TATA MOTORS
68th Annual Report 2012-13

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ANNUAL GENERAL MEETING

Date: Wednesday, August 21, 2013 **Time:** 3.00 p.m.

Venue: Birla Matushri Sabhagar, 19, Sir Vithaldas Thackersey Marg, Mumbai 400 020

ANTICIPATING NEEDS. DELIVERING EXCITEMENT.

At Tata Motors, we believe that our strengths stem from an organisation-wide culture which rests on four pillars – Accountability, Customer & Product Focus, Excellence and Speed (ACES).

Our renewed commitment to these pillars drives us to achieve our mission of anticipating and providing the best vehicles and experiences to excite our customers. Not just in India, but across the world. Our products span segments, customers and geographies. Our strengths in engineering, a deep-rooted understanding of customers and markets help us deliver best-in-class products and superior driving experiences.

Our customers are at the heart of all we do. We are gearing up and igniting our passion to offer products that meet the mobility needs of our customers. We are engaging with them at our dealerships and adopting processes to ensure that industry-leading practices form a key part of our service proposition.

As we move ahead, we will continue to anticipate the needs of our customers and remain committed to deliver excitement.

CORPORATE INFORMATION

Mr Ratan N Tata
Chairman Emeritus

BOARD OF DIRECTORS

Mr Cyrus P Mistry
Non Executive Director and Chairman

Mr Ravi Kant
Non Executive Director and Vice Chairman

Mr Nusli N Wadia
Non Executive, Independent Director

Mr Sam M Palia
Non Executive, Independent Director
(retired on April 25, 2013)

Dr Raghunath A Mashelkar
Non Executive, Independent Director

Mr Subodh Bhargava
Non Executive, Independent Director

Mr Nasser Munjee
Non Executive, Independent Director

Mr Vinesh K Jairath
Non Executive, Independent Director

Ms Falguni S Nayar
Non Executive, Independent Director
(appointed on May 29, 2013)

Dr Ralf Speth
Non Executive Director

Mr Karl J Slym
Managing Director

Mr Ravindra Pisharody
Executive Director (Commercial Vehicles)

Mr Satish B Borwankar
Executive Director (Quality)

EXECUTIVE COMMITTEE

Mr Karl Slym
Managing Director

Mr Ravindra Pisharody
Executive Director and Head,
Commercial Vehicle Business Unit

Mr Satish B Borwankar
Executive Director and Head, Quality

Mr C Ramakrishnan
President and Chief Financial Officer

Dr Tim Leverton
President and Head,
Engineering Research Centre

Mr Ranjit Yadav
President and Head,
Passenger Vehicles Business Unit

Mr Prabir Jha
Sr Vice President and
Chief Human Resources Officer

Mr Ankush Arora
Sr Vice President, Commercial -
Passenger Vehicle Business Unit

Mr Venkatram Mamillapalle
Sr Vice President and Head,
Purchasing & Supply Chain

COMPANY SECRETARY

Mr H K Sethna

REGISTERED OFFICE

Bombay House
24, Homi Mody Street, Mumbai 400 001
Tel: +91-22-6665 8282
Fax: +91-22-6665 7799
Email: inv_rel@tatamotors.com
Website: www.tatamotors.com

WORKS

Jamshedpur
Pune
Lucknow
Pantnagar
Sanand
Dharwad

SHARE REGISTRARS

TSR Darashaw Private Limited
6-10, Haji Moosa Patrawala Industrial Estate
20, Dr. E. Moses Road, Mahalaxmi, Mumbai 400 011
Tel: +91-22-6656 8484
Fax: +91-22-6656 8494
Email: csg-unit@tsrdarashaw.com

AUDITORS

Deloitte Haskins & Sells (Registration No. 117366W)

BANKERS

Allahabad Bank
Andhra Bank
Bank of America
Bank of Baroda
Bank of India
Bank of Maharashtra
Central Bank of India
Citibank N.A.
Corporation Bank
Deutsche Bank
Federal Bank
HDFC Bank
HSBC
ICICI Bank
IDBI Bank
Indian Bank
ING Vysya Bank
Karur Vysya Bank
Punjab National Bank
Standard Chartered Bank
State Bank of India
State Bank of Mysore
State Bank of Patiala
Union Bank of India
United Bank of India

CORPORATE IDENTITY NUMBER (CIN)

L28920MH1945PLC004520

MISSION, VISION AND VALUES

Mission

To be **passionate** in **anticipating** and providing the **best** vehicles and experiences that **excite** our **customers** **globally.**

Vision

Most admired by our customers, employees, business partners and shareholders for the **experience** and **value** they enjoy from being with **us.**

Culture

- Accountability
- Customer & Product Focus
- Excellence
- Speed

Values

- Inclusion
- Integrity
- Accountability
- Customer
- Innovation
- Concern for the Environment
- Passion for Excellence
- Agility

CHAIRMAN'S MESSAGE

CYRUS P MISTRY
CHAIRMAN

Tata Motors is privileged to have a strong parent brand, a rich commercial vehicle pedigree, international design centres of global standards, and last but not the least, committed employees and a strong dealer and vendor base.

Dear Shareholder,

The world continues to be in the midst of a very challenging economic environment. While the global economic meltdown in 2008 had relatively limited impact on India and other emerging markets, we are currently buffeted by headwinds caused by global as well as domestic circumstances. The impact of the slowdown has been felt across the board in India, with all sectors of the economy being affected.

Amongst the few bright spots in the performance of the global automobile industry has been the rebound of the US auto industry. Vehicle sales have once been rising in the US, after the nearly 22 percent collapse in volumes that followed the 2008 economic crash. Auto factories are reportedly running at 95 percent capacity in the US, and several of the large US manufacturers have now become profitable.

Europe, however, continues to see stagnant demand, with a number of auto makers reporting large losses. Demand for new vehicles is at a record low in many nations. With domestic demand having dropped back to levels last seen more than a generation ago, this has left European manufacturers dependent on exports to survive. And in fact, premium vehicle manufacturers have been less affected by the European sales crisis; although their sales within the European Union have declined, they are benefitting from the pickup in demand in markets like China and the US. With German manufacturers outsourcing capacity to Asia, so as to be closer to local markets, in 2012 several of the German premium vehicle manufacturers sold more cars worldwide than ever before. Great Britain was one of the few countries in this region to register an increase in car sales.

In China as well, luxury manufacturers are doing well, thanks to booming demand. China has advanced as the largest vehicle market in the world and will continue to grow, even though the rate of growth might slow. Amidst slower growth in China, Chinese vehicle manufacturers shipped more than one million cars to other markets, with the majority of Chinese car exports going to emerging markets in Africa, the Middle East and South America. Chinese exports are expected to double in volumes by 2016.

INDIAN AUTO INDUSTRY AND TATA MOTORS

The year saw passenger vehicle sales in India grow by a mere 0.9 percent, while overall commercial vehicles sales registered a growth of 1.7 percent. Diesel price hikes resulted in lower demand for diesel vehicles, thereby dampening growth in both the personal and commercial vehicle segments. Small commercial vehicles and pick-ups witnessed continued strong demand, and small SUVs and luxury brands saw significant increase in interest.

The financial year 2013 has been a challenging one for Tata Motors. Nonetheless, despite difficult economic conditions and increasing competition, the Company retained its market leadership in commercial vehicles, on the back of new offerings and introduction of innovative technologies. Its highly successful and reliable Ace and Magic vehicles crossed the sales mark of one million units, achieved in seven years since these products were first introduced in the market. The sales performance of the Company's passenger vehicles, however, was significantly lower as compared to expectation; rapid changes in customer preferences along with the de-regulation of diesel pricing both took their toll.

As we look ahead, we see a year of continuing challenges – but at the same time, full of opportunities. Tata Motors is privileged to have a strong parent brand, a rich

CHAIRMAN'S MESSAGE

commercial vehicle pedigree, international design centres of global standards, and last but not the least, committed employees and a strong dealer and vendor base. With changes in the organisation structure, the Company is determined to improve its customer understanding to better meet market needs, and deliver products swiftly through optimised operational processes. The Company has launched its ACES programme, with a renewed focus on Accountability, Customer and Product Focus, Excellence and Speed.

Building on its DNA, Tata Motors recently announced HORIZONEXT, based on intense product focus, world-class quality and manufacturing, enriched customer purchase experience and a consistent, robust after-sales service. The Company is working on a slew of new products, with a plan running up to 2020; this includes appropriate focus on alternate fuels, hybrids and electric vehicles. The organisation is resolved to foster a culture of customer centricity and innovation, so that the Company's products and services consistently exceed customer expectations.

Building on its DNA, Tata Motors recently announced HORIZONEXT, based on intense product focus, world-class quality and manufacturing, enriched customer purchase experience and a consistent, robust after-sales service.

In the commercial vehicles segment, Tata Motors expects to remain the preferred brand for customers. Given the Company's scale, it is in the best position to efficiently integrate its products and services and deliver the maximum value to its customers at the best prices. The Company continues to anticipate market demand and is well-positioned to address competition with its product portfolio that includes global-standard products and an extensive dealer network.

As an industry, the shape of things to come will be a function of how the economy performs, as well as government policies that will drive the larger picture of how India sees transportation in its metros and rural areas.

JAGUAR LAND ROVER

Despite tough market conditions, it was a good year for Jaguar Land Rover (JLR), which registered record volumes and revenues on the back of the launches of some of the most exciting and awaited new products. Volumes for the year were nearly 375,000 units with revenues reaching an all-time high of £15.8 billion. JLR is a healthy and vibrant Company, strongly positioned across key global markets for future growth. Technical innovation and engineering excellence have stood JLR in good stead for sustained, profitable growth and the Company plans to launch eight new or refreshed products this year.

JLR has underlined its commitment to expanding its presence in China, a long-term strategic market for the Company. In November 2012, JLR and Chery Automobile Company laid the foundation stone for their joint venture in China, with a new plant to be built at Changshu, in Jiangshu Province.

JLR also continues to explore further opportunities in other growing markets, including Brazil, India and Saudi Arabia. It has developed a number of industry best practices, and is a company we should be proud of.

LOOKING AHEAD

The health of the automobile industry has traditionally been an important indicator of the economic strength of a nation. I have no doubt that the industry will play a critical role in the growing prosperity of India.

Tata Motors has all the capabilities and strengths to navigate through the challenges presented by dynamic and evolving customer preferences. The Company has an exciting future, and is well placed to strengthen its position as a respected and viable competitor in the global auto industry. The Company will continue to be a responsible corporate citizen wherever it operates, and is committed to delivering long-term value creation for all its stakeholders.

The Board joins me in expressing our deep appreciation to the employees, the Unions and the management team and all our partners for their support, co-operation and understanding. I would also like to express our appreciation to you, our shareholders, for your support and understanding in good times and in challenging times.

Finally, I would like to thank Mr Ratan Tata for his visionary leadership during his tenure as Chairman of Tata Motors, which has transformed Tata Motors into a complete automobile company with a global footprint.

C. P. Mistry

Chairman

Mumbai, June 24, 2013

BOARD OF DIRECTORS


Mr Mistry with the Safari Storme


Mr Kant with the Ultra

Mr Wadia with the Range Rover Evoque

MR CYRUS P MISTRY

Non Executive Director and Chairman

Mr Mistry was appointed as a Director of Tata Motors with effect from May 29, 2012, and as Deputy Chairman of the Company with effect from November 7, 2012. Mr Mistry took over as Chairman from Mr Ratan N Tata on his retirement with effect from December 28, 2012. Mr Mistry was earlier Managing Director of the Shapoorji Pallonji group and was also responsible for building the infrastructure development vertical in the Shapoorji Pallonji group.

Mr Mistry is a Graduate of Civil Engineering from the Imperial College London (1990) and has an MSc in Management from the London Business School (1997). He was recently bestowed with the Alumni Achievement Award by the London Business School.

MR RAVI KANT

Non Executive Director and Vice Chairman

Mr Kant has been with the Company since February 1999, joining as Senior Vice President (Commercial Vehicles), and was inducted on the Board as an Executive Director in July 2000 and became the Managing Director in July 2005. Upon retiring from his Executive position on June 1, 2009, Mr Ravi Kant continues to be on the Company's Board of Directors as Vice-Chairman.

Prior to joining the Company, he was with Philips India Limited as Director of Consumers Electronics business and prior to which with LML Ltd. as Senior Executive Director (Marketing) and Titan Watches Limited as Vice President (Sales & Marketing).

Mr Ravi Kant holds a Bachelor of Technology degree in Metallurgical Engineering from the Institute of Technology, Kharagpur and a Masters degree in Science from the University of Aston, Birmingham, UK.

MR NUSLI N WADIA

Non Executive, Independent Director

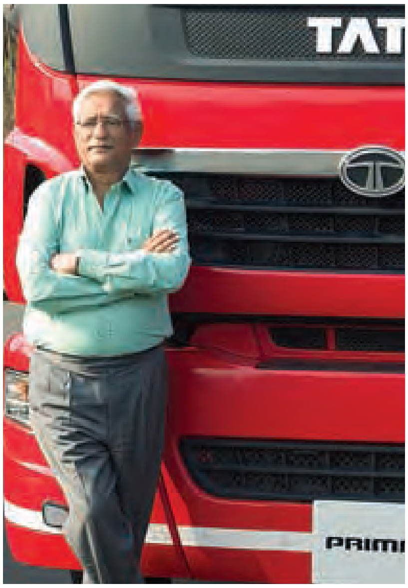
Educated in the UK, Mr Wadia is the Chairman of The Bombay Dyeing & Manufacturing Company Limited and heads the Wadia Group.

He is also the Chairman/Trustee of various charitable institutions and non-profit organisations.

Mr Wadia has been on the Company's Board since December 1998 as an Independent Director.


Dr Mashelkar with the Super Ace


Mr Munjee with the Xenon


Mr Bhargava with the Prima

DR RAGHUNATH A MASHELKAR
Non Executive, Independent Director

Dr Mashelkar is an eminent chemical engineering scientist retired from the post of Director General from the CSIR and is the President of Indian National Science Academy (INSA), National Innovation Foundation, Institution of Chemical Engineers, UK and Global Research Alliance. The President of India honoured Dr Mashelkar with the Padmashri (1991) and the Padmabhushan (2000).

Dr Mashelkar holds a Ph.D in Chemical Engineering from the Bombay University. He was appointed as an Independent Director of the Company w.e.f. August 28, 2007.

MR NASSER MUNJEE
Non Executive, Independent Director

Mr Nasser Munjee served with HDFC for over 20 years at various positions including as its Executive Director. He was the Managing Director of Infrastructure Development Finance Co. Ltd. (IDFC) up to March 2004. Presently he is the Chairman of Development Credit Bank (DCB) since June 2005 and is also on the Board of various Multinational Companies and Trusts. Mr Munjee is a Technical Advisor on the World Bank-Public Private Partnership Infrastructure and Advisory Fund.

Mr Munjee holds a Bachelor's degree and a Master's degree from the London School of Economics, UK.

He was appointed as an Independent Director w.e.f. June 27, 2008.

MR SUBODH BHARGAVA
Non Executive, Independent Director

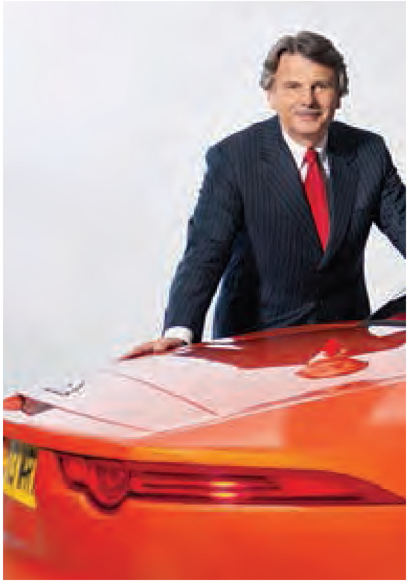
Mr Bhargava retired from Eicher Group of Companies as Group Chairman and Chief Executive in March 2000. He was the past President of the Confederation of Indian Industry (CII) and the Association of Indian Automobile Manufacturers; and the Vice President of the Tractor Manufacturers Association. He is currently associated as a Director of several Indian corporates, including Tata Communications Limited and Tata Steel Limited.

Mr Bhargava holds a degree in Mechanical Engineering from the University of Roorkee.

He was appointed as an Independent Director of the Company w.e.f. June 27, 2008.

BOARD OF DIRECTORS

Mr Jairath with the Marcopolo



Dr Speth with the Jaguar F-type

Ms Nayar with the Aria

MR VINESH K JAIRATH

Non Executive, Independent Director

Mr Jairath served as the Principal Secretary (Industries), Government of Maharashtra and has over 25 years of experience in public administration, rural development, poverty alleviation, infrastructure, finance, industry, urban development, environmental management and a touch of the private sector occupying various important positions in the Government of India and the State Government of Maharashtra.

Mr Jairath holds Bachelor of Arts Degree in Public Administration and Bachelor of Laws Degree, both, from the Punjab University, Masters in Economics from the University of Manchester, UK and joined Indian Administrative Service in 1982.

He was appointed as an Independent Director of the Company w.e.f. March 31, 2009.

DR RALF SPETH

Non Executive Director

Dr Ralf Speth was appointed to the post of Chief Executive Officer at Jaguar Land Rover on February 18, 2010. He is on the Board of Jaguar Land Rover Automobile PLC, UK.

Dr Speth earned a degree in Engineering from Rosenheim University, Germany and is a Doctorate of Engineering in Mechanical Engineering and Business Administration from Warwick University. Having served BMW for 20 years, Dr Speth joined Ford Motor Company's Premier Automotive Group as Director of Production, Quality and Product Planning.

He was appointed as a Director of the Company w.e.f. November 9, 2010.

MS FALGUNI S NAYAR

Non Executive, Independent Director

Ms Falguni Nayar has spent over 19 years with Kotak Mahindra Bank with the last 6 years as Managing Director and CEO of Kotak Investment Bank. She is currently the founder and CEO of Nykaa.com, an online shopping website for beauty and wellness products and also offers an online magazine, expert advice and virtual makeover tools. She was recognised as the 'Top Business Woman' by Business Today in 2009 and 2011 and has received the FICCI Ladies Organisation award for 'Top Woman Achiever' in the field of banking in 2008.

She holds a B.Com degree from the Mumbai University and a PGDM from IIM, Ahmedabad.

She was appointed as an Independent Director of the Company w.e.f. May 29, 2013.

Mr Slym with the Nano

Mr Pisharody with the Ultra

Mr Borwankar with the Sumo Gold

MR KARL J SLYM

Managing Director

Mr Karl Slym joined Tata Motors as the Managing Director in 2012. He leads operations of Tata Motors in India and international markets, excluding Jaguar and Land Rover business.

Before joining Tata Motors, Mr Slym was the Executive Vice President & Board Member, SGMW Motors, China (a General Motors Joint Venture), prior to which he was President, Managing Director and Board Member of General Motors in India. For over two decades, Mr Slym has been with Toyota and General Motors in various positions across geographies.

Mr Slym is an alumnus of Stanford University and a Sloan Fellow.

MR RAVINDRA PISHARODY

Executive Director (Commercial Vehicles)

Mr Ravindra Pisharody is the Executive Director (Commercial Vehicles) since June 21, 2012 having joined Tata Motors as Vice President Commercial Vehicles (Sales & Marketing), in 2007.

He is also on the board of various Tata Motors Group Companies.

Before joining Tata Motors, he worked with Castrol Ltd., a subsidiary of BP, and with Philips India, a subsidiary of the Dutch company in various roles.

Mr Pisharody is an alumnus of IIT, Kharagpur and IIM, Kolkata.

MR SATISH B BORWANKAR

Executive Director (Quality)

Mr Satish Borwankar started his career with Tata Motors in 1974, as a Graduate Engineer Trainee and is currently the Executive Director (Quality) w.e.f. June 21, 2012.

He has worked in various executive positions, for overseeing and implementing product development, manufacturing operations and quality control initiatives of the Commercial Vehicles Business Unit. He has played a significant role in setting up greenfield projects of the Company.

Mr Borwankar is a Mechanical Engineer from IIT, Kanpur.

DELIVERING EXPERIENCES

Leader
In commercial vehicles manufacturing in India

Largest
Automobile company in India

Over 8 million
Vehicles rolled out on Indian roads since inception

Tata Motors Limited is India's largest automobile company. It is the leader in commercial vehicles and among the leaders in passenger vehicles in India with winning products in the compact, midsize car and utility vehicle segments. It is also the world's fourth largest bus and fifth largest truck manufacturer.

Established in **1945,** Tata Motors' presence cuts across the length and breadth of India. Over **8 million Tata vehicles** ply on Indian roads, since the first rolled out in 1954. The Company's manufacturing base in India is spread across Jamshedpur (Jharkhand), Pune (Maharashtra), Lucknow (Uttar Pradesh), Pantnagar (Uttarakhand), Sanand (Gujarat) and Dharwad (Karnataka). The Company's dealership, sales, services and spare parts network comprises **over 6,600 touch points.** Through subsidiaries and associate companies, Tata Motors has operations in the UK, South Korea, Thailand, Spain, South Africa and Indonesia. Among them is **Jaguar Land Rover, acquired in 2008.**

SETTING BENCHMARKS

4th

LARGEST MANUFACTURER OF BUSES GLOBALLY

5th

LARGEST MANUFACTURER OF TRUCKS IN THE WORLD

2004

LISTED ON NYSE

62,000+

CONSOLIDATED WORKFORCE

182 countries

PRESENCE ACROSS THE WORLD

KEY PERFORMANCE INDICATORS

TATA MOTORS GROUP

₹ 79,274 crores

MARKET CAPITALISATION (AS ON MARCH 31, 2013)

₹ 1,89,629 crores

CONSOLIDATED TOTAL REVENUE IN 2012-13

₹ 9,893 crores

CONSOLIDATED PROFIT FOR THE YEAR 2012-13

PRODUCTION CAPABILITIES

(Domestic & International)	Units produced	Units Sold
Commercial Vehicles (CV)	606,963	593,897
Passenger Vehicles (PV)	580,334	598,082

4,500+

ENGINEERING TEAM STRENGTH

1.42 times
DEBT EQUITY RATIO

14.07%
EBITDA MARGIN

₹ 22,062 crores
NET CASH FROM OPERATIONS

12
NUMBER OF R&D CENTRES ACROSS THE WORLD

25+
NUMBER OF NEW PRODUCT LAUNCHES IN 2012-13

6,600+
SALES AND SERVICE TOUCH POINTS ACROSS THE WORLD

PRODUCTS AND BRANDS

COMMERCIAL VEHICLES

SMALL COMMERCIAL VEHICLES (SCV)
Ace | Super Ace | Ace Zip
Magic (Passenger) | Magic Iris (Passenger)

PICKUPS
RX Pickup | Xenon Pickup

LIGHT COMMERCIAL VEHICLES (LCV)
407 | 1109 | Ultra range

MEDIUM AND HEAVY COMMERCIAL VEHICLES (MHCV)
LPT 2523 | LPT 3723 | Novus | Prima trucks |
Construck tippers and tractors

LCV PASSENGER
Winger | Winger Platinum | City Ride LP709

BUSES
Globus | Starbus | Starbus Ultra | Hispano |
Marcopolo | Divo

PASSENGER VEHICLES

MICRO
Nano

COMPACT
Indica (eV2, Vista) | Indigo (eCS) | Vista D 90

MIDSIZE
Indigo | Manza

UTILITY VEHICLES (UV)
Sumo Gold | Sumo Grande | Safari Storme | Safari Dicor | Aria | Xenon XT

VANS
Venture

PREMIUM AND LUXURY
Jaguar (XF, XJ, XK) | Land Rover (Freelander, Defender, Discovery, Range Rover, Range Rover Sport, Evoque)

GLOBAL PRESENCE

Tata Motors leverages a comprehensive global distribution network operating in 182 countries and over 6,600 sales and service touch points.

NORTH AMERICA

5 COUNTRIES

UNITED STATES

Canada | Guam | Mexico | Puerto Rico

CENTRAL AND SOUTH AMERICA

37 COUNTRIES

Antigua and Barbuda | Argentina | Aruba | Bahamas | Barbados | Belize | Bermuda | Brazil | British Virgin Islands | Cayman Islands | Chile | Colombia | Costa Rica | Dominica | Dominican Republic | Ecuador | El Salvador | Falkland Isles | Guatemala | Grenada | Guyana | Haiti | Honduras | Jamaica | Netherland Antilles | Nicaragua | Panama | Paraguay | Peru | Saint Barthelemy | St. Kitts and Nevis | St. Lucia, West Indies | Suriname | Trinidad and Tobago | Turks and Caicos Islands | Uruguay | Venezuela

AFRICA

43 COUNTRIES

Algeria | Angola | Benin | Botswana | Burkina Faso | Burundi | Chad | Congo, Democratic Republic | Congo, Republic | Djibouti | Egypt | Eritrea | Ethiopia | Gabon | Gambia | Ghana | Guinea | Guinea-Bissau | Ivory Coast | Kenya | Liberia | Libya | Madagascar | Malawi | Malta | Mauritania | Mauritius | Morocco | Mozambique | Namibia | Nigeria | Rwanda | Senegal | Seychelles | Sierra Leone | South Africa | Sudan | Tanzania | Togo | Tunisia | Uganda | Zambia | Zimbabwe

MANUFACTURING FACILITIES:
SOUTH AFRICA
MOROCCO

EUROPE

51 COUNTRIES

UK

Albania | Andorra | Armenia | Austria | Azerbaijan | Belarus | Belgium | Bulgaria | Croatia | Cyprus | Czech Republic | Denmark | Estonia | Faroe Islands | Finland | France | Georgia | Germany | Gibraltar | Gran Canaria | Greece | Guadeloupe | Hungary | Iceland | Ireland | Israel | Italy | Kazakhstan | Latvia | Lithuania | Luxembourg | Macedonia | Malta | Martinique | Moldova | Monaco | Montenegro | Netherlands | Norway | Poland | Portugal | Reunion | Romania | Serbia | Slovakia | Slovenia | Spain | Sweden | Switzerland | Tenerife | Turkey | Ukraine

MANUFACTURING FACILITIES:
UK
SPAIN

R&D CENTRES:
UK
ITALY
SPAIN

ASIA AND OCEANIA

46 COUNTRIES

INDIA | CHINA

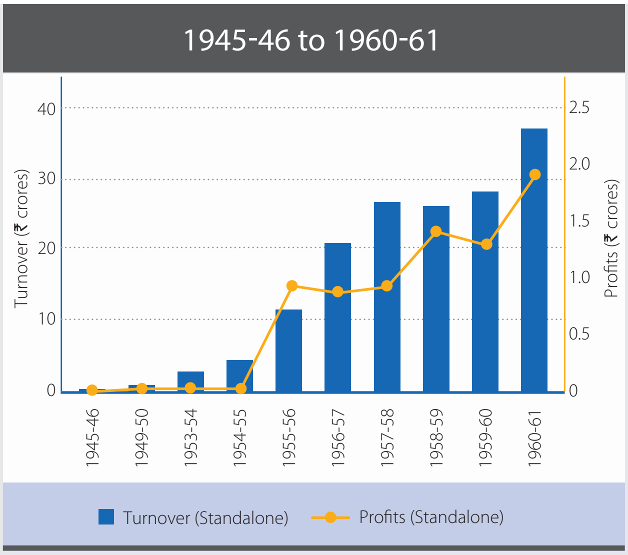
Afghanistan | Australia | Bahrain | Bangladesh | Bhutan | Brunei | Cambodia | Fiji | Hong Kong | Indonesia | Iraq | Israel | Japan | Jordan | Korea | Kuwait | Laos | Lebanon | Macau | Malaysia | Maldives | Mongolia | Myanmar | Nepal | New Caledonia | New Zealand | Oman | Pakistan | Palestine | Papua New Guinea | Philippines | Qatar | Russia | Saudi Arabia | Singapore | Sri Lanka | South Korea | Syria | Tahiti | Taiwan | Thailand | UAE | Vietnam | Yemen

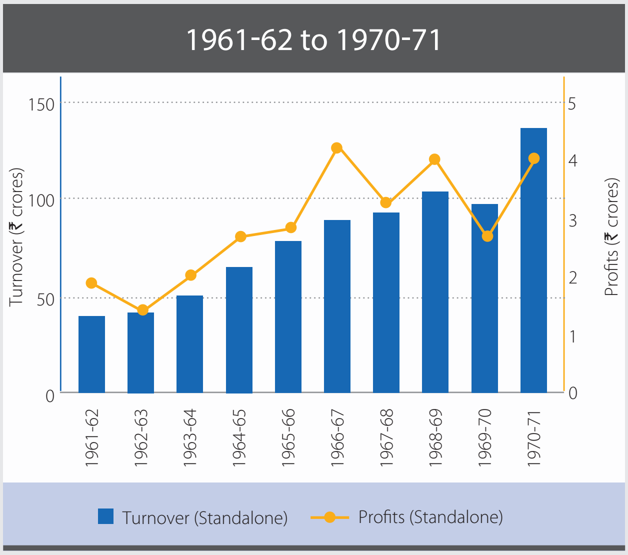
MANUFACTURING FACILITIES:
INDIA
THAILAND
SOUTH KOREA

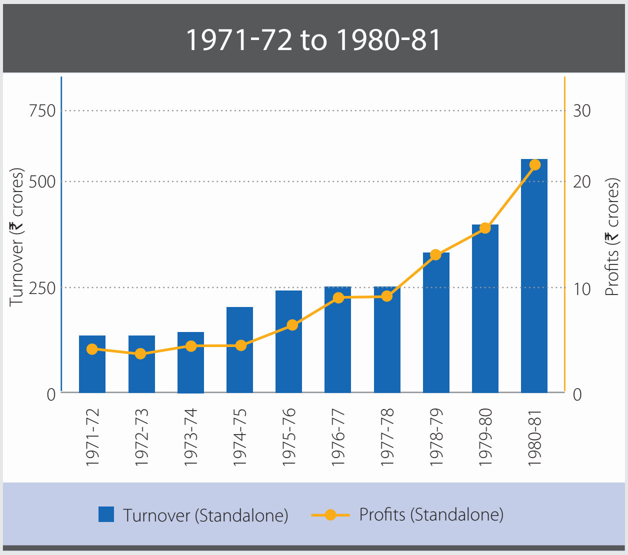
R&D CENTRES:
INDIA
SOUTH KOREA

MILESTONES

FIRST TRUCK ROLL-OUT IN 1954
The first diesel truck from the Tata-Mercedes Benz partnership







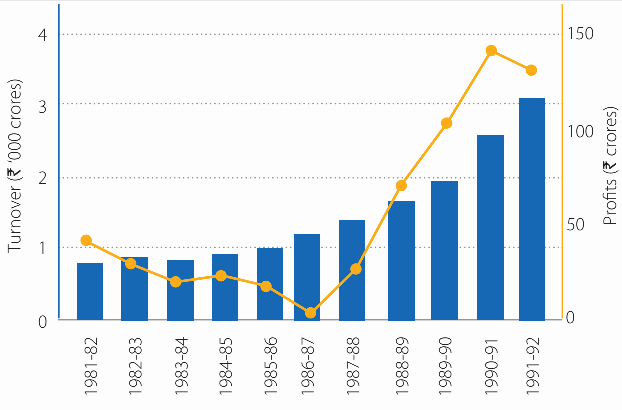
HIGHLIGHTS 2012-13

Tata Motors enters into **distribution agreement** in **Myanmar**

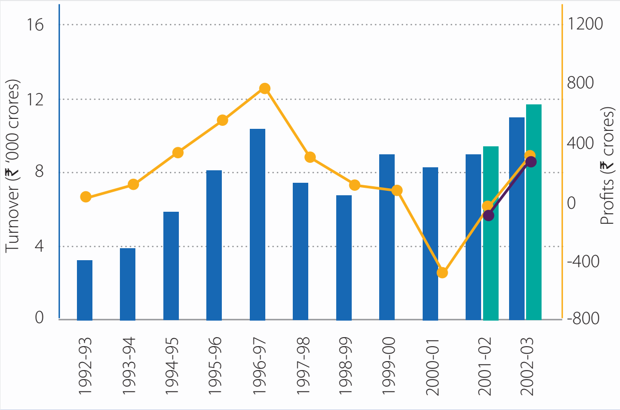
Launch of Tata Ace in South Africa

Tata Motors enters **Bangladesh's** new car market

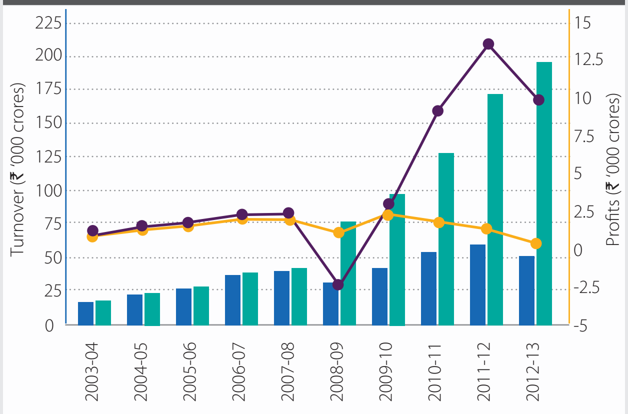
1981-82 to 1991-92



1992-93 to 2002-03



2003-04 to 2012-13



PRIMA CONSTRUCK TIPPER
Launched in 2010-11

Tata Motors **plant at Dharwad** comes on stream

Tata Safari Storme, the **Real SUV**, hits the road

Tata Ace races through the one-million mark in just **2,680 days**

DRIVING ACCOUNTABILITY

At Tata Motors we believe that accountability towards all our stakeholders – customers, dealers, employees, investors and communities – drives us to achieve newer heights of excellence.

Within the Company, accountability stems from every individual. A culture of accountability is inculcated within each member of our team to achieve our overall goal of delivering world-class products and experiences to our customers. This is in turn, is underscored by our philosophy of working together as one team with one vision.

Our value of accountability extends towards our dealers as well. **Our dealers are an important part of our stakeholder** group and we have taken measures to ensure that their goals growth and profitability are not compromised.

These measures include regular financial audits of dealers, reduction of interest costs and trade inventories. By limiting inventories to one month's reserves, we ensure that our dealers are able to swiftly respond to changing market demand.

Additionally, our **Tata Genuine Parts (TGP)** programme enables our customers to use **original Tata Motors spares**. These spares, easily identifiable by holograms, ensures that our customers benefit from our quality assurance and guarantee of better products.

DISPLAYING ACCOUNTABILITY AT WORK

To drive accountability across the organisation, as a team, we:

> Demonstrate integrity and respect for others at all times

> Go the extra mile to support the customer and deliver great business results

> Speak up and take ownership to help drive the success of decisions

> Look beyond your own immediate role and take a stand for what will deliver both short and long-term success

> Accept responsibility to learn and improve, not rationalise and explain

> Raise the bar on others to enhance the culture of accountability in the Company

FOCUSING ON CUSTOMERS & PRODUCTS

MAJOR LAUNCHES DURING THE YEAR

PASSENGER VEHICLES

- Tata Vista D90, a sportier, powerful hatchback
- Tata Safari Storme, the Real SUV
- Tata Manza, a Club Class sedan
- Tata Aria Pure LX
- Nano Special Edition
- Tata Indica eV2, the most fuel efficient hatchback in its class

COMMERCIAL VEHICLES

- Tata Xenon Pick-up, a stylish and rugged workhorse
- Tata LPT 3723, the first 5-axle rigid truck in the country, in the 10x4 configuration
- Tata PRIMA 4938 tractor
- Tata PRIMA 3138K tipper
- Tata PRIMA 4923
- Tata PRIMA 4023 tractor
- Tata LPK 3118 tipper

At Tata Motors, our focus on addressing customer requirements through a slew of product and service offerings is paramount to our business operations. At Tata Motors, we embracing better ways of working and smarter ways of satisfying our customers. Every day. The Tata brand has brought the best ever combination of technology, space, comfort, fuel efficiency to provide an exciting value proposition to customers in the Indian passenger vehicle market.

In addition to improving our operational efficiencies, we enhanced customer engagement through focused marketing campaigns and refreshing showroom decor and the sales experience.

Moreover, a system of key account management allows us to **reach out to customers to address specific concerns and gain insights into their experience with their vehicles.**

In the Commercial Vehicle segment we cemented our leadership through a series of launches. These launches were supported by:

- the launch of a telematics programme to enhance productivity
- an increased focus on AMC and our non-vehicle business
- a best-in-class warranty assurance and
- an increase in our service network by adding 400 new touchpoints

In our Passenger Vehicle segment attractive offers of select models such as the **Manza Club Class and the Indica eV2 drove increased mindshare among customers.**

Additionally, we revamped the Concorde showrooms in Prabhadevi, Mumbai, and South Extension, New Delhi and Pune to engage our customers and improve their purchase experience.

In order to remain relevant to our customers, we launched HORIZONEXT. An aggressive customer-focused strategy, HORIZONEXT aims to provide the best customer experience

- from best vehicle experience to superlative purchase experience
- technology-intense after-market service support.

Even as we work towards our next-generation product pipeline, we are bringing best-in-class vehicle experiences across different categories to enhance some of our great brands. With HORIZONEXT, we begin this exciting journey that will see several pioneering products and services for the ever-evolving customer.

EMPHASISING EXCELLENCE

At Tata Motors, excellence is a way of life. We focus on improving the performance and features of our products to ensure exciting driving experiences for our customers.

Connectivity is going to be the key change area of the future. Of about 650 million mobile phone users in India, about 10 percent use smartphones. Additionally of about 140 million internet users in the country, a significant number access the internet through their mobile devices. We have leveraged this opportunity to introduce **Blue 5 technology** to allow for seamless integration between our customers' personal space and the car space. With this in mind, we created a **touchscreen interface in the Manza, the first in its class in India.**

We work actively to create products based on environmentally-friendly and sustainable technology. We are consciously moving from conventional fuel-combustion engines to alternate fuel-based engines. We have among our products some of the best fuel economy cars in India.

Our hybrid CNG buses which, today, ply the streets of Madrid, Spain, are the first in the world to leverage this technology.

In order to improve the cost of ownership of our products, we are increasingly adopting newer technology platforms. This encompasses a clear focus on improving the efficiency of engines and drivelines while ensuring energy conservation. Our products across the Ultra and Prima ranges set industry standards in fuel economy.

In addition to performance, we emphasise on the design and styling of our products such that they meet the expectations of customers. Our facilities in Pune and Italy enable us to **meet international standards in design.** Our focus to keep the Indian spirit alive in our design gives us a distinct edge by making us the only passenger vehicle manufacturer in India which is self-sufficient in design.

ACHIEVING EXCELLENCE THROUGH ACTIONS

At Tata Motors, we are committed to the following tenets in excellence:

> Think, say and do excellence always and not be accepting of mediocrity

> Surface problems early and encourage others to do the same

> Stretch yourself to exceed your internal and external customer expectations

> Be 'outside in' and become a benchmark in the external world

> Celebrate wins as a team, work on the improvements as a team

> Use PDCA at every opportunity, short cycles to improve faster

DELIVERING WITH SPEED

At Tata Motors, we are intensifying our activities to bring our products to the market faster. Last year, we introduced over 25 new and refreshed products across segments to address changing needs of customers. As the markets slowed over the past year, we responded by repositioning our products from our range of vehicles.

As the markets realign to a newer economic reality, both in India and across the world, our robust pipeline of products which anticipate customer requirements will allow us to capture a strong foothold in key market segments. Our offerings in the **Commercial Vehicle division span a comprehensive range** of products built to address the specific requirements of functionality, load, comfort and engine capability.

In our commercial vehicle business, we anticipate market movement and recognise latent customer needs. For example, we introduced the Ace Zip, Tata Magic IRIS to cater to the Light Commercial Vehicle segment. We also anticipated arrival of international players and accordingly launched globally benchmarked products like the Tata Prima, the World Standard Range of Trucks. We are similarly anticipating the move to fully-built vehicles for trucks and buses. Our newly launched products showcase a best-in-class features, clear evolution of technology for a more refined drive, interiors defined by ergonomics and aesthetics, performance, design and human-machine interface.

Our focus on extending our pipeline of products **in the Passenger Vehicle division is based on a separate set of requirements, driven by evolving technology platforms and intensifying competition.** In order to meet and surpass the very precise customer requirements, our offerings from this division are constantly refreshed. As such, we have introduced lighter models providing space efficiency and better engine performance at preferred price points.

INCORPORATING SPEED IN OPERATIONS

> Prioritise and focus on the things that matter most

> Make balanced decisions based on the facts we have and the facts we absolutely need (use the 80% rule)

> Engage others up front and encourage diverse perspectives to enable better decisions

> Test ideas, experiment, recognise mistakes and course correct as necessary

> Take informed risks by evaluating both short and long term costs and benefits

SUSTAINABILITY

Our community development programme evolved to fulfill the most pressing needs of the community that are regularly assessed in consultation with various internal and external stakeholder groups. Our Community Development Strategy is periodically reviewed keeping pace with changing times.

We realise the value of inclusive growth and position our strategy to compliment Company's business objectives. We have adopted Tata Group Affirmative Action (AA) Policy towards inclusive growth of marginalised sections of society, the Scheduled Castes (SC) and Scheduled Tribes (ST). Every year, we participate in TAAP (Tata Affirmative Action Program) Assessment, developed on the lines of TBEM (Tata Business Excellence Model). Since inception, our AA Program has been top ranked and this year we also received TAAP Jury Award.

COMMUNITY DEVELOPMENT

AROGYA
- Medical Camps in villages
- Malnutrition treatment and construction of low-cost toilets
- Safe Drinking Water

VIDYADHANAM
- Scholarship programme
- Extra-coaching classes for weak students
- Infrastructure development

KAUSHALYA
- Training in Agriculture and Allied Activities
- Driver Training Program
- ITI adoption programme - training of youth in automotive trades

VASUNDHARA
- Sapling plantation
- Soil and Water Conservation
- Awareness Building on environmental issues

AROGYA

We provide curative and preventive medical facilities in communities with special focus on maternal and child health care. Our medical clinics not only provide necessary medicine but they also carry various social messages. Moreover, in the premises of this hospital, we have established a state-of-art 16 bedded Malnutrition Treatment Centre (MTC), in partnership with UNICEF Jharkhand. Since, inception this centre has saved lives of over 400 children.

AMRUTDHARA

Availability of clean, potable drinking water becomes an issue particularly during summer season and it adversely affects health of vulnerable sections – women, children and elderly. To bridge this gap, in 2010-11 we instituted Safe Drinking Water project under aegis of SMDF (Sumant Moolgaonkar Development Foundation). Till March 2013, we have provided drinking water solutions in 68 villages.

VIDYADHANAM

Our education programme envisions bringing a meaningful and positive impact on the lives of children residing in rural areas through effective, case based holistic approach. As a result of these focussed initiatives, students associated with our education initiative continuously posted more than 90% result in senior secondary examination.

KAUSHALYA

We have partnered with 135 ITIs across 19 states and focussed initiatives have been undertaken in these ITIs in terms of upgrading the in-house training facilities, improving the quality of training by Training the Trainer etc.

PROFESSIONAL DRIVER TRAINING PROGRAMME

Our Professional Driver Training Programme is aligned with the business needs of the organisation. We recognise that drivers are the primary customers of our commercial vehicles and to sustain business growth, more drivers will be required in upcoming years. During the year, we have trained 564 novice drivers through seven centres spread across the country. The initiative has developed strong governmental linkages particularly for the training fees subsidy of the candidates.

VASUNDHARA

In the present era of ever-increasing energy consumption, the importance of fuel such as biogas and biomass based power generation has greatly increased. At Sanand, as pilot project, we have installed 5 biogas units as pilot in 2 villages of Manipur and Melasana. At Pantnagar, we mentored community clubs to protect environment. Through these community clubs, we sensitised villagers about climate change and green environment.

In 2012-13, we have planted 230,000 trees in partnership with NGOs, Government Line departments and communities.

SUSTAINABILITY

INTERNATIONAL CSR INITIATIVES

JAGUAR LAND ROVER

In order to help the local community and strengthen JLR's reputation as a responsible business, JLR encourages its employees to volunteer their time, as an individual or as team, for education, youth development and environment. Volunteering projects offer personal development opportunities including the development of skills and competencies including leadership, team working, project management and communication.

In 2012, JLR donated over 17,000 hours of employee time on community projects and volunteering.

Inspiring Tomorrow's Engineers - School Education Programme

Jaguar Land Rover's 'Inspiring Tomorrow's Engineers' programme is working closely with schools across UK to promote learning and engagement with STEM subjects and to help create the next generation of engineers and technologists. In 2012, more than 22,000 school children and 2,000 teachers visited JLR Education Business Partnership Centres. A further 300 young people participated in work experience placements

National Schools Challenge Projects

As part of its programme to support the Government's STEM Agenda, JLR has worked in conjunction with other automotive, engineering and academic organisations to develop three national challenge programmes for schools. These educational challenges help to develop knowledge, skills and understanding of STEM subjects and promote engineering careers by providing pupils with hands-on projects that enable them to explore different aspects of the automotive industry in a stimulating and exciting way. In 2012, more than 200,000 young people directly participated in ITE.

TATA DAEWOO COMMERCIAL VEHICLE COMPANY

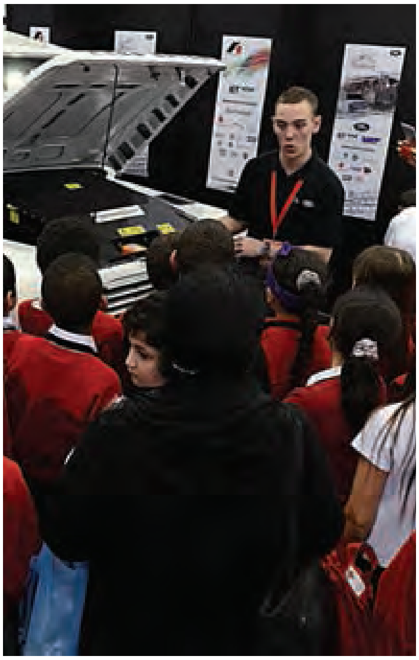
Tata Daewoo Commercial Vehicle Company (TDCV) has donated KRW 46.5 Million towards Scholarship, Delivery of coal briquette, donation of goods. The Company also conducted Training Program for Teachers in Jeobuk and adopted Gunsan Youngkwang Girls' Middle School under Company – School alliance program. TDCV Employees volunteered 2,424 hours towards helping in children and senior citizen shelters, building houses and blood donation. TDCV also won Nanum-nation grand prize Award with the Minister of Health and Welfare and Award a gold prize with the Republic of Korea National Red Cross.

TATA MOTORS SOUTH AFRICA

Tata Motors South Africa (TMSA) partnered with two organisations for reaching the poor community in Pretoria South Africa. TMSA donated wood to partner organisations. Earlier the packing wood generated out of the vehicle kits were sold at Rand 400 per tonne to the scrap buyers. Now this wood goes to underprivileged people living in low-cost housing areas.

GHANA

As a part of Joy of Giving Week, Tata Motors International Business Team Ghana and their family members visited country side orphanage in a remote location at Bawjaise, 2 hour drive from Accra. The orphanage was started in 1981 by Madam Emma Boafo with mission to provide parental care and training for the needy children to prepare them for the challenges of life with confidence. The orphanage currently supports more than 150 children with newborns and infants up to age of twelve. The team organised lunch and donated rice, books, notebooks and stationery to children.



Note: Tata Motors has published a detailed Business Responsibility Report. This is available for download on our website www.tatamotors.com

AWARDS AND ACHIEVEMENTS

TATA MOTORS

CORPORATE

- India's 2nd Most Reputed Company in the Nielsen Corporate Image Monitor (CIM) Study 2012-13
- India's Most Valuable Corporate Brand in the annual study done by Brand Finance
- Accredited with the 'Sustainable Plus' marque (Gold category) – the world's first Corporate Sustainability label by CII
- Forbes Fab50 list of the best publicly traded companies in Asia-Pacific, for thriving amid decelerating growth in Asia
- Star Performer Award 2011-12 by Indian Engineering Export Promotion Council (EEPC)
- Bankers Choice Award at the Asian Banker Leadership Awards 2012
- Golden Peacock Global Award for Sustainability 2012 for significant contribution towards corporate sustainability
- ET Now World CSR Award for Best CSR Practice
- Only Indian company to feature among top 15 in R&D in emerging economies – OECD Inclusive Development Report
- Best Learning Organisations of Asia (2011-12)
- Annual Gartner Top 25 Asia Pacific Supply Chain Organisations 2012
- Most Preferred CV of the Year at the Northeast Consumer Awards 2012
- IT Business Excellence Award by the Computer Society of India

MANUFACTURING

- Tata Motors PVBU plants, Pune & Ahmedabad were conferred the pinnacle Safety Award - Sword of Honour Award - by the British Safety Council (UK).
- Tata Motors Pantnagar plant received LEED India Gold rating

JAGUAR LAND ROVER

- No. 1 manufacturer in the J.D. Power & Associates & What Car? UK Vehicle Ownership Satisfaction Study (VOSS) 2012
- Platinum Big Tick In BITC'S CR Index for outstanding CSR
- Jaguar F-Type declared 2013 World Car Design of the Year
- Range Rover declared What Car? - Luxury Car of the Year
- Range Rover Evoque wins Best Compact SUV at 2012 Auto Express Awards
- Land Rover Discovery 4 3.0 SDV6 SE - Australia's Best Cars Best All Terrain 4WD Award

- Rural Marketing Association of India Award for Best CSR by a Brand & Best Long-term Rural Communication Initiative
- Champions of the Champions trophy at the Association of Business Communicators of India (ABCI) Awards

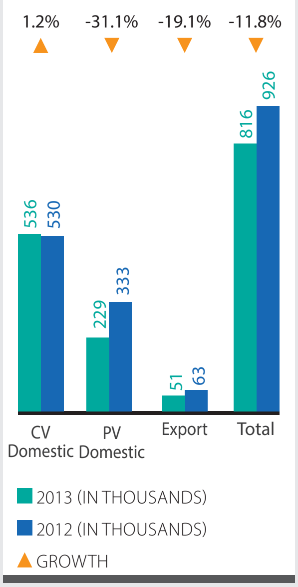
BRANDS

- The Tata Indigo eCS enters Limca Book of Records for a non-stop nation-wide endurance drive, across 19 states, covering over 14,000 kms, in just 15 days
- Tata Nano rated Most Trusted 4-wheeler brand - Brand Trust Report India Study 2013 and 2nd most trusted brand (4-wheeler) - ET Brand Equity Survey 2012.

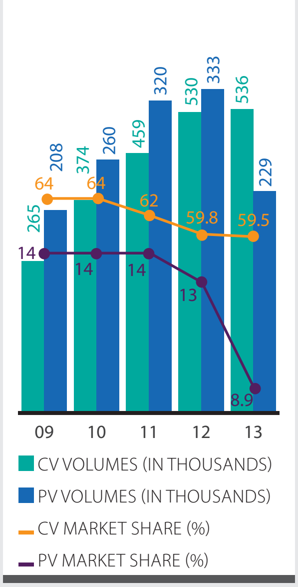
Mr. Karl Slym, Managing Director, Tata Motors, receiving the Indian Multinational of the Year award from the Hon'ble President of India, Mr Pranab Mukherjee.

FINANCIAL PERFORMANCE (Company Standalone)

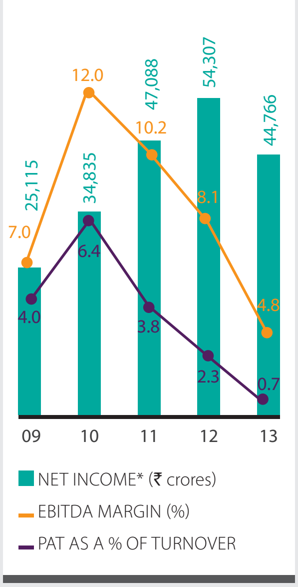
VOLUME GROWTH



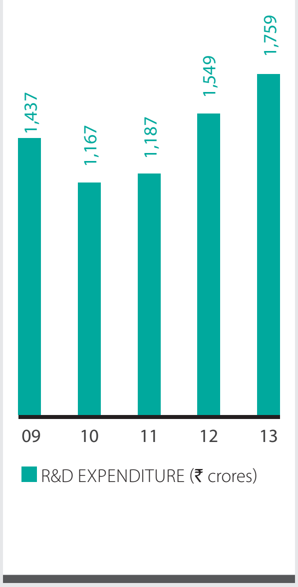
VEHICLE SALES (DOMESTIC) AND MARKET SHARE



NET INCOME, EBITDA MARGIN, NET MARGIN

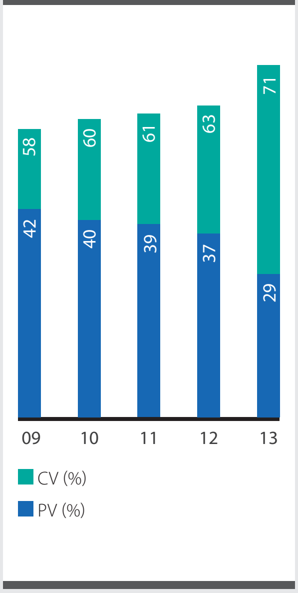


R&D EXPENDITURE

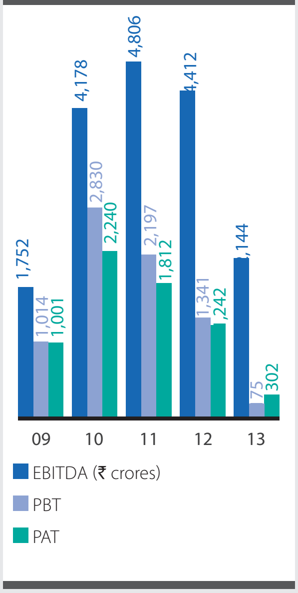


* Excludes Other Income

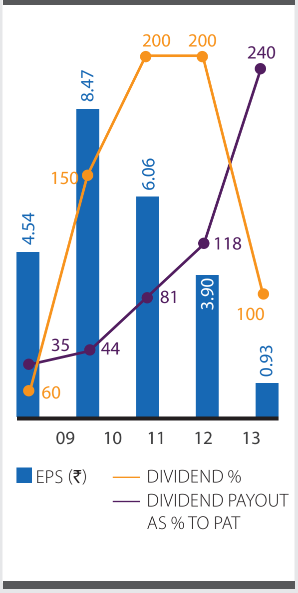
PRODUCT MIX (VOLUMES)



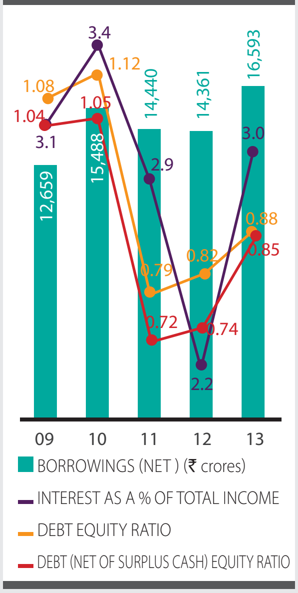
PROFITS (EBITDA, PBT, PAT)



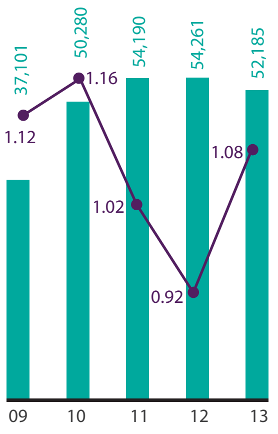
DIVIDEND & EPS



BORROWINGS (NET OF SURPLUS CASH) & INTEREST AS % OF SALES



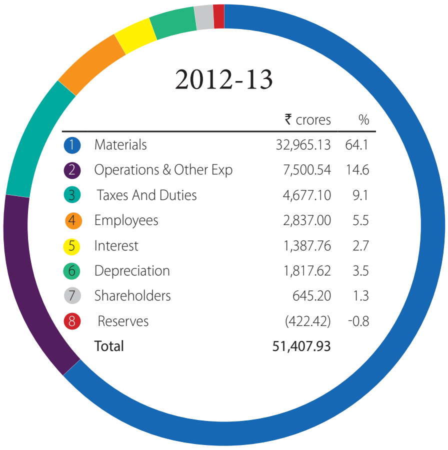
TOTAL ASSETS & ASSET TURNOVER RATIO



TOTAL ASSETS (₹ crores)

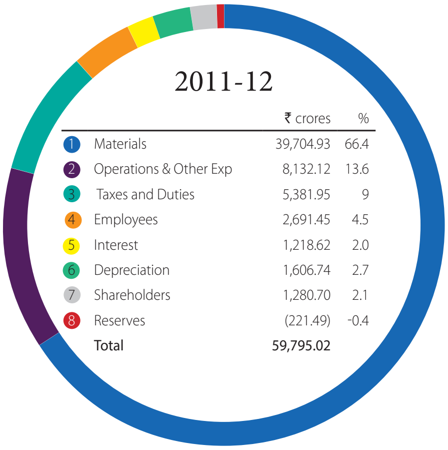
TOTAL ASSETS TURNOVER (TIMES)

DISTRIBUTION OF REVENUE



2012-13

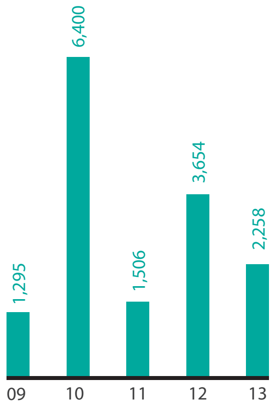
		₹ crores	%
1	Materials	32,965.13	64.1
2	Operations & Other Exp	7,500.54	14.6
3	Taxes And Duties	4,677.10	9.1
4	Employees	2,837.00	5.5
5	Interest	1,387.76	2.7
6	Depreciation	1,817.62	3.5
7	Shareholders	645.20	1.3
8	Reserves	(422.42)	-0.8
	Total	51,407.93	



2011-12

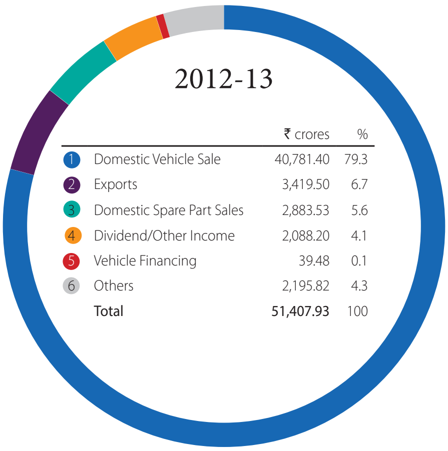
		₹ crores	%
1	Materials	39,704.93	66.4
2	Operations & Other Exp	8,132.12	13.6
3	Taxes and Duties	5,381.95	9
4	Employees	2,691.45	4.5
5	Interest	1,218.62	2.0
6	Depreciation	1,606.74	2.7
7	Shareholders	1,280.70	2.1
8	Reserves	(221.49)	-0.4
	Total	59,795.02	

NET CASH FROM OPERATIONS



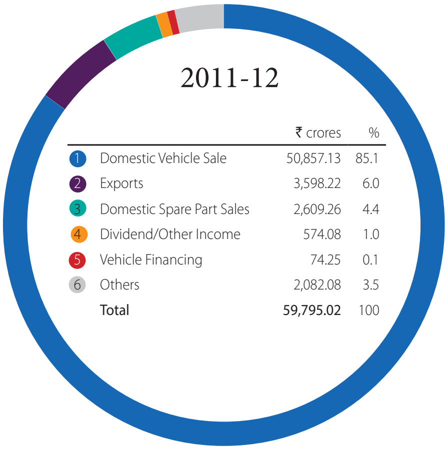
NET CASH FROM OPERATIONS (₹ crores)

SOURCES OF REVENUE



2012-13

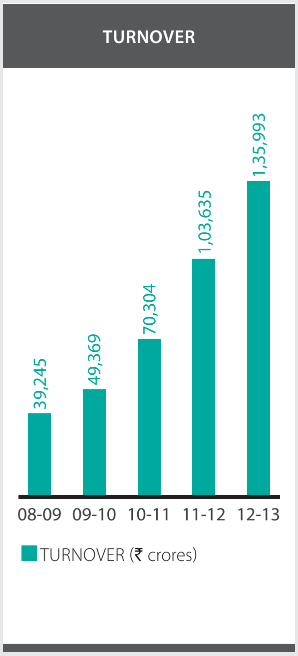
		₹ crores	%
1	Domestic Vehicle Sale	40,781.40	79.3
2	Exports	3,419.50	6.7
3	Domestic Spare Part Sales	2,883.53	5.6
4	Dividend/Other Income	2,088.20	4.1
5	Vehicle Financing	39.48	0.1
6	Others	2,195.82	4.3
	Total	51,407.93	100

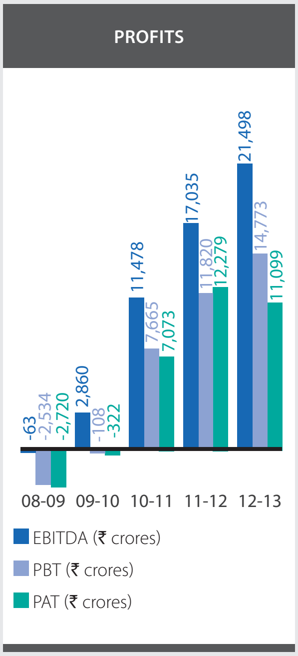


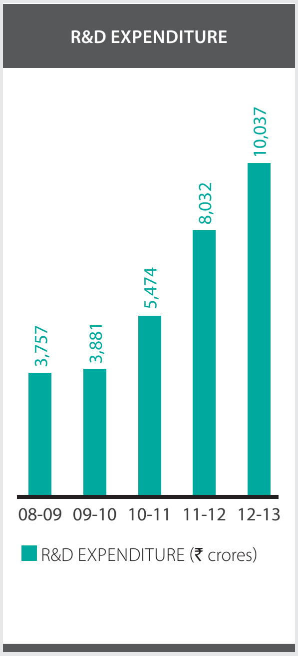
2011-12

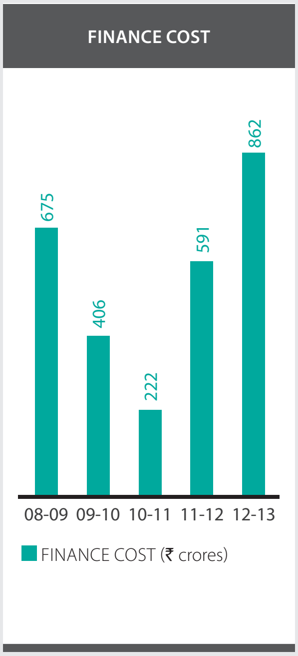
		₹ crores	%
1	Domestic Vehicle Sale	50,857.13	85.1
2	Exports	3,598.22	6.0
3	Domestic Spare Part Sales	2,609.26	4.4
4	Dividend/Other Income	574.08	1.0
5	Vehicle Financing	74.25	0.1
6	Others	2,082.08	3.5
	Total	59,795.02	100

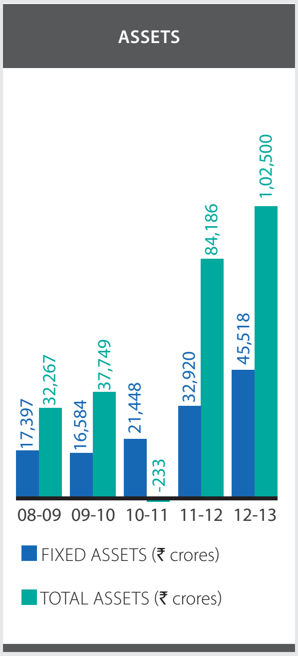
FINANCIAL PERFORMANCE (Jaguar Land Rover Group)

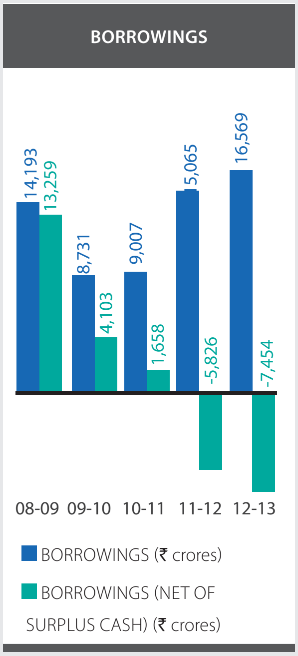




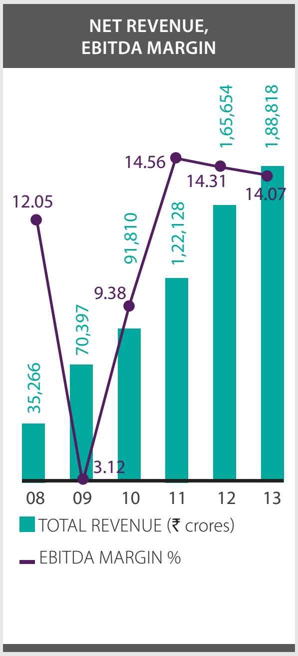


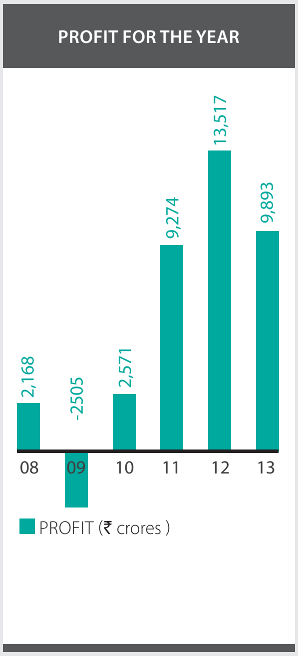


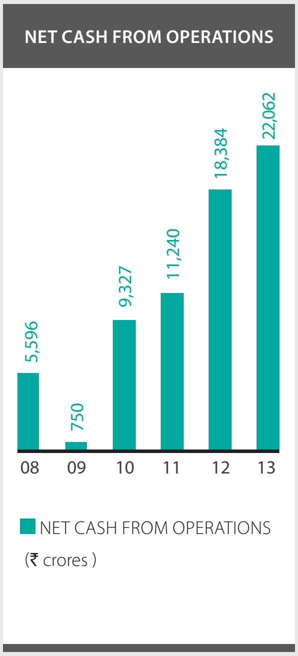


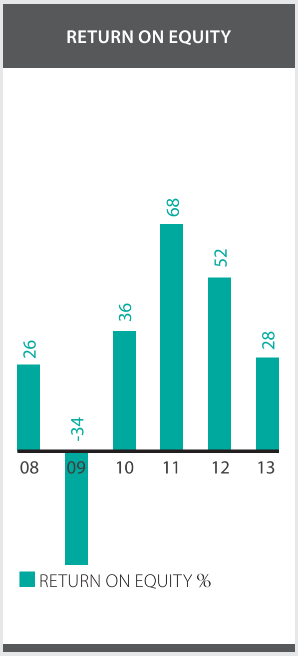


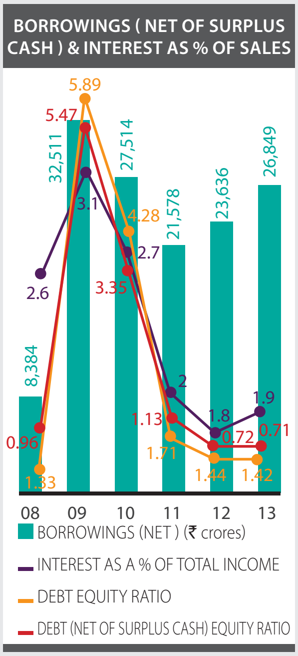
FINANCIAL PERFORMANCE (Tata Motors Group)











COMPANY (STANDALONE)

SUMMARISED BALANCE SHEET

(₹ crores)

		As at 31 March 2013	As at 31 March 2012
	WHAT THE COMPANY OWNED		
1.	Fixed assets	20,208.54	19,056.19
2.	Non-current investments	18,171.71	17,903.29
3.	Long-term loans and advances	3,575.24	3,488.11
4.	Other non-current assets	94.32	100.42
5.	Current assets	10,134.96	13,712.92
6.	**Total Assets**	52,184.77	**54,260.93**
	WHAT THE COMPANY OWED		
1.	Long-term borrowings	8,051.78	8,004.50
2.	Other long-term liabilities	1,238.44	1,959.63
3.	Long-term provisions	691.19	685.56
4.	Net worth		
	Share capital	638.07	634.75
	Reserves and surplus	18,496.77	18,732.91
5.	Deferred tax liabilities (net)	1,963.91	2,105.41
6.	Current liabilities	21,104.61	22,138.17
7.	**Total liabilities**	52,184.77	**54,260.93**

SUMMARISED PROFIT AND LOSS STATEMENT

(₹ crores)

		FY 2012-13	FY 2011-12
1.	**INCOME**		
	Revenue from operations	49,319.73	59,220.94
	Less : excise duty	4,554.01	4,914.38
		44,765.72	54,306.56
	Other income	2,088.20	574.08
		46,853.92	54,880.64
2.	**EXPENDITURE**		
	Cost of materials consumed	27,244.28	33,894.82
	Purchase of products for sale	5,864.45	6,433.95
	Changes in inventories of finished goods, work-in-progress and products for sale	(143.60)	(623.84)
	Employee cost / benefits expense	2,837.00	2,691.45
	Finance cost	1,387.76	1,218.62
	Depreciation and amortisation expense	1,817.62	1,606.74
	Product development expense/ engineering expenses	425.76	234.25
	Other expenses	7,773.65	8,405.51
	Expenditure transferred to capital and other accounts	(953.80)	(907.13)
	Total expenses	46,253.12	52,954.37
	Profit before exceptional items, extraordinary items and tax	600.80	1,926.27
	Exchange loss (net) including on revaluation of foreign currency		
	Borrowings, deposits and loans	263.12	455.24
	Provision for loan given to a subsidiary	245.00	130.00
	Profit on sale of a division	(82.25)	-
3.	**PROFIT BEFORE TAX FROM CONTINUING OPERATIONS**	174.93	1,341.03
	Tax (Credit) / expense	(126.88)	98.80
4.	**PROFIT AFTER TAX FROM CONTINUING OPERATIONS (3-4)**	301.81	1,242.23

TATA MOTORS GROUP (CONSOLIDATED)

SUMMARISED BALANCE SHEET

(₹ crores)

		As at 31 March 2013	As at 31 March 2012
	WHAT THE COMPANY OWNED		
1.	Fixed assets	69,483.61	56,212.50
2.	Goodwill (on consolidation)	4,102.37	4,093.74
3.	Non current investments	1,515.40	1,391.54
4.	Deferred tax assets (net)	4,428.93	4,539.33
5.	Long-term loans and advances	15,465.46	13,657.95
6.	Other non-current assets	1,023.95	574.68
7.	Current assets	74,006.73	64,461.47
8.	**Total assets**	**1,70,026.45**	**1,44,931.21**
	WHAT THE COMPANY OWED		
1.	Long term borrowings	32,110.07	27,962.48
2.	Other long-term liabilities	3,284.06	2,297.57
3.	Long -term provisions	8,319.15	6,232.39
4.	Net worth		
	Share capital	638.07	634.75
	Reserves and surplus	36,999.23	32,063.75
5.	Minority interest	370.48	307.13
6.	Deferred tax liability (net)	2,019.49	2,165.07
7.	Current liabilities	86,285.90	73,268.07
8.	**Total liabilities**	**1,70,026.45**	**1,44,931.21**

SUMMARISED PROFIT AND LOSS STATEMENT

(₹ crores)

		FY 2012-13	FY 2011-12
1.	**INCOME**		
	Revenue from operations	193,583.95	170,677.58
	Less : Excise duty	4,766.32	5,023.09
		188,817.63	165,654.49
	Other Income	811.53	661.77
		189,629.16	166,316.26
2.	**EXPENDITURE**		
	Cost of materials consumed	111,600.44	100,797.44
	Purchase of products for sale	11,752.07	11,205.86
	Changes in inventories of finished goods, work-in-progress and product for sale	(3,031.43)	(2,535.72)
	Employee cost / benefits expense	16,584.05	12,298.45
	Finance cost	3,553.34	2,982.22
	Depreciation and amortisation expense	7,569.30	5,625.38
	Product development expense / engineering expenses	2,021.59	1,389.23
	Other expenses	35,535.58	28,453.97
	Expenditure transferred to capital and other accounts	(10,191.97)	(8,265.98)
	Total expenses	175,392.97	151,950.85
	Profit before exceptional items, extraordinary items and tax	14,236.19	14,365.41
	Exchange loss (net) including on revaluation of foreign currency		
	Borrowings, deposits and loan	515.09	654.11
	Impairment of intangibles and other costs	87.62	177.43
3.	**PROFIT BEFORE TAX FROM CONTINUING OPERATIONS**	13,633.48	13,533.87
	Tax Expense / (Credit)	3,770.99	(40.04)
4.	**PROFIT AFTER TAX FROM CONTINUING OPERATIONS (3-4)**	9,862.49	13,573.91
	Share of Profit of Associates (Net)	113.79	24.92
	Minority Interest	(83.67)	(82.33)
5.	**PROFIT FOR THE YEAR**	9,892.61	13,516.50

COMPANY (STANDALONE)

FUNDS FLOW - LAST FIVE YEARS

(₹ crores)

			FY 2012-13	FY2011-12	FY 2010-11	FY2009-10	FY 2008-09
	SOURCES OF FUNDS						
1.	Funds generated from operations						
	A.	Profit after tax	301.81	1,242.23	1,811.82	2,240.08	1,001.26
	B.	Depreciation (including Lease Equalisation)	1,813.10	1,602.23	1,356.26	1,029.36	870.05
	C.	Provision / (Reversal) for diminution in value of investments (net)	(9.67)	-	34.00	61.05	(1.96)
	D.	Net deferred tax charge	(127.44)	98.24	376.30	589.46	(2.50)
	E.	Credit for Dividend Distribution Tax of Subsidiary Companies	1.48	1.48	-	-	15.29
	F.	Exchange gain (net) on Long term Foreign currency monetary items deferred consequent to amendment to AS-11 [Note b(iii)]	43.35	(258.35)	161.69	(325.81)	106.23
	G.	Marked to Market Exchange loss on Forward contracts transferred to Hedging Reserve Account on adoption of principles of hedge accounting under AS30 [Note b(v)]	-	-	-	132.57	(132.57)
	H.	Profit on sale of a division	(82.25)	-	-	-	-
	Total		1,940.38	2,685.83	3,740.07	3,726.71	1,855.80
2.	Proceeds from Rights issue of Ordinary shares and 'A' Ordinary shares		-	-	-	-	4,139.33
3.	Proceeds from issue of Global Depository Shares		-	-	-	1,794.19	-
4.	Proceeds from QIP issue		-	-	3,351.01	-	-
5.	Proceeds from FCCN, Warrants and Convertible Debentures converted into Ordinary Shares and premium thereon		233.00	0.02	1,493.32	1,555.76	8.52
6.	(a)	Decrease in Working Capital	292.96	-	-	2,145.94	-
	(b)	Decrease in Finance receivables	64.77	144.96	366.41	1,393.58	406.22
7.	Increase in Borrowings (net of repayments)		918.38	-	-	3,460.35	6,885.04
8.	Investment sold (net of investment made)		568.83	2,130.66	-	-	-
9.	Decrease in short term deposits with banks		576.08	525.86	-	-	1,081.85
10.	Proceeds from sale of a division		110.00	-	-	-	-
			4,704.40	5,487.33	8,950.81	1,4076.53	14,376.76
	APPLICATION OF FUNDS						
11.	Capital Expenditure (net)		2,952.38	3,346.88	2,396.29	2,873.33	5,118.13
12.	Repayment of Borrowings (net of additional borrowings)		-	34.86	695.79	-	-
13.	Investments made (net of sales)		-	-	321.31	9,429.82	8,055.90
14.	Payment of Redemption Premium on NCD		96.55	-	71.96	-	-
15.	Increase in short term deposits with banks		-	-	804.66	490.67	-
16	Increase in Working Capital		-	571.38	3,000.57	-	830.47
17.	Dividends (including tax thereon)		724.23	1,463.72	1,467.03	991.94	345.70
18.	Premium paid on redemption of CARS		843.37	-	-	-	-
19.	Miscellaneous Expenditure (to the extent not written off or adjusted) and utilisation of Securities Premium Account [Note (a) below]		87.87	70.49	193.20	290.77	26.56
			4,704.40	5,487.33	8,950.81	1,4076.53	14,376.76
	NOTES :						
(a)	Utilisation of Securities Premium Account includes FCCN / CARS / Rights issue expenses and premium on redemption of Debentures		87.87	70.49	193.20	292.79	30.59
(b)	The Sources and Application of funds does not include						
	(i)	Provision for premium on redemption of CARS / FCCN	83.19*	929.46*	941.08*	1,001.46*	835.19*
	(ii)	Liability towards premium on redemption of NCD	(1,577.28)	1,673.83	1,673.83	1,745.79	-
	(iii)	Exchange gain (net) adjusted from General Reserve to Foreign Currency Monetary Item Translation Difference Account relating to FY 2007-08 consequent to amendment to AS11	-	-	-	-	57.89*
	(iv)	Exchange loss (net) on forward contracts adjusted to General Reserve on adoption of principles of hedge accounting under AS30	-	-	-	-	6.87*
	(v)	Deferred Tax on account of item 1(G)	-	-	-	(45.06)	45.06
		*net of deferred tax					
(c)	Figures for the previous years have been regrouped wherever necessary.						

NOTICE

NOTICE IS HEREBY GIVEN THAT THE SIXTY-EIGHTH ANNUAL GENERAL MEETING OF TATA MOTORS LIMITED will be held on Wednesday, August 21, 2013 at 3:00 p.m., at Birla Matushri Sabhagar, 19, Sir Vithaldas Thackersey Marg, Mumbai 400 020 to transact the following business:

Ordinary Business

1. To receive, consider and adopt the Audited Statement of Profit and Loss for the year ended March 31, 2013 and the Balance Sheet as at that date together with the Reports of the Directors and the Auditors thereon.
2. To declare a dividend on Ordinary Shares and 'A' Ordinary Shares.
3. To appoint a Director in place of Mr Nusli N Wadia, who retires by rotation and is eligible for re-appointment.
4. To appoint a Director in place of Dr Raghunath A Mashelkar, who retires by rotation and is eligible for re-appointment.
5. To appoint Auditors and fix their remuneration.

Special Business

6. Appointment of Ms Falguni S Nayar as a Director

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

"RESOLVED that Ms Falguni S Nayar who was appointed by the Board of Directors as an Additional Director of the Company on May 29, 2013 and who holds office upto the date of this Annual General Meeting of the Company, in terms of Section 260 of the Companies Act, 1956 ("the Act"), but who is eligible for appointment and in respect of whom the Company has received a notice in writing from a Member under Section 257 of the Act proposing her candidature for the office of Director of the Company, be and is hereby appointed a Director of the Company."

7. Appointment of Mr Karl J Slym as a Director

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

"RESOLVED that Mr Karl J Slym, who was appointed by the Board of Directors as an Additional Director of the Company with effect from September 13, 2012 and who holds office upto the date of this Annual General Meeting of the Company, in terms of Section 260 of the Companies Act, 1956 ("the Act"), but who is eligible for appointment and in respect of whom the Company has received a notice in writing from a Member under Section 257 of the Act proposing his candidature for the office of Director of the Company, be and is hereby appointed a Director of the Company."

8. Appointment of Mr Karl J Slym as the Managing Director

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

"RESOLVED that pursuant to the provisions of Sections 198, 269, 309, and other applicable provisions, if any, of the Companies Act, 1956 ("the Act"), as amended or re-enacted from time to time, read with Schedule XIII of the Act and subject to the approval of the Central Government, the Company hereby approves of the appointment and terms of remuneration of Mr Karl J Slym as the Managing Director of the Company for the a period of 5 years with effect from September 13, 2012, upon the terms and conditions, including the remuneration to be paid in the event of inadequacy of profits in any financial year as set out in the Explanatory Statement annexed to the Notice convening this meeting, with liberty to the Directors to alter and vary the terms and conditions of the said appointment in such manner as may be agreed to between the Directors and Mr Slym."

"RESOLVED FURTHER that the Board of Directors or a Committee thereof of the Company, be and is hereby authorised to take all such steps as may be necessary, proper and expedient to give effect to this Resolution."

9. Commission to non Whole-time Directors

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

"RESOLVED that pursuant to the provisions of Section 309 and other applicable provisions, if any, of the Companies Act, 1956 ("the Act"), (including any statutory modification or re-enactment thereof for the time being in force) a sum not exceeding one percent per annum of the net profits of the Company calculated in accordance with the provisions of Sections 198, 349 and 350 of the Act, be paid to and distributed amongst the non whole-time Directors of the Company or some or any of them in such amounts or proportions and in such manner and in all respects as may be decided and directed by the Board of Directors and such payments shall be made in respect of the profits of the Company for each year, for a period of five financial years commencing from April 1, 2013."

