



NOTICE

NOTICE IS HEREBY GIVEN THAT THE TWENTY FIRST ANNUAL GENERAL MEETING OF TATA AUTOCOMP SYSTEMS LIMITED WILL BE HELD ON MONDAY, JULY 31, 2017, AT 01:30 PM AT THE REGISTERED OFFICE OF THE COMPANY AT ROOM 51, 5th FLOOR, TACO HOUSE, DAMLE PATH, OFF LAW COLLEGE ROAD, PUNE 411004 TO TRANSACT THE FOLLOWING BUSINESS:

ORDINARY BUSINESS

1. To receive, consider and adopt the Standalone Financial Statements of the Company for the year ended March 31, 2017 together with Report of the Directors and Auditors thereon.
2. To receive, consider and adopt the Consolidated Financial Statements of the Company for the year ended March 31, 2017 together with Report of the Auditors thereon.
3. To declare final dividend on Equity shares.
4. To appoint a Director in place of Mr. Praveen Kadle (DIN 00016814), who retires by rotation and being eligible offers himself for re-appointment.
5. To appoint M/s. B S R & Co. LLP (FRN 101248W / W-100022) as the Statutory Auditors of the Company in place of retiring Auditor M/s. Price Waterhouse (PWC) (Firm Registration No. 301112E) and fix their remuneration and in this connection to consider and if though fit, to pass, with or without modification(s), the following resolution as an Ordinary Resolution:

"RESOLVED THAT pursuant to provisions of Section 139 of the Companies Act, 2013, rules made thereunder and pursuant to recommendation of the Audit Committee of the Board of Directors, M/s. B S R & Co. LLP, Chartered Accountants, (Firm Registration No. 101248W / W-100022) be and are hereby appointed as the Statutory Auditors of the Company from the conclusion of this Meeting (21st AGM) to hold such office for a period of 5 (Five) consecutive Financial years till the conclusion of the Annual General Meeting (26th AGM) {subject to ratification of their appointment at every AGM} of the Company to be held in the financial year 2022-23 (for Financial Year 2021-22) at such remuneration as shall be fixed by the Board Directors of the Company.

SPECIAL BUSINESS

6. **To ratify remuneration payable to M/s Harshad S. Deshpande & Associates, Cost Auditors of the Company for the cost audit to be conducted for financial year 2017-18.**

To consider and, if thought fit, to pass with or without modification(s), the following resolution as an Ordinary Resolution:

"RESOLVED that pursuant to provisions of section 148 and any other provisions of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules 2014, (including any statutory modifications or re-enactment thereof, for time being in force) M/s. Harshad Deshpande & Associates, Cost Accountants, Pune, Firm Registration No. 00378, the Cost Auditors appointed by the Board of Directors, to conduct the audit of the cost records of the Company for the Financial Year 2017-18 at a remuneration of Rs. 1,56,000/- (Rupees One

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TATA AUTOCOMP SYSTEMS LIMITED

CIN: U34100PN1995PLC158999

Registered Office: TACO House, Plot No 20/B FPN085, VG Damle Path Off Law College Road, Erandwana Pune 411 004 India

Tel: 91 20 66085000 Fax: 91 20 6608 5034 email: taco@tacogroup.com website: www.tacogroup.com



lakh Fifty Six Thousand only) plus reimbursement of out of pocket expenses and applicable taxes be and is hereby ratified.”

RESOLVED FURTHER THAT the Board of Directors of the Company be and are hereby authorised to do all acts and take all such steps as may be necessary, proper and expedient to give effect to this resolution.”

7. **Alteration of Main Object Clause of the Memorandum of Association of the Company**

To consider and if thought fit, to pass with or without modification, the following resolution as a Special Resolution:

"RESOLVED THAT pursuant to the provisions of Section 13 of the Companies Act, 2013, read with rules made there under and subject to the Articles of Association of Company and all other applicable provisions if any, of the Companies Act, 2013, (including any statutory modification(s) or re-enactment thereof, for the time being in force) consent of the members be and is hereby accorded to alter the object clause of the Memorandum of Association of the Company in the following manner:

Existing sub- Clause 2 of Clause III (A) of the Memorandum of Association of the Company be substituted with the following sub-clause 2 as under:

2. To manufacture, assemble, buy, sell, distribute, import, export, alter, remodel, hire, exchange, repair, service and otherwise deal in all kinds of electronic regulators, moulding of air Conditioner parts, Air Cooler, water cooler plastic parts, refrigerator plastic parts, moulding of crates and pallets, moulding and assembly of Helmet skulls and medical equipment parts and moulding of other plastic parts used in auto components, programmers and products of like nature and all types of parts, frames, goods, instruments, appliances and apparatus, equipment, components, accessories required for or capable of being used for or in connection with the foregoing including water purifier, filters, Air conditioner, helmets, crates/ pallets, refrigerator, medical equipment and other auto-components and to manufacture, assemble, buy, sell, distribute, import, export, alter, remodel, hire, exchange, repair, service and otherwise deal in all kinds of automotive and non automotive applications, plastic furniture, plastic components for Railways, Metro Applications and off-highway Applications and all other non auto plastic Products.

RESOLVED FURTHER THAT Board of Directors of the Company be and is hereby authorised to take all necessary step to obtain confirmation of the Registering Authority/ Registrar of Companies in respect of the aforesaid alteration of Object Clause of Memorandum of Association of the Company and to agree to such modification, terms and conditions in the proposed new sub-clauses as may be directed by the Registering Authority and to modify the same accordingly.



RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorised to do all such acts, deeds, matters and things which are incidental and ancillary to give effect to the said resolution.”

By order of the Board
For Tata AutoComp Systems Limited

sd/-
Ashish Boradkar
Company Secretary
(M. No.: A15036)

Date : May 19, 2017
Place : PUNE

Notes :

- (a) The Explanatory Statement pursuant to Section 102 of the Companies Act, 2013 in respect of the business as set out above is annexed hereto.
- (b) **A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF AND THE PROXY NEED NOT BE A MEMBER.THE PROXIES TO BE EFFECTIVE SHOULD BE DEPOSITED AT THE REGISTERED OFFICE OF THE COMPANY NOT LATER THAN 48 HOURS BEFORE THE COMMENCEMENT OF THE MEETING.**
- (c) Members/proxies should bring duly-filled Attendance Slip sent herewith to attend the meeting.
- (d) Dividend if approved shall be paid to those Shareholders whose name is appearing on the Register of Members on the date of this meeting.
- (e) Corporate members intending to send their authorised representatives to attend the Meeting are requested to send to the Company a certified true copy of the Board Resolution authorising their representative to attend and vote on their behalf at the Meeting.
- (f) Members holding shares in electronic form are requested to intimate immediately any change in their address or bank mandates to the Company.
- (g) Members desirous of receiving any information on Accounts or other items of Notice are requested to forward their queries to the Company at least ten working days prior to the date of Annual General Meeting so as to enable the management to keep the information ready.



ANNEXURE TO NOTICE

Explanatory Statement

As required by Section 102 of the Companies Act, 2013, the following Explanatory Statement sets out all the material facts relating to the business mentioned above to the Notice.

Item No. 4

The profile of Director who shall be retiring by rotation and eligible for re-appointment is as given below:

Profile of Mr. Praveen Kadle

Mr. Praveen P Kadle is the founding Managing Director and CEO of Tata Capital, a leading non-banking finance company ("NBFC"), and a member of its Board of Directors. Tata Capital, founded in 2007, is Tata's foray into the financial services space covering products and services ranging from retail and commercial lending, distribution and wealth management to investment banking and private equity. A subsidiary of Tata Sons Limited, Tata Capital has an asset book of approximately USD 8 Bn 1 and Private Equity Asset under management aggregating to USD 1 Bn.

Mr. Kadle has held various leadership positions at the Tata Group in the last 25 years. Prior to Tata Capital, he played a key role at Tata Motors as the Executive Director - Finance & Corporate Affairs, through a challenging phase as it transitioned from an Indian commercial vehicle manufacturer to a global auto maker. During his tenure at Tata Motors (1996-2007), Mr Kadle was a part of the senior leadership team that managed cross-border acquisitions like Daewoo Truck Company of S. Korea, Incat Technologies and Jaguar-Land Rover, both from UK. Mr. Kadle was also instrumental in setting up and guiding the operations of Tata Technologies and TELCON (a Tata Motors – Hitachi JV) which have become market leaders in the engineering design space and the construction equipment business respectively in India. Prior to Tata Motors, Mr. Kadle was the Chief Financial Officer of Tata's Joint Venture with IBM in India.

Mr Kadle is a Board member on various Tata and non-Tata companies. He contributes to many industry and economic bodies, both domestic and international, including a position on the Advisory Board of Japan's Institute for Indian Economic Studies (IIES). Additionally, he is also actively involved with various Public Charitable institutions, notably as the Board Member and Honorary Treasurer of Child Rights and You (CRY).

Mr. Kadle is an Honours graduate in Commerce and Accountancy from the University of Mumbai and is a member of the Institute of Chartered Accountants of India, Cost and Works Accountants of India and Company Secretaries of India.

In 2017, Mr. Kadle was conferred the 'Asia Pacific Entrepreneurship Award' (APEA) in the Financial Services category. APEA Awards, now in their 8th year in India, recognize companies and their leaders for their exemplary business acumen and excellence. He was awarded the prestigious 'Indian Business Leader of the Year 2015' by Horasis - The Global Visions Community, an independent international organization. He is the recipient of many awards, including 'Best Performing CFO in the Auto & Auto Ancillaries sector for 2006' in India by CNBC-TV18; 'Best CFO of the year 2005' in India by Business Today; 'CFO of the year 2004' by IMA. He was also inducted as a Founding member to the CFO Hall of Fame in India. Outside of his professional interests, he



is a classical music aficionado, an ardent cricket enthusiast and an avid supporter of art and culture.

No other Directors and Key Managerial Personnel or their relatives other than Mr. Kadle are concerned or interested in the Resolution.

The Board recommends the resolution set forth in Item No. 4 of the accompanying notice for approval of the members as Ordinary Resolution.

Item No. 5

This Explanatory Statement for Item No. 5 is provided though strictly not required as per Section 102 of the Act.

Price Waterhouse, Chartered Accountants (ICAI Firm Registration No. 012754N) have been the Auditors of the Company.

As per the provisions of Section 139 of the Act, Company cannot appoint or re-appoint an audit firm as Statutory auditor for more than two terms of five consecutive years. Section 139 of the Act has also provided a period of three years from the date of commencement of the Act to comply with this requirement. In view of the above, Price Waterhouse hold office till the conclusion of ensuing Annual General Meeting of the Company.

The Board of Directors has, based on the recommendation of the Audit Committee, at its meeting held on May 19, 2017, proposed the appointment of B S R & Co. LLP, Chartered Accountants (Firm Registration No. 101248W/W-100022) as the Statutory Auditors of the Company for a period of consecutive 5 years from FY 2017-18, to hold office from the conclusion of this 21st AGM till the conclusion of the 26th AGM of the Company to be held in the FY 2022-23, (for Financial Year 2021-22) subject to ratification of their appointment at every AGM, if so required under the Act.

B S R & Co. LLP have consented to their appointment as Statutory Auditors and have confirmed that if appointed, their appointment will be in accordance with Section 139 read with Section 141 of the Act.

The Board recommends the Ordinary Resolution set out at Item No.5 of the Notice for approval by the Members of the Company.

None of the Director or Key Managerial Personnel of the Company or their respective relatives are, in any way, concerned or interested, financially or otherwise in this Resolution.

Item No 6

The Board of Directors at their meeting held on May 19, 2016, on recommendation of the Audit Committee, approved the appointment of M/s Harshad Deshpande & Associates, Cost Accountants, Pune, as the cost auditors of the Company to conduct the audit of the cost records of the Company for the financial year 2017-18 at a remuneration of Rs. 1,56,000/- (Rupees One lakh Fifty Six Thousand only) plus reimbursement of out of pocket expenses and applicable taxes. Pursuant to the provisions of the Section 148 of the Companies Act read with the Companies (Cost Records and Audit) Rules, 2014 and amendment thereof, consent of the members is sought for

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TATA AUTOCOMP SYSTEMS LIMITED

CIN: U34100PN1995PLC158999

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Tel: 91 20 66085000 Fax: 91 20 6608 5034 email: taco@tacogroup.com website: www.tacogroup.com



passing an ordinary resolution as set out at item no. 6 of the notice for ratification of the remuneration payable to the Cost Auditors for the financial year 2017-18.

None of the Directors, Key Managerial Personnel or their relatives are interested in the resolution.

The Board recommends the resolution set forth in Item No. 6 of the accompanying notice for approval of the members.

Item No 7

The Company is engaged in the Business of Automotive activities related to manufacturing, assembly of chassis, engines, goods, instruments and other related parts. The present objects clause in the Memorandum of Association of the Company provides for carrying out the aforesaid activities but in order to make it more compatible with the expandable business activities, it is proposed to make certain changes in the existing sub- Clause 2 of Clause III (A) of the Memorandum of Association of the Company.

The Board of Directors of your Company recommends the resolution as set out at item No. 7 of the notice for approval of members as Special Resolution.

None of your Directors and Key Managerial personnel or their relatives are deemed to be concerned or interested in the said Resolution.

By order of the Board
For Tata AutoComp Systems Limited

sd/-
Ashish Boradkar
Company Secretary
(M. No.: A15036)

Place: Pune
Date: May 19, 2017



ATTENDANCE SLIP
(To be presented at the entrance)
Annual General Meeting

Folio no. / *Client ID	
*DP ID	
No. of Shares	

* Applicable for Investors holding shares in electronic form.

Name of the Member / Proxyholder** :
(in BLOCK letters)

I certify that I am a Member / Proxyholder for the Member of the Company.

I hereby record my presence at the Annual General Meeting of the Company held on Monday, July 31, 2017 at 01:30 p.m. at the registered office of the Company.

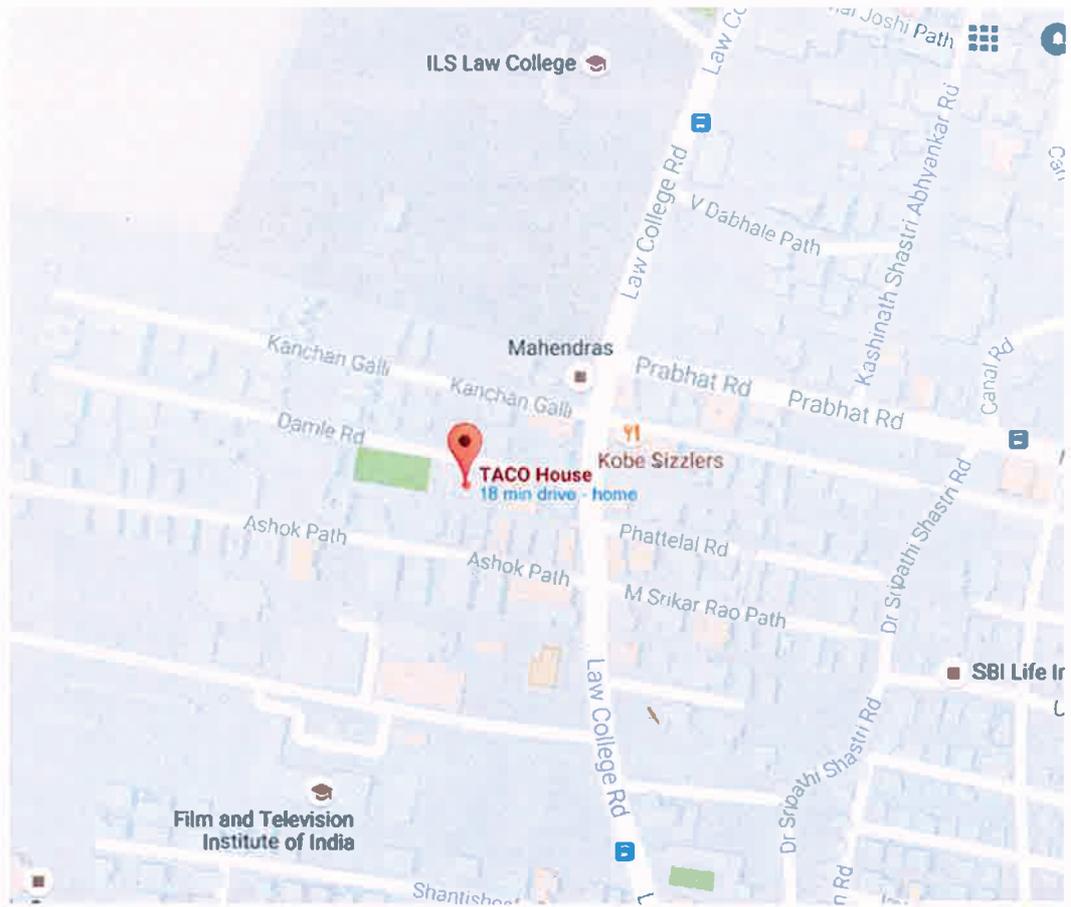
.....
Signature of the Member/Proxy holder

** Strike out whichever is not applicable.

Note: Please fill up this attendance slip and hand it over at the entrance of the meeting hall.



Route Map





FORM NO. MGT-11
PROXY FORM

[Pursuant to Section 105(6) of the Companies Act, 2013 & Rule 19(3) of the Companies (Management & Administration) Rules, 2014]

Name of the Member(s)	
Registered Address	
E-mail ID	
Folio No. /*Client ID:	
*DP ID:	

**Applicable for investors holding shares in electronic form.*

I/We being the member(s) of _____ shares of the above named Company, hereby appoint:

1	Name:	
	Address:	
	E-mail ID:	
	Signature	

or failing him

2	Name:	
	Address:	
	E-mail ID:	
	Signature	

or failing him

3	Name:	
	Address:	
	E-mail ID:	
	Signature	



and whose signature(s) are appended below as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the 21st Annual General Meeting of the Company, to be held on Monday, July 31, 2017 at 01:30 p.m. at the Registered Office of the Company and at any adjournment thereof in respect of such resolutions as are indicated below:

RESOLUTIONS	FOR	AGAINST
1) To receive, consider and adopt the Standalone Financial Statements of the Company for the year ended March 31, 2017 together with Report of the Directors and Auditors thereon.		
2) To receive, consider and adopt the Consolidated Financial Statements of the Company for the year ended March 31, 2017 together with Report of the Auditors thereon.		
3) To declare final dividend on Equity shares.		
4) To appoint a Director in place of Mr. Praveen Kadle (DIN 00016814), who retires by rotation and being eligible offers himself for re-appointment.		
5) To appoint M/s. B S R & Co. LLP (FRN 101248W / W-100022) as the Statutory Auditors of the Company in place of retiring Auditor M/s. Price Waterhouse (PWC) (Firm Registration No. 301112E) and fix their remuneration		
6) To ratify remuneration payable to M/s Harshad S. Deshpande & Associates, Cost Auditors of the Company for the cost audit to be conducted for financial year 2017-18.		
7) Alteration of Main Object Clause of the Memorandum of Association of the Company		

Signed this ____ day of _____.

Affix
Revenue
Stamp

Signature of Shareholder

Signature of First Proxy Holder

Signature of Second Proxy Holder

Signature of Third Proxy Holder

Note: This form of proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company, not less than 48 hours before the commencement of the Meeting.



DIRECTORS' REPORT

To
The Members,

Your Directors are pleased to present the Twenty-First Annual Report of the Company together with the Audited Statement of Accounts and the Auditors' Report of your Company for the financial year ended, March 31, 2017. The key highlights for the year ended March 31, 2017 are as under:

1. Financial Results:

The key financials for the year are as set out below

(Rs. In Crores)

Particulars	Rs. in Crs.			
	Standalone results		Consolidated results	
	Period ended March 31, 2017	Period ended March 31, 2016	Period ended March 31, 2017	Period ended March 31, 2016
Revenue from operations	1,004.66	896.23	1,855.39	1,334.48
Other income	82.14	50.27	46.44	39.66
Total income	1,086.79	946.49	1,901.82	1,374.14
Expenses				
Cost of materials consumed	493.37	395.54	999.53	669.81
Purchases of stock-in-trade	125.35	117.67	125.35	116.20
Changes in inventories of finished goods, stock-in-trade and work-in progress	-6.21	0.45	-11.01	-6.50
Excise duty	89.22	81.27	114.26	107.05
Employee benefits expense	128.61	127.00	299.74	187.23
Finance costs	12.62	17.93	18.60	26.21
Depreciation and amortization expense	23.01	25.04	64.11	42.37
Other expenses	143.43	131.64	254.44	200.11
Total expenses	1,009.40	896.54	1,865.03	1,342.47
Profit before exceptional items and tax	77.39	49.95	36.80	31.67
Share of net profit of jointly controlled entities accounted for using the equity method	-	-	39.45	32.96
Profit before exceptional items and tax	-	-	76.25	64.63
Exceptional items	-	-	12.84	-
Profit before tax	77.39	49.95	89.09	64.63
Tax expense:	17.73	14.85	25.99	18.04
Current tax	16.49	16.08	18.47	19.26
Deferred tax	1.24	-1.22	7.52	-1.22
Profit for the year	59.66	35.10	63.10	46.59
Other Comprehensive Income (OCI)				
Items that may be reclassified to profit or loss				
Exchange differences on translation of foreign operations	-	-	(11.31)	0.70
Items that will not be reclassified subsequently to profit or loss				
Remeasurements (loss) / gains of post-employment benefit obligations	(3.19)	(0.14)	(2.69)	0.18



Tax on above	1.14	0.05	1.33	0.05
Other OCI	-	-	(1.20)	-
Share of other comprehensive income of jointly controlled entities accounted for using the equity method	-	-	(0.22)	0.04
Total other comprehensive income for the year	(2.05)	(0.09)	(14.09)	0.97
Total comprehensive income for the year (TCI)	57.61	35.01	49.01	47.56

2. Performance Overview:

The consolidated Income for FY 16-17 is Rs 1901.82 Cr (FY 2015-16 Rs. 1374.14 Cr) with a PAT of Rs 63.10 Cr (FY 2015-16 Rs. 46.59 Cr). The similar figures for Standalone basis are Rs. 1086.79 Cr (FY 2015-16 Rs. 946.49 Cr) with PAT of Rs. 59.66 Cr (FY 2015-16 Rs. 35.10 Cr).

The Company has acquired TitanX, a leading supplier of powertrain cooling solutions for commercial vehicles and serves most of the western World OEMs including Volvo Trucks, Scania, Daimler, and Iveco as well as the independent after-market.

The Company's sales are higher as compared to last year. The sales are higher mainly on account of addition of sales of the newly acquired company, and increase in Sales in some of the Business Units etc. This has resulted in increase in the profits, both at standalone and consolidated level. The profitability has further improved due to various measures taken by your Company like improvement in productivity, operational efficiency, EBIDTA improvement initiatives etc. after absorbing the due diligence expenses for acquisition.

Your Company maintained its thrust on working capital management, resulting in a higher negative working capital as on 31st March, 2017.

3. Standalone Financial Performance

During the year under review, your Company earned a total turnover of Rs. 1086.79 Crores for the year ended March 31, 2017, as against Rs. 946.49 Crores for the previous year ended March 31, 2016, increase of 14.82%. The profit after tax (PAT) for the year under review has been Rs. 59.66 Crores as against Rs. 35.10 Crores during the previous year (An increase of 70%). The profit was higher due to favourable Product mix and EBIDTA improvement initiatives.

4. Consolidated Financial Performance

During the year under review, your Company along with its joint ventures and subsidiaries (the Group) earned a total consolidated turnover of Rs.1901.82 Crores for the year ended March 31, 2017 as against Rs. 1374.14 Crores for the previous year ended March 31, 2016, increase of 38.40%. The profit after tax for the year under review has been Rs.63.10 Crores, as against Rs. 46.59 Crores during the previous year.

5. Aggregate Financials



The aggregate sales of the Company are Rs. 3206.8 Crs for FY 2016-17 as compared to Rs. 2570 Crs for FY 2015-16 (an increase of 25%). The aggregate PAT of the Company is Rs. 117.25 Crs for FY 2016-17 as compared to Rs. 79.9 Crs for FY 2015-16.

6. Consolidated Business Performance and State of Affairs of the Company

Domestic Sales in Passenger Vehicles industry (Car and UV) grew by 9.42% in FY 16-17, as compared to previous year growth of 7.87%. The growth is mainly due to UV sector in FY 16-17. MHCV segment has grown by 0.42% this year (Last year 29.91%). However, LCV segment has grown by 4.97% (Last year 0.30%).

The business performance in the current year is better than the last year is due to acquisition, favourable product mix, addition of new products/customers, continuing the EBITDA improvement initiatives, better management of Net Working Capital etc.

The land development and the Construction work in Chakan, to set up a new manufacturing facility for some of its units, are going on as per your Company's plan.

7. Industry structure and development:

In FY 2016-17, Auto Industry witnessed a Domestic growth of 5.41 per cent. The Passenger Vehicle segment registered a growth of 9.42 per cent which includes passenger car vehicles and utility vehicles. Within this segment, the Utility vehicle market grew at 26.32 per cent due to new launches in the compact Utility Vehicle segment whereas the Passenger Car segments grew at only 5.40 per cent. The commercial vehicle segment was affected by demonetization and mandatory shift to BS IV. The CV segment grew by 3 percent as compared to 12.1 per cent in last year. The LCV segment grew by 4.97 per cent as compared to 2.77 per cent in last year. The Two wheeler segment registered a growth of 5.84%, whereas the three wheeler segment registered a negative growth of (16.16%).

GDP growth of Indian economy is estimated to be around 7.4%.

The chart given below shows the production of various categories of vehicles during FY 2016-17 vis-à-vis FY 2015-16.

Segment	2016-17	2015-16	% Growth
Passenger cars	27,04,600	25,65,970	5.40
Utility vehicles	9,06,750	7,17,809	26.32
Vans	1,80,190	1,81,266	-0.59
Passenger Vehicles	37,91,540	34,65,045	9.42
M&HCVs	3,42,733	3,41,287	0.42
LCV	4,67,553	4,45,405	4.97
Commercial vehicles	8,10,286	7,86,692	3.00
Three Wheelers	7,83,149	9,34,104	-16.16
Two wheelers	1,99,29,485	1,88,30,227	5.84
Quadricycle	1,584	531	198.31



Total of All Categories	2,53,16,044	2,40,16,599	5.41
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Source SIAM report

8. Information on Joint Venture and subsidiaries:

A. Ryhpez Holding (Sweden) AB

During the year the Company acquired 100% stake in Ryhpez Holding (Sweden) AB.

There are no companies which have become or ceased to be subsidiaries, joint ventures or associate companies of the Company during the year.

B. Closure of TACO Engineering. UK:

TACO Engineering. UK was closed on December 27, 2016. Hence it ceases to be subsidiary of TACO with effect from that date.

C. Acquisition of TitanX

During the year, Company has acquired TitanX by acquiring 96.20% stake in TitanX Holding AB (Sweden), through its wholly owned subsidiary viz., Ryhpez Holding (Sweden) AB.

TitanX Holding AB holds 100% stake in following companies through TitanX Engine Cooling Holding AB (Sweden):

1. TitanX Engine Cooling Inc. (US)
2. TitanX Engine Cooling Kunshan Co. Ltd (China)
3. TitanX Engine Cooling AB (Sweden) (which holds 99.90% in TitanX Refrigeracao de Motores LTDA (Brazil))

The process of integration of TitanX into TACO is going on.

TitanX is one of the leading supplier of powertrain cooling solutions for commercial vehicles and the Company serves most of the western World OEMs including Volvo Trucks, Scania, Daimler, and Iveco as well as the independent after-market.

9. Health and Safety

Your Company is committed to provide a safe, secure and healthy workplace and this has been enumerated in the Safety and Health policy which is part of the overarching Wellness strategy of our Company. The company has therefore adopted a comprehensive approach to implement this by adopting 'Total Safety Culture' concept across its operations. There is a continued focus on tracking of "near miss" incidences, which has resulted in reduction of reportable accidents, first aid injuries, and non-reportable accidents. Further, special emphasis was given for environment protection and accordingly all 31 plants have already got ISO 14001 (EMS) and OSHAS 18001 certification. Besides this, your company celebrates Environment Day and Safety Week across all locations.

Your Company had initiated a process of implementation of the British Safety Council (BSC) Standards at all plants of the Business Units. Accordingly, all plants have



achieved Four Star Rating in audits conducted by Cross BU trained auditors / External Auditors. For next year, your Company is targeting Five Star Rating at Major plants and targeting sustenance of Four Star rating in all other plants.

The approach to safety has been strengthened in all operations of your Company. Regular safety drills and safety audits are conducted at each of the facilities besides appropriate training to the employees.

Your Company has adopted the Sustainability Policy of the Tata Group. Each BU maps its carbon footprint and water consumption (domestic & industrial) and endeavor to reduce the same.

Your Company had brought a major focus on Health Wellness Initiative across various business units and approximately 3348 employees have been covered so far. Out of 642 employees identified for critical ailment 102 shown improvements in their health during the year. There is positive improvement in health index year on year.

10. Dividend:

Based on the Company's performance, the Directors are pleased to recommend for approval of the members equity dividend of Rs. 2/- per share amounting to Rs. 40,25,62,716/- (Rupees Forty Crores Twenty Five Lac Sixty Two Thousand Seven Hundred and Sixteen Only) excluding dividend distribution tax for the year ended March 31, 2017 (previous year Rs. 2/- per share).

11. Share Capital and Registered Office of the Company:

a. Share Capital:

The paid up Equity Share Capital as on 31st March, 2017 was Rs. 2,012,813,580/-.

During the year under review, the Company has not issued any shares. The Company has not issued shares with differential voting rights. It has neither issued employee stock options nor sweat equity shares and does not have any scheme to fund its employees to purchase the shares of the Company. As on 31st March, 2017, none of the Directors of the Company hold shares of the Company.

b. Registered Office:

During the year under review the Regional Director, Western Region have passed an order confirming the alteration of Memorandum of Association of the Company with respect to shifting the Registered office of the Company from the jurisdiction of RoC Mumbai to the jurisdiction of RoC Pune. The certified copy of order has been registered by RoC Pune with effect from June 23, 2016.

12. Transfer to Reserves in terms of the Companies Act, 2013:

Your Company has not transferred any profit from Profit and Loss Account to General Reserve Account as under the Companies Act' 2013 , it is not mandatory. Rs. 75 lac has been transferred to Debenture redemption reserve, as per the provision of the Companies Act, 2013.



Report on the performance and financial position of each of the subsidiaries, associates and joint ventures companies is included in the consolidated financial statement.

13. Industrial Relations:

Your Company accords high importance to build and sustain healthy industrial relations with the aim of achieving competitive productivity & cordial work environment. The industrial relations continue to remain harmonious. With a view to enhance the involvement and remain focused, the Functional Heads / Departmental Heads of each manufacturing locations are heading Plant Committees e.g. Works Committee, POSH Committee, SHE Committee etc. The Committees have equal representation from workmen, who are also involved to resolve any issues and grievances in a time bound manner.

Your company has formed HR help desk initiative to resolve grievances/day to day issues of employees within time bound manner. This results in maintaining transparent culture and help to increase satisfaction level of the employees.

As a result of this, your Company has peacefully signed five wage settlements with works committee / internal union successfully in the recent past.

Skill Development:

Your Company recognizes skill development as a critical area for long term value creation. Your Company has Six Skill Development Centers (SDCs) at various locations at Pune (in IPD Hinjewadi Campus, TTR Hinjewadi Campus & ASAL Chakan Campus) and one each at Pantnagar, Jamshedpur and Halol.

Currently SDC is providing training to approximately 1500 trainees and permanent operators in different business units through well-trained, practically experienced & motivated Instructors. SDCs help the trainees in building skills sets for multi-dimensional competencies so that the person is ready for employment in any manufacturing company. The enrolment of the students / Trainees also helps in fulfilling the Affirmative Action (AA) as well as Diversity & Inclusion (D&I) agenda of the Company as we strive to enroll maximum numbers under these categories.

Your Company has already adopted two ITIs, one in Maharashtra (ITI, Kadegaon) & one in Gujarat (ITI, Maninagar, Ahmedabad) under the Public Private Partnership and continues to work with them.

14. Performance of Subsidiaries, Joint Venture and Associate Companies:

The Consolidated Financial Statements of the Company and its subsidiaries, prepared in accordance with Accounting Standard 21 issued by the Institute of Chartered Accountants of India, form part of the Annual Report and are reflected in the Consolidated Financial Statements of the Company.

The annual accounts of the subsidiaries and related detailed information will be kept at the Registered Office of the Company, as also at the registered offices of the respective subsidiary companies and will be available to investors seeking information at any time. The consolidated financial results reflect the operations of the following subsidiaries.

Subsidiary Companies



- Automotive Stampings and Assemblies Ltd.
- Nanjing Tata AutoComp Systems Ltd.
- Taco Holdings (Mauritius) Limited
- Ryhpez Holding (Sweden) AB
- TACO Engineering Services GmbH
- Automotive Skill Training Foundation
- TACO Engineering (UK) Limited

Performance of Subsidiaries

- (a) **Automotive Stampings and Assemblies Ltd-** Revenue from Operations (Net) is Rs. 329.07 Crs (FY 2015-16 Rs.288.62 cr.) and Profit after Taxes (-) Rs 3.55 Crs (FY 2015-16 Loss Rs. 20.48 Crs).
- (b) **Nanjing Tata AutoComp Systems Ltd-** Revenue from Operations- 228.44 RMB MN. (FY 2015-16 158.21 RMB MN) and Profit after Tax 11.40 RMB MN (FY 2015-16 was 10.18 RMB MN).
- (c) **Taco Holdings (Mauritius) Limited** - Revenue from Operations is Rs. 0.01 crs (FY 2015-16 Rs. 0.25 crs) and Profit after Tax is (-) 0.11 crs (FY 15-16 Rs. 0.11 crs)
- (d) **Ryhpez Holding (Sweden) AB** - Revenue from Operations is Rs. 328.20 Cr and Profit after Tax is Rs. 0.15 Cr.
- (e) **TACO Engineering Services GmbH** - Revenue from Operations is Rs. 3.72 crs (FY 2015-16 Rs.1.88 crs) and Profit after Tax is (-) 0.08 crs (FY 15-16 Rs. 0.09 crs)
- (f) **Taco Engineering (UK) Limited** - Revenue from Operations is Rs. 0.10 crs (FY 2015-16 Rs.0.08 crs) and Profit after Tax is 0.68 crs (FY 15-16 Rs.0.03 crs)
- (g) **Automotive Skill Training Foundation** - Revenue from Operations is Rs. Nil (FY 2015-16 Rs. Nil) and Profit after Tax is (0.0200) crs (FY 15-16 Loss Rs. 0.0200 crs)

A statement containing the salient features of the financial position of the subsidiary companies in Form AOC -1 is annexed as Annexure 4.

15. Particulars of loans, guarantees or investments:

The Company has not given any loans or guarantees or provided any security during the year in terms of Section 186 of the Companies Act, 2013 except the following:

1. Company has given Loan of Rs. 8.5 Crores to TF.
2. Company has given Loan of Rs. 13.00 Crores to Katcon.

Your Company has acquired a Company, based in Sweden (TitanX) with an investment from your Company of Rs. 220.51 Cr. TitanX is one of the leading supplier of powertrain cooling solutions for commercial vehicles and the Company serves most of the western World OEMs including Volvo Trucks, Scania, Daimler, and Iveco as well as the independent after-market.



16. Related Party Transactions:

During the year 2016-17, the Company had transactions with related parties as defined under the Companies Act, 2013. The basis of related party transactions is placed before the Audit Committee. All these transactions with related parties were in the ordinary course of business and are at an arm's length basis. There were no material related party transactions during the financial year. Suitable disclosure as required by the Accounting Standards (AS18) has been made in the notes to the Financial Statements.

There are no materially significant related party transactions made by the Company with Promoters, Directors, Key Managerial Personnel or other designated persons which may have a potential conflict with the interest of the Company at large.

17. Listing of Debentures on National Stock Exchange of India Ltd. [NSE]

1000 Unsecured Redeemable Non-Convertible Debentures (NCDs) of Rs. 10,00,000/- each aggregating to Rs. 100 Crores listed on National Stock Exchange [ISIN INE928F08026] which are due for redemption on May 20, 2020.

The name and full contact details of Debenture Trustee are given below:
Vistra ITCL (India) Limited
(Formerly known as IL & FS Trust Company Limited)
The IL & FS Financial Centre, Plot C-22,
G Block, Bandra Kurla Complex,
Bandra East, Mumbai – 400 051

Landline + 91 22 2659 3644 | Fax + 91 22 2653 3297 | Web: <http://www.vistra.com>

18. Statement on declaration given by independent Directors under Sub-section 149 (7):

The definition of 'Independence' of Directors is derived from Section 149(6) of the Companies Act, 2013. Based on the confirmation / disclosures received from the Directors and on evaluation of the relationships disclosed, the following Non-Executive Directors are Independent in terms of Section 149(6) of the Companies Act, 2013 :-

- a) Mr. Hari Mundra
- b) Mr. R. N. Mukhija
- c) Ms. Vedika Bhandarkar

Familiarization programme for Directors:

The Directors (Independent and Non-Independent) are made to interact with Senior Management Personnel and are given all the documents sought by them for enabling a good understanding of the Company, its various operations and the industry of which it is a part.

The role, rights, duties and responsibilities of Independent Directors have been incorporated in the Letters of Appointment issued to them. The amendments / updates in statutory provisions are informed from time to time. The information with respect to the nature of industry in which the Company operates and business model of the



Company, etc. is made known through various presentations on operational performance, strategy, budgets & business forecasts, etc. to the Board.

The above initiatives help the Directors to understand the Company, its strategy, business and the regulatory framework in which the Company operates to effectively fulfil their role as Directors of the Company.

19. Explanations or comments by the Board on every qualification, reservation or adverse remark or disclaimer made in Audit Report:

(i) Statutory audit report: The observations of the auditor in their audit report, read along with the relevant Notes to accounts, are self-explanatory and do not require any additional explanations. The Statutory Auditors have not reported any incident of fraud to the Audit Committee of the Company in the year under review. There are no qualifications, reservations made by Price Waterhouse, Statutory Auditors, in their report.

(ii) Secretarial audit report: There are no qualifications, reservations, observations or adverse remarks or disclaimers made by M/s. SVD Associates, Company Secretary in Practice, in their audit report. The Secretarial Audit Report is annexed as Annexure 2.

Material changes and commitments:

Except as disclosed elsewhere in this report, there have been no material changes and commitments which can affect the financial position of your Company occurred between the end of the financial year of your Company and date of this report.

20. Corporate Social Responsibility (CSR):

CSR Initiatives:

TATA Autocomp Systems complied with Section 135 of the Companies Act, 2013. Thereby a CSR policy was formed and the same has been approved by the board of Company. The Company has adopted the following focus areas under the policy:

- a) Early Childhood/Education/Orphanage
- b) Environment conservation
- c) TATA group initiatives on disaster management
- d) Skills

The Company supports orphanages and continue to support Saraswati Anathalay orphanage at Dapodi, Pune. The employees of the Company volunteer their personal time at the orphanage for teaching, providing medical care, playing games celebrating festivals etc.

Company continues to support cancer treatment of poor patients through TATA Medical center Kolkata and St. Jude at Mumbai. St. Jude specializes in relief work to children who are affected by cancer.

Our association for the drought relief work in Osmanabad district continued for the 2nd year where we have supported Kavdewadi village in nala deepening work. 1,2 Kms of nala deepening was done resulting into storage of 5 crores litres of water. 130 hectares of land has been made reusable for cultivation. About 1000 drought affected villagers



have been benefited through this.

We have started health camp for poor auto mechanics who will be benefited by the counselling provided by the doctors and other medical staff. Apart from the medical check ups the theme is to persuade them against using tobacco.

Investment to build up a zilla parishad school at Raju Vasti Chakan has been made. This is a zilla parishad school which has 70 children from Affirmative category. Due to infrastructural problem the school is not able to run during the rainy season. It is a part of the overall village development plan for Raju Vasti which will be spread into 3 years.

The company has also earmarked funds for tree plantation in Chakan. This will be done in MIDC land and create a forest cover. We are awaiting formal permission from MIDC to commence the work. Soil testing for the same has been completed.

1. Brief outline of the Company's CSR policy, including overview of projects or programs proposed to be undertaken and reference to the web-link to the CSR policy and projects or programs:

As per Annexure 6.

2. The composition of the CSR Committee:

The Board of Directors have constituted a CSR Committee in accordance with the requirements of Section 135 (1) of the Companies Act, 2013 ("Act"), which currently comprises:

- a) Ms. Vedika Bhandarkar (Independent Director - Chairperson)
- b) Dr. Gopichand Katragadda (Non-Executive Director)
- c) Mr. Ajay Tandon (Managing Director & CEO)

3. Average Net Profit* of the Company for last 3 Financial Years:

(Rs in lacs)

Financial Year	Net Profit*
FY 2013 -14	3748.00
FY 2014-15	2500.69
FY 2015-16	3896.62
Average Net Profit	3381.77

**Note: The above net profit has been calculated in accordance with the provisions of Section 198 of the Act and the Companies (Corporate Social Responsibility Policy) Rules, 2014.*

4. Prescribed CSR expenditure (2% of Average Net Profit as indicated in Point No. 3):

The prescribed CSR expenditure for FY 2016-17 was Rs. 67.74 lacs.

5. Details of CSR spend during FY 2016-17:

- a. Total amount to be spent: Rs. 67.74 lacs (including provision of expenditure of Rs. 21.19 lacs)
- b. Amount unspent, if any: Nil
- c. Manner in which the amount was spent during FY 2016-17 is detailed below:



Sr No	CSR Project or Activity identified	Sector in which the Project is covered	Projects or Programs 1) Local area or other 2) Specify the State & District where projects or programs undertaken	Amount outlay (budget) project or program s wise	Amount spent on the projects or programs sub-heads : 1) Direct expenditure on projects or programs 2) overhead	Cumulative Expenditure upto the reporting period	Amount spent Direct or Through implementing Agency
1	Ration Support to SASA Orphanage	Orphanage	Pune (Maharashtra)	1.54 Lacs	1.88 Lacs(DE)	1.88 Lacs	Direct
2	Cancer treatment of women	Medical	West Bengal and Jharkhand	15 Lacs	15 Lacs (DE)	16.88 Lacs	Direct
3	Cancer treatment of children	Medical	Maharashtra (Mumbai)	3Lacs	3 Lac(DE)	19.88 Lacs	Direct
4	Maharashtra Drought relief (phase 2)	Other (Tata Group initiative)	Osmanabad (Maharashtra)	8 Lacs	7.6 Lac (DE) 0.4Lacs(OH)	27.88 Lacs	Agency
5	School support	Education	Chakan (Maharashtra)	9.26 Lacs	9.26Lacs(DE)	37.14 Lacs	Direct
6	Health Program (Motor Mechanic)	Medical	PAN India	8.9 Lacs	8.9 Lacs(DE)	46.04 Lacs	Direct
7	Soil testing for tree plantation at chakan	Environment	Chakan (Maharashtra)	0.12 lacs	0.12 lacs (DE)	46.16 Lacs	Direct
8	Tree Plantation	Environment	Chakan (Maharashtra)	0.21 Lacs	0.21 Lacs(DE)	46.38 Lacs	Direct
9	Old age home	Medical	Jamshedpur (Jharkhand)	0.16 Lacs	0.17	46.55 Lacs	Direct

A provision of Rs 21.19 Lacs is made for spending in tree plantation, awaiting permission from MIDC.

21. Awards & Recognitions

During the year, your Company, along with its Business Units received various awards and recognitions from OEM Customers for improvement in performance in terms of delivery and quality; and following are a few of them enumerated below:

Customer	Awards details
Tata Motors	"Best Supplier – Delivery 2016"
General Motors India	Supplier Quality Excellence
Toyota Kirloskar Motors (TKML)	ZERO DEFECT SUPPLIES
Ford	Ford Q1 Certification for its Pune Plant Operations
Tata Motors	"Best Supply Rating Supplier"
General Motors	Quality Excellence

22. Disclosure regarding receipt of commission by a Director from the holding or subsidiary of a Company, in which such person is a managing or whole-time Director:

It is affirmed that the remuneration paid to Directors, Key Managerial Personnel and all other employees is as per the Remuneration Policy of the Company, attached as Annexure 5 to the Company. None of the Directors of the Company, who may be a Managing or Whole-time Director of the Company's holding or subsidiary companies, have received any remuneration, including commission from the Company during the year.



23. Public Deposits:

Your Company has not accepted any fixed deposits from the public and there are no outstanding fixed deposits from the public as on March 31, 2017.

24. Risk Management Process:

As per the Risk Management Policy, an assessment of Critical and Non Critical Risks was carried out under Risk Categories of Strategic, Financial, Operational, and Regulatory. Based on that Risk Register is updated with plans to mitigate the Risks in each Risk Category.

25. Internal Financial Control:

The Company has developed a robust Internal Control Framework by documenting Policies and Process Notes, covering major areas under Finance and other Operating Functions. These Policies and Process Notes, together with Financial Powers Policy, Budgeting, ERP based Exception Reports & Controls and Internal Audit mechanism form part of prevailing Internal Control Framework.

Internal Financial Controls, forming part of Internal Control Framework, are adequate and operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Financial Statements that give a true and fair view and are free from material misstatements, whether due to fraud or error.

26. Corporate Governance:

The Company has adopted Governance Guidelines on Board Effectiveness. The Governance Guidelines cover aspects related to composition and role of the Board, Chairman and Directors, Board diversity, definition of independence, Director term, retirement age and Committees of the Board. It also covers aspects relating to nomination, appointment, induction and development of Directors, Director remuneration, Subsidiary oversight, Code of Conduct, Board Effectiveness Review and Mandates of Board Committees.

Policy w.r.t. qualifications, attributes and independence of a Director:

- A Director will be considered as an "Independent Director" (ID) if the person meets with the criteria for 'Independent Director' as laid down in the Act.
- IDs should be thought/practice leaders in their respective functions/domains
- IDs are expected to abide by the 'Code for Independent Directors' as outlined in the Act. The Code specifies the guidelines of professional conduct, role and function and duties of Independent Directors.

Board evaluation:

Pursuant to the provisions of the Companies Act, 2013, the Board has carried out the annual performance evaluation for FY 2016-17 of its own performance, the Directors



individually as well as the evaluation of the working of its Committees viz. Audit Committee, 'Nomination and Remuneration Committee' and Executive Committee for;

- The review of the performance of all the Directors was also evaluated for FY 2016-17 by the 'Nomination and Remuneration Committee'.
- The performance review of the Non-independent Directors was evaluated for FY 2016-17 in the meeting of the 'Independent Directors'.
- The broad criteria followed for evaluation of the performance of individual Directors include:
 - (a) Attendance;
 - (b) Contribution at Board meetings;
 - (c) Guidance/ support to management outside Board/ Committee meetings.

Additionally, for the Chairman of the Board, the key aspects of the role like (a) setting the strategic agenda of the Board with focus on long term value creation for all stakeholders; (b) encouraging active engagement by all the members of the Board and promoting effective relationships and open communication; (c) Communicating effectively with all stakeholders and enabling meaningful relationships were considered.

- The broad criteria followed for evaluation of the performance of the Board and its committees include as applicable (a) Degree of fulfillment of key responsibilities; (b) Board structure and composition; (c) Establishment and delineation of responsibilities to Committees; (d) Effectiveness of Board processes, information and functioning; (e) Board Culture and Dynamics; (f) Quality of relationship between Board and the management.

Board Diversity:

The Board ensures that a transparent Board nomination process is in place that encourages diversity of thought, experience, knowledge, perspective, age and gender. It is ensured that the Board has an appropriate blend of functional and industry expertise.

Board of Directors & KMPs

Details of Directors or Key Managerial Personnel who were appointed, re-appointed or have resigned during the year:

- Mr. Milind Shahane, was appointed as an additional Director on 04th August, 2016 and is subsequently regularised at the Annual General Meeting held on 20th September, 2016.
- No Director or Key Managerial Person has been appointed, retired or resigned during the year.
- Mr. Praveen Kadle, Director of your Company is retiring by rotation at the ensuing Annual General Meeting and being eligible, has offered himself for reappointment.

Number of meetings held:

Eleven meetings of the Board of Directors were held during the year on May 09, 2016; May 13, 2016; May 26, 2016; July 15, 2016; July 29, 2016; August 04,



2016; November 10, 2016, December 21, 2016, January 12, 2017, February 09, 2017 and March 21, 2017.

27. Committees of the Board:

➤ Audit Committee

The Board has Audit Committee comprising of four Directors viz. Mr. Hari Mundra (Chairman), Mr. R. N. Mukhija, Ms. Vedika Bhandarkar and Dr. Gopichand Katragadda. The Statutory Auditors, Internal Auditors along with the Group Chief Financial Officer regularly attend the Audit Committee meetings. The Managing Director & CEO of your Company attends the meeting on invitation.

Five meetings of Audit Committee were held during the year on May 09, 2016; August 04, 2016; November 10, 2016; February 09, 2017 and March 21, 2017.

All recommendations of Audit Committee were accepted by Board from time to time.

The Audit Committee Charter was amended during the year for stream lining the reporting structure of Chief Internal Auditor as per the recommendations of the Audit Committee.

➤ Nomination and Remuneration Committee (NRC)

The 'Nomination and Remuneration Committee' was constituted pursuant to facilitating review of performance of the senior management personnel. This Committee comprises of Mr. R. N. Mukhija (Chairman), Mr. Praveen Kadle and Mr. Hari Mundra.

During the year, six meetings were held on May 09, 2016; May 26, 2016; August 04, 2016; November 10, 2016; February 09, 2017 and March 21, 2017.

The terms of reference of NRC includes:

- a) Recommend to the Board the setup and composition of the Board and its Committees. This shall include "Formulation of the criteria for determining qualifications, positive attributes and independence of a Director".
- b) Periodically reviewing the composition of the Board with the objective of achieving an optimum balance of size, skills, independence, knowledge, age, gender and experience.
- c) Recommend to the Board the appointment or reappointment of Directors.
- d) Devise a policy on Board diversity.
- e) Recommend to the Board appointment of Key Managerial Personnel ("KMP" as defined by the Act) and executive team members of the Company (as defined by the Committee).
- f) Support the Board and Independent Directors in evaluation of the performance of the Board, its Committees and Individual Directors.
- g) Formulation of criteria for evaluation of Independent Directors and the Board.
- h) Oversee the performance review process of the KMP and the executive team of the Company.
- i) Recommend to the Board the remuneration policy for Directors, executive team/ KMP as well as the rest of the employees.



- j) On an annual basis, recommend to the Board the remuneration payable to Directors and executive team/ Managerial Person of the Company.
- k) Oversee familiarization programmes for Directors.
- l) Oversee the HR philosophy, HR and People strategy and HR practices including those for leadership development, rewards and recognition, talent management and succession planning (specifically for Board, KMP and executive team).
- m) Provide guidelines for remuneration of Directors on material subsidiaries.
- n) Performing such other duties and responsibilities as may be consistent with the provisions of the Committee Charter.

The key principles of the Remuneration Policy are enclosed as Annexure 5.

➤ **CSR Committee:**

The Company has constituted a Corporate Social Responsibility (CSR) Committee in accordance with Section 135 of the Companies Act, 2013. The CSR Committee was constituted by the Board of Directors of the Company at its meeting held on March 28, 2014.

The CSR Committee comprises of Ms. Vedika Bhandarkar (Chairperson), Dr. Gopichand Katragadda and Mr. Ajay Tandon.

During the year two meetings of CSR Committee was held on May 09, 2016 and February 09, 2017.

28. 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 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 the financial year 2016-17.

Accordingly, pursuant to Section 134 (3) (c) and 134 (5) of the Companies Act, 2013, the Board of Directors, to the best of their knowledge and ability, confirm that:

- a) in the preparation of the annual financial statements for the year ended March 31, 2017, the applicable accounting standards have been followed and there are no material departures;
- b) accounting policies have been selected and applied consistently. Judgments and estimates that are reasonable and prudent have been made, so as to give a true and fair view of the state of affairs of the Company as at March 31, 2017 and of the loss of the Company for the year ended on that date;
- c) proper and sufficient care have been taken for the maintenance of accounting records in accordance with the provisions of this Act for safeguarding the assets of the Company, for preventing & detecting fraud and/or other irregularities;
- d) the annual accounts have been prepared on a going concern basis;
- e) internal financial controls have been laid down by the Company and that such internal financial controls are adequate and are operating effectively; and



- f) proper systems have been devised to ensure compliance with the provisions of all applicable laws and that such systems are adequate and operating effectively.

29. Policy on Prevention, Prohibition and Redressal of Sexual Harassment at Workplace

The Company has zero tolerance for sexual harassment at workplace and has adopted a Policy on prevention, prohibition and redressal of sexual harassment at workplace in line with the provisions of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and the Rules made thereunder for prevention and redressal of complaints of sexual harassment at workplace. The Company has not received any complaint on sexual harassment during the financial year 2016-17

30. Details of establishment of vigil mechanism and anti-bribery anti-corruption policy

a) Details of establishment of vigil mechanism

The Company has adopted a Whistle Blower Policy, to provide a formal vigil mechanism to the Directors and employees to report their concerns about unethical behaviour, actual or suspected fraud or violation of the Company's Code of Conduct or ethics policy. The Policy provides for adequate safeguards against victimization of employees who avail of the mechanism and also provides for direct access to the Chairman of the Audit Committee. It is affirmed that no personnel of the Company has been denied access to the Audit Committee. Whistle Blower Policy is available on the website of the Company at www.tacogroup.com.

b) Anti-Bribery Anti-Corruption Policy.

The company has adopted Anti-Bribery Anti-Corruption Policy applicable to all individuals working at all levels and grades, including directors, senior managers, officers, other employees (whether permanent, fixed-term or temporary), consultants, contractors, trainees, interns, seconded staff, casual workers and agency staff, agents, or any other person associated with our Company and such other persons, including those acting on behalf of your Company. Policy is available on the Company portal.

No instances of violation of this policy are reported during the financial year 2016-17

31. Significant and Material Orders Passed by the Regulators or Courts

No significant material orders have been passed by the Regulators or Courts or Tribunals which would impact the going concern status of the Company and its future operations.

32. Auditors:

a) Statutory Auditors

M/s. B S R & Co. LLP, Chartered Accountant, (Firm Registration No. 101248W / W-100022) has been appointed as Statutory Auditors of the Company from the conclusion of ensuing Annual general Meeting (21st AGM) till the conclusion of Annual General Meeting (26th) to be held in F.Y 2022-23 (for the F.Y 2021-22) i.e., for a period of 5 (five) years of your Company (subject to ratification by the Shareholders



at each Annual general Meeting) as Statutory Auditors at the remuneration of Rs. 36,00,000/- p.a. Your Company has received a letter in this connection to the effect, that their reappointment, if made, would be within the prescribed limits under Section 141(3)(g) of the Companies Act, 2013 and that they are not disqualified from appointment. Your Directors recommend their re-appointment as Statutory Auditors of the Company for the next financial year.

b) Cost Auditors

Under an order of the Ministry of Corporate Affairs, your Company has appointed Harshad Deshpande & Associates, Cost Accountants, Pune, Firm Registration No. 00378, as Cost Auditor for the Financial year 2017-18. Your Company recommends the appointment of the cost auditor, with agreed fees of Rs. 1,56,000/- p.a.

c) Internal Auditor

Your Company carries out internal audit through an outsourced internal audit firm. These Internal Auditors have, during the financial year 2016-17, carried out internal audit of various areas, as per the scope of audit determined by the Audit Committee. Their reports and findings are tabled at the Audit Committee and appropriate corrective actions are taken by the Management. Additionally, your Company's Internal Audit department, also undertakes Internal Audit work and special assignments as mandated by Audit Committee and business exigencies

The Company is in process of appointing the Internal Auditors for the FY 2017-18.

d) Secretarial Auditor

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 of the Company had appointed M/s. SVD Associates, Practicing Company Secretaries to undertake the Secretarial Audit of the Company for the year ended 31st March, 2017. Your Directors have re-appointed as M/s. SVD Associates, Practicing Company Secretaries, Secretarial Auditors of the Company for the next financial year. The fees have been kept at Rs. 2,00,000/- like previous year.

33. Conservation of Energy, Technology Absorption And Foreign Exchange Earnings And Outgo

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

34. Particulars of Employees And Remuneration

The information required under Section 197 (12) of the Act read with Rule 5 of The Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, is annexed as Annexure 7 and 8. Any Shareholder interested in obtaining the same may write to the Company Secretary at the Registered Office of the Company. None of the employees listed in the said Annexure is related to any Director of the Company.



35. Extract of Annual Return

Pursuant to Section 92 (3) of the Act and Rule 12 (1) of The Companies (Management and Administration) Rules, 2014, the extract of Annual Return in form MGT 9 is annexed as Annexure 1.

36. Acknowledgements

The Directors wish to place on record their sincere thanks and appreciation for the support and co-operation extended by financial institution, banks, Central and State Government, customers, employees, suppliers and above all the Members of your Company.

For and on behalf of the Board

Date : May 19, 2017

Place : Pune

sd/-
Chairman

Annexure 1 - Annual Report

Form No. MGT-9

EXTRACT OF ANNUAL RETURN

as on the financial year ended on 31st March, 2017

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

I. REGISTRATION AND OTHER DETAILS:

i)	CIN	U34100PN1995PLC158999
ii)	Registration Date	17/10/1995
iii)	Name of the Company	TATA AUTOCOMP SYSTEMS LIMITED
iv)	Category / Sub-Category of the Company	Company Limited by shares Indian Non- Government company
v)	Address of the Registered office and contact details	TACO House, Damle Path, Off law College Road, Erandwana, Pune 411 004
vi)	Whether listed company	No Debentures are listed on NSE.
vii)	Name, Address and Contact details of Registrar and Transfer Agent, if any	N.A.

