

## TATA INVESTMENT CORPORATION LIMITED

Seventy-Second annual report 2008-2009

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### BOARD OF DIRECTORS :

Mr. N. A. Soonawala (*Chairman*)  
 Mr. A. B. K. Dubash  
 Mr. K. N. Suntook  
 Mr. M. J. Kotwal (*Executive Director & Secretary*)  
 Mr. N. N. Tata  
 Mr. K. A. Chaukar  
 Mr. F. N. Subedar  
 Mr. H. N. Sinor  
 Mr. P. P. Shah (*Appointed 19.06.2008*)  
 Mr. A. N. Dalal (*Appointed 19.06.2008*)

### Registered Office :

Ewart House,  
 Homi Mody Street,  
 Mumbai 400 001.  
 (Tel: 66658282 - Fax: 22652629)  
 e-mail: ticl@tata.com

### Bankers :

Bank of India  
 Catholic Syrian Bank  
 Central Bank of India  
 Citibank N. A.  
 HDFC Bank Ltd.  
 Hatton National Bank Ltd., Colombo  
 ICICI Bank Ltd.  
 Standard Chartered Bank  
 The Hongkong and Shanghai Banking Corporation Ltd.

### Auditors :

Messrs Deloitte Haskins and Sells  
 Chartered Accountants.

### Solicitors :

Messrs Mulla & Mulla & Craigie, Blunt & Caroe

### Registrars & Share Transfer Agents :

TSR Darashaw Limited  
 6-10, Haji Moosa Patrawala Industrial Estate  
 20, Dr. E. Moses Road, Mahalaxmi, Mumbai 400 011.  
 (Tel.: 022-6656 8484 Fax: 022-6656 8494)  
 e-mail: csg-unit@tsrdarashaw.com  
 Website: www.tsrdarashaw.com

**Annual General Meeting on Wednesday, 8th July, 2009 at Homi J. H. Taleyerkhan Auditorium at 3.30 p.m.**

No hand bags/parcels of any kind will be allowed inside the Auditorium. The same will have to be deposited outside the Auditorium on the counter provided, at the visitor's own risk.

## NOTICE

THE SEVENTY-SECOND ANNUAL GENERAL MEETING OF TATA INVESTMENT CORPORATION LIMITED will be held at Homi J.H. Taleyarkhan Memorial Hall, Red Cross Office, 141, Shahid Bhagat Singh Road, Mumbai 400 001, on Wednesday, the 8th day of July, 2009, at 3.30 p.m. to transact the following business :-

1. To receive and adopt the Directors' Report, the Audited Profit and Loss Account and the Cash Flow statement for the year ended 31st March, 2009 and the Balance Sheet as at that date.
2. To declare a dividend on Ordinary Shares.
3. To consider and, if thought fit, to pass with or without modification, the following resolution as an Ordinary Resolution :-  
**"RESOLVED** that Mr. A.B.K. Dubash, who retires by rotation as a Director pursuant to the provisions of Section 256 of the Companies Act, 1956, be and is hereby re-appointed a Director of the Company."
4. To consider and, if thought fit, to pass with or without modification, the following resolution as an Ordinary Resolution :-  
**"RESOLVED** that Mr. H.N. Sinor, who retires by rotation as a Director pursuant to the provisions of Section 256 of the Companies Act, 1956, be and is hereby re-appointed a Director of the Company."
5. To consider and, if thought fit, to pass with or without modification, the following resolution as an Ordinary Resolution :-  
**"RESOLVED** that Mr. P.P. Shah, who was appointed by the Board of Directors as an Additional Director of the Company with effect from 16th July, 2008, pursuant to Section 260 of the Companies Act, 1956 and Article 130 of the Articles of Association of the Company, 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 a Director, be and is hereby appointed a Director of the Company."
6. To consider and, if thought fit, to pass with or without modification, the following resolution as an Ordinary Resolution :-  
**"RESOLVED** that Mr. A.N. Dalal, who was appointed by the Board of Directors as an Additional Director of the Company with effect from 16th July, 2008, pursuant to Section 260 of the Companies Act, 1956 and Article 130 of the Articles of Association of the Company, 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 a Director, be and is hereby appointed a Director of the Company."
7. To appoint Auditors and to fix their remuneration.

### NOTES :

- a) The relative Explanatory Statement pursuant to Section 173 of the Companies Act, 1956, in respect of the special business under Item Nos.5 and 6 set out above are annexed hereto.
- b) A MEMBER ENTITLED TO ATTEND AND VOTE IS ENTITLED TO APPOINT A PROXY OR PROXIES TO ATTEND AND VOTE INSTEAD OF HIMSELF AND THE PROXY NEED NOT BE A MEMBER.
- c) The Register of Members and the Transfer Books of the Company will remain closed from Friday, 19th June, 2009 to Friday, 26th June, 2009, both days inclusive.
- d) Dividend, if declared, will be paid on or after 8th July, 2009, to those members whose names appear on the Company's Register of Members on 26th June, 2009. In respect of shares held in electronic form, the dividend will be payable to the beneficial owners of shares as at the end of business hours on Friday, 19th June, 2009 as per details furnished by National Securities Depository Limited and Central Depository Services (India) Ltd.

- e) Members are requested to notify immediately any change in their addresses and/or the Bank Mandate details to the Company's Registrars and Share Transfer Agents for shares held in physical form and to their respective Depository Participants for shares held in electronic form.
- f) Members holding shares in electronic form may please note that their bank details as furnished by the respective Depositories to the Company will be considered for remittance of dividend as per the applicable regulations of the Depositories and the Company will not entertain any direct request from such members for change/deletion in such bank details. Further, instructions if any, already given by them in respect of shares held in physical form, will not be automatically applicable to the dividend paid on shares held in electronic form. Members may, therefore, give instructions regarding bank accounts in which they wish to receive dividend to their Depository Participants.
- g) Pursuant to Section 205A of the Companies Act, 1956, all unclaimed/unpaid dividends upto the financial year ended 31st March, 1998 have been transferred to the General Revenue Account of the Central Government. Shareholders, who have not yet encashed their dividend warrants for the said period, are requested to forward their claims in the prescribed Form No.II to the Registrar of Companies, Central Government Office Bldg., 'A' Wing, 2nd floor, Next to Reserve Bank of India, CBD Belapur 400 614.

Pursuant to Section 205C of the Companies Act, 1956, the amount of dividend remaining unpaid or unclaimed for a period of seven years from the date of its transfer to the Unpaid Dividend Account of the Company shall be transferred to the Investor Education and Protection Fund (the Fund) set up by the Government of India and no payments shall be made in respect of any such claims by the Fund. Members who have not yet encashed their dividend warrant(s) for the financial year ended 31st March, 2003 onwards, are requested to make their claims to the Company accordingly, without any delay.

By Order of the Board of Directors,  
**TATA INVESTMENT CORPORATION LIMITED**

**M.J. KOTWAL**  
**Executive Director & Secretary.**

Mumbai, 20th May, 2009

Registered Office :  
Ewart House  
Homi Mody Street  
Mumbai 400 001.

## EXPLANATORY STATEMENT

As required by Section 173 of the Companies Act, 1956, the following Explanatory Statement sets out all material facts relating to the special business mentioned in Item Nos.5 and 6 of the accompanying Notice dated 20th May, 2009.

**Item No. 5 :** Mr. P.P. Shah was appointed as an Additional Director of the Company on 19th June, 2008 and held office upto the last Annual General Meeting. He was again appointed as Additional Director with effect from 16th July, 2008, pursuant to the provisions of Section 260 of the Companies Act, 1956 and Article 130 of the Articles of Association of the Company. Mr. Shah holds office upto the end of this Annual General Meeting.

Mr. Pradip Shah holds an MBA from Harvard Business School and is a qualified Cost Accountant. He was a founder Managing Director of the Credit Rating Information Services of India Ltd. (CRISIL), India's first and largest credit rating agency. Prior to founding CRISIL, Mr. Shah assisted in the setting up of Housing Development Finance Corporation Ltd. in 1977, before which he was a Project Officer at ICICI Ltd. Mr. Shah has also served as a consultant to USAID, the World Bank and the Asian Development Bank. Mr. Shah is presently the Chairman of IndAsia Fund Advisors Pvt. Ltd., a corporate finance and private equity advisory business, which he started in April 1998. He also helped establish the Indocean Fund in 1994 in association with affiliates of Chase Capital Partners and Soros Fund Management.

Mr. Shah is a Director on the Boards of many companies and a member of the various expert committees set up by the Government of India, Chambers of Commerce, Reserve Bank of India, etc.

It is therefore proposed to appoint Mr. P.P. Shah as a Director of the Company. The Company has received a Notice from a member under Section 257 of the Companies Act, 1956 signifying his intention of proposing Mr. Shah as a Director of the Company. The relevant particulars of Mr. Shah are given separately in this Notice.

**Item No. 6 :** Mr. A.N. Dalal was appointed as an Additional Director of the Company on 19th June, 2008 and held office upto the last Annual General Meeting. He was again appointed as Additional Director with effect from 16th July, 2008, pursuant to the provisions of Section 260 of the Companies Act, 1956 and Article 130 of the Articles of Association of the Company. Mr. Dalal holds office upto the end of this Annual General Meeting.

Mr. Amit Dalal has obtained his MBA from the University of Massachusetts, USA. He is a member of the Bombay Stock Exchange and is the Managing Director of ANSec Ltd., one of the leading stock broking companies. He was formerly a partner of the erstwhile broking and merchant banking firm, Dhirajlal Maganlal & Sons. Mr. Dalal is also the Joint Managing Director of Kapsales Ltd. and a Director on the Boards of various companies and is associated with certain charitable institutions.

It is therefore proposed to appoint Mr. A.N. Dalal as a Director of the Company. The Company has received a Notice from a member under Section 257 of the Companies Act, 1956 signifying his intention of proposing Mr. Dalal as a Director of the Company. The relevant particulars of Mr. Dalal are given separately in this Notice.

By Order of the Board of Directors,  
**TATA INVESTMENT CORPORATION LIMITED**

**M.J. KOTWAL**  
**Executive Director & Secretary.**

Mumbai, 20th May, 2009

Registered Office :  
Ewart House  
Homi Mody Street  
Mumbai 400 001.

**Details of the directors seeking re-appointment at the  
forthcoming Annual General Meeting -  
Clause 49(1)(A) of the Listing Agreement**

Name of the Director	<b>Mr. A.B.K. Dubash</b>	<b>Mr. H.N. Sinor</b>	<b>Mr. P. P. Shah</b>	<b>Mr. A. N. Dalal</b>
Date of Birth	22.09.1943	05.12.1944	07.01.1953	31.01.1963
Date of Appointment	27.08.1984	01.04.2005	19.06.2008	19.06.2008
Expertise in specific functional areas	Business & Industry	Banking, Finance and Investments	Investments and Finance	Investments and Capital markets
Qualifications	Businessman	B.Com., LL.B.	M.B.A. (Harvard Business School)	M.B.A. (University of Massachusetts)
No. of Shares held in the Company	972 Ordinary Shares	Nil Ordinary Shares	Nil Ordinary Shares	Nil Ordinary Shares
Directorships held in other companies (excluding private and foreign cos.)		3i Infotech Ltd. ICICI Lombard General Insurance Co. Ltd. Themis Medicare Ltd. Tata Motors Finance Ltd. ICICI Venture Funds Management Co. Ltd. Tata Capital Ltd. CRISIL Ltd. ICICI Prudential Asset Management Co. Ltd. Sahara India Financial Corporation Ltd. Zoroastrian Co-operative Bank Ltd. Cosmo Films Ltd.	Asset Reconstruction Company (India) Ltd. BASF India Ltd. Godrej & Boyce Mfg. Ltd. Grindwell Norton Ltd. Kansai Nerolac Paints Ltd. Panasonic Energy India Co. Ltd. Pfizer Ltd. Patni Computer Systems Ltd. Shah Foods Ltd. Wartsila India Ltd. KSB Pumps Ltd. Sonata Software Ltd. Mukand Ltd. Wockhardt Hospitals Ltd.	HL Investment Co. Ltd. Manugraph India Ltd. Sutlej Textiles & Industries Ltd. The Phoenix Mills Ltd.

Name of the Director	<b>Mr. A.B.K. Dubash</b>	<b>Mr.H.N. Sinor</b>	<b>Mr. P.P. Shah</b>	<b>Mr. A.N. Dalal</b>
Position held in mandatory committees of other companies		3i Infotech Ltd. (Chairman: Board Governance Committee) (Member: Nomination Committee) (Chairman: Shareholders' Grievance Committee) ICICI Lombard General Insurance Co. Ltd. (Member: Board Governance Committee) (Member: Audit Committee) Themis Medicare Ltd. (Chairman: Audit Committee) (Member: Remuneration Committee) ICICI Venture Funds Management Co. Ltd. (Member: Audit Committee) (Member: Compensation Committee) CRISIL Ltd. (Chairman: Audit Committee) Tata Capital Ltd. (Member: Nomination Committee) (Member: Remuneration Committee) (Member: Executive Committee) (Member: ALCO & Finance Committee) (Member: Investment Committee) Sahara India Financial Corporation Ltd. (Member: Audit Committee) Tata Motors Finance Ltd. (Chairman: Remuneration Committee) (Member: Asset Liability Committee) Zoroastrian Co-operative Bank Ltd. (Chairman: Credit Committee) (Chairman: Audit Committee) (Chairman: IT Committee) (Chairman: Business Development Committee)	Asset Reconstruction Co. (India) Ltd. (Member: Executive Committee) (Member: Security Receipts Investment Capital & Debt Raising) BASF India Ltd. (Member: Audit Committee) Kansai Nerolac Paints Ltd. (Chairman: Audit Committee) Panasonic Battery India Co. Ltd. (Member: Audit Committee) (Chairman: Remuneration Committee) Pfizer Ltd. (Member: Audit Committee) (Member: Shareholders' Grievance Committee) Patni Computer Systems Ltd. (Member: Audit Committee) Sonata Software Ltd. (Member: Audit Committee) Wartsila India Ltd. (Chairman: Audit Committee) Wockhardt Hospitals Ltd. (Chairman : Audit Committee)	Sutlej Textiles Ltd. (Member : Audit Committee) The Phoenix Mills Ltd. (Member : Audit Committee)

## DIRECTORS' REPORT

TO

THE MEMBERS,

The Directors present their Seventy-second Annual Report with the Audited Statement of Accounts for the year ended 31st March, 2009.

### 2. FINANCIAL RESULTS:

	<b>Rupees (in crores)</b>	<b>Previous Year Rupees (in crores)</b>
Total Income .....	213.44	210.07
Profit before tax .....	203.47	202.31
Less: Provision for tax .....	17.18	16.46
Profit after tax .....	186.29	185.85
Balance brought forward from the previous year .....	83.31	70.11
Amount available for appropriation .....	269.60	255.96
The Directors have made the following appropriations -		
Proposed dividend on Ordinary Shares @ Rs.15 per share .....	51.69	51.69
Tax on dividends .....	8.78	8.78
Reserve Fund .....	37.26	37.18
General Reserve .....	40.00	75.00
	137.73	172.65
leaving a balance to be carried forward of .....	131.87	83.31

### 3. OPERATIONS :

The total income of the Company during the year was Rs. 213.44 crores against Rs. 210 crores in the previous financial year. The increase in total income was mainly due to increase in dividend income and a substantial increase in interest income, though there was a decrease in profit on sale of investments due to the drastic fall in the stock markets during the latter half of the year under review. The total expenditure during the year was Rs. 9.97 crores against Rs. 7.78 crores in the previous year. The increase in expenditure is mainly due to provision for diminution in value of investments of Rs.1.84 crores debited to the Profit & Loss Account in accordance with the relevant Accounting Standard, and increase in certain other expenses.

The profit before tax for the year under review was marginally higher at Rs. 203.47 crores from Rs. 202.31 crores in the previous year and the same was the case of the profit after tax for the year under review at Rs. 186.29 crores compared to Rs. 185.85 crores in the previous year.

The basic and diluted earnings per share (EPS) computed in accordance with the Accounting Standard 20 issued by the Institute of Chartered Accountants of India was Rs. 54.05 and Rs. 46.04 per share respectively as against Rs. 53.93 per share (basic & diluted) for the previous year.

Considering the generally difficult conditions in the stock markets during the year under review compared to the previous year and the lower level of growth in the economy, the Directors trust that the shareholders will find the performance of the Company for the financial year under review to be satisfactory.

### 4. DIVIDEND :

Your Directors are pleased to recommend a dividend of Rs.15 per share i.e. 150% for the year 2008-2009 (previous year - Rs.15 per share). The total dividend payout (including dividend tax) would be about 32.46% of the profit after tax.

**5. INVESTMENT PORTFOLIO :**

A summarised position of the Company's portfolio of investments is given below :-

	As on	
	31.03.2009	31.03.2008
	(Rs. in crores)	
<b>QUOTED INVESTMENTS</b> (Long Term and Current) -		
Book value (net of provision for diminution) .....	638.06	521.40
Market value .....	1296.55	2411.24
<b>UNQUOTED INVESTMENTS</b>		
(including Mutual Funds and application money) - .....		
Book value (net of provision for diminution) .....	581.16	366.79
Estimated value (please see para below) .....	869.72	654.48
<b>TOTAL PORTFOLIO</b>		
Total book value of all investments (net of provision for diminution) .....	1219.22	888.19
Total of market value of quoted investments and estimated value of unquoted investments (subject to tax as applicable) .....	2166.27	3065.72
<b>TOTAL NUMBER OF COMPANIES</b>		
(excluding mutual funds) .....	178	184

The Net Asset Value (NAV) of the Company's equity share, as computed by the management, was Rs.515 per share as on 31st March, 2009 (Rs.805 per share as on 31st March, 2008) on the basis of the market value of quoted investments, NAVs of unquoted mutual funds, most of the other large equity investments in unlisted companies taken on the basis of the last available independent valuations computed on the balance sheets available as at 31st March, 2008, and the relatively small balance of unquoted investments taken at respective book values, less applicable tax on the total notional appreciation.

In accordance with the Accounting Standard, a provision for diminution in value of investments of Rs.1.84 crores (including Rs.1.17 crores for 'current investments') has been debited to the Profit & Loss Account and a provision for diminution in value of long term investments of Rs.21.86 crores, has been made in the Securities Premium Account. Members attention is invited to Note 2 to the Notes to Account.

The Directors confirm that all the investments held by the Company, except those held as 'current investments', are long term investments and would normally be held for more than one year from the date of acquisition, unless otherwise decided in specific cases. Investment in the category of 'Current Investments' which, for accounting and other purposes, is so classified at the time of making the investment and is indicated separately in the list of investments shown in the relevant schedule in the Balance Sheet.

**6. MANAGEMENT DISCUSSION & ANALYSIS :**

Shareholders are aware of the major shocks in the international financial markets since the last quarter of 2007 which have been widely analysed – in hindsight – by many experts and therefore do not need further elaboration. The unique characteristic of this financial crisis is that it was truly global and affected almost all countries. This caused one of the most severe bear markets across the world including India. It was not only a bear market in equities but also in commodities (except gold) and real estate and such a bear market across asset classes was quite unprecedented. In turn, the situation required government intervention on a massive scale to rescue the banking and financial markets and resorting to drastic monetary action around the world. An event which started from the 'sub-prime housing mortgage area' in the U.S. blew up and exposed the highly leveraged financial system in all its diverse activities across the globe and rocked many of the largest and long-established banking and financial institutions to their very core. The cleansing process does not seem to be over and it is generally believed that it will take some more time to play itself out.



