revenue	618.72	1,091.00
Depreciation and amortisation	-	-
Interest expense	0.03	-
Income tax expense	43.58	-
Profit for the year	(262.18)	812.96
Other comprehensive income	-	-
Total comprehensive income for the year	(262.18)	812.96
<b>Group's share of profit for the year</b>	<b>(131.09)</b>	<b>406.48</b>
Net assets of the associate	4,334.03	5,501.67
Proportion of Group's ownership (%)	50.00%	50.00%
Proportion of Group's ownership	2,167.02	2,750.84
Loan given	-	-
<b>Carrying amount of Group's interest</b>	<b>2,167.02</b>	<b>2,750.84</b>
Capital commitment of joint venture	-	-
Contingent liability in joint venture	-	-

Rs in lakhs

Particulars	Tata International DLT Private Limited	
	As at 31st March, 2019	As at 31st March, 2018
Non current assets	3,614.29	3,043.64
Current assets	7,475.02	8,500.75
Non current liabilities	(1,002.18)	(728.13)
Current liabilities	(4,612.52)	(7,082.21)
<b>Net assets</b>	<b>5,474.61</b>	<b>3,734.05</b>
Revenue	50,657.03	35,567.94
Dividend Expense	1,081.03	-
Depreciation and amortisation	183.26	154.00
Interest expense	198.14	172.80
Income tax expense	1,205.17	711.20
Profit for the year	2,821.58	1,498.03
Other comprehensive income	-	3.09
Total comprehensive income for the year	2,821.58	1,501.12
<b>Group's share of profit for the year</b>	<b>1,410.79</b>	<b>750.56</b>
Net assets of the associate	5,474.61	3,734.05
Proportion of Group's ownership (%)	50.00%	50.00%
Proportion of Group's ownership	2,737.31	1,867.02
<b>Carrying amount of Group's interest</b>	<b>2,737.31</b>	<b>1,867.02</b>
Capital commitment of joint venture	-	-
Contingent liability in joint venture	452.00	123.50

**Note: This has been classified as asset held for sale on 31 March 2019.**

**Notes forming part of the consolidated financial statements**

Rs in lakhs

Particulars	Tata International Wolverine Brands Limited	
	As at 31st March, 2019	As at 31st March, 2018
Non current assets	-	114.52
Current assets	-	1,252.30
Non current liabilities	-	(3.94)
Current liabilities	-	(2,557.09)
<b>Net liability</b>	-	<b>(1,194.21)</b>
Revenue	-	-
Depreciation and amortisation	-	-
Interest expense	-	-
Income tax expense	-	-
Loss for the year	-	(18.85)
Other comprehensive income	-	-
Total comprehensive income for the year	-	(18.85)
<b>Group's share of loss for the year</b>	-	-
Net liability of the associate	-	(1,194.21)
Proportion of Group's ownership (%)	-	50.00%
Proportion of Group's ownership	-	-
<b>Carrying amount of Group's interest</b>	-	-
Unrecognised Share of loss for the year	-	(9.43)
Accumulated share of unrecognised losses	-	(597.11)
Capital commitment of joint venture	-	-
Contingent liability in joint venture	-	-

Rs in lakhs

Particulars	Tata Precision Industries (India) Limited	
	As at 31st March, 2019	As at 31st March, 2018
Non current assets	1,474.05	1,433.02
Current assets	1,188.86	962.19
Non current liabilities	(712.21)	(503.90)
Current liabilities	(1,532.98)	(968.70)
<b>Net assets</b>	<b>417.72</b>	<b>922.61</b>
Revenue	2,267.51	1,806.00
Depreciation and amortisation	121.24	112.00
Interest expense	176.80	163.00
Income tax expense	38.69	13.00
Profit for the year	110.92	110.56
Other comprehensive loss	(10.73)	(3.80)
Total comprehensive income for the year	100.19	106.77
<b>Group's share of profit for the year</b>	<b>50.10</b>	<b>53.38</b>
Net assets of the associate	417.72	317.52
Proportion of Group's ownership (%)	50.00%	50.00%
Proportion of Group's ownership	208.86	158.76
<b>Carrying amount of Group's interest</b>	<b>208.86</b>	<b>158.76</b>
Capital commitment of joint venture	-	-
Contingent liability in joint venture	23.66	23.66

## Notes forming part of the consolidated financial statements

Rs in lakhs

Particulars	Tata International GST AutoLeather Limited	
	As at 31st March, 2019	As at 31st March, 2018
Non current assets	166.46	206.63
Current assets	372.25	477.51
Non current liabilities	-	-
Current liabilities	(329.88)	(510.23)
<b>Net assets</b>	<b>208.83</b>	<b>173.90</b>
Revenue	1,323.65	2,233.00
Depreciation and amortisation	55.80	63.00
Interest expense	-	-
Income tax expense	-	-
Profit / (loss) for the year	34.93	10.28
Other comprehensive income	-	-
Total comprehensive income for the year	34.93	10.28
<b>Group's share of profit / (loss) for the year</b>	<b>17.46</b>	<b>5.14</b>
Net assets of the associate	208.83	173.90
Proportion of Group's ownership (%)	50.00%	50.00%
Proportion of Group's ownership	104.41	86.95
<b>Carrying amount of Group's interest</b>	<b>104.41</b>	<b>86.95</b>
Capital commitment of joint venture	-	-
Contingent liability in joint venture	-	-

## (iii) Financial information in respect of individually not material joint ventures

Aggregate financial information of joint ventures that are individually not material:

Rs in lakhs

Particulars	As at 31st March, 2019	As at 31st March, 2018
Group's share of profit / (loss)	-	-
Group's share of other comprehensive income	-	-
Group's share of Total comprehensive income	-	-

Rs in lakhs

Particulars	As at 31st March, 2019	As at 31st March, 2018
Aggregate carrying amount of Group's interest in these joint ventures	35.50	-

**Notes forming part of the consolidated financial statements**
**Note 05 (a). Non - current trade receivables**

Particulars	As at	As at
	31st March, 2019	31st March, 2018
	Rs. in lakhs	Rs. in lakhs
<b>Unsecured, considered good</b>		
Trade receivables	-	2,734.59
<b>Total</b>	-	<b>2,734.59</b>

**Note 05 (b). Current trade receivables**

Particulars	As at	As at
	31st March, 2019	31st March, 2018
	Rs. in lakhs	Rs. in lakhs
Trade Receivables	273,479.52	207,633.72
Receivables from related parties (refer note 40)	14,683.56	3,996.16
	<b>288,163.08</b>	<b>211,629.88</b>
Less: Allowance for significant increase in credit risk	9,590.60	12,387.20
<b>Total</b>	<b>278,572.48</b>	<b>199,242.68</b>

Particulars	As at	As at
	31st March, 2019	31st March, 2018
	Rs. in lakhs	Rs. in lakhs
Secured, considered good	10,115.86	2,825.06
Unsecured, considered good	268,456.62	196,417.62
Significant increase in credit risk	9,590.60	12,387.20
	<b>288,163.08</b>	<b>211,629.88</b>
Less: Allowance for significant increase in credit risk	9,590.60	12,387.20
<b>Total</b>	<b>278,572.48</b>	<b>199,242.68</b>

**Note:**

- i) Terms for Current Trade Receivable - The credit period given to customers generally range from 0 to 60 days. No interest is charged on the overdue amounts.

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 adjusted for forward-looking information.

- ii) Out of the Trade Receivable as at March 31, 2019, there are no customers who represent more than 5% of the total balance of Trade Receivables.
- iii) The carrying amounts of the trade receivables include receivables which are subject to a factoring arrangement. Under this arrangement, the group has transferred the relevant receivables to the factor in exchange for cash. However, the group has retained credit risk. The group therefore continues to recognise the transferred assets in their entirety in its balance sheet. The amount repayable under the factoring agreement is presented as borrowing

The relevant carrying amounts are as follows:

Particulars	As at	As at
	31st March, 2019	31st March, 2018
	Rs. in lakhs	Rs. in lakhs
Total transferred trade receivables	4,690.54	8,065.24
Associated borrowings [Refer Note 13(b)]	4,690.54	8,065.24

**Notes forming part of the consolidated financial statements**

- iv) No trade or other receivable are due from directors or other officers of the group either severally or jointly with any other person. Nor any trade or other receivable are due from firms or private companies respectively in which any director is a partner, a director or a member.
- v) Amount receivable from certain customers of one of the subsidiary as at March 31, 2019 is aggregating to Rs. 1,092.55 Lakhs (March 31, 2018 : Rs. 1,559.26 lakhs) , net of provisions. These balances have been mutually agreed with the customers and are to be collected on deferred collection terms. The management believes that this balance is recoverable and adequate provision for the same is considered in the consolidated financial statements.

**Note 06 (a). Other financial assets - non current**

Particulars	As at	As at
	31st March, 2019	31st March, 2018
	Rs. in lakhs	Rs. in lakhs
<b>Unsecured, considered good (unless otherwise stated)</b>		
Security deposits	572.53	1,161.79
Finance lease receivable	2,359.34	-
Receivable on sale of subsidiary	20,753.73	24,632.74
<b>Total</b>	<b>23,685.60</b>	<b>25,794.53</b>

**Note 06 (b). Other financial assets - current**

Particulars	As at	As at
	31st March, 2019	31st March, 2018
	Rs. in lakhs	Rs. in lakhs
<b>Unsecured, considered good (unless otherwise stated)</b>		
Security deposits	2,125.29	1,414.14
<b>Interest accrued on:</b>		
Non current investments	205.50	206.98
Deposits, loans and advances	131.79	56.50
Advance towards purchase of mutual fund	-	200.00
Advances to employees	749.83	750.71
Insurance claims receivable	-	11.95
Receivable on sale of subsidiary	8,298.00	2,592.92
Receivables on sale of property, plant and equipment	-	2,080.00
Export incentive receivable	980.20	1,026.24
<b>Total</b>	<b>12,490.61</b>	<b>8,339.44</b>

**Notes forming part of the consolidated financial statements**
**Note 07 (a). Other non current assets**

Particulars	As at	As at
	31st March, 2019	31st March, 2018
	Rs. in lakhs	Rs. in lakhs
<b>Unsecured, considered good (unless otherwise stated)</b>		
Capital advances	5.27	14.10
Premium on leasehold land	2,797.98	2,724.84
Other prepayments	70.71	58.68
<b>Balances with government authorities</b>		
VAT credit receivable	5.23	6.77
	<b>5.23</b>	<b>6.77</b>
<b>Advances to suppliers</b>		
Secured, considered good	1,382.84	-
Unsecured, considered good	1,842.46	1,109.84
Doubtful	231.59	231.59
	<b>3,456.89</b>	<b>1,341.43</b>
Less: Allowances for doubtful advances to suppliers	231.59	231.59
	<b>3,225.30</b>	<b>1,109.84</b>
<b>Other advances</b>		
Unsecured, considered good	436.79	164.03
Doubtful	204.17	229.34
	<b>640.96</b>	<b>393.37</b>
Less: Allowances for doubtful other advances	204.17	229.34
	<b>436.79</b>	<b>164.03</b>
<b>Total</b>	<b>6,541.28</b>	<b>4,078.26</b>

**Note 07 (b). Other current assets**

Particulars	As at	As at
	31st March, 2019	31st March, 2018
	Rs. in lakhs	Rs. in lakhs
<b>Unsecured, considered good (unless otherwise stated)</b>		
<b>Balances with government authorities</b>		
CENVAT credit receivable	7.88	149.60
GST receivable	12,784.18	9,600.81
VAT credit receivable	2,324.81	4,044.15
Export incentive receivable	3,748.49	3,765.38
	<b>18,865.36</b>	<b>17,559.94</b>
Premium on leasehold land	0.28	143.17
Other prepayments	2,139.88	1,845.79
Deposits with port trust, customs etc.	350.62	390.82
<b>Advances to Suppliers</b>		
Unsecured, considered good	16,330.71	18,439.84
Doubtful	457.66	335.03
	<b>16,788.37</b>	<b>18,774.87</b>
Less: Allowances for doubtful advances to suppliers	457.66	335.03
	<b>16,330.71</b>	<b>18,439.84</b>
<b>Other advances</b>		
Unsecured, considered good	7,360.07	3,563.70
<b>Total</b>	<b>45,046.92</b>	<b>41,943.26</b>

**Notes forming part of the consolidated financial statements**

**Note 08. Inventories**

Particulars	As at	As at
	31st March, 2019	31st March, 2018
	Rs. in lakhs	Rs. in lakhs
Raw materials	23,593.04	20,037.61
Goods-in-transit	47.13	25.55
	<b>23,640.17</b>	<b>20,063.16</b>
Work-in-progress	4,268.10	4,469.64
	<b>4,268.10</b>	<b>4,469.64</b>
Finished goods	13,673.03	12,794.40
Goods-in-transit	-	2,352.97
	<b>13,673.03</b>	<b>15,147.37</b>
<b>Stock in trade</b>		
Traded	178,799.81	141,743.04
Goods-in-transit	19,292.84	16,152.77
	<b>198,092.65</b>	<b>157,895.81</b>
Stores and spares	2,592.80	2,428.34
Goods-in-transit	46.65	140.10
	<b>2,639.45</b>	<b>2,568.44</b>
<b>Total</b>	<b>242,313.40</b>	<b>200,144.42</b>

**Note :** Write down of inventory to net realisable value amounted to Rs. 1,760.59 lakhs (Rs. 1,917.21 lakhs). These were recognised as expense during the year.

**Note 09. Current Investments**

Particulars	As at	As at
	31st March, 2019	31st March, 2018
	Rs. in lakhs	Rs. in lakhs
<b>Investment carried at fair value through Profit or Loss</b>		
<b>Quoted :</b>		
<b>Mutual funds</b>		
Tata liquid fund direct plan daily dividend - 56,429.02 units (31st March, 2018 - 7,706.06 units)	565.15	85.89
Tata liquid fund direct plan - growth - NIL Units (31st March, 2018 - 14,689.73 units)	-	470.67
<b>Total</b>	<b>565.15</b>	<b>556.56</b>

**Notes:**

Aggregate book value of quoted investments	565.15	556.56
Aggregate market value of quoted investments	565.15	556.56
Aggregate value of unquoted Investments	-	-
Aggregate amount of impairment in value of investments	-	-



**Notes forming part of the consolidated financial statements**
**Note 10. Cash and cash equivalents**

Particulars	As at	As at
	31st March, 2019	31st March, 2018
	Rs. in lakhs	Rs. in lakhs
<b>Cash and cash equivalents</b>		
Cash on hand	460.67	266.04
Cheques, drafts on hand	68.89	0.05
Balances with banks		
In current account	40,210.96	29,102.78
In EEFC account	3.30	17.36
In deposit account - original maturity of 3 months or less	0.88	2,940.43
Balance in transit	1,745.43	3,951.68
	<b>42,490.13</b>	<b>36,278.34</b>
<b>Other bank balances</b>		
In deposit accounts	169.60	17.60
In margin money	80.65	22.06
	<b>250.25</b>	<b>39.66</b>
<b>Total</b>	<b>42,740.38</b>	<b>36,318.00</b>

For the purpose of statement of cash flow, cash and cash equivalent comprises of following:

Particulars	As at	As at
	31st March, 2019	31st March, 2018
	Rs. in lakhs	Rs. in lakhs
<b>Cash and cash equivalents</b>		
Cash on hand	460.67	266.04
Cheques, drafts on hand	68.89	0.05
Balances with banks		
In current account	40,210.96	29,102.78
In EEFC account	3.30	17.36
In deposit account - original maturity of 3 months or less	0.88	2,940.43
Balance in transit	1,745.43	3,951.68
	<b>42,490.13</b>	<b>36,278.34</b>
<b>Total</b>	<b>42,490.13</b>	<b>36,278.34</b>



## TATA INTERNATIONAL LIMITED

### Notes forming part of the consolidated financial statements

#### Changes in liabilities arising from financing activities

Particulars	April 1, 2018	Cash flows (net)	Accrual	Foreign exchange / Adjustments	Reclassifications	March 31, 2019
	Rs. in lakhs	Rs. in lakhs	Rs. in lakhs	Rs. in lakhs	Rs. in lakhs	Rs. in lakhs
Current borrowings	236,481.56	46,489.20	-	-	13,103.01	296,073.77
Non current borrowings	54,621.71	(13,031.74)	-	(4,141.20)	(7,332.56)	30,116.21
Current maturity of long term debts	13,560.08	-	-	-	(5,770.45)	7,789.63
Interest on borrowings	713.19	1,423.09	-	-	-	2,136.28
Unsecured perpetual securities	144,378.72	-	-	415.03	-	144,793.75
Dividend	-	-	-	-	-	-
<b>Total liabilities from financing activities</b>	<b>449,755.26</b>	<b>34,880.55</b>	<b>-</b>	<b>(3,726.17)</b>	<b>-</b>	<b>480,909.64</b>

Particulars	April 1, 2017	Cash flows (net)	Accrual	Foreign exchange / Adjustments	Reclassifications	March 31, 2018
	Rs. in lakhs	Rs. in lakhs	Rs. in lakhs	Rs. in lakhs	Rs. in lakhs	Rs. in lakhs
Current borrowings	228,645.76	7,835.80	-	-	-	236,481.56
Non current borrowings	45,828.35	21,856.83	-	496.61	(13,560.08)	54,621.71
Current maturity of long term debts	12,566.65	(12,566.65)	-	-	13,560.08	13,560.08
Interest on borrowings	544.55	(19,593.44)	19,762.08	-	-	713.19
Unsecured perpetual securities	144,777.53	-	-	(398.81)	-	144,378.72
Dividend	-	(12,808.13)	12,808.13	-	-	-
<b>Total liabilities from financing activities</b>	<b>432,362.84</b>	<b>(15,275.59)</b>	<b>32,570.21</b>	<b>97.80</b>	<b>-</b>	<b>449,755.26</b>

**Notes forming part of the consolidated financial statements**
**Note 11 (a). Share capital**

Particulars	As at 31st March, 2019		As at 31st March, 2018	
	Number of shares	Rs. in lakhs	Number of shares	Rs. in lakhs
<b>Authorised</b>				
Equity shares of Rs. 1,000 each with voting rights	501,000	5,010.00	501,000	5,010.00
Preference Shares of Rs. 1000 each	200,000	2,000.00	200,000	2,000.00
		<b>7,010.00</b>		<b>7,010.00</b>
<b>Issued, subscribed and fully paid up</b>				
Equity shares of Rs. 1,000 each with voting rights	401,000	4,010.00	401,000	4,010.00
<b>Total</b>	<b>401,000</b>	<b>4,010.00</b>	<b>401,000</b>	<b>4,010.00</b>

**Notes:**
**(i) Reconciliation of the number of shares:**

Particulars	As at 31st March, 2019		As at 31st March, 2018	
	Number of shares	Rs. in lakhs	Number of shares	Rs. in lakhs
<b>Authorised</b>				
Equity shares of Rs. 1,000 each with voting rights Opening balance and closing balance	501,000	5,010.00	501,000	5,010.00
Preference Shares of Rs. 1000 each Opening balance and closing balance	200,000	2,000.00	200,000	2,000.00
<b>Issued, subscribed and fully paid up</b>				
Equity shares of Rs. 1,000 each with voting rights Opening balance and closing balance	401,000	4,010.00	401,000.00	4,010.00

**(ii) Details of shares held by the holding company, their subsidiaries and associates:**

Particulars	As at 31 March, 2019	As at 31 March, 2018
	Number of shares	Number of shares
<b>Equity shares with voting rights</b>		
Tata Sons Limited (TSL), the Holding company	167,400	167,400
Tata Motors Limited (associate of TSL)	50,000	50,000
Tata Chemicals Limited (associate of TSL)	48,000	48,000
Tata Steel Limited (associate of TSL)	28,616	28,616
Ewart Investments Limited (subsidiary of TSL)	25,000	25,000
Tata Industries Limited (subsidiary of TSL)	17,122	17,122
Voltas Limited (associate of TSL)	10,000	10,000
The Indian Hotels Company Ltd. (earlier held by TIFCO Holdings Limited) (associate of TSL)	8,000	8,000
Tata Power Company Limited (earlier held by Chemicals Trombay Limited) (associate of TSL)	3,500	3,500

(iii) The Group has issued only one class of equity shares having a par value of Rupees 1,000 /- per share. Each holder of equity shares is entitled to one vote per share. The Group declares and pays dividend in Indian Rupees. The dividend proposed by board of directors is subject to the approval of shareholders in the ensuing Annual General Meeting. In the event of liquidation of the Group, the holder of equity shares will be entitled to receive remaining assets of the Group after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the share holders.