**The registered Office of TACO is shifted from Bombay House 24, Homi Mody Street, Fort, Mumbai – 400 001 to TACO House, Damle Path, Off Law College Road, Pune 411004 w.e.f. June 23, 2016*

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY:

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

Sl. No.	Name and Description of main products / services	NIC Code of the Product/ service	% to total turnover of the company
1.	Design, Manufacture and sale of automotive parts for motor vehicles, engineering services, supply chain management services to global automotive industry	34100	100

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES

Sr. No	Name and address of the company	CIN / GLN	Holding / Subsidiary / Associate	% of shares held	Applicable section
1.	Tata Sons Limited Bombay House, 24, Homi Mody Street, Fort, Mumbai-400 001	U99999MH1917PLC000478	Holding	14.25 %	2(46)

2.	Automotive Stampings & Assemblies Limited G-71/2 MIDC Industrial Area, Bhosari, Pune- 411026	L28932PN1990PLC016314	Subsidiary	75%	2(87)(ii)
3.	Automotive Skills Training Foundation TACO House, Damle Path, Off Law College Road, Erandwana, Pune-411004	U80903PN2012NPL145231	Subsidiary	100%	2(87)(ii)
4.	Tata Toyo Radiator Limited SURVEY NO 235/245 Village Hinjewadi Taluka Mulshi, Pune- 411027	U99999PN1997PLC110139	Subsidiary	51%	2(87)(ii)
5.	TACO Holding (Mauritius) Ltd, IFS Court, 28 cyber city, Ebene, Mauritius	NA	Subsidiary	100%	2(87)(ii)
6.	TACO Engineering (UK) Ltd., Abacus House, 33 Gutter Lane, London, England, EC2V 8AR #	NA	Subsidiary	100%	2(87)(ii)
7.	TACO Engineering Services GmbH, Kurt-Blaum-Platz 8, 63450 Hanau	NA	Subsidiary	100%	2(87)(ii)
8.	TACO Sasken Automotive Electronics Ltd. (Under liquidation since 30.9.2010) TACO House, Damle Path, Off Law College Road, Erandwana, Pune- 411 004	NA	Subsidiary	50% + 1 share	2(87)(ii)
9.	*TACO Kunststofftechnik GmbH, Gruber Strabe 11, 96271 Grub am Forst / Zeickhorn, Germany.	NA	Subsidiary	100%	2(87)(ii)
10.	**TACO Grundstücksverwaltungs GmbH Gruber Strabe 11, 96271 Grub am Forst / Zeickhorn, Germany.	NA	Subsidiary	100%	2(87)(ii)
11.	Nanjing Tata AutoComp Systems Ltd, No. 986, QingShui Ting East Road Jiangning Economic & Technological Development Zone NANJING 211102 CHINA	NA	Step down Subsidiary	100%	2(87)(ii)
12	Tata AutoComp GY Batteries Pvt Ltd. TACO House, Damle Path, Off Law College Road, Erandwana, Pune- 411004	U31300PN2005PTC021394	Associate	50%	2(6)
13	Tata Ficosa Automotive	U74999MH1998PTC112992	Associate	50%	2(6)

Govt(s)									
e) Venture Capital Funds									
f) Insurance Companies									
g) FIs									
h) Foreign Venture Capital Funds									
i) Others (specify)									
Sub-total (B)(1)-									
2. Non-Institutions									
a) Bodies Corp.	103,360,557	250	103,360,807	51.35	103,360,557	250	103,360,807	51.35	
i) Indian									
ii) Overseas									
b) Individuals									
i) Individual shareholders holding nominal share capital upto Rs. 1 lakh									
c) Others (specify)		50	50	0.00%		50	50	0.00	
Non Resident Indians									
Overseas Corporate Bodies									
Foreign Nationals									
Clearing Members									
Trusts									
Foreign Bodies - DR									
Sub-total (B)(2):-	103,360,557	300	103,360,857	51.35	103,360,557	300	103,360,857	51.35	
Total Public Sharehold	103,360,557	300	103,360,857	51.35	103,360,557	300	103,360,857	51.35	

ng (B)=(B)(1)+ (B)(2)									
C. Shares held by Custodian for GDRs & ADRs									
Grand Total (A+B+C)	201,281,058	300	201,281,358	100%	201,281,058	300	201,281,358	100%	

ii) Share Holding of Promoters

S N	Shareholder's Name	Shareholding at the beginning of the year			Shareholding at the end of the year			% change in share holding during the year
		No of shares	% of total Shares of the company	%of Shares Pledged / encumbered to total shares	No of shares	% of total Shares of the company	%of Shares Pledged / encumbered to total shares	
1	Tata Industries Limited	69,244,903	34.40%	NIL	69,244,903	34.40%	NIL	0
2	Tata Sons Limited	28,675,598	14.25%	NIL	28,675,598	14.25%	NIL	0

Change in Promoters' shareholding (please specify, if there is no change)

There was no change in the shareholding of promoters during FY 2016-17

SN		Shareholding at the beginning of the year		Cumulative Shareholding during the Year	
		No. of shares	% of total shares of company	No. of shares	% of total shares of company
	At the beginning of the year				
	Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat	Nil	Nil	Nil	Nil

	equity etc):				
	At the end of the year				

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

SN	Name of the Shareholders	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of company	No. of shares	% of total shares of company
1.	Tata Motors Limited				
	At the beginning of the year	52,333,170	26.00		
	Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc):	N.A.			
	At the end of the year			52,333,170	26.00
2.	Tata Capital Limited				
	At the beginning of the year	48,307,333	24.00		
	Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc):	N.A.			
	At the end of the year			48,307,333	24.00
3.	Tata investment Corporation Limited				
	At the beginning of the year	2,720,054	14.25		
	Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc):	N.A.			
	At the end of the year			2,720,054	14.25
4.	Tata Industries Limited Jt. with Mr. S. Sriram				
	At the beginning of the year	150	0.00		
	Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc):	N.A.			
	At the end of the year			150	0.00
5.	Tata Industries Limited Jt. With Mrs. Deepika Bhagwakar				
	At the beginning of the year	50	0.00		
	Date wise Increase / Decrease in				

	Promoters Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc):	N.A.			
	At the end of the year			50	0.00
6.	Tata Industries Limited Jt. With Mr. Nikhil Rughani				
	At the beginning of the year	50	0.00		
	Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc):	N.A.			
	At the end of the year			50	0.00
7.	Mr. Dilip Sudhakar Pendse				
	At the beginning of the year	50	0.00		
	Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc):	N.A.			
	At the end of the year			50	0.00

iv) Shareholding of Directors and Key Managerial Personnel:-NIL

SN	Shareholding of each Directors and each Key Managerial Personnel	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
	At the beginning of the year				
	Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc):	Nil	Nil	Nil	Nil
	At the end of the year				

Note: No Director individually holds shares of the Company.

V. INDEBTEDNESS

Indebtedness of the Company including interest outstanding/accrued but not due for payment

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
i) Principal Amount	NIL	100,00,00,000	NIL	100,00,00,000
ii) Interest due but not paid	NIL	NIL	NIL	NIL
iii) Interest accrued but not due	NIL	3,66,06,557	NIL	3,66,06,557
Total (i+ii+iii)	NIL	103,66,06,557	NIL	103,66,06,557
Change in Indebtedness during the financial year				
* Addition (Interest)	NIL	1,00,292	NIL	1,00,292
* Reduction	NIL	NIL	NIL	NIL
Net Change	NIL	1,00,292	NIL	1,00,292
Indebtedness at the end of the financial year				
i) Principal Amount	NIL	100,00,00,000	NIL	100,00,00,000
ii) Interest due but not paid	NIL	NIL	NIL	NIL
iii) Interest accrued but not due	NIL	3,67,06,849	NIL	3,67,06,849
Total (i+ii+iii)	NIL	103,67,06,849	NIL	103,67,06,849

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL**A. Remuneration to Managing Director: -**

SN.	Particulars of Remuneration	Ajay Tandon	Total Amount
1	Gross salary		
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	23,808,680	23,808,680

	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	1,152,558	1,152,558
	(c) Profits in lieu of salary under section 17(3) Income- tax Act, 1961	0	0
2	Stock Option	0	0
3	Sweat Equity	0	0
4	Commission	0	0
	- as % of profit		
	- others, specify...		
5	Others, please specify*		
	Total (A)	24,961,238	24,961,238
	Ceiling as per the Act	3,97,37,707.64	

B. Remuneration to other Directors:

SN	Particulars of Remuneration	Name of Directors			Total Amount
1.	Independent Directors	R.N. Mukhija	Hari Mundra	Vedika Bhandarkar	
	Fees for attending Board/Committee Meetings	10,50,000	10,50,000	5,50,000	26,50,000
	Commission	Proposed to be paid after the AGM			
	Others, please specify	-	-	-	
	Total (1)	10,50,000	10,50,000	5,50,000	26,50,000
2.	Other Non-Executive Directors	Praveen Kadle	Gopichand Katragadda	Milind Shahane	
	Fees for attending Board/Committee Meetings	8,50,000	7,90,000	-	16,40,000
	Commission	Proposed to be paid after the AGM			
	Others, please specify	-	-	-	
	Total (2)	8,50,000	7,90,000	-	16,40,000
	Total (B) = (1+2)	19,00,000	18,40,000	5,50,000	42,90,000
	Total Managerial Remuneration				*102,90,000
	Overall ceiling as per Act (1%)	Rs. 79,47,541.53/-			

***The Total Amount Includes Commission of Rs. 60,00,000/- paid during the year.**

C. Remuneration to Key Managerial Personnel other than MD/Manager/WTD

SI No	Particulars of Remuneration	Key Managerial Personnel		
		Deepak Rastogi (CFO)	Ashish Boradkar (Company Secretary)	Total
1	Gross salary			
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	17,289,244	3,118,344	2,04,07,588
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	671,033	90,000	7,61,033
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	0	0	0
2	Stock Option	0	0	0
3	Sweat Equity	0	0	0
4	Commission	0	0	0
	- as % of profit others, specify...			
5	Others, please specify*			
	Total	17,960,277	3,208,344	21,168,621

VII. PENALTIES/PUNISHMENTS/COMPOUNDING OF OFFENCES- NIL

Type	Section of the Companies Act	Brief Description	Details of Penalty / Punishment/ Compounding fees imposed	Authority [RD / NCLT/ COURT]	Appeal made, if any (give Details)
A. Company NIL					
Penalty					
Punishment					
Compounding					
B. DIRECTORS NIL					
Penalty					
Punishment					
Compounding					
C. OTHER OFFICERS IN DEFAULT NIL					
Penalty					
Punishment					
Compounding					

For and on behalf of the Board of Directors

Date : May 19, 2017

Place : Pune

sd/
Chairman

Annexure - 2

SVD & Associates

Company Secretaries

4th Floor, Vedwati Apartments, Shivajinagar, Pune – 411005
Ph. : 020 69000666, E-mail: deulkarcs@gmail.com

Form No. MR-3

**SECRETARIAL AUDIT REPORT
FOR THE FINANCIAL YEAR ENDED 31st March, 2017**

[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 AUTOCOMP SYSTEMS LIMITED
CIN- U34100PN1995PLC158999
Taco House, Damle Path,
Off Law College Road,
Pune 411004

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by Tata Autocomp Systems 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 and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, we hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on 31st March, 2017, complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:



We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on 31st March, 2017 according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the rules made thereunder;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder (not applicable to the Company during audit period);
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder to the extent of Non Convertible Debentures issued by the Company in dematerialized form;
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Overseas Direct Investment;
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-

- (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011; (not applicable to the Company during audit period)
- (b) Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015 (effective from 15th May, 2015); (not applicable to the Company during audit period)
- (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009; (not applicable to the Company during audit period)
- (d) The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 (not applicable to the Company during audit period);
- (e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;
- (f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client; (not applicable to the Company during audit period).
- (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; (not applicable to the Company during audit period) and
- (h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998 (not applicable to the Company during audit period);

- (vi) No law is specifically applicable to the Company.



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

- (i) Secretarial Standards issued by The Institute of Company Secretaries of India.;
- (ii) The Listing Agreement entered into by the Company with Stock Exchange(s) pursuant to SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 for the listing of Non-Convertible Debentures issued by the Company.

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

We further report that

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting. Further, in the incidences where, for the purpose of any Board or Committee Meeting, notice, agenda or notes to agenda are circulated with shorter period of less than seven days, all the Directors including Independent Directors have consented to the shorter period of circulation of the same.

Majority decision is carried through while the dissenting members' views, if any, are captured and recorded as part of the minutes.

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 has:

- (A) At the Extra Ordinary General Meeting held on 10th August, 2016, passed the following special resolution for:
Approval of Loans, investments and guarantees by the Company pursuant to section 185 and other applicable provisions of the Companies Act 2013 and the rules made thereunder.
- (B) At the Annual General Meeting held on 20th September, 2016, passed the following special resolution for:
Payment of Remuneration, Performance Incentive and Salary Scale to Mr. Ajay Tandon, Managing Director and CEO.
- (C) During the period under review the Company has acquired a Special Purpose Vehicle in Sweden.

Place: Pune

Date: 19.05.2017

For SVD & Associates:



S.V. Deulkar

Partner

FCS No. 1321

C P No. 965



Note: This report is to be read with letter of even date by the Secretarial Auditors, which is annexed as Annexure A and forms an integral part of this report.

'ANNEXURE A'

To,
The Members,
TATA AUTOCOMP SYSTEMS LIMITED
CIN- U34100PN1995PLC158999
Taco House, Damle Path,
Off Law College Road,
Pune 411004

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

Management's Responsibility

1. It is the responsibility of the management of the Company to maintain secretarial records, devise proper systems to ensure compliance with the provisions of all applicable laws and regulations and to ensure that the systems are adequate and operate effectively.

Auditor's Responsibility

2. Our responsibility is to express an opinion on these secretarial records, standards and procedures followed by the Company with respect to secretarial compliances.
3. We believe that audit evidence and information obtained from the Company's management is adequate and appropriate for us to provide a basis for our opinion.
4. Wherever required, we have obtained the management's representation about the compliance of laws, rules and regulations and happening of events, etc.

Disclaimer

5. 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.

Place: Pune

Date: 19.05.2017

For SVD & Associates


S. V. Deulkar

Partner

F.C.S. 1321

C P No: 965





Annexure 3

Information required as per As per Rule 8 of The Companies (Accounts) Rules, 2014.

ENERGY, TECHNOLOGY AND FOREIGN EXCHANGE EARNINGS & OUTGO:

A. CONSERVATION OF ENERGY:

(a) Energy conservation measures taken :

Interiors & Plastics Division

1. Optimized machine energy efficiency by improving Mold-Machine Combination
2. Air Compressor pressure circuit optimization in Paint shops
3. Replacement of Metal Halide lamps with LED lights having higher lumen efficacy
4. Optimized production shifts to minimize electricity usage during high tariff hours and maximized electricity usage during low tariff hours.
5. Installation of Pre cooling system for water chiller to reduce power consumption.
6. Paint Shop blowers and Burner Switching ,to reduce losses during plant startup and plant Stoppage
7. Installation of Energy Efficient Air Nozzles in Paint Shop
8. Maintaining Power factor to unity.
9. Energy saving by using the Barrel Insulation in IMM
10. Energy saving in 450 A machine by cylinder head brass insert machine operation elimination
11. Maintaining power factor to unity
12. 2.2KW Heat Exchanger Motor Removing
13. Auto pump off for punching machines
14. Auto pump off for Vibration welding machines
15. Shop tube light height reducing
16. Robot Vacuum Pump Removing

Composites Division

1. Installed VFD in the main pump motor of the 2350T IMM resulting in the power reduction of 15 KWH.
2. Installed LED lights all over in the entire Shop Floor (Mould Shop, Paint shop) and Office area resulting in Power reduction of 20KWH.
3. Installed VFD in the two 1000T & one 1500T Presses resulting in Power reduction of 20KWH
4. Ducts of all 4 Robots combined resulting in the Power saving of 6 KWH



(b) Additional investments and proposals, if any, being implemented for reduction of consumption of energy:

Interiors & Plastics Division

1. Variable Frequency Drives for Molding Machines of 650Tonnage &1300Tonnage
2. Energy saving by servo motor & Drive implementation in 450 B Tonnage Molding machine.
3. Energy efficient lamps for street lights & LED Lights in Shop Floor.
4. MSEDCL Contract demand reduction.

(c) Impact of the measures at (a) and (b) above for reduction of energy consumption and consequent impact on the cost of production of goods:

Interiors & Plastics Division

The projects implemented in the plant have resulted in reduction in power consumption by Rs.0.59 Cr in FY 2016-17. Projects include mold-machine optimization, Barrel Insulation, Compressed air pressure optimization; reduction in Energy losses during plant Startup /Stoppage and Installation of Energy Efficient Air Nozzles

Rebate of Rs.0.74 Cr is received in Energy Bills for maintaining power factor.

Production realignment for running, energy intensive machinery during economical tariff time slot instead of High tariff slot has fetched TOD (Time Of Day) tariff rebate of Rs. 0.13 Cr in Energy Bill.

Investment and saving details of current year and last year are as under:

Year	Investment (Rs. In Crores)	Savings (Rs. In Crores)
2016-17	0.19	1.46
2015-16	0.08	1.20
2014-15	0.25	1.87
2013-14	1.12	1.41
2012-13	0.18	0.68

B. TECHNOLOGY ABSORPTION

1. Research and Development (R&D)

l) Specific Areas of Research & Development

Interiors & Plastics Division:

- Material and Design of Thin walled Plastic trim
- Preformed fabric development and lamination process development
- Product Development of total Interiors & Exteriors for small passenger vehicles, compact SUV



- Localization of Global Exterior program for major MNC is completed. This includes high end bumper fascia assembly, spoiler and light bar assemblies.
- Metallic finish in molded components under development
- Metal to Plastic conversion for structural reinforcement is ongoing

Composites Division

- Indigenous source for polyamide based carrier film developed.
- Development of one tribological grade BMC and two electrical grade SMC for L&T. One electrical grade SMC for Siemens developed. One injection grade BMC for Siemens is under pilot trials. One BMC grade for Electrical controls developed. One BMC for motor cover encapsulations developed for Nidec.
- Indigenous source for headlamp reflector resin and LPA developed.
- High strength SMC for CAT parts developed.
- SMC for Pickup box under development
- nSMC for TML engine hood under commercialization
- High flow SMC for John Deere outer roof developed.
- Green pigmented SMC for 5E fender for John Deere under development

II) Benefits derived as a result of the above Research & Development:

Interiors & Plastics Division

The emphasis was given on import substitution of plastics raw material grades for different applications and designing new products with better value add.

- Development of new plastics raw materials grades as import substitutes jointly working with raw material suppliers
- Working with global OEM for development of trims (interior and exterior)
- Development of fabric adhesion technology (adhesive press lamination) on plastic substrate
- 20+ entries in TACO Innovista

Composites Division

- Last year, compound sale to external customers was INR 5.72 cr. from In-house developed BMC and electrical grades SMC.
- 27 entries in TACO-Innovista and one entry in implemented innovation category in regional round of TATA-Innovista.
- Caterpillar business started



- Roof business started for John Deere

III) Future Plan of action

Interiors & Plastics Division

In future, our Company plans to work for part integration and plastics recycling technologies as well as new products with enhanced perceived quality and process integration.

- Build capability for air vent and mechanism parts
- Integrated higher end assemblies with sensors/ wiring harness
- Work on conversion to plastic products such as front end module, plastic door, tailgate application
- Work for low wall thickness products
- Work on decorative technologies to improve perceived quality

Composites Division

- SMC for Pickup box
- Light weight SMC (1.2 – 1.4 specific gravity)
- Low cost SMC for Electrical enclosures
- Explore fly ash as filler for SMC
- Explore Graphene for high strength SMC
- Low shrink electrical grade SMC for L&T
- Zero shrink electrical grade SMC for Rotark
- Alternative resin source for Isophthalic resin for SMC
- Alternative resin source for Isophthalic resin for BMC
- Alternative maleic resin source

2. Expenditure on R&D

(Figures in Rs. Crores)

Particulars	FY 16-17 (Actuals)	Eligible Expenditure u/s 35(2AB)
IPD		
Capital Expenditure on R&D	0.08	0.02
Recurring Expenditure on R&D	4.82	1.21
Total Expenditure on R&D (A)	4.90	1.23
Composites		
Capital Expenditure on R&D	0.05	0.05
Recurring Expenditure on R&D	1.56	1.56
Total Expenditure on R&D (B)	1.61	1.61
(A+B)	6.51	2.84



3. Technology absorption, adaptation and innovation

I) Efforts made in technology absorption, adaptation and innovation

Interiors & Plastics Division

Following efforts were made by your Company in technology absorption, adaptation and innovation:

- Participation 'Tech Shows' at customer sites and technical presentations at customer locations.
- Establishment of Benchmarking and prototyping facilities (Ongoing)
- Implementation of technology demonstration project (thin-walled trim) into OEM programs.

Composites Division

- Development of components previously made of steel, aluminum and engineering thermoplastics into SMC components.
- Indigenization of major ingredients (like resins, low-shrink and low-profile additives, thickener paste, inhibitor solution, etc.) – maintaining profitability and sustainability of the organization.
- In-house compounding plant in September 2005 – technology made secured and material quality improved.
- Development of BMC / DMC technology in-house

II) Benefits derived as a result of the above efforts

Interiors & Plastics Division

- Development of part-integration capability for high end assemblies
- Cost reduction
- Providing OEMS with end to end solutions

III) In case of Imported Technology, Technology imported during last five years

Technology Imported	Year of Import	Has Technology been fully absorbed	If not fully absorbed, areas where this has not taken place, reasons therefor and future plans of action
Interiors & Plastics Division:			
Thermo casing technology	2008	Yes	
Robotic paint shop	2008	Yes	
Gas injection process for Grab handle	2008	Yes	
2K molding for Pillar trims	2009	No	Instead of pillar trims, technology was used for Fiat Linea Cowl grille.



In Mold Graining for Safari Storme	2011	Yes	
Power wash for paint shop	2016	Yes	

C. FOREIGN EXCHANGE EARNINGS AND OUTGO

(a) Activities relating to exports; initiatives taken to increase exports; development of new export markets for products and services and export plans:

During the year there was marginal increase in exports and your Company strategically focused on its domestic business except for 100% subsidiary in United Kingdom (UK) & Germany to capture potential business opportunities for Engineering Division (TTC).

Accordingly, 100% subsidiary in United Kingdom (UK) was closed down during the year.

(b) Total foreign exchange used and earned:

During the last year, Interiors & Plastics Division (IPD) of your Company strategically focused on the domestic business & surrendered some of the export businesses of OEMs.

Exports Turnover of your Company for last three financial years is as given below:

Year	Export Turnover (In INR Crores)
2014 – 15	93.75
2015 – 16	78.67
2016 -- 17	78.36

In terms of the aforesaid Rules, your Company has earned foreign exchange of 78.36 Crores and has spent Rs. 73.75 Crores in foreign currency during the year.

For and on behalf of the Board of Directors

Date : May 19, 2017
Place : Pune

sd/-
Chairman

Annexure 4 Form AOC-1
Part A: Subsidiaries

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

Sr. No.	Name of the subsidiary	Date since when subsidiary was acquired	Reporting period for the subsidiary concerned, if different from the holding company's reporting period	Reporting currency	Exchange rate as on the last date of the relevant financial year in case of foreign subsidiaries (Closing Rate-31-3-17, Average Rate for the year)	[RS per INR/US\$]										%			
						Share Capital	Reserves & Surplus	Total Assets	Total Liabilities	Investments (in Mutual funds and in JVs & Subsidiaries)	Turnover	Profit before taxation	Provision for taxation	Profit after taxation	OCI		Profit after OCI	Proposed dividend	
A	TATA Autocomp Systems Limited (Standardel)	1995-95	March 31, 2017	INR	NA	201.28	600.03	1,335.82	1,335.82	696.56	1,004.66	77.39	17.73	59.66	-2.05	57.62	40.26		
B	TACO Subsidiaries																		
1	Rypper Holding (Sweden) AB	2016-17	March 31, 2017	SEK	Closing rate = 7.24 Average rate = 7.55	199.15	0.14	1,550.87	1,550.87	-	328.20	0.05	1.23	-1.19	1.34	0.15	-	100%	
2	Automotive Stampings and Assemblies Limited	2003-04	March 31, 2017	INR	NA	15.86	1.70	204.78	204.78	-	379.07	-2.87	-	-2.87	-0.68	-3.55	-	75%	
3	Taco Holdings (Mauritius) Limited	2004-05	March 31, 2017	EUR	Closing rate = 69.25 Average rate = 73.61	179.83	-134.12	45.75	45.75	45.61	0.01	-0.11	-	-0.11	-	-0.11	-	100%	
4	Nanjing Taro Autocomp Systems Limited	2006-07	March 31, 2017	RMB	Closing rate = 9.41 Average rate = 9.97	61.29	32.19	345.21	345.21	-	203.53	13.35	1.97	11.38	-	11.38	-	100%	
5	TACO Engineering Services GmbH	2013-14	March 31, 2017	EUR	Closing rate = 69.25 Average rate = 73.61	0.17	0.08	5.15	5.15	-	3.72	-0.08	0.00	-0.08	-	-0.08	-	100%	
6	Taco Engineering (UK) Limited*	2013-14	March 31, 2017	GBP	Closing rate = 80.88 Average rate = 87.71	0.63	-0.63	0.00	0.00	-	0.91	0.68	-	0.68	-	0.68	-	100%	
7	Automotive Skill Training Foundation (ASTF) (Note 1)	Under liquidation	March 31, 2017	INR	NA	0.00000	-0.0008	0.0000	0.0000	-	-	-0.0200	-	-0.0200	-	-0.02	-	100%	
8	TACO Staken Automotive Electronics Limited	Under liquidation	March 31, 2017																
9	TACO Kunststofftechnik GmbH	Under liquidation	March 31, 2017																
10	TACO Grundstueckverwaltung GmbH	Under liquidation	March 31, 2017																

UNDER LIQUIDATION, HENCE NO FINANCIALS AS OF MARCH 31, 2017.

Note:

- The accounts of the foreign subsidiaries have been closed at closing rate as of 31-3-17 for Balance Sheet and for Profit and Loss account, average rate for the year (Average of daily rates for the year 2016-17).
- Investment (Column J) has been taken based on, total investments in terms of Mutual Fund and their investment in JVs and Subsidiaries as on March 31, 2017.
- Proposed Dividend does not include DDT.
- Above information is based on IIND-45

Additional details:

- Names of subsidiaries which are yet to commence operations:
-
-

III. Name of subsidiaries which have been liquidated or sold during the year:

- * TACO Engineering (UK) Ltd
-
-

Operation closed and company has been closed.

Date : May 18, 2017

Place : Pune

Sd/-
Chairman

For and on behalf of the Board of Directors

Part B: Associates and Joint Ventures
Statement pursuant to Section 129(5) of the Companies Act, 2013 related to Associate Companies and Joint Ventures

Name of the entity	Latest audited balance sheet date	Date on which the Associate or Joint Venture was associated or acquired	Reporting currency	Shares of the Associate / Joint Ventures held by the Company as on March 31, 2016		Extent of holding ^a	Description of how there is significant influence	Reason why the Associate / Joint Venture is not consolidated	Network attributable to shareholding as per latest balance sheet (₹ crores)	Share of Profit / Loss for the year	
				No of shares held by the company in associate / joint venture ^a	Amount of investment in associate / joint venture ^a (₹ crores)					Considered in Consolidation (₹ crores)	Not Considered in Consolidation (₹ crores)
A. Joint Ventures											
TATA AutoComp Hendrickson Suspensions Private Limited	March 31, 2017	6/23/2006	INR	6,210,000	6.21	50.00%	50% Voting power.	The accounts for all these JV's have been consolidated, as TACO is holding 50% of Share holding.	(Taco's Portion only)	(JV partner's portion)	
TATA AutoComp GV Batteries Private Limited	March 31, 2017	10/10/2005	INR	68,750,000	68.75	50.00%	50% Voting power.		82.19	28.21	28.21
TATA Ficosa Automotive Systems Private Limited	March 31, 2017	1/16/1998	INR	18,750,000	18.75	50.00%	50% Voting power.		(4.94)	(7.86)	(7.86)
TM Automotive Seating Systems Private Limited	March 31, 2017	5/22/2015	INR	5,000,000	5.00	50.00%	50% Voting power.		23.22	5.17	5.17
Tata AutoComp Kaxcon Exhaust System Private Limited	March 31, 2017	5/19/2015	INR	4,891,118	4.89	50.00%	50% Voting power.		5.10	0.01	0.01
Tata Tovo Radclor Limited	March 31, 2017	12/15/1998	INR	16,000,000.00	16.00	51.00%	51% Voting Power.	In TTR, TACO holds 51%	2.14	(0.54)	(0.54)
AIR International TTR Thermal Systems Private Limited	March 31, 2017	10/10/2014	INR	10,000,000	10.00	25.00%	25% Voting power.	In TTR, TACO holds 51%. However, both the	65.23	14.65	14.08
									4.80	(0.42)	(0.42)
B. Associates											
There is no Associate Company for TACO.											

Note :

1) Being the 1st year of operation, the Financials is prepared for the period March 20, 2016 to March 31, 2017 for TM Automotive Seating Systems Private Limited.

2) Network means Taco's portion of Aggregate of (Equity Capital and Reserves and Surplus)

3) Above information is based on IIND-AS

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

None

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

None

For and on behalf of the Board of Directors

s/-
Chairman

Date : May 19, 2017
Place : Pune



Annexure 5 - Nomination & Remuneration Policy

Key principles governing this remuneration policy are as follows:

- **Remuneration for Independent Directors and non-independent non-executive directors**
 - Independent Directors ("ID") and non-independent Non-executive Directors ("NED") may be paid sitting fees (for attending the meetings of the Board and of committees of which they may be members) and commission within regulatory limits.
 - Within the parameters prescribed by law, the payment of sitting fees and commission will be recommended by the NRC and approved by the Board.
 - Overall remuneration (sitting fees and commission) should be reasonable and sufficient to attract, retain and motivate Directors aligned to the requirements of the Company (taking into consideration the challenges faced by the Company and its future growth imperatives).
 - Overall remuneration should be reflective of size of the Company, complexity of the sector/ industry/ Company's operations and the Company's capacity to pay the remuneration.
 - Overall remuneration practices should be consistent with recognized best practices.
 - Quantum of sitting fees may be subject to review on a periodic basis, as required.
 - The aggregate commission payable to all the NEDs and IDs will be recommended by the NRC to the Board based on Company performance, profits, return to investors, shareholder value creation and any other significant qualitative parameters as may be decided by the Board.
 - The NRC will recommend to the Board the quantum of commission for each Director based upon the outcome of the evaluation process which is driven by various factors including attendance and time spent in the Board and committee meetings, individual contributions at the meetings and contributions made by Directors other than in meetings.
 - In addition to the sitting fees and commission, the Company may pay to any Director such fair and reasonable expenditure, as may have been incurred by the Director while performing his/ her role as a Director of the Company. This could include reasonable expenditure incurred by the Director for attending Board/ Board committee meetings, general meetings, court convened meetings, meetings with shareholders/ creditors/ management, site visits, induction and training (organized by the Company for Directors) and in obtaining professional advice from independent advisors in the furtherance of his/ her duties as a Director.
- **Remuneration for Managing Director ("MD")/ Executive Directors ("ED")/ KMP/ rest of the employees**
 - The extent of overall remuneration should be sufficient to attract and retain talented and qualified individuals suitable for every role. Hence remuneration should be:
 - Market competitive (market for every role is defined as companies from which the Company attracts talent or companies to which the Company loses talent)
 - Driven by the role played by the individual,
 - Reflective of size of the Company, complexity of the sector/ industry/ Company's operations and the Company's capacity to pay,
 - Consistent with recognized best practices and



- Aligned to any regulatory requirements.
- In terms of remuneration mix or composition,
 - The remuneration mix for the MD/ EDs is as per the contract approved by the shareholders. In case of any change, the same would require the approval of the shareholders.
 - Basic/ fixed salary is provided to all employees to ensure that there is a steady income in line with their skills and experience.
 - In addition to the basic/ fixed salary, the Company provides employees with certain perquisites, allowances and benefits to enable a certain level of lifestyle and to offer scope for savings and tax optimization, where possible. The Company also provides all employees with a social security net (subject to limits) by covering medical expenses and hospitalization through reimbursements or insurance cover and accidental death and dismemberment through personal accident insurance.
 - The Company provides retirement benefits as applicable.
 - [In addition to the basic/ fixed salary, benefits, perquisites and allowances as provided above, the Company provides MD/ EDs such remuneration by way of commission, calculated with reference to the net profits of the Company in a particular financial year, as may be determined by the Board, subject to the overall ceilings stipulated in Section 197 of the Act. The specific amount payable to the MD/ EDs would be based on performance as evaluated by the Board or the NRC and approved by the Board.]
 - [In addition to the basic/ fixed salary, benefits, perquisites and allowances as provided above, the company provides MD/ EDs such remuneration by way of an annual incentive remuneration/ performance linked bonus subject to the achievement of certain performance criteria and such other parameters as may be considered appropriate from time to time by the Board. An indicative list of factors that may be considered for determination of the extent of this component are:
 - Company performance on certain defined qualitative and quantitative parameters as may be decided by the Board from time to time,
 - Industry benchmarks of remuneration,
 - Performance of the individual.]
 - The Company provides the rest of the employees a performance linked bonus. The performance linked bonus would be driven by the outcome of the performance appraisal process and the performance of the Company.
- **Remuneration payable to Director for services rendered in other capacity**

The remuneration payable to the Directors shall be inclusive of any remuneration payable for services rendered by such Director in any other capacity unless:

 - a) The services rendered are of a professional nature; and
 - b) The NRC is of the opinion that the Director possesses requisite qualification for the practice of the profession.
- **Policy implementation**

The NRC is responsible for recommending the remuneration policy to the Board. The Board is responsible for approving and overseeing implementation of the remuneration policy.

For and on behalf of the Board of Directors

Date : May 19, 2017
Place : Pune

sd/-
Chairman

ANNEXURE 6

CSR Policy of TATA AutoComp Systems Limited

TATA Autocomp Systems Core Values

To improve the quality of life of the communities we serve through long term stake holder value creation.

Philosophy of CSR

TATA Autocomp System will make a positive impact on the Society & Community thru CSR activities which develops/improves their economic status and conserves the environment.

Purpose of CSR Activities

- 1) To serve and be seen to serve the society to fulfill local and national goals in all the countries where we operate.
- 2) Provide opportunities for TACO employees to contribute to these efforts through volunteering

Surplus, if any, arising out of CSR activities shall be ploughed back into CSR and shall not be a part of business profits.

Resources for CSR

We propose to deploy the following resources for our CSR activities

Funds: At the minimum, what is required by law (i.e. 2% of average net profits of the past 3 years as per India's Companies Act 2013 for companies operating in India)

Expertize: Of our Plant CSR committee through structured volunteering program

Products and Services of our Company: Expertize of Internal skill development Centers.

Facilities: Our factories to build skills in areas relevant to our business.

Resources from our business partners: Synergize our efforts with that of JV partners, customers and suppliers.

Resources from other companies within and outside the TACO group: Look for opportunities of Synergies with like-minded organizations outside TACO group of companies.

N.B.

A..The 2% mentioned above is to be applied to TACO's standalone PBT but will exclude the inter-company dividends.

B. The spend on CSR will need resourcing directly by the company by setting up an exclusive CSR department or a Trust of its own or by collaborating with other NGOs.It is clarified that CSR Regulations allow donations to other tax exempted NGOs provided the funds are earmarked as a part of the corpus of that NGO and are used for the specified purposes stated by us. This route will also be taken where ever required.

C. The CSR spend will include both revenue and capital expenditure and the expenditure incurred on capacity creation is counted towards CSR.

Sectors and issues

A) Skills

The company will through its skill development centers set up in the business units and the ITI's adopted by the company (eg . Maninagar and Kadegaon) to build skill in youth's .This would be through vocational training and guidance which will ultimately lead to their livelihood.

In addition community development initiatives will also be run by employees' families who can teach women in rural places about dress designing, cooking etc.

B) Early childhood Education/orphanages/physically challenged

The company encourages volunteering by employees to support early education and health of children living in orphanages. The support would be provided for their education, ration, medical treatment, books etc.

C) Environment Conservation

The company will focus on various activities which conserves the environment eg Tree plantation, focus on 3R (Reduce, Reuse, Recycle) etc

D) Other Initiative

In addition the company would support during natural disasters, calamities and other TATA group initiative. However for disaster & calamity spend the spend should be on account of medical aid (promoting & preventive health care), food supply (eradicating hunger , poverty and malnutrition) & supply of clean water (sanitation and making available safe drinking water).

N.B. The Company will identify specific projects and programs under the above sectors chosen for the CSR spend. It is important to note that one off activities such as marathon; awards etc. are not recognized as CSR. Also the programs should not be a part of company's normal business activities.

Geographies and target communities

The geographical focus of the company's CSR activities will be where we have a significant presence. Currently, these are the states of Maharashtra, Jharkhand, Gujarat, UP, Uttarakhand, Tamil Nadu and Karnataka in India and Nanjing in China. In these geographies, we would concentrate our efforts on villages and habitations within 100 km radius of our plants and offices.

While we will ensure that all communities benefit from our CSR activities, we would focus on those groups that are socially and economically marginalized. This would include physically challenged, girl children, scheduled casts and tribes.

Implementation Mechanism

We will implement our CSR through in house teams and by involving families including Ladies Club of employees.

We will also take help of TATA trusts as per TATA group directions.

Monitoring Mechanism

Each of our CSR projects and programs would have clearly defined output, outcome and process indicators which will have to be reported on at specified frequencies. All projects and program will be monitored by the board appointed

CSR committee and the BU CSR committees. The monitoring process will cover any modifications to the policy, including the CSR structure, program and financial reviews. The CSR Committee will report out to the Board.

All projects and program above a value of Rs. 10 Lac will also be subjected to an annual financial audit by a third-party auditor as part of a regular financial audit.

Composition of CSR Committee

As per the Act a board committee is constituted. The board committee will provide guiding directions to the company on matters of CSR and will regularly monitor progress.

Names of the board Committee members

1. Ms. Vedika Bhandarkar (Chairperson)
2. Dr. Gopichand Katragadda
3. Mr. Ajay Tandon

The committee should approve all CSR projects/programs greater than 10 lacs in a year. It will also approve the NGOs with whom the company will collaborate or contribute to for CSR programs. The committee will also prepare the draft CSR report at the end of the year for approval by the board for reporting to the shareholders. The Committee should meet on a quarterly basis.

For implementation of the overall directions set by the board committee the company will form a BU CSR committee which will have employees from all sections. The CSR committee will do the implementation and report back to the board committee on:

- a) The Company' CSR performance.
- b) Updates on new projects from time to time.

Listing of CSR Program

Sr. No	CSR Project or activity identified	Sector in which the project is covered	Projects or Programs 1) Local area or other 2) specify the State and District where projects or programs was undertaken	Amount outlay (budget) project or programs wise	Amount spent on the projects or programs Sub heads: 1. Direct expenditure on projects or programs 2. Overheads	Cumulative expenditure up to the reporting period	Amount spent Direct or through implementing agency
1							
2							
3							
4							
5							
6							

For and on behalf of the Board of Directors

Date : May 19, 2017
Place : Pune

sd/-
Chairman



Annexure 7

Information pursuant to Section 197 (12) of the Companies Act, 2013 read with Rule 5 (1) of Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 as amended and forming part of Directors Report for the year ended March 31, 2017.

- The ratio of the remuneration of each Director to the median remuneration* of the Employees of the Company for the financial year:

(Explanation: (i) the expression "median" means the numerical value separating the higher half of a population from the lower half and the median of a finite list of numbers may be found by arranging all the observations from lowest value to highest value and picking the middle one; (ii) if there is an even number of observations, the median shall be the average of the two middle values) The percentage increase in remuneration of each Director, Chief Financial Officer, Chief Executive Officer, Company Secretary, or Manager, if any, in the financial year:

* For calculating median remuneration workman trainees are not included.

- None of the Directors of the Company is in receipt of any kind of remuneration other than the Sitting Fees & Commission.

Non-Executive Directors	Ratio to Median Percentage	Percentage Increase in Remuneration (%)
Mr. Praveen Kadle	7.08:1	38.54
Mr. Ramnath Mukhija	7.01:1	16.61
Mr. Hari Mundra	6.95:1	33.76
Ms Vedika Bhandarkar	4.47:1	145.46
Dr. Gopichand Katragadda	5.61:1	214.79
*Mr. Milind Shahane	-	-

*Appointed in August, 2016

- The ratio of remuneration of Managing Director & Chief Executive Officer to the Median Remuneration of all employees who were on the payroll of the Company and the percentage increase in his remuneration during the financial year 2016-17 are given below:

Managing Director & CEO	Ratio of MD's remuneration to Median of all employees	Percentage increase in remuneration #
Ajay Tandon	76.25:1	20%

Based on Basic Salary

- The percentage increase in remuneration (Basic salary) of the Chief Financial Officer is 12.50%.* and that of Company Secretary was 22.76%*

*Based on basic salary



2. The percentage increase in the median remuneration of employees in the financial year: 5.74%
3. The number of permanent employees on the rolls of Company: employees: 1296 employees

4. Average percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration:

The average percentage increase (Increment) in the salaries of employees other than the managerial personnel in the last financial year is 08.30%, as against an increase (Increment) of 16.70% in the salary of the Key Managerial Personnel.

The increment given to each individual employee is based on the employees' performance and also benchmarked against a comparable basket of relevant companies in India.

5. Affirmation that the remuneration is as per the Remuneration Policy of the Company.

It is affirmed that the remuneration paid is as per the Remuneration Policy for Directors, Key Managerial Personnel and other employees, adopted by the Company.

For and on behalf of the Board of Directors

Date : May 19, 2017
Place : Pune

sd/-
Chairman

Price Waterhouse

Chartered Accountants

INDEPENDENT AUDITORS' REPORT

TO THE MEMBERS OF Tata AutoComp Systems Limited

Report on the Standalone Indian Accounting Standards (Ind AS) Financial Statements

1. We have audited the accompanying standalone financial statements of **Tata AutoComp Systems Limited** ("the Company"), which comprise the Balance Sheet as at March 31, 2017, the Statement of Profit and Loss (including Other Comprehensive Income), the Cash Flow Statement and the Statement of Changes in Equity for the year then ended, and a summary of the significant accounting policies and other explanatory information.

Management's Responsibility for the Standalone Ind AS Financial Statements

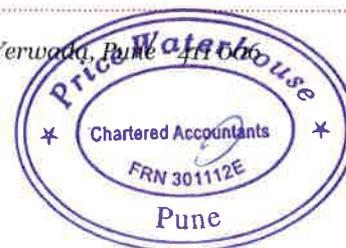
2. The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these standalone Ind AS financial statements to give a true and fair view of the financial position, financial performance (including other comprehensive income), cash flows and changes in equity of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards specified in the Companies (Indian Accounting Standards) Rules, 2015 (as amended) 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.

Auditors' Responsibility

3. Our responsibility is to express an opinion on these standalone Ind AS financial statements based on our audit.
4. We have taken into account the provisions of the Act and the Rules made thereunder including the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder.
5. We conducted our audit of the standalone Ind AS financial statements in accordance with the Standards on Auditing specified under Section 143(10) of the Act and other applicable authoritative pronouncements issued by the Institute of Chartered Accountants of India. Those Standards and pronouncements require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the standalone Ind AS financial statements are free from material misstatement.
6. An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the standalone Ind AS financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the standalone Ind AS financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the standalone Ind AS financial statements that give a true and fair view, in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the standalone Ind AS financial statements.

Price Waterhouse, 7th floor, Tower A - Wing 1, Business Bay, Airport Road, Yerwada, Pune 411 006
T: +91 (20) 4100 4444, F: +91 (20) 4100 6161

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Price Waterhouse

Chartered Accountants

INDEPENDENT AUDITORS' REPORT

To the Members of Tata AutoComp Systems Limited

Report on the Standalone Financial Statements

Page 2 of 3

7. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the standalone Ind AS financial statements.

Opinion

8. 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 Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2017, and its profit (including other comprehensive income), its cash flows and the changes in equity for the year ended on that date.

Other Matter

9. The financial information of the Company for the year ended March 31, 2016 and the transition date opening balance sheet as at April 1, 2015 included in these standalone Ind AS financial statements, are based on the previously issued statutory financial statements for the years ended March 31, 2016 and March 31, 2015 prepared in accordance with the Companies (Accounting Standards) Rules, 2006 (as amended) which were audited by us, on which we expressed an unmodified opinion dated May 09, 2016 and May 11, 2015 respectively. The adjustments to those financial statements for the differences in accounting principles adopted by the Company on transition to the Ind AS have been audited by us.

Our opinion is not qualified in respect of this matter.

Report on Other Legal and Regulatory Requirements

10. As required by the Companies (Auditor's Report) Order, 2016, issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act ("the Order"), and on the basis of such checks of the books and records of the Company as we considered appropriate and according to the information and explanations given to us, we give in the Annexure B a statement on the matters specified in paragraphs 3 and 4 of the Order.
11. As required by Section 143 (3) of the Act, we report that:
 - (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
 - (c) The Balance Sheet, the Statement of Profit and Loss (including other comprehensive income), the Cash Flow Statement and the Statement of Changes in Equity dealt with by this Report are in agreement with the books of account
 - (d) In our opinion, the aforesaid standalone Ind AS financial statements comply with the Indian Accounting Standards specified under Section 133 of the Act.

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Price Waterhouse

Chartered Accountants

INDEPENDENT AUDITORS' REPORT

To the Members of Tata AutoComp Systems Limited

Report on the Standalone Financial Statements

Page 3 of 3

- (e) On the basis of the written representations received from the directors as on March 31, 2017 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2017 from being appointed as a director in terms of Section 164 (2) of the Act.
- (f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in Annexure A.
- (g) With respect to the other matters to be included in the Auditors' Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our knowledge and belief and according to the information and explanations given to us:
 - i. The Company has disclosed the impact, if any, of pending litigations as at March 31, 2017 on its financial position in its standalone Ind AS financial statements – Refer Note 39.
 - ii. The Company has long term contracts as at March 31, 2017 for which there were no material foreseeable losses. There are no long term derivative contracts.
 - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company during the year ended March 31, 2017.
 - iv. The Company has provided requisite disclosures in the financial statements as to holdings as well as dealings in Specified Bank Notes during the period from November 8, 2016 to December 30, 2016. Based on audit procedures and relying on the management representation we report that the disclosures are in accordance with books of account maintained by the Company and as produced to us by the Management – Refer Note 53.

For Price Waterhouse
Firm Registration Number: 301112E
Chartered Accountants



Jeetendra Mirchandani
Partner
Membership Number 48125

Pune
May 19, 2017

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Price Waterhouse

Chartered Accountants

Annexure A to Independent Auditors' Report

Referred to in paragraph 11, Clause (f) of the Independent Auditors' Report of even date to the members of Tata AutoComp Systems Limited on the standalone financial statements for the year ended March 31, 2017.

Page 1 of 2

Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Act

1. We have audited the internal financial controls over financial reporting of Tata AutoComp Systems Limited ("the Company") as of March 31, 2017 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

2. The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India (ICAI). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

Auditors' Responsibility

3. Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing deemed to be prescribed under section 143(10) of the Act to the extent applicable to an audit of internal financial controls, both applicable to an audit of internal financial controls and both issued by the ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.
4. Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.
5. 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 system over financial reporting.

8



Price Waterhouse

Chartered Accountants

Annexure A to Independent Auditors' Report

Referred to in paragraph 11, Clause (f) of the Independent Auditors' Report of even date to the members of Tata AutoComp Systems Limited on the standalone financial statements for the year ended March 31, 2017.

Page 2 of 2

Meaning of Internal Financial Controls Over Financial Reporting

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

Inherent Limitations of Internal Financial Controls Over Financial Reporting

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

Opinion

8. In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2017, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For Price Waterhouse
Firm Registration Number: 301112E
Chartered Accountants



Jeetendra Mirchandani
Partner
Membership Number 48125

Pune
May 19, 2017

8

Price Waterhouse

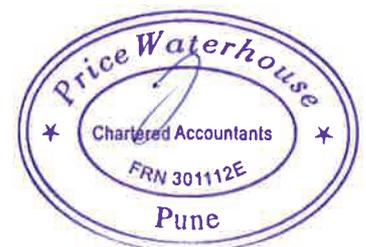
Chartered Accountants

Annexure B to Independent Auditors' Report

Referred to in paragraph 10 of the Independent Auditors' Report of even date to the members of Tata AutoComp Systems Limited on the standalone financial statements as of and for the year ended March 31, 2017.

- i. (a) The Company is maintaining proper records showing full particulars, including quantitative details and situation, of fixed assets.
 - (b) The fixed assets are physically verified by the Management according to a phased programme designed to cover all the items over a period of three years which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. Pursuant to the programme, a portion of the fixed assets has been physically verified by the Management during the year and no material discrepancies have been noticed on such verification.
 - (c) The title deeds of immovable properties, as disclosed in Note 5 on fixed assets to the financial statements, are held in the name of the Company.
- ii. The physical verification of inventory excluding stocks with third parties have been conducted at reasonable intervals by the Management during the year. In respect of inventory lying with third parties, these have substantially been confirmed by them. The discrepancies noticed on physical verification of inventory as compared to book records were not material.
- iii. The Company has not granted any loans, secured or unsecured, to companies, firms, Limited Liability Partnerships or other parties covered in the register maintained under Section 189 of the Act. Therefore, the provisions of Clause 3(iii), (iii)(a), (iii)(b) and (iii)(c) of the said Order are not applicable to the Company.
- iv. In our opinion, and according to the information and explanations given to us, the Company has complied with the provisions of Section 185 and 186 of the Companies Act, 2013 in respect of the loans and investments made, and guarantees and security provided by it.
- v. The Company has not accepted any deposits from the public within the meaning of Sections 73, 74, 75 and 76 of the Act and the Rules framed there under to the extent notified.
- vi. Pursuant to the rules made by the Central Government of India, the Company is required to maintain cost records as specified under Section 148(1) of the Act in respect of its certain products. We have broadly reviewed the same, and are of the opinion that, prima facie, the prescribed accounts and records have been made and maintained. We have not, however, made a detailed examination of the records with a view to determine whether they are accurate or complete.
- vii. (a) According to the information and explanations given to us and the records of the Company examined by us, in our opinion, the Company is regular in depositing the undisputed statutory dues, including provident fund, employees' state insurance, income tax, sales tax, service tax, duty of customs, duty of excise, value added tax, cess and other material statutory dues, as applicable, with the appropriate authorities.
 - (b) According to the information and explanations given to us and the records of the Company examined by us, there are no dues of service-tax which have not been deposited on account of any dispute. The particulars of dues of income tax, sales tax, duty of customs, duty of excise, value added tax as at March 31, 2017 which have not been deposited on account of a dispute, are as follows:

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Price Waterhouse

Chartered Accountants

Annexure B to Independent Auditors' Report

Referred to in paragraph 10 of the Independent Auditors' Report of even date to the members of Tata AutoComp Systems Limited on the standalone financial statements as of and for the year ended March 31, 2017

Page 2 of 4

Name of the statute	Nature of dues	Amount	Period to which the amount relates	Forum where the dispute is pending
Bombay Sales Tax Act, 1959	Sales tax, including applicable interest and penalty	70.40	2003-04	Jt. Commissioner of Sales Tax (Appeals)
Central Sales Tax Act, 1956	Sales tax, including applicable interest and penalty	66.87	2003-04 and 2005-06	Jt. Commissioner of Sales Tax (Appeals)
Maharashtra Value Added Tax Act, 2002	Sales tax, including applicable interest and penalty	79.03	2005-06	Jt. Commissioner of Sales Tax (Appeals)
Maharashtra Value Added Tax Act, 2002	Sales tax, including applicable interest and penalty	58.14	2008-09	Jt. Commissioner of Sales Tax (Appeals)
Central Sales Tax Act, 1956	Sales tax, including applicable interest and penalty	417.26	2008-09	Jt. Commissioner of Sales Tax (Appeals)
Maharashtra Value Added Tax Act, 2002	Sales tax, including applicable interest and penalty	31.50	2008-09	Deputy Commissioner of Sales Tax
Central Sales Tax Act, 1956	Sales tax, including applicable interest and penalty	52.81	2008-09	Deputy Commissioner of Sales Tax
Uttarakhand Value Added Tax Act, 2005	Sales tax, including applicable interest and penalty	24.34	2010-11	Joint Commissioner of Sales Tax (Appeals)
Income-tax Act, 1961	Income tax, including applicable interest	151.48	AY 2007-08	Assistant Commissioner of Income Tax
Income-tax Act, 1961	Income tax, including applicable interest	698.30	AY 2011-12 & AY 2012-13	Commissioner of Income Tax Appeals
Income-tax Act, 1961	Income tax, including applicable interest	99.87	AY 2010-11	Income Tax Appellate Tribunal
Central Excise Act, 1944	Customs duty	167.20	2008-09	Jt. Commissioner of Central Excise
Central Excise Act, 1944	Excise duty	104.77	2014-15	Jt. Commissioner of Central Excise
Central Excise Act, 1944	Excise duty	27.86	2013-14, April 2012 to January 2013, April 2012 to August 2012, September 2012 to January 2013	Central Excise & Service Tax Appellate Tribunal

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Price Waterhouse

Chartered Accountants

Annexure B to Independent Auditors' Report

Referred to in paragraph 10 of the Independent Auditors' Report of even date to the members of Tata AutoComp Systems Limited on the standalone financial statements as of and for the year ended March 31, 2017

Page 3 of 4

Name of the statute	Nature of dues	Amount	Period to which the amount relates	Forum where the dispute is pending
Central Excise Act, 1944	Excise duty	3.57	April 2002 to September 2005, 2008-09	Deputy Commissioner of Central Excise
Central Excise Act, 1944	Excise duty	0.20	2013-14	Superintendent of Excise
Central Excise Act, 1944	Excise duty	10.87	2015-16	Additional Commissioner of Central Excise

- viii. According to the records of the Company examined by us and the information and explanation given to us, the Company has not defaulted in repayment of loans or borrowings to any financial institution or bank or Government or dues to debenture holders as at the balance sheet date.
- ix. The Company has not raised any moneys by way of initial public offer, further public offer (including debt instruments) and term loans. Accordingly, the provisions of Clause 3(ix) of the Order are not applicable to the Company.
- x. During the course of our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanations given to us, we have neither come across any instance of material fraud by the Company or on the Company by its officers or employees, noticed or reported during the year, nor have we been informed of any such case by the Management.
- xi. The Company has provided for managerial remuneration in accordance with the requisite approvals mandated by the provisions of Section 197 read with Schedule V to the Act.
- xii. As the Company is not a Nidhi Company and the Nidhi Rules, 2014 are not applicable to it, the provisions of Clause 3(xii) of the Order are not applicable to the Company.
- xiii. The Company has entered into transactions with related parties in compliance with the provisions of Sections 177 and 188 of the Act. The details of such related party transactions have been disclosed in the financial statements as required under Indian Accounting Standard (Ind AS) 24, Related Party Disclosures specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2015.
- xiv. The Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review. Accordingly, the provisions of Clause 3(xiv) of the Order are not applicable to the Company.
- xv. The Company has not entered into any non cash transactions with its directors or persons connected with him. Accordingly, the provisions of Clause 3(xv) of the Order are not applicable to the Company.

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Price Waterhouse

Chartered Accountants

Annexure B to Independent Auditors' Report

Referred to in paragraph 10 of the Independent Auditors' Report of even date to the members of Tata AutoComp Systems Limited on the standalone financial statements as of and for the year ended March 31, 2017

Page 4 of 4

- xvi. The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, the provisions of Clause 3(xvi) of the Order are not applicable to the Company.

For Price Waterhouse
Firm Registration Number: 301112E
Chartered Accountants



Jeetendra Mirchandani
Partner
Membership Number 48125

Pune
May 19, 2017





Tata AutoComp Systems Limited
Balance Sheet

		<i>Rs. in lakhs</i>		
	Notes	As at March 31, 2017	As at March 31, 2016	As at April 01, 2015
ASSETS				
Non-current assets				
Property, plant and equipment	5	17,437.14	18,587.27	20,068.07
Capital work-in-progress	5	9,979.62	12,518.17	495.47
Intangible assets	6	84.81	105.97	226.06
Financial assets				
(i) Investments	7	45,992.08	23,865.90	23,194.75
(ii) Loans	8	2,735.17	2,650.00	2,764.00
(iii) Other financial assets	9	342.94	447.10	578.07
Deferred tax assets (net)	10	852.09	1,337.01	1,848.76
Current tax asset (net)	11	877.16	2,741.98	2,822.27
Other non-current assets	12	689.69	534.72	11,625.25
Total non-current assets		78,990.90	62,788.12	63,622.70
Current assets				
Inventories	13	6,789.46	5,997.19	5,846.26
Financial assets				
(i) Investments	14	23,664.35	36,698.98	42,450.18
(ii) Trade receivables	15	16,519.04	13,070.95	6,498.40
(iii) Cash and cash equivalents	16	584.89	1,847.51	1,267.67
(iv) Loans	8	1,794.58	143.09	184.39
(v) Other financial assets	9	1,265.38	992.84	720.26
Other current assets	17	3,973.65	3,345.02	3,237.44
Total current assets		64,591.35	62,095.58	60,204.60
Total assets		133,582.25	124,883.70	123,827.30
EQUITY AND LIABILITIES				
Equity				
Equity share capital	18	20,128.14	20,128.14	20,128.14
Other equity				
Reserves and surplus	19	60,003.11	59,025.27	60,347.84
Total equity		80,131.25	79,153.41	80,475.98
Liabilities				
Non-current liabilities				
Financial liabilities				
(i) Borrowings	20	10,000.00	10,000.00	10,000.00
(ii) Other financial liabilities	21	992.36	-	-
Provisions	22	2,100.28	1,730.52	1,585.83
Total non-current liabilities		13,092.64	11,730.52	11,585.83
Current liabilities				
Financial liabilities				
(i) Borrowings	23	6,546.82	5,511.00	-
(ii) Trade payables	24			
(a) Total Outstanding dues of micro enterprises and small enterprises		210.61	132.21	36.71
(b) Total Outstanding dues of creditors other than micro enterprises and small enterprises		21,525.72	16,957.64	18,290.84
(iii) Other financial liabilities	25	3,520.61	3,119.46	6,203.81
Provisions	22	3,379.55	3,389.16	3,397.34
Other current liabilities	26	5,175.05	4,890.30	3,836.79
Total current liabilities		40,358.36	33,999.77	31,765.49
Total equity and liabilities		133,582.25	124,883.70	123,827.30

The above balance sheet should be read in conjunction with the accompanying notes.

This is the Balance Sheet referred to in our report of even date.

For Price Waterhouse
Firm Registration No. 301112E
Chartered Accountants

For and on behalf of the Board of Directors

sd/-

Jeetendra Mirchandani
Partner
Membership No. 48125

sd/-

Praveen Kadle
Chairman

sd/-

Hari Mundra
Director

Place: Pune
Date: May 19, 2017

sd/-

Ajay Tandon
Managing Director and CEO

sd/-

Deepak Rastogi
Chief Financial Officer

sd/-

Ashish Boradkar
Company Secretary

Place: Pune
Date: May 19, 2017

2



Tata AutoComp Systems Limited
Statement of Profit and Loss

	Notes	Year ended March 31, 2017	Year ended March 31, 2016
Revenue from operations	27	100,465.86	89,622.59
Other income	28	8,213.55	5,026.77
Total income		108,679.41	94,649.36
Expenses			
Cost of materials consumed	29	49,337.23	39,553.89
Purchases of stock-in-trade		12,535.26	11,767.18
Changes in inventories of finished goods, stock-in-trade and work-in progress	30	(620.58)	45.04
Excise duty		8,921.59	8,127.31
Employee benefits expense	31	12,860.88	12,699.83
Finance costs	32	1,262.24	1,792.70
Depreciation and amortization expense	33	2,301.28	2,504.32
Other expenses	34	14,342.53	13,163.95
Total expenses		100,940.43	89,654.22
Profit before tax		7,738.98	4,995.14
Tax expense:			
Current tax	35	1,772.87	1,485.16
Deferred tax		1,648.87	1,607.62
		124.00	(122.46)
Profit for the year		5,966.11	3,509.98
Other Comprehensive Income (OCI)			
Items that will not be reclassified subsequently to profit or loss			
Remeasurements (loss) / gains of post-employment benefit obligations		(318.95)	(14.06)
Tax on above		114.37	4.86
Total other comprehensive income for the year		(204.58)	(9.20)
Total comprehensive income for the year (TCI)		5,761.53	3,500.78
Earnings per equity share (Rs.)			
Nominal value of an equity share (Rs.)		10.00	10.00
Basic and diluted (Rs.)		2.96	1.74

The above statement of profit and loss should be read in conjunction with the accompanying notes.

This is the Statement of Profit and Loss referred to in our report of even date.