10. Increase in the limit for holding by registered Foreign Institutional Investors (FIIs) for 'A' Ordinary Shares

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

"RESOLVED that in partial modification to the resolution passed by the Shareholders vide postal ballot dated January 22, 2004 and pursuant to the applicable provisions of Foreign Exchange Management Act, 1999, the Foreign Exchange Management (Transfer or Issue of Security by a Person Resident Outside India) Regulations, 2000, as amended from time to time and all other applicable rules, regulations, guidelines and laws (including any statutory modifications or re-enactment thereof, from time to time) and subject to all applicable approvals, permissions and sanctions and subject to such conditions as may be prescribed by any of the concerned authorities while granting such approvals, permissions and sanctio ns, which may be agreed to by the Board of Directors of the Company (the 'Board', which term shall be deemed to include any committee which the Board may have constituted or hereinafter constitute to exercise its powers including the powers conferred by this Resolution), consent to the Company be and is hereby accorded to the Board to permit Foreign Institutional Investors ("FIIs") registered with the Securities and Exchange Board of India ("SEBI") to acquire and hold, on their own account and/or on behalf of the their SEBI approved sub-accounts under the Portfolio Investment Scheme (PIS), 'A' Ordinary Shares (AOS) of the Company, upto 75% of the paid-up AOS Capital of the Company and that FIIs continue to be permitted to acquire and hold on their account and/or on behalf of their sub-accounts under the PIS, Ordinary Shares (OS) of the Company upto 35% of the total paid-up Ordinary Share Capital of the Company; provided however that the shareholdings of each FIIs on its own account and on behalf of each of the SEBI approved sub-accounts in the Company shall not exceed such limits as may be permitted by applicable law and approved by the Board."

"RESOLVED FURTHER that the Board be and is hereby authorized to do all such acts, deeds and things and execute all documents or writings as may be necessary, proper or expedient for the purpose of giving effect to this Resolution and for any matter connected therewith or incidental thereto and delegating all or any of the powers conferred herein to any Committee, Directors or Officers of the Company."

"RESOLVED FURTHER that the Board be and is hereby authorized to settle all questions, difficulties or doubts that may arise in relation to the above matter without being required to seek any further consent or approval of the Members or otherwise and the Members shall be deemed to have given their approval thereto expressly by the authority of this resolution."

By Order of the Board of Directors

H K SETHNA

Company Secretary

Mumbai, May 29, 2013

Registered Office:

Bombay House, 24, Homi Mody Street, Mumbai 400 001

NOTES:

a. The relative Explanatory Statement pursuant to Section 173 of the Companies Act, 1956 in respect of the business under Item Nos. 6 to 10 set out above and details as required under Clause 49 of the Listing Agreement entered into with the Stock Exchanges in respect of Directors seeking appointment/ reappointment at this Annual General Meeting are annexed hereto.

b. A MEMBER ENTITLED TO ATTEND AND VOTE IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE ON A POLL INSTEAD OF HIMSELF AND THE PROXY NEED NOT BE A MEMBER. The instrument appointing Proxy as per the format included in the Annual Report should be returned to the Registered Office of the Company not less than FORTY-EIGHT HOURS before the time for holding the Meeting. Proxies submitted on behalf of limited companies, societies, partnership firms, etc. must be supported by appropriate resolution/authority, as applicable, issued by the member organization.

c. Corporate Members intending to send their authorised representatives to attend the meeting are requested to send to the Company, a certified copy of the Board Resolution authorising their representative to attend and vote in their behalf at the Meeting.

d. Only registered Members (including the holders of 'A' Ordinary Shares) of the Company may attend and vote at the Annual General Meeting. The holders of the American Depositary Receipts (the 'ADRs') and Global Depositary Receipts (the 'GDRs') of the Company shall not be entitled to attend the said Annual General Meeting. However, the ADR holders are entitled to give instructions for exercise of voting rights at the said meeting through the Depositary, to give or withhold such consents, to receive such notice or to otherwise take action to exercise their rights with respect to such underlying shares represented by each such American Depositary Share. A brief statement as to the manner in which such voting instructions may be given is being sent to the ADR holders by the Depositary.

In respect of 'A' Ordinary Shares, if any resolution at the meeting is put to vote by a show of hands, each 'A' Ordinary Shareholder shall be entitled to one vote, i.e., the same number of votes as available to holders of Ordinary Shares. If any resolution at the meeting is put to vote on a poll, or if any resolution is put to vote by postal ballot, each 'A' Ordinary Shareholder shall be entitled to one vote for every ten 'A' Ordinary Shares held.

e. In case of joint holder attending the Meeting, only such joint holder who is higher in the order of names will be entitled to vote.

f. The Register of Members and Transfer Books of the Company will be closed from Thursday, August 1, 2013 to Wednesday, August 21, 2013, both days inclusive. If the dividend as recommended by the Board of Directors is approved at the Annual General Meeting, payment of such dividend will be made on or after August 23, 2013 as under:

   i. To all Beneficial Owners in respect of shares held in electronic form, as per the data made available by the National Securities Depository Limited and the Central Depository Services (India) Limited, as of the close of business hours on July 31, 2013.

   ii. To all Members in respect of shares held in physical form, after giving effect to valid transfers in respect of transfer requests lodged with the Company on or before the close of business hours on July 31, 2013.

   iii. The 'A' Ordinary Shareholders will receive dividend for any financial year at five percentage points more than the aggregate rate of dividend declared on Ordinary Shares for that financial year.

g. Members whose e-mail id is not registered with the Company, have been sent a copy of this notice alongwith the abridged annual report at their registered address. Soft copies of the full annual report have been sent to the members who have registered their email ids for the said purpose. A hard copy of the full annual report will be provided to any member requesting for the same.

h. Securities and Exchange Board of India (SEBI) has mandated all listed companies to update bank details of their shareholders to enable usage of the electronic mode of remittance such as ECS [LECS (Local ECS) / RECS (Regional ECS) / NECS (National ECS)], NEFT for distributing dividends and other cash benefits to its shareholders. Further in cases where either the bank details such as MICR (Magnetic Ink Character Recognition), IFSC (Indian Financial System Code), etc. that are required for making electronic payment are not available or the electronic payment instructions have failed or have been rejected by the bank, the companies may use physical payment instruments for making cash payments to their investors. Companies shall mandatorily print the bank account details of the investors on such payment instruments.

   Payment of dividend and other cash benefits through electronic mode has many advantages like prompt credit, elimination of fraudulent encashment, delay in transit. We request you to spare a few minutes of your valuable time in updating your bank details as under:

   - In case your holding is in dematerialized form, please instruct your Depository Participant to update your bank details in your demat account.

   - In case your holding is in physical form, please inform the Company's Registrars and Transfer Agents alongwith a photocopy of a blank cancelled cheque of your bank account.

   In case you do not avail of the said electronic mode for payments, the Company will print the bank details provided by you on the payment instrument.

i. SEBI has mandated the submission of Permanent Account Number (PAN) for participating in the securities market, deletion of name of deceased holder, transmission/ transposition of shares. Members are requested to submit the PAN details to their Depository Participant in case of holdings in dematerialised form or to the Company's Registrars and Transfer Agents, in case of holdings in physical form, mentioning your correct reference folio number.

j. Members holding shares in dematerialised mode are requested to intimate all changes pertaining to their bank details, NECS, mandates, nominations, power of attorney, change of address/name, PAN details, etc. to their Depository Participant only and not to the Company's Registrars and Transfer Agents. Changes intimated to the Depository Participant will then be automatically reflected in the Company's records which will help the Company and its Registrars and Transfer Agents to provide efficient and better service to the Members.

k. Members' attention is particularly drawn to the "Corporate Governance" section in respect of unclaimed and unpaid dividends.

l. Members desiring any information as regards the Accounts are requested to write to the Company at an early date so as to enable the Management to keep the information ready at the Meeting.

m. As an austerity measure, copies of the Annual Report will not be distributed at the Annual General Meeting. Members are requested to bring their attendance slip alongwith a copy of Annual Report to the Meeting.

Explanatory Statement

The following Explanatory Statement, pursuant to Section 173 of the Companies Act, 1956 ("the Act"), sets out all material facts relating to the business mentioned at Item Nos. 6 to 10 of the accompanying Notice dated May 29, 2013:

Item No.6: The Board of Directors ('the Board') appointed Ms Falguni S Nayar as an Additional Director of the Company on May 29, 2013, pursuant to Section 260 of the Act and Article 132 of the Articles of Association of the Company. Under Section 260 of the Act, Ms Nayar ceases to hold office at this Annual General Meeting but is eligible for appointment as a Director. Notice under Section 257 of the Act has been received from a Member signifying his intention to propose Ms Nayar's appointment as a Director. Ms Nayar holds a B.Com, PGDM (from IIM, Ahmedabad) and has been an investment banker having spent over 19 years with Kotak Mahindra Bank with the last 6 years as Managing Director and CEO of Kotak Investment Bank. Prior to this, she was with A F Ferguson & Co. as Manager. She is currently the founder and CEO of Nykaa.com, an online shopping website for beauty and wellness products. Brief Information of Ms Nayar is given in the Annexure attached to the Notice.

The Board considers it desirable that the Company should continue to avail of the services of Ms Nayar and accordingly commends the Resolution at Item No. 6 for approval by the Members.

Ms Nayar is not related to any other Director of the Company. Ms Nayar is concerned or interested in Item No. 6 of the Notice.

Item Nos. 7 and 8: Mr Karl Slym was appointed as Additional Director and the Managing Director of the Company w.e.f. September 13, 2012 and was entrusted with the overall responsibility of Tata Motors' operations in India and international markets which, ***inter alia,*** included South Korea, Thailand, Spain, Indonesia and South Africa. Jaguar Land Rover would continue to be managed independently.

Mr Slym has been the Executive Vice President and Board member of SGMW Motors China, (a General Motors Joint Venture), prior to which, he was the President, Managing Director and Board Member of General Motors in India from 2007 to 2011. He has had a 17 years' career in General Motors in various positions in different geographies. Before joining General Motors, Mr Slym, worked for Toyota U.K. He is an alumnus of Stanford University and a Sloan Fellow. Mr Slym, a British resident and national, holds a valid employment Visa and registration certification issued by the Foreigners Regional Registration Office, Mumbai. Brief information of Mr Slym is given in the Annexure attached to the Notice.

Taking into consideration the size and complexity of the Company's global operations, the enormous responsibility for oversight of the Tata Motors' Group (excluding Jaguar Land Rover business) and the qualifications and accomplishments of Mr Slym, the Board vide Resolution dated August 14, 2012 subject to the approval of the Members and the Central Government, appointed Mr Slym as an Additional Director and also the Managing Director ("Mr Slym or the Managing Director") of the Company.

Under Section 260 of the Act, Mr Slym ceases to hold office at this Annual General Meeting but is eligible for appointment as Director. Notice under Section 257 of the Act has been received from a Member signifying his intention to propose Mr Slym's appointment as a Director and the Members' approval is sought for the said proposal, vide Resolution at Item No.7.

Pursuant to Section 302 of the Act, an Abstract of the main terms and conditions of Mr Slym's appointment dated August 28, 2012 was sent to the Members for their information. An application has also been made to the Central Government in respect of the said appointment and remuneration to be paid to Mr Slym and the appointment is subject to receipt of the said approval..

The terms of appointment and remuneration as approved by the Board include:-

(1) **Tenure of Appointment:** 5 years commencing from September 13, 2012, the date of appointment.

(2) **Nature of duties:** The Managing Director shall, devote his whole time and attention to the business of the Company and carry out such duties as may be entrusted to him by the Board from time to time and separately communicated to him. Subject to the superintendence, control and directions of the Board, the Managing Director be entrusted with substantial powers of management which are in connection with and in the best interest of the business of the Company and the business of any one or more of its associated companies and/or subsidiaries, including performing duties as assigned by the Board from time to time by serving on the boards of such associated companies and/or subsidiaries or any other executive body or any committee of such a company.

(3) **Remuneration:**

(a) Salary: US$18,500/- p.m. (rupee equivalent at the applicable rate on the date of payment); (b) Bonus, incentive remuneration, if any, and/or commission based on certain performance criteria to be laid down by the Board; (c) Benefits, perquisites, allowances as may be determined by the Board from time to time.

Minimum Remuneration: Notwithstanding anything to the contrary herein contained, wherein any financial year during the currency of the tenure of the Managing Director, the Company has no profits or its profits are inadequate, the Company will pay to the Managing Director remuneration by way of salary, bonus, incentive remuneration, perquisites and allowances, as specified above.

(4) **Other terms of appointment**:

(i) The Managing Director, so long as he functions as such, shall not become interested or otherwise concerned, directly or through his spouse and/or children, in any selling agency of the Company.

(ii) The terms and conditions of appointment of Managing Director may be altered and varied from time to time by the Board as it may, in its discretion deem fit, irrespective of the limits stipulated under Schedule XIII to the Act or any amendments made hereafter in this regard in such manner as may be agreed to between the Board and the Managing Director, subject to such approvals as may be required.

(iii) This appointment may be terminated by either party by giving to the other party six months' notice of such termination or the Company paying six months' remuneration in lieu of the Notice.

(iv) The employment of the Managing Director may be terminated by the Company without notice or payment in lieu of notice:

a. if the Managing Director is found guilty of any gross negligence, default or misconduct in connection with or affecting the business of the Company or any subsidiary or associated company to which he is required by the Agreement to render services; or

b. in the event of any serious repeated or continuing breach (after prior warning) or non-observance by the Managing Director of any of the stipulations contained in the Agreement executed between the Company and the Managing Director; or

c. in the event the Board expresses its loss of confidence in the Managing Director.

(v) In the event the Managing Director is not in a position to discharge his official duties due to any physical or mental incapacity, the Board shall be entitled to terminate his contract on such terms as the Board may consider appropriate in the circumstances.

(vi) Upon termination by whatever means of the Managing Director's employment:

a. the Managing Director shall immediately tender his resignation from offices held by him in any subsidiaries, associated companies and other entities without claim for compensation for loss of office.

b. the Managing Director shall not without the consent of the Company at any time thereafter represent himself as connected with the Company or any of its subsidiaries or associated companies.

(vii) Mr Slym's appointment shall be subject to the provisions of Section 283(1)(l) of the Act.

(viii) If and when the Agreement expires or is terminated for any reason whatsoever, Mr Slym will cease to be the Managing Director and also cease to be a Director. If at any time, Mr Slym ceases to be a Director of the Company for any reason whatsoever, he shall cease to be the Managing Director and the Agreement shall forthwith terminate. If at any time, the Managing Director ceases to be in the employment of the Company for any reason whatsoever, he shall cease to be a Director and Managing Director of the Company.

(ix) The terms and conditions of appointment with the Managing Director also include clauses pertaining to adherence with the Tata Code of Conduct, no conflict of interest with the Company and maintenance of confidentiality.

In compliance with the provisions of Sections 269, 309 and other applicable provisions of the Act read with Schedule XIII of the Act, the terms of remuneration specified above are now being placed before the Members for their approval vide Resolution at Item No. 8.

The Board commends the Resolutions at Item Nos. 7 and 8 for approval by the Members.

Mr Slym is not related to any other Director of the Company. Mr Slym is concerned or interested in Item Nos. 7 and 8 of the Notice.

Item No. 9: The Members had, at the Annual General Meeting held on July 24, 2008 approved, under the provisions of Section 309 of the Act, the payment of remuneration by way of commission to the non whole-time Directors of the Company, of a sum not exceeding 1% per annum of the net profits of the Company, calculated in accordance with the provisions of the Act, for a further period of five years commencing April 1, 2008.

Taking into account the responsibilities of the Directors, it is proposed that in terms of Section 309(4) of the Act, the non whole-time Directors be paid for each of the five financial years of the Company commencing from April 1, 2013, remuneration not exceeding 1% per annum of the net profits of the Company computed in accordance with the provisions of the Act. This remuneration will be distributed amongst all or some of the Directors in accordance with the directions given by the Board.

Accordingly, a fresh approval of the Members is sought by way of a Special Resolution for payment of commission to the non whole-time Directors for a period of five years commencing from April 1, 2013 as set out in the Resolution at Item No.9 of the Notice.

All the Directors of the Company except the Managing Director and the Executive Directors of the Company may be deemed to be concerned or interested in the Resolution mentioned at Item No. 9 of the Notice to the extent of the remuneration that may be received by them.

Item No. 10: As per the norms pertaining to investments in India by persons resident outside India issued by the Reserve Bank of India vide notification No. FEMA 20/2000-RB dated May 3, 2000 under Foreign Exchange Management Act, 1999 (FEMA), investment in equity shares by FIIs, including their sub-accounts is limited to 24% of the Company's paid-up Share Capital. This limit can be increased to the sectoral cap/statutory ceiling by a company by passing a Special Resolution of its Members with a prior intimation to the Reserve Bank of India. Further, the RBI permits increase in limits to 100% in class-wise/category-wise share subject to demonstration of monitoring mechanism.

Consequent upon the approval of the Members vide postal ballot dated January 22, 2004, the Company had increased the said limit of 24% to 35% of paid-up ordinary share capital of the Company.

Subsequent to the above, the Company had through a rights issue in September 2008 and a Qualified Institutions' Placement in October 2010, ***inter alia,*** issued 'A' Ordinary Shares (AOS) which have a differential right on voting (one-tenth voting power as compared to Ordinary Shares) and dividend (5% more than the dividend declared on Ordinary Shares per annum). Considerable interest has been evinced by the FIIs in the AOS as may be observed from the table below:

(as on May 24, 2013)

Paid Up Share Capital	No. of Shares	No. of Shares held by FIIs	% of FII holdings
Ordinary Share Capital	2,719,945,846	750,560,995	27.59
'A' Ordinary Share Capital	481,959,620	249,039,832	51.67
Total	**3,201,905,466**	**999,600,827**	**31.22**

Currently, the limit of FII holdings in the Company is calculated on the Company's combined Ordinary Share and AOS Capital as per the said Members' Resolution. The Board had, at its meeting held on May 29, 2013, recommended that the limit on holdings by FIIs in the AOS Capital of the Company be increased to 75%.

The limit for FII holdings in the Ordinary Share Capital of the Company would continue to be retained at 35% of the Ordinary Share capital of the Company. Based on current paid-up capital and assuming the utilisation of the full limit of Ordinary Share and AOS capital, the holding of FIIs would be around 41% of the Company's Paid-up Share Capital and 36% of the agreegate voting rights of the Company.

The above increase in limit will enable further investment by FIIs in India and thereby increase the foreign exchange inflow into the country.

Accordingly, the Board commends the resolution at Item No.10 for approval by the Members.

By Order of the Board of Directors

H K SETHNA

Company Secretary
Mumbai, May 29, 2013

Registered Office:
Bombay House,
24, Homi Mody Street,
Mumbai 400 001

DIRECTORS RETIRING BY ROTATION SEEKING RE-ELECTION AND APPOINTMENT OF DIRECTORS AT THIS ANNUAL GENERAL MEETING:

Particulars	Mr Nusli N Wadia	Dr Raghunath A Mashelkar	Ms Falguni S Nayar	Mr Karl J Slym
Date of Birth	February 15, 1944	January 1, 1943	February 19, 1963	February 9, 1962
Appointed on	December 22, 1998	August 28, 2007	May 29, 2013	September 13, 2012
Qualifications	Educated in UK.	Chemical Engineering Scientist, Ph. D from Bombay University.	B.Com, PGDM – Indian Institute of Management, Ahmedabad.	M.Sc. - Stanford University, Sloan Fellow.
Expertise in specific functional areas	Industrialist with rich business experience.	Wide experience and renowned knowledge in Scientific Areas.	Wide and varied experience in investment banking.	Wide and varied global experience in the automobile industry.
Directorships held in other Public companies (excluding foreign and private companies)	• The Bombay Dyeing & Mfg. Co. Limited (Chairman) • Wadia Techno-Engineering Services Limited • Tata Steel Limited • The Bombay Burmah Trading Corporation Limited (Chairman) • Tata Chemicals Limited • Britannia Industries Limited (Chairman) • GO Airlines (India) Limited (Chairman)	• Reliance Industries Limited • Thermax India Limited • Hindustan Unilever Limited • KPIT Cummins Infosystems Limited • Sakal Papers Limited • Piramal Enterprises Limited	NIL	• Tata Cummins Limited • Fiat India Automobiles Limited
Memberships/ Chairmanships of Audit Committees and Investors' Grievance Committees across public companies	NIL	**Audit** • Tata Motors Limited • Hindustan Unilever Limited • Reliance Industries Limited • Piramal Enterprises Limited	**Audit** • Tata Motors Limited **Investors' Grievance** • Tata Motors Limited	**Investors' Grievance** • Tata Motors Limited
Shareholding	NIL	NIL	NIL	NIL

DIRECTORS' REPORT

TO THE MEMBERS OF TATA MOTORS LIMITED

The Directors present their Sixty-Eighth Annual Report and the Audited Statement of Accounts for FY 2012-13.

FINANCIAL PERFORMANCE SUMMARY

(₹ in crores)

	Company (Standalone)		Tata Motors Group (Consolidated)	
	FY 2012-13	FY 2011-12	FY 2012-13	FY 2011-12
FINANCIAL RESULTS				
Gross revenue	49,319.73	59,220.94	193,583.95	170,677.58
Net revenue (excluding excise duty)	44,765.72	54,306.56	188,817.63	165,654.49
Total expenditure	42,621.98	49,894.76	162,248.74	141,954.02
Operating profit	2,143.74	4,411.80	26,568.89	23,700.47
Other income	2,088.20	574.08	811.53	661.77
Profit before interest, depreciation, amortization, exceptional item and tax	4,231.94	4,985.88	27,380.42	24,362.24
Finance cost	1,387.76	1,218.62	3,553.34	2,982.22
Cash profit	2,844.18	3,767.26	23,827.08	21,380.02
Depreciation, amortization and product development / engineering expenses	2,243.38	1,840.99	9,590.89	7,014.61
Profit for the year before exceptional items and tax	600.80	1,926.27	14,236.19	14,365.41
Exceptional items - loss (net)	425.87	585.24	602.71	831.54
Profit before tax	174.93	1,341.03	13,633.48	13,533.87
Tax expense / (credit)	(126.88)	98.80	3,770.99	(40.04)
Profit after tax	301.81	1,242.23	9,862.49	13,573.91
Share of minority interest and share of profit of associates (net)	-	-	30.12	(57.41)
Profit for the year	301.81	1,242.23	9,892.61	13,516.50
APPROPRIATIONS				
Profit for the year	301.81	1,242.23	9,892.61	13,516.50
Balance brought forward from previous year	1,663.91	2,078.92	18,195.96	6,461.49
Amount available for appropriations	1,965.72	3,321.15	28,088.57	19,977.99
Less: appropriations / (transfer from)				
Debenture Redemption Reserve	(130.00)	70.00	(130.00)	70.00
General Reserve	30.18	125.00	59.48	158.03
Other Reserves	-	-	63.14	65.38
Dividend (including dividend distribution tax)	722.75	1,462.24	756.14	1,488.62
Balance carried to Balance Sheet	1,342.79	1,663.91	27,339.81	18,195.96

DIVIDEND

Considering the Company's financial performance, the Directors recommended a dividend of ₹2/- per share (100%) on the capital of 2,719,945,846 Ordinary Shares of ₹2/- each [previous year: ₹4/- per share (200%) of face value of ₹2/- each] and ₹2.10 per share (105%) on 481,959,620 'A' Ordinary Shares of ₹2/- each [previous year: ₹4.10 per share (205%) of face value of ₹2/- each] fully paid-up and any further Ordinary Shares and/or 'A' Ordinary Shares that may be allotted by the Company prior to August 1, 2013 (being the book closure date for the purpose of the said dividend entitlement) and will be paid on or after August 23, 2013. Based on the current paid-up capital, the said dividend, if approved by the Members, would involve a cash outflow of ₹724 crores (previous year: ₹1,464 crores) including dividend distribution tax, resulting in a payout of 240% (previous year: 118%) of the standalone profits for FY 2012-13 and 7% (previous year: 11%) of the consolidated profits of the Company.

OPERATING RESULTS AND PROFITS

FY 2012-13 was a challenging year for the economy – both globally and in India. The world economy grew by a mere 3.1% in 2012 as compared to 3.9% in the previous year. The domestic situation in India was influenced by these global trends and the ripple effect of a global slowdown was felt. After years of strong positive growth, the Indian economy slowed down to a GDP of 5% from 6.5% in the previous year.

The **Tata Motors Group** recorded a 13.4% growth in gross turnover from ₹170,678 crores in the previous year to ₹193,584 crores in FY 2012-13. This is the highest turnover recorded by the Group. The consolidated revenues (net of excise) for FY 2012-13 of ₹188,818 crores grew by 14% over last year on the back of strong growth in volumes across products and markets at Jaguar Land Rover. The consolidated EBITDA margins for FY 2012-13 stood at 14.1%. Consequently, Profit Before Tax and Profit After Tax were ₹13,633 crores and ₹9,893 crores, respectively.

Tata Motors Limited recorded a gross turnover of ₹49,320 crores, 16.7% lower from ₹59,221 crores in the previous year. Weak macro economic factors leading to a continued slow-down in the Medium and Heavy Commercial Vehicles (M&HCV), stiff competition, mainly in Passenger Vehicles business, severely affected the standalone operations and profitability. Additionally, the need to increase marketing expenses to protect and grow market share has resulted in EBITDA margins reducing from 8.1% to 4.8% for FY 2012-13. The reduction of profits from operations was offset by dividend from subsidiary companies of ₹1,584 crores (including dividend from JLR) as compared to ₹114 crores for the previous year. The Profit Before Tax and Profit After Tax for the FY 2012-13 were lower at ₹175 crores and ₹302 crores, respectvely, as compared to ₹1,341 crores and ₹1,242 crores in the previous year, respectively.

Jaguar Land Rover recorded a turnover of GB£ 15,784 million, a growth of 17% from GB£ 13,512 million in the previous year. Volume growth was driven not only by a full year of the Range Rover Evoque, but also by increasing sales of existing models. EBITDA growth also benefitted from a favourable market mix, operating exchange rates due to the strengthening US$ against the GB£ and the Euro. Further, cost efficiency improvements in material costs and manufacturing costs supported by increased production volume levels also attributed to improved results of operations. These resulted in a higher EBITDA and Profit Before Tax of GB£ 2,402 million and GB£ 1,675 million, respectively, as compared to GB£ 2,027 million and GB£ 1,507 million, respectively in the previous year. The effective tax rate was higher than the previous year, since last year it benefitted from recognition of previously unrecognised tax losses in the last year. The Profit After Tax for FY 2012-13 stood at GB£ 1,215 million as compared to GB£ 1,481 million last year (Jaguar Land Rovers' figures as per IFRS).

Tata Motors Finance Limited, the Company's captive financing subsidiary, registered total revenue of ₹2,890 crores higher by 43% in the previous year and reported a Profit After Tax of ₹309 crores in FY 2012-13 (previous year: ₹240 crores). Tata Motors Finance Limited proposed a dividend of 7% per equity share for FY 2012-13.

Tata Daewoo Commercial Vehicle Company Limited, South Korea registered revenues of KRW 823.9 billion (₹4,017 crores), a growth of 8% over the previous year. However, the positive impact of higher volumes and various cost control initiatives were negated by a provision of KRW 18.9 billion (₹92 crores) on account of a Court verdict in an ordinary wage suit filed by its Union employees resulting in a loss of KRW 9.2 billion (₹45 crores) (previous year: profit of ₹8.74 crores).

VEHICLE SALES AND MARKET SHARES

The Tata Motors Group sales for the year stood at 11,91,968 vehicles, lower by 6% as compared to the previous year. Global sales of all Commercial Vehicles were 593,897 vehicles, while sales of Passenger Vehicles were at 598,071 vehicles.

TATA MOTORS

The Company recorded sales of 765,557 vehicles, a decline of 11% over last year. Industry growth during the year was also muted at 1.1%, resulting in the Company's market share decreasing to 22% in the Indian automotive industry from 25.1% in the previous year. The Company exported 50,938 vehicles during the year, lower by 19%, as compared to the previous year.

Commercial Vehicles

Within the domestic market, the Company continued to strengthen its presence in Commercial Vehicles, with sales of 5,36,232 vehicles, an all time high for the Company, growing 1.1% from the previous year. This represented a market leadership share of 59.5% in the domestic CV market which was mainly supported by steep growth in the LCV segment.

Some of the highlights for the year were:

- Sales in the LCV segment continued to drive performance, growing by a 21.8% during the year to 3,93,468 vehicles. Market share in the LCV segment expanded by 200 basis points registering a 62.2% market share in FY 2012-13. The Company has grown and consolidated its position in the LCV segment, leading to expansion of the market share, especially in the Ace Segment. Sales of the **Tata ACE** reached highest ever at over 3,25,000 during FY 2012-13. The Tata Ace family crossed 10,00,000 sales since its launch. During this year, the Company launched **'Tata Xenon',** a stylish and rugged pick-up, offering both single cab and dual cab versions, with best in class looks, operating economies and fuel efficiency.

- Slowdown in economic activity, sluggish infrastructure spending and weak macro outlook coupled with higher operating costs for transport operators, adversely impacted demand in the M&HCV industry. The M&HCV segment which is the harbinger for growth in the economy de-grew by 23.3% in the year. The Company's sales in the M&HCVs segment were 1,42,764 vehicles. The depressed market scenario combined with new player entry resulted in very high competitive intensity. Several new products and variants across the traditional, Prima and Construck range focusing on 'best in class' performance, reliability and fuel efficiency, were introduced.

- The year also marked the **roll-out of the two millionth truck** from the Company's manufacturing facility at Jamshedpur. The plant manufactures the Company's entire range of M&HCV trucks, including the Tata Prima, both for civilian and defence applications. Many first of its class heavy trucks designed and built specifically to offer best in class performance, reliability and fuel efficiency were introduced viz - **Tata LPT 3723** – the first 5 axle rigid truck in the country in the 10 x 4 configuration, the **Tata Prima 3138.K Tipper**, the **Tata Prima 4938.S** tractor and the **Tata Prima 230** HP – LX range consisting of **Tata Prima LX 4923.S**, **Tata Prima LX4023.S** and **Tata LPK 3118** tipper. Launches of buses such as MCV buses for intercity (AC – 45 Seater) and staff transportation (Non AC – 41 Seater), LP/ LPO **Starbus Ultra** with best in class features and fuel efficiency tailored to suit Indian conditions with highest capacity school bus in ICV platform in India (56 seats).

In January 2013, Tata Motors became the first company in India to introduce warranty period of four years on heavy trucks. The Company also introduced a Telematics and Fleet Management Service, branded "Tata FleetMan" an intelligent vehicle and driver management solution.

Passenger Vehicles

The domestic passenger car industry was affected mainly by weak sentiments, high cost of ownership, high interest rates, fuel prices and reduction in discretionary spends. Overall growth in Domestic Passenger vehicle industry was flat in FY 2012-13, within which Utility Vehicles recorded a robust growth of 51.5% on the back of new launches catering not only to the traditional rugged SUV customers but also to the customer preferring the more car-like soft roader utility vehicles and cars segment de-grew by 6.9%.

During the year, the Company's Passenger Vehicles sales were lower by 31.1% at 2,29,325 vehicles, registering an 8.9% market share. The Company sold 1,80,520 cars and 48,805 utility vehicles and vans, lower by 34.6% and 14.4% respectively, over the previous year. The Company's sales in the mid-size segment suffered as competitive activity intensified with multiple new launches in this segment. The Company has taken various initiatives to improve its product refreshes/launch programmes, operational efficiency, dealer effectiveness, working capital management and restructuring customer facing functions.

The Company sold 2,294 vehicles of Jaguar Land Rover brands during FY 2012-13. Network for these brands continued to grow with 17 operational outlets across 15 cities in the Country by the year end. The plant in Pune expanded its capacity and commenced operations to roll out locally built **Jaguar XF** in India from November 2012.

Some of the highlights of this year's performance were:

- Launches of the **Vista D90**; and refreshed **Tata Indica eV2**, the most efficient car in its class with a mileage of 25 kmpl, with new exteriors and additional convenience features.
- Launched the **Manza** Club Class with first in class features like 6.5" infotainment screen with voice enabled GPS guidance system, infinity roof, premium Italian leather seating system and plush interiors.
- Launched the **Tata Safari Storme** with new interiors and improved performance - disc brake on all wheel and projector lens head lamp - first time in its class and **Tata Aria Pure LX** - a new variant with a bouquet of features, at a stunning price.
- Launched the **Nano MY13** with features like music system with Bluetooth/USB, glove box, refreshed interiors, etc., in an array of colours.

  The above launches of the **Nano MY13, Manza, Vista D90** and the **Safari Storme** were in-line with the Company's objective of taking the brand to a higher level, while making it relevant for the younger buyer.
- Showcased the **Vista Extreme**, a concept that combines the package efficiency of a hatch with the usability of the modern urban Utility Vehicle.
- The Company continued to focus on building brand strengths, refreshing the products and enhancing sales and service experience. The Company also introduced a new look, stylish, tech savvy best in class flagship Passenger Vehicle showrooms, for superior customer experience at pilot dealership in Mumbai and Delhi and this initiative will now be replicated to other setups across the country.

A new leadership team in the Passenger Vehicle business was in place towards the latter half of the year with rich experience not only from the automotive but from other sectors as well. The Company is working on a customer-centric strategy for providing the best customer experience with focus on products, world class manufacturing practices, purchase experience and consistent quality of services. As a precursor to future launches, the Company would be shortly unveiling improved and enhanced vehicles across its key brands.

Exports

For Tata Motors, traditionally strong markets in South Asia such as Bangladesh and Sri Lanka also were affected by internal conflict, political unrest and regulatory changes. As a result, export sales of the Company de-grew by 19.3% to 50,938 vehicles. With a view to expand its International Business, the Company re-entered the market of Saudi Arabia to re-establish its business in the Kingdom and launched its brand at the Jakarta Auto Show to address the Indonesian market - a key growth market. The Company introduced a host of new products on existing and new platforms in existing and new markets and showcased its vehicles in major auto shows in strategically important markets.

The Company continued to outperform competition in terms of exports of Commercial Vehicles and enjoyed a total exports share of 57% in FY 2012-13, exporting 44,109 Commercial Vehicles. The Company exported 6,829 Passenger Vehicles. Aria witnessed growth in shipments led by a strong push into European markets. Indica grew due to strong fleet and entry level customer demand and **Manza** grew albeit over a low base, in South Africa. Other UVs - **Safari, Sumo** and **Grande,** showed growth led by the revival of demand in Nepal and Sub-Saharan Africa. **Nano** and **Indigo** were the only significant under-performers due to economic and political upheavals in key markets - Sri Lanka and Nigeria.

Some of the highlights of this year's performance were:

- Inaugurated its first 3S (Sales, Service and Spares) setup in Yangon, Myanmar.
- Won a tender for supplying 449 vehicles to Kuwait Municipality, Prestigious order for supply of 715 **Xenon's** from the US Army.
- Started Driver Training School in Bangladesh and Mechanic Training Centre in South Africa and Kenya.

JAGUAR LAND ROVER

Jaguar Land Rover has had a successful year of continued growth in all markets, despite uncertain trading conditions globally. Jaguar Land Rover sold 372,062 vehicles in FY 2012-13, an increase of 18.3% over the previous year. At the brand level, wholesale volumes were 57,812 vehicles for Jaguar and 314,250 vehicles for Land Rover, growing 7% and 20.7%, over the previous year, respectively. All market regions have grown, led by China where retail sales at 77,075 vehicles were up by 48% over previous year. Retail volumes in Europe were 80,994 vehicles, 18% increase over the previous year. UK retail volumes were 72,270 vehicles, a 20% increase, whilst the North American retail volumes were 62,959 vehicles, an increase of 9% over the previous year. Retail sales for the Asia Pacific region at 17,849 vehicles, were higher by 27% and for the rest of the world were 19% higher at 63,489 vehicles over the previous year.

Jaguar Land Rover has a multifaceted strategy to position itself as a leading manufacturer of premium vehicles offering high-quality products tailored to specific markets. The company's success is tied to its investment in product development and market expansion which drives the strategic focus on product design and quality.

Jaguar Land Rover operates three major production facilities and two advanced design and engineering facilities all in the United Kingdom. Jaguar Land Rover markets products in 178 countries, through a global network of 17 national sales companies (NSCs), 85 importers, 62 export partners and 2,485 franchise sales dealers, of which 689 are joint Jaguar and Land Rover dealers.

With the objective of increasing its marketing and dealer networks in emerging markets, Jaguar Land Rover established a National Sales company in China in 2010 to expand its presence and has plans to increase its network of dealers in China. Similar plans of increasing its dealer network are also underway in India. Jaguar Land Rover also aims to establish new manufacturing facilities, assembly points and suppliers in select markets. The joint venture with Chery Automobiles, China as also an established manufacturing operation for some of its products and product development activities in India are examples of these initiatives.

Some of the highlights of this year's performance were:

- Launch of the all new aluminum **Range Rover** in December 2012, with a world-wide roll-out in the last quarter of the year, recording sales of over 13,000 vehicles in the first four months. The **Range Rover** has already received over 10 global awards including WhatCar? 'Best Luxury Car'.
- Launch of the all new aluminum **Range Rover Sport** in March 2013, with a world wide roll out in the first half of FY 2013-14.
- Expanded the **Jaguar XF** range with an all wheel drive version and a new **Sportbrake** and introduced a more fuel efficient, 2.0l XF with an 8 speed automatic gear box.
- Introduction of new variants of the **Jaguar XF,** the launch of the new **Range Rover,** as well as the continued strength of the **Evoque,** were key contributors to the overall success.
- Jaguar Land Rover's joint venture with Chery Automobiles, China has been formalised to develop, manufacture and sell certain Jaguar and Land Rover vehicles and jointly branded vehicles for the Chinese market.
- Continued investment in new state-of-the-art facility at Wolverhampton, UK, to manufacture new advanced low emission engines.

Jaguar Land Rover and Tata Motors participated in various international autoshows displaying its range of products, including at Geneva, New York, Detroit and Jakarta, wherein the displayed products won accolades and a positive response.

TATA DAEWOO COMMERCIAL VEHICLES COMPANY LIMITED

Tata Daewoo Commercial Vehicles Company Limited (TDCV) sold 10,100 vehicles- higher by 6% over the previous year. TDCV exported 4,700 vehicles in FY 2012-13, which is the highest ever in its history, registering a growth of 57.8% as compared to 2,979 vehicles exported in the previous year. However, in the domestic market, sales decreased by 17.6% to 5,400 vehicles as against 6,552 vehicles sold in the previous year, due to economic slowdown.

TATA MOTORS (THAILAND) LIMITED

Tata Motors (Thailand) Ltd. (TMTL) sold 4,905 vehicles in FY 2012-13. These included **Tata Xenon** pickups, **Super Ace** and heavy commercial vehicles. During FY 2012-13, TMTL launched three additional variants of the pickup, tailor-made for the Thailand commercial vehicle market. In the single cab segment, which is used predominantly by the commercial users, **Xenon** continues to be ranked fourth amongst eight players in the segment.

TATA MOTORS (SA) (PROPRIETARY) LIMITED

Tata Motors (SA) (Proprietary) Limited (TMSA) sold 864 vehicles during FY 2012-13. During the year, TMSA introduced four new models of commercial vehicles and crossed a major milestone of rolling out its 1,000th vehicle since start of operations last year.

TATA MOTORS FINANCE LIMITED

The vehicle financing activity under the brand "Tata Motors Finance" (TMF) of Tata Motors Finance Limited (TMFL) – a wholly owned subsidiary company, continued to show improved financial results inspite of challenging market conditions and rising costs of funds.

With the Company's increased focus on financing of small commercial vehicles, the total disbursements for the year were at ₹11,180 crores - 6% higher than disbursements of ₹10,505 crores in the previous year. A total of 2,51,936 vehicles were financed representing an increase of 9.3% over the previous year. The disbursals for commercial vehicle were ₹8,816 crores (1,81,374 vehicles) in FY 2012-13 compared to ₹7,204 crores (1,20,032 vehicles) for previous year. For passenger cars, disbursals were ₹2,364 crores (70,562 vehicles) in FY 2012-13 compared to ₹3,301 crores (1,10,556 vehicles) in the previous year. The overall market share in terms of the Tata vehicle unit sales in India financed by Tata Motors Finance increased from 27% to 33% - led by significant increase in commercial vehicle market share from 23% to 34%.

Tata Motors Finance Limited continued to expand its reach in the market place by growing its branch network and expanding its support to Tata Motors dealership network. Significant increase in its manpower resources as well as driving IT technology to improve productivity and output, ensures that Tata Motor Finance now reaches to over 75% of the dealers. With greater attention being placed on further enhancing customer experience through its "Office of the Customer", TMFL is confident of continuing to deliver profitable growth in the future.

HUMAN RESOURCES

The Tata Motors Group employed 62,716 permanent employees (previous year: 58,618 employees) as of the year end out of which 56,393 employees were engaged in automotive operations. The increase over last year was mainly at Jaguar Land Rover in view of volume and product development activity. The Company employed 29,965 permanent employees (previous year: 29,217 employees) as of the year end. The Tata Motors Group has generally enjoyed cordial relations with its employees and workers.

All employees in India belonging to the operative grades are members of labour unions except at Sanand and Dharwad plants. All the wage agreements have been renewed in a timely manner and are all valid and subsisting. Operatives and Unions support in implementation of reforms that impact quality, cost erosion and improvements in productivity across all locations is commendable.

SAFETY & HEALTH - PERFORMANCE & INITIATIVES

Safety is an integral part of the Company's operations and is reviewed at the highest levels including the Board, Executive Committee, and the Safety, Health and Environment (SHE) Council. The Board constituted a SHE Committee and also adopted its charter during the year. The senior leadership is fully committed to the ultimate goal of zero injury to its employees and all those who work in our facilities. In its 3 year journey with DuPont, the organization is progressing aggressively with the vision of "Excellence in Safety". In association with DuPont 489 internal trainers have been developed and 2,058 employees are trained on leading safety efforts, safety management fundamentals, incident investigations, contractor safety management and safety. Defensive Driving Training was imparted to more than 8,000 employees and contractors who drive on business purpose or who are involved in operations.

A revised Safety & Health Policy has been cascaded which reflects an increased commitment towards our visitors, contractors and business partners. A structured review mechanism of safety performance is in place with "Lead and Lag" indicators, major incidents and High Potential Incidents (HIPO) announcements being made monthly to the senior management and leaders. The Lost Time Injury (LTI) rate for the year under review is lower at 0.68%, a reduction of 37% over the previous year. Improved governance in incident reporting with speedy investigations and corrections, and a collaborative functioning of Safety Committees across plants have led to an integrated organisation structure.

The Company, in a collaborative initiative with Castrol India Limited, is integrating safety expertise and knowledge in dealer workshops and a safety manual has been released with the objective of reducing potential risks and improve SHE practices.

This year has witnessed a significant improvement in 'Areas Beyond Factory Gates' including warehouses, offices and channel partners, wherein structured audits, trainings and reporting have been initiated.

At **Jaguar Land Rover,** the health and safety management system is based on the UK Health and Safety Executive's guidance for Health and Safety Management - HSG65. Jaguar Land Rover's Occupational Health Department achieved re-accreditation to the SEQOH Standard (Safe Effective Quality Occupational Health Standard) for its activities and management systems. Jaguar Land Rover's growth plans have resulted in an increased headcount and a larger number of contractors are involved in civil and engineering activities requiring extensive inputs from a health and safety perspective. This has been met with an incremental rise in Health and Safety training, induction programmes and continued focused events around skilled workers being recruited into relevant functions. The business has continued its programme of proactive health promotion events for employees and has launched several Wellbeing Centres to aid in worker assessment, rehabilitation and piloted electronic 'WellPoint' kiosks to allow employees to monitor their own health data and seek further advice.

At **TDCV, Korea**, the accident rate and the safety index at 0.18% and 2.9 were lower than 0.48% and 2.40, respectively, for the previous year. At **TMTL, Thailand**, the performance has been improving with increased safety trainings and reduction in the number of incidents. At **TMSA, South Africa**, 5 LTIs were reported, Safety Management Systems were deployed and several initiatives taken to improve safety and working conditions.

FINANCE

During the year, the free cash flows for Tata Motors Group were ₹3,342 crores, post spend on capex, design and development of ₹18,720 crores. Tata Motors Group's borrowing as on March 31, 2013, stood at ₹ 53,591 crores (previous year: ₹ 47,149 crores). Cash and bank balances stood at ₹ 21,113 crores (previous year: ₹18,238 crores).

Cash flows from operations were ₹2,258 crores for standalone operations of the Company. Spend on capex, design and development were ₹2,588 crores (net). The borrowings of the Company as on March 31, 2013 stood at ₹16,799 crores (previous year: ₹15,881 crores). Cash and bank balances stood at ₹463 crores (previous year: ₹1,841 crores).

During the year, the Company repaid the Zero Coupon Convertible Alternate Reference Securities (CARS) amounting to US$ 623.38 million, (₹3,493.83 crores) inclusive of a redemption premium of US$ 150.38 million. Consequent upon exercise of conversion option by the holders of 4% Foreign Currency Convertible Notes, aggregating ₹342 crores (including ₹141.62 crores in May 2013), the Company allotted 28,308,896 Ordinary Shares/ Shares represented by ADSs (including 11,789,695 Ordinary Shares/ Shares represented by ADSs in May 2013).

The Company also repaid Tranche 2 of ₹446 crores of Secured, Rated, Credit Enhanced, Listed, 2% Coupon Non-Convertible Debentures (NCDs) inclusive of premium on redemption of ₹96 crores. Further, the Company also repaid ₹1,747 crores forming part of the public fixed deposit scheme launched in December 2008.

The Company issued rated, listed, unsecured, non-convertible debentures of ₹2,100 crores. Further ₹900 crores were issued in April and May 2013.

Due to significant reduction in volumes, the Company had to deploy short term funds to support critical long term finance needs. The Company is in the process of taking appropriate steps to increase the long term funds.

At Jaguar Land Rover, post spend on capex, design and development of GB£ 1,846 million (₹16,814 crores), the free cash flows were GB£ 583 million (₹4,885 crores) for FY 2012-13. The borrowings of the Jaguar Land Rover as on March 31, 2013, stood at GB£ 2,167 million (₹17,791 crores) [previous year: GB£ 1,974million (₹16,206 crores)]. Cash and bank balances stood at GB£ 2,847million (₹23,373 crores) [previous year: GB£ 2,430 million (₹19,950 crores)] resulting in negative net debt position. Additionally, JLR has undrawn committed bank lines of GB£ 865 million (as per IFRS).

In January 2013, Jaguar Land Rover issued US$ 500 million Senior Notes due 2023, at a coupon of 5.625% per annum. This was an opportunistic fund raising which enabled Jaguar Land Rover to reinforce its market acceptance and demonstrated the continued confidence of the investors. This was a further step taken towards strengthening capital structure and enhancing the debt maturity profile.

TML Holdings Pte Ltd, Singapore, a 100% subsidiary of the Company, holding the investment in Jaguar Land Rover raised Senior Notes aggregating SG$ 350 million in May 2013.

Tata Motors Finance Limited raised ₹100 crores by an issue of unsecured, non-convertible, subordinated perpetual debentures towards Tier 1 and Tier 2 Capital and ₹90.40 crores by an issue of unsecured, non-convertible, subordinated debentures towards Tier 2 Capital in order to meet its growth strategy and improve its Capital Adequacy ratio.

With healthy profitability and cash flow generation, the Consolidated Net Automotive Debt to Equity Ratio stood at 0.24:1on March 31, 2013, as compared to 0.25:1 on March 31, 2012.

Tata Motors Group has undertaken and will continue to implement suitable steps for raising long term resources to match fund requirements and to optimise its loan maturity profile.

During the year, the Company's rating for foreign currency borrowings was revised upwards by Standard & Poors to "BB"/ Positive and was retained at existing levels by Moodys at "Ba3"/ Stable. For borrowings in the local currency, the outlook on the ratings was improved from "Stable" to "Positive" and the rating stood at "AA-"/Positive by Crisil and at "AA-"/Positive by ICRA. The Non Convertible Debentures are rated by CARE at "AA".

During the year, Jaguar Land Rover's rating for was revised upwards by Standard & Poors to "BB-"/Positive. As on March 2013, the other ratings stood "B1"/Stable by Moodys and "BB-"/Stable by Fitch.

For Tata Motors Finance, CRISIL revised its rating outlook on long-term debt instruments and bank facilities to 'CRISIL AA - Positive' from 'CRISIL AA - Stable'. The ratings on the short-term debt instruments and bank facilities were reaffirmed at 'CRISIL A1+'.

FIXED DEPOSITS

The Company has not accepted any public deposits during FY 2012-13. As on March 31, 2013, the Company had deposits aggregating ₹314.14 crores from 11,338 investors. There were no overdues on account of principal or interest on public deposits other than the unclaimed deposits as at the year end.

INFORMATION TECHNOLOGY INITIATIVES

The Company continues to leverage Information Technology (IT) as a key enabler of its strategy, business growth and competitiveness. IT provides employees, customers, suppliers, dealers and business partners with best in class technology solutions. IT leverages strong partnerships with product and services companies to support business growth and innovation.

The Company and JLR entered into a major long term outsourcing agreement with Tata Consultancy Services Ltd (TCS) after a rigorous two year long competitive process. This will harmonise and standardise the IT services, service level agreements and standards across the Tata Motors Group and lead to efficiencies in operations and lower IT costs.

Other major highlights of IT at group level are –

- The Company's unique CRM solution crossed 4,000 channel partner locations and 40,000 users interacting with customers, augumented by 1,000+ agent call centers.
- TDCV Korea implementing CRM, leveraging TML CRM capabilities.
- Tata Motors Indonesia implementing SAP and CRM leveraging base capabilities.
- JLR global expansion to China is being ably supported by IT capabilities.
- JLR SAP implementation is progressing smoothly, including implementation in NSCs in major markets.
- Developing key business capability enhancement initiatives like Analytics, Telematics, and Mobility solutions.

In addition, product development processes in the Company continue to grow on best of the breed tools and technology solutions, for enhancing product development capabilities, addressing quality and speed. Digital product validation processes have evolved to provide solutions in key areas:

- Enhanced Digital Manufacturing Planning capabilities.
- In-house developed productivity improvement tools like 'Digital Vault' were rolled out.
- In-house 'Knowledge Based Engineering' (KNEXT) applications spread and enhanced in various product design functions.
- State-of-the-art visualization capabilities in digital product engineering review process is implemented.

Tata Motors Group continue their collaboration in various Information Technology areas with synergies being explored for cross utilization of IT capabilities. The Group companies are working together in areas of ERP, outsourcing and technologies. Tata Technologies continues to be a strategic partner in strengthening Tata Motors Groups' IT capabilities in process transformation through technology.

TECHNOLOGY AND ENVIRONMENT FRIENDLY INITIATIVES

The Tata Motors Group continues to innovate, with a view to enhance the market share and aims at products, which cater to the changing needs of the customer for both fleet owners and individual customers. Besides new product developments covered above, some of the key initiatives on Environment friendly technologies include:

- Fuel efficiency improvement through development of advanced oil formulation.
- Fuel efficiency improvement initiatives on 4 cylinder and 6 cylinder engines of LCV, M&HCVs through various engine measures such as Exhaust Gas Recirculation (EGR), common rail including latest software features in engine management system.
- 1.2 L Bi-fuel CNG engine development for passenger car.
- Bi-fuel CNG and Gasoline 273 MPFI engine for Nano.
- Demonstrated a Mild Hybrid technology on Nano with advance engineering functions for enhancing the CO_2 emission.
- Nano Diesel variant is being developed with Electric Power Assist Steering (EPAS) for enhancing the ease of driving and good fuel economy.
- Vista has been made compliant to the Euro V emission requirement with better drivability and higher technology features.
- CNG variant of the Indigo CS is ready for launch in the market.

SUBSIDIARY AND ASSOCIATE COMPANIES

Tata Motors announces consolidated financial results on a quarterly basis. As required under the Listing Agreement with the Stock Exchanges, Consolidated Financial Statements of the Tata Motors Group are attached.

Pursuant to the provisions of Section 212(8) of the Companies Act, 1956 (the Act), the Ministry of Corporate Affairs vide its General Circular No 2/2011 dated February 8, 2011, has granted a general exemption subject to certain conditions to holding companies from complying with the provisions of Section 212 of the Act, which requires the attaching of the Balance Sheet, Profit & Loss Account and other documents of its subsidiary companies to its Balance Sheet. Accordingly, the said documents are not being included in this Annual Report. The main financial summaries of the subsidiary companies are provided under the section 'Subsidiary Companies: Financial Highlights for FY 2012-13' in the Annual Report. The Company will make available the said annual accounts and related detailed information of the subsidiary companies upon the request by any member of the Company or its subsidiary companies. These accounts will also be kept open for inspection by any member at the Registered Office of the Company and the subsidiary companies.

SUBSIDIARY COMPANIES

Tata Motors had 64 (direct and indirect) subsidiaries (10 in India and 54 abroad) as on March 31, 2013, as disclosed in the accounts. During the year, the following changes have taken place in subsidiary companies:

Subsidiary companies formed/acquired

- Jaguar Land Rover India Limited - an indirect subsidiary of Jaguar Land Rover Automotive PLC
- PT Tata Motors Distribusi Indonesia - a wholly owned subsidiary of PT Tata Motors Indonesia

Companies ceasing to be subsidiary companies

- Tata Engineering Services (Pte) Ltd. - struck off from the Register of Accounting and Corporate Regulatory Authority (ACRA).
- Miljobil Greenland AS, upon liquidation of TMETC's shareholding

Name changes

- Jaguar Cars Limited to Jaguar Land Rover Limited
- Jaguar Land Rover PLC to Jaguar Land Rover Automotive Plc

Besides the above, Jaguar Land Rover continued to integrate / restructure legal entities for manufacturing and for exporting globallly as combined brand legal entities. Other than the above, there has been no material change in the nature of the business of the subsidiary companies.

ASSOCIATE COMPANIES

As at March 31, 2013, Tata Motors had 8 associate companies and 4 Joint Ventures as disclosed in the accounts.

ENERGY, TECHNOLOGY & FOREIGN EXCHANGE

Details of energy conservation and research and development activities undertaken by the Tata Motors alongwith the information in accordance with the provisions of Section 217(1)(e) of the Companies Act, 1956, read with the Companies (Disclosure of Particulars in the Report of Board of Directors) Rules, 1988, are given as an Annexure to the Directors' Report.

DIRECTORS

Mr Ratan N Tata stepped down as the Chairman and Director of the Company on December 28, 2012, in accordance with the 'Policy for Retirement Age of Non-Executive Directors' adopted by the Company. Mr Tata who was appointed on the Company's Board in 1981 and later as the Executive Chairman in 1988, had through his bold vision and strategic leadership and commitment to the Company transformed it from a domestic truck company to a complete automobile company with path breaking products such as the Indica and the Nano. Thereafter it was his understanding of the global dimensions and dynamics of the automobile business and his vision that led to the Company deciding to takeover Jaguar Land Rover in the UK. The transformation of Jaguar Land Rover through the change in its culture and the approach to its business led by Mr Tata has resulted in transforming Jaguar Land Rover into a profitable and successful company.

Mr Tata was on the Board for more than 30 years and was the Chairman of the Executive Committee of the Board and a member of the Remuneration and Nominations Committees. The Directors place on record the immeasurable debt the Company owes to Mr Tata for the visionary leadership, strategic direction and stewardship so liberally given to the Company and in recognition of his immense contribution and great service to the Company, the Board conferred upon Mr Tata the title of 'Chairman Emeritus'. The traditions and values that he strove to imbibe will remain the guiding principles for this Company in the coming years.

Mr Sam M Palia, Non Executive, Independent Director of the Company since May 2006, on completing the age of 75 years on April 25, 2013, retired as per the "Policy for Retirement Age of Non-Executive Directors" adopted by the Company. Besides being a Board member, Mr Palia was also an active member of the Audit Committee and Nominations Committee and Chairman of the Investors' Grievance Committee and Ethics and Compliance Committee. Mr Palia was also designated as the 'Audit Committee financial expert' as required under the Sarbanes Oxley Act and NYSE Listing Agreement. Mr Palia had by his counsel and guidance, significantly contributed to deliberations at the Board and Committee meetings. The Board also placed on record its appreciation for the contributions made and the role played by Mr Palia as an independent director of the Company.

Mr Ranendra Sen, Non Executive, Independent Director of the Company since June 2010, resigned from the Board of Directors of the Company with effect from October 16, 2012, due to personal reasons. The Board placed on record its appreciation of the contributions made by Mr Sen during his tenure on the Company's Board as an independent director of the Company.

Mr Cyrus P Mistry was appointed as the Chairman of the Company with effect from December 28, 2012, consequent upon Mr Ratan N Tata's retirement. Tata Steel had vide their letter dated March 28, 2013, nominated Mr Cyrus P Mistry as the 'Steel Director' pursuant to Article 127 of the Company's Articles of Association in place of Mr Ratan N Tata.

Mr Karl J Slym and Ms Falguni S Nayar were appointed as an Additional Directors w.e.f. September 13, 2012 and May 29, 2013, respectively. In accordance with Section 260 of the Companies Act, 1956 (the Act) and Article 132 of the Company's Articles of Association, they will cease to hold office at the forthcoming Annual General Meeting and are eligible for appointment. Mr Slym was also appointed as the Managing Director of the Company for a period of 5 years with effect from September 13, 2012, subject to the approval of the Members and the Central Government. An abstract and memorandum of interest under Section 302 of the Act, has been sent to the Members of the Company.

In accordance with the provisions of the Act and the Articles of Association of the Company, Mr Nusli N Wadia and Dr Raghunath A Mashelkar are liable to retire by rotation and are eligible for re-appointment. Attention of the Members is invited to the relevant items in the Notice of the Annual General Meeting and the Explanatory Statement thereto.

CORPORATE GOVERNANCE

A separate section on Corporate Governance forming part of the Directors' Report and the certificate from the Practicing Company Secretary confirming compliance of Corporate Governance norms as stipulated in Clause 49 of the Listing Agreement with the Indian Stock Exchanges is included in the Annual Report.

PARTICULARS OF EMPLOYEES

The Information on employees who were in receipt of remuneration of not less than ₹60 lakhs during the year or ₹5 lakhs per month during any part of the said year as required under Section 217(2A) of the Companies Act, 1956 and the Rules made thereunder is provided in the Annexure forming part of the Report. In terms of Section 219(1)(b)(iv) of the Act, the Report and Accounts are being sent to the shareholders excluding the aforesaid Annexure. Any member interested in obtaining a copy of the same may write to the Company Secretary.

CORPORATE SOCIAL RESPONSIBILITY INITIATIVES

A separate section on initiatives taken by the Tata Motors Group to fulfil its Corporate Social Responsibilities is included in the Annual Report.

BUSINESS RESPONSIBILITY REPORT

Vide its Circular dated August 13, 2012, Securities and Exchange Board of India (SEBI) mandated the inclusion of Business Responsibility Report (BRR) as a part of the Annual Report for top 100 listed entities based on their market capitalisation on BSE Limited and National Stock Exchange of India Limited, as on March 31, 2012. The said reporting requirement is in line with the 'National Voluntary Guidelines on Social, Environmental and Economic Responsibilities of Business (NVGs)' notified by Ministry of Corporate Affairs, Government of India, in July, 2011. Pursuant to the above, the Stock Exchanges amended the Listing Agreement by inclusion of Clause 55 providing a suggested framework of a BRR, describing initiatives taken by the Company from an environmental, social and governance perspective. In line with the press release and FAQs dated May 10, 2013, issued by SEBI, the Company's BRR is hosted on its website www.tatamotors.com. Any shareholder interested in obtaining a physical copy of the same may write to the Company Secretary at the Registered Office of the Company.

AUDIT

M/s Deloitte Haskins & Sells (DHS), Registration No. 117366W, who are the Statutory Auditors of the Company, hold office until the conclusion of the ensuing Annual General Meeting. It is proposed to re-appoint them to examine and audit the accounts of the Company for the FY 2013-14. DHS have, under Section 224(1) of the Act, furnished a certificate of their eligibility for re-appointment.

Cost Audit

As per the requirement of the Central Government and pursuant to Section 233B of the Act, the audit of the cost accounts relating to motor vehicles is carried out every year. Pursuant to the approval of Ministry of Corporate Affairs, M/s Mani and Company having registration No. 00004 were appointed as the Cost Auditors for auditing the Company's cost accounts relating to the Company's products for FY 2012-13. An application has been made to the Central Government seeking their approval, for the appointment of M/s Mani and Company for auditing the Company's cost accounts relating to the Company's products for FY 2013-14.

The cost audit report and compliance report for FY 2011-12 were filed by the Company on December 28, 2012, well within the prescribed due date of February 28, 2013. The cost audit report and compliance report for FY 2012-13 is expected to be filed within the prescribed time.

DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to Section 217 (2AA) of the Act, the Directors, based on the representation received from the Operating Management, confirm that:-

- in the preparation of the annual accounts, the applicable accounting standards have been followed and that there are no material departures;
- they have, in the selection of the accounting policies, consulted the Statutory Auditors and have applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit of the Company for that period;
- they have taken proper and sufficient care, to the best of their knowledge and ability, for the maintenance of adequate accounting records in accordance with the provisions of the Act, for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- they have prepared the annual accounts on a going concern basis.

ACKNOWLEDGEMENTS

The Directors wish to convey their appreciation to all of the Company's employees for their enormous personal efforts as well as their collective contribution to the Company's performance. The Directors would also like to thank the employee unions, shareholders, fixed deposit holders, customers, dealers, suppliers, bankers, Government and all the other business associates for the continuous support given by them to the Company and their confidence in its management.

On behalf of the Board of Directors

CYRUS P MISTRY

Chairman

Mumbai, May 29, 2013

ANNEXURE TO THE DIRECTORS' REPORT

Particulars of Conservation of energy, Technology absorption and Foreign exchange earnings and outgo in terms of Section 217(1)(e) of the Companies Act, 1956 read with the Companies (Disclosure of particulars in the Report of Directors) Rules, 1988 forming part of the Directors' Report for FY 2012-13:

A. CONSERVATION OF ENERGY

The Company has always been conscious of the need for conservation of energy and has been sensitive in making progress towards this end. Energy conservation measures have been implemented at all the plants and offices of the Company and special efforts are being made on undertaking specific energy conservation projects like:

- Installation of Waste heat recovery for paint baking oven flue gas to heat water of process, improvement in burning efficiency of burners by controlling the air - fuel ratio with the help of flue gas analysis.
- Conversion of electrical heating into Natural Gas heating system of washing machines, Conversion of electrical heating into LPG heating of Endogas generators.
- Installation of Variable Frequency Drives for various applications like Blower's and Pump's Motors as a flow control strategy for energy conservation.
- Installation of CFL, LED bus bar indicators, Use of 54Wx4 T5 lamps for high bay lights, Installation of energy savers in lighting circuits, Installation of LED street lights.
- Installation of Light pipes and Transparent Polycarbonate sheets, Installation of Solar water heating system for Crèche.
- Modification in electrical logic for automatic switching On-Off operation of hydraulic motors, coolant pumps, blowers etc. Optimization of AC plant operations, removal of unwanted AC systems.
- Wind Ventilators, downsizing of motors, trimming of impeller of oversized water recirculation pump, Delta to star connection of motors etc.
- Installation of Biogas plant for canteen waste and generation of electrical energy from biogas and used for pumps at ETP.

These changes have resulted in energy saving of 1.93 crores units of electricity, 275KL of LDO, 5.95KL of HSD and 124MT of Propane. The whole effort resulted in cost savings for the Company of around ₹14.04 crores and annual CO_2 reduction of 17,265 tCO_2.

New initiative has been taken for implementation of ISO: 50001 Energy Management System (EnMS) across all Plants of the Company in India. Company's Dharwad Plant, Pantnagar Plant and Sanand Plant are certified for ISO: 50001 Energy Management System (EnMS) by M/s Bureau Veritas Certification. The certification work for Pune, Jamshedpur and Lucknow Plants is in progress.

The Company's Endeavour for tapping wind energy has also made significant contributions.

- Energy is being generated from existing captive wind power. Further initiatives have been taken up to make Pimpri Plant "carbon neutral" by purchase of wind power from Third Party through open access. Towards this end, a Power Purchase Agreements (PPA) have been signed with 4 parties for an additional ₹7.40 crores wind units. Presently, Commercial Vehicle plant at Pune annually utilised Wind Power (Green Power) of ₹8.04 crore wind units (equivalent CO_2 Reduction of 75,242 tCO_2) and this resulted in savings in electricity charges of Company's Pune plant of ₹25.89 crores.
- Company's 20.85MW Wind power project: United Nations Framework Convention for Climate Change (UNFCCC) issued 24,432 CERs on April 5, 2013, for the wind power generation period 2010 to 17th April-11.
- Initiative towards Renewable Energy Certificate (REC) Creation: As per CERC guidelines, Company has got its' 21.95MW Wind Power REC project accredited by Maharashtra Energy Development Agency (MEDA) and registered by National Load Dispatch Centre (NLDC) New Delhi on 3rd July 2012. Total 16,976 RECs have been issued by NLDC since July 2012 and total 12,480 RECs sold through auction resulted into accrued benefit of ₹1.81 crores.
- Initiatives towards Carbon Neutral Manufacturing Plant have been implemented at Company's Sanand Plant by using Green Power (Wind Power). PPA was signed with a wind power supplier, which will allow tCO_2 emission reduction of 9,500 tCO_2 per annum, resulting in energy cost savings of ₹0.78 crore.

Award / Recognition received during the year:

The Company's Lucknow Plant was awarded the Certificate of Merit in National Energy Conservation Award 2012, in Automobile Manufacturing category by Bureau of Energy Efficiency (BEE), Ministry of Power, Government of India.

B. RESEARCH AND DEVELOPMENT (R & D)

Specific areas in which R & D carried out by the Company

The Company has continued its endeavor to adopt technologies for its product range to meet the requirements of a globally competitive market. All Company products and engines are compliant with the prevalent regulatory norms. The Company has also undertaken programs for development of vehicles which run on alternate fuels such as LPG, CNG, bio-diesel, electric traction and hydrogen.

Benefits derived as a result of the above R&D

In keeping with the requirement of technological up-gradation of its engine development facility, the Company has added facilities enabling compliance of regulations and reducing product development time to meet market requirements.

During the year, the Company filed 83 Patent Applications and 38 Design applications. In respect of applications filed in earlier years, 16 Patents were granted and 68 Designs were registered.

Future Plan of Action:

The Company continues its effort on developing new products and technologies to meet growing customer expectations. The existing products will be refreshed at regular intervals to suit upcoming trends. In the long term, the Company is focusing on improving driving comfort, fuel efficiency, performance and aesthetics.

Expenditure on R & D

(₹ in crores)

Expenditure incurred on research and development :	2012-13	2011-12
(a) Revenue Expenditure - charged to Profit and Loss Statement	500.15	243.30
(b) Revenue Expenditure - capitalised	1,142.38	1,127.86
(c) Capital Expenditure	116.78	177.53
	1,759.31	**1,548.69**
R & D cost as a % to Revenue from Operations	3.9%	2.9%

C. TECHNOLOGY ABSORPTION, ADAPTATION AND INNOVATION

Efforts made towards technology absorption, adaptation and innovation

Initiatives on technological changes with an emphasis on customer orientation has been sharpened. The Company is putting continuous efforts in acquisition, development, assimilation, and utilization of technological knowledge. The Company, in its constant endeavor to improve processes in design and planning in the manufacturing domain, has implemented integration of digital product data into digital manufacturing planning system. Substantial progress has been achieved on various advanced engineering projects. Projects in this portfolio include development of vehicles running on alternative fuels including CNG, LPG, Ethanol, Bio-Diesel and Hydrogen. The Company focuses on alternate fuels, greenhouse gas reduction and fuel efficiency improvements. The Company is actively working on various hybrid and electric power trains for hybrid, electric and fuel cell electric vehicles for both commercial and passenger car applications. Various initiatives for power trains were taken up during the year which consisted of performance improvement, development to meet stringent emission norms and refinement. Development of new generation power trains was also initiated during the year. The Company is focusing on new technologies to enhance the safety of the occupants. Safety performance target setting is also done through Computer-Aided-Engineering and testing capabilities.

Benefits derived as a result of the above efforts

These initiatives supported the Company's endeavour in bringing about improvements in existing products and developing new products. The Company was able to emphasize on value analysis / value engineering and innovative cost reduction ideas to cut down the cost.

Major technology absorption projects undertaken during the last year include:

Sr. No.	Technology For	Status
1	Development of Infotainment system	Development in Progress
2	Brushless DC Motor for Engine Cooling Module	Development in Progress
3	Development of Low Carbon Vehicle Technology Program	Development in Progress
4	Development of Electric Traction Motor Technology	Under Implementation
5	Hydrogen re-circulation blower system on Fuel cell Battery-Hybrid Bus (4x2) family	Development in Progress
6	Battery Management System on Bus and Car Hybrids	Development in Progress
7	Jute Fiber Composite for Headliners	Implemented
8	Development of a Hydra-mount for vibration reduction of vehicles at a particular frequency of resonance of an engine or a cab	Development in Progress

9	Development of CNG Turbo Technology for M& HCV	Development in Progress
10	Touch Screen Infotainment System with text messaging and navigation capabilities	Development in Progress
11	Fully automatic temperature control system for Vista Family	Implemented
12	Stain Resistant Fabrics	Under Implementation
13	A 2-way intake silencer and a surge tank for reduction of vehicle In-cab noise	Under Implementation

Major Technology imports include:

Sr. No.	Technology for	Year of Import	Status
1	Development of Fuel Cell Bus	2011-12	Development and testing in progress
2	Gas Injection technology for LCV, MCV and HCV engines	2009-10	Completed for NA Engines and Productionised
3	Engine Management for Series Hybrid Technology for Buses	2009-10	Under Development
4	Design and Development of infinitely variable transmission based on full toriodal traction-drive variators for various vehicle platforms.	2007-08	Under Development
5	Stop - Start feature for various vehicle Platforms	2009-10	Under Implementation
6	ESP (Electronic Stability Program) for Xenon Euro V Vehicles	2012-13	Under Development
7	Average fuel economy Display for HCV and LCV platforms	2012-13	Under Development

D. FOREIGN EXCHANGE EARNINGS & OUTGO

Activities relating to exports

The Company exported 50,938 vehicles during the year.

Export initiatives such as goods, products and services exported include

- The Company introduced a host of new products in existing and new markets and showcased our vehicles in major auto shows in strategically important markets.
- The Company executed some big and prestigious Government orders in Kuwait and US.
- Driver Training School started in Bangladesh.
- Mechanic Training Centre started in South Africa and Kenya.
- Body Repair Manual launched.
- Mobile Website launched.
- Electronic Parts Catalogue started.
- Monthly Product Update e-newsletter started.

Development of export markets

The Company focused on introducing various products in new / existing markets of Indonesia, Myanmar, Bangladesh, Saudi Arabia and Tanzania.

Export Plans

The Company plans to export various vehicles in future considering socio-political and macro economic conditions worldwide.

Foreign Exchange Earnings and Outgoings (₹ in crores)

Earning in foreign currency	4,885.83
Expenditure in foreign currency (including dividend remittance)	3,190.41

On behalf of the Board of Directors

CYRUS P MISTRY

Chairman

Mumbai, May 29, 2013

MANAGEMENT DISCUSSION AND ANALYSIS

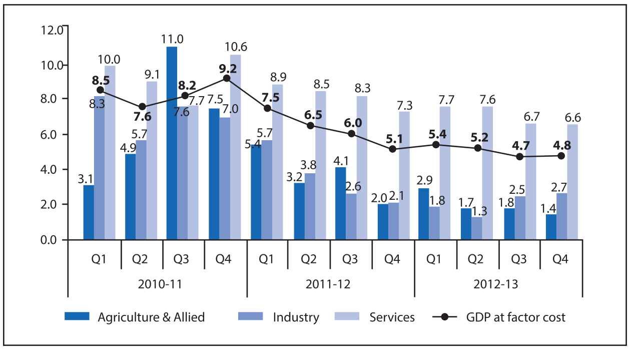
BUSINESS OVERVIEW

The Indian economy continued its downward slide throughout FY 2012-13, recording a lower GDP growth of 5% compared to 6.5% for FY 2011-12. The downward trend was also pronounced on a quarterly basis, as it could be seen in the charts below.

Growth rate in GDP (% change over corresponding period of the previous year)

	FY 2011-12	FY 2012-13
Q1	7.5	5.4
Q2	6.5	5.2
Q3	6.0	4.7
Q4	5.1	4.8
	6.2	**5.0**

Source: Ministry of Statistics and Programme implementation



After achieving growth rates of 8.6% in FY 2009-10 and 9.3% in FY 2010-11, the inflationary pressures started mounting. The RBI started tightening the monetary policy, resulting in lower growth rate in the last two years. The moderation in growth is primarily attributable to weakness in industry. The growth in agriculture has also been weak in FY 2012-13, following lower than normal rainfall. All the three major segments, agriculture and allied, industry and services, have displayed softening trend, quarter over quarter during the last two years.

As the pace of growth started slowing, the Government revenues started shrinking, exposing the economy to a higher fiscal deficit. The current account deficit also widened. Beginning FY 2011-12, the corporate and infrastructure investment started slowing mainly due to investment bottlenecks and tight monetary policy. FY 2012-13 was marked by the challenge to the Government to contain the fiscal deficit, and the Government expenditure on infrastructure and other key sectors suffered.

While there were monetary policy changes and limited Repo Rate revisions downwards in an effort to stimulate growth, (100 bps drop from the rate of April 2012), the RBI policy hinted limited headroom for further reduction in the light of the inflationary pressures, which dampened the prospects.

As a result, as compared to prior years, the domestic auto industry has recorded insignificant growth on an overall basis. With the continued high interest rates and inflation, households were forced to spend more on essentials and discretionary spend reduced, leading to deferring of purchase decisions. The consistent stagnation of the industrial growth mainly in the areas of mining and quarrying, manufacturing and infrastructure, adversely-impacted the domestic auto industry. In March (2013), a month which traditionally sees large volumes, car sales declined by 22.5%, despite heavy discounts being offered.

On the global economy front, both US and Europe were struggling with a stall in fundamental sectoral growth. The European economy continued to move sluggishly mainly due to the sovereign debt crisis. The pace of economic expansion in emerging countries has slowed down. On the other hand, there was an eruption of political crises in the Middle East and Africa, which continues even till today. Unrelated political unrest also emerged in North Korea. The net impact of all these global events was that growth took a backseat as controlling unemployment, monitoring government expenditures and maintaining political stability, became priorities for regional governments. The world economy grew by 3.2% in 2012.

In terms of outlook for the year 2013, the advanced economies are likely to grow by 1.2% as compared to 1.1% in the year 2012. Slowdown is expected for developing and emerging economies, with growth falling in China from 7.8% to 7.5% in 2012.

The automobile industry has shown progress in a steady manner, especially in the US and emerging countries such as Asia. The demand for products with advanced green technology has remained strong throughout all the markets worldwide. However, the automotive industry continues to face a very competitive pricing environment, driven in part by industry excess capacity, particularly in mature markets such as North America and Europe. The Chinese economy has continued to grow strongly throughout 2012. GDP growth is likely to slow in future, although remain above 7.5%.

Tata Motors Business:

Consequent to the macro economic factors as explained above, the Indian automobile industry posted growth of 1.1% in FY 2012-13, as compared to 7.2% in the last fiscal. The commercial vehicles, grew by 1.7% (last year 19.2%) and passenger vehicles by 0.9% (last year 3.6%).

The industry performance in the domestic market during FY 2012-13 and the Company's market share are given below:-

Category	Industry Sales			Company Sales			Market Share	
	FY 2012-13	FY 2011-12	Growth	FY 2012-13	FY 2011-12	Growth	FY 2012-13	FY 2011-12
Commercial Vehicles	901,120	886,362	1.7%	536,232	530,204	1.1%	59.5%	59.8%
Passenger Vehicles	2,578,538	2,556,035	0.9%	229,325	333,044	-31.1%	8.9%	13.0%
Total	**3,479,658**	**3,442,397**	**1.1%**	**765,557**	**863,248**	**-11.3%**	**22.0%**	**25.1%**

Source: Society of Indian Automobile Manufacturers report and Company Analysis
Commercial vehicles Include V2 Van sales;
Passenger vehicles include Fiat and Jaguar Land Rover branded cars

INDUSTRY STRUCTURE AND DEVELOPMENTS

Commercial Vehicles:

Within the overall Commercial Vehicles (CV) growth of modest 1.7%, the Medium and Heavy Commercial Vehicles (M&HCV) segment recorded a negative growth of 23.3%, as compared to a growth of 6.5% in last fiscal. The ban on mining in Karnataka and Goa, coupled with the slowdown in infrastructure spending, curtailed the growth significantly. In general, slowing industrial growth across many key segments adversely impacted the demand. The Light Commercial Vehicles (LCV) segment, however, grew by 17.9%.

The Company registered a marginal growth of 1.1% to 536,232 units, reflecting falling demand in M&HCV, and growth in volumes in LCVs.

The domestic industry performance during FY 2012-13 and the Company's market share are given below:-

Category	Industry Sales			Company Sales			Market Share	
	FY 2012-13	FY 2011-12	Growth	FY 2012-13	FY 2011-12	Growth	FY 2012-13	FY 2011-12
M&HCV	268,055	349,288	-23.3%	142,764	207,086	-31.1%	53.3%	59.3%
LCVs	633,065	537,074	17.9%	393,468	323,118	21.8%	62.2%	60.2%
Total	**901,120**	**886,362**	**1.7%**	**536,232**	**530,204**	**1.1%**	**59.5%**	**59.8%**

Source: Society of Indian Automobile Manufacturers report and Company Analysis
LCVs includes V2 Van sales

The Company's commercial vehicle sales in the domestic and international markets at 580,341 units, were 0.8% lower than the previous year.

The thrust this year was increasing penetration in LCV segments while retaining market share in the heavy segment, as competition actions increased in a shrinking market.

This was possible through targeted / structured financing activities coupled with key product actions to address niches in the market. Another key area has been to focus on solution offerings over and above the product, such as Annual Maintenance contracts, 24x7 service support, Tata Alert assistance and telematics solutions. These initiatives were aimed at enhancing life cycle value to the customers.

During the year, the Company introduced a Telematics and Fleet Management Service, branded 'Tata FleetMan'. Targeted at commercial vehicle fleet owners and large consignors of goods, the service offers advanced telematics solutions, which will result in improved fleet utilization and logistics, and reduce track downtimes. The Tata FleetMan Telematics and Fleet management service has been designed to address pressing needs of the transport industry.

Through advanced telematics solutions like fuel management, driver management, remote diagnostics, real time fleet tracking, SMS Alerts, Geo-fencing and trip management, Tata FleetMan combines state-of-the-art IT and Telecom equipment and software, and offers one of the most advanced telematics solutions in the country.

The Company continued to make progress in the high growth pick up market. New product offerings addressing gaps in the portfolio combined with finance schemes, facilitated increased penetration in the pick up segment.

While the Company has further consolidated its position and enhanced the market share in LCVs, it has lost market share in the M&HCV segment due to competitive pricing pressures. With the launch of high performance products and variants in this segment, and value-add services to the customers, demonstrating the quality and reliability of its products and services and focussed marketing efforts, the Company is confident of maintaining and enhancing its premium brand positions and grow the market share.

Passenger Vehicles:

During FY 2012-13, the domestic passenger vehicle industry continued its downward momentum, recording a lower growth of less than 1% as compared to 3.6% for the last year. The demand was mainly affected by high interest rates, hike in fuel prices and reduction in discretionary spends.

One of the notable features during the year has been shift in demand for Utility Vehicles (UV), which recorded 21.8% contribution of the total industry, representing an all-time high in India, and registered a healthy growth of 51.5%, with every other segment registering a significant decline. The demand was also driven by a host of new launches in this segment, creating a customer class for car-like, soft roader UV's and emphasizing traditional rugged SUV offerings.

The domestic industry performance and the Company's performance in the passenger vehicle segment are given below:-

Category	Industry Sales			Company Sales			Market Share	
	FY 2012-13	FY 2011-12	Growth	FY 2012-13	FY 2011-12	Growth	FY 2012-13	FY 2011-12
Micro	53,847	74,521	-27.7%	53,847	74,521	-27.7%	100.0%	100.0%
Compact	794,627	856,381	-7.2%	117,377	176,104	-33.3%	14.8%	20.6%
Mid-size	200,007	204,733	-2.3%	7,410	19,645	-62.3%	3.7%	9.6%
Executive	23,256	37,275	-37.6%	1,061	4,796	-77.9%	4.6%	12.9%
Premium and Luxury	5,183	7,414	-30.1%	825	985	-16.2%	15.9%	13.3%
Utility Vehicles	560,992	370,286	51.5%	45,841	49,035	-6.5%	8.2%	13.2%
Vans (Note a)	123,152	152,019	-19.0%	2,964	7,958	-62.8%	2.4%	5.2%
Total (Note b)	**2,578,538**	**2,556,035**	**0.9%**	**229,325**	**333,044**	**-31.1%**	**8.9%**	**13.0%**

Source: Society of Indian Automobile Manufacturers report and Company Analysis
Note (a) Excludes V2 Van sales
Note (b) Total Industry nos. include sales in other segments

The negative growth in the industry in segments the Company operates in, and lack of an appropriate soft roader offering in the growth segment, contributed significantly to the less than market performance of the Company.