**Notes forming part of the consolidated financial statements**
**(iv) Details of shares held by each shareholder holding more than 5%**

Name of shareholder	As at 31st March, 2019		As at 31st March, 2018	
	Number of shares held	% holding	Number of shares held	% holding
<b>Equity shares with voting rights</b>				
Tata Sons Limited	167,400	41.75%	167,400	41.75%
Tata Motors Limited	50,000	12.47%	50,000	12.47%
Tata Chemicals Limited	48,000	11.97%	48,000	11.97%
Tata Steel Limited	28,616	7.14%	28,616	7.14%
Ewart Investments Limited	25,000	6.23%	25,000	6.23%
AF-TAAB Investment Company Limited	20,500	5.11%	20,500	5.11%

**Note 11(b). Unsecured perpetual securities**

Particulars	As at 31st March, 2019	As at 31st March, 2018
	Rs. in lakhs	Rs. in lakhs
Unsecured perpetual securities issued by Tata International Limited (refer note 2)	120,000.00	120,000.00
Unsecured perpetual securities issued by Tata International Singapore Pte Limited (refer note 3)	24,793.75	24,378.72
<b>Total</b>	<b>144,793.75</b>	<b>144,378.72</b>

**Note 1. Details of bondholders of Unsecured perpetual securities:**

Particulars	As at 31st March, 2019		As at 31st March, 2018	
	Number of shares held	% holding	Number of shares held	% holding
<b>Unsecured perpetual securities issued by Tata International Limited</b>				
HDFC Trustee Company Ltd A/C HDFC Credit Risk Debt Fund	6,950.00	57.92%	7,200.00	60.00%
ICICI Prudential Balanced Advantage Fund	1,500.00	12.50%	1,500.00	12.50%
HDFC Trustee Co Ltd A/C HDFC Banking and PSU Debt Fund	1,250.00	10.42%	1,500.00	12.50%
Voltas Limited	1,000.00	8.33%	500.00	4.17%
HDFC Trustee Company Ltd. A/C HDFC Hybrid Debt Fund	600.00	5.00%	600.00	5.00%
Trent Limited	500.00	4.17%	500.00	4.17%
Tata Investment Corporation Limited	200.00	1.67%	200.00	1.67%
	<b>12,000.00</b>	<b>100.00%</b>	<b>12,000.00</b>	<b>100.00%</b>

**Notes forming part of the consolidated financial statements**

Particulars	As at 31st March, 2019		As at 31st March, 2018	
	Number of shares held	% holding	Number of shares held	% holding
<b>Unsecured perpetual securities issued by Tata International Singapore Pte Limited</b>				
HSBC (Singapore) Nominees Pte Ltd	20,000,000	39.41%	21,500,000	42.36%
DBS Nominees Pte Ltd	17,000,000	33.50%	12,750,000	25.12%
Citibank Noms Spore Pte Ltd	9,500,000	18.72%	10,750,000	21.18%
DBSN Services Pte Ltd	1,500,000	2.96%	2,000,000	3.94%
Raffles Nominees(Pte) Limited	1,250,000	2.46%	2,250,000	4.43%
BNP Paribas Noms Spore PI	500,000	0.99%	500,000	0.99%
DB Nominees (Singapore) Pte Ltd	250,000	0.49%	250,000	0.49%
DBS Vickers Securities (S) Pte Ltd	250,000	0.49%	250,000	0.49%
Morgan Stanley Asia (S) Sec Pte Ltd	250,000	0.49%	250,000	0.49%
Ramaswamy Visalakshi Or Meyyappan Valli	250,000	0.49%	250,000	0.49%
	<b>50,750,000</b>	<b>100.00%</b>	<b>50,750,000</b>	<b>100.00%</b>

**Note 2 :**

During the year 2016-17, the Group raised Rs.120,000 lakhs through issue of Senior Perpetual Hybrid Securities in the form of Non-convertible debentures ("the Securities"). The Securities are perpetual in nature with no maturity or redemption and are callable only at the option of the Group. The distribution on the said Securities, which may be deferred at the option of the Group under certain circumstances, is set at 9.30% p.a., with a step up provision if the Securities are called after 3 years. As these securities are perpetual in nature and rank and will rank at all times pari passu and at least equally with all other present and future outstanding direct, unconditional, unsecured and unsubordinated obligations of the Group, these are considered to be in the nature of equity instruments and are not classified as "Debt" and the distribution on such securities is not considered under "Interest". Unless all arrears of distribution are fully paid on these Securities, the Group shall not declare or pay any dividends or distributions or make any other payment on, or will procure that no dividend, distribution or other payment is made on any securities of the Group of its Subsidiaries ranking pari passu with, or junior to, the securities, or redeem, reduce, cancel, buy-back or acquire for any consideration any security of the Group or its Subsidiaries ranking pari passu with, or junior to, the Securities.

**Note 3 :**

During the year 2014-15, Tata International Singapore Pte Limited (TISPL), a wholly owned subsidiary of the Company issued S\$ 1500 lakhs Guaranteed Senior Perpetual Capital Securities (the "Securities"). These Securities are perpetual in nature with no maturity or redemption and are callable only at the option of the Group. The distribution on the said Securities, which may be deferred at the option of the Group under certain circumstances, is set at 6.65% p.a., with a step up provision if the Securities are called after 5 years. As these securities are perpetual in nature and rank and will rank at all times pari passu without any preference among themselves and at least equally with all other present and future outstanding direct, unconditional, unsecured and unsubordinated obligations of TISPL, these are considered to be in the nature of equity instruments and are not classified as "Debt" and the distribution on such securities is not considered under "Interest". Unless all arrears of distribution are fully paid to these Securities, TISPL and the Parent Company shall not declare or pay any dividends or distributions or make any other payment on, or will procure that no dividend, distribution or other payment is made on any securities of TISPL and the Parent Company ranking pari passu with, or junior to, the securities, or redeem, reduce, cancel, buy-back or acquire for any consideration any security of the TISPL and the parent company ranking pari passu with, or junior to, the Securities.

In earlier year, TISPL issued an offer for tender and consent solicitation in respect of the Securities, and based on the response to the offer, redeemed Securities of the value of S\$992.50 lakhs at the applicable premium as agreed in the offer.

**Notes forming part of the consolidated financial statements**

**Note 12. Other equity**

Particulars	As at 31st March, 2019	As at 31st March, 2018
	Rs. in lakhs	Rs. in lakhs
General reserve	11,033.28	11,033.28
Security premium	18,090.00	18,090.00
Contingency reserve	1,020.33	1,020.33
Foreign projects reserve	35.00	35.00
Foreign currency translation reserve	(17,598.92)	(10,025.81)
Legal reserve	21.59	21.59
Capital reserve on consolidation	245.61	245.61
Retained earnings	(21,239.13)	(6,255.47)
Reserve for equity instrument through other comprehensive income	(73.27)	201.86
<b>Total</b>	<b>(8,465.51)</b>	<b>14,366.39</b>

**Notes forming part of the consolidated financial statements**

**Note 13 (a). Borrowings - non current**

Particulars	As at 31st March, 2019			As at 31st March, 2018		
	Long term	Current maturities - (Refer note 14(b))	Total	Long term	Current maturities - (Refer note 14(b))	Total
		Rs. in lakhs			Rs. in lakhs	
<b>Secured</b>						
Term Loans from Banks	30,116.21	7,789.63	37,905.84	35,174.81	8,130.90	43,305.71
	<b>30,116.21</b>	<b>7,789.63</b>	<b>37,905.84</b>	<b>35,174.81</b>	<b>8,130.90</b>	<b>43,305.71</b>
<b>Unsecured</b>						
Term Loans from Banks	-	-	-	19,446.90	5,429.18	24,876.08
	-	-	-	<b>19,446.90</b>	<b>5,429.18</b>	<b>24,876.08</b>
<b>Total</b>	<b>30,116.21</b>	<b>7,789.63</b>	<b>37,905.84</b>	<b>54,621.71</b>	<b>13,560.08</b>	<b>68,181.79</b>

**Notes forming part of the consolidated financial statements**
**Note 13(a) Non current borrowings**
**(i) Terms of repayment**

Particulars	Amount of Borrowing (Rs. in lakhs)	Start date	Maturity Date	Rate of Interest	Repayment of Installments	Number of Installments
(a) Secured Term loans from Bank Term Loan from State Bank of India	1,683.58	March, 2013	March, 2020	10%	Monthly payments of ZAR 29.17 lakhs	48 monthly installments; Starting from April 2016; final installment payable in April, 2020
Term Loan from Exim Bank of India	11,324.10	29th September, 2017	9th December, 2020	USD LIBOR (6 months) + 450 basis points per annum payable with quarterly rests.	USD 8,250,000 24 months from utilisation date, USD 8,250,000 36 months from utilisation date, USD 8,250,000 48 months from utilisation date, and USD 8,250,000 60 months from utilisation date	
Term Loan from Exim Bank of India	19,874.03	October, 2017	September, 2020	USD Libor - 2.25 % + 6 Months Libor Rate	End of tenure	End of tenure
Term Loan from National Bank of Commerce	1,141.02	August, 2018	August, 2021	365 days Treasury bill + 4.5% but with a minimum floor rate of 11.5%.	Principal repaid in 6 equal installments over the period of 36 months.	
Term Loan from Exim Bank of India	3,883.12	October, 2017	December, 2020	USD Libor - 2.25 % + 6 Months Libor Rate	End of tenure	End of tenure
<b>Total</b>	<b>37,905.84</b>					

**(ii) Details of security provided in respect of secured long term borrowings:**

Particulars	As at 31st March, 2019	As at 31st March, 2018	Details of security
	Rs. in lakhs	Rs. in lakhs	
<b>Secured term loans from banks</b>			
External Commercial Borrowings from ICICI Bank, Bahrain	-	900.52	Secured against exclusive charge by way of mortgage of immovable fixed assets and hypothecation of the Parent company's movable fixed assets respectively acquired out of the bank finance.
Term Loan from State Bank of India	1,683.58	3,872.39	Charge of 2x fixed properties in Johannesburg, RSA
Term Loan from EXIM Bank of India	11,324.10	15,989.98	Corporate Gurantee issued by Tata Interanational Limited as a guarantee for Term Loan Raised by EXIM Bank
Term Loan from EXIM Bank of India	19,874.03	18,550.14	Corporate Gurantee issued by Tata Interanational Limited as a guarantee for Term Loan Raised by EXIM Bank
Term Loan from National Bank of Commerce	1,141.02	-	Letter of comfort
Term Loan from EXIM Bank of India	3,883.12	3,992.68	Corporate Gurantee issued by Tata Interanational Limited as a guarantee for Term Loan Raised by EXIM Bank
<b>Total</b>	<b>37,905.84</b>	<b>43,305.71</b>	

## Notes forming part of the consolidated financial statements

## Note 13 (b). Borrowings - current

Particulars	As at	As at
	31st March, 2019	31st March, 2018
	Rs. in lakhs	Rs. in lakhs
<b>Secured</b>		
<b>Loans from Bank</b>		
Term loans	2,025.14	-
Export packing credit	16,376.99	14,591.65
Buyers credit	2,038.33	-
Debtors bill discounting	4,002.18	3,948.21
Cash credit accounts	3,221.11	38.58
Working capital demand loan	5,400.00	1,693.22
	<b>33,063.75</b>	<b>20,271.66</b>
<b>Unsecured</b>		
<b>Loans from banks</b>		
Term loans	20,745.00	19,446.90
Export packing credit	13,061.01	10,344.61
Buyers credit	133,574.01	131,002.74
Cash credit accounts	68,768.67	26,614.86
Debtors bill discounting	688.36	4,117.03
Working capital demand loan	18,321.57	9,419.63
Commercial paper	7,851.41	13,764.13
<b>Loans from related party (refer note 40)</b>	-	1,500.00
	<b>263,010.03</b>	<b>216,209.90</b>
	<b>263,010.03</b>	<b>216,209.90</b>
<b>Total</b>	<b>296,073.78</b>	<b>236,481.56</b>

**Note:**

Details of security in respect of secured loans :-

**Term Loans**

Secured by hypothecation of Inventory, Receivables ranking pari-passu with other secured loans and by equitable mortgage of Factory Land and Building, Plant and Machinery as collateral cover for the exposure.

**Buyers Credit Accounts**

Secured against receivables of respective Company.

**Cash Credit Accounts**

First charge on all current assets of respective subsidiary.

**Bills Discounting**

Secured against receivables of respective Company.

**Export Packing Credit**

Secured against whole of the Inventory and trade receivables of the Holding Company

**Working Capital Demand Loan**

Secured by hypothecation of Inventory, Receivables ranking pari-passu with other secured loans and by equitable mortgage of Factory Land and Building, Plant and Machinery as collateral cover for the exposure.



**Notes forming part of the consolidated financial statements**
**Note 14 (a). Other financial liabilities - non current**

Particulars	As at	As at
	31st March, 2019	31st March, 2018
	Rs. in lakhs	Rs. in lakhs
Payable on acquisition of additional stake in subsidiary	395.26	602.01
Security deposits	119.57	166.92
<b>Total</b>	<b>514.83</b>	<b>768.93</b>

**Note 14 (b). Other financial liabilities - current**

Particulars	As at	As at
	31st March, 2019	31st March, 2018
	Rs. in lakhs	Rs. in lakhs
Current maturities of non-current debt (refer note 13(a))	7,789.63	13,560.08
Current maturities of finance lease obligations	286.76	-
Interest accrued but not due on borrowings	2,002.72	713.19
Interest accrued and due on borrowings	133.56	-
Unpaid dividends	-	19.38
Book overdraft	187.76	39.67
Payable on acquisition of additional stake in subsidiary	307.98	331.45
Other payables	5,692.03	2,559.50
<b>Total</b>	<b>16,400.44</b>	<b>17,223.27</b>

**Note 15 (a). Provisions - non current**

Particulars	As at	As at
	31st March, 2019	31st March, 2018
	Rs. in lakhs	Rs. in lakhs
<b>Provision for employee benefits:</b>		
Provision for compensated absences	216.05	283.37
Provision for gratuity	288.73	315.67
Provision for pension	384.09	397.75
<b>Total</b>	<b>888.87</b>	<b>996.79</b>

**Notes forming part of the consolidated financial statements**
**Note 15 (b). Provisions - current**

Particulars	As at	As at
	31st March, 2019	31st March, 2018
	Rs. in lakhs	Rs. in lakhs
<b>Provision for employee benefits:</b>		
Provision for compensated absences	1,319.84	1,857.17
Provision for gratuity	200.80	437.40
Provision for other employee benefits	86.27	107.66
Provision for pension	447.65	473.14
	<b>2,054.56</b>	<b>2,875.37</b>
<b>Provision - others:</b>		
Provision for warranty	12.69	-
	<b>12.69</b>	<b>-</b>
<b>Total</b>	<b>2,067.25</b>	<b>2,875.37</b>

**Note 16. Other liabilities**

Particulars	As at	As at
	31st March, 2019	31st March, 2018
	Rs. in lakhs	Rs. in lakhs
<b>Non Current</b>		
Deferred income	653.95	349.00
<b>Total</b>	<b>653.95</b>	<b>349.00</b>
<b>Current</b>		
Advances received from customers	10,483.14	16,363.46
Statutory dues (Excise duty, service tax, sales tax, TDS, Royalty etc)	1,153.65	1,753.80
Payables on purchase of property, plant and equipment	118.06	192.88
Deferred incomes	1.05	105.84
Other payables	1,101.82	213.13
<b>Total</b>	<b>12,857.72</b>	<b>18,629.11</b>

**Note 17. Trade payables**

Particulars	As at	As at
	31st March, 2019	31st March, 2018
	Rs. in lakhs	Rs. in lakhs
Micro and Small Enterprises (refer note 32)	375.63	1,215.33
Others		
- Related party (refer note 40)	28,858.80	26,415.69
- Other than related party	224,790.86	101,012.96
<b>Total</b>	<b>254,025.29</b>	<b>128,643.98</b>

**Notes forming part of the consolidated financial statements**
**Note 18. Revenue from operations**

Particulars	For the year ended 31st March, 2019	For the year ended 31st March, 2018
	Rs. in lakhs	Rs. in lakhs
<b>Sale of products</b>		
Leather	106,973.55	106,925.52
Minerals	456,044.60	423,424.21
Metals	838,973.90	619,293.25
Distribution	124,842.88	124,860.68
Agri	147,203.18	68,446.01
Others	30,133.36	1,102.07
<b>Sale of services</b>		
Leather	214.23	171.52
Workshop	3,308.73	2,448.42
Information Technology	4,101.70	4,589.69
Engineering consultancy	15,781.16	11,194.67
Hospitality	6,144.22	2,768.69
Others	1,337.52	3,176.32
<b>Other operating revenue</b>		
Sale of scrap	340.10	643.48
Duty drawback and other export incentives	6,958.78	6,931.27
Cargo handling and storage charges	2,300.13	4,278.14
Service charges	59,675.05	56,496.57
Commission from Agency contract	2,123.55	73.19
Others	364.02	341.75
<b>Total</b>	<b>1,806,820.66</b>	<b>1,437,165.45</b>

**Note 1:** Refer Note 39 for details of segment revenue

**Note 2:** The effect of adoption of Ind AS 115 is as follows:-

**Impact on statement of profit/loss ((decrease) in profit)**

Particulars	For the year ended 31st March, 2018
	Rs. in lakhs
Revenue from contracts with customers	(2,268.44)
Change in inventory	1,912.61
<b>Loss for the year</b>	<b>(355.83)</b>

**Impact on consolidated balance sheet (increase / (decrease)):**

Particulars	For the year ended 31st March, 2018
	Rs. in lakhs
Inventories	5,989.18
Trade receivables	(8,301.85)
Trade payable	2,275.57

**Notes forming part of the consolidated financial statements**
**Note 3: Breakup of Contract assets and Contract liabilities**

Particulars	For the year ended 31st March, 2019	For the year ended 31st March, 2018
	Rs. in lakhs	Rs. in lakhs
Trade receivables	278,572.48	201,977.27
Contract assets	-	-
Contract liabilities	10,483.14	16,363.46

Trade receivables has increased in line with increase in sales during the year. For terms of trade receivables refer note 5 (a) and 5 (b).

Contract liabilities include advance received from customers. The outstanding balance has decreased due to the fact that group had received advance for large order for agro business near to the year end in previous year, however group has not received such advance in the current year.

**Note 4:**

There is no significant difference between contract price and revenue recognised

**Note 5:**

Revenue from operations for previous periods up to 30 June 2017 includes excise duty. From 1 July 2017 onwards the excise duty and most indirect taxes in India have been replaced Goods and Service Tax (GST). The group collects GST on behalf of the Government. Hence, GST is not included in Revenue from operations. In view of the aforesaid change in indirect taxes, Revenue from operations year ended 31 March 2019 is not comparable 31 March 2018.