India was not immune to some of the effects of the global crisis. After nearly five years of a continuous 'bull run' on the Indian Stock Exchange, the financial year 2008-2009 witnessed a major decline. The BSE Sensex which had reached a peak of 21,200 in January, 2008 had declined by 36% to 15,644 in the beginning of April 2008 and plunged to a low of 7,697 in October 2008 i.e. a decline of 64% from the peak and a decline of 38% from the beginning to the end of the financial year 2008-2009.

In our reports over the last two years, we had been cautioning about the rapid rise in our stock market prices and particularly on the possible adverse effects of the withdrawal of funds by the Foreign Institutional Investors (FIIs) from the Indian stock market. It is relevant to note that after the large inflows of FII funds over the last few years had reached a peak level of around \$ 68 billion in 2007-2008, their withdrawals to the extent of about \$ 10 billion (i.e. only 15% of their total investments) in 2008-2009 was one of the major causes for the virtual collapse in prices of shares. We had also stated in the past that such withdrawals could take place for reasons which were not related to the situation in our country but could arise out of developments abroad affecting the FIIs – which is indeed what happened. Another sector which we had cautioned on in our last report was the similar explosion in real estate values arising from large fund inflows into that sector. The subsequent decline in real estate prices and the even greater fall in the share prices in this sector during the latter part of 2008 has confirmed our views and it is not clear whether this declining trend is over.

The performance of our Company during 2008-2009 has to be viewed in the context of the turbulent conditions which prevailed during that year. Though our dividend income increased during 2008-2009 due to higher profits earned by companies in the previous year 2007-2008, the profit from sale of investments was lower due to the decline in stock market prices. Fortunately, we had retained fairly large liquid resources on which we were able to earn interest at higher rates which prevailed during 2008. A combination of these sources of income enabled the Company to maintain our total income at Rs.213.44 crores against Rs.210.27 crores in the previous year and the profit after tax at Rs.186.29 crores as against Rs.185.85 crores in the previous year. Considering the difficult environment, we trust the shareholders would consider the results to be satisfactory.

As stated earlier in this report, the NAV of our Company's equity share declined from Rs.805 on 31st March, 2008 to Rs.515 on 31st March, 2009 i.e. a decline of 36%. This compares with the decline of 38% in the BSE Sensex and of 41% in the BSE-200 Index over the same period. Moreover, it should be noted that our figures include a fairly large amount held in liquid resources (due to uncertain market conditions) which did not reflect growth in value but earned good interest income.

The stock market has started the new financial year (2009-2010) on a favourable note with the BSE Sensex increasing by about 46% from April to the middle of May 2009 (as on the date of this report). However, as the shareholders are aware, the reduced GDP growth rate during 2008-2009 which is expected to continue into the current financial year, could affect the performance of companies in various industries. This, together with other uncertainties at this point of time, make it difficult to predict the prospects for 2009-2010. However, the emergence of a relatively more stable Government bodes well for the country, even though the new Government would have to urgently deal with some major problems such as the large fiscal and current account deficits, the increasing burden of debt and subsidies and the need for stimulation of demand across the economy.

## **7. RIGHTS ISSUE OF ZERO COUPON CONVERTIBLE BONDS :**

As shareholders are aware, the Company had, in October 2008, made a Rights Issue of Zero Coupon Fully Convertible Bonds of Rs.650/- each (ZCCB) with detachable warrants, of the aggregate value of Rs.448 crores approximately. The Issue was fully subscribed and 68,88,343 ZCCB were allotted on 24th October, 2008.

The Company had made an application to the Foreign Investment Promotion Board (FIPB) for issuance of the ZCCB with warrants to non-resident shareholders and FIIs who hold about 3% of the paid-up capital of our Company. Since the Company had not received the FIPB approval, despite several reminders, within 60 days from the date of closure of the Issue, the Company, in accordance with the terms of the Issue, has refunded the application monies with interest, to all non-resident shareholders/applicants.

Each ZCCB is fully and automatically convertible into two Ordinary shares, the first on 1st August, 2009 and the second on 31st March, 2010. Each warrant is exercisable between 1st April, 2011 and

30th April, 2011. As a result of the two conversions, the paid-up capital of the Company would increase from the present level of Rs.34.46 crores, in two tranches, first to Rs.41.35 crores and then to Rs.48.24 crores on 31st March, 2010.

Funds have been raised by the issue and allotment of the ZCCB to augment the long term resources of the Company. In terms of the Letter of Offer, the Rights Issue proceeds of Rs.447.74 crores received during the year have been utilised towards the objects of the Issue of Zero Coupon Convertible Bonds (ZCCB) to make investments in a diversified portfolio of quoted and unquoted securities including equity shares/equity-linked securities, mutual funds, debentures/bonds, government securities, preference shares, deposits in companies and includes issue related expenses.

#### **8. UTILISATION OF THE SECURITIES PREMIUM ACCOUNT :**

At the Extra-ordinary General Meeting held on 2nd December, 2008, the members had authorised the Company to utilise a sum of Rs.35,00,00,000 (Rupees Thirty-five crores only) presently standing to the credit of the Securities Premium Account of the Company, by allocating such sum to be used against provisions which may be required to be made for diminution in value of investments, as has been done in the past. The utilisation of the Securities Premium Account in the above manner as permissible under Section 78 of the Companies Act had to be implemented through a Capital Reduction Scheme under Section 100 of the Companies Act. The Scheme has received the confirmation of the Hon'ble High Court of Judicature at Bombay vide its Order dated 30th January, 2009. In accordance with the High Court Orders dated 27th September, 2002 and 30th January, 2009, and the Accounting Practice adopted earlier, provision for diminution in the value of investments amounting to Rs.21.86 crores has been debited to the Securities Premium Account as on 31st March, 2009.

#### **9. FIXED DEPOSITS :**

Reserve Bank of India, on an application made by the Company, has, in May, 2008, changed the classification of the Company from a Non-Banking Financial (Deposit Accepting or Holding) Company [Category A] to a Non Banking Financial (Non-Deposit Accepting or Holding) Company [Category B].

#### **10. DIRECTORS' RESPONSIBILITY STATEMENT :**

Pursuant to Section 217(2AA) of the Companies Act, 1956, the Directors based on the representations received from the Operating Management confirm that, to the best of their knowledge –

- (i) in the preparation of the annual accounts, the applicable accounting standards have been followed and that there are no material departures;
- (ii) they have, in the selection of the accounting policies consulted the statutory auditors and have applied them consistently and made judgements 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 & loss of the Company for the period;
- (iii) 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;
- (iv) they have prepared the annual accounts on a going concern basis.

#### **11. INTERNAL CONTROL SYSTEMS :**

The Company has proper and adequate internal control systems commensurate with its size and nature of operations to provide reasonable assurance that all assets are safeguarded, transactions are authorised, recorded and reported properly and that all applicable statutes and corporate policies are duly complied with.

The Company has appointed an independent firm of Chartered Accountants, as Internal Auditors, which continuously reviews the adequacy and efficacy of the internal controls. The Internal Auditors submit an Internal Audit Report periodically which is placed before and reviewed by the Audit Committee.

## 12. DIRECTORS :

Pursuant to the provisions of the Companies Act, 1956, and the Company's Articles of Association, Mr. A.B.K. Dubash and Mr. H.N. Sinor retire by rotation but are eligible for re-appointment. Details of these Directors who are eligible to be re-appointed is furnished in the Explanatory Statement to the Notice of this Meeting.

Mr. P.P. Shah and Mr. A.N. Dalal were appointed Additional Directors of the Company on 19th June, 2008 and held office upto the last Annual General Meeting. They were, therefore, again appointed as Additional Directors on 16th July, 2008, and would hold office upto the conclusion of the ensuing Annual General Meeting. It is proposed to appoint Mr. P.P. Shah and Mr. A.N. Dalal as Directors of the Company.

Brief particulars of both these gentlemen are given in the Explanatory Statement to the Notice of this Meeting. Members' attention is invited to Items 5 & 6 of the Notice and the related Explanatory Statement. The Board commends the appointments of Mr. P.P. Shah and Mr. A.N. Dalal as Directors of the Company.

## 13. AUDITORS :

Shareholders are requested to appoint Auditors for the current year and to fix their remuneration.

## 14. GENERAL :

Being an investment company, the provisions regarding conservation of energy and technology absorption are not applicable to the Company.

There were no foreign exchange earnings and outgo other than those mentioned in Notes 5 & 6 to the Accounts.

In accordance with Section 217(2A) of the Companies Act, 1956, read with the Companies (Particulars of Employees) Rules, 1975, a statement giving the names and other particulars of the employees of the Company, in receipt of remuneration of not less than Rupees twenty-four lacs per annum or Rupees two lacs per month, for the year under review, is set out separately.

A report on Corporate Governance, in accordance with Clause 49 of the Listing Agreement with the Stock Exchanges is set out separately for the information of the shareholders.

**On behalf of the Board of Directors,**

**N.A. SOONAWALA**  
Chairman.

Mumbai, 20th May, 2009

### STATEMENT PURSUANT TO SECTION 217(2A) OF THE COMPANIES ACT, 1956 AND THE COMPANIES (PARTICULARS OF EMPLOYEES) RULES, 1975

Sr. No.	Name	Designation and nature of Duties	Remuneration		Qualifications	Age	Experience	Date of commencement	Last employment held, designation and period for which post held
			Gross	Net					
			Rs. in lacs		(in years)				
1.	Mr. M. J. Kotwal	Executive Director & Secretary	69.96	44.13	B.Sc., LL.B., F.C.S.	61	42	1.1.1984	The Tata Mills Ltd. (Secretary), 3½ years.
2.	Mr. K. J. Ghadiali	Chief Financial Officer	52.02	33.02	B.Com (Hons), ACA, ACS	56	32	15.4.1985	Hindustan Ciba-Geigy Ltd. (Executive - Finance), 3 years.
3.	Mr. J. H. Talsania	Chief Investment Officer	31.39	18.74	B.Com. MBA. (Wharton)	54	30	6.9.2004	Infrastructure Development Finance Co. Ltd. (Head - Equity), 6 years.
4.	Mr. M. N. Irani*	Investment Manager	26.79	21.95	B.Com FCA, Lic CS, Level I - CFA (US)	32	10	22.4.2008	Trent Ltd. (Treasury Manager), 3 years.

\* Employed for part of the year.

**NOTES :**

- (1) Remuneration includes salary, allowances, taxable value of perquisites, contribution to provident & superannuation Funds and commission/performance linked payment to the employees for the year ended 31st March, 2009, which is payable in the ensuing accounting year.
- (2) The above calculations do not include contribution to gratuity fund, medical and health insurance benefits, etc. which employees are entitled to as per Company's rules.
- (3) Net remuneration is arrived at by deducting from the gross remuneration, income-tax, company's contribution to provident fund, superannuation fund and the monetary value of the non-cash perquisites.
- (4) All the employees have adequate experience to discharge the responsibilities assigned to them.
- (5) The nature of employment is contractual.
- (6) None of the employees mentioned above is a relative of a Director of the Company.

**On behalf of the Board of Directors,**

**N.A. SOONAWALA**  
**Chairman.**

Mumbai, 20th May, 2009

## REPORT ON CORPORATE GOVERNANCE

The Company seeks to adopt good corporate governance practices and to ensure compliance with all relevant laws and regulations. The Company conducts its activities in a manner that is fair and transparent and also perceived to be such by others.

### Board of Directors :

As on 31st March, 2009, the Board of Directors of the Company comprised ten members, of whom nine are Non-Executive Directors. Two Directors, Mr. P.P. Shah and Mr. A.N. Dalal were appointed as Additional Directors (non-executive, Independent) on 19th June, 2008, (inter alia in compliance with the revised Clause 49 of the Listing Agreement under which our Company's Board is required to have 50% of the Directors as independent Directors) and held office upto the last Annual General Meeting. They were again appointed as Additional Directors with effect from 16th July, 2008, and would hold office upto the conclusion of the ensuing Annual General Meeting.

### Board Meetings :

18 Board/Committee Meetings were held at Mumbai during the year under review of which 7 were Board Meetings and 11 various Committee Meetings. The Board Meetings were held on 16th May, 2008, 15th July, 2008, 14th August, 2008, 13th October, 2008, 5th November, 2008, 28th January, 2009 and 23rd March, 2009. The category of each Director, together with his attendance at Board Meetings, the number of his Directorships and memberships of the SEBI-designated Board Committees of other companies as well as his holding in the Company, as on 31st March, 2009 are given below :

Name of Directors (as on 31.3.2009)	Category of Director	Board Meetings attended during 2008-2009	No. of Directorships of other Indian companies as on 31st March, 2009	Membership of mandatory Board Committees of other companies as on 31st March, 2009		No. of Securities held as on 31st March, 2009	
				Chairman	Member	Ordinary Shares	Convertible Bonds
Mr. N. A. Soonawala	Non Independent	7	5	2	-	10,000	4,000
Mr. A. B. K. Dubash	Independent	4	-	-	-	972	195
Mr. K. N. Suntook	Independent	4	3	-	2	840	-
Mr. M. J. Kotwal	Executive Director	6	4	-	-	501	249
Mr. N. N. Tata	Non Independent	6	7	1	1	11,363	2,594
Mr. K. A. Chaukar	Non Independent	7	12	2	2	-	-
Mr. F. N. Subedar	Non Independent	6	8	3	2	1,467	494
Mr. H. N. Sinor	Independent	7	11	4	4	-	-
Mr. P. P. Shah	Independent	3	14	3	6	-	-
Mr. A. N. Dalal	Independent	6	4	-	2	-	-

All the Directors, except Mr. A.B.K. Dubash, who was out of India, had attended the last Annual General Meeting held on 15th July, 2008.

### Committee of Directors :

Details of the various Committees of the Board of Directors of the Company as on 31st March, 2009 and the meetings attended by each Director, shown within brackets, are as under :

	Name of the Director
<i>Audit Committee :</i> (4 meetings held during the year)	Mr. K.N. Suntook – <i>Chairman</i> (2), Mr. A.B. K. Dubash (2), Mr. F.N. Subedar (4), Mr. H.N. Sinor (4)
<i>Remuneration Committee:</i> (2 meetings held during the year)	Mr. K.N. Suntook – <i>Chairman</i> (2) Mr. N.A. Soonawala (2), Mr. N.N. Tata (2)
<i>Share Transfer &amp; Investors' Grievance Committee</i> (2 meetings held during the year)	Mr. N.A. Soonawala – <i>Chairman</i> (2) Mr. M.J. Kotwal (2), Mr. F.N. Subedar (2)
<i>Investment Committee</i> (1 meeting held during the year)	Mr. N.A. Soonawala – <i>Chairman</i> (1) Mr. A.B.K. Dubash (1), Mr. K.N. Suntook (1) Mr. N.N. Tata (1), Mr. F.N. Subedar (1)
<i>Asset Liability Management Committee</i> (2 meetings held during the year)	Mr. H.N. Sinor – <i>Chairman</i> (2) Mr. M.J. Kotwal (2), Mr. K.A. Chaukar (2)
<i>Nomination Committee</i> (1 meeting held during the year)	Mr. N.A. Soonawala – <i>Chairman</i> (1) Mr. N.N. Tata (1), Mr. H.N. Sinor (1)

**Audit Committee :**

The Audit Committee has been constituted in compliance with (i) the Non-Banking Financial Companies Prudential Norms (Reserve Bank) Directions 2008 (ii) the listing guidelines on Corporate Governance, as mandated by the Stock Exchanges and (iii) Section 292A of the Companies Act, 1956. All the Directors, except Mr. F.N. Subedar, are independent Directors. Mr. K.N. Suntook, Chairman of the Audit Committee was present at the Annual General Meeting held on 15th July, 2008.

The functions of the Audit Committee include :-

- a) Overseeing of the Company's financial reporting process and the disclosure of its financial information.
- b) Recommending the appointment/removal of external auditor, fixation of audit fee and also approval for payment for any other services.
- c) Reviewing with management the quarterly and annual financial statements before submission to the Board.
- d) Reviewing with the Management, the statement of uses/applications of funds raised through an Issue (public issue/rights issue/preferential issue), the statement of funds utilised for purposes other than those stated in the Offer Document / Prospectus and making appropriate recommendations to the Board to take steps in this matter.
- e) Reviewing the Company's financial and risk management policies.
- f) Reviewing the adequacy of internal audit functions.
- g) Discussion with internal and external auditors about their findings and follow up thereon.

The Audit Committee reports its findings to the Board at the subsequent meeting and its recommendations are implemented by the management.

**Remuneration Committee :**

The Committee has been authorized to determine the remuneration package for the Executive Director as well as to recommend the remuneration payable to the Non-Executive Directors from year to year.

**Remuneration of Directors :**

The Directors are paid sitting fees and Commission in accordance with Section 309 and 310 of the Companies Act, 1956. A total remuneration of Rs.52.60 lacs was paid to the Non-Executive Directors during the year ended 31st March, 2009. The remuneration paid to each Director is given below :

Name of the Director	Sitting fees paid during 2008-2009	Commission for 2007-2008 paid in 2008-2009
	(Rs. in lacs)	
Mr. N.A. Soonawala	2.10	7.50
Mr. A.B.K. Dubash	1.40	4.50
Mr. K.N. Suntook	1.60	5.50
Mr. N.N. Tata	1.70	4.50
Mr. K.A. Chaukar	1.60	4.50
Mr. F.N. Subedar	2.40	6.00
Mr. H.N. Sinor	2.50	5.00
Mr. P.P. Shah	0.60	-
Mr. A.N. Dalal	1.20	-
TOTAL	<u>15.10</u>	<u>37.50</u>

The remuneration to the non-executive Directors is based on the net profits of the Company for the year, the number of meetings of the Board and/or Committees attended by the concerned Directors and their contribution to the Company in terms of deliberations at the Board/Committee Meetings as well as in the

over-all functioning of the Company. At present, the Company does not have a scheme for grant of stock-options to the executive director, non-executive directors or employees of the Company.

The members had, at the Annual General Meeting held on 20th July, 2007 approved of the re-appointment and the terms of remuneration of Mr. M.J. Kotwal, the Executive Director of the Company for the period from 4th September, 2007 to 27th May, 2012. The appointment can be terminated by either party giving to the other party six months notice or the Company paying six months remuneration in lieu of the notice.

The Company pays remuneration by way of salary, perquisites and allowances (fixed component) and commission (variable component) to its Executive Director. Annual increments effective 1st April each year, as recommended by the Remuneration Committee, are approved by the Board. Salary and perquisites are paid within the range approved by the Shareholders. Commission payable to the Executive Director is calculated with reference to the net profits of the Company in a particular financial year and is determined by the Board of Directors at the end of the financial year based on the recommendation of the Remuneration Committee within the limits fixed by the Board and subject to over-all ceilings stipulated in Section 198 and 309 of the Companies Act, 1956. The specific amount payable to the Executive Director is based on certain performance criteria and is payable after the Annual Accounts have been approved by the Board of Directors and adopted by the members.

The total remuneration of Mr. M.J. Kotwal, Executive Director & Secretary during the year 2008-2009 aggregates Rs. 70.93 lacs comprising Rs. 37.52 lacs as remuneration, Rs. 25 lacs as commission, Rs. 3.87 lacs as perquisites and Rs. 4.54 lacs towards contribution to provident and superannuation funds.

#### **Share Transfer & Investors' Grievance Committee :**

The Committee under the Chairmanship of Mr. N.A. Soonawala, approves and monitors transfers, transmissions, consolidation etc. of shares issued by the Company. The Committee also monitors redressal of complaints from shareholders by the Share Registrars. Mr. M. J. Kotwal, Executive Director & Secretary is also the Compliance Officer.