During the year, the Company recorded sales of 229,325 vehicles (including Jaguar Land Rover) in the domestic market; a decline of 31.1% over last year. The overall market share was lower at 8.9% as compared to 13.0% during the last fiscal year.

The Company introduced a host of new products in the year. The new Safari Storme, the Manza Club class and the Vista D90, drove volumes in their respective segments. The new launches focused on enhancing the Brand positioning, while making it relevant for the younger buyer.

The Company also worked on improving the décor and ambience of its showrooms to make them world class. This effort has been completed at pilot dealerships and workshops in Mumbai and Delhi, with encouraging results, and the initiative will now be carried forward to other setups across the country.

Nano registered volumes of 53,847 units for the year. With a focus on moving brand Nano to make it further appealing to the youth, a series of activities such as 'Art in Motion', 'Campus Brand Ambassador' etc., were launched with encouraging results. The

Company continues its drive to identify newer markets for the Nano. Currently it is sold in Nepal and Sri Lanka and is also evaluating other markets in South Asia.

The Company's sales in the mid-size segment suffered as competitive activity intensified with multiple new launches from competition in this segment.

Although, the UV market recorded a healthy growth of 51.5% during the year with industry sales of 560,992 units, the Company has registered decline of 6.5% in this segment. The decline is mainly attributable to absence of a product in the fast growing soft roader UV segment. The Safari Storme was launched in October 2012, at an aggressive price and has received a positive response from the market with 6,050 units sold in FY 2012-13. This segment with its tremendous growth potential, will continue to be a focus area.

The Company sold 2,494 Jaguar and Land Rover vehicles through its exclusive dealerships in India, registering an impressive growth of 9.7%. The Company launched the globally popular Range Rover Sport and Jaguar XF 3.0 litre D during the year. The activity of assembling JLR vehicles at Pune continues to grow and is part of the Company's plan for sharing knowledge and best practices between Tata Motors and JLR. The Jaguar XF was the latest model to be rolled out from the Pune assembly plant and will be followed soon by other variants as well.

Tata Motors Sales, Distribution and Support : The sales and distribution network in India as of March 31, 2013, comprises 2,609 sales contact points for the Passenger and Commercial Vehicle businesses. The Company has deployed a Customer Relations Management (CRM) system at all our dealerships and offices across the country. The system is certified by Oracle as the largest Siebel deployment in the automotive market. The combined online CRM system supports users both within the Company and among the distributors in India and abroad.

The Company's 100% subsidiary, TML Distribution Company Ltd (TDCL), acts as a dedicated distribution and logistics management company to support the sales and distribution operations of vehicles in India. TDCL provides distribution and logistics support for vehicles manufactured at the Company's facilities. TDCL helps us improve planning, inventory management, transport management and timely delivery.

The Company provides financing support through its wholly-owned subsidiary, Tata Motors Finance Ltd (TMFL). (Refer discussion on TMFL).

In addition to dealer service workshops, the Company uses a network of service centers on highways and a toll-free customer assistance center to provide 24-hour on-road maintenance (including replacement of parts) to vehicle owners. The Company believes that the reach of the sales, service and maintenance network, provides us with a significant advantage over the competitors.

Tata Motors Competition: The Company faces competition from various domestic and foreign automotive manufacturers in the Indian automotive market. Improving infrastructure and robust growth prospects compared to other mature markets, given the comparative low penetration of vehicles per thousand population, are now attracting a number of automotive OEM's to India. These companies have either formed joint-ventures with local partners or have established independently-owned operations in India. The global competitors bring international experience, global scale, advanced technology and significant financial support, for the operations in India. The competition continues to intensify every year.

The Company has designed its products to suit the requirements of the Indian market based on specific customer needs such as safety, driving comfort, fuel efficiency and durability. The Company believes that its vehicles are suited to the general conditions of Indian roads, driving habits and the local climate. The Company also offers a wide range of optional configurations to meet the specific needs of its customers. The Company is developing products to strengthen its product portfolio in order to meet customer expectations.

Tata Motors Exports: The Company continues to focus on its export operations. The Company markets its commercial and passenger vehicles in several countries in Europe, Africa, the Middle East, South East Asia and South Asia. However, the Company's export of vehicles manufactured in India decreased by 19.3% in FY 2012-13 to 50,938 units from 63,105 units in FY 2011-12. Commercial vehicles exports sales declined by19.9% to 44,109 units, impacted by the economic and general environment in Europe, the Middle East, and South Asia. The Passenger vehicle sales declined by 19.2% to 6,829 units.

For FY 2012-13, the Company's top five export destinations accounted for approximately 51% and 92% of the exports of commercial vehicles and passenger vehicle units, respectively. The Company continues to strengthen its position in the geographic areas it is currently operating in and exploring possibilities of entering new markets with similar market characteristics to the Indian market.

The Company has set up a network of distributors in almost all countries where the vehicles are exported. The distribution network includes local dealers for sales and servicing products in the respective regions. The Company has also deputed its representatives overseas to support sales and services and to identify opportunities.

Jaguar Land Rover business: On June 2, 2008, the Company acquired the global business of Jaguar Land Rover (JLR) which included the premium Brands, three major production facilities and two advanced design and engineering centers in United Kingdom, a worldwide sales and dealership network, intellectual property rights, patents and trademarks. Since then, JLR has significantly consolidated its position in the premium car segment.

The strengths of JLR include iconic globally positioned brands, strong product portfolio of award-winning luxury and high performance cars and premium all-terrain vehicles, global distribution network, strong product development and engineering capabilities, and a strong management team. The brand-wise wholesale of JLR are set forth in the table below:-

	FY 2012-13		FY 2011-12		Growth
	Units	%	Units	%	
Jaguar	57,812	15.5%	54,039	17.2%	7.0%
Land Rover	314,250	84.5%	260,394	82.8%	20.7%
Total	**372,062**	**100.0%**	**314,433**	**100.0%**	**18.3%**

During FY 2012-13, total wholesale unit sales increased to 372,062 units from 314,443 units in FY 2011-12; an increase of 18.3%. Jaguar volumes increased to 57,812 units during FY 2012-13 from 54,039 units in FY 2011-12; an increase of 7.0%. Land Rover volumes increased to 314,250 units from 260,394 units in FY 2011-12; an increase of 20.7%, mainly contributed by Range Rover Evoque and Freelander sales. JLR exported 304,034 units in FY 2012-13 compared to 262,637 units in FY 2011-12; an increase of 15.8% (Refer discussion below).

JLR had a successful year of continued growth in all markets, including 48% year on year growth in China retail sales. JLR significantly improved performance in mature economies. Despite uncertain trading conditions, it has increased sales in all major markets. The growth has been driven by a full year of Range Rover Evoque sales, new Jaguar product lines and increasing sales of its existing models.

Jaguar designs, develops and manufactures premium luxury saloons and sports cars, recognised for their performance, design and unique British style. Jaguar's range of products comprises the XK sports car (coupe and convertible), the XF saloon and the new XJ saloon.

The Jaguar 2012 Model Year line-up included a new four cylinder 2.2-litre diesel version of the XF with Intelligent Stop-Start Technology, making it the most fuel-efficient Jaguar and enabling penetration in the UK and European fleet and company car, markets. At the Geneva Motor Show in March 2012, JLR unveiled the XF Sportbrake, an estate derivative of the car. The 2013 Model year XF range also includes for the first time an all-wheel drive version of the new V6 petrol engine for the U.S. and European markets, and a 2.0-litre petrol version for the U.S. and Chinese markets. JLR started selling the 2013 Model year XF and Sportbrake at the end of the third quarter of FY 2012-13.

The XJ is Jaguar's largest luxury saloon vehicle, powered by a range of supercharged and naturally aspirated 5.0-litre V8 petrol engine and a 3.0-litre diesel engine. Using Jaguar's aerospace inspired aluminium body architecture, the new XJ's lightweight aluminium body provides improved agility, and fuel and CO_2 efficiency. The XJ has received more than 20 international awards since its launch, including "Best Luxury Car" from China's Auto News, "Annual Limousine King" from Quattroroute (Italy), "Luxury Car of the Year" from Top Gear (UK), Automobile Magazine's "2011 Design of the Year" and "Best Executive Sedan" at the Bloomberg Awards in the United States. In 2011, the XJ was upgraded to include a new Executive Package and a Rear Seat Comfort Package, for the ultimate executive limousine experience. The 2013 Model Year also includes an all-wheel drive version and a 3.0-litre V6 petrol version for the U.S. and European markets and a 2.0-litre petrol version for the Chinese market, which benefits from lower custom duties in that market. JLR started selling the 2013 Model Year XJ in the second quarter of FY 2012-13.

In September 2012, Jaguar unveiled the F-TYPE at the Paris Motor show, a two-seat sports car that was inspired by the 2011 C-X16 concept cars. Like the XK and XJ, the F-TYPE has an all-aluminium structure and combines enhanced technology with the power of Jaguar's latest 3.0-litre V6 and 5.0-litre V8 engines. The F-TYPE is available to retail customers from April 2013.

Land Rover designs, develops and manufactures premium all-terrain vehicles that aim to set high benchmarks of agility, maneuvering, durability and style. Land Rover's range of products comprises Defender, Freelander 2 (LR2), Discovery 4 (LR4), Range Rover Evoque, Range Rover Sport and Range Rover.

Land Rover products offer a range of powertrains, including turbocharged V6 diesel, V6 petrol engines and V8 naturally aspirated and supercharged petrol engines, with manual and automatic transmissions.

The Defender is one of Land Rover's most capable SUVs, and is recognised as an iconic vehicle in the segment targeting extreme all-terrain capabilities and payload/towing capability.

The Freelander 2 is a versatile vehicle for active lifestyles, matching style with sophisticated technology and off-road capability. The

Freelander 2, offering was significantly enhanced for the 2013 Model Year with the introduction of a turbocharged 2.0-litre petrol engine, giving superior performance as compared to the 3.2-litre engine it replaces, while also reducing CO_2 emissions.

The Discovery 4 is a mid-size SUV that features genuine all-terrain capability and versatility, including full seven-seat capacity. Recent power train innovations for the 2012 Model Year have delivered an improvement in CO_2 for the 3.0-litre LR-TDV6 engine. The Discovery has won more than 200 awards since its introduction in 1989.

The Range Rover Evoque is the smallest, lightest and most fuel-efficient Range Rover to date. The Evoque is available in 5-door and coupe body styles and in both front-wheel drive and all-wheel drive derivatives. Since its launch in September 2011, consumer interest and demand have been consistent across the globe. In its first full year of sales, JLR sold 103,269 total retail units of the Range Rover Evoque. The Evoque has also won over 120 international awards since its launch, reflecting its blend of design and capability.

The Range Rover Sport combines the performance of a sports tourer with the versatility of a Land Rover. The 2012 Model Year Range Rover Sport introduced a new version of the TDV6 diesel engine with an eight-speed transmission to reduce CO_2 emissions. At the 2013 New York International Auto Show, Land Rover debuted the All New 2014 MY Range Rover Sport built on a weight saving aluminium architecture. The Sport's all-new, aluminium architecture achieves a weight saving of up to 420kg (on a comparable basis) for agility and exceptional performance, with 15% CO_2 reduction and 24% improved fuel economy. The All New Range Rover Sport is the fastest, most agile and most responsive Land Rover ever.

The Range Rover is the flagship product under the Land Rover brand with a unique blend of British luxury, classic design, high-quality interiors and outstanding all-terrain ability. The new all-aluminium version was launched in the third quarter of FY 2012-13, the world's first SUV with a lightweight all-aluminium body, the new Range Rover has enhanced performance and handling on all terrains, and significant advances in environmental sustainability. The all-aluminium body shell has helped reduce the weight of the car substantially. A diesel hybrid Range Rover is currently being developed for introduction later in 2013. The new Range Rover was declared the world's top SUV by The Sunday Times, won Top Gear magazine's "Luxury Car of the Year" and was recently awarded the maximum 5-star safety rating by Euro NCAP.

Jaguar Land Rover's performance in key geographical markets on retail basis

United States: The US economy has recovered more favourably than other mature economies since the economic downturn. United States premium car segment volumes increased by 11% compared to FY 2011-12, whilst premium SUV segment volumes were up 3%. United States retail volumes for FY 2012-13 for the combined brands were 62,959 units. Jaguar retail volumes for FY 2012-13 fell by 6% compared to FY 2011-12, leading to a decrease in market share. Land Rover retail volumes for FY 2012-13 increased by 13% compared to FY 2011-12, and market share increased slightly.

United Kingdom: In FY 2012-13, the UK economy has been broadly flat. In the UK, the premium car segment fell by 2% compared to FY 2011-12, whilst SUV segment decreased by 16% in FY 2012-13 compared to FY 2011-12. UK retail volumes for FY 2012-13 for the combined brands were 72,270 units. Jaguar retail volumes for FY 2012-13 increased by 10% compared to FY 2011-12, increasing market share. Land Rover retail volumes for FY 2012-13, increased by 24% compared to FY 2011-12, increasing market share.

Europe (excluding Russia): The European economy continues to struggle, with austerity measures in place in a number of countries. The economic situation continues to create uncertainty around European zone stability, the Euro and financial market liquidity. With financing support for customers continuing to be difficult, the outlook remains volatile. The German premium car segment volume increased by 5% and the premium SUV segment volume fell by 9% compared to FY 2011-12. European retail volumes for FY 2012-13 for the combined Jaguar Land Rover brands were 80,994 units, representing a 18% increase compared to FY 2011-12. Jaguar retail volume for FY 2012-13 grew by 5%, and Land Rover retail volume for FY 2012-13 increased by 21% compared to FY 2011-12.

China: The Chinese economy continued to grow strongly throughout FY 2012-13. GDP growth is likely to slowdown in future, although expected to remain above 7.5%.

The China premium car segment volumes (for imports) increased by 12% in FY 2012-13, compared to FY 2011-12, whereas SUV segment volumes (for imports) increased by 8% in FY 2012-13 as compared to FY 2011-12. The China retail volumes for FY 2012-13 for the combined brands were 77,075 units. Jaguar retail volume for FY 2012-13, increased by 28% compared to FY 2011-12 and Land Rover retail volume for FY 2012-13, increased by 51% compared to FY 2011-12; both brands improving market share.

The Joint Venture to manufacture cars in China with Chery Automobile Co., Ltd (Chery), a Chinese auto manufacturer, is approved and GBP70 million was invested in FY 2012-13. JLR and Chery will now accelerate plans to build a joint venture manufacturing plant in Changshu, near Shanghai, as part of a 10.9 billion RMB (equivalent ₹ 9,540 crores) investment, which will also include a new research and development centre and engine production facility. The project envisages manufacturing of certain JLR vehicles, and also includes the creation of a new JV brand, specifically for the Chinese market, including the marketing and distribution. The two companies plan to complete the Changshu facility in Jiangsu province during FY 2013-14.

Asia Pacific: The Asia Pacific region main markets are Japan, Australia and New Zealand. These regions were less affected by the economic crisis when compared to western economies and are recovering faster, due to increased trade with China and other growth economies. The Asia Pacific retail volumes for FY 2012-13 for the combined brands were 17,849 units. Jaguar retail volume for FY 2012-13 increased by 27% compared to FY 2011-12. Land Rover retail volume for FY 2012-13 increased by 34% compared to FY 2011-12.

Other markets: The major constituents in other markets are Russia, South Africa and Brazil, alongside the rest of Africa and South America. These economies were not as badly affected by the economic crisis as the western economies and have continued growth in the last few years, partially on the back of increased commodity and oil prices. The retail volumes for FY 2012-13 for the combined brands were 63,489 units, up by 19%. Jaguar retail volume for FY 2012-13 was 6,402, up 17%, whilst Land Rover retail volume was 57,087, an increase of 19%.

Jaguar Land Rover's Sales & Distribution: JLR markets products in 178 countries, through a global network of 17 national sales companies ("NSCs"), 85 importers, 62 export partners and 2,485 franchise sales dealers, of which 689 are dealers for both Jaguar and Land Rover. JLR has established robust business processes and systems to ensure that its production plans meet anticipated retail sales demand and to enable the active management of its inventory of finished vehicles and dealer inventory throughout its network. JLR has entered into arrangements with independent partners to provide financing to its customers, including FGA Capital, a joint venture between Fiat Auto and Credit Agricole, Chase Auto Finance for its key markets, and local finance providers in a number of other markets. JLR's financing partners offer its customers a full range of consumer financing options.

Jaguar Land Rover's Competition: JLR operates in a globally competitive environment and faces competition from established premium and other vehicle manufacturers, who aspire to move into the premium performance car and premium SUV markets. Jaguar vehicles compete primarily with other European brands such as Audi, BMW and Mercedes Benz. Land Rover and Range Rover vehicles compete mainly with SUVs manufactured by Audi, BMW, Infiniti, Lexus, Mercedes Benz, Porsche and Volkswagen. The Land Rover Defender competes with vehicles manufactured by Isuzu, Nissan and Toyota.

Tata Daewoo Commercial Vehicles (TDCV): FY 2012-13 was a very challenging but at the same time encouraging year for TDCV. On one hand, domestic volumes decreased by 17.6% as a result of slowdown in the Korean economy, on the other hand Export volumes (including Knocked Down (KD)) grew by 57.8%, with higher demand from oil driven economies like Algeria, Russia, etc. TDCV's total sales volume increased by 6% in FY 2012-13, compared to FY 2011-12.

TDCV sold 2,383 units of Heavy Commercial Vehicles (HCV) in FY 2012-13, as compared to 2,549 units in the previous financial year. The Company's volume for Medium Duty Trucks was 3,017 units in FY 2012-13, as compared to 4,003 units in FY 2011-12. The sales declined mainly due to slowdown in the Korean economy. TDCV exported 4,700 units in FY 2012-13, which is highest ever in its history and registered a growth of 57.8%, as compared to 2,979 units sold in the previous year. Its sales increased significantly in some of its traditional export markets like Algeria, Russia, Laos, South Africa, Vietnam, etc., coupled with entry into some new markets like Indonesia, Ecuador, Ghana, etc., with a view to diversify its market.

Tata Motors Finance Ltd (TMFL): Despite strained market conditions due to contraction of vehicle volumes, TMFL was able to grow its new vehicles disbursements by 6% from ₹10,505 crores to ₹11,180 crores. TMFL financed a total of 2,51,936 new vehicles reflecting a growth of 9% over the 2,30,588 vehicles financed in the previous year. Disbursals for commercial vehicles were at ₹8,816 crores (1,81,374 units) as compared to ₹7,204 crores (1,20,032 units) of the previous year. Disbursements of passenger vehicles declined by 28% to ₹2,364 crores (70,562 units) from a level of ₹3,301 crores (1,10,556 units).

During FY 2012-13, approximately 33% of Tata vehicle unit sales in India were made by the dealers through financing arrangements provided by TMFL. The total vehicle finance receivables (consolidated) outstanding as at March 31, 2013 and 2012, amounted to ₹18,226.78 crores and ₹15,747.67 crores, respectively

In the current environment of sluggish growth and consequent lower demand of medium/ heavy trucks and passenger vehicles, TMFL has been able to show overall stability in its operations and has increased its disbursements as well as market share by over 6%. A highly motivated employee workforce, significantly greater customer orientation, increased branch network and field infrastructure, ensures that TMFL is poised for significant and sustainable growth.

TMFL's new initiative of Channel Finance to dealers and fee based Insurance support business, will significantly help improve the Company's profitability in the coming period. It has also stepped up significantly its "Office of the Customer initiative" as well as its branch network and infrastructure.

Tata Technologies Ltd (TTL): TTL is a key strategic partner in several of the information technology initiatives for the Tata Motors Group. The broad scope of TTL activities are as follows:

1. Engineering Automation Group [EAG]: EAG addresses the engineering and design needs of manufacturers through services for all stages of the product development and manufacturing process.
2. Enterprise Solutions Group [ESG]: ESG addresses the Information Technology needs of manufacturers including business solutions, strategic consulting, ERP implementation, systems integration, IT networking and infrastructure solutions and program management.
3. Product Lifecycle Management [PLM]: PLM addresses the product development technology solution requirements of manufacturers including end-to-end implementation of PLM technology, best practices and PLM consulting. PLM also includes the TTL's proprietary applications iGETIT® and iCHECKIT®.

The consolidated revenue for FY 2012-13 of TTL was ₹2,045.42 crores, an increase of 22.8% as compared to ₹1,665.95 crores in the previous year. The Services/Products business mix was a 76:24 split as compared to 73:27 mix for FY 2011-12. The Americas revenue was ₹608.95 crores with Asia Pacific recording ₹867.00 crores and Europe generating ₹820.45 crores.

FINANCIAL PERFORMANCE ON A CONSOLIDATED BASIS

The financial information discussed in this section is derived from the Company's Audited Consolidated Financial Statements.

Tata Motors Group primarily operates in the automotive segment. The acquisition of JLR enabled the Company to enter the premium car market. The Company continues to focus on profitable growth opportunities in global automotive business, through new products and market expansion. The Company and JLR, continue to focus on integration, and synergy through sharing of resources, platforms, facilities for product development and manufacturing, sourcing strategy, mutual sharing of best practices.

The business segments are (i) automotive operations and (ii) all other operations. The automotive operations include all activities relating to development, design, manufacture, assembly and sale of vehicles including financing thereof, as well as sale of related parts and accessories. The Company provides financing for vehicles sold by the dealers in India. The vehicle financing is intended to drive sale of vehicles by providing financing to the dealers' customers and as such, is an integral part of automotive business. Automotive operations segment accounted for 98.81% and 98.83% of total revenues in FY 2012-13 and FY 2011-12, respectively. For FY 2012-13, revenue from automotive operations before inter-segment eliminations was ₹187,648.85 crores compared to ₹164,604.28 crores for FY 2011-12.

The automotive operations segment is further divided into Tata Motors and other brand vehicles (including spares and vehicle financing) and Jaguar Land Rover. (A reference may be made to review of performance of TML and Jaguar Land Rover business as discussed above). For FY 2012-13, Jaguar Land Rover contributed 72.9% (63.6% for FY 2011-12) of the total automotive revenue (before intra segment elimination) and the remaining 27.1% (36.4% for FY2011-12) was contributed by Tata and other brand vehicles. Revenue and segment results for automotive operations is given below :

	FY 2012-13	FY 2011-12
	(₹ in crores)	
Total Revenues		
Tata vehicles / spares and financing thereof	50,919.99	59,921.24
Jaguar and Land Rover	136,822.17	104,750.93
Intra-segment eliminations	(93.31)	(67.89)
Total	**187,648.85**	**164,604.28**
Segment results before other income, finance cost, tax and exceptional items		
Tata vehicles / spares and financing thereof	1,736.89	4,152.00
Jaguar and Land Rover	14,975.61	12,359.45
Intra-segment eliminations	-	-
Total	**16,712.50**	**16,511.45**

The other operations business segment includes information technology, machine tools and factory automation solutions, and investment business. For FY 2012-13, revenue from other operations before inter-segment eliminations was ₹2,265.92 crores compared to ₹1,948.58 crores for FY 2011-12. Segment results before other income, finance cost, tax and exceptional items (before inter-segment eliminations) was ₹375.68 crores as compared to ₹294.88 crores for FY 2011-12.

The revenue from operations net of excise duty on a consolidated basis, has grown by14.0% in FY 2012-13 to ₹188,817.63 crores. The increase is mainly attributable to growth in automotive revenue mainly at Jaguar Land Rover business. The analysis of performance on consolidated basis is given below:-

	Percentage to Revenue from operations	
	FY 2012-13	FY 2011-12
Revenue from operations net of excise duty	100	100
Expenditure:		
Cost of material consumed (including change in stock)	63.7	66.1
Employee Cost	8.8	7.4
Manufacturing and other expenses (net)	18.8	17.2
Amount Capitalised	(5.4)	(5.0)
Total Expenditure	85.9	85.7
Other Income	0.4	0.4
Profit before Exceptional Items, Depreciation, Interest and Tax	14.5	14.7
Depreciation and Amortisation (including product development / engineering expenses written off)	5.1	4.2
Finance costs	1.9	1.8
Exceptional Item – Loss	0.3	0.5
Profit before Tax	7.2	8.2

Cost of materials consumed (including change in stock)

	FY 2012-13	FY 2011-12
	(₹ in crores)	
Consumption of raw materials and components	111,600.44	100,797.44
Purchase of product for sale	11,752.07	11,205.86
Change in finished goods and Work-in-progress	(3,031.43)	(2,535.72)
Total	**120,321.08**	**109,467.58**

Cost of material consumed decreased from 66.9% to 64.7% of total revenue (excluding income from vehicle financing). At TML RM cost was 73.6% of net revenue as compared to 73.1%, representing a marginal increase of 50 basis points, mainly attributable to product mix (reduction in M&HCV sales). For JLR the RM cost was 62.8% of revenue (FY 2011-12 64.5%), representing a reduction of 169 basis points. The reduction is mainly attributable to product mix, cost reduction programmes and reduction in input price of major metals consumed. On a consolidated basis, JLR operations have significantly contributed to reduction in material cost in terms of % to revenue.

Employee Cost was ₹16,584.05 crores in FY 2012-13 as compared to ₹12,298.45 crores in FY 2011-12; an increase of ₹4,285.60 crores. Of the increase ₹1,055.87 crores (approximately) relates to translation impact of JLR from UK Pounds to Indian Rupee. At JLR the increase in employee cost is attributable to increases in the permanent and contractual head count to support the volume increases/new launches and product development projects. At TML the employee cost increased to ₹2,837.00 crores from ₹2,691.45 crores in FY 2011-12, which mainly related to normal yearly revisions and wage settlements, at certain locations. Due to lower volumes at TML, salary cost as a % to revenue is higher at 6.3% as compared to 5.0% in FY 2011-12.

Manufacturing and Other Expenses include all works operation, indirect manufacturing expenses, freight cost, fixed marketing costs and other administrative costs. These expenses have increased to ₹35,535.58 crores from ₹28,453.97 crores in FY 2011-12. As explained above, each line item includes the element of translation impact of JLR (approximately ₹2,363 crores).

The breakup is given below-

	FY 2012-13	FY 2011-12
	(₹ in crores)	
Processing charges	1,450.56	1,539.14
Stores, spare parts and tools consumed	1,393.89	1,217.24
Freight, transportation, port charges, etc.	4,798.01	3,734.55
Repairs to buildings	120.25	101.51
Repairs to plant, machinery, etc.	195.10	175.42
Power and fuel	1,069.06	1,017.19
Rent	161.28	128.84
Rates and taxes	202.61	259.15
Insurance	225.30	227.18
Publicity	6,607.14	5,398.40
Works operation and other expenses	19,196.88	14,538.55
Excise Duty on change in Stock-in-trade	115.50	116.80
Manufacturing and Other Expenses	**35,535.58**	**28,453.97**

The increases are mainly driven by volumes, size of operations and also include inflation impact. These increased from 17.2% to 18.8% in the current year, in terms of % to revenue.

i. Processing charges were mainly incurred by TML, where mainly due to volume contraction, the expenditure was lower.

ii. Freight, transportation, port charges etc. have increased, mainly at JLR, in view of increase in volumes in the overseas markets.

iii. The publicity expenses increase, mainly related to new product launches and ongoing product / brand campaigns.

iv. The works operation and other expenses have increased to 10.2% from 8.8% of net revenue. While a part of revenue relates to volumes, the major increases were in IT costs and exchange loss on trading activities at JLR.

Amount capitalised represents expenditure transferred to capital and other accounts allocated out of employee cost and other expenses, incurred in connection with product development projects and other capital items. The expenditure transferred to capital and other accounts has increased to ₹10,191.97 crores from ₹8,265.98 crores of FY 2011-12, mainly on account of various product development projects undertaken by the Company and JLR, for introduction of new products, development of engine and products variants.

Other Income increased to ₹811.53 crores from ₹661.77 crores in FY 2012-13 and mainly includes interest income of ₹693.90 crores (FY 2011-12 ₹487.64 crores). The increase is fully attributable to JLR, which relates to surplus cash invested on short-term basis.

Profit before Interest, Depreciation, Exceptional Items and Tax has increased from ₹24,362.24 crores in FY 2011-12 to ₹27,380.42 crores in FY 2012-13, and represented 14.5% of revenue.

Depreciation and Amortization (including product development / engineering expenses written off): During FY 2012-13, expenditure increased to ₹9,590.89 crores from ₹7,014.61 crores in FY 2011-12. The increase in depreciation of ₹629.04 crores is on account of plant and equipment (mainly towards capacity and new products) installed in last year, the full effect of which is reflected in the current year. The amortization expenses have gone up from ₹2,276.24 crores in FY 2012-13 to ₹3,591.12 crores in FY 2011-12, attributable to new product introduced during the last year. The expenditure on product development / engineering cost written off has increased by ₹632.36 crores. As explained above, there was an element of increase representing translation impact.

Finance Cost increased by 19.2% to ₹3,553.34 crores from ₹2,982.22 crores in FY 2011-12. The increase mainly represented borrowings for the short term and long term needs of the Group and in particular increased vehicle financing activity by TMFL.

In FY 2012-13, the Company issued rated, listed, unsecured non-convertible debentures of ₹2,100 crores with maturities of 2-7 years to raise long term resources and optimize the loan maturity profile. JLR issued US$ 500 million Senior Notes due 2023 at a coupon of 5.625% per annum. The notes are callable at a premium for the present value of future interest rates, if called before a specified date and thereafter are callable at fixed premiums. Further, TMFL raised ₹100 crores by issue of Subordinated Unsecured Non-convertible Perpetual debentures towards Tier I Capital to meet its growth strategy and improve its capital adequacy ratio and ₹90.40 crores by issue of Subordinated Unsecured, Non-convertible debentures towards Tier 2 Capital.

Exceptional Items

	FY 2012-13	FY 2011-12	Change
		(₹ in crores)	
Exchange loss (net) including on revaluation of foreign currency borrowings, deposits and loans	515.09	654.11	(139.02)
Impairment of intangibles and other costs	87.62	177.43	(89.81)
Total	**602.71**	**831.54**	**(228.83)**

i. The exchange loss (net) relates foreign currency borrowings, deposits and loans and derivatives. Foreign exchange loss (net) represents impact on account of revaluation of foreign currency borrowings, deposits and loans, and amortisation of loss / gain, on such foreign currency monetary items which was deferred in last year.

ii. Impairment of intangibles and other costs are in respect of subsidiary companies, triggered by continuous under performance, mainly attributed by challenging market conditions in which the subsidiaries operate.

Consolidated Profit Before Tax (PBT) increased to ₹13,633.48 crores in FY 2012-13, compared to ₹13,533.87 crores in FY 2011-12, representing an increase of ₹99.61 crores. Due to severe contraction in domestic volumes, TML's contribution to PBT was negative. JLR by virtue of its strong performance, contributed to PBT. Hence, despite increase in consolidated revenue, the PBT has marginally improved. The increase also includes translation impact.

Tax Expense represents a net charge of ₹3,770.99 crores in FY 2012-13, as compared to net credit of ₹40.04 crores in FY 2011-12. During FY 2011-12, JLR accounted for credit of GB£225 million (₹1,793.66 crores) in respect of carried forward past tax losses. The tax expense is not comparable with the profit before tax, since it is consolidated on a line-by-line addition for each subsidiary company and no tax effect is recorded in respect of consolidation adjustments.

Consolidated Profit After Tax decreased to ₹9,892.61 crores compared to ₹13,516.50 crores in FY 2011-12, after considering the profit from associate companies and share of minority. The lower PAT as compared to last year is attributable to tax credit accounted in FY 2011-12, by JLR as explained above.

Consolidated Balance Sheet

Shareholders' fund was ₹37,637.30 crores and ₹32,698.50 crores as at March 31, 2013 and 2012, respectively.

Reserves increased from ₹32,063.75 crores as at March 31, 2012 to ₹36,999.23 crores as of March 31, 2013. The increase represents strong performance on a consolidated basis as explained above.

- Balance in Profit & Loss Account and General Reserve has gone up by ₹9,227.64 crores, representing results from operations for the year, net of distribution of dividend and transfer to other reserves.

These increase in reserves was offset by -

- The pension reserve of JLR, which increased by ₹2,354.13 crores (net), due to changes of actuarial assumptions (discount rate and inflations rate); and
- An amount of ₹1,416.90 crores (as at March 31, 2012 ₹369.93 crores), being debit balance in hedging reserves account, representing marked to market impact on the derivative financial instruments.

Borrowings:

	As at March 31, 2013	As at March 31, 2012
	(₹ in crores)	
Long term borrowings	32,110.07	27,962.48
Short term borrowings	11,612.21	10,741.59
Current maturities of long term borrowings	9,869.10	8,444.89
Total	**53,591.38**	**47,148.96**

i. Current maturities of Long term borrowings represents amount of loan repayable within one year.

ii. Long term borrowings including the current portion increased by ₹5,571.80 crores to ₹41,979.17 crores.

- Jaguar Land Rover Automotive Plc has issued US$500 million (approximately ₹2,691 crores), 5.625% Senior Notes due 2023 in FY 2012-13.
- In FY 2012-13, the Company issued rated, listed, unsecured non-convertible debentures of ₹2,100 crores with maturities of 2-7 years as a step to raise long term resources and optimize the loan maturity profile.
- Vehicle Financing - TMFL has raised funds by issue of Secured Non-convertible debentures of ₹2,696 crores.

iii. Increase in the short term borrowings were by way of commercial paper of ₹2,755.30 crores as at March 31, 2013 as compared to ₹1,252.95 crores as at March 31, 2012.

Other Long term liabilities were ₹3,284.06 crores as at March 31, 2013, as compared to ₹2,297.57 crores as at March 31, 2012. These included ₹1,733.50 crores of derivative financial instruments, mainly JLR as at March 31, 2013 (₹271.31 crores as at March 31, 2012), reflecting increased notional liability consequent to valuation of derivative contracts.

Trade payables were ₹44,780.15 crores as at March 31, 2013, as compared to ₹36,686.32 crores as at March 31, 2012. The increase is attributable to increase in volumes, mainly at JLR.

Provisions (current and non-current) were towards warranty, employee benefit schemes, premium on redemption of FCCN and proposed dividend. Short term provisions are those which are expected to be settled during next financial year. The details are as follows:

	As at March 31, 2013	As at March 31, 2012
	(₹ in crores)	
Long term provisions (Non-current)	8,319.15	6,232.39
Short term provisions (Current)	7,752.58	6,770.38
Total	**16,071.73**	**13,002.77**

i. Provision for warranty and product liability increased by ₹1,418.29 crores mainly on account of volumes at JLR.

ii. The provision for employee benefit schemes have mainly increased on account of change in actuarial factors at JLR (₹2,962.74 crores)

iii. The short term provision included ₹855.73 crores as at March 31, 2012, towards premium on redemption of CARS, which has been fully paid / settled in FY 2012-13.

iv. The provision for dividend has gone down by ₹732.30 crores, consequent to lower rate of proposed dividend.

Other current liabilities were ₹22,140.96 crores as at March 31, 2013 as compared to ₹19,069.78 crores as at March 31, 2012. These mainly included liability towards vehicles sold under repurchase arrangements, liability for capital expenditure, statutory dues, and current liability of long term debt and advance / progress payment from customers. The increase was mainly due to increase in current maturities of long term debt (explained above), increase in liability for capital expenditure and derivative financial instruments.

Fixed Assets:

	As at March 31, 2013	As at March 31, 2012	Change
		(₹ in crores)	
Tangible assets (including capital work-in-progress)	36,695.02	30,240.09	6,454.93
Intangible assets (including assets under development)	32,788.59	25,972.41	6,816.18
Total	**69,483.61**	**56,212.50**	**13,271.11**

The increase (net of depreciation) in the tangible assets mainly represented additions towards capacity / new product plans of the Company. The increase (net of amortization) in the intangible assets was ₹6,816.16 crores, mainly attributable to new product developments projects at TML and JLR.

Investments (Current + Non-current) were ₹9,057.72 crores as at March 31, 2013, as compared to ₹8,917.71 crores as at March 31, 2012. The break-up is as follows:

	As at March 31, 2013	As at March 31, 2012
	(₹ in crores)	
Mutual Funds	7,509.50	7,530.05
Investments in equity accounted investees (associate companies)	744.73	668.55
Quoted Equity shares	299.11	297.98
Unquoted Equity shares	383.03	354.42
Others	129.85	74.80
Provision for diminution in value of investments (net)	(8.50)	(8.09)
Total	**9,057.72**	**8,917.71**

Deferred tax assets / liability :

	As at March 31, 2013	As at March 31, 2012
	(₹ in crores)	
Deferred tax assets	4,428.93	4,539.33
Deferred tax liability	(2,019.49)	(2,165.07)

Deferred tax assets, represents timing differences for which there will be future current tax benefits by way of unabsorbed tax losses and expenses allowable on payment basis in future years.

Deferred tax liabilities represent timing differences where current benefit in tax will be off-set by debit in the Profit and Loss Statement.

Loans and Advances

	As at March 31, 2013	As at March 31, 2012
	(₹ in crores)	
Long term loans and advances	15,465.46	13,657.95
Short term loans and advances	12,608.46	11,337.22
Total	**28,073.92**	**24,995.17**

Loans and advances include

i. Credit entitlement of Minimum Alternate Tax (MAT) of ₹1,513.34 crores as at March 31, 2013 (₹1,451.45 crores as at March 31, 2012), relating to Tata Motors. The credit / refund will be against tax paid at normal rate, within time limit as per the Income Tax Act.

ii. Receivables towards vehicle financing by Tata Motors Finance Ltd ₹18,226.78 crores as at March 31, 2013, as compared to ₹15,747.67 crores as at March 31, 2012; and

iii. VAT, other taxes recoverable, statutory deposits and dues of ₹5,659.37 crores as at March 31, 2013, as compared to ₹5,626.70 crores as at March 31, 2012.

Inventories as of March 31, 2013, stood at ₹20,969.01 crores as compared to ₹18,216.02 crores as at March 31, 2012. Inventory at TML was ₹4,455.03 crores as compared to ₹4,588.23 crores as at March 31, 2012. Inventory at JLR was ₹14,726.76 crores as compared to ₹12,174.64 crores as at March 31, 2012. The increase at JLR is consistent with the volume growth. In terms of number of days of sales, finished goods represented 29 inventory days in FY 2012-13; same as FY 2011-12.

Trade Receivables (net of allowance for doubtful debts) were ₹10,942.66 crores as at March 31, 2013, representing an increase of ₹2,705.82 crores, which was attributable to increase in sales, at JLR. Trade Receivables have decreased in TML by ₹890.28 crores. The allowances for doubtful debts were ₹321.68 crores as at March 31, 2013 against ₹326.21 crores as at March 31, 2012.

Cash and bank balances were ₹21,112.67 crores, as at March 31, 2013 compared to ₹18,238.13 crores as at March 31, 2012. The Company holds cash and bank balances in Indian Rupees, GB£, and Chinese Renminbi etc. The cash balances include bank deposits maturing within one year of ₹11,369.21 crores; compared to ₹9,500.48 crores as at March 31, 2012. It included ₹4,320 crores as at March 31, 2013 (₹3,697crores as at March 31, 2012) held by a subsidiary that operates in a country where exchange control restrictions potentially restrict the balances being available for general use by Tata Motors Limited and other subsidiaries.

Consolidated Cash Flow

The following table sets forth selected items from consolidated cash flow statement:

	FY 2012-13	FY 2011-12	Change
		(₹ in crores)	
Net Cash from Operating Activities	**22,062.23**	**18,384.32**	**3,677.91**
Profit for the year	9,892.61	13,516.50	
Adjustments for cash flow from operations	14,460.64	8,915.84	
Changes in working capital	(67.95)	(2,280.08)	
Direct taxes paid	(2,223.07)	(1,767.94)	
Net Cash used in Investing Activities	**(23,412.58)**	**(20,542.85)**	**(2,869.73)**
Payment for fixed assets (Net)	(18,720.34)	(13,782.85)	
Net investments, short term deposit, margin money and loans given	(5,498.44)	(7,297.58)	
Dividend and interest received	806.20	537.58	
Net Cash from / (used in) Financing Activities	**(1,655.79)**	**6,567.18**	**(8,222.97)**
Proceeds from issue of share to minority shareholders	0.56	138.54	
Dividend Paid (including paid to minority shareholders	(1,508.73)	(1,503.11)	
Interest paid	(4,655.99)	(3,373.69)	
Net Borrowings (net of issue expenses)	4,508.37	11,305.44	
Net (decrease) / increase in cash and cash equivalent	**(3,006.14)**	**4,408.67**	
Effect of exchange fluctuation on cash flows	521.94	1,078.96	
Cash and cash equivalent, beginning of the year	14,833.02	9,345.41	
Cash and cash equivalent, end of the year	**12,348.82**	**14,833.04**	

Analysis:

a. Cash generated from operations before working capital changes and change in finance receivable was ₹24,353.25 crores as compared to ₹22,432.34 crores in the previous year, representing an increase in cash generated through consolidated operations, consistent with the growth in revenue on a consolidated basis. After considering the impact of working capital changes and net movement of vehicle financing portfolio, the net cash generated from operations was ₹24,285.30 crores as compared to ₹20,152.26 crores in the previous year. The following factors contributed to net increase in working capital for the year:-

- Increase in vehicle financing receivables by ₹2,479.10 crores, consequent to increase in financing activity to support sales in India.
- Increase in trade and other receivables amounting ₹2,727.65 crores mainly due to increase in sales to importers at JLR.
- Increase in inventories amounting to ₹2,693.24 crores (mainly in finished goods) due to higher volumes / activity at JLR.
- The above increases were offset by increase in trade and other payables by ₹7,508.61 crores (due to revenue growth) and net increase in provisions of ₹1,322.46 crores.

b. The net cash outflow from investing activity increased during the current year to ₹23,412.58 crores from ₹20,542.85 crores for the last year.

- Capital expenditure was at ₹18,720.34 crores during the year as against ₹13,782.85 crores for the last year, related mainly to capacity / expansion of facilities, quality and reliability projects and product development projects.
- The change in net investments mainly represents deposits/ restricted deposits (net) ₹6,135.57 crores against ₹1,683.25 crores in the last year. Further, in FY 2011-12, the Company parked surplus cash in mutual funds net ₹5,840.09 crores.

c. The net change in financing activity was an outflow of ₹1,655.79 crores against net inflow ₹6,567.18 crores for last year.

- During FY 2012-13, ₹5,615.83 crores were raised from long term borrowings (net) as compared to ₹14,365.91 crores. During FY 2011-12, JLR raised funds by issued of Senior Notes of GB£1,500 million (₹12,327.19 crores) (net), resulting in increase (net) in borrowings during FY 2011-12.
- Net increase in short term borrowings of ₹1,837.51 crores as compared to decrease of ₹1,913.58 crores.

As of March 31, 2013, Tata Motors Group borrowings (including short term debt) were ₹53,591.38 crores compared with ₹47,148.96 crores as of March 31, 2012.

The Company believes that it has sufficient resources available to meet planned capital requirements. However, the sources of funding could be adversely affected by an economic slowdown as was witnessed in FY 2008-09 or other macroeconomic factors in India and abroad such as Europe and markets where the Company is present such as China. A decrease in the demand for the Company products and services could lead to an inability to obtain funds from external sources on acceptable terms or in a timely manner. In order to refinance the Company acquisition related borrowings and for supporting long term fund needs, the Company continued to raise funds in FY 2011-12 and FY 2012-13, through issue of various equity, equity linked and debt securities described below.

In May 2011, JLR issued GB£1,000 million equivalent Senior Notes (Notes). The Notes issued included GB£500 million Senior Notes due 2018 at a coupon of 8.125% per annum, US$ 410 million Senior Notes due 2018 at a coupon of 7.75% per annum and US$ 410 million Senior Notes due 2021 at a coupon of 8.125% per annum. The proceeds are / will be used to refinance existing debt and for general corporate purposes. The notes are callable at a premium for the present value of future interest rates, if called before a specified date for each series of notes and thereafter are callable at fixed premiums.

In September 2011, the Company raised Syndicated Foreign currency term loans of US$ 500 million in two tranches with tenors between four to seven years towards financing its general capital expenditure and investments in its overseas subsidiaries in accordance with guidelines on External Commercial Borrowings (ECB) issued by the Reserve Bank of India.

In March 2012, JLR issued GB£500 million Senior Notes due 2020, at a coupon of 8.25% per annum. The proceeds will be used for general corporate purposes. The notes are callable at a premium for the present value of future interest rates, if called before a specified date and thereafter are callable at fixed premiums.

During FY 2011-12, TMFL raised ₹154.50 crores by an issue of unsecured, non-convertible, debentures towards Tier 2 Capital to meet its growth strategy and improve its capital adequacy ratio.

In FY 2012-13, the Company issued rated, listed, unsecured non-convertible debentures of ₹2,100 crores with maturities of 2-7 years as a step to raise long term resources and optimize the loan maturity profile.

In January 2013, JLR issued US$ 500 million Senior Notes due 2023, at a coupon of 5.625% per annum. The proceeds will be used for general corporate purposes, including, to support ongoing growth and capital spending plans. The notes are callable at a premium for the present value of future interest rates, if called before a specified date and thereafter are callable at fixed premiums.

During FY 2012-13, TMFL raised ₹90.40 crores by issue of Subordinated Unsecured, Non-convertible debentures towards Tier 2 Capital and ₹100 crores was raised by issue of Subordinated Unsecured Non-convertible Perpetual debentures towards Tier I Capital to meet its growth strategy and improve its capital adequacy ratio.

The Tata Motors Group fund its short-term working capital requirements with cash generated from operations, overdraft facilities with banks, short and medium term borrowings from lending institutions, banks and commercial paper. The maturities of these short and medium term borrowings and debentures are generally matched to particular cash flow requirements. During April 2012, Tata Motors received approvals from the Board to increase the working capital limits to ₹14,000 crores from the existing ₹12,000 crores from banks in India.

The working capital limits are secured by hypothecation of certain existing current assets of the Company. The working capital limits are renewed annually.

In December 2011, JLR established 3-5 year committed Revolving Credit Facility amounting to GB£710 million from a syndicate of 13 banks. During July and August 2012, JLR received approvals for additional GB£85 million limits taking the facility to GB£795 million as of March 31, 2013.

The Tata Motors Group cash and bank balances were ₹21,112.67 crores as at March 31, 2013, as compared to ₹18,238.13 crores as at March 31, 2012. These enable the Group to cater to business needs in the event of changes in market conditions.

Some of the Company's financing agreements and debt arrangements set limits on and / or require prior lender consents for, among other things, undertaking new projects, issuing new securities, changes in management, mergers, sale of undertakings and investment in subsidiaries. In addition, certain financial covenants may limit the Company's ability to borrow additional funds or to incur additional liens. Certain of the Company financing arrangements also include covenants to maintain certain debt-to-equity ratios, debt-to-earnings ratios, liquidity ratios, capital expenditure ratios and debt coverage ratios.

In respect of one of the borrowings, aggregating ₹4,200.00 crores (₹3,050.00 crores outstanding as at March 31, 2013), the Company has not met two of the covenants, due to extremely difficult market conditions affecting the performance and redemption of CARS of ₹3,493.83 crores (including redemption premium) resulting in depletion of long term funds. This entails incremental effective cost of borrowing by100 basis points per annum, in respect of which the Company has sought waiver and is confident of obtaining the same.

The cash and liquidity is located at various locations in its subsidiaries along with balances in India. Jaguar Land Rover's subsidiary in China is subject to foreign exchange controls and thereby has some restrictions on transferring cash to other companies of the group outside of China.

There may also be legal or economic restrictions on the ability of subsidiaries to transfer funds to the Company in the form of cash dividends, loans, or advances, however such restrictions have not had and are not estimated to have significant impact on the ability of the Company to meet its cash obligations.

FINANCIAL PERFORMANCE ON A STANDALONE BASIS

The financial information discussed in this section is derived from the Company's Audited Standalone Financial Statements.

As explained in the business section, the domestic economic environment deteriorated further, in the current fiscal. As a result, the automotive industry shrunk significantly.

Revenues (net of excise duty) were ₹44,765.72 crores in FY 2012-13, as compared to ₹54,306.56 crores, representing a decrease of 17.6%. As explained above, the total number of vehicles sold during the year decreased by 11.9%. The domestic volumes decreased by 11.3% to 765,557 vehicles from 863,248 vehicles in FY 2012-13 and export volumes decreased by 19.3% to 50,938 vehicles from 63,105 vehicles in FY 2011-12. The sale of spare parts / aggregates increased by12.5% to ₹3,273.80 crores from ₹2,910.61 crores in FY 2011-12.

Significant volumes reduction, adverse product mix, more particularly in the commercial vehicles, and intense competition amongst all product segments, impacted the operating margin, recording a level of 4.8% of sales (8.1% for FY 2011-12). As a result. the Profit after tax was ₹301.81 crores, as compared to ₹1,242.23 crores in FY 2011-12. The analysis of performance is given below:-

	Percentage to revenue from operations	
	FY 2012-13	FY 2011-12
Revenue from operations net of excise duty	100	100
Expenditure:		
Cost of material consumed (including change in stock)	73.6	73.1
Employee Cost	6.3	5.0
Manufacturing and other expenses (net)	17.4	15.5
Amount Capitalised	(2.1)	(1.7)
Total Expenditure	95.2	91.9
Other Income	4.7	1.1
Profit before Exceptional Item, Depreciation, Interest and Tax	9.5	9.2
Depreciation and Amortisation (including product development/ engineering expenses written off)	5.0	3.4
Finance costs	3.1	2.2
Exceptional Item – Loss	1.0	1.1
Profit before Tax	0.4	2.5

Cost of materials consumed (including change in stock):

	FY 2012-13	FY 2011-12
	(₹ in crores)	
Consumption of raw materials and components	27,244.28	33,894.82
Purchase of product for sale	5,864.45	6,433.95
Change in Stock-in-trade, finished goods and Work-in-progress	(143.60)	(623.84)
Total	**32,965.13**	**39,704.93**
% of revenue	**73.6 %**	**73.1 %**

The increase in terms of % to revenue, from 73.1% to 73.6% was mainly due to adverse product mix.

Employee Cost: There was an overall increase to ₹2,837.00 crores from ₹2,691.45 crores in FY 2011-12 (5.4% over last year). The increase was mainly attributable to normal yearly increases, promotions, wage agreements (one of the major unit) . The Company has taken steps to contain the manpower cost, by reduction in head count both permanent and temporary. Due to lower volumes, the employee cost to revenue has increased from 5.0% to 6.3%.

Manufacturing and Other Expenses: These expenses relate to manufacturing, operations and incidental expenses other than raw materials and employee cost. This expenditure mainly included job work charges, advertisement & publicity and other selling and administrative costs. The expenses were ₹7,773.65 crores during current fiscal, as compared to ₹8,405.51 crores for FY 2011-12, representing 17.4% of revenue for FY 2012-13 (15.5% for FY 2011-12).

a) There been decrease in expenses in terms of absolute terms on account of lower volumes and cost reduction initiative taken by the Company.

b) Increase is partly attributable to write off of items held in work in process product development projects of ₹169 crores and IT costs.

Amount capitalised represents expenditure transferred to capital and other accounts allocated out of employee cost and other expenses incurred in connection with product development projects and other capital items. The expenditure transferred to capital and other accounts increased to ₹953.80 crores from ₹907.13 crores of FY 2011-12, and mainly related to ongoing product development for new products and variants.

Other Income was ₹2,088.20 crores (₹574.08 crores for FY 2011-12).

For FY 2012-13, it included dividends from subsidiary companies of ₹1,583.58 crores (including dividend from JLR), as compared to ₹113.83 crores for FY 2011-12. Other income also include interest income of ₹383.64 crores), as compared to ₹363.67 crores for FY 2011-12. (The dividend from subsidiary companies is eliminated in the consolidated income statement, being income from subsidiaries).

Profit before Exceptional Item, Depreciation, Interest and Tax (PBDIT) was ₹4,231.94 crores in FY 2012-13, compared to ₹4,985.88 crores in FY 2011-12. Lower volumes and adverse product mix, resulted in lower operating profit. This was partly offset by dividend from JLR and higher dividend from other subsidiaries.

Depreciation and Amortization (including product development / engineering expenses written off) increased by ₹402.39 crores (21.9% increase over last year) to ₹2,243.38 crores from ₹1,840.99 crores in FY 2011-12.

a) Depreciation increased by ₹72.13 crores, reflecting impact of additions to fixed assets towards plant and facilities for expansion and new products introduction.

b) Amortization increase by ₹138.75 crores related to product development projects capitalized for products launched in recent years.

c) Product development / engineering expenses written off increased by ₹191.51 crores to ₹425.76 crores in FY 2012-13.

Finance Costs increased to ₹1,387.76 crores from ₹1,218.62 crores in FY 2011-12. The increase reflects increase in rates and borrowing levels, mainly due to lower cash from operations. Post redemption of CARS and repayment of fixed deposits, the weighted average borrowing cost (gross) has increased to 7.25% from 6.09% in FY 2011-12.

Exceptional Items

a) During FY 2012-13, the Company further provided ₹245 crores for the loan given to a subsidiary company, Hispano Carrocera SA. Impairment triggered by continuous under performance, mainly attributed to extremely difficult market conditions in Spain. The Company is in the process of evaluating various options and business prospects of Hispano.

b) As per the accounting policy followed by the Company the exchange gain / loss on foreign currency long term monetary items, is amortised over the tenor of such monetary item. The net exchange loss including on revaluation of foreign currency borrowings, deposits and loans and amortisation, was ₹263.12 crores for the year (last year ₹455.24 crores).

c) The Company sold forge division at Jamshedpur, to one of its subsidiary on a slump sale basis, at a profit of ₹82.25 crores.

Profit before Tax (PBT) of ₹174.93 crores represented a steep reduction of ₹1,166.10 crores from ₹1,341.03 crores in FY 2011-12. The reduction of PBT was mainly attributable to lower M&HCV volumes and severe contraction of passenger car volumes, resulting in lower operating margin, increase in depreciation/amortization. Further there was write off of product development costs / items. The loss from operation was offset by increased dividend form subsidiary companies, lower exchange loss (net) in respect of foreign currency borrowings, deposits and loans and profit on sale of division.

Tax expenses -There was tax credit of ₹126.88 crores as compared to tax expense of ₹98.80 for FY 2011-12. The tax expenses was after considering the tax benefit on R&D expenditure, provision of disallowances and tax treatment of foreign exchange differences.

Profit After Tax (PAT) decreased to ₹301.81 crores from ₹1,242.23 crores in FY 2011-12. Consequently, basic Earnings Per Share (EPS) decreased to ₹0.93 as compared to ₹3.90 for the previous year for Ordinary Shares and to ₹1.03 as compared to ₹4.00 for 'A' Ordinary Shares for the previous year.

Standalone Balance Sheet

Shareholders' funds were ₹19,134.84 crores and ₹19,367.66 crores as at March 31, 2013 and 2012, respectively.

Reserves decreased to ₹18,496.77 crores as at March 31, 2013 from ₹18,732.91 crores as at March 31, 2012, reflecting a reduction of ₹236.14 crores

- The PAT for the current year was of ₹301.81 crores and ₹141.81 crores (net) were added to the Securities Premium account by way of premium on shares issued on conversion of convertible notes / securities (net of utilization for debt issue cost, etc.).
- Dividend was proposed (including tax thereon) of ₹724.23 crores.

Borrowings:

	As at March 31, 2013	As at March 31, 2012
	(₹ in crores)	
Long term borrowings	8,051.78	8,004.50
Short term borrowings	6,216.91	3,007.13
Current maturities of long term borrowings	2,530.26	4,868.94
Total	**16,798.95**	**15,880.57**

During FY 2012-13, the Company repaid fixed deposits from public and shareholders ₹1,747.12 crores and CARS ₹2,406.74 crores. These were offset by increase in the short term borrowing by way of commercial paper of ₹1,986.56 crores as at March 31, 2013 (as compared to ₹131.27 crores as at March 31, 2012) and net increase in loan, cash credit, overdraft accounts by ₹1,905.48 crores in FY 2012-13, to support the funding needs. The debt/equity ratio after considering cash / investment in mutual fund was 0.85 as compared to 0.74 as at March 31, 2012. Due to significant reduction in volumes, the Company had to deploy short term funds to support critical long term finance needs, The Company is in the process of taking appropriate steps to increase the long term funds.

Trade payables were ₹8,455.02 crores as at March 31, 2013 as compared to ₹8,705.53 crores as at March 31, 2012.

Provisions (current and non-current) as at March 2013 and 2012 were ₹2,200.77 crores and ₹3,640.12 crores, respectively. The provisions are mainly towards warranty, employee retirement benefits, premium payable of redemption of debentures / FCCNs, delinquency and proposed dividends. The reduction mainly comprise (i) lower dividend provision of ₹739.49 crores; and (ii) payment of redemption premium of CARS ₹886.95 crores in FY 2012-13.

Fixed Assets: The tangible assets (net of depreciation and including capital work in progress) increased from ₹13,656.77 crores as at March 31, 2012 to ₹13,795.55 crores. The intangible assets (net of amortisation, including the projects under development), increased from ₹5,399.42 crores as at March 31, 2012 to ₹6,412.99 crores. The intangible assets under development were ₹3,244.96 crores as at March 31, 2013, which relate to new products planned in the future.

Investments (Current + Non-current) decreased to ₹19,934.39 crores as at March 31, 2013 as compared to ₹20,493.55 crores as at March 31, 2012.

- There was redemption of 6.25% Cumulative Redeemable Preference Shares of US$ 100 each at par of TML Holdings Pte Ltd, Singapore, of ₹1,378.95 crores, resulting in reduction of investments.

- This was partly offset by increase in investments in subsidiaries ₹258.27 crores (Tata Motors Finance Ltd ₹150 crores, Tata Motors European Technical Centre Plc ₹62.37 crores, and PT Tata Motors, Indonesia of ₹45.90 crores), and investments in mutual fund of ₹359.42 crores.

Inventories stood at ₹4,455.03 crores as compared to ₹4,588.23 crores as at March 31, 2012. The Company achieved reduction in stocks of raw material & components, work in progress and transit inventory of ₹327.67 crores. However, due to difficult market scenario, the finished goods stock and traded inventory has increased by ₹181.90 crores. The total inventory therefore has increased to 33 days of sales as compared to 28 days in last year.

Trade Receivables (net of allowance for doubtful debts) were ₹1,818.04 crores as at March 31, 2013, as compared to ₹2,708.32 crores as at March 31, 2012. The reduction reflects lower volumes and steps taken by the Company to control the credit. The receivable represented 15 days as at March 31, 2013, compared to 18 days as at March 31, 2012. The amount outstanding for more than six month has gone up to ₹682.82 crores as at March 31, 2013 from ₹452.53 crores as at March 31, 2012. These represented dues from Government owned transport companies and some of the dealers. The overdues are monitored and the Company has taken steps to recover these dues. The allowances for doubtful debts were ₹240.59 crores as at March 31, 2013 against ₹181.23 crores as at March 31, 2012.

Cash and bank balances were ₹462.86 crores as at March 31, 2013 compared to ₹1,840.96 crores as at March 31, 2012. The decrease was due to (i) utilisation of deposits held in foreign currency for redemption of CARS (₹759.19 crores) and (ii) utilization of bank deposits of ₹626.08 crores for business purposes.

Standalone Cash Flow

	FY 2012-13	FY 2011-12	Change
	(₹ in crores)		
Net Cash from Operating Activities	**2,258.44**	**3,653.59**	**(1,395.15)**
Profit for the year	301.81	1,242.23	
Adjustments for cash flow from operations	1,346.51	3,061.36	
Changes in working capital	502.79	(313.52)	
Direct taxes paid / (credit)(net)	107.33	(336.48)	
Net Cash from Investing Activities	**991.50**	**144.72**	**846.78**
Payments for fixed assets (Net)	(2,588.44)	(2,835.47)	
Proceeds from sale of a division	110.00	-	
Net investments, short term deposit, margin money and loans given	402.58	262.21	
Redemption of preference shares in subsidiary	1,378.95	4,146.98	
Investments / loans in subsidiary / associates / JV (net)	(376.31)	(1,940.74)	
Dividend and interest received	2,064.72	511.74	
Net Cash used in Financing Activities	**(4,045.69)**	**(4,235.59)**	**189.90**
Interest and dividend paid	(3,269.83)	(2,944.63)	
Net Borrowings (net of issue expenses)	(775.86)	(1,290.96)	
Net decrease in cash and cash equivalent	**(795.75)**	**(437.28)**	
Effect of exchange fluctuation on cash flows	81.68	4.78	
Cash and cash equivalent, beginning of the year	919.64	1,352.14	
Cash and cash equivalent, end of the year	**205.57**	**919.64**	

a. Reduction in net cash generated from operations reflects impact of reduction in sales and profitability. The cash generated from operations before working capital changes was ₹1,648.32 crores as compared to ₹4,303.59 crores in the previous year. There was a net inflow of ₹502.79 towards working capital changes mainly attributable to decrease in trade receivables and partly offset by increase of trade payables.

b. The net cash inflow from investing activity was ₹991.50 crores as compared to ₹144.72 crores for the previous year and was mainly attributable to:

- Redemption of preference shares by TML Holdings Singapore, resulting in cash inflow of ₹1,378.95 crores as compared to ₹4,146.98 crores in FY 2011-12.
- Inflow by way of dividend was ₹1,660.95 crores (₹180.63 crores for FY 2011-12).
- The cash used for payments for fixed assets was ₹2,588.44 crores (net) (₹2,852.56 crores for FY 2011-12),
- There was an outflow (net) of ₹203.00 crores (₹1,806.87 crores for FY 2011-12) towards investments in subsidiary companies.

c. The net change in financing activity was an outflow of ₹4,045.69 crores against ₹4,235.59 crores for last year. The outflow is attributable to the following:

i. The Company repaid fixed deposits - ₹1,868.38 crores (₹1,069.25 crores for FY 2011-12).

ii. The long term borrowings (net) repayment was ₹814.63 crores (last year there was inflow of ₹2,423.30 crores).

iii. Short term borrowings – net increase of ₹2,983.74 crores (last year ₹2,567.37 crores). As explained, the Company is in the process of raising long term funds.

FINANCIAL PERFORMANCE OF JLR (AS PER IFRS)

The financial statement of JLR are prepared as per International Financial Reporting Standards (IFRS) applicable in the UK. This information is given to enable the readers to understand the performance of JLR

Revenue: During the year, JLR generated a record revenue and profits. This was primarily driven by increased demand for both brands as well as a strong product and market mix. Consolidated revenues for FY 2012-13 were GB£15,784 million, an increase of 16.8% compared to FY 2011-12.

EBITDA: Consolidated EBITDA for FY 2012-13 was GB£2,402 million, an increase of 19% compared to FY 2011-12, a significant improvement mainly driven by increased volume, a favourable exchange rate environment and richer model and market mix. The introduction of the new Range Rover, a full year of the Range Rover Evoque and the new variants of the Jaguar XF, as well as the continued strength of the Range Rover Sport, were key contributors to the profitable growth.

JLR also experienced a change in market mix, in particular the continued strengthening of business in China, which is now its largest single market. Further, JLR's performance was also supported by the positive impact of the continuing strength of the US Dollar against the Pound Sterling and the Euro, improving its revenues against the backdrop of a largely pound sterling and euro cost base. The improvement in JLR's results of operations in FY 2012-13 was also partially attributable to further cost efficiency improvements in material costs and manufacturing costs, supported by increased production volume levels.

Material cost of sales for FY 2012-13 were GB£9,904 million, an increase of GB£1,172 million (13%) compared to FY 2011-12 and, as a percentage of revenue, was 63%, a decrease of 2% compared to FY 2011-12. The main drivers of the decrease were product and market mix and material cost improvements.

Employee costs: There was an increase of GB£322 million (32%) compared to FY 2011-12. This reflects increase in permanent and agency headcount, to support product development and manufacturing in view of increased volumes.

Other expense for FY 2012-13 were GB£3,075 million, an increase of GB£546 million (22%) compared to FY 2011-12. These costs include manufacturing and launch costs, freight and distribution costs, warranty costs, product development / engineering expense, selling and fixed marketing expenses. Some of these costs were attributable to launch expenses for new / variants introduced during the year.

Development costs of GB£1,058 million represent an increase of GB£158 million (18%). This reflected the increased spend on future model development for both brands. Of the total spending, GB£860 million was capitalised (last year GB£ 751 million).

Profit before tax (PBT) for FY 2012-13 was GB£1,675 million, an increase of GB£168 million (11%) compared to FY 2011-12. Depreciation and amortisation costs were GB£622 million, an increase of GB£157 million (34%) compared to FY 2011-12, reflecting the growing product development and facilities investment.

The net foreign exchange loss was GB£108 million, an impact of GB£122 million, compared to FY 2011-12 (£14 million gain). This was as a result in the mark to market of hedging instruments and revaluation of loans and other balance sheet items.

Finance income was GB£34 million, an increase of GB£18 million compared to FY 2011-12, as a result of an increase in cash generated by JLR during FY 2012-13. Finance expense (net of capitalised interest) was GB£65 million, a reduction of GB£20 million compared to FY 2011-12.

During the year, JLR invested £70 million in the China joint venture, established with Chery Automobile Company Ltd. Due to initial start-up costs; JLR has recognised a loss of £12 million on the JV in the current year.

The effective tax rate was 27% compared to 2% in FY 2011-12. This reflects the recognition of GB£217 million of previously unrecognised deferred tax assets.

Cash Flow

Net cash provided by operating activities was GB£2,429 million in FY 2012-13 compared to GB£2,500 million during FY 2011-12. This was primarily attributable to the improvement in JLR's profits offset by higher tax paid and working capital changes.

Net cash used in investing activities increased significantly to GB£2,609 million in FY 2012-13, compared with GB£1,542 million in FY2011-12. Purchase of property, plant and equipment and expenditure on intangible assets (product development projects) was GB£1,846 million in FY 2012-13 against GB£1,410 million in FY 2011-12. JLR's capital expenditure related mostly to capacity expansion of its production facilities and investment in new and future products, including the costs associated with the development of the all new Range Rover and Range Rover Sport.

Net cash used in financing activities was GB£178 million in FY 2012-13 compared to net cash generated in financing activities of GB£444 million in FY 2011-12. Cash used in financing activities in FY 2012-13 includes a maiden dividend paid of GB£150 million and reflects long term unsecured bond proceeds of GB£317 million and repayment of short term debt (GB£250 million). Also including interest and fees of GB£179 million.

Financial performance of TMFL : During FY 2012-13, TMFL earned a total income of ₹2,889.81 crores, against an income of ₹2,096.66 crores earned during the previous year, reflecting an increase of 38%. The Profit Before Tax grew by 27% to ₹449.59 crores (Previous year: ₹355.12 crores). The Profit After Tax at ₹309.30 crores was 29% higher than that in the previous year (₹239.90 crores).

Financial performance of TDCV (as per Korean GAAP) : During FY 2012-13, TDCV's total revenue was at KRW 823.92 billion (₹4,024.00 crores) higher by 7.9 % compared to KRW 763.47 billion (₹3,288.18 crores) in FY 2011-12. TDCV reported Loss before Tax was at KRW 10.44 billion (₹51.00 crores) as compared to Income before tax of KRW 6.43 billion (₹27.67 crores) in FY 2011-12. After providing for tax, the Loss for the year stood at KRW 9.21 billion (₹44.96 crores), against profit of KRW 2.03 billion (₹8.74 crores) in FY 2011-12. The positive impact of higher volume and various cost control initiatives, were negated by provision of KRW 18.9 Billion ₹92.27 crores) made on account of court verdict in the Ordinary Wage Lawsuit filed by the Union Employees of TDCV.

Financial performance of TTL : The consolidated revenue was ₹2,045.42 crores, an increase of 22.7% against ₹1,666.95 crores in the previous year. The Profit Before Tax was ₹392.59 crores as against ₹271.83 crores in the previous year, recording a growth of 44.4%. The Profit After Tax stood at ₹300.89 crores as against ₹208.37 crores recording a growth of 44.3%.

Opportunities and Risks – JLR and Tata Motors businesses constitute a significant portion of Revenue, Income and assets / liabilities. Accordingly, we have given below key opportunities and risks.

OPPORTUNITIES

Infrastructure Growth: While the growth in this sector in India has been below expectations last year, there are encouraging signs of improvement in this sector going forward. In the recently announced Annual Budget for FY 2013-14, the Finance Minister announced under the Jawaharlal Nehru National Urban Renewal Mission scheme (JNNURM) and a spend of in the infrastructure sector.

The Government of India has been focusing on improving road infrastructure through two main umbrella programs – National Highway Development Project (NHDP) and Pradhan Mantri Gram Sadak Yojna (PMGSY).

While National Highway Authority of India (NHAI) has till date awarded 66% of the projects by road length (the plan is to upgrade, widen and strengthen 55,000 km of road network), 34% still remains to be awarded. Of the awarded projects, 39% of the work has been completed and work on the remaining 28% is underway.

In the FY 2013-14 budget, the Government has planned to award a further 8,270 km of projects, higher than originally planned.

Under the PMGSY, the Government aims to develop 470,761 km of rural roads. Of this, till date about 72% of network has been completed (including up gradation). Of the sanctioned road work for new connectivity, 66% has been completed and 82% of that for upgraded connectivity has been completed.

This improved and new connectivity presents a significant opportunity for the Company with its wide product range in commercial, utility and passenger vehicles. Also, there is potential requirement of both cargo and passenger small commercial vehicles from newly connected rural areas.

Increase in connectivity has also resulted in urbanization of towns and villages thus boosting local economy and leading to increased demand. It is expected, the above initiatives will boost the demand for construction equipment and tippers.

Rural market penetration: In India, growth in FY 2013-14 is expected to come from reach and penetration in tier 2 and tier 3 markets. With growing connectivity and increased rural affluence, the demand for automobiles in rural areas has increased significantly. For FY 2013-14 as well, with indications of a normal monsoon and a robust growth in agriculture, the demand from the rural segment is likely to sustain. With a product range catering to even the buyer of smallest commercial vehicle or a fun-to-drive yet affordable passenger car offering, the Company is appropriately placed to encash the opportunity. Along with the product range, the Company is working on increasing reach and penetration of the sales and service network to be able to serve this market better. During FY 2012-13, the Company increased sales touch points by 35% and service touch points by 26%. With aggressive plans to further increase penetration this year, the Company has potential opportunity to leverage its wide product range and large distribution network, to accelerate growth.

Non-cyclical business growth: In order to better insulate against the cyclicality of the automobile industry in the event of a downturn, specifically in the MHCV segment, the Company has also focused on lines of business and customer solutions which are inherently less cyclic in nature, e.g. the sale of spares and the after sales business. The spares business of the Company's Indian operations has grown by 20% CAGR in the last five years.

Similarly, the Annual Maintenance Contracts enable the Company to continue revenue streams from a customer even after sale of the vehicle, while enhancing the value to the customers during lifetime of product.

The Company has also taken initiative of increasing focus on the Defence business which is also independent of the cyclicality of the other segments in the automobile sector. While the Government has announced increased private participation in Defence sector, the progress is quite slow in this direction. The Company is targeting moving from pure logistics solutions to tactical and combat solutions, thus garnering a greater share of this market.

The Defence business has increasing relevance in international markets, as well and the Company is now focusing on developing this business beyond India. We have appointed exclusive Defence distributors in certain key markets such as Thailand, Malaysia etc. to penetrate this business.

Exports from India: India has emerged as a major hub for global manufacturing with its advantage of lower input costs, availability of local supplier base and high domestic demand. As an established domestic manufacturer, the Company is ideally placed to take advantage for targeting lucrative international markets, either through the fully built export or CKD route.

In addition to the above, the Company also has the advantage of a strong in-house design and development facility and professionals. Thus the Company's R &D group is capable of developing solutions for different regulatory and emission norms as per market specifications in minimal time.

As demand slows down in the domestic market, growing and consolidating presence in select international markets will be a key priority for the Company.

Currently, the Company is present in Africa and ASEAN markets through manufacturing facilities. The Company is also actively considering expanding its global manufacturing footprint in key international markets to take advantage of import duty differentials and local sourcing benefits.

Jaguar Land Rover Opportunities through products and markets : JLR offers products in the premium performance car and all-terrain vehicle segments, and it intends to grow the business by diversifying the product range within these segments with both new products as well as product derivatives. The new Range Rover Evoque has helped expansion into a market segment that is attracted by a smaller, lighter and more 'urban' off-road vehicle, as compared to domain market segment in which Range Rover models traditionally compete. All-wheel drive Jaguars and the XF Sportbrake, cater a much wider group of potential customers.

In addition, JLR has a strategy of expanding regional coverage into geographic locations where it has identified an opportunity to grow within its core segments. As a producer of distinctive and premium cars, JLR believes it is well positioned to increase revenues in emerging countries with growing sales potential. There are three specific aspects to the company's strategy of geographic expansion:

i. JLR aims to increase its marketing and dealer network in emerging markets. In China, the presence in this key market and plans to increase the network of sales dealerships across the country. At March 31, 2013, JLR had increased to 135 Land Rover dealers and 134 Jaguar dealers in China. Similarly, JLR plans to continue to grow its presence in the Indian market by opening additional dealerships across the country.

ii. JLR aims to establish new manufacturing facilities, assembly points and suppliers in selected markets. In China, joint venture with Cherry Automobiles has been formed. In India, the Company has already established a CKD assembly facility. JLR will continue to look for opportunities to source materials and components in a cost-efficient manner and, in pursuit of that objective, JLR has already opened purchasing offices in China and India.

iii. JLR aims to leverage its relationship with Tata Motors and the synergies it can achieve in the areas of research and product development, supply sourcing, manufacturing and assembly and other vital operations, including the co-development of a family of small efficient diesel and petrol engines.

RISKS:

Interest rates and other inflationary trends: In India, with inflation moderating in FY 2012-13, RBI reduced the Repo and Reverse Repo rate by 100 bps during the year (50 bps in April 2012, 25 bps in January 2013 and further 25 bps in March 2013). However, with relatively higher inflation levels, the interest rates continue to be higher and there by impacting growth. In May 2013, RBI reduced the Repo and Reverse Repo Rate by 25 bps. Although interest rate and inflation have shown some signs of easing in the recent months, any upside risk to inflation, could stop further softening of interest rate cycle by RBI and could have an adverse impact on the demand and consequently growth in India.

Fuel Prices: In January 2013, the Government has allowed the Oil Marketing Companies to revise the diesel price from time-to-time considering the movement in global crude prices and foreign exchange movement. Any increase in fuel price compels the consumer to shift to an alternate transport or defer their purchases. The Company's product programs initiatives are aimed at improving fuel efficiency of its products and development of alternate fuel solutions. The fuel prices or levies could adversely impact the demand of automotive vehicles in India, particularly passenger cars.

Deterioration in global economic conditions: Tata Motor's has automotive operations in the UK, South Africa, South Korea, Spain, Thailand, and Indonesia and JLR has significant presence across the world markets.

The global economic downturn in 2008, significantly impacted the global automotive markets, particularly in the United States and Europe, including the UK, where JLR operations have significant sales exposure. The Company's strategy with respect to JLR operations includes new product launches and expansion into growing markets such as China, Russia and Brazil, may not be sufficient to mitigate the decrease in demand for its products in established markets and this could have a significant adverse impact on our financial performance. JLR business, while increasing its investments towards products, capacity expansion and other initiatives, is also exploring opportunities to reduce cost base through increased sourcing of materials from low cost countries, reduction in number of suppliers, reduction in number of platforms, reduction in engineering change costs, increased use of off-shoring and several other initiatives. While markets in the United States have shown signs of recovery and stability, UK and Europe continue to struggle. If industry demand softens because of the impact of the debt crisis, or lower or negative economic growth in key markets, including China, or other factors, the company's results of operations and financial condition could be substantially and adversely affected.

The impact of the US fiscal cliff, European sovereign debt crisis and economic challenges in the UK and Europe continue to be a cause of concern, despite concerted efforts to contain the adverse effect of these events on global recovery.

Economic outlook in India: The Indian automotive industry is affected substantially by the general economic conditions in India and around the world. The demand for automobiles in the Indian market is influenced by factors including the growth rate of the Indian economy, easy availability of credit, and increase in disposable income among Indian consumers, interest rates, freight rates and fuel prices. During the global financial crisis, RBI had eased its monetary policy stance to stimulate economic activity. Subsequently, as the Indian economy started recovering from the downturn, inflation pressures increased substantially followed by several interest rate hikes by RBI in 2011. With inflation moderating in 2012, RBI reduced the repo rate and reverse repo rate by 50 basis points in April 2012, 25 bps in January 2013 and further 25 bps in March 2013. However, muted industrial growth along with widening Current Account Deficit, continuing higher inflation and higher interest rates, still pose risks to overall growth. The automotive industry in general is cyclical and economic slowdowns in the past have affected the manufacturing sector including the automotive and related industries. Deterioration in key economic factors such as growth rate, interest rates and inflation as well as reduced availability of financing for vehicles at competitive rates may adversely affect the Company's automotive sales in India and results of operations.

Input Costs / Supplies: Prices of commodity items used in manufacturing automobiles, including steel, aluminium, copper, zinc, rubber, platinum, palladium and rhodium have become increasingly volatile over the past two years. While the Company continues to pursue cost reduction initiatives, an increase in price of input materials could severely impact the Company's profitability to the extent such increase cannot be absorbed by the market through price increases and / or could have a negative impact on the demand. In addition, because of intense price competition in India and the Tata Motor's Group high level of fixed costs, the Group may not be able to adequately address changes in commodity prices even if they are foreseeable. Increases in fuel costs also pose a significant challenge to automobile manufacturers worldwide, especially in the commercial and premium vehicle segments where increased fuel prices have an impact on demand.

In addition, an increased price and supply risk could arise from the supply of rare and frequently sought raw materials for which demand is high, especially those used in vehicle electronics such as rare earths, which are predominantly found in China.

Restrictive covenants in financing agreements: Some of the Company's financing agreements and debt arrangements set limits on and/or require the Company to obtain lender consents before, among other things, pledging assets as security. In addition, certain financial covenants may limit the Company's ability to borrow additional funds or to incur additional liens. In the past, the Company has been able to obtain required lender consents for such activities. If the financial or growth plans require such consents and such consents are not obtained, the Company may be forced to forego or alter plans, which could adversely affect the Company's results of operations and financial condition.

In the event that the Company breaches these covenants, the outstanding amounts under such financing agreements could become due and payable immediately and/or resulting in increased costs. A default under one of these financing agreements may also result in cross-defaults under other financing agreements and result in the outstanding amounts under such other financing agreements becoming due and payable immediately. Defaults under one or more of our financing agreements could have a material adverse effect on the Company's results of operations and financial condition.

Environmental Regulations: The automotive industry is subject to extensive governmental regulations regarding vehicle emission levels, noise, safety and levels of pollutants generated by the production facilities. These regulations are likely to become more stringent and compliance costs may significantly impact the future results of operations. In particular, the US, Europe and China have stringent regulations relating to vehicular emissions. The proposed tightening of vehicle emissions regulations will require significant costs for compliance. While the Company is pursuing various technologies in order to meet the required standards in the various countries in which the Company sell our vehicles, the costs for compliance with these required standards can be significant to the operations and may adversely impact the results of operations.

To comply with current and future environmental norms, the Company may have to incur additional capital expenditure and R&D expenditure to upgrade products and manufacturing facilities, which would have an impact on the Company's cost of production and the results of operations and may be difficult to pass through to its customers. If the Company is unable to develop commercially viable technologies within the time frames set by the new standards, the Company could face significant civil penalties or be forced to restrict product offerings drastically to remain in compliance. Moreover, meeting government mandated safety standards is difficult and costly because crash worthiness standards tend to conflict with the need to reduce vehicle weight in order to meet emissions and fuel economy standards.

The Company's product development plan is structured to allow it to develop vehicles which comply with current and expected future environmental regulations particularly in the United States covered by the CAFÉ and in other countries such as China.

Intensifying Competition: The global automotive industry is highly competitive and competition is intense in view of the continuing globalization and consolidation in the worldwide automotive industry. Competition is especially likely to increase in the premium automotive categories as each market participant intensifies its efforts to retain its position in established markets while also developing a presence in emerging markets, such as China. The factors affecting competition include product quality and features, innovation and time to introduce new product, ability to control costs, pricing, reliability, safety, fuel economy, customer service and financing terms.

