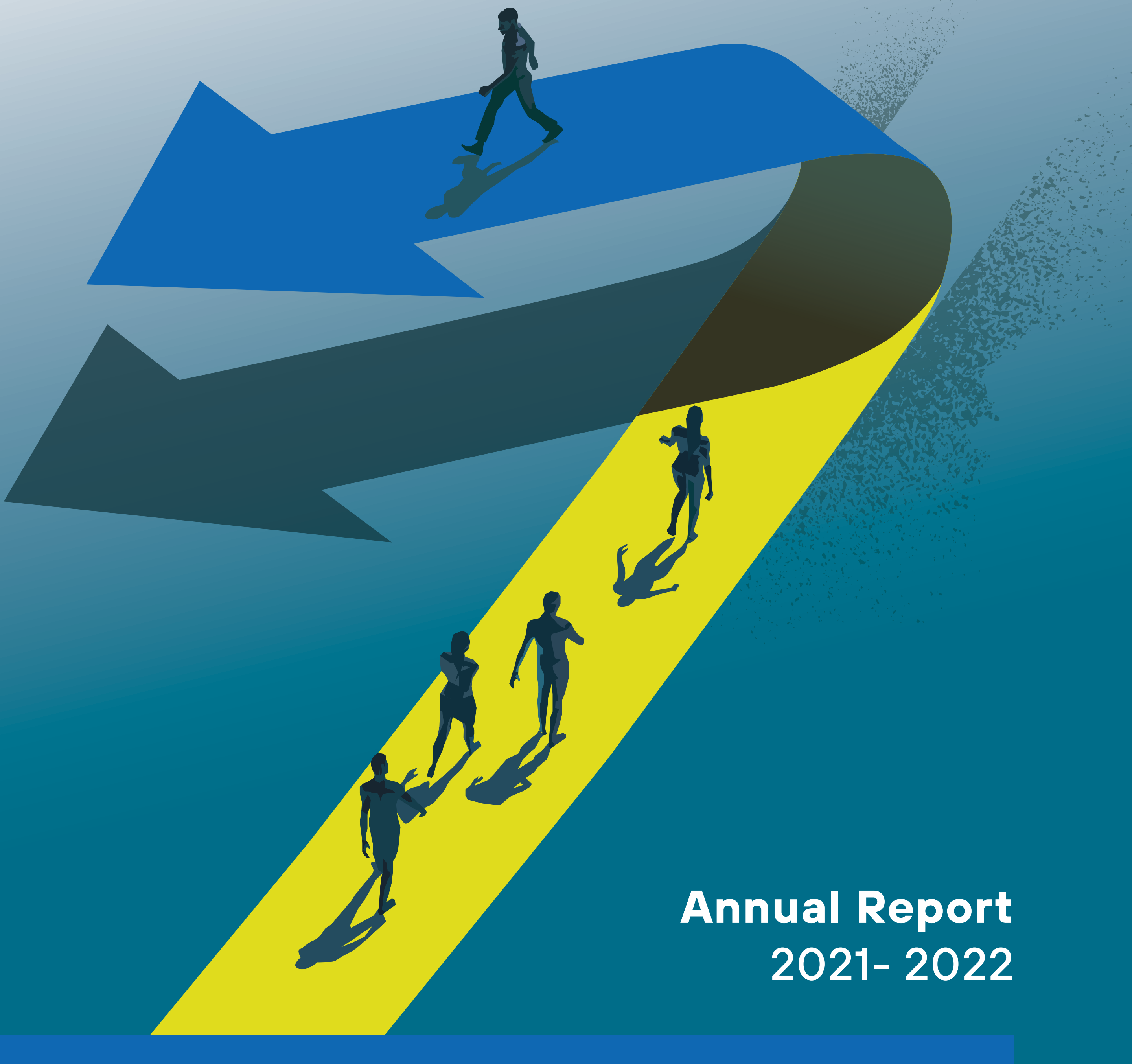
TATA CAPITAL

Count on us

BEING AGILE

Adapt to assure, reinvent to renew, and challenge to rise above the ordinary.



Annual Report
2021- 2022

TATA CAPITAL

Count on us

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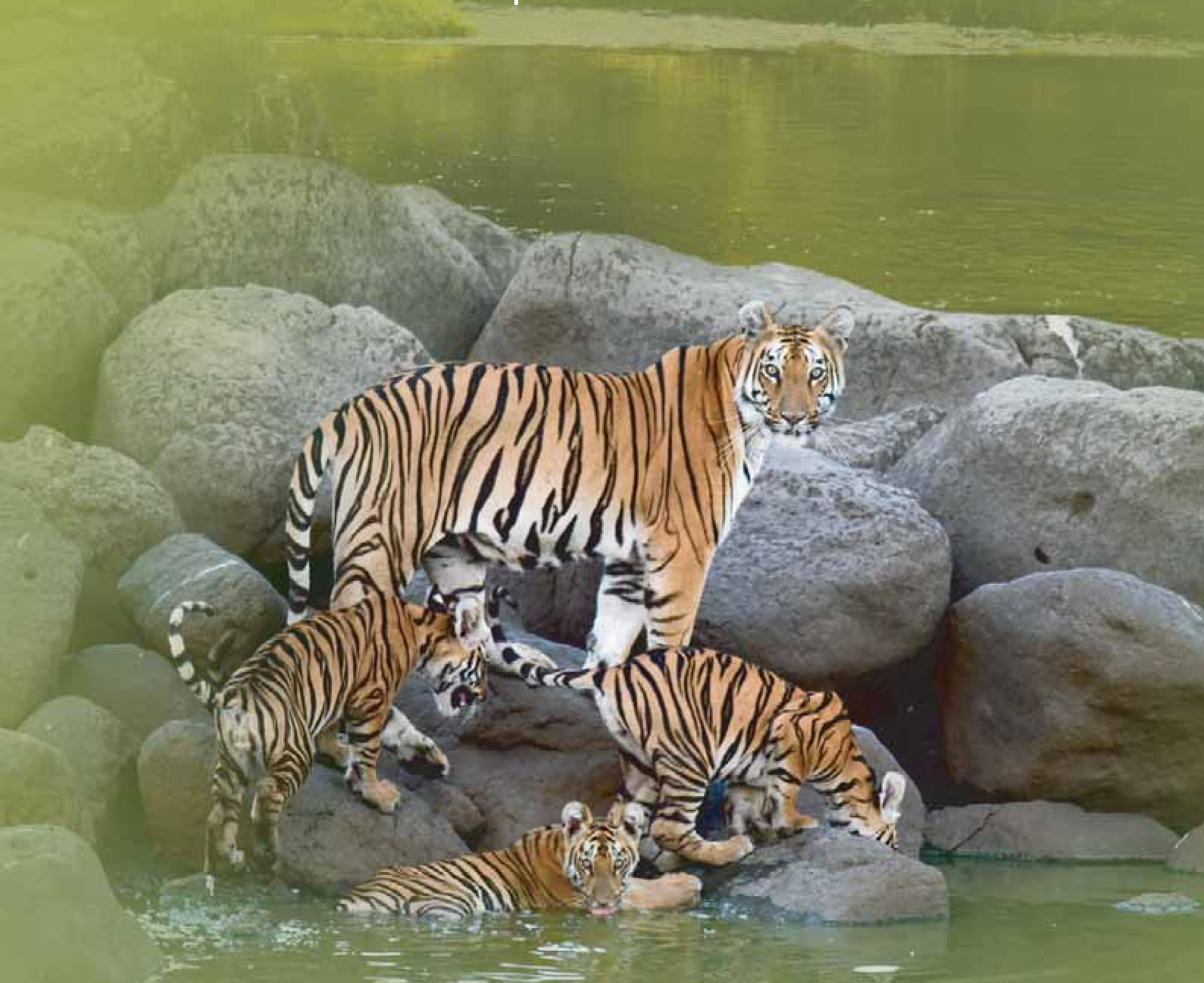
About Us

Tata Capital Limited ("TCL"), a subsidiary of Tata Sons Private Limited, is registered with the Reserve Bank of India as a Systemically Important Non-Deposit Accepting Core Investment Company.

A trusted, customer-centric, one-stop financial solutions partner, Tata Capital and its subsidiaries (collectively referred to as "Tata Capital") are engaged in lending and offering a wide array of services/products in the financial services sector.

Conserving our national pride.



In 2014, there were estimated to be only two female tigers left in the western region. To turn this around, tigers were translocated, and this led to the doubling of tiger numbers between 2014 and 2018.

Smart patrolling, round-the-clock monitoring by officials and constant coordination between different teams played a pivotal role. Given the gravity of the situation, a unique approach was invented in the knick of time and swiftly adopted. Prey numbers were observed and a core team was trained to keep a track of the advancements. Tireless efforts helped protect our big, regal cats. From a point where we almost lost our national animal, India is now home to 70% of the world's tiger population. Take pride, citizen.

Our Purpose and Pillars

A responsible financial partner fulfilling India's aspirations.

Lead with Trust

We respect and reinforce the trust that is placed in us. We are lenders the country can rely on.

Better Together

We actively collaborate with group companies, partners, employees, customers, communities; their success is our success.

Future Ready

We innovate and leverage technology to anticipate, serve and shape future needs; setting the path for others to follow.

Faster Forward

We bring speed and simplicity; accelerating the pace at which the future becomes the present.

Capital & More

We serve the customer through the life-cycle of needs. We are facilitators and counsellors in helping customers achieve their dreams.

Delivering Delight

We go above and beyond to care and make people happy. We deliver smiles and delight in everything we do.

Ensuring safe landings in turbulent times.

Time and again, when adversity showed its ugly face, and Indians were stranded abroad, Air India is the one airline that acted with agility and helped bring them back home to safety. Be it from Kuwait, Afghanistan or Ukraine, the Maharaja has played a pivotal role in bringing Indians back to the shores of safety.

They put together teams, organised flights and drafted new air routes in the knick of time. They've set new benchmarks for what a 'responsible airline' should do, and their efforts have been applauded world-over. Their ability to think on their feet and act swiftly is sure to be remembered for generations to come.

CSR Initiatives

True to the spirit of the Tata companies, Tata Capital believes that Corporate Sustainability is the cornerstone of business operations. Tata Capital's CSR approach is oriented towards a stakeholder-participation methodology where the well-being of the target groups, like the community and the environment, are integral to the long-term success of the company. To guide this journey, Tata Capital has defined its CSR vision and purpose which helps drive CSR implementation and achieve the desired results and impact.

Initiatives and programs undertaken:

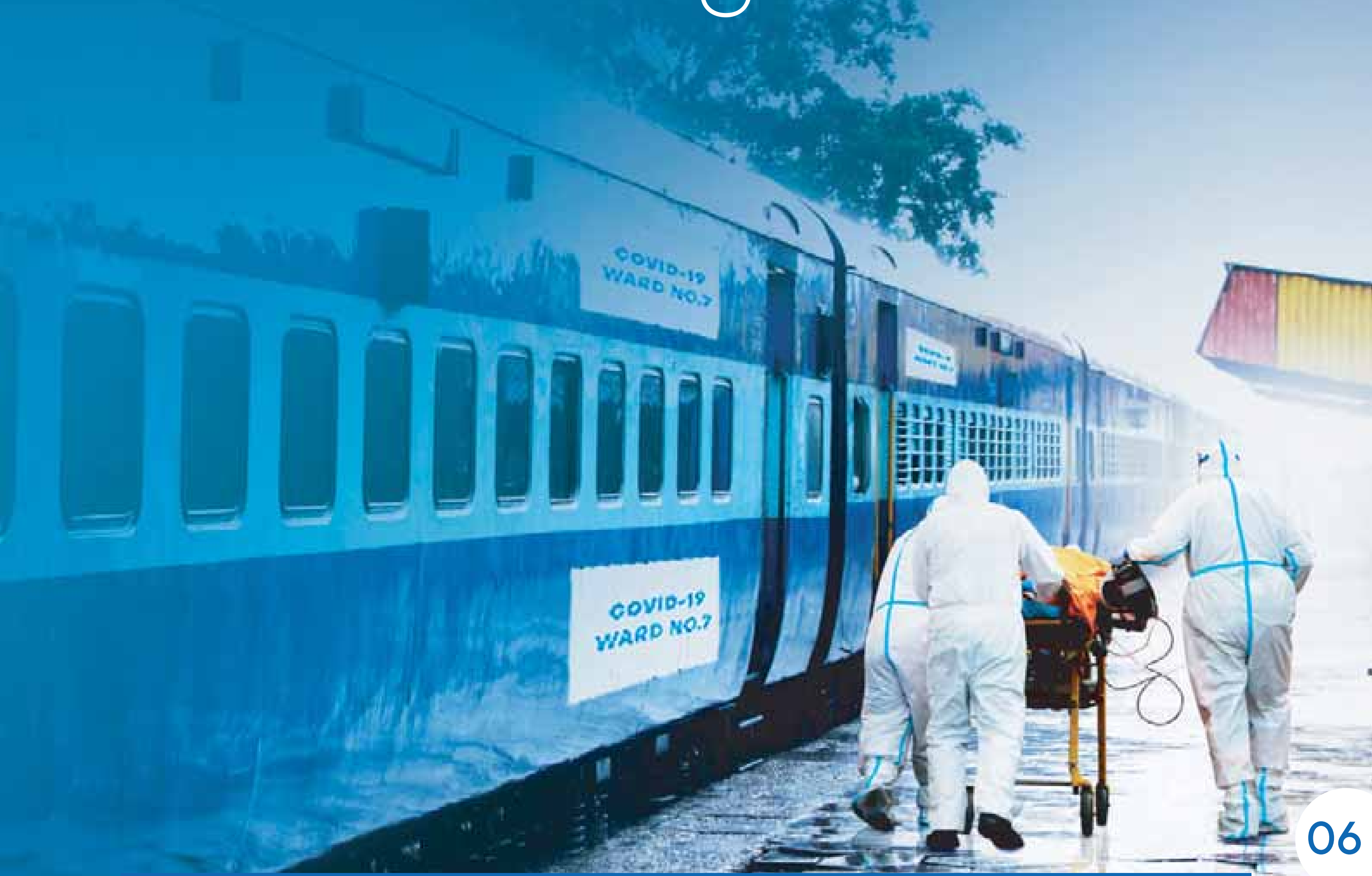
- The Cluster Development program aims to provide supplementary education to underprivileged students in Vikramgad and Sudhagad in Maharashtra
- The Tata Capital Pankh Scholarship program supports meritorious underprivileged youth with scholarships and mentoring for higher education
- ProAspire is a skilling initiative for underprivileged youth to be skilled in domain knowledge and life-skills and access placement opportunities in the BFSI sector
- Dhan Gyan is a free e-learning course on financial literacy based on the National Financial Literacy Awareness Test (NFLAT) syllabus. It is available in English and Hindi (www.dhangyan.com)
- Our health care initiatives, Aarogyatara and Cancer CELL, aim to provide access to quality preventive healthcare to fight against curable blindness and cancer
- The JalAadhar project is an integrated watershed management program which aims to build water security through water and soil conservation and improved agricultural methods
- The Green Switch project aims to provide clean, renewable and reliable electricity to unlit homes in rural parts of India through a community partnership model
- Project Ecosphere focuses to ensure availability of clean drinking water and water for irrigation with use of solar pumping system in the water stress areas of Mokhada, Maharashtra.
- COVID Relief project was aimed at setting up Oxygen plants in Maharashtra and UP, provide COVID relief materials in Karnataka and vaccination in Maharashtra

Welfare activities for women:

- To better the working conditions of women in uniform, a project with Mumbai Police was carried out in the form of refurbishment of restrooms and washrooms for women at Nagpada and Byculla Police Stations, Mumbai
- Online social, educational and entrepreneurial empowerment programs for our Army Veer Naris (War Widows), the spouses of our martyred and disabled serving soldiers and their dependents

When the times get tough, the tough get going. Owing to the sharp surge of Covid-19 cases across the country, Indian Railways converted nearly 20,000 old train carriages into isolation wards. That too, in just five weeks. Train schedules were altered, and immediate action was taken to ensure all patients received the medical assistance they needed. The coaches added more value to the COVID-19 containment infrastructure as hospitals on wheels rather than isolation facilities. The organisers, healthcare workers and volunteers, worked tirelessly to ensure that the fate of millions didn't rely on the availability of a hospital bed.

Trains brought the nation's health on the right track.



Product Portfolio

As a one-stop financial services provider, Tata Capital caters to the diverse financial requirements of its retail, corporate and institutional customers with a comprehensive suite of products and service offerings:

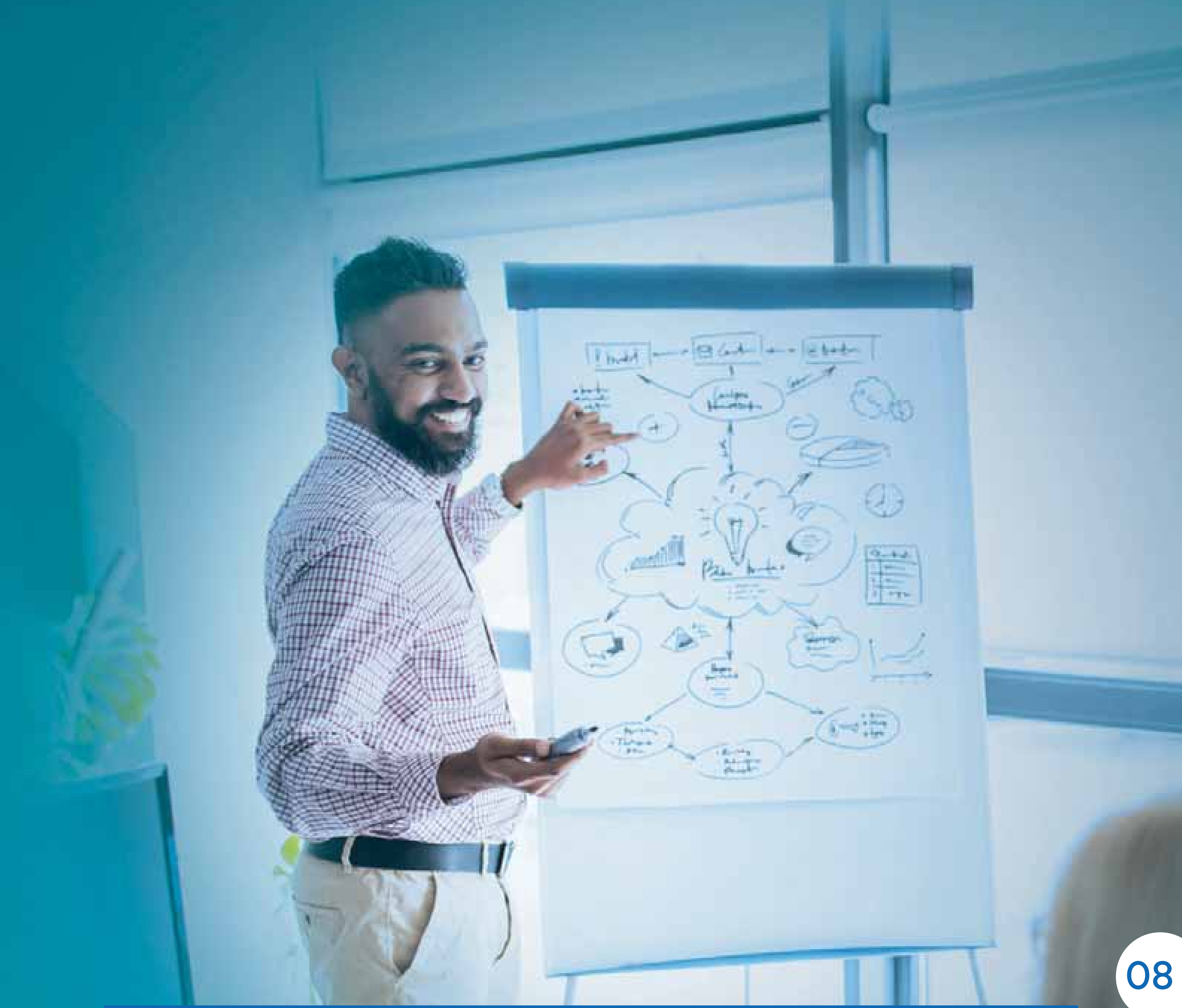
- ***Personal Loans***
- ***Home Loans***
- ***Business Loans***
- ***Other Consumer Loans***
- ***Cleantech Finance***
- ***Institutional Distribution***
- ***Private Equity***
- ***Loan Against Property***
- ***Wealth Products Distribution***
- ***Commercial and SME Finance***
- ***Leasing Solutions***
- ***Tata Cards***

Private Equity Advisory Services are offered by Tata Capital Limited. Private Equity Funds are registered with SEBI as Domestic Venture Capital Funds / Alternative Investment Funds. Personal Loans, Business Loans, Other Consumer Loans, Loan Against Property, Commercial Finance, Wealth Management, Leasing Solutions, are originated and serviced by Tata Capital Financial Services Limited. Home Loans and Home Equity Loans are offered by Tata Capital Housing Finance Limited. Institutional Distribution Services are offered by Tata Securities Limited. Cleantech Finance is offered by Tata Cleantech Capital Limited.

Snowballing effect of great opportunities.

Stemming from the need to bolster our own economy and reduce our dependence on international business houses, India has fostered numerous efforts, and is now the third-largest startup ecosystem in the world. Powered by a talent pool of entrepreneurs waiting to grab the opportunity.

The most commendable feats have been achieved by the founders, who, despite the odds and a volatile economy, have managed to create and deliver value to millions of customers. Today's entrepreneurs work weekends, sometimes operate in understaffed conditions, sustain with insufficient funding, and refuse to take 'no' for an answer. They are determined to build viable businesses that solve compelling real-world problems with innovative solutions. If this generation isn't a beacon of agility, we don't know what is.



Digital Initiatives

Tata Capital in the FY 21-22 accelerated its digital transformation to achieve business growth, drive customer centricity and attain operational excellence.

This year, the company deepened its focus on building new digital platforms and improved direct-to-customer journeys to drive growth across businesses. The share of business from digital channels grew significantly over the year. Further, digital-only products and services paved the way for new opportunities to increase customer reach and connect.

For the commercial lending business, Sugam loans was launched for Tier 2 retailers & distributors. This digital–only product offering which is also a new area of business for Tata Capital will provide further opportunities for growth within a new customer segment. Customer service platforms were also strengthened, with features introduced for leasing customers and new service requests added. New channels for servicing such as WhatsApp based servicing was also added for commercial loan customers.

For retail lending products, existing digital offerings were enhanced with industry leading features. Real time sanctions are available for Personal, Business and Home Loan products, for both new and existing customers of Tata Capital. This year, Tata Capital also launched Loan against Shares and Mutual Funds which enables seamless on-boarding and servicing journeys for customers. This includes industry first features such as multi DP pledging. New features were also added for Wealth Management customers to ensure real time servicing and connect with their Relationship Managers.

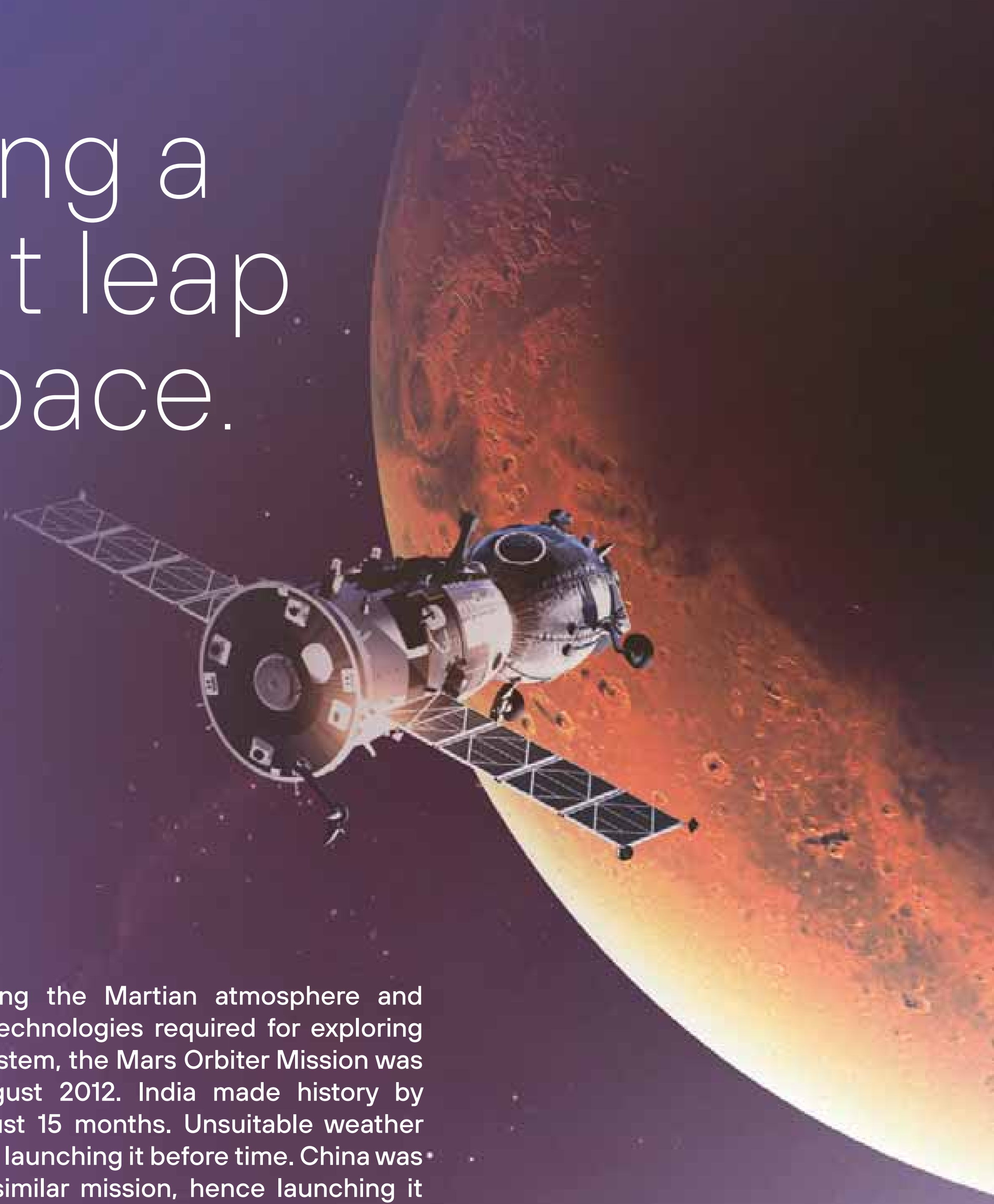
Synergies with the Tata group eco-system as well as with fintech players continued to play a pivotal role in the Tata Capital growth journey. A key partnership that was worked on was that with Tata Digital. Products such as EMI Cards and Personal Loans were launched on the 'Tata Neu' platform. In addition to this, new avenues were created to increase cross selling opportunities of various Tata Group products including insurance and mutual funds. On the commercial lending side too, partnerships with group companies for working capital loans played an important role for disbursement growth. In addition, partnerships with other leading fintech players for both business generation as well as process & data augmentation led to growth as well as operational efficiencies.

On customer service, the objective remained to enhance self-service and migrate a large proportion of customer servicing and debt servicing to digital platforms and channels. The newer channels such as chat bots continued to gain traction and saw significant usage. Efforts were also made to digitalize the debt servicing function. As part of this, new channels of payment including UPI based payments, BPPS and others were launched. Collection from digital channels saw an increase over the year. An end-to-end automated communication framework was also created for the debt servicing function. This ensured the use of micro-segmentation to reach customers through their preferred channels and led to enhanced efficiency in the collection process. The use of robotics process automation for back-office processes continued over the year. New processes were identified for automation and the use of robotics helped enhance productivity and reduce costs.

Finally, the use of data analytics was enhanced across the lending value chain starting from customer acquisition to portfolio monitoring and debt servicing. The use of scorecards for underwriting increased during the year. Use of data science for risk and portfolio monitoring remained an important level to control credit losses. Analytics was also used effectively to help in customer retention, to improve NPS scores and in debt servicing.

Tata Capital will continue to make investments in new technologies to seek opportunities for growth. The company will nurture innovation to build new capabilities, build products and services through digital. The endeavour for the future will be to enable the company to thrive in a digital environment and create new benchmarks in the financial services sector.

Taking a giant leap in space.



Aimed at studying the Martian atmosphere and developing key technologies required for exploring the inner solar system, the Mars Orbiter Mission was launched in August 2012. India made history by launching it in just 15 months. Unsuitable weather conditions meant launching it before time. China was also planning a similar mission, hence launching it earlier was pivotal. It was India's first interplanetary mission.

Large scale budget constraints forced scientists to invent efficient alternatives. New ways were found to do old things. After repeated failures, the mission finally saw light of day. Braving all odds, the scientists worked round the clock to keep their dreams alive. The bravehearts of ISRO made India the first Asian country to reach the orbit of Mars and the only country to do so on its first attempt.

New Products Introduced

Digital Loan Against Shares

Tata Capital is amongst the first NBFCs to offer LAS as an end-to-end integrated digital financial offering and aims to provide customers with an easy and seamless experience. Customers can avail loans upto Rs 5 crores by simply pledging their dematerialised shares online which is facilitated by NSDL. The entire process, after the required approvals by the respective Depository Participant, is completed in less than one day. Customers can simply visit Tata Capital for paperless, fast and simple user experience. The loan amount is customized based on the value of shares in the portfolio of the customer.

The key benefits of Tata Capital's Digital LAS are:

- End to End paperless journey – from registration to loan account creation
- Online KYC and pledging of shares via NSDL
- Electronic signing of loan documents along with E-Nach facility
- Easy-to-use online portal for disbursement, repayment, additional pledging and de-pledging

Digital 'Loan Against Mutual Funds'

Tata Capital's digital loan against Mutual Funds is provided against a wide range of equity and debt schemes across Mutual Funds. Customers can avail the loan amount by marking a lien on the Mutual Fund units which are managed by various asset management companies. Backed by technology andanalytics, LAMF is a personalized product to meet the diverse fund requirements of the customer. The loan amount is customized based on the value of the units in the Mutual Fund folio and tenure.
The key benefits of Tata Capital's Digital LAMF are:

- End-to-end online journey – onboarding to disbursement
- Loan can be applied as an overdraft facility or as a term loan
- Auto renewal facility available for tenure exceeding one year (subject to review of the Mutual Fund portfolio)
- On boarding journey is completed within minutes
- Online lien marking of Mutual Funds via CAMS API
- Service portal comprises features for disbursement, drawdown, additional pledging and de-pledging
- Online execution of documents
- Customer enjoys the benefits of growth and dividend received from the MF portfolio

Tata Capital unveils 'Flexi Plus Loans' across product categories

Flexi Plus Loans - an exclusive range of new offerings that can be availed across product categories. This latest category of loans aims to give Tata Capital's customers the freedom and convenience to suit their financial requirements. Flexi Plus Loans can be availed across a wide range of Tata Capital's product categories which include
1) Personal Loans 2) Business Loans 3) Loan Against Property
4) Two Wheeler Loans 5) Used Car Loans 6) Home Loans
Each product comes with enhanced flexibility through a number of new features and gives customers an increased ability to personalize the loan as per their needs.
The key features offered under Flexi Plus Loans are:
1. Longer Tenure 2. Overdraft Facility and 3. Step Up Plan

With neighbours like Pakistan and China, it had become important to declare that India could defend itself in an extreme situation. Away from the prying eyes of America and other nations, India scripted history and declared itself a full-fledged nuclear weapon state in May, 1998. The team conducted a series of successful underground nuclear tests over the span of 2 days with five test explosions in Pokhran, Rajasthan.

After multiple plans were put in cold storage, the nuclear devices were first flown from different parts of the country to avoid suspicion. Next, the teams wore army uniforms to disguise themselves. Thereafter, post diligent observation, they decided to only operate at night to avoid the spy satellites. Lastly, the strenuous task of drilling was also carried out with minimal lighting. Imagine the challenge. This 18-month long arduous journey was a test of both mental and physical agility.

When India grew its nuclear muscle.

Tata Capital Team

TATA CAPITAL LIMITED

Board of Directors
Mr. Saurabh Agrawal - Chairman
Mr. Farokh N. Subedar
Ms. Varsha Purandare
Ms. Malvika Sinha
Ms. Aarthi Subramanian
Mr. Rajiv Sabharwal -
Managing Director & CEO

Chief Financial Officer
Mr. Rakesh Bhatia

Head - Legal and Compliance & Company Secretary
Ms. Sarita Kamath

Statutory Auditors
Khimji Kunverji & Co LLP

Registrar & Transfer Agents
TSR Consultants Private Limited
(Formerly TSR Darashaw Consultants Private Limited)
C-101, 1st Floor, 247 Park,
Lal Bahadur Shastri Marg,
Vikhroli (West),
Mumbai - 400 083.
Tel : 022 6656848

TATA CAPITAL FINANCIAL SERVICES LIMITED

Board of Directors
Mr. Rajiv Sabharwal - Chairman
Mr. Farokh N. Subedar
Ms. Anuradha E. Thakur
Ms. Varsha Purandare
Mr. Sarosh Amaria - Managing Director

TATA CAPITAL HOUSING FINANCE LIMITED

Board of Directors
Mr. Rajiv Sabharwal - Chairman
Mr. Mehernosh B. Kapadia
Ms. Anuradha E. Thakur
Mr. Sujit Kumar Varma
Mr. Ankur Verma
Mr. Anil Kaul - Managing Director

TATA CLEANTECH CAPITAL LIMITED

Board of Directors
Ms. Varsha Purandare - Chairperson
Ms. Padmini Khare Kaicker
Mr. Sujit Kumar Varma (w.e.f. May 5, 2022)
Mr. Rajiv Sabharwal
Mr. Manish Chourasia - Managing Director

TATA SECURITIES LIMITED

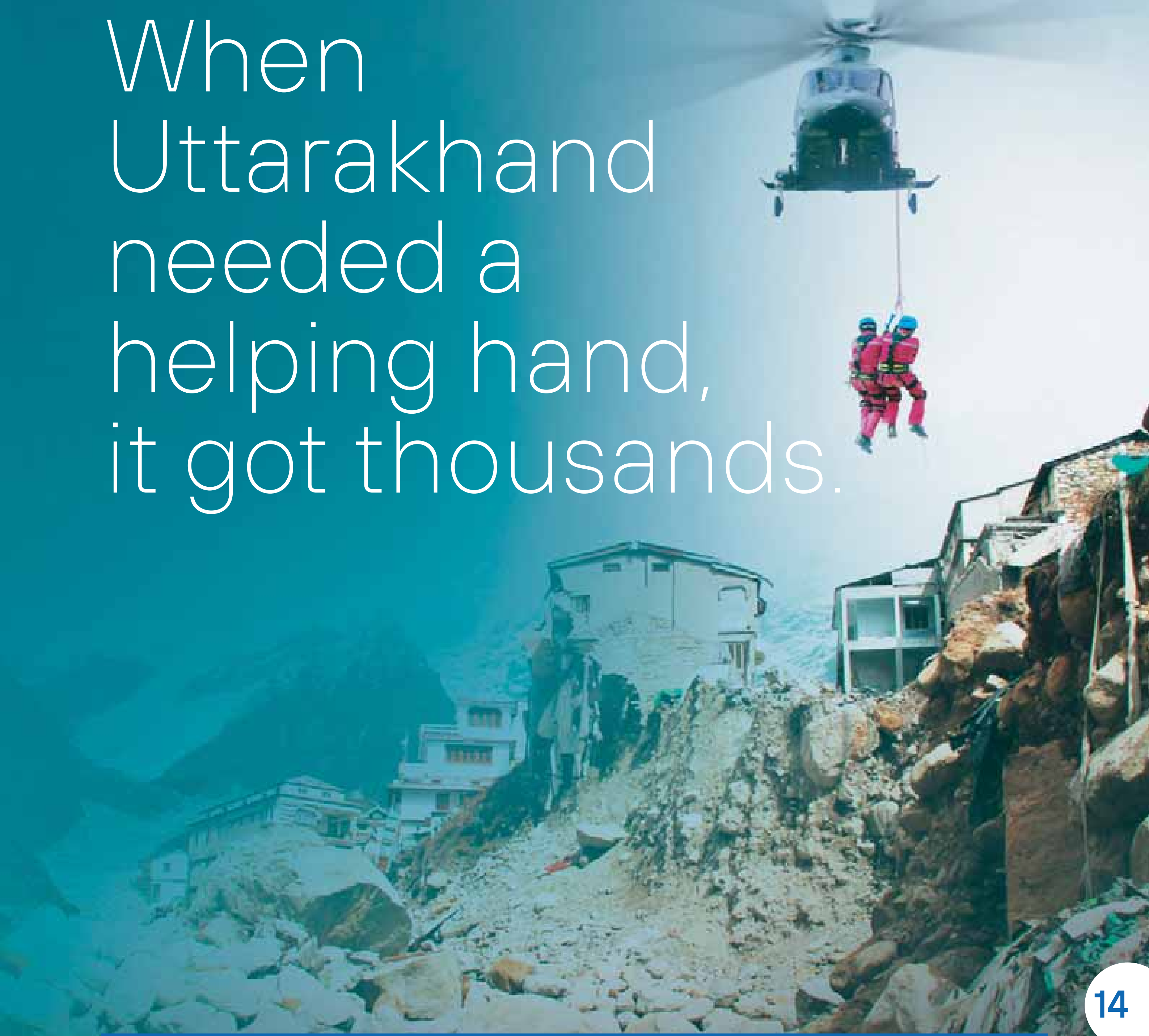
Board of Directors
Mr. Rajiv Sabharwal - Chairman
Mr. Avijit Bhattacharya
Ms. Abonty Banerjee

Tower A, 11th Floor, Peninsula Business Park,
Ganpatrao Kadam Marg, Lower Parel,
Mumbai - 400 013.
Tel : +91 22 6606 9000
Corporate Identity Number :
U65990MH1991PLC060670

In 2013, elemental forces teamed up to tilt the odds away from the people of Uttarakhand. But in less than 24 hours, help was arranged - by bringing together members of our Defence Forces. The Army deployed 10,000 soldiers, the Navy sent 45 naval divers, and the Air force deployed 43 aircraft helicopters. More than 110,000 people were saved from ravaging floods and the unforgiving topography of the area. The IAF even airlifted over 18,000 people in an unprecedented four-day haul.

The teams worked relentlessly with clockwork precision, to ensure that the people in distress were evacuated. Now that's a story that over one lakh people lived to tell.

When Uttarakhand needed a helping hand, it got thousands.



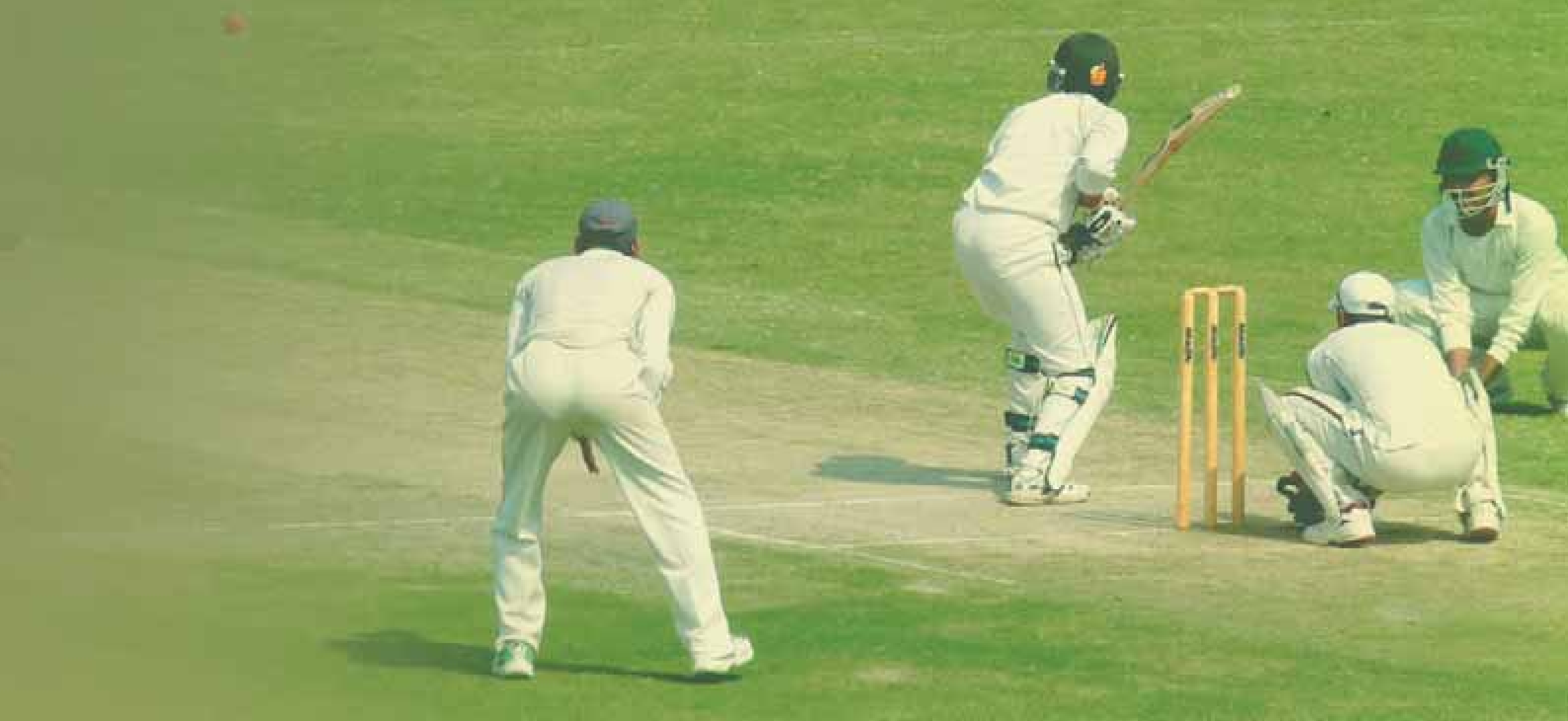
Snapshot of Numbers

Book Size **94,349 cr**	**Amongst Top 3** diversified NBFCs in India
Total Comprehensive Income **1,648 cr**	**5th** most profitable company in the TATA group
Locations **267**	**86%** locations in non - metros
Customers **2.5 million+**	**79%** from non - metros

In 2001, India was on the brink of losing a Test match against Australia. Steve Waugh's Australians had won a world record 16 Tests in a row and looked certain to make it 17. The first innings didn't pan out in the team's favour, with India being 222 runs behind Australia's score. VVS Laxman in his second innings came in to bat in the 3rd position and changed his strategy to turn the tide.

In the first innings, India was playing defensive. He changed the strategy and began attacking. The duo set smaller goals and achieved those. Standing tall in the scorching heat of Kolkata for an entire day, Laxman and Rahul Dravid stitched together a partnership of 376 to get India out of trouble.

Swiflty changing strategies, leaving no weak spots and facing every ball with the same spirit is what led them to victory. The ball was literally in his court and he managed to bowl them out. It is regarded as one of the greatest comebacks in cricket.



Pulling India back into the game.

Awards

Human Excellence Awards
Best L&D Initiative in Disruptive Times

TISS and Leapvault CLO Awards
Chief Learning Officer of the Year

Human Excellence Awards
Best Employee Engagement Program (Multi Industry)

'Great Place to Work'
Certified

Assocham CSR & Sustainability Summit Awards
Excellence in Water Conservation

Drivers of Digital Awards
Gold in the category of Best Digital Strategy/Campaign

CII(WR) SHE Excellence and Innovation Award
Winner in Service Sector – Large Category

Marketing Campaign of the Year
The Great Indian Marketing Awards 2021

'Karz nahi Farz bhi' wins
Marketing Campaign of the year 2021
National Award

4th Edition Leadership Summit & Awards 2021

Bronze award at the ACEF Awards

Excellence in Water Conservation (Jaladhar Project)
by ASSOCHAM, February 2022

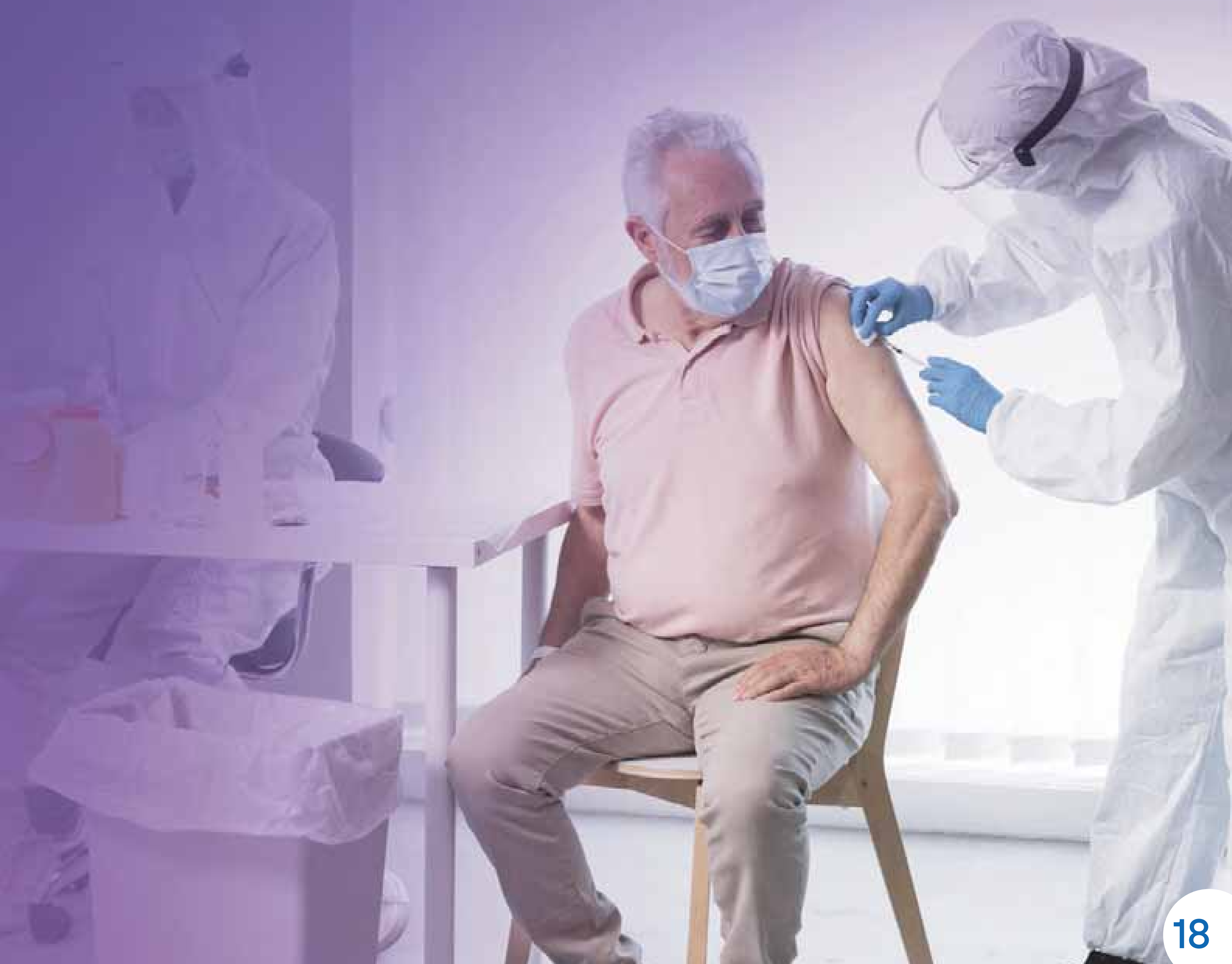
Best Digital SEM Strategy (BFSI)
February 2022
Drivers of Digital Awards & Summit

Excellence & Innovation award, exemplary contribution on
Safety, Health & Environment, December 2021

Unprecedented in both scale and reach, India set a benchmark by developing a vaccine in less than one year. Another year later, it rolled out the world's largest vaccination drive, impacting around 300 million Indians. The excitement was palpable as we achieved a historic milestone in record time. No small feat, this.

We waded through trying times and innumerable challenges - like vaccine hesitancy and shortage, among others. It took extensive coordination and planning by the all the different states, to eventually give 'impossible' a bad name.

Getting Indians immune to adversity.

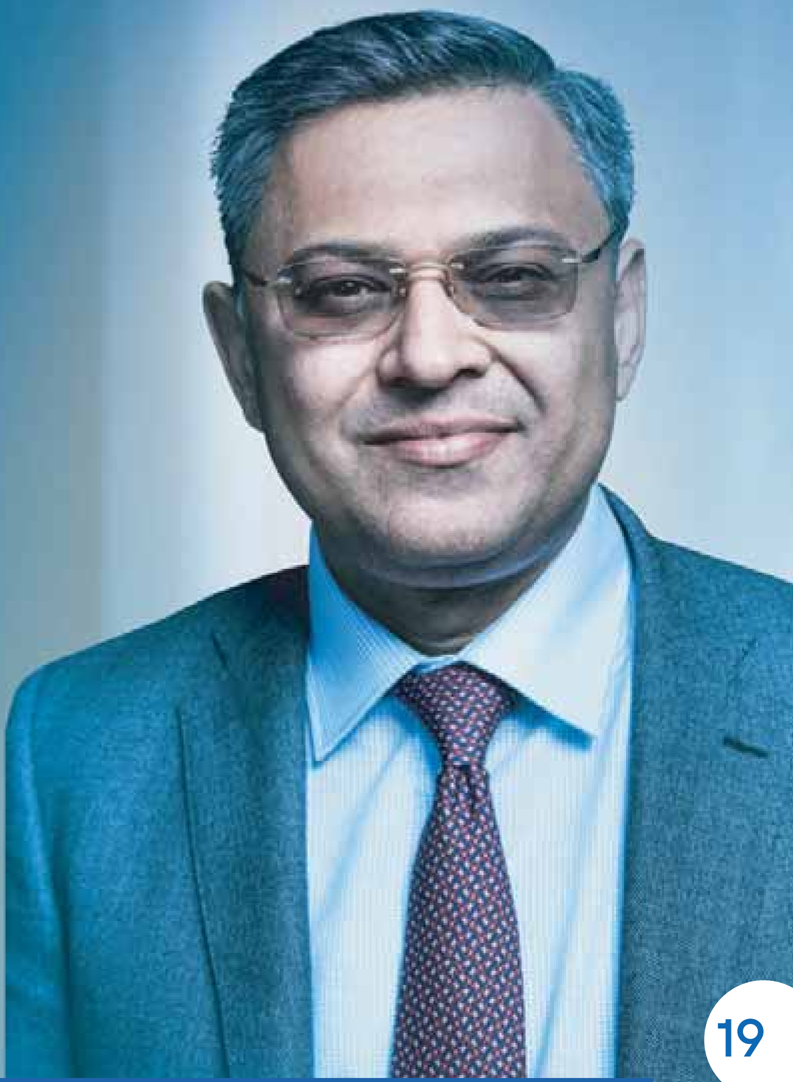


Message from the Chairman

Dear Shareholders,

The last year was a sound reminder of how human spirit has the ability to overcome all odds. While we witnessed another round of lockdowns, albeit more localized this time, leading to interruptions in the economic activities, these were well countered by the proactive measures taken by the Government and Regulator, and on all fronts – monetary, regulatory and fiscal. This timely intervention played a very important role in limiting the pandemic's impact on our economy and setting the tone for growth for the year ahead.

During this time, financial services as an industry, as well as the NBFC sector specifically reinforced its vital place in the Indian economy where it steadfastly supported everyone across the spectrum viz. Retail, MSMEs and Corporate, and came out of this stronger than ever. From a sectoral perspective, NBFCs displayed immense resilience and responded with speed and agility to the pandemic, and economic challenges that came with it. The financial sector in India has come out of years of Balance Sheet repair and is now well capitalised to fund the Indian Economy going forward. As a result, there is a huge opportunity in the next decade for financial services businesses to deliver consistent growth. In FY 21-22, the collective balance sheets of NBFCs grew in size without any deterioration in the asset quality and the leading players remained adequately capitalized.



Over the last few years, Tata Capital has corrected its cost structures and restructured the business to deliver profits and growing ROE. Over the year, at Tata Capital, we recalibrated our business strategies, focussed on growth while keeping a close watch on credit quality; and continued to strengthen our digital capabilities. At the same time, we have empowered our people to be a trusted partner to our customers and stakeholders. Tata Capital witnessed an accelerated growth trajectory over the year post the disruptions seen in the Q1 of the year. Tata Capital recorded highest ever disbursals of Rs. 52,784 crore with a Y-o-Y growth of 109%. Consequentially, the consolidated balance sheet of Tata Capital expanded to Rs 94,349 crore with a Y-o-Y growth of 22%. Your Company also recorded its highest ever profits of Rs 1,648 crore with a Y-o-Y growth of 46%, resulting in a ROE of 15%+ for the year.

The world appears ready to live with Covid-19 and the learnings from it. We however are now more cognizant of the challenges that may come our way and we will be well prepared to counter them. Given the ongoing formalization of the Indian economy, digitization, supply chain shifts favouring India and the growing Indian middle class with rising purchasing power, I firmly believe that the medium to long term outlook for India economy and the opportunity it offers, remains as bright as ever. As we exited FY 21-22, most of the economic indicators such as GST collection, IIP, Exports and UPI transactions were seeing a month-on-month improvement, indicating a steady recovery from the lows witnessed in the initial part of the year.

However, the last couple of months have seen some uncertainty on account of geo-political tensions which has led to supply chain disruptions and inflationary pressures with inflation touching 7.5% in April 2022, an 18-month high. Increasing protectionism and socio economic challenges across various parts of the world continues to cast shadows on the economic growth of countries across the world. An extended period of vulnerability can impact Indian economy and the sector we operate in, and therefore, we remain prudent as we tread ahead into the year. I take comfort in India's potential to grow and emerge as the fastest growing major economy (in Asia). India's manufacturing sector is on a rebound and new trade agreements are expected to substantially benefit exports. The government and the regulator are playing their part in nurturing sustainable growth. I feel confident in our ability to seize the opportunities that lay ahead of us.

Tata Capital will continue to make the right investments to augment the competitiveness of its businesses and play a pivotal role in bringing together pools of capital and providing credit to a diverse set of customers. Our endeavour is to be future-ready, keep innovating and leverage technology to bring delight to our customers. Tata Capital's well-articulated digital strategy keeping the customer at the core of everything that we do, will enable us to identify new vectors of growth. We are committed to provide simple and accessible financial solutions to the underbanked and unserved sections of the society. We have set up an ambitious target of expanding our footprint to 450+ locations by the end of year to reach deeper markets in tandem with our digital-led transformation journey. The aim is to serve one and all with Tata Capital's in-depth knowledge and experience of regional dynamics, comprehensive suite of personalized and pioneering products and services.

I take this opportunity to express my gratitude to all my colleagues who have led your Company with passion and integrity, and continue to steer the Company into the future with an unwavering dedication. Further, we thank our partners who have worked tirelessly with us to expand our reach, strengthen our capabilities and serve our customers better.

Finally, I would like to thank you for your trust and support as we step into a stronger and brighter future.

Warm Regards
Saurabh Agrawal
Chairman

Message from the Managing Director and CEO

Dear Shareholders,

At the very outset, let me congratulate you on your company's impressive performance during FY 21-22. Over the course of past year, your company successfully navigated the debilitating impact of the pandemic and consolidated its position amongst the Top 3 diversified NBFCs in India.

The year 2021 will be remembered as the year in which human spirit rose above the adversity caused by pandemic and embraced the 'new normal'. Post the localised lockdowns in the first quarter, the economy started showing green shoots of recovery in subsequent quarters and we ended the financial year with India becoming one of the fastest growing major economies in the world.

The pandemic compelled us to be more agile than ever; as new challenges came our way, we exhibited immense resilience and stood steadfast in our approach by enhancing our digital journeys, keeping the customer at the core of everything we do. This enabled us to register an industry leading growth during the year.

Now let me share some key highlights of our consolidated financial performance for the year.

- Achieved highest ever PAT of INR 1,648 Cr with a Y-o-Y growth of 46%. Consequently, the RoE also crossed 15% mark during the year
- Registered a strong recovery in disbursements during the year - higher by 109% as compared to last year; recorded highest ever quarterly disbursals in the retail segment during Q4 FY 21-22
- Loan book also grew by 22% over the year, which is considerably higher than the industry growth; was among the top players across key products such as Personal Loans, Business Loans & Channel Finance amongst non-banks
- Margins improved by ~60 bps over the year in FY 21-22; aided by better product mix and lower cost of funds
- Loan losses in the year were lower by 21% compared to last year supported by superior asset quality and strong collection efficiencies
- Continue to maintain strong asset quality, which remains the best amongst peers. As of March 2022, the gross NPA and net NPA stood at 1.9% and 0.6% respectively
- Notably, Tata Capital has adopted the RBI circular dated 12th Nov, 2021 pertaining to reclassification of NPA accounts on a prudent basis, instead of opting for deferment

Transformation Journey

Our strong performance in FY 21-22 is a testimony to our transformation journey over the years and has made us more resilient and future-ready:

- Digital Transformation: We accelerated our digital transformation to bring to the marketplace innovative digital solutions which ensure convenience, speed and ease to our customers. Close to 60% of our personal loans are now disbursed through an end-to-end paperless process. For our retail disbursals, scorecard penetration stood 70%+, which facilitated faster disbursals. Our collections are now almost entirely digital. On the customer service side, we enhanced our self-service digital platforms and are now able to serve two-thirds of our customers digitally
- Diversification of book: A diversified book is key to our growth strategy which helps us spread our risks well. As a result of the same, we have steered away from product concentration and no single product accounts for more than 20% of our loan book. Moreover, we have been laying emphasis on growing our retail mix which has increased to 63% of our overall loan book as of March'22. Our loan book continues to be more than 80% secured
- Collaboration with FinTechs: We believe in the power of ecosystems and partnerships at Tata Capital in order to serve the customer better. We're working with 70+ FinTechs offering customized solutions across the customer life cycle, aligned with emerging customer needs. This has helped us reach out to newer customer segments with targeted product offerings
- Expansion of Branch network: While we continue to invest in digital, we believe having an extensive branch network is critical to cater to customers beyond Tier I cities. We added 119 new branches during FY 21-22 taking the total count to 267. Our aim is to widen our network to 450+ branches over this year in order to tap the immense opportunity presented by Tier II, III and IV towns

These above-mentioned initiatives would keep us in good stead, and we would continue to improve relentlessly till we become the best in the industry.

Evolving regulatory landscape

I would also like to touch upon the changing regulatory landscape for NBFCs wherein the regulations between the Banks and NBFCs are being gradually harmonized. Further, Scale Based Regulations have been introduced which is expected to come into effect in the current year and would ensure alignment of regulatory framework for the NBFCs in view of their risk profile. We, at Tata Capital, welcome these changes and we view this as a great opportunity to further establish ourselves as a player with Platinum standard in Corporate Governance norms.

Future outlook

As we step into FY 22-23, we remain cautious of economic headwinds such as heightened inflationary pressures, RBI rate hikes, supply chain disruptions and ongoing geopolitical tension. Nevertheless, our firm belief in India's growth story remains intact and we will continue to build on our experience, to be a responsible and trusted partner to fulfil the aspirations of the people of our country. As in the past, Tata Capital will be guided by the Tata Group's principle of Simplicity, Scale and Synergy as we reinforce the One-Tata Philosophy across all our businesses. Our ambition to grow stronger will be anchored by the investments we make in our people and how we foster a culture of collaboration and learning.

Conclusion

As I conclude, I would like to thank our customers who have placed their confidence in us and given us an opportunity to serve them during these difficult times. Further, I want to acknowledge the contribution made by all my colleagues who have relentlessly worked during the year and helped us become one of the best performing NBFCs. I would express my gratitude towards our esteemed Board for their unwavering support and guidance throughout this journey. Lastly, I would like to thank our shareholders for their continued trust in us.

Warm Regards
Rajiv Sabharwal
Managing Director & CEO

TATA CAPITAL

Count on us

BOARD'S REPORT

To the Members,

The Board has pleasure in presenting the 31st Annual Report and the Audited Financial Statements for the Financial Year ("FY") ended March 31, 2022.

1. BACKGROUND

Tata Capital Limited ("Company" or "TCL"), the flagship financial services company of the Tata Group, primarily holds investments in its subsidiaries which are mainly engaged in lending and offering a wide array of services/products in the financial services sector. TCL is a subsidiary of Tata Sons Private Limited and is registered with the Reserve Bank of India ("RBI") as a Systemically Important Non-Deposit Accepting Core Investment Company ("CIC"). Besides being a holding company, TCL carries out only such activities as are permitted under the Directions issued by the RBI for CICs, as amended from time to time. TCL and its subsidiaries are hereinafter collectively referred to as "Tata Capital".

2. FINANCIAL RESULTS

(₹ in crore)

Particulars	Consolidated		Standalone	
	FY 2021-22	FY 2020-21	FY 2021-22	FY 2020-21
Gross Income	10,252.65	9,987.72	511.89	452.17
Less: Finance Costs	4,889.03	5,212.58	289.70	255.13
Net Interest Margin and Other Revenue	**5,363.62**	**4,775.14**	**222.19**	**197.04**
Impairment on Financial Instruments / Investments	1,083.28	1,450.31	7.30	18.98
Employee Benefits Expense	875.25	693.98	87.42	91.84
Depreciation, Amortisation and Impairment	275.88	334.37	7.10	7.27
Other Expenses	891.13	678.79	17.42	15.92
Profit Before Tax	**2,238.08**	**1,617.69**	**102.95**	**63.03**
Less: Provision for Tax	546.91	370.33	19.85	16.36
Profit After Tax	**1,691.17**	**1,247.36**	**83.10**	**46.67**
Add: Share of Net Profit of Associates using the equity method	109.64	(2.72)	-	-
Less: Non-controlling interest	152.60	118.81	-	-
Profit After Tax attributable to owners of the Company	**1,648.21**	**1,125.83**	**83.10**	**46.67**
Other comprehensive Income attributable to owners of the Company	50.63	(5.03)	(0.99)	6.88
Total comprehensive Income attributable to owners of the Company	**1,698.84**	**1,120.80**	**82.11**	**53.55**
Amount brought forward from previous year	1,838.81	1,001.24	177.22	133.00
Amount available for appropriation	3,537.65	2,122.04	259.33	186.55
Less Appropriations:				
Special Reserve Account	351.13	304.90	16.99	9.33
Others	(28.47)	(21.67)	-	-
Surplus carried to Balance Sheet	**3,214.99**	**1,838.81**	**242.34**	**177.22**

Consolidated Results:

Tata Capital's consolidated book size increased to ₹ 94,349 crore as at March 31, 2022 from ₹ 77,220 crore as at March 31, 2021.

During FY 2021-22, Tata Capital recorded consolidated Total Income of ₹ 10,253 crore as against ₹ 9,988 crore in FY 2020-21, an increase of about 3%. The Total Income comprised Income from financing activities of ₹ 9,227 crore (FY 2020-21: ₹ 8,879 crore), Investment Income of ₹ 630 crore (FY 2020-21: ₹ 601 crore) and Other Income of ₹ 396 crore (FY 2020-21: ₹ 508 crore).

The consolidated interest expense for the year was ₹ 4,889 crore (FY 2020-21: ₹ 5,213 crore), a decrease of 6% which was primarily on account of lower cost of funds.

The Consolidated Net Interest Margin and Other Income for the year was ₹ 5,364 crore (FY 2020-21: ₹ 4,775 crore), an increase of 12% which was primarily on account of lower cost of funds and higher other income.

Impairment on Investments and Financial Instruments decreased to ₹ 1,083 crore in FY 2021-22 compared to ₹ 1,450 crore in FY 2020-21. The consolidated Gross Non-Performing Assets ("GNPA") showed decrease from 2.5% in FY 2020-21 to 1.9% in FY 2021-22. The Net Non-Performing Assets ("NNPA") also decreased from 0.9% in FY 2020-21 to 0.6% in FY 2021-22. Provision Coverage Ratio ("PCR") stood at 71% (FY 2020-21: 65%)

The Operating Expenses (including Employee costs, Depreciation and other expenses) increased by 20% as compared to FY 2020-21.

During the year, Tata Capital's Profit After Tax attributable to owners of the Company on a consolidated basis increased by about 46%, to ₹ 1,648 crore (FY 2020-21: ₹ 1,126 crore).

The consolidated Return on Assets ("RoA") for FY 2021-22 was 2.0% (FY 2020-21: 1.5%) while the Return on Equity ("RoE") was 15.6% (FY 2020-21: 12.2%).

Standalone Results:

During FY 2021-22, TCL recorded Gross Income of Rs 511.89 crore (FY 2020-21: ₹ 452.17 crore) Profit after Tax during the year was ₹ 83.10 crore (FY 2020-21: ₹ 46.67 crore).

The Company has transferred an amount of ₹ 16.99 crore to the Special Reserve Account. The closing balance of the retained earnings of the Company for FY 2021-22, after all appropriation and adjustments, was ₹ 236.96 crore (As on March 31, 2021: ₹ 170.84 crore).

3. SHARE CAPITAL

The paid-up Equity Share Capital of the Company was ₹ 35,16,16,77,440 as on March 31, 2022.

During FY2021-22, consequent to the Put Option exercised by the Shareholders, Cumulative Redeemable Preference Shares ("CRPS") aggregating ₹ 49.88 crore were redeemed. Accordingly, the paid-up Preference Share Capital as on March 31, 2022, was ₹ 1109.92 crore. The details of CRPS redeemed are available at Page Nos. 296 and 297 of the Annual Report.

As per Indian Accounting Standards ("Ind AS"), CRPS have been classified and reported under borrowings (other than debt securities) in the Standalone Financial Statements.

During the year no fresh issue of Equity Shares or CRPS was made.

4. **DIVIDEND**

The Board of Directors of the Company declared Interim Dividend on the CRPS for the following tranches for the period April 1, 2021 to March 31, 2022, on March 25, 2022, as under:

Tranche(s)*	No. of CRPS	Dividend Rate (%) p.a.	Dividend Amount including TDS (In ₹)
T, U, V, W, AF, AG, AH, AI, AJ, AK, AL, AM and AN	69,26,000	7.50	51,94,50,000
X and Y	14,09,500	7.33	10,33,16,350
Z	6,45,500	7.15	4,61,53,250
AA, AB, AC and AD	17,18,200	7.10	12,19,92,200
AE	4,00,000	7.75	3,10,00,000
		Total	**82,19,11,800**

**CRPS on which Put Option has not been exercised or was not applicable.*

Since the Company has paid Dividend to the CRPS holders for the period April 1, 2021 to March 31, 2022, by way of an Interim Dividend, the Directors do not recommend any final dividend on the CRPS.

Further, consequent upon the exercise of Put Option by the Shareholders, CRPS of the nominal value aggregating ₹ 49.88 crore were redeemed during the year and accordingly, Interim Dividend aggregating ₹ 1,96,22,258 (including TDS) was paid on these CRPS for the period from April 1, 2021 up to the date of redemption. The details of Interim Dividend paid on redemption are, as under:

Tranche(s)*	Dividend Rate (%)	No. of CRPS	Redemption Date	Dividend Amount including TDS (In ₹)
U, V and W	7.50	1,40,000	August 23, 2021	41,72,000
Y	7.33	88,000	August 23, 2021	25,62,560
Z	7.15	1,04,500	November 30, 2021	49,95,100
AA	7.10	1,66,300	November 30, 2021	78,92,598
	Total	**4,98,800**		**1,96,22,258**

**partial redemption consequent upon exercise of Put option by the shareholders.*

The Directors of your Company recommend a final dividend of Re. 0.16 per Equity Share of ₹ 10 each for the FY 2021-22, subject to approval of the Members. This would be the maiden Equity Dividend to be declared by the Company.

5. **OVERVIEW OF THE COMPANY, ITS SUBSIDIARIES AND ASSOCIATES**

5.1 Structure of Business Operations at Tata Capital

TCL is primarily a holding company, holding investments in its subsidiaries and other group companies and carries out only such activities, including advising and/or management of private equity funds, as are permitted under the Directions / Guidelines issued by the RBI for CICs, from time to time. All the other operating businesses are carried on by the subsidiaries of TCL.

The financial services sector in India, as also globally, is highly regulated. TCL and its subsidiaries are subject to regulations by authorities such as the RBI, the Securities and Exchange Board of India ("SEBI"), the National Housing Bank ("NHB"), the Monetary Authority of Singapore ("MAS"), the Financial Conduct Authority, UK, the Association of Mutual Funds of India ("AMFI") and the Insurance Regulatory and Development Authority of India ("IRDA").

A detailed discussion on the Private Equity Funds and TCL's subsidiaries is set out in the below paras.

5.2 Private Equity

5.2.1 Domestic Funds

The Company has set up six Private Equity Funds in India, viz. Tata Capital Growth Fund I, Tata Capital Growth Fund II, Tata Capital Healthcare Fund I, Tata Capital Healthcare Fund II, Tata Capital Innovations Fund and Tata Capital Special Situations Fund - Trust (collectively referred to as "Funds"). These Funds have been registered with SEBI as Venture Capital Funds / Alternative Investment Funds. The Company has sponsored these Funds and acts as their Investment Manager. The aggregate Assets Under Management of these Funds is ₹ 3,359 crore, as at March 31, 2022.

The performance of the above Funds is reviewed below:

i) Tata Capital Growth Fund I ("TCGF I") and Tata Capital Growth Fund II ("TCGF II")

TCGF I was set up with a mandate to make private equity growth capital investments in companies that have a significant portion of their operations in India. TCGF I's investment focus themes are Urbanisation, Discrete Manufacturing and Strategic Services. The Fund typically targets stakes in portfolio companies with Board representation and other significant shareholder rights. TCGF I has provided growth capital funding to industry leading companies, with an average deal size of approximately ₹ 40 crore. TCGF I declared its final close in February 2011, with commitments of ₹ 339 crore, of which, ₹ 253 crore was invested in six portfolio companies. TCGF I's commitment period ended on November 9, 2015. The term of the Fund was extended to October 10, 2022 with approval of TCGF I's Investor Advisory Board and requisite majority of Contributors.

During the year, the Fund exited its remaining investment in Commercial Engineers & Body Builders Co Ltd (CEBBCO) through a sale on the stock exchanges realizing INR 19.05 crore. The Fund participated in the buyback of equity shares announced by Tata Technologies Limited and tendered 401,003 equity shares which were bought back at a price of ₹ 1,982 per share in April, 2022.

As at March 31, 2022, the TVPI multiple (Total Value, including Distributions, to Paid in Capital), after providing for estimated manager incentive is 2.68x.

TCGF II is the follow-on fund to TCGF I. TCGF II declared its final close on January 15, 2021 and has commitments of ₹ 1,235 crore (includes commitments of USD 118 million). The Company has committed ₹ 362.9 crore as Sponsor commitment to TCGF II. TCGF II has drawn down 44% of commitments of which ₹ 476 crore was invested in 4 portfolio companies.

ii) Tata Capital Healthcare Fund I ("TCHF I") and Tata Capital Healthcare Fund II ("TCHF II")

TCHF I was set up to target long-term capital appreciation through private equity growth-capital investments in healthcare companies involved in pharmaceutical, contract research/manufacturing, hospital services, medical devices, diagnostic and other healthcare segments. TCHF I's investment strategy is predicated on high growth consumption and competency themes within the Indian healthcare sector, driven by increasing per capita disposable income, rising urbanisation, growing health awareness, increasing chronic and life-style oriented disease pattern and growth in domestic healthcare infrastructure. The Fund typically targets stakes in portfolio companies with Board representation and other significant shareholder rights. TCHF I has provided growth capital funding to companies with an average deal size of approximately ₹ 35 crore. TCHF I declared its final close in April 2012, with commitments of ₹ 319 crore, of which, ₹ 245 crore was invested in seven portfolio companies. TCHF I's commitment period ended on July 13, 2015. The term of the Fund was extended to June 30, 2023 with approval of TCHF I's Investor Advisory Board and requisite majority of Contributors.

As at March 31, 2022, the TVPI multiple (Total Value, including Distributions, to Paid in Capital) of TCHF I, after providing for estimated manager incentive was 1.88x.

TCHF II is the follow on fund to TCHF I. TCHF II declared its final close on March 11, 2022 with investor commitments of ₹ 955 crore (includes commitments of USD 53.25 million). The Company has committed ₹ 140 crore as Sponsor commitment to TCHF II. TCHF II has drawn down 18% of commitments of which ₹ 133 crore was invested in 3 portfolio companies.

iii) Tata Capital Innovations Fund ("TCIF")

TCIF is a sector agnostic venture capital fund and invests in early stage companies, offering technology based solutions for Indian as well as global markets. TCIF focuses on investments which have a potential to create new growth opportunities, increase efficiency, bring affordability and accessibility to the industry or change the way business is conducted. The Fund typically targets stakes in portfolio companies with Board representation and other significant shareholder rights. TCIF declared its final close in April 2012, with commitments of ₹ 287 crore, of which, ₹ 218 crore has been invested in seven portfolio companies as at March 31, 2022. TCIF's commitment period ended on January 29, 2017 and the Fund has approached its Investors seeking an extension of its term to January 29, 2024.

As at March 31, 2022, the TVPI multiple (Total Value, including Distributions, to Paid in Capital) of TCIF is 0.57x.

iv) Tata Capital Special Situations Fund ("TCSSF")

TCSSF focuses on investing in turnaround opportunities. The Fund typically targets stakes in portfolio companies with Board representation and other significant shareholder rights. Of the aggregate drawn amount of ₹ 265 crore, ₹ 222 crore was invested in four portfolio companies. TCSSF's commitment period ended on March 31, 2014 and its term ends on December 4, 2022.

As at March 31, 2022, the TVPI multiple (Total Value, including Distributions, to Paid in Capital) of TCSSF is 1.18x.

5.2.2 Overseas Funds

The Overseas Funds, viz. Tata Capital Growth Fund Limited Partnership ("TCGFLP"), Tata Capital Growth Fund II LP ("TCGFIILP"), Tata Capital HBM Healthcare Fund I Limited Partnership ("TCHHFLP"), Tata Capital Healthcare Fund II (Feeder) LP ("TCHFIILP") and Tata Opportunities Fund Limited Partnership ("TOF"), are based in Singapore.

The Company's subsidiary in Singapore, Tata Capital Advisors Pte. Ltd is the Investment Manager for TCGFLP, TCGFIILP, TCHHFLP, TCHFIILP and TOF. Overseas Funds accept commitments only from overseas investors. The aggregate investor commitments raised by the Overseas Funds as at March 31, 2022 were US$ 888 million.

TCGFLP declared its final close in November 2011 with commitments of US$ 167 million, of which, approximately 86% has been drawn down and US$ 125 million has been invested in portfolio companies. TCGFIILP is a feeder fund to TCGF II. TCGFIILP declared its final close on January 15, 2021 with commitments of US$ 108 million.

TCHHFLP declared its final close in January 2016 with commitments of US$ 15 million, of which, approximately 99% has been drawn down and US$ 11 million has been invested in portfolio companies. TCHFIILP is a feeder fund to TCHF II and has declared its final close on March 11, 2022 with commitments of US$ 53 million.

TOF declared its final close in March 2013, with commitments of US$ 545 million, of which, over US $ 483 million (89%) has been drawn down as at March 31, 2022 and over US$ 386 million has been invested in portfolio companies.

The Company has a co-investment arrangement with TOF, whereby the Company has a commitment to co-invest the Indian Rupee equivalent of an amount of up to US $ 50 million alongside TOF, subject to regulatory restrictions.

5.3 Review of Subsidiaries and Associates

5.3.1 Subsidiaries:

As on March 31, 2022, the Company had the following subsidiaries, brief details of whose performance are given below:

i) Tata Capital Financial Services Limited ("TCFSL")

TCFSL is a wholly-owned subsidiary of the Company, registered with the RBI as a Systemically Important Non-Deposit Accepting Non-Banking Financial Company ("NBFC-ND-SI").

TCFSL's main areas of business include Retail Finance, SME and Commercial Finance. In the Retail Finance space, TCFSL offers a wide range of Loans, such as Auto Loans (Used Car Loans and Two Wheeler Loans), Business Loans, Loans Against Property, Personal Loans, Consumer Durables Loans and Loans Against Securities.

In the SME and Commercial Finance segment, TCFSL specializes in product offerings ranging from Term Loans, Working Capital Term Loans, Channel Finance, Bill Discounting, Construction Equipment and Commercial Vehicle Loans, Equipment Finance, Leasing Solutions, Lease Rental Discounting, Promoter Finance, Loan Against Securities and Structured Products.

TCFSL's portfolio increased by ₹ 11,068 crore from ₹ 45,101 crore in FY 2020-21 to ₹ 56,169 crore in FY 2021-22. TCFSL's Profit Before Tax was ₹ 1,080 crore (FY 2020-21: ₹ 825 crore) and the Profit After Tax for the year increased by about 21% to ₹ 817 crore (FY 2020-21: ₹ 677 crore).

The consolidated Profit After Tax, after accounting for share in Profits of Associates for FY 2021-22, increased by 21% to ₹ 818 crore, as compared to ₹ 675 crore in FY 2020-21.

In FY 2021-22, the Gross and Net Non-Performing Assets ("NPA") stood at 2.2% and 0.5% as compared to 3.0% and 0.9% in FY 2020-21, respectively.

ii) Tata Capital Housing Finance Limited ("TCHFL")

TCHFL is a wholly-owned subsidiary of the Company and is registered as a Housing Finance Company with the NHB to carry on housing finance activities. TCHFL primarily offers Home Loans and Affordable Housing Finance Loans, Loans Against Property and Loans to Developers for constructing Residential and Commercial premises.

TCHFL's loan portfolio stood at ₹ 30,150 crore as on March 31, 2022 (₹ 25,840 crore as on March 31, 2021). TCHFL's Profit Before Tax was ₹ 760 crore (FY 2020-21: ₹ 478 crore) and the Profit After Tax for the year increased by 60% to ₹ 569 crore (FY 2020-21: ₹ 355 crore).

In FY 2021-22, the Gross and Net NPA stood at 1.6% and 0.7% as compared to 2.1% and 0.9%, in FY 2020-21, respectively.

iii) Tata Cleantech Capital Limited ("TCCL")

TCCL is a joint venture between TCL and International Finance Corporation, Washington D.C., USA, with equity holding in the ratio of 80.50:19.50 respectively.

TCCL is registered with the RBI as an Infrastructure Finance Company and is engaged in the business of providing cash flow based finance and advisory services for projects in Renewable Energy, Energy Efficiency, Waste Management, Water Management and Infrastructure Finance.

TCCL's portfolio increased by ₹ 1,551 crore from ₹ 6,279 crore in FY 2020-21 to ₹ 7,830 crore in FY 2021-22. TCCL's Profit Before Tax was ₹ 269 crore (FY 2020-21: ₹ 221 crore) and the Profit After Tax increased by about 22% to ₹ 204 crore (FY 2020-21: ₹ 168 crore).

In FY 2021-22, the Gross and Net NPAs stood at 0.8% and 0.5% as compared to 1.0% and 0.6%, in FY 2020-21, respectively.

iv) Tata Securities Limited ("Tata Securities")

Tata Securities is a wholly-owned subsidiary of the Company, currently engaged in the business of distribution of Mutual Fund units in the capacity of an AMFI registered distributor. Tata Securities has been empaneled with several Asset Management Companies operating in India. Tata Securities is a member of BSE Limited registered in the cash segment and of the National Stock Exchange of India Limited ("NSE") registered in the capital market, futures and options and currency derivatives segments. Tata Securities is a Depository Participant of Central Depository Services (India) Limited and of National Securities Depository Limited and is also registered with SEBI as a Research Analyst. Tata Securities is registered with Pension Fund Regulatory and Development Authority ("PFRDA") to act as a Point of Presence-Sub Equity ("POP-SE") under National Pension System ("NPS") for HDFC Pension Management Co Ltd).

During the year under review, Tata Securities reported a Gross Income of ₹ 5.78 crore (FY 2020-21: ₹ 6.18 crore) and Loss after Tax of ₹ 11.72 crore (Loss After Tax for FY 2020-21: ₹ 1.89 crore).

v) Tata Capital Pte. Ltd., ("TCPL"), Singapore and its subsidiaries, viz. Tata Capital Advisors Pte. Ltd. ("TCAPL"), Singapore and Tata Capital Plc. ("TCPLC"), UK

TCPL, a wholly-owned subsidiary of TCL, carries out the business of proprietary investments and fund management, either on its own or through its subsidiaries.

TCAPL, a wholly-owned subsidiary of TCPL, holds a Capital Markets Services ("CMS") license under the Securities and Futures Act of Singapore, issued by the MAS for conducting regulated fund management activities. TCAPL acts as an Investment Manager to the offshore Private Equity Funds set up by TCPL.

TCPLC, a wholly-owned subsidiary of TCPL and incorporated in the U.K., is authorised by the Financial Conduct Authority to provide regulated services. TCPLC's focus has been to support Tata Asset Management Limited and has been engaged in performing services in mapping potential investors in the UK and Europe for India specific investment products available to investors and carry out market research. During the year, this activity has ceased and TCPLC will soon initiate the process of winding up.

During the year under review, TCPL recorded a consolidated Gross Income of US$ 16 million i.e. ₹ 117 crore (FY 2020-21: US$ 17 million i.e. ₹ 128 crore). For FY 2021-22, Profit Before Tax was at US$ 11 million i.e. ₹ 82 crore (FY 2020-21: US$ 12 million i.e. ₹ 87 crore) and Profit After Tax was at US$ 9 million i.e. ₹ 70 crore (FY 2020-21: US$ 10 million i.e. ₹ 74 crore) [US$ amount translated at ₹ 74.3767, the annual average exchange rate for FY 2021-22].

vi) Other Subsidiaries

In addition to the above subsidiaries, the following entities are also treated as subsidiaries of the Company, as per the applicable Accounting Standards:

i. Tata Capital General Partners Limited Liability Partnership, a partnership formed in Singapore to act as a General Partner and manage the Tata Capital Growth Fund Limited Partnership.

ii. Tata Capital Healthcare General Partners Limited Liability Partnership, a partnership formed in Singapore to act as a General Partner and manage the Tata Capital HBM Healthcare Fund I Limited Partnership.

iii. Tata Opportunities General Partners Limited Liability Partnership, a partnership formed in Singapore to act as a General Partner and manage the Tata Opportunities Fund Limited Partnership.

iv. Tata Capital Growth II General Partners Limited Liability Partnership, a partnership formed in Singapore to act as a General Partner and manage the Tata Capital Growth Fund II Limited Partnership.

v. Tata Capital Healthcare II General Partners Limited Liability Partnership, a partnership formed in Singapore to act as a General Partner and manage the Tata Capital Healthcare II (Feeder) Limited Partnership.

5.3.2 Associates/Subsidiaries:

As at March 31, 2022, the Company had, as per its Consolidated Financial Statements, total investments of ₹ 1,066 crore (FY 2020-21: ₹ 830 crore) in associate companies.

A separate statement, containing the salient features of the Financial Statements of the subsidiaries and associates of the Company, in accordance with the provisions of the Companies Act, 2013 ("the Act") and the applicable Accounting Standards, in the prescribed Form No. AOC-1, is included in the Annual Report at Page Nos. 244 and 245.

5.3.3 Other Investments:

As at March 31, 2022, the Company had, as per its Consolidated Financial Statements, other investments of ₹ 6,780 crore (FY 2020-21: ₹ 3,823 crore) comprising of equity shares, mutual funds, debentures, government securities and Treasury bills.

6. CONSOLIDATED FINANCIAL STATEMENTS

Pursuant to the provisions of Section 129(3) of the Act, the Consolidated Financial Statements of the Company are included in the Annual Report. A separate statement containing the salient features of the Financial Statements of its subsidiaries and associates in the prescribed Form No. AOC-1, is also included in the Annual Report at Page Nos. 244 and 245. The said Financial Statements are also available for inspection on the website of the Company at www.tatacapital.com under Investor Information tab.

7. FINANCE

During FY 2021-22, the Company met its funding requirements through issue of Commercial Papers and Unsecured Non-Convertible Debentures ("NCD"). During the year, the Company issued Unsecured Listed NCDs of ₹ 1,000 crore (Face Value) on a private placement basis. The aggregate debt of the Company outstanding as at March 31, 2022 was ₹ 4,090 crore, including CRPS at amortised cost of ₹ 1,110 crore which has been classified as borrowings as per Ind AS. Out of total borrowings, ₹ 1063 crore is payable within one year. The Debt Equity ratio of the Company as at March 31, 2022 was 0.63 times.

The Company has been regular in repayment of its borrowings and payment of interest thereon.

On a consolidated basis, the Company had borrowings aggregating ₹ 86,220 crore as at March 31, 2022 (FY 2020-21: ₹ 69,063 crore), which includes CRPS at amortised cost of ₹ 1,110 (FY 2020-21: ₹ 1,159 crore).

8. CREDIT RATING

During the year under review, rating agencies reaffirmed/issued ratings to the Company, as under:

NATURE OF SECURITIES	RATING AGENCY	RATING
Commercial Papers	CRISIL and ICRA	CRISIL A1+ and ICRA A1+
Unsecured NCDs and Bank Facilities	CRISIL	CRISIL AAA/Stable
Unsecured NCDs	INDIA RATINGS and ICRA	ICRA AAA/Stable and IND AAA/Outlook Stable
CRPS	CRISIL	CRISIL AAA/Stable

9. RISK MANAGEMENT

Tata Capital has built a robust risk management framework with strong risk fundamentals and continues to monitor the internal and external risks arising out of macro-economic factors, regulatory changes and geo-political scenario. The Board of Directors has set the tone at the top by laying down and approving the strategic plans and objectives for Risk Management and Risk Philosophy. The Risk Management Committee of the Board has the responsibility relating to monitoring and reviewing risks.

A comprehensive Enterprise Risk Management ("ERM") Framework has been adopted across Tata Capital which uses defined Key Risk Indicators based on quantitative and qualitative factors. A two-dimensional quantitative data management tool - Heat Map – has been implemented, which enables the management to have a comprehensive view of 9 identified key risk areas based on their probability and impact. These are Credit Risk, Market Risk, Process, People, Outsourcing, Technology, Business Continuity, Cyber Security and Reputation Risk. The Key Risk Indicators (KRIs), as part of the ERM Framework are aligned with the strategic objectives and business developments.

Changes in internal and external operating environment, digitalization, technological advancements and agile way of working have increased the significance of Fraud, Information & Cyber Security and Operational Risks. At Tata Capital there is continued focus on increasing operational resilience and mitigation of these risks.

10. INTERNAL FINANCIAL CONTROL

The Management has laid down set of standards, processes and structure which enables to implement internal financial controls across the organization with reference to financial statements and that such controls are adequate and are operating effectively. Internal Finance control framework has been established in line with the Internal Control - Integrated Framework (2013) issued by the Committee of Sponsoring Organisations of the Treadway Commission ("COSO") and Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India (the 'Guidance Note').

During FY 2021-22, testing was conducted basis process walkthrough and review of samples as per documented controls in the Risk & Control matrix. Testing is done for each of the controls confirming the existence and operating effectiveness of controls over financial reporting. Review was performed on design, adequacy and operating effectiveness of the controls.

During the year under review, no material or serious observation has been observed for inefficiency or inadequacy of such controls.

11. INFORMATION TECHNOLOGY SUPPORT

At Tata Capital, Information Technology (IT) is leveraged to enhance and automate business processes at all stages. New IT interventions are focused around building cutting edge digital and data capabilities. Tata Capital has invested in solutions to ensure safe and secure Work from Anywhere environment for all employees. This has been used very effectively during the lockdown imposed due to COVID-19 pandemic.

Tata Capital continues to enhance its Digital platform for both the Retail and the Corporate businesses, across customer acquisition as well as customer servicing area. The use of Robotic Process Automation, Artificial Intelligence and Machine Learning has been adopted to drive business growth, improve productivity and enhance customer experience.

Tata Capital has also invested into cutting edge technologies to set up the Data Lake which acts as a backbone to provide no touch reporting.

The IT Policies and Procedures are reviewed periodically.

12. DIGITAL PLATFORM & ANALYTICS

Tata Capital in the FY 21-22 accelerated its digital transformation to achieve business growth, drive customer centricity and attain operational excellence.

During the year, the Company deepened its focus on building new digital platforms and improved direct - to - customer journeys to drive growth across businesses. The share of business from digital channels grew significantly during the year. Further, digital-only products and services paved the way for new opportunities to increase customer reach and connect.

For the commercial lending business, Sugam Loans was launched for retailers & distributors in Tier 2 locations. This digital–only product offering was a new area of business which will provide opportunities for growth within a new customer segment.

On customer service, the objective remained to enhance self-service and migrate a large proportion of customer servicing and debt servicing to digital platforms and channels. The newer channels such as chat bots continued to gain traction and saw significant usage. Efforts were also made to digitalize the debt servicing function. As part of this, new channels of payment including UPI based payments were added, existing platforms were strengthened and a series of new features were introduced. New service requests were introduced for customers of leasing business which could be availed in a hassle-free manner. New channels for servicing such as WhatsApp based servicing was also added for commercial loan customers.

On the customer service side for retail lending products, existing digital offerings were enhanced with industry- leading features. Real time sanctions were made available for personal loans, business loans and home loan products, for both new and existing customers of Tata Capital. During the year, Tata Capital also launched Loan against Shares and Mutual funds on the digital platform which enables seamless on-boarding and servicing journeys for customers. This includes industry first features such as multi DP pledging. New features were also added for Wealth management customers to ensure real time servicing and connect with their Relationship Managers.

Synergies with the Tata group eco-system as well as with fintech players continued to play a pivotal role in the Tata Capital growth journey. Products such as EMI Cards and Personal Loans were launched on the 'Tata Neu' platform. In addition to this, new avenues were created to increase cross selling opportunities of various Tata Company products including insurance and mutual funds. On the commercial lending side too, tie-ups with Tata companies for working capital loans played an important role for disbursement growth. In addition, tie-ups with other leading fintech players for both business generation as well as process & data augmentation led to growth as well as operational efficiencies.

Collection from digital channels saw an increase over the year. An end-to-end automated communication framework was also created for the debt servicing function. This ensured the use of micro-segmentation to reach customers through their preferred channels and led to enhanced efficiency in the collection process. The use of robotics process automation for back-office processes continued over the year. New processes were identified for automation and the use of robotics helped enhance productivity and reduce costs.

Finally, the use of data analytics was enhanced across the lending value chain starting from customer acquisition to portfolio monitoring and debt servicing. The use of scorecards for underwriting increased during the year. Use of data science for risk and portfolio monitoring remained an important element to control credit losses. Analytics was also used effectively to help in customer retention, to improve NPS scores and in debt servicing.

Tata Capital will continue to make investments in new technologies to seek opportunities for growth. The Company will nurture innovation to build new capabilities, build products and services through digital. The endeavour for the future will be to enable us to thrive in a digital environment and create new benchmarks in the financial services sector.

13. TATA BUSINESS EXCELLENCE MODEL

Tata Capital continues to enhance its capabilities and processes in keeping with market and regulatory changes, using the framework of the Tata Business Excellence Model ("TBEM") (based on Baldridge Criteria, USA), which covers aspects of Leadership and Governance, Strategic Planning, Customer Focus, Measurement, Analysis and Knowledge Management, Workforce Focus and Operations Focus. Tata Capital had participated in its seventh TBEM external assessment conducted by the Tata Business Excellence Group a division of Tata Sons Private Limited, between July to December 2020 and was placed in the 600-650 score band, which indicates the level of "Emerging Industry Leader" with an absolute score of 624 (TBEM score in 2018 was 582). This reflects a significant improvement in the journey of Excellence. This was also the first time, TCL participated in the TBEM 2020 External Assessment along with all its subsidiaries and businesses. All subsidiaries and businesses have been recognized as "Emerging Industry Leaders".

The assessment provided Tata Capital with important granular feedback in terms of its current strengths and opportunities for improvements to work upon. Key strengths indicated in the TBEM 2020 Assessment were the (i) Organization's alignment with its Vision and the building of capability and structure for achieving the Vision (ii) Focus on building a quality book and (iii) Risk Management, Internal Audit and Governance mechanisms.

In FY 21-22, Tata Capital chose not to undergo TBEM Assessment and instead work upon the feedback of TBEM 2020 Assessment. Tata Capital has implemented many improvement initiatives involving people, process, digitization and technology over the last few years. These include process simplification, re-engineering and automation for improving Tata Capital's operational focus in order to enhance customer satisfaction and improve internal efficiencies with an objective to gain a competitive advantage. Many practices of Tata Capital have been recognized as Group wide Best Practices consistently in the last many years.

14. THE TATA CAPITAL BRAND

The Tata Capital brand has been built on the pledge of delivering on promises. The brand has maintained its position and has seen steady growth on awareness and consideration parameters in the Financial Services sector, especially amongst the NBFCs.

Continuing the emphasis on Tata Capital's brand promise "Count On Us"., in the FY 2020-21, Tata Capital offered those impacted by the pandemic with an exclusive product suite called Shubharambh Loans, with an extended tenure and an eased eligibility. The brand campaign line was also aptly coined, "yeh sirf Karz nahi humara Farz bhi hai". The campaign saw much success as it spoke directly to the customer's state of mind.

FY 2021-22 saw continued focus on customer-need driven communication, stemming from the insight that they seek flexibility more than anything. The new brand campaign #ApneMannKiKaro promoted the new product suite called "Flexi Plus Loans", with Longer Tenure, Overdraft Benefits and Step Up Payments. The campaign performed exceptionally well on all mediums used in the form of traffic to website, leads and business. The brand building was effective due to a balanced approach in the media mix of conventional and digital media, along with insight-oriented communication.

The year also saw four mini campaigns on Social Media to boost an 'always-on' strategy. The brand will continue to focus on social media and digital branding campaigns, with supplementing conventional media at regular intervals to raise salience and consideration.

15. CORPORATE SOCIAL RESPONSIBILITY

Corporate Social Responsibility ("CSR") is deeply rooted in the Tata Group's business philosophy laid down by its Founder, Mr. Jamsetji N. Tata over a century ago. The Group companies have a sense of responsibility towards making use of their existing resources and knowledge to not only make profits but also solve social and environmental issues.

Tata Capital too follows the Group's belief that our society can truly progress if every individual is included and empowered in the Journey of development. To guide us in this journey, the Company has a well defined CSR policy which outlines the thrust areas of development viz. Education and Skill Development & Entrepreneurship, Health and Climate Action, as adopted by the CSR Committee and the Board of Directors of the Company.

The CSR policy of the Company is available on the Company's website, https://www.tatacapital.com/content/dam/tata-capital/pdf/footer/TCL-CSR%20Policy.pdf.

During FY 2021-22, Tata Capital has spent an aggregate amount of ₹ 2,611.11 lakh on CSR activities in projects and programs covered under Schedule VII of the Act.

The CSR budget for the Company (standalone) was ₹ 0.99 lakh, this being two percent of the average net profit of the Company in the three immediately preceding financial years, calculated as per Section 198 of the Act, read with the Companies (CSR Policy) Rules, 2014. The budget was spent towards projects and programs covered under Schedule VII to the Act, as recommended by the CSR Committee of the Board and approved by the Board of Directors of the Company. The Annual Report on CSR activities is annexed herewith as Annexure 'A'.

To conceptualize and implement the projects, Tata Capital follows a robust process, including appraising and selecting technically sound NGOs, planning the project based on baseline assessment, creating a project plan for implementation and monitoring and evaluation mechanisms. This helps to bring the desired positive and measurable results for the target beneficiaries.

Additionally, the Company adheres to the Tata Group's Tata Affirmative Action Program based on the framework defined by Confederation of Indian Industries. The framework focuses on upliftment of Scheduled Castes and Scheduled Tribes and identifies 4Es as key areas of development i.e. Education, Employability, Employment and Entrepreneurship. In addition to the 4Es, Tata Capital also adheres to 'Essentials' as another category to provide for basic services like shelter, water and electricity.

16. COMPLIANCE

The Company is registered with the RBI as a CIC. The Company has complied with and continues to comply with all applicable laws, rules, circulars and regulations, including the Master Direction – Core Investment Companies (Reserve Bank) Directions, 2016 ("RBI Directions"), as amended from time to time, and it does not carry on any activity other than those permitted by the RBI for CICs.

The NCDs issued by the Company on a private placement basis are listed on the National Stock Exchange of India Limited. Accordingly, the Company has also complied with and continues to comply with SEBI (Issue and Listing of Non-Convertible Securities) Regulations, 2021 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations"), as amended from time to time. Further, SEBI vide its notification no. SEBI/LAD-NRO/GN/2021/47, issued on September 7, 2021, amended the SEBI Listing Regulations and made Regulations 15 to 27 applicable to the Debt Listed Companies having an outstanding value of listed Non-Convertible debt securities of ₹ 500 crore and above i.e. High Value Debt Listed Entity ("HVDLE"), on comply or explain basis till March 31, 2023. Accordingly, Company has been classified as a HVDLE and the aforementioned Regulations have become applicable to the Company.

17. DEPOSITS

The Company did not hold any public deposits at the beginning of the year nor has it accepted any public deposits during the year under review.

18. PARTICULARS OF LOANS, GUARANTEES AND INVESTMENTS

The provisions of Section 186 of the Act pertaining to investment and lending activities are not applicable to the Company since the Company is a NBFC whose principal business is acquisition of securities.

Details of guarantees and/or security in connection with loans to other bodies corporate or persons as covered under the provisions of Section 186 of the Act, are given in Note No. 21 to the Standalone Financial Statements.

19. DIRECTORS

Based on the recommendation of the Nomination and Remuneration Committee and the Board of Directors, the Members of the Company:

i. at the Annual General Meeting ("AGM") held on June 28, 2021, approved the appointment of Ms. Malvika Sinha (DIN: 08373142) as an Independent Director of the Company, for an initial term of 3 years commencing from April 1, 2021 up to March 31, 2024; and

ii. at the Extraordinary General Meeting of the Company held on November 23, 2021, approved the re-appointment of Ms. Varsha Purandare (DIN: 05288076) as an Independent Director of the Company, for a second term of 3 years commencing from April 1, 2022 up to March 31, 2025.

The Company was in receipt of notice, in writing, from the member(s) pursuant to section 160 of the Companies Act, 2013, for the appointment and re-appointment of Ms. Sinha and Ms. Purandare, respectively for the office of Director.

In accordance with the provisions of the Act and the Articles of Association of the Company, Mr. Saurabh Agrawal (DIN: 02144558), Non-Executive Director, is liable to retire by rotation at the ensuing AGM and is eligible for re-appointment. The Members of the Company may refer to the accompanying Notice of the AGM for the brief Resume of Mr. Agrawal.

Pursuant to the 'Fit and Proper' Policy adopted by the Company under the RBI Directions for CICs, the Company has received the 'Fit and Proper' declaration from Mr. Agrawal for his re-appointment, as a Director of the Company which has been taken on record by the Nomination and Remuneration Committee.

The Company has received declarations from the Independent Directors, viz. Ms. Varsha Purandare (DIN: 05288076) and Ms. Malvika Sinha (DIN: 08373142) stating that they meet the criteria of independence as provided in Section 149(6) of the Act and Regulation 16(1)(b) of SEBI Listing Regulations. In terms of Regulation 25(8) of SEBI Listing Regulations, they have also confirmed that they are not aware of any circumstance or situation which exists or may be reasonably anticipated that could impair or impact their ability to discharge their duties.

The Board is of the opinion that the Independent Directors of the Company possess requisite qualifications, experience and expertise and that they hold the highest standards of integrity. In terms of Section 150 of the Act read with the Companies (Appointment & Qualification of Directors) Rules, 2014, the Independent Directors of the Company have registered themselves with the data bank of Independent Directors created and maintained by the Indian Institute of Corporate Affairs, Manesar.

20. NUMBER OF MEETINGS OF THE BOARD

Eight meetings of the Board were held during the year. For details of meetings of the Board, please refer to the Corporate Governance Report, which forms part of this Annual Report.

21. EVALUATION OF THE BOARD, ITS COMMITTEES AND INDIVIDUAL DIRECTORS

Pursuant to the provisions of the Act and SEBI Listing Regulations, the Board has carried out an annual evaluation of its own performance and of the individual Directors as well as an evaluation of the working of all the Committees of the Board. The Board of Directors was assisted by the Nomination and Remuneration Committee ("NRC"). The performance evaluation was carried out by seeking inputs from all the Directors/Members of the Committees, as the case may be.

The Board of the Company followed the criteria as specified in the Guidance Note on the Board Evaluation issued by SEBI for evaluating the performance of the Board as a whole, Committees of the Board, Individual Directors and the Chairman. The criteria for evaluation of the Board as a whole, *inter alia*, covered parameters such as Structure of the Board, Meetings of the Board, Functions of the Board and Board & Management. The criteria for evaluation of Individual Directors covered parameters such as knowledge and competency, fulfillment of functions, ability to function as a team, etc. The criteria for evaluation of the Board Committees covered areas related to mandate and composition, effectiveness of the committee, structure of the committee and meetings, etc.

The feedback of the Independent Directors on their review of the performance of Non-Independent Directors and the Board as a whole, the performance of the Chairman of the Company and the assessment of the quality, quantity and timeliness of flow of information between the Company, the Management and the Board was taken into consideration by the Board in carrying out the performance evaluation.

22. POLICY ON APPOINTMENT OF DIRECTORS AND REMUNERATION POLICY OF THE COMPANY

The NRC develops the competency requirements of the Board based on the industry and the strategy of the Company, conducts a gap analysis and recommends the reconstitution of the Board, as and when required. It also recommends to the Board, the appointment of Directors having good personal and professional reputation and conducts reference checks and due diligence of all Directors before recommending them to the Board. Besides the above, the NRC ensures that the new Directors are familiarized with the operations of the Company and endeavors to provide relevant training to the Directors.

In accordance with the provisions of Section 178 of the Act, the Board of Directors have adopted a Policy on Board Diversity and Director Attributes and a Remuneration Policy.

The Policy on Board Diversity and Director Attributes has been framed to encourage diversity of thought, experience, knowledge, perspective, age and gender in the Board and to have in place, a transparent Board nomination process.

The Remuneration Policy for Directors, Key Managerial Personnel (“KMP”) and all other employees is aligned to the philosophy on the commitment of fostering a culture of leadership with trust.

The Remuneration Policy aims to ensure that the level and composition of the remuneration of the Directors, KMP and all other employees is reasonable and sufficient to attract, retain and motivate them to successfully run the Company.

Salient features of the Remuneration Policy, *inter alia*, includes:

- Remuneration in the form of Sitting Fees and Commission to be paid to Independent Directors and Non-Independent Non-Executive Directors, in accordance with the provisions of the Act and as recommended by the NRC;
- Remuneration to Managing Director / Executive Directors / KMPs and all other employees is reasonable and sufficient to attract, retain and motivate them to run the Company successfully and retain talented and qualified individuals suitable for their roles, in accordance with the defined terms of remuneration mix or composition; and
- No remuneration would be payable to Directors for services rendered in any other capacity unless the services are of a professional nature and the NRC is of the opinion that the Director possesses requisite qualification for the practice of the profession and approval of the Central Government has been received, if required, for paying the same.

The Company has also adopted a ‘Fit and Proper’ Policy for ascertaining the ‘fit and proper’ criteria to be adopted at the time of appointment of directors and on a continuing basis, pursuant to the RBI Directions for CICs. The Company has received the ‘Fit and Proper’ declarations from all the Directors of the Company in April 2022, which have been taken on record by the NRC.

The Policy on Board Diversity and Director Attributes, Fit and Proper policy as also the Remuneration Policy of the Company are made available on the Company's website, www.tatacapital.com

23. KEY MANAGERIAL PERSONNEL

Mr. Rajiv Sabharwal, Managing Director & CEO, Mr. Rakesh Bhatia, Chief Financial Officer and Ms. Sarita Kamath, Head – Legal and Compliance & Company Secretary, are the KMPs of the Company.