For Price Waterhouse
Firm Registration No. 301112E
Chartered Accountants

For and on behalf of the Board of Directors

sd/-

Jeetendra Mirchandani
Partner
Membership No. 48125

sd/-

Praveen Kadle
Chairman

sd/-

Hari Mundra
Director

Place: Pune
Date: May 19, 2017

sd/-

Ajay Tandon
Managing Director and CEO

sd/-

Deepak Rastogi
Chief Financial Officer

sd/-

Ashish Boradkar
Company Secretary

Place: Pune
Date: May 19, 2017



Tata AutoComp Systems Limited
Cash Flow Statement

Rs. in lakhs

	Year ended March 31, 2017		Year ended March 31, 2016	
A. Cash flow from operating activities				
Profit before tax		7,738.58		4,995.14
Adjustments for:				
Depreciation and amortisation expense	2,301.26		2,504.32	
Loss/(Gain) on disposal of property, plant and equipment	(4.73)		13.86	
Gain on sale of investments in liquid mutual funds	(2,678.59)		(3,162.75)	
Sundry provisions written back	(171.81)		(96.73)	
Unwinding of financial guarantee obligation	(78.24)		-	
Dividend and interest income classified as investing cash flows	(2,976.72)		(1,045.42)	
Finance costs	1,262.24		1,792.70	
Interest income	(378.73)		(368.02)	
		(2,725.30)		(362.04)
Operating profit before working capital changes		5,013.68		4,633.10
Change in operating assets and liabilities:				
(Increase)/Decrease in trade receivables	(3,448.09)		(6,572.55)	
(Increase) in inventories	(792.27)		(150.93)	
Increase in trade payables	4,818.29		(1,140.97)	
(Increase) in other financial assets non-current	94.58		132.92	
(Increase) in other financial assets current	(313.18)		(227.72)	
(Increase)/decrease in other non-current assets	42.70		108.02	
(Increase)/decrease in other current assets	(628.63)		(107.58)	
Increase/(decrease) in provisions- non current	165.18		144.69	
Increase/(decrease) in provisions- current	(9.61)		(8.18)	
Increase/(decrease) in other current liabilities	284.75		1,053.51	
Increase/(decrease) in other financial liabilities	325.42		244.23	
		539.13		(6,524.56)
Cash generated from operations		5,552.81		(1,891.46)
Income taxes paid (net of refund, if any)		593.31		(888.21)
Net cash flow from operating activities (A)		6,146.12		(2,779.67)
B. Cash flow from investing activities				
Purchase of fixed assets, including capital work in progress and capital	972.68		(1,785.08)	
Proceeds on sale of fixed assets	12.12		13.70	
Purchase of non current investments	(20,747.70)		(671.15)	
Purchase of current investments	(49,010.00)		(20,415.00)	
Proceeds from sale of current investments	64,723.21		29,328.96	
Dividend income	2,976.72		1,045.42	
Fixed deposit with banks (net) having maturity over 3 months	9.58		(1.95)	
Inter corporate deposits received back (net)	(1,755.61)		180.00	
Interest received	419.37		323.16	
		(2,399.63)		8,018.06
Net cash outflow from Investing activities (B)		(2,399.63)		8,018.06
C. Cash flow from financing activities				
Repayment of debentures	-		(3,500.00)	
Short term borrowings	1,035.82		5,511.00	
Finance cost paid	(1,261.24)		(1,828.89)	
Dividend paid (including dividend distribution tax)	(4,783.69)		(4,823.35)	
		(5,009.11)		(4,641.24)
Net cash flow used in financing activities (C)		(5,009.11)		(4,641.24)
Net Increase / (decrease) In Cash and cash equivalents (A+B+C)		(1,262.62)		597.15
Cash and cash equivalents at the beginning of the year		1,847.51		1,250.36
Cash and cash equivalents at the end of the year		584.89		1,847.51
Cash and cash equivalents as per above comprise of the following:				
Cash on hand		0.72		3.19
Cheques on hand		43.64		402.34
Balances with banks		540.53		1,441.98
		584.89		1,847.51

The above statement of cash flows should be read in conjunction with the accompanying notes

For Price Waterhouse
Firm Registration No. 301112E
Chartered Accountants

sd/-

Jeetendra Mirchandani
Partner
Membership No. 48125

Place: Pune
Date: May 19, 2017

For and on behalf of the Board of Directors

sd/-

Praveen Kadle
Chairman

sd/-

Ajay Tandon
Managing Director and CEO

sd/-

Ashish Boradkar
Company Secretary

Place: Pune
Date: May 19, 2017

sd/-

Hari Mundra
Director

sd/-

Deepak Rastogi
Chief Financial Officer



Tata AutoComp Systems Limited
Statement of changes in equity

Equity share capital

Particulars	Note	Rs in Lakhs
As at 1 April 2015	18	20,128
Changes in equity share capital		-
As at 31 March 2016		20,128
Changes in equity share capital		-
As at 31 March 2017		20,128

Other equity

Particulars	Reserves and surplus					Total
	General reserve	Capital redemption reserve	Share Premium	Debenture Redemption Reserves	Retained Earnings	
As at April 1, 2015	6,404.76	5,350.00	69.39	2,125.00	46,398.69	60,347.84
Profit for the year	-	-	-	-	3,509.98	3,509.98
Other comprehensive income	-	-	-	-	(9.20)	(9.20)
Dividend on equity shares [Rs.2 per share (Previous year Rs.2 per share)]	-	-	-	-	(4,025.63)	(4,025.63)
Dividend distribution tax on dividend	-	-	-	-	(797.72)	(797.72)
Transfer to Debenture Redemption Reserve	-	-	-	75.00	(75.00)	-
As at March 31, 2016	6,404.76	5,350.00	69.39	2,200.00	45,001.12	59,025.27
As at April 1, 2016	6,404.76	5,350.00	69.39	2,200.00	45,001.12	59,025.27
Profit for the period	-	-	-	-	5,966.11	5,966.11
Other comprehensive income	-	-	-	-	(204.58)	(204.58)
Dividend on equity shares [Rs.2 per share (Previous year Rs.2 per share)]	-	-	-	-	(4,025.63)	(4,025.63)
Dividend distribution tax on dividend	-	-	-	-	(758.06)	(758.06)
Remeasurement of the net defined benefit liability/asset, net of tax effect	-	-	-	75.00	(75.00)	-
As at March 31, 2017	6,404.76	5,350.00	69.39	2,275.00	45,903.96	60,003.11

The above statement of changes in equity should be read in conjunction with the accompanying notes.

This is the Statement of changes in equity referred to in our report of even date.

For Price Waterhouse
Firm Registration No. 301112E
Chartered Accountants

For and on behalf of the Board of Directors

sd/-

Jeetendra Mirchandani
Partner
Membership No. 48125

sd/-

Praveen Kadle
Chairman

sd/-

Hari Mundra
Director

Place: Pune
Date: May 19, 2017

sd/-

Ajay Tandon
Managing Director and CEO

sd/-

Deepak Rastogi
Chief Financial Officer

sd/-

Ashish Boradkar
Company Secretary

Place: Pune
Date: May 19, 2017



Tata AutoComp Systems Limited
Notes forming part of financial statements

Note 1 : Corporate Information

Tata AutoComp Systems Limited (the "Company") is a public Company domiciled in India and incorporated under the provisions of the Companies Act, 2013. The registered address of the the Company is Taco House, Damle Road, Deccan Gymkhana, Pune, Maharashtra, 411014. The Company provides products and services in the automotive industry to Indian and Global customers. The Company designs, manufactures and supplies a variety of components and assemblies to automotive original equipment manufacturers ("OEM") and other customers. The Company has fifteen subsidiaries (direct and indirect) and seven joint ventures (together known as the "TACO Group"). Two subsidiaries and one jointly controlled entity are under liquidation and one subsidiary is under the process of closure of operations. The Company's debentures are listed on the Wholesale Debt Market of the National Stock Exchange (NSE).

Note 2 : Significant Accounting Policies

This note provides a list of the significant accounting policies adopted in the preparation of these financial statements. These policies have been consistently applied to all the years presented, unless otherwise stated. The financial statements are of the Tata Autocomp Systems Limited (the "Company").

2.1 Basis of Preparation

(i) Compliance with Ind AS

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

The financial statements up to year ended March 31, 2016 were prepared in accordance with the accounting standards notified under Companies (Accounting Standard) Rules, 2006 (as amended) and other relevant provisions of the Act. (previous GAAP)

These financial statements are the first financial statements of the Company under Ind AS. Refer note 55 for an explanation of how the transition from previous GAAP to Ind AS has affected the Company's financial position and financial performance.

(ii) Historical cost convention

The financial statements have been prepared on a historical cost basis, except for the following:

- certain financial assets and liabilities (including derivative instruments) that are measured at fair value; and
- defined benefit plans – plan assets measured at fair value.

2.2 Revenue recognition

Revenue is measured at the fair value of the consideration received or receivable. Amounts disclosed as revenue are inclusive of excise duty and net of returns, trade allowances, rebates, value added taxes and amounts collected on behalf of third parties.

The Company recognises revenue when the amount of revenue can be reliably measured, it is probable that future economic benefits will flow to the entity and specific criteria have been met for each of the Company's activities as described below. The Company bases its estimates on historical results, taking into consideration the type of customer, the type of transaction and the specifics of each arrangement.

Sale of goods:

Revenue from the sale of goods is recognised when the significant risks and rewards of ownership of the goods have passed to the buyer, usually on delivery of the goods. Revenue from the sale of goods is measured at the fair value of the consideration received or receivable, net of returns and allowances, trade discounts and volume rebates. The Company does not provide any extended warranties or maintenance contracts to its customers.

Sale of tools:

The tooling contracts entered by the Company with customers are regarded a contract to build a specific asset that meets the definition of construction contract in Ind AS 11. These tooling contracts are the fixed price contracts which are required to be measured and recognised as per the principles laid down under Ind AS 11 and the Company follows the same.

Advances received for tools are reported as customer advances until all conditions for revenue recognition are met.

Income from engineering services:

Revenue is recognised on the basis of time / work completed, since typical Service Level Agreements (SLA) provides for time and material billing model.

Income from administrative services:

Revenue is recognised when the services are rendered in accordance with the agreements with the respective Group companies.

2.3 Functional and presentation currency

Items included in the financial statements of the Company's financial statement are measured using the currency of the primary economic environment in which the Company operates ("functional currency").

Indian Rupees is the functional currency for Tata AutoComp Systems Limited.

The separate financial statements for all the years are presented in Indian Rupees ("presentation currency"), the national currency of India, which is also the functional currency of Tata AutoComp Systems Limited.

2.4 Foreign currency transactions and translation

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing as at the dates of the transactions. Monetary assets and liabilities denominated in foreign currencies are translated into the functional currency at the closing exchange rate prevailing as at the reporting date and the resulting exchange difference recognized in the Statement of Profit and Loss.

Non-monetary assets and liabilities denominated in a foreign currency are translated using the exchange rate prevalent, at the date of initial recognition (in case measured at historical cost) or at the date when the fair value is determined (in case measured at fair value).

Foreign exchange gains / (losses) resulting from such transactions, and from the translation at reporting date exchange rates of monetary assets and liabilities denominated in foreign currencies, are recognized in the Statement of Profit and Loss as foreign exchange gains / (losses) .

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Tata AutoComp Systems Limited
Notes forming part of financial statements

2.5 Property, plant and equipment

Freehold land is carried at historical cost. All other items of property, plant and equipment are stated at historical cost less depreciation. Historical cost includes expenditure that is directly attributable to the acquisition of the items.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only 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. The carrying amount of any component accounted for as a separate asset is derecognised when replaced. All other repairs and maintenance are charged to profit or loss during the reporting period in which they are incurred.

Transition to Ind AS

On transition to Ind AS, the Company has elected to continue with the carrying value of all of its property, plant and equipment recognised as at April 01, 2015 measured as per the previous GAAP and use that carrying value under previous GAAP as the deemed cost of the property, plant and equipment.

Depreciation methods, estimated useful lives and residual value:

Depreciation is provided on a pro-rata basis on the straight line method as per rates prescribed in Schedule II to the Companies Act, 2013, except in respect of the following assets (based on technical evaluation):

Class of Asset	Useful life as prescribed in Schedule II of Companies Act, 2013 (In Years)	Useful life as followed by the Company (In Years)
Plant and Machinery		
- Moulds and dies, Material handling equipment etc.	15 (on a single shift basis)	3 to 10 (irrespective of the shift)
- Injection Moulding machine, Paint shop equipment, Power press, Robots etc.	15 (on a single shift basis)	12 to 15 (irrespective of the shift)
Computers and Peripherals		
- Servers and networks	6	4
- End use devices such as desktop, laptops etc.	3	4
Vehicles	8	4

- Improvements to leased premises are depreciated over the balance tenure of leasehold land.

- Leasehold land is amortised on a straight line basis over the period of the lease.

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

Gains and losses on disposals are determined by comparing proceeds with carrying amount. These are included in profit or loss within other gains/(losses).

2.6 Intangible asset

Intangible assets are recognised at historical cost. These assets having finite useful life are carried at cost less accumulated amortisation and impairment losses (if any). Amortization is calculated using the straight-line method over the expected useful life of the intangible assets.

a) Specialised software	4 years
b) Relating to specific vehicle program	On the basis of volumes specified by/ agreed with the customers or on the basis of useful life of the asset, whichever rate is higher

Transition to Ind AS

On transition to Ind AS, the Company has elected to continue with the carrying value of all of intangible assets recognised as at April 01, 2015 measured as per the previous GAAP and use that carrying value as the deemed cost of intangible assets.

Research and development cost:

Research expenditure and development expenditure that do not meet the criteria mentioned below are recognised as an expense as incurred.

The Company capitalises the expenditure as an intangible assets when following criteria are met:

- it is technically feasible to complete the asset so that it will be available for use,
- management intends to complete the asset and use or sell it,
- there is an ability to use or sell the asset,
- it can be demonstrated how the asset will generate probable future economic benefits,
- adequate technical, financial and other resources to complete the development and to use or sell the asset are available, and
- the expenditure attributable to the asset during its development can be reliably measured.

Directly attributable costs that are capitalised as part of the asset include employee costs and an appropriate portion of relevant overheads.

Development costs for development work reported as assets are amortized over their estimated useful lives; generally 4 / 5 years.

2.7 Borrowing

Borrowings are initially recognised at fair value, net of transaction costs incurred. Borrowings are subsequently measured at amortised cost. Any difference between the proceeds (net of transaction costs) and the redemption amount is recognised in profit or loss over the period of the borrowings using the effective interest method. Fees paid on the establishment of loan facilities are recognised as transaction costs of the loan to the extent that it is probable that some or all of the facility will be drawn down. In this case, the fee is deferred until the draw down occurs. To the extent there is no evidence that it is probable that some or all of the facility will be drawn down, the fee is capitalised as a prepayment for liquidity services and amortised over the period of the facility to which it relates.

Borrowings are removed from the balance sheet when the obligation specified in the contract is discharged, cancelled or expired. The difference between the carrying amount of a financial liability that has been extinguished or transferred to another party and the consideration paid, including any non-cash assets transferred or liabilities assumed, is recognised in profit or loss as other gains/(losses).

Borrowings are classified as current liabilities unless the company has an unconditional right to defer settlement of the liability for at least 12 months after the reporting period.





Tata AutoComp Systems Limited
Notes forming part of financial statements

2.8 Borrowing Cost

General and specific borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying asset are capitalised during the period of time that is required to complete and prepare the asset for its intended use or sale. Qualifying assets are assets that necessarily take a substantial period of time to get ready for their intended use or sale.

Investment income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalisation.

Other borrowing costs are expensed in the period in which they are incurred.

2.9 Leases

Leases of property, plant and equipment where the Company, as lessee, has substantially all the risks and rewards of ownership are classified as finance leases. Finance leases are capitalised at the lease's inception at the fair value of the leased property or, if lower, the present value of the minimum lease payments. The corresponding rental obligations, net of finance charges, are included in borrowings or other financial liabilities as appropriate. Each lease payment is allocated between the liability and finance cost. The finance cost is charged to the profit or loss over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability for each period.

Leases in which a significant portion of the risks and rewards of ownership are not transferred to the Company as lessee are classified as operating leases. Payments made under operating leases (net of any incentives received from the lessor) are charged to profit or loss on a straight-line basis over the period of the lease unless the payments are structured to increase in line with expected general inflation to compensate for the lessor's expected inflationary cost increases.

For arrangements entered into prior to April 01, 2015, the Company has determined whether the arrangement contain lease on the basis of facts and circumstances existing on the date of transition.

2.10 Inventories

Raw materials and stores, work in progress, traded and finished goods are stated at the lower of cost and net realisable value. Cost of raw materials and traded goods comprises cost of purchases. Cost of work-in-progress and finished goods comprises direct materials, direct labour and an appropriate proportion of variable and fixed overhead expenditure, the latter being allocated on the basis of normal operating capacity. Cost of inventories also include all other costs incurred in bringing the inventories to their present location and condition. Costs are assigned to individual items of inventory on the basis of weighted average basis. Costs of purchased inventory are determined after deducting rebates and discounts. Net realisable value is the estimated selling price in the ordinary course of business less the estimated costs of completion and the estimated costs necessary to make the sale.

2.11 Employee benefits

(i) Short-term obligations

Liabilities for wages and salaries, including non-monetary benefits that are expected to be settled wholly within 12 months after the end of the period in which the employees render the related service are recognised in respect of employees' services up to the end of the reporting period and are measured at the amounts expected to be paid when the liabilities are settled. The liabilities are presented as current employee benefit obligations in the balance sheet.

(ii) Other long-term employee benefit obligations

The liabilities for compensated absences are not expected to be settled wholly within 12 months after the end of the period in which the employees render the related service. They are therefore measured as the present value of expected future payments to be made in respect of services provided by employees up to the end of the reporting period using the projected unit credit method. The benefits are discounted using the market yields at the end of the reporting period that have terms approximating to the terms of the related obligation. Remeasurements as a result of experience adjustments and changes in actuarial assumptions are recognised in profit or loss.

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

(iii) Post-employment obligations

The Company operates the following post-employment schemes:

- (a) defined benefit plans such as gratuity, pension; and
- (b) defined contribution plans such as provident fund.

(a) defined benefit plans such as gratuity, pension:

Pension and gratuity obligations

The liability or asset recognised in the balance sheet in respect of defined benefit gratuity plans is the present value of the defined benefit obligation at the end of the reporting period less the fair value of plan assets. The liability recognised in the balance sheet in respect of defined benefit pension plan is the present value of the defined benefit obligation at the end of the reporting period. The defined benefit obligation is calculated annually by actuaries using the projected unit credit method.

The present value of the defined benefit obligation denominated in INR is determined by discounting the estimated future cash outflows by reference to market yields at the end of the reporting period on government bonds that have terms approximating to the terms of the related obligation.

The net interest cost is calculated by applying the discount rate to the net balance of the defined benefit obligation and the fair value of plan assets. This cost is included in employee benefit expense in the statement of profit and loss.

Remeasurement gains and losses arising from experience adjustments and changes in actuarial assumptions are recognised in the period in which they occur, directly in other comprehensive income. They are included in retained earnings in the statement of changes in equity and in the balance sheet.

Changes in the present value of the defined benefit obligation resulting from plan amendments or curtailments are recognised immediately in profit or loss as past service cost.

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Tata AutoComp Systems Limited
Notes forming part of financial statements

(b) defined contribution plans such as provident fund.

Provident fund :

The Company pays provident fund contributions to publicly administered provident funds as per local regulations and superannuation fund contribution administered by Life Insurance Corporation of India (LIC). The Company has no further payment obligations once the contributions have been paid. The contributions are accounted for as defined contribution plans and the contributions are recognised as employee benefit expense when they are due. Prepaid contributions are recognised as an asset to the extent that a cash refund or a reduction in the future payments is available.

Bonus :

The Company recognises a liability and an expense for bonuses. The company recognises a provision where contractually obliged or where there is a past practice that has created a constructive obligation.

2.12 Investments and other financial assets

(i) Classification

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

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

The classification depends on the entity's business model for managing the financial assets and the contractual terms of the cash flows.

For assets measured at fair value, gains and losses will either be recorded in profit or loss or other comprehensive income. For investments in debt instruments, this will depend on the business model in which the investment is held. For investments in equity instruments, this will depend on whether the Company has made an irrevocable election at the time of initial recognition to account for the equity investment at fair value through other comprehensive income.

The Company reclassifies debt investments when and only when its business model for managing those assets changes.

(ii) Measurement

At initial recognition, the Company measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss, transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at fair value through profit or loss are expensed in profit or loss.

Debt instruments

Subsequent measurement of debt instruments depends on the Company's business model for managing the asset and the cash flow characteristics of the asset. There are three measurement categories into which the Company classifies its debt instruments:

- Amortised cost: Assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortised cost. A gain or loss on a debt investment that is subsequently measured at amortised cost and is not part of a hedging relationship is recognised in profit or loss when the asset is derecognised or impaired. Interest income from these financial assets is included in finance income using the effective interest rate method.
- Fair value through other comprehensive income (FVOCI): Assets that are held for collection of contractual cash flows and for selling the financial assets, where the assets' cash flows represent solely payments of principal and interest, are measured at fair value through other comprehensive income (FVOCI). Movements in the carrying amount are taken through OCI, except for the recognition of impairment gains or losses, interest revenue and foreign exchange gains and losses which are recognised in profit and loss. When the financial asset is derecognised, the cumulative gain or loss previously recognised in OCI is reclassified from equity to profit or loss and recognised in other gains/ (losses). Interest income from these financial assets is included in other income using the effective interest rate method.
- Fair value through profit or loss: Assets that do not meet the criteria for amortised cost or FVOCI are measured at fair value through profit or loss. A gain or loss on a debt investment that is subsequently measured at fair value through profit or loss and is not part of a hedging relationship is recognised in profit or loss and presented net in the statement of profit and loss within other gains/(losses) in the period in which it arises. Interest income from these financial assets is included in other income.

Equity instruments

The Company subsequently measures all equity investments at fair value. Where the Company's management has elected to present fair value gains and losses on equity investments in other comprehensive income, there is no subsequent reclassification of fair value gains and losses to profit or loss. Dividends from such investments are recognised in profit or loss as other income when the Company's right to receive payments is established. Changes in the fair value of financial assets at fair value through profit or loss are recognised in other gain/ (losses) in the statement of profit and loss. Impairment losses (and reversal of impairment losses) on equity investments measured at FVOCI are not reported separately from other changes in fair value.

Investment in subsidiaries and joint ventures

The Company has accounted for its investment in subsidiaries and joint ventures at cost.

(iii) Impairment of financial assets

The Company assesses on a forward looking basis the expected credit losses associated with its assets carried at amortised cost and FVOCI debt instruments. The impairment methodology applied depends on whether there has been a significant increase in credit risk. Note 34 details how the Company determines whether there has been a significant increase in credit risk.

For trade receivables only, the Company applies the simplified approach permitted by Ind AS 109 Financial Instruments, which requires expected lifetime





Tata AutoComp Systems Limited
Notes forming part of financial statements

(iv) Derecognition of financial assets

A financial asset is derecognised only when

- The Company has transferred the rights to receive cash flows from the financial asset or
- Retains the contractual rights to receive the cash flows of the financial asset, but assumes a contractual obligation to pay the cash flows to one or more recipients.

Where the entity has transferred an asset, the Company evaluates whether it has transferred substantially all risks and rewards of ownership of the financial asset. In such cases, the financial asset is derecognised. Where the entity has not transferred substantially all risks and rewards of ownership of the financial asset, the financial asset is not derecognised.

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

(v) Income recognition

Interest income

Interest income is recognized using the effective interest method. The effective interest rate is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to the gross carrying amount of a financial asset. When calculating the effective interest rate, the Company estimates the expected cash flows by considering all the contractual terms of the financial instrument (for example, prepayment, extension, call and similar options) but does not consider the expected credit losses.

Dividend income

Dividends are recognised in profit or loss only when the right to receive payment is established, it is probable that the economic benefits associated with the dividend will flow to the Company, and the amount of the dividend can be measured reliably.

Derivatives that are not designated as hedges

The company enters into certain derivative contracts to hedge risks which are not designated as hedges. Such contracts are accounted for at fair value through profit or loss and are included in other income/expenses.

Offsetting of financial instruments

Financial assets and liabilities are offset and the net amount is reported in the balance sheet where there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis or realise the asset and settle the liability simultaneously. The legally enforceable right must not be contingent on future events and must be enforceable in the normal course of business and in the event of default, insolvency or bankruptcy of the company or the counterparty.

2.13 Impairment

Intangible assets with definite life and property, plant and equipment are reviewed for impairment whenever events or changes in circumstances indicate that their carrying values may not be recoverable. For the purpose of impairment testing, the recoverable amount (that is the higher of the fair value less cost to sell and the value-in-use) is determined on an individual asset basis unless the asset does not generate cash flows that are largely independent of those from other assets. In such cases, the recoverable amount is determined for the CGU to which the asset belongs.

If such individual assets or CGU are considered to be impaired, the impairment to be recognized in the Statement of Profit and Loss is measured by the amount by which the carrying value of the asset / CGU exceeds their estimated recoverable amount.

Reversal of impairment loss

An impairment loss for financial assets is reversed if the reversal can be related objectively to an event occurring after the impairment loss has been recognized. Non-financial assets that suffered impairment are reviewed for possible reversal of the impairment at each reporting date. In respect of non-financial assets, an impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. The carrying value of an asset other than goodwill is increased to its revised recoverable amount, provided that this amount does not exceed the carrying value that would have been determined (net of any accumulated depreciation or amortization) had no impairment loss been recognized for the said asset in previous years. The reversal of impairment loss is recognized in the Statement of Profit and Loss.

2.14 Cash and cash equivalents

For the purpose of presentation in the statement of cash flows, cash and cash equivalents includes cash on hand, deposits held at call with financial institutions, other short-term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value. Bank overdrafts are shown within borrowings in current liabilities in the balance sheet.

2.15 Trade receivables

These amounts represent receivable for goods and services provided by the Company prior to the end of financial year which are not received. Trade receivable are presented as current assets unless payment is not due within 12 months after the reporting period. Trade receivables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method, less provision for impairment.

2.16 Trade and other payables

These amounts represent liabilities for goods and services provided to the Company prior to the end of financial year which are unpaid. Trade and other payables are presented as current liabilities unless payment is not due within 12 months after the reporting period. They are recognised initially at their fair value and subsequently measured at amortised cost using the effective interest method.

2.17 Share capital

Equity shares are classified as equity. Incremental costs directly attributable to the issue of new shares or options are shown in equity as a deduction, net of tax, from the proceeds.

Dividends

Provision is made for the amount of any dividend declared, being appropriately authorised and no longer at the discretion of the entity, on or before the end of the reporting period but not distributed at the end of the reporting period.





Tata AutoComp Systems Limited
Notes forming part of financial statements

Earnings per share

(i) Basic earnings per share

Basic earnings per share is calculated by dividing:

- the profit attributable to owners of the Company
- by the weighted average number of equity shares outstanding during the financial year.

(ii) Diluted earnings per share

Diluted earnings per share adjusts the figures used in the determination of basic earnings per share to take into account:

- the after income tax effect of interest and other financing costs associated with dilutive potential equity shares, and
- the weighted average number of additional equity shares that would have been outstanding assuming the conversion of all dilutive potential equity shares.

2.18 Income tax

The income tax expense or credit for the period is the tax payable on the current period's taxable income based on the applicable income tax rate for each jurisdiction adjusted by changes in deferred tax assets and liabilities attributable to temporary differences and to unused tax losses.

The current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the end of the reporting period in the countries where the Company operate and generate taxable income. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities.

Deferred income tax is provided in full, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. Deferred income tax is determined using tax rates (and laws) that have been enacted or substantially enacted by the end of the reporting period and are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled.

Deferred tax assets are recognised for all deductible temporary differences and unused tax losses only if it is probable that future taxable amounts will be available to utilise those temporary differences and losses.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets and liabilities and when the deferred tax balances relate to the same taxation authority. Current tax assets and tax liabilities are offset where the entity has a legally enforceable right to offset and intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

Current and deferred tax is recognised in profit or loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case, the tax is also recognised in other comprehensive income or directly in equity, respectively.

2.19 Provisions

Provisions are recognised when the Company has a present legal or constructive obligation as a result of past events, it is probable that an outflow of resources will be required to settle the obligation and the amount can be reliably estimated. Provisions are not recognised for future operating losses.

Provisions for restructuring are recognised by the Company when it has developed a detailed formal plan for restructuring and has raised a valid expectation in those affected that the Company will carry out the restructuring by starting to implement the plan or announcing its main features to those affected by it.

Where there are a number of similar obligations, the likelihood that an outflow will be required in settlement is determined by considering the class of obligations as a whole. A provision is recognised even if the likelihood of an outflow with respect to any one item included in the same class of obligations may be small.

Provisions are measured at the present value of management's best estimate of the expenditure required to settle the present obligation at the end of the reporting period. The discount rate used to determine the present value is a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The increase in the provision due to the passage of time is recognised as interest expense under finance cost.

The measurement of provision for restructuring includes only direct expenditures arising from the restructuring, which are both necessarily entailed by the restructuring and not associated with the on-going activities of the Company.

A provision for onerous contracts is recognized when the expected benefits to be derived by the Company from a contract are lower than the unavoidable cost of meeting its obligations under the contract. The provision is measured at the present value of the expected net cost of continuing with the contract. Before a provision is established, the Company recognizes any impairment loss on the assets associated with that contract.

A disclosure for a contingent liability is made where there is 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 a present obligation that arises from the past events where it is either not probable that an outflow of resources will be required to settle the obligation or a reliable estimate of the amount cannot be made.

2.20 Segment reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker or decision making group.

2.21 Financial guarantee contract

Financial guarantee contracts issued by the Company are those contracts that require a payment to be made to reimburse the holder for a loss it incurs because the specified debtor fails to make a payment when due in accordance with the terms of a debt instrument. Financial guarantee contracts are recognised initially as a liability at fair value, adjusted for transaction costs that are directly attributable to the issuance of the guarantee. Subsequently, the liability is measured at the higher of the amount of loss allowance determined as per impairment requirements of Ind AS 109 and the amount recognised less cumulative amortisation.

2.22 Rounding of amounts

All amounts disclosed in the financial statements and notes have been rounded off to the nearest lakhs as per the requirement of Schedule III, unless otherwise stated.





Tata AutoComp Systems Limited
Notes forming part of financial statements

Note 3 : Significant accounting judgements, estimates and assumptions

The preparation of the Company's financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the accompanying disclosures, and the disclosure of contingent liabilities. This note provides an overview of the areas that involve a higher degree of judgements or complexities and of items which are more likely to be materially adjusted due to estimates and assumptions turning out to be different than those originally assessed. Detailed information about each of these judgements, estimates and assumptions is mentioned below.

Judgements, estimates and assumptions are continually evaluated. They are based on historical experience and other factors, including expectations of future events that may have a financial impact on the company and that are believed to be reasonable under the circumstances.

Significant Judgements

1 Revenue Recognition - Sale of Tools

The tooling contract entered with customers is regarded as a contract to build a specific asset that meets the definition of construction contract in Ind AS 11. These tooling contracts are fixed price contracts which are required to be measured and recognized as per the principle laid down under Ind AS 11. These principle require the recognition of revenue and expenses under "Percentage of Completion Method". However management has assessed that in case of the Company's tooling contracts the contract costs to complete the contract and the stage of contract completion at the end of the reporting period cannot be measured reliably except at the stage of completion of the tool.

This has resulted in deferment of revenue as per "Percentage of Completion Method".

2 Legal Contingency

The Company has received some orders and notices from tax authorities in respect of direct taxes and indirect taxes. The outcome of these matters may have a material effect on the financial position, results of operations or cash flows. Management regularly analyzes current information about these matters and makes provisions for probable contingent losses including the estimate of legal expense to resolve the matters. In making the decision regarding the need for loss provisions, management considers the degree of probability of an unfavorable outcome and the ability to make a sufficiently reliable estimate of the amount of loss. The filing of a suit or formal assertion of a claim against the Company or the disclosure of any such suit or assertions, does not automatically indicate that a provision of a loss may be appropriate.

3 Segment Reporting

Ind AS 108 Operating Segments requires Management to determine the reportable segments for the purpose of disclosure in financial statements based on the internal reporting reviewed by Chief Operating Decision Maker (CODM) to assess performance and allocate resources.

Operating segments are defined as "Business Units" of the Company about which separate financial information is available that is evaluated regularly by the chief operating decision-maker, or decision-making group, in deciding how to allocate resources and in assessing performance.

The Company operates in the automotive segment. The automotive segment includes all activities relating to development, design, manufacture, assembly and sale of auto component parts from which the Company derives its revenues. The management considers that these business units have similar economic characteristics like the nature of the products and services, the nature of the production processes and nature of the regulatory environment etc.

Based on the management analysis, the Company has only one operating segment, so no separate segment report is given. The principal geographical areas in which the Company operates are India and other countries.

4 Undiscounted provision for claim

The Company made provision of Rs. 3,103 lakhs towards claims in respect of certain matters relating to its divested investments in two jointly controlled entities, namely, Tata Yazaki Autocomp Limited ("TYA") and Tata Johnson Controls Automotive Limited ("TJC") on January 11, 2013 and March 25, 2013, respectively. The management has assessed and believes that the timing of cash outflow pertaining to this provision is uncertain, hence considered the same as payable on demand and classified under current provision. As the provision is payable on demand, management has concluded that no discounting is necessary.

5 Investment in jointly controlled entity

The Company holds 51% interest in Tata Toyo Radiators Limited. Under previous GAAP, the Company had disclosed its interest in the Tata Toyo Radiators Limited as 'Investment in subsidiaries' in financial statements.

On transition to Ind AS the management has evaluated the guidance provided under Ind AS 110, for an investor that holds more than half of the voting rights of an investee, to have power over an investee, the investor's voting rights must be substantive. The Company is the largest shareholder with a 51% equity interest while the remaining shares are held by other Joint Venture partner in Tata Toyo Radiators Limited ("Jointly controlled entity"). Though the Company has majority of voting rights, joint venture agreements in relation to the Tata Toyo Radiators Limited require unanimous consent from all parties for all relevant activities. Hence, the Company has concluded that it does not control the jointly controlled entity. The Company's interest in jointly controlled entity is disclosed as 'Investment in jointly controlled entities' in these financial statements.

Significant estimates and assumptions

1 Impairment in investment of subsidiary and jointly controlled entity : Key assumptions used

Investment in subsidiary and jointly controlled entity are accounted for at cost. Management assesses current and forecasted financial performance of all of its investments to determine whether any investment have suffered impairment on an annual basis. Impairment assessment is based on estimates of future financial performance or opinions that may represent reasonable expectations at a particular point of time, but such information, estimates or opinions are not offered as predictions or as assurances that a particular level of income or profit will be achieved, that events will occur, or that a particular price will be offered or accepted. Actual results achieved during the period covered by the prospective financial analysis will vary and the variations may be material.

2 Impairment of financial assets

The impairment provisions for financial assets disclosed under note 51 are based on assumptions about risk of default and expected loss rates. The company uses judgement in making these assumptions and selecting the inputs to the impairment calculation, based on the company's past history, existing market conditions as well as forward looking estimates at the end of each reporting period.

3 Fair valuation of financial instruments

When the fair values of financial assets and financial liabilities recorded in the balance sheet cannot be measured based on quoted prices in active markets, their fair value is measured using valuation techniques including the discounted cashflow model (DCF). The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgement is required in establishing fair values. Judgements include considerations of inputs such as liquidity risk, credit risk and volatility. Changes in assumptions about these factors could affect the reported fair value of financial instruments. See Note 45 for further disclosures.





Tata AutoComp Systems Limited
Notes forming part of financial statements

4 Defined benefit plan

The cost of the defined benefit gratuity plan, other retirement benefits, the present value of the gratuity obligation and other retirement benefit obligation are determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases and mortality rates. Due to the complexities involved in the valuation and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date. The parameter most subject to change is the discount rate. In determining the appropriate discount rate, the management considers the interest rates of government bonds in currencies consistent with the currencies of the post-employment benefit obligation. The mortality rate is based on Indian Assured Lives Mortality (2006-08) Ultimate. Those mortality tables tend to change only at interval in response to demographic changes. Future salary increases and gratuity increases are based on expected future inflation rates. Further details about gratuity obligations are given in Note 34.

5 Deferred Tax

At each balance sheet date, the Company assesses whether the realization of future tax benefits is sufficiently probable to recognize deferred tax assets. This assessment requires the use of significant estimates with respect to assessment of future taxable income. The recorded amount of total deferred tax assets could change if estimates of projected future taxable income or if changes in current tax regulations are enacted.

Note 4 : Standards issued but not yet effective:

Standards issued but not yet effective up to the date of issuance of the company's financial statements are listed below. This listing is of standards and interpretations issued, which the company reasonably expects to be applicable at a future date. The company intends to adopt those standards when they become effective.

The Ministry of Corporate Affairs (MCA) has issued the Companies (Indian Accounting Standards) (Amendment) Rules, 2017 amending Ind AS 7, Statement of cash flows and Ind AS 102, Share-based payment.

Ind AS 7 - Statement of Cash Flows

The amendment to Ind AS 7 introduces an additional disclosure that will enable users of the Company's financial statements to evaluate changes in liabilities arising from financial activities. This includes changes arising from:

- a. cash flows such as drawdowns and repayments of borrowings and
- b. non-cash changes (i.e. changes in fair values), changes resulting from acquisitions and disposals of subsidiaries/businesses and effect of foreign exchange differences.

The amendment shall come into force from April 1, 2017. The amendment affects disclosure only and has no impact on the company's financial position or performance.

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Tata AutoComp Systems Limited
Notes forming part of financial statements

Note 5 : Property, plant and equipment

	Freehold Land	Leasehold Land	Buildings	Improvements to leasehold premises	Furniture and fixtures	Plant and equipment	Vehicles	Office Equipment	Computer and peripherals	Total	Capital work-in-progress
As at March 31, 2016											
Gross carrying amount	1,557.17	193.04	4,106.68	411.80	152.72	13,194.92	149.30	95.73	206.70	20,068.06	495.47
Deemed cost as at April 01, 2015	-	-	309.50	-	4.81	503.66	43.53	20.94	14.76	897.20	12,127.56
Additions	-	-	-	-	(1.17)	(17.78)	(27.92)	(0.08)	(2.33)	(49.28)	-
Disposals	-	-	-	-	-	-	-	-	-	-	-
Transfer	-	-	-	-	-	-	-	-	-	-	(104.86)
Closing gross carrying amount	1,557.17	193.04	4,416.18	411.80	156.36	13,680.80	164.91	116.59	219.13	20,915.98	12,518.17
Accumulated depreciation											
Depreciation charge during the year	-	-	220.51	30.19	20.52	1,851.29	85.82	46.94	95.17	2,350.44	-
Disposals	-	-	-	-	-	(1.65)	(19.12)	(0.07)	(0.89)	(21.73)	-
Closing accumulated depreciation	-	-	220.51	30.19	20.52	1,849.64	66.70	46.87	94.28	2,328.71	-
Net carrying amount	1,557.17	193.04	4,195.67	381.61	135.84	11,831.16	98.21	69.72	124.85	18,587.27	12,518.17
As at March 31, 2017											
Gross carrying amount	1,557.17	193.04	4,416.18	411.80	156.36	13,680.80	164.91	116.59	219.13	20,915.98	12,518.17
Opening gross carrying amount	-	-	36.54	3.00	6.77	951.06	49.84	37.43	21.91	1,106.55	4,223.72
Additions	-	-	-	-	0.71	(6.97)	(31.71)	(6.39)	(1.19)	(45.55)	-
Disposals	-	-	-	-	-	-	-	-	-	-	-
Transfers / sale (refer note 49)	-	-	-	-	-	-	-	-	-	-	(6,762.07)
Closing gross carrying amount	1,557.17	193.04	4,452.72	414.80	163.84	14,624.89	183.04	147.63	239.85	21,976.98	9,979.82
Accumulated depreciation											
Opening accumulated depreciation	-	-	220.51	30.19	20.52	1,849.64	66.70	46.87	94.28	2,328.71	-
Depreciation charge during the year	-	2.00	215.71	27.18	21.87	1,814.19	54.02	38.01	76.31	2,249.29	-
Disposals	-	-	-	-	(0.45)	(5.81)	(30.71)	(1.19)	(1.19)	(38.16)	-
Closing accumulated depreciation	-	2.00	436.22	57.37	41.94	3,658.02	90.01	84.88	169.40	4,539.84	-
Net carrying amount	1,557.17	191.04	4,016.50	357.43	121.90	10,966.87	93.03	62.75	70.45	17,437.14	9,979.82

Capital work in progress mainly includes land under development and related cost.





Tata AutoComp Systems Limited
Notes forming part of financial statements

Note 6 : Intangible assets

Rs. in lakhs

	Computer software	Engineering and development cost	Total
As at March 31, 2016			
Gross carrying amount			
Deemed cost as at April 01, 2015	163.43	62.63	226.06
Additions	33.79	-	33.79
Disposals	-	-	-
Closing gross carrying amount	197.22	62.63	259.85
Accumulated depreciation			
Depreciation charge during the year	91.25	62.63	153.88
Disposals	-	-	-
Closing accumulated depreciation	91.25	62.63	153.88
Net carrying amount	105.97	-	105.97
As at March 31, 2017			
Gross carrying amount			
Opening gross carrying amount	197.22	62.63	259.85
Additions	30.83	-	30.83
Disposals	-	-	-
Closing gross carrying amount	228.05	62.63	290.68
Accumulated depreciation			
Opening accumulated depreciation	91.25	62.63	153.88
Depreciation charge during the year	51.99	-	51.99
Disposals	-	-	-
Closing accumulated depreciation	143.24	62.63	205.87
Net carrying amount	84.81	-	84.81





Tata AutoComp Systems Limited
Notes forming part of the financial statements

Note 7 : Non-current financial assets - investments

	<i>Rs. in lakhs</i>		
	As at March 31, 2017	As at March 31, 2016	As at April 01, 2015
Investments carried at cost			
Quoted investments			
Investment in equity instruments			
Investment in subsidiary			
11,898,296 (March 31, 2016: 11,898,296, April 01, 2015: 11,898,296) equity shares of Rs.10/- each in Automotive Stampings and Assemblies Limited fully paid up	7,515.97	7,515.97	7,515.97
Unquoted investments			
Investment in equity instruments			
Investment in subsidiaries			
25,968,723 (March 31, 2016: 25,968,723, April 01, 2015: 25,968,723) equity shares of Euro 1 each in Taco Holdings (Mauritius) Limited fully paid up	15,722.70	15,722.70	15,722.70
78,501 (March 31, 2016 : 78,501, April 01, 2015: 78,501) equity shares of GBP 1 each in Taco Engineering (UK) Limited fully paid up (refer note a below)	75.78	75.78	75.78
25,000 (March 31, 2016: 25,000, April 01, 2015: 25,000) equity shares of Rs.10/- each in TACO Germany Engineering Services GMBH fully paid up	17.71	17.71	17.71
20 (March 31, 2016: 20, April 01, 2015: 20) equity shares of Rs.10/- each in Automotive Skills Training Foundation fully paid up	0.00	0.00	0.00
50,000 (March 31, 2016: Nil, April 01, 2015: Nil) equity shares of SEK 1 each in Rhythez Holding (Sweden) AB fully paid up (refer note b below and 39)	22,050.62	-	-
Share application money	1.37	-	-
Investment in jointly controlled entities			
16,320,000 (March 31, 2016: 16,320,000, April 01, 2015: 16,320,000) equity shares of Rs.10/- each in Tata Toyo Radiator Limited fully paid up	1,632.00	1,632.00	1,632.00
18,750,000 (March 31, 2016: 18,750,000, April 01, 2015: 18,750,000) equity shares of Rs.10/- each in Tata Ficosa Automotive Systems Private Limited fully paid up	1,875.00	1,875.00	1,875.00
68,750,000 (March 31, 2016: 68,750,000, April 01, 2015: 68,750,000) equity shares of Rs.10/- each in Tata Autocomp GY Batteries Private Limited fully paid up	6,875.00	6,875.00	6,875.00
6,210,000 (March 31, 2016: 6,210,000, April 01, 2015: 6,210,000) equity shares of Rs.10/- each in Tata Autocomp Hendrickson Suspensions Private Limited fully paid up	621.00	621.00	621.00
5,000,000 (March 31, 2016: 5,000,000, April 01, 2015: Nil) equity shares of Rs.10/- each in TM Automotive Seating Systems Private Limited fully paid up	500.00	500.00	-
48,91,100 (March 31, 2016: 2,981,725, April 01, 2015: Nil) equity shares of Rs.10/- each in Tata Autocomp Kalcon Exhaust System Private Limited fully paid	321.13	122.00	-
5,200,404 (March 31, 2016: 5,200,404, April 01, 2015: 5,200,404) equity shares of Rs.10/- each in Taco Sasken Automotive Electronics Limited fully paid up	520.04	520.04	520.04
Share application money	-	49.14	-
Investment in preference shares			
Investment in jointly controlled entity			
2,478,000 (March 31, 2016: 2,478,000, April 01, 2015: 2,478,000) 1% preference shares of Rs.10/- each in Taco Sasken Automotive Electronics Limited fully paid up (refer note c below)	247.80	247.80	247.80
Subtotal	57,976.12	35,774.15	35,103.00
Less : Impairment in the value of investments	(11,984.04)	(11,908.25)	(11,908.25)
Total	45,992.08	23,865.90	23,194.75

a. Under process of business closure

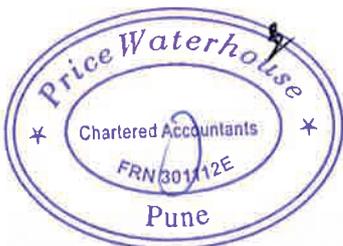
b. As per Swedish law, equity shall be apportioned between non distributable (restricted) and distributable (unrestricted) funds. Out of total investment, Rs. 5.36 lakhs (March 31, 2016: Nil, April 01, 2015: Nil) is restricted and Rs 20,351.95 lakhs (March 31, 2016: Nil, April 01, 2015: Nil) is unrestricted. Cost of investment includes fair value of financial guarantee issued to bank by the company against loan availed by the subsidiary amounting to Rs 1,378.48 and expenses incurred on behalf of subsidiary amounting to Rs. 316.20 lakhs.

c. Under Liquidation

	<i>Rs. in lakhs</i>		
	As at March 31, 2017	As at March 31, 2016	As at April 01, 2015
Aggregate market value of quoted investments	8,727.40	3,997.83	4,600.95
Aggregate book value of quoted investments	7,515.97	7,515.97	7,515.97
Aggregate amount of unquoted investments	50,460.15	28,258.18	27,587.03
Aggregate amount of impairment in the value of investments	(11,984.04)	(11,908.25)	(11,908.25)
Total	45,992.08	23,865.90	23,194.75

Movement of impairment provision :

	Rs. In lakhs
Impairment provision as on April 01, 2015	11,908.25
Add: provision made during the year	-
Impairment provision as on March 31, 2016	11,908.25
Add: Impairment provision towards investment in subsidiary which is under process of business closure	75.78
Impairment provision as on March 31, 2017	11,984.04





Tata AutoComp Systems Limited
Notes forming part of the financial statements

Note 8 : Financial assets - loans

	As at March 31, 2017		As at March 31, 2016		As at April 01, 2015	
	Current	Non-current	Current	Non-current	Current	Non-current
<i>Unsecured, considered good</i>						
Loan to subsidiary (refer note 3E)	-	2,650.00	75.00	2,650.00	144.00	2,764.00
Loan to jointly controlled entities (refer note 3E)	1,748.44	85.17	-	-	-	-
Advance to employees	46.14	-	65.09	-	40.39	-
Total	1,764.58	2,735.17	143.09	2,650.00	184.39	2,764.00

Note 9 : Financial assets - others

	As at March 31, 2017		As at March 31, 2016		As at April 01, 2015	
	Current	Non-current	Current	Non-current	Current	Non-current
Financial assets carried at amortised cost						
Security deposits						
Considered good	9.98	329.59	29.23	424.17	43.56	419.66
Considered doubtful	-	14.29	-	14.29	-	14.29
Less : provision for doubtful deposits	9.98	343.88	29.23	438.46	43.56	433.65
	-	(14.29)	-	(14.29)	-	(14.29)
	9.98	329.59	29.23	424.17	43.56	419.66
Unbilled Revenue	336.64	-	269.61	-	200.02	-
Other receivable from related parties	704.84	-	537.40	-	374.01	-
Interest accrued on deposits	13.02	-	53.66	-	8.60	137.43
Bank deposits with maturity of more than twelve months*	-	13.35	-	22.65	-	20.66
Other receivables	161.14	-	102.94	-	50.34	-
Financial assets carried at fair value through profit or loss						
Foreign-exchange forward contracts**	19.76	-	-	-	43.51	-
Total	1,269.38	342.94	982.84	447.10	720.26	578.07

* Field as lien by bank against bank guarantee.
** Derivatives not designated as hedge.

Note 10 : Deferred tax assets (net)

	As at		
	March 31, 2017	March 31, 2016	April 01, 2015
Deferred tax asset			
Defined benefit obligations	266.94	286.06	286.82
MAT Credit available for set off against future taxable income	796.47	1,173.83	1,812.90
Provision for doubtful receivable, doubtful advances and others	922.68	982.29	905.74
	1,986.09	2,442.18	3,005.46
Deferred tax liability			
Property, plant and equipment	1,134.00	1,105.17	1,156.70
	1,134.00	1,105.17	1,156.70
Total	852.09	1,337.01	1,848.76

Movement in deferred tax assets/ (liabilities)

	As at	
	March 31, 2017	March 31, 2016
Opening deferred tax assets / (liabilities)	1,337.01	1,848.76
Charged to profit or loss		
Defined benefit obligation	(19.13)	(0.75)
Provision for doubtful receivable, doubtful advances and others	(76.04)	71.68
Property, plant and equipment	(28.83)	51.53
	(124.00)	122.46
Charged to other comprehensive income		
Remeasurement of defined benefit obligation	16.43	4.86
Utilisation of MAT credit	(377.36)	(639.07)
Closing deferred tax assets after set off	852.08	1,337.01

Note 11 : Current tax assets

	As at	
	March 31, 2017	March 31, 2016
Opening balance	2,741.98	2,822.27
Less: Refund received net of taxes paid (includes MAT credit utilized)	(313.89)	1,527.28
Less: Tax expense relating to current year	(1402.08)	(1572.19)
Less: Tax expense relating to prior years	(148.85)	(35.38)
Closing balance	877.16	2,741.98

Note 12 : Other non-current assets

	As at		
	March 31, 2017	March 31, 2016	April 01, 2015
Capital advances			
Considered good	329.14	131.47	11,113.98
Considered doubtful	15.06	15.06	15.06
Less: Provision for doubtful capital advances	344.20	146.53	11,129.04
	15.06	15.06	15.06
	329.14	131.47	11,113.98
Balances with statutory/government authorities			
Considered good	239.05	253.92	381.37
Considered doubtful	56.48	56.48	56.48
Less: Provision for doubtful receivable	295.53	310.40	437.85
	56.48	56.48	56.48
	239.05	253.92	381.37
Prepaid rental on operating lease (refer note 43)	108.63	108.63	108.63
Prepaid expenses	12.87	40.70	21.27
Total	689.69	534.72	11,625.25





Tata AutoComp Systems Limited
Notes forming part of the financial statements

Note 13 : Inventories

	Rs in lakhs		
	As at March 31, 2017	As at March 31, 2016	As at April 01, 2015
(at lower of cost and net realisable value)			
Raw materials	1,686.06	1,693.36	1,808.45
Work-in-progress	1,072.64	1,066.62	1,144.78
Finished goods (includes goods-in-transit Rs 41.47 lakhs, March 31, 2016 Rs 147.51 lakhs, April 01, 2015 Rs 184.40 lakhs)	217.70	96.74	134.69
Traded goods	563.42	762.15	729.84
Stores and spares	1,547.51	1,370.54	1,259.48
Tools (under development)	1,479.01	787.78	768.62
Total inventories	6,789.46	5,997.19	5,646.26

Amount recognised in profit and loss account

Write-downs of inventories to net realisable value amounted to Rs. 5.94 lakhs (March 31, 2016 Rs. 14.56 lakhs, April 01, 2015 Rs. 3.97 lakhs). These were recognised as an expense during the year and included in 'changes in value of inventories of work-in-progress, stock-in-trade and finished goods' in statement of profit and loss.

Note 14 : Current investments

	Rs in lakhs		
	As at March 31, 2017	As at March 31, 2016	As at April 01, 2015
Investment in liquid mutual funds			
Unquoted			
Nil (March 31, 2016: 2,472,630.683, April 01, 2015: Nil) units of Birla Sun Life Cash Plus - Growth - Direct Plan	-	6,016.26	-
Nil (March 31, 2016: 2,294,627.657, April 01, 2015: Nil) units of ICICI Prudential Liquid Fund - Growth	-	5,137.06	-
Nil (March 31, 2016: 119,665,466, April 01, 2015: Nil) units of Birla Sun Life Savings Fund - Growth - Direct Plan	-	352.19	-
Nil (March 31, 2016: 2,136,669.036 Nil, April 01, 2015: Nil) units of DHFL Pramerica Insta Cash Plus Fund - Growth	-	4,196.14	-
Nil (March 31, 2016: 200,618.0939, April 01, 2015: Nil) units of Kotak Floater Short Term - Growth - Regular Plan	-	4,660.10	-
Nil (March 31, 2016: 4,763,363.496, April 01, 2015: 9,676,765.277) units of JM High Liquidity Fund - Direct - Growth Option	-	1,673.66	3,775.63
Nil (March 31, 2016: Nil, April 01, 2015: 2,035,530.483) units of IDFC Money Manager Fund - Treasury Plan - Growth - Direct Plan	-	-	451.64
Nil (March 31, 2016: 66,885.893, April 01, 2015: 168,154.824) units of Axis Liquid Fund - Growth	-	1,122.64	2,604.39
Nil (March 31, 2016: Nil, April 01, 2015: 39,549.72) units of Axis Banking Debt Fund - Growth	-	-	505.63
Nil (March 31, 2016: Nil, April 01, 2015: 6,876,448.848) units of DWS Ultra Short Term Fund - Direct - Growth	-	-	1,158.99
Nil (March 31, 2016: Nil, April 01, 2015: 2,425,490.03) units of DWS Insta Cash Plus Fund - Direct Plan - Growth	-	-	4,407.40
Nil (March 31, 2016: Nil, April 01, 2015: 105,223.474) units of DSP Blackrock Liquidity Fund - Institutional Plan - Growth	-	-	2,103.92
Nil (March 31, 2016: 89,063.765, April 01, 2015: 7,219.226) units of Franklin India Treasury Management Account - Super Institutional Plan - Growth	-	2,014.73	150.69
Nil (March 31, 2016: 32,759.603, April 01, 2015: Nil) units of Reliance Liquid Fund - Cash Plan - Direct Growth Plan	-	801.13	-
Nil (March 31, 2016: 1,614,113.729, April 01, 2015: Nil) units of Reliance Medium Term Fund - Direct Growth Plan - Growth Option	-	512.23	-
Nil (March 31, 2016: 9,672.617, April 01, 2015: Nil) units of SBI Premier Liquid Fund - Direct Plan - Growth	-	230.30	-
Nil (March 31, 2016: Nil, April 01, 2015: 2,180,083.637) units of Franklin India Ultra Short Bond Fund - Super Institutional Plan - Growth	-	-	404.23
Nil (March 31, 2016: Nil, April 01, 2015: 3,096,003.826) units of ICICI Prudential Money Market Fund - Regular Plan - Growth	-	-	5,982.94
Nil (March 31, 2016: Nil, April 01, 2015: 390,070.085) units of ICICI Prudential Flexible Income - Direct Plan - Growth	-	-	1,027.99
Nil (March 31, 2016: Nil, April 01, 2015: 68,360.282) units of IDFC Cash Fund - Growth - Regular Plan	-	-	1,127.46
Nil (March 31, 2016: Nil, April 01, 2015: 110,328.2635) units of Kotak Liquid Scheme- Plan A- Regular - Growth	-	-	3,129.61
Nil (March 31, 2016: Nil, April 01, 2015: 51,797.788) units of Reliance Money Manager Fund - Direct Growth Plan - Growth Option	-	-	1,000.00
Nil (March 31, 2016: Nil, April 01, 2015: 79,184.656) units of Reliance Liquid Fund - Treasury Plan - Growth Plan - Growth Option	-	-	2,696.72
Nil (March 31, 2016: Nil, April 01, 2015: 104,271.893) units of SBI Magnum Insta Cash Fund - Regular Plan - Growth	-	-	3,222.51
Nil (March 31, 2016: 10,799,829.305, April 01, 2015: 12,054,771.408) units of Sundaram Money Fund - Direct Plan - Growth	-	3,451.14	3,558.18
223,177.756 (March 31, 2016: 192,310.057, April 01, 2015: 233,181,089) units of Tala Money Market Fund - Direct Plan - Growth	5,720.13	4,591.65	5,142.06
Nil (March 31, 2016: 60,899.023, April 01, 2015: Nil) units of DSP Blackrock Liquidity Fund - Direct Plan - Growth	-	1,319.72	-
909,896.648 (March 31, 2016: Nil, April 01, 2015: Nil) units of Birla Sun Life Floating Rate Fund Short Term Plan - Growth - Direct Plan	1,973.15	-	-
197,902.398 (March 31, 2016: 200,618.0939, April 01, 2015: Nil) units of Kotak Floater Short Term - Direct Plan - Growth	5,282.76	-	-
2,223,351.392 (March 31, 2016: Nil, April 01, 2015: Nil) units of ICICI Prudential Money Market Fund - Direct Plan - Growth	5,003.06	-	-
357,820.170 (March 31, 2016: Nil, April 01, 2015: Nil) units of Indiabulls Liquid Fund - Direct Plan Growth	5,685.25	-	-
Total	23,664.35	36,698.98	42,450.18





Tata AutoComp Systems Limited
Notes forming part of the financial statements

Note 15 : Trade receivable

	<i>Rs. in lakhs</i>		
	As at March 31, 2017	As at March 31, 2016	As at April 01, 2015
Trade receivables	12,695.27	11,075.29	4,248.82
Receivables from related parties (refer note 38)	4,854.22	3,022.56	3,344.41
Less: Allowance for doubtful debts	1,030.45	1,026.90	1,094.83
Total	16,519.04	13,070.95	6,498.40

	<i>Rs. in lakhs</i>		
	As at March 31, 2017	As at March 31, 2016	As at April 01, 2015
Secured, considered good	-	-	-
Unsecured, considered good	16,519.04	13,070.95	6,498.40
Doubtful	1,030.45	1,026.90	1,094.83
Total	17,549.49	14,097.85	7,593.23
Allowance for doubtful debts	1,030.45	1,026.90	1,094.83
Total	16,519.04	13,070.95	6,498.40

Transferred receivables

The carrying amounts of the trade receivables include receivables which are subject to a factoring arrangement. Under this arrangement, the Company has transferred the relevant receivables to the factor in exchange for cash and is prevented from selling or pledging the receivables. However, the Company has retained late payment and credit risk. The Company therefore continues to recognise the transferred assets in their entirety in its balance sheet. The amount repayable under the factoring agreement is presented as secured borrowing.

The relevant carrying amounts are as follows:

	<i>Rs. in lakhs</i>		
	As at March 31, 2017	As at March 31, 2016	As at April 01, 2015
Total transferred receivables	6,546.82	5,511.00	-
Associated secured borrowing (refer note 23)	6,546.82	5,511.00	-

Note 16 : Cash and cash equivalents

	<i>Rs. in lakhs</i>		
	As at March 31, 2017	As at March 31, 2016	As at April 01, 2015
Balances with banks			1,156.32
- in current accounts	377.46	609.96	
- in EEFC accounts	58.28	264.28	36.03
- deposits with maturity of less than three months	104.79	567.74	17.31
Cheques on hand	43.64	402.34	55.03
Cash on hand (refer note 53)	0.72	3.19	2.98
Total	584.89	1,847.51	1,267.67

Note 17 : Other current assets

	<i>Rs. in lakhs</i>		
	As at March 31, 2017	As at March 31, 2016	As at April 01, 2015
Advances to suppliers			2,035.31
Considered good	2,992.92	2,067.23	
Considered doubtful	166.51	110.03	161.41
	3,159.43	2,177.26	2,196.72
Less: Provision for doubtful advances	166.51	110.03	161.41
	2,992.92	2,067.23	2,035.31
Balances with statutory / government authorities	723.34	874.83	950.42
Prepaid expenses	245.12	324.00	246.40
DEPB licence	12.27	78.96	5.31
Total	3,973.65	3,345.02	3,237.44





Tata AutoComp Systems Limited
Notes forming part of the financial statements

Note 18: Share capital

	<i>Rs. in lakhs</i>		
	As at March 31, 2017	As at March 31, 2016	As at April 01, 2015
Authorised			
329,600,000 (March 31, 2016: 329,600,000, April 01, 2015: 329,600,000) equity shares of Rs. 10/- each	32,960.00	32,960.00	32,960.00
70,000,000 (March 31, 2016: 70,000,000, April 01, 2015: 70,000,000) 8% preference shares of Rs. 10/- each	7,000.00	7,000.00	7,000.00
2,400,000 (March 31, 2016: 2,400,000, April 01, 2015: 2,400,000) 7.5% preference shares of Rs. 10/- each	240.00	240.00	240.00
8,000,000 (March 31, 2016: 8,000,000, April 01, 2015: 8,000,000) 0.1% preference shares of Rs. 10/- each	800.00	800.00	800.00
	41,000.00	41,000.00	41,000.00
Issued, subscribed and fully paid up			
201,281,358 (March 31, 2016: 201,281,358) equity shares of Rs. 10/- each fully paid.	20,128.14	20,128.14	20,128.14
Total	20,128.14	20,128.14	20,128.14

(a) Movement in equity share capital :

<i>Authorised equity share capital</i>		<i>Rs. in lakhs</i>	
	Number of shares (in lakhs)	Amount	
As at April 01, 2015	3,296.00	32,960.00	
Increase during the year	-	-	
As at March 31, 2016	3,296.00	32,960.00	
Increase during the year	-	-	
As at March 31, 2017	3,296.00	32,960.00	

Movements in equity share capital

	Number of shares (in lakhs)	Equity share capital (par value)
As at April 01, 2015	2,012.81	20,128.14
Increase during the year	-	-
As at March 31, 2016	2,012.81	20,128.14
Increase during the year	-	-
As at March 31, 2017	2,012.81	20,128.14

(b) Shares held by holding, subsidiary and associate of holding company

	<i>Rs. in lakhs</i>		
	As at March 31, 2017	As at March 31, 2016	As at April 01, 2015
28,675,598 equity shares (March 31, 2016 : 28,675,598 shares, April 01, 2015 : 28,675,598 shares) held by Tata Sons Limited, the ultimate holding company.	2,867.57	2,867.57	2,867.57
120,272,540 equity shares (March 31, 2016 : 120,272,540 shares, April 01, 2015 : 120,272,540 shares) held by subsidiaries of the company's ultimate holding company	12,027.25	12,027.25	12,027.25
52,333,170 equity shares (March 31, 2016 : 52,333,170 shares, April 01, 2015 : 52,333,170 shares) held by Associate of the company's ultimate holding company	5,233.32	5,233.32	5,233.32
	20,128.14	20,128.14	20,128.14

(c) Details of shares held by Shareholders holding more than 5% of equity shares of the Company

Name of the shareholder	As at March 31, 2017		As at March 31, 2016		As at April 01, 2015	
	Number of shares held as on March 31, 2017	% holding	Number of shares held as on March 31, 2016	% holding	Number of shares held as on April 01, 2015	% holding
Tata Industries Limited	69,245,153	34.40%	69,245,153	34.40%	69,245,153	34.40%
Tata Motors Limited	52,333,170	26.00%	52,333,170	26.00%	52,333,170	26.00%
Tata Capital Limited	48,307,333	24.00%	48,307,333	24.00%	48,307,333	24.00%
Tata Sons Limited	28,675,598	14.25%	28,675,598	14.25%	28,675,598	14.25%

(d) Terms and rights attached to equity shares:

The Company has one class of issued capital i.e. equity shares having a par value of Rs.10 per share. Each equity shareholder is eligible for one vote per share held. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting, except in case of interim dividend. 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.