The Company faces strong competition in the Indian market from domestic as well as foreign automobile manufacturers. Improving infrastructure and robust growth prospects compared to other mature markets, have attracted a number of international companies to India either through joint ventures with local partners or through independently owned operations in India. International competitors bring with them decades of international experience, global scale, advanced technology and significant financial resources. Consequently, domestic competition is likely to further intensify in the future.

Exchange and interest rate fluctuations: The Company's operations are subject to risk arising from fluctuations in exchange rates with reference to countries in which it operates.

Exchange fluctuation risks primarily stem from the relative movements of the GBP, the US dollar, the Euro, the Chinese Yuan, the Russian Ruble and the Indian Rupee.

In India, the Company imports capital equipment, raw materials and components from, and also sells its vehicles in various countries. These transactions are denominated primarily in US dollars, GBP and Euros. Moreover, the Company has outstanding foreign currency denominated debt and is sensitive to fluctuations in foreign currency exchange rates. During the year, the depreciation of the Indian Rupee against the US dollar adversely impacted the borrowing cost and consequently, the results of operations.

JLR operations have significant exposure considering the vehicle sales in the US, Europe and China. In addition, JLR sources a significant portion of input material from European suppliers. These transactions are denominated primarily in US dollars and Euros. Moreover, JLR has outstanding USD denominated debt and is sensitive to fluctuations in foreign currency exchange rates

Although Tata Motors Group engages in currency hedging in order to decrease its foreign exchange exposure, adverse exchange movements could impact the cost of borrowing and consequently may increase the financing costs, which could have a significant adverse impact on its results of operations.

Tata Motor Group also has interest-bearing assets (including cash balances) and interest-bearing liabilities, which earn interest at variable rates and is therefore exposed to changes in interest rates in the various markets in which it borrows.

In India, the Company is exposed to increase rates due to macro economic factors. Apart from increasing borrowing cost, there is risks of impact on demand for products.

New products, emissions and technology: Intensifying competition, reducing product life cycles and breadth of the Company's product portfolio, necessitates the Company to continuously invest in new products, upgrades and capacity enhancement programme. Though the Company employs sophisticated techniques and processes to forecast the demand of new products yet the same is subject to margin of error.

Further, the competitors can gain significant advantages if they are able to offer products satisfying customer needs earlier than the company is able to and this could adversely impact the Company's sales and results of operations. Unanticipated delays or cost overruns in implementing new product launches, expansion plans or capacity enhancements could adversely impact the Company's results of operations. Timely introduction of new products, their acceptance in the market place and managing the complexity of operations across various manufacturing locations, would be the key to sustain competitiveness.

Customer preferences especially in many of the developed markets seem to be moving in favour of more fuel efficient vehicles. Further, in many countries there has been significant pressure on the automotive industry to reduce carbon dioxide emissions. In many markets these preferences are driven by increased government regulation and rising fuel prices. The Company's operations may be significantly impacted if there is a delay in developing fuel efficient products that reflect changing customer preferences, especially in the premium automotive category. The Company endeavors to take account of climate protection and the ever more stringent laws and regulations that have been and are likely to be adopted. The Company focuses on researching, developing and producing new drive technologies, such as hybrid engines and electric cars. The Company is also investing in development programs to reduce fuel consumption through the use of lightweight materials, reducing parasitic losses through the driveline and improvements in aerodynamics.

In addition, the climate debate and promotion of new technologies are increasingly resulting in the automotive industry's customers no longer looking for products only on the basis of the current standard factors, such as price, design, performance, brand image or comfort / features, but also on the basis of the technology used in the vehicle or the manufacturer or provider of this technology. This could lead to shifts in demand and the value added parameters in the automotive industry.

One of the Company's principal goals is to enhance its status as a leading manufacturer of premium passenger vehicles by investing in products, R&D, quality improvement and quality control. The Company's strategy is to maintain and improve its competitive position by developing technologically advanced vehicles. Over the years, the Company has enhanced its technological strengths through extensive in-house R&D activities, particularly through the Company's advanced engineering and design centers. These centralise the Company's capabilities in product design and engineering. Further, the Company is pursuing various quality improvement programmes, both internally and its suppliers' operations, in an effort to enhance customer satisfaction and reduce future warranty costs.

Underperformance of distribution channels and supply chains: The Company products are sold and serviced through a network of authorized dealers and service centers across the domestic market, and a network of distributors and local dealers in international markets. The Company monitors the performance of its dealers and distributors and provides them with support to enable them to perform to the expectations. Any under-performance by the dealers or distributors could adversely affect the Company's sales and results of operations.

The Company relies on third parties to supply raw materials, parts and components used in the manufacture of products. Furthermore, for some of these parts and components, the Company is dependent on a single source. The Company's ability to procure supplies in a cost effective and timely manner is subject to various factors, some of which are not within its control. While the Company manages its supply chain as part of the vendor management process, any significant problems with supply chain in the future could affect the results of operations. Impact of natural disasters and man-made accidents, adverse economic conditions, decline in automobile demand, lack of access to sufficient financing arrangements, could have a negative financial impact on the Company's suppliers and distributors, in turn impairing timely availability of components, or increases in costs of components.

In managing a complex supply chain, the Company has developed close relationships with both direct and indirect suppliers. The Company continues to develop long-term strategic relationships with suppliers to support the development of parts, technology and production facilities.

With respect to JLR operations, as part of a separation agreement from Ford, the Company entered into supply agreements with Ford and certain other third parties for critical components. Any disruption of such transitional services could have a material adverse impact on the operations and financial condition.

Changes in tax, tariff or fiscal policies and regulations: Imposition of any additional taxes and levies designed to limit the use of automobiles could adversely affect the demand for the Company's vehicles and the results of operations. Changes in corporate and other taxation policies as well as changes in export and other incentives given by the various governments could also adversely affect the results of operations. For example, the Company is availing excise duty exemptions for manufacturing facilities in the State of Uttarakhand and other incentives in certain states of India either through subsidies or loans from such states where it has manufacturing operations. The Government of India had proposed a comprehensive national goods and services tax, or GST, regime that will combine taxes and levies by the central and state governments into one unified rate structure. While both the Government of India and other state governments of India have publicly announced that all committed incentives will be protected following the implementation of the GST, there is no clarity regarding all aspects of the tax regime following implementation of the GST. The implementation of this rationalized tax structure might be affected by any disagreement between certain state governments, which could create uncertainty. The timelines of the proposed transition is uncertain at this point of time.

The Direct Tax Code Bill 2010, or DTC, proposes to replace the existing Income Tax Act, 1961 and other direct tax laws, with a view to simplify and rationalize the tax provisions into one unified code. The various proposals included in DTC bill are subject to review by Indian parliament and as such impact if any, is not quantifiable at this stage.

Further, Brazil has recently increased import duty for foreign build vehicles which has impacted margins. The Company is considering a number of options to counter this issue, including discussions with the Brazilian government to exempt a number of imported vehicles from the increased tariff.

Political instability, wars, terrorism, multinational conflicts, natural disasters, fuel shortages / prices, epidemics, labour strikes: The Company's products are exported to a number of geographical markets and the Company plans to expand international operations further. Consequently, the Company is subject to various risks associated with conducting the business both within and outside the domestic market and the operations may be subject to political instability, wars, terrorism, regional and / or multinational conflicts, natural disasters, fuel shortages, epidemics and labour strikes. In addition, conducting business internationally, especially in emerging markets, exposes the Company to additional risks, including adverse changes in economic and government policies, unpredictable shifts in regulation, inconsistent application of existing laws and regulations, unclear regulatory and taxation systems and divergent commercial and employment practices and procedures

Product liability, warranty and recall: The Company is subject to risks and costs associated with product liability, warranties and recalls, should the Company supply defective products, parts, or related after-sales services, including by generating negative publicity, which may adversely affect the Company's business, results of operations and financial conditions. Such events also require the Company, expend considerable resources in correcting these problems and could adversely affect the demand for the products. Furthermore, the Company may also be subject to class actions or other large scale product liability or other lawsuits in various jurisdictions in which it has a significant presence.

Jaguar Land Rover Pension obligations: The Company provides post-retirement and pension benefits to its employees, some of which are defined benefit plans. The pension liabilities are generally funded and the pension plan assets are particularly significant. The Company has stopped the JLR defined benefit pension plan to new joiners as at April 19, 2010. All new employees in the operations from April 19, 2010, have joined a new defined contribution pension plan.

Lower return on pension fund assets, changes in market conditions, changes in interest rates, changes in inflation rates and adverse changes in other critical actuarial assumptions, may impact its pension liabilities and consequently increase funding requirements, which will adversely affect the Company's financial condition and results of operations.

Automobile financing business and selling arrangements: The Company is subject to risks associated with its automobile financing business carried out by its subsidiary Tata Motor Finance Ltd. Any defaults by the customers or inability to repay installments as due, could adversely affect the business, results of operations and cash flows. In addition, any downgrades in the Company's credit ratings may increase the borrowing costs and restrict the access to the debt markets. Over time, and particularly in the event of any credit rating downgrades, market volatility, market disruption, regulatory changes or otherwise, the Company may need to reduce the amount of financing receivables it originates, which could adversely affect the ability to support the sale of vehicles.

Further, JLR offers residual value guarantees on the purchase of certain vehicles in some markets. The value of these guarantees is dependent on used car valuations in those markets at the end of the lease, which is subject to change. Consequently, the Company may be adversely affected by movements in used car valuations in these markets. Also, JLR has arrangements in place with FGA Capital, a joint venture between Fiat Auto and Credit Agricole (FGAC) for the UK and European consumer finance, Chase Auto Finance in North America, and has similar arrangements with local providers in a number of other key markets. The Company works closely with its commercial finance providers to minimize the risk around residual values which in turn reduces the level of lease subvention.

Labour unrest: The Company's permanent employees, other than officers and managers, in India and most of the permanent employees in South Korea and the United Kingdom, including certain officers and managers, in relation to automotive business, are members of labour unions. They are covered by wage agreements, where applicable with those labour unions.

In general, the Company considers labour relations with all of employees to be good. However, in the future the Company may be subject to labour unrest, which may delay or disrupt the operations in the affected regions, including the acquisition of raw materials and parts, the manufacture, sales and distribution of products and the provision of services. If work stoppages or lock-outs at the facilities or at the facilities of the major vendors occur or continue for a long period of time, the business, financial condition and results of operations may be adversely affected.

JLR operations in key mature market: JLR, which contributes approximately 72% of the Company's consolidated revenues, has a significant presence in the United Kingdom, North American, continental European markets and China. The global economic downturn significantly impacted the automotive industry in FY 2008-09. Even though sales of passenger cars were aided by government-sponsored car-scrap incentives, these incentives primarily benefited the compact and micro-compact car segments and had virtually no slowing effect on the sales declines in the premium car or all-terrain vehicle segments, in which JLR operates. Although demand in these markets has recovered strongly, any decline in demand for the Company's vehicles in these major markets may in the future significantly impair the Company's business, financial position and results of operations. The strategy, which includes new product launches and expansion into growing markets, such as China, India, Russia and Brazil, may not be sufficient to mitigate a decrease in demand for the Company's products in mature markets in the future.

Growing business through mergers and acquisitions: The Company believes that its acquisitions provide opportunities to grow significantly in the global automobile markets by offering premium brands and products. The acquisitions have provided access to technology and additional capabilities while also offering potential synergies. However, the scale, scope and nature of the integration required in connection with acquisitions, present significant challenges, and the Company may be unable to integrate the relevant subsidiaries, divisions and facilities effectively within our expected schedule. An acquisition may not meet the Company's expectations and the realization of the anticipated benefits may be blocked, delayed or reduced as a result of numerous factors, some of which are outside the Company's control.

The Company will continue to evaluate growth opportunities through suitable mergers and acquisitions in the future. Growth through mergers and acquisitions involves business risks, including unforeseen contingent risks or latent business liabilities that may only become apparent after the merger or acquisition is completed. The key success factors will be seamless integration and effective management of the merged/acquired entity, retention of key personnel, and generating cash flow from synergies in engineering and sourcing, joint sales and marketing efforts, and management of a larger business.

Business is seasonal in nature: The sales volumes and prices for the Company's vehicles are influenced by the cyclicality and seasonality of demand for these products. In the Indian market, demand for vehicles generally peaks between January and March, although there is a decrease in demand in February just before release of the Indian fiscal budget. Demand is usually lean from April to July and picks up again in the festival season from September onwards, with a decline in December due to year-end. The automotive industry has been cyclical in the past and this cyclicality is likely to continue.

JLR business is impacted by the bi-annual registration of vehicles in the UK where the vehicle registration number changes every six months, which in turn has an impact on the resale value of vehicles. This leads to an increase in sales during the period when the aforementioned change occurs. Most other markets such as the United States are driven by introduction of new model year products which typically occurs in the autumn of each year. Furthermore, western European markets tend to be impacted by the summer and winter holidays. Markets in China tend to show higher demand for vehicles around the Chinese New Year. The resulting sales profile influences operating results on a quarter-to-quarter basis.

Inability to protect or preserve intellectual property: With respect to JLR, the Company owns or otherwise has rights to a number of patents relating to the products we manufacture, which have been obtained over a period of years. In connection with the design and engineering of new vehicles and the enhancement of existing models, the Company seeks to regularly develop new technical designs for use in its vehicles. The Company also uses technical designs which are the intellectual property of third parties with such third parties' consent. These patents and trademarks have been of value in the growth of the business and may continue to be of value in the future. Although the Company does not regard any of its businesses as being dependent upon any single patent or related group of patents, an inability to protect this intellectual property generally, or the illegal breach of some or a large group of our intellectual property rights, would have a materially adverse effect on the Company's operations, business and / or financial condition. The Company may also be affected by restrictions on the use of intellectual property rights held by third parties and it may be held legally liable for the infringement of the intellectual property rights of others in its products.

Inability to manage growing international business: The Company's growth strategy relies on the expansion of its operations by introducing certain automotive products in other parts of the world, including Europe, China, Russia, Brazil, the US, Africa, and other parts of Asia. The costs associated with entering and establishing in new markets, and expanding such operations, may be higher than expected, and the Company may face significant competition in those regions. In addition, the Company's international business is subject to many actual and potential risks and challenges, including language barriers, cultural differences and other difficulties in staffing and managing overseas operations, inherent difficulties and delays in contract enforcement and the collection of receivables under the legal systems of some foreign countries, the risk of non-tariff barriers, other restrictions on foreign trade or investment sanctions, and the burdens of complying with a wide variety of foreign laws and regulations.

Insurance coverage may not be adequate to protect us against all potential losses: While the Company believes that the insurance coverage that it maintain is reasonably adequate to cover all normal risks associated with the operation of business. To the extent that the Company, suffer loss or damage that is not covered by insurance or which exceeds our insurance coverage, the Company's financial condition may be affected.

Manufacturing and engineering: The Company has manufacturing facilities and design and engineering centres, located in India, the UK, South Korea, Thailand, Spain and South Africa and have established a presence in Indonesia. The Company could experience disruption to its manufacturing, design and engineering capabilities for a variety of reasons, including, among others, extreme weather, fire, theft, system failures, natural calamities, mechanical or equipment failures and similar risks. Any significant disruptions could adversely affect the Company's ability to design, manufacture and sell the Company's products and, if any of those events were to occur, the Company cannot be certain that the Company would be able to shift its design, engineering and manufacturing operations to alternative sites in a timely manner or at all. Any such disruption could therefore materially affect the company's business, financial condition or results of operations.

Regulation of production facilities: The Company's production facilities are subject to a wide range of environmental, health and safety requirements. These requirements address, among other things, air emissions, wastewater discharges, accidental releases into the environment, human exposure to hazardous materials, storage, treatment, transportation and disposal of wastes and hazardous materials, investigation and cleanup of contamination, process safety and maintenance of safe conditions in the workplace. Many of the Company's operations require permits and controls to monitor or prevent pollution. The Company has incurred, and will continue to incur, substantial on-going capital and operating expenditures to ensure compliance with current and future environmental, health and safety laws and regulations or their more stringent enforcement. Other environmental, health and safety laws and regulations could impose restrictions or onerous conditions on the availability or the use of raw materials the company need for the company's manufacturing process. The Company's manufacturing process results in the emission of greenhouse gases such as carbon dioxide.

For JLR operations, the EU Emissions Trading Scheme, an EU-wide system in which allowances to emit greenhouse gases are issued and traded, is anticipated to cover more industrial facilities and become progressively more stringent over time, including by reducing the number of allowances that will be allocated free of cost to manufacturing facilities. In addition, a number of further legislative and regulatory measures to address greenhouse gas emissions, including national laws and the Kyoto Protocol, are in various phases of discussion or implementation. These measures could result in increased costs to: (i) operate and maintain the Company's production facilities; (ii) install new emissions controls; (iii) purchase or otherwise obtain allowances to emit greenhouse gases; and (iv)administer and manage the Company's greenhouse gas emissions programme.

Inability to attract and retain skills: The Company believes that the Company's growth and future success depend largely on the skills of the Company's workforce, including executives and officers, as well as the designers and engineers and the attraction of critical skills. The loss of the services of one or more of these employees could impair the Company's ability to continue to implement its business strategy. The Company's success also depends, on its continued ability to attract and retain experienced and qualified employees, particularly qualified engineers with expertise in automotive design and production. In view of intense competition, the Company's inability to continue to attract, retain and motivate employees could adversely affect its business and plans to invest in the development of new designs and products.

OUTLOOK

While the start of the new fiscal has continued from the moderate performance of last year, there is a cautious optimism that FY 2013-14 would see the start of the revival in the global and domestic economies. The Indian economy is also expected to look up marginally from growth in GDP of 5% in the last year.

Within the market however, there are certain segments which would react quicker to a revival in sentiment than others. The M&HCV segment would recover later than others and is expected to see an upswing only after a few more conscious monetary and fiscal policy moves from the Government and RBI, as well as growth in infrastructure projects spending.

While current account deficit and fiscal deficit will continue to be priorities for the Government, striking a balance between controlling expenditure and encouraging growth will be key for this year.

On the background of pressure on volumes in India and limited headroom in pricing due to the intensely competitive market dynamics, the focus will be on effective cost management- both direct and indirect to maintain margins. Even in this challenging environment, as envisioned in its Mission statement, the Company is looking to 'passionately anticipate' and provide vehicles and solutions that 'excite customers globally'. The objective remains to be the 'most admired' Company by all our stakeholders.

One of the key elements of this strategy would be to improve the relationship with the customer – the experience the customer has with the Company at each touch point from sale to service and replacement sales experiences. This would include improving the physical look of the setup, setting up right processes and forums for speedy resolution of customer issues.

The Company will also actively pursue growth in the right International markets and look to consolidate its position in markets where it is already present.

While Europe remains uncertain in the short term, JLR will continue to focus on growth from other markets, in particular the emerging markets. With entry been established in China last year, growing and consolidating presence in this market would be key to JLR's strategy for the coming year. Investment in new products and technologies along with enhancing capacity as required in the right geographies would continue for both Jaguar and Land Rover.

INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY

The Company has an adequate system of internal controls in place. It has documented procedures covering all financial and operating functions. These controls have been designed to provide a reasonable assurance with regard to maintaining of proper accounting controls, monitoring of operations, protecting assets from unauthorized use or losses, compliances with regulations and for ensuring reliability of financial reporting. The Company has continued its efforts to align all its processes and controls with global best practices in these areas as well.

Some significant features of the internal control of systems are:

- Preparation and monitoring of annual budgets for all operating and service functions;
- State-of-the-art ERP, Supplier Relations Management and Customer Relations Management, connect its different locations, dealers and vendors for efficient and seamless information exchange;
- An on-going program for reinforcement of the Tata Code of Conduct. The Code covers integrity of financial reporting, ethical conduct, regulatory compliance, conflict of interests review and reporting of concerns.
- A well-established multi-disciplinary Internal Audit team, which reviews and reports to management and the Audit Committee about the compliance with internal controls and the efficiency and effectiveness of operations and the key process risks. The scope and authority of the Internal Audit division is derived from the Audit Charter approved by the Audit Committee;
- Audit Committee of the Board of Directors, comprising independent directors, which is functional since August 1988, regularly reviews the audit plans, significant audit findings, adequacy of internal controls, compliance with Accounting Standards as well as reasons for changes in accounting policies and practices, if any;
- A comprehensive information security policy and continuous upgrades to IT system;
- Documenting of major business processes and testing thereof including financial closing, computer controls and entity level controls. as part of compliance programme towards Sarbanes-Oxley Act, as required by the listing requirements at New York Stock Exchange;
- Anti-fraud programmes.

The Board takes responsibility for the overall process of risk management in the organisation. Through an Enterprise Risk Management programme, each Business Unit addresses opportunities and the attendant risks through an institutionalized approach aligned to the Company's objectives. This is also facilitated by internal audit. The business risk is managed through cross functional involvement and communication across businesses. The results of the risk assessment and residual risks are presented to the senior management. The Audit Committee reviews reports covering operational, financial and other business risk areas.

HUMAN RESOURCES / INDUSTRIAL RELATIONS

Tata Motor's Group considers its human capital as a critical factor to its success. Under the aegis of Tata Sons and the Tata Sons promoted entities, the Company has drawn up a comprehensive human resource strategy (the "Human Resource" strategy) which addresses key aspects of human resource development such as:

- Code of conduct and fair business practices.
- A fair and objective performance management system linked to the performance of the businesses which identifies and differentiates high performers while offering separation avenues for non-performers.
- Creation of a common pool of talented managers across Tata Sons and the Tata Sons promoted entities with a view to increasing their mobility through inter-company job rotation.
- Evolution of performance based compensation packages to attract and retain talent within Tata Sons and the Tata Sons promoted entities.
- Development of comprehensive training programs to impart and continuously upgrade the industry/function specific skills.

In line with the Human Resource strategy, the Company, in turn, has implemented various initiatives in order to build organizational capability that will enable the Company to sustain competitiveness in the global market place. The focus is to attract talent, retain the better and advance the best. Some of the initiatives to meet this objective include:

- Extensive process mapping exercise to benchmark and align the human resource processes with global best practices.
- Introduction of a globally benchmarked employee engagement programme.
- Succession planning through identification of second level of managers for all units, locations, functions.
- Implementation of a "Fast Track Selection Scheme", which is a system for identifying potential talent in the areas of general, commercial and operations management and offering them opportunities for growth within the organization. The Company's human resources team has been invited to replicate this system in other Tata Companies.
- The Company "Talent Management Scheme" which includes the identification of high performers and high potentials through various routes such as our Performance Management System and Development Centers. Subsequent to the identification process, we provide them with challenging assignments for faster development.
- Introduction of performance rating based salary review and quality linked variable payment for supervisory category of employees.
- Restructuring the top level organization and creation of new verticals for greater functional focus and moving towards creating a matrix organization.
- Creation of a powerful employer brand to attract talent - "Lead the Future" has become the Company's Employee Value Proposition statement.
- Driving cultural transformation - The Company has reframed the mission, vision, values and culture of the organization and introduced the concept of ACES - Accountability, Customer & Product focus, Excellence and Speed.
- Extensive brand building initiatives at university campuses to increase recruiting from premium universities.
- JLR launched a new "Team Talk Online" portal to its production workers, which provides them with business updates alongside information on employee benefits, training and development.

We employed approximately 62,716 and 58,618 (includes Tata Motor Group) permanent employees as of March 31, 2013 and 2012 respectively. The average number of temporary employees for the FY 2012-13, was approximately 39,009.

The following table set forth a breakdown of persons employed by our business segments and by geographic location as of March 31, 2013.

Segment	No. of Employees
Automotive	56,393
Other	6,323
Total	**62,716**

Location	No. of Employees
Location	41,597
Abroad	21,119
Total	**62,716**

Training and Development: The Company is committed to building the competencies of its employees and improving their performance through training and development. The Company focus is on identifying gaps in its employees' competencies and preparing employees for changes in competitive environments, as well as to meet organizational challenges.

Some of the focus areas in training in the last year centered on leadership, innovation management and internationalization besides other training programmes to drive a change in the Company's employees' outlook as it continue to develop as a global competitor. Developmental initiatives for the Company's senior leadership were undertaken through international programs at various premier institutions around the world. Certain employees have also been selected for the Fulbright fellowships for leadership in management. In addition, in order to emphasize the sharing of skills across our locations and functions extensive technical training programs were organized in Pune, Jamshedpur and Lucknow. The technical exposure was enhanced further through international training and participation at international seminars.

At Jamshedpur, Pune and Lucknow in India, the Company has also established training divisions that impart basic skills in various trades like milling, grinding and welding to its young apprentices. The Company received the National Best Training Establishment award from the Government of India for the eighth time.

The Tata Motors Academy has created a couple of path-breaking branded initiatives in the Learning and Development space. "iTeach" which was created as an innovative practice of getting line managers to take ownership in sharing their knowledge and experience gained a lot of traction. The Company has switched to e-enabled learning through LMS (Learning Management System). Programs like "Autonova", "Project Leap" were introduced in the last fiscal.

JLR launched a new Higher Apprenticeship programme offering 55 places this year in key pathways, in addition to its current intermediate and advanced apprenticeship portfolio, which currently has over 1,500 apprentices on programme in 2012. JLR has excelled in its rating movement in the Times Top 100 Graduate Employers, moving from 60th ranking in 2011 to 26th in 2012. This was then followed by a move in the Guardian Top 300 Graduate Employers from a position of 127th in 2011 to 30th in 2012.

Union Wage Settlements: All employees in India belonging to the operative grades are members of labor unions except at Sanand & Dharwad plants. The Company has generally enjoyed cordial relations with its employees at its factories and offices.

Employee wages are paid in accordance with wage agreements that have varying terms (typically three years) at different locations. The expiration dates of the wage agreements with respect to various locations/subsidiaries are as follows:

Location/subsidiaries	Wage Agreement valid until
Pune CVBU	August 31, 2015
Pune PCBU	March 31, 2013*
Jamshedpur	March 31, 2013*
Mumbai	December 31, 2015
Lucknow	March 31, 2014
Pantnagar	March 31, 2015
Jaguar Land Rover	October 31, 2014
Tata Hispano	December 31, 2012*

*Under negotiation

A cordial industrial relations environment has been maintained in all the Company's manufacturing units.

The variability in wage settlements was built in by introducing vehicles and profit linked payment scheme based on the index of various parameters such as quality, productivity, operating profit and individual's performance and attendance. Operatives and Union support in implementation of programmes towards quality, cost and productivity improvements across all locations is commendable.

TDCV Union Employees had filed a lawsuit against TDCV in March 2011, for including some elements of non- ordinary salary and bonus as part of ordinary wages. The District Court gave a judgment in their favour on January 2013, and raised a demand on TDCV for the period December 2007 to May 2011, for KRW 17.2 billion and interest for the unpaid period. TDCV has filed an appeal to the High Court against the order.

RESEARCH AND DEVELOPMENT:

Over the years, the Company has devoted significant resources towards our research and development activities. The Company's research and development activities focus on product development, environmental technologies and vehicle safety. The Company's Engineering Research Centre, or ERC, established in 1966, is one of the few in-house automotive research and development centers in India recognized by the government. ERC is integrated with all of the Tata Motors Global Automotive Product Design and Development Centers in South Korea, Spain, Italy and the United Kingdom. In addition to this, the Company leverages key competencies through various engineering service suppliers and design teams of its suppliers.

The Company has a state of the art crash test facility for evaluating occupant safety. The Company has a full vehicle level crash test facility, sled test facility for simulating the crash environment on subsystems, a pedestrian safety testing facility, a pendulum impact test facility for goods carrier vehicles. This facility is also supported with CAE Infrastructure to simulate tests in digital environment. The Company has a hemi-anechoic chamber testing facility for developing vehicles with lower noise and vibration levels and an engine emission and performance development facilities, to develop products meeting international standards. The Company also has an eight poster road load simulator for vehicle structural durability validation of M&HCV. Other key facilities include a full vehicle environmental testing facility, heavy duty dynamometers and aggregate endurance test rigs.

The Company's product design and development centers are equipped with sophisticated hardware, software and other information technology infrastructure, designed to create a digital product development and virtual testing and validation environment, resulting in reduction of product development cycle-time. These centers are growing with increased vehicle development programs in breadth and depth of technology. Rapid prototype development systems, testing cycle simulators, advanced emission test laboratories and styling studios are also a part of our product development infrastructure. The Company has aligned our end-to-end digital product development objectives and infrastructure, with its business goals and have made significant investments to enhance the capabilities especially in the areas of product development through Computer Aided Design / Computer Aided Manufacturing / Computer Aided Engineering / Knowledge Based Engineering / Product Lifecycle Management and specific engineering review processes like Digital Mockup (DMU). In order to track various issues arising in vehicle design and development processes, the Company has institutionalized 'issue tracking' work flow based systems in various domains to manage them effectively.

The Company's research and development activities also focus on developing vehicles running on alternative fuels, including CNG, liquefied petroleum gas, bio-diesel and compressed air and electric cars. The Company is continuing to develop green vehicles. The Company is pursuing alternative fuel options such as ethanol blending for development of vehicles fuelled by hydrogen.

The Company is also pursuing various initiatives, such as the introduction of Premium Lightweight Architecture (PLA), to enable its business to comply with the existing and evolving emissions legislations in the developed world, which it believes will be a key enabler of both reduction in CO_2 and further efficiencies in manufacturing and engineering.

Initiatives in the area of vehicle electronics such as engine management systems, in-vehicle network architecture and Multiplexed Wiring, Electronic Stability programs, Automated and Automatic transmission systems, telematics for communication and tracking and other emerging technological areas are also being pursued, which could possibly be deployed on our future range of vehicles. Likewise various new technologies and systems that would improve safety, performance and emissions of our product range are under implementation on our passenger cars and commercial vehicles.

For providing prompt service to the customer, development of enterprise level vehicle diagnostics system for achieving speedy diagnostics of complex electronics of modern vehicles has been underway. Also the initiative in telematics has further spanned into a fleet management, driver information and navigation systems, and vehicle tracking system using GNSS (Global Navigation Satellite Systems).

The Company established a wholly owned subsidiary, TMETC, in 2006, to augment the abilities of its Engineering Research Centre with an objective to obtain access to leading-edge technologies to support the product development activities. In October 2010, the Company also acquired a design house in Italy, Trilix Srl, that has been working with the Company on many of its projects and are now a part of Tata Motors Design organization.

The Company endeavors to absorb the best of technologies for its product range to meet the requirements of a globally competitive market. All of its vehicles and engines are compliant with the prevalent regulatory norms in the respective countries in which they are sold. The Company's strategy to invest and develop its development capabilities have helped the Company in attaining significant achievements such as the design and development of India's first indigenously developed compact car, the segment creating mini- truck – the 'Tata Ace' and the world's most affordable family car — the Tata Nano. In collaboration with its subsidiary TDCV, the Company developed the "World Truck", now referred to as 'Prima', a sophisticated and contemporary M&HCV range with performance standards similar to those in developed markets.

JLR's vehicles are designed and developed by award-winning design teams, and it is committed to a programme of regular enhancements in product design. JLR's two design and development centres are equipped with computer-aided design, manufacturing and engineering tools, and are configured for competitive product development cycle time and efficient data management. In recent years, JLR has refreshed the entire Jaguar range under a unified concept and design language and continued to enhance the design of Land Rover's range of all-terrain vehicles. JLR's R&D operations look for synergies through sharing premium technologies, powertrain designs and vehicle architecture. All of JLR's products are designed and engineered primarily in the United Kingdom. JLR endeavours to implement the best technologies into its product range to meet the requirements of a globally competitive market. JLR is currently developing vehicles which will run on alternative fuels and hybrids and is also investing in other programmes for the development of technologies to improve the environmental performance of its vehicles including the reduction of CO_2 emissions.

INTELLECTUAL PROPERTY

The Company creates, owns, and maintains a wide array of intellectual property assets that are among its valuable assets throughout the world. The Company's intellectual property assets include patents, trademarks, copyrights designs, trade secrets and other intellectual property rights. Patents relate to innovations and products; trademarks secured relate to brands and products; copyrights are secured for creative content; and designs are secured for aesthetic features of products/components. The Company proactively and aggressively seeks to protect its intellectual property in India and other countries.

The Company owns a number of patents and has applied for new patents which are pending for grant in India as well as in other countries. It has also filed a number of patent applications outside India under the Patent Cooperation Treaty, which will be effective in different countries going forward. The Company obtains new patents as part of our ongoing research and development activities.

The Company own registrations for number of trade-marks and have pending applications for registration of these in India as well as other countries. The registrations mainly include trademarks for its vehicle models and other promotional initiatives. The Company uses the "Tata" brand, which has been licensed to us by Tata Sons Limited. The Company's believes that establishment of the "Tata" word mark and logo mark in India and world over, is material to our operations. As part of acquisition of TDCV, the Company has the perpetual and exclusive use of the "Daewoo" brand and trademarks in Korea and overseas markets for the product range of TDCV.

As part of the acquisition of Jaguar Land Rover business, ownership /co-ownership of core intellectual property were transferred to the Company. Additionally, perpetual royalty free licenses to use other essential intellectual properties have been licensed to the Company for use in Jaguar and Land Rover vehicles. Jaguar and Land Rover own registered designs, to protect the design of their vehicles in several countries.

In varying degrees, all its intellectual property is important to the Company. In particular, the Tata brand is integral to the conduct of our business, a loss of which could lead to dilution of our brand image and have a material adverse effect on our business.

CAUTIONARY STATEMENT

Statements in the Management Discussion and Analysis describing the Company's objective, projections, estimates, expectations may be "forward-looking statements" within the meaning of applicable securities laws and regulations. Actual results could differ materially from those expressed or implied. Important factors that could make a difference to the Company's operations include, among others, economic conditions affecting demand / supply and price conditions in the domestic and overseas markets in which the Company operates, changes in the Government regulations, tax laws and other statutes and incidental factors.

REPORT ON CORPORATE GOVERNANCE

COMPANY'S PHILOSOPHY ON CORPORATE GOVERNANCE

TATA's principal purpose is to improve the quality of life of the communities it serves. The values and ideals, the way that it functions, helps it do that. As a Tata Company, the Company's philosophy on Corporate Governance is founded upon a rich legacy of fair, ethical and transparent governance practices, many of which were in place even before they were mandated by adopting highest standards of professionalism, honesty, integrity and ethical behavior. As a global organization, the Corporate Governance practices followed by the Company and its subsidiaries are compatible with international standards and best practices. Through the Governance mechanism in the Company, the Board along with its Committees undertakes its fiduciary responsibilities to all its stakeholders by ensuring transparency, fairplay and independence in its decision making.

The Corporate Governance philosophy is further strengthened with the adherence to the Tata Business Excellence Model as a means to drive excellence, the Balanced Scorecard methodology for tracking progress on long term strategic objectives and the Tata Code of Conduct which articulates the values, ethics and business principles and serves as the ethical road map for the Company, its directors and employees supplemented with an appropriate mechanism to report any concern pertaining to non-adherence to the said Code. The Company is in full compliance with the requirements of Corporate Governance under Clause 49 of the Listing Agreement with the Indian Stock Exchanges ("the Listing Agreement"). The Company's Depositary Programme is listed on the New York Stock Exchange and the Company also complies with US regulations as applicable to Foreign Private Issuers (non-US listed companies) which cast upon the Board of Directors and the Audit Committee, onerous responsibilities to improve the Company's operating efficiencies. Risk management and internal control processes focus areas continue to meet the progressive governance standards.

As a good corporate governance practice, the Company has voluntarily undertaken an Audit by M/s Parikh & Associates, Practising Company Secretaries, of the secretarial records and documents for the period under review in respect of compliance with the Companies Act, 1956 ("The Act"), Listing Agreement with the Indian Stock Exchanges and the applicable regulations and guidelines issued by Securities and Exchange Board of India.

BOARD OF DIRECTORS

The Board of Directors alongwith its Committees provides leadership and guidance to the Company's management and directs, supervises and controls the performance of the Company. The Board currently comprises of twelve Directors out of which nine Directors (75%) are Non Executive Directors. The Company has a Non Executive Chairman and the six Independent Directors comprise at least one half of the total strength of the Board. All the Independent Directors have confirmed that they meet the 'independence' criteria as mentioned under Clause 49 of the Listing Agreement.

None of the Directors on the Company's Board is a Member of more than ten Committees and Chairman of more than five Committees (Committees being, Audit Committee and Investors' Grievance Committee) across all the Indian Public limited companies in which he is a Director. All the Directors have made necessary disclosures regarding Committee positions held by them in other companies and do not hold the office of Director in more than fifteen public companies. None of the Directors of the Company are related to each other. All Non Executive Directors, excluding the 'Steel Director' (Tata Steel representative), are liable to retire by rotation. The appointment of the Managing Director and Executive Directors including the tenure and terms of remuneration are also approved by the members at the first meeting after their appointment.

The required information as enumerated in Annexure IA to Clause 49 of the Listing Agreement is made available to the Board of Directors for discussions and consideration at Board Meetings. The Board reviews the declaration made by the Managing Director regarding compliance with all applicable laws on a quarterly basis as also steps taken to remediate instances of non-compliance. The Managing Director and the Chief Financial Officer (CFO) have certified to the Board in accordance with Clause 49 V of the Listing Agreement pertaining to CEO and CFO certification for the Financial Year ended March 31, 2013.

During the year under review, nine Board Meetings were held on April 10, 2012, May 29, 2012, July 13, 2012, August 9, 2012, October 16, 2012, November 7, 2012, December 13, 2012, February 14, 2013 and March 28, 2013. The maximum time-gap between any two consecutive meetings did not exceed four months. The composition of the Board, attendance at Board Meetings held during the Financial Year under review and at the last Annual General Meeting, number of directorships (including Tata Motors), memberships/chairmanships of the Board and Committees of public companies and their shareholding as on March 31, 2013 in the Company are as follows:

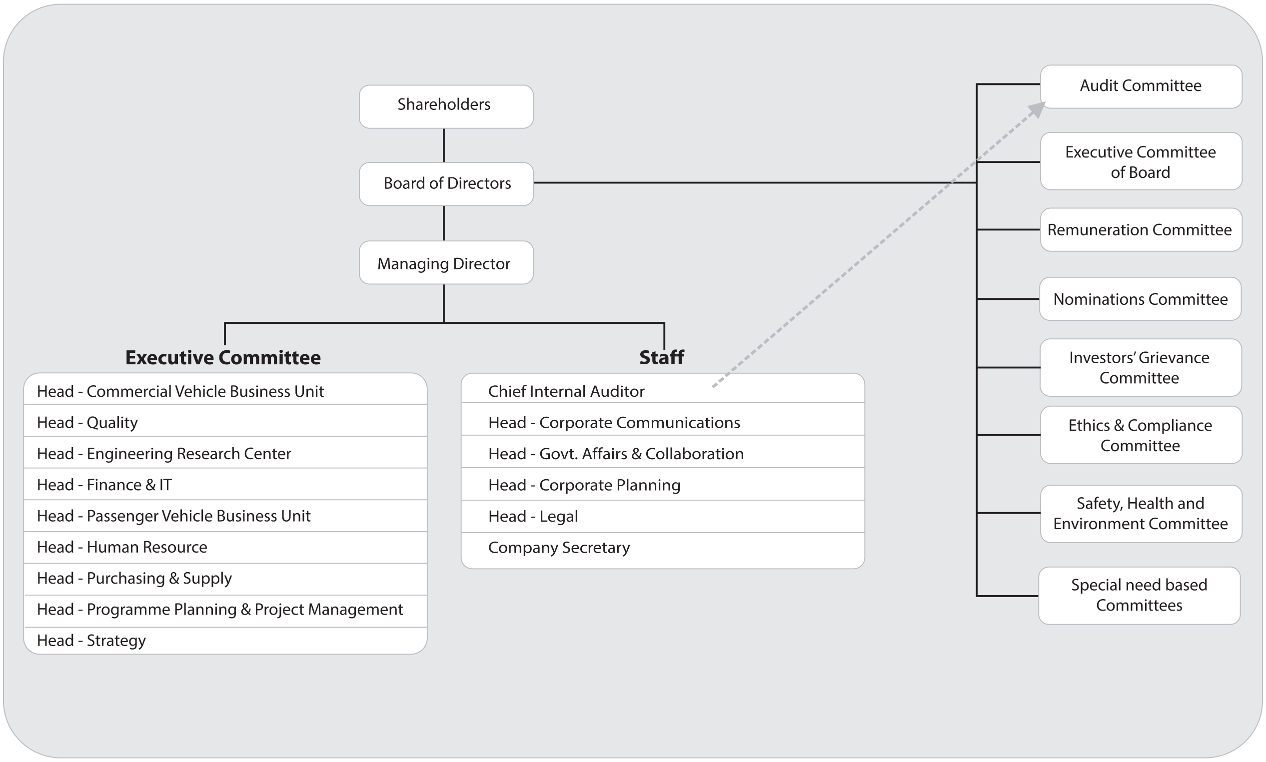
Name of the Director	Director Identification Number	Category	No. of Board Meetings attended in the year	Attendance at the last AGM	Directorships[1]		Committee positions[2]		Shareholding[12]	
					Chairman	Member	Chairman	Member	Ordinary Shares	'A' Ordinary Shares
Ratan N Tata[3][10]	00000001	Chairman Emeritus	7	Yes	-	-	-	-	1361730	109180
Cyrus P Mistry[4]	00010178	Non Executive, Chairman	7	Yes	10	1	-	1	-	-
Ravi Kant	00016184	Non Executive, Vice Chairman	9	Yes	2	2	-	1	-	-
N N Wadia	00015731	Non Executive, Independent	8	Yes	4	4	-	-	-	-
S M Palia[5][10]	00031145	Non Executive, Independent	9	Yes	-	7	2	5	1500	12500
R A Mashelkar	00074119	Non Executive, Independent	8	Yes	-	7	-	4	-	-
S Bhargava	00035672	Non Executive, Independent	8	Yes	2	6	2	3	-	-
N Munjee	00010180	Non Executive, Independent	8	Yes	3	12	5	4	-	-
V K Jairath	00391684	Non Executive, Independent	9	Yes	-	1	-	2	250	-
Ralf Speth	03318908	Non Executive	7	Yes	-	1	-	-	-	-
Karl Slym[6]	01875188	Managing Director	5	NA	-	3	-	1	-	-
Ravindra Pisharody[11]	01875848	Executive Director (Commercial Vehicles)	7	Yes	-	5	-	-	-	50
Satish B Borwankar[11]	01793948	Executive Director (Quality)	7	Yes	-	7	-	1	710	-
R Sen[7][10]	03043868	Non Executive, Independent	4	Yes	-	-	-	-	-	-
P M Telang[8][10]	00012562	Managing Director – India Operation	2	NA	-	-	-	-	6600	11000
Details of Additional Director appointed after March 31, 2013 is as under:										
Falguni Nayar[9]	00003633	Non Executive, Independent	NA	NA	-	1	-	2	-	-

(1) excludes alternate directorship and directorship in private companies, foreign companies, associations and section 25 companies
(2) includes only Audit and Investors' Grievance Committees
(3) ceased to be a Director and Chairman w.e.f. December 28, 2012. The Board of Directors designated him as "Chairman Emeritus."
(4) appointed as Non Executive Director w.e.f May 29, 2012 and appointed as Chairman w.e.f. December 28, 2012. He is also the 'Steel Director' w.e.f. March 28, 2013.
(5) stepped down as Director w.e.f. April 25, 2013, in accordance with the Company's retirement policy
(6) appointed as Managing Director w.e.f. September 13, 2012
(7) stepped down as Director w.e.f. October 16, 2012
(8) stepped down as Managing Director- India Operations w.e.f. June 21, 2012
(9) appointed as Non Executive, Independent Director w.e.f. May 29, 2013
(10) the memberships/chairmanships of the Board and Committees of public companies and shareholding are as of the date when they ceased to be the Directors
(11) appointed as Executive Directors w.e.f. June 21, 2012
(12) Shareholding as on March 31, 2013 / date of cessation

THE COMMITTEES OF THE BOARD

The Board has constituted a set of Committees with specific terms of reference/scope to focus effectively on the issues and ensure expedient resolution of diverse matters. The Committees operate as empowered agents of the Board as per their Charter/terms of reference. Targets set by them as agreed with the management are reviewed periodically and mid-course corrections are also carried out. The Board of Directors and the Committees also take decisions by circular resolutions which are noted at the next meeting. The minutes of meetings of all Committees of the Board are placed before the Board for discussions/noting.

An Organisation Chart depicting the relationship between the Board of Directors, the Committees and the senior management as on March 31, 2013 is illustrated below:



AUDIT COMMITTEE

The Audit Committee functions according to its Charter that defines its composition, authority, responsibility and reporting functions in accordance with the Act, listing requirements and US regulations applicable to the Company and is reviewed from time to time. Whilst, the full Charter is available on the Company's website, given below is a gist of the responsibilities of the Audit Committee:

a. Reviewing the quarterly financial statements before submission to the Board, focusing primarily on:

- Compliance with accounting standards and changes in accounting policies and practices;
- Major accounting entries involving estimates based on exercise of judgment by management;
- Audit qualifications and significant adjustments arising out of audit;
- Analysis of the effects of alternative GAAP methods on the financial statements;
- Compliance with listing and other legal requirements concerning financial statements;
- Review Reports on the Management Discussion and Analysis of financial condition, Results of Operations and the Directors' Responsibility Statement;
- Overseeing the Company's financial reporting process and the disclosure of its financial information, including earnings press release, to ensure that the financial statements are correct, sufficient and credible; and
- Disclosures made under the CEO and CFO certification and related party transactions to the Board and Shareholders.

b. Reviewing with the management, external auditor and internal auditor, adequacy of internal control systems and recommending improvements to the management.

c. Reviewing, with the management, the statement of uses/ application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document/ prospectus/ notice and the report submitted by the monitoring agency monitoring the utilisation of the said proceeds and making appropriate recommendations to the Board to take up steps in this matter.

d. Recommending the appointment/removal of the statutory auditor, cost auditor, fixing audit fees and approving non-audit / consulting services provided by the statutory auditors' firms to the Company and its subsidiaries; Auditors' (including Cost Auditors) qualifications and independence as also performance evaluation of the statutory auditors.

e. Reviewing the adequacy of internal audit function, coverage and frequency of internal audit, appointment, removal, performance and terms of remuneration of the chief internal auditor. Approving the appointment of CFO after assessing the qualification, experience and background etc of the candidate.

f. Discussing with the internal auditor and senior management significant internal audit findings and follow-up thereon.

g. Reviewing the findings of any internal investigation by the internal auditor into matters involving suspected fraud or irregularity or a failure of internal control systems of a material nature and report the matter to the Board.

h. Discussing with the external auditor before the audit commences, the nature and scope of audit, as well as conduct post-audit discussions to ascertain any areas of concern.

i. Reviewing the Company's financial and risk management policies.

j. Reviewing the functioning of the Whistle-Blower Policy and the legal compliance mechanism.

k. Reviewing the financial statements and investments made by subsidiary companies and subsidiary oversight relating to areas such as adequacy of the internal audit structure and function of the subsidiaries, their status of audit plan and its execution, key internal audit observations, risk management and the control environment.

l. Look into the reasons for any substantial defaults in payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividend) and creditors, if any.

During the year, the Committee reviewed key audit findings covering operational, financial and compliance areas. Management personnel of the subsidiaries presented their internal control system, risk mitigation plan to the Committee. The Committee, through self-assessment, annually evaluates its performance, reviews the status on compliance of its obligations under the Charter and confirms that it fulfills its duties and responsibilities. The Chairman of the Audit Committee briefs the Board on significant discussions at Audit Committee meetings.

During the year under review, the Committee comprised of four Independent Directors, all of whom are financially literate and have relevant finance and/or audit exposure. Mr S M Palia, who was the Financial Expert, stepped down as Director w.e.f. April 25, 2013. Mr Munjee has been appointed as the Financial Expert in his place. The quorum of the Committee is two members or one-third of its members, whichever is higher. The Chairman of the Audit Committee also attended the last Annual General Meeting of the Company. During the year under review, nine Audit Committee meetings were held on April 18, 2012, May 26, 2012, July 17, 2012, August 7, 2012, September 7, 2012, November 5, 2012, December 1, 2012, January 16/17, 2013 and February 13, 2013. .

The composition of the Audit Committee and attendance at its meetings is as follows:

Composition	Meetings attended
N Munjee (Chairman)	9
S M Palia*	7
R A Mashelkar	8
V K Jairath	9
Falguni Nayar**	NA

* Ceased to be member w.e.f. April 25, 2013
** Appointed as member w.e.f. May 29, 2013

The Committee meetings are held at the Company's Corporate Headquarters or at its plant locations and are attended by Managing Director, Executive Directors, Chief Financial Officer, Chief Internal Auditor, Statutory Auditors and Cost Auditors. The Audit Committee meetings considering financial statements is preceded by an ½ hour meeting of the Audit Committee members alongwith the Auditors only. The Business and Operation Heads are invited to the meetings, as and when required. The Company Secretary acts as the Secretary of the Audit Committee. The Chief Internal Auditor reports to the Audit Committee to ensure independence of the Internal Audit function.

The Committee relies on the expertise and knowledge of the management, the internal auditors and the independent Statutory Auditor in carrying out its oversight responsibilities. It also uses external expertise, if required. The management is responsible for the preparation, presentation and integrity of the Company's financial statements including consolidated statements, accounting and financial reporting principles. The management is also responsible for internal control over financial reporting and all procedures are designed to ensure compliance with accounting standards, applicable laws and regulations as well as for objectively reviewing and evaluating the adequacy, effectiveness and quality of the Company's system of internal control.

Deloitte Haskins & Sells, Mumbai (Registration Number 117366W), the Company's Statutory Auditors are responsible for performing an independent audit of the Financial Statements and expressing an opinion on the conformity of those financial statements with accounting principles generally accepted in India.

REMUNERATION COMMITTEE

The Remuneration Committee is empowered to review the remuneration of the Managing Director, Executive Directors of the Company and the CEOs of certain significant subsidiary companies, retirement benefits to be paid to them under the Retirement Benefit Guidelines approved by the Board, recommending the amount and distribution of commission to the non Executive Directors based on criteria fixed by the Board and to deal with matters pertaining to Employees' Stock Option Scheme, if any.

The Remuneration Committee comprises two Independent Directors (including the Chairman of the Committee) and two non Executive Directors. During the year under review, a meeting of the Committee was held on May 29, 2012. The decisions are taken by the Committee at meetings or by passing circular resolutions. The composition of the Remuneration Committee and attendance at its meeting is as follows:

Composition	Meetings attended
N N Wadia (Chairman)	1
Ratan N Tata(1)	1
Cyrus P Mistry(2)	-
S Bhargava	1
Ravi Kant	1

(1) Ceased to be member w.e.f. December 28, 2012
(2) Appointed as member w.e.f. February 14, 2013

Mr S M Palia attended the meeting as a special invitee.

Remuneration Policy

a. The remuneration of the Managing Director and Executive Directors of the Company and CEOs of certain significant subsidiaries is recommended by the Remuneration Committee based on criteria such as industry benchmarks, the Company's performance vis-à-vis the industry, responsibilities shouldered, performance/track record, macro economic review on remuneration packages of heads of other organisations and is decided by the Board of Directors. The Company pays remuneration by way of salary, perquisites and allowances (fixed component), incentive remuneration and/or commission (variable components) to its Managing Director and Executive Directors. Annual increments are decided by the Remuneration Committee within the salary scale approved by the Members and are effective from April 1, every year.

b. A sitting fee of ₹ 20,000/- for attendance at each meeting of the Board, Audit Committee, Executive Committee, Remuneration Committee and Nominations Committee and ₹ 5,000/- for Safety, Health and Environment Committee, Investors' Grievance Committee and Ethics & Compliance Committee is paid to its Members (excluding Managing Director and Executive Directors) and also to Directors attending as Special Invitees. The sitting fees paid/payable to the non Executive Directors is excluded whilst calculating the above limits of remuneration in accordance with Section 198 of the Act. The Company also reimburses out-of-pocket expenses to Directors attending meetings held at a city other than the one in which the Directors reside.

c. A remuneration by way of commission to the Non Executive Directors is decided by the Board of Directors, based on recommendation of the Remuneration Committee and distributed to them based on their participation and contribution at Board/certain Committee meetings as well as time spent on matters other than at meetings. The Members had, at the Annual General Meeting held on July 24, 2008, approved the payment of remuneration by way of commission to the non Executive Directors of the Company, of a sum not exceeding 1% per annum of the net profits of the Company, calculated in accordance with the provisions of the Act, for a period of 5 years commencing April 1, 2008. A Special Resolution is included in the notice of the forthcoming Annual General Meeting for payment of Commission to non Executive Directors for another period of 5 years w.e.f. April 1, 2013.

d. Remuneration of employees largely consists of basic remuneration, perquisites, allowances and performance incentives. The components of remuneration vary for different employee grades and are governed by industry patterns, qualifications and experience of the employee, responsibilities handled by him, his individual performances, etc. The annual variable pay of senior managers is linked to the Company's performance in general and their individual performance for the relevant year is measured against specific major performance areas which are closely aligned to the Company's objectives.

The Company dose not have a stock option scheme for its Executive Directors and employees.

The Directors' remuneration and sitting fees paid/payable by the Company in respect of the Financial Year 2012-13, are given below:

Non Executive Directors **(₹ in Lakhs)**

Name	Commission	Sitting Fees
Ratan N Tata(1)	133	2.40
Cyrus P Mistry(2)	-	2.00
Ravi Kant(3)	67	3.30
N N Wadia	25	2.60
S M Palia(4)	60	4.10
R A Mashelkar	20	3.20

N Munjee	45	4.00
S Bhargava	25	2.80
V K Jairath	20	3.80
R Sen(5)	5	1.00
R Speth(6)	-	-
Falguni Nayar(7)	-	-

(1) Ceased to be Director and Chairman w.e.f December 28, 2012. Apart from the above, Mr Ratan N Tata, who was formerly the Executive Chairman of the Company is paid/ provided ₹36.73 lakhs p.a. as retirement benefits as per Company's policy.

(2) Appointed as Director w.e.f. May 29, 2012.

(3) Mr Ravi Kant, who was formerly the Managing Director of the Company is paid/provided ₹76.80 lakhs p.a. as retirement benefits as per Company's policy. As advisor to the Company for overseeing Jaguar Land Rover operations of the Company, Mr Ravi Kant was paid a fee equivalent to GB£ 75,000 p.a. and use of a Company car. Both of these are not included in the above table.

(4) Ceased to be a Director w.e.f. April 25, 2013.

(5) Ceased to be a Director w.e.f. October 16, 2012.

(6) Dr Ralf Speth is not paid any commission or sitting fees for attending Board meetings of the Company in view of his appointment as Chief Executive Officer and Director of Jaguar Land Rover Automotive PLC.

(7) Appointed as Additional Director w.e.f. May 29, 2013

Managing & Executive Directors

Terms of appointment and remuneration

Terms of Agreement	Mr Karl Slym, Managing Director*	Mr R Pisharody, Executive Director (Commercial Vehicles) Mr S B Borwankar, Executive Director (Quality)
Period of Contract	Sept 13, 2012 – Sept 12, 2017	June 21, 2012 – June 20, 2017
Severance Fees	The Contracts with the Managing Director, Executive Directors may be terminated by either party giving the other party six months' notice or the Company paying six months' salary in lieu thereof. There is no separate provision for payment of Severance fees.	

* An item on the appointment and remuneration of Managing Director is also included in the notice of forthcoming annual general meeting of the Company.

The Remuneration paid to the Managing Director and Executive Directors in FY 2012-13 is as under:

(₹ in Lakhs)

Name	P M Telang	Karl Slym	R Pisharody	S B Borwankar
Salary	18.23	65.95	42.00	33.13
Perquisites & Allowances(1)	82.16	628.20	40.25	47.02
Commission/Bonus	56.00 (2)	394.80	160.00 (2)	85.00 (2)
Retirement Benefits(3)	4.92 (4)	7.91	11.34	8.95

(1) Includes leave encashment

(2) Payable in FY 13-14

(3) Excludes provision for encashable leave and gratuity as separate actuarial valuation is not available

(4) Does not include exgratia and gratuity paid on retirement

Retirement Policy for Directors

The Company has adopted the Guidelines for retirement age wherein Managing and Executive Directors retire at the age of 65 years. Any Executive Director, who is retained on the Company's Board beyond the age of 65 years as non Executive Director for special reasons may continue as a Director at the discretion of Board but in no case beyond the age of 70 years. The retirement age for Independent Directors is 75 years. The Company has also adopted a Policy for offering special retirement benefits including pension, ex-gratia and medical to Managing and Executive Directors which has also been approved by the Members of the Company. In addition to the above, the retiring Managing Director is entitled to residential accommodation or compensation in lieu of accommodation on retirement. The quantum and payment of the said benefits are subject to an eligibility criteria of the retiring director and is payable at the discretion of the Board in each individual case on the recommendation of the Remuneration Committee.

INVESTORS' GRIEVANCE COMMITTEE

During the year under review, the Investors' Grievance Committee comprised of two Independent Directors (including the Chairman of the Committee), one non Executive Director and the Managing Director. The Investors' Grievance Committee of the Board is empowered to oversee the redressal of investors' complaints pertaining to share/debenture transfers, non-receipt of annual reports, interest/dividend payments, issue of duplicate certificates, transmission (with and without legal representation) of shares and debentures, matters pertaining to Company's fixed deposit programme and other miscellaneous complaints. During the year under review, three Investors' Grievance Committee meetings were held on April 18, 2012, August 9, 2012 and March 28, 2013. The composition of the Investors' Grievance Committee and attendance at its meetings is as follows:

Composition	Meetings attended
S M Palia (Chairman)(1)	3
Ravi Kant	3
V K Jairath	2
Karl Slym(2)	1
Falguni Nayar(3)	NA

(1) Ceased to be member w.e.f. April 25, 2013

(2) Appointed as member w.e.f. February 14, 2013

(3) Appointed as member w.e.f. May 29, 2013

Compliance Officer

Mr H K Sethna, Company Secretary, who is the Compliance Officer, can be contacted at:

Tata Motors Limited, Bombay House, 24, Homi Mody Street, Mumbai - 400 001, India.

Tel: 91 22 6665 8282, 91 22 6665 7824 / Fax: 91 22 6665 7260

Email: inv_rel@tatamotors.com.

Complaints or queries relating to the shares and/or debentures can be forwarded to the Company's Registrar and Transfer Agents – M/s TSR Darashaw Pvt. Ltd. at csg-unit@tsrdarashaw.com, whereas complaints or queries relating to the public fixed deposits can be forwarded to the Registrars to the Fixed Deposits Scheme – M/s TSR Darashaw Pvt. Ltd. at tmlfd@tsrdarashaw.com.

The status on the total number of investors' complaints during FY 2012-13 is as follows:

Type	Nos.
Complaints regarding non-receipt of dividend, shares lodged for transfer and resolved	101
Complaints received from the shareholders through SEBI and other statutory bodies and resolved*	67
Other queries received from shareholders and replied	11996

* One SEBI complaint has been replied within 4 days but the same has been reflected as unresolved as on March 31, 2013, as per the condition for complete resolution defined by SEBI.

All letters received from the investors are replied to and the response time for attending to investors' correspondence during FY2012-13 is shown in the following table:

	Number	%
Correspondence received during 2012-2013	12164	100.00
Replied within 1 to 4 days of receipt	8177	67.22
Replied within 5 to 7 days of receipt	1464	12.04
Replied within 8 to 15 days of receipt	2365	19.44
Replied after 15 days of receipt (1)	115	0.95
Received in last week of March 2013 have been replied in April 2013	43	0.35

(1) These correspondence pertained to court cases which involved retrieval of case files and very old records, co-ordination with the Company/Advocates, partial documents awaited from the Investors, cases involving registration of legal documents, executed documents received for issue of duplicate certificates and transmission of shares without legal representation which involved checking of the documents, sending notices to Stock Exchange and issue of duplicate certificates/transmission of shares after approval from the Company. However, all these cases have been attended to within the statutory limit of 30 days.

There were 16 pending share transfers pertaining to the Financial Year ended March 31, 2013, which were received in the last week of March 2013. Out of the total number of complaints mentioned above, 75 complaints pertained to letters received through Statutory/Regulatory bodies and those related to Court/ Consumer forum matters, fraudulent encashment and non-receipt of dividend amounts.

TSR Darashaw Private Limited (TSRDPL), the Company's Registrar and Transfer Agents, are also the Registrar for the Company's Fixed Deposits Scheme (FD). TSRDPL is the focal point of contact for investor services in order to address various FD related matters mainly including repayment / revalidation, issue of duplicate FD receipts / warrants, TDS certificates, change in bank details/ address and PAN corrections. In view of increase in the correspondence, TSRDPL have increased their investor interface strength (telephone and counter departments), and have taken other steps for rendering speedy and satisfactory services to the FD holders.

On recommendations of the Investors' Grievance Committee, the Company has taken various investor friendly initiatives like organising Shareholders' visit to Company Works at Pune, sending reminders to investors who have not claimed their dues, sending nominations forms, etc.

OTHER COMMITTEES

The Executive Committee of the Board reviews capital and revenue budgets, long-term business strategies and plans, the organisational structure of the Company, real estate and investment transactions, allotment of shares and/or debentures, borrowing and other operational matters. The Committee also discusses matters pertaining to legal cases, acquisitions and divestment, new business forays and donations. During the year under review, four Committee meetings were held on April 3, 2012, July 10, 2012, October 1, 2012 and March 19, 2013. At present, the Executive Committee of the Board comprises three Independent Directors, two non Executive Directors and three Executive Directors.

The composition of the Executive Committee of the Board and attendance at meetings is given hereunder:

Composition	Meetings attended
Ratan N Tata (1)	3
Cyrus P Mistry (2)	3
Ravi Kant	4
N N Wadia	3
N Munjee (3)	4
S Bhargava	4
P M Telang (4)	1
Karl Slym (5)	2
R Pisharody (6)	2
S B Borwankar (6)	2

(1) Ceased to be member w.e.f. December 28, 2012
(2) Appointed as member w.e.f. May 29, 2012 and Chairman w.e.f. February 14, 2013
(3) Attended 1 meeting through webex and audio conference
(4) Ceased to be a Member w.e.f. June 21, 2012
(5) Appointed as a member w.e.f. September 13, 2012
(6) Appointed as member w.e.f. July 13, 2012

Mr S M Palia and Mr R Sen attended a meeting as special invitees.

The Executive Committee of the Board formed a **Donations Committee** in September 2003 and a **Corporate Social Responsibility (CSR) Committee** in January 2006, comprising the Managing Director and the Senior Management which meets from time to time / approve proposal through circular resolutions to fulfill the community and social responsibilities of its stakeholders.

The Nominations Committee of the Board was constituted with the objective of identifying independent directors to be inducted on the Board and to take steps to refresh the constitution of the Board from time to time. During the year under review, a meeting was held on May 29, 2012 and attended by all the members. Mr S Bhargava attended the meeting as a special invitee. At present, the Nominations Committee comprises Mr N N Wadia as the Chairman, Mr Cyrus P Mistry (appointed w.e.f. February 14, 2013), Mr Ravi Kant and Mr S M Palia (stepped down w.e.f. April 25, 2013).

The Ethics and Compliance Committee was constituted to formulate policies relating to the implementation of the Tata Code of Conduct for Prevention of Insider Trading (the Code), take on record the monthly reports on dealings in securities by the "Specified Persons" and decide penal action in respect of violations of the applicable regulations/the Code. During the year under review, three meetings of the Committee were held on April 18, 2012, August 9, 2012 and March 28, 2013. The composition of the Ethics and Compliance Committee and attendance at meetings, is given hereunder:

Composition	Meetings attended
S M Palia (Chairman)(1)	3
Ravi Kant	3
V K Jairath	2
Karl Slym(2)	1
Falguni Nayar(3)	NA

(1) Ceased to be member w.e.f. April 25, 2013
(2) Appointed as member w.e.f. February 14, 2013
(3) Appointed as member w.e.f. May 29, 2013

Mr C Ramakrishnan, Chief Financial Officer, acts as the Compliance Officer under the said Code.

The Safety, Health & Environment (SHE) Committee was constituted by the Board of Directors in its meeting held on February 14, 2013 with the objective of reviewing Safety, Health and Environment practices. The Board also adopted a Charter for the Committee. The SHE Committee comprises Dr R A Mashelkar as Chairman, Mr V K Jairath, Mr Karl Slym, Mr R Pisharody and Mr S B Borwankar as Members of the said Committee.

Apart from the above, the Board of Directors also constitutes Committee(s) of Directors and/or Executives with specific terms of reference, as it deems fit.

CODE OF CONDUCT

Whilst the Tata Code of Conduct is applicable to all Executive Directors and employees of the Company, the Board has also adopted a Code of Conduct for non Executive Directors, both of which are available on the Company's website. All the Board members and senior management of the Company as on March 31, 2013 have affirmed compliance with their respective Codes of Conduct. A Declaration to this effect, duly signed by the Managing Director is annexed hereto.

SUBSIDIARY COMPANIES

The Company does not have any material non-listed Indian subsidiary company and hence, it is not required to have an Independent Director of the Company on the Board of such subsidiary company. An Independent Director of the Company is on the Board of Jaguar Land Rover Automotive Plc and Tata Motors Finance Limited. The Audit Committee also has a meeting wherein the CEO and CFO of the subsidiary companies make a presentation on significant issues in audit, internal control, risk management, etc. Significant issues pertaining to subsidiary companies are also discussed at the Executive Committee of the Board and Audit Committee meetings of the Company. Apart from disclosures made in the Directors' Report, there were no strategic investments made by the Company's non-listed subsidiaries during the year under review.

The minutes of the subsidiary companies are placed before the Board of Directors of the Company and the attention of the Directors is drawn to significant transactions and arrangements entered into by the subsidiary companies. The performance of its subsidiaries is also reviewed by the Board periodically.

GENERAL BODY MEETINGS

Date	Year	Special Resolutions passed	Venue and Time
August 10, 2012	2011-12	NIL	Birla Matushri Sabhagar, 19, Sir Vithaldas Thackersey Marg, Mumbai - 400 020 at 3:00 p.m.
August 12, 2011	2010-11	NIL*	
September 1, 2010	2009-10	NIL	

* In August, 2010, Company had obtained the approval of its members under Section 192A of the Companies Act, 1956 pertaining to following Special Resolutions which were approved with the requisite majority:

a) Raising of additional long term resources upto a limit of ₹4700 crores.

b) Issuance of 'A' Ordinary Shares on exercise of conversion option by holders of Zero Coupon Convertible Alternative Reference Securities (CARS).

c) Payment of Advisory Fees to Mr Ravi Kant.

All resolutions moved at the last Annual General Meeting were passed by a show of hands by the requisite majority of members attending the meeting. None of the items to be transacted at the ensuing meeting is required to be passed by postal ballot.

DISCLOSURES

- Details of related party transactions entered into by the Company are included in the Notes to Accounts. Material individual transactions with related parties are in the normal course of business on an arm's length basis and do not have potential conflict with the interests of the Company at large. Transactions with related parties entered into by the Company in the normal course of business are periodically placed before the Audit Committee for review.
- The Company has complied with various rules and regulations prescribed by Stock exchanges, Securities and Exchange Board of India or any other statutory authority relating to the capital markets during the last 3 years. No penalties or strictures have been imposed by them on the Company.
- The Audit Committee has adopted a Whistle-Blower Policy which provides a formal mechanism for all employees of the Company to approach the Management of the Company (Audit Committee in case where the concern involves the Senior Management) and make protective disclosures to the Management about unethical behaviour, actual or suspected fraud or violation of the Company's Code of Conduct. The disclosures reported are addressed in the manner and within the time frames prescribed in the Policy. The Company affirms that no employee of the Company has been denied access to the Audit Committee.

The status of compliance in respect of each of the non-mandatory requirements under Clause 49 of Listing Agreement is as follows:

The Board: The non Executive Chairman maintains a separate office, for which the Company does not reimburse expenses.

As per the Guidelines regarding retirement age of Directors as adopted by the Board of Directors in its meeting held on July 13, 2012, tenure of 9 years may be considered a threshold for granting further tenure for independent directors based, inter alia, on the merit and contribution of each Director. In line with the best practice to continuously refresh the Board's membership, the Board is encouraged to seek a balance between change and continuity. Mr Ravi Kant, Vice Chairman, continued on the Board, subsequent to his retirement in an Executive capacity. Except as mentioned above, the Ex-Managing Directors/Executive Directors may be invited to rejoin the Board as non Executive Directors, but preferably after an interval of 3 years. The Nomination Committee takes into consideration criteria such as qualifications and expertise whilst recommending induction of non Executive Directors on the Board as also recommending to the shareholders re-appointment of eligible directors retiring by rotation.

Remuneration Committee: Details are given under the heading "Remuneration Committee".

Shareholder Rights: Details are given under the heading "Means of Communications".

Audit Qualifications: During the year under review, there was no audit qualification in the Auditors' Report on the Company's financial statements. The Company continues to adopt best practices to ensure a regime of unqualified financial statements.

Training of Board Members: The Directors interact with the management in a very free and open manner on information that may be required by them. Orientation and factory visits are arranged for new Non- Executive Directors. The Independent Directors are encouraged to attend training programmes that may be of relevance and interest to the Directors in discharging their responsibilities to the Company's stakeholders.

Mechanism for evaluating non Executive Board members: The performance evaluation of non Executive members is done by the Board annually based on criteria of attendance and contributions at Board/Committee Meetings as also for the role played other than at Meetings.

Whistle Blower Mechanism: The Company has adopted a Whistle-Blower Policy. Please refer to **'DISCLOSURES'** given above.

MEANS OF COMMUNICATION

The Quarterly, Half Yearly and Annual Results are regularly submitted to the Stock Exchanges in accordance with the Listing Agreement and are generally published in Indian Express, Financial Express and Loksatta (Marathi). The information regarding the performance of the Company is shared with the shareholders every six months through a Half Yearly Communiqué and the Annual Report. The official news releases, including on the quarterly and annual results and presentations made to institutional investors and analysts are also posted on the Company's website **(www.tatamotors.com)** in the 'Investors' Section.

The Annual Report, Quarterly Results, Shareholding Pattern, Press Releases, Intimation of the Board Meeting and Issuance of shares and other required details of the Company are posted through Corporate Filing and Dissemination System (CFDS) and NSE Electronic Application Processing System (NEAPS) portals to view information filed by listed companies.

Green Initiative:

In support of the "Green Initiative" undertaken by the Ministry of Corporate Affairs, the Company had during the year 2012-13 sent various communications including intimation of dividend and Half Yearly Communiqué by email to those shareholders whose email addresses were made available to the depositories or the Registrar and Transfer Agents. Physical copies were sent to only those shareholders whose email addresses were not available and for the bounced email cases.

As prescribed under the Listing Agreement with the Stock exchanges, companies can send soft copies of the Annual Reports to all those shareholders who have registered their email address for the said purpose. The Company has sent electronic intimations to shareholders having email ids requesting for their consent to receive various communications including Annual Reports in electronic form. However, the Company has not made much progress as only around 16,000 shareholders have opted for this mode of communication.

As a responsible citizen, your Company strongly urges you to support the Green Initiative by giving positive consent by registering/updating your email addresses with the Depository Participants or the Registrar and Transfer Agents for the purpose of receiving soft copies of various communications including the Annual Reports.

As an austerity measure and in furtherance of this Green Initiative, the Company has in accordance with Clause 32 of the Listing Agreement sent an Abridged Report to the shareholders for the FY 2012-13. Member may request for a full copy of the Annual Report for FY 2012-13.

GENERAL INFORMATION FOR MEMBERS

The Company is registered with the Registrar of Companies, Mumbai, Maharashtra. The Corporate Identity Number (CIN) allotted to the Company by the Ministry of Corporate Affairs (MCA) is L28920MH1945PLC004520.

Annual General Meeting

Date and Time	Wednesday, August 21, 2013 at 3:00 p.m.
Venue	Birla Matushri Sabhagar, 19, Sir Vithaldas Thackersey Marg, Mumbai 400 020
Date of Book Closure	Thursday, August 1 to Wednesday, August 21, 2013 (both days inclusive)
Dividend Payment Date	August 23, 2013. The Dividend warrants will be posted/dividend amount will be remitted into the shareholders account on or after August 23, 2013

Financial Calendar (Tentative)

Financial Year	ending March 31
Results for the Quarter ending:	
June 30, 2013	On or before August 14, 2013
September 30, 2013	On or before November 14, 2013
December 31, 2013	On or before February 14, 2014
March 31, 2014	On or before May 30, 2014

Listing

The Company's securities are listed on the BSE Ltd. (BSE) and National Stock Exchange of India Ltd. (NSE). The following are the details of the Company's shares:

Type	**Ordinary Shares**	**'A' Ordinary Shares**
ISIN	INE155A01022	IN9155A01020
BSE Stock Code	500570	570001
BSE Address	Phiroze Jeejeebhoy Towers, Dalal Street Mumbai 400 001 www.bseindia.com	
NSE Stock Code	TATAMOTORS	TATAMTRDVR
NSE Adresss	"Exchange Plaza" Bandra Kurla Complex, Bandra (E), Mumbai 400 051 www.nseindia.com	

Attention is also drawn to the Section "Outstanding Securities" below for foreign listing and listing of debt securities of the Company.

Beside the above, certain subsidiaries of the Company have also issued non convertible listed securities. Attention of the investors is also drawn to a seperate section in the Annual Report.

Payment of Listing Fees

The Company has paid Annual Listing fees for FY 2013-14 to all the Stock Exchanges (both domestic and international) where the Company's securities are listed.

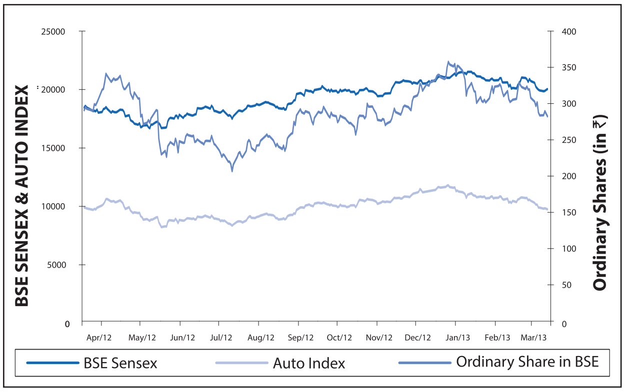
Market Information

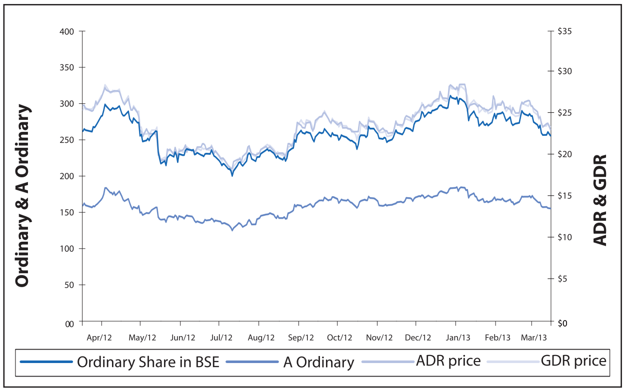
Market price data - monthly high/low of the closing price and trading volumes on BSE/NSE depicting liquidity of the Company's Ordinary Shares and 'A' Ordinary Shares on the said exchanges is given hereunder:-

	Ordinary Shares					
	BSE			NSE		
Month	High (₹)	Low (₹)	No. of Shares	High (₹)	Low (₹)	No. of Shares
Apr-12	319.35	275.75	25043607	319.25	275.60	163701926
May-12	308.30	233.20	37413229	308.40	233.00	283618258
Jun-12	248.10	221.55	46738975	248.20	221.65	289260266
Jul-12	246.40	204.85	31575184	246.50	205.10	210468042
Aug-12	247.90	220.90	29362600	248.10	220.95	213842587
Sep-12	277.65	228.70	25896096	277.85	228.70	207335990
Oct-12	280.35	247.70	18502941	280.55	247.65	155919611
Nov-12	284.10	258.85	22457418	283.95	258.75	250544006
Dec-12	312.40	271.30	27719928	312.65	271.55	194959202
Jan-13	333.40	293.55	27448667	333.70	293.45	223487576
Feb-13	306.90	285.00	18455001	306.75	281.65	173106255
Mar-13	309.25	269.30	18414465	309.40	269.15	192404425

	'A' Ordinary Shares					
Month	BSE			NSE		
	High (₹)	Low (₹)	No. of Shares	High (₹)	Low (₹)	No. of Shares
Apr-12	185.70	154.60	13037856	185.85	153.90	99252057
May-12	172.15	136.10	13588963	171.85	135.95	105515589
Jun-12	142.05	130.07	9470168	142.00	130.60	65251923
Jul-12	136.85	117.65	7718792	136.95	117.05	63569467
Aug-12	145.40	123.40	6185418	145.85	123.50	58469018
Sep-12	161.05	136.35	7079753	161.10	136.20	53281827
Oct-12	171.15	153.70	6420595	171.55	153.70	45941262
Nov-12	172.15	157.00	9938128	172.10	157.10	51261988
Dec-12	174.20	162.50	3872666	174.20	162.45	50857178
Jan-13	187.10	166.25	5020492	187.60	166.45	51277347
Feb-13	170.80	159.10	2946589	170.75	158.90	41426277
Mar-13	173.20	152.95	3964196	173.40	152.75	41629801

The Performance of the Company's Stock Price vis-à-vis Sensex, Auto Index, ADR and GDR





The monthly high and low of the Company's ADRs and GDRs is given below: (in US $)

Month	ADRs		GDRs	
	High	Low	High	Low
Apr-12	30.28	27.00	30.68	26.94
May-12	29.88	20.79	30.06	20.79
Jun-12	22.25	20.07	22.05	19.94
Jul-12	22.42	18.94	22.24	18.37
Aug-12	22.13	19.88	22.34	19.81
Sept-12	25.68	20.72	25.76	20.46
Oct-12	26.81	22.94	27.05	22.94
Nov-12	25.73	23.88	26.11	23.46
Dec-12	28.72	25.02	28.43	24.83
Jan-13	30.74	26.99	30.59	27.33
Feb-13	29.12	26.73	28.31	26.45
Mar-13	28.49	24.41	28.27	24.79

Each Depository Receipt represents 5 underlying Ordinary Shares of face value of ₹2/- each w.e.f. September 14, 2012.

Registrar and Transfer Agents

For share related matters, Members are requested to correspond with the Company's Registrar and Transfer Agents – M/s TSR Darashaw Private Limited quoting their folio no./DP ID & Client ID at the following addresses:

1. For transfer lodgement, delivery and correspondence : TSR Darashaw Private Limited, Unit: Tata Motors Limited, 6-10, Haji Moosa Patrawala Industrial Estate, 20, Dr. E Moses Road, (Nr. Famous Studios) Mahalaxmi, Mumbai – 400 011. Tel: 022-6656 8484; Fax: 022- 6656 8494; e-mail : csg-unit@tsrdarashaw.com; website : www.tsrdarashaw.com

2. For the convenience of investors based in the following cities, transfer documents and letters will also be accepted at the following branches / agencies of TSR Darashaw Private Limited:

(i) **Bangalore:** 503, Barton Centre, 5th Floor, 84, Mahatma Gandhi Road, Bangalore – 560 001.
Tel: 080 – 25320321, Fax: 080 – 25580019,
e-mail: tsrdlbang@tsrdarashaw.com

(ii) **Jamshedpur:** Bungalow No.1, "E" Road, Northern Town, Bistupur, Jamshedpur – 831 001.
Tel: 0657 – 2426616, Fax: 0657 – 2426937,
email : tsrdljsr@tsrdarashaw.com

(iii) **Kolkata:** Tata Centre, 1st Floor, 43, Jawaharlal Nehru Road, Kolkata – 700 071.
Tel: 033 – 22883087, Fax: 033 – 22883062,
e-mail: tsrdlcal@tsrdarashaw.com

(iv) **New Delhi:** Plot No.2/42, Sant Vihar, Ansari Road, Daryaganj, New Delhi – 110 002.
Tel : 011 – 23271805, Fax : 011 – 23271802,
e-mail : tsrdldel@tsrdarashaw.com

(v) **Ahmedabad:** Agent of TSRDPL – Shah Consultancy Services Pvt Limited: 3-Sumathinath Complex, Pritam Nagar Akhada Road, Ellisbridge, Ahmedabad -380 006. Tel: 079-2657 6038,
e-mail: shahconsultancy8154@gmail.com

For Fixed Deposits, the investors are requested to correspond with the Registrars to the Fixed Deposits Scheme – TSR Darashaw Private Limited at the same addresses as mentioned above or send an e-mail at tmlfd@tsrdarashaw.com. Tel: 022-6656 8484

Share Transfer System

Securities lodged for transfer at the Registrar's address are normally processed within 15 days from the date of lodgement, if the documents are clear in all respects. All requests for dematerialization of securities are processed and the confirmation is given to the depositories within 15 days. Senior Executives of the Company are empowered to approve transfer of shares and debentures and other investor related matters.