24. DIRECTORS' RESPONSIBILITY STATEMENT

Based on the framework of internal financial controls and compliance systems established and maintained by the Company, work performed by the Internal, Statutory and Secretarial Auditors, including audit of internal financial controls over financial reporting by the Statutory Auditors and the reviews performed by the Management and the relevant Board Committees, including the Audit Committee, the Board is of the opinion that the Company's internal financial controls were adequate and effective during FY 2021-22.

Accordingly, pursuant to Section 134(5) of the Act, the Board of Directors, to the best of their knowledge and ability, confirm that:

a) in the preparation of the annual accounts for FY2021-22, Indian Accounting Standards as per the Companies (Indian Accounting Standards) Rules, 2015, as amended by the Companies (Indian Accounting Standards) Rules, 2016, notified under Section 133 of the Act, other relevant provisions of the Act, guidelines issued by Regulators as applicable to an NBFC and other accounting principles generally accepted in India have been followed and that there are no material departures therefrom;

b) they had 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 at the end of the financial year and of the profits and cash flows of the Company for the year;

c) they had 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;

d) they had prepared the annual accounts on a going concern basis;

e) they had laid down internal financial controls to be followed by the Company and that such internal financial controls were adequate and operating effectively; and

f) they had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

The Financial Statements of the Company have been prepared in accordance with Ind AS, as notified under the Companies (Indian Accounting Standards) Rules, 2015 read with Section 133 of the Act.

25. VIGIL MECHANISM

The Company has established a Vigil Mechanism for its Directors and employees to report their concerns or grievances. The said mechanism, inter alia, encompasses the Whistle Blower Policy, the Fraud Risk Management Process, the mechanism for reporting of ethical concerns under the TCOC and the ABAC Policy and it provides for adequate safeguards against victimization of persons who use it.

The Vigil Mechanism provides access to Tata Capital's Ethics Committee for reporting concerns and grievances. It also provides access to the Compliance Officer under the Company's ABAC Policy and to the Chairperson of the Company's Audit Committee / the Chief Ethics Counsellor under the Company's Whistle Blower Policy. Information regarding the mechanism and the channels for reporting concerns are communicated to the relevant stakeholders. The Whistle Blower Policy, Vigil Mechanism, TCOC and the ABAC Policy documents are available on the website of the Company, www.tatacapital.com

26. DISCLOSURE AS PER THE SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013

The Company is committed to providing and promoting a safe and healthy work environment for all its employees. A 'Prevention of Sexual Harassment' Policy, which is in line with the statutory requirements, along with a structured reporting and redressal mechanism, including the constitution of Internal Complaints Committee in accordance with the provisions of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 ("the POSH Act"), is in place.

During FY 2021-22, no complaints were received under the provisions of the POSH Act.

27. AUDIT COMMITTEE

The details pertaining to the composition of the Audit Committee are included in the Corporate Governance Report, which forms part of this Annual Report.

28. STATUTORY AUDITORS

M/s. B S R & Co. LLP, Chartered Accountants (ICAI Firm Registration No. 101248W/W-100022) ("BSR") were appointed as the Statutory Auditors of the Company at the AGM held on August 29, 2017, for a term of five years, to hold office from the conclusion of the Twenty Sixth AGM till the conclusion of the Thirty First AGM of the Company to be held in the year 2022. The Reserve Bank of India ("RBI") vide its Circular dated April 27, 2021 issued Guidelines for Appointment of Statutory Central Auditors ("SCAs")/Statutory Auditors ("SAs") of Commercial Banks (excluding Regional Rural Banks), Urban Co-operative Banks ("UCBs") and Non-Banking Financial Companies ("NBFCs") (including Housing Finance Companies) ("RBI Circular/Guidelines").

In terms of the aforementioned RBI Guidelines, the Statutory Auditors who have completed a tenure of 3 years cannot continue to hold office as Statutory Auditors, even though they may not have completed their present tenure as approved by the Members of the said entity. Accordingly, BSR resigned as Statutory Auditors of the Company with effect from November 12, 2021.

Pursuant to RBI Guidelines and based on the recommendation of the Audit Committee, the Board of Directors of the Company at its Meeting held on October 25, 2021, approved the appointment of M/s. Khimji Kunverji & Co LLP, Chartered Accountants (ICAI Firm Registration No. 105146W/W100621), as the Statutory Auditors of the Company with effect from November 12, 2021 for a period of three consecutive years viz. FY 2021-22, FY 2022-23 and FY 2023-24, subject to the approval of the Members of the Company. Pursuant to Section 139(8)(i) of the Companies Act, 2013 and RBI Guidelines, the Members at the Extraordinary General Meeting of the Company held on November 23, 2021, approved the appointment of M/s. Khimji Kunverji & Co LLP, as Statutory Auditors of the Company to hold office with effect from November 12, 2021 till the conclusion of the Thirty-First AGM of the Company.

The Board has recommended for the approval of the Members the appointment of M/s. Khimji Kunverji & Co LLP as Statutory Auditors of the Company for further period of two years i.e. for FY 2022-23 and FY 2023-24. The Members of the Company may refer to the accompanying Notice of the AGM of the Company.

29. ACCOUNTING STANDARDS FOLLOWED BY THE COMPANY

The Financial Statements of the Company have been prepared in accordance with Ind AS as notified under the Companies (Indian Accounting Standards) Rules, 2015, as amended by the Companies (Indian Accounting Standards) Rules, 2016, notified under Section 133 of the Companies Act, 2013. Further, the Company follows the Directions issued by RBI for CICs.

The Financial Statements have been prepared on an accrual basis under the historical cost convention except for certain financial instruments that are measured at fair values at the end of each reporting period as explained in the Accounting Policies. The Accounting Policies adopted in the preparation of the Financial Statements have been consistently followed in the previous year.

30. EXPLANATION ON STATUTORY AUDITORS' REPORT

There are no qualifications, reservations or adverse remarks or disclaimers made by M/s. Khimji Kunverji & Co. LLP, Chartered Accountants, Statutory Auditors, in their Reports dated April 26, 2022 on the Financial Statements of the Company for FY 2021-22.

31. SECRETARIAL AUDITOR AND SECRETARIAL AUDIT REPORT

Pursuant to the provisions of Section 204 of the Act and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Board of Directors had appointed M/s. Parikh & Associates, a firm of Company Secretaries in Practice, to undertake the Secretarial Audit of the Company, for FY 2021-22. The Secretarial Audit Report, in the prescribed Form No. MR-3, is annexed as Annexure 'B'.

There are no qualifications, reservations or adverse remarks made by M/s. Parikh & Associates in their Secretarial Audit Report dated April 26, 2022 on the secretarial and other related records of the Company, for FY 2021-22.

32. INFORMATION ON MATERIAL CHANGES AND COMMITMENTS

There are no material changes or commitments affecting the financial position of the Company which have occurred between March 31, 2022 and May 13, 2022, being the date of this Report.

33. SIGNIFICANT AND MATERIAL ORDERS

During the period under review, there were no significant or material orders passed by any regulator or court or tribunal impacting the going concern status and Company's operations in future.

34. RELATED PARTY TRANSACTIONS

As required under Regulation 23(1) of the SEBI Listing Regulations, the Company has formulated a 'Policy on Related Party Transactions' for proper conduct and documentation of all related party transactions. The same is available on the website of the Company at www.tatacapital.com. Further, the Company also has in place a Framework on Related Party Transactions for the purpose of identification, monitoring and approving of such transactions as per the provisions of the Companies Act, 2013 and SEBI Listing Regulations.

Details of Related Party Transactions, as required to be disclosed by Indian Accounting Standard – 24 on "Related Party Disclosures" specified under Section 133 of the Act, read with the Companies (Indian Accounting Standards) Rules, 2015, are given in the Notes to the Financial Statements. Further, there were no transaction requiring disclosure under section 134(3)(h) of the Act. Hence, the prescribed Form AOC–2 does not form a part of this report.

During the year, the Company has not entered into any transaction with Related Parties which is not in its ordinary course of business or not on an arm's length basis.

35. ENERGY CONSERVATION, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS & OUTGO

(A) Conservation of energy:

i. Steps taken/impact on conservation of energy:

The operations of the Company, being financial services related, require normal consumption of electricity. The Company is taking every necessary step to reduce its consumption of energy.

At Tata Capital regular Electrical audits as part of Energy Conservation activity are conducted and suggested measures are implemented to achieve and improve energy efficiency.

Several Office premises of Tata Capital have been retrofitted with LED lights to conserve electricity, as LED lights consume less electricity as compared to the conventional CFL bulbs. Air Conditioners' temperature across all Tata Capital Offices are maintained at the optimum ambient temperature (24-25 degree celsius) resulting into savings of energy and also at some premises outgoing air conditioner duct design has been modified to provide better energy efficiencies.

ii. Steps taken by the Company for utilising alternate sources of energy:

Tata Capital has installed a solar panel at its Thane office which produces close to 750 Watts of energy and which self illuminates and provides power to the garden and security lights on the campus from dusk to dawn. The garden lights at the Thane office are being retrofitted with LED bulbs that consume less electricity as compared to the conventional incandescent or CFL bulbs.

iii. Capital investment on energy conservation equipment:

In view of the nature of the activities carried on by the Company, there is no capital investment on energy conservation equipment.

(B) Technology absorption:

Being a Core Investment Company and not being involved in any industrial or manufacturing activities, the Company has no particulars to report regarding technology absorption.

(C) Foreign Exchange Earnings and Outgo:

Foreign Exchange earned in terms of actual inflows during the year under review was ₹ 15.06 crore and the Foreign Exchange Outgo during the year under review in terms of actual outflows was NIL.

36. ANNUAL RETURN

Pursuant to Section 92(3) read with Section 134(3)(a) of the Act, the Annual Return as on March 31, 2022 is available on the website of the Company at
https://www.tatacapital.com/content/dam/tata-capital/pdf/investors-and-financial-reports/annual-reports/21-22/TCL-Annual-Report-21-22.pdf

37. TATA CAPITAL LIMITED EMPLOYEE STOCK PURCHASE / OPTION SCHEME

In order to develop and implement a long-term incentive program to effectively attract, motivate and retain the best talent from the industry in a competitive environment, the Company has implemented the Tata Capital Limited Employee Stock Purchase/Option Scheme ("Scheme"), which has been amended from time to time. For implementation of the Scheme, the TCL Employee Welfare Trust ("Trust") was set up.

The Trust entrusted the NRC of the Board, with powers to effectively administer the Scheme. In accordance with the Scheme the NRC, *inter alia*, determines the employees to whom an offer is to be made based on certain performance criteria, the price at which the options can be exercised, the quantum of offer to be made and the terms and conditions for vesting and exercise of the offer.

As at March 31, 2022, out of 7,02,34,526 Equity Shares of the Company allotted to the Trust, 1,74,36,528 Equity Shares of the Company aggregating 0.50% of its total paid up Equity Share Capital were held by the persons to whom ESOPs were granted and were exercised by them under the ESOP scheme.

The following disclosures, pertaining to ESOPs for the FY 2021-22, are being made as required under Rule 12 of the Companies (Share Capital and Debentures) Rules, 2014:

Sr. No.	Particulars	
(i)	Options Granted	76,74,172
(ii)	Options Vested	44,05,000
(iii)	Options Exercised	20,000
(iv)	Total number of shares arising out of exercise of Options	20,000
(v)	Options Lapsed	9,72,500
(vi)	Exercise Price	₹ 51.00
(vii)	Money realized by exercise of Options	₹ 10,20,000
(viii)	Variation of terms of Options	-
(ix)	Total number of Options in force as at March 31, 2022 *(Total No. of Options granted so far Less Total No. of Options exercised and lapsed / forfeited)*	2,56,81,672

Employee-wise details of options granted, during FY 2021-22, to (Options yet to be exercised)

a. Key Managerial Personnel:

Sr. No.	Name of Key Managerial Personnel	No. of Options granted
(i)	Mr. Rajiv Sabharwal	17,17,297
(ii)	Mr. Rakesh Bhatia	3,21,993
(iii)	Ms. Sarita Kamath	1,60,997

b. Any other employee who received a grant of Options in any one year of Options amounting to five percent or more of Options granted during that year:

Name of Eligible Employees	Number of Options granted
Mr. Anil Kaul*	6,43,986
Mr. Sarosh Amaria*	6,43,986
Ms. Abonty Banerjee	4,29,324

**Employees of the Subsidiary Companies*

c. Identified employees who were granted Options, during any one year, equal to or exceeding one percent of the issued capital (excluding outstanding warrants and conversions) of the Company at the time of grant: None.

38. MANAGEMENT DISCUSSION AND ANALYSIS

A detailed analysis of the Company's performance is discussed in the Management Discussion and Analysis Report, which forms part of this Annual Report.

39. CORPORATE GOVERNANCE REPORT

The Corporate Governance Report, with the Practicing Company Secretaries' Certificate thereon, for the year under review prepared in accordance with the Part C of Schedule V of SEBI Listing Regulations and as required under Regulation 34 of the Master Direction – Core Investment Companies (Reserve Bank) Directions, 2016, forms part of this Annual Report.

40. SECRETARIAL STANDARDS

The Company is in compliance with SS - 1 i.e. Secretarial Standard on Meetings of the Board of Directors and SS - 2 i.e. Secretarial Standard on General Meetings issued by the Institute of Company Secretaries of India.

41. GREEN INITIATIVE

Section 136 of the Act and the Rules framed thereunder allows the Company to send its Financial Statements by electronic mode to such Members whose shareholding is in dematerialized format and whose email addresses are registered with the Depositories for communication purposes. Shareholders who have not registered their email address with the Depositories are requested to register the same. Further, in accordance with the Circular No. 2/2022 dated May 5, 2022 read with Circular No. 02/2021 dated January 13, 2021 and Circular No. 20/2020 dated May 5, 2020 issued by the Ministry of Corporate Affairs, the Notice of the AGM including the Annual Report of the Company is being sent only through electronic mode to all the Members whose e-mail addresses are registered with the Depositories.

A copy of this Annual Report along with the Financial Statements for FY 2021-22 of the Company's subsidiaries, is also available on the website of the Company, www.tatacapital.com.

42. ACKNOWLEDGEMENTS

The Directors would like to place on record their gratitude for the valuable guidance and support received from the RBI, the NHB, SEBI, IRDA, Registrar of Companies, MAS, Financial Conduct Authority, UK and other Government and Regulatory agencies and to convey their appreciation to Tata Sons Private Limited (the holding company), the members, customers, bankers, lenders, vendors and all other business associates for the continuous support given by them to Tata Capital. The Directors also place on record their appreciation for all the employees of Tata Capital for their commitment, team work, professionalism and the resilience and dedication demonstrated by them.

For and on behalf of the Board of Directors

Mumbai
May 13, 2022

Saurabh Agrawal
Chairman
DIN: 02144558

Annexure A

ANNUAL REPORT ON CORPORATE SOCIAL RESPONSIBILITY ("CSR") ACTIVITIES

1. **Brief outline on CSR Policy of the Company**

Vision: To create shared value for the community at large in line with the Tata Group's core purpose.

Purpose: We endeavour to improve the lives of the community, especially the socially and economically underprivileged communities, by making a long term, measurable and positive impact through projects in the areas of:

- Education
- Climate Action
- Health
- Skill Development

Sectors and Issues: In sectors and issues pertaining to the purpose mentioned above.

For details of the CSR Policy along with projects and programs, kindly refer to https://www.tatacapital.com/content/dam/tata-capital/pdf/footer/TCL-CSR%20Policy.pdf

2. **Composition of CSR Committee:**

Sr. No.	Name of Member(s)	Designation / Nature of Directorship	Number of meetings of CSR Committee held during the year	Number of meetings of CSR Committee attended during the year
1.	Mr. Saurabh Agrawal, Chairman	Non-Executive Director	2	2
2.	Mr. F. N. Subedar	Non-Executive Director	2	1
3.	Ms. Malvika Sinha	Independent Director	2	2
4.	Ms. Aarthi Subramanian	Non-Executive Director	2	2
5.	Mr. Rajiv Sabharwal	Managing Director & CEO	2	2

3. **Provide the web-link where Composition of CSR committee, CSR Policy and CSR projects approved by the board are disclosed on the website of the company.**

Composition of CSR Committee:

https://www.tatacapital.com/content/dam/tata-capital/pdf/footer/TCL_Committees%27%20Composition.pdf

CSR Policy and CSR projects approved by the Board:

https://www.tatacapital.com/content/dam/tata-capital/pdf/footer/TCL-CSR%20Policy.pdf

4. **Provide the details of Impact assessment of CSR projects carried out in pursuance of sub-rule (3) of rule 8 of the Companies (Corporate Social responsibility Policy) Rules, 2014, if applicable (attach the report).**

Not Applicable

5. **Details of the amount available for set off in pursuance of sub-rule (3) of rule 7 of the Companies (Corporate Social responsibility Policy) Rules, 2014 and amount required for set off for the financial year, if any.**

Nil

6. **Average net profit of the company as per section 135(5):**

Financial Year	Net Profit (net of dividend) (in ₹)
FY 2018-19	1,23,45,72,036
FY 2019-20	47,23,98,200
FY 2020-21	(22,10,43,610)
Average Net Profit	**49,53,08,875**

7. (a) **Two percent of average net profit of the company as per section 135(5) :**
₹ 99,06,178/- rounded off to ₹ 99,10,000/-

(b) **Surplus arising out of the CSR projects or programmes or activities of the previous financial years: Nil**

(c) **Amount required to be set off for the financial year, if any: Nil**

(d) **Total CSR obligation for the financial year (7a+7b-7c):**

₹ 99,10,000 /-

8. (a) **CSR amount spent or unspent for the financial year:**

Total Amount Spent for the Financial Year. (in ₹)	Amount Unspent (in ₹)				
	Total Amount transferred to Unspent CSR Account as per section 135(6).		Amount transferred to any fund specified under Schedule VII as per second proviso to section 135(5).		
	Amount	Date of Transfer.	Name of the Fund	Amount.	Date of Transfer
99,10,000	**Nil**	**NA**	**NA**	**Nil**	**NA**

(b) **Details of CSR amount spent against ongoing projects for the financial year:**

Not Applicable

(c) **Details of CSR amount spent against other than ongoing projects for the financial year:**

(1)	(2)	(3)	(4)	(5)		(6)	(7)	(8)	
Sr. No.	Name of the Project	Item from the list of activities in Schedule VII to the Act.	Local area (Yes/ No).	Location of the project.		Amount spent for the project (in ₹)	Mode of Implementation - Direct (Yes/No)	Mode of Implementation - Through Implementing Agency	
				State	District.			Name	CSR Registration number
1	Skill Development	ii	Yes	Telangana	Hyderabad Warangal Jagtial	50,00,000	No	Tata Strive	CSR00002739
				Uttar Pradesh	Aligarh				
				Andhra Pradesh	Visakhapatna Srikakulam				
				Karnataka	Bengaluru				
				Maharashtra	Thane				
				Delhi	Delhi				
				Haryana	Yamunanagar Panchkula				
				Punjab	Ludhiana				
2	Healthcare	i	No	Tamil Nadu	Vellore Jawadu Hills	49,10,000	No	CBM India Trust	CSR00001156
					Total	**99,10,000**			

(d) **Amount spent in Administrative Overheads** Nil

(e) **Amount spent on Impact Assessment, if applicable:** Not Applicable

(f) **Total amount spent for the Financial Year (8b+8c+8d+8e) :** ₹ 99,10,000/-

(g) **Excess amount for set off, if any:** Nil

Sr. No.	Particular	Amount (in ₹)
(i)	Two percent of average net profit of the company as per section 135(5)	99,10,000
(ii)	Total amount spent for the Financial Year	99,10,000
(iii)	Excess amount spent for the financial year [(ii)-(i)]	-
(iv)	Surplus arising out of the CSR projects or programmes or activities of the previous financial years, if any	Nil
(v)	Amount available for set off in succeeding financial years [(iii)-(iv)]	Nil

9. (a) **Details of Unspent CSR amount for the preceding three financial years:**

Not Applicable

(b) **Details of CSR amount spent in the financial year for ongoing projects of the preceding financial year(s):**

Not Applicable

10. **In case of creation or acquisition of capital asset, furnish the details relating to the asset so created or acquired through CSR spent in the financial year (asset-wise details):**

(a) **Date of creation or acquisition of the capital asset(s) :** Not Applicable

(b) **Amount of CSR spent for creation or acquisition of capital asset:** Nil

(c) **Details of the entity or public authority or beneficiary under whose name such capital asset is registered, their address, etc. :** Not Applicable

(d) **Provide details of the capital asset(s) created or acquired (including complete address and location of the capital asset):** Not Applicable

11. **Specify the reason(s), if the company has failed to spend two per cent of the average net profit as per section 135(5):**

Not Applicable

Saurabh Agrawal
Chairman, CSR Committee
Non-Executive Director
DIN: 02144558

Farokh N. Subedar
Member, CSR Committee
Non-Executive Director
DIN: 00028428

Malvika Sinha
Member, CSR Committee
Independent Director
DIN: 08373142

Aarthi Subramanian
Member, CSR Committee
Non-Executive Director
DIN: 07121802

Rajiv Sabharwal
Member, CSR Committee
Managing Director & CEO
DIN: 00057333

Annexure B

FORM No. MR-3

SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED MARCH 31, 2022

(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 Capital Limited

We have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by Tata Capital Limited (hereinafter called the "Company"). Secretarial Audit was conducted in a manner that provided us 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, to the extent the information provided by the Company, its officers, agents and authorised representatives during the conduct of Secretarial Audit, the explanations and clarifications given to us and the representations made by the Management and considering the relaxations granted by the Ministry of Corporate Affairs and Securities and Exchange Board of India warranted due to the spread of the COVID-19 pandemic, we hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on March 31, 2022 generally 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 made available to us and maintained by the Company for the financial year ended on March 31, 2022 according to the provisions of:

(i) The Companies Act, 2013 (the "Act") and the rules made thereunder;

(ii) The Securities Contract (Regulation) Act, 1956 ("SCRA") and the rules made thereunder; (as may be applicable to the Company)

(iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder; (as may be applicable to the Company)

(iv) 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; (as may be applicable to the Company)

(v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ("SEBI Act"), as amended from time to time:

 (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;

 (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;

 (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 (Not applicable to the Company during the audit period);

 (d) The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 and The Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021; (Not applicable to the Company during the audit period)

(e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008 and The Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021;

(f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act, 2013 and dealing with client (Not applicable to the Company during the audit period);

(g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009 and The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021 (Not applicable to the Company during the audit period) and

(h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018; (Not applicable to the Company during the audit period).

(vi) Other laws applicable specifically to the Company are:

(a) All the Rules, Regulations, Directions, Guidelines and Circulars including Master Direction - Core Investment Companies (Reserve Bank) Directions, 2016 ("Directions"), issued by the Reserve Bank of India, as amended from time to time.

(b) The Securities and Exchange Board of India Act, 1992 and The Securities and Exchange Board of India (Venture Capital Funds) Regulations, 1996, as amended from time to time.

(c) The Securities and Exchange Board of India (Alternative Investment Funds) Regulations, 2012, as amended from time to time.

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

Secretarial Standards issued by The Institute of Company Secretaries of India with respect to Board and General Meetings.

The Listing Agreements entered into by the Company with the National Stock Exchange of India Limited with respect to Non-Convertible Debentures issued by the Company on a private placement basis read with the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

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

We further report that:

The Board of Directors of the Company is constituted with balance of Executive Directors, Non-Executive Directors and Independent Directors as per Companies Act, 2013. 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.

We report that as regards the compliance of Regulations 17(1)(b) of SEBI LODR, 2015 made applicable to the Company effective September 7, 2021 on a comply or explain basis until March 31, 2023, the Company has been providing the necessary explanation in the quarterly compliance report on Corporate Governance submitted to the Stock Exchange under Regulation 27(2)(a) of SEBI LODR, 2015.

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 for Meetings other than those held at shorter notice, 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.

As per the minutes, the decisions at the Board Meetings were taken unanimously.

We further report that 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 laws, rules, regulations and guidelines.

We further report that during the audit period the Company had following events which had bearing on the Company's affairs in pursuance of the above referred laws, rules, regulations, guidelines, standards etc.

i. The Company had issued and allotted 10,000 Unsecured, Redeemable, Non- Convertible Debentures for an amount not exceeding ₹ 1,000 crore, on a private placement basis, in one or more tranches.

ii. The Company has redeemed 3750 Unsecured Redeemable Non-Convertible Debentures for an aggregate amount of ₹ 375 crore, issued on a private placement basis.

iii. Consequent to the Put Option exercised by the Company, the Company had redeemed 4,98,800 Cumulative Redeemable Preference Shares of ₹ 1000 each, aggregating to ₹ 49.88 crore, issued on Private Placement basis.

iv. The Company has issued 37,000 units of Commercial Papers ("CP") for an aggregate amount of ₹ 1850 crore (Face Value).

v. The Company has redeemed 36,000 units of CP for an aggregate amount of ₹ 1800 crore (Face value).

vi. The Company has an Employee Stock Purchase / Option Scheme ("ESOP Scheme") which is implemented through the TCL Employee Welfare Trust ("Trust") to whom the Company had allotted Equity Shares in the past. During the year, the Trust has transferred 20,000 Equity Shares to the employees of the Company and its subsidiary companies and has bought back 3,22,469 Equity Shares in terms of the ESOP Scheme.

For **Parikh & Associates**
Company Secretaries

Jigyasa N. Ved
(Partner)
FCS No: 6488 CP No: 6018
UDIN: F006488D000207051
PR No.: 1129/2021

Mumbai
April 26, 2022

This Report is to be read with our letter of even date which is annexed as Annexure I and forms an integral part of this Report.

Annexure I

To,
The Members
Tata Capital Limited

Our Report of even date is to be read along with this letter.

1. Maintenance of Secretarial record is the responsibility of the Management of the Company. Our responsibility is to express an opinion on these Secretarial records based on our audit.
2. We have followed the audit practices and process as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in Secretarial records. We believe that the process and practices, we followed provide a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.
4. Wherever required, we have obtained the Management Representation about the compliance of laws, rules and regulations and happening of events etc.
5. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of Management. Our examination was limited to the verification of procedure on test basis.
6. The Secretarial Audit report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the Management has conducted the affairs of the Company.

For **Parikh & Associates**
Company Secretaries

Jigyasa N. Ved
(Partner)
FCS No: 6488 CP No: 6018
UDIN: F006488D000207051
PR No.: 1129/2021

Mumbai
April 26, 2022

CORPORATE GOVERNANCE REPORT

I. Company's Philosophy on Corporate Governance

The Company recognises its role as a corporate citizen and endeavours to adopt the best practices and the highest standards of corporate governance through transparency in business ethics, accountability to its customers, investors, regulators and other stakeholders. The Company's activities are carried out in accordance with good corporate practices and the Company is constantly striving to better these practices by adopting best practices.

The Company believes that governance practices enable the Management to direct and control the affairs of the Company in an efficient manner and to achieve the Company's goal of maximising value for all its stakeholders. The Company will continue to focus its resources, strengths and strategies to achieve its vision, while upholding the core values of transparency, integrity, honesty and accountability, which are fundamental to Tata companies.

As a part of the Tata Group, Tata Capital has a strong legacy of fair, transparent and ethical governance practices. The Corporate Governance philosophy is further strengthened with the adherence to the Tata Business Excellence Model ("TBEM") as a means to drive excellence, the Key Performance Metrics for tracking progress on long-term strategic objectives and the Tata Code of Conduct ("TCOC"), which articulates the values, ethics and business principles and serves as a guide to the Company, its Directors and employees, supplemented with an appropriate mechanism to report any concern pertaining to non-adherence to the TCOC. In addition, the Company has adopted a Vigil Mechanism, an Affirmative Action Policy, a Policy against Sexual Harassment at the Workplace, a Fit and Proper Policy for ascertaining the fit and proper criteria of the directors at the time of appointment and on a continuing basis, a Policy on Board Diversity and Director Attributes, a Code of Conduct for Non-Executive Directors, an Occupational Health and Safety Management System, Anti-Bribery and Anti-Corruption ("ABAC") Policy and Whistle blower policy.

The Company has signed the Tata Brand Equity and Business Promotion ("BEBP") Agreement with Tata Sons Private Limited for subscribing to the TATA BEBP Scheme. The Company abides by the TCOC and the norms for using the Tata Brand.

II. Board of Directors

a) As on March 31, 2022, the Company has 6 (six) Directors. Out of the 6 (six), 2 (two) are Independent, Non-Executive Directors; 3 (three) are Non-Independent, Non-Executive and 1 (one) is an Executive Director. The profile of Directors can be found on the Company's website www.tatacapital.com.

b) None of the Directors on the Board holds Directorship in more than 7 (seven) equity listed companies. Further, none of the Independent Directors (IDs) of the Company serves as an ID in more than 7 (seven) equity listed companies. None of the IDs serve as a whole-time director / managing director in any listed entity. None of the Directors holds directorship in more than 20 (twenty) Indian companies, with not more than 10 (ten) public limited companies. None of the Directors is a member of more than 10 committees or acts as chairperson of more than 5 committees (being Audit Committee and Stakeholders Relationship Committee, as per Regulation 26(1) of SEBI (Listing Obligations and Disclosure Requirements), 2015 ("SEBI Listing Regulations") across all the public limited companies in which he/she is a Director. Necessary disclosures regarding Committee positions in other public companies as on March 31, 2022 have been made by the Directors. None of the Directors are related to each other.

c) Independent Directors are non-executive directors as defined under Regulation 16(1)(b) of the SEBI Listing Regulations read with Section 149(6) of the Companies Act, 2013 ("Act") along with rules framed thereunder. In terms of Regulation 25(8) of SEBI Listing Regulations, they have confirmed that they are not aware of any circumstance or situation which exists or may be reasonably anticipated that could impair or impact their ability to discharge their duties. Based on the declarations received from the Independent Directors, the Board of Directors has confirmed that they meet the criteria of independence as mentioned under Regulation

16(1)(b) of the SEBI Listing Regulations and that they are independent of the management. Further, the Independent Directors have included their names in the data bank of Independent Directors maintained with the Indian Institute of Corporate Affairs in terms of Section 150 of the Act read with Rule 6 of the Companies (Appointment & Qualification of Directors) Rules, 2014.

d) 8 (Eight) Board Meetings were held during the year under review and the gap between two meetings did not exceed one hundred and twenty days. The said meetings were held on: April 23, 2021, May 7, 2021, May 31, 2021, July 29, 2021, October 25, 2021, January 31, 2022, March 17, 2022 and March 23, 2022. The necessary quorum was present for all the meetings.

e) The names and categories of the Directors on the Board, their attendance at Board Meetings held during the year under review and at the last Annual General Meeting ("AGM"), name of other listed entities in which the Director is a director and the number of Directorships and Committee Chairpersonships / Memberships held by them in other public limited companies as on March 31, 2022 and list of core skills / expertise / competencies identified by the Board of Directors are given herein below:

Name of the Director (DIN)	Category	Skills / Expertise / Competencies	Number of Board Meetings attended during FY 2021-2022	Whether attended last AGM held on June 28, 2021	Number of Directorships in other Public Companies*		Number of Committee positions held in other Public Companies**		Directorship in other listed entity (Category of Directorship)
					Chairperson	Member	Chairperson	Member	
Mr. Saurabh Agrawal (Chairman) (02144558)	Non-Independent, Non- Executive	Leadership, Strategy, Finance, Governance, Regulatory Affairs, Capital Markets and Merger & Acquisitions	8	Yes	4	7	-	2	1. Tata Steel Limited@ 2. The Tata Power Company Limited@ 3. Voltas Limited@ 4. Tata AIG General Insurance Company Limited (Debt Listed)@
Mr. F.N. Subedar (00028428)	Non-Independent, Non- Executive	Leadership, Strategy, Company Administration, Finance, Taxation, Accounts, Operation, Governance, Regulatory Affairs	8	No	-	4	2	4	1. Tata Investment Corporation Limited@ 2. Tata Capital Financial Services Limited (Debt listed) @ 3. Tata Realty and Infrastructure Limited (Debt Listed) @
Ms. Varsha Purandare (05288076)	Independent	Leadership, Strategy, Credit, Forex, Risk, Treasury, Capital Markets, Investment Banking, Private Equity, Governance, Regulatory Affairs	8	Yes	1	9	3	9	1. Deepak Fertilisers and Petrochemicals Corporation Limited# 2. Orient Cement Limited# 3. The Federal Bank Limited# 4. Tata Capital Financial Services Limited (Debt Listed) # 5. Tata Cleantech Capital Limited (Debt Listed) # 6. Tata Motors Finance Limited (Debt Listed) # 7. Tata Motors Finance Solutions Limited (Debt Listed) # 8. TMF Holdings Limited (Debt Listed) # 9. Shaily Engineering Plastics Limited#
Ms. Malvika Sinha (08373142)	Independent	Leadership, Strategy, Finance, Accounts, Forex, Human Resources, Banking Operations, Governance, Regulatory Affairs	8	Yes	-	3	-	2	1. Mahanagar Gas Limited# 2. Mahindra Logistics Limited#

Name of the Director (DIN)	Category	Skills / Expertise / Competencies	Number of Board Meetings attended during FY 2021-2022	Whether attended last AGM held on June 28, 2021	Number of Directorships in other Public Companies*		Number of Committee positions held in other Public Companies**		Directorship in other listed entity (Category of Directorship)
					Chairperson	Member	Chairperson	Member	
Ms. Aarthi Subramanian (07121802)	Non-Independent, Non- Executive	Leadership, Strategy, Digital, Operation, Governance, Regulatory Affairs	8	No	2	7	-	3	1 Tata Consultancy Services Limited@
Mr. Rajiv Sabharwal (Managing Director & CEO) (00057333)	Non-Independent, Executive	Leadership, Strategy, Finance, Risk, Treasury, Credit, Private Equity, Governance, Regulatory Affairs, Retail Banking, Banking Operations	8	Yes	3	5	1	2	1. Tata Cleantech Capital Limited (Debt Listed) @ 2. Tata Capital Financial Services Limited (Debt Listed) @ 3. Tata Capital Housing Finance Limited (Debt Listed) @ 4. Tata Realty and Infrastructure Limited (Debt Listed) @

@ Non-Independent, Non-Executive # Independent, Non-Executive

* *Excludes directorship in the Company, private companies, foreign companies and companies under Section 8 of the Act.*

** *Pertains to memberships/chairpersonships of the Audit Committee and Stakeholders' Relationship Committee of Indian public companies (excluding the Company) as per Regulation 26(1)(b) of the SEBI Listing Regulations.*

f) The Board believes that the skills / competencies / expertise, as mentioned in the above table are required for the business of the Company and the Directors of the Company possess these skills / competencies / expertise for it to function effectively.

g) During FY2021-22, 1 (one) meeting of the Independent Directors was held on March 30, 2022 where in all the Independent Directors attended the meeting. The Independent Directors, inter-alia, reviewed the performance of the Non-Independent Directors, Board as a whole and the Chairman of the Company, taking into account the views of Executive Director and Non-Executive Directors.

h) The Board periodically reviews the compliance reports of all laws applicable to the Company. During FY 2021-22, information as mentioned in Part A of Schedule II of the SEBI Listing Regulations, has been placed before the Board for its consideration.

i) None of the Directors are related inter-se.

j) Details of equity shares of the Company held by the Directors as on March 31, 2022 are given below:

#	Name of the Director	Category	No. of Equity Shares
1	Mr. Farokh N Subedar	Non-Executive Director	2,43,716

The Company has not issued any convertible instruments.

III. Committees of the Board

The Board has constituted Committees with specific terms of reference to focus on specific areas. These include the Audit Committee, the Nomination and Remuneration Committee, the Risk Management Committee, the Finance and Asset Liability Supervisory Committee, the Information Technology Strategy Committee, the Corporate Social Responsibility Committee and the Stakeholders Relationship Committee.

The Company Secretary is the Secretary of all the aforementioned Committees. The Board of Directors and the Committees also take decisions by circular resolutions which are noted by the Board/respective Committees of the Board at their next meetings. The Minutes and the gist of minutes of meetings of all Committees of the Board are circulated to the Board of Directors for noting.

i. **Audit Committee**

Composition, Meetings and Attendance

During FY 2021-22, 6 (Six) meetings of the Audit Committee were held on the following dates: April 23, 2021, July 26, 2021, September 17, 2021, October 21, 2021, January 27, 2022 and March 10, 2022.

The composition of the Audit Committee as on date of this Report and the attendance details of meetings during FY 2021-22 is, given below:

Name of the Member(s)	Category	No. of Meetings	
		Held	Attended
Ms. Varsha Purandare	Chairperson and Independent Director	6	6
Ms. Malvika Sinha	Independent Director	6	6
Mr. Farokh N. Subedar	Non-Executive Director	6	6

The composition of the Audit Committee is in line with the provisions of Section 177 of the Act and the Regulation 18 of the SEBI Listing Regulations. All the Members have the ability to read and understand financial statements and have relevant finance and / or audit experience.

The previous AGM of the Company was held on June 28, 2021 and was attended by Ms. Varsha Purandare, Chairperson of the Audit Committee.

Terms of reference

The Board has adopted an Audit Committee Charter which defines the composition of the Audit Committee, its authority, role, responsibilities and powers and reporting functions in accordance with the Act and SEBI Listing Regulations. The Charter is reviewed from time to time and is available on the website of the Company, www.tatacapital.com

The responsibilities of the Audit Committee, inter alia, include:

– Review of the financial reporting process, the system of internal financial controls, the audit process, the Company's process for monitoring compliance with laws and regulations and the Code of Conduct;

– To recommend the appointment and removal of the Auditors and their remuneration and discuss with the Auditors the nature and scope of their audit before commencement;

– To examine the financial statements, financial results and the Auditors' Report thereon;

– To evaluate the financial and risk management systems;

– To review the adequacy and performance of Risk Based Internal Audit function;

– To perform activities and carry out functions as laid down in the Framework for Related Party Transactions adopted by the Board;

– To review findings of internal investigations, frauds, irregularities, etc.; and

– To review the functioning of and compliance with the Company's Whistle Blower Policy

The Board has accepted all the recommendations made by the Audit Committee during the year.

Besides the Members of the Committee, meetings of the Audit Committee are attended by the Managing Director & CEO, the Chief Financial Officer, the Company Secretary, the Statutory Auditors and the Chief Internal Auditor. The Internal Audit function is headed by the Chief Internal Auditor of the Company who reports to the Audit Committee to ensure independence of operations.

ii. Nomination and Remuneration Committee ("NRC")

Composition, Meetings and Attendance

During FY 2021-22, 2 (Two) meetings of the NRC were held on the following dates: April 19, 2021, which was adjourned and continued on April 23, 2021 and May 31, 2021.

The composition of the NRC as on date of this Report and the attendance details of meetings during FY 2021-22 is, given below:

Name of the Member(s)	Category	No. of Meetings	
		Held	Attended
Ms. Varsha Purandare	Chairperson and Independent Director	2	2
Ms. Malvika Sinha	Independent Director	2	2
Mr. Saurabh Agrawal	Non-Executive Director	2	2

The composition of the NRC is in line with the provisions of Section 178 of the Act and Regulation 19 of SEBI Listing Regulations.

The previous AGM of the Company was held on June 28, 2021 and was attended by Ms. Varsha Purandare, Chairperson of the NRC.

Terms of reference

The responsibilities of the NRC, inter alia, include:

– To formulate the criteria for determining qualifications, fit & proper status, positive attributes and independence of a director and recommend to the Board, a policy relating to the remuneration for the directors, KMPs, the Executive team and other employees;

– To formulate the criteria for evaluation of performance of Independent Directors and the Board of Directors;

– To devise a policy on diversity of Board of Directors;

– To identify persons who are qualified to become Directors and who may be appointed in Senior Management in accordance with the criteria laid down and recommend to the Board, their appointment and removal;

– To decide whether to extend or continue the term of appointment of the Independent Director, on the basis of the report of performance evaluation of Independent Directors;

– To recommend to the Board, all remuneration, in whatever form, payable to Senior Management; and

– To decide commission payable to the Directors, subject to prescribed limits and approval of shareholders.

Performance Evaluation Criteria for Independent Directors

The performance evaluation criteria for Independent Directors is based on various factors which includes participation and contribution by a director, commitment, effective deployment of knowledge and expertise, integrity and maintenance of confidentiality and independence of behavior and judgment.

iii. Risk Management Committee ("RMC")

Composition, Meetings and Attendance

During FY 2021-22, 4 (Four) meetings of the RMC were held on the following dates: May 27, 2021, August 09, 2021, November 15, 2021 and February 04, 2022.

The composition of the RMC as on date of this Report and the attendance details of meetings during FY 2021-22 is, given below:

Name of the Member(s)	Category	No. of Meetings	
		Held	Attended
Mr. Saurabh Agrawal	Chairman and Non-Executive Director	4	4
Ms. Varsha Purandare	Independent Director	4	4
Mr. Rajiv Sabharwal	Managing Director & CEO	4	4

The composition of the RMC is in line with the provisions of Regulation 21 of SEBI Listing Regulations.

Terms of reference

The responsibilities of the RMC, inter alia, include:

– To assist the Board in its oversight of various risks;

– To review and analyse risk exposure related to specific issues and provide oversight of risk across the Company;

– To review risk profile of the subsidiaries;

– To formulate a detailed Risk Management Policy and oversee the implementation of the same, including evaluating the adequacy of risk management systems;

– To ensure whether appropriate methodology, processes and systems are in place to monitor and evaluate risks associated with the business of the Company; and

– To review the appointment, removal and terms of remuneration of the Chief Risk Officer.

iv. Finance and Asset Liability Supervisory Committee ("ALCO")

Composition, Meetings and Attendance

During FY 2021-22, 4 (Four) meetings of the ALCO were held on the following dates: May 27, 2021, August 09, 2021, November 15, 2021 and February 04, 2022.

The composition of the ALCO as on date of this Report and details of attendance at the ALCO meetings held during FY 2021-22 is, given below

Name of the Member(s)	Category	No. of Meetings	
		Held	Attended
Mr. Saurabh Agrawal	Chairman and Non-Executive Director	4	4
Mr. Farokh N. Subedar	Non-Executive Director	4	4
Ms. Varsha Purandare	Independent Director	4	4
Mr. Rajiv Sabharwal	Managing Director & CEO	4	4

Terms of reference

The responsibilities of the ALCO, inter alia, include to oversee:

– Asset Liability Management;

– Debt composition and plan of the Company for fund raising; and

– Resource raising policy of the Company.

v. Information Technology Strategy Committee ("ITSC")

Composition, Meetings and Attendance

During FY 2021-22, 2 (Two) meetings of the ITSC were held on the following dates: August 18, 2021 and February 09, 2022.

The composition of the ITSC as on date of this Report and details of attendance at the ITSC meetings held during FY 2021-22 is, given below

Name of the Member(s)	Category	No. of Meetings	
		Held	Attended
Ms. Malvika Sinha	Chairperson and Independent Director	2	2
Ms. Varsha Purandare	Independent Director	2	2
Ms. Aarthi Subramanian	Non-Executive Director	2	2
Mr. Rajiv Sabharwal	Managing Director & CEO	2	2
Mr. Bhavin Purohit	Chief Technology Officer	2	2

Terms of reference

The responsibilities of the ITSC, inter alia, include:

– To approve the IT strategy and policy documents;

– To institute an effective governance mechanism and risk management process for all outsourced IT operations and to do all such acts as may be required under the IT Directions in respect of the outsourced IT operations; and

– To recommend the appointment of IT / IS Auditor and review the IT / Information Systems Audit report and provide its observation / recommendations to the Board.

vi. Corporate Social Responsibility ("CSR") Committee

Composition, Meetings and Attendance

During FY 2021-22, 2 (Two) meetings of the CSR were held on the following dates: May 05, 2021 and March 25, 2022.

The composition of the CSR Committee as on date of this Report and details of attendance at the CSR meetings held during FY 2021-22 is, given below

Name of the Member(s)	Category	No. of Meetings	
		Held	Attended
Mr. Saurabh Agrawal	Chairman and Non-Executive Director	2	2
Mr. Farokh N. Subedar	Non-Executive Director	2	1
Ms. Malvika Sinha	Independent Director	2	2
Ms. Aarthi Subramanian	Non-Executive Director	2	2
Mr. Rajiv Sabharwal	Managing Director & CEO	2	2

Terms of reference

The responsibilities of the CSR Committee, inter alia, include:

– To formulate and recommend to the Board, a CSR Policy which shall include the guiding principles for selection, implementation and monitoring of activities to be undertaken by the Company as specified in Schedule VII of the Act ("CSR Activities") as well as for formulation of the annual action plan by the Company;

– To formulate and recommend to the Board an Annual Action Plan in pursuance of the CSR Policy and in accordance with the applicable Rules. Recommend alteration in such Plan to the Board of Directors, at any time during the financial year, based on the reasonable justification to that effect;

– To recommend the amount of expenditure to be incurred on CSR activities;

– To monitor the CSR Policy of the Company and expenditure of the subsidiaries from time to time and instituting a transparent monitoring mechanism for implementation of the CSR projects or programs or activities undertaken by the Company;

– To oversee the Company's conduct with regard to its corporate and societal obligations and its reputation as a responsible corporate citizen; and

– To oversee activities impacting the quality of life of the beneficiaries of the CSR projects.

vii. Stakeholders Relationship Committee ("SRC")

Composition, Meetings and Attendance

During FY 2021-22, 1 (one) meeting of the SRC was held on February 21, 2022.

The composition of the SRC as on date of this Report and details of attendance at the SRC meeting held during FY 2021-22 is, given below:

Name of the Member(s)	Category	No. of Meetings	
		Held	Attended
Ms. Aarthi Subramanian	Chairperson and Non-Executive Director	1	1
Ms. Malvika Sinha	Independent Director	1	1
Mr. Rajiv Sabharwal	Managing Director & CEO	1	1

The responsibilities of the SRC, inter alia, is to consider and resolve the grievances/complaints of security holders of the Company. Ms. Aarthi Subramanian, Chairperson of SRC, could not attend the previous AGM held on June 28, 2021 and authorised Ms. Malvika Sinha, Member of SRC, to attend the meeting on her behalf.

a) ***Name, designation and address of the Compliance Officer:***

Ms. Sarita Kamath, Head – Legal and Compliance & Company Secretary.
11th Floor, Tower A, Peninsula Business Park,
Ganpatrao Kadam Marg, Lower Parel, Mumbai 400013
Telephone No.: 022-6606 9000

b) Details of Complaints received from the Debenture holders (only Non-Convertible Debentures issued on Private Placement basis are listed on NSE) received and redressed during the FY 2021-2022 are as follows:

Opening Balance	Received during the year	Resolved during the year	Closing Balance
Nil	Nil	Nil	Nil

c) During FY 2021-22, no complaints were received from the Equity Shareholders of the Company.

IV. Remuneration of Directors

The Company paid Sitting fees to the Non-Executive Directors ("NEDs") and Independent Directors ("IDs") for attending meetings of the Board and the Committees of the Board and will pay Commission for the FY 2021-22, within the maximum prescribed limits to the NEDs and IDs who were Directors of the Company during FY 2021-22, as recommended by the NRC and approved by the Board at their respective meetings held on May 13, 2022. The details of the same are, as under:

a. Non-Executive Directors:

Name	Sitting Fees paid for attending Board and Committee Meetings held during FY 2021-22	Commission to be paid for FY 2021-22
*Mr. Saurabh Agrawal, Chairman and Non-Executive Director	₹ 4,00,000	Nil
Mr. Farokh N. Subedar, Non-Executive Director	₹ 8,20,000	₹ 30,00,000
Ms. Varsha Purandare, Independent director	₹ 11,50,000	₹ 30,00,000
Ms. Malvika Sinha, Independent Director	₹ 10,00,000	₹ 30,00,000
*Ms. Aarthi Subramanian, Non-Executive Director	₹ 5,50,000	Nil

**In line with the internal guidelines of the Company, no payment is made towards commission to the Non-Executive Directors of the Company, who are in full time employment with any other Tata company.*

None of the NEDs and IDs had any pecuniary relationships or transactions with the Company during the year under review.

b. Managing Director & CEO

Terms of Appointment and Remuneration of Mr. Rajiv Sabharwal, Managing Director & CEO:

Period of Contract	**April 1, 2018 to March 31, 2023**
Notice Period and Severance Fees	The Contract with the Managing Director & CEO may be terminated earlier by either party giving the other Party six months' notice of such termination or the Company paying six months' remuneration in lieu thereof. There is no separate provision for payment of Severance fees.
Employee Stock Options ("ESOP")	61,60,000 ESOPs granted to be vested in 4 tranches over a period of 4 years and exercisable over a period of 7 years. ESOPs cost: ₹ 3,72,55,864 *Note:* ● *No ESOPs have been issued at a discount* ● *The compensation cost of Stock Options as mentioned above represents the amortised cost of the Fair Value of the Stock Options charged to the Statement of Profit and Loss.*
Salary for FY2021-22	₹ 5,55,95,534
Incentive Remuneration for FY 2021-22 to be paid in FY 2022-23	₹ 5,00,00,000
Perquisites and allowances	₹ 20,30,500
Retirement benefits	₹ 73,68,520

The Members at its meetings held on March 29, 2018 and September 8, 2020 have approved the terms of remuneration including the Minimum remuneration to be paid to Mr. Sabharwal in the event of loss or inadequacy of profits in any financial year during his tenure.

Accordingly, the NRC and the Board of Directors at their respective meetings held on May 13, 2022, recommended and approved an Incentive Remuneration of ₹ 5,00,00,000/- subject to approval of the Members of the Company, payable to Mr. Sabharwal for FY 2021-22. As per the Long Term Incentive plan for FY 2021-22 (LTI 2022) of the Company, Mr. Sabharwal is entitled to LTI 2022 value of ₹ 4,00,00,000/-

V. General Body Meetings

i. General Meeting

a. Annual General Meeting

Financial Year	Date	Time	Venue	Special Resolutions passed
2018-19	July 08, 2019	10:00 a.m.	11th Floor, Tower A, Peninsula Business Park, Ganpatrao Kadam Marg, Lower Parel, Mumbai 400 013.	1. Issue and Offer of 14,70,58,823 Equity Shares of ₹ 10 each aggregating upto ₹ 750 crore, on a Preferential Basis: Offer – 1 2. Issue and Offer of 14,70,58,823 Equity Shares of ₹ 10 each aggregating upto ₹ 750 crore, on a Preferential Basis: Offer – 2 3. Issue and Offer of 9,80,39,215 Equity Shares of ₹ 10 each aggregating upto ₹ 500 crore, on a Preferential Basis: Offer – 3 4. Issue and Offer of 9,80,39,215 Equity Shares of ₹ 10 each aggregating upto ₹ 500 crore, on a Preferential Basis: Offer - 4
2019-20	September 08, 2020	3:00 p.m.	Meeting conducted through VC / OAVM pursuant to the MCA Circular	1. Payment of Commission to Non-Executive (Non-Independent and Independent) Directors of the Company 2. Terms of Remuneration of Mr. Rajiv Sabharwal, Managing Director & CEO of the Company
2020-21	June 28, 2021	10:00 a.m	Meeting conducted through VC / OAVM pursuant to the MCA Circular	Nil

b. Extraordinary General Meeting (“EGM”):

EGM was held on November 23, 2021 at 10:00 A.M. through VC / OAVM for appointment of Statutory Auditors and for re-appointment of Ms. Varsha Purandare (DIN: 05288076) as an Independent Director of the Company.

c. Whether any special resolution passed last year through postal ballot – details of voting pattern – None.

d. Person who conducted the postal ballot exercise – Not applicable.

e. Whether any special resolution is proposed to be conducted through postal ballot – None.

f. Procedure for postal ballot – Not applicable.

VI. Means of Communication

The 'Investor Information & Financials' section on the Company's website (www.tatacapital.com) keeps the investors updated on material developments in the Company by providing key and timely information such as Financial Results, Annual Reports, Contact details of persons responsible for investor grievances, etc. The debenture holders can also send in their queries/complaints at the designated email address at compliance.ncd@tatacapital.com and the Cumulative Redeemable Preference Shares ("CRPS") holders can send their queries/complaints at crps@tatacapital.com. Financial Results are normally published in Business Standard Newspaper.

VII. General Information for Members and Debenture holders

The Company is registered with the Registrar of Companies, Maharashtra, Mumbai. The Corporate Identity Number allotted to the Company by the Ministry of Corporate Affairs is U65990MH1991PLC060670.

i. **Details of Debenture Trustees and the Registrar and Transfer Agents of the Company are, given below:**

Debenture Trustees
IDBI Trusteeship Services Limited Asian Building, Ground Floor,17,R. Kamani Marg, Ballard Estate, Mumbai - 400001. Website: www.idbitrustee.com,Tel: 022-40807000, Fax: +912266311776. e-mail: itsl@idbitrustee.com
Registrar and Transfer Agents - Equity Shares, Preference Shares and Non-Convertible Debentures issued on a Private Placement basis
TSR Consultants Private Limited (Formerly known as TSR Darashaw Consultants Private Limited) (Subsidiary of Link Intime India Private Limited) C-101, 1st Floor, 247 Park, Lal Bahadur Shastri Marg, Vikhroli West, Mumbai - 400083 Website: www.tcplindia.co.in, Phone No.: 022- 66568484 E-mail: csg-unit@tcplindia.co.in

ii. **Annual General Meeting for FY 2021-22**

Date: June 28, 2022

Time: 10:00 A.M.

Venue: Through Video Conferencing / Other Audio Visual Means

iii. **Financial Year:** April 1, 2021 to March 31, 2022

iv. **Dividend Payment date:** On or after June 28, 2022

v. **Listing on Stock Exchange**

Only Unsecured, Redeemable, Non-Convertible Debentures issued by the Company on a private placement basis are listed on the National Stock Exchange of India Limited.

National Stock Exchange of India Limited, Exchange Plaza, C-1, Block G, Bandra Kurla Complex, Bandra (East), Mumbai 400 051

Listing Fees as applicable have been paid for FY 2021-22 and FY 2022-23.

vi. **Stock Codes/Symbol**

NSE: TATACAP

vii. **Market Price data- high, low during each month in last financial year –** Not Applicable

viii. **Performance in comparison to broad-based indices such as BSE sensex, CRISIL Index etc. –** Not Applicable

ix. **In case of securities are suspended from trading, the directors report shall explain the reason thereof. –** Not Applicable

x. **Share Transfer System:**

In terms of Regulation 40(1) of SEBI Listing Regulations, as amended from time to time, securities can be transferred only in dematerialized form with effect from April 1, 2019, except in case of request received for transmission or transposition of securities. All the equity shares of the Company are in dematerialized form, hence, transfers of equity shares in electronic form are effected through the depositories with no involvement of the Company.

xi. **Distribution of shareholding as on March 31, 2022:**

- **Equity Shareholding:**

No. of Shares	Shareholding	% of total Equity Shares	No. of Shareholders	% of total Equity shareholders
1-1000	7,072	0.00	12	1.55
1001-5000	9,78,002	0.03	241	31.22
5001-10000	14,54,605	0.04	163	21.11
10001-20000	23,68,116	0.07	158	20.47
20001-30000	10,63,431	0.03	43	5.57
30001-40000	12,41,740	0.04	36	4.66
40001-50000	8,21,922	0.02	19	2.46
50001-100000	31,03,331	0.09	44	5.70
100001 - Above	3,50,51,29,525	99.69	56	7.25
Grand Total	**3,51,61,67,744**	**100**	**772**	**100**

- **Preference Shareholding:**

No. of Shares	Shareholding	% of total Preference Shares	No. of Shareholders	% of total Preference shareholders
1-1000	7,13,286	6.43	936	48.17
1001-5000	20,52,414	18.49	762	39.22
5001-10000	9,44,300	8.51	106	5.46
10001-20000	9,21,700	8.30	56	2.88
20001-30000	6,27,000	5.65	23	1.18
30001-40000	3,78,500	3.41	10	0.51
40001-50000	12,87,800	11.60	26	1.34
50001-100000	9,61,100	8.66	13	0.67
100001 - Above	32,13,100	28.95	11	0.57
Grand Total	**1,10,99,200**	**100**	**1,943**	**100**

- **Category of Equity and Preference Shareholding:**

  Equity Shares (Face Value: ₹ 10):

Category	No. of Equity Shares held	% of holding
Promoter	3,32,45,83,520	94.55
Bodies Corporate	11,67,21,517	3.32
Trust	5,27,97,998	1.50
Individuals	2,20,64,709	0.63
Total (A)	**3,51,61,67,744**	**100.00**

  Preference Shares (Face Value: ₹ 1000):

Category	No. of Preference Shares held	% of holding
Bodies Corporate	54,79,420	49.37
Individuals	51,27,525	46.2
Trust	1,52,500	1.37
Others	3,39,755	3.06
Total (B)	**1,10,99,200**	**100**
Grand Total of Shares (A + B)	**3,52,72,66,944**	

xii. **Dematerialization of shares and liquidity:**

All the Equity shares and Preference Shares of the Company are in dematerialized form as on March 31, 2022. Under the Depository System, the International Securities Identification Number (ISIN) allotted to the Company's equity shares is INE976I01016.

xiii. **Outstanding global depository receipts or american depository receipts or warrants or any convertible instruments, conversion date and likely impact on equity:** Not Applicable*

xiv. **Commodity price risk or foreign exchange risk and hedging activities:** Not Applicable*

xv. **Plant locations: -** Not Applicable *

xvi. **Address for correspondence:**

11th Floor, Tower A, Peninsula Business Park
Ganpatrao Kadam Marg, Lower Parel,
Mumbai 400013

xvii. **List of all credit ratings obtained by the entity along with any revisions thereto during the relevant financial year, for all debt instruments of such entity or any fixed deposit programme or any scheme or proposal:**

Details pertaining to Credit Ratings obtained by the Company are included in the Directors' Report.

xviii. **Transfer of Unclaimed / Unpaid Amounts to the Investor Education and Protection Fund:**

During the year under review, no amount was due for transfer to Investor Education and Protection Fund.

**The equity shares of the Company are not listed on the stock exchanges and hence certain details are not applicable to the Company.*

VIII. Other Disclosure

Particulars	Details
Disclosures on materially significant related party transactions that may have potential conflict with the interests of listed entity at large;	There were no material related party transactions during the year that have a conflict with the interest of the Company.
Details of non - compliance by the Company, penalty, strictures imposed on the Company by the stock exchange, or Securities and Exchange Board of India ('SEBI') or any statutory authority on any matter related to capital markets, during the last three years;	NIL
Details of establishment of vigil mechanism / whistle blower policy, and affirmation that no personnel has been denied access to the audit committee;	The Company has a Whistle Blower Policy and has established necessary Vigil Mechanism for Directors and employees to report concerns about unethical behaviour. No person has been denied access to the Audit Committee.
Details of compliance with mandatory requirements and adoption of the non-mandatory requirements;	Details of compliance with non-mandatory and mandatory requirements are mentioned in point no. XI and XII of this report respectively.
Web link where policy for determining 'material' subsidiaries is disclosed;	The Company has a policy for determining 'material subsidiaries' which is disclosed on its website at https://www.tatacapital.com/content/dam/tata-capital/pdf/tcl/TCL__Policyfordeterminingmaterialsubsidiaries.pdf
Web link where policy on dealing with related party transactions	The Company has a policy on dealing with related party transactions which is disclosed on its website at https://www.tatacapital.com/content/dam/tata-capital/pdf/tcl/TCL_RPTPolicy.pdf
Disclosure of commodity price risks and commodity hedging activities	Not Applicable
Details of utilization of funds raised through preferential allotment or qualified institutional placement as specified under Regulation 32 (7A).	Not Applicable
Certificate from a company secretary in practice that none of the directors on the board of the company have been debarred or disqualified from being appointed or continuing as directors of companies by the Board/Ministry of Corporate Affairs or any such statutory authority	The Company has obtained certificate from M/s. Parikh & Associates, Practising Company Secretaries that none of the Directors on the Board of the Company have been debarred or disqualified from being appointed or continuing as directors of companies by the Board/ Ministry of Corporate Affairs or any such statutory authority. The same is reproduced at the end of this report and marked as *Annexure I.*
Where the board had not accepted any recommendation of any committee of the board which is mandatorily required, in the relevant financial year, the same to be disclosed along with reasons thereof:	During FY 2021-22, all the recommendations of the various Committees of the Board were accepted by the Board.

<table>
<tr><th>Particulars</th><th>Details</th></tr>
<tr><td>Total fees for all services paid by the listed entity and its subsidiaries, on a consolidated basis, to the statutory auditor and all entities in the network firm/network entity of which the statutory auditor is a part.</td><td>M/s B S R & Co. LLP, Chartered Accountants ("BSR") (ICAI Firm Registration Number: 101248W/W-100022) resigned as the Statutory Auditors with effect from November 12, 2021 due to the ineligibility to continue as statutory auditors in terms of RBI circular dated April 27, 2021.

In view of the above, M/s Khimji Kunverji & Co. LLP, Chartered Accountants (Firm Registration No. 105146W/W100621) was appointed as the Statutory Auditors of the Company With effect from November 12, 2021

The particulars of payment of fees to Statutory Auditors' is given below:

<table>
<tr><th>Particulars</th><th>Amount (₹ In lakh)</th></tr>
<tr><td>(i) Audit fees</td><td>417</td></tr>
<tr><td>(ii) Tax audit fees</td><td>22</td></tr>
<tr><td>(iii) Other Services
(includes out of pocket expenses)</td><td>43</td></tr>
<tr><td>Total</td><td>482</td></tr>
</table>

Further, no fees were paid to any entity in the network firm/network entity of which the Statutory Auditor is a part.</td></tr>
<tr><td>Disclosures in relation to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013</td><td>
<table>
<tr><th>Number of complaints filed during the financial year.</th><th>Number of complaints disposed of during the financial year.</th><th>Number of complaints pending as on end of the financial year.</th></tr>
<tr><td>Nil</td><td>NA</td><td>NA</td></tr>
</table></td></tr>
<tr><td>Disclosure by listed entity and its subsidiaries of 'Loans and advances in the nature of loans to firms/companies in which directors are interested by name and amount':</td><td>NIL</td></tr>
<tr><td colspan="2">Familiarization Program:

Details of familiarisation programmes imparted to Independent Directors is disclosed on its website at
www.tatacapital.com/content/dam/tata-capital/pdf/investors-and-financial-reports/corporate-governance/Familiarisation%20Programme.pdf</td></tr>
<tr><td>Summary Minutes</td><td>A summary of the minutes of the meetings of the Board of the subsidiary companies is placed before the Board for noting on a quarterly basis.</td></tr>
</table>

IX. Unclaimed Amount

As on March 31, 2022, there is no unpaid amount with respect to the Interest / Dividend / Redemption of NCDs / Preference Shares of the Company.

X. Non-compliance of any requirement of corporate governance report of sub-paras above, with reasons thereof shall be disclosed.

Currently, the composition of the Board is in compliance with the requirements under the Companies Act, 2013. In view of the provisions under the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirement) Regulations, 2015 ("SEBI Listing Regulations") relating to Board composition which have been made applicable to High Value Debt Listed entities, the Company shall reconstitute its Board within the specified timelines.

XI. The corporate governance report shall also disclose the extent to which the discretionary requirements as specified in Part E of Schedule II have been adopted.

The Company has adopted the following discretionary requirements as specified in Part E of Schedule II

i. The Company has adopted regime of financial statement with unmodified audit opinion.

ii. The Company has appointed separate posts of Chairman and the Managing Director & CEO such that Chairman is a Non-Executive Director and not related to Managing Director & CEO.

iii. The Internal Auditor of the Company directly reports to Audit Committee of the Company.

XII. The disclosures of the compliance with corporate governance requirements specified in regulation 17 to 27 and clauses (a) to (i) of Regulation 62 (1A) of SEBI Listing Regulations shall be made in the section on corporate governance of the annual report.

The Company is in compliance with all the mandatory requirements specified in Regulation 17 to 27 of SEBI (Listing Obligation and Disclosure Requirements) Regulation, 2015 which have become applicable to the Company as a High Value Debt Listed Entity ("HVDLE") w.e.f September 7, 2021 on a *'comply or explain'* basis until March 31, 2023 except Regulation 17(1)(b) for which the Company has been providing the necessary explanation in the quarterly compliance report on Corporate Governance submitted to the Stock Exchange.

XIII. Declaration signed by the chief executive officer stating that the members of board of directors and senior management personnel have affirmed compliance with the code of conduct of board of directors and senior management.

The Company has adopted a Code of Conduct for its employees including the Managing Director & CEO. In addition, the Company has adopted a Code of Conduct for its Non-Executive Directors and Independent Directors. These Codes are available on the Company's website (www.tatacapital.com).

All the Directors of the Board and Senior Management Personnel of the Company have affirmed compliance with the respective Codes. A declaration signed by the Managing Director & CEO to this effect is reproduced at the end of this report and marked as *Annexure II.*

XIV. Compliance certificate from either the auditors or practicing company secretaries regarding compliance of conditions of corporate governance shall be annexed with the directors' report.

The Company has obtained compliance certificate from the Practising Company Secretaries on corporate governance. The same is reproduced at the end of this report and marked as *Annexure III.*

XV. Disclosures with respect to demat suspense account / unclaimed suspense account: Not Applicable

Annexure I

CERTIFICATE

(pursuant to Schedule V Para C clause (10)(i) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015)

To,

The Members
Tata Capital Limited
11th Floor, Tower A,
Peninsula Business Park,
Ganpatrao Kadam Marg,
Lower Parel, Mumbai – 400013

We have examined the relevant registers, records, forms, returns and disclosures received from the Directors of **Tata Capital Limited** having CIN **U65990MH1991PLC060670** and having registered office at 11th Floor, Tower A, Peninsula Business Park, Ganpatrao Kadam Marg, Lower Parel, Mumbai – 400013 (hereinafter referred to as 'the Company'), produced before me/us by the Company for the purpose of issuing this Certificate, in accordance with Schedule V Para-C Sub clause 10(i) of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In our opinion and to the best of our information and according to the verifications (including Directors Identification Number (DIN) status at the portal www.mca.gov.in) as considered necessary and explanations furnished to us by the Company & its officers and considering the relaxations granted by the Ministry of Corporate Affairs and Securities and Exchange Board of India warranted due to the spread of the COVID-19 pandemic, We hereby certify that none of the Directors on the Board of the Company as stated below for the Financial Year ending on 31st March, 2022 have been debarred or disqualified from being appointed or continuing as Directors of companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs, or any such other Statutory Authority.

Sr. No.	Name of Director	DIN	Date of Appointment in Company*
1.	Mr. Farokh Nariman Subedar	00028428	11/03/1997
2.	Mr. Rajiv Sabharwal	00057333	01/04/2018
3.	Mr. Saurabh Agrawal	02144558	28/07/2017
4.	Ms. Varsha Purandare	05288076	01/04/2019
5.	Ms. Aarthi Subramanian	07121802	30/10/2017
6.	Ms. Malvika Sinha	08373142	01/04/2021

*the date of appointment is as per the MCA Portal.

Ensuring the eligibility of for the appointment / continuity of every Director on the Board is the responsibility of the management of the Company. Our responsibility is to express an opinion on these based on our verification. This certificate is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.

For Parikh & Associates
Practising Company Secretaries

Jigyasa N. Ved
Partner
FCS: 6488 CP: 6018
UDIN: F006488D000319526
PR No.: 1129/2021
Mumbai, 13.05.2022

Annexure II

DECLARATION BY THE MANAGING DIRECTOR & CEO

In accordance with SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, I hereby confirm that, all the Directors and Senior Management Personnel of the Company have affirmed compliance to the Code of Conduct for the financial year ended March 31, 2022.

For **Tata Capital Limited,**

Rajiv Sabharwal
Managing Director & CEO

Mumbai
May 13, 2022

Annexure III

PRACTISING COMPANY SECRETARIES' CERTIFICATE ON CORPORATE GOVERNANCE

To the Members of
Tata Capital Limited

We have examined the compliance of the conditions of Corporate Governance by Tata Capital Limited ('the Company') for the year ended on March 31, 2022, as stipulated under Regulations 17 to 27, clauses (a) to (i) of sub-regulation (1A) of Regulation 62 and para C, D & E of Schedule V of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations") and as made applicable to the Company effective September 7, 2021 on a comply or explain basis until March 31, 2023, and the necessary explanation in the quarterly compliance report on Corporate Governance submitted to the Stock Exchange under Regulation 27(2)(a) of SEBI Listing Regulations.

The compliance of the conditions of Corporate Governance is the responsibility of the management. Our examination was limited to the review of procedures and implementation thereof, as adopted by the Company for ensuring compliance with conditions of Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

In our opinion and to the best of our information and according to the explanations given to us, and the representations made by the Management and considering the relaxations granted by the Ministry of Corporate Affairs and Securities and Exchange Board of India warranted due to the spread of the COVID-19 pandemic, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the SEBI Listing Regulations for the year ended on March 31, 2022 and had provided necessary explanation pertaining to compliance of Regulation 17(1)(b) in the quarterly compliance report on Corporate Governance submitted to the Stock Exchange under Regulation 27(2)(a) of SEBI Listing Regulations.

We further state that such compliance is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.

For Parikh & Associates
Practising Company Secretaries

Jigyasa N. Ved
Partner
FCS: 6488 CP: 6018
UDIN: F006488D000319493
PR No.: 1129/2021
Mumbai, 13.05.2022

MANAGEMENT DISCUSSION AND ANALYSIS

1. ABOUT TATA CAPITAL

Tata Capital Limited ("TCL" or "Company"), registered with the Reserve Bank of India ("RBI") as a Systemically Important Non-Deposit Accepting Core Investment Company ("CIC"), primarily holds investments in its subsidiaries, mainly engaged in lending and offering a wide array of services/ products in the financial services sector. TCL is a subsidiary of Tata Sons Private Limited. TCL and its subsidiaries are hereinafter collectively referred to as "Tata Capital". TCL has sponsored Private Equity Funds in India, to which, it acts as an Investment Manager.

TCL has the following 3 subsidiaries engaged in the lending business:

i) **Tata Capital Financial Services Limited ("TCFSL")**, a wholly-owned subsidiary of TCL, is registered with the RBI as a Systemically Important Non-Deposit Accepting Non-Banking Financial Company ("NBFC-ND-SI"). TCFSL is a one stop financial service provider that caters to the diverse needs of the Retail, SME and Corporate Customers.

ii) **Tata Capital Housing Finance Limited ("TCHFL")**, a wholly-owned subsidiary of TCL, is registered as a Housing Finance Company with the National Housing Bank offering home loans, loan against property and builder loans.

iii) **Tata Cleantech Capital Limited ("TCCL")** is registered with the RBI as an Infrastructure Finance Company. TCCL is a joint venture between TCL and International Finance Corporation, Washington D.C., USA, with equity holding in the ratio of 80.50:19.50 respectively. TCCL offers finance and advisory services to entities in the clean technology and infrastructure space.

Apart from lending business, TCL has:

Private Equity Funds: The Company has set up multiple Private Equity Funds in India, viz. Tata Capital Growth Fund I, Tata Capital Growth Fund II, Tata Capital Healthcare Fund I, Tata Capital Healthcare Fund II, Tata Opportunities Fund, Tata Capital Innovations Fund and Tata Capital Special Situations Fund - Trust (collectively referred to as "Funds"). These Funds have been registered with SEBI as Venture Capital Funds/Alternative Investment Funds. The Company has sponsored these Funds and acts as their Investment Manager.

Presence in Singapore: Tata Capital Pte. Ltd. ("TCPL"), a wholly-owned subsidiary of TCL, has been established in Singapore and is responsible for Tata Capital's international presence and activities. TCPL's wholly-owned subsidiary in Singapore, Tata Capital Advisors Pte. Ltd. ("TCAPL"), acts as an Investment Manager to the Private Equity Funds set up in Singapore, to which, TCL acts as an Advisor.

Tata Securities Limited ("Tata Securities") is a wholly-owned subsidiary of the Company. Tata Securities has been empaneled with several Asset Management Companies operating in India. Tata Securities is currently engaged in the business of distribution of Mutual Fund units.

2. INDUSTRY AND ECONOMIC SCENARIO

India's real GDP growth for FY22 was 8.7%, which is amongst the highest in leading economies, as the Indian economy bounced back during the year exhibiting resilience during the pandemic. As the year progressed, most of the economic indicators such as GST collection, IIP, Exports and UPI transactions saw an uptick, indicating a steady recovery from the lows of the first quarter of FY22. This was also reflected in the credit growth for both Banks and NBFCs where the larger, well-funded ones witnessed a swifter recovery on the back of ebbing third wave of COVID-19 and easing of restrictions.

While India's growth outlook for the year ahead remains bright, driven by private consumption and elevated public spending, but risks remain, the biggest of which is inflation. Higher inflation can curtail the discretionary consumption and unfavourably affect the recovering domestic demand. The ongoing geopolitical crisis has caused supply chain disruptions which has led to higher commodity prices; if this gets prolonged, it can further fuel the inflation. The depreciating Rupee can become another issue as India is one of the biggest importers of crude oil leading to likely rise in trade deficit in FY23. As Rupee depreciates and import prices go up, taming inflation can become an uphill task for the central bank. A slower than expected global growth recovery may affect the demand for exports.

India's retail inflation soared to an 18-month high of 7.5% in April 2022 driven by inflationary pressures, post which the RBI announced a 40 bps repo rate hike in May 2022 in an off-cycle monetary policy to combat the said rise in inflation. While RBI's stance remains accommodative in order to support growth, ensuring that inflation remains within the target going forward shall be key for a sustainable growth environment. However, a downside to this is any further increase in the rates may force Banks and NBFCs to further increase their lending rates, and thus affecting consumption and capital expenditure.

Nevertheless, the opportunities for growth remain intact driven by strong economic fundamentals, favourable economic policies (such as PLI scheme, Aatmanirbhar Bharat Abhiyan and Startup India initiative), digital push, demographic dividend and growing global preference for India as an investment destination. Further, as we enter into FY23, the thrust on capital expenditure in Union Budget 2022 is a welcome move and expected to push demand through multiplier effect on the economy. Given the proactive efforts by the regulator and the push from the government to support growth, we expect the inflationary environment to soften and a large vaccinated population is likely to contain the impact of subsequent COVID-19 waves, which will give way to robust growth going forward. This in turn shall spur credit demand across retail, SME and corporate segments, and reflect in the performance of the financial services sector as a whole.

3. FINANCIAL PERFORMANCE ON A CONSOLIDATED BASIS

Tata Capital reported the highest ever profits during FY22 aided by expanding Net Interest Margins, prudent product mix, efficient liability management, focused management of operating costs and tightened credit policies/underwriting norms for containing credit costs.

Consolidated performance highlights of FY 2021-22 are as under:

- Recorded highest ever disbursals of ₹ 52,784 crores during the year, up by 109% Y-o-Y
- The total loan book stood at ₹ 94,349 crores as at March 31, 2022, up by 22% Y-o-Y
- A well-diversified portfolio comprising of retail portfolio (63%), SME (14%) and corporate (23%).
- Net interest income including other revenues of ₹ 5,261 crores, up by 16% Y-o-Y
- Total credit cost stood at 1.3% for the year, down by 40 bps Y-o-Y
- TCL has adopted the RBI circular dated 12th Nov, 2021 pertaining to reclassification of NPA accounts on a prudent basis. The Company has not opted for deferment as allowed by RBI till Sep'2022.
- The consolidated Net Non-Performing Assets stood at 0.6% as at March 31, 2022 (0.9% as at March 31, 2021) with a healthy provision coverage ratio of 71%.
- Net profit after tax increased Y-o-Y by 46% to ₹ 1,648 crores.
- The Return on Equity increased from 12.2% in FY 2020-21 to 15.6% in FY 2021-22.
- All the lending subsidiaries are well capitalized and the capital adequacy ratio is well above the minimum stipulated RBI norms.
- Credit rating was reaffirmed to AAA by the leading credit rating agencies.

4. RISK MANAGEMENT

Tata Capital Limited and its subsidiaries aims to operate within an effective risk management framework to actively manage all the material risks faced by the organization and make it resilient to shocks in a rapidly changing environment. It aims to establish consistent approach in management of risks and strive to reach the efficient frontier of risk and return for the organization and its shareholders.

Broad categories of risk faced by the company are Credit Risk, Market Risk, Operational Risk, Cyber Security and Reputation risk. The risk management policies are well defined for various risk categories supplemented by periodic monitoring through the sub committees of the Board.

Credit Risk: The credit aspects in the company are primarily covered by the Credit policy and Delegation of Authority approved by the Board of Directors. The company measures, monitors and manages credit risks at individual borrower and portfolio level. Last year, we have tightened our underwriting criteria across product lines, re-calibrated digital scorecards and leveraged our risk analytics to enhance our credit decisioning and monitoring of existing portfolio.

Market Risk: Market risk management is guided by clearly laid down policies, guidelines, processes and systems for the identification, measurement, monitoring and reporting of exposures against various risk limits. The Asset Liability Management (ALM) Policy stipulates a broad framework for liquidity risk management to ensure that the company is in a position to meet its liquidity obligations. The ALM policy is supplemented by LCR framework, stress testing and contingency funding plan.

Operational Risk: The company has put in place a comprehensive system of internal controls, systems and procedures for documenting, assessing, and periodic monitoring of various risks and controls linked to various processes across all business lines. The governance and framework for managing operational risks is defined in the Operational Risk Management Policy. Operational Risk Management Department engages with the First Line of Defence (Business and Operating Units) on periodic basis to identify and mitigate operational risks to minimize the risk and its impact.

Fraud Risk: TCL has adopted a robust Fraud Risk Management framework. It has an effective & very strong fraud risk governance mechanism that encompasses controls covering below objectives:

1. Prevent (reduce the risk of fraud from occurring)
2. Detect (discover fraud when it occurs) and
3. Respond (take corrective action and remedy from the harm caused by fraud).

Changing business landscape and digitization has heightened the level of fraud risk in the environment arising due to new methods, schemes and technology. We continue to increase our investment in fraud prevention and detection capabilities to protect our stakeholders.

Compliance Risk: Tata Capital has a robust compliance risk management framework in place guided by a Board approved Compliance Risk Management Charter which lays down the roles and responsibilities of employees towards ensuring compliance with the applicable laws and regulations as also the role of the Compliance Department in monitoring compliance. The management of compliance risk is an integral component of the governance framework along with other internal control and risk management frameworks.

Cyber Security Risk: The Information Security Policy has been designed to provide an overview of the information security requirements and describe the controls that may be used to meet those requirements. Information Security Policy defines the overall framework for information security risk management. It documents the expected behaviour of system, data and information users. It contains appropriate approach to combat cyber threats given the level of complexity of business and acceptable levels of risk and cyber crisis management plan addressing the aspects: (i) Detection (ii) Response (iii) Recovery and (iv) Containment.

Reputation Risk: Reputational risk has been defined as the risk arising from negative perception on the part of customers, shareholders, investors, debt-holders, media reports that can adversely affect an organization’s ability to maintain existing or establish new business relationships and continued access to sources of funding.

Our governance culture supported by sound risk management is aimed at ensuring we remain resilient during challenging periods and forge a sustainable future for the organization.

The Risk Management Practices of the Company and its subsidiaries are compliant with ISO 31000:2018, which is the International Standard for Risk Management that lays down Principles, Guidelines and Framework for Risk Management in the Organization.

5. EVOLVING REGULATORY LANDSCAPE

Over the past few years, financial services as a sector has come under increased scrutiny and therefore, greater regulatory supervision. This is especially true for NBFCs, as over the years, the sector has undergone considerable evolution in terms of size, complexity and interconnectedness within the financial sector. With a view to bridge the regulatory gaps between the Banks and NBFCs, NBFCs are now increasingly being subject to regulations and guidelines at par with banks. Some of the key regulations and guidelines aimed at bringing this regulatory convergence between the Banks and NBFCs are:

- Scale Based regulations where NBFCs would be classified into layers on the basis of their size, activity and perceived risk. Effective October 2022, the said regulations would put in place enhanced regulatory standards pertaining to Capital, Prudential and Governance requirements. NBFCs which warrant enhanced regulatory requirements based on a set of parameters and scoring methodology will feature in the upper layer, while the middle layer will comprise of deposit-taking NBFCs irrespective of asset size, non-deposit-taking NBFCs with assets worth Rs 1,000 crore or more, as well as Housing Finance Companies.
- Prompt Corrective Action (PCA) framework prescribed for NBFCs as a tool for effective market discipline, to enable Supervisory intervention at appropriate time which require NBFCs to initiate and implement remedial measures in a timely manner, so as to restore its financial health. With the NBFC sector witnessing a high growth trajectory over the past decade and substantial inter-connectedness within the financial ecosystem, this framework is expected to further strengthen the supervisory tools available to the regulator to manage NBFCs.
- RBI circular dated 12th November 2021 pertaining to asset classification of NBFCs, whereby certain aspects such as classification of an account as Special Mention Account (SMA) and Non-Performing Asset (NPA) were clarified / harmonized. This has again been brought to ensure uniformity in the implementation of IRACP norms across all lending institutions.
- RBI has tightened the norms around appointment of Auditors with issue of 'Guidelines on appointment of Statutory Auditors' with a view to strengthen governance relating to appointment of auditors and to improve the overall quality and standards of financial reporting of RBI regulated entities. It sets out the criteria for audit firms regarding the number of audits they can take at a time and how they should conduct it, while requiring joint audits for entities with asset size of more than ₹ 15,000 crores.
- Extending Risk-Based Internal Audit framework to NBFCs to enhance the quality and effectiveness of their internal audit systems and processes. It requires internal audit function to broadly assess and contribute to the overall improvement of the Organization's governance, Risk Management and control processes using a systematic and disciplined approach.
- Amendment in Listing Obligations and Disclosure Requirements by SEBI enhancing Disclosure norms and Compliance requirements for debt listed entities. Multiple provisions which were hitherto applicable only to equity listed entities were made applicable to High Value Debt Listed Entities (HVDLs). HVDLs are entities with listed NCDs having outstanding value of ₹ 500 crores and above. Further, certain provisions which were already applicable to debt listed entities have also been amended resulting in additional compliances. The amendments encompassed areas such as board composition incl. independent directors, related party transactions, corporate governance requirements, disclosure of information, financial results and submissions to stock exchanges among others.

- Introduction of guidelines on declaration of dividends by NBFCs with the intent to infuse greater transparency and uniformity in practice. It requires NBFCs to comply with the minimum prudential requirements including capital adequacy and net NPA levels to be eligible to declare dividend within the prescribed Dividend Payout ratio.

While the parity in regulations is expected to improve the overall health and shore up the governance standards for the NBFCs in the medium to long term, the sector may face some headwinds in the immediate to short term. However, the impact may not be significant for larger, well capitalized NBFCs such as Tata Capital which are well placed to navigate the evolving regulatory landscape.

6. OPPORTUNITIES AND THREATS

Non-Banking Financial Companies ("NBFCs") remain one of the most important pillars for ushering financial inclusion in India, reaching out to a hitherto under/unserved populace and in the process leading to "formalization" of the credit demand. NBFCs cater to the needs of both the retail as well as commercial sectors and, at times, have been able to develop strong niches with their specialized credit delivery models that even larger players including banks, have found hard to match. This has further provided a fillip to employment generation and wealth creation and in the process, bringing in the benefits of economic progress to the weaker sections of the society.

Last two years were challenging on account of the pandemic during which both business and collections were severely impacted. However, from Q2 FY22, credit growth has picked up significantly due to receding impact of COVID shutdowns, the pent-up demand in the economy and an uptick in multiple economic indicators. This was evidenced as per RBI's 'Data on sectoral deployment of bank credit' wherein non-food bank credit registered a y-o-y growth of 9.7% in March 2022.

While the economy is on the path to recovery, there are certain headwinds that may impact the growth and credit offtake. The NBFC sector may get impacted if elevated levels of retail inflation, crude oil prices and supply chain disruptions continue over a prolonged period. Borrowing rate is expected to rise in the wake of rate hikes announced by RBI in May 2022, which may lead to pressure on margins. Any loan re-pricing may lead to reduced demand as well as deterioration in credit quality for small borrowers.

However, there's room for optimism – receding pandemic impact along with large vaccinated population, rising private investments, higher consumption levels and thrust on capital expenditure in Union Budget 2022 shall in tandem lead to a higher growth trajectory for the economy. This shall also translate into a better performance vis-à-vis the year gone by for most of the leading financial services institutions including NBFCs.

With its strong parentage, brand recognition, liquidity and strong distribution network, Tata Capital is poised to capitalize on this opportunity and we foresee an increase in market share across all segments with the introducing new products and tapping deeper markets. Further, we have a robust risk management framework with a deep understanding of underwriting and credit controls which shall help us mitigate the risk of deterioration in asset quality.

7. INTERNAL CONTROL SYSTEMS

TCL's internal control system is designed to ensure operational efficiency, protection and conservation of resources, accuracy and promptness in financial reporting and compliance with laws and regulations. The internal control system is supported by an internal audit process for reviewing the design, adequacy and efficacy of the Company's internal controls, including its systems and processes and compliance with regulations and procedures. Internal Audit Reports are discussed with the Management and are reviewed by the Audit Committee of the Board, which also reviews the adequacy and effectiveness of the internal controls in the Company. TCL's internal control system is commensurate with its size and the nature of its operations.

8. INTERNAL FINANCIAL CONTROLS

The Management has laid down set of standards, processes and structure which enables to implement internal financial controls across the organization with reference to financial statements and that such controls are adequate and are operating effectively. Internal Finance control framework has been established in line with the Internal Control - Integrated Framework (2013) issued by the Committee of Sponsoring Organizations of the Treadway Commission (“COSO”) and Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India (the ‘Guidance Note’).

During FY 2021-22, testing was conducted basis process walkthrough and review of samples as per documented controls in the Risk & Control matrix. Testing is done for each of the controls with the help of an independent firm, on behalf of Management confirming the existence and operating effectiveness of controls over financial reporting. Review was performed on design, adequacy and operating effectiveness of the controls. During the year under review, no material or serious observation has been observed for inefficiency or inadequacy of such controls.

9. HUMAN RESOURCES

Tata Capital had 5,454 permanent employees as of March 31, 2022.

Tata Capital firmly believes that Human Capital is its most important asset. During the past two years of the COVID-19 pandemic, the health, safety & wellbeing of our employees & their families remained our top priority. A series of engagement interventions across identified key themes were undertaken to assist employees deal with the sudden and unprecedented changes brought about during this period.

The Company has embarked on its journey of “Happiness at the workplace” which has enabled to look at employee engagement in a more holistic way.

Continuing with its journey of “Happiness at the workplace”, Tata Capital conducted the Employee Engagement & Happiness Survey - 2022. The company had an impressive participation rate of 91% and the Engagement score was 80% which was higher than the comparative benchmarks identified. This survey was an important step in the Company’s journey to create a more positive and an even more joyful workplace by continuously seeking employee feedback. As a critical step post the survey, action planning is being ensured and several initiatives are being deployed to further strengthen engagement across Tata Capital.

During the period under review, Tata Capital has experienced unprecedented changes and this meant that adapting to the new norm was critical. The Company continued to deploy robust learning programs through Instructor Led Virtual Training (ILVT) sessions complimented by digital learning to ensure continuous development of the employees. Learn, unlearn and relearn continues to be the Company’s mantra.

The Advanced Learning Management System & the Learning App at Tata Capital continue to be a central depository and source to promote anytime, anywhere learning. We have now added and built the learning library with even more functional and behavioral modules that are byte sized, relevant and applicable with dedicated digital learning campaigns to enhance the Learner Engagement and a higher e-learning coverage. In addition, several leadership development programs were conducted in collaboration with reputed partners.

Consolidated Financial Statements

INDEPENDENT AUDITOR'S REPORT

TO

THE MEMBERS OF
TATA CAPITAL LIMITED

Report on the audit of the Consolidated Financial Statements

Opinion

1. We have audited the accompanying Consolidated Ind AS financial statements of Tata Capital Limited ("the Holding Company" or "the Parent") and its subsidiaries (Holding Company and its subsidiaries together referred to as "the Group"), and its associates, which comprise the consolidated balance sheet as at 31 March 2022 and the consolidated statement of profit/ loss (including other comprehensive income), the consolidated statement of changes in equity and consolidated statement of cash flows for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies and other explanatory information ("the Consolidated Financial Statements").

2. In our opinion and to the best of our information and according to the explanations given to us and based on the consideration of reports of other auditors on separate financial statements of such subsidiaries, as were audited by the other auditors and in case of entities referred to in paragraph 17 below, based on consideration of management certified statements, the aforesaid Consolidated Financial Statements give the information required by the Companies Act, 2013 ("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, and its associates as at 31 March 2022, and its consolidated profit and other comprehensive income, consolidated changes in equity and its consolidated cash flows for the year then ended.

Basis for Opinion

3. We conducted our audit in accordance with the Standards on Auditing ("SAs") specified under section 143(10) of the Act. Our responsibilities under those SAs are further described in the Auditor's Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are independent of the Group, and its associates in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India ("ICAI") together with the ethical requirements that are relevant to our audit of the Consolidated 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 along with the consideration of audit reports of the other auditors referred to in the "Other Matters" paragraph below is sufficient and appropriate to provide a basis for our opinion on the Consolidated Financial Statements.

Key Audit Matters

4. Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the Consolidated Financial Statements of the current year. These matters were addressed in the context of our audit of the Consolidated Financial Statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Key Audit Matter	How the matter was addressed in our audit
Impairment of investments in subsidiaries and associates **Charge: ₹ 852 Lakhs for year ended 31 March 2022** **Provision: ₹ 7069 Lakhs at 31 March 2022** *Refer to the accounting policies in "Note 2 (xiii) to the Consolidated Ind AS Financial Statements: Impairment of Investments at Cost and Financial Instruments", "Note 8 and 11 to the Consolidated Ind AS Financial Statements: Investments" "Note 2 (vii) to the Consolidated Ind AS Financial Statements: Significant Accounting Policies- use of estimates", "Note 45 to the Consolidated Ind AS Financial Statements: Risk Management Review"*	
Subjective estimate Recognition and measurement of investments in subsidiaries and associates involve significant management judgement. The Holding Company has investment in subsidiaries totalling to ₹ 9,27,372 Lakhs and associate companies totalling to ₹ 29,248 Lakhs before elimination for consolidation. Such investments are individually assessed for impairment as per the requirements of Ind AS 36 – "Impairment of Assets." We have identified impairment testing of investments in subsidiaries and associates as a Key Audit Matter due to the high magnitude of the carrying value. Considering that the Holding Company is a Core Investment Company ('CIC') which is primarily required to hold investments and loans in group companies as per Reserve Bank of India Master Directions for CICs, impairment testing of investments in such group companies continues to remain an area of focus for the audit. The key areas where we identified greater levels of management judgement and therefore increased levels of audit focus in the Holding Company's estimation of impairment are: ➢ As part of such impairment assessment, management considers financial information, liquidity and solvency position of investments in subsidiaries and associates. Management also considers other factors such as assessment of the investee Holding company's operations, business performance and modifications, if any, in the auditors' report of such subsidiaries and associates. For some investee companies which are classified as associates, the management sometimes involves an external valuer to assess impairment. ➢ The Holding Company has investments in Domestic Venture Capital Funds/ Alternative Investment Funds ('the Funds'), which are classified as its subsidiaries, and the	Our audit procedures included the following: **Design / controls** ➢ Understanding of the process, evaluating the design and testing the operating effectiveness in respect of impairment / fair value assessment of investments done by management. ➢ Evaluating management's controls over collation of relevant information used for determining estimates for impairment / fair value of investments. **Substantive tests** ➢ Testing appropriate implementation of policy of impairment by management. ➢ Reconciling the financial information mentioned in impairment assessment to underlying source details. Also, testing the reasonableness of management's estimates considered in such assessment. ➢ Obtaining and reading latest audited/ management certified financial statements of subsidiaries and associates and noting key financial attributes / potential indicators of impairment. ➢ Challenge appropriateness and validity of management judgements, more so amidst challenging times of pandemic by critically evaluating the risks that have been addressed by management in the valuation approach. ➢ Obtaining independent valuation reports of investments in associates and investments held by the Funds and involving a valuation specialist to test the appropriateness of the fair value of these investments, wherever necessary and applicable, for assessing impairment thereon. ➢ Assess the completeness, accuracy and relevance of data inputs for the said purpose.

Subjective estimate	Our audit procedures included the following:
impairment assessment for such Funds is done by considering the net asset value of the respective Fund. The net asset value is determined based on the value of the underlying investments held by these Funds. The management involves an external valuer to assess impairment or the fair value of the underlying investments. This process involves consideration of various valuation methodologies such as income or market approach, includes data inputs, assumptions and market related knowledge that requires management judgement and expertise. Hence, we determined that the impairment of investments in subsidiaries and associates, has a high degree of estimation, with a potential range of reasonable outcomes significantly high.	➢ Assessing the factual accuracy and appropriateness of the disclosures made in the Consolidated Ind AS Financial Statements.
Impairment of loans and advances to customers Refer note 7 to the Consolidated Financial Statements	
As at 31 March 2022, the Group has reported gross loan assets of ₹ 93,31,659 lakh against which an impairment loss of ₹ 2,98,289 lakh has been recorded. The Group has recognized impairment provision for loan assets based on the Expected Credit Loss ("ECL") approach laid down under 'Ind AS 109 – Financial Instruments'. The estimation of ECL on financial instruments involves significant management judgement and estimates and the use of different modelling techniques and assumptions which could have a material impact on reported profits. Significant management judgement and assumptions involved in measuring ECL is required with respect to: ➢ Completeness and accuracy of the data used to create assumption in the model ➢ determining the criteria for a significant increase in credit risk ➢ factoring in future economic indicators ➢ techniques used to determine probability of default, loss given default and exposure at default. These parameters are derived from the Group's internally developed statistical models and other historical data. Further, continuous regulatory overview and changes in the light of economic environment makes this a significant audit area.	Key aspects of our controls testing for the Group involved the following: • Evaluating the appropriateness of the impairment principles used by management based on the requirements of Ind AS 109 and our business understanding. • For the Holding Company and its subsidiaries, testing the 'Governance Framework' controls over validation, implementation, and model monitoring in line with the RBI guidance. **Substantive tests** Key aspects of our testing included the following: • Inquiries with Management regarding the ECL framework, Group policies on ECL and management overlay and reasonableness of the Group's considerations of the impact of the current economic environment due to COVID-19 on the ECL determination. • Performing testing of completeness, accuracy and relevance of data while arriving at the provisions at the consolidated level. • Inquiring with respective component auditors about the above matters and seeking the explanations based on their audit procedures.

Subjective estimate	Our audit procedures included the following:
On the basis of an estimate made by the management, an overlay to the tune of ₹ 17,572 lakh has been recognized by the Group as at 31 March 2022 on account of increase in default risk due to the impact of COVID-19 on recoverability of loans of the Company. The basis of estimates and assumptions involved in arriving at the overlay are monitored by the Group periodically and significantly depend on future developments in the economy including expected impairment losses. Disclosure The disclosures regarding the Group's application of Ind AS 109 are key to explaining the key judgements and material inputs to ECL results. Further, disclosures to be provided as per RBI circulars with regards to non-performing assets and provisions is also an area of focus. Considering the significance of the above matter to the overall financial statements, additional complexities involved on account of ongoing impact of COVID-19 and extent of management's estimates and judgements involved, it required significant auditor attention, hence the key audit matter.	
Information technology system for the financial reporting and Consolidation process	
The Group is highly dependent upon its information technology (IT) systems for carrying out its operations and owing to the significant volume of transactions that are processed, which impacts key financial accounting and reporting. The company has put in place the IT General Controls and application controls to ensure that the information produced by the company is reliable. Among other things, the Management also uses the information produced by the entity's IT systems for accounting, preparation and the presentation of the financial statements. Considering numerous entities across different business lines to be covered by consolidation, our audit strategy included focus on entity's key IT systems relevant to our audit due to their potential pervasive impact on the financial statements, hence a key audit matter	We have assessed the IT systems and controls over financial reporting, which includes carrying out the key audit procedures, but were not limited to the following: • we obtained an understanding of the Group's key IT systems, IT General Controls which covered access controls, program/ system changes, program development and computer operations i.e. job processing, data/ system backup and incident management and application controls relevant to our audit • We also tested the Hyperion system and recalculated the data output with the trial balance of the entities covered by consolidation to ensure completeness and accuracy.

Other Information

5. The Holding Company's Board of Directors are responsible for the other information. The other information comprises the information included in the Holding Company's annual report but does not include the Consolidated Financial Statements and our auditors' report thereon. The Other Information is expected to be made available to us after the date of this auditor's report.

6. Our opinion on the Consolidated Financial Statements does not cover the other information and we do not express any form of assurance conclusion thereon.

7. In connection with our audit of the Consolidated Financial Statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the Consolidated Financial Statements or our knowledge obtained in the audit or otherwise

appears to be materially misstated. If, based on the work we have performed and based on the work done / audit report of other auditors, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Management's and Board of Directors' responsibility for the Consolidated Financial Statements

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

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

10. The respective Management and Board of Directors of the companies included in the Group and of its associates are responsible for overseeing the financial reporting process of the Group and of its associates.

Auditor's responsibilities for the audit of the Consolidated Financial Statements

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

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

    12.1 Identify and assess the risks of material misstatement of the Consolidated Financial Statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

    12.2 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 and its subsidiary companies which are companies incorporated in India have adequate internal financial controls with reference to the Consolidated Financial Statements and the operating effectiveness of such controls.

    12.3 Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the management.

12.4 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 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 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 to cease to continue as a going concern.

12.5 Evaluate the overall presentation, structure and content of the Consolidated Financial Statements, including the disclosures, and whether the Consolidated Financial Statements represent the underlying transactions and events in a manner that achieves fair presentation.

12.6 Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group and its associates to express an opinion on the Consolidated Financial Statements. We are responsible for the direction, supervision and performance of the audit of financial statements of the Company. 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 conducted by them. We remain solely responsible for our audit opinion.

12.7 Materiality is the magnitude of misstatements in the consolidated financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the consolidated financial statements may be influenced.

12.8 We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the consolidated financial statements.

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

14. 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.

15. From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the Consolidated Financial Statements of the current year and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Other Matters

16. We did not audit the financial statements of 10 subsidiaries whose financial statements reflect Group's share of total assets of ₹ 1,00,49,722 Lakhs as at 31 March 2022, Group's share of total revenues of ₹ 10,08,383 Lakhs, Group's share of total net profit after tax of ₹ 1,71,541 Lakhs, Group's share of total comprehensive income of ₹ 1,74,561 Lakhs and net cash inflows amounting to ₹ 17,497 Lakhs for the year ended on that date, as considered in the Consolidated Financial Statements. These financial statements have been audited by other auditors whose reports have been furnished to us by the management and our opinion on the Consolidated Financial Statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries and associates, and our report in terms of section 143(3) of the Act, in so far as it relates to the aforesaid subsidiaries, is based solely on the reports of the other auditors.

17. We did not audit the financial statements of 2 subsidiaries whose financial statements/ financial information reflect Group's share of total assets of ₹ 70,073 Lakhs as at 31 March 2022, Group's

share of total revenues of ₹ 16,542 Lakhs, Group's share of total net profit after tax of ₹ 11,664 Lakhs, Group's share of total comprehensive income of ₹ 12,380 Lakhs and net cash outflows amounting to ₹ 9,300 Lakhs for the year ended on that date, as considered in the Consolidated Financial Statements. The Consolidated Financial Statements also include the total share of net profit after tax of ₹ 10,964 Lakhs and share of total comprehensive income of ₹ 12,302 Lakhs for the year ended 31 March 2022, as considered in the Consolidated Financial Statements, in respect of 17 associates, whose financial statements / financial information have not been audited by us. This financial statements / financial information are unaudited and have been furnished to us by the management and our opinion on the Consolidated Financial Statements, in so far as it relates to the amounts and disclosures included in respect of these entities, and our report in terms of section 143(3) of the Act in so far as it relates to the aforesaid entities, is based solely on such unaudited financial statements / financial information, as certified by the management of the Company. In our opinion and according to the information and explanations given to us by the Management, these financial statements /financial information are not material to the Group.

18. Attention is drawn to the fact that the audited consolidated financial Statements of the Company for the year ended 31 March 2021 were audited by erstwhile auditors whose report dated 23 April 2021, expressed an unmodified opinion on those audited consolidated financial statements. Our opinion is not modified in respect of this matter.

19. Our opinion on the Consolidated Financial Statements, and our report on Other Legal and Regulatory Requirements below, is not modified in respect of the above matters with respect to our reliance on the work done and the reports of the other auditors and the financial information as certified by the management.

Report on Other Legal and Regulatory Requirements

20. As required by section 143(3) of the Act, based on our audit and on the consideration of audit reports of the other auditors on separate financial statements of such subsidiaries, as were audited by other auditors, as noted in the 'Other Matters' paragraph, we report, to the extent applicable, that:

    20.1 We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid Consolidated Financial Statements.

    20.2 In our opinion, proper books of account as required by law relating to preparation of the aforesaid Consolidated Financial Statements have been kept so far as it appears from our examination of those books and the reports of the other auditors.

    20.3 The consolidated balance sheet, the consolidated statement of profit and loss (including other comprehensive income), the consolidated statement of changes in equity and the consolidated statement of cash flow dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the Consolidated Financial Statements.

    20.4 In our opinion, the aforesaid Consolidated Financial Statements comply with the Ind AS specified under Section 133 of the Act.

    20.5 On the basis of the written representations received from the directors of the Holding Company as on 31 March 2022, taken on record by the Board of Directors of the Holding Company and the reports of the statutory auditors of its subsidiary companies, incorporated in India, none of the directors of the Group companies, incorporated in India are disqualified as on 31 March 2022 from being appointed as a director in terms of Section 164(2) of the Act.

    20.6 With respect to the adequacy of internal financial controls with reference to the Consolidated Financial Statements of the Holding Company, its subsidiary companies, and its associate companies incorporated in India and the operating effectiveness of such controls, refer to our separate report in "Annexure A".

    20.7 In our opinion and according to the information and explanations given to us the remuneration paid during the current year by the Holding Company, to its directors is in accordance with the provisions of Section 197 of the Act read with Schedule V to the Act

21. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditor's) Rules, 2014, in our opinion and to the best of our

information and according to the explanations given to us and based on the consideration of audit reports of the other auditors on separate financial statements of such subsidiaries, as noted in the ‘Other Matters’ paragraph:

21.1 The Consolidated Financial Statements disclose the impact of pending litigations as at 31 March 2022 on the consolidated financial position of the Group, Refer Note 35 to the Consolidated Financial Statements.

21.2 Provision has been made in the Consolidated Financial Statements, as required under the applicable law or Ind AS, for material foreseeable losses, if any, on long-term contracts including derivative contracts – Refer Note 52 to the Consolidated Financial Statements in respect of such items as it relates to the Group.

21.3 There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Holding Company and its subsidiary companies, associate companies incorporated in India.

21.4 The respective Managements of the Company and its subsidiaries which are companies incorporated in India, have represented to us that to the best of their knowledge and belief that no funds (which are material either individually or in aggregate) have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Holding Company to or in any other person(s) or entity(ies), including foreign entities (“Intermediaries”), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Holding Company (“Ultimate Beneficiaries”) or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries. Based on reasonable audit procedures adopted by us, nothing has come to our notice that such representation contains any material misstatement.

21.5 The respective Managements of the Company and its subsidiaries which are companies incorporated in India, have represented to us to the best of their knowledge and belief that no funds (which are material either individually or in aggregate) have been received by the Holding Company from any person(s) or entity(ies), including foreign entities (“Funding Parties”), with the understanding, whether recorded in writing or otherwise, that the Holding Company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (“Ultimate Beneficiaries”) or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries. Based on reasonable audit procedures adopted by us, nothing has come to our notice that such representation contains any material misstatement.

21.6 In our opinion and according to the information and explanations given to us, the dividend declared during the year the by the Holding Company Group is in compliance with provisions of Section 123 of the Act.