Tata AutoComp Systems Limited
Notes forming part of the financial statements

Note 19 : Other equity

	<i>Rs. in lakhs</i>		
	As at March 31, 2017	As at March 31, 2016	As at April 01, 2015
Capital redemption reserve	5,350.00	5,350.00	5,350.00
Securities premium account	69.39	69.39	69.39
Debenture redemption reserve	2,275.00	2,200.00	2,125.00
General reserve	6,404.76	6,404.76	6,404.76
Retained earnings	45,903.96	45,001.12	46,398.69
Total	60,003.11	59,025.27	60,347.84

	<i>Rs. in lakhs</i>	
	As at March 31, 2017	As at March 31, 2016
Capital redemption reserve		
Balance as at the beginning and end of the year	5,350.00	5,350.00
Securities premium account		
Balance as at the beginning and end of the year	69.39	69.39
Debenture redemption reserve		
Balance as at the beginning of the year	2,200.00	2,125.00
Add: Appropriations during the year	75.00	75.00
	2,275.00	2,200.00
General reserve		
Balance as at the beginning and end of the year	6,404.76	6,404.76
Retained earnings		
Balance as at the beginning of the year	45,001.12	46,398.69
Add: Profit for the year	5,966.11	3,509.96
Add: Items of other comprehensive income recognised directly in retained earnings	(204.58)	(9.20)
Less: Appropriations		
Dividend on equity shares [Rs.2 per share (Previous year Rs.2 per share)]	(4,025.63)	(4,025.63)
Dividend distribution tax	(758.06)	(767.72)
Transfer to debenture redemption reserve	(75.00)	(75.00)
	45,903.96	45,001.12
Total	60,003.11	59,025.27

Nature and purpose of other reserves

General Reserve

The general reserves are the retained earnings of a company which are kept aside out of company's profits to meet future (known or unknown) obligations.

Capital Redemption Reserve

Capital Redemption Reserve was created for redemption of preference shares. The company may issue fully paid - up bonus shares to its members out of the capital redemption reserve account.

Securities Premium Account

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

Debenture Redemption Reserve (DRR)

The Company has issued redeemable non-convertible debentures. Accordingly, the Companies (Share capital and Debentures) Rules, 2014 (as amended), require the company to create DRR out of profits of the company available for payment of dividend. DRR is required to be created for an amount which is equal to 25% of the value of debentures issued. According to the Companies (Share capital and Debentures) Rules, 2014 (as amended), a company should on or before the 30th day of April in each year, invest or deposit, a sum which will not be less than fifteen percent of the amount of its debentures maturing during the year ending on the 31st day of March of the next year. Till reporting date, the company was not required to make any such deposit/ investment.

Note 20 : Non-current borrowings

	Maturity date	Terms of repayment	Coupon / interest rate	<i>Rs. in lakhs</i>		
				As at March 31, 2017	As at March 31, 2016	As at April 01, 2015
<i>Secured</i>						
Debentures*	February 26, 2016	Single repayment at the end of the term	12.00%	-	-	3,537.97
<i>Unsecured</i>						
Debentures	May 20, 2020	Single repayment at the end of the term	10.15%	10,367.07	10,366.07	10,364.29
Total				10,367.07	10,366.07	13,902.26
Less: Interest accrued (included in note no 25)				(367.07)	(366.07)	(402.26)
Less: Current maturities of long term borrowings				-	-	(3,500.00)
Total				10,000.00	10,000.00	10,000.00

*Debentures are secured by first pari-passu charge on the moveable and immovable assets (including land and building) of a division of the Company.

Note 21 : Non-current - other financial liabilities

	<i>Rs. in lakhs</i>		
	As at March 31, 2017	As at March 31, 2016	As at April 01, 2015
Financial guarantee obligation (refer note 39)	1,300.24	-	-
	1,300.24	-	-
Less: Current maturities of financial guarantee obligation	307.88	-	-
Total	992.36	-	-

Note 22 : Provisions

	<i>Rs. in lakhs</i>					
	As at March 31, 2017		As at March 31, 2016		As at April 01, 2015	
	Current	Non-current	Current	Non-current	Current	Non-current
Provision for employee benefits (refer note 36)						
Compensated absences	189.67	444.45	161.34	453.73	169.52	424.41
Gratuity	-	136.41	-	211.47	-	234.37
Retirement benefits	86.88	1,519.42	65.82	1,065.32	65.82	927.05
Provision for probable claims (refer note 41)	3,103.00	-	3,162.00	-	3,162.00	-
Total	3,379.55	2,100.28	3,389.16	1,730.52	3,397.34	1,585.83





Tata AutoComp Systems Limited
Notes forming part of the financial statements

Note 23 : Financial liabilities - current borrowings

	Rs. in lakhs		
	As at March 31, 2017	As at March 31, 2016	As at April 01, 2015
Secured			
Factored receivable (refer note 15)	6,546.82	5,511.00	-
Total	6,546.82	5,511.00	-

Factored receivable is secured by charge on trade receivable subject to factoring arrangement

Note 24 : Trade payables

	Rs. in lakhs		
	As at March 31, 2017	As at March 31, 2016	As at April 01, 2015
(a) Total outstanding dues of micro enterprises and small enterprises	210.61	132.21	36.71
(b) Total outstanding dues of creditors other than micro enterprises and small enterprises			
Acceptances	3,247.18	2,668.44	1,918.75
Other than Acceptances	17,474.75	13,705.05	15,997.51
Trade payables to related parties (refer note 38)	803.79	584.15	374.58
Total	21,736.33	17,089.85	18,327.55

Note 25 : Current - other financial liabilities

	Rs. in lakhs		
	As at March 31, 2017	As at March 31, 2016	As at April 01, 2015
Current maturities of long term borrowings	-	-	3,500.00
Creditors for capital goods	402.09	634.24	485.45
Payable towards employee benefits expense	1,244.39	1,444.32	931.02
Interest accrued	367.07	366.07	402.26
Other payable	1,199.18	652.20	885.08
Financial guarantee obligation (refer note 39)	307.88	-	-
Foreign exchange forward contracts *	-	22.63	-
Total	3,520.61	3,119.46	6,203.81

* Derivatives not designated as hedges - foreign currency forward contract

Note 26 : Other current liabilities

	Rs. in lakhs		
	As at March 31, 2017	As at March 31, 2016	As at April 01, 2015
Customer advances	4,587.26	4,417.79	3,330.60
Other payables			
Statutory dues	587.79	472.51	506.19
Total	5,175.05	4,890.30	3,836.79

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Tata AutoComp Systems Limited
Notes forming part of the financial statements

Note 27 : Revenue from operations

	<i>Rs. in lakhs</i>	
	Year ended March 31, 2017	Year ended March 31, 2016
Sale of products (including excise duty)		
Finished goods	79,302.13	68,671.54
Traded goods	14,430.24	13,665.25
Sale of services	6,331.43	6,894.26
Other operating revenues	402.06	391.54
Total	100,465.86	89,622.59

Note 28 : Other Income

	<i>Rs. in lakhs</i>	
	Year ended March 31, 2017	Year ended March 31, 2016
Interest income from financial assets carried at amortised cost	378.73	368.02
Dividend from jointly controlled entities	2,976.72	1,045.42
Net gain on sale of current investments mandatorily measured at fair value through profit or loss	2,678.59	3,162.75
Net gain on sale of property, plant and equipments	4.73	-
Exchange gain (net)	62.72	115.29
Unwinding of financial guarantee obligation	78.24	-
Sundry provisions no longer required, written back	171.81	96.73
Other non-operating income (refer note 49)	1,862.01	238.56
Total	8,213.55	5,026.77

Note 29 : Cost of materials consumed

	<i>Rs. in lakhs</i>	
	Year ended March 31, 2017	Year ended March 31, 2016
Raw materials at the beginning of the year	1,893.36	1,808.45
Add: Purchases	49,331.95	39,638.80
Less: Raw material at the end of the year	1,888.08	1,893.36
Total	49,337.23	39,553.89

Note 30 : Changes in inventories of finished goods, work-in-progress and traded goods

	<i>Rs. in lakhs</i>	
	Year ended March 31, 2017	Year ended March 31, 2016
Opening stock		
Work-in-progress	1,066.62	1,144.78
Finished goods	96.74	134.89
Tools	787.78	768.82
Traded Goods	782.15	729.84
	2,733.29	2,778.33
Closing stock		
Work-in-progress	1,072.84	1,066.62
Finished goods	217.70	96.74
Tools	1,479.91	787.78
Traded Goods	583.42	782.15
	3,353.87	2,733.29
Total	(620.58)	45.04

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Tata AutoComp Systems Limited
Notes forming part of the financial statements

Note 31 : Employee benefits expense

	Rs. in lakhs	
	Year ended March 31, 2017	Year ended March 31, 2016
Salaries and wages	11,130.40	10,662.38
Contributions to provident fund and other fund (refer note 36)	599.58	824.09
Staff welfare expenses	1,130.90	1,213.36
Total	12,860.88	12,699.83

Note 32 : Finance costs

	Rs. in lakhs	
	Year ended March 31, 2017	Year ended March 31, 2016
Interest expense	1,262.09	1,734.89
Other borrowing costs	0.15	57.81
Total	1,262.24	1,792.70

Note 33 : Depreciation and amortisation expense

	Rs. in lakhs	
	Year ended March 31, 2017	Year ended March 31, 2016
Depreciation of property, plant and equipment	2,249.29	2,350.44
Amortisation of intangible assets	51.99	153.88
Total	2,301.28	2,504.32

Note 34 : Other expenses

	Rs. in lakhs	
	Year ended March 31, 2017	Year ended March 31, 2016
Consumption of stores and spare parts	1,509.01	1,535.29
Power and fuel	2,050.49	1,966.40
Site expenses and contract labour charges	1,892.04	1,671.03
Rent and service charges	772.37	747.93
Repairs and maintenance -		
Buildings	70.15	81.07
Machinery	945.43	881.08
Others	40.25	101.03
Insurance	53.00	62.00
Rates and taxes	142.51	140.11
Communication expenses	187.94	204.22
Travelling and conveyance	741.55	706.12
Freight and forwarding	1,848.84	1,960.30
Commission	43.74	55.88
Corporate social responsibility expenditure	67.74	24.57
Legal and professional fees	2,669.73	1,070.60
Provision for impairment of investment in subsidiary	75.78	-
Sundry balances written off	77.44	-
Loss on sale of property, plant and equipment sold / scrapped / written off	-	13.86
Processing charges	222.92	1,112.93
Miscellaneous expenses	1,770.24	1,655.13
Less: recoveries from jointly controlled entities and subsidiaries	(838.64)	(825.60)
Total	14,342.53	13,163.95

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Tata AutoComp Systems Limited
Notes forming part of the financial statements

34 a) Legal and Professional fees include payment to auditors

	<i>Rs. in lakhs</i>	
	Year ended March 31, 2017	Year ended March 31, 2016
Audit fees	60.60	60.60
Tax audit fees	6.60	6.60
Other services	8.93	5.48
Reimbursement of expenses	2.89	1.19
Total	79.02	73.87

34 b) Operating lease

The Company has various operating leases for office/ factory facilities that are renewable on a periodic basis.

(a) Lease payments in respect of operating leases included in Statement of Profit and Loss are Rs. 772.37 lakhs (March 31, 2016:

Rs. 747.93 lakhs)

(b) Total of future minimum lease payments in respect of non-cancellable operating leases

	<i>Rs. in lakhs</i>	
	Year ended March 31, 2017	Year ended March 31, 2016
Not later than one year	135.10	269.34
Later than one year but not later than five years	21.04	131.68
Total	156.14	401.02

34 c) Corporate social responsibility expenditure

Gross amount required to be spent by the company during the year Rs 67.74 lakhs (March 31, 2016 Rs. 24.13 lakhs). Amount spent during the year on:

	<i>Rs. in lakhs</i>	
	Year ended March 31, 2017	Year ended March 31, 2016
Maharashtra Drought Relief (Paryay NGO)	8.00	7.91
TATA Medical Center, Kolkata	15.00	11.25
Cancer Treatment of Children ST Judes, Mumbai	3.00	1.00
United way of Mumbai for Marathon 2016	-	3.00
Ration support to SASA orphanage, Pune	1.88	1.41
MD India online for health check up of motor mechanics	8.90	-
Support to school building of Jillha Parishad Shala, Chakan	9.26	-
Soil checking for chakan site	0.12	-
Creating greenery at chakan	0.22	-
Provision for tree plantation at chakan	21.19	-
Other	0.17	-
Total	67.74	24.57

Note 35 : Income tax expense

	<i>Rs. in lakhs</i>	
	Year ended March 31, 2017	Year ended March 31, 2016
(a) Income tax expense		
Current tax		
Current tax on profits for the year	1,500.02	1,572.24
Adjustments for current tax of prior periods	148.85	35.38
Total current tax expense	1,648.87	1,607.62
Deferred tax		
Decrease / (increase) in deferred tax assets	95.17	(70.93)
(Decrease) / increase in deferred tax liabilities	28.83	(51.53)
Total deferred tax expense/(benefit)	124.00	(122.46)
Total	1,772.87	1,485.16

Reconciliation of tax expense and the accounting profit :

	<i>Rs. in lakhs</i>	
	Year ended March 31, 2017	Year ended March 31, 2016
Profit before income tax expense	7,738.98	4,995.14
Tax Rate of 34.61% (2015-2016 – 34.61%)	2,678.46	1,728.82
Tax effect of amounts which are not deductible (taxable) in calculating taxable income:		
Weighted deduction on research and development expenditure	(98.60)	-
Corporate social responsibility expenditure	23.74	8.50
Disallowance u/s 14A of Income Tax Act, 1961	69.33	97.42
Dividend income from jointly controlled entities	(1,030.24)	(361.82)
Other items	(18.67)	(23.14)
Adjustments for current tax of prior periods	148.85	35.38
Income tax expense	1,772.87	1,485.16





Tata AutoComp Systems Limited
Notes forming part of the financial statements

Note 36 : Employee benefits

(A) Defined benefit plans

a) Gratuity

The Company provides for gratuity for employees in India as per the Payment of Gratuity Act, 1972. Employees who are in continuous service for a period of 5 years are eligible for gratuity. The amount of gratuity payable on retirement/termination is the employees last drawn basic salary per month computed proportionately for 15 days salary multiplied for the number of years of service. The gratuity plan is a funded plan and the Company makes contributions to recognised funds in India. The Company does not fully fund the liability and maintains a target level of funding to be maintained over a period of time based on estimations of expected gratuity payments.

The amounts recognised in the balance sheet and the movements in the net defined benefit obligation over the year are as follows:

	Rs. in lakhs		
	Present value of obligation	Fair value of plan assets	Net amount
April 1, 2015	823.98	(589.60)	234.38
Current service cost	129.91	-	129.91
Interest expense/(income)	62.46	(56.45)	6.01
Total amount recognised in profit or loss	192.37	(56.45)	135.92
Remeasurements			
Return on plan assets, excluding amounts included in interest expense/(income)	-	5.31	5.31
(Gain)/loss from change in demographic assumptions	-	-	-
(Gain)/loss from change in financial assumptions	4.38	-	4.38
Experience (gains)/losses	47.22	-	47.22
Total amount recognised in other comprehensive income	51.60	5.31	56.91
Employer contributions	-	(149.00)	(149.00)
Benefit payments	(66.74)	-	(66.74)
March 31, 2016	1,001.20	(789.73)	211.47

	Rs. in lakhs		
	Present value of obligation	Fair value of plan assets	Net amount
April 1, 2016	1,001.20	(789.73)	211.47
Current service cost	139.00	-	139.00
Interest expense/(income)	72.89	(66.41)	6.48
Total amount recognised in profit or loss	211.89	(66.41)	145.48
Remeasurements			
Return on plan assets, excluding amounts included in interest expense/(income)	-	20.12	20.12
(Gain)/loss from change in demographic assumptions	-	-	-
(Gain)/loss from change in financial assumptions	41.97	-	41.97
Experience (gains)/losses	(25.77)	-	(25.77)
Total amount recognised in other comprehensive income	16.20	20.12	36.32
Employer contributions	-	(123.42)	(123.42)
Benefit payments	(133.36)	-	(133.36)
March 31, 2017	1,095.93	(959.45)	136.48

The net liability disclosed above relates to funded plan is as follows:

	Rs. in lakhs		
	As at March 31, 2017	As at March 31, 2016	As at April 01, 2015
Present value of funded obligations	1,095.93	1,001.19	823.98
Fair value of plan assets	959.45	789.72	589.61
Deficit of funded plan	136.48	211.47	234.37

Valuation in respect of gratuity has been carried out by independent actuary, as at the balance sheet date, based on the following assumptions:

	As at March 31, 2017	As at March 31, 2016	As at April 01, 2015
Discount rate	6.90%	7.80%	7.90%
Salary escalation	8.00%	8.00%	8.00%
Rate of return on plan assets	7.70%	8.50%	8.50%

Quantitative sensitivity analysis for significant assumptions are as follows:

	Rs. in lakhs	
	Year ended March 31, 2017	Year ended March 31, 2016
Increase/(decrease) in present value of defined benefit obligation as at the end of the year		
(i) 1% increase in discount rate	(46.97)	(42.91)
(ii) 1% decrease in discount rate	51.57	47.12
(iii) 1% increase in rate of salary escalation	50.72	46.34
(iv) 1% decrease in rate of salary escalation	(47.09)	(43.02)

The above sensitivity analyses are based on a change in an assumption while holding all other assumptions constant. In practice, this is unlikely to occur, and changes in some of the assumptions may be correlated. When calculating the sensitivity of the defined benefit obligation to significant actuarial assumptions the same method (present value of the defined benefit obligation calculated with the projected unit credit method at the end of the reporting period) has been applied as when calculating the defined benefit liability recognised in the balance sheet.

The methods and types of assumptions used in preparing the sensitivity analysis did not change compared to the prior period.

The maturity profile of defined benefit obligation (gratuity) -

	Rs. in lakhs
	As at March 31, 2017
Defined benefit obligation (gratuity)	
Less than a year	192.89
Between 1 - 2 years	467.71
Between 2 - 5 years	287.78
Over 5 years	866.31
Total	1,814.69

The major category of plan assets are as follows -

	Rs. in lakhs		
	As at March 31, 2017	As at March 31, 2016	As at April 01, 2015
Unquoted			
Insurer managed funds*	(959.45)	(789.73)	(589.61)

* The Company maintains gratuity fund, which is being administered by LIC. Fund value confirmed by LIC as at March 31, 2017 is considered to be the fair value.

Contribution expected to be paid to the plan during the next financial year Rs. 54.76 lakhs (Previous year Rs.130.85 lakhs).





Tata AutoComp Systems Limited
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b) Other retirement benefits

The company operates defined benefit pension plans. All of the plans are final salary pension plans, which provide benefits to members in the form of a guaranteed level of pension payable for life. The level of benefits provided depends on members' length of service and their salary in the final years leading up to retirement.

<i>Rs. in lakhs</i>	
	Present value of obligation
April 1, 2015	992.87
Current service cost	170.15
Interest expense	76.80
Total amount recognised in profit or loss	246.95
<i>Remeasurements</i>	
(Gain)/loss from change in demographic assumptions	-
(Gain)/loss from change in financial assumptions	(37.40)
Experience (gains)/losses	(5.47)
Total amount recognised in other comprehensive income	(42.87)
Benefit payments	(65.81)
March 31, 2016	1,131.14

<i>Rs. in lakhs</i>	
	Present value of obligation
April 1, 2016	1,131.14
Current service cost	183.44
Interest expense	90.51
Total amount recognised in profit or loss	273.95
<i>Remeasurements</i>	
(Gain)/loss from change in demographic assumptions	-
(Gain)/loss from change in financial assumptions	41.16
Experience (gains)/losses	241.48
Total amount recognised in other comprehensive income	282.64
Benefit payments	(81.42)
March 31, 2017	1,606.31

The net liability disclosed above relates to unfunded plan is as follows:

<i>Rs. in lakhs</i>			
	As at March 31, 2017	As at March 31, 2016	As at April 01, 2015
Unfunded plans	1,606.31	1,131.14	992.87
Deficit before asset ceiling	1,606.30	1,131.14	992.87

Valuation in respect of pension has been carried out by independent actuary, as at the balance sheet date, based on the following assumptions:

	As at March 31, 2017		As at March 31, 2016		As at April 01, 2015	
	Serving Managing Director	Retired Managing Directors	Serving Managing Directors	Retired Managing Directors	Serving Managing Directors	Retired Managing Directors
Discount rate	7.50%	8.00%	8.30%	8.3% / 8.40%	8.00%	7.90%
Pension growth rate	6.00%	6.00%	6.00%	6.00%	6.00%	6.00%
Compensation growth rate	8.00%	-	8.00%	-	8.00%	-
Expected average remaining working life (years)	30.55	22.79	31.50	23.38	26.98	26.98

Quantitative sensitivity analysis for significant assumptions are as follows:

	<i>Rs. in lakhs</i>	
	Year ended March 31, 2017	Year ended March 31, 2016
Increase/(decrease) in present value of defined benefit obligation as at the end of the year		
(i) 1% increase in discount rate	(173.56)	(118.60)
(ii) 1% decrease in discount rate	165.99	114.89
(iii) 1% increase in rate of Pension growth rate	(61.85)	(42.38)
(iv) 1% decrease in rate of Pension growth rate	59.35	40.66

The above sensitivity analyses are based on a change in an assumption while holding all other assumptions constant. In practice, this is unlikely to occur, and changes in some of the assumptions may be correlated. When calculating the sensitivity of the defined benefit obligation to significant actuarial assumptions the same method (present value of the defined benefit obligation calculated with the projected unit credit method at the end of the reporting period) has been applied as when calculating the defined benefit liability recognised in the balance sheet.

The methods and types of assumptions used in preparing the sensitivity analysis did not change compared to the prior period.

The maturity profile of defined benefit obligation (pension)

	<i>Rs. in lakhs</i>	
	As at March 31, 2017	
Defined benefit obligation (pension)	89.78	
Less than a year	187.92	
Between 1 - 2 years	195.14	
Between 2 - 5 years	881.80	
Over 5 years	1,354.64	

(B) Defined Contribution Plans

The Company has recognised the following amounts in the Statement of Profit and Loss

	<i>Rs. in lakhs</i>	
	As at March 31, 2017	As at March 31, 2016
Contribution to Employees' Superannuation Fund	102.91	164.53
Contribution to Provident Fund/ Family Pension Fund (including contribution to social security)	480.91	459.59

(C) Risk exposure

Through its defined benefit plans, the company is exposed to a number of risks, the most significant of which are detailed below:

- Interest rate risk:** The defined benefit obligation is calculated using a discount rate based on government bonds. If bond yields fall, the defined benefit obligation will tend to increase.
- Salary Inflation risk:** Higher than expected increases in salary will increase the defined benefit obligation.
- Demographic risk:** For example, as the plan is open to new entrants, an increase in membership will increase the defined benefit obligation. Also, the plan only provides benefits upon completion of a vesting criteria. Therefore, if turnover rates increase then the liability will tend to fall as fewer employees reach vesting period.





Tata AutoComp Systems Limited
Notes forming part of the financial statements

Note 37: Segment Information

The Company is engaged mainly in the business of manufacturing and trading of automobile components, design and engineering services. Based on the "management approach" as defined in Ind AS 106, the 'Chief Operating Decision Maker (CODM) considers entire business as single operating segment. The Company's operating divisions are managed from India. The principal geographical areas in which the Company operates are India and other countries.

The revenue from external customer for each of the major products is as follows:

Particulars	<i>Rs. in lakhs</i>	
	Year ended March 31,	
	2017	2016
- Components	85,374.72	76,849.49
- Tools, dies and Moulds	8,357.65	5,488.01
- Scrap	402.06	391.54
- Service	6,331.43	6,893.55
Total	100,465.86	89,622.59

The revenue by geographical market is as follows:

Location	<i>Rs. in lakhs</i>	
	Year ended March 31,	
	2017	2016
Domestic	92,530.12	81,525.73
Europe	4,901.60	4,795.74
Others	3,034.14	3,301.12
Total	100,465.86	89,622.59

Note 38 Related party transactions

(a) Related parties and their relationship

Promoters/ Promoter group

- i) Tata Sons Limited (Ultimate holding company)
- ii) Tata Industries Limited
- iii) Tata Motors Limited
- iv) Tata Capital Limited

Subsidiaries

- i) Taco Holdings (Mauritius) Limited ("THML")
- ii) Taco Kunststofftechnik GmbH * (Subsidiary of THML)
- iii) Taco Grundstuckverwaltungs GmbH # (Subsidiary of THML)
- iv) Nanjing Tata AutoComp Systems Limited (Subsidiary of THML)
- v) Automotive Stampings and Assemblies Limited
- vi) TACO Engineering (UK) Limited (Under process of business closure)
- vii) TACO Engineering Services, Germany GMBH
- viii) Automotive Skills Training Foundation
- ix) Rhypez Holding (Sweden) AB (w. e. f. August 8, 2016)
- x) TitanX Holding AB (Sweden) (Subsidiary of Rhypez Holding (Sweden) AB) (w. e. f. December 30, 2016)
- xi) TitanX Engine Cooling Holding AB (Sweden) (Subsidiary of TitanX Holding AB (Sweden)) (w. e. f. December 30, 2016)
- xii) TitanX Engine Cooling, Inc. (US) (Subsidiary of TitanX Engine Cooling Holding AB (Sweden)) (w. e. f. December 30, 2016)
- xiii) TitanX Engine Cooling Kunshan Co., Ltd. (China) (Subsidiary of TitanX Engine Cooling Holding AB (Sweden)) (w. e. f. December 30, 2016)
- xiv) TitanX Engine Cooling AB (Sweden) (Subsidiary of TitanX Engine Cooling Holding AB (Sweden)) (w. e. f. December 30, 2016)
- xv) TitanX Refrigeraçao de Motores LTDA (Brazil) (Subsidiary of TitanX Engine Cooling AB (Sweden)) (w. e. f. December 30, 2016)

* Under Control of Administrator w.e.f June 24, 2009

Under Control of Administrator w.e.f. July 15, 2009

Fellow subsidiaries (with whom transactions have taken place during the period)

- i) Tata AIG General Insurance Company Limited
- ii) TC Travel and Services Limited
- iii) Tata Consultancy Services Limited
- iv) Tata Capital Forex Limited (formerly TT Holdings & Services Limited)
- v) Tata International Limited
- vi) Tata Investment Corporation Limited
- vii) Tata Capital Pte. Limited
- viii) Bachi Shoes Limited
- ix) Tata Consulting Engineers Limited
- x) Tata Securities Limited

Other group companies

- i) Fiat India Automobiles Private Limited
- ii) Tata Communications Limited
- iii) Tata Technologies Limited
- iv) Tata Chemicals Limited
- v) Tata Teleservices Limited
- vi) Tata Teleservices (Maharashtra) Limited
- vii) The Indian Hotels Company Limited

Joint controlled entities

- i) Tata Ficoso Automotive Systems Private Limited (Formerly known as Tata Ficoso Automotive Systems Limited)
- ii) Tata Autocomp GY Batteries Private Limited (Formerly known as Tata Autocomp GY Batteries Limited)
- iii) Tata Autocomp Hendrickson Suspensions Private Limited (Formerly known as Taco Hendrickson Suspensions Private Limited)
- iv) Tata Autocomp Katcon Exhaust System Private Limited (w. e. f. May 19, 2015)
- v) TM Automotive Seating Systems Private Limited (w. e. f. May 14, 2015)
- vi) Tata Toyo Radiator Limited
- vii) Taco Sasken Automotive Electronics Limited (Under Liquidation)

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Tata AutoComp Systems Limited
Notes forming part of the financial statements

Key management personnel

Whole-time director

Mr. Ajay Tandon (Managing Director)

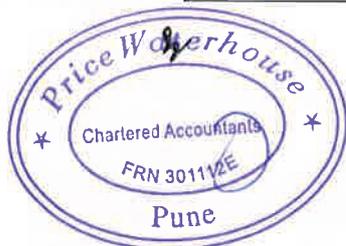
Non-executive directors

Mr. Praveen Kadle
Mr. Ramnath Mukhija
Ms. Vedika Bhandarkar
Mr. Hari Lakshminarayan Mundra
Mr. Gopichand Katragadda (from May 22, 2015)
Mr. Milind Shahane (from August 4, 2016)
Mr. Gopala Krishnan (till December 25, 2015)
Mr. Ramesh Savoor (till December 16, 2015)
Mr. Satish Pradhan (till December 16, 2015)
Mr. Kishor Chaukar (till November 16, 2015)
Mr. R R Bhinge (till December 16, 2015)

(b) Transactions with related parties

Rs. in lakhs

Particulars	Transaction value		Closing balance		
	Year ended March 31, 2017	Year ended March 31, 2016	As at March 31, 2017	As at March 31, 2016	As at April 1, 2015
Sale of goods					
- Tata Motors Limited	49,329.66	32,051.89	161.85	(130.05)	1,293.98
- Fiat India Automobiles Private Limited	12,124.00	20,016.17	286.90	(929.05)	432.07
- Others	3,136.25	2,901.69	733.22	409.70	318.63
Purchase of goods and services					
- Tata Motors Limited	677.86	968.33	56.69	47.21	(172.00)
- Tata Toyo Radiator Ltd.	203.42	156.47	(4.48)	-	(2.20)
- Tata Securities Limited	1,074.17	3.16	-	-	-
- Others	1,381.88	1,140.92	(643.66)	(445.61)	(4.31)
Brand equity business promotion contribution					
- Tata Sons Limited	235.92	206.39	(212.33)	(185.75)	(196.07)
Sale of services					
- Tata Motors Limited	867.69	791.56	549.93	347.22	324.78
- Tata Toyo Radiator Limited	2,089.92	933.40	526.16	216.29	367.70
- Automotive Stampings and Assemblies Limited	185.43	136.92	191.44	103.79	26.56
- Tata Autocomp Hendrickson Suspensions Private Limited (Formerly known as Taco Hendrickson Suspensions Private Limited)	1,788.25	1,060.90	219.01	244.56	266.83
- Tata Ficosa Automotive Systems Private Limited (Formerly known as Tata Ficosa Automotive Systems Limited)	510.86	233.15	75.46	168.87	125.05
- Tata Autocomp GY Batteries Private Limited (Formerly known as Tata Autocomp GY Batteries Limited)	475.34	478.83	338.20	314.66	321.78
- TM Automotive Seating Systems Private Limited	17.12	54.98	9.97	16.49	-
- Tata Autocomp Katcon Exhaust System Private Limited	38.63	22.53	55.49	25.80	-
- Others	362.46	289.29	222.79	45.74	106.17
Sale of fixed assets					
- Tata Toyo Radiator Ltd.**	2,967.28	0.32	-	0.36	-
- Tata Ficosa Automotive Systems Private Limited** (Formerly known as Tata Ficosa Automotive Systems Limited)	719.23	0.20	2.99	0.22	2.28
- Automotive Stampings and Assemblies Limited	-	-	-	0.00	2.57
- Tata Autocomp Katcon Exhaust System Private Limited	2.82	0.95	2.99	0.99	-
- Nanjing Tata AutoComp Systems Limited	10.34	-	10.96	-	-
- Tata Autocomp Hendrickson Suspensions Private Limited ** (Formerly known as Taco Hendrickson Suspensions Private Limited)	1,867.22	-	0.00	-	-
- TM Automotive Seating Systems Private Limited	8.46	-	8.97	-	-
Equity dividend paid					
- Tata Motors Limited	1,046.66	1,046.66	-	-	-
- Tata Investment Corporation Limited	54.40	54.40	-	-	-





Tata AutoComp Systems Limited
Notes forming part of the financial statements

Rs. in lakhs

Particulars	Transaction value		Closing balance		
	Year ended March 31, 2017	Year ended March 31, 2016	As at March 31, 2017	As at March 31, 2016	As at April 1, 2015
- Tata Industries Limited	1,384.90	1,384.90	-	-	-
- Tata Sons Limited	573.51	573.51	-	-	-
- Tata Capital Limited	966.15	966.15	-	-	-
Interest received on Inter corporate deposits and loans					
- Automotive Stampings and Assemblies Limited	277.85	302.55	-	-	-
- Tata Ficosa Automotive Systems Private Limited (Formerly known as Tata Ficosa Automotive Systems Limited)	46.75	-	-	-	-
- Tata Autocomp Katcon Exhaust System Private Limited	16.92	-	-	-	-
Dividend received					
- Tata Toyo Radiator Limited	840.48	433.50	-	-	-
- Tata Autocomp Hendrickson Suspensions Private Limited (Formerly known as Taco Hendrickson Suspensions Private Limited)	2,136.24	611.92	-	-	-
Inter corporate deposit given / (received back)					
- Automotive Stampings and Assemblies Limited	(78.00)	(180.00)	2,650.00	2,728.00	2,908.00
Loans given / (received back)					
- Tata Ficosa Automotive Systems Private Limited (Formerly known as Tata Ficosa Automotive Systems Limited)	850.00	-	533.61	-	-
- Tata Autocomp Katcon Exhaust System Private Limited	1,300.00	-	1,300.00	-	-
Remuneration paid to managerial personnel					
- Mr. Ajay Tandon					
Short-term employee benefits	238.24	228.49	(110.88)	(109.40)	(72.00)
Long-term employee benefits	17.64	14.70	(27.11)	(20.08)	(16.43)
Post-employment benefits	218.79	170.17	(663.05)	(425.96)	(367.36)
Investment in equity shares					
- Tata Toyo Radiator Limited	-	-	1,632.00	1,632.00	1,632.00
- Taco Holding (Mauritius) Limited	-	-	6,307.20	6,307.20	6,307.20
- Tata Ficosa Automotive Systems Private Limited (Formerly known as Tata Ficosa Automotive Systems Limited)	-	-	1,875.00	1,875.00	1,875.00
- Automotive Stampings and Assemblies Limited	-	-	7,515.97	7,515.97	7,515.97
- Tata Autocomp GY Batteries Private Limited (Formerly known as Tata Autocomp GY Batteries Limited)	-	-	5,150.08	5,150.08	5,150.08
- Tata Autocomp Hendrickson Suspensions Private Limited (Formerly known as Taco Hendrickson Suspensions Private Limited)	-	-	621.00	621.00	621.00
- Taco Germany Engineering Services GMBH	-	-	17.71	17.71	17.71
- Taco Engineering (UK) Limited	-	-	-	75.78	75.78
- TM Automotive Seating Systems Private Limited (w. e. f. May 19, 2015)	-	500.00	500.00	500.00	-
- Tata Autocomp Katcon Exhaust System Private Limited (w. e. f. May 14, 2015)	149.99	171.14	321.13	171.14*	-
- Rhypez Holding (Sweden) AB (w. e. f. August 8, 2016)	20,357.31	-	20,357.31	-	-

Note:

- The closing balances above are net of advances.
- The closing balances of investments in equity shares are net of provisions.
- ** - Represents sale value of land transferred to Joint ventures appearing in Capital Work in Progress as on March 31, 2017.
- * - Includes share application money pending allotment of Rs 49.14 Lakhs, which has been allotted in current year.





Tata AutoComp Systems Limited
Notes forming part of the financial statements

Note 39 : Contingent liabilities (To the extent not provided for)

Particulars	Rs. in lakhs		
	As at March 31, 2017	As at March 31, 2016	As at April 01, 2015
Contingent liabilities:			
Bill discounted with recourse on the Company	-	-	8,465.89
Income tax matters under appeal	768.98	1,168.90	4,690.64
Sales tax matters under appeal	316.99	319.73	657.62
Excise duty matters*	143.10	143.10	143.95
Bank guarantees given to administrator of Companies under liquidation	-	-	30.90
Letters of comfort given to bank	-	-	3,269.85
Claims against company not acknowledged as debts	187.12	128.67	58.02
Statutory bonus for FY 2014-15 on retrospective amendment in the Payment of Bonus Act wherein high court has issued stay orders on similar cases	126.93	-	-

* The Company has received other show cause notices from the Excise department on various matters. The Company has/is in the process of replying, to these notices and does not expect any demand from the Excise department. It is not practicable for the company to estimate the timing of cash outflows, if any, in respect of the above pending disputed matters till it is resolved.

The Company has given the following financial guarantees:

- To bank amounting to USD 61.16 million (March 31, 2016: Nil, April 01, 2015: Nil), for loan facility availed by one of its subsidiaries.
- Surety bond amounting to SEK 73 million (March 31, 2016: Nil, April 01, 2015: Nil), in favour of pension fund administrator for one of its subsidiaries.

The Company has pledged its investment of Rs 19,231 Lakhs in Rhypez Holding (Sweden) AB with bank for loan facility availed by that subsidiary.

Note 40 : Capital Commitments

Particulars	Rs. in lakhs		
	As at March 31, 2017	As at March 31, 2016	As at April 01, 2015
Estimated amount of contracts remaining to be executed on capital contracts and not provided for (net of advances)	4,743.52	445.59	275.80

Note 41 : Movements in provisions

	Rs. in lakhs	
	As at March 31, 2017	As at March 31, 2016
	Claims	Claims
Carrying amount at the beginning of the year	3,162.00	3,162.00
Additional provision made during the year	-	-
Amounts used / written back during the year	(59.00)	-
Carrying amounts at the end of the year	3,103.00	3,162.00

Note 42 : Earnings per share

		As at March 31, 2017	As at March 31, 2016
Net earnings attributable to equity shareholders	Rs. in lakhs	5,966.11	3,509.98
Weighted average no. of equity shares		201,281,358	201,281,358
Earnings per share (Basic and Diluted)	Rs.	2.96	1.74
Nominal value of an equity share	Rs.	10.00	10.00

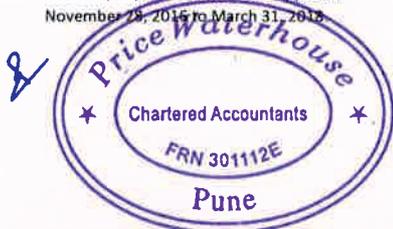
Note 43 : Other Non-current asset include leasehold land acquired for proposed new plant to be set-up at Singur for supply of components to a customer at Singur. Consequent to the customer deciding to shift its plant from Singur, the Company suspended all its activities at Singur. The Company is of the opinion that no provision is necessary in this account.

Note 44 : During the year ended March 31, 2013, the Company divested its investments in two jointly controlled entities, namely, Tata Yazaki Autocomp Limited ("TYA") and Tata Johnson Controls Automotive Limited ("TJC") on January 11, 2013 and March 25, 2013, respectively and had recorded profit on sale of investments aggregating Rs. 66,469.30 lakhs, net of Rs. 3,162 lakhs provided towards claims in respect of certain matters relating to these jointly controlled entities.

Note 45 : The Company's expenditure on its research and development activity since grant of approval under report was as follows:

	Hinjewadi location R & D unit		Pirangut location R & D unit	Hinjewadi location R & D unit	Pirangut location R & D unit	
	April 01 2016 to Nov 27 2016	Nov 28 2016 to March 31 2017	April 1 2016 to March 31 2017	April 1 2015 to March 31 2016	April 1 2015 to Sept 29 2015	Sept 30 2015 to March 31 2016
	(a) Capital expenditure	6.06	2.34	4.51	2.93	5.17
(b) Revenue expenditure	356.76	125.07	131.48	431.91	60.28	57.51

The company has received DSIR approval for its research and development facility at Pirangut location from September 30, 2015 to March 31, 2018 and for Hinjewadi location from November 28, 2015 to March 31, 2016.





Tata AutoComp Systems Limited
Notes forming part of the financial statements

Note 46 : Disclosures required under the Micro, Small and Medium Enterprises Development Act, 2006 (MSMED Act) are given as follows

Dues to Micro, Small and Medium Enterprises (MSMEs)	Rs. in lakhs	
	March 31, 2017	March 31, 2016
Total amount due to MSMEs as on Balance Sheet date		
- Principal amount due to MSMEs	210.61	132.21
- Interest on the principal amount due to MSMEs	2.34	0.94
	212.95	133.15
Total delayed payments to MSMEs during the year		
- Principal amount	3,755.12	2,572.81
- Interest on the principal amount	34.37	13.71
	3,789.49	2,586.52
Total amount of interest paid to MSMEs during the year	-	-
Total interest accrued and remaining unpaid at the end of the year under MSMED Act	81.29	44.59
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	36.71	14.64

Note 47 : Disclosure of loan to subsidiary during the year with respect to listing agreement for debt securities

Particulars	Rs. in lakhs			
	Balance outstanding as at		Maximum balance outstanding during the year	
	March 31, 2017	March 31, 2016	March 31, 2017	March 31, 2016
Loans and advances in the nature of loans to subsidiary				
- Automotive Stampings and Assemblies Limited	2,650.00	2,728.00	2,728.00	2,908.00

Note 48 : Interest in subsidiaries and jointly controlled entities

Name of the Company	Percentage of Holding (%)			Principal place of business / Country of incorporation
	As at March 31, 2017	As at March 31, 2016	As at April 01, 2015	
Subsidiaries (Direct and Indirect):				
Automotive Skill Training Foundation (Sec.8 company)	100.00	100.00	100.00	India
Taco Engineering (UK) Ltd (Under process of business closure)	100.00	100.00	100.00	UK
Taco Engineering Services GmbH	100.00	100.00	100.00	Germany
Taco Holdings (Mauritius) Limited ("THML")	100.00	100.00	100.00	Mauritius
Taco Kunststofftechnik GmbH (subsidiary of THML) (excluded from consolidation w.e.f. on July 1, 2009) under Control of Administrator w.e.f. June 24, 2009	100.00	100.00	100.00	Germany
Taco Grundstuckverwaltungs GmbH (subsidiary of THML) (excluded from consolidation w.e.f. on July 1, 2009) under Control of Administrator w.e.f. July 15, 2009	100.00	100.00	100.00	Germany
Nanjing Tata AutoComp Systems Limited (subsidiary of THML)	100.00	100.00	100.00	China
Automotive Stampings and Assemblies Limited ("ASAL")	75.00	75.00	75.00	India
Ryhpez Holding (Sweden) AB (w.e.f August 8, 2016)	100.00	-	-	Sweden
TitanX Holding AB (Sweden) (Subsidiary of Ryhpez Holding (Sweden) AB) (w.e.f December 30, 2016)	96.17	-	-	Sweden
TitanX Engine Cooling Holding AB (Sweden) (Subsidiary of TitanX Holding AB (Sweden)) (w.e.f December 30, 2016)	96.17	-	-	Sweden
TitanX Engine Cooling, Inc. (US) (Subsidiary of TitanX Engine Cooling Holding AB (Sweden)) (w.e.f December 30, 2016)	96.17	-	-	USA
TitanX Engine Cooling Kunshan Co., Ltd. (China) (Subsidiary of TitanX Engine Cooling Holding AB (Sweden)) (w.e.f December 30, 2016)	96.17	-	-	China
TitanX Engine Cooling AB (Sweden) (Subsidiary of TitanX Engine Cooling Holding AB (Sweden)) (w.e.f December 30, 2016)	96.17	-	-	Sweden
TitanX Refrigeração de Motores LTDA (Brazil) (Subsidiary of TitanX Engine Cooling AB (Sweden)) (w.e.f December 30, 2016)	96.17	-	-	Brazil
Jointly controlled entities :				
Tata Toyo Radiator Limited ("TTR")	51.00	51.00	51.00	India
Tata Fiosa Automotive Systems Private Limited ("TF") (Formerly Known as Tata Fiosa Automotive Systems Limited)	50.00	50.00	50.00	India
Tata AutoComp GY Batteries Private Limited ("TGY") (Formerly Known as Tata AutoComp GY Batteries Limited)	50.00	50.00	50.00	India
Tata Autocomp Hendrickson Suspensions Private Limited (Formerly Known as Taco Hendrickson Suspensions Private Limited)	50.00	50.00	50.00	India
Tata Autocomp Katcon Exhaust Systems Private Limited (w. e. f. May 19, 2015)	50.00	50.00	-	India
TM Automotive Seating Systems Private Limited (w. e. f. May 22, 2015)	50.00	50.00	-	India
Taco Sasken Automotive Electronics Limited ("TSAE") (under liquidation)	50.00	50.00	50.00	India

Note 49: During the year ended March 31, 2017, the company has transferred and assigned its interest under the agreement to lease with Maharashtra Industrial Development Corporation (MIDC) to the joint venture companies i.e. Tata Toyo Radiator Ltd., Tata Autocomp Hendrickson Suspensions Pvt. Ltd., Tata Fiosa Automotive Systems Pvt. Ltd. Accordingly after receiving the consent letter from MIDC on May 27, 2016 the company has transferred the cost of land based on the area assigned to each joint venture with a corresponding reduction in capital work in progress amounting to Rs 5,834.83 lakhs (includes common project cost amounting to Rs 284.83 lakhs). Additionally, the company has charged Project Management Charges of Rs. 1,632 Lakhs on account of investment in the project, which is clubbed under other income.





Tata AutoComp Systems Limited
Notes forming part of the financial statements

Note 50 : Fair Value Measurement

Financial Instrument by category:

The carrying value and fair value of financial instruments by categories as of March 31, 2017 were as follows:

Particulars	Amortised cost	Financial assets / liabilities at fair value through profit or loss	Total Carrying value
Financial Assets:			
<i>Non-current</i>			
Investments	45,992.08	-	45,992.08
Loans	2,735.17	-	2,735.17
Other financial asset	342.94	-	342.94
<i>Current</i>			
Investments	-	23,664.35	23,664.35
Trade receivables	16,519.04	-	16,519.04
Cash and cash equivalents	584.89	-	584.89
Loans - current	1,794.58	-	1,794.58
Other financial asset	1,245.62	10.76	1,265.38
Financial Liabilities:			
<i>Non-current</i>			
Borrowings	10,000.00	-	10,000.00
Other financial liabilities	992.36	-	992.36
<i>Current</i>			
Borrowings	6,546.82	-	6,546.82
Trade Payable	-	-	-
Other financial liabilities	21,525.72	-	21,525.72

The carrying value and fair value of financial instruments by categories as of March 31, 2016 were as follows:

Particulars	Amortised cost	Financial assets / liabilities at fair value through profit or loss	Total Carrying value
Financial Assets:			
<i>Non-current</i>			
Investments	23,865.90	-	23,865.90
Loans	2,650.00	-	2,650.00
Other financial asset	447.10	-	447.10
<i>Current</i>			
Investments	-	36,698.98	36,698.98
Trade receivables	13,070.95	-	13,070.95
Cash and cash equivalents	1,847.51	-	1,847.51
Loans	143.09	-	143.09
Other financial asset	992.84	-	992.84
Financial Liabilities:			
<i>Non-current</i>			
Borrowings	10,000.00	-	10,000.00
<i>Current</i>			
Borrowings	5,511.00	-	5,511.00
Trade payable	17,089.85	-	17,089.85
Other financial liabilities	2,730.76	22.63	2,753.39

The carrying value and fair value of financial instruments by categories as of April 01, 2015 were as follows:

Particulars	Amortised cost	Financial assets / liabilities at fair value through profit or loss	Total Carrying value
Financial Assets:			
<i>Non-current</i>			
Investments	42,450.18	-	42,450.18
Loans	2,764.00	-	2,764.00
Other financial asset	578.07	-	578.07
<i>Current</i>			
Investments	-	42,450.18	42,450.18
Trade receivables	6,498.40	-	6,498.40
Cash and cash equivalents	1,267.67	-	1,267.67
Loans - current	184.39	-	184.39
Other financial asset	676.75	43.51	720.26
Financial Liabilities:			
<i>Non-current</i>			
Borrowings	10,000.00	-	10,000.00
<i>Current</i>			
Trade payable	-	-	-
Other financial liabilities	17,926.55	-	17,926.55

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Tata AutoComp Systems Limited
Notes forming part of the financial statements

Fair value hierarchy

This section explains the judgements and estimates made in determining the fair values of the financial instruments that are (a) recognised and measured at fair value and (b) measured at amortised cost and for which fair values are disclosed in the financial statements. To provide an indication about the reliability of the inputs used in determining fair value, the Company has classified its financial instruments into the three levels prescribed under the accounting standard. An explanation of each level is as follows:

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

Level 2 - The fair value of financial instruments that are not traded in an active market is determined using valuation techniques which maximise the use of observable market data and rely as little as possible on entity-specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2.

Level 3 - If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3.

The following table presents fair value hierarchy of assets and liabilities measured at fair value on a recurring basis as of March 31, 2017:

	As at March 31, 2017	Fair value measurement at end of the reporting period using		
		Level 1	Level 2	Level 3
Asset				
Investments in liquid mutual fund units	23,664.35	23,664.35	-	-
Liabilities				
Derivative financial instruments - foreign currency forward contracts	19.76	-	19.76	-

The following table presents fair value hierarchy of assets and liabilities measured at amortised cost for which fair values are disclosed as at March 31, 2017:

	As at March 31, 2017	Fair value measurement at end of the reporting period using		
		Level 1	Level 2	Level 3
Liabilities				
Non convertible debentures	10,400.00	-	10,400.00	-

The following table presents fair value hierarchy of assets and liabilities measured at fair value on a recurring basis as of March 31, 2016:

	As at March 31, 2016	Fair value measurement at end of the reporting year using		
		Level 1	Level 2	Level 3
Asset				
Investments in liquid mutual fund units	36,698.98	36,698.98	-	-
Liabilities				
Derivative financial instruments - foreign currency forward contracts	22.63	-	22.63	-

The following table presents fair value hierarchy of assets and liabilities measured at amortised cost for which fair values are disclosed as at March 31, 2016:

	As at March 31, 2016	Fair value measurement at end of the reporting period using		
		Level 1	Level 2	Level 3
Liabilities				
Non convertible debentures	10,000.00	-	10,000.00	-

The following table presents fair value hierarchy of assets and liabilities measured at fair value on a recurring basis as of April 01, 2015:

	As at April 01, 2015	Fair value measurement at end of the reporting year using		
		Level 1	Level 2	Level 3
Asset				
Investments in liquid mutual fund units	42,450.18	42,450.18	-	-
Liabilities				
Derivative financial instruments - foreign currency forward contracts	43.51	-	43.51	-

The following table presents fair value hierarchy of assets and liabilities measured at amortised cost for which fair values are disclosed as at April 01, 2015:

	As at April 01, 2015	Fair value measurement at end of the reporting period using		
		Level 1	Level 2	Level 3
Liabilities				
Non convertible debentures	10,500.00	-	10,500.00	-

Valuation technique used to determine fair value:

Specific valuation technique used to value financial instruments include

- the fair value of liquid mutual funds is based on quoted price,
- the fair value of forward foreign exchange contract is determined using forward foreign exchange rates as at balance sheet date.
- the fair value of debentures is calculated as the present value of the estimated future cash flows based on observable yield curves

Valuation processes

The finance department of the company includes a team that performs the valuations of financial assets and liabilities required for financial reporting purposes, including level 3 fair values. Discussions of valuation processes and results are held between the CFO, VP Finance and the valuation team.

- The carrying amounts of trade receivables, trade payables, cash and cash equivalents and other financial assets are considered to be the same as their fair values, due to their short-term nature.
- For financial assets and liabilities that are measured at fair value, the carrying amounts are equal to the fair values.

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Tata AutoComp Systems Limited
Notes forming part of the financial statements

Note 51 : Financial risk management

In the course of its business, the Company is exposed primarily to market risk, liquidity risk and credit risk, which may adversely impact the fair value of its financial instruments. The Company has a risk management policy which not only covers the foreign exchange risks but also other risks associated with the financial assets and liabilities such as credit risks. The risk management policy is approved by the board of directors. The risk management framework aims to:

- Create a stable business planning environment by reducing the impact of currency fluctuations on the Company's business plan
- Achieve greater predictability to earnings by determining the financial value of the expected earnings in advance.

(A) Market risk

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

(a) Foreign currency risk

The Company operates internationally and is exposed to foreign exchange risk arising from foreign currency transactions, primarily with respect to the USD, EUR and GBP. Foreign exchange risk arises from future commercial transactions and recognised assets and liabilities denominated in a currency that is not the Company's functional currency (INR). The risk is measured through a forecast of highly probable foreign currency cash flows. The Company's risk management policy is to hedge around 50% to 70% of forecasted foreign currency sales and purchases for the subsequent 6 months. The objective of the hedges is to minimise the volatility of the INR cash flows of highly probable forecast transactions.

The Company's exposure to foreign currency risk at the end of the reporting period expressed in INR, are as follows:

	As at March 31, 2017			As at March 31, 2016			As at April 1, 2015		
	USD	EUR	Others	USD	EUR	Others	USD	EUR	Others
Financial assets									
Trade receivables	388.22	2,064.26	107.44	452.26	2,256.97	120.50	1,360.11	1,917.92	60.55
Bank balances	6.26	45.80	-	162.03	136.67	0.46	56.01	5.50	0.43
Other receivables	1.55	-	-	1.56	3.58	0.26	2.75	3.21	-
Reimbursements from related parties	146.72	-	-	28.10	-	-	27.48	-	-
Exposure to foreign currency risk (assets)	542.75	2,140.06	107.44	673.98	2,399.48	121.25	1,446.35	1,926.64	60.98
Financial liabilities									
Trade payables	956.83	232.06	8.32	457.43	257.69	6.36	622.49	148.32	16.28
Other payable	7.09	21.47	0.41	35.15	54.29	2.36	27.75	64.46	-
Exposure to foreign currency risk (liabilities)	963.92	253.53	8.73	492.58	311.98	8.74	650.24	210.78	16.28

Sensitivity

The sensitivity of profit or loss to changes in the exchange rates arises mainly from foreign currency denominated financial instruments.

	Rs. in lakhs	
	As at March 31, 2017	As at March 31, 2016
USD sensitivity		
INR/USD - Increase by 1% (31 March 2016-1%)*	(4.21)	1.81
INR/USD - Decrease by 1% (31 March 2016-1%)*	4.21	(1.81)
EUR sensitivity		
INR/EUR - Increase by 6% (31 March 2016-6%)*	113.19	125.25
INR/EUR - Decrease by 6% (31 March 2016-6%)*	(113.19)	(125.25)

*Holding all other variable constant

Forward contracts receivable / payable

	Rs. in lakhs	
	As at March 31, 2017	As at March 31, 2016
Forward contracts receivable		
USD	690.51	653.59
EUR	987.13	1,113.30
GBP	201.36	161.93
Forward contracts payable		
USD	1,708.05	1,237.52
EUR	104.50	99.23
GBP	-	-

(b) Interest rate risk

The Company's fixed rate borrowings and loans to subsidiary and jointly controlled entity are carried at amortised cost. They are therefore not subject to interest rate risk as defined in Ind AS 107, since neither the carrying amount nor the future cash flows will fluctuate because of a change in market interest rates.

(c) Price risk

(a) Exposure

The Company's exposure to current investments' price risk arises from investments held by the Company and classified in the balance sheet at fair value through profit or loss. To manage its price risk arising from investment, the Company invests in liquid mutual funds. Liquid mutual funds invest mainly in short term debt instruments such as commercial deposits (CD), commercial paper (CP) and treasury bills, with maturities of up to 91 days only and carry very negligible interest rate risk and price risk.





Tata AutoComp Systems Limited
Notes forming part of the financial statements

(B) Liquidity risk

Prudent liquidity risk management implies maintaining sufficient cash and marketable securities and the availability of funding through an adequate amount of committed credit facilities to meet obligations when due and to close out market positions. Due to the dynamic nature of the underlying businesses, the Company treasury maintains flexibility in funding by maintaining availability under committed credit lines. Management monitors rolling forecasts of the Company's liquidity position and cash and cash equivalents on the basis of expected cash flows. The Company's liquidity management policy involves projecting cash flows in major currencies and considering the level of liquid assets necessary to meet this. The Company invests its surplus funds in bank fixed deposit and liquid mutual funds which carry no / low mark to market risk.

Maturities of financial liabilities

The tables below analyse the Company's financial liabilities into relevant maturity groupings based on their contractual maturities for

- all non-derivative financial liabilities, and

- net and gross settled derivative financial instruments for which the contractual maturities are essential for an understanding of the timing of the cash flows.

The amounts disclosed in the table are the contractual undiscounted cash flows. Balances due within 12 months equal their carrying balances as the impact of discounting is not significant.

Contractual maturities of financial liabilities	Rs. in lakhs			
	Less than 6 months	6 months to 1 year	More than 1 year	Total
March 31, 2017				
Non-derivatives				
Borrowings / debentures	-	-	10,000.00	10,000.00
Borrowings current	6,546.82	-	-	6,546.82
Trade payables	21,736.33	-	-	21,736.33
Other financial liabilities	3,520.61	-	-	3,520.61
Financial guarantee obligation *	5,284.68	-	39,655.28	44,940.24
Total non-derivative liabilities	37,088.72	-	49,655.28	86,744.00

* The company has given the financial guarantee for one of its subsidiary (refer note 39 for details). The company has disclosed the maximum exposure of financial guarantee to the earliest period in which the guarantee could be called.

Contractual maturities of financial liabilities	Rs. in lakhs			
	Less than 6 months	6 months to 1 year	More than 1 year	Total
March 31, 2016				
Non-derivatives				
Borrowings / debentures	-	-	10,000.00	10,000.00
Borrowings current	5,511.00	-	-	5,511.00
Trade payables	17,089.65	-	-	17,089.65
Other financial liabilities	3,119.46	-	-	3,119.46
Total non-derivative liabilities	25,720.31	-	10,000.00	35,720.31

Contractual maturities of financial liabilities	Rs. in lakhs			
	Less than 6 months	6 months to 1 year	More than 1 year	Total
April 01, 2015				
Non-derivatives				
Current maturities of long term borrowings	-	3,500.00	-	3,500.00
Borrowings / debentures	-	-	10,000.00	10,000.00
Trade payables	18,327.55	-	-	18,327.55
Other financial liabilities	6,203.81	-	-	6,203.81
Total non-derivative liabilities	24,531.36	3,500.00	10,000.00	38,031.36

(C) Credit risk

Credit risk is the risk of financial loss arising from counterparty failure to repay or service debt according to the contractual terms or obligations. Credit risk encompasses both the direct risk of default and the risk of deterioration of credit worthiness.

Credit risk management

Credit risk on cash and cash equivalents is limited as the Company generally invests in deposits with banks and liquid mutual fund with high credit ratings assigned by international and domestic credit rating agencies. The Company considers the probability of default upon initial recognition of asset and whether there has been a significant increase in credit risk on an on-going basis throughout each reporting period.

Exposure to credit risk

The maximum exposure to the credit risk at the reporting date is primarily from trade receivables amounting to Rs 24,029.91 lakhs, Rs 19151.40 lakhs and Rs 11969.28 lakhs as of March 31, 2017, March 31, 2016 and April 01, 2015 respectively. Credit risk has always been managed by the Company through credit approvals, establishing credit limits and continuously monitoring the creditworthiness of customers to which the Company grants credit terms in the normal course of business. The Company follows lifetime expected credit loss model (simplified approach) for recognition of impairment loss on trade receivables.

Financial assets that are neither past due nor impaired

None of the Company's cash equivalents, including time deposits with banks, are past due or impaired. Regarding trade receivables and other receivables, and other financial assets that are neither impaired nor past due, there were no indications as at March 31, 2017, that defaults in payment obligations will occur.

The Company follows 12 months expected credit losses (expected credit losses that result from those default events on the financial instrument that are possible within 12 months after the reporting date) model for recognition of impairment loss on financial assets measured at amortised cost or fair value through other comprehensive income other than trade receivables.





Tata AutoComp Systems Limited
Notes forming part of the financial statements

The ageing of trade receivable as on balance sheet date is given below. The age analysis has been considered from the due date.