The Registrars had received correspondence on 531 matters in the aggregate during the year. There were 313 queries regarding dividend warrants including changes on live warrants or issue of fresh cheques against time barred instruments, 44 queries for loss of share certificates, 99 requests for registration of change of address, Bank details, ECS, nomination, document registration, transmission of shares etc. and 75 correspondence for other miscellaneous matters. There were no queries pending as on 31st March, 2009.

#### **Investment Committee :**

The Investment Committee has been constituted pursuant to Section 292 of the Companies Act, 1956. The investment policy and specific recommendations form an important part of the discussions at the Board meetings which are held more frequently. In view of 7 Board Meetings held during the year, only one meeting of the Committee was held during the year. However, specific investment decisions, based on detailed analysis and recommendations of the Investment Executives, are taken by investment committee circulars with full disclosure and subsequent review at Board / Committee Meetings.

#### **Asset Liability Management Committee :**

In accordance with the Reserve Bank of India guidelines, an Asset Liability Management (ALM) Committee of the Board has been constituted for implementation of the ALM system and to review its functions periodically. The Committee also reviews the Risk Management Policy of the Company from time to time.

#### **Nomination Committee :**

RBI vide circular dated 8th May, 2007, had, inter alia, mentioned that it would be desirable for systematically important NBFC to constitute a Nomination Committee for the appointment of Directors with fit and proper credentials. Accordingly, a Nomination Committee has been constituted comprising three Directors viz. Mr. N.A. Soonawala (Chairman), Mr. N.N. Tata and Mr. H.N. Sinor.

**General Body Meetings :**

The Annual General Meeting of the Company will be held on Wednesday, 8th July, 2009 at 3-30 p.m. at Homi J.H. Taleyarkhan Memorial Hall, Red Cross Office, 141, Shahid Bhagat Singh Road, Mumbai 400 001. The last three Annual General Meetings were held at the Bombay House Auditorium on 15th July, 2008, 20th July, 2007 and 21st July, 2006 at 3-30 p.m. Special Resolutions under Sections 163 & 31 of the Companies Act, 1956 were passed with the requisite majority at the Annual General Meetings held on 20th July, 2007 and 15th July, 2008 respectively.

**Disclosures :**

- i The particulars of transactions between the Company and its related parties in accordance with Accounting Standard 18 are set out in Note No.9 to the Accounts. These transactions are in the ordinary course of business and are not likely to have any conflict with the interest of the Company.
- ii There were no material pecuniary relationships or transactions of the non-executive directors vis-à-vis the Company, other than payment of Board fees/commission and investments (if any) in shares of the Company.
- iii There were no material transactions of the Company with its promoters, directors, management or their relatives that may have potential conflict with the interest of the Company at large.
- iv There were no penalties or strictures imposed on the Company by the Stock Exchanges or SEBI or any statutory authority on any matter related to capital markets at any time during the last 3 years.
- v The Company, in accordance with the High Court Orders dated 27th September, 2002 and 30th January, 2009 and the Accounting Practice adopted earlier, has debited an amount of Rs.2185.68 lacs to the securities premium account, being further provision for diminution in the value of investments. The said treatment is different to the accounting treatment prescribed under Accounting Standard (AS) on 'Accounting for Investments', wherein provision for diminution in the value of investments needs to be debited to Profit and Loss Account.
- vi The Company has raised monies through a Rights Issue of Zero Coupon Fully Convertible Bonds. In terms of the Letter of Offer, the Rights Issue proceeds of Rs.447.74 crores received during the year have been utilised towards the objects of the Issue of Zero Coupon Convertible Bonds (ZCCB) to make investments in a diversified portfolio of quoted and unquoted securities including equity shares/equity-linked securities, mutual funds, debentures/bonds, government securities, preference shares, deposits in companies and includes issue related expenses. The Company has placed before the Audit Committee, a certificate from the Statutory Auditors of the Company to that effect.
- vii The Company has complied to the extent applicable with all mandatory requirements mentioned in Annexure IC of Clause 49 of the Listing Agreement in respect of Corporate Governance. As regards the non-mandatory requirements mentioned in Annexure ID thereto, the Company has been complying with requirements as regards Remuneration Committee. Further, the Company has also adopted the Whistle Blower Policy as mentioned in this Report.

**CEO/CFO certification :**

The Executive Director and the Chief Financial Officer have certified to the Board that :

- (a) They have reviewed financial statements and the cash flow statement for the year and that to the best of their knowledge and belief:
  - (i) these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
  - (ii) these statements together present a true and fair view of the Company's affairs as on 31st March, 2009 and are in compliance with existing accounting standards, applicable laws and regulations.
- (b) There are, to the best of their knowledge and belief, no transactions entered into by the Company during the year which are fraudulent, illegal or violative of the Company's Code of Conduct.



- (c) They accept responsibility for establishing and maintaining internal controls for financial reporting and that they have evaluated the effectiveness of the internal control systems of the Company and have reported to the auditors and the Audit Committee that they are not aware of any deficiencies in the design or operation of internal controls. In the event such deficiencies do arise, the same shall be reported to the auditors and the Audit Committee forthwith.
- (d) They have indicated to the auditors and the Audit Committee that there have been -
- (i) no changes in internal control during the year;
  - (ii) no changes in accounting policies during the year, other than those mentioned in the Notes to Account,
  - (iii) no instances of fraud of which they have become aware and / or the involvement therein of any of the management or any employee of the Company.

The Executive Director has given a Declaration to the effect that all Board Members and Senior Management Personnel have confirmed compliance with the Code of Conduct during the year ended 31st March, 2009.

**Means of Communication :**

The unaudited quarterly results and audited results for the year are generally published in one English newspaper (Business Standard/Financial Express) and atleast one vernacular newspaper (Loksatta/Sakaal/Maharashtra Times) shortly after its submission to the Stock Exchanges. The results are also displayed on the Tata web-site, [www.tata.com](http://www.tata.com)

**Share Transfer System :**

TSR Darashaw Ltd. (TSRDL) are the Registrars and Transfer Agents of the Company. TSRDL has a network of Investor Relation Centres (IRCs) at Mumbai, Delhi, Bangalore, Kolkata and Jamshedpur to accept the documents/bankers requests/queries/correspondence from the investors/shareholders of the Company.

Shares lodged for transfer at the Registrars' address are normally processed within 30 days from the date of lodgement, and requests for dematerialisation of shares are processed and the confirmation is given to the depositories within 15 days from the date of lodgement, if the documents are clear in all respects. The Executive Director & Secretary who is also the Compliance Officer verifies the Transfer Register sent by the Registrars. The Share Transfer and Investors' Grievance Committee approves the transfer of shares and debentures.

TSRDL has Investor Interface Cell which handles all queries/correspondence/requests received across the counter/walk in investors, over the phone and by e-mail. Written communication received from the Investors is segregated into different categories on the basis of the nature of the query received. The concerned workgroup takes the required action in respect of the same by accessing the current shareholder information resident on TSRDL database. The details are verified and responded through customised and fully automated systems for handling such correspondence. Copies of the responses for complaints/letters received through statutory bodies/wherever required are forwarded to the Company for their reference and records.

The endeavour is to attend to shareholder requests and redress their queries speedily and to their satisfaction, keeping in mind the statutory/regulatory time frame of 30 days. Investors' grievances, if any, are resolved by the Compliance Officer, failing which, they would be referred to the Investors' Grievance Committee.

**Whistle Blower Policy :**

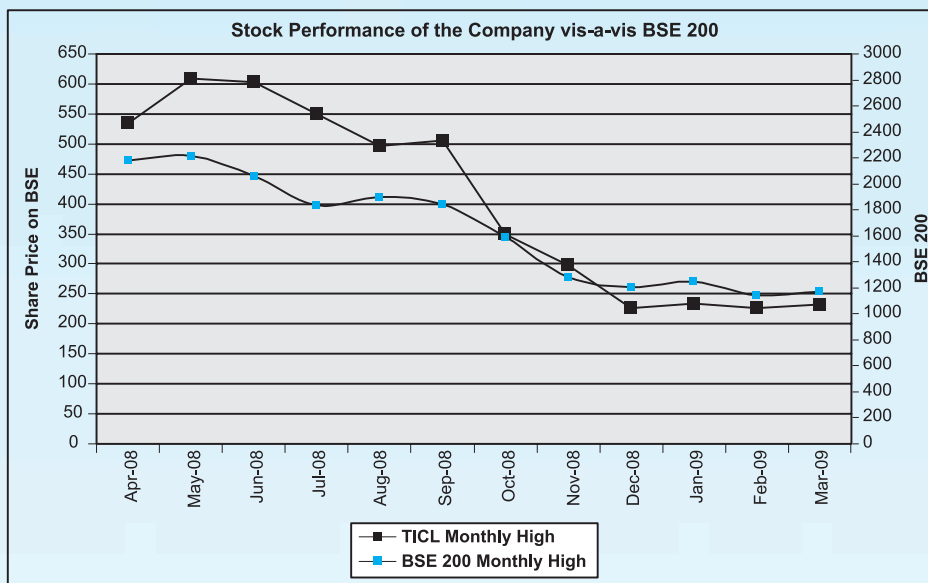
The model Whistle Blower Policy suggested for Tata companies has been adopted by the Board of Directors. The policy provides for adequate safeguards against victimisation of employees and also provides for access to the Audit Committee. The policy has been appropriately communicated within the Company. It is affirmed that no personnel has been denied access to the Audit Committee.

Management Discussion and Analysis forms part of the Directors' Report.

**General Shareholder Information :**

<b>Registered Office</b> (Address for correspondence)	Ewart House, Homi Mody Street, Mumbai 400 001. Tel. No.6665 8282 Fax : 2265 2629
<b>Annual General Meeting</b> (Date, time and venue)	Wednesday, 8th July, 2009 at 3-30 p.m. Homi J.H. Taleyarkhan Memorial Hall, Red Cross Office, 141, Shahid Bhagat Singh Road, Mumbai 400 001.
<b>Financial Year</b>	The Financial Year of the Company ends on 31st March each year.
<b>Book Closure Date</b>	Friday, 19th June, 2009 to Friday, 26th June, 2009.
<b>Dividend Payment</b>	A dividend of Rs.15 per share (150%) for the year ended 31st March, 2009 on the existing Ordinary Share Capital of Rs.34.46 crores would be payable to those Members whose names appear on the Register of Members on 26th June, 2009. In respect of shares held in electronic form, the dividend will be payable to the beneficial owners of shares as at the end of business hours on 19th June, 2009 as per details furnished by National Securities Depository Ltd. and Central Depository Services (India) Ltd.
<b>Listing on Stock Exchanges</b>	<ol style="list-style-type: none"> <li>Bombay Stock Exchange Ltd. P.J. Towers, Dalal Street, Mumbai 400 001.</li> <li>National Stock Exchange of India Ltd. Bandra-Kurla Complex, Mumbai 400 051.</li> </ol> <p>Listing fees have been paid upto the year ending 31st March, 2010 to each of the Stock Exchanges.</p>
<b>Stock Code</b>	BSE : 501301    NSE : TATA INVEST
<b>ISIN</b>	INE672A01018
<b>Demat of Shares</b>	Available on National Securities Depository Ltd. (NSDL) and Central Depository Services (India) Ltd. (CDSL). 97.12% of the Company's shares are in dematerialised mode. Annual Custodial charges paid to both Depositories upto 31st March, 2010.

Market Price Data	BSE		NSE	
	High Rs.	Low Rs.	High Rs.	Low Rs.
April 2008	534.00	470.05	564.50	475.05
May 2008	609.00	524.85	670.00	500.00
June 2008	603.40	465.05	601.45	457.90
July 2008	550.00	420.00	489.00	420.00
August 2008	497.00	459.00	497.85	450.00
September 2008	505.00	322.00	507.00	320.00
October 2008	350.00	236.00	347.00	225.05
November 2008	297.00	209.05	324.50	207.00
December 2008	225.75	197.40	248.00	197.00
January 2009	234.25	213.10	236.90	201.00
February 2009	226.85	203.10	226.20	205.05
March 2009	233.00	182.15	234.00	163.50



**Registrars & Share Transfer Agents :**

<b>REGISTERED OFFICE</b>	<p><b>TSR DARASHAW LTD.</b>            6-10, Haji Moosa Patrawala Industrial Estate            20, Dr. E. Moses Road, Mahalaxmi, Mumbai 400 011.            Tel. : 022-6656 8484 Fax : 022-6656 8494            e-mail : csg-unit@tsrdarashaw.com            website : www.tsrdarashaw.com</p>
<b>BRANCH OFFICES :</b>	
<b>Bangalore</b>	<p>503, Barton Centre, 84, M.G. Road,            Bangalore 560 001.            Tel. : 080-25320321 Fax : 080-25580019            E-mail : tsrdlbang@tsrdarashaw.com</p>
<b>Jamshedpur</b>	<p>Bungalow No.1, 'E' Road, Northern Town,            Bistupur, Jamshedpur 831 001.            Tel. : 0657-2426616 Fax : 0657-2426937            E-mail : tsrdljsr@tsrdarashaw.com</p>
<b>Kolkata</b>	<p>Tata Centre, 1st floor,            43, Jawaharlal Nehru Road,            Kolkata 700 071.            Tel. : 033-22883087 Fax : 033-22883062            E-mail : tsrdlcal@tsrdarashaw.com</p>
<b>New Delhi</b>	<p>2/42, Sant Vihar, Ansari Road,            Daryaganj, New Delhi 110 002.            Tel. : 011-23271805 Fax : 011-23271802            E-mail : tsrdldel@tsrdarashaw.com</p>
<b>Agents</b>	<p>Shah Consultancy Services Ltd.            3, Sumatinath Complex, Pritam Nagar,            2nd Dhal, Ellis Bridge, Ahmedabad 380 006.            Telefax: 079-26576038            E-mail: shahconsultancy@hotmail.com</p>

**Distribution of Shareholding as on 31.3.2009**

	No. of shares	%
Promoter Company and other Tata companies	2,10,28,493	61.02
Directors & their Relatives	40,365	0.12
Public Financial Institutions / Nationalised Banks / Insurance companies & State Governments	9,59,402	2.79
Non-residents / FII's	10,81,444	3.14
Other Bodies Corporate & Other Banks	14,73,042	4.27
Mutual Funds	16,49,043	4.78
Others	82,28,599	23.88
	<u>3,44,60,388</u>	<u>100.00</u>

**Distribution Schedule as on 31.3.2009**

Sr. No.	No. of shares	Holdings	Amount (Rs.)	% of total Capital	No. of Holders	% to total Holders
1.	1 to 500	1513085	15130850	4.39	15910	86.44
2.	501 to 1000	777009	7770090	2.26	1041	5.66
3.	1001 to 2000	955053	9550530	2.77	670	3.64
4.	2001 to 3000	652452	6524520	1.89	263	1.43
5.	3001 to 4000	458895	4588950	1.33	131	0.71
6.	4001 to 5000	410112	4101120	1.19	91	0.49
7.	5001 to 10000	1172707	11727070	3.40	165	0.90
8.	Greater than 10000	28521075	285210750	82.77	135	0.73
	Total	<u>34460388</u>	<u>344603880</u>	<u>100.00</u>	<u>18,406</u>	<u>100.00</u>

**AUDITORS' CERTIFICATE ON CORPORATE GOVERNANCE**

To The Members of  
Tata Investment Corporation Limited

1. We have examined the compliance of conditions of Corporate Governance by Tata Investment Corporation Limited, ('the Company') for the year ended 31<sup>st</sup> March, 2009, as stipulated in Clause 49 of the Listing Agreement of the said Company with the stock exchange(s).
2. The compliance of conditions of Corporate Governance is the responsibility of the Management. Our examination was limited to 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.
3. In our opinion and to the best of our information and according to the explanations given to us and based on the representations made by the Directors and Management, we certify that the Company has complied in all material respects with the conditions of Corporate Governance as stipulated in the abovementioned Listing Agreement.
4. We further state that such compliance is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the Management has conducted the affairs of the Company.

For **Deloitte Haskins & Sells**  
Chartered Accountants

**H.L. Shah**  
Partner

Membership No.33590

Mumbai : 20th May, 2009.

**AUDITORS' REPORT TO THE MEMBERS OF  
TATA INVESTMENT CORPORATION LIMITED**

1. We have audited the attached Balance Sheet of TATA INVESTMENT CORPORATION LIMITED ("the Company") as at 31st March, 2009, and also the Profit and Loss Account and the Cash Flow Statement for the year ended on that date, annexed thereto. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audit.
2. We conducted our audit in accordance with the auditing standards generally accepted in India. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatements. An audit includes examining, on a test basis, evidence supporting the amounts and the disclosures in the financial statements. An audit also includes assessing the accounting principles used and the significant estimates made by the management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.
3. As required by the Companies (Auditor's Report) Order, 2003 ("the Order") issued by the Central Government of India in terms of sub-section (4A) of Section 227 of the Companies Act, 1956, we enclose in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the said Order, to the extent applicable to the Company.
4. Further to our comments in the Annexure referred to in paragraph 3 above, 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 Account 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 Account and the Cash Flow Statement dealt with by this report comply with the accounting standards referred to in sub-section (3C) of Section 211 of the Companies Act, 1956;
  - e) on the basis of the written representations from the directors as on 31st March, 2009 and taken on record by the Board of Directors, we report that none of the directors is disqualified as on 31st March, 2009 from being appointed as a director in terms of clause (g) of sub-section (1) of Section 274 of the Companies Act, 1956;
  - f) in our opinion and to the best of our information and according to the explanations given to us, the said accounts give the information required by the Companies Act, 1956, in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India :
    - (i) in the case of the Balance Sheet, of the state of affairs of the Company as at 31st March, 2009;
    - (ii) in the case of the Profit and Loss Account, of the profit for the year ended on that date; and
    - (iii) in the case of the Cash Flow Statement, of the cash flows of the Company for the year ended on that date.