22. With respect to the matters specified in paragraphs 3(xxi) and 4 of the Companies (Auditor’s Report) Order, 2020 (the “CARO”) issued by the Central Government in terms of Section 143(11) of the Act, to be included in the Auditor’s report, according to the information and explanations given to us, and based on the CARO reports issued by us for the Company and based on our consideration of CARO reports issued by the respective auditors of the Company’s incorporated in India, such subsidiaries as referred to in paragraph 16 above, we report that there are no qualifications or adverse remarks in these CARO reports.

For **Khimji Kunverji & Co LLP**
Chartered Accountants
Firm Registration Number: 105146W/W100621

Hasmukh B Dedhia
Partner
ICAI Membership No: 033494
UDIN: 22033494AHUQOP6699

Mumbai
26 April 2022

ANNEXURE A TO THE INDEPENDENT AUDITORS' REPORT ON THE CONSOLIDATED FINANCIAL STATEMENTS OF TATA CAPITAL LIMITED FOR THE YEAR ENDED 31 MARCH 2022

(Referred to in paragraph 20.6 under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

Report on the Internal Financial Controls with reference to the aforesaid Consolidated Financial Statements under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

Opinion

1. In conjunction with our audit of the Consolidated Financial Statements of Tata Capital Limited as of and for the year ended 31 March 2022, we have audited the internal financial controls with reference to the Consolidated Financial Statements of Tata Capital Limited ("the Holding Company"), its subsidiaries and its associate companies, which are companies incorporated in India, as of that date.

2. In our opinion, the Holding Company, and its subsidiary companies and its associate companies, which are companies incorporated in India, have, in all material respects, an adequate internal financial controls with reference to the Consolidated Financial Statements and such internal financial controls were operating effectively as at 31 March 2022, based on the internal controls over financial reporting criteria established by the respective companies considering the essential components of such internal controls stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India ("the Guidance Note").

Management's responsibility for Internal Financial Controls

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

Auditor's responsibility

4. Our responsibility is to express an opinion on the Holding Company, its subsidiaries, and its associates, which are companies incorporated in India, internal financial controls with reference to the Consolidated Financial Statements based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing ("SA"), prescribed under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls with reference to the Consolidated Financial Statements. Those SAs and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to the Consolidated Financial Statements were established and maintained and if such controls operated effectively in all material respects.

5. Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls with reference to the Consolidated Financial Statements and their operating effectiveness. Our audit of internal financial controls with reference to the Consolidated Financial Statements included obtaining an understanding of internal financial controls with reference to the Consolidated Financial Statements, assessing the risk that a material weakness

exists, and testing and evaluating the design and operating effectiveness of the internal controls based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the Consolidated Financial Statements, whether due to fraud or error.

6. 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 with reference to the Consolidated Financial Statements.

Meaning of Internal Financial controls with reference to the Consolidated Financial Statements

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

Inherent Limitations of Internal Financial Controls with reference to the consolidated Financial Statements

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

Other Matters

9. Our aforesaid report under Section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal financial controls system with reference to the Consolidated Financial Statements in so far as it relates to the subsidiary companies and associate companies, which are companies incorporated in India, is based on the corresponding reports of the auditors of such subsidiaries, associates incorporated in India.

For **Khimji Kunverji & Co LLP**
Chartered Accountants
Firm Registration Number: 105146W/W100621

Hasmukh B Dedhia
Partner
ICAI Membership No: 033494
UDIN: 22033494AHUQOP6699

Mumbai
26 April 2022

CONSOLIDATED BALANCE SHEET AS AT MARCH 31, 2022

(₹ in lakh)

Particulars		Note No.	As at March 31, 2022	As at March 31, 2021
ASSETS				
(1)	**Financial assets**			
(a)	Cash and cash equivalents	3	**2,08,162**	2,02,691
(b)	Bank balances other than (a) above	4	**5,420**	2,372
(c)	Derivative financial instruments	5	**3,521**	1,154
(d)	Receivables			
	(i) Trade receivables	6 *(i)*	**3,233**	2,663
	(ii) Other receivables	6 *(ii)*	**22**	7
(e)	Loans	7	**90,12,136**	73,62,635
(f)	Investments	8	**6,78,008**	3,82,328
(g)	Other financial assets	9	**25,059**	57,470
			99,35,561	**80,11,320**
(2)	**Non-financial assets**			
(a)	Current tax assets (net)	10 *(i)*	**16,585**	14,150
(b)	Deferred tax assets (net)	10 *(ii)*	**84,099**	73,930
(c)	Investments accounted using equity method	11	**1,06,608**	82,969
(d)	Investment property	12	**2,016**	2,127
(e)	Property, plant and equipment	12	**56,280**	76,575
(f)	Capital work-in-progress	12 *(i)*	**377**	-
(g)	Intangible assets under development	12 *(ii)*	**772**	755
(h)	Other intangible assets	12	**2,514**	2,710
(i)	Right to use assets	37	**11,133**	8,732
(j)	Other non-financial assets	13	**22,683**	19,758
			3,03,067	**2,81,706**
Total Assets			**1,02,38,628**	**82,93,026**

CONSOLIDATED BALANCE SHEET AS AT MARCH 31, 2022 *(Contd.)*

(₹ in lakh)

Particulars	Note No.	As at March 31, 2022	As at March 31, 2021
LIABILITIES AND EQUITY			
LIABILITIES			
(1) Financial liabilities			
(a) Derivative financial instruments	5	**34,305**	21,555
(b) Payables	14		
(i) Trade payables			
– Total outstanding dues of micro enterprises and small enterprises		**203**	111
– Total outstanding dues of creditors other than micro enterprises and small enterprises		**1,02,394**	80,863
(ii) Other payables			
– Total outstanding dues of micro enterprises and small enterprises		-	-
– Total outstanding dues of creditors other than micro enterprises and small enterprises		-	-
(c) Debt securities	15	**40,69,140**	31,93,375
(d) Borrowings (Other than debt securities)	16	**38,63,992**	31,22,451
(e) Subordinated liabilities	17	**6,88,845**	5,90,482
(f) Lease liabilities	37	**12,345**	10,243
(g) Other financial liabilities	18	**1,27,750**	1,44,972
		88,98,974	**71,64,052**
(2) Non-Financial Liabilities			
(a) Current tax liabilities (net)	10 *(iii)*	**34,959**	28,695
(b) Provisions	19	**7,302**	5,849
(c) Other non-financial liabilities	20	**13,794**	13,751
		56,055	**48,295**
(3) EQUITY			
(a) Equity share capital	21	**3,46,335**	3,46,360
(b) Other equity	22	**8,24,971**	6,50,940
Equity attributable to owners of the Company		**11,71,306**	**9,97,300**
(4) Non-controlling interest		**1,12,293**	83,379
Total liabilities and equity		**1,02,38,628**	**82,93,026**
Significant accounting policies	2		
See accompanying notes forming part of the financial statements	3 to 53		

In terms of our report attached

For and on behalf of the Board of Directors

For **Khimji Kunverji & Co LLP**
Chartered Accountants
Firm's Registration No: 105146W/W100621

Hasmukh B. Dedhia
Partner
Membership No: 033494

Mumbai
April 26, 2022

Saurabh Agrawal
(Chairman)
DIN: 02144558

Malvika Sinha
(Director)
DIN: 08373142

Varsha Purandare
(Director) (Pune)
DIN: 05288076

F. N. Subedar
(Director)
DIN: 00028428

Aarthi Subramanian
(Director)
DIN: 07121802

Rajiv Sabharwal
(Managing Director & CEO)
DIN: 00057333

Sarita Kamath
(Head-Legal and Compliance & Company Secretary)

Rakesh Bhatia
(Chief Financial Officer)

CONSOLIDATED STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED MARCH 31, 2022

(₹ in lakh)

	Particulars	Note No.	For the year ended March 31, 2022	For the year ended March 31, 2021
	Revenue from operations			
(i)	Interest income	23	**9,09,089**	8,72,779
(ii)	Dividend income		**82**	63
(iii)	Rental income		**30,339**	37,735
(iv)	Fees and commission income	24	**19,823**	14,976
(v)	Net gain on fair value changes	25	**39,923**	49,887
(vi)	Net gain on derecognition of associates		**5,715**	8,102
(vii)	Net gain on derecognition of investment carried at amortised cost		**87**	-
I	**Total revenue from operations**		**10,05,058**	**9,83,542**
II	Other income	26	**20,207**	15,230
III	**Total income (I + II)**		**10,25,265**	**9,98,772**
	Expenses			
(i)	Finance costs	27	**4,88,903**	5,21,258
(ii)	Impairment on investment in associates		**267**	5,254
(iii)	Impairment on financial instruments	28	**1,08,061**	1,39,777
(iv)	Employee benefit expenses	29	**87,525**	69,398
(v)	Depreciation, amortisation and impairment	12	**27,588**	33,437
(vi)	Other expenses	30	**89,113**	67,879
IV	**Total expenses**		**8,01,457**	**8,37,003**
V	**Profit from continuing operations before exceptional items, share of net profits of investments accounted for using equity method and tax**		**2,23,808**	1,61,769
VI	Share in profit/(loss) of associates		**10,964**	(272)
VII	**Profit from continuing operations before exceptional items and tax (VII + VIII)**		**2,34,772**	1,61,497
VIII	Exceptional items		**-**	-
IX	**Profit before tax from continuing operations (VIII - IX)**		**2,34,772**	1,61,497
	Tax expense			
(i)	Current tax	11	**65,700**	42,738
(ii)	Deferred tax	11	**(11,009)**	(5,705)
X	**Net tax expenses**		**54,691**	**37,033**
XI	**Profit for the year from continuing operations (IX-X)**		**1,80,081**	**1,24,464**
XII	**Other comprehensive income**			
A	**Items that will not be reclassified to profit or loss**			
	Owners of the Company			
	(a) Remeasurement of the defined benefit plans		**(247)**	1,584
	(b) Current tax relating to Remeasurement of defined employee benefit plans		**62**	(397)
	Non controlling interest			
	(a) Remeasurement of the defined benefit plans (net of tax)		**-**	7

CONSOLIDATED STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED MARCH 31, 2022 *(Contd.)*

(₹ in lakh)

	Particulars	Note No.	For the year ended March 31, 2022	For the year ended March 31, 2021
B	**Items that will be reclassified to profit or loss**			
	Owners of the Company			
	(a) Debt instruments through Other Comprehensive Income		**(1,068)**	117
	(b) Income tax on Debt instruments through Other Comprehensive Income		**182**	(20)
	(c) Fair value gain/(loss) on financial assets carried at Fair Value Through Other Comprehensive Income (FVTOCI)		**(1,056)**	1,029
	(d) Income tax relating to Fair value gain/(loss) on financial asset measured through Other Comprehensive Income		**327**	(302)
	(e) The effective portion of loss on hedging instruments in a cash flow hedge		**5,283**	(2,463)
	(f) Income tax relating to the effective portion of loss on hedging instruments in a cash flow hedge		**(1,361)**	629
	(g) Share of other comprehensive income in associates (net)		**1,338**	158
	(h) Exchange differences in translating financial statements of foreign operations		**1,603**	(838)
	Non controlling interest			
	(a) Fair value gain / (loss) on financial asset measured through Other Comprehensive Income		**(134)**	296
	(b) The effective portion of loss on hedging instruments in a cash flow hedge		**124**	(36)
	Total Other Comprehensive Income		**5,053**	(236)
XIII	**Total Comprehensive Income for the year (XI+XII) (Comprising Profit and Other Comprehensive Income for the year)**		**1,85,134**	1,24,228
XIV	**Profit for the year attributable to:**			
	Owners of the company		**1,64,821**	1,12,583
	Non-controlling interest		**15,260**	11,881
XV	**Other comprehensive income for the year attributable to:**			
	Owners of the company		**5,063**	(503)
	Non-controlling interest		**(10)**	267
XVI	**Total comprehensive income for the year attributable to: (XIV+XV)**			
	Total comprehensive income for the year attributable to:			
	Owners of the company		**1,69,884**	1,12,080
	Non-controlling interest		**15,250**	12,148
XVII	**Earnings per equity share (Face value : ₹ 10 per share)**	38		
	(1) Basic (In ₹)		**4.69**	3.20
	(2) Diluted (In ₹)		**4.69**	3.20
	Significant accounting policies	2		
	See accompanying notes forming part of the financial statements	3 to 53		

In terms of our report attached

For **Khimji Kunverji & Co LLP**
Chartered Accountants
Firm's Registration No: 105146W/W100621

Hasmukh B. Dedhia
Partner
Membership No: 033494

Mumbai
April 26, 2022

For and on behalf of the Board of Directors

Saurabh Agrawal
(Chairman)
DIN: 02144558

Malvika Sinha
(Director)
DIN: 08373142

Varsha Purandare
(Director) (Pune)
DIN: 05288076

F. N. Subedar
(Director)
DIN: 00028428

Aarthi Subramanian
(Director)
DIN: 07121802

Rajiv Sabharwal
(Managing Director & CEO)
DIN: 00057333

Sarita Kamath
(Head-Legal and Compliance & Company Secretary)

Rakesh Bhatia
(Chief Financial Officer)

CONSOLIDATED CASH FLOW STATEMENT
FOR THE YEAR ENDED MARCH 31, 2022

(₹ in lakh)

Particulars	Note No.	For the year ended March 31, 2022	For the year ended March 31, 2021
1 CASH FLOW FROM OPERATING ACTIVITIES			
Profit before tax		**2,34,772**	1,61,497
Adjustments for :			
Depreciation, amortisation and impairment		**27,588**	33,437
Net loss/(gain) on derecognition of property, plant and equipment and right-to-use assets		**(1,014)**	46
Interest expenses		**4,88,903**	5,21,258
Interest income		**(9,09,089)**	(8,72,779)
Dividend income		**(82)**	(63)
Provision for leave encashment		**89**	155
Exchange (gain)/loss (net)		**(8)**	40
Net loss /(gain) on fair value changes			
- Realised		**(8,327)**	(15,317)
- Unrealised		**(31,596)**	(34,570)
Net loss/(gain) on derecognition of investment in Associates		**(5,715)**	(8,102)
Net gain on derecognition of investment carried at amortised cost		**(87)**	-
Share in profit of associates		**(10,964)**	272
Share based payments to employees		**1,510**	1,068
Interest on income tax refund		**(54)**	(2,494)
Impairment on financial instruments		**1,08,081**	1,39,765
Impairment on investments		**264**	5,251
Provision against trade receivables		**(17)**	15
Provision against assets held for sale		**(1)**	(466)
		(1,05,747)	**(70,987)**
Interest paid		**(4,48,837)**	(4,80,901)
Interest received		**8,62,760**	8,68,764
Interest received on income tax refund		**54**	2,494
Dividend received		**113**	63
Cash generated from operation before working capital changes		**3,08,343**	**3,19,433**

CONSOLIDATED CASH FLOW STATEMENT
FOR THE YEAR ENDED MARCH 31, 2022 *(contd...)*

(₹ in lakh)

Particulars		Note No.	For the year ended March 31, 2022	For the year ended March 31, 2021
	Movement in working capital:			
	(Increase)/decrease in loans		**(17,09,805)**	(38,395)
	Decrease in trade receivables		**(566)**	1,972
	Decrease/(Increase) in other financial/non financial assets		**26,142**	(11,974)
	Increase/(decrease) in other financial/ non financial liabilities		**(22,539)**	49,129
	Increase/(decrease) in provisions		**(314)**	880
	Increase/(decrease) in trade payable		**21,801**	17,924
			(16,85,281)	**19,536**
	Taxes paid (net)		**(61,746)**	(25,293)
	NET CASH (USED IN)/GENERATED FROM OPERATING ACTIVITIES		**(14,38,684)**	**3,13,676**
2	**CASH FLOW FROM INVESTING ACTIVITIES**			
	Purchase of property, plant and equipment (including capital advances)		**(3,996)**	(6,113)
	Proceeds from sale of property, plant and equipment		**6,357**	5,525
	Investment in associates		**(18,914)**	(8,527)
	Purchase of mutual fund units		**(2,40,59,295)**	(9,17,58,675)
	Purchase of other investments		**(6,14,931)**	(1,70,504)
	Proceeds from redemption of mutual fund units		**2,39,12,414**	9,16,18,896
	Proceeds from sale of associates		**11,429**	-
	Proceeds from sale of other investments		**5,07,395**	55,258
	Purchase of fixed deposits with banks having maturity exceeding 3 months		**(2,169)**	1,566
	NET CASH (USED IN)/GENERATED FROM INVESTING ACTIVITIES		**(2,61,710)**	**(2,62,574)**
3	**CASH FLOW FROM FINANCING ACTIVITIES**			
	Infusion of capital by minority shareholders		**20,080**	26,014
	Payout of income/gain to contributors		**(3,571)**	(2,074)
	Repayment of lease obligation		**(3,670)**	(3,699)
	Redemption of preference shares		**(4,988)**	(30,740)
	Debenture issue/loan processing expenses		**(1,735)**	(2,766)
	Dividend paid on preference shares		**(8,244)**	(9,075)
	Proceeds from debt Securities		**65,28,619**	34,32,987
	Proceeds from borrowings (other than debt securities)		**48,09,067**	31,49,875
	Proceeds from subordinated liabilities		**1,07,100**	54,908
	Repayment of debt Securities		**(56,63,063)**	(34,00,387)

CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED MARCH 31, 2022 *(contd...)*

(₹ in lakh)

Particulars	Note No.	For the year ended March 31, 2022	For the year ended March 31, 2021
Repayment of borrowings (other than debt securities)		**(40,67,245)**	(35,06,130)
Repayment of subordinated liabilities		**(6,792)**	12,419
NET CASH (USED IN)/GENERATED FROM FINANCING ACTIVITIES		**17,05,558**	**(2,78,668)**
NET (DECREASE)/INCREASE IN CASH AND CASH EQUIVALENTS		**5,164**	**(2,27,566)**
CASH AND CASH EQUIVALENTS AS AT THE BEGINNING OF THE YEAR		**2,02,691**	**4,30,235**
Exchange difference on translation of foreign currency cash and cash equivalents		**307**	22
CASH AND CASH EQUIVALENTS AS AT THE END OF THE YEAR		**2,08,162**	**2,02,691**
Significant accounting policies	2		
See accompanying notes forming part of the financial statements	3 to 53		

In terms of our report attached

For **Khimji Kunverji & Co LLP**
Chartered Accountants
Firm's Registration No: 105146W/W100621

Hasmukh B. Dedhia
Partner
Membership No: 033494

Mumbai
April 26, 2022

For and on behalf of the Board of Directors

Saurabh Agrawal
(Chairman)
DIN: 02144558

Malvika Sinha
(Director)
DIN: 08373142

Varsha Purandare
(Director) (Pune)
DIN: 05288076

F. N. Subedar
(Director)
DIN: 00028428

Aarthi Subramanian
(Director)
DIN: 07121802

Rajiv Sabharwal
(Managing Director & CEO)
DIN: 00057333

Sarita Kamath
(Head-Legal and Compliance & Company Secretary)

Rakesh Bhatia
(Chief Financial Officer)

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE PERIOD ENDED MARCH 31, 2022

a) Equity share capital

Particulars	As at March 31, 2022		As at March 31, 2021	
	No. of Shares	₹ in lakh	No. of Shares	₹ in lakh
Issued, subscribed and fully paid up equity shares outstanding at the beginning of the year	**3,46,36,42,214**	**3,46,360**	3,46,44,18,549	3,46,375
Changes in equity share capital due to prior period error	-	-	-	-
Restated balance	**3,46,36,42,214**	**3,46,360**	**3,46,44,18,549**	**3,46,375**
Add/(less): Shares issued during the year:				
- Against employee stock option	(2,72,469)	(27)	(7,76,335)	(78)
Less: Loans to Employees		2		63
Issued, subscribed and fully paid up equity shares outstanding at the end of the year	**3,46,33,69,745**	**3,46,335**	**3,46,36,42,214**	**3,46,360**

b. Other Equity

(₹ in lakh)

Particulars	Reserve and surplus							
	Securities premium	Capital reserve	Capital Redemption Reserve	Debenture Redemption Reserve	Special Reserve Account	Retained earnings	General Reserve	Employee stock option outstanding account
Balance as at April 01, 2020	2,93,419	43	575	30,000	1,08,732	93,412	1,297	1,531
Changes in accounting policy / prior period errors	-	-	-	-	-	-	-	-
Restated balance as at April 1, 2020	**2,93,419**	**43**	**575**	**30,000**	**1,08,732**	**93,412**	**1,297**	**1,531**
Profit for the year (a)	-	-	-	-	-	1,12,583	-	-
Other comprehensive income, net of tax (b)	-	-	-	-	-	-	-	-
Total comprehensive income for the year(c)=(a)+(b)	-	-	-	-	-	1,12,583	-	-
Elimination against shares held by the ESOP Trust	(243)	-	-	-	-	-	-	-
Share issue expenses	-	-	-	-	-	-	-	-
Employee share options (net)	-	-	-	-	-	-	488	580
Transfer to Special Reserve Account	-	-	-	-	30,490	(30,490)	-	-
Loan given to employees for ESOP's held	147	-	-	-	-	-	-	-
Increase/(decrease) in non-controlling interests due to dilution/ divestment/acquisition	-	-	-	-	-	2,167	-	-
Payout of income to contributors	-	-	-	-	-	-	-	-
Balance as at March 31, 2021	**2,93,323**	**43**	**575**	**30,000**	**1,39,222**	**1,77,672**	**1,785**	**2,111**
Changes in accounting policy / prior period errors	-	-	-	-	-	-	-	-
Restated balance as at April 1, 2021	**2,93,323**	**43**	**575**	**30,000**	**1,39,222**	**1,77,672**	**1,785**	**2,111**
Profit for the year (a)	-	-	-	-	-	1,64,821	-	-
Other comprehensive income, net of tax (b)	-	-	-	-	-	-	-	-
Total comprehensive income for the year(c)=(a)+(b)	-	-	-	-	-	1,64,821	-	-
Elimination against shares held by the ESOP Trust	(112)	-	-	-	-	-	-	-
Share issue expenses	(2)	-	-	-	-	-	-	-
Employee share options (net)	-	-	-	-	-	-	241	1,168
Transfer to Special Reserve Account	-	-	-	-	35,113	(35,113)	-	-
Elimination against shares held by the ESOP Trust	-	-	-	-	-	-	-	-
Loan given to employees for ESOP's held	5	-	-	-	-	-	-	-
Increase/(decrease) in non-controlling interests due to dilution/ divestment/acquisition	-	-	-	-	-	2,847	-	-
Payout of income to contributors	-	-	-	-	-	-	-	-
Balance as at March 31, 2022	**2,93,214**	**43**	**575**	**30,000**	**1,74,335**	**3,10,227**	**2,026**	**3,279**

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE PERIOD ENDED MARCH 31, 2022

Particulars	Items of other comprehensive income					Total Other Equity	Non-Controlling interest	Total
	Foreign currency translation reserve	Remeasurement of defined benefit liability/ asset	Fair value changes of financial instrument measured at fair value through other comprehensive income	Debt instruments through Other Comprehensive Income	Cost of hedge reserve			
Balance as at April 01, 2020	**8,342**	**(1,357)**	**439**	**(126)**	**(586)**	**5,35,721**	**49,456**	**5,85,177**
Changes in accounting policy / prior period errors	-	-	-	-	-	-	-	-
Restated balance as at April 1, 2020	**8,342**	**(1,357)**	**439**	**(126)**	**(586)**	**5,35,721**	**49,456**	**5,85,177**
Profit for the year (a)						1,12,583	11,881	1,24,464
Other comprehensive income, net of tax (b)	(838)	1,187	885	97	(1,834)	(503)	267	(236)
Total comprehensive income for the year(c)=(a)+(b)	(838)	1,187	885	97	(1,834)	1,12,080	12,148	1,24,228
Elimination against shares held by the ESOP Trust	-	-	-	-	-	(243)	-	(243)
Employee share options (net)	-	-	-	-	-	1,068	-	1,068
Loan given to employees for ESOP's held	-	-	-	-	-	147	-	147
Increase/(decrease) in non-controlling interests due to dilution/ divestment/acquisition	-	-	-	-	-	2,167	23,847	26,014
Payout of income to contributors	-	-	-	-	-	-	(2,072)	(2,072)
Balance as at March 31, 2021	**7,504**	**(170)**	**1,324**	**(29)**	**(2,420)**	**6,50,940**	**83,379**	**7,34,319**
Changes in accounting policy / prior period errors	-	-	-	-	-	-	-	-
Restated balance as at April 1, 2021	**7,504**	**(170)**	**1,324**	**(29)**	**(2,420)**	**6,50,940**	**83,379**	**7,34,319**
Profit for the year (a)	-	-	-	-		1,64,821	15,260	1,80,081
Other comprehensive income, net of tax (b)	1,603	(185)	609	(886)	3,922	5,063	(10)	5,053
Total comprehensive income for the year(c)=(a)+(b)	1,603	(185)	609	(886)	3,922	1,69,884	15,250	1,85,134
Elimination against shares held by the ESOP Trust	-	-	-	-	-	(112)	-	(112)
Share issue expenses	-	-	-	-	-	(2)	-	(2)
Employee share options (net)	-	-	-	-	-	1,409	-	1,409
Loan given to employees for ESOP's held	-	-	-	-	-	5	-	5
Increase in non-controlling interests due to investments	-	-	-	-	-	2,847	17,233	20,080
Payout of income to contributors	-	-	-	-	-	-	(3,569)	(3,569)
Balance as at March 31, 2022	**9,107**	**(355)**	**1,933**	**(915)**	**1,502**	**8,24,971**	**1,12,293**	**9,37,264**
Significant accounting policies	2							
See accompanying notes forming part of the financial statements	3 to 53							

In terms of our report attached

For **Khimji Kunverji & Co LLP**
Chartered Accountants
Firm's Registration No: 105146W/W100621

Hasmukh B. Dedhia
Partner
Membership No: 033494

Mumbai
April 26, 2022

For and on behalf of the Board of Directors

Saurabh Agrawal
(Chairman)
DIN: 02144558

Malvika Sinha
(Director)
DIN: 08373142

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(Director) (Pune)
DIN: 05288076

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(Managing Director & CEO)
DIN: 00057333

Sarita Kamath
(Head-Legal and Compliance & Company Secretary)

Rakesh Bhatia
(Chief Financial Officer)

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

1 CORPORATE INFORMATION

Tata Capital Limited (“TCL’’ or “Company”) is a subsidiary of Tata Sons Private Limited. In May 2012, the Company was registered with the Reserve Bank of India (“RBI”) as a Systemically Important Non-Deposit Accepting Core Investment Company (“CIC”). The Company together with its subsidiaries (collectively, the Group),is primarily engaged in lending and investing activities. Further one of the subsidiary within the Group is also engaged in providing broking services and undertaking trading activities. Information on the Group’s subsidiaries and associates is provided in Note 31 & 32.

As a CIC, TCL is a primary holding Company, holding investments in its subsidiaries and other group companies and carries out only such activities as are permitted under the guidelines issued by RBI for CICs. The Company is domiciled in India and incorporated under the Companies Act, 2013 and listed its non-convertible debentures and commercial papers with BSE Limited and National Stock Exchange Limited.

2 BASIS OF PREPARATION

i. Statement of compliance

These consolidated financial statements have been prepared in accordance with the Indian Accounting Standards (IND AS) as per the Companies (Indian Accounting Standards) Rules, 2015, as amended by the Companies (Indian Accounting Standards) Rules, 2016, notified under Section 133 of the Companies Act, 2013 (the “Act”), (as amended), other relevant provisions of the Act, guidelines issued by the Reserve Bank of India and National Housing Bank as applicable to an NBFCs and other accounting principles generally accepted in India. Any application guidance / clarifications / directions issued by RBI/NHB or other regulators are implemented as and when they are issued / applicable, the guidance notes/announcements issued by the Institute of Chartered Accountants of India (ICAI) are also applied except where compliance with other statutory promulgations require a different treatment. Accounting policies have been consistently applied except where a newly issued Ind AS is initially adopted or a revision to an existing Ind AS required a change in the accounting policy hitherto in use. The consolidated financial statements were authorised for issue by the Board of Directors (BOD) on April 26, 2022.

ii. Presentation of consolidated financial statements

The Balance Sheet, Statement of Profit and Loss and Statement of Changes in Equity are prepared and presented in the format prescribed in the Division III of Schedule III of the Companies Act, 2013 (the ‘Act’). The Statement of Cash Flows has been prepared and presented as per the requirements of Ind AS.

A summary of the significant accounting policies and other explanatory information is in accordance with the Companies (Indian Accounting Standards) Rules, 2015 as specified under Section 133 of the Companies Act, 2013 (the 'Act') including applicable Indian Accounting Standards (Ind AS) and accounting principles generally accepted in India. Financial assets and financial liabilities are generally reported gross in the balance sheet. They are only offset and reported net when, in addition to having an unconditional legally enforceable right to offset the recognised amounts without being contingent on a future event, the parties also intend to settle on a net basis.

Amounts in the consolidated financial statements are presented in Indian Rupees in Lakh, which is also the Group’s functional currency, and all amounts have been rounded off to the nearest lakhs unless otherwise indicated.

iii. Basis of measurement

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.

Historical cost is generally based on the fair value of the consideration given in exchange for goods and services at the time of entering into the transaction.

iv. Principles of Consolidation

The Group is able to exercise control over the operating decision of the investee companies, resulting in variable returns to the Group and accordingly, the same are classified as investment in subsidiary and line by line consolidation is carried out under the principles of consolidation. The consolidated financial statements of the Group have been prepared on the following basis:

a) The financial statements of the subsidiaries and associates used in the consolidation are drawn up to the same reporting date as that of the Group i.e., March 31, 2022, except for certain associates for which financial statements as on the reporting date are not available. These have been consolidated based on their latest available financial statements. Necessary adjustments have been made for the effects of significant transactions and other events between the reporting dates of such financial statements and the consolidated Financial Statements.

b) Subsidiaries are entities controlled by the Group. The Group controls an entity when it is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. The financial statement of the subsidiaries are included in the consolidated financial statements from the date on which control commences until the date on which control ceases. The consolidated financial statements of the Group and its subsidiaries have been combined on a line-by-line basis by grouping together like items of assets, liabilities, income and expenses, after eliminating intra-group balances, intra-group transactions and resulting unrealised profits or losses, unless cost cannot be recovered.

c) In case of an overseas subsidiary, being a non-integral operation, revenue items are consolidated at the average rate prevailing during the year. All assets and liabilities are converted at the rates prevailing at the end of the year. Any exchange difference arising on consolidation is recognised in the “Foreign Currency Translation Reserve”.

d) Non-controlling interest (NCI) are measured at their proportionate share of the acquiree’s net identifiable assets at the date of acquisition. Changes in the Group’s equity interest in a subsidiary that do not result in a loss of control are accounted for as equity transactions.

e) when the Group loses control over a subsidiary, it derecognises the assets and liabilities of the subsidiary, and any related NCI and other components of equity. Any interest retained in the former subsidiary is measured at fair value at the date of control is lost. Any resulting gain or loss is recognised in profit or loss.

v. Investments in associates:

a) The Consolidated Financial Statements include the share of profit/ (loss) of associates, which have been accounted for using the equity method as per Ind AS 28- (Accounting for Investments in Associates in Consolidated Financial Statements). Accordingly, the share of profit/ (loss) of the associates (the loss being restricted to the cost of the investment) have been added/deducted to the costs of investments.

b) The difference between the cost of investment in the associate and the share of net assets at the time of acquisition of shares in the associate is identified in the Consolidated Financial Statements as Goodwill or Capital Reserve as the case may be and adjusted against the carrying amount of investment in the associate

c) The carrying amount of investment in associates is reduced to recognise impairment, if any, when there is objective evidence of impairment.

vi. **Measurement of fair values:**

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, regardless of whether that price is directly observable or estimated using another valuation technique.

In estimating the fair value of an asset or a liability, the Group takes into account the characteristics of the asset or liability if market participants would take those characteristics into account when pricing the asset or liability at the measurement date.

A number of the Group's accounting policies and disclosures require the measurement of fair values, for both financial and non-financial assets and liabilities.

Fair value for measurement and/or disclosure purposes for certain items in these consolidated financial statements is determined considering the following measurement methods:

Items	**Measurement basis**
Certain financial assets and liabilities (including derivatives instruments)	Fair value
Net defined benefit (asset)/liability	Fair value of planned assets less present value of defined benefit obligations
Property plant and equipment	Value in use under Ind AS 36

Fair values are categorized into different levels (Level 1, Level 2 or Level 3) in a fair value hierarchy based on the inputs used in the valuation techniques. When measuring the fair value of an asset or a liability, the Group uses observable market data as far as possible. If the inputs used to measure the fair value of an asset or a liability fall into different levels of the fair value hierarchy, then the fair value measurement is categorized in its entirety in the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement.

The levels are described as follows:

a. Level 1: inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the Group can access at the measurement date

b. Level 2: inputs are inputs, other than quoted prices included within level 1, that are observable for the asset or liability, either directly or indirectly; and

c. Level 3: inputs are unobservable inputs for the valuation of assets or liabilities that the Group can access at the measurement date.

Refer notes 43(a) & 43(b) for valuation model and framework used for fair value measurement and disclosure of financial instrument.

The Group recognizes transfers between levels of the fair value hierarchy at the end of the reporting period during which the change has occurred.

vii. **Use of estimates and judgements**

The preparation of consolidated financial statements in conformity with Ind AS requires the management of the Group to make judgements, assumptions and estimates that affect the reported balances of assets and liabilities and disclosures relating to the contingent liabilities as at the date of the consolidated financial statements and reported amounts of income and expenses for the reporting period. The application of accounting policies that require critical accounting estimates involving complex and subjective judgments and the use of assumptions in the consolidated financial statements have been disclosed as applicable in the respective notes to accounts. Accounting estimates could change from period to period.

Future results could differ from these estimates. Appropriate changes in estimates are made as the Management becomes aware of changes in circumstances surrounding the estimates. Changes in estimates are reflected in the consolidated financial statements in the period in which changes are made and, if material, their effect are disclosed in the notes to the consolidated financial statements.

Judgements:

Information about judgements made in applying accounting policies that have most significant effect on the amount recognised in the consolidated financial statements is included in the following note:

Note ix - classification of financial assets: assessment of the business model within which the assets are held and assessment of whether the contractual terms of the financial asset are solely payments of principal and interest on the principal amount outstanding.

Assumptions and estimation of uncertainties:

Information about assumptions and estimation of uncertainties that have a significant risk of resulting in a material adjustment in the year ending March 31, 2022 are included in the following notes:

xiv. Impairment test of non-financial assets: key assumption underlying recoverable amounts.

xiii. The Group's EIR methodology: rate of return that represents the best estimate of a constant rate of return over the expected behavioural Life of Loans given/taken

xiv. Useful life of property, plant, equipment and intangibles.

35. Significant judgments are involved in determining the provision for income taxes, including amount expected to be paid / recovered for uncertain tax positions.

xxiii. Recognition and measurement of provisions and contingencies: key assumptions about the likelihood and magnitude of outflow of resources.

xvi. Measurement of defined benefit obligations: key actuarial assumptions.

43. Determination of the fair value of financial instruments with significant unobservable inputs.

45. Impairment of financial instruments: assessment of whether credit risk on the financial asset has increased significantly since initial recognition, assumptions used in estimating recoverable cash flows and incorporation of forward-looking information in the measurement of expected credit loss (ECL). The weights assigned to different scenarios for measurement of forward looking ECL, i.e. best case, worst case and base case also requires judgement.

viii. Interest

Interest consists of consideration for the time value of money, for the credit risk associated with the principal amount outstanding during a particular period of time and for other basic lending risks and costs, as well as a profit margin.

Interest income is recognised using the effective interest method. The effective interest rate (EIR) is the rate that exactly discounts estimated future cash flows through the expected life of the financial instrument to the gross carrying amount of the financial asset.

Calculation of the EIR includes all fees paid or received that are incremental and directly attributable to the acquisition or issue of a financial asset or liability.

Interest income is calculated by applying the EIR to the gross carrying amount of non-credit impaired financial assets (i.e. at the amortised cost of the financial asset before adjusting for any expected credit loss allowance). For credit-impaired financial assets the interest income is calculated by applying the EIR to the amortised cost of the credit-impaired financial assets {i.e. at the amortised cost of the financial asset after adjusting for any expected credit loss allowance (ECLs)}. The Group assesses the collectability of the interest on credit impaired assets at each reporting date. Based on the outcome of such assessment, the interest income accrued on credit impaired financial assets are either accounted for as income or written off as per the write off policy of the Group.

ix. Income not integral to effective interest rate (EIR) method under Ind AS 109 and Fee and Commission income from services and distribution of financial products:

The Group recognises the fee and commission income not integral to EIR under Ind AS 109 in accordance with the terms of the relevant customer contracts / agreement and when it is probable that the Group will collect the consideration for items.

Revenue in the form of income from financial advisory, underwriting commission, income from private equity asset under management, distribution from private equity funds, income from distribution from financial products (brokerage) (other than for those items to which Ind AS 109 - Financial Instruments and Ind AS 116 – Leases are applicable) is measured at fair value of the consideration received or receivable, in accordance with Ind AS 115 - Revenue from contracts with customers.

The Group recognises revenue from contracts with customers based on a five-step model as set out in Ind AS 115:

Step 1: Identify contract(s) with a customer: A contract is defined as an agreement between two or more parties that creates enforceable rights and obligations and sets out the criteria for every contract that must be met.

Step 2: Identify performance obligations in the contract: A performance obligation is a promise in a contract with a customer to transfer a good or service to the customer.

Step 3: Determine the transaction price: The transaction price is the amount of consideration to which the Group expects to be entitled in exchange for transferring promised goods or services to a customer, excluding amounts collected on behalf of third parties.

Step 4: Allocate the transaction price to the performance obligations in the contract: For a contract that has more than one performance obligation, the Group allocates the transaction price to each performance obligation in an amount that depicts the amount of consideration to which the Group expects to be entitled in exchange for satisfying each performance obligation.

Step 5: Recognise revenue when (or as) the Group satisfies a performance obligation.

Fees for financial advisory services are accounted as and when the service is rendered, provided there is reasonable certainty of its ultimate realisation.

Revenue from brokerage is recognised when the service is performed. Trail brokerage is recognised at the end of the measurement period when the pre-defined thresholds are met. Revenue is net of applicable indirect taxes and sub-brokerage.

Fees for Investment banking services are accounted based on stage of completion of assignments and when there is reasonable certainty of its ultimate realization / collection.

Other Income includes branch advertising, represents income earned from the activities incidental to the business and is recognised when the right to receive the income is established as per the terms of the contract.

x. Dividend income

Income from dividend on investment in equity shares of corporate bodies and units of mutual funds is accounted when the Group's right to receive dividend is established and it is probable that the economic benefits associated with the dividend will flow to the Group and the amount of the dividend can be measured reliably.

xi. Leases

Asset given on lease:

Leases are classified as operating lease where significant portion of risks and reward of ownership of assets acquired under lease is retained by the lessor. Leases of assets under which substantially all of the risks and rewards of ownership are effectively retained by the lessee are classified as finance lease.

Assets given under finance lease are recognised as a receivable at an amount equal to the net investment in the lease. Lease rentals are apportioned between principal and interest on the internal rate of return. The principal amount received reduces the net investment in the lease and interest is recognised as revenue.

Lease rental - under operating leases (excluding amount for services such as insurance and maintenance) are recognised on a straight-line basis over the lease term, except for increase in line with expected inflationary cost increases.

Asset taken on lease:

The Group's lease asset classes primarily consist of leases for properties.

The Group presents right-of-use assets and lease liabilities separately on the face of the Balance sheet. Lease payments (including interest) have been classified as financing cashflows.

The Group recognises a right-of-use asset and a lease liability at the lease commencement date. The cost of the right-of-use asset measured at inception shall comprise of the amount of the initial measurement of the lease liability adjusted for any lease payments made at or before the commencement date less any lease incentives received, plus any initial direct costs incurred and an estimate of costs to be incurred by the lessee in dismantling and removing the underlying asset or restoring the underlying asset or site on which it is located. The right-of-use asset is subsequently measured at cost less any accumulated depreciation and accumulated impairment loss, if any, and adjusted for certain re-measurements of the lease liability. The right-of-use assets is depreciated using the straight-line method from the commencement date to the end of the lease term. Right-of-use assets are tested for impairment whenever there is any indication that their carrying amounts may not be recoverable. Impairment loss, if any, is recognized in the statement of profit and loss. When a right-of-use asset meets the definition of investment property, it is presented in investment property.

The Group measures the lease liability at the present value of the lease payments that are not paid at the commencement date of the lease. The lease payments are discounted using the interest rate implicit in the lease, if that rate can be readily determined. If that rate cannot be readily determined, the Group uses incremental borrowing rate. The lease liability is subsequently increased by the interest cost on the lease liability and decreased by lease payment made. The carrying amount of lease liability is remeasured to reflect any reassessment or lease modifications or to reflect revised in-substance fixed lease payments. A change in the estimate of the amount expected to be payable under a residual value guarantee, or as appropriate, changes in the assessment of whether a purchase or extension option is reasonably certain to be exercised or a termination option is reasonably certain not be exercised. The Group has applied judgement to determine the lease term for some lease contracts in which it is a lessee that include renewal options. The assessment of whether the Group is reasonably certain to exercise such options impacts the lease term, which significantly affects the amount of lease liabilities and right of use assets recognised. The discounted rate is generally based on incremental borrowing rate specific to the lease being evaluated.

xii. Borrowing Cost

Borrowing costs include interest expense calculated using the EIR on respective financial instruments measured at amortised cost, finance charges in respect of assets acquired on finance lease and exchange differences arising from foreign currency borrowings, to the extent they are regarded as an adjustment to interest costs.

The effective interest rate (EIR) is the rate that exactly discounts estimated future cash flows through the expected life of the financial instrument to the gross carrying amount of the financial liability.

Calculation of the EIR includes all fees paid that are incremental and directly attributable to the issue of a financial liability.

While computing the capitalisation rate for funds borrowed generally, an entity should exclude borrowing costs applicable to borrowings made specifically for obtaining a qualifying asset, only until the asset is ready for its intended use or sale. Borrowing costs (related to specific borrowings) that remain outstanding after the related qualifying asset is ready for intended use or for sale would subsequently be considered as part of the general borrowing costs of the entity.

xiii. Financial Instruments

Financial assets and financial liabilities are recognised in the Group's balance sheet on trade date, i.e. when the Group becomes a party to the contractual provisions of the instrument.

Financial assets and financial liabilities are initially measured at fair value. Transaction costs and revenues that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities measured 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 and revenues of financial assets or financial liabilities carried at fair value through the profit or loss account are recognised immediately in the Statement of Profit or Loss. Trade Receivables are measured at transaction price.

a) Financial assets

Classification

On initial recognition, depending on the Group's business model for managing the financial assets and its contractual cash flow characteristics, a financial asset is classified as measured at;

1) Amortised cost;

2) Fair value through other comprehensive income (FVOCI); or

3) Fair value through profit and loss (FVTPL).

The classification depends on the entity's business model for managing the financial assets and the contractual terms of the cash flows. Financial assets are not reclassified subsequent to their initial recognition, except if and in the period the Group changes its business model for managing financial assets.

A financial asset is measured at amortized cost using Effective Interest Rate (EIR) method if it meets both of the following conditions and is not recognised as at FVTPL:

The asset is held within a business model whose objective is to hold assets to collect contractual cash flows; and

The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

On initial recognition of an equity investment that is not held for trading, the Group may irrevocably elect to present subsequent changes in the investment’s fair value in OCI (designated as FVOCI - equity investment). This election is made on investment - by - investment basis.

All financials assets not classified and measured at amortized cost or FVOCI as described above are measured at FVTPL. On initial recognition, the Group may irrevocably designate the financials assets that otherwise meets the requirements to be measured at amortized cost or at FVOCI or at FVTPL, if doing so eliminates or significantly reduces the accounting mismatch that would otherwise arise.

Business model assessment

The Group makes an assessment of the objective of the business model in which a financial asset is held at a portfolio level because this best reflects the way the business is managed and information is provided to management. The information considered includes:

the stated policies and objectives for the portfolio and the operation of those policies in practice.

how the performance of the portfolio is evaluated and reported to the Group's management;

the risks that affect the performance of the business model (and the financial assets held within that business model) and how those risks are managed;

the frequency, volume and timing of sales of financial assets in prior periods, the reasons for such sales and expectation about future sales activity.

How managers of the business are compensated (e.g. whether the compensation is based on the fair value of the assets managed or on the contractual cash flows collected).

At initial recognition of a financial asset, the Group determines whether newly recognized financial assets are part of an existing business model or whether they reflect a new business model. The Group reassess its business models each reporting period to determine whether the business models have changed since the preceding period.

Assessment whether contractual cash flows are solely payments of principal and interest

For the purposes of this assessment, 'principal' is defined as the fair value of the financial asset on initial recognition. That principal amount may change over the life of the financial assets (e.g. if there are payments of principal). Amount of 'Interest' is defined as consideration for the time value of money and for the credit risk associated with the principal amount outstanding during a particular period of time and for other basic lending risks and costs (e.g. liquidity risk and administrative costs), as well as a profit margin.

In assessing whether the contractual cash flows are solely payments of principal and interest, the Group considers the contractual terms of the instrument. This includes assessing whether the financial asset contains a contractual term that could change the timing or amount of contractual cash flows such that it would not meet this condition. In making this assessment, the Group considers:

Contingent events that would change the amount or timing of cash flows;

Terms that may adjust the contractual coupon rate, including variable interest rate features;

Prepayment and extension features; and

Terms that limit the Group’s claim to cash flows from specified assets.

Contractual cash flows that are SPPI are consistent with a basic lending arrangement. Contractual terms that introduce exposure to risks or volatility in the contractual cash flows that are unrelated to a basic lending arrangement, such as exposure to changes in equity prices or commodity prices, do not give rise to contractual cash flows that are SPPI.

A prepayment feature is consistent with the solely payments of principal and interest criterion if the prepayment amount substantially represents unpaid amounts of principal and interest on the principal amount outstanding, which may include reasonable additional compensation for early termination of the contract. Additionally, for a financial asset acquired at a significant discount or premium to its contractual par amount, a feature that permits or requires prepayment at an amount that substantially represents the contractual par amount plus accrued (but unpaid) contractual interest (which may also include reasonable additional compensation for early termination) is treated as consistent with this criterion if the fair value of the prepayment feature is insignificant at initial recognition.

Subsequent measurement and gains and losses

Financial assets at FVTPL	These assets are subsequently measured at fair value. Net gains and losses, including any interest or dividend income, are recognised in the statement of profit or loss. The transaction costs and fees are also recorded related to these instruments in the statement of profit and loss.
Financial assets at amortised cost	These assets are subsequently measured at amortised cost using the effective interest method. The amortised cost is reduced by impairment losses. Interest income, foreign exchange gains and losses and impairment are recognised in the statement of profit or loss. Any gain or loss on de-recognition is recognised in the statement of profit or loss.
Financial assets (other than Equity Investments) at FVOCI	Financial assets that are held within a business model whose objective is achieved by both, selling financial assets and collecting contractual cash flows that are solely payments of principal and interest, are subsequently measured at fair value through other comprehensive income. Fair value movements are recognized in the other comprehensive income (OCI). Interest income measured using the EIR method and impairment losses, if any are recognised in the statement of Profit and Loss. On derecognition, cumulative gain or loss previously recognised in OCI is reclassified from the equity to 'other income' in the statement of Profit and Loss.
Equity investments at FVOCI	These assets are subsequently measured at fair value. Dividends are recognised as income in the Statement of Profit and Loss unless the dividend clearly represents a recovery of part of the cost of the investment. Other net gains and losses are recognised in OCI and are not reclassified to profit or loss.

Reclassifications within classes of financial assets

Financial assets are not reclassified subsequent to their initial recognition, except in the period after the Group changes its business model for managing financial assets. The classification and measurement requirements of the new category apply prospectively from the first day of the first reporting period following the change in business model that result in reclassifying the Group's financial assets.

Impairment of Financial Asset

Impairment approach

Overview of the Expected Credit Losses (ECL) principles

The Group records allowance for expected credit losses for all loans (including those classified as measured at FVOCI), together with loan commitments, in this section all referred to as 'financial instruments' other than those measured at FVTPL. Equity instruments are not subject to impairment under Ind AS 109.

The ECL allowance is based on the credit losses expected to arise over the life of the asset (the lifetime expected credit loss or LTECL), unless there has been no significant increase in credit risk since origination, in which case, the allowance is based on the 12 months' expected credit loss (12m ECL). The Group's policies for determining if there has been a significant increase in credit risk are set out in Note 45.

The 12m ECL is the portion of LTECLs that represent the ECLs that result from default events on a financial instrument that are possible within the 12 months after the reporting date.

Both LTECLs and 12m ECLs are calculated on an individual/portfolio basis- having similar risk characteristic, depending on the nature of the underlying portfolio of financial instruments.

The Group has established a policy to perform an assessment, at the end of each reporting period, of whether a financial instrument's credit risk has increased significantly since initial recognition, by considering the change in the risk of default occurring over the remaining life of the financial instrument.

Based on the above process, the Group categorises its loans into Stage 1, Stage 2 and Stage 3, as described below:

Stage 1: When loans are first recognised, the Group recognises an allowance based on 12mECLs. This also include facilities where the credit risk has improved and the loan has been reclassified from Stage 2.

Stage 2: When a loan has shown a significant increase in credit risk since origination, the Group records an allowance for the LTECLs. Stage 2 loans also include facilities, where the credit risk has improved and the loan has been reclassified from Stage 3.

Stage 3: Loans considered credit-impaired. A default on a financial asset is when the counterparty fails to make the contractual payments within 90 days of when they fall due. Accordingly, the financial assets shall be classified as Stage 3, if on the reporting date, it has been 90 days past due. Further if the customer has requested forbearance in repayment terms, such restructured, rescheduled or renegotiated accounts are also classified as Stage 3. Non-payment on another obligation of the same customer is also considered as a stage 3. Defaulted accounts include customers reported as fraud in the FRMC. Once an account defaults as a result of the DPD condition, it will be considered to be cured only when entire arrears of interest and principal are paid by the borrower. The Company records an allowance for the LTECLs.

Undrawn loan commitments

Undrawn loan commitments are commitments under which, over the duration of the commitment, the Group is required to provide a loan with pre-specified terms to the customer. Undrawn loan commitments are in the scope of the ECL requirements.

Financial guarantee contract:

A financial guarantee contract requires the Group to make specified payments to reimburse the holder for a loss it incurs because a specified debtor fails to make payments when due in accordance with the terms of a debt instrument. Financial guarantee contracts issued by the Group are initially measured at their fair values and, if not designated as at FVTPL and not arising from a transfer of a financial asset, are subsequently measured at the higher of:

- the amount of the loss allowance determined in accordance with Ind AS 109; and
- the amount initially recognised less, where appropriate, cumulative amount of

income recognised in accordance with the Group’s revenue recognition policies. The Group has not designated any financial guarantee contracts as FVTPL. Group’s ECL for financial guarantee is estimated based on the present value of the expected payments to reimburse the holder for a credit loss that it incurs. The shortfalls are discounted by the interest rate relevant to the exposure.

The Measurement of ECLs

The Group calculates ECLs based on a probability-weighted scenario to measure the expected cash shortfalls, discounted at an approximation to the EIR. A cash shortfall is the difference between the cash flows that are due to an entity in accordance with the contract and the cash flows that the entity expects to receive.

The mechanics of the ECL calculations are outlined below and the key elements are, as follows:

Probability of Default (PD): The Probability of Default is an estimate of the likelihood of default over a given time horizon. A default may only happen at a certain time over the assessed period, if the facility has not been previously derecognised and is still in the portfolio.

Exposure at Default (EAD): The Exposure at Default is an estimate of the exposure at a future default date, taking into account expected changes in the exposure after the reporting date, including repayments of principal and interest, whether scheduled by contract or otherwise, expected drawdowns on committed facilities, and accrued interest from missed payments.

Loss Given Default (LGD): The Loss Given Default is an estimate of the loss arising in the case where a default occurs at a given time. It is based on the difference between the contractual cash flows due and those that the lender would expect to receive, including from the realisation of any collateral. It is usually expressed as a percentage of the EAD.

Impairment losses and releases are accounted for and disclosed separately from modification losses or gains that are accounted for as an adjustment of the financial asset's gross carrying value.

When estimating LTECLs for undrawn loan commitments, the Group estimates the expected portion of the loan commitment that will be drawn down over its expected life. The ECL is then based on the present value of the expected shortfalls in cash flows if the loan is drawn down, based on a probability-weightage. The expected cash shortfalls are discounted at an approximation to the expected EIR on the loan.

The above calculated PDs, EAD and LGDs are reviewed and changes in the forward looking estimates are analysed during the year.

The mechanics of the ECL method are summarised below:

Stage 1; The 12 months ECL is calculated as the portion of LTECLs that represent the ECLs that result from default events on a financial instrument that are possible within the 12 months after the reporting date. These expected 12-months default probabilities are applied to a forecast EAD and multiplied by the expected LGD.

Stage 2; When a loan has shown a significant increase in credit risk since origination, the Group records an allowance for the LTECLs. The mechanics are similar to those explained above, but PDs and LGDs are estimated over the lifetime of the instrument. The expected cash shortfalls are discounted by a contractual or portfolio EIR as the case may be

Stage 3; For loans considered credit-impaired, the Group recognises the lifetime expected credit losses for these loans. The method is similar to that for stage 2 assets, with the PD set at 100%.

In ECL model the Group relies on broad range of forward looking information for economic inputs.

The Group recognises loss allowance for expected credit losses (ECLs) on all financial assets at amortised cost that are debt instruments, debt financial assets at fair value through other comprehensive income, loan commitments and financial guarantee contracts. No impairment loss is recognised on equity investments.

When determining whether credit risk of a financial asset has increased significantly since initial recognition and when estimating expected credit losses, the Group considers reasonable and supportable information that is relevant and available without undue cost or effort. This includes both quantitative and qualitative information and analysis, including historical experience and forward-looking information (Refer Note 43).

Impairment of Trade receivable and Operating lease receivable

Impairment allowance on trade receivables is made on the basis of life time credit loss method, in addition to specific provision considering the uncertainty of recoverability of certain receivables.

Write-off

Impaired loans and receivables are written off, against the related allowance for loan impairment on completion of the Group's internal processes and when the Group concludes that there is no longer any realistic prospect of recovery of part or all of the loan. For loans that are individually assessed for impairment, the timing of write off is determined on a case by case basis. A write-off constitutes a de-recognition event. The Group has a right to apply enforcement activities to recover such written off financial assets. Subsequent recoveries of amounts previously written off are credited to the statement of profit and loss.

Collateral valuation and repossession

To mitigate the credit risk on financial assets, the Group seeks to use collateral, where possible as per the powers conferred on the Non Banking Finance Companies under the Securitisation and Reconstruction of Financial Assets and Enforcement of Securities Interest Act, 2002 (“SARFAESI”).

The Group provides fully secured, partially secured and unsecured loans to individuals and Corporates. In its normal course of business upon account becoming delinquent, the Group physically repossess properties or other assets in its retail portfolio. Any surplus funds are returned to the customers/obligors. As a result of this practice, the residential properties, vehicles, plant and machinery under legal repossession processes are not recorded on the balance sheet and not treated as non–current assets held for sale unless the title is also transferred in the name of the Group.

Presentation of ECL allowance for financial asset:

Type of Financial asset	Disclosure
Financial asset measured at amortised cost	shown as a deduction from the gross carrying amount of the assets
Loan commitments and financial guarantee contracts	shown separately under the head “provisions”

Modification and De-recognition of financial assets

Modification of financial assets

A modification of a financial asset occurs when the contractual terms governing the cash flows of a financial asset are renegotiated or otherwise modified between initial recognition and maturity of the financial asset. A modification affects the amount and/ or timing of the contractual cash flows either immediately or at a future date. The Group renegotiates loans to customers in financial difficulty to maximise collection and minimise the risk of default. A loan forbearance is granted in cases where although the borrower made all reasonable efforts to pay under the original contractual terms, there is a high risk of default or default has already happened and the borrower is expected to be able to meet the revised terms. The revised terms in most of the cases include an extension of the maturity of the loan, changes to the timing of the cash flows of the loan (principal and interest repayment), reduction in the amount of cash flows due (principal and interest forgiveness). Such accounts are classified as stage 3 immediately upon such modification in the terms of the contract.

Not all changes in terms of loans are considered as renegotiation and changes in terms of a class of obligors that are not overdue is not considered as renegotiation and is not subjected to deterioration in staging.

De-recognition of financial assets

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is derecognised when:

(a) the rights to receive cash flows from the asset have expired, or

(b) the Group has transferred its rights to receive cash flows from the asset and substantially all the risks and rewards of ownership of the asset, or the Group has neither transferred nor retained substantially all the risks and rewards of ownership of the asset, but has transferred control of the asset.

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, the difference between the carrying amount of the asset (or the carrying amount allocated to the portion of the asset derecognised) and the sum of (i) the consideration received (including any new asset obtained less any new liability assumed) and (ii) any cumulative gain or loss that had been recognised in OCI is recognised in profit or loss.

Any cumulative gain/loss recognised in OCI in respect of equity investment securities designated as at FVOCI is not recognised in profit or loss on derecognition of such securities. Any interest in transferred financial assets that qualify for derecognition that is created or retained by the Group is recognised as a separate asset or liability.

Financial liability, Equity and Compound Financial Instruments

Debt and equity instruments that are issued are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangement.

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 the Group are recognised at the proceeds received, net of direct issue costs.

Financial liabilities are subsequently measured at the amortised cost using the effective interest method, unless at initial recognition, they are classified as fair value through profit and loss. Interest expenses are recognised in the Statement of profit and loss. Any gain or loss on derecognition is also recognised in the statement of profit or loss.

Financial liabilities

A financial liability is a contractual obligation to deliver cash or another financial asset or to exchange financial assets or financial liabilities with another entity under conditions that are potentially unfavourable to the Group or a contract that will or may be settled in the Group's own equity instruments and is a non-derivative contract for which the Group is or may be obliged to deliver a variable number of its own equity instruments, or a derivative contract over own equity that will or may be settled other than by the exchange of a fixed amount of cash (or another financial asset) for a fixed number of the Group's own equity instruments.

Classification

The Group classifies its financial liability as "Financial liability measured at amortised cost" except for those classified as financial liabilities measured at fair value through profit and loss (FVTPL).

De-recognition of financial liabilities

The Group derecognises financial liabilities when, and only when, the Group's obligations are discharged, cancelled or have expired. The difference between the carrying amount of the financial liability derecognised and the consideration paid and payable is recognised in profit or loss.

Equity

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 the Group are recognised at the proceeds received, net of direct issue costs. A conversion option that will be settled by the exchange of a fixed amount of cash or another financial asset for a fixed number of the Group's own equity instruments is an equity instrument.

No gain/loss is recognised in profit or loss on the purchase, sale, issue or cancellation of the Group's own equity instruments.

Compound instruments

The Group has issued financial instruments with equity conversion rights and call options. When establishing the accounting treatment for these non-derivative instruments, the Group first establishes whether the instrument is a compound instrument and classifies such instrument's components separately as financial liabilities or equity instruments in accordance with Ind AS 32. Classification of the liability and equity components of a convertible instrument is not revised as a result of a change in the likelihood that a conversion option will be exercised, even when exercising the option may appear to have become economically advantageous to some holders. When allocating the initial carrying amount of a compound financial instrument to the equity and liability components, the equity component is assigned as the residual amount after deducting from the entire fair value of the instrument, the amount separately determined for the liability component. The value of any derivative features (such as a call options) embedded in the compound financial instrument, other than the equity component (such as an equity conversion option), is included in the liability component. Once the Group has determined the split between equity and liability, it further evaluates whether the liability component has embedded derivatives that must be separately accounted for. Subsequently the liability is measured as per requirement of IND AS 109.

A Cumulative Compulsorily Convertible Preference Shares (CCCPS), with an option to holder to convert the instrument into variable number of equity shares of the entity upon redemption is classified as a financial liability and dividend including dividend distribution tax is accrued on such instruments and recorded as finance cost. Where the conversion option remains unexercised at the maturity date of the convertible note, the balance recognised in equity will be transferred to retained profits. No gain/loss is recognised in profit or loss upon conversion or expiration of the conversion option.

b) Derivative Financial Instruments

The Group holds derivative financial instruments to hedge its foreign currency and interest rate risk exposures. Embedded derivatives are separated from the host contract and accounted for separately if certain criteria are met.

Derivatives are initially recognised at fair value at the date a derivative contract is entered into and are subsequently remeasured to their fair value at each balance sheet date. The resulting gain/loss is recognised in the statement of profit and loss immediately unless the derivative is designated and is effective as a hedging instrument, in which event the timing of the recognition in the statement of profit and loss depends on the nature of the hedge relationship.

The Group designates certain derivatives as hedging instruments to hedge the variability in cash flows associated with its floating rate borrowings arising from changes in interest rates and exchange rates.

At inception of designated hedging relationships, the Group documents the risk management objective and strategy for undertaking the hedge. The Group also documents the economic relationship between the hedged item and the hedging instrument, including whether the changes in cash flows of the hedged item and hedging instrument are expected to offset each other.

Cash flow hedges

When a derivative is designated as a cash flow hedging instrument, the effective portion of changes in the fair value of the derivative is recognised in OCI and accumulated in the other equity under 'effective portion of cash flows hedges'. The effective portion of changes in the fair value of the derivative that is recognised in OCI is limited to the cumulative change in fair value of the hedged item, determined on a present value basis, from inception of the hedge. Any ineffective portion of changes in fair value of the derivative is recognised immediately in profit or loss.

The Group designates only the change in fair value of the spot element of forward exchange contracts as the hedging instrument in cash flow hedge relationships. The change in fair value of the forward element of the forward exchange contracts ('forward points') is separately accounted for as cost of hedging and recognised separately within equity.

If a hedge no longer meets the criteria for hedge accounting or the hedging instrument is sold, expires, is terminated or is exercised, then hedge accounting is discontinued prospectively. If the hedged future cash flows are no longer expected to occur, then the amounts that have been accumulated in other equity are immediately reclassified to profit or loss.

c) Cash, Cash equivalents and bank balances

Cash, Cash equivalents and bank balances include fixed deposits, (with an original maturity of three months or less from the date of placement), margin money deposits, and earmarked balances with banks are carried at amortised cost. Short term and liquid investments being subject to more than insignificant risk of change in value, are included as part of cash and cash equivalents.

xiv. Property, plant and equipment (PPE)

a) PPE

Property, plant and equipment acquired by the Group are reported at acquisition cost less accumulated depreciation and accumulated impairment losses and estimated cost of dismantling and removing the item and restoring the site on which its located if any. However estimated cost of dismantling and removing the item and restoring the site on which its located does not arise for leased assets since the same are borne by the lessee as per the lease agreement. The acquisition cost includes any cost attributable for bringing an asset to its working condition net of tax/duty credits availed, which comprises of purchase consideration and other directly attributable costs of bringing the assets to their working condition for their intended use. PPE is recognised when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably. Subsequent expenditure on PPE after its purchase is capitalized only if it is probable that the future economic benefits will flow to the enterprise and the cost of the item can be measured reliably.

b) Capital work-in-progress

PPE not ready for the intended use on the date of the Balance Sheet are disclosed as "capital work-in-progress" and carried at cost, comprising direct cost, related incidental expenses and attributable interest.

c) Other Intangible assets

Intangible assets are recognised when it is probable that the future economic benefits that are attributable to the asset will flow to the Group and the cost of the asset can be measured reliably. Intangible assets are stated at original cost net of tax/duty credits availed, if any, less accumulated amortisation and cumulative impairment. Administrative and other general overhead expenses that are specifically attributable to the acquisition of intangible assets are allocated and capitalised as a part of the cost of the intangible assets. Expenses on software support and maintenance are charged to the Statement of Profit and Loss during the year in which such costs are incurred.

d) Intangible assets under development

Intangible assets not ready for the intended use on the date of Balance Sheet are disclosed as "Intangible assets under development".

e) Depreciation and Amortisation

Depreciable amount for tangible property, plant and equipment is the cost of an asset, or other amount substituted for cost, less its estimated residual value. The residual value of each asset given on Operating lease is determined at the time of recording of the lease asset. If the residual value of the Operating lease asset is higher than 5%, the Group has a justification in place for considering the same.

Depreciation on tangible property, plant and equipment deployed for own use has been provided on the straight-line method as per the useful life prescribed in Schedule II to the Companies Act, 2013 except in respect of buildings, computer equipment, electrical installation and equipment and vehicles, in whose case the life of the assets has been assessed based on the nature of the asset, the estimated usage of the asset, the operating conditions of the asset, past history of replacement, etc. Depreciation on tangible property, plant and equipment deployed on operating lease has been provided on the straight-line method over the primary lease period of the asset. Depreciation method is reviewed at each financial year end to reflect expected pattern of consumption of the future economic benefits embodied in the asset. The estimated useful life and residual values are also reviewed at each financial year end with the effect of any change in the estimates of useful life/residual value is accounted on prospective basis. Depreciation for additions to/deductions from owned assets is calculated pro rata to the remaining period of use. Depreciation charge for impaired assets is adjusted in future periods in such a manner that the revised carrying amount of the asset is allocated over its remaining useful life. All capital assets with individual value less than ₹ 5,000 are depreciated fully in the year in which they are purchased.

Purchased software / licenses are amortised over the estimated useful life during which the benefits are expected to accrue, while Goodwill if any is tested for impairment at each Balance Sheet date. The method of amortisation, residual value and useful life are reviewed at the end of each accounting year with the effect of any changes in the estimate being accounted for on a prospective basis. Amortisation on impaired assets is provided by adjusting the amortisation charge in the remaining periods so as to allocate the asset's revised carrying amount over its remaining useful life.

Estimated useful life of Owned assets considered by the Group are:

Asset	**Estimated Useful Life**
Leasehold Improvements	As per lease period
Construction Equipment	2 to 13.5 years
Furniture and Fixtures	10 years
Computer Equipment	3 to 4 years
Office Equipment	5 years
Vehicles	4 years
Software Licenses	1 to 10 years
Buildings	25 years
Plant & Machinery	10 years

Leased assets: as per the lease period

f) Investment property

Properties held to earn rentals and/or capital appreciation are classified as Investment properties and measured and reported at cost, including transaction costs. Subsequent to initial recognition its measured at cost less accumulated depreciation and accumulated impairment losses, if any. When the use of an existing property changes from owner-occupied to investment property, the property is reclassified as investment property at its carrying amount on the date of reclassification.

An investment property is derecognised upon disposal or when the investment property is permanently withdrawn from use and no future economic benefits are expected from the disposal. Any gain or loss arising on de-recognition of property is recognised in the Statement of Profit and Loss in the same period.

g) Impairment of assets

Upon an observed trigger or at the end of each accounting reporting period, the Group reviews the carrying amounts of its PPE, investment property and intangible asset to determine whether there is any indication that the asset have suffered an impairment loss. If such indication exists, the PPE, investment property and intangible assets are tested for impairment so as to determine the impairment loss, if any.

Impairment loss is recognised when the carrying amount of an asset exceeds its recoverable amount. Recoverable amount is the higher of fair value less cost 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 recoverable amount of an asset is estimated to be less than its carrying amount, such deficit is recognised immediately in the Statement of Profit and Loss as impairment loss and the carrying amount of the asset is reduced to its recoverable amount.

When an impairment loss subsequently reverses, the carrying amount of the asset is increased to the revised estimate of its recoverable amount so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss recognised for the asset in prior years. A reversal of an impairment loss is recognised immediately in the Statement of Profit and Loss.

h) **De-recognition of property, plant and equipment and intangible asset**

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 PPE is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognised in the Statement of Profit and Loss. An intangible asset is derecognised on disposal, or when no future economic benefits are expected from use or disposal. Gains or losses arising from de-recognition of an intangible asset, measured as the difference between the net disposal proceeds and the carrying amount of the asset, are recognised in the Statement of Profit and Loss.

xv. **Non-Current Assets held for sale:**

Non-current assets are classified as held for sale if their carrying amount is intended to be recovered principally through a sale (rather than through continuing use) when the asset is available for immediate sale in its present condition subject only to terms that are usual and customary for sale of such asset and the sale is highly probable and is expected to qualify for recognition as a completed sale within one year from the date of classification.

Non-current assets classified as held for sale are measured at lower of their carrying amount and fair value less costs to sell.

The Group has a policy to make impairment provision at one third of the value of the Asset for each year upon completion of three years up to the end of five years based on the past observed pattern of recoveries. Losses on initial classification as Held for sale and subsequent gains & losses on Remeasurement are recognised in Statement of Profit and loss. Once classified as Held for sale, the assets are no longer amortised or depreciated.

xvi. **Employee Benefits**

Defined Contribution benefits include superannuation fund.

Defined Employee benefits include gratuity fund, provident fund compensated absences and long service awards.

Defined contribution plans

The Group's contribution to superannuation fund is considered as defined contribution plan and is charged as an expense in the Statement of Profit and Loss based on the amount of contribution required to be made and when services are rendered by the employees.

Defined benefit plans

The Group makes Provident Fund contributions, a defined benefit plan for qualifying employees. Under the Schemes, both employees and the Company make monthly contributions at a specified percentage of the covered employees' salary (currently 12% of employees' salary). The contributions, except that the employer's contribution towards pension fund is paid to the Regional Provident Fund office, as specified under the law, are made to the provident fund set up as an irrevocable trust by Tata Capital Limited ("the ultimate parent Company"). The interest rate payable to the members of the trust shall not be lower than the statutory rate of interest declared by the Central Government under the Employees Provident Funds and Miscellaneous Provisions Act, 1952 and shortfall on account of , if any, shall be made good by the Group. Hence the Group is liable for annual contributions and any deficiency in interest cost compared to interest computed based on the rate of interest declared by the Central Government. The total liability in respect of the interest shortfall of the Fund is determined on the basis of an actuarial valuation. The interest liability arising only to the extent of the aforesaid differential shortfalls is a defined benefit plan. There is no such shortfall as at March 31, 2022.

Short-term employee benefits

The undiscounted amount of short-term employee benefits expected to be paid in exchange for the services rendered by employees are recognised during the year when the employees render the service. These benefits include performance incentive and compensated absences which are expected to occur within twelve months after the end of the reporting period in which the employee renders the related service.

The cost of short-term compensated absences is accounted as under:

(a) in case of accumulated compensated absences, when employees render the services that increase their entitlement of future compensated absences; and

(b) in case of non-accumulating compensated absences, when the absences occur.

Other long-term employee benefits

Compensated absences which are not expected to occur within twelve months after the end of the year in which the employee renders the related service are recognised as a liability at the present value of the defined benefit obligation as at the balance sheet date less the fair value of the plan assets out of which the obligations are expected to be settled. Long term service awards are recognised as a liability at the present value of the defined benefit obligation as at the balance sheet date. The obligation is measured on the basis of actuarial valuation using Projected unit credit method and Remeasurement gains/ losses are recognised in P&L in the period in which they arise.

Share based payment transaction

The stock options of the Parent Group, granted to employees pursuant to the Group's Stock Options Schemes, are measured at the fair value of the options at the grant date as per Black and Scholes model. The fair value of the options is treated as discount and accounted as employee compensation cost, with a corresponding increase in other equity, over the vesting period on a straight line basis. The amount recognised as expense in each year is arrived at based on the number of grants expected to vest. If a grant lapses after the vesting period, the cumulative discount recognised as expense, with a corresponding increase in other equity, in respect of such grant is transferred to the General reserve within other equity

xvii. Foreign currency transactions

Transactions in currencies other than the Group's functional currency are recorded on initial recognition using the exchange rate at the transaction date. At each Balance Sheet date, foreign currency monetary items are reported at the rates prevailing at the year end. Non-monetary items that are measured in terms of historical cost in foreign currency are not retranslated.

Functional currency of the Group and foreign operations has been determined based on the primary economic environment in which the Company and its foreign operations operate considering the currency in which funds are generated, spent and retained.

Exchange differences that arise on settlement of monetary items or on reporting of monetary items at each Balance Sheet date at the closing spot rate are recognised in the Statement of Profit and Loss in the period in which they arise.

xviii. Operating Segments

The Group's main business is financing by way of loans for retail and corporate borrowers in India. The Group's operating segments consist of “Financing Activity”, “Investment Activity” and “Others”. All other activities of the Group revolve around the main businesses. This in the context of Ind AS 108 - operating segments reporting are considered to constitute reportable segment. The Chief Operating Decision Maker (CODM) of the Group is the Board of Directors along with Managing Director. Operating segment disclosures are consistent with the information reviewed by the CODM.

An operating segment is a component of the Group that engages in business activities from which it may earn revenues and incur expenses, including revenues and expenses that relate to transactions with any of the Group's other components, and for which discrete financial information is available. Accordingly, all operating segment's operating results of the Group are reviewed regularly by the Board of Directors to make decisions about resources to be allocated to the segments and assess their performance.

The "Financing Activity" segment consists of asset financing, term loans (corporate and retail), channel financing, credit substitutes, investments linked to/arising out of lending business and bill discounting. The "Investment Activity" segment includes corporate investments and "Others" segment primarily includes advisory services, wealth management, distribution of financial products and leasing.

Revenue and expense directly attributable to segments are reported under each operating segment. Expenses not directly identifiable to each of the segments have been allocated to each segment on the basis of associated revenue/expense of each segment. All other expenses which are not attributable or allocable to segments have been disclosed as un-allocable expenses.

Assets and liabilities that are directly attributable to segments are disclosed under each reportable segment. All other assets and liabilities are disclosed as un-allocable.

xix. Investments in associates

The Group has elected to measure investment in associate at cost as per Ind AS 27 - Separate Financial Statements, accordingly measurement at fair value through statement of profit and loss account and related disclosure under Ind AS 109 does not apply.

xx. Earnings per share

Basic earnings per share has been computed by dividing net income attributable to owners of the Group by the weighted average number of shares outstanding during the year. Partly paid up equity share is included as fully paid equivalent according to the fraction paid up.

Diluted earnings per share has been computed using the weighted average number of shares and dilutive potential shares, except where the result would be anti-dilutive.

xxi. Taxation

Income Tax

Income tax expense comprises current and deferred taxes. Income tax expense is recognized in the Statement of Profit and Loss, other comprehensive income or directly in equity when they relate to items that are recognized in the respective line items.

Current Tax

Current tax comprises the expected tax payable or receivable on the taxable income or loss for the year and any adjustment to the tax payable or receivable in respect of previous years. The amount of current tax reflects the best estimate of the tax amount expected to be paid or received after considering the uncertainty, if any, related to income taxes. It is measured using tax rates (and tax law) enacted or substantively enacted by the reporting date.

Current tax assets and liabilities are offset only if there is a legally enforceable right to set off the recognised amounts and it is intended to realise the asset and settle the liability on a net basis or simultaneously.

Deferred Tax

Deferred tax assets and liabilities are recognized for the future tax consequences of temporary differences between the carrying values of assets and liabilities and their respective tax bases, and unutilized business loss and depreciation carry-forwards and tax credits. Deferred tax assets are recognised to the extent that it is probable that future taxable profit will be available against which the deductible temporary differences, unused tax losses, depreciation carry-forwards and unused tax credits could be utilized. The carrying amount of deferred tax assets are reviewed at each reporting date and are recognised/ reduced to the extent that it is probable/ no longer probable respectively that the related tax benefit will be realised.

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

Deferred tax assets and liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities and when they relate to income taxes levied by the same taxation authority and the Group intends to settle its current tax assets and liabilities on a net basis.

xxii. Goods and Services Input Tax Credit

Goods and Services Input tax credit is accounted for in the books in the period in which the supply of goods or service received is accounted and when there is no uncertainty in availing/ utilising the credits.

xxiii. Provisions, contingent liabilities and contingent assets

Provisions

Provisions are recognised when the Group has a present obligation (legal or constructive) as a result of past events, and it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation. When the effect of the time value of money is material, the Group determines the level of provision by discounting the expected cash flows at a pre-tax rate reflecting the current rates specific to the liability. The expense relating to any provision is presented in the Statement of Profit and Loss net of any reimbursement.

Contingent assets/liabilities

A possible obligation that arises from past events and the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Group or; present obligation that arises from past events where it is not probable that an outflow of resources embodying economic benefits will be required to settle the obligation; or the amount of the obligation cannot be measured with sufficient reliability are disclosed as contingent liability and not provided for. Contingent assets are disclosed where an inflow of economic benefits is probable. Contingent assets are not recognised in the consolidated financial statements.

Provisions, contingent liabilities and contingent assets are reviewed at each Balance Sheet date.

Where the unavoidable costs of meeting the obligations under the contract exceed the economic benefits expected to be received under such contract, the present obligation under the contract is recognised and measured as a provision

xxiv. Commitments

Commitments are future liabilities for contractual expenditure, classified and disclosed as follows:

(a) estimated amount of contracts remaining to be executed on capital account and not provided for;

(b) uncalled liability on shares and other investments partly paid;

(c) funding related commitment to associate; and

(d) other non-cancellable commitments, if any, to the extent they are considered material and relevant in the opinion of management.

(e) other commitments related to sales/procurements made in the normal course of business are not disclosed to avoid excessive details.

(f) commitments under Loan agreement to disburse Loans.

(g) lease agreements entered but not executed.

xxv. Statement of Cash Flows

Statement of Cash Flows is prepared segregating the cash flows into operating, investing and financing activities. Cash flow from operating activities is reported using indirect method adjusting the net profit for the effects of:

(a) changes during the period in operating receivables and payables transactions of a non-cash nature;

(b) non-cash items such as depreciation, Impairment, deferred taxes, unrealised foreign currency gains and losses, and undistributed profits of associates and joint ventures; and

(c) all other items for which the cash effects are investing or financing cash flows.

Cash and cash equivalents (including bank balances) shown in the Statement of Cash Flows exclude items which are not available for general use as on the date of Balance Sheet.

xxvi. Dividend payable

Interim dividend declared to equity shareholders, if any, is recognised as liability in the period in which the said dividend has been declared by the Board of Directors. Final dividend declared, if any, is recognised in the period in which the said dividend has been approved by the Shareholders.

The dividend payable is recognised as a liability with a corresponding amount recognised directly in equity.

xxvii. Recent amendments

The following standards / amendments to standards have been issued and will be effective from 1st April 2022. The Group is evaluating the requirements of these standards, improvements and amendments and has not yet determined the impact on the financial statements.

(a) Indian Accounting Standard (Ind AS) 103 – Business Combinations – Qualifications prescribed for recognition of the identifiable assets acquired and liabilities assumed, as part of applying the acquisition method – should meet the definition of assets and liabilities in the Conceptual Framework for Financial Reporting under Ind AS (Conceptual Framework) issued by the ICAI at the acquisition date.

(b) Indian Accounting Standard (Ind AS) 109 – Financial Instruments – Modification in accounting treatment of certain costs incurred on derecognition of financial liabilities.

(c) Indian Accounting Standard (Ind AS) 16 - Property, Plant and Equipment – Modification in treatment of excess of net sale proceeds of items produced over the cost of testing as part of cost of an item of property, plant, and equipment.

(d) Indian Accounting Standard (Ind AS) 37 - Provisions, Contingent Liabilities and Contingent Assets – Modifications in application of recognition and measurement principles relating to onerous contracts.

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS

NOTE "3" (₹ in lakh)

CASH AND CASH EQUIVALENTS	As at March 31, 2022	As at March 31, 2021
At Amortised cost		
Cash on hand	**14**	15
Balances with banks in current accounts	**1,36,161**	1,84,463
Cheques, drafts on hand	**378**	1,884
Balances with banks in deposit accounts (Refer note below)	**71,609**	16,329
Total	**2,08,162**	**2,02,691**

(i) As at March 31, 2022, the Group had undrawn committed borrowing facilities of ₹ 10,54,267 Lakh (March 31, 2021 : ₹ 6,18,158 Lakh).

(ii) Balance with banks in deposit accounts comprises deposits that have an original maturity less than 3 months at balance sheet date.

NOTE "4" (₹ in lakh)

BANK BALANCE OTHER THAN (NOTE 3) ABOVE	As at March 31, 2022	As at March 31, 2021
At Amortised cost		
Balances with banks in deposit accounts	**5,270**	2,288
Balances with Banks In earmarked accounts	**150**	84
Total	**5,420**	**2,372**

(i) Balance with banks in deposit accounts comprises deposits that have an original maturity exceeding 3 months at balance sheet date.

(ii) Deposits includes lien with Banks and Stock Exchanges as margin amounting to ₹ 63 lakhs (March 31, 2021: ₹ 63 lakh).

(iii) Deposits amounting to ₹ 50 lakh (March 31, 2021 : ₹ 50 lakh) pertain to collateral deposits with banks for Aadhaar authentication.

NOTE "5"

DERIVATIVE FINANCIAL INSTRUMENTS

As at March 31, 2022 (₹ in lakh)

Derivatives held for hedging and risk management purposes	Notional value - USD (in mn)	Notional value - JPY (in mn)	Notional value INR (in lakh)	Fair value assets	Fair value liabilities
Foreign exchange forward	255	17,677	3,01,666	59	33,580
Interest rate swap	-	-	-	899	427
Cross currency interest rate swap	140	-	1,05,728	2,563	298
Total	**395**	**17,677**	**4,07,394**	**3,521**	**34,305**

As at March 31, 2021 (₹ in lakh)

Derivatives held for hedging and risk management purposes	Notional value - USD (in mn)	Notional value - JPY (in mn)	Notional value INR (in lakh)	Fair value assets	fair value liabilities
Foreign exchange forward	192	17,806	2,58,316	33	15,134
Interest rate swap	-	-	-	-	3,154
Cross currency interest rate swap	90	-	65,907	1,121	1,304
Interest rate cap	-	-	-	-	1,963
Total	**282**	**17,806**	**3,24,223**	**1,154**	**21,555**

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS

5.1 Disclosure of effects of hedge accounting on financial performance and exposure to foreign currency

As at March 31, 2022 (₹ in lakh)

Particulars	Notional amount	Carrying amount of hedging instruments assets	Carrying amount of hedging instruments liabilities	Weighted average contract / strike price of the hedging instrument	Change in the fair value in the hedging instrument used as the basis for recognising hedge ineffectiveness profit / (loss)
INR USD - Forward exchange contracts	1,89,982	59	4,578	79.96	(4,519)
INR JPY - Forward exchange contracts	1,09,561	-	20,650	0.82	(20,650)
INR USD - Currency Swaps	1,05,728	2,563	298	72.76	2,265

As at March 31, 2021 (₹ in lakh)

Particulars	Notional amount	Carrying amount of hedging instruments assets	Carrying amount of hedging instruments liabilities	Weighted average contract / strike price of the hedging instrument	Change in the fair value in the hedging instrument used as the basis for recognising hedge ineffectiveness profit / (loss)
INR USD - Forward exchange contracts	1,40,531	33	1,465	79.16	(1,432)
INR JPY - Forward exchange contracts	1,17,785	-	13,669	0.83	(13,669)
INR USD - Currency Swaps	65,907	1,121	1,304	72.69	(183)

Hedged item

As at March 31, 2022 (₹ in lakh)

Particulars	Change in the value of hedged item used as the basis for recognising hedge ineffectiveness	Cost of hedge reserve as at	Cost of hedging as at	Foreign Currency Monetary Items Translation Reserve
FCY Term Loans	(3,356)	(35,303)	-	-

As at March 31, 2021 (₹ in lakh)

Particulars	Change in the value of hedged item used as the basis for recognising hedge ineffectiveness	Cost of hedge reserve as at	Cost of hedging as at	Foreign Currency Monetary Items Translation Reserve
FCY Term Loans	(4,572)	(22,267)	-	-

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS

5.2 The impact of the cashflow hedges in the statement of profit and loss and other comprehensive income

(₹ in lakh)

Particulars	Hedging gains or (losses) recognised in other comprehensive income		Hedge ineffectiveness recognised in statement of profit and (loss)	
	For the year ended March 31, 2022	For the year ended March 31, 2021	For the year ended March 31, 2022	For the year ended March 31, 2021
Forward exchange contracts and Currency swaps	**(12,603)**	(18,203)	-	-

5.3 Movements in the cost of hedge reserve are as follows:

(₹ in lakh)

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
Opening Balance	**(2,420)**	(586)
Effective portion of changes in fair value Currency Swap	**2,184**	(1,967)
Effective portion of changes in fair value Interest rate risk	**3,620**	1,781
Effective portion of changes in fair value interest rate cap	**80**	12
Effective portion of changes in fair value foreign currency risk	**(16,086)**	(26,093)
Foreign currency translation differences on loan	**1,441**	10,027
Foreign currency translation differences on interest	**(435)**	(174)
Amortisation of forward premium	**14,479**	13,951
Tax on movements on reserves	**(1,361)**	629
Closing Balance	**1,502**	**(2,420)**

All hedges are 100% effective i.e. there is no ineffectiveness.

5.4 Average fixed interest rate:

- Interest rate swap: 0.95% to 3.47%
- Cross currency swap: 6.12% to 7.81%
- Interest rate cap: 0.70%

The Group's risk management strategy and how it is applied to manage risk is explained in Note 44.

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS

NOTE "6" (₹ in lakh)

RECEIVABLES	**As at March 31, 2022**	**As at March 31, 2021**
Trade receivables		
At Amortised cost		
(a) Receivables considered good - Secured	**4**	15
(b) Receivables considered good - Unsecured	**3,115**	2,646
(c) Receivables which have significant increase in credit risk	**131**	45
(d) Receivables - credit impaired	**74**	67
	3,324	**2,773**
Impairment loss allowance	**(91)**	**(110)**
Total	**3,233**	**2,663**
Other receivables		
At Amortised cost		
(a) Receivables considered good - Secured	**-**	-
(b) Receivables considered good - Unsecured	**32**	17
	32	**17**
Impairment loss allowance	**(10)**	**(10)**
	22	**7**
Total	**3,255**	**2,670**

Trade receivables include amounts due from the related parties ₹ 274 lakh (March 31, 2021: ₹ 489 lakh)

AGEING OF THE RECEIVABLES: (₹ in lakh)

Particulars	**As at March 31, 2022**							**Total**
	Unbilled Dues	**Not due**	**Less than 6 months**	**6 months - 1 year**	**1-2 years**	**2-3 years**	**More than 3 years**	
(i) Undisputed Trade receivables – considered good	2	-	3,101	16	-	-	-	**3,119**
(ii) Undisputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	57	11	63	**131**
(iii) Undisputed Trade Receivables – credit impaired	-	-	7	-	-	1	66	**74**
(iv) Disputed Trade Receivables–considered good	-	-	-	-	-	-	-	**-**
(v) Disputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-	-	**-**
(vi) Disputed Trade Receivables – credit impaired	-	-	-	-	-	-	-	**-**
Total	**2**	**-**	**3,108**	**16**	**57**	**12**	**129**	**3,324**

Note: Ageing of the trade receivables is determined from the date of transaction till the reporting date.

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS

(₹ in lakh)

Particulars	As at March 31, 2021							Total
	Unbilled Dues	Not due	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	
(i) Undisputed Trade receivables – considered good	3	-	2,390	119	98	51	-	**2,661**
(ii) Undisputed Trade Receivables – which have significant increase in credit risk	-	-	-	13	15	17	-	**45**
(iii) Undisputed Trade Receivables – credit impaired	-	-	1	-	1	-	65	**67**
(iv) Disputed Trade Receivables–considered good	-	-	-	-	-	-	-	**-**
(v) Disputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-	-	**-**
(vi) Disputed Trade Receivables – credit impaired	-	-	-	-	-	-	-	**-**
Total	**3**	**-**	**2,391**	**132**	**114**	**68**	**65**	**2,773**

Note: Ageing of the trade receivables is determined from the date of transaction till the reporting date.

NOTE “7”

(₹ in lakh)

LOANS	**As at March 31, 2022**	**As at March 31, 2021**
(A)		
(i) At Amortised Cost		
- Bills purchased and bills discounted	**2,37,005**	1,18,666
- Term loans	**85,89,925**	71,40,384
- Credit substitutes (refer note (i) below)	**3,01,972**	1,96,522
- Finance lease and hire purchase	**1,61,039**	92,515
- Retained portion of assigned loans	**2,422**	3,448
Subtotal (i)	**92,92,363**	**75,51,535**
(ii) At Fair Value Through Other Comprehensive Income		
- Term loans	**36,777**	85,514
Subtotal (ii)	**36,777**	**85,514**

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS

NOTE "7" (₹ in lakh)

LOANS		**As at March 31, 2022**	**As at March 31, 2021**
(iii)	**At Fair Value Through Profit and Loss**		
	- Credit substitutes	**2,519**	1,000
	Subtotal (iii)	**2,519**	**1,000**
	Subtotal (i)+(ii)+(iii)	**93,31,659**	**76,38,049**
(B)			
	Less : Impairment loss allowance		
	- Stage I & II	**1,72,055**	1,30,352
	- Stage III	**1,26,234**	1,26,558
	Subtotal (i)	**2,98,289**	**2,56,910**
	Loans net of impairment loss allowance	**90,33,370**	**73,81,139**
	- Revenue received in advance	**(39,983)**	(31,826)
	- Unamortised loan sourcing costs	**18,749**	13,322
	Subtotal (i)	**(21,234)**	**(18,504)**
	Total	**90,12,136**	**73,62,635**
(C)			
	- Secured by tangible assets	**73,64,705**	57,54,648
	- Unsecured	**19,66,954**	18,83,401
	- Revenue received in Advance	**(39,983)**	(31,826)
	- Unamortised loan sourcing costs	**18,749**	13,322
	Subtotal (i)	**93,10,425**	**76,19,545**
(D)			
(i)	**Loans in India**		
	- Public Sector	**15,353**	7,554
	- Others	**93,16,306**	76,30,495
	Subtotal (i)	**93,31,659**	**76,38,049**
(ii)	**Loans outside India**		
	- Public Sector	**-**	-
	- Others	**-**	-
	Subtotal (ii)	**-**	-

(i) Investments in bonds, debentures and other financial instruments which, in substance, form a part of the Group's financing activities ("Credit Substitutes") have been classified under Loans . In the past these were classified as a part of Investments. Management believes that the classification results in a better presentation of the substance of these investments and is in alignment with regulatory filings.

(ii) Impairment allowance towards loan designated as FVTOCI amounting to ₹ Nil (as on March 31, 2021 : ₹ 18 lakh)

(iii) Impairment loss allowance includes impairment loss allowance on loans under fair value through profit and loss ₹ 6 lakh (As on March 31, 2021 : ₹ 4 lakh)

(iv) Loans given to related parties as on March 31, 2021 ₹ 1,08,448 lakh (as on March 31, 2021 : ₹ 55,326 lakh).

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS

(v) The details of Gross investments and unearned finance income in respect of assets given under finance lease are as under:

(₹ in lakh)

Particulars	As at March 31, 2022	As at March 31, 2021
Gross Investments:		
- Within one year	**73,682**	37,680
- Later than one year and not later than five years	**89,795**	51,217
- Later than five years	**697**	717
Total	**1,64,174**	**89,614**
Unearned Finance Income:		
- Within one year	**22,084**	10,935
- Later than one year and not later than five years	**3,754**	4,261
- Later than five years	**16**	25
Total	**25,854**	**15,221**
Present Value of Rentals *:		
- Within one year	**51,598**	26,745
- Later than one year and not later than five years	**86,041**	46,956
- Later than five years	**682**	692
Total	**1,38,321**	**74,393**

* Present Value of Rentals represent the Current Future Outstanding Principal.

NOTE "8"

(₹ in lakh)

INVESTMENTS	As at March 31, 2022	As at March 31, 2021
(A)		
(i) At Amortised Cost		
- Debt securities	**2,35,056**	1,22,273
Subtotal (i)	**2,35,056**	1,22,273
(ii) At Fair Value		
(a) Through Other Comprehensive Income:		
- Debt securities	**16,152**	6,575
Subtotal (i)	**16,152**	6,575
(b) Through Profit or Loss		
- Mutual funds (quoted)	**3,06,096**	1,52,557
- Fully paid equity shares (quoted)	**58,882**	46,352
- Fully paid equity shares (unquoted)	**28,121**	26,279
- Preference shares	**1,392**	2,111
- Security receipts	**17**	90
- Venture capital fund	**22,443**	17,888
- Alternate investment fund	**2,806**	2,412
- Multi asset fund	**4,850**	3,581
- Structured product	**2,193**	2,210
Subtotal (ii)	**4,26,800**	2,53,480
Total (A) = (i)+(ii)	**6,78,008**	3,82,328
(B)		
(i) Investments in India	**6,26,240**	3,43,535
(ii) Investments outside India	**51,768**	38,793
Total (B) (i)+(ii)	**6,78,008**	**3,82,328**

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS

NOTE "8a"

(₹ in lakh)

	SCRIPT-WISE DETAILS OF INVESTMENTS	Face value Per Unit (in ₹)	As at March 31, 2022 No. of Units	As at March 31, 2022 ₹ in lakh	As at March 31, 2021 No. of Units	As at March 31, 2021 ₹ in lakh
(A)	**Investment in Debentures**					
(i)	**Quoted**					
(a)	**Carried at amortised cost**					
	4.63% BPCL - Indian Cash Bond	-	20,000	1,553	20,000	1,526
	5.95% Tata Steel Bond	-	10,000	779	10,000	762
	5.75% Tata Motors Limited Bond	-	30,000	2,407	50,000	3,865
	2.88% ONGC - Indian Cash Bond	-	-	-	3,750	276
				4,739		6,429
(ii)	**Carried at fair value through other comprehensive income**					
	5.95% Tata Steel Bond	-	20,000	1,594	20,000	1,599
	5.45% Tata Steel Bond	-	40,000	3,145	20,000	1,526
	5.38% ICICI Bank	-	20,000	1,135	10,000	562
	4.5% Jaguar Land Rover Bond	-	50,000	3,463	30,000	2,138
	5.75% Tata Motors Limited Bond	-	-	-	10,000	750
	5.5% Jaguar Land Rover Bond	-	25,000	1,695	-	-
	5.88% Jaguar Land Rover Bond	-	15,000	1,048	-	-
	3.7% HDFC Bank	-	20,000	1,407	-	-
	5.25% UPLLIN Bond	-	10,000	714	-	-
	5.95% Periama Holdings	-	20,000	1,578	-	-
	5% Fairfax India Holdings	-	5,000	373	-	-
				16,152		6,575
(B)	**Investment in Government Securities**					
(i)	**Carried at amortised cost**					
(a)	**Quoted**					
	6.84% GOI 2022	100	2,00,00,000	20,788	2,00,00,000	21,348
	6.18% GOI 2024	100	20,00,000	2,104	-	-
	8.15% GOI 2026	100	1,12,00,000	12,481	-	-
	8.35% GOI 2022	100	4,90,00,000	50,814	-	-
	7.17% GOI 2028	100	1,70,00,000	12,757	-	-
	8.97% GOI 2030	100	42,00,000	4,992	-	-
	7.61% GOI 2030	100	30,00,000	3,303	-	-
	6.79% GOI 2029	100	20,00,000	2,070	-	-
	8.24% GOI 2033	100	44,00,000	5,103	-	-

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS

NOTE "8a" (₹ in lakh)

SCRIPT-WISE DETAILS OF INVESTMENTS		Face value Per Unit (in ₹)	As at March 31, 2022		As at March 31, 2021	
			No. of Units	₹ in lakh	No. of Units	₹ in lakh
	7.35% GOI 2024	100	**2,00,00,000**	**21,389**	-	-
	8.20% GOI 2025	100	**3,00,00,000**	**32,308**	-	-
				1,68,109		**21,348**
(C)	**Investment in Treasury Bill**					
(i)	**Carried at amortised cost**					
(a)	**Quoted**					
	364 DTB 22072021	100	-	-	1,50,00,000	14,849
	364 DTB 22072021	100	-	-	1,50,00,000	14,849
	364 DTB 28102021	100	-	-	1,50,00,000	14,714
	364 DTB 28102021	100	-	-	2,00,00,000	14,715
	91 DTB 06052021	100	-	-	1,00,00,000	9,967
	182 DTB 22042021	100	-	-	2,00,00,000	19,962
	364 DTB 22072021	100	-	-	55,00,000	5,440
	182DTB 28072022	100	**1,55,00,000**	**15,295**	-	-
	91 DTB 14042022	100	**4,10,00,000**	**40,949**	-	-
	364 DTB 05052022	100	**15,00,000**	**1,495**	-	-
	364 DTB 09062022	100	**45,00,000**	**4,469**	-	-
				62,208		**94,496**
(D)	**Investment in Mutual Funds**					
(i)	**At fair value through profit and loss**					
(a)	**Quoted**					
	Aditya Birla Sun Life Liquid Fund - Reg - Growth	100	-	-	1,36,65,705	45,001
	Tata Liquid Fund Regular Plan-Dividend	1,000	**3,163**	**32**	9,921	99
	Kotak Liquid Regular Plan Growth	1,000	**4,67,496**	**20,004**	10,86,813	45,003
	Tata Overnight Fund Regular Plan - Growth	1,000	**26,83,692**	**30,001**	55,37,326	60,002
	Tata Liquid Fund Regular Plan-Growth	1,000	**76,298**	**2,543**	76,036	2,452
	Tata Ultrashort term Fund - Dir - Growth	10	**8,39,87,066**	**10,000**	-	-
	HSBC Cash Fund - Growth	1,000	**2,37,364**	**5,001**	-	-
	Nippon India Overnight Fund - Growth Plan	100	**1,93,42,362**	**22,002**	-	-
	Aditya Birla Sun Life Overnight - Reg - Growth	1,000	**34,93,962**	**40,002**	-	-
	UTI Overnight Fund - Reg - Growth	1,000	**5,54,911**	**16,001**	-	-
	Axis Overnight Fund - Reg - Growth	1,000	**34,76,677**	**39,002**	-	-

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS

NOTE "8a"

(₹ in lakh)

SCRIPT-WISE DETAILS OF INVESTMENTS		Face value Per Unit (in ₹)	As at March 31, 2022		As at March 31, 2021	
			No. of Units	₹ in lakh	No. of Units	₹ in lakh
	HSBC Overnight Fund - Reg - Growth	1,000	8,12,830	9,000	-	-
	Kotak Overnight Fund - Reg - Growth	1,000	19,45,549	22,001	-	-
	Mirae Asset Overnight Fund - Reg - Growth	1,000	16,56,210	18,000	-	-
	Invesco India Liquid Fund Growth Plan	1,000	1,72,154	5,001	-	-
	SBI Overnight Fund - Growth	1,000	5,83,923	20,001	-	-
	ABSL Money Manager Fund Gr-Direct	100	33,45,316	10,000	-	-
	Tata Money Market Fund Direct Plan - Growth	1,000	4,70,680	18,005	-	-
	Nippon India Money Market Fund - Direct Growth	1,000	2,83,520	9,500	-	-
	Kotak Money Market Fund - Direct Plan - Growth	1,000	2,76,175	10,000	-	-
				3,06,096		1,52,557
(E)	**Investment in Equity Shares**					
(i)	**At fair value through profit and loss**					
(a)	**Quoted**					
	Star Health & Allied Insurance Company Limited	10	72,15,165	51,260	72,15,165	34,800
	The Indian Hotels Company Limited	1	19,600	47	17,640	20
	Tata Steel Limited (fully paid)	10	17,561	230	16,740	136
	Tata Steel BSL Limited	2	-	-	12,315	6
	Hindustan Unilever Limited	1	2,000	41	2,000	49
	Shriram Properties Limited	10	15,16,413	1,179	-	-
	Praj Industries Limited	2	7,52,268	2,997	36,84,593	7,179
	Commercial Engineers & Body Builders Company Limited	10	21,60,192	943	75,24,328	718
	The New India Assurance Company Limited	5	10,83,376	1,210	10,83,376	1,672
	Bombay Stock Exchange Limited	2	17,100	161	5,700	33
	Future Consumer Limited	10	32,992	2	32,992	2
	Diamond Power Infra Limited	10	16,31,881	25	16,31,881	-
	3I Infotech Limited	10	15,19,007	778	2,32,80,000	1,734
	Consolidated Construction Consortium Limited	2	4,16,472	9	4,16,472	3
	IVRCL Limited	2	15,94,857	-	15,94,857	-
	Gol Offshore Limited	10	6,44,609	-	6,44,609	-
				58,882		46,352

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS

NOTE "8a" (₹ in lakh)

SCRIPT-WISE DETAILS OF INVESTMENTS		Face value Per Unit (in ₹)	As at March 31, 2022		As at March 31, 2021	
			No. of Units	₹ in lakh	No. of Units	₹ in lakh
(b)	**Unquoted**					
	Biocon Biologics India Limited	10	**88,30,456**	**23,660**	88,30,456	22,590
	International Asset Reconstruction Company Private Limited	10	**1,39,46,295**	**4,461**	1,39,46,295	3,689
	Aricent Technologies Holdings Limited	10	**8**	**-**	8	-
	Coastal Projects Limited	10	**59,62,855**	**-**	59,62,855	-
	Vaultize Technologies Private Limited	1	**84,568**	**-**	84,568	-
				28,121		**26,279**
(F)	**Investment in Preference Shares**					
(i)	**At fair value through profit and loss**					
(a)	**Unquoted**					
	Vaultize Technologies Private Limited	10	**3,15,21,679**	**-**	3,15,21,679	-
				-		**-**
(G)	**Investment in Preferred Stock**					
(i)	**At fair value through profit and loss**					
(a)	**Quoted**					
	Uber Technologies, Inc.	-	**51,664**	**1,392**	52,880	2,111
				1,392		**2,111**
(b)	**Unquoted**					
	WaterHealth International, Inc	USD 0.0001	**30,90,871**	**-**	30,90,871	-
	Vanu Inc	-	**38,074**	**-**	38,074	-
				-		**-**
	Total Investment in Preference shares			**1,392**		**2,111**
(H)	**Investment in Venture Capital Fund**					
(i)	**At fair value through profit and loss**					
(a)	**Unquoted**					
	Pitango Venture Capital Fund VI & VII, L.P. ("Pitnago VI")	-	**-**	**22,443**	-	17,888
				22,443		**17,888**
(I)	**Investment in Alternate Investment Funds**					
(i)	**At fair value through profit and loss**					
(a)	**Unquoted**					
	Tata Absolute Return Fund	1,000	**1,00,000**	**1,178**	1,00,000	1,080
	Tata Equity Plus Absolute Return Fund	1,000	**1,00,000**	**1,628**	1,00,000	1,332
				2,806		**2,412**

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS

NOTE "8a" (₹ in lakh)

SCRIPT-WISE DETAILS OF INVESTMENTS		Face value Per Unit (in ₹)	As at March 31, 2022		As at March 31, 2021	
			No. of Units	₹ in lakh	No. of Units	₹ in lakh
(J)	Investment in Multi Asset Fund					
(i)	At fair value through profit and loss					
(a)	Unquoted					
	Apollon Sustainable Value Fund	-	-	4,850	-	3,581
				4,850		3,581
(K)	Investment in structured product					
(i)	At fair value through profit and loss					
(a)	Unquoted					
	Julius Baer Long Leverage Certificate	-	200	2,193	-	2,210
				2,193		2,210
(L)	Investment in Security Receipts					
	International Asset Reconstruction Private Limited	1,000	1,04,135	17	1,04,135	90
				17		90
	Total Investments (A + B + C + D + E + F + G + H + I + J + K + L)			6,78,008		3,82,328

NOTE "9" (₹ in lakh)

OTHER FINANCIALS ASSETS	As at March 31, 2022		As at March 31, 2021	
At Amortised Cost				
Security deposits		3,013		1,923
Pass Through Certificate application money (refundable)		10		6,060
Income accrued but not due		7,106		8,126
Advances to employees		2		28
Receivable on sale/redemption of investment	176		162	
Provision for receivable on sale/redemption of investment	(162)	14	(162)	-
Receivable under letter of credit/buyers credit facility	12,680		37,255	
Provision for letter of credit/buyer's credit facility	(99)	12,581	(149)	37,106
Other receivables		2,333		4,227
Total		25,059		57,470

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS

NOTE "10" INCOME TAXES

(i) Current tax assets

(₹ in lakh)

Particulars	**As at March 31, 2022**	**As at March 31, 2021**
Advance tax and tax deducted at source (net of provision for tax ₹ 1,25,466 lakh (Previous year: ₹ 81,398)	**16,585**	14,150
Total	**16,585**	**14,150**

A. The income tax expense consist of the following:

(₹ in lakh)

Particulars	**As at March 31, 2022**	**As at March 31, 2021**
Current tax:		
Current tax expense for the year	**66,138**	42,736
Current tax expense / (benefit) pertaining to prior years	**(438)**	2
	65,700	**42,738**
Deferred tax benefit		
Origination and reversal of temporary differences	**(11,009)**	(5,705)
Total income tax expense recognised in the year	**54,691**	**37,033**

The reconciliation of estimated income tax expense at statutory income tax rate income tax expense reported in statement of profit and loss is as follows:

(₹ in lakh)

Particulars	**As at March 31, 2022**	**As at March 31, 2021**
Profit / (Loss) before tax from continuing operations	**2,34,772**	1,61,497
Indian statutory income tax rate	**25.168%**	25.168%
Expected income tax expense	**59,087**	40,646
Tax effect of adjustments to reconcile expected income tax expense to reported income tax expense:		
Income exempt from tax	**(618)**	(348)
Recognition of previously unrecognised tax losses and unabsorbed depreciation	**(111)**	263
Non deductible expenses	**2,156**	4,398
Provision for loss disallowed in earlier years, allowed on realization in the current year	**-**	(3,604)
Income not taxable	**-**	(2,914)
Tax on income at different rates	**(4,580)**	(342)
Tax incentives	**(368)**	(363)
Tax pertaining to prior years	**(213)**	-
Differences in tax rates in foreign jurisdictions	**(662)**	(703)
Total income tax expense	**54,691**	**37,033**

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS

B. Amounts Recognised in Other Comprehensive Income

(₹ in lakh)

Particulars	As at March 31, 2022			As at March 31, 2021		
	Before tax	Tax (expense)/ benefit	Net of tax	Before tax	Tax (expense)/ benefit	Net of tax
Items that will not be reclassified to profit or loss						
Owners of the company						
Remeasurement of the defined benefit plans	(247)	62	(185)	1,584	(397)	1,187
Items that are or may be reclassified subsequently to profit or loss						
Debt instruments through Other Comprehensive Income	(1,068)	182	(886)	117	(20)	97
Fair value gain / (loss) on financial asset measured at FVTOCI	(1,056)	327	(729)	1,029	(302)	727
Net changes in fair values of time value of cash flow hedges (FVTOCI)	5,283	(1,361)	3,922	(2,463)	629	(1,834)
Total Amounts recognised in OCI	2,912	(790)	2,122	267	(90)	177

(ii) Deferred tax assets

The major components of deferred tax assets and liabilities for the year ended March 31, 2022 are as follows:

(₹ in lakh)

Particulars	Opening Balance	Recognised/ reversed through profit and loss	Recognised/ reclassified from other comprehen-sive income	Recognised/ eversed through Reserves	Closing Balance
Deferred Tax Assets :-					
(a) Impairment loss allowance - Stage III	29,612	(1,254)	-	-	28,358
(b) Impairment loss allowance - Stage I & II	33,864	10,653	-	-	44,517
(c) Employee benefits	525	16	-	-	541
(d) Deferred income	7,805	1,396	-	-	9,201
(e) Depreciation on property, plant & equipment	6,535	1,401	-	-	7,936
(f) Fair valuation of associates and fund investments	127	432	-	-	559
(g) Right to use asset	542	10	-	-	552
(h) Cash flow hedges	834	-	(1,361)	-	(527)
(i) Other deferred tax assets	1,503	(2)	182	12	1,695
Deferred Tax Liabilities :-			-	-	
(a) Debenture issue expenses	(1,233)	223	-	-	(1,010)
(b) Investments measured at fair value	(524)	(223)	-	-	(747)
(c) Loans measured at FTVOCI	(424)	(33)	327	-	(130)
(d) Deduction u/s 36(1)(viii)	(5,236)	(1,610)	-	-	(6,846)
Net Deferred Tax Asset	73,930	11,009	(852)	12	84,099

The major components of deferred tax assets and liabilities for the year ended March 31, 2021 are as follows:

(₹ in lakh)

Particulars	Opening Balance	Recognised/ reversed through profit and loss	Recognised/ reclassified from other comprehensive income	Recognised/ eversed through Reserves	Closing Balance
Deferred Tax Assets :-					
(a) Impairment loss allowance - Stage III	25,118	4,494	-	-	29,612
(b) Impairment loss allowance - Stage I & II	29,153	4,711	-	-	33,864
(c) Employee benefits	565	(40)	-	-	525
(d) Deferred income	9,895	(2,090)	-	-	7,805
(e) Depreciation on property, plant & equipment	4,812	1,723	-	-	6,535
(f) Fair valuation of associates and fund investments	1,778	(1,651)	-	-	127
(g) Right to use asset	511	31	-	-	542
(h) Cash flow hedges	205	-	629	-	834
(i) Other deferred tax assets	1,711	(188)	(20)	-	1,503
Deferred Tax Liabilities :-			-	-	
(a) Debenture issue expenses	(1,650)	417	-	-	(1,233)
(b) Investments measured at fair value	(82)	(442)	-	-	(524)
(c) Loans measured at FTVOCI	(122)	-	(302)	-	(424)
(d) Deduction u/s 36(1)(viii)	(3,975)	(1,261)	-	-	(5,236)
Net Deferred Tax Asset	**67,919**	**5,705**	**307**	**-**	**73,930**

One of our subsidiary has not recognized net deferred tax assets as at March 31, 2022 on the following item, since it is not probable that the economic benefits will flow in future years against which such deferred tax assets can be realized.