	As at March 31, 2017			As at March 31, 2016			As at April 01, 2015		
	Gross	Allowance	Net	Gross	Allowance	Net	Gross	Allowance	Net
Trade receivables									
Period (in months)									
Nil due	15,271.05	-	15,271.05	10,651.06	-	10,651.06	3,511.51	-	3,511.51
Overdue up to 3 months	2,306.05	-	2,306.05	1,646.95	-	1,646.95	2,039.34	-	2,039.34
Overdue 3-6 months	850.08	60.45	789.63	384.07	63.78	320.29	262.15	167.28	94.87
Overdue more than 6 months	1,420.33	938.00	482.33	1,231.85	843.12	388.73	1,760.23	927.56	832.68
Total	17,847.49	1,028.45	16,819.04	14,097.86	1,026.60	13,070.66	7,593.23	1,094.83	6,468.40

The following table summarises the change in loss allowance measured using lifetime expected credit loss model

	Rs. in lakhs
Loss allowance on April 01, 2015	1,094.83
Changes in loss allowance	(67.03)
Loss allowance on March 31, 2016	1,026.90
Changes in loss allowance	1.55
Loss allowance on March 31, 2017	1,028.45

Note 52 : Capital Management

(a) Risk management

The Company's objectives when managing capital are to:

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

In order to maintain or adjust the capital structure, the Company may adjust the amount of dividends paid to shareholders, return capital to shareholders, issue new shares or sell assets to reduce debt.

The Company determines the amount of capital required on the basis of annual operating plans and long-term product and other strategic investment plans. The funding requirements are met through equity, non-convertible debt securities and short-term borrowings. The Company's policy is aimed at combination of short-term and long-term borrowings. The Company monitors the capital structure on the basis of total debt to equity ratio and maturity profile of the overall debt portfolio of the Company. Total debt includes all long and short-term debts as disclosed in notes 20 and 23 to the financial statements.

Particulars	As at March 31, 2017	As at March 31, 2016	As at April 1, 2015
Total debt (Rs. in lakhs)	10,547	15,511	13,500
Total equity (Rs. in lakhs)	80,131	79,153	80,476
Net debt to equity ratio	0.21	0.20	0.17

(b) Dividends

Particulars	Rs. in lakhs	
	Year ended March 31, 2017	Year ended March 31, 2016
(i) Equity shares		
Final dividend for the year ended March 31, 2016 of Rs 2.00 (March 31, 2015 - Rs 2.00) per fully paid share	4,025.63	4,025.63
(ii) Dividends not recognised at the end of the reporting period	4,025.63	4,025.63

In addition to the above dividends, since year end the directors have recommended the payment of a final dividend of Rs 2.00 per fully paid equity share (March 31, 2016 Rs. 4,025.63 lakhs). This proposed dividend is subject to the approval of shareholders in the ensuing annual general meeting.

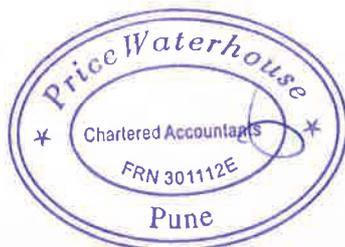
Note 53: Disclosure relating to specified bank notes (SBNs) held and transacted during the period from November 08, 2016 to December 30, 2016:

	SBNs		Other denomination notes	Total
	Value of Rs. 500 Notes	Value of Rs. 1000 Notes		
Closing cash in hand as on 08.11.2016	0.33	0.18	1.69	2.40
(+) Permitted receipts	-	-	0.10	0.10
(-) Permitted payments	-	-	0.23	0.23
(-) Amount deposited in Banks	0.33	0.18	1.04	1.55
Closing cash in hand as on 30.12.2016	-	-	0.72	0.72

Specified bank note (SBNs) means the bank notes of denominations of the existing series of the value of five hundred rupees and one thousand rupees as defined under the notification of the Government of India, in the ministry of finance, Department of Economic affairs no. S.O. 3407(E), dated november 08, 2016.

Note 54: Assets pledged as security

Particulars	Rs. in lakhs		
	As at March 31, 2016	As at March 31, 2016	As at April 1, 2015
Current			
Financial Assets			
First Charge			
Factored Receivables	6,546.82	5,511.00	-
Total current assets pledged as security	6,546.82	5,511.00	-
Non-Current			
Non Financial Assets			
First Charge			
Tangible assets			13,931.46
Intangible assets			92.38
Total Non-current assets pledged as security	-	-	14,023.84
Total Assets pledged as security	6,546.82	5,511.00	14,023.84





Tata AutoComp Systems Limited
Notes forming part of the financial statements

Note 55 : First-time adoption of Ind AS

These are the Company's first financial statements prepared in accordance with Ind AS.

The accounting policies set out in note 2 have been applied in preparing the financial statements for the year ended March 31, 2017, the comparative information presented in these financial statements for the year ended March 31, 2016 and in the preparation of an opening Ind AS balance sheet at April 01, 2015 (the date of transition). In preparing its opening Ind AS balance sheet, the Company has adjusted the amounts reported previously in financial statements prepared in accordance with the accounting standards notified under Companies (Accounting Standards) Rules, 2006 (as amended) and other relevant provisions of the Act (previous GAAP or Indian GAAP). An explanation of how the transition from previous GAAP to Ind AS has affected the company's financial position and financial performance is set out in the following tables and notes.

A Exemptions availed on first time adoption of Ind-AS 101

Set out below are the applicable Ind AS 101 optional exemptions applied in the transition from previous GAAP to Ind AS.

- i) **Deemed cost property, plant and equipment and intangible asset** - Ind AS 101 permits a first-time adopter to elect to continue with the carrying value for all of its property, plant and equipment as recognised in the financial statements as at the date of transition to Ind AS, measured as per the previous GAAP and use that as its deemed cost as at the date of transition after making necessary adjustments for de-commissioning liabilities. This exemption can also be used for intangible assets covered by Ind AS 38 Intangible Assets. Accordingly, the Company has elected to measure all of its property, plant and equipment and intangible assets at their previous GAAP carrying value.
- ii) **Deemed cost for investments in subsidiaries and jointly controlled entities** - Ind AS 101 permits a first-time adopter to elect to continue with the carrying value for all of its investments in subsidiaries and jointly controlled entities as recognised in the financial statements as at the date of transition to Ind AS, measured as per the previous GAAP and use that as its deemed cost as at the date of transition. Accordingly, the Company has elected to measure all of its investments in subsidiaries and jointly controlled entities at their previous GAAP carrying value.

The remaining exemptions either do not apply or are not relevant to the Company.

Exceptions from full retrospective application

The Company has applied the following mandatory exceptions from retrospective application of Ind AS:

- i) **Estimates** - An entity's estimates in accordance with Ind ASs at the date of transition to Ind AS shall be consistent with estimates made for the same date in accordance with previous GAAP (after adjustments to reflect any difference in accounting policies), unless there is objective evidence that those estimates were in error. Ind AS estimates as at 1 April 2015 are consistent with the estimates as at the same date made in conformity with previous GAAP. The Company made estimates for following items in accordance with Ind AS at the date of transition as these were not required under previous GAAP: Impairment of financial assets based on expected credit loss model.
- ii) **De-recognition of financial assets and liabilities** - Ind AS 101 requires a first-time adopter to apply the de-recognition provisions of Ind AS 109 prospectively for transactions occurring on or after the date of transition to Ind AS. However, Ind AS 101 allows a first-time adopter to apply the de-recognition requirements in Ind AS 109 retrospectively from a date of the entity's choosing, provided that the information needed to apply Ind AS 109 to financial assets and financial liabilities derecognised as a result of past transactions was obtained at the time of initially accounting for those transactions. The company has elected to apply the de-recognition provisions of Ind AS 106 prospectively from the date of transition to Ind AS.
- iii) **Classification and measurement of financial assets** - Ind AS 101 requires an entity to assess classification and measurement of financial assets on the basis of the facts and circumstances that exist at the date of transition to Ind AS. The remaining mandatory exceptions either do not apply or are not relevant to the Company.

Reconciliations:

The following reconciliations provides the effect of transition to Ind AS from previous GAAP in accordance with Ind AS 101

1. Equity as at April 01, 2015 and March 31, 2016
2. Net profit for the year ended March 31, 2016

Reconciliation of equity as previously reported under previous GAAP to Ind AS

	Notes	Opening Balance Sheet as at April 1, 2015			Balance Sheet as at March 31, 2016		
		Regrouped previous GAAP*	Ind AS Adjustments	Ind AS	Regrouped previous GAAP	Ind AS Adjustments	Ind AS
ASSETS							
Non-current assets							
Property, plant and equipment	(a)	20,000.12	67.95	20,068.07	18,537.80	49.47	18,587.27
Capital work-in-progress	(b)	604.10	(108.63)	495.47	12,626.80	(108.63)	12,518.17
Intangible assets		226.06	-	226.06	105.97	-	105.97
Financial assets							
(i) Investments		23,194.75	-	23,194.75	23,865.89	-	23,865.89
(ii) Loans	(c)	2,764.00	-	2,764.00	2,650.00	-	2,650.00
(iii) Other financial assets		595.77	(17.70)	578.07	475.69	(10.85)	464.84
Deferred tax assets (net)	(a)	4.56	1,844.20	1,848.76	126.78	1,210.23	1,337.01
Current tax asset (net)		2,822.27	-	2,822.27	2,741.98	-	2,741.98
Other non-current assets	(b),(c)	12,614.62	(989.37)	11,625.25	884.95	(349.32)	534.73
Total non-current assets		62,826.25	796.45	63,622.70	62,014.96	780.90	62,805.86
Current assets							
Inventories	(a)	6,034.10	(187.84)	5,846.26	6,185.02	(187.83)	5,997.19
Financial assets							
(i) Loans		184.39	-	184.39	143.09	-	143.09
(ii) Trade receivables	(g)	6,498.40	-	6,498.40	7,559.95	5,511.00	13,070.95
(iii) Cash and cash equivalent		1,267.67	-	1,267.67	1,829.77	-	1,829.77
(v) Investments	(e)	42,418.67	30.51	42,450.18	36,664.11	34.87	36,698.98
(vi) Other financial asset	(d)	739.84	(19.58)	720.26	1,025.29	(32.45)	992.84
Other current assets		3,926.60	(689.16)	3,237.44	4,050.26	(705.24)	3,345.02
Total current assets		61,070.67	(866.07)	60,204.60	57,457.49	4,620.35	62,077.84
Total		123,896.92	(69.62)	123,827.30	119,472.45	5,411.25	124,883.70
EQUITY AND LIABILITIES							
Equity							
Equity share capital		20,128.14	-	20,128.14	20,128.14	-	20,128.14
Other equity		55,594.10	4,753.74	60,347.84	54,342.00	4,683.27	59,025.27
Total equity		75,722.24	4,753.74	80,475.98	74,470.14	4,683.27	79,153.41
Liabilities							
Non-current liabilities							
Financial liabilities							
(i) Borrowings		10,000.00	-	10,000.00	10,000.00	-	10,000.00
Provisions		1,585.83	-	1,585.83	1,730.52	-	1,730.52
Total non-current liabilities		11,585.83	-	11,585.83	11,730.52	-	11,730.52
Current liabilities							
Financial liabilities							
(i) Borrowings	(i)	-	-	-	-	5,511.00	5,511.00
(ii) Trade payables		18,327.55	-	18,327.55	17,099.85	-	17,099.85
(iii) Other financial liabilities		6,203.81	-	6,203.81	3,119.46	-	3,119.46
Other current liabilities		3,836.79	-	3,836.79	4,890.30	-	4,890.30
Provisions	(f)	8,220.70	(4,823.36)	3,397.34	8,172.18	(4,783.02)	3,389.16
Total current liabilities		36,586.85	(4,823.36)	31,763.49	33,271.79	727.98	33,999.77
Total		123,896.92	(69.62)	123,827.30	119,472.45	5,411.25	124,883.70

* The previous GAAP figures have been reclassified to conform to Ind AS presentation requirements for the purposes of this note.





Tata AutoComp Systems Limited
Notes forming part of the financial statements

Reconciliation statement of profit and loss as previously reported under previous GAAP to Ind AS

	Notes	Year ended March 31, 2016			
		Rs. In Lakhs	Regrouped previous GAAP*	Ind AS Adjustments	Ind AS
Revenue From Operations (including excise duty)	(i)		61,495.28	6,127.31	68,622.59
Other Income	(c), (d), (e)		5,016.09	70.68	5,026.77
Total Revenue			66,511.37	8,137.99	94,649.36
Expenses					
Cost of materials consumed			39,553.89	-	39,553.89
Purchases of Stock-in-Trade			11,767.18	-	11,767.18
Changes in inventories of finished goods, Stock-in-Trade and work-in progress			45.04	-	45.04
Excise duty			-	8,127.31	8,127.31
Employee benefits expense	(j)		12,713.89	(14.06)	12,699.83
Finance costs			1,782.70	-	1,782.70
Depreciation and amortization expense	(a)		2,485.84	18.48	2,504.32
Other expenses	(c), (d)		13,135.50	28.45	13,163.95
Total expenses			81,494.04	8,160.18	89,654.22
Profit before tax			6,017.33	(22.19)	4,995.14
Tax expense:					
Current tax			1,485.34	(0.18)	1,485.16
Deferred tax			1,607.62	-	1,607.62
Short provision for tax in respect of earlier year			(122.28)	(0.18)	(122.46)
				-	-
Profit for the period / year			3,531.99	(22.01)	3,509.98
Other Comprehensive Income (OCI)					
Items that will not be reclassified subsequently to profit or loss					
Measurements of post-employment benefit obligations	(i)			(14.06)	(14.06)
Income-tax on above				4.66	4.66
Total Other Comprehensive Income for the period			-	(9.20)	(9.20)
Total Comprehensive Income for the period (TCI)			3,531.99	(31.21)	3,500.78

* The previous GAAP figures have been reclassified to conform to Ind AS presentation requirements for the purposes of this note.

Reconciliation of total equity as at March 31, 2016 and April 01, 2015

	Notes	Rs. In Lakhs	
		As at March 31, 2016	As at April 01, 2015
Total equity (shareholder's funds) as per previous GAAP		74,470.14	75,722.24
Adjustments:			
Fair valuation of investments	(e)	34.87	31.00
Fair valuation of derivatives	(d)	(34.00)	(12.00)
Fair valuation of security deposits	(c)	0.00	0.73
Proposed dividend	(f)	4,763.70	4,823.36
Tax effects of adjustments		35.73	30.10
Capitalization of spares	(a)	(137.93)	(119.45)
Total adjustments		4,683.27	4,753.74
Total equity as per Ind AS		79,153.41	80,475.98

Reconciliation of total comprehensive income for the year ended March 31, 2016

	Notes	Rs. In Lakhs	
		As at March 31, 2016	As at March 31, 2016
Profit after tax as per previous GAAP			3,531.99
Adjustments:			
Fair valuation of investments	(e)		4.35
Fair valuation of derivatives	(d)		(22.01)
Fair valuation of security deposits	(c)		(0.11)
Remeasurements of post-employment benefit obligations	(f)		14.08
Tax effects of adjustments			0.18
Amortization of Spares capitalized	(a)		(18.48)
Total adjustments			(22.01)
Profit after tax as per Ind AS			3,509.98
Other comprehensive Income			(9.20)
Total comprehensive income as per Ind AS			3,500.78

Impact of Ind AS adoption on the consolidated statements of cash flows for the year ended March 31, 2016

	Notes	Year ended March 31, 2016			
		Rs. In Lakhs	Regrouped previous GAAP	Ind AS Adjustments	Ind AS
Net cash flow from operating activities	(a), (c), (d), (e)		3,796.31	(6,643.07)	(2,846.76)
Net cash flow from investing activities			6,953.09	1,132.07	8,085.16
Net cash flow from financing activities	(g)		(10,152.25)	5,511.00	(4,641.25)
Net Increase/(decrease) In cash and cash equivalents			597.15	-	597.15
Cash and cash equivalents as at April 01, 2015			1,250.36	-	1,250.36
Cash and cash equivalents as at March 31, 2016			1,847.51	-	1,847.51





Tata AutoComp Systems Limited
Notes forming part of the financial statements

Explanations for reconciliation of equity and statement of profit and loss as previously reported under previous GAAP to IND AS

- (a) Under previous GAAP, spares which are not specific to a particular item of fixed asset but can be used generally for various items of fixed assets were treated as inventories for the purpose of AS 2. However under Ind AS, Spare parts are recognized in accordance with Ind AS 16 when they meet the definition of property, plant and equipment. The Company has recognized spares of Rs. 68 Lakhs (net of depreciation) as on the date of transition and adjusted Rs. 119 lakhs against retained earnings (March 31, 2016 Rs. 48 Lakhs, net of depreciation)
- (b) Under previous GAAP, the Company treated all leasehold land under finance lease. The Company has evaluated all leases as per Ind AS 17 for classification purpose. As per Ind AS 17, the classification of leases is based on the extent to which risks and rewards incidental to ownership of a leased asset lie with the lessor or the lessee. A lease is classified as a finance lease if it transfers substantially all the risks and rewards incidental to ownership, otherwise it is an operating lease. As on the transition date considering the facts of the "Singur Project" and litigation involved the Company has evaluated that risk and rewards for Singur Land are not transferred to the Company. Hence the same is treated as operating lease and accordingly reclassified to other non current asset. (April 01, 2015: Rs 109 Lakhs, March 31, 2016: Rs 109 Lakhs)
- (c) Certain interest-free security deposits have been discounted using market rates of interest as required under Ind-AS and recorded at amortized cost as on the transition date. (April 1, 2015: Rs. 62 Lakhs, March 31, 2016: Rs. 69 Lakhs)
- (d) Under previous GAAP the forward exchange contracts and other derivative instruments were accounted based on Accounting Standard 11 "The effects of changes in foreign exchange rates". Under Ind-AS, fair value of forward foreign exchange contracts and other derivative instruments has been recognized and the corresponding adjustments has been made in the retained earnings as on the date of transition. (Net gain recognised as on April 1, 2015: Rs. 45.56 Lakhs, Net loss recognised as on March 31, 2016: Rs. 4.25 Lakhs)
- (e) Under previous GAAP, current investments in financial instruments such as mutual funds are recognized at cost or Net Realizable Value, whichever is lower. Under Ind-AS, investments in financial instruments are recorded at fair value as at the balance-sheet date. (Net gain recognised as on April 1, 2015: Rs 31 Lacs, Net gain recognised as on March 31, 2016: Rs 4 Lakhs)
- (f) Under previous GAAP, dividend proposed by the board of directors after the balance sheet date but before the approval of financial statements were considered as adjusting events. Accordingly provisions for proposed dividend was recognised as liability. Under IND AS such dividends are recognised when the such dividends are approved by the shareholders in the general meeting. Accordingly the liability for proposed dividend of Rs. 4,785 Lakhs as at March 31, 2016 (Rs 4,854 Lakhs as on April 1, 2015) included under provisions has been reversed with the corresponding adjustments to retained earnings. Consequently the total equity increase by equivalent amount.
- (g) As per Ind As 101, derecognition requirements in Ind AS 109 should apply prospectively to the transactions occurring on or after the date of transition. As per Ind AS 109, an entity shall remove a financial liability (or a part of a financial liability) from its balance sheet when, and only when, it is extinguished i.e. when the obligation specified in the contract is discharged or cancelled or expires. Management has recognized trade receivable relating to bill discounting arrangement with customer and recognized corresponding financial liability as on March 31, 2016 Rs 5,611 Lakhs.
- (h) Under the previous GAAP, revenue from sale of product was presented exclusive of excise duty. Under Ind AS revenue from sale of goods is presented inclusive of excise duty. The excise duty paid is presented on the face of the statement of profit and loss account as a part of expense. The change has resulted in increase in the total revenue and the total expenses for the year ended March 31, 2016: Rs. 6,127 Lakhs. There is no impact on the total equity and profit.
- (i) Under Ind AS, remeasurements i.e. actuarial gains and losses and the return on plan assets, excluding amounts included in the net interest expense on the net defined benefit liability are recognised under other comprehensive income instead of profit and loss account. Under the previous GAAP, these measurements were forming part of profit and loss for the year. As a result of this change, the profit for the year ended March 31, 2016 increase by Rs 9 Lacs. There is no impact on total equity as at March 31, 2016.

For Price Waterhouse
Firm Registration No. 301112E
Chartered Accountants

sd/-
Jeetendra Mirchandani
Partner
Membership No. 48125

Place: Pune
Date: May 19, 2017

For and on behalf of the Board of Directors

sd/-
Praveen Kadle
Chairman

sd/-
Ajay Tandon
Managing Director and CEO

sd/-
Ashish Boradkar
Company Secretary

Place: Pune
Date: May 19, 2017

sd/-
Hari Mundra
Director

sd/-
Deepak Rastogi
Chief Financial Officer

Price Waterhouse

Chartered Accountants

INDEPENDENT AUDITORS' REPORT

To the Members of Tata AutoComp Systems Limited

Report on the Consolidated Indian Accounting Standards (Ind AS) Financial Statements

1. We have audited the accompanying consolidated Ind AS financial statements of Tata AutoComp Systems Limited ("hereinafter referred to as the Holding Company") and its subsidiaries (the Holding Company and its subsidiaries together referred to as "the Group") and its joint ventures (refer Note 2 to the attached consolidated financial statements), comprising of the consolidated Balance Sheet as at March 31, 2017, the consolidated Statement of Profit and Loss (including Other Comprehensive Income), the consolidated Cash Flow Statement for the year then ended and the Statement of Changes in Equity for the year then ended, and a summary of significant accounting policies and other explanatory information prepared based on the relevant records (hereinafter referred to as "the Consolidated Ind AS Financial Statements").

Management's Responsibility for the Consolidated Ind AS Financial Statements

2. The Holding Company's Board of Directors is responsible for the preparation of these consolidated Ind AS financial statements in terms of the requirements of the Companies Act, 2013 (hereinafter referred to as "the Act") that give a true and fair view of the consolidated financial position, consolidated financial performance, consolidated cash flows and changes in equity of the Group including its joint ventures in accordance with accounting principles generally accepted in India including the Indian Accounting Standards specified in the Companies (Indian Accounting Standards) Rules, 2015 (as amended) under Section 133 of the Act. The Holding Company's Board of Directors is also responsible for ensuring accuracy of records including financial information considered necessary for the preparation of consolidated Ind AS financial statements. The respective Board of Directors of the companies included in the Group and of its joint ventures are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group and its joint ventures respectively and for preventing and detecting frauds and other irregularities; the selection and application of appropriate accounting policies; making judgements and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which has been used for the purpose of preparation of the consolidated Ind AS financial statements by the Directors of the Holding Company, as aforesaid.

Auditors' Responsibility

3. Our responsibility is to express an opinion on these consolidated Ind AS financial statements based on our audit. While conducting the audit, we have taken into account the provisions of the Act and the Rules made thereunder including the accounting standards and matters which are required to be included in the audit report.
4. We conducted our audit of the consolidated Ind AS financial statements in accordance with the Standards on Auditing specified under Section 143(10) of the Act and other applicable authoritative pronouncements issued by the Institute of Chartered Accountants of India. Those Standards and pronouncements require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the consolidated Ind AS financial statements are free from material misstatement.

Price Waterhouse, 7th floor, Tower A - Wing 1, Business Bay, Airport Road, Yerwade, Pune - 411 006
T: +91 (20) 4100 4444, F: +91 (20) 4100 6161



Price Waterhouse

Chartered Accountants

INDEPENDENT AUDITORS' REPORT

To the Members of Tata AutoComp Systems Limited
Report on the Consolidated Ind AS Financial Statements
Page 2 of 4

5. An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated Ind AS financial statements. The procedures selected depend on the auditors' judgement, including the assessment of the risks of material misstatement of the consolidated Ind AS financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Holding Company's preparation of the consolidated Ind AS financial statements that give a true and fair view, in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Holding Company's Board of Directors, as well as evaluating the overall presentation of the consolidated Ind AS financial statements.
6. We believe that the audit evidence obtained by us and the audit evidence obtained by the other auditors in terms of their reports referred to in sub-paragraph 8 of the Other Matters paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the consolidated Ind AS financial statements.

Opinion

7. In our opinion and to the best of our information and according to the explanations given to us, the aforesaid consolidated Ind AS financial statements give the information required by 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 joint ventures as at March 31, 2017, and their consolidated profit (including other comprehensive income), their consolidated cash flows and consolidated changes in equity for the year ended on that date.

Other Matter

8. We did not audit the financial statements of five subsidiaries whose financial statements reflect total assets of Rs 191,848 lakhs and net assets of Rs 29,822 lakhs as at March 31, 2017, total revenue of Rs. 53,292 lakhs, net profit of Rs 1,200 lakhs and net cash flows amounting to Rs 14,639 lakhs for the year ended on that date, as considered in the consolidated Ind AS financial statements. The consolidated Ind AS financial statements also include the Group's share of net profit of Rs. 2,499 lakhs for the year ended March 31, 2017 as considered in the consolidated Ind AS financial statements, in respect of five jointly controlled entities whose financial statements have not been audited by us. 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 Ind AS financial statements insofar as it relates to the amounts and disclosures included in respect of these subsidiaries and joint ventures and our report in terms of sub-section (3) of Section 143 of the Act insofar as it relates to the aforesaid subsidiaries and joint ventures, is based solely on the reports of the other auditors.
9. The comparative financial information of the Company for the year ended March 31, 2016 and the transition date opening balance sheet as at April 1, 2015 included in these consolidated Ind AS financial statements, are based on the previously issued statutory financial statements for the years ended March 31, 2016 and March 31, 2015 prepared in accordance with the Companies (Accounting Standards) Rules, 2006 (as amended) which were audited by us, on which we expressed an unmodified opinion dated May 09, 2016 and May 11, 2015 respectively. The adjustments to those financial statements for the differences in accounting principles adopted by the Company on transition to the Ind AS have been audited by us.

Our opinion is not qualified in respect of these matters.

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Price Waterhouse

Chartered Accountants

INDEPENDENT AUDITORS' REPORT

To the Members of Tata AutoComp Systems Limited
Report on the Consolidated Ind AS Financial Statements
Page 3 of 4

Report on Other Legal and Regulatory Requirements

10. As required by Section 143(3) of the Act, we report, to the extent applicable, that:

- (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid consolidated Ind AS financial statements.
- (b) In our opinion, proper books of account as required by law maintained by the Holding Company, its subsidiaries included in the Group and joint ventures incorporated in India including relevant records relating to preparation of the aforesaid consolidated Ind AS financial statements have been kept so far as it appears from our examination of those books and records of the Holding Company and the reports of the other auditors.
- (c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss (including other comprehensive income), Consolidated Cash Flow Statement and the Consolidated Statement of Changes in Equity dealt with by this Report are in agreement with the relevant books of account maintained by the Holding Company, its subsidiaries included in the Group and joint ventures incorporated in India including relevant records relating to the preparation of the consolidated Ind AS financial statements.
- (d) In our opinion, the aforesaid consolidated Ind AS financial statements comply with the Indian Accounting Standards specified under Section 133 of the Act.
- (e) On the basis of the written representations received from the directors of the Holding Company as on March 31, 2017 taken on record by the Board of Directors of the Holding Company and the reports of the statutory auditors of its subsidiary companies and joint ventures incorporated in India, none of the directors of the Group companies and its joint ventures incorporated in India is disqualified as on March 31, 2017 from being appointed as a director in terms of Section 164 (2) of the Act.
- (f) With respect to the adequacy of the internal financial controls over financial reporting of the Holding Company, its subsidiary companies and joint ventures incorporated in India and the operating effectiveness of such controls, refer to our separate Report in Annexure A.
- (g) With respect to the other matters to be included in the Auditors' Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
 - i. The consolidated Ind AS financial statements disclose the impact, if any, of pending litigations as at March 31, 2017 on the consolidated financial position of the Group and its joint ventures— Refer Note 42 to the consolidated Ind AS financial statements.
 - ii. The Group and jointly controlled entities had long-term contracts including derivative contracts as at March 31, 2017 for which there were no material foreseeable losses. The jointly controlled entities did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.

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Price Waterhouse

Chartered Accountants

INDEPENDENT AUDITORS' REPORT

To the Members of Tata AutoComp Systems Limited
Report on the Consolidated Ind AS Financial Statements
Page 4 of 4

- iii. 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 and jointly controlled companies incorporated in India during the year ended March 31, 2017, except for one subsidiary, where there has been no delays.
- iv. The Holding Company has provided requisite disclosures in the consolidated Ind AS financial statements as to holdings as well as dealings in Specified Bank Notes during the period from November 8, 2016 to December 30, 2016. Based on audit procedures and relying on the management representation we report that the disclosures are in accordance with books of account maintained by the Group companies and as produced to us by the Management – Refer Note 53.

For Price Waterhouse
Firm Registration Number: FRN 301112E
Chartered Accountants

sd/-
Jeetendra Mirchandani
Partner
Membership Number 48125

Pune
May 19, 2017



Price Waterhouse

Chartered Accountants

Annexure A to Independent Auditors' Report

Referred to in paragraph 10 (f) of the Independent Auditors' Report of even date to the members of Tata AutoComp Systems Limited on the consolidated financial statements for the year ended March 31, 2017

Page 1 of 3

Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Act

1. In conjunction with our audit of the consolidated financial statements of the Company as of and for the year ended March 31, 2017, we have audited the internal financial controls over financial reporting of Tata AutoComp Systems Limited (hereinafter referred to as "the Holding Company"), its subsidiary companies and its jointly controlled companies, which are companies incorporated in India, as of that date.

Management's Responsibility for Internal Financial Controls

2. The respective Board of Directors of the Holding company, its subsidiary companies and its jointly controlled companies, which are companies incorporated in India, are responsible for establishing and maintaining internal financial controls based on internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India (ICAI). 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

3. Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") issued by the ICAI and the Standards on Auditing deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of internal financial controls and both issued by the ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.
4. Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.
5. 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 Company's internal financial controls system over financial reporting.

8



Price Waterhouse

Chartered Accountants

Annexure A to Independent Auditors' Report

Referred to in paragraph 10 (f) of the Independent Auditors' Report of even date to the members of Tata AutoComp Systems Limited on the consolidated financial statements for the year ended March 31, 2017

Page 2 of 3

Meaning of Internal Financial Controls Over Financial Reporting

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

Inherent Limitations of Internal Financial Controls Over Financial Reporting

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

Opinion

8. In our opinion, the Holding Company, its subsidiary companies and its jointly controlled companies, which are companies incorporated in India, have, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2017, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

8



Price Waterhouse

Chartered Accountants

Annexure A to Independent Auditors' Report

Referred to in paragraph 10 (f) of the Independent Auditors' Report of even date to the members of Tata AutoComp Systems Limited on the consolidated financial statements for the year ended March 31, 2017

Page 3 of 3

Other Matters

9. Our aforesaid reports under Section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal financial controls over financial reporting insofar as it relates to two subsidiary companies and six jointly controlled companies, which are companies incorporated in India, is based on the corresponding reports of the auditors of such companies incorporated in India. Our opinion is not qualified in respect of this matter.

For Price Waterhouse
Firm Registration Number: FRN 301112E
Chartered Accountants

sd/-
Jeetendra Mirchandani
Partner
Membership Number 48125

Pune
May 19, 2017




TATA
 Tata AutoComp Systems Limited
 Consolidated Balance Sheet

Rs. in lakhs

	Notes	As at March 31, 2017	As at March 31, 2016	As at April 01, 2015
ASSETS				
Non-current assets				
Property, plant and equipment	5	62,796.88	34,604.25	36,217.53
Capital work-in-progress	5	19,982.20	13,942.95	1,329.50
Goodwill	36	37,179.66	2,499.96	2,499.96
Other Intangible assets	6	30,478.53	1,742.68	510.85
Investments accounted for using the equity method	44(c)	14,372.44	14,167.33	11,496.87
Financial assets				
(i) Loans	7	85.17	-	-
(ii) Other financial assets	8	423.83	564.12	645.77
Deferred tax assets (net)	9	9,324.99	1,337.02	1,848.76
Current tax assets (net)	10	1,056.18	3,249.33	3,331.19
Other non-current assets	11	1,097.66	2,932.18	14,253.90
Total non-current assets		1,76,797.54	75,039.82	72,134.33
Current assets				
Inventories	12	25,256.62	11,258.66	10,121.49
Financial assets				
(i) Investments	13	23,664.35	36,698.97	42,450.19
(ii) Trade receivables	14	45,852.53	22,999.93	10,195.31
(iii) Cash and cash equivalents	15	15,965.41	2,815.44	2,307.67
(iv) Loans	7	1,811.77	107.86	48.71
(v) Other financial assets	8	1,287.70	1,519.16	728.17
Other current assets	16	22,635.53	15,889.04	12,422.16
Total current assets		1,36,473.91	91,289.06	78,273.70
Total assets		3,13,271.45	1,66,328.88	1,50,408.03
EQUITY AND LIABILITIES				
Equity				
Equity share capital	17	20,128.14	20,128.14	20,128.14
Other equity	18			
Reserves and surplus		62,707.81	61,371.56	60,994.93
Other reserves		(1,060.77)	70.30	-
Total equity attributable to equity holders of the Company		81,775.18	81,570.00	81,123.07
Non-controlling interest		942.69	536.08	1,048.04
Total equity		82,717.87	82,106.08	82,171.11
Liabilities				
Non-current liabilities				
Financial liabilities				
(i) Borrowings	19	81,638.50	15,106.42	13,401.21
Provisions	20	16,115.91	2,015.21	1,893.95
Deferred tax liabilities (Net)	21	5,543.24	1,150.34	1,362.15
Total non-current liabilities		1,03,297.65	18,271.97	16,657.31
Current liabilities				
Financial liabilities				
(i) Borrowings	22	25,641.98	11,334.93	1,566.13
(ii) Trade payables	23	63,753.01	28,650.82	25,870.36
(iii) Other financial liabilities	24	10,661.40	6,549.17	9,197.44
Provisions	20	3,662.15	3,757.74	3,542.33
Current tax liabilities (net)	25	150.49	39.95	32.51
Other current liabilities	26	23,386.90	15,618.22	11,370.84
Total current liabilities		1,27,255.93	65,950.83	51,579.61
Total equity and liabilities		3,13,271.45	1,66,328.88	1,50,408.03

The above consolidated balance sheet should be read in conjunction with the accompanying notes.

This is the Consolidated Balance Sheet referred to in our report of even date.

For Price Waterhouse
Firm Registration No. 301112E
Chartered Accountants

Jeetendra Mirchandani
Partner
Membership No. 8125

Place: Pune
Date: May 19, 2017

For and on behalf of the Board of Directors:

sd/-
Praveen Kadle
Chairman

sd/-
Hari Mundra
Director

sd/-
Ajay Tandon
Managing Director and CEO

sd/-
Deepak Rastogi
Chief Financial Officer

sd/-
Ashish Boradkar
Company Secretary

Place: Pune
Date: May 19, 2017



Tata AutoComp Systems Limited
Consolidated Statement of Profit and Loss

Rs. in lakhs

	Notes	Year ended March 31, 2017	Year ended March 31, 2016
Revenue from operations	27	1,85,538.53	1,33,447.70
Other income	28	4,643.85	3,966.00
Total Income		1,90,182.38	1,37,413.70
Expenses			
Cost of materials consumed	29	99,953.46	66,980.74
Purchases of stock-in-trade		12,535.26	11,619.66
Changes in inventories of finished goods, stock-in-trade and work-in progress	30	(1,100.82)	(649.88)
Excise duty		11,426.48	10,705.48
Employee benefits expense	31	29,973.51	18,722.88
Finance costs	32	1,859.51	2,620.58
Depreciation and amortization expense	33	6,411.04	4,236.78
Other expenses	34	25,444.18	20,010.75
Total expenses		1,86,502.62	1,34,246.99
Profit before exceptional items, share of net profits of investments accounted for using equity method and tax		3,679.76	3,166.71
Share of net profit of jointly controlled entities accounted for using the equity method		3,944.95	3,295.95
Profit before exceptional items and tax		7,624.71	6,462.66
Exceptional items (refer note 50)		1,284.00	-
Profit before tax		8,908.71	6,462.66
Tax expense:	35	2,599.00	1,803.51
Current tax		1,847.23	1,925.73
Deferred tax		751.77	(122.22)
Profit for the year		6,309.71	4,659.15
Other Comprehensive Income (OCI)			
Items that may be reclassified to profit or loss			
Exchange differences on translation of foreign operations		(1,131.07)	70.30
Items that will not be reclassified subsequently to profit or loss			
Remeasurements (loss) / gains of post-employment benefit obligations		(269.13)	18.17
Tax on above		133.21	4.87
Other OCI		(120.36)	
Share of other comprehensive income of jointly controlled entities accounted for using the equity method		(21.76)	4.33
Other comprehensive income for the year		(1,409.11)	97.67
Total comprehensive Income for the year (TCI)		4,900.60	4,756.82
Profit attributable to:			
Owners of the company		6,386.04	5,179.19
Non-controlling interest		(76.33)	(520.04)
		6,309.71	4,659.15
Other comprehensive income attributable to:			
Owners of the company		(1,397.18)	89.59
Non-controlling interest		(11.93)	8.08
		(1,409.11)	97.67
Total comprehensive income is attributable to:			
Owners of the company		4,988.86	5,268.78
Non-controlling interest		(88.26)	(511.96)
		4,900.60	4,756.82
Earnings per equity share (Rs.)			
Nominal value of an equity share (Rs.)		10.00	10.00
Basic and diluted (Rs.)		3.17	2.57

The above consolidated statement of profit and loss should be read in conjunction with the accompanying notes.

This is the Consolidated Statement of Profit and Loss referred to in our report of even date.

For Price Waterhouse
Firm Registration No. 301112E
Chartered Accountants

For and on behalf of the Board of Directors

sd/-

Jeetendra Mirchandani
Partner
Membership No. 48125

sd/-

Praveen Kadle
Chairman

sd/-

Hari Mundra
Director

Place: Pune
Date: May 19, 2017

sd/-

Ajay Tandon
Managing Director and CEO

sd/-

Deepak Rastogi
Chief Financial Officer

sd/-

Ashish Boradkar
Company Secretary

Place: Pune
Date: May 19, 2017



Tata AutoComp Systems Limited
Consolidated Cash Flow Statement

Rs. in lakhs

	Year ended March 31, 2017		Year ended March 31, 2016	
A. Cash flow from operating activities				
Profit before exceptional items and tax		7,624.71		6,462.66
Adjustments for:				
Depreciation and amortisation expense	6,411.04		4,236.78	
Gain on disposal of property, plant and equipment	(41.24)		(65.62)	
Gain on sale of investments in mutual funds	(2,678.59)		(3,162.75)	
Share of profit of joint venture	(3,128.95)		(3,295.95)	
Changes in fair value of financial assets at fair value through profit or loss	(3.09)		(61.95)	
Dividend and interest income classified as investing cash flows	(141.28)		(66.19)	
Finance costs	1,859.51		2,620.58	
Sundry provisions and credit balances no longer required, written back	(252.68)		(96.73)	
Net exchange differences	(394.79)		60.30	
		1,629.93		168.47
Operating profit before working capital changes		9,254.64		6,631.13
Change in operating assets and liabilities:				
(Increase)/Decrease in trade receivables	(12,469.99)		(12,804.62)	
(Increase) in inventories	(1,881.57)		(1,137.17)	
Increase in trade payables	5,520.33		2,877.19	
(Increase) in other financial assets non-current	112.69		116.75	
(Increase) in other financial assets current	203.31		(746.13)	
(Increase)/decrease in other non-current assets	(106.91)		113.86	
(Increase)/decrease in other current assets	(2,893.35)		(3,466.88)	
Increase/(decrease) in provisions- non current	(297.63)		139.43	
Increase/(decrease) in provisions- current	(67.34)		215.41	
Increase/(decrease) other financial liabilities	2,999.77		1,799.54	
Increase/(decrease) in other current liabilities	3,706.98		4,247.38	
		(5,173.71)		(8,645.24)
Cash generated from operations		4,080.93		(2,014.11)
Income taxes paid (net of refund, if any)		833.82		(1,197.60)
Net cash flow from operating activities before exceptional items		4,914.75		(3,211.71)
Exceptional items		1,284.00		-
Net cash flow from operating activities after exceptional items (A)		6,198.75		(3,211.71)
B. Cash flow from investing activities				
Payment for acquisition of subsidiary, net of cash acquired	(38,445.35)		-	
Payments for property, plant and equipment	(3,833.63)		(5,517.85)	
Purchase of current investments	(49,008.95)		(20,415.00)	
Proceeds from sale of current investments	64,723.21		29,328.96	
Investment in joint venture	(190.94)		(671.18)	
Loans to employees and related parties	(1,789.08)		(59.15)	
Fixed deposit with banks (net) having maturity over 3 months	27.29		(17.55)	
Proceeds from sale of property, plant and equipment	49.08		223.05	
Distributions received from joint ventures	2,976.72		1,045.00	
Interest received	181.92		21.33	
Net cash outflow from investing activities (B)		(25,309.73)		3,937.61
C. Cash flow from financing activities				
Proceeds from borrowings	38,955.78		7,269.62	
Finance cost paid	(1,850.57)		(2,675.90)	
Dividend paid (including dividend distribution tax)	(4,783.69)		(4,821.85)	
Net cash flow used in financing activities (C)		32,321.52		(228.13)
Net increase / (decrease) in Cash and cash equivalents (A+B+C)		13,210.54		497.77
Cash and cash equivalents at the beginning of the year		2,815.44		2,307.67
Effect of exchange rate changes on cash and cash equivalents		(60.57)		10.00
Cash and cash equivalents at the end of the year		15,965.41		2,815.44
Cash and cash equivalents as per above comprise of the following:				
Cash on hand		16.19		5.08
Cheques on hand		249.62		630.47
Balances with banks		15,699.60		2,179.91
		15,965.41		2,815.44

The above statement of cash flows should be read in conjunction with the accompanying notes.

For Price Waterhouse
Firm Registration No. 301112E
Chartered Accountants

sd/-

Jeetendra Mirchandani
Partner
Membership No. 48125

Place: Pune
Date: May 19, 2017

For and on behalf of the Board of Directors

sd/-

Praveen Kadle
Chairman

sd/-

Ajay Tandon
Managing Director and CEO

sd/-

Ashish Boradkar
Company Secretary

Place: Pune
Date: May 19, 2017

sd/-

Hari Mundra
Director

sd/-

Deepak Rastogi
Chief Financial Officer



Tata AutoComp Systems Limited
Consolidated statement of changes in equity

Equity share capital

Particulars	Notes	Rs in Lakhs
As at 1 April 2015		20,128
Changes in equity share capital		-
As at 31 March 2016		20,128
Changes in equity share capital		-
As at 31 March 2017		20,128

Other equity

Particulars	Attributable to owners of Tata AutoComp Systems Limited						Total other equity	Non controlling Interest	Total
	Reserves and surplus					Other reserve			
	General reserve	Capital redemption reserve	Share premium	Debenture redemption reserves	Retained earnings	Foreign currency translation reserve			
As at April 1, 2015	11,761.29	5,462.50	69.39	2,125.00	41,576.75		60,994.93	1,048.04	62,042.87
Profit for the year					5,179.19		5,179.19	(520.04)	4,659.15
Other comprehensive income					19.29		19.29	8.08	27.37
Dividend on equity shares (Rs.2 per share)					(4,025.63)		(4,025.63)		(4,025.63)
Dividend distribution tax on dividend					(796.22)		(796.22)		(796.22)
Transfer to Debenture Redemption Reserve				76.00	(76.00)		-		-
Transfer to General Reserve	176.00				(176.00)		-		-
Exchange differences on translation of foreign operations						70.30	70.30		70.30
As at March 31, 2016	11,937.29	5,462.50	69.39	2,201.00	41,701.38	70.30	61,441.86	536.08	61,977.94
As at April 1, 2016	11,937.29	5,462.50	69.39	2,201.00	41,701.38	70.30	61,441.86	536.08	61,977.94
Profit for the period					6,386.04		6,386.04	(76.33)	6,309.71
Other comprehensive income					(266.10)		(266.10)	(11.93)	(278.03)
Non controlling interest on acquisition of subsidiary								494.86	494.86
Dividend on equity shares (Rs.2 per share)					(4,025.63)		(4,025.63)		(4,025.63)
Dividend distribution tax on dividend					(758.06)		(758.06)		(758.06)
Transfer to Debenture Redemption Reserve				75.00	(75.00)		-		-
Exchange differences on translation of foreign operations						(1,131.07)	(1,131.07)		(1,131.07)
As at March 31, 2017	11,937.29	5,462.50	69.39	2,276.00	42,962.63	(1,060.77)	61,647.04	942.69	62,589.72

The above consolidated statement of changes in equity should be read in conjunction with the accompanying notes.

This is the consolidated statement of changes in equity referred to in our report of even date.

For Price Waterhouse
Firm Registration No. 301112E
Chartered Accountants.

For and on behalf of the Board of Directors

sd/-
Jeetendra Mirchandani
Partner
Membership No. 48125

sd/-
Praveen Kadle
Chairman

sd/-
Hari Mundra
Director

Place: Pune
Date: May 19, 2017

sd/-
Ajay Tandon
Managing Director and CEO

sd/-
Deepak Rastogi
Chief Financial Officer

sd/-
Ashish Boradkar
Company Secretary

Place: Pune
Date: May 19, 2017



Tata AutoComp Systems Limited
Notes forming part of consolidated financial statements

Note 1 : Corporate Information

Tata AutoComp Systems Limited (the "Company") is a public Company domiciled in India and incorporated under the provisions of the Companies Act, 2013. The registered address of the the Company is Taco House, Damle Road, Deccan Gymkhana, Pune, Maharashtra, 411014. The consolidated financials statements relate to Tata Autocomp Systems Limited (the "group" or the "parent" or "TACO") its subsidiaries and jointly controlled entities (together referred to as "the Group"). The group provides products and services in the automotive industry to Indian and Global customers. The group designs, manufactures and supplies a variety of components, assemblies to automotive original equipment manufacturers ("OEM") and other customers. The group's debentures are listed on the Wholesale Debt Market of the National Stock Exchange.

The group caters to its customers through its five operating divisions, fifteen subsidiaries (direct and indirect) and seven joint ventures with leading companies in the global auto component industry (together known as the 'TACO Group'). Two subsidiaries and one jointly controlled entity are under liquidation.

Sr. No	Name of the Company	Percentage of Holding (%)			Country of incorporation
		As at			
		March 31, 2017	March 31, 2016	April 1, 2015	
Subsidiaries (Direct and Indirect):					
1	Automotive Skill Training Foundation (Sec.8 company)	100.00	100.00	100.00	India
2	Taco Engineering (UK) Ltd (Under process of business closure)	100.00	100.00	100.00	UK
3	Taco Engineering Services GmbH	100.00	100.00	100.00	Germany
4	Taco Holdings (Mauritius) Limited ("THML")	100.00	100.00	100.00	Mauritius
5	Taco Kunststofftechnik GmbH (subsidiary of THML) (excluded from consolidation w.e.f. July 1, 2009) (Refer note (i) below) Under Control of Administrator w.e.f. June 24, 2009	100.00	100.00	100.00	Germany
6	Taco Grundstuckverwallungs GmbH (subsidiary of THML) (excluded from consolidation w.e.f. on July 1, 2009)(Refer note (ii) below) Under Control of Administrator w.e.f. July 15, 2009	100.00	100.00	100.00	Germany
7	Nanjing Tata AutoComp Systems Limited (subsidiary of THML)	100.00	100.00	100.00	China
8	Automotive Stampings and Assemblies Limited ("ASAL")	75.00	75.00	75.00	India
9	Ryhpez Holding (Sweden) AB (w.e.f 8th August 2016)	100.00	-	-	Sweden
10	TitanX Holding AB (Sweden) (Subsidiary of Ryhpez Holding (Sweden) AB) (w.e.f December 30, 2016)	96.17	-	-	Sweden
11	TitanX Engine Cooling Holding AB (Sweden) (Subsidiary of TitanX Holding AB (Sweden)) (w.e.f December 30, 2016)	96.17	-	-	Sweden
12	TitanX Engine Cooling, Inc. (US) (Subsidiary of TitanX Engine Cooling Holding AB (Sweden)) (w.e.f December 30, 2016)	96.17	-	-	USA
13	TitanX Engine Cooling Kunshan Co., Ltd. (China) (Subsidiary of TitanX Engine Cooling Holding AB (Sweden)) (w.e.f December 30, 2016)	96.17	-	-	China
14	TitanX Engine Cooling AB (Sweden) (Subsidiary of TitanX Engine Cooling Holding AB (Sweden)) (w.e.f December 30, 2016)	96.17	-	-	Sweden
15	TitanX Refrigeração de Molores LTDA (Brazil) (Subsidiary of TitanX Engine Cooling AB (Sweden)) (w.e.f December 30, 2016)	96.17	-	-	Brazil
Jointly controlled entities :					
1	Tata Toyo Radiator Limited ("TTR")	51.00	51.00	51.00	India
2	Tata Ficosa Automotive Systems Private Limited ("TF") (Formerly Known as Tata Ficosa Automotive Systems Limited)	50.00	50.00	50.00	India
3	Tata AutoComp GY Batteries Private Limited ("TGY") (Formerly Known as Tata AutoComp GY Batteries Limited)	50.00	50.00	50.00	India
4	Tata Autocomp Hendrickson Suspensions Private Limited (Formerly Known as Taco Hendrickson Suspensions Private Limited)	50.00	50.00	50.00	India
5	Tata Autocomp Katcon Exhaust System Private Limited (w. e. f. May 19, 2015)	50.00	50.00	-	India
6	TM Automotive Seating Systems Private Limited (w. e. f. May 22, 2015)	50.00	50.00	-	India
7	Taco Sasken Automotive Electronics Limited ("TSAE") (under liquidation)	50.00	50.00	50.00	India

Notes:

- (i). Under Liquidation since June 24, 2009
(ii). Under Liquidation since July 15, 2009

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Tata AutoComp Systems Limited
Notes forming part of consolidated financial statements

Note 2 : Significant Accounting Policies

This note provides a list of the significant accounting policies adopted in the preparation of these consolidated financial statements. These policies have been consistently applied to all the years presented, unless otherwise stated. The financial statements are for the group consisting of Tata Autocomp Systems Limited (the 'Company') and its subsidiaries (together referred as group).

2.1 (a) Basis of Preparation

(i) Compliance with Ind AS

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

The financial statements up to year ended March 31, 2016 were prepared in accordance with the accounting standards notified under Companies (Accounting Standard) Rules, 2006 (as amended) and other relevant provisions of the Act.

These financial statements are the first financial statements of the group under Ind AS. Refer note 55 for an explanation of how the transition from previous GAAP to Ind AS has affected the group's financial position, financial performance and cash flow.

(ii) Historical cost convention

The financial statements have been prepared on a historical cost basis, except for the following:

- certain financial assets and liabilities (including derivative instruments) that are measured at fair value;
- defined benefit plans – plan assets measured at fair value;

(b) Principles of consolidation and equity accounting

(i) Subsidiaries

Subsidiaries are all entities (including structured entities) over which the group has control. The group controls an entity when the group 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 to direct the relevant activities of the entity. Subsidiaries are fully consolidated from the date on which control is transferred to the group. They are deconsolidated from the date that control ceases.

The acquisition method of accounting is used to account for business combinations by the group.

The group combines the financial statements of the parent and its subsidiaries line by line adding together like items of assets, liabilities, equity, income and expenses. Intercompany transactions, balances and unrealised gains on transactions between group companies are eliminated. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the transferred asset. Accounting policies of subsidiaries have been changed where necessary to ensure consistency with the policies adopted by the group.

Non-controlling interests in the results and equity of subsidiaries are shown separately in the consolidated statement of profit and loss, consolidated statement of changes in equity and balance sheet respectively.

(ii) Joint arrangements

Under Ind AS 111 Joint Arrangements, investments in joint arrangements are classified as either joint operations or joint ventures. The classification depends on the contractual rights and obligations of each investor, rather than the legal structure of the joint arrangement. Group only has joint ventures.

Joint ventures

Interests in joint ventures are accounted for using the equity method (see below), after initially being recognised at cost in the consolidated balance sheet.

(iii) Equity method

Under the equity method of accounting, the investments are initially recognised at cost and adjusted thereafter to recognise the group's share of the post-acquisition profits or losses of the investee in profit and loss, and the group's share of other comprehensive income of the investee in other comprehensive income. Dividends received or receivable from associates and joint ventures are recognised as a reduction in the carrying amount of the investment.

When the group's share of losses in an equity-accounted investment equals or exceeds its interest in the entity, including any other unsecured long-term receivables, the group does not recognise further losses, unless it has incurred obligations or made payments on behalf of the other entity.

Unrealised gains on transactions between the group and its joint ventures are eliminated to the extent of the group's interest in these entities. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the asset transferred. Accounting policies of equity accounted investees have been changed where necessary to ensure consistency with the policies adopted by the group.

The carrying amount of equity accounted investments are tested for impairment in accordance with the policy described in note 2(13) below.

(iv) Changes in ownership interests

The group treats transactions with non-controlling interests that do not result in a loss of control as transactions with equity owners of the group. A change in ownership interest results in an adjustment between the carrying amounts of the controlling and non-controlling interests to reflect their relative interests in the subsidiary. Any difference between the amount of the adjustment to non-controlling interests and any consideration paid or received is recognised within equity.

When the group ceases to consolidate or equity account for an investment because of a loss of control, joint control or significant influence, any retained interest in the entity is remeasured to its fair value with the change in carrying amount recognised in profit or loss. This fair value becomes the initial carrying amount for the purposes of subsequently accounting for the retained interest as an associate, joint venture or financial asset. In addition, any amounts previously recognised in other comprehensive income in respect of that entity are accounted for as if the group had directly disposed of the related assets or liabilities. This may mean that amounts previously recognised in other comprehensive income are reclassified to profit or loss.

If the ownership interest in a joint venture or an associate is reduced but joint control or significant influence is retained, only a proportionate share of the amounts previously recognised in other comprehensive income are reclassified to profit or loss where appropriate.

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Tata AutoComp Systems Limited
Notes forming part of consolidated financial statements

2.2 Revenue recognition

Revenue is measured at the fair value of the consideration received or receivable. Amounts disclosed as revenue are inclusive of excise duty and net of returns, trade allowances, rebates, value added taxes and amounts collected on behalf of third parties.

The group recognises revenue when the amount of revenue can be reliably measured, it is probable that future economic benefits will flow to the entity and specific criteria have been met for each of the group's activities as described below. The group bases its estimates on historical results, taking into consideration the type of customer, the type of transaction and the specifics of each arrangement.

Sale of goods:

Revenue from the sale of goods is recognised when the significant risks and rewards of ownership of the goods have passed to the buyer, usually on delivery of the goods. Revenue from the sale of goods is measured at the fair value of the consideration received or receivable, net of returns and allowances, trade discounts and volume rebates. The group does not provide any extended warranties or maintenance contracts to its customers.

Sale of tools:

The tooling contracts entered by the group with customers are regarded a contract to build a specific asset that meets the definition of construction contract in Ind AS 11. These tooling contracts are the fixed price contracts which are required to be measured and recognised as per the principles laid down under Ind AS 11 and the group follows the same.

Advances received for tools are reported as customer advances until all conditions for revenue recognition are met.

Income from engineering services:

Revenue is recognised on the basis of time / work completed, since typical Service Level Agreements (SLA) provides for time and material billing model.

Income from administrative services:

Revenue is recognised when the services are rendered in accordance with the agreements with the respective Group companies.

2.3 Functional and presentation currency

Items included in the financial statements of each of the group's entities are measured using the currency of the primary economic environment in which the entity operates ('the functional currency'). The consolidated financial statements are presented in Indian rupee (INR), which is Tata AutoComp Systems Limited's functional and presentation currency.

2.4 Foreign currency transactions and translation

Foreign currency transactions are translated into the functional currency using the exchange rates at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation of monetary assets and liabilities denominated in foreign currencies at year end exchange rates are generally recognised in profit or loss. They are deferred in equity if they relate to qualifying cash flow hedges and qualifying net investment hedges or are attributable to part of the net investment in a foreign operation. A monetary item for which settlement is neither planned nor likely to occur in the foreseeable future is considered as a part of the entity's net investment in that foreign operation.

Foreign exchange differences regarded as an adjustment to borrowing costs are presented in the statement of profit and loss, within finance costs. All other foreign exchange gains and losses are presented in the statement of profit and loss on a net basis within other gains/(losses).

Non-monetary items that are measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was determined. Translation differences on assets and liabilities carried at fair value are reported as part of the fair value gain or loss. For example, translation differences on non-monetary assets and liabilities such as equity instruments held at fair value through profit or loss are recognised in profit or loss as part of the fair value gain or loss and translation differences on non-monetary assets such as equity investments classified as FVOCI are recognised in other comprehensive income.

Group companies

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

- assets and liabilities are translated at the closing rate at the date of that balance sheet
- income and expenses are translated at average exchange rates (unless this is not a reasonable approximation of the cumulative effect of the rates prevailing on the transaction dates, in which case income and expenses are translated at the dates of the transactions), and
- All resulting exchange differences are recognised in other comprehensive income.

When a foreign operation is sold, the associated exchange differences are reclassified to profit or loss, as part of the gain or loss on sale.

Goodwill and fair value adjustments arising on the acquisition of a foreign operation are treated as assets and liabilities of the foreign operation and translated at the closing rate.

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Tata AutoComp Systems Limited
Notes forming part of consolidated financial statements

2.5 Property, plant and equipment

Freehold land is carried at historical cost. All other items of property, plant and equipment are stated at historical cost less depreciation. Historical cost includes expenditure that is directly attributable to the acquisition of the items. Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only 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. The carrying amount of any component accounted for as a separate asset is derecognised when replaced. All other repairs and maintenance are charged to profit or loss during the reporting period in which they are incurred.

Transition to Ind AS

On transition to Ind AS, the group has elected to continue with the carrying value of all of its property, plant and equipment recognised as at April 01, 2015 measured as per the previous GAAP and use that carrying value under previous GAAP as the deemed cost of the property, plant and equipment.

Depreciation methods, estimated useful lives and residual value:

Depreciation is calculated using the straight-line method to allocate their cost, net of their residual values, over their estimated useful lives. The useful lives have been determined based on technical evaluation done by the management's expert which are in line with those specified by Schedule II to the Companies Act, 2013 except in respect of the following assets:

Class of Asset	Useful life as followed by the group (In Years)
Plant and Machinery	
- Moulds and dies, Material handling equipment etc.	3 to 10 (irrespective of the shift)
- Injection Moulding machine, Paint shop equipment,	12 to 15 (irrespective of the shift)
Computers and Peripherals	
- Servers and networks	3 to 4
- End use devices such as desktop, laptops etc.	3 to 4
Vehicles	4
Furniture and Fittings	2 to 5
Buildings	20 to 30
Land Improvements	20

- Improvements to leased premises are depreciated over the balance tenure of leasehold land.
- Leasehold land is amortised on a straight line basis over the period of the lease.

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at the end of each reporting period.

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

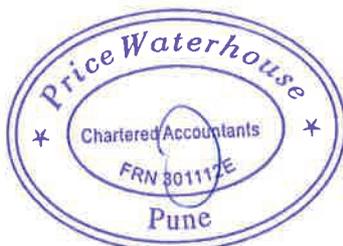
Gains and losses on disposals are determined by comparing proceeds with carrying amount. These are included in profit or loss within other income.

2.6 Intangible assets

Intangible assets are recognised at historical cost. Intangible assets acquired in a business combination are recognised at fair value at the acquisition date. The assets having finite useful life are carried at cost less accumulated amortisation and impairment losses (if any). Amortization is calculated using the straight-line method over the expected useful life of the intangible assets.

a) Specialised software	4 years
b) Relating to specific vehicle program	On the basis of volumes specified by/ agreed with the customers or on the basis of useful life of the asset, whichever rate is higher
c) Customer relationships	7 years
d) Technology	5 years
e) Patents	7 years

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Tata AutoComp Systems Limited
Notes forming part of consolidated financial statements

Capitalized expenditure for development work

Development costs that are directly attributable to the design and testing of identifiable and unique products controlled by the group are recognised as intangible assets when the following criteria are met:

- it is technically feasible to complete the software so that it will be available for use
- management intends to complete the software and use or sell it
- there is an ability to use or sell the software
- it can be demonstrated how the software will generate probable future economic benefits
- adequate technical, financial and other resources to complete the development and to use or sell the software are available, and
- the expenditure attributable to the software during its development can be reliably measured.

Directly attributable costs that are capitalised as part of the software include employee costs and an appropriate portion of relevant overheads. Development costs for development work reported as assets are amortized over their estimated useful lives, generally 4 years.

Research and development

Research expenditure and development expenditure that do not meet the criteria above are recognised as an expense as incurred. Development costs previously recognised as an expense are not recognised as an asset in a subsequent period.