For **DELOITTE HASKINS & SELLS**  
Chartered Accountants

**H. L. Shah**  
Partner

Membership No.33590

Mumbai: 20<sup>th</sup> May, 2009

**Annexure referred to in paragraph 3 of the auditors' report of even date to the Members of TATA INVESTMENT CORPORATION LIMITED on the financial statements for the year ended 31st March, 2009**

- i)
  - (a) The Company has maintained proper records showing full particulars including quantitative details and situation of the fixed assets.
  - (b) The Company has system of verifying fixed assets once in a year which in our opinion, is reasonable having regard to the size of the Company and the nature of its fixed assets. The fixed assets have been physically verified by the management during the year. No discrepancies were noticed on such verification.
  - (c) In our opinion, the disposal of fixed assets during the year is not substantial. Therefore, the provisions of clause 4 (i) (c) of the Order are not applicable to the Company.
- ii) The Company is an investment company and does not have any inventory. Therefore, the provisions of clause 4 (ii) of the Order are not applicable to the Company.
- iii)
  - (a) There are four companies covered in the register maintained under Section 301 of the Companies Act, 1956 with whom the Company has placed inter-corporate deposits. The maximum amount involved during the year was Rs. 10500.00 lacs and the year-end balance of the inter-corporate deposits placed with such parties is Rs. 7500.00 lacs.
  - (b) In our opinion, the rate of interest and other terms and conditions on which loans have been granted to companies, firms or other parties listed in the register maintained under Section 301 of the Companies Act, 1956 are not, prima facie, prejudicial to the interest of the Company.
  - (c) The parties have repaid the principal amounts and interest as stipulated.
  - (d) There was no overdue amount of loan granted to companies, firms or other parties listed in the register maintained under Section 301 of the Companies Act, 1956.
  - (e) The Company has not taken any loans, secured or unsecured, from companies, firms or other parties listed in the register maintained under Section 301 of the Companies Act, 1956. Therefore, sub-clauses (f) and (g) are not applicable to the Company.
- iv) In our opinion and according to the information and explanations given to us, there is an adequate internal control system commensurate with the size of the Company and the nature of its business, with regard to purchase of fixed assets. During the course of our audit, we have not observed any major weakness in the said internal control system.
- v)
  - (a) According to the information and explanations given to us, we are of the opinion that particulars of contracts or arrangements referred to in Section 301 of the Companies Act, 1956 have been entered in the register required to be maintained under that Section; and
  - (b) In our opinion and according to the information and explanations given to us, the transactions made in pursuance of such contracts or arrangements and exceeding the value of five lakh rupees in respect of any party during the year have been made at prices which are reasonable having regard to the prevailing market prices at the relevant time.
- vi) In our opinion and according to the information and explanations given to us, the Company has not accepted any deposit from the public, and hence, the directives issued by the Reserve Bank of India and the provisions of Section 58A and 58AA or any other relevant provisions of the Companies Act, 1956 and the rules framed there under are not applicable. No order has been passed by the Company Law Board or National Company Law Tribunal or Reserve Bank of India or any court or any other Tribunal.
- vii) In our opinion, the Company has an internal audit system which is commensurate with the size of the Company and the nature of its business.
- viii) We are informed that Central Government has not prescribed maintenance of cost records under Section 209 (1) (d) of the Companies Act, 1956 in respect of the Company's activities.
- ix)
  - (a) According to the records of the Company, the Company is regular in depositing with appropriate authorities, undisputed statutory dues including Provident Fund, Investor Education and Protection Fund, Employees' State

Insurance, Income-tax, Sales-tax, Value Added Tax, Wealth Tax, Service Tax. Customs duty. Excise duty, cess and other material statutory dues, if any, applicable to it. As at the last day of the financial year, there are no arrears of such undisputed statutory dues outstanding for a period of more than six months from the date they became payable.

- (b) According to the information and explanations given to us, there were no dues of Income-tax, Sales-tax, Wealth Tax, Service Tax, Customs duty, Excise duty and cess, to the extent applicable, which have not been deposited on account of any dispute.
- x) In our opinion, the Company does not have accumulated losses at the end of the financial year. The Company has not incurred cash losses during the financial year covered by our audit and in the immediately preceding financial year.
- xi) In our opinion and according to the information and explanations given to us, the Company has no dues payable to financial institutions, banks or debenture holders. Accordingly the provisions of clause 4 (xi) of the Order are not applicable to the Company.
- xii) According to 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. Therefore, the provisions of clause 4 (xii) of the Order are not applicable to the Company.
- xiii) In our opinion and according to the information and explanations given to us, the Company is not a chit fund or a nidhi/mutual benefit fund/society. Therefore, the provisions of clause 4 (xiii) of the Order are not applicable to the Company.
- xiv) In our opinion and according to the information and explanations given to us, in respect of current investments, the Company has maintained proper records of the transactions and contracts of its dealing or trading in shares, securities, debentures and other investments, as applicable, and timely entries have been made therein. The investments are held by the Company in its own name.
- xv) According to the information and explanations given to us, the Company has not given any guarantee for loans taken by others from bank or financial institutions and hence the provisions of clause 4 (xv) of the Order are not applicable to the Company.
- xvi) In our opinion and according to the information and explanations given to us, no term loans have been raised by the Company during the year and hence, the provisions of clause 4 (xvi) of the Order are not applicable to the Company.
- xvii) According to the information and explanations given to us, and on overall examination of the Balance Sheet of the Company, we report that no funds raised on short-term basis have been used for long term investment.
- xviii) 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.
- xix) According to the information and explanations given to us, during the period covered by our audit report, the Company had issued 68,88,343 Zero Coupon Fully Convertible Bonds of Rs. 650 each. The Company has created security in respect of Zero Coupon Fully Convertible Bonds issued.
- xx) We have verified that the end use of the money raised by rights issue from the letter of offer and also as disclosed in the Note 8 to Schedule K to the financial statements.
- xxi) To the best of our knowledge and belief and according to the information and explanations given to us, no fraud on or by the Company was noticed or reported during the year.

For **DELOITTE HASKINS & SELLS**  
Chartered Accountants

**H. L. Shah**  
Partner

Membership No.33590

Mumbai: 20<sup>th</sup> May, 2009

**BALANCE SHEET AS AT 31ST MARCH, 2009**

	Schedule	Rupees (in lacs)	Rupees (in lacs)	Rupees (in lacs)	As at 31-3-2008 Rupees (in lacs)
<b>FUNDS EMPLOYED:</b>					
1. SHARE CAPITAL .....	<b>A</b>			3446.04	3446.04
2. RESERVES AND SURPLUS .....	<b>B</b>			91080.56	81066.83
3. TOTAL SHAREHOLDERS' FUNDS .....				94526.60	84512.87
4. LOAN FUNDS .....					
Secured Loans .....	<b>C</b>			44774.23	—
5. TOTAL .....				139300.83	84512.87
<b>APPLICATION OF FUNDS:</b>					
6. FIXED ASSETS .....	<b>D</b>				
Gross Block .....			149.84		150.12
Less: Depreciation .....			131.24		126.20
Net Block .....				18.60	23.92
7. INVESTMENTS .....	<b>E</b>			121921.98	88819.05
8. CURRENT ASSETS, LOANS AND ADVANCES .....	<b>F</b>				
(a) Sundry Debtors .....		358.32			—
(b) Cash and Bank balances .....		12635.74			954.93
(c) Other Current Assets .....		466.26			18.33
(d) Loans and Advances .....		10616.56			1342.62
			24076.88		2315.88
9. Less: CURRENT LIABILITIES AND PROVISIONS .....	<b>G</b>				
(a) Current Liabilities .....		415.79			332.23
(b) Provisions .....		6300.84			6313.75
			6716.63		6645.98
NET CURRENT ASSETS .....				17360.25	(4330.10)
10. TOTAL ASSETS (NET)				139300.83	84512.87
Notes to the Accounts .....	<b>K</b>				

Per our report attached,

 For DELOITTE HASKINS & SELLS  
Chartered Accountants

 H.L. SHAH  
Partner

 M.J. KOTWAL  
*Executive Director &  
Secretary*

Mumbai, 20th May, 2009.

 For and on behalf of the Board,  
N.A. SOONAWALA Chairman

A.B.K. DUBASH	}	Directors
K.N.SUNTOOK		
K.A.CHAUKAR		
F.N. SUBEDAR		
H.N. SINOR		
A.N. DALAL		



## PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31ST MARCH, 2009

	Schedule	Rupees (in lacs)	Rupees (in lacs)	Previous Year Rupees (in lacs)
<b>INCOME :</b>				
1. Dividends [includes Rs. 40.47 lacs on Current Investments; (Previous Year Rs. 47.26 lacs)] .....	<b>H</b>		<b>5590.63</b>	4167.00
2. Interest (Net) .....			<b>2624.24</b>	296.06
3. Net Profit on sale of investments [includes Rs. 379.20 lacs on Current Investments; (Previous Year Rs. 238.07 lacs)] .....			<b>13017.78</b>	16541.56
4. Miscellaneous - Gross [Tax deducted at source Rs. 13.23 lacs; (Previous Year Rs.Nil) and profit on foreign exchange Rs. 4.19 lacs; (Previous Year Rs.Nil)] .....			<b>111.63</b>	2.38
5. Net profit on sale of fixed assets .....			<b>0.05</b>	0.65
<b>6. TOTAL INCOME</b>			<b>21344.33</b>	21007.65
<b>EXPENDITURE:</b>				
7. Payments to and provisions for employees .....	<b>I</b>		<b>399.27</b>	375.18
8. Other expenditure .....	<b>J</b>		<b>406.43</b>	391.00
9. Depreciation .....			<b>7.60</b>	10.06
10. Provision for diminution in value of investments (net) [including on Current Investments Rs. 116.49 lacs; (Previous Year Rs. Nil)] .....			<b>183.70</b>	-
<b>11. TOTAL EXPENDITURE</b>			<b>997.00</b>	776.24
<b>12. PROFIT BEFORE TAXES</b>			<b>20347.33</b>	20231.41
13. Provision for current tax [includes Rs.0.09 lacs for Wealth Tax, (Previous Year Rs. 0.13 lacs) and Rs. 3.23 lacs excess provision of earlier years (net) written back, (Previous Year Rs. 210.37 lacs)] .....			<b>1709.27</b>	1637.21
14. Provision for Fringe Benefit Tax .....			<b>9.04</b>	9.00
<b>15. PROFIT AFTER TAXES</b>			<b>18629.02</b>	18585.20
16. Balance brought forward from previous year .....			<b>8330.96</b>	7011.30
<b>17. AMOUNT AVAILABLE FOR APPROPRIATION</b>			<b>26959.98</b>	25596.50
<b>18. APPROPRIATIONS:-</b>				
Proposed final dividend on Ordinary shares .....		<b>5169.06</b>		5169.06
Tax on dividends .....		<b>878.48</b>		878.48
Reserve Fund .....		<b>3726.00</b>		3718.00
General Reserve .....		<b>4000.00</b>		7500.00
			<b>13773.54</b>	17265.54
19. Balance carried to balance sheet .....			<b>13186.44</b>	8330.96
<b>20. Earnings per Ordinary share (See Note 13 to Schedule K)</b>				
(Face Value Rs. 10/- per share) .....				
Basic (Rupees) .....			<b>54.06</b>	53.93
Diluted (Rupees) .....			<b>45.74</b>	53.93
Notes to the Accounts .....	<b>K</b>			

Per our report attached,

For DELOITTE HASKINS & SELLS  
Chartered Accountants

H.L. SHAH  
Partner

M.J. KOTWAL  
*Executive Director &  
Secretary*

Mumbai, 20th May, 2009.

For and on behalf of the Board,  
N.A. SOONAWALA Chairman

A.B.K. DUBASH  
K.N.SUNTOOK  
K.A.CHAUKAR  
F.N. SUBEDAR  
H.N. SINOR  
A.N. DALAL

Directors

**CASH FLOW STATEMENT**

	For the Year ended 31st March	
	2009	2008
	— (Rs. in lacs) —	
<b>A. CASH FLOW FROM OPERATING ACTIVITIES :</b>		
Net profit before tax .....	20347.33	20231.41
Adjustments for: .....		
Dividend Income .....	(5590.63)	(4167.00)
Interest Income .....	(2624.24)	(296.06)
Provision for diminution in the value of investments, debited to the Profit and Loss Account .....	183.70	—
Profit on sale of fixed assets (net) .....	(0.05)	(0.65)
Depreciation .....	7.60	10.06
Unrealised foreign exchange (gain)/loss .....	(4.19)	1.82
Net profit on sale of investments .....	(13017.78)	(16541.56)
<b>Operating profit before working capital changes</b> .....	<b>(698.26)</b>	<b>(761.98)</b>
Adjustments for: .....		
Trade and other receivables .....	(1243.51)	205.15
Trade and other payables .....	65.87	65.18
Cash generated from operations before interest and dividend income .....	(1875.90)	(491.65)
Dividend Income .....	5590.63	4167.00
Interest income .....	2624.24	296.06
Cash generated from operations .....	6338.97	3971.41
Direct taxes paid - (Net of refunds) .....	(1711.03)	(1682.82)
<b>Net cash from operating activities</b> .....	<b>4627.94</b>	<b>2288.59</b>
<b>B. CASH FLOW FROM INVESTING ACTIVITIES :</b>		
Purchase of Fixed assets .....	(2.32)	(12.80)
Sale of Fixed assets .....	0.09	1.68
Purchase of investments .....	(113514.59)	(58829.68)
Sale proceeds of investments .....	91060.06	61953.26
Intercorporate deposits placed .....	(8450.00)	—
Intercorporate deposits withdrawn.....	8450.00	—
<b>Net cash from/(used in) investing activities</b> .....	<b>(22456.76)</b>	<b>3112.46</b>
<b>C. CASH FLOW FROM FINANCING ACTIVITIES :</b>		
Proceeds received from rights issue of Zero Coupon Fully Convertible Bonds .....	44774.23	—
Rights Issue expenditure adjusted against securities premium account .....	(382.07)	—
Repayment of long term borrowings (including matured deposits/ debentures/interest thereon) .....	(0.60)	(56.20)
Dividends/Dividend tax paid .....	(6039.69)	(6042.94)
<b>Net cash from/(used in) financing activities</b> .....	<b>38351.87</b>	<b>(6099.14)</b>
<b>Net increase/(decrease) in cash and cash equivalents (A+B+C)</b> .....	<b>20523.05</b>	<b>(698.09)</b>
Cash and cash equivalents at the beginning of the year [See Note (iii) below] .....	2151.05	2850.96
Add/(Less): Exchange profit/(loss) on foreign currency bank balance .....	4.19	(1.82)
Cash and cash equivalents at the end of the year [See Note (iii) below] .....	<b>22678.29</b>	<b>2151.05</b>

**Notes :**

- Since the Company is an investment company, purchase and sale of investments have been considered as part of "Cash flow from investing activities" and interest earned/paid and dividend earned have been considered as part of "Cash flow from operating activities".
- Direct taxes paid is treated as arising from operating activities and is not bifurcated between Investing and Financing activities.
- Cash and cash equivalents represents cash and bank balances as per Balance Sheet, intercorporate deposits placed for three months or lower tenure, and interest accrued thereon. Cash and cash equivalent included in the Cash Flow Statement comprises the following balance sheet items:

	31.03.2009	31.03.2008
	— (Rs. in lacs) —	
1. Cash on hand and bank balances	12635.74	954.93
2. Intercorporate deposits placed	9500.00	1175.00
3. Interest accrued on deposits placed	542.55	21.12
	<b>22678.29</b>	<b>2151.05</b>

- Previous year's figures have been regrouped, wherever necessary.

Per our report attached,

 For DELOITTE HASKINS & SELLS  
Chartered Accountants

 H.L. SHAH  
Partner

Mumbai, 20th May, 2009.

 M.J. KOTWAL  
Executive Director &  
Secretary

 For and on behalf of the Board,  
N.A. SOONAWALA

Chairman

 A.B.K. DUBASH  
K.N.SUNTOOK  
K.A.CHAUKAR  
F.N. SUBEDAR  
H.N. SINOR  
A.N. DALAL

Directors

## SCHEDULE FORMING PART OF THE BALANCE SHEET

### SCHEDULE 'A' SHARE CAPITAL

	<b>Rupees (in lacs)</b>	As at 31-03-2008 Rupees (in lacs)
AUTHORISED CAPITAL :- 6,00,00,000 Ordinary shares of Rs. 10 each (Previous Year 5,00,00,000 Ordinary Shares of Rs. 10 each)	<b>6000.00</b>	5000.00
ISSUED CAPITAL :- 3,44,60,888 Ordinary shares of Rs.10 each fully paid up	<b>3446.09</b>	3446.09
SUBSCRIBED CAPITAL :- 3,44,60,388 Ordinary shares of Rs.10 each fully paid up Of the above shares -	<b>3446.04</b>	3446.04
(a) 10,39,190 Shares of Rs.10 each have been allotted as fully paid up pursuant to a contract without payment having been received in cash		
(b) 1,61,96,289 Shares of Rs.10 each have been issued as fully paid up bonus shares by capitalisation of capital reserve and securities premium account		
	<b>3446.04</b>	3446.04

**Note:** With effect from 13th February, 2008, the Company became a subsidiary of Tata Sons Limited. As on 31st March, 2009, 1,91,42,638 Ordinary Shares (31.3.2008 - 1,89,47,595 Ordinary Shares) are held by Tata Sons Limited, the holding Company and 5,43,420 Ordinary Shares (31.3.2008 - 5,43,420 Ordinary Shares) are held by a wholly owned subsidiary of Tata Sons Ltd.

### Schedule 'B' RESERVES AND SURPLUS

	<b>Rupees (in lacs)</b>	<b>Rupees (in lacs)</b>	As at 31-03-2008 Rupees (in lacs)
CAPITAL RESERVE :- Balance as per last balance sheet		<b>4163.35</b>	4163.35
SECURITIES PREMIUM :- Balance as per last balance sheet		<b>5487.89</b>	5445.65
Add: Provision for diminution in value of investments, earlier debited to securities premium, no longer required, written back (See Note 2 to Schedule K)		-	42.24
		<b>5487.89</b>	5487.89
Less: Utilised for :- Rights Issue expenses	<b>382.07</b>		-
Provision for diminution in value of investments (See Note 2 to Schedule K)	<b>2185.68</b>		-
		<b>2567.75</b>	-
		<b>2920.14</b>	5487.89
GENERAL RESERVE :- Balance as per last balance sheet		<b>43304.63</b>	35953.64
Add: Transferred from Profit and Loss Account		<b>4000.00</b>	7500.00
		<b>47304.63</b>	43453.64
Less: Liability for certain employee costs upto 31.3.2007		-	149.01
		<b>47304.63</b>	43304.63
RESERVE FUND (as per RBI regulations) :- Balance as per last balance sheet		<b>19780.00</b>	16062.00
Add: Transferred from Profit and Loss Account		<b>3726.00</b>	3718.00
		<b>23506.00</b>	19780.00
PROFIT AND LOSS ACCOUNT :- Balance carried forward		<b>13186.44</b>	8330.96
		<b>91080.56</b>	81066.83

**SCHEDULE FORMING PART OF THE BALANCE SHEET**
**Schedule 'C' SECURED LOANS**

	Rupees (in lacs)	As at 31-03-2008 Rupees (in lacs)
68,88,343 (Previous Year Nil) Zero Coupon Fully Convertible Bonds (ZCCB) of Rs.650/- each, fully paid up, with detachable warrants.	<b><u>44774.23</u></b>	<u>-</u>
(Secured by a mortgage of an immoveable property and pledge of certain shares vide Debenture Trust Deed dated 16th October, 2008).		

**Notes :-**

- Part A of the ZCCB of Rs.300/- each would be compulsorily converted into one ordinary share of Rs.10/- at a premium of Rs.290/- on 1.8.2009.
- Part B of the ZCCB of Rs.350/- each would be compulsorily converted into one ordinary share of Rs. 10/- each at a premium of Rs.340/- on 31.3.2010.
- The holders of the detachable warrants would be entitled to apply for and be allotted on payment of Rs. 400/- per warrant, one ordinary share of Rs.10/- each at a premium of Rs. 390/-, between 1.4.2011 and 30.4.2011.