(₹ in lakh)

Particulars	As at March 31, 2022			
	Closing balance	DTA @25.17%	Closing balance	DTA @27.82%
Deferred Tax Asset (A)				
On business losses as per Income Tax	**2,518**	**634**	**2,444**	**615**
On unabsorbed depreciation as per Income Tax	**463**	**116**	**406**	**102**
Provision for doubtful debts	**71**	**18**	**66**	**17**
Employee benefits - Leave encashment	**16**	**4**	**12**	**3**
On account of depreciation on fixed assets	**93**	**23**	**83**	**21**
Deferred Tax Liability (B)	**-**	**-**	**-**	**-**
Net Deferred Tax Asset (A-B)	**3,161**	**795**	**3,011**	**758**

The Subsidiary has business Losses as per Income Tax Act, 1961 of ₹ 1,117 lakh expiring in FY 2023-24, ₹ 117 lakh expiring in FY 2028-29 and ₹ 1,285 lakh expiring in FY 2029-30 (PY ₹ 1,210 lakh expiring in FY 2021-22, ₹ 1,117 lakh expiring in FY 2023-24 and ₹ 117 lakh expiring in FY 2028-29.

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS

(iii) Current tax liabilities: (₹ in lakh)

Particulars	As at March 31, 2022	As at March 31, 2021
Provision for tax (net of advance tax ₹ 148,956 Lakh (Previous year : ₹ 159,053 Lakh)	**34,959**	28,695
Total	**34,959**	**28,695**

(iv) Unrecognised temporary differences: (₹ in lakh)

Particulars	As at March 31, 2022	As at March 31, 2021
Temporary difference relating to investment in subsidiaries for which deferred tax liabilities have not been recognised:		
Undistributed reserves	**10,65,590**	8,53,010

Note:

Subsidiaries of Tata Capital Limited's undistributed reserves which, if paid out as dividends, would be subject to tax in the hands of recipient. An assessable temporary difference exists, but no deferred tax liability has been recognized as Tata Capital Limited is able to control the timing of distribution from these subsidiaries. These subsidiaries are not expected to distribute the dividend out of these reserves in the foreseeable future. Also there are no plans to sell any of the subsidiaries in the foreseeable future and hence no deferred tax liability has been created on the basis of capital gains tax.

NOTE "11" (₹ in lakh)

INVESTMENTS ACCOUNTED USING EQUITY METHOD	As at March 31, 2022	As at March 31, 2021
At Cost		
(A)		
Associate companies		
Fully paid equity shares (unquoted)	**93,850**	80,890
Preference shares (unquoted)	**24,406**	14,996
Less: Diminution in value of investments	**(11,648)**	(12,917)
	1,06,608	82,969
(B)		
(i) Investments in India	**1,02,268**	82,969
(ii) Investments outside India	**4,340**	-
Total (B) (i)+(ii)	**1,06,608**	**82,969**

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS

NOTE "11a" (₹ in lakh)

	SCRIPT-WISE DETAILS OF INVESTMENTS ACCOUNTED USING EQUITY METHOD	Face value Per Unit (in)	As at March 31, 2022		As at March 31, 2021	
			No. of Units	₹ in lakh	No. of Units	₹ in lakh
	Unquoted					
(a)	**Equity Shares**					
1	Tata Autocomp Systems Limited	10	**4,83,07,333**	**45,874**	4,83,07,333	34,879
2	Tata Play Limited (formerly Tata Sky Limited)	10	**1,00,72,871**	**5,717**	1,00,72,871	5,634
3	Tata Technologies Limited	10	**18,73,253**	**10,682**	18,73,253	8,769
4	Tata Projects Limited	10	**36,71,821**	**6,247**	44,810	3,997
5	Roots Corporation Limited	10	**-**	**-**	22,91,454	2,062
6	Fincare Business Services Limited	1	**25,47,910**	**848**	25,47,910	849
7	Fincare Small Finance Bank	10	**2,38,980**	**150**	9,660	30
8	Shriram Properties Limited	10	**-**	**-**	22,23,569	3,935
9	TVS Supply Chain Solutions Limited	1	**14,54,880**	**808**	1,45,488	756
10	Novalead Pharma Private Limited	100	**11,477**	**2,282**	11,477	2,281
11	Tema India Limited	10	**19,85,524**	**4,204**	19,85,524	4,253
12	Kapsons Industries Private Limited	10	**2,857**	**1**	2,857	1
13	Pluss Advanced Technologies Limited	10	**-**	**-**	1,31,167	1,532
14	Vortex Engineering Private Limited	10	**1,39,415**	**2,900**	1,39,415	2,900
15	Sea6 Energy Private Limited	10	**23,130**	**2,552**	25,410	2,967
16	Alef Mobitech Solutions Private Limited	10	**4,96,276**	**1,093**	4,96,276	1,093
17	Indusface Private Limited	10	**4,51,721**	**3,274**	4,51,721	3,440
18	Linux Laboratories Private Limited	10	**3,600**	**1,508**	3,600	1,512
19	Cnergyis Infotech India Pvt Ltd	10	**87,415**	**5,709**	-	-
20	Atulaya Healthcare Private Limited	10	**100**	**1**	-	-
				93,850		**80,890**
(b)	**Preference Shares**					
1	Lokmanaya Hospital Private Limited	100	**24,63,600**	**2,464**	24,63,600	2,464
2	Tema India Limited	10	**30,00,000**	**300**	30,00,000	300
3	Kapsons Industries Private Limited	10	**1,71,42,857**	**6,000**	1,71,42,857	6,000
4	Linux Laboratories Private Limited	1,000	**8,400**	**3,500**	8,400	3,500
5	Alef Mobitech Soluations Private Limited	10	**5,34,840**	**1,712**	5,34,840	1,712
6	Pluss Advanced Technologies Limited	10	**-**	**-**	1,02,00,000	1,020
7	Cnergyis Infotech India Pvt Ltd	10	**43,434**	**2,091**	-	-
8	Atulaya Healthcare Private Limited	10	**3,67,044**	**3,999**	-	-
9	Deeptek Inc.	USD 0.01	**53,108**	**4,340**	-	**-**
				24,406		**14,996**
	Sub-total			**1,18,256**		**95,886**
	Provision for diminution in value of investments			**(11,648)**		(12,917)
	Total			**1,06,608**		**82,969**

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS

NOTE “12”

Property, plant, equipment, Investment property and Intangible Assets

(₹ in lakh)

Particulars	Gross Block					Accumulated depreciation and amortisation					Net Carrying Value
	Opening balance as at April 1, 2021	Additions/ Adjustments	Deletions	Written off	Closing balance as at March 31, 2022	Opening balance as at April 1, 2021	Depreciation/ Amortisation for the year*	Deletions/ Adjustments	Written off	Closing balance as at March 31, 2022	As at March 31, 2022
TANGIBLE ASSETS											
Buildings	12,828	-	-	-	12,828	2,575	652	-	-	3,227	9,601
	12,828	-	-	-	*12,828*	*1,931*	*644*	-	-	*2,575*	*10,253*
Leasehold Improvements	3,150	579	40	-	3,689	1,837	380	24	-	2,193	1,496
	3,291	*112*	*176*	*77*	*3,150*	*1,587*	*423*	*173*	-	*1,837*	*1,313*
Furniture & Fixtures	1,488	251	27	17	1,695	892	273	25	-	1,140	555
	1,694	*18*	*57*	*167*	*1,488*	*822*	*196*	*126*	-	*892*	*596*
Computer Equipment	6,196	2,151	2	-	8,345	4,345	1,275	1	-	5,619	2,726
	5,781	*494*	*70*	*9*	*6,196*	*3,084*	*1,318*	*57*	-	*4,345*	*1,851*
Office Equipment	1,496	366	22	-	1,840	1,064	244	15	-	1,293	547
	1,703	*62*	*100*	*169*	*1,496*	*963*	*298*	*197*	-	*1,064*	*432*
Plant & Machinery	504	93	2	-	595	267	68	1	-	334	261
	554	*4*	*26*	*28*	*504*	*226*	*74*	*33*	-	*267*	*237*
Vehicles	1,087	822	280	10	1,619	461	317	176	-	602	1,017
	1,027	*376*	*316*	-	*1,087*	*444*	*260*	*243*	-	*461*	*626*
ASSETS GIVEN UNDER OPERATING LEASE/RENTAL											
Construction Equipment	10,096	-	1,477	51	8,568	7,164	970	1,264	-	6,870	1,698
	15,683	-	*5,587*	-	*10,096*	*10,314*	*1,594*	*4,744*	-	*7,164*	*941*
Vehicles	3,990	-	114	-	3,876	2,526	320	87	-	2,759	1,117
	3,937	*1,339*	*1,271*	*15*	*3,990*	*2,852*	*396*	*722*	-	*2,526*	*1,464*
Plant & Machinery	78,873	1,311	10,193	-	69,991	40,103	10,356	9,039	-	41,420	28,571
	76,489	*8,462*	*6,078*	-	*78,873*	*29,229*	*13,770*	*2,896*	-	*40,103*	*40,761*
Computer Equipment	28,296	242	5,701	96	22,741	16,043	5,129	4,951	-	16,221	6,520
	26,507	*5,715*	*3,926*	-	*28,296*	*13,191*	*6,224*	*3,372*	-	*16,043*	*12,253*
Furniture & Fixtures	931	-	542	-	389	713	98	495	-	316	73
	1,310	-	*379*	-	*931*	*767*	*254*	*308*	-	*713*	*218*
Office Equipment's	2,754	-	147	121	2,486	1,953	529	244	-	2,238	248
	2,856	-	*102*	-	*2,754*	*1,322*	*697*	*66*	-	*1,953*	*801*
Railway Wagons	15,010	-	-	-	15,010	10,832	2,572	-	-	13,404	1,606
	15,010	-	-	-	*15,010*	*8,081*	*2,751*	-	-	*10,832*	*4,178*
Electrical Installation & Equipment's	2,077	-	1,091	-	986	1,426	185	869	-	742	244
	2,051	*37*	*11*	-	*2,077*	*970*	*462*	*6*	-	*1,426*	*651*
TANGIBLE ASSETS - TOTAL	**1,68,776**	**5,815**	**19,638**	**295**	**1,54,658**	**92,201**	**23,368**	**17,191**	**-**	**98,378**	**56,280**
	1,70,721	*16,619*	*18,099*	*465*	*1,68,776*	*75,783*	*29,361*	*12,943*	-	*92,201*	*76,575*
INTANGIBLE ASSETS (other than internally generated)											
Software	5,373	750	-	-	6,123	2,663	946	-	-	3,609	2,514
	4,504	*869*	-	-	*5,373*	*1,733*	*927*	-	-	*2,663*	*2,710*
INTANGIBLE ASSETS - TOTAL	**5,373**	**750**	**-**	**-**	**6,123**	**2,663**	**946**	**-**	**-**	**3,609**	**2,514**
	4,504	*869*	-	-	*5,373*	*1,733*	*927*	-	-	*2,663*	*2,710*
Investment Property	2,605	-	-	-	2,605	477	112	-	-	589	2,016
	2,604	-	-	-	*2,605*	*358*	*120*	-	-	*477*	*2,127*
Total	**1,76,754**	**6,565**	**19,638**	**295**	**1,63,386**	**95,341**	**24,426**	**17,191**	**-**	**1,02,576**	**60,810**
	1,77,829	*17,488*	*18,099*	*465*	*1,76,754*	*77,874*	*30,408*	*12,943*	-	*95,341*	*81,412*

Note :
1. Figures in italics relate to March 31, 2021.
2. Fair value of investment property as on March 31, 2022 : ₹ 8,529 lakh, The fair value of the investment properties has been determined by an external independent property valuer, having appropriate professional qualification and experience in the location and category of property being valued.
3. *Total depreciation charged for the year in the Statement of Profit and Loss includes depreciation on Right to use assets amounting to ₹ 3,161 lakh (Previous year : ₹ 3,030 lakh).

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS

NOTE "12(i)"

Capital Work in Progress

As at March 31, 2022

Particulars	Amount in CWIP for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
(i) Projects in progress	377	-	-	-	377
(ii) Projects temporarily suspended	-	-	-	-	-
Total	**377**	**-**	**-**	**-**	**377**

CWIP Completion Schedule

Particulars	To be completed in				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
(i) Projects in progress	377	-	-	-	377
(ii) Projects temporarily suspended	-	-	-	-	-
Total	**377**	**-**	**-**	**-**	**377**

As at March 31, 2021

Particulars	Amount in CWIP for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
(i) Projects in progress	-	-	-	-	-
(ii) Projects temporarily suspended	-	-	-	-	-
Total	**-**	**-**	**-**	**-**	**-**

CWIP Completion Schedule

Particulars	To be completed in				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
(i) Projects in progress	-	-	-	-	-
(ii) Projects temporarily suspended	-	-	-	-	-
Total	**-**	**-**	**-**	**-**	**-**

NOTE "12(ii)"

Intangible Assets Under Development

As at March 31, 2022

Particulars	Amount in CWIP for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
(i) Projects in progress	505	260	7	-	772
(ii) Projects temporarily suspended	-	-	-	-	-
Total	**505**	**260**	**7**	**-**	**772**

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS

CWIP Completion Schedule

Particulars	To be completed in				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
(i) Projects in progress	772	-	-	-	772
(ii) Projects temporarily suspended	-	-	-	-	-
Total	**772**	**-**	**-**	**-**	**772**

As at March 31, 2021

Particulars	Amount in CWIP for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
(i) Projects in progress	744	11	-	-	755
(ii) Projects temporarily suspended	-	-	-	-	-
Total	**744**	**11**	**-**	**-**	**755**

CWIP Completion Schedule

Particulars	To be completed in				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
(i) Projects in progress	507	248	-	-	755
(ii) Projects temporarily suspended	-	-	-	-	-
Total	**507**	**248**	**-**	**-**	**755**

NOTE "12(iii)"

The Group has given assets under non-cancellable operating leases. The total of future minimum lease payments that the group is committed to receive is:

(₹ in lakh)

Lease Payments	As at March 31, 2022	As at March 31, 2021
Within one year	**19,466**	28,842
Later than one year and not later than five years	**22,720**	39,900
Later than five years	**2,194**	1,659
Total	**44,380**	**70,401**

Accumulated Depreciation on lease assets is ₹ 83,970 lakh (Year ended March, 31, 2021 : ₹ 80,760 lakh).

Accumulated Impairment losses on the leased assets ₹ Nil (Year ended March, 31, 2021 ₹ Nil)

NOTE "13"

(₹ in lakh)

OTHER NON-FINANCIAL ASSETS	As at March 31, 2022	As at March 31, 2021
At Amortised cost		
Capital advances	**100**	3,047
Prepaid expenses	**1,951**	1,876
Gratuity asset (net)	**933**	1,298
Balances with government authorities	**18,384**	11,937
Assets held-for-sale	**3,055**	3,056
Less : Provision for receivable on sale/redemption of investment	**(3,055)**	(3,056)
Rental income accrued	**196**	197
Other advances	**1,119**	1,403
Total	**22,683**	**19,758**

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS

NOTE "14"

TRADE PAYABLES

(i) Total outstanding dues of creditors other than micro enterprises and small enterprises

(₹ in lakh)

Particulars	As at March 31, 2022	As at March 31, 2021
At Amortised cost		
Trade payables		
Accrued expenses	**53,260**	39,333
Payable to dealers/vendors	**48,045**	31,797
Payable to related parties	**50**	8,977
Due to others	**1,039**	756
Total	**1,02,394**	**80,863**

Note - The information as required to be disclosed under the Micro, Small and Medium Enterprises Development Act, 2006 has been determined to the extent such parties have been identified on the basis of information available with the Group. The amount of principal and interest outstanding during the year is given below :

(ii) Total outstanding dues of micro enterprises and small enterprises

(₹ in lakh)

Particulars	As at March 31, 2022	As at March 31, 2021
The principal amount and the interest due thereon remaining unpaid to any supplier as at the end of each accounting year	**198**	111
The amount of interest paid by the buyer in terms of section 16, of the Micro Small and Medium Enterprise Development Act, 2006 along with the amounts of the payment made to the supplier beyond the appointed day during each accounting year	**-**	-
The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under Micro Small and Medium Enterprise Development Act, 2006.	**-**	-
The amount of interest accrued and remaining unpaid at the end of each accounting year;	**5**	-
The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise for the purpose of disallowance as a deductible expenditure under section 23 of the Micro Small and Medium Enterprise Development Act, 2006	**-**	-
Total	**203**	**111**

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS

Particulars	As at March 31, 2022						
	Unbilled Dues	Not Due	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
(i) MSME	-	-	203	-	-	-	**203**
(ii) Others	47,999	35,217	17,563	846	179	590	**1,02,394**
(iii) Disputed dues – MSME	-	-	-	-	-	-	**-**
(iv) Disputed dues - Others	-	-	-	-	-	-	**-**
Total	**47,999**	**35,217**	**17,766**	**846**	**179**	**590**	**1,02,597**

Note: Ageing of the trade payables is determined from the date of transaction till the reporting date.

Particulars	As at March 31, 2021						
	Unbilled Dues	Not Due	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
(i) MSME	-	-	111	-	-	-	**111**
(ii) Others	43,023	22,271	15,037	3	102	427	**80,863**
(iii) Disputed dues – MSME	-	-	-	-	-	-	**-**
(iv) Disputed dues - Others	-	-	-	-	-	-	**-**
Total	**43,023**	**22,271**	**15,148**	**3**	**102**	**427**	**80,974**

Note: Ageing of the trade payables is determined from the date of transaction till the reporting date.

NOTE "15" (₹ in lakh)

DEBT SECURITIES	As at March 31, 2022	As at March 31, 2021
(A)		
At Amortised Cost		
Secured		
- Privately Placed Non-Convertible Debentures (Refer note 15.1 and 15.6 below)	**24,78,603**	18,17,705
- Public issue of Non-Convertible Debentures (Refer note 15.2 and 15.7 below)	**5,61,177**	7,13,156
Unsecured		
- Privately Placed Non-Convertible Debentures (Refer note 15.8 below)	**3,70,636**	2,84,591
- Commercial paper [Net of unamortised discount of ₹ 12,819 lakh (March 31, 2021 : ₹ 6,572 lakh)]	**6,58,724**	3,77,923
Total	**40,69,140**	31,93,375
(B)		
(i) Debt securities in India	**40,69,140**	31,93,375
(ii) Debt securities outside India	**-**	-
Total	**40,69,140**	**31,93,375**

Note:

15.1 Privately Placed Non-Convertible Debentures are secured by pari passu charge on the specific immovable property, specified receivables arising out of loan, lease, hire purchase transactions and to the extent of shortfall in asset cover by a pari passu charge on the current assets of the Group.

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS

Trade advances & bill discounting facility extended to borrower and sundry debtors and other current assets of the Group.

15.2 Public issue of Non-Convertible Debentures are secured by a pari passu charge on the specific immovable property, receivables against unsecured loans, bills discounted and trade advances and other current assets of the Group.

15.3 Discount on commercial paper varies between 4.05% to 5.25% (March 31, 2021 : 3.55 % to 5.90%) and are repayable at maturity ranging between 7 days and 12 months from the date of respective commercial paper.

15.4 Debt securities held by related parties as on March 31, 2022 is ₹ 58,080 lakh

15.5 No default has been made in repayment of debt securities for the year ended March 31, 2022 and March 31, 2021

15.6 Particulars of Privately Placed Secured Non-Convertible Debentures ("NCDs") outstanding as on March 31, 2022

Description of NCDs	Issue Date	Redemption Date	As at March 31, 2022*		As at March 31, 2021*	
			Number of NCDs	₹ in lakh	Number of NCDs	₹ in lakh
TCHFL NCD "A" FY 2016-17	12-Apr-16	12-Apr-21	-	-	1,200	12,000
TCFSL Market Linked 'A' 2018-19 Tranche-II	27-Feb-19	14-Apr-21	-	-	1,175	11,750
TCFSL Market Linked 'A' 2018-19 Tranche-II Reissuance 1	12-Mar-19	14-Apr-21	-	-	385	3,850
TCFSL Market Linked 'A' 2018-19 Tranche-II Reissuance 2	29-Mar-19	14-Apr-21	-	-	260	2,600
TCFSL Market Linked 'A' 2018-19 Tranche-II Reissuance 3	26-Apr-19	14-Apr-21	-	-	60	600
TCFSL Market Linked 'A' 2018-19 Tranche-II Reissuance 4	07-Jun-19	14-Apr-21	-	-	425	4,250
TCFSL Market Linked 'A' 2018-19 Tranche-II Reissuance 5	28-Jun-19	14-Apr-21	-	-	100	1,000
TCFSL Market Linked 'A' 2018-19 Tranche-II Reissuance 6	13-Sep-19	14-Apr-21	-	-	465	4,650
TCFSL NCD 'G' FY 2016-17	30-May-16	28-May-21	-	-	500	5,000
TCFSL NCD "E" FY 2019-20 Option - II	04-Jun-19	04-Jun-21	-	-	1,080	10,800
TCHFL NCD "B" FY 2019-20	27-May-19	02-Jul-21	-	-	500	5,000
TCHFL NCD "K" FY 2016-17	05-Jul-16	05-Jul-21	-	-	200	2,000
TCFSL Market Link NCD "A" FY 2019-20	02-Aug-19	02-Aug-21	-	-	344	3,440
TCFSL NCD 'C' FY 2020-21	28-May-20	27-Aug-21	-	-	3,750	37,500
TCFSL NCD 'C' FY 2020-21 Reissuance 1 on Par Premium	17-Jun-20	27-Aug-21	-	-	2,250	22,655
TCFSL NCD 'G' FY 2019-20	27-Sep-19	13-Sep-21	-	-	500	5,000
TCHFL NCD "T' FY 2016-17	15-Sep-16	15-Sep-21	-	-	100	1,000
TCHFL Market Link NCD B 2019-20	30-Sep-19	30-Sep-21	-	-	614	614
TCCL NCD 'B' FY 2016-17	17-Oct-16	15-Oct-21	-	-	150	1,500
TCFSL NCD 'E' FY 2018-19	26-Oct-18	26-Oct-21	-	-	3,262	32,620
TCFSL NCD "AG" FY 2016-17	28-Dec-16	28-Dec-21	-	-	2,720	27,200
TCFSL NCD 'E' FY 2020-21	25-Jun-20	28-Dec-21	-	-	1,850	18,500
TCHFL NCD "W" FY 2016-17	28-Dec-16	28-Dec-21	-	-	4,080	40,800
TCFSL NCD "K" FY 2017-18	16-Aug-17	14-Jan-22	-	-	750	7,500

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS

Description of NCDs	Issue Date	Redemption Date	As at March 31, 2022*		As at March 31, 2021*	
			Number of NCDs	₹ in lakh	Number of NCDs	₹ in lakh
TCFSL NCD "M" FY 2018-19	21-Feb-19	21-Feb-22	-	-	500	5,000
TCFSL NCD "I" FY 2017-18	20-Jul-17	28-Feb-22	-	-	750	7,500
TCHFL NCD "D" FY 2019-20	19-Aug-19	11-Mar-22	-	-	1,000	10,000
TCFSL NCD "N" FY 2018-19 - Option II	27-Mar-19	25-Mar-22	-	-	2,825	28,250
TCFSL NCD "AL" FY 2016-17	31-Mar-17	31-Mar-22	-	-	400	4,000
TCFSL NCD 'D' FY 2018-19	22-Oct-18	08-Apr-22	**1,120**	**11,200**	1,120	11,200
TCFSL NCD 'D' FY 2018-19 Further issue Annual Compounding Premium	23-Jan-19	08-Apr-22	**485**	**4,850**	485	4,850
TCHFL NCD "C" FY 2018-19	07-Dec-18	13-Apr-22	**993**	**9,930**	993	9,930
TCHFL C Series FY 18-19 Reissue	09-Jan-19	13-Apr-22	**700**	**7,000**	700	7,000
TCHFL NCD "C" FY 2018-19 reissuance 2	25-Apr-19	13-Apr-22	**1,250**	**12,500**	1,250	12,500
TCFSL Market Linked 'A' 2018-19 Tranche-III	27-Feb-19	14-Apr-22	**137**	**1,370**	137	1,370
TCFSL Market Linked 'A' 2018-19 Tranche-III Reissuance 1	12-Mar-19	14-Apr-22	**159**	**1,590**	159	1,590
TCFSL Market Linked 'A' 2018-19 Tranche-III Reissuance 2	26-Apr-19	14-Apr-22	**100**	**1,000**	100	1,000
TCFSL Market Linked 'A' 2018-19 Tranche-III Reissuance 3	07-Jun-19	14-Apr-22	**175**	**1,750**	175	1,750
TCFSL Market Linked 'A' 2018-19 Tranche-III Reissuance 4	05-Feb-20	14-Apr-22	**200**	**2,000**	200	2,000
TCFSL Market Linked NCD "A" Series 2018-19 Tranche III Reissuance 5	19-Aug-20	14-Apr-22	**330**	**3,300**	330	3,300
TCFSL NCD "A" FY 2019-20	25-Apr-19	25-Apr-22	**500**	**5,000**	500	5,000
TCFSL NCD 'J' FY 2019-20	30-Jan-20	29-Apr-22	**2,000**	**20,000**	2,000	20,000
TCHFL NCD G FY 2012-13	18-May-12	18-May-22	**100**	**1,000**	100	1,000
TCFSL NCD "I" FY 2018-19	03-Jan-19	10-Jun-22	**400**	**4,000**	400	4,000
TCFSL NCD 'I' FY 2018-19 Reissuance no 1	27-Sep-19	10-Jun-22	**100**	**1,000**	100	1,000
TCFSL NCD 'I' FY 2019-20	10-Dec-19	10-Jun-22	**250**	**2,500**	250	2,500
TCCL NCD 'B' FY 2020-21	23-Jun-20	23-Jun-22	**650**	**6,500**	650	6,500
TCHFL NCD "C" FY 2019-20	04-Jul-19	04-Jul-22	**250**	**2,500**	250	2,500
TCFSL NCD 'B' FY 2019-20	14-May-19	06-Jul-22	**210**	**2,100**	210	2,100
TCFSL NCD 'B' FY 2019-20 Reissuance 1 on Par Premium	23-Feb-21	06-Jul-22	**2,000**	**24,174**	2,000	24,174
TCHFL NCD "X" FY 2015-16	29-Jul-15	29-Jul-22	**750**	**7,500**	750	7,500
TCHFL Market Link NCD "A" 2019-20	22-Aug-19	22-Aug-22	**990**	**990**	990	990
TCFSL NCD 'AH' FY 2012-13	05-Sep-12	05-Sep-22	**500**	**5,000**	500	5,000
TCFSL NCD 'D' FY 2020-21	17-Jun-20	23-Sep-22	**1,500**	**15,000**	1,500	15,000
TCFSL NCD 'D' FY 2020-21 Premium Reissuance 1	27-Aug-20	23-Sep-22	**4,000**	**40,000**	4,000	40,000
TCHFL NCD "G" FY 2019-20 Reissurance	04-Sep-20	25-Oct-22	**3,000**	**30,000**	3,000	30,000
TCHFL NCD "G" FY 2019-20	11-Dec-19	25-Oct-22	**150**	**1,500**	150	1,500
TCFSL NCD 'H' FY 2020-21	01-Dec-20	01-Dec-22	**4,000**	**40,000**	4,000	40,000
TCHFL NCD "E" FY 2020-21 - Option I	03-Dec-20	02-Dec-22	**1,000**	**10,000**	1,000	10,000
TCFSL Market Link NCD Tranche "B" FY 2018-19	20-Mar-19	05-Dec-22	**2,500**	**25,000**	2,500	25,000
TCFSL Market Linked Tranche 'B' 2018-19 Reissuance 1	20-Sep-19	05-Dec-22	**50**	**500**	50	500

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS

Description of NCDs	Issue Date	Redemption Date	As at March 31, 2022*		As at March 31, 2021*	
			Number of NCDs	₹ in lakh	Number of NCDs	₹ in lakh
TCHFL NCD Q FY 2012-13	28-Dec-12	29-Dec-22	**100**	**1,000**	100	1,000
TCHFL NCD “AP” FY 2015-16 - Option I	12-Jan-16	12-Jan-23	**150**	**1,500**	150	1,500
TCHFL NCD R FY 2012-13	18-Jan-13	18-Jan-23	**150**	**1,500**	150	1,500
TCFSL NCD “P” FY 2017-18	22-Jan-18	20-Jan-23	**480**	**4,800**	480	4,800
TCFSL NCD “P” FY 2017-18 Reissuance no 1	12-Feb-20	20-Jan-23	**1,250**	**12,500**	1,250	12,500
TCCL MLD “A” FY 2019-20	31-May-19	30-Jan-23	**729**	**729**	729	729
TCCL MLD “A” 2019-20 Reissuance 1	10-Jun-19	30-Jan-23	**278**	**278**	278	278
TCCL MLD “A” 2019-20 Reissuance 2	19-Jun-19	30-Jan-23	**321**	**321**	321	321
TCCL MLD “A” 2019-20 Reissuance 3	20-Sep-19	30-Jan-23	**1,502**	**1,502**	1,502	1,502
TCCL MLD “A” 2019-20 Reissuance 4	03-Oct-19	30-Jan-23	**1,054**	**1,054**	1,054	1,054
TCCL MLD “A” 2019-20 Reissuance 5	10-Dec-19	30-Jan-23	**1,000**	**1,000**	1,000	1,000
TCCL MLD “A” 2019-20 Reissuance 6	23-Dec-19	30-Jan-23	**1,300**	**1,300**	1,300	1,300
TCCL NCD ‘D’ FY 2019-20	17-Feb-20	17-Feb-23	**2,000**	**20,000**	2,000	20,000
TCFSL NCD ‘F’ FY 2021-22	06-Sep-21	28-Feb-23	**7,000**	**70,000**	-	-
TCHFL NCD U FY 2012-13	12-Mar-13	10-Mar-23	**100**	**1,000**	100	1,000
TCFSL NCD ‘J’ FY 2020-21	17-Mar-21	17-Mar-23	**3,000**	**30,000**	3,000	30,000
TCFSL NCD ‘J’ FY 2020-21 Premium Reissuance 1	24-Aug-21	17-Mar-23	**3,000**	**30,000**	-	-
TCHFL NCD “F” FY 2021-22	20-Oct-21	29-Mar-23	**3,000**	**30,000**	-	-
TCFSL NCD ‘A’ FY 2021-22	15-Apr-21	14-Apr-23	**3,600**	**36,000**	-	-
TCFSL NCD “B” FY 2020-21 - Option I	29-Apr-20	28-Apr-23	**750**	**7,500**	750	7,500
TCHFL NCD “E” FY 2016-17	04-May-16	04-May-23	**200**	**2,000**	200	2,000
TCFSL NCD ‘A’ FY 2020-21	21-Apr-20	19-May-23	**9,250**	**92,500**	9,250	92,500
TCCL NCD “C” FY 2021-22	19-May-21	19-May-23	**3,000**	**30,000**	-	-
TCHFL NCD “B” FY 2020-21	26-May-20	26-May-23	**4,500**	**45,000**	4,500	45,000
TCFSL NCD ‘F’ FY 2020-21	14-Jul-20	14-Jul-23	**500**	**5,000**	500	5,000
TCFSL NCD ‘F’ FY 2020-21 Discount Reissuance 1	20-Jul-20	14-Jul-23	**3,500**	**35,000**	3,500	35,000
TCFSL NCD ‘C’ FY 2021-22	15-Jul-21	14-Jul-23	**2,100**	**21,000**	-	-
TCFSL NCD ‘C’ FY 2021-22 Reissuance 1 on ZCB Discounting	02-Aug-21	14-Jul-23	**2,000**	**20,000**	-	-
TCCL MLD “A” 2020-20	20-Jul-20	20-Jul-23	**7,500**	**7,500**	7,500	7,500
TCHFL NCD “C” FY 2020-21	27-Jul-20	27-Jul-23	**2,500**	**25,000**	2,500	25,000
TCFSL NCD ‘G’ FY 2020-21	28-Jul-20	28-Jul-23	**1,250**	**12,500**	1,250	12,500
TCHFL NCD “A” FY 2020-21	12-May-20	11-Aug-23	**5,000**	**50,000**	5,000	50,000
TCHFL NCD “F” FY 2020-21	31-Dec-20	23-Nov-23	**3,000**	**30,000**	3,000	30,000
TCHFL NCD “H” FY 2021-22	23-Nov-21	23-Nov-23	**1,750**	**17,500**	-	-
TCFSL NCD ‘I’ FY 2020-21	31-Dec-20	30-Nov-23	**10,000**	**1,00,000**	10,000	1,00,000
TCCL NCD ‘C’ FY 2020-21	31-Dec-20	30-Nov-23	**2,000**	**20,000**	2,000	20,000
TCHFL NCD “E” FY 2020-21 - Option II	03-Dec-20	01-Dec-23	**3,000**	**30,000**	3,000	30,000
TCCL NCD ‘B’ FY 2018-19	18-Dec-18	18-Dec-23	**1,200**	**12,000**	1,800	18,000
TCFSL NCD “H” FY 2018-19 - Option I	19-Dec-18	19-Dec-23	**1,940**	**19,400**	1,940	19,400
TCFSL NCD “H” FY 2018-19 - Option I - 1 Reissuance on Premium	03-Jan-19	19-Dec-23	**975**	**9,750**	975	9,750
TCFSL NCD “H” FY 2018-19 - Option I - 2 Reissuance on Premium	15-Feb-19	19-Dec-23	**300**	**3,000**	300	3,000

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Description of NCDs	Issue Date	Redemption Date	As at March 31, 2022*		As at March 31, 2021*	
			Number of NCDs	₹ in lakh	Number of NCDs	₹ in lakh
TCFSL NCD "H" FY 2018-19 - Option II - 2 Reissuance on Premium	15-Feb-19	19-Dec-23	**550**	**5,500**	550	5,500
TCFSL NCD 'G' FY 2021-22	06-Sep-21	29-Dec-23	**1,000**	**10,000**	-	-
TCHFL NCD "AP" FY 2015-16 - Option II	12-Jan-16	12-Jan-24	**150**	**1,500**	150	1,500
TCHFL NCD "D" FY 2020-21	27-Oct-20	24-Jan-24	**2,000**	**20,000**	2,000	20,000
TCHFL NCD "J" FY 2021-22	01-Feb-22	31-Jan-24	**2,000**	**20,000**	-	-
TCHFL NCD "L" FY 2021-22	23-Feb-22	23-Feb-24	**5,500**	**55,000**	-	
TCHFL NCD "H" FY 2020-21	25-Mar-21	25-Mar-24	**2,500**	**25,000**	2,500	25,000
TCFSL NCD 'K' FY 2020-21	30-Mar-21	29-Mar-24	**4,250**	**42,500**	4,250	42,500
TCFSL NCD 'B' FY 2021-22	10-May-21	10-May-24	**5,000**	**50,000**	-	-
TCHFL NCD "A" FY 2021-22	18-May-21	17-May-24	**2,600**	**26,000**	-	-
TCFSL NCD "D" FY 2019-20	27-May-19	27-May-24	**2,180**	**21,800**	2,180	21,800
TCCL NCD 'C' FY 2017-18	02-Jun-17	03-Jun-24	**100**	**1,000**	100	1,000
TCFSL NCD "F" FY 2019-20 Option - II	20-Jun-19	20-Jun-24	**885**	**8,850**	885	8,850
TCFSL NCD 'F' FY 2019-20 Op-II Reissuance 1	10-Jul-19	20-Jun-24	**1,000**	**10,000**	1,000	10,000
TCHFL NCD "D" FY 2021-22	20-Jul-21	19-Jul-24	**1,850**	**18,500**	-	-
TCCL NCD "B" FY 2021-22	28-Jul-21	26-Jul-24	**3,600**	**36,000**	-	-
TCFSL NCD 'D' FY 2021-22	02-Aug-21	02-Aug-24	**2,000**	**20,000**	-	-
TCHFL NCD "E" FY 2021-22	15-Sep-21	13-Sep-24	**5,000**	**50,000**	-	-
TCHFL NCD "C" FY 2021-22	23-Jun-21	23-Sep-24	**1,350**	**13,500**	-	-
TCHFL NCD "C" FY 2021-22 - Reissue No. 1	08-Sep-21	23-Sep-24	**2,000**	**20,000**	-	-
TCFSL NCD 'E' FY 2021-22	06-Aug-21	04-Oct-24	**7,000**	**70,000**	-	-
TCFSL NCD 'E' FY 2021-22 Premium Reissuance 1 at PAR	24-Aug-21	04-Oct-24	**4,000**	**40,000**	-	-
TCCL NCD "A" FY 2021-22	17-Nov-21	15-Nov-24	**2,000**	**20,000**	-	-
TCFSL NCD AA FY 2014-15	20-Nov-14	20-Nov-24	**950**	**9,500**	950	9,500
TCCL NCD 'C' FY 2019-20	05-Dec-19	05-Dec-24	**250**	**2,500**	250	2,500
TCFSL NCD AF FY 2014-15-Option-I	08-Dec-14	08-Dec-24	**600**	**6,000**	600	6,000
TCFSL NCD AF FY 2014-15-Option-I	08-Dec-14	08-Dec-24	**150**	**1,500**	150	1,500
TCHFL NCD R FY 2014-15	09-Dec-14	09-Dec-24	**2,000**	**20,000**	2,000	20,000
TCHFL NCD "I" FY 2021-22	17-Dec-21	17-Dec-24	**1,500**	**15,000**	-	-
TCFSL NCD "E" FY 2019-20 Option - I	04-Jun-19	15-Jan-25	**300**	**3,000**	300	3,000
TCFSL NCD "E" FY 2019-20 Option - I Reissuance 1	26-Feb-20	15-Jan-25	**350**	**3,500**	350	3,500
TCHFL NCD V FY 2014-15	23-Jan-15	23-Jan-25	**1,500**	**15,000**	1,500	15,000
TCFSL NCD "B" FY 2020-21 - Option II	29-Apr-20	29-Apr-25	**400**	**4,000**	400	4,000
TCHFL NCD "O" FY 2015-16	16-Jun-15	16-Jun-25	**200**	**2,000**	200	2,000
TCHFL NCD "AE" FY 2015-16	31-Aug-15	29-Aug-25	**200**	**2,000**	200	2,000
TCHFL NCD "AG" FY 2015-16	08-Oct-15	08-Oct-25	**75**	**750**	75	750
TCHFL NCD "AM" FY 2015-16 - Option I	06-Nov-15	06-Nov-25	**350**	**3,500**	350	3,500
TCHFL NCD "G" FY 2020-21	19-Jan-21	19-Jan-26	**850**	**8,500**	850	8,500
TCHFL NCD "AU" FY 2015-16 Option I	30-Mar-16	30-Mar-26	**150**	**1,500**	150	1,500
TCHFL NCD "B" FY 2021-22	15-Jun-21	15-Jun-26	**1,700**	**17,000**	-	-
TCHFL NCD "J" FY 2016-17	30-Jun-16	30-Jun-26	**100**	**1,000**	100	1,000

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Description of NCDs	Issue Date	Redemption Date	As at March 31, 2022*		As at March 31, 2021*	
			Number of NCDs	₹ in lakh	Number of NCDs	₹ in lakh
TCCL NCD 'A' FY 2020-21	10-Jun-20	10-Sep-27	**1,750**	**17,500**	1,750	17,500
TCFSL NCD "H" FY 2018-19 - Option II	19-Dec-18	19-Dec-28	**1,120**	**11,200**	1,120	11,200
TCFSL NCD "H" FY 2018-19 - Option II - 1 Reissuance on Premium	03-Jan-19	19-Dec-28	**230**	**2,300**	230	2,300
TCFSL NCD "F" FY 2019-20 Option - I	20-Jun-19	20-Jun-29	**2,730**	**27,300**	2,730	27,300
TCFSL NCD 'F' FY 2019-20 Op-I Reissuance 1	19-Jul-19	20-Jun-29	**1,000**	**10,000**	1,000	10,000
TCCL NCD 'A' FY 2019-20	15-Jul-19	13-Jul-29	**1,400**	**14,000**	1,400	14,000
TCCL NCD 'B' FY 2019-20	16-Oct-19	16-Oct-29	**600**	**6,000**	600	6,000
TCFSL NCD 'H' FY 2019-20	06-Nov-19	06-Nov-29	**1,000**	**10,000**	1,000	10,000
TCHFL NCD "F" 2019-2020	18-Nov-19	16-Nov-29	**10,000**	**1,00,000**	10,000	1,00,000
TCFSL NCD 'L' FY 2019-20	06-Mar-20	06-Mar-30	**10,000**	**1,00,000**	10,000	1,00,000
TCFSL NCD 'H' FY 2021-22	29-Sep-21	29-Sep-31	**950**	**9,500**	-	-
TCFSL NCD 'H' FY 2021-22 Discount Reissuance 1	03-Dec-21	29-Sep-31	**2,190**	**21,900**	-	-
TCFSL NCD 'H' FY 2021-22 Discount Reissuance 2	16-Dec-21	29-Sep-31	**500**	**5,000**	-	-
TCFSL NCD 'H' FY 2021-22 Discount Reissuance 3	29-Dec-21	29-Sep-31	**850**	**8,500**	-	-
TCHFL NCD "G" FY 2021-22	09-Nov-21	07-Nov-31	**3,030**	**30,300**	-	-
TCFSL NCD 'I' FY 2021-22	20-Jan-22	20-Jan-32	**12,500**	**1,25,000**	-	-
TCHFL NCD "K" FY 2021-22	16-Feb-22	16-Feb-32	**5,000**	**50,000**	-	-
Total				**23,89,788**		**17,26,667**
Add : Interest accrued on borrowing				**1,01,006**		87,471
Add : Unamortised premium				**3,552**		4,623
Total				**1,04,558**		**92,094**
Less : Unamortised discount				**(15,063)**		(5)
Less : Unamortised borrowing cost				**(680)**		(1,051)
Privately Placed Non-Convertible Debentures				**24,78,603**		**18,17,705**

*Coupon rate of "NCDs" outstanding as on March 31, 2022 varies from 4.67% to 9.85% (March 31, 2021 : 5.00% to 9.85%)

15.7 Particulars of Public issue of Secured Non-Convertible Debentures outstanding as on March 31, 2022:

Description of NCDs	Issue Date	Redemption Date	As at March 31, 2022*		As at March 31, 2021*	
			Number of NCDs	₹ in lakh	Number of NCDs	₹ in lakh
TCFSL NCD Series I (2019)	27-Sep-18	27-Sep-21	**-**	**-**	5,02,863	5,029
TCFSL NCD Series I (2019)	27-Sep-18	27-Sep-21	**-**	**-**	1,41,77,673	1,41,777
SERIES I TRANCHE II – CATEGORY I & II.	26-Aug-19	26-Aug-22	**9,66,134**	**9,661**	9,66,134	9,661
SERIES I TRANCHE II – CATEGORY III & IV.	26-Aug-19	26-Aug-22	**75,22,582**	**75,226**	75,22,582	75,226
TCHFL NCD "Series I" FY 2019-20	14-Jan-20	14-Jan-23	**2,99,345**	**2,993**	2,99,345	2,993
TCHFL NCD "Series I" FY 2019-20	14-Jan-20	14-Jan-23	**1,42,24,535**	**1,42,245**	1,42,24,535	1,42,245
TCFSL NCD Series II (2019)	27-Sep-18	27-Sep-23	**7,68,789**	**7,688**	7,68,789	7,688
TCFSL NCD Series II (2019)	27-Sep-18	27-Sep-23	**1,45,70,710**	**1,45,707**	1,45,70,710	1,45,707
SERIES II TRANCHE II – CATEGORY I & II.	26-Aug-19	26-Aug-24	**9,77,140**	**9,771**	9,77,140	9,771
SERIES II TRANCHE II – CATEGORY III & IV.	26-Aug-19	26-Aug-24	**34,09,175**	**34,092**	34,09,175	34,092
TCHFL NCD "Series II" FY 2019-20	14-Jan-20	14-Jan-25	**51,892**	**519**	51,892	519

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Description of NCDs	Issue Date	Redemption Date	As at March 31, 2022*		As at March 31, 2021*	
			Number of NCDs	₹ in lakh	Number of NCDs	₹ in lakh
TCHFL NCD "Series II" FY 2019-20	14-Jan-20	14-Jan-25	**5,41,471**	**5,415**	5,41,471	5,415
TCHFL NCD "Series III" FY 2019-20	14-Jan-20	14-Jan-25	**3,35,925**	**3,359**	3,35,925	3,359
TCHFL NCD "Series III" FY 2019-20	14-Jan-20	14-Jan-25	**23,48,032**	**23,480**	23,48,032	23,480
SERIES III TRANCHE II – CATEGORY I & II.	26-Aug-19	26-Aug-27	**9,24,814**	**9,248**	9,24,814	9,248
SERIES III TRANCHE II – CATEGORY III & IV.	26-Aug-19	26-Aug-27	**60,03,935**	**60,039**	60,03,935	60,039
TCHFL NCD "Series IV" FY 2019-20	14-Jan-20	14-Jan-28	**12,025**	**120**	12,025	120
TCHFL NCD "Series IV" FY 2019-20	14-Jan-20	14-Jan-28	**3,82,776**	**3,828**	3,82,776	3,828
TCHFL NCD "Series V" FY 2019-20	14-Jan-20	14-Jan-28	**1,17,900**	**1,179**	1,17,900	1,179
TCHFL NCD "Series V" FY 2019-20	14-Jan-20	14-Jan-28	**9,05,697**	**9,057**	9,05,697	9,057
Total (A)				**5,43,627**		**6,90,433**
Add: Interest accrued on borrowing				**20,199**		26,779
Less: Unamortised borrowing cost				**(2,649)**		(4,056)
				5,61,177		**7,13,156**

Note: Coupon rate of above outstanding as on March 31, 2022 varies from 7.92% to 8.90% (March 31, 2021 : 7.92% to 8.90%)

15.8 Particulars of Privately Placed unsecured non-convertible debentures ("NCDs") outstanding as on March 31, 2022:

Description of NCDs	Issue Date	Redemption Date	As at March 31, 2022*		As at March 31, 2021*	
			Number of NCDs	₹ in lakh	Number of NCDs	₹ in lakh
TCL Unsecured NCD A FY 2019-20	29-Aug-19	27-Aug-21	**750**	**-**	750	7,500
TCL Unsecured NCD B FY 2019-20 Option I	03-Dec-19	03-Dec-21	**3,000**	**-**	3,000	30,000
TCL Unsecured NCD B FY 2019-20 Option II Reissuance	20-Feb-20	03-Jun-22	**250**	**2,500**	250	2,500
TCL Unsecured NCD B FY 2019-20 Option II	03-Dec-19	03-Jun-22	**3,750**	**37,500**	3,750	37,500
TCL Unsecured NCD D FY 2019-20	20-Feb-20	21-Dec-22	**3,000**	**30,000**	3,000	30,000
TCL Unsecured NCD C FY 2019-20 Option II	07-Feb-20	13-Mar-23	**1,250**	**12,500**	1,250	12,500
TCL Unsecured NCD C FY 2019-20 Option I	07-Feb-20	28-Jun-23	**1,250**	**12,500**	1,250	12,500
TCL Unsecured NCD A FY 2020-21 Option II	04-Aug-20	04-Aug-23	**3,000**	**30,000**	3,000	30,000
TCL Unsecured NCD B FY 2020-21 Option I	25-Feb-21	28-Dec-23	**3,000**	**30,000**	3,000	30,000
TCL Unsecured NCD A FY 2021-22	18-Jan-22	16-Feb-24	**4,000**	**40,000**	4,000	-
TCL Unsecured NCD B FY 2020-21 Option II	25-Feb-21	30-Apr-24	**1,000**	**10,000**	1,000	10,000
TCL Unsecured NCD B FY 2020-21 Option II Reissuance	22-Feb-22	30-Apr-24	**3,000**	**30,000**	3,000	-
TCL Unsecured NCD B FY 2021-22 Option I	22-Feb-22	28-Mar-25	**3,000**	**30,000**	3,000	-
TCL Unsecured NCD A FY 2020-21 Option I	04-Aug-20	04-Aug-25	**2,050**	**20,500**	2,050	20,500
TCFSL Unsecured NCD Partly paid "A" FY 2019-20	19-Mar-19	17-Mar-34	**4,720**	**47,200**	3,540	35,400
TCFSL Unsecured NCD Partly paid "A" FY 2018-19	23-Mar-20	23-Mar-35	**3,000**	**30,000**	2,000	20,000
Total (A)				**3,62,700**		**2,78,400**
Add: Interest accrued on borrowing				**7,923**		6,362
Add : Unamortised Premium				**156**		33
Less: Unamortised borrowing cost				**(143)**		(204)
				3,70,636		**2,84,591**

Note: Coupon rate of above outstanding as on March 31, 2022 varies from 6.49% to 9.22% (As on March 31,2021 : 6.70% to 9.22%)

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS

NOTE "16" (₹ in lakh)

BORROWINGS (OTHER THAN DEBT SECURITIES)	As at March 31, 2022	As at March 31, 2021
(A)		
At Amortised Cost		
(a) Term Loans		
Secured		
(i) From banks (Refer note 16.1 and 16.2 below)	**23,85,844**	17,85,777
(ii) From National Housing Bank (Refer note 16.3)	**3,71,863**	4,42,664
(iii) From others (Refer note 16.1)	**2,47,219**	64,588
(iv) From external commercial borrowing (Refer note 16.4)	**4,34,796**	3,41,099
(b) Loan repayable on demand		
Secured		
(i) From Banks		
(a) Working capital demand loan (Refer note 16.5 below)	**3,44,223**	4,38,252
(b) Bank Overdraft (Refer note 16.5 below)	**2**	29
(c) Cash Credit (Refer note 16.5 below)	**45**	42
Unsecured		
(i) From Banks		
(a) Working capital demand loan (Refer note 16.5 below)	**80,000**	50,000
Total	**38,63,992**	**31,22,451**
(B)		
(i) Borrowings (other than debt securities) in India	34,29,196	27,81,352
(ii) Borrowings (other than debt securities) outside India	4,34,796	3,41,099
Total	**38,63,992**	**31,22,451**

16.1 Loans and advances from banks are secured by pari passu charge through Security Trustee by way of mortgage over Group's specific immovable property, specified receivables of the Group arising out of its business, other book debts and trade advances of the Group, Receivables from senior and junior pass through certificates in which the company has invested, such other current assets as may be identified by the Group from time to time accepted by the security trustee and other long term and current investments.

16.2 Rate of interest payable on term loans varies between 4.85% to 7.84% (March 31, 2021 : 4.65% to 7.80%)

16.3 Loan from National Housing Bank is secured by way of hypothecation of book debt and guarantee / Letter of comfort from Tata Capital Limited and is repayable in 28-60 (as at March 31, 2021: 28-60) quarterly installments. Rate of Interest payable on Term loan varies between 2.94% to 8.50% (as at March 31, 2021 4.61% to 8.50%).

16.4 Rate of Interest payable on external commercial borrowing varies between 6.90% to 8.62% (as at March 31, 2021 6.97% to 8.26%).

16.5 Rate of Interest payable on Cash Credit / Over Draft & Working Capital Demand Loan varies between 4.10% to 7.85% (as at March 31, 2021 4.20% to 8.55%).

16.6 No default has been made in repayment of any borrowings and/or interest for the year ended March 31, 2022 and March 31, 2021

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS

NOTE "17" (₹ in lakh)

SUBORDINATED LIABILITIES	**As at March 31, 2022**	**As at March 31, 2021**
(A)		
At Amortised cost		
Unsecured		
Non-Convertible Subordinated Debentures (Refer note 17.4 below)	**4,68,729**	3,75,047
Non-Convertible Perpetual Debentures (Refer note 17.5 below)	**1,09,108**	99,540
Cumulative Redeemable Preference Shares (Refer note 17.6 below) [Face Value ₹ 1,10,992 lakh (As at March 31, 2021 ₹ 1,15,980 lakh)]	**1,11,008**	1,15,895
Total	**6,88,845**	**5,90,482**
(B)		
(i) Subordinated liabilities in India	**6,88,845**	5,90,482
(ii) Subordinated liabilities outside India	**–**	–
Total	**6,88,845**	**5,90,482**

17.1 Of the above Subordinated Liabilities, Preference shares amounting to face value of ₹ 5,150 lakh (March 31, 2021 : ₹ 5,233 lakh lakh) are held by related parties.

17.2 Of the above Non-convertible perpetual debentures and Non-convertible subordinated amounting to face value of ₹ 18,730 lakh are subscribed by related parties.

17.3 No default has been made in repayment of subordinated liabilities for the year ended March 31, 2022 and March 31, 2021.

17.4 Particulars of Subordinated unsecured non-convertible debentures ("NCDs") outstanding as on March 31, 2022

Description of NCDs	**Issue Date**	**Redemption Date**	**As at March 31, 2022***		**As at March 31, 2021***	
			Number of NCDs	**₹ in lakh**	**Number of NCDs**	**₹ in lakh**
TCHFL Tier II Bond B FY-2011-12	29-Sep-11	29-Sep-21	-	-	253	2,530
TCHFL Tier II Bond C FY-2011-12	28-Oct-11	28-Oct-21	-	-	11	110
TCHFL Tier II Bond D FY-2011-12	04-Nov-11	04-Nov-21	-	-	101	1,010
TCHFL Tier II Bond E FY-2011-12	25-Jan-12	25-Jan-22	-	-	135	1,350
TCHFL Tier II Bond F FY-2011-12	12-Mar-12	12-Mar-22	-	-	102	1,020
TCHFL Tier II Bond A FY-2012-13	10-May-12	10-May-22	**10**	**100**	10	100
TCHFL Tier II Bond C FY-2012-13	30-May-12	30-May-22	**300**	**3,000**	300	3,000
TCHFL Tier II Bond B FY-2012-13	30-May-12	30-May-22	**3**	**30**	3	30
TCHFL Tier II Bond D FY-2012-13	22-Aug-12	22-Aug-22	**330**	**3,300**	330	3,300
TCHFL Tier II Bond E FY-2012-13	28-Mar-13	28-Mar-23	**150**	**1,500**	150	1,500
TCHFL Tier II Bond A FY-2013-14	15-Apr-13	15-Apr-23	**250**	**2,500**	250	2,500
TCHFL Tier II Bond B FY-2013-14	23-Apr-13	23-Apr-23	**21**	**210**	21	210
TCHFL Tier II Bond C FY 2013-14	20-May-13	19-May-23	**10**	**100**	10	100
TCHFL Tier II Bond D FY 2013-14	10-Jan-14	10-Jan-24	**77**	**770**	77	770
TCHFL Tier II Bond E FY 2013-14	18-Mar-14	18-Mar-24	**4**	**40**	4	40
TCFSL Tier II Bond 'A' FY 2014-15	26-Sep-14	25-Sep-24	**1,000**	**10,000**	1,000	10,000
TCHFL Tier II Bond A FY 2014-15	26-Sep-14	26-Sep-24	**480**	**4,800**	480	4,800
TCFSL Tier II Bond 'B' FY 2014-15	07-Jan-15	07-Jan-25	**350**	**3,500**	350	3,500

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS

Description of NCDs	Issue Date	Redemption Date	As at March 31, 2022*		As at March 31, 2021*	
			Number of NCDs	₹ in lakh	Number of NCDs	₹ in lakh
TCFSL Tier II Bond ‘C’ FY 2014-15	30-Jan-15	30-Jan-25	**750**	**7,500**	750	7,500
TCFSL Tier II Bond ‘D’ FY 2014-15	31-Mar-15	31-Mar-25	**2,000**	**20,000**	2,000	20,000
TCHFL Tier-II Bond A FY 2015-16	28-Apr-15	28-Apr-25	**400**	**4,000**	400	4,000
TCFSL Tier II Bond ‘A’ FY 2015-16	22-Jul-15	22-Jul-25	**900**	**9,000**	900	9,000
TCHFL Tier II Bond B FY 2015-16	22-Jul-15	22-Jul-25	**350**	**3,500**	350	3,500
TCHFL Tier II Bond C FY 2015-16	16-Sep-15	16-Sep-25	**100**	**1,000**	100	1,000
TCHFL Tier II Bond D FY 2015-16	21-Sep-15	19-Sep-25	**150**	**1,500**	150	1,500
TCHFL Tier II Bond E FY 2015-16	04-Nov-15	04-Nov-25	**300**	**3,000**	300	3,000
TCHFL Tier II Bond F FY 2015-16	15-Dec-15	15-Dec-25	**250**	**2,500**	250	2,500
TCHFL Tier II Bond G FY 2015-16	17-Dec-15	17-Dec-25	**250**	**2,500**	250	2,500
TCHFL Tier II Bond H FY 2015-16	15-Mar-16	13-Mar-26	**200**	**2,000**	200	2,000
TCFSL Tier II Bond ‘B’ FY 2015-16	30-Mar-16	30-Mar-26	**2,000**	**20,000**	2,000	20,000
TCHFL Tier II Bond A FY 2016-17	04-Aug-16	04-Aug-26	**2,000**	**20,000**	2,000	20,000
TCFSL Tier-II Bond ‘A’ FY 2016-17	11-Aug-16	11-Aug-26	**2,000**	**20,000**	2,000	20,000
TCFSL Tier-II Bond ‘B’ FY 2016-17	26-Oct-16	26-Oct-26	**150**	**1,500**	150	1,500
TCFSL NCD Series III (2018)	27-Sep-18	27-Sep-28	**2,95,490**	**2,955**	2,95,490	2,955
TCFSL NCD Series III (2018)	27-Sep-18	27-Sep-28	**34,18,488**	**34,185**	34,18,488	34,185
TCFSL Tier-II Bond ‘A’ FY 2018-19	28-Dec-18	28-Dec-28	**2,000**	**20,000**	2,000	20,000
TCFSL Tier-II Bond “A” FY 2019-20	16-Apr-19	16-Apr-29	**200**	**2,000**	200	2,000
TCFSL Tier II NCD “A” FY 2019-20 Discount Reissuance 1	13-Jun-19	16-Apr-29	**650**	**6,500**	650	6,500
TCFSL Tier II NCD “A” FY 2019-20 Premium Reissuance 2	26-Jun-19	16-Apr-29	**1,000**	**10,000**	1,000	10,000
TCFSL Tier II NCD “A” FY 2019-20 Premium Reissuance 3	29-Jul-19	16-Apr-29	**295**	**2,950**	295	2,950
TCCL Tier II Bond “A” FY 2019-20	10-May-19	10-May-29	**500**	**5,000**	500	5,000
TCCL Tier II Bond “A” FY 2019-20 Reissuance no 1	29-May-19	10-May-29	**500**	**5,000**	500	5,000
TCCL Tier II Bond “A” FY 2019-20 Reissuance no2	27-Jun-19	10-May-29	**500**	**5,000**	500	5,000
SERIES IV TRANCHE II – CATEGORY I & II.	26-Aug-19	26-Aug-29	**46,500**	**465**	46,500	465
SERIES IV TRANCHE II – CATEGORY III & IV.	26-Aug-19	26-Aug-29	**17,26,973**	**17,270**	17,26,973	17,270
TCFSL Tier-II Bond “B” FY 2019-20	13-Nov-19	13-Nov-29	**1,000**	**10,000**	1,000	10,000
TCFSL Tier-II Bond “B” FY 2019-20 Premium Reissuance 1	03-Jan-20	13-Nov-29	**700**	**7,000**	700	7,000
TCCL Tier II Bond “B” FY 2019-20	13-Nov-19	13-Nov-29	**500**	**5,000**	500	5,000
TCCL Tier II Bond “B” FY 2019-20 Reissuance no 2	24-Feb-20	13-Nov-29	**500**	**5,000**	500	5,000
TCCL Tier II Bond “B” FY 2019-20 Reissuance no 1	03-Feb-20	13-Nov-29	**1,000**	**10,000**	1,000	10,000
TCHFL Tier II Bond Series VI FY-2019-20	14-Jan-20	14-Jan-30	**7,80,402**	**7,804**	7,80,402	7,804
TCCL Tier II Bond “A” FY 2020-21	28-Jul-20	26-Jul-30	**500**	**5,000**	500	5,000
TCCL Tier II Bond “A” FY 2020-21 Reissunace no 1	14-Oct-20	26-Jul-30	**500**	**5,000**	500	5,000
TCCL Tier II Bond “A” FY 2020-21 Reissunace no 2	17-Dec-20	26-Jul-30	**500**	**5,000**	500	5,000
TCFSL Tier-II Bond “A” FY 2020-21	17-Sep-20	17-Sep-30	**750**	**7,500**	750	7,500
TCFSL Tier-II Bond “A” FY 2020-21 Premium Reissuance 1	13-Oct-20	17-Sep-30	**1,250**	**12,500**	1,250	12,500

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS

Description of NCDs	Issue Date	Redemption Date	As at March 31, 2022*		As at March 31, 2021*	
			Number of NCDs	₹ in lakh	Number of NCDs	₹ in lakh
TCFSL Tier-II Bond "A" FY 2020-21 Discount Reissuance 2	23-Mar-21	17-Sep-30	**1,000**	**10,000**	1,000	10,000
TCHFL Tier II Bond A FY 2020-21	11-Jan-21	10-Jan-31	**500**	**5,000**	500	5,000
TCHFL Tier II Bond A FY-2021-22	19-Apr-21	18-Apr-31	**1,500**	**15,000**	-	-
TCFSL Tier-II Bond "A" FY 2021-22	28-Jun-21	27-Jun-31	**1,500**	**15,000**	-	-
TCFSL Tier-II Bond "B" FY 2021-22	24-Nov-21	24-Nov-31	**500**	**50,000**	-	-
TCHFL Tier II Bond B FY-2021-22	14-Mar-22	12-Mar-32	**250**	**2,500**	-	-
TCHFL Tier II Bond B FY-2021-22 - Reissue 1	28-Mar-22	12-Mar-32	**1,460**	**14,600**	-	-
Total				**4,51,079**		**3,59,999**
Add: Interest accrued but not due				18,496		15,466
Add : Unamortised premium				426		481
Less : Unamortised borrowing cost				(1,149)		(762)
Less : Unamortised discount				(123)		(137)
Total				**4,68,729**		**3,75,047**

Note: Coupon rate of above outstanding as on March 31, 2022 varies from 7.33% to 11.25% (as on March 31, 2021 7.75% to 11.25%).

17.5 Particulars of Perpetual unsecured non-convertible debentures ("NCDs") outstanding as on March 31, 2022

Description of NCDs	Issue Date	Redemption Date	As at March 31, 2022*		As at March 31, 2021*	
			Number of NCDs	₹ in lakh	Number of NCDs	₹ in lakh
TCL Perpetual 'A' FY 2011-12	05-May-11	05-May-21	-	-	20	100
TCL Perpetual 'B' FY 2011-12	08-Aug-11	27-Aug-21	-	-	61	305
TCL Perpetual 'C' FY 2011-12	28-Sep-11	28-Sep-21	-	-	10	50
TCL Perpetual 'D' FY 2011-12	07-Nov-11	07-Nov-21	-	-	5	25
TCFSL Perpetual 'A' FY 2013-14	27-Mar-14	27-Mar-24	**1,871**	**9,355**	1,871	9,355
TCFSL Perpetual 'A' FY 2015-16	16-Jul-15	16-Jul-25	**1,000**	**10,000**	1,000	10,000
TCFSL Perpetual 'B' FY 2015-16	06-Jan-16	06-Jan-26	**500**	**5,000**	500	5,000
TCFSL Perpetual 'C' FY 2015-16	02-Feb-16	02-Feb-26	**500**	**5,000**	500	5,000
TCFSL Perpetual 'D' FY 2015-16	09-Feb-16	09-Feb-26	**1,000**	**10,000**	1,000	10,000
TCFSL Perpetual 'E' FY 2015-16	23-Mar-16	23-Mar-26	**1,000**	**10,000**	1,000	10,000
TCFSL Perpetual 'A' FY 2016-17	30-Jun-16	30-Jun-26	**500**	**5,000**	500	5,000
TCFSL Perpetual 'B' FY 2016-17	13-Jan-17	13-Jan-27	**100**	**1,000**	100	1,000
TCFSL Perpetual 'C' FY 2016-17	08-Mar-17	08-Mar-27	**400**	**4,000**	400	4,000
TCFSL Perpetual 'A' FY 2017-18	21-Jun-17	21-Jun-27	**500**	**5,000**	500	5,000
TCFSL Perpetual 'B' FY 2017-18	14-Jul-17	14-Jul-27	**500**	**5,000**	500	5,000
TCFSL Perpetual 'C' FY 2017-18	11-Sep-17	11-Sep-27	**930**	**9,300**	930	9,300
TCFSL Perpetual 'A' FY 2020-21	30-Sep-20	30-Sep-30	**1,000**	**10,000**	1,000	10,000
TCFSL Perpetual 'B' FY 2020-21	19-Oct-20	19-Oct-30	**750**	**7,500**	750	7,500
TCFSL Perpetual 'A' FY 2021-22	28-Feb-22	28-Feb-32	**100**	**10,000**	-	-
Total (A)				**1,06,155**		**96,635**
Add: Interest accrued on borrowing				**3,344**		3,304
Less: Unamortised borrowing cost				**(391)**		(399)
				1,09,108		**99,540**

*Note : Coupon rate of above outstanding as on March 31, 2022 varies from 8.10% to 11.25% (March 31, 2021: 8.10% to 11.25%)

(₹ in lakh)

Description of NCDs	Year ended March 31, 2022	Year ended March 31, 2021
Funds Raised through Perpetual Debt Instruments	**10,000**	17,500
Amount outstanding at the end of year	**1,06,155**	96,635

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS

17.6 Particulars of Cumulative Redeemable Preference Shares outstanding as on March 31, 2022

(₹ in lakh)

Particulars	Tranche	No of shares	Allotment Date	Redemption Date/ Actual Redemption Date	Early Redemption Date/ Actual Redemption Date	March 31, 2022	March 31, 2021
7.50% Cumulative Redeemable Preference Shares of ₹ 1,000 each	T	12,76,000	March 10, 2017	March 9, 2024	May 31, 2021	**12,760**	12,763
	U	6,04,500	July 7, 2017	July 6, 2024	July 6, 2024	**6,045**	6,047
	U	45,500	July 7, 2017	August 23, 2021	August 23, 2021	**-**	454
	V	7,36,000	July 12, 2017	July 11, 2024	July 11, 2024	**7,360**	7,361
	V	14,000	July 12, 2017	August 23, 2021	August 23, 2021	**-**	140
	W	6,69,500	July 26, 2017	July 25, 2024	July 25, 2024	**6,695**	6,697
	W	80,500	July 26, 2017	August 23, 2021	August 23, 2021	**-**	804
7.33% Cumulative Redeemable Preference Shares of ₹ 1,000 each	X	7,50,000	July 28, 2017	July 27, 2024	October 30, 2021	**7,500**	7,501
	Y	6,59,500	August 4, 2017	August 3, 2024	August 3, 2024	**6,666**	6,597
	Y	88,000	August 4, 2017	August 23, 2021	August 23, 2021	**-**	879
7.15% Cumulative Redeemable Preference Shares of ₹ 1,000 each	Z	6,45,500	September 15, 2017	September 14, 2024	September 14, 2024	**6,455**	6,455
	Z	1,04,500	September 15, 2017	November 30, 2021	November 30, 2021	**-**	1,042
7.10% Cumulative Redeemable Preference Shares of ₹ 1,000 each	AA	5,83,700	September 29, 2017	September 28, 2024	September 28, 2024	**5,837**	5,838
	AA	1,66,300	September 29, 2017	November 30, 2021	November 30, 2021	**-**	1,659
	AB	4,00,000	April 20, 2018	April 19, 2025	September 30, 2022	**4,001**	3,998
	AC	4,00,000	May 10, 2018	May 9, 2025	September 30, 2022	**4,001**	3,997
	AD	3,34,500	June 15, 2018	June 14, 2025	September 30, 2022	**3,346**	3,342
7.75% Cumulative Redeemable Preference Shares of ₹ 1,000 each	AE	4,00,000	March 13, 2019	March 12, 2026	June 30, 2023	**3,996**	3,994
7.50% Cumulative Redeemable Preference Shares of ₹ 1,000 each	AF	4,00,000	June 12, 2019	June 11, 2026	September 30, 2023	**3,992**	3,993
	AG	4,00,000	June 28, 2019	June 27, 2026	October 31, 2023	**3,991**	3,992
	AH	3,90,000	August 7, 2019	August 6, 2026	November 30, 2023	**3,896**	3,893
	AI	4,00,000	August 28, 2019	August 27, 2026	November 30, 2023	**3,998**	3,996
	AJ	4,00,000	August 30, 2019	August 29, 2026	December 31, 2023	**3,998**	3,996
	AK	4,00,000	September 4, 2019	September 3, 2026	January 31, 2024	**3,992**	3,988
	AL	4,00,000	September 9, 2019	September 8, 2026	February 29, 2024	**3,992**	3,988
	AM	4,50,000	September 18, 2019	September 17, 2026	March 31, 2024	**4,496**	4,494
	AN	4,00,000	September 24, 2019	September 23, 2026	March 31, 2024	**3,991**	3,987
Total						**1,11,008**	**1,15,895**

Note:

Early Date of Redemption refers to the date on or before which the CRPS shall be redeemed, as per the terms of offer, in the event of exercise of Call / Put Option by Option Exercise Date by the Group or CRPS holder(s), as the case may be, to seek early redemption.

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS

NOTE "18" (₹ in lakh)

OTHER FINANCIAL LIABILITIES	As at March 31, 2022	As at March 31, 2021
At Amortised cost		
Security deposits	**47,864**	41,294
Payable for capital expenditure	**5,075**	2,188
Advances from customers	**5,214**	3,188
Dividend payable on preference shares	**13**	16
Accrued employee benefit expense	**18,164**	13,264
Unclaimed matured debentures and accrued interest thereon	**137**	69
Payable under letter of credit/buyers credit facility	**12,680**	37,255
Amounts payable - assigned loans	**736**	1,418
Book overdraft	**37,706**	46,118
Other financial liabilities	**161**	162
Total	**1,27,750**	**1,44,972**

NOTE "19" (₹ in lakh)

PROVISIONS	As at March 31, 2022	As at March 31, 2021
At Amortised cost		
(a) **Provision for employee benefits**		
Compensated absences	**2,418**	2,329
Long-term service award	**161**	148
Share based payments to employees	**86**	86
(b) **Others**		
Provision for off Balance Sheet exposure	**4,637**	3,286
Total	**7,302**	**5,849**

NOTE "20" (₹ in lakh)

OTHER NON-FINANCIAL LIABILITIES	As at March 31, 2022	As at March 31, 2021
At Amortised cost		
Statutory dues	**10,394**	8,574
Revenue received in advance	**645**	1,060
Margin money received under Letter of credit/Buyer's credit	**1,499**	2,790
Other payables	**1,256**	1,327
Total	**13,794**	**13,751**

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS

NOTE "21"

Equity Share Capital

(I) Share capital authorised, issued, subscribed and paid up

Particulars	As at March 31, 2022		As at March 31, 2021	
	No. of Shares	(₹ in lakh)	No. of Shares	(₹ in lakh)
Authorised:				
Equity Shares of ₹ 10 each	**4,75,00,00,000**	**4,75,000**	4,75,00,00,000	4,75,000
Preference shares of ₹ 1000 each	**3,25,00,000**	**3,25,000**	3,25,00,000	3,25,000
	4,78,25,00,000	**8,00,000**	**4,78,25,00,000**	**8,00,000**
Issued, Subscribed & Paid up:				
Equity shares of ₹ 10 each fully paid	**3,51,61,67,744**	**3,51,617**	3,51,61,67,744	3,51,617
Less: Net shares issued to employees by ESOP trust	**(5,27,97,999)**	**(5,280)**	(5,25,25,530)	(5,253)
	3,46,33,69,745	**3,46,337**	3,46,36,42,214	3,46,364
Add/(Less): Loans to Employees (net)		**(2)**		(4)
Total	**3,46,33,69,745**	**3,46,335**	**3,46,36,42,214**	**3,46,360**

(II) Reconciliation of the shares outstanding at the beginning and at the end of the year

Particulars	As at March 31, 2022		As at March 31, 2021	
	No. of Shares	(₹ in lakh)	No. of Shares	(₹ in lakh)
At the beginning of the year	**3,46,36,42,214**	**3,46,360**	3,46,44,18,549	3,46,375
Issued during the year	**-**	**-**	-	-
Add/(less): Net shares issued to employees by ESOP trust	**(2,72,469)**	**(27)**	(7,76,335)	(78)
Add/(Less): Loans to Employees (net)	-	2	-	63
Total	**3,46,33,69,745**	**3,46,335**	**3,46,36,42,214**	**3,46,360**

(III) Equity shares in the Company held by the holding company

Particulars	As at March 31, 2022		As at March 31, 2021	
	No. of Shares	(₹ in lakh)	No. of Shares	(₹ in lakh)
Tata Sons Private Limited	3,32,45,83,520	3,32,458	3,32,45,83,520	3,32,458
	3,32,45,83,520	**3,32,458**	**3,32,45,83,520**	**3,32,458**

(IV) Details of shareholders holding more than 5% shares in the company

Equity Shares	As at March 31, 2022		As at March 31, 2021	
	No. of Shares	% holding	No. of Shares	% holding
Tata Sons Private Limited	3,32,45,83,520	94.55%	3,32,45,83,520	94.55%

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS

Rights, preferences and restrictions attached to shares

The Holding Company has one class of equity shares having a par value of ₹ 10 per share. Each shareholder is eligible for one vote per share held. The dividend proposed by the Board of Directors, if any, is subject to the approval of the shareholders at the ensuing Annual General Meeting. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Company after distribution of all preferential amounts, in proportion to their shareholding.

(V) Details of shares held by promoters

Name of Promoters	As at March 31, 2022		As at March 31, 2021	
	No. of Shares	% holding	No. of Shares	% holding
Tata Sons Private Limited	3,32,45,83,520	94.55%	3,32,45,83,520	94.55%

(VI) Capital Management

The objective of the Group's Capital Management is to maximise shareholder value, safeguard business continuity and support the growth of its subsidiaries. The Group determines the capital requirement based on annual operating plans and long-term and other strategic investment plans. The funding requirements are met through loans and operating cash flows generated.

(VII) Employee stock option scheme

The Company is required to present disclosures as required by Para 44, 45, 46, 47, 50, 51 and 52 of Ind AS 102. It is required to present scheme wise terms and conditions of the ESOP schemes, present for the employees of the Company.

A. Description of share based payments:

Particulars	ESOP 2018	ESOP 2019	ESOP 2020	ESOP 2021	ESOP 2021 RSU
i. Vesting requirements	20% at the end of each 12 and 24 months and 30% at the end of each 36 and 48 months from the date of grant	20% at the end of each 12 and 24 months and 30% at the end of each 36 and 48 months from the date of grant	20% at the end of each 12 and 20 months and 30% at the end of each 32 and 44 months from the date of grant	20% at the end of each 12 and 24 months and 30% at the end of each 36 and 48 months from the date of grant	100% at the end of 36 months from the date of grant
ii. Maximum term of option	7 years	7 years	7 years	7 years	3 years
iii. Method of settlement	Equity settled	Equity settled	Equity settled	Equity settled	Equity settled
iv. Modifications to share based payment plans	N.A.	N.A.	N.A.	N.A.	N.A.
v. Any other details as disclosed in the audited Ind AS financial statements	N.A.	N.A.	N.A.	N.A.	N.A.

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS

B. Summary of share based payments

March 31, 2022

Particulars	ESOP 2018	ESOP 2019	ESOP 2020
Outstanding balance at the beginning of the period	**58,50,000**	**60,00,000**	**71,50,000**
Options granted	-	-	-
Options forfeited	2,10,000	2,75,000	4,87,500
Options exercised	-	20,000	-
Options expired	-	-	-
Options lapsed	-	-	-
Options outstanding at the end of the period	**56,40,000**	**57,05,000**	**66,62,500**
Options exercisable at the end of the period	39,48,000	22,82,000	13,32,500
For share options exercised:			
Weighted average exercise price at date of exercise			
Money realized by exercise of options (In actual rupees)			
For share options outstanding			
Range of exercise prices	50.60	51.00	40.30
Average remaining contractual life of options	4.50	5.34	6.34
Modification of plans	N.A.	N.A.	N.A.
Incremental fair value on modification	N.A.	N.A.	N.A.

Particulars	ESOP 2021	ESOP 2021 RSU	Total
Outstanding balance at the beginning of the period	-	**-**	**1,90,00,000**
Options granted	53,62,500	23,11,672	76,74,172
Options forfeited	-	-	9,72,500
Options exercised	-	-	20,000
Options expired	-	-	-
Options lapsed	-	-	-
Options outstanding at the end of the period	**53,62,500**	**23,11,672**	**2,56,81,672**
Options exercisable at the end of the period	-	-	75,62,500
For share options exercised:			
Weighted average exercise price at date of exercise			51
Money realized by exercise of options (In actual rupees)			10,20,000
For share options outstanding			
Range of exercise prices	51.80	51.80	
Average remaining contractual life of options	6.34	2.50	5.37
Modification of plans	N.A.	N.A.	
Incremental fair value on modification	N.A.	N.A.	

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS

March 31, 2021

Particulars	ESOP 2018	ESOP 2019	ESOP 2020	Total
Outstanding balance at the beginning of the period	**71,50,000**	**72,00,000**	**-**	**1,43,50,000**
Options granted	-	-	71,50,000	71,50,000
Options forfeited	12,85,000	12,00,000	-	24,85,000
Options exercised	15,000	-	-	15,000
Options expired	-	-	-	-
Options lapsed	-	-	-	-
Options outstanding at the end of the period	**58,50,000**	**60,00,000**	**71,50,000**	**1,90,00,000**
Options exercisable at the end of the period	23,40,000	12,00,000	-	35,40,000
For share options exercised:				
Weighted average exercise price at date of exercise				50.60
Money realized by exercise of options (In actual rupees)				7,59,000
For share options outstanding				
Range of exercise prices	50.60	51.00	40.30	-
Average remaining contractual life of options	4.50	5.34	6.34	5.46
Modification of plans	N.A.	N.A.	N.A.	N.A.
Incremental fair value on modification	N.A.	N.A.	N.A.	N.A.

C. Valuation of stock options

The fair value of services received in return for share options granted is based on the fair value of share options granted, measured using the Black & Scholes formula. The inputs used in measuring the fair values at grant date of the equity-settled share based payment plans were as follows :

Particulars	ESOP 2018	ESOP 2019	ESOP 2020	ESOP 2021
Share price:	50.60	51.00	40.30	51.80
Exercise Price:	50.60	51.00	40.30	51.80
Fair value of option:	23.34	23.02	17.07	22.33
Valuation model used:	Black Scholes valuation	Black Scholes valuation	Black Scholes valuation	Black Scholes valuation
Expected Volatility:	0.38	0.41	0.42	0.41
Basis of determination of expected volatility:	Average historical volatility over 4.85 years of comparable companies	Average historical volatility over 4.85 years of comparable companies	Historical volatility of equity shares of comparable companies over the period ended December 15,2020 based on the life of options	Historical volatility of equity shares of comparable companies over the period ended October 01,2021 based on the life of options
Contractual Option Life (years):	7	7	7	7
Expected dividends:	-	-	-	-
Risk free interest rate:	8.04%	6.28%	5.22%	5.87%

Particulars	ESOP 2018	ESOP 2019	ESOP 2020	ESOP 2021
Vesting Dates	20% vesting on September 30, 2019 40% vesting on September 30, 2020 70% vesting on September 30, 2021 100% vesting on September 30, 2022	20% vesting on August 01, 2020 40% vesting on August 01, 2021 70% vesting on August 01, 2022 100% vesting on August 01, 2023	20% vesting on December 14, 2021 40% vesting on July 31, 2022 70% vesting on July 31, 2023 100% vesting on July 31, 2024	20% vesting on September 30, 2022 40% vesting on July 31, 2023 70% vesting on July 31, 2024 100% vesting on July 31, 2025
Valuation of incremental fair value on modification	N.A.	N.A.	N.A.	N.A.

D) Options granted and inputs used for measurement of fair value of options, for the key managerial employees and other senior employees

As at March 31, 2022

Name of Scheme	Mr. Rajiv Sabharwal		Mr. Rakesh Bhatia	
	Granted	Exercised	Granted	Exercised
ESPS 2009	-	-	50,151	50,151
ESPS 2011	-	-	-	-
ESOP 2011	-	-	-	-
PS 2013	-	-	-	-
ESPS 2013	-	-	-	-
ESOP 2013	-	-	-	-
ESOP 2016	-	-	-	-
ESOP 2017	-	-	-	-
ESOP 2018	16,00,000	-	-	-
ESOP 2019	16,00,000	-	-	-
ESOP 2020	17,60,000	-	2,00,000	-
ESOP 2021	12,00,000	-	2,25,000	
ESOP 2021 RSU	5,17,297	-	96,993	
Total	**66,77,297**	**-**	**5,72,144**	**50,151**

Name of Scheme	Ms. Sarita Kamath*	
	Granted	Exercised
ESPS 2009	-	-
ESPS 2011	3,000	3,000
ESOP 2011	-	-
PS 2013	323	323
ESPS 2013	-	-
ESOP 2013	30,000	30,000
ESOP 2016	10,000	10,000
ESOP 2017	10,000	10,000
ESOP 2018	1,00,000	-
ESOP 2019	1,00,000	-
ESOP 2020	1,10,000	-
ESOP 2021	1,12,500	-
ESOP 2021 RSU	48,497	-
Total	**5,24,320**	**53,323**

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS

As at March 31, 2021

Name of Scheme	Mr. Rajiv Sabharwal		Mr. Rakesh Bhatia	
	Granted	Exercised	Granted	Exercised
ESPS 2009	-	-	50,151	50,151
ESPS 2011	-	-	-	-
ESOP 2011	-	-	-	-
PS 2013	-	-	-	-
ESPS 2013	-	-	-	-
ESOP 2013	-	-	-	-
ESOP 2016	-	-	-	-
ESOP 2017	-	-	-	-
ESOP 2018	16,00,000	-	-	-
ESOP 2019	16,00,000	-	-	-
ESOP 2020	17,60,000	-	2,00,000	-
Total	**49,60,000**	**-**	**2,50,151**	**50,151**

Name of Scheme	Ms. Avan Doomasia*		Ms. Sarita Kamath*	
	Granted	Exercised	Granted	Exercised
ESPS 2009	80,615	80,615	-	-
ESPS 2011	-	-	3,000	3,000
ESOP 2011	60,000	60,000	-	-
PS 2013	8,690	8,690	323	323
ESPS 2013	-	-	-	-
ESOP 2013	-	-	30,000	30,000
ESOP 2016	10,000	10,000	10,000	10,000
ESOP 2017	10,000	10,000	10,000	10,000
ESOP 2018	1,25,000	-	1,00,000	-
ESOP 2019	1,00,000	-	1,00,000	-
ESOP 2020	-	-	1,10,000	-
Total	**3,94,305**	**1,69,305**	**3,63,323**	**53,323**

* Ms. Avan Doomasia ceased to be a KMP w.e.f. November 30, 2020 and Ms. Sarita Kamath was appointed as KMP w.e.f. December 01, 2020.

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS

NOTE "22" (₹ in lakh)

OTHER EQUITY	As at March 31, 2022	As at March 31, 2021
Securities premium	**2,93,214**	2,93,323
Capital reserve	**43**	43
Capital redemption reserve	**575**	575
Debenture redemption reserve	**30,000**	30,000
Special reserve account	**1,74,335**	1,39,222
Retained earnings	**3,10,227**	1,77,672
General reserve	**2,026**	1,785
Employee stock option outstanding account	**3,279**	2,111
Foreign currency translation reserve	**9,107**	7,504
Other comprehensive income		
Remeasurement of defined benefit liability/asset	**(355)**	(170)
Fair value changes of financial instrument measured at fair value through other comprehensive income	**1,933**	1,324
The effective portion of gains and loss on hedging instruments in a cost of hedge	**1,502**	(2,420)
Debt instruments through other comprehensive income	**(915)**	(29)
Total	**8,24,971**	**6,50,940**

1. **Securities premium:** The amount received in excess of face value of the equity shares is recognised in Securities Premium Account.
2. **Capital Reserve:** Reserve created on accounting of merger of subsidiaries.
3. **Capital Redemption Reserve:** This reserve has been created and held in books as per requirement of the Companies Act.
4. **Debenture redemption reserve:** As per section 71(4) of the Companies Act 2013, created out of the profits of the Group available for payment of dividend and credited to such account, shall not be utilised except for redemption of debentures
5. **Special reserve Account/ Statutory Reserve:** As prescribed by section 45-IC of the Reserve Bank of India Act, 1934, Section 29C of National Housing Bank Act 1987,and Section 36 (1) (viii) of the Income Tax Act,1961. No appropriation of any sum from the reserve fund shall be made by the Group except for the purpose as may be specified by RBI/NHB from time to time.
6. **General reserve:** Created upon employees stock options that expired unexercised or upon forfeiture of options granted.
7. **Employee stock option outstanding account:** Created upon grant of options to employees.
8. **Foreign Currency Translation Reserve:** The reserve is created on account of translation of assets and liabilities of foreign subsidiaries.

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS

NOTE "23" (₹ in lakh)

INTEREST INCOME	**For the year ended March 31, 2022**	**For the year ended March 31, 2021**
On financial assets measured at:		
(i) Amortised cost		
Interest on loans and credit substitutes	**8,94,695**	8,61,147
Interest income from investments	**9,138**	1,548
Interest on deposits with bank	**562**	2,436
Other interest income	**118**	104
(ii) Fair value through other comprehensive income		
Interest on loans and credit substitutes	**3,767**	7,214
Interest on debentures	**498**	136
(iii) Fair value through profit and loss		
Interest on debentures	**311**	194
Total	**9,09,089**	**8,72,779**

NOTE "24" (₹ in lakh)

FEES AND COMMISSION INCOME	**For the year ended March 31, 2022**	**For the year ended March 31, 2021**
Foreclosure charges	**7,987**	6,831
Fees on value added services and products	**855**	640
Advisory Fees	**1,048**	894
Distribution fee	**5**	419
Others (valuation charges, PDD charges etc)	**9,928**	6,192
Total	**19,823**	**14,976**

NOTE "25" (₹ in lakh)

NET GAIN/(LOSS) ON FAIR VALUE CHANGES	**For the year ended March 31, 2022**	**For the year ended March 31, 2021**
(A) Net gain/(loss) on financial instruments classified at fair value through profit or loss		
(i) On trading portfolio		
- Investments	**17,530**	19,608
(ii) On financial instruments designated at fair value through profit or loss		
(B) Others	**22,393**	30,279
Total	**39,923**	**49,887**
(C) Fair value changes:		
– Realised	**8,327**	15,317
– Unrealised	**31,596**	34,570
Total	**39,923**	**49,887**

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS

NOTE "26" (₹ in lakh)

OTHER INCOME	For the year ended March 31, 2022	For the year ended March 31, 2021
Branch advertisement income	**5,990**	2,220
Income from distribution of financial products	**7,343**	4,700
Net gain/(loss) on derecognition of property, plant and equipment	**1,014**	(46)
Interest on income tax refund	**54**	2,494
Income from advisory services	**5,218**	5,480
Other miscellaneous Income	**588**	382
Total	**20,207**	**15,230**

NOTE "27" (₹ in lakh)

FINANCE COSTS	For the year ended March 31, 2022	For the year ended March 31, 2021
At Amortised Cost		
Interest on borrowings other than debt securities	**1,58,634**	2,12,285
Interest on debt securities	**2,19,132**	2,05,215
Interest on subordinated liabilities	**52,803**	47,839
Interest on external commercial borrowings (ECB)	**22,697**	20,905
Interest cost of lease liabilities	**935**	969
Other interest expenses	**357**	484
Discounting Charges		
(i) On commercial paper	**30,454**	33,561
(ii) On debentures	**3,891**	-
Total	**4,88,903**	**5,21,258**

NOTE "28" (₹ in lakh)

IMPAIRMENT ON FINANCIAL INSTRUMENTS	For the year ended March 31, 2022	For the year ended March 31, 2021
Loans and credit substitutes		
Impairment loss allowance on loans (Stage I & II)		
- At amortised cost	**43,005**	18,205
- At FVTOCI	**(580)**	631
	42,425	**18,836**
Impairment loss allowance on loans (Stage III) - at amortised cost	**(324)**	19,149
Less : Delinquency Support	**(81)**	(301)
	(405)	**18,848**
Write off - Loans and credit substitutes - at amortised cost	**66,061**	1,02,081
Impairment on Investments	**(3)**	(3)
Trade receivables	**(17)**	15
Total	**1,08,061**	**1,39,777**

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS

NOTE "29"

(₹ in lakh)

EMPLOYEE BENEFITS EXPENSES	For the year ended March 31, 2022	For the year ended March 31, 2021
Salaries, wages and bonus	**81,128**	64,352
Contribution to provident, superannuation and pension fund	**2,878**	2,547
Share based payments to employees	**1,510**	1,068
Staff welfare expenses	**1,124**	454
Expenses related to post-employment defined benefit plans	**885**	977
Total	**87,525**	**69,398**

NOTE "30"

(₹ in lakh)

OTHER EXPENSES	For the year ended March 31, 2022	For the year ended March 31, 2021
Advertisements and publicity	**6,153**	4,278
Brand Equity and Business Promotion	**2,653**	2,731
Corporate social responsibility expenses	**2,612**	2,153
Equipment hire charges	**-**	84
Information Technology expenses	**20,184**	15,748
Insurance charges	**2,119**	1,888
Incentive / commission/ brokerage	**413**	356
Legal and professional fees	**8,334**	7,644
Loan processing fees	**3,996**	2,264
Printing and stationery	**589**	384
Reversal of provision against assets held for sale	**(1)**	(466)
Power and fuel	**1,015**	763
Repairs and maintenance	**228**	342
Rent, rates and taxes	**803**	490
Stamp charges	**1,618**	830
Service providers' charges	**32,922**	24,583
Training and recruitment	**793**	393
Telephone, telex and leased line	**532**	475
Travelling and conveyance	**3,291**	1,738
Directors remuneration	**480**	541
Other miscellaneous expenses [Refer note 30(a) below]	**379**	660
Total	**89,113**	**67,879**

(a) Auditors' remuneration (excl. Taxes)

(₹ in lakh)

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
(i) Audit fees	**417**	246
(ii) Tax audit fees	**22**	11
(iii) Other Services (includes out of pocket expenses)*	**43**	78
	482	**335**

(Auditors' remuneration is part of Other expenses)
*Includes certification expenses

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS

(b) Corporate social responsibility expenses

(i) Gross amount required to be spent by the Group during the year was ₹ 2,612 lakh (PY: ₹ 2,153 lakh)

(ii) Amount spent during the year on:

(₹ in lakh)

Particulars	Paid	Yet to be paid
Construction/acquisition of any asset	**1,527**	-
On purposes other than above	**1,085**	-

We endeavour to improve the lives of the community, especially the socially and economically underprivileged communities, by making a long term, measurable and positive impact through projects in the areas of education, climate action, health and skill development.

NOTE "31"

The financial statements of the following subsidiaries have been consolidated as per Ind AS 110 on Consolidated Financial Statements as on March 31, 2022:-

Sr No.	Name of the Subsidiary	Country of Incorporation	% Holding as at March 31, 2022	% Holding as at March 31, 2021
1	Tata Securities Limited	India	**100.00**	100.00
2	Tata Capital Housing Finance Limited	India	**100.00**	100.00
3	Tata Capital Financial Services Limited	India	**100.00**	100.00
4	Tata Capital Growth Fund	India	**73.75**	73.75
5	Tata Cleantech Capital Limited	India	**80.50**	80.50
6	Tata Capital Pte. Limited	Singapore	**100.00**	100.00
7	Tata Capital Advisors Pte. Limited (Subsidiary of Tata Capital Pte. Limited)	Singapore	**100.00**	100.00
8	Tata Capital Plc (Subsidiary of Tata Capital Pte. Limited)	United Kingdom	**100.00**	100.00
9	Tata Capital General Partners LLP (Subsidiary of Tata Capital Pte. Limited)	Singapore	**80.00**	80.00
10	Tata Capital Healthcare General Partners LLP (Subsidiary of Tata Capital Pte. Limited)	Singapore	**100.00**	100.00
11	Tata Capital Healthcare II General Partners LLP (Subsidiary of Tata Capital Pte. Limited)	Singapore	**100.00**	100.00
12	Tata Opportunities General Partners LLP (Subsidiary of Tata Capital Pte. Limited)	Singapore	**90.00**	90.00
13	Tata Capital Growth II General Partners LLP (Subsidiary of Tata Capital Pte. Limited)	Singapore	**80.00**	80.00
14	Tata Capital Special Situation Fund	India	**28.20**	28.20
15	Tata Capital Innovation Fund	India	**27.79**	27.69
16	Tata Capital Growth Fund II*	India	**34.02**	29.89
17	Tata Capital Healthcare Fund I	India	**32.17**	32.17
18	Tata Capital Healthcare Fund II*	India	**19.86**	24.66
19	TCL Employee Welfare Trust	India	**-**	-

*Note: Consolidated based on beneficial interest held.

All the entities that are required to be consolidated as per IndAS 110 and IndAS 28 have been consolidated for the purpose of preparation of these financial statements.

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS

NOTE "32"

The Group has investments in the following associates, which are accounted under the Equity Method in accordance with the Ind AS 28 on Accounting for Investment in Associate in Consolidated Financial Statements as on March 31, 2022:-

(₹ In lakh)

Sr No	Name of Associates	As on	Country of Incorpo-rataion	Ownership Interest (%)	Original Cost of Investment	Share of post acquisition Reserves & Surplus	Impairment	Carrying Amount of Investments
	Equity Shares							
1	Tata AutoComp Systems Limited	March 31, 2022	India	24.00%	18,528	27,346	-	45,874
		March 31, 2021	India	24.00%	18,528	16,350	-	34,878
2	Tata Technologies Limited	March 31, 2022	India	4.48%	4,707	5,975	-	10,682
		March 31, 2021	India	4.48%	4,707	4,062	-	8,769
3	Novalead Pharma Private Limited	March 31, 2022	India	19.75%	2,335	(54)	(792)	1,489
		March 31, 2021	India	19.75%	2,335	(54)	-	2,281
4	Vortex Engineering Private Limited	March 31, 2022	India	18.49%	2,900	-	(2,050)	850
		March 31, 2021	India	18.49%	2,900	-	(1,950)	950
5	Pluss Advanced Technologies Limited*	March 31, 2022	-	-	-	-	-	-
		March 31, 2021	India	36.61%	1,500	32	-	1,532
6	Sea6 Energy Private Limited	March 31, 2022	India	21.00%	3,186	(634)	-	2,552
		March 31, 2021	India	28.84%	3,500	(533)	-	2,967
7	Alef Mobitech Soluations Private Limited	March 31, 2022	India	25.70%	1,588	(495)	(1,093)	-
		March 31, 2021	India	25.70%	1,588	(495)	(1,093)	-
8	Tema India Limited	March 31, 2022	India	35.01%	4,201	3	-	4,204
		March 31, 2021	India	35.01%	4,201	52	-	4,253
9	Kapsons Industries Private Limited	March 31, 2022	India	0.01%	1	-	(1)	-
		March 31, 2021	India	0.01%	1	-	(1)	-
10	Tata Projects Limited	March 31, 2022	India	2.21%	5,478	769	-	6,247
		March 31, 2021	India	2.21%	2,823	1,174	-	3,997
11	Tata Play Limited (formerly Tata Sky Limited)	March 31, 2022	India	0.72%	5,242	475	-	5,717
		March 31, 2021	India	0.72%	5,242	392	-	5,634
12	TVS Supply Chain Solutions Limited	March 31, 2022	India	0.38%	982	(174)	-	808
		March 31, 2021	India	0.42%	982	(226)	-	756
13	Shriram Properties Limited**	March 31, 2022	-	-	-	-	-	-
		March 31, 2021	India	1.50%	3,935	-	(1,535)	2,400
14	Fincare Business Services Limited	March 31, 2022	India	0.76%	734	114	-	848
		March 31, 2021	India	0.78%	734	115	-	849
15	Roots Corporation Limited^	March 31, 2022	-	-	-	-	-	-
		March 31, 2021	India	2.43%	2,062	-	(625)	1,437
16	Fincare Small Finance Bank Limited	March 31, 2022	India	0.11%	145	5	-	150
		March 31, 2021	India	0.02%	27	3	-	30
17	Indusface Private Limited	March 31, 2022	India	35.70%	3,500	(226)	-	3,274
		March 31, 2021	India	35.35%	3,500	(60)	-	3,440
18	Linux Laboratories Private Limited	March 31, 2022	India	3.90%	1,500	8	-	1,508
		March 31, 2021	India	3.90%	1,500	12	-	1,512
19	Cnergyis Infotech India Pvt Ltd	March 31, 2022	India	33.07%	5,709	-	-	5,709
		March 31, 2021	-	-	-	-	-	-
20	Atulaya Healthcare Private Limited	March 31, 2022	India	0.01%	1	-	-	1
		March 31, 2021	-	-	-	-	-	-
	Subtotal	**March 31, 2022**			**60,737**	**33,112**	**(3,936)**	**89,913**
		March 31, 2021			**60,065**	**20,824**	**(5,204)**	**75,685**

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS

(₹ In lakh)

Sr No	Name of Associates	As on	Country of Incorpo-rataion	Ownership Interest (%)	Original Cost of Investment	Share of post acquisition Reserves & Surplus	Impairment	Carrying Amount of Investments
	Preference Shares							
1	Lokmanaya Hospital Private Limited	March 31, 2022	India	-	2,464	-	-	2,464
		March 31, 2021	India	-	2,464	-	-	2,464
2	Tema India Limited	March 31, 2022	India	-	300	-	-	300
		March 31, 2021	India	-	300	-	-	300
3	Kapsons Industries Private Limited	March 31, 2022	India	-	6,000	-	(6,000)	-
		March 31, 2021	India	-	6,000	-	(6,000)	-
4	Pluss Advanced Technologies Limited*	March 31, 2022	-	-	-	-	-	-
		March 31, 2021	India	-	1,020	-	-	1,020
5	Alef Mobitech Soluations Private Limited	March 31, 2022	India	-	1,712	-	(1,712)	-
		March 31, 2021	India	-	1,712	-	(1,712)	-
6	Linux Laboratories Private Limited	March 31, 2022	India	-	3,500	-	-	3,500
		March 31, 2021	India	-	3,500	-	-	3,500
7	Atulaya Healthcare Private Limited	March 31, 2022	India	-	3,999	-	-	3,999
		March 31, 2021	-	-	-	-	-	-
8	Cnergyis Infotech India Pvt Ltd	March 31, 2022	India	-	2,091	-	-	2,091
		March 31, 2021	-	-	-	-	-	-
9	DeepTek, Inc	March 31, 2022	USA	-	4,340	-	-	4,340
		March 31, 2021	-	-	-	-	-	-
	Subtotal	**March 31, 2022**			**24,406**	**-**	**(7,712)**	**16,694**
		March 31, 2021			**14,996**	**-**	**(7,712)**	**7,284**
	Total	**March 31, 2022**			**85,143**	**33,112**	**(11,648)**	**1,06,608**
		March 31, 2021			**75,061**	**20,824**	**(12,916)**	**82,969**

Notes:

1) Consolidated based on unaudited financial statements as at the year/relevant period during the year.