Goodwill

Goodwill on acquisitions of subsidiaries is included in intangible assets. Goodwill is not amortised but it is tested for impairment annually, or more frequently if events or changes in circumstances indicate that it might be impaired, and is carried at cost less accumulated impairment losses. Gains and losses on the disposal of an entity include the carrying amount of goodwill relating to the entity sold.

Goodwill is allocated to cash-generating units for the purpose of impairment testing. The allocation is made to those cash-generating units or groups of cash-generating units that are expected to benefit from the business combination in which the goodwill arose. The units or groups of units are identified at the lowest level at which goodwill is monitored for internal management purposes, which in our case are the operating segments.

Transition to Ind AS

On transition to Ind AS, the group has elected to continue with the carrying value of all of intangible assets recognised as at April, 01 2015 measured as per the previous GAAP and use that carrying value as the deemed cost of intangible assets.

2.7 Borrowing

Borrowings are initially recognised at fair value, net of transaction costs incurred. Borrowings are subsequently measured at amortised cost. Any difference between the proceeds (net of transaction costs) and the redemption amount is recognised in profit or loss over the period of the borrowings using the effective interest method. Fees paid on the establishment of loan facilities are recognised as transaction costs of the loan to the extent that it is probable that some or all of the facility will be drawn down. In this case, the fee is deferred until the draw down occurs. To the extent there is no evidence that it is probable that some or all of the facility will be drawn down, the fee is capitalised as a prepayment for liquidity services and amortised over the period of the facility to which it relates.

Borrowings are removed from the balance sheet when the obligation specified in the contract is discharged, cancelled or expired. The difference between the carrying amount of a financial liability that has been extinguished or transferred to another party and the consideration paid, including any non-cash assets transferred or liabilities assumed, is recognised in profit or loss as other gains/(losses). Borrowings are classified as current liabilities unless the group has an unconditional right to defer settlement of the liability for at least 12 months after the reporting period.

2.8 Borrowing Cost

General and specific borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying asset are capitalised during the period of time that is required to complete and prepare the asset for its intended use or sale. Qualifying assets are assets that necessarily take a substantial period of time to get ready for their intended use or sale.

Investment income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalisation.

Other borrowing costs are expensed in the period in which they are incurred.

2.9 Leases

Leases of property, plant and equipment where the group, as lessee, has substantially all the risks and rewards of ownership are classified as finance leases. Finance leases are capitalised at the lease's inception at the fair value of the leased property or, if lower, the present value of the minimum lease payments. The corresponding rental obligations, net of finance charges, are included in borrowings or other financial liabilities as appropriate. Each lease payment is allocated between the liability and finance cost. The finance cost is charged to the profit or loss over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability for each period.

Leases in which a significant portion of the risks and rewards of ownership are not transferred to the group as lessee are classified as operating leases. Payments made under operating leases (net of any incentives received from the lessor) are charged to profit or loss on a straight-line basis over the period of the lease unless the payments are structured to increase in line with expected general inflation to compensate for the lessor's expected inflationary cost increases.

For arrangements entered into prior to April 01, 2015, the group has determined whether the arrangement contain lease on the basis of facts and circumstances existing on the date of transition.

2.10 Inventories

Raw materials and stores, work in progress, traded and finished goods are stated at the lower of cost and net realisable value. Cost of raw material, traded goods and stores and spares is determined on weighted average method. Cost of raw materials and traded goods comprises cost of purchases. Cost of work-in-progress and finished goods comprises direct materials, direct labour and an appropriate proportion of variable and fixed overhead expenditure, the latter being allocated on the basis of normal operating capacity. Cost of inventories also include all other costs incurred in bringing the inventories to their present location and condition. Costs are assigned to individual items of inventory on the basis of weighted average basis. Costs of purchased inventory are determined after deducting rebates and discounts. Net realisable value is the estimated selling price in the ordinary course of business less the estimated costs of completion and the estimated costs necessary to make the sale.

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2.11 Employee benefits

(i) Short-term obligations

Liabilities for wages and salaries, including non-monetary benefits that are expected to be settled wholly within 12 months after the end of the period in which the employees render the related service are recognised in respect of employees' services up to the end of the reporting period and are measured at the amounts expected to be paid when the liabilities are settled. The liabilities are presented as current employee benefit obligations in the balance sheet.

(ii) Other long-term employee benefit obligations

The liabilities for leave are not expected to be settled wholly within 12 months after the end of the period in which the employees render the related service. They are therefore measured as the present value of expected future payments to be made in respect of services provided by employees up to the end of the reporting period using the projected unit credit method. The benefits are discounted using the market yields at the end of the reporting period that have terms approximating to the terms of the related obligation. Remeasurements as a result of experience adjustments and changes in actuarial assumptions are recognised in profit or loss.

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

(iii) Post-employment obligations

The group operates the following post-employment schemes:

- (a) defined benefit plans such as gratuity, pension, post-employment healthcare plans; and
- (b) defined contribution plans such as provident fund, pension plan.
- (c) Profit sharing and bonus schemes.

(a) Defined benefit plans

Gratuity and pension

The liability or asset recognised in the balance sheet in respect of defined benefit gratuity plans is the present value of the defined benefit obligation at the end of the reporting period less the fair value of plan assets. The liability recognised in the balance sheet in respect of defined benefit pension plan is the present value of the defined benefit obligation at the end of the reporting period. The defined benefit obligation is calculated annually by actuaries using the projected unit credit method.

The present value of the defined benefit obligation denominated in INR is determined by discounting the estimated future cash outflows by reference to market yields at the end of the reporting period on government bonds that have terms approximating to the terms of the related obligation. The benefits which are denominated in currency other than INR, the cash flows are discounted using market yields determined by reference to high-quality corporate bonds that are denominated in the currency in which the benefits will be paid, and that have terms approximating to the terms of the related obligation.

The net interest cost is calculated by applying the discount rate to the net balance of the defined benefit obligation and the fair value of plan assets. This cost is included in employee benefit expense in the statement of profit and loss.

Remeasurement gains and losses arising from experience adjustments and changes in actuarial assumptions are recognised in the period in which they occur, directly in other comprehensive income. They are included in retained earnings in the statement of changes in equity and in the balance sheet.

Changes in the present value of the defined benefit obligation resulting from plan amendments or curtailments are recognised immediately in profit or loss as past service cost.

Other post-employment benefits

Some Group companies provide healthcare benefits for their employees after retirement. Entitlement to these benefits is normally based on the employee remaining in service until retirement and that the employment has lasted for a certain number of years. The expected cost of these benefits is allocated over the period of employment using the same accounting method as for defined benefit plans. Actuarial gains and losses arising from experience-based adjustments and changes in actuarial assumptions are reported in "Other comprehensive income" during the period in which they are incurred. These obligations are reassessed annually by independent actuaries.

Severance pay

Severance pay is payable when an employee's service has been terminated by the group before the normal retirement age or when an employee accepts voluntary redundancy in exchange for such compensation. The group recognises compensation upon termination at the earliest of the following occasions: (a) when the group is no longer able to recall the offer of compensation; and (b) when the group recognises expenditure for a restructuring that falls within the scope of application for Ind AS 37 and that involves payment of severance pay. In the event that the group has given an offer to encourage voluntary redundancies, the compensation upon termination is calculated based on the number of employees expected to accept the offer. Benefits maturing more than 12 months after the end of the reporting period are discounted at the present value.

(b) Defined contribution plans

Provident fund :

The group pays provident fund contributions to publicly administered provident funds as per local regulations and superannuation fund contribution administered by Life Insurance Corporation of India (LIC). The group has no further payment obligations once the contributions have been paid. The contributions are accounted for as defined contribution plans and the contributions are recognised as employee benefit expense when they are due. Prepaid contributions are recognised as an asset to the extent that a cash refund or a reduction in the future payments is available.

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Defined contribution pension plan

Few group companies have defined contribution pension plan. Defined contribution pension plan is a pension plan according to which the Group pays fixed contributions to a separate legal entity. The Group has no legal or informal obligation to pay further contributions if the legal entity in question does not have sufficient assets to pay all employee benefits which are related to the employee's service during the current or previous periods. For defined contribution pension plans, the Group pays contributions to publicly or privately administered pension insurance plans on a mandatory, contractual or voluntary basis. The Group has no further payment obligations once the contributions have been paid. The contributions are recognised as personnel costs when they fall due for payment. Prepaid premiums are reported as an asset to the extent to which the Group may benefit from cash repayments or decreases in future payments

(c) Profit sharing and bonus schemes

Few group companies recognise a liability and an expense for bonuses and profit shares, based on a formula that takes into account the profit attributable to the group's shareholders after certain adjustments. The group recognises a provision when there is a legal or informal obligation due to previous practices.

2.12 **Investments and other financial assets**

(i) Classification

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

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

The classification depends on the entity's business model for managing the financial assets and the contractual terms of the cash flows.

For assets measured at fair value, gains and losses will either be recorded in profit or loss or other comprehensive income. For investments in debt instruments, this will depend on the business model in which the investment is held. For investments in equity instruments, this will depend on whether the group has made an irrevocable election at the time of initial recognition to account for the equity investment at fair value through other comprehensive income.

The group reclassifies debt investments when and only when its business model for managing those assets changes.

(ii) Measurement

At initial recognition, the group measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss, transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at fair value through profit or loss are expensed in profit or loss.

Debt instruments

Subsequent measurement of debt instruments depends on the group's business model for managing the asset and the cash flow characteristics of the asset. There are three measurement categories into which the group classifies its debt instruments:

- **Amortised cost:** Assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortised cost. A gain or loss on a debt investment that is subsequently measured at amortised cost and is not part of a hedging relationship is recognised in profit or loss when the asset is derecognised or impaired. Interest income from these financial assets is included in finance income using the effective interest rate method.
- **Fair value through other comprehensive income (FVOCI):** Assets that are held for collection of contractual cash flows and for selling the financial assets, where the assets' cash flows represent solely payments of principal and interest, are measured at fair value through other comprehensive income (FVOCI). Movements in the carrying amount are taken through OCI, except for the recognition of impairment gains or losses, interest revenue and foreign exchange gains and losses which are recognised in profit and loss. When the financial asset is derecognised, the cumulative gain or loss previously recognised in OCI is reclassified from equity to profit or loss and recognised in other gains/ (losses). Interest income from these financial assets is included in other income using the effective interest rate method.
- **Fair value through profit or loss:** Assets that do not meet the criteria for amortised cost or FVOCI are measured at fair value through profit or loss. A gain or loss on a debt investment that is subsequently measured at fair value through profit or loss and is not part of a hedging relationship is recognised in profit or loss and presented net in the statement of profit and loss within other gains/(losses) in the period in which it arises. Interest income from these financial assets is included in other income.

Equity instruments

The group subsequently measures all equity investments at fair value. Where the group's management has elected to present fair value gains and losses on equity investments in other comprehensive income, there is no subsequent reclassification of fair value gains and losses to profit or loss. Dividends from such investments are recognised in profit or loss as other income when the group's right to receive payments is established. Changes in the fair value of financial assets at fair value through profit or loss are recognised in other gain/ (losses) in the statement of profit and loss. Impairment losses (and reversal of impairment losses) on equity investments measured at FVOCI are not reported separately from other changes in fair value.

(iii) Impairment of financial assets

The group assesses on a forward looking basis the expected credit losses associated with its assets carried at amortised cost and FVOCI debt instruments. The impairment methodology applied depends on whether there has been a significant increase in credit risk. For trade receivables only, the group applies the simplified approach permitted by Ind AS 109 Financial Instruments, which requires expected lifetime losses to be recognised from initial recognition of the receivables.

(iv) Derecognition of financial assets

A financial asset is derecognised only when

- The group has transferred the rights to receive cash flows from the financial asset or
- Retains the contractual rights to receive the cash flows of the financial asset, but assumes a contractual obligation to pay the cash flows to one or more recipients.

Where the entity has transferred an asset, the group evaluates whether it has transferred substantially all risks and rewards of ownership of the financial asset. In such cases, the financial asset is derecognised. Where the entity has not transferred substantially all risks and rewards of ownership of the financial asset, the financial asset is not derecognised.

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





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(v) **Finance income**

Interest income

Interest income is recognized using the effective interest method. The effective interest rate is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to the gross carrying amount of a financial asset. When calculating the effective interest rate, the group estimates the expected cash flows by considering all the contractual terms of the financial instrument (for example, prepayment, extension, call and similar options) but does not consider the expected credit losses.

Dividend income

Dividends are recognised in profit or loss only when the right to receive payment is established, 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.

Derivatives that are not designated as hedges

The group enters into certain derivative contracts to hedge risks which are not designated as hedges. Such contracts are accounted for at fair value through profit or loss and are included in other income/expenses.

(vi) **Offsetting financial instruments**

Financial assets and liabilities are offset and the net amount is reported in the balance sheet where there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis or realise the asset and settle the liability simultaneously. The legally enforceable right must not be contingent on future events and must be enforceable in the normal course of business and in the event of default, insolvency or bankruptcy of the group or the counterparty.

2.13 **Impairment**

Goodwill and intangible assets that have an indefinite useful life are not subject to amortisation and are tested annually for impairment, or more frequently if events or changes in circumstances indicate that they might be impaired. Other assets are tested for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs of disposal and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash inflows which are largely independent of the cash inflows from other assets or groups of assets (cash-generating units). Non-financial assets other than goodwill that suffered an impairment are reviewed for possible reversal of the impairment at the end of each reporting period.

Reversal of impairment loss

An impairment loss for financial assets is reversed if the reversal can be related objectively to an event occurring after the impairment loss has been recognized. Non-financial assets that suffered impairment are reviewed for possible reversal of the impairment at each reporting date. In respect of non-financial assets, an impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. The carrying value of an asset other than goodwill is increased to its revised recoverable amount, provided that this amount does not exceed the carrying value that would have been determined (net of any accumulated depreciation or amortization) had no impairment loss been recognized for the said asset in previous years. The reversal of impairment loss is recognized in the Statement of Profit and Loss.

2.14 **Cash and cash equivalents**

For the purpose of presentation in the statement of cash flows, cash and cash equivalents includes cash on hand, deposits held at call with financial institutions, other short-term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value. Bank overdrafts are shown within borrowings in current liabilities in the balance sheet.

2.15 **Trade receivables**

These amounts represent receivable for goods and services provided by the company prior to the end of financial year which are not received. Trade receivable are presented as current assets unless payment is not due within 12 months after the reporting period. Trade receivables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method, less provision for impairment.

2.16 **Trade and other payables**

These amounts represent liabilities for goods and services provided to the group prior to the end of financial year which are unpaid. Trade and other payables are presented as current liabilities unless payment is not due within 12 months after the reporting period. They are recognised initially at their fair value and subsequently measured at amortised cost using the effective interest method.

2.17 **Share capital**

Equity shares are classified as equity. Incremental costs directly attributable to the issue of new shares or options are shown in equity as a deduction, net of tax, from the proceeds.

2.18 **Dividends**

Provision is made for the amount of any dividend declared, being appropriately authorised and no longer at the discretion of the entity, on or before the end of the reporting period but not distributed at the end of the reporting period.

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Notes forming part of consolidated financial statements

2.19 Earnings per share

(i) Basic earnings per share

Basic earnings per share is calculated by dividing:

- the profit attributable to owners of the group
- by the weighted average number of equity shares outstanding during the financial year.

(ii) Diluted earnings per share

Diluted earnings per share adjusts the figures used in the determination of basic earnings per share to take into account:

- the after income tax effect of interest and other financing costs associated with dilutive potential equity shares, and
- the weighted average number of additional equity shares that would have been outstanding assuming the conversion of all dilutive potential equity shares.

2.20 Income tax

The income tax expense or credit for the period is the tax payable on the current period's taxable income based on the applicable income tax rate for each jurisdiction adjusted by changes in deferred tax assets and liabilities attributable to temporary differences and to unused tax losses.

The current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the end of the reporting period in the countries where the group operate and generate taxable income. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities.

Deferred income tax is provided in full, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the consolidated financial statements. However, deferred tax liabilities are not recognised if they arise from the initial recognition of goodwill. Deferred income tax is also not accounted for if it arises from initial recognition of an asset or liability in a transaction other than a business combination that at the time of the transaction affects neither accounting profit nor taxable profit (tax loss). Deferred income tax is determined using tax rates (and laws) that have been enacted or substantively enacted by the end of the reporting period and are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled.

Deferred tax assets are recognised for all deductible temporary differences and unused tax losses only if it is probable that future taxable amounts will be available to utilise those temporary differences and losses.

Deferred tax liabilities are not recognised for temporary differences between the carrying amount and tax bases of investments in subsidiaries, branches and associates and interest in joint arrangements where the group is able to control the timing of the reversal of the temporary differences and it is probable that the differences will not reverse in the foreseeable future.

Deferred tax assets are not recognised for temporary differences between the carrying amount and tax bases of investments in subsidiaries, branches and associates and interest in joint arrangements where it is not probable that the differences will reverse in the foreseeable future and taxable profit will not be available against which the temporary difference can be utilised.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets and liabilities and when the deferred tax balances relate to the same taxation authority. Current tax assets and tax liabilities are offset where the entity has a legally enforceable right to offset and intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

Current and deferred tax is recognised in profit or loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case, the tax is also recognised in other comprehensive income or directly in equity, respectively.

2.21 Provisions

Provisions are recognised when the group has a present legal or constructive obligation as a result of past events, it is probable that an outflow of resources will be required to settle the obligation and the amount can be reliably estimated. Provisions are not recognised for future operating losses.

Provisions for restructuring are recognised by the group when it has developed a detailed formal plan for restructuring and has raised a valid expectation in those affected that the group will carry out the restructuring by starting to implement the plan or announcing its main features to those affected by it.

Where there are a number of similar obligations, the likelihood that an outflow will be required in settlement is determined by considering the class of obligations as a whole. A provision is recognised even if the likelihood of an outflow with respect to any one item included in the same class of obligations may be small.

Provisions are measured at the present value of management's best estimate of the expenditure required to settle the present obligation at the end of the reporting period. The discount rate used to determine the present value is a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The increase in the provision due to the passage of time is recognised as interest expense.

The measurement of provision for restructuring includes only direct expenditures arising from the restructuring, which are both necessarily entailed by the restructuring and not associated with the on-going activities of the group.

A provision for onerous contracts is recognized when the expected benefits to be derived by the group from a contract are lower than the unavoidable cost of meeting its obligations under the contract. The provision is measured at the present value of the expected net cost of continuing with the contract. Before a provision is established, the group recognizes any impairment loss on the assets associated with that contract.

A disclosure for a contingent liability is made where there is 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 a present obligation that arises from the past events where it is either not probable that an outflow of resources will be required to settle the obligation or a reliable estimate of the amount cannot be made.

2.22 Segment reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker or decision making group.

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2.23 **Business Combination**

The acquisition method of accounting is used to account for all business combinations, regardless of whether equity instruments or other assets are acquired. The consideration transferred for the acquisition of a subsidiary comprises the

- fair values of the assets transferred;
- liabilities incurred to the former owners of the acquired business;
- equity interests issued by the group; and
- fair value of any asset or liability resulting from a contingent consideration arrangement.

Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are, with limited exceptions, measured initially at their fair values at the acquisition date. The group recognises any non-controlling interest in the acquired entity on an acquisition-by-acquisition basis either at fair value or at the non-controlling interest's proportionate share of the acquired entity's net identifiable assets. Acquisition-related costs are expensed as incurred.

The excess of the

- consideration transferred;
- amount of any non-controlling interest in the acquired entity, and
- acquisition-date fair value of any previous equity interest in the acquired entity over the fair value of the net identifiable assets acquired is recorded as goodwill. If those amounts are less than the fair value of the net identifiable assets of the business acquired, the difference is recognised in other comprehensive income and accumulated in equity as capital reserve provided there is clear evidence of the underlying reasons for classifying the business combination as a bargain purchase. In other cases, the bargain purchase gain is recognised directly in equity as capital reserve.

Where settlement of any part of cash consideration is deferred, the amounts payable in the future are discounted to their present value as at the date of exchange. The discount rate used is the entity's incremental borrowing rate, being the rate at which a similar borrowing could be obtained from an independent financier under comparable terms and conditions. Contingent consideration is classified either as equity or a financial liability. Amounts classified as a financial liability are subsequently remeasured to fair value with changes in fair value recognised in profit or loss.

2.24 **Government Grants**

Grant from the government are recognized at their fair value where there is reasonable assurance that the grant will be received and the company will comply with all attached conditions.

Government grants relating to the purchases of Property, Plant and Equipment are included in non-current liability as deferred income and are credited to Profit and loss on a straight line basis over the expected lives of the related assets and presented within other income.

2.25 **Rounding of amounts**

All amounts disclosed in the Consolidated financial statements and notes have been rounded off to the nearest lakhs as per the requirement of Schedule III, unless otherwise stated.

Note 3: Significant accounting judgements, estimates and assumptions

The preparation of the group's financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the accompanying disclosures, and the disclosure of contingent liabilities. This note provides an overview of the areas that involve a higher degree of judgement or complexity and of items which are more likely to be materially adjusted due to estimates and assumptions turning out to be different than those originally assessed. Detailed information about each of these estimates and judgements is mentioned below.

Estimates, judgements and assumptions are continually evaluated. They are based on historical experience and other factors, including expectations of future events that may have a financial impact on the group and that are believed to be reasonable under the circumstances.

Significant Judgements

1 **Revenue Recognition - Sale of Tools**

The tooling contract entered with customers is regarded as a contract to build a specific asset that meets the definition of construction contract in Ind AS 11. These tooling contracts are fixed price contracts which are required to be measured and recognized as per the principle laid down under Ind AS 11. These principle require the recognition of revenue and expenses under "Percentage of Completion Method". However management has assessed that in case of the group's tooling contracts the contract costs to complete the contract and the stage of contract completion at the end of the reporting period cannot be measured reliably except at the stage of completion of the tool.

This has resulted in deferment of revenue as per "Percentage of Completion Method".

2 **Transition from full consolidation to equity method**

The group holds 51% interest in Tata Toyo Radiators Limited. Under previous GAAP, the group had fully consolidated its interest in the Tata Toyo Radiators Limited in the consolidated financial statements.

On transition to Ind AS the management has evaluated the guidance provided under Ind AS 110, for an investor that holds more than half of the voting rights of an investee, to have power over an investee, the investor's voting rights must be substantive. The group is the largest shareholder with a 51% equity interest while the remaining shares are held by other Joint Venture partner in Tata Toyo Radiators Limited ("Jointly controlled entity"). Though the group has majority of voting rights, joint venture agreements in relation to the Tata Toyo Radiators Limited require unanimous consent from all parties for all relevant activities. Hence, the group has concluded that it does not control the jointly controlled entity. The Group's interest in jointly controlled entity is accounted for using equity method in these consolidated financial statements.

3 **Legal Contingency**

The group has received some orders and notices from tax authorities in respect of direct taxes and indirect taxes. The outcome of these matters may have a material effect on the financial position, results of operations or cash flows. Management regularly analyses current information about these matters and makes provisions for probable contingent losses including the estimate of legal expense to resolve the matters. In making the decision regarding the need for loss provisions, management considers the degree of probability of an unfavourable outcome and the ability to make a sufficiently reliable estimate of the amount of loss. The filing of a suit or formal assertion of a claim against the group or the disclosure of any such suit or assertions, does not automatically indicate that a provision of a loss may be appropriate.

4 **Segment Reporting**

Ind AS 108 Operating Segments requires Management to determine the reportable segments for the purpose of disclosure in financial statements based on the internal reporting reviewed by Chief Operating Decision Maker (CODM) to assess performance and allocate resources.

Operating segments are defined as 'Business Units' of the group about which separate financial information is available that is evaluated regularly by the chief operating decision-maker, or decision-making group, in deciding how to allocate resources and in assessing performance.

The group operates in the automotive segment. The automotive segment includes all activities relating to development, design, manufacture, assembly and sale of auto component parts from which the group derives its revenues. The management considers that these business units have similar economic characteristics that is the nature of the products and services, the nature of the production processes and nature of the regulatory environment etc.





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5 **Undiscounted provision for claim**

The group made provision of Rs. 3,103 lakhs towards claims in respect of certain matters relating to its divested investments in two jointly controlled entities, namely, Tata Yazaki Autocomp Limited ("TYA") and Tata Johnson Controls Automotive Limited ("TJC") on January 11, 2013 and March 25, 2013, respectively. The management has assessed and believes that the timing of cash outflow pertaining to this provision is uncertain, hence considered the same as payable on demand and classified under current provision. As the provision is payable on demand, management has concluded that no discounting is necessary.

6 **Leasehold Land classification**

The group has entered into lease agreement for land at its facilities. The lease period is of around 79-90 years in respect of these premises and the agreements have renewal options. These lands are situated in industrial estates, where the land is generally transferred through lease contracts and the upfront lease payment amounts are significantly equal to the fair value of land. Accordingly, significant risk and rewards associated with the land are considered to be transferred to the lessee. Based on these considerations and overall evaluation of the agreements with the lessor, the management believes that these lease contracts meet the conditions of finance lease.

Significant estimates and assumptions

1 **Goodwill Impairment : Key assumptions used for value-in-use calculations**

The group tests whether goodwill has suffered any impairment on an annual basis. The recoverable amount of a cash generating unit (CGU) is determined based on value-in-use calculations which require the use of assumptions. The calculations use cash flow projections based on financial budgets approved by management covering a five-year period. Cash flows beyond the five-year period are extrapolated using the estimated growth. These growth rates are consistent with forecasts included in industry reports specific to the industry in which each CGU operates.

2 **Impairment of financial assets**

The impairment provisions for financial assets disclosed under note 37 based on assumptions about risk of default and expected loss rates. The company uses judgement in making these assumptions and selecting the inputs to the impairment calculation, based on the company's past history, existing market conditions as well as forward looking estimates at the end of each reporting period.

3 **Fair valuation of financial instruments**

When the fair values of financial assets and financial liabilities recorded in the balance sheet cannot be measured based on quoted prices in active markets, their fair value is measured using valuation techniques including the discounted cash flow model (DCF). The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgement is required in establishing fair values. Judgements include considerations of inputs such as liquidity risk, credit risk and volatility. Changes in assumptions about these factors could affect the reported fair value of financial instruments. See Note 36 for further disclosures.

4 **Defined benefit plan**

The cost of the defined benefit gratuity plan, other retirement benefits, the present value of the gratuity obligation and other retirement benefit obligation are determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases and mortality rates. Due to the complexities involved in the valuation and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

The parameter most subject to change is the discount rate. In determining the appropriate discount rate, the management considers the interest rates of government bonds in currencies consistent with the currencies of the post-employment benefit obligation.

The mortality rate is based on Indian Assured Lives Mortality (2006-08) Ultimate. Those mortality tables tend to change only at interval in response to demographic changes. Future salary increases and gratuity increases are based on expected future inflation rates.

Further details about gratuity obligations are given in Note 39.

5 **Deferred Tax**

At each balance sheet date, the group assesses whether the realization of future tax benefits is sufficiently probable to recognize deferred tax assets. This assessment requires the use of significant estimates with respect to assessment of future taxable income. The recorded amount of total deferred tax assets could change if estimates of projected future taxable income or if changes in current tax regulations are enacted. Accordingly group has created deferred tax asset on unused tax losses and other deductible temporary differences since they are considered as reasonably certain.

The group investigates each year if there is an impairment requirement as regards deferred tax assets regarding loss carry forwards. In addition, the group investigates if it is appropriate to capitalise new deferred tax assets regarding the year's carry forward loss. Deferred tax assets are reported only for loss carry forwards when it is probable that these amounts can be utilised against future taxable surpluses and against fiscal, temporary differences.

6 **Non-recognition of deferred tax liability on undistributed profits of subsidiary and jointly controlled entities**

Certain subsidiaries and jointly controlled entities of the group have undistributed earnings which, if paid out as dividends, would be subject to tax in the hands of the recipient. An assessable temporary difference exists, but no deferred tax liability has been recognised as the parent entity is able to control the timing of distributions from this subsidiaries and jointly controlled entities is not expected to distribute these profits in the foreseeable future.

7 **Business combinations and intangible assets**

Ind AS 103 requires the identifiable intangible assets and contingent consideration to be fair valued in order to ascertain the net fair value of identifiable assets, liabilities and contingent liabilities of the acquiree. Significant estimates are required to be made in determining the value of contingent consideration and intangible assets. These valuations are conducted by independent valuation experts. Refer note 43 on business combination.

8 **Claims payables & receivable to customers**

The Company has made accruals in respect of unsettled prices for some of its raw materials purchase contracts and finished goods, scrap sales contracts. These accruals are made considering the past settlement formula with the vendors and customers respectively and the applicable metal prices from published sources. The management has assessed and believes that the timing of cash outflow pertaining to this accruals are uncertain and hence considered the same as payable on demand and classified under current liabilities. As the liability and assets is payable on demand, management has concluded that no discounting is necessary.

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Tata AutoComp Systems Limited
Notes forming part of consolidated financial statements

Note 4 : Standards issued but not yet effective

Standards issued but not yet effective up to the date of issuance of the group's financial statements are listed below. This listing is of standards and interpretations issued, which the group reasonably expects to be applicable from financial year beginning on or after April 01, 2017.

The Ministry of Corporate Affairs (MCA) has issued the Companies (Indian Accounting Standards) (Amendment) Rules, 2017 amending Ind AS 7, Statement of cash flows and Ind AS 102, Share-based payment.

Ind AS 7 - Statement of Cash Flows

The amendment to Ind AS 7 introduces an additional disclosure that will enable users of the group's financial statements to evaluate changes in liabilities arising from financial activities. This includes changes arising from:

- a. cash flows such as drawdowns and repayments of borrowings and
- b. non-cash changes (i.e. changes in fair values), changes resulting from acquisitions and disposals of subsidiaries/businesses and effect of foreign exchange differences.

The amendment affects disclosure only and has no impact on the group's financial position or performance.

Ind AS 102 - Share-based payment

The Amendment to Ind AS 102 addresses the three classification and measurement of share-based payment transactions. However the amendment is not applicable to the group as there are no share based payment transactions.

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Tata AutoComp Systems Limited
Notes forming part of consolidated financial statements

Note 5 : Property, plant and equipment

	Freehold Land	Leasehold Land	Buildings	Improvements to leasehold premises	Furniture and fixtures	Plant and equipment	Vehicles	Office Equipment	Computer and peripherals	Computer and peripherals- Leased	Tools, jigs and fixtures	Total	Capital work-in-progress
As at March 31, 2016													
Gross carrying amount	1,883.04	392.86	9,063.35	411.80	195.94	23,646.33	186.87	219.62	206.70	-	11.02	36,217.53	1,329.50
Deemed cost as at April 01, 2015	3.00	-	13.46	-	0.21	29.89	-	0.83	-	-	-	47.39	69.50
Exchange difference	-	-	315.94	-	72.57	1,965.03	46.10	79.28	14.76	-	8.47	2,502.15	12,689.96
Additions	-	-	-	-	(1.17)	(148.01)	(39.20)	(0.08)	(2.33)	-	-	(190.79)	-
Disposals	-	-	-	-	-	-	-	-	-	-	-	-	-
Transfer	-	-	-	-	-	-	-	-	-	-	-	-	(146.01)
Closing gross carrying amount	1,886.04	392.86	9,392.75	411.80	267.55	25,493.24	193.77	299.65	219.13	-	19.49	36,576.28	13,942.95
Accumulated depreciation													
Depreciation charge during the year	-	9.97	482.12	30.19	32.09	3,142.63	97.54	87.25	95.17	-	4.26	3,981.22	-
Disposals	-	-	-	-	-	(11.36)	(21.04)	(0.07)	(0.89)	-	-	(33.36)	-
Exchange difference	-	0.27	3.08	-	0.28	19.58	-	0.96	-	-	-	24.17	-
Closing accumulated depreciation	-	10.24	485.20	30.19	32.37	3,150.85	76.50	88.14	94.28	-	4.26	3,972.03	-
Net carrying amount	1,886.04	382.62	8,907.55	381.61	235.18	22,342.39	117.27	211.51	124.85	-	15.23	34,604.25	13,942.95
As at March 31, 2017													
Gross carrying amount	1,886.04	392.86	9,392.75	411.80	267.55	25,493.24	193.77	299.65	219.13	-	19.49	36,576.28	13,942.95
Opening gross carrying amount	(27.98)	-	(190.27)	-	(38.01)	(857.70)	0.72	(11.23)	(0.19)	-	(231.06)	(1,355.72)	(170.66)
Exchange differences	507.50	-	5,311.75	108.64	261.49	19,466.76	363.98	44.25	11.10	247.65	1,122.49	27,445.01	8,179.89
Acquisition of subsidiary (refer note 43)	-	-	2,145.60	3.92	48.13	2,546.48	49.84	79.91	21.91	11.56	1,506.90	6,414.25	7,818.13
Additions	-	-	-	-	0.71	(149.36)	(55.97)	(6.39)	(1.19)	-	-	(264.47)	(661.94)
Disposals	-	-	-	-	-	-	-	-	-	-	-	-	(9,125.67)
Transfers/sales (refer note 51)	-	-	-	-	-	-	-	-	-	-	-	-	-
Closing gross carrying amount	2,365.56	392.86	16,659.83	524.36	539.87	46,499.42	551.74	406.19	250.76	206.94	2,417.92	70,815.35	19,982.20
Accumulated depreciation													
Opening accumulated depreciation	-	10.24	485.20	30.19	32.37	3,150.85	76.50	88.14	94.28	-	4.26	3,972.03	-
Depreciation charge during the year	-	12.29	753.85	32.70	45.74	3,893.94	100.02	82.29	79.54	40.93	119.88	5,161.18	-
Disposals	-	-	-	-	(0.45)	(149.36)	(53.36)	(0.23)	(1.19)	(52.27)	-	(256.63)	-
Exchange differences	(3.84)	-	(99.54)	(0.23)	(32.48)	(481.39)	(1.17)	(3.70)	(0.23)	(1.68)	(233.94)	(858.11)	-
Closing accumulated depreciation	-	18.69	1,139.51	62.66	45.18	6,474.04	121.99	166.73	172.40	(13.03)	(109.70)	8,018.47	-
Net carrying amount	2,365.56	374.17	15,520.32	461.70	494.69	40,065.38	429.75	239.46	78.36	219.97	2,527.52	62,796.88	19,982.20

Capital work in progress mainly includes land under development and related cost.

Leased assets

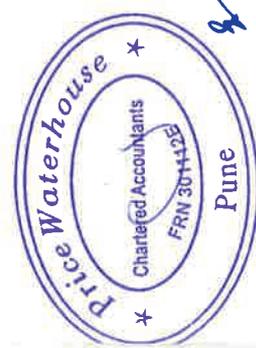
Furniture, fittings and equipment includes the following amounts where the group is a lessee under a finance lease:

	As at March 31, 2017	As at March 31, 2016	As at April 01, 2015
Furniture, fittings and equipment			
Gross block	9,164.08	-	-
Accumulated depreciation	1,436.10	-	-
Net carrying amount	7,727.98	-	-

The group's finance leases relates primarily to furniture, fittings and equipments. Sub leases does not occur. The group's leasing agreement has a duration of 2 to 8 years. When the group has the risk and benefits that are related to ownership, the lease agreement are recorded as asset and related commitment are valued at present value of minimum lease fees. The commitment of future lease fees is recorded as liability. The lease asset is depreciated according to the group's principal for such assets. The lease fees is split between interest expense and amortization.

Refer to note 52 for information on property, plant and equipment pledged as security by the group.

Refer to note 45 for disclosure on contractual commitments for the acquisition of property plant and equipment.





Tata AutoComp Systems Limited
Notes forming part of consolidated financial statements

Note 6 : Intangible assets

Rs. in lakhs

	Acquired intangible asset	Internally generated intangible asset			Total	Goodwill
	Computer software	Engineering and development cost	Patents	Customer Contracts		
As at March 31, 2016						
Gross carrying amount						
Deemed cost as at April 01, 2015	448.25	62.60	-	-	510.85	2499.96
Additions	48.89	1,381.83	-	-	1,430.72	-
Disposals	-	-	-	-	-	-
Transfer	-	-	-	-	-	-
Exchange difference	2.86	53.81	-	-	56.67	-
Closing gross carrying amount	500.00	1,498.24	-	-	1,998.24	2,499.96
Accumulated depreciation						
Depreciation charge during the year	192.93	62.63	-	-	255.56	-
Disposals	-	-	-	-	-	-
Exchange difference	-	-	-	-	-	-
Closing accumulated depreciation	192.93	62.63	-	-	255.56	-
Net carrying amount	307.07	1,435.61	-	-	1,742.68	2,499.96
As at March 31, 2017						
Gross carrying amount						
Opening gross carrying amount	500.00	1,498.24	-	-	1,998.24	2,499.96
Additions	98.95	1,892.47	-	-	1,991.42	-
Disposals	-	-	-	-	-	-
Transfers	-	-	-	-	-	-
Exchange Difference	(21.91)	(462.68)	-	-	(484.59)	-
Acquisition of subsidiary (refer note 43)	342.21	20,447.63	1,295.90	6,124.77	28,210.51	34,679.70
Closing gross carrying amount	919.25	23,375.66	1,295.90	6,124.77	31,715.58	37,179.66
Accumulated depreciation						
Opening accumulated depreciation	192.93	62.63	-	-	255.56	-
Depreciation charge during the year	131.41	826.98	33.98	257.49	1,249.86	-
Disposals	-	-	-	-	-	-
Exchange Difference	(11.80)	(244.55)	(1.40)	(10.62)	(268.37)	-
Closing accumulated depreciation	312.54	645.06	32.58	246.87	1,237.05	-
Net carrying amount	606.71	22,730.60	1,263.32	5,877.90	30,478.53	37,179.66

Impairment testing of goodwill

Goodwill acquired through business combinations has been allocated to the CGU below for impairment testing:

Carrying amount of goodwill allocated to each of the CGUs:

Intangible assets	Goodwill (Rs. in lakhs)		
	ASAL	Rhypez (refer note A below)	Total
March 31, 2017	2,499.96	34,679.70	37,179.66
March 31, 2016	2,499.96	-	2,499.96

Note A: On December 30, 2016, Rhypez Holding (Sweden) AB (100% subsidiary of TACO) acquired Sweden based TitanX Holding AB. This business acquisition has resulted in provisional goodwill of Rs. 3,46,79.70 Lakhs. The group has not tested this goodwill as at reporting date March 31, 2017 as the Group expects to finalize identifying and measuring the identifiable assets acquired and liabilities assumed at their acquisition date fair value within the measurement period of 12 months from the date of acquisition as defined in Ind AS 103.

Goodwill relating to ASAL is accounted at the time of business acquisition of the same. The group performed its annual impairment test for the years ended March 31, 2017 and March 31, 2016 for the goodwill relating to ASAL. ASAL is a manufacturer and supplier of sheet metal components, welded assemblies and modules for automobiles. The group considers the relationship between ASAL's business valuation and its book value of equity, among other factors, when reviewing for the indicators of impairment. The group on reporting date analyses if ASAL's business valuation is below its book value of equity indicating a potential impairment of goodwill and impairment of assets of ASAL.





Tata AutoComp Systems Limited
Notes forming part of consolidated financial statements

Key assumptions used for value in use calculations

The valuation of ASAL has been arrived at by taking the weighted average of values arrived at under following valuation method:

- (a) Net assets based method and
- (b) Discounted cash flows.

The calculation of value in use is sensitive to the following assumptions:

- ▶ Sales growth
- ▶ Raw material consumption
- ▶ Discount rates
- ▶ Free Cash flow to the firm
- ▶ Growth rates used to extrapolate cash flows beyond the forecast period

Sales growth : The group has prepared customerwise sales growth projections based on the broad outlook received from the customers. It is observed from this estimate that the group expects auto industry sales to grow in the medium to long term.

Raw material consumption: Raw material consumption has been factored in the financial projections based on trends noticed in past two financial years.

Discount rates - Discount rates represent the current market assessment of the risks specific to ASAL, taking into consideration the time value of money and individual risks of the underlying assets that have not been incorporated in the cash flow estimates. The discount rate calculation is based on the specific circumstances of ASAL and is derived from its weighted average cost of capital (WACC). The WACC takes into account both debt and equity. The cost of equity is derived from the expected return on investment. The cost of debt is based on the interest-bearing borrowings of ASAL.

Free Cash flow to the firm: Free Cash Flow to the Firm (FCFF) has been calculated by reducing capital expenditure and working capital adjustments for the projected period from Jan'17 to Mar'21.

Growth rate estimates: Terminal value of future cash flows has been calculated using standard growth rate formula.

Impairment assessment may contain and/ or are based on estimates of future financial performance or opinions that may represent reasonable expectations at a particular point of time, but such information, estimates or opinions are not offered as predictions or as assurances that a particular level of income or profit will be achieved, that events will occur, or that a particular price will be offered or accepted. Actual results achieved during the period covered by the prospective financial analysis will vary from those and the variations may be material. Also refer note 1 of significant estimates and assumptions.





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Notes forming part of consolidated financial statements

Note 7 : Financial assets - loans

	As at March 31, 2017		As at March 31, 2016		As at April 01, 2015	
	Current	Non-current	Current	Non-current	Current	Non-current
Unsecured, considered good						
Loan to jointly controlled entities	1,748.44	85.17	-	-	-	-
Advance to employees	54.85	-	107.86	-	48.71	-
Total loans	1,811.77	85.17	107.86	-	48.71	-

Note 8 : Financial assets - others

	As at March 31, 2017		As at March 31, 2016		As at April 01, 2015	
	Current	Non-current	Current	Non-current	Current	Non-current
Financial assets carried at amortised cost						
Secured deposits						
Considered good	62.26	391.99	86.60	486.85	100.41	482.31
Considered doubtful	-	14.29	-	14.29	-	14.29
Less: Provision for doubtful deposits	62.26	406.28	86.60	501.14	100.41	496.60
	-	(14.29)	-	(14.29)	-	(14.29)
Unbilled Revenue	62.26	391.99	86.60	486.85	100.41	482.31
Other receivable from related parties	332.88	-	269.61	-	203.06	-
Interest accrued on loans/ deposits	397.65	-	404.33	-	322.05	137.43
Capital subsidy receivable	13.02	-	53.66	-	8.80	-
Claims receivable	-	-	-	30.00	-	-
Deposits with maturity of more than twelve months*	280.84	8.34	602.02	3.65	-	-
Others	181.25	7.24	102.94	43.58	50.34	26.03
Financial assets carried at fair value through profit or loss						
Foreign-exchange forward contracts**	19.76	-	-	-	43.51	-
Total other financial assets	1,267.70	403.63	1,519.18	564.12	728.17	645.77

* Held as security bank against bank guarantee.
** Derivatives not designated as hedges

Note 9 : Deferred tax assets (net)

	Rs. in lakhs		
	As at March 31, 2017	As at March 31, 2016	As at April 01, 2015
Deferred tax asset			
Tax losses	6,690.04	-	-
Unabsorbed Depreciation	540.63	809.65	836.60
Defined benefit obligations	3,169.72	424.58	404.25
Minimum alternate tax (MAT) Credit available for set off against future taxable income	887.47	1,264.83	1,603.50
Less: Provision for MAT credit	(91.00)	(91.00)	(91.00)
Provision for doubtful receivable, doubtful advances and others	1,241.21	998	923.51
Others	1,208.22	-	17.02
	14,046.29	3,406.44	3,994.42
Deferred tax liability			
Capitalized development expenditure	2,471.63	-	-
Property, plant and equipment	2,249.77	2,069	2,145.66
	4,721.40	2,069.42	2,145.66
Total deferred tax assets (net)	9,324.89	1,337.02	1,848.76

Movement in deferred tax assets/ (liabilities)

	Rs. in lakhs	
	As at March 31, 2017	As at March 31, 2016
Opening deferred tax assets / (liabilities)	186.58	485.61
Charged to profit or loss		
Defined benefit obligation	(171.55)	20.19
Provision for doubtful receivable, doubtful advances and others	(91.75)	70.00
Property, plant and equipment	(28.63)	51.54
Unabsorbed Depreciation	130.38	(26.95)
Depreciation	(35.69)	24.71
Tax losses	192.81	-
Deferred tax liability created on undistributed profit of jointly controlled entities	(504.70)	-
Others	(242.72)	(17.02)
	(751.77)	122.47
Charged to other comprehensive income		
Remeasurement of defined benefit obligation	16.43	4.86
Investments in subsidiaries	31.40	-
Tax on Pension benefits	18.55	-
On the overvaluation of assets	(33.82)	-
	32.57	4.86
Utilisation of MAT credit	(377.35)	(639.07)
Acquisition of subsidiary (refer note 43)	4,085.52	-
Reversal of deferred tax liability on undistributed reserve	605.11	211.81
Closing deferred tax assets / (liabilities) (net)	3,781.75	186.69

Note 10 : Current tax assets (net)

	Rs. in lakhs	
	As at March 31, 2017	As at March 31, 2016
Opening Balance	3,249.33	3,331.19
Less: Refund received net of taxes paid (includes MAT credit utilized)	(642.22)	1,497.20
Less: Tax expense relating to current year	(1,402.08)	(1,543.68)
Less: Tax expense relating to prior years	(148.85)	(35.38)
Total current tax assets (net)	1,056.18	3,249.33

Note 11 : Other non-current assets

	Rs. in lakhs		
	As at March 31, 2017	As at March 31, 2016	As at April 01, 2015
Capital advances			
Considered good	625.55	2,401.42	13,609.28
Considered doubtful	15.05	15.06	15.06
	640.52	2,416.48	13,624.34
Less: Provision for doubtful capital advances	15.05	15.06	15.06
	625.55	2,401.42	13,609.28
Balances with statutory/government authorities			
Considered good	239.05	253.92	381.37
Considered doubtful	56.48	56.48	56.48
	295.53	310.40	437.85
Less: Provision for doubtful	56.48	56.48	56.48
	239.05	253.92	381.37
Prepaid rental on operating lease (refer note 48)	108.53	108.63	108.63
Prepaid expenses	12.87	40.71	21.27
Security Deposit - Octroi	36.21	36.21	38.01
Claims Receivable	131.05	147.01	151.06
Less: Provision for doubtful receivable	55.72	55.72	55.72
	75.34	91.29	95.34
Total other non-current assets	1,097.66	2,932.18	14,253.90





Tata AutoComp Systems Limited
Notes forming part of consolidated financial statements

Note 12 : Inventories

	<i>Rs in lakhs</i>		
	As at March 31, 2017	As at March 31, 2016	As at April 01, 2015
(at lower of cost and net realisable value)			
Raw materials	8,460.99	3,708.81	3,357.95
Work-in-progress	4,538.29	2,007.26	2,048.58
Finished goods (includes goods-in-transit Rs 79.05, March 31, 2016 Rs 179.75 lakhs, April 01, 2015 Rs 233.36 lakhs)	4,033.46	1,399.26	1,065.19
Traded goods	583.42	782.15	729.84
Stores and spares	3,709.31	1,662.57	1,533.74
Tools (under development)	2,966.76	1,640.62	1,336.06
Scrap	944.39	57.99	50.13
Total Inventories	25,256.62	11,258.66	10,121.49

Note 13 : Current Investments

	<i>Rs in lakhs</i>		
	As at March 31, 2017	As at March 31, 2016	As at April 01, 2015
Investment in liquid mutual funds			
Unquoted			
Nil (March 31, 2016: 2,472,630.663, April 01, 2015: Nil) units of Birla Sun Life Cash Plus - Growth - Direct Plan	-	6,016.26	-
Nil (March 31, 2016: 2,294,827.657, April 01, 2015: Nil) units of ICICI Prudential Liquid Fund - Growth	-	5,137.06	-
Nil (March 31, 2016: 119,865,486, April 01, 2015: Nil) units of Birla Sun Life Savings Fund - Growth - Direct Plan	-	352.19	-
Nil (March 31, 2016: 2,136,669,036 Nil, April 01, 2015: Nil) units of DHFL Pramerica Insta Cash Plus Fund - Growth	-	4,196.14	-
Nil (March 31, 2016: 200,618,0939, April 01, 2015: Nil) units of Kotak Floater Short Term - Growth - Regular Plan	-	4,980.10	-
Nil (March 31, 2016: 4,763,383,496, April 01, 2015: 9,876,785,277) units of JM High Liquidity Fund - Direct - Growth Option	-	1,973.68	3,775.83
Nil (March 31, 2016: Nil, April 01, 2015: 2,035,530,483) units of IDFC Money Manager Fund - Treasury Plan - Growth - Direct Plan	-	-	451.64
Nil (March 31, 2016: 66,985,893, April 01, 2015: 168,154,824) units of Axis Liquid Fund - Growth	-	1,122.64	2,604.39
Nil (March 31, 2016: Nil, April 01, 2015: 39,549.72) units of Axis Banking Debt Fund - Growth	-	-	505.63
Nil (March 31, 2016: Nil, April 01, 2015: 6,876,448,848) units of DWS Ultra Short Term Fund - Direct -Growth	-	-	1,158.98
Nil (March 31, 2016: Nil, April 01, 2015: 2,425,490,03) units of DWS Insta Cash Plus Fund - Direct Plan - Growth	-	-	4,407.40
Nil (March 31, 2016: Nil, April 01, 2015: 105,223,474) units of DSP Blackrock Liquidity Fund - Institutional Plan - Growth	-	-	2,103.92
Nil (March 31, 2016: 89,063,765, April 01, 2015: 7,219,226) units of Franklin India Treasury Management Account - Super Institutional Plan - Growth	-	2,014.73	150.69
Nil (March 31, 2016: 32,758,603, April 01, 2015: Nil) units of Reliance Liquid Fund - Cash Plan - Direct Growth Plan	-	801.13	-
Nil (March 31, 2016: 1,614,113,729, April 01, 2015: Nil) units of Reliance Medium Term Fund - Direct Growth Plan - Growth Option	-	512.23	-
Nil (March 31, 2016: 9,672,617, April 01, 2015: Nil) units of SBI Premier Liquid Fund - Direct Plan - Growth	-	230.30	-
Nil (March 31, 2016: Nil, April 01, 2015: 2,180,083,637) units of Franklin India Ultra Short Bond Fund - Super Institutional Plan-Growth	-	-	404.23
Nil (March 31, 2016: Nil, April 01, 2015: 3,096,003,826) units of ICICI Prudential Money Market Fund - Regular Plan - Growth	-	-	5,982.94
Nil (March 31, 2016: Nil, April 01, 2015: 390,070,086) units of ICICI Prudential Flexible Income - Direct Plan - Growth	-	-	1,027.99
Nil (March 31, 2016: Nil, April 01, 2015: 66,350,282) units of IDFC Cash Fund Growth - Regular Plan	-	-	1,127.46
Nil (March 31, 2016: Nil, April 01, 2015: 110,328,2635) units of Kotak Liquid Scheme- Plan A- Regular -Growth	-	-	3,129.61
Nil (March 31, 2016: Nil, April 01, 2015: 51,797,788) units of Reliance Money Manager Fund - Direct Growth Plan - Growth Option	-	-	1,000.00
Nil (March 31, 2016: Nil, April 01, 2015: 79,184,655) units of Reliance Liquid Fund - Treasury Plan - Growth Plan - Growth Option	-	-	2,696.72
Nil (March 31, 2016: Nil, April 01, 2015: 104,271,893) units of SBI Magnum Insta Cash Fund - Regular Plan - Growth	-	-	3,222.51
Nil (March 31, 2016: 10,799,829,305, April 01, 2015: 12,054,771,408) units of Sundaram Money Fund - Direct Plan - Growth	-	3,451.14	3,558.18
223,177,756 (March 31, 2016: 192,310,057, April 01, 2015: 233,181,989) units of Tata Money Market Fund - Direct Plan - Growth	5,720.13	4,591.65	5,142.07
Nil (March 31, 2016: 60,899,023, April 01, 2015: Nil) units of DSP Blackrock Liquidity Fund - Direct Plan - Growth	-	1,319.70	-
909,896,648 (March 31, 2016: Nil, April 01, 2015: Nil) units of Birla Sun Life Floating Rate Fund Short Term Plan - Growth - Direct Plan	1,973.15	-	-
197,902,398 (March 31, 2016: 200,618,0939, April 01, 2015: Nil) units of Kotak Floater Short Term - Direct Plan - Growth	5,282.76	-	-
2,223,351,392 (March 31, 2016: Nil, April 01, 2015: Nil) units of ICICI Prudential Money Market Fund - Direct Plan - Growth	5,003.06	-	-
357,820,170 (March 31, 2016: Nil, April 01, 2015: Nil) units of Indiabulls Liquid Fund - Direct Plan Growth	5,685.25	-	-
Total Investment	23,664.35	36,698.97	42,450.19

	<i>Rs in lakhs</i>		
	As at March 31, 2017	As at March 31, 2016	As at April 01, 2015
Aggregate amount of unquoted investments	23,664.35	36,698.97	42,450.19
Total Investments	23,664.35	36,698.97	42,450.19





Tata AutoComp Systems Limited
Notes forming part of consolidated financial statements

Note 14 : Trade receivable

	<i>Rs. in lakhs</i>		
	As at March 31, 2017	As at March 31, 2016	As at April 01, 2015
Trade receivables	39,906.45	19,575.66	7,537.41
Receivables from related parties	7,615.02	4,468.58	3,772.41
Less: Allowance for doubtful debts	1,668.94	1,044.31	1,114.51
Total trade receivable	45,852.53	22,999.93	10,195.31

	<i>Rs. in lakhs</i>		
	As at March 31, 2017	As at March 31, 2016	As at April 01, 2015
Secured, considered good	-	-	-
Unsecured, considered good	38,237.51	22,999.93	10,195.31
Doubtful	1,668.94	1,044.31	1,114.51
Total	39,906.45	24,044.24	11,309.82
Allowance for doubtful debts	1,668.94	1,044.31	1,114.51
Total trade receivables	38,237.51	22,999.93	10,195.31

Transferred receivables

The carrying amounts of the trade receivables include receivables which are subject to a factoring arrangement. Under this arrangement, the group has transferred the relevant receivables to the factor in exchange for cash and is prevented from selling or pledging the receivables. However, the group has retained late payment and credit risk. The group therefore continues to recognise the transferred assets in their entirety in its balance sheet. The amount repayable under the factoring agreement is presented as secured borrowing.

The relevant carrying amounts are as follows:

	<i>Rs. in lakhs</i>		
	As at March 31, 2017	As at March 31, 2016	As at April 01, 2015
Total transferred receivables	8,601.26	7,692.28	-
Associated secured borrowing (note 22)	8,601.26	7,692.28	-

Note 15 : Cash and cash equivalents

	<i>Rs. in lakhs</i>		
	As at March 31, 2017	As at March 31, 2016	As at April 01, 2015
Balances with banks			
- in current accounts	15,533.31	1,362.22	2,137.23
- in EEFC accounts	58.28	264.28	36.03
- Deposits	104.79	550.00	17.31
Cheques on hand	249.62	630.47	55.03
Cash on hand	16.19	5.06	7.16
Margin money deposits (with maturity more than 3 months but less than 12 months)	0.96	0.96	51.88
Unpaid Dividend (restricted)	2.26	2.45	3.03
Total cash and cash equivalents	15,965.41	2,815.44	2,307.67

Note 16 : Other current assets

	<i>Rs. in lakhs</i>		
	As at March 31, 2017	As at March 31, 2016	As at April 01, 2015
Advances to suppliers			
Considered good	7,746.35	4,900.75	3,700.05
Considered doubtful	166.51	110.03	161.41
	7,912.86	5,010.78	3,861.46
Less: Provision for Doubtful Advances	166.51	110.03	161.41
	7,746.35	4,900.75	3,700.05
Balances with Statutory / Government Authorities	12,634.63	10,313.54	8,103.14
Prepaid Expenses	2,242.28	595.80	613.66
DEPB Licence	12.27	78.95	5.31
Total other current assets	22,635.53	15,889.04	12,422.16

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Tata AutoComp Systems Limited
Notes forming part of consolidated financial statements

Note 17: Share capital

	<i>Rs. in lakhs</i>		
	As at March 31, 2017	As at March 31, 2016	As at April 01, 2015
Authorised			
329,600,000 (March 31, 2016: 329,600,000, April 01, 2015: 329,600,000) equity shares of Rs. 10/- each	32,960.00	32,960.00	32,960.00
70,000,000 (March 31, 2016: 70,000,000, April 01, 2015: 70,000,000) 8% preference shares of Rs. 10/- each	7,000.00	7,000.00	7,000.00
2,400,000 (March 31, 2016: 2,400,000, April 01, 2015: 2,400,000) 7.5% preference shares of Rs. 10/- each	240.00	240.00	240.00
8,000,000 (March 31, 2016: 8,000,000, April 01, 2015: 8,000,000) 0.1% preference shares of Rs. 10/- each	800.00	800.00	800.00
	41,000.00	41,000.00	41,000.00
Issued, subscribed and fully paid up			
201,281,358 (March 31, 2016: 201,281,358) equity shares of Rs. 10/- each fully paid.	20,128.14	20,128.14	20,128.14
Total	20,128.14	20,128.14	20,128.14

(a) Movement in share capital :

Authorised equity share capital	<i>Rs. in lakhs</i>
	Amount
As at April 01, 2015	41,000.00
Increase during the year	-
As at March 31, 2016	41,000.00
Increase during the year	-
As at March 31, 2017	41,000.00

	<i>Rs. in lakhs</i>	
	Number of shares (in lakhs)	Equity share capital (par value)
As at April 01, 2015	2,012.81	20,128.14
Increase during the year	-	-
As at March 31, 2016	2,012.81	20,128.14
Increase during the year	-	-
As at March 31, 2017	2,012.81	20,128.14

(b) Shares held by holding, subsidiary and associate of holding company

	<i>Rs. in lakhs</i>		
	As at March 31, 2017	As at March 31, 2016	As at April 01, 2015
28,675,598 equity shares (March 31, 2016 : 28,675,598 shares, April 01, 2015 : 28,675,598 shares) held by Tata Sons Limited, the ultimate holding company.	2,867.57	2,867.57	2,867.57
120,272,540 equity shares (March 31, 2016 : 120,272,540 shares, April 01, 2015 : 120,272,540 shares) held by subsidiaries of the company's ultimate holding company	12,027.25	12,027.25	12,027.25
52,333,170 equity shares (March 31, 2016 : 52,333,170 shares, April 01, 2015 : 52,333,170 shares) held by Associate of the company's ultimate holding company	5,233.32	5,233.32	5,233.32
	20,128.14	20,128.14	20,128.14

(c) Details of shares held by Shareholders holding more than 5% of equity shares of the Company

Name of the shareholder	Number of shares held as on		% holding		Number of shares held as on		% holding	
	March 31, 2017	% holding	March 31, 2016	% holding	April 01, 2015	% holding		
Tata Industries Limited	6,92,45,153	34.40%	6,92,45,153	34.40%	6,92,45,153	34.40%		
Tata Motors Limited	5,23,33,170	26.00%	5,23,33,170	26.00%	5,23,33,170	26.00%		
Tata Capital Limited	4,83,07,333	24.00%	4,83,07,333	24.00%	4,83,07,333	24.00%		
Tata Sons Limited	2,86,75,598	14.25%	2,86,75,598	14.25%	2,86,75,598	14.25%		

(d) Terms and rights attached to equity shares:

The Company has one class of issued capital i.e. equity shares having a par value of Rs.10 per share. Each equity shareholder is eligible for one vote per share held. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting, except in case of interim dividend. 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.

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Tata AutoComp Systems Limited
Notes forming part of consolidated financial statements

Note 16 : Other Equity

Rs. in lakhs

	As at March 31, 2017	As at March 31, 2016	As at April 01, 2015
Reserves and surplus			
Capital Redemption Reserve	5,462.50	5,462.50	5,462.50
Securities Premium Account	69.39	69.39	69.39
Debenture Redemption Reserve	2,276.00	2,201.00	2,125.00
General Reserve	11,937.29	11,537.29	11,761.29
Retained Earnings	42,962.63	41,701.38	41,576.75
Other reserve	(1,060.77)	70.30	-
Total other equity	61,647.04	61,441.86	60,994.93

Movement In other equity

	As at March 31, 2017	As at March 31, 2016
Capital Redemption Reserve		
Balance as at the beginning and end of the year	5,462.50	5,462.50
Securities Premium Account		
Balance as at the beginning and end of the year	69.39	69.39
Debenture Redemption Reserve		
Balance as at the beginning of the year	2,201.00	2,125.00
Add: Appropriations during the year	75.00	76.00
Balance as at the end of the year	2,276.00	2,201.00
General Reserve		
Balance as at the beginning and end of the year	11,537.29	11,761.29
Add: Transferred from Surplus in Statement of Profit and Loss during the year	-	176.00
Balance as at the end of the year	11,537.29	11,937.29
Retained Earnings		
Balance as at the beginning of the year	41,701.38	41,576.75
Add: Profit for the year	6,586.04	5,791.18
Add: Items of other comprehensive income recognised directly in retained earnings	(265.10)	19.29
Less: Appropriations		
Dividend on equity shares (Rs.2 per share (Previous year Rs.2 per share))	4,025.63	4,025.63
Dividend distribution tax	758.06	796.22
Transfer to Debenture Redemption Reserve	75.00	76.00
Transfer to General Reserve	-	176.00
Balance as at the end of the year	42,962.63	41,701.38
Other reserves		
Foreign Currency Translation Reserve		
Balance as at the beginning of the year	70.30	-
Add: Effect of foreign exchange rate variations during the year	(1,131.07)	70.30
Balance as at the end of the year	(1,060.77)	70.30
Total other equity	61,647.04	61,441.86

Nature and purpose of reserves

General Reserve

The general reserves are the retained earnings of a company which are kept aside out of company's profits to meet future (known or unknown) obligations, the general reserve is a free reserves which can be utilized for any purpose after fulfilling certain conditions.