**Note 19. Other Income**

Particulars	For the year ended 31st March, 2019	For the year ended 31st March, 2018
	Rs. in lakhs	Rs. in lakhs
<b>Interest income from</b>		
Bank deposit	1,650.41	700.21
Loans & advance	370.49	45.48
Non current investments	1,040.42	1,048.57
Others	0.83	650.73
	<b>3,062.15</b>	<b>2,444.99</b>
<b>Dividend income from</b>		
From Mutual Fund	8.49	-
Current investments	1.11	112.98
Non current investments	118.69	118.10
	<b>128.29</b>	<b>231.08</b>
Profit on sale of mutual fund	132.89	160.23
Net gain on sale of property, plant & equipments	241.54	34.33
Gain on swap contract	4,784.57	5,235.95
Net gain on foreign currency transactions and translation	-	3,250.61
Fair value changes on derivative	1,118.60	-
Rental income from operating leases	998.67	825.62
Cash discount received	112.92	132.26
Liabilities / provisions no longer required written back	1,768.74	1,464.67
Miscellaneous income	8,229.42	6,250.45
<b>Total</b>	<b>20,577.79</b>	<b>20,030.19</b>

**Notes forming part of the consolidated financial statements**
**Note 20. Changes in inventories of finished goods, work-in-progress and stock-in-trade**

Particulars	For the year ended 31st March, 2019	For the year ended 31st March, 2018
	Rs. in lakhs	Rs. in lakhs
Inventories at the beginning of the year:		
Stock-in-trade	157,895.82	133,711.47
Finished goods	15,147.37	14,349.58
Work-in-progress	4,469.64	5,079.06
Discontinued operation	(169.02)	-
	<b>177,343.81</b>	<b>153,140.11</b>
Inventories at the end of the year:		
Stock-in-trade	198,092.65	157,895.82
Finished goods	13,673.03	15,147.37
Work-in-progress	4,268.37	4,469.64
Discontinued operation	-	(169.02)
	<b>216,034.05</b>	<b>177,343.81</b>
<b>Total</b>	<b>(38,690.24)</b>	<b>(24,203.70)</b>

**Note 21. Employee benefit expense**

Particulars	For the year ended 31st March, 2019	For the year ended 31st March, 2018
	Rs. in lakhs	Rs. in lakhs
Salaries and wages	44,900.08	46,120.77
Contribution to provident and other funds (refer note 35)	2,314.00	2,650.78
Staff welfare expenses	2,143.00	2,608.50
<b>Total</b>	<b>49,357.08</b>	<b>51,380.05</b>

**Note 22. Finance costs**

Particulars	For the year ended 31st March, 2019	For the year ended 31st March, 2018
	Rs. in lakhs	Rs. in lakhs
Interest expense on:		
Borrowings	21,636.31	16,222.29
Others		
-Interest on bill discounting	1,187.14	1,157.39
Other borrowing costs	1,755.70	2,633.45
<b>Total</b>	<b>24,579.15</b>	<b>20,013.13</b>

**Note 23. Depreciation and amortisation expense**

Particulars	For the year ended 31st March, 2019	For the year ended 31st March, 2018
	Rs. in lakhs	Rs. in lakhs
Property, plant & equipment	4,739.50	5,474.71
Intangible assets	343.72	402.75
Investment property	17.33	7.37
Less: Depreciation for Discontinued operations	(301.20)	(237.28)
<b>Total</b>	<b>4,799.35</b>	<b>5,647.55</b>

**Notes forming part of the consolidated financial statements**
**Note 24. Other expenses**

Particulars	For the year ended 31st March, 2019	For the year ended 31st March, 2018
	Rs. in lakhs	Rs. in lakhs
Consumption of stores, spare parts and packing material	6,187.54	8,952.78
Processing charges	11,664.49	8,833.90
Duty, clearing, forwarding & other charges	64,782.38	57,282.53
Freight and forwarding	14,810.35	15,959.95
Service charges	6,562.70	4,070.33
Power and fuel	2,753.44	2,946.68
Rent including lease rentals	4,217.37	4,269.10
Repairs and maintenance - buildings	652.30	511.52
Repairs and maintenance - machinery	663.83	694.14
Repairs and maintenance - others	1,845.42	1,766.81
Insurance	2,965.87	2,882.45
Rates and taxes	687.68	880.07
Travelling and conveyance	4,746.78	4,252.59
Warehousing charges	548.60	522.65
Selling expense	11,542.51	8,699.37
Legal and professional	8,456.94	5,797.59
Loss on derecognition of Financial asset	279.53	-
Allowance for doubtful debts	3,877.63	3,795.31
Allowance for doubtful advances	99.30	238.40
Fair value changes on derivative	-	305.03
Fair value changes on commodity swap	1,217.39	-
Other fair value changes	-	11.04
Bad debts and advances written off	219.07	941.61
Net loss on foreign currency translation	8,371.02	-
Loss on property, plant and equipment others sold / scrapped / written off	-	209.42
Provision for impairment of property, plant and equipment and intangibles (net)	-	14.03
Management fees	565.52	537.50
Miscellaneous expenses	12,764.80	11,604.93
<b>Total</b>	<b>170,482.46</b>	<b>145,979.73</b>

**Note 25. Exceptional items**

Particulars	For the year ended 31st March, 2019	For the year ended 31st March, 2018
	Rs. in lakhs	Rs. in lakhs
Net gain/(loss) on:		
Other investments (Refer note 28)	(32.88)	-
Sale of business (Refer note 27)	-	5,252.58
Property plant & equipment (Refer note 1)	3,364.40	5,040.55
Impairment of Goodwill (Refer note 29(a))	(2,136.35)	-
<b>Total</b>	<b>1,195.17</b>	<b>10,293.13</b>

**Note 1**

During the year, the group has sold guest house and land situated at Dewas and Mocambique respectively. The sale consideration of guest house sale was Rs. 795.86 Lakhs as against carrying value of Rs. 2.19 Lakhs resulted in profit of Rs. 793.67 Lakhs and of land was Rs. 2,583.78 Lakhs as against carrying value of Rs. 13.06 Lakhs resulted in profit of Rs. 2570.73 Lakhs. Total profit of Rs. 3,364.40 lakhs on sale of these property, plant and equipment is recognised as exceptional items.

During the previous year, the company has sold two guest house and a building situated at Mumbai, Delhi and Dewas location respectively. The sale consideration of such sale was Rs. 3,325.63 lacs as against carrying value of Rs. 48.08 Lakhs resulted in profit of Rs. 3,277.55 Lakhs. Further during the year land & building at Spain and land situated at Zambia was sold at the profit of Rs. 965.99 lakhs and 797.01 lakhs respectively. Total profit of Rs. 5,040.55 lakhs on sale of these property, plant and equipment is recognised as exceptional items.

**Notes forming part of the consolidated financial statements**

- 26 (a)** During the financial year 2015-16, as per the Share Purchase Agreement (“SPA”) dated May 22, 2015 entered into between the Selling Shareholders (Tata Industries Limited (“TIL”) and Tata International Limited (the Company)), Drive India Enterprise Solutions Limited (“DIESL”) and TVS Logistics Services Limited (“TLSL”), the Selling Shareholders have jointly sold their entire shareholding in DIESL to TLSL for a total consideration of Rs. 8,581.00 lakhs (Group’s share Rs. 4,290 lakhs).

As per the SPA, the Selling Shareholders have severally provided certain general and specific indemnities to TLSL. General indemnities up to 100% of total consideration received for breach of Representations and Warranties (R&W) relating to title of sale shares and demand, if any, raised on TLSL/DIESL under Section 281 of the Income tax Act, 1961. Specific indemnity up to Rs. 3,003.00 lakhs on account of liabilities in respect of demands from statutory authorities presently pending against DIESL and claims that may arise in future in respect of certain matters identified in SPA. Specific indemnities up to 20% of total consideration received in respect of claims arising from breaches of R&W relating to tax compliances, no pending investigations and inquiries (10%) and other general representations (10%).

However, within the sub limits applicable to general and specific indemnities as specified above, the maximum aggregate liability of each Selling Shareholder under this agreement shall not exceed the aggregate amounts received by it from TLSL under the SPA and/or DIESL under the Preference Share Agreement entered into on May 19, 2015 and the liability of each Selling Shareholder to indemnify TLSL/DIESL shall be proportionate to their respective pre closing equity shareholding percentage. The claims can be made before expiration of eight years from the closing date which is August 31, 2015.

The Selling Shareholders are also liable to indemnify, without limit, TLSL/DIESL in respect of two legal proceedings identified in the SPA for which there are no claims on DIESL presently. The potential future impact of such indemnities provided, if any, cannot be ascertained presently.

- 26 (b)** During the previous year, 500,001 preference share held in Drive India Enterprise Solutions Limited were split into 10,002 shares of TVS Logistics Services Limited and 399,999 shares of Drive India Enterprise Solutions Limited as a result of demerger.

Out of above shares, 282,671 share held in Drive India Enterprise Solutions Limited shares and 2,325 shares held in TVS Logistics Services Limited were redeemed at the redemption premium of 1,128.88 lakhs in the previous year.

Further the Group has received Rs. 302.56 lakhs arrears of consideration for sale of investment in Drive India Enterprise Solutions Limited in the previous year.

Gain on redemption of preference share along with arrears of consideration for sale of investment in Drive India Enterprise Solutions Limited aggregating to Rs. 1,431.44 is recognised in other comprehensive income as fair value of equity instruments / preference share through other comprehensive income in the previous year.

- 27** TAHL (Mauritius) Mining Projects Limited & its subsidiary Mpumalanga Mining Recourses SA, subsidiaries of the group were disposed-off during the previous year. The present value of consideration for such sale was Rs. 27,225.56 lakhs (USD 420 Lakhs) which is to be paid in instalments over four years from the date of sale.

The Group has recognised gain of Rs. 5,252.58 lakhs (net of foreign currency translation reserve on such subsidiary accumulated as an item of other comprehensive income) on such disposal as an exceptional item.

- 28** TAH Pharmaceuticals Limited, subsidiary of group, is disposed-off during the year at the consideration of Rs. 345.75 lakhs. The Group has recognised loss of Rs. 32.88 lakhs (net of foreign currency translation reserve on such subsidiary accumulated as an item of other comprehensive income) on such disposal as an exceptional item.

- 29 (a)** During the year, the goodwill arising out of Move On Components e calcado, S.A has been impaired for Rs. 2,136.35

**(b)** During the year Group Management were in discussion with various interested parties for sale of its solar business. Subsequent to year end on April 17th, 2019, the company has entered into an asset transfer agreement for solar division with one of the interested party. Effective date for such transfer is expected to be 1st June 2019. The Group has classified this division as a discontinuing operation. The group has also classified assets and liability which are going to be transferred to interested party as disposal group.

**(c)** During the year, Group Management were in discussion with few interested parties for sale of its Bicycle business. The Management is actively perusing the sale and it is expected that sale will happen in next 12 months. The Group has classified this division as a discontinuing operation. The group has also classified assets and liability associated with bicycle division as disposal group. The Group is planning to demerge this division and transfer it to a newly incorporated wholly owned subsidiary company, viz. Stryder Cycle Pvt. Ltd.

**Notes forming part of the consolidated financial statements**

- (d) The Company is in the advanced stage of finalising the contract for sale of its shareholding in Tata International DLT Pvt Ltd, a joint venture. Board of the Company has already given its consent to sell the shareholding in favour of identified buyer. Transaction is expected to be completed in next few weeks. The Group has classified this as assets held for sale on March 31, 2019.
- (e) The Group has entered into an arrangement to sell it receivable to third parties on without recourse to the group. The Group has derecognised trade receivable from the books as
- The group has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement;
  - The group has transferred substantially all the risks and rewards of the asset

**30 Contingent Liability**

- (a) Claims against the Parent Company & its subsidiaries not acknowledged as debts comprise of :

(i) **Sales tax / Entry Tax**

Demand notices aggregating to Rs. 1,422.44 lakhs (31 March 2018- Rs. 1,540.42 lakhs) have been issued by various State Sales Tax Authorities relating to issue of applicability and classification.

(ii) **Service tax**

(a) The Service Tax department, Mumbai has issued demand and recovery notices aggregating to Rs. 19.32 lakhs (31 March 2018 - Rs. 0.55 lakhs) including interest, towards service tax allegedly payable by the Parent Company for the period 2005 to 2009. The Service Tax Authorities contend that the Parent Company was rendering services as "Clearing & Forwarding Agents" during the said period and was, therefore chargeable to service tax in respect of those services.

(b) The Service Tax department, Dewas has raised demands of Rs. NIL lakhs (31 March 2018- Rs. 18.77 lakhs) for import of services during the period 2004 to 2009. The matter is under appeal.

(iii) **Taxation matters**

Demand against the Parent company and its subsidiaries not acknowledged as debts and not provided for relating to issues of transfer pricing, deductibility and taxability in respect of which the Parent Company and its subsidiaries are in appeal :-

Income Tax: Rs. 7,361.45 lakhs (31 March 2018- Rs. 2,611 lakhs)

(iv) **DEPB / Drawback claims**

DEPB / Drawback claims rejected by Commissioner of Customs (Appeals) disputed by the Parent Company relating to issue of inadmissibility aggregating to Rs. 3,205.11 (31 March 2018 - Rs. 3,205.11 lakhs).

(v) **Excise Duty**

The Excise Department at Dewas has raised a demand of Rs.359.43 lakhs (31 March 2018 – Rs. 453.46 lakhs) alleging that the Company alleging that the activity of mixing of chemicals amounts to manufacturing and hence eligible to excise duty. The Parent company is contesting the claim before Commissioner of Central Excise.

(vi) **Other Matters Rs. 1,131.93 lakhs (31st March, 2018 – Rs. 933.30 lakhs).**

Future cash outflows in respect of above matters are determinable only on receipt of judgments / decisions pending at various forums / authorities.

(vii) **Other Contingent Liabilities Rs. 325.42 lakhs (31st March, 2018 – Rs. 1,415 lakhs).**

(viii) The State Government of Madhya Pradesh had issued a Permanent Eligibility Certificate recognizing the Company as an "Exporting Industrial Unit", thus exempting it from payment of Sales Tax and Entry Tax, till 24th January, 2007. In accordance there with the Parent company has lodged claims for refund of Rs. 215.08 lakhs (31st March, 2018 - Rs. 215.08 lakhs), being Entry Tax paid by the Parent Company during the period 1994-1995 to 2006-2007. The said amount has been included in Note 07 (a) - 'Other non current assets' under the heading Other advances.



**Notes forming part of the consolidated financial statements**

(b) During the year, the Group has given counter-corporate guarantee to Indian Hotels Company Limited (IHCL) to the extent of 50% against Corporate guarantee they have issued to SCB, UK and SCB, Johannesburg for a facility of USD 38 million and ZAR 11 million respectively, equivalent to Rs. 26,801.49 lakhs in respect of borrowing by IHMS Hotels (SA) (Pty) Limited, South Africa (a joint venture between the company's subsidiary Tata Africa Holdings (SA) Pty Ltd and IHCL). The proceeds were used for refinancing the loan taken from ICICI bank PLC, UK.

Group has given counter-indemnity to Indian Hotels Company Limited (IHCL) against Letter of Comfort issued by IHCL to ICICI Bank PLC, UK for the loan provided by them to IHMS Hotels (SA) (Pty) Limited, South Africa for a value of Rs. 15,558.75 lakhs (equivalent to USD 225 lakhs).

(c) There are numerous interpretative issues relating to the Supreme Court (SC) judgement on PF dated 28<sup>th</sup> February, 2019. As a matter of caution, the company has made a provision on a prospective basis from the date of the SC order. The company will update its provision, on receiving further clarity on the subject."

(d) Company had created provision for workers bonus Rs. 195.29 Lakhs, with respect to the amendments in the Payment of Bonus (Amendment) Bill 2015 passed by Lok Sabha on 22.12.2015. The amendments included eligibility limit of bonus from Rs. 10000 to Rs. 21000 and calculation ceiling increased from Rs. 3500 pm to Rs. 7000 pm.

During 2018-19, company has written back this provision considering that already five years have passed and it is not anticipating any liability on this account.

**31 (a) Capital Commitment :**

Estimated amount of contracts remaining to be executed on capital account in respect of the Group and not provided for as at 31st March, 2019 is Rs 933.07 lakhs (31 March 2018 : Rs 845 lakhs).

**(b) Other Commitment :**

(i) As per the Agreement dated 21 September 2012, between the Parent Company and a contractor, the Parent Company has commitment of minimum procurement of 14,000 units of component or compensation up to Rs. 3.5 Lakhs per month. The termination clause has 9 months notice period, by which the minimum purchase commitment amounts to Rs. 31.5 Lakhs (31 March 2018- Rs. Nil).

(ii) In respect of Euro Shoe Components Limited EPCG obligation is Rs. 100.71 Lakhs (31 March 2018 - 100.71 lakhs).

**32 Disclosures required under Section 22 of the Micro, Small and Medium Enterprises Development Act, 2006:**

Rs. in lakhs

	Particulars	As at	As at
		31st March 2019	31st March 2018
(a)	Dues remaining unpaid as on 31st March		
	Principal	1,281.39	1,370.71
	Interest	2.90	11.77
(b)	(i) Amounts paid to suppliers beyond the appointed day	1,147.65	2,155.26
	(ii) Interest paid in terms of Sec.16 of the Act	-	-
(c)	Interest due and payable for the period of delay in payments made beyond the appointed day during the year	26.49	17.09
(d)	Interest accrued and remaining unpaid as on 31st March	7.69	1.22
(e)	Interest due and payable even in the succeeding years until actually paid	12.11	1.22

Dues to Micro and Small Enterprises have been determined to the extent such parties have been identified on the basis of information collected by the Management. This has been relied upon by the auditors.

## Notes forming part of the consolidated financial statements

**33 Operating Lease**

Lease of assets under which all the risk and rewards of ownership are effectively retained by the lessor are classified as operating lease.

Lease payments under operating leases are recognized as expense on straight line basis as per the lease agreements.

The Group has entered into cancellable leasing arrangements for premises for period ranging between eleven months to five years which are renewable at mutual consent. Lease rentals aggregating to Rs. 4,217.37 lakhs are charged as rent to the statement of Profit and Loss (As at 31st March, 2018: Rs. 4,269.10 lakhs)

**Operating Lease**

Rs. in lakhs

As Lessee	For the year ended 31 March, 2019	For the year ended 31 March, 2018
Future Non-Cancellable minimum lease commitments		
not later than one year	587.56	2,194.07
later than one year and not later than five years	990.43	4,665.64
later than five years	244.76	519.46
<b>Total</b>	<b>1,822.75</b>	<b>7,379.17</b>

**Operating Lease**

Rs. in lakhs

As Lessor	For the year ended 31 March, 2019	For the year ended 31 March, 2018
<b>Future minimum lease payments</b>		
not later than one year	62.26	26.47
later than one year and not later than five years	73.02	60.68
later than five years	-	-
<b>Total</b>	<b>135.27</b>	<b>87.15</b>

**Finance Lease**

Rs. in lakhs

As Lessee	For the year ended 31 March, 2019	For the year ended 31 March, 2018
<b>Future minimum lease payments</b>		
not later than one year	157.16	-
later than one year and not later than five years	718.35	671.85
later than five years	-	-
<b>Total</b>	<b>875.50</b>	<b>671.85</b>

**Finance Lease**

Rs. in lakhs

As Lessee	For the year ended 31 March, 2019	For the year ended 31 March, 2018
<b>Finance lease -Present value of minimum lease commitments</b>		
not later than one year	140.00	-
later than one year and not later than five years	460.00	-
later than five years	-	-
<b>Total</b>	<b>600.00</b>	<b>-</b>

**Notes forming part of the consolidated financial statements**
**Finance Lease**
**Rs. in lakhs**

<b>As Lessor</b>	<b>For the year ended 31 March, 2019</b>	<b>For the year ended 31 March, 2018</b>
<b>Future minimum lease payments</b>		
not later than one year	355.68	-
later than one year and not later than five years	2,359.34	-
later than five years	-	-
<b>Total</b>	<b>2,715.02</b>	<b>-</b>

**Finance Lease**
**Rs. in lakhs**

<b>As Lessor</b>	<b>For the year ended 31 March, 2019</b>	<b>For the year ended 31 March, 2018</b>
<b>Finance lease -Present value of minimum lease commitments</b>		
not later than one year	356.00	-
later than one year and not later than five years	2,349.00	-
later than five years	11.00	-
<b>Total</b>	<b>2,716.00</b>	<b>-</b>

**34 (a) Income Tax Expense**
**Rs in lakhs**

<b>Particulars</b>	<b>For the year ended 31 March, 2019</b>	<b>For the year ended 31 March, 2018</b>
<b>Current Tax:</b>		
Current Tax	9,645.88	10,322.38
Current Tax relating to previous year	(298.64)	-
<b>Deferred Tax</b>		
Deferred tax (Credit) / Charge	(7,041.13)	(2,736.62)
<b>Total Tax Expense recognised in profit and loss account</b>	<b>2,306.11</b>	<b>7,585.76</b>

## Notes forming part of the consolidated financial statements

- 34 (b) The reconciliation of estimated income tax expenses at Indian statutory income tax rate to income tax expense reported in the statement of profit and loss is as follows:

Rs in lakhs

Particulars	For the year ended 31 March, 2019	For the year ended 31 March, 2018
<b>Profit Before Income tax</b>	(1,297.54)	8,615.95
Indian statutory income tax rate	<b>34.61%</b>	<b>34.61%</b>
Income Tax using the Company's domestic Tax rate	(449.05)	2,981.81
<b>Tax Effect of :</b>		
Effect of different tax rate of subsidiaries - as per local financial	367.60	(7.06)
Effect of income that is exempt from taxation	(1,653.20)	1,333.84
Effect of expenses that are not deductible in determining taxable profit	4,861.02	(77.60)
Effect of expenses that are deductible in determining taxable profit not considered in profit	(4,672.52)	827.72
Effect of concessions (Capital gains on sale of Long term investment and PPE)	1,654.70	(821.22)
Effect of recognition of tax credit (MAT credit for the year net of write off)	762.07	2,128.35
Effect of previously unrecognised and unused tax losses and deductible temporary differences now recognised as deferred tax assets	(6,056.03)	42.24
Under provision in prior years	(744.23)	104.96
Effect on account of Interest on Income Tax	-	182.52
Minimum taxes to be paid	346.67	16.10
Loss in respect of which deferred tax assets not recognized	4,004.07	-
Effect on account of reclassification of Tax on Interest on perpetual bonds	3,899.75	-
Others	(14.75)	874.10
<b>Total income tax expense</b>	<b>2,306.11</b>	<b>7,585.75</b>

- 34 (c) Income Tax on Other Comprehensive Income:

Rs in lakhs

Particulars	For the year ended 31 March, 2019	For the year ended 31 March, 2018
Net fair value in gain on investments in equity shares at FVTOCI	(94.94)	330.23
Remeasurement of defined benefit obligation	(34.76)	22.52
<b>Total</b>	<b>(129.70)</b>	<b>352.75</b>

- 34 (d) Amounts on which deferred tax asset has not been created:

Rs in lakhs

Particulars	For the year ended 31 March, 2019	For the year ended 31 March, 2018
Deductible Temporary differences	-	121.02
Unused Tax losses	46,577.84	23,918.60
Unused tax Credits (MAT) (give expiry date)	1,684.92	1,188.77
<b>Total</b>	<b>48,262.75</b>	<b>25,228.40</b>

**Notes forming part of the consolidated financial statements**

**Note:** The Company has not recognised Deferred Tax liability on undistributed Reserves of subsidiary and Joint Venture as the Group has control over these entities and no distribution is expected in foreseeable future.