*Pluss Advanced Technologies Limited ceased to be Associate Company on October 6, 2021

**Shriram Properties Limited ceased to be Associate Company on December 22, 2021

^Roots Corporation Limited ceased to be Associate Company on March 25, 2022

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS

NOTE "33"

Additional information as required by Paragraph 2 of the General Instructions for Preparation of Consolidated Financial Statements to Schedule III to the Companies Act, 2013

(₹ In lakh)

Name of the entity	As at 31 March 2022		As at 31 March 2021		For the year ended 31 March 2022		For the year ended 31 March 2021		For the year ended 31 March 2022		For the year ended 31 March 2021		For the year ended 31 March 2022		For the year ended 31 March 2021	
	Net assets, i.e., total assets minus total liabilities				Share in profit and loss				Share in other comprehensive income				Share in total comprehensive income			
	As % of consolidated net assets	Amount	As % of consolidated net assets	Amount	As % of consolidated net assets	Amount	As % of consolidated profit or loss	Amount	As % of consolidated net assets	Amount	As % of consolidated profit or loss	Amount	As % of consolidated net assets	Amount	As % of consolidated profit or loss	Amount
Parent:																
Tata Capital Limited	59.92	7,01,798	69.48	6,92,878	5.04	8,311	4.15	4,668	(1.98)	(100)	(136.78)	688	4.83	8,211	4.78	5,356
Subsidiaries																
Indian																
Tata Capital Financial Services Limited	66.27	7,76,269	67.54	6,73,530	49.58	81,720	60.15	67,705	53.78	2,724	160.64	(808)	49.71	84,444	59.69	66,897
Tata Capital Housing Finance Limited	30.45	3,56,680	30.87	3,07,902	34.49	56,853	31.56	35,524	6.91	350	(12.13)	61	33.67	57,203	31.75	35,585
Tata Cleantech Capital Limited	14.32	1,67,685	11.66	1,16,247	12.37	20,381	14.90	16,775	(1.20)	(61)	(124.85)	628	11.96	20,320	15.53	17,403
Tata Securities Limited	0.10	1,227	0.24	2,398	(0.71)	(1,172)	(0.17)	(189)	0.02	1	(0.80)	4	(0.69)	(1,171)	(0.17)	(185)
Tata Capital Growth Fund	0.91	10,703	0.92	9,177	2.08	3,424	0.87	976	0.12	6	(109.15)	549	2.02	3,430	1.36	1,525
Tata Capital Healthcare Fund I	0.34	3,932	0.48	4,749	(0.50)	(817)	6.69	7,535	-	-	-	-	(0.48)	(817)	6.72	7,535
Tata Capital Healthcare Fund II	1.07	12,519	0.52	5,182	(1.72)	(2,832)	(1.08)	(1,215)	-	-	-	-	(1.67)	(2,832)	(1.08)	(1,215)
Tata Capital Special Situation Fund	0.40	4,627	0.47	4,670	(0.03)	(44)	(1.80)	(2,028)	-	-	-	-	(0.03)	(44)	(1.81)	(2,028)
Tata Capital Innovation Fund	0.28	3,248	0.64	6,340	2.73	4,499	(2.72)	(3,058)	-	-	-	-	2.65	4,499	(2.73)	(3,058)
Tata Capital Growth Fund II	7.34	86,022	6.10	60,848	9.54	15,732	15.37	17,303	-	-	-	-	9.26	15,732	15.44	17,303
Tata Capital Employee Welfare Trust	0.15	1,729	0.17	1,714	0.01	14	0.01	9	-	-	-	-	0.01	14	0.01	9
Foreign																
Tata Capital Pte. Limited	4.14	48,546	4.33	43,210	2.92	4,809	4.73	5,327	14.13	716	147.51	(742)	3.25	5,525	4.09	4,585
Tata Capital Advisors Pte. Limited	1.08	12,594	1.01	10,095	1.30	2,150	1.89	2,123	-	-	-	-	1.27	2,150	1.89	2,123
Tata Capital General Partners LLP	0.45	5,274	0.51	5,092	0.01	23	0.02	28	-	-	-	-	0.01	23	0.02	28
Tata Capital Growth II General Partners LLP	0.00	32	0.00	18	0.01	14	-	2	-	-	-	-	0.01	14	-	2
Tata Capital Healthcare General Partners LLP	0.00	27	0.00	27	-	-	-	-	-	-	-	-	-	-	-	-
Tata Capital Healthcare II General Partners LLP	0.00	18	0.00	11	0.00	6	-	4	-	-	-	-	0.00	6	-	4

NOTE "33"

Additional information as required by Paragraph 2 of the General Instructions for Preparation of Consolidated Financial Statements to Schedule III to the Companies Act, 2013

(₹ In lakh)

Name of the entity	As at 31 March 2022		As at 31 March 2021		For the year ended 31 March 2022		For the year ended 31 March 2021		For the year ended 31 March 2022		For the year ended 31 March 2021		For the year ended 31 March 2022		For the year ended 31 March 2021	
	Net assets, i.e., total assets minus total liabilities				Share in profit and loss				Share in other comprehensive income				Share in total comprehensive income			
	As % of consol-idated net assets	Amount	As % of consol-idated net assets	Amount	As % of consol-idated net assets	Amount	As % of consol-idated profit or loss	Amount	As % of consol-idated net assets	Amount	As % of consol-idated profit or loss	Amount	As % of consol-idated net assets	Amount	As % of consol-idated profit or loss	Amount
Tata Opportunities General Partners LLP	0.00	14	0.00	14	-	-	-	(1)	-	-	-	-	-	-	-	(1)
Tata Capital PLC	0.10	1,132	0.11	1,134	0.01	19	(0.06)	(64)	-	-	-	-	0.01	19	(0.06)	(64)
Minority Interests in all subsidiaries																
Indian																
Tata Cleantech Capital Limited	2.79	32,699	2.27	22,668	(2.41)	(3,974)	(2.91)	(3,272)	0.24	12	24.25	(122)	(2.33)	(3,962)	(3.03)	(3,394)
Tata Capital Growth Fund	0.19	2,249	0.27	2,650	(0.55)	(899)	(0.23)	(256)	(0.02)	(1)	28.63	(144)	(0.53)	(900)	(0.36)	(400)
Tata Capital Healthcare Fund I	0.18	2,131	0.32	3,221	0.34	554	(1.52)	(1,709)	-	-	-	-	0.33	554	(1.52)	(1,709)
Tata Capital Healthcare Fund II	0.86	10,033	0.39	3,887	1.73	2,853	1.07	1,201	-	-	-	-	1.68	2,853	1.07	1,201
Tata Capital Special Situation Fund	0.28	3,322	0.34	3,353	0.02	31	1.29	1,456	-	-	-	-	0.02	31	1.30	1,456
Tata Capital Innovation Fund	0.20	2,345	0.46	4,585	(1.97)	(3,249)	1.96	2,211	-	-	-	-	(1.91)	(3,249)	1.97	2,211
Tata Capital Growth Fund II	4.85	56,754	4.04	40,277	(6.40)	(10,554)	(10.21)	(11,497)	-	-	-	-	(6.21)	(10,554)	(10.26)	(11,497)
TCL Employee Welfare Trust	0.15	1,729	0.17	1,716	(0.01)	(14)	(0.01)	(9)	-	-	-	-	(0.01)	(14)	(0.01)	(9)
Foreign																
Tata Capital Pte. Limited	0.09	1,029	0.10	1,022	0.00	(7)	(0.01)	(6)	-	-	-	-	0.00	(7)	(0.01)	(6)
Associates (Investment as per the equity method)																
Indian																
Equity shares																
Tata Autocomp Systems Limited	3.92	45,874	3.50	34,879	5.85	9,641	(0.53)	(598)	26.72	1,353	42.54	(214)	6.47	10,994	(0.72)	(812)
Tata Play Limited (formerly Tata Sky Limited)	0.49	5,717	0.56	5,634	0.05	83	(0.44)	(492)	-	-	0.20	(1)	0.05	83	(0.44)	(493)
Roots Corporation Limited	-	-	0.14	1,437	-	-	-	-	-	-	-	-	-	-	-	-
Tata Projects Limited	0.53	6,247	0.40	3,997	(0.23)	(382)	0.01	14	(0.45)	(23)	6.56	(33)	(0.24)	(405)	(0.02)	(19)
Fincare Business Services Limited	0.07	848	0.09	849	-	-	(0.02)	(17)	-	-	(1.39)	7	-	-	(0.01)	(10)
Fincare Small Finance Bank Limited	0.01	150	0.00	30	0.00	2	0.00	3	-	-	-	-	0.00	2	0.00	3
Shriram Properties Limited	-	-	0.24	2,400	-	-	-	-	-	-	-	-	-	-	-	-

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS

NOTE "33"

Additional information as required by Paragraph 2 of the General Instructions for Preparation of Consolidated Financial Statements to Schedule III to the Companies Act, 2013

(₹ In lakh)

Name of the entity	As at 31 March 2022		As at 31 March 2021		For the year ended 31 March 2022		For the year ended 31 March 2021		For the year ended 31 March 2022		For the year ended 31 March 2021		For the year ended 31 March 2022		For the year ended 31 March 2021	
	Net assets, i.e., total assets minus total liabilities				Share in profit and loss				Share in other comprehensive income				Share in total comprehensive income			
	As % of consol-idated net assets	Amount	As % of consol-idated net assets	Amount	As % of consol-idated net assets	Amount	As % of consol-idated profit or loss	Amount	As % of consol-idated net assets	Amount	As % of consol-idated profit or loss	Amount	As % of consol-idated net assets	Amount	As % of consol-idated profit or loss	Amount
TVS Supply Chain Solutions Limited	0.07	808	0.08	756	0.03	50	(0.20)	(224)	0.04	2	0.99	(5)	0.03	52	(0.20)	(229)
Tata Technologies Limited	0.91	10,682	0.88	8,769	1.16	1,907	0.81	914	0.12	6	(80.52)	405	1.13	1,913	1.18	1,319
Novalead Pharma Private Limited	0.13	1,490	0.23	2,281	-	-	(0.01)	(11)	-	-	-	-	-	-	(0.01)	(11)
Tema India Limited	0.36	4,204	0.43	4,253	(0.01)	(18)	0.05	52	-	-	-	-	(0.01)	(18)	0.05	52
Kapsons Industries Private Limited	-	-	-	(1)	-	-	-	-	-	-	-	-	-	-	-	-
Pluss Advanced Technologies Limited	-	-	0.15	1,532	-	-	0.15	166	-	-	-	-	-	-	0.15	166
Vortex Engineering Private Limited	0.07	850	0.10	950	-	-	-	-	-	-	-	-	-	-	-	-
Sea6 Energy Private Limited	0.22	2,552	0.30	2,967	(0.09)	(149)	(0.04)	(43)	-	-	-	-	(0.09)	(149)	(0.04)	(43)
Alef Mobitech Solutions Private Limited	-	-	-	-	-	-	0.01	12	-	-	-	-	-	-	0.01	12
Indusface Private Limited	0.28	3,274	0.34	3,440	(0.10)	(166)	(0.05)	(60)	-	-	-	-	(0.10)	(166)	(0.05)	(60)
Linux Laboratories Pvt Ltd	0.13	1,508	0.15	1,512	0.00	(4)	0.01	13	-	-	-	-	0.00	(4)	0.01	13
Cnergyis Infotech India Pvt Ltd	0.49	5,709	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Atulaya Healthcare Private Limited	0.00	1	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Preference Shares																
Lokmanaya Hospital Private Limited	0.21	2,464	0.25	2,464	-	-	-	-	-	-	-	-	-	-	-	-
Tema India Limited	0.03	300	0.03	300	-	-	-	-	-	-	-	-	-	-	-	-
Kapsons Industries Private Limited	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Pluss Advanced Technologies Limited	-	-	0.10	1,020	-	-	-	-	-	-	-	-	-	-	-	-
Alef Mobitech Soluations Private Limited	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Linux Laboratories Pvt Ltd	0.30	3,500	0.35	3,500	-	-	-	-	-	-	-	-	-	-	-	-
Cnergyis Infotech India Pvt Ltd	0.18	2,091	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Atulaya Healthcare Private Limited	0.34	3,999	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Deeptek Inc.	0.37	4,340	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Eliminations	(106.02)	(12,41,669)	(111.73)	(11,14,284)	(14.54)	(23,974)	(23.69)	(26,689)	1.57	78	154.30	(776)	(14.07)	(23,896)	(24.49)	(27,465)
Total	**100.00**	**11,71,306**	**100.00**	**9,97,300**	**100.00**	**1,64,821**	**100.00**	**1,12,583**	**100.00**	**5,063**	**100.00**	**(503)**	**100.00**	**1,69,884**	**100.00**	**1,12,080**

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS

NOTE "34"

Disclosure pursuant to Ind AS 112 "Disclosure of Interest in other entities": Material Associates

i. Summarised Statement of Profit and Loss (₹ in lakh)

Particulars	Tata AutoComp Systems Limited	
	FY 2021-22 (Unaudited)	FY 2020-21 (Unaudited)
Revenue	**7,15,944**	4,22,400
Profit/(loss) for the year	**46,487**	(4,500)
Other comprehensive income for the year	**3,208**	(1,626)
Total comprehensive income	**49,695**	(6,126)
Dividend received from associate	**-**	-

ii. Summarised Balance Sheet (₹ in lakh)

Particulars	Tata AutoComp Systems Limited	
	FY 2021-22 (Unaudited)	FY 2020-21 (Unaudited)
Non-current asset	**3,32,864**	2,73,356
Current asset	**2,51,676**	1,70,436
Non-current liabilities	**1,68,564**	1,40,960
Current liabilities	**2,45,992**	1,79,773
Non-controlling interest	**29,450**	28,335
Equity attributable to equity shareholders	**1,40,539**	94,724
Group's share in %	**24%**	24%
Group's share	**33,729**	22,734
Add: Goodwill	**12,145**	12,145
Carrying amount	**45,874**	**34,878**

iii. Financial Information in respect of individually non-material associate (₹ in lakh)

Particulars	FY 2021-22	FY 2020-21
Aggregate carrying amount of investment in individually non-material associate	**44,040**	40,808
Aggregate amounts of the Group's share of:		
Profit/(loss) for the year	**1,323**	326
Other comprehensive income for the year	**(15)**	372
Total comprehensive income for the year	**1,308**	**698**

iv. Share in profit /(loss) of associates (net) (₹ in lakh)

Particulars	FY 2021-22	FY 2020-21
Non-material associate	**1,323**	326
Material associate	**9,641**	(598)
Total	**10,964**	**(272)**

v. Share in other comprehensive income of associates (net) (₹ in lakh)

Particulars	FY 2021-22	FY 2020-21
Non-material associate	**(15)**	372
Material associate	**1,353**	(214)
Total	**1,338**	**158**

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS

NOTE "35"

Provisions and Contingent Liabilities :

(i) Movement in impairment provision during the year is as under:

(₹ in lakh)

Particulars	For the Year ended	
	March 31, 2022	March 31, 2021
Opening Balance	**2,60,345**	2,22,875
Net additions during the year	**42,680**	37,470
Closing Balance	**3,03,025**	**2,60,345**

(Includes Provision for off Balance Sheet exposure and Provision for letter of credit/buyer's credit facility ₹ 4,736 lakh (As at March 31, 2021: ₹ 3,584 lakh)

(ii) Movement in other provisions during the year is as under: (₹ in lakh)

Particulars	For the Year ended	
	March 31, 2022	March 31, 2021
Opening Balance	**2,712**	3,122
Net additions/(deletion) during the year	**52**	(410)
Closing Balance	**2,764**	**2,712**

(iii) Claims not acknowledged by the Group relating to cases contested by the Group and which are not likely to be devolved on the Group relating to the following areas :

(₹ in lakh)

Particulars	As at March 31, 2022	As at March 31, 2021
Income Tax (Pending before Appellate Authorities)	**11,017**	15,078
VAT (Pending before Sales Tax Appellate Authorities)	**6,542**	951
Suits filed against the Group	**1,224**	1,036
Letter of credit	**30,448**	-
Bank Guarantees	**1,654**	830
Total	**50,885**	**17,895**

As at March 31, 2022, claims against the Group not acknowledged as debts in respect of income tax matters amounted to ₹ 11,017 lakhs (Previous year: ₹ 15,078 lakhs). These claims against the Group are arising on account of multiple issues of disallowances on completion of assessment proceedings under the Income-tax Act, 1961, such as, disallowance u/s 14A of the Income-tax Act, 1961 for expenditure incurred in relation to exempt income and other disallowances. These matters are pending before various appellate authorities and the Group expects that its position will likely be upheld on ultimate resolution, in view of favourable Appellate Tribunal Orders for earlier years and decision of jurisdictional High Court in respect of 14A disallowance. Accordingly, there will not be a material adverse effect on the Group's financial position and therefore, the Group has not recognized these as uncertain tax positions in its books.

(iv) Commitments :

(a) Commitment to co-invest with Omega TC Holdings Pte. Ltd USD 15.06 Million (₹ 11,373 lakh) (as at March 31, 2021 : USD 15.06 Million (₹ 11,026 lakh)

(b) Guarantees issued to National Housing Bank on behalf of Tata Capital Housing Finance Limited ₹ 120,000 lakh (As at March 31, 2021 : ₹ 120,000 lakh) against which the amount liable by Tata Capital Housing Finance Limited is ₹ 18,156 lakh as at March 31, 2022 (As at March 31, 2021 ₹ 26,237 lakh). Pursuant to the terms of the Guarantee, the Group's liability on invocation is capped at the outstanding amount.

(c) Commitment in respect of uncalled capital investment in Partners' Capital in Pitango Venture Capital Fund amounting to ₹ 841 lakhs (as at March 31, 2021 : ₹ 1,310 lakhs).

(d) Undrawn Commitment given to Borrowers:

- As on March 31, 2022 ₹ 1,190,948 lakh (March 31, 2021: ₹ 766,463 lakhs)
- Less than 1 Year: ₹ 504,688 lakh (March 31, 2021: ₹ 428,893 lakhs)
- More than 1 Year: ₹ 686,260 lakh (March 31, 2021: ₹ 337,570 lakhs)

(e) Leases entered but not executed ₹ 155,561 lakh (March 31, 2021: ₹ 84,421 lakhs)

(f) Estimated amount of contracts remaining to be executed on capital account and not provided for ₹ 2,167 lakh (March 31, 2021: ₹ 1,551 lakhs).

- Tangible: ₹ 675 lakh (March 31, 2021 : ₹ 136 lakhs)
- Intangible: ₹ 1,492 lakh (March 31, 2021 : ₹ 1,415 lakhs)

(g) Letter of Comfort ₹ 43,276 lakh (March 31, 2021: ₹ 10,083 lakhs)

NOTE "36"

Employee benefit expenses

A. Defined contribution plans

1) Superannuation Fund

The Group makes contribution towards superannuation fund, a defined contribution retirement plan for qualifying employees. The Superannuation fund is administered by superannuation fund set up as Trust by the Group. The Group is liable to pay to the superannuation fund to the extent of the amount contributed. The Group recognizes such contribution as an expense in the year of contribution. The Group has recognised ₹ 167 Lakhs (Year ended 31 March 2021 ₹ 142 Lakhs) for Superannuation Fund contributions in the Statement of Profit and Loss.

B. Defined benefit plans

1) Provident Fund

The Group makes Provident Fund contributions, a defined contribution plan for qualifying employees. Under the Schemes, both employees and the Group make monthly contributions at a specified percentage of the covered employees' salary (currently 12% of employees' salary). The contributions are made to the provident fund set up as an irrevocable trust by the Group, except for two of its subsidiaries where contributions as specified under the law are paid to provident fund administered by the Regional Provident Fund Commisisoner.

The employer's contribution towards pension fund is paid by the Group to Regional Provident Fund office, as specified under the law.

The interest rate payable to the members of the trust shall not be lower than the statutory rate of interest declared by the Central Government under the Employees Provident Funds and Miscellaneous Provisions Act, 1952 and shortfall, if any, shall be made good by the Group. Hence the Group is liable for annual contributions and any deficiency in interest cost compared to interest computed based on the rate of interest declared by the Central Government. The total liability in respect of the interest shortfall of the Fund is determined on the basis of an actuarial valuation. The interest liability arising only to the extent of the aforesaid differential shortfalls is a defined benefit plan. There is no such shortfall as at March 31, 2022.

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS

The Provident Fund contributions along with the interest shortfall if any are recognized as an expense in the year in which it is determined. The Group has recognised ₹ 2,652 Lakhs (Year ended 31 March 2021 ₹ 2,343 Lakhs) for Provident Fund contributions and ₹ Nil (Year ended 31 March 2021 ₹ Nil) for interest shortfalls in the Statement of Profit and Loss.

2) Gratuity

The Company offers its employees defined benefit plans in the form of a gratuity scheme (a lump-sum amount). Benefits under the defined benefit plans are typically based on years of service and the employee's compensation (generally immediately before retirement). The gratuity scheme covers substantially all regular employees. Commitments are actuarially determined at year-end. These commitments are valued at the present value of the expected future payments, with consideration for calculated future salary increases, using a discount rate corresponding to the interest rate estimated by the actuary having regard to the interest rate on Government bonds with a remaining term that is almost equivalent to the average balance working period of employees. Actuarial valuation is done based on "Projected Unit Credit" method. Gains and losses of changed actuarial assumptions are recorded in the Other Comprehensive Income. The Company provides gratuity for employees in India as per payment of Gratuity Act, 1972. The gratuity scheme for employees is as under:

Eligibility	Continuous service for 5 years (not applicable in case of death or disability while in service)
Benefit payable upon	Retirement, Withdrawal, Death/Diability
Benefit payable	For service less than 10 years: 15/26 X Salary X Service
	For service greater than 10 years: Salary X Service
Salary definition	Last drawn monthly basic salary + Dearness Allowance
Service definition	Number of years of service rounded to the nearest integer
Normal retirement age	60 years

There are no statutory minimum funding requirements for gratuity plans mandated in India. However, a Company can fund the benefits by way of a separate irrevocable Trust to take advantage of tax exemptions and also to ensure security of benefits.

The Tata Capital Limited Gratuity Scheme is funded by way of a separate irrevocable Trust and the Group is expected to make regular contributions to the Trust. The fund is managed internally by the Group and the assets are invested as per the pattern prescribed under Rule 67 of Income Tax Rules, 1962. The asset allocation of the Trust is set by Trustees from time to time, taking into account the membership profile, the liquidity requirements of the plan and risk appetite of the plan sponsor as per the investment norms. Each year asset-liability matching study is performed in which the consequences of the strategic investment policies are analysed in terms of risk and return profiles. Investment and Contribution policies are integrated within this study.

Through its defined benefit plans, the Group is exposed to a number of risks, the most significant of which are detailed below:

1. Interest rate risk: The defined benefit obligation calculated uses a discount rate based on government bonds. If bond yields fall, the defined benefit obligation will tend to increase.

2. Salary Inflation risk : Higher than expected increases in salary will increase the defined benefit obligation.

3. Demographic risk : This is the risk of variability of results due to unsystematic nature of decrements that include mortality, withdrawal, disability and retirement. The effect of these decrements on the defined benefit obligation is not straight forward and depends upon the combination of salary increase, discount rate and vesting criteria. It is important not to overstate withdrawals because in

the financial analysis the retirement benefit of a short career employee typically costs less per year as compared to a long service employee.

4. Investment risk : For funded plans that rely on insurers for managing the assets, the value of assets certified by the insurer may not be the fair value of instruments backing the liability. In such cases, the present value of the assets is independent of the future discount rate. This can result in wide fluctuations in the net liability or the funded status if there are significant changes in the discount rate during the inter-valuation period.

5. Legislative risk : Legislative risk is the risk of increase in the plan liabilities or reduction in the plan assets due to change in the legislation/regulation. The government may amend the Payment of Gratuity Act, 1972, thus requiring the companies to pay higher benefits to the employees. This will directly affect the present value of the defined benefit obligation and the same will have to be recognized immediately in the year when any such amendment is effective.

Movement in net defined benefit (asset) liability

a) Reconciliation of balances of Defined Benefit Obligations. (₹ in lakh)

Particulars	As at March 31, 2022		As at March 31, 2021	
	Total Funded	Total Unfunded	Total Funded	Total Unfunded
Defined Obligations at the beginning of the year	**7,482**	**-**	**7,112**	**-**
Current service cost	**996**	**-**	958	-
Interest cost	**457**	**-**	432	-
a. Due to change in financial assumptions	**(59)**	**-**	(54)	-
b. Due to change in experience adjustments	**480**	**-**	(454)	-
Benefits paid directly by the Group	**(675)**	**-**	(512)	-
Defined Obligations at the end of the year	**8,681**	**-**	**7,482**	**-**

b) Reconciliation of balances of Fair Value of Plan Assets (₹ in lakh)

Particulars	As at March 31, 2022		As at March 31, 2021	
	Total Funded	Total Unfunded	Total Funded	Total Unfunded
Fair Value at the beginning of the year	**8,780**	**-**	6,814	-
Expected return on plan assets	**174**	**-**	1,083	-
Employer contributions	**95**	**-**	440	-
Interest Income on Plan Assets	**565**	**-**	443	-
Fair Value of Plan Assets at the end of the year	**9,614**	**-**	**8,780**	**-**

c) Funded status (₹ in lakh)

Particulars	As at March 31, 2022		As at March 31, 2021	
	Total Funded	Total Unfunded	Total Funded	Total Unfunded
Deficit of plan assets over obligations	**-**	**-**	-	-
Surplus of plan assets over obligations	**933**	**-**	1,298	-
Total	**933**	**-**	**1,298**	**-**

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS

d) Categories of plan assets (₹ in lakh)

Particulars	As at March 31, 2022		As at March 31, 2021	
	Total Funded	Total Unfunded	Total Funded	Total Unfunded
Corporate bonds	1,802	-	1,736	-
Equity shares	690	-	542	-
Government securities	2,135	-	2,093	-
Insurer managed funds - ULIP Product	4,568	-	4,202	-
Cash	419	-	207	-
Total	**9,614**	**-**	**8,780**	**-**

e) Amount recognised in Balance sheet (₹ in lakh)

Particulars	As at March 31, 2022		As at March 31, 2021	
	Total Funded	Total Unfunded	Total Funded	Total Unfunded
Present value of the defined benefit obligation (Liability)	8,681	-	7,482	-
Fair value of plan assets	9,614	-	8,780	-
Net asset / (liability) recognised in the Balance Sheet	**933**	**-**	**1,298**	**-**

f) Amount recognised in Statement of Profit and Loss (₹ in lakh)

Particulars	As at March 31, 2022		As at March 31, 2021	
	Total Funded	Total Unfunded	Total Funded	Total Unfunded
Current Service Cost	996	-	958	-
Interest Cost (net)	(108)	-	(11)	-
Total	**888**	**-**	**947**	**-**

g) Amount recognised in OCI (₹ in lakh)

Particulars	As at March 31, 2022		As at March 31, 2021	
	Total Funded	Total Unfunded	Total Funded	Total Unfunded
a. Due to change in financial assumptions	(59)	-	(54)	-
b. Due to change in experience adjustments	480	-	(454)	-
c. (Return) on plan assets (excl. interest income)	(174)	-	(1,083)	-
Total	**247**	**-**	**(1,591)**	**-**
Total defined benefit cost recognized in P&L and OCI	**1,135**	**-**	**(644)**	**-**

h) Expected cash flows for the following year (₹ in lakh)

Particulars	As at March 31, 2022	As at March 31, 2021
Expected total benefit payments	13,328	11,201
Year 1	833	726
Year 2	999	738
Year 3	1,095	929
Year 4	1,158	1,015
Year 5	1,587	1,085
Next 5 years	7,657	6,707

i) **Major Actuarial Assumptions**

Particulars	As at March 31, 2022	As at March 31, 2021
Discount Rate (%)	**6.50%**	6.40%
Salary Escalation/ Inflation (%)	**Non CRE:8.25%, CRE&J Grade:6%**	Non CRE: 8.25%, CRE&J Grade:6%
Expected Return on Plan assets (%)	**6.50%**	6.40%
Mortality Table	**Indian assured lives Mortality (2006-08) (modified) Ult.**	Indian assured lives Mortality (2006-08) (modified) Ult.
Withdrawal (rate of employee turnover)	**CRE and J Grade : 40%; Non CRE :Less than 5 years 25% and more than 5 years 10%**	CRE and J Grade : 40%; Non CRE :Less than 5 years 25% and more than 5 years 10%
Retirement Age	**60 years**	60 years
Estimate of amount of contribution in the immediate next year (₹ in Lakhs)	**833**	726

The estimates for future salary increases, considered in actuarial valuation, take into account inflation, seniority, promotion and other relevant factors.

The expected return on plan assets is based on market expectation, at the beginning of the period, for returns over the entire life of the related obligation.

The following table shows a reconciliation from the opening balances to the closing balances for net defined benefit (asset) liability and its components.

j) **Sensitivity analysis**

Reasonably possible changes at the reporting date to one of the relevant actuarial assumptions, holding other assumptions constant, would have affected the defined benefit obligation by the amounts shown below.

(₹ in lakh)

Particulars	As at March 31, 2022		As at March 31, 2021	
	Increase	Decrease	Increase	Decrease
Discount rate (1% movement)	**(556)**	**627**	(501)	567
Future salary growth (1% movement)	**612**	**(554)**	552	(498)
Others (Withdrawal rate 5% movement)	**(484)**	**704**	(452)	670

k) **Provision for leave encashment**

(₹ in lakh)

Particulars	As at March 31, 2022		As at March 31, 2021	
	Non current	Current	Non current	Current
Liability for compensated absences	**1,677**	**456**	1,636	402

l) **Experience adjustments**

(₹ in lakh)

Particulars	Defined benefit obligation	Plan assets	Surplus/ (deficit)	Experience adjustments on plan liabilities	Experience adjustments on plan assets
Funded					
2021-22	8,681	9,614	933	(480)	174
2020-21	7,482	8,780	1,298	454	1,083

Note: The actuarial valuation as at March 31, 2022 has been carried out on the basis of the membership data provided as at February 28, 2022.

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS

NOTE “37”

Disclosure under Ind AS 116: Leases

As a lessee the Group classified property leases as operating leases under Ind AS 116. These include office premises taken on lease. The leases typically run for a period of one to thirteen years. Leases include conditions such as non-cancellable period, notice period before terminating the lease or escalation of rent upon completion of part tenure of the lease in line with inflation in prices.

Information about leases for which the Group is a lessee is presented below.

(I) Right-of-use assets

(₹ in lakh)

Particulars	As at March 31, 2022	As at March 31, 2021
Opening balance	**8,732**	9,884
Additions during the year	**6,740**	2,572
Deletion during the year	**(1,179)**	(702)
Foreign currency translation	**1**	7
Depreciation charge for the year	**(3,161)**	(3,029)
Closing balance	**11,133**	**8,732**

(II) Movement of lease liabilities

(₹ in lakh)

Particulars	As at March 31, 2022	As at March 31, 2021
Opening balance	**10,243**	11,374
Additions during the year	**6,277**	2,328
Deletion during the year	**(1,441)**	(731)
Finance cost	**933**	969
Foreign currency translation	**3**	3
Payment of lease liabilities	**(3,670)**	(3,700)
Closing balance	**12,345**	**10,243**

(III) Future minimum lease payments under non-cancellable operating leases were payable as follows:

(₹ in lakh)

Particulars	As at March 31, 2022	As at March 31, 2021
Less than one month	**297**	289
Between one and three months	**594**	653
Between three months and one year	**2,633**	2,407
Between one and five years	**7,672**	7,696
More than five years	**2,846**	1,228
Total undiscounted lease liabilities	**14,042**	**12,273**

(IV) Amounts recognized in the Statement of Profit and Loss

(₹ in lakh)

Particulars	As at March 31, 2022	As at March 31, 2021
Interest on lease liabilities	**(933)**	(969)
Depreciation of ROU lease asset	**(3,161)**	(3,029)
Gain/(loss) on termination of leases	**268**	109
Rent concession related to COVID-19	**56**	222

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS

(V) Amounts recognised In statement of cash flows

(₹ in lakh)

Particulars	As at March 31, 2022	As at March 31, 2021
Total cash outflow for leases	**3,670**	3,699

Note:

1. The Group has considered entire lease term for the purpose of determination of Right of use assets and Lease liabilities.
2. On 24 July 2020, the Ministry of Corporate Affairs ('MCA') issued a notification for the Companies (Indian Accounting Standards) Amendment Rules, 2020 ('Rules'), amendments related to IndAS 116 provide relief for lessees in accounting for rent concessions granted as a direct consequence of Covid-19.

   The amendments introduce an optional practical expedient that exempts lessees from having to consider individual lease contracts to determine whether rent concessions occurring as a direct consequence of the COVID-19 pandemic are lease modifications and allows lessees to account for such rent concessions as if they were not lease modifications.

   Pursuant to amendment, the Group has elected to apply for practical expedient and not to account for COVID-19 related rent concession as lease modification.

NOTE "38"

Earnings per Share (EPS):

Particulars		FY 2021-22	FY 2020-21
Profit for the year attributable to Owners of the company	₹ in lakh	**1,64,821**	1,12,583
Weighted average number of equity shares used in computing EPS	Nos	**3,51,61,67,744**	3,51,61,67,744
Face value of equity shares	Rupees	**10**	10
Basic EPS/Diluted EPS	**Rupees**	**4.69**	**3.20**

NOTE "39"

Operating segments -Basis for segmentation

See accounting policy in 2(xviii)

A. Basis for segmentation

In accordance with Ind AS 108 on Segment Reporting, the Group has identified three business segments i.e. Financing Activity, Investment Activity and Others, and one Geographical Segment viz. India, as secondary segment. These divisions offer different products and services, and are managed separately based on the Group's management.

Reportable segments	Operations
Financing activity	Loans for retail and corporate borrowers. Products offered include asset financing, term loans (corporate and retail), channel financing, credit substitutes, investments linked to/arising out of lending business, bill and invoice discounting, Power project finance.
Investment activity	Corporate investments
Others	Advisory services, wealth management, distribution of financial products, private equity fund management and leasing

a. Operating segment disclosures are consistent with the information reviewed by the chief operating decision maker (CODM). The basis of measurement of segment information is consistent with the basis of preparation of financial statements. The reconciling items are limited to items that are not allocated to reportable segments, as opposed to a difference in the basis of preparation of the information.

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS

b. When two or more operating segments are aggregated into a single operating segment, the judgements made in applying the aggregation criteria are disclosed by the Group. This includes a brief description of the operating segments that have been aggregated in this way and the economic indicators that have been assessed in determining that the aggregated operating segments share similar economic characteristics.

NOTE "39"

Operating segments - Information about reportable segments

In accordance with Ind AS 108, the Group has identified three business segments i.e. Financing Activity, Investment Activity, and Others and one Geographical Segment viz. India, as secondary segment.

(₹ in lakh)

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
Segment Revenue		
a) Financing Activity	**9,23,378**	8,88,274
b) Investment Activity	**1,01,407**	90,633
c) Others	**50,652**	63,348
Total	**10,75,437**	**10,42,255**
Less : Inter Segment Revenue	**50,226**	45,977
Add : Interest on Income Tax Refund	**54**	2,494
Total Income	**10,25,265**	**9,98,772**
Segment Results		
a) Financing Activity	**2,09,733**	1,49,968
b) Investment Activity	**30,892**	30,665
c) Others	**4,574**	499
Total	**2,45,199**	**1,81,132**
Less : Unallocated Corporate Expenses	**21,391**	19,363
Add: Share of profit of associates	**10,964**	(272)
Profit before taxation	**2,34,772**	**1,61,497**
Less : Provision for taxation	**54,691**	37,033
Profit after taxation	**1,80,081**	**1,24,464**

(₹ in lakh)

Particulars	As at March 31, 2022	As at March 31, 2021
Segment Assets		
a) Financing Activity	**92,31,763**	76,11,842
b) Investment Activity	**8,21,653**	4,66,192
c) Others	**47,067**	95,693
d) Unallocated	**1,38,145**	1,19,299
Total	**1,02,38,628**	**82,93,026**
Segment Liabilities		
a) Financing Activity	**84,21,889**	67,31,933
b) Investment Activity	**3,91,023**	3,21,966
c) Others	**77,700**	1,05,563
d) Unallocated	**64,417**	52,885
Total	**89,55,029**	**72,12,347**

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS

(₹ in lakh)

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
Capital Expenditure (Including Capital Work-In-Progress)		
a) Financing Activity	**501**	6,113
b) Investment Activity	**2**	-
c) Others	**3,493**	-
d) Unallocated	**-**	-
Total	**3,996**	**6,113**
Depreciation and Amortisation		
a) Financing Activity	**4,352**	4,090
b) Investment Activity	**70**	-
c) Others	**20,525**	26,756
d) Unallocated	**2,641**	2,591
Total	**27,588**	**33,437**

Geographical information:

(₹ in lakh)

Particulars	Revenue by location of customers	
	For the year ended March 31, 2022	For the year ended March 31, 2021
a) India	**10,13,520**	9,85,969
b) Singapore	**11,660**	12,639
c) United Kingdom	**85**	164
Total	**10,25,265**	**9,98,772**

(₹ in lakh)

Particulars	Non current assets by location of customers	
	As at March 31, 2022	As at March 31, 2021
a) India	**2,16,113**	1,92,329
b) Singapore	**218**	44
Total	**2,16,331**	**1,92,373**

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS

NOTE "40"

DISCLOSURE PERSUANT TO IND AS 7 "STATEMENT OF CASH FLOWS"

Changes in Liabilities arising from financing activities

MMarch 31, 2022 (₹ in lakh)

Particulars	April 1, 2021	Cash Flows	Exchange Difference	Others*	March 31, 2022
Debt Securities	**31,93,375**	**8,65,556**	**-**	**10,209**	**40,69,140**
Borrowings (Other than debt securities)	**31,22,451**	**7,41,822**	**(1,441)**	**1,160**	**38,63,992**
Subordinated liabilities	**5,90,482**	**95,320**	**-**	**3,043**	**6,88,845**
Total	**69,06,308**	**17,02,698**	**(1,441)**	**14,412**	**86,21,977**

Note: *Includes the effect of amortisation of borrowing cost, amortisation of premium/discount on CPs/ NCDs and interest accrued.

March 31, 2021 (₹ in lakh)

Particulars	April 1, 2020	Cash Flows	Exchange Difference	Others*	March 31, 2021
Debt Securities	31,42,245	32,600	-	18,530	31,93,375
Borrowings (Other than debt securities)	35,09,133	(3,56,255)	(10,027)	(20,400)	31,22,451
Subordinated liabilities	5,51,624	36,587	-	2,271	5,90,482
Total	**72,03,002**	**(2,87,068)**	**(10,027)**	**401**	**69,06,308**

Note: *Includes the effect of amortisation of borrowing cost, amortisation of premium/discount on CPs/ NCDs and interest accrued.

NOTE "41"

REVENUE FROM CONTRACTS WITH CUSTOMERS

a. Below table provides disaggregation of the Group's revenue from contracts with customers

(₹ in lakh)

	Particulars	Year ended March 31, 2022	Year ended March 31, 2021
i	**Type of revenue**		
	- Fee and commission income	**20,141**	14,976
	- Branch advertisement income	**5,990**	2,220
	- Income from advisory services	**-**	-
	- Income from managerial services	**15,787**	10,179
	Total	**41,918**	**27,375**
ii.	**Primary geographical market:**		
	- Outside India	**5,218**	5,696
	- India	**36,700**	21,404
	Total revenue from contracts with customer	**41,918**	**27,100**

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS

(₹ in lakh)

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
iii. Timing of revenue recognition		
- at a point in time upon rendering services	**32,177**	20,974
- over period of time upon rendering services	**9,741**	6,126
Total	**41,918**	**27,100**
iv. Trade receivables towards contracts with customers		
- Opening Balance	**2,046**	2,197
- Closing Balance	**2,891**	2,046
v. Impairment on trade receivables towards contracts with customers	**(17)**	**1**

The unbilled revenue of ₹ 1,482 lakh as at March 31, 2022 (as at March 31, 2021 : ₹ 669 lakh) has been considered as Contract assets, which are billable on completion of milestones specified in the contracts.

As on March 2022/2021, the Group doesn't have any unsatisified/partially satisified performance obligation.

b. Reconciliation between revenue as per IndAS 108 Segment Reporting and revenue as per IndAS 115 Revenue from contract with customers

(₹ in lakh)

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
Revenue reported as per IndAS 108 Segment Reporting	**10,25,265**	9,98,772
Less:		
(a) Revenue reported as per IndAS 109-Financial Instruments	**9,46,325**	9,23,170
(b) Revenue reported as per IndAS 116-Leases	**30,339**	37,678
(c) Revenue reported as per IndAS 28-Investments in Associates and Joint Ventures	**5,714**	8,101
(d) Revenue reported as per IndAS 16-Property, Plant and Equipment	**914**	(46)
(e) Revenue reported as per IndAS 12-Income Taxes	**55**	2,494
Revenue reported as per IndAS 115 Revenue from contract with customers	**41,918**	**27,375**

NOTE "42"

Disclosure as required by Indian Accounting Standard (Ind AS) – 24 on "Related Party Disclosures" notified under the Companies (Indian Accounting Standard) Rules, 2015:

a) List of related parties and relationship:

Relation with related party	Name of related party
Ultimate Holding Company	Tata Sons Private Limited
Associates and Fellow Associates (with which the company had transactions)	Tata Autocomp Systems Limited Roots Corporation Limited (ceased to be related party w.e.f. 25.03.2022) Tata Projects Limited Tata Play Limited (formerly Tata Sky Limited)

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS

Relation with related party	Name of related party
	TVS Supply Chain Solutions Limited Shriram Properties Limited (ceased to be related party w.e.f. 22.12.2021) Fincare Business Services Limited Kapsons Industries Limited Vortex Engineering Private Limited Pluss Advances Technologies Private Limited (ceased to be related party w.e.f. 06.10.2021) Sea6 Energy Private Limited Alef Mobitech Solutions Private Limited Novalead Pharma Private Limited Shriji Polymers (India) Limited (ceased to be related party w.e.f. 28.08.2020) Lokmanaya Hospital Private Limited Tata Technologies Limited TEMA India Limited Indusface Private Limited (w.e.f. 21.04.2020) Linux Laboratories Private Limited (w.e.f. 25.01.2021) Fincare Small Finance Bank Limited (w.e.f. 21.01.2021) Atulaya Healthcare Private Limited (w.e.f. 20.07.2021) Cnergyis Infotech India Private Limited (w.e.f. 10.01.2022) Deeptek Inc, a Delaware Corporation (w.e.f. 28.02.2022)
Post Employment Benefit Plan	Tata Capital Limited Gratuity Scheme Tata Capital Limited Employees Provident Fund Trust Tata Capital Limited Superannuation Scheme
Key Management Personnel	Mr. Saurabh Agrawal - Chairman and Non-Executive Director Mr. F. N. Subedar - Non-Executive Director Ms. Aarthi Subramanian - Non-Executive Director Ms. Varsha Purandare- Independent Director Mr. Rajiv Sabharwal - Managing Director & CEO Mr. Rakesh Bhatia- Chief Financial Officer Ms. Sarita Kamath - Company Secretary (appointed w.e.f 01.12.2020) Ms. Malvika Sinha - Independent Director (appointed w.e.f 01.04.2021) Mr. Nalin M. Shah - Independent Director (retired w.e.f 31.03.2021) Ms. Avan Doomasia - Company Secretary (resigned w.e.f 30.11.2020) Mr. Mehernosh B. Kapadia - Independent Director (retired w.e.f 23.10.2020)
Key Management Personnel - relatives	Mrs Sangeeta Sabharwal
Subsidiaries, Associates and Joint Venture of ultimate holding company (with which the company had transactions)	AirAsia (India) Limited Niskalp Infrastructure Services Limited (formerly Niskalp Energy Limited)

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS

NOTE "42"

Disclosure as required by Indian Accounting Standard (Ind AS) – 24 on "Related Party Disclosures" notified under the Companies (Indian Accounting Standard) Rules, 2015:

Relation with related party	Name of related party
	Panatone Finvest Limited Tata Advanced Systems Limited Tata AIG General Insurance Company Limited Tata Asset Management Private Limited (formerly Tata Asset Management Limited) Tata Business Hub Limited Tata Communications Limited Tata Consultancy Services Limited Tata Consulting Engineers Limited Tata Electronics Private Limited (formerly TRIL Bengaluru Real Estate Four Private Limited) Tata Elxsi Limited Tata International Limited Tata Medical and Diagnostics Limited Tata Teleservices Limited Tata Trustee Company Private Limited (formerly Tata Trustee Company Limited) Conneqt Business Solutions Limited (formerly Tata Business Support Services Limited) (ceased to be related party w.e.f. 16.04.2021) Tata Consumer Products Limited (formerly Tata Global Beverages Limited) Tata Motors Limited Tata Steel Limited The Indian Hotels Company Limited The Tata Power Company Limited Titan Company Limited Trent Limited Voltas Limited Tata AIA Life Insurance Company Limited Tata Industries Limited Automotive Stampings and Assemblies Limited Coastal Gujarat Power Limited Fiora Hypermarket Limited Ideal Ice & Cold Storage Company Limited Indian Steel & Wire Products Ltd. Infiniti Retail Limited Innovative Retail Concepts Private Limited Jaguar Land Rover Automotive plc Maithon Power Limited Nelco Limited Piem Hotels Limited Savis Retail Private Limited Supermarket Grocery Supplies Private Limited Tata Communications Collaboration Services Private Limited

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS

NOTE "42"

Disclosure as required by Indian Accounting Standard (Ind AS) – 24 on "Related Party Disclosures" notified under the Companies (Indian Accounting Standard) Rules, 2015:

a) List of related parties and relationship:

Relation with related party	Name of related party
	Tata Communications Payment Solutions Limited Tata Communications Transformation Services Limited Tata Digital Private Limited (formerly Tata Digital Limited) Tata International DLT Private Limited Tata Marcopolo Motors Limited Tata Metaliks Ltd. Tata Motors Finance Limited (formerly Sheba Properties Limited) Tata Motors Passenger Vehicles Limited (formerly TML Business Analytics Services Limited) Tata Passenger Electric Mobility Limited Tata Power Solar Systems Limited Tata Power Trading Company Limited Tata Steel BSL Limited (formerly Bhushan Steel Limited) Tata Steel Utilities and Infrastructure Services Limited (formerly Jamshedpur Utilities & Services Company Limited) Tata Teleservices (Maharashtra) Limited Tata Toyo Radiator Limited TML Business Services Limited (formerly Concorde Motors (India) Limited) TP Ajmer Distribution Limited TP Central Odisha Distribution Limited TP Luminaire Private Limited TP Northern Odisha Distribution Limited TP Southern Odisha Distribution Limited TP Western Odisha Distribution Limited United Hotels Limited The Associated Building Company Limited Air International TTR Thermal Systems Private Limited (formerly Air International TTR Thermal Systems Limited) Land kart Builders Private Limited Mikado Realtors Private Limited Tata AutoComp GY Batteries Private Limited (formerly Tata AutoComp GY Batteries Limited) Tata Boeing Aerospace Limited (formerly Tata Aerospace Limited) Tata Ficosa Automotive Systems Private Limited (Tata Ficosa Automotive Systems Limited) Tata Lockheed Martin Aerostructures Limited Tata Precision Industries (India) Limited Tata Sikorsky Aerospace Limited (formerly Tara Aerospace Systems Limited) Sir Dorabji Tata Trust Emerald Haven Realty Limited Tata Chemicals Limited Tata Investment Corporation Limited Af-Taab Investment Company Limited (Merged with The Tata Power Company Limited w.e.f. 15.03.2022)

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS

NOTE "42"

Disclosure as required by Indian Accounting Standard (Ind AS) – 24 on "Related Party Disclosures" notified under the Companies (Indian Accounting Standard) Rules, 2015:

b) Transactions with related parties

(₹ in lakh)

Sr No	Name of Company	Nature of Transactions	FY 21-22	FY 20-21
1	**Tata Sons Private Limited**	**Income**		
		Interest Income on Finance Lease	**16**	42
		Operating Lease rental	**742**	811
		Expenses		
		BEBP Expenses	**2,653**	2,735
		Legal and Professional fees	**7**	52
		Staff Welfare Expenses*	**-**	-
		Training Expenses*	**-**	4
		Other transactions		
		Sale of Fixed Asset	**9**	-
		Finance Lease Facility repayment received during year	**205**	190
		Assets		
		Balance Receivable	**3**	-
		Finance lease accrued income & other receivables / (Payable)*	**-**	(36)
		Finance Lease Facility Principal receivable	**71**	276
		Liabilities		
		Equity shares held	**3,32,458**	3,32,458
		Balance payable	**2,658**	2,735
2	**Roots Corporation Limited** (ceased to be related party w.e.f. 25.03.2022)	**Expenses**		
		Staff Welfare Expenses*	**-**	-
		Assets		
		Investment in Equity	**-**	2,062
		Provision for Diminution in value of Investment	**-**	(625)
3	**Tata Autocomp Systems Limited**	**Income**		
		Operating Lease rental	**718**	643
		Other transactions		
		Security deposit received during year	**21**	8
		Security deposit repaid / adjusted during year	**-**	132
		Assets		
		Balance Receivable	**694**	-
		Investment in Equity	**45,874**	34,879
		Liabilities		
		Security deposit payable	**473**	450
		Commitments		
		Off balance sheet exposure	**6,552**	6,752
4	**Tata Projects Limited**	**Income**		
		Interest Income on Finance Lease	**852**	412
		Interest Income on Loan	**1,137**	-
		Management Fees	**702**	6

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS

NOTE "42"

Disclosure as required by Indian Accounting Standard (Ind AS) – 24 on "Related Party Disclosures" notified under the Companies (Indian Accounting Standard) Rules, 2015:

(₹ in lakh)

Sr No	Name of Company	Nature of Transactions	FY 21-22	FY 20-21
		Operating Lease rental	**6,185**	7,209
		Other transactions		
		Investment in Equity during year	**2,655**	-
		Loan given during year	**50,000**	-
		Sale of Fixed Asset	**336**	61
		Loan repayment received during year	**8,800**	-
		Security deposit received during year	**84**	154
		Security deposit repaid / adjusted during year	**-**	69
		Finance Lease Facility repayment received during year	**1,568**	769
		Finance Lease Facility provided during year	**4,270**	1,831
		Assets		
		Balance Receivable	**288**	-
		Finance lease accrued income & other receivables	**2,449**	621
		Finance Lease Facility Principal receivable	**6,480**	3,761
		Investment in Equity	**6,247**	3,997
		Loan accrued interest receivable	**939**	-
		Loan Principal receivable	**41,200**	-
		Liabilities		
		Security deposit payable	**778**	694
		Commitments		
		Off balance sheet exposure	**19,130**	4,552
5	**Tata Play Limited (formerly Tata Sky Limited)**	**Assets**		
		Investment in Equity	**5,717**	5,634
6	**Fincare Business Services Limited**	**Income**		
		Interest Income on Loan	**316**	89
		Other transactions		
		Loan given during year	**-**	3,732
		Loan repayment received during year	**1,830**	-
		Assets		
		Investment in Equity	**848**	849
		Loan accrued interest receivable*	**-**	1
		Loan Principal receivable	**2,023**	3,732
7	**Fincare Small Finance Bank Limited**	**Income**		
		Interest Income on Loan	**409**	408
		Other transactions		
		Investment in Equity during year	**119**	3,616
		Assets		
		Investment in Equity	**150**	30

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS

NOTE "42"

Disclosure as required by Indian Accounting Standard (Ind AS) – 24 on "Related Party Disclosures" notified under the Companies (Indian Accounting Standard) Rules, 2015:

(₹ in lakh)

Sr No	Name of Company	Nature of Transactions	FY 21-22	FY 20-21
		Loan accrued interest receivable	**13**	13
		Loan Principal receivable	**3,616**	3,616
8	**Shriram Properties Limited** (ceased to be related party w.e.f 22.12.2021)	**Assets**		
		Investment in Equity	**-**	3,935
		Provision for Diminution in value of Investment	**-**	(1,535)
9	**TVS Supply Chain Solutions Limited**	**Income**		
		Interest Income on Loan	**-**	204
		Invoice Discounting	**47**	37
		Other transactions		
		Loan repayment received during year	**-**	12,725
		Proceeds from Divestment of Equity during year	**-**	484
		Invoice discounted during year	**4,551**	4,862
		Invoice discounted repayment received during year	**4,635**	4,500
		Assets		
		Investment in Equity	**808**	756
		Invoice Discounted receivable	**508**	592
		Invoice Discounting other receivables	**2**	3
		Commitments		
		Off balance sheet exposure	**492**	398
10	**Alef Mobitech Solutions Private Limited**	**Assets**		
		Investment in Equity	**1,093**	1,093
		Investment in Preference Shares	**1,712**	1,712
		Provision for Diminution in value of Investment	**(2,804)**	(2,804)
11	**Atulaya Healthcare Private Limited**	**Assets**		
		Investment in Equity	**1**	-
		Investment in Preference Shares	**3,999**	-
12	**Cnergyis Infotech India Private Limited**	**Other transactions**		
		Reimbursement of Legal expenses received	**33**	-
		Assets		
		Investment in Equity	**5,709**	-
		Investment in Preference Shares	**2,091**	-
13	**Deeptek Inc, a Delaware Corporation**	**Assets**		
		Investment in Preference Shares	**4,340**	-
14	**Indusface Private Limited**	**Expenses**		
		Information technology expenses	**13**	-

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NOTE "42"

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(₹ in lakh)

Sr No	Name of Company	Nature of Transactions	FY 21-22	FY 20-21
		Other transactions		
		Reimbursement of Legal expenses received	**-**	51
		Assets		
		Investment in Equity	**3,274**	3,440
		Liabilities		
		Balance payable	**4**	-
15	**Kapsons Industries Private Limited**	**Assets**		
		Investment in Equity	**1**	1
		Investment in Preference Shares	**6,000**	6,000
		Provision for Diminution in value of Investment	**(6,001)**	(6,001)
16	**Linux Laboratories Private Limited**	**Other transactions**		
		Reimbursement of Legal expenses received	**-**	11
		Assets		
		Investment in Equity	**1,508**	1,512
		Investment in Preference Shares	**3,500**	3,500
17	**Lokmanaya Hospital Private Limited**	**Assets**		
		Investment in Preference Shares	**2,464**	2,464
18	**Novalead Pharma Private Limited**	**Assets**		
		Investment in Equity	**2,282**	2,282
		Provision for Diminution in value of Investment	**(792)**	-
19	**Pluss Advanced Technologies Limited (formerly Pluss Polymer Private Limited)** (ceased to be related party w.e.f. 06.10.2021)	**Assets**		
		Investment in Equity	**-**	1,532
		Investment in Preference Shares	**-**	1,020
20	**Sea6 Energy Private Limited**	**Assets**		
		Investment in Equity	**2,552**	2,967
21	**Shriji Polymers (India) Limited** (ceased w.e.f. 28.08.2020)	**Income**		
		Dividend Income	**-**	1
22	**Tata Technologies Limited**	**Income**		
		Interest Income on Finance Lease	**3**	8
		Expenses		
		Information technology expenses	**526**	263
		Other transactions		
		Finance Lease Facility repayment received during year	**28**	42
		Assets		
		Finance lease accrued income & other receivables / (Payable)*	**-**	1
		Finance Lease Facility Principal receivable*	**-**	28
		Investment in Equity	**10,682**	8,769

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NOTE "42"

Disclosure as required by Indian Accounting Standard (Ind AS) – 24 on "Related Party Disclosures" notified under the Companies (Indian Accounting Standard) Rules, 2015:

(₹ in lakh)

Sr No	Name of Company	Nature of Transactions	FY 21-22	FY 20-21
		Liabilities		
		Balance payable	**109**	85
23	**Tema India Limited**	**Income**		
		Interest Income on Loan	**8**	10
		Dividend Income	**-**	45
		Other transactions		
		Loan repayment received during year	**16**	14
		Assets		
		Investment in Equity	**4,204**	4,253
		Loan accrued interest receivable*	**-**	1
		Loan Principal receivable	**56**	72
		Investment in Preference Shares	**300**	300
24	**Vortex Engineering Private Limited**	**Assets**		
		Investment in Equity	**2,900**	2,900
		Provision for Diminution in value of Investment	**(2,050)**	(1,950)
25	**Tata Capital Limited Employees Provident Fund**	**Expenses**		
		Contribution to Provident Fund	**1,882**	1,637
		Other transactions		
		Employees Contribution to Provident Fund	**2,993**	2,642
		Liabilities		
		Statutory Liabilities	**157**	164
		Provision for Trust's exposure to investment in IL & FS	**285**	285
26	**Tata Capital Limited Gratuity Scheme**	**Expenses**		
		Contribution to Gratuity fund	**95**	356
		Liabilities		
		Provision for Trust's exposure to investment in IL & FS	**140**	140
27	**Tata Capital Limited Superannuation Scheme**	**Expenses**		
		Contribution to Superannuation	**167**	142
		Assets		
		Balance Receivable	**-**	12
		Liabilities		
		Statutory Liabilities	**4**	-
28	**AirAsia (India) Limited**	**Income**		
		Interest Income on Loan	**1,824**	1,109
		Management Fees	**65**	50
		Processing Fees	**100**	-
		Other transactions		
		Loan given during year	**73,000**	31,551
		Loan repayment received during year	**46,994**	21,557
		Assets		
		Loan accrued interest receivable	**199**	95

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS

NOTE "42"

Disclosure as required by Indian Accounting Standard (Ind AS) – 24 on "Related Party Disclosures" notified under the Companies (Indian Accounting Standard) Rules, 2015:

(₹ in lakh)

Sr No	Name of Company	Nature of Transactions	FY 21-22	FY 20-21
		Loan Principal receivable	**46,000**	19,994
		Revenue received in advance	**(99)**	-
		Commitments		
		Off balance sheet exposure	**10,000**	10,000
29	**Niskalp Infrastructure Services Limited**	**Income**		
		Recovery Rent and other expenses	**-**	1
30	**Panatone Finvest Limited**	**Other transactions**		
		Sale of Investment during year*	**-**	-
31	**Tata Advanced Systems Limited**	**Income**		
		Interest Income on Finance Lease	**54**	33
		Syndication Fees	**-**	100
		Other transactions		
		Finance Lease Facility repayment received during year	**119**	59
		Finance Lease Facility provided during year	**199**	47
		Assets		
		Finance lease accrued income & other receivables	**94**	119
		Finance Lease Facility Principal receivable	**313**	181
		Commitments		
		Off balance sheet exposure	**716**	304
32	**Tata AIG General Insurance Company Limited**	**Income**		
		Commission Income	**591**	488
		Expenses		
		Insurance Expenses	**114**	71
		Interest expenses on Secured NCDs	**242**	243
		Interest expenses on Public NCDs	**397**	397
		Assets		
		Balance Receivable	**190**	157
33	**Tata Asset Management Private Limited**	**Income**		
		Fee Income	**85**	216
		Portfolio Management Service	**31**	42
		Assets		
		Balance Receivable	**2**	181
34	**Tata Business Hub Limited**	**Income**		
		Interest Income on Finance Lease	**12**	-
		Other transactions		
		Finance Lease Facility repayment received during year	**24**	-
		Finance Lease Facility provided during year	**217**	-
		Assets		
		Finance lease accrued income & other receivables / (Payable)	**(2)**	-
		Finance Lease Facility Principal receivable	**193**	-

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS

NOTE "42"

Disclosure as required by Indian Accounting Standard (Ind AS) – 24 on "Related Party Disclosures" notified under the Companies (Indian Accounting Standard) Rules, 2015:

(₹ in lakh)

Sr No	Name of Company	Nature of Transactions	FY 21-22	FY 20-21
		Commitments		
		Off balance sheet exposure	**244**	-
35	**Tata Communications Limited**	**Income**		
		Interest Income on Finance Lease *	**-**	-
		Expenses		
		Information technology expenses	**527**	270
		Other transactions		
		Finance Lease Facility repayment received during year	**1**	13
		Assets		
		Finance lease accrued income & other receivables / (Payable)	**(1)**	(1)
		Finance Lease Facility Principal receivable	**4**	5
		Liabilities		
		Balance payable	**264**	49
36	**Tata Consultancy Services Limited**	**Income**		
		Interest Income on Finance Lease	**52**	35
		Operating Lease rental	**490**	383
		Expenses		
		Information technology expenses	**11,874**	10,100
		Other transactions		
		Purchase of Fixed Assets	**36**	35
		Finance Lease Facility repayment received during year	**115**	47
		Security deposit received during year	**43**	29
		Security deposit repaid / adjusted during year	**21**	(48)
		Finance Lease Facility provided during year	**149**	-
		Assets		
		Balance Receivable / (Payable)	**(66)**	-
		Finance lease accrued income & other receivables	**13**	6
		Finance Lease Facility Principal receivable	**232**	198
		Liabilities		
		Balance payable	**4,319**	2,420
		Security deposit payable	**178**	157
		Commitments		
		Off balance sheet exposure	**766**	1,192
37	**Tata Consulting Engineers Ltd.**	**Income**		
		Advisory Fees	**-**	2
		Expenses		
		Legal and Professional fees*	**-**	5
		Liabilities		
		Balance payable*	**-**	-

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS

NOTE "42"

Disclosure as required by Indian Accounting Standard (Ind AS) – 24 on "Related Party Disclosures" notified under the Companies (Indian Accounting Standard) Rules, 2015:

(₹ in lakh)

Sr No	Name of Company	Nature of Transactions	FY 21-22	FY 20-21
38	**Tata Electronics Private Limited**	**Income**		
		Interest Income on Finance Lease	**41**	-
		Other transactions		
		Finance Lease Facility repayment received during year	**149**	-
		Security deposit received during year	**15**	-
		Finance Lease Facility provided during year	**946**	-
		Assets		
		Finance lease accrued income & other receivables	**1,989**	-
		Finance Lease Facility Principal receivable	**797**	-
		Liabilities		
		Security deposit payable	**15**	-
		Commitments		
		Off balance sheet exposure	**1,322**	-
39	**Tata Elxsi Limited**	**Income**		
		Interest Income on Finance Lease	**12**	-
		Other transactions		
		Finance Lease Facility repayment received during year	**14**	-
		Finance Lease Facility provided during year	**150**	-
		Assets		
		Finance lease accrued income & other receivables	**31**	-
		Finance Lease Facility Principal receivable	**136**	-
		Commitments		
		Off balance sheet exposure	**485**	-
40	**Tata International Limited**	**Income**		
		Interest Income on Finance Lease	**12**	14
		Other transactions		
		Finance Lease Facility repayment received during year	**33**	17
		Finance Lease Facility provided during year	**-**	14
		Assets		
		Finance lease accrued income & other receivables	**16**	25
		Finance Lease Facility Principal receivable	**44**	77
		Liabilities		
		Equity shares held	**79**	79
		Security deposit payable	**21**	21
		Commitments		
		Off balance sheet exposure	**39**	39
41	**Tata Medical and Diagnostics Limited**	**Income**		
		Interest Income on Finance Lease *	**-**	-

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NOTE "42"

Disclosure as required by Indian Accounting Standard (Ind AS) – 24 on "Related Party Disclosures" notified under the Companies (Indian Accounting Standard) Rules, 2015:

(₹ in lakh)

Sr No	Name of Company	Nature of Transactions	FY 21-22	FY 20-21
		Expenses		
		Staff Welfare Expenses*	**-**	-
		Assets		
		Finance lease accrued income & other receivables	**50**	-
		Commitments		
		Off balance sheet exposure	**550**	-
42	**Tata Teleservices Limited**	**Income**		
		Interest Income on Finance Lease	**18**	24
		Expenses		
		Communication Expenses	**31**	37
		Electricity Expenses	**-**	9
		Rent expenses	**-**	25
		Other transactions		
		Finance Lease Facility repayment received during year	**81**	82
		Finance Lease Facility provided during year	**18**	86
		Assets		
		Balance Receivable*	**-**	-
		Finance lease accrued income & other receivables / (Payable)	**(25)**	(4)
		Finance Lease Facility Principal receivable	**79**	142
43	**Tata Trustee Company Limited**	**Expenses**		
		Legal and Professional fees	**32**	32
44	**Conneqt Business Solutions Limited** (ceased to be related party w.e.f. 16.04.2021)	**Income**		
		Interest Income on Finance Lease	**-**	111
		Management Fees*	**-**	-
		Operating Lease rental	**-**	33
		Recovery Electricity expenses	**-**	51
		Recovery Rent and Guest house expenses	**-**	165
		Rental Income	**-**	462
		Expenses		
		Service provider charges	**-**	10,044
		Provision for bad & doubtful debts	**-**	10
		Other transactions		
		Sale of Fixed Asset	**-**	44
		Finance Lease Facility repayment received during year	**-**	294
		Security deposit repaid / adjusted during year	**-**	16
		Finance Lease Facility provided during year	**-**	9
		Assets		
		Balance Receivable	**-**	167
		Other Receivables	**-**	14
		Provision for bad & doubtful debts	**-**	10

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NOTE "42"

Disclosure as required by Indian Accounting Standard (Ind AS) – 24 on "Related Party Disclosures" notified under the Companies (Indian Accounting Standard) Rules, 2015:

(₹ in lakh)

Sr No	Name of Company	Nature of Transactions	FY 21-22	FY 20-21
		Finance lease accrued income & other receivables	-	56
		Finance Lease Facility Principal receivable	-	778
		Liabilities		
		Balance payable	-	3,646
		Security deposit payable	-	21
		Commitments		
		Off balance sheet exposure	-	692
45	**Tata Consumer Products Limited**	**Income**		
		Interest Income on Finance Lease	**8**	12
		Operating Lease rental	**63**	61
		Other transactions		
		Finance Lease Facility repayment received during year	**18**	15
		Assets		
		Balance Receivable	**33**	-
		Finance lease accrued income & other receivables	**4**	2
		Finance Lease Facility Principal receivable	**68**	86
		Liabilities		
		Equity shares held	**61**	61
		Commitments		
		Off balance sheet exposure	**310**	310
46	**Tata Motors Limited**	**Income**		
		Foreclosure Charges	**18**	-
		Interest Income on Bonds	**107**	227
		Interest Income on Finance Lease	**621**	32
		Management Fees	**9**	29
		Other transactions		
		Receipts from maturity of Bonds	**2,266**	3,222
		Loan repayment received during year	**-**	15,002
		Finance Lease Facility repayment received during year	**2,838**	68
		Finance Lease Facility provided during year	**8,419**	424
		Assets		
		Finance lease accrued income & other receivables	**2,531**	3,829
		Finance Lease Facility Principal receivable	**6,009**	591
		Investment in Debentures	**2,407**	4,615
		Liabilities		
		Equity shares held	**433**	433
		Commitments		
		Off balance sheet exposure	**5,515**	6,445

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NOTE "42"

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(₹ in lakh)

Sr No	Name of Company	Nature of Transactions	FY 21-22	FY 20-21
47	**Tata Steel Limited**	**Income**		
		Interest Income on Bonds	**184**	61
		Dividend Income	**4**	2
		Other transactions		
		Investment in Debentures during year	**1,685**	3,193
		Investment in Equity during year	**-**	5
		Assets		
		Investment in Debentures	**5,518**	3,887
		Investment in Equity	**230**	136
48	**The Indian Hotels Company Limited**	**Income**		
		Interest Income on Finance Lease	**5**	10
		Dividend Income*	**-**	-
		Profit on sale of shares of Roots Corporation Limited	**923**	-
		Expenses		
		Staff Welfare Expenses	**42**	13
		Membership expenses	**2**	2
		Other transactions		
		Investment in Equity during year	**3**	-
		Finance Lease Facility repayment received during year	**35**	67
		Finance Lease Facility provided during year	**9**	-
		Proceeds from sale of shares of Roots Corporation Limited (Cost)	**2,062**	-
		Reimbursement of Stamp duty on transfer of shares*	**-**	-
		Assets		
		Finance lease accrued income & other receivables / (Payable)	**2**	(1)
		Finance Lease Facility Principal receivable	**18**	43
		Investment in Equity	**47**	20
		Liabilities		
		Balance payable*	**-**	-
		Commitments		
		Off balance sheet exposure	**286**	300
49	**The Tata Power Company Limited**	**Income**		
		Interest Income on Finance Lease	**260**	153
		Management Fees	**-**	14
		Other transactions		
		Finance Lease Facility repayment received during year	**377**	253
		Finance Lease Facility provided during year	**972**	190
		Assets		
		Balance Receivable	**-**	1

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NOTE "42"

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(₹ in lakh)

Sr No	Name of Company	Nature of Transactions	FY 21-22	FY 20-21
		Finance lease accrued income & other receivables	**223**	472
		Finance Lease Facility Principal receivable	**1,540**	1,011
		Commitments		
		Off balance sheet exposure	**2,060**	1,554
50	**Titan Company Limited**	**Income**		
		Interest Income on Finance Lease	**6**	-
		Expenses		
		Interest expenses on Inter Corporate Deposit	**35**	-
		Staff Welfare Expenses	**1**	3
		Other transactions		
		Inter-Corporate Deposit received	**40,000**	-
		Inter-Corporate Deposit repaid	**40,000**	-
		Security deposit received during year	**13**	-
		Finance Lease Facility provided during year	**132**	-
		Assets		
		Finance lease accrued income & other receivables	**6**	-
		Finance Lease Facility Principal receivable	**132**	-
		Liabilities		
		Security deposit payable	**13**	-
		Commitments		
		Off balance sheet exposure	**-**	300
51	**Trent Limited**	**Expenses**		
		Staff Welfare Expenses	**-**	2
		Other transactions		
		NSR Payment	**246**	178
52	**Voltas Limited**	**Expenses**		
		Commission Expenses	**34**	57
		Repairs and Maintenance	**34**	52
		Dividend paid on Cumulative Redeemable Preference shares	**366**	366
		Other transactions		
		Purchase of Fixed Assets	**36**	2
		Liabilities		
		Cumulative Redeemable Preference Shares	**5,000**	5,000
53	**Tata AIA Life Insurance Company Limited**	**Income**		
		Commission Income	**346**	245
		Interest Income on Finance Lease	**26**	7
		Expenses		
		Insurance Expenses	**261**	128
		Other transactions		
		Finance Lease Facility repayment received during year	**32**	6

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(₹ in lakh)

Sr No	Name of Company	Nature of Transactions	FY 21-22	FY 20-21
		Finance Lease Facility provided during year	**105**	35
		Assets		
		Balance Receivable	**327**	205
		Finance lease accrued income & other receivables	**5**	120
		Finance Lease Facility Principal receivable	**112**	38
		Commitments		
		Off balance sheet exposure	**432**	479
54	**Tata Industries Limited**	**Income**		
		Interest Income on Finance Lease	**205**	286
		Syndication Fees	**158**	80
		Other transactions		
		Finance Lease Facility repayment received during year	**485**	535
		Finance Lease Facility provided during year	**286**	932
		Assets		
		Finance lease accrued income & other receivables / (Payable)	**(12)**	253
		Finance Lease Facility Principal receivable	**1,358**	1,558
		Liabilities		
		Equity shares held	**227**	227
		Commitments		
		Off balance sheet exposure	**380**	448
55	**Automotive Stampings and Assemblies Limited**	**Income**		
		Interest Income on Loan	**207**	521
		Management Fees	**7**	30
		Other transactions		
		Loan given during year	**6,933**	17,368
		Loan repayment received during year	**11,100**	17,675
		Assets		
		Loan accrued interest receivable	**-**	35
		Loan Principal receivable	**-**	4,167
		Commitments		
		Off balance sheet exposure	**-**	2,408
56	**Coastal Gujarat Power Limited**	**Income**		
		Interest Income on Finance Lease	**34**	18
		Management Fees	**-**	2
		Other transactions		
		Finance Lease Facility repayment received during year	**36**	19
		Finance Lease Facility provided during year	**186**	12
		Assets		
		Finance lease accrued income & other receivables / (Payable)	**(6)**	59

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(₹ in lakh)

Sr No	Name of Company	Nature of Transactions	FY 21-22	FY 20-21
		Finance Lease Facility Principal receivable	**245**	95
		Commitments		
		Off balance sheet exposure	**1,650**	185
57	**Fiora Hypermarket Limited**	**Expenses**		
		Commission Expenses	**3**	2
		Other transactions		
		NSR Payment	**287**	269
		Liabilities		
		Balance payable	**1**	-
58	**Ideal Ice & Cold Storage Company Limited**	**Income**		
		Interest Income on Finance Lease	**3**	-
		Assets		
		Finance lease accrued income & other receivables	**55**	-
		Commitments		
		Off balance sheet exposure	**246**	-
59	**Indian Steel & Wire Products Ltd.**	**Income**		
		Interest Income on Finance Lease	**9**	10
		Other transactions		
		Finance Lease Facility repayment received during year	**26**	22
		Finance Lease Facility provided during year	**44**	-
		Assets		
		Finance lease accrued income & other receivables	**4**	2
		Finance Lease Facility Principal receivable	**77**	58
		Commitments		
		Off balance sheet exposure	**1,230**	32
60	**Infiniti Retail Limited**	**Income**		
		Interest Income on Finance Lease	**30**	-
		Interest Income on Loan	**-**	69
		Management Fees	**-**	10
		Operating Lease rental	**32**	134
		Expenses		
		Commission Expenses	**39**	64
		Staff Welfare Expenses	**-**	36
		Other transactions		
		NSR Payment	**1,497**	1,597
		Purchase of Fixed Assets	**-**	1
		Loan given during year	**-**	2,076
		Loan repayment received during year	**-**	2,076
		Finance Lease Facility repayment received during year	**82**	4
		Security deposit received during year	**49**	7

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS

NOTE "42"

Disclosure as required by Indian Accounting Standard (Ind AS) – 24 on "Related Party Disclosures" notified under the Companies (Indian Accounting Standard) Rules, 2015:

(₹ in lakh)

Sr No	Name of Company	Nature of Transactions	FY 21-22	FY 20-21
		Security deposit repaid / adjusted during year	**36**	51
		Finance Lease Facility provided during year	**546**	-
		Assets		
		Balance Receivable*	**-**	-
		Balance Receivable / (Payable)*	**-**	-
		Finance lease accrued income & other receivables / (Payable)	**(3)**	1
		Finance Lease Facility Principal receivable	**479**	14
		Liabilities		
		Security deposit payable	**45**	31
		Commitments		
		Off balance sheet exposure	**694**	5,339
61	**Innovative Retail Concepts Private Limited**	**Expenses**		
		Staff Welfare Expenses	**1**	-
		Liabilities		
		Balance payable*	**-**	-
62	**Jaguar Land Rover Automotive plc**	**Income**		
		Interest Income on Bonds	**231**	109
		Other transactions		
		Investment in Debentures during year	**4,754**	2,097
		Receipts from maturity of Bonds	**-**	1,391
		Assets		
		Investment in Debentures	**6,205**	2,138
63	**Maithon Power Limited**	**Income**		
		Interest Income on Finance Lease	**9**	5
		Other transactions		
		Finance Lease Facility repayment received during year	**11**	9
		Finance Lease Facility provided during year	**52**	-
		Assets		
		Finance lease accrued income & other receivables / (Payable)	**(2)**	44
		Finance Lease Facility Principal receivable	**62**	21
		Commitments		
		Off balance sheet exposure	**1,784**	149
64	**Nelco Limited**	**Income**		
		Interest Income on Finance Lease	**4**	6
		Other transactions		
		Finance Lease Facility repayment received during year	**14**	12
		Assets		
		Finance lease accrued income & other receivables	**18**	1
		Finance Lease Facility Principal receivable	**21**	36

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS

NOTE "42"

Disclosure as required by Indian Accounting Standard (Ind AS) – 24 on "Related Party Disclosures" notified under the Companies (Indian Accounting Standard) Rules, 2015:

(₹ in lakh)

Sr No	Name of Company	Nature of Transactions	FY 21-22	FY 20-21
65	**Piem Hotels Limited**	**Income**		
		Interest Income on Loan	**17**	-
		Management Fees	**5**	-
		Expenses		
		Staff Welfare Expenses	**5**	1
		Other transactions		
		Loan given during year	**495**	-
		Loan repayment received during year	**495**	-
		Commitments		
		Off balance sheet exposure	**1,500**	-
66	**Savis Retail Private Limited**	**Expenses**		
		Staff Welfare Expenses	**1**	-
67	**Supermarket Grocery Supplies Private Limited**	**Income**		
		Interest Income on Loan	**27**	-
		Management Fees	**30**	-
		Other transactions		
		Loan given during year	**5,968**	-
		Loan repayment received during year	**5,968**	-
68	**Tata Communications Collaboration Services Private Limited**	**Expenses**		
		Communication Expenses	**-**	2
69	**Tata Communications Payment Solutions Limited**	**Expenses**		
		Staff Welfare Expenses	**-**	10
70	**Tata Communications Transformation Services Limited**	**Income**		
		Interest Income on Finance Lease *	**-**	1
		Other transactions		
		Finance Lease Facility repayment received during year	**1**	10
		Assets		
		Finance lease accrued income & other receivables / (Payable)*	**-**	-
		Finance Lease Facility Principal receivable*	**-**	2
71	**Tata Digital Private Limited**	**Income**		
		Interest Income on Loan	**4,307**	-
		Expenses		
		Business Promotion Expenses*	**-**	-
		Other transactions		
		Loan given during year	**1,30,000**	-
		Loan repayment received during year	**1,30,000**	-
		Liabilities		
		Balance payable*	**-**	-

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS

NOTE “42”

Disclosure as required by Indian Accounting Standard (Ind AS) – 24 on “Related Party Disclosures” notified under the Companies (Indian Accounting Standard) Rules, 2015:

(₹ in lakh)

Sr No	Name of Company	Nature of Transactions	FY 21-22	FY 20-21
72	**Tata International DLT Private Limited**	**Income**		
		Interest Income on Loan	**-**	15
		Other transactions		
		Loan repayment received during year	**-**	225
73	**Tata Marcopolo Motors Limited**	**Commitments**		
		Off balance sheet exposure	**750**	-
74	**Tata Metaliks Ltd.**	**Income**		
		Interest Income on Finance Lease	**7**	3
		Operating Lease rental	**31**	48
		Other transactions		
		Finance Lease Facility repayment received during year	**16**	8
		Security deposit received during year	**9**	1
		Security deposit repaid / adjusted during year	**-**	2
		Finance Lease Facility provided during year	**74**	18
		Assets		
		Balance Receivable	**1**	-
		Finance lease accrued income & other receivables / (Payable)	**27**	(5)
		Finance Lease Facility Principal receivable	**68**	10
		Liabilities		
		Security deposit payable	**22**	13
		Commitments		
		Off balance sheet exposure	**6,484**	354
75	**Tata Motors Finance Limited**	**Expenses**		
		Rent expenses	**42**	7
		Other transactions		
		Sale of Fixed Asset	**-**	5
		Liabilities		
		Balance payable	**20**	-
76	**Tata Motors Passenger Vehicles Limited**	**Income**		
		Interest Income on Finance Lease	**215**	-
		Other transactions		
		Finance Lease Facility repayment received during year	**141**	-
		Finance Lease Facility provided during year	**2,094**	-
		Assets		
		Finance lease accrued income & other receivables	**691**	-
		Finance Lease Facility Principal receivable	**1,953**	-
		Commitments		
		Off balance sheet exposure	**4,802**	-

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS

NOTE "42"

Disclosure as required by Indian Accounting Standard (Ind AS) – 24 on "Related Party Disclosures" notified under the Companies (Indian Accounting Standard) Rules, 2015:

(₹ in lakh)

Sr No	Name of Company	Nature of Transactions	FY 21-22	FY 20-21
77	**Tata Passenger Electric Mobility Limited**	**Income**		
		Interest Income on Finance Lease	**16**	-
		Other transactions		
		Finance Lease Facility repayment received during year	**2**	-
		Finance Lease Facility provided during year	**145**	-
		Assets		
		Finance lease accrued income & other receivables	**51**	-
		Finance Lease Facility Principal receivable	**143**	-
		Commitments		
		Off balance sheet exposure	**1,950**	-
78	**Tata Power Solar Systems Limited**	**Income**		
		Interest Income on Finance Lease	**37**	26
		Other transactions		
		Finance Lease Facility repayment received during year	**82**	55
		Finance Lease Facility provided during year	**83**	64
		Assets		
		Finance lease accrued income & other receivables / (Payable)	**(13)**	8
		Finance Lease Facility Principal receivable	**208**	138
		Commitments		
		Off balance sheet exposure	**3,413**	-
79	**Tata Power Trading Company Limited**	**Income**		
		Interest Income on Finance Lease *	**-**	1
		Other transactions		
		Finance Lease Facility repayment received during year	**-**	1
		Assets		
		Finance lease accrued income & other receivables*	**-**	-
		Finance Lease Facility Principal receivable	**-**	4
80	**Tata Steel BSL Limited**	**Income**		
		Interest Income on Loan	**2**	-
		Assets		
		Investment in Equity	**-**	6
81	**Tata Steel Utilities and Infrastructure Services Limited**	**Income**		
		Interest Income on Finance Lease	**19**	5
		Operating Lease rental	**-**	14
		Other transactions		
		Sale of Fixed Asset	**-**	25
		Finance Lease Facility repayment received during year	**62**	22
		Security deposit received during year	**21**	-

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS

NOTE "42"

Disclosure as required by Indian Accounting Standard (Ind AS) – 24 on "Related Party Disclosures" notified under the Companies (Indian Accounting Standard) Rules, 2015:

(₹ in lakh)

Sr No	Name of Company	Nature of Transactions	FY 21-22	FY 20-21
		Finance Lease Facility provided during year	**216**	-
		Assets		
		Finance lease accrued income & other receivables*	**-**	1
		Finance Lease Facility Principal receivable	**185**	30
		Liabilities		
		Security deposit payable	**29**	9
		Commitments		
		Off balance sheet exposure	**981**	-
82	**Tata Teleservices (Maharashtra) Limited**	**Expenses**		
		Communication Expenses	**117**	142
		Liabilities		
		Balance payable*	**2**	-
83	**Tata Toyo Radiator Limited**	**Income**		
		Interest Income on Loan	**68**	158
		Management Fees	**-**	11
		Operating Lease rental	**2,086**	1,922
		Other transactions		
		Loan given during year	**-**	2,500
		Loan repayment received during year	**2,500**	-
		Security deposit received during year	**22**	210
		Security deposit repaid / adjusted during year	**-**	4
		Assets		
		Balance Receivable	**2,053**	-
		Loan accrued interest receivable	**-**	18
		Loan Principal receivable	**-**	2,500
		Liabilities		
		Security deposit payable	**1,188**	1,154
		Commitments		
		Off balance sheet exposure	**286**	286
84	**TML Business Services Limited (formerly Concorde Motors (India) Limited)**	**Income**		
		Foreclosure Charges	**42**	-
		Interest Income on Finance Lease	**11**	-
		Operating Lease rental	**-**	28
		Other transactions		
		Sale of Fixed Asset	**13**	-
		Commitments		
		Off balance sheet exposure	**42**	-
85	**TP Ajmer Distribution Limited**	**Income**		
		Interest Income on Finance Lease	**1**	4
		Other transactions		
		Finance Lease Facility repayment received during year	**1**	4

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS

NOTE "42"

Disclosure as required by Indian Accounting Standard (Ind AS) – 24 on "Related Party Disclosures" notified under the Companies (Indian Accounting Standard) Rules, 2015:

(₹ in lakh)

Sr No	Name of Company	Nature of Transactions	FY 21-22	FY 20-21
		Finance Lease Facility provided during year	**9**	6
		Assets		
		Finance lease accrued income & other receivables*	**-**	2
		Finance Lease Facility Principal receivable	**32**	24
		Commitments		
		Off balance sheet exposure	**1,650**	-
86	**TP Central Odisha Distribution Limited**	**Income**		
		Interest Income on Finance Lease	**30**	-
		Other transactions		
		Finance Lease Facility repayment received during year	**35**	-
		Finance Lease Facility provided during year	**128**	-
		Assets		
		Finance lease accrued income & other receivables / (Payable)	**(2)**	93
		Finance Lease Facility Principal receivable	**93**	-
		Commitments		
		Off balance sheet exposure	**1,698**	128
87	**TP Luminaire Private Limited**	**Income**		
		Interest Income on Loan	**642**	521
		Processing Fees	**-**	56
		Other transactions		
		Loan given during year	**-**	10,052
		Loan repayment received during year	**8,448**	1,604
		Assets		
		Loan accrued interest receivable	**-**	8
		Loan Principal receivable	**-**	8,448
		Commitments		
		Off balance sheet exposure	**-**	2,105
88	**TP Northern Odisha Distribution Limited**	**Income**		
		Interest Income on Finance Lease	**3**	-
		Other transactions		
		Finance Lease Facility repayment received during year	**2**	-
		Finance Lease Facility provided during year	**28**	-
		Assets		
		Finance lease accrued income & other receivables	**16**	-
		Finance Lease Facility Principal receivable	**27**	-
		Commitments		
		Off balance sheet exposure	**3,452**	-

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS

NOTE "42"

Disclosure as required by Indian Accounting Standard (Ind AS) – 24 on "Related Party Disclosures" notified under the Companies (Indian Accounting Standard) Rules, 2015:

(₹ in lakh)

Sr No	Name of Company	Nature of Transactions	FY 21-22	FY 20-21
89	**TP Southern Odisha Distribution Limited**	**Income**		
		Operating Lease rental*	**-**	-
		Commitments		
		Off balance sheet exposure	**3,487**	-
90	**TP Western Odisha Distribution Limited**	**Income**		
		Interest Income on Finance Lease	**2**	-
		Other transactions		
		Finance Lease Facility repayment received during year	**1**	-
		Finance Lease Facility provided during year	**47**	-
		Assets		
		Finance lease accrued income & other receivables	**10**	-
		Finance Lease Facility Principal receivable	**46**	-
		Commitments		
		Off balance sheet exposure	**3,417**	-
91	**United Hotels Limited**	**Income**		
		Interest Income on Finance Lease	**4**	5
		Expenses		
		Staff Welfare Expenses	**1**	-
		Other transactions		
		Finance Lease Facility repayment received during year	**4**	3
		Finance Lease Facility provided during year	**11**	-
		Assets		
		Finance lease accrued income & other receivables	**4**	2
		Finance Lease Facility Principal receivable	**32**	25
		Commitments		
		Off balance sheet exposure	**35**	53
92	**The Associated Building Company Limited**	**Income**		
		Interest Income on Loan	**16**	1
		Other transactions		
		Loan given during year	**-**	300
		Loan repayment received during year	**256**	44
		Assets		
		Loan accrued interest receivable	**-**	1
		Loan Principal receivable	**-**	256
		Commitments		
		Off balance sheet exposure	**-**	44
93	**Air International TTR Thermal Systems Private Limited**	**Income**		
		Operating Lease rental	**29**	29
		Assets		
		Balance Receivable	**27**	-

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS

NOTE "42"

Disclosure as required by Indian Accounting Standard (Ind AS) – 24 on "Related Party Disclosures" notified under the Companies (Indian Accounting Standard) Rules, 2015:

(₹ in lakh)

Sr No	Name of Company	Nature of Transactions	FY 21-22	FY 20-21
		Liabilities		
		Security deposit payable	**18**	18
		Commitments		
		Off balance sheet exposure	**823**	823
94	**Land kart Builders Private Limited**	**Income**		
		Referral Fees	**2**	-
		Assets		
		Balance Receivable	**2**	-
95	**Mikado Realtors Private Limited**	**Income**		
		Interest Income on Loan*	**-**	283
		Management Fees	**-**	2
		Other transactions		
		Loan given during year	**-**	1,250
		Loan repayment received during year	**-**	2,750
		Commitments		
		Off balance sheet exposure	**-**	550
96	**Tata AutoComp GY Batteries Private Limited**	**Income**		
		Interest Income on Loan	**6**	36
		Management Fees	**-**	4
		Other transactions		
		Loan given during year	**1,000**	2,540
		Loan repayment received during year	**1,000**	2,540
97	**Tata Boeing Aerospace Limited**	**Income**		
		Interest Income on Finance Lease	**1**	1
		Other transactions		
		Finance Lease Facility repayment received during year	**2**	2
		Finance Lease Facility provided during year	**-**	3
		Assets		
		Finance lease accrued income & other receivables / (Payable)*	**-**	-
		Finance Lease Facility Principal receivable	**4**	6
		Commitments		
		Off balance sheet exposure	**138**	138
98	**Tata Ficosa Automotive Systems Private Limited**	**Income**		
		Interest Income on Loan	**25**	4
		Invoice Discounting	**-**	65
		Management Fees	**-**	3
		Other transactions		
		Loan given during year	**1,400**	1,003
		Loan repayment received during year	**2,400**	3
		Assets		
		Loan accrued interest receivable	**-**	4
		Loan Principal receivable	**-**	1,000

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS

NOTE "42"

Disclosure as required by Indian Accounting Standard (Ind AS) – 24 on "Related Party Disclosures" notified under the Companies (Indian Accounting Standard) Rules, 2015:

(₹ in lakh)

Sr No	Name of Company	Nature of Transactions	FY 21-22	FY 20-21
99	**Tata Lockheed Martin Aerostructures Limited**	**Income**		
		Interest Income on Finance Lease	**2**	5
		Other transactions		
		Finance Lease Facility repayment received during year	**13**	17
		Assets		
		Finance lease accrued income & other receivables / (Payable)	**13**	(1)
		Finance Lease Facility Principal receivable	**10**	30
100	**Tata Precision Industries (India) Limited**	**Income**		
		Interest Income on Loan	**3**	5
		Management Fees	**1**	-
		Other transactions		
		Loan given during year	**96**	-
		Loan repayment received during year	**23**	23
		Assets		
		Loan accrued interest receivable*	**1**	-
		Loan Principal receivable	**96**	23
101	**Tata Sikorsky Aerospace Limited**	**Income**		
		Interest Income on Finance Lease	**9**	2
		Other transactions		
		Finance Lease Facility repayment received during year	**15**	5
		Finance Lease Facility provided during year	**44**	12
		Assets		
		Finance lease accrued income & other receivables	**12**	28
		Finance Lease Facility Principal receivable	**48**	19
		Commitments		
		Off balance sheet exposure	**53**	80
102	**Sir Dorabji Tata Trust**	**Expenses**		
		CSR Expenditure	**-**	50
103	**Emerald Haven Realty Limited**	**Income**		
		Interest Income on Loan	**603**	-
		Other transactions		
		Loan repayment received during year	**2,037**	-
		Assets		
		Loan accrued interest receivable	**59**	-
		Loan Principal receivable	**4,183**	-
104	**Tata Chemicals Limited**	**Liabilities**		
		Equity shares held	**323**	323

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NOTE "42"

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(₹ in lakh)

Sr No	Name of Company	Nature of Transactions	FY 21-22	FY 20-21
105	**Tata Investment Corporation Limited**	**Liabilities**		
		Equity shares held	**7,720**	7,720
106	**Af-Taab Investment Company Limited (Merged with The Tata Power Company Limited w.e.f. 15.03.2022)**	**Liabilities**		
		Equity shares held	**233**	233
107	**Mrs Sangeeta Sabharwal (Relative of KMP)**	**Expenses**		
		Dividend paid on Cumulative Redeemable Preference shares	**4**	4
		Liabilities		
		Cumulative Redeemable Preference Shares	**50**	50
108	**Key Management Personnel (KMP)**	**Expenses**		
		Remuneration to KMP		
		Short Term Employee Benefits	**1,364**	1,025
		Post Employment Benefits	**42**	55
		Other Long Term benefits	**-**	
		Termination benefits	**-**	40
		Director Sitting Fees & Commission		
		Director Sitting Fees & Commission (on payment basis)	**129**	126
		Dividend paid on Cumulative Redeemable Preference shares	**7**	15
		Other Transactions		
		Issue of Cumulative Redeemable Preference Shares	**-**	-
		Interest paid on application money	**-**	-
		Redemption of Cumulative Redeemable Preference shares	**-**	30
		Premium paid on redemption of Cumulative Redeemable Preference shares	**-**	-
		Liabilities		
		Equity Shares held	**35**	35
		Cumulative Redeemable Preference shares held	**100**	183
		Share based payments (No. of Shares)		
		Options granted	**22,00,287**	20,70,000
		Options exercised	**-**	-
		Total Options granted till date	**86,55,498**	64,55,211
		Total Options exercised till date	**7,60,211**	7,60,211

* Amount less than ₹ 50,000/-

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS

Note 43: Fair values of financial instruments

See accounting policy in Note 2(xiii)

A. Valuation models

The Group measures fair values using the following fair value hierarchy, which reflects the significance of the inputs used in making the measurements:

a) Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the Group can access at measurement date

b) Level 2 inputs are inputs, other than quoted prices included within level 1, that are observable for the asset or liability, either directly or indirectly; (i.e. derived from prices). This category includes instruments valued using: quoted market prices in active markets for similar instruments; quoted prices for identical or similar instruments in markets that are considered less than active; or other valuation techniques in which all significant inputs are directly or indirectly observable from market data.

c) Level 3 inputs are unobservable inputs for the valuation of assets or liabilities that the Group can access at measurement date. This category includes all instruments for which the valuation technique includes inputs that are not observable and the unobservable inputs have a significant effect on the instrument's valuation. This category includes instruments that are valued based on quoted prices for similar instruments for which significant unobservable adjustments or assumptions are required to reflect differences between the instruments. Valuation techniques include net present value and discounted cash flow models, income approach, comparison with similar instruments for which observable market prices exist, option pricing models and other valuation models. Assumptions and inputs used in valuation techniques include risk-free returns, benchmark interest rates and credit spreads used in estimating discount rates, bond and equity prices, foreign currency exchange rates, equity and equity index prices and expected price volatilities and correlations.

The objective of valuation techniques is to arrive at a fair value measurement that reflects the price that would be received to sell the asset or paid to transfer the liability in an orderly transaction between market participants at the measurement date.

The Group uses widely recognised valuation models to determine the fair value of financial instruments, such as forward rate agreement, that use only observable market data and require little management judgement and estimation. Observable prices or model inputs are usually available in the market for listed equity securities. The availability of observable market prices and model inputs reduces the need for management judgement and estimation and also reduces the uncertainty associated with determining fair values.

For more complex instruments, the Group uses proprietary valuation models, which are usually developed from recognised valuation models. Some or all of the significant inputs into these models may not be observable in the market, and may be derived from market prices or rates or estimated based on assumptions. Valuation models that employ significant unobservable inputs require a higher degree of management judgement and estimation in the determination of fair value. Management judgement and estimation are usually required for the selection of the appropriate valuation model to be used, determination of expected future cash flows on the financial instrument being valued, determination of the probability of counterparty default and prepayments, determination of expected volatilities and correlations and selection of appropriate discount rates.

Fair value estimates obtained from models are adjusted for any other factors, such as liquidity risk or model uncertainties, to the extent that the Group believes that a third party market participant would take them into account in pricing a transaction. Fair values reflect the credit risk of the instrument and include adjustments to take account of the credit risk of the Group and the counterparty where appropriate. Model inputs and values are calibrated against historical

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS

data, where possible, against current or recent observed transactions in different instruments. This calibration process is inherently subjective and it yields ranges of possible inputs and estimates of fair value, and management uses judgement to select the most appropriate point in the range.

Discounting of the cash flows of financial asset/ financial liability for computing the fair value of such instrument: the future contractual cash flows of instrument over the remaining contractual life of the instrument are discounted using comparable rate of lending/borrowing as applicable to financial asset/ financial liability in the month of reporting for a similar class of instruments. For shorter tenure financial assets such as channel finance, the remaining tenure is assumed to be six months.

Derivatives held for risk management :

The Group enters into structured derivatives to mitigate the currency exchange risk. Some of these instruments are valued using models with significant unobservable inputs, principally expected long-term volatilities and expected correlations between different underlyings.

B. Valuation framework

The Group has a established a policy for the measurement of fair values addressing the requirement to independently verify the results of all significant fair value measurements. Specific controls include:

1) verification of observable pricing basis actual market transactions;

2) re-performance of model valuations;

3) a review and approval process for new models and changes to model;

4) annual calibration and back-testing of models against observed market transactions;

5) analysis and investigation of significant annual valuation movements; and

6) review of significant unobservable inputs, valuation adjustments and significant changes to the fair value measurement of Level 3 instruments compared with the previous year.

When third party information, such as valuation agency report is used to measure fair value, the Group assesses the documents and evidence used to support the conclusion that the valuations meet the requirements of Ind AS. This includes:

1) understanding how the fair value has been arrived at, the extent to which it represents actual market transactions and whether it represents a quoted price in an active market for an identical instrument;

2) when prices for similar instruments are used to measure fair value, how these prices have been adjusted to reflect the characteristics of the instrument subject to measurement; and

3) if a number of quotes for the same financial instrument have been obtained, then how fair value has been determined using those quotes.

C. Financial assets and liabilities

The carrying value of financial instruments by categories as at March 31, 2022 is as follows:

(₹ in lakh)

Particulars	Fair value through Profit or Loss	Fair Value through Other Comprehensive Income	Amortised cost	Total Carrying Value
Financial Assets:				
Cash and cash equivalents	-	-	2,08,162	2,08,162
Bank balances other than Cash and cash equivalents above	-	-	5,420	5,420
Derivative assets	-	3,521	-	3,521
Trade receivables	-	-	3,233	3,233
Other receivables	-	-	22	22
Loans including credit substitutes	2,519	36,777	89,72,840	90,12,136
Investments (Other than associates)	4,26,800	16,152	2,35,056	6,78,008
Other financial assets	-	-	25,059	25,059
Total	**4,29,319**	**56,450**	**94,49,792**	**99,35,561**
Financial Liabilities:				
Derivative liabilities	-	34,305	-	34,305
Payables	-	-	1,02,597	1,02,597
Debt securities	-	-	40,69,140	40,69,140
Borrowings	-	-	38,63,992	38,63,992
Subordinated liabilitites	-	-	6,88,845	6,88,845
Lease liabilities	-	-	12,345	12,345
Other financial liabilities	-		1,27,750	1,27,750
Total	**-**	**34,305**	**88,64,669**	**88,98,974**

The carrying value of financial instruments by categories as at March 31, 2021 is as follows:

(₹ in lakh)

Particulars	Fair value through Profit or Loss	Fair Value through Other Comprehensive Income	Amortised cost	Total Carrying Value
Financial Assets:				
Cash and cash equivalents	-	-	2,02,691	2,02,691
Bank balances other than Cash and cash equivalents above	-	-	2,372	2,372
Derivative assets	-	1,154	-	1,154
Trade receivables	-	-	2,663	2,663
Other receivables	-	-	7	7

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS

(₹ in lakh)

Particulars	Fair value through Profit or Loss	Fair Value through Other Comprehensive Income	Amortised cost	Total Carrying Value
Loans including credit substitutes	1,000	85,514	72,76,121	73,62,635
Investments (Other than associates)	2,53,480	6,575	1,22,273	3,82,328
Other financial assets	-	-	57,470	57,470
Total	**2,54,480**	**93,243**	**76,63,597**	**80,11,320**
Financial Liabilities:				
Derivative liabilities	-	21,555	-	21,555
Payables	-	-	80,974	80,974
Debt securities	-	-	31,93,375	31,93,375
Borrowings	-	-	31,22,451	31,22,451
Subordinated liabilitites	-	-	5,90,482	5,90,482
Lease liabilities	-	-	10,243	10,243
Other financial liabilities	-	-	1,44,972	1,44,972
Total	**-**	**21,555**	**71,42,497**	**71,64,052**

Investment in associates:

The Group has elected to measure Investment in associates at cost and accordingly the requirement of disclosure of fair value of the instrument under Ind AS 107 does not apply.

The following table summarises financial assets and liabilities measured at fair value on a recurring basis:

As at March 31, 2022 (₹ in lakh)

Particulars	Level 1	Level 2	Level 3	Total
Financial Assets:				
Investments				
Mutual fund units	-	3,06,096	-	3,06,096
Equity Shares	58,882	-	28,121	87,003
Structured product	-	2,193	-	2,193
Multi Asset Fund	-	-	4,850	4,850
Alternate Investment Funds	-	-	2,806	2,806
Venture Capital Fund	-	-	22,443	22,443
Preference shares	1,392	-	-	1,392
Security Receipts	-	17	-	17
Debt securities	16,152	-	-	16,152
Loans including credit substitutes *	-	-	39,296	39,296
Derivative asset	-	3,521	-	3,521
Total	**76,426**	**3,11,827**	**97,516**	**4,85,769**

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS

Particulars	Level 1	Level 2	Level 3	Total
Financial Liabilities:				
Derivative liabilities	-	34,305	-	34,305
Total	**-**	**34,305**	**-**	**34,305**

As at March 31, 2021 (₹ in lakh)

Particulars	Level 1	Level 2	Level 3	Total
Financial Assets:				
Investments				
Mutual fund units	-	1,52,557	-	1,52,557
Equity Shares	11,552	-	61,079	72,631
Structured product	-	2,210	-	2,210
Multi Asset Fund	-	-	3,581	3,581
Alternate Investment Funds	-	-	2,412	2,412
Venture Capital Fund	-	-	17,888	17,888
Preference shares	2,111	-	-	2,111
Security Receipts	-	90	-	90
Debt securities	6,575	-	-	6,575
Loans including credit substitutes	-	-	86,514	86,514
Derivative asset	-	1,154	-	1,154
Total	**20,238**	**1,56,011**	**1,71,474**	**3,47,723**

Particulars	Level 1	Level 2	Level 3	Total
Financial Liabilities:				
Derivative liabilities	-	21,555	-	21,555
Total	**-**	**21,555**	**-**	**21,555**

The following table summarises disclosure of fair value of financial assets and liabilities measured at amortised cost:

(₹ in lakh)

Particulars	As at March 31, 2022		As at March 31, 2021	
	Carrying Value	Fair value	Carrying Value	Fair value
Financial Assets at amortised cost:				
Loans including credit substitutes	**89,72,840**	**91,45,796**	72,76,121	75,19,504
Investments (Other than in Associates)	**2,35,056**	**2,31,873**	1,22,273	1,22,666
Total	**92,07,896**	**93,77,669**	**73,98,394**	**76,42,170**
Financial Liabilities at amortised cost:				
Borrowings (includes debt securities and subordinated liabilities)	**86,21,977**	**86,46,262**	69,06,308	69,08,797
Total	**86,21,977**	**86,46,262**	**69,06,308**	**69,08,797**

Carrying amounts of cash and cash equivalents, trade receivables, loans and trade and other payables as on March 31, 2022 and March 31, 2021 approximate the fair value because of their short-term nature. Difference between carrying amounts and fair values of bank deposits, other

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS

financials assets, other financial liabilities and borrowings subsequently measured at amortised cost is not significant in each of the years presented.