Capital Redemption Reserve

Capital Redemption Reserve was created for redemption of preference shares. The company may issue fully paid - up bonus shares to its members out of the capital redemption reserve account.

Securities Premium Account

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

Debenture Redemption Reserve (DRR)

The group has issued redeemable non-convertible debentures. Accordingly, the Companies (Share capital and Debentures) Rules, 2014 (as amended), require the group to create DRR out of profits of the group available for payment of dividend. DRR is required to be created for an amount which is equal to 25% of the value of debentures issued. According to the Companies (Share capital and Debentures) Rules, 2014 (as amended), a company should on or before the 30th day of April in each year, invest or deposit, a sum which will not be less than fifteen percent of the amount of its debentures maturing during the year ending on the 31st day of March of the next year. Till reporting date, the group was not required to make any such deposit/ investment.

Foreign Currency Translation Reserve

Exchange differences arising on translation of the foreign operations are recognised in other comprehensive income as described in accounting policy and accumulated in a separate reserve within equity. The cumulative amount is reclassified to profit or loss when the net investment is disposed-off.

Note 19 : Non - current borrowings

Rs. in lakhs

	As at March 31, 2017	As at March 31, 2016	As at April 01, 2015
Secured			
Non Convertible Debentures	-	-	3,500.00
Term loan from bank	72,324.31	3,596.42	3,629.37
Term loan from other parties	1,634.00	1,884.55	-
Buyers Credit	-	-	872.23
Long term maturities of finance lease obligations			
Obligation under finance lease	431.87	-	-
Unsecured			
Non Convertible Debentures	10,367.07	10,365.07	10,402.26
Others	-	-	1.16
Total non-current borrowings	84,757.25	15,847.05	16,405.02
Less: Current maturities of long-term debt (included in note no 24)	(1,094.46)	(365.00)	(4,569.39)
Less: Interest accrued (included in note no 24)	(388.05)	(375.63)	(434.42)
Less: Transaction cost	(1,636.24)	-	-
Total non-current borrowings	81,638.50	15,106.42	13,401.21



Details of security and repayment terms of non current borrowings

Nature of Facility	Maturity date	Coupon/Interest	Balance as on March 31, 2017	Balance as on March 31, 2016	Balance as on March 31, 2015	Nature of Security	Terms of repayment
Secured Borrowings							
350 Secured Redeemable Non Convertible Debentures of Rs.1,000,000 each fully paid	February 27, 2016	12.00%	-	-	3,500.00	First pari-passu charge on the moveable and immovable assets (including land and building) of a Division of the Company.	Repayable in February 2016
Term Loan	April 30, 2015	10.50%	-	-	70.00	Secured by way of exclusive hypothecation charge on two specific Presses of Paninagar Plant of the Company and first charge on fixed assets of Halol Plant of the Company.	Phased repayment with monthly instalments ending in April, 2015.
Term Loan	September 30, 2020	10.35%	875.00	1,000.00	-	Secured by exclusive first charge by way of hypothecation of specific press machinery at Halol Plant.	Phased Repayment with quarterly instalments ending in September, 2020
Buyer's Credit	October, 2015 and November, 2015	9.86% - 9.96%	-	-	672.23	Secured by way of first and exclusive charge on the machinery procured under the said facility.	Repayment to be effected in October, 2015 and November, 2015.
Term Loan	December 31, 2018	10.50% + 11.25%	1,634.00	1,884.58	2,000.00	Secured by first and exclusive hypothecation on plant and machinery (except for specific presses hypothecated against loan from State Bank of India, of Paninagar plant of the Company).	Phased repayment with quarterly instalments from September, 2015 and ending in December, 2018.
Term Loan	September 01, 2019	FBCC + 60 bps	1,972.33	2,556.42	1,559.37	Secured by Land & building	2 years
Term Loan	March 31, 2021	-	1,243.26	-	-	Secured by first charge on plant and machinery at Chakan and Halol plant (except machinery already hypothecated to SBI for Term loan of Rs. 1,000 Lakhs) and first charge on plant and machinery to be accured at Chakan plant out of term loan.	Phased Repayment after 1 year moratorium period in quarterly fifteen instalments ending in March 2021
Term Loan	December 31, 2021	2.25%+LIBOR	35,925.09	-	-	Shares held in TitanX holding AB and corporate guarantee issued guaranteed by holding company.	5 years
Term Loan	December 31, 2021	2.50%+LIBOR	32,307.63	-	-	All the assets of all subsidiaries of TitanX Engine Cooling Holding AB (except China). Cross guarantees from all subsidiaries	5 years
Long term maturities of finance lease obligations							
Obligation under finance lease	Various	5.09%	431.87	-	-	Lease liabilities are effectively secured as the rights to lease assets recognised in financial statements revert to the lessor in the event of default.	3 years
Unsecured Borrowings							
1000 unsecured Redeemable Non Convertible Debentures of Rs.1,000,000 each fully paid	May 20, 2020	10.15%	10,367.07	10,355.07	10,402.25	Nil	Repayable in May 2020
Sales Tax Deferral Loan	April 30, 2018	-	-	-	1.16	Nil	Scheme framed by Government Repaid in August 15
Less: Current maturities of long-term debt (included in note no 24)			(1094.46)	(385.00)	(4569.39)		
Less: Interest accrued (included in note no 24)			(388.05)	(375.63)	(434.42)		
Less: Transaction cost			(1535.24)	-	-		
			81,638.50	15,106.42	13,401.21		

Note 20 : Provisions

	<i>Rs. in lakhs</i>					
	As at March 31, 2017		As at March 31, 2016		As at April 01, 2015	
	Current	Non-current	Current	Non-current	Current	Non-current
Provision for employee benefits (refer note 39)						
Compensated absences	248.00	828.97	214.57	603.94	230.00	575.76
Gratuity	-	353.25	-	340.50	-	334.91
Retirement benefits	86.88	14,519.75	65.82	1,065.32	65.82	927.05
Provision for probable claims	3,103.00	-	3,162.00	-	3,162.00	-
Provision for other contingencies	209.74	-	304.44	-	72.05	-
Provision for warranty	14.53	413.94	10.91	5.45	12.46	6.23
	3,662.15	16,115.91	3,757.74	2,015.21	3,542.33	1,893.95

Refer note 46 for movement in provisions

Note 21 : Deferred tax liabilities (net)

	<i>Rs. in lakhs</i>		
	As at March 31, 2017	As at March 31, 2016	As at April 01, 2015
Deferred tax liabilities			
Undistributed profit of jointly controlled entities	1,048.93	1,150.34	1,362.15
Revaluation of assets	4,494.31	-	-
Total deferred tax liabilities (net)	5,543.24	1,150.34	1,362.15

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Tata AutoComp Systems Limited
Notes forming part of consolidated financial statements

Note 22 : Financial liabilities - current borrowings

	<i>Rs. in lakhs</i>		
	As at March 31, 2017	As at March 31, 2016	As at April 01, 2015
Secured			
Factored receivable	6,601.26	7,659.26	-
Loans from banks repayable on demand	17,046.72	3,646.12	1,229.50
Unsecured:			
Sales invoice financing facility with bank	-	-	256.83
Total financial liabilities - borrowings	25,641.98	11,334.40	1,566.13
Less: Interest accrued	-	(3.47)	-
Total financial liabilities - borrowings	25,641.98	11,334.93	1,566.13

Details of security and repayment terms of short term borrowings

Nature of Facility	Maturity date	Coupon/Interest	<i>Rs. in lakhs</i>			Nature of Security	Terms of repayment
			Balance as on March 31, 2017	Balance as on March 31, 2016	Balance as on March 31, 2015		
Secured							
Temporary Overdraft	May 15, 2016	11.30%	-	700.00	-	Loans from Banks repayable on demand are secured by hypothecation of current assets and second charge on the fixed assets of Chakan Plant of the Company.	Repayable on Demand
Cash Credit facility	On Demand	10.10% / 10.86%	769.16	751.51	212.26	Loans from Banks repayable on demand are secured by hypothecation of current assets and second charge on the fixed assets of Chakan Plant of the Company.	Repayable on Demand
Cash Credit facility	On Demand	9.65% / 10.40%	88.46	471.39	11.66	Loans from Banks repayable on demand are secured by hypothecation of current assets and second charge on the fixed assets of Chakan Plant of the Company.	Repayable on Demand
Working capital loan	September 30, 2019	3.76% - 5.60% / 3.52% - 6.85% bps	-	-	-	Secured by plant and machinery	Repayable on Demand
Working capital loan (USD)	August 7, 2017	LIBOR(1M) + 325 bps	973.47	861.61	503.12	Secured by plant and machinery	Repayable on Demand
Working capital loan (RMB)	March 31, 2019	FBOC + 125 bps	1,618.72	761.61	142.06	Secured by plant and machinery	Repayable on Demand
Revolving Credit Facility	December 31, 2019	2.60%-LIBOR	10,290.91	-	-	All the assets of all subsidiaries of TitanX Engine Cooling Holding AB (except China). Cross guarantees from all subsidiaries	Can be paid at the end of each month and can be drawn again
Factored receivable	Within 90 days	10.10%	2,054.44	2,181.28	-	Factored receivable is secured by first charge on trade receivable subject to factoring arrangement.	3 months
Factored receivable	Within 90 days	8.10%	6,546.82	5,511.00	-	Factored receivable is secured by first charge on trade receivable subject to factoring arrangement.	3 months
Sales Invoice Financing Facility with bank	Repayment against Sales Invoice Financing has a maximum usance of 55 days.	10.50%	-	-	296.83	NA	Repayment against Sales Invoice Financing has a maximum usance of 55 days.
Total			25,641.98	11,336.40	1,566.13		
Less: Interest accrued (included in note no 24)			-	(3.47)	-		
Total			25,641.98	11,334.93	1,566.13		

Note 23 : Trade payables

	<i>Rs. in lakhs</i>		
	As at March 31, 2017	As at March 31, 2016	As at April 01, 2015
Trade payables			
Acceptances	3,665.63	3,568.51	3,388.67
Other than Acceptances	59,818.61	24,619.16	22,233.85
Trade payables to related parties			
Other than Acceptances	267.57	463.15	197.84
Total trade payable	63,753.01	28,650.82	25,870.36

Note 24 : Other financial liabilities

	<i>Rs. in lakhs</i>		
	As at March 31, 2017	As at March 31, 2016	As at April 01, 2015
Creditors for capital goods:			
Payable towards employee benefits expense	1,914.55	1,343.76	1,457.46
Interest accrued on borrowings	5,569.68	2,093.58	1,393.44
Current maturities of long-term debt	388.05	379.10	434.42
Current maturities of finance lease obligations	1,094.46	365.00	4,559.39
Unpaid dividends	374.51	-	-
Security deposit	2.26	2.45	3.03
Derivative contracts*	112.75	152.75	152.75
Claims Payable to Customers	5.96	22.63	57.03
Other payable	-	1,537.70	-
Total other financial liabilities	10,661.40	6,549.17	9,197.44

* Derivatives not designated as hedges: Foreign currency forward contracts.

Note 25 : Current tax liabilities

	As at March 31, 2017	As at March 31, 2016
	Opening balance	39.95
Add: Current tax payable for the year	198.36	311.30
Less: Taxes paid	(77.75)	(304.05)
Less: Exchange difference	(10.07)	0.20
Closing balance	150.49	39.95

Note 26 : Other current liabilities

	<i>Rs. in lakhs</i>		
	As at March 31, 2017	As at March 31, 2016	As at April 01, 2015
Customer advances			
Deferred grant income (Rs. 3 Lakhs released to statement of profit and loss during year end March 31, 2017)	7,574.26	6,138.09	3,897.11
Statutory dues	27.00	30.00	-
Warranty Dues	14,565.09	9,445.61	7,462.22
Excess of loss over investment in joint venture	94.12	-	-
Others	494.14	-	-
Total other current liabilities	23,386.60	15,616.22	11,370.84





Tata AutoComp Systems Limited
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Note 27 : Revenue from operations

	<i>Rs. in lakhs</i>	
	Year ended March 31, 2017	Year ended March 31, 2016
Sale of products (including excise duty)		
Finished goods	1,62,387.92	1,13,063.30
Traded goods	14,430.24	13,665.25
Sale of services	7,308.58	6,148.15
Other operating revenues	1,411.79	571.00
Total revenue from operations	1,85,538.53	1,33,447.70

Note 28 : Other Income

	<i>Rs. in lakhs</i>	
	Year ended March 31, 2017	Year ended March 31, 2016
Interest income from financial assets at amortised cost	141.28	66.19
Net gain on sale of current investments mandatorily measured at fair value through profit or loss	2,678.59	3,158.39
Net gain on sale of property, plant and equipments	41.24	79.48
Exchange gain (net)	90.20	233.07
Sundry provisions and credit balances no longer required, written back	252.68	96.73
Other non-operating income	1,439.86	332.14
Total other income	4,643.85	3,966.00

Note 29 : Cost of materials consumed

	<i>Rs. in lakhs</i>	
	Year ended March 31, 2017	Year ended March 31, 2016
Raw materials at the beginning of the year	3,693.59	3,357.95
Opening stock on acquisition of subsidiary	4,417.52	-
Add: Purchases	1,00,565.68	67,331.60
Less: Raw material at the end of the year	8,723.33	3,708.81
Total cost of materials consumed	99,953.46	66,980.74

Note 30 : Changes in inventories of finished goods, work-in-progress and traded goods

	<i>Rs. in lakhs</i>	
	Year ended March 31, 2017	Year ended March 31, 2016
Opening stock		
Work-in-progress	1,991.37	2,120.03
Finished goods	1,365.44	1,259.43
Traded Goods	782.15	548.05
Stores and spares	0.00	-
Tools	1,617.09	1,347.27
Others	57.99	50.13
Opening stock on acquisition of subsidiary	8,435.85	-
	14,249.89	5,324.92
Closing stock		
Work-in-progress	4,673.74	2,080.75
Finished goods	4,214.32	1,552.47
Traded Goods	583.42	634.64
Stores and spares	1,851.01	-
Tools	3,044.13	1,648.94
Others	984.09	57.99
	15,350.71	5,974.79
Total changes in inventories of finished goods, work-in-progress and traded goods	(1,100.82)	(649.88)

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Tata AutoComp Systems Limited
Notes forming part of consolidated financial statements

Note 31 : Employee benefits expense

	<i>Rs. in lakhs</i>	
	Year ended March 31, 2017	Year ended March 31, 2016
Salaries and wages	24,633.25	15,426.76
Contributions to provident fund and other fund	1,401.21	1,486.62
Staff welfare expenses	3,939.05	1,809.50
Total	29,973.51	18,722.88

Note 32 : Finance costs

	<i>Rs. in lakhs</i>	
	Year ended March 31, 2017	Year ended March 31, 2016
Interest and finance charges on financial liabilities not at fair value through profit or loss	3,141.27	2,498.12
Other borrowing costs	199.78	122.46
Exchange gain (net) regarded as an adjustment to borrowing cost	(1,481.54)	-
Total finance costs	1,859.51	2,620.58

Note 33 : Depreciation and amortisation expense

	Year ended March 31, 2017	Year ended March 31, 2016
Depreciation of property, plant and equipment	5,161.18	3,981.22
Amortisation of intangible assets	1,249.86	255.56
Total depreciation and amortisation expense	6,411.04	4,236.78

Note 34 : Other expenses

	<i>Rs. in lakhs</i>	
	Year ended March 31, 2017	Year ended March 31, 2016
Consumption of stores and spare parts	2,684.63	2,113.31
Power and fuel	3,900.01	2,864.69
Rent and service charges	1,181.77	942.09
Repairs and maintenance -		
Buildings	600.48	189.25
Machinery	1,912.45	1,368.34
Others	177.37	221.05
Insurance	421.31	176.70
Rates and taxes	470.65	369.93
Communication expenses	252.27	268.70
Travelling and conveyance	1,087.18	977.60
Printing and stationery	3.02	26.54
Freight and forwarding	3,099.20	2,432.36
Commission	43.74	-
Royalty	-	2.61
Tech Knowhow Charges	-	-
Corporate social responsibility expenditure	67.74	24.57
Legal and professional fees	3,780.76	1,230.29
Bad debts written off	100.82	-
Provision for doubtful debts & advances	26.47	-
Net loss on foreign currency transaction and translation	147.54	31.91
Loss on sale of tangible / intangible assets sold / scrapped / written off	-	13.86
Processing charges	708.93	1,561.35
Contract labour charges	3,583.55	2,862.73
Selling and distribution expenses	29.45	100.44
Security expenses	-	37.83
Miscellaneous expenses	3,023.72	2,451.05
Less capitalization of R&D	(1,264.06)	-
Less: Recoveries from joint ventures and subsidiaries	(594.82)	(256.45)
Total other expenses	25,444.18	20,010.75





Tata AutoComp Systems Limited
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34 a) Legal and Professional fees include payment to auditors

	<i>Rs. in lakhs</i>	
	Year ended March 31, 2017	Year ended March 31, 2016
Audit fees	226.40	76.60
Tax audit fees	12.59	8.10
Other services	13.92	5.98
Reimbursement of expenses	4.34	2.47
Total	257.25	93.15

34 b) Corporate social responsibility expenditure

Gross amount required to be spent by the company during the year Rs 67.74 lakhs (March 31, 2016 Rs. 24.13 lakhs). Amount spent during the year on:

Amount spent during the year on:

	<i>Rs. in lakhs</i>	
	Year ended March 31, 2017	Year ended March 31, 2016
Maharashtra Drought Relief (Paryay NGO)	8.00	7.91
TATA Medical Center, Kolkata	15.00	11.25
Cancer Treatment of Children ST Judes	3.00	1.00
United way of Mumbai for Marathon 16	-	3.00
Ration support to SASA orphanage, Pune	1.88	1.41
MD India online for health check up of mechanics	8.90	-
Support to school building	9.26	-
Soil checking for chakan site	0.12	-
Creating greenery at chakan	0.22	-
Provision for tree plantation at chakan	21.19	-
Other	0.17	-
Total	67.74	24.57

Note 35 : Income tax expense

	<i>Rs. in lakhs</i>	
	Year ended March 31, 2017	Year ended March 31, 2016
(a) Income tax expense		
Current tax		
Current tax on profits for the year	1,833.94	1890.35
Adjustments for current tax of prior periods	13.29	35.38
Total current tax expense	1,847.23	1,925.73
Deferred tax		
Decrease (increase) in deferred tax assets	218.24	(70.93)
(Decrease) increase in deferred tax liabilities	533.53	(51.29)
Total deferred tax expense/(benefit)	751.77	(122.22)
Income tax expense	2,599.00	1803.51

Reconciliation of tax expense and the accounting profit :

	<i>Rs. in lakhs</i>	
	Year ended March 31, 2017	Year ended March 31, 2016
Profit before income tax expense	8,908.71	6,462.66
Tax Rate of 34.61% (2015-2016 – 34.61%)*	3,083.30	2,236.73
Tax effect of amounts which are not deductible (taxable) in calculating taxable income:		
Unrecognized tax benefits on tax losses	94.91	719.95
Weighted deduction on research and development expenditure	(226.58)	(29.89)
Effects of nondeductible business expenses	93.07	105.92
Conso adjustments	340.64	33.92
Other items	(71.27)	2.12
Share of results of joint ventures	(1,365.34)	(1,140.73)
Impact of Tax Rate Difference between Group Rate and Local Rate	46.42	(129.89)
Adjustments for current tax of prior periods	148.85	35.38
Deferred tax charge on undistributed income of jointly controlled entities	504.00	-
Deduction under section 80IC	(49.00)	(30.00)
Income tax expense	2,599.00	1,803.51





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Tax Losses

One of the subsidiary in India, subsidiaries in China and Brazil does not have taxable income in current and previous year, hence no tax expenses have been recognized. Further since it is not probable that future taxable amounts will be available to utilize the deferred tax assets in respect of following unused tax losses and unabsorbed depreciation, hence no deferred tax assets have been recognised.

	Year ended March 31, 2017	Year ended March 31, 2016	Year ended April 01, 2015
Unused tax losses for which no deferred tax asset has been recognised			
- Business Losses	4,526.78	2,467.60	1,379.29
- Unabsorbed depreciation	1,780.70	1,456.97	396.41
Potential tax benefit	1,918.00	1,212.69	576.13

The potential tax benefit is calculated on the basis of the tax laws enacted or substantively enacted at the end of the reporting period in the countries where the group operate and generate taxable income

Unused tax losses with respect to unabsorbed depreciation do not have an expiry date.
For subsidiaries in Brazil and China, business losses carry forwards do not have an expiry date.

Unused tax losses with respect to business losses in one of the subsidiary in India have following expiry dates:

Expiry Date	Amounts
31st March 2023	1,379.30
31st March 2024	1,088.30
Total	2,467.60

Unrecognised temporary differences

	Year ended March 31, 2017	Year ended March 31, 2016
Temporary difference relating to investments in subsidiaries for which deferred tax liabilities have not been recognised:		
Undistributed earnings	5,179.61	3,572.01

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Tata AutoComp Systems Limited
Notes forming part of consolidated financial statements

Note 36 : Fair Value Measurement

Financial Instrument by category:

The carrying value and fair value of financial instruments by categories as of March 31, 2017 were as follows:

Particulars	Amortised cost	Fair value through profit or loss	Total Carrying value
Financial Assets:			
<i>Non-current</i>			
Loans - non-current	85.17	-	85.17
Other financial asset - non-current	423.83	-	423.83
<i>Current</i>			
Trade Receivables	45,852.53	-	45,852.53
Cash and cash equivalents	15,965.41	-	15,965.41
Investments	-	23,664.35	23,664.35
Loans	1,811.77	-	1,811.77
Other financial asset	1,267.94	19.76	1,287.70
Financial Liabilities:			
Borrowings - non-current			
<i>Non-current</i>			
Debentures	10,000.00	-	10,000.00
Borrowings	71,638.50	-	71,638.50
<i>Current</i>			
Borrowings	25,641.98	-	25,641.98
Trade Payable	63,753.01	-	63,753.01
Other financial liabilities	10,655.44	5.96	10,661.40

The carrying value and fair value of financial instruments by categories as of March 31, 2016 were as follows:

Particulars	Amortised cost	Fair value through profit or loss	Total Carrying value
Financial Assets:			
<i>Non-current</i>			
Loans - non-current	-	-	-
Other financial asset - non-current	564.12	-	564.12
<i>Current</i>			
Trade Receivables	22,999.93	-	22,999.93
Cash and cash equivalents	2,815.44	-	2,815.44
Investments	-	36,698.97	36,698.97
Loans - current	107.86	-	107.86
Other financial asset (current)	1,519.16	-	1,519.16
Financial Liabilities:			
Borrowings - non-current			
<i>Non-current</i>			
Debentures	10,000.00	-	10,000.00
Borrowings	5,106.42	-	5,106.42
<i>Current</i>			
Borrowings - current	11,334.93	-	11,334.93
Trade Payable	28,650.82	-	28,650.82
Other financial liabilities	6,526.54	22.63	6,549.17

The carrying value and fair value of financial instruments by categories as of April 01, 2015 were as follows:

Particulars	Amortised cost	Fair value through profit or loss	Total Carrying value
Financial Assets:			
Loans - non-current	-	-	-
Other financial asset (non-current)	645.77	-	645.77
Trade Receivables	10,195.31	-	10,195.31
Cash and cash equivalents	2,307.67	-	2,307.67
Investments	-	42,450.19	42,450.19
Loans - current	48.71	-	48.71
Other financial asset (current)	684.66	43.51	728.17
Financial Liabilities:			
Debentures	10,000.00	-	10,000.00
Borrowings	3,401.21	-	3,401.21
Borrowings - current	1,566.13	-	1,566.13
Trade Payable	25,870.36	-	25,870.36
Other financial liabilities	9,130.41	67.03	9,197.44

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Fair value hierarchy

This section explains the judgements and estimates made in determining the fair values of the financial instruments that are (a) recognised and measured at fair value and (b) measured at amortised cost and for which fair values are disclosed in the financial statements. To provide an indication about the reliability of the inputs used in determining fair value, the group has classified its financial instruments into the three levels prescribed under the accounting standard. An explanation of each level is as follows:

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

Level 2 - The fair value of financial instruments that are not traded in an active market is determined using valuation techniques which maximise the use of observable market data and rely as little as possible on entity-specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2.

Level 3 - If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3.

The following table presents fair value hierarchy of assets and liabilities measured at fair value on a recurring basis as of March 31, 2017:

	As at March 31, 2017	Fair value measurement at end of the reporting period using		
		Level 1	Level 2	Level 3
Asset				
Investments in liquid mutual fund units	23,664.35	23,664.35	-	-
Derivative financial instruments - foreign currency forward	19.76	-	19.76	-
Liabilities				
Derivative financial instruments - foreign currency forward	5.96	-	5.96	-

The following table presents fair value hierarchy of assets and liabilities measured at amortised cost for which fair values are disclosed as at March 31, 2017:

	As at March 31, 2017	Fair value measurement at end of the reporting period using		
		Level 1	Level 2	Level 3
Liabilities				
Non convertible debentures	10,400.00	-	10,400.00	-

The following table presents fair value hierarchy of assets and liabilities measured at fair value on a recurring basis as of March 31, 2016:

	As at March 31, 2016	Fair value measurement at end of the reporting year using		
		Level 1	Level 2	Level 3
Asset				
Investments in liquid mutual fund units	36,698.97	36,698.97	-	-
Derivative financial instruments - foreign currency forward	-	-	-	-
Liabilities				
Derivative financial instruments - foreign currency forward	22.63	-	22.63	-

The following table presents fair value hierarchy of assets and liabilities measured at amortised cost for which fair values are disclosed as at March 31, 2016:

	As at March 31, 2016	Fair value measurement at end of the reporting period using		
		Level 1	Level 2	Level 3
Liabilities				
Non convertible debentures	10,000.00	-	10,000.00	-

The following table presents fair value hierarchy of assets and liabilities measured at fair value on a recurring basis as of April 01, 2015:

	As at April 01, 2015	Fair value measurement at end of the reporting year using		
		Level 1	Level 2	Level 3
Asset				
Investments in liquid mutual fund units	42,450.19	42,450.19	-	-
Derivative financial instruments - foreign currency forward	43.51	43.51	-	-
Liabilities				
Derivative financial instruments - foreign currency forward	67.03	-	67.03	-

The following table presents fair value hierarchy of assets and liabilities measured at amortised cost for which fair values are disclosed as at April 01, 2015:

	As at April 01, 2015	Fair value measurement at end of the reporting period using		
		Level 1	Level 2	Level 3
Liabilities				
Non convertible debentures	10,500.00	-	10,500.00	-

The carrying amount of trade receivables, cash and cash equivalent, Bank balances other than cash and cash equivalent, other current financial assets, short term borrowings, trade payables and other financial liabilities are considered to be same as their fair values, due to their short term nature.

The group has availed long term borrowings from banks and financial institutions. The group has determined the fair value of these loans based on discounted cash flows using a current borrowing rate. The carrying values approximates their respective fair values. Similarly the fair value of non-current financial assets also approximates its carrying value.

Valuation technique used to determine fair value:

Specific valuation technique used to value financial instruments include

- the fair value of liquid mutual funds is based on quoted price.
- the fair value of forward foreign exchange contract is determined using forward foreign exchange rates as at balance sheet date.
- the fair value of debentures is calculated as the present value of the estimated future cash flows based on observable yield curves.

Valuation processes

The finance department of the company includes a team that performs the valuations of financial assets and liabilities required for financial reporting purposes, including level 3 fair values. Discussions of valuation processes and results are held between the CFO, VP Finance and the valuation team.

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Note 37 : Financial risk management

In the course of its business, the Group is exposed primarily to market risk, liquidity risk and credit risk, which may adversely impact the fair value of its financial instruments. The Group has a risk management policy which not only covers the foreign exchange risk but also covers the credit risk. The risk management policy is approved by the board of directors. The risk management framework aims to:

- Create a stable business operating environment by reducing the impact of currency fluctuations on the Group's business plan.
- Achieve greater predictability to earnings by determining the financial value of the expected earnings in advance.

(A) Market risk

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

(a) Foreign currency risk

The Group operates internationally and is exposed to foreign exchange risk arising from foreign currency transactions, primarily with respect to the USD, EUR, SEK, INR and others. Foreign exchange risk arises from future contractual transactions and investments and liabilities denominated in a foreign currency. The Group's foreign exchange risk management policy is approved by the board of directors. The risk management policy is to hedge around 50% to 70% of forecasted foreign currency rates and balances by the subsequent months. The objective of the hedge is to manage the volatility of the INR cash flows of highly probable forecast transactions.

The Group's exposure to foreign currency risk at the end of the reporting period expressed in INR, are as follows:

	As at March 31, 2017				As at March 31, 2016				As at April 1, 2015			
	USD	EUR	SEK	Others	USD	EUR	SEK	Others	USD	EUR	SEK	Others
EXPASIBILITIES												
Trade receivables	5,036.06	8,301.71	4,896.32	7,039.73	107.44	3,117.33	3,070.87	130.56	1,715.15	2,179.13	1,115.03	69.55
Other receivable	1,854.55	146.69	12,336.06	472.03	-	403.33	394.41	0.59	148.27	68.25	803.32	0.41
Reimbursements from related parties	146.72	-	-	-	28.10	3.55	-	0.26	2.75	3.21	-	-
Exposure to foreign currency risk (Assets)	7,037.33	8,448.40	17,232.38	7,511.76	135.54	3,524.21	3,465.28	131.41	1,866.17	2,247.65	1,918.35	70.06
Financial liabilities												
Trade payables	7,432.40	1,127.22	15,766.45	8,973.11	8.32	533.51	311.81	6.36	644.18	209.86	2,515.40	16.20
Other payable	76,630.37	7.09	-	859.38	0.41	35.15	54.29	2.36	277.75	64.46	1,263.40	-
Exposure to foreign currency risk (Liabilities)	84,062.77	1,134.31	15,766.45	9,832.49	8.73	568.66	366.10	8.72	921.93	874.32	3,778.80	16.20

Sensitivity

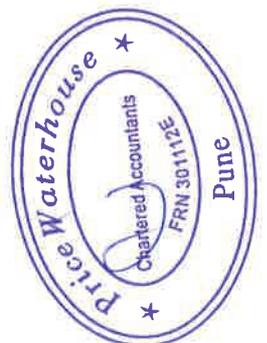
The sensitivity of profit or loss to changes in the exchange rates arises mainly from foreign currency denominated financial instruments.

	Impact on profit after tax	
	As at March 31, 2017	As at March 31, 2016
USD sensitivity	(760.87)	(1.88)
INR/USD - Increase by 1% (31 March 2016-1%)	760.87	1.89
INR/USD - Decrease by 1% (31 March 2016-1%)	-	-
EUR/USD - Increase by 5% (31 March 2016-1%)	448.09	207.54
EUR/USD - Decrease by 5% (31 March 2016-1%)	(448.09)	(207.54)
SEK sensitivity	20.04	-
INR/SEK - Increase by 1% (31 March 2016-1%)	(20.04)	-
INR/SEK - Decrease by 1% (31 March 2016-1%)	20.04	-
GBP/USD sensitivity	(64.72)	(70.02)
INR/GBP - Increase by 1% (31 March 2016-1%)	64.72	70.02
INR/GBP - Decrease by 1% (31 March 2016-1%)	-	-

*Hedging all other variables constant

Forward contracts receivable / payable

	Rs. in lakhs	
	As at March 31, 2017	As at March 31, 2016
Forward contracts receivable		
USD	680.51	653.59
EUR	887.13	1,113.30
GBP	201.36	161.93
Forward contracts payable / Swaps		
USD	1,708.05	1,237.52
EUR	104.50	1,077.19
GBP	-	-





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(b) Interest rate risk

The group has fixed rate borrowings and variable rate borrowings. The fixed rate borrowings are carried at amortized cost. They are therefore not subject to interest rate risk as defined in Ind AS 107, since neither the carrying amount nor the future cash flows will fluctuate because of a change in market interest rates.

In case of long term foreign currency loans with floating rate:

- Few group companies manage their cash flow interest rate risk using floating to fixed interest rate swaps. Under these swaps, those companies agree with other parties to exchange the difference between fixed contract rates and floating interest amounts calculated by reference to agreed notional principal amounts.
- Few group companies manage cashflows, which is partially neutralised by cash funds incurring variable interest.

The exposure of the group's borrowings to interest rate changes at the end of the reporting period are as follows:

	Rs. in Lakhs		
	31-Mar-17	31-Mar-16	01-Apr-15
Variable rate borrowings	88,574.12	6,481.98	2,688.12
Fixed rate borrowings	19,600.82	20,314.37	16,848.61
Total borrowings	1,08,374.94	26,806.35	19,536.73

As at the end of the reporting period, the group companies had the following variable rate borrowings and interest rate swaps contracts outstanding:

	As at March 31, 2017			As at March 31, 2016			As at April 01, 2015		
	Weighted average Interest rate	Balance	% of total loans	Weighted average Interest rate	Balance	% of total loans	Weighted average Interest rate	Balance	% of total loans
Bank overdrafts, bank loan, Parent company loan	10.14%	2,185.28	2.02%	10.48%	2,171.38	8.10%	9.96%	987.96	5.06%
Non-Current Borrowings (in RMB)	5.35%	1,972.33	1.82%	5.35%	2,597.49	9.88%	7.00%	1,527.20	7.62%
Short Term Loan (in RMB)	5.60%	1,918.72	1.77%	5.60%	761.61	2.84%	6.85%	142.06	0.72%
Short Term Loan (in USD)	4.68%	973.47	0.90%	3.78%	661.50	3.58%	3.52%	903.13	4.62%
Non-Current Borrowings (in USD)	3.24%	35,926.09	33.15%	-	-	-	-	-	-
Non-Current Borrowings (in USD)	3.85%	32,307.63	29.81%	-	-	-	-	-	-
Revolving Credit Facility (in USD)	3.89%	13,260.60	12.26%	-	-	-	-	-	-
Interest rate swaps (notional principal amount)	-	-	-	-	-	-	-	(672.23)	-
Net exposure to cash flow interest rate risk		88,574.12			6,481.98			2,688.12	

Increase in benchmark rates by 0.50 % will reduce profit by Rs. 131.15 lakhs for the year ended March 31, 2017. Decrease in benchmark rates by 0.50 % will increase profit by Rs. 131.15 lakhs for the year ended March 31, 2017.

Increase in benchmark rates by 0.50 % will reduce profit by Rs. 36.47 lakhs for the year ended March 31, 2016. Decrease in benchmark rates by 0.50 % will increase profit by Rs. 36.47 lakhs for the year ended March 31, 2016.

(c) Price risk

(a) Exposure

The Group's exposure to current investments' price risk arises from investments held by the Group and classified in the balance sheet at fair value through profit or loss. To manage its price risk arising from investment, the Group invests in liquid mutual funds. Liquid mutual funds invest mainly in short term debt instruments such as commercial deposits (CD), commercial paper (CP) and Treasury bills, with maturities of up to 91 days only and carry very negligible interest rate risk and price risk.

(B) Liquidity risk

Prudent liquidity risk management implies maintaining sufficient cash and marketable securities and the availability of funding through an adequate amount of committed credit facilities to meet obligations when due and to close out market positions. Due to the dynamic nature of the underlying businesses, the Group treasury maintains flexibility in funding by maintaining availability under committed credit lines.

Management monitors rolling forecasts of the Group's liquidity position and cash and cash equivalents on the basis of expected cash flows. The Group's liquidity management policy involves projecting cash flows in major currencies and considering the level of liquid assets necessary to meet this. The Group invests its surplus funds in bank fixed deposit and liquid mutual funds which carry no / low mark to market risk.

Maturities of financial liabilities

The tables below analyse the Group's financial liabilities into relevant maturity groupings based on their contractual maturities for:

- all non-derivative financial liabilities, and
- net and gross settled derivative financial instruments for which the contractual maturities are essential for an understanding of the timing of the cash flows.

The amounts disclosed in the table are the contractual undiscounted cash flows. Balances due within 12 months equal their carrying balances as the impact of discounting is not significant.

Contractual maturities of financial liabilities	Rs. in lakhs			
	Upto 1 year	Between 1 and 2 years	2 years and above	Total
March 31, 2017				
Non-derivatives				
Borrowings / debentures	25,786.24	3,073.47	79,515.24	1,08,374.94
Trade payables	63,753.01	-	-	63,753.01
Other financial liabilities	10,655.44	-	-	10,655.44
Total non-derivative liabilities	1,00,194.69	3,073.47	79,515.24	1,82,783.39
Derivatives (net settled)				
Foreign exchange forward contracts	5.96	-	-	5.96
Total derivative liabilities	5.96	-	-	5.96

Contractual maturities of financial liabilities	Rs. in lakhs			
	Upto 1 year	Between 1 and 2 years	2 years and above	Total
March 31, 2016				
Non-derivatives				
Borrowings / debentures	10,772.29	2,897.45	13,136.61	26,806.35
Trade payables	28,650.82	-	-	28,650.82
Other financial liabilities	6,526.54	-	-	6,526.54
Total non-derivative liabilities	45,949.65	2,897.45	13,136.61	61,983.71
Derivatives (net settled)				
Foreign exchange forward contracts	22.63	-	-	22.63
Total non-derivative liabilities	91,921.93	5,794.90	26,273.23	1,23,990.06



Contractual maturities of financial liabilities	Rs. in lakhs			
	Upto 1 year	Between 1 and 2 years	2 years and above	Total
April 01, 2015				
Non-derivatives				
Borrowings / debentures	3,730.95	2,866.58	12,919.20	19,536.73
Trade payables	25,870.36	-	-	25,870.36
Other financial liabilities	9,130.41	-	-	9,130.41
Total non-derivative liabilities	38,731.72	2,866.58	12,919.20	54,537.50
Derivatives (net settled)				
Foreign exchange forward contracts	67.03	-	-	67.03
Total derivative liabilities	67.03	-	-	67.03

(C) Credit risk

Credit risk is the risk of financial loss arising from counterparty failure to repay or service debt according to the contractual terms or obligations. Credit risk encompasses both the direct risk of default and the risk of deterioration of credit worthiness.

Credit risk management

Credit risk on cash and cash equivalents is limited as the Group generally invests in deposits with banks and liquid mutual fund with high credit ratings assigned by international and domestic credit rating agencies. The Group considers the probability of default upon initial recognition of asset and whether there has been a significant increase in credit risk on an on-going basis throughout each reporting period.

Exposure to credit risk

The carrying amount of financial assets represents the maximum credit exposure.

Financial assets that are neither past due nor impaired

None of the Group's cash equivalents, including time deposits with banks, are past due or impaired. Regarding trade receivables and other receivables, and other financial assets that are neither impaired nor past due, there were no indicators as at March 31, 2017, that defaults in payment obligations will occur.

The Group follows 12 months expected credit losses (expected credit losses that result from those default events on the financial instrument that are possible within 12 months after the reporting date) model for recognition of impairment loss on financial assets measured at amortised cost or fair value through other comprehensive income other than trade receivables.

The ageing of trade receivable as on balance sheet date is given below. The age analysis has been considered from the due date.

	As at March 31, 2017			As at March 31, 2016			As at April 01, 2015		
	Gross	Allowance	Net	Gross	Allowance	Net	Gross	Allowance	Net
Trade receivables									
Period (in months)									
Not due	37,437.38	-	37,437.38	19,601.29	-	19,601.29	6,698.80	-	6,698.80
Overdue up to 3 months	6,318.76	-	6,318.76	2,569.50	-	2,569.50	2,405.20	-	2,405.20
Overdue 3-6 months	1,354.33	90.45	1,273.88	601.28	83.78	517.50	280.75	167.47	113.28
Overdue more than 6 months	2,401.00	1,578.49	822.51	1,271.77	960.53	311.24	1,925.07	947.04	978.03
Total	47,521.47	1,668.94	45,852.53	24,044.24	1,044.31	22,999.93	11,309.82	1,114.51	10,195.31

The following table summarises the change in loss allowance measured using lifetime expected credit loss model

	Rs. in lakhs
Loss allowance on April 01, 2015	1,114.51
Changes in loss allowance	(70.20)
Loss allowance on March 31, 2016	1,044.31
Changes in loss allowance	624.53
Loss allowance on March 31, 2017	1,668.84

Note 38 : Capital Management

(a) Risk management

The group's objectives when managing capital are to

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

In order to maintain or adjust the capital structure, the group may adjust the amount of dividends paid to shareholders, return capital to shareholders, issue new shares or sell assets to reduce debt.

The group determines the amount of capital required on the basis of annual operating plans and long-term product and other strategic investment plans. The funding Total debt includes all long and short-term debts as disclosed in notes 16 and 15 to the financial statements.

Particulars	As at March 31, 2017	As at March 31, 2016	As at April 01, 2015
Total debt (Rs. in lakhs)	1,08,375	26,806	10,537
Total equity (Rs. in lakhs)	82,718	82,105	82,171
Net debt to equity ratio	1.31	0.33	0.24

Particulars	Rs. in lakhs	
	Year ended March 31, 2017	Year ended March 31, 2016
(i) Equity shares		
Final dividend for the year ended 31 March 2016 of 2 (31 March 2015 – Rs 2) per fully paid share	4,025.63	4,025.63
(ii) Dividends not recognised at the end of the reporting period	-	4,025.63
In addition to the above dividends, since year end the directors have recommended the payment of a final dividend of Rs. ____ per fully paid equity share (31 March 2016 – Rs. 4,025.63). This proposed dividend is subject to the approval of shareholders in the ensuing annual general meeting.		

Loan Covenants

With respect to borrowing availed by the one of the subsidiary from Tata Capital Financial Services Limited, the subsidiary is required to comply with following financial covenant:

- Total outside liabilities as a percentage of total net worth should not exceed 10.40 times.

The subsidiary has met the above requirement as at 31 March 2017. However, as of 31 March 2016, the subsidiary had breached the above covenant which was waived by the said financial institution.

All other covenants have been met by the group.





Note 39 : Employee benefits

(A) Defined benefit plans

a) Gratuity-India

The group provides for gratuity for employees in India as per the Payment of Gratuity Act, 1972. Employees who are in continuous service for a period of 5 years are eligible for gratuity. The amount of gratuity payable on retirement/termination is the employees last drawn basic salary per month computed proportionately for 15 days salary multiplied for the number of years of service. The gratuity plan is a funded plan and the Company makes contributions to recognised funds in India. The Company does not fully fund the liability and maintains a target level of funding to be maintained over a period of time based on estimations of expected gratuity payments.

The amounts recognised in the balance sheet and the movements in the net defined benefit obligation over the year are as follows:

	Rs. in lakhs		
	Present value of obligation	Fair value of plan assets	Net amount
April 1, 2015	1,282.08	(897.17)	384.91
Current service cost	175.40	-	175.40
Interest expense/(income)	87.58	(83.16)	14.40
Total amount recognised in profit or loss	270.96	(83.16)	187.80
Remeasurements	-	-	-
Return on plan assets, excluding amounts included in interest expense/(income)	-	5.31	5.31
(Gain)/loss from change in demographic assumptions	-	-	-
(Gain)/loss from change in financial assumptions	6.52	-	6.52
Experience (gains)/losses	19.18	(6.33)	12.85
Total amount recognised in other comprehensive income	25.70	(1.02)	24.68
Employer contributions	-	(162.64)	(162.64)
Benefit payments	(54.25)	-	(54.25)
March 31, 2016	1,484.49	(1143.99)	340.50

	Rs. in lakhs		
	Present value of obligation	Fair value of plan assets	Net amount
April 1, 2016	1,484.50	(1143.98)	340.52
Current service cost	182.86	-	182.86
Interest expense/(income)	109.39	(64.14)	15.25
Total amount recognised in profit or loss	292.25	(64.14)	188.11
Remeasurements	-	-	-
Return on plan assets, excluding amounts included in interest expense/(income)	-	30.26	30.26
(Gain)/loss from change in demographic assumptions	-	-	-
(Gain)/loss from change in financial assumptions	65.53	-	65.53
Experience (gains)/losses	6.72	-	6.72
Total amount recognised in other comprehensive income	72.25	30.26	102.51
Employer contributions	(4.00)	(125.85)	(129.85)
Benefit payments	(153.55)	0.00	(153.55)
March 31, 2017	1,667.06	(1333.76)	333.30

The net liability disclosed above relates to funded and unfunded plans are as follows:

	Rs. in lakhs		
	As at March 31, 2017	As at March 31, 2016	As at April 01, 2015
Present value of funded obligations	1,667.06	1,484.49	1,282.08
Fair value of plan assets	1333.76	1143.99	897.17
Deficit of funded plan	333.30	340.50	384.91
Unfunded plans	-	-	-
Deficit of gratuity plan	333.30	340.50	384.91

Valuation in respect of Gratuity has been carried out by independent actuary, as at the Balance Sheet date, based on the following assumptions:

	As at March 31, 2017	As at March 31, 2016	As at April 01, 2015
Discount rate	6.90%	7.50%	7.80%
Salary escalation	8.00%	8.00%	8.00%
Rate of return on plan assets	7.70%	8.50%	8.50%

Quantitative sensitivity analysis for significant assumptions are as follows:

	Rs. in lakhs	
	Year ended March 31, 2017	Year ended March 31, 2016
Increase/(decrease) in present value of defined benefit obligation as at the end of the year	-	-
(i) 1% increase in discount rate	(73.04)	(64.22)
(ii) 1% decrease in discount rate	80.18	70.56
(iii) 1% increase in rate of salary escalation	78.89	59.34
(iv) 1% decrease in rate of salary escalation	(73.29)	(64.39)

The above sensitivity analyses are based on a change in an assumption while holding all other assumptions constant. In practice, this is unlikely to occur, and changes in some of the assumptions may be correlated. When calculating the sensitivity of the defined benefit obligation to significant actuarial assumptions the same method (present value of the defined benefit obligation calculated with the projected unit credit method at the end of the reporting period) has been applied as when calculating the defined benefit liability recognised in the balance sheet.

The methods and types of assumptions used in preparing the sensitivity analysis did not change compared to the prior period.

The maturity profile of defined benefit obligation (gratuity) -		Rs. in lakhs
		As at March 31, 2017
Defined benefit obligation (gratuity)		
Less than a year		300.34
Between 1 - 2 years		570.82
Between 3 - 5 years		576.30
Over 5 years		1,246.81
Total		2,694.27

Category of planned asset:

	Rs. in lakhs		
	As at March 31, 2017	As at March 31, 2016	As at April 01, 2015
Unquoted	-	-	-
Insurer managed funds*	100%	100%	100%

* The group maintains gratuity fund, which is being administered by LIC. Fund value confirmed by LIC as at March 31, 2017 is considered to be the fair value.

Contribution expected to be paid to the plan during the next financial year Rs. 59.10 lakhs (Previous year Rs. 133.31 lakhs).



b) Other retirement benefits -India

The group operates defined benefit pension plans. All of the plans are final salary pension plans, which provide benefits to members in the form of a guaranteed level of pension payable for life. The level of benefits provided depends on members' length of service and their salary in the final years leading up to retirement.

Rs. in lakhs	
	Present value of obligation
April 1, 2015	992.87
Current service cost	170.15
Interest expense/(income)	76.80
Total amount recognised in profit or loss	246.95
<i>Remeasurements</i>	
(Gain)/loss from change in demographic assumptions	-
(Gain)/loss from change in financial assumptions	(37.40)
Experience (gains)/losses	(5.47)
Total amount recognised in other comprehensive income	(42.87)
Benefit payments	(65.81)
March 31, 2015	1,131.14

Rs. in lakhs	
	Present value of obligation
April 1, 2016	1,131.14
Current service cost	183.44
Interest expense/(income)	80.51
Total amount recognised in profit or loss	273.94
<i>Remeasurements</i>	
(Gain)/loss from change in demographic assumptions	-
(Gain)/loss from change in financial assumptions	41.16
Experience (gains)/losses	241.46
Total amount recognised in other comprehensive income	282.64
Benefit payments	(81.42)
March 31, 2017	1,606.30

The net liability disclosed above relates to unfunded plan as follows:

	As at March 31, 2017	As at March 31, 2016	As at April 01, 2015
Unfunded plans	1,606.30	1,131.14	992.87
Deficit before asset ceiling	1,606.30	1,131.14	992.87

Valuation in respect of pension has been carried out by independent actuary, as at the Balance Sheet date, based on the following assumptions:

	As at March 31, 2017		As at March 31, 2016		As at April 01, 2015	
	Serving Managing Directors	Retired Managing Directors	Serving Managing Directors	Retired Managing Directors	Serving Managing Directors	Retired Managing Directors
Discount rate	7.50%	8.00%	8.00%	8.0% / 8.40%	8.00%	7.50%
Pension growth rate	6.00%	6.00%	6.00%	6.00%	6.00%	6.00%
Compensation growth rate	8.00%	-	8.00%	-	8.00%	-
Expected average remaining working life (years)	30.55	22.78	31.50	23.38	26.88	26.98

Quantitative sensitivity analysis for significant assumptions are as follows:

Rs. in lakhs		
	Year ended March 31, 2017	Year ended March 31, 2016
Increase/(decrease) in present value of defined benefit obligation as at the end of the year		
(i) 1% increase in discount rate	(173.56)	(118.69)
(ii) 1% decrease in discount rate	165.99	114.89
(iii) 1% increase in rate of Pension growth rate	(61.85)	(42.38)
(iv) 1% decrease in rate of Pension growth rate	59.35	40.69

The above sensitivity analyses are based on a change in an assumption while holding all other assumptions constant. In practice, this is unlikely to occur, and changes in some of the assumptions may be correlated. When calculating the sensitivity of the defined benefit obligation to significant actuarial assumptions the same method (present value of the defined benefit obligation calculated using the projected unit credit method at the end of the reporting period) has been applied as when calculating the defined benefit liability recognised in the balance sheet.

The methods and types of assumptions used in preparing the sensitivity analysis did not change compared to the prior period.

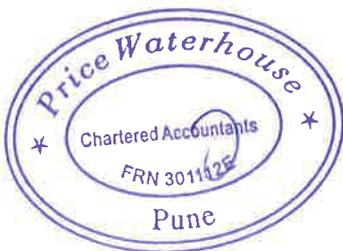
The maturity profile of defined benefit obligation (pension)

Rs. in lakhs	
	As at March 31, 2017
Defined benefit obligation (pension)	
Less than a year	69.78
Between 1 - 2 years	187.92
Between 2 - 5 years	195.14
Ove- 5 years	891.80
Total	1,354.64

c) Pension Schemes- Sweden and USA

The group has defined benefit schemes in Sweden and in USA. The level of benefit depends on the employees length of service and salary at time of retirement. In the Swedish schemes the pension payments are normally linked to the consumer price index while the American schemes are normally not inflation adjusted when the payments from the schemes are actually made. The American pension scheme is secured through a foundation. The Swedish pension scheme is unfunded and it is therefore the group that pays out the remuneration at maturity.

	Present value of obligation	Fair value of plan assets	Net amount
Acquired liability as on December 30, 2016	6,914.54	660.15	6,254.39
Current service cost	3.44	-	3.44
Interest expense/(income)	50.45	7.23	43.22
Total amount recognised in profit or loss	53.93	7.23	46.70
<i>Remeasurements</i>			
Return on plan assets, excluding amounts included in interest	-	-	-
(Gain)/loss from change in demographic assumptions	-	-	-
(Gain)/loss from change in financial assumptions	231.89	(7.06)	238.95
Experience (gains)/losses	-	-	-
Total amount recognised in other comprehensive income	231.89	(7.06)	238.95
Employer contributions	-	18.34	(18.94)
Benefit payments	(81.79)	(18.62)	(62.17)
Exchange difference	(199.39)	(26.75)	(172.64)
March 31, 2017	6,919.18	632.89	6,286.29





Tata AutoComp Systems Limited
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The net liability disclosed above relates to funded and unfunded plans are as follows:

<i>Rs. in lakhs</i>	
As at	
March 31, 2017	
Present value of funded obligations	1,174.01
Fair value of plan assets	(632.89)
Deficit of funded plan	541.12
Unfunded plans	6,745.17
Deficit of gratuity plan	5,745.17

<i>Rs. in lakhs</i>	
As at	
March 31, 2017	
Discount rate US / Sweden	4.05% / 2.50%
Salary escalation US / Sweden	2.5% / 1.8%

Quantitative sensitivity analysis for significant assumptions are as follows:

<i>Rs. in lakhs</i>	
Year ended	
March 31, 2017	
Increase/(decrease) in present value of defined benefit obligation	
(i) 1% increase in discount rate	(948.43)
(ii) 1% decrease in discount rate	1064.69
(iii) 1% increase in rate of salary escalation	998.47
(iv) 1% decrease in rate of salary escalation	(901.11)

The above sensitivity analyses are based on a change in an assumption while holding all other assumptions constant. In practice, this is unlikely to occur, and changes in some of the assumptions may be correlated. When calculating the sensitivity of the defined benefit obligation to significant actuarial assumptions the same method (present value of the defined benefit obligation calculated with the projected unit credit method at the end of the reporting period) has been applied as when calculating the defined benefit liability recognised in the balance sheet.

The methods and types of assumptions used in preparing the sensitivity analysis did not change compared to the prior period.

Category of planned asset

<i>Rs. in lakhs</i>	
As at	
March 31, 2017	
Cash and cash equivalent	638

d) Post employment health care benefit

The group has a post employment healthcare benefit scheme in USA. This scheme is unfunded. The accounting method, assumptions and number of valuation occasions are similar to those used for defined benefit pension schemes, as stated above, with the addition of actuarial assumptions about the long term increase in healthcare costs.

<i>Rs. in lakhs</i>	
Present value of obligation	
Acquired liability as on December 30, 2016	7,222.70
Current service cost	79.71
Interest expense/(income)	(71.17)
Total amount recognised in profit or loss	150.88
Re-measurements	
Return on plan assets, excluding amounts included in interest	-
(Gain)/loss from change in demographic assumptions	-
(Gain)/loss from change in financial assumptions	-
Experience (gains)/losses	(358.67)
Total amount recognised in other comprehensive income	(358.67)
Employer contributions	-
Benefit payments	(88.81)
Exchange difference	(282.13)
March 31, 2017	6,714.04

<i>Rs. in lakhs</i>	
As at	
March 31, 2017	
Present value of funded obligations	
Fair value of plan assets	
Deficit of funded plans	
Unfunded plans	6,714.04
Deficit before asset ceiling	6,714.04

Valuation in respect of post employment health care benefit has been carried out by independent actuary, as at the Balance Sheet date, based on the following assumptions:

<i>Rs. in lakhs</i>	
As at	
March 31, 2017	
Discount rate	4.05%
Medical trend rate	7.50% for Union and 8.00% for salaried.

Quantitative sensitivity analysis for significant assumptions are as follows:

<i>Rs. in lakhs</i>	
Year ended	
March 31, 2017	
Increase/(decrease) in present value of defined benefit obligation	
(i) 1% increase in discount rate	(738.54)
(ii) 1% decrease in discount rate	604.26
(iii) 1% increase in rate of Medical trend rate	933.97
(iv) 1% decrease in rate of Medical trend rate	(1074.25)

a) The following payments are expected contributions to defined benefit plan in future years

<i>Rs. in lakhs</i>	
As at	
March 31, 2017	
Defined benefit obligation (pension and gratuity)	
Less than a year	622.51
Between 1 - 2 years	587.96
Between 2 - 5 years	2,058.20
Over 5 years	7,569.80
Total	10,838.47

(B) Defined Contribution Plans

The group has recognised the following amounts in the Statement of Profit and Loss

<i>Rs. in lakhs</i>		
	As at	As at
	March 31, 2017	March 31, 2016
Contribution to Employees' Superannuation Fund	713.33	192.56
Contribution to Provident Fund/ Family Pension Fund (including contribution to social security)	653.01	625.28
Contribution to Employee's State insurance scheme	20.04	7.77

(C) Risk exposure

Through its defined benefit plans, the company is exposed to a number of risks, the most significant of which are detailed below:

1. Interest rate risk: The defined benefit obligation is calculated using 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: For example, as the plan is open to new entrants, an increase in membership will increase the defined benefit obligation. Also, the plan only provides benefits upon completion of a vesting criteria. Therefore, if turnover rates increase then the liability will tend to fall as fewer employees reach vesting period.





Tata AutoComp Systems Limited
Notes forming part of consolidated financial statements

Note 40: Segment Information

Ind AS 108 establishes standards for the way that public business enterprises report information about operating segments and related disclosure about products and services, geographic areas and major customer. The group is engaged mainly in the business of manufacturing and trading of automobile components, design and engineering services. Based on the "management approach" as defined in Ind AS 108, the "Chief Operating Decision Maker (CODM) considers entire business as single operating segment. The group's operating divisions are managed from India. The principal geographical areas in which the group operates are India, Europe, and other countries.