Under the Indian Income Tax Act, 1961, unabsorbed business losses expire 8 years after the year in which they originate. In respect of certain foreign subsidiaries, business losses can be carry forward indefinitely unless there is a substantial change in the ownership. Unrecognised Deferred Tax assets relate primarily to business losses and tax credit entitlement. This unexpired business losses will expire based on the year of origination as follows :

Particulars	Rs in lakhs	
	Unused tax losses	Unused tax credits
31st March, 2020	5,300	-
31st March, 2021	3,761	-
31st March, 2022	1,702	-
31st March, 2023	1,325	-
thereafter	5,527	1,685
No expiry	28,963	-

**34 (e) Movement of Deferred Tax**
**Rs in lakhs**

Particulars	For the Year ended 31 March 2019			
	Opening Balance	Recognised in profit and Loss	Recognised in OCI	Closing Balance
<u>Tax effect of items constituting deferred tax liabilities</u>				
Depreciation	(354.75)	(667.77)	-	(1,022.51)
Others	(487.70)	364.92	-	(122.78)
	<b>(842.44)</b>	<b>(302.85)</b>	<b>-</b>	<b>(1,145.29)</b>
<u>Tax effect of items constituting deferred tax assets</u>				
Provision for doubtful debts	1,391.49	(82.17)	-	1,309.31
Other Provision (Provision for Obsolete Inventory, provision for warranty, Accrual of expenses)	733.53	2,131.13	-	2,864.66
Employee Benefits	-	-	-	-
FVTOCI financial asset	-	-	-	-
Effects of unused tax losses	668.84	4,360.94	-	5,029.78
Unrealised exchange losses	647.03	(247.46)	-	399.56
MAT credit	3,570.45	209.54	-	3,779.99
Others	431.52	971.99	34.76	1,438.31
	<b>7,442.85</b>	<b>7,343.98</b>	<b>34.76</b>	<b>14,821.62</b>
<b>Tax Asset (Liabilities)</b>	<b>6,600.40</b>	<b>7,041.13</b>	<b>34.76</b>	<b>13,676.33</b>
Effect of foreign currency exchange differences	-	(97.87)	-	(97.87)
<b>Net Tax Asset (Liabilities)</b>	<b>6,600.40</b>	<b>6,943.26</b>	<b>34.76</b>	<b>13,578.46</b>

**Notes forming part of the consolidated financial statements**
**Rs in lakhs**

Particulars	For the Year ended 31 March 2018			
	Opening Balance	Recognised in profit and Loss	Recognised in OCI	Closing Balance
<u>Tax effect of items constituting deferred tax liabilities</u>				
Depreciation	(147.79)	(206.96)	-	(354.75)
Others	(565.13)	77.43	-	(487.70)
	<b>(712.92)</b>	<b>(129.52)</b>	<b>-</b>	<b>(842.44)</b>
<u>Tax effect of items constituting deferred tax assets</u>				
Provision for doubtful debts	903.02	488.47	-	1,391.49
Other Provision (Provision for Obsolete Inventory, provision for warranty, Accrual of expenses)	1,592.33	(858.80)	-	733.53
Effects of unused tax losses	320.27	348.57	-	668.84
Unrealised exchange losses	488.02	159.01	-	647.03
MAT credit	882.26	2,688.19	-	3,570.45
Others	390.80	40.72	-	431.52
	<b>4,576.70</b>	<b>2,866.15</b>	<b>-</b>	<b>7,442.85</b>
<b>Net Tax Asset (Liabilities)</b>	<b>3,863.78</b>	<b>2,736.62</b>	<b>-</b>	<b>6,600.40</b>

**34 (f) Gross Deferred Tax assets and liabilities are as follows;**
**Rs in lakhs**

Particulars	As at 31 March 2019		
	Assets	Liabilities	Total
Depreciation	-	1,022.51	(1,022.51)
Provision for doubtful debts	1,309.31	-	1,309.31
Other Provision (Provision for Obsolete Inventory, provision for warranty, Accrual of expenses)	2,864.66	-	2,864.66
Effects of unused tax losses	5,029.78	-	5,029.78
Unrealised exchange losses	399.56	-	399.56
Others	1,340.44	122.78	1,217.66
MAT credit	3,779.99	-	3,779.99
<b>Net deferred tax assets / (liabilities)</b>	<b>14,723.75</b>	<b>1,145.29</b>	<b>13,578.46</b>

**Rs in lakhs**

Particulars	As at 31 March 2018		
	Assets	Liabilities	Total
Depreciation	341.49	696.24	(354.75)
Provision for doubtful debts	1,391.49	-	1,391.49
Other Provision (Provision for Obsolete Inventory, provision for warranty, Accrual of expenses)	665.29	(68.24)	733.53
Effects of unused tax losses	668.84	-	668.84
Unrealised exchange losses	647.03	-	647.03
MAT credit	431.52	487.71	(56.19)
Others	3,570.45	-	3,570.45
<b>Net deferred tax assets / (liabilities)</b>	<b>7,716.10</b>	<b>1,115.70</b>	<b>6,600.39</b>

**Notes forming part of the consolidated financial statements**
**35 (a) Defined Contribution Plan**

The Company makes contributions to Family Pension Fund, Superannuation Fund, ESIC contribution to Defined contribution retirement benefit plans for qualifying employees. Under the schemes, the Company is required to contribute a specified percentage of the payroll costs to fund the benefits.

Company's contribution paid / payable during the year to Family Pension Fund and ESIC are recognized in Statement of Profit and Loss. These amounts are recognized as an expense and included in Note 23(a) 'Employee Benefit Expenses' under the heading 'Contribution to Provident and other funds'.

The Company has recognized the following amounts in the Statement of Profit and Loss for the year:

Particulars	2018-19	2017-18
Contribution to Employees' Family Pension Fund	228.73	225.75
Contribution to Employees' Superannuation Fund	359.10	32.20
Employees' State Insurance Scheme	47.82	285.53
Provident Fund	1,166.19	435.59
EDLI Fund	177.81	15.44

**(b) Defined Benefit Plans:**
**Provident Fund**

The Company makes monthly contributions to Provident Fund managed by Tata International Limited Provident Fund Trust (the "Trust") for qualifying employees. Under the Scheme, the Company is required to contribute a specified percentage of the payroll costs to fund the benefits. During the year the Company has contributed Rs. 202.81 lakhs (31 March 2017: Rs 223.19 lakhs) to the Provident Fund Trust.

In accordance with Indian law, employer established provident fund trusts are treated as Defined Benefit Plans, since the Company is obliged to meet interest shortfall, if any, with respect to covered employees. According to the actuarial valuation, the Defined Benefit Obligation of Interest rate Guarantee on exempted Provident Fund in respect of employees of the Company as at 31 March 2018 works out to Nil and hence no provision is required to be provided in the books of accounts (31 March 2017 - Nil ) towards the guarantee given for notified interest rates.

In carrying out an actuarial valuation of interest rate guarantee on exempt provident fund liability, expected investment return is compared with the guaranteed rate of interest and the expected shortfall is determined for a projection period of 3 year. This is further applied to accumulated value of the provident fund to arrive at the Defined Benefit Obligation.

The above process is carried out for 3 scenarios, one based on the prevailing rate of return, and the other two with 100 Basis Points upward and downward shifts in the expected rate of return and Defined Benefit Obligation of the interest rate guarantee is determined under these three scenarios. Defined Benefit Obligation of the interest rate guarantee is equal to the average of the Defined Benefit Obligation determined under all three scenarios above. The actuarial valuation is carried out using the projected accrued benefit method.

The major categories of plan assets in which the contributions are invested by Tata International Limited Provident Fund Trust are as under:

Particulars	2018-19	2017-18
Bonds and Securities of Central Government	227.38	236.57
Bonds and Securities of State Government	2,043.96	1,955.96
Corporate Bonds	2,208.26	2,408.85
Special Deposits with Banks	1,230.32	1,230.32
Equity Fund	223.80	195.33
Other Investments	166.43	172.06
<b>Total Assets</b>	<b>6,100.15</b>	<b>6,199.11</b>

### Notes forming part of the consolidated financial statements

Actuarial assumptions made to determine Interest Rate Guarantee on Exempt Provident Fund Liabilities are as follows:

Particulars	2018-19	2017-18
Discount Rate for the term of the Obligation	7.07%	7.68%
Remaining term to Maturity (years) of plan assets	5.08	5.16
Weighted Average YTM	8.61%	8.51%
Attrition rate	15.00%	10.00%
Guaranteed Rate of Return	8.65%	8.55%

#### Gratuity and Pension Plan

The Company provides Gratuity benefit to all employees. The Company provides post retirement pension for retired whole-time directors. The assets of the gratuity plans are held separately from those of the Company in funds under the control of the trustees of the independent trusts or with the life insurance companies. The board of trustees of the gratuity fund composed of an equal number of representatives from both employees and employers. The board of the Fund is required by law and by the trust deed to act in the interest of the Fund and of all relevant stakeholders in the scheme. The board of trustee of the fund and management of life insurance company is responsible for the investment policy with regard to the assets of the Fund. Post retirement pension plan is not funded.

Under the gratuity plan, the employees with minimum five years of continuous service are entitled to lumpsum payment at the time of separation calculated based on the last drawn salary and number of years of service rendered with the company. Under the post retirement pension, the Company pays monthly pension to retired whole-time directors as decided by the board of directors.

These plans expose the Company to actuarial risks such as investment risk, interest rate risk, 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 benefits plans, the discount rate is determined by reference to bonds when there is deep market for such bonds. Currently, for the plan in India, it has 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.



**Notes forming part of the consolidated financial statements**

Rs in lakhs

	Particulars	Funded Plan Gratuity		Unfunded Plan Pension Scheme	
		2019	2018	2019	2018
<b>I.</b>	<b>Expenses Recognised in Profit and Loss Account for Current Period</b>				
1.	Current Service Cost	226.42	265.84	-	33.22
2.	Net Interest Cost	16.35	29.83	36.37	-
3.	Past Service Cost	-	1.56	-	-
4.	(Expected Contribution by the Employees)	-	-	-	-
5.	(Gain)/Losses on Curtailment And Settlements	-	-	-	-
6.	Net Effect of Changes in Foreign Exchange Rates	-	-	-	-
7.	<b>Expenses Recognised</b>	<b>242.77</b>	<b>297.23</b>	<b>36.37</b>	<b>33.22</b>
<b>II.</b>	<b>Expenses Recognised in Other Comprehensive Income (OCI) for Current Period</b>				
1.	Actuarial (Gain)/ Losses on Obligation For the Period	(55.01)	(147.91)	31.82	58.89
2.	Return on Plan Assets, Excluding Interest Income	11.57	(13.59)	-	-
3.	Change in Asset Ceiling	-	-	-	-
4.	<b>Net (Income)/Expense for the Period Recognised in OCI</b>	<b>(43.44)</b>	<b>(161.50)</b>	<b>31.82</b>	<b>58.89</b>
<b>III.</b>	<b>Net Asset/(Liability) recognised in the Balance Sheet as at 31st March</b>				
1.	Present value of defined benefit obligation as at 31st March	(2,255.86)	(2,702.29)	(459.30)	(473.58)
2.	Fair value of plan assets as at 31st March	2,304.41	2,460.32	-	-
3.	Surplus/(Deficit)	48.55	(241.97)	(459.30)	(473.58)
4.	Current portion of the above	(60.96)	(73.04)	(75.22)	(70.26)
5.	Non current portion of the above	(89.27)	(168.93)	(384.08)	(390.44)
<b>IV.</b>	<b>Change in the obligation during the year ended 31st March</b>				
1.	Present value of defined benefit obligation at the beginning of the year	2,702.29	2,773.27	473.58	460.70
2.	Add/(Less) Liability transfer in/acquisition Transfer	4.49	1.07	-	-
3.	Current Service Cost	240.68	265.84	-	-
4.	Past Service Cost	-	2.63	-	-
5.	Interest Expense / (Income)	203.12	198.28	36.37	33.22
6.	Actuarial (Gain) / Loss arising from:	-	-	-	-
i.	Demographic Assumptions	9.90	-	-	-
ii.	Financial Assumptions	(25.25)	(111.86)	3.21	(8.28)
iii.	Experience Adjustments	(45.23)	(31.97)	28.61	67.17
7.	Benefit payments	(544.29)	(394.97)	(82.47)	(79.23)
8.	Others (Specify)	(0.84)	-	-	-
9.	<b>Present value of defined benefit obligation at the end of the year</b>	<b>2,544.87</b>	<b>2,702.29</b>	<b>459.30</b>	<b>473.58</b>
<b>V.</b>	<b>Change in fair value of assets during the year ended 31st March</b>				
1.	Fair value of plan assets at the beginning of the year	2,460.32	2,383.04	-	-
2.	Add/(Less) Liability transfer in/acquisition	4.49	1.07	-	-
3.	Expected return on plan assets	186.77	169.53	-	-
4.	Actual Return on plan assets in excess of the expected return	(13.87)	17.67	-	-
5.	Contributions by employer (including benefit payments recoverable)	307.79	283.98	-	-
6.	Benefit payments	(499.00)	(394.97)	-	-
7.	Fair value of plan assets at the end of the year	2,446.49	2,460.32	-	-

Notes forming part of the consolidated financial statements

Particulars	Funded Plan Gratuity		Unfunded Plan Pension Scheme	
	2019	2018	2019	2018
<b>VI. The Major categories of plan assets</b>				
Government of India assets	466.22	467.13	-	-
State Government Securities	268.06	312.38	-	-
Special Deposit Scheme	279.04	279.04	-	-
Debt Instruments	79.47	93.48	-	-
Corporate Bonds	490.63	604.02	-	-
Cash & Cash equivalents	9.95	54.37	-	-
Insurance Fund	315.64	778.00	-	-
Asset - backed securities	-	-	-	-
Structured debt	-	-	-	-
Other	90.33	99.85	-	-
Amount (payable) to Company	(147.60)	(227.96)	-	-
<b>Total</b>	<b>1,851.75</b>	<b>2,460.31</b>	-	-
<b>VII. Actuarial assumptions</b>				
1. Discount rate	7.68% / 7.00%	7.68%	7.48%	7.68%
2. Expected rate of return on plan assets	7.68% / 7.60%	7.68%	NA	NA
3. Attrition rate	15.00%	10.00%	NA	NA
4. Medical premium inflation	NA	NA	NA	NA

Sensitivity analysis for each significant actuarial assumption is shown in table below:

Particulars	Funded Plan Gratuity		Unfunded Plans Post retirement Benefits	
	2019	2018	2019	2018
Effect of one percentage point change				
Projected Benefit Obligation on Current Assumptions	2,477.34	-	459.30	473.58
Delta Effect of +0.5% Change in Rate of Discounting	(58.30)	1.90	(7.94)	(8.47)
Delta Effect of -0.5% Change in Rate of Discounting	64.34	69.58	8.25	8.81
Delta Effect of +0.5% Change in Rate of Salary Increase	48.15	70.32	-	-
Delta Effect of -0.5% Change in Rate of Salary Increase	(45.67)	1.60	-	-
Delta Effect of +0.5% Change in Rate of Employee Turnover	2.13	4.44	-	-
Delta Effect of -0.5% Change in Rate of Employee Turnover	(2.41)	(3.65)	-	-
Delta Effect of +10.0% Change in Rate of Employee Turnover	12.25	-	(20.10)	(19.99)
Delta Effect of -10.0% Change in Rate of Employee Turnover	13.29	-	22.50	22.32

VIII. Experience Adjustments :

Rs in lakhs

	For the Period Ended				
	2019	2018	2017	2016	2015
	Gratuity				
1. Defined Benefit Obligation	2,576.73	(2,255.86)	(2,773.27)	(2,457.72)	(2,184.40)
2. Fair value of plan assets	2,446.49	2,304.41	2,383.04	2,143.26	2,061.75
3. Surplus/(Deficit)	(130.23)	48.55	(390.23)	(314.46)	(122.65)
4. Experience adjustment on plan liabilities [(Gain)/Loss]	67.70	33.42	(53.31)	174.22	82.96
5. Experience adjustment on plan assets [Gain]/(Loss)]	(9.12)	15.88	2.30	(10.41)	(12.78)
	Post retirement benefits				
1. Defined Benefit Obligation	(459.30)	(473.58)	(460.70)	(438.83)	(910.07)
2. Plan assets	-	-	-	-	-
3. Surplus/(Deficit)	-	-	-	-	-
4. Experience adjustment on plan liabilities [(Gain)/Loss]	(28.61)	(67.17)	53.20	20.80	-

**Notes forming part of the consolidated financial statements**
**36 Discontinued Operations**
**(a) Results of discontinued operations**
**Rs in lakhs**

<b>A. Results of discontinued operations</b>	<b>2019</b>	<b>2018</b>
Revenue	47,314.46	55,535.89
Other Income	359.69	981.19
Expenses	58,148.42	63,636.80
<b>Profit/(loss) before tax from discontinued operations</b>	<b>(10,474.27)</b>	<b>(7,119.72)</b>
(a) Current tax	215.56	509.81
(b) Deferred tax	-	-
<b>Profit/(loss) after tax from discontinued operations</b>	<b>(10,689.83)</b>	<b>(7,629.53)</b>
Profit/(loss) on disposal of discontinued operation	-	-
Income tax on gain on sale of discontinued operation	-	-
<b>Profit / (loss) from discontinued operation, net of tax</b>	<b>(10,689.83)</b>	<b>(7,629.53)</b>

**(b) Assets of discontinued operations**
**Rs in lakhs**

<b>Assets held for sale</b>	<b>As at 31st March, 2019</b>
Property, plant and equipment	275.13
Trade receivables	5,116.30
Inventories	1,440.10
Others	3,165.05
<b>Total</b>	<b>9,996.58</b>

**(c) Liabilities of discontinued operations**
**Rs in lakhs**

<b>Liabilities held for sale</b>	<b>As at 31st March, 2019</b>
Trade payables	5,939.84
Deferred tax liabilities	-
Others	242.16
<b>Total</b>	<b>6,182.00</b>

**(d) Cash flows from (used in) discontinued operations**
**Rs in lakhs**

<b>Particulars</b>	<b>As at 31st March, 2019</b>
Net cash generated/ used in operating activities	(11.03)
Net cash generated/ used in investing activities	17.00
Net cash generated/ used in financing activities	(4,758.91)
<b>Net cash flows for the year</b>	<b>(4,752.94)</b>

## Notes forming part of the consolidated financial statements

## 37 Fair Value Measurement

The Significant accounting policies, including the criteria for recognition, the basis of measurement and the basis on which income and expenses are recognised, in respect of each class of financial asset, financial liability and equity instrument as disclosed in significant accounting policies of consolidated financial statements.