**Schedule 'D' FIXED ASSETS**

	Cost as at 1st April, 2008	Addi- tions	Deduc- tions/ Adjust- ments	Cost as at 31st March, 2009	Depre- ciation for the year	Accumulated Depreciation as at 31st March, 2009	Net book value as at 31st March, 2009	Net book value as at 31st March, 2008
Buildings	1.30	-	-	1.30	0.01	1.07	0.23	0.24
Furniture, fixtures and equipment	38.61	0.02	-	38.63	0.02	38.63	-	-
Motor cars	61.94	-	-	61.94	5.34	46.73	15.21	20.55
Plant and Machinery	48.77	2.30	2.60	47.97	2.23	44.81	3.16	3.13
	<u>150.12</u>	<u>2.32</u>	<u>2.60</u>	<u>149.84</u>	<u>7.60</u>	<u>131.24</u>	<b>18.60</b>	
Previous year	<u>146.27</u>	<u>12.80</u>	<u>8.95</u>	<u>150.12</u>	<u>10.06</u>	<u>126.20</u>	<b>18.60</b>	<u>23.92</u>
							<u>18.60</u>	<u>23.92</u>

## SCHEDULE FORMING PART OF THE BALANCE SHEET

### Schedule 'E' INVESTMENTS.

	As at 31-03-2009				As at 31-03-2008			
	Fully paid Rupees (in lacs)	Partly paid Rupees (in lacs)	Book Value Rupees (in lacs)	Book Value Rupees (in lacs)	Fully paid Rupees (in lacs)	Partly paid Rupees (in lacs)	Book Value Rupees (in lacs)	Book Value Rupees (in lacs)
<b>I LONG TERM (AT OR BELOW COST)</b>								
<b>QUOTED :- (LIST 1)</b>								
Equity shares .....	53706.75	—			45201.44	—		
Mutual funds .....	68.81	—			100.27	—		
Debentures/Bonds .....	9684.42	—			689.72	—		
Preference shares .....	2824.98	—			2824.98	—		
(Market Value Rs.129619.34 lacs; Previous year Rs.235139.88 lacs)								
	<u>66284.96</u>	<u>—</u>	<u>66284.96</u>		<u>48816.41</u>	<u>—</u>	<u>48816.41</u>	
<b>UNQUOTED :- (LIST 2)</b>								
Equity shares .....	8218.97	—			5608.91	16.80		
Mutual funds .....	40147.31	—			24760.00	—		
Venture Capital funds .....	2115.00	—			1300.00	—		
Preference shares .....	6500.00	—			4500.00	—		
	<u>56981.28</u>	<u>—</u>	<u>56981.28</u>		<u>36168.91</u>	<u>16.80</u>	<u>36185.71</u>	
Application money on securities not allotted .....			1500.00				817.84	
			<u>124766.24</u>				<u>85819.96</u>	
Less: Provision for Long Term diminution in value of Investments .....			<u>2880.00</u>				<u>627.11</u>	
			<u>121886.24</u>				<u>85192.85</u>	
<b>II CURRENT INVESTMENTS (LOWER OF COST AND FAIR VALUE)</b>								
<b>Quoted Equity Shares ( List 3) (at cost) .....</b>			152.23				3626.20	
Less : Provision for diminution ..			<u>116.49</u>	—			<u>—</u>	
At fair value.				35.74			3626.20	
(Market Value Rs.35.74 lacs; Previous year Rs.5983.74 lacs)								
			<u>121921.98</u>				<u>88819.05</u>	
<b>Aggregate Investments (net of diminution)</b>								
<b>Quoted</b>								
(Market Value Rs.129655.08 lacs; Previous year Rs.241123.62 lacs)			<u>63805.73</u>				<u>52139.61</u>	
Unquoted .....			<u>58116.25</u>				<u>36679.44</u>	
			<u>121921.98</u>				<u>88819.05</u>	

**LIST OF INVESTMENTS**

Particulars	Face value Rupees	As at 31st March, 2009		As at 31st March, 2008	
		Holding	Book value Rupees ( in lacs )	Holding	Book value Rupees ( in lacs )
<b>LIST 1: QUOTED:-</b>					
<b>EQUITY SHARES FULLY PAID:-</b>					
<b>1 BANKS</b>					
Andhra Bank. ....	10	–	–	702913	262.96
Axis Bank Ltd. ....	10	<b>360000</b>	<b>143.60</b>	395000	157.57
Bank of Baroda. ....	10	<b>140000</b>	<b>358.19</b>	125000	319.61
Central Bank of India. ....	10	<b>30774</b>	<b>31.38</b>	30774	31.38
Centurion Bank of Punjab Ltd. (Amalgn.with HDFC Bank Ltd.) .....	10	–	–	800000	208.57
Development Credit Bank Ltd. ....	10	<b>481991</b>	<b>506.09</b>	481991	506.09
HDFC Bank Ltd. ....	10	<b>116186</b>	<b>247.36</b>	88600	38.79
Indian Bank. ....	10	<b>60000</b>	<b>63.50</b>	–	–
Karnataka Bank Ltd. ....	10	<b>95000</b>	<b>112.33</b>	95000	112.33
State Bank of India. ....	10	<b>158859</b>	<b>962.98</b>	124000	408.72
Syndicate Bank. ....	10	<b>340000</b>	<b>252.62</b>	200000	158.16
Union Bank of India. ....	10	–	–	300000	104.82
			<b>2678.05</b>		2309.00
<b>Market Value</b>			<b>5015.85</b>		8661.59
<b>2 CEMENT</b>					
ACC Ltd. ....	10	<b>150000</b>	<b>213.17</b>	262463	372.98
Ambuja Cements Ltd. ....	2	<b>2387400</b>	<b>43.98</b>	2387400	43.98
Grasim Industries Ltd. ....	10	–	–	25000	10.72
Mangalam Cements Ltd. ....	10	<b>150000</b>	<b>292.56</b>	150000	292.56
			<b>549.71</b>		720.24
<b>Market Value</b>			<b>2655.77</b>		5906.28
<b>3 CHEMICALS AND FERTILIZERS</b>					
India Glycols Ltd. ....	10	<b>40000</b>	<b>175.05</b>	40000	175.05
Rallis India Ltd. ....	10	<b>289436</b>	<b>72.68</b>	289436	72.68
Tata Chemicals Ltd. ....	10	<b>16000000</b>	<b>4624.00</b>	16500000	4768.50
			<b>4871.73</b>		5016.23
<b>Market Value</b>			<b>23754.80</b>		47401.53
<b>4 ELECTRICITY AND TRANSMISSION</b>					
Areva T & D India Ltd. ....	2	<b>75000</b>	<b>213.33</b>	–	–
KEI Industries Ltd. ....	2	<b>300000</b>	<b>218.78</b>	300000	218.78
National Thermal Power Corporation Ltd. ....	10	<b>1215000</b>	<b>1556.73</b>	1190000	1519.57
Power Grid Corporation of India Ltd. ....	10	<b>250000</b>	<b>209.27</b>	200000	166.01
Reliance Power Ltd. ....	10	–	–	3134	14.10
Tata Power Co. Ltd. ....	10	<b>600000</b>	<b>225.84</b>	700000	263.48
			<b>2423.95</b>		2181.94
<b>Market Value</b>			<b>7202.46</b>		10929.55

## LIST OF INVESTMENTS

Particulars	Face value Rupees	As at 31st March, 2009		As at 31st March, 2008	
		Holding	Book value Rupees ( in lacs )	Holding	Book value Rupees ( in lacs )
<b>5 ELECTRICALS AND ELECTRONICS</b>					
Bharat Electronics Ltd. ....	10	113000	288.37	95000	154.36
Cummins India Ltd. ....	2	102100	0.46	102100	0.46
Emco Ltd. ....	2	125000	192.51	125000	192.51
Havells India Ltd. ....	5	100000	49.06	200000	98.12
Honda Siel Power Products Ltd. ....	10	100000	215.47	100000	215.47
Siemens Ltd. ....	2	300000	42.36	300000	42.36
Thermax Ltd. ....	2	250000	83.02	250000	83.02
Voltamp Transformers Ltd. ....	10	25000	214.35	25000	214.35
Voltas Ltd. ....	1	9550000	359.12	9550000	359.12
			<b>1444.72</b>		<b>1359.77</b>
<b>Market Value</b>			<b>7255.19</b>		<b>23396.37</b>
<b>6 ENGINEERING &amp; INFRASTRUCTURE</b>					
Bharat Heavy Electricals Ltd. ....	10	92500	512.39	86000	436.06
DLF Ltd. ....	2	10000	55.53	-	-
Engineers India Ltd. ....	10	20000	52.69	20000	52.69
Gammon India Ltd. ....	2	30000	138.04	30000	138.04
IVRCL Infrastructure & Projects Ltd. ....	2	-	-	150000	60.82
Kalindee Rail Nirman (Engineers) Ltd. ...	10	100000	179.76	60000	103.21
KSB Pumps Ltd. ....	10	72000	64.55	72000	64.55
Larsen & Toubro Ltd. ....	2	190000	92.36	100608	68.94
Nagarjuna Construction Co.Ltd. ....	2	-	-	100000	188.71
Punj Lloyd Ltd. ....	2	125000	382.69	125000	382.69
Valecha Engineering Ltd. ....	10	303750	213.28	202500	213.28
			<b>1691.29</b>		<b>1708.99</b>
<b>Market Value</b>			<b>3289.68</b>		<b>7044.88</b>
<b>7 FAST MOVING CONSUMER GOODS</b>					
Asian Paints (India) Ltd. ....	10	53694	21.88	53694	21.88
Dabur India Ltd. ....	1	-	-	900000	142.29
ITC Ltd. ....	1	369510	12.72	369510	12.72
Marico Ltd. ....	1	-	-	755000	136.35
Mount Everest Mineral Water Ltd. ....	10	60000	91.05	-	-
Nestle India Ltd. ....	10	48184	52.36	48184	52.36
Pidilite Industries Ltd. ....	1	670000	151.59	670000	151.59
Ruchi Soya Industries Ltd. ....	2	-	-	150000	108.50
Tata Tea Ltd. ....	10	2800000	753.48	2820000	758.86
Titan Industries Ltd. ....	10	861282	1710.87	861282	1710.87
			<b>2793.95</b>		<b>3095.42</b>
<b>Market Value</b>			<b>25569.12</b>		<b>37042.56</b>

**LIST OF INVESTMENTS**

Particulars	Face value Rupees	As at 31st March, 2009		As at 31st March, 2008	
		Holding	Book value Rupees ( in lacs )	Holding	Book value Rupees ( in lacs )
<b>8 FINANCE AND INVESTMENTS</b>					
Bajaj Finserv Ltd.(Transferred from Unquoted List.) .....	5	20000	0.29	-	-
Bajaj Holdings & Investment Ltd. ....	10	20000	0.59	20000	0.59
GIC Housing Finance Ltd. ....	10	1330800	463.45	1330800	463.45
Gruh Finance Ltd. ....	10	500000	390.16	500000	390.16
Housing Development Finance Corporation Ltd. ....	10	84740	5.64	84740	5.64
IL & FS Investment Managers Ltd. ....	10	112500	92.66	75000	92.66
Infrastructure Development Finance Company Ltd. ....	10	100000	66.23	-	-
LIC Housing Finance Co. Ltd. ....	10	200000	210.32	200000	210.32
Mahindra & Mahindra Financial Services Ltd. ....	10	-	-	50000	97.69
Nahar Capital and Financial Services Ltd. ....	5	200000	155.15	200000	155.15
Rural Electrification Corporation Ltd. ...	10	41387	43.46	41387	43.46
Sundaram Finance Ltd. ....	10	40000	134.52	20000	134.52
			<b>1562.47</b>		<b>1593.64</b>
<b>Market Value</b>			<b>2985.33</b>		<b>4886.67</b>
<b>9 HEALTHCARE</b>					
Ankur Drugs & Pharma Ltd. ....	10	150000	326.94	110000	235.63
Carol Info Services Ltd. ....	10	200000	121.81	200000	121.81
Cipla Ltd. ....	2	-	-	300000	299.16
Glaxo Smithkline Pharmaceuticals Ltd. ....	10	90000	76.16	90000	76.16
Glenmark Pharmaceuticals Ltd. ....	1	370000	40.53	370000	40.53
Merck Ltd. ....	10	40000	136.70	-	-
Ranbaxy Laboratories Ltd. ....	5	58890	208.94	100000	371.14
Sun Pharmaceutical Industries Ltd. ....	5	250000	57.23	250000	57.23
Wockhardt Ltd. ....	5	-	-	50000	217.30
			<b>968.31</b>		<b>1418.96</b>
<b>Market Value</b>			<b>4761.44</b>		<b>7358.39</b>
<b>10 HOTELS</b>					
Hotel Leelaventure Ltd. ....	2	600000	194.25	600000	194.25
Indian Hotels Co. Ltd. ....	1	10480943	6151.08	8538314	4791.23
Oriental Hotels Ltd. ....	10	107600	39.03	107600	39.03
Royal Orchid Hotels Ltd. ....	10	80000	78.55	-	-
TAJGVK Hotels & Resorts Ltd. ....	2	68300	8.19	68300	8.19
			<b>6471.10</b>		<b>5032.70</b>
<b>Market Value</b>			<b>4471.04</b>		<b>10171.73</b>



## LIST OF INVESTMENTS

Particulars	Face value Rupees	As at 31st March, 2009		As at 31st March, 2008	
		Holding	Book value Rupees ( in lacs )	Holding	Book value Rupees ( in lacs )
<b>11 INFORMATION TECHNOLOGY</b>					
3i Infotech Ltd. ....	10	310000	280.38	310000	280.38
Geodesic Information Systems Ltd. ....	2	-	-	163900	99.64
Helios & Matheson Information Technology Ltd. ....	10	-	-	36400	49.75
Infosys Technologies Ltd. ....	5	31987	223.99	31987	223.99
Infotech Enterprises Ltd. ....	5	45000	171.97	45000	171.97
NIIT Technologies Ltd. ....	10	225000	311.53	225000	311.53
Satyam Computer Services Ltd. ....	2	-	-	75000	340.06
Tata Consultancy Services Ltd. ....	1	255226	1621.26	365226	2291.90
Tata Elxsi Ltd. ....	10	634139	1108.31	395000	802.78
Tech Mahindra Ltd. ....	10	25000	174.75	-	-
Wipro Ltd. ....	2	-	-	90000	234.57
			<b>3892.19</b>		<b>4806.57</b>
<b>Market Value</b>			<b>2647.49</b>		<b>5688.61</b>
<b>12 MEDIA</b>					
Deccan Chronicle Holdings Ltd. ....	2	80000	86.08	-	-
Jagran Prakashan Ltd. ....	2	190000	133.54	150000	105.26
			<b>219.62</b>		<b>105.26</b>
<b>Market Value</b>			<b>145.89</b>		<b>131.10</b>
<b>13 METALS &amp; MINING</b>					
Gujarat NRE Coke Ltd. ....	10	224000	77.21	160000	77.21
Hindalco Industries Ltd. ....	1	549300	231.11	474300	194.02
ISMT Ltd. ....	5	51736	24.07	11078	5.26
Jindal Steel & Power Ltd. ....	1	-	-	45000	42.05
National Aluminium Company Ltd. ....	10	-	-	200000	89.06
Neyveli Lignite Corporation Ltd. ....	10	400000	216.40	400000	216.40
Steel Authority of India Ltd. ....	10	150000	104.98	150000	104.98
Tata Sponge Iron Ltd. ....	10	4500	5.42	-	-
Tata Steel Ltd. ....	10	3145835	3691.36	2845835	2352.11
Welspun Gujarat Stahl Rohren Ltd. ....	5	100000	48.11	100000	48.11
			<b>4398.66</b>		<b>3129.20</b>
<b>Market Value</b>			<b>7379.97</b>		<b>23712.31</b>
<b>14 MOTOR VEHICLES AND ANCILLARIES</b>					
Amara Raja Batteries Ltd. ....	2	238500	124.81	300000	235.47
Bharat Forge Ltd. ....	2	100000	23.21	100000	23.21
Bosch Ltd. ....	10	30000	4.59	30000	4.59
Eicher Motors Ltd. ....	10	-	-	52500	142.17
Exide Industries Ltd. ....	1	-	-	872176	133.01
Fag Bearings India Ltd. ....	10	68107	35.61	70000	36.60
Mahindra & Mahindra Ltd. ....	10	270000	74.84	270000	74.84
Maruti Suzuki India Ltd. ....	5	15000	85.64	-	-
SKF India Ltd. ....	10	200000	32.66	200000	32.66
Sundaram Fasteners Ltd. ....	1	700000	4.80	700000	4.80
Tata Motors Ltd. ....	10	3290589	7945.79	1540000	1161.77
Tata Motors Ltd. 'A' Ordinary Shares. ...	10	250000	762.50	-	-
			<b>9094.45</b>		<b>1849.12</b>
<b>Market Value</b>			<b>9435.14</b>		<b>15381.12</b>

**LIST OF INVESTMENTS**

Particulars	Face value Rupees	As at 31st March, 2009		As at 31st March, 2008	
		Holding	Book value Rupees ( in lacs )	Holding	Book value Rupees ( in lacs )
<b>15 OIL &amp; NATURAL RESOURCES</b>					
Cairn India Ltd. ....	10	500000	773.15	500000	773.15
Castrol India Ltd. ....	10	41000	125.96	-	-
Gail (India) Ltd. ....	10	460000	282.30	300000	260.91
Hindustan Oil Exploration Ltd. ....	10	294973	283.94	461930	444.66
Hindustan Petroleum Corporation Ltd. ....	10	50000	123.16	-	-
Indian Oil Corporation Ltd. ....	10	50000	89.11	187500	334.15
Oil & Natural Gas Corporation Ltd. ....	10	20000	36.21	81408	147.38
Petronet LNG Ltd. ....	10	700000	183.91	700000	183.91
Reliance Industries Ltd. ....	10	80000	90.50	123060	139.22
Reliance Petroleum Ltd. ....	10	579450	803.66	569450	795.34
			<b>2791.90</b>		<b>3078.72</b>
<b>Market Value</b>			<b>4879.97</b>		<b>8680.53</b>
<b>16 PAPER , PRINTING &amp; PACKAGING</b>					
Ballarpur Industries Ltd. ....	2	-	-	960000	121.82
J.K.Paper Ltd. ....	10	119978	46.16	-	-
West Coast Paper Mills Ltd. ....	2	180030	54.68	180030	54.68
			<b>100.84</b>		<b>176.50</b>
<b>Market Value</b>			<b>84.91</b>		<b>385.52</b>
<b>17 TELECOMMUNICATIONS</b>					
Bharti Airtel Ltd. ....	10	140000	220.17	140000	220.17
Idea Cellular Ltd. ....	10	110000	76.82	91320	68.49
Mahanagar Telephone Nigam Ltd. ....	10	150000	133.48	-	-
Reliance Communication Ltd. (Form. Reliance Communication Ventures Ltd.) ....	5	200000	315.66	200000	315.66
Tata Teleservices (Maharashtra) Ltd. ....	10	595000	109.04	595000	109.04
			<b>855.17</b>		<b>713.36</b>
<b>Market Value</b>			<b>1519.80</b>		<b>2434.17</b>
<b>18 TEXTILES</b>					
Century Textiles & Industries Ltd. ....	10	250000	238.57	275000	262.43
Gokak Textiles Ltd. ....	10	50000	65.39	50000	65.39
Nahar Spinning Mills Ltd. ....	5	170870	132.56	172395	133.75
Raymond Ltd. ....	10	20000	87.11	20000	87.11
			<b>523.63</b>		<b>548.68</b>
<b>Market Value</b>			<b>616.12</b>		<b>2199.94</b>