Fair value of the Financial intruments measured at amortised cost

The fair value of loans given is based on observable market transactions, to the extent available. Wherever the observable market transactions are not available, fair value is estimated using valuation models, such as discounted cash flow techniques. Input into the valuation techniques includes interest rates, prepayment rates, primary origination or secondary market spreads. Input into the models may include information obtained from other market participants, which includes observed primary and secondary transactions.

To improve the accuracy of the valuation estimate for retail and smaller commercial loans, homogeneous loans are grouped into portfolios with similar characteristics such as product.

The fair value of borrowings from banks is estimated using discounted cash flow techniques, applying the rates that are offered for loans of similar maturities and terms.

T bills and Governemnt securities are valued based on market quotes.

D The following table summarises valuation techniques used to determine fair value, fair value measurements using significant unobservable inputs (Level 3) and valuation inputs and relationship to fair value:

(₹ in lakh)

Financial instruments	Fair value		Fair value hierarchy	Valuation technique(s) and key input(s)	Significant unobservable input(s)	Relationship of unobservable inputs to fair value
	As at March 31, 2022	As at March 31, 2021				
Equity Shares - unquoted	28,121	61,079	Level 3	1. Valuation is based on Net asset value method which is based on the asset and liabilities values as per the Latest financial statements of the investee company 2. Valuation is based on market approach”	1. Annual revenue is based on the earnings for the latest financial year 2. LTM EV to Revenue Multiple : 10.5x (Previous year: LTM EV to Gross Premium Multiple : 3.25x , LTM Price to BV Multiple : 5.50x, LTM EV to Revenue Multiple : 12.0x)	1. The estimated fair value would increase (decrease) if the annual revenue growth were higher (lower) 2. If the LTM EV/ Gross Premium multiples/P/BV Multiples/Revenue multiple is higher/ lower while all of the other variables were held constant, the carrying amount of the investment would increase/decrease.
Compulsorily Convertible Debenture	2,519	1,000	Level 3	Valuation is based on the transaction price at inception (including interest accrued) due to illiquid nature of Investment and the immaterial option value.	Transaction price at inception	Higher/(lower) the transaction price higher/(lower) the fair value of loans
Loans	36,777	85,514	Level 3	Discounted cash flows.	Discounting rate : 9% (previous year : 10%) and future cash flows.	Higher the discounting rate lower the fair value of loans

(₹ in lakh)

Financial instruments	Fair value		Fair value hierarchy	Valuation technique(s) and key input(s)	Significant unobservable input(s)	Relationship of unobservable inputs to fair value
	As at March 31, 2022	As at March 31, 2021				
Alternative Investment Fund	**2,806**	2,412	Level 3	Net asset value	Net Asset Value	Higher the Net Asset Value higher the fair value of unquoted units
Multi Asset Fund	**4,850**	3,581	Level 3	Net asset value	Net Asset Value	Higher the Net Asset Value higher the fair value of unquoted units
Venture capital fund	**22,443**	17,888	Level 3	Net asset value	Net Asset Value	Higher the Net Asset Value higher the fair value of unquoted units
Financial Assets at FVTPL/FVTOCI	**94,997**	**1,70,474**				

Certain listed equity investments are carried at Nil value on account of low trading. Fair value of the unquoted equity investment received upon settlement of loan has been considered at Nil value as the company is under liquidation process.

E Sensitivity disclosure for level 3 fair value measurements:

Particulars	Unobservable input	Sensitivity	Impact of change in rates on Total Comprehensive Income			
			As at March 31, 2022		As at March 31, 2021	
			Favourable	Unfavourable	Favourable	Unfavourable
Equity Shares	Net Asset Value and other valuation input	1%	**315**	**(305)**	362	(462)
Compulsorily Convertible Debenture	Transaction price	1%	**25**	**(25)**	10	(10)
Loans	Discounting rate	1%	**374**	**(367)**	869	(852)
Alternative Investment Fund	Net Asset Value	1%	**8**	**(8)**	4	(4)
Multi Asset Fund	Net Asset Value	1%	**49**	**(49)**	36	(36)
Venture capital fund	Net Asset Value	1%	**224**	**(224)**	179	(179)

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E Level 3 fair value measurements

The following table shows a reconciliation from the beginning balances to the ending balances for fair value measurements in Level 3 of the fair value hierarchy:

(₹ in lakh)

Particulars	FVTOCI	FVTPL	FVTPL	Total
	Loans	Loans	Investments	
As at April 1, 2021	**85,514**	**1,000**	**84,960**	**1,71,474**
Total gains or losses:				
recognised in profit or loss	**-**	**-**	**8,999**	**8,999**
in OCI	**(156)**	**-**	**-**	**(156)**
Purchases	**5,433**	**1,519**	**510**	**7,462**
Settlements	**(54,014)**	**-**	**(2,225)**	**(56,239)**
Foreign currency transalations			**776**	**776**
Transfers into Level 3	**-**	**-**	**-**	**-**
Transfers out of Level 3	**-**	**-**	**(34,800)**	**(34,800)**
As at March 31, 2022	**36,777**	**2,519**	**58,220**	**97,516**

(₹ in lakh)

Particulars	FVTOCI	FVTPL	FVTPL	Total
	Loans	Loans	Investments	
As at April 1, 2020	**67,696**	**-**	**33,074**	**1,00,770**
Total gains or losses:	-	-	-	-
in profit or loss	-	-	24,051	24,051
in OCI	483	-	-	483
Purchases	31,285	-	28,227	59,512
Settlements	(13,950)	-	-	(13,950)
Foreign currency transalations			(392)	(392)
Transfers into Level 3	-	1,000	-	1,000
Transfers out of Level 3	-	-	-	-
As at March 31, 2021	**85,514**	**1,000**	**84,960**	**1,71,474**

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NOTE "44"

RISK MANAGEMENT FRAMEWORK

A Introduction;

As a financial institution, Group is exposed to various types of risks namely credit risk, liquidity risk, market risks, operational risk, strategic risk (including emerging & external risks) and compliance & reputation risk. We have adopted a holistic and data driven enterprise level risk management approach which includes monitoring both internal and external indicators.

We as an organization periodically adjust our strategy in cognizance with industry risk dynamics and emergence of new challenges and opportunities.

The purpose of risk management is the creation and protection of value. Group's risk management framework has been laid down with long term sustainability and value creation keeping in mind:

- Build profitable and sustainable business with conservative risk management approach.
- Have risk management as an integral part of the organization's business strategy.
- Undertake businesses that are well understood and within acceptable risk appetite.
- Manage the risks proactively across the organization.
- Adopt best risk management practices with resultant shareholder value creation and increased stakeholder confidence.
- Develop a strong risk culture across the organization.

The risk management practices of Tata Capital and its subsidiaries are compliant with ISO 31000: 2018 which is the international standard for risk management that lays down principles, guidelines and framework for risk management in an organisation.

B Group's Risk Management framework for measuring and managing risk:

Risk management framework:

Group's Risk Management is an integral part of all organizational activities. The structured approach contributes to consistent and comparable results along with customization of external and internal objectives. Important pillars of the risk management approach are developing a strong risk management culture within Tata Capital and subsidiaries through alignment of risk by creating, preserving and realizing value.

A comprehensive Enterprise Risk Management ("ERM") Framework has been adopted across Group which uses defined Key Risk Indicators based on quantitative and qualitative factors. We have implemented two-dimensional quantitative data management tool - Heat Map which enables management to have a comprehensive view of 9 identified key risk areas based on their probability and impact.

The 9 categories of risks identified and monitored by the Group are Credit Risk, Market Risk, Process, People, Outsourcing, Technology, Business Continuity, Cyber Security and Reputation risk.

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Nature of Risk	Framework	Governing Committees
Credit Risk	Enterprise Risk Management Various Credit Policies, Portfolio review and trigger monitoring	Risk Management Committee of the Board Investment Credit Committee of the Board Credit Committees
Market Risk	Enterprise Risk Management Asset Linked Market Policy	Risk Management Committee of the Board Asset Liability Management Committee of the Board
Process Risk	Operational Risk Policy	Operational Risk Management Committee
People Risk	Operational Risk Policy HR Policies	Risk Management Committee of the Board Operational Risk Management Committee
Outsourcing	Operational Risk Policy Outsourcing Policy	Risk Management Committee of the Board Operational Risk Management Committee
Technology	Operational Risk Policy Information Technology Policy	Risk Management Committee of the Board IT Strategy Committee of the Board
Business Continuity	Operational Risk Policy Business Continuity Management Policy	Operational Risk Management Committee
Cyber Security	Information & Cyber Security Policy	Risk Management Committee of the Board IT Strategy Management Committee of the Board
Reputational Risk	Enterprise Risk Management Framework Ethics Policy POSH Policy Tata Code of Conduct	Risk Management Committee of the Board

The Board is assisted by Risk Management Committee of the Board ('RMC') and is supported by various Board and Senior management committees as part of the Risk Governance framework to ensure that the Group has sound system of risk management and internal controls.

Board level committees

Risk Management Committee of the Board (RMC): The purpose of the Committee is to assist the Board in its oversight of various risks (i) Credit Risk (ii) Market and Liquidity Risk (iii) Operational Risk (Process, People, Outsourcing, Technology, Business Continuity and Fraud) (iv) Strategic Risks (including emerging and external risks) (v) Reputation Risk (vi) Information Security & Cyber Security Risk.

Investment Credit Committee of the Board (ICC): Provides guidance on nature of investments that shall be undertaken, and approve credit limits for various counterparties, where exposures in aggregate exceed a certain level.

Asset Liability Management Committee of the Board (ALCO): ALCO reviews the Liquidity Risk and Interest Rate Risk on a regular basis and suggests necessary actions based on its view and expectations on the liquidity and interest rate profile.

IT Strategy Committee: Reviews and approves IT strategy and policies. Monitors IT resources required to achieve strategic goals and ensure that maximum value is delivered to business.

The Group's risk management policies are established to identify and analyse the risks faced by the Group, to set appropriate risk limits and controls, and to monitor risks and adherence to limits. The risk management policies and systems are reviewed regularly to reflect changes in the market conditions and the activities of the Group. The Group, through its training and management standards and procedures, aims to develop a disciplined and constructive control environment in which all employees understand their roles and obligations. The Risk Management Committee reviews risk management policies of the Group pertaining to credit, market, liquidity and operational risks. It oversees the monitoring of compliances with the risk management policies and procedures and reviews the adequacy of the risk management framework in relation to the risks faced by the Group.

The Audit Committee is assisted in its oversight role by Internal Audit. Internal Audit undertakes both regular and ad-hoc reviews of risk management controls and procedures, the results of which are reported to the Audit Committee.

Senior Management Committees

a) Management Credit Committee (MCC): The members of committee are senior management of the Group as defined in the prevailing delegation of authority. It recommends proposal including review to ICC / Board for loan facilities falling beyond assigned Delegation of Power and Authority. The committee is governed as per the delegation of authority applicable to the Group.

b) Operational Risk Management Committee (ORMC): ORMC is the oversight committee for ensuring effective management of operational risks. The committee reviews and approves the following:

   - Operational risk management policy and including amendments if any.
   - Insurance management framework.
   - Corrective actions on operational risk incidents, based on analysis of the Key Risk Indicators (KRIs), operational risk process reviews, etc.
   - Operational risk profile based on the KRIs which are beyond the tolerance limit

c) Fraud Risk Management Committee (FRMC): An independent Fraud Risk Management Committee (FRMC) comprising of top management representatives has been constituted that reviews the matters related to fraud risk and approves/recommends actions against frauds.

Business Unit Level Committees

There are various committees that exist at the business level for credit sanctions, monitoring and reviews such as Credit Committee (CC), Credit Monitoring Committee (CMC), Credit & Collection review, Retail Risk Review (RRR) for retail business.

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C Group's Risk Management Approach for handling various type of risks

a) Credit risk;

The Credit Risk management framework is based on the philosophy of First and Second line of Defence with underwriting being responsibility of Credit department and controls around policies and processes are driven by Risk department. Each process and business verticals have Credit underwriting, Risk analytics, Policy and Operational Risk unit. Delegation of Authority is defined based on value at risk and deviation matrix as approved by the Board.

The Group has reviewed Credit policies from time to time based on macroeconomic scenarios, pandemic and government scheme/grants, we have robust early warning signals process to ensure resilience in the policy framework for adopting changing business scenario and to mitigate various business risks.

Group's approach to rigorous portfolio review driven by analytics helps us to take corrective action proactively and to have a resilient underwriting policy and processes for Retail, SME and Corporate portfolio.

Group has a strong fraud risk and vigilance framework to weed out fraudulent customers from system at the time of origination with support of analytical tools. Identified fraud cases in the portfolio are reviewed basis detailed root cause analysis and reported to regulator. Process improvements based on root cause analysis are implemented to control such foreseen losses in future.

Introduction of new products are based on market potential, Operational risk, Credit risk and Compliance risks. All new product launches are signed off by Risk department to mitigate key risks arising while developing strategy around launching of new product. All innovative process changes/digitization goes through rigour of risk review and highlighting risk associated with change of the process and mitigants around the same. All introduction of new products goes through a complete governance process and are approved by Board/respective committees.

Measures taken to recover from COVID pandemic:

The Group is taking following measures to recover from COVID pandemic for sustainable growth and maintaining a diversified and resilient portfolio.

i. Increased engagement with the customers through dedicated relationship manager and collection team

ii. Policy intervention by way of sector and geography analysis based on pandemic impact

iii. Strengthened credit assessment process

iv. Realigning the product suite by way of differentiated product mix offering to different segments of borrowers

v. Increased geographical diversification of portfolio

vi. Enhanced portfolio and account level monitoring measures

vii. Digitization of key processes enabling better and real time portfolio monitoring.

viii. Strengthening of the collection infrastructure

ix. Review of one-time restructured loans and CGTMSE government guarantee portfolio

b) Market risk;

Market risk is risk due to change in market prices – e.g. interest rates, equity prices, foreign exchange rates and credit spreads, but not relating to changes in the obligor's/issuer's credit standing and will affect the Group's income or the value of its holdings of financial instruments.

The objective of the Group's market risk management is to manage and control market risk exposures within acceptable risk tolerances levels to ensure the solvency and minimum volatility while optimising the balance between profitability and managing associated risks.

Under Liquidity Risk Management (LRM) framework for the Group, ALCO sets up limits for each significant type of risk/aggregated risk with liquidity being a primary factor in determining the level of limits. The monitoring of risk limits defined as per ALM policy is done by ALCO on regular basis. The Group has Asset Liability Management (ALM) support group prescribed by RBI which meets on regular basis to ensure internal controls and reviews the liquidity risk management of the group.

Interest rate risk:

Interest rate risk is measured through Interest rate sensitivity report where gaps are being monitored classifying all rate sensitive assets and rate sensitive liabilities into various time period categories according to earliest of contracted/behavioural maturities or anticipated re-pricing date. The Group monitors interest rate risk through traditional gap and duration gap approaches on a monthly basis. The interest rate risk limits are approved by the ALCO.

Refer Note No 45 .C.i for summary on sensitivity to a change in interest rates as on 31st March 2022.

Currency Risk

The Group is exposed to currency risk arising due to external commercial borrowings. The foreign currency loan in form of external commercial borrowing (ECB) raised by the Group are fully hedged basis.

The hedging policy as approved by the Asset Liability Committee (ALCO) prescribes the hedging of the risk associated with change in the interest rates and fluctuation of foreign exchange rates. Counter party risk is reviewed periodically in terms of exposure to various counter parties.

The Group's hedging policy guides effective hedging relationships to be considered as hedges as per the relevant Ind AS. Hedge effectiveness is determined at the inception of the hedge relationship and through periodic prospective effectiveness assessments to ensure that an economic relationship exists between the hedged item and hedging instrument. The Group enters into hedge relationships where the critical terms of the hedging instrument match with the terms of the hedged item, and so a qualitative and quantitative assessment of effectiveness is performed. All hedges entered by the Group are cash flow hedges.

Refer Note No 45.C.ii & iii for gist of foreign currency risk exposure as on 31st March 2022.

Equity price risk

The Group investments in equity carry a risk of adverse price movement. To mitigate pricing risk emerging from investments in equity, the Group intermittently observes the performance of sectors and measures MTM gains/losses as per applicable accounting policy of the group.

Liquidity risk;

Liquidity Risk is the risk that a Group will encounter difficulties in meeting its short-term financial obligations due to an asset– liability mismatch or interest rate fluctuations. The liquidity risk is being managed as per ALM policy which has following key elements:

i) ALCO sets the strategy for managing liquidity risk commensurate with the business objectives;

ii) ALCO has set various gap limits for tracking liquidity risk.

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iii) The ALM policy is being reviewed on annual basis, including the risk tolerance, process and control. ALCO monitors the liquidity and interest rate gaps on regular basis.

iv) Group manages the liquidity position on a day-to-day basis and reviews daily reports covering the liquidity position. The regulatory compliance to the liquidity risk related limits are being ensured.

v) The group is fully complied to the Liquidity Coverage Ratio (LCR) framework as mandated by RBI.

Group's liquidity risk management strategy are as follows:

a. Maintaining a diversified funding through market and bank borrowings resources such as debentures, commercial papers, subordinated debt, perpetual debt, Inter-corporate deposits (ICD's), overdraft and bank term loans. Unused bank lines as well as High Quality Liquid Assets (HQLA) maintained under LCR framework constitute the main liquidity back up to meet the contingency funding plan. Additionally, based on Market scenario, the Group also maintains a portfolio of highly liquid mutual fund units.

b. The Group complies with the ALM guidelines and submits various returns and disclosures in accordance with the regulatory guidelines.

c. The Group carries out liquidity stress testing based on the cash flows and results are reported to ALCO on periodic basis. The Group has contingency funding plan in place which monitors the early warning signals arising out of company specific and market wide liquidity stress scenarios.

The Group has honoured all its debt obligations on time. Based on liquidity risk assessment, cash-flows mismatches are within the stipulated regulatory limits. The Group has been successful in maintaining the adequate liquidity by raising fresh/renewal of bank lines, regular access to capital market and financial institution under the various schemes promulgated by RBI to raise medium to long term funds. Owing to the above measures, the Group has not seen a rise in its liquidity risk.

Refer Note No 45.B for the summary of Maturity analysis for Group's financial liabilities and financial assets as on 31st March 2022.

c) Operational Risk;

Operational Risk has been defined as "The risk of loss resulting from inadequate or failed internal processes, people and systems or from external events "The risk of direct or indirect potential loss arising from a wide variety of causes associated with the Group's processes, personnel, systems, or from external factors other than strategic and reputation risk Management of operational risk forms an integral part of Group's enterprise wide risk management systems. The organisation thrives towards incremental improvements to its operational risk management framework to address the dynamic industry landscape. Clear strategies and oversight by the Board of Directors and senior management, a strong operational risk management culture, effective internal control and reporting and contingency planning are crucial elements of Group's operational risk management framework.

The operational risk team monitors and reports key risk indicators ("KRI") and KRI exceptions. Suitable risk mitigation actions are taken wherever required to curtail the potential risk at the acceptable levels.

ORMC meets periodically to review the operational risk profile of the organization and oversee the implementation of the risk management framework and policies.

FRMC meets periodically to review matters relating to fraud risk, including corrective and remedial actions as regards people and processes.

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Group has a Business Continuity Planning “BCP” framework in place, to ensure uninterrupted business operations in case any disruptive event occurs. The Group immediately activated its Business Continuity Plan (BCP) during this time of COVID 19 pandemic. Group continues to seamlessly carry out normal operations hence addressing the risk associated with occurrence of the pandemic.

Group has an IT Disaster Recovery Planning “IT-DRP” which provides the technology framework to continue day-to-day operations using secondary/back-up systems when primary system fails. It also protects the organisation against loss of computer-based data and information.

Cyber Security Risk

Various measures are adopted to effectively protect the Group against phishing, social media threats and rogue mobile. During COVID pandemic Group ensured seamless accessibility of critical systems through virtual private network (VPN), thereby minimizing the risk of security/ data breaches and cyber-attacks.

Group has adopted “Framework for Improving Critical Infrastructure Cyber Security” published by the National Institute of Standards & Technology (NIST) and complies with regulatory guidelines.

d) Regulatory and Compliance Risk

Regulatory compliances are handled by Finance team, Treasury and Business teams in consultation with Group Compliance team. Statutory compliances are handled by Group Secretarial team, Administrative and people process related compliances are handled by Administration & HR departments.

Additionally, Risk team coordinates for Special Mention Accounts (SMA) and Fraud reporting in line with regulatory guidelines.

As per regulatory requirements, required policies are adopted, modified and rolled from time to time. Compliance to the defined policies is strictly adhered to.

NOTE “45”:

RISK MANAGEMENT REVIEW

This note presents information about the Group’s exposure to following risks and its management of capital.

For information on the financial risk management framework, see Note 44

A. Credit risk

- i. Credit quality analysis
- ii. Collateral held and other credit enhancements
- iii. Amounts arising from ECL
- iv. Concentration of Credit Risk

B. Liquidity risk

- i. Maturity analysis for financial liabilities and financial assets
- ii. Financial assets position pledged/ not pledged

C. Market risk

- i. Exposure to interest rate risk – Non-trading portfolios
- ii. Exposure to currency risks – Non-trading portfolios
- iii. Foreign currency risk exposure- Subsidiaries

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS

A. Credit risk

For the definition of credit risk and information on how credit risk is mitigated by the Group, see Note 44.

i. Credit quality analysis

The following table sets out information about the credit quality of financial assets measured at amortised cost. The amounts in the table represent gross carrying amounts for financial assets. For loan commitments, the amounts in the table represent the amounts committed.

Explanation of the terms: 12-month ECL, lifetime ECL and credit-impaired are included in Note 2(xiii).

i) Loans by Division

1) Days past due based method implemented by Group for credit quality analysis of Loans

a) The table below shows the credit quality and the maximum exposure to credit risk based on the days past due and year-end stage classification of Loans. The amounts presented are gross of impairment allowances:

(₹ in lakh)

Outstanding Gross Loans	As at March 31, 2022					As at March 31, 2021				
	Count	Stage 1	Stage 2	Stage 3	Total	Count	Stage 1	Stage 2	Stage 3	Total
Days past due										
Zero overdue	**8,05,940**	**85,78,607**	**3,42,939**	**13,082**	**89,34,628**	6,49,655	69,67,090	1,25,961	11,412	71,04,463
1-29 days	**30,313**	**96,032**	**30,058**	**4,416**	**1,30,506**	35,333	1,59,091	3,710	2,013	1,64,814
30-59 days	**15,882**	**-**	**73,911**	**7,774**	**81,685**	19,876	-	1,13,862	1,329	1,15,191
60-89 days	**8,959**	**-**	**32,334**	**11,518**	**43,852**	16,760	-	74,951	3,717	78,668
90 or more days	**48,669**	**-**	**-**	**1,40,988**	**1,40,988**	46,400	-	-	1,74,913	1,74,913
Total	**9,09,763**	**86,74,639**	**4,79,242**	**1,77,778**	**93,31,659**	**7,68,024**	**71,26,181**	**3,18,484**	**1,93,384**	**76,38,049**

Note: Gross carrying amount does not include loan commitments ₹ 10,00,024 lakh (As on March 31, 2021: ₹ 590,749 lakh)

b)

(₹ in lakh)

Impairment allowance on Loans	As at March 31, 2022				As at March 31, 2021			
	Stage 1	Stage 2	Stage 3	Total	Stage 1	Stage 2	Stage 3	Total
Days past due								
Zero overdue	**53,490**	**74,348**	**8,852**	**1,36,690**	46,068	21,855	4,378	72,301
1-29 days	**4,272**	**8,707**	**2,482**	**15,461**	7,516	1,624	775	9,915
30-59 days	**-**	**15,984**	**3,927**	**19,911**	-	24,790	709	25,499
60-89 days	**-**	**19,987**	**5,212**	**25,199**	-	31,953	2,114	34,067
90 or more days	**-**	**-**	**1,05,764**	**1,05,764**	-	-	1,18,584	1,18,584
Total	**57,762**	**1,19,026**	**1,26,237**	**3,03,025**	**53,584**	**80,222**	**1,26,560**	**2,60,366**

Note:

1. Includes impairment allowance on loan commitments ₹ 4,736 lakh (as on March 31, 2021 : ₹ 3,438 lakh)
2. Includes impairment allowance towards loan designated as FVTOCI ₹ Nil (as on March 31, 2021 : ₹ 18 lakh)
3. Includes impairment loss allowance towards loans designated as FVTPL ₹ 6 lakh (as on March 31, 2021 : ₹ 4 Lakh)

2) **Internal ratings based method implemented by the Group for credit quality analysis of Loans for Infrastructure finance division**

The table below shows the credit quality and the maximum exposure to credit risk based on the internal credit rating system and year-end stage classification of Loans. The amounts presented are gross of impairment allowances. Details of the division's internal grading system are explained in Note below.

(₹ in lakh)

a)

Outstanding Gross Loans	As at March 31, 2022				As at March 31, 2021			
	Stage 1	Stage 2	Stage 3	Total	Stage 1	Stage 2	Stage 3	Total
Internal rating grade								
Grade 1	**3,16,018**	**-**	**-**	**3,16,018**	3,10,708	-	-	3,10,708
Grade 2	**4,30,175**	**-**	**-**	**4,30,175**	2,89,884	-	-	2,89,884
Grade 3	**-**	**31,858**	**-**	**31,858**	-	21,470	-	21,470
Grade 4	**-**	**-**	**5,922**	**5,922**	-	-	6,030	6,030
Total	**7,46,193**	**31,858**	**5,922**	**7,83,973**	**6,00,592**	**21,470**	**6,030**	**6,28,092**

Note : Gross Carrying amount does not include Loan commitments ₹ 1,61,550 lakh (As on March 31, 2021: ₹ 60,206 lakh)

(₹ in lakh)

b)

Impairment allowance on Loans	As at March 31, 2022				As at March 31, 2021			
	Stage 1	Stage 2	Stage 3	Total	Stage 1	Stage 2	Stage 3	Total
Internal rating grade								
Grade 1	**959**	**-**	**-**	**959**	951	-	-	951
Grade 2	**3,730**	**-**	**-**	**3,730**	3,113	-	-	3,113
Grade 3	**-**	**4,704**	**-**	**4,704**	-	2,415	-	2,415
Grade 4	**-**	**-**	**2,154**	**2,154**	-	-	2,193	2,193
Total	**4,689**	**4,704**	**2,154**	**11,547**	**4,064**	**2,415**	**2,193**	**8,672**

Note: Include impairment allowance on Loan commitments ₹ 524 lakh (As on March 31, 2021: ₹ 131 lakh)

c)

Internal rating grades	Ratings as per internal rating method	Definition
Grade 1	AAA to A	highest level of security is available. Account has satisfactory performance
Grade 2	BBB | BBB- | BBB+	adequate level of security. Account has satisfactory performance
Grade 3	BB | BB+ | BB-	Account has shown significant deterioration in performance
Grade 4	D	Account has defaulted

Note: Tata Cleantech Capital, a subsidiary has a internal rating model mapped to external Crisil rating grades.

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS

3) Loans

(₹ in lakh)

Particulars	As at March 31, 2022	As at March 31, 2021
LOANS		
- At Amortised Cost	**92,92,363**	75,51,535
- At Fair Value through Other Comprehensive Income	**36,777**	85,514
- At Fair Value Through Profit and Loss	**2,519**	1,000
Total - Gross Carrying value of Loans	**93,31,659**	**76,38,049**
Less: Revenue received in Advance	**(39,983)**	(31,826)
Add: Unamortised loan sourcing costs	**18,749**	13,322
Total - Carrying Value of Loans	**93,10,425**	**76,19,545**
Less : Impairment Allowance	**(2,98,289)**	(2,56,910)
Total - Net Carrying value of Loans	**90,12,136**	**73,62,635**

4) Trade receivables

(₹ in lakh)

PARTICULARS	As at March 31, 2022			As at March 31, 2021		
Category of Trade receivables	Gross	Impairment allowance	Net	Gross	Impairment allowance	Net
Stage 1: Considered good	**3,119**	**-**	**3,119**	2,661	-	2,661
Stage 2:Significant increase in credit risk	**131**	**(17)**	**114**	45	(43)	2
Stage 3: Credit impaired	**74**	**(74)**	**-**	67	(67)	-
Total	**3,324**	**(91)**	**3,233**	**2,773**	**(110)**	**2,663**

5) Derivative Financial Instruments

The Group enters into derivatives contract for risk management purposes and has elected to apply hedge accounting requirements. The table below shows the fair values of derivative financial instruments recorded as assets or liabilities together with their notional amounts.The notional amounts indicate the value of transactions outstanding at the year end and are not indicative of either the market risk or credit risk.

(₹ in lakh)

Derivatives held for Risk management purposes	As at March 31, 2022			As at March 31, 2021		
	Notional Amounts	Fair Value - Assets	Fair Value - Liabilities	Notional Amounts	Fair Value - Assets	Fair Value - Liabilities
Foreign Exchange Forward contracts	**3,01,666**	**59**	**33,580**	2,58,316	33	15,134
Interest Rate Swap	**-**	**899**	**427**	-	-	3,154
Cross currency Interest Rate Swap	**1,05,728**	**2,563**	**298**	65,907	1,121	1,304
Interest rate cap	**-**	**-**	**-**	-	-	1,963
Total	**4,07,394**	**3,521**	**34,305**	**3,24,223**	**1,154**	**21,555**

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS

Derivatives held for risk management purposes, not designated as hedging instruments:

The Group is exposed to foreign currency risk related to external commercial borrowings and the primary risk of change in the floating interest rate and payment in foreign currency towards principal and interest at future date is managed by entering into a interest rate swap and foreign exchange forward rate purchase agreement respectively. The Group's risk management strategy and how it is applied to manage risk is explained in Note 44."

The Cross currency swap, Interest rate swap and foreign exchange forward currency agreements are entered to fully hedge the risk on account of change in interest rate and foreign exchange fluctuations on account of the external commercial borrowings.

ii) Collateral and other credit enhancements

The amount and type of collateral required depends on an assessment of the credit risk of the counterparty.

(1) **The main types of collateral obtained across respective business division are as follows:**

a Corporate and SME Finance division:

First charge over real estate properties, plant and machineries, inventory and trade receivables, equity and debt securities, floating charge over the corporate assets are obtained. For Construction equipment finance, the asset is hypothecated to the Company.

b Consumer, Housing finance and advisory business:

For housing loans, mortgage against residential property is obtained. For loan against property, mortgage against residential and commercial property is obtained. For Construction finance, additionally mortgage over residential and commercial project is obtained."

c Infrastructure finance:

The term loans are secured by charge on assets and cash flows of the underlying solar and road projects.

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS

(2) The table represents categories of collaterals available against the loan exposures:

(₹ in lakh)

<table>
<tr><th>Particulars</th><th>Category of collateral available</th><th>As at March 31, 2022</th><th>As at March 31, 2021</th></tr>
<tr><td>Bills purchased and bills discounted</td><td>Charge on trade receivables and inventories</td><td>2,37,005</td><td>1,18,666</td></tr>
<tr><td>Term loans</td><td rowspan="2">1) <u>Commercial and SME Finance Division</u>
A) charge over:
i) real estate properties (including residential and commercial),
ii) Property and equipment,
iii) inventory and trade receivables,
iv) marketable securities (equity and debt securities)
B) hypothecation of underlying asset financed such as construction and earth moving equipment, vehicles and tractors
C) floating charge on corporate assets as mentioned in point a above
2) <u>Consumer, Housing finance and advisory business</u>
A) real estate properties (including residential and commercial),
B) land
C) Under construction flat
3) <u>Infrastructure finance division</u>
Secured by charge on assets and cash flows of the underlying solar and road projects.</td><td>86,26,702</td><td>72,25,898</td></tr>
<tr><td>Credit substitutes</td><td>3,04,491</td><td>1,97,522</td></tr>
<tr><td>Finance lease and hire purchase</td><td>Hypothecation of the underlying asset financed, primarily includes plant and equipment</td><td>1,61,039</td><td>92,515</td></tr>
<tr><td>Retained portion of assigned loans</td><td>Mortgages over residential properties</td><td>2,422</td><td>3,448</td></tr>
<tr><td colspan="2">Total</td><td>93,31,659</td><td>76,38,049</td></tr>
</table>

(3) Assets obtained by taking possession of collateral:

The Group's collection policy is to pursue timely realisation of the collateral in an orderly manner. The Group upon a customer account becoming delinquent, undertakes the process to physically repossess properties or other assets with the help of external agents to recover funds, to settle outstanding debt. Any surplus funds if any received are returned to the customers/obligors. As a result of this practice, the residential properties, vehicles, construction equipments and tractors under legal repossession processes are not recorded on the balance sheet and not treated as non–current assets held for sale. Asset in the form of real estate property, plant and machinery, equity shares and debt securities received upon final settlement of the loan is recorded as non-current assets held for sale Management monitors the market value of collateral as per the Credit monitoring process and will request additional collateral in accordance with the underlying agreement as applicable.

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS

The table represents categories of collaterals available against the Stage 3 assets, basis valuation available with the Group:

(₹ in lakh)

Particulars	Category of collateral available	As at March 31, 2022	As at March 31, 2021
Financial asset measured at Amortised Cost and FVTOCI Loans			
Bills purchased and bills discounted	Charge on Trade receivables and inventories	-	-
Term loans	"A) Charges over: i) real estate properties (including residential and commercial), ii) Property and equipment, iii) inventory and trade receivables, iv) marketable securities (equity and debt securities) B) hypothecation of underlying asset financed such as construction and earth moving equipment, vehicles and tractors C) floating charge on corporate assets as mentioned in point A"	**1,11,161**	1,89,942
Credit substitutes		-	-
Total		**1,11,161**	**1,89,942**

Note: Fresh valuation is obtained for stage 3 assets upon becoming overdue for more than 15 months.

iii Amounts arising from ECL

Impairment allowance on financial asset is covered in note 2(xiii)

Inputs, assumptions and estimation techniques used for estimating ECL

1) Inputs:

When determining whether the risk of default on a financial instrument has increased significantly since initial recognition, the Group considers reasonable and supportable information that is relevant and available without undue cost or effort. This includes both quantitative and qualitative information and analysis based on the Group's historical experience, expert credit assessment and including forward looking information.

The Group allocates each exposure to a credit risk grade based on a days past due, which is a quantitative factor that indicates the risk of default. Additional factors such as customer fraud, reschedulement of loans and directions by the risk management committee to exit certain risky portfolios are also considered as qualitative factor. These factors are applied uniformly for each lending. The determination of the credit risk is for each product, considering the unique risk and rewards associated with it. The Group has observed varied level of risk across these stage and buckets and a significant increase in risk in stage 2 and stage 3.

The objective of the ECL assessment is to identify whether a significant increase in credit risk has occurred for an exposure by comparing the remaining lifetime probability of default (PD) as at the reporting date; with the remaining lifetime PD for this point in time that was estimated at the time of initial recognition of the exposure and adjusted for changes on account of prepayments.

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS

In assessing the impairment of loan assets under expected credit loss (ECL) Model, the loans have been segmented into three stages based on the risk profiles. The three stages reflect the general pattern of credit deterioration of a financial instrument.

Refer note 2(xiii) in Significant accounting policies for definition of Stages of Asset

2) Assumptions:

The Group has applied following assumptions for determination of ECL.

1) Loss given default" (LGD) is an estimate of loss from a transaction given that a default occurs.

2) Probability of default" (PD) is defined as the probability of whether the borrowers will default on their obligations in the future. For assets which are in Stage 1, a 12-month PD is required. For Stage 2 assets a lifetime PD is required while Stage 3 assets are considered to have a 100% PD.

3) "Exposure at default" (EAD) represents the expected exposure in the event of a default and is the gross carrying amount in case of the financial assets held by the Group including loan commitments.

4) Definition of default: A default on a financial asset is when the counterparty fails to make the contractual payments within 90 days of when they fall due. Accordingly, the financial assets shall be classified as Stage 3, if on the reporting date, it has been 90 days past due. Further if the customer has requested forbearance in repayment terms, such restructured, rescheduled or renegotiated accounts are also classified as Stage 3. Non-payment on another obligation of the same customer is also considered as a stage 3.

5) Forward looking information

   The Group incorporates forward looking information into both assessments of whether the credit risk of an instrument has increased significantly since its initial recognition and its measurement of ECL. Based on the consideration of a variety of external actual and forecast information, the Group forms a 'base case' view of the future direction of relevant economic variables such as real GDP, domestic credit growth, money market interest rate etc. as well as a representative range of other possible forecast scenarios. This process involves developing two or more additional economic scenarios and considering the relative probabilities of each outcome. The base case represents a most likely outcome in a normal distribution curve while the other scenarios represent more optimistic and more pessimistic outcomes. More weight is applied to pessimistic outcome consistently as a matter of prudence than optimistic outcome.

6) Assessment of significant increase in credit risk

   The credit risk on a financial asset of the Group are assumed to have increased significantly since initial recognition when contractual payments are more than 30 days past due. Additionally, accounts identified and reviewed by the Executive committee for labelling as breaching pre-defined critical credit risk parameters will also be classified as stage 2. Accordingly, the financial assets shall be classified as Stage 2, based on the quantitative as well as qualitative factors.

3) Estimation techniques:

The Group has applied the following estimation technique for ECL model:

1) The Group has used historic default rates for calculating the 12-month PD and Lifetime PDs

2) Loss given default is calculated after considering outstanding at the time of default and adjusting for actual recoveries basis time value of money, absent availability of internal data we have used information to the extent available from Basel norms.

Credit risk monitoring techniques

Exposures are subject to ongoing monitoring, which may indicate that a significant increase in credit risk has occurred on an exposure. The monitoring typically involves use of the following data for Corporate and Retail exposures:

i) Overdue status

ii) Restructuring, reschedulement of loans and requests for granting of forbearance

iii) Fraudulent customer

iv) Exit directed by the Risk management committee

v) Accounts classified by SICR committee indicating significant increase in credit risk

vi) Information published in the Basel IRB (Basel internal rating based approach refers to set of credit measurement techniques proposed by the Basel Committee on Bank Supervision (BCBS) for determining capital adequacy of the bank) norms is also used Days past due are a primary input for the determination of the PD for exposures. The Group collects performance and default information about its credit risk exposures analysed by product. For some portfolios, information published in Basel IRB norms is also used.

The Group employs statistical models to analyse the data collected and generate estimates of the remaining lifetime PD of exposures and how these are expected to change as a result of the passage of time. Such statistical models are selected considering the availability of information related to the probability of default for each product.

This analysis includes the identification and calibration of relationships between changes in default rates and changes in key macro-economic factors. Key macro-economic indicators includes but is not limited to;

a) Private consumption;

b) Real GDP;

c) Housing Price Index;

d) Lending interest rate;

e) Consumer prices;

f) Real agriculture;

g) Long-term bond yield;

h) GDP deflator

For the purpose of determination of impact of forward looking information, the Group applies various macro economic (ME) variables as stated above to each product and assess the trend of the historical probability of defaults as compared to the forecasted probability of default. Based on the directional trend of output, management applies an overlay if required. Overtime, new ME variable may emerge to have a better correlation and may replace ME being used now.

Based on advice from the external risk management experts, the Group considered variety of external actual and forecast information to formulate a 'base case' view of the future direction of relevant economic variables as well as a representative range of other possible forecast scenarios. Such forecasts are adjusted to estimate the PDs.

Predicted relationships between the key indicators and default and loss rates on various portfolios of financial assets have been developed based on analysing historical data over the past 5 years.

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS

A maximum of a 12-month PD or actual contractual tenure is considered for financial assets for which credit risk has not significantly increased. The Group measures ECL for stage 2 and stage 3 assets considering the risk of default over the maximum contractual period over which it is exposed to credit risk.

The loans are segmented into homogenous product categories to determine the historical PD/LGD as per similar risk profiles, this segmentation is subject to regular review

For portfolios in respect of which the Group has limited historical data, external benchmark information is used to supplement the internally available data or internal benchmark with similar credit risk profile.

vii) Techniques for determining LGD:

LGD is the magnitude of the likely loss if there is a default. The Group estimates LGD parameters based on the history of recovery rates against defaulted counterparties. The LGD models consider the cash flow received, assets received in lieu of settlement of loan and collateral available for subsequent recovery that is integral to the financial asset. LGD estimates are calculated on a discounted cash flow basis using the internal rate of return as the discounting factor. Group has observed challenges in the resolution of defaulted accounts with ageing more than two years and accordingly a higher LGD estimate is applied assuming nil recoveries towards such accounts. The Group has prospectively adopted collection curve method for computation of loss given defaults to determine expected credit losses, in the Absence of observed history of default, LGD applied is based on Basel IRB norms for certain products.

viii) Techniques for computation of EAD

a) EAD represents the expected exposure in the event of a default. The Group derives the EAD from the current exposure to the counterparty and potential changes to the current amount allowed under the contract including amortisation. The EAD of a financial asset is its gross carrying amount. For lending commitments, the EAD includes the amount drawn, as well as potential future amounts that may be drawn under the contract, which are estimated based on credit conversion factor prescribed by RBI for various loan commitments. For financial assets in stage 2, EAD is determined by estimating the possible exposure in future using linear amortisation techniques.

b) For undrawn loan commitments, the ECL is the difference between the present value of the difference between the contractual cash flows that are due to the Group if the holder of the commitment draws down the loan and the cash flows that the Group expects to receive if the loan is drawn down. Outstanding exposure for utilised limit as well as un-utilised limit post applying the credit conversion factor as prescribed under RBI guidelines, absent availability of information of past history of conversion of un-utilised limits into utilised limits is considered as exposure at default for non-fund based facilities.

ix) Modified financial assets

The Group renegotiates loans to customers in financial difficulties (referred to as forbearance activities, restructuring or rescheduling) to maximise collection opportunities and minimise the risk of default. Under the Companies forbearance policy, loan forbearance is granted on a selective basis if the debtor is currently in default on its debt or if there is a high risk of default, there is evidence that the debtor made all reasonable efforts to pay under the original contractual terms and the debtor is expected to be able to meet the revised terms.

The revised terms usually include extending the maturity, changing the timing of interest payments and amending the terms of loan covenants. Both retail and corporate loans are subject to the forbearance policy. The Risk Management Committee regularly reviews reports on forbearance activities.

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS

Upon renegotiation, such accounts are classified as stage 3. Such accounts are upgraded to stage 1 only upon observation of satisfactory repayments of one year from the date of such downgradation and accordingly loss allowance is measured using 12 month PD.

Pursuant to RBI Covid restructuring policy, accounts for which Covid restructuring facility were given have been reclassified from Stage I to Stage II if DPD at invocation was between 0-29 and If the DPD was 30+ then the accounts were further downgraded within Stage II and corresponding staging wise ECL provision was done.

iii Amounts arising from ECL

An analysis of changes in the gross carrying amount and the corresponding ECL allowances in relation to lending is, as follows:

(₹ in lakh)

a) Gross carrying amount	As at March 31, 2022				As at March 31, 2021			
	Stage 1	Stage 2	Stage 3	Total	Stage 1	Stage 2	Stage 3	Total
Opening balance	**71,26,181**	**3,18,484**	**1,93,384**	**76,38,049**	73,61,598	1,95,844	1,49,535	77,06,977
New assets originated or purchased/further increase in existing assets	**48,97,710**	**9,666**	**1,011**	**49,08,387**	25,29,866	1,018	304	25,31,188
Assets derecognised or repaid (excluding write offs)	**(30,24,716)**	**(77,737)**	**(31,253)**	**(31,33,706)**	(24,36,981)	(41,492)	(16,095)	(24,94,568)
Transfers to Stage 1	**36,115**	**(25,717)**	**(10,398)**	**-**	50,403	(47,154)	(3,249)	-
Transfers to Stage 2	**(2,97,818)**	**3,01,033**	**(3,215)**	**-**	(2,61,690)	2,63,517	(1,827)	-
Transfers to Stage 3	**(56,555)**	**(40,868)**	**97,423**	**-**	(1,07,699)	(45,914)	1,53,613	-
Amounts written off	**(6,278)**	**(5,619)**	**(69,174)**	**(81,071)**	(9,316)	(7,335)	(88,897)	(1,05,549)
Closing balance	**86,74,639**	**4,79,242**	**1,77,778**	**93,31,659**	**71,26,181**	**3,18,484**	**1,93,384**	**76,38,049**

Note: Gross carrying amount does not include loan commitments ₹ 10,00,024 lakh (As on March 31, 2021: ₹ 590,749 lakh)

(₹ in lakh)

b) Impairment allowance on Loans	As at March 31, 2022				As at March 31, 2021			
	Stage 1	Stage 2	Stage 3	Total	Stage 1	Stage 2	Stage 3	Total
Opening balance	**53,584**	**80,222**	**1,26,560**	**2,60,366**	67,951	47,652	1,07,425	2,23,028
Remeasurement due to changes in EAD/estimates	**1,12,176**	**26,366**	**13,448**	**1,51,990**	1,42,108	23,345	6,811	1,72,264
Assets derecognised or repaid (excluding write offs)	**(6,862)**	**(16,796)**	**(21,592)**	**(45,250)**	(31,998)	(14,013)	(14,111)	(60,122)
Transfers to Stage 1	**395**	**(282)**	**(113)**	**-**	1,339	(1,250)	(89)	-
Transfers to Stage 2	**(63,249)**	**63,665**	**(416)**	**-**	(55,927)	56,209	(282)	-
Transfers to Stage 3	**(37,914)**	**(30,230)**	**68,144**	**-**	(69,345)	(28,412)	97,757	-
Amounts written off	**(368)**	**(3,919)**	**(59,794)**	**(64,081)**	(544)	(3,309)	(70,951)	(74,804)
Closing balance	**57,762**	**1,19,026**	**1,26,237**	**3,03,025**	**53,584**	**80,222**	**1,26,560**	**2,60,366**

Includes impairment allowance on loan commitments ₹ 4,736 lakh (As on March 31, 2021 : ₹ 3,438 lakh Bank balances of the Group are with highly rated banks. Hence, the Group doesn't expect any ECL on cash and cash equivalents and other bank balances.

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS

Modified financial assets

The Group renegotiates loans given to customers in financial difficulties (referred to as forbearance activities, restructuring or rescheduling) to maximise collection opportunities and minimise the risk of default. Under the Group's forbearance policy, loan forbearance is granted on a selective basis if the customer is currently in default on its debt or if there is a high risk of default, there is evidence that the customer made all reasonable efforts to pay under the original contractual terms and the customer is expected to be able to meet the revised terms.

The revised terms usually include extending the maturity, changing the timing of interest payments and amending the terms of loan covenants. Both retail and corporate loans are subject to the forbearance policy. The Risk Management Committee regularly reviews reports on forbearance activities.

Upon renegotiation, such accounts are classified as stage 3. Such accounts are upgraded to stage 1 only upon observation of satisfactory repayments of one year from the date of such down-gradation and accordingly loss allowance is measured using 12 month PD.

Exposure to modified financial assets

(₹ in lakh)

PARTICULARS	As at March 31, 2022	As at March 31, 2021
Loan exposure to modified financial assets		
Gross carrying amount	**3,95,811**	1,27,568
Impairment allowance	**1,11,120**	27,190
Net carrying amount	**2,84,691**	**1,00,378**

iv) **Concentration of Credit Risk**

The table below shows the credit quality based on credit concentration and the maximum exposure to credit risk based on the days past due and year-end stage classification of Loans. The amounts presented are gross of impairment allowances.

(₹ in lakh)

Gross carrying value	As at March 31, 2022				As at March 31, 2021			
	Stage 1	Stage 2	Stage 3	Total	Stage 1	Stage 2	Stage 3	Total
Divisions								
Consumer, Housing finance and advisory business	**45,39,721**	**3,96,455**	**1,29,295**	**50,65,471**	39,44,807	2,58,576	1,47,807	43,51,190
Commercial and SME finance	**33,68,712**	**50,929**	**42,561**	**34,62,202**	25,80,782	38,438	39,547	26,58,767
Infrastructure finance	**7,46,193**	**31,858**	**5,922**	**7,83,973**	6,00,592	21,470	6,030	6,28,092
Others	**20,013**	**-**	**-**	**20,013**	-	-	-	-
Total	**86,74,639**	**4,79,242**	**1,77,778**	**93,31,659**	**71,26,181**	**3,18,484**	**1,93,384**	**76,38,049**

Note: Gross carrying amount does not include loan commitments ₹ 10,00,024 lakh (As on March 31, 2021: ₹ 590,749 lakh)

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS

(₹ in lakh)

Impairment allowance on Loans	As at March 31, 2022				As at March 31, 2021			
	Stage 1	Stage 2	Stage 3	Total	Stage 1	Stage 2	Stage 3	Total
Divisions								
Consumer, Housing finance and advisory business	**41,439**	**1,04,538**	**86,390**	**2,32,367**	37,154	71,816	90,179	1,99,149
Commercial and SME finance	**11,554**	**9,784**	**37,693**	**59,031**	12,366	5,991	34,188	52,545
Infrastructure finance	**4,689**	**4,704**	**2,154**	**11,547**	4,064	2,415	2,193	8,672
Others	**80**	**-**	**-**	**80**	-	-	-	-
Total	**57,762**	**1,19,026**	**1,26,237**	**3,03,025**	**53,584**	**80,222**	**1,26,560**	**2,60,366**

Includes impairment allowance on loan commitments ₹ 4,736 lakh (As on March 31, 2021 : ₹ 3,438 lakh)

B. Liquidity risk

i. Maturity analysis for financial liabilities and financial assets

The following tables set out the remaining contractual maturities of the Group's financial liabilities and financial assets:

(₹ in lakh)

As at March 31, 2022	Carrying amount	Gross nominal inflow/ outflow	Less than 1 month	1–3 months	3 months –1 year	1-5 years	More than 5 years	Upto 1 Year	More than 1 Year
Financial asset by type									
Cash and cash equivalents	2,08,162	2,08,162	1,95,001	1,756	11,405	-	-	2,08,162	-
Bank balances	5,420	5,420	26	311	4,279	770	34	4,616	804
Derivative assets	3,521	3,521	912	1,563	9	1,036	-	2,485	1,036
Receivables	3,255	3,255	-	564	2,691	-	-	3,255	-
Loans	90,12,136	90,12,136	5,08,881	10,02,629	17,91,126	33,41,285	23,68,215	33,02,636	57,09,500
Investments	6,78,008	6,78,008	4,86,997	-	-	68,779	1,22,232	4,86,997	1,91,011
Other Financial Assets	25,059	25,059	14	58	22,921	1,727	339	22,993	2,066
Total	**99,35,561**	**99,35,561**	**11,91,831**	**10,06,881**	**18,32,431**	**34,13,597**	**24,90,820**	**40,31,144**	**59,04,417**
Financial liabilities by type									
Derivative liabilities	34,305	34,305	35	1,178	28,192	4,899	-	29,406	4,899
Trade and other payables	1,02,597	1,02,597	115	6,121	96,361	-	-	1,02,597	-
Debt securities	40,69,140	40,69,140	1,74,256	2,33,598	11,86,950	17,84,665	6,89,671	15,94,804	24,74,336
Borrowings	38,63,992	38,63,992	2,03,176	5,58,022	7,85,190	22,37,111	80,493	15,46,388	23,17,604
Subordinated liabilities	6,88,845	6,88,845	-	3,130	33,948	2,98,925	3,52,842	37,078	6,51,767
Lease liabilities	12,345	12,345	316	638	2,030	6,694	2,667	2,984	9,361
Other financial liabilities	1,27,750	1,27,750	21,114	887	57,885	47,864	-	79,886	47,864
Total	**88,98,974**	**88,98,974**	**3,99,012**	**8,03,574**	**21,90,556**	**43,80,158**	**11,25,673**	**33,93,143**	**55,05,831**
Market Borrowings	49,33,471	49,33,471	2,00,004	3,40,713	11,60,195	23,42,098	8,90,461	17,00,912	32,32,559
Bank borrowings	36,88,506	36,88,506	1,77,428	4,54,037	8,45,893	19,78,603	2,32,545	14,77,358	22,11,148
Total	**86,21,977**	**86,21,977**	**3,77,432**	**7,94,750**	**20,06,088**	**43,20,701**	**11,23,006**	**31,78,270**	**54,43,707**

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS

(₹ in lakh)

As at March 31, 2021	Carrying amount	Gross nominal inflow/ (outflow)	Less than 1 month	1–3 months	3 months –1 year	1–5 years	More than 5 years	upto 1 Year	more than 1 Year
Financial asset by type									
Cash and cash equivalents	2,02,691	2,02,691	1,92,581	78	10,032	-	-	2,02,691	-
Bank balances	2,372	2,372	236	274	1,780	82	-	2,290	82
Derivative assets	1,154	1,154	(160)	(271)	(1,289)	2,874	-	(1,720)	2,874
Receivables	2,670	2,670	-	106	2,564	-	-	2,670	-
Loans	73,62,635	73,62,635	3,04,559	7,01,327	14,14,643	27,74,740	21,67,366	24,20,529	49,42,106
Investments	3,82,328	3,82,328	2,66,469	-	-	41,719	74,140	2,66,469	1,15,859
Other Financial Assets	57,470	57,470	-	218	55,955	1,037	260	56,173	1,297
Total	**80,11,320**	**80,11,320**	**7,63,685**	**7,01,732**	**14,83,685**	**28,20,452**	**22,41,766**	**29,49,102**	**50,62,218**
Financial liabilities by type									
Derivative liabilities	21,555	23,607	622	464	3,281	19,240	-	4,367	19,240
Trade and other payables	80,974	80,974	392	4,006	76,576	-	-	80,974	-
Debt securities	31,93,375	31,93,375	50,765	1,56,424	8,03,254	17,39,261	4,43,671	10,10,443	21,82,932
Borrowings	31,22,451	31,22,451	84,152	5,22,311	10,28,963	14,63,610	23,415	16,35,426	14,87,025
Subordinated liabilities	5,90,482	5,90,482	-	12,857	75,922	2,07,148	2,94,555	88,779	5,01,703
Lease liabilities	10,243	10,243	220	493	1,881	6,521	1,128	2,594	7,649
Other financial liabilities	1,44,972	1,44,972	50,403	-	42,543	49,562	2,463	92,947	52,025
Total	**71,64,052**	**71,66,104**	**1,86,554**	**6,96,555**	**20,32,420**	**34,85,342**	**7,65,232**	**29,15,530**	**42,50,574**
Market Borrowings	43,60,583	43,60,583	92,391	3,29,680	12,42,335	21,02,205	5,93,972	16,64,406	26,96,177
Bank borrowings	25,45,725	25,45,725	42,526	3,61,912	6,65,804	13,07,814	1,67,669	10,70,242	14,75,483
Total	**69,06,308**	**69,06,308**	**1,34,917**	**6,91,592**	**19,08,139**	**34,10,019**	**7,61,641**	**27,34,648**	**41,71,660**

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS

ii. **Financial assets position pledged/ not pledged**

The total financial assets demonstrating position of pledged and not pledged assets are shown in the below table:

(₹ in lakh)

Particulars	As at March 31, 2022			As at March 31, 2021		
	Pledged	Not Pledged	Total	Pledged	Not Pledged	Total
ASSETS						
Financial assets	**89,06,282**	**10,29,279**	**99,35,561**	**73,47,109**	**6,64,211**	**80,11,320**
Cash and cash equivalents	-	2,08,162	2,08,162	-	2,02,691	2,02,691
Bank Balance other than Cash and cash equivalents above	63	5,357	5,420	63	2,309	2,372
Derivatives financial instruments	-	3,521	3,521	-	1,154	1,154
Trade Receivables	-	3,233	3,233	-	2,663	2,663
Other Receivables	-	22	22	-	7	7
Loans	89,06,219	1,05,917	90,12,136	73,47,046	15,589	73,62,635
Investments	-	6,78,008	6,78,008	-	3,82,328	3,82,328
Other financial assets	-	25,059	25,059	-	57,470	57,470
Non-financial Assets	**246**	**3,02,821**	**3,03,067**	**261**	**2,81,445**	**2,81,706**
Current tax asset	-	16,585	16,585	-	14,150	14,150
Deferred tax Assets (Net)	-	84,099	84,099	-	73,930	73,930
Investments accounted using equity method	-	1,06,608	1,06,608	-	82,969	82,969
Investment property	227	1,789	2,016	240	1,887	2,127
Property, Plant and Equipment	19	56,261	56,280	21	76,554	76,575
Capital work-in-progress	-	377	377	-	-	-
Intangible assets under development	-	772	772	-	755	755
Other Intangible assets	-	2,514	2,514	-	2,710	2,710
Right to use assets	-	11,133	11,133	-	8,732	8,732
Other non-financial assets	-	22,683	22,683	-	19,758	19,758
Total Assets	**89,06,528**	**13,32,100**	**1,02,38,628**	**73,47,370**	**9,45,656**	**82,93,026**

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS

C. Market risk

i The following table sets out the allocation of assets and liabilities to non-trading portfolios. The Group does not allocate the assets and liabilities to trading portfolios.

(₹ in lakh)

Particulars	Market risk measure	
	As at March 31, 2022	**As at March 31, 2021**
Financial assets		
Cash and cash equivalents	2,08,162	2,02,691
Bank balances	5,420	2,372
Derivative financial instruments	3,521	1,154
Trade receivables	3,233	2,663
Other receivables	22	7
Loans	90,12,136	73,62,635
Investments	6,78,008	3,82,328
Other financial assets	25,059	57,470
Total	**99,35,561**	**80,11,320**
Financial liabilities		
Derivatives financial instruments	34,305	21,555
Total outstanding dues of micro enterprises and small enterprises	203	111
Total outstanding dues of creditors other than micro enterprises and small enterprises	1,02,394	80,863
Debt securities	40,69,140	31,93,375
Borrowings (Other than debt securities)	38,63,992	31,22,451
Subordinated liabilities	6,88,845	5,90,482
Lease liabilities	12,345	10,243
Other financial liabilities	1,27,750	1,44,972
Total	**88,98,974**	**71,64,052**

Exposure to interest rate risk – Non-trading portfolios

Group carries out interest rate sensitivity analysis to assess the impact on earnings, of interest rate movement considering the rate sensitive assets and rate sensitive liabilities upto one year period. The fixed rate assets and liabilities which are falling due on residual basis within one year have been considered as floating rate assets and liabilities basis the minimum of 'interest rate reset date or maturity of the contract'. The basis risk between various benchmark linked to assets and liabilities are considered to be insignificant.

Below table illustrates impact on earnings on account of 100 bps change on in interest rate on the assets and liabilities due for repayment / rate reset in next one year.

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS

As on March 31, 2022 (₹ in lakh)

Particulars	**Less than 1 Year**	**@ 100bps change increase**	**@ 100bps change decrease**
Rate sensative assets	**78,46,642**	**65,734**	**(65,734)**
Rate sensative liabilities	**53,98,613**	**37,976**	**(38,083)**
Net	**24,48,029**	**27,758**	**(27,651)**

As on March 31, 2021 (₹ in lakh)

Particulars	**Less than 1 Year**	**@ 100bps change increase**	**@ 100bps change decrease**
Rate sensative assets	66,98,062	51,942	(51,942)
Rate sensative liabilities	39,72,307	22,750	(22,751)
Net	**27,25,755**	**29,192**	**(29,191)**

The following table sets forth, for the periods indicated, the break-up of borrowings into variable rate and fixed rate.

(₹ in lakh)

Particulars	**As at March 31, 2022**	**As at March 31, 2021**
Variable rate borrowings	41%	37%
Fixed rate borrowings	59%	63%
Total borrowings	**100%**	**100%**

ii Exposure to currency risks – Non-trading portfolios

The Group has entered into derivative contract to fully hedge the risk.

The Group's exposure to foreign currency risk at on March 31, 2022 expressed in INR, are as follows

(₹ in lakh)

Particulars	**March 31, 2022**				**March 31, 2021**			
	USD	**EURO**	**JPY**	**SGD**	**USD**	**EURO**	**JPY**	**SGD**
Letter of Credit/Buyers Credit	428	196	-	-	619	675	1,132	125

(₹ in lakh)

Particulars	**Impact on profit after tax**				**Impact on profit after tax**			
	March 31, 2022				**March 31, 2021**			
	USD	**EURO**	**JPY**	**SGD**	**USD**	**EURO**	**JPY**	**SGD**
Sensitivity - Increase by 1%	(4)	(2)	-	-	(6)	(7)	(11)	(1)
Sensitivity - Decrease by 1%	4	2	-	-	6	7	11	1

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS

iii. Foreign currency risk exposure- subsidiaries

The foreign currency risk from monetary asset and liabilities as at March 31, 2022 is as follows:

(₹ in lakh)

Particulars	As at March 31, 2022	As at March 31, 2021
	US Dollar	US Dollar
Net exposure to foreign currency risk in respect of recognised financial assets/(financial liabilities)	60,101	52,204

Sensativity analysis between Indian Rupee and US Dollar:

(₹ in lakh)

Particulars	As at March 31, 2022	As at March 31, 2021
1% Depreciation in INR		
Impact on P&L	70	74
1% Appreciation in INR		
Impact on P&L	(70)	(74)

NOTE "46"

LIQUIDITY RISK

i. Exposure to liquidity risk

The Group has set tolerance limits in the light of the Group's business objectives, strategic direction and overall risk appetite. The tolerance limits reflects balance between profitability and managing liquidity risk and considers Group's current financial condition and funding capacity. The Group maintains liquidity buffer of unencumbered highly liquid assets (if required) to insure against liquidity stress events.

ii. Maturity analysis of assets and liabilities

The table below set out carrying amount of assets and liabilities according to when they are expected to be recovered or settled. With regard to loans and advances to customers, the Group uses the same basis of expected repayment behaviour as used for estimating the EIR. Issued debt reflect the contractual coupon amortisations.

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS

(₹ in lakh)

Particulars	As at March 31, 2022			As at March 31, 2021		
	Within 12 months	After 12 months	Total	Within 12 months	After 12 months	Total
ASSETS						
Financial assets	**40,31,144**	**59,04,417**	**99,35,561**	**29,49,102**	**50,62,218**	**80,11,320**
Cash and cash equivalents	2,08,162	-	2,08,162	2,02,691	-	2,02,691
Bank Balance other than (a) above	4,616	804	5,420	2,290	82	2,372
Derivatives financial assets	2,485	1,036	3,521	(1,720)	2,874	1,154
Receivables	3,255	-	3,255	2,670	-	2,670
Loans	33,02,636	57,09,500	90,12,136	24,20,529	49,42,106	73,62,635
Investments	4,86,997	1,91,011	6,78,008	2,66,469	1,15,859	3,82,328
Other financial assets	22,993	2,066	25,059	56,173	1,297	57,470
Non-financial Assets	**2,637**	**3,00,430**	**3,03,067**	**15,403**	**2,66,303**	**2,81,706**
Current tax asset	-	16,585	16,585	-	14,150	14,150
Deferred tax Assets (net)	-	84,099	84,099	-	73,930	73,930
Investments accounted using equity method	-	1,06,608	1,06,608	-	82,969	82,969
Investment property	-	2,016	2,016	-	2,127	2,127
Property, Plant and Equipment	-	56,280	56,280	11,427	65,148	76,575
Capital work-in-progress	-	377	377	-	-	-
Intangible assets under development	147	625	772	-	755	755
Other Intangible assets	-	2,514	2,514	-	2,710	2,710
Right of use assets	-	11,133	11,133	-	8,732	8,732
Other non-financial assets	2,490	20,193	22,683	3,976	15,782	19,758
Total Assets	**40,33,781**	**62,04,847**	**1,02,38,628**	**29,64,505**	**53,28,521**	**82,93,026**
LIABILITIES						
Financial Liabilities	**33,93,143**	**55,05,831**	**88,98,974**	**29,15,530**	**42,48,522**	**71,64,052**
Derivative financial liabilities	29,406	4,899	34,305	4,367	17,188	21,555
Trade and other payables	1,02,597	-	1,02,597	80,974	-	80,974
Debt Securities	15,94,804	24,74,336	40,69,140	10,10,443	21,82,932	31,93,375
Borrowings (Other than debt securities)	15,46,388	23,17,604	38,63,992	16,35,426	14,87,025	31,22,451
Subordinated liabilities	37,078	6,51,767	6,88,845	88,779	5,01,703	5,90,482
Lease liabilities	2,984	9,361	12,345	2,594	7,649	10,243
Other financial liabilities	79,886	47,864	1,27,750	92,947	52,025	1,44,972
Non-Financial Liabilities	**46,216**	**9,839**	**56,055**	**37,602**	**10,693**	**48,295**
Current tax liability	34,959	-	34,959	28,695	-	28,695
Provisions	6,465	837	7,302	4,908	941	5,849
Other non financial liabilities	4,792	9,002	13,794	3,999	9,752	13,751
Total liabilities	**34,39,359**	**55,15,670**	**89,55,029**	**29,53,132**	**42,59,215**	**72,12,347**
Net	**5,94,422**	**6,89,177**	**12,83,599**	**11,373**	**10,69,306**	**10,80,679**

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS

NOTE "47"

The impact of COVID-19 on the Group's performance will depend on the ongoing as well as future developments, including, among other things, any new information concerning the COVID-19 pandemic and any measure to contain its spread or mitigate its impact, whether mandated by the Government or adopted by us.

NOTE "48"

On cessation of equity broking activities in 2003 in Tata Securities Limited (Erstwhile known as Tata TD Waterhouse Securities Limited), one of the subsidiary, had reconciled the stocks held in its beneficiary account on behalf of clients. The stocks after reconciliation was transferred to DP opened in IL&FS Securities Limited (DP a/c no-10920737). In March 20, 2020 DP account was opened in Tata Securities Limited (DP a/c no-257091) and all the stocks from IL&FS Securities Limited (DP a/c no-10920737) DP accounts were transferred to Tata Securities DP accounts except stock of Cyberspace. The Cyberspace stock could not be transfer due to inactive ISIN, so the Cyberspace shares are still lying with IL&FS Securities Limited DP accounts. There is no client outstanding as on March 31, 2022. The value of the stocks as on March 31, 2022 is ₹ 12 lakhs.

NOTE "49"

The disclosure on the following matters required under Schedule III as amended not being relevant or applicable in case of the Group, same are not covered:

a) The Group has not traded or invested in crypto currency or virtual currency during the financial year.

b) No proceedings have been initiated or are pending against the Group for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and rules made thereunder.

c) The Group has not been declared willful defaulter by any bank or financial institution or government or any government authority.

d) The Group has not entered into any scheme of arrangement.

e) No satisfaction of charges are pending to be filed with ROC.

f) There are no transactions which are not recorded in the books of account which have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961.

NOTE "50"

Details of transactions with companies struck off under section 248 of the Companies Act, 2013:

Name of Struck off Company	Nature of transactions	As at March 31, 2022 (₹ in lakhs)	As at March 31, 2021 (₹ in lakhs)	Relation ship with the struck off company
Safna Consultancy Private Limited	Interest on Debentures	**16**	2	Debenture holder
G R Foundations Private Limited	Loan	**2**	3	Borrower
Armam Agro Udyog Private Limited	Loan	**7**	8	Borrower

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS

NOTE "51"

The Group has not advanced or loaned or invested (either from borrowed funds or share premium or any other sources or other kind of funds) to or in any other person or entity, including foreign entity ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Group ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

The Group has not received any funds (which are material either individually or in the aggregate) from any person or entity, including foreign entity ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

NOTE "52"

The Group has assessed its obligations arising in the normal course of business, proceedings pending with tax authorities and other contracts including derivative and long term contracts. In accordance with the provisions of Indian Accounting Standard (Ind AS) - 37 on 'Provisions, Contingent Liabilities and Contingent Assets', the Group recognises a provision for material foreseeable losses when it has a present obligation as a result of a past event and it is probable that an outflow of resources will be required to settle the obligation, in respect of which a reliable estimate can be made. In cases where the available information indicates that the loss on the contingency is reasonably possible but the amount of loss cannot be reasonably estimated, a disclosure to this effect is made as contingent liabilities in the financial statements. The Group does not expect the outcome of these proceedings to have a materially adverse effect on its financial results.

NOTE "53"

The Board of Directors have recommended a final dividend of ₹ 0.16 per equity share for the financial year 2021-22 (resulting in total dividend of ₹ 5,626 lakhs), subject to approval of the shareholders in the forthcoming Annual General Meeting of the Holding Company.

In terms of our report attached	For and on behalf of the Board of Directors		
For **Khimji Kunverji & Co LLP** Chartered Accountants Firm's Registration No: 105146W/W100621	**Saurabh Agrawal** (Chairman) DIN: 02144558	**Malvika Sinha** (Director) DIN: 08373142	**Varsha Purandare** (Director) (Pune) DIN: 05288076
Hasmukh B. Dedhia Partner Membership No: 033494	**F. N. Subedar** (Director) DIN: 00028428	**Aarthi Subramanian** (Director) DIN: 07121802	**Rajiv Sabharwal** (Managing Director & CEO) DIN: 00057333
Mumbai April 26, 2022	**Sarita Kamath** (Head-Legal and Compliance & Company Secretary)	**Rakesh Bhatia** (Chief Financial Officer)	

Form AOC - 1

(Pursuant to first proviso to sub-section (3) of Section 129 read with Rule 5 of the Companies (Accounts) Rules, 2014)
Statement containing salient features of the financial statements of subsidiaries/associates/joint ventures

Part “A”: SUBSIDIARIES

(₹ in lakh)

Sr. No.	Name of Subsidiary	The date since when subsidiary was acquired	Reporting currency and exchange rate as on the last date of the relevant Financial Year in the case of foreign subsidiaries	Share Capital / Partner's Capital / Unitholder's Capital	Reserves & Surplus	Total Assets	Total Liabilitites	Investments	Turnover	Profit / (Loss) before Taxation	Provision for Taxation	Profit / (Loss) after Taxation	Proposed Dividend	% of Shareholding
1	Tata Capital Financial Services Limited	November 19, 2010	INR	1,65,987	6,10,287	59,46,384	51,70,110	2,67,416	6,28,720	1,08,021	26,302	81,719	-	100.00
2	Tata Capital Housing Finance Limited	October 15, 2008	INR	54,756	3,01,925	31,24,668	27,67,987	1,78,616	2,85,690	76,034	19,181	56,853	-	100.00
3	Tata Cleantech Capital Limited	September 27, 2011	INR	45,929	1,21,753	8,48,688	6,81,006	56,057	70,418	26,865	6,484	20,381	-	80.50
4	Tata Capital Pte. Limited [2]	April 25, 2008	1 USD = 75.5199 INR	16,376	32,170	66,536	17,990	61,741	6,504	5,825	1,017	4,809	-	100.00
5	Tata Capital Advisors Pte. Limited [2]	April 25, 2008	1 USD = 75.5199 INR	5,717	6,877	17,955	5,361	22	4,944	2,270	120	2,150	-	100.00
6	Tata Capital General Partners LLP [2]	January 28, 2010	1 USD = 75.5199 INR	3,776	1,498	7,404	2,129	-	32	23	-	23	-	80.00
7	Tata Capital Growth II General Partners LLP [2]	September 28, 2018	1 USD = 75.5199 INR	15	17	64	32	-	289	14	-	14	-	80.00
8	Tata Capital Healthcare General Partners LLP [2]	June 17, 2010	1 USD = 75.5199 INR	38	(11)	34	6	-	70	-	-	-	-	100.00
9	Tata Capital Healthcare II General Partners LLP[2]	September 12, 2019	1 USD = 75.5199 INR	8	10	414	396	-	488	6	-	6	-	100.00
10	Tata Opportunities General Partners LLP [2]	November 1, 2010	1 USD = 75.5199 INR	8	6	110	97	-	4,286	-	-	-	-	90.00
11	Tata Capital PLC [2]	November 10, 2009	1 GBP = 99.1765 INR	992	140	1,164	32	-	151	24	(4)	19	-	100.00
12	Tata Securities Limited	July 27, 2007	INR	618	609	1,572	345	193	578	(1,172)	-	(1,172)	-	100.00
13	Tata Capital Growth Fund I -Trust [3]	July 26, 2010	INR	16,127	(5,424)	10,778	75	10,682	5,294	1,520	3	1,517	-	73.75
14	Tata Capital Special Situation Fund - Trust [3]	March 15, 2010	INR	14,826	(10,200)	4,642	16	4,504	3	(24)	1	(25)	-	28.20
15	Tata Capital Healthcare Fund I - Trust [3]	May 5, 2010	INR	10,434	(6,502)	4,016	84	3,954	2	(816)	1	(817)	-	32.17
16	Tata Capital Healthcare Fund II- Trust [3&5]	September 12, 2019	INR	17,277	(4,758)	13,531	1,012	13,348	125	(2,828)	-	(2,828)	-	19.86
17	Tata Capital Innovations Fund - Trust [3]	August 31, 2010	INR	25,083	(21,835)	3,458	210	3,402	4,797	4,649	2	4,647	-	27.79
18	Tata Capital Growth Fund II - Trust [3&5]	September 28, 2018	INR	53,878	32,144	86,071	49	85,995	17,535	15,732	-	15,732	-	34.02
19	TCL Employee Welfare - Trust [4]	March 2, 2010	INR	-	1,729	9,373	7,644	8,375	17	17	2	15	-	-

Notes - Part “A”

1) Reporting period for all subsidiaries is the same as holding company.

2) Share Capital/Partner's Capital/Unitholder's Capital, Reserves & Surplus, Total Assets, Total Liabilities and Investments are translated at exchange rate as on March 31, 2022 as: 1 USD = ₹ 75.5199 INR and 1 GBP = ₹ 99.1765 INR whereas Turnover, Profit/(Loss) before Taxation, Provision for Taxation and Profit/(Loss) after Taxation are translated at annual average rate of 1 USD = ₹ 74.3767 INR and 1 GBP = ₹ 101.6134 INR.

3) Though Trusts would not be considered as body corporates under the Companies Act 2013, these have been disclosed as a measure of good governance.

4) “The Employee Welfare Trust (“"Trust"”) has been constituted to administer the Tata Capital Limited Employee Stock Purchase/ Option Scheme (“"Scheme"”), introduced by the Company, The Trust has been settled by way of a deed executed between the Trustee(s) and the settler. The Trust has been constituted, inter area, for the benefit of the employees of the company, its subsdiaries and the holding company (i.e Eligible Employees), in accourdance with scheme. The beneficiaries of the Trust are the Eligible Employees as defined in the Scheme and decided by the Nomination and Remuneration Committee of the Company. Thus, the Reserves & Surplus and Profit After Taxation belong entirely to the Non-Controlling Interest holder i.e. the Eligible Employees. It may be noted that the Trust is a Subsidiary in accordance with Indian Accounting Standards (“"Ind As"”), for FY 2021-22.”

5) Consolidated based on beneficial interest held.

PART "B": ASSOCIATES

Statement pursuant to Section 129 (3) of the Companies Act, 2013 related to Associate Companies

(₹ in lakh)

Sr. No	Name of Associate/Joint Venture	1. Latest audited Balance Sheet date	2. Date on which the Associate was associated or acquired	3. Shares of Associate held by the company on the year end			4. Description of how there is significant influence	5. Reason why the Associate / Joint Venture has not been consolidated	6. Networth attributable to shareholding as per latest audited Balance Sheet	7. Profit/Loss for the year	
				No. of Shares	Amount of investment in Associate	Extent of Holding %				i. Considered in Consolidation	ii. Not Considered in Consolidation
1	Tata Autocomp Systems Limited	March 31, 2021	June 28, 2008	4,83,07,333	18,528	24.00%	Based on shareholding	N.A.	33,728	9,641	40,171
2	Sea6 Energy Private Limited	March 31, 2021	August 7, 2015	23,130	3,186	21.00%		N.A.	454	(149)	(550)
3	Indusface Private Limited	March 31, 2021	April 21, 2020	4,51,721	3,500	35.70%		N.A.	1,079	(166)	(301)
4	Cnergyis Infotech India Pvt Ltd	March 31, 2021	January 10, 2022	87,415	5,709	33.07%		N.A.	463	0	1
5	Tema India Limited	March 31, 2021	October 31, 2013	19,85,524	4,201	35.01%		N.A.	5,729	(18)	(521)
6	Alef Mobitech Solutions Private Limited	March 31, 2021	November 30, 2015	4,96,276	1,588	25.70%		N.A.	171	0	0
7	Novalead Pharma Private Limited	March 31, 2021	August 31, 2010	11,477	2,335	19.75%	Based on rights under definitive documents	N.A.	406	0	0
8	Vortex Engineering Private Limited	March 31, 2021	December 13, 2011	1,39,415	2,900	18.49%		N.A.	565	-	-
9	Kapsons Industries Private Limited	March 31, 2021	December 24, 2014	2,857	1	0.01%		N.A.	(1)	-	-
10	Tata Technologies Limited	March 31, 2021	May 4, 2011	18,73,253	4,707	4.48%		N.A.	9,597	1,907	40,661
11	TVS Supply Chain Solutions Limited	March 31, 2021	September 3, 2015	14,54,880	982	0.38%		N.A.	202	50	11,705
12	Fincare Business Services Limited	March 31, 2021	March 21, 2017	25,47,910	734	0.76%		N.A.	542	0	(38)
13	Tata Projects Limited	March 31, 2021	June 24, 2015	36,71,821	5,478	2.21%		N.A.	3,116	(382)	(16,918)
14	Tata Play Limited (formerly Tata Sky Limited)	March 31, 2021	September 13, 2013	1,00,72,871	5,242	0.72%		N.A.	(332)	83	11,528
15	Fincare Small Finance Bank Limited	March 31, 2021	January 21, 2021	2,38,980	145	0.11%		N.A.	112	2	5,002
16	Linux Laboratories Pvt Ltd	March 31, 2021	February 22, 2021	3,600	1,500	3.90%		N.A.	315	(4)	(97)
17	Atulaya Healthacare Private Limited	March 31, 2021	July 20, 2021	100	1	0.01%		N.A.	-	0	170

1) Pluss Advanced Technologies Limited ceased to be Associate Company w.e.f. October 06, 2021.
2) Shriram Properties Limited ceased to be Associate Company w.e.f. December 22, 2021.
3) Roots Corporation Limited ceased to be Associate Company w.e.f. March 25, 2022.

For and on behalf of the Board of Directors

Saurabh Agrawal
(Chairman)
DIN: 02144558

Malvika Sinha
(Director)
DIN: 08373142

Varsha Purandare
(Director), Pune
DIN : 05288076

F. N. Subedar
(Director)
DIN: 00028428

Aarthi Subramanian
(Director)
DIN: 07121802

Rajiv Sabharwal
(Managing Director & CEO)
DIN: 00057333

Sarita Kamath
(Head-Legal and Compliance & Company Secretary)

Rakesh Bhatia
(Chief Financial Officer)

Place : Mumbai
Date : April 26, 2022

TATA CAPITAL

Count on us

Standalone Financial Statements

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF
TATA CAPITAL LIMITED

Report on the audit of the Standalone Financial Statements

Opinion

1. We have audited the accompanying Standalone Ind AS financial statements of Tata Capital Limited ("the Company"), which comprise the standalone balance sheet as at 31 March 2022, and the standalone statement of profit and loss (including other comprehensive income), standalone statement of changes in equity and standalone statement of cash flows for the year then ended, and notes to the Standalone Ind AS Financial Statements, including a summary of significant accounting policies and other explanatory information ("the Standalone Ind AS Financial Statements").

2. 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 ("Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31 March 2022, and its profit and other comprehensive income, changes in equity and its cash flows for the year then ended.

Basis for Opinion

3. We conducted our audit in accordance with the Standards on Auditing ("SAs") specified under section 143(10) of the Act. Our responsibilities under those SAs are further described in the Auditor's Responsibilities for the Audit of the Standalone 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 ("ICAI") together with the ethical requirements that are relevant to our audit of the Standalone Ind AS Financial Statements under the provisions of the Act, and the rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on the Standalone Ind AS Financial Statements.

Key Audit Matters

4. Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the Standalone Ind AS Financial Statements of the current year. These matters were addressed in the context of our audit of the Standalone Ind AS Financial Statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

<table>
<tr><th>Key Audit Matter</th><th>How the matter was addressed in our audit</th></tr>
<tr><td colspan="2">Impairment of investments in subsidiaries and associates
Charge: ₹ 852 Lakhs for year ended 31 March 2022
Provision: ₹ 7,069 Lakhs at 31 March 2022

Refer to the accounting policies in “Note 28 to the Standalone Ind AS Financial Statements: Impairment of Investments at Cost and Financial Instruments”, “Note 7 to the Standalone Ind AS Financial Statements: Investments” “Note 2(v) to the Standalone Ind AS Financial Statements: Significant Accounting Policies- use of estimates”, “Note 39 to the Standalone Ind AS Financial Statements: Financial Risk Review”</td></tr>
<tr><td>Subjective estimate
Recognition and measurement of investments in subsidiaries and associates involve significant management judgement.

As detailed in Note 7, the Company has investment in subsidiaries amounting to Rs. 9,27,372 Lakhs and associate companies amounting to Rs. 29,248 Lakhs. Such investments are individually assessed for impairment as per the requirements of Ind AS 36 – “Impairment of Assets.”

We have identified impairment testing of investments in subsidiaries and associates as a Key Audit Matter due to the magnitude of the carrying value of investments in subsidiaries and associates of the Company, which were more than 84% of the total assets of the Company as on 31 March 2022. Considering that the Company is a Core Investment Company (‘CIC’) which is primarily required to hold investments and loans in group companies as per Reserve Bank of India Master Directions for CICs, impairment testing of investments in such group companies continues to remain an area of focus for the audit. The key areas where we identified greater levels of management judgement and therefore increased levels of audit focus in the Company’s estimation of impairment are:

➢ As part of such impairment assessment, management considers financial information, liquidity and solvency position of investments in subsidiaries and associates. Management also considers other factors such as assessment of the investee company’s operations, business performance and modifications, if any, in the auditors’ report of such subsidiaries and associates. For some investee companies which are classified as associates, the management sometimes involves an external valuer to assess impairment.

➢ The Company has investments in Domestic Venture Capital Funds/ Alternative Investment Funds (‘the Funds’), which are classified as its subsidiaries, and the impairment assessment for such Funds is done by</td>
<td>Our audit procedures included the following:
Design / controls
➢ Understanding of the process, evaluating the design and testing the operating effectiveness in respect of impairment / fair value assessment of investments done by management.

➢ Evaluating management’s controls over collation of relevant information used for determining estimates for impairment / fair value of investments.

Substantive tests
➢ Testing appropriate implementation of policy of impairment by management.

➢ Reconciling the financial information mentioned in impairment assessment to underlying source details. Also, testing the reasonableness of management’s estimates considered in such assessment.

➢ Obtaining and reading latest audited/ management certified financial statements of subsidiaries and associates and noting key financial attributes / potential indicators of impairment.

➢ Challenge appropriateness and validity of management judgements, more so amidst challenging times of pandemic by critically evaluating the risks that have been addressed by management in the valuation approach.

➢ Obtaining independent valuation reports of investments in associates and investments held by the Funds and involving a valuation specialist to test the appropriateness of the fair value of these investments, wherever necessary and applicable, for assessing impairment thereon.</td></tr>
</table>

Key Audit Matter	How the matter was addressed in our audit
considering the net asset value of the respective Fund. The net asset value is determined based on the value of the underlying investments held by these Funds. The management involves an external valuer to assess impairment or the fair value of the underlying investments. This process involves consideration of various valuation methodologies such as income or market approach, includes data inputs, assumptions and market related knowledge that requires management judgement and expertise. Hence, we determined that the impairment of investments in subsidiaries and associates, has a high degree of estimation uncertainty, with a potential range of reasonable outcomes greater than our materiality for the Standalone Ind AS Financial Statements as a whole.	➢ Assess the completeness, accuracy and relevance of data inputs for the said purpose. ➢ Assessing the factual accuracy and appropriateness of the disclosures made in the Standalone Ind AS Financial Statements.

Other Information

5. The Company's Board of Directors are responsible for the other information. The other information comprises the information included in the Company's annual report but does not include the Standalone Ind AS Financial Statements and our auditors' report thereon. The Other Information is expected to be made available to us after the date of this auditor's report.

6. 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.

7. 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 the 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. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Management's responsibility for the Standalone Ind AS Financial Statements

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

9. In preparing the Standalone Ind AS Financial Statements, the 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 the management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

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

Auditor's responsibilities for the audit of the Standalone Ind AS Financial Statements

11. 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.

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

    12.1. 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.

    12.2. 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) the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls with reference to Standalone Ind AS Financial Statements in place and the operating effectiveness of such controls.

    12.3. Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the management.

    12.4. Conclude on the appropriateness of the management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the Standalone 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 Company to cease to continue as a going concern.

    12.5. 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.

13. 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.

14. 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.

15. From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the Standalone Ind AS Financial Statements of the current year and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Other Matters

16. Attention is drawn to the fact that the audited standalone financial Statements of the Company for the year ended 31 March 2021 were audited by erstwhile auditors whose report dated 23 April 2021, expressed an unmodified opinion on those audited standalone financial statements. Our opinion is not modified in respect of these matters.

Report on Other Legal and Regulatory Requirements

17. As required by the Companies (Auditor's Report) Order, 2020 ("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 A" a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

18. As required by Section 143(3) of the Act, we report that:

    18.1. 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.

    18.2. 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.

    18.3. The standalone balance sheet, the standalone statement of profit and loss including other comprehensive income, the statement of changes in equity and the standalone cash flow statement dealt with by this Report are in agreement with the books of account.

    18.4. In our opinion, the aforesaid Standalone Ind AS Financial Statements comply with the Ind AS specified under Section 133 of the Act.

    18.5. On the basis of the written representations received from the directors as on 31 March 2022 taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2022 from being appointed as a director in terms of Section 164(2) of the Act.

    18.6. With respect to the adequacy of the internal financial controls with reference to Standalone Ind AS Financial Statements of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B".

    18.7. In our opinion and according to the information and explanations given to us, the remuneration paid by the Company to its directors during the year is in accordance with the provisions of Section 197 of the Act read with Schedule V to the Act.

19. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:

    19.1. The Company has disclosed the impact of pending litigations as at 31 March 2022 on its financial position in its Standalone Ind AS Financial Statements – Refer Note 20 (ii) to the Standalone Ind AS Financial Statements.

    19.2. The Company has made provision, as required under the applicable law or Ind AS, for material foreseeable losses, if any, on long-term contracts including derivative contracts – Refer Note 48 to the Standalone Ind AS Financial Statements.

    19.3. There were no amounts required to be transferred to the Investor Education and Protection Fund by the Company.

    19.4. The management has represented to us that to the best of their knowledge and belief that no funds (which are material either individually or in aggregate) have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries. Based on reasonable audit procedures adopted by us, nothing has come to our notice that such representation contains any material misstatement.

19.5. The management has represented to us that to the best of their knowledge and belief that no funds (which are material either individually or in aggregate) have been received by the Company from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries. Based on reasonable audit procedures adopted by us, nothing has come to our notice that such representation contains any material misstatement.

19.6. In our opinion and according to the information and explanations given to us, the dividend declared during the year is in compliance with Section 123 of the Act. Refer note no. 52 to the Standalone Ind AS Financial Statements.

For **Khimji Kunverji & Co LLP**
Chartered Accountants
Firm Registration Number: 105146W/W100621

Hasmukh B Dedhia
Partner
ICAI Membership No: 033494
UDIN: 22033494AHUQIJ1334

Mumbai
April 26, 2022

ANNEXURE A TO THE INDEPENDENT AUDITOR'S REPORT ON THE STANDALONE FINANCIAL STATEMENTS OF TATA CAPITAL LIMITED FOR THE YEAR ENDED 31 MARCH 2022

(Referred to in paragraph 17 under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

i. (a) The Company has maintained proper records showing full particulars including quantitative details and situation of Property, Plant and Equipment ("PPE").

The Company is maintaining proper records showing full particulars of intangible assets.

(b) The Company has a regular programme of physical verification of its PPE by which all PPE are verified in a phased manner over a period of 3 years. In our opinion, this periodicity of physical verification is reasonable having regard to the size of the Company and the nature of its assets. Pursuant to the programme, certain PPE were physically verified by the management during the previous year. In our opinion, and according to the information and explanations given to us, no material discrepancies were noticed on such verification.

(c) In our opinion and according to the information and explanations given to us and on the basis of our examination of the records of the Company, the title deeds of all the immovable properties (other than properties where the Company is the lessee and the lease agreements are duly executed in favour of the lessee) disclosed in the financial statements are held in the name of the Company.

(d) In our opinion and according to the information and explanations given to us, the Company has not revalued its PPE (including Right of Use assets) or intangible assets or both during the year.

(e) According to the information and explanations given to us and on the basis of our examination of the records of the Company, no proceedings have been initiated or are pending against the Company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and rules made thereunder. - Refer note 51 to the Standalone Ind AS Financial Statements.

ii. (a) The Company is in the business of providing loans and does not have any physical inventories. Accordingly, the provision of clause 3(ii)(a) of the Order is not applicable to it.

(b) In our opinion and according to the information and explanations given to us, the Company does not have sanctioned working capital limits from banks or financial institutions which are secured on the basis of any security. Accordingly, the provision of clause 3(ii)(b) of the Order is not applicable to it.

iii. (a) Since the Company's principal business is to give loans, the provisions of clause 3(iii)(a) of the Order are not applicable it.

(b) In our opinion and according to the information and explanations given to us, the investments made, guarantees provided, security given and the terms and conditions of the grant of all loans and advances in the nature of loans and guarantees provided are not prejudicial to the Company's interest.

(c) In our opinion and according to the information and explanations given to us, in respect of loans and advances in the nature of loans, the schedule of repayment of principal and payment of interest has been stipulated and the repayments or receipts are regular during the year.

(d) In our opinion and according to the information and explanations given to us, no amount is overdue in respect of loans and advances in the nature of loans.

(e) Since the Company's principal business is to give loans, the provisions of clause 3(iii)(e) of the Order are not applicable to it.

(f) In our opinion and according to the information and explanations given to us, the Company has granted loans or advances in the nature of loans to Promoters/Related Parties (as defined in section 2(76) of the Act) which are either repayable on demand or without specifying any terms or period of repayment.

(₹ In crores)

	All Parties	Promoters	Related Parties
Aggregate amount of loans/ advances in nature of loans - Repayable on demand (A) - Agreement does not specify any terms or period of repayment (B)	 779.88 -	 - -	 779.88 -
Total (C) = (A+B)	**779.88**	**-**	**779.88**
Total Loans (D)	**980.01**	**-**	**980.01**
Percentage of loans/ advances in nature of loans to the total loans			80%

iv. In our opinion and according to the information and explanations given to us, the Company has complied with the provisions of sections 185 and 186 of the Act with respect to the loans given, investments made, guarantees given and security provided.

v. In our opinion and according to the information and explanations given to us, the Company has not accepted any deposits or amounts which are deemed to be deposits from the public during the year in terms of directives issued by the Reserve Bank of India or the provisions of Sections 73 to 76 or any other relevant provisions of the Act and the rules framed there under. Accordingly, paragraph 3(v) of the Order is not applicable to the Company.

vi. The Central Government has not prescribed the maintenance of cost records under sub-section (1) section 148 of the Act for any of the services rendered by the Company. Accordingly, the provision of clause 3(vi) of the Order is not applicable to the Company.

vii. (a) In our opinion and according to the information and explanations given to us, amounts deducted/accrued in the books of account in respect of undisputed statutory dues including Goods and Services Tax, provident fund, employees' state insurance, income-tax, sales-tax, service tax, duty of customs, duty of excise, value added tax, cess and any other statutory dues have generally been regularly deposited by the Company with the appropriate authorities in all cases during the year.

According to the information and explanations given to us, no undisputed amounts payable in respect of provident fund, employees' state insurance, income-tax, Goods and Services Tax, duty of customs, cess and other material statutory dues were in arrears as at 31 March 2022 for a period of more than six months from the date they became payable.

(b) In our opinion and according to the information and explanations given to us, we report that the following statutory dues have not been deposited with the appropriate authority on account of any dispute.

Name of the Statute	Nature of the Dues	Amount	Period to which the amount relates	Forum where dispute is pending
Income Tax Act, 1961	Income Tax	6.97	2016-17	Commissioner of Income Tax (Appeals)
Income Tax Act, 1961	Income Tax	10.65	2017-18	Commissioner of Income Tax (Appeals)
Income Tax Act, 1961	Income Tax	3.43	2019-20	Assessing Officer
Maharashtra Value Added Tax	Value Added Tax	0.02	2009-10	Tribunal (Commercial Tax)
Maharashtra Value Added Tax	Value Added Tax	1.74	2010-11	Joint Commissioner of Sales Tax – Appeal

Name of the Statute	Nature of the Dues	Amount	Period to which the amount relates	Forum where dispute is pending
Maharashtra Value Added Tax	Value Added Tax	0.18	2011-12	Joint Commissioner of sales tax
Maharashtra Value Added Tax	Value Added Tax	0.33	2011-12	Deputy Commissioner
Maharashtra Value Added Tax	Value Added Tax	0.11	2011-12	Joint Commissioner (Trade and Taxes)

viii. In our opinion and according to the information and explanations given to us and on the basis of our examination of the records of the Company, we confirm that we have not come across any transactions not recorded in the books of account which have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961.

ix. (a) In our opinion, the Company has not defaulted in repayment of loans or other borrowings to financial institutions, banks, government and dues to debenture holders or in the payment of interest thereon to any lender.

(b) According to the information and explanations given to us and on the basis of our audit procedures, we report that the Company has not been declared wilful defaulter by any bank or financial institution or government or any government authority or any other lender.

(c) In our opinion and according to the information and explanations given to us, the Company has not raised any money by way of term loans, during the year.

(d) According to the information and explanations given to us, and the procedures performed by us, and on an overall examination of the financial statements of the Company, we report that no funds raised on short-term basis have been used for long-term purposes by the Company.

(e) According to the information and explanations given to us and on an overall examination of the financial statements of the Company, we report that the Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries, associates or joint ventures.

(f) According to the information and explanations given to us and procedures performed by us, we report that the Company has not raised loans during the year on the pledge of securities held in its subsidiaries, joint ventures or associate companies.

x. (a) The Company did not raise money by way of initial public offer or further public offer (including debt instruments) during the year.

(b) In our opinion and according to the information and explanations given to us, the Company has not made any preferential allotment / private placement of shares / fully / partly / optionally convertible debentures during the year.

xi. (a) In our opinion and according to the information and explanations given to us, there has been no fraud by the Company or any fraud on the Company that has been noticed or reported during the year.

(b) According to the information and explanations given to us, no report under sub-section (12) of section 143 of the Act has been filed by the auditors in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government.

(c) As represented to us by the management, there are no whistle blower complaints received by the Company during the year.

xii. In our opinion and according to the information and explanations given to us, the Company is not a Nidhi company. Accordingly, paragraph 3(xii) of the Order is not applicable to the Company.

xiii. According to the information and explanations given to us and based on our examination of the records of the Company, transactions with the related parties are in compliance with Sections 177 and 188 of the Act where applicable and details of such transactions have been disclosed in the financial statements as required by the applicable accounting standards.

xiv. (a) In our opinion and based on our examination, the Company has an internal audit system commensurate with the size and nature of its business.

(b) We have considered, during the course of our audit, the reports of the Internal Auditor(s) for the period under audit in accordance with the guidance provided in SA 610 “Using the work of Internal Auditors”.

xv. According to the information and explanations given to us, in our opinion during the year the Company has not entered into any non-cash transactions with its directors or persons connected with its directors. Accordingly, paragraph 3(xv) of the Order is not applicable to the Company and hence provisions of section 192 of the Act, 2013 are not applicable to the Company.

xvi. (a) The Company is required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934 and the Company has obtained the required registration.

(b) The Company has not conducted any Non-Banking Financial or Housing Finance activities without obtaining a valid CoR from the Reserve Bank of India as per the Reserve Bank of India Act, 1934.]

(c) The Company is a Core Investment Company (“CIC”) as defined in the regulations made by Reserve Bank of India. The Company has obtained the required registration with Reserve Bank of India and continues to fulfil the criteria of a CIC.

(d) According to the information and explanation given to us by the management, the Group has five CICs which are registered with the Reserve Bank of India and 1 CIC which is not required to be registered with the Reserve Bank of India.

xvii. The Company has not incurred cash losses in the financial year and in the immediately preceding financial year

xviii. During the year, M/s BSR & Co LLP, the Statutory auditors of the Company have resigned with effect from 25 October, 2021 consequent to amended rules/regulations applicable to the Company. (i.e. vide RBI circular dated 27 April 2021). As informed, there have been no issues, objections or concerns raised by the said outgoing auditors.

xix. According to the information and explanations given to us and on the basis of the financial ratios, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the financial statements, our knowledge of the Board of Directors and management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report that the Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.

xx. (a) According to the information and explanations given to us and based on our examination of the records of the Company, it is not required to transfer any unspent amount pertaining to the year under report to a Fund specified in Schedule VII to the Companies Act in compliance with second proviso to sub section 5 of section 135 of the said Act.

(b) According to the information and explanations given to us and based on our examination of the records of the Company, there is no amount which is remaining unspent under sub section 5 of section 135 of the Act pursuant to any ongoing CSR project.

xxi. Reporting under clause xxi of the Order is not applicable at the standalone level.

For **Khimji Kunverji & Co LLP**
Chartered Accountants
Firm Registration Number: 105146W/W100621

Hasmukh B Dedhia
Partner
ICAI Membership No: 033494
UDIN: 22033494AHUQIJ1334

Mumbai
April 26, 2022

ANNEXURE B TO THE INDEPENDENT AUDITORS' REPORT ON THE STANDALONE FINANCIAL STATEMENTS OF TATA CAPITAL LIMITED FOR THE YEAR ENDED 31 MARCH 2022

(Referred to in paragraph 18.6 under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

Report on the Internal Financial Controls with reference to the aforesaid Standalone Financial Statements under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013.

Opinion

1. We have audited the internal financial controls with reference to the Standalone Financial Statements of Tata Capital Limited ("the Company") as at 31 March 2022 in conjunction with our audit of the Standalone Financial Statements of the Company for the year ended on that date.

2. In our opinion, the Company has, in all material respects, an adequate internal financial controls with reference to the Standalone Financial Statements and such internal financial controls were operating effectively as at 31 March 2022, based on the internal controls 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 ("the Guidance Note").

Management's responsibility for Internal Financial Controls

3. The Company's management is responsible for establishing and maintaining internal financial controls based on the internal controls over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to 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 Act.

Auditor's responsibility

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

5. Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system with reference to the Standalone Financial Statements and their operating effectiveness. Our audit of internal financial controls with reference to the Standalone Financial Statements included obtaining an understanding of internal financial controls with reference to the 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 Standalone Financial Statements, whether due to fraud or error.

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

Meaning of Internal Financial Controls with reference to the Standalone Financial Statements

7. A Company's internal financial controls with reference to the Standalone Financial Statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of Standalone Financial Statements for external purposes in accordance with generally accepted accounting principles. A Company's internal financial controls with reference to the Standalone Financial Statements include those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the Company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of Standalone 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 Standalone Financial Statements.