## (a) Financial Assets and Liabilities :

- i) The Carrying Value and fair value of financial instruments by categories as at March 31, 2019 and March 31, 2018 is as follows :

Rs. in lakhs

Particulars	As at 31st March 2019		As at 31st March 2018	
	Total Carrying Value	Total Fair Value	Total Carrying Value	Total Fair Value
<b>Financial Assets:</b>				
<b>Fair Value through Profit or Loss</b>				
Current investments	565.15	565.15	556.56	556.56
Derivative assets	709.35	709.35	6,360.01	6,360.01
<b>Fair Value through OCI</b>				
Other investments	27,274.71	27,274.71	27,549.93	27,549.93
<b>Amortised Cost</b>				
Trade receivables	278,572.48	278,572.48	201,977.27	201,977.27
Loans	121.11	121.11	157.50	157.50
Cash and cash equivalents	42,490.13	42,490.13	36,278.34	36,278.34
Bank balances other than above	250.25	250.25	39.66	39.66
Other financial assets	36,176.21	36,176.21	34,133.97	34,133.97
<b>Financial Liabilities:</b>				
<b>Fair Value through Profit or Loss</b>				
Derivative liabilities	3,849.99	3,849.99	259.50	259.50
<b>Amortised Cost</b>				
Non current borrowings	30,116.21	30,116.21	54,621.71	54,621.71
Current borrowings	296,073.77	296,073.77	236,481.56	236,481.56
Trade payable	254,025.29	254,025.29	128,643.98	128,643.98
Other financial liabilities	16,400.44	16,400.44	17,223.27	17,223.27

**Notes forming part of the consolidated financial statements**
**(b) Fair Value hierarchy**

The fair value hierarchy is based on inputs to valuation techniques that are used to measure fair value that are either observable or unobservable and consists of the following three levels:

- Level 1 — Inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities.
- Level 2 — Inputs are other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).
- Level 3 — Inputs are not based on observable market data (unobservable inputs). Fair values are determined in whole or in part using a valuation model based on assumptions that are neither supported by prices from observable current market transactions in the same instrument nor are they based on available market data.

The investments included in Level 2 of Fair value Hierarchy have been valued using quotes available for similar assets and liabilities in the active market. The investments included in Level 3 of fair value hierarchy have been valued using the cost approach to arrive at their fair value. The cost of unquoted investments approximate the fair value because there is a wide range of possible fair value measurements and the cost represents estimate of fair value within that range.

The following table summarises financial assets and liabilities measured at fair value on a recurring basis and financial assets that are not measured at fair value on a recurring basis (but fair value disclosure are required):

Rs. in lakhs

Particulars	As at 31st March 2019			
	Level 1	Level 2	Level 3	Total
<b>Investment property:</b>	-	-	3,110.00	3,110.00
<b>Financial assets:</b>				
Derivative financial assets	-	709.35	-	709.35
Other investments classified as fair value through OCI	9,380.84	-	17,893.87	27,274.71
Current investments classified as fair value through PL	565.15	-	-	565.15
<b>Total</b>	<b>9,946.00</b>	<b>709.35</b>	<b>21,003.87</b>	<b>31,659.21</b>
<b>Financial liability:</b>				
Derivative financial liability	-	3,849.99	-	3,849.99
<b>Total</b>	<b>-</b>	<b>3,849.99</b>	<b>-</b>	<b>3,849.99</b>

Rs. in lakhs

Particulars	As at 31st March 2018			
	Level 1	Level 2	Level 3	Total
<b>Investment property:</b>	-	-	3,666.39	3,666.39
<b>Financial assets:</b>				
Derivative financial assets	-	6,360.01	-	6,360.01
Other investments classified as fair value through OCI	9,654.97	-	17,894.97	27,549.93
Current investments classified as fair value through PL	556.56	-	-	556.56
<b>Total</b>	<b>10,211.52</b>	<b>6,360.01</b>	<b>17,894.97</b>	<b>38,132.89</b>
<b>Financial liability:</b>				
Derivative financial liability	-	259.50	-	259.50
<b>Total</b>	<b>-</b>	<b>259.50</b>	<b>-</b>	<b>259.50</b>

**Notes forming part of the consolidated financial statements**
**38 Financial instruments**
**38.01 Capital management**

The Group manages its capital to ensure that entities will be able to continue as going concerns while maximising the return to stakeholders through the optimisation of the debt and equity balance. The Capital structure of the Group consists of net debt (borrowings as detailed in notes 13(a) and 13(b) offset by cash and bank balances) and the total equity of the Group.

The Group manages its capital structure and makes adjustments in light of changes in economic conditions and the requirements of the financial covenants. To maintain or adjust the capital structure, the Group may adjust the dividend payment to shareholders, return capital to shareholders or issue new shares. The Group monitors capital using a gearing ratio, which is net debt divided by total capital plus net debt. The Group includes within net debt, long term-term borrowings, short-term borrowings, less cash and cash equivalent.

**Gearing Ratio**

The gearing ratio at end of the reporting period was as follows

Particulars	As at 31st March 2019 Rs. in lakhs	As at 31st March 2018 Rs. in lakhs
Debt		
Long term borrowings	30,116.21	54,621.71
Short term borrowings	296,073.78	236,481.56
Current maturities of long-term debt	7,789.63	13,560.08
Interest accrued	2,002.72	713.19
Cash and bank balances	(42,740.38)	(36,318.00)
Net debt	<b>293,241.97</b>	<b>269,058.54</b>
Total equity	<b>140,338.24</b>	<b>162,792.22</b>
Equity share capital	4,010.00	4,010.00
Unsecured perpetual securities	144,793.75	144,378.72
Other equity	(8,465.51)	14,366.39
<b>Net debt to equity ratio</b>	<b>2.09</b>	<b>1.65</b>

**38.02 Financial risk management objectives and policies**

The Group's principal financial liabilities, other than derivatives, comprise loans and borrowings and trade and other payables. The Group's principal financial assets include loans, trade and other receivables, and cash and short-term deposits that derive directly from its operations. The Group also holds FVTOCI investments and enters into derivative transactions. The Group is exposed to market risk( including currency risk, interest rate risk and other price risk), credit risk and liquidity risk.

The Group seeks to minimise the effects of these risks by using derivative financial instruments to hedge risk exposures. The use of financial derivatives is governed by the Group's policies approved by the board of directors, which provide written principles on foreign exchange risks, interest rate risk, credit risk, the use of financial derivatives and non-derivative financial instruments. The Group does not enter into or trade financial instruments including derivative financial instruments, for speculative purposes.

**38.02.1 Market risk**

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. The Group's activities expose it primarily to the financial risks of changes in foreign currency exchange rates and interest rates. The Group enters into derivative financial instruments to manage its exposure to foreign currency risk and interest rate risk.

**38.02.2 Commodity Risk**

Commodity price risk arises due to fluctuation in prices of metals, leather, minerals and agro products. The Group has a risk management framework aimed at prudently managing the risk arising from the volatility in commodity prices and freight costs. The Group's commodity risk is managed centrally through well-established trading operations and control processes. The Group enters into various transactions using derivatives and Exchange Traded Forwards, Options and Swap contracts to hedge its commodity and freight exposure.

**Notes forming part of the consolidated financial statements**
**38.02.3 Foreign currency risk management**

- i) The Group enter into sale and purchase transactions and borrowings denominated in foreign currencies; consequently, exposures to exchange rate fluctuations arise.

The carrying amounts of the Group's foreign currency denominated monetary assets and monetary liabilities at the end of the reporting period are as follows:

Monetary Assets	As at	As at	As at	As at
	31st March 2019	31st March 2019	31st March 2018	31st March 2018
	FC in lakhs	Rs. in lakhs	FC in lakhs	Rs. in lakhs
US Dollar in India	2,516.45	174,012.30	3,709.41	240,455.25
Euro in India	166.48	12,929.40	84.84	6,754.44
Others *	-	17,126.29	-	1,457.00

  

Monetary Liabilities	As at	As at	As at	As at
	31st March 2019	31st March 2019	31st March 2018	31st March 2018
	FC in lakhs	Rs. in lakhs	FC in lakhs	Rs. in lakhs
US Dollar in India	3,712.77	256,738.36	3,801.55	246,428.06
Euro in India	341.47	26,519.37	115.81	9,249.50
Others *	-	10,011.57	-	257.63

**Foreign currency sensitivity analysis**

Particulars	Net exposure	Impact on Profit/other components of equity	Net exposure	Impact on Profit/other components of equity
	Rs. in lakhs	Rs. in lakhs	Rs. in lakhs	Rs. in lakhs
	As at 31st March 2019		As at 31st March 2018	
USD/INR Increase by 10%	(82,726.07)	(8,272.61)	(5,972.81)	(597.28)
USD/INR Decrease by 10%	-	8,272.61	-	597.28
EUR/INR Increase by 10%	(13,589.96)	(1,359.00)	(2,495.05)	(249.51)
EUR/INR Decrease by 10%	-	1,359.00	-	249.51

\* Other currencies includes GBP, ZAR, VND, HKD, BIRR, Taka, THB etc

**Outstanding Derivative Contracts**

Fair value hedges	Average Exchange rates		Amount in Rs. lakhs		Nominal Value in respective currency		Fair value	
	As at 31st March 2019	As at 31st March 2018	As at 31st March 2019	As at 31st March 2018	As at 31st March 2019	As at 31st March 2018	As at 31st March 2019	As at 31st March 2018
	Rs	Rs	Rs. in lakhs	Rs. in lakhs	Lakhs	Lakhs	Rs. in lakhs	Rs. in lakhs
<b>Export</b>								
USD	72.01	65.38	57,582.13	46,316.27	799.68	708.39	1,762.45	(235.00)
EUR	79.60	79.38	10,890.48	29,599.62	136.81	372.90	627.98	(723.64)
AUD	49.34	52.12	94.24	546.79	1.91	10.49	0.05	13.92
CAD	-	-	-	155.23	-	3.09	-	5.77
GBP	77.94	90.89	1,460.51	4,641.69	18.74	51.07	43.55	(251.12)
<b>Import</b>								
USD	70.27	65.20	23,608.66	19,549.10	335.97	299.82	3,800.59	(103.43)
EUR	82.20	79.87	10,309.13	8,047.94	125.41	100.77	(343.74)	5.66
CAD	-	-	-	-	-	-	-	-
ZAR	4.77	-	2,251.50	-	472.20	-	(21.04)	-

## Notes forming part of the consolidated financial statements

## Iron Ore Swap contracts

Above derivative Financial Instruments as at 31st March, 2019 were classified for held for trading as they are not designated as effective hedging instrument and measured at fair value through profit or loss

Particulars	Average Exchange rates		Foreign currency		Nominal Value		Fair value	
	As at 31.03.2019	As at 31.03.2018	As at 31.03.2019	As at 31.03.2018	As at 31.03.2019	As at 31.03.2018	As at 31.03.2019	As at 31.03.2018
	Rs	Rs	Rs. lakhs	Rs. lakhs	Lakhs	Lakhs	Rs. lakhs	Rs. lakhs
Iron Ore Swap	-	64.82	-	838.81	-	12.94	-	8.88

Nature	No. of Contracts	Commodity name	Contract cash Flows	Fair value (gain) loss
			2019	2019
			INR	INR
Liability	52	COAL	13,161	828
			<b>13,161</b>	<b>828</b>

## 38.02.4 Interest Rate Risk

- i) The Group is exposed to interest rate risk because entities in the Group borrow funds at both fixed and floating interest rates. The risk is managed by the Group by maintaining an appropriate mix between fixed and floating rate borrowings, and by the use of interest rate swap contracts and forward interest rate contract. Hedging activities are evaluated regularly to align with Interest rate views and defined risk appetite, ensuring the most cost-effective hedging strategies are applied.

The sensitivity analyses below have been determined based on the exposure to interest rates for both derivatives and non-derivative instruments at the end of the reporting period. For floating rate liabilities, the analysis is prepared assuming the amount of the liability outstanding at the end of the reporting period was outstanding for the whole year. A 100 basis point increase or decrease is used when reporting interest rate risk internally to key management personnel and represents management's assessment of the reasonably possible change in interest rates.

If interest rates had been 100 basis points higher/lower and all other variables were held constant, the Group's:

profit for the year ended 31 March 2019 would decrease/increase by Rs 1,213.91 lakhs (2018: decrease/increase by Rs. 2,007.00 lakhs). This is mainly attributable to the Group's exposure to interest rates on its variable rate borrowings.

## ii) Interest rate swap contracts

The Group enters into interest rate swaps to hedge interest rate risks. Under the interest rate swaps contracts, the Group exchange the difference between fixed and floating rate interest amounts calculated on agreed notional principal amounts. Such contracts enable the Group to mitigate the risk of changing interest rates on the fair value of fixed rate debt and cash flow exposures on variable rate debt. The fair value of interest rate swaps at the end of the reporting period is determined by discounting the future cash flows using the curves at the end of the reporting period and credit risk inherent in the contract.



**Notes forming part of the consolidated financial statements**

The following table details the nominal amounts and remaining terms of interest rate swap contracts at the end of the reporting period.

Particulars	Average Contracted fixed interest rate		Nominal Value		Fair Value asset / (liabilities)	
	As at 31st March 2019	As at 31st March 2018	As at 31st March 2019	As at 31st March 2018	As at 31st March 2019	As at 31st March 2018
	%	%	USD Lakhs	USD Lakhs	Rs. lakhs	Rs. lakhs
Outstanding - receive floating pay fixed contracts	2.86%	0.00%	287.50	-	99.99	-
Outstanding - receive floating pay fixed contracts	2.82%	0.00%	165.00	-	44.02	-
Outstanding - receive floating pay fixed contracts	4.86%	0.00%	300.00	-	20.80	-
Outstanding - receive floating pay fixed contracts	4.99%	4.99%	1,344.29	1,344.29	2,594.97	3,478.96
Outstanding - receive floating pay fixed contracts	4.94%	4.94%	447.89	447.89	842.33	1,187.83
Outstanding - receive floating pay fixed contracts	-	0.97%	-	65.00	-	0.88

The interest rate swap contracts are settled on cash basis. The Group settles the difference between the fixed and floating interest rate on a net basis. The fair value of these interest rate swap contracts are included in line items "Derivative liabilities/assets". The net change in fair value of the above Derivative instruments (forward exchange contracts) during the current year ended March 31, 2019 is Rs. 1,065.55 lakhs (for the year ended March 31, 2018 : Rs. 1,853.21 lakhs)

**38.02.5 Credit risk management**

Credit risks refers to risk that a counterparty will default on its contractual obligations resulting in financial loss to the Group. The Group has adopted 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 Group uses other publically available financial information and its own trading records to rate its major customers.

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

The Group does not have significant credit risk exposure to any single counter party. Concentration of credit risk related to Group did not exceed 20% of gross monetary assets at any time during the year. Concentration of credit risk to any other counter party did not exceed 5% of gross monetary assets at any time during the year.

The credit risk on bank balances and derivative financial instruments is limited because the counterparties are banks with high credit ratings.

The Group has a prudent and conservative process for managing its credit risk arising in the course of its business activities. Credit risk is actively managed through Letters of Credit, Bank Guarantees, Parent Group Guarantees, advance payments and factoring & forfeiting with recourse to the Group. The Group has also started selling its receivable to bank and other parties on without recourse basis to reduce credit risk as a part of credit risk management.

**38.02.6 Liquidity risk**

Liquidity risk refers to the risk that the Group 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 Group has obtained fund and non-fund based working capital lines from various banks. Furthermore, the Group has access to funds from debt markets through commercial paper programs and other debt instruments. The Group 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.

## Notes forming part of the consolidated financial statements

The Group 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 as at March 31, 2019:

Rs. in lakhs

Particulars	Less than 1 year	Between 1 to 5 years	More than 5 years	Total	Carrying amount
Borrowings (Including Interest)	305,999.69	30,116.21	-	336,115.90	336,115.90
Derivative liabilities	3,849.99	-	-	3,849.99	3,849.99
Trade payables	254,025.29	-	-	254,025.29	254,025.29
Other financial liabilities	6,474.53	514.83	-	6,989.36	6,989.36
<b>Total</b>	<b>570,349.50</b>	<b>30,631.04</b>	<b>-</b>	<b>600,980.54</b>	<b>600,980.54</b>

The table below provides details regarding the contractual maturities of financial liabilities as at March 31, 2018:

Rs. in lakhs

Particulars	Less than 1 year	Between 1 to 5 years	More than 5 years	Total	Carrying amount
Borrowings (Including Interest)	250,754.83	54,621.71	-	305,391.35	305,391.35
Derivative liabilities	259.50	-	-	259.50	259.50
Trade payables	128,643.98	-	-	128,643.98	128,643.98
Other financial liabilities	2,950.00	768.93	-	3,718.93	3,718.93
<b>Total</b>	<b>382,608.31</b>	<b>55,390.64</b>	<b>-</b>	<b>438,013.76</b>	<b>438,013.76</b>

**Notes forming part of the consolidated financial statements**
**39. Segment Information**
**(i) Primary Segment Information**

Rs. in lakhs

	Leather	Minerals	Metals	Distribution	Agri	Others	Total
<b>1. Segment Revenue</b>							
<i>Sale of product and Sale of services</i>	<b>107,187.78</b> 107,097.04	<b>456,044.61</b> 423,424.21	<b>838,973.90</b> 619,293.25	<b>154,324.83</b> 145,931.48	<b>147,203.18</b> 68,446.01	<b>31,324.73</b> 4,209.06	<b>1,735,059.03</b> 1,368,401.05
<b>2. Segment Result from continued business</b>							
<i>Segment Result before Interest and Taxes</i>	<b>3,961.00</b> (7,699.81)	<b>5,656.52</b> 4,376.90	<b>22,461.64</b> 11,818.88	<b>19,405.83</b> (6,039.52)	<b>(748.23)</b> 9,978.66	<b>(6,155.71)</b> (498.70)	<b>44,581.06</b> 11,936.41
<b>3. Segment Result from discontinued business</b>							
<i>Segment Result before Interest and Taxes</i>				<b>(10,996.16)</b> (7,960.88)		<b>521.35</b> 841.59	<b>(10,474.81)</b> (7,119.29)
<i>Less: Interest Expense</i>							<b>24,579.15</b> 20,013.13
<i>Add: Interest Income</i>							<b>3,062.15</b> 2,444.99
<i>Less: Unallocable Expenses Net of income</i>							<b>15,081.73</b> (11,073.84)
<i>Add: Exceptional items</i>							<b>1,195.17</b> 10,293.13
<i>Less: Tax expense</i>							<b>2,306.11</b> 7,585.76
Profit/(Loss) for the year attributable to Owners of the Company and Non-Controlling Interest							<b>(3,603.43)</b> 1,030.19
<b>4. Other Information</b>							
<i>Segment Assets</i>	<b>65,247.38</b> 75,634.65	<b>120,442.97</b> 121,657.91	<b>212,364.87</b> 93,960.01	<b>138,412.35</b> 180,019.62	<b>77,462.32</b> 11,822.19	<b>22,625.61</b> 17,010.19	<b>636,555.50</b> 500,104.58
<i>Unallocated Assets</i>							<b>133,129.70</b> 129,786.33
<b>Total Assets</b>							<b>769,685.20</b> 629,890.91
<i>Segment Liabilities</i>	<b>63,862.54</b> 73,900.08	<b>103,973.86</b> 61,853.22	<b>111,040.42</b> 45,606.47	<b>50,906.99</b> 139,660.81	<b>63,377.77</b> 9,089.87	<b>17,516.10</b> 15,304.52	<b>410,677.67</b> 345,414.97
<i>Unallocated Liabilities</i>							<b>217,238.53</b> 119,849.56
<b>Total Liabilities</b>							<b>627,916.20</b> 465,264.53
<b>Equity and reserves</b>							<b>141,769.00</b> 164,626.38

(ii) As per Indian Accounting Standard 108 - operating segments, the company has reported segment information on consolidated basis including business conducted through its subsidiaries.