## LIST OF INVESTMENTS

Particulars	Face value Rupees	As at 31st March, 2009		As at 31st March, 2008	
		Holding	Book value Rupees ( in lacs )	Holding	Book value Rupees ( in lacs )
<b>19 TRANSPORTATION AND LOGISTICS</b>					
Container Corporation of India Ltd. ....	10	150000	585.49	75000	585.49
Gateway Distriparks Ltd. ....	10	100000	144.07	100000	144.07
Great Eastern Shipping Co.Ltd. ....	10	200000	64.82	200000	64.82
Great Offshore Ltd. ....	10	175000	238.10	155000	164.94
Sical Logistics Ltd. ....	10	-	-	22500	39.22
SpiceJet Ltd. ....	10	1000000	526.90	1000000	526.90
Varun Shipping Co. Ltd. ....	10	305000	163.28	154406	60.80
			<b>1722.66</b>		<b>1586.24</b>
<b>Market Value</b>			<b>2205.11</b>		<b>3684.15</b>
<b>20 MISCELLANEOUS AND DIVERSIFIED</b>					
Aditya Birla Nuvo Ltd. ....	10	70000	174.33	90000	224.14
Forbes & Company Ltd. ....	10	100000	102.02	100000	102.02
Greenply Industries Ltd. ....	5	145000	224.02	125000	190.48
Hanung Toys & Textiles Ltd. ....	10	-	-	70000	102.28
Trent Ltd. ....	10	732714	4151.98	732714	4151.98
			<b>4652.35</b>		<b>4770.90</b>
<b>Market Value</b>			<b>3166.84</b>		<b>6126.09</b>
<b>Total of Listed Equity Shares - Book Value</b>			<b>53706.75</b>		<b>45201.44</b>
<b>Market Value</b>			<b>119041.92</b>		<b>231223.09</b>
<b>MUTUAL FUNDS FULLY PAID :-</b>					
Benchmark Mutual Fund Nifty Bees. ....	10	25000	68.81	-	-
Morgan Stanley Growth Fund. ....	10	-	-	500000	100.27
			<b>68.81</b>		<b>100.27</b>
<b>DEBENTURES/BONDS FULLY PAID :-</b>					
Export Import Bank of India 2010 11.5% (8th Series) Bonds. ....	1000	3000	29.49	3000	29.49
Housing Development Finance Corporation Ltd 2018 11.25% Bonds. ...	1000000	50	549.75	-	-
Housing Development Finance Corporation Ltd 2018 11.95% Bonds. ...	1000000	50	556.00	-	-
IFCI Ltd. 2008 11.5% Bonds. ....	1000	-	-	6900	68.07
Indian Railway Finance Corporation Ltd 2023 10.70% Bonds 61A -Series. ....	1000000	100	1193.20	-	-
Indian Oil Corporation Ltd 2018 11.00% Bonds. ....	1000000	50	577.65	-	-
Power Finance Corporation Ltd 2018 9.68% Debentures. ....	1000000	50	519.50	-	-
Power Finance Corporation Ltd 2018 11.25% Debentures. ....	1000000	100	1121.42	-	-
Punjab National Bank 2023 10.85% Bonds. ....	1000000	50	559.52	-	-
Rural Electrification Corporation Ltd 2019 8.65% Bonds. ....	1000000	50	500.00	-	-
Carried forward .....			<b>5606.53</b>		<b>97.56</b>

**LIST OF INVESTMENTS**

Particulars	Face value Rupees	As at 31st March, 2009		As at 31st March, 2008	
		Holding	Book value Rupees ( in lacs )	Holding	Book value Rupees ( in lacs )
Brought forward .....			<b>5606.53</b>		97.56
Rural Electrification Corporation Ltd 2018 9.07% Bonds. ....	1000000	<b>50</b>	<b>513.36</b>	-	-
Reliance Industries Ltd 2018 10.75% Debentures. ....	1000000	<b>100</b>	<b>1053.45</b>	-	-
State Bank of India 2023 8.90% Bonds. ....	1000000	<b>50</b>	<b>512.77</b>	-	-
Tata Steel Ltd 2011 9.80% Debentures. Tata Steel Ltd 2015 10.20% Debentures. ....	1000000	<b>100</b>	<b>976.47</b>	-	-
Tata Tea Ltd 2010 9.40% Debentures. ..	1000000	<b>50</b>	<b>467.20</b>	-	-
Tourism Finance Corporation of India Ltd 2012 12% Bonds. ....	1000	<b>4200</b>	<b>54.42</b>	4200	54.42
US 64 Tax Free 6.75% Bonds. ....	100	-	-	510920	537.74
			<b>9684.42</b>		<b>689.72</b>
<b>PREFERENCE SHARES FULLY PAID :-</b>					
Tata Steel Ltd 2% Cum.Compulsory Convnt. Pref.Shares. ....	100	<b>2824977</b>	<b>2824.98</b>	2824977	2824.98
			<b>2824.98</b>		<b>2824.98</b>
			<b>66284.96</b>		<b>48816.41</b>
<b>LIST 2: UNQUOTED :-</b>					
<b>EQUITY SHARES FULLY PAID :-</b>					
<b>INDIAN</b>					
Bajaj Auto Ltd. ....	10	-	-	20000	0.60
Bajaj Finserv Ltd.(Transferred to Quoted List) ....	5	-	-	20000	0.30
Credit Analysis & Research Ltd. ....	10	<b>200000</b>	<b>20.00</b>	200000	20.00
Fiora Services Ltd. ....	100	<b>10500</b>	<b>10.50</b>	10500	10.50
Indbazar.com Ltd. ....	10	<b>50000</b>	<b>52.50</b>	50000	52.50
Indian Seamless Enterprise Ltd. ....	10	<b>67210</b>	<b>33.61</b>	33605	-
Jamipol Ltd.(Formerly Jamshedpur Injection Powder Ltd.) ....	10	<b>250000</b>	<b>25.00</b>	250000	25.00
Mecklai Financial & Commercial Services Ltd. ....	10	<b>15000</b>	<b>50.00</b>	15000	50.00
National Stock Exchange of India Ltd.	10	<b>58000</b>	<b>2064.21</b>	-	-
Piem Hotels Ltd. ....	10	<b>35000</b>	<b>0.55</b>	35000	0.55
Quickjet Cargo Airlines Pvt.Ltd. ....	10	<b>3818182</b>	<b>420.00</b>	-	-
Ratnakar Bank Ltd.(Previous Year Face Value Rs.100) ....	10	<b>1100000</b>	<b>495.00</b>	110000	495.00
Ritspin Synthetics Ltd. ....	10	<b>100000</b>	<b>10.00</b>	100000	10.00
Rujuvalika Investments Ltd. ....	10	<b>183333</b>	<b>30.00</b>	183333	30.00
Sicagen India Ltd. ....	10	-	-	22500	19.01
Tata Asset Management Ltd. ....	10	<b>5265457</b>	<b>1950.09</b>	5265457	1950.09
Tata Autocomp Systems Ltd. ....	10	<b>2720054</b>	<b>702.68</b>	2266712	566.68
Tata Industries Ltd. ....	100	<b>451193</b>	<b>513.50</b>	451193	513.50
Tata Services Ltd. ....	1000	<b>270</b>	<b>2.70</b>	270	2.70
Carried forward .....			<b>6380.34</b>		<b>3746.43</b>

## LIST OF INVESTMENTS

Particulars	Face value Rupees	As at 31st March, 2009		As at 31st March, 2008	
		Holding	Book value Rupees ( in lacs )	Holding	Book value Rupees ( in lacs )
Brought forward .....			<b>6380.34</b>		3746.43
Tata Teleservices Ltd. ....	10	<b>4993183</b>	<b>1579.35</b>	10400000	1603.20
Tata Trustee Company Pvt.Ltd. ....	10	<b>5000</b>	<b>0.62</b>	5000	0.62
Trinity India Ltd. (Form.Trinity Die Forgers Ltd.) .....	10	<b>596049</b>	<b>65.39</b>	596049	65.39
			<b>8218.97</b>		<b>5608.91</b>
<b>PAKISTAN</b>					
Electronic & Film Equipment Co. Ltd. ...	100	<b>350</b>	—	350	—
Karachi Electric Supply Construction Ltd. .	100	<b>27.5</b>	—	27.5	—
Pakistan International Airlines Corporation 'A' .....	10	<b>5000</b>	—	5000	—
			—		—
<b>SRILANKA</b>					
Doomoo Tea Co. of Ceylon Ltd. ....	10	<b>2500</b>	*	2500	*
Estates Co. of Uva Ltd. ....	10	<b>3581</b>	*	3581	*
Great Western Tea Co.,of Ceylon Ltd. ...	10	<b>1750</b>	*	1750	*
Hunuwella Tea & Rubber Co. Ltd. ....	10	<b>3750</b>	*	3750	*
Kandyan Hills Co. Ltd. ....	10	<b>1000</b>	*	1000	*
Marigold Tea Estates Ltd. ....	10	<b>1000</b>	*	1000	*
Mayen (Ceylon) Tea & Rubber Co. Ltd. ...	10	<b>1875</b>	*	1875	*
Mirishena(Kalutara)Rubber Co. Ltd. ....	10	<b>1400</b>	*	1400	*
Mocha Tea Co.of Ceylon Ltd. ....	10	<b>1700</b>	*	1700	*
Nahavilla Estates Co. Ltd. ....	10	<b>6900</b>	*	6900	*
Neuchatel Estates Ltd. ....	7	<b>5377</b>	*	5377	*
Opalgalla Tea & Rubber Estates Ltd. ....	9	<b>3519</b>	*	3519	*
Pelmadulla Valley Tea & Rubber Co. Ltd.	10	<b>675</b>	*	675	*
Poonagalla Valley Ceylon Co. Ltd. ....	10	<b>5917</b>	*	5917	*
Roeberry Tea Co. of Ceylon Ltd. ....	10	<b>1600</b>	*	1600	*
Saffragam Rubber & Tea Co.of Ceylon Ltd.	10	<b>4000</b>	*	4000	*
St.James (Uva) Tea Co. Ltd. ....	10	<b>7800</b>	*	7800	*
Stratheden Tea Co. Ltd. ....	10	<b>9900</b>	*	9900	*
Strathspey Tea Co. Ltd. ....	10	<b>5916</b>	*	5916	*
Uplands Tea Estates of Ceylon Ltd. ....	10	<b>3600</b>	*	3600	*
Uva Highlands Tea Co. Ltd. ....	10	<b>1200</b>	*	1200	*
Vogan Tea Co. of Ceylon Ltd. ....	1	<b>12600</b>	*	12600	*
Watapota Investments PLC. ....	10	<b>2720</b>	*	2720	*
			*		*
			<b>8218.97</b>		<b>5608.91</b>
<b>EQUITY SHARES PARTLY PAID :-</b>					
<b>INDIAN</b>					
Indian Seamless Enterprise Ltd.(Rs 5/- paid)	10	—	—	33605	16.80
			—		16.80
<b>PAKISTAN</b>					
Malik Diesel Ltd.(Rs. 25/- paid) .....	50	<b>500</b>	—	500	—
			—		—
			—		16.80

**LIST OF INVESTMENTS**

Particulars	Face value Rupees	As at 31st March, 2009		As at 31st March, 2008	
		Holding	Book value Rupees ( in lacs )	Holding	Book value Rupees ( in lacs )
<b>MUTUAL FUNDS FULLY PAID :-</b>					
<b>INDIAN</b>					
Birla Sun Life Cash Plus Institutional Premium Plan (Growth) .....	10	<b>11650837</b>	<b>1606.85</b>	-	-
Birla Sun Life Savings Fund Institutional Plan (Growth) .....	10	<b>18197452</b>	<b>3000.00</b>	-	-
DWS Fixed Term Fund-Series 18 - Institutional Plan (Growth) .....	10	-	-	5000000	500.00
DWS Fixed Term Fund-Series 24 - Institutional Plan (Growth) .....	10	-	-	5000000	500.00
DWS Insta Cash Fund-Super Institutional Plan (Growth) .....	10	-	-	14021555	1450.00
HDFC Cash Management Fund-Savings Plan-Wholesale Plan (Growth) .....	10	<b>10513646</b>	<b>2000.00</b>	-	-
HDFC Fixed Maturity Plan 16M - December 2006 - Wholesale Plan (Growth)	10	-	-	5000000	500.00
HDFC Fixed Maturity Plan 367D - April 2007 - Wholesale Plan (Growth) .....	10	-	-	5000000	500.00
HDFC Liquid Fund.-Premium Plan (Growth) .....	10	<b>18086907</b>	<b>3172.05</b>	-	-
HDFC Mid-Cap Opportunities Fund (Growth) .....	10	<b>5000000</b>	<b>500.00</b>	5000000	500.00
HSBC Fixed Term Series - 21 - Institutional Plan (Growth) .....	10	-	-	5000000	500.00
HSBC Fixed Term Series - 22 - Institutional Plan (Growth) .....	10	-	-	5000000	500.00
HSBC Fixed Term Series - 23 - Institutional Plan (Growth) .....	10	-	-	5000000	500.00
HSBC Fixed Term Series - 28 - Institutional Plan (Growth) .....	10	-	-	5000000	500.00
HSBC Fixed Term Series - 33 - Institutional Plan (Growth) .....	10	-	-	10000000	1000.00
ICICI Prudential Fixed Maturity Plan - Series 34-15 months Institutional Plan (Growth) .....	10	-	-	7500000	750.00
ICICI Prudential Fixed Maturity Plan - Series 34-16 months Institutional Plan (Growth) .....	10	-	-	5000000	500.00
ICICI Prudential Fixed Maturity Plan - Series 34-17 months Institutional Plan (Growth) .....	10	-	-	5000000	500.00
ICICI Prudential Flexible Income Plan (Growth) .....	10	<b>17361396</b>	<b>2800.00</b>	-	-
ICICI Prudential Institutional Liquid Plan-Super IP (Growth) .....	10	<b>35602758</b>	<b>4500.00</b>	4253039	500.00
ICICI Prudential Interval Fund-Annual Interval Plan- 1-Institutional Plan (Growth) .....	10	-	-	5000000	500.00
Carried forward .....			<b>17578.90</b>		9200.00

## LIST OF INVESTMENTS

Particulars	Face value Rupees	As at 31st March, 2009		As at 31st March, 2008	
		Holding	Book value Rupees ( in lacs )	Holding	Book value Rupees ( in lacs )
Brought forward .....			<b>17578.90</b>		9200.00
IDFC Money Manager Fund-TP-SIP (Growth) .....	10	<b>4943285</b>	<b>511.42</b>	-	-
ING Liquid Plus Fund-Institutional Plan (Growth) .....	10	-	-	9331840	1000.00
Kotak Floater-Long Term (Growth) .....	10	<b>15564805</b>	<b>2150.00</b>	-	-
Lotus India Fixed Maturity Plan - Series 1 - 13 months Institutional Plan (Growth) .....	10	-	-	5000000	500.00
Lotus India Fixed Maturity Plan - Series 3 - 375 days Institutional Plan (Growth) .....	-	-	-	5000000	500.00
Principal Pnb Fixed Maturity Plan- 385 days-Series 5 Institutional Plan (Growth) .....	10	-	-	5000000	500.00
Reliance Fixed Horizon Fund-II-Annual Plan-Series 2 (Growth) .....	10	-	-	5000000	500.00
Reliance Fixed Horizon Fund-II-Annual Plan-Series 5 (Growth) .....	10	-	-	7500000	750.00
Reliance Fixed Horizon Fund-IV-Series 1 - Institutional Plan (Growth) .....	10	-	-	10000000	1000.00
Reliance Liquidity Fund - Institutional Plan (Growth) .....	10	<b>30763207</b>	<b>4000.00</b>	-	-
Sundaram BNP Paribas Fixed Term Plan-Series 21-16 months (Growth) .....	10	-	-	4800000	480.00
Tata Fixed Horizon Fund.-Series 6 - Scheme C (Growth) .....	10	-	-	7500000	750.00
Tata Fixed Horizon Fund.-Series 13 - Scheme C - Institutional Plan (Growth) ...	10	-	-	10000000	1000.00
Tata Fixed Horizon Fund.-Series 14 - Scheme B - Institutional Plan (Growth) ...	10	-	-	9000000	900.00
Tata Floater Fund (Growth) .....	10	<b>45545138</b>	<b>5836.00</b>	-	-
Tata Infrastructure Fund (Growth) .....	10	-	-	2000000	200.00
Tata Liquid Super High Investment Fund (Growth) .....	1000	<b>275503</b>	<b>4369.55</b>	15390	230.00
Tata Treasury Manager Fund-Super High Investment Plan (Growth) .....	1000	-	-	191018	2000.00
UTI Fixed Income Interval Fund-Annual Interval Plan-Series II Institutional Plan (Growth) .....	10	-	-	10000000	1000.00
UTI Fixed Maturity Plan YFMP - 0307 (Growth) .....	10	-	-	5000000	500.00
UTI Fixed Maturity Plan YFMP - 0407 (Growth) .....	10	-	-	10000000	1000.00
UTI Fixed Term Income Fund-Series-II- Plan 16 - Institutional Plan (Growth) ....	10	-	-	7500000	750.00
UTI Fixed Term Income Fund-Series-II- Plan 16 - Institutional Plan (Growth) ....	10	-	-	5000000	500.00
UTI Fixed Term Income Fund-Series III- Plan 20 - Institutional Plan (Growth) ....	10	<b>10000000</b>	<b>1000.00</b>	10000000	1000.00
Carried forward .....			<b>35445.87</b>		24760.00

**LIST OF INVESTMENTS**

Particulars	Face value Rupees	As at 31st March, 2009		As at 31st March, 2008	
		Holding	Book value Rupees ( in lacs )	Holding	Book value Rupees ( in lacs )
Brought forward .....			<b>35445.87</b>		24760.00
UTI Liquid Cash Plan-Institutional Plan. (Growth) .....	1000	<b>143181</b>	<b>2000.00</b>	-	-
UTI Treasury Advantage Fund- Institutional Plan.(Growth) .....	1000	<b>232173</b>	<b>2701.44</b>	-	-
			<b>40147.31</b>		<b>24760.00</b>
<b>VENTURE CAPITAL FUNDS FULLY PAID :-</b>					
Indiareit Fund. ....	100000	<b>415</b>	<b>415.00</b>	500	500.00
Milestone Real Estate Fund.(Form. Indian Real Opportunity Venture Capital Fund.) .....	1000	<b>150000</b>	<b>1500.00</b>	80000	800.00
TVS Shriram Private Equity Fund. ....	1000	<b>20000</b>	<b>200.00</b>	-	-
			<b>2115.00</b>		<b>1300.00</b>
<b>PREFERENCE SHARES FULLY PAID :- INDIAN</b>					
Roots Corporation Ltd.5% Cum.Conv. Pref.Shares. ....	100	<b>2000000</b>	<b>2000.00</b>	-	-
Tata Autocomp Systems Ltd.7% Cum. Red.(Red.20/10/2008) .....	10	-	-	10000000	1000.00
Tata Autocomp Systems Ltd.7% Cum. Red.(Red.06/11/2008) .....	10	-	-	5000000	500.00
Tata Autocomp Systems Ltd.8% Cum. Red.(Red.30/09/2012) .....	10	<b>10000000</b>	<b>1000.00</b>	-	-
Tata Autocomp Systems Ltd.8% Cum. Red.(Red.31/10/2012) .....	10	<b>5000000</b>	<b>500.00</b>	-	-
Tata Sons Ltd (the holding company) 7% Cum.(Red.30/12/2011) .....	1000	<b>100000</b>	<b>1000.00</b>	100000	1000.00
Tata Sons Ltd (the holding company) 7% Cum.(Red.31/12/2012) .....	1000	<b>200000</b>	<b>2000.00</b>	200000	2000.00
			<b>6500.00</b>		<b>4500.00</b>
			<b>56981.28</b>		<b>36185.71</b>
<b>List 3</b>					
<b>CURRENT INVESTMENTS :-</b>					
<b>QUOTED EQUITY SHARES FULLY PAID :-</b>					
Associated Cement Cos.Ltd. ....	10	-	-	50000	348.46
Infosys Technologies Ltd. ....	5	-	-	40000	552.61
ITC Ltd. ....	1	-	-	200000	314.51
Larsen & Toubro Ltd. ....	2	-	-	36500	500.51
Reliance Industries Ltd. ....	10	-	-	85000	821.22
Steel Authority of India Ltd. ....	10	-	-	50000	88.35
TAJGVK Hotels & Resorts Ltd. ....	2	<b>75000</b>	<b>152.23</b>	75000	152.23
Tata Steel Ltd. ....	10	-	-	200000	848.31
			<b>152.23</b>		<b>3626.20</b>