The revenue from external customer for each of the major products is as follows:-

Particulars	Rs. in Lakhs	
	Year ended March 31, 2017	Year ended March 31, 2016
+ Components, assemblies and sub-assemblies	1,62,483.74	1,15,346.33
- Tools, Dies and Moulds	12,038.93	8,227.17
- Scrap	3,707.28	3,726.05
- Service	7,308.58	6,148.15
Total	1,85,538.53	1,33,447.70

Location	Rs. In Lakhs	
	Year ended March 31, 2017	Year ended March 31, 2016
Domestic	1,27,601.82	1,10,655.81
Europe	24,301.12	4,795.74
Others	33,635.59	17,996.15
Total	1,85,538.53	1,33,447.70

Note 41: Related party transactions

(a) Related parties and their relationship

Promoters/ Promoter group

- i) Tata Sons Limited (Ultimate holding company)
- ii) Tata Industries Limited
- iii) Tata Motors Limited
- iv) Tata Capital Limited

Fellow subsidiaries (with whom transactions have taken place during the period)

- i) Tata AIG General Insurance Company Limited
- ii) TC Travel and Services Limited
- iii) Tata Consultancy Services Limited
- iv) Tata Capital Forex Limited (formerly TT Holdings & Services Limited)
- v) Tata International Limited
- vi) Tata Investment Corporation Limited
- vii) Tata Capital Pte. Limited
- viii) Bachi Shoes Limited
- ix) Tata Consulting Engineers Limited
- x) Tata Securities Limited

Other group companies

- i) Fiat India Automobiles Private Limited
- ii) Tata Communications Limited
- iii) Tata Technologies Limited
- iv) Tata Chemicals Limited
- v) Tata Teleservices Limited
- vi) Tata Teleservices (Maharashtra) Limited
- vii) The Indian Hotels Company Limited

Joint controlled entities

- i) Tata Fiosa Automotive Systems Private Limited (Formerly known as Tata Fiosa Automotive Systems Limited)
- ii) Tata Autocomp GY Batteries Private Limited (Formerly known as Tata Autocomp GY Batteries Limited)
- iii) Tata Autocomp Hendrickson Suspensions Private Limited (Formerly known as Taco Hendrickson Suspensions Private Limited)
- iv) Tata Autocomp Kalcon Exhaust System Private Limited (w. e. f. May 19, 2015)
- v) TM Automotive Seating Systems Private Limited (w. e. f. May 14, 2015)
- vi) Tata Toyo Radiator Limited
- vii) Taco Sasken Automotive Electronics Limited (Under Liquidation)

Key management personnel

Whole-time director

Mr. Ajay Tandon (Managing Director)

Non-executive directors

Mr. Praveen Kadle
Mr. Ramnath Mukhija
Ms. Vedika Bhandarkar
Mr. Hari Lakshminarayan Mundra
Mr. Gopichand Katragadda (from May 22, 2015)
Mr. Milind Shahane (from August 4, 2015)
Mr. Gopala Krishnan (till December 25, 2015)
Mr. Ramesh Savor (till December 16, 2015)
Mr. Salish Pradhan (till December 16, 2015)
Mr. Kishor Chaukar (till November 16, 2015)
Mr. R R Bhinge (till December 16, 2015)





Tata AutoComp Systems Limited
Notes forming part of consolidated financial statements

(b) Transactions with related parties

Rs. in lakhs

Particulars	Transaction value		Closing balance		
	Year ended March 31, 2017	Year ended March 31, 2016	As at March 31, 2017	As at March 31, 2016	As at April 1, 2015
Sale of goods					
- Tata Motors Limited	68,294.19	49,074.66	2.58	804.84	1,468.71
- Fiat India Automobiles Private Limited	15,596.38	23,603.94	841.05	(1,459.91)	657.55
- Others	6,574.74	2,944.47	1,410.38	409.70	318.63
Purchase of goods and services					
- Tata Motors Limited	2,465.54	2,288.99	184.61	155.59	67.41
- Tata Toyo Radiator Ltd.	203.47	172.47	(4.65)	-	(2.20)
- Tata Sons Limited	-	34.29	-	-	-
- Tata Securities Limited	1,074.17	3.16	-	-	-
- Others	3,892.76	6,123.08	(235.20)	(432.99)	(56.99)
Brand equity business promotion contribution					
- Tata Sons Limited	235.92	206.39	(212.33)	(185.75)	(196.07)
Sale of services					
- Tata Motors Limited	1,105.35	1,165.40	549.93	347.22	324.78
- Tata Toyo Radiator Limited	2,090.87	962.96	526.16	216.29	367.70
- Automotive Stampings and Assemblies Limited	-	-	-	-	-
- Tata Autocomp Hendrickson Suspensions Private Limited (Formerly known as Taco Hendrickson Suspensions Private Limited)	1,788.25	1,063.67	219.01	244.56	266.83
- Tata Ficosa Automotive Systems Private Limited (Formerly known as Tata Ficosa Automotive Systems Limited)	510.86	235.24	75.46	168.87	125.05
- Tata Autocomp GY Batteries Private Limited (Formerly known as Tata Autocomp GY Batteries Limited)	475.34	495.27	338.20	314.66	321.78
- TM Automotive Seating Systems Private Limited	17.12	44.98	9.97	16.49	-
- Tata Autocomp Katcon Exhaust System Private Limited	38.63	33.96	55.49	25.80	-
- Others	17.44	43.39	0.14	45.74	106.17
Sale of fixed assets					
- Tata Toyo Radiator Ltd.**	2,967.28	0.32	-	0.36	-
- Tata Ficosa Automotive Systems Private Limited** (Formerly known as Tata Ficosa Automotive Systems Limited)	719.23	0.20	2.99	0.22	2.28
- Tata Autocomp Katcon Exhaust System Private Limited	2.82	0.95	2.99	0.99	-
- Tata Autocomp Hendrickson Suspensions Private Limited ** (Formerly known as Taco Hendrickson Suspensions Private Limited)	1,867.22	-	0.00	-	-
- TM Automotive Seating Systems Private Limited	-	-	-	-	-
- Others	8.46	200.00	8.97	-	-
Equity dividend paid					
- Tata Motors Limited	1,046.66	1,046.66	-	-	-
- Tata Investment Corporation Limited	54.40	54.40	-	-	-
- Tata Industries Limited	1,384.90	1,384.90	-	-	-
- Tata Sons Limited	573.51	573.51	-	-	-
- Tata Capital Limited	966.15	966.15	-	-	-





Tata AutoComp Systems Limited

Notes forming part of consolidated financial statements

Particulars	Transaction value		Closing balance		
	Year ended March 31, 2017	Year ended March 31, 2016	As at March 31, 2017	As at March 31, 2016	As at April 1, 2015
Interest received on Inter corporate deposits and loans					
- Tata Ficosa Automotive Systems Private Limited (Formerly known as Tata Ficosa Automotive Systems Limited)	46.75	-	-	-	-
- Tata Autocomp Kalcon Exhaust System Private Limited	16.92	-	-	-	-
Dividend received					
- Tata Toyo Radiator Limited	840.48	433.50	-	18.48	-
- Tata Autocomp Hendrickson Suspensions Private Limited (Formerly known as Taco Hendrickson Suspensions Private Limited)	2,136.24	611.92	-	-	-
Loans given / (received back)					
- Tata Ficosa Automotive Systems Private Limited (repayment received Rs. 316.39 lacs) (Formerly known as Tata Ficosa Automotive Systems Limited)	850.00	-	533.61	-	-
- Tata Autocomp Kalcon Exhaust System Private Limited (no movement)	1,300.00	-	1,300.00	-	-
Remuneration paid to managerial personnel					
- Mr. Ajay Tandon					
Short-term employee benefits	238.24	228.49	(110.88)	(109.40)	(72.00)
Long-term employee benefits	17.64	14.70	(27.11)	(20.08)	(16.43)
Post-employment benefits	218.79	170.17	(663.05)	(425.96)	(367.36)
Excludes provision towards retirement benefits, viz. gratuity, leave encashment.					
Investment in equity shares					
- Tata Toyo Radiator Limited	-	-	1,632.00	1,632.00	1,632.00
- Tata Ficosa Automotive Systems Private Limited (Formerly known as Tata Ficosa Automotive Systems Limited)	-	-	1,875.00	1,875.00	1,875.00
- Automotive Stampings and Assemblies Limited	-	-	-	-	-
- Tata Autocomp GY Batteries Private Limited (Formerly known as Tata Autocomp GY Batteries Limited)	-	-	5,150.08	5,150.08	5,150.08
- Tata Autocomp Hendrickson Suspensions Private Limited (Formerly known as Taco Hendrickson Suspensions Private Limited)	-	-	621.00	621.00	621.00
- TM Automotive Seating Systems Private Limited (w. e. f. May 19, 2015)	-	500.00	500.00	500.00	-
- Tata Autocomp Kalcon Exhaust System Private Limited (w. e. f. May 14, 2015)	149.99	171.14	321.13	171.14*	-

Note:

- The closing balances above are net of advances.
- The closing balances of investments in equity shares are net of provisions.
- All outstanding balances are unsecured and are repayable in cash.
- ** - Represents sale value of land transferred to Joint ventures appearing in Capital Work in Progress as on March 31, 2017.
- * - Includes share application money pending allotment of Rs 49.14 Lakhs, which has been allotted in current year.

Note 42 : Contingent liabilities

Particulars	Rs. in lakhs		
	As at March 31, 2017	As at March 31, 2016	As at April 01, 2015
Bill discounted with recourse on the Company	-	-	12,028.26
Income tax matters under appeal	768.98	1,168.90	4,690.64
Sales tax matters under appeal	317.00	319.74	657.62
Excise duty matters*	143.10	143.10	143.95
Claims against company not acknowledged as debts	325.83	432.98	319.77
Statutory bonus for FY 2014-15 on retrospective amendment in the Payment of Bonus Act wherein high court has issued stay orders on similar cases	126.93	-	-
Labour matter**	205.44	-	-
Credit guarantee for pension liabilities	79.04	182.00	191.90

* The group has received other show cause notices from the Excise department on various matters. The Company has/is in the process of replying, to these notices and does not expect any demand from the Excise department. It is not practicable for the company to estimate the timing of cash outflows, if any, in respect of the above pending disputed matters till it is resolved.

** There are certain pending cases in respect of labour matters, the impact of which is not quantifiable and is not expected to be material.





Tata AutoComp Systems Limited
Notes forming part of consolidated financial statements

Note 43 : Business combination

(a) Summary of acquisition

On December 30, 2016, Ryhpez Holding (Sweden) AB (100% subsidiary of TACO) acquired Sweden based TitanX Holding AB, supplier of powertrain cooling solutions to the commercial vehicle industry. This acquisition will enable the group in expanding globally and fortifying presence in the cooling and emission control segment.

Given how recently the acquisition was finalized, the purchase price has been allocated to TitanX's assets and liabilities on a provisional basis as per Ind AS 103. Provisional goodwill resulting from acquisition amounts to Rs. 34,679.70 Lakhs. The Group expects to finalize identifying and measuring the identifiable assets acquired and liabilities assumed at their acquisition date fair value within the measurement period of 12 months from the date of acquisition as defined in Ind AS 103.

Details of purchase consideration are as follows:

	Rs in lakhs
Purchase consideration	TitanX Holding AB
Cash Paid	47,105.52
Total Purchase consideration	47,105.52

The assets and liabilities recognised as a result of the acquisition are as follows:

	Rs in lakhs
	TitanX Holding AB
	Fair value
Land	507.50
Freehold buildings	5,311.75
Plant and machinery	29,805.15
Intangible assets: Patents and Customer contracts	7,420.67
Other intangible assets	20,789.84
Other non-current assets	7.24
Inventories	12,323.17
Trade receivables	10,888.65
Cash	8,660.17
Deferred tax assets	8,271.65
Deferred tax Liability	(4,186.14)
Other current assets	4,808.82
Post-employee benefit obligations, net of plan assets	(13,210.65)
Non-current financial liabilities	(36,863.56)
Non current provisions	(765.50)
Current provisions	(6,682.44)
Trade payables	(23,724.64)
Bank overdraft	(6,105.44)
Other current liabilities	(4,335.56)
Net identifiable assets acquired	12,920.69

Calculation of provisional goodwill

	TitanX Holding AB
Consideration transferred	47,105.52
Non-controlling interest in the acquired entity	494.86
Less: Net identifiable assets acquired	12,920.69
Provisional Goodwill	34,679.70

Acquired receivables

The fair value of acquired trade receivables is Rs 11,319.70 lakhs with respect to TitanX holding BV. The gross contractual amount for trade receivables due is Rs 11,532.80, of which Rs 213.10 is expected to be doubtful.

Accounting policy choice for non-controlling interests

The group recognises non-controlling interests in an acquired entity either at fair value or at the non-controlling interest's proportionate share of the acquired entity's net identifiable assets. This decision is made on an acquisition-by-acquisition basis. For the non-controlling interests in TitanX holding BV, the group elected to recognise the non-controlling interests at its proportionate share of the acquired net identifiable assets.

Revenue and profit contribution

The acquired business contributed revenues and profits to the group for the period 31 March 2017 as follows:

TitanX holding BV: Revenue of INR 32,824.88 Lakhs and loss of INR 119.10 Lakhs for the period December 30, 2016 to 31 March 2017.

(b) Purchase consideration – cash outflow

	March 31, 2017
Purchase consideration	
Outflow of cash to acquire subsidiaries, net of cash acquired	
Cash consideration	47,105.52
Less: Balances acquired	
Cash	8,660.17
Bank overdraft	(6,105.44)
Total Purchase consideration	44,550.79

Acquisition related costs of Rs. 1,663.81 lakhs that were not directly attributable to the issue of shares are included in other expenses in profit or loss and in operating cash flows in the statement of cash flows.





Tata AutoComp Systems Limited
Notes forming part of consolidated financial statements

Note 44 : Interests in other entities

(a) Subsidiaries

The group's subsidiaries at 31 March 2017 are set out below

Sl. No	Name of the Company	Principal Activity	Country of Incorporation	Ownership interest held by the group			Ownership interest held by the non-controlling interests		
				March 31, 2017	March 31, 2016	April 01, 2015	March 31, 2017	March 31, 2016	April 01, 2015
Subsidiaries (Direct and Indirect):									
1	Automotive Skill Training Foundation (Sec.25 company)	Training foundation	India	100.00	100.00	100.00	-	-	-
2	Teco Engineering (UK) Ltd (Under process of business closure)	Non-operative	UK	100.00	100.00	100.00	-	-	-
3	Teco Engineering Services GmbH	Engineering Services	Germany	100.00	100.00	100.00	-	-	-
4	Teco Holdings (Mauritius) Limited (THML)	Investment company	Mauritius	100.00	100.00	100.00	-	-	-
5	Teco Kunststofftechnik GmbH (subsidiary of THML) (excluded from consolidation w.e.f. on July 1, 2009) (Refer note (i) below) Under Control of Administrator w.e.f. June 24, 2009	Non-operative	Germany	100.00	100.00	100.00	-	-	-
6	Teco Grundstueckverwaltungs GmbH (subsidiary of THML) (excluded from consolidation w.e.f. on July 1, 2009) (Refer note (ii) below) Under Control of Administrator w.e.f. July 15, 2009	Non-operative	Germany	100.00	100.00	100.00	-	-	-
7	Nanjing Tata AutoComp Systems Limited (subsidiary of THML)	Plastic interiors and exteriors manufacture	China	100.00	100.00	100.00	-	-	-
8	Automotive Stampings and Assemblies Limited (ASAL)	Stampings and assemblies Manufacturing	India	75.00	75.00	75.00	25.00	25.00	25.00
9	Ryhpez Holding (Sweden) AB (w.e.f 6th August 2016)	Investment company based in Sweden	Sweden	100.00	-	-	-	-	-
10	TitanX Holding AB (Sweden) (Subsidiary of Ryhpez Holding (Sweden) AB) (w.e.f December 30, 2016)	Investment company based in Sweden	Sweden	56.17	-	-	3.63	-	-
11	TitanX Engine Cooling Holding AB (Sweden) (Subsidiary of TitanX Holding AB (Sweden)) (w.e.f December 30, 2016)	Manufacture of engine Oil Coolers, transmission oil coolers and radiator oil	USA	56.17	-	-	3.63	-	-
12	TitanX Engine Cooling, Inc. (US) (Subsidiary of TitanX Engine Cooling Holding AB (Sweden)) (w.e.f December 30, 2016)	Manufacture of Engine cooling modules	USA	56.17	-	-	3.63	-	-
13	TitanX Engine Cooling Kunshan Co., Ltd. (China) (Subsidiary of TitanX Engine Cooling Holding AB (Sweden)) (w.e.f December 30, 2016)	Manufacture of Oil Cooler	China	96.17	-	-	3.83	-	-
14	TitanX Engine Cooling AB (Sweden) (Subsidiary of TitanX Engine Cooling Holding AB (Sweden)) (w.e.f December 30, 2016)	Manufacture of Engine cooling modules	Sweden	95.17	-	-	3.83	-	-
15	TitanX Refrigeração de Motores LTDA (Brazil) (Subsidiary of TitanX Engine Cooling AB (Sweden)) (w.e.f December 30, 2016)	Manufacture of Engine cooling modules	Brazil	95.17	-	-	3.83	-	-

Notes:

- (i). Under Liquidation since June 24, 2009
(ii). Under Liquidation since July 15, 2009

(b) Non-controlling Interests (NCI)

Set out below is summarised financial information for each subsidiary that has non-controlling interests that are material to the group. The amounts disclosed for each subsidiary are before inter-company eliminations.

Summarised balance sheet	Automotive Stampings and Assemblies Limited			Ryhpez Holding (Sweden) AB
	As at March 31, 2017	As at March 31, 2016	As at April 01, 2015	As at March 31, 2017
Current assets	8,810.77	8,456.56	4,733.73	47,297.48
Current liabilities	13,031.74	13,026.25	8,793.96	42,205.54
Net current assets	(4,220.97)	(4,569.69)	(4,060.23)	(1,908.06)
Non-current assets	11,699.61	12,157.69	12,162.50	1,07,738.08
Non-current liabilities	5,688.59	5,443.69	3,910.12	85,435.54
Net non-current assets	6,011.02	6,714.00	8,252.38	22,302.54
Net assets	1,789.05	2,144.31	4,192.15	20,442.48
Accumulated NCI	447.27	536.06	1,048.04	495.42

Summarised statement of profit and loss	Automotive Stampings and Assemblies Limited		Ryhpez Holding (Sweden) AB
	Year ended March 31, 2017	Year ended March 31, 2016	Year ended March 31, 2017
Revenue	32,907.02	28,862.31	32,824.66
Profit for the year	(287.05)	(2,060.18)	(119.10)
Other comprehensive income	(68.22)	32.23	133.64
Total comprehensive income	(355.28)	(2,047.95)	14.73
Profit allocated to NCI	(88.82)	(511.96)	0.56
Dividends paid to NCI	-	-	-

Summarised cash flows	Automotive Stampings and Assemblies Limited		Ryhpez Holding (Sweden) AB
	Year ended March 31, 2017	Year ended March 31, 2016	Year ended March 31, 2017
Cash flows from operating activities	1,796.09	(1414.28)	(9,594.50)
Cash flows from investing activities	(726.69)	(725.38)	(2,817.63)
Cash flows from financing activities	(1313.56)	2378.73	7,503.48
Net increase/ (decrease) in cash and cash equivalents	(244.16)	238.07	(4,908.65)





Tata AutoComp Systems Limited
Notes forming part of consolidated financial statements

(c) Interests in joint ventures

Set out below are the joint ventures of the group as at 31 March 2017 which, in the opinion of the directors, are material to the group.

Name of entity	Place of business	% of ownership	Relationship	Accounting method	Carrying Value		
					As at March 31, 2017	As at March 31, 2016	As at April 01, 2015
Tata Toyo Radiator Limited ("TTR")	India	51%	Joint venture	Equity method	6,045.56	6,075.16	5,688.18
Tata Ficosa Automotive Systems Private Limited ("TF") (Formerly Known as Tata Ficosa Automotive Systems Limited)	India	50%	Joint venture	Equity method	2,218.85	1,804.63	1,516.30
Tata AutoComp GY Batteries Private Limited ("TGY") (Formerly Known as Tata AutoComp GY Batteries Limited)	India	50%	Joint venture	Equity method	-	291.98	953.04
Tata Autocomp Hendrickson Suspensions Private Limited (Formerly Known as Taco Hendrickson Suspensions Private Limited)	India	50%	Joint venture	Equity method	5,383.57	5,365.16	3,339.35
Tata Autocomp Katcon Exhaust System Private Limited (w. e. f. May 19, 2015)	India	50%	Joint venture	Equity method	214.38	118.64	-
TM Automotive Sealing Systems Private Limited (w. e. f. May 22, 2015)	India	50%	Joint venture	Equity method	510.08	509.41	-
Taco Sasken Automotive Electronics Limited ("TSAE") (under liquidation)	India	50%	Joint venture	Equity method	-	-	-

- 1 Tata Ficosa Automotive Systems Private Limited is engaged in the business of manufacture and sale of and trading in automotive parts like mirrors, washer systems, cables, gear shifters etc. Its product compliments the overall product portfolio of the group.
- 2 Tata Toyo Radiator Limited engaged in manufacturing of Heat Exchange Systems and components used therein. The Company has diverse product base viz. Aluminium Radiators, Heater Core, Intercoolers, Condensers, Exhaust Gas Recirculation (EGR) Coolers and Engine Cooling Systems having wide range of application from Cars, Utility Vehicles, Commercial Vehicles, Agriculture Machinery and Gensets.
- 3 Tata AutoComp Katcon Exhaust System Private Limited provides products and services in the automotive industry to Indian and Global customers. The Company Catalytic Converters for Passenger Vehicles Segment which helps group in overall diversification in the auto components industry.
- 4 TM Automotive Sealing Systems Private Limited designs, validates, manufacture and supply seating systems and related products for Commercial Vehicles Segment.
- 5 Tata AutoComp GY Batteries Private Limited is engaged in the business of manufacture and sale of and trading in lead acid storage batteries.
- 6 Tata Autocomp Hendrickson Suspensions Private Limited is into manufacture of lift axles and high technology metal and rubber suspensions for medium and heavy commercial vehicle segment trucks and buses application. The plant is situated in Chakan, Pune.

(i) Commitments and contingent liabilities in respect of associates and joint ventures

Particulars	As at March 31, 2017	As at March 31, 2016	As at April 01, 2015
Commitments – joint ventures			
Commitment to provide funding for joint venture's capital commitments, if called	2,581.90	797.96	914.13
Contingent liabilities – joint ventures			
Share of joint venture's contingent liabilities in respect of a legal claim lodged against the entity	3,792.82	1,895.07	9,613.18





Tata AutoComp Systems Limited
Notes forming part of consolidated financial statements

(i) Reconciliation to carrying amounts

	Tata Toyo Radiator Limited		Tata Ficoxa Automotive Systems Private Limited		Tata AutoComp GY Batteries Private Limited		Tata AutoComp Hendrickson Suspensions Private Limited		Tata AutoComp Katcon Exhaust System Limited		TM Automotive Seating Systems Private Limited		Rs. in lakhs	
	As at March 31, 2017	As at March 31, 2016	As at March 31, 2017	As at March 31, 2016	As at March 31, 2017	As at March 31, 2016	As at March 31, 2017	As at March 31, 2016	As at March 31, 2017	As at March 31, 2016	As at March 31, 2017	As at March 31, 2016	As at March 31, 2017	As at March 31, 2016
Opening net assets	11,916.69	11,153.29	3,609.26	3,032.60	583.37	1,906.07	10,794.90	6,678.71	237.28	243.90	1,016.81	-	-	-
Capital invested	-	-	-	-	-	-	-	-	293.07	98.28	9.12	991.82	-	-
Profit for the year	2,801.43	1,787.52	1,042.07	568.71	(1,580.90)	(1,322.59)	5,650.66	5,591.91	(108.50)	(104.90)	9.12	25.99	-	-
Other comprehensive income	(9.08)	(7.45)	(7.45)	-	(11.35)	0.48	(7.68)	(2.70)	-	-	7.76	-	-	-
Dividends paid	(1,984.00)	(1,029.56)	-	-	-	-	(5,133.34)	(1,537.60)	-	-	-	-	-	-
National profit on Downstream Transaction	(871.00)	-	(206.18)	-	-	-	(537.40)	-	-	-	-	-	-	-
Closing net assets	11,854.04	11,912.09	4,437.70	3,609.26	(988.26)	583.37	10,767.13	10,790.32	428.75	237.28	1,020.17	1,016.81	-	-
Group's share in %	51%	51%	50%	50%	50%	50%	50%	50%	50%	50%	50%	50%	50%	50%
Group's share in INR	6,045.56	6,075.16	2,218.85	1,804.63	(494.14)	291.98	5,383.57	5,365.16	214.38	118.54	510.09	509.41	-	-
Goodwill	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Carrying amount	6,045.56	6,075.16	2,218.85	1,804.63	291.98	291.98	5,383.57	5,365.16	214.38	118.54	510.08	509.41	-	-

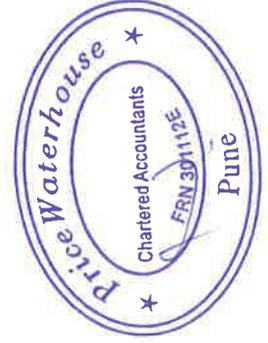
Summarised financial information for associates and joint ventures

The table below provide summarised financial information for joint ventures. The information disclosed reflects the amounts presented in the financial statements of the relevant joint ventures and not TACO's share of those amounts.

	Tata Toyo Radiator Limited		Tata Ficoxa Automotive Systems Private Limited		Tata AutoComp GY Batteries Private Limited		Tata AutoComp Hendrickson Suspensions Private Limited		Tata AutoComp Katcon Exhaust System Private Limited		TM Automotive Seating Systems Private Limited		Rs. in lakhs	
	As at March 31, 2017	As at March 31, 2016	As at March 31, 2017	As at March 31, 2016	As at March 31, 2017	As at March 31, 2016	As at March 31, 2017	As at March 31, 2016	As at March 31, 2017	As at March 31, 2016	As at March 31, 2017	As at March 31, 2016	As at March 31, 2017	As at April 01, 2015
Summarised balance sheet														
Current assets	293.58	705.90	1,146.00	599.70	613.80	485.10	291.10	289.50	506.00	153.50	151.50	348.36	80.58	76.63
Cash and cash equivalents	13,652.25	18,420.84	18,284.26	4,591.51	5,304.66	4,097.80	8,935.22	8,403.37	6,883.07	13,983.60	19,959.82	8,955.50	112.33	134.22
Other assets	13,355.64	19,126.84	19,430.26	5,150.19	5,918.48	4,882.90	8,994.32	8,692.87	7,389.07	14,137.10	20,111.32	9,204.36	193.18	210.89
Total current assets	22,097.67	14,642.85	13,947.00	5,354.90	3,162.10	3,094.30	6,017.50	5,829.30	5,121.30	6,778.74	3,481.70	2,560.62	184.35	155.33
Non-current liabilities	4,898.09	9,001.14	10,743.00	702.30	1,075.10	602.50	3,852.80	4,421.20	1,970.30	3,302.00	6,379.70	32.89	1,300.00	123.28
Financial liabilities (excluding trade payables)	11,683.05	11,413.34	9,295.27	4,893.12	4,339.70	3,996.70	10,101.50	7,396.40	6,841.40	6,096.01	6,273.10	4,752.34	140.26	140.26
Other liabilities	16,081.14	20,414.48	20,038.27	5,695.92	5,414.80	4,599.20	13,654.30	11,747.60	8,811.70	9,338.01	12,652.30	4,780.23	140.25	122.28
Total current liabilities	5,843.25	716.25	1,388.00	85.20	56.50	45.40	1,849.30	1,816.70	1,442.20	213.30	219.90	298.54	281.17	122.28
Financial liabilities (excluding trade payables)	704.08	722.27	697.70	80.59	80.59	80.59	466.50	373.90	350.40	213.30	219.90	298.54	20.04	20.04
Other liabilities	6,647.33	1,438.52	2,085.70	165.79	56.50	45.40	2,335.80	2,190.60	1,792.60	213.30	219.90	298.54	260.04	102.04
Total non-current liabilities	12,725.04	11,916.69	11,153.29	4,843.88	3,669.25	3,032.60	(988.28)	583.97	1,906.07	1,304.53	10,730.32	6,678.71	428.75	243.90
Net assets														

Summarised statement of profit and loss

	Tata Toyo Radiator Limited		Tata Ficoxa Automotive Systems Private Limited		Tata AutoComp GY Batteries Private Limited		Tata AutoComp Hendrickson Suspensions Private Limited		Tata AutoComp Katcon Exhaust System Private Limited		TM Automotive Seating Systems Private Limited		Rs. in lakhs	
	As at March 31, 2017	As at March 31, 2016	As at March 31, 2017	As at March 31, 2016	As at March 31, 2017	As at March 31, 2016	As at March 31, 2017	As at March 31, 2016	As at March 31, 2017	As at March 31, 2016	As at March 31, 2017	As at March 31, 2016	As at March 31, 2017	As at March 31, 2016
Revenue	61,457.42	56,941.78	20,557.86	17,882.10	39,634.40	35,780.70	40,005.20	40,403.20	1,383.36	3,771.13	982.59	719.31	-	-
Interest Income	196.14	40.35	3.50	5.20	0.97	1.13	0.09	0.55	0.09	0.55	30.29	2.22	-	-
Depreciation and amortisation	1,803.30	2,021.84	338.20	343.20	707.90	653.10	299.70	233.50	5.39	4.21	0.43	0.43	-	-
Interest expense	645.33	698.32	5.29	1.64	57.21	43.04	2,745.67	3,082.50	16.92	0.02	0.43	8.41	-	-
Income tax expense	1,045.25	485.33	414.69	133.80	-	-	-	-	-	-	-	-	-	-
Profit for the year	2,801.43	1,787.52	1,042.07	577.21	(1,580.90)	(1,322.59)	5,650.66	5,591.91	(108.50)	(104.90)	9.12	25.99	-	-
Other comprehensive income	(9.08)	(7.45)	(7.45)	-	(11.35)	0.48	(7.68)	(2.70)	-	-	7.76	-	-	-
Total comprehensive income	2,792.35	1,780.07	1,034.62	595.16	(1,572.25)	(1,322.10)	5,642.97	5,589.21	(108.50)	(104.90)	1.36	26.99	-	-
Dividends received	840.48	433.50	-	-	-	-	2196.24	611.92	-	-	-	-	-	-



Note 45 : Commitments

(a) Capital commitments

Particulars	Rs. in lakhs		
	As at March 31, 2017	As at March 31, 2016	As at April 01, 2015
Estimated amount of contracts remaining to be executed on capital contracts and not provided for (net of advances)	4,877.67	656.02	267.55

(b) Leases

The group has various operating leases for office, factory facilities that are renewable on a periodic basis. The group finance lease relates mainly to machinery, IT equipment and vehicles.

- (a) Lease payments in respect of operating leases included in Statement of Profit and Loss are Rs. 834.17 lakhs (March 31, 2015: Rs. 1015.16 lakhs)
 (b) Total of future minimum lease payments in respect of non-cancellable operating leases

	Rs. in lakhs	
	Year ended March 31, 2017	Year ended March 31, 2016
Not later than one year	1,311.15	531.14
Later than one year but not later than five years	3,779.45	317.08
Later than five years	1,450.46	-
Total	7,121.06	848.22

(c) Total of future minimum lease payments in respect of finance leases

	Rs. in lakhs	
	Year ended March 31, 2017	Year ended March 31, 2016
Not later than one year	5,719.05	-
Later than one year but not later than five years	4,344.76	-
Later than five years	-	-
Total	10,063.81	-

Note 46 : Movement in provisions

	Claims	Warranty	Others
As at 1st April 2016	3,162.00	16.36	302.44
Additional provision made during the year	-	413.02	103.66
Amounts used / written back during the year	(59.00)	(0.91)	(177.43)
Exchange difference	-	-	(20.33)
As at 31st March 2017	3,103.00	428.47	208.74

Brief description of the nature of the obligation and the expected timing of any resulting outflows of economic benefits :

- J) **Warranty :**
 Warranty cost are accrued at the time products are sold, based on percentage of accepted warranty claims to sales. The provision is discharged over the warranty period from the date of sale.
 I) **Claims :**
 For claims Refer Note -45
 II) **Others**
 Other provisions relating to day to day business activities.

Note 47 : Earnings per share

		As at March 31, 2017	As at March 31, 2016
Profit for the year as per Statement of Profit and Loss	Rs. in lakhs	6,386.04	5,179.19
Weighted average no. of equity shares		20,12,81,358	20,12,81,358
Earnings per share (Basic and Diluted)	Rs.	3.17	2.57
Normal value of an equity share	Rs.	10.00	10.00

Note 48 : Other Non-current asset include leasehold land acquired for proposed new plant to be set-up at Singur for supply of components to a customer at Singur. Consequent to the customer deciding to shift its plant from Singur, the Company suspended all its activities at Singur. The Company is of the opinion that no provision is necessary in this respect.

Note 49 : During the year ended March 31, 2013, the group divested its investments in two jointly controlled entities, namely, Tata Yazaki Autocomp Limited ("TYA") and Tata Johnson Controls Automotive Limited ("TJC") on January 11, 2013 and March 25, 2013, respectively and had recorded profit on sale of investments aggregating Rs. 66,469.30 lakhs, net of Rs. 3,162 lakhs provided towards claims in respect of certain matters relating to these jointly controlled entities.

Note 50 : Exceptional Items

During the year ended March 31, 2017, the one of the subsidiary has received a one time compensation of Rs.1,284 Lakhs towards settlement of its claims.

Note 51 : During the year ended March 31, 2017, the Tata AutoComp Systems Limited has transferred and assigned its interest under the agreement to lease with Maharashtra Industrial Development Corporation (MIDC) to the joint venture companies i.e. Tata Toyo Radiator Ltd., Tata AutoComp Henriksson Suspensions Pvt. Ltd., Tata Ficosa Automotive Systems Pvt. Ltd. Accordingly after receiving the consent letter from MIDC on May 27, 2016 the company has transferred the cost of land based on the area assigned to each joint venture with a corresponding reduction in capital work in progress amounting to Rs 5,834.83 lakhs (includes common project cost amounting to Rs 284.83 lakhs). Additionally, the company has charged Project Management Charges of Rs. 1,632 Lakhs on account of investment in the project, which is clubbed under other income.

Note 52 : Assets pledged as security

The carrying amounts of assets pledged as security for current and non-current borrowings are:

	Rs. in lakhs		
	As at March 31, 2017	As at March 31, 2016	As at April 01, 2015
Current			
Financial assets			
First charge			
Factored Receivables	8,501.25	7,632.28	-
Cash and cash equivalents	14,821.33	-	-
Other Receivables	32,347.42	8,030.85	3,824.56
Non-financial assets			
First charge			
Inventories	18,457.17	4,550.34	3,952.55
Total current assets pledged as security	74,237.18	20,343.47	7,777.11
Non-current			
First charge			
Plant and Machinery	28,219.27	7,330.95	19,555.00
Land	767.43	231.27	930.39
Building	8,040.03	1,256.60	5,191.14
Intangible Asset	28,333.95	-	92.38
Other assets	12,957.24	193.13	274.64
Second Charge			
Land	23.55	23.55	23.56
Building	1,188.31	1,188.37	1,268.81
Total non-currents assets pledged as security	79,549.79	10,263.87	27,336.12
Total assets pledged as security	1,53,786.97	30,607.34	35,113.23

Note 53: Disclosure relating to specified bank notes (SBNs) held and transacted during the period from November 08, 2016 to December 30, 2016:

	SBNs		Other denomination notes	Total
	Value of Rs. 500 Notes	Value of Rs. 1000 Notes		
Closing cash in hand as on 08.11	1.29	0.18	3.76	5.23
(+) Permitted receipts	-	-	0.10	0.10
(-) Permitted payments	-	-	0.23	0.23
(-) Amount deposited in Banks	1.29	0.18	2.00	3.47
Closing cash in hand as on 30.12.2016	-	-	1.63	1.63

Specified bank note (SBNs) means the bank notes of denominations of the existing series of the value of five hundred rupees and one thousand rupees as defined under the notification of the Government of India, in the ministry of finance, Department of Economic affairs no. S.O. 3407(E), dated november 08, 2016.





Tata AutoComp Systems Limited
Notes forming part of consolidated financial statements

Note 54 : Additional information required by Schedule III

For the year ended March 31, 2017

Name of the entity in the group	Net Asset, i.e., total asset minus total liabilities		Share in profit or loss		Share in other comprehensive income		Share in total comprehensive income	
	As % of consolidated net assets	Amount (Rs. in lakhs)	As % of consolidated Profit & Loss	Amount (Rs. in lakhs)	As % of consolidated other comprehensive income	Amount (Rs. in lakhs)	As % of consolidated total comprehensive income	Amount (Rs. in lakhs)
Parent								
Tata AutoComp Systems Limited	96.87%	80,131.25	94.55%	5,966.12	14.52%	(204.58)	117.57%	5,761.54
Subsidiaries :								
Automotive Stampings and Assemblies Limited ("ASAL")	1.59%	1,317.65	(3.41%)	(215.30)	3.63%	(51.17)	(5.44%)	(266.46)
Taco Engineering Services GmbH	0.03%	25.64	(0.12%)	(7.88)	-	-	(0.16%)	(7.88)
Taco Engineering (UK) Ltd	0.00%	0.08	1.07%	67.80	-	-	1.38%	67.80
Automotive Skill Training Foundation	-	-	-	-	-	-	-	-
Taco Holdings (Mauritius) Limited ("THML")	11.31%	9,352.62	17.84%	1,125.73	-	-	22.97%	1,125.73
Ryhpez Holding (Sweden) AB (w.e.f 8th August 2016)	24.10%	19,935.46	(1.82%)	(114.54)	(9.13%)	128.71	0.29%	14.17
Joint Ventures* :								
Tata Toyo Radiator Limited ("TTR")	5.87%	4,858.36	22.64%	1428.73	0.33%	(4.63)	29.06%	1,424.10
Tata Ficosa Automotive Systems Private Limited ("TF")	0.54%	448.28	8.26%	521.04	0.26%	(3.73)	10.56%	517.31
Tata AutoComp GY Batteries Private Limited ("TGY")	(8.92%)	(7,374.80)	(12.37%)	(780.45)	0.40%	(5.68)	(16.04%)	(786.13)
Tata AutoComp Hendrickson Suspensions Private Limited	6.08%	5,031.91	44.78%	2825.33	0.27%	(3.84)	57.57%	2,821.49
Tata AutoComp Katcon Exhaust System Private Limited	(0.12%)	(101.69)	(0.86%)	(54.25)	0.00%	-	(1.11%)	(54.25)
TM Automotive Sealing Systems Private Limited	0.01%	10.09	0.07%	4.56	0.28%	(3.88)	0.01%	0.68
Minority Interest	1.14%	942.69	(1.21%)	(76.33)	0.85%	(11.93)	(1.80%)	(88.26)
Sub Total		1,14,577.54		10,690.56		(160.72)		10,529.83
Less: Adjustment on account of Elimination / conversion of foreign operation	(38.52%)	(31,859.67)	(69.43%)	(4,380.85)	88.59%	(1,248.39)	(114.87%)	(5,629.23)
Total	100.00%	82,717.87	100.00%	6,309.71	100.00%	(1,409.11)	100.00%	4,900.60

* Share in reserves of joint ventures accounted using equity method

For the year ended March 31, 2016

Name of the entity in the group	Net Asset, i.e., total asset minus total liabilities		Share in profit or loss		Share in other comprehensive income		Share in total comprehensive income	
	As % of consolidated net assets	Amount (Rs. in lakhs)	As % of consolidated Profit & Loss	Amount (Rs. in lakhs)	As % of consolidated other comprehensive income	Amount (Rs. in lakhs)	As % of consolidated total comprehensive income	Amount (Rs. in lakhs)
Parent								
Tata AutoComp Systems Limited	96.40%	79,153.41	75.34%	3,509.99	(9.42%)	(9.20)	73.60%	3500.79
Subsidiaries :								
Automotive Stampings and Assemblies Limited ("ASAL")	1.96%	1,608.23	(33.49%)	(1,560.14)	24.75%	24.17	(32.29%)	(1535.97)
Taco Engineering Services GmbH	0.04%	35.85	0.20%	9.32	-	-	0.20%	9.32
Taco Engineering (UK) Ltd	(0.09%)	(73.41)	0.07%	3.06	-	-	0.06%	3.06
Automotive Skill Training Foundation	0.00%	(2.00)	(0.04%)	(2.00)	-	-	(0.04%)	(2.00)
Taco Holdings (Mauritius) Limited ("THML")	11.01%	9,037.80	22.81%	1,062.96	-	-	22.35%	1062.96
Joint Ventures* :								
Tata Toyo Radiator Limited ("TTR")	5.42%	4,446.10	19.57%	911.63	0.43%	0.42	19.17%	912.06
Tata Ficosa Automotive Systems Private Limited ("TF")	(0.08%)	(69.04)	6.19%	288.60	4.07%	3.98	6.15%	292.58
Tata AutoComp GY Batteries Private Limited ("TGY")	(8.02%)	(6,588.67)	(14.31%)	(666.84)	0.25%	0.24	(14.01%)	(666.60)
Tata AutoComp Hendrickson Suspensions Private Limited	5.82%	4,781.57	60.01%	2795.96	(0.30%)	(0.30)	58.77%	2795.66
Tata AutoComp Katcon Exhaust System Private Limited	(0.06%)	(47.50)	(1.13%)	(52.45)	-	-	(1.10%)	(52.45)
TM Automotive Sealing Systems Private Limited	0.01%	9.41	0.29%	13.50	-	-	0.28%	13.50
Minority Interest	0.65%	536.08	(11.16%)	(520.04)	8.27%	8.08	(10.76%)	(511.96)
Sub Total		92,827.82		5,793.54		27.39		5,820.93
Less: Adjustment on account of Elimination / conversion of foreign operation	(13.06%)	(10,721.74)	(24.35%)	(1,134.39)	71.95%	70.28	(22.37%)	(1,064.11)
Total	100.00%	82,106.08	100.00%	4,659.15	100.00%	97.67	100.00%	4,756.82

* Share in reserves of joint ventures accounted using equity method



Note 55 : First-time adoption of Ind AS

These are the group's first financial statements prepared in accordance with Ind AS.

The accounting policies set out in note 2 have been applied in preparing the financial statements for the year ended March 31, 2017, the comparative information presented in these financial statements for the year ended March 31, 2016 and in the preparation of an opening Ind AS balance sheet at April 01, 2015 (the date of transition). In preparing its opening Ind AS balance sheet, the Company has adjusted the amounts reported previously in financial statements prepared in accordance with the accounting standards notified under Companies (Accounting Standards) Rules, 2006 (as amended) and other relevant provisions of the Act (previous GAAP or Ind AS GAAP). An explanation of how the transition from previous GAAP to Ind AS has affected the group's financial position, financial performance and cash flow is set out in the following tables and notes.

Exemptions availed on first time adoption of Ind AS 101

Set out below are the applicable Ind AS 101 optional exemptions applied in the transition from previous GAAP to Ind AS:

i) **Deemed cost property, plant and equipment and intangible asset** - Ind AS 101 permits a first-time adopter to elect to continue with the carrying value for all of its property, plant and equipment as recognised in the financial statements as at the date of transition to Ind AS, measured as per the previous GAAP and use that as its deemed cost as at the date of transition after making necessary adjustments for de-commissioning liabilities. This exemption can also be used for intangible assets covered by Ind AS 38 Intangible Assets. Accordingly, the group has elected to measure all of its property, plant and equipment and intangible assets at their previous GAAP carrying value.

ii) **Business Combination** - Ind AS 103 Business Combinations has not been applied to acquisitions of subsidiaries, which are considered businesses under Ind AS that occurred before April 1, 2015. Use of this exemption means that the previous GAAP carrying amounts of assets and liabilities, that are required to be recognised under Ind AS, is their deemed cost at the date of the acquisition.

The remaining exemptions either do not apply or are not relevant to the Company.

iii) **Cumulative translation differences** - A first-time adopter did not comply with the requirements in Ind AS 21 to recognise cumulative translation differences on foreign operations. Hence, cumulative currency translation differences for all foreign operations are deemed to be zero as at April 1, 2015.

The remaining voluntary exemptions either do not apply or are not relevant to the group.

Exemptions from full retrospective application

The group has applied the following mandatory exceptions from retrospective application of Ind AS

i) **Estimates** - An entity's estimates in accordance with Ind AS at the date of transition to Ind AS shall be consistent with estimates made for the same date in accordance with previous GAAP (after adjustments to reflect any difference in accounting policies), unless there is objective evidence that those estimates were in error. Ind AS estimates as at 1 April 2015 are consistent with the estimates as at the same date made in conformity with previous GAAP. The group made estimates for following items in accordance with Ind AS at the date of transition as these were not required under previous GAAP. Impairment of financial assets based on expected credit loss model.

ii) **De-recognition of financial assets and liabilities** - Ind AS 101 requires a first-time adopter to apply the de-recognition provisions of Ind AS 109 prospectively for transactions occurring on or after the date of transition to Ind AS. However, Ind AS 101 allows a first-time adopter to apply the de-recognition requirements in Ind AS 109 retrospectively from a date of the entity's choosing, provided that the information needed to apply Ind AS 109 to financial assets and financial liabilities derecognised as a result of past transactions was obtained at the time of initially accounting for those transactions. The group has elected to apply the de-recognition provisions of Ind AS 109 prospectively from the date of transition to Ind AS.

iii) **Classification and measurement of financial assets** - Ind AS 101 requires an entity to assess classification and measurement of financial assets on the basis of the facts and circumstances that exist at the date of transition to Ind AS.

Reconciliations:

The following reconciliations provides the effect of transition to Ind AS from previous GAAP in accordance with Ind AS 101

1. Equity as at April 01, 2015 and March 31, 2016
2. Net profit for the year ended March 31, 2016

Reconciliation of equity as previously reported under previous GAAP to Ind AS

Rs. In Lakhs

	Notes	Opening Balance Sheet as at April 1, 2015				Balance Sheet as at March 31, 2016			
		Regrouped previous GAAP*	Impact of Equity Accounting of Interest In Joint	Ind AS Adjustments	Ind AS	Regrouped previous GAAP	Impact of Equity Accounting of Interest In Joint	Ind AS Adjustments	Ind AS
ASSETS									
Non-current assets									
Property, plant and equipment	(b)	51,332.07	(15,182.49)	67.95	36,217.53	50,513.16	(15,958.38)	49.47	34,604.25
Capital work-in-progress	(c)	2,128.59	(690.46)	(108.63)	1,329.50	14,727.10	(675.49)	(108.53)	13,942.95
Goodwill		2,499.96	-	-	2,499.96	2,499.96	-	0.00	2,499.96
Intangible assets		692.38	(181.53)	-	510.85	1,856.75	(214.07)	0.00	1,742.68
Intangible assets under development		-	-	-	0.00	510.24	(510.24)	0.00	0.00
Investments accounted for using the equity method		-	11,461.71	35.16	11,496.87	-	14,340.00	(172.67)	14,167.33
Financial assets									
(i) Loans		-	-	-	-	-	-	-	0.00
(ii) Others		1,173.69	(510.22)	(17.70)	645.77	1,046.98	(472.01)	(10.85)	564.12
Deferred tax assets (net)	(b), (j)	63.91	(59.35)	1,844.20	1,848.76	188.83	(62.04)	1210.23	1,337.02
Current tax asset (net)		4,913.74	(1,592.55)	-	3,321.19	4,816.18	(1,566.85)	-	3,249.33
Other non-current assets	(c), (d), (h)	16,391.00	(1,147.79)	(989.31)	14,253.90	5,013.95	(1,761.11)	(326.57)	2,932.16
Total non-current assets		79,195.34	(7,892.68)	831.67	72,134.33	81,273.16	(6,880.19)	646.68	75,039.62
Current assets									
Financial assets									
Inventories	(b)	19,531.26	(9,155.38)	(254.29)	10,121.49	21,019.09	(9,506.05)	(254.38)	11,258.66
Other financial assets									
(i) Investments	(f)	45,217.98	(2,798.30)	30.51	42,450.19	42,528.39	(5,865.29)	34.87	36,598.97
(ii) Trade receivables		15,566.51	(6,371.20)	-	9,195.31	22,404.47	(7,098.77)	7692.28	22,999.93
(iii) Cash and cash equivalent		4,126.41	(1,818.74)	-	2,307.67	4,522.03	(1,746.59)	-	2,815.44
(iv) Loans		48.71	-	-	48.71	107.86	-	-	107.86
(v) Other financial asset	(e)	1,433.72	(685.97)	(19.58)	728.17	2,664.27	(1,134.02)	(11.09)	1,519.16
Other current assets	(h)	14,050.36	(939.56)	(688.54)	12,422.16	17,939.30	(1,394.97)	(705.29)	15,889.04
Total current assets		1,00,974.95	(21,769.15)	(932.10)	78,273.70	1,11,276.36	(26,743.69)	6,756.39	91,289.06
Total		1,80,170.29	(29,661.83)	(100.43)	1,50,408.03	1,92,549.52	(33,623.88)	7,403.27	1,66,328.88
EQUITY AND LIABILITIES									
Equity									
Equity share capital		20,128.14	-	-	20,128.14	20,128.14	-	-	20,128.14
Other equity		57,585.99	54.00	3,354.94	60,994.93	57,938.42	177.00	3,326.47	61,441.86
Total equity attributable to equity holders of the Company		77,714.13	54.00	3,354.94	81,123.07	78,066.56	177.00	3,326.47	81,570.00
Non-controlling interest		5,510.95	(5,446.37)	(15.65)	1,049.04	5,380.55	(5,833.17)	(11.30)	535.08
Total equity		84,225.09	(5,392.27)	3,339.29	82,171.11	84,447.11	(5,656.17)	3,315.17	82,105.08
Liabilities									
Non-current liabilities									
Financial liabilities									
(i) Borrowings		15,473.71	(2,072.50)	-	13,401.21	16,765.17	(1,658.75)	-	15,106.42
Provisions		2,525.75	(631.80)	-	1,893.95	2,655.74	(640.53)	-	2,015.21
Deferred tax liabilities (Net)	(h)	430.64	(430.64)	1,362.15	1,362.15	437.49	(436.37)	1,149.22	1,150.34
Other non-current liabilities		-	-	-	-	-	-	-	-
Total non-current liabilities		18,430.10	(3,134.94)	1,362.15	16,657.31	19,858.40	(2,735.65)	1,149.22	18,271.97
Current liabilities									
Financial liabilities									
(i) Borrowings		4,326.94	(2,760.81)	-	1,566.13	6,728.05	(3,085.40)	7,692.28	11,334.93
(ii) Trade payables		40,548.60	(14,678.24)	-	25,870.36	46,013.75	(17,362.93)	-	28,650.82
(iii) Other financial liabilities		11,082.44	(1,885.00)	-	9,197.44	8,277.17	(1,728.00)	-	6,549.17
Provisions	(g)	9,129.40	(763.74)	(482.33)	8,363.33	9,204.35	(663.21)	(4783.40)	3,757.74
Other current liabilities		12,354.41	(1,006.03)	22.46	11,370.84	17,975.68	(2,387.46)	30.00	15,618.22
Current tax liabilities (net)		73.31	(40.80)	-	32.51	45.01	(5.06)	-	39.95
Total current liabilities		77,519.10	(21,134.62)	(4,880.67)	51,579.61	88,244.01	(25,232.06)	2,938.68	65,950.83
Total		1,80,170.29	(29,661.83)	(100.43)	1,50,408.03	1,92,549.52	(33,623.88)	7,403.27	1,66,328.88

* The previous GAAP figures have been reclassified to conform to Ind AS presentation requirements for the purposes of this note.





Tata AutoComp Systems Limited
Notes forming part of consolidated financial statements

Reconciliation statement of profit and loss as previously reported under previous GAAP to IND AS

	Notes	Year ended March 31, 2016			Rs. in Lakhs
		Regrouped previous GAAP*	Impact of Equity Accounting of	Ind AS Adjustments	Ind AS
Revenue From Operations (including excise duty)	(i)	2,11,778.96	(69035.71)	10,705.44	1,33,447.70
Other Income	(c), (c')	4,845.88	(890.56)	10.68	3,965.00
Total Revenue		2,16,624.84	(89927.27)	10,716.16	1,37,413.70
Expenses					
Cost of materials consumed		1,25,058.04	(58077.32)	-	66,980.72
Purchases of Stock-in-Trade		11,619.66	0.00	-	11,619.66
Changes in inventories of finished goods, Stock-in-Trade and work-in		(955.10)	305.22	-	(649.88)
Excise duty	(i)	-	0.00	10,705.44	10,705.44
Employee benefits expense	(i)	25,359.70	(6654.99)	18.17	18,722.88
Finance costs		3,674.15	(1053.57)	-	2,620.58
Depreciation and amortization expense	(b)	6,874.08	(2655.70)	18.44	4,236.76
Other expenses	(d), (e)	35,522.57	(15518.67)	6.85	20,010.75
Total expenses		2,07,153.04	(83655.03)	10,748.99	1,34,746.99
Profit before exceptional item, share in net profit of joint ventures and tax		9,471.82	(6272.28)	(32.82)	3,166.71
Exceptional Items		-	-	-	-
Profit before share in net profit of joint ventures and tax		9,471.82	(6272.28)	(32.82)	3,166.71
Share in net profit/(loss) of joint ventures		-	3,295.95	-	3,295.95
Profit before tax		9,471.82	(2976.34)	(32.82)	6,462.66
Tax expense:					
Current tax		3,912.50	(2,113.86)	4.87	1,803.51
Deferred tax		3,997.23	(2,111.75)	4.87	1,890.35
Short provision for tax in respect of earlier year		(116.40)	(5.82)	-	(122.22)
		31.67	3.71	-	35.38
Profit for the year		5,559.32	(862.48)	(37.69)	4,659.15
Other Comprehensive Income (OCI)					
Items that will not be reclassified subsequently to profit or loss					
Measurements of post-employment benefit obligations	(i)	-	-	18.17	18.17
Income-tax on above		-	-	4.87	4.87
Share in other comprehensive income of joint ventures		-	-	4.33	4.33
Items that will be reclassified subsequently to profit or loss		-	-	-	-
Exchange difference on translation of foreign operations		-	-	70.30	70.30
Total Other Comprehensive Income for the period		-	-	97.67	97.67
Total Comprehensive Income for the period (TCI)		5,559.32	(862.48)	59.98	4,756.82
Profit attributable to:					
Owners of the company		5,214.15	-	(34.95)	5,179.19
Non-controlling interest		345.17	(862.48)	(2.73)	(520.04)
		5,559.32	(862.48)	(37.69)	4,659.15
Total other comprehensive income attributable to:					
Owners of the company		-	-	89.59	89.59
Non-controlling interest		-	-	8.08	8.08
		-	-	97.67	97.67
Total comprehensive income is attributable to:					
Owners of the company		5,214.15	-	54.63	5,268.78
Non-controlling interest		345.17	(862.48)	5.35	(511.95)
		5,559.32	(862.48)	59.98	4,756.82

* The previous GAAP figures have been reclassified to conform to Ind AS presentation requirements for the purposes of this note.

Reconciliation of total equity as at March 31, 2016 and April 01, 2015

	Notes	Rs. in Lakhs	
		As at April 01, 2015	As at March 31, 2016
Total equity (shareholder's funds) as per previous GAAP		84,225.09	64,447.11
Adjustments:			
Opening IND AS adjustment carried forward		-	-
Dividend for the year 2014-15 declared in Sept 2015		-	-
Interest on security deposits		-	-
Amortization of prepaid rent		-	-
Fair valuation of derivative contracts	(e)	(32.33)	(30.17)
Reversal of gain recognised as per AS 11	(b)	(165.00)	(204.48)
Amortization of special capitalized		-	-
Fair valuation of security deposits		-	-
Tax on interim dividend		-	-
Reversal of proposed dividend	(g)	4,823.35	4,783.70
Re-measurements of post-employment benefit obligations		-	-
Special capitalized		-	-
Tax effects of adjustments	(h)	30.10	35.73
Fair valuation of Mutual Funds	(f)	31.00	34.87
Impact of Fair valuation of derivative instruments and security deposit		-	-
Deferred tax liability on undistributed profits of joint venture	(c)	(1,352.84)	(1,352.84)
Reversal of tax on interim dividend - TACO's share		54.00	231.00
Reversal of tax on interim dividend of equity share on jointly controlled entity		-	-
Share of jointly controlled entities in other comprehensive income		35.00	4.33
Impact of equity method accounting of interest in jointly controlled entities	(a)	(5,445.27)	(5,533.17)
Total adjustments		(2,052.98)	(2,341.83)
Total equity as per Ind AS		82,171.11	62,106.00



Reconciliation of total comprehensive income for the year ended March 31, 2016

	Notes	Rs. in Lakhs	
		As at March 31, 2016	As at March 31, 2015
Profit after tax as per previous GAAP		6,559.32	6,559.32
Adjustments:			
Fair valuation of investments	(f)	4.25	
Interest valuation of security deposits	(d)	6.52	
Amortization of prepaid rent	(d)	(6.44)	
Fair valuation of derivative contracts	(e)	(4.70)	
Reversal of gain recognised as per AS 11	(e)	4.20	
Amortization of spares capitalized	(b)	(18.47)	
Remeasurements of post-employment benefit obligations	(k)	(18.17)	
Tax effects of adjustments	(h)	(4.87)	
Reclassification of a subsidiary as jointly controlled entity (Full consolidation to equity method)	(a)	(82.48)	
Total adjustments		(90.16)	
Profit after tax as per Ind AS		4,659.16	
Other comprehensive income			
Exchange difference on translation of foreign operations		70.35	
Tax effects of adjustments	(h)	4.86	
Remeasurements of post-employment benefit obligations	(k)	18.17	
Share in other comprehensive income of joint ventures		4.33	
Total comprehensive income as per Ind AS		4,756.82	

Impact of Ind AS adoption on the consolidated statements of cash flows for the year ended March 31, 2016

	Notes	Year ended March 31, 2016		
		Regrouped previous GAAP	Ind AS Adjustments (Impact of equity accounting)	Ind AS
Net cash flow from operating activities	(a) (c), (d), (e), (h), (g), (i), (j)	13,628.2E	(16,840.97)	(3,211.71)
Net cash flow from investing activities	(a), (f)	(4,244.7E)	8,162.57	3,917.61
Net cash flow from financing activities	(a), (i)	(8,691.7E)	9,463.6E	(228.13)
Net Increase/(decrease) in cash and cash equivalents		(307.2E)	605.0E	497.77
Cash and cash equivalents as at April 01, 2015		3,993.27	(1,685.60)	2,307.67
Effects of exchange rate changes on cash and cash equivalents		10.00	-	10.00
Cash and cash equivalents as at March 31, 2016		3,695.99	(680.55)	2,815.44

Explanations for reconciliation of equity and statement of profit and loss as previously reported under previous GAAP to IND AS

- (a) The Group previously accounted for its joint ventures using the proportionate consolidation method. Following an analysis of the underlying contracts, the Group classified all of its joint arrangements as joint ventures and not joint operations. Accordingly the Group's investments in its joint venture are now accounted for using the equity method.
- (b) Under previous GAAP, spares which are not specific to a particular item of fixed asset but can be used generally for various items of fixed assets were treated as inventories for the purpose of AS 2. However under Ind AS, Spare parts are recognised in accordance with Ind AS 16 when they meet the definition of property, plant and equipment. Accordingly, the Group has capitalized spares as per Ind AS 16 as on date of transition.
- (c) Under previous GAAP, the Group treated all leasehold land under finance lease. The Group has evaluated all leases as per Ind AS 17 for classification purpose. As per Ind AS 17, the classification of leases is based on the extent to which risks and rewards incidental to ownership of a leased asset lie with the lessor or the lessee. A lease is classified as a finance lease if it transfers substantially all the risks and rewards incidental to ownership, otherwise it is an operating lease. As on the transition date considering the facts of the "Singur Project" and litigation involved the Group has evaluated that risk and rewards for Singur Land are not transferred to the Group. Hence the same is treated as operating lease and accordingly reclassified to other non current asset.
- (d) Certain interest-free security deposits have been discounted using market rates of interest as required under Ind-AS and recorded at amortised cost as on the transition date.
- (e) Under previous GAAP the forward exchange contracts and other derivative instruments were accounted based on Accounting Standard 11 "The effects of changes in foreign exchange rates". Under Ind-AS, fair value of forward foreign exchange contracts and other derivative instruments has been recognised and the corresponding adjustments has been made in the retained earnings as on the date of transition.
- (f) Under previous GAAP, current investments in financial instruments such as mutual funds are recognized at cost or Net Realizable Value, whichever is lower. Under Ind-AS, investments in financial instruments are recorded at fair value as at the balance sheet date.
- (g) Under previous GAAP, dividend proposed by the board of directors after the balance sheet date but before the approval of financial statements were considered as adjusting events. Accordingly provisions for proposed dividend was recognised as liability. Under IND AS such dividends are recognised when the such dividends are approved by the shareholders in the general meeting. Accordingly the liability for proposed dividend of Rs. 4,783 Lakhs as at March 31, 2016 (Rs. 4,854 Lakhs as on April 1, 2015) included under provisions has been reversed with the corresponding adjustments to retained earnings. Consequently the total equity increase by equivalent amount.
- (h) Previous GAAP requires deferred tax accounting using the income statement approach, which focuses on differences between taxable profits and accounting profits for the period. Ind AS 12 requires entities to account for deferred taxes using the balance sheet approach, which focuses on temporary differences between the carrying amount of an asset or liability in the balance sheet and its tax base. The application of Ind AS 12 approach has resulted in recognition of deferred tax on new temporary differences which was not required under previous GAAP. In addition, the various transitional adjustments lead to temporary differences. According to the accounting policies, the Group has to account for such differences. Deferred tax adjustments are recognised in correlation to the underlying transaction either in retained earnings or a separate component of equity. On the date of transition, the net impact on deferred tax asset is Rs 30.10 Lacs. MAT credit entitlement has been classified as deferred tax asset. As per Ind AS 12, deferred tax liability is recognised on undistributed profits of joint venture and subsidiaries. Accordingly, deferred tax liability has been recognised on undistributed profits of joint ventures to the extent of shareholding.
- (i) As per Ind AS 101, derecognition requirements in Ind AS 109 should apply prospectively to the transactions occurring on or after the date of transition. As per Ind AS 109, an entity shall remove a financial liability (or a part of a financial liability) from its balance sheet when, and only when, it is extinguished—that is when the obligation specified in the contract is discharged or cancelled or expires. Management has recognized trade receivable relating to bill discounting arrangement with customer and recognised corresponding financial liability.
- (j) Under the previous GAAP, revenue from sale of product was presented exclusive of excise duty. Under Ind AS revenue from sale of goods is presented inclusive of excise duty. The excise duty paid is presented on the face of the statement of profit and loss account as a part of expense. The change has resulted in increase in the total revenue and the total expenses for the year ended March 31, 2016: Rs. 10,705.48 Lakhs. There is no impact on the total equity and profit.
- (k) Under Indian GAAP, cost including actuarial gains and losses related to post employment defined benefit plan based on actuarial valuation is charged to profit and loss. Under Ind AS remeasurements comprising of actuarial gains and losses are recognised through OCI net of tax.

For Price Waterhouse
Firm Registration No. 301112E
Chartered Accountants

Jitendra Mirchandani
Partner
Membership No. 48125

Place: Pune
Date: May 19, 2017

For and on behalf of the Board of Directors

sd/-
Praveen Kadle
Chairman

sd/-
Ajay Tandon
Managing Director and CEO

sd/-
Ashish Boradkar
Company Secretary

Place: Pune
Date: May 19, 2017

sd/-
Hari Mundra
Director

sd/-
Deepak Rastogi
Chief Financial Officer

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