Inherent Limitations of Internal Financial Controls with reference to the Standalone Financial Statements

8. Because of the inherent limitations of internal financial controls with reference to the 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 with reference to the Standalone Financial Statements to future periods are subject to the risk that the internal financial controls with reference to the Standalone Financial Statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

For **Khimji Kunverji & Co LLP**
Chartered Accountants
Firm Registration Number: 105146W/W100621

Hasmukh B Dedhia
Partner
ICAI Membership No: 033494
UDIN: 22033494AHUQIJ1334

Mumbai
April 26, 2022

STANDALONE BALANCE SHEET AS AT MARCH 31, 2022

(₹ in lakh)

Particulars	Note No.	As at March 31, 2022	As at March 31, 2021
ASSETS			
(I) Financial Assets			
(a) Cash and cash equivalents	3	**195**	2,511
(b) Bank balance other than (a) above	4	**13**	16
(c) Receivables			
(i) Trade receivables	5(i)	**1,265**	1,289
(ii) Other receivables	5(ii)	**24**	7
(d) Loans	6	**97,510**	1,27,948
(e) Investments	7	**10,13,997**	9,08,263
(f) Other financial assets	8	**774**	74
Total Financial Assets		**11,13,778**	**10,40,108**
(II) Non-Financial Assets			
(a) Current tax assets (net)		**2,222**	826
(b) Deferred tax assets (net)	9	**-**	42
(c) Investment property	10	**4,935**	5,247
(d) Property, plant and equipment	10	**3,504**	3,745
(e) Other intangible assets	10	**2**	4
(f) Right of use assets	10	**37**	9
(g) Other non-financial assets	11	**1,773**	1,405
Total Non-Financial Assets		**12,473**	**11,278**
Total Assets		**11,26,251**	**10,51,386**
LIABILITIES AND EQUITY			
LIABILITIES			
(I) Financial Liabilities			
(a) Payables			
(i) Trade payables			
- Total outstanding dues of micro enterprises and small enterprises	12(i)	**9**	2
- Total outstanding dues other than micro enterprises and small enterprises	12	**2,297**	2,034
(b) Debt securities	13	**2,98,046**	2,29,107
(c) Subordinated liabilities	14	**1,10,983**	1,15,740
(d) Lease liability		**36**	9
(e) Other financial liabilities	15	**10,963**	9,253
Total Financial Liabilities		**4,22,334**	**3,56,145**
(II) Non-Financial Liabilities			
(a) Provisions	16	**436**	435
(b) Deferred tax liabilities (Net)	9	**80**	-
(c) Other non-financial liabilities	17	**1,603**	1,929
Total Non-Financial Liabilities		**2,119**	**2,364**
EQUITY			
(a) Equity share capital	18	**3,51,617**	3,51,617
(b) Other equity	19	**3,50,181**	3,41,260
Total Equity		**7,01,798**	**6,92,877**
Total Liabilities and Equity		**11,26,251**	**10,51,386**
Summary of significant accounting policies	2		
See accompanying notes forming part of the Standalone Financial Statements	3-53		

In terms of our report attached

For **Khimji Kunverji & Co LLP**
Chartered Accountants
Firm's Registration No: 105146W/W100621

Hasmukh B. Dedhia
Partner
Membership No: 033494

Mumbai
April 26, 2022

For and on behalf of the Board of Directors

Saurabh Agrawal
(Chairman)
DIN: 02144558

F. N. Subedar
(Director)
DIN: 00028428

Varsha Purandare
(Director) (Pune)
DIN: 05288076

Malvika Sinha
(Director)
DIN: 08373142

Aarthi Subramanian
(Director)
DIN: 07121802

Rajiv Sabharwal
(Managing Director & CEO)
DIN: 00057333

Sarita Kamath
(Head - Legal and Compliance & Company Secretary)

Rakesh Bhatia
(Chief Financial Officer)

STANDALONE STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED MARCH 31, 2022

(₹ in lakh)

	Particulars	Note No.	For the year ended March 31, 2022	For the year ended March 31, 2021
I	**Revenue from operations**			
(i)	Interest income	22	**14,213**	10,098
(ii)	Dividend income		**20,717**	20,035
(iii)	Rental income		**1,901**	1,901
(iv)	Fee and commission income	23	**5,214**	4,458
(v)	Net gain on fair value changes	24	**518**	477
(vi)	Net gain on de-recognition of associate		**923**	-
I	**Total revenue from operations**		**43,486**	**36,969**
II	Other income	25	**4,732**	2,200
III	Profit on sale of investment		**2,971**	6,048
IV	**Total income (I+II+III)**		**51,189**	**45,217**
V	**Expenses**			
(i)	Finance costs	27	**28,970**	25,513
(ii)	Impairment on investments at cost and financial instruments	28	**730**	1,898
(iii)	Employee benefits expense	29	**8,742**	9,184
(iv)	Depreciation, amortisation and impairment	10	**710**	727
(v)	Other expenses	30	**1,742**	1,592
V	**Total expenses**		**40,894**	**38,914**
VI	**Profit before exceptional items and tax (IV-V)**		**10,295**	**6,303**
VII	**Exceptional Items**		**-**	-
VIII	**Profit before tax (VI-VII)**		**10,295**	**6,303**
IX	**Tax expenses :**			
	(1) Current tax		**1,826**	1,538
	(2) Deferred tax charge		**159**	98
IX	**Total Net tax expense**	31	**1,985**	**1,636**
X	**Profit for the period (VIII-IX)**		**8,310**	**4,667**
XI	**Other Comprehensive Income**			
(A)	**(i) Items that will not be reclassified to profit or loss**			
	(a) Remeasurement of defined employee benefit plans		**9**	451
	(ii) Income tax relating to items that will not be reclassified to profit or loss		**(2)**	(114)
	Subtotal A ((i) + (ii))		**7**	**337**
(B)	**(i) Items that will be reclassified to profit or loss**			
	(a) Debt instruments at fair value through Other Comprehensive Income - net change in fair value		**(144)**	458
	(ii) Income tax relating to items that will be reclassified to profit or loss		**38**	(107)
	Subtotal B ((i) + (ii))		**(106)**	**351**
XI	**Total Other Comprehensive Income (A+B)**		**(99)**	**688**

STANDALONE STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED MARCH 31, 2022 *(Contd.)*

(₹ in lakh)

Particulars	Note No.	For the year ended March 31, 2022	For the year ended March 31, 2021
XII Total Comprehensive Income for the year (X+XI)		**8,211**	**5,355**
XIII Earnings per equity share:	32		
Equity Share of par value ₹ 10/- each			
(1) Basic (₹)		**0.24**	0.13
(2) Diluted (₹)		**0.24**	0.13
Summary of significant accounting policies	2		
See accompanying notes forming part of the Standalone Financial Statements	3-53		

In terms of our report attached

For **Khimji Kunverji & Co LLP**
Chartered Accountants
Firm's Registration No: 105146W/W100621

Hasmukh B. Dedhia
Partner
Membership No: 033494

Mumbai
April 26, 2022

For and on behalf of the Board of Directors

Saurabh Agrawal
(Chairman)
DIN: 02144558

F. N. Subedar
(Director)
DIN: 00028428

Varsha Purandare
(Director) (Pune)
DIN: 05288076

Malvika Sinha
(Director)
DIN: 08373142

Aarthi Subramanian
(Director)
DIN: 07121802

Rajiv Sabharwal
(Managing Director & CEO)
DIN: 00057333

Sarita Kamath
(Head - Legal and Compliance & Company Secretary)

Rakesh Bhatia
(Chief Financial Officer)

STANDALONE STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED MARCH 31, 2022

a Equity share capital

(₹ in lakh)

Particulars	
Balance as at April 1, 2020	**3,51,617**
Changes in equity share capital due to prior period errors	-
Restated balance as at April 1, 2020	**3,51,617**
Changes in equity share capital during the period	-
Balance as at March 31 2021	**3,51,617**
Balance as at April 1, 2021	**3,51,617**
Changes in equity share capital due to prior period errors	-
Restated balance as at April 1, 2021	**3,51,617**
Changes in equity share capital during the period	-
Balance as at March 31, 2022	**3,51,617**

b Other equity

(₹ in lakh)

Particulars	Reserves and surplus					ESOP Reserve	General reserve	Debt instruments at fair value through Other Comprehensive Income	Remeasurement of defined benefit (liability) / asset	Total other equity
	Capital reserve	Capital Redemption Reserve	Securities premium Account	Special Reserve Account	Retained earnings					
Balance as at April 1, 2020	**93**	**575**	**2,95,866**	**24,737**	**13,350**	**708**	**128**	**212**	**(263)**	**3,35,406**
Changes in accounting policy / prior period errors	-	-	-	-	-	-	-	-	-	-
Restated balance as at April 1, 2020	**93**	**575**	**2,95,866**	**24,737**	**13,350**	**708**	**128**	**212**	**(263)**	**3,35,406**
Profit for the year	-	-	-	-	4,667	-	-	-	-	4,667
Other comprehensive income for the year , net of income tax	-	-	-	-	-	-	-	351	337	688
Total comprehensive income for the year	**-**	**-**	**-**	**-**	**4,667**	**-**	**-**	**351**	**337**	**5,355**
Transfer to special reserve account	-	-	-	933	(933)	-	-	-	-	-
ESOP option cost	-	-	-	-	-	499	-	-	-	499
ESOP option cost transferred to general reserve	-	-	-	-	-	(160)	160	-	-	-
Balance as at March 31, 2021	**93**	**575**	**2,95,866**	**25,670**	**17,084**	**1,047**	**288**	**563**	**74**	**3,41,260**
Balance as at April 1, 2021	**93**	**575**	**2,95,866**	**25,670**	**17,084**	**1,047**	**288**	**563**	**74**	**3,41,260**
Changes in accounting policy / prior period errors	-	-	-	-	-	-	-	-	-	-
Restated balance as at April 1, 2021	**93**	**575**	**2,95,866**	**25,670**	**17,084**	**1,047**	**288**	**563**	**74**	**3,41,260**
Profit for the year	-	-	-	-	8,310	-	-	-	-	8,310
Other comprehensive income for the year, net of income tax	-	-	-	-	-	-	-	(106)	7	(99)
Total comprehensive income for the year	**-**	**-**	**-**	**-**	**8,310**	**-**	**-**	**(106)**	**7**	**8,211**
Transfer to special reserve account	-	-	-	1,699	(1,699)	-	-	-	-	-
ESOP option cost	-	-	-	-	-	709	-	-	-	709
Balance as at March 31, 2022	**93**	**575**	**2,95,866**	**27,369**	**23,696**	**1,756**	**288**	**457**	**81**	**3,50,181**

In terms of our report attached

For **Khimji Kunverji & Co LLP**
Chartered Accountants
Firm's Registration No: 105146W/W100621

Hasmukh B. Dedhia
Partner
Membership No: 033494

Mumbai
April 26, 2022

For and on behalf of the Board of Directors

Saurabh Agrawal
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(Managing Director & CEO)
DIN: 00057333

Sarita Kamath
(Head - Legal and Compliance & Company Secretary)

Rakesh Bhatia
(Chief Financial Officer)

STANDALONE CASH FLOW STATEMENT FOR THE YEAR ENDED MARCH 31, 2022

(₹ in lakh)

Particulars	Note No.	For the year ended March 31, 2022	For the year ended March 31, 2021
1. CASH FLOW FROM OPERATING ACTIVITIES			
Profit before tax		**10,295**	**6,303**
Adjustments for :			
Dividend income		**(20,717)**	(20,035)
Interest income		**(14,213)**	(10,098)
Net gain/(loss) on fair value changes		**(518)**	(477)
Finance cost		**28,970**	25,513
Provision for employee benefits		**(106)**	(111)
Impairment loss allowance against stage I and stage II assets		**(122)**	79
Impairment loss / Write off for diminution in value of investments		**227**	1,809
Impairment provision on trade receivables		**-**	10
Distribution of interest income by private equity funds		**(2)**	(5)
Equity settled share based payments cost		**709**	499
Depreciation, amortisation and impairment		**710**	727
Profit on sale of investments		**(2,971)**	(6,048)
Net gain on de-recognition of associate		**(923)**	-
Net Impact on fair valuation of security deposit received/ given		**(406)**	(406)
Net gain on derecognition of property, plant and equipment		**(1)**	-
		932	**(2,240)**
Interest paid		**(18,342)**	(12,584)
Interest received		**14,316**	10,017
Dividend received		**20,717**	20,035
Operating Profit before working capital changes		**17,623**	**15,228**
Adjustments for :			
Decrease in trade receivables		**7**	197
Increase in other financial / non-financial assets		**(957)**	(44)
Decrease / (Increase) in loans		**30,455**	(19,598)
Increase / (Decrease) in trade payables		**270**	(99)
Increase in other financial / non-financial liabilities and provisions		**1,205**	1,017
Cash generated from / (used in) operations		**48,603**	**(3,299)**
Taxes paid		**(3,224)**	(2,925)
NET CASH GENERATED FROM / (USED IN) OPERATING ACTIVITIES		**45,379**	**(6,224)**

STANDALONE CASH FLOW STATEMENT FOR THE YEAR ENDED MARCH 31, 2022 *(contd...)*

(₹ in lakh)

Particulars	Note No.	For the year ended March 31, 2022	For the year ended March 31, 2021
2. CASH FLOW FROM INVESTING ACTIVITIES			
Purchase of property, plant and equipments (including capital advances)		**(134)**	(5)
Proceeds from derecognition of property, plant and equipments		**7**	3
Distribution of interest income by private equity funds		**2**	5
Investment in subsidiary and associate companies		**(57,612)**	-
Proceeds from sale of investments in subsidiary and associate companies		**2,986**	-
Investment in private equity funds		**(3,654)**	(10,582)
Proceeds from divestments by private equity funds		**3,938**	7,559
Investment in other entities		**(3)**	(5)
Investment in mutual funds		**(99,495)**	-
Proceeds from redemption of mutual funds		**52,148**	-
NET CASH USED IN INVESTING ACTIVITIES		**(1,01,817)**	**(3,025)**
3. CASH FLOW FROM FINANCING ACTIVITIES			
Redemption of Cumulative Redeemable Preference Shares		**(4,988)**	(30,740)
Dividend paid on Cumulative Redeemable Preference Shares (including dividend distribution tax)		**(8,244)**	(9,074)
Expenses on issue of Non Convertible Debentures		**(33)**	(179)
Proceeds from Debt securities		**2,82,375**	1,29,964
Repayment of Debt securities		**(2,15,124)**	(78,351)
Premium on issue of Debt securities		**159**	-
Proceeds from Security Deposit		**9**	-
Repayment of lease liability		**(32)**	(33)
NET CASH GENERATED FROM FINANCING ACTIVITIES		**54,122**	**11,587**
NET INCREASE / (DECREASE) IN CASH AND CASH EQUIVALENTS		**(2,316)**	**2,338**
CASH AND CASH EQUIVALENTS AS AT THE BEGINNING OF THE YEAR		**2,511**	**173**
CASH AND CASH EQUIVALENTS AS AT THE END OF THE YEAR	3 & 4	**195**	**2,511**
Reconciliation of cash and cash equivalents as above with cash and bank balances			
Cash and bank balances as at the end of the year		**195**	**2,511**
Add: Restricted Cash (Refer note 4)		**13**	**16**
Cash and bank balances as at the end of the year		**208**	**2,527**

STANDALONE CASH FLOW STATEMENT FOR THE YEAR ENDED MARCH 31, 2022 *(contd...)*

(₹ in lakh)

Changes in Liabilities arising from financing activities

Particulars	Debt securities	Borrowing (Other than debt securities)	Subordinated liabilities
Balance as at April 1, 2020	**1,75,216**	-	**1,46,146**
Net change due to proceeds/ (repayment)	51,613	-	(30,740)
Others *	2,278	-	335
Balance as at March 31, 2021	**2,29,107**	**-**	**1,15,740**
Net change due to proceeds/ (repayment)	67,409	-	(4,988)
Others *	1,530	-	231
Balance as at March 31, 2022	**2,98,046**	**-**	**1,10,983**

Summary of significant accounting policies	2	
See accompanying notes forming part of the Standalone Financial Statements	3-53	

* Others includes the effect of interest accrued but not due, amortisation of borrowing cost, amortisation of premium/discount on CPs/NCDs.

In terms of our report attached

For **Khimji Kunverji & Co LLP**
Chartered Accountants
Firm's Registration No: 105146W/W100621

Hasmukh B. Dedhia
Partner
Membership No: 033494

Mumbai
April 26, 2022

For and on behalf of the Board of Directors

Saurabh Agrawal
(Chairman)
DIN: 02144558

F. N. Subedar
(Director)
DIN: 00028428

Varsha Purandare
(Director) (Pune)
DIN: 05288076

Malvika Sinha
(Director)
DIN: 08373142

Aarthi Subramanian
(Director)
DIN: 07121802

Rajiv Sabharwal
(Managing Director & CEO)
DIN: 00057333

Sarita Kamath
(Head - Legal and Compliance & Company Secretary)

Rakesh Bhatia
(Chief Financial Officer)

SIGNIFICANT ACCOUNTING POLICIES AND NOTES TO ACCOUNTS

1. Corporate Information

Tata Capital Limited (the "Company" or "TCL") is a subsidiary of Tata Sons Private Limited. In May 2012, TCL was registered with the Reserve Bank of India ("RBI") as a Systemically Important Non-Deposit Accepting Core Investment Company ("CIC").

As a CIC, TCL is a primary holding company, holding investments in its subsidiaries and other group companies and carries out only such activities as are permitted under the guidelines issued by RBI for CICs. The Company's subsidiaries are engaged in a wide array of businesses in the financial services sector.

The Company is domiciled in India and incorporated under the Companies Act, 2013 and listed its non-convertible debentures with National Stock Exchange Limited.

2. Basis of preparation

i. Statement of compliance

These financial statements have been prepared in accordance with the Indian Accounting Standards (IND AS) as per the Companies (Indian Accounting Standards) Rules, 2015, as amended by the Companies (Indian Accounting Standards) Rules, 2016, notified under Section 133 of the Companies Act, 2013 (the "Act"), other relevant provisions of the Act, guidelines issued by the Reserve Bank of India as applicable to a CICs and other accounting principles generally accepted in India. Any application guidance / clarifications / directions issued by RBI or other regulators are implemented as and when they are issued / applicable, the guidance notes/announcements issued by the Institute of Chartered Accountants of India (ICAI) are also applied except where compliance with other statutory promulgations require a different treatment.

Accounting policies have been consistently applied except where a newly issued Ind AS is initially adopted or a revision to an existing Ind AS required a change in the accounting policy hitherto in use. The standalone financial statements were authorised for issue by the Board of Directors (BOD) on April 26, 2022.

ii. Presentation of standalone financial statements

The Balance Sheet, Statement of Profit and Loss and Statement of Changes in Equity are prepared and presented in the format prescribed in the Division III of Schedule III of the Companies Act, 2013 (the 'Act'). The Statement of Cash Flows has been prepared and presented as per the requirements of Ind AS.

A summary of the significant accounting policies and other explanatory information is in accordance with the Companies (Indian Accounting Standards) Rules, 2015 as specified under Section 133 of the Companies Act, 2013 (the 'Act') including applicable Indian Accounting Standards (Ind AS) and accounting principles generally accepted in India.

Financial assets and financial liabilities are generally reported gross in the balance sheet. They are only offset and reported net when, in addition to having an unconditional legally enforceable right to offset the recognised amounts without being contingent on a future event, the parties also intend to settle on a net basis.

Amounts in the standalone financial statements are presented in Indian Rupees in Lakh, which is also the Company's functional currency and all amounts have been rounded off to the nearest lakhs unless otherwise indicated.

iii. Basis of measurement

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.

Historical cost is generally based on the fair value of the consideration given in exchange for goods and services at the time of entering into the transaction.

iv. Measurement of fair values:

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, regardless of whether that price is directly observable or estimated using another valuation technique.

In estimating the fair value of an asset or a liability, the Company takes into account the characteristics of the asset or liability if market participants would take those characteristics into account when pricing the asset or liability at the measurement date.

A number of the Company's accounting policies and disclosures require the measurement of fair values, for both financial and non-financial assets and liabilities.

Fair value for measurement and/or disclosure purposes for certain items in these standalone financial statements is determined considering the following measurement methods:

Items	**Measurement basis**
Certain financial assets and liabilities	Fair value
Net defined benefit (asset)/liability	Fair value of planned assets less present value of defined benefit obligations
Property plant and equipment	Value in use under Ind AS 36

Fair values are categorized into different levels (Level 1, Level 2 or Level 3) in a fair value hierarchy based on the inputs used in the valuation techniques. When measuring the fair value of an asset or a liability, the Company uses observable market data as far as possible. If the inputs used to measure the fair value of an asset or a liability fall into different levels of the fair value hierarchy, then the fair value measurement is categorized in its entirety in the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement.

The levels are described as follows:

a) Level 1: inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the Company can access at the measurement date

b) Level 2: inputs are inputs, other than quoted prices included within level 1, that are observable for the asset or liability, either directly or indirectly; and

c) Level 3: inputs are unobservable inputs for the valuation of assets or liabilities that the Company can access at the measurement date.

The Company recognizes transfers between levels of the fair value hierarchy at the end of the reporting period during which the change has occurred.

For details relating to Valuation model and framework used for fair value measurement and disclosure of financial instruments refer note 38.

v. Use of estimates and judgements

The preparation of standalone financial statements in conformity with Ind AS requires the management of the Company to make judgements, assumptions and estimates that affect the reported balances of assets and liabilities and disclosures relating to the contingent liabilities as at the date of the standalone financial statements and reported amounts of income and expenses for the reporting period. The application of accounting policies that require critical accounting estimates involving complex and subjective judgments and the use of assumptions in the standalone financial statements have been disclosed as applicable in the respective notes to accounts. Accounting estimates could change from period to period. Future results could differ from these estimates. Appropriate changes in estimates are made as the Management becomes aware of changes in circumstances surrounding the estimates. Changes in estimates are reflected in the standalone financial statements in the period in which changes are made and, if material, their effect are disclosed in the notes to the standalone financial statements.

Judgements:

Information about judgements made in applying accounting policies that have most significant effect on the amount recognised in the standalone financial statements is included in the following notes:

– Note x - classification of financial assets: assessment of the business model within which the assets are held and assessment of whether the contractual terms of the financial asset are solely payments of principal and interest on the principal amount outstanding.

Assumptions and estimation of uncertainties:

Information about assumptions and estimation of uncertainties that have a significant risk of resulting in a material adjustment in the year ending March 31, 2022 are included in the following notes:

– Note x - impairment test of non-financial assets: key assumption underlying recoverable amounts.

– Note xii - useful life of property, plant, equipment and intangibles.

– Note xix - Significant judgments are involved in determining the provision for income taxes, including amount expected to be paid / recovered for uncertain tax positions

– Note xxi - recognition and measurement of provisions and contingencies: key assumptions about the likelihood and magnitude of an outflow of resources.

– Note 34 - measurement of defined benefit obligations: key actuarial assumptions.

– Note 38 - determination of the fair value of financial instruments with significant unobservable inputs.

vi. Interest

Interest consists of consideration for the time value of money, for the credit risk associated with the principal amount outstanding during a particular period and for other basic lending risks and costs, as well as a profit margin.

Interest income and expense are recognised using the effective interest method. The effective interest rate (EIR) is the rate that exactly discounts estimated future cash flows through the expected life of the financial instrument to the gross carrying amount of the financial asset or amortised cost of the financial liability.

Calculation of the EIR includes all fees paid or received that are incremental and directly attributable to the acquisition or issue of a financial asset or liability.

Interest income is calculated by applying the EIR to the gross carrying amount of non-credit impaired financial assets (i.e. at the amortised cost of the financial asset before adjusting for any expected credit loss allowance). For credit-impaired financial assets the interest income is calculated by applying the EIR to the amortised cost of the credit-impaired financial assets {i.e. at the amortised cost of the financial asset after adjusting for any expected credit loss allowance (ECLs)}. The Company assesses the collectability of the interest on credit impaired assets at each reporting date. Based on the outcome of such assessment, the interest income accrued on credit impaired financial assets are either accounted for as income or written off as per the write off policy of the Company.

The interest cost is calculated by applying the EIR to the amortised cost of the financial liability.

The 'amortised cost' of a financial asset or financial liability is the amount at which the financial asset or financial liability is measured on initial recognition minus the principal repayments, plus or minus the cumulative amortisation using the effective interest method of any difference between that initial amount and the maturity amount and, for financial assets, adjusted for any expected credit loss allowance.

The 'gross carrying amount of a financial asset' is the amortised cost of a financial asset before adjusting for any expected credit loss allowance.

vii. Income not integral to effective interest rate (EIR) method under Ind AS 109 and Fee and commission income from services and distribution of financial products:

Revenue in the form of income from financial advisory, income from private equity assets under management, distribution from private equity funds, income from managerial and marketing services (other than for those items to which Ind AS 109 - Financial Instruments and Ind AS 17 – Leases are applicable) is measured at fair value of the consideration received or receivable, in accordance with Ind AS 115 - Revenue from contracts with customers.

The Company recognises revenue from contracts with customers based on a five-step model as set out in Ind AS 115:

Step 1: Identify contract(s) with a customer: A contract is defined as an agreement between two or more parties that creates enforceable rights and obligations and sets out the criteria for every contract that must be met.

Step 2: Identify performance obligations in the contract: A performance obligation is a promise in a contract with a customer to transfer a good or service to the customer.

Step 3: Determine the transaction price: The transaction price is the amount of consideration to which the Company expects to be entitled in exchange for transferring promised goods or services to a customer, excluding amounts collected on behalf of third parties.

Step 4: Allocate the transaction price to the performance obligations in the contract: For a contract that has more than one performance obligation, the Company allocates the transaction price to each performance obligation in an amount that depicts the amount of consideration to which the Company expects to be entitled in exchange for satisfying each performance obligation.

Step 5: Recognise revenue when (or as) the Company satisfies a performance obligation.

Advisory Fees are charged to offshore investment manager for providing non-exclusive non-binding support services for transactions by private equity funds. Income from advisory services are accounted using cost plus mark-up as and when the service is rendered, provided there is reasonable certainty of its ultimate realisation.

Management Fees are charged for providing managerial and marketing services and are accounted using cost plus mark-up as and when the underlying costs are incurred. Reimbursement of expenses incurred for rendering services are reduced from such expense heads, provided there is reasonable certainty of its ultimate realisation.

Income from property management is recognised on a straight-line basis to the extent the rental income is deemed collectible.

Private Equity Asset Management fees are charged for assets under management and are recognised as contracted under investment management agreement with each Private Equity Fund.

Distributions from Private Equity Funds are accounted when received.

viii. Dividend income

Income from dividend on investment in equity and preference shares of corporate bodies and units of mutual funds is accounted when the Company's right to receive dividend is established. Dividend income on financial assets measured at fair value through profit and loss is presented under Dividend income and not as a part of Net gains/(losses) on fair value changes

ix. Leases

Leases are classified as operating lease where significant portion of risks and reward of ownership of assets acquired under lease is retained by the lessor.

Leases of assets under which substantially all the risks and rewards of ownership are effectively retained by the lessee are classified as finance lease.

Asset given on lease:

Assets given under finance lease are recognised as a receivable at an amount equal to the net investment in the lease. Lease rentals are apportioned between principal and interest on the internal rate of return. The principal amount received reduces the net investment in the lease and interest is recognised as revenue.

Under operating leases (excluding amount for services such as insurance and maintenance), lease rentals are recognised on a straight-line basis over the lease term, except for increase in line with expected inflationary cost increases.

Asset taken on lease:

The Company's assets taken on lease primarily consist of leases for properties.

As a lessee, the Company previously classified leases as operating or finance leases based on its assessment of whether the lease transferred substantially all the risks and rewards of ownership. Under Ind AS 116, the Company recognises right-of-use assets and lease liabilities for certain type of its leases.

The Company presents right-of-use assets and lease liabilities separately on the face of the Balance sheet. Lease payments (including interest) have been classified as financing cashflows.

The Company recognises a right-of-use asset and a lease liability at the lease commencement date. The cost of the right-of-use asset measured at inception shall comprise of the amount of the initial measurement of the lease liability adjusted for any lease payments made at or before the commencement date less any lease incentives received, plus any initial direct costs incurred and an estimate of costs to be incurred by the lessee in dismantling and removing the underlying asset or restoring the underlying asset or site on which it is located.

The right-of-use asset is subsequently measured at cost less any accumulated depreciation and accumulated impairment loss, if any, and adjusted for certain re-measurements of the lease liability.

The right-of-use assets is depreciated using the straight-line method from the commencement date over the shorter of lease term or useful life of right-of-use asset. The estimated useful lives of right-of-use assets are determined on the same basis as those of property, plant and equipment. Right-of-use assets are tested for impairment whenever there is any indication that their carrying amounts may not be recoverable. Impairment loss, if any, is recognized in the statement of profit and loss.

When a right-of-use asset meets the definition of investment property, it is presented in investment property.

The Company measures the lease liability at the present value of the lease payments that are not paid at the commencement date of the lease. The lease payments are discounted using the interest rate implicit in the lease, if that rate can be readily determined. If that rate cannot be readily determined, the Company uses incremental borrowing rate.

The lease liability is subsequently increased by the interest cost on the lease liability and decreased by lease payment made. The carrying amount of lease liability is remeasured to reflect any reassessment or lease modifications or to reflect revised in-substance fixed lease payments. A change in the estimate of the amount expected to be payable under a residual value guarantee, or as appropriate, changes in the assessment of whether a purchase or extension option is reasonably certain to be exercised or a termination option is reasonably certain not be exercised.

The Company has applied judgement to determine the lease term for some lease contracts in which it is a lessee that include renewal options. The assessment of whether the Company is reasonably certain to exercise such options impacts the lease term, which significantly affects the amount of lease liabilities and right of use assets recognised. The discounted rate is generally based on incremental borrowing rate specific to the lease being evaluated.

x. Financial Instruments

Financial assets and financial liabilities are recognised in the Company's balance sheet on trade date, i.e. when the Company becomes a party to the contractual provisions of the instrument.

Financial assets and financial liabilities are initially measured at fair value. Transaction costs and revenues that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities measured 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 and revenues of financial assets or financial liabilities carried at fair value through the profit or loss account are recognised immediately in the Statement of Profit or Loss. Trade Receivables are measured at transaction price.

a) Financial assets

Classification

On initial recognition, depending on the Company's business model for managing the financial assets and its contractual cash flow characteristics, a financial asset is classified as measured at;

1) amortised cost;

2) fair value through other comprehensive income (FVTOCI); or

3) fair value through profit and loss (FVTPL).

The classification depends on the entity's business model for managing the financial assets and the contractual terms of the cash flows. Financial assets are not reclassified subsequent to their initial recognition, except if and in the period the Company changes its business model for managing financial assets.

A financial asset is measured at amortized cost using Effective Interest Rate (EIR) method if it meets both of the following conditions and is not recognised as at FVTPL:

- The asset is held within a business model whose objective is to hold assets to collect contractual cash flows; and
- The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

On initial recognition of an equity investment that is not held for trading, the Company may irrevocably elect to present subsequent changes in the investment's fair value in OCI (designated as FVTOCI – equity investment). This election is made on investment – by – investment basis.

All financials assets not classified and measured at amortized cost or FVTOCI as described above are measured at FVTPL. On initial recognition, the Company may irrevocably designate the financials assets that otherwise meets the requirements to be measured at amortized cost or at FVTOCI or at FVTPL, if doing so eliminates or significantly reduces the accounting mismatch that would otherwise arise.

Investment in associates are recognised at cost.

Business model assessment

The Company makes an assessment of the objective of the business model in which a financial asset is held at a portfolio level because this best reflects the way the business is managed, and information is provided to management. The information considered includes:

– the stated policies and objectives for the portfolio and the operation of those policies in practice.

– how the performance of the portfolio is evaluated and reported to the Company's management;

– the risks that affect the performance of the business model (and the financial assets held within that business model) and how those risks are managed;

– the frequency, volume and timing of sales of financial assets in prior periods, the reasons for such sales and expectation about future sales activity.

– How managers of the business are compensated (e.g. whether the compensation is based on the fair value of the assets managed or on the contractual cash flows collected).

At initial recognition of a financial asset, the Company determines whether newly recognized financial assets are part of an existing business model or whether they reflect a new business model. The Company reassess its business models each reporting period to determine whether the business models have changed since the preceding period.

Assessment whether contractual cash flows are solely payments of principal and interest

For the purposes of this assessment, 'principal' is defined as the fair value of the financial asset on initial recognition. That principal amount may change over the life of the financial assets (e.g. if there are payments of principal). Amount of 'Interest' is defined as consideration for the time value of money and for the credit risk associated with the principal amount outstanding during a particular period and for other basic lending risks and costs (e.g. liquidity risk and administrative costs), as well as a profit margin.

In assessing whether the contractual cash flows are solely payments of principal and interest, the Company considers the contractual terms of the instrument. This includes assessing whether the financial asset contains a contractual term that could change the timing or amount of contractual cash flows such that it would not meet this condition. In making this assessment, the Company considers:

– Contingent events that would change the amount or timing of cash flows;

– Terms that may adjust the contractual coupon rate, including variable interest rate features;

– Prepayment and extension features; and

– Terms that limit the Company's claim to cash flows from specified assets.

Contractual cash flows that are SPPI are consistent with a basic lending arrangement. Contractual terms that introduce exposure to risks or volatility in the contractual cash flows that are unrelated to a basic lending arrangement, such as exposure to changes in equity prices or commodity prices, do not give rise to contractual cash flows that are SPPI.

A prepayment feature is consistent with the solely payments of principal and interest criterion if the prepayment amount substantially represents unpaid amounts of principal and interest on the principal amount outstanding, which may include reasonable additional compensation for early termination of the contract. Additionally, for a financial asset acquired at a significant discount or premium to its contractual par amount, a feature that permits or requires prepayment at an amount that substantially represents the contractual par amount plus accrued (but unpaid) contractual interest (which may also include reasonable additional compensation for early termination) is treated as consistent with this criterion if the fair value of the prepayment feature is insignificant at initial recognition.

Subsequent measurement and gains and losses

Financial assets at FVTPL	These assets are subsequently measured at fair value. Net gains and losses, including any interest or dividend income, are recognised in the statement of profit or loss. The transaction costs and fees are also recorded related to these instruments in the statement of profit and loss.
Financial assets at amortised cost	These assets are subsequently measured at amortised cost using the effective interest method. The amortised cost is reduced by impairment losses. Interest income, foreign exchange gains and losses and impairment are recognised in the statement of profit or loss. Any gain or loss on de-recognition is recognised in the statement of profit or loss.
Financial assets (other than Equity Investments) at FVTOCI	Financial assets that are held within a business model whose objective is achieved by both, selling financial assets and collecting contractual cash flows that are solely payments of principal and interest, are subsequently measured at fair value through other comprehensive income. Fair value movements are recognized in the other comprehensive income (OCI). Interest income measured using the EIR method and impairment losses, if any are recognised in the statement of Profit and Loss. On derecognition, cumulative gain or loss previously recognised in OCI is reclassified from the equity to other income' in the statement of Profit and Loss.
Equity investments at FVTOCI	These assets are subsequently measured at fair value. Dividends are recognised as income in the Statement of Profit and Loss unless the dividend clearly represents a recovery of part of the cost of the investment. Other net gains and losses are recognised in OCI and are not reclassified to profit or loss.

Reclassifications within classes of financial assets

Financial assets are not reclassified subsequent to their initial recognition, except in the period after the Company changes its business model for managing financial assets.

The classification and measurement requirements of the new category apply prospectively from the first day of the first reporting period following the change in business model that result in reclassifying the Company's financial assets.

Impairment of Financial Assets:

Impairment approach

Overview of the Expected Credit Losses (ECL) principles:

The Company records allowance for expected credit losses for all loans (including those classified as measured at FVTOCI), together with loan commitments, in this section all referred to as 'financial instruments' other than those measured at FVTPL. Equity instruments are not subject to impairment under Ind AS 109.

The ECL allowance is based on the credit losses expected to arise over the life of the asset (the lifetime expected credit loss or LTECL), unless there has been no significant increase in credit risk since origination, in which case, the allowance is based on the 12 months' expected credit loss (12m ECL). The Company's policies for determining if there has been a significant increase in credit risk are set out in Note 39.

The 12m ECL is the portion of LTECLs that represent the ECLs that result from default events on a financial instrument that are possible within the 12 months after the reporting date.

Both LTECLs and 12m ECLs are calculated on an individual/portfolio basis having similar risk characteristics, depending on the nature of the underlying portfolio of financial instruments.

The Company has established a policy to perform an assessment, at the end of each reporting period, of whether a financial instrument's credit risk has increased significantly since initial recognition, by considering the change in the risk of default occurring over the remaining life of the financial instrument.

Based on the above process, the Company categorises its loans into Stage 1, Stage 2 and Stage 3, as described below:

Stage 1: When loans are first recognised, the Company recognises an allowance based on 12mECLs. This also include facilities where the credit risk has improved, and the loan has been reclassified from Stage 2.

Stage 2: When a loan has shown a significant increase in credit risk since origination, the Company records an allowance for the LTECLs. Stage 2 loans also include facilities, where the credit risk has improved, and the loan has been reclassified from Stage 3.

Stage 3: Loans considered credit-impaired. A default on a financial asset is when the counterparty fails to make the contractual payments within 90 days of when they fall due. Accordingly, the financial assets shall be classified as Stage 3, if on the reporting date, it has been 90 days past due. Further if the customer has requested forbearance in repayment terms, such restructured, rescheduled or renegotiated accounts are also classified as Stage 3. Non-payment on another obligation of the same customer is also considered as a Stage 3. The Company records an allowance for the LTECLs.

Undrawn loan commitments

Undrawn loan commitments are commitments under which, over the duration of the commitment, the Company is required to provide a loan with pre-specified terms to the customer. Undrawn loan commitments are in the scope of the ECL requirements.

Financial guarantee contract:

A financial guarantee contract requires the Company to make specified payments to reimburse the holder for a loss it incurs because a specified debtor fails to make payments when due in accordance with the terms of a debt instrument.

Financial guarantee contracts issued by the Company are initially measured at their fair values and, if not designated as at FVTPL and not arising from a transfer of a financial asset, are subsequently measured at the higher of:

- the amount of the loss allowance determined in accordance with Ind AS 109; and
- the amount initially recognised less, where appropriate, cumulative amount of income recognised in accordance with the Company's revenue recognition policies. The Company has not designated any financial guarantee contracts as FVTPL.

Company's ECL for financial guarantee is estimated based on the present value of the expected payments to reimburse the holder for a credit loss that it incurs. The shortfalls are discounted by the interest rate relevant to the exposure.

The Measurement of ECLs

The Company calculates ECLs based on a probability-weighted scenario to measure the expected cash shortfalls, discounted at an approximation to the EIR. A cash shortfall is the difference between the cash flows that are due to an entity in accordance with the contract and the cash flows that the entity expects to receive.

The mechanics of the ECL calculations are outlined below and the key elements are, as follows:

Probability of Default (PD): The Probability of Default is an estimate of the likelihood of default over a given time horizon. A default may only happen at a certain time over the assessed period, if the facility has not been previously derecognised and is still in the portfolio.

Exposure at Default (EAD): The Exposure at Default is an estimate of the exposure at a future default date, taking into account expected changes in the exposure after the reporting date, including repayments of principal and interest, whether scheduled by contract or otherwise, expected drawdowns on committed facilities, and accrued interest from missed payments.

Loss Given Default (LGD): The Loss Given Default is an estimate of the loss arising in the case where a default occurs at a given time. It is based on the difference between the contractual cash flows due and those that the lender would expect to receive, including from the realisation of any collateral. It is usually expressed as a percentage of the EAD.

Impairment losses and releases are accounted for and disclosed separately from modification losses or gains that are accounted for as an adjustment of the financial asset's gross carrying value

When estimating LTECLs for undrawn loan commitments, the Company estimates the expected portion of the loan commitment that will be drawn down over its expected life. The ECL is then based on the present value of the expected shortfalls in cash flows if the loan is drawn down, based on a probability-weightage. The expected cash shortfalls are discounted at an approximation to the expected EIR on the loan.

The above calculated PDs, EAD and LGDs are reviewed and changes in the forward looking estimates are analysed during the year.

The mechanics of the ECL method are summarised below:

Stage 1 The 12 months ECL is calculated as the portion of LTECLs that represent the ECLs that result from default events on a financial instrument that are possible within the 12 months after the reporting date. These expected 12-months default probabilities are applied to a forecast EAD and multiplied by the expected LGD.

Stage 2 When a loan has shown a significant increase in credit risk since origination, the Company records an allowance for the LTECLs. The mechanics are similar to those explained above, but PDs and LGDs are estimated over the lifetime of the instrument. The expected cash shortfalls are discounted by the contractual or portfolio EIR as the case may be.

Stage 3 For loans considered credit-impaired, the Company recognises the lifetime expected credit losses for these loans. The method is similar to that for stage 2 assets, with the PD set at 100%.

In ECL model the Company relies on broad range of forward looking information for economic inputs.

The Company recognises loss allowance for expected credit losses (ECLs) on all financial assets at amortised cost that are debt instruments, debt financial assets at fair value through other comprehensive income, loan commitments and financial guarantee contracts. No impairment loss is recognised on equity investments.

When determining whether credit risk of a financial asset has increased significantly since initial recognition and when estimating expected credit losses, the Company considers reasonable and supportable information that is relevant and available without undue cost or effort. This includes both quantitative and qualitative information and analysis, including on historical experience and forward-looking information .

Impairment of Trade receivables

Impairment allowance on trade receivables is made on the basis of life time credit loss method, in addition to specific provision considering the uncertainty of recoverability of certain receivables.

Write-off

Impaired loans and receivables are written off, against the related allowance for loan impairment on completion of the Company's internal processes and when the Company concludes that there is no longer any realistic prospect of recovery of part or all the loan. For loans that are individually assessed for impairment, the timing of write off is determined on a case by case basis. A write-off constitutes a de-recognition event. The Company has a right to apply enforcement activities to recover such written off financial assets. Subsequent recoveries of amounts previously written off are credited to the statement of profit and loss.

Presentation of ECL allowance for financial asset:

Type of Financial asset	Disclosure
Financial asset measured at amortised cost	Shown as a deduction from the gross carrying amount of the assets
Financial assets measured at FVTOCI	Shown separately under the head "provisions"
Loan commitments and financial guarantee contracts	Shown separately under the head "provisions"

Modification and De-recognition of financial assets

Modification of financial assets

A modification of a financial asset occurs when the contractual terms governing the cash flows of a financial asset are renegotiated or otherwise modified between initial recognition and maturity of the financial asset. A modification affects the amount and/or timing of the contractual cash flows either immediately or at a future date. The Company renegotiates loans to customers in financial difficulty to maximise collection and minimise the risk of default. A loan forbearance is granted in cases where although the borrower made all reasonable efforts to pay under the original contractual terms, there is a high risk of default or default has already happened and the borrower is expected to be able to meet the revised terms. The revised terms in most of the cases include an extension of the maturity of the loan, changes to the timing of the cash flows of the loan (principal and interest repayment), reduction in the amount of cash flows due (principal and interest forgiveness). Such accounts are classified as Stage 3 immediately upon such modification in the terms of the contract.

Not all changes in terms of loans are considered as renegotiation and changes in terms of a class of obligors that are not overdue is not considered as renegotiation and is not subjected to deterioration in staging.

De-recognition of financial assets

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is derecognised when:

1) the rights to receive cash flows from the asset have expired, or
2) the Company has transferred its rights to receive cash flows from the asset and substantially all the risks and rewards of ownership of the asset, or the Company has neither transferred nor retained substantially all the risks and rewards of ownership of the asset, but has transferred control of the asset.

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, the difference between the carrying amount of the asset (or the carrying amount allocated to the portion of the asset derecognised) and the sum of (i) the consideration received (including any new asset obtained less any new liability assumed) and (ii) any cumulative gain or loss that had been recognised in OCI is recognised in profit or loss.

Any cumulative gain/loss recognised in OCI in respect of equity investment securities designated as at FVTOCI is not recognised in profit or loss on derecognition of such securities. Any interest in transferred financial assets that qualify for derecognition that is created or retained by the Group is recognised as a separate asset or liability.

b) Financial liability and Equity

Debt and equity instruments that are issued are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangement.

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

Financial liabilities are subsequently measured at the amortised cost using the effective interest method, unless at initial recognition, they are classified as fair value through profit and loss. Interest expense are recognised in the Statement of Profit and Loss. Any gain or loss on derecognition is also recognised in the Statement of Profit or Loss.

Financial liabilities

A financial liability is a contractual obligation to deliver cash or another financial asset or to exchange financial assets or financial liabilities with another entity under conditions that are potentially unfavourable to the Company or a contract that will or may be settled in the Company's own equity instruments and is a non-derivative contract for which the Company is or may be obliged to deliver a variable number of its own equity instruments, or a derivative contract over own equity that will or may be settled other than by the exchange of a fixed amount of cash (or another financial asset) for a fixed number of the Company's own equity instruments.

Classification

The Company classifies its financial liability as "Financial liability measured at amortised cost" except for those classified as financial liabilities measured at fair value through profit and loss (FVTPL).

De-recognition of financial liabilities

The Company derecognises financial liabilities when, and only when, the Company's obligations are discharged, cancelled or have expired. The difference between the carrying amount of the financial liability derecognised and the consideration paid and payable is recognised in profit or loss.

Equity

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all its liabilities. Equity instruments issued by the Company are recognised at the proceeds received, net of direct issue costs. A conversion option that will be settled by the exchange of a fixed amount of cash or another financial asset for a fixed number of the Company's own equity instruments is an equity instrument.

No gain/loss is recognised in profit or loss on the purchase, sale, issue or cancellation of the Company's own equity instruments.

xi. Cash, Cash equivalents and bank balances

Cash, Cash equivalents and bank balances include fixed deposits (with an original maturity of three months or less from the date of placement), margin money deposits, and earmarked balances with banks which are carried at amortised cost. Short term and liquid investments which are not subject to more than insignificant risk of change in value, are included as part of cash and cash equivalents.

xii. Property, plant and equipment (PPE)

a) PPE

PPE acquired by the Company are reported at acquisition cost less accumulated depreciation and accumulated impairment losses, if any. Estimated cost of dismantling and removing the item and restoring the site on which its located does not arise for owned assets. The acquisition cost includes any cost attributable for bringing an asset to its working condition net of tax/duty credits availed, which comprises of purchase consideration and other directly attributable costs of bringing the assets to their working condition for their intended use. PPE is recognised when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. Subsequent expenditure on PPE after its purchase is capitalized only if it is probable that the future economic benefits will flow to the enterprise and the cost of the item can be measured reliably.

b) Capital work-in-progress

PPE not ready for the intended use on the date of the Balance Sheet are disclosed as "capital work-in-progress" and carried at cost, comprising direct cost, related incidental expenses and attributable interest.

c) Other Intangible assets

Intangible assets are recognised when it is probable that the future economic benefits that are attributable to the asset will flow to the Company and the cost of the asset can be measured reliably. Intangible assets are stated at original cost net of tax/duty credits availed, if any, less accumulated amortisation and cumulative impairment. Administrative and other general overhead expenses that are specifically attributable to the acquisition of intangible assets are allocated and capitalised as a part of the cost of the intangible assets. Expenses on software support and maintenance are charged to the Statement of Profit and Loss during the year in which such costs are incurred.

d) Intangible assets under development

Intangible assets not ready for the intended use on the date of Balance Sheet are disclosed as "Intangible assets under development".

e) Depreciation and Amortisation

Depreciable amount for tangible property, plant and equipment is the cost of an asset, or other amount substituted for cost, less its estimated residual value. The residual value of each asset given on Operating lease is determined at the time of recording of the lease asset. If the residual value of the Operating lease asset is higher than 5%, the Company has a justification in place for considering the same.

Depreciation on tangible property, plant and equipment deployed for own use has been provided on the straight-line method as per the useful life prescribed in Schedule II to the Companies Act, 2013 except in respect of buildings, computer equipment, electrical installation and equipment and vehicles, in whose case the life of the assets has been assessed based on the nature of the asset, the estimated usage of the asset, the operating conditions of the asset, past history of replacement, etc.

Depreciation for additions to/deductions from owned assets is calculated pro rata to the remaining period of use. Depreciation charge for impaired assets is adjusted in future periods in such a manner that the revised carrying amount of the asset is allocated over its remaining useful life. All capital assets with individual value less than ₹ 5,000 are depreciated fully in the year in which they are purchased.

Purchased software / licenses are amortised over the estimated useful life during which the benefits are expected to accrue, while Goodwill if any is tested for impairment at each Balance Sheet date. The method of amortisation and useful life are reviewed at the end of each accounting year with the effect of any changes in the estimate being accounted for on a prospective basis. Amortisation on impaired assets is provided by adjusting the amortisation charge in the remaining periods so as to allocate the asset's revised carrying amount over its remaining useful life.

Estimated useful life considered by the Company are:

Asset	Estimated Useful Life
Furniture and Fixtures	10 years
Computer Equipment	3 to 4 years
Office Equipment	5 years
Vehicles	4 years
Software Licenses	1 to 10 years
Buildings	25 years
Plant & Machinery	10 years

f) Investment property

Properties held to earn rentals and/or capital appreciation are classified as Investment properties and are reported at cost, including transaction costs. Subsequent to initial recognition its measured at cost less accumulated depreciation and accumulated impairment losses, if any. When the use of an existing property changes from owner-occupied to investment property, the property is reclassified as investment property at its carrying amount on the date of reclassification.

An investment property is derecognised upon disposal or when the investment property is permanently withdrawn from use and no future economic benefits are expected from the disposal. Any gain or loss arising on de-recognition of property is recognised in the Statement of Profit and Loss in the same period.

g) Impairment of assets

Upon an observed trigger or at the end of each accounting reporting period, the Company reviews the carrying amounts of its PPE, investment property and intangible asset to determine whether there is any indication that the asset have suffered an impairment loss. If such indication exists, the PPE, investment property and intangible assets are tested for impairment so as to determine the impairment loss, if any.

Impairment loss is recognised when the carrying amount of an asset exceeds its recoverable amount. Recoverable amount is the higher of fair value less cost 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 recoverable amount of an asset is estimated to be less than its carrying amount, such deficit is recognised immediately in the Statement of Profit and Loss as impairment loss and the carrying amount of the asset is reduced to its recoverable amount.

When an impairment loss subsequently reverses, the carrying amount of the asset is increased to the revised estimate of its recoverable amount so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss is recognised for the asset in prior years. A reversal of an impairment loss is recognised immediately in the Statement of Profit and Loss.

h) De-recognition of property, plant and equipment and intangible asset

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 PPE is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognised in the Statement of Profit and Loss. An intangible asset is derecognised on disposal, or when no future economic benefits are expected from use or disposal. Gains or losses arising from de-recognition of an intangible asset, measured as the difference between the net disposal proceeds and the carrying amount of the asset, are recognised in the Statement of Profit and Loss.

i) Right of Use Asset

Under Ind AS 116, the Company recognises right-of-use assets and lease liabilities for certain type of leases.

The Company presents right-of-use and lease liability separately on the face of Balance Sheet. The Company recognises a right-of-use asset and a lease liability at the lease commencement date. The right-of-use asset is initially measured at cost and subsequently at cost less any accumulated depreciation and accumulated impairment loss, if any, and adjusted for certain re-measurements of the lease liability. When a right-of-use asset meets the definition of investment property, it is presented in investment property. The right-of-use asset is initially measured at cost and subsequently measured at fair value, in accordance with the Company’s accounting policies.

xiii. Non-Current Assets held for sale:

Non-current assets are classified as held for sale if their carrying amount is intended to be recovered principally through a sale (rather than through continuing use) when the asset is available for immediate sale in its present condition subject only to terms that are usual and customary for sale of such asset and the sale is highly probable and is expected to qualify for recognition as a completed sale within one year from the date of classification.

Non-current assets classified as held for sale are measured at lower of their carrying amount and fair value less costs to sell.

The Company has a policy to make impairment provision at one third of the value of the Asset for each year upon completion of three years up to the end of five years based on the past observed pattern of recoveries. Losses on initial classification as Held for sale and subsequent gains & losses on remeasurement are recognised in Statement of Profit and loss. Once classified as Held for sale, the assets are no longer amortised or depreciated.

xiv. Employee Benefits

Defined Contribution benefits include superannuation fund.

Defined Employee benefits include gratuity fund, provident fund compensated absences and long service awards.

Defined contribution plans

The Company's contribution to superannuation fund is considered as defined contribution plan and is charged as an expense in the Statement of Profit and Loss based on the amount of contribution required to be made and when services are rendered by the employees.

Defined benefit plans

The Company makes Provident Fund contributions, a defined benefit plan for qualifying employees. Under the Schemes, both employees and the Company make monthly contributions at a specified percentage of the covered employees' salary (currently 12% of employees' salary). The contributions, except that the employer's contribution towards pension fund is paid to the Regional Provident Fund office, as specified under the law, are made to the provident fund set up as an irrevocable trust by the Company. The interest rate payable to the members of the trust shall not be lower than the statutory rate of interest declared by the Central Government under the Employees Provident Funds and Miscellaneous Provisions Act, 1952 and shortfall on account of , if any, shall be made good by the Company. Hence the Company is liable for annual contributions and any deficiency in interest cost compared to interest computed based on the rate of interest declared by the Central Government. The total liability in respect of the interest shortfall of the Fund is determined on the basis of an actuarial valuation. The interest liability arising only to the extent of the aforesaid differential shortfalls is a defined benefit plan. There is no such shortfall as at March 31, 2022.

For defined benefit plans in the form of gratuity, the cost of providing benefits is determined using the Projected Unit Credit method, with actuarial valuations being carried out at each Balance Sheet date. As per Ind AS 19, the service cost and the net interest cost are charged to the Statement of Profit and Loss. Remeasurement of the net defined benefit liability, which comprise actuarial gains and losses, the return on plan assets (excluding interest) and the effect of the asset ceiling (if any, excluding interest), are recognised in Other Comprehensive Income. Past service cost is recognised immediately to the extent that the benefits are already vested. The retirement benefit obligation recognised in the Balance Sheet represents the present value of the defined benefit obligation as adjusted for unrecognised past service cost, as reduced by the fair value of scheme assets. Any asset resulting from this calculation is limited to past service cost, plus the present value of available refunds and reductions in future contributions to the schemes.

Short-term employee benefits

The undiscounted amount of short-term employee benefits expected to be paid in exchange for the services rendered by employees are recognised during the year when the employees render the service. These benefits include performance incentive and compensated absences which are expected to occur within twelve months after the end of the reporting period in which the employee renders the related service.

The cost of short-term compensated absences is accounted as under:

(a) in case of accumulated compensated absences, when employees render the services that increase their entitlement of future compensated absences; and

(b) in case of non-accumulating compensated absences, when the absences occur.

Other long-term employee benefits

Compensated absences which are not expected to occur within twelve months after the end of the year in which the employee renders the related service are recognised as a liability at the present value of the defined benefit obligation as at the balance sheet date less the fair value of the plan assets out of which the obligations are expected to be settled. Long term service awards are recognised as a liability at the present value of the defined benefit obligation as at the balance sheet date.

The obligation is measured on the basis of actuarial valuation using Projected Unit Credit method and remeasurements gains/ losses are recognised in the statement of profit and loss in the period in which they arise.

Share based payment transaction

The stock options granted to employees pursuant to the Company's Stock Options Schemes, are measured at the fair value of the options at the grant date as per Black and Scholes model. The fair value of the options is treated as discount and accounted as employee compensation cost, with a corresponding increase in other equity, over the vesting period on a straight-line basis. The amount recognised as expense in each year is arrived at based on the number of grants expected to vest. If a grant lapses after the vesting period, the cumulative discount recognised as expense, with a corresponding increase in other equity, in respect of such grant is transferred to the General reserve within other equity.

xv. Foreign currency transactions

Transactions in currencies other than the Company's functional currency are recorded on initial recognition using the exchange rate at the transaction date. At each Balance Sheet date, foreign currency monetary items are reported at the rates prevailing at the year end. Non-monetary items that are measured in terms of historical cost in foreign currency are not retranslated.

Functional currency of the Company has been determined based on the primary economic environment in which the Company operates considering the currency in which funds are generated, spent and retained.

Exchange differences that arise on settlement of monetary items or on reporting of monetary items at each Balance Sheet date at the closing spot rate are recognised in the Statement of Profit and Loss in the period in which they arise.

xvi. Operating Segments

The Company's operating segments consist of "Investment Activity", "Private Equity Investment Activity" and "Others". These in the context of Ind AS 108 – Operating Segments reporting are considered to constitute reportable segment. The Chief Operating Decision Maker (CODM) of the Company is the Board of Directors. Operating segment disclosures are consistent with the information reviewed by the CODM.

An operating segment is a component of the company that engages in business activities from which it may earn revenues and incur expenses, including revenues and expenses that relate to transactions with any of the company's other components, and for which discrete financial information is available. Accordingly, the operating results of all operating segments of the Company are reviewed regularly by the Board of Directors to make decisions about resources to be allocated to the segments and assess their performance.

The "Investment Activity" segment includes corporate investments and treasury activities.

"Private Equity Investment Activity" includes management of Private Equity investments and related support services activities.

"Others" segment primarily includes property management services and managerial and marketing services.

Revenue and expense directly attributable to segments are reported under each operating segment. Expenses not directly identifiable to each of the segments have been allocated to each segment on the basis of associated revenues of each segment. All other expenses which are not attributable or allocable to segments have been disclosed as un-allocable expenses.

Assets and liabilities that are directly attributable to segments are disclosed under each reportable segment. All other assets and liabilities are disclosed as un-allocable.

xvii. Investments in Subsidiaries and Associates

The Company has elected to measure equity investments in Subsidiaries and Associate at cost as per Ind AS 27 – Separate financial statements, accordingly measurement at fair value through statement of profit and loss account and related disclosure under Ind AS 109 does not apply.

xviii. Earnings per share

Basic earnings per share has been computed by dividing net income attributable to ordinary equity holders by the weighted average number of shares outstanding during the year. Partly paid up equity share is included as fully paid equivalent according to the fraction paid up.

Diluted earnings per share has been computed using the weighted average number of shares and dilutive potential shares, except where the result would be anti-dilutive.

xix. Taxation

Income Tax

Income tax expense comprises current and deferred taxes. Income tax expense is recognized in the Statement of Profit and Loss, other comprehensive income or directly in equity when they relate to items that are recognized in the respective line items.

Current Tax

Current tax comprises the expected tax payable or receivable on the taxable income or loss for the year and any adjustment to the tax payable or receivable in respect of previous years. The amount of current tax reflects the best estimate of the tax amount expected to be paid or received after considering the uncertainty, if any, related to income taxes. It is measured using tax rates (and tax law) enacted or substantively enacted by the reporting date.

Current tax assets and liabilities are offset only if there is a legally enforceable right to set off the recognised amounts and it is intended to realise the asset and settle the liability on a net basis or simultaneously.

Deferred Tax

Deferred tax assets and liabilities are recognized for the future tax consequences of temporary differences between the carrying values of assets and liabilities and their respective tax bases, and unutilized business loss and depreciation carry-forwards and tax credits. Deferred tax assets are recognised to the extent that it is probable that future taxable profit will be available against which the deductible temporary differences, unused tax losses, depreciation carry-forwards and unused tax credits could be utilized.

The carrying amount of deferred tax assets are reviewed at each reporting date and are recognised/ reduced to the extent that it is probable/ no longer probable respectively that the related tax benefit will be realised.

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

Deferred tax assets and liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities and when they relate to income taxes levied by the same taxation authority and the Company intends to settle its current tax assets and liabilities on a net basis.

xx. Goods and Services Input Tax Credit

Goods and Services Input tax credit is accounted for in the books in the period in which the supply of goods or service received is accounted and when there is no uncertainty in availing/ utilising the credits.

xxi. Provisions, contingent liabilities and contingent assets

Provisions

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of past events, and it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation. When the effect of the time value of money is material, the Company determines the level of provision by discounting the expected cash flows at a pre-tax rate reflecting the current rates specific to the liability. The expense relating to any provision is presented in the Statement of Profit and Loss net of any reimbursement.

Contingent assets/liabilities

A possible obligation that arises from past events and the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company or; present obligation that arises from past events where it is not probable that an outflow of resources embodying economic benefits will be required to settle the obligation; or the amount of the obligation cannot be measured with sufficient reliability are disclosed as contingent liability and not provided for. Contingent assets are disclosed where an inflow of economic benefits is probable. Contingent assets are not recognised in the standalone financial statements.

Provisions, contingent liabilities and contingent assets are reviewed at each Balance Sheet date.

Where the unavoidable costs of meeting the obligations under the contract exceed the economic benefits expected to be received under such contract, the present obligation under the contract is recognised and measured as a provision.

xxii. Commitments

Commitments are future liabilities for contractual expenditure, classified and disclosed as follows:

a) estimated amount of contracts remaining to be executed on capital account and not provided for;

b) uncalled liability on shares and other investments partly paid;

c) funding related commitment to subsidiaries / associate;

d) other non-cancellable commitments, if any, to the extent they are considered material and relevant in the opinion of management.

e) other commitments related to sales/procurements made in the normal course of business are not disclosed to avoid excessive details.

xxiii. Statement of Cash Flows

Statement of Cash Flows is prepared segregating the cash flows into operating, investing and financing activities. Cash flow from operating activities is reported using indirect method adjusting the net profit for the effects of:

i. changes during the period in operating receivables and payables transactions of a non-cash nature;

ii. non-cash items such as depreciation, impairment, deferred taxes, unrealised foreign currency gains and losses, and undistributed profits of associates and joint ventures; and

iii. all other items for which the cash effects are investing or financing cash flows.

Cash and cash equivalents (including bank balances) shown in the Statement of Cash Flows exclude items which are not available for general use as on the date of Balance Sheet.

xxiv. Dividend payable

Interim dividend declared to equity shareholders, if any, is recognised as liability in the period in which the said dividend has been declared by the Board of Directors. Final dividend declared, if any, is recognised in the period in which the said dividend has been approved by the Shareholders.

Cumulative Redeemable Preference Shares (CRPS) is classified as a financial liability and dividend accrued on such instrument is recorded as finance cost.

NOTES FORMING PART OF STANDALONE FINANCIAL STATEMENTS

NOTE "3"

(₹ in lakh)

CASH AND CASH EQUIVALENTS	As at March 31, 2022	As at March 31, 2021
(a) Balances with banks (in the nature of cash and cash equivalents)	**195**	2,511
Total	**195**	**2,511**

NOTE "4"

(₹ in lakh)

OTHER BALANCES WITH BANKS	As at March 31, 2022	As at March 31, 2021
(a) Earmarked balances with banks (unpaid dividend)	**13**	16
Total	**13**	**16**

NOTE "5(i)"

(₹ in lakh)

TRADE RECEIVABLES	As at March 31, 2022	As at March 31, 2021
(a) Dues from related parties		
(i) Receivables considered good - Unsecured	**1,113**	1,203
(ii) Receivables - credit impaired	**192**	192
	1,305	1,395
Less: Impairment loss allowance		
(i) Impairment loss allowance	**(4)**	(5)
(ii) Credit impaired	**(192)**	(192)
	1,109	**1,198**
(b) Dues from others		
(i) Receivables considered good - Unsecured	**157**	91
(ii) Receivables - credit impaired	**-**	-
	157	91
Less: Impairment loss allowance		
(i) Impairment loss allowance	**(1)**	(0)*
(ii) Credit impaired	**-**	-
	156	**91**
Total	**1,265**	**1,289**

* Amount less than ₹ 50,000

All Trade receivables are non-interest bearing.and are generally on terms of 6 months to 1 year

NOTES FORMING PART OF STANDALONE FINANCIAL STATEMENTS

Trade Receivables ageing schedule (₹ in lakh)

Particulars	As at March 31, 2022							Total
	Unbilled Dues	Not due	Less than 6 months	6 months- 1 year	1-2 years	2-3 years	More than 3 years	
Undisputed Trade Receivables - considered good	-	-	1,267	-	-	-	3	**1,270**
Undisputed Trade Receivables - which have significant increase in cresit risk	-	-	-	-	-	-	-	**-**
Undisputed Trade Receivables - credit impaired	-	-	-	-	-	82	110	**192**
Disputed Trade Receivables - considered good	-	-	-	-	-	-	-	**-**
Disputed Trade Receivables - which have significant increase in cresit risk	-	-	-	-	-	-	-	**-**
Disputed Trade Receivables - credit impaired	-	-	-	-	-	-	-	**-**

Trade Receivables ageing schedule (₹ in lakh)

Particulars	As at March 31, 2021							Total
	Unbilled Dues	Not due	Less than 6 months	6 months- 1 year	1-2 years	2-3 years	More than 3 years	
Undisputed Trade Receivables - considered good			1,291			3		**1,294**
Undisputed Trade Receivables - which have significant increase in cresit risk		-	-	-	-	-	-	**-**
Undisputed Trade Receivables - credit impaired	-	-	-	-	82	33	77	**192**
Disputed Trade Receivables - considered good		-	-	-	-	-	-	**-**
Disputed Trade Receivables - which have significant increase in cresit risk		-	-	-	-	-	-	**-**
Disputed Trade Receivables - credit impaired		-	-	-	-	-	-	**-**

Note : Ageing of the trade receivables is determined from the date of transaction till the reporting date.

NOTES FORMING PART OF STANDALONE FINANCIAL STATEMENTS

NOTE "5(ii)" (₹ in lakh)

OTHER RECEIVABLES	As at March 31, 2022	As at March 31, 2021
(a) Dues from related parties		
(i) Receivables considered good - Unsecured	5	3
(ii) Receivables - credit impaired	-	-
	5	3
Less: Impairment loss allowance		
(i) Impairment loss allowance	(0)*	(0)*
(ii) Credit impaired	-	-
	5	3
(b) Dues from others		
(i) Receivables considered good - Unsecured	19	4
(ii) Receivables - credit impaired	10	10
	29	14
Less: Impairment loss allowance		
(i) Impairment loss allowance	(0)*	(0)*
(ii) Credit impaired	(10)	(10)
	19	4
Total	**24**	**7**

* Amount less than ₹ 50,000

NOTE "6" (₹ in lakh)

LOANS	As at March 31, 2022	As at March 31, 2021
LOANS AT AMORTIZED COST		
(A)		
(a) Bills purchased and bills discounted	-	-
(b) Loans repayable on demand (Refer footnote 1)	77,988	1,28,462
(c) Term loans	20,013	-
(d) Leasing and hire purchase	-	-
(e) Factoring	-	-
Total (A) - Gross	98,001	1,28,462
Less : Impairment loss allowance	(392)	(514)
Less : Revenue received in advance	(99)	-
Total (A) - Net	97,510	1,27,948
(B)		
(a) Secured by tangible assets	20,013	-
(b) Secured by intangible assets	-	-
(c) Covered by Bank / Government Guarantees	-	-
(d) Unsecured	77,988	1,28,462
Total (B) - Gross	98,001	1,28,462
Less : Impairment loss allowance	(392)	(514)
Less : Revenue received in advance	(99)	-
Total (B) - Net	97,510	1,27,948
(C)		
(I) Loans in India		
(a) Public Sector	-	-
(b) Others	98,001	1,28,462
(II) Loans outside India	-	-
Total (C) - Gross	98,001	1,28,462
Less : Impairment loss allowance	(392)	(514)
Less : Revenue received in advance	(99)	-
Total (C) - Net	97,510	1,27,948
Total	**97,510**	**1,27,948**

Footnote 1: All Unsecured loans repayable on demand are given to subsidiary companies.

NOTES FORMING PART OF STANDALONE FINANCIAL STATEMENTS

Following Loans have been granted that are repayable on demand:

As at March 31, 2022

Type of Borrower	Amount of loan or advance in the nature of loan outstanding	Percentage to the total Loans and Advances in the nature of loans
Promoters	-	-
Directors	-	-
KMPs	-	-
Related parties	**77,988**	**80%**

As at March 31, 2021

Type of Borrower	Amount of loan or advance in the nature of loan outstanding	Percentage to the total Loans and Advances in the nature of loans
Promoters	-	-
Directors	-	-
KMPs	-	-
Related parties	1,28,462	100%

NOTE "7"

Scrip-wise details of investments (₹ in lakh)

INVESTMENTS	Face value Per Unit ₹	**As at March 31, 2022**		As at March 31, 2021	
		No. of Units	**₹ in lakh**	No. of Units	₹ in lakh
INVESTMENTS AT COST					
Investment in Subsidiaries					
Unquoted:					
Investment in Equity Shares			**8,95,013**		**8,40,056**
Tata Capital Financial Services Limited	10	1,65,98,72,100	5,68,755	1,62,99,31,981	5,38,755
Tata Capital Housing Finance Limited	10	54,75,55,612	2,40,600	54,75,55,612	2,40,600
Tata Securities Limited	10	61,83,837	789	61,83,837	789
Tata Capital Pte Limited	SGD 1	3,22,82,000	10,807	3,22,82,000	10,807
Tata Cleantech Capital Limited	10	36,97,24,940	74,062	31,23,52,590	49,105
Investment in Venture Capital Units			**32,359**		**29,823**
Tata Capital Growth Fund- Class A Units	1	2,50,00,00,000	5,433	2,50,00,00,000	5,791
Tata Capital Special Situations Fund- Class A Units	1,00,000	4,181	2,260	4,181	2,260
Tata Capital Special Situations Fund - Class B Units	100	50	0*	50	0*
Tata Capital Healthcare Fund I- Class A Units	1	1,00,00,00,000	2,377	1,00,00,00,000	2,377
Tata Capital Innovations Fund- Class A Units	1,000	7,50,000	5,058	7,50,000	5,818
Tata Capital Innovations Fund - Class B Units	1	10,000	0*	10,000	0*
Tata Capital Growth Fund II - Class A1 Units	1	3,60,67,70,000	14,619	3,60,67,70,000	12,184
Tata Capital Growth Fund II - Class B1 Units	1	1,25,00,000	51	1,25,00,000	42
Tata Capital Growth Fund II - Class B2 Units	1	1,00,00,000	41	1,00,00,000	34
Tata Capital Healthcare Fund II	1,000	14,00,000	2,520	14,00,000	1,317

NOTES FORMING PART OF STANDALONE FINANCIAL STATEMENTS

NOTE "7"

Scrip-wise details of investments *(Continued)* (₹ in lakh)

INVESTMENTS	Face value Per Unit ₹	As at March 31, 2022 No. of Units	As at March 31, 2022 ₹ in lakh	As at March 31, 2021 No. of Units	As at March 31, 2021 ₹ in lakh
Investment in Associates					
Unquoted :					
Investment in Equity shares			**29,248**		**28,655**
Tata Autocomp Systems Limited	10	4,83,07,333	18,528	4,83,07,333	18,528
Tata Play Limited (formerly Tata Sky Limited)	10	1,00,72,871	5,242	1,00,72,871	5,242
Roots Corporation Limited	10	-	-	22,91,454	2,062
Tata Projects Limited	5 | 10	36,71,821	5,478	44,810	2,823
Total Cost of Investments (A)			**9,56,620**		**8,98,534**
Provision for diminution in value of investments (B)			**(7,069)**		**(6,842)**
Carrying value of Investments in Subsidiaries and Associates measured at cost (C) = (A + B)			**9,49,551**		**8,91,692**
INVESTMENTS AT FAIR VALUE THROUGH PROFIT & LOSS					
Investment in Others					
Quoted:					
Investment in Equity shares			**266**		**156**
Tata Steel Limited (Fully paid)	10	16,740	219	16,740	136
The Indian Hotels Company Limited	1	19,600	47	17,640	20
Investments in Mutual Funds			**47,815**		**301**
Tata Liquid Fund Regular Plan - Growth	1,000	9,342	311	9,342	301
ABSL Money Manager Fund Gr-Direct	1,000	33,45,316	9,999	-	-
Tata Money Market Fund Direct Plan - Growth	1,000	4,70,680	18,005	-	-
Nippon India Money Market Fund - Direct Growth	1,000	2,83,520	9,500	-	-
Kotak Money Market Fund - Direct Plan - Growth	1,000	2,76,175	10,000	-	-
Investments in Category III Alternative Investment Fund ("AIF")			**2,806**		**2,411**
Tata Absolute Return Fund	1,000	1,00,000	1,178	1,00,000	1,079
Tata Equity Plus Absolute Return Fund	1,000	1,00,000	1,628	1,00,000	1,332
Total Investments at Fair Value through Profit & Loss (D)			**50,886**		**2,868**
INVESTMENTS AT FAIR VALUE THROUGH OTHER COMPREHENSIVE INCOME					
Investment in Subsidiaries					
Unquoted:					
Investment in Non-Convertible Debentures			**13,560**		**13,703**
8.90% Perpetual Debentures of Tata Capital Financial Services Limited	10,00,000	1,250	13,560	1,250	13,703
Total Investments at Fair Value through Other Comprehensive Income (E)			**13,560**		**13,703**
Total Investments (C + D + E)			**10,13,997**		**9,08,263**
Particulars			**₹ In lakhs**		**₹ In lakhs**
(i) Investments in India			10,03,190		8,97,456
(ii) Investments outside in India (Refer Footnote 1)			10,807		10,807
Total Investments			**10,13,997**		**9,08,263**

* Amount less than ₹ 50,000

Footnote 1 : Investment outside India is in Equity shares of wholly owned subsidiary of Tata Capital Limited

NOTES FORMING PART OF STANDALONE FINANCIAL STATEMENTS

NOTE "8" (₹ in lakh)

OTHER FINANCIAL ASSETS	As at March 31, 2022	As at March 31, 2021
(a) Security deposit	**59**	74
(b) Accrued Income - others	**715**	0*
Total	**774**	**74**

* Amount less than ₹ 50,000

NOTE "9"

The major components of deferred tax assets and liabilities as at March 31, 2022 are as follows: (₹ in lakh)

DEFERRED TAX (LIABILITY) / ASSET (NET)	Opening Balance	Recognised / reversed through profit and loss	Recognised / reclassified from other comprehensive income	Closing Balance
Deferred Tax Assets :-				
(a) Impairment loss allowance - stage I & II	145	(31)	-	114
(b) Employee benefits	61	(2)	-	59
(c) Timing difference on debenture issue expenses	(7)	(21)	-	(28)
(d) Provisions for non-performing assets	99	-	-	99
(e) Fair value of investments	(391)	(106)	38	(460)
(f) Depreciation on property, plant and equipment	134	1	-	135
(g) Others	1	0*	-	1
Deferred Tax Asset (Net)	**42**	**(159)**	**38**	**(80)**

* Amount less than ₹ 50,000

The major components of deferred tax assets and liabilities as at March 31, 2021 are as follows: (₹ in lakh)

DEFERRED TAX (LIABILITY) / ASSET (NET)	Opening Balance	Recognised / reversed through profit and loss	Recognised / reclassified from other comprehensive income	Closing Balance
Deferred Tax Assets :-				
(a) Impairment loss allowance - stage I & II	125	20	-	145
(b) Employee benefits	66	(5)	-	61
(c) Timing difference on debenture issue expenses	19	(26)	-	(7)
(d) Provisions for non-performing assets	97	2	-	99
(e) Fair value of investments	(186)	(99)	(107)	(391)
(f) Depreciation on property, plant and equipment	124	10	-	134
(g) Others	1	(0)*	-	1
Deferred Tax Asset (Net)	**246**	**(98)**	**(107)**	**42**

* Amount less than ₹ 50,000

NOTES FORMING PART OF STANDALONE FINANCIAL STATEMENTS

Net deferred tax assets and liabilities are as follows: (₹ in lakh)

	As at March 31, 2022	As at March 31, 2021
Deferred Tax Assets :-		
(a) Impairment loss allowance - stage I & II	**114**	145
(b) Employee benefits	**59**	61
(c) Timing difference on debenture issue expenses	**(28)**	(7)
(d) Provisions for non-performing assets	**99**	99
(e) Fair value of investments	**(460)**	(391)
(f) Depreciation on property, plant and equipment	**135**	134
(g) Others	**1**	1
Deferred Tax (Liability) / Asset (Net)	**(80)**	**42**

NOTE "10" (₹ in lakh)

PROPERTY, PLANT AND EQUIPMENT	Gross Block				Accumulated depreciation and amortisation				Net Carrying Value
	Opening balance as at April 1, 2021	Additions/ Adjustments	Deletions/ Adjustments	Closing balance as at March 31, 2022	Opening balance as at April 1, 2021	Depreciation/ Amortisation for the year	Deletions/ Adjustments	Closing balance as at March 31, 2022	As at March 31, 2022
TANGIBLE ASSETS									
Buildings	**4,323**	**-**	**-**	**4,323**	**844**	**211**	**-**	**1,055**	**3,268**
	4,323	-	-	4,323	633	211	-	844	3,479
Plant and Equipment	**90**	**-**	**-**	**90**	**63**	**16**	**-**	**79**	**11**
	90	-	-	90	47	16	-	63	27
Furniture and Fixtures	**470**	**-**	**(1)**	**469**	**317**	**79**	**(1)**	**395**	**74**
	470	-	(0)*	470	238	79	(0)*	317	153
Vehicles	**225**	**121**	**(128)**	**218**	**152**	**50**	**(121)**	**81**	**137**
	231	20	(26)	225	119	58	(25)	152	72
Office Equipment	**34**	**1**	**-**	**35**	**33**	**1**	**-**	**34**	**1**
	37	-	(3)	34	34	1	(2)	33	1
Computer Equipment	**49**	**10**	**-**	**59**	**36**	**10**	**-**	**46**	**13**
	50	0*	(1)	49	26	11	(1)	36	13
TANGIBLE ASSETS - TOTAL	**5,191**	**132**	**(129)**	**5,194**	**1,446**	**367**	**(122)**	**1,690**	**3,504**
	5,201	20	(30)	5,191	1,097	376	(28)	1,446	3,745
INVESTMENT PROPERTY									
Buildings given on operating lease	**6,495**	**-**	**-**	**6,495**	**1,248**	**312**	**-**	**1,560**	**4,935**
	6,495	-	-	6,495	936	312	-	1,248	5,247
INTANGIBLE ASSETS (other than internally generated)									
Software	**98**	**0***	**-**	**98**	**94**	**2**	**-**	**96**	**2**
	93	5	-	98	85	9	-	94	4
INTANGIBLE ASSETS - TOTAL	**98**	**0***	**-**	**98**	**94**	**2**	**-**	**96**	**2**
	93	5	-	98	85	9	-	94	4
RIGHT OF USE ASSETS									
Right of Use Asset	**67**	**96**	**(123)**	**40**	**58**	**30**	**(85)**	**3**	**37**
	67	-	-	67	29	29	-	58	9
TOTAL	**11,851**	**228**	**(252)**	**11,827**	**2,846**	**711**	**(207)**	**3,349**	**8,478**
	11,856	25	(30)	11,851	2,147	727	(28)	2,846	9,005

Figures in Italics relate to previous year

* Amount less than ₹ 50,000

NOTES FORMING PART OF STANDALONE FINANCIAL STATEMENTS

Footnotes:

1. Amount recognised in Statement of Profit and Loss for Investment Property:

Notes: (₹ in lakh)

Particulars	**For the year ended March 31, 2022**	**For the year ended March 31, 2021**
Rental income from Investment Property	**1,901**	1,901
Direct Operating expenses arising from Investment Property that generated rental income	**514**	545
Direct Operating expenses arising from Investment Property that did not generate rental income	**-**	-

2. Fair value of investment property as on March 31, 2022 : ₹ 14,335 lakh (Carrying value ₹ 4,935 lakh). Pursuant to the Ind AS transition, the Company has carried out valuation of Investment property as at March 31, 2022. The fair value of the property is assessed based on the market rate for a similar property in the locality.
3. The Company confirms that, the title deeds of immovable properties are held in the name of the company.
4. None of the class of fixed asssets are revalued during the year

NOTE "11" (₹ in lakh)

OTHER NON-FINANCIAL ASSETS	**As at March 31, 2022**	**As at March 31, 2021**
(a) Capital advances	**2**	0*
(b) Advances other than capital advances	**84**	63
(c) Prepaid expenses	**340**	397
(d) Rental income accrued	**131**	262
(e) Balances with government authorities	**436**	17
(f) Gratuity asset (net)	**780**	666
Total	**1,773**	**1,405**

* Amount less than ₹ 50,000

NOTE "12" (₹ in lakh)

TRADE PAYABLES	**As at March 31, 2022**	**As at March 31, 2021**
Micro enterprises and small enterprises		
(a) Payable to dealers/vendors/customer	**9**	2
	9	2
Other than micro enterprises and small enterprises		
(a) Accrued expenses	**2,242**	2,005
(b) Payable to subsidiary	**0***	9
(c) Payable to dealers/vendors/customer	**55**	20
	2,297	2,034
Total	**2,306**	**2,036**

* Amount less than ₹ 50,000

Note- The information as required to be disclosed under the Micro, Small and Medium Enterprises Development Act, 2006 has been determined to the extent such parties have been identified on the basis of information available with the Company. The amount of principal and interest outstanding during the year is given below :

NOTES FORMING PART OF STANDALONE FINANCIAL STATEMENTS

NOTE "12(i)"
TOTAL OUTSTANDING DUES OF MICRO ENTERPRISES AND SMALL ENTERPRISES

(₹ in lakh)

Particular	As at March 31, 2022	As at March 31, 2021
(a) the principal amount and the interest due thereon (to be shown separately) remaining unpaid to any supplier as at the end of accounting period; **	9	2
(b) the amount of interest paid by the buyer under MSMED Act, 2006 along with the amounts of the payment made to the supplier beyond the appointed day during each accounting period;	-	-
(c) the amount of interest due and payable for the period (where the principal has been paid but interest under the MSMED Act, 2006 not paid);	-	-
(d) The amount of interest accrued and remaining unpaid at the end of the accounting period; and	-	-
(e) The amount of further interest due and payable even in the succeeding period, until such date when the interest dues as above are actually paid to the small enterprise, for the purpose of disallowance as a deductible expenditure under section 23.	-	-
Total	**9**	**2**

** Amount of Interest due is Nil as at March 31, 2022 and March 31, 2021

Trade payables ageing schedule (₹ in lakh)

Particulars	As at March 31, 2022						Total
	Unbilled Dues	Not Due	Less than 1 year	1-2 years	2-3 years	More than 3 years	
(i) MSME	-	-	9	-	-	-	9
(ii) Others	2,243	-	54	-	-	-	2,297
(iii) Disputed dues-MSME	-	-	-	-	-	-	-
(iv) Disputed dues-Others	-	-	-	-	-	-	-
Total							**2,306**

(₹ in lakh)

Particulars	As at March 31, 2021						Total
	Unbilled Dues	Not Due	Less than 1 year	1-2 years	2-3 years	More than 3 years	
(i) MSME	-	-	2	-	-	-	2
(ii) Others	2,014	-	20	-	-	-	2,034
(iii) Disputed dues-MSME	-	-	-	-	-	-	-
(iv) Disputed dues-Others	-	-	-	-	-	-	-
Total							**2,036**

Note: Ageing of the trade payables is determined from the date of transaction till the reporting date.

NOTES FORMING PART OF STANDALONE FINANCIAL STATEMENTS

NOTE "13" (₹ in lakh)

DEBT SECURITIES	**As at March 31, 2022**	**As at March 31, 2021**
At Amortised cost		
UNSECURED		
(i) Non-Convertible Debentures		
(i) Privately placed	**2,93,289**	2,29,107
(ii) Public issue	**-**	-
(ii) Commercial Paper [Net of unamortised discount of ₹ 242 lakh as at March 31, 2022}	**4,757**	-
Total (A)	**2,98,046**	**2,29,107**
Debt Securities in India	**2,98,046**	2,29,107
Debt Securities outside India	**–**	–
Total (B)	**2,98,046**	**2,29,107**

Discount on above outstanding Commercial papers as at March 31, 2022 is 5.25% and maturity is less than 12 months from the end of financial year.

No borrowings in the form of Debt securities have been made from related parties.

Terms of repayment, nature of security and rate of interest in case of Unsecured Privately Placed Non-Convertible Debentures :

Name of Security	Issue Date	Maturity date	No of NCDs	March 31, 2022	March 31, 2021
TCL Unsecured NCD A FY 2019-20	August 29, 2019	August 27, 2021	750	-	7,500
TCL Unsecured NCD B FY 2019-20 Option I	December 3, 2019	December 3, 2021	3,000	-	30,000
TCL Unsecured NCD B FY 2019-20 Option II Reissuance	February 20, 2020	June 3, 2022	250	2,500	2,500
TCL Unsecured NCD B FY 2019-20 Option II	December 3, 2019	June 3, 2022	3,750	37,500	37,500
TCL Unsecured NCD D FY 2019-20	February 20, 2020	December 21, 2022	3,000	30,000	30,000
TCL Unsecured NCD C FY 2019-20 Option II	February 7, 2020	March 13, 2023	1,250	12,500	12,500
TCL Unsecured NCD C FY 2019-20 Option I	February 7, 2020	June 28, 2023	1,250	12,500	12,500
TCL Unsecured NCD A FY 2020-21 Option II	August 4, 2020	August 4, 2023	3,000	30,000	30,000
TCL Unsecured NCD B FY 2020-21 Option I	February 25, 2021	December 28, 2023	3,000	30,000	30,000
TCL Unsecured NCD A FY 2021-22	January 18, 2022	February 16, 2024	4,000	40,000	-
TCL Unsecured NCD B FY 2020-21 Option II	February 25, 2021	April 30, 2024	1,000	10,000	10,000
TCL Unsecured NCD B FY 2020-21 Option II Reissuance	February 22, 2022	April 30, 2024	3,000	30,000	-
TCL Unsecured NCD B FY 2021-22 Option I	February 22, 2022	March 28, 2025	3,000	30,000	-
TCL Unsecured NCD A FY 2020-21 Option I	August 4, 2020	August 4, 2025	2,050	20,500	20,500
Less: Unamortised Borrowing Cost				(88)	(137)
Add: Unamortised Premium				156	33
Add: Interest Accrued but not due on borrowings				7,721	6,211
Total				**2,93,289**	**2,29,107**

Coupon rate of above outstanding unsecured NCD's as at March 31, 2022 varies from 6.49% to 9.22% (as at March 31, 2021 : 6.70% to 9.22%)

NOTES FORMING PART OF STANDALONE FINANCIAL STATEMENTS

NOTE "14" (₹ in lakh)

SUBORDINATED LIABILITIES	As at March 31, 2022	As at March 31, 2021
At Amortised cost		
UNSECURED		
(a) Preference Shares other than those that qualify as equity		
(i) Cumulative Redeemable Preference Shares (Refer Footnote 1) [Face Value ₹ 1,10,992 lakh (As at March 31, 2021 ₹ 1,15,980 lakh)]	**1,10,983**	1,15,740
Total (A)	**1,10,983**	**1,15,740**
Subordinated Liabilities in India	**1,10,983**	1,15,740
Subordinated Liabilities outside India	**–**	–
Total (B)	**1,10,983**	**1,15,740**

Footnote 1: Of the above Subordinated Liabilities, Preference shares amounting to face value of ₹ 5,150 lakh (March 31, 2021 : ₹ 5,233 lakh) are held by related parties.

No default has been made in repayment of any Debt securities, Subordinated liabilities and interest thereon for the year ended March 31, 2022 and March 31, 2021.

Particulars of Cumulative Redeemable Preference Shares : (₹ in lakh)

Particulars	Tranche	No of shares	Allotment Date	Redemption Date/ Actual Redemption Date	Redemption Date / Early Redemption Date	March 31, 2022	March 31, 2021
7.50% Cumulative Redeemable Preference Shares of ₹ 1,000 each	T	12,76,000	March 10, 2017	March 9, 2024	March 9, 2024	**12,760**	12,757
	U	6,04,500	July 7, 2017	July 6, 2024	July 6, 2024	**6,045**	6,036
	U	45,500	July 7, 2017	August 23, 2021	August 23, 2021	**-**	454
	V	7,36,000	July 12, 2017	July 11, 2024	July 11, 2024	**7,360**	7,350
	V	14,000	July 12, 2017	August 23, 2021	August 23, 2021	**-**	140
	W	6,69,500	July 26, 2017	July 25, 2024	July 25, 2024	**6,695**	6,685
	W	80,500	July 26, 2017	August 23, 2021	August 23, 2021	**-**	804
7.33% Cumulative Redeemable Preference Shares of ₹ 1,000 each	X	7,50,000	July 28, 2017	July 27, 2024	July 27, 2024	**7,500**	7,489
	Y	6,59,500	August 4, 2017	August 3, 2024	August 3, 2024	**6,666**	6,585
	Y	88,000	August 4, 2017	August 23, 2021	August 23, 2021	**-**	879
7.15% Cumulative Redeemable Preference Shares of ₹ 1,000 each	Z	6,45,500	September 15, 2017	September 14, 2024	September 14, 2024	**6,455**	6,439
	Z	1,04,500	September 15, 2017	November 30, 2021	November 30, 2021	**-**	1,042
7.10% Cumulative Redeemable Preference Shares of ₹ 1,000 each	AA	5,83,700	September 29, 2017	September 28, 2024	September 28, 2024	**5,837**	5,822
	AA	1,66,300	September 29, 2017	November 30, 2021	November 30, 2021	**-**	1,659
	AB	4,00,000	April 20, 2018	April 19, 2025	September 30, 2022	**3,996**	3,983
	AC	4,00,000	May 10, 2018	May 9, 2025	September 30, 2022	**3,996**	3,983
	AD	3,34,500	June 15, 2018	June 14, 2025	September 30, 2022	**3,341**	3,330
7.75% Cumulative Redeemable Preference Shares of Rs. 1,000 each	AE	4,00,000	March 13, 2019	March 12, 2026	June 30, 2023	**3,985**	3,977

NOTES FORMING PART OF STANDALONE FINANCIAL STATEMENTS

Particulars of Cumulative Redeemable Preference Shares : (₹ in lakh)

Particulars	Tranche	No of shares	Allotment Date	Redemption Date/ Actual Redemption Date	Redemption Date / Early Redemption Date	March 31, 2022	March 31, 2021
7.50% Cumulative Redeemable Preference Shares of ₹ 1,000 each	AF	4,00,000	June 12, 2019	June 11, 2026	September 30, 2023	**3,992**	3,993
	AG	4,00,000	June 28, 2019	June 27, 2026	October 31, 2023	**3,991**	3,992
	AH	3,90,000	August 7, 2019	August 6, 2026	November 30, 2023	**3,896**	3,893
	AI	4,00,000	August 28, 2019	August 27, 2026	November 30, 2023	**3,998**	3,996
	AJ	4,00,000	August 30, 2019	August 29, 2026	December 31, 2023	**3,998**	3,996
	AK	4,00,000	September 4, 2019	September 3, 2026	January 31, 2024	**3,992**	3,988
	AL	4,00,000	September 9, 2019	September 8, 2026	February 29, 2024	**3,992**	3,988
	AM	4,50,000	September 18, 2019	September 17, 2026	March 31, 2024	**4,496**	4,494
	AN	4,00,000	September 24, 2019	September 23, 2026	March 31, 2024	**3,991**	3,987
Total						**1,10,983**	**1,15,740**

Notes: Early Date of Redemption refers to the date on or before which the CRPS shall be redeemed, as per the terms of offer, in the event of exercise of Call / Put Option by Option Exercise Date by the Company or CRPS holder(s), as the case may be, to seek early redemption.

NOTE "15" (₹ in lakh)

OTHER FINANCIAL LIABILITIES	**As at March 31, 2022**	**As at March 31, 2021**
(a) Unpaid dividends	**13**	16
(b) Security deposit	**5,933**	5,478
(c) Accrued employee benefit expenses	**5,017**	3,758
Total	**10,963**	**9,253**

As required under Section 125 of the Companies Act 2013, the Company has transferred ₹ Nil (Previous Year ₹ Nil) to the Investor Education and Protection Fund (IEPF) during the year.

NOTE "16" (₹ in lakh)

PROVISIONS	**As at March 31, 2022**	**As at March 31, 2021**
(a) Provision for Retirement benefits and compensated absences	**382**	381
(b) Impairment provision against stage I and Stage II assets	**54**	55
Total	**436**	**435**

NOTE "17" (₹ in lakh)

OTHER NON-FINANCIAL LIABILITIES	**As at March 31, 2022**	**As at March 31, 2021**
(a) Revenue received in advance	**203**	609
(b) Statutory dues	**1,397**	1,317
(c) Others	**3**	3
Total	**1,603**	**1,929**

NOTES FORMING PART OF STANDALONE FINANCIAL STATEMENTS

NOTE "18"

(₹ in lakh)

EQUITY SHARE CAPITAL	Face Value Per Unit ₹	As at March 31, 2022		As at March 31, 2021	
		No. of shares	₹ in lakh	No. of shares	₹ in lakh
AUTHORISED					
a) Equity shares	10	4,75,00,00,000	4,75,000	4,75,00,00,000	4,75,000
b) Preference shares (Refer Footnote 1)	1000	3,25,00,000	3,25,000	3,25,00,000	3,25,000
			8,00,000		**8,00,000**
ISSUED, SUBSCRIBED AND PAID UP					
a) Equity shares	10	3,51,61,67,744	3,51,617	3,51,61,67,744	3,51,617
Total			**3,51,617**		**3,51,617**

Footnote 1 : The details of Preference Shares Issued, Subscribed and Paid-up are as below:

Particulars	Face Value Per Unit ₹	As at March 31, 2022		As at March 31, 2021	
		No. of shares	₹ in lakh	No. of shares	₹ in lakh
ISSUED					
Cumulative Redeemable Preference Shares	1,000	**1,10,99,200**	**1,10,992**	1,15,98,000	1,15,980
SUBSCRIBED AND PAID UP					
Cumulative Redeemable Preference Shares	1,000	**1,10,99,200**	**1,10,992**	1,15,98,000	1,15,980

As per Ind AS, Cumulative Redeemable Preference Shares are classified as financial liabilities held at amortized cost and form part of "Subordinated Liabilities" (Refer note 14)

NOTE "18 (a)"

Details of shareholdering of Promoters are given below:

Particulars	As at March 31, 2022			As at March 31, 2021		
	No. of shares	% holding	% change during the year	No. of shares	% holding	% change during the year
Tata Sons Private Limited	3,32,45,83,520	94.6%	0.0%	3,32,45,83,520	94.6%	0.0%

NOTE "18 (b)"

Details of shareholders holding more than 5 percent shares in the Company are given below:

Particulars	As at March 31, 2022			As at March 31, 2021		
	No. of shares	₹ in lakh	% holding	No. of shares	₹ in lakh	% holding
Tata Sons Private Limited	3,32,45,83,520	3,32,458	94.6%	3,32,45,83,520	3,32,458	94.6%

NOTES FORMING PART OF STANDALONE FINANCIAL STATEMENTS

NOTE "18 (c)"

Reconciliation of number of equity shares outstanding

Particulars	No. of shares	₹ in lakhs
Equity Shares		
Opening balance as on April 01, 2020	**3,51,61,67,744**	**3,51,617**
Issued during the year	-	-
Closing Balance as on March 31, 2021	**3,51,61,67,744**	**3,51,617**
Issued during the year	-	-
Closing Balance as on March 31, 2022	**3,51,61,67,744**	**3,51,617**

NOTE "18 (d)"

There are no shares in the preceding 5 years allotted as fully paid up without payment being received in cash / bonus shares / bought back.

NOTE "18 (e)"

There are no shares reserved for issue under options and contracts/commitments for the sale of shares or disinvestment.

NOTE "18 (f)"

The Company has one class of equity shares having a par value of ₹ 10 per share. Each shareholder is eligible for one vote per share held. The dividend proposed by the Board of Directors, if any, is subject to the approval of the shareholders at the ensuing Annual General Meeting. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Company after distribution of all preferential amounts, in proportion to their shareholding.

The Company has issued Cumulative Redeemable Preference Shares ("CRPS") having a par value of Rs.1000 per share. The claims of CRPS holders shall be subordinated to the claims of all secured and unsecured creditors but senior to the claims of the equity shareholders and shall rank pari-passu amongst all preference shareholders of the Company.

In pursuance of Section 43 of the Act, the CRPS shall carry a preferential right with respect to (a) payment of dividend calculated at a fixed rate, which may either be free of or subject to income tax; and (b) repayment, in the case of a winding up or repayment of capital, of the amount of the share capital paid-up or deemed to have been paid-up, whether or not, there is a preferential right to the payment of any fixed premium.

Company has a Call option to redeem its CRPS by early redemption date. CRPS holder has a Put option to seek redemption of CRPS by early redemption date.

NOTES FORMING PART OF STANDALONE FINANCIAL STATEMENTS

NOTE "18 (g)"

Investment by Tata Sons Private Limited (the Holding Company) and its Subsidiaries/Associates/JVs

Name of company	Particulars of issue	No. of equity shares	₹ in Lakh
Tata Sons Private Limited (Holding Company)	**Opening Balance as on April 01, 2020**	3,32,45,83,520	3,32,458
	Add: Issued	-	-
	Closing Balance as on March 31, 2021	3,32,45,83,520	3,32,458
	Add: Issued	-	-
	Closing Balance as on March 31, 2022	3,32,45,83,520	3,32,458
Tata Investment Corporation Limited (Subsidiary of Tata Sons Private Limited)	**Opening Balance as on April 01, 2020**	7,71,96,591	7,720
	Add: Issued	-	-
	Closing Balance as on March 31, 2021	7,71,96,591	7,720
	Add: Issued	-	-
	Closing Balance as on March 31, 2022	7,71,96,591	7,720
Tata Industries Limited (Joint Venture of Tata Sons Private Limited)	**Opening Balance as on April 01, 2020**	22,72,346	227
	Add: Issued	-	-
	Closing Balance as on March 31, 2021	22,72,346	227
	Add: Issued	-	-
	Closing Balance as on March 31, 2022	22,72,346	227
Tata International Limited (Subsidiary of Tata Sons Private Limited)	**Opening Balance as on April 01, 2020**	7,90,592	79
	Add: Issued	-	-
	Closing Balance as on March 31, 2021	7,90,592	79
	Add: Issued	-	-
	Closing Balance as on March 31, 2022	7,90,592	79
Tata Motors Limited (Associate of Tata Sons Private Limited)	**Opening Balance as on April 01, 2020**	43,26,651	433
	Add: Issued	-	-
	Closing Balance as on March 31, 2021	43,26,651	433
	Add: Issued	-	-
	Closing Balance as on March 31, 2022	43,26,651	433
Tata Chemicals Limited (Associate of Tata Sons Private Limited)	**Opening Balance as on April 01, 2020**	32,30,859	323
	Add: Issued	-	-
	Closing Balance as on March 31, 2021	32,30,859	323
	Add: Issued	-	-
	Closing Balance as on March 31, 2022	32,30,859	323
Tata Consumer Products Limited (formerly Tata Global Beverages Limited) (Associate of Tata Sons Private Limited)	**Opening Balance as on April 01, 2020**	6,13,598	61
	Add: Issued	-	-
	Closing Balance as on March 31, 2021	6,13,598	61
	Add: Issued	-	-
	Closing Balance as on March 31, 2022	6,13,598	61
Total	**Opening Balance as on April 01, 2020**	3,41,30,14,157	3,41,301
	Add: Issued	-	-
	Closing Balance as on March 31, 2021	3,41,30,14,157	3,41,301
	Add: Issued	-	-
	Closing Balance as on March 31, 2022	3,41,30,14,157	3,41,301

NOTES FORMING PART OF STANDALONE FINANCIAL STATEMENTS

NOTE "19" (₹ in lakh)

OTHER EQUITY	As at March 31, 2022	As at March 31, 2021
(a) Capital Redemption Reserve	**575**	575
(b) Securities Premium	**2,95,866**	2,95,866
(c) Special Reserve /Statutory Reserve	**27,369**	25,670
(d) ESOP Reserve	**1,756**	1,047
(e) General Reserve	**288**	288
(f) Other Comprehensive Income		
(i) Debt instruments at fair value through Other Comprehensive Income	**457**	563
(ii) Remeasurement of defined benefit (liability)/asset	**81**	74
(g) Capital Reserve	**93**	93
(h) Surplus in Statement of Profit and Loss	**23,696**	17,084
Total	**3,50,181**	**3,41,260**

NOTE "19 (a)"

Transfer to Special Reserve

As prescribed by section 45-IC of the Reserve Bank of India Act, 1934, the Company is required to transfer 20% of its net profit every year, as disclosed in the Statement of Profit & Loss before any dividend is declared, to Special Reserve. Consequently, the Company has transferred ₹ 1,699 lakh to Special Reserve for the year ended March 31, 2022 (For the year ended March 31, 2021 ₹ 933 lakh).

NOTE "19 (b)"

Nature & Purpose of Reserves

As part of a qualitative disclosure, Company is required to present disclosures as required by Para 79 of Ind AS-1 i.e. nature & purpose of each reserve:

Sr No.	Particulars	Nature & Purpose of Reserves
(a)	Capital Redemption Reserve	This reserve has been created and held in books as per requirement of the Companies Act.
(b)	Securities Premium Account	Premium received upon issuance of equity shares.
(c)	Special Reserve Account/Statutory Reserve	As prescribed by Section 45 IC of Reserve Bank of India Act, 1934. No appropriation of any sum from the reserve fund shall be made by the Company except for the purpose as may be specified by RBI from time to time.
(d)	ESOP Reserve	Created upon grant of options to employees.
(e)	General reserve	Created upon employees stock options that expired unexercised or upon forfeiture of options granted.
(f)	Other Comprehensive income	Created on account of items measured through other comprehensive income.
(g)	Capital Reserve	Reserve created on accounting of merger of subsidiaries
(h)	Surplus in Statement of Profit and Loss	Created out of accretion of profits.

NOTES FORMING PART OF STANDALONE FINANCIAL STATEMENTS

NOTE "20"

PROVISIONS AND CONTINGENT LIABILITIES

i. Movement in Provision against Stage I and Stage II assets during the period is as under:

(₹ in lakh)

Particulars	As at March 31, 2022	As at March 31, 2021
Opening Balance	**574**	494
Additions during the period	**-**	79
Utilised during the period	**(122)**	-
Closing Balance	**451**	**574**

ii. Claims not acknowledged by the Company relating to cases contested by the Company and which are not likely to be devolved on the Company relating to the following areas:

(₹ in lakh)

Particulars	As at March 31, 2022	As at March 31, 2021
Income Tax (Matters decided in the Company's favour by Appellate authorities and for which the Department is in further appeal)	**1,526**	1,526
Income Tax (Matters for which liability is disputed by the Company)	**4,564**	9,587
Value Added Tax (Pending before Appellate Authorities)	**276**	276
Total	**6,366**	**11,389**

As at March 31, 2022, claims against the Company not acknowledged as debts in respect of income tax matters amounted to Rs. 6,090 lakhs. These claims against the Company are arising on account of multiple issues of disallowances on completion of assessment proceedings under the Income-tax Act, 1961, such as, disallowance u/s 14A of the Income-tax Act, 1961 for expenditure incurred in relation to exempt income and other disallowances. These matters are pending before various appellate authorities and the Company expects that its position will likely be upheld on ultimate resolution, in view of favourable Appellate Tribunal Orders for earlier years, recent decision of the Supreme Court and jurisdictional High Court in respect of 14A disallowance. Accordingly, there will not be a material adverse effect on the Company's financial position and therefore, the Company has not recognized these as uncertain tax positions in its books.

NOTE "21"

COMMITMENTS :

i. The Company has sponsored Private Equity Funds in India, viz. Tata Capital Growth Fund I, Tata Capital Growth Fund II, Tata Capital Healthcare Fund I, Tata Capital Healthcare Fund II, Tata Capital Innovations Fund and Tata Capital Special Situations Fund and also acts as an Investment Manager to these Funds. As on March 31, 2022, the Company has aggregate commitments of ₹ 36,671 lakh (as at March 31, 2021: ₹ 40,324 lakh) towards investments in these Funds.

ii. Commitment to co-invest with Omega TC Holdings Pte. Ltd USD 14.90 Million (₹ 11,250 lakh) (as at March 31, 2021 : USD 15.06 Million (₹ 11,026 lakh)

iii. Guarantees issued to National Housing Bank on behalf of Tata Capital Housing Finance Limited ₹ 120,000 lakh (As at March 31, 2021 : ₹ 120,000 lakh) against which the amount liable by Tata Capital Housing Finance Limited is ₹ 18,156 lakh as at March 31, 2022 (As at March 31, 2021 ₹ 26,237 lakh). Pursuant to the terms of the Guarantee, the Company's liability on invocation is capped at the outstanding amount.

NOTES FORMING PART OF STANDALONE FINANCIAL STATEMENTS

NOTE "22" (₹ in lakh)

INTEREST INCOME	For the year ended March 31, 2022	For the year ended March 31, 2021
(a) **On Financial Assets measured at fair value through OCI**		
(i) Interest on Perpetual Debt	**1,113**	1,113
(b) **On Financial Assets measured at amortized cost**		
(i) Interest on Inter Corporate Deposits	**10,056**	8,984
(ii) Interest on loans	**3,043**	-
(iii) Other Interest income	**1**	2
Total	**14,213**	**10,098**

NOTE "23" (₹ in lakh)

FEES AND COMMISION INCOME	For the year ended March 31, 2022	For the year ended March 31, 2021
(a) Income from advisory and management services	**5,214**	4,458
Total	**5,214**	**4,458**

NOTE "24" (₹ in lakh)

NET GAIN ON FAIR VALUE CHANGES	For the year ended March 31, 2022	For the year ended March 31, 2021
(a) Net gain on investments at fair value through profit or loss		
(i) On trading Portfolio		
Investment	**-**	-
Derivatives	**-**	-
Others	**-**	-
(ii) Others		
- On equity securities	**107**	95
- On other financial securities	**411**	382
- On derivative contracts	**-**	-
(iii) Total net gain/(loss) on fair value changes	**518**	477
(b) Fair Value Changes :		
Realised loss	**-**	-
Unrealised gain	**518**	477
Total Net gain/(loss) on fair value changes	**518**	477
Total	**518**	**477**

NOTE "25" (₹ in lakh)

OTHER INCOME	For the year ended March 31, 2022	For the year ended March 31, 2021
(a) Income from managerial services	**3,649**	2,145
(b) Net gain on derecognition of property, plant and equipment	**1**	-
(c) Miscellaneous Income	**1,082**	55
Total	**4,732**	**2,200**

NOTES FORMING PART OF STANDALONE FINANCIAL STATEMENTS

NOTE "26"

DISCLOSURE AS PER IND AS 115

(a) Contracts with customers

(₹ in lakh)

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
i. Type of service		
- Income from Advisory Services (Refer Footnote 1)	**1,524**	1,712
- Income from Managerial Services (Refer Footnote 2)	**7,339**	4,891
Total revenue from contracts with customer	**8,863**	**6,603**
ii. Primary geographical market:		
- Outside India	**1,524**	1,712
- India	**7,339**	4,891
Total revenue from contracts with customer	**8,863**	**6,603**
iii. Timing of revenue recognition		
- at a point in time of rendering service	**5,173**	3,857
- over the period of time upon rendering service	**3,690**	2,746
Total revenue from contracts with customer	**8,863**	**6,603**

(b) The following table provides information about receivables and contract liabilities from contracts with customers.

(₹ in lakh)

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
Receivables	**899**	1,072
Contract Liabilities which are included in other liabilities (Refer Footnote 3)	**-**	-
	899	**1,072**

(c) Reconciliation between revenue as per IndAS 108 Segment Reporting and revenue as per IndAS 115 Revenue from contract with customers

(₹ in lakh)

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
Revenue reported as per IndAS 108 Segment Reporting	**51,189**	**45,217**
Less:		
Revenue reported as per IndAS 109 financial Instruments:		
Interest income	**14,213**	10,098
Net gain on fair value changes	**518**	477
Revenue reported as per IndAS 27 Separate Financial Statements:		
Dividend income	**20,717**	20,035
Profit on sale of investment	**2,971**	6,048
Revenue reported as per IndAS 40 Investment Property:		
Rental income	**1,901**	1,901
Revenue reported as per IndAS 28-Investments in Associates and Joint Ventures		
Net gain on de-recognition of associate	**923**	-
Other income	**1,083**	55
Revenue reported as per IndAS 115 Revenue from contract with customers	**8,863**	**6,603**

NOTES FORMING PART OF STANDALONE FINANCIAL STATEMENTS

Footnotes:

1. Income from Advisory fees are charged to offshore investment manager for providing non-exclusive non-binding support services for transactions by private equity funds.
2. Income from Managerial Services include :
   - Management fees charged to subsidiaries for providing managerial and marketing services at cost plus mark-up as and when the underlying costs are incurred.
   - Private Equity Asset Management fees charged for assets under management and recognised as contracted under investment management agreement with each Private Equity Fund.
3. The contract liabilities include management fees received in advance from the private equity funds. As per the management fee agreement between the Company (in capacity as Investment Manager) and private equity funds, the Company is liable to receive management fee bi-annually in advance. Income from managerial services is recognised on a time proportion basis over the period for which it is received.
5. As on March 31, 2022 and March 31, 2021, the Company doesn't have any unsatisfied/partially satisfied performance obligation in respect of revenue recognised for the year.