(iii) Depreciation, amortisation cost and capital expenditure cannot be allocated to respective segment as property, plant and equipment are interchangeably used within segments and no specific allocation is done to segment for all the property, plants and equipments.

## TATA INTERNATIONAL LIMITED

### Notes forming part of the consolidated financial statements

#### (iv) Secondary Segment Information

Rs. In lakhs

Continent	Turnover		Asset		Capital Expenditure	
	2018-19	2017-18	2018-19	2017-18	2018-19	2017-18
India	222,826.73	186,151.69	175,921.50	145,094.24	1,875.78	1,192.39
Asia ( Excluding India)	906,906.52	619,958.84	155,961.76	64,896.75	60.00	19.47
Africa	216,564.73	175,271.95	189,017.63	186,748.09	1,202.82	1,351.62
Europe	119,229.50	181,046.22	17,422.85	43,378.23	380.58	1.48
North America	269,531.56	205,972.31	98,231.76	62,299.94	-	5.17
	1,735,059.03	1,368,401.01	636,555.51	502,417.24	3,519.17	2,570.13

#### 40 (a) Related Party Disclosures

##### (A) Holding Company

- 1 Tata Sons Limited

##### (B) Subsidiaries

- 1 Alliance Finance Corporation
- 2 Alliance Motors Ghana Limited
- 3 Blackwood Hodge Zimbabwe (Private) Limited
- 4 Calsea Footwear Private Limited
- 5 Cometal, S.A.R.L.
- 6 Euro Shoe Components Limited
- 7 Monroa Portugal, Comércio E Serviços, Unipessoal LDA
- 8 Motor-Hub East Africa Limited
- 9 Move on Componentes e calçado,S.A.
- 10 Move On Retail Spain, S.L.
- 11 Newshelf 1369 Pty Ltd
- 12 Pamodzi Hotels Plc
- 13 TAH Pharmaceuticals Limited
- 14 Tata Africa (Senegal) S.A.R.L.
- 15 Tata Africa Cote D'Ivoire SARL
- 16 Tata Africa Holdings (Ghana) Limited
- 17 Tata Africa Holdings (Kenya) Limited
- 18 Tata Africa Holdings (SA) (Proprietary) Limited
- 19 Tata Africa Holdings (Tanzania) Limited
- 20 Tata Africa Services (Nigeria) Limited
- 21 Tata Africa Steel Processors (Proprietary) Limited
- 22 Tata Automobile Corporation (SA) (Proprietary) Limited
- 23 Tata De Mocambique, Limitada
- 24 Tata Holdings Mocambique Limitada
- 25 Tata International Canada Limited
- 26 Tata International Metals (Americas) Limited
- 27 Tata International Metals (Asia) Limited
- 28 Tata International Metals (UK) Limited
- 29 Tata International Singapore Pte Limited
- 30 Tata International Trading Brasil Ltda (ceased w.e.f. 30-11-2017)
- 31 Tata International Vietnam Company Limited
- 32 Tata International West Asia DMCC
- 33 Tata South East Asia (Cambodia) Limited
- 34 Tata South-East Asia Limited
- 35 Tata Uganda Limited
- 36 Tata West Asia FZE
- 37 Tata Zambia Limited
- 38 Tata Zimbabwe (Private) Limited
- 39 TIL Leather Mauritius Limited
- 40 Tata International Metals (South Africa) (Pty) Ltd

**Notes forming part of the consolidated financial statements****(C) Other related parties where transactions have taken place during the year****(a) Fellow Subsidiaries**

- 1 Tata Communications Limited
- 2 Tata Consulting Engineers Limited
- 3 Tata Industries Limited
- 4 Tata Elxsi Limited
- 5 Tata Asset Management Limited
- 6 Tata Consultancy Services Limited
- 7 Tata Teleservices Limited
- 8 Infiniti Retail Limited
- 9 Tata Capital Limited
- 10 Tata Investment Corporation Limited
- 11 Tata Teleservices (Maharashtra) Limited
- 12 Ewart Investments Limited
- 13 Tata Autocomp Systems Limited
- 14 Tata SIA Airlines Limited
- 15 Automotive Stampings and Assemblies Limited
- 16 Tata Capital Limited
- 17 Tata Limited
- 18 Tata AG
- 19 Taj Air Limited

**(b) Joint Ventures**

- 1 Tata International DLT Private Limited
- 2 Tata Precision Industries (India) Limited
- 3 Tata International GST AutoLeather Limited

**(c) Associates**

- 1 Tata Motors (SA) (Proprietary) Limited
- 2 Accordian Investments (Proprietary) Limited
- 3 Ferguson Place (Pty) Ltd (formerly known as Newshelf 919 (Pty) Ltd)
- 4 IHMS Hotels (SA) (Pty) Limited
- 5 Women in Transport
- 6 Imbanita Consulting And Engineering Services (Pty) Ltd

**(d) Associates of Holding Company**

- 1 Tata Motors Limited
- 2 Tata Steel Limited
- 3 Voltas Limited
- 4 Titan Company Limited
- 5 Conneqt Business Solutions Limited
- 6 Trent Limited
- 7 The Indian Hotels Company Limited
- 8 The Tata Power Company Limited
- 9 Tata Chemicals Limited

**(e) Key Management Personnel**

- 1 Managing Director - Mr Noel Tata
- 2 Company Secretary & CFO - Mr Ajay M Ponkshe
- 3 Director - Ms Sandhya S Kudtarkar
- 4 Director - Mr Deepak I Premnarayan
- 5 Director - Mr Ramakrishnan Mukundan
- 6 Director - Mr Gopal K Pillai

Notes forming part of the consolidated financial statements

41 (1) Related Party Transactions

Transactions	Fellow Subsidiaries									
	Automotive Stampings and Assemblies Limited		Ewart Investments Limited		Infiniti Retail Limited		Tata AG		Tata Asset Management Limited	
	2018-19	2017-18	2018-19	2017-18	2018-19	2017-18	2018-19	2017-18	2018-19	2017-18
Advance Received outstanding	-	-	-	-	-	-	-	-	-	-
Amount Payable	-	-	-	-	-	-	4.45	-	-	-
Amount Receivable	-	0.01	-	-	12.82	-	-	-	0.48	0.23
Brand Equity Expense	-	-	-	-	-	-	-	-	-	-
Claims	-	-	-	-	-	-	-	-	-	-
Claims Income	-	-	-	-	-	-	-	-	-	-
Deposit Given	-	-	-	-	-	-	-	-	-	-
Insurance Claim received	-	-	-	-	-	-	-	-	-	-
Interest / Dividend Income	-	-	-	-	-	-	-	-	-	-
Interest accrued	-	-	-	-	-	-	-	-	-	-
Interest/ Dividend Expense	-	-	31.25	-	-	-	-	-	-	-
Long term Borrowings-unsecured	-	-	-	-	-	-	-	-	-	-
Long term Loan taken	-	-	-	-	-	-	-	-	-	-
Managerial Remuneration	-	-	-	-	-	-	-	-	-	-
Other Expenses	-	-	-	-	-	-	27.99	-	-	-
Other Income	-	-	-	-	-	-	-	-	-	-
Purchase of capital goods	-	-	-	-	-	-	-	-	-	-
Receiving of Services	-	-	-	-	-	-	-	-	-	-
Recovery of Expenses	-	-	-	-	-	-	-	-	90.19	18.67
Reimbursement of expenses	-	-	-	-	-	-	-	-	-	-
Rendering of Services (excluding service tax)	-	-	-	-	-	-	-	-	-	-
Rent paid	-	-	-	-	-	-	-	-	-	-
Rental Income	-	-	-	-	-	-	-	-	-	-
Sale of goods	-	4.56	-	-	56.98	-	-	-	-	-
Purchase of goods	-	-	-	-	5.49	-	-	-	-	-
Instruments entirely equity in nature	-	-	-	-	-	-	-	-	-	-

Notes forming part of the consolidated financial statements

41 (1) Related Party Transactions

Transactions	Fellow Subsidiaries									
	Tata Autocomp Systems Limited		Tata Capital Limited		Tata Communications Limited*		Tata Consultancy Services Limited		Tata Consulting Engineers Limited	
	2018-19	2017-18	2018-19	2017-18	2018-19	2017-18	2018-19	2017-18	2018-19	2017-18
Advance Received outstanding	-	-	-	-	-	-	-	-	-	-
Amount Payable	-	-	-	-	44.19	33.86	533.05	1,149.17	233.92	553.36
Amount Receivable	6.44	6.69	10.28	-	102.44	31.56	6.60	36.96	-	0.86
Brand Equity Expense	-	-	-	-	-	-	-	-	-	-
Claims	-	-	-	-	-	-	-	-	-	-
Claims Income	-	-	-	-	-	-	-	-	-	-
Deposit Given	-	-	-	-	-	-	-	-	-	-
Insurance Claim received	-	-	-	-	-	-	-	-	-	-
Interest / Dividend Income	-	-	-	-	-	-	-	-	-	-
Interest accrued	-	-	1.36	38.61	-	-	-	-	-	-
Interest/ Dividend Expense	-	-	165.33	172.70	-	-	-	-	-	-
Long term Borrowings-unsecured	-	-	425.02	-	-	-	-	-	-	-
Long term Loan taken	-	-	-	1,857.15	-	-	-	-	-	-
Managerial Remuneration	-	-	-	-	-	-	-	-	-	-
Other Expenses	2.36	-	-	-	17.91	-	92.37	-	-	-
Other Income	-	-	0.25	-	-	-	-	-	-	-
Purchase of capital goods	-	-	-	-	-	-	-	-	-	-
Receiving of Services	-	-	236.78	-	96.42	83.01	8,351.86	4,533.26	89.09	814.47
Recovery of Expenses	-	-	-	-	455.42	6.02	78.08	43.39	-	-
Reimbursement of expenses	-	-	-	-	140.69	63.78	173.91	662.98	-	-
Rendering of Services (excluding service tax)	-	-	3.05	-	29.17	74.09	-	61.82	3.52	10.36
Rent paid	-	-	-	-	-	-	-	-	-	-
Rental Income	-	-	-	-	-	-	161.68	174.91	-	-
Sale of goods	6.13	23.62	94.20	-	-	-	7.71	34.33	-	-
Purchase of goods	-	-	-	-	-	-	3,607.54	1,188.87	-	-
Instruments entirely equity in nature	-	-	-	-	-	-	-	-	-	-



Notes forming part of the consolidated financial statements

41 (1) Related Party Transactions

Transactions	Fellow Subsidiaries									
	Tata Elxsi Limited*		Tata Industries Limited		Tata Investment Corporation Limited		Tata Limited		Tata SIA Airlines Limited	
	2018-19	2017-18	2018-19	2017-18	2018-19	2017-18	2018-19	2017-18	2018-19	2017-18
Advance Received outstanding	-	-	-	-	-	-	-	-	-	-
Amount Payable	-	-	-	-	-	-	-	-	-	-
Amount Receivable	26.91	21.49	171.04	4.64	-	-	-	-	-	-
Brand Equity Expense	-	-	-	-	-	-	-	-	-	-
Claims	-	-	-	-	-	-	-	-	-	-
Claims Income	-	-	-	-	-	-	-	-	-	-
Deposit Given	-	-	-	-	-	-	-	-	-	-
Insurance Claim received	-	-	-	-	-	-	-	-	-	-
Interest / Dividend Income	-	-	-	-	-	-	-	-	-	-
Interest accrued	-	-	-	-	-	19.36	-	-	-	-
Interest/ Dividend Expense	-	-	21.40	-	186.00	186.00	-	-	-	-
Long term Borrowings-unsecured	-	-	-	-	-	2,000.00	-	-	-	-
Long term Loan taken	-	-	-	-	-	-	-	-	-	-
Managerial Remuneration	-	-	-	-	-	-	-	-	-	-
Other Expenses	-	-	-	-	-	-	-	-	-	-
Other Income	-	-	-	-	-	-	-	-	-	-
Purchase of capital goods	-	-	-	-	-	-	-	-	-	-
Receiving of Services	-	-	-	-	-	-	66.50	-	-	-
Recovery of Expenses	-	246.29	223.30	81.95	-	-	-	-	-	-
Reimbursement of expenses	-	-	-	-	-	-	-	-	-	-
Rendering of Services (excluding service tax)	201.89	-	-	-	-	-	-	-	-	-
Rent paid	-	-	-	-	-	-	-	-	-	-
Rental Income	-	-	-	-	-	-	-	-	-	-
Sale of goods	-	-	-	-	-	-	-	-	5.84	22.94
Purchase of goods	-	-	-	-	-	-	-	-	-	-
Instruments entirely equity in nature	-	-	-	-	2,000.00	2,000.00	-	-	-	-





Notes forming part of the consolidated financial statements

41 (1) Related Party Transactions

Transactions	Fellow Subsidiaries								Fellow Subsidiaries	Fellow Subsidiaries
	Tata Teleservices (Maharashtra) Limited		Tata Teleservices Limited		Tata Unistore Limited		Taj Air Limited			
	2018-19	2017-18	2018-19	2017-18	2018-19	2017-18	2018-19	2017-18	2018-19	2017-18
Advance Received outstanding	-	-	-	-	-	-	-	-	-	-
Amount Payable	0.39	0.96	0.65	2.23	-	-	-	-	816.65	1,739.58
Amount Receivable	-	-	1.70	4.33	-	-	-	-	338.71	106.77
Brand Equity Expense	-	-	-	-	-	-	-	-	-	-
Claims	-	-	-	-	-	-	-	-	-	-
Claims Income	-	-	-	-	-	-	-	-	-	-
Deposit Given	-	-	-	-	-	-	-	-	-	-
Insurance Claim received	-	-	-	-	-	-	-	-	-	-
Interest / Dividend Income	-	-	-	-	-	-	-	-	-	-
Interest accrued	-	-	-	-	-	-	-	-	1.36	57.97
Interest/ Dividend Expense	-	-	-	-	-	-	-	-	403.98	358.70
Long term Borrowings-unsecured	-	-	-	-	-	-	-	-	425.02	2,000.00
Long term Loan taken	-	-	-	-	-	-	-	-	-	1,857.15
Managerial Remuneration	-	-	-	-	-	-	-	-	-	-
Other Expenses	2.92	-	0.29	-	-	-	-	-	143.84	-
Other Income	-	-	-	-	-	-	0.01	-	0.26	-
Purchase of capital goods	-	-	-	-	-	-	-	-	-	-
Receiving of Services	18.93	20.56	5.20	15.12	-	-	-	-	8,798.28	5,532.91
Recovery of Expenses	-	-	-	-	-	-	-	-	846.99	396.32
Reimbursement of expenses	-	-	4.19	2.52	-	-	-	-	318.79	729.28
Rendering of Services (excluding service tax)	-	-	-	13.28	-	-	-	-	237.63	159.54
Rent paid	-	-	-	-	-	-	-	-	-	-
Rental Income	-	-	8.88	-	-	-	-	-	170.56	174.91
Sale of goods	-	-	-	-	-	-	0.19	-	171.05	85.44
Purchase of goods	-	-	-	-	-	1.45	-	-	3,613.03	1,190.32
Instruments entirely equity in nature	-	-	-	-	-	-	-	-	2,000.00	2,000.00

Notes forming part of the consolidated financial statements

41 (1) Related Party Transactions

Transactions	Associates of Holding Company									
	Conneqt Business Solutions Limited		Tata Chemicals Limited		Tata Global Beverages Limited		Tata Motors Limited		Tata Steel Limited	
	2018-19	2017-18	2018-19	2017-18	2018-19	2017-18	2018-19	2017-18	2018-19	2017-18
Advance Received outstanding	-	-	-	-	-	-	-	-	-	-
Amount Payable	1.74	-	0.07	-	-	-	21,486.87	18,135.49	4,111.53	159.53
Amount Receivable	-	0.85	-	-	-	-	3,658.13	791.65	8,422.93	644.86
Brand Equity Expense	-	-	-	-	-	-	-	-	-	-
Claims	-	-	-	-	-	-	-	86.41	-	-
Claims Income	-	-	-	-	-	-	153.83	234.34	-	-
Deposit Given	-	-	-	-	-	-	-	-	-	-
Insurance Claim received	-	-	-	-	-	-	70.06	-	-	-
Interest / Dividend Income	-	-	-	-	-	-	-	-	877.50	-
Interest accrued	-	-	-	-	-	-	-	-	-	-
Interest/ Dividend Expense	-	-	60.00	-	-	-	86.69	-	35.77	-
Long term Borrowings-unsecured	-	-	-	-	-	-	-	-	-	-
Long term Loan taken	-	-	-	-	-	-	-	-	-	-
Managerial Remuneration	-	-	-	-	-	-	-	-	-	-
Other Expenses	-	-	0.07	-	-	-	-	-	73.09	-
Other Income	-	-	-	-	-	-	-	272.78	-	-
Purchase of capital goods	-	-	-	-	-	-	-	18.32	-	-
Receiving of Services	20.60	2.37	-	-	-	-	0.06	129.60	-	750.04
Recovery of Expenses	7.65	48.63	-	0.55	-	1.32	1,824.66	2,731.72	-	12.83
Reimbursement of expenses	-	-	5.40	-	-	-	1,874.43	-	817.01	-
Rendering of Services (excluding service tax)	-	-	-	-	-	-	1,374.26	0.40	6.57	-
Rent paid	-	-	-	-	-	-	-	-	-	-
Rental Income	-	-	-	-	-	-	-	-	-	-
Sale of goods	-	-	-	-	-	-	25,267.53	56.77	73,614.89	18,690.19
Purchase of goods	-	-	-	-	-	-	80,670.03	52,863.35	83,754.17	31,026.98
Instruments entirely equity in nature	-	-	-	-	-	-	-	-	-	-