Reconciliation of Share Capital Audit/ Compliance of Share Transfer Formalities

- Pursuant to Clause 47(c) of the Listing Agreement with the Stock Exchanges, certificates, on half-yearly basis, have been issued by a Company Secretary-in-Practice for due compliance of share transfer formalities by the Company.
- A Company Secretary-in-Practice carried out a Reconciliation of Share Capital Audit to reconcile the total admitted capital with NSDL and CDSL and the total issued and listed capital. The audit confirms that the total issued/paid-up capital is in agreement with the aggregate of the total number of shares in physical form and the total number of shares in dematerialized form (held with NSDL and CDSL).

Shareholding pattern as on March 31, 2013

	Ordinary Shares					'A' Ordinary Shares				
Month	As on March 31, 2013		As on March 31, 2012			As on March 31, 2013		As on March 31, 2012		
	No. of shares	%	No. of shares	%	variance 13 v/s 12 %	No. of shares	%	o. of shares	%	variance 13 v/s 12 %
Promoters and Promoter Group#	***940056205**	34.72	***937056205**	34.82	(0.10)	**4253587**	0.88	**18600448**	3.86	(2.98)
Mutual Funds and Unit Trust of India	**34499261**	1.27	**44355749**	1.65	(0.37)	**169152392**	35.09	**182545509**	37.88	(2.78)
Government Companies, Financial Institutions, Banks and Insurance Cos.	**255756154**	9.44	**315505382**	11.72	(2.28)	**288936**	0.06	**44883879**	9.31	
Foreign Institutional Investors	**762192951**	28.14	**743765001**	27.63	0.51	**236915544**	49.16	**188323828**	39.08	10.08
NRIs, Foreign Companies and ADRs/GDRs	**515634863**	19.04	**454827555**	16.90	2.14	**2197642**	0.46	**2920334**	0.60	(0.14)
Others	**200016717**	7.39	**196103563**	7.28	0.10	**69151519**	14.35	**44659117**	9.27	5.08
Total	**2708156151**	**100**	**2691613455**	**100**		**481959620**	**100**	**481933115**	**100**	

** Out of the Promoter holding, 71,000,000 shares of face value of ₹2/- each, aggregating 2.62% of the paid-up capital were pledged.*
#TATA AIA LIFE INSURANCE COMPANY LIMITED (TALIC) does not act in concert with Tata Sons Limited or any of its group companies for acquisition of shares, voting rights or control over the Company. However TALIC held 5657335 Ordinary Shares representing 0.21% of the paid up Ordinary Share Capital. Accordingly, their holding is included under Public Shareholding under the head "Instutitions"-Insurance Companies

Distribution of shareholding as on March 31, 2013

Ordinary Shares

Range of Shares	No. of Shares				No. of shareholders			
	No. of shares	Physical form (%)	Demat form (%)	% of Capital	No. of Holders	Physical form (%)	Demat form (%)	% of Capital
1 – 500	39364926	0.24	1.21	1.45	339058	9.78	72.73	82.51
501 – 1000	22264794	0.19	0.63	0.82	29575	1.72	5.48	7.20
1001 – 2000	29827218	0.24	0.86	1.10	20524	1.12	3.87	4.99
2001 – 5000	45959018	0.31	1.39	1.70	14824	0.68	2.93	3.61
5001 – 10000	27193852	0.15	0.86	1.01	3896	0.14	0.81	0.95
Above 10000	2543546343	0.31	93.61	93.92	3049	0.07	0.67	0.74
Total	**2708156151**	**1.44**	**98.56**	**100.00**	**410926**	**13.51**	**86.49**	**100.00**

'A' Ordinary Shares

Range of Shares	No. of Shares				No. of shareholders			
	No. of shares	Physical form (%)	Demat form (%)	% of Capital	No. of Holders	Physical form (%)	Demat form (%)	% of Capital
1 – 500	5262576	0.03	1.06	1.09	37603	2.29	77.67	79.96
501 – 1000	3051881	0.01	0.62	0.63	3938	0.15	8.22	8.37
1001 – 2000	3087886	0.01	0.63	0.64	2068	0.05	4.35	4.40
2001 – 5000	6053454	0.01	1.25	1.26	1859	0.02	3.93	3.95
5001 – 10000	4943208	0.00	1.02	1.02	673	0.00	1.43	1.43
Above 10000	459560615	0.00	95.36	95.36	887	0.00	1.89	1.89
Total	**481959620**	**0.06**	**99.94**	**100.00**	**47028**	**2.51**	**97.49**	**100.00**

Top shareholders (holding in excess of 1% of capital) as on March 31, 2013

Ordinary Shares

Name of Shareholder	No. of shares held	% to paid-up capital
Tata Sons Limited	702,333,345	25.93
Citibank N.A. New York, NYADR department	498,041,255	18.39
Tata Steel Limited	147,810,695	5.46
Life Insurance Corporation of India	115,825,841	4.28
Europacific Growth Fund	83,911,630	3.10
Tata Industries Limited	68,436,485	2.53

'A' Ordinary Shares

Name of Shareholder	No. of shares held	% to paid-up capital
HDFC Trustee Company Limited – HDFC Top 200 Fund	29,387,761	6.10
HSBC Global Investment Funds A/C HSBC Global Investment Funds Mauritius Limited	28,789,306	5.97
HDFC Trustee Company Limited- HDFC Equity Fund	25,878,932	5.37
Matthews Asia Dividend Fund	19,410,000	4.03
Swiss Finance Corporation (Mauritius) Limited	15,165,244	3.15
Eastspring Investments India Equity Open Limited	12,109,359	2.51
Government Pension Fund Global	11,923,281	2.47
DSP Blackrock Top 100 Equity Fund	11,334,005	2.35
Government Of Singapore	10,363,096	2.15
HDFC Trustee Company Limited – HDFC Prudence Fund	9,846,027	2.04
SBI Magnum Taxgain Scheme – 1993	8,400,000	1.74
Reliance Life Insurance Company Limited	7,756,978	1.61
The Master Trust Bank of Japan, Ltd. A/c HSBC Indian Equity Mother Fund	7,438,909	1.54

(... contd for Top Shareholders 'A' Ordinary Shares)

Name of Shareholder	No. of shares held	% to paid-up capital
HSBC Global Investment Funds A/C HSBC Global Investment Funds BRIC Equity	7,376,534	1.53
ICICI Prudential Focused Bluechip Equity Fund	7,345,749	1.52
Birla Sun Life Insurance Company Limited	7,268,868	1.51
HDFC Trustee Company Limited – HDFC Tax Saverfund	6,685,418	1.39
Dragon Peacock Investments Limited	6,460,573	1.34
The Royal Bank Of Scotland Asia Merchant Bank (Singapore) Limited	6,340,959	1.32
DSP Blackrock Equity Fund	5,940,623	1.23
Robeco Capital Growth Funds	5,720,000	1.19
Franklin Templeton Mutual Fund A/C Franklin India Bluechip Fund	5,000,000	1.04

DEMATERIALISATION OF SHARES

The electronic holding of the shares as on March 31, 2013 through NSDL and CDSL are as follows:

Particulars	Ordinary Shares (%)		'A' Ordinary Shares (%)	
	2013	2012	2013	2012
NSDL	97.45	97.28	97.78	96.59
CDSL	1.11	1.17	2.16	3.35
Total	**98.56**	**98.22**	**99.94**	**99.94**

OUTSTANDING SECURITIES

Outstanding Depositary Receipts/Warrants or Convertible instruments, conversion date and likely impact on equity as on March 31, 2013:

ADRs/GDRs

There are two separate programs for the Company's Depositary Receipts. Each Depository Receipt represents 5 underlying Ordinary Shares of ₹2/- each post subdivision of face value in September, 2011.

- The American Depositary Shares (ADSs) through the conversion of its International Global Depositary Shares into American Depositary Shares (ADSs) are listed on the New York Stock Exchange (NYSE) since September, 27, 2004. 99,604,051 ADSs were outstanding as on the year end.
- The Global Depositary Shares (GDSs) issued in October 2009 are listed on the Luxembourg Stock Exchange and the GDSs were also traded on IOB platform of the London Stock Exchange. 9,972 GDSs were outstanding as on the year end. In view of the very few GDSs outstanding and as there was no trading the Company had deregistered the GDSs from the said IOB trading platform w.e.f. May 23, 2013.

The following are the details of the Company's ADSs/GDSs:

Type	ADS	GDS
Stock Exchange & Address	New York SE, 20 Broad Street New York NY 100 005	Luxembourg SE, 11, Avenue de la porte- Neuve, L- 2227 Luxembourg
Ticker Symbol	TTM	TTMT LX
Description	Common Shares	Common Shares
ISIN	US8765685024	US8765686014
CUSIP	876568502	876568601
SEDOL	B02ZP96	B4YT1P2

Two-way Fungibility of Depositary Receipts

The Company offers foreign investors a limited facility for conversion of Ordinary Shares into American Depositary Receipts/ Global Depository Receipts within the limits permissible for two-way Fungibility, as announced by the Reserve Bank of India vide its operative guidelines for the limited two way fungibility under the "Issue of Foreign Currency Convertible Bond and Ordinary Shares (through Depository Receipt Mechanism) Scheme, 1993", circular dated February 13, 2002.

Foreign Currency Convertible Notes

The following are the relevant details of the notes:

Security Type	ISIN	CUSIP	Listing at
4% Notes (due 2014)	XS0457793510	045779351	Luxembourg Stock Exchange, 1, Avenue de la porte – Neuve, L – 2227, Luxembourg

741-4% Convertible Notes (due 2014) of US$100,000 each aggregating US$74.1 million issued in October 2009 were outstanding as on the year end and may, at the option of the Note holders, be converted into Ordinary Shares of ₹2/- each at ₹120.119 per share or ADS/GDS of ₹10/- each (each ADS represents five Ordinary Shares of ₹2/- each) at ₹600.595 (Reset Price) at any time into GDSs before October 16, 2014.

Overseas Depositary	Domestic Custodian
Citibank N.A., 388 Greenwich Street, 14th Floor, New York, NY 10013	Citibank N.A., Trent House, 3rd Floor, G-60, Bandra Kurla Complex, Bandra (East), Mumbai 400 051

On April 16, 2013 the Company has announced an early redemption of outstanding notes on June 10, 2013 at a redemption price equal to US $106,572.52 for every note of US $100,000 each as per the terms of its issue. As on date 435 Notes remained outstanding consequent upon 306 Notes being converted into 11,789,695 Ordinary Shares / Shares represented by ADSs, as per the terms of issue.

Other Securities

There are no outstanding warrants issued by the Company.

Apart from the said Shares and Convertible Instruments, the following Non Convertible Debentures (NCDs) are listed on the National Stock Exchange under Wholesale Debt Market segment*:

Series No.	ISIN	Principal Amount (₹ crores)	Redemption Premium (₹ crores)	Yield to Maturity (%)	Date of Maturity
E 21	INE155A07185	1,800	658.05	8.45	March 31, 2014
	INE155A07193	1,250	919.23	10.03	March 31, 2016
E 22	INE155A07219	200	Nil	9.95	March 2, 2020
E 22A	INE155A07227	500	Nil	10.25	₹100 crores each on April 30, 2022, April 30, 2023; ₹150 crores each on April 30, 2024, April 30, 2025
E 23A	INE155A08043	150	Nil	9.90	May 7, 2020
E 23B	INE155A08050	100	Nil	9.75	May 24, 2020
E 23C	INE155A08068	150	Nil	9.70	June18, 2020
E 24A	INE155A08076	250	Nil	10.00	May 26, 2017
E 24B	INE155A08084	250	Nil	10.00	May 28, 2019
E 24C	INE155A08092	300	Nil	9.85	March 30, 2015
E 24D	INE155A08100	300	Nil	9.84	March 10, 2017
E 24E	INE155A08118	200	Nil	9.69	March 29, 2019
E 24F	INE155A08126	200	Nil	9.45	March 29, 2018
E 25A	INE155A08134	300	Nil	9.22	December 1, 2015
E 25B	INE155A08142**	300	Nil	9.15	June 3, 2015
E 25C	INE155A08159**	300	Nil	9.05	October 30, 2015
E 25D	INE155A08167**	300	Nil	8.95	April 29, 2016
E 25E	INE155A08175**	300	Nil	8.73	May 17, 2016

**Detailed information on the above debentures is included in the 'Notes to Accounts'.*
*** Listed after March 31, 2013.*

The Trustees for all the above debentures is Vijaya Bank, Merchant Banking Division, Head Office, 41/2, M.G. Road, Trinity Circle, Bangalore – 560 001

PLANT LOCATIONS

Location	Range of Products Produced
Pimpri, Pune – 411 018; Chikhali, Pune – 410 501; Chinchwad, Pune – 411 033	Medium and Heavy Commercial Vehicles (M&HCVs), Light Commercial Vehicles (LCVs), Utility Vehicles (UVs) and Cars
Jamshedpur – 831 010	M&HCVs
Chinhat Industrial Area, Lucknow – 226 019	M&HCVs and LCVs
Plot No. 1, Sector 11 and Plot No. 14, Sector 12, I.I.E., Pantnagar, District Udhamsingh Nagar, Uttarakhand – 263 145	LCVs
Revenue Survey No. 1, Village Northkotpura, Tal, Sanand, Dist. Ahmedabad – 380 015	Cars
KIADB Block II, Belur Industrial Area, Mummigatti Post, Dharwad – 580 011	LCVs

Action required regarding non-receipt of dividends, proceeds of matured deposits and interest as also redeemed debentures and interest thereon:

(i) Pursuant to Sections 205A and 205C of the Act, all unclaimed/unpaid dividend, application money, debenture interest and interest on deposits as well as principal amount of debentures and deposits pertaining to the Company and erstwhile Tata Finance Limited (TFL) remaining unpaid or unclaimed for a period of 7 years from the date they became due for payment, have been transferred to the Investors Education and Protection Fund (IEPF) established by the Central Government.

(ii) In case of non receipt/non encashment of the dividend warrants, Members are requested to correspond with the Company's Registrars/the Registrar of Companies, as mentioned hereunder:

Dividend for	Whether it can be claimed	Contact Office	Action to be taken
2006-07 to 2011-12	Yes	TSR Darashaw Private Limited	Letter on plain paper.
2002-03 to 2005-06	No	-	None. Already transferred to IEPF. In respect of 2005-06, would be transferred in July 2013

Dividend for	Whether it can be claimed	Contact Office	Action to be taken
2000-01 and 2001-02	N.A.	-	Not Applicable due to non declaration of dividend.
1995-96 to 1999-2000	No	-	None. Already transferred to IEPF.
1978-79 to 1994-95	Yes	Office of the Registrar of Companies, CGO Complex, 'A' Wing, 2nd floor, Next to RBI, CBD – Belapur, Navi Mumbai – 400614. Maharashtra 91 22 2757 6802	Claim in Form No. II of the Companies Unpaid Dividend (Transfer to General Revenue Account of the Central Government) Rules, 1978.

(iii) Following table gives information relating to outstanding dividend accounts and due dates for claiming dividend:

Financial Year	Date of Declaration	Last date for claiming dividend *
2005-06	July 11, 2006	July 10, 2013
2006-07	July 9, 2007	July 8, 2014
2007-08	July 24, 2008	July 23, 2015
2008-09	August 25, 2009	August 24, 2016
2009-10	September 1, 2010	August 31, 2017
2010-11	August 12, 2011	August 11, 2018
2011-12	August 10, 2012	August 9, 2019

**Indicative dates. Actual dates may vary.*

(iv) The Company transferred ₹165,657,427.34 to IEPF including the following amounts during the year.

(in ₹)

Particulars	FY 12-13
Unpaid dividend amounts of the Company	14,034,638
Application moneys received for allotment of any securities and due for refund	0
Unpaid matured deposit with the Company	24,000
Unpaid matured debentures with the Company	0
Interest accrued on matured deposits with the Company	14,760
Interest accrued on matured debentures with the Company	0
Total	**14,073,398**

(v) While the Company's Registrar has already written to the Members, Debenture holders and Depositors informing them about the due dates for transfer to IEPF for unclaimed dividends/interest payments, attention of the stakeholders is again drawn to this matter through the Annual Report.

(vi) Investors of the Company and of the erstwhile TFL who have not yet encashed their unclaimed/unpaid amounts are requested to do so at the earliest.

(vii) Other facilities / issues of interest to shareholders holding shares in physical form:

- As per Clause 5A of the Listing Agreement, the Company has sent 9915 reminders in February 2013 to those shareholders whose certificates have been returned undelivered. These certificates are currently lying with the Registrar and Transfer Agents of the Company. Members, holding Company's shares in physical form, are requested to tally their holding with the certificates in their possession and revert in case of any discrepancy in holdings. In case there is no response after three reminders, the unclaimed shares shall be transferred to one folio in the name of "Unclaimed Suspense Account" and the voting rights on such shares shall remain frozen till the rightful owner claims the shares.

- Nomination facility: Shareholders, who hold shares in single name or wish to make / change the nomination in respect of their shares as permitted under Section 109A of the Act, may submit to the Registrars and Transfer Agents, the prescribed Form 2B.

DECLARATION BY THE CEO UNDER CLAUSE 49 OF THE LISTING AGREEMENT REGARDING ADHERENCE TO THE CODE OF CONDUCT

In accordance with Clause 49 sub-clause I(D) of the Listing Agreement with the Stock Exchanges, I hereby confirm that, all the Directors and the Senior Management personnel of the Company have affirmed compliance to their respective Codes of Conduct, as applicable to them for the Financial Year ended March 31, 2013.

For Tata Motors Limited

Karl Slym
Managing Director

Mumbai, May 29, 2013

PRACTISING COMPANY SECRETARIES' CERTIFICATE ON CORPORATE GOVERNANCE

TO THE MEMBERS OF TATA MOTORS LIMITED

We have examined the compliance of the conditions of Corporate Governance by Tata Motors Limited (the Company) for the year ended on March 31, 2013, as stipulated in clause 49 of the Listing Agreement of the company with the Stock Exchanges.

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

In our opinion and to the best of our information and according to the explanations given to us, and the representations made by the Directors and the Management, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the above mentioned Listing Agreement.

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

For Parikh & Associates

Practising Company Secretaries

P N PARIKH
(Partner)

FCS: 327 CP: 1228

Mumbai, May 29, 2013

SECRETARIAL AUDIT REPORT

To
The Board of Directors
TATA MOTORS LIMITED
Bombay House, 24 Homi Modi Street, Mumbai 400001

Company No.: L28920MH1945PLC004520
Authorised Capital: Rs. 3900 Crores

We have examined the registers, records, books and papers of **TATA MOTORS LIMITED** ("the Company") as required to be maintained under the Companies Act, 1956, (the Act) and the rules made there under and the provisions contained in the Memorandum and Articles of Association of the Company as also under the listing agreement with the Stock Exchange and the regulations of SEBI as applicable for the year ended March 31, 2013:

1. In our opinion and to the best of our information and according to the examinations carried out by us and explanations furnished and representations made to us by the Company, its officers and agents, we report that the Company has complied with the provisions of the Act, the Rules made thereunder and the Memorandum and Articles of Association of the Company with regard to:
   a) maintenance of various statutory registers and documents and making necessary entries therein;
   b) closure of Register of Members/record date for debenture holders;
   c) forms, returns, documents and resolutions required to be filed with the Registrar of Companies, Regional Director, Central Government, Company Law Board or other authorities;
   d) service of documents by the Company on its Members, Debenture holders, Stock Exchanges, Auditors and the Registrar of Companies;
   e) notice of Board and various Committee meetings of Directors;
   f) meetings of Directors and all the Committees of Directors and passing of circular resolutions;
   g) notice and convening of Annual General Meeting held on 10th August 2012;
   h) minutes of the proceedings of the Board Meetings, Committee Meetings and General Meetings;
   i) approvals of the Board of Directors, Committee of Directors, Members and government authorities, wherever required;
   j) constitution of the Board of Directors, Committees of Directors and appointment, retirement and reappointment of Directors including Managing Directors and Executive Directors;
   k) payment of remuneration to Directors, Managing Directors and Executive Directors;
   l) appointment and remuneration of Statutory Auditors and Cost Auditors;
   m) transfer and transmission of the Company's shares, issue and allotment of shares and issue and delivery of certificates of shares;
   n) declaration and payment of dividend;
   o) transfer of amounts as required under the Act to the Investor Education and Protection Fund;
   p) borrowings and registration of charges;
   q) report of the Board of Directors;
   r) investment of the Company's funds including inter corporate loans and investments;
   s) generally, all other applicable provisions of the Act and the Rules there under.
2. We further report that:
   a) the Directors have complied with the requirements as to disclosure of interests and concerns in contracts and arrangements, shareholdings and directorships in other Companies and interest in other entities;
   b) the Directors have complied with the disclosure requirements in respect to their eligibility of appointment, their being independent, compliance with the code of conduct for Directors and Senior Management Personnel as per clause 49 of the listing agreement and with the Insider Trading code of conduct and;
   c) the Company has obtained all necessary approvals under various provisions of the Act where necessary;
   d) there was no prosecution initiated against or show cause notice received by the Company during the year under review under the Companies Act, SEBI Act, Depositories Act, Listing Agreement and rules, regulations and guidelines under these Acts.
3. We further report that:
   a) the Company has complied with the requirements under the Equity Listing Agreements entered into with the BSE Limited and the National Stock Exchange of India Limited;
   b) the Company has complied with the requirements under the Debt Listing Agreement for the securities listed on Wholesale Debt Market segment of National Stock Exchange of India Limited;
   c) the Company has complied with the provisions of the Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011 including the provisions with regard to disclosures and maintenance of records required under the Regulations;
   d) the Company has complied with the provisions of the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992 including the provisions with regard to disclosures and maintenance of records required under the Regulations;
   e) the Company has complied with the provisions of the SEBI (Depositories and Participants) Regulations, 1996 including submitting of Reconciliation of Share Capital Audit Reports;
   f) there were no issues during the year which required specific compliance of the provisions of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;
   g) there were no issues during the year which required specific compliance of the provisions of the Securities Contracts (Regulation) Act,1956 (SCRA) and the Rules made under that Act.

For Parikh & Associates

Practising Company Secretaries

P N Parikh
(Partner)
C. P. No. : 1228

Mumbai, May 29, 2013

INDEPENDENT AUDITORS' REPORT

TO THE MEMBERS OF
TATA MOTORS LIMITED

Report on the Financial Statements

We have audited the accompanying financial statements of **TATA MOTORS LIMITED** ("the Company"), which comprise the Balance Sheet as at March 31, 2013, the Profit and Loss Statement and the Cash Flow Statement for the year then ended, and a summary of the significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

The Company's Management is responsible for the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the Accounting Standards referred to in Section 211(3C) of the Companies Act, 1956 ("the Act") and in accordance with the accounting principles generally accepted in India. This responsibility includes the design, implementation and maintenance of internal control 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.

Auditors' Responsibility

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

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

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

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid 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:

(a) in the case of the Balance Sheet, of the state of affairs of the Company as at March 31, 2013;

(b) in the case of the Profit and Loss Statement, of the profit of the Company for the year ended on that date; and

(c) in the case of the Cash Flow Statement, of the cash flows of the Company for the year ended on that date.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2003 ("the Order") issued by the Central Government in terms of Section 227(4A) of the Act, we give in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the Order.
2. As required by Section 227(3) of the Act, we report that:
    (a) We have 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 Profit and Loss Statement, and the Cash Flow Statement dealt with by this report are in agreement with the books of account.
    (d) In our opinion, the Balance Sheet, the Profit and Loss Statement, and the Cash Flow Statement comply with the Accounting Standards referred to in Section 211(3C) of the Act.
    (e) On the basis of the written representations received from the directors as on March 31, 2013 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2013 from being appointed as a director in terms of Section 274(1)(g) of the Act.

For **DELOITTE HASKINS & SELLS**
Chartered Accountants
(Firm Registration No. 117366W)

N. VENKATRAM
Partner
(Membership No. 71387)

MUMBAI, May 29, 2013

ANNEXURE TO THE INDEPENDENT AUDITORS' REPORT

(Referred to in paragraph 1 under "Report on Other Legal and Regulatory Requirements" section of our report of even date)

(i) Having regard to the nature of the Company's business / activities / results during the year, clauses (xiii) and (xiv) of paragraph 4 of the Order are not applicable to the Company.

(ii) In respect of its fixed assets:

(a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets;

(b) The fixed assets were physically verified during the year by the Management in accordance with a regular programme of verification which, in our opinion, provides for physical verification of all the fixed assets at reasonable intervals. According to the information and explanations given to us, no material discrepancies were noticed on such verification;

(c) The fixed assets disposed off during the year, in our opinion, do not constitute a substantial part of the fixed assets of the Company and such disposal has, in our opinion, not affected the going concern status of the Company.

(iii) In respect of its inventories:

(a) As explained to us, the stock of finished goods (other than a significant part of the spare parts held for sale) and work-in-progress in the Company's custody have been physically verified by the Management as at the end of the financial year, before the year-end or after the year-end, and in respect of stocks of stores and spares, the aforesaid spare parts held for sale and raw materials in the Company's custody, there is a perpetual inventory system and a substantial portion of the stocks have been verified during the year. In our opinion, the frequency of verification is reasonable. In case of materials and spare parts held for sale lying with the third parties, certificates confirming stocks have been received in respect of a substantial portion of the stocks held during the year or at the year-end;

(b) In our opinion and according to the information and explanations given to us, the procedures of physical verification of inventories followed by the Management were reasonable and adequate in relation to the size of the Company and the nature of its business;

(c) In our opinion and according to the information and explanations given to us, the Company has maintained proper records of its inventories and no material discrepancies were noticed on physical verification.

(iv) In respect of loans, secured or unsecured, granted by the Company to companies, firms or other parties covered in the Register maintained under Section 301 of the Companies Act, 1956, according to the information and explanations given to us:

(a) The Company has granted unsecured loans aggregating ₹ 194.36 crores to two parties during the year. At the year-end, the outstanding balances of such loans granted aggregated ₹ 711.07 crores (number of parties - three) and the maximum amount involved during the year was ₹ 794.46 crores (number of parties - four).

(b) The rate of interest and other terms and conditions of such loans are, in our opinion, *prima facie* not prejudicial to the interest of the Company having regard to the business relationship with the Company to whom loans have been granted.

(c) The receipts of principal amount have been as per stipulations. However, there have been delays in receipts of interest.

(d) There are no overdue amounts in respect of principal amount outstanding. In respect of overdue interest amounts of more than rupees one lakh remaining outstanding as at the year-end, except in respect of interest outstanding from a subsidiary company for which the provision has been made, the Management has taken reasonable steps for the recovery of the overdue interest amounts.

In respect of loans, secured or unsecured, taken by the Company from companies, firms or other parties covered in the Register maintained under Section 301 of the Companies Act, 1956, according to the information and explanations given to us:

(a) The Company has not taken loans from parties during the year. At the year-end, the outstanding balances of such loans taken aggregated ₹ Nil (number of parties Nil) and the maximum amount involved during the year was ₹ 0.26 crores (number of parties - one).

(b) The rate of interest and other terms and conditions of such loans taken are, in our opinion, *prima facie* not prejudicial to the interests of the Company.

(c) The payments of principal amounts and interest in respect of such loans are regular.

(v) In our opinion and according to the information and explanations given to us, having regard to the explanations that some of the items purchased are of special nature and suitable alternative sources are not readily available for obtaining comparable quotations, there exists an adequate internal control system commensurate with the size of the Company and the nature of its business with regard to purchases of inventory and fixed assets and with regard to the sale of goods and services. During the course of our audit, we have not observed any major weakness in such internal control system.

(vi) In respect of contracts or arrangements entered in the Register maintained in pursuance of Section 301 of the Companies Act, 1956, to the best of our knowledge and belief and according to the information and explanations given to us:

(a) The particulars of contracts or arrangements referred to in Section 301 that needed to be entered in the Register maintained under the said Section have been so entered.

ANNEXURE TO THE INDEPENDENT AUDITORS' REPORT

(b) Where each of such transaction is in excess of rupees five lakhs in respect of any party, and having regard to the para (v) above, the transactions have been made at prices which are *prima facie* reasonable having regard to the prevailing market prices at the relevant time.

(vii) In our opinion and according to the information and explanations given to us, the Company has complied with the provisions of Sections 58A, 58AA or any other relevant provisions of the Companies Act, 1956 and the Companies (Acceptance of Deposits) Rules, 1975 with regard to the deposits accepted from the public. According to the information and explanations given to us, no order has been passed by the Company Law Board or the National Company Law Tribunal or the Reserve Bank of India or any Court or any other Tribunal.

(viii) In our opinion, the Company has an adequate internal audit system commensurate with the size and the nature of its business.

(ix) We have broadly reviewed the cost records maintained by the Company pursuant to the Companies (Cost Accounting Records) Rules, 2011 prescribed by the Central Government under Section 209 (1)(d) of the Companies Act, 1956 and are of the opinion that *prima facie*, the prescribed cost records have been maintained. We have, however, not made a detailed examination of the cost records with a view to determine whether they are accurate or complete.

(x) According to the information and explanations given to us in respect of statutory dues:

(a) The Company has generally been regular in depositing undisputed statutory dues, including Provident Fund, Investor Education and Protection Fund, Employees' State Insurance, Income-tax, Sales Tax, Wealth Tax, Service Tax, Customs Duty, Excise Duty, Cess and other material statutory dues applicable to it with the appropriate authorities. With regard to the contribution under the Employees' Deposit Linked Insurance Scheme, 1976 (the Scheme), we are informed that the Company has its own Life Cover Scheme, and consequently, an application has been made seeking an extension of exemption from contribution to the Scheme, which is awaited.

(b) There were no undisputed amounts payable in respect of Provident Fund, Investor Education and Protection Fund, Employees' State Insurance, Income-tax, Sales Tax, Wealth Tax, Service Tax, Customs Duty, Excise Duty, Cess and other material statutory dues in arrears as at March 31, 2013 for a period of more than six months from the date they became payable.

(c) Details of dues of Income-tax, Sales Tax, Wealth Tax, Service Tax, Customs Duty, Excise Duty and Cess which have not been deposited as on March 31, 2013 on account of disputes are given below:

Name of Statute	Nature of Dues	Forum where Dispute is Pending	Period to which the Amount Relates	Amount Involved (₹ in crores.)
Income tax	Income tax	Commissioner (Appeals)	2003-04 to 2009-10	44.97
	Income tax	Appellate Tribunal	2007-08	3.40
Central Excise Laws	Excise Duty & Service Tax	Tribunal	1993-94, 1999-00, 2002-03, 2004-05 to 2012-13	2249.15
	Excise Duty & Service Tax	Commissioner (Appeals)	1984-85, 1995-96, 2003-04, 2006-07, 2010-11, 2011-12, 2012-13	83.13
	Excise Duty & Service Tax	Additional Commissioner	2012-13	0.66
	Excise Duty & Service Tax	Joint Commissioner	2012-13	0.21
	Excise Duty & Service Tax	Deputy Commissioner	2012-13	0.04
	Excise Duty & Service Tax	Asst. Commissioner	2012-13	0.09
Sales Tax Laws	Sales Tax	Supreme Court	1995-96	13.01
	Sales Tax	High Court	1984-85 to 1988-89, 1990-91, 1993-94, 1994-95, 1997-98, 1999-00, 2005-06 to 2007-08	18.83
	Sales Tax	Tribunal	1988-89, 1989-90, 1995-96, 1998-99, 1999-00, 2000-01, 2004-05, 2007-08, 2010-11	7.21
	Sales Tax	Commissioner (Appeals)	1996-97, 1998-99, 2001-02	0.20
	Sales Tax	Joint Commissioner	1997-98, 1999-00, 2001-02 to 2008-09	222.33
	Sales Tax	Additional Commissioner	1988-89, 1989-90, 1995-96, 1997-98, 2005-06 to 2009-10, 2012-13	19.46
	Sales Tax	Deputy Commissioner	1979-80, 1986-87, 1991-92, 1992-93, 1994-95 to 1997-98, 2000-01, 2003-04, 2005-06, 2008-09	3.68
	Sales Tax	Assistant Commissioner	1986-87, 1988-89, 1990-91, 1995-96, 1997-98, 1999-00, 2010-11	1.06
	Sales Tax	Trade Tax Officer	1995-96, 1996-97, 1998-99 to 2000-01, 2006-07	1.83

ANNEXURE TO THE INDEPENDENT AUDITORS' REPORT

(xi) The Company does not have any accumulated losses at the end of the financial year and has not incurred cash losses during the financial year covered by our audit and the immediately preceding financial year.

(xii) In our opinion and according to the information and explanations given to us, the Company has not defaulted in the repayment of dues to financial institutions, banks and debenture holders.

(xiii) Based on our examination of the records and the information and explanations given to us, the Company has not granted any loans and advances on the basis of security by way of pledge of shares, debentures and other securities.

(xiv) In our opinion and according to the information and explanations given to us, the Company has not given any guarantee for loans taken by others from banks or financial institutions.

(xv) In our opinion and according to the information and explanations given to us, the term loans have been applied by the Company during the year for the purposes for which they were obtained.

(xvi) In our opinion and according to the information and explanations given to us and on an overall examination of the Balance Sheet of the Company, as at March 31, 2013, we report that funds raised on short term basis of ₹8,439.39 crores have been used during the year for long-term investment. Further the Company has explained that steps are being taken to augment long term funds.

(xvii) According to the information and explanations given to us, the Company has not made any preferential allotment of shares to parties and companies covered in the Register maintained under Section 301 of the Companies Act, 1956.

(xviii) According to the information and explanations given to us, during the period covered by our audit report, the Company has not issued any secured debentures.

(xix) According to the information and explanations given to us, during the year covered by our audit report, the Company has not raised any money by public issue.

(xx) To the best of our knowledge and according to the information and explanations given to us, no fraud by the Company and no material fraud on the Company has been noticed or reported during the year.

For **DELOITTE HASKINS & SELLS**
Chartered Accountants
(Firm Registration No. 117366W)

N. VENKATRAM
Partner
(Membership No. 71387)

MUMBAI, May 29, 2013

BALANCE SHEET
AS AT MARCH 31, 2013

(₹ in crores)

	Note	Page	As at March 31, 2013		As at March 31, 2012
I. EQUITY AND LIABILITIES					
1. SHAREHOLDERS' FUNDS					
(a) Share capital	2	128	**638.07**		634.75
(b) Reserves and surplus	3	130	**18,496.77**		18,732.91
				19,134.84	19,367.66
2. NON-CURRENT LIABILITIES					
(a) Long-term borrowings	4	131	**8,051.78**		8,004.50
(b) Deferred tax liabilities (net)	6	134	**1,963.91**		2,105.41
(c) Other long-term liabilities	7	134	**1,238.44**		1,959.63
(d) Long-term provisions	9	135	**691.19**		685.56
				11,945.32	12,755.10
3. CURRENT LIABILITIES					
(a) Short-term borrowings	5	131	**6,216.91**		3,007.13
(b) Trade payables	11	136	**8,455.02**		8,705.53
(c) Other current liabilities	8	135	**4,923.10**		7,470.95
(d) Short-term provisions	10	136	**1,509.58**		2,954.56
				21,104.61	22,138.17
TOTAL				**52,184.77**	54,260.93
II. ASSETS					
1. NON-CURRENT ASSETS					
(a) Fixed assets					
(i) Tangible assets	12	137	**12,287.71**		11,746.47
(ii) Intangible assets	13	137	**3,168.03**		3,273.05
(iii) Capital work-in-progress			**1,507.84**		1,910.30
(iv) Intangible assets under development			**3,244.96**		2,126.37
			20,208.54		19,056.19
(b) Non-current investments	14	138	**18,171.71**		17,903.29
(c) Long-term loans and advances	16	141	**3,575.24**		3,488.11
(d) Other non-current assets	18	142	**94.32**		100.42
				42,049.81	40,548.01
2. CURRENT ASSETS					
(a) Current investments	15	140	**1,762.68**		2,590.26
(b) Inventories	20	143	**4,455.03**		4,588.23
(c) Trade receivables	21	143	**1,818.04**		2,708.32
(d) Cash and bank balances	22	143	**462.86**		1,840.96
(e) Short-term loans and advances	17	141	**1,532.09**		1,871.74
(f) Other current assets	19	142	**104.26**		113.41
				10,134.96	13,712.92
TOTAL				**52,184.77**	54,260.93
III. NOTES FORMING PART OF FINANCIAL STATEMENTS					

In terms of our report attached

For **DELOITTE HASKINS & SELLS**
Chartered Accountants

N VENKATRAM
Partner

Mumbai, May 29, 2013

For and on behalf of the Board

CYRUS P MISTRY
Chairman

RAVI KANT
Vice-Chairman

N N WADIA
R A MASHELKAR
N MUNJEE
S BHARGAVA
V K JAIRATH
R SPETH
Directors

KARL SLYM
Managing Director
R PISHARODY
Executive Director
S B BORWANKAR
Executive Director
C RAMAKRISHNAN
Chief Financial Officer
H K SETHNA
Company Secretary

Mumbai, May 29, 2013

PROFIT AND LOSS STATEMENT

FOR THE YEAR ENDED MARCH 31, 2013

(₹ in crores)

		Note	Page	2012-2013		2011-2012
I.	**REVENUE FROM OPERATIONS**	23 (1)	144		**49,319.73**	59,220.94
	Less : Excise duty				**(4,554.01)**	(4,914.38)
					44,765.72	54,306.56
II.	**OTHER INCOME**	23 (2)	144		**2,088.20**	574.08
III.	**TOTAL REVENUE (I + II)**				**46,853.92**	54,880.64
IV.	**EXPENSES :**					
	(a) Cost of materials consumed	39	157	**27,244.28**		33,894.82
	(b) Purchase of products for sale	33	155	**5,864.45**		6,433.95
	(c) Changes in inventories of finished goods, work-in-progress, and products for sale			**(143.60)**		(623.84)
	(d) Employee cost / benefits expense	24	145	**2,837.00**		2,691.45
	(e) Finance cost	25	145	**1,387.76**		1,218.62
	(f) Depreciation and amortisation expense		137	**1,817.62**		1,606.74
	(g) Product development expense / Engineering expenses			**425.76**		234.25
	(h) Other expenses	26	145	**7,773.65**		8,405.51
	(i) Expenditure transferred to capital and other accounts			**(953.80)**		(907.13)
	TOTAL EXPENSES				**46,253.12**	52,954.37
V.	**PROFIT BEFORE EXCEPTIONAL ITEMS, EXTRAORDINARY ITEMS AND TAX (III - IV)**				**600.80**	1,926.27
VI.	**EXCEPTIONAL ITEMS**					
	(a) Exchange loss (net) including on revaluation of foreign currency borrowings, deposits and loans			**263.12**		455.24
	(b) Provision for loan given to a subsidiary			**245.00**		130.00
	(c) Profit on sale of a division	43 (ii)	159	**(82.25)**		-
					425.87	585.24
VII.	**PROFIT BEFORE EXTRAORDINARY ITEMS AND TAX (V - VI)**				**174.93**	1,341.03
VIII.	Extraordinary items				**-**	-
IX.	**PROFIT BEFORE TAX FROM CONTINUING OPERATIONS (VII - VIII)**				**174.93**	1,341.03
X.	Tax (credit) / expense	6 (b)	134		**(126.88)**	98.80
XI.	**PROFIT AFTER TAX FOR THE YEAR FROM CONTINUING OPERATIONS (IX - X)**				**301.81**	1,242.23
XII.	**EARNINGS PER SHARE**	27	146			
	A. Ordinary shares (Face value of ₹ 2 each)					
	a. Basic	₹			**0.93**	3.90
	b. Diluted	₹			**0.93**	3.77
	B. 'A' Ordinary shares (Face value of ₹ 2 each)					
	a. Basic	₹			**1.03**	4.00
	b. Diluted	₹			**1.03**	3.87
XIII.	**NOTES FORMING PART OF FINANCIAL STATEMENTS**					

In terms of our report attached

For **DELOITTE HASKINS & SELLS**
Chartered Accountants

N VENKATRAM
Partner

Mumbai, May 29, 2013

For and on behalf of the Board

CYRUS P MISTRY
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Executive Director
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Chief Financial Officer
H K SETHNA
Company Secretary

Mumbai, May 29, 2013

CASH FLOW STATEMENT
FOR THE YEAR ENDED MARCH 31, 2013

(₹ in crores)

		2012-2013		2011-2012
A.	**Cash flows from Operating Activities**			
	Profit after tax		**301.81**	1,242.23
	Adjustments for:			
	Depreciation / amortisation	**1,817.62**		1,606.74
	Lease equalisation adjusted in income	**(4.52)**		(4.52)
	Loss / (profit) on sale of assets (net) (including assets scrapped / written off)	**2.96**		(1.79)
	Profit on sale of investments (net)	**(43.91)**		(29.78)
	Profit on sale of a division	**(82.25)**		-
	Provision for loan given to a subsidiary	**245.00**		130.00
	Provision for loans and inter-corporate deposits (net)	**5.29**		-
	Reversal of Provision for diminution in value of long-term investments	**(9.67)**		-
	Tax (credit) / expense	**(126.88)**		98.80
	Interest / dividend (net)	**(656.52)**		674.32
	Exchange differences	**199.39**		587.59
			1,346.51	3,061.36
	Operating Profit before working capital changes		**1,648.32**	4,303.59
	Adjustments for:			
	Inventories	**129.42**		(696.84)
	Trade receivables	**890.28**		(92.79)
	Finance receivables	**64.76**		144.97
	Other current and non-current assets	**(138.30)**		33.80
	Trade payables and acceptances	**(249.93)**		(78.02)
	Other current and non-current liabilities	**(381.50)**		171.32
	Provisions	**188.06**		204.04
			502.79	(313.52)
	Cash generated from operations		**2,151.11**	3,990.07
	Income taxes credit / (paid) (net)		**107.33**	(336.48)
	Net cash from operating activities		**2,258.44**	3,653.59
B.	**Cash flows from Investing Activities**			
	Payments for fixed assets		**(2,605.39)**	(2,852.56)
	Proceeds from sale of fixed assets		**16.95**	17.09
	Proceeds from sale of a division		**110.00**	-
	Loans to associates and subsidiaries		**(194.36)**	(86.92)
	Advance towards investments in subsidiary companies		**(16.82)**	(122.86)
	Advance towards investments in other companies		**-**	(25.00)
	Investments in joint venture		**-**	(42.50)
	Investments in subsidiary companies		**(186.12)**	(1,684.01)
	Investments in associate companies		**(0.01)**	(4.45)
	Investments - others		**(0.84)**	-
	Investments in mutual funds (purchased) / sold (net)		**(315.51)**	114.78
	Decrease in Investments in retained interests in securitisation transactions		**0.63**	0.18
	Redemption of investments in subsidiary companies		**1,378.95**	4,146.98
	Redemption of investments in associate companies		**21.00**	-
	Redemption of investments - others		**10.75**	0.75
	Decrease in short term inter-corporate deposits		**43.53**	16.04
	Deposits of margin money / cash collateral		**(1.38)**	(5.85)
	Realisation of margin money / cash collateral		**91.25**	364.24
	Fixed / restricted deposits with scheduled banks made		**(205.85)**	(868.44)
	Fixed / restricted deposits with scheduled banks realised		**780.00**	665.51
	Interest received		**404.07**	331.11
	Dividend received		**1,660.65**	180.63
	Net cash from investing activities		**991.50**	144.72

CASH FLOW STATEMENT
FOR THE YEAR ENDED MARCH 31, 2013

(₹ in crores)

		2012-2013	2011-2012
C.	**Cash flows from Financing Activities**		
	Expenses on Foreign Currency Convertible Notes (FCCN) / Convertible Alternative Reference Securities (CARS) conversion	**(0.23)**	-
	Premium on redemption of FCCN / CARS (including tax)	**(886.95)**	(0.97)
	Brokerage and other expenses on Non-Convertible Debentures (NCD)	**(93.02)**	(76.69)
	Premium paid on redemption of NCD	**(96.55)**	-
	Proceeds from issue of shares held in abeyance	**0.16**	0.02
	Repayment of fixed deposits	**(1,868.38)**	(1,069.25)
	Proceeds from long term borrowings	**2,562.84**	2,498.24
	Repayment of long term borrowings	**(3,377.47)**	(74.94)
	Proceeds from short term borrowings	**11,873.79**	4,442.26
	Repayment of short term borrowings	**(10,177.80)**	(7,326.24)
	Net change in other short term borrowings (with maturity up to three months)	**1,287.75**	316.61
	Dividend paid (including dividend distribution tax)	**(1,460.41)**	(1,462.28)
	Interest paid [including discounting charges paid, ₹ **345.06 crores** (2011-2012 ₹ 365.62 crores)]	**(1,809.42)**	(1,482.35)
	Net cash used in financing activities	**(4,045.69)**	(4,235.59)
	Net decrease in cash and cash equivalents	**(795.75)**	(437.28)
	Cash and cash equivalents as at March 31, (opening balance)	**919.64**	1,352.14
	Exchange fluctuation on foreign currency bank balances	**81.68**	4.78
	Cash and cash equivalents as at March 31, (closing balance)	**205.57**	919.64
	Non-cash transactions :		
	Foreign Currency Convertible Notes / Convertible Alternative Reference Securities converted to ordinary shares	**232.83**	-

In terms of our report attached

For **DELOITTE HASKINS & SELLS**
Chartered Accountants

N VENKATRAM
Partner

For and on behalf of the Board

CYRUS P MISTRY
Chairman

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C RAMAKRISHNAN
Chief Financial Officer
H K SETHNA
Company Secretary

Mumbai, May 29, 2013

Mumbai, May 29, 2013

NOTES FORMING PART OF FINANCIAL STATEMENTS

1. Significant accounting policies

(a) Basis of preparation

The financial statements are prepared under the historical cost convention on an accrual basis of accounting in accordance with the generally accepted accounting principles, Accounting Standards notified under Section 211 (3C) of the Companies Act, 1956 and the relevant provisions thereof.

(b) Use of estimates

The preparation of financial statements requires management to make judgments, estimates and assumptions, that affect the application of accounting policies and the reported amounts of assets, liabilities, income, expenses and disclosures of contingent liabilities at the date of these financial statements and Profit and Loss statement for the years presented. Actual results may differ from these estimates. Estimates and underlying assumptions are reviewed at each Balance Sheet date. Revisions to accounting estimates are recognised in the period in which the estimate is revised and future periods affected.

(c) Revenue recognition

The Company recognises revenues on the sale of products, net of discounts and sales incentives, when the products are delivered to the dealer/ customer or when delivered to the carrier for export sales, which is when risks and rewards of ownership pass to the dealer / customer.

Sales include income from services, and exchange fluctuations relating to export receivables. Sales include export and other recurring and non-recurring incentives from the Government at the national and state levels. Sale of products is presented gross of excise duty where applicable, and net of other indirect taxes.

Revenues are recognised when collectability of the resulting receivables is reasonably assured.

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

Interest income is recognised on the time basis determined by the amount outstanding and the rate applicable and where no significant uncertainty as to measurability or collectability exists.

(d) Depreciation and amortisation

(i) Depreciation is provided on Straight Line Method (SLM), at the rates and in the manner prescribed in Schedule XIV to the Companies Act, 1956 except in the case of :

- Leasehold Land - amortised over the period of the lease
- Technical know-how - at 16.67% (SLM)
- Laptops - at 23.75% (SLM)
- Cars - at 23.75% (SLM)
- Assets acquired prior to April 1, 1975 - on Written Down Value basis at rates specified in Schedule XIV to the Companies Act, 1956.
- Software in excess of ₹ 25,000 is amortised over a period of 60 months or on the basis of estimated useful life whichever is lower.
- Assets taken on lease are amortised over the period of lease.

(ii) Product development costs are amortised over a period of 36 months to 120 months or on the basis of actual production to planned production volume over such period.

(iii) In respect of assets whose useful life has been revised, the unamortised depreciable amount has been charged over the revised remaining useful life.

(iv) Depreciation is not recorded on capital work-in-progress until construction and installation are complete and asset is ready for its intended use.

(e) Fixed assets

(i) Fixed assets are stated at cost of acquisition or construction less accumulated depreciation / amortization and accumulated impairment, if any.

(ii) Product development cost incurred on new vehicle platform, engines, transmission and new products are recognised as fixed assets, when feasibility has been established, the Company has committed technical, financial and other resources to complete the development and it is probable that asset will generate probable future benefits.

(iii) Cost includes purchase price, taxes and duties, labour cost and directly attributable overhead expenditure for self constructed assets incurred up to the date the asset is ready for its intended use. Borrowing cost incurred for qualifying assets is capitalised up to the date the asset is ready for intended use, based on borrowings incurred specifically for financing the asset or the weighted average rate of all other borrowings, if no specific borrowings have been incurred for the asset. The cost of acquisition is further adjusted for exchange differences relating to long term foreign currency borrowings attributable to the acquisition of depreciable asset w.e.f. April 1, 2007.

(iv) Software not exceeding ₹ 25,000 and product development costs relating to minor product enhancements, facelifts and upgrades are charged off to the Profit and Loss Statement as and when incurred.

NOTES FORMING PART OF FINANCIAL STATEMENTS

(f) Impairment

At each Balance Sheet date, the Company assesses whether there is any indication that the fixed assets with finite lives may be impaired. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment, if any. Where it is not possible to estimate the recoverable amount of individual asset, the Company estimates the recoverable amount of the cash-generating unit to which the asset belongs.

As per the assessment conducted by the Company at March 31, 2013, there were no indications that the fixed assets have suffered an impairment loss.

(g) Leases

(i) Finance lease

Assets acquired under finance leases are recognised as an asset and a liability at the commencement of the lease, at the lower of the fair value of the assets and the present value of minimum lease payments. The finance expense is allocated to each period during the lease term so as to produce a constant periodic rate of interest on the remaining balance of the liability. Assets given under finance leases are recognised as receivables at an amount equal to the net investment in the lease and the finance income is based on a constant rate of return on the outstanding net investment.

(ii) Operating lease

Leases other than finance lease, are operating leases, and the leased assets are not recognised on the Company's Balance Sheet. Payments under operating leases are recognised in the Profit and Loss Statement on a straight-line basis over the term of the lease.

(h) Transactions in foreign currencies and accounting of derivatives

(i) Exchange differences

Transactions in foreign currencies are recorded at the exchange rates prevailing on the date of the transaction. Foreign currency monetary assets and liabilities are translated at year end exchange rates.

(1) Exchange differences arising on settlement of transactions and translation of monetary items other than those covered by (2) below are recognised as income or expense in the year in which they arise. Exchange differences considered as borrowing cost are capitalised to the extent these relate to the acquisition / construction of qualifying assets and the balance amount is recognised in the Profit and Loss Statement.

(2) Exchange differences relating to long term foreign currency monetary assets / liabilities are accounted for with effect from April 1, 2007 in the following manner:

- Differences relating to borrowings attributable to the acquisition of the depreciable capital asset are added to / deducted from the cost of such capital assets.
- Other differences are accumulated in Foreign Currency Monetary Item Translation Difference Account, to be amortized over the period, beginning April 1, 2007 or date of inception of such item, as applicable, and ending on March 31, 2011 or the date of its maturity, whichever is earlier.
- Pursuant to notification issued by the Ministry of Corporate Affairs on December 29, 2011, the exchange differences on long term foreign currency monetary items (other than those relating to acquisition of depreciable assets) are amortised over the period till the date of maturity or March 31, 2020, whichever is earlier.

(ii) Hedge accounting

The Company uses foreign currency forward contracts to hedge its risks associated with foreign currency fluctuations relating to highly probable forecast transactions. With effect from April 1, 2008, the Company designates such forward contracts in a cash flow hedging relationship by applying the hedge accounting principles set out in Accounting Standard 30- Financial Instruments: Recognition and Measurement.

These forward contracts are stated at fair value at each reporting date. Changes in the fair value of these forward and option contracts that are designated and effective as hedges of future cash flows are recognized directly in Hedging Reserve Account under Reserves and Surplus, net of applicable deferred income taxes and the ineffective portion is recognised immediately in the Profit and Loss Statement.

Amounts accumulated in Hedging Reserve Account are reclassified to Profit and Loss Statement in the periods during which the forecasted transaction occurs.

Hedge accounting is discontinued when the hedging instrument expires or is sold, terminated, or exercised, or no longer qualifies for hedge accounting. For forecasted transactions, any cumulative gain or loss on the hedging instrument recognised in Hedging Reserve Account is retained there until the forecasted transaction occurs.

If the forecasted transaction is no longer expected to occur, the net cumulative gain or loss recognised in Hedging Reserve Account is immediately transferred to the Profit and Loss Statement.

(iii) Premium or discount on forward contracts other than those covered in (ii) above is amortised over the life of such contracts and is recognised as income or expense. Foreign currency options and other derivatives are stated at fair value as at the year end with changes in fair value recognised in the Profit and Loss Statement.

NOTES FORMING PART OF FINANCIAL STATEMENTS

(i) Product warranty expenses

The estimated liability for product warranties is recorded when products are sold. These estimates are established using historical information on the nature, frequency and average cost of warranty claims and management estimates regarding possible future incidence based on corrective actions on product failures. The timing of outflows will vary as and when warranty claim will arise - being typically up to 3 to 4 years.

(j) Income on vehicle loan

Interest income from loan contracts are accounted for by using the Internal Rate of Return method. Consequently, a constant rate of return on the net outstanding amount is accrued over the period of contract. The Company provides an allowance for hire purchase and loan receivables that are in arrears for more than 11 months, to the extent of an amount equivalent to the outstanding principal and amounts due but unpaid, considering probable inherent loss including estimated realisation based on past performance trends. In respect of loan contracts that are in arrears for more than 6 months but not more than 11 months, allowance is provided to the extent of 10% of the outstanding and amount due but unpaid.

(k) Inventories

Inventories are valued at the lower of cost and net realisable value. Cost of raw materials and consumables are ascertained on a moving weighted average / monthly moving weighted average basis. Cost, including variable and fixed overheads, are allocated to work-in-progress, stock-in-trade and finished goods determined on full absorption cost basis. Net realisable value is estimated selling price in the ordinary course of business less estimated cost of completion and selling expenses.

(l) Employee benefits

(i) Gratuity

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

(ii) Superannuation

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

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

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

The Company maintains a separate irrevocable trust for employees covered and entitled to benefits. The Company contributes up to 15% of the eligible employees' salary to the trust every year. The Company recognizes such contributions as an expense when incurred. The Company has no further obligation beyond this contribution.

(iii) Bhavishya Kalyan Yojana (BKY)

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

(iv) Post-retirement medicare scheme

Under this scheme, employees of the Company receive medical benefits subject to certain limits of amount, periods after retirement and types of benefits, depending on their grade and location at the time of retirement. Employees separated from the Company as part of Early Separation Scheme, on medical grounds or due to permanent disablement are also covered under the scheme. The liability for post-retirement medical scheme is based on an independent actuarial valuation as at Balance Sheet date.

(v) Provident fund

The eligible employees of the Company are entitled to receive benefits in respect of provident fund, a defined contribution plan, in which both employees and the Company make monthly contributions at a specified percentage of the covered employees' salary (currently 12% of employees' salary). The contributions as specified under the law are made to the provident fund and pension fund set up as irrevocable trust by the Company . The Company is generally liable for annual contributions and any shortfall in the fund assets based on the government specified minimum rates of return or pension and recognises such contributions and shortfall, if any, as an expense in the year incurred.

NOTES FORMING PART OF FINANCIAL STATEMENTS

(vi) Compensated absences

The Company provides for the encashment of leave or leave with pay subject to certain rules. The employees are entitled to accumulate leave subject to certain limits, for future encashment. The liability is provided based on the number of days of unutilised leave at each balance sheet date on the basis of an independent actuarial valuation.

(m) Investments

Long term investments are stated at cost less other than temporary diminution in value, if any. Current investments are stated at lower of cost and fair value. Fair value of investments in mutual funds are determined on a portfolio basis.

(n) Income taxes

Tax expense comprises of current and deferred taxes.

Current tax is the amount of tax payable on the taxable income for the year as determined in accordance with the provisions of the Income Tax Act, 1961. Current tax is net of credit for entitlement for Minimum Alternative Tax (MAT).

Deferred tax is recognised, on timing differences, being the difference between taxable income and accounting income that originate in one period and are capable of reversal in one or more subsequent periods.

Deferred tax assets in respect of unabsorbed depreciation and carry forward of losses are recognised if there is virtual certainty that there will be sufficient future taxable income available to realise such losses.

Deferred tax assets and liabilities are measured based on the tax rates that are expected to apply in the period when asset is realised or the liability is settled, based on tax rates and tax laws that have been enacted or substantially enacted by the balance sheet date.

(o) Redemption premium on Foreign Currency Convertible Notes (FCCN) / Non Convertible Debentures (NCD)

Premium payable on redemption of FCCN / NCD as per the terms of issue, is provided fully in the year of issue by adjusting against the Securities Premium Account (SPA) (net of tax). Any change in the premium payable, consequent to conversion or exchange fluctuations is adjusted to the SPA. Discount on redemption of FCCN, if any, will be recognised on redemption.

(p) Borrowing costs

Fees towards structuring / arrangements and underwriting and other incidental costs incurred in connection with borrowings are amortised over the period of the loan.

(q) Liabilities and contingent liabilities

The Company records a liability for any claims where a potential loss is probable and capable of being estimated and discloses such matters in its financial statements, if material. For potential losses that are considered possible, but not probable, the Company provides disclosure in the financial statements but does not record a liability in its accounts unless the loss becomes probable.

(r) Business segments

The Company is engaged mainly in the business of automobile products consisting of all types of commercial and passenger vehicles including financing of the vehicles sold by the Company. These, in the context of Accounting Standard 17 on Segment Reporting, as specified in the Companies (Accounting Standards) Rules, 2006, are considered to constitute one single primary segment. Further, there is no reportable secondary segment i.e. Geographical Segment.

NOTES FORMING PART OF FINANCIAL STATEMENTS

(₹ in crores)

		As at March 31, 2013	As at March 31, 2012
2.	**Share Capital**		
(a)	**Authorised :**		
	350,00,00,000 Ordinary shares of ₹ 2 each (as at March 31, 2012: 350,00,00,000 Ordinary shares of ₹ 2 each)	**700.00**	700.00
	100,00,00,000 'A' Ordinary shares of ₹ 2 each (as at March 31, 2012: 100 ,00,00,000 'A' Ordinary shares of ₹ 2 each)	**200.00**	200.00
	30,00,00,000 Convertible Cumulative Preference shares of ₹ 100 each (as at March 31, 2012: 30,00,00,000 shares of ₹ 100 each)	**3,000.00**	3,000.00
		3,900.00	3,900.00
(b)	**Issued, subscribed and fully paid :**		
	270,81,56,151 Ordinary shares of ₹ 2 each (as at March 31, 2012: 269,16,13,455 Ordinary shares of ₹ 2 each)	**541.63**	538.32
	48,19,59,620 'A' Ordinary shares of ₹ 2 each (as at March 31, 2012: 48,19,33,115 'A' Ordinary shares of ₹ 2 each)	**96.40**	96.39
		638.03	634.71
(c)	**Calls unpaid** - Ordinary shares	**(0.01)**	(0.01)
(d)	**Forfeited Shares** - Ordinary shares	**0.05**	0.05
		638.07	634.75

(e) **Movement of number of shares and share capital :**

		2012-2013 No. of shares	2012-2013 (₹ in crores)	2011-2012 No. of shares	2011-2012 (₹ in crores)
(i)	**Ordinary shares**				
	Shares as on April 1	**269,16,13,455**	**538.32**	53,82,72,284	538.27
	Add: Shares issued out of held in abeyance	-	-	50,199	0.05
		269,16,13,455	**538.32**	53,83,22,483	538.32
	Subdivision of Ordinary shares of ₹ 10 each into 5 shares of ₹ 2 each	-	-	269,16,12,415	538.32
	Add: Shares issued out of held in abeyance	**1,125**	**-***	1,040	-*
	Add: Shares issued through conversion of Foreign Currency Convertible Notes (FCCN) / Convertible Alternative Reference Securities (CARS)	**1,65,41,571**	**3.31**	-	-
	Shares as on March 31	**270,81,56,151**	**541.63**	269,16,13,455	538.32
(ii)	**'A' Ordinary shares**				
	Shares as on April 1	**48,19,33,115**	**96.39**	9,63,41,706	96.34
	Add: Shares issued out of held in abeyance	-	-	44,765	0.05
		48,19,33,115	**96.39**	9,63,86,471	96.39
	Subdivision of 'A' Ordinary shares of ₹ 10 each into 5 shares of ₹ 2 each	-	-	48,19,32,355	96.39
	Add: Shares issued out of held in abeyance	**26,505**	**0.01**	760	-*
	Shares as on March 31	**48,19,59,620**	**96.40**	48,19,33,115	96.39

* Less than ₹ 5,000/-

(f) **Rights, preferences and restrictions attached to shares :**

(i) **Ordinary shares of ₹ 2 each :**

- In respect of every Ordinary share (whether fully paid or partly paid), voting right shall be in the same proportion as the capital paid upon such Ordinary share bears to the total paid up ordinary capital of the Company.
- The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting. Further, the Board of Directors may also announce an interim dividend.
- In the event of liquidation, the shareholders of Ordinary shares are eligible to receive the remaining assets of the Company after distribution of all preferential amounts, in proportion to their shareholdings.

(ii) **'A' Ordinary shares of ₹ 2 each :**

- The holders of 'A' Ordinary shares shall be entitled to receive dividend for each financial year at five percentage point more than the aggregate rate of dividend declared on Ordinary shares for that financial year.
- If any resolution at any general meeting of shareholders is put to vote on poll, or if any resolution is put to vote by postal ballot, each 'A' Ordinary shareholders shall be entitled to one vote for every ten 'A' Ordinary shares held as per the terms of its issue.
- In the case there is a resolution put to vote in the shareholders meeting and is to be decided on a show of hands, the holders of 'A' Ordinary shares shall be entitled to the same number of votes as available to holders of Ordinary shares.

NOTES FORMING PART OF FINANCIAL STATEMENTS

(iii) American Depository Shares (ADSs) and Global Depositary Shares (GDSs) :

- Holders of ADS and GDS are not entitled to attend or vote at shareholders meetings. Holders of ADS may exercise voting rights with respect to the Ordinary shares represented by ADS only in accordance with the provisions of the Company's ADS deposit agreement and Indian Law. The depository for the holders of the Global Depository Receipts (GDRs) shall exercise voting rights in respect of the GDS by issue of an appropriate proxy or power of attorney in terms of the deposit agreement pertaining to the GDRs.
- Shares issued upon conversion of ADSs will rank pari passu with existing Ordinary shares of ₹ 2 each in all respects, including entitlement of the dividend declared.

(g) Number of shares held by each shareholder holding more than 5 percent of the issued share capital

			As at March 31, 2013		As at March 31, 2012	
			% of Issued share capital	**No. of shares**	% of Issued share capital	No of shares
(i)	**Ordinary shares :**					
	(a)	Tata Sons Limited	**25.93%**	**70,23,33,345**	25.96%	69,88,33,345
	(b)	Tata Steel Limited	**5.46%**	**14,78,10,695**	5.49%	14,78,10,695
	(c)	Life Insurance Corporation of India	*	-	6.75%	18,17,10,232
	(d)	Citibank N A as Depository	#	**49,80,91,115**	#	43,54,28,360
(ii)	**'A' Ordinary shares :**					
	(a)	HDFC Trustee Co Limited - HDFC Top 200 Fund	**6.10%**	**2,93,87,761**	6.67%	3,21,37,761
	(b)	HSBC Global Investment Funds a/c HSBC Global Investment Funds Mauritius Ltd	**5.97%**	**2,87,89,306**	-	-
	(c)	HDFC Trustee Co Limited - HDFC Equity Fund	**5.37%**	**2,58,78,932**	6.07%	2,92,46,932
#	held by Citibank, N.A. as depository for American Depository Shares (ADSs) and Global Depository Shares (GDSs)					
*	Less than 5%					

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

(i) The Company has not issued any shares without payment being received in cash.

(ii) There has been no issue of bonus shares.

(iii) The Company has not undertaken any buy-back of shares.

(i) Other notes

(i) The Company has issued the Foreign Currency Convertible Notes (FCCNs) which are convertible into Ordinary shares or ADSs. The terms of issue along with the earliest dates of conversion are given on page 133 note (iv).

(ii) The entitlements to 4,91,875 Ordinary shares of ₹ 2 each (as at March 31, 2012 : 4,93,000 Ordinary shares of ₹ 2 each) and 2,46,895 'A' Ordinary shares of ₹ 2 each (as at March 31, 2012: 2,73,400 'A' Ordinary shares of ₹ 2 each) are subject matter of various suits filed in the courts / forums by third parties for which final order is awaited and hence kept in abeyance.

(iii) Subsequent to the year ended March 31, 2013, the Company has alloted :

1,17,89,695 Ordinary shares upon conversion of 306, 4% Foreign Currency Convertible Notes (FCCN) due 2014.

NOTES FORMING PART OF FINANCIAL STATEMENTS

(₹ in crores)

	As at March 31, 2012	Additions	Deductions	As at March 31, 2013
3. Reserves and surplus				
(a) Capital Redemption Reserve	**2.28**	**-**	**-**	**2.28**
	2.28	-	-	2.28
(b) Securities Premium Account [Note (i) and (ii)]	**11,186.76**	**233.31**	**91.50**	**11,328.57**
	11,350.68	9.18	173.10	11,186.76
(c) Debenture Redemption Reserve	**1,172.15**	**-**	**130.00**	**1,042.15**
	1,102.15	70.00	-	1,172.15
(d) Revaluation Reserve [Note (iii)]	**23.75**	**-**	**0.44**	**23.31**
	24.19	-	0.44	23.75
(e) Amalgamation Reserve	**0.05**	**-**	**-**	**0.05**
	0.05	-	-	0.05
(f) General Reserve [Note (iv)]	**4,942.36**	**30.26**	**-**	**4,972.62**
	4,817.32	125.04	-	4,942.36
(g) Foreign Currency Monetary Item Translation Difference Account (net) [Note (v)]	**(258.35)**	**(355.02)**	**(398.37)**	**(215.00)**
	-	(630.47)	(372.12)	(258.35)
(h) Profit and Loss Account (Surplus) [Note (vi)]	**1,663.91**	**433.29**	**754.41**	**1,342.79**
	2,078.92	1,243.71	1,658.72	1,663.91
	18,732.91	**341.84**	**577.98**	**18,496.77**
	19,375.59	817.46	1,460.14	18,732.91

Notes

	2012-2013 Additions	2012-2013 Deductions	2011-2012 Additions	2011-2012 Deductions
(i) The opening and closing balances of Securities Premium Account are net of calls in arrears of ₹ 0.03 crores				
(ii) **Securities Premium Account :**				
(a) Premium on shares issued on conversion of Foreign Currency Convertible Notes (FCCN) / Convertible Alternative Reference Securities (CARS) and held in abeyance out of rights issue of shares [previous year premium on shares issued which were held in abeyance out of rights issue of shares]	**229.68**	**-**	2.98	-
(b) Share issue expenses and brokerage, stamp duty and other fees on Non-Convertible Debentures [net of tax of **₹ 1.75 crores** (2011-12 ₹ Nil)]	**-**	**91.50**	-	76.69
(c) Premium on redemption of FCCN / CARS, exchange differences and withholding tax [net of tax of **₹ 12.31 crores** (2011-12 ₹ 15.99 crores)]	**3.63**	**-**	-	96.41
(d) Profit on sale of plant items written off in earlier years	**-**	**-**	6.20	-
	233.31	**91.50**	9.18	173.10
(iii) **Revaluation Reserve :** Depreciation on revalued portion of assets taken over on amalgation of a company	**-**	**0.44**	-	0.44
	-	**0.44**	-	0.44
(iv) **General Reserve :**				
(a) Amount recovered (net) towards indemnity relating to business amalgamated in prior year	**0.08**	**-**	0.04	-
(b) Amount transferred from Profit and Loss Account (Surplus)	**30.18**	**-**	125.00	-
	30.26	**-**	125.04	-
(v) **Foreign Currency Monetary Item Translation Difference Account (net) :**				
(a) Exchange loss during the year (net)	**(355.02)**	**-**	(630.47)	-
(b) Amortisation of exchange fluctuation for the year	**-**	**(398.37)**	-	(372.12)
	(355.02)	**(398.37)**	(630.47)	(372.12)
(vi) **Profit and Loss Account (Surplus)** :				
(a) Profit after tax for the year	**301.81**	**-**	1,242.23	-
(b) Credit for dividend distribution tax	**1.48**	**-**	1.48	-
(c) Proposed dividend	**-**	**645.20**	-	1,280.70
(d) Tax on proposed dividend	**-**	**79.03**	-	183.02
(e) Debenture Redemption Reserve	**130.00**	**-**	-	70.00
(f) General Reserve	**-**	**30.18**	-	125.00
	433.29	**754.41**	1,243.71	1,658.72

NOTES FORMING PART OF FINANCIAL STATEMENTS

(₹ in crores)

	As at March 31, 2013	As at March 31, 2012
4. Long-term borrowings		
(A) Secured		
(a) Privately placed Non-Convertible Debentures [Note I (i) (a) & (b) and (ii) (a), page 132]	**1,950.00**	3,750.00
(b) Term loans from banks :		
Buyers' line of credit (at floating interest rate) [Note I (i) (c) and (iii), page 132]	**248.85**	327.05
(c) Term loans from others [Note I (i) (d), page 132]	**167.20**	-
(d) Finance lease obligations [Note 29(A)(a)(ii), page 148]	**31.92**	30.71
	2,397.97	4,107.76
(B) Unsecured		
(a) Foreign Currency Convertible Notes (FCCN) [Note I(iv), page 133]	**402.25**	597.36
(b) Privately placed Non-Convertible Debentures [Note I(ii) (b), page 132]	**2,500.00**	400.00
(c) Term loans from banks :		
(i) External Commercial Borrowings - USD 500 million (at floating interest rate) [Note I(v), page 133]	**2,714.26**	2,544.13
(ii) Buyers' line of credit (at floating interest rate) [Note I(iii), page 132]	**37.30**	38.02
(d) Deposits :		
(i) Deposits accepted from public	**-**	238.28
(ii) Deposits accepted from shareholders [Note I(vi), page 133]	**-**	78.95
	5,653.81	3,896.74
TOTAL (A+B)	**8,051.78**	8,004.50

	As at March 31, 2013	As at March 31, 2012
5. Short-term borrowings		
(A) Secured		
From banks [Note II, page 133]		
(a) Loans, cash credit, overdraft accounts	**2,232.39**	326.91
(b) Buyers' line of credit (at floating rate interest)	**704.51**	1,020.01
(c) Foreign Currency Non Repatriable Borrowings [FCNR(B)]	**542.85**	1,461.09
	3,479.75	2,808.01
(B) Unsecured		
(a) From banks	**400.00**	-
(b) Loans and advances from subsidiaries and associates (repayable on demand)	**350.60**	67.85
(c) Commercial paper [maximum balance outstanding during the year **₹ 3,345 crores** (2011-2012 : ₹ 1,540 crores)]	**1,986.56**	131.27
	2,737.16	199.12
TOTAL (A+B)	**6,216.91**	3,007.13

NOTES FORMING PART OF FINANCIAL STATEMENTS

I. Information regarding long term borrowings

(i) Nature of security (on loans including interest accrued thereon) :

(a) During the year 2009-10, the Company issued 2% secured non-convertible credit enhanced rupee debentures in four tranches, having tenor upto seven years, aggregating ₹ 4,200 crores on a private placement basis. These are secured by a second charge in favour of Vijaya Bank, Debenture Trustee and first ranking pari passu charge in favour of State Bank of India as security trustee on behalf of the guarantors, by way of English mortgage of the Company's lands, freehold and leasehold, together with all buildings, constructions and immovable and movable properties situated at Chinchwad, Pimpri, Chikhali and Maval in Pune District and plant and machinery and other movable assets situated at Pantnagar in the state of Uttarakhand and at Jamshedpur in the state of Jharkhand. As at March 31, 2013 ₹ 3,050 crores is outstanding, of which ₹1,800 crores are classified as current liabilities being maturing before March 31, 2014.

(b) Rated, Listed, Secured, 9.95% Coupon, Non-Convertible Debentures amounting to ₹ 200 crores and 10.25% Coupon, Non-Convertible Debentures amounting to ₹ 500 crores are secured by a pari passu charge by way of an English mortgage of the Company's freehold land together with immovable properties, plant and machinery and other movable assets (excluding stock and book debts) situated at Sanand in the State of Gujarat.

(c) Buyers line of credit from banks are secured by hypothecation of existing current assets of the Company viz. stock of raw materials, stock in process, semi-finished goods, stores and spares not relating to plant and machinery (consumable stores and spares), bills receivable and book debts including receivable from hire purchase / leasing and all other moveable current assets except cash and bank balances, loans and advances of the Company both present and future.

(d) The term loan is repayable during the quarter ended March 31, 2033, along with simple interest at the rate of 0.10 % p.a. The loan is secured by a second and subservient charge (creation of charge is under process) over Company's freehold land together with immovable properties, plant and machinery and other movable assets (excluding stock and book debts) situated at Sanand plant in the State of Gujarat.

(ii) Schedule of repayment and redemption for Non-Convertible Debentures : **(₹ in crores)**

Non Convertible Debentures (NCDs)	Redeemable on	Principal	Premium	Total
(a) Secured :				
10.25% Non-Convertible Debentures (2025) #	April 30, 2025	150.00	-	150.00
10.25% Non-Convertible Debentures (2024) #	April 30, 2024	150.00	-	150.00
10.25% Non-Convertible Debentures (2023) #	April 30, 2023	100.00	-	100.00
10.25% Non-Convertible Debentures (2022) #	April 30, 2022	100.00	-	100.00
9.95% Non-Convertible Debentures (2020)	March 2, 2020	200.00	-	200.00
2% Non-Convertible Debentures (2016)	March 31, 2016	1,250.00	919.23	2,169.23
2% Non-Convertible Debentures (2014) *	March 31, 2014	1,800.00	658.05	2,458.05

The Company has a call option to redeem, either in part or full, at the end of 8th year from the date of allotment i.e. April 30, 2018.

* Classified as current liabilities

Non Convertible Debentures (NCDs)	Redeemable on	Principal	Premium	Total
(b) Unsecured :				
9.70% Non-Convertible Debentures (2020)	June 18, 2020	150.00	-	150.00
9.75% Non-Convertible Debentures (2020)	May 24, 2020	100.00	-	100.00
9.90% Non-Convertible Debentures (2020)	May 7, 2020	150.00	-	150.00
10.00% Non-Convertible Debentures (2019)	May 28, 2019	250.00	-	250.00
9.69% Non-Convertible Debentures (2019)	March 29, 2019	200.00	-	200.00
9.45% Non-Convertible Debentures (2018)	March 29, 2018	200.00	-	200.00
10.00% Non-Convertible Debentures (2017)	May 26, 2017	250.00	-	250.00
9.84% Non-Convertible Debentures (2017)	March 10, 2017	300.00	-	300.00
9.22% Non-Convertible Debentures (2015)	December 1, 2015	300.00	-	300.00
9.15% Non-Convertible Debentures (2015)	June 3, 2015	300.00	-	300.00
9.85% Non-Convertible Debentures (2015)	March 30, 2015	300.00	-	300.00

(iii) The buyers line of credit from banks is repayable within a maximum period of three years from the drawdown dates. All the repayments are due from 2013-14 to 2015-16.

NOTES FORMING PART OF FINANCIAL STATEMENTS

(iv) Foreign Currency Convertible Notes (FCCN) and Convertible Alternative Reference Securities (CARS) :

The Company issued the FCCN and CARS which are convertible into Ordinary shares or ADSs. The particulars, terms of issue and the status of conversion as at March 31, 2013 are given below :

Issue	**0% CARS (due 2012)**	**4% FCCN (due 2014)**
Issued on	July 11, 2007	October 15, 2009
Issue amount (in INR at the time of the issue)	US $ 490 million (₹ 1,992.71 crores)	US $ 375 million (₹ 1,794.19 crores)
Face value	US $ 100,000	US $ 100,000
Conversion price per share at fixed exchange rate	₹ 960.96 US $ 1 = ₹ 40.59	₹ 623.88 US $ 1 = ₹ 46.28
Reset conversion price (Due to rights issue, GDS Issue and subdivision of shares)	₹ 181.43 US $ 1 = ₹ 40.59	₹ 120.12 US $ 1 = ₹ 46.28
Exercise period	October 11, 2011 to June 12, 2012	November 25, 2009 (for conversion into shares or GDSs) and October 15, 2010 (for conversion into ADSs) to October 9, 2014
Early redemption at the option of the Company subject to certain conditions	i) after October 11, 2011 at our option (in whole but not in part) or ii) any time (in whole but not in part) in the event of certain changes affecting taxation in India	i) any time on or after October 15, 2012 (in whole but not in part) at our option or ii) any time (in whole but not in part) in the event of certain changes affecting taxation in India
Redeemable on	July 12, 2012	October 16, 2014
Redemption percentage of the principal amount	131.820%	108.505%
Amount converted	US $ 0.10 million	US $ 300.90 million
Aggregate conversion into ADRs (in terms of equivalent shares) and shares	22,370	11,36,37,871
Aggregate notes redeemed	4,729	Nil
Aggregate notes bought back	Nil	Nil
Notes outstanding as at March 31, 2013	Nil	741
Amount outstanding as at March 31, 2013	Nil	US $ 74.10 million (₹ 402.25 crores)
Aggregate amount of shares that could be issued on conversion of outstanding notes	Nil	2,85,49,588 @

@ Increased due to cash dividend distribution antidilution adjustment as per terms of issue.

(v) During the year 2011-12, the Company raised Syndicated Foreign currency term loans of US$ 500 million in two tranches with tenors between four to seven years, in accordance with guidelines on External Commercial Borrowings (ECB) issued by the Reserve Bank of India. Schedule of repayment of ECB is as under :

Date	**Repayment Amount (USD Million)**	**Repayment Amount (₹ crores)***
September 12, 2018	150	814.28
September 12, 2017	150	814.28
September 12, 2016	100	542.85
September 14, 2015	100	542.85

* at exchange rate of 1 US $ = ₹ 54.2850 as at March 31, 2013.

(vi) Fixed deposits from public and shareholders :

These are unsecured deposits for a fixed tenor of up to three years from the date of acceptance / renewal bearing interest rates ranging from 8% to 12.5%. The entire balance is classified as current liabilities since maturing before March 31, 2014.

II. Information regarding short-term borrowings

Loans, cash credits, overdrafts and buyers line of credit from banks and Foreign Currency Non Repatriable Borrowings (FCNR(B)) are secured by hypothecation of existing current assets of the Company viz. stock of raw materials, stock in process, semi-finished goods, stores and spares not relating to plant and machinery (consumable stores and spares), bills receivable and book debts including receivable from hire purchase / leasing and all other moveable current assets except cash and bank balances, loans and advances of the Company both present and future.

NOTES FORMING PART OF FINANCIAL STATEMENTS

(₹ in crores)

			As at March 31, 2013	As at March 31, 2012
6.	**Deferred tax liabilities (Net)**			
	(a) Major components of deferred tax arising on account of timing differences are:			
	Liabilities:			
	Depreciation		**(1,395.69)**	(1,237.11)
	Product development cost		**(2,128.49)**	(1,808.58)
	Others		**(40.37)**	(50.35)
			(3,564.55)	(3,096.04)
	Assets:			
	Employee benefits / expenses allowable on payment basis		**133.11**	101.82
	Provision for doubtful debts		**193.36**	171.29
	Premium on redemption of CARS (including exchange fluctuation on premium)		**-**	126.74
	Unabsorbed depreciation and business losses		**1,248.16**	566.99
	Others		**26.01**	23.79
			1,600.64	990.63
	Net deferred tax liability		**(1,963.91)**	(2,105.41)
	(b) Tax expense :			
	(i) **Current tax**			
	Current tax	**62.50**		289.44
	Less : Minimum Alternate Tax (MAT credit)	**(61.94)**		(288.88)
			0.56	0.56
	(ii) **Deferred tax**			
	Opening deferred tax	**2,105.41**		2,023.16
	Debited /(credited) to Securities Premium Account	**(14.06)**		(15.99)
		2,091.35		2,007.17
	Closing Deferred tax	**1,963.91**		2,105.41
	Deferred tax charge for the period		**(127.44)**	98.24
	Total		**(126.88)**	98.80

The Company has recognised deferred tax asset of ₹ 1,003.12 crores on unabsorbed depreciation and ₹ 245.04 crores on brought forward business losses, considering the deferred tax liability on timing differences that will reverse in the future.