\* Denotes amount less than Rs.500



## SCHEDULE FORMING PART OF THE BALANCE SHEET

### SCHEDULE 'F' CURRENT ASSETS, LOANS AND ADVANCES

	Rupees (in lacs)	Rupees (in lacs)	Rupees (in lacs)	As at 31-03-2008 Rupees (in lacs)
<b>(a) Sundry Debtors:-</b> (Unsecured and considered good, less than six months)			<b>358.32</b>	-
<b>(b) Cash and Bank balances:-</b>				
With scheduled banks:				
1. On current accounts* .....	<b>107.57</b>			181.01
2. On deposit accounts .....	<b>12500.00</b>			750.00
		<b>12607.57</b>		<u>931.01</u>
With other banks, viz. Hatton National Bank Ltd., Colombo (Realisability of these balances are subject to exchange control restrictions in Sri Lanka) :-				
On current account -				
1. Maximum balance during the year Rs.0.28 lacs (Previous Year Rs.0.11 lacs) .....	<b>0.09</b>			0.02
2. On deposit account - Maximum balance during the year Rs.28.08 lacs (Previous Year Rs.25.73 lacs) .....	<b>28.08</b>			23.90
		<b>28.17</b>		<u>23.92</u>
			<b>12635.74</b>	954.93
*includes Rs.3.50 lacs (Previous Year Rs.4.08 lacs) held in Escrow account towards matured deposits.				
<b>(c) Other Current Assets:-</b>				
(i) Dividends declared but not received .....		-		2.00
(ii) Interest accrued but not due .....		<b>466.26</b>		16.33
			<b>466.26</b>	<u>18.33</u>
<b>(d) Loans and Advances:-</b> (Unsecured and considered good)				
(i) Loan to employees .....		<b>17.36</b>		20.06
ii) Intercompany deposits .....		<b>9500.00</b>		1175.00
(iii) Interest accrued on loans and deposits .....		<b>542.55</b>		21.12
(iv) Advances recoverable in cash or in kind or for value to be received .....		<b>469.07</b>		29.11
(v) Advance taxes (net of provisions) .....		<b>84.74</b>		95.99
(vi) Advance fringe benefit tax (net of provisions) .....		<b>2.84</b>		1.34
			<b>10616.56</b>	<u>1342.62</u>
			<b>24076.88</b>	<u>2315.88</u>

**SCHEDULE FORMING PART OF THE BALANCE SHEET  
AS AT 31ST MARCH, 2009**
**SCHEDULE 'G' CURRENT LIABILITIES AND PROVISIONS**

	Rupees (in lacs)	Rupees (in lacs)	Rupees (in lacs)	As at 31-03-2008 Rupees (in lacs)
<b>(a) Current Liabilities:-</b>				
(i) Sundry creditors (other than micro and small enterprises) [See Note (i) below] .....		<b>322.06</b>		251.04
(ii) Investor Education and Protection Fund shall be credited by the following [See Note (ii) below] :-				
a) Unpaid dividends .....	<b>75.45</b>			67.60
b) Unpaid matured deposits .....	<b>2.45</b>			2.45
c) Unpaid matured debentures (including premium of redemption) .....	<b>0.30</b>			0.33
d) Interest accrued on (a) to (c) above .....	<b>1.05</b>			1.62
		<b>79.25</b>		72.00
(iii) Other liabilities .....	<b>14.48</b>			9.19
			<b>415.79</b>	323.23
<b>(b) Provisions:-</b>				
(iv) Employee benefits .....		<b>209.15</b>		219.59
(v) Proposed dividend .....		<b>5169.06</b>		5169.06
(vi) Tax on proposed dividend .....		<b>878.48</b>		878.48
(vii) Provision for taxation (net of advance taxes) .....		<b>44.15</b>		46.62
			<b>6300.84</b>	6313.75
			<b>6716.63</b>	6645.98

**Notes:**

- i. None of the creditors have declared themselves under the Micro, Small and Medium Enterprises Development Act, 2006.  
The above information has been determined to the extent such parties have been identified on the basis of information available with the Company. This has been relied upon by the auditors.
- ii. The actual amount to be transferred to the Investor Education and Protection Fund in respect of items (ii) (a) to (d) shall be determined on the due dates.
- iii. Cheques had been issued by the Company in respect of items (ii) (a) to (d) which have not been encashed by the respective parties.

**SCHEDULE FORMING PART OF THE PROFIT AND LOSS ACCOUNT  
FOR THE YEAR ENDED 31ST MARCH, 2009**

**Schedule 'H' INTEREST (NET)**

	<b>Rupees (in lacs)</b>	<b>Rupees (in lacs)</b>	As at 31-03-2008 Rupees (in lacs)
Interest Received :-			
(i) On Long term Investments [Tax deducted at source Rs.2.67 lacs - (Previous Year Rs.3.01 lacs) .....	<b>213..94</b>		51.96
(ii) On Loans and Advances [Tax deducted at source Rs.539.50 lacs - (Previous Year Rs.36.30 lacs)] .....	<b>2410.30</b>		246.36
		<b>2624.24</b>	298.32
Less: Interest paid on :-			
l) On Fixed Loans and Fixed Deposits .....	-		0.98
li) On Others .....	-		1.28
		<b>-</b>	<b>2.26</b>
		<b>2624.24</b>	<b>296.06</b>

**SCHEDULE FORMING PART OF THE PROFIT AND LOSS ACCOUNT  
FOR THE YEAR ENDED 31ST MARCH, 2009**

**Schedule 'I' PAYMENTS TO AND PROVISIONS FOR EMPLOYEES**

	<b>Rupees (in lacs)</b>	Previous Year Rupees (in lacs)
(1) Salaries .....	<b>296.29</b>	292.96
(2) Contributions to provident and other funds .....	<b>26.82</b>	25.31
(3) Employees' welfare .....	<b>43.02</b>	47.26
(4) Retiring gratuities including contribution to gratuity fund .....	<b>33.14</b>	9.65
	<b>399.27</b>	375.18

**SCHEDULE FORMING PART OF THE PROFIT AND LOSS ACCOUNT  
FOR THE YEAR ENDED 31ST MARCH, 2009**
**Schedule 'J' OTHER EXPENDITURE**

	Rupees (in lacs)	Rupees (in lacs)	Previous Year Rupees (in lacs)
(1) Miscellaneous [includes loss on foreign exchange Rs.Nil; (Previous Year Rs.1.82 lacs)]		<b>240.11</b>	192.14
(2) Donations		<b>75.35</b>	127.30
(3) Insurance		<b>0.96</b>	0.96
(4) Rent		<b>0.51</b>	0.51
(5) Commission/Sitting fees to non-whole time directors (See Note 11 to Schedule K)		<b>59.85</b>	43.35
(6) Repairs and Maintenance :			
a) Plant and Machinery	<b>2.75</b>		1.61
b) Buildings	<b>1.18</b>		1.04
c) Others	<b>5.42</b>		5.15
		<b>9.35</b>	7.80
(7) Auditors' Remuneration :			
(i) Statutory Auditors*			
a) Audit fees	<b>7.50</b>		7.50
b) Tax audit fees	<b>2.00</b>		2.00
c) Other services	<b>5.75</b>		5.40
d) Service tax	<b>1.68</b>		1.90
e) Out-of-pocket expenses	-		0.46
		<b>16.93</b>	17.26
(ii) Fees paid to Internal Auditors	<b>3.37</b>		1.68
		<b>20.30</b>	18.94
(8) Rights Issue expenses [includes amount paid to Statutory Auditors* for other services (Rs. 25.00 lacs net of service tax of Rs.3.09 lacs) (Previous Year Rs.Nil)]	<b>382.07</b>		-
Less: Adjusted against Securities Premium Account	<b>382.07</b>	-	-
		<b>406.43</b>	391.00

\*includes payment made to a firm in which some of the partners of the audit firm are partners.

**NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31ST MARCH, 2009**

1. Significant Accounting Policies:

(i) Basis of Preparation of Financial Statements.

The financial statements have been prepared on the historical cost convention, on an accrual basis and comply in all material respect with the Accounting Standards notified by Companies (Accounting Standard) Rules, 2006 and the relevant provisions of the Companies Act, 1956.

(ii) The preparation of the financial statements requires the management to make estimates and assumptions considered in the reported amounts of assets and liabilities (including the contingent liabilities) and the reported income and expenses during the reporting period. The Management believes that the estimates used in the preparation of the financial statements are prudent and reasonable. The differences between the actual results and the estimates are recognised in the periods in which the results are known / materialise.

(iii) Fixed assets are stated at cost less accumulated depreciation provided on the written down value method at the following rates:-

	(% p.a.)
(a) Building .....	5
(b) Furniture, Fixtures and Equipment .....	100
(c) Motor Cars .....	26
(d) Plant and Machinery .....	40

(iv) Income from Dividend is accounted as and when such dividend has been declared and the Company's right to receive payment is established.

Interest income is recognised on a time proportion basis, taking into account the amount outstanding and the rate applicable.

(v) a) Short-term employee benefits are recognised as an expense at the undiscounted amount in the profit and loss account of the period in which the related service is rendered.

b) Contributions under Defined Contribution Plans are recognised in the Profit and Loss Account in the period in which the employee has rendered the service.

c) Company's liability towards Defined Benefit Plans / Long term compensated absences is determined by an independent actuary using the projected unit credit method. Past services are recognised on a straight line basis over the average period until the benefits become vested. Actuarial gains and losses are recognised immediately in the statement of Profit and Loss Account as income or expense. Obligation is measured at the present value of estimated future cash flows using a discounted rate that is determined by reference to the market yields at the Balance Sheet date on Government Bonds where the currency and terms of the Government Bonds are consistent with the currency and estimated terms of the defined benefit obligation.

(vi) a) Long Term investments are stated at average cost except where there is a diminution other than temporary, for which provision is made.

b) Current investments are stated at the lower of cost and fair value, considered category wise.

(vii) Income tax expense comprises current tax and deferred tax charge or credit. The current tax is determined as the amount of tax payable in respect of the estimated taxable income for the period. The deferred tax charge or credit is recognised using prevailing enacted or substantively enacted tax rates. Where there is unabsorbed depreciation or carry forward losses, deferred tax assets are recognised only if there is virtual certainty of realisation of such assets. Other deferred tax assets are recognised only to the extent there is reasonable certainty of realisation in future. Deferred tax assets/liabilities are reviewed at each balance sheet date based on developments during the year and available case laws to reassess realisation/liabilities.

2. In accordance with the High Court Orders dated 27th September, 2002 and 30th January, 2009 and the Accounting Practice adopted earlier, provision for diminution in the value of investments amounting to Rs.2185.68 lacs (Previous Year Rs.Nil) has been debited to the securities premium account instead of Profit and Loss Account as prescribed under Accounting Standard (AS) 13 on 'Accounting for Investments'. Consequently, the profits for the year is higher to that extent.

Further an amount of Rs. Nil (Previous Year Rs. 42.24 lacs) has been credited to the securities premium account being write back of provision for diminution in value of certain investments no longer required, which had been debited to such account in earlier years.

	Rupees (in lacs)	Previous Year Rupees (in lacs)
<b>3. Contingent Liabilities -</b>		
a) Uncalled liability on partly paid shares, debentures and bonds .....	0.13	16.93
b) Income Tax matters decided in the Company's favour by appellate authorities, where the department is in further appeal .....	9.49	430.19
c) Claims against the Company not acknowledged as debts in respect of income-tax matters .....	-	33.61
<b>4. Expenditure in foreign currency .....</b>		
a) For professional fees .....	0.09	0.09
b) For bank charges .....	0.02	-
<b>5. Earnings in foreign currency -</b>		
a) Sale proceeds of investments [net profit on sale Rs. 248.72 lacs (Previous Year Rs. 698.25 lacs)] .....	580.58	700.58
b) Interest received on deposits .....	3.80	3.59
c) Dividend received (kept in Suspense, pending receipt in India) .....	0.15	0.09

6. Foreign exchange currency exposures not covered with regard to the deposit placed with Hatton National Bank, Colombo, of Sri Lankan Rs.64.25 lacs; Previous Year Sri Lankan Rs.64.25 lacs (Equivalent Indian Rs.28.08 lacs; Previous Year Equivalent Indian Rs.23.90 lacs).
7. As the Company has no activities other than those of an investment company, the segment reporting under Accounting Standard 17 – “Segment Reporting” is not applicable. The Company does not have any reportable geographical segment.
8. In terms of the Letter of Offer, the Rights Issue proceeds of Rs.44774.23 lacs received during the year have been utilised towards the objects of the issue of Zero Coupon Convertible Bonds (ZCCB) to make investments in a diversified portfolio of quoted and unquoted securities including equity shares / equity-linked securities, mutual funds, debenture / bonds, government securities, preference shares, deposits in companies and includes issue related expenses.

**9. Related Parties Disclosures**
**a) List of Related Parties and Relationship**
**Promoter and holding company**

Tata Sons Ltd.

**Associates**

Tata Asset Management Ltd.

Tata Trustee Company Pvt. Ltd.

Landmark Ltd. (from 2.5.2008 till 26.3.2009)

**Key Management Person (KMP)**

Mr. M. J. Kotwal

**Other subsidiaries of Promoter :- (with whom the Company has transactions)**

- |   |  |
|---|--|
| 1. Ewart Investments Limited              | 2. Infiniti Retail Limited                 |
| 3. Panatone Finvest Limited               | 4. Tata Consultancy Services Limited       |
| 5. Tata Realty and Infrastructure Limited | 6. Tata Securities Limited                 |
| 7. Tata Sky Limited                       | 8. Tata Teleservices (Maharashtra) Limited |
| 9. Tata Teleservices Limited              |  |

**b) Related Party Transactions**

Rupees (in lacs)

	2008-09				2007-08			
	Promoter	Associates	Other Subsidiaries of Promoter	KMP	Promoter	Associates	Other Subsidiaries of Promoter	KMP
1. Subscription to equity/preference shares/ convertible debentures	—	39.70	—	—	2000.00	—	107.33	—
2. Redemption proceeds of preference shares	—	—	—	—	1000.00	—	—	—
3. Dividends received	207.50	342.25	32.53	—	138.90	236.95	—	—
4. Dividends Paid	2842.14	—	81.51	0.23	2090.50	—	—	1.44
5. Standby arrangement fees received	112.36	—	—	—	—	—	—	—
6. Paid for services rendered in connection with Rights Issue	28.09	—	—	—	—	—	—	—
7. Deposits placed	5000.00	—	11000.00	—	—	—	1100.00	—
8. Deposits withdrawn	—	—	7600.00	—	—	—	—	—
9. Interest on deposit placed	250.07	—	464.07	—	—	—	15.94	—
10. Purchase of investments	270.66	—	—	—	—	—	—	—
11. Subscription towards zero coupon convertible bonds	40010.82	—	706.45	5.14	—	—	—	—
12. Brand equity subscription expense	59.55	—	—	—	59.00	—	—	—
13. Rent Reimbursement	0.51	—	—	—	0.51	—	—	—
14. Brokerage paid	—	—	4.40	—	—	—	1.14	—
15. Telephone call charges	—	—	1.03	—	—	—	0.18	—
16. Other expenses	44.49	—	—	—	33.24	—	—	—
17. Remuneration paid	—	—	—	70.93	—	—	—	65.21
<b>Debit balance outstanding at year end</b>								
<b>outstanding receivables</b>	5102.31	—	4529.33	—	—	—	1115.94	—
<b>Credit balance outstanding at year end</b>								
<b>outstanding payables</b>	147.68	—	0.07	25.00	101.09	—	0.05	25.00

c) Details of material related party transactions included in (b) above

Rupees (in lacs)

	2008-2009		2007-2008	
	Associates	Other subsidiaries of Promoter	Associates	Other subsidiaries of Promoter
<b>Subscription to equity / preference shares / convertible debentures</b>				
Landmark Ltd.	39.70	—	—	—
<b>Dividends received</b>				
Tata Asset Management Ltd.	342.25	—	236.95	—
<b>Deposits placed</b>				
Panatone Finvest Ltd.	—	1500.00	—	1100.00
Infiniti Retail Ltd.	—	3000.00	—	—
Tata Realty and Infrastructure Ltd.	—	5000.00	—	—
<b>Deposits withdrawn</b>				
Panatone Finvest Ltd.	—	2600.00	—	—
Infiniti Retail Ltd.	—	1000.00	—	—
Tata Realty and Infrastructure Ltd.	—	2500.00	—	—
Tata Sky Ltd.	—	1500.00	—	—
<b>Interest on deposit placed</b>				
Panatone Finvest Ltd.	—	132.08	—	15.94
Tata Realty & Infrastructure Ltd.	—	250.27	—	—
<b>Brokerage paid</b>				
Tata Securities Ltd.	—	4.40	—	1.14
<b>Telephone call charges</b>				
Tata Teleservices (Maharashtra) Ltd.	—	1.03	—	0.18

10. Deferred Tax Assets have not been recognised, as there is no reasonable certainty for setting off the same, considering the present tax status of the Company.

11. **Managerial Remuneration :**

(a) COMPUTATION OF NET PROFITS UNDER SECTION 309(5)  
READ WITH SECTION 349 OF THE COMPANIES ACT, 1956.