TATA INTERNATIONAL LIMITED



Notes forming part of the consolidated financial statements

41 (1) Related Party Transactions

Transaction	Associates of Holding Company										Associates of Holding Company	Associates of Holding Company
	The Indian Hotels Company Limited		The Tata Power Company Limited		Titan Company Limited		Trent Limited		Voltas Limited			
	2018-19	2017-18	2018-19	2017-18	2018-19	2017-18	2018-19	2017-18	2018-19	2017-18		
Advance Received outstanding	-	-	-	-	-	-	-	-	-	100.21	-	100.21
Amount Payable	308.15	283.60	0.17	0.17	-	-	65.65	36.09	1,984.84	1,942.99	27,959.02	20,557.87
Amount Receivable	1.25	0.04	84.16	36.31	3.58	3.58	451.62	136.43	-	-	12,621.67	1,613.72
Brand Equity Expense	-	-	-	-	-	-	-	-	-	-	-	-
Claims	-	-	-	-	-	-	-	-	-	-	-	86.41
Claims Income	-	-	-	-	-	-	-	-	-	-	153.83	234.34
Deposit Given	-	-	1.16	1.16	-	-	274.95	268.14	1.65	-	277.76	269.30
Insurance Claim received	-	-	-	-	-	-	-	-	-	-	70.06	-
Interest / Dividend Income	-	-	171.00	-	-	-	-	-	-	-	1,048.50	-
Interest accrued	-	-	-	-	-	-	-	-	-	-	-	-
Interest/ Dividend Expense	10.00	-	30.00	-	-	-	468.75	465.00	711.91	465.00	1,403.12	930.00
Long term Borrowings-unsecured	-	-	-	-	-	-	-	-	-	-	-	-
Long term Loan taken	-	-	-	-	-	-	-	-	-	-	-	-
Managerial Remuneration	-	-	-	-	-	-	-	-	-	-	-	-
Other Expenses	346.68	312.69	-	-	-	-	-	-	4.34	-	424.18	312.69
Other Income	0.27	-	-	-	-	-	-	-	-	75.82	0.27	348.60
Purchase of capital goods	-	-	-	-	-	-	-	-	-	-	-	18.32
Receiving of Services	14.34	4.70	5.87	5.62	-	-	825.31	722.99	7.70	4,302.62	873.88	5,917.93
Recovery of Expenses	-	-	6.58	74.69	0.12	4.73	-	0.99	96.10	-	1,935.11	2,875.46
Reimbursement of expenses	-	41.33	-	126.82	-	-	-	-	-	23,036.81	2,696.84	23,204.96
Rendering of Services (excluding service tax)	-	-	1.50	1.44	-	-	456.40	436.06	-	-	1,838.73	437.90
Rent paid	-	-	-	-	-	-	-	-	-	-	-	-
Rental Income	-	-	18.34	16.79	-	-	-	-	-	-	18.34	16.79
Sale of goods	10.15	-	-	-	-	-	3.56	8.18	-	-	98,896.13	18,755.14
Purchase of goods	-	-	-	-	98.08	1.26	121.03	3.77	1.81	608.60	164,645.12	84,503.97
Instruments entirely equity in nature	-	-	-	-	-	-	5,000.00	5,000.00	10,000.00	5,000.00	15,000.00	10,000.00

Notes forming part of the consolidated financial statements

41 (1) Related Party Transactions

Transaction	Holding Company		Holding Company	Holding Company	Joint Venture of Holding Company		Joint Venture of Holding Company	Joint Venture of Holding Company	Associates			
	Tata Sons Limited				Tata AIG General Insurance Company Limited				# Accordian Investments (Proprietary) Limited		Tata Motors (SA) (Proprietary) Limited	
	2018-19	2017-18			2018-19	2017-18			2018-19	2017-18	2018-19	2017-18
Advance Received outstanding	-	-	-	-	-	-	-	-	-	-	-	-
Amount Payable	83.13	110.88	83.13	110.88	-	10.15	-	10.15	-	338.39	-	3,658.82
Amount Receivable	113.86	284.40	113.86	284.40	0.83	-	0.83	-	520.93	550.49	217.97	211.29
Brand Equity Expense	1,427.44	169.09	1,427.44	169.09	-	-	-	-	-	-	-	-
Claims	-	-	-	-	-	-	-	-	-	-	-	-
Claims Income	-	-	-	-	0.08	-	0.08	-	-	-	-	-
Deposit Given	-	-	-	-	-	-	-	-	-	-	-	-
Insurance Claim received	-	-	-	-	-	2.03	-	2.03	-	-	-	-
Interest / Dividend Income	118.16	118.16	118.16	118.16	-	-	-	-	-	-	23.25	23.23
Interest accrued	-	-	-	-	-	-	-	-	-	-	-	-
Interest/ Dividend Expense	209.25	-	209.25	-	-	-	-	-	-	-	-	-
Long term Borrowings-unsecured	-	-	-	-	-	-	-	-	-	-	-	-
Long term Loan taken	-	-	-	-	-	-	-	-	-	-	-	-
Managerial Remuneration	-	-	-	-	-	-	-	-	-	-	-	-
Other Expenses	1.50	-	1.50	-	380.93	-	380.93	-	-	-	-	-
Other Income	-	-	-	-	-	-	-	-	-	-	-	-
Purchase of capital goods	-	-	-	-	-	-	-	-	-	-	-	-
Receiving of Services	6.14	5.11	6.14	5.11	-	38.48	-	38.48	-	-	-	-
Recovery of Expenses	203.81	389.05	203.81	389.05	-	-	-	-	0.81	17.40	3.66	29.03
Reimbursement of expenses	0.35	-	0.35	-	-	-	-	-	739.47	1,454.23	5.82	2.98
Rendering of Services (excluding service tax)	-	-	-	-	-	-	-	-	-	-	-	-
Rent paid	-	-	-	-	-	-	-	-	-	-	-	-
Rental Income	-	-	-	-	-	-	-	-	-	-	124.96	112.95
Sale of goods	-	-	-	-	-	-	-	-	-	2,288.12	32.97	5.46
Purchase of goods	-	-	-	-	-	-	-	-	-	-	17,074.01	11,474.20
Instruments entirely equity in nature	-	-	-	-	-	-	-	-	-	-	-	-



Notes forming part of the consolidated financial statements

41 (1) Related Party Transactions

Transactions	Associates						Associates	Associates	Joint Ventures	
	Ferguson Place (Pty) Ltd (formerly known as Newsshelf 919 (Pty) Ltd)		Consilience Technologies		IHMS Hotels (SA) (Pty) Limited				Tata International DLT Private Limited	
	2018-19	2017-18	2018-19	2017-18	2018-19	2017-18	2018-19	2017-18	2018-19	2017-18
Advance Received outstanding	-	-	-	-	-	-	-	-	-	-
Amount Payable	-	-	-	-	-	-	-	3,997.22	-	-
Amount Receivable	-	-	47.68	55.32	613.57	711.87	1,400.15	1,528.97	-	-
Brand Equity Expense	-	-	-	-	-	-	-	-	-	-
Claims	-	-	-	-	-	-	-	-	-	-
Claims Income	-	-	-	-	-	-	-	-	-	-
Deposit Given	-	-	-	-	-	-	-	-	-	-
Insurance Claim received	-	-	-	-	-	-	-	-	-	-
Interest / Dividend Income	86.99	177.63	-	-	-	-	110.24	200.86	448.35	-
Interest accrued	-	-	-	-	-	-	-	-	-	-
Interest/ Dividend Expense	0.08	-	-	-	-	-	0.08	-	-	-
Long term Borrowings-unsecured	-	-	-	-	-	-	-	-	-	-
Long term Loan taken	-	-	-	-	-	-	-	-	-	-
Managerial Remuneration	-	-	-	-	-	-	-	-	-	-
Other Expenses	75.35	-	-	-	-	-	75.35	-	-	-
Other Income	-	-	-	-	-	-	-	-	-	-
Purchase of capital goods	-	-	-	-	-	-	-	-	-	-
Receiving of Services	-	-	-	-	-	-	-	-	-	-
Recovery of Expenses	-	-	-	-	-	-	4.47	46.43	51.77	36.38
Reimbursement of expenses	21.71	-	-	-	-	-	767.00	1,457.21	-	-
Rendering of Services (excluding service tax)	-	-	-	-	-	-	-	-	-	-
Rent paid	372.43	353.11	-	-	-	-	372.43	353.11	-	-
Rental Income	-	-	-	-	-	-	124.96	112.95	-	-
Sale of goods	-	-	-	-	-	-	32.97	2,293.58	-	-
Purchase of goods	-	-	-	-	-	-	17,074.01	11,474.20	-	-
Instruments entirely equity in nature	-	-	-	-	-	-	-	-	-	-

Notes forming part of the consolidated financial statements

41 (1) Related Party Transactions

Transactions	Joint Ventures				Joint Ventures	Joint Ventures	Key Management Personnel		Key Management Personnel	Key Management Personnel
	Tata International GST AutoLeather Limited		Tata Precision Industries (India) Limited				Key Management Personnel			
	2018-19	2017-18	2018-19	2017-18			2018-19	2017-18		
Advance Received outstanding	-	-	-	-	-	-	-	-	-	-
Amount Payable	-	-	-	-	-	-	-	-	-	-
Amount Receivable	208.34	462.29	-	-	208.34	462.29	-	-	-	-
Brand Equity Expense	-	-	-	-	-	-	-	-	-	-
Claims	-	-	-	-	-	-	-	-	-	-
Claims Income	8.51	-	-	-	8.51	-	-	-	-	-
Deposit Given	-	-	-	-	-	-	-	-	-	-
Insurance Claim received	-	-	-	-	-	-	-	-	-	-
Interest / Dividend Income	-	-	-	-	448.35	-	-	-	-	-
Interest accrued	-	-	-	-	-	-	-	-	-	-
Interest/ Dividend Expense	-	-	-	-	-	-	-	-	-	-
Long term Borrowings-unsecured	-	-	-	-	-	-	-	-	-	-
Long term Loan taken	-	-	-	-	-	-	-	-	-	-
Managerial Remuneration	-	-	-	-	-	-	619.86	740.61	619.86	740.61
Other Expenses	-	-	-	-	-	-	-	-	-	-
Other Income	-	-	-	-	-	-	-	-	-	-
Purchase of capital goods	-	-	-	-	-	-	-	-	-	-
Receiving of Services	-	-	-	-	-	-	-	-	-	-
Recovery of Expenses	12.65	28.85	-	2.47	64.42	67.71	-	-	-	-
Reimbursement of expenses	-	-	-	-	-	-	-	-	-	-
Rendering of Services (excluding service tax)	-	-	-	-	-	-	-	-	-	-
Rent paid	-	-	-	-	-	-	-	-	-	-
Rental Income	-	-	-	-	-	-	-	-	-	-
Sale of goods	1,207.05	2,209.52	-	-	1,207.05	2,209.52	-	-	-	-
Purchase of goods	-	-	-	-	-	-	-	-	-	-
Instruments entirely equity in nature	-	-	-	-	-	-	-	-	-	-

\* Uptil previous year these companies were associates of holding company which has now become subsidiaries

# Uptil previous year this company was subsidiary of holding company which has now become joint venture of holding company



**Notes forming part of the financial statements**

(Rs. in lakhs)

Transaction	Year	Associates	Associates of Holding Company	Fellow Subsidiaries	Holding Company	Joint Venture of Holding Company	Joint Ventures	Key Management Personnel
Advance Received outstanding	2017-18	-	100.21	-	-	-	-	-
Amount Payable	2018-19	-	27,959.02	816.65	83.13	-	-	-
	2017-18	3,997.22	20,557.87	1,739.58	110.88	10.15	-	-
Amount Receivable	2018-19	1,400.15	12,621.67	338.71	113.86	0.83	208.34	-
	2017-18	1,528.97	1,613.72	106.77	284.40	-	462.29	-
Brand Equity Expense	2018-19	-	-	-	1,427.44	-	-	-
	2017-18	-	-	-	169.09	-	-	-
Claims	2017-18	-	86.41	-	-	-	-	-
Claims Income	2018-19	-	153.83	-	-	0.08	8.51	-
	2017-18	-	234.34	-	-	-	-	-
Deposit Given	2018-19	-	277.76	-	-	-	-	-
	2017-18	-	269.30	-	-	-	-	-
Insurance Claim received	2018-19	-	70.06	-	-	-	-	-
	2017-18	-	-	-	-	2.03	-	-
Interest / Dividend Income	2018-19	110.24	1,048.50	-	118.16	-	448.35	-
	2017-18	200.86	-	-	118.16	-	-	-
Interest accrued	2018-19	-	-	1.36	-	-	-	-
	2017-18	-	-	57.97	-	-	-	-
Interest/ Dividend Expense	2018-19	0.08	1,403.12	403.98	209.25	-	-	-
	2017-18	-	930.00	358.70	-	-	-	-
Long term Borrowings-unsecured	2018-19	-	-	425.02	-	-	-	-
	2017-18	-	-	2,000.00	-	-	-	-
Long term Loan taken	2017-18	-	-	1,857.15	-	-	-	-
Managerial Remuneration	2018-19	-	-	-	-	-	-	619.86
	2017-18	-	-	-	-	-	-	740.61
Other Expenses	2018-19	75.35	424.18	143.84	1.50	380.93	-	-
	2017-18	-	312.69	-	-	-	-	-
Other Income	2018-19	-	0.27	0.26	-	-	-	-
	2017-18	-	348.60	-	-	-	-	-
Purchase of capital goods	2017-18	-	18.32	-	-	-	-	-
Receiving of Services	2018-19	-	873.88	8,798.28	6.14	-	-	-
	2017-18	-	5,917.93	5,532.91	5.11	38.48	-	-
Recovery of Expenses	2018-19	4.47	1,935.11	846.99	203.81	-	64.42	-
	2017-18	46.43	2,875.46	396.32	389.05	-	67.71	-
Reimbursement of expenses	2018-19	767.00	2,696.84	318.79	0.35	-	-	-
	2017-18	1,457.21	23,204.96	729.28	-	-	-	-
Rendering of Services (excluding service tax)	2018-19	-	1,838.73	237.63	-	-	-	-
	2017-18	-	437.90	159.54	-	-	-	-
Rent paid	2018-19	372.43	-	-	-	-	-	-
	2017-18	353.11	-	-	-	-	-	-
Rental Income	2018-19	124.96	18.34	170.56	-	-	-	-
	2017-18	112.95	16.79	174.91	-	-	-	-
Sale of goods	2018-19	32.97	98,896.13	171.05	-	-	1,207.05	-
	2017-18	2,293.58	18,755.14	85.44	-	-	2,209.52	-
Purchase of goods	2018-19	17,074.01	164,645.12	3,613.03	-	-	-	-
	2017-18	11,474.20	84,503.97	1,190.32	-	-	-	-
Instruments entirely equity in nature	2018-19	-	15,000.00	2,000.00	-	-	-	-
	2017-18	-	10,000.00	2,000.00	-	-	-	-

**Notes forming part of the financial statements**

**41 Subsidiaries**

Details of Group's subsidiaries at the end of the reporting period are as follows:

Sr. No.	Name of the Subsidiary Company	Principal Activity	Reporting year end	Place of incorporation and operation	Proportion of Ownership Interest and voting power held by the Group	
					As at 31/03/2019	As at 31/03/2018
<b>Foreign Subsidiaries</b>						
1	Tata Africa Holdings (SA) (Pty) Limited (TAHPL) (a 100% subsidiary of TISPL)	Holding Company for investments in Africa and also involved in distribution business.	31st March	South Africa	100%	100%
2	Tata South-East Asia Limited (TSEA) (a 100% subsidiary of TISPL)	Trading in Leather & Leather Products, Metals, Minerals and distribution of auto / non auto products.	31st March	Hong Kong	100%	100%
3	Tata South East Asia (Cambodia) Limited (A 100% subsidiary of TSEA)	Distribution of auto and non auto products	31st March	Cambodia	100%	100%
4	Tata West Asia FZE (TWA) (a 100% subsidiary of TIL)	Trading in metals	31st March	UAE	100%	100%
5	Tata Africa Holdings (Ghana) Limited (TAHGL) (93.70% shares held by TISPL and 6.30% shares held by TAHPL)	Distribution of auto and non auto products	31st March	Ghana	100%	100%
6	Alliance Motors Ghana Limited (a 1.71 % subsidiary of TAHGL & 98.29 of TISPL) (31st March, 2017 : a 80% subsidiary of TAHGL)	Distribution of auto and non auto products	31st March	Ghana	100%	100%
7	Tata Africa Holdings (Kenya) Limited (TAHKL) (58.15 % shares held by TISPL and 41.85 % shares held by TAHPL)	Distribution of auto and non auto products	31st March	Kenya	100%	100%
8	Tata Africa Holdings (Tanzania) Limited (TAHTL) (a 100% subsidiary of TAHPL)	Distribution of auto and non auto products	31st March	Tanzania	100%	100%
9	Tata Africa Services (Nigeria) Limited (TASNL) (88.94 % shares held by TISPL and 11.06 % shares held by TAHPL)	Distribution of auto and non auto products	31st March	Nigeria	100%	100%
10	TAH Pharmaceuticals Ltd (98.75% shares held by TISPL and 1.25% shares held by TASNL)	Sale and distribution of pharmaceutical products	31st March	Nigeria	100%	100%
11	Tata Africa Steel Processors (Proprietary) Limited (TASPL) (a 100% subsidiary of TAHPL)	Trading in metals	31st March	South Africa	100%	100%
12	Tata Automobile Corporation (SA) (Proprietary) Limited (TACPL) (a 100% subsidiary of TAHPL)	Distribution of auto products	31st March	South Africa	100%	100%
13	Tata Holdings Mocambique, Limitada (THML)(a 100% subsidiary of TAHPL)	Holding Company for the Mocambique operations	31st March*	Mocambique	100%	100%



**Notes forming part of the financial statements**

Sr. No.	Name of the Subsidiary Company	Principal Activity	Reporting year end	Place of incorporation and operation	Proportion of Ownership Interest and voting power held by the Group	
					As at 31/03/2019	As at 31/03/2018
14	Tata Uganda Limited (TUL) (a 100% subsidiary of TAHPL)	Distribution of auto and non auto products	31st March	Uganda	100%	100%
15	Tata Zambia Limited (TZL) (54.79 % shares held by TISPL and 45.21% shares held by TAHPL)	Distribution of auto and non auto products	31st March	Zambia	100%	100%
16	Tata Zimbabwe (Private) Limited (TZPL) (a 100% subsidiary of TAHPL)	Dormant		Zimbabwe	100%	100%
17	Tata Africa (Senegal) SARL (57% shares held by TISPL and 13% shares held by TAHPL) (31st March, 2017: 58.03% shares held by TISPL and 17.10% shares held by TAHPL)	Distribution of auto and non auto products	31st March*	Senegal	75.13%	75.13%
18	BlackWood Hodge Zimbabwe (Private) Limited (BHZPL) (a 100% subsidiary of TAHPL)	Distribution of auto and non auto products	31st March	Zimbabwe	100%	100%
19	M'Pumalanga Mining Investment Holding Limited (formerly TAHL (Mauritius) Mining Projects Limited (92.42% TISPL 7.58% TAHL) - ceased w.e.f. 16-03-2018)	Dormant		Mauritius		
20	Tata Africa (Cote D'Ivoire) SARL (79.50% shares held by TISPL and 20.50% shares held by TAHPL)	Distribution of auto and non auto products	31st March*	Ivory Coast	100%	100%
21	M'Pumalanga Mining Resources SA (A 100% subsidiary of TAHL) - ceased w.e.f. 16-03-2018)	Dormant		Madagascar		
22	Tata De Mocambique, Limitada (TDML) (a 65% subsidiary of THML)	Distribution of auto and non auto products	31st March*	Mocambique	100%	65%
23	Cometal S.A.R.L (CSARL) (a 71% subsidiary of THML)	Distribution of non auto products	31st March*	Mocambique	71.00%	71.00%
24	Pamodzi Hotels Plc (PHP) (90% shares held by TISPL)	Hospitality business	31st March	Zambia	90%	90%
25	TIL Leather (Mauritius) Limited (TLML) (99.99 % of TISPL, 0.01% of TIL)	Holding company for outbound investments	31st March	Mauritius	100%	100%
26	Move On Componentes E Calçado S A (MOVE ON) (a 100% subsidiary of TLML)	Manufacture and sale of footwear	31st March	Portugal	100%	100%
27	Tata International Trading Brasil Ltda (99% TIL Mauritius & 1% TSEA) (31st March 2017 - 99.49% shares held by TLML and 0.51% shares held by TSEA) - ceased w.e.f. 30-11-2017)	Dormant		Brazil		
28	Monroa Portugal, Comercio E Servicos, Unipessoal LDA (MONROA) (a 100% subsidiary of TLML)	Footwear retail	31st March	Portugal	100%	100%

**Notes forming part of the financial statements**

Sr. No.	Name of the Subsidiary Company	Principal Activity	Reporting year end	Place of incorporation and operation	Proportion of Ownership Interest and voting power held by the Group	
					As at 31/03/2019	As at 31/03/2018
29	Move On Retail Spain S L (a 100% subsidiary of MONROA)	Footwear retail	31st March	Spain	100%	100%
30	Tata International Singapore Pte Ltd (TISPL) (a 100% subsidiary of TIL)	Trading in minerals and holding company for all future outbound investments	31st March	Singapore	100%	100%
31	Tata International Metals ( Americas) Limited (Formerly known as Tata Steel International (North America) Limited) (TIMACL) (a 100% subsidiary of TISPL)	Trading in metals	31st March	United States of America	100%	100%
32	Tata International Metals (Asia) Limited (Formerly known as Tata Steel International (Hongkong) Limited) (TIMAL) (a 100% subsidiary of TISPL)	Trading in metals	31st March	Hongkong	100%	100%
33	Tata International Metals ( UK) Limited (Formerly known as Tata Steel International (UK) Limited) (TIMUKL) (a 100% subsidiary of TISPL)	Trading in metals	31st March	United Kingdom	100%	100%
34	Tata International West Asia DMCC (a 100% subsidiary of TISPL)	Trading in metals	31st March	United Arab Emirates	100%	100%
35	Motor Hub East Africa Limited (a 100% subsidiary of TISPL)	Distribution of auto and non auto products	31st March	Tanzania	100%	100%
36	Tata International Vietnam Company Limited (a 100% subsidiary of TISPL)	Trading in metals	31st March	Vietnam	100%	100%
37	Tata International Canada Limited (a 100% subsidiary of TISPL)	Trading in Agro	31st March	Canada	100%	100%
38	Newshelf 1369 Pty Ltd (a 100% subsidiary of TACPL)	Distribution of auto products	31st March	South Africa	100%	100%
39	Alliance Finance Corporation Limited (100% TISPL)	Providing finance to individuals and entities for the purpose of buying motor vehicals and other equipments	31st March	Tanzania	100%	100%
40	Tata International Metals (South Africa) (Pty) Ltd (100% of TAHL)	Trading in metals	31st March	South Africa	100%	100%
<b>Indian Subsidiaries</b>						
1	Euro Shoes Components Limited (ESCPL) (100% subsidiary of TIL)	Manufacture and sale of footwear components	31st March	India	100%	100%
2	Calsea Footwear Private Limited (a 100% subsidiary of Tata International Limited w.e.f 01st Nov 2018) (31st March 2018: 100% subsidiary of Move On)	Manufacture and sale of footwear	31st March	India	100%	100%

\* During current year, the group companies has changed their financial year from December to March for the purpose of preparation of consolidated financial statement. In the current year the group has consolidated the financial statements of these subsidiaries for 15 months period from January 2018 to March 2019 without restating the comparative periods.