		As at March 31, 2013	As at March 31, 2012
7.	**Other Long-term liabilities**		
(a)	Liability towards premium on redemption of Non-Convertible Debentures	**919.23**	1,577.28
(b)	Deferred payment liabilities	**237.00**	286.25
(c)	Interest accrued but not due on borrowings	**-**	33.24
(d)	Derivative financial instruments	**23.57**	-
(e)	Others	**58.64**	62.86
		1,238.44	1,959.63

NOTES FORMING PART OF FINANCIAL STATEMENTS

(₹ in crores)

			As at March 31, 2013	As at March 31, 2012
8.	**Other current liabilities**			
	(a)	Interest accrued but not due on borrowings	**253.12**	365.05
	(b)	Current maturities of long-term borrowings [Note below]	**2,530.26**	4,868.94
	(c)	Liability for capital expenditure	**118.40**	267.72
	(d)	Liability for deposits and retention	**171.88**	185.73
	(e)	Deferred payment liabilities	**63.82**	75.30
	(f)	Advance and progress payments from customers	**359.63**	717.55
	(g)	Statutory dues (VAT, Excise, Service tax, Octroi, etc)	**584.89**	591.98
	(h)	Liability towards premium on redemption of Non-Convertible Debentures.	**658.05**	96.55
	(i)	Liability towards Investors Education and Protection Fund under Section 205C of the Companies Act, 1956 not due		
		(i) Unpaid dividends	**17.66**	15.83
		(ii) Unclaimed matured deposits	**76.78**	171.69
		(iii) Unclaimed matured debentures	**0.21**	0.21
		(iv) Unclaimed interest on deposits and debentures	**4.56**	1.68
	(j)	Derivative financial instruments	**7.68**	27.02
	(k)	Others	**76.16**	85.70
			4,923.10	7,470.95

Note :

Current maturities of long-term borrowings consist of :

(i)	Non Convertible Debentures [Note I(i)(a) & (b) and (ii)(a), page 132]	**1,800.00**	350.00
(ii)	Buyers' line of credit (at floating rate interest) [Note I(i) (c) and (iii), page 132]	**252.49**	354.34
(iii)	Convertible Alternative Reference Securities (CARS) [Note I(iv), page 133]	**-**	2,406.74
(iv)	Foreign Currency Non Repatriable Borrowings (FCNR(B)) [Note II, page 133]	**146.57**	-
(v)	Deposits accepted from public and shareholders* [Note I(vi) page 133]	**314.14**	1,744.03
(vi)	Finance lease obligations [Note 29(A)(a)(ii), page 148]	**17.06**	13.83
		2,530.26	4,868.94

* Includes from Directors	**-**	0.20

			As at March 31, 2013	As at March 31, 2012
9.	**Long-term provisions**			
	(a)	Employee benefit obligations	**435.64**	401.33
	(b)	Product warranty [Note 36(a), page 155]	**124.24**	65.50
	(c)	Provision for deliquency [Note 36(b), page 155]	**94.43**	148.11
	(d)	Premium for redemption of Foreign Currency Convertible Notes (FCCN) [Note 36(c), page 155]	**34.21**	56.77
	(e)	Others	**2.67**	13.85
			691.19	685.56

NOTES FORMING PART OF FINANCIAL STATEMENTS

(₹ in crores)

		As at March 31, 2013	As at March 31, 2012
10.	**Short-term provisions**		
(a)	Employee benefit obligation	**34.37**	38.17
(b)	Product warranty [Note 36(a), page 155]	**309.38**	387.26
(c)	Provision for deliquency [Note 36(b), page 155]	**242.81**	-
(d)	Current income tax (net of payment)	**171.46**	181.08
(e)	Premium on redemption of Convertible Alternative Reference Securities (CARS) [Note 36(c), page 155]	**-**	855.73
(f)	Proposed dividend	**645.20**	1,280.70
(g)	Provision for tax on dividends	**79.03**	183.02
(h)	Others	**27.33**	28.60
		1,509.58	2,954.56

		As at March 31, 2013	As at March 31, 2012
11.	**Trade payables**		
(a)	Acceptances	**4,098.96**	3,808.24
(b)	Other than acceptances* [Note 43 (iii), page 159]	**4,356.06**	4,897.29
		8,455.02	8,705.53
*	Includes payable to subsidiary companies :		
	Concorde Motors (India) Ltd	**4.73**	-
	TAL Manufacturing Solutions Ltd	**8.53**	16.09
	Tata Motors European Technical Centre Plc	**60.00**	7.91
	Tata Motors Finance Ltd	**146.90**	84.84
	Tata Technologies Ltd	**37.42**	18.15
	TML Distribution Company Ltd	**-**	102.22
	Jaguar Cars Ltd	**20.05**	6.44
	Land Rover	**-**	41.10
	Trilix Srl, Turin (Italy)	**15.32**	14.02
	Tata Daewoo Commercial Vehicle Co. Ltd	**0.10**	-

NOTES FORMING PART OF FINANCIAL STATEMENTS

12. Tangible assets

(₹ in crores)

	Particulars	Cost as at April 1, 2012	Additions / adjustments [Note (iv)]	Deductions / adjustments	Cost as at March 31, 2013	Accumulated depreciation as at April 1, 2012	Depreciation for the year	Deductions / adjustments for the year	Accumulated depreciation up to March 31, 2013	Net book value as at March 31, 2013
[I]	**Owned assets :**									
	(i) Land	**519.76**	**-**	**-**	**519.76**	**-**	**-**	**-**	**-**	**519.76**
		519.76	-	-	519.76	-	-	-	-	519.76
	(ii) Buildings [Note (i) & (ii) a]	**2,352.11**	**186.11**	**4.40**	**2,533.82**	**474.97**	**71.01**	**2.48**	**543.50**	**1,990.32**
		2,063.46	289.23	0.58	2,352.11	411.90	63.35	0.28	474.97	1,877.14
	(iii) Plant, machinery and eqipment [Note (ii) (a) & (iii)]	**15,825.26**	**1,484.74**	**175.81**	**17,134.19**	**7,071.44**	**1,060.66**	**142.40**	**7,989.70**	**9,144.49**
		14,345.53	1,554.42	74.69	15,825.26	6,124.39	1,016.73	69.68	7,071.44	8,753.82
	(iv) Furniture and fixtures [Note (iii)]	**109.85**	**13.47**	**1.63**	**121.69**	**44.46**	**6.62**	**1.02**	**50.06**	**71.63**
		78.88	31.19	0.22	109.85	39.68	4.98	0.20	44.46	65.39
	(v) Vehicles [Note (iii)]	**139.54**	**34.49**	**15.47**	**158.56**	**78.36**	**23.00**	**12.06**	**89.30**	**69.26**
		133.29	26.43	20.18	139.54	75.59	19.52	16.75	78.36	61.18
	(vi) Office equipment	**46.27**	**3.83**	**0.85**	**49.25**	**18.11**	**2.22**	**0.76**	**19.57**	**29.68**
		45.05	2.58	1.36	46.27	15.77	2.52	0.18	18.11	28.16
	(vii) Computers and other IT assets	**553.87**	**24.94**	**9.34**	**569.47**	**437.33**	**38.97**	**8.94**	**467.36**	**102.11**
		524.17	43.34	13.64	553.87	415.50	34.74	12.91	437.33	116.54
	(vii) Water system and sanitation [Note (ii)(a)]	**164.31**	**41.08**	**0.09**	**205.30**	**46.72**	**8.51**	**0.08**	**55.15**	**150.15**
		141.36	22.95	-	164.31	40.06	6.66	-	46.72	117.59
[II]	**Assets given on lease :**									
	(i) Plant, machinery and eqipment	**392.79**	**-**	**-**	**392.79**	**377.00**	**4.52**	**4.52**	**377.00**	**15.79**
		395.81	-	3.02	392.79	379.09	4.86	6.95	377.00	15.79
[III]	**Assets taken on lease :**									
	(i) Leasehold land [Note (ii)(b)]	**118.73**	**-**	**-**	**118.73**	**11.26**	**1.18**	**-**	**12.44**	**106.29**
		118.73	-	-	118.73	10.08	1.18	-	11.26	107.47
	(ii) Buildings	**31.28**	**-**	**-**	**31.28**	**3.73**	**0.08**	**(0.44)**	**4.25**	**27.03**
		31.28	-	-	31.28	3.21	0.08	(0.44)	3.73	27.55
	(iii) Plant, machinery and eqipment	**36.43**	**-**	**-**	**36.43**	**29.94**	**1.83**	**-**	**31.77**	**4.66**
		36.43	-	-	36.43	27.86	2.08	-	29.94	6.49
	(iv) Computers and other IT assets	**113.21**	**38.22**	**-**	**151.43**	**63.62**	**31.27**	**-**	**94.89**	**56.54**
		63.92	49.29	-	113.21	42.58	21.04	-	63.62	49.59
	Total Tangible assets	**20,403.41**	**1,826.88**	**207.59**	**22,022.70**	**8,656.94**	**1,249.87**	**171.82**	**9,734.99**	**12,287.71**
		18,497.67	2,019.43	113.69	20,403.41	7,585.71	1,177.74	106.51	8,656.94	11,746.47

Notes :

(i) Buildings include ₹ **8,631** (as at March 31, 2012 ₹ 8,631) being value of investments in shares of Co-operative Housing Societies.

(ii) (a) Buildings, water system and sanitation and plant and machinery include gross block of ₹ **4.76 crores**, ₹ **18.15 crores** and ₹ **25.31 crores** (as at March 31, 2012 ₹ 4.76 crores, ₹ 1.93 crores and ₹ 8.83 crores) and net block of ₹ **0.08 crore**, ₹ **15.74 crores** and ₹ **18.50 crores** respectively (as at March 31, 2012 ₹ 0.08 crore, ₹ 0.18 crore and ₹ 4.69 crores) in respect of expenditure incurred on capital assets, ownership of which does not vest in the Company.

(b) The registration of leasehold land of ₹ **10.80 crores** (as at March 31, 2012 ₹ 10.80 crores) is in process.

(iii) Includes plant, machinery and equipment, furniture fixtures, office equipment, vehicles and computers and other IT assets having gross block of ₹ **189.08 crores,** ₹ **0.15 crore** and ₹ **0.66 crore,** ₹ **1.49 crores** and ₹ **165.64 crores** (as at March 31, 2012 ₹ 142.84 crores, ₹ 0.14 crore, ₹ 1.27 crores, ₹ 1.39 crores and ₹ 119.46 crores), and net block of ₹ **5.69 crores,** ₹ **0.01 crore,** ₹ **0.06 crore,** ₹ **0.02 crore** and ₹ **0.53 crore** (as at March 31, 2012 ₹ 5.24 crores, ₹ 0.01 crore, ₹ 0.07 crore, ₹ 0.02 crore and ₹ 0.28 crore) respectively, held for disposal.

(iv) Additions / adjustments include capitalisation of exchange loss mainly on plant, machinery and equipment of ₹ **169.22 crores** (2011-2012 capitalisation of exchange loss of ₹ 165.08 crores).

(v) Depreciation excludes :

(a) Lease equalisation of ₹ **4.52 crores** (2011-2012 ₹ 4.52 crores) adjusted in lease rental income.

(b) Depreciation of ₹ **0.44 crore** (2011-2012 ₹ 0.44 crore) on revalued portion of gross block transferred to Revaluation Reserve.

13. Intangible assets

(₹ in crores)

Particulars	Cost as at April 1, 2012	Additions / adjustments **	Deductions / adjustments	Cost as at March 31, 2013	Accumulated amortisation as at April 1, 2012	Amortisation for the year	Deductions / adjustments for the year	Accumulated amortisation up to March 31, 2013	Net book value as at March 31, 2013
(i) Technical Know-how #	**34.51**	**-**	**-**	**34.51**	**34.51**	**-**	**-**	**34.51**	**-**
	34.51	-	-	34.51	34.51	-	-	34.51	-
(ii) Computer software #	**382.32**	**34.95**	**0.23**	**417.04**	**276.86**	**41.21**	**0.23**	**317.84**	**99.20**
	307.56	75.63	0.87	382.32	235.79	41.63	0.56	276.86	105.46
(iii) Product development cost *	**4,165.15**	**427.78**	**-**	**4,592.93**	**997.56**	**526.54**	**-**	**1,524.10**	**3,068.83**
	3,043.58	1,121.57	-	4,165.15	610.24	387.37	0.05	997.56	3,167.59
Total Intangible assets	**4,581.98**	**462.73**	**0.23**	**5,044.48**	**1,308.93**	**567.75**	**0.23**	**1,876.45**	**3,168.03**
	3,385.65	1,197.20	0.87	4,581.98	880.54	429.00	0.61	1,308.93	3,273.05

Notes :

* internally generated intangible asset

\# other than internally generated intangible asset

** Additions / adjustments include capitalisation of exchange loss mainly on product development cost of ₹ **19.50 crores** (2011-2012 capitalisation of exchange gain of ₹ 25.47 crores).

NOTES FORMING PART OF FINANCIAL STATEMENTS

(₹ in crores)

14. Non-current investments

Number		Face value per unit		Description	As at March 31, 2013		As at March 31, 2012	
			I.	**Long-term investments (at cost)**				
			(A)	**Trade investments**				
			(1)	**Fully paid Ordinary / Equity shares (quoted)**				
			(i)	**Associates**				
29,82,214		10		Automobile Corporation of Goa Ltd. (465 shares acquired during the year)	**108.22**		108.21	
			(ii)	**Others**				
44,32,497		10		Tata Steel Ltd	**245.04**		245.04	
70,249		10		Tata Chemicals Ltd.	**0.24**		0.24	
						353.50		353.49
			(2)	**Fully paid Ordinary / Equity shares (unquoted)**				
			(i)	**Subsidiaries**				
75,00,000		100		Sheba Properties Ltd	**75.00**		75.00	
3,03,00,600		10		Tata Technologies Ltd	**224.10**		224.10	
36,98,120		10		Concorde Motors (India) Ltd	**49.63**		49.63	
6,50,00,000		10		TAL Manufacturing Solutions Ltd	**150.00**		150.00	
7,70,00,000		10		TML Drivelines Ltd	**448.85**		448.85	
25,00,000		10		Tata Motors Insurance Broking and Advisory Services Ltd [Note 5 page 139]	**19.31**		19.31	
30,16,060	(KRW)	5,000		Tata Daewoo Commercial Vehicle Co. Ltd (Korea)	**245.41**		245.41	
2,72,48,427	(GBP)	1		Tata Motors European Technical Centre Plc, UK [Note 6, page 139] (1,58,34,205 shares acquired during the year, 67,88,104 shares issued on conversion of loan and 13,63,624 shares issued on conversion of preference shares during the year)	**220.94**		25.89	
7,900		-		Tata Technologies Inc	**0.63**		0.63	
123,00,00,000		10		Tata Motors Finance Ltd (6,00,00,000 shares acquired during the year)	**2,200.00**		2,050.00	
8,67,00,000		10		Tata Marcopolo Motors Ltd [Note 7, page 139]	**86.70**		86.70	
22,50,00,000		10		TML Distribution Company Ltd	**225.00**		225.00	
1,48,69,900	(THB)	100		Tata Motors (Thailand) Ltd [Note 8, page 139]	**209.89**		209.89	
1,19,02,200	(ZAR)	1		Tata Motors (SA) (Proprietary) Ltd	**7.81**		7.81	
254,66,59,318	(USD)	1		TML Holdings Pte Ltd, (Singapore) [Note 9, page 139]	**11,816.76**		11,816.76	
1,34,523	(EUR)	31.28		Tata Hispano Motors Carrocera S.A. [Note 10, page 139]	**17.97**		17.97	
1,83,59,203	(SGD)	1		Tata Precision Industries Pte. Ltd (Singapore)	**40.53**		40.53	
59,71,315	(USD)	1		PT Tata Motors Indonesia (59,71,315 shares acquired during the year)	**30.38**		-	
				Trilix Srl., Turin (Italy) [Note 11, page 139]	**11.94**		11.94	
						16,080.85		15,705.42
			(ii)	**Associates**				
16,000	(TK)	1,000		NITA Co. Ltd (Bangladesh)	**1.27**		1.27	
9,00,00,000		10		Tata Cummins Ltd	**90.00**		90.00	
5,23,33,170		10		Tata AutoComp Systems Ltd	**77.47**		77.47	
3,97,50,000		10		Tata Hitachi Construction Machinery Company Ltd *(formerly known as Telco Construction Equipment Co. Ltd)*	**79.50**		79.50	
						248.24		248.24
			(iii)	**Joint venture (JV)**				
8,97,57,980		100		Fiat India Automobiles Ltd [Note 12, page 139]		**1,242.04**		1,242.04
			(iv)	**Others**				
50,000		1,000		Tata International Ltd (25,000 shares acquired during the year)	**28.85**		3.85	
1,383		1,000		Tata Services Ltd	**0.14**		0.14	
350		900		The Associated Building Company Ltd	**0.01**		0.01	
1,03,10,242		100		Tata Industries Ltd.	**183.19**		183.19	
1,35,000		100		Tata Projects Ltd	**4.68**		4.68	
33,600		100		Kulkarni Engineering Associates Ltd	**0.67**		0.67	
12,375		1,000		Tata Sons Ltd	**68.75**		68.75	
2,25,00,001		10		Haldia Petrochemicals Ltd.	**22.50**		22.50	
2,40,000		10		Oriental Floratech (India) Pvt. Ltd	**0.24**		0.24	
43,26,651		10		Tata Capital Ltd (4,21,027 shares acquired during the year)	**6.70**	**315.73**	5.86	289.89
			(3)	**Fully paid Cumulative Redeemable Preference shares (unquoted)**				
				Subsidiaries				
13,54,195		100		7% Concorde Motors (India) Ltd	**13.54**		13.54	
-		-		6% Tata Motors European Technical Centre Plc, UK (13,63,624 shares converted into equity shares during the year)	**-**		11.12	
						13.54		24.66
				Carried forward		**18,253.90**		17,863.74

NOTES FORMING PART OF FINANCIAL STATEMENTS

(₹ in crores)

Number	Face value per unit			Description		As at March 31, 2013		As at March 31, 2012
		I.	**Long-term investments (at cost) (contd.)**					
				Brought forward		**18,253.90**		17,863.74
			(B)	**Other investments**				
				Fully paid Equity shares (unquoted)				
50,000	10			NICCO Jubilee Park Ltd.		**0.05**		0.05
						18,253.95		17,863.79
				Less : Provision for Diminution in value of long term investments		**99.06**		108.73
		II.		**Retained interest in securitisation transactions (unquoted)**		**-**		0.37
		III.		**Advance towards investments**				
				Tata Motors European Technical Centre Plc, UK	**-**		121.56	
				Tata International Ltd.	**-**		25.00	
				PT Tata Motors Indonesia	**16.82**		1.30	
						16.82		147.86
				Total Non-current investments		**18,171.71**		17,903.29

Notes :

(1)	Face Value per unit is in Rupees unless stated otherwise		
(2)	Book value of quoted investments	**353.50**	353.49
(3)	Book value of unquoted investments	**17,818.21**	17,549.80
(4)	Market value of quoted investments	**204.82**	299.54

(5) The Company has given a letter of comfort to HDFC Bank amounting to ₹ 1 crore against working capital facility to Tata Motors Insurance Broking and Advisory Services Ltd (TMIBASL). Also the Company has given an undertaking to HDFC Bank that it will not dilute its stake below 51% during the tenor of the loan.

(6) The Company has given a letter of comfort to Standard Chartered Bank, London for GBP 15 million (₹ 123.16 crores as on March 31, 2013) against loan extended by the bank to Tata Motors European Technical Centre Plc, UK (TMETC). Also the Company has given an undertaking to Standard Chartered Bank, London to retain 100% ownership of TMETC at all times during the tenor of the loan.

(7) The Company has given a letter of comfort to HDFC Bank against the short term and long term loans aggregating ₹ 235 crores given by HDFC Bank to Tata Marcopolo Motors Ltd (TMML). The letter of comfort is restricted to 51% of loan amount i.e. ₹ 120 crores. Also the Company has given an undertaking to HDFC Bank that it will not dilute its stake below 51% during the tenor of the loan.

(8) The Company has given a letter of comfort to Citibank NA towards the short term and long term loans aggregating THB 1,055 million (₹ 195.41 crores as on March 31, 2013) given by Citibank NA to Tata Motors (Thailand) Ltd (TMTL). The Company has also given letter of comfort to ICICI Bank towards Working Capital Facility aggregating THB 300 million (₹ 55.57 crores as on March 31,2013) given by ICICI Bank to Tata Motors (Thailand) Ltd (TMTL). Further the Company has given an undertaking to Citibank NA as well as to ICICI Bank for non-disposal of its shareholding in TMTL below 51% during the tenor of the loan.

(9) The Company has given a letter of comfort to GE Commercial Distribution Finance Europe Ltd for revolving syndicated loan facility to Jaguar Cars Ltd and Land Rover for outstanding balance of GBP 50 million (₹ 410.54 crores as on March 31, 2013). Also the Company has given an undertaking to GE Commercial Distribution Finance Europe Ltd to retain ultimate 100% ownership of Jaguar Cars Ltd and Land Rover at all times during the tenor of the loan.

(10) The Company has given a letter of comfort to Citibank NA against working capital loans extended by the bank to Tata Hispano Motors Carrocera, S.A. (Hispano) aggregating Euro 30 million (₹ 208.64 crores as on March 31, 2013). The Company has also given a letter of comfort to Banco de Valencia against bill discounting facility extended by the bank to Hispano aggregating Euro 2 million (₹ 13.91 crores as on March 31, 2013).The Company has also given an undertaking to Citibank NA and Banco de Valencia for non-disposal of its shareholding in Hispano during the tenor of the loan.

(11) Trilix Srl., Turin (Italy) is a limited liability company.

(12) (a) The Company has given letter of comfort to certain banks and other lenders against credit facilities extended to Fiat India Automobiles Ltd for ₹ 1,600 crores and Euro 130 million (₹ 904.13 crores as on March 31, 2013). The Letter of Comfort is restricted to 50% of the value of credit facilities extended i.e. ₹ 1,252.06 crores.

(b) The Company has an investment of ₹ 1,242.04 crores in Fiat India Automobiles Ltd. During the period, Fiat India Automobiles Ltd has effected reduction of its equity share capital as per the scheme approved by the High Court of Judicature at Mumbai. Consequent to such reduction of share capital, the Company holds 8,97,57,980 shares of face value of ₹ 10 each in Fiat India Automobiles Ltd in place of 9,59,96,395 shares of face value of ₹ 10 each.

(13) Trade Investments also include :

Number	Face value per unit	Description	₹	₹
		(i) Investments in subsidiary companies		
100	(SGD) 1	TML Holdings Pte Ltd, (Singapore)	**2,778.73**	2,778.73
		(ii) Investments in other companies		
5,000	10	Metal Scrap Trade Corporation Ltd	**25,000**	25,000
50	5	Jamshedpur Co-operative Stores Ltd	**250**	250
16,56,517	(M$) 1	Tatab Industries Sdn. Bhd. Malaysia	**1**	1
4	25,000	ICICI Money Multiplier Bond	**1**	1
100	10	Optel Telecommunications	**1,995**	1,995
200	10	Punjab Chemicals	**1**	1

NOTES FORMING PART OF FINANCIAL STATEMENTS

(₹ in crores)

Number	Face value per unit	Description	As at March 31, 2013		As at March 31, 2012	
		15. Current investments				
		I Current investments - others (at cost or fair value whichever is lower)				
		(A) Trade investments				
		(1) Fully paid Cumulative Redeemable Preference shares (unquoted)				
		(i) Subsidiaries				
25,85,463	(USD) 100	6.25% TML Holdings Pte Ltd, (Singapore) [Note 5 below] (24,43,536 shares redeemed during the year)		**1,403.26**		2,558.25
		(ii) Associates				
-	-	8% Tata AutoComp Systems Ltd (2,10,00,000 shares redeemed during the year)	**-**		21.00	
		(iii) Others				
-	-	7.5% Tata Sons Ltd	-		10.00	
		(1,00,000 shares redeemed during the year)		-		31.00
				1,403.26		2,589.25
		(B) Other invetments				
		(1) Investments in mutual fund (unquoted)				
		Liquid/liquid plus schemes				
1,16,339	1,000	Tata Liquid Fund Plan A-Growth	**25.00**		-	
3,95,524	1,000	Kotak Floater Short Term-Growth	**75.41**		-	
7,62,02,139	10	DWS Ultra Short Term Fund-Institutional Plan-Growth	**102.01**		-	
10,59,53,037	10	Templeton India Ultra - Short Bond Fund - Super Institutional - Growth	**157.00**		-	
				359.42		-
		(2) Investments in Equity shares (unquoted)				
35,000	10	Elcot Power Control Ltd	**0.37**		0.37	
91,800	10	Munis Forge Ltd.	**0.37**		0.37	
30,997	10	Roofit Industries Ltd.	**0.19**		0.19	
				0.93		0.93
		(3) Investments in Preference shares (unquoted)				
1,00,000	100	15.50% Pennar Paterson Securities Ltd	**1.00**		1.00	
2,00,000	100	15.00% Atcom Technologies Ltd. - Cumulative Preference Shares	**2.00**		2.00	
				3.00		3.00
		(4) Non-Convertible Debentures (unquoted)				
-	-	8% Tata Projects Ltd (2,500 debentures redeemed during the year)		-		0.75
				363.35		4.68
		Less : Provision for Diminution in value of current investments		**3.93**		3.93
				359.42		0.75
		(C) Retained interest in securitisation transactions (unquoted)		-		0.26
		Total current investments		**1,762.68**		2590.26

Notes:

		As at March 31, 2013	As at March 31, 2012
(1)	Face value per unit is in Rupees unless stated otherwise		
(2)	Book value of quoted investments	**-**	-
(3)	Book value of unquoted investments	**1,762.68**	2,590.26
(4)	Market value of quoted investments	-	-

(5) Subsequent to the year ended March 31, 2013, TML Holdings Pte Ltd, (Singapore), a wholly owned subsidiary of the Company, redeemed 25,85,463 Cumulative Redeemable Preference shares of USD 100 each at par, for a consideration of ₹ 1415.17 crores.

NOTES FORMING PART OF FINANCIAL STATEMENTS

(₹ in crores)

			As at March 31, 2013	As at March 31, 2012
16.	**Long-term loans and advances**			
	Unsecured (considered good unless stated otherwise)			
(a)	Loans to employees		**39.20**	43.10
(b)	Loan to a Joint Venture (FIAT India Automobile Ltd)		**265.00**	265.00
(c)	Loans to subsidiaries :			
	Considered good	**303.61**		407.51
	Considered doubtful	**398.95**		153.95
		702.56		561.46
	Less : Allowances for doubtful loans	**(398.95)**		(153.95)
			303.61	407.51
(d)	Dues from subsidiary (Tata Hispano Motors Carrocera S.A.)		**47.92**	-
(e)	Taxes recoverable, statutory deposits and dues from government		**694.54**	723.76
(f)	Capital advances		**127.32**	163.66
(g)	Credit entitlement of Minimum Alternate Tax (MAT)		**1,508.98**	1,447.04
(h)	Non-current income tax assets (net of provisions)		**472.86**	321.89
(i)	Others :			
	Considered good	**115.81**		116.15
	Considered doubtful	**12.29**		-
		128.10		116.15
	Less : Allowances for doubtful loans and advances	**(12.29)**		-
			115.81	116.15
			3,575.24	3,488.11

				As at March 31, 2013	As at March 31, 2012
17.	**Short-term loans and advances**				
(A)	**Secured**				
	(a)	Finance receivables [Note (iii) page 142]			
		Vehicle loans*			
		Considered good	**37.18**		101.95
		Considered doubtful	**238.00**		313.23
			275.18		415.18
		Less : Allowances for doubtful loans**	**(238.00)**		(313.23)
				37.18	101.95
(B)	**Unsecured (considered good unless stated othewise)**				
	(a)	Advances and other receivables recoverable [Note (i) page 142]			
		Considered good	**173.60**		173.77
		Considered doubtful	**70.99**		59.63
			244.59		233.40
		Less : Allowances for doubtful loans and advances	**(70.99)**		(59.63)
				173.60	173.77
	(b)	Inter corporate deposits			
		Considered good	**-**		48.82
		Considered doubtful	**6.51**		1.22
			6.51		50.04
		Less : Allowances for doubtful loans	**(6.51)**		(1.22)
				-	48.82
	(c)	Dues from subsidiary companies [Note (ii) page 142]		**107.80**	79.53
	(d)	VAT, other taxes recoverable, statutory deposits and dues from Government		**1,173.24**	1,102.92
	(e)	Current income tax assets (net of provisions)		**27.41**	357.83
	(f)	Others		**12.86**	6.92
				1,494.91	1,769.79
		Total (A + B)		**1,532.09**	1,871.74

NOTES FORMING PART OF FINANCIAL STATEMENTS

(₹ in crores)

Note :			As at March 31, 2013	As at March 31, 2012
(i)	Loans and advances due from Directors & officers		-	0.09
(ii)	Dues from subsidiary companies			
	(a)	TML Drivelines Ltd	**14.47**	7.07
	(b)	Tata Daewoo Commercial Vehicle Co. Ltd	**1.50**	0.24
	(c)	Tata Marcopolo Motors Ltd.	**51.04**	10.87
	(d)	Tata Motors (Thailand) Ltd	**25.28**	24.91
	(e)	TML Distribution Company Ltd	**0.01**	-
	(f)	Tata Motors (SA) (Proprietary) Ltd	**3.57**	2.32
	(g)	TAL Manufacturing Solutions Ltd	-	0.27
	(h)	Tata Motors European Technical Centre Plc	**0.42**	-
	(i)	Tata Motors Finance Ltd	**0.01**	-
	(j)	Jaguar Land Rover Ltd	**8.06**	-
	(k)	PT Tata Motors Indonesia	**3.44**	-
	(i)	Tata Hispano Motors Carrocera S.A.	-	33.85
			107.80	79.53
(iii)	Finance receivables (Secured) ***			
	Current portion		**37.18**	101.95
	Non-current portion		-	-

* Includes ₹ **1.17 crores** (as at March 31, 2012 ₹ 204.84 crores) on account of overdue securitised receivables

** Includes ₹ **Nil** (as at March 31, 2012 ₹ 159.50 crores) towards securitised receivables.

*** Loans are secured against hypothecation of vehicles.

			As at March 31, 2013	As at March 31, 2012
18.	**Other non-current assets**			
	(a)	Prepaid debt issue cost	**33.27**	53.55
	(b)	Prepaid expenses	**0.80**	-
	(c)	Interest accrued on deposits / loans	**60.14**	46.87
	(d)	Derivative financial instruments	**0.11**	-
			94.32	100.42

			As at March 31, 2013	As at March 31, 2012
19.	**Other current assets**			
	(a)	Prepaid debt issue cost	**12.71**	13.96
	(b)	Prepaid expenses	**63.58**	39.65
	(c)	Interest accrued on deposits / loans	**25.63**	59.34
	(d)	Derivative financial instruments	**2.34**	0.46
			104.26	113.41

NOTES FORMING PART OF FINANCIAL STATEMENTS

(₹ in crores)

			As at March 31, 2013	As at March 31, 2012
20.	**Inventories**			
	(a)	Stores and spare parts (at or below cost)	**152.26**	140.89
	(b)	Consumable tools (at cost)	**20.10**	18.90
	(c)	Raw materials and components	**1,283.78**	1,462.14
	(d)	Work-in-progress	**389.25**	427.55
	(e)	Finished goods	**2,310.90**	2,189.58
	(f)	Stock-in-trade (in respect of goods acquired for trading)	**153.96**	93.38
	(g)	Goods-in-transit (at cost)		
		(i) Raw materials and components	**83.44**	132.82
		(ii) Stock-in-trade	**61.34**	122.97
			4,455.03	4,588.23

Note : Items (c), (d), (e), and (f) above are valued at lower of cost and net realisable value

			As at March 31, 2013	As at March 31, 2012
21.	**Trade receivables**			
	(a)	**Due over six months :**		
		Considered good (unsecured)	**461.32**	274.23
		Considered doubtful	**221.50**	178.30
			682.82	452.53
		Less : Allowances for doubtful debts	**(221.50)**	(178.30)
			461.32	274.23
	(b)	**Others :**		
		Considered good (unsecured)	**1,356.72**	2,434.09
		Considered doubtful	**19.09**	2.93
			1,375.81	2,437.02
		Less : Allowances for doubtful debts	**(19.09)**	(2.93)
			1,356.72	2,434.09
			1,818.04	2,708.32

			As at March 31, 2013	As at March 31, 2012
22.	**Cash and bank balances**			
	(A)	**Cash and cash equivalents**		
		(a) Cash on hand	**1.22**	1.76
		(b) Cheques on hand	**46.84**	54.25
		(c) Current account with banks #	**157.51**	863.50
		(d) Bank deposits with upto 3 months maturity	**-**	0.13
			205.57	919.64
	(B)	**Other bank balances (with more than 3 months but less than 12 months maturity)**		
		(a) Earmarked balance with banks	**247.38**	195.57
		(b) Bank deposits	**0.21**	600.07
		(c) Margin money / cash collateral with banks	**5.77**	0.02
			253.36	795.66
	(C)	**Other bank balances (with more than 12 months maturity)**		
		(a) Margin money / cash collateral with banks	**0.02**	95.66
		(b) Bank deposits	**3.91**	30.00
			3.93	125.66
			462.86	1,840.96
#	Includes			
	- Remittances in transit		**116.17**	43.56
	- In foreign currencies		**0.29**	759.19

NOTES FORMING PART OF FINANCIAL STATEMENTS

(₹ in crores)

			2012-2013	2011-2012
23.	**Total revenue**			
	1.	**Revenue from operations**		
	(a)	Sale of products (Note 1 below) [Note 38, page 157]	**48,665.28**	58,650.42
	(b)	Sale of services	**222.29**	195.11
	(c)	Income from vehicle loan contracts	**39.48**	74.25
			48,927.05	58,919.78
	(d)	Other operating revenues	**392.68**	301.16
			49,319.73	59,220.94
	2.	**Other income**		
	(a)	Interest income	**383.64**	363.67
	(b)	Dividend income [Note 2 below]	**1,660.65**	180.63
	(c)	Profit on sale of investments (current) (net)	**43.91**	29.78
			2,088.20	574.08
	Note :			
	(1)	Includes exchange gain / (loss) (net)	**101.35**	(52.48)
	(2)	Includes dividend on		
	(a)	Trade investments (non-current)	**77.07**	65.56
	(b)	Dividend from subsidiary companies	**1,583.58**	113.83
	(c)	Other investments (current)	**-**	1.24

NOTES FORMING PART OF FINANCIAL STATEMENTS

(₹ in crores)

			2012-2013	2011-2012
24.	**Employee cost/ benefits expense**			
	(a)	Salaries, wages and bonus	**2,312.15**	2,193.80
	(b)	Contribution to provident fund and other funds	**207.53**	210.55
	(c)	Staff welfare expenses	**317.32**	287.10
			2,837.00	2,691.45

			2012-2013	2011-2012
25.	**Finance cost**			
	(a)	Interest	**1,378.78**	1,058.61
		Less: Transferred to capital account	**(327.33)**	(209.17)
			1,051.45	849.44
	(b)	Discounting charges	**336.31**	369.18
			1,387.76	1,218.62

			2012-2013	2011-2012
26.	**Other expenses**			
	(a)	Processing charges	**1,743.64**	2,057.51
	(b)	Consumption of stores and spare parts	**655.67**	753.02
	(c)	Power and fuel	**484.66**	550.89
	(d)	Rent	**84.11**	65.34
	(e)	Repairs to buildings	**91.97**	80.43
	(f)	Repairs to plant, machinery etc.	**95.61**	95.15
	(g)	Insurance	**74.80**	68.35
	(h)	Rates and taxes	**32.01**	34.03
	(i)	Freight, transportation, port charges, etc.	**929.63**	1,052.87
	(j)	Publicity	**792.67**	948.65
	(k)	Excise duty on closing stock	**58.41**	89.34
	(l)	Works operation and other expenses [note below]	**2,730.47**	2,609.93
			7,773.65	8,405.51
	Note :			
	Works operation and other expenses include			
	(a)	Warranty expenses	**353.05**	368.92
	(b)	Computer expenses	**529.43**	432.93
	(c)	Consultancy	**189.96**	275.23
	(d)	Provisions and write off for sundry debtors, vehicle loans and advances	**35.80**	103.04

NOTES FORMING PART OF FINANCIAL STATEMENTS

				2012-2013	2011-2012
27.	**Earnings Per Share :**				
	(a)	Profit after tax	₹ crores	**301.81**	1,242.23
	(b)	The weighted average number of Ordinary shares for Basic EPS	Nos.	**270,60,14,707**	269,15,42,867
	(c)	The weighted average number of 'A' Ordinary shares for Basic EPS	Nos.	**48,19,58,717**	48,19,00,898
	(d)	The nominal value per share (Ordinary and 'A' Ordinary)	₹	**2.00**	2.00
	(e)	Share of profit for Ordinary shares for Basic EPS	₹ crores	**252.09**	1,049.50
	(f)	Share of profit for 'A' Ordinary shares for Basic EPS *	₹ crores	**49.72**	192.73
	(g)	Earnings Per Ordinary share (Basic)	₹	**0.93**	3.90
	(h)	Earnings Per 'A' Ordinary share (Basic)	₹	**1.03**	4.00
	(i)	Profit after tax	₹ crores	**301.81**	1,242.23
	(j)	Add: Interest payable on outstanding Foreign Currency Convertible Notes	₹ crores	**-**	-
	(k)	Profit after tax for Diluted EPS	₹ crores	**301.81**	1,242.23
	(l)	The weighted average number of Ordinary shares for Basic EPS	Nos.	**270,60,14,707**	269,15,42,867
	(m)	Add: Adjustment for Options relating to warrants, shares held in abeyance, Foreign Currency Convertible Notes and Convertible Alternative Reference Securities	Nos.	**4,92,722**	10,63,47,857
	(n)	The weighted average number of Ordinary shares for Diluted EPS	Nos.	**270,65,07,429**	279,78,90,724
	(o)	The weighted average number of 'A' Ordinary shares for Basic EPS	Nos.	**48,19,58,717**	48,19,00,898
	(p)	Add: Adjustment for 'A' Ordinary shares held in abeyance	Nos.	**2,47,798**	3,05,518
	(q)	The weighted average number of 'A' Ordinary shares for Diluted EPS	Nos.	**48,22,06,515**	48,22,06,416
	(r)	Share of profit for Ordinary shares for Diluted EPS	₹ crores	**252.08**	1,055.50
	(s)	Share of profit for 'A' Ordinary shares for Diluted EPS *	₹ crores	**49.73**	186.73
	(t)	Earnings Per Ordinary share (Diluted)	₹	**0.93**	3.77
	(u)	Earnings Per 'A' Ordinary share (Diluted)	₹	**1.03**	3.87

* 'A' Ordinary shareholders are entitled to receive dividend @ 5% points more on Face value, than the aggregate rate of dividend determined by the Company on Ordinary shares for the financial year.

NOTES FORMING PART OF FINANCIAL STATEMENTS

(₹ in crores)

					As at March 31, 2013	As at March 31, 2012
28.	**Contingent liabilities, commitments (to the extent not provided for) :**					
	Description of claims and assertions where a potential loss is possible, but not probable is reported under note (1) and (2) below :					
	1	Claims against the Company not acknowledged as debts -				
		(i)	Sales tax	- Gross	**353.54**	413.12
				- Net of tax	**238.84**	279.08
		(ii)	Excise duty	- Gross	**867.35**	197.54
				- Net of tax	**585.94**	133.45
		(iii)	Others	- Gross	**173.90**	157.02
				- Net of tax	**117.48**	106.07
		(iv)	Income Tax in respect of matters :			
			(a)	Decided in the Company's favour by Appellate Authorities and for which the Department is in further appeal	**-**	2.38
			(b)	Pending in appeal / other matters	**95.20**	95.20
	2	The claims / liabilities in respect of excise duty, sales tax and other matters where the issues were decided in favour of the Company for which the Department is in further appeal			**70.80**	69.77
	3	Other money for which the Company is contingently liable -				
		(i)	In respect of bills discounted and export sales on deferred credit		**204.30**	139.21
		(ii)	The Company has given guarantees for liability in respect of receivables assigned by way of securitisation		**-**	107.80
		(iii)	Cash margins / collateral [Note 22, page 143]		**-**	90.29
		(iv)	In respect of subordinated receivables		**-**	9.51
		(v)	Others		**-**	6.64
	4	Estimated amount of contracts remaining to be executed on capital account and not provided for			**1,526.11**	1,536.25
	5	Purchase commitments			**12,142.44**	12,527.63

NOTES FORMING PART OF FINANCIAL STATEMENTS

(₹ in crores)

	As at March 31, 2013	As at March 31, 2012
29. Disclosure in respect of leases :		
(A) Finance leases :		
Assets taken on lease :		
(a) (i) Total of minimum lease payments	**52.32**	48.47
The total of minimum lease payments for a period :		
Not later than one year	**21.02**	14.11
Later than one year and not later than five years	**31.30**	34.36
(ii) Present value of minimum lease payments	**48.98**	44.54
Present value of minimum lease payments for a period :		
Not later than one year	**17.06**	13.83
Later than one year and not later than five years	**31.92**	30.71
(b) A general description of the significant leasing arrangements - The Company has entered into Finance lease arrangements for computers and data processing equipments from a vendor. The finance lease obligation is secured by a charge against the said assets.		
(B) Operating leases		
Assets given on lease :		
(a) Total of minimum lease payments	**58.95**	66.65
The total of minimum lease payments for a period :		
Not later than one year	**4.41**	4.71
Later than one year and not later than five years	**17.63**	18.83
Later than five years	**36.91**	43.11
(b) Gross block	**79.68**	78.52
Accumulated Depreciation	**18.83**	14.75
Depreciation for the year ₹ **4.02 crores** (2011-12 ₹ 4.30 crores)		
(c) A general description of significant leasing arrangements- The Company has entered into Operating lease arrangements for buildings and plant and machinery.		

NOTES FORMING PART OF FINANCIAL STATEMENTS

30. (i) Related party disclosures for the year ended March 31, 2013

(a) Related party and their relationship

1. Subsidiaries :

Tata Technologies Ltd
TAL Manufacturing Solutions Ltd
TML Drivelines Ltd
Sheba Properties Ltd
Concorde Motors (India) Ltd
Tata Daewoo Commercial Vehicle Co. Ltd
Tata Motors Insurance Broking & Advisory Services Ltd
Tata Motors European Technical Centre PLC
Tata Motors Finance Ltd
Tata Marcopolo Motors Ltd
Tata Motors (Thailand) Ltd
Tata Motors (SA) (Proprietary) Ltd
PT Tata Motors Indonesia
TML Holdings Pte. Ltd, Singapore
TML Distribution Company Ltd
Tata Hispano Motors Carrocera S.A.
Trilix S.r.l
Tata Precision Industries Pte. Ltd
Jaguar Land Rover Automotive PLC
(formerly known as Jaguar Land Rover PLC)
Jaguar Cars Ltd
(formerly known as Jaguar Cars Overseas Holdings Ltd)
Jaguar Land Rover Austria GmbH
Jaguar Belux NV
Jaguar Land Rover Ltd
(formerly known as Jaguar Cars Ltd)
Jaguar Land Rover Japan Ltd
Jaguar Cars South Africa (pty) Ltd
Jaguar Land Rover Exports Ltd *(Land Rover Exports Ltd Business transferred on April 1, 2012)*
The Daimler Motor Company Ltd
The Jaguar Collection Ltd
Daimler Transport Vehicles Ltd
S S Cars Ltd
The Lanchester Motor Company Ltd
Jaguar Hispania SL
Jaguar Land Rover Deutschland GmbH
Land Rover Ireland Ltd
INCAT International Plc.
Tata Technologies Europe Ltd
INCAT GmbH
Tata Technologies Inc
Tata Technologies de Mexico, S.A. de CV
Tata Technologies (Canada) Inc
Tata Technologies (Thailand) Ltd
Tata Technologies Pte Ltd, Singapore
Miljobil Grenland AS *(upto August 30, 2012)*
Tata Hispano Motors Carrocerries Maghreb
Tata Daewoo Commercial Vehicles Sales and Distribution Co. Ltd
Tata Engineering Services (Pte) Ltd
(Liquidated w.e.f July 7, 2012)
Jaguar Land Rover North America LLC
Land Rover Belux SA/NV
Jaguar Land Rover Nederland BV
Jaguar Land Rover Portugal - Veiculos e Pecas, LDA
Jaguar Land Rover Australia Pty Ltd
Jaguar Land Rover Italia SpA
Land Rover Espana SL
Jaguar Land Rover Korea Co. Ltd
Jaguar Land Rover Automotive Trading (Shanghai) Ltd
Jaguar Land Rover Canada ULC
Jaguar Land Rover France, SAS
Jaguar Land Rover (South Africa) (Pty) Ltd
Jaguar e Land Rover Brazil Importacao e Comercio de Veiculos Ltda
Jaguar Land Rover (Russia) Limited Liability Company
Land Rover Parts Ltd
Jaguar Land Rover (South Africa) Holdings Ltd
Jaguar Land Rover India Ltd
(incorporated w.e.f. October 25, 2012)
Land Rover *(business and assets transferred to Jaguar Land Rover Ltd except Jaguar Land Rover Automotive Trading (Shanghai) Co Ltd w.e.f. January 1, 2013)*
Land Rover Group Ltd
PT Tata Motors Distribusi Indonesia
(incorporated w.e.f. February 11, 2013)

2. Associates :

Tata AutoComp Systems Ltd
Tata Cummins Ltd
Tata Precision Industries (India) Ltd
Tata Hitachi Construction Machinery Company Ltd
(formerly known as Telco Construction Equipment Co. Ltd)
Jaguar Cars Finance Ltd
Nita Company Ltd
Tata Sons Ltd *(Investing Party)*
Automobile Corporation of Goa Ltd
Spark44 (JV) Ltd

3. Joint Ventures :

Fiat India Automobiles Ltd
Tata HAL Technologies Ltd
Suzhou Chery Jaguar Land Rover Trading Co. Ltd (Interim JV)
Chery Jaguar Land Rover Automotive Co. Ltd *(Incorporated in November 2012)*

4. Key Management Personnel

Mr. P M Telang *(upto June 21, 2012)*
Mr. Karl Slym *(from September 13, 2012)*
Mr. R Pisharody *(from June 21, 2012)*
Mr. S B Borwankar *(from June 21, 2012)*

NOTES FORMING PART OF FINANCIAL STATEMENTS

(₹ in crores)

(b) Transactions with the related parties

	Subsidiaries	Joint Venture	Associates	Key Management Personnel	2012-2013 Total
Purchase of goods	**1,203.03**	**2,926.35**	**2,925.42**	**-**	**7,054.80**
	1,151.05	3,728.41	4,107.23	-	8,986.69
Sale of goods (inclusive of sales tax)	**4,338.79**	**622.21**	**125.73**	**-**	**5,086.73**
	3,424.27	477.99	464.71	-	4,366.97
Purchase of fixed assets	**32.64**	**-**	**-**	**-**	**32.64**
	45.96	-	-	-	45.96
Sale of division (Note 43(ii), page 159)	**110.00**	**-**	**-**	**-**	**110.00**
	-	-	-	-	-
Redemption / buy back of Investments	**1,378.95**	**-**	**31.00**	**-**	**1,409.95**
	4,150.34	-	-	-	4,150.34
Services received	**1,761.27**	**0.48**	**17.53**	**23.45**	**1,802.73**
	2,129.48	-	51.27	33.07	2,213.82
Services rendered	**266.03**	**57.85**	**10.89**	**-**	**334.77**
	134.44	8.32	16.73	-	159.49
Finance given (including loans and equity)	**862.88**	**-**	**0.01**	**-**	**862.89**
	1,592.39	42.50	-	-	1,634.89
Loans repaid by the related parties	**487.80**	**-**	**23.83**	**-**	**511.63**
	113.00	-	-	-	113.00
Loans taken	**2,029.30**	**-**	**50.00**	**-**	**2,079.30**
	1,792.20	-	9.00	-	1,801.20
Loans repaid by the Company	**1,771.05**	**-**	**25.50**	**-**	**1,796.55**
	1,733.35	-	11.00	-	1,744.35
Interest / Dividend paid / (received) (net)	**(1,562.99)**	**(35.01)**	**209.10**	**-**	**(1,388.90)**
	(111.28)	(32.89)	230.02	-	85.85
(c) Balances with related parties (as at March 31, 2013)					
Amount receivable	**460.57**	**79.91**	**10.10**	**-**	**550.58**
	240.55	-	62.38	-	302.93
Amount payable	**293.05**	**-**	**79.75**	**-**	**372.80**
	290.77	112.68	116.53	-	519.98
Amount receivable (in respect of loans and interest)	**748.38**	**325.14**	**-**	**-**	**1,073.52**
	577.00	303.75	23.83	0.09	904.67
Provision for amount receivable (in respect of loans and interest)	**398.95**	**-**	**-**	**-**	**398.95**
	153.95	-	-	-	153.95
Amount payable (in respect of loans and interest)	**321.10**	**-**	**29.50**	**-**	**350.60**
	62.85	-	5.00	-	67.85
Bills discounted (in respect of amount receivable)	**-**	**-**	**5.12**	**-**	**5.12**
	-	-	25.53	-	25.53
Bank Guarantee / Other assets given as security	**2.54**	**-**	**3.00**	**-**	**5.54**
	36.50	-	3.00	-	39.50

Note : Current year figures are shown in bold and comparative figures for the previous year are shown below the current year.

NOTES FORMING PART OF FINANCIAL STATEMENTS

(₹ in crores)

				2012-2013	2011-2012
(d)	**Disclosure in respect of material transactions with related parties**				
	(i)	**Purchase of goods**	Fiat India Automobiles Ltd	**2,926.35**	3,728.41
			Tata Cummins Ltd	**2,298.91**	3,267.67
			Tata Marcopolo Motors Ltd	**673.51**	508.85
			Jaguar Land Rover	**492.30**	537.62
			Tata AutoComp Systems Ltd	**425.80**	561.80
	(ii)	**Sale of goods**	TML Distribution Company Ltd	**3,484.44**	2,464.72
			Fiat India Automobiles Ltd	**622.21**	477.99
			Concorde Motors (India) Ltd	**446.10**	724.74
			Nita Company Ltd	**94.19**	168.75
			Tata Hitachi Construction Machinery Company Ltd	**31.53**	45.43
	(iii)	**Redemption / buy back of Investments**	TML Holdings Pte Ltd	**1,378.95**	4,150.34
			Tata AutoComp Systems Ltd	**21.00**	-
			Tata Sons Ltd	**10.00**	-
	(iv)	**Purchase of fixed assets**	Tata Technologies Ltd	**12.55**	34.44
			TAL Manufacturing Solutions Ltd	**12.82**	6.24
			Trilix S.r.l.	**5.19**	-
	(v)	**Services received**	TML Drivelines Ltd	**596.07**	1,057.97
			Tata Technologies Ltd	**481.03**	405.95
			Tata Motors European Technical Centre Plc	**281.87**	200.58
			Tata Motors Finance Ltd	**230.91**	136.31
			Tata Sons Ltd	**17.44**	51.27
			Fiat India Automobiles Ltd	**0.48**	-
	(vi)	**Services rendered**	Jaguar Land Rover	**75.42**	43.47
			TML Drivelines Ltd	**63.56**	42.24
			TML Distribution Company Ltd	**62.20**	9.27
			Fiat India Automobiles Ltd	**57.85**	8.32
			Tata Hitachi Construction Machinery Company Ltd	**9.44**	9.62
			Tata Sons Ltd	**1.35**	0.57
	(vii)	**Finance given (including loans and equity)**			
		Investment in equity	Tata Motors Finance Ltd	**150.00**	300.00
		Investment in equity	Automobile Corporation of Goa Ltd	**0.01**	-
		Loan given	Tata Motors (Thailand) Ltd	**105.75**	-
		Loan given	Tata Hispano Motors Carrocera S.A.	**88.61**	89.63
		Inter corporate deposit	TML Distribution Company Ltd	**480.00**	73.00

NOTES FORMING PART OF FINANCIAL STATEMENTS

(₹ in crores)

			2012-2013	2011-2012
(viii)	**Loans repaid by the related parties**			
	Inter corporate deposit	TML Distribution Company Ltd	**480.00**	73.00
	Inter corporate deposit	Automobile Corporation of Goa Ltd	**23.83**	-
(ix)	**Loans taken**			
	Inter corporate deposit	TML Distribution Company Ltd	**591.05**	690.00
	Inter corporate deposit	Tata Technologies Ltd	**817.65**	461.40
	Inter corporate deposit	TML Drivelines Ltd	**529.60**	617.05
	Inter corporate deposit	Automobile Corporation of Goa Ltd	**50.00**	9.00
(x)	**Loans repaid by the Company**			
	Inter corporate deposit	TML Distribution Company Ltd	**591.05**	690.00
	Inter corporate deposit	TML Drivelines Ltd	**496.25**	560.20
	Inter corporate deposit	Tata Technologies Ltd	**635.75**	459.40
	Inter corporate deposit	Automobile Corporation of Goa Ltd	**25.50**	11.00
(xi)	**Interest / dividend paid / (received)**			
	Dividend paid	Tata Sons Ltd	**282.99**	290.77
	Dividend received	TML Holdings Pte Ltd, Singapore	**(1,421.98)**	-
	Dividend received	Tata Cummins Ltd	**(36.00)**	(27.00)
	Dividend received	Tata Sons Ltd	**(11.20)**	(10.60)
	Interest paid	Fiat India Automobiles Ltd	**151.93**	85.48
	Interest received	Fiat India Automobiles Ltd	**(186.94)**	(118.37)

NOTES FORMING PART OF FINANCIAL STATEMENTS

ii) **Disclosures required by Clause 32 of the Listing Agreement**

Amount of loans / advances in nature of loans outstanding from subsidiaries and associates during 2012-2013

	Name of the Company	Outstanding as at March 31, 2013	Maximum amount outstanding during the year	Investment in shares of the Company	Direct Investment in shares of subsidiaries of the Company
		₹ in crores	₹ in crores	No. of shares	No. of shares
a)	**Subsidiaries**				
	Sheba Properties Ltd	**-**	**0.80**	**-**	**8,11,992**
	[Shares in Tata Technology]	-	-	-	8,11,992
	Tata Technologies Ltd	**-**	**-**	**-**	**-**
		-	3.00	-	-
	TAL Manufacturing Solutions Ltd	**-**	**-**	**-**	**-**
		-	34.00	-	-
	Tata Motors European Technical Centre Plc., UK	**-**	**55.33**	**-**	**-**
	[Shares in Miljobil Grenland AS]	55.33	55.78	-	9,498
	Tata Marcopolo Motors Ltd	**-**	**5.00**	**-**	**-**
		5.00	5.00	-	-
	Tata Motors (Thailand) Ltd	**278.98**	**278.98**	**-**	**-**
		154.69	157.70	-	-
	TML Distribution Company Ltd	**-**	**200.00**	**-**	**-**
		-	35.00	-	-
	Tata Hispano Motors Carrocera S.A.	**416.03**	**416.03**	**-**	**40,000**
	[Shares in Tata Hispano Motors Carrocerries Maghreb]	342.91	352.58	-	40,000
	Tata Motors Insurance Broking and Advisory Services Ltd	**-**	**1.70**	**-**	**-**
		1.70	1.70	-	-
	Tata Motors (SA) Proprietary Ltd	**7.56**	**8.53**	**-**	**-**
		8.53	8.53	-	-
b)	**Associates**				
	Tata AutoComp Systems Ltd	**-**	**23.83**	**-**	**-**
		23.83	23.83	-	-
c)	**Joint Ventures :**				
	Fiat India Automobiles Ltd	**265.00**	**265.00**	**-**	**-**
		265.00	265.00	-	-

Note : Current year figures are shown in bold and comparative figures for the previous year are shown below the current year.

31. The Company has a joint venture with Fiat Group Automobiles S.p.A., Italy, Fiat India Automobiles Limited (FIAL), for manufacturing passenger cars, engines and transmissions at Ranjangaon in India. The Company has an investment of ₹ 1,242.04 crores as at March 31, 2013, representing 50% shareholding in FIAL .

The proportionate share of assets and liabilities as at March 31, 2013 and income and expenditure for the year 2012-2013 of FIAL as per their unaudited financial statement are given below :

(₹ in crores)

	As on March 31, 2013	As on March 31, 2012
RESERVES AND SURPLUS	**(578.81)**	(650.58)
NON-CURRENT LIABILITIES		
Long-term borrowings	**634.12**	795.69
Other long-term liabilities	**2.18**	-
Long-term provisions	**5.35**	6.24
CURRENT LIABILITIES		
Short-term borrowings	**108.01**	99.90
Trade payables	**668.54**	633.87
Other current liabilities	**260.46**	304.41
Short-term provisions	**3.09**	8.61
	1,681.75	1,848.72
NON-CURRENT ASSETS		
Fixed assets	**1,386.26**	1,516.50
Other long-term loans and advances	**82.27**	42.60
Othe non-current assets	**20.77**	29.13
Current assets	**717.87**	714.15
	2,207.17	2,302.38
Claims not acknowledged as debts	**10.49**	6.26
Capital commitments	**21.07**	12.19

	2012-2013	2011-2012
INCOME		
Revenue from operations	**1,869.09**	1,716.47
Less : Excise duty	**(253.80)**	(247.73)
Other operating income	**141.90**	169.21
Other income	**86.10**	92.92
	1,843.29	1,730.87
EXPENDITURE		
Manufacturing and other expenses	**1,413.24**	1,429.57
Product development cost	**2.28**	3.27
Depreciation	**166.59**	160.76
Finance cost	**179.03**	162.81
Exchange Loss (net) on revaluation of foreign currency borrowings, deposits and loan given	**10.77**	17.85
Tax expenses / (credit)	**(0.39)**	-
	1,771.52	1,774.26

NOTES FORMING PART OF FINANCIAL STATEMENTS

32. Defined benefit plans / long term compensated absences - as per actuarial valuations as on March 31, 2013.

(₹ in crores)

	Gratuity, Superannuation and BKY					Compensated Absences					Post-retirement Medicare scheme				
	2013	2012	2011	2010	2009	**2013**	2012	2011	2010	2009	**2013**	2012	2011	2010	2009
i Components of employer expense															
Current service cost	**41.46**	37.98	29.63	24.97	25.24	**28.55**	23.16	18.41	14.68	14.85	**3.96**	4.12	2.88	2.53	1.97
Interest cost	**51.78**	48.77	42.32	38.09	37.42	**18.21**	15.82	12.49	10.30	10.69	**7.64**	7.03	6.15	5.86	4.72
Expected return on plan assets	**(46.24)**	(43.69)	(39.56)	(35.46)	(32.56)	**-**	-	-	-	-	**-**	-	-	-	-
Actuarial (Gains) / Losses	**(0.04)**	9.50	53.84	46.23	(4.26)	**2.58**	17.81	34.05	22.92	(9.80)	**0.71**	(3.80)	4.21	(1.74)	10.00
Total expense recognised in the Statement of Profit & Loss Account in Note 24, page 145 under item :	**46.96**	52.56	86.23	73.83	25.84	**49.33**	56.79	64.95	47.90	15.74	**12.31**	7.35	13.24	6.65	16.69
	(b) & (c)					(a)					(c)				
ii Actual contribution and benefit payments for year ended March 31,															
Actual benefit payments	**72.52**	48.92	55.21	54.15	57.20	**31.79**	25.62	25.93	18.24	22.49	**2.94**	2.82	3.10	3.17	3.43
Actual Contributions	**54.12**	46.91	78.11	75.80	22.18	**31.79**	25.62	25.93	18.24	22.49	**2.94**	2.82	3.10	3.17	3.43
iii Net liability recognised in Balance Sheet as at March 31,															
Present Value of Defined Benefit Obligation	**682.38**	652.56	606.73	534.60	485.95	**245.72**	230.14	198.97	159.95	130.29	**96.42**	88.66	84.13	73.99	70.51
Fair value of plan assets	**624.60**	587.21	547.03	483.02	432.39	**N/A**	N/A	N/A	N/A	N/A	**N/A**	N/A	N/A	N/A	N/A
Net liability recognised in Balance Sheet	**(57.78)**	(65.35)	(59.70)	(51.58)	(53.56)	**(245.72)**	(230.14)	(198.97)	(159.95)	(130.29)	**(96.42)**	(88.66)	(84.13)	(73.99)	(70.51)
Experience adjustment on plan liabilities	**(20.20)**	(1.05)	(33.21)	(3.35)	(37.27)	**N/A**	N/A	N/A	N/A	N/A	**8.10**	(3.87)	4.62	0.84	2.21
Experience adjustment on plan assets	**18.52**	(1.49)	1.55	(6.49)	10.41	**N/A**	N/A	N/A	N/A	N/A	**-**	-	-	-	-
iv Change in Defined Benefit Obligations (DBO) during the year ended March 31,															
Present Value of DBO at the beginning of the year	**652.56**	606.73	534.60	485.95	474.36	**230.14**	198.97	159.95	130.29	137.04	**88.66**	84.13	73.99	70.51	57.25
Current service cost	**41.46**	37.98	29.63	24.97	25.24	**28.55**	23.16	18.41	14.68	14.85	**3.96**	4.12	2.88	2.53	1.97
Interest cost	**51.78**	48.77	42.32	38.09	37.42	**18.21**	15.82	12.49	10.30	10.69	**7.64**	7.03	6.15	5.86	4.72
Acquisitions/Transfer in/ Transfer out	**(9.38)**	-	-	-	-	**(1.97)**	-	-	-	-	**(1.61)**	-	-	-	-
Actuarial losses	**18.48**	8.00	55.39	39.74	6.13	**2.58**	17.81	34.05	22.92	(9.80)	**0.71**	(3.80)	4.21	(1.74)	10.00
Benefits paid	**(72.52)**	(48.92)	(55.21)	(54.15)	(57.20)	**(31.79)**	(25.62)	(25.93)	(18.24)	(22.49)	**(2.94)**	(2.82)	(3.10)	(3.17)	(3.43)
Present Value of DBO at the end of the year	**682.38**	652.56	606.73	534.60	485.95	**245.72**	230.14	198.97	159.95	130.29	**96.42**	88.66	84.13	73.99	70.51
v Change in fair value of assets during the year ended March 31,															
Plan assets at the beginning of the year	**587.21**	547.03	483.02	432.39	424.45	**N/A**	N/A	N/A	N/A	N/A	**N/A**	N/A	N/A	N/A	N/A
Acquisitions/Transfer in/ Transfer out	**(8.97)**	-	-	-	-	**-**	-	-	-	-	**-**	-	-	-	-
Actual return on plan assets	**64.76**	42.19	41.11	28.98	42.96	**N/A**	N/A	N/A	N/A	N/A	**N/A**	N/A	N/A	N/A	N/A
Actual Company contributions	**54.12**	46.91	78.11	75.80	22.18	**31.79**	25.62	25.93	18.24	22.49	**2.94**	2.82	3.10	3.17	3.43
Benefits paid	**(72.52)**	(48.92)	(55.21)	(54.15)	(57.20)	**(31.79)**	(25.62)	(25.93)	(18.24)	(22.49)	**(2.94)**	(2.82)	(3.10)	(3.17)	(3.43)
Plan assets at the end of the year	**624.60**	587.21	547.03	483.02	432.39	**N/A**	N/A	N/A	N/A	N/A	**N/A**	N/A	N/A	N/A	N/A
vi Actuarial Assumptions															
Discount Rate (%)	**6.75-8.35**	6.75-8.50	6.75-8.50	6.75-8.50	6.75-8.50	**8.35**	8.50	8.50	8.50	8.50	**8.35**	8.50	8.50	8.50	8.50
Expected Return on plan assets (%)	**8.00**	8.00	8.00	8.00	8.00	**N/A**	N/A	N/A	N/A	N/A	**N/A**	N/A	N/A	N/A	N/A
Medical cost inflation (%)	**N/A**	N/A	N/A	N/A	N/A	**N/A**	N/A	N/A	N/A	N/A	**5.00**	4.00	4.00	4.00	4.00
vii The major categories of plan assets as percentage of total plan assets															
Debt securities	**73%**	77%	75%	74%	76%	**N/A**	N/A	N/A	N/A	N/A	**N/A**	N/A	N/A	N/A	N/A
Balance with approved Insurance companies	**24%**	19%	-	-	-	**N/A**	N/A	N/A	N/A	N/A	**N/A**	N/A	N/A	N/A	N/A
Balances with banks	**4%**	4%	25%	26%	24%	**N/A**	N/A	N/A	N/A	N/A	**N/A**	N/A	N/A	N/A	N/A
viii Effect of one percentage point change in assumed Medical inflation rate						**One percentage point increase in Medical inflation rate**					**One percentage point decrease in Medical inflation rate**				
						2013	2012	2011	2010	2009	**2013**	2012	2011	2010	2009
Revised DBO as at March 31,						**103.81**	95.34	91.65	81.48	77.68	**87.07**	81.62	77.57	67.49	64.29
Revised service cost for the year						**3.95**	4.01	3.37	2.95	2.30	**2.79**	3.04	2.48	2.17	1.69
Revised interest cost for the year						**8.20**	7.66	6.79	6.47	4.79	**6.67**	6.46	5.60	5.33	4.28

(a) **Defined contribution plans -**
The Company's contribution to defined contribution plan aggregated ₹ **170.45 crores** (2011-12 ₹ 165.25 crores) for the year ended March 31, 2013 has been recognised in the statement of Profit and Loss Statement under note 24, page 145.

(b) The expected rate of return on plan assets is based on market expectation, at the beginning of the year, for returns over the entire life of the related obligation.

(c) The assumption of future salary increases, considered in actuarial valuation, takes into account of inflation, seniority, promotion and other relevant factors, such as supply and demand in the employment market.

(d) The Company expects to contribute ₹ **55.36 crores** to the funded pension plans in the year 2013-14.

NOTES FORMING PART OF FINANCIAL STATEMENTS

(₹ in crores)

			2012-2013	2011-2012
33.	**Purchase of products for sale :**			
	(a)	Spare parts and accessories for sale	**1,735.82**	1,558.96
	(b)	Bodies and trailers for mounting on chassis	**1,045.84**	1,637.87
	(c)	Vehicles **47,973 nos.** (2011-12 : 53,583 nos.)	**3,082.79**	3,237.12
			5,864.45	6,433.95

			2012-2013	2011-2012
34.	**Expenditure incurred on research and development :**			
	(a)	Revenue expenditure - charged to profit and loss statement	**500.15**	243.30
	(b)	Revenue expenditure - capitalised	**1,142.38**	1,127.86
	(c)	Capital expenditure	**116.78**	177.53
			1,759.31	1,548.69

				2012-2013	2011-2012
35.	**(a)**	**Auditors' remuneration (excluding service tax) :**			
		(i)	Audit fees	**4.25**	4.00
		(ii)	Audit fees for financial statements as per IFRS (including SOX certification)	**3.25**	3.50
		(iii)	In other capacities :		
			Company law matters (**₹ 35,000 for 2012-13,** ₹ 35,000 for 2011-12)	**-**	-
			Tax audit / Transfer pricing audit*	**0.49**	0.49
			Taxation matters*	**0.47**	0.20
		(iv)	Other services	**0.09**	0.07
		(v)	Reimbursement of travelling and out-of-pocket expenses	**0.27**	0.34
	(b)	**Cost Auditors' remuneration (excluding service tax) :**			
		(i)	Cost Audit fees	**0.20**	0.14
		(ii)	Reimbursement of travelling and out-of-pocket expenses	**0.01**	0.01
		*Includes payment to an affiliate firm of satutory auditors		**0.47**	0.18

			2012-2013	2011-2012
36.	**Details of provision :**			
	(a)	**Product warranty**		
		Opening Balance	**452.76**	398.25
		Add: Provision for the year (net)	**353.08**	368.42
		Less: Payments / debits (net of recoveries from suppliers)	**(372.22)**	(313.91)
		Closing balance	**433.62**	452.76
		Current	**309.38**	387.26
		Non-current	**124.24**	65.50
	(b)	**Provision for deliquency**		
		Opening balance	**148.11**	9.96
		Add: Provision for the year (net)	**297.03**	157.92
		Less: Payments / debits (net)	**107.90**	19.77
		Closing balance	**337.24**	148.11
		Current	**242.81**	-
		Non-current	**94.43**	148.11
	(c)	**Premium on redemption of Foreign Currency Convertible Notes (FCCN) and Convertible Alternative Reference Securities (CARS):**		
		Opening Balance	**912.50**	801.09
		Foreign currency exchange (gain) /loss	**82.97**	100.99
		Premium on redemption of FCCN / CARS (including withholding tax)	**(843.37)**	(0.97)
		Reversal of provision for premium due to conversion of FCCN/CARS	**(19.92)**	-
		Provision / (Reversal of provision) for withholding tax upon conversion / redemption / foreign currency exchange of FCCN / CARS	**(97.97)**	11.39
		Closing balance	**34.21**	912.50
		Current	**-**	855.73
		Non current	**34.21**	56.77

NOTES FORMING PART OF FINANCIAL STATEMENTS

37. Derivative transactions

The Company uses forward exchange contracts, principal only swaps, interest rate swaps, currency swaps and currency options to hedge its exposure in foreign currency and interest rates. The information on derivative instruments is as follows :

(a) Derivative Instruments outstanding as at March 31, 2013

Currency	Amount (Foreign currency in millions)		Buy / Sell	Amount (₹ in crores)
(i) Forward exchange contracts (net)				
US $ / IN ₹	**US $**	**37.57**	**Buy**	**203.95**
		-	Buy	-
US $ / IN ₹	**US $**	**25.00**	**Sell**	**135.69**
		-	Sell	-
(ii) Options (net)				
US $ / IN ₹	**US $**	**10.00**	**Buy**	**54.29**
	US $	15.00	Buy	76.32

(b) Foreign exchange currency exposures not covered by derivative instruments as at March 31, 2013

	Amount (Foreign currency in millions)		Amount (₹ in crores)
(i) Amount receivable on account of sale of goods, investment in preference shares, loan and interest charges	**US $**	**246.90**	**1,338.59**
	US $	670.79	3,411.33
	€	**64.25**	**446.22**
	€	54.53	370.28
	£	**8.63**	**70.99**
	£	8.68	70.88
	THB	**2,765.75**	**511.66**
	THB	1,105.99	182.38
	ZAR	**55.96**	**33.04**
	ZAR	34.45	22.96
(ii) Amount payable on account of loan and interest charges and other foreign currency expenditure	**US $**	**959.46**	**5,208.44**
	US $	1,750.83	8,908.64
	€	**11.89**	**82.67**
	€	11.79	80.08
	£	**15.67** *	**128.64**
	£	11.50	93.75
	¥	**230.10**	**13.33**
	¥	373.22	22.98
	Others		**2.64**
	Others		1.56

* Note : Hedged partially by GBP USD forward of GBP 1.75 million

NOTES FORMING PART OF FINANCIAL STATEMENTS

(₹ in crores)

		2012-2013	2011-2012
38.	**Information in regard to sale of products effected by the company**		
1.	Light, medium and heavy commercial vehicles, jeep type vehicles, passenger cars, utility vehicles etc. and bodies thereon [including export and other incentives of ₹ **328.76 crores** (2011-2012 ₹ 437.69 crores)]	**43,810.63**	54,154.01
2.	Spare Parts for Vehicles	**3,273.80**	2,910.60
3.	Others	**1,580.85**	1,585.81
		48,665.28	58,650.42

		2012-2013	2011-2012
39.	**Information in regard to raw materials and components consumed :**		
	Engines	**1,707.41**	2,568.17
	Tyres, tubes and flaps	**2,187.98**	3,022.60
	Paints, oils and lubricants	**273.93**	334.10
	Steel , steel tubes, steel melting scrap	**871.25**	1,452.72
	Non-ferrous alloys / metals , ferro alloys	**85.63**	117.52
	Other components	**22,118.08**	26,399.71
		27,244.28	33,894.82

The consumption figures shown above are after adjusting excesses and shortages ascertained on physical count, unserviceable items, etc. The figures of other components comprises finished / semi finished components / assemblies / sub assemblies and other components (balancing figure based on the total consumption).

NOTES FORMING PART OF FINANCIAL STATEMENTS

(₹ in crores)

		2012-2013	2011-2012
40. Information regarding exports and imports and other matters :			
1. Earnings in foreign exchange :			
(i) F.O.B. value of goods exported [including sales through export house, exports to Nepal, Bhutan and local sales eligible for export incentives and exchange differences (net) - gain of **₹ 33.20 crores** (2011-12 loss of ₹ 26.91 crores)]		**3,419.05**	3,598.22
(ii) Rent income		**7.30**	6.75
(iii) Commission		**1.33**	0.70
(iv) Interest and dividend		**1,430.58**	46.23
(v) Sale of services		**27.57**	25.05
2. C.I.F. value of imports			
(i) Raw material and components		**1,057.03**	1,364.69
(ii) Machinery spares and tools		**60.66**	57.31
(iii) Capital goods		**275.34**	362.48
(iv) Vehicles / spare parts / accessories for sale		**456.98**	525.51
(v) Other items		**38.32**	15.47
3. (a) Value of imported and indigenous raw materials and components consumed [note below] :			
(i) Imported at Rupee cost		**1,140.20**	1,635.39
(ii) Indigenously obtained		**26,104.08**	32,259.43
(b) Percentage to total consumption :			
(i) Imported	%	**4.19**	4.82
(ii) Indigenously obtained	%	**95.81**	95.18

In giving the above information, the Company has taken the view that components and spares as referred to in Clause 5(viii)(c) of Part II of Revised Schedule VI covers only such items as consumed directly in production.

(₹ in crores)

	2012-2013	2011-2012
41. Expenditure in foreign currency (subject to deduction of tax where applicable) :		
(i) Technical know-how / services / consultancy fees	**446.28**	387.44
(ii) Interest	**193.99**	271.64
(iii) Consultancy / professional charges	**26.69**	35.66
(iv) Payments on other accounts [including exchange differences (net)]	**163.79**	228.14

NOTES FORMING PART OF FINANCIAL STATEMENTS

(₹ in crores)

42. Remittances in foreign currencies for dividends :

The Company does not have complete information as to the extent to which remittances in foreign currencies on account of dividends have been made by or on behalf of non-resident shareholders. The particulars of dividends declared during the year and payable to non-resident shareholders for the year 2011-12 are as under :

(i)	Number of non-resident shareholders			
	a) For 2011-12	Nos.	**10,292**	-
	b) For 2010-11	Nos.	**-**	8,543
(ii)	Number of shares held by them			
	a) For 2011-12	Nos.	**122,16,76,252**	-
	b) For 2010-11 *	Nos.	**-**	23,05,21,921
(iii)	Gross amount of dividend			
	a) For 2011-12		**488.67**	-
	b) For 2010-11		**-**	461.04

* During the year 2011-12 the Company subdivided Ordinary shares and 'A' Ordinary shares having face value of ₹10 each into 5 shares having face value of ₹ 2 each. Consequently the shareholding information is not comparable.

43. Other notes

(i) Capital work-in-progress as at March 31, 2013 includes building under construction at Singur in West Bengal of ₹ 309.88 crores for the purposes of manufacturing automobiles. In October 2008, the Company moved the Nano project from Singur in West Bengal to Sanand in Gujarat. In June 2011, the Government of West Bengal (State Government) enacted a legislation to cancel land lease agreement. The Company challenged the legal validity of the legislation. In June 2012, the High Court of Calcutta ruled against the validity of the legislation and restored Company's rights under the land lease agreement. The State Government has filed an appeal in the Supreme Court of India, which is pending disposal. Based on management's assessment no provision is considered necessary to the carrying cost of buildings at Singur.

(ii) The Company sold the Forge division at Jamshedpur to its wholly-owned subsidiary, TML Drivelines Ltd on a slump sale basis for a consideration of ₹ 110 crores vide an agreement dated March 28, 2013.

(iii) **Micro, Small and Medium Enterprises Development Act, 2006 :**

The information as required to be disclosed under the Micro, Small and Medium Enterprises Development Act, 2006 has been determined to the extent such parties have been identified on the basis of information available with the Company. The amount of principal and interest outstanding during the year is given below :

			2012-2013	2011-2012
(a)	Amounts outstanding but not due as at March 31,		**184.41**	52.69
(b)	Amounts due but unpaid as at March 31,	-Principal	**-**	-
(c)	Amounts paid after appointed date during the year	-Principal	**8.43**	28.61
(d)	Amount of interest accrued and unpaid as at March 31,	-Interest	**2.29**	0.28
(e)	Amount of estimated interest due and payable for the period from April 1, 2013 to actual date of payment or May 29, 2013 (whichever is earlier)	-Interest	**0.03**	-

(iv) Current year figures are shown in bold prints

(v) Previous year figures have been regrouped / reclassified wherever necessary to correspond with the current year classification / disclosure.

INDEPENDENT AUDITORS' REPORT

TO THE BOARD OF DIRECTORS OF
TATA MOTORS LIMITED

Report on the Consolidated Financial Statements

We have audited the accompanying consolidated financial statements of **TATA MOTORS LIMITED** (the "Company"), its subsidiaries and jointly controlled entities (the Company, its subsidiaries and jointly controlled entities constitute "the Group"), which comprise the Consolidated Balance Sheet as at March 31, 2013, the Consolidated Profit and Loss Statement and the Consolidated Cash Flow Statement for the year then ended, and a summary of the significant accounting policies and other explanatory information.

Management's Responsibility for the Consolidated Financial Statements

The Company's Management is responsible for the preparation of these consolidated financial statements that give a true and fair view of the consolidated financial position, consolidated financial performance and consolidated cash flows of the Group in accordance with the accounting principles generally accepted in India. This responsibility includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the consolidated financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

Our responsibility is to express an opinion on these consolidated financial statements based on our audit. We conducted our audit in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free from material misstatement.

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

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

As stated in the Other Matters paragraph below, our opinion, in so far as it relates to the amounts and disclosures included in respect of the subsidiaries and associates not audited by us, is based solely on the reports of such other auditors.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, and based on the consideration of the reports of the other auditors on the financial statements of the subsidiaries and associates and based on the consideration of the unaudited financial statements/financial information of the subsidiaries, jointly controlled entities and associates; referred to below in the Other Matters paragraph, the aforesaid consolidated financial statements give a true and fair view in conformity with the accounting principles generally accepted in India:

(a) in the case of the Consolidated Balance Sheet, of the state of affairs of the Group as at March 31, 2013;

(b) in the case of the Consolidated Profit and Loss Statement, of the profit of the Group for the year ended on that date; and

(c) in the case of the Consolidated Cash Flow Statement, of the cash flows of the Group for the year ended on that date.

Emphasis of Matter

We draw attention to Note k (i) under significant accounting policies. As stated in the note, the changes in actuarial valuation (net) amounting to ₹ 2,354.13 crores (net of tax of ₹ 626.74 crores) for the year ended March 31, 2013 and ₹ 6,224.71 crores as at March 31, 2013, have been accounted in "Reserves and Surplus" in respect of a group of subsidiary companies.

Our opinion is not qualified in respect of this matter.

Other Matters

a) We did not audit the financial statements of 12 subsidiaries whose financial statements reflect total assets (net) of ₹ 31,479.25 crores as at March 31, 2013, total revenues of ₹ 1,41,287.85 crores and net cash out flows amounting to ₹ 1,456.78 crores for the year ended on that date, as considered in the consolidated financial statements. The consolidated financial statements also include the Group's share of net profit of ₹ 143.63 crores for the year ended March 31, 2013, as considered in the consolidated financial statements, in respect of 3 associates, 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, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries and associates is based solely on the reports of the other auditors.

INDEPENDENT AUDITORS' REPORT

b) The consolidated financial statements include the unaudited financial statements/financial information of 6 subsidiaries and 1 jointly controlled entity (Previous year ended March 31, 2012: 8 subsidiaries and 1 jointly controlled entity), whose financial statements/financial information reflect total assets (net) of ₹ 51.43 crores as at March 31, 2013 (As at March 31, 2012: ₹ 230.67 crores), total revenue of ₹ 2,357.32 crores (Previous year ended March 31, 2012 : ₹ 2,306.22 crores) and net cash outflows amounting to ₹ 261.40 crores (Previous year ended March 31, 2012: ₹ 46.74 crores) for the year ended on that date, as considered in the consolidated financial statements. The consolidated financial statements also include the Group's share of net loss of ₹ 48.58 crores for the year ended March 31, 2013, as considered in the consolidated financial statements, in respect of 2 associates (Previous year ended March 31, 2012: ₹ 17.65 crores of 2 associates), based on their unaudited financial statements/financial information. Our opinion, in so far as it relates to the amounts included in respect of these subsidiaries, jointly controlled entities and associates, is based solely on such unaudited financial statements/financial information.

Our opinion is not qualified in respect of these matters.