NOTE "27" (₹ in lakh)

FINANCE COST		For the year ended March 31, 2022	For the year ended March 31, 2021
(a)	**On Financial liabilities measured at Amortised Cost**		
(i)	Interest expense on security deposit	**455**	420
(ii)	Interest on debt securities	**17,483**	14,159
(iii)	Interest on subordinated liabilities	**8,646**	10,050
(iv)	Interest on right to use liabilities	**3**	2
(v)	Other interest expenses (discounting charges on Commercial Papers)	**2,383**	882
Total		**28,970**	**25,513**

Footnote :

During the year ended March 31, 2022, the Company has declared and paid, an interim dividend for the year ending March 31, 2022 on Cumulative Redeemable Preference Shares aggregating to ₹ 196 lakh (For the year ending March 31, 2021 ₹ 1,134 lakh) and final dividend for the year ending March 31, 2022 aggregating to ₹ 8,219 lakh (For the year ending March 31, 2021 ₹ 8,581 lakh).

NOTE "28" (₹ in lakh)

IMPAIRMENT OF INVESTMENTS AT COST AND FINANCIAL INSTRUMENTS	For the year ended March 31, 2022	For the year ended March 31, 2021
On Financial Instruments measured at amortized cost		
(i) Investments	**852**	1,809
(ii) Impairment provision against Stage I and Stage II assets	**(122)**	79
(iii) Impairment provision on trade receivables	**-**	10
Total	**730**	**1,898**

NOTES FORMING PART OF STANDALONE FINANCIAL STATEMENTS

NOTE "29" (₹ in lakh)

EMPLOYEE BENEFIT EXPENSES		For the year ended March 31, 2022	For the year ended March 31, 2021
(a)	Salaries and wages	**7,708**	8,325
(b)	Contribution to provident and other funds	**244**	226
(c)	Share based payments to employees	**709**	499
(d)	Staff welfare expenses	**13**	35
(e)	Post employment defined benefit plans	**68**	100
Total		**8,742**	**9,184**

NOTE "30" (₹ in lakh)

OTHER EXPENSES		For the year ended March 31, 2022	For the year ended March 31, 2021
(a)	Advertising and publicity	**116**	62
(b)	Director's fees, allowances and expenses	**151**	137
(c)	Insurance	**76**	45
(d)	IT costs	**347**	299
(e)	Legal and professional charges	**481**	651
(f)	Rent, taxes and energy costs	**258**	161
(g)	Repairs and maintenance	**2**	4
(h)	Printing and Stationery	**4**	1
(i)	Travelling and conveyance	**71**	26
(j)	Expenditure towards CSR (Refer Note 30 (c))	**99**	106
(k)	Other expenditure	**137**	100
Total		**1,742**	**1,592**

Included in Other Expenses are the below:

NOTE "30(a)" (₹ in lakh)

PAYMENTS TO AUDITORS INCLUDED IN OTHER EXPENDITURE (EXCLUDING GST)		For the year ended March 31, 2022	For the year ended March 31, 2021
(a)	For statutory and interim audit	**37**	20
(b)	For tax audit	**6**	2
(c)	For company law matters	**-**	-
(d)	For other services **	**6**	6
(e)	For reimbursement of expenses	**-**	1
Total		**49***	**29**

* Includes Rs 7 lakh paid to the erstwhile auditors

** Other Services include fees for certifications

NOTES FORMING PART OF STANDALONE FINANCIAL STATEMENTS

NOTE "30(b)"

(₹ in lakh)

EXPENDITURE IN FOREIGN CURRENCIES	**For the year ended March 31, 2022**	**For the year ended March 31, 2021**
(a) Legal and professional fees	**-**	1
Total	**-**	**1**

NOTE "30(c)"

EXPENDITURE INCURRED FOR CORPORATE SOCIAL RESPONSIBILITY

(i) Gross amount required to be spent by the Company during the year is ₹ 99 lakh (FY 2020-21 : ₹ 106 lakh)

(ii) Amount spent during the year on:

Particulars	**Paid**	**Yet to be paid**	**Total**
Construction / acquisition of any asset	-	-	-
On purposes other than above	99	-	-
Total	**99**	**-**	**-**

(iii) Nature of CSR activities

We endeavour to improve the lives of the community, especially the socially and economically underprivileged communities, by making a long term, measurable and positive impact through projects in the areas of education, climate action, health and skill development.

NOTE "31"

INCOME TAX DISCLOSURES

A The income tax expense consist of the following:

(₹ in lakh)

Particulars	**For the year ended March 31, 2022**	**For the year ended March 31, 2021**
Current tax:		
Current tax expense for the year	**1,826**	1,538
Current tax expense / (benefit) pertaining to prior years	**-**	-
	1,826	1,538
Deferred tax benefit		
Origination and reversal of temporary differences	**159**	98
Change in tax rates	**-**	-
	159	98
Total income tax expense recognised in the year	**1,985**	**1,636**

NOTES FORMING PART OF STANDALONE FINANCIAL STATEMENTS

B Amounts recognised in OCI

(₹ in lakh)

Particulars	For the year ended March 31, 2022			For the year ended March 31, 2021		
	Before tax	Tax (expense) / benefit	Net of tax	Before tax	Tax (expense) / benefit	Net of tax
Items that will not be reclassified to profit or loss						
Remeasurements of defined benefit liability (asset)	9	(2)	7	451	(114)	337
Items that are or may be reclassified subsequently to profit or loss						
Net change in fair value	(144)	38	(106)	458	(107)	351
	(135)	**36**	**(99)**	**909**	**(220)**	**688**

C The reconciliation of estimated income tax expense at statutory income tax rate and income tax expenses reported in statement of profit and loss is as follows:

(₹ in lakh)

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
Profit before tax	**10,295**	6,303
Indian statutory income tax rate	**25.17%**	25.17%
Tax using the Company's domestic tax rate	**2,591**	1,586
Tax effect of adjustments to reconcile expected income tax expense to reported income tax expense:		
Tax-exempt income	**-**	-
Non-deductible expenses	**360**	684
Tax on income at different rates	**(966)**	(634)
Change in tax rates	**-**	-
Total income tax expense	**1,985**	**1,636**

Note:

The Company's reconciliation of the effective tax rate is based on its domestic tax rate applicable to respective financial years.

NOTE "32"

(₹ in lakh)

EARNINGS PER SHARE (EPS):		For the year ended March 31, 2022	For the year ended March 31, 2021
Profit after tax	₹ in lakh	**8,310**	4,667
Profit after tax available for equity shareholders	₹ in lakh	**8,310**	4,667
Weighted average number of Equity shares used in computing Basic EPS	Nos	**3,51,61,67,744**	3,51,61,67,744
Face value of equity shares	₹	**10**	10
Basic EPS	₹	**0.24**	**0.13**

NOTES FORMING PART OF STANDALONE FINANCIAL STATEMENTS

NOTE "32" (₹ in lakh)

EARNINGS PER SHARE (EPS):		**For the year ended March 31, 2022**	**For the year ended March 31, 2021**
Profit after tax available for equity shareholders	₹ in lakh	**8,310**	4,667
Weighted average number of Equity Shares used in computing Basic EPS	Nos	**3,51,61,67,744**	3,51,61,67,744
Add: Potential weighted average number of Equity shares	Nos	**-**	-
Weighted average number of shares in computing Diluted EPS	Nos	**3,51,61,67,744**	3,51,61,67,744
Face value of equity shares	₹	**10**	10
Diluted EPS	₹	**0.24**	**0.13**

NOTE "33"

SHARE BASED PAYMENT

A. Description of share based payments:

Particulars	**ESOP 2018**	**ESOP 2019**	**ESOP 2020**	**ESOP 2021**	**ESOP 2021 RSU**
i. Vesting requirements	20% at the end of each 12 and 24 months and 30% at the end of each 36 and 48 months from the date of grant	20% at the end of each 12 and 24 months and 30% at the end of each 36 and 48 months from the date of grant	20% at the end of each 12 and 20 months and 30% at the end of each 32 and 44 months from the date of grant	20% at the end of each 12 and 24 months and 30% at the end of each 36 and 48 months from the date of grant	100% at the end of 36 months from the date of grant
ii. Maximum term of option	7 years	7 years	7 years	7 years	3 years
iii. Method of settlement	Equity settled	Equity settled	Equity settled	Equity settled	Equity settled
iv. Modifications to share based payment plans	N.A.	N.A.	N.A.	N.A.	N.A.
v. Any other details as disclosed in the audited Ind AS financial statements	N.A.	N.A.	N.A.	N.A.	N.A.

NOTES FORMING PART OF STANDALONE FINANCIAL STATEMENTS

B. Summary of share based payments

March 31, 2022

Particulars	ESOP 2018	ESOP 2019	ESOP 2020	ESOP 2021	ESOP 2021 RSU	Total
Outstanding balance at the beginning of the year	**28,00,000**	**27,50,000**	**32,25,000**	**-**	**-**	**87,75,000**
Options granted	-	-	-	26,25,000	11,31,588	37,56,588
Options forfeited	-	-	-	-	-	-
Options exercised	-	-	-	-	-	-
Options expired	-	-	-	-	-	-
Options lapsed	-	-	-	-	-	-
Options outstanding at the end of the year	**28,00,000**	**27,50,000**	**32,25,000**	**26,25,000**	**11,31,588**	**1,25,31,588**
Options exercisable at the end of the year	**19,60,000**	**11,00,000**	**6,45,000**	**-**	-	37,05,000
For share options exercised:						
Weighted average exercise price at date of exercise						-
Money realized by exercise of options						-
For share options outstanding						
Range of exercise prices	50.60	51.00	40.30	51.80	51.80	
Average remaining contractual life of options (years)	4.50	5.34	6.34	6.34	2.50	5.36
Modification of plans	N.A.	N.A.	N.A.	N.A.	N.A.	-
Incremental fair value on modification	N.A.	N.A.	N.A.	N.A.	N.A.	-

March 31, 2021

Particulars	ESOP 2018	ESOP 2019	ESOP 2020	Total
Outstanding balance at the beginning of the year	**33,25,000**	**32,00,000**	**-**	**65,25,000**
Options granted	-	-	32,25,000	32,25,000
Options forfeited	5,25,000	4,50,000	-	9,75,000
Options exercised	-	-	-	-
Options expired	-	-	-	-
Options lapsed	-	-	-	-
Options outstanding at the end of the year	**28,00,000**	**27,50,000**	**32,25,000**	**87,75,000**
Options exercisable at the end of the year	**11,20,000**	**5,50,000**	-	16,70,000
For share options exercised:				
Weighted average exercise price at date of exercise				-
Money realized by exercise of options				-
For share options outstanding				
Range of exercise prices	50.60	51.00	40.30	
Average remaining contractual life of options (years)	4.50	5.34	6.34	5.44
Modification of plans	N.A.	N.A.	N.A.	-
Incremental fair value on modification	N.A.	N.A.	N.A.	-

NOTES FORMING PART OF STANDALONE FINANCIAL STATEMENTS

C. Valuation of stock options

The fair value of services received in return for share options granted is based on the fair value of share options granted, measured using the Black-Scholes formula. The inputs used in measuring the fair values at grant date of the equity-settled share based payment plans were as follows :

Particulars	ESOP 2018	ESOP 2019	ESOP 2020	ESOP 2021
Share price:	50.60	51.00	40.30	51.80
Exercise Price:	50.60	51.00	40.30	51.80
Fair value of option:	23.34	23.02	17.07	22.33
Valuation model used:	Black Scholes valuation	Black Scholes valuation	Black Scholes valuation	Black Scholes valuation
Expected Volatility:	0.38	0.41	0.42	0.41
Basis of determination of expected volatility:	Average historical volatility over 4.85 years of comparable companies	Average historical volatility over 4.85 years of comparable companies	Historical volatility of equity shares of comparable companies over the period ended December 15,2020 based on the life of options	Historical volatility of equity shares of comparable companies over the period ended October 01,2021 based on the life of options
Contractual Option Life (years):	7.00	7.00	7.00	7.00
Expected dividends:	0.00	0.00	0.00	0.00
Risk free interest rate:	8.04%	6.28%	5.22%	5.87%
Vesting Dates	20% vesting on September 30, 2019	20% vesting on August 01, 2020	20% vesting on December 14, 2021	20% vesting on September 30, 2022
	40% vesting on September 30, 2020	40% vesting on August 01, 2021	40% vesting on July 31, 2022	40% vesting on July 31, 2023
	70% vesting on September 30, 2021	70% vesting on August 01, 2022	70% vesting on July 31, 2023	70% vesting on July 31, 2024
	100% vesting on September 30, 2022	100% vesting on August 01, 2023	100% vesting on July 31, 2024	100% vesting on July 31, 2025
Valuation of incremental fair value on modification	N.A.	N.A.	N.A.	N.A.

NOTES FORMING PART OF STANDALONE FINANCIAL STATEMENTS

D) Options granted and inputs used for measurement of fair value of options, for the key managerial employees and other senior employees

As at March 31, 2022

Name of Scheme	Mr. Rajiv Sabharwal		Mr. Rakesh Bhatia		Ms. Sarita Kamath	
	Granted	Exercised	Granted	Exercised	Granted	Exercised
ESPS 2009	-	-	50,151	50,151	-	-
ESPS 2011	-	-	-	-	3,000	3,000
ESOP 2011	-	-	-	-	-	-
PS 2013	-	-	-	-	323	323
ESPS 2013	-	-	-	-	-	-
ESOP 2013	-	-	-	-	30,000	30,000
ESOP 2016	-	-	-	-	10,000	10,000
ESOP 2017	-	-	-	-	10,000	10,000
ESOP 2018	16,00,000	-	-	-	1,00,000	-
ESOP 2019	16,00,000	-	-	-	1,00,000	-
ESOP 2020	17,60,000	-	2,00,000	-	1,10,000	-
ESOP 2021	12,00,000	-	2,25,000	-	1,12,500	-
ESOP 2021 RSU	5,17,297	-	96,993	-	48,497	-
Total	**66,77,297**	**-**	**5,72,144**	**50,151**	**5,24,320**	**53,323**

As at March 31, 2021

Name of Scheme	Mr. Rajiv Sabharwal		Mr. Rakesh Bhatia		Ms. Avan Doomasia*		Ms. Sarita Kamath*	
	Granted	Exercised	Granted	Exercised	Granted	Exercised	Granted	Exercised
ESPS 2009	-	-	50,151	50,151	80,615	80,615	-	-
ESPS 2011	-	-	-	-	-	-	3,000	3,000
ESOP 2011	-	-	-	-	60,000	60,000	-	-
PS 2013	-	-	-	-	8,690	8,690	323	323
ESPS 2013	-	-	-	-	-	-	-	-
ESOP 2013	-	-	-	-	-	-	30,000	30,000
ESOP 2016	-	-	-	-	10,000	10,000	10,000	10,000
ESOP 2017	-	-	-	-	10,000	10,000	10,000	10,000
ESOP 2018	16,00,000	-	-	-	1,25,000	-	1,00,000	-
ESOP 2019	16,00,000	-	-	-	1,00,000	-	1,00,000	-
ESOP 2020	17,60,000	-	2,00,000	-	-	-	1,10,000	-
Total	**49,60,000**	**-**	**2,50,151**	**50,151**	**3,94,305**	**1,69,305**	**3,63,323**	**53,323**

* Ms. Avan Doomasia ceased to be a KMP w.e.f. November 30, 2020 and Ms. Sarita Kamath was appointed as KMP w.e.f. December 01, 2020.

NOTES FORMING PART OF STANDALONE FINANCIAL STATEMENTS

NOTE "34"

EMPLOYEE BENEFIT EXPENSES

A. Defined contribution plans

1 Superannuation Fund

The Company makes contribution towards superannuation fund, a defined contribution retirement plan for qualifying employees. The Superannuation fund is administered by superannuation fund set up as Trust by the Company. The Company is liable to pay to the superannuation fund to the extent of the amount contributed. The Company recognizes such contribution as an expense in the year of contribution. The Company has recognised ₹ 48 Lakhs (Year ended 31 March 2021 ₹ 37 Lakhs) for Superannuation Fund contributions in the Statement of Profit and Loss.

B. Defined benefit plans

1 Provident Fund

The Company makes Provident Fund contributions, a defined benefit plan for qualifying employees. Under the Schemes, both employees and the Company make monthly contributions at a specified percentage of the covered employees' salary (currently 12% of employees' salary). The contributions, except that the employer's contribution towards pension fund is paid to the Regional Provident Fund office, as specified under the law, are made to the provident fund set up as an irrevocable trust by the Company. The interest rate payable to the members of the trust shall not be lower than the statutory rate of interest declared by the Central Government under the Employees Provident Funds and Miscellaneous Provisions Act, 1952 and shortfall, if any, shall be made good by the Company. Hence the Company is liable for annual contributions and any deficiency in interest cost compared to interest computed based on the rate of interest declared by the Central Government. The total liability in respect of the interest shortfall of the Fund is determined on the basis of an actuarial valuation. The interest liability arising only to the extent of the aforesaid differential shortfalls is a defined benefit plan. There is no such shortfall as at March 31, 2021.

The Provident Fund contributions along with the interest shortfall if any are recognized as an expense in the year in which it is determined. The Company has recognised ₹ 197 Lakhs (Year ended 31 March 2021 ₹ 189 Lakhs) for Provident Fund contributions and ₹ Nil (Year ended 31 March 2021 ₹ Nil) for interest shortfalls in the Statement of Profit and Loss.

2 Gratuity

The Company offers its employees defined benefit plans in the form of a gratuity scheme (a lump-sum amount). Benefits under the defined benefit plans are typically based on years of service and the employee's compensation (generally immediately before retirement). The gratuity scheme covers substantially all regular employees. Commitments are actuarially determined at year-end. These commitments are valued at the present value of the expected future payments, with consideration for calculated future salary increases, using a discount rate corresponding to the interest rate estimated by the actuary having regard to the interest rate on Government bonds with a remaining term that is almost equivalent to the average balance working period of employees. Actuarial valuation is done based on "Projected Unit Credit" method. Gains and losses of changed actuarial assumptions are recorded in the Other Comprehensive Income.

The Company provides gratuity for employees in India as per payment of Gratuity Act, 1972. The gratuity scheme for employees is as under:

Eligibility	Continuous service for 5 years (not applicable in case of death or disability while in service)
Benefit payable upon	Retirement, Withdrawal, Death/Disability

NOTES FORMING PART OF STANDALONE FINANCIAL STATEMENTS

Benefit payable	For service less than 10 years: 15/26 X Salary X Service
	For service greater than 10 years: Salary X Service
Salary definition	Last drawn monthly basic salary + Dearness Allowance
Service definition	Number of years of service rounded to the nearest integer
Normal retirement age	60 years

There are no statutory minimum funding requirements for gratuity plans mandated in India. However, a Company can fund the benefits by way of a separate irrevocable Trust to take advantage of tax exemptions and also to ensure security of benefits.

The Tata Capital Limited Gratuity Scheme is funded by way of a separate irrevocable Trust and the Company is expected to make regular contributions to the Trust. The fund is managed internally by the Company and the assets are invested as per the pattern prescribed under Rule 67 of Income Tax Rules, 1962. The asset allocation of the Trust is set by Trustees from time to time, taking into account the membership profile, the liquidity requirements of the plan and risk appetite of the plan sponsor as per the investment norms. Each year asset-liability matching study is performed in which the consequences of the strategic investment policies are analysed in terms of risk and return profiles. Investment and Contribution policies are integrated within this study.

Through its defined benefit plans, the Company is exposed to a number of risks, the most significant of which are detailed below:

1. **Market risk:** Market risk is a collective term for risks that are related to the changes and fluctuations of the financial markets. One actuarial assumption that has a material effect is the discount rate. The discount rate reflects the time value of money. An increase in discount rate leads to decrease in defined benefit obligation of the plan benefits and vice versa. This assumption depends on the yields on the government bonds and hence the valuation of liability is exposed to fluctuations in the yields as at the valuation date.

2. **Salary Inflation risk:** Higher than expected increases in salary will increase the defined benefit obligation.

3. **Demographic risk:** This is the risk of variability of results due to unsystematic nature of decrements that include mortality, withdrawal, disability and retirement. The effect of these decrements on the defined benefit obligation is not straight forward and depends upon the combination of salary increase, discount rate and vesting criteria.

4. **Investment risk:** For funded plans that rely on insurers for managing the assets, the value of assets certified by the insurer may not be the fair value of instruments backing the liability. In such cases, the present value of the assets is independent of the future discount rate. This can result in wide fluctuations in the net liability or the funded status if there are significant changes in the discount rate during the inter-valuation period.

5. **Legislative risk:** Legislative risk is the risk of increase in the plan liabilities or reduction in the plan assets due to change in the legislation/regulation. The government may amend the Payment of Gratuity Act, 1972, thus requiring the companies to pay higher benefits to the employees. This will directly affect the present value of the defined benefit obligation and the same will have to be recognized immediately in the year when any such amendment is effective.

NOTES FORMING PART OF STANDALONE FINANCIAL STATEMENTS

Movement in net defined benefit (asset) liability

a) Reconciliation of balances of Defined Benefit Obligations.

(₹ in lakh)

Particulars	As at March 31, 2022		As at March 31, 2021	
	Total Funded	Total Unfunded	Total Funded	Total Unfunded
Defined Obligations at the beginning of the year	**1,412**	**-**	1,451	-
Current service cost	116	-	114	-
Interest Cost on Defined Benefit Obligations	85	-	86	-
Liabilities / (Assets) assumed on transfer of employees	10	-	51	-
Actuarial (Gains)/ Losses on obligations arising from:				
a. Due to change in financial assumptions	(7)	-	(8)	-
b. Due to change in experience adjustments	62	-	(104)	-
c. Due to experience adjustments	-	-	-	-
Benefits paid directly by the Company	(173)	-	(178)	-
Defined Obligations at the end of the year	**1,505**	**-**	**1,412**	**-**

b) Reconciliation of balances of Fair Value of Plan Assets

(₹ in lakh)

Particulars	As at March 31, 2022		As at March 31, 2021	
	Total Funded	Total Unfunded	Total Funded	Total Unfunded
Fair Value at the beginning of the year	**2,079**	**-**	1,588	-
Expected return on plan assets	**63**	**-**	340	-
Assets transferred on transfer of employees	**10**	**-**	51	-
Interest Income on Plan Assets	**133**	**-**	100	-
Fair Value of Plan Assets at the end of the year	**2,285**	**-**	**2,079**	**-**

c) Funded status

(₹ in lakh)

Particulars	As at March 31, 2022		As at March 31, 2021	
	Total Funded	Total Unfunded	Total Funded	Total Unfunded
Surplus of plan assets over obligations	**780**	**-**	666	-
Total	**780**	**-**	**666**	**-**

NOTES FORMING PART OF STANDALONE FINANCIAL STATEMENTS

d) Categories of plan assets

(₹ in lakh)

Particulars	As at March 31, 2022		As at March 31, 2021	
	Total Funded	Total Unfunded	Total Funded	Total Unfunded
Corporate bonds	**431**	**-**	414	-
Equity shares	**165**	**-**	129	-
Government securities	**511**	**-**	499	-
Insurer managed funds - ULIP Product	**1,078**	**-**	987	-
Cash	**100**	**-**	49	-
Total	**2,285**	**-**	**2,079**	**-**

e) Amount recognised in Balance sheet

(₹ in lakh)

Particulars	As at March 31, 2022		As at March 31, 2021	
	Total Funded	Total Unfunded	Total Funded	Total Unfunded
Present value of the defined benefit obligation	**(1,505)**	**-**	(1,412)	-
Fair value of plan assets	**2,285**	**-**	2,079	-
Net asset recognised in the Balance Sheet	**780**	**-**	**666**	**-**

f) Amount recognised in Statement of Profit and Loss

(₹ in lakh)

Particulars	As at March 31, 2022		As at March 31, 2021	
	Total Funded	Total Unfunded	Total Funded	Total Unfunded
Current Service Cost	**116**	**-**	114	-
Interest Cost (net)	**(48)**	**-**	(14)	-
Expenses for the year	**68**	**-**	**100**	**-**

g) Amount recognised in OCI

(₹ in lakh)

Particulars	As at March 31, 2022		As at March 31, 2021	
	Total Funded	Total Unfunded	Total Funded	Total Unfunded
a. Due to change in financial assumptions	**(7)**	**-**	(8)	-
b. Due to change in experience adjustments	**62**	**-**	(104)	-
c. Due to experience adjustments	-	**-**	-	-
d. Return on plan assets (excl. interest income)	**(63)**	**-**	(340)	-
Total remeasurements in OCI	**(9)**	**-**	(451)	-
Total defined benefit cost recognized in P&L and OCI	**59**	**-**	**(351)**	**-**

NOTES FORMING PART OF STANDALONE FINANCIAL STATEMENTS

h) Expected cash flows for the following year

Particulars	As at March 31, 2022	As at March 31, 2021
Expected total benefit payments	2,499	2,201
Year 1	151	137
Year 2	196	143
Year 3	213	187
Year 4	229	202
Year 5	506	208
Next 5 years	1,204	1,323

i) Major Actuarial Assumptions

Particulars	As at March 31, 2022	As at March 31, 2021
Discount Rate (%)	6.50%	6.40%
Salary Escalation/ Inflation (%)	Non CRE: 8.25%, CRE & J Grade:6%	Non CRE: 8.25%, CRE & J Grade:6%
Expected Return on Plan assets (%)	6.50%	6.40%
Attrition		
Mortality Table	**Indian assured lives Mortality (2006-08) Ult.**	**Indian assured lives Mortality (2006-08) Ult.**
Medical cost inflation		
Disability		
Withdrawal (rate of employee turnover)	CRE and J Grade : 40%; Non CRE :Less than 5years 25% and more than 5 years 10%	CRE and J Grade : 40%; Non CRE :Less than 5years 25% and more than 5 years 10%
Retirement Age	60 years	60 years
Weighted Average Duration		
Guaranteed rate of return		
Estimate of amount of contribution in the immediate next year	**151**	**137**

The estimates for future salary increases, considered in actuarial valuation, take into account inflation, seniority, promotion and other relevant factors.

The expected return on plan assets is based on market expectation, at the beginning of the period, for returns over the entire life of the related obligation.

The following table shows a reconciliation from the opening balances to the closing balances for net defined benefit (asset) liability and its components.

NOTES FORMING PART OF STANDALONE FINANCIAL STATEMENTS

j) Sensitivity analysis

Reasonably possible changes at the reporting date to one of the relevant actuarial assumptions, holding other assumptions constant, would have affected the defined benefit obligation by the amounts shown below.

	March 31, 2022		March 31, 2021	
	Increase	Decrease	Increase	Decrease
Discount rate (1% movement)	(68)	74	(74)	81
Future salary growth (1% movement)	72	(68)	79	(73)
Others (Withdrawal rate 5% movement)	(34)	45	(39)	55

k) Provision for leave encashment

	As at March 31, 2022		As at March 31, 2021	
	Non current	Current	Non current	Current
Liability for compensated absences	201	27	198	34

Experience adjustments	Defined benefit obligation	Plan assets	Surplus/ (deficit)	Experience adjustments on plan liabilities	Experience adjustments on plan assets
Funded					
2021-22	**1,505**	**2,285**	**780**	**(62)**	**63**
2020-21	1,412	2,079	666	104	340
Unfunded					
2021-22	**-**	**-**	**-**	**-**	**-**
2020-21	-	-	-	-	-

NOTE "35"

Disclosure as required by Indian Accounting Standard (Ind AS) – 24 on "Related Party Disclosures" notified under the Companies (Indian Accounting Standard) Rules, 2015:

List of related parties and relationship:

Holding Company	Tata Sons Private Limited
Subsidiaries	Tata Capital Financial Services Limited Tata Capital Housing Finance Limited Tata Cleantech Capital Limited Tata Securities Limited Tata Capital Pte. Limited Tata Capital Markets Pte. Ltd.(ceased to exist w.e.f. 23.09.2020) Tata Capital Advisors Pte. Ltd. Tata Capital Plc Tata Capital General Partners LLP Tata Capital Healthcare General Partners LLP Tata Opportunities General Partners LLP Tata Capital Growth II General Partners LLP Tata Capital Healthcare II General Partners LLP Tata Opportunities II General Partners LLP (ceased to exist w.e.f. 23.09.2020)

NOTES FORMING PART OF STANDALONE FINANCIAL STATEMENTS

	Tata Capital Growth Fund I Tata Capital Healthcare Fund I Tata Capital Innovations Fund Tata Capital Special Situation Fund Tata Capital Growth Fund II Tata Capital Healthcare Fund II Tata Opportunities II Alternative Investment Fund (ceased to exist w.e.f. 31.03.2021)
Associates	Tata Autocomp Systems Limited Roots Corporation Limited (ceased to be Associate w.e.f. 25.03.2022) Tata Projects Limited Tata Play Limited (formerly Tata Sky Limited) **Associates of Tata Capital Financial Services Limited** Shriram Properties Limited (ceased to be Associate w.e.f 22.12.2021) TVS Supply Chain Solutions Limited Fincare Business Services Limited Fincare Small Finance Bank Limited (w.e.f. 21.01.2021) **Associates of Domestic Venture Capital Funds (Portfolio Investments)** Lokmanaya Hospital Private Limited Novalead Pharma Private Limited Shriji Polymers (India) Limited (ceased to be Associate w.e.f. 28.08.2020) Vortex Engineering Private Limited Pluss Advances Technologies Private Limited (ceased to be Associate w.e.f. 06.10.2021) Sea6 Energy Private Limited Alef Mobitech Solutions Private Limited TEMA India Private Limited Kapsons Industries Limited Tata Technologies Limited Indusface Private Limited (w.e.f. 21.04.2020) Linux Laboratories Private Limited (w.e.f. 22.02.2021) Atulaya Healthcare Private Limited (w.e.f. 20.07.2021) Cnergyis Infotech India Private Limited (w.e.f. 10.01.2022) Deeptek Inc, a Delaware Corporation (w.e.f. 28.02.2022)
Post Employment Benefit Plan	Tata Capital Limited Gratuity Scheme Tata Capital Limited Employees Provident Fund Tata Capital Limited Superannuation Scheme TCL Employee Welfare Trust
Fellow-subsidiaries (with which the Company had transactions)	Tata Consultancy Services Limited Tata Teleservices (Maharashtra) Limited Tata AIG General Insurance Company Limited Tata Digital Private Limited (formerly Tata Digital Limited) AirAsia (India) Limited Tata International Limited Tata Investment Corporation Limited

NOTES FORMING PART OF STANDALONE FINANCIAL STATEMENTS

Associate of Holding Company (with which the Company had transactions)	The Indian Hotels Company Limited Tata Steel Limited Tata Consumer Products Limited (formerly Tata Global Beverages Limited) Tata Chemicals Limited Tata Motors Limited Voltas Limited Conneqt Business Solutions Limited (ceased to be related party w.e.f. 16.04.2021)
Joint Venture of Holding Company (with which the Company had transactions)	Tata AIA Life Insurance Company Limited Tata Industries Limited
Subsidiary of Associate of Holding Company (with which the Company had transactions)	Piem Hotels Limited Af-Taab Investment Company Limited (Merged with The Tata Power Company Limited w.e.f. 15.03.2022)
Other related parties	Mrs Sangeeta Sabharwal (Relative of KMP)
Key Management Personnel	Mr. Saurabh Agrawal - Chairman and Non-Executive Director Mr. F. N. Subedar - Non-Executive Director Ms. Aarthi Subramanian - Non-Executive Director Ms. Malvika Sinha - Independent Director (appointed w.e.f 01.04.2021) Ms. Varsha Purandare- Independent Director Mr. Rajiv Sabharwal - Managing Director & CEO Ms. Sarita Kamath - Company Secretary (appointed w.e.f 01.12.2020) Mr. Rakesh Bhatia- Chief Financial Officer Mr. Nalin M. Shah - Independent Director (retired w.e.f 31.03.2021) Mr. Mehernosh B. Kapadia - Independent Director (retired w.e.f 23.10.2020) Ms. Avan Doomasia - Company Secretary (resigned w.e.f 30.11.2020)

SIGNIFICANT TRANSACTIONS WITH RELATED PARTIES :

Sr. No.	Party Name	Nature of Transactions		March 31, 2022	March 31, 2021
I	**Transactions with Holding Company :**				
1	**Tata Sons Private Limited**	Expense			
			Provisions for Brand Equity Contribution	83	65
			Legal and professional charges	-	10
		Liabilities			
			Equity shares held	3,32,458	3,32,458
			Provision for Brand Equity Contribution	83	65

NOTES FORMING PART OF STANDALONE FINANCIAL STATEMENTS

Sr. No.	Party Name	Nature of Transactions		March 31, 2022	March 31, 2021
II	**Transactions with Subsidiaries :**				
1	**Tata Capital Financial Services Limited**	Income			
			Dividend received on Equity shares	12,061	14,995
			Interest Income on ICD	9,462	6,672
			Interest Income on Investments in Perpetual debt	1,113	1,113
			Rental Income	1,076	973
			Marketing & Managerial Service Fees Income	2,155	1,213
		Expense			
			Rent expense	4	3
			Reimbursement of Insurance Expenses received	(7)	(6)
			Reimbursement of Electricity expense received	(42)	(30)
			Reimbursement of other expenses received	-	(88)
			Reimbursement of Marketing & Managerial Service received	(109)	(86)
			Placement fees	-	16
		Other Transactions			
			Investment in Equity shares	30,000	-
			ICDs placed during the period	4,89,579	2,48,099
			ICDs repaid during the period	5,27,144	1,91,391
			Transfer of fixed assets	1	-
			Pass through of insurance refund received	-	0*
		Assets			
			Investment in Equity Shares	5,68,755	5,38,755
			Investment in Perpetual Debentures	13,560	13,703
			ICDs Outstanding - Receivable	77,493	1,15,058
			Accrued Interest on ICD Outstanding	495	480
			Accrued Interest on Perpetual Debentures	18	18
			Trade Receivables	622	549
			Other Receivables	4	3
		Liabilities			
			Security Deposit taken	5,622	5,191
			Payables		
			- Towards Rent	0*	0*
			- Towards Placement fee	-	9
2	**Tata Capital Housing Finance Limited**	Income			
			Dividend received on Equity shares	8,651	5,038
			Interest Income on ICD	581	784
			Marketing & Managerial Service Fees Income	1,066	697
		Expense			
			Reimbursement of Insurance Expenses received	(2)	(2)
			Reimbursement of Marketing & Managerial Service received	(52)	(37)
		Other Transactions			
			ICDs placed during the period	2,92,696	1,23,840
			ICDs repaid during the period	2,95,586	1,20,950
			Pass through of insurance refund received	-	0*

NOTES FORMING PART OF STANDALONE FINANCIAL STATEMENTS

Sr. No.	Party Name	Nature of Transactions		March 31, 2022	March 31, 2021
		Assets			
			Investment in Equity Shares	2,40,600	2,40,600
			ICDs Outstanding - Receivable	-	2,890
			Accrued Interest on ICD Outstanding	-	20
			Trade Receivables	253	214
		Commitments			
			Guarantees issued to National Housing Bank on behalf of TCHFL	18,156	26,237
3	**Tata Cleantech Capital Limited**	Income			
			Interest Income on ICD	13	1,528
			Rental Income	60	54
			Marketing & Managerial Service Fees Income	428	235
		Expense			
			Reimbursement of Insurance Expenses received	(0)*	(0)*
			Reimbursement of Electricity expense	(2)	(2)
			Reimbursement of Marketing & Managerial Service received	(30)	(15)
		Other Transactions			
			Investments in Equity shares	24,957	-
			ICDs placed during the period	18,500	38,500
			ICDs repaid back during the period	28,500	78,500
		Assets			
			Investment in Equity Shares	74,062	49,105
			ICDs Outstanding - Receivable	-	10,000
			Accrued Interest on ICD Outstanding	-	14
			Trade Receivables	120	89
			Other Receivables	0*	0*
		Liabilities			
			Security Deposit taken	311	287
4	**Tata Securities Limited**	Expense			
			Reimbursement of Insurance expenses received	(0)*	(0)*
		Assets			
			Investment in Equity Shares	789	789
5	**Tata Capital Pte. Limited**	Expense			
			Reimbursement of Insurance expenses received	-	(0)*
		Assets			
			Investment in Equity Shares	10,807	10,807
6	**Tata Capital Advisors Pte. Limited**	Income			
			Income from advisory fees	1,506	1,712
		Assets			
			Trade receivables	13	282
7	**Tata Capital Growth Fund I**	Income			
			Distribution of Carry income	1,905	112
			Distribution of Interest	-	4

NOTES FORMING PART OF STANDALONE FINANCIAL STATEMENTS

Sr. No.	Party Name	Nature of Transactions		March 31, 2022	March 31, 2021
		Other Transactions			
			Reimbursement of expenses	-	11
		Assets			
			Investment in Class A units of fund	5,433	5,791
			Provision for Diminution in value of Investment	(1,088)	(1,088)
			Trade receivables towards reimbursement	-	11
		Commitments			
			Commitments	2,983	2,983
8	**Tata Capital Healthcare Fund I**	Income			
			Asset Management Fees	-	53
			Profit on sale of investment	-	970
			Distribution of Carry income	-	5,016
		Expense			
			Provision for Diminution in value of Investment	580	193
		Other Transactions			
			Proceeds from Divestment - cost	-	1,461
			Reimbursement of Legal expenses	6	12
		Assets			
			Investment in Class A units of fund	2,377	2,377
			Provision for Diminution in value of Investment	(857)	(277)
			Trade receivables towards reimbursement	-	2
		Commitments			
			Commitments	559	559
9	**Tata Capital Innovation Fund**	Income			
			Profit on sale of investment	1,274	-
			Distribution of Interest	-	1
		Expense			
			Provision for Diminution in value of Investment	239	1,533
		Other Transactions			
			Proceeds from Divestment - cost	759	-
			Reimbursement of Legal expenses	17	11
		Assets			
			Investment in Class A units of fund	5,058	5,818
			Investment in Class B units of fund	0*	0*
			Provision for Diminution in value of Investment	(3,915)	(3,676)
			Trade Receivables		
			- Towards Management Fees	195	195
			- Towards Reimbursement of Expenses	-	6
			Provision for bad & doubtful debts	(192)	(192)
		Commitments			
			Commitments	45	45
10	**Tata Capital Healthcare Fund II**	Income			
			Asset Management Fees	2,261	880
			Setup fee	113	95
			Distribution of Interest	1	0*
			Distribution of compensating contribution	41	0*
		Expenses			
			Provision for Diminution in value of Investment	(1)	3

NOTES FORMING PART OF STANDALONE FINANCIAL STATEMENTS

Sr. No.	Party Name	Nature of Transactions		March 31, 2022	March 31, 2021
		Other Transactions			
			Investment in Units of Fund	1,850	1,282
			Return of Capital	(646)	-
			Reimbursement of Legal expenses	73	1
		Assets			
			Investment in units of fund	2,520	1,317
			Provision for Diminution in value of Investment	(37)	(38)
			Accrued income	715	0*
			Trade Receivables		
			- Towards Management Fees	-	45
			- Towards Reimbursement of Expenses	56	-
		Commitments			
			Commitments	11,480	12,683
11	**Tata Capital Growth Fund II**	Income			
			Asset Management Fees	1,316	1,658
			Setup fees	-	61
			Distribution of Interest	1	-
			Distribution of compensating contribution	-	48
		Expense			
			Provision for Diminution in value of Investment	33	79
		Other Transactions			
			Investment in Class A1 units of Fund	2,435	9,242
			Investment in Class B1 units of Fund	8	32
			Investment in Class B2 units of Fund	7	26
			Reimbursement of expenses	7	96
		Assets			
			Investment in Class A1 units of Fund	14,619	12,184
			Investment in Class B1 units of Fund	51	42
			Investment in Class B2 units of Fund	41	34
			Provision for Diminution in value of Investment	(182)	(148)
			Accrued income	0*	-
			Trade Receivables		
			-Towards Reimbursement of Expenses	7	0*
		Commitments			
			Commitments	21,582	24,032
12	**Tata Capital Special Situations Fund**	Assets			
			Investment in Class A units of fund	2,260	2,260
			Investment in Class B units of fund	0*	0*
			Provision for Diminution in value of Investment	(990)	(990)
		Commitments			
			Commitments	22	22
III	**Transactions with Associates :**				
1	**Tata Autocomp Systems Limited**	Assets			
			Investment in Equity Shares	18,528	18,528

NOTES FORMING PART OF STANDALONE FINANCIAL STATEMENTS

Sr. No.	Party Name	Nature of Transactions		March 31, 2022	March 31, 2021
2	**Roots Corporation Limited (ceased to be Associate w.e.f. 25.03.2022)**	Assets			
			Investment in Equity Shares	-	2,062
			Provision for Diminution in value of Investment	-	(625)
3	**Tata Projects Limited**	Other transactions			
			Investment in Equity Shares	2,655	-
		Assets			
			Investment in Equity Shares	5,478	2,823
4	**Tata Play Limited (formerly Tata Sky Limited)**	Assets			
			Investment in Equity Shares	5,242	5,242
5	**Indusface Private Limited**	Other Transactions			
			Reimbursement of Legal expenses received	-	51
6	**Linux Laboratories Private Limited**	Other Transactions			
			Reimbursement of Legal expenses received	-	11
7	**Cnergyis Infotech India Private Limited**	Other Transactions			
			Reimbursement of Legal expenses received	33	-
		Assets			
			Trade Receivables	33	-
IV	**Transactions with Post Employment Benefit Plans**				
1	**Tata Capital Limited Gratuity Scheme**	Liabilities			
			Provision for Trust's exposure to investment in IL & FS	140	140
2	**Tata Capital Limited Employees Provident Fund**	Expense			
			Employer Contribution to Provident Fund	182	175
		Other Transactions			
			Employee Contribution to Provident Fund and Voluntary Provident Fund	364	529
		Liabilities			
			Provision for Trust's exposure to investment in IL & FS	285	285
			Statutory Liabilities	43	74
3	**Tata Capital Limited Superannuation Scheme**	Expense			
			Contribution to Superannuation Scheme	48	37
		Liabilities			
			Statutory Liabilities	4	-
4	**TCL Employee Welfare Trust**	Liabilities			
			Equity shares held	5,280	5,250
V	**Transactions with Fellow-subsidiaries :**				
1	**Tata Consultancy Services Limited**	Expense			
			IT costs	318	240
		Liabilities			
			Provision for IT costs	199	128
2	**Tata Teleservices (Maharashtra) Limited**	Expense			
			Telephone Services Expenses	2	1

NOTES FORMING PART OF STANDALONE FINANCIAL STATEMENTS

Sr. No.	Party Name	Nature of Transactions		March 31, 2022	March 31, 2021
3	**Tata AIG General Insurance Company Limited**	Expense			
			Insurance premium	14	3
		Assets			
			Advance given	12	8
4	**Tata Digital Private Limited (formerly Tata Digital Limited)**	Income			
			Interest income on Loan	3,029	-
		Other Transactions			
			Short Term Loan given	90,000	-
			Repayment of Short Term Loan given	(90,000)	-
5	**AirAsia (India) Limited**	Income			
			Interest income on Loan	13	-
		Other Transactions			
			Short Term Loan given	20,000	-
			Processing fees received	100	-
		Assets			
			Short term loan given	20,000	-
			Accrued interest on loan	13	-
			Unamortised processing fees	(99)	-
6	**Tata International Limited**	Liabilities			
			Equity shares held	79	79
7	**Tata Investment Corporation Limited**	Liabilities			
			Equity shares held	7,720	7,720
VI	**Transactions with Associate of Holding Company :**				
1	**The Indian Hotels Company Limited**	Income			
			Dividend income	0*	0*
			Profit on sale of shares of Roots Corporation Limited	923	-
		Expense			
			Expenditure - Staff Welfare	9	10
			Membership expenses	2	2
		Other Transactions			
			Investment in Equity Shares	3	-
			Proceeds on sale of shares of Roots Corporation Limited - cost	2,062	-
			Reimbursement of Stamp duty on transfer of shares	0*	-
		Assets			
			Investment in Equity Shares	47	20
2	**Tata Steel Limited**	Income			
			Dividend income	4	2
		Other Transactions			
			Investment in Equity Shares	-	5
		Assets			
			Investment in Equity Shares	219	136

NOTES FORMING PART OF STANDALONE FINANCIAL STATEMENTS

Sr. No.	Party Name	Nature of Transactions		March 31, 2022	March 31, 2021
3	Tata Consumer Products Limited (formerly Tata Global Beverages Limited)	Liabilities			
			Equity shares held	61	61
4	Tata Chemicals Limited	Liabilities			
			Equity shares held	323	323
5	Tata Motors Limited	Liabilities			
			Equity shares held	433	433
6	Voltas Limited	Expense			
			Dividend on Cumulative Redeemable Preference Shares paid	366	366
		Liabilities			
			Cumulative Redeemable Preference shares held	5,000	5,000
7	Conneqt Business Solutions Limited (ceased to be related party w.e.f. 16.04.2021)	Income			
			Rental Income	-	462
		Expense			
			Service providers' charges	-	4
			Reimbursement of Electricity expense	-	(29)
			Provision for bad & doubtful debts	-	10
		Assets			
			Trade Receivables	-	91
			Provision for bad & doubtful debts	-	(10)
			Other Receivables	-	14
VII	Transactions with Joint Venture of Holding Company :				
1	Tata AIA Life Insurance Company Limited	Expense			
			Insurance premium	22	10
		Assets			
			Advance given	27	20
2	Tata Industries Limited	Liabilities			
			Equity shares held	227	227
VIII	Transactions with Subsidiary of Associate of Holding Company :				
1	Piem Hotels Limited	Expense			
			Other expenditure	0*	0*
2	Af-Taab Investment Company Limited (Merged with The Tata Power Company Limited w.e.f. 15.03.2022)	Liabilities			
			Equity shares held	233	233
IX	Other related parties				
1	Mrs Sangeeta Sabharwal (Relative of KMP)	Expense			
			Dividend on Cumulative Redeemable Preference Shares paid	4	4
		Liabilities			
			Cumulative Redeemable Preference shares held	50	50
X	Transactions with KMP :				
1	Key Management Personnel (KMP)	Expense			
			Remuneration to KMP		
			- Short Term Employee Benefits	1,364	1,025
			- Post Employment Benefits	42	55
			- Termination benefits	-	40

NOTES FORMING PART OF STANDALONE FINANCIAL STATEMENTS

Sr. No.	Party Name	Nature of Transactions		March 31, 2022	March 31, 2021
			Other expenditure		
			- Director Sitting Fees & Commission (on payment basis)	129	126
			Dividend paid on Cumulative Redeemable Preference shares	7	15
			ESOP		
			- Share based payments (No. of Shares)		
			a) Options granted	22,00,287	20,70,000
			b) Options exercised	-	-
		Other Transactions			
			Redemption of Cumulative Redeemable Preference shares	-	30
		Liabilities			
			Equity Shares held	35	35
			Cumulative Redeemable Preference shares held	100	183
			ESOP		
			- Share based payments (No. of Shares)		
			a) Total Options granted till date	86,55,498	64,55,211
			b) Total Options exercised till date	7,60,211	7,60,211

* Amount less than 50,000

NOTE "36"

LEASES

As a lessee the Company classified property leases as operating leases under Ind AS 116. These include residential premises taken on lease for employee residence. The leases typically run for a period of one to three years. Leases include conditions such as non-cancellable period i.e. lock in period, notice period before terminating the lease or escalation of rent upon completion of part tenure of the lease in line with inflation in prices.

Information about leases for which the Company is a lessee is presented below.

(i) Right-of-use assets

Right-of-use assets relate to building that are presented seperately within property and equipment (see note 10)

(₹ in lakh)

Particulars	March 31, 2022	March 31, 2021
Opening Balance	9	38
Prepaid rent reclassed	-	-
Additions during the year	96	-
Deletion during the year	(38)	-
Depreciation charge for the year	(30)	(29)
Closing Balance	**37**	**9**

NOTES FORMING PART OF STANDALONE FINANCIAL STATEMENTS

(ii) Movement of Lease liabilities

(₹ in lakh)

Particulars	March 31, 2022	March 31, 2021
Opening Balance	9	40
Additions during the year	95	-
Deletion during the year	(39)	-
Finance cost	3	2
Payment of lease liabilities	(32)	(33)
Closing Balance	**36**	**9**

(iii) Amounts recognised in statement of cash flows

(₹ in lakh)

Particulars	March 31, 2022	March 31, 2021
Total cash outflow for leases during the year	32	33

(iv) Amounts recognized in the Statement of Profit and Loss

(₹ in lakh)

Particulars	March 31, 2022	March 31, 2021
Short-term lease rent expense	-	-
Interest on lease liabilities	3	5
Depreciation of ROU lease asset	30	29
Write off/(Write back) of ROU lease asset	-	-

(v) Future lease payments required are as follows:

(₹ in lakh)

Particulars	March 31, 2022	March 31, 2021
Less than one month	2	3
Between one and three months	5	2
Between three months and one year	23	4
Between one and five years	8	-
More than five years	-	-
Total undiscounted lease liabilities	**38**	**9**

Company has considered entire lease term for the purpose of determination of Right-of-use assets and Lease liabilities.

NOTES FORMING PART OF STANDALONE FINANCIAL STATEMENTS

NOTE "37"

OPERATING SEGMENTS

In accordance with Ind AS 108 on Operating Segments, the Company has identified three business segments i.e. Investment Activity, Private Equity Investments and Others (includes property management services and managerial & marketing services).The Chief Operating Decision Maker (CODM) of the Company is the Board of Directors. Operating segment disclosures are consistent with the information reviewed by the CODM.

(₹ in lakh)

Particulars			For the year ended March 31, 2022	For the year ended March 31, 2021
I	**Segment Revenue**			
	(a)	Investment activity	37,145	30,609
	(b)	Private equity investments	8,082	10,561
	(c)	Others	5,550	4,046
	(d)	Unallocated	412	2
		Total	**51,189**	**45,217**
		Less : Inter-segment revenue	-	-
		Total Income	**51,189**	**45,217**
II	**Segment Expenses**			
	(a)	Investment activity	26,271	23,096
	(b)	Private equity investments	7,786	9,713
	(c)	Others	4,015	2,760
	(d)	Unallocated	2,822	3,345
		Total Expenses	**40,894**	**38,914**
III	**Segment Results**			
	(a)	Investment activity	10,874	7,512
	(b)	Private equity investments	296	848
	(c)	Others	1,535	1,286
	(d)	Unallocated	(2,410)	(3,343)
		Profit before taxation	**10,295**	**6,303**
		Less : Provision for taxation	1,985	1,636
		Profit after taxation	**8,310**	**4,667**

Footnote:

Out of the Total Segment Revenue, ₹ 1,524 lakhs pertains to revenue earned from outside India (For the year ended March 31, 2021 ₹ 1,712 lakhs).

NOTES FORMING PART OF STANDALONE FINANCIAL STATEMENTS

(₹ in lakh)

Particulars			As at March 31, 2022	As at March 31, 2021
IV	**Segment Assets**			
	(a)	Investment activity	10,86,218	10,12,605
	(b)	Private equity investments	26,378	24,162
	(c)	Others	6,289	6,507
	(d)	Unallocated	7,366	8,112
		Total	**11,26,251**	**10,51,386**
V	**Segment Liabilities**			
	(a)	Investment activity	3,75,875	3,14,267
	(b)	Private equity investments	36,832	33,578
	(c)	Others	6,222	6,089
	(d)	Unallocated	5,524	4,575
		Total	**4,24,453**	**3,58,509**
VI	**Capital Employed**			
	(a)	Investment activity	7,10,343	6,98,338
	(b)	Private equity investments	(10,454)	(9,416)
	(c)	Others	67	418
	(d)	Unallocated	1,842	3,537
		Total	**7,01,798**	**6,92,877**

Particulars			For the year ended March 31, 2022	For the year ended March 31, 2021
VII	**Capital Expenditure (including Capital Work-in-Progress)**			
	(a)	Investment activity	-	-
	(b)	Private equity investments	-	-
	(c)	Others	-	-
	(d)	Unallocated	(134)	(5)
		Total	**(134)**	**(5)**
VIII	**Depreciation, amortisation and impairment**			
	(a)	Investment activity	-	-
	(b)	Private equity investments	12	15
	(c)	Others	346	358
	(d)	Unallocated	352	354
		Total	**710**	**727**
IX	**Significant Non-Cash Expenses Other than Depreciation, amortisation and impairment**			
	(a)	Investment activity	(122)	79
	(b)	Private equity investments	852	1,809
	(c)	Others	-	10
	(d)	Unallocated	-	-
		Total	**730**	**1,898**

NOTES FORMING PART OF STANDALONE FINANCIAL STATEMENTS

NOTE "38"

FINANCIAL INSTRUMENTS

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 are disclosed in note 2(iv) to the financial statements.

Financial assets and liabilities

The carrying value of financial instruments by categories as at March 31, 2022 is as follows:

(₹ in lakh)

Particulars	Fair value through Profit or Loss	Fair Value through Other Comprehensive Income	Derivative instruments in hedging relationship	Derivative instruments not in hedging relationship	Amortised cost	Investment in Subsidiary/ Associate/ JV at Cost	Total Carrying Value
Financial Assets:							
Cash and cash equivalents	-	-	-	-	195	-	195
Other balances with banks	-	-	-	-	13	-	13
Trade and other receivables	-	-	-	-	1,289	-	1,289
Investments	50,886	13,560	-	-	-	9,49,551	10,13,997
Loans	-	-	-	-	97,510	-	97,510
Other financial assets	-	-	-	-	774	-	774
Total	**50,886**	**13,560**	**-**	**-**	**99,780**	**9,49,551**	**11,13,778**
Financial Liabilities:							
Trade and other payables	-	-	-	-	2,306	-	2,306
Debt securities	-	-	-	-	2,98,046	-	2,98,046
Subordinated liabilities	-	-	-	-	1,10,983	-	1,10,983
Lease liability	-	-	-	-	36	-	36
Other financial liabilities	-	-	-	-	10,963	-	10,963
Total	**-**	**-**	**-**	**-**	**4,22,334**	**-**	**4,22,334**

The carrying value of financial instruments by categories as at March 31, 2021 is as follows:

(₹ in lakh)

Particulars	Fair value through Profit or Loss	Fair Value through Other Comprehensive Income	Derivative instruments in hedging relationship	Derivative instruments not in hedging relationship	Amortised cost	Investment in Subsidiary/ Associate/ JV at Cost	Total Carrying Value
Financial Assets:							
Cash and cash equivalents	-	-	-	-	2,511	-	2,511
Other balances with banks	-	-	-	-	16	-	16
Trade and other receivables	-	-	-	-	1,295	-	1,295
Investments	2,868	13,703	-	-	-	8,91,692	9,08,263
Loans	-	-	-	-	1,27,948	-	1,27,948
Other financial assets	-	-	-	-	74	-	74
Total	**2,868**	**13,703**	**-**	**-**	**1,31,845**	**8,91,692**	**10,40,108**
Financial Liabilities:							
Trade and other payables	-	-	-	-	2,036	-	2,036
Debt Securities	-	-	-	-	2,29,107	-	2,29,107
Subordinated liabilities	-	-	-	-	1,15,740	-	1,15,740
Lease liability	-	-	-	-	9	-	9
Other financial liabilities	-	-	-	-	9,253	-	9,253
Total	**-**	**-**	**-**	**-**	**3,56,145**	**-**	**3,56,145**

NOTES FORMING PART OF STANDALONE FINANCIAL STATEMENTS

Fair value hierarchy:

The Company measures fair values using the following fair value hierarchy, which reflects the significance of the inputs used in making the measurements:

Level 1 - Inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the Company can access at measurement date.

Level 2 - Inputs are inputs, other than quoted prices included within level 1, that are observable for the asset or liability, either directly or indirectly; (i.e. derived from prices). This category includes instruments valued using: quoted market prices in active markets for similar instruments; quoted prices for identical or similar instruments in markets that are considered less than active; or other valuation techniques in which all significant inputs are directly or indirectly observable from market data.

Level 3 - Inputs are unobservable inputs for the valuation of assets or liabilities that the Company can access at measurement date. This category includes all instruments for which the valuation technique includes inputs that are not observable and the unobservable inputs have a significant effect on the instrument's valuation. This category includes instruments that are valued based on quoted prices for similar instruments for which significant unobservable adjustments or assumptions are required to reflect differences between the instruments. Valuation techniques include net present value and discounted cash flow models, income approach, comparison with similar instruments for which observable market prices exist, option pricing models and other valuation models. Assumptions and inputs used in valuation techniques include risk-free returns, benchmark interest rates and credit spreads used in estimating discount rates, bond and equity prices, foreign currency exchange rates, equity and equity index prices and expected price volatilities and correlations.

Valuation models:

The objective of valuation techniques is to arrive at a fair value measurement that reflects the price that would be received to sell the asset or paid to transfer the liability in an orderly transaction between market participants at the measurement date.

The Company uses widely recognised valuation models to determine the fair value of financial instruments, such as interest rate swap and forward rate agreement, that use only observable market data and require little management judgement and estimation. Observable prices or model inputs are usually available in the market for listed equity securities and derivatives such as interest rate swaps. The availability of observable market prices and model inputs reduces the need for management judgement and estimation and also reduces the uncertainty associated with determining fair values.

For more complex instruments, the Company uses proprietary valuation models, which are usually developed from recognised valuation models. Some or all of the significant inputs into these models may not be observable in the market, and may be derived from market prices or rates or estimated based on assumptions. Valuation models that employ significant unobservable inputs require a higher degree of management judgement and estimation in the determination of fair value. Management judgement and estimation are usually required for the selection of the appropriate valuation model to be used, determination of expected future cash flows on the financial instrument being valued, determination of the probability of counterparty default and prepayments, determination of expected volatilities and correlations and selection of appropriate discount rates.

Fair value estimates obtained from models are adjusted for any other factors, such as liquidity risk or model uncertainties, to the extent that the Company believes that a third party market participant would take them into account in pricing a transaction. Fair values reflect the credit risk of the instrument and include adjustments to take account of the credit risk of the Company and the counterparty where appropriate. Model inputs and values are calibrated against historical data, where possible, against current or recent observed transactions in different instruments. This calibration process is inherently subjective and it yields ranges of possible inputs and estimates of fair value, and management uses judgement to select the most appropriate point in the range.

NOTES FORMING PART OF STANDALONE FINANCIAL STATEMENTS

Discounting of the cash flows of financial asset/ financial liability for computing the fair value of such instrument: the future contractual cash flows of instrument over the remaining contractual life of the instrument are discounted using comparable rate of lending/borrowing as applicable to financial asset/ financial liability in the month of reporting for a similar class of instruments.

Valuation framework:

The Company has an established policy for the measurement of fair values addressing the requirement to independently verify the results of all significant fair value measurements. Specific controls include:

1) verification of observable pricing basis actual market transactions;
2) re-performance of model valuations;
3) a review and approval process for new models and changes to models
4) annual calibration and back-testing of models against observed market transactions;
5) analysis and investigation of significant annual valuation movements; and
6) review of significant unobservable inputs, valuation adjustments and significant changes to the fair value measurement of Level 3 instruments compared with the previous period.

When third party information, such as valuation agency report is used to measure fair value, the Company assesses the documents and evidence used to support the conclusion that the valuations meet the requirements of Ind AS. This includes:

1) understanding how the fair value has been arrived at, the extent to which it represents actual market transactions and whether it represents a quoted price in an active market for an identical instrument;
2) when prices for similar instruments are used to measure fair value, how these prices have been adjusted to reflect the characteristics of the instrument subject to measurement; and
3) if a number of quotes for the same financial instrument have been obtained, then how fair value has been determined using those quotes.

Significant valuation issues are reported to the Audit Committee.

The following table summarises financial assets and liabilities measured at fair value on a recurring basis:

(₹ in lakh)

As at March 31, 2022	Level 1	Level 2	Level 3	Total
Financial Assets:				
Equity Shares	266	-	-	266
Mutual fund units	-	47,815	-	47,815
Investments in Category III Alternative Investment Fund	-	-	2,806	2,806
Investment in Perpetual Debt	-	13,560	-	13,560
Total	**266**	**61,375**	**2,806**	**64,446**

(₹ in lakh)

As at March 31, 2021	Level 1	Level 2	Level 3	Total
Financial Assets:				
Equity Shares	156	-	-	156
Mutual fund units	-	301	-	301
Investments in Category III Alternative Investment Fund	-	-	2,411	2,411
Investment in Perpetual Debt	-	13,703	-	13,703
Total	**156**	**14,004**	**2,411**	**16,571**

NOTES FORMING PART OF STANDALONE FINANCIAL STATEMENTS

Reconciliation of Level 3 fair value measurement

(₹ in lakh)

Particulars	**As at March 31, 2022**	**As at March 31, 2021**
Opening Balance	**2,411**	**2,040**
Total gains or losses:		
in profit or loss	395	371
Closing Balance	**2,806**	**2,411**

Total gains or losses for the period in the above table are presented in the statement of profit or loss and OCI as follows.

(₹ in lakh)

Particulars	**As at March 31, 2022**	**As at March 31, 2021**
Total gains or losses:		
- Recognised in profit or loss		
Net Gains / (Losses) on Fair Value Changes		
Fair Value Changes:		
- Realised	-	-
- Unrealised	395	371
- Recognised in OCI	-	-
Total Net gain on fair value changes	**395**	**371**

The following table summarises disclosure of fair value of financial assets and liabilities measured at amortised cost :

(₹ in lakh)

Measured at Level 3	**March 31, 2022**		**March 31, 2021**		**Fair Value level**
	Carrying Value	**Fair value**	**Carrying Value**	**Fair value**	
Financial Liabilities at amortised cost:					
Debt Securities	2,98,046	2,99,017	2,29,107	2,38,519	Level 3
Subordinated liabilities	1,10,983	1,10,833	1,15,740	1,15,907	Level 3
Total	**4,09,029**	**4,09,850**	**3,44,848**	**3,54,426**	

The Company has not disclosed fair values for cash and cash equivalents, other balances with bank, trade and other receivables, loans, other financial assets, trade and other payables and other short term financial liabilities because their carrying amounts are a reasonable approximation of fair value.

NOTES FORMING PART OF STANDALONE FINANCIAL STATEMENTS

The following table summarises valuation techniques used to determine fair value, fair value measurements using significant unobservable inputs (level 3) and valuation inputs and relationship to fair value

(₹ in lakh)

Financial instruments	Fair value as at		Fair value hierarchy	Valuation technique(s) and key input(s)	Significant unobservable input(s)	Relationship of unobservable inputs to fair value
	March 31, 2022	March 31, 2021				
Equity Shares	**266**	156	Level 1	Published Market Price	N.A.	N.A.
Mutual fund units	**47,815**	301	Level 2	Net Asset Value	Net Asset Value	Higher the Net Asset Value higher the fair value of unquoted units
Investments in Category III Alternative Investment Fund	**2,806**	2,411	Level 3	Net Asset Value	Net Asset Value	Higher the Net Asset Value higher the fair value of unquoted units
Investment in Perpetual Debt	**13,560**	13,703	Level 2	Gsec yields as increased by risk based spreads (Published by FIMMDA)	Gsec yields as increased by risk based spreads	Lower the risk adjusted Gsec yield higher the fair value of debt
Financial Assets at FVTPL/FVTOCI	**64,446**	**16,571**				

There were no significant transfers between Level 1 and Level 2 and Level 3 of the fair value hierarchy in the period.

Sensitivity disclosure for level 3 fair value measurements:

(₹ in lakh)

Particulars	Unobservable Input	Sensitivity	Impact of change in rates on Total Comprehensive Income			
			As at March 31, 2022		As at March 31, 2021	
			Favourable	Unfavourable	Favourable	Unfavourable
Investments in Category III Alternative Investment Fund	Net Asset Value (NAV)	1%	**8**	**(8)**	**4**	**(4)**

NOTES FORMING PART OF STANDALONE FINANCIAL STATEMENTS

NOTE "39"

FINANCIAL RISK REVIEW

Financial instruments of the Company have exposure to the following risks:

1 Credit Risk

2 Liquidity Risk

3 Market Risk

4 Operational Risk

5 Capital management Risk

Company's Risk Management framework for measuring and managing risk:

The Company's Board of Directors have the overall responsibility for the establishment and oversight of the risk management framework. The Board of Directors have constituted following committees and defined their role for monitoring the risk management policies of the Company.

Finance & Asset Liability Supervisory Committee (ALCO): Review of the Asset and Liability position, liquidity risk and market risk of the Company.

Risk Management Committee: Review of the credit risk, operational risk and fraud risk management of the Company. Operational risk Management committee (ORMC) reviews operational risk as per the operational risk management framework. Fraud risk management committee (FRMC) reviews matters of frauds committed by employee, customer and vendor.

The Company's risk management policies are established to identify and analyse the risks faced by the Company, to set appropriate risk limits and controls and to monitor risks and adherence to limits. The risk management policies and systems are reviewed regularly to reflect changes in the market conditions and the activities of the Company. The Company, through its training and management standards and procedures, aims to develop a disciplined and constructive control environment in which all employees understand their roles and obligations. The Risk Management Committee oversees how the Management monitors compliance with the risk management policies and procedures and reviews the adequacy of the risk management framework in relation to the risks faced by the Company. The Audit Committee is assisted in its oversight role by the Internal Audit Department. The Internal Audit Department undertakes both regular and adhoc reviews of risk management controls and procedures, the results of which are reported to the Audit Committee.

Tata Capital Limited is a Core Investment Company (CIC-ND-SI) and only has investments in and loans to group companies. Though there is an uncertainty in the environment, given the nature of its business, it is expected that the impact of the pandemic on the company and its operations will be minimal.

1 Credit Risk

Tata Capital Limited and all of its subsidiaries have been rated CRISIL AAA/stable. The loans given to group companies are repayable by the companies on demand. Thus, TCL can call back a loan from the group companies as and when its liabilities fall due. The group companies rely on unused bank lines as the main liquidity back up to meet the contingency funding plan. Additionally, they also maintain a portfolio of highly liquid mutual fund units. Thus, the Company is not exposed to any Credit Risk on account of loans given.

The Company has computed ECL on loans and trade receivables using the Simplified Method. This approach uses historical credit loss experience, for each revenue stream, of the Company to estimate Lifetime Expected Credit Loss and compute a provision matrix. The data shows that we have not suffered any losses from trade receivables in past.

For 2022, historical data of trade receivable is averaged for 5 years i.e. from 2021 till 2017. Based on reasonable and supportable information that is available without undue cost or effort, for 2021 similar data is averaged for 5 years which is from 2020 till 2016.

NOTES FORMING PART OF STANDALONE FINANCIAL STATEMENTS

However, as per CIC master circular DNBR. PD. 003/03.10.119/2016-17, Company carries impairment allowance provisions at 0.4% on loans and advances.

(i) Breakup of ECL

(₹ in lakh)

As at March 31, 2022	Amount outstanding	ECL	% of ECL
Loans	98,001	392	0.4%
Investment in Perpetual Debt Instruments	13,560	54	0.4%
Trade and Other Receivables	1,294	5	0.4%
Total	**1,12,855**	**451**	

As at March 31, 2021	Amount outstanding	ECL	% of ECL
Loans	1,28,462	514	0.4%
Investment in Perpetual Debt Instruments	13,703	55	0.4%
Trade and Other Receivables	1,301	5	0.4%
Total	**1,43,466**	**574**	

Bank balances of the company are with highly rated banks. Hence, the Company doesn't expect any ECL on cash and cash equivalents and other bank balances.

(ii) Movement in loss allowance

(₹ in lakh)

Particulars	As at March 31, 2022	As at March 31, 2021
Opening balance	574	494
Addition during the year	(122)	79
Reversed during the year	-	-
Closing balance	**451**	**574**

2 Liquidity Risk

'Liquidity risk' is the risk that the Company will encounter difficulty in meeting its day to day financial obligations.

Tata Capital Limited is registered with RBI as a CIC. The Company is an investment holding company and consequently holds assets in the form of investments in equity shares, preference shares, bonds, debentures, debt or loans to group companies.

Management of liquidity risk

(i) Company's Board of Directors sets the strategy for managing liquidity risk commensurate with the business objectives.

(ii) The Board has delegated the responsibility of managing overall liquidity risk and interest rate risk management to a committee of the Board of Directors, in form of Finance & Asset Liability Supervisory Committee (ALCO).

(iii) Treasury department manages the liquidity position on a day-to-day basis and reviews daily reports covering the liquidity position of the Company.

(iv) The Company's approach to managing liquidity is to ensure sufficient liquidity to meet its liabilities when they are due without incurring unacceptable losses or risking damage to the Company's reputation.

NOTES FORMING PART OF STANDALONE FINANCIAL STATEMENTS

The key elements of the Company's liquidity risk management strategy are as follows:

(i) Maintaining a diversified funding resources base such as debentures, commercial papers and preference shares.

(ii) The loans given to group companies are repayable by the companies on demand. Thus, TCL can call back a loan from the group companies as and when its liabilities fall due. The group companies rely on unused bank lines as the main liquidity back up to meet the contingency funding plan. Additionally, they also maintain a portfolio of highly liquid mutual fund units.

(iii) Under the ALM guidelines, the dynamic liquidity statement and structural liquidity statement are being prepared on monthly basis to monitor the maturity gaps in the Assets and Liabilities cash flows. Treasury monitors the behavioural characteristics of the Company's financial assets and financial liabilities while preparing the structural liquidity statement.

The maturity analysis of financial liabilities and financial assets has been disclosed in note 39 A to the financial statements.

3 Market Risk

'Market risk' is the risk that changes in market prices – e.g. interest rates, equity prices, foreign exchange rates and credit spreads (not relating to changes in the obligor's/issuer's credit standing) – will affect the Company's income or the value of its holdings of financial instruments. The objective of the Company's market risk management is to manage and control market risk exposures within acceptable parameters to ensure the solvency while optimising the return on risk.

Exposure to Market Risk : Interest rate risk

The core business of the Company is borrowing and investment in equity shares, preference shares, bonds, debentures, debt or loans to group companies as permitted by the Core Investment Companies (Reserve Bank) Directions, 2016. These activities expose us to interest rate risk.

Company carries out interest rate sensitivity analysis to assess the impact of interest rate movement on earnings, the floating rate assets and liabilities based on exposure as on end of reporting period are considered as an outstanding for whole year. The fixed rate assets and liabilities which are falling due on residual basis within one year have been considered as floating rate assets and liabilities respectively basis the minimum of 'interest rate reset date or maturity of the contract'. The basis risk between various benchmark linked to assets and liabilities are considered to be insignificant.

On asset side, the company has loans (Inter corporate deposits) given at floating rate of interest, investment in Perpetual Debentures at fixed rate of interest.

On liabilities side, the company has borrowings in the form of Commercial Papers and Non-Convertible Debentures and Subordinate Liabilities issued at fixed rate of interests.

Below table illustrates impact on earnings on account of 100 bps change in interest rate on the floating rate loans & borrowings due for repayment / rate reset in next one year.

As at March 2022 (₹ in lakh)

Particulars	**Less than 1 Year**	**@ 100bps change increase**	**@ 100bps change decrease**
Rate sensitive assets	97,510	910	(910)
Rate sensitive liabilities	1,06,387	(597)	597
Net Gap (Asset - liability)	**(8,877)**	**313**	**(313)**

As at March 2021 (₹ in lakh)

Particulars	**Less than 1 Year**	**@ 100bps change increase**	**@ 100bps change decrease**
Rate sensitive assets	1,27,948	1,226	(1,226)
Rate sensitive liabilities	95,122	(289)	289
Net Gap (Asset - liability)	**32,826**	**937**	**(937)**

NOTES FORMING PART OF STANDALONE FINANCIAL STATEMENTS

4 Operational Risk

Operational risk is the risk of direct or indirect loss arising from a wide variety of causes associated with the Company's processes, personnel, systems and from external factors other than credit, compliance, reputation, market and liquidity risks.

The Company has a Board approved Operational Risk Management framework. Ongoing monitoring of Key Risk Indicators ("KRI") is done and corrective actions are implemented on KRI exceptions. An oversight committee of Senior Management representatives viz. the Operational Risk Management Committee, meets periodically to review the operational risk profile of the Company.

Risks associated with frauds are mitigated through a Fraud Risk Management framework. A Fraud Risk Management Committee comprising representatives of the Senior Management, reviews matters relating to fraud risk, including corrective and remedial actions as regards people and processes.

The Company has also adopted "Framework for Improving Critical Infrastructure Cyber Security" published by the National Institute of Standards & Technology (NIST) and complies with regulatory guidelines. Various Measures are adopted to effectively protect against phishing, social media threats and rogue mobile.

5 Capital Management Risk

The Reserve Bank of India (RBI) sets and monitors capital adequacy requirements for the Company from time to time. The Core Investment Companies (Reserve Bank) Directions, 2016, stipulate that the Adjusted Net Worth of a CIC-ND-SI shall at no point in time be less than 30% its risk weighted assets on balance sheet and risk adjusted value of off-balance sheet items as on date of the last audited balance sheet as at the end of the financial year.

The Core Investment Companies (Reserve Bank) Directions, 2016, further stipulate that the outside liabilities of a CIC-ND-SI shall at no point of time exceed 2.5 times its Adjusted Net Worth as on date of the last audited balance sheet as at the end of the financial year.

The Company's policy is to maintain a strong capital base to maintain investor, creditor and shareholder confidence and to sustain the future development of the business. The impact of the level of capital on shareholders' returns is also recognised and the Company recognises the need to maintain a balance between the higher returns that might be possible with greater gearing and the advantages and security afforded by a stronger capital position.

Although maximisation of the return on risk-adjusted capital is the principal basis used in determining how capital is allocated within the Company to particular operations or activities, it is not the sole basis used for decision making. Account is also taken of synergies with other operations and activities, the availability of management and other resources, and the fit of the activity with the Company's longer-term strategic objectives. The Company's policies in respect of capital management and allocation are reviewed regularly by the Board of Directors.

The Company has complied with minimum stipulated capital requirement which has been disclosed in note 41 in the financial statements.

NOTES FORMING PART OF STANDALONE FINANCIAL STATEMENTS

A. Liquidity risk

Maturity analysis for financial liabilities and financial assets

The following tables set out the remaining contractual maturities of the Group's financial liabilities and financial assets:

As at March 31, 2022	Carrying amount	Gross nominal inflow/ (outflow)	1 to 7 days	8 to 14 days	15 days to 30/31 days (One month)	Over 1 month to 2 months	Over 2 month to 3 months	Over 3 month to 6 months	Over 6 months to 1 year	Over 1 year to 3 years	Over 3 years to 5 years	Over 5 years
Financial Liability												
Trade payables	2,306	2,306	-	-	-	-	-	-	2,306	-	-	-
Debt securities issued	2,98,046	2,98,046	-	-	2,766	-	40,798	2,295	49,103	1,82,595	20,489	-
Subordinated liabilities	1,10,983	1,10,983	-	-	-	-	-	11,332	-	99,651	-	-
Lease liability	36	36	-	-	2	2	3	8	15	6	-	-
Other financial liabilities	10,963	10,963	13	-	-	-	-	5,933	5,017	-	-	-
Total	**4,22,334**	**4,22,334**	**13**	**-**	**2,768**	**2**	**40,801**	**19,568**	**56,441**	**2,82,252**	**20,489**	**-**
Market Borrowings		4,09,029	-	-	2,766	-	40,798	13,627	49,103	2,82,245	20,489	-
Bank borrowings		-	-	-	-	-	-	-	-	-	-	-
Total Borrowings		**4,09,029**	**-**	**-**	**2,766**	**-**	**40,798**	**13,627**	**49,103**	**2,82,245**	**20,489**	**-**
Financial Asset												
Cash and cash equivalents	195	195	195	-	-	-	-	-	-	-	-	-
Other balances with banks	13	13	13	-	-	-	-	-	-	-	-	-
Receivables	1,289	1,289	-	-	-	-	-	-	1,289	-	-	-
Loans	97,510	97,510	77,988	-	-	-	-	-	19,522	-	-	-
Investments	10,13,997	10,13,997	-	-	-	-	-	-	-	-	-	10,13,997
Other Financial Assets	774	774	-	-	-	-	-	-	715	7	-	52
Total	**11,13,778**	**11,13,778**	**78,196**	**-**	**-**	**-**	**-**	**-**	**21,526**	**7**	**-**	**10,14,049**

As at March 31, 2021	Carrying amount	Gross nominal inflow/ (outflow)	1 to 7 days	8 to 14 days	15 days to 30/31 days (One month)	Over 1 month to 2 months	Over 2 month to 3 months	Over 3 month to 6 months	Over 6 months to 1 year	Over 1 year to 3 years	Over 3 years to 5 years	Over 5 years
Financial Liability												
Trade payables	2,036	2,036	-	-	-	-	-	-	2,036	-	-	-
Debt securities issued	2,29,107	2,29,107	-	-	65	-	795	10,156	32,680	1,54,932	30,478	-
Subordinated liabilities	1,15,740	1,15,740	-	-	-	12,757	-	-	51,384	51,599	-	-
Lease liability	9	9	-	-	3	1	1	3	2	-	-	-
Other financial liabilities	9,253	9,253	16	-	-	-	-	-	3,758	5,478	-	-
Total	**3,56,145**	**3,56,145**	**16**	**-**	**68**	**12,758**	**796**	**10,159**	**89,860**	**2,12,009**	**30,478**	**-**
Market Borrowings		3,44,847	-	-	65	12,757	795	10,156	84,065	2,06,531	30,478	-
Bank borrowings		-	-	-	-	-	-	-	-	-	-	-
Total Borrowings	**-**	**3,44,847**	**-**	**-**	**65**	**12,757**	**795**	**10,156**	**84,065**	**2,06,531**	**30,478**	**-**
Financial Asset												
Cash and cash equivalents	2,511	2,511	2,511	-	-	-	-	-	-	-	-	-
Other balances with banks	16	16	16	-	-	-	-	-	-	-	-	-
Receivables	1,296	1,296	-	-	-	-	-	-	1,296	-	-	-
Loans	1,27,948	1,27,948	-	-	1,000	2,000	7,000	15,000	1,02,948	-	-	-
Investments	9,08,263	9,08,263	-	-	-	-	-	-	-	-	-	9,08,263
Other Financial Assets	74	74	-	-	-	16	-	-	6	-	-	52
Total	**10,40,108**	**10,40,108**	**2,527**	**-**	**1,000**	**2,016**	**7,000**	**15,000**	**1,04,249**	**-**	**-**	**9,08,315**

NOTES FORMING PART OF STANDALONE FINANCIAL STATEMENTS

B. Liquidity risk

Maturity analysis of financial assets and financial liabilities

The table below shows an analysis of assets and liabilities analysed according to when they are expected to be recovered or settled.

(₹ in lakh)

	As at March 31, 2022			As at March 31, 2021		
ASSETS	**Within 12 months**	**After 12 months**	**Total**	**Within 12 months**	**After 12 months**	**Total**
Cash and cash equivalents	195	-	195	2,511	-	2,511
Other balances with banks	13	-	13	16	-	16
Trade receivables	1,289	-	1,289	1,296	-	1,296
Loans	97,510	-	97,510	1,27,948	-	1,27,948
Investments	-	10,13,997	10,13,997	-	9,08,263	9,08,263
Other financial assets	715	59	774	22	52	74
Financial Assets	**99,722**	**10,14,056**	**11,13,778**	**1,31,793**	**9,08,315**	**10,40,108**
Current tax asset	-	2,222	2,222	-	826	826
Deferred tax Assets (Net)	-	-	-	-	42	42
Investment property	-	4,935	4,935	-	5,247	5,247
Property, Plant and Equipment	-	3,504	3,504	-	3,745	3,745
Other Intangible assets	-	2	2	-	4	4
Right of use assets	-	37	37	-	9	9
Other non-financial assets	699	1,074	1,773	295	1,110	1,405
Non-financial Assets	**699**	**11,774**	**12,473**	**295**	**10,983**	**11,278**
Total Assets	**1,00,421**	**10,25,830**	**11,26,251**	**1,32,088**	**9,19,298**	**10,51,386**
LIABILITIES						
Trade Payables						
(i) total outstanding dues of micro enterprises and small enterprises	9	-	9	2	-	2
(ii) total outstanding dues of creditors other than micro enterprises and small enterprises	2,297	-	2,297	2,034	-	2,034
Debt securities	94,963	2,03,083	2,98,046	43,697	1,85,410	2,29,107
Subordinated liabilities	11,332	99,651	1,10,983	64,142	51,598	1,15,740
Lease liability	30	6	36	9	-	9
Other financial liabilities	10,963	-	10,963	3,774	5,479	9,253
Financial Liabilities	**1,19,594**	**3,02,740**	**4,22,334**	**1,13,658**	**2,42,487**	**3,56,145**
Provisions	27	409	436	33	402	435
Deferred tax liabilities (Net)	-	80	80	-	-	-
Other non financial liabilities	1,603	-	1,603	1,317	612	1,929
Non-Financial Liabilities	**1,630**	**489**	**2,119**	**1,350**	**1,014**	**2,364**
Total liabilities	**1,21,224**	**3,03,229**	**4,24,453**	**1,15,008**	**2,43,501**	**3,58,509**

NOTES FORMING PART OF STANDALONE FINANCIAL STATEMENTS

NOTE "40"

ASSET LIABILITY MANAGEMENT

Maturity pattern of Financial assets and Financial liabilities (Based on RBI Guidelines):

The following table sets out remaining contractual maturities of company's financial assets & financial liabilities

As at March 31, 2022 (₹ in lakh)

Particulars	Financial Liabilities			Financial Assets		
	Borrowings from Banks	Market Borrowings	Other Financial Liabilities	Advances	Investments	Other Financial Assets
1 to 7 days	-	-	13	77,988	-	208
8 to 14 days	-	-	-	-	-	-
15 days to 30/31 days (One month)	-	2,766	2	-	-	-
Over 1 month to 2 months	-	-	2	-	-	-
Over 2 months to 3 months	-	40,798	3	-	-	-
Over 3 months to 6 months	-	13,627	5,941	-	-	-
Over 6 months to 1 year	-	49,103	7,337	19,522	-	2,004
Over 1 year to 3 years	-	2,82,245	6	-	-	7
Over 3 years to 5 years	-	20,489	-	-	-	-
Over 5 years	-	-	-	-	10,13,997	52
Total	**-**	**4,09,029**	**13,305**	**97,510**	**10,13,997**	**2,270**

Note :Advances of ₹ 77,988 lakhs represents Inter corporate deposits (including interest accrued) given to subsidiaries which are callable on demand to meet maturities of borrowings.

As at March 31, 2021 (₹ in lakh)

Particulars	Financial Liabilities			Financial Assets		
	Borrowings from Banks	Market Borrowings	Other Financial Liabilities	Advances	Investments	Other Financial Assets
1 to 7 days	-	-	16	-	-	2,527
8 to 14 days	-	-	-	-	-	-
15 days to 30/31 days (One month)	-	65	3	1,000	-	-
Over 1 month to 2 months	-	12,757	1	2,000	-	16
Over 2 months to 3 months	-	795	1	7,000	-	-
Over 3 months to 6 months	-	10,156	3	15,000	-	-
Over 6 months to 1 year	-	84,065	5,795	1,02,948	-	1,301
Over 1 year to 3 years	-	2,06,531	5,478	-	-	-
Over 3 years to 5 years	-	30,478	-	-	-	-
Over 5 years	-	-	-	-	9,08,263	52
Total	**-**	**3,44,847**	**11,297**	**1,27,948**	**9,08,263**	**3,897**

Note: Advances of ₹ 1,27,948 lakh represents Inter corporate deposits (including interest accrued) given to subsidiaries which are callable on demand to meet maturities of borrowings.

NOTES FORMING PART OF STANDALONE FINANCIAL STATEMENTS

NOTE "41"

CORE INVESTMENT COMPANY ("CIC") COMPLIANCE RATIOS :

(₹ in lakh)

Sr. No.	Particulars	As at March 31, 2022	As at March 31, 2021
(a)	Investments & loans to group companies as a proportion of Net Assets (%)	96%	96%
(b)	Investments in equity shares and compulsorily convertible instruments of group companies as a proportion of Net Assets (%)	86%	83%
(c)	Capital Adequacy Ratio (%) [Adjusted Net worth / Risk Weighted Assets]	61%	64%
(d)	Leverage Ratio (Times) [Outside liabilities / Adjusted Networth]	0.63	0.56

As per RBI circular DOR (NBFC).CC.PD.No.109/22.10.106/2019-20 dated March 13, 2020 and DOR (NBFC).CC.PD.No.116/22.10.106/2020-21 dated July 24, 2020, unrealised gains arising out of fair valuation of financial instruments (net of tax), are ignored for calculation of "owned funds"; consequently, the net unrealised gains are also excluded from Risk Weighted Assets (RWA).

NOTE "42"

EXPOSURE TO REAL ESTATE SECTOR

(₹ in lakh)

Sr. No.	Particulars	As at March 31, 2022	As at March 31, 2021
i)	**Direct Exposure**		
	Residential Mortgages -	NIL	NIL
	Lending fully secured by mortgages on residential property that is or will be occupied by the borrower or that is rented:		
	– Individual housing loans up to ₹ 15 lakh	NIL	NIL
	– Individual housing loans above ₹ 15 lakh	NIL	NIL
	Commercial Real Estate -	NIL	NIL
	Lending secured by mortgages on commercial real estates (office buildings, retail space, multipurpose commercial premises, multi-family residential buildings, multi-tenanted commercial premises, industrial or warehouse space, hotels, land acquisition, development and construction, etc). Exposure includes non-fund based (NFB) limits.		
	Investments in Mortgage Backed Securities (MBS) and other securitised exposures -		
	1. Residential	NIL	NIL
	2. Commercial Real Estate	NIL	NIL
ii)	**Indirect Exposure**		
	Fund based exposure on Housing Finance Companies (Refer footnote 1)	2,40,600	2,43,510
	Non-fund based exposure on National Housing Bank (Refer footnote 2)	18,156	26,237

Footnotes

1 Represents investments in Equity and Inter Corporate Deposits (including accrued interest) of Tata Capital Housing Finance Limited.

NOTES FORMING PART OF STANDALONE FINANCIAL STATEMENTS

2 Guarantees issued to National Housing Bank on behalf of Tata Capital Housing Finance Limited ₹ 120,000 lakh (As at March 31, 2021 : ₹ 120,000 lakh) against which the amount liable by Tata Capital Housing Finance Limited is ₹ 18,156 lakh as at March 31, 2022 (As at March 31, 2021 ₹ 26,237 lakh). Pursuant to the terms of the Guarantee, the Company's liability on invocation is capped at the outstanding amount.

NOTE "43"

DISCLOSURE OF DETAILS AS REQUIRED BY RBI/DOR(NBFC)/2016-17/39 I.E. MASTER DIRECTION - CORE INVESTMENT COMPANIES (RESERVE BANK) DIRECTIONS, 2016 DATED AUGUST 25, 2016 (UPDATED AS ON OCTOBER 5, 2021)

Liabilities Side: (₹ in lakh)

Particulars	Amount Outstanding as at		Amount Overdue as at	
	March 31, 2022	March 31, 2021	March 31, 2022	March 31, 2021
1) Loans and advances availed by the CIC inclusive of interest accrued thereon but not paid				
a) Debentures: (other than those falling within the meaning of Public deposits)				
(i) Secured	**-**	-	**-**	-
(ii) Unsecured (Refer footnote 1)	**2,93,289**	2,29,107	**-**	-
b) Deferred Credits	**-**	-	**-**	-
c) Term Loans	**-**	-	**-**	-
d) Inter-corporate loans and borrowing	**-**	-	**-**	-
e) Commercial Paper (Refer footnote 2)	**4,757**	-	**-**	-
f) Other loans (Bank overdraft)	**-**	-	**-**	-
g) Other loans (Subordinated liabilities)	**1,10,983**	1,15,740		

Footnotes :

1 Outstanding amount of Unsecured Debentures is net off deferred revenue expenditure to the extent not written off and TDS on interest accrued but not paid.

2 Outstanding amount of Commercial Paper is net off deferred revenue expenditure to the extent not written off.

Assets Side: (₹ in lakh)

Particulars	Amount Outstanding	
	March 31, 2022	March 31, 2021
2) Break up of Loans and Advances including bills receivables (other than those included in (4) below)		
a) Secured	**19,834**	-
b) Unsecured	**80,600**	1,29,795
3) Break up of Leased Assets and stock on hire and other assets counting towards AFC activities		
i) Lease assets including lease rentals under sundry debtors:		
(a) Financial Lease	**-**	-
(b) Operating Lease	**-**	-

NOTES FORMING PART OF STANDALONE FINANCIAL STATEMENTS

Assets Side: (₹ in lakh)

Particulars	Amount Outstanding	
	March 31, 2022	**March 31, 2021**
ii) Stock on hire including hire charges under sundry debtors		
(a) Assets on hire	**-**	-
(b) Repossessed assets	**-**	-
iii) Other loans counting towards Asset Financing Company activities		
(a) Loans where assets have been repossessed	**-**	-
(b) Loans other than (a) above	**-**	-
4) Break up of Investments		
Current Investments:		
1 Quoted:		
(i) Shares:		
(a) Equity	**-**	-
(b) Preference	**-**	-
(ii) Debentures and Bonds	**-**	-
(iii) Units of Mutual Funds	**-**	-
(iv) Government Securities	**-**	-
(v) Others	**-**	-
2 Unquoted:		
(i) Shares:		
(a) Equity	**-**	-
(b) Preference	**-**	-
(ii) Debentures and Bonds	**-**	-
(iii) Units of Mutual Funds	**-**	-
(iv) Government Securities	**-**	-
(v) Others	**-**	-
Long Term Investments :		
1 Quoted:		
(i) Shares:		
(a) Equity	**266**	156
(b) Preference	**-**	-
(ii) Debentures and Bonds	**-**	-
(iii) Units of Mutual Funds	**-**	-
(iv) Government Securities	**-**	-
(v) Others	**-**	-
2 Unquoted:		
(i) Shares:		
(a) Equity (Refer Footnote 1)	**9,24,261**	8,68,086
(b) Preference	**-**	-
(ii) Debentures and Bonds	**13,560**	13,703
(iii) Units of Mutual Funds	**47,815**	301
(iv) Government Securities	**-**	-
(v) Others (Refer Footnote 1 & 2)	**28,096**	26,017

Footnote

1 Investments in equity shares as at March 31, 2022 are net of impairment provision of Nil (as at March 31, 2021 ₹ 625 lakh) and Investments in others as at March 31, 2022 are net of impairment provision of ₹ 7,069 lakh (as at March 31, 2021 ₹ 6,217 lakh).

2 Others include investment in Venture capital units and investments in units of category III AIFs.

NOTES FORMING PART OF STANDALONE FINANCIAL STATEMENTS

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

For 2021-22 (₹ in lakh)

Category	Amount net of provisions		
	Secured	Unsecured	Total
1. Related Parties			
(a) Subsidiaries	-	79,464	79,464
(b) Companies in the same group	19,834	12	19,846
(c) Other related parties	-	69	69
(d) Other than related parties	-	1,055	1,055
Total	**19,834**	**80,600**	**1,00,434**

For 2020-21 (₹ in lakh)

Category	Amount net of provisions		
	Secured	Unsecured	Total
1. Related Parties			
(a) Subsidiaries	-	1,29,149	1,29,149
(b) Companies in the same group	-	17	17
(c) Other related parties	-	115	115
(d) Other than related parties	-	514	514
Total	**-**	**1,29,795**	**1,29,795**

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

(₹ in lakh)

Category	As at March 31, 2022		As at March 31, 2021	
	Market Value / Breakup Value or Fair Value or NAV	Book Value (Net of Provisions)	Market Value / Breakup Value or Fair Value or NAV	Book Value (Net of Provisions)
1. Related Parties				
(a) Subsidiaries	13,89,976	9,33,863	11,79,082	8,77,365
(b) Companies in the same group	-	-	-	-
(c) Other related parties	57,312	29,514	48,130	28,186
(d) Other than related parties	50,621	50,621	2,712	2,712
Total	**14,97,909**	**10,13,997**	**12,29,924**	**9,08,263**

NOTES FORMING PART OF STANDALONE FINANCIAL STATEMENTS

7) Other Information

(₹ in lakh)

Particulars	As at March 31, 2022 Amount	As at March 31, 2021 Amount
(i) Gross Non-Performing Assets		
(a) Related Parties	-	-
(b) Other than Related Parties	-	-
(ii) Net Non-Performing Assets		
(a) Related Parties	-	-
(b) Other than Related Parties	-	-
(iii) Assets acquired in satisfaction of debt	-	-

NOTE "44"

DISCLOSURE OF DETAILS AS REQUIRED BY RBI/2020-21/24/DOR (NBFC) (PD) CC. NO. 117/03.10.001/2020-21 DATED AUGUST 13, 2020

Components of ANW and other related requirement

(₹ in lakh)

	Particulars	As at March 31, 2022	As at March 31, 2021
i)	ANW as a % of Risk Weighted Assets	61%	64%
ii)	Unrealized appreciation in the book value of quoted investments	-	-
iii)	Diminution in the aggregate book value of quoted investments	-	-
iv)	Leverage Ratio	0.63	0.56

Investment in other CICs

(₹ in lakh)

	Particulars	As at March 31, 2022	As at March 31, 2021
a)	Total amount representing any direct or indirect capital contribution made by one CIC in another CIC (including name of CICs)	-	-
b)	Number of CICs with their names wherein the direct or indirect capital contribution exceeds 10% of Owned Funds	-	-
c)	Number of CICs with their names wherein the direct or indirect capital contribution is less than 10% of Owned Funds	-	-

NOTES FORMING PART OF STANDALONE FINANCIAL STATEMENTS

Off Balance Sheet Exposure

(₹ in lakh)

	Particulars	As at March 31, 2022	As at March 31, 2021
a)	Off balance sheet exposure	18,156	26,237
b)	Financial Guarantee as a % of total off balance sheet exposure	100%	100%
c)	Non-Financial Guarantee as a% of total off balance sheet exposure	-	-
d)	Off balance sheet exposure to overseas subsidiaries	-	-
e)	Letter of Comfort issued to any subsidiary	3,46,207	3,75,842

Investments

(₹ in lakh)

	Particulars	As at March 31, 2022	As at March 31, 2021
1)	Value of Investments		
	(i) Gross Value of Investments		
	(a) In India	10,10,259	9,04,298
	(b) Outside India	10,807	10,807
	(ii) Provision for Depreciation		
	(a) In India	7,069	6,842
	(b) Outside India	-	-
	(iii) Net Value of Investments		
	(a) In India	10,03,190	8,97,456
	(b) Outside India	10,807	10,807
2)	Movement of Provisions held towards depreciation on Investments		
	(i) Opening Balance	6,842	5,033
	(ii) Add: Provisions made during the year	852	1,809
	(iii) Less: Write Off/ Write back of excess provisions during the year	(625)	-
	(iv) Closing Balance	7,069	6,842

Business Ratios

(₹ in lakh)

	Particulars	As at March 31, 2022	As at March 31, 2021
a)	Return on Equity (RoE)	1.2%	0.7%
b)	Return on Assets (RoA)	0.8%	0.5%
c)	Net Profit per employee *	208	109

* Calculated on Profit after Tax

NOTES FORMING PART OF STANDALONE FINANCIAL STATEMENTS

Provisions and Contingencies

(₹ in lakh)

Break up of 'Provisions and Contingencies' shown under the Profit and Loss Account		As at March 31, 2022	As at March 31, 2021
a)	Provisions for depreciation on Investment	852	1,809
b)	Provision towards NPA	-	-
c)	Provision made towards Income tax	1,985	1,636
d)	Other Provision and Contingencies (Provision on Trade Receivables)	-	10
e)	Provision for Standard Assets	(122)	79

Concentration of NPAs

(₹ in lakh)

	Amount	Exposure as a % of Total Assets
Total exposure to top five NPA accounts	-	-

Overseas Assets

Name of Subsidiary	Country	Total Assets
Tata Capital Pte. Limited	Singapore	$ 88.1 million

Miscellaneous

a) The Company has not obtained any Registrations/ licenses/ authorisations from other financial sector regulators.

b) RBI has not levied any penalties on the Company during the year.

NOTE "45"

DISCLOSURE OF DETAILS AS REQUIRED BY RBI/2019-20/88/DOR.NBFC (PD) CC. NO.102/03.10.001/2019-20 DATED NOVEMBER 04, 2019 REGARDING LIQUIDITY RISK MANAGEMENT FRAMEWORK FOR NON-BANKING FINANCIAL COMPANIES AND CORE INVESTMENT COMPANIES

(i) Funding Concentration based on significant counterparty (both deposits and borrowings)

(₹ in lakh)

Sr. No	Number of Significant Counterparties	Amount	% of Total deposits	% of Total Liabilities
1	13	**2,97,490**	**NA**	**70%**

(ii) Top 20 Large Deposits

(₹ in lakh)

Sr. No	Counterparty	Amount	% of total deposits
	Nil		

NOTES FORMING PART OF STANDALONE FINANCIAL STATEMENTS

(iii) Top 10 Borrowing (amounts to ₹ 2,81,490 lakhs and 70% of total borrowings)

(iv) Funding Concentration based on significant instrument/product

(₹ in lakh)

Sr. No	Name of the instrument / product	Amount	% of total liabilities
1	CP	5,000	1%
2	NCD	2,85,500	67%
3	CRPS	1,10,992	26%
	Total	**4,01,492**	

(v) Stock Ratios

	Particulars	%
(a)(i)	Commercial papers as a % of total public funds	1.25%
(a)(ii)	Commercial papers as a % of total liabilities	1.18%
(a)(iii)	Commercial papers as a % of total assets	0.44%
(b)(i)	Non-convertible debentures (original maturity less than 1 year) as a % of total public funds	0.00%
(b)(ii)	Non-convertible debentures (original maturity less than 1 year) as a % of total liabilities	0.00%
(b)(iii)	Non-convertible debentures (original maturity less than 1 year) as a % of total assets	0.00%
(c)(i)	Other Short-term liabilities as a % of total public funds	29.01%
(c)(ii)	Other Short-term liabilities as a % of total Liabilities	27.44%
(c)(i)	Other Short-term liabilities as a % of total Assets	10.34%

(vi) The Company's Board of Directors has the overall responsibility for the establishment and oversight of the risk management framework. The Board of Directors has established the Finance & Asset Liability Supervisory Committee (ALCO), which is responsible for developing and monitoring risk management policies. The Company's risk management policies are established to identify and analyse the risks faced by the Company, to set appropriate risk limits and controls, and to monitor risks and adherence to limits. The risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Company's activities.

Footnotes :

1 For the purpose of above disclosure, "Public Funds" i.e. Commercial papers, NCD's and CRPS are shown at Face value whereas total assets and total liabilities are shown at Carrying values.

2 Total Liabilities refer to Total outside liabilities i.e. Balance sheet total excluding Share Capital and Reserves.

3. Other Short term liabilities include Financial Liabilities and non financial liabilities payable within an year (Excluding CP and NCD Maturity of original tenor less than 1 year).

NOTES FORMING PART OF STANDALONE FINANCIAL STATEMENTS

NOTE "46"

DISCLOSURE PURSUANT TO RESERVE BANK OF INDIA NOTIFICATION DOR (NBFC).CC.PD. NO.109 /22.10.106/2019-20 DATED MARCH 13, 2020 PERTAINING TO ASSET CLASSIFICATION AS PER RBI NORMS

As at March 31, 2022

(₹ in lakh)

Asset Classification as per RBI Norms	Asset classification as per Ind AS 109	Gross Carrying Amount as per Ind AS	Loss Allowances (Provisions) as required under Ind AS 109	Net Carrying Amount	Provisions required as per IRACP norms	Difference between Ind As 109 Provisions and IRACP norms
		A	B	C = A - B	D	E = B - D
Performing Assets						
Standard	Stage 1 and Stage 2	1,13,057	653	1,12,403	451	202

NOTE "47"

Tata Capital Limited is a Core Investment Company (CIC-ND-SI) and only has investments in and loans to group companies. Though there is an uncertainty in the environment, given the nature of its business, it is expected that the impact of the pandemic on the company and its operations will be minimal.

NOTE "48"

The Company has assessed its obligations arising in the normal course of business, proceedings pending with tax authorities and other contracts including derivative and long term contracts. In accordance with the provisions of Indian Accounting Standard (Ind AS) - 37 on 'Provisions, Contingent Liabilities and Contingent Assets', the Company recognises a provision for material foreseeable losses when it has a present obligation as a result of a past event and it is probable that an outflow of resources will be required to settle the obligation, in respect of which a reliable estimate can be made. In cases where the available information indicates that the loss on the contingency is reasonably possible but the amount of loss cannot be reasonably estimated, a disclosure to this effect is made as contingent liabilities in the financial statements. The Company does not expect the outcome of these proceedings to have a materially adverse effect on its financial results.

NOTE "49"

Analytical Ratios as per Ministry of Corporate Affairs ("MCA") notification dated 24th March 2021:

Ratio	Numerator	Denominator	Current Period	Previous Period	% Variance	Reason for variance (if above 25%)
Capital to risk-weighted assets ratio (CRAR)	Adjusted Net worth	Risk Weighted Assets	61%	64%	-5%	Not Applicable
Tier I CRAR	Not Applicable	Not Applicable	Not Applicable	Not Applicable	Not Applicable	Not Applicable
Tier II CRAR	Not Applicable	Not Applicable	Not Applicable	Not Applicable	Not Applicable	Not Applicable
Liquidity Coverage Ratio.	Not Applicable	Not Applicable	Not Applicable	Not Applicable	Not Applicable	Not Applicable

NOTES FORMING PART OF STANDALONE FINANCIAL STATEMENTS

NOTE "50"

The Company has not advanced or loaned or invested (either from borrowed funds or share premium or any other sources or other kind of funds) to or in any other person or entity, including foreign entity ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

The Company has not received any funds (which are material either individually or in the aggregate) from any person or entity, including foreign entity ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

NOTE "51"

The disclosure on the following matters required under Schedule III as amended not being relevant or applicable in case of the Company, same are not covered:

a) The Company has not traded or invested in crypto currency or virtual currency during the financial year.

b) No proceedings have been initiated or are pending against the Company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and rules made thereunder.

c) The Company has not been declared willful defaulter by any bank or financial institution or government or any government authority.

d) The Company has not entered into any scheme of arrangement.

e) No registration and/or satisfaction of charges are pending to be filed with ROC.

f) There are no transactions which are not recorded in the books of account which have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961.

g) The Company does not have any relationship with struck off companies.

NOTE "52"

The Board of Directors have recommended a final dividend of Re. 0.16 per equity share for the financial year 2021-22 (resulting in total dividend of Rs.5,626 lakhs), subject to approval of the shareholders in the forthcoming Annual General Meeting of the Company.

NOTE "53"

Previous year figures have been regrouped/rearranged, where necessary.

In terms of our report attached

For **Khimji Kunverji & Co LLP**
Chartered Accountants
Firm's Registration No: 105146W/W100621

Hasmukh B. Dedhia
Partner
Membership No: 033494

Mumbai
April 26, 2022

For and on behalf of the Board of Directors

Saurabh Agrawal
(Chairman)
DIN: 02144558

F. N. Subedar
(Director)
DIN: 00028428

Varsha Purandare
(Director) (Pune)
DIN: 05288076

Malvika Sinha
(Director)
DIN: 08373142

Aarthi Subramanian
(Director)
DIN: 07121802

Rajiv Sabharwal
(Managing Director & CEO)
DIN: 00057333

Sarita Kamath
(Head - Legal and Compliance & Company Secretary)

Rakesh Bhatia
(Chief Financial Officer)

TATA CAPITAL

Count on us

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