**Notes forming part of the financial statements**
**42 Statement of Net Assets and Profit or Loss attributable to Owners and Minority Interest**

	Name of the Company	2018-19		2017-18		2018-19		2017-18	
		Net Assets, i.e. total assets minus total liabilities		Net Assets, i.e. total assets minus total liabilities		Share in profit or loss		Share in profit or loss	
		As % of consolidated net assets	Rs. in lakhs	As % of consolidated net assets	Rs. in lakhs	As % of consolidated profit or loss	Rs. in lakhs	As % of consolidated profit or loss	Rs. in lakhs
	<b>Parent</b>								
1	Tata International Limited	142%	198,820.61	122%	198,798.63	-154%	7,967.79	2231%	8,080.72
	<b>Indian</b>								
1	Euro Shoe components Limited	2%	2,906.84	1%	2,241.39	-13%	663.45	197%	714.61
2	Calsea Footwear Private Limited	1%	1,610.95	0%	(411.81)	4%	(210.63)	-162%	(585.20)
	<b>Foreign</b>								
1	Tata Africa Holdings (SA) (Proprietary) Limited	6%	8,870.23	9%	14,397.95	76%	(3,941.86)	-506%	(1,834.15)
2	Pamodzi Hotels Plc	1%	1,988.50	1%	2,242.40	-3%	156.05	33%	118.55
3	Tata Zambia Limited	4%	6,227.00	5%	8,161.65	19%	(1,006.47)	-266%	(962.92)
4	Tata Africa Holdings (Ghana) Limited	1%	1,640.17	1%	1,952.02	9%	(473.34)	-118%	(425.71)
5	Alliance Motors Ghana Limited	1%	1,544.77	1%	1,236.36	-4%	211.48	-91%	(328.81)
6	Tata Automobile Corporation (SA) (Proprietary) Limited	6%	8,554.70	6%	8,961.63	-19%	984.54	92%	332.91
7	Tata Holdings Mocambique Limitada	0%	655.63	0%	634.72	-1%	53.66	-2%	(6.39)
8	Tata De Mocambique, Limitada	3%	3,982.08	1%	898.99	-78%	4,053.53	387%	1,403.54
9	Cometal, S.A.R.L.	0%	(332.29)	0%	49.36	8%	(402.43)	-52%	(190.04)
10	Tata Uganda Limited	4%	6,143.32	3%	5,297.37	-12%	617.09	85%	308.88
11	Tata Africa Holdings (Tanzania) Limited	3%	3,785.04	3%	4,616.89	22%	(1,112.09)	-84%	(305.66)
12	Tata Africa Services (Nigeria) Limited	5%	7,332.99	5%	8,299.48	32%	(1,630.75)	-414%	(1,499.61)
13	TAH Pharmaceuticals Limited	-1%	(1,394.27)	1%	1,091.13	20%	(1,051.19)	-46%	(167.48)
14	TATAAfrica Holdings (Kenya) Limited	3%	4,659.14	5%	8,048.02	79%	(4,076.23)	-560%	(2,027.32)
15	Blackwood Hodge Zimbabwe (Private) Limited	1%	1,523.80	1%	1,321.67	-2%	97.17	39%	140.99
16	Tata Africa Steel Processors (Proprietary) Limited	0%	(660.59)	0%	(64.14)	12%	(644.87)	-505%	(1,827.78)
17	Tata Africa (Senegal) S.A.R.L. (merged entity- with Unitech)	2%	2,978.61	2%	2,626.72	-16%	826.52	132%	479.70
18	TAHL (Mauritius) Power Projects Limited	0%	-	0%	-	0%	-	0%	-
19	Newsshelf 1369 Pty Ltd	0%	377.08	0%	444.13	0%	14.99	92%	332.91
20	TAHL (Mauritius) Mining Projects Limited	0%	-	0%	-	0%	-	0%	-
21	M'Pumalanga Mining Resources SA	0%	-	0%	-	0%	-	0%	-
22	Tata Africa (Cote D'Ivoire) SARL	1%	737.89	0%	581.07	-3%	175.67	-5%	(19.27)
23	Tata Zimbabwe (Private) Limited	0%	-	0%	-	0%	-	0%	-
24	Tata International Singapore Pte Ltd	18%	25,673.90	2%	3,222.62	211%	(10,917.04)	-52%	(187.64)
25	Tata International Metals (Americas) Limited	16%	22,657.47	12%	20,085.64	-24%	1,244.12	384%	1,390.55
26	Tata International Metals (UK) Limited	6%	8,573.72	9%	14,038.35	-9%	471.18	320%	1,157.90
27	Tata International Vietnam Company Limited	0%	(506.62)	0%	(262.81)	5%	(233.96)	-53%	(190.20)
28	Tata International West Asia DMCC	2%	2,965.29	1%	1,881.07	-19%	968.81	95%	342.80
29	Tata International Metals (Asia) Limited	7%	10,288.04	7%	10,980.92	29%	(1,511.94)	742%	2,688.30
30	Tata West Asia FZE	1%	955.57	1%	907.70	0%	(13.10)	-2%	(7.06)

**Notes forming part of the financial statements**

	Name of the Company	2018-19		2017-18		2018-19		2017-18	
		Net Assets, i.e. total assets minus total liabilities		Net Assets, i.e. total assets minus total liabilities		Share in profit or loss		Share in profit or loss	
		As % of consolidated net assets	Rs. in lakhs	As % of consolidated net assets	Rs. in lakhs	As % of consolidated profit or loss	Rs. in lakhs	As % of consolidated profit or loss	Rs. in lakhs
31	TIL Leather Mauritius Limited	13%	17,675.75	11%	18,380.63	2%	(110.86)	-2063%	(7,472.01)
32	Move On Componentes E Calçado S A	1%	971.61	2%	3,588.93	51%	(2,623.55)	-634%	(2,297.50)
33	Tata International Trading Brasil Ltda	0%	-	0%	51.47	0%	-	3%	10.25
34	Monroa Portugal, Comercio E Servicos, Unipessoal LDA	2%	2,677.22	2%	2,917.00	3%	(166.28)	-364%	(1,317.00)
35	Move On Retail Spain, S.L.	0%	11.26	0%	16.00	0%	(3.99)	-61%	(222.00)
36	Tata South-East Asia Limited	1%	816.11	1%	1,087.35	7%	(354.91)	26%	94.58
37	Tata South East Asia (Cambodia ) Limited	0%	(582.81)	0%	(405.91)	3%	(151.31)	-46%	(165.77)
38	Motor Hub East Africa Ltd	2%	2,425.72	1%	2,132.07	-3%	152.93	32%	116.84
39	Alliance Finance Corporation Limited	2%	3,159.17	2%	2,558.39	-10%	493.71	0%	-
40	Tata International Metal SA Pty. Ltd.	0%	(470.28)	0%	-	24%	(1,264.47)	0%	-
	<b>Minority Interests in all subsidiaries</b>	1%	1,430.76	1%	1,871.27	-30%	1,565.59	184%	667.93
	<b>Associates</b>								
1	Tata Motors (SA) (Pty) Limited (Foreign)	1%	790.00	1%	848.02	-1%	62.99	18%	65.82
2	Accordian Investments (Propreitary) Limited	0%	-	0%	-	0%	-	-13%	(48.37)
3	Women in Transport	0%	35.81	0%					
4	Imbanita Consulting And Engineering Services (Pty) Ltd	0%	1.00	0%					
5	Tata Ceramics Limited	0%	-	0%	-				
	<b>Joint Ventures</b>								
1	Tata International DLT Private Limited	0%	-	1%	1,867.02	-27%	1,418.27	207%	750.56
2	Tata Precision Industries (India) Limited	0%	208.86	0%	389.00	-1%	56.46	15%	53.38
3	Tata International Wolverine Brands Limited	0%	-	0%	(597.11)	0%	-	-3%	(9.43)
4	Tata International GST AutoLeather Limited (w.e.f 13th March 2014)	0%	104.42	0%	86.95	0%	18.46	1%	5.14
5	Ferguson Place (Proprietary) Limited (formerly known as Newshelf 919 (Proprietary) Limited)	2%	2,167.00	2%	2,750.84	3%	(131.09)	63%	229.19
6	Consilience Technologies (Pty) Limited (Foreign)	0%	-	0%	-	0%	-	-57%	(205.05)
7	IHMS Hotels (SA) (Pty) Limited (Foreign)	0%	-	0%	-	-3%	130.00	-72%	(259.55)
	<b>Adjustments arising out of consolidation</b>	-159%	(223,642.92)	-121%	(197,065.92)	-86%	4,463.90	949%	3,438.14
	<b>TOTAL</b>	<b>100%</b>	<b>140,338.24</b>	<b>100%</b>	<b>162,755.11</b>	<b>100%</b>	<b>(5,169.02)</b>	<b>100%</b>	<b>362.26</b>

**Notes forming part of the financial statements**
**42 Statement of Net Assets and Profit or Loss attributable to Owners and Minority Interest**

	Name of the Company	2018-19		2017-18		2018-19		2017-18	
		Share in Other comprehensive income		Share in Other comprehensive income		Share in Total comprehensive income		Share in Total comprehensive income	
		As % of consolidated net assets	Rs. in lakhs	As % of consolidated net assets	Rs. in lakhs	As % of consolidated profit or loss	Rs. in lakhs	As % of consolidated profit or loss	Rs. in lakhs
	<b>Parent</b>								
1	Tata International Limited	2%	(141.89)	2%	131.54	-61%	7,825.90	2267%	8,212.26
	<b>Indian</b>								
1	Euro Shoe components Limited	0%	2.36	0%	0.69	-5%	665.81	197%	715.30
2	Calsea Footwear Private Limited	0%	(21.94)	0%	36.94	2%	(232.56)	-151%	(548.26)
	<b>Foreign</b>								
1	Tata Africa Holdings (SA) (Proprietary) Limited	0%		0%		31%	(3,941.86)	-506%	(1,834.15)
2	Pamodzi Hotels Plc	0%		0%		-1%	156.05	33%	118.55
3	Tata Zambia Limited	0%		0%		8%	(1,006.47)	-266%	(962.92)
4	Tata Africa Holdings (Ghana) Limited	0%		0%		4%	(473.34)	-118%	(425.71)
5	Alliance Motors Ghana Limited	0%		0%		-2%	211.48	-91%	(328.81)
6	Tata Automobile Corporation (SA) (Proprietary) Limited	0%		0%		-8%	984.54	92%	332.91
7	Tata Holdings Mocambique Limitada	0%		0%		0%	53.66	-2%	(6.39)
8	Tata De Mocambique, Limitada	0%		0%		-31%	4,053.53	387%	1,403.54
9	Cometal, S.A.R.L.	0%		0%		3%	(402.43)	-52%	(190.04)
10	Tata Uganda Limited	0%		0%		-5%	617.09	85%	308.88
11	Tata Africa Holdings (Tanzania) Limited	0%		0%		9%	(1,112.09)	-84%	(305.66)
12	Tata Africa Services (Nigeria) Limited	0%		0%		13%	(1,630.75)	-414%	(1,499.61)
13	TAH Pharmaceuticals Limited	0%		0%		8%	(1,051.19)	-46%	(167.48)
14	TATAAfrica Holdings (Kenya) Limited	0%		0%		32%	(4,076.23)	-560%	(2,027.32)
15	Blackwood Hodge Zimbabwe (Private) Limited	0%		0%		-1%	97.17	39%	140.99
16	Tata Africa Steel Processors (Proprietary) Limited	0%		0%		5%	(644.87)	-505%	(1,827.78)
17	Tata Africa (Senegal) S.A.R.L. (merged entity- with Unitech)	0%		0%		-6%	826.52	132%	479.70
18	TAHL (Mauritius) Power Projects Limited	0%		0%		0%	-	0%	-
19	Newsshelf 1369 Pty Ltd	0%		0%		0%	14.99	92%	332.91
20	TAHL (Mauritius) Mining Projects Limited	0%		0%		0%	-	0%	-
21	M'Pumalanga Mining Resources SA	0%		0%		0%	-	0%	-
22	Tata Africa (Cote D'Ivoire) SARL	0%		0%		-1%	175.67	-5%	(19.27)
23	Tata Zimbabwe (Private) Limited	0%		0%		0%	-	0%	-
24	Tata International Singapore Pte Ltd	0%		0%		85%	(10,917.04)	-52%	(187.64)
25	Tata International Metals (Americas) Limited	0%		0%		-10%	1,244.12	384%	1,390.55
26	Tata International Metals (UK) Limited	0%		0%		-4%	471.18	320%	1,157.90
27	Tata International Vietnam Company Limited	0%		0%		2%	(233.96)	-53%	(190.20)
28	Tata International West Asia DMCC	0%		0%		-8%	968.81	95%	342.80
29	Tata International Metals (Asia) Limited	0%		0%		12%	(1,511.94)	742%	2,688.30
30	Tata West Asia FZE	0%		0%		0%	(13.10)	-2%	(7.06)

Notes forming part of the financial statements

	Name of the Company	2018-19		2017-18		2018-19		2017-18	
		Share in Other comprehensive income		Share in Other comprehensive income		Share in Total comprehensive income		Share in Total comprehensive income	
		As % of consolidated net assets	Rs. in lakhs	As % of consolidated net assets	Rs. in lakhs	As % of consolidated profit or loss	Rs. in lakhs	As % of consolidated profit or loss	Rs. in lakhs
31	TIL Leather Mauritius Limited	0%		0%		1%	(110.86)	-2063%	(7,472.01)
32	Move On Componentes E Calcado S A	0%		0%		20%	(2,623.55)	-634%	(2,297.50)
33	Tata International Trading Brasil Ltda	0%		0%		0%	-	3%	10.25
34	Monroa Portugal, Comercio E Servicos, Unipessoal LDA	0%		0%		1%	(166.28)	-364%	(1,317.00)
35	Move On Retail Spain, S.L.	0%		0%		0%	(3.99)	-61%	(222.00)
36	Tata South-East Asia Limited	0%		0%		3%	(354.91)	26%	94.58
37	Tata South East Asia (Cambodia ) Limited	0%		0%		1%	(151.31)	-46%	(165.77)
38	Motor Hub East Africa Ltd	0%		0%		-1%	152.93	32%	116.84
39	Alliance Finance Corporation Limited	0%		0%		-4%	493.71	0%	-
40	Tata International Metal SA.Pty. Ltd.	0%		0%		10%	(1,264.47)	0%	-
	<b>Minority Interests in all subsidiaries</b>	0%		0%		-12%	1,565.59	184%	667.93
	<b>Associates</b>								
1	Tata Motors (SA) (Pty) Limited (Foreign)	0%		0%		0%	62.99	18%	65.82
2	Accordian Investments (Proprietary) Limited	0%		0%		0%	-	-13%	(48.37)
3	Women in Transport								
4	Imbanita Consulting And Engineering Services (Pty) Ltd								
5	Tata Ceramics Limited								
	<b>Joint Ventures</b>								
1	Tata International DLT Private Limited	0%	(2.00)	0%		-11%	1,411.27	207%	750.56
2	Tata Precision Industries (India) Limited	0%	(6.00)	0%		0%	50.46	15%	53.38
3	Tata International Wolverine Brands Limited	0%		0%		0%	-	-3%	(9.43)
4	Tata International GST AutoLeather Limited (w.e.f 13th March 2014)	0%		0%		0%	18.46	1%	5.14
5	Ferguson Place (Proprietary) Limited (formerly known as Newshelf 919 (Proprietary) Limited)	0%		0%		1%	(131.09)	63%	229.19
6	Consilience Technologies (Pty) Limited (Foreign)	0%		0%		0%	-	-57%	(205.05)
7	IHMS Hotels (SA) (Pty) Limited (Foreign)	0%		0%		-1%	130.00	-72%	(259.55)
	<b>Adjustments arising out of consolidation</b>	98%	(7,565.20)	98%	8,039.22	24%	(3,101.30)	3168%	11,477.36
	<b>TOTAL</b>	<b>100%</b>	<b>(7,734.67)</b>	<b>100%</b>	<b>8,208.39</b>	<b>100%</b>	<b>(12,903.69)</b>	<b>2366%</b>	<b>8,570.65</b>

**Notes forming part of the consolidated financial statements**
**43. Earnings per Share**
**Rs. in lakhs**

Particulars	For the year ended 31 March, 2019	For the year ended 31 March, 2018
Profit / (loss) for the year attributable to owners of the Company	(5,169.02)	362.26
Less: Distribution on perpetual security (net of tax)	(9,010.39)	(8,998.60)
Adjusted Loss for the year	(14,179.41)	(8,636.34)
Loss for the year used in the calculation of basic/diluted earning per share from continuing operations	(3,489.04)	(1,007.24)
Loss for the year used in the calculation of basic/diluted earning per share from discontinued operations	(10,690.37)	(7,629.10)
Weighted Average number of equity shares	401,000	401,000
Earning per share basic - and diluted from continuing operations(Rs.)	(870.08)	(251.18)
Earning per share basic - and diluted from discontinued operations(Rs.)	(2,665.93)	(1,902.52)
Earning per share basic - and diluted from continuing & discontinued operations(Rs.)	(3,536.01)	(2,153.70)
Face value per equity share (Rs.)	1,000	1,000

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

as per our report of even date

**For S R B C & CO LLP**

Chartered Accountants

ICAI Firm Registration No: 324982E/E300003

**per Vinayak Pujare**

Partner

Membership No: 101143

Place : Mumbai

Date : 22nd May, 2019

**For and on behalf of the Board of Directors**

**G. K. Pillai**

Chairman

DIN : 02340756

Place : Delhi

Date : 14th May, 2019

**N N Tata**

Managing Director

DIN : 00024713

Place : Mumbai

Date : 22nd May, 2019

**A M Ponkshe**

Chief Financial Officer &  
Company Secretary

Place : Mumbai

Date : 14th May, 2019