For **DELOITTE HASKINS & SELLS**
Chartered Accountants
(Firm Registration No. 117366W)

N. VENKATRAM
Partner
(Membership No.71387)

MUMBAI, May 29, 2013

CONSOLIDATED BALANCE SHEET

AS AT MARCH 31, 2013

(₹ in crores)

			Note	Page	As at March 31, 2013		As at March 31, 2012
I	EQUITY AND LIABILITIES						
	1.	Shareholders' Funds					
		(a) Share capital	2	172	638.07		634.75
		(b) Reserves and surplus	3	174	36,999.23		32,063.75
						37,637.30	32,698.50
	2.	Minority Interest				370.48	307.13
	3.	Non-current Liabilities					
		(a) Long-term borrowings	4	176	32,110.07		27,962.48
		(b) Deferred tax liabilities (net)	6	178	2,019.49		2,165.07
		(c) Other long term liabilities	7	179	3,284.06		2,297.57
		(d) Long-term provisions	9	180	8,319.15		6,232.39
						45,732.77	38,657.51
	4.	Current Liabilities					
		(a) Short-term borrowings	5	176	11,612.21		10,741.59
		(b) Trade payables	11	180	44,780.14		36,686.32
		(c) Other current liabilities	8	179	22,140.96		19,069.78
		(d) Short-term provisions	10	180	7,752.59		6,770.38
						86,285.90	73,268.07
		TOTAL				170,026.45	144,931.21
II	ASSETS						
	1.	Non-Current Assets					
		(a) Fixed Assets					
		(i) Tangible assets	12	181	32,385.76		27,118.58
		(ii) Intangible assets	13	181	18,680.15		13,148.09
		(iii) Capital work-in-progress			4,309.26		3,121.51
		(iv) Intangible assets under development			14,108.44		12,824.32
					69,483.61		56,212.50
		(b) Goodwill (on consolidation)	14	182	4,102.37		4,093.74
		(c) Non-current investments	15	182	1,515.40		1,391.54
		(d) Deferred tax assets (net)	6	178	4,428.93		4,539.33
		(e) Long-term loans and advances	17	183	15,465.46		13,657.95
		(f) Other non-current assets	19	184	1,023.95		574.68
						96,019.72	80,469.74
	2.	Current Assets					
		(a) Current investments	16	183	7,542.32		7,526.17
		(b) Inventories	21	184	20,969.01		18,216.02
		(c) Trade receivables	22	184	10,942.66		8,236.84
		(d) Cash and bank balances	23	184	21,112.67		18,238.13
		(e) Short-term loans and advances	18	183	12,608.46		11,337.22
		(f) Other current assets	20	184	831.61		907.09
						74,006.73	64,461.47
	TOTAL					170,026.45	144,931.21
III	NOTES FORMING PART OF FINANCIAL STATEMENTS						

In terms of our report attached

For **DELOITTE HASKINS & SELLS**
Chartered Accountants

N VENKATRAM
Partner

CYRUS P MISTRY
Chairman

RAVI KANT
Vice-Chairman

For and on behalf of the Board

N N WADIA
R A MASHELKAR
N MUNJEE
S BHARGAVA
V K JAIRATH
R SPETH
Directors

KARL SLYM
Managing Director
R PISHARODY
Executive Director
S B BORWANKAR
Executive Director
C RAMAKRISHNAN
Chief Financial Officer
H K SETHNA
Company Secretary

Mumbai, May 29, 2013

Mumbai, May 29, 2013

CONSOLIDATED PROFIT AND LOSS STATEMENT

FOR THE YEAR ENDED MARCH 31, 2013

(₹ in crores)

		Note	Page	2012-2013		2011-2012
I	**REVENUE FROM OPERATIONS**	24 (I)	185		**193,583.95**	170,677.58
	Less : Excise duty				**(4,766.32)**	(5,023.09)
					188,817.63	165,654.49
II.	**OTHER INCOME**	24 (II)	185		**811.53**	661.77
III.	**TOTAL REVENUE (I + II)**				**189,629.16**	166,316.26
IV.	**EXPENSES :**					
	(a) Cost of materials consumed			**111,600.44**		100,797.44
	(b) Purchase of products for sale			**11,752.07**		11,205.86
	(c) Changes in inventories of finished goods, work-in-progress and products for sale			**(3,031.43)**		(2,535.72)
	(d) Employee cost / benefits expense	25	186	**16,584.05**		12,298.45
	(e) Finance cost	26	186	**3,553.34**		2,982.22
	(f) Depreciation and amortisation expense			**7,569.30**		5,625.38
	(g) Product development / Engineering expenses			**2,021.59**		1,389.23
	(h) Other expenses	27	186	**35,535.58**		28,453.97
	(I) Expenditure transferred to capital and other accounts			**(10,191.97)**		(8,265.98)
	TOTAL EXPENSES				**175,392.97**	151,950.85
V.	**PROFIT BEFORE EXCEPTIONAL ITEMS, EXTRAORDINARY ITEMS AND TAX (III - IV)**				**14,236.19**	14,365.41
VI.	**EXCEPTIONAL ITEMS**					
	(a) Exchange loss (net) including on revaluation of foreign currency borrowings, deposits and loans			**515.09**		654.11
	(b) Impairment of Intangibles and other costs			**87.62**		177.43
					602.71	831.54
VII.	**PROFIT BEFORE EXTRAORDINARY ITEMS AND TAX (V -VI)**				**13,633.48**	13,533.87
VIII.	Extraordinary items				**-**	-
IX.	**PROFIT BEFORE TAX FROM CONTINUING OPERATIONS (VII - VIII)**				**13,633.48**	13,533.87
X.	Tax expense / (credit)	6	178		**3,770.99**	(40.04)
XI.	**PROFIT AFTER TAX FROM CONTINUING OPERATIONS (IX - X)**				**9,862.49**	13,573.91
XII.	Share of profit of associates (net)				**113.79**	24.92
XIII.	Minority interest				**(83.67)**	(82.33)
XIV.	**PROFIT FOR THE YEAR**				**9,892.61**	13,516.50
XV.	**EARNINGS PER SHARE**	28	187			
	A. Ordinary shares (Face value of ₹ 2 each)					
	a. Basic	₹			**31.02**	42.58
	b. Diluted	₹			**30.94**	40.71
	B. 'A' Ordinary shares (Face value of ₹ 2 each)					
	a. Basic	₹			**31.12**	42.68
	b. Diluted	₹			**31.04**	40.81
XVI.	**NOTES FORMING PART OF FINANCIAL STATEMENTS**					

In terms of our report attached

For **DELOITTE HASKINS & SELLS**
Chartered Accountants

N VENKATRAM
Partner

Mumbai, May 29, 2013

For and on behalf of the Board

CYRUS P MISTRY
Chairman

RAVI KANT
Vice-Chairman

N N WADIA
R A MASHELKAR
N MUNJEE
S BHARGAVA
V K JAIRATH
R SPETH
Directors

KARL SLYM
Managing Director
R PISHARODY
Executive Director
S B BORWANKAR
Executive Director
C RAMAKRISHNAN
Chief Financial Officer
H K SETHNA
Company Secretary

Mumbai, May 29, 2013

CONSOLIDATED CASH FLOW STATEMENT

FOR THE YEAR ENDED MARCH 31, 2013

(₹ in crores)

	2012 -2013		2011 - 2012
A. Cash flows from operating activities			
Profit for the year		**9,892.61**	13,516.50
Adjustments for:			
Depreciation (including lease equalisation adjusted in income)	**7,564.78**		5,620.86
Loss on sale of assets (including assets scrapped / written off)	**23.47**		76.72
Profit on sale of investments (net)	**(79.85)**		(48.45)
Impairment of Intangibles and other costs	**87.62**		139.18
Provision for diminution in value of investments	**0.41**		-
Provision for inter corporate deposits (net)	**5.29**		-
Gain on settlement of deferred sales tax liability	**(138.29)**		(153.74)
Share of profit in respect of investments in associate companies (net)	**(113.79)**		(24.92)
Share of minority interest	**83.67**		82.33
Tax expense / (credit)	**3,770.99**		(40.04)
Interest / dividend (net)	**2,822.17**		2,470.96
Non-cash dividend income on mutual funds	**-**		(14.56)
Profit on issue of shares by a subsidiary	**-**		(47.36)
Exchange difference	**434.17**		854.86
		14,460.64	8,915.84
Operating profit before working capital changes		**24,353.25**	22,432.34
Adjustments for:			
Inventories	**(2,693.24)**		(2,718.98)
Trade receivables	**(2,727.65)**		(1,006.86)
Finance receivables	**(2,479.10)**		(5,652.07)
Other current and non-current assets	**(999.03)**		(980.94)
Trade payables	**8,136.94**		5,866.85
Other current and non-current liabilities	**(628.33)**		2,321.06
Provisions	**1,322.46**		(109.14)
		(67.95)	(2,280.08)
Cash generated from operations		**24,285.30**	20,152.26
Income taxes paid (net)		**(2,223.07)**	(1,767.94)
Net cash from operating activities		**22,062.23**	18,384.32
B. Cash flows from investing activities			
Purchase of fixed assets		**(18,757.03)**	(13,875.55)
Sale of fixed assets		**36.69**	92.70
Advance towards investments		**-**	(25.00)
Investment in associate companies		**(0.01)**	(8.76)
Investments in mutual fund sold / (made) (net)		**160.70**	(5,840.09)
Investments in subsidiary company		**-**	(304.33)
(Increase) / decrease in Investments in retained interests in securitisation transactions		**(107.69)**	0.18
Investments - others		**(5.50)**	(17.33)
Redemption of Investment in associates		**21.00**	-
Sale / redemption of investments - others		**12.86**	83.75
Deposits of margin money / cash collateral		**(251.21)**	(5.85)
Realisation of margin money / cash collateral		**762.15**	506.06
Fixed / restricted deposits with banks made		**(6,972.22)**	(2,560.76)
Fixed / restricted deposits with banks realised		**836.65**	877.51
Interest received		**712.17**	467.25
Dividend received from associates		**56.25**	46.60
Dividend / income on investments received		**37.78**	23.73
(Increase) / decrease in short term Inter-corporate deposit		**44.83**	(2.96)
Net cash used in investing activities		**(23,412.58)**	(20,542.85)

CONSOLIDATED CASH FLOW STATEMENT

FOR THE YEAR ENDED MARCH 31, 2013

(₹ in crores)

		2012 -2013	2011 - 2012
C.	**Cash flows from financing activities**		
	Expenses on Foreign Currency Convertible Notes (FCCN) conversion	**(0.23)**	-
	Brokerage and other expenses on Non-Convertible Debentures (NCD)	**(93.02)**	(76.69)
	Proceeds from issue of shares to minority shareholders (net of issue expenses)	**0.56**	138.54
	Premium paid on redemption of FCCN / CARS	**(886.95)**	(0.97)
	Premium paid on redemption of NCD	**(96.55)**	-
	Proceeds from issue of shares held in abeyance	**0.16**	0.02
	Proceeds from long-term borrowings (net of issue expenses)	**13,091.77**	19,030.04
	Repayment of long-term borrowings	**(7,475.94)**	(4,664.13)
	Proceeds from short-term borrowings	**14,693.77**	7,911.22
	Repayment of short-term borrowings	**(13,011.82)**	(10,345.65)
	Net change in other short-term borrowings (with maturity up to three months)	**155.56**	520.85
	Repayment of fixed deposits	**(1,868.38)**	(1,069.25)
	Dividend paid (including dividend distribution tax)	**(1,485.40)**	(1,479.33)
	Dividend paid to minority shareholders	**(23.33)**	(23.78)
	Interest paid [including discounting charges paid ₹ **568.49 crores** (2011-2012 ₹ 624.31 crores)]	**(4,655.99)**	(3,373.69)
	Net cash (used in) / from financing activities	**(1,655.79)**	6,567.18
	Net (decrease) / increase in cash and cash equivalents	**(3,006.14)**	4,408.65
	Cash and cash equivalents as at March 31 (Opening balance)	**14,833.02**	9,345.41
	Effect of foreign exchange on cash and cash equivalents	**521.94**	1,078.96
	Cash and cash equivalents as at March 31 (Closing balance)	**12,348.82**	14,833.02

Previous year figures have been restated, wherever necessary, to conform to this period's classification.

Non-cash transactions :

FCCN / CARS converted to Ordinary shares	**232.83**	-

In terms of our report attached

For **DELOITTE HASKINS & SELLS**
Chartered Accountants

N VENKATRAM
Partner

Mumbai, May 29, 2013

For and on behalf of the Board

CYRUS P MISTRY
Chairman

RAVI KANT
Vice-Chairman

N N WADIA
R A MASHELKAR
N MUNJEE
S BHARGAVA
V K JAIRATH
R SPETH
Directors

KARL SLYM
Managing Director
R PISHARODY
Executive Director
S B BORWANKAR
Executive Director
C RAMAKRISHNAN
Chief Financial Officer
H K SETHNA
Company Secretary

Mumbai, May 29, 2013

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS

1. Basis of Consolidation and Significant Accounting Policies

(I) Basis of consolidation:

The consolidated financial statements relate to Tata Motors Limited (the Company), its subsidiary companies, joint ventures and associates. The Company and its subsidiaries constitute the Group.

(a) **Basis of preparation**

The financial statements are prepared under the historical cost convention on an accrual basis of accounting in accordance with the generally accepted accounting principles, Accounting Standards notified under Section 211 (3C) of the Companies Act, 1956 and the relevant provisions thereof.

(b) **Use of estimates**

The preparation of financial statements requires management to make judgments, estimates and assumptions, that affect the application of accounting policies and the reported amounts of assets and liabilities and disclosures of contingent liabilities at the date of these financial statements and the reported amounts of revenues and expenses for the years presented. Actual results may differ from these estimates. Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised and future periods affected.

(c) **Principles of consolidation:**

The consolidated financial statements have been prepared on the following basis:

i. The financial statements of the subsidiary companies / joint ventures / associates used in the consolidation are drawn upto the same reporting date as of the Company i.e. year ended March 31, 2013.

ii. The financial statements of the Company and its subsidiary companies have been combined on a line-by-line basis by adding together like items of assets, liabilities, income and expenses. The intra-group balances and intra-group transactions and unrealised profits have been fully eliminated.

iii. The consolidated financial statements include the share of profit / loss of the associate companies which has been accounted as per the 'Equity method', and accordingly, the share of profit / loss of each of the associate companies (the loss being restricted to the cost of investment) has been added to / deducted from the cost of investments.

An associate is an enterprise in which the investor has significant influence and which is neither a subsidiary nor a joint venture of the investor.

iv. The financial statements of the joint venture companies have been combined by using proportionate consolidation method and accordingly, venturer's share of each of the assets, liabilities, income and expenses of jointly controlled entity is reported as separate line items in the Consolidated Financial Statements.

v. The excess of cost to the Company of its investments in the subsidiary companies / joint ventures over its share of equity of the subsidiary companies / joint ventures, at the dates on which the investments in the subsidiary companies / joint ventures are made, is recognised as 'Goodwill' being an asset in the consolidated financial statements. Alternatively, where the share of equity in the subsidiary companies / joint ventures as on the date of investment is in excess of cost of investment of the Company, it is recognised as 'Capital Reserve' and shown under the head 'Reserves and Surplus', in the consolidated financial statements.

vi. Minority interest in the net assets of consolidated subsidiaries consists of the amount of equity attributable to the minority shareholders at the dates on which investments are made by the Company in the subsidiary companies and further movements in their share in the equity, subsequent to the dates of investments as stated above.

(d) **The following subsidiary companies are considered in the consolidated financial statements:**

Sr No.	Name of the Subsidiary Company	Country of incorporation	% of holding either directly or through subsidiaries	
			As at March 31, 2013	As at March 31, 2012
	Direct Subsidiaries			
1	Tata Daewoo Commercial Vehicle Co. Ltd	South Korea	100	100
2	TML Drivelines Ltd	India	100	100
3	TAL Manufacturing Solutions Ltd	India	100	100
4	Sheba Properties Ltd	India	100	100
5	Concorde Motors (India) Ltd	India	100	100
6	Tata Motors Insurance Broking & Advisory Services Ltd	India	100	100
7	Tata Motors European Technical Centre Plc	UK	100	100
8	Tata Technologies Ltd	India	72.32	72.41
9	Tata Motors Finance Ltd	India	100	100
10	Tata Marcopolo Motors Ltd	India	51	51
11	Tata Motors (Thailand) Ltd	Thailand	90.82	90.82
12	TML Holdings Pte Ltd, Singapore	Singapore	100	100
13	TML Distribution Company Ltd	India	100	100
14	Tata Motors (SA) (Proprietary) Ltd	South Africa	60	60
15	Tata Hispano Motors Carrocera S.A	Spain	100	100
16	Trilix S.r.l	Italy	80	80
17	Tata Precision Industries Pte Ltd	Singapore	78.39	78.39
18	PT Tata Motors Indonesia	Indonesia	100	100

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS

Sr No.	Name of the subsidiary company	Country of incorporation	% of holding either directly or through subsidiaries	
			As at March 31, 2013	As at March 31, 2012
	Indirect subsidiaries *			
19	Tata Technologies (Thailand) Ltd	Thailand	**72.32**	72.41
20	Tata Technologies Pte. Ltd, Singapore	Singapore	**72.32**	72.41
21	INCAT International Plc	UK	**72.32**	72.41
22	Tata Technologies Europe Ltd	UK	**72.32**	72.41
23	INCAT GmbH.	Germany	**72.32**	72.41
24	Tata Technologies Inc	USA	**72.52**	72.62
25	Tata Technologies de Mexico, S.A. de C.V.	Mexico	**72.52**	72.62
26	Tata Technologies (Canada) Inc.	Canada	**72.52**	72.62
27	Miljobil Greenland AS *(upto August 30, 2012)*	Norway	**-**	71.69
28	Jaguar Land Rover Automotive Plc *(formerly known as JaguarLandRover Plc)*	UK	**100**	100
29	Jaguar Land Rover Ltd *(formerly known as Jaguar Cars Overseas Holdings Ltd)*	UK	**100**	100
30	Jaguar Land Rover Austria GmbH	Austria	**100**	100
31	Jaguar Belux NV	Belgium	**100**	100
32	Jaguar Land Rover Japan Ltd	Japan	**100**	100
33	Jaguar Cars South Africa (pty) Ltd	South Africa	**100**	100
34	Jaguar Land Rover Exports Ltd	UK	**100**	100
35	The Daimler Motor Company Ltd	UK	**100**	100
36	The Jaguar Collection Ltd	UK	**100**	100
37	Daimler Transport Vehicles Ltd	UK	**100**	100
38	S.S. Cars Ltd	UK	**100**	100
39	The Lanchester Motor Company Ltd	UK	**100**	100
40	Jaguar Hispania SL	Spain	**100**	100
41	Jaguar Land Rover Deutschland GmbH	Germany	**100**	100
42	Land Rover	UK	**100**	100
43	Land Rover Group Ltd	Jersey	**100**	100
44	Jaguar Land Rover North America LLC	USA	**100**	100
45	Land Rover Belux SA/NV	Belgium	**100**	100
46	Land Rover Ireland Ltd	Ireland	**100**	100
47	Jaguar Land Rover Nederland BV *(formerly known as Land Rover Nederland BV)*	Netherlands	**100**	100
48	Jaguar Land Rover Portugal - Veiculos e Pecas, LDA	Portugal	**100**	100
49	Jaguar Land Rover Australia Pty Ltd	Australia	**100**	100
50	Land Rover Exports Ltd *(upto April 1, 2012)*	UK	**-**	100
51	Jaguar Land Rover Italia SpA	Italy	**100**	100
52	Land Rover Espana SL	Spain	**100**	100
53	Jaguar Land Rover Korea Co. Ltd	South Korea	**100**	100
54	Jaguar Land Rover Automotive Trading (Shanghai) Co. Ltd	China	**100**	100
55	Jaguar Land Rover Canada ULC	Canada	**100**	100
56	Jaguar Land Rover France, SAS	France	**100**	100
57	Jaguar Land Rover South Africa (pty) Ltd	South Africa	**100**	100
58	Jaguar Land Rover Brazil LLC	Brazil	**100**	100
59	Limited Liability Company "Jaguar Land Rover" (Russia)	Russia	**100**	100
60	Land Rover Parts Ltd	UK	**100**	100
61	Jaguar Land Rover (South Africa) Holdings Ltd.	UK	**100**	100
62	Jaguar Land Rover India Ltd *(incorporated w.e.f. October 25, 2012)*	India	**100**	-
63	Tata Hispano Motors Carroceries Maghreb	Morocco	**100**	100
64	Tata Daewoo Commercial Vehicle Sales and Distribution Co. Ltd.	South Korea	**100**	100
65	Tata Engineering Services (Pte) Limited (upto July 5, 2012)	Singapore	**-**	78.39
66	PT Tata Motors Distribusi Indonesia *(incorporated w.e.f. February 11, 2013)*	Indonesia	**99.59**	-
*	Effective holding % of the Company directly and through its subsidiaries.			

(e) **The following Joint Venture companies are considered in the consolidated financial statements:**

Sr No.	Name of the joint venture company	Country of incorporation	% of holding either directly or through subsidiaries	
			As at March 31, 2013	As at March 31, 2012
1	Fiat India Automobiles Limited	India	**50.00**	50.00
2	Tata HAL Technologies Ltd **	India	**36.16**	36.20
3	Chery Jaguar Land Rover Automotive Co Ltd *(incorporated in November 2012)*	China	**50**	-
4	Suzhou Chery Jaguar Land Rover Trading Co Ltd	China	**50**	-
**	Effective holding % of the Company as it is a Joint Venture of Tata Technologies Ltd			

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS

(II) Significant accounting policies :

(a) Revenue recognition

(i) **Sale of products**

The Company recognises revenue on the sale of products,net of discounts when the products are delivered to the dealer / customer or when delivered to the carrier for exports sales, which is when risks and rewards of ownership pass to the dealer / customer. Sales include income from services and exchange fluctuations relating to export receivables. Sales include export and other recurring and non-recurring incentives from the Government at the national and state levels. Sale of products is presented gross of excise duty where applicable, and net of other indirect taxes. Revenues are recognised when collectibility of the resulting receivables is reasonably assured.

(ii) **Revenue from sale of vehicles with guaranteed repurchase option /repurchase arrangement**

Some of the subsidiary companies sell vehicles to daily rental car companies and other fleet customers subject to guaranteed repurchase options and to Ford Motor Group management employees, with repurchase arrangements. At the time of sale, the proceeds are recorded as deferred revenue in other current liabilities and the cost of the vehicles are recorded as inventories. The difference between the proceeds and the guaranteed repurchase amount is recognised in Sales over the term of the arrangement, using a straight-line method. The difference between the cost of the vehicle and the estimated auction value is netted off against revenue over the term of the lease.

(iii) Revenue from software consultancy on time and materials contracts is recognised based on certification of time sheet and billed to clients as per the terms of specific contracts. On fixed price contracts, revenue is recognised based on milestone achieved as specified in the contracts on the proportionate completion method on the basis of the work completed. Foreseeable losses on such contracts are recognized when probable. Revenue from rendering annual maintenance services is recognised proportionately over the period in which services are rendered. Revenue from third party software products and hardware sale is recognised upon delivery.

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

(v) Interest income is recognized on the time basis determined by the amount outstanding and the rate applicable and where no significant uncertainty as to measurability or collectability exists.

(b) Depreciation and Amortisation

(i) Depreciation is provided on Straight Line Method basis (SLM) over the estimated useful lives of the assets. Estimated useful lives of assets are as follows:

Type of Asset	Estimated useful life
Leasehold Land	amortised over the period of the lease
Buildings	20 to 40 years
Plant, machinery and equipment	9 to 30 years
Computers and other IT assets	3 to 6 years
Vehicles	3 to 10 years
Furniture, fixtures and office appliances	3 to 20 years
Technical know-how	2 to 10 years
Developed technologies	10 years
Computer software	1 to 8 years

Special tools are amortised on a straight line basis over the lives of the model concerned, which is 7 to 10 years.

Capital assets, the ownership of which does not vest with the Company, other than leased assets, are depreciated over the estimated period of their utility or five years, whichever is less.

(ii) Product development costs are amortised over a period of 36 months to 120 months or on the basis of actual production to planned production volume over such period.

(iii) In respect of assets whose useful life has been revised, the unamortised depreciable amount has been charged over the revised remaining useful life.

(iv) Depreciation is not recorded on capital work-in-progress / intangible assets under development until construction and installation are complete and asset is ready for its intended use.

(c) Fixed Assets

(i) Fixed assets are stated at cost of acquisition or construction less accumulated depreciation / amortisation.

(ii) The product development cost incurred on new vehicle platform, engines, transmission and new products are recognised as fixed assets, when feasibility has been established, the Company has committed technical, financial and other resources to complete the development and it is probable that asset will generate probable future benefits.

(iii) Cost includes purchase price, taxes and duties, labour cost and directly attributable costs for self constructed assets and other direct costs incurred upto the date the asset is ready for its intended use. Borrowing cost incurred for qualifying assets is capitalised up to the date the asset is ready for intended use, based on borrowings incurred specifically for financing the asset or the weighted average rate of all other borrowings, if no specific borrowings have been incurred for the asset. The cost of acquisition is further adjusted for exchange differences relating to long term foreign currency borrowings attributable to the acquisition of depreciable asset w.e.f. April 1, 2007.

(iv) Software not exceeding Rs. 25,000 and product development costs relating to minor product enhancements, facelifts and upgrades are charged off to the Profit and Loss Statement as and when incurred.

(d) Impairment

At each Balance Sheet date, the Company assesses whether there is any indication that the fixed assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment, if any. Where it is not possible to estimate the recoverable amount of individual asset, the Company estimates the recoverable amount of the cash-generating unit to which the asset belongs. As per the assessment conducted by the Company at March 31, 2013, there were no indications that the fixed assets have suffered an impairment loss.

(e) Leases

(i) Finance lease

Assets acquired under finance leases are recognised at the lower of the fair value of the leased assets at inception and the present value of minimum lease payments. Lease payments are apportioned between the finance charge and the outstanding liability. The finance charge is allocated to periods during the lease term at a constant periodic rate of interest on the remaining balance of the liability. Assets given under finance leases are recognised as receivables at an amount equal to the net investment in the lease and the finance income is based on a constant rate of return on the outstanding net investment.

(ii) Operating lease

Leases other than finance lease ,are operating leases and the leased assets are not recognised on the Company's balance sheet. Payments under operating leases are recognised in the Profit and Loss Statement on a straight line basis over the lease term.

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS

(f) Transactions in foreign currencies and accounting of derivatives

(i) Exchange differences

Transactions in foreign currencies are recorded at the exchange rates prevailing on the date of the transaction. Foreign currency monetary assets and liabilities are translated at year end exchange rates.

(1) Exchange differences arising on settlement of transactions and translation of monetary items other than those covered by (2) below are recognised as income or expense in the year in which they arise. Exchange differences considered as borrowing cost are capitalised to the extent these relate to the acquisition / construction of qualifying assets and the balance amount is recognised in the Profit & Loss Statement.

(2) Exchange differences relating to long term foreign currency monetary assets / liabilities are accounted for with effect from April 1, 2007 in the following manner:

- Differences relating to borrowings attributable to the acquisition of the depreciable capital asset are added to / deducted from the cost of such capital assets.
- Other differences are accumulated in Foreign Currency Monetary Item Translation Difference Account, to be amortised over the period, beginning April 1, 2007 or date of inception of such item, as applicable, and ending on March 31, 2011 or the date of its maturity, whichever is earlier.
- Pursuant to notification issued by the Ministry of Corporate Affairs, on December 29, 2011, the exchange differences on long term foreign currency monetary items (other than those relating to acquisition of depreciable asset) are amortised over the period till the date of maturity or March 31, 2020, whichever is earlier.

(3) On consolidation, the assets, liabilities and goodwill or capital reserve arising on the acquisition, of the Group's overseas operations are translated at exchange rates prevailing on the balance sheet date. Income and expenditure items are translated at the average exchange rates for the year/month. Exchange differences arising in case of Integral Foreign operations are recognised in the Profit and Loss Statement and exchange differences arising in case of Non integral Foreign Operations are recognised in the Group's Translation Reserve classified under Reserves and surplus.

(ii) Hedge accounting

The Company uses foreign currency forward contracts to hedge its risks associated with foreign currency fluctuations relating to highly probable forecast transactions. With effect from April 1, 2008, the Company designates such forward contracts in a cash flow hedging relationship by applying the hedge accounting principles set out in Accounting Standard 30- Financial Instruments: Recognition and Measurement.

These forward contracts are stated at fair value at each reporting date. Changes in the fair value of these forward contracts that are designated and effective as hedges of future cash flows are recognised directly in Hedging Reserve Account under Reserves and Surplus, net of applicable deferred income taxes and the ineffective portion is recognised immediately in the Profit and Loss Statement.

Amounts accumulated in Hedging Reserve Account are reclassified to profit and loss in the same periods during which the forecasted transaction affects Profit and Loss Statement.

Hedge accounting is discontinued when the hedging instrument expires or is sold, terminated, or exercised, or no longer qualifies for hedge accounting. For forecasted transactions, any cumulative gain or loss on the hedging instrument recognised in Hedging Reserve Account is retained there until the forecasted transaction occurs.

If the forecasted transaction is no longer expected to occur, the net cumulative gain or loss recognised in Hedging Reserve Account is immediately transferred to the Profit and Loss Statement for the year.

(iii) Premium or discount on forward contracts other than those covered in (ii) above is amortised over the life of such contracts and is recognised as income and expense. Foreign currency options and other derivatives are stated at fair value as at the year end with change in fair value recognised in the Profit and Loss Statement.

(g) Product warranty expenses

The estimated liability for product warranties is recorded when products are sold. These estimates are established using historical information on the nature, frequency and average cost of warranty claims and management estimates regarding possible future incidence based on corrective actions on product failures. The timing of outflows will vary as and when warranty claim will arise - being typically upto five years.

(h) Income on vehicle loan

Interest income from loan contracts in respect of vehicles and income from plant given on lease, are accounted for by using the Internal Rate of Return method. Consequently, a constant rate of return on the net outstanding amount is accrued over the period of contract. The Company and its subsidiary provides an allowance for finance receivables that are in arrears for more than 11 months, to the extent of an amount equivalent to the outstanding principal and amounts due but unpaid considering probable inherent loss including estimated realisation based on past performance trends. In respect of loan contracts that are in arrears for more than 6 months but not more than 11 months, allowance is provided to the extent of 10% of the outstanding and amount due but unpaid.

(i) Sale of finance receivables

The Company and its subsidiary sells finance receivables to Special Purpose Entities ("SPE") in securitisation transactions. Recourse is in the form of the Company and its subsidiary's investment in subordinated securities issued by these special purpose entities, cash collateral and bank guarantees. The loans are derecognised in the balance sheet when they are sold and consideration has been received by the Company and its subsidiary. Sales and transfers that do not meet the criteria for surrender of control are accounted for as secured borrowings.

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS

Gains or losses from the sale of loans are recognised in the period the sale occurs based on the relative fair value of the portion sold and the portion allocated to retained interests, except for subsidiaries which are governed by prudential norms for income recognition issued by the Reserve Bank of India for Non Banking Financial Companies (NBFC), where gains or losses on sale are accounted for as per these norms.

In case of a subsidiary, the estimated liability for servicing expenses in respect of assigned receivables is made based on the ratio between the cost incurred for servicing current receivables and the collection made during the year.

(j) Inventories

Inventories are valued at the lower of cost and net realisable value. Cost of raw materials and consumables are ascertained on a moving weighted average / monthly moving weighted average basis, except for Jaguar and Land Rover which is on FIFO basis. Cost, including variable and fixed overheads, are allocated to work-in-progress and finished goods determined on full absorption cost basis. Net realisable value is estimated selling price in the ordinary course of business less estimated cost of completion and selling expenses.

(k) Employee benefits

(i) Pension plans

One of the major subsidiary group, Jaguar Land Rover, operates several defined benefit pension plans, which are contracted out of the second state pension scheme. The assets of the plan are held in separate trustee administered funds. The plans provide for monthly pension after retirement as per salary drawn and service period as set out in rules of each fund.

Contributions to the plans by the subsidiary group take into consideration the results of actuarial valuations. The plans with a surplus position at the year end have been limited to the maximum economic benefit available from unconditional rights to refund from the scheme or reduction in future contributions. Where the subsidiary group is considered to have a contractual obligation to fund the pension plan above the accounting value of the liabilities, an onerous obligation is recognised.

During the year ended and as at March 31, 2013, ₹ 2,354.13 crores (debit) (net of tax) and ₹ 6224.71 crores (debit) (net of tax) respectively have been accounted, in "Reserves and Surplus" representing changes in actuarial valuation of pension plans of a subsidiary company in the UK, in accordance with IFRS principles and permitted by AS 21 in the consolidated financial statements. This treatment is consistent with the accounting principles followed by subsidiary company in UK, under IFRS.

A separate defined contribution plan is available to employees of a major subsidiary group, Jaguar Land Rover. Costs in respect of this plan are charged to the Profit and Loss Statement as incurred.

(ii) Gratuity

The Company and some of its subsidiaries in India have an obligation towards gratuity, a defined benefit retirement plan covering eligible employees. The plan provides for a lump sum payment to vested employees at retirement, death while in employment or on termination of employment of an amount equivalent to 15 to 30 days salary payable for each completed year of service. Vesting occurs upon completion of five years of service. The Company and the said subsidiaries make annual contributions to gratuity funds established as trusts. Some subsidiaries have obtained insurance policies with the Life Insurance Corporation of India. The Company and some of its subsidiaries account for the liability for gratuity benefits payable in future based on an independent actuarial valuation as at Balance Sheet date.

(iii) Superannuation

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

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

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

The Company and some of its subsidiaries maintain separate irrevocable trusts for employees covered and entitled to benefits. The Company and its subsidiaries contributes up to 15% of the eligible employees' salary to the trust every year. Such contributions are recognised as an expense when incurred. The Company and the said subsidiaries have no further obligation beyond this contribution.

(iv) Bhavishya Kalyan Yojana (BKY)

Bhavishya Kalyan Yojana is an unfunded defined benefit plan. The benefits of the plan include pension in certain case, payable upto the date of normal superannuation had the employee been in service, to an eligible employee at the time of death or permanent disablement, while in service, either as a result of an injury or as certified by the Company's Medical Board. The monthly payment to dependents of the deceased / disabled employee under the plan equals 50% of the salary drawn at the time of death or accident or a specified amount, whichever is higher. The Company accounts for the liability for BKY benefits payable in future based on an independent actuarial valuation as at Balance Sheet date.

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS

(v) Severance indemnity

Tata Daewoo Commercial Vehicle Co. Ltd., and Tata Daewoo Commercial Vehicle Sales and Distribution Co. Ltd., subsidiary companies incorporated in Korea has an obligation towards severance indemnity, a defined benefit retirement plan, covering eligible employees. The plan provides for a lump sum payment to all employees with more than one year of employment equivalent to 30 days' salary payable for each completed year of service.

(vi) Post-retirement medicare scheme

Under this scheme, employees of the Company and some of its subsidiaries get medical benefits subject to certain limits of amount, periods after retirement and types of benefits, depending on their grade and location at the time of retirement. Employees separated from the Company as part of Early Separation Scheme, on medical grounds or due to permanent disablement are also covered under the scheme. The Company and the said subsidiaries account for the liability for post-retirement medical scheme based on an independent actuarial valuation as at Balance Sheet date.

(vii) Provident fund and family pension

The eligible employees of the Company and some of its subsidiaries are entitled to receive benefits in respect of provident fund, a defined contribution plan, in which both employees and the company/subsidiaries make monthly/annual contributions at a specified percentage of the covered employees' salary (currently 12% of employees' salary). The contributions, as specified under the law, are made to the provident fund and pension fund set up as irrevocable trust by the Company and its subsidiaries or to respective Regional Provident Fund Commissioner and the Central Provident Fund under the State Pension scheme. The Company and some of its subsidiaries are generally liable for monthly/annual contributions and any shortfall in the fund assets based on the government specified minimum rates of return or pension and recognises such contributions and shortfall, if any, as an expense in the year incurred.

(viii) Compensated absences

The Company and some of its subsidiaries provides for the encashment of leave or leave with pay subject to certain rules. The employees are entitled to accumulate leave subject to certain limits, for future encashment. The liability is provided based on the number of days of unutilized leave at each balance sheet date on basis of an independent actuarial valuation as at Balance Sheet date.

(l) Investments

i. Long term investments are stated at cost less other than temporary diminution in value, if any.

ii. Investment in associate companies are accounted as per the 'Equity method', and accordingly, the share of post acquisition reserves of each of the associate companies has been added to / deducted from the cost of investments.

iii. Current investments are stated at lower of cost and fair value. Fair value of investments in mutual funds are determined on portfolio basis.

(m) Income taxes

Tax expenses comprises current and deferred taxes. Current taxes are determined based on respective taxable income of each taxable entity and tax rules applicable for respective tax jurisdictions. Current tax is net of credit for entitlement for Minimum Alternative tax.

Deferred tax is recognised, on timing differences, being the difference between taxable income and accounting income that originate in one period and are capable of reversal in one or more subsequent periods.Deferred tax assets in respect of unabsorbed depreciation and carry forward of losses are recognised if there is virtual certainty that there will be sufficient future taxable income available to realise such losses.Such deferred tax assets and liabilities are computed separately for each taxable entity and for each taxable jurisdiction.

Deferred tax assets and liabilities are measured based on the tax rates that are expected to apply in the period when asset is realised or the liability is settled, based on tax rates and tax laws that have been enacted or substantially enacted by the balance sheet date.

The tax expense is not comparable with the profit before tax, since it is consolidated on a line-by-line addition for each subsidiary company and no tax effect is recorded in respect of consolidation adjustments. This accounting treatment is as per accounting standard AS-21.

(n) Redemption premium on Foreign Currency Convertible Notes (FCCN) / Non Convertible Debentures (NCD)

Premium payable on redemption of FCCN / NCD as per the terms of issue, is provided fully in the year of issue by adjusting against the Securities Premium Account (SPA) (net of tax). Any change in the premium payable, consequent to conversion or exchange fluctuations is adjusted to the SPA.

(o) Borrowing costs

Fees towards structuring / arrangements and underwriting and other incidental costs incurred in connection with borrowings are amortised over the period of the loan.

(p) Liabilities and contingent liabilities

The Company records a liability for any claims where a potential loss is probable and capable of being estimated and discloses such matters in its financial statements, if material. For potential losses that are considered possible, but not probable, the Company provides disclosure in the financial statements but does not record a liability in its accounts unless the loss becomes probable.

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS

(₹ in crores)

		As at March 31, 2013	As at March 31, 2012
2.	**Share Capital**		
(a)	**Authorised :**		
	350,00,00,000 Ordinary shares of ₹ 2 each (as at March 31, 2012: 350,00,00,000 Ordinary shares of ₹ 2 each)	**700.00**	700.00
	100,00,00,000 'A' Ordinary shares of ₹ 2 each (as at March 31, 2012: 100 ,00,00,000 'A' Ordinary shares of ₹ 2 each)	**200.00**	200.00
	30,00,00,000 Convertible Cumulative Preference shares of ₹ 100 each (as at March 31, 2012: 30,00,00,000 shares of ₹ 100 each)	**3,000.00**	3,000.00
		3,900.00	3,900.00
(b)	**Issued, subscribed and fully paid :**		
	270,81,56,151 Ordinary shares of ₹ 2 each (as at March 31, 2012: 269,16,13,455 Ordinary shares of ₹ 2 each)	**541.63**	538.32
	48,19,59,620 'A' Ordinary shares of ₹ 2 each (as at March 31, 2012: 48,19,33,115 'A' Ordinary shares of ₹ 2 each)	**96.40**	96.39
		638.03	634.71
(c)	**Calls unpaid** - Ordinary shares	**(0.01)**	(0.01)
(d)	**Forfeited Shares** - Ordinary shares	**0.05**	0.05
		638.07	634.75

(e) **Movement of number of shares and share capital :**

		2012-2013 No. of shares	2012-2013 (₹ in crores)	2011-2012 No. of shares	2011-2012 (₹ in crores)
(i)	**Ordinary shares**				
	Shares as on April 1	**269,16,13,455**	**538.32**	53,82,72,284	538.27
	Add: Shares issued out of held in abeyance	**-**	**-**	50,199	0.05
		269,16,13,455	**538.32**	53,83,22,483	538.32
	Subdivision of Ordinary shares of ₹ 10 each into 5 shares of ₹ 2 each	**-**	**-**	269,16,12,415	538.32
	Add: Shares issued out of held in abeyance	**1,125**	**-***	1,040	-*
	Add: Shares issued through conversion of Foreign Currency Convertible Notes (FCCN) / Convertible Alternative Reference Securities (CARS)	**1,65,41,571**	**3.31**	-	-
	Shares as on March 31	**270,81,56,151**	**541.63**	269,16,13,455	538.32
(ii)	**'A' Ordinary shares**				
	Shares as on April 1	**48,19,33,115**	**96.39**	9,63,41,706	96.34
	Add: Shares issued out of held in abeyance	**-**	**-**	44,765	0.05
		48,19,33,115	**96.39**	9,63,86,471	96.39
	Subdivision of 'A' Ordinary shares of ₹ 10 each into 5 shares of ₹ 2 each	**-**	**-**	48,19,32,355	96.39
	Add: Shares issued out of held in abeyance	**26,505**	**0.01**	760	-*
	Shares as on March 31	**48,19,59,620**	**96.40**	48,19,33,115	96.39

* Less than ₹ 5,000/-

(f) **Rights, preferences and restrictions attached to shares :**

(i) **Ordinary shares of ₹ 2 each :**

- In respect of every Ordinary share (whether fully paid or partly paid), voting right shall be in the same proportion as the capital paid upon such Ordinary share bears to the total paid up ordinary capital of the Company.
- The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting. Further, the Board of Directors may also announce an interim dividend.
- In the event of liquidation, the shareholders of Ordinary shares are eligible to receive the remaining assets of the Company after distribution of all preferential amounts, in proportion to their shareholdings.

(ii) **'A' Ordinary shares of ₹ 2 each :**

- The holders of 'A' Ordinary shares shall be entitled to receive dividend for each financial year at five percentage point more than the aggregate rate of dividend declared on Ordinary shares for that financial year.
- If any resolution at any general meeting of shareholders is put to vote on poll, or if any resolution is put to vote by postal ballot, each 'A' Ordinary shareholders shall be entitled to one vote for every ten 'A' Ordinary shares held as per the terms of its issue.
- In the case there is a resolution put to vote in the shareholders meeting and is to be decided on a show of hands, the holders of 'A' Ordinary shares shall be entitled to the same number of votes as available to holders of Ordinary shares.

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS

(iii) American Depository Shares (ADSs) and Global Depositary Shares (GDSs) :

- Holders of ADS and GDS are not entitled to attend or vote at shareholders meetings. Holders of ADS may exercise voting rights with respect to the Ordinary shares represented by ADS only in accordance with the provisions of the Company's ADS deposit agreement and Indian Law. The depository for the holders of the Global Depository Receipts (GDRs) shall exercise voting rights in respect of the GDS by issue of an appropriate proxy or power of attorney in terms of the deposit agreement pertaining to the GDRs.
- Shares issued upon conversion of ADSs will rank pari passu with existing Ordinary shares of ₹ 2 each in all respects, including entitlement of the dividend declared.

(g) Number of shares held by each shareholder holding more than 5 percent of the issued share capital

			As at March 31, 2013		As at March 31, 2012	
			% of Issued share capital	**No. of shares**	% of Issued share capital	No of shares
(i)	**Ordinary shares :**					
	(a)	Tata Sons Limited	**25.93%**	**70,23,33,345**	25.96%	69,88,33,345
	(b)	Tata Steel Limited	**5.46%**	**14,78,10,695**	5.49%	14,78,10,695
	(c)	Life Insurance Corporation of India	*	-	6.75%	18,17,10,232
	(d)	Citibank N A as Depository	#	**49,80,91,115**	#	43,54,28,360
(ii)	**'A' Ordinary shares :**					
	(a)	HDFC Trustee Co Limited - HDFC Top 200 Fund	**6.10%**	**2,93,87,761**	6.67%	3,21,37,761
	(b)	HSBC Global Investment Funds a/c HSBC Global Investment Funds Mauritius Ltd	**5.97%**	**2,87,89,306**	-	-
	(c)	HDFC Trustee Co Limited - HDFC Equity Fund	**5.37%**	**2,58,78,932**	6.07%	2,92,46,932
#	held by Citibank, N.A. as depository for American Depository Shares (ADSs) and Global Depository Shares (GDSs)					
*	Less than 5%					

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

(i) The Company has not issued any shares without payment being received in cash.

(ii) There has been no issue of bonus shares.

(iii) The Company has not undertaken any buy-back of shares.

(i) Other Notes

(i) The Company has issued the Foreign Currency Convertible Notes (FCCNs) which are convertible into Ordinary shares or ADSs. The terms of issue along with the earliest dates of conversion are given on page 177, note (3).

(ii) The entitlements to 4,91,875 Ordinary shares of ₹ 2 each (as at March 31, 2012 : 4,93,000 Ordinary shares of ₹ 2 each) and 2,46,895 'A' Ordinary shares of ₹ 2 each (as at March 31, 2012: 2,73,400 'A' Ordinary shares of ₹ 2 each) are subject matter of various suits filed in the courts / forums by third parties for which final order is awaited and hence kept in abeyance.

(iii) Subsequent to the year ended March 31, 2013, the Company has alloted :

1,17,89,695 Ordinary shares upon conversion of 306, 4% Foreign Currency Convertible Notes (FCCN) due 2014.

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS

(₹ in crores)

		As at March 31, 2012	Additions	Deductions	As at March 31, 2013
3.	**Reserves and surplus**				
(a)	Securities Premium Account [Notes (i) and (ii)]	**11,186.76**	**233.31**	**91.50**	**11,328.57**
		11,350.68	9.18	173.10	11,186.76
(b)	Capital Redemption Reserve	**2.28**	**-**	**-**	**2.28**
		2.28	-	-	2.28
(c)	Capital Reserve (on consolidation) [Note (iii)]	**405.36**	**34.85**	**-**	**440.21**
		367.30	38.06	-	405.36
(d)	Debenture Redemption Reserve	**1,172.15**	**-**	**130.00**	**1,042.15**
		1,102.15	70.00	-	1,172.15
(e)	Amalgamation Reserve	**0.05**	**-**	**-**	**0.05**
		0.05	-	-	0.05
(f)	Special Reserve	**145.05**	**63.14**	**-**	**208.19**
		95.76	49.29	-	145.05
(g)	Revaluation Reserve [Note (iv)]	**92.90**	**-**	**53.30**	**39.60**
		144.63	-	51.73	92.90
(h)	Hedging Reserve Account [Note (v)]	**(161.17)**	**-**	**1,416.90**	**(1,578.07)**
		208.76	-	369.93	(161.17)
(i)	Pension Reserve [Note (vi)]	**(3,870.58)**	**1,618.47**	**3,972.60**	**(6,224.71)**
		(3,998.70)	1,619.10	1,490.98	(3,870.58)
(j)	Earned Surplus Reserve [Note (vii), page 175]	**14.51**	**-**	**-**	**14.51**
		11.83	2.68	-	14.51
(k)	Reserves for Research and Human Resource Development [Note (viii), page 175]	**169.29**	**-**	**-**	**169.29**
		155.88	13.41	-	169.29
(l)	Restricted Reserve	**0.39**	**-**	**-**	**0.39**
		0.39	-	-	0.39
(m)	Translation Reserve [Note (ix), page 175]	**177.46**	**104.81**	**-**	**282.27**
		(2,186.13)	2,363.59	-	177.46
(n)	General Reserve [Note (x), page 175]	**4,984.77**	**83.79**	**-**	**5,068.56**
		4,817.39	185.17	17.79	4,984.77
(o)	Foreign Currency Monetary Item Translation Difference Account (Net) [Note (xi), page 175]	**(451.43)**	**(1,245.17)**	**(562.73)**	**(1,133.87)**
		-	(1,086.52)	(635.09)	(451.43)
(p)	Profit and Loss Account / Surplus [Note (xii), page 175]	**18,195.96**	**10,022.61**	**878.76**	**27,339.81**
		6,461.49	13,516.50	1,782.03	18,195.96
		32,063.75	**10,915.81**	**5,980.33**	**36,999.23**
		18,533.76	16,780.46	3,250.47	32,063.75

Notes:-		**2012 - 2013**		2011 - 2012	
		Additions	**Deductions**	Additions	Deductions
(i)	The opening and closing balances of Securities Premium Account are net of calls in arrears of ₹ 0.03 crore				
(ii)	**Securities Premium Account :**				
	(a) Premium on shares issued on conversion of Foreign Currency Convertible Notes (FCCN) / Convertible Alternative Reference Securities (CARS) and held in abeyance out of rights issue of shares [previous year premium on shares issued which were held in abeyance out of rights issue of shares]	**229.68**	**-**	2.98	-
	(b) Share issue expenses and brokerage, stamp duty and other fees on Non-Convertible Debentures [net of tax of ₹ **1.75 crores** (2011-12 ₹ Nil)]	**-**	**91.50**	-	76.69
	(c) Premium on redemption of FCCN / CARS, exchange differences and withholding tax [net of tax ₹ **12.31 crores** (2011-12 ₹ 15.99 crores)]	**3.63**	**-**	-	96.41
	(d) Profit on sale of plant items written off in earlier years	**-**	**-**	6.20	-
		233.31	**91.50**	9.18	173.10
(iii)	The addition to Capital Reserve represents exchange gain on opening balances in respect of foreign subsidiaries.				
(iv)	**Revaluation Reserve :**				
	(a) Depreciation on revalued portion of assets taken over on amalgamation of a company	**-**	**0.44**	-	0.44
	(b) Depreciation on revalued portion of assets of a subsidiary company	**-**	**52.86**	-	51.29
		-	**53.30**	-	51.73
(v)	The deduction to Hedging Reserve Account is net of tax ₹ **423.35 crores** (2011-12 ₹ 45.88 crores).				
(vi)	**Pension Reserve :**				
	(a) Actuarial losses (net)	**-**	**3,972.60**	-	1,490.98
	(b) Movement in restriction of pension assets	**991.73**	**-**	346.60	-
	(c) Tax impact on acturial losses (net) and movement in restriction of pension assets	**626.74**	**-**	1,272.50	-
		1,618.47	**3,972.60**	1,619.10	1,490.98

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS

(vii) Under the Korean Commercial Code, Tata Daewoo Commercial Vehicle Company Ltd. (TDCV), a subsidiary, is required to appropriate annually at least 10% of cash dividend declared each year to a legal reserve, Earned Surplus Reserve until such reserve equals 50% of capital stock of TDCV. This reserve may not be utilized for cash dividends but may only be used to offset against future deficit, if any, or may be transferred to capital stock of TDCV.

(viii) **Reserve on Research and Human Resource Development :**

Under the Special Tax Treatment Control Law, TDCV appropriated retained earnings for research and human resource development. The reserve, which was used for its own purpose, is regarded as 'Discretionary Appropriated Retained Earnings'.

(ix) Translation Reserves represents conversion of balances in functional currency of foreign subsidiaries (net of minority share) and associates. [Note (f)(i)(3), page 169]

(₹ in crores)

		2012 - 2013		2011 - 2012	
		Additions	**Deductions**	Additions	Deductions
(x)	**General Reserve :**				
	(a) Amount recovered (net) towards indemnity relating to business amalgamated in prior year	**0.08**	**-**	0.04	-
	(b) Amount written off / written back by a subsidiary against Securities Premium Account [net of tax of ₹ **Nil** (2011-12: ₹ 1.50 crores)]	**0.02**	**-**	0.77	3.13
	(c) Amount written off by an associate against Securities Premium Account	**-**	**-**	-	14.66
	(d) Government grants / incentives received by an associate	**24.21**	**-**	26.33	-
	(e) Amount transferred from Profit and Loss Account / Surplus	**59.48**	**-**	158.03	-
		83.79	**-**	185.17	17.79
(xi)	**Foreign Currency Monetary Item Translation Difference Account :**				
	(a) Exchange loss during the year (net)	**(1,245.17)**	**-**	(1,086.52)	-
	(b) Amortisation of exchange fluctuation for the year	**-**	**(562.73)**	-	(635.09)
		(1,245.17)	**(562.73)**	(1,086.52)	(635.09)
(xii)	**Profit and Loss Account / Surplus :**				
	(a) Profit for the year	**9,892.61**	**-**	13,516.50	-
	(b) Tax on interim dividend by subsidiaries (including Group's share of subsidiaries' dividend tax)	**-**	**4.54**	-	3.00
	(c) Proposed dividend	**-**	**645.20**	-	1,280.70
	(d) Tax on proposed dividend (including Group's share of subsidiaries' dividend tax)	**-**	**106.40**	-	204.92
	(e) Debenture Redemption Reserve	**130.00**	**-**	-	70.00
	(f) General Reserve	**-**	**59.48**	-	158.03
	(g) Special Reserve	**-**	**63.14**	-	49.29
	(h) Earned Surplus Reserve	**-**	**-**	-	2.68
	(i) Reserve for Research and Human Resource Development	**-**	**-**	-	13.41
		10,022.61	**878.76**	13,516.50	1,782.03

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS

(₹ in crores)

	As at March 31, 2013	As at March 31, 2012
4. Long-term Borrowings		
(A) Secured :		
(a) Privately placed Non-Convertible Debentures [Notes 1(a) below, 2(a), 2(b) and 2(c), page 177]	**4,108.21**	4,646.65
(b) Term loans :		
(i) From banks [Notes 1(b) below, 2(d) and 2(e), page 177]	**4,848.82**	2,957.52
(ii) From others [Note 2(f), page 177]	**167.20**	-
(c) Finance Lease Obligations [Notes 30(A) (a) (ii), page 188]	**33.14**	32.28
	9,157.37	7,636.45
(B) Unsecured :		
(a) Foreign Currency Convertible Notes (FCCN) [Note 3, page 177]	**402.25**	597.36
(b) Privately placed Non-Convertible Debentures [Note 1(a) below]	**3,239.80**	1,049.40
(c) Subordinated perpetual debentures	**250.00**	150.00
(d) Term loans :		
(i) From banks [Note 1(b) below]	**3,502.86**	5,668.26
(ii) From others	**213.62**	216.59
(e) Senior Notes [Note 36 (c)(i), page 196]	**15,344.17**	12,327.19
(f) Deposits :		
(i) Deposits accepted from public	**-**	238.28
(ii) Deposits accepted from shareholders	**-**	78.95
	22,952.70	20,326.03
TOTAL (A+B)	**32,110.07**	27,962.48

	As at March 31, 2013	As at March 31, 2012
5. Short-term borrowings		
(A) Secured :		
(a) Loan from banks [Note 2(d), page 177]	**7,744.41**	7,937.59
(b) Loan from others	**79.26**	200.00
	7,823.67	8,137.59
(B) Unsecured :		
(a) (i) Loan from banks	**996.38**	1,266.67
(ii) Loan from others	**7.36**	54.38
(b) Inter corporate deposits from associates	**29.50**	30.00
(c) Commercial paper	**2,755.30**	1,252.95
	3,788.54	2,604.00
TOTAL (A+B)	**11,612.21**	10,741.59

Notes :

(1) Terms of redemption / repayments :

(a) Privately placed Non-Convertible Debentures will be redeemed from 2014-15 to 2025-26.

(b) Term Loans from Banks are repayable from 2014-15 to 2018-19.

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS

Notes :

(2) Nature of Security (on loans including interest accrued thereon) :

(a) During the year 2009-10, the Company issued 2% secured non-convertible credit enhanced rupee debentures in four tranches, having tenor upto seven years, aggregating ₹ 4,200 crores on a private placement basis. These are secured by a second charge in favour of Vijaya Bank, Debenture Trustee and first ranking pari passu charge in favour of State Bank of India as security trustee on behalf of the guarantors, by way of English mortgage of the Company's lands, freehold and leasehold, together with all buildings, constructions and immovable and movable properties situated at Chinchwad, Pimpri, Chikhali and Maval in Pune District and plant and machinery and other movable assets situated at Pantnagar in the State of Uttarakhand and at Jamshedpur in the state of Jharkhand. As at March 31, 2013 ₹ 3,050 crores is outstanding, of which ₹ 1,800 crores are classified as current liabilities being maturing before March 31, 2014.

(b) Rated, Listed, Secured, 9.95% Coupon, Non-Convertible Debentures amounting to ₹ 200 crores and 10.25% Coupon, Non-Convertible Debentures amounting to ₹ 500 crores are secured by a pari passu charge by way of an English mortgage of the Company's freehold land together with immovable properties, plant and machinery and other movable assets (excluding stock and book debts) situated at Sanand in the State of Gujarat.

(c) Privately placed non-convertible debentures amounting to ₹ 3,524.90 crores are fully secured by :

(i) First charge on residential flat of Tata Motors Finance Limited (TMFL), a subsidiary of the Company

(ii) Pari - passu charge is created with the security trustee for loans from banks on:
- All receivables of TMFL arising out of loan and trade advances,
- All book debts of TMFL arising out of loan and trade advances,
- Receivables from Senior and Junior pass through certificates of TMFL.

(iii) First charge on secured / unsecured loans given by TMFL as identified from time to time and accepted by the debenture trustee.

(iv) Any other security as identified by TMFL and acceptable to the debenture trustee.

(d) Loans from Banks are secured by hypothecation of existing current assets of the Company viz. stock of raw materials, stock in process, semi-finished goods, stores and spares not relating to plant and machinery (consumable stores and spares), bills receivable and book debts including receivable from hire purchase / leasing and all other moveable current assets except cash and bank balances, loans and advances of the Company both present and future.

(e) Term loans from banks amounting to ₹ 4,075 crores are secured by a pari passu charge in favour of the security trustee on receivables and book debts arising out of loans and advances and such current assets as may be identified by TMFL from time to time and accepted by the security trustee.

(f) Term loan from others carries simple interest at the rate of 0.10 % p.a. and is secured by a subservient charge against the Company's freehold land together with immovable properties, plant and machinery and other movable assets (excluding stock and book debts) situated at Sanand in the State of Gujarat.

(3) Foreign Currency Convertible Notes (FCCN) and Convertible Alternative Reference Securities (CARS) :

The Company issued the FCCN and CARS which are convertible into Ordinary Shares or ADSs. The particulars, terms of issue and the status of conversion as at March 31, 2013 are given below :

Issue	**0% CARS (due 2012)**	**4% FCCN (due 2014)**
Issued on	July 11, 2007	October 15, 2009
Issue Amount (in INR at the time of the issue)	US $ 490 million (₹ 1,992.71 crores)	US $ 375 million (₹ 1,794.19 crores)
Face Value	US $ 100,000	US $ 100,000
Conversion Price per share at fixed exchange rate	₹ 960.96 US $ 1 = ₹ 40.59	₹ 623.88 US $ 1 = ₹ 46.28
Reset Conversion Price (due to rights issue, GDS issue and subdivision of shares)	₹ 181.43 US $ 1 = ₹ 40.59	₹ 120.12 US $ 1 = ₹ 46.28
Exercise Period	October 11, 2011 to June 12, 2012	November 25, 2009 (for conversion into shares or GDSs) and October 15, 2010 (for conversion into ADSs) to October 9, 2014
Early redemption at the option of the Company subject to certain conditions	i) after October 11, 2011 at our option (in whole but not in part) or ii) any time (in whole but not in part) in the event of certain changes affecting taxation in India	i) any time on or after October 15, 2012 (in whole but not in part) at our option or ii) any time (in whole but not in part) in the event of certain changes affecting taxation in India
Redeemable on	July 12, 2012	October 16, 2014
Redemption percentage of the Principal Amount	131.820%	108.505%
Amount converted	US $ 0.10 million	US $ 300.9 million
Aggregate conversion into ADRs (in terms of equivalent shares) and Shares.	22,370	11,36,37,871
Aggregate Notes Redeemed	4,729	Nil
Aggregate Notes Bought Back	Nil	Nil
Notes Outstanding as at March 31, 2013	Nil	741
Amount outstanding as at March 31, 2013	Nil	US $ 74.10 million (₹ 402.25 crores)
Aggregate amount of shares that could be issued on conversion of outstanding notes	Nil	2,85,49,588 @

@ Increased due to cash dividend distribution antidilution adjustment as per terms of issue.

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS

(₹ in crores)

			As at March 31, 2013	As at March 31, 2012
6.	(a)	**Deferred tax assets and liabilities (net) classified on a company wise basis :**		
		(i) Deferred tax asset	**4,428.93**	4,539.33
		(ii) Deferred tax liability	**(2,019.49)**	(2,165.07)
		Net deferred tax asset	**2,409.44**	2,374.26
	(b)	**Major components of deferred tax arising on account of timing differences are:**		
		Liabilities:		
		Depreciation	**(1,512.57)**	(1,522.35)
		Intangibles / Product development cost and Reserves for Research and Human Resource Development	**(7,030.54)**	(5,711.42)
		Others	**(80.01)**	(137.80)
			(8,623.12)	(7,371.57)
		Assets:		
		Unabsorbed depreciation/ business loss	**7,097.92**	6,984.83
		Employee benefits / expenses allowable on payment basis	**3,026.23**	2,122.29
		Provision for doubtful debts	**340.77**	326.85
		Premium on redemption of CARS (net of exchange fluctuation on premium)	**-**	126.74
		Others	**567.64**	185.12
			11,032.56	9,745.83
		Net deferred tax asset	**2,409.44**	2,374.26
	(c)	**Tax expenses / (credit) :**	**2012 - 2013**	2011 - 2012
		(i) Current tax		
		Current tax	**2,778.63**	2,524.74
		Less : MAT credit entitlement	**(61.89)**	(293.29)
		Current tax (net of credit for Minimum Alternate Tax)	**2,716.74**	2,231.45
		(ii) Deferred tax charge / (credit)	**1,054.25**	(2,271.49)
		Total (i + ii)	**3,770.99**	(40.04)
	(d)	**Deferred tax charge / (credit) for the year**	**2012 - 2013**	2011 - 2012
		Opening net deferred tax assets / (liability)	**2,374.26**	(1,463.79)
		(Debited) / Credited to Securities Premium Account	**14.06**	15.99
		(Debited) / Credited to Hedging Reserve	**423.35**	45.88
		(Debited) / Credited to Pension Reserve	**626.74**	1,272.50
		(Debited) / Credited to General Reserve	**-**	1.50
		Translation differences in respect of foreign subsidiaries	**25.28**	230.69
			3,463.69	102.77
		Closing net deferred tax assets	**2,409.44**	2,374.26
		Deferred tax charge / (credit) for the year [Note below]	**1,054.25**	(2,271.49)

Notes :

During the year ended March 31, 2012, a UK subsidiary company has recognised a tax credit of GBP 225 million (₹ 1,793.66 crores) for past income tax losses, consequent to establishing certainty of utilization on the basis of future profit forecasts and the planned consolidation of certain subsidiaries in the UK.

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS

(₹ in crores)

		As at March 31, 2013	As at March 31, 2012
7.	**Other long-term liabilities**		
(a)	Liability towards premium on redemption of Non-Convertible Debentures	**919.23**	1,577.28
(b)	Deferred payment liabilities	**237.00**	286.25
(c)	Interest accrued but not due on borrowings	**2.21**	33.24
(d)	Derivative financial instruments	**1,733.50**	271.31
(e)	Others	**392.12**	129.49
		3,284.06	2,297.57

		As at March 31, 2013	As at March 31, 2012
8.	**Other current liabilities**		
(a)	Liability towards vehicles sold under repurchase arrangements	**1,501.38**	1,253.44
(b)	Liability for capital expenditure	**1,958.12**	962.00
(c)	Deposits and retention money	**183.23**	187.19
(d)	Interest accrued but not due on borrowings	**738.73**	762.56
(e)	Current maturities of long term borrowings (Note below)	**9,869.10**	8,444.89
(f)	Deferred payment Liabilities	**63.82**	75.30
(g)	Advance and progress payments from customers	**2,084.58**	2,368.83
(h)	Statutory dues (VAT, Excise, Service Tax, Octroi etc)	**2,973.04**	3,664.53
(i)	Employee benefit obligations	**49.76**	52.42
(j)	Liability towards premium on redemption of Non-Convertible Debentures	**658.05**	96.55
(k)	Liability towards Investors Education and Protection Fund under Section 205C of the Companies Act, 1956 (IEPF) not due	**100.01**	190.05
(l)	Derivative financial instruments	**1,704.97**	906.13
(m)	Others	**256.17**	105.89
		22,140.96	19,069.78
	Note :		
	Current maturities of long term borrowings consists of :		
(i)	Privately placed Non-Convertible Debentures	**3,002.03**	875.00
(ii)	Term loans from banks and others	**6,535.52**	3,404.97
(iii)	Finance lease obligations	**17.41**	14.15
(iv)	Convertible Alternative Reference Securities (CARS)	**-**	2,406.74
(v)	Deposits accepted from public and shareholders	**314.14**	1,744.03
		9,869.10	8,444.89

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS

(₹ in crores)

			As at March 31, 2013	As at March 31, 2012
9.	**Long-term provisions**			
	(a)	Employee benefit obligations	**4,381.60**	3,026.91
	(b)	Warranty and product liability [Note 34(i), page 195]	**3,560.44**	2,520.77
	(c)	Premium on redemption of Foreign Currency Convertible Notes (FCCN) [Note 34(ii), page 195]	**34.21**	56.77
	(d)	Residual risk [Note 34(iii), page 195]	**106.27**	113.40
	(e)	Environmental cost [Note 34(iv), page 195]	**179.32**	164.86
	(f)	Current income tax (net of payment)	**-**	147.88
	(g)	Others	**57.31**	201.80
			8,319.15	6,232.39

			As at March 31, 2013	As at March 31, 2012
10.	**Short term provisions**			
	(a)	Employee benefit obligations	**2,032.51**	424.46
	(b)	Warranty and product liability [Note 34(i), page 195]	**3,110.02**	2,731.40
	(c)	Current income tax (net of payment)	**1,792.02**	1,163.83
	(d)	Premium on redemption of Convertible Alternative Reference Securities (CARS) [Note 34(ii), page 195]	**-**	855.73
	(e)	Proposed dividend	**645.20**	1,280.70
	(f)	Provision for tax on dividends	**109.49**	206.30
	(g)	Residual risk [Note 34(iii), page 195]	**13.40**	17.58
	(h)	Others	**49.95**	90.38
			7,752.59	6,770.38

			As at March 31, 2013	As at March 31, 2012
11.	**Trade payables**			
	(a)	Acceptances	**4,393.13**	4,078.74
	(b)	Other than acceptances	**40,387.01**	32,607.58
			44,780.14	36,686.32

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS

12. Tangible assets

(₹ in crores)

Particulars	Cost as at April 1, 2012	Additions/ adjustments [Note (ii)]	Translation adjustments	Deductions/ adjustments	Cost as at March 31, 2013	Accumulated depreciation as at April 1, 2012	Depreciation for the year	Translation adjustment- accumulated depreciation	Deductions/ adjustments	Accumulated depreciation up to March 31, 2013 [Note (iii)]	Net book value as at March 31, 2013
[I] Owned assets :											
(i) Land	**1,697.51** 1,559.31	**27.51** -	**30.50** 138.20	**61.91** -	**1,693.61** 1,697.51	**-** -	**-** -	**-** -	**-** -	**-** -	**1,693.61** 1,697.51
(ii) Buildings	**8,967.68** 7,750.37	**510.44** 533.65	**124.72** 697.81	**1,418.84** 14.15	**8,184.00** 8,967.68	**4,604.81** 3,946.04	**208.63** 169.17	**93.34** 489.96	**1,391.91** 0.36	**3,514.87** 4,604.81	**4,669.13** 4,362.87
(iii) Plant, machinery and equipment [Note (i)]	**56,879.81** 47,156.11	**8,724.96** 5,509.75	**128.84** 4,431.15	**3,145.31** 217.20	**62,588.30** 56,879.81	**36,860.38** 30,631.95	**3,556.85** 2,942.65	**272.73** 3,455.68	**3,036.88** 169.90	**37,653.08** 36,860.38	**24,935.22** 20,019.43
(iv) Furniture, fixtures and office appliances [Note (i)]	**603.65** 465.14	**162.62** 112.36	**3.20** 38.81	**66.52** 12.66	**702.95** 603.65	**382.06** 308.80	**44.48** 51.09	**5.40** 31.61	**59.07** 9.44	**372.87** 382.06	**330.08** 221.59
(v) Vehicles [Note (i)]	**357.64** 255.97	**98.11** 145.16	**9.83** 19.13	**214.36** 62.62	**251.22** 357.64	**148.69** 122.53	**50.54** 56.02	**3.14** 5.17	**80.61** 35.03	**121.76** 148.69	**129.46** 208.95
(vi) Computers & other IT assets [Note (i)]	**1,315.78** 1,178.38	**48.17** 85.03	**28.63** 76.83	**464.39** 24.46	**928.19** 1,315.78	**1,027.85** 892.11	**72.00** 91.40	**26.84** 66.14	**460.07** 21.80	**666.62** 1,027.85	**261.57** 287.93
[II] Assets given on lease :											
(i) Plant & machinery	**395.93** 398.96	**6.26** -	**-** -	**-** 3.03	**402.19** 395.93	**380.15** 382.24	**4.52** 4.86	**-** -	**4.52** 6.95	**380.15** 380.15	**22.04** 15.78
[III] Assets taken on lease :											
(i) Leasehold land	**265.54** 259.48	**1.86** 3.36	**(0.69)** 12.42	**1.38** 9.72	**265.33** 265.54	**55.64** 46.33	**3.64** 8.91	**1.69** 0.40	**32.55** -	**28.42** 55.64	**236.91** 209.90
(ii) Buildings	**46.27** 41.42	**11.62** 5.34	**0.21** 0.37	**3.04** 0.86	**55.06** 46.27	**10.11** 6.35	**2.92** 0.99	**0.20** 2.34	**3.99** (0.43)	**9.24** 10.11	**45.82** 36.16
(iii) Plant & machinery	**39.15** 39.15	**-** -	**(0.16)** -	**0.10** -	**38.89** 39.15	**31.40** 28.76	**3.33** 2.62	**-** 0.02	**0.10** -	**34.63** 31.40	**4.26** 7.75
(iv) Computers & other IT assets	**115.57** 66.35	**38.22** 49.37	**-** 0.29	**-** 0.44	**153.79** 115.57	**64.86** 43.31	**31.27** 21.43	**-** 0.12	**-** -	**96.13** 64.86	**57.66** 50.71
TOTAL TANGIBLE ASSETS	**70,684.53** 59,170.64	**9,629.77** 6,444.02	**325.08** 5,415.01	**5,375.85** 345.14	**75,263.53** 70,684.53	**43,565.95** 36,408.42	**3,978.18** 3,349.14	**403.34** 4,051.44	**5,069.70** 243.05	**42,877.77** 43,565.95	**32,385.76** 27,118.58

(i) Includes plant, machinery and equipment, furniture, fixtures and office equipments, vehicles and computers having gross block of ₹ **204.28 crores,** ₹ **1.15 crores,** ₹ **1.67 crores** and ₹ **165.64 crores** (as at March 31, 2012 ₹ 158.58 crores, ₹ 1.41 crores, ₹ 1.57 crores and ₹ 119.50 crores) and net block of ₹ **6.41 crores,** ₹ **0.08 crore,** ₹ **0.02 crore** and ₹ **0.53 crore** (as at March 31, 2012 ₹ 5.51 crores, ₹ 0.08 crore, ₹ 0.02 crore and ₹ 0.28 crore) respectively, held for disposal.

(ii) Additions / adjustments include capitalisation of exchange loss of ₹ **169.22 crores** (2011-2012 capitalisation of exchange loss of ₹ 165.08 crores).

(iii) Accumulated depreciation includes :
(a) Lease equalisation of ₹ **4.52 crores** (2011-2012 ₹ 4.51 crores) adjusted in lease rental income.
(b) Depreciation of ₹ **53.30 crores** (2011-2012 ₹ 51.73 crores) on revalued portion of gross block transferred to Revaluation Reserve.

13. Intangible assets

Particulars	Cost as at April 1, 2012	Additions/ adjustments*	Translation adjustments	Deductions/ adjustments	Cost as at March 31, 2013	Accumulated amortisation as at April 1, 2012	Amortisa- tion for the year	Translation adjustment- accumulated depreciation	Deductions/ adjustments	Accumulated amortisation up to March 31, 2013	Net book value as at March 31, 2013
(i) Technical know-how	**37.42** 37.29	**-** 0.12	**-** 0.01	**-** -	**37.42** 37.42	**26.81** 26.29	**-** 0.52	**-** -	**-** -	**26.81** 26.81	**10.61** 10.61
(ii) Computer software	**2,255.27** 1,686.07	**392.16** 383.59	**31.94** 208.00	**697.32** 22.39	**1,982.05** 2,255.27	**1,458.34** 1,056.21	**329.24** 287.02	**27.13** 126.75	**695.06** 11.64	**1,119.65** 1,458.34	**862.40** 796.93
(iii) Product development cost	**12,538.61** 6,828.41	**9,011.35** 4,946.72	**(324.33)** 763.48	**207.32** -	**21,018.31** 12,538.61	**4,066.28** 1,948.45	**3,160.54** 1,890.37	**(93.13)** 227.51	**145.24** 0.05	**6,988.45** 4,066.28	**14,029.86** 8,472.33
(iv) Trade marks & brand	**3,241.66** 2,841.73	**-** -	**22.82** 399.93	**-** -	**3,264.48** 3,241.66	**-** -	**-** -	**-** -	**-** -	**-** -	**3,264.48** 3,241.66
(v) Developed technologies	**1,021.65** 898.79	**5.89** -	**(22.60)** 122.86	**-** -	**1,004.94** 1,021.65	**395.09** 259.30	**101.34** 98.33	**(4.29)** 37.46	**-** -	**492.14** 395.09	**512.80** 626.56
TOTAL INTANGIBLE ASSETS	**19,094.61** 12,292.29	**9,409.40** 5,330.43	**(292.17)** 1,494.28	**904.64** 22.39	**27,307.20** 19,094.61	**5,946.52** 3,290.25	**3,591.12** 2,276.24	**(70.29)** 391.72	**840.30** 11.69	**8,627.05** 5,946.52	**18,680.15** 13,148.09

* Additions / Adjustments include capitalisation of exchange loss of ₹ **19.50 crores** (2011-2012 capitalisation of exchange loss of ₹ 25.47 crores).

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS

(₹ in crores)

		As at March 31, 2013	As at March 31, 2012
14.	**Goodwill (on consolidation)**		
	Opening balance	**4,093.74**	3,584.79
	Add : Addition due to increase in stake in subsidiary companies	**-**	204.13
	Less : Impairment	**(25.36)**	(139.18)
	Add : Impact of foreign currency translation	**33.99**	444.00
	Closing balance	**4,102.37**	4,093.74

				As at March 31, 2013	As at March 31, 2012
15.	**Non-current investments**				
	(A)	**Investments in equity accounted investees :**			
		Carrying amount of investments in associates (Note 4 below)		**744.73**	668.55
				744.73	668.55
	(B)	**Others (at cost)**			
		(i) Quoted			
			(a) Equity shares	**299.11**	297.98
			(b) Bonds	**2.93**	2.69
		(ii) Unquoted			
			(a) Equity shares	**382.10**	353.49
			(b) Cumulative redeemable preference shares	**2.00**	2.00
			(c) Cumulative redeemable non-participating preference shares	**6.00**	-
			(d) Non-convertible debentures	**3.50**	3.50
			(e) Mutual fund	**12.50**	38.00
			(f) Optionally convertible debentures	**1.66**	4.11
			(g) Retained interest in securitisation transactions	**65.03**	0.38
				774.83	702.15
	(C)	**Provision for diminution in value of Investments (net)**		**(4.16)**	(4.16)
	(D)	**Advance against investments**		**-**	25.00
	Total			**1,515.40**	1,391.54

Notes:

		As at March 31, 2013	As at March 31, 2012
(1)	Book value of quoted investments (other than in associates)	**302.04**	300.67
(2)	Book value of unquoted investments (other than in associates)	**468.63**	422.32
(3)	Market value of quoted investments (other than in associates)	**210.48**	288.35

(4) The particulars of investments in associate companies as of March 31, 2013 are as follows:

Sr. No.	Name of the Associates	Country of Incorporation	Ownership Interest (%)	Original Cost of Investment	Amount of Goodwill/ (Capital Reserve) in Original Cost	Share of post acquisition Reserves and Surplus	Carrying amount of Investments
(i)	Tata Cummins Ltd	India	**50.00**	**90.00**	**-**	**202.99**	**292.99**
			50.00	90.00	-	206.61	296.61
(ii)	Tata AutoComp Systems Ltd	India	**26.00**	**77.47**	**-**	**142.06**	**219.53**
			26.00	77.47	-	13.34	90.81
(iii)	NITA Company Ltd	Bangladesh	**40.00**	**1.27**	**(0.43)**	**11.67**	**12.94**
			40.00	1.27	(0.43)	6.34	7.61
(iv)	Automobile Corporation of Goa Ltd	India	**47.19**	**109.63**	**55.28**	**25.75**	**135.38**
			47.18	109.62	55.28	22.02	131.64
(v)	Jaguar Cars Finance Ltd	UK	**49.90**	**0.51**	**-**	**-**	**0.51**
			49.90	0.51	-	-	0.51
(vi)	Tata Hitachi Construction Machinery Company Ltd (*formerly known as Telco Construction Equipment Company Ltd*)	India	**40.00**	**80.20**	**0.20**	**(0.22)**	**79.98**
			40.00	80.20	0.20	57.77	137.97
(vii)	Spark 44 Ltd	UK	**50.00**	**3.40**	**-**	**-**	**3.40**
			50.00	3.40	-	-	3.40
Total				**362.48**	**55.05**	**382.25**	**744.73**
				362.47	55.05	306.08	668.55

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS

(₹ in crores)

16. Current investments (at cost or fair value whichever is lower) (fully paid)	As at March 31, 2013	As at March 31, 2012
Unquoted		
(a) Cumulative redeemable preference shares	**3.00**	34.00
(b) Mutual fund	**7,497.00**	7,492.05
(c) Optionally convertible debentures	**2.44**	2.11
(d) Equity shares	**0.93**	0.93
(e) Non-convertible debentures	**-**	0.75
(f) Retained interest in securitisation transactions	**43.29**	0.26
	7,546.66	7,530.10
Provision for diminution in value of Investments (net)	**(4.34)**	(3.93)
Total	**7,542.32**	7,526.17
Note:		
Book value of unquoted investments	**7,542.32**	7,526.17

17. Long-term loans and advances	As at March 31, 2013	As at March 31, 2012
A. Secured :		
Finance receivables [Note below]	**11,825.93**	10,339.93
	11,825.93	10,339.93
B. Unsecured:		
(a) Loans to employees	**44.17**	47.92
(b) Loan to Joint Venture (FIAT India Automobile Ltd)	**132.50**	132.50
(c) Taxes recoverable, statutory deposits and dues from government	**701.73**	724.60
(d) Capital advances	**156.15**	179.12
(e) Credit entitlement of Minimum Alternate Tax (MAT)	**1,513.34**	1,451.45
(f) Non-current income tax assets (net of provision)	**654.93**	534.26
(g) Others	**436.71**	248.17
	3,639.53	3,318.02
	15,465.46	13,657.95
Note :		
Finance receivables (Gross) *	**12,145.36**	10,595.41
Less : Allowances for doubtful loans **	**(319.43)**	(255.48)
Total	**11,825.93**	10,339.93
* Loans are secured against hypothecation of vehicles Includes on account of overdue securitised receivables	**35.38**	135.96
** Includes on account of securitised receivables	**(7.02)**	(13.59)

18. Short-term loans and advances	As at March 31, 2013	As at March 31, 2012
A. Secured :		
Finance receivables [Note below]	**6,400.85**	5,407.74
	6,400.85	5,407.74
B. Unsecured:		
(a) Advances and other receivables	**955.47**	518.43
(b) Inter corporate deposits	**0.30**	50.42
(c) VAT, other taxes recoverable, statutory deposits and dues from government	**4,957.64**	4,902.10
(d) Current income tax assets (net of provisions)	**269.11**	451.54
(e) Others	**25.09**	6.99
	6,207.61	5,929.48
	12,608.46	11,337.22
Note :		
Finance receivables (Gross) *	**7,041.06**	6,096.48
Less : Allowances for doubtful loans **	**(640.21)**	(688.74)
Total	**6,400.85**	5,407.74
* Loans are secured against hypothecation of vehicles Includes on account of overdue securitised receivables	**37.25**	216.86
** Includes on account of securitised receivables	**(12.97)**	(159.50)

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS

(₹ in crores)

19.	Other non-current assets	As at March 31, 2013	As at March 31, 2012
(a)	Prepaid expenses	**62.23**	42.67
(b)	Prepaid debt issue cost	**277.30**	303.29
(c)	Interest accrued on loans and deposits	**64.96**	39.02
(d)	Derivative financial instruments	**619.46**	189.70
		1,023.95	574.68

20.	Other current assets	As at March 31, 2013	As at March 31, 2012
(a)	Prepaid expenses	**463.53**	286.69
(b)	Prepaid debt issue cost	**99.34**	163.23
(c)	Interest accrued on loans and deposits	**11.93**	62.13
(d)	Derivative financial instruments	**256.81**	395.04
		831.61	907.09

21.	Inventories	As at March 31, 2013	As at March 31, 2012
(a)	Stores and spare parts (at or below cost)	**192.97**	178.39
(b)	Consumable tools (at cost)	**95.78**	88.06
(c)	Raw materials and components	**1,855.47**	2,011.65
(d)	Work-in-progress	**2,161.41**	1,924.84
(e)	Finished goods	**16,197.27**	13,378.42
(f)	Goods-in-transit - Raw materials and components (at cost)	**466.11**	634.66
		20,969.01	18,216.02

Note: Items (c), (d) and (e) above are valued at lower of cost and net realisable value.