	Rupees (in lacs)	Previous Year Rupees (in lacs)
Profit before taxes per Profit and Loss Account	20347.33	20231.41
Add: Non-whole time Directors' remuneration [including sitting fees of Rs.15.10 lacs; (Previous Year Rs.7.60 lacs) and net of excess provision of previous year of Rs.0.25 lac; (Previous Year Rs.2.00 lacs)]	59.85	43.35
Whole time Directors' remuneration	70.93	65.21
Provision for diminution in value of investments	183.70	—
	20661.81	20339.97
Less: Net Profit on sale of investments	13017.78	16541.56
Net Profit on sale of fixed assets	0.05	0.65
	7643.98	3797.76
1% of above	76.44	37.98
<b>Commission to the Non-Whole time Directors</b>	<b>45.00</b>	<b>37.75</b>

(b) Remuneration, commission, perquisites and contribution to Provident and Superannuation Funds in respect of the Whole time Director (excluding gratuity, leave salary provision and group insurance premium) included in the Profit and Loss Account is Rs.70.93 lacs (Previous Year Rs.65.21 lacs), as per details given below :-

	Rupees (in lacs)	Previous Year Rupees (in lacs)
Remuneration	37.52	32.72
Commission	25.00	25.00
Perquisites	3.87	3.45
Contribution to Provident and Superannuation Funds	4.54	4.04
	70.93	65.21

**12. Employee benefits :**

Defined benefit Plans – As per actuarial valuation as at 31st March, 2009

		Previous Year					
		Gratuity (Funded)	Long Service Award (Non- Funded)	Compensated Absences (Non- Funded)	Gratuity (Funded)	Long Service Award (Non- Funded)	Compensated Absences (Non- Funded)
		Rupees (In lacs)	Rupees (In lacs)	Rupees (In lacs)	Rupees (In lacs)	Rupees (In lacs)	Rupees (In lacs)
A	Expenses recognised in the statement of Profit and Loss Account for the year						
	1. Current service cost .....	8.07	—	5.24	6.07	—	1.35
	2. Interest cost .....	8.04	2.40	14.07	6.74	2.23	11.92
	3. Expected return on plan assets .....	(7.36)	—	—	(7.56)	—	—
	4. Net actuarial (gain)/loss recognised during the year .....	24.39	4.71	(26.51)	4.40	3.70	19.50
	5. Expenses / (Income) recognised in Profit and Loss Account (Schedule 'I') .....	33.14	7.11	(7.20)	9.65	5.93	32.77
B	Actual return on plan assets for the year						
	1. Expected return on plan assets .....	7.36	—	—	7.56	—	—
	2. Actuarial gain / (loss) on plan assets .....	—	—	—	—	—	—
	3. Actual return on plan assets .....	7.36	—	—	7.56	—	—
C	Net Asset/(Liability) recognised in the Balance Sheet at the end of the year						
	1. Present value of the Defined Benefit obligation .....	143.19	36.59	172.56	107.14	32.06	187.53
	2. Fair value of plan assets .....	143.19	—	—	107.14	—	—
	3. Net Asset / (Liability) recognised in the Balance Sheet .....	—	(36.59)	(172.56)	—	(32.06)	(187.53)
D	Changes in Defined Benefit Obligation during the year						
	1. Present value of the Defined Benefit obligation at the beginning of the year	107.14	32.06	187.53	89.93	29.81	158.90
	2. Current service cost .....	8.07	—	5.24	6.07	—	1.35
	3. Interest cost .....	8.04	2.40	14.07	6.74	2.23	11.92
	4. Benefits Paid .....	(4.45)	(2.58)	(7.77)	—	(3.68)	(4.14)
	5. Actuarial (gain)/loss on obligation .....	24.39	4.71	(26.51)	4.40	3.70	19.50
	6. Present value of obligation as at the end of the year .....	143.19	36.59	172.56	107.14	32.06	187.53
E	Changes in Fair Value of Plan Asset during the year						
	1. Fair value of plan assets at the beginning of the year .....	107.14	—	—	89.93	—	—
	2. Expected return on plan assets .....	7.36	—	—	7.56	—	—
	3. Contributions made .....	33.14	—	—	9.65	—	—
	4. Benefits Paid .....	(4.45)	—	—	—	—	—
	5. Actuarial (gain)/loss on plan assets .....	—	—	—	—	—	—
	6. Fair value of plan assets at the end of the year .....	143.19	—	—	107.14	—	—
F	Major Categories of plan assets as a percentage of total plan assets						
	1. Central Government Securities .....	28.14%	—	—	26.91%	—	—
	2. State Government Securities .....	—	—	—	1.05%	—	—
	3. Public Sector Bonds .....	50.71%	—	—	60.59%	—	—
	4. Cash at Bank .....	21.15%	—	—	11.45%	—	—
G	Actuarial assumptions						
	1. Discount rate .....	7.50%	7.50%	7.50%	7.50%	7.50%	7.50%
	2. Expected rate of return on plan assets	8.00%	—	—	8.00%	—	—
	3. Salary Escalation .....	7.50%	7.50%	7.50%	5.00%	5.00%	5.00%

**Notes :**

- Gratuity is administered through a trust fund recognised by the Income Tax Act, 1961.
- Future salary increases considered in actuarial valuation take into account inflation, seniority, promotion and other retirement factors.
- The expected rate of return on plan assets is based on expectation of the average long term rate of return expected on investments of the Fund during the estimated term of the obligations.



- d) The detail of experience adjustments relating to plan assets and liabilities are not readily available.  
e) The above information is certified by actuary and relied upon by statutory auditors.  
f) The Company has recognised the following amounts in the Profit and Loss Account. (Details in Schedule 'I')

	(Rs. In lacs)	Previous Year (Rs. In lacs)
Compensated absences and long service awards (included under salaries) .....	(0.09)	38.70
Retiring gratuities including contribution to gratuity fund .....	33.14	9.65
Contributions to – provident and other funds include		
– Provident Fund .....	12.57	11.84
– Superannuation Fund .....	14.22	13.42
– Employees' State Insurance Scheme .....	0.04	0.05
	<b>As at</b>	As at
	<b>31.3.2009</b>	31.3.2008

**13. Details of Earnings per share :-**

i) Profit Computation for both basic and diluted earnings per share of Rs.10/- Net Profit as per Profit and Loss Account available for Ordinary shareholders Rupees (in lacs)	<b>18629.02</b>	18585.20
ii) Weighted average number of Ordinary shares for computing –		
a) Basic earnings per share	<b>3,44,60,388</b>	3,44,60,388
b) Diluted earnings per share	<b>4,07,25,949</b>	3,44,60,388
iii) Earnings per Ordinary share (Weighted average) (As per Accounting Standard 20 – Earnings Per Share)		
Basic (Rupees)	<b>54.06</b>	53.93
Diluted (Rupees)	<b>45.74</b>	53.93

14. All Investments disclosed under Schedule 'E' are Trade Investments.

**15. BALANCE SHEET ABSTRACT AND COMPANY'S GENERAL BUSINESS PROFILE**

**I. Registration Details**

Registration No. 011-2622      State Code 11  
Maharashtra  
Balance Sheet Date:              31.3.2009

II. Capital raised during the year (Rupees in lacs) Nil (excludes Rs.44774.23 lacs received for zero coupon fully convertible bonds)

**III. Position of Mobilisation and Deployment of Funds (Rupees in lacs)**

Total Liabilities (Excludes Current Assets)	Total Assets (Net of Current Liabilities)
139300.83	139300.83
<b>Sources of Funds</b>	<b>Application of Funds</b>
Paid up capital	Net Fixed Assets
3446.04	18.60
Reserves & Surplus	Investments
91080.56	121921.98
	Net Current Assets
	17360.25
Secured Loans	Miscellaneous Expenditure
44774.23	Nil
Unsecured Loans	Accumulated Losses
Nil	Nil

**IV. Performance of Company (Rupees in lacs)**

Turnover [excludes Miscellaneous Income but includes profit on sale of assets and interest (net)]
21232.70
Total Expenditure
997.00
Profit before tax
20347.33
Profit after tax
18629.02
Basic Earnings per share in Rs. (Details as per item 13 above)
Dividend Rate %
150

**V. Generic Names of Three Principal Products/Services of Company (as per monetary terms)**

Not applicable

16. The following additional information (other than what is already disclosed elsewhere) is disclosed in terms of RBI Circular (Ref. No.DBNS.200/CGM CPR-2008) dated 1st August, 2008.

**(a) Capital to Risk Assets Ratio (CRAR) -**

Items	Current Year*	Previous Year
i) CRAR (%) .....	106.65	94.69
ii) CRAR – Tier I capital (%) .....	71.48	94.69
iii) CRAR – Tier II capital (%) .....	35.17	–

\*NBS-7 return yet to be filed.

**(b) Exposure to Real Estate Sector –**

Category		Current Year	Previous Year
		(Rs. In lacs)	
a)	Direct exposure		
	i) Residential Mortgages –		
	Lending fully secured by mortgages on residential property that is or will be occupied by the borrower or that is rented; (Individual housing loans upto Rs. 15 lacs may be shown separately)	–	–
	(ii) Commercial Real Estate –		
	Lending secured by mortgages on commercial real estates (office buildings, retail space, multipurpose commercial premises, multi-family residential buildings, multi-tenanted commercial premises, industrial or warehouse space, hotels, land acquisition, development and construction, etc.). Exposure would also include non-fund based (NFB) limits;	–	–
	(iii) Investments in Mortgage Backed Securities (MBS) and other securitised exposures -		
	a. Residential,	–	–
	b. Commercial Real Estate.	–	–
b)	Indirect Exposure		
	Fund based and non-fund based exposures on National Housing Bank (NHB) and Housing Finance Companies (HFCs) #	2175.32	1069.57

# represents investments in equity shares/bonds.

**(c) Asset Liability Management -**
**Maturity pattern of certain items of assets and liabilities as on 31.3.2009**

(Rs. In crores)

	1 day to one month	Over one month to 2 months	Over 2 months to 3 months	Over 3 months to 6 months	Over 6 months to 1 year	Over 1 year to 3 years	Over 3 years to 5 years	Over 5 years	Total
<b>Liabilities</b>									
Borrowings from banks	–	–	–	–	–	–	–	–	–
Market Borrowings	–	–	–	–	–	–	–	–	–
<b>Assets</b>									
Advances	50.79	–	45.23	–	–	–	–	–	96.02
Investments @	396.47	–	–	–	0.36	44.61	–	123.07	564.51

@ Equity shares and fully convertible preference shares amounting to Rs.654.71 crores, are not included above, since there is no set maturity pattern for the same.

In compiling the information in the above note, certain assumptions have been made by the Company and the same have been relied upon by the Auditors.

17. Previous year's figures have been regrouped wherever necessary.



— (Rs. in lacs) —

	Amount outstanding	— Previous Year — Amount outstanding
<b>Long Term investments :</b>		
<b>1. Quoted :</b>		
(i) Shares : (a) Equity .....	51191.78	44898.44
(i) Shares : (b) Preference .....	2824.98	2824.98
(ii) Debentures/Bonds .....	9684.42	689.72
(iii) Units of mutual funds .....	68.81	100.27
(iv) Government Securities .....	—	—
(v) Others .....	—	—
<b>2. Unquoted :</b>		
(i) Shares : (a) Equity .....	7953.94	5301.60
(i) Shares : (b) Preference .....	6500.00	4500.00
(ii) Debentures and Bonds .....	—	—
(iii) Units of mutual funds .....	40047.31	24760.00
(iv) Government Securities .....	—	—
(v) Others : (a) Application Money .....	1500.00	817.84
(v) Others : (b) Units of venture capital fund .....	2115.00	1300.00
<b>TOTAL .....</b>	<b>121921.98</b>	<b>88819.05</b>

**(6) Borrower group-wise classification of all leased assets, stock-on-hire and loans and advances (including other Current Assets) (Amount net of provisions)**

	Secured	Unsecured	Total	— Previous Year —		
	Secured	Unsecured	Total	Secured	Unsecured	Total
<b>1. Related Parties</b>						
a) Subsidiaries .....	—	—	—	—	—	—
b) Companies in the same group .....	—	4529.33	4529.33	—	1115.94	1115.94
c) Other related parties .....	—	5102.31	5102.31	—	—	—
<b>2. Other than related parties .....</b>						
<b>TOTAL .....</b>	<b>—</b>	<b>14445.24</b>	<b>14445.24</b>	<b>—</b>	<b>1199.94</b>	<b>1199.94</b>

**(7) Investor group-wise classification of all investments (current and long term) in shares and securities (both quoted and unquoted) :**

Category	Market Value/ Break up or fair value or NAV		Book Value (Net of Provisions)		— Previous Year —	
					Market Value/ Break up or fair value or NAV	Book Value (Net of Provisions)
<b>1. Related Parties</b>						
a) Subsidiaries .....	—	—	—	—	—	—
b) Companies in the same group .....	24926.98	5260.36	23505.86	4465.73	—	—
c) Other related parties .....	8807.32	3193.27	9345.59	3193.27	—	—
<b>2. Other than related parties .....</b>						
<b>TOTAL .....</b>	<b>182892.90</b>	<b>113468.35</b>	<b>272803.72</b>	<b>81160.05</b>	<b>—</b>	<b>—</b>

**(8) Other Information**

	Previous Year
<b>(i) Gross Non-Performing Assets</b>	
(a) Related parties	—
(b) Other than related parties	—
<b>(ii) Net Non-Performing Assets</b>	
(a) Related parties	—
(b) Other than related parties	—
(iii) Assets acquired in satisfaction of debt	—

 Signatures to Schedules A to K,  
Lists 1 to 3 and Schedule as per  
NBFC Prudential Norms (RBI)  
Directions, 1998

Mumbai, 20th May, 2009.

 M.J. KOTWAL  
Executive Director &  
Secretary

For and on behalf of the Board,

N.A. SOONAWALA Chairman

 A.B.K. DUBASH  
K.N. SUNTOOK  
K.A. CHAUKAR  
F.N. SUBEDAR  
H.N. SINOR  
A.N. DALAL  
Directors

## FINANCIAL STATISTICS

(For the last 20 years)  
(Rupees in lacs)

Year	Paid up Capital	Reserves and Surplus	Total Borrowings	Investments (at or below cost)	Net Fixed, Net Current and Deferred tax Assets	Total Income (including net interest)	Total Expenses (including net interest)	Profit before tax	Profit after tax	Dividend/ Dividend Tax	Dividend on Ordinary Shares (%)	Realisable value of investments	Debt/ Equity ratio	Number of companies invested in (excluding mutual fund units)
1989-90	396.73	1834.46	1740.12	3941.97	29.34	538.29	182.03	356.26	280.30	99.18	25	13292	0.78:1	253
1990-91	488.34	2648.68	1659.53	4306.87	489.68	1056.26	163.60	892.66	747.81	119.49	27	18847	0.53:1	278
1991-92	534.14	4130.07	2519.12	5266.72	1916.61	1826.30	173.66	1652.64	1490.75	160.24	30	59397	0.54:1	313
1992-93	641.65	5070.11	3171.37	8284.86	598.27	1161.52	172.55	988.97	769.45	205.76	35	32535	0.56:1	318
1993-94	749.16	6411.55	3009.50	9479.26	690.95	1959.70	438.56	1521.14	1241.57	278.16	40	57618	0.42:1	333
1994-95	1223.74	10392.59	1258.00	11208.45	1665.88	2474.53	291.00	2183.53	1692.27	406.45	35	55210	0.11:1	395
1995-96	1223.74	11742.45	2274.15	12744.09	2496.25	2541.06	205.69	2335.37	1778.17	428.31	35	53056	0.18:1	419
1996-97	1223.74	13118.45	2087.91	13591.59	2838.51	2835.32	401.93	2433.39	1981.73	605.75	45	42691	0.15:1	410
1997-98	1243.13	15413.49	2778.84	17084.43	2351.03	2716.28	563.98	2152.30	2005.98	615.35	45	44749	0.17:1	441
1998-99	1243.13	16991.09	2144.40	18847.74	1530.88	2832.33	398.45	2433.88	2267.54	689.94	50	41707	0.12:1	429
1999-00	1641.01	21331.23	3490.66	26881.99	(419.09)	4672.76	710.50	3962.26	3720.98	1507.41	60	72170	0.15:1	409
2000-01	1641.01	24416.19	1421.72	27322.59	156.33	4480.76	398.16	4082.60	4112.72	1085.03	60	46401	0.05:1	353
2001-02	1969.18	28619.95	3193.73	30003.04	3779.82	5032.73	521.01	4511.72	4396.73	1085.03	60	49982	0.10:1	308
2002-03	2297.36	32516.38	1019.94	31693.13	4140.55	5280.11	341.21	4938.90	4582.38	1181.51	60	54511	0.03:1	253
2003-04	2297.36	37946.15	3875.18	45501.06	(1382.37)	9036.69	486.62	8550.07	8055.68	2617.62	101	118476	0.10:1	238
2004-05	2297.36	46357.29	633.70	51652.21	(2363.86)	11918.47	528.63	11389.84	11237.53	3148.25	120	149005	0.01:1	237
2005-06	3446.04	56807.47	417.89	62462.40	(1791.00)	17087.84	628.56	16459.28	16314.07	4715.21	120	243807	0.01:1	231
2006-07	3446.04	68635.94	53.31	75358.83	(3223.54)	20413.52	639.93	19773.59	18164.87	6047.54	150	221000	0.01:1	229
2007-08	3446.04	81066.83	-	88819.05	(4306.18)	21007.65	776.24	20231.41	18585.20	6047.54	150*	306572+	0.00:1	184
2008-09	3446.04	91080.56	44774.23*	121921.98	17341.65	21344.33	997.00	20347.33	18629.02	6047.54	150**	216627+	0.00:1***	178

Note: Previous years' figures have been re-grouped wherever necessary.

\* Comprises only Zero Coupon Convertible Bonds.

\*\* Subject to shareholders approval.

\*\*\* Zero coupon fully convertible bonds not considered as debt.

+ Please see Para 5 of the Directors' Report.

## SUMMARY OF INVESTMENTS

DISTRIBUTION AMONG DIFFERENT INDUSTRIES AND CLASSES OF SECURITIES  
(Quoted and Unquoted Investments)

	As on 3/31/2009 (%)	As on 3/31/2008 (%)
<b>I. Distribution among different industries as a percentage to the book value -</b>		
Banks .....	<b>2.54</b>	3.75
Cement .....	<b>0.46</b>	1.19
Chemicals and Fertilizers .....	<b>3.90</b>	5.64
Electricity and Transmission .....	<b>1.94</b>	2.44
Electricals and Electronics .....	<b>1.16</b>	1.52
Engineering & Infrastructure .....	<b>1.35</b>	2.47
Fast Moving Consumer Goods .....	<b>2.25</b>	3.82
Finance and Investments .....	<b>5.80</b>	8.14
Healthcare .....	<b>0.77</b>	1.59
Hotels .....	<b>5.30</b>	5.80
Information Technology .....	<b>3.20</b>	6.11
Media .....	<b>0.18</b>	0.12
Metals & Mining .....	<b>5.81</b>	7.72
Motor Vehicles and Ancillaries .....	<b>9.10</b>	4.45
Oil and Natural Resources .....	<b>2.23</b>	4.36
Paper, Printing & Packaging .....	<b>0.08</b>	0.20
Telecommunications .....	<b>1.95</b>	2.71
Textiles .....	<b>0.43</b>	0.62
Transportation and Logistics .....	<b>1.72</b>	1.77
Miscellaneous and Diversified .....	<b>8.20</b>	5.56
Mutual Funds/Venture Capital Funds .....	<b>33.88</b>	29.25
Debentures/Bonds .....	<b>7.75</b>	0.77
	<b>100.00</b>	<b>100.00</b>
<b>II. Distribution among classes of securities as a percentage to the book value -</b>		
Debentures/Bonds .....	<b>7.75</b>	0.77
Preference Shares .....	<b>7.47</b>	8.19
Mutual Funds/Venture Capital Funds .....	<b>33.88</b>	29.25
Equity Shares .....	<b>50.90</b>	61.79
	<b>100.00</b>	<b>100.00</b>





# TATA INVESTMENT CORPORATION LIMITED

Regd. Office : Ewart House, 22, Homi Mody Street, Fort, Mumbai 400 001

## Attendance Slip

I hereby record my presence at the SEVENTY-SECOND ANNUAL GENERAL MEETING of the Company at Homi J. H. Taleyrkhan Auditorium at 3.30 p.m. on Wednesday, 8<sup>th</sup> July 2009.

SIGNATURE OF THE ATTENDING MEMBER/PROXY

- NOTES:
1. Shareholder/Proxyholder wishing to attend the meeting must bring this Attendance Slip to the Meeting and hand it over at the entrance duly signed.
  2. Shareholder/Proxyholder desiring to attend the meeting should bring his copy of the Annual Report for reference at the meeting.

# TATA INVESTMENT CORPORATION LIMITED

Regd. Office : Ewart House, 22, Homi Mody Street, Fort, Mumbai 400 001

## Proxy

I/We .....

of ..... in the district of .....

being a Member/Members of the above named Company, hereby appoint .....

..... of ..... in the district of ..... or failing him

..... of ..... in the district of .....

..... as my/our Proxy to attend and vote for me/us and on my/our behalf at the Seventy-second Annual General Meeting of the Company, to be held on Wednesday, 8th July, 2009 and at any adjournment thereof.

Signed this ..... day of ..... 2009.

Folio No.: ..... # DP ID No. .... # Clinet ID No. ....

No. of Shares : .....

This form is to be used ..... \*in favour of ..... the resolution. Unless otherwise instructed, the Proxy will act as he thinks fit.

..... \*against

\*Strike out whichever is not desired.

#Applicable for shares held in electronic form.

Signature .....

Rupee  
One  
Revenue  
Stamp

NOTES: The Proxy must be returned so as to reach the Registered Office of the Company at Ewart House, 22, Homi Mody Street, Fort, Mumbai 400 001, not less than FORTY-EIGHT HOURS before the time for holding the aforesaid meeting.