22.	Trade receivables (unsecured)	As at March 31, 2013	As at March 31, 2012
(a)	Over six months	**821.02**	593.47
(b)	Others	**10,443.32**	7,969.58
		11,264.34	8,563.05
	Less : Allowances for doubtful debts	**(321.68)**	(326.21)
		10,942.66	8,236.84

23.	Cash and bank balances	As at March 31, 2013	As at March 31, 2012
(A)	**Cash and cash equivalents**		
(a)	Cash on hand	**41.45**	21.56
(b)	Cheques on hand	**121.94**	79.84
(c)	Current account with banks #	**7,712.35**	6,419.09
(d)	Bank deposits with upto 3 months maturity	**4,473.08**	8,312.53
		12,348.82	14,833.02
(B)	**Other bank balances (with more than 3 months but less than 12 months maturity)**		
(a)	Bank deposits	**6,896.13**	1,187.95
(b)	Other restricted deposits	**900.24**	1,070.91
(c)	Earmarked balances with banks	**354.19**	196.99
(d)	Margin money / cash collateral with banks	**140.29**	40.50
		8,290.85	2,496.35
(C)	**Other bank balances (with more than 12 months maturity)**		
(a)	Bank deposits	**-**	32.60
(b)	Other restricted deposits	**403.69**	657.72
(c)	Margin money / cash collateral with banks	**69.31**	218.44
		473.00	908.76
	Total (A + B + C)	**21,112.67**	18,238.13
#	Includes remittances in transit	**118.81**	50.47

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS

(₹ in crores)

				2012 - 2013	2011 - 2012
24.	**Total revenue**				
	(I)	**Revenue from operations**			
		(a)	Sale of products	**188,794.04**	167,071.32
		(b)	Sale of services	**845.10**	745.21
		(c)	Income from vehicle loan contracts (Note below)	**2,780.02**	2,061.08
				192,419.16	169,877.61
		(d)	Other operating revenues	**1,164.79**	799.97
				193,583.95	170,677.58
	(II)	**Other income**			
		(a)	Interest income	**693.90**	487.64
		(b)	Dividend income	**37.27**	37.92
		(c)	Profit on sale of investments (net)	**79.85**	48.45
		(d)	Profit on issue of shares by a subsidiary	**-**	47.36
		(e)	Other non-operating income	**0.51**	40.40
				811.53	661.77
	Note :				
		Includes :			
		(a)	Income from securitisation / sale of receivables of loan contracts (net)	**27.83**	45.90
		(b)	Interest income from loan contracts (net)	**2,530.50**	1,862.62

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS

(₹ in crores)

			2012 - 2013	2011 - 2012
25.	**Employee cost / benefits expenses**			
	(a)	Salaries, wages and bonus	**13,183.48**	9,780.46
	(b)	Contribution to provident fund and other funds	**1,659.99**	1,303.97
	(c)	Staff welfare expenses	**1,740.58**	1,214.02
			16,584.05	12,298.45

			2012 - 2013	2011 - 2012
26.	**Finance cost**			
	(a)	Interest	**4,125.47**	3,182.42
		Less: Transferred to capital account	**(1,270.85)**	(777.76)
			2,854.62	2,404.66
	(b)	Discounting charges	**698.72**	577.56
			3,553.34	2,982.22

			2012 - 2013	2011 - 2012
27.	**Other expenses**			
	(a)	Processing charges	**1,450.56**	1,539.14
	(b)	Consumption of stores & spare parts	**1,393.89**	1,217.24
	(c)	Power & fuel	**1,069.06**	1,017.19
	(d)	Rent	**161.28**	128.84
	(e)	Repairs to buildings	**120.25**	101.51
	(f)	Repairs to plant, machinery etc.	**195.10**	175.42
	(g)	Insurance	**225.30**	227.18
	(h)	Rates & taxes	**202.61**	259.15
	(i)	Freight, transportation, port charges etc.	**4,798.01**	3,734.55
	(j)	Publicity	**6,607.14**	5,398.40
	(k)	Excise duty on closing stock	**115.50**	116.80
	(l)	Works operation and other expenses (Note below)	**19,196.88**	14,538.55
			35,535.58	28,453.97
	Note :			
	Works operation and other expenses include:			
	(i)	Warranty and product liability expenses	**4,188.74**	3,427.45
	(ii)	Computer expenses	**1,126.48**	1,124.64
	(iii)	Lease rentals in respect of plant, machinery and equipment	**271.66**	185.64
	(iv)	Provision and write off of sundry debtors, vehicle loans and advances (net)	**525.33**	554.45
	(v)	Exchange loss / (gain) (net)	**433.27**	(405.85)

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS

				2012 - 2013	2011 - 2012
28.	**Earnings Per Share**				
	(a)	Profit for the year	₹ in crores	**9,892.61**	13,516.50
	(b)	The weighted average number of Ordinary shares for Basic EPS	Nos.	**270,60,14,707**	269,15,42,867
	(c)	The weighted average number of 'A' Ordinary shares for Basic EPS	Nos.	**48,19,58,717**	48,19,00,898
	(d)	The nominal value per share (Ordinary and 'A' Ordinary)	₹	**2.00**	2.00
	(e)	Share of profit for Ordinary shares for Basic EPS	₹ in crores	**8,392.95**	11,459.87
	(f)	Share of profit for 'A' Ordinary shares for Basic EPS *	₹ in crores	**1,499.66**	2,056.63
	(g)	Earnings Per Ordinary share (Basic)	₹	**31.02**	42.58
	(h)	Earnings Per 'A' Ordinary share (Basic)	₹	**31.12**	42.68
	(i)	Profit for the year for Basic EPS	₹ in crores	**9,892.61**	13,516.50
	(j)	Add: Interest and other expenses on outstanding Foreign Currency Convertible Notes	₹ in crores	**73.65**	24.70
	(k)	Profit for the year for Diluted EPS	₹ in crores	**9,966.26**	13,541.20
	(l)	The weighted average number of Ordinary shares for Basic EPS	Nos.	**270,60,14,707**	269,15,42,867
	(m)	Add: Adjustment for options relating to warrants, shares held in abeyance, Foreign Currency Convertible Notes and Convertible Alternative Reference Securities	Nos.	**3,11,46,823**	15,14,16,658
	(n)	The weighted average number of Ordinary shares for Diluted EPS	Nos.	**273,71,61,530**	284,29,59,525
	(o)	The weighted average number of 'A' Ordinary shares for Basic EPS	Nos.	**48,19,58,717**	48,19,00,898
	(p)	Add: Adjustment for 'A' Ordinary shares held in abeyance	Nos.	**2,47,798**	3,05,518
	(q)	The weighted average number of 'A' Ordinary shares for Diluted EPS	Nos.	**48,22,06,515**	48,22,06,416
	(r)	Share of Profit for Ordinary shares for Diluted EPS	₹ in crores	**8,469.38**	11,573.37
	(s)	Share of Profit for 'A' Ordinary shares for Diluted EPS *	₹ in crores	**1,496.88**	1,967.83
	(t)	Earnings Per Ordinary share (Diluted)	₹	**30.94**	40.71
	(u)	Earnings Per 'A' Ordinary share (Diluted)	₹	**31.04**	40.81

* 'A' Ordinary share holders are entitled to receive dividend @ 5% points more than the aggregate rate of dividend determined by the Company on Ordinary shares for the financial year.

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS

(₹ in crores)

			As at March 31, 2013	As at March 31, 2012
29.	**Contingent liabilities, commitments (to the extent not provided for) :**			
	Description of claims and assertions where a potential loss is possible, but not probable is reported under notes (1), (2) and (3) below :			
	(1)	Claims against the company not acknowledged as debt	**1,698.03**	1,020.03
	(2)	Provision not made for income tax matters in dispute	**121.49**	183.14
	(3)	The claims / liabilities in respect of excise duty, sales tax and other matters where the issues were decided in favour of the Company for which Department is in further appeal	**74.91**	73.50
	(4)	The Company has given guarantees for liability in respect of receivables assigned by way of securitisation	**1,249.21**	2,059.79
	(5)	Other money for which the Company is contingently liable :		
		(i) In respect of bills discounted and export sales on deferred credit	**493.66**	248.55
		(ii) Cash margin / collateral	**203.31**	251.17
		(iii) In respect of subordinated receivables	**2.95**	20.77
		(iv) Others	**59.26**	90.28
	(6)	Estimated amount of contracts remaining to be executed on capital account and not provided for	**4,105.72**	6,186.47
	(7)	Purchase commitments	**13,351.71**	13,321.97

			As at March 31, 2013	As at March 31, 2012
30.	**Disclosure in respect of leases :**			
	(A)	**Finance leases :**		
		Assets taken on lease:		
		(a) (i) Total of minimum lease payments	**56.82**	52.24
		The total of minimum lease payments for a period :		
		Not later than one year	**22.78**	15.17
		Later than one year and not later than five years	**33.86**	36.71
		Later than five years	**0.18**	0.36
		(ii) Present value of minimum lease payments	**50.55**	46.43
		Present value of minimum lease payments for a period :		
		Not later than one year	**17.41**	14.15
		Later than one year and not later than five years	**32.97**	31.95
		Later than five years	**0.17**	0.33
		(b) A general description of the significant leasing arrangements - The Company has entered into finance lease arrangements for computers and data processing equipments from various vendors.		
	(B)	**Operating leases :**		
		Assets taken on lease:		
		(a) Total of minimum lease payments	**380.99**	392.40
		The total of minimum lease payments for a period :		
		Not later than one year	**101.96**	96.85
		Later than one year and not later than five years	**190.08**	243.08
		Later than five years	**88.95**	52.47
		(b) A general description of significant leasing arrangements - The Company has entered into operating lease arrangements for property, computers and data processing equipments from various vendors.		

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS

31. Related party disclosures for the year ended March 31, 2013

(A) Related parties and their relationship

Associates :

Tata AutoComp Systems Ltd
Tata Cummins Ltd
Tata Sons Ltd (Investing Party)
Nita Company Ltd
Tata Precision Industries (India) Ltd
Automobile Corporation of Goa Ltd
Jaguar Cars Finance Limited
Tata Hitachi Construction Machinery Company Ltd
(formerly known as Telco Construction Equipment Company Ltd)
Spark 44 Limited

Joint Ventures :

Fiat India Automobiles Ltd.
Tata HAL Technologies Ltd
Chery Jaguar Land Rover Automotive Co Ltd
(incorporated in November 2012)
Suzhou Chery Jaguar Land Rover Trading Co Ltd

Key Management Personnel :

Mr. Karl Slym *(w.e.f. September 13, 2012)*
Mr. R Pisharody *(w.e.f. June 21, 2012)*
Mr. S B Borwankar *(w.e.f. June 21, 2012)*
Mr. P M Telang *(upto June 21, 2012)*

In Subsidiary Companies :

Dr. Ralf Speth

(₹ in crores)

(B) Transactions with the related parties	Joint Venture	Associates	Key Management Personnel	2012-2013 Total
Purchase of goods	**1,463.18**	**2,936.80**	**-**	**4,399.98**
	1,864.21	4,125.87	-	5,990.08
Sale of goods (inclusive of sales tax)	**311.60**	**126.80**	**-**	**438.40**
	239.55	478.27	-	717.82
Services received	**0.26**	**26.26**	**39.98**	**66.50**
	0.30	60.76	76.83	137.89
Services rendered	**66.18**	**13.14**	**-**	**79.32**
	4.33	20.56	-	24.89
Redemption / buy back of investments	**-**	**31.00**	**-**	**31.00**
	-	-	-	-
Finance given (including loans and equity)	**35.51**	**0.01**	**-**	**35.52**
	-	-	-	-
Finance given, taken back (including loans and equity)	**-**	**23.83**	**-**	**23.83**
	-	-	-	-
Finance taken (including loans and equity)	**-**	**50.00**	**-**	**50.00**
	-	94.00	-	94.00
Finance taken, paid back (including loans and equity)	**-**	**50.50**	**-**	**50.50**
	-	71.00	-	71.00
Interest / Dividend paid/(received) (net)	**(18.78)**	**210.48**	**-**	**191.70**
	(16.45)	232.50	-	216.05
(C) Balances with the related parties				
Amount Receivable	**71.78**	**14.25**	**-**	**86.03**
	2.27	73.73	-	76.00
Amount Payable	**-**	**85.36**	**-**	**85.36**
	56.34	108.69	-	165.03
Amount Receivable (in respect of loans, interest & dividend)	**162.57**	**3.80**	**-**	**166.37**
	151.88	27.63	0.09	179.60
Amount Payable (in respect of loans, interest & dividend)	**-**	**29.50**	**-**	**29.50**
	-	30.20	-	30.20
Bills discounted (in respect of amount receivable)	**-**	**5.12**	**-**	**5.12**
	-	25.53	-	25.53
Bank Guarantee / Other assets given as security	**-**	**3.00**	**-**	**3.00**
	-	3.00	-	3.00

Note : Current year figures are shown in bold and comparative figures for the previous year are shown below the current year.

	(D) Disclosure in respect of material transactions with related parties		2012 - 2013	2011 - 2012
(i)	Purchase of Goods	Tata Cummins Ltd	**2,298.91**	3,267.67
		Fiat India Automobiles Ltd	**1,463.18**	1,864.21
		Tata AutoComp Systems Ltd	**425.80**	561.80
(ii)	Sale of Goods	Fiat India Automobiles Ltd	**311.11**	238.99
		Nita Company Ltd	**94.19**	168.75
		Tata Hitachi Construction Machinery Co Ltd	**31.56**	58.10
(iii)	Services received	Tata Sons Ltd	**26.11**	60.76
		Fiat India Automobiles Ltd	**0.24**	-
(iv)	Services rendered	Suzhou Chery Jaguar Land Rover Trading Co Ltd	**37.25**	-
		Fiat India Automobiles Ltd	**28.93**	4.15
		Tata Hitachi Construction Machinery Co Ltd	**10.34**	12.20
		Tata Sons Ltd	**1.35**	0.57
		Tata Cummins Ltd	**-**	5.76
(v)	Redemption / buy back of Investments	Tata AutoComp Systems Ltd	**21.00**	-
		Tata Sons Ltd	**10.00**	-
(vi)	Finance given including Loan and Equity	Suzhou Chery Jaguar Land Rover Trading Co Ltd	**35.13**	-
		Automobile Corporation of Goa Ltd	**0.01**	-
(vii)	Finance given, taken back (including loans and equity)	Tata AutoComp Systems Ltd	**23.83**	-
(viii)	Finance taken including Loan and Equity	Automobile Corporation of Goa Ltd	**50.00**	59.00
(ix)	Finance taken, paid back (including loans and equity)	Automobile Corporation of Goa Ltd	**50.50**	36.00
(x)	Interest/Dividend paid/(received)			
	Dividend paid	Tata Sons Limited	**282.99**	290.77
	Dividend received	Tata Cummins Ltd	**(36.00)**	(27.00)
	Dividend received	Tata Sons Limited	**(11.20)**	(10.60)
	Interest paid	Fiat India Automobiles Ltd	**75.96**	42.74
	Interest received	Fiat India Automobiles Ltd	**(93.47)**	(59.19)

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS

32. Consolidated segment information for the year ended March 31, 2013

(₹ in crores)

	Primary segment	Automotive				Others	Inter-Segment Eliminations	Total
		Tata Vehicles / spares and financing thereof *	Jaguar and Land Rover	Intra-Segment Eliminations	Total			
(a)	**Revenue**							
	External sales and income from other operations	**50,821.12**	**136,822.17**	**-**	**187,643.29**	**1,174.34**	**-**	**188,817.63**
		59,846.67	104,750.93	-	164,597.60	1,056.89	-	165,654.49
	Inter segment / Intra segment sales and other income	**98.87**	**-**	**(93.31)**	**5.56**	**1,091.58**	**(1,097.14)**	**-**
		74.57	-	(67.89)	6.68	891.69	(898.37)	-
	Total revenue	**50,919.99**	**136,822.17**	**(93.31)**	**187,648.85**	**2,265.92**	**(1,097.14)**	**188,817.63**
		59,921.24	104,750.93	(67.89)	164,604.28	1,948.58	(898.37)	165,654.49
(b)	**Segment results before other income, finance cost, tax and exceptional items**	**1,736.89**	**14,975.61**	**-**	**16,712.50**	**375.68**	**(110.18)**	**16,978.00**
		4,152.00	12,359.45	-	16,511.45	294.88	(120.47)	16,685.86
(c)	(i) Other income							**811.53**
								661.77
	(ii) Finance cost							**(3,553.34)**
								(2,982.22)
	(iii) Exceptional items :							
	- Exchange loss (net) on revaluation of foreign currency borrowings, deposits and loans							**(515.09)**
								(654.11)
	- Impairment of Intangibles and other costs							**(87.62)**
								(177.43)
(d)	**Profit before tax**							**13,633.48**
								13,533.87
	Tax expense							**3,770.99**
								(40.04)
(e)	**Profit after tax**							**9,862.49**
								13,573.91
(f)	**Segment assets**	**55,892.67**	**93,680.66**	**-**	**149,573.33**	**1,632.27**	**(692.66)**	**150,512.94**
		51,793.17	71,915.41	(40.09)	123,668.49	1,482.34	(568.02)	124,582.81
(g)	**Segment liabilities**	**14,744.40**	**52,422.39**	**-**	**67,166.79**	**660.58**	**(168.05)**	**67,659.32**
		13,730.61	40,649.75	(40.09)	54,340.27	501.59	(153.90)	54,687.96
(h)	**Other information**							
	(a) Depreciation and amortisation expense	**2,250.85**	**5,303.43**	**-**	**7,554.28**	**15.02**	**-**	**7,569.30**
		2,043.96	3,570.48	-	5,614.44	10.94	-	5,625.38
	(b) Capital expenditure	**3,317.49**	**18,161.52**	**(0.94)**	**21,478.07**	**40.78**	**(110.76)**	**21,408.09**
		3,700.02	11,322.93	-	15,022.95	5.16	(121.01)	14,907.10
(i)	**Segment assets exclude:**							
	(i) Deferred tax assets							**4,428.93**
								4,539.33
	(ii) Current and non-current investments							**9,057.72**
								8,917.71
	(iii) Income tax assets (net of provision) including MAT credit							**2,437.38**
								2,437.25
	(iv) Other unallocated assets							**3,589.48**
								4,454.11
								19,513.51
								20,348.40

* Tata Vehicles includes Tata Daewoo and Fiat traded vehicles

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS

(₹ in crores)

(j)	**Segment liabilities exclude:**	
(i)	Minority interest	**370.48**
		307.13
(ii)	Long-term borrowings	**32,110.07**
		27,962.48
(iii)	Short-term borrowings	**11,612.21**
		10,741.59
(iv)	Current maturities of long term debt	**9,869.10**
		8,444.89
(v)	Deferred tax liability	**2,019.49**
		2,165.07
(vi)	Proposed dividend and tax thereon	**754.69**
		1,487.00
(vii)	Provision for income tax	**1,792.02**
		1,311.71
(viii)	Other unallocated liabilities	**6,201.77**
		5,124.88
		64,729.83
		57,544.75

(B) Secondary segment	United States	UK	Rest of Europe	India	China	Rest of World	Total
Revenue from external customers	**18,941.79**	**22,366.90**	**22,263.90**	**44,783.22**	**44,695.08**	**35,766.74**	**1,88,817.63**
	15,813.26	18,092.61	18,909.47	54,123.98	29,726.40	28,988.77	1,65,654.49
Carrying amount of segment assets	**3,698.94**	**73,671.26**	**2,887.54**	**52,753.50**	**6,656.36**	**10,845.34**	**1,50,512.94**
	4,942.36	50,151.01	5,736.44	48,528.88	5,000.15	10,223.97	1,24,582.81
Capital expenditure	**3.97**	**17,918.84**	**27.51**	**3,166.75**	**110.53**	**180.49**	**21,408.09**
	9.39	11,154.88	34.04	3,433.72	118.71	156.36	14,907.10

Notes:

(1) The Company has disclosed business segment as primary segment. Automotive segment consists of business of automobile products consisting of all types of commercial and passenger vehicles including financing of the vehicles sold by the Company, wherever applicable. Others primarily include engineering solutions and software operations.

(2) Segment revenues, expenses and results include transfer between business segments. Such transfers are undertaken either at competitive market prices charged to unaffiliated customers for similar goods or at contracted rates. These transfers are eliminated on consolidation.

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS

33. (a) Defined benefit plans / Long term compensated absences

(₹ in crores)

		Gratuity, Superannuation and BKY / PSY					Compensated Absences					Post-retirement Medicare scheme				
	As at / for the year ended on March 31,	**2013**	2012	2011	2010	2009	**2013**	2012	2011	2010	2009	**2013**	2012	2011	2010	2009
(i)	**Components of employer expense**															
	Current service cost	**52.29**	46.66	35.79	31.60	31.60	**34.43**	27.95	22.29	18.66	18.31	**4.06**	4.22	3.67	3.27	2.79
	Interest cost	**59.81**	55.26	47.96	44.96	43.98	**20.59**	17.83	14.07	12.16	12.53	**8.34**	8.14	7.23	7.05	5.80
	Expected return on plan assets	**(53.38)**	(49.74)	(44.70)	(42.18)	(38.49)	**-**	-	-	-	-	**-**	-	-	-	-
	Past service cost	**-**	-	0.07	0.57	3.07	**-**	-	-	-	-	**-**	-	-	-	-
	Actuarial losses / (gains)	**4.42**	21.81	59.49	50.90	(5.57)	**6.07**	23.23	40.45	29.16	(8.89)	**2.00**	(6.02)	3.80	(0.14)	10.57
	Total expense recognised in the Profit and Loss Statement in Note 25(b), page 186:	**63.14**	73.99	98.61	85.85	34.59	**61.09**	69.01	76.81	59.98	21.95	**14.40**	6.34	14.70	10.18	19.16
		(b) & (c)					(a)					(c)				
(ii)	**Actual contribution and benefit payments**															
	Actual benefit payments	**81.43**	56.26	64.43	63.95	67.01	**41.29**	32.26	33.00	23.60	29.55	**4.07**	3.90	4.13	4.38	4.51
	Actual contributions	**67.64**	67.57	84.77	86.78	37.10	**41.29**	32.26	33.00	23.60	29.55	**4.07**	3.90	4.13	4.38	4.51
(iii)	**Net asset / (liability) recognised in Balance Sheet**															
	Present value of Defined Benefit Obligation	**809.10**	753.37	688.63	607.16	574.18	**282.53**	262.73	225.76	181.95	154.81	**110.51**	100.18	97.74	87.17	85.18
	Fair value of plan assets	**734.24**	674.01	616.11	548.41	515.83	**-**	-	-	-	-	**-**	-	-	-	-
	Net asset / (liability) recognised in Balance Sheet	**(74.86)**	(79.36)	(72.52)	(58.75)	(58.35)	**(282.53)**	(262.73)	(225.76)	(181.95)	(154.81)	**(110.51)**	(100.18)	(97.74)	(87.17)	(85.18)
	Experience adjustment on plan liabilities	**(23.56)**	(7.73)	(37.41)	(4.41)	(42.32)	**N/A**	N/A	N/A	N/A	N/A	**8.76**	(2.83)	5.32	0.39	4.87
	Experience adjustment on plan assets	**20.94**	(3.16)	2.72	(5.11)	10.60	**N/A**	N/A	N/A	N/A	N/A	**-**	-	-	-	-
(iv)	**Change in Defined Benefit Obligations (DBO)**															
	Present value of DBO at beginning of year	**753.37**	688.63	607.16	574.18	558.32	**262.73**	225.76	181.95	154.81	162.41	**100.18**	97.74	87.17	85.18	70.53
	Liability on acquisitions	**0.04**	0.43	-	-	-	**-**	0.22	-	-	-	**-**	-	-	-	-
	Current service cost	**52.29**	46.66	35.79	31.60	31.60	**34.43**	27.95	22.29	18.66	18.31	**4.06**	4.22	3.67	3.27	2.79
	Interest cost	**59.81**	55.26	47.96	44.96	43.98	**20.59**	17.83	14.07	12.16	12.53	**8.34**	8.14	7.23	7.05	5.80
	Plan amendments	**-**	-	-	0.65	3.07	**-**	-	-	-	-	**-**	-	-	-	-
	Actuarial (gains) / losses	**25.02**	18.65	62.15	46.15	4.22	**6.07**	23.23	40.45	29.16	(8.89)	**2.00**	(6.02)	3.80	(0.14)	10.57
	Benefits paid	**(81.43)**	(56.26)	(64.43)	(63.95)	(67.01)	**(41.29)**	(32.26)	(33.00)	(23.60)	(29.55)	**(4.07)**	(3.90)	(4.13)	(4.38)	(4.51)
	Sale of stake in subsidiary	**-**	-	-	(26.43)	-	**-**	-	-	(9.24)	-	**-**	-	-	(3.81)	-
	Present value of DBO at the end of year	**809.10**	753.37	688.63	607.16	574.18	**282.53**	262.73	225.76	181.95	154.81	**110.51**	100.18	97.74	87.17	85.18
(v)	**Change in fair value of assets**															
	Plan assets at beginning of year	**674.01**	616.11	548.41	515.83	497.46	**-**	-	-	-	-	**-**	-	-	-	-
	Liability on acquisitions	**0.04**	-	-	-	-	**-**	-	-	-	-	**-**	-	-	-	-
	Actual return on plan assets	**73.98**	46.59	47.36	37.43	48.28	**-**	-	-	-	-	**-**	-	-	-	-
	Actual Company contributions	**67.64**	67.57	84.77	86.78	37.10	**41.29**	32.26	33.00	23.60	29.55	**4.07**	3.90	4.13	4.38	4.51
	Benefits paid	**(81.43)**	(56.26)	(64.43)	(63.95)	(67.01)	**(41.29)**	(32.26)	(33.00)	(23.60)	(29.55)	**(4.07)**	(3.90)	(4.13)	(4.38)	(4.51)
	Sale of stake in Subsidiary	**-**	-	-	(27.68)	-	**-**	-	-	-	-	**-**	-	-	-	-
	Plan assets at the end of year	**734.24**	674.01	616.11	548.41	515.83	**-**	-	-	-	-	**-**	-	-	-	-
(vi)	**Actuarial assumptions**															
	Discount rate (%)	**6.75-8.35**	6.75-8.50	6.75-8.50	6.75-8.50	6.75-8.50	**8.35**	8.50	8.50	8.50	8.50	**8.35**	8.50	8.50	8.50	8.50
	Expected return on plan assets (%)	**8.00**	8.00	8.00	8.00	8.00	**N/A**	N/A	N/A	N/A	N/A	**N/A**	N/A	N/A	N/A	N/A
	Medical cost inflation (%)	**N/A**	N/A	N/A	N/A	N/A	**N/A**	N/A	N/A	N/A	N/A	**5.00**	4.00	4.00	4.00	4.00
(vii)	**The major categories of plan assets as percentage to total plan assets**															
	Debt securities	**73%**	77%	75%	76%	78%	**N/A**	N/A	N/A	N/A	N/A	**N/A**	N/A	N/A	N/A	N/A
	Balance with approved Insurance companies	**24%**	19%	-	-	-	**N/A**	N/A	N/A	N/A	N/A	**N/A**	N/A	N/A	N/A	N/A
	Balances with banks	**4%**	4%	25%	24%	22%	**N/A**	N/A	N/A	N/A	N/A	**N/A**	N/A	N/A	N/A	N/A
(viii)	**Effect of one percentage point change in assumed medical inflation rate**	One percentage point increase in medical inflation rate										One percentage point decrease in medical inflation rate				
		2013	2012	2011	2010	2009						**2013**	2012	2011	2010	2009
	Revised DBO	**121.00**	108.44	104.57	100.15	93.68						**101.33**	81.62	88.49	82.98	77.74
	Revised service cost	**4.86**	4.88	4.30	3.78	3.21						**3.41**	3.04	3.16	2.80	2.50
	Revised interest cost	**9.30**	8.85	7.97	7.78	5.96						**7.54**	6.81	6.59	6.42	5.30

(a) Defined contribution plans-
The Company's contribution to defined contribution plan aggregated ₹ **235.60 crores** (2011-12 ₹ 250.60 crores) for the year ended March 31, 2013 has been recognised in the Profit and Loss Statement in note 25(b) on page 186.

(b) The expected rate of return on plan assets is based on market expectation, at the beginning of the year, for returns over the entire life of the related obligation.

(c) The assumption of future salary increases, considered in actuarial valuation, take account of inflation, seniority, promotion and other relevant factors, such as supply and demand in the employment market.

(d) The Company expects to contribute ₹ **92.40 crores** to the funded pension plans in the year 2013-2014.

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS

33. (b) Details of Severance Indemnity plan applicable to Tata Daewoo Commercial Vehicle Co. Ltd. and Tata Daewoo Commercial Vehicle Sales and Distribution Co. Ltd., Korea.

(₹ in crores)

	As at / for the year ended on March 31,	2013	2012	2011	2010	2009
i	**Components of employer expense**					
	Current service cost	**37.24**	21.18	20.32	17.54	14.75
	Interest cost	**9.30**	10.26	10.28	8.85	7.64
	Past service cost	**(6.17)**	-	-	-	-
	Actuarial losses	**(62.40)**	(8.39)	(23.38)	19.75	19.96
	Total expense recognised in the Profit and Loss Statement in Note 25(b), page 186 :	**(22.03)**	23.05	7.22	46.14	42.35
ii	**Actual Contribution and Benefit Payments**					
	Actual benefit payments	**87.97**	14.64	8.96	16.26	10.16
	Actual contributions	**87.97**	14.64	8.96	16.26	10.16
iii	**Net liability recognised in Balance Sheet**					
	Present value of Defined Benefit Obligation	**164.44**	252.58	220.62	217.23	174.83
	Fair value of plan assets	**-**	-	-	-	-
	Net liability recognised in Balance Sheet	**(164.44)**	(252.58)	(220.62)	(217.23)	(174.83)
	Experience adjustment on plan liabilities	**79.62**	19.01	5.56	(20.09)	(15.42)
	Experience adjustment on plan assets	**-**	-	-	-	-
iv	**Change in Defined Benefit Obligations**					
	Present Value of DBO at the beginning of the year	**252.58**	220.62	217.23	174.83	156.50
	Current service cost	**37.24**	21.18	20.32	17.54	14.75
	Interest cost	**9.30**	10.26	10.28	8.85	7.64
	Past service cost	**(6.17)**	-	-	-	-
	Actuarial losses	**(62.40)**	(8.39)	(23.38)	19.75	19.96
	Benefits paid	**(87.97)**	(14.64)	(8.96)	(16.26)	(10.16)
	Exchange fluctuation	**21.86**	23.55	5.13	12.52	(13.86)
	Present Value of DBO at the end of the year	**164.44**	252.58	220.62	217.23	174.83
v	**Change in fair value of assets**					
	Plan assets at the beginning of the year	**N/A**	N/A	N/A	N/A	N/A
	Acquisition adjustment	**N/A**	N/A	N/A	N/A	N/A
	Actual return on plan assets	**N/A**	N/A	N/A	N/A	N/A
	Actual Company contributions	**87.97**	14.64	8.96	16.26	10.16
	Benefits paid	**(87.97)**	(14.64)	(8.96)	(16.26)	(10.16)
	Plan assets at the end of the year	**-**	-	-	-	-
vi	**Actuarial assumptions**					
	Discount rate	**3.07%**	4.03%	4.53%	4.84%	5.00%
	Expected return on plan assets	**N/A**	N/A	N/A	N/A	N/A
	Medical cost inflation	**N/A**	N/A	N/A	N/A	N/A

The assumption of future salary increases, considered in actuarial valuation, take account of inflation, seniority, promotion and other relevant factors, such as supply and demand in the employment market.

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS

33. (c) Details of Defined benefit plans applicable to Jaguar and Land Rover group

(₹ in crores)

		Post-retirement Pension scheme					Post-retirement Medicare scheme				
	As at / for the year ended on March 31,	**2013**	2012	2011	2010	2009	**2013**	2012	2011	2010	2009
(i)	**Components of employer expense**										
	Current service cost	**1,009.27**	780.53	752.63	480.03	483.89	**0.52**	0.46	0.64	0.53	0.47
	Interest cost	**2,177.34**	1,829.87	1,529.40	1,555.04	1,263.37	**0.60**	0.53	0.71	0.61	0.47
	Expected return on plan assets	**(1,917.76)**	(1,833.99)	(1,711.20)	(1,314.87)	(1,713.44)	**-**	-	-	-	-
	Amortisation of past service cost	**49.10**	112.99	35.41	13.63	-	**-**	-	-	-	-
	Curtailment	**-**	-	-	(5.45)	-	**-**	-	-	-	-
	Settlement	**-**	-	(1.20)	-	-	**(0.52)**	-	-	-	-
	Asset restriction	**-**	-	-	-	(14.62)	**-**	-	-	-	-
	Actuarial losses	**-**	-	-	-	16.25	**-**	-	-	-	-
	Total expense recognised in the Profit and Loss Statement in Note 25(b), page 186 :	**1,317.95**	889.40	605.04	728.38	35.45	**0.60**	0.99	1.35	1.14	0.94
(ii)	**Actual contribution and benefit payments**										
	Actual benefit payments	**1,112.62**	866.72	910.70	826.05	563.68	**0.09**	-	-	-	-
	Actual contributions	**1,442.36**	1,760.55	1,545.97	398.06	552.64	**3.10**	-	-	-	-
(iii)	**Amount recognised in Pension Reserve**										
	Actuarial loss	**3,972.49**	1,490.14	1,391.86	642.93	2,585.69	**0.86**	0.84	(4.39)	1.67	-
	Movement in restriction of pension assets	**(235.08)**	(42.75)	888.67	(481.33)	(959.22)	**-**	-	-	-	-
	Onerous obligation	**(1,056.73)**	(37.41)	-	-	-	**-**	-	-	-	-
	Economic benefit from pre payment of normal contribution	**300.08**	(266.44)	-	-	-	**-**	-	-	-	-
	Deferred tax	**(626.73)**	(1,272.50)	-	-	-	**-**	-	-	-	-
	Exchange fluctuation	**-**	-	-	102.13	(169.26)	**-**	-	-	-	-
	Amount recognised in Pension Reserve	**2,354.03**	(128.96)	2,280.53	263.73	1,457.21	**0.86**	0.84	(4.39)	1.67	-
(iv)	**Net liability recognised in Balance Sheet**										
	Present value of Defined Benefit Obligation	**49,426.92**	40,065.65	30,723.35	26,340.24	22,119.55	**9.60**	10.76	7.69	10.76	8.65
	Fair value of plan assets	**44,046.30**	38,372.91	29,816.11	25,908.86	22,591.74	**-**	-	-	-	-
	Restriction of pension asset	**(6.16)**	(229.00)	(235.84)	(17.64)	(290.37)	**-**	-	-	-	-
	Unrecognised actuarial gains and losses	**-**	-	-	-	(3.42)	**-**	-	-	-	-
	Onerous obligation	**-**	(1,001.94)	(902.99)	(233.72)	(436.01)	**-**	-	-	-	-
	Economic benefit from pre payment of normal contribution	**-**	284.52	(15.28)	5.10	-	**-**	-	-	-	-
	Net asset recognised in balance sheet	**3.61**	15.49	6.72	3.06	261.67	**-**	-	-	-	-
	Net (Liability) recognised in Balance Sheet	**(5,390.39)**	(2,654.65)	(2,068.07)	(680.70)	(519.28)	**(9.60)**	(10.76)	(7.69)	(10.76)	(8.65)
	Experience adjustment on plan liabilities	**56.75**	610.62	696.80	4,404.25	241.26	**-**	-	-	-	-
	Experience adjustment on plan assets	**(3,343.01)**	(1,392.44)	217.97	3,826.63	4,890.97	**-**	-	-	-	-
(v)	**Change in Defined Benefit Obligations (DBO)**										
	Present Value of DBO at beginning of year	**40,065.65**	30,723.35	26,340.24	22,119.55	-	**10.32**	7.69	10.76	8.65	-
	Liability on acquisition	**-**	-	-	-	26,595.11	**-**	-	-	-	7.59
	Current service cost	**1,009.27**	780.53	752.63	480.03	483.89	**0.52**	0.46	0.64	0.53	0.47
	Interest cost	**2,177.34**	1,829.87	1,529.40	1,555.04	1,263.37	**0.60**	0.53	0.71	0.61	0.47
	Amendments	**49.10**	51.53	35.41	12.25	-	**-**	-	-	-	-
	Actual member contributions	**59.93**	112.99	46.39	147.81	237.87	**-**	-	-	-	-
	Actuarial losses	**7,314.38**	2,797.44	1,608.01	4,902.21	(2,462.41)	**0.86**	0.84	(4.39)	1.67	(1.02)
	Benefits paid	**(1,112.62)**	(866.72)	(910.70)	(826.05)	(563.69)	**(0.09)**	-	-	-	-
	Expenses paid	**(0.77)**	(1.22)	(0.99)	(0.15)	(0.07)	**-**	-	-	-	-
	Plan combinations	**-**	-	-	2.72	57.41	**-**	-	-	-	-
	Plan curtailment	**-**	-	-	(5.45)	-	**-**	-	-	-	-
	Plan settlement	**-**	-	(9.42)	(0.68)	-	**(3.53)**	-	-	-	-
	Exchange fluctuation	**(135.36)**	4,637.88	1,332.38	(2,047.04)	(3,491.93)	**0.92**	0.80	(0.03)	(0.70)	1.14
	Present Value of DBO at the end of year	**49,426.92**	40,065.65	30,723.35	26,340.24	22,119.55	**9.60**	10.32	7.69	10.76	8.65
(vi)	**Change in fair value of assets**										
	Plan assets at beginning of year	**38,372.91**	29,816.11	25,908.88	22,591.74	-	**N/A**	N/A	N/A	N/A	N/A
	Plan assets on acquisition	**-**	-	-	-	29,341.88	**N/A**	N/A	N/A	N/A	N/A
	Actual return on plan assets	**5,259.65**	3,141.29	1,927.28	5,574.15	(3,520.28)	**N/A**	N/A	N/A	N/A	N/A
	Actual Company contributions	**1,442.36**	1,760.55	1,545.97	398.06	552.64	**3.10**	N/A	N/A	N/A	N/A
	Actual member contributions	**59.93**	51.53	46.39	147.81	237.87	**N/A**	N/A	N/A	N/A	N/A
	Benefits paid	**(1,112.62)**	(866.72)	(910.70)	(826.04)	(563.68)	**(0.09)**	N/A	N/A	N/A	N/A
	Expenses paid	**(0.77)**	(1.22)	(0.99)	(0.15)	(0.07)	**N/A**	N/A	N/A	N/A	N/A
	Plan combinations	**-**	-	-	-	54.50	**N/A**	N/A	N/A	N/A	N/A
	Plan settlement	**-**	-	(8.22)	(0.68)	-	**(3.01)**	N/A	N/A	N/A	N/A
	Exchange fluctuation	**24.84**	4,471.37	1,307.50	(1,976.01)	(3,511.12)	**N/A**	N/A	N/A	N/A	N/A
	Plan assets at the end of year	**44,046.30**	38,372.91	29,816.11	25,908.88	22,591.74	**N/A**	N/A	N/A	N/A	N/A
(vii)	**Actuarial assumptions**										
	Discount rate (%)	**3.69-4.40**	4.38-5.10	5.19- 5.50	5.50- 5.60	6.70-7.16	**4.10**	4.88	5.74	6.22	7.77
	Inflation (%)	**2.00-3.40**	2.00-3.30	2.00-3.40	2.00-3.50	2.52-3.30	**N/A**	N/A	N/A	N/A	N/A
	Expected return on plan assets (%)	**4.75-6.34**	4.85-6.34	5.75-6.57	6.50	5.80-6.40	**N/A**	N/A	N/A	N/A	N/A
	Medical cost inflation (%)	**N/A**	N/A	N/A	N/A	N/A	**4.50**	4.50	4.20	7.80	4.90-8.10
(viii)	**The major categories of plan assets as percentage to total plan assets**										
	Equity securities	**17%-38%**	19%-38.4%	20%-40%	39%-53%	27%-36%	**N/A**	N/A	N/A	N/A	N/A
	Debt securities	**38%-68%**	38.4%-67%	40%-63%	39%-56%	36%-62%	**N/A**	N/A	N/A	N/A	N/A
	Other	**15%-24%**	8%-23.2%	2.4%-20%	1%-23%	3%-29%	**N/A**	N/A	N/A	N/A	N/A

(a) Defined Contribution Plans-
Jaguar and Land Rover group's contribution to defined contribution plan aggregated **₹ 100.60 crores** (₹ 82.45 crores for the year ended March 31, 2012) has been recognised in the Profit and Loss Statement in note 25(b) on page 186.

(b) The expected rate of return on plan assets is based on market expectation, at the beginning of the year, for returns over the entire life of the related obligation.

(c) The assumption of future salary increases, considered in actuarial valuation, take account of inflation, seniority, promotion and other relevant factors, such as supply and demand in the employment market.

(d) The Company expects to contribute **₹ 1,751.20 crores** to the funded pension plans in the year 2013-2014.

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS

(₹ in crores)

			2012 - 2013	2011 - 2012
34.	(i)	**Movement of provision for warranty and product liability**		
		Opening balance	**5,252.17**	4,126.19
		Add: Provision for the year (net) (including additional provision for earlier years)	**4,188.74**	3,427.45
		Less: Payments / debits (net of recoveries from suppliers)	**(2,742.34)**	(2,857.76)
		Foreign currency translation	**(28.11)**	556.29
		Closing balance	**6,670.46**	5,252.17
		Current portion	**3,110.02**	2,731.40
		Non-current portion	**3,560.44**	2,520.77
			6,670.46	5,252.17

The provision is expected to be utilized for settlement of warranty claims within a period of 5 years.

			2012 - 2013	2011 - 2012
	(ii)	**Movement of provision for redemption of FCCN / CARS**		
		Opening balance	**912.50**	801.09
		Foreign currency exchange loss	**82.97**	100.99
		Premium on redemption of FCCN / CARS (including withholding tax)	**(843.37)**	(0.97)
		Reversal of provision for premium due to conversion of FCCN / CARS	**(19.92)**	-
		Provision / (reversal of provision) for withholding tax upon conversion / redemption / foreign currency exchange of FCCN / CARS	**(97.97)**	11.39
		Closing balance	**34.21**	912.50
		Current portion	**-**	855.73
		Non-current portion	**34.21**	56.77
			34.21	912.50
	(iii)	**Movement of provision for residual risk**		
		Opening balance	**130.98**	50.23
		Add: Provision / (reversal of provision) for the year	**(6.02)**	42.57
		Less: Payments / debits	**(7.74)**	-
		Foreign currency translation	**2.45**	38.18
		Closing balance	**119.67**	130.98
		Current portion	**13.40**	17.58
		Non-current portion	**106.27**	113.40
			119.67	130.98

In certain markets, some subsidiaries are responsible for the residual risk arising on vehicles sold by dealers on a leasing arrangement. The provision is based on the latest available market expectations of future residual value trends. The timing of the outflows will be at the end of the lease arrangements – being typically up to three years.

			2012 - 2013	2011 - 2012
	(iv)	**Movement of provision towards environmental cost**		
		Opening balance	**164.86**	130.90
		Add: Provision for the year (net)	**25.79**	19.47
		Less: Payments	**(12.04)**	(4.96)
		Foreign currency translation	**0.71**	19.45
		Closing balance	**179.32**	164.86
		Current portion	**-**	-
		Non-current portion	**179.32**	164.86
			179.32	164.86

This provision relates to various environmental remediation costs such as asbestos removal and land clean up. The timing of when these costs will be incurred is not known with certainty.

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS

35. The additional disclosure as required by AS 7 (Revised) on Construction Contracts:

(a) Advance received is ₹ **14.01 crores** (as at March 31, 2012 ₹ 27.75 crores)

(b) Retention money is ₹ **13.28 crores** (as at March 31, 2012 ₹ 19.33 crores)

(c) Contract revenue recognised during the year is ₹ **54.36 crores** (2011-12 ₹ 119.51 crores)

(d) Aggregate amount of costs incurred and recognised profits (less recognised losses) ₹ **259.02 crores** (as at March 31, 2012 ₹ 381.25 crores)

36. Other Notes

(a) The following subsidiaries / joint venture have been considered on unaudited basis. Details for the same as per individual entity's financials are as under :

(₹ in crores)

	Net Worth As at March 31, 2013	Total Revenue for the year ended March 31, 2013	Net Increase / (Decrease) in Cash & Cash equivalent during 2012-2013
(i) Subsidiaries :			
Tata Motors (SA) (Proprietary) Ltd	**9.79**	**103.17**	**(0.55)**
Tata Hispano Motors Carrocera S.A	**(545.41)**	**138.09**	**19.41**
Tata Motors European Technical Centre Plc	**49.79**	**300.60**	**(115.73)**
Miljobil Greenland AS	**-**	**-**	**(9.59)**
Trilix S.r.l	**10.75**	**58.24**	**(0.06)**
Tata Precision Industries Pte Ltd	**1.08**	**0.03**	**(0.59)**
	(474.00)	**600.13**	**(107.11)**
(ii) Joint venture :			
Fiat India Automobiles Ltd	**525.43**	**1,757.19**	**(154.29)**
Total (i + ii)	**51.43**	**2,357.32**	**(261.40)**
For the year ended / as at March 31, 2012	230.67	2,306.22	(46.74)

(b) The share of profit / (loss) in respect of investments in associate companies include figures which are considered as per unaudited financial statements for the year ended March 31, 2013, as per details given below :

(₹ in crores)

	Profit / (Loss) for the year ended March 31, 2013
Tata Hitachi Construction Machinery Company Ltd	**(53.95)**
Nita Company Ltd.	**5.37**
	(48.58)
For the year ended March 31, 2012	(17.65)

(c) During the year ended March 31, 2013 :

(i) Jaguar Land Rover Automotive Plc., an indirect subsidiary of the Company, has issued US$ 500 million (approximately ₹ 2,690.94 crores), 5.625% Senior Notes due 2023.

(ii) Jaguar Land Rover Automotive Plc. and its subsidiaries, have invested CNY 700 million (approximately ₹ 604.45 crores) in the joint venture company in China.

(d) Previous year figures have been regrouped / reclassified whereever necessary to correspond with the current year classification / disclosure

(e) Capital Work-in-progress as at March 31, 2013 includes building under construction at Singur in West Bengal of ₹ 309.88 crores for the purposes of manufacturing automobiles. In October 2008, the Company moved the Nano project from Singur in West Bengal to Sanand in Gujarat. In June 2011, the newly elected Government of West Bengal (State Government) enacted a legislation to cancel land lease agreement. The Company challenged the legal validity of the legislation. In June 2012, the High Court of Calcutta ruled against the validity of the legislation and restored Company's rights under the land lease agreement. The State Government has filed an appeal in the Supreme Court of India, which is pending disposal. Based on management's assessment no provision is considered necessary to the carrying cost of buildings at Singur.

(f) Current year figures are shown in bold prints.

SUBSIDIARY COMPANIES : FINANCIAL HIGHLIGHTS 2012-13

(₹ in crores)

Sr. No	Subsidiary	Country of Incorporation	Reporting currency #	Share capital (incl. advances towards capital where applicable)	Reserves and Surplus	Total Assets	Total Liabilities	Turnover	Profit / (Loss) Before Tax	Tax Expense / (Credit)	Profit / (Loss) after tax	Profit/ (Loss) for the period/ year *	Proposed dividend and tax thereon	Investments (except in case of investment in the subsidiaries)
1	TAL Manufacturing Solutions Ltd	India	INR	65.00	19.68	338.90	254.22	213.00	(21.99)	0.04	(22.03)	(22.03)	-	-
2	TML Drivelines Ltd	India	INR	77.00	673.46	938.04	187.58	400.79	118.76	39.88	78.88	78.88	31.53	114.42
3	Concorde Motors (India) Ltd	India	INR	28.05	27.59	277.55	221.91	764.56	(15.81)	(0.47)	(15.34)	(15.34)	-	-
4	Sheba Properties Ltd	India	INR	75.00	91.36	169.57	3.21	2.26	7.37	0.97	6.40	6.40	-	116.42
5	Tata Daewoo Commercial Vehicle Co. Ltd	South Korea	KRW	57.35	1,121.80	2,918.03	1,738.88	4,023.32	(108.71)	(18.91)	(89.80)	(89.80)	-	2.39
6	Tata Technologies Ltd	India	INR	43.20	665.28	991.50	283.20	818.03	262.04	60.82	201.22	201.22	80.01	284.96
7	Tata Motors Insurance Broking & Advisory Services Ltd	India	INR	2.50	9.34	24.60	12.76	56.06	7.05	0.82	6.23	6.23	0.58	2.80
8	Tata Motors European Technical Centre Plc	UK	GBP	220.59	(170.81)	187.30	137.52	300.60	(48.52)	3.27	(51.79)	(51.79)	2.30	-
9	TML Distribution Company Ltd	India	INR	225.00	70.27	641.13	345.86	3,255.68	16.94	5.51	11.43	11.43	-	-
10	Tata Motors (SA) (Proprietary) Ltd	South Africa	ZAR	13.00	(3.21)	59.04	49.25	103.17	0.84	-	0.84	0.84	-	-
11	Tata Motors Finance Ltd	India	INR	1,230.00	1,458.61	20,645.65	17,957.04	2,787.41	449.58	140.28	309.30	309.30	100.73	112.02
12	Tata Marcopolo Motors Ltd	India	INR	170.00	(24.79)	402.75	257.54	656.84	6.27	-	6.27	6.27	-	-
13	Tata Motors (Thailand) Ltd	Thailand	THB	229.29	(435.82)	674.13	880.66	392.97	(79.70)	-	(79.70)	(79.70)	-	-
14	TML Holdings Pte Ltd, Singapore	Singapore	GBP	13,843.04	(371.73)	13,471.31	-	-	(232.43)	0.39	(232.82)	(232.82)	-	-
15	Tata Hispano Motors Carrocera S.A	Spain	EURO	3.70	(481.05)	329.68	807.04	121.00	(88.86)	-	(88.86)	(88.86)	-	-
16	Trilix S.r.l	Italy	EURO	0.61	10.14	37.26	26.51	58.24	4.35	1.23	3.12	3.12	-	-
17	Tata Precision Industries Pte Ltd	Singapore	SGD	74.21	(73.13)	1.10	0.02	0.04	(0.05)	-	(0.05)	(0.05)	-	-
18	PT Tata Motors Indonesia	Indonesia	IDR	47.20	(32.16)	21.60	6.56	0.06	(31.19)	-	(31.19)	(31.19)	-	-
19	INCAT International Plc	UK	GBP	1.99	38.21	47.87	7.67	-	(0.01)	-	(0.01)	(0.01)	-	-
20	Tata Technologies Inc	USA	USD	242.57	(432.23)	194.65	384.31	587.16	26.65	12.44	14.21	14.21	-	-
21	Tata Technologies (Canada) Inc.	Canada	USD	0.01	4.18	19.27	15.08	5.57	1.28	0.32	0.96	0.96	-	-
22	Tata Technologies de Mexico, S.A. de C.V.	Mexico	USD	0.84	3.04	10.65	6.77	14.12	(0.43)	-	(0.43)	(0.43)	-	-
23	Tata Technologies Europe Ltd	UK	GBP	0.08	147.41	361.58	214.09	781.97	83.18	16.36	66.82	66.82	-	-
24	INCAT GmbH.	Germany	EURO	1.14	13.72	16.41	1.55	0.50	0.03	0.92	(0.89)	(0.89)	-	-
25	Tata Technologies (Thailand) Ltd	Thailand	THB	6.53	0.17	7.92	1.22	10.40	1.73	-	1.73	1.73	-	-
26	Tata Technologies Pte. Ltd, Singapore	Singapore	USD	293.11	325.25	639.77	21.41	36.63	13.81	0.23	13.58	13.58	-	-
27	Miljobil Greenland AS *(upto August 30, 2012)*	Norway	NOK	-	-	-	-	-	8.19	-	8.19	8.19	-	-
28	Jaguar Land Rover Automotive Plc *(formerly known as JaguarLandRover Plc)*	UK	GBP	12,319.70	1,766.76	30,311.59	16,225.13	-	325.01	99.74	225.27	225.27	-	-
29	Jaguar Land Rover Ltd *(formerly known as Jaguar Cars Overseas Hoaldings Ltd)*	UK	GBP	12,314.78	12,828.71	93,992.11	68,848.62	62,030.57	773.84	47.29	726.55	726.55	-	6,433.65
30	Land Rover	UK	GBP	41.05	28,649.91	28,690.96	-	59,816.51	10,371.24	1,834.87	8,536.37	8,536.37	-	195.39
31	Jaguar Land Rover Exports Limited	UK	GBP	-	255.60	23,083.20	22,827.60	83,553.80	92.30	-	92.30	92.30	-	-
32	Jaguar Land Rover North America, LLC.	USA	USD	229.09	(79.86)	4,424.34	4,275.43	19,366.86	112.58	86.71	25.87	25.87	-	-
33	Jaguar Land Rover Deutschland GmbH	Germany	EUR	17.78	154.00	1,644.10	1,472.32	5,406.78	31.05	14.25	16.80	16.80	-	-
34	Jaguar Land Rover Austria GmbH	Austria	EUR	1.01	42.99	245.43	201.43	1,028.16	5.84	1.43	4.41	4.41	-	-
35	Jaguar Land Rover Italia SpA	Italy	EUR	180.43	134.71	902.51	587.37	3,751.89	20.05	14.50	5.55	5.55	-	-
36	Jaguar Land Rover Portugal-Veiculos e Pecas, LDA.	Portugal	EUR	9.60	57.51	131.96	64.85	175.88	0.63	(0.53)	1.16	1.16	-	-

SUBSIDIARY COMPANIES : FINANCIAL HIGHLIGHTS 2012-13

(₹ in crores)

Sr. No	Subsidiary	Country of Incorporation	Reporting currency #	Share capital (incl. advances towards capital where applicable)	Reserves and Surplus	Total Assets	Total Liabilities	Turnover	Profit / (Loss) Before Tax	Tax Expense / (Credit)	Profit / (Loss) after tax	Profit/ (Loss) for the period/ year *	Proposed dividend and tax thereon	Investments (except in case of investment in the subsidiaries)
37	Jaguar Land Rover France SAS	France	EUR	22.49	55.69	707.12	628.94	3,530.90	19.17	9.12	10.05	10.05	-	-
38	Jaguar Land Rover Australia Pty Ltd	Australia	AUD	3.72	155.78	1,533.96	1,374.46	3,293.62	82.65	24.69	57.96	57.96	-	-
39	Jaguar Land Rover Automotive Trading (Shanghai) Co. Ltd	China	CNY	58.83	3,148.03	10,576.67	7,369.81	43,793.06	4,892.47	1,773.86	3,118.61	3,118.61	-	-
40	Jaguar Land Rover Japan Ltd	Japan	JPY	27.69	214.48	578.85	336.68	1,092.30	22.02	5.57	16.45	16.45	-	-
41	Jaguar Land Rover Korea Company Ltd	South Korea	KRW	0.26	51.28	448.42	396.87	1,072.53	18.88	3.65	15.23	15.23	-	-
42	Jaguar Land Rover Canada ULC	Canada	CAD	-	43.12	832.70	789.58	1,870.66	13.10	2.22	10.88	10.88	-	-
43	Jaguar Land Rover Brazil LLC	Brazil	BRL	51.58	95.58	1,228.46	1,081.30	2,765.59	288.46	91.92	196.54	196.54	-	-
44	Limited Liability Company "Jaguar Land Rover" (Russia)	Russia	RUR	7.06	867.90	1,495.91	620.93	7,835.24	565.11	119.08	446.03	446.03	-	-
45	Jaguar Land Rover (South Africa) (Pty) Ltd	South Africa	ZAR	-	66.85	797.36	730.51	2,721.15	131.24	38.31	92.93	92.93	-	-
46	Jaguar Hispania SL	Spain	EUR	6.50	11.77	78.36	60.09	210.62	1.23	0.42	0.81	0.81	-	-
47	Jaguar Belux N.V.	Belgium	EUR	8.70	2.38	99.24	88.16	251.22	1.49	0.51	0.98	0.98	-	-
48	Jaguar Land Rover (South Africa) Holdings Ltd	UK	GBP	-	1,605.90	1,612.39	6.49	-	24.99	7.05	17.94	17.94	-	-
49	Land Rover Group Ltd	Jersey	GBP	-	-	-	-	-	-	-	-	-	-	-
50	Land Rover Ireland Ltd	Ireland	EUR	-	1.73	1.73	-	-	(2.01)	0.19	(1.82)	(1.82)	-	-
51	Land Rover Exports Ltd *(upto April 1, 2012)*	UK	GBP	-	-	-	-	-	-	-	-	-	-	-
52	Land Rover Espana SL	Spain	EUR	300.53	40.77	676.89	335.59	1,576.61	10.32	3.50	6.82	6.82	-	-
53	Jaguar Land Rover Nederland BV	Netherlands	EUR	0.32	11.20	244.66	233.14	817.92	5.07	0.77	4.30	4.30	-	-
54	Land Rover Belux SA/NV	Belgium	EUR	1.42	6.31	359.10	351.37	1,591.28	8.76	3.04	5.72	5.72	-	-
55	Jaguar Land Rover India Ltd	India	INR	9.25	(4.05)	5.44	0.24	-	(4.05)	-	(4.05)	(4.05)	-	-
56	Land Rover Parts Ltd	UK	GBP	-	-	-	-	-	-	-	-	-	-	-
57	The Lanchester Motor Company Ltd	UK	GBP	-	-	-	-	-	-	-	-	-	-	-
58	The Daimler Motor Company Ltd	UK	GBP	12.31	-	12.31	-	-	-	-	-	-	-	-
59	S S Cars Ltd	UK	GBP	-	-	-	-	-	-	-	-	-	-	-
60	Daimler Transport Vehicles Ltd	UK	GBP	-	-	-	-	-	-	-	-	-	-	-
61	The Jaguar Collection Ltd	UK	GBP	-	-	-	-	-	-	-	-	-	-	-
62	Jaguar Cars (South Africa) (Pty) Ltd	South Africa	ZAR	-	-	-	-	-	-	-	-	-	-	-
63	Tata Hispano Motors Carroceries Maghreb	Morocco	EUR	25.27	(68.53)	96.93	140.19	40.65	(9.55)	0.20	(9.75)	(9.75)	-	-
64	Tata Daewoo Commercial Vehicle Sales and Distribution Co. Ltd.	South Korea	KRW	4.00	2.77	24.88	18.11	40.33	(2.49)	(0.52)	(1.97)	(1.97)	-	-
65	PT Tata Motors Distribusi Indonesia *(incorporated w.e.f February 11, 2013)*	Indonesia	IDR	1.24	0.16	1.25	0.17	-	(0.16)	-	(0.16)	(0.16)	-	-
Details of Direct subsidiaries, on consolidated basis including their respective subsidiaries included above														
1	Tata Technologies Ltd (Note A, page 84)			43.02	909.88	1,753.13	800.23	2,014.60	392.43	91.70	300.73	300.73	80.01	284.96
2	Tata Motors European Technical Centre Plc.(Note B, page 84)			220.59	(170.81)	(187.30)	137.51	300.60	45.73	3.27	42.46	42.46	2.30	-
3	Tata Hispano Motors Carrocera S.A. (Note C, page 84)			3.70	(549.12)	286.02	831.44	138.09	(140.41)	(39.80)	(100.61)	(100.61)	-	-
4	Tata Daewoo Commercial Vehicle Co. Ltd. (Note D, page 84)			57.35	999.66	2,802.13	1,741.40	3,933.68	(92.77)	(19.43)	(73.34)	(73.34)	-	2.39
5	TML Holdings Pte Ltd, Singapore (Note E, page 84)**													
6	PT Tata Motors Indonesia (Note F, page 84)			47.20	(32.16)	21.60	6.56	0.06	(31.35)	-	(31.35)	(31.35)	-	-
**	TML Holdings Pte Ltd, Singapore holds fully Jaguar Land Rover Automotive Plc, the consolidated accounts of which is given below and that comprises all JLR companies as stated above.													
	Jaguar Land Rover Automotive Plc *(formerly known as JaguarLandRover Plc)* .			12,319.70	17,772.64	1,05,944.64	75,852.30	135,712.34	14,827.92	3,671.73	11,156.19	11,156.19	-	6,433.65

Notes:

			Country of incorporation
(A)	**Subsidiaries of Tata Technologies Ltd that have been consolidated**		
	1	Tata Technologies (Thailand) Ltd	Thailand
	2	Tata Technologies Pte. Ltd, Singapore	Singapore
	3	INCAT International Plc	UK
	4	Tata Technologies Europe Ltd	UK
	5	INCAT GmbH.	Germany
	6	Tata Technologies Inc	USA
	7	Tata Technologies de Mexico, S.A. de C.V.	Mexico
	8	Tata Technologies (Canada) Inc.	Canada
(B)	**Subsidiary of Tata Motors European Technical Centre Plc that has been consolidated**		
	1	Miljobil Greenland AS (*upto August 30, 2012*)	Norway
(C)	**Subsidiary of Tata Hispano Motors Carrocera S.A that has been consolidated**		
	1	Tata Hispano Motors Carroceries Maghreb	Morocco
(D)	**Subsidiary of Tata Daewoo Commercial Vehicle Co. Ltd that has been consolidated**		
	1	Tata Daewoo Commercial Vehicle Sales and Distribution Co. Ltd.	South Korea
(E)	**Subsidiaries of TML Holdings Pte Ltd, Singapore that have been consolidated**		
	1	Jaguar Land Rover Automotive Plc (*formerly known as JaguarLandRover Plc*)	UK
	2	Jaguar Land Rover Ltd (*formerly known as Jaguar Cars Overseas Holdings Ltd*)	UK
	3	Jaguar Land Rover Austria GmbH	Austria
	4	Jaguar Belux NV	Belgium
	5	Jaguar Land Rover Japan Ltd	Japan
	6	Jaguar Cars South Africa (pty) Ltd	South Africa
	7	Jaguar Land Rover Exports Ltd	UK
	8	The Daimler Motor Company Ltd	UK
	9	The Jaguar Collection Ltd	UK
	10	Daimler Transport Vehicles Ltd	UK
	11	S.S. Cars Ltd	UK
	12	The Lanchester Motor Company Ltd	UK
	13	Jaguar Hispania SL	Spain
	14	Jaguar Land Rover Deutschland GmbH	Germany
	15	Land Rover	UK
	16	Land Rover Group Ltd	Jersey
	17	Jaguar Land Rover North America LLC	USA
	18	Land Rover Belux SA/NV	Belgium
	19	Land Rover Ireland Ltd	Ireland
	20	Jaguar Land Rover Nederland BV (*formerly known as Land Rover Nederland BV*)	Netherlands
	21	Jaguar Land Rover Portugal - Veiculos e Pecas, LDA	Portugal
	22	Jaguar Land Rover Australia Pty Ltd	Australia
	23	Land Rover Exports Ltd (*upto April 1, 2012*)	UK
	24	Jaguar Land Rover Italia SpA	Italy
	25	Land Rover Espana SL	Spain
	26	Jaguar Land Rover Korea Co. Ltd	South Korea
	27	Jaguar Land Rover Automotive Trading (Shanghai) Co. Ltd	China
	28	Jaguar Land Rover Canada ULC	Canada
	29	Jaguar Land Rover France, SAS	France
	30	Jaguar Land Rover (South Africa) (pty) Ltd	South Africa
	31	Jaguar Land Rover Brazil LLC	Brazil
	32	Limited Liability Company "Jaguar Land Rover" (Russia)	Russia
	33	Land Rover Parts Ltd	UK
	34	Jaguar Land Rover (South Africa) Holdings Ltd.	UK
	35	Jaguar Land Rover India Ltd (*incorporated w.e.f. October 25, 2012*)	India
(F)	**Subsidiary of PT Tata Motors Indonesia that has been consolidated**		
	1	PT Tata Motors Distribusi Indonesia (*incorporated w.e.f. February 11, 2013*)	Indonesia

The financial statements of subdsidiaries whose reporting currency are other than INR are converted into Indian Rupees on the basis of appropriate exchange rates.

* Profit for the year is after share of minority interest and share of profit / (loss) in respect of investment in associate companies.

LISTED SECURITIES ISSUED BY SUBSIDIARY COMPANIES

Security	Allotted on	ISIN	Issue Size	Listed On
Tata Motors Finance Limited				
		FY 12-13		
11.50% Unsecured Rated Perpetual Debentures (due 2022)	May 30, 2012	INE909H08105	Rs. 269,000,000	Wholesale Debt Market Segment of NSE
11.50%Unsecured Rated Perpetual Debentures (due 2022)	June 28,2012	INE909H08113	Rs.731,000,000	Wholesale Debt Market Segment of NSE
		FY 10-11		
11.35%Unsecured Rated Perpetual Debentures (due 2022)	November 23, 2010	INE909H08055	Rs.1,500,000,000	Wholesale Debt Market Segment of NSE
Jaguar Land Rover Automotive PLC				
		FY 12-13		
5.625% Senior Notes (due 2023)	January 28, 2013	USG50027AE42 & US47010BAA26	US$500,000,000	Luxembourg Stock Exchange
		FY 11-12		
8.125% Senior Notes (due 2018)	May 19, 2011	XS0627215535 & XS0627215378	GB£500,000,000	Luxembourg Stock Exchange
7.750% Senior Notes (due 2018)	May 19, 2011	US47009XAA72 & USG50027AA20	US$410,000,000	Luxembourg Stock Exchange
8.125% Senior Notes (due 2021)	May 19, 2011	US47009XAB55 & USG50027AB03	US$410,000,000	Luxembourg Stock Exchange
8.250% Senior Notes (due 2020)	March 27, 2012	XS0765386627 & XS0765386973	GB£500,000,000	Luxembourg Stock Exchange
TML Holdings Pte. Ltd.				
		FY 12-13		
4.25% Senior Notes (due 2018)	May 16,2013	SG56E5992953	S$350,000,000	Singapore Stock Exchange

FINANCIAL STATISTICS

COMPANY (STANDALONE)

	CAPITAL ACCOUNTS (₹ in lakhs)						REVENUE ACCOUNTS (₹ in lakhs)						RATIOS					
Year	Capital	Reserves and Surplus	Borrow-ings	Gross Block	Deprecia-tion	Net Block	Turnover	Deprecia-tion	Profit/ (Loss) Before Taxes	Taxes	Profit/ (Loss) After Taxes	Dividend including tax	PAT to Sales	Earnings Per Share (Basic)* (₹)		Dividend Per Share*(#)		Net Worth Per Share* (₹)
														Ordinary Share	'A' Ordinary Share	Ordinary Share	'A' Ordinary Share	
1945-46	100	1	-	31	2	29	12	2	1	0	1	0	8.3%	0.07	-	-	-	10
1949-50	200	11	94	233	44	189	167	15	11	5	6	0	3.6%	0.03	-	-	-	10
1953-54	500	27	412	731	270	461	321	97	3	0	3	0	0.9%	0.11	-	-	-	11
1954-55	627	27	481	792	303	489	445	35	0	0	0	0	0.0%	0.00	-	-	-	11
1955-56	658	120	812	1010	407	603	1198	105	125	32	93	59	7.8%	1.32	-	0.60	-	12
1956-57	700	149	1382	1352	474	878	2145	70	116	27	89	44	4.1%	1.64	-	0.80	-	13
1957-58	700	117	1551	1675	668	1007	2694	129	99	6	93	52	3.5%	1.72	-	0.90	-	12
1958-59	1000	206	1245	2050	780	1270	2645	113	155	13	142	56	5.4%	1.68	-	0.90	-	12
1959-60	1000	282	1014	2201	940	1261	2825	161	222	93	129	108	4.6%	1.50	-	1.25	-	13
1960-61	1000	367	1263	2593	1118	1475	3735	180	313	122	191	126	5.1%	2.26	-	1.45	-	14
1961-62	1000	432	1471	2954	1336	1618	4164	220	378	188	190	124	4.6%	2.28	-	1.45	-	15
1962-63	1000	450	1758	3281	1550	1731	4364	223	327	185	142	124	3.3%	1.68	-	1.45	-	15
1963-64	1198	630	2470	3920	1802	2118	5151	260	404	200	204	144	4.0%	1.97	-	1.45	-	16
1964-65	1297	787	3275	4789	2144	2645	6613	345	479	208	271	157	4.1%	2.39	-	1.45	-	17
1965-66	1640	995	3541	5432	2540	2892	7938	398	477	189	288	191	3.6%	2.20	-	1.45	-	18
1966-67	1845	1027	4299	6841	3039	3802	9065	505	620	192	428	235	4.7%	2.80	-	1.45+	-	17
1967-68	1845	1121	5350	7697	3608	4089	9499	572	395	66	329	235	3.5%	2.10	-	1.45	-	18
1968-69	1845	1295	5856	8584	4236	4348	10590	630	582	173	409	235	3.9%	2.66	-	1.45	-	19
1969-70	1845	1333	6543	9242	4886	4356	9935	662	274	0	274	221	2.8%	1.72	-	1.35	-	19
1970-71	1845	1516	6048	10060	5620	4440	13624	749	673	270	403	251	3.0%	2.49	-	1.45	-	20
1971-72	1949	2020	6019	10931	6487	4444	15849	758	885	379	506	273	3.2%	3.04	-	1.50	-	23
1972-73	1949	2194	5324	12227	7491	4736	15653	820	832	360	472	266	3.0%	2.87	-	1.50	-	24
1973-74	1949	2394	6434	13497	8471	5026	16290	902	1007	450	557	180	3.4%	3.43	-	0.93	-	26
1974-75	1949	2827	9196	15838	9593	6245	22510	1134	677	136	541	266	2.4%	3.32	-	1.50	-	28
1975-76	2013	3691	9399	18642	10625	8017	27003	1054	855	91	764	276	2.8%	4.60	-	1.50	-	33
1976-77	2328	3833	11816	20709	11685	9024	28250	1145	1056	0	1056	323	3.7%	5.38	-	1.50+	-	30
1977-78	2118	4721	11986	22430	12723	9707	28105	1101	1044	0	1044	313	3.7%	5.37	-	1.50	-	35
1978-79	3151	5106	11033	24900	13895	11005	37486	1200	1514	0	1514	467	4.0%	5.36	-	1.60+	-	27
1979-80	3151	6263	17739	28405	15099	13306	44827	1300	1762	0	1762	605	3.9%	5.96	-	2.00	-	31
1980-81	3151	8095	15773	33055	16496	16559	60965	1616	2437	0	2437	605	4.0%	8.27	-	2.00	-	38
1981-82	4320	10275	25476	38819	18244	20575	79244	1993	4188	0	4188	839	5.3%	10.18	-	2.00+	-	35@
1982-83	4226	12458	23361	43191	20219	22972	86522	2187	3481	460	3021	827	3.5%	7.34	-	2.00	-	40
1983-84	5421	14103	25473	46838	23078	23760	85624	2923	2163	235	1928	923	2.3%	3.61	-	2.00	-	37@
1984-85	5442	15188	30226	52819	26826	25993	93353	3895	2703	390	2313	1241	2.5%	4.32	-	2.30	-	39
1985-86	5452	16551	44651	61943	29030	32913	102597	3399	1832	215	1617	1243	1.6%	3.00	-	2.30	-	41
1986-87	5452	15886	53476	68352	30914	37438	119689	2157	293	0	293	552	0.2%	0.51	-	1.00	-	40
1987-88	6431	17491	44406	75712	34620	41092	140255	3822	3205	510	2695	1356	1.9%	4.25	-	2.30	-	38@
1988-89	10501	30740	32396	83455	38460	44995	167642	4315	8513	1510	7003	2444	4.2%	6.74	-	2.50	-	40@

FINANCIAL STATISTICS

COMPANY (STANDALONE)

	CAPITAL ACCOUNTS (₹ in lakhs)						REVENUE ACCOUNTS (₹ in lakhs)						RATIOS					
Year	Capital	Reserves and Surplus	Borrow-ings	Gross Block	Deprecia-tion	Net Block	Turnover	Deprecia-tion	Profit/ (Loss) Before Taxes	Taxes	Profit/ (Loss) After Taxes	Dividend including tax	PAT to Sales	Earnings Per Share (Basic)* (₹)		Dividend Per Share*(#)		Net Worth Per Share* (₹)
														Ordinary Share	'A' Ordinary Share	Ordinary Share	'A' Ordinary Share	
1989-90	10444	37870	48883	91488	43070	48418	196910	4891	14829	4575	10254	3126	5.2%	9.87	-	3.00	-	47
1990-91	10387	47921	48323	100894	48219	52675	259599	5426	23455	9250	14205	4154	5.5%	13.69	-	4.00	-	56
1991-92	11765	61863	105168	123100	54609	68491	317965	6475	20884	7800	13084	4389	4.1%	12.45	-	4.00	-	67@
1992-93	12510	64207	144145	153612	61710	91902	309156	7456	3030	26	3004	3642	1.0%	2.47	-	3.00	-	63
1993-94	12867	70745	141320	177824	70285	107539	374786	9410	10195	20	10175	5020	2.7%	7.91	-	4.00	-	65
1994-95	13694	128338	115569	217084	81595	135489	568312	11967	45141	13246	31895	8068	5.6%	23.29	-	6.00	-	104
1995-96	24182	217400	128097	294239	96980	197259	790967	16444	76072	23070	53002	14300	6.7%	21.92	-	6.00	-	100
1996-97	25588	339169	253717	385116	117009	268107	1012843	20924	100046	23810	76236	22067	7.5%	30.40	-	8.00	-	143
1997-98	25588	349930	330874	487073	141899	345174	736279	25924	32880	3414	29466	15484	4.0%	11.51	-	5.50	-	147
1998-99	25590	350505	344523	569865	165334	404531	659395	28132	10716	970	9746	8520	1.5%	3.81	-	3.00	-	147
1999-00	25590	349822	300426	581233	182818	398415	896114	34261	7520	400	7120	7803	0.8%	2.78	-	2.50	-	147
2000-01	25590	299788	299888	591427	209067	382360	816422	34737	(50034)	0	(50034)	0	-	(18.45)	-	-	-	127
2001-02	31982	214524	230772	591006	243172	347834	891806	35468	(10921)	(5548)	(5373)	0	-	(1.98)	-	-	-	77@
2002-03	31983	227733	145831	608114	271307	336807	1085874	36213	51037	21026	30011	14430	2.8%	9.38	-	4.00	-	81
2003-04	35683	323677	125977	627149	302369	324780	1555242	38260	129234	48200	81034	31825	5.2%	24.68	-	8.00	-	102@
2004-05	36179	374960	249542	715079	345428	369651	2064866	45016	165190	41495	123695	51715	6.0%	34.38	-	12.50!	-	114@
2005-06	38287	515420	293684	892274	440151	452123	2429052	52094	205338	52450	152888	56778	6.3%	40.57	-	13.00	-	145@
2006-07	38541	648434	400914	1128912	489454	639458	3206467	58629	257318	65972	191346	67639	6.0%	49.76	-	15.00	-	178@
2007-08	38554	745396	628052	1589579	544352	1045227	3357711	65231	257647	54755	202892	65968	6.0%	52.64	-	15.00	-	203@
2008-09	51405	1171610	1316556	2085206	625990	1459216	2949418	87454	101376	1250	100126	34570	3.4%	22.70	23.20	6.00	6.50	238++
2009-10	57060	1439487	1659454	2364896	721292	1643604	4021755	103387	282954	58946	224008	99194	5.6%	42.37	42.87	15.00	15.50	262^
2010-11	63771	1937559	1591543	2568235	846625	1721610	5160692	136077	219652	38470	181182	146703	3.5%	30.28	30.78	20.00	20.50	315^^
2011-12	63475	1899126	1588057	2902206	996587	1905619	5979502	160674	134103	9880	124223	146372	2.5%	3.90**	4.00**	4.00**	4.10**	61.84
2012-13	63807	1849677	1679895	3181998	1161144	2020854	5140793	181762	17493	(12688)	30181	72423	0.6%	0.93	1.03	0.93	1.03	59.98

Notes :

@ On increased capital base due to conversion of Bonds / Convertible Debentures / Warrants / FCCN into shares.

$ On increased capital base due to issue of Bonus Shares. Net Worth excludes ordinary dividends.

* Equivalent to a face value of Rs.10/- per share.

\# Includes Interim Dividend where applicable.

\+ Including on Bonus Shares issued during the year.

! Includes a special dividend of Rs. 2.50 per share for the Diamond Jubilee Year.

++ On increased capital base due to Rights issue and conversion of FCCN into shares.

^ On increased capital base due to GDS issue and conversion of FCCN into shares.

^^ On increased capital base due to QIP issue and conversion of FCCN into shares.

** Consequent to sub-division of shares, figures for previous years are not comparable.

FINANCIAL STATISTICS

COMPANY (CONSOLIDATED)

	CAPITAL ACCOUNTS (₹ in lakhs)						REVENUE ACCOUNTS (₹ in lakhs)						RATIOS					
Year	Capital	Reserves and Surplus	Borrow-ings	Gross Block	Accumu-lated Deprecia-tion	Net Block	Turnover	Deprecia-tion	Profit/ (Loss) Before Taxes	Taxes	Profit/ (Loss) for the year	Dividend includ-ing tax (including group's share of subsid-iaries dividend tax	PAT to Sales	Earnings Per Share (Basic)* (₹)		Dividend Per Share*(#) (₹)		Net Worth Per Share* (₹)
														Ordinary Share	'A' Ordinary Share	Ordinary Share	'A' Ordinary Share	
2001-02	31982	183617	282031	634984	252475	382509	932220	39222	(18015)	(6740)	(10719)	45	-1.1%	(3.95)	-	-	-	66@
2002-03	31983	190018	178965	648959	284038	364921	1144801	40190	54350	22640	29712	14497	2.6%	9.29	-	4.00	-	66
2003-04	35683	329884	169842	728468	323749	404719	1634104	42556	144487	53077	91529	32099	5.6%	27.88	-	8.00	-	104@
2004-05	36179	403537	271420	834162	375933	458229	2284217	53101	184809	49062	138534	52346	6.1%	38.50	-	12.50!	-	121@
2005-06	38287	574860	337914	1027949	484356	543593	2750725	62331	234898	64000	172809	58439	6.3%	45.86	-	13.00	-	160@
2006-07	38541	733626	730190	1294083	542665	751418	3707579	68809	308800	88321	216999	68822	5.9%	56.43	-	15.00	-	200@
2007-08	38554	831198	1158487	1892393	606049	1286344	4060827	78207	308629	85154	216770	67674	5.3%	56.24	-	15.00	-	225@
2008-09	51405	542659	3497385	6900238	3326905	3573333	7489227	250677	(212925)	33575	(250525)	36458	-3.3%	(56.88)	(56.88)	6.00	6.50	114++
2009-10	57060	763588	3519236	7291985	3441352	3850633	9736054	388713	352264	100575	257106	100185	2.6%	48.64	49.14	15.00	15.50	144^
2010-11	63771	1853376	3281055	8291975	3969870	4322105	12684370	465551	1043717	121638	927362	148130	7.3%	155.25	155.75	20.00	20.50	302^^
2011-12	63475	3206375	4714896	10572497	4951247	5621250	17133935	562538	1353387	(4004)	1351650	148862	7.9%	42.58**	42.68**	4.00**	4.10**	103^^
2012-13	63807	3699923	5359138	12098843	5150482	6948361	19439548	756930	1363348	377099	989261	75614	5.1%	31.02	31.12	2.00	2.10	118^^

Notes :

@ On increased capital base due to conversion of Bonds / Convertible Debentures / Warrants / FCCN into shares.

* Equivalent to a face value of Rs.10/- per share.

Includes Interim Dividend where applicable.

! Includes a special dividend of Rs. 2.50 per share for the Diamond Jubilee Year.

++ On increased capital base due to Rights issue and conversion of FCCN into shares.

^ On increased capital base due to GDS issue and conversion of FCCN into shares.

^^ On increased capital base due to QIP issue and conversion of FCCN into shares.

** Consequent to sub-division of shares, figures for previous years are not comparable.

Notes

Jaguar Land Rover
Halewood plant

Range Rover Evoque
manufacturing plant

10,000th Ace roll-out from
Dharwad plant
(January 30, 2013)

1st Vehicle roll-out from
Dharwad plant
(March 15, 2012)

TATA MOTORS LIMITED